

Getting to the Bottom of

Custom Top-Level Domains

Introduction.

In June 2011, ICANN (Internet Corporation for Assigned Names and Numbers) and IANA (Internet Assigned Numbers Authority) announced they will begin selling custom top-level domains (cTLDs), giving companies the opportunity to move away from .com or .org, and purchase a domain best suited for their business.

So while big corporations may register brand-specific domains, like .hitachi and .apple, entrepreneurs can purchase general, keyword-specific domains such as .bank, .hotel or .movie.

This creates an opportunity for marketers to buy relevant secondary domains, like MidAmerica.bank and Hilton.hotel, from these entrepreneurs and businesses.

To help you understand what's going to change, let's start with some basic definitions of domains:



TLDs are top-level domains. They comprise a dot followed by three characters, such as .com or .org, and are regulated by ICANN and IANA.

Second-level domains, traditionally called domain names, fall directly to the left of the top-level domain. These currently need to be registered with a registrar.

Third-level domains are well-known as subdomains, which are part of a larger domain and are commonly used for microsites or blogs.

All of these custom domains will change how the user finds your website, as the domains may be categorized by theme, geography, community, keywords, industry, etc.

Eventually, this will lead to a movement away from .com, and towards keyword-specific cTLDs — which will change how you market your brand online.

the bottom line

Custom top-level domains will change how you market your brand.

Benefits.

All top-level domains include inherit benefits like categorization and credibility, but custom domains bring infinite possibility and enhanced benefits.

Increased credibility. Second-level domains are controlled by the top-domain owner, leaving credibility of that domain in their hands. How credible these new domains become will rely heavily on who ICAN and IANA choose to sell domains to.

Intuitive categorization. cTLDs may create new spaces on the web that can be sorted by location, theme, industry and more. Part of how well this categorization catches on depends on how users respond to these new domains. For example, .blog may catch on but .place might not.

Guessability. New spaces will help users guess URLs for official brands, businesses, etc. This could begin to impact analytics and how search engines rank domains.

Unlimited options. cTLDs expose buyers to a potentially unlimited number of keyword options, putting the creativity in their hands.

Brand accessibility. Online branding may take on new meaning with keyword-based cTLDs that simplifies search. Most big brands will buy their own keyword, while other brands will need to figure out the best word to strategically place their brand.

Business opportunity. Owners of cTLDs may make a substantial profit by reselling secondary TLDs. Once a cTLD is purchased, its owner may divide it up as many times as they like. Some may just be interested in making a profit — not in maintaining a brand and establishing credibility. This is why it's important to do your research and define a strategy.

cTLDs will shorten your domain and classify your business in a new way with the unlimited URL options that will open up for marketers.

the bottom line

Shorten and classify your business with the right domain.

Path to adoption.

These chronological steps need to happen before custom top-level domains can become an essential part of every marketer's online brand strategy. Domains need to be:

1. **Purchased.** Custom domains are purchased by early adopters, big brands or entrepreneurs. In order to purchase a domain, the buyer must:
 - Complete a 352-page application guide in which they must prove: Their company's technical capabilities, a claim to keywords in domain name, right to the trademark-protected term(s), upper hand in "confusingly similar" terms, location for geography-based domains, ownership over community identity or theme.
 - Pay a one-time \$185,000 application fee (which they don't get back if their application is rejected).
 - Wait a nine-month+ waiting period for the approval process.
 - Pay an additional \$25,0000 annual fee to keep their cTLD up and running.
2. **Relevant.** cTLDs become exclusive and relevant, giving them meaning to businesses. If these custom domains are abused by owners, they will not become meaningful to users or businesses.
3. **Accessible.** Big brands educate the masses about custom domains and how to use them, making them understood and accessible.
4. **Usable.** Intuitive "guess-ability" grows as cTLDs are accepted by users, who then spread their usability to others.
5. **Adopted.** The tipping point occurs once cTLDs are proven relevant, widely used and seen as equal to or better than previous generic TLDs.
6. **Accepted.** Acknowledgement of the tipping point will be apparent once search engines evolve and account for this change.

Once domains are accepted and processes around them begin to change like search engines and usability, marketers need to be aware of which domains are applicable to them, but also which owners will help maintain their online brand by keeping an exclusive and relevant domain.

the bottom line

Opportunities are coming and marketers need to be ready.

Be on the lookout.

Once the path to adoption is complete, marketers need to know what domain trends are developing.

MarketSense can help. Follow our CTLD RSS feed and we can send you alerts when terms are applied for - keeping you up-to-date and on the look out for opportunities. Don't miss your chance! Visit market-sense.com/domains for more information.

Or contact us:

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the bottom line

Help your prospects find you — and we can help you do it.