

Nominet Members and Tag Holders Survey

At the end of 2004 and the beginning of 2005 we conducted a detailed and in-depth survey of our members and tag holders. The survey was carried out by a specialist research consultancy and involved a telephone survey of 210 members and tag holders.

The sample was structured by size of domain holding and involved questions on such issues as service quality, technical developments and governance and company structure. The level of response was high and meant that the survey achieved a confidence level of over 95%.

The main purpose of this research was to give us a better understanding of how our 3,500 members and tag holders perceive Nominet: but it also enables us to gauge customer satisfaction levels with our current systems and services, provide a mechanism whereby we can monitor changing needs and expectations and ultimately inform company decision-making in the future. The survey results have also helped to inform the strategy process recently undertaken by the Board.

The survey findings have been broken down into the following 5 different categories:-

- Respondent profile (page 2)
- Support services (page 6)
- New technical developments (page 12)
- Company structure and principles (page 14)
- Governance and policy (page 18)

We hope you find the information both interesting and useful.

1. Respondent profile

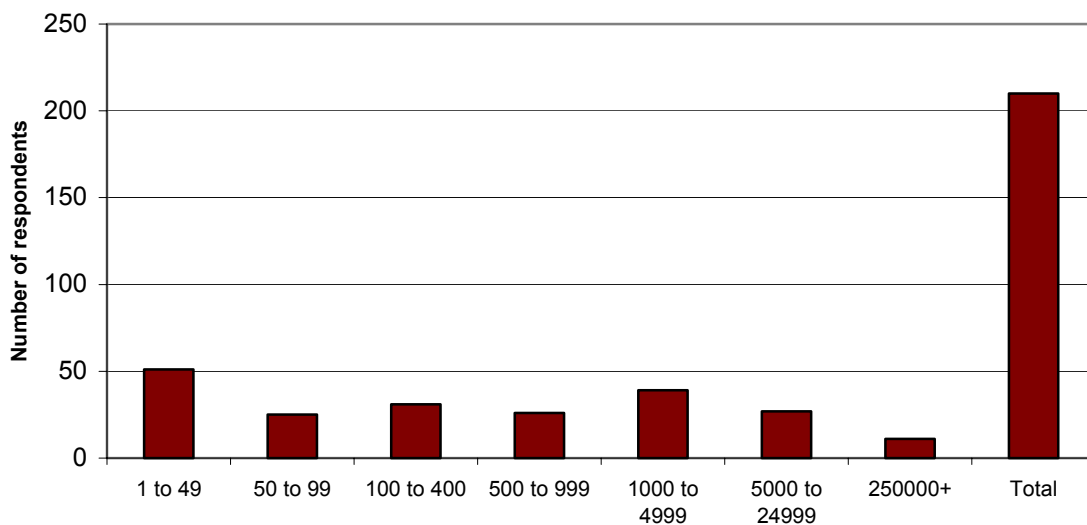
A total of 210 members and tag holders were surveyed including 183 members (who were also tag holders) and 27 tag holders (who were tag holders only).

For the purposes of this survey Nominet's 3,500 members and tag holders were categorised into seven different groups according to the number of domains they managed and then representatives from each group were randomly selected and asked to participate. Of the 210 who took part, over 40% described Internet Service Provider (ISP) as their primary activity, while 25% viewed web hosting as their main business activity.

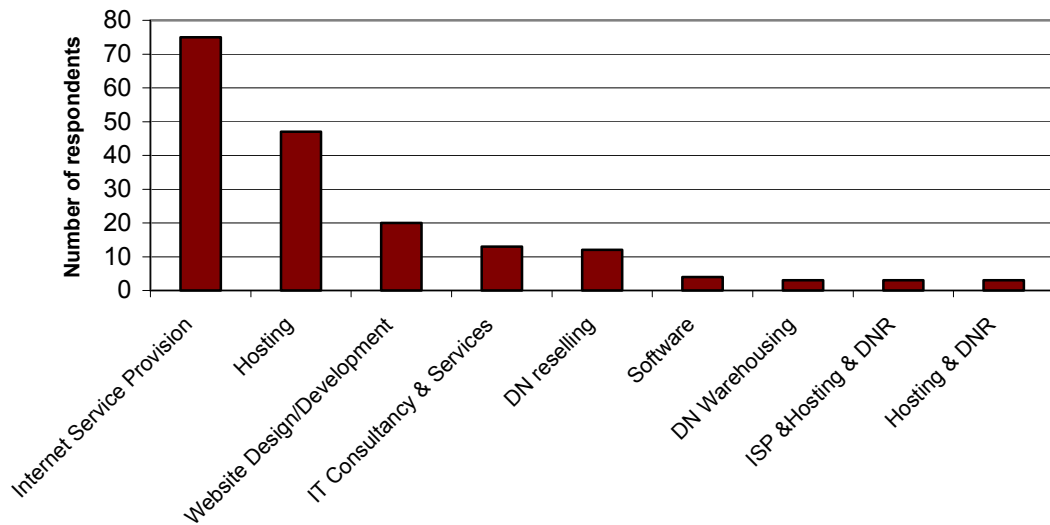
Not surprisingly, members managing the smallest number of domains were involved in the widest range of activities whilst those managing larger number of domains tended to specialise in just one or two activities.

Nearly half of all members surveyed viewed their relationship with Nominet as important to them. This fell to less than 20% for tag holders and possibly reflects a wider range of business interests and less dependency on managing domains.

1.1 Respondents by number of domain names held

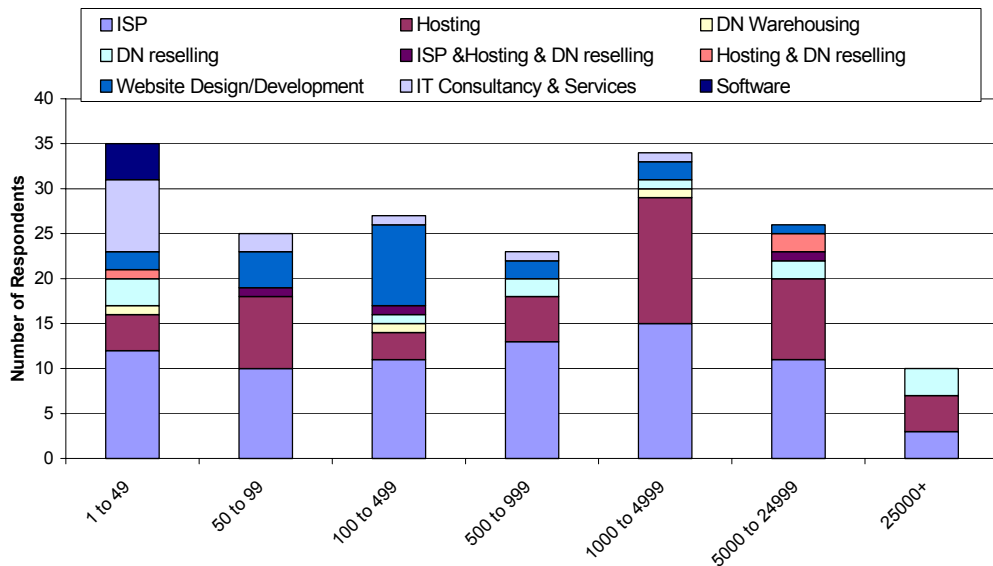


1.2 Respondents by core activity



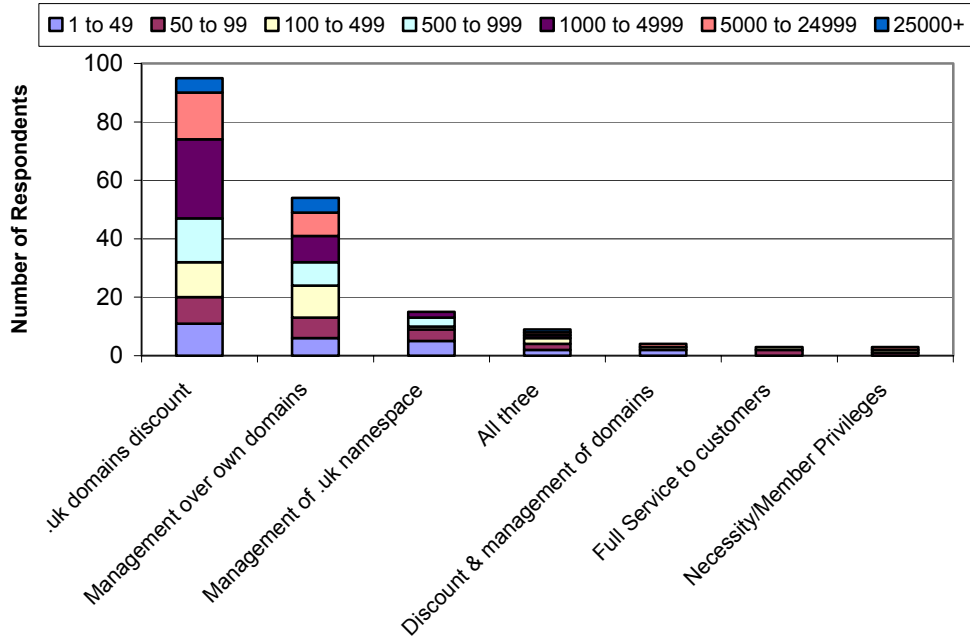
- Over 40% of those surveyed were Internet Service Providers (ISPs) whilst a further 26% provided web hosting services as their core activity.

1.3 Core activity by size



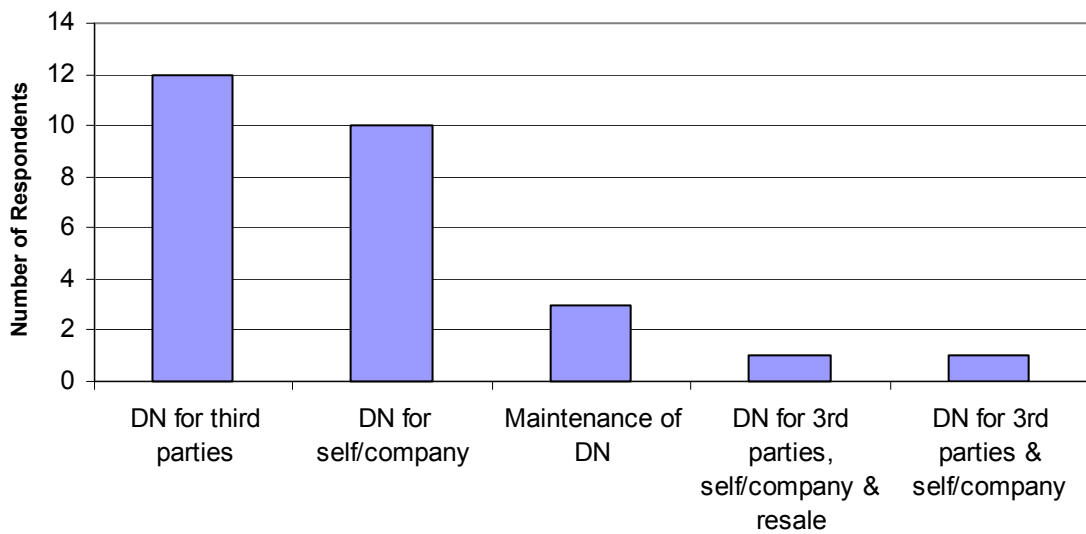
- Members managing the smallest number of domains are involved in the widest range of activities.
- Members managing the most domains tend to be involved in the smallest range of activities – these were primarily Internet Service Provision (ISP), Hosting, and Domain Name reselling.

1.4 Primary reasons for becoming a member of Nominet

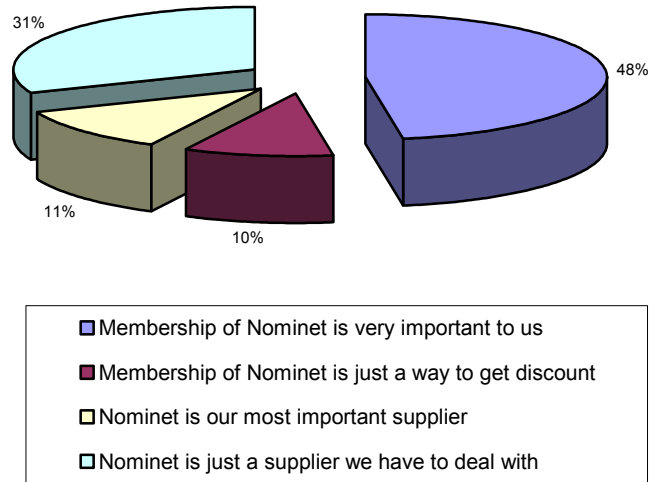


- As one would expect, members who manage the greatest number of domains are members to gain a discount and to have greater control over the management of those domains.

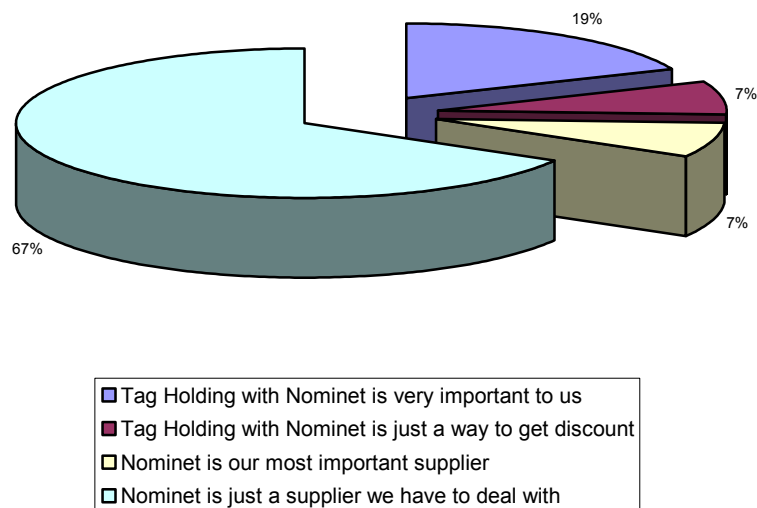
1.5 Primary reasons for becoming a tag holder (tag holder only)



1.6 How members view their involvement with Nominet



1.7 How tag holders view their involvement with Nominet



- Tag holders view their relationship with Nominet as being primarily functional, whilst members have a closer, more personal involvement.

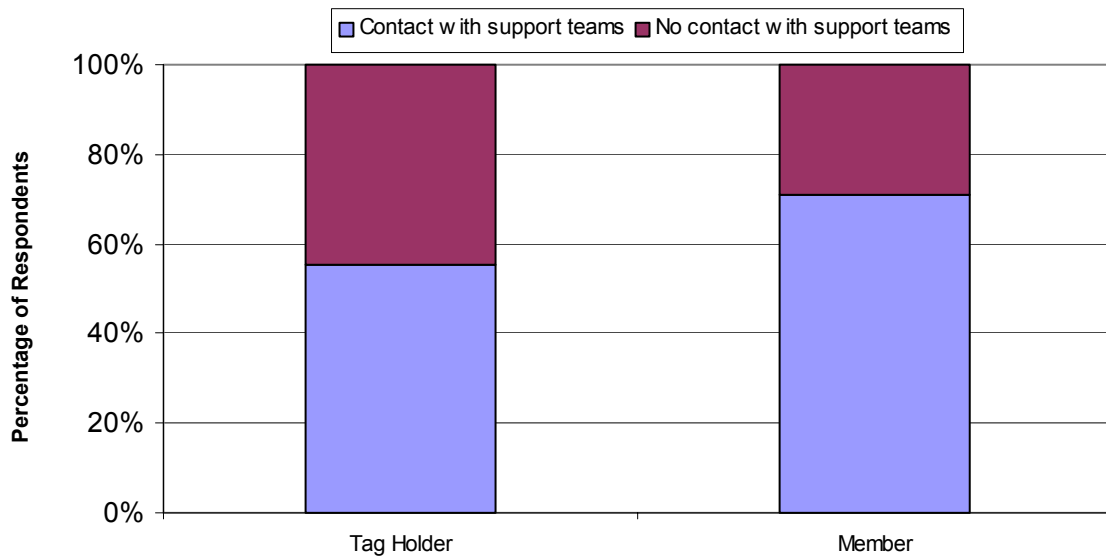
2. Support Services

The vast majority of those surveyed were generally pleased with the quality of the customer service they received from Nominet with over 97% of respondents giving a rating of satisfied or very satisfied when asked about service quality.

Respondents were also asked if there were any specific issues they wanted to raise regarding our services. 45% of those who raised an issue wanted us to improve our online services to enable faster, more efficient access. We are confident that this issue will be addressed through a number of current projects that are due for completion later this year, including the web based system for tag holders and EPP.

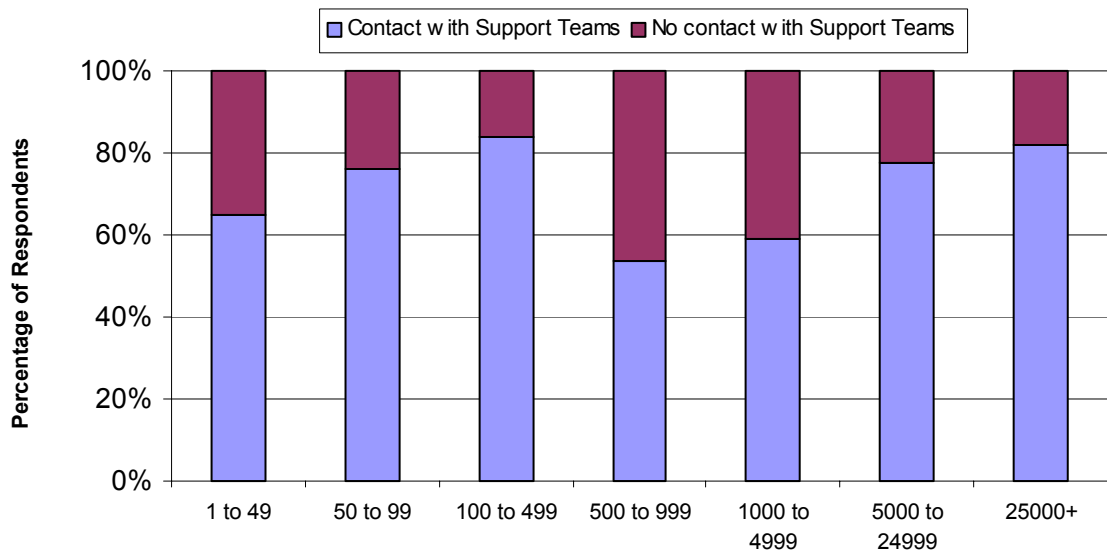
Looking at our competitors in the generic Top Level Domain (gTLD) market, 65% believed Nominet's customer service was at least as good as or better than their main gTLD registrar. The most common reason for this was the personal quality of the customer care with many citing the benefits of the real-person telephone communication provided by Nominet as a major factor in this.

2.1 Contact with support teams



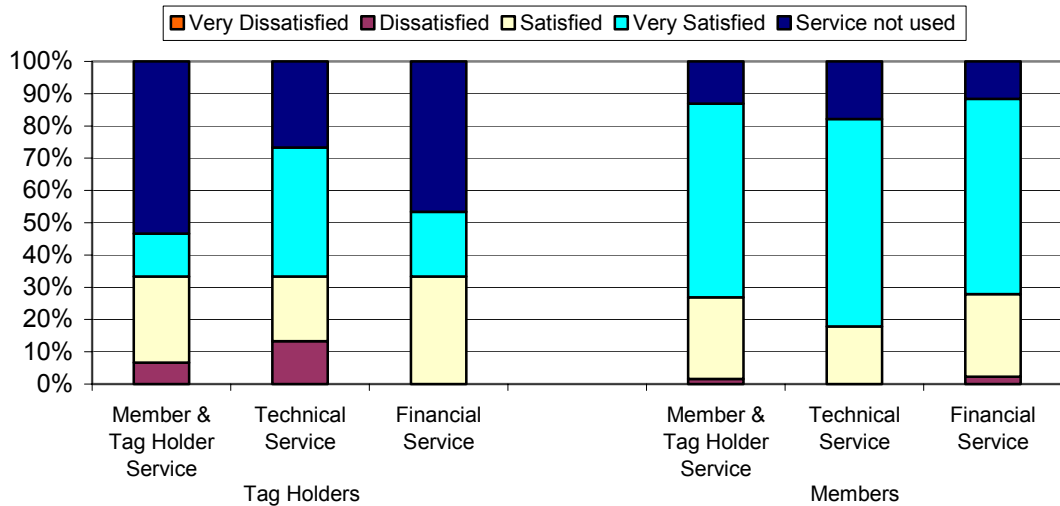
- Support services are used more frequently by members (70%) than by tag holders (55%)

2.2 Contacts by number of domains managed



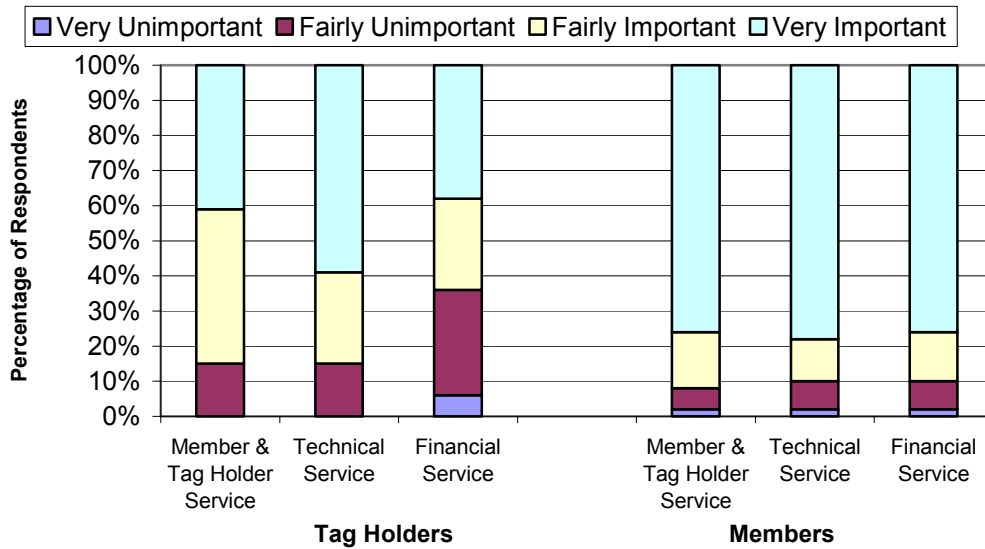
- There is no statistical relationship between the number of domains managed and whether or not contact has been made with the support team.

2.3 Satisfaction with support services



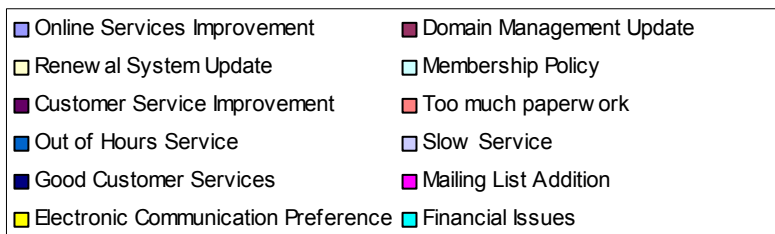
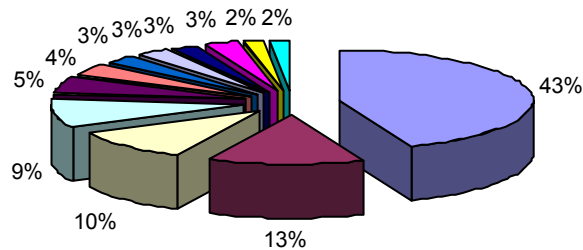
- Most respondents are satisfied or very satisfied with the quality of the services provided by Nominet's three support teams.

2.4 Importance of Nominet support services



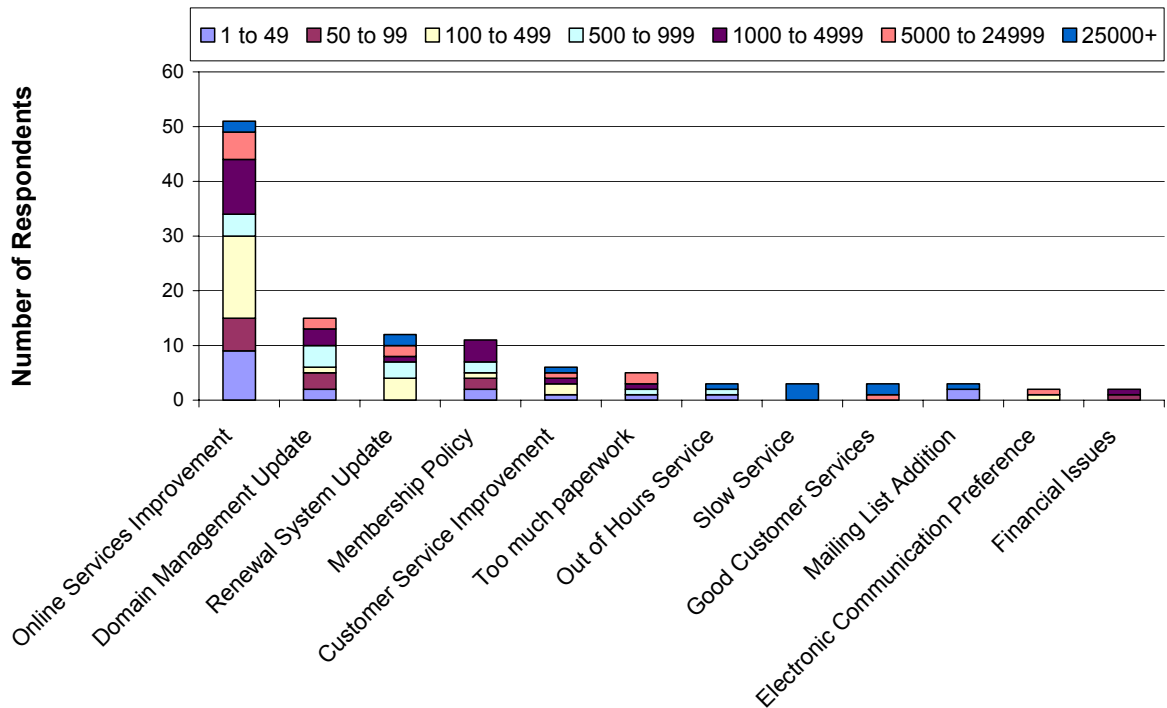
- Members and tag holders differ in their assessment of how important Nominet support services are to them. Approx 70% of Members consider support services to be very important to them whilst less than 50% of tag holders feel the same way.

2.5 Issues raised regarding our services



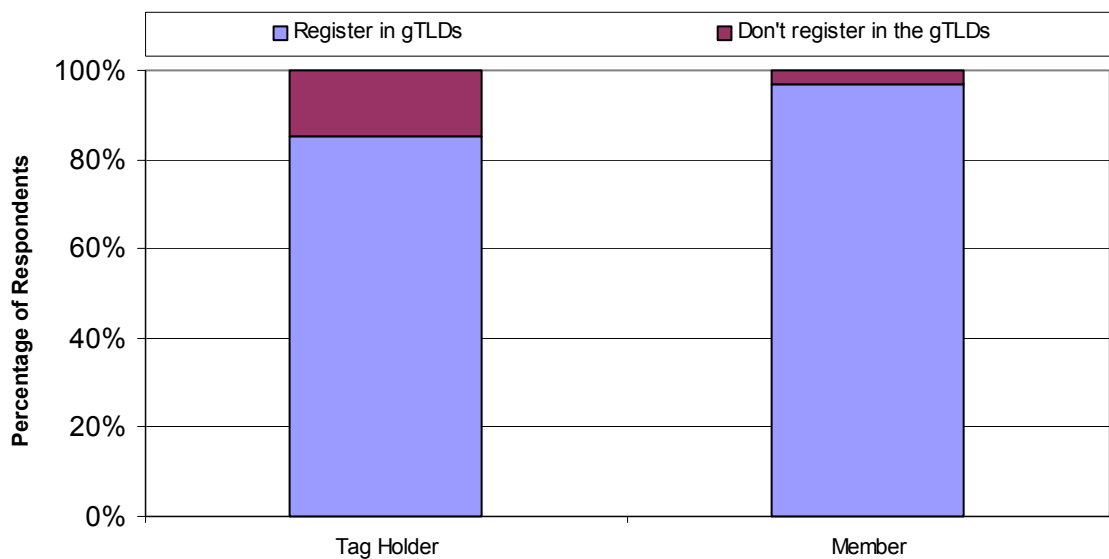
- Improving our online services was cited as the most important improvement that could be made to our services.

2.6 Relationship between issues raised and size



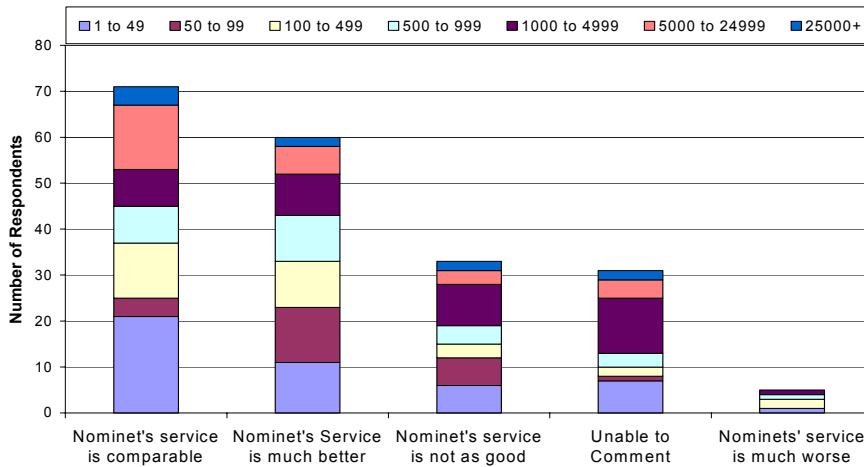
- Members managing the most domains were more likely to identify slow service as an issue for them and their customers.

2.7 Comparison with generic Top Level Domain registrars (gTLDs)



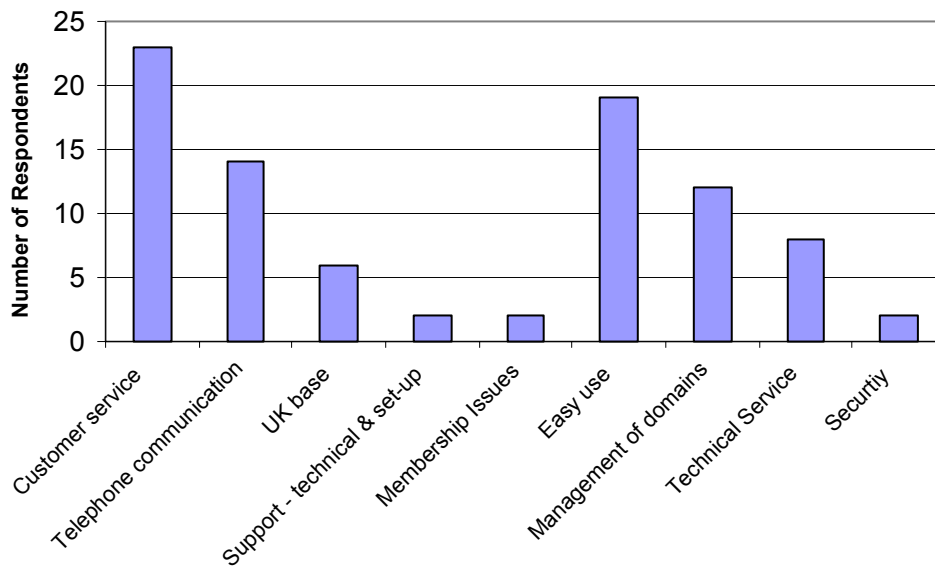
- A very high percentage of members (97%) register gTLDs.
- 85% of tag holders register gTLDs.

2.8 How Nominet's services compare with gTLD registrars



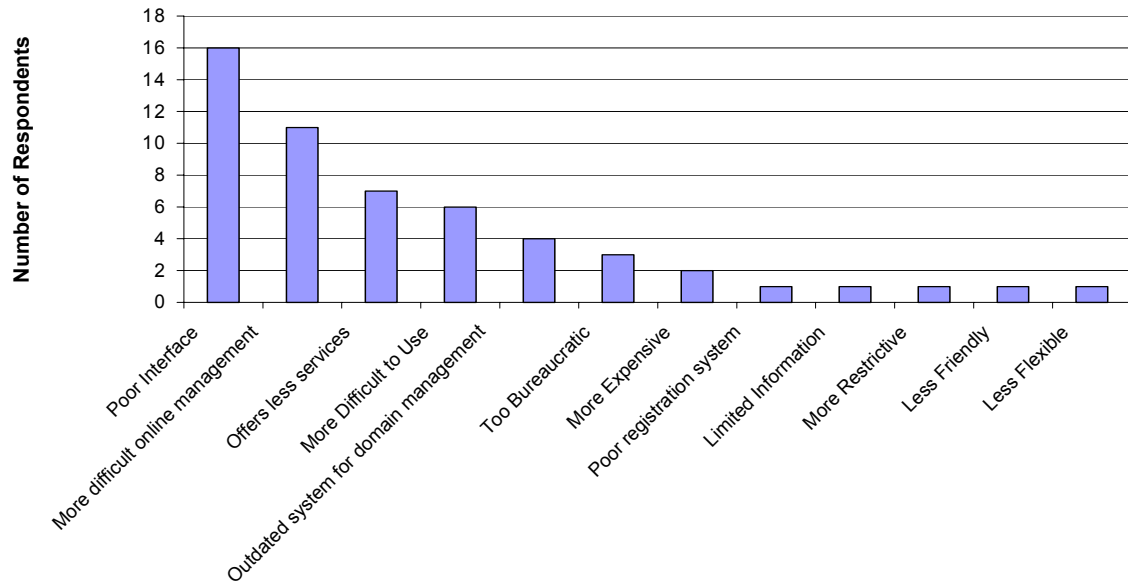
- 65.5% of respondents said that the service Nominet provides is as good as, or better, than their main gTLD registrar.
- 16.5% of respondents said that our service is not as good and 2.5% said our service is much worse. The remaining respondents were unable to comment.

2.9 Why Nominet's services are better than main gTLD registrar



- Many respondents preferred Nominet's services to those of their registrar because they felt the customer service was better. Respondents also drew attention to the benefits of the telephone communication we provide.

2.10 Why Nominet's services are worse than main gTLD registrar



- The most common reason that Nominet services were thought to be worse than other registrars is that respondents believe the web interface is poor and the management of domain names is difficult.

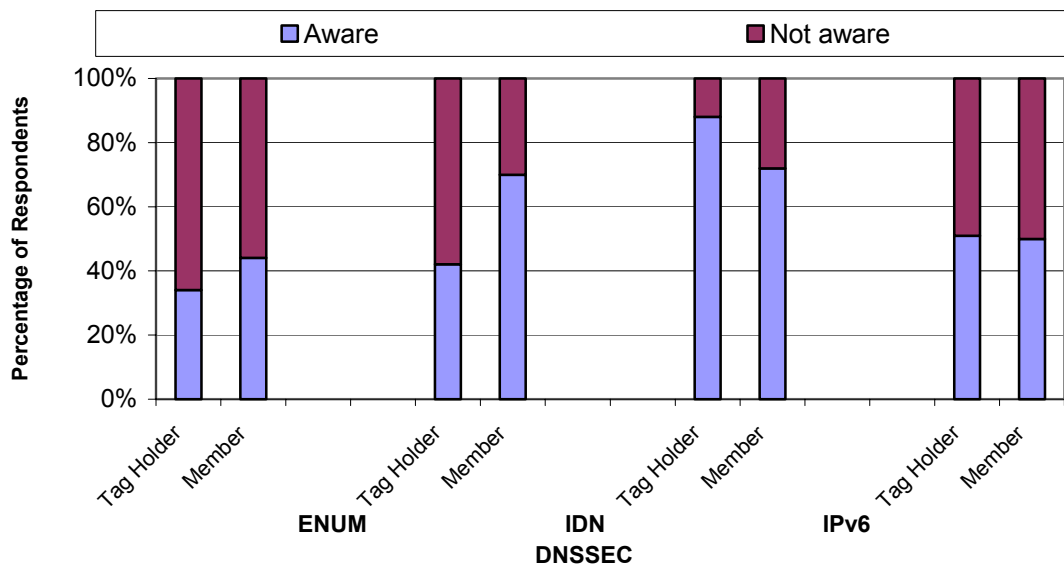
3. New Technical Developments

Awareness of new technical developments varies considerably depending on the development in question and, more interestingly, whether you are a member or a tag holder. The largest difference in awareness between members and tag holders occurs over Internationalised Domain Names (IDN) where members are more aware than tag holders by a difference of 25%.

Internet Protocol version 6 (IPv6) is the technical development with the highest awareness amongst members and tag holders whilst ENUM is the technology that both groups know least about.

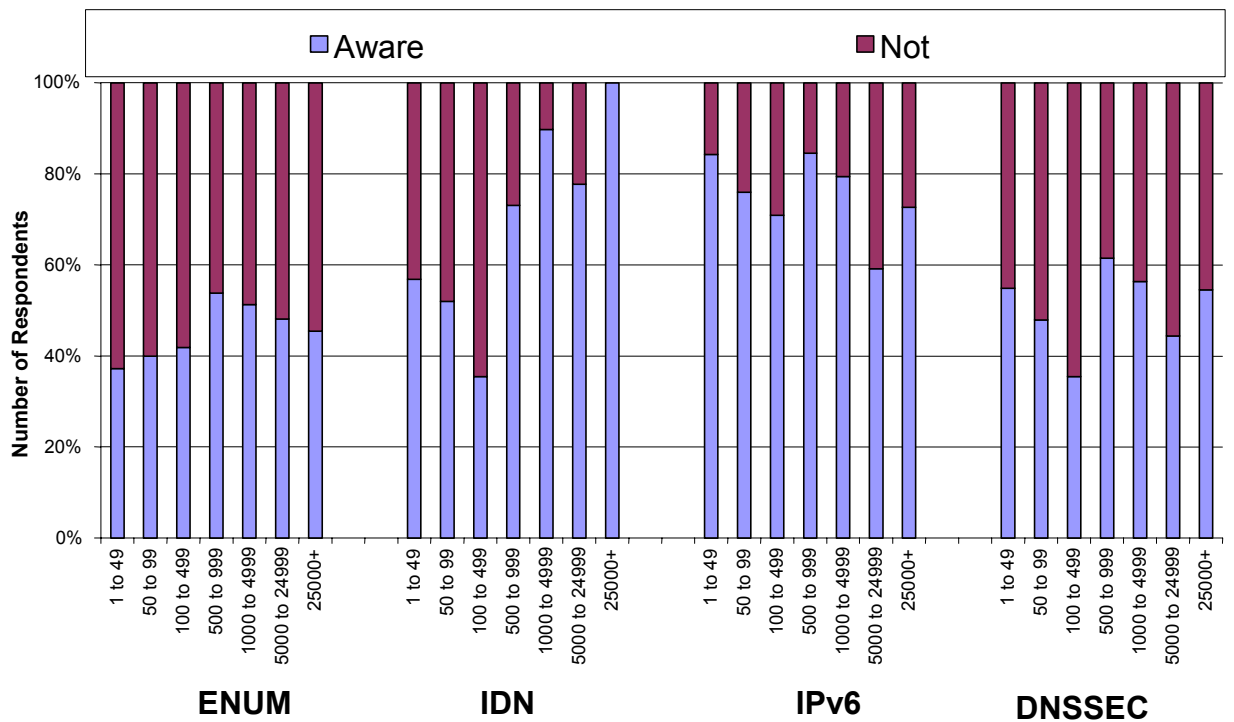
Overwhelmingly, both members and tag holders would like to learn more about new technologies via online information. Making test services accessible over the Internet was also seen as a very useful and popular service with 100% of tag holders stating that they would use this service when it becomes available, and a still high but smaller percentage (70%) of members saying that they would also use such a service.

3.1 Awareness of new technical developments



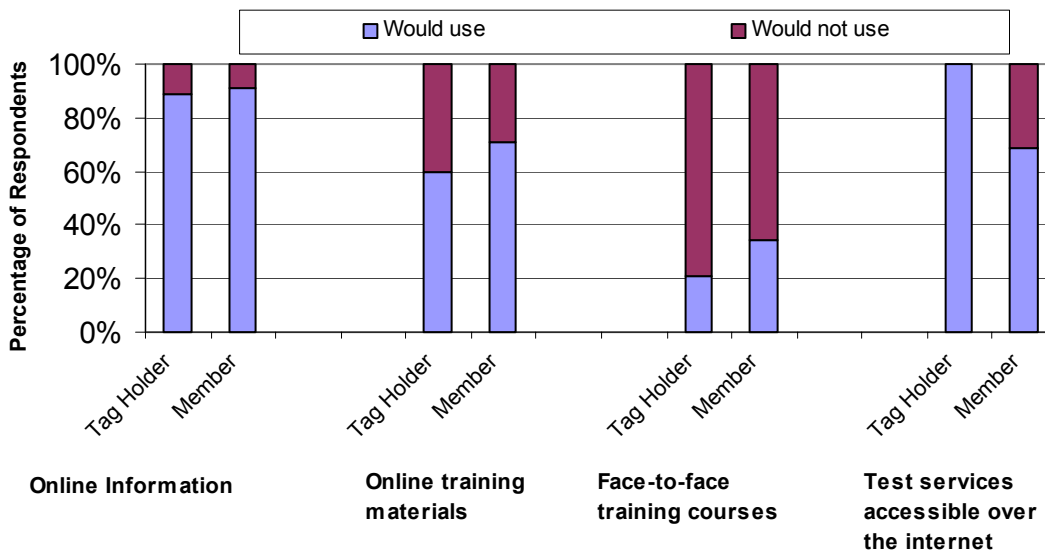
- IPv6 is the only development in which tag holders (90%) have a higher awareness than members (75%)
- The largest difference in awareness between members and tag holders is IDN where there is a difference of 25%.
- 50% of members and tag holders are aware of DNSSEC.

3.2 Awareness of new technical developments viewed by size



- There is a statistical relationship between the number of domains managed and awareness of IDN. There is no such relationship for any other development.

3.3 How respondents would like to learn about new technologies



- Online information would be the most popular method of learning about technologies.
- All tag holders and 70% of members would use test services available over the internet

4. Company structure and principles

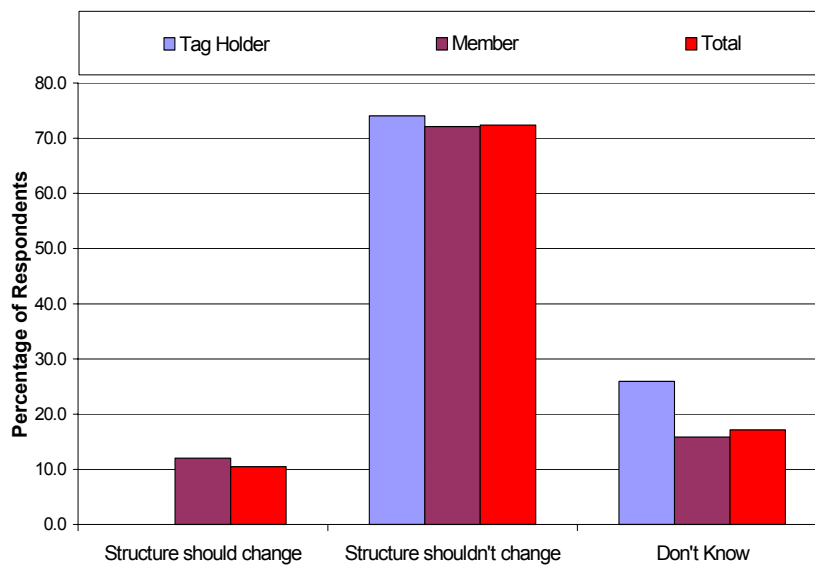
Nominet is unusual in being a private, not-for-profit organisation with membership open to anyone. The vast majority of members and tag holders are happy with the current structure and would not want it to change.

When questioned about whether members and tag holders would want to see the introduction of a code of conduct, the overwhelming response was in favour of a code of conduct. When questioned further about regulation within the industry, a significant proportion of members and tag holders felt their customers would welcome some form of regulation.

When asked whether tag holders should only be allowed to become tag holders if they managed a minimum number of domain names, the answer was a resounding no.

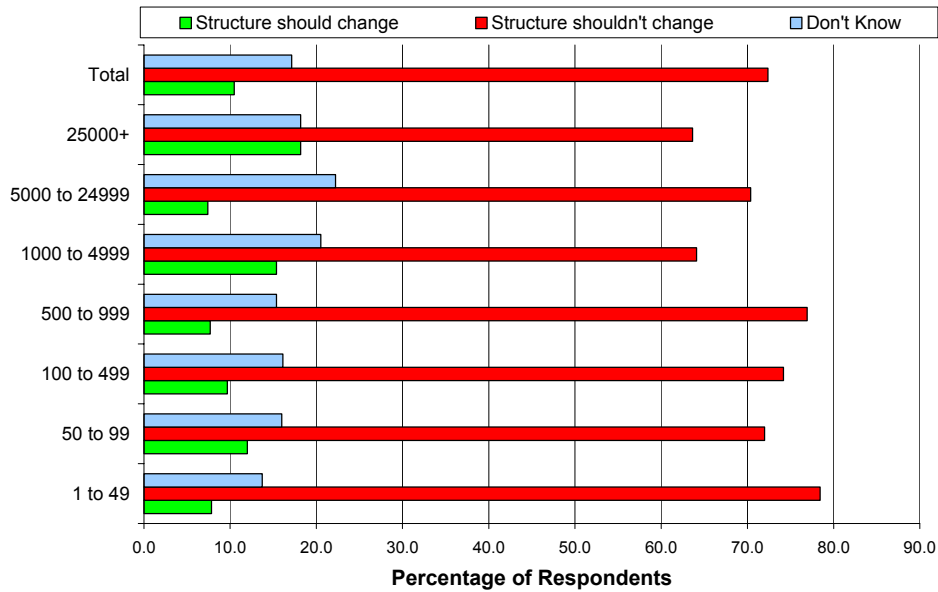
4.1 Should Nominet's structure change

Question: Nominet is a private company with membership and tag holding open to all. Do you think its structure should change in any way?



- Most of those surveyed believe Nominet's structure should remain the same

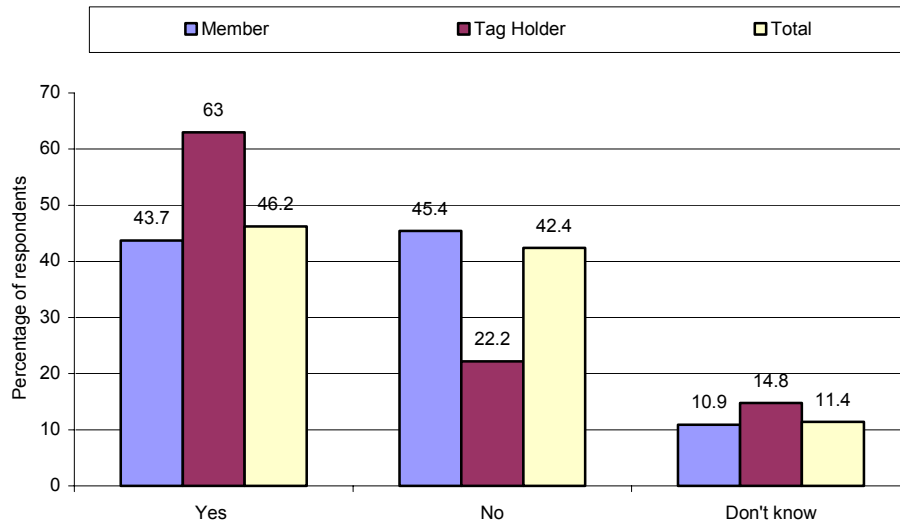
4.2 Should Nominet's structure change - viewed by size



- There is a fairly unanimous agreement across different sized companies that Nominet should not change its structure.

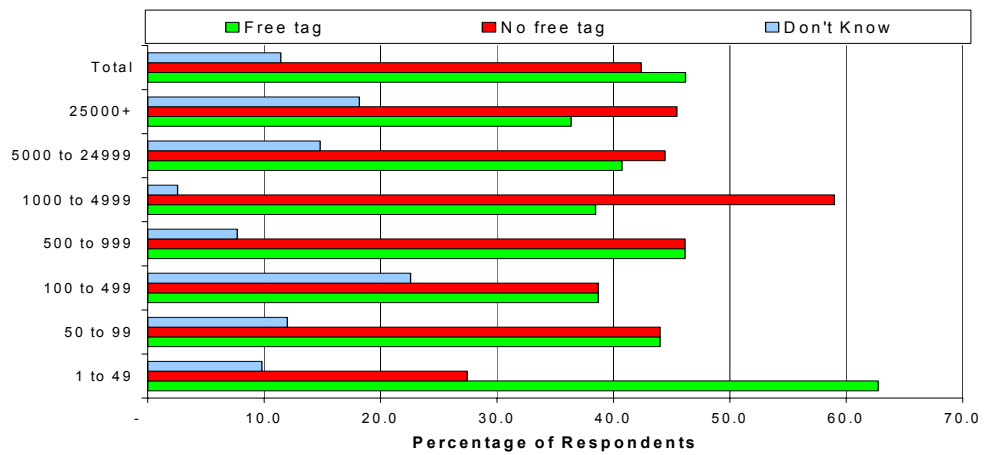
4.3 Allocation of tags

Question: Do you think Nominet should continue to give a tag to anyone who requests one?



- 44% of members think that we should continue to give a tag to anyone who requests one
- Tag holders are polarized far more strongly than members with the majority (63%) feeling that a tag should be given to anyone.

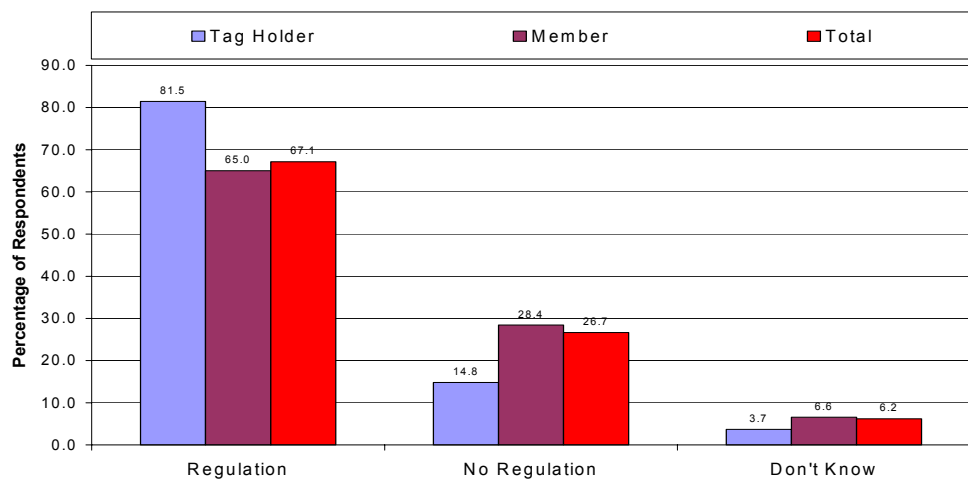
4.4 Respondents view of tag allocation system by number of domain names held



- Unsurprisingly those managing the fewest domains want the open tag allocation system to continue
- Elsewhere there is no relationship between the number of domains managed and views on this subject.

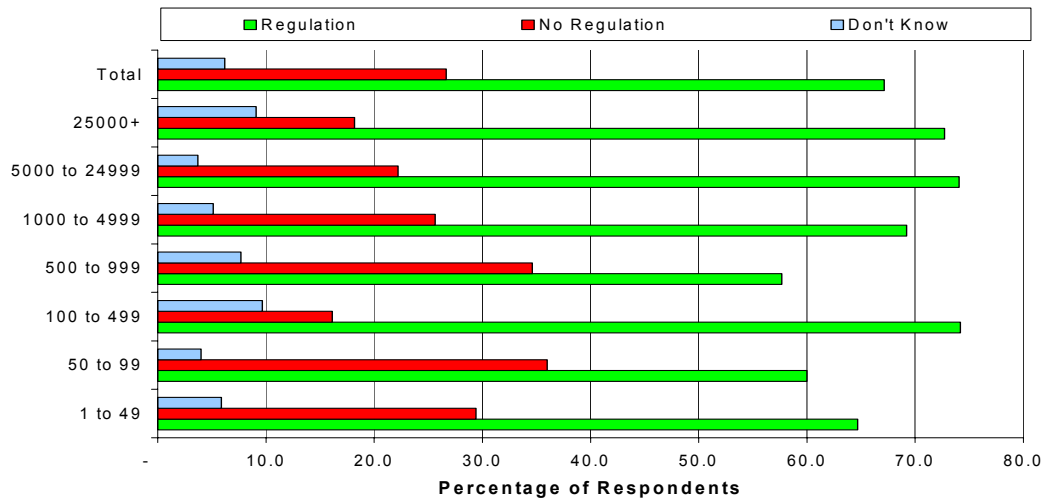
4.5 Respondents view on whether internet users would like to see regulation of the industry

Question: Do you think *internet users* would like to see regulation within the domain name registration industry?



- The majority of respondents believe that their customers would like to see some form of regulation of the industry.

4.6 Respondents view by number of domain names held

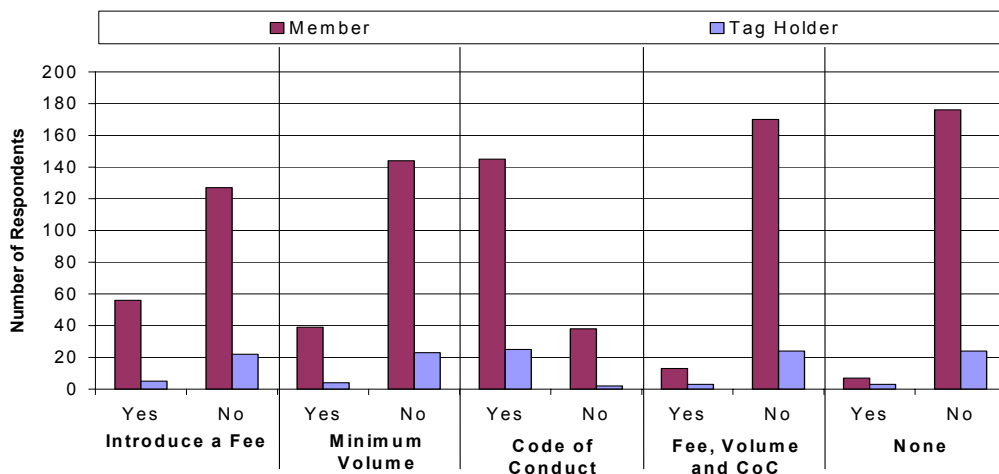


- The majority of members and tag holders believe that their customers would like to see regulation in the industry.

4.7 How the tag allocation system might change

Question: Should Nominet change its system for allocating tags in any of the following ways?

- Introduce a fee
- Set a minimum volume of business
- Establish a Code of Conduct
- All three
- None of the above
- Other



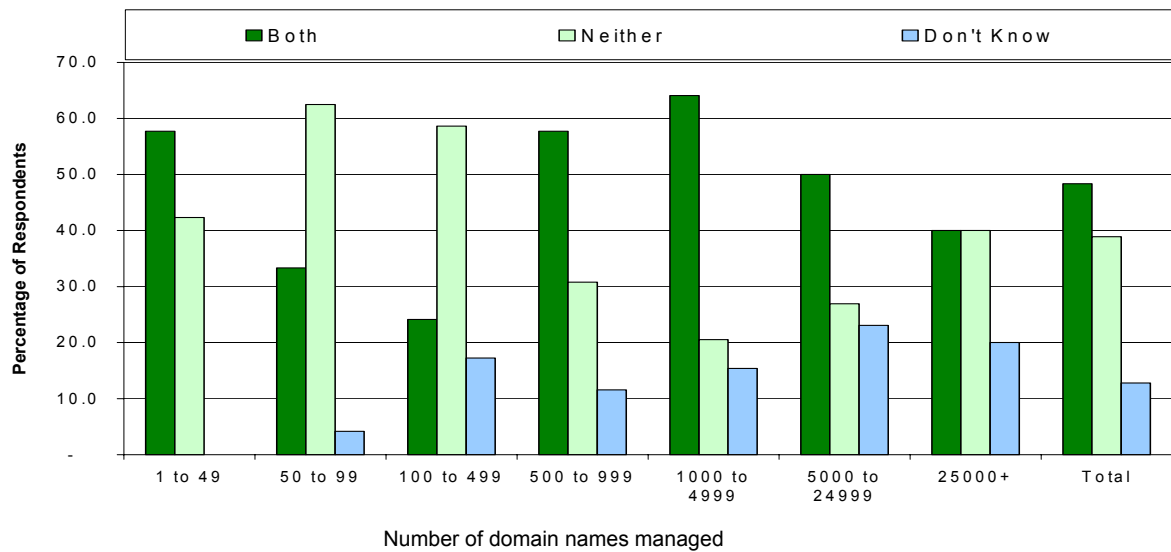
- 29% of respondents said we should introduce a fee for becoming a tag holder
- 20.5% of respondents said we should set a minimum volume for becoming a tag holder
- 81% of respondents said we should establish a Code of Conduct amongst tag holders

5. Governance and policy

As a membership organisation it is extremely important that Nominet members are represented both at Board and Policy Advisory Board (PAB) elections. 48% of those questioned said that they voted in both elections while 39% said that they did not vote in either. Of the various size bands, those with a very low number and those with a high number of domain names were more likely to vote.

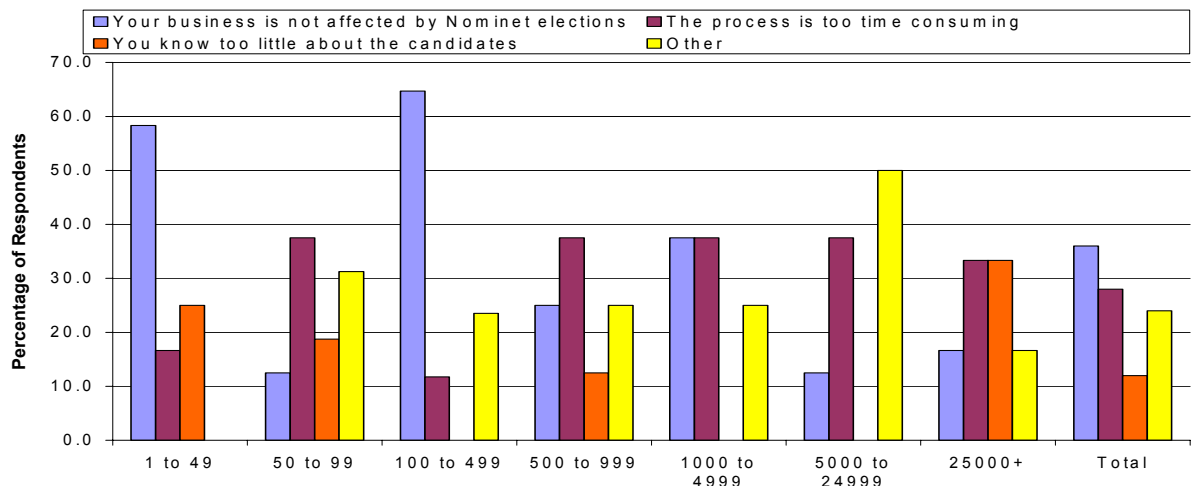
The most common reason for not voting was that the outcome would have no material impact on business performance. This could suggest a general view that Nominet is stable and secure and people only vote if there is a problem. The feedback on the PAB suggests that its role as a bridge between stakeholders and the board requires further explanation.

5.1 Voting behaviour in the board and PAB elections



- There is no correlation between size and voting behaviour
- Participation in Board elections usually means participation in the PAB elections.

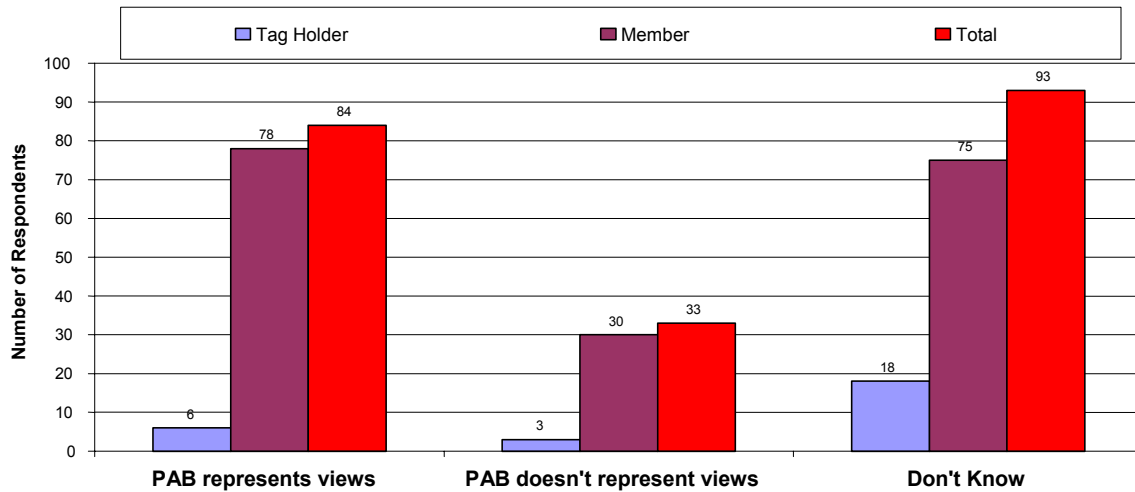
5.2 The reasons for not voting



- Most do not vote because they do not see that their business is affected by these elections.

5.3 The Policy Advisory Board

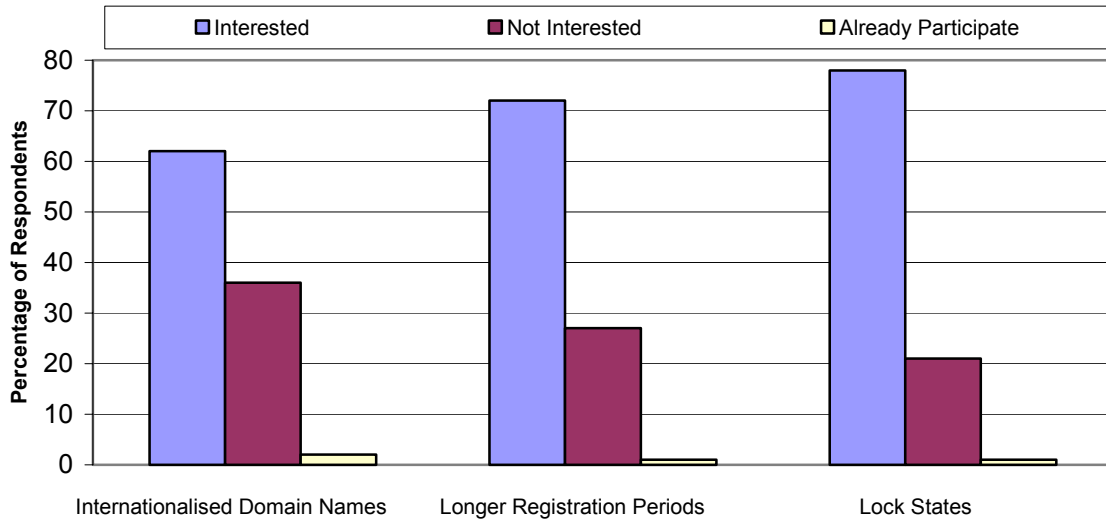
Question: Do you think that the PAB represents the views of all stakeholders to the Nominet board?



- A high proportion of those surveyed did not know enough about the PAB to answer the question.

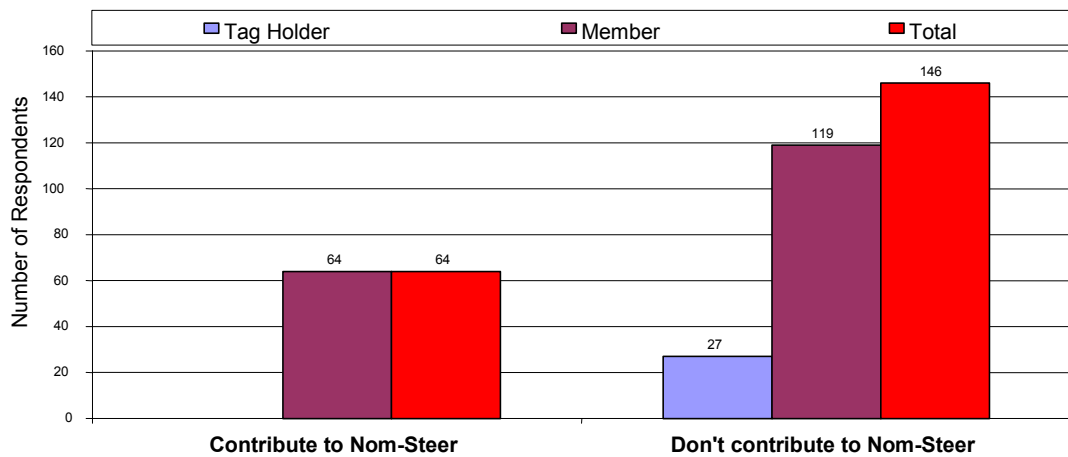
5.4 Policy Working Groups

Respondents were asked whether they were interested in the three policy areas that were being considered by the PAB policy working groups running at the time of the survey.



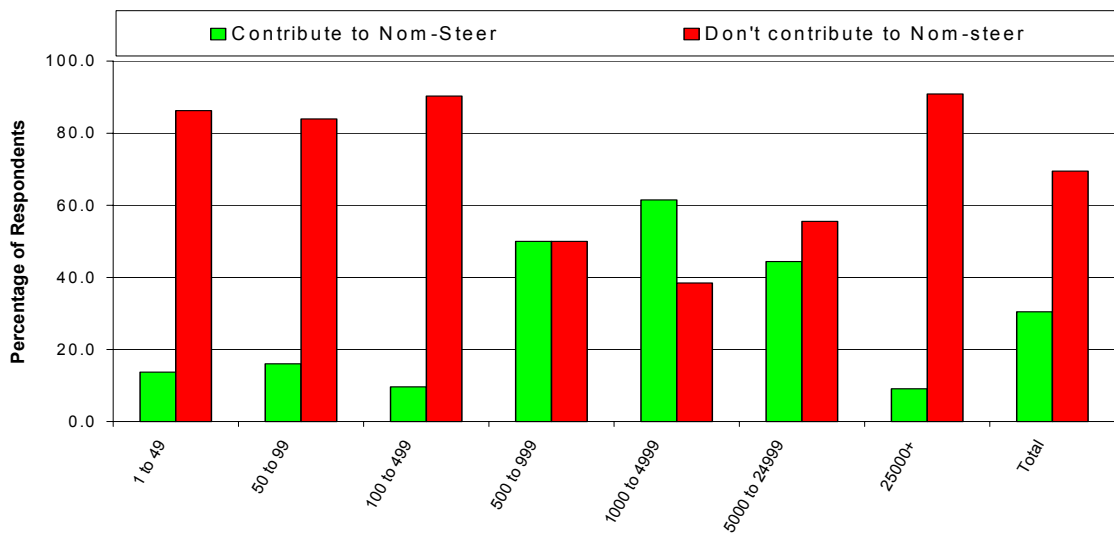
- 78% of respondents were interested in the introduction of lock states but were not yet participating in the working group
- 72% of respondents were interested in the idea of variable registration periods but were not yet participating in the working group
- 62% of respondents are interested in Internationalised Domain names but were not yet participating in the working group

5.5 Participation in nom-steer



- 30% of those surveyed contribute to the nom-steer mailing list.

5.6 Participation by size



5.7 Reasons for not contributing

Reasons for not Contributing	Frequency
Unaware/new to join	38
Sharing my opinion on Nom-steer will make no difference	30
No time	28
Not relevant/not interested	15
Nothing to contribute	12
Nom-steer is not an effective method of debating an issue	9
Location/language	4
The issues I raise would be sidetracked	3
Poor content	3
My point of view would not be respected	2
No Specific reason	2