

## **IDNs and Small Businesses in India - Synergistic Growth Prospects**

Internationalized Domain Names (IDNs) and email addresses based on these domains have been around for more than 14 years now, allowing people around the world – particularly non-English speakers – to create their own relevant online identities and navigate the internet in their native languages. However, despite the growth in availability and adoption of IDNs, many internet users today remain unaware of their existence. How can these users who are otherwise very passionate about their mother tongue best be reached and convinced to adopt IDNs? This necessitates asking one very important question.

### **Who really needs IDNs?**

When it comes to domain names, one needs to understand that they are identifiers on the internet that help people find a particular service/person/organization to avail of some facility/service. It needs to be acknowledged that most of the traffic as it gets driven on the internet involves the economics of it at some point if not at the immediate point of interaction. Without the involvement of economic gains (directly or otherwise) at the end of the tunnel, most of the initiatives cannot take wing. This is definitely applicable to people's interactions over the internet. If one looks at the existing businesses over the internet, it is clear that they are able to connect with their "intended" customers without IDNs. These customers are the ones who either understand English, can transact using the English interface, or consume native language content/services through the mobile apps that do not need explicit interactions with the Latin script-based domain names. Now suddenly expecting them to connect with their existing user base through IDNs, which typically talk to a kind of subset of users than the multilingual user (deliberately conflating the terms "script" and "language" here for the sake of simplicity), sounds a bit of odd advice, doesn't it? Does it mean that there is no consumer class that is left out of all these categories, which expects an end-to-end interaction with the online services in their mother tongue?

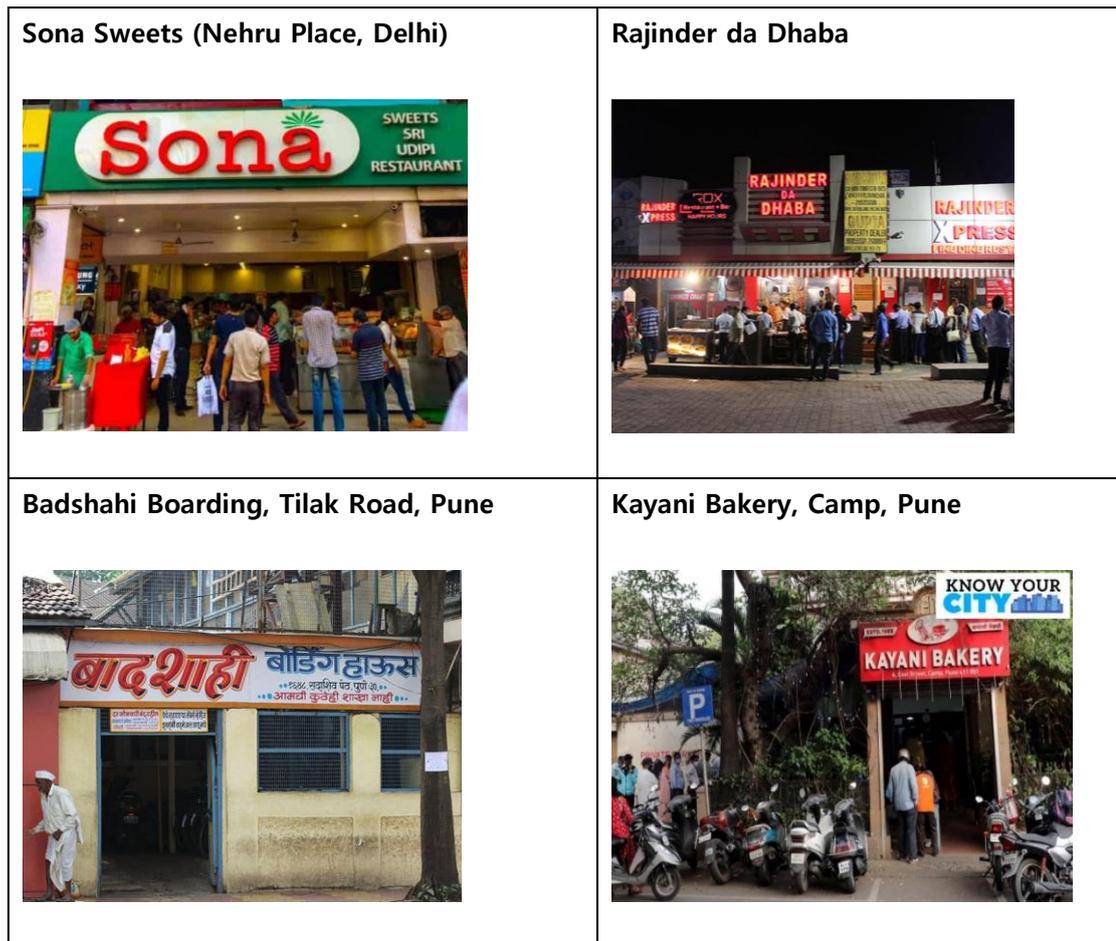
Let us explore this question a bit. Why would a functional business want to bifurcate its existing consumer pool without clear enhancement in its existing financial business model? This is indeed a reality of businesses today that are already online. However, the realm of business in human society is far and wide, and the "already online" category forms only a part of that. There are many small businesses that can draw benefits out of IDNs if the packaging of an offering to them is done in the right manner. These small businesses can be classified into two broad categories that require different engagement models as they are two different impact segments.

1. Small businesses with a high following in the local community – typically referred to hereafter as Local Established Brands (LEBs)
2. Small businesses with a low/moderate following in the local community – local aspiring brands (LABs)

Let us discuss each of these categories in detail:

### 1. Local Established Brands (LEBs):

Typically, these are local businesses which already have a sort of fan following in the physical region in which they are operating. A typical example of these could be:



*Fig.1 Glimpses of some of the LEBs*

Typically, these kinds of outlets exist in the form of brick-and-mortar stores. They are not big chains nor have a wide franchisee network. These stores truly are embedded in the local ecosystem, and more often than not, in the local community, operating in the local language. The typical characteristics of these businesses are:

- Well-known in the region
- Have no big ambitions for expansion
- Have good cash flows
- Have very big visibility in the local (linguistic) community

- Do not have much appetite for online publicity

Approaching them with a proposal to create an IDN website for their businesses could resonate with them if the onus of maintenance is not put on their shoulders. This could likely be the case as they are good at one thing: running their physical outlet. They really do not need any distractions. However, they can be engaged with a promise of some trusted entity like ThinkTrans maintaining their web profile (social media, website, etc.) for them. Because it could be seen as an additional outreach channel without much of a hassle that distracts them from the core business, they could be amenable to this proposition.

**Impact assessment:**

Direct impact assessment of the same might not be possible in the initial period of the launch of this initiative. However, eventually, if there are some offers/schemes that are run jointly with these stores, which provide some incentives to their customers by driving them to their web profiles, the traffic generated will be a good metric for assessing the visibility and thus the impact.

**2. Local Aspiring Brands (LABs):**

This is by far one of the most widespread and voluminous segments of business owners who are online but not in a big way. They have ambitions of expanding but are not finding the right partners or agencies who can help them without having to take their eyes off their main business. These are typically businesses that have only social media accounts and no websites. They often spend a lot on traditional marketing as well as social media marketing to be seen in the hyperlocal populations in which their physical establishment operates. They include small shop owners, automobile dealers, pharmaceutical dealers, sweet shops, restaurants, clothing merchants, etc. – basically all kinds of traders as well as manufacturers operating in the small towns within specific regions. These LABs are often overshadowed by the nearby LEBs and have a good appetite to become the LEB in that region in the segment in which they are operating.





Fig. 2. Glimpses of some of the LABs across India and business sectors

Typical characteristics of these businesses are:

- ❖ Known within the local region but need more visibility
- ❖ Have aspirations to expand and become a known brand in the region
- ❖ Have moderate to good cash flows
- ❖ Operate within the regional linguistic community but do not have great visibility
- ❖ Operate proper systematic social media campaigns to influence people through Facebook and Google paid advertisements

During the initial discussions with stakeholders from these two main business segments, positive views have been observed about the potential of IDN-based offerings to augment their businesses.



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