Council of European National Top-Level Domain Registries

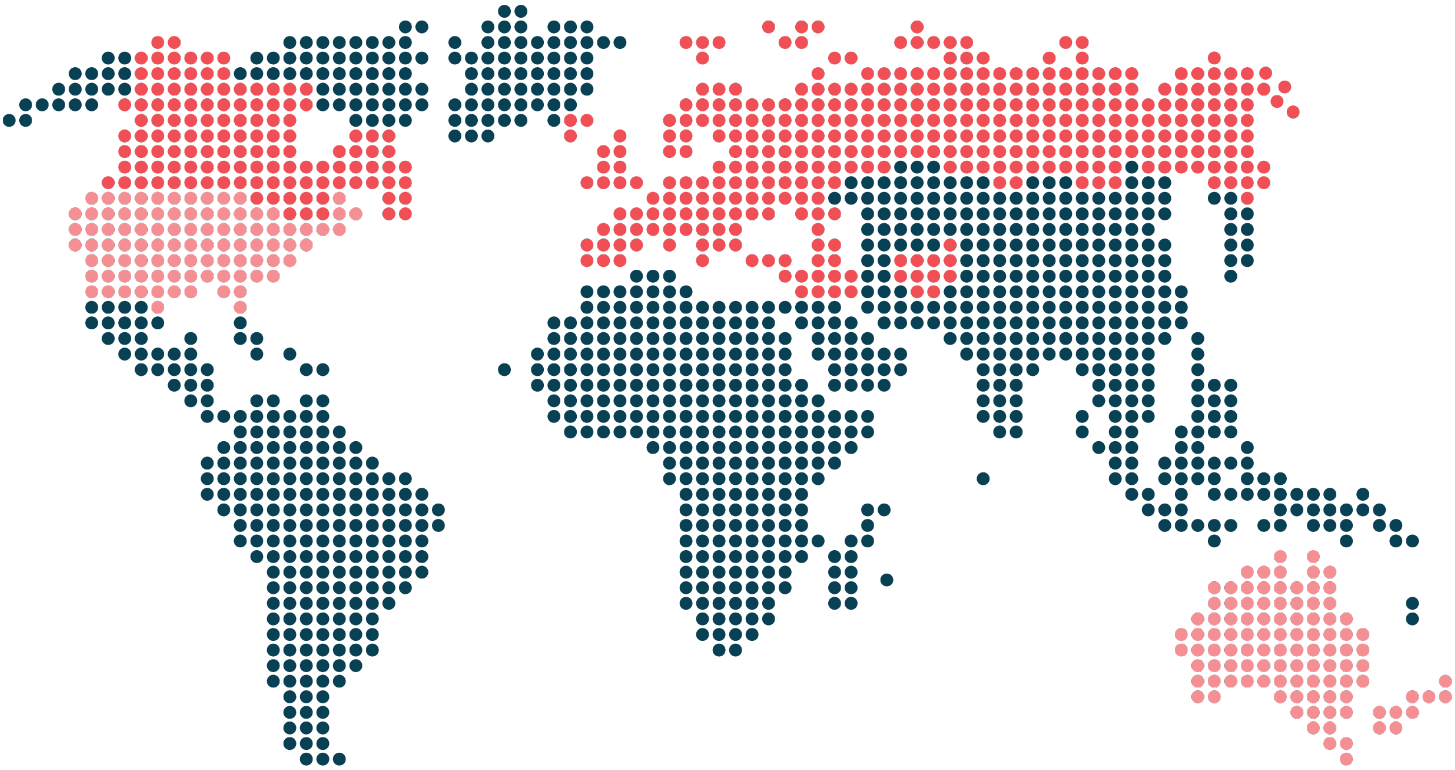
CENTRstats Global TLD Report is CENTR's quarterly publication covering status and trends in global top-level domains with a focus on European ccTLDs (country code top-level domains).

CENTR is the association of European country code top-level domain (ccTLD) registries, such as .de for Germany or .si for Slovenia. CENTR currently counts 53 full and 9 associate members – together, they are responsible for over 80% of all registered country code domain names worldwide. The objectives of CENTR are to promote and participate in the development of high standards and best practices among ccTLD registries.

CENTRstats

Global TLD Report

Q2 2021 – Edition 35



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EUROPEAN ccTLDS

Key stats

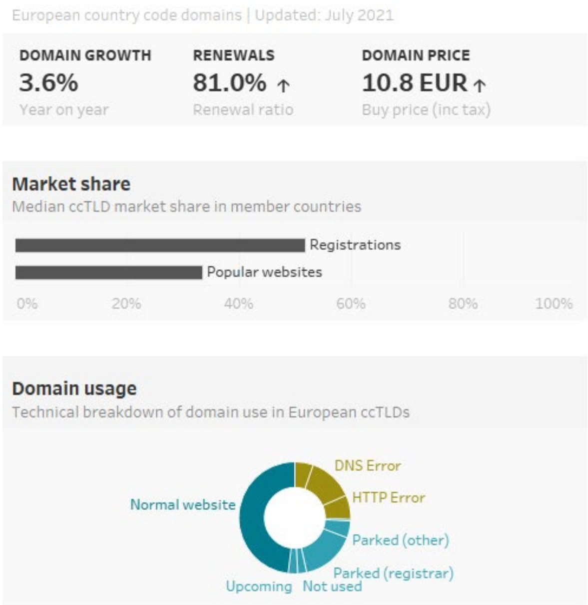
- There are an estimated 116 million registered domains across CENTR member countries in Europe of which 69 million are ccTLDs (+2% YOY), 35 million .com domains (+5% YOY) and 13 million representing all other gTLDs (+12% YOY).
- The median growth of European ccTLDs at July 2021 was 3.6% YOY, down from a high of 4.9% in the first quarter.
- Demand in new domain purchases fell sharply in Q2 while rates of expirations/deletions remained generally stable.
- The median buy price of a ccTLD domain advertised to the public is 10.8 EUR (July 2021) . Buy prices have been stable for at least the past few quarters, however a downward price trend is emerging in promotions of .com.
- 27% of ccTLD domains queried are broken or have no functioning content (e.g. HTTP/DNS errors, timeouts etc). A further 27% lead to parked, abandoned, blocked or other low content pages. This leaves 46% which are considered normal functioning websites.

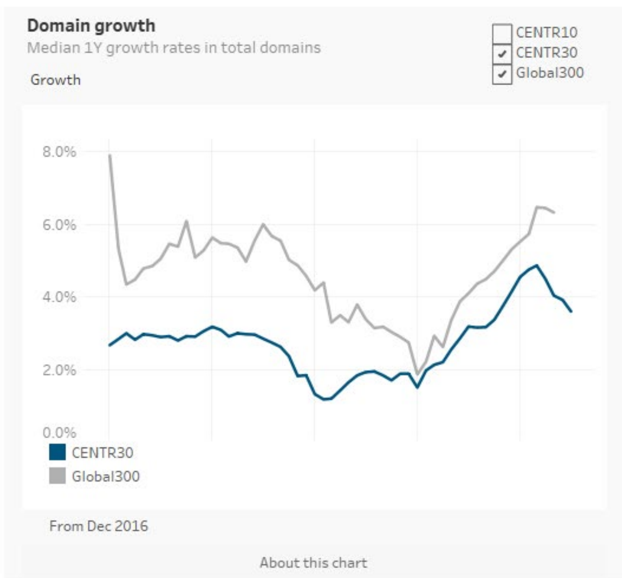
Market in Europe

There are an estimated 116 million registered domains across Europe[1] of which 69 million are ccTLDs (+2% YOY), 35 million .com domains (+5% YOY), and 13 million represent all other gTLDs (+12% YOY). The domain market in Europe is sometimes stated as being saturated, however when looking at domains per capita, we see a different story. Domains per capita in a country can give a sense of market potential, particularly when compared with other countries. The median domains per 100 people in Europe is 11. There are at least 20 European countries below this value suggesting that for many, there is plenty of room for further growth.

Registrations and growth drivers

In the 12 months to March 2021, the median growth in European ccTLDs rose consistently for one of the first times since data has been recorded at CENTR. It reached a high of 4.9% (year-on-year) in March, but has since dropped back to 3.6% (CENTR30). As previously reported, the trends are likely to be linked to lockdowns across Europe which increased and reinforced the move online for businesses across the region. The increases were driven mostly by increase in demand in new domains over





Dashboard by CENTR (www.centr.org), 2021

[1] Market is calculated as all locally registered ccTLD and gTLD domains in 34 CENTR member countries in the European region.

2020 as well as a subtle improvement to the renewal rates in the latter part of the year. The seasonal nature of demand has often shown that new domain sales generally climb from mid-year to around January when they start to decline. In 2021, however, demand continued through till March before declining. Despite the drop in demand, median growth is still at a 5 year high.

When examining the registration dynamics between new domain purchases and deletes in 2021, we see that the main driver for the slowing growth in Q2 is likely explained by a reduction in demand for new domains (and not an increase in deletes which would be more concerning). The data shows that surges in domain sales in 2020 have so far been retained.

Retail pricing

If a business plans to purchase a domain to create a website, the price of a domain registration is unlikely to have a significant bearing on their decision. It can however influence their choice of TLD. This is because, to the general public, domain names appear similar to commodity products. In a technical sense they are. They are generic and generally bought out of necessity (with the exception of domainers/speculators), rather than for any intrinsic value. Creating loyalty from a generic product is difficult as most will choose either what they know and trust or the cheaper option (assuming the name is available).

The price of a European ccTLD is 10.8 EUR[2] (median, July 2021) - slightly below .com at 11.8 EUR (sampled from the same set of registrars of European ccTLDs). While these values have not changed substantially over the past few months, we have seen some changes in their respective promotions. While the promotional prices of ccTLDs have generally been stable at 6.0 EUR, the registrar discounts of .com domains have been falling in price over several quarters and are currently around 7.9 EUR. Price, availability of names and trust in different TLDs will become increasingly important particularly if new gTLDs begin to reduce their prices.

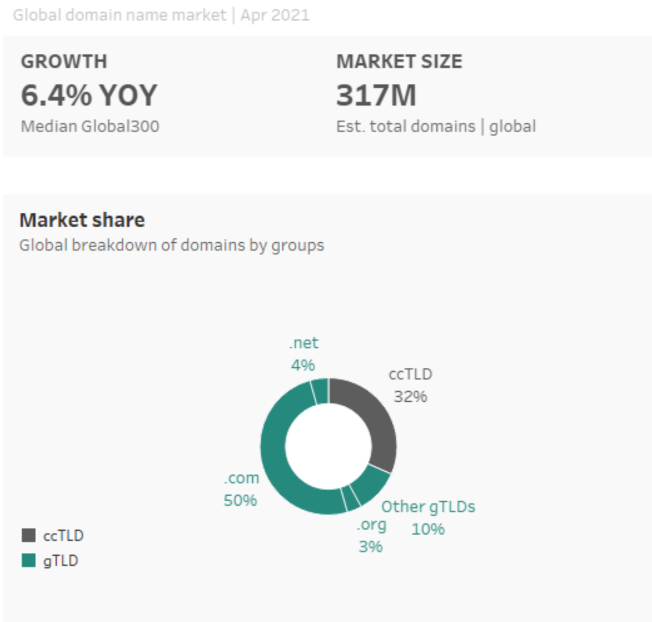
Note: CENTR will continue to add more analysis of domain usage in upcoming reports.

GLOBAL MARKET

Global trends

The global market is estimated at around 317 million domains made up of ccTLDs (32%) and gTLDs (68%)[3]. The median growth of the top 300 largest TLDs (Global300) was 6.4% in the 12 months to April 2021. Similarly to the European ccTLDs mentioned above, the Global300 median has been trending up since early 2020, however this started to plateau around April 2021.

By group, rates were 4.3% for ccTLDs in the Asia Pacific region (APTLD20), 4.5% for ccTLDs in Europe and 7.8% in the top 300 gTLDs. After a period of negative median growth, geographic gTLDs moved into the positive figures



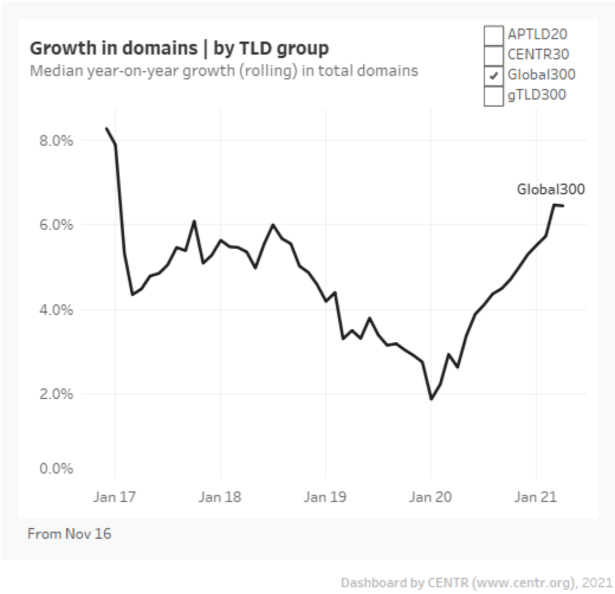
[2] Pricing figures based on a sample of the largest registrars of CENTR members. The buy price as well as any renewal and promotion prices advertised are collected from around 37 unique ccTLD strings over 165 registrar websites each quarter. Prices stated include tax and are based on a 1-year registration period.

[3] Overall market size is an estimate only based on available data. The figure should not be considered an important metric in assessment of the market, rather, the other metrics in this report such as median growth, domain usage and others provide a better view on the status and direction of the industry.

late in the year. The median growth of the top 30 geographic gTLDs (city and region TLDs) was 0.8% in the 12 months to April 2021 – well short of the gTLD300 rate.

gTLDs remain heavily concentrated in a small group (92% within the top 10) and show no sign of change. New gTLDs have yet to make any significant dent in the overall gTLD market share, and gTLD diversification has actually declined, becoming even more concentrated to the largest gTLD, .com. Over the past 3 years the share of .com within all gTLDs moved from 70% at the start of 2018 to 74% in May 2021. All remaining gTLDs moved from 30% to 26% in the same period[4].

Based on the top 100 gTLDs, CENTR crawling data shows that around 43% of gTLDs are broken (e.g. connection, DNS and HTTP errors) while a further 28% are either parked, abandoned or contain blank pages. This leaves around 24% which have a normal functioning website. Of these sites, 61% have an MX record, 65% have an SSL certificate and 28% were the result of a redirect. Analysis of domain usage data will continue to be developed in coming editions of this report.



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[4] Figures on gTLD market share exclude brand gTLDs.

SOURCES AND METHODOLOGIES

ccTLD registrations: CENTR member registries (European ccTLDs), Net Knowledge, APTLD. Other ccTLDs supplemented by data from Zooknic. When data on a ccTLD is not reliable, meaning it is not updated from quarter to quarter, it is not included in growth calculations within this report.
gTLD registrations: ICANN open data.
Pricing: CENTR collects registrar pricing based on the largest registrars of a sample of member ccTLDs. Prices are collected manually every quarter. Prices collected are the buy (including any promotion), renewal and transfer prices (if available) noting the currency and whether tax is included or not.
Market share statistics: Local registrations – to calculate market share based on local registrations, CENTR analyse the total local registrations made in most member countries. For ccTLD registrations in each country, the data comes from CENTR members directly. For gTLDs data is sourced from Zooknic. Zooknic uses sampling techniques to assess the number of gTLD registrations in each country using the country of resident field in the Whois.
Popular websites: CENTR uses the Alexa Ranks for analysis of the most visited domains in each member country. Alexa ranks is a rating service for evaluating websites, based on the frequency of visits/views. More information can be found here https://www.alexa.com/topsites
Domain usage: CENTR scans a sample of member ccTLDs as well as the top 100 gTLDs every month. The crawler classifies domains by their technical status as well as using machine learning techniques to measure domains considered low content websites (eg. registrar holding pages, abandoned pages, under construction, for sale notifications etc). The crawler also measures attribute information domain redirections, MX records, languages and more. The data gives insights to how well developed domains and their usage in a technical sense.

TERMS

ccTLD: a Country Code Top-Level Domain (ccTLD) is a two-character top-level domain used and reserved for a country or independent territory. Examples include .uk for the United Kingdom or .de for Germany.
gTLD: a Generic Top-Level Domain (gTLD) is a 3-or-more-character string. Examples include .com, .org .club, .london
IDN: An Internationalised Domain Name is a domain that contains at least one label that is displayed in software applications, in whole or in part, in a language-specific script or alphabet, such as Arabic, Chinese, Cyrillic, Tamil, Hebrew or the Latin alphabet-based characters with diacritics or ligatures, such as French (source: Wikipedia). A ccTLD IDN is an IDN at the top level – e.g., the ccTLD IDN for the Russian Federation is .РФ, which is the Cyrillic script version of .ru.
Registrant: The individual or organisation that registers a specific domain name. A registrant holds the right to use that domain name for a specified period of time.
Registry: An internet domain name registry receives domain name information into a centralised database and transmits the information in internet zone files so that domain names can be found by users around the world via the web and email.

ABOUT CENTR
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For any questions on this report, please contact patrick@centr.org

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