

Icann Lisbon 2007

Secondary market sales trends

**Analysis of domain names sold for more than \$10,000
between 2004 and 2006 and considerations
on the future of the industry.**

**by Emiliano Pasqualetti
COO
DomainsBot**

Presentation goals

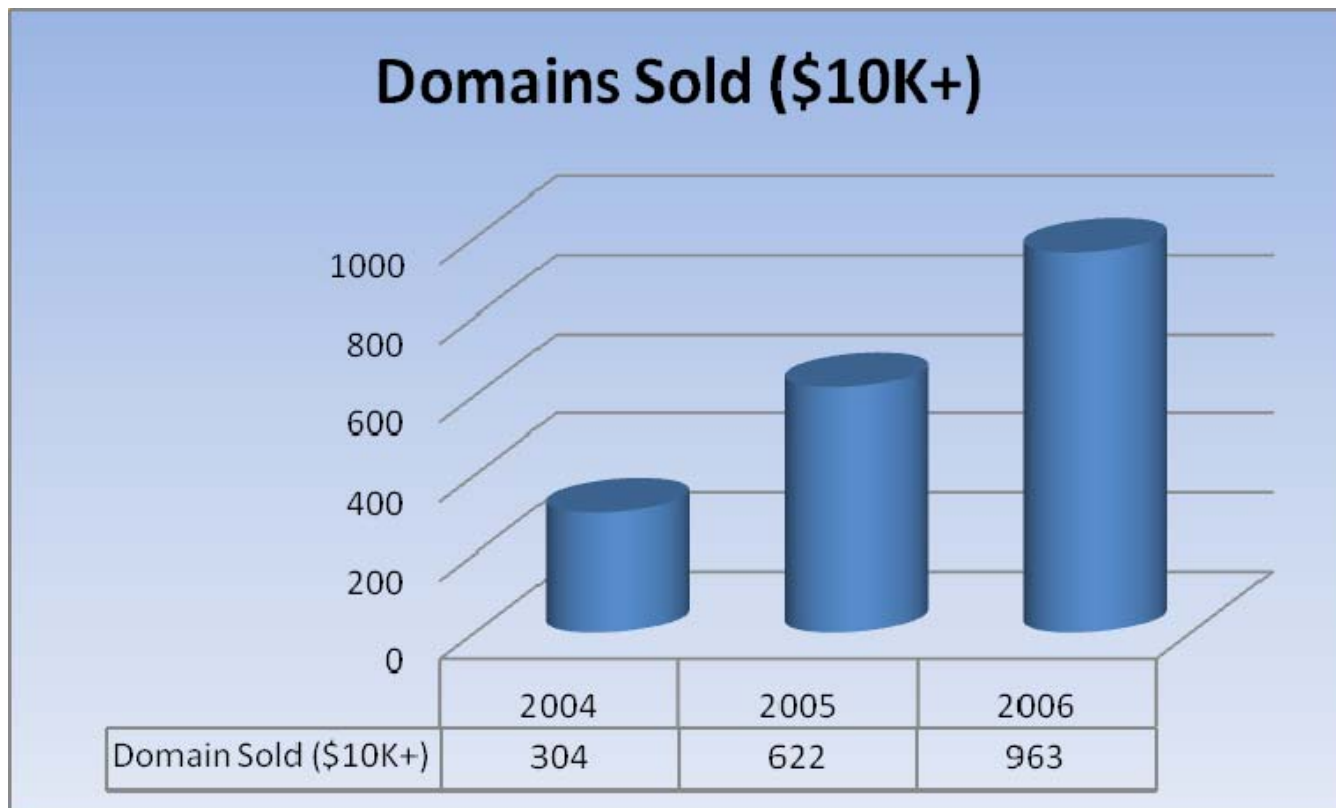
- 1) Is the domain secondary market growing?
How fast?**
- 2) What kind of domains are usually sold at the highest price?**
- 3) Who sells secondary market domains and how are they used today?**
- 4) How will the market change in the next months?**

What do the top 10 names look like?

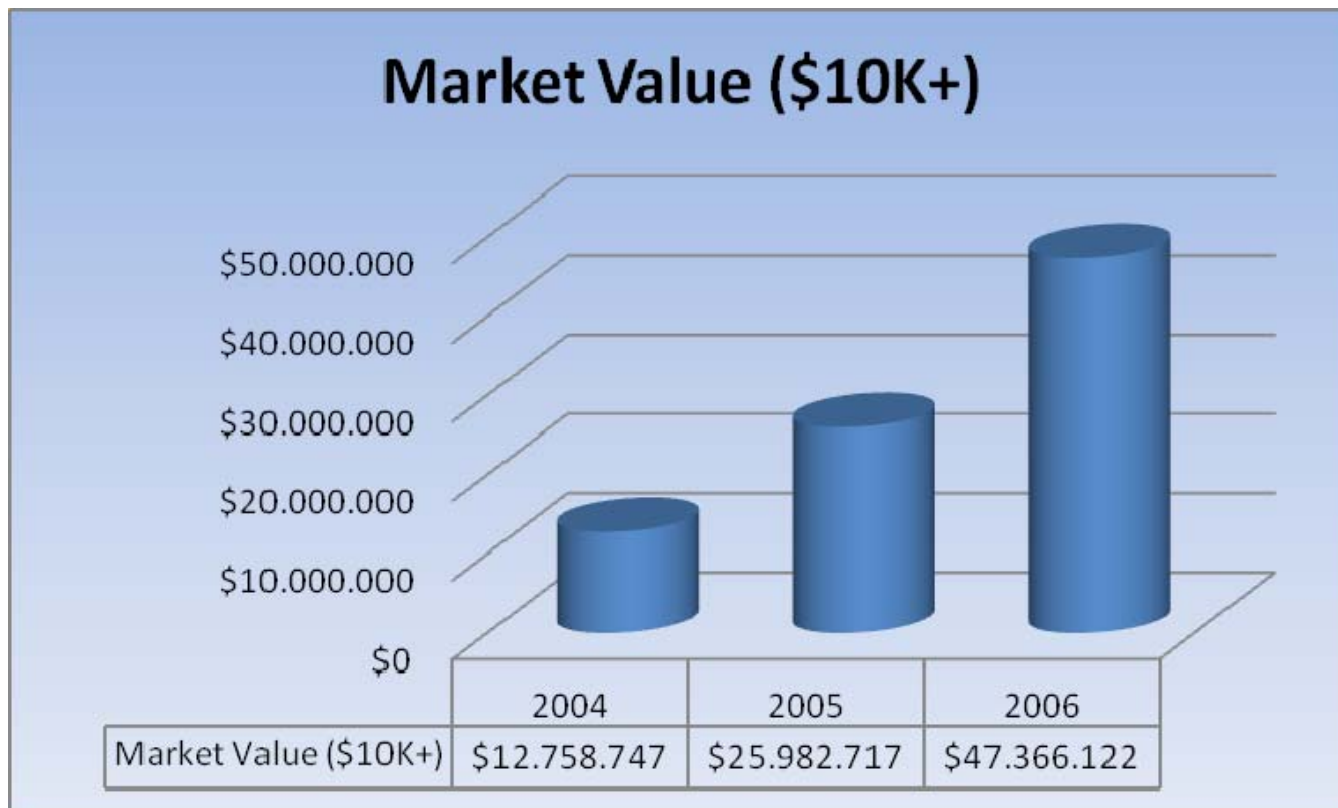
2004 top 10	price	2005 top 10	price	2006 top 10	price
CreditCards.com	\$2.750.000	Fish.com	\$1.020.000	Diamond.com	\$7.500.000
Mercury.com	\$700.000	Bills.com	\$964.500	Vodka.com	\$3.000.000
ME.com	\$460.000	Earth.com	\$800.000	Cameras.com	\$1.500.000
Rugby.com	\$350.000	Website.com	\$750.000	NAV.no	\$717.978
Smoking.com	\$325.000	Property.com	\$750.000	On.com	\$635.000
Viajes.com	\$300.000	Refinance.com	\$706.850	Macau.com	\$550.000
Arab.com	\$225.000	Local.com	\$700.000	AntiSpyware.com	\$550.000
TourismAustralia.com	\$201.000	VIP.com	\$600.000	Wrestling.com	\$500.000
VisitFlorida.com	\$186.000	Annuity.com	\$600.000	Gays.com	\$500.000
Commerce.com	\$180.000	Chat.de	\$470.848	Blue.com	\$500.000

(*) Source: dnjournal.com

The number of domains sold grows linearly



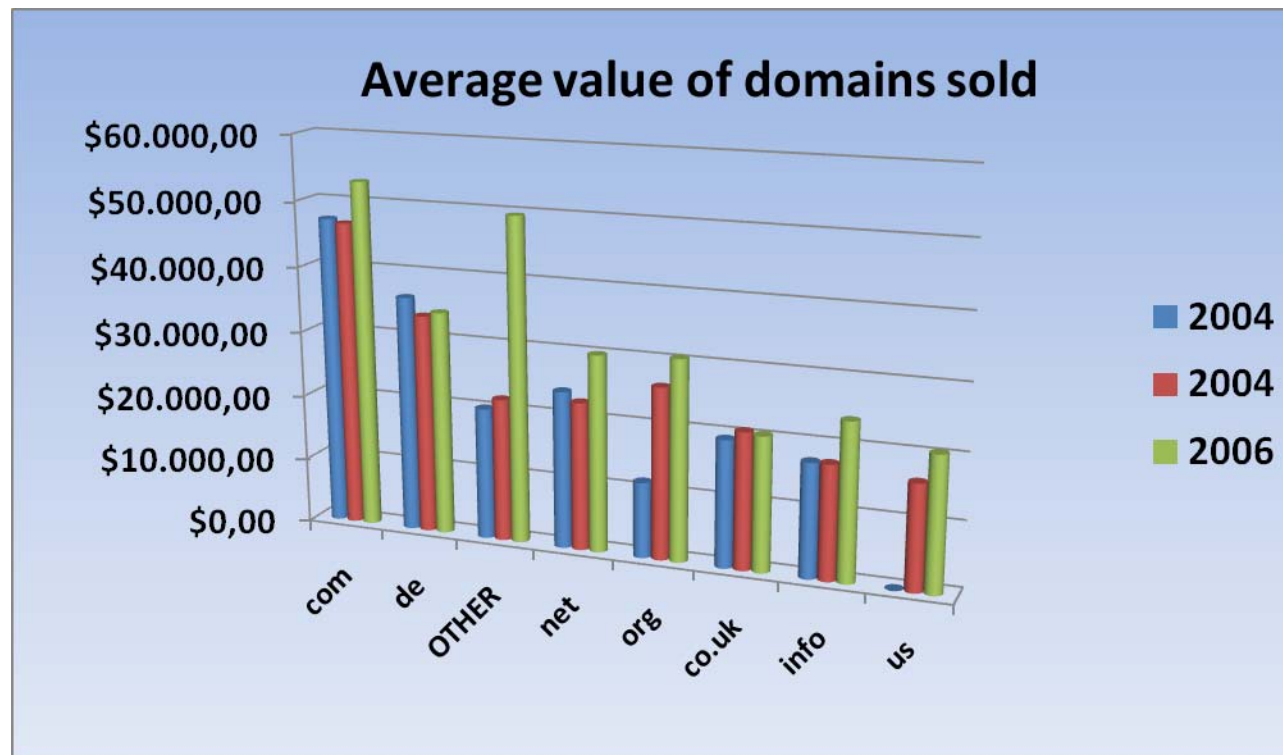
The value of domains sold grows exponentially



Value of domains sold by TLD

TLD	2004	2005	2006	Total	%	2004/05	2005/06
.COM	\$11.047.673	\$22.542.009	\$40.877.468	\$74.467.150	86%	104%	81%
OTHER	\$121.033	\$524.760	\$2.380.078	\$3.025.871	4%	334%	354%
.DE	\$830.812	\$1.239.475	\$719.033	\$2.789.320	3%	49%	-42%
.NET	\$240.432	\$633.383	\$1.532.334	\$2.406.149	3%	163%	142%
.ORG	\$104.003	\$314.229	\$980.237	\$1.398.469	2%	202%	212%
.CO.UK	\$310.317	\$479.184	\$533.817	\$1.323.318	2%	54%	11%
.INFO	\$104.477	\$104.677	\$240.145	\$449.299	1%	0%	129%
.US	\$0	\$145.000	\$103.010	\$248.010	0%	-	-29%
TOTAL	\$12.758.747	\$25.982.717	\$47.366.122	\$86.107.586		104%	82%

Average value of domains sold



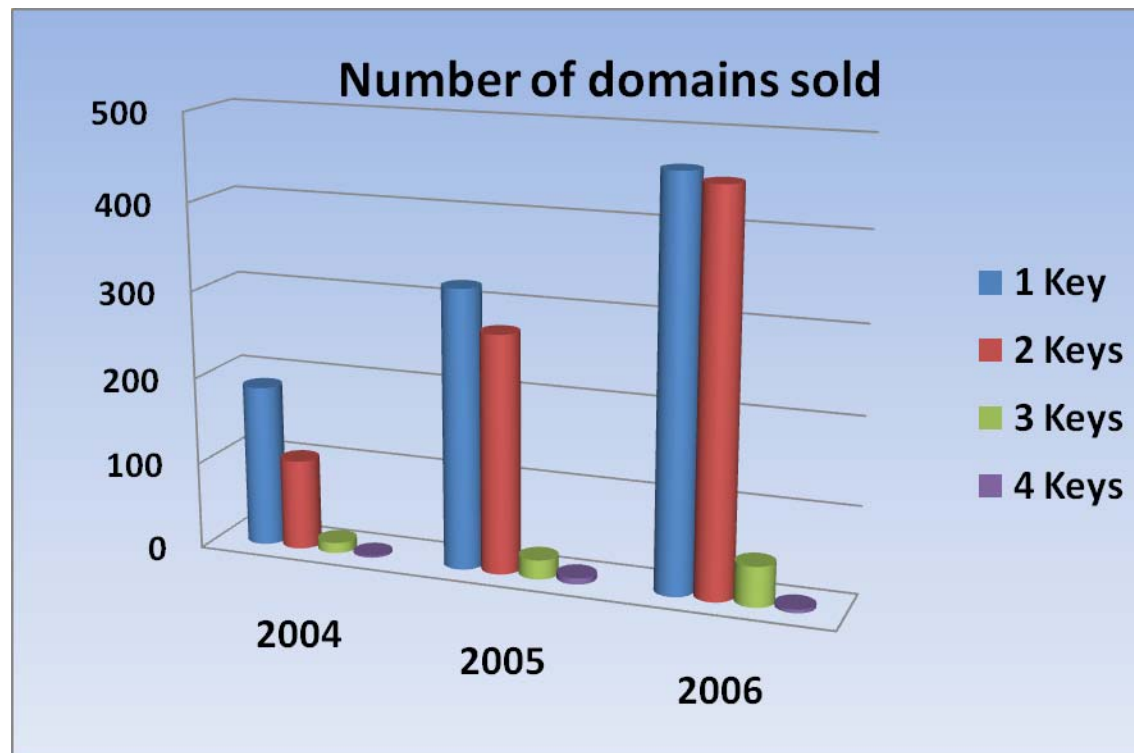
Value of domains sold by language

Language	2004	2005	2006	TOTAL	%	2004/05	2005/06
ENGLISH	\$10.950.352	\$22.757.059	\$42.995.699	\$76.703.110	89,08%	107,82%	88,93%
OTHER	\$589.288	\$1.616.465	\$2.644.008	\$4.849.761	5,63%	174,31%	63,57%
SPANISH	\$538.393	\$992.473	\$1.075.371	\$2.606.237	3,03%	84,34%	8,35%
GERMAN	\$645.627	\$386.037	\$568.882	\$1.600.546	1,86%	-40,21%	47,36%
FRENCH	\$35.087	\$230.683	\$82.162	\$347.932	0,40%	557,46%	-64,38%
TOTAL	\$12.758.747	\$25.982.717	\$47.366.122	\$86.107.586			

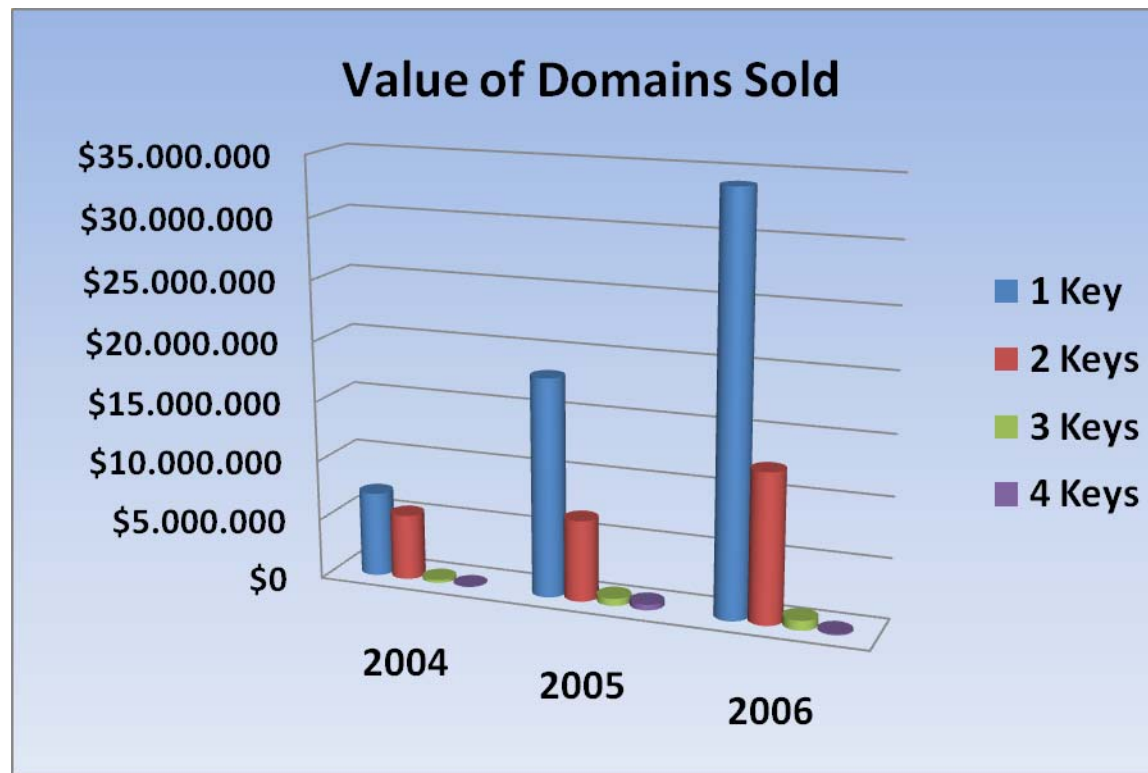
Average value of domains sold by language

Language	2004	2005	2006	2004/05	2005/06
ENGLISH	\$46.597	\$44.622	\$52.885	-4%	19%
SPANISH	\$53.839	\$38.172	\$46.755	-29%	22%
OTHER	\$17.332	\$28.359	\$26.707	64%	-6%
GERMAN	\$28.071	\$19.302	\$24.734	-31%	28%
FRENCH	\$17.544	\$25.631	\$16.432	46%	-36%

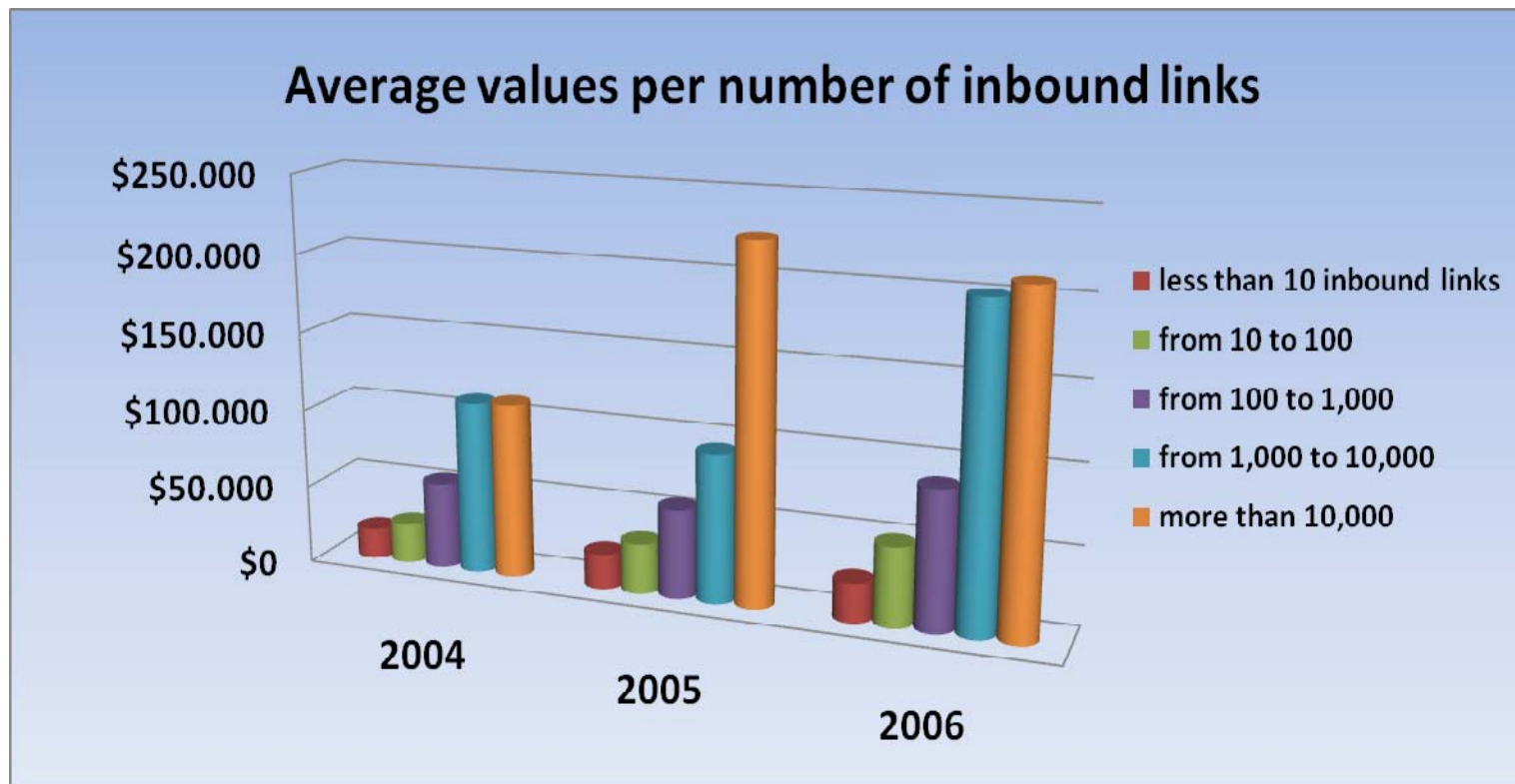
Number of domains sold by keyword



Value of domains sold by keyword

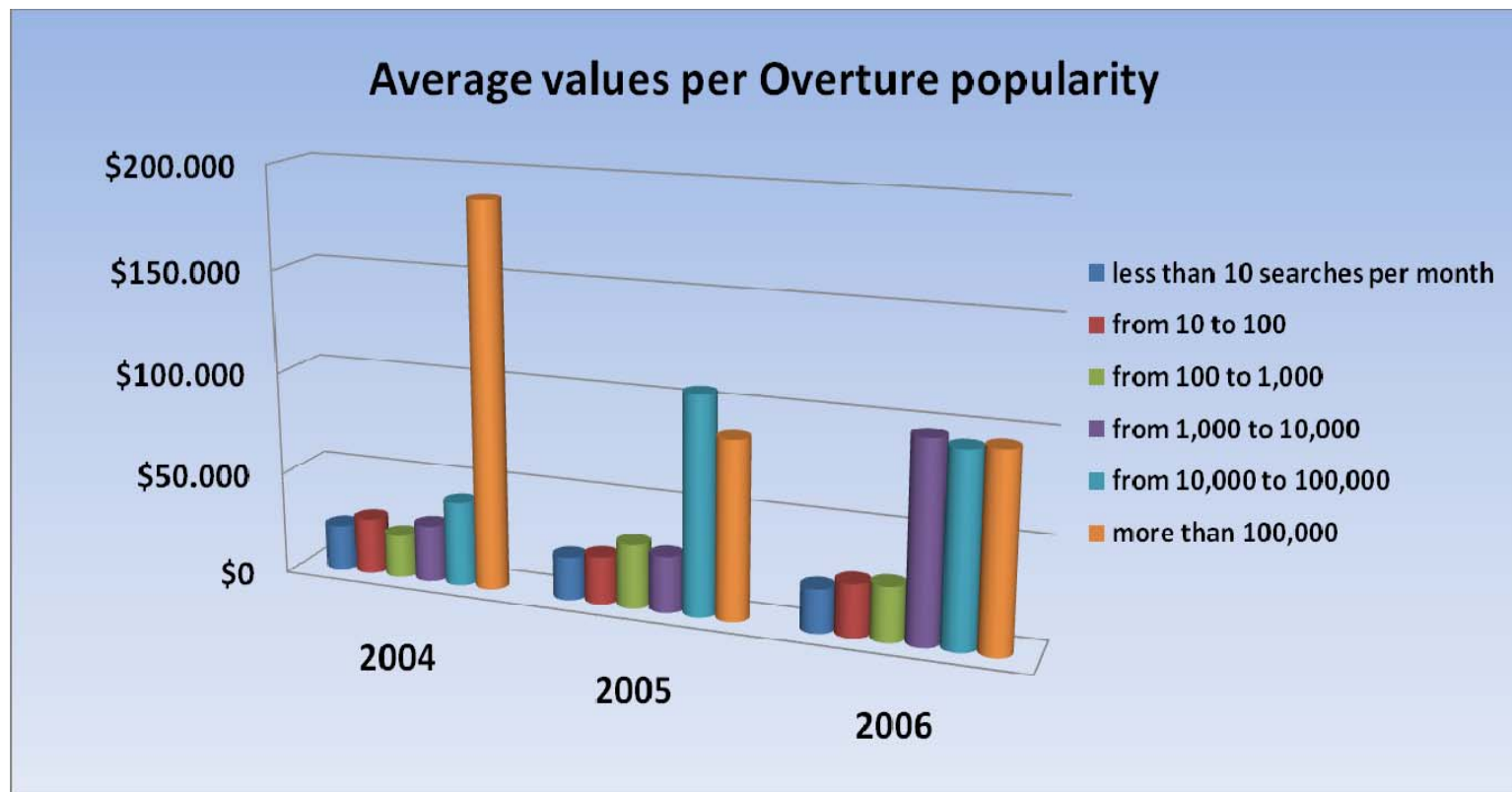


Looking for referral traffic: inbound links



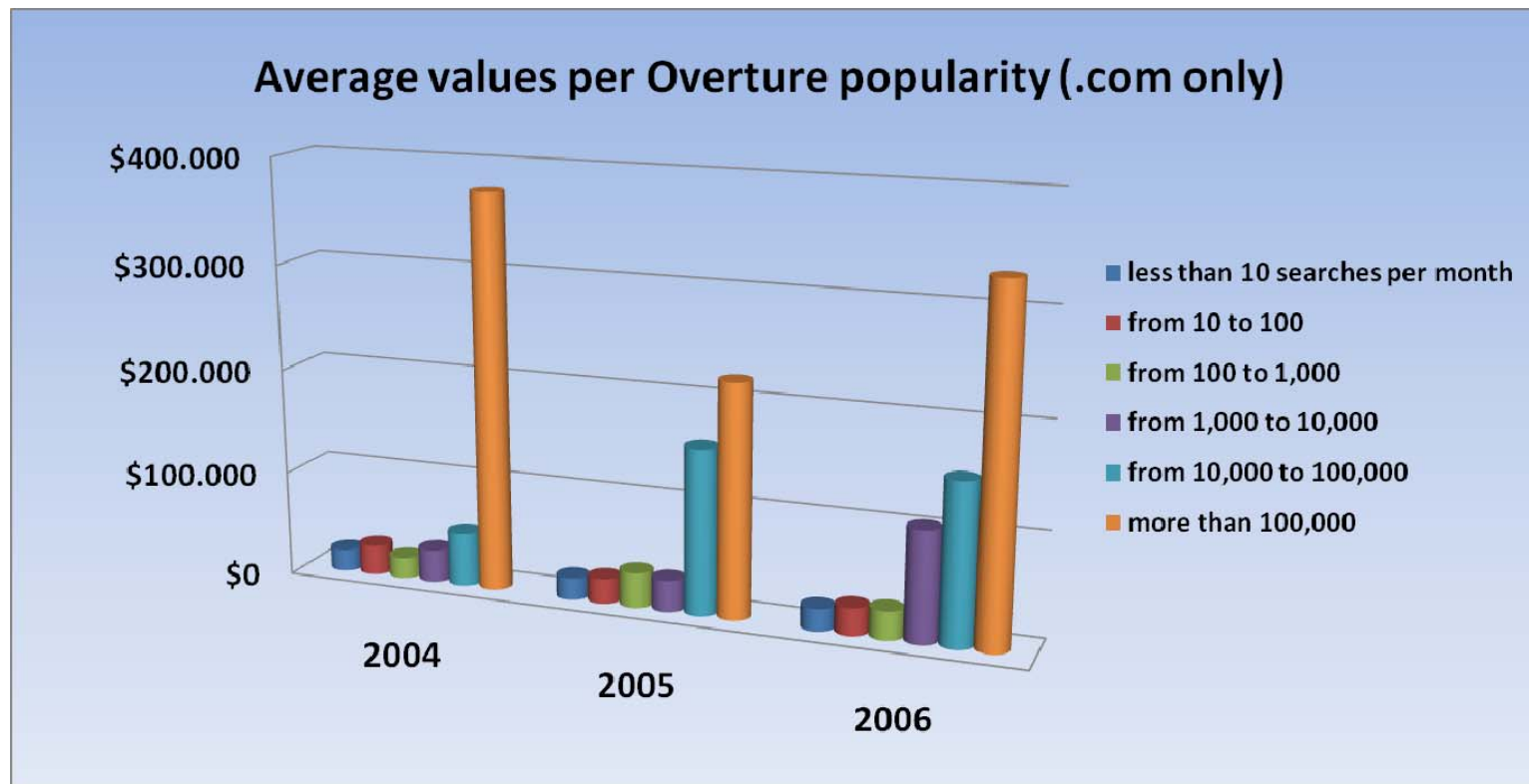
(*) Source: msn.com

Looking for type in traffic: keyword popularity



(*) Source: overture.com

Looking for type in traffic: keyword popularity



(*) Source: overture.com

Basic “best sellers” identikit

- 1) **.com**
- 2) **English**
- 3) **Made of 1 or 2 keywords**
- 4) **Made of popular keywords (type in traffic potential)**
- 5) **Large amount of inbound links (especially good quality links)**

Number of domains sold by vendor*

<u>Vendor</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Total</u>	<u>%</u>	<u>2005/05</u>	<u>2005/06</u>
SEDO	93	238	259	590	31%	156%	9%
Pvt Sale	20	139	275	434	23%	595%	98%
Moniker	17	38	182	237	13%	124%	379%
OTHERS	42	55	95	192	10%	31%	73%
SnapNames	44	61	49	154	8%	39%	-20%
Afternic	25	47	74	146	8%	88%	57%
GreatDomains	41	23	15	79	4%	-44%	-35%
Pool	22	21	14	57	3%	-5%	-33%

*Source : DNJournal.com – Note: some vendors, such as pool.com do not report results.

Value of domains sold by vendor*

<u>Vendor</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Total</u>	<u>%</u>	<u>2005/05</u>	<u>2005/06</u>
Pvt Sale	\$5.611.761	\$7.211.685	\$11.287.385	\$24.110.831	28%	29%	57%
SEDO	\$2.746.602	\$8.261.491	\$12.236.530	\$23.244.623	27%	201%	48%
Moniker	\$919.205	\$2.494.140	\$10.897.948	\$14.311.293	17%	171%	337%
SnapNames	\$389.599	\$3.078.209	\$6.340.787	\$9.808.595	11%	690%	106%
Afternic	\$423.445	\$2.153.174	\$2.749.398	\$5.326.017	6%	408%	28%
OTHERS	\$847.415	\$1.517.047	\$2.706.073	\$5.070.535	6%	79%	78%
GreatDomains	\$1.096.500	\$706.000	\$798.500	\$2.601.000	3%	-36%	13%
Pool	\$724.220	\$560.971	\$349.501	\$1.634.692	2%	-23%	-38%

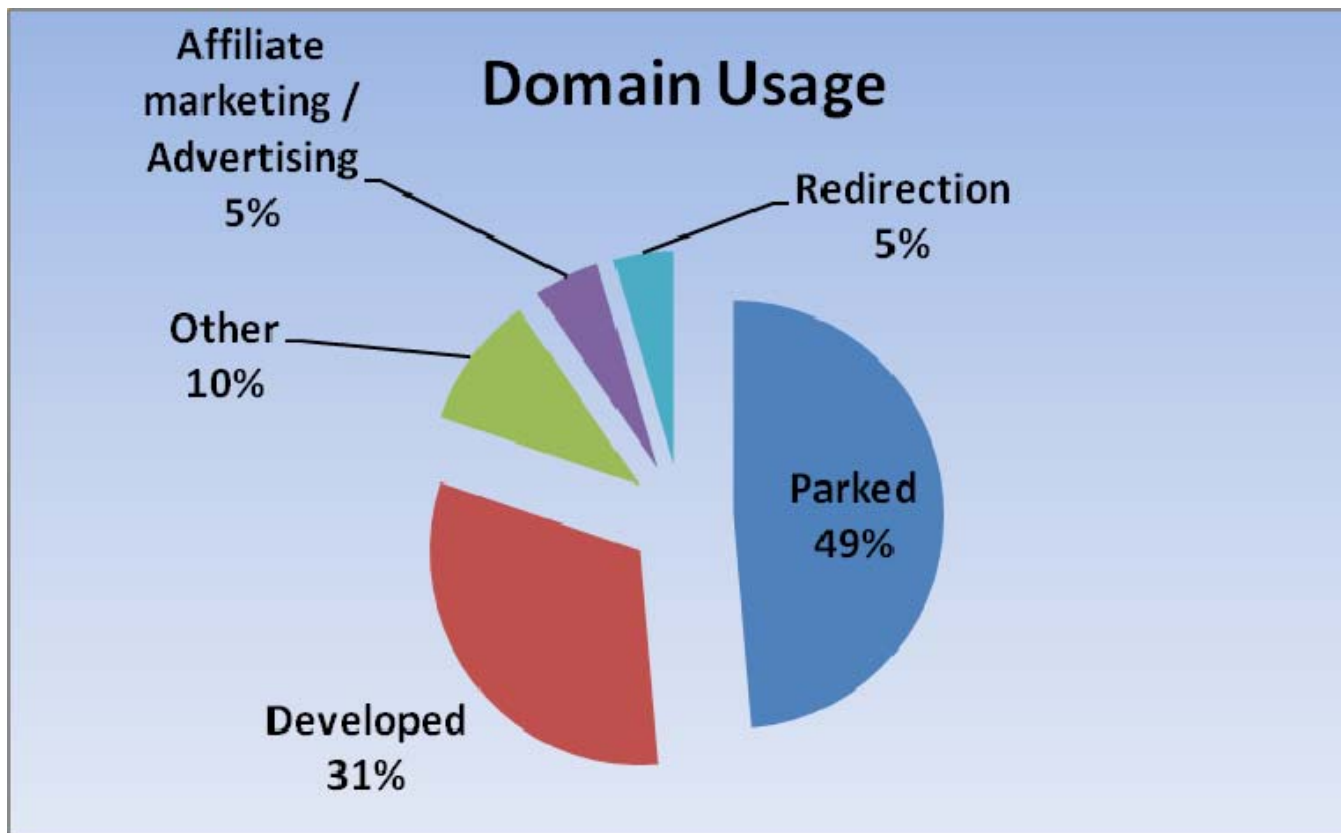
*Source : DNJournal.com – Note: some vendors, such as pool.com do not report results.

Average value of domains sold by vendor*

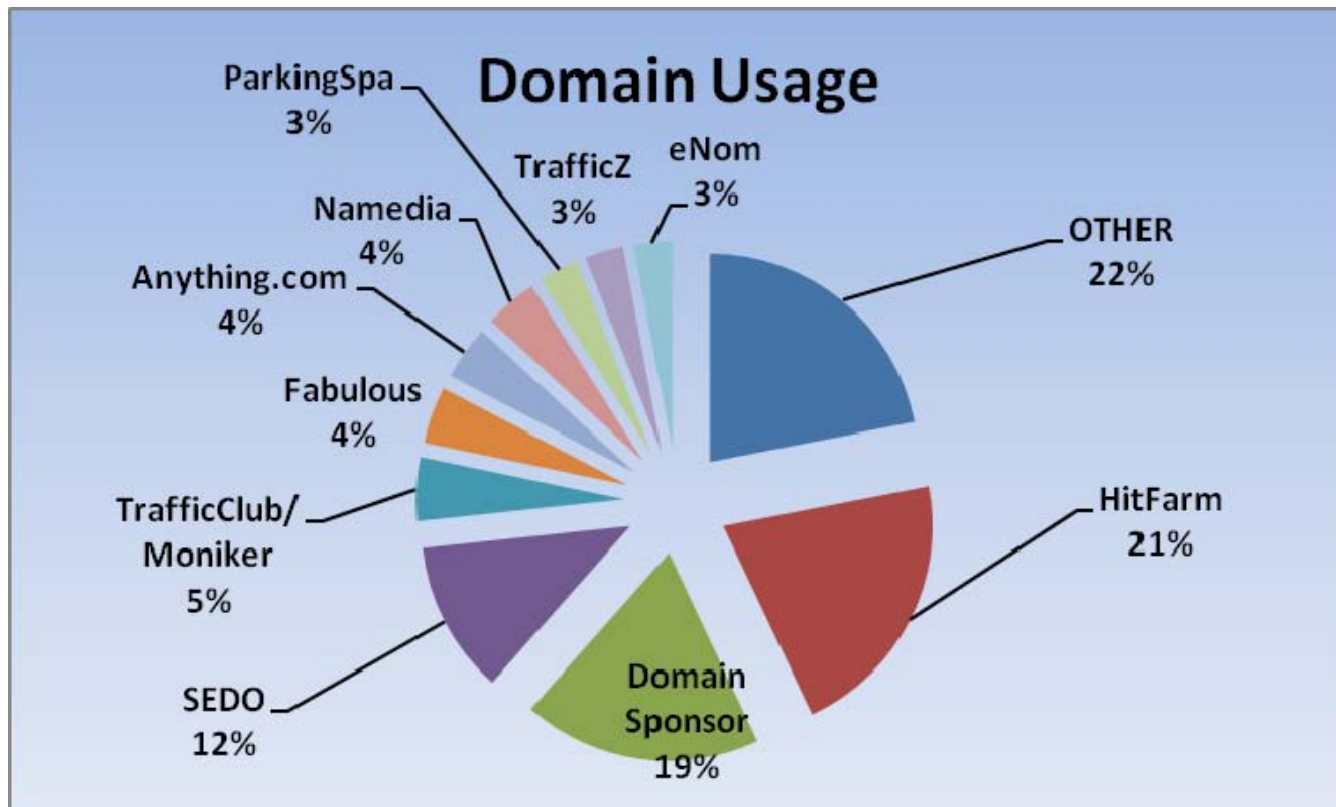
<u>Vendor</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2004/05</u>	<u>2005/06</u>
Pvt Sale	\$127.540	\$118.224	\$230.355	-7%	95%
Moniker	\$54.071	\$65.635	\$59.879	21%	-9%
GreatDomains	\$49.841	\$33.619	\$57.036	-33%	70%
SEDO	\$29.533	\$34.712	\$47.245	18%	36%
Afternic	\$16.938	\$45.812	\$37.154	170%	-19%
OTHERS	\$20.177	\$27.583	\$28.485	37%	3%
Pool	\$17.664	\$24.390	\$23.300	38%	-4%
SnapNames	\$19.480	\$22.145	\$23.057	14%	4%

*Source : DNJournal.com – Note: some vendors, such as pool.com do not report results.

Most domains sold are not developed



Parking company market share overview



Conclusions

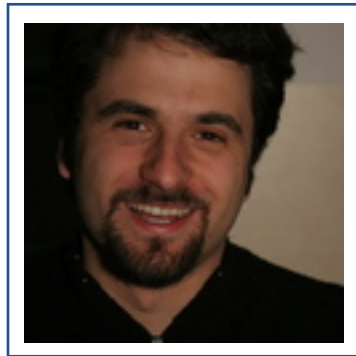
The scarcity of available domains is a systematic issue for domain registrars.

On the other hand the secondary market domains keep on growing at a steady pace and the value of those domains is growing exponentially.

The efforts of the primary market to reach the largest amount of buyers and the secondary market's efforts to handle and consolidate the largest amount of domain names make the two market complementary.

The partnership of the two sides of the market will provide added value to the final user and will trigger valuable business opportunities for the all industry.

Thank you!



For more information contact:

Emiliano Pasqualetti

COO

DomainsBot

emiliano@domainsbot.com

+39 06 3540 3696

Or visit:

www.domainsbot.com/labs

Source DnJournal.com