

Conference presentation

White paper regarding Universal Acceptance

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Agenda

- This presentation sets out the work Analysys Mason has performed on behalf of UASG in producing a white paper related to Universal Acceptance.

- We have circulated a draft version of the paper

- The agenda is as follows:
 - Introduction and purpose of our paper

 - Overview of content and messaging

Introduction and purpose of the paper

- We have produced a white paper for UASG regarding Universal Acceptance (UA) of new generic top level domains (gTLDs), including Internationalised Domain Names (IDNs)

- The purpose of this paper is to raise awareness of the benefits of UA, showing the value of the new names, in order to encourage UA
 - The paper is pitched at a senior-level commercial, policy, and cultural audience
 - It is short, clear, and non-technical, with an executive summary and infographics

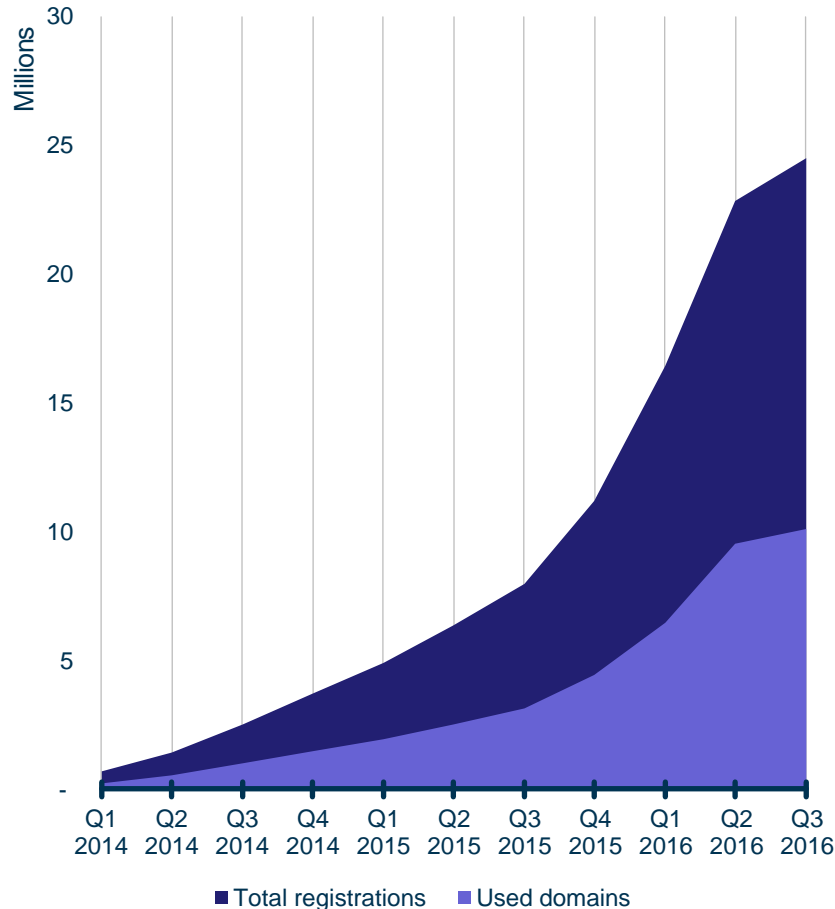
- Our paper is based on the following methodology
 - 10 interviews with key players, including registries, users of the new domains, and application owners
 - The production of 5 case studies
 - Secondary research of third party sources

Overview: our paper has a clear and simple storyline that highlights both the importance of UA, and the relative ease of implementation

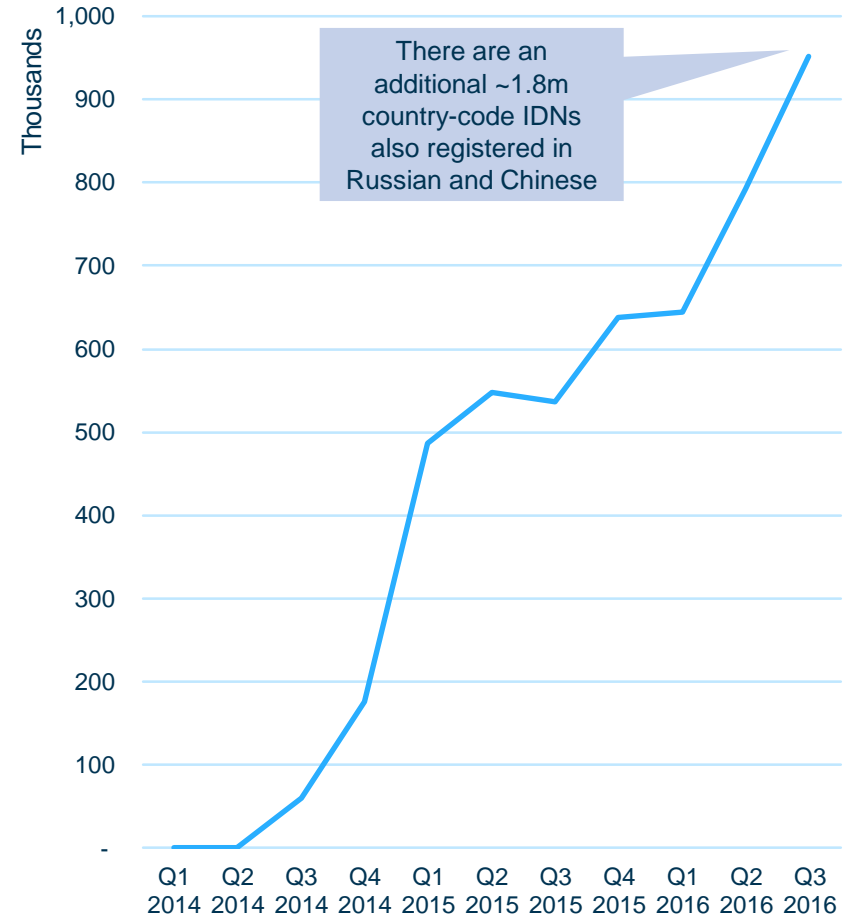
- The focus of this paper is the benefits of UA for software and application owners, to be able to accept users regardless of their domain:
 - UA has progressed, but is not complete. Without UA, people will not be able to use their preferred ‘identity’ that the new gTLDs and IDNs have enabled
 - UA has benefits for software and application owners, domain registrants, and Internet users more broadly, driven in part by the take up and popularity of the new domains. (There is demand for gTLDs, and registrations have grown strongly, although IDNs have been less successful)
 - The key benefit of UA to software and application owners is to seamlessly receive demand from the many users of the new domains in order to maximise their revenue and satisfy their customers
 - The effort required to implement UA in most cases is not onerous but depends on the initial software design, organisational factors, and the upgrade schedule of the software. This is the case for both gTLDs and IDNs
 - However, certain systems (e.g. aviation booking systems using Teletype) may have difficulties that require further upgrades
 - It makes sense for application and software owners (e.g. enterprises, cultural institutions, government institutions) to implement UA to gain the benefits from the strong demand for the new domains

Demand for gTLDs has grown, and this underpins the benefits of Universal Acceptance; IDNs have grown but remain at a lower level

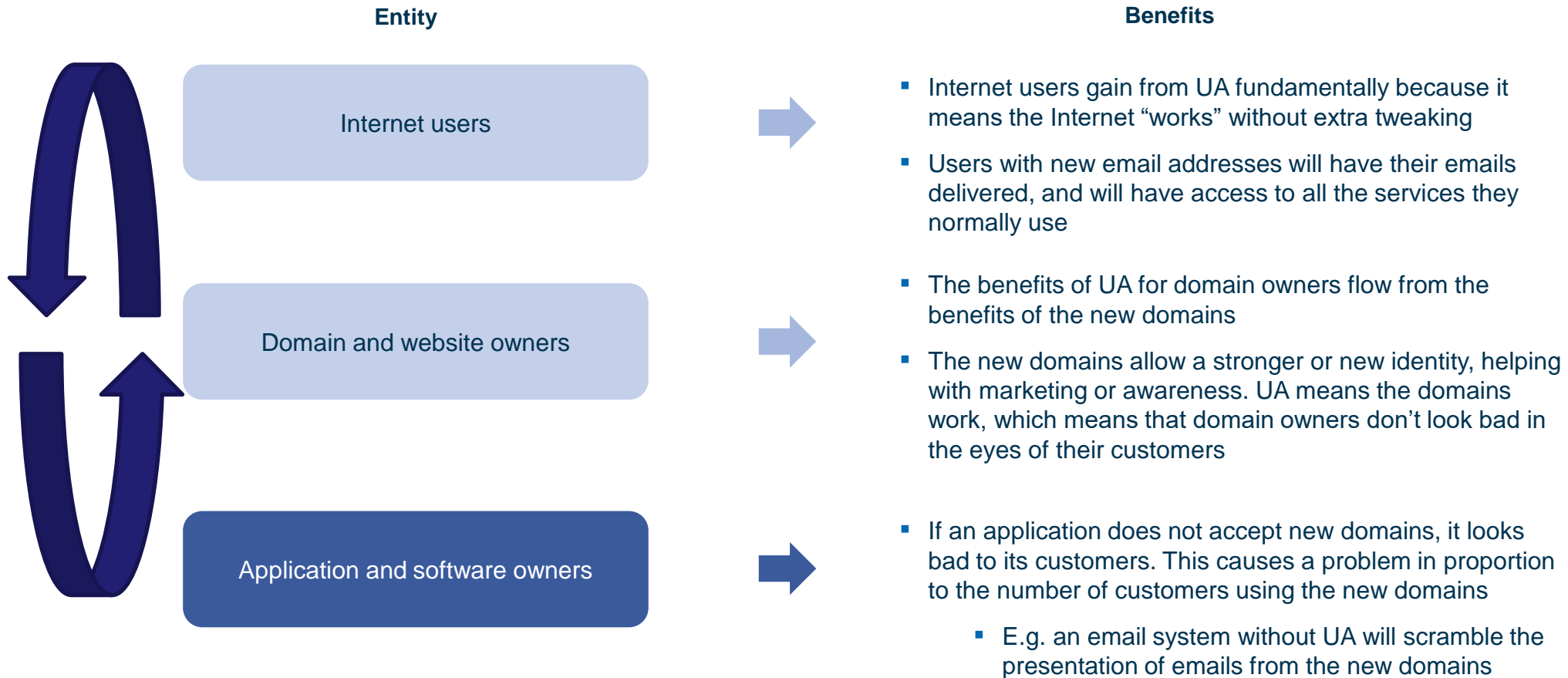
Cumulative registrations of gTLDs



Cumulative registrations of IDNs (top level)



The benefits of UA accrue from the benefits of the new TLDs, flowing to end users, domain owners, and application owners



These benefits can create a virtuous circle. Internet users benefit from the acceptance of the new domains, which drives traffic to domain and website owners, which further spurs application and software owners to implement UA

Bayern Domain Gmbh has positive experiences with the use and acceptance of the .bayern domain, which has provided cultural benefits

Case study subject

Bayern Domain gmbh owns and registers the .bayern domain, which is used in Bavaria for regional content (e.g. the Bayern München football team's website in the local dialect)

Benefits of UA

The benefits of UA to Bayern Domain, and to Bavarians flow from the benefits of the new domain. These include a stronger regional identity that is of benefit to entities with a strong Bavarian link. UA allows these domains to work seamlessly across the Internet

Experience with UA

In Bayern Domain Gmbh's view, UA, as it relates to the .bayern domain has now progressed well. Most applications now accept the domains of its clients.

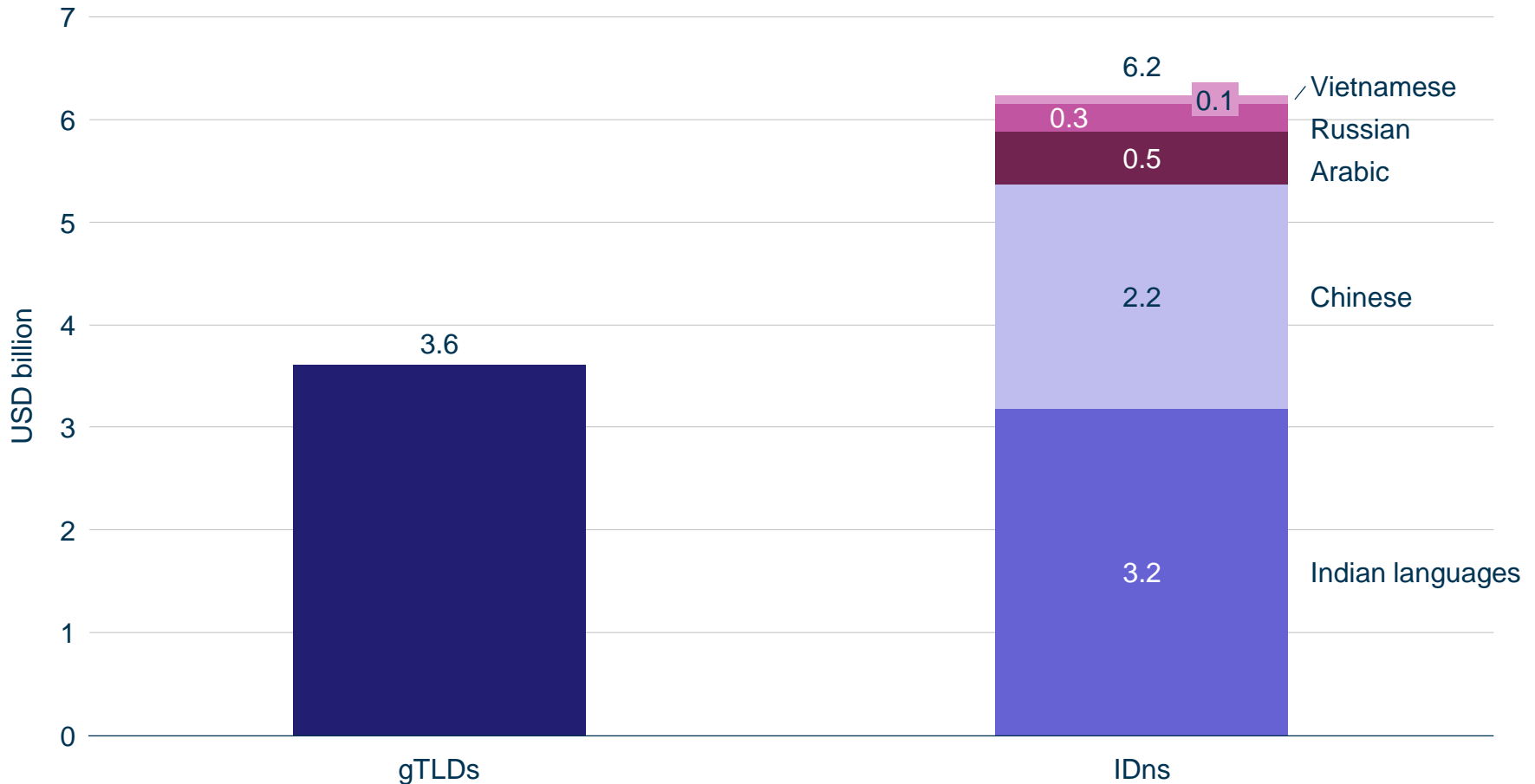
Cost and effort to upgrade

Bayern Domain Gmbh helps its clients deal with UA issues as they arise. In their experience, it is not a great effort to implement UA, since there is a continuously updated list of new domains, and the coding effort is similar to a normal bug fix

Other interviewees have also suggested implementation of UA is not typically difficult

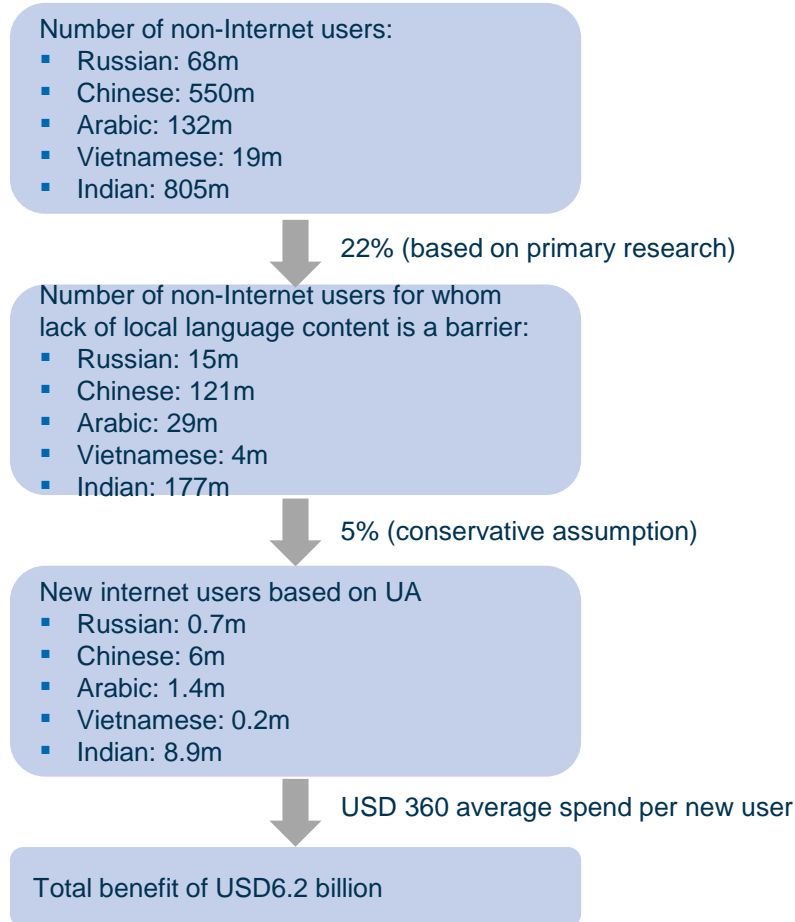
We have conservatively estimated the total benefit of UA to be USD 9.8 billion

Estimated per annum benefit of UA for IDNs by language group and by gTLDs, USD

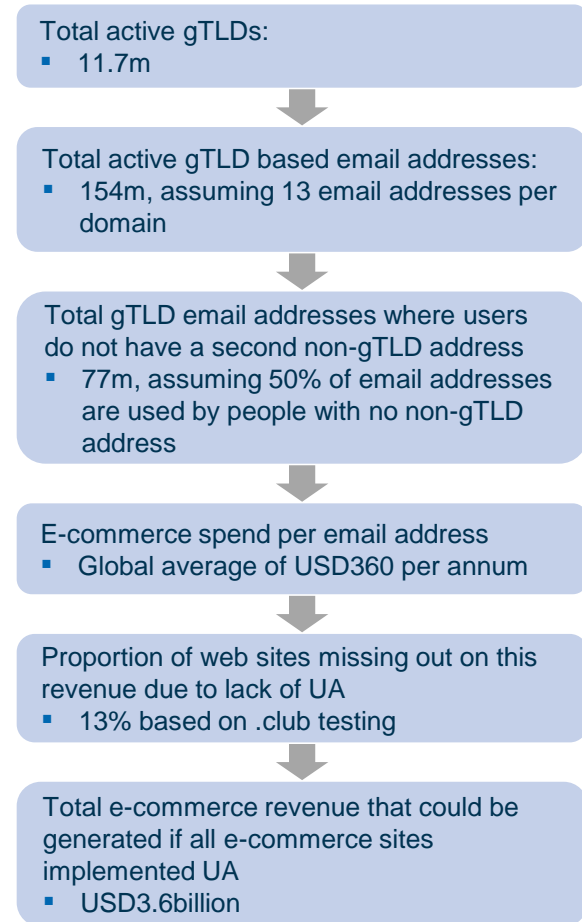


Our estimation methodology is conservative and relies on a number of key assumptions

Calculation methodology for the impact of UA for IDNs



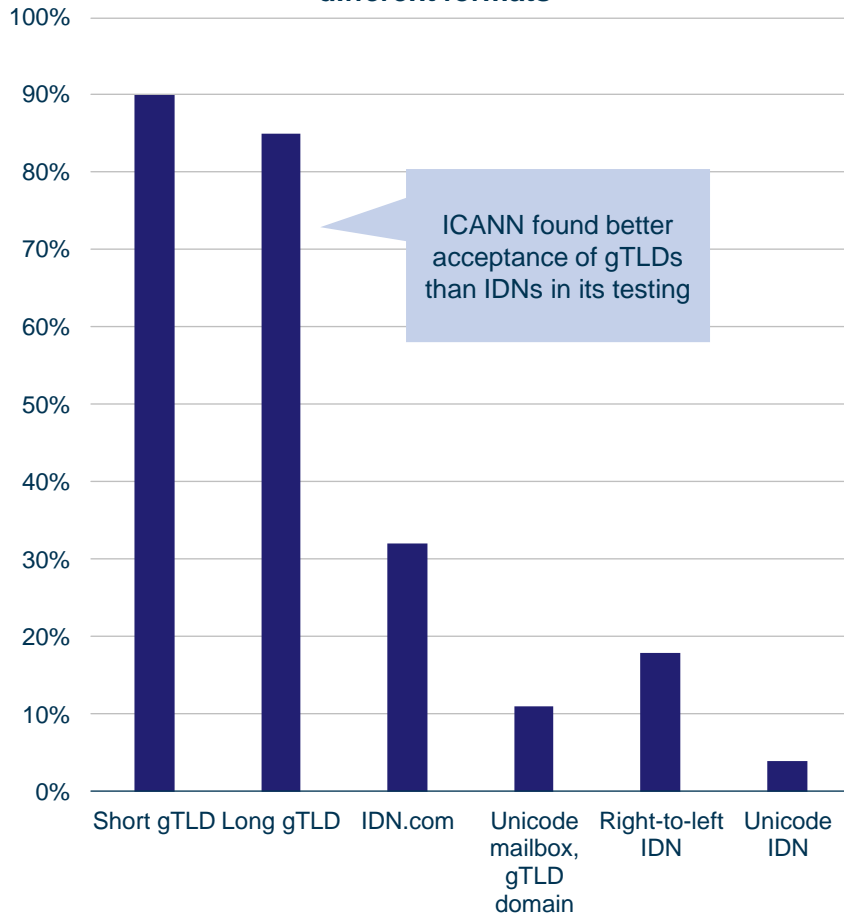
Calculation methodology for the impact of UA for gTLDs



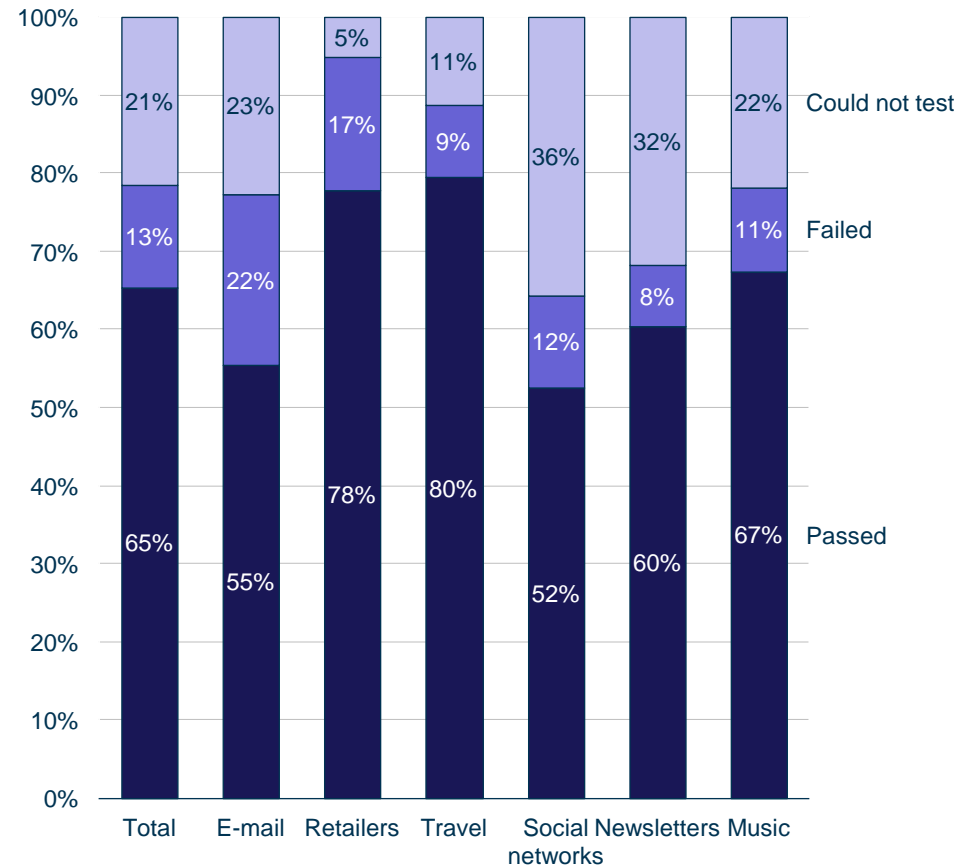
Note: we count speakers of all Indian languages (and also Chinese dialects) as a single group
Source: Analysys Mason, statista, Ethnologue, Internet World Stats, Verisign, Radicati

Studies show that progress has been made toward UA, but this is incomplete

Results of ICANN testing on the acceptance of domains of different formats



Acceptance of the .club domain by various website categories



Case studies show the effort required to implement UA is not onerous, although certain legacy applications m

| Case study | Key findings |
|-----------------------|--|
| fTLD | fTLD's experience in helping its clients get their domains accepted has been relatively positive, with fixes made in relatively short times. This was the case for Adobe and Twitter, for example |
| Bridge Community Bank | Bridge Community Bank had UA issues with Verizon and Wells Fargo, which were fixed quickly by local staff, without the need to go back to head office. There have been unresolved problems with the US Treasury, however |
| IATA | In the airline industry, acceptance of ASCII-based gTLDs is not problematic. Legacy use of Teletype, however, may make it more difficult to accept IDNs, as punycodes are typically longer than gTLDs |

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