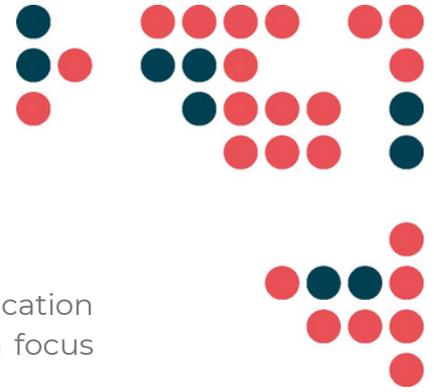**Council of European National Top-Level Domain Registries**

The 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 52 full and 8 associate members – together, they are responsible for over 70% 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

Edition 1_2024

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Europe: Market Update

The market

- Registered domains across EU member state countries are estimated to be at least 82 million[1] - a rise of 0.4% over 2023.
- Over the year, countries with the highest total market growth were Poland, France, and Italy. For each, most gains were from the national ccTLD (.pl, .fr, and .it respectively).
- .com has stagnated in Europe over 2023 and declined in numbers in most countries. Among other gTLDs, the highest growth was recorded in .bond, .store, .online, and .info.
- European ccTLDs are estimated to have around 54%[2] (median) market share based on their locally registered domains.

European ccTLDs

- European ccTLDs grew at a median rate of 1.4% in 2023.
- Demand ratios[3] averaged 1.1 meaning on average more domains are being registered than deleted.

The ratio, however, has downward pressure due to an increasing rate of deletions.

- DNSSEC adoption rate is at 10.5%[4] and is continuing to grow consistently.
- The median registrar price to buy a European ccTLD decreased over 2023 and recently was recorded at 9.4 EUR (inc. tax). The same registrars sell .com at 12.5 EUR.
- Renewal prices for ccTLDs have been trending up since early 2021 and are currently around 15.7 EUR (median).
- The distribution networks of registrars selling European ccTLDs are on average considered competitive based on a widely used measure of market concentration.[5]
- Recent scans of European ccTLD domains show 43% developed websites, 27% parked sites, and the rest (30%) with no web content (domains that do not resolve). Of developed sites, the rate of domains using an SSL certificate has been increasingly consistent and was recently recorded at 77%.

Notes: Median European ccTLD rates generally based on a subset of European ccTLDs (eg. top 20 or 30). More detail in the notes section at the bottom of this page

1. Based on 23 EU member states countries which CENTR has reliable data on.
2. Market share calculated has been updated from previous reports to include a smaller number of European based ccTLDs (around 20). The previous calculations included a wider range which included CENTR full members located outside the European region.
3. A Demand ratio is measured as the sum of new (creates) divided by the sum of deletes. A ratio below 1 indicates more domains deleted than registered.
4. DNSSEC enabled domains as a proportion of domains under management.
5. Market concentration based on the calculation of the Herfindahl-Hirschman Index (HHI) over 11 CENTR member registries in 2023.
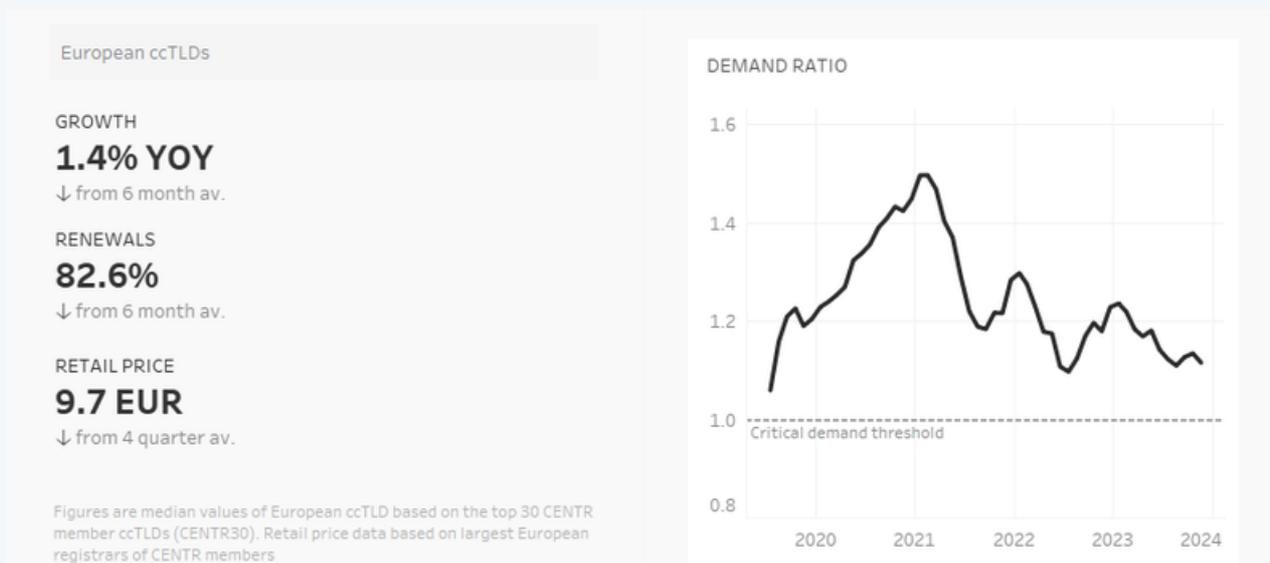
Insights in Registration Trends

In the first half of 2023, domain growth among European ccTLDs showed signs of a recovery from a record-breaking low at the beginning of the year to reach a high of 2.2% by September. The year however closed with a median of 1.4% across the top 30 largest ccTLDs in the region. While the rate is slightly higher than the previous year, it is lower than its long term average and can be explained by the interplay between new registrations and deletions.

While deletions have increased over 2023, they are still relatively low compared to longer-term averages. This means that while the base of domains in European ccTLDs are often being maintained, new registrations are struggling. Given analysis of registrations, in particularly average demand ratios, we expect the growth to remain similar for 2024.

The challenge for ccTLD registries will be to ensure their already high renewal rates are maintained whilst still attracting a sufficient number of new registrations over the year.

FIGURE 1: Registration trends in European ccTLDs

European ccTLDs

GROWTH
1.4% YOY
↓ from 6 month av.

RENEWALS
82.6%
↓ from 6 month av.

RETAIL PRICE
9.7 EUR
↓ from 4 quarter av.

Figures are median values of European ccTLD based on the top 30 CENTR member ccTLDs (CENTR30). Retail price data based on largest European registrars of CENTR members

DEMAND RATIO

Critical demand threshold

Domain Classifications

How domains are used is considered a crucial indicator to the performance of a TLD as well as it's long-term viability. To measure usage, CENTR checks millions of domains, querying the existence of a webpage and other attributes such as MX records, SSL and redirect chains. The below dashboard shows status and trends in how domains are used across European ccTLDs as well as a handful of the largest gTLDs and geographic gTLDs.

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FIGURE 2: Domain Usage in European ccTLDs and gTLDs

CLASSIFICATIONS	European ccTLDs	.com	Other gTLDs
Developed websites	43%	35%	27%
Parked	27%	30%	30%
No web content / errors	30%	35%	42%

ATTRIBUTES | developed websites			
MX record present	82%	61%	68%
HTTPS	77%	74%	79%
Redirected	29%	24%	41%

The CENTR 'signs of life' crawler scans random samples (50K domains) from ~20 CENTR member ccTLDs and a selection of the 10 largest gTLDs and most Geographic gTLDs such as .berlin, .sydney etc. The term 'parked' refers to domains where a registrar holding or similar page was found. No content / Errors include DNS, connection and other related errors.
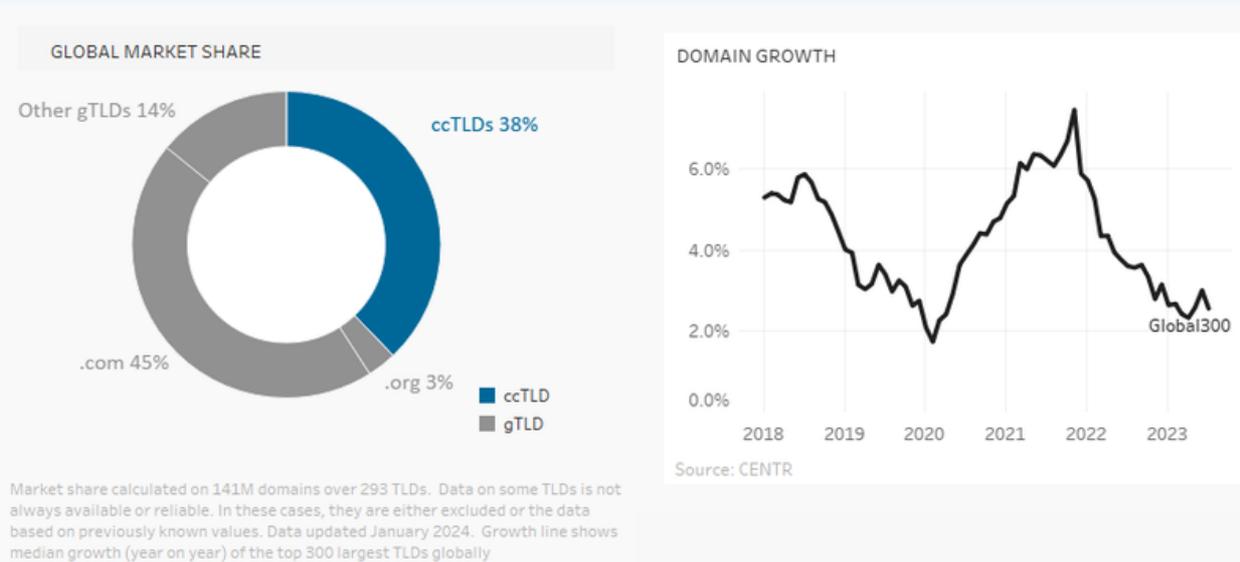Figures updated: January 2024

Global Market Update

- The global market is estimated to be between 360-370 million domains over 1,456 recorded TLDs. It is distributed roughly as follows: 45% to .com, 38% to ccTLDs and the remaining to all other gTLDs.
- Median growth of the top 300 largest TLDs (Global300) was recorded at 2.6% (Jul 2023).
- Among gTLDs, median growth was 1.2% for the top 300 and 5.1% for the top 100. Although the top 100 grew at a higher rate, its median renewal rate is 65% - a decrease of 4% year on year.
- The largest TLD globally, .com, is experiencing stagnation in growth driven by a rise in long term deletion ratios and

decreases in its new registration ratios. In late 2022, the long term deletion ratio overtook the equivalent new registration ratio for the first time in at least a decade. Part of this trend might be explained by a rise in the ratio of low content domains in .com over 2022 and 2023. This ratio has stabilised in recent months.

- gTLDs with the highest percentage growth in the 12 months to July 2023 were: .cfd, .bond, .lol, .sbs, and .pics.
- Among 'geographic' gTLDs, domains under management remain low and most have either limited growth or have contracted in the 12 months to July 2023.

Data updated to July 2023. Data on the global market has a delay to ensure CENTR can collate sufficient data from as many TLDs around the world which have varying availability of data.
1. Excludes gTLDs which had under 10,000 in July 2022.

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GLOBAL MARKET SHARE

Other gTLDs 14%

ccTLDs 38%

.com 45%

.org 3%

■ ccTLD
■ gTLD

Market share calculated on 141M domains over 293 TLDs. Data on some TLDs is not always available or reliable. In these cases, they are either excluded or the data based on previously known values. Data updated January 2024. Growth line shows median growth (year on year) of the top 300 largest TLDs globally

DOMAIN GROWTH

Global300

Source: CENTR

Market Reflections: Analysis and Opinion

The below are thoughts and predictions on the wider technological and societal forces which could influence domain name registrations through 2024 and beyond.

The ChatGPT Effect – LLM Challenger to Search?

As Large Language Models (LLMs) continue to become more widespread, understanding their impact on domain names will become increasingly relevant to registries and registrars. Tools such as ChatGPT, Gemini, Perplexity provide human-like answers to queries that people might otherwise have searched for on the web. Just as Google's page ranking technology propelled web search in the late 1990's, AI chatbots are already having a profound impact on the distribution and discovery of information on the internet. As these tools continue to attract new users they are likely to divert web traffic from Google and other traditional search engines. This has the potential to impact Google's entire business model of revenue generation from search ads and, in turn – domain names themselves.

Although it's premature to determine the impact on domain names, their usage could play a significant role. Take for example domain names specifically registered to drive web traffic (eg. keyword-rich domains and other SEO strategies). If the predominance of web search declines, these sorts of domains may also see reduced relevance and lead to a decline in registration.

Domains used for developed web content on the other hand may fare better. Take for example the site Stack Overflow, a popular question-and-answer site for professional and enthusiast programmers. Rather than searching for and reading through community posts on the site, some of its users are turning to AI systems to help solve their problems or even build and iterate their code. While this shift will undoubtedly reduce some traffic to the site, the value of its peer-reviewed responses from

professionals will be difficult to replace in the short term perhaps ensuring it remains unimpacted for the time being.

In summary, while making predictions in this fast evolving technological shift is difficult, the influence of AI tools on information discovery will most likely impact domain name to some degree. Registries and Registrars would benefit from dedicating resources to exploring this issue further through research and dialogue.

Domain Visibility

Reduced visibility of domain names when online, can have a damaging impact on their relevance as trusted identifiers. Over time, browser user interfaces have evolved to prioritise cleaner and simpler designs while screen real estate, particularly in mobile, has resulted in less emphasis on domain names. Greater use of QR codes, changes to search engine behaviour (where people find sites directly from search rather than typing URLs), time spent on single sites (e.g., social media, ChatGPT) all have likely played some part in reduced awareness of domain names more broadly.

Reduced visibility of domain names is a threat to domain name businesses, but can also be problematic to users. Consider the following example. A user receives an email purporting to be from an organisation they trust. If the domain name is not prominent in the message or their knowledge on domain names and TLDs is low, the likelihood of clicking through to a phishing URL may increase. This is because in many countries, the domain name and/or TLD is a strong indicator of trust. If domain visibility is reduced, so might trust.

No Content Land: Parked and Vacant Domains

Analysis across dozens of the largest TLDs globally show high rates of domains that are either parked or that do not resolve at all. Based on recent data in CENTR, these domains are estimated at around 57% in ccTLDs and 73% in gTLDs. While these rates are high, it's important to consider the reasons why a domain holder might not need meaningful web content. For example, many people register domains simple to enable them to create an email address. Other reasons a domain may not need web content is that it was registered to ensure others from doing so (e.g., brand protection). Conversely, it may have been registered in the hope that someone buys it or that it attracts clicks to its revenue-generating ads (domain speculation and so-called pay-per-click sites).

With the exception of domains used specifically for email, it's likely that domains registered for other speculative purposes may not renew as readily as a domain with active web content. This may result in less renewal predictability for registries and registrars. It is therefore important ensure the ratio of domains with little to no web content is too high. Another risk linked to domain speculation is the supply of new TLDs. Hundreds of new TLDs were already added to the root zone a decade ago and more may be coming. Adding more TLD choice is arguably a good thing for consumers, however like any market, it can result in a reduction to the intrinsic value of individual domain names - particularly those used for speculation. If a registry has a

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high weight of domains held for parking/speculative purposes, they will be more exposed to non-renewal as more TLDs are added.

Service and Content Aggregation Sites

Marketplace sites such as Amazon (their e-commerce site), Ebay, AliExpress, Etsy and others are likely to have already had an impact on domain names in that sellers who previously may have started their own websites, may prefer to instead just open an account on a single centralised platform. While this may have had an impact 5-10 years ago, in more recent years, the propensity for a small business to create their own site may have actually increased. This is due to the substantial improvements made to website creation tools such as Wix, Shopify and Squarespace. These tools have considerably improved the speed and ease to create a website with limited to know no web development skills. These tools are a godsend for domain registries and registrars alike who for years had little to offer in decent web creation tools.

Regulation

Mounting regulation in the EU has already impacted ccTLD registry operation. However, one in particular has the potential to impact domain registrations across the region – the NIS 2 Directive. This directive mandates TLD registries and registration service providers offering their services in the EU, collect and maintain accurate and complete domain name registration data including by putting in place mandatory verification procedures. While these measu ; are aimed at increased trustworthiness and security of domain registrations, they will also add complexity to the registration workload which may impact registration numbers, invertedly pushing end-users to alternatives (e.g. setting up a social media page instead of registering a domain name). Another requirement, that non-personal domain registration data be made public soon after a registration, may also impact registrations as prospective registrants consider the new landscape of privacy. Finally, the directive's call for all TLDs and DNS service providers operating in the EU to adopt an array of technical, organisational, and operational cybersecurity enhancements will invariably necessitate substantial investment in security infrastructure in turn putting pressures on pricing structures.

Read more about NIS2

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Notes on this report

Reporting on the global market section of this report has a delay compared to European ccTLD figures. This is due to ensuring thorough collection of non-CENTR member ccTLDs as well as gTLD transaction reports from ICANN.

SOURCES

Domain registration data sources | CENTR www.centr.org, Net Knowledge www.netknowledge.com.au, APTLD www.aptld.org, Zooknic www.zooknic.com and ICANN www.icann.com

METHODOLOGIES

Registrar pricing | CENTR collects registrar pricing data 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. Non-EUR prices are converted to EUR at time of collection.

Market share estimates | Market share in this report is based on local registrations. CENTR analyses the total local registrations made in most member countries including the national ccTLD, other ccTLDs (only CENTR member ccTLDs)and gTLDs. ccTLD data comes from the CENTR members while gTLD 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.

Domain usage | Data on domain usage based on ccTLDs sampled from around 20 European ccTLDs and a selection of the largest gTLDs and geographic gTLDs. A random sample of domains (50K) are scanned monthly per TLD using the CENTR 'signs-of-life' domain crawler. The landing page of each final url is classified along with attributes such as redirections, MX records, SSL certificates, languages etc.

TERMINOLOGY

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

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 52 full and 8 associate members – together, they are responsible for over 80% of all registered domain names worldwide. The objectives of CENTR are to promote and participate in the development of high standards and best practices among ccTLD registries.

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