




Domain Name Industry Overview

Mike Davies





There are **1.3 billion** worldwide Internet users



Businesses and individuals have
registered **184 million** domain names
around the world



VeriSign Domain Name Services

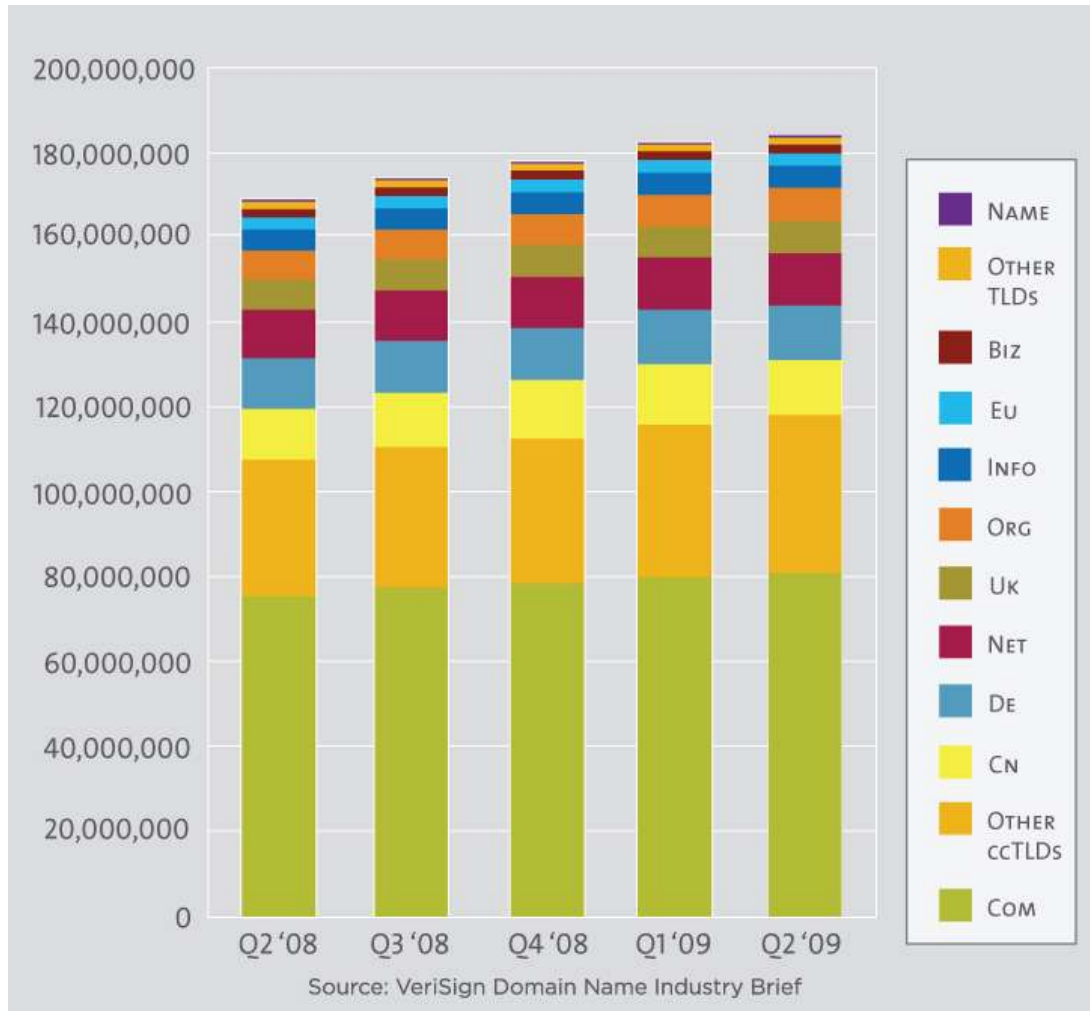
- com
- net
- tv
- cc
- name

Domain Name Services

- VeriSign is the largest domain name registry in the world – Approximately 93.5 million .com and .net domain names
 - Registration and management of domain names
 - Resolution of domain names
 - Support registrar channel; Shared Registration System
 - Domain name policy, research and development
- VeriSign runs the registry for .com, .net and .name
- VeriSign runs the registry for .tv and .cc on behalf of the governments of Tuvalu and the Cocos Islands
- VeriSign manages the DNS root zone under the cooperative agreement with DoC



Domain Name Industry Ends Q2 at 184 Million

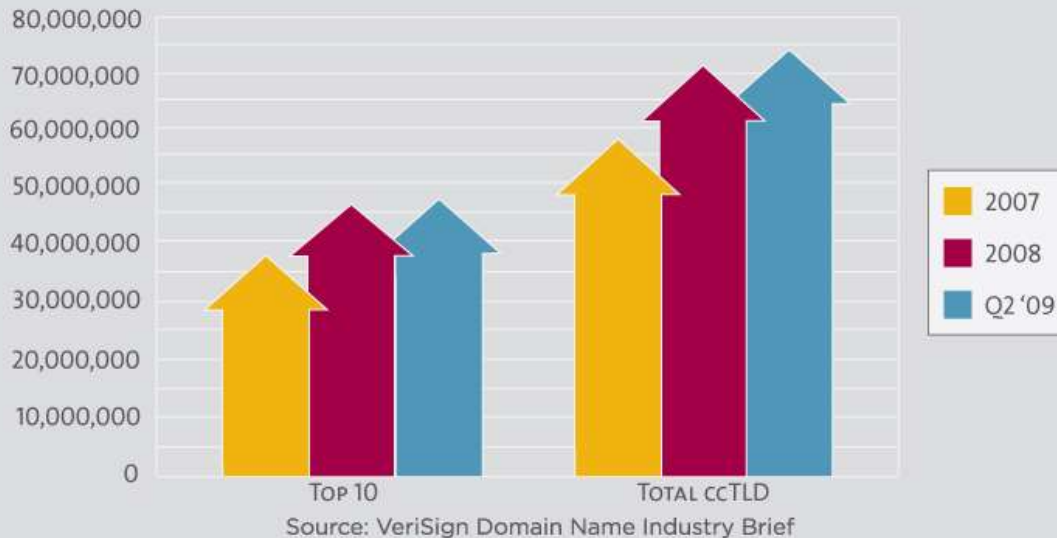


- 184M domain name registrations worldwide at the end of Q2 2009
 - 1% growth over Q1 2009
 - 9% growth year over year (Q2 2008)

Worldwide Domain Registration Growth



ccTLDs grow to 74.4 Million



Total ccTLD Registrations

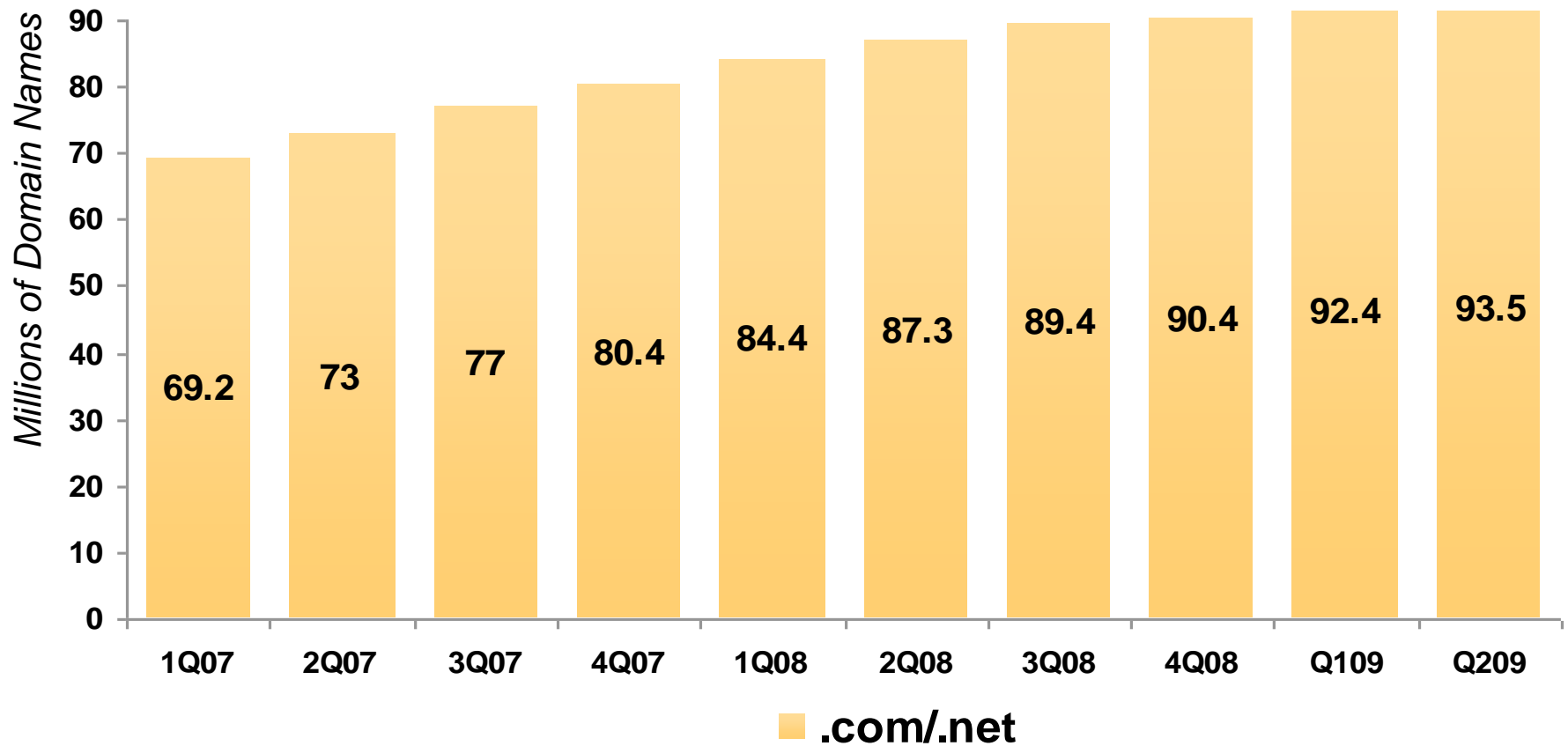
- The ccTLD domain name base grew:
 - 1% over quarter over quarter
 - 14% over year over year
- Top 10 represent 66% of total ccTLDs

Top 10 ccTLD Registries by Domain Name Base (Q2 2009)

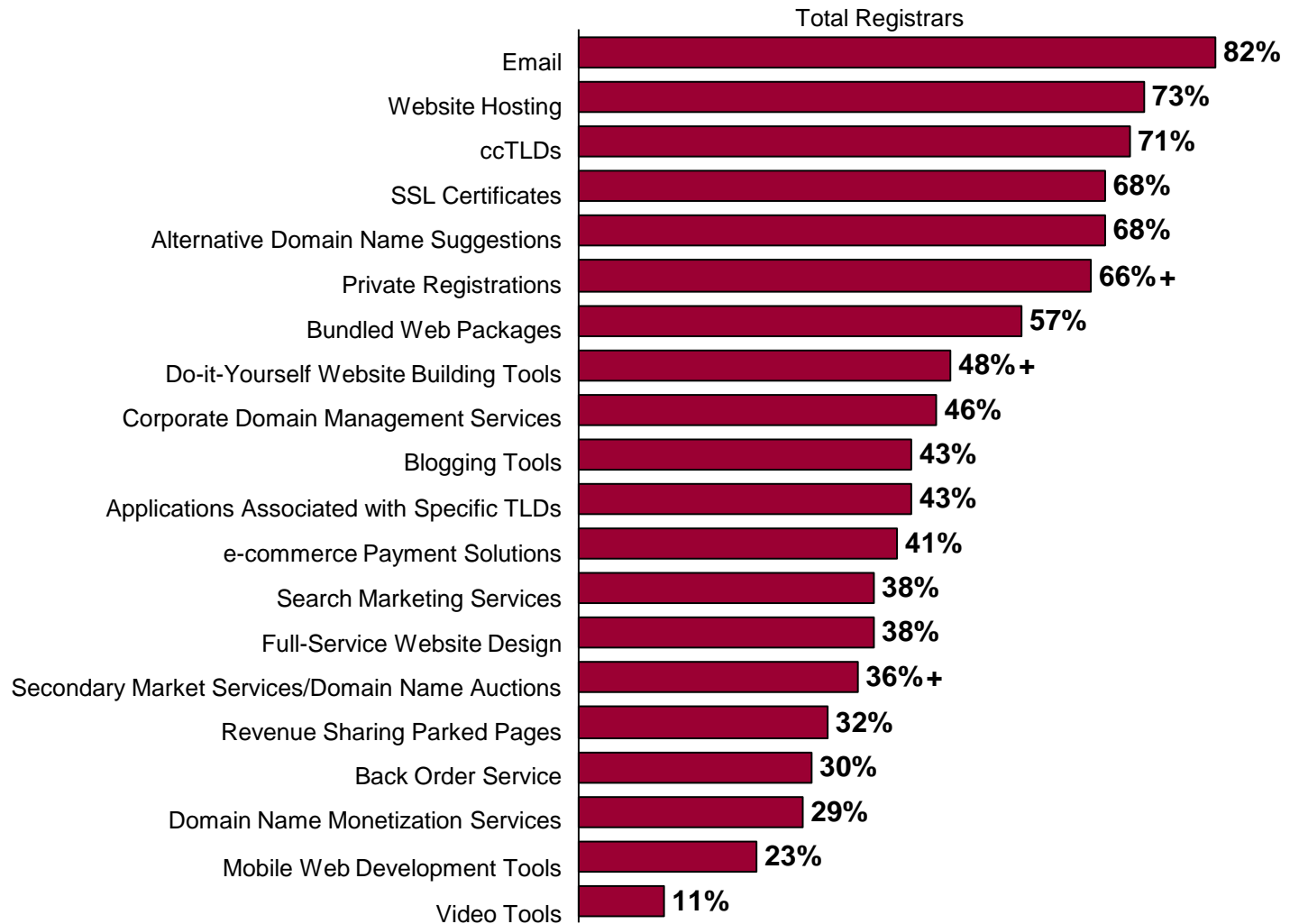
- | |
|-----------------------------|
| 1. .cn (China) |
| 2. .de (Germany) |
| 3. .uk (United Kingdom) |
| 4. .nl (Netherlands) |
| 5. .eu (European Union) |
| 6. .ru (Russian Federation) |
| 7. .ar (Argentina) |
| 8. .br (Brazil) |
| 9. .it (Italy) |
| 10. .us (United States) |



.com / .net Domain Names: Quarterly Base



Services Offered by Registrars In Past 12 Months

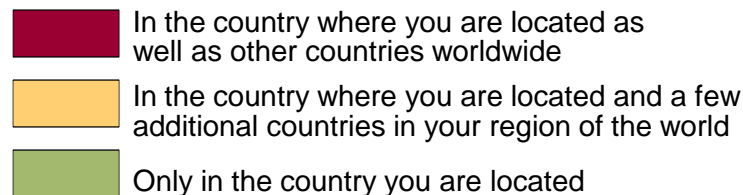
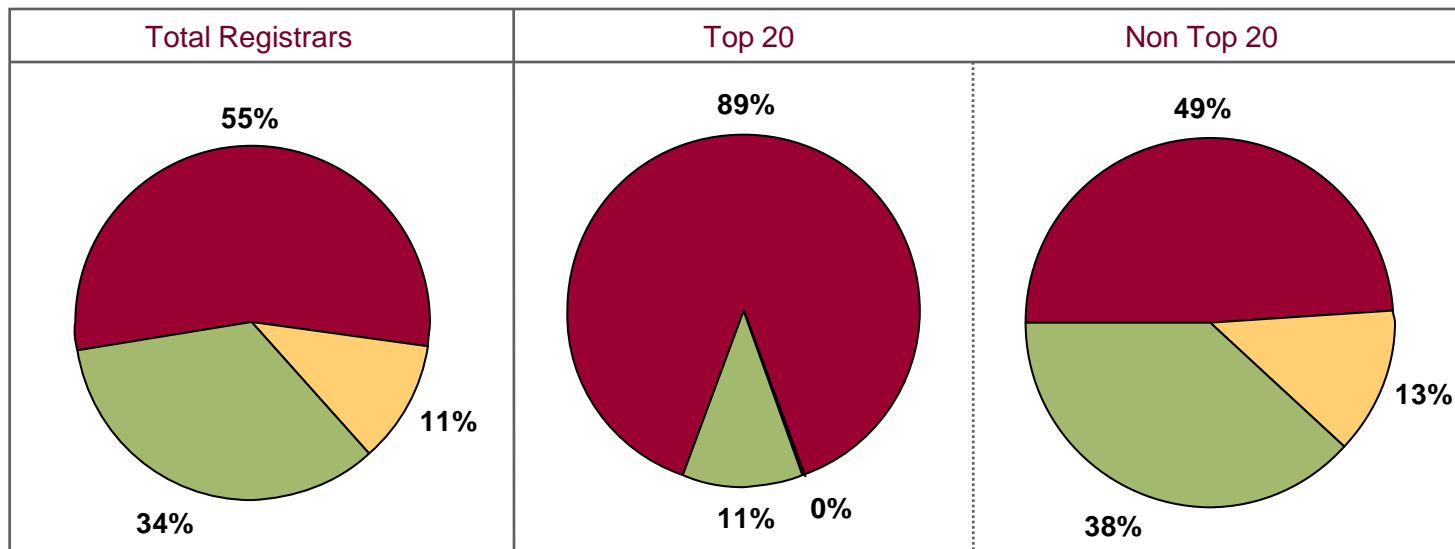


+ Significantly more likely among Top 20 registrars than Non Top 20 registrars



Registrars are Global - Geographical Focus of Domain Name Business

- Most registrars operate beyond the country they are based in, especially Top 20 registrars.



Importance of Attributes for Generating Registrations From Current Customers in Last 12 Months*

	Total Registrars	Europe
	(56) %	(15) %
Providing a high level of customer service	82	73
Improving the operations/logistics of our sales process	54	60
Offering price promotions	52	60
Information and advertising on my company's general Web Site	52	67
Including more features and bundled products as part of new domain name registrations, such as website development, web hosting, etc.	50	47
Dealing more effectively with competition from other registrars	46	40
Information and advertising on the customer account management section of my company's Web Site	41	33
Newsletter	41	60
Cross sell offers from customer service team when customer contacts us for service	38	7
Cross sell offers with domain name renewal communications	38	33
Direct email campaigns	36	47
Social media such as blogs, online communities, etc.	21	13

*Top 2 Box on a 5-point scale where 5 means extremely important and 1 means not at all important



Importance of Attributes for Generating Registrations From Completely New Customers in Last 12 Months*

	Total Registrars	Europe
	(56) %	(15) %
Including more features and bundled products as part of new domain name registrations, such as website development, web hosting, etc.	57	53
Offering promotions	55	73
Dealing more effectively with competition from other registrars	46	20
Expansion into new geographic markets	46	60
Increasing the number of resellers we use	45	67
Improving the operations/logistics of our sales process	43	47
Paid Search/Keyword Advertising	41	33
Recruitment of Resellers	39	6
Direct email campaign	36	40
The monetization of domain names that has expanded the use of domain names in nontraditional ways	32	13
Participating in the secondary domain name space	30	7
Online banner advertising	30	47

* Top 2 Box on a 5-point scale where 5 means extremely important and 1 means not at all important





THE DOMAIN NAME INDUSTRY BRIEF

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THE VERISIGN DOMAIN REPORT

As the global registry operator for .com and .net, VeriSign reviews the state of the domain name industry through a variety of statistical and analytical research. As a leading provider of digital infrastructure for the Internet, VeriSign provides this briefing to highlight to industry analysts, media, and businesses important trends in domain name registration, including key performance indicators, and growth opportunities.



www.verisign.com/domainbrief

September 2009 Domain Name Industry Brief available online now!





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