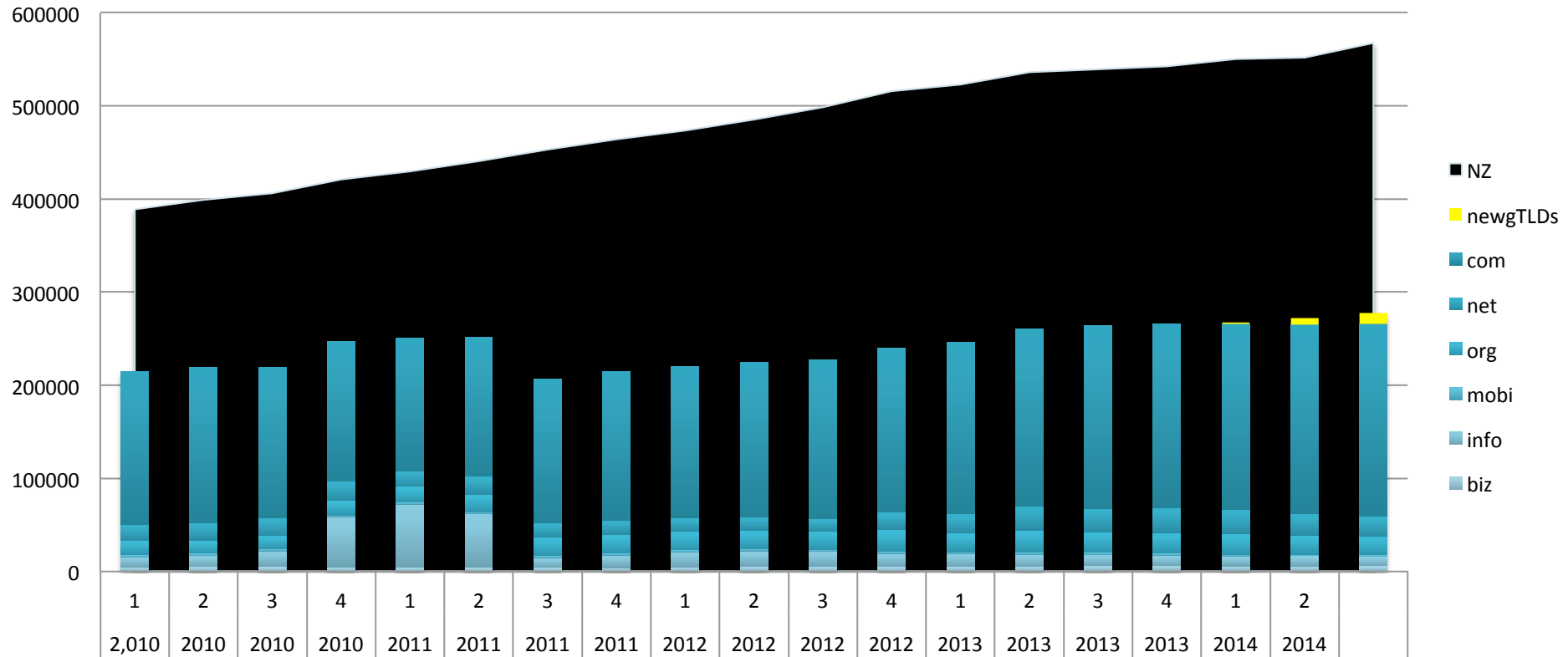


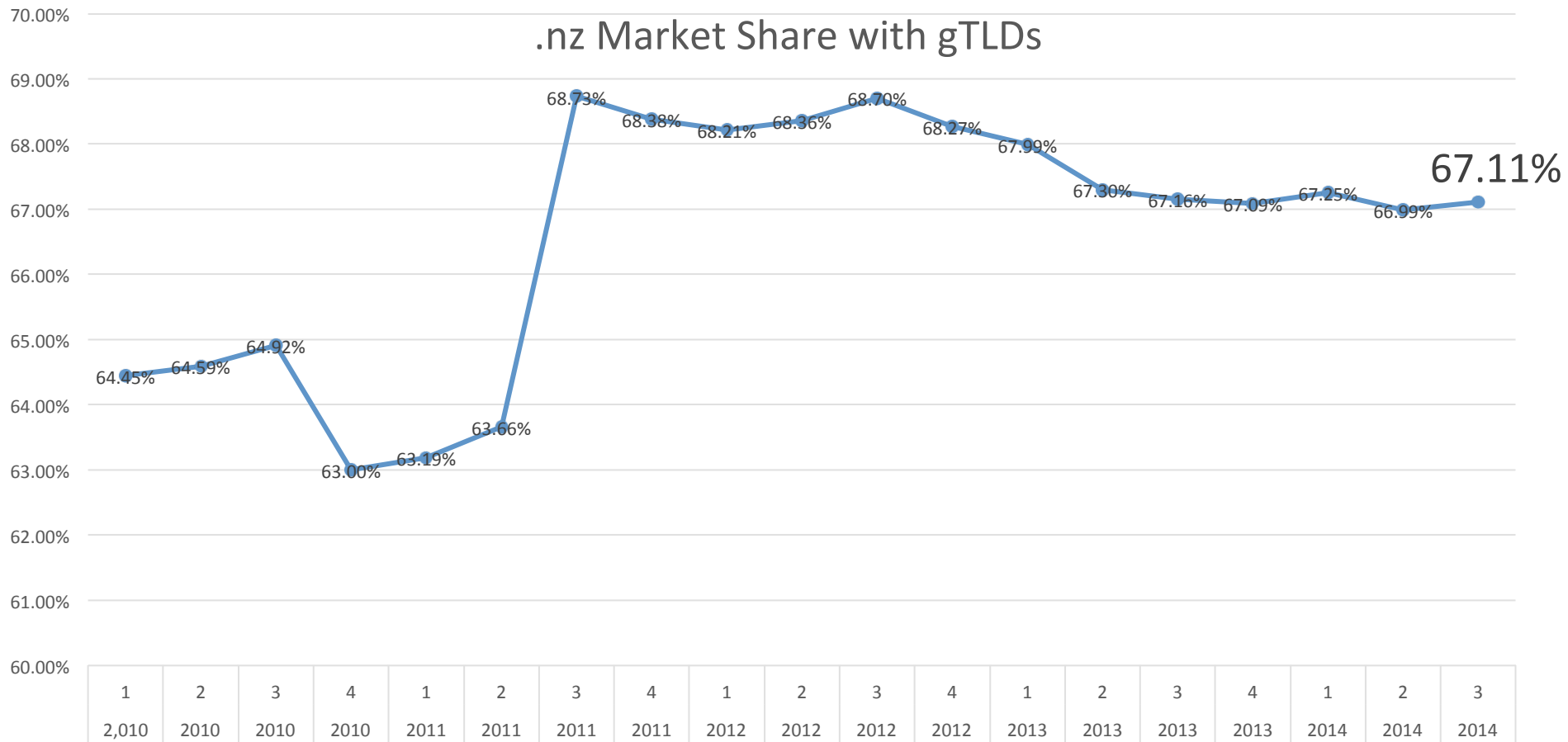
The .nz domain name space



gTLD vs NZ Totals by Quarter



.nz Market Share with gTLDs



Two areas of focus

Supply.

Demand.



Supply



Registrar Market

- We have 83 connected registrars
- Our top 4 registrars have 47.6% of the market
- Our next 4 registrars have 21.5% of the market
- All others have 30.9%
- Range in focus, size and offering



Measurement

Registrars

- Stock/DUM/Active
- Creations
- Cancels
- Renewal Rate
- Market Share
- Growth rate
- Use rate (parked, redirect, etc)

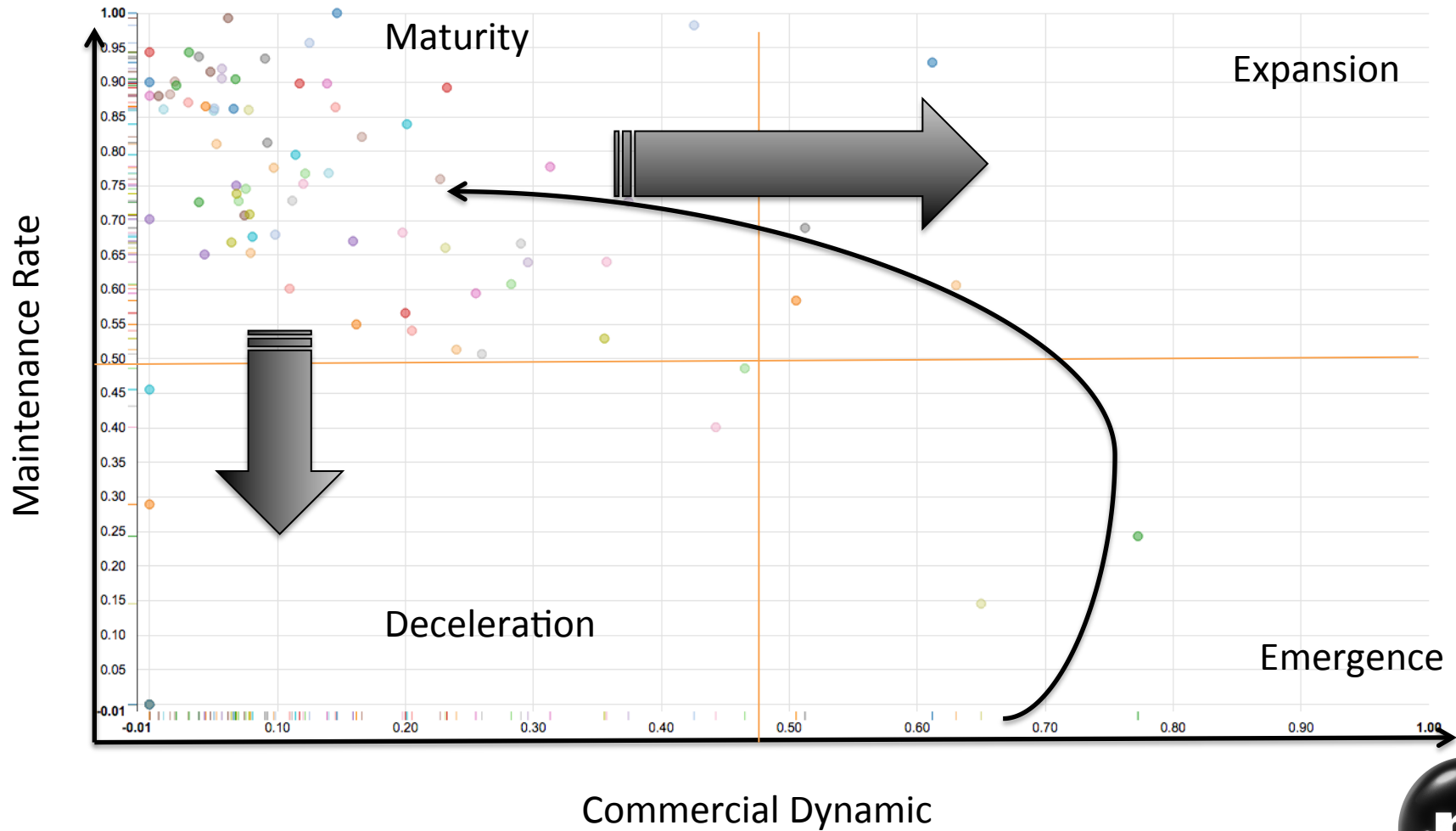
Some new aspects to consider

- Commercial Dynamic
 - Measures the ability to generate new business in relation to its stock
 - Harder as you get bigger
- Maintenance Rate
 - Measures the ability of a registrar to renew.
 - Higher with older registrars

With thanks to Loic Damilaville, AFNIC



.nz industry maturity



What does it mean?

- Efficiency of aggressive marketing / promotional campaigns may decrease as market growth becomes tougher
- Domains will be sold based on the value they bring but not for their low cost. How do we use domains to leverage further value from hosting, websites and email?
- Challenge is to keep or increase the commercial dynamic, whilst also protecting current portfolios. How do we grow the market? What does the opportunity look like? The answer lies with you, our registrars.



Demand



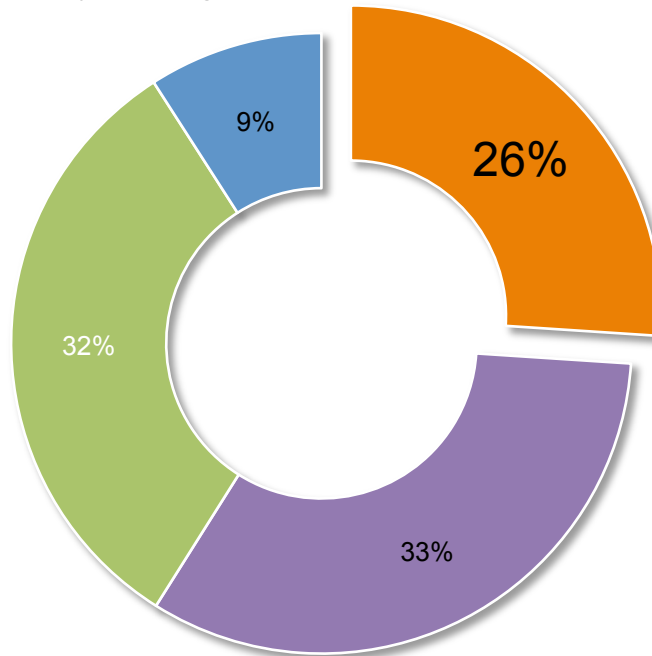
Who are your customers?

- Current
 - Do we have a clear understanding of who customers are?
 - What data sources do you use?
 - Why do they choose you over other options. Why do they come back? Why do they transfer to/from you?
- Data
 - Allow your customer to tell you, through data, what they're looking for. (Online Retail Conference, Nick Molnar, Managing Director, iceonline.co.nz)
 - So let's look at what the data is telling us at a macro level



Growth aspiration

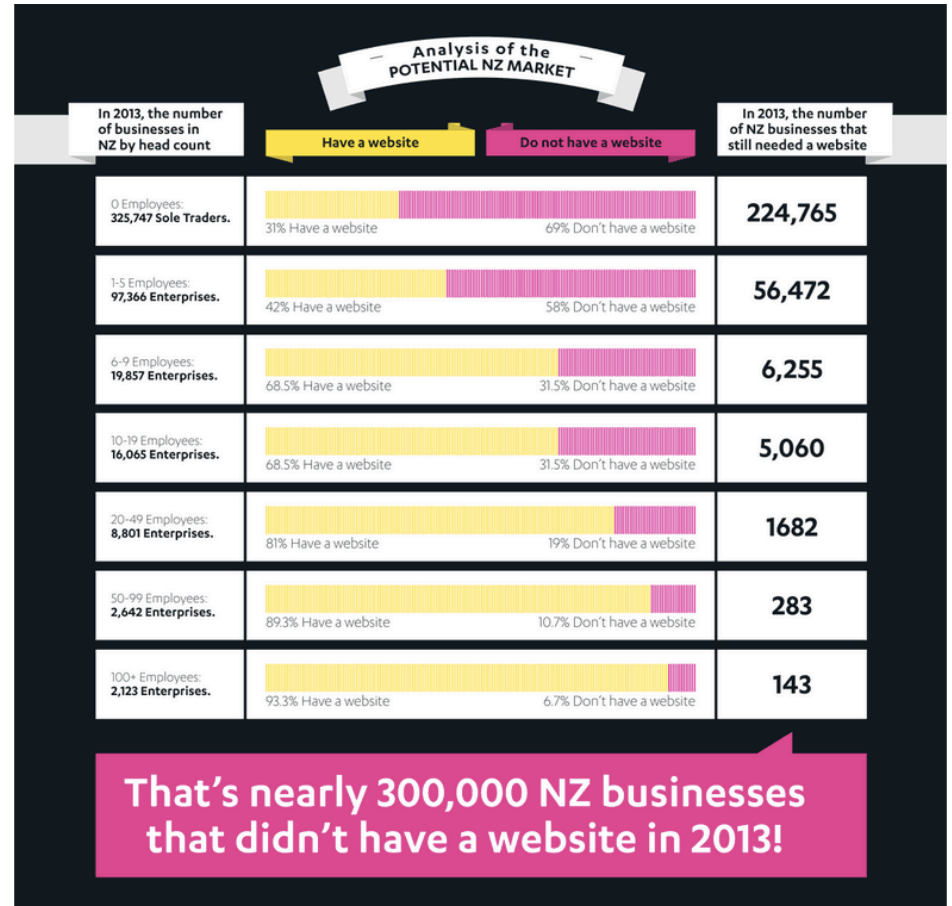
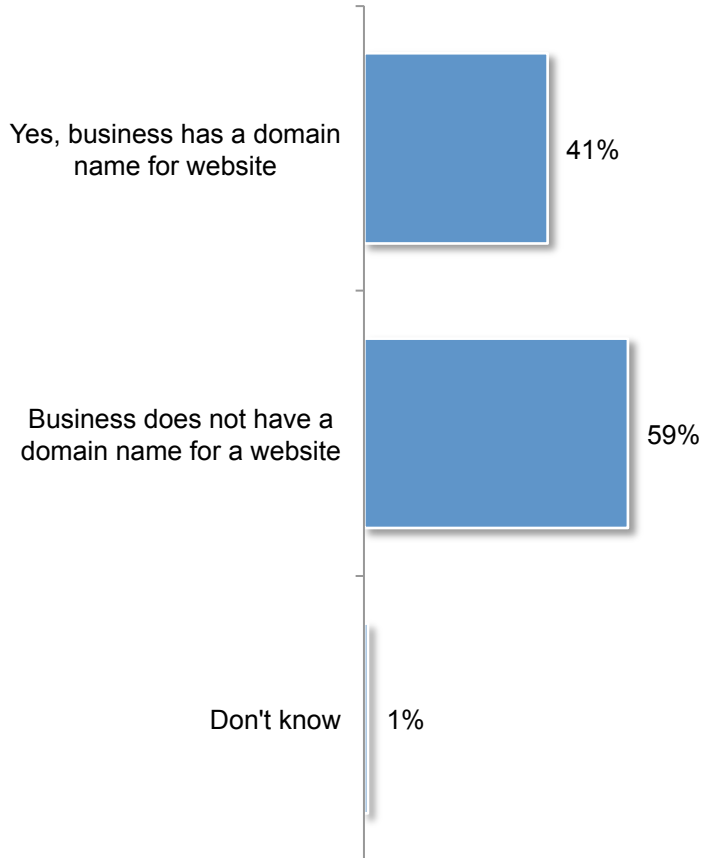
Breakdown of businesses by whether they have growth aspirations or not



- **Businesses with growth aspirations who don't have a domain name**
- Businesses without growth aspirations who don't have a domain name
- Businesses with growth aspirations who have a domain name
- Businesses without growth aspirations who have a domain name

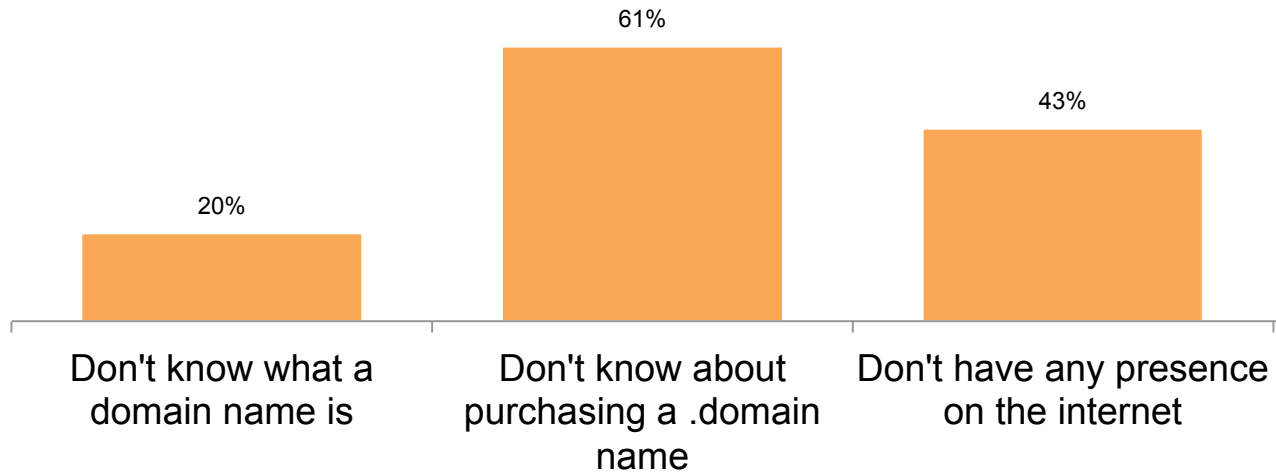


Website use is growing

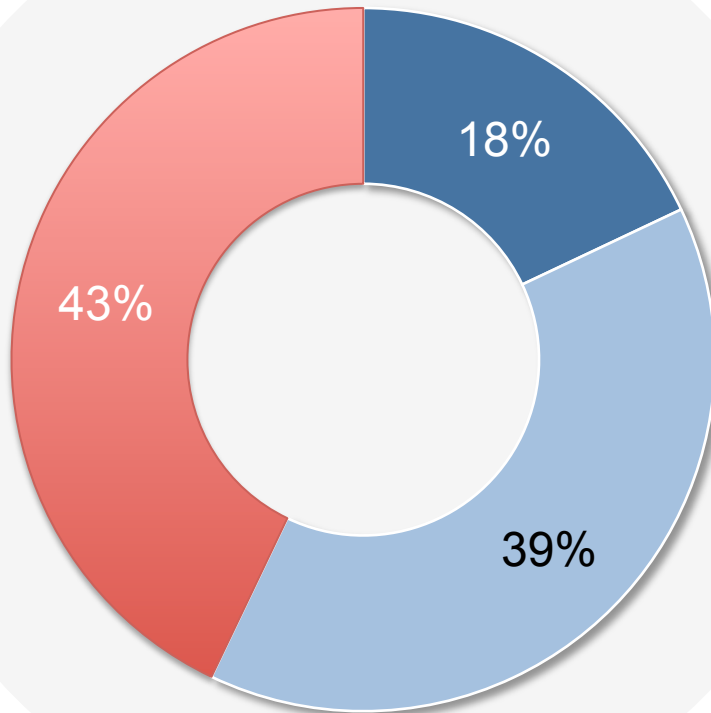


What are the barriers

Barriers to business getting a website



Over four in ten businesses who are extremely or very likely to buy a domain name in the next year wouldn't know how to go about purchasing one.

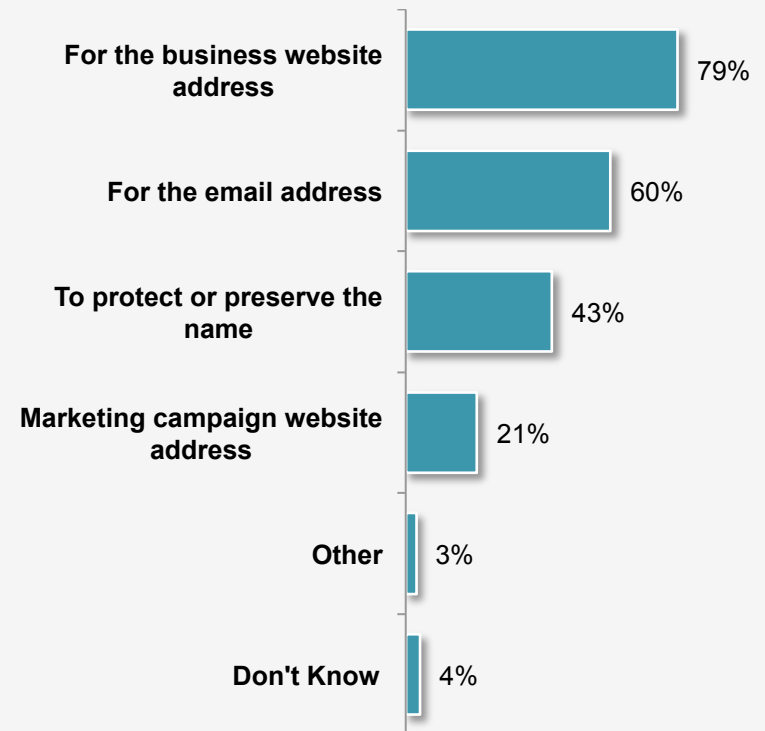


■ Yes, know exactly how to

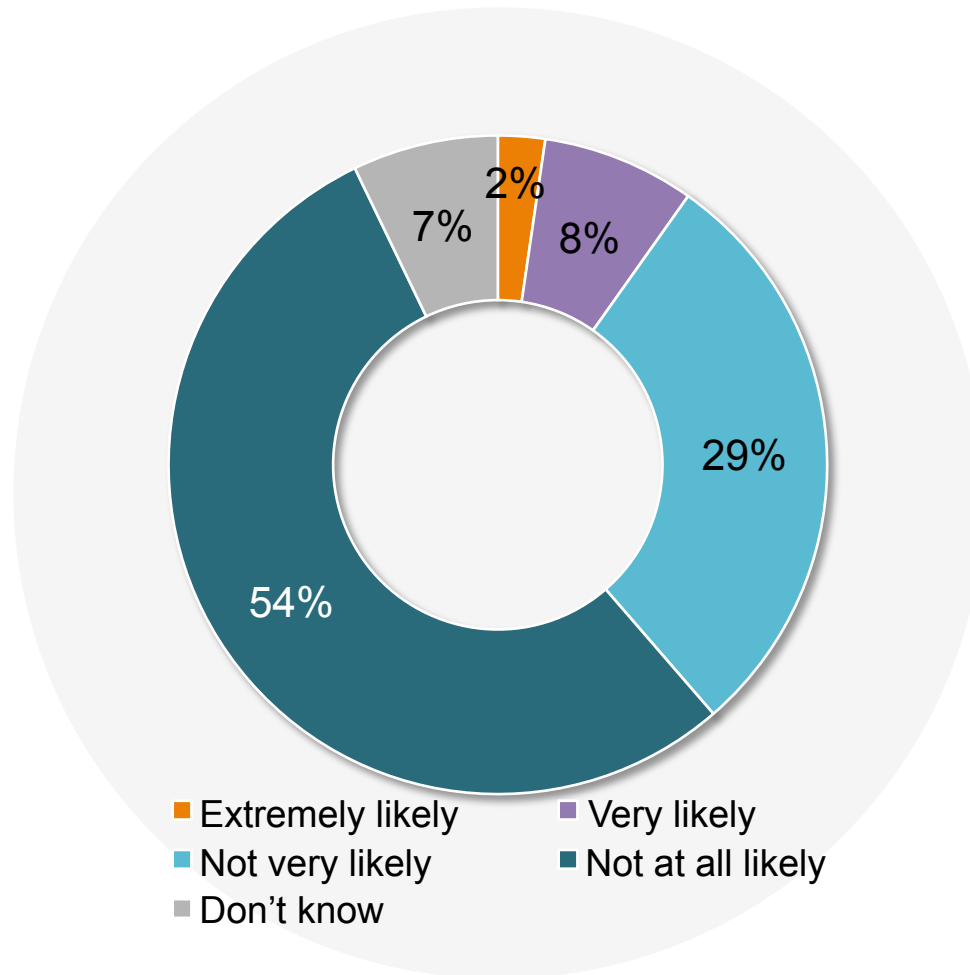
■ Yes, know a little bit about it

■ No, I don't know anything about it

Reasons business would buy its own domain name



And over eight in ten businesses without a domain name are unlikely to purchase one in the next 12 months.



So what does this all mean?

- Education – a lot of it. Acquisition becomes harder and more expensive
- Demystify and simplify – how do we make it easy.
- Explore new markets. How do we grow the acquisition and use of domain names for personal use? Can this nut be cracked?



Summary

- We are a mature market
- Growth is slowing
- New business is getting harder
- We need to think about how we attract a less knowledgeable customer
- Or look at how to explore tougher markets. Domains for personal/family use? Increase email use?

