

THE DOMAIN NAME INDUSTRY BRIEF

VOLUME 14 – ISSUE 3 – SEPTEMBER 2017

THE VERISIGN DOMAIN REPORT

AS A GLOBAL LEADER IN DOMAIN NAMES AND INTERNET SECURITY, VERISIGN REVIEWS THE STATE OF THE DOMAIN NAME INDUSTRY THROUGH A VARIETY OF STATISTICAL AND ANALYTICAL RESEARCH. VERISIGN PROVIDES THIS BRIEFING TO HIGHLIGHT IMPORTANT TRENDS IN DOMAIN NAME REGISTRATIONS, INCLUDING KEY PERFORMANCE INDICATORS AND GROWTH OPPORTUNITIES, TO INDUSTRY ANALYSTS, MEDIA AND BUSINESSES.



VERISIGN®



EXECUTIVE SUMMARY

The second quarter of 2017 closed with approximately 331.9 million domain name registrations across all top-level domains (TLDs), an increase of approximately 1.3 million domain name registrations, or 0.4 percent over the first quarter of 2017.^{1,2} Domain name registrations have grown by 6.7 million, or 2.1 percent, year over year.^{1,2}

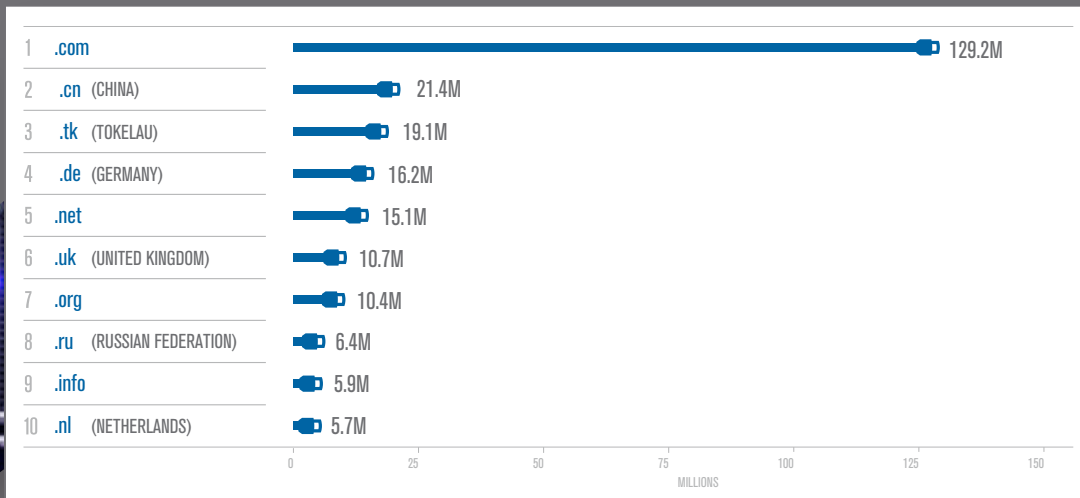
Total country-code TLD (ccTLD) domain name registrations were approximately 144.2 million, a 0.8 percent increase over the first quarter of 2017, and a 2.6 percent increase year over year.^{1,2}

The .com and .net TLDs had a combined total of approximately 144.3 million domain name registrations in the domain name base³ in the second quarter of 2017. This represents a 0.8 percent increase year over year. As of June 30, 2017, the .com domain name base totaled 129.2 million domain name registrations, while the .net domain name base totaled 15.1 million domain name registrations.

New .com and .net domain name registrations totaled 9.2 million during the second quarter of 2017. In the second quarter of 2016, new .com and .net domain name registrations totaled 8.6 million.

TOP 10 LARGEST TLDs BY NUMBER OF REPORTED DOMAIN NAMES

Source: Zooknic, Q2 2017; Verisign, Q2 2017; Centralized Zone Data Service, Q2 2017



As of June 30, 2017, the largest TLDs were .com, .cn, .tk, .de, .net, .uk, .org, .ru, .info and .nl.¹

The average sale price for the top 10 .com domain names reported by DN Journal as sold in the aftermarket in Q2 2017.⁴

\$917K
USD



Growth of .com and .net domain names redirecting to popular global social media and e-commerce sites compared to Q2 2016.⁵

INSTAGRAM
71%

YOUTUBE
28%

FACEBOOK
18%

LINKEDIN
18%

TWITTER
14%

ETSY
11%



1 .tk is a ccTLD that is provided for free to individuals and businesses worldwide (<http://www.businesswire.com/news/home/20131216006048/en/Freenom-Closes-3M-Series-Funding#.UxeUGNJDv9s>). The zone size for .tk was last estimated by Zooknic in Q4 2014 and this zone size was subsequently used in the Q4 2014 through Q2 2016 DNIBs. In Q3 2016, Zooknic reported a significant decline in the .tk zone and restated the estimated zone size of .tk for each quarter from Q4 2014 through Q3 2016 using a proprietary methodology. As a result, for comparative purposes of this DNIB to the Q2 2016 DNIB, Verisign has applied an updated estimate of the total zone size across all TLDs for Q2 2016 of 325.2 million and an updated estimate of the total ccTLD zone size for Q2 2016 of 140.5 million.

2 The generic top-level (gTLD) and ccTLD data cited in this brief: (i) includes ccTLD Internationalized Domain Names, (ii) is an estimate as of the time this brief was developed and (iii) is subject to change as more complete data is received.

3 The domain name base is the active zone plus the number of domain names that are registered but not configured for use in the respective Top-Level Domain zone file plus the number of domain names that are in a client or server hold status.

4 Source: DN Journal (accessed July 20, 2017) <http://www.dnjournal.com/ytd-sales-charts.htm>.

5 Source: VeriSign, Inc. data.

LARGEST ccTLDs BY NUMBER OF REPORTED DOMAIN NAMES

Source: Zooknic, Q2 2017

For further information on the Domain Name Industry Brief methodology, please refer to the last page of this brief.

Total ccTLD domain name registrations were approximately 144.2 million in the second quarter of 2017, with an increase of 1.1 million domain name registrations, or a 0.8 percent increase compared to the first quarter of 2017.^{1,2} ccTLDs increased by approximately 3.7 million domain name registrations, or 2.6 percent, year over year.^{1,2} Without including .tk, ccTLD domain name registrations increased approximately 603,000 in the second quarter of 2017, a 0.5 percent increase compared to the first quarter of 2017 and ccTLDs increased by approximately 3.8 million domain name registrations, or 3.1 percent, year over year.



The top 10 ccTLDs, as of June 30, 2017, were .cn (China), .tk (Tokelau), .de (Germany), .uk (United Kingdom), .ru (Russian Federation), .nl (Netherlands), .br (Brazil), .eu (European Union), .au (Australia) and .fr (France).^{1,2} As of June 30, 2017, there were 302 global ccTLD extensions delegated in the root, including Internationalized Domain Names (IDNs), with the top 10 ccTLDs composing 64.8 percent of all ccTLD domain name registrations.^{1,2}

TOP 10 TRENDING KEYWORDS IN .COM AND .NET IN Q2 2017

This chart represents the top 10 trending keywords registered in English in .com and .net domain name registrations for the second quarter of 2017 and reflects the keywords in .com and .net domain name registrations with the highest percentage of registration growth relative to the preceding quarter. Verisign publishes a monthly blog post highlighting domain name registration keyword trends.

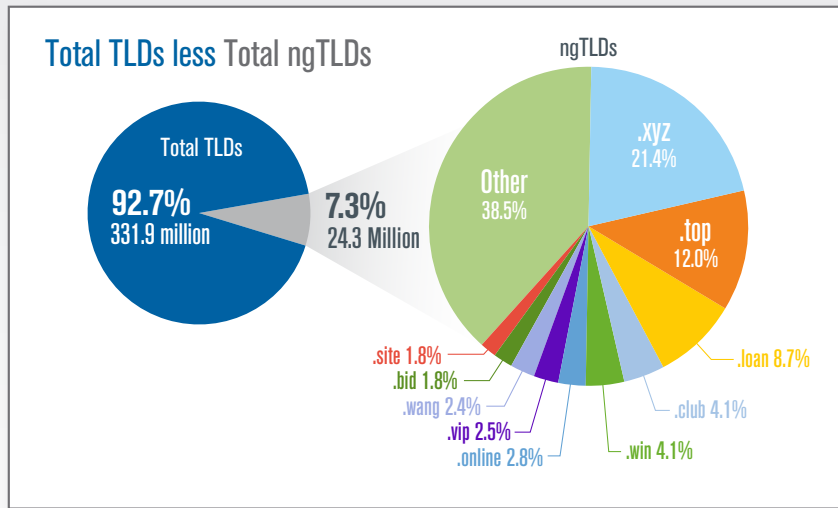
Rank	.com	.net
1	coin	coin
2	crypto	fashion
3	jumbo	tube
4	fidget	crypto
5	spinner	viral
6	smiles	soccer
7	rates	fidget
8	purchase	football
9	dentists	library
10	financing	yesterday



NEW gTLDs AS PERCENTAGE OF TOTAL TLDs

Source: Centralized Zone Data Service, Q2 2017 and Zooknic, Q2 2017

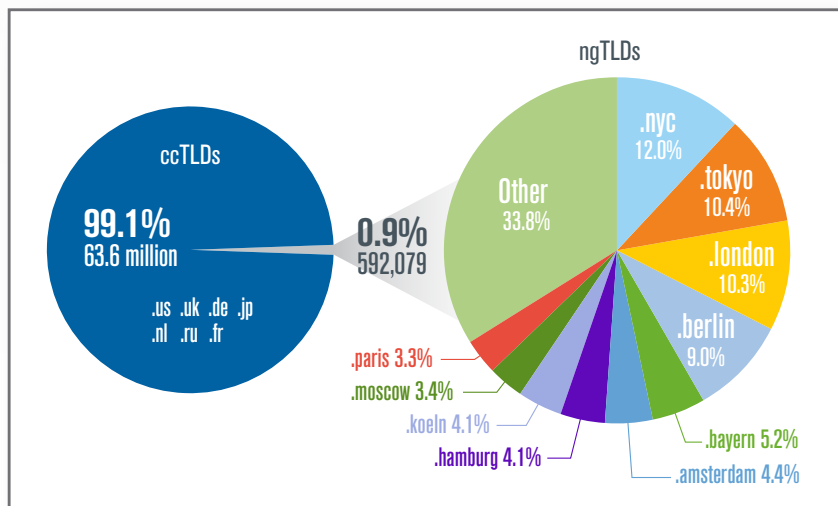
As of June 30, 2017, new gTLDs (ngTLD) totaled 24.3 million domain name registrations, which represents 7.3 percent of total domain name registrations. The top 10 ngTLDs represented 61.5 percent of all ngTLD domain name registrations. The following charts show ngTLD domain name registrations as a percentage of overall TLD domain name registrations, and also the top 10 ngTLDs as a percentage of all ngTLD domain name registrations for the second quarter of 2017.



GEOGRAPHICAL NEW gTLDs AS PERCENTAGE OF TOTAL CORRESPONDING GEOGRAPHICAL gTLDs

Source: Centralized Zone Data Service, Q2 2017 and Zooknic, Q2 2017

As of June 30, 2017, there were 37 ngTLDs delegated that meet the following criteria: 1) has a geographical focus and 2) has more than 1,000 domain name registrations since entering general availability (GA). The chart on the left summarizes the domain name registrations as of June 30, 2017 for the listed geographical ngTLDs and the corresponding ccTLDs within the same geographic region. In addition, the chart on the right highlights the top 10 geographical ngTLDs as a percentage of the total geographical ngTLDs.



DOMAIN NAME INDUSTRY BRIEF ENHANCEMENTS

For more than 10 years, the Domain Name Industry Brief has presented statistical and analytical research on the state of the domain name industry. The Domain Name Industry Brief is currently undergoing enhancements, including moving to a digital format. Some elements of the Domain Name Industry Brief are currently under evaluation, like the DNS Query Load data. Readers will continue to see updates to the Domain Name Industry Brief in future issues.

ABOUT VERISIGN

VeriSign, a global leader in domain names and internet security, enables internet navigation for many of the world's most recognized domain names and provides protection for websites and enterprises around the world. VeriSign ensures the security, stability and resiliency of key internet infrastructure and services, including the .com and .net domains and two of the internet's root servers, as well as performs the root-zone maintainer function for the core of the internet's Domain Name System (DNS). VeriSign's Security Services include DDoS Protection and Managed DNS. To learn more about what it means to be Powered by VeriSign, visit VeriSign.com.

LEARN MORE

To access the archives for the Domain Name Industry Brief, please go to VeriSign.com/DNIBArchives. Email your comments or questions to domainbrief@verisign.com.

METHODOLOGY

The data presented in this brief for ccTLDs, including quarter-over-quarter and year-over-year metrics, reflects the information available to VeriSign at the time of this brief and may incorporate changes and adjustments to previously reported periods based on additional information received since the date of such prior reports, so as to more accurately reflect the growth rate of domain name registrations of the ccTLDs. In addition, the data available for this brief may not include data for all of the 302 ccTLD extensions that are delegated to the root, and includes only the data available at the time of the preparation of this brief. For gTLD and ccTLD data cited with Zooknic as a source, the Zooknic analysis uses a comparison of domain name root zone file changes supplemented with Whois data on a statistical sample of domain names, which lists the registrar responsible for a particular domain name, and the location of the registrant. The data has a margin of error based on the sample size and market size. The ccTLD data is based on analysis of root zone files. For more information, see ZookNIC.com.