

THE DOMAIN NAME INDUSTRY BRIEF

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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.



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EXECUTIVE SUMMARY

The third quarter of 2015 closed with a base of approximately 299 million domain name registrations across all top-level domains (TLDs), an increase of 3.1 million domain names, or 1.1 percent over the second quarter of 2015. Registrations have grown by 14.8 million, or 5.2 percent, year over year.¹

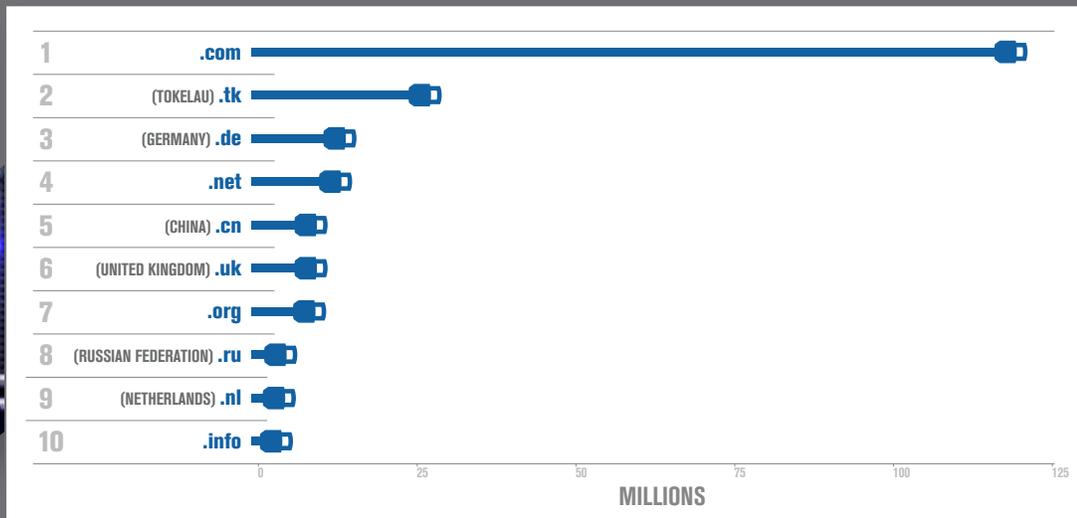
Total country-code TLD (ccTLD) registrations were approximately 137.8 million domain names, a .1 percent decrease quarter over quarter, and a 4.3 percent increase year over year. The ccTLD quarter-over-quarter decrease is largely the result of the .ar base declining from 2.7 million domain names to just 700,000 now that NIC-Argentina has imposed fees on registrants, constituting a major change in the system, as previously registration and renewal of “.ar” domain names were free.²

The .com and .net TLDs experienced aggregate growth, reaching a combined total of approximately 135.2 million domain names in the domain name base³ in the third quarter of 2015. This represents a 3.4 percent increase year over year. As of Sept. 30, 2015, the base of registered names in .com equaled 120.1 million names, while .net equaled 15.1 million names.

New .com and .net registrations totaled 9.2 million during the third quarter of 2015. In the third quarter of 2014, new .com and .net registrations totaled 8.7 million.

TOP 10 LARGEST TLDs BY ZONE SIZE

Source: Zooknic, Q3 2015; Verisign, Q3 2015; Centralized Zone Data Service, Q3 2015



The largest TLDs in order by zone size were .com, .tk, .de, .net, .cn, .uk, .org, .ru, .nl and .info.⁴ The order of the top TLDs in terms of zone size did not change from the second quarter of 2015.

The average sale price for the top 10 .com domain names reported by DNJournal as sold in the aftermarket in Q3 2015:

\$542,005
USD⁵



Growth of .com and .net domain names redirecting to popular global social media and e-commerce sites compared to Q2 2015:⁶

- AMAZON.COM 1%
- ETSY 5%
- FACEBOOK 4%
- LINKEDIN 5%
- WEIBO 11%



1 The generic top-level domain (gTLD) and ccTLD data cited in this report are estimates as of the time this report was developed, and is subject to change as more complete data is received. Total includes ccTLD Internationalized Domain Names.
 2 INTA. (June 1, 2014). ARGENTINA: Internet Regulator Starts Charging for Registering Domain Names <http://www.inta.org/INTABulletin/Pages/ARGENTINAInternetRegulatorStartsChargingforRegisteringDomainNames.aspx>
 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 tk is a free ccTLD that provides free domain names to individuals and businesses. Revenue is generated by monetizing expired domain names. Domain names no longer in use by the registrant or expired are taken back by the registry and the residual traffic is sold to advertising networks. As such, there are no deleted .tk domain names. <http://www.businesswire.com/news/home/20131216006048/en/Freenom-Closes-3M-Series-Funding#LXeuGNJdV9s> The .tk zone size represented here is based on data from Q4 2014, which is the most recent data available.
 5 Source: DN Journal (accessed 10/26/2015) <http://www.dnjournal.com/ytd-sales-charts.htm>
 6 Source: Verisign, Inc. data

Largest ccTLDs by Zone Size

Source: Zooknic, Q3 2015

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

Total ccTLD registrations were approximately 137.8 million in the third quarter of 2015, with a decline of 188 thousand domain names, or a .1 percent decrease compared to the second quarter of 2015. ccTLD registrations increased by approximately 5.7 million, or 4.3 percent, year over year. Without including .tk, ccTLD quarter-over-quarter growth was -0.2 percent and year-over-year growth was 3.6 percent.



The top 10 ccTLDs, as of Sept. 30, 2015, were .tk (Tokelau), .de (Germany), .cn (China), .uk (United Kingdom), .ru (Russian Federation), .nl (Netherlands), .eu (European Union), .br (Brazil), .au (Australia) and .fr (France).

As of Sept. 30, 2015, there were 287 global ccTLD extensions delegated in the root, including Internationalized Domain Names (IDN), with the top 10 ccTLDs comprising 67.4 percent of all ccTLD registrations.

TOP 10 TRENDING KEYWORDS IN .COM AND .NET: Q3 2015

Here are the top 10 trending keywords in .com and .net domain name registrations for the third quarter of 2015.

Verisign publishes a **monthly blog post** highlighting domain registration keyword trends, which reflects trends from the previous month. Using the same methodology, the list to the right reflects the keywords with the highest percentage of registration growth relative to the preceding quarter.

This method is intended to highlight the new and changing keywords seen in .com and .net domain name registrations. By evaluating the keywords with the largest percentage shift, the top 10 that have seen a significant shift in end user interest quarter over quarter can be identified.

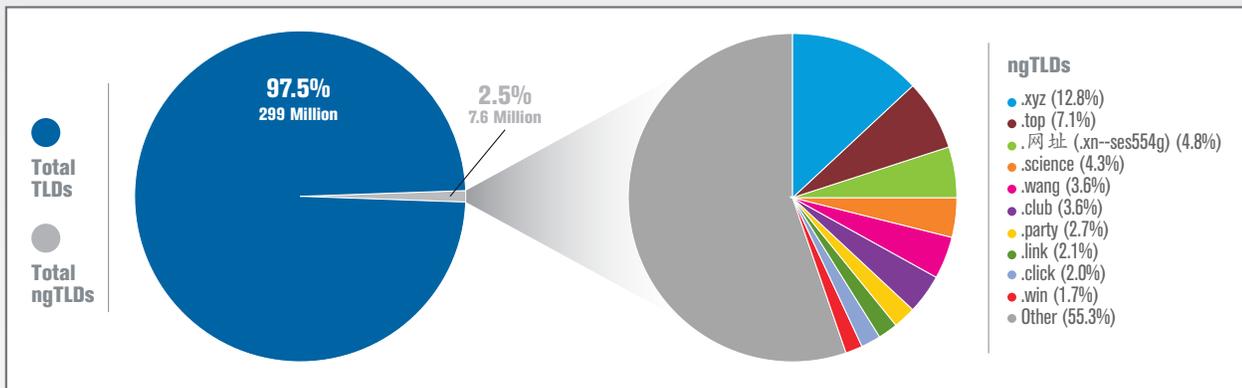
Rank	.com	.net
1	bank	luxury
2	ok	ocean
3	trump	front
4	preowned	trump
5	scope	australia
6	coupons	read
7	xyz	foto
8	bubble	capital
9	savannah	suck
10	fantasy	impact



New gTLDs as Percentage of Total TLDs

Source: Centralized Zone Data Service, Q3 2015 and Zooknic, Q3 2015

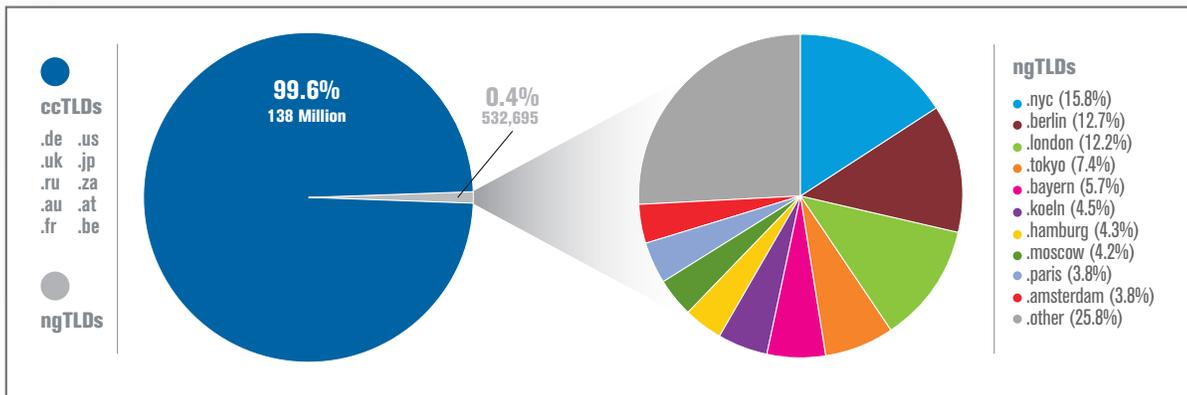
As of Sept. 30, 2015, new gTLD (ngTLD) registrations totaled 7.6 million, which represents 2.5 percent of total domain name registrations. The top 10 ngTLDs represented 44.8 percent of all ngTLD domain name registrations. The following charts show ngTLD domain name registrations as a percentage of overall TLD domain name registrations, and also the top 10 ngTLDs as a percentage of all ngTLD domain name registrations.



Geographical New gTLDs as Percentage of Total Comparable Geographical TLDs

Source: Centralized Zone Data Service, Q3 2015 and Zooknic, Q3 2015

Among the delegated ngTLDs that have a **geographical focus**,⁷ 32 have had more than 1,000 registrations since entering general availability (GA), as of the end of the third quarter of 2015. The first graph below summarizes the registrations as of Sept. 30, 2015 for these geographical ngTLDs and the respective ccTLDs within the same geographic region. In addition, the second graph highlights the top 10 geographical ngTLDs as a percentage of the total geographical ngTLD registrations.



DNS QUERY LOAD

During the third quarter of 2015, Verisign's average daily Domain Name System (DNS) query load was approximately 120 billion queries per day across all TLDs operated by Verisign, with a peak of nearly 593 billion. Quarter over quarter, the daily average query load increased 8.0 percent and the peak increased by 225.3 percent. Year over year, the daily average query load increased by 4.8 percent, and the peak increased by 86.4 percent.

⁷ Source: ICANNwiki New gTLD Geographic Applications (accessed 11/11/2015) http://icannwiki.com/New_gTLD_Geographic_Applications

FEATURED ARTICLE

USING DOMAIN NAME REGISTRATION TRENDS TO FIND GREAT DOMAIN NAMES

Registering domain names can be a wise business investment for those who understand how to [capitalize on relevant domain name registration trends](#). It is also important for anyone planning to [register a domain name](#) for business use to understand which types of names will be most memorable for potential visitors and customers.

It's no secret that popular culture and trending news often drive domain registrations, but these are often flash in the pan registrations. Seeking to identify what makes a good domain name long-term, Verisign researchers recently conducted an analysis of .com and .net registration trends related to keywords and the structure of domain name registrations. Using the same methodology referenced in [Verisign's monthly and quarterly "Top 10 Trending Keywords in .Com and .Net Registrations"](#) (see pg. 3), the researchers examined domain names that were registered in 2014 and compared them against domain names registered prior to 2014 to determine common techniques used when registering domain names.

What Did the Analysis Show?

Domain names have become more descriptive over time. As the Internet has grown in popularity over time, many users have registered more descriptive domain names. For example, many businesses today target specific locations and buyer interests, so it makes sense that they would register domain names to reflect their targeting.

The analysis also showed that most .com and .net domain names contain multiple words, a trend consistent across several languages. Further analysis was conducted examining three-word domain name combinations to determine the most common structure of those domain names. The researchers discovered that the most popular combination for a three-word domain name is three nouns, which made up 42 percent of the occurrences observed. The next most common occurrence was an adjective and two nouns, which was observed in approximately 10 percent of three-word domain names.

Most Common Parts of Speech Combinations	Percent of Occurrences
NOUN-NOUN-NOUN-	42
ADJ-NOUN-NOUN-	10
NOUN-ADJ-NOUN-	5
NOUN-VERB-NOUN-	3
VERB-NOUN-NOUN-	3
NOUN-NOUN-ADJ-	3

Within the structure of a three-word domain name, each subsequent position was typically occupied by a less specific word. However, it was also observed that three-word domain names tend to follow the typical sentence structure for a respective language with regard to specificity, such as in the English language example below:

BobsCakeFactory.com



Position in Domain	1	2	3
Specificity	Most	Less	Least
Occurrences in Literature ⁸	82,928	105,118	246,660

Key Takeaways for Someone Looking For a Great Domain Name:

The conclusion drawn from this analysis is that domain names frequently use the common structures discussed (i.e., noun-noun-noun and more descriptive words) to increase their appeal. When registering a domain name, one should think like their target audience and ask what a customer would type into a browser or search bar to find their business. One should then conduct a domain name search for similar phrases and keywords through a registrar or a tool like [DomainScope](#), and register and redirect those domain names to their website. Having a portfolio of descriptive, keyword rich domain names may make the difference in being found.

⁸ Source: Google Books Ngram Viewer <http://storage.googleapis.com/books/ngrams/books/datasetsv2.html>

LEARN MORE

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

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 functions for the core of the Internet's Domain Name System (DNS). Verisign Security Services include intelligence-driven Distributed Denial of Service Protection, iDefense Security Intelligence and Managed DNS. To learn more about what it means to be Powered by Verisign, please visit Verisign.com.

METHODOLOGY

The data presented in this report for ccTLDs, including quarter-over-quarter and year-over-year metrics, reflects the information available to Verisign at the time of this report 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 the ccTLDs. In addition, the data available for this report may not include data for all of the 287 ccTLD extensions that are delegated to the root, and includes only the data available at the time of the preparation of this report.

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.

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