

Date: Monday, June 27, 2011
From: John Diethelm / Millennium Marketing Consultancy LLC / John@johndiethelm.com
To: Senior Executives & Internet Strategy Staff
Regarding: Discussion document on **Top Level Domain** (gTLD) Strategic Brand & SEO planning

On June 20, 2011, ICANN <http://www.icann.org/> announced globally that a new Top Level Domain (gTLD) will be available for purchase. <http://www.icann.org/en/press/>

ICANN have announced that they will be conducting a global awareness campaign for the remainder of 2011 for the opportunity to purchase a new TLD for example .IBM instead of the traditional .COM. Applications are to be submitted in the first quarter of 2012 but unlike the .com domain the gTLD process will be expensive and complex. The need to discuss TLD relevance, application, and financing by senior management is of immediate importance for Q3/Q4 of 2011.

The following discussion document is written to create initial awareness of the TLD to senior management for the purposes of developing a specific TLD overview, strategy and budget. The new gTLD will require awareness and action of senior management to assist in their planning, financing and prioritization.

Relevance & Importance of the TLD to an organization

In the private sector the gTLD is most likely best suited to companies with one or more of the following characteristics and/or requirements:

- Large corporations with sufficient IT resources & funds, and Internet Marketing budgets
- Corporations with a global or multiple brands.
- Corporations that desire a powerful and cohesive Internet presence
- Corporations that have multiple sales intermediaries reselling their products/services on the Internet

The current gTLD status

TLDs with two letters exist for over 250 countries and external territories and are referred to as "country-code" TLDs or "ccTLDs". TLDs with three or more characters are referred to as "generic" TLDs, or "gTLDs". The current status and List of gTLD is posted at <http://www.icann.org/en/registries/rsep/>
One key point is that currently TLD may have little impact on organic rankings but that will undoubtedly change in 2012 and make the what appears to be very high entry costs much less significant.

The new ICANN gTLD offering and timeline

Some basic facts of what is known to this point after ICANN announcement on June 20 2011

- There is an extensive application process, followed by a vetting procedure and public comment
- Companies may need a back-end technical registry provider.
- The ICANN gTLD initial application will cost \$185,000
- First day to submit applications: January 12, 2012. Last day to submit applications: April 12, 2012

- Completing and Preparing a gTLD application is not a simple or cheap process that will most likely require consultants or specialist assistance. Recently mindsandmachines.com are quoting a flat fee of \$100,000
- A company can decide whether to use the gTLD for its own exclusive use or for public resell

The long-term implications for strategic SEO and Branding

Initial SEO techniques have found that placing keywords in the domain name have proved to be effective for example <http://www.travelwheelchair.net/> whilst the .net or .com extension did not impact the organic rank the domain name did. More advanced SEO techniques make use of the entire URL which contains multiple keywords [www.<keyword>.com/ <keyword1> <keyword2> <keyword3>.html](http://www.<keyword>.com/<keyword1><keyword2><keyword3>.html)

http://www.travelwheelchair.net/optional-upgrades-custom-upholstery-c-26_18-l-en.html

So when adding the TLD as a brand name or keyword replacing the .com extension will most likely have a significant impact on the brand's organic rankings, especially for qualified searches that involve 3 or more keywords, specifically in the long – medium term.

For companies with heavy reliance on brand name and/or companies that have significant resellers / 3rd party distribution on the Internet will recognize that the TLD will become increasingly important. When a brand witnesses that the resellers also optimize for a branded product in the hope to obtain a better organic rank than the brand itself on the search engines. The search engines will undoubtedly give some additional SEO importance to the TLD, especially since the application process is vetted extensively by ICANN. This way marketers can defend and optimize the brand name for the long term. From this perspective the ICANN costs do not appear that high.

The future of the “not so level playing field”

The rate of adoption of the TLD from January to April 2012 by large corporations is hard to predict. Clearly, as in any market place, there are the early adopters and those in a rush to be second. But it is hard to see what the benefits of waiting are and the medium-long term advantages appear great. Different industry segments may react at different speeds but when one brand leads the others will most likely be force to follow. ICANN notes “The new gTLDs will change the way people find information on the Internet and how businesses plan and structure their online presence. Internet address names will be able to end with almost any word in any language, offering organizations around the world the opportunity to market their brand, products”. The fundamental difference this time is that the gTLD's require significant amount of money and an extensive vetting process not seen in the cheap and easy acquisition of .com domains, which permitted small companies to appear on a “level playing field ” quickly and affordably with the larger organizations.

The future of the Internet with new gTLD's appears to go in the direction of a “not so level playing field”.

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