

THE DOMAIN NAME INDUSTRY BRIEF

VOLUME 15 – ISSUE 3 – AUGUST 2018

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 second quarter of 2018 closed with approximately 339.8 million domain name registrations across all top-level domains (TLDs), an increase of approximately 6.0 million domain name registrations, or 1.8 percent, compared to the first quarter of 2018.^{1,2} Domain name registrations have grown by approximately 7.9 million, or 2.4 percent, year over year.^{1,2}

Total country-code TLD (ccTLD) domain name registrations were approximately 149.7 million at the end of the second quarter of 2018, an increase of approximately 3.5 million domain name registrations, or 2.4 percent, compared to the first quarter of 2018.^{1,2} ccTLDs increased by approximately 5.5 million domain name registrations, or 3.8 percent, year over year.^{1,2}

The .com and .net TLDs had a combined total of approximately 149.7 million domain name registrations in the domain name base³ at the end of the second quarter of 2018, an increase of approximately 1.4 million domain name registrations, or 0.9 percent, compared to the first quarter of 2018. The .com and .net TLDs had a combined increase of approximately 5.3 million domain name registrations, or 3.7 percent, year over year. As of June 30, 2018, the .com domain name base totaled approximately 135.6 million domain name registrations, while the .net domain name base totaled approximately 14.1 million domain name registrations.

New .com and .net domain name registrations totaled approximately 9.6 million at the end of the second quarter of 2018, compared to 9.2 million domain name registrations for the second quarter of 2017.

Total new gTLD (ngTLD) domain name registrations were approximately 21.8 million at the end of the second quarter of 2018, an increase of approximately 1.6 million domain name registrations, or 7.9 percent, compared to the first quarter of 2018. ngTLDs decreased by approximately 2.5 million domain name registrations, or 10.4 percent, year over year.

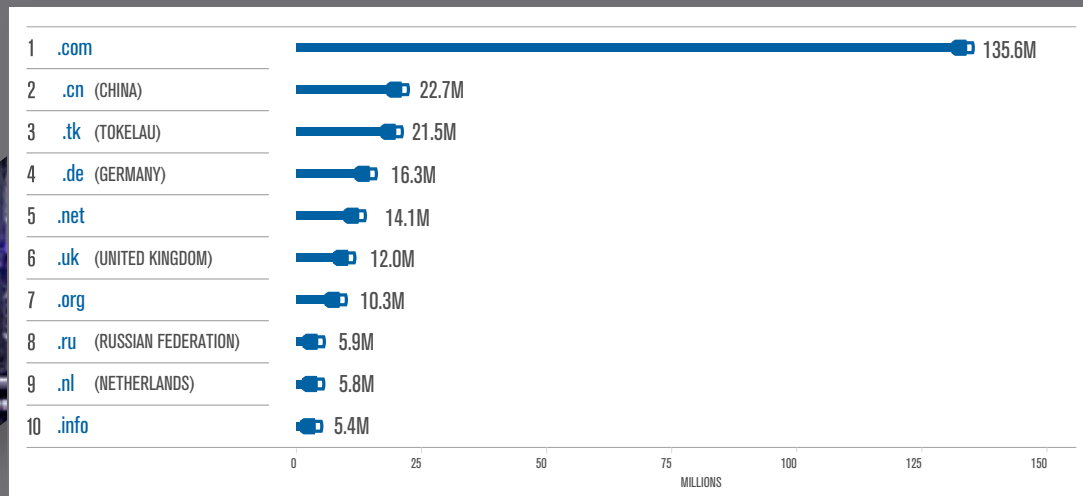
Growth of .com and .net domain names redirecting to popular global social media and e-commerce sites compared to Q2 2017.⁴

- INSTAGRAM **61%**
- ETSY **12%**
- LINKEDIN **9%**
- TWITTER **5%**
- FACEBOOK **4%**
- YOUTUBE **2%**



TOP 10 LARGEST TLDs BY NUMBER OF REPORTED DOMAIN NAMES

Source: Zooknic, Q2 2018; Verisign, Q2 2018; Centralized Zone Data Service, Q2 2018



As of June 30, 2018, the largest TLDs were .com, .cn, .tk, .de, .net, .uk, .org, .ru, .nl and .info.¹

LARGEST ccTLDs BY NUMBER OF REPORTED DOMAIN NAMES

Source: Zooknic, Q2 2018

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 149.7 million at the end of the second quarter of 2018, an increase of approximately 3.5 million domain name registrations, or 2.4 percent, compared to the first quarter of 2018.^{1,2} ccTLDs increased by approximately 5.5 million domain name registrations, or 3.8 percent, year over year.^{1,2} Without including .tk, ccTLD domain name registrations increased approximately 1.9 million in the second quarter of 2018, or 1.5 percent, compared to the first quarter of 2018. ccTLDs increased by approximately 3.2 million domain name registrations, or 2.5 percent, year over year.



The top 10 ccTLDs, as of June 30, 2018, were .cn (China), .tk (Tokelau), .de (Germany), .uk (United Kingdom), .ru (Russian Federation), .nl (Netherlands), .br (Brazil), .eu (European Union), .fr (France), and .it (Italy).^{1,2} As of June 30, 2018, there were 302 global ccTLD extensions delegated in the root zone, including Internationalized Domain Names (IDNs), with the top 10 ccTLDs composing 65.7 percent of all ccTLD domain name registrations.^{1,2}

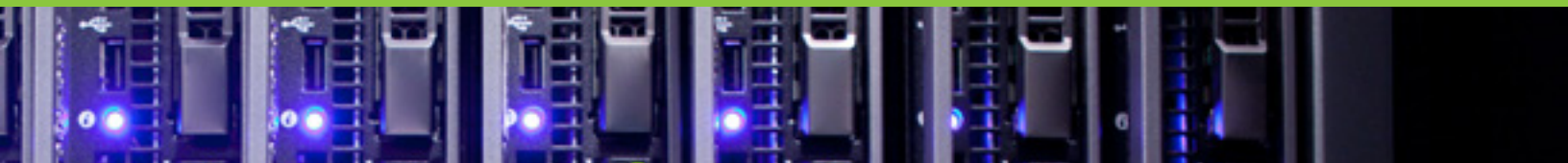
TOP 10 TRENDING KEYWORDS IN .COM AND .NET IN Q2 2018

This chart represents the top 10 trending keywords registered in English in .com and .net domain name registrations for the second quarter of 2018.

Verisign publishes a monthly blog post highlighting domain name registration keyword trends that reflects trends from the previous month. Using the same methodology, this list 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.

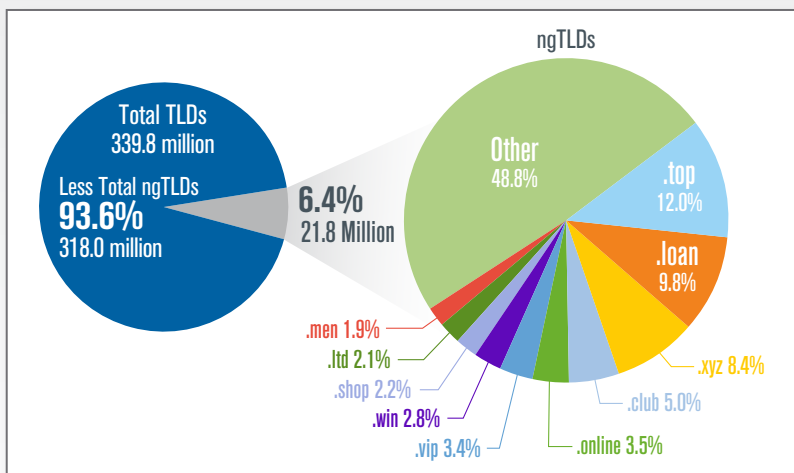
Rank	.com	.net
1	bet	bet
2	pen	hemp
3	bets	pen
4	lazy	lottery
5	funeral	relief
6	fortnite	suite
7	escort	bets
8	adverts	betting
9	betting	verify
10	gambling	casino



NEW gTLDs AS PERCENTAGE OF TOTAL TLDs

Source: Centralized Zone Data Service, Q2 2018 and Zooknic, Q2 2018

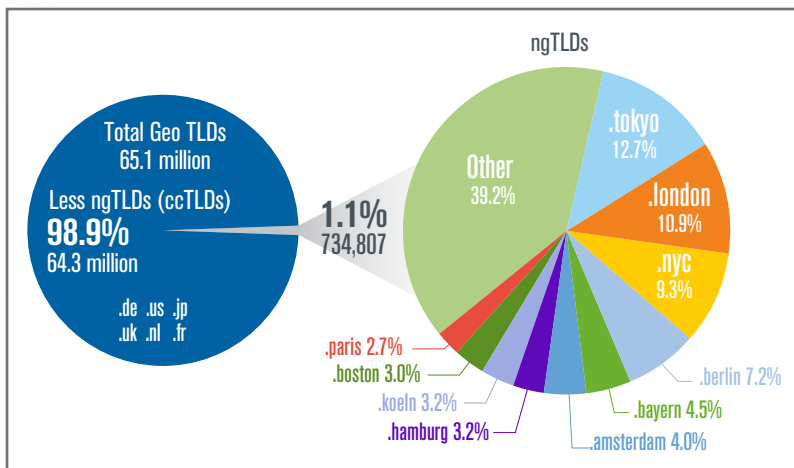
Total ngTLD domain name registrations were approximately 21.8 million at the end of the second quarter of 2018, an increase of approximately 1.6 million domain name registrations, or 7.9 percent, compared to the first quarter of 2018. ngTLDs decreased by approximately 2.5 million domain name registrations, or 10.4 percent, year over year. The top 10 ngTLDs represented 51.2 percent of all ngTLD domain name registrations. The following chart shows ngTLD domain name registrations as a percentage of overall TLD domain name registrations, of which they represent 6.4 percent, as well as the top 10 ngTLDs as a percentage of all ngTLD domain name registrations for the second quarter of 2018.



GEOGRAPHICAL NEW gTLDs AS PERCENTAGE OF TOTAL CORRESPONDING GEOGRAPHICAL TLDs

Source: Centralized Zone Data Service, Q2 2018 and Zooknic, Q2 2018

As of June 30, 2018, there were 44 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, 2018 for the listed ccTLDs and the corresponding geographical ngTLDs 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 TLDs.



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 Distributed Denial of Service Protection and Managed DNS. To learn more about what it means to be Powered by VeriSign, please visit VeriSign.com.

LEARN MORE

To view the average daily number of queries VeriSign processes, please go to the "What We Do" section at VeriSign.com.⁵ 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, including quarter-over-quarter and year-over-year metrics, reflects 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. 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 zone, 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.

¹ The figure(s) includes domain names in the .tk ccTLD. .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#.UXeUGNJDv9s>.

² The generic top-level domain (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: VeriSign, Inc. data and Q2 2017 DNIB.

⁵ The "What We Do" section is located on VeriSign.com under the "About VeriSign" tab and under the sub-tab "Overview."