



Competitive Supplemental GoDaddy.com

Competitive Analysis: Website Product

Version 1

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Document Use Instructions

The purpose of this document is to give a detailed overview of main competitors in the website market space and how they position relative to our offering. The content explores many aspects of the competitor's strengths and weakness, as well as comparing features and benefits that they provide.

The content and research in this document will be consumed by internal stakeholders and will be utilized in the creation of various sales enablement tools and training materials. It should be viewed as an evolving document and will be audited and updated accordingly as the competitive landscape changes. It can be used in the creation of:

- **Competitive Battlecards**
- **Sales Enablement Tools**
- **Sales Training Materials**
- **Internal Presentations**

Important: The Competitive Supplemental Guides will be evolving documents that will give us intelligence and insight into our competition and their unique offerings. The analysis is meant to be a high-level overview of their strengths, weaknesses, product strategy and messaging to the market. It will give the reader a quick summary of the competitor and our take on how we position and differentiate against them. This information can then be used in the creation of various tools, resources and strategies for sales and other functions within the company. Product Marketing will continue to audit and update the information on this company as necessary.

Company Information & Financials

GoDaddy.com

Go Daddy is a privately held company that is primarily an internet domain registrar and web hosting company. They are the world's largest domain name registrar and web hosting provider. GoDaddy provides product and support in 37 countries, 44 currencies, and 17 languages.

| | |
|-------------------------------------|---------------------------------------|
| Company Name | GoDaddy.com, LLC. |
| Founded | 1997 |
| Headquarters | Scottsdale, AZ |
| Stock Listing (if available) | Not Public (IPO filed 6.9.14) |
| Employees | 4,400 (est.) |
| Direct Sales Markets | unknown |
| Customers | 12,000,000 (est.) |
| Retention Rate | unknown |
| Core Products | Domains, Hosting, DIY & DIFM |
| Additional Products | SEM, SEO, Email Marketing, Invoicing, |
| Market Channels | TV, Radio, Online Banner & Display |
| Additional Information | NASCAR Danica Patrick sponsorship |

Company Financials

| Highlights | 2013 | 2014 | Change |
|------------|---------|---------|--------|
| Revenues | \$1.1B | \$979mm | -11% |
| Net loss | \$200mm | \$279mm | +40% |

Company SWOT

This section gives a detailed overview of the competitor's strengths, weaknesses, opportunities and threats. The analysis is only on the company itself and not a direct product comparison.

Strengths

- 17 years of business (since 1997) on track to generate \$1.43 billion in revenue this year, and may reach \$5 billion annually within the next two to three years
- Heavy commitment to mass media marketing, including NASCAR and Super Bowl ads
- Recent expansion into 21 new markets and 14 new languages
- Substantial growth in India, increased advocacy to business owners using .IN domains

Opportunities

- Could be worth more than \$6 billion in an IPO
- Cloud IPOs are a hot market investment
- Go Daddy is pushing into Spain, Portugal, France, Germany and other countries this year and next with the goal of eventually counting on non- U.S. markets for 70 percent of sale
- Microsoft & GoDaddy strategic partnership to offer Office 365 as email product – could lead to future partnership and product development

Weaknesses

- Not profitable; facing mounting losses year-over-year
- Failed 2006 IPO citing unfavorable market conditions
- CEO Bob Parson's recently stepped down and took position on the Board; new CEO Blake Irving, formally of Yahoo assumed new responsibilities on June 9, 2014.

Threats

- Serves SMB market and has heavy brand name recognition
- Dominant acquisition strategy spurs growth and mingles new technology
- #37 ranked most-visited US website (Alexa)
- #77 ranked most visited site worldwide (Alexa)

Website Product Overview

This section gives the reader an overview of the competing website product (both DIY and DIFM if available). It explores the main functionalities and benefits as listed by the competitor in their literature or online.

Do it Yourself

| Product Name | Price | Main Features |
|---------------|-------------|--|
| Personal | \$5.99/mo. | <ul style="list-style-type: none"> Free domain w/ annual plan* 50 personal themes Unlimited pages 1GB disk space 150GB bandwidth |
| Business | \$5.99/mo. | <ul style="list-style-type: none"> Free domain with annual plan* 300 personal and business themes Unlimited pages 10GB disk space 300GB bandwidth 5 business email addresses Mobile site |
| Business Plus | \$10.99/mo. | <ul style="list-style-type: none"> Free domain with annual plan* 300 personal and business themes Unlimited pages 50GB disk space 1000GB bandwidth 10 business email addresses Mobile site SEO One-click social media manager 1 year SSL certificate |

Do it for Me

| Product Name | Price | Main Features |
|--------------------|--------------|---|
| Standard | \$89.99/mo. | <ul style="list-style-type: none"> 5-page website Template-based website – up to 300 designs to choose from Fast – ready in as little as two weeks 30 minutes of updates per month |
| Premium | \$169.99/mo. | <ul style="list-style-type: none"> 20-page website Custom-designed to work with your existing logos and images Fast – launch in as little as four weeks 30 minutes of updates per month 1-on-1 consultation with your graphic designer Receive a website mockup for approval before we proceed Up to 2x more images, videos, form fields, and links from the standard plan |
| Both plans include | Free | <ul style="list-style-type: none"> SEO Hosting (50GB disk space and 1000 GB bandwidth) 24/7 support Website editor Search Engine Visibility 1 year SSL certificate On-page SEO service \$100 USD Bing/Yahoo search credit \$50 USD Facebook credit 10 Fotolia credits |

Target Market/Opportunity

The purpose of this section is to explore how this competitor would define their customer and target market. This is in contrast to the hibu target customer, where we can begin to see the differences in approach, process and strategic capability.

Market Opportunity

- Give people an easy, affordable way to get their ideas online.
- More than 12 million customers around the world and growing.
- World's Largest Domain Name Registrar – 57MM under management
- Here to help people easily start, confidently grow, and successfully run their own ventures.
- Continued expansion into emerging and growth markets – adding new language translations and web applications
- Evolve from Domain Register and website services to bookkeeping, payments, and cloud services.

Sales Motion

- Provocative and cheeky high-spend mass media marketing/exposure
- DIY Business & Personal websites at low cost
- DIFM Business websites hinges on no design fee w/ pricing dependant on basic or enhanced templates
- Upsell more expensive packages & eCommerce, and SEO products

Our Take: The GoDaddy.com target customer wants a website that look's professional but doesn't neccessarily have to be focused on the latest amazing design. They are generally fine with generic templates but do want to make sure they have the critical technologies for a website. When it comes time for editing, they do not need high frequency edits. The customer is often times very new to online, usually because they are also purchasing a domain and need an easy tool. This customer is drawn to DIY affordability and low prices with a percieved minimal risk. They like also like the free design pricing even if the monthly fee is a bit higher and want low upfront cost.

Messaging Overview

This section summarizes the competitor's main value proposition and explores their messaging pillars that are present in collateral, sales lyrics and public communications.

Company Main Value Proposition

It's go time. Create your own website. Your choice.

DIFM Website Value Proposition

Let our experts create, host and update your dream website. Get more than a website. Includes hosting, marketing tools & more.

Main Messaging Lyrics

- Get more than a website. Includes hosting, marketing tools & more!
- Want a website that not only looks terrific but works?
- Leave it to the web experts at GoDaddy. Our Professional Web Services Team know what it takes to build an effective website that gets noticed.

- Tell us what you envision for your new website.
- Monitor your site along the way.
- Keep it fresh.
- Free extras.
- No setup fees: Your Website Design Service subscription covers everything you need to keep your site online and thriving.

DIY Website Value Proposition

Easily create your own professional website.

Main Messaging Lyrics

- Create a site that you can be proud of
- Easy to use – no technical skills required
- Hundreds of customizable designs
- Free Domain and Free hosting
- 24/7/365 support: We're here to help – all day, every day.
- Keep your site fresh with popular apps
- One-click social media manager
- Get on Google w/ 3 easy steps with our SEO tool

Our Take: GoDaddy uses simple, but aggressive messaging that inspires users to “do it today” for very low cost. The image and messaging of the company is provocative and appeals to the self-sufficient, “my way” small business owner.

This is important to note as it helps to differentiate the persona of the SME and what type of messaging appeals to them. It is very straightforward and does not attempt to get overly technical or too benefit driven.

Voice of the Customer

This section is a summary of feedback and various reviews that have been written, posted and vocalized by this competitor's customers on the Internet and other forums where they can be found. It can also feature 3rd party reviews by bloggers and writers. It contains positive, negative and neutral review summary but is meant to capture the voice of the customer and help highlight the strengths and weaknesses of this competitor and their product.

Positive

- Users note that the DIY tools are self-explanatory and very easy to use
- Generally pleased with Customer Sales & Support “between helpful and average”

Negative

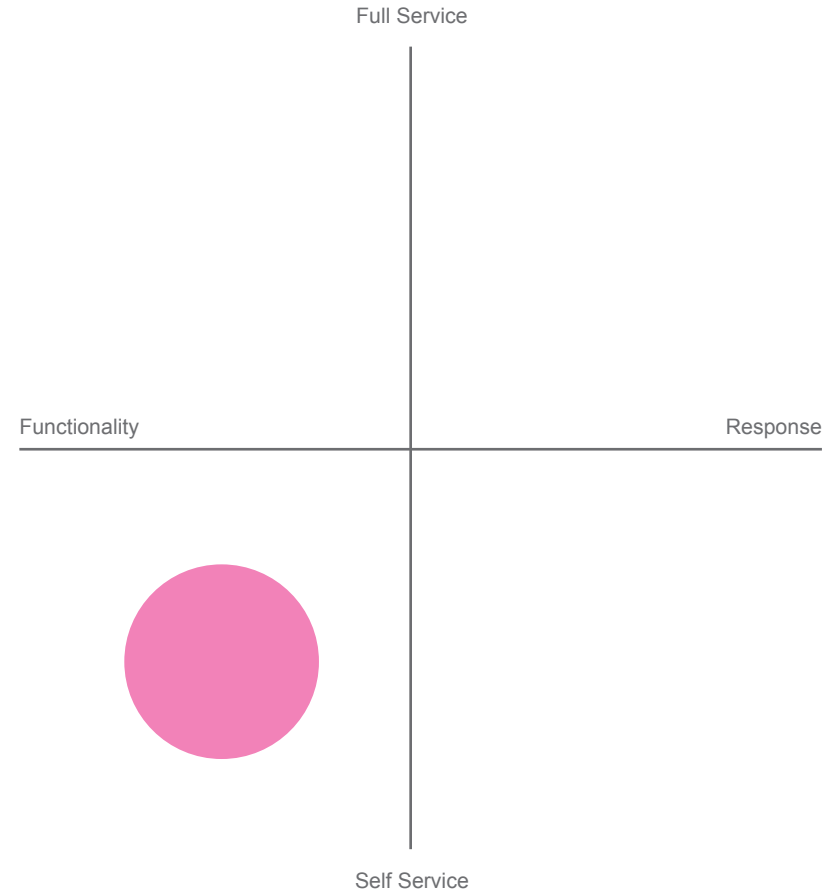
- Expressed concern that the lowest priced packages leave many marketing tools out – must upgrade for marketing tools provided throughout industry
- Complaints that emails feature has a lot of glitches and users consistently report problems, freezes
- Claims that SEO is not getting customers found – claim more effectiveness than

Our Take: GoDaddy users like that the DIY tools are easy to use, and that for the most part, Customer Support does the job when asked. Some concerns have been shared that the best marketing and SEO tools are only available to upgraded packages, and that the email services have many glitches. While the websites may look good, they are not proven to be effective, which may add insult to injury if the site is not delivering results and the prices are increasing after promotional periods end.

Positioning Approach

The positioning analysis of this competitor aims to summarize the main attributes and strategy employed in the marketplace.

| | |
|-------------|---|
| Promotion | <ul style="list-style-type: none"> Use heavy mass media DRTV/Radio to drive website traffic & inbound call volume Strong online conversion Lead w/ domain registration – get the .com first |
| Product | <ul style="list-style-type: none"> Advertisement free (except for WordPress blog) Dial up extremely user-friendly DIY Website Builder and DIFM Professional Design Quality is average (acceptable level of UX design) Upsell to higher priced packages w/ mobile & SEO |
| Price | <ul style="list-style-type: none"> Relatively low price DIY website (promotional pricing ends after the first year) Moderate price for DIFM design – no setup/build fee Non-discounted pricing contingent on term of contract (monthly vs yearly vs two years) No information on money-back guarantee or refund availability Update Terms & Conditions posted on websites monthly – pricing can change |
| Process | <ul style="list-style-type: none"> Engineered for speed > quality Robust FAQ and “what will happen next” detail Do It For Me Premium Product allows SME review prior to website launch Allows for customer choice in servicing, by phone or email, but changes limited to 30 minutes a month |
| Proficiency | <ul style="list-style-type: none"> Achieving 12% revenue growth in all markets Exponential growth in emerging countries, new markets driving new domain registrations |



Sales Approach

The following is Product Marketing’s take on the competitor’s main strengths and how to best position hibu websites against their offerings.

No build fee

Invest in the best copywriting and hibu design experts making your unique website work for your business. With the hibu Design Service, the \$599 fee is one-time only.

Premium DIFM is the only product that allows for customer to review before “go live”

Help the SME understand that hibu has a highly communicative design process that uses our experts and sales force to ensure notifications are sent out, action steps outlined, and followed through.

SEO only in the top DIY package

The hibu Design Service will ensure SEO takes place w/ the upfront copywriting to ensure they get found in search engine results.

Site design times from 2 weeks standard to 4 weeks for premium

Help the SME understand that hibu will help choose the right custom template, do expert copywriting and layouts, and complete it in about 3 weeks to ensure the customer is comfortable with the optimized final state.

You say it. We build it.

With the hibu Design Service, we’ll understand what’s important to the SME and have our experts draft amazing content and design that is unique truly optimized for getting found in Search Engines and local directories.

Terms and Conditions can change often. Promotional pricing will auto-increase

With the hibu Design Service, the monthly-fee will be consistent unless you add additional products or services.

DIFM only allows for 30 min a month of changes

With hibu Wave, we’ll process two edits a month, and four new pages a year. There’s no time restriction on the DIFM service making changes, and your changes will be made accurately, so that there’s no interruption to your business.

References

Company website

www.godaddy.com

Go Daddy IPO Watch

<http://www.bloomberg.com/news/2013-07-24/go-daddy-ceo-mulls-2014-ipo-joining-wave-of-cloud-deals.html>

<http://www.inc.com/jill-krasny/godaddy-is-going-public.html>

Alexa Statistics

<http://www.alexa.com/siteinfo/godaddy.com>