



DomainWire

Edition 8 – June 2014

Domain Name Stat Report

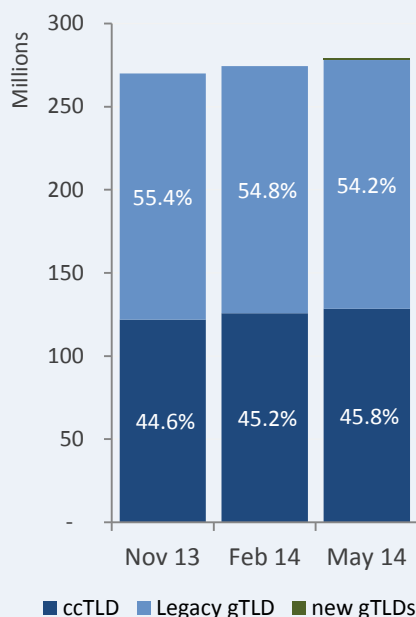
DomainWire Stat Report is CENTR's quarterly publication covering basic domain name statistics with a focus on European ccTLDs (country code Top Level Domains). A ccTLD (country code top level domain) is a two-letter domain name extension such as .de (Germany), .es (Spain) or .cz (Czech Republic).

CENTR is the European ccTLD association. CENTR is a not-for-profit organisation dedicated to supporting the interest of country code TLD managers. The objectives of CENTR are to promote and participate in the development of high standards and best practices among ccTLD Registries. CENTR has 52 Full members and 9 Associate members who all together represent around 80% of the total number of ccTLD domain name registrations worldwide.



Global Domain Name Status

Top Level Domain: Global Market Shares*



As at May 2014 the total number of domains across all Top Level Domains (TLDs) stood at **278.8 million** (Inc. new gTLDs). This represents a growth of roughly 1.6% since February 2013 (4.3 million registrations) – *growth not including new gTLDs is 1.3%*.

In terms of the quarter growth, ccTLDs grew at the highest rate gaining 2.2% as compared to legacy gTLDs which gained 0.6%. The global market share of ccTLDs (as a percentage of all TLD registrations) has been increasing over the past few quarters - it currently stands at 45.8% (see left). As more new gTLDs are introduced, this report will continue to monitor and report on the global domain name market in the new landscape. The current market share of new gTLDs is around 0.3%

	Registrations	% Change (Quarter)
ccTLD	127,260,470	2.2%
ccTLD IDN	1,210,276	1.2%
gTLD	148,394,305	0.6%
sTLD	1,102,214	-6.6%
New gTLD	863,324**	NA
Total	278,830,589	1.6%

* ccTLDs include ccTLDs and ccTLD IDN.

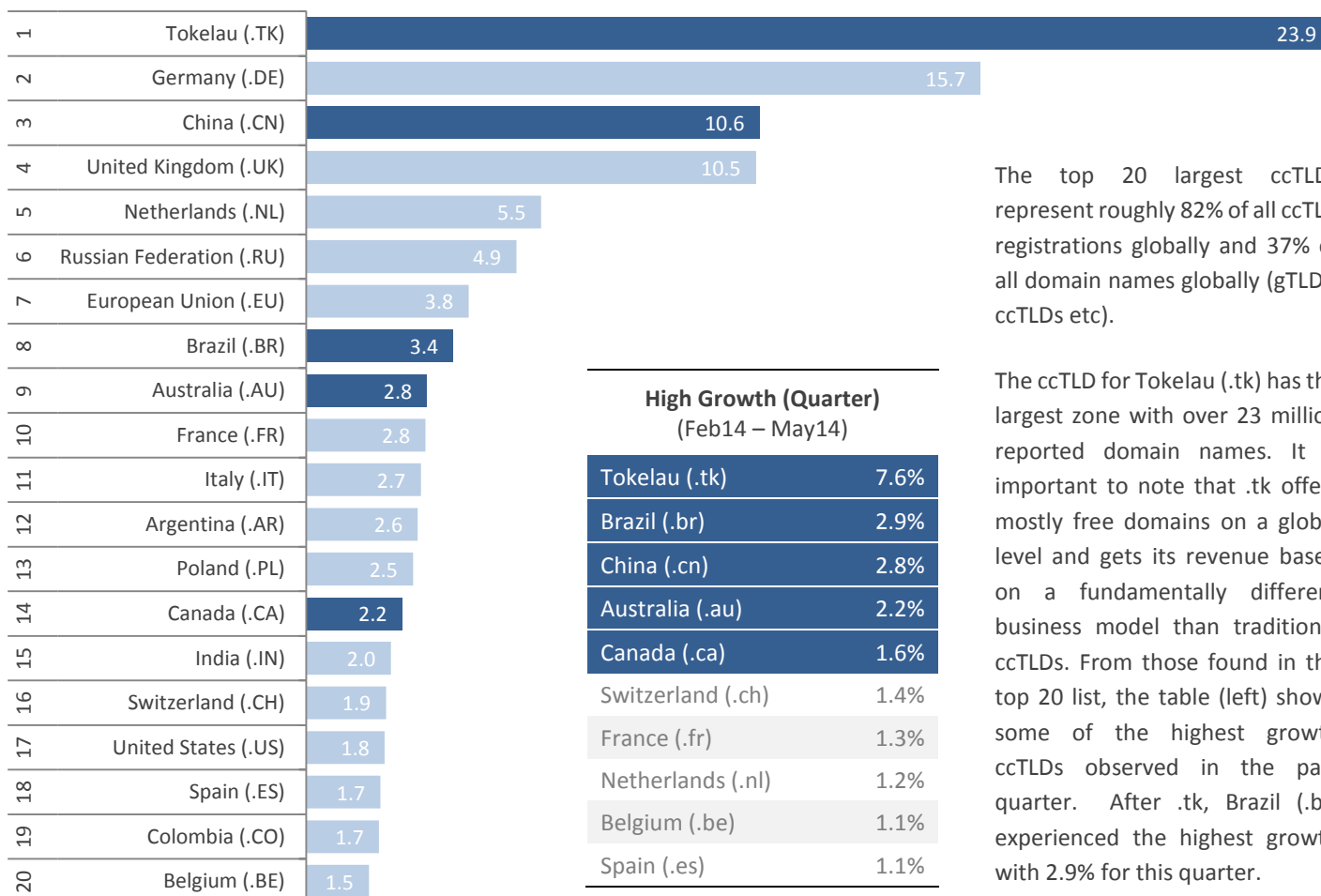
gTLDs include gTLDs and sTLDs (new gTLDs recorded separately)

Some sTLDs have a delay in data of 4 months. Negative growth in sTLDs mainly from drops in .asia, .pro and .xxx

** New gTLDs recorded as at May to ensure consistency with other TLD data. As at 16 June new gTLDs stood at 1.1 million

Source: ZookNIC

Top 20 ccTLDs by Registrations



The top 20 largest ccTLDs represent roughly 82% of all ccTLD registrations globally and 37% of all domain names globally (gTLDs, ccTLDs etc).

The ccTLD for Tokelau (.tk) has the largest zone with over 23 million reported domain names. It is important to note that .tk offers mostly free domains on a global level and gets its revenue based on a fundamentally different business model than traditional ccTLDs. From those found in the top 20 list, the table (left) shows some of the highest growth ccTLDs observed in the past quarter. After .tk, Brazil (.br) experienced the highest growth with 2.9% for this quarter.

Scale: Millions

Source: ZookNIC, CENTR (May 2014)

European ccTLDs Status update

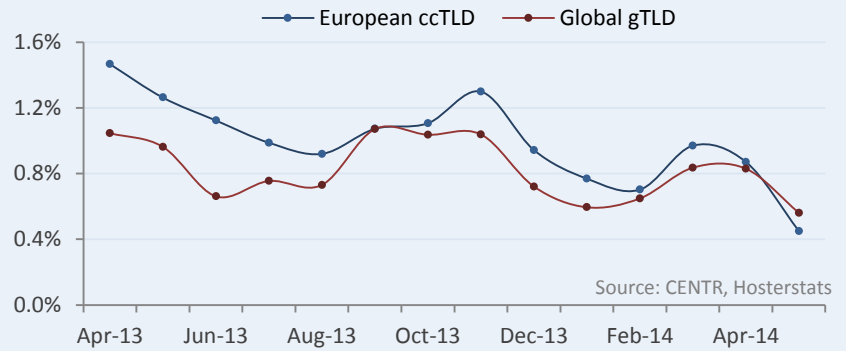
European ccTLDs closed May 2014 with around 66.3 million registrations a net growth of 0.4% for the past 3 months. The chart (right) shows quarter growth rates (at each month) for both European ccTLDs and global (legacy) gTLDs over the past 12 month. It suggests a continued trend downward of both domain types. In general the European ccTLDs and gTLDs have closely aligned growth rates. Over the past 12 months, European ccTLDs however grew 3.4% as compared to 3% among global gTLDs.

On a sample of 34 European ccTLDs, the median rate of 'new domains' added to a ccTLD zone was 23% for 2013 and a rate of 81% for renewals.

In terms of DNSSEC, roughly 68% of all ccTLDs within the European region are signed (32 ccTLDs) with several more in the planning stages.

European ccTLDs At a Glance

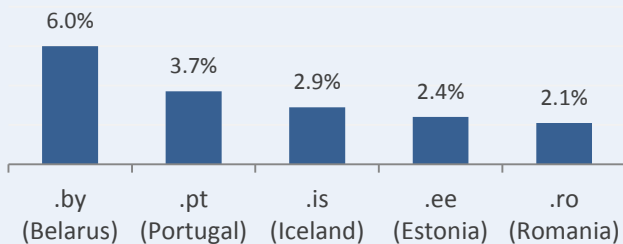
Total ccTLD registrations in Europe	66,292,957
Growth – Quarter/1 year	0.4%/3.4%
Average Renewal Rate (2013)	80.6%
Highest quarter growth (%)	.by (Belarus) 4.7%
Largest Zone	.de (Germany) 15.7 million
DNSSEC Status	32 signed zones
# zones offering IDNs	28



To smooth the growth line, 3 month rates are used rather than 1 month
Global gTLDs does not include new gTLDs

European ccTLDs – Domain name growth

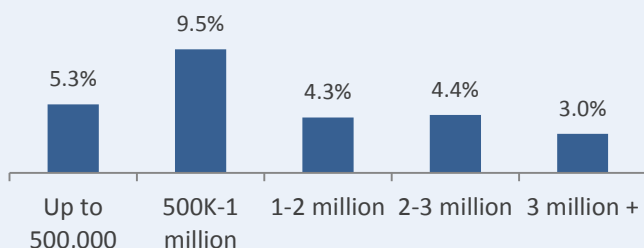
Highest Quartely Growth -
Feb14 - May14



The chart (left) shows the top 5 highest growth European ccTLDs over the quarter. .by (Belarus) who is the most recent addition to the CENTR membership achieved the highest growth at 6.0% followed by the .pt (Portugal) at 3.7%.

In terms of 12 month growth, .pt achieved an impressive 15.2% net growth. Other high growth European ccTLDs over the 12 month period include .is (12.1%), .cy (11.5%) and .me (11.1%)

Median 1 year Growth by zone size
(May13 - May14)



The chart (left) shows the 12 month median growth rates for European ccTLDs split up according to Registry zone size. The highest growth category was ccTLDs which manage 500K-1 million domains (9.5% median).

It is important to note that higher percentage growth is more easily attained when the base number is smaller which is why the category of 2-3 million might be considered a high performer as it has high relative growth for its larger zone sizes. ccTLDs in this category include .fr, .it and .pl

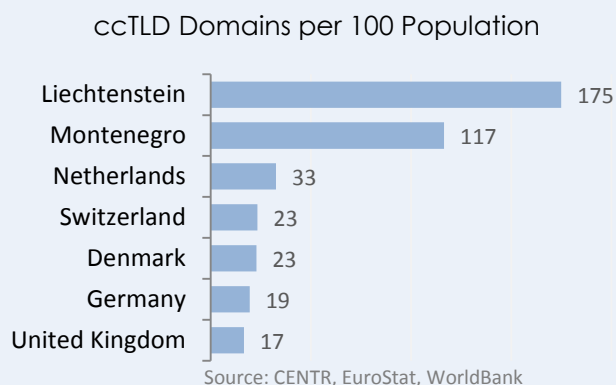
Note: Number of observations differ between categories.

European ccTLDs – Domain name penetration

Measuring the number of domains per capita can provide some insight to the relevance of domains within a country. The chart (right) shows the number of ccTLD domains per 100 population of each country. These numbers do not distinguish between domains registered under the local ccTLD from within and outside the country.

With a small population of 37,000, Liechtenstein retains the top position with 175 ccTLD domain names per 100 population.

Note: Montenegro (.ME) has a strong focus on markets outside its own country.

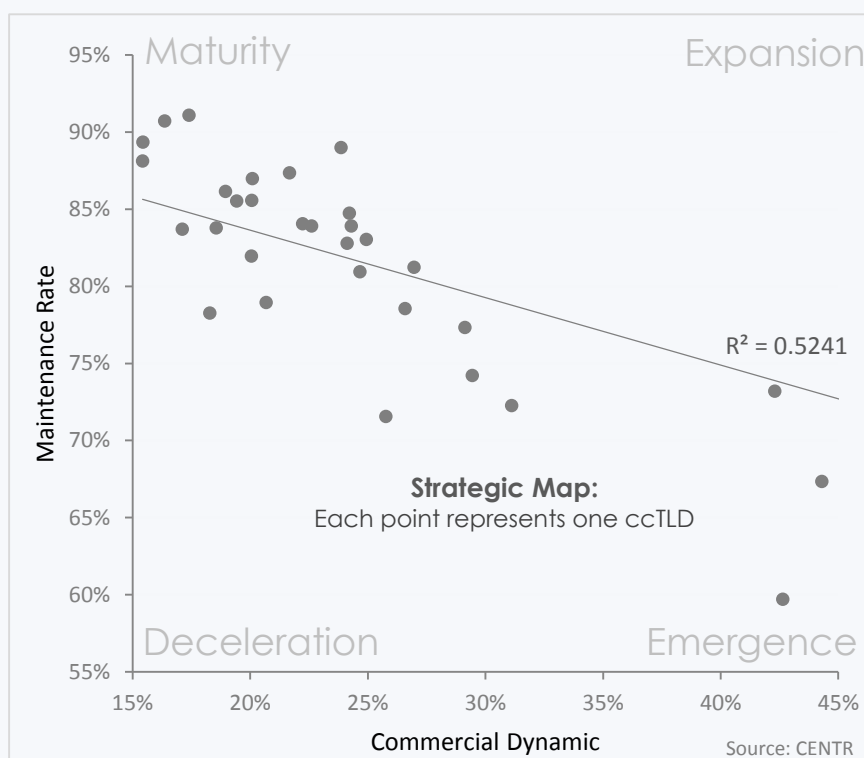


New approaches in visualising TLD Positions

As ccTLDs become increasingly active in marketing their brands, new approaches to visualise their relative position in the marketing life cycle are being developed and discussed. One such method is called a “Strategic Map” which provides a scatter plot of ccTLDs in terms of their ‘commercial dynamic’ and ‘maintenance rates’ – two new terms used which attempt to visualise a ccTLD according to its development of renewed and new domains.

The **commercial dynamic** is a ratio comparing the number of new domains registered during a certain period with the total number of domains at the start of the same period. It gives a perspective on the appeal and saturation of a ccTLD.

The **maintenance rate** compares the number of domains registered at the start of a period with the number of those domains still registered at the end of the period. The maintenance rate is very similar to a renewal rate however is given for a specific period of time (renewal cycles differ from Registry to Registry). It indicates the ccTLDs ability to maintain its existing registrations. Both of these measurements allow ccTLDs in the analysis to benchmark against their peers.



In order to give more interpretation to the chart there are 4 proposed areas entitled emergence, expansion, maturity and deceleration. The strategic map shows most ccTLDs in the sample are in the ‘maturity’ region meaning they have healthy levels of renewals (maintenance rate) however lower rates of commercial dynamic. A regression line is also added to highlight the inverse correlation between the maintenance rate and commercial dynamic – ie. as the commercial dynamic declines, the maintenance rates tend to increase (R squared value = -0.52). TLDs in the top left of the chart, considered mature in their lifecycle, will need to determine how they can best deal with a potential over-reliance on existing registrations in a market of slowing growth in new domains.

Note: The development of the strategic map and terms ‘commercial dynamic’ and ‘maintenance rate’ were developed by AFNIC.

SOURCES

All data in this report is sourced from the following: CENTR, ZookNic (<http://www.zooknic.com/>) LACTLD, www.hosterstats.com. CENTR would like to thank the support of other Regional Organisations LACTLD, APTLD and AFTLD for their continued support in the development of statistical reporting for the global ccTLD community. When sourcing CENTR, data is taken from direct communication and responses received from CENTR members (ccTLD registry operators) via CENTR surveys and ongoing data collection.

When the term 'European ccTLDs definition is used within this report, it refers to a set of European ccTLDs which are full members of CENTR. In most cases the aggregated values of this group are estimated to represent at least 95% of domain registrations from ccTLDs based in Europe.

GLOSSARY OF TERMS

ccTLD – a Country Code Top Level Domain (ccTLD) is a top level domain used and reserved for a country or dependent territory. Examples include .uk for the United Kingdom or .de for Germany. Each country appoints a manager of its ccTLD and sets the rules for allocating domains.

gTLD – a Generic Top Level Domain (gTLD) is a top level domain that is open to registrants worldwide in contrast to a Country Code Top Level Domain that are often restricted to registrants located in a particular country. The more popular gTLDs are .com, .org and .net

ccTLD IDN – an IDN is a domain names that includes characters used in the local representation of languages that are not written with the twenty-six letters of the basic Latin alphabet "a-z". An IDN can contain Latin letters with diacritical marks, as required by many European languages, or may consist of characters from non-Latin scripts such as Arabic or Chinese. A ccTLD IDN is an IDN at the top level – eg. the ccTLD IDN for the Russian Federation is .РФ which is the Cyrillic script version of .RF (Russian Federation)

sTLD – a Sponsored Top Level Domain (sTLD) is another form of a gTLD overseen by ICANN. An example of a sTLD is .cat for the Catalonia region.

Registrant – The individual or organisation that registers a specific domain name. They hold the right to use that domain name for a specified period of time (often one year however multi-year registrations are increasingly popular).

Registry - An internet domain name registry receives domain name information into a centralised database and transmits the information in internet zone files on the internet so that domain names can be found by users around the world via the worldwide web and email.

ABOUT CENTR

CENTR is an association of Internet Country Code Top Level Domain Registries such as .uk in the United Kingdom and .es in Spain. Full Membership is open to organisations, corporate bodies or individuals that operate a country code top level domain registry. The project that became CENTR was formed in March 1998 and was informally funded by participant registries. In 1999, it was legally established as a not-for-profit company in the UK. Since 2006, CENTR is registered as a non-for-profit organisation based in Brussels, Belgium. CENTR activities are funded by membership fees, and performed by a secretariat based in Brussels, Belgium.

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

