

# .pl domain name market

NASK'S REPORT FOR THE THIRD QUARTER OF 2018



Q

3

2018

# Table of Contents

- 3 • Introduction
- 4 • Facts and figures
- 5 • .pl domain names active in DNS
  - Domain names in .pl registry
  - Transfers
  - Renewal of a domain name for a consecutive billing period
- 8 • New domain names in .pl registry
- 9 • Registrants of .pl domain names
  - Registrants in the .pl registry
  - Place of residence of .pl domain name registrants
  - Registrants vs .pl domain names
  - Assignments
- 11 • Additional services of .pl registry
  - IDNs
  - DNSSEC
  - Options
- 14 • Registrars of .pl domain names
  - .pl Registry Partner Programme
  - Division of .pl domain name market
- 17 • Insight into .pl registry

# Introduction



**Krzysztof Silicki**

Acting Director of NASK PIB

## Dear Readers,

The third quarter of 2018, when **223 204** .pl domain names were registered, is already behind us. At the end of September **2 585 609** active domain names were being maintained in the .pl registry. It is the first time the number of .pl domain names has increased since the second quarter of 2016.

The number of renewed .pl domain names increased again with the renewal rate reaching a high level of **65.05%**.

In the third quarter .pl domain names were being maintained for over **1.06** million registrants. As compared to the previous quarter the number of registrants grew by over 14 thousand. In comparison with the preceding quarters of 2018, when the growth amounted to ca. 5 thousand per quarter, that number increased three times.

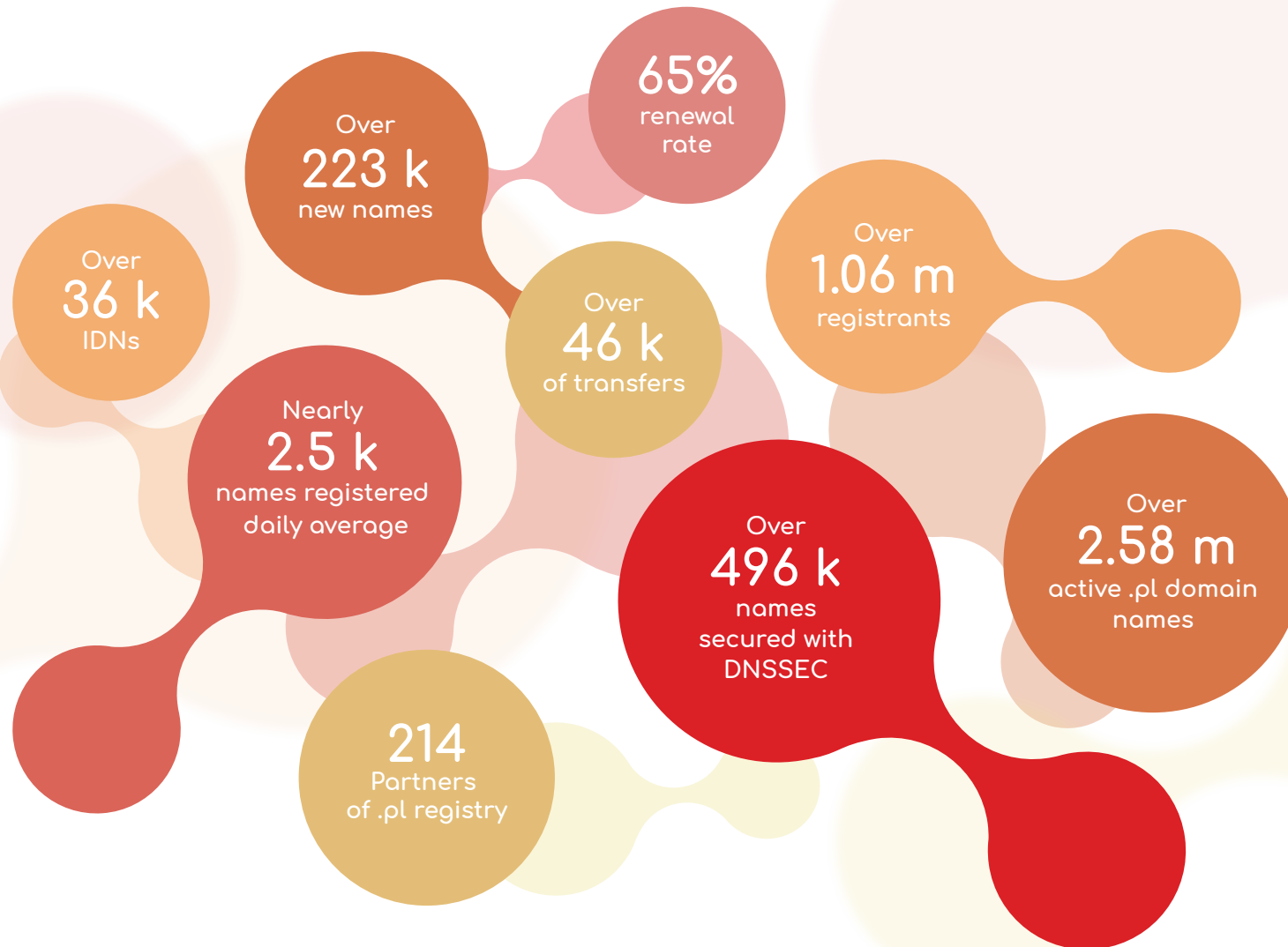
During the quarter under discussion there was also recorded a **35%** increase in the number of transfers of domain names. That increase was caused not only by tightening competition, observed in the market of services provided by DNS Partners, but also through a growth strategy effected by them as a result of acquisition of smaller entities.

Increase in the number of active .pl domain names is evidence of a strong position of the country code top level domain name, while a continuous growth of the number of its registrants is a proof of confidence in .pl, which steadily remains a first choice domain amongst Internet users in Poland. Current share of the .pl domain in Poland amounts to ca. 72%, generic domains (e.g. .com, .org or .info) constitute 16%. Remaining domains build ca. 12% of the market.

Within the series of *Insight into .pl registry* I invite you to get acquainted with the interview on new services offered by the registry in respect of planned implementation of a bulk transfer, assignment and merger of accounts. Those services constitute a complex solution, targeted at registrars participating in the NASK Partner Programme, providing registrants with security and stability of using domain names.

I invite you to read the newest NASK report, presenting the specific data from the .pl domain market for the third quarter of 2018.

# Facts and figures



# .pl domain names active in DNS

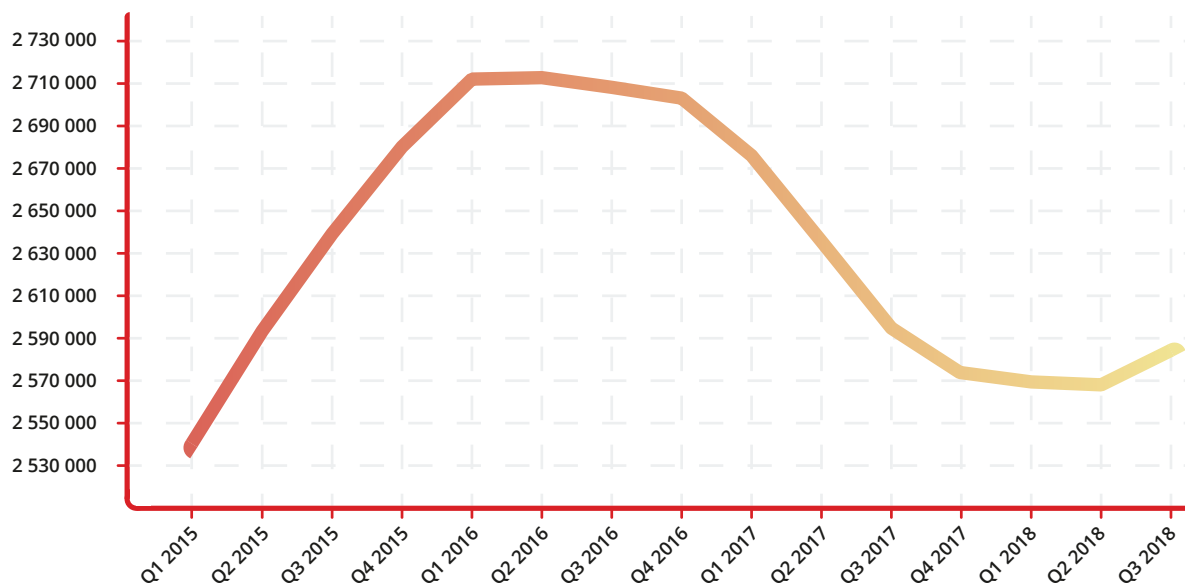
## Domains in .pl registry

In the .pl registry, at the end of the third quarter of 2018, there were **2 585 609** domain names active in DNS. As compared to the end of the second quarter of 2018 the volume of the registry increased by **15 928** names. During the period under discussion, the increase amounted to 0.62%.

Out of all domain names, active in DNS, **76.82%** were being maintained directly in the .pl top level domain, **18.86%** in functional domains (e.g. .edu.pl, .com.pl, .info.pl, .net.pl), whereas **4.32%** in regional domains (e.g. .waw.pl, .wroclaw.pl, .szczecin.pl).

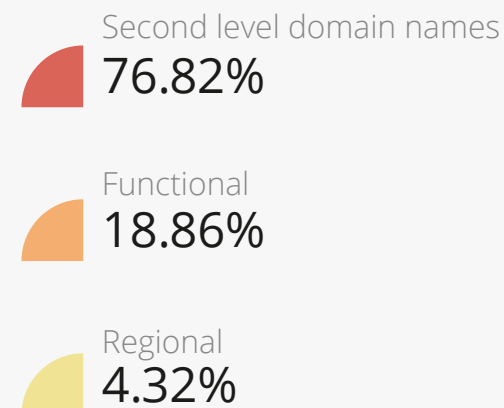
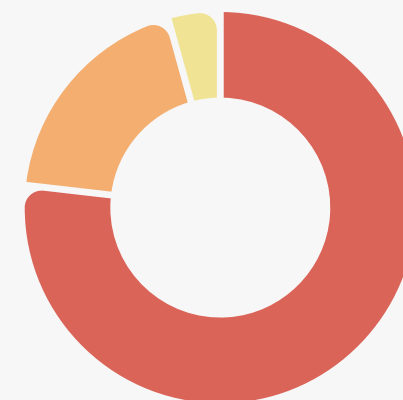
### Number of .pl domain names in DNS

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### Number of domain names active in DNS as divided into the type of zone, Q3 2018

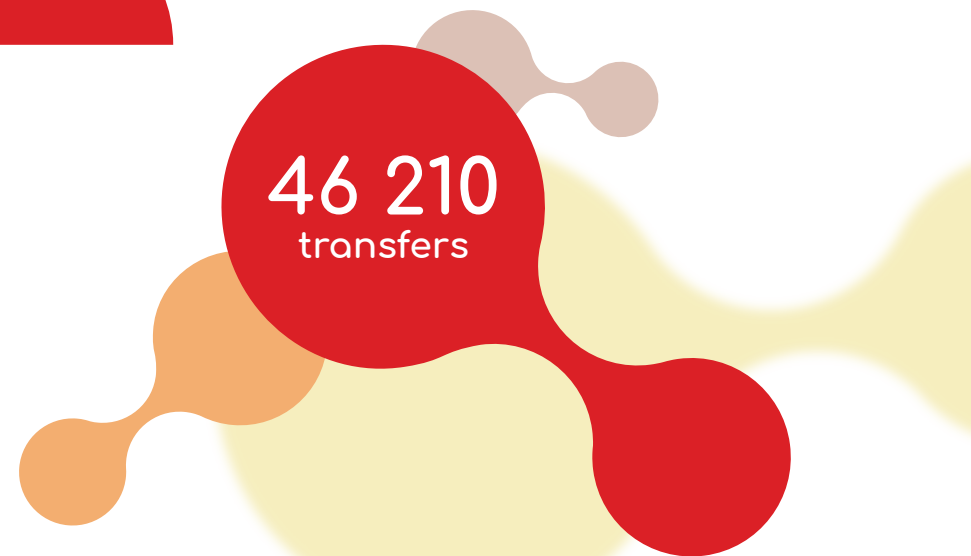
Copyright by NASK



# .pl domain names active in DNS

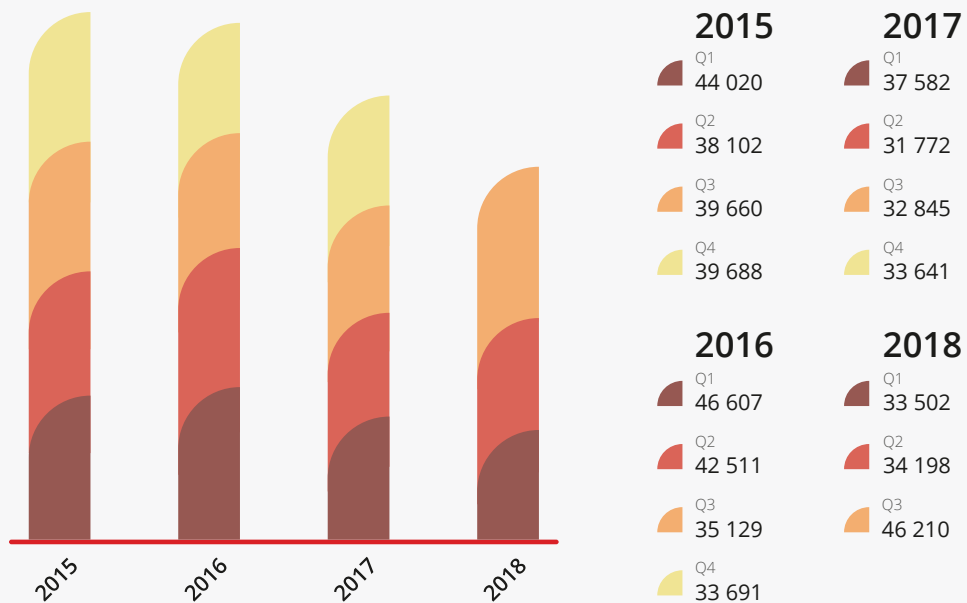
## Transfers

From the beginning of July to the end of September 2018 registrants **46 210** times changed a registrar servicing their .pl domain names, constituting ca. 502 transfers of domain names daily average. In total it was by **12 003** transfers more than during the previous quarter (by **35%** more).



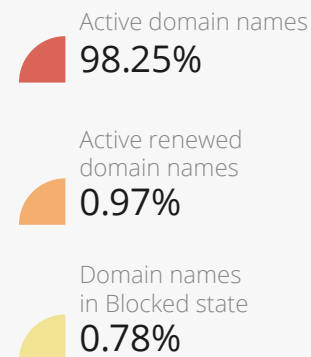
## Number of transfers of .pl domain names

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## Division of transfers, Q3 2018

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# .pl domain names active in DNS

## Renewal of a domain name for a consecutive billing period

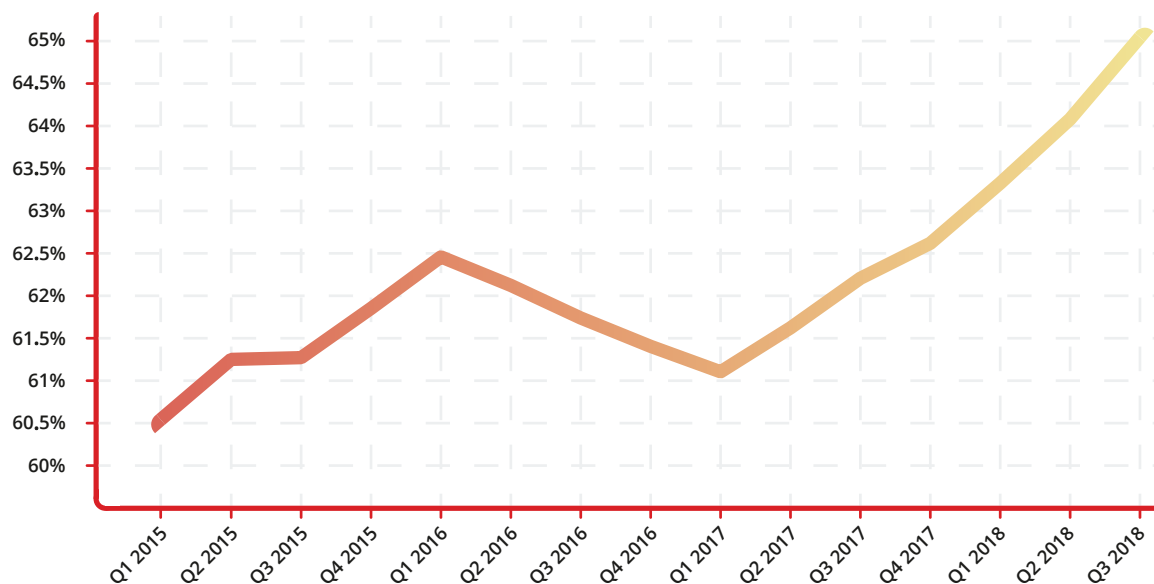
The renewal rate increased again and, at the end of September 2018, amounted to **65.05%**, being the highest rate for more than 9 years.

In the third quarter of 2018 almost **385.8 thousand** names were renewed, with the second level domain names constituting 77.28%, functional domain names 18.20% and regional domain names 4.52%.

83.93% of .pl domain names, renewed between 1 July and 30 September 2018, were registered before 2017, while 15.97% in 2017.

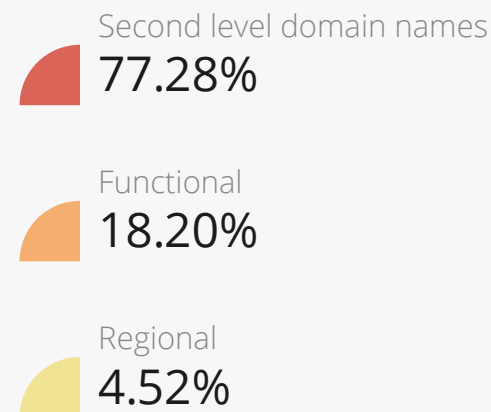
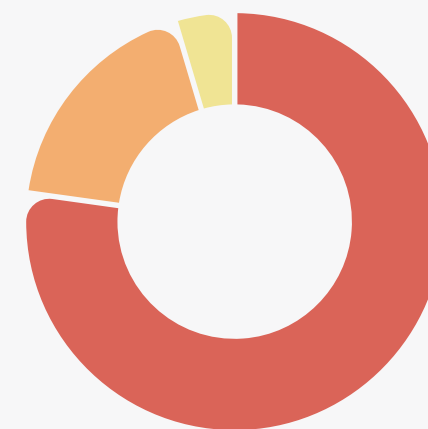
### Renewal rate of .pl domain names

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### Structure of renewed .pl domain names, Q3 2018

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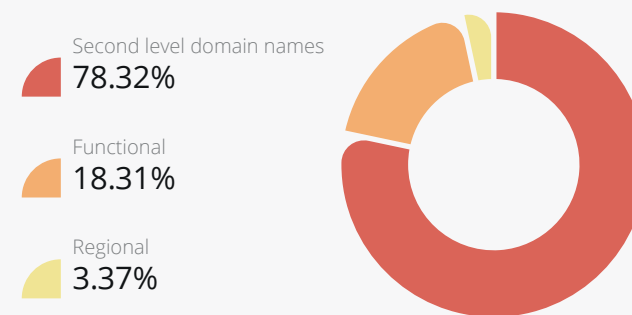
# New domain names in .pl registry

During the third quarter of 2018 nearly **223.2 thousand** .pl domain names were registered. A daily average number of registered .pl domain names amounted to 2.4 thousand, and in September there were registered on average 2.6 thousand new domain names.

From the beginning of July to the end of September 2018 78.32% of registrations were effected directly in the .pl domain (second level domain names), 18.31% in functional domains, whereas remaining 3.37% in regional domains.

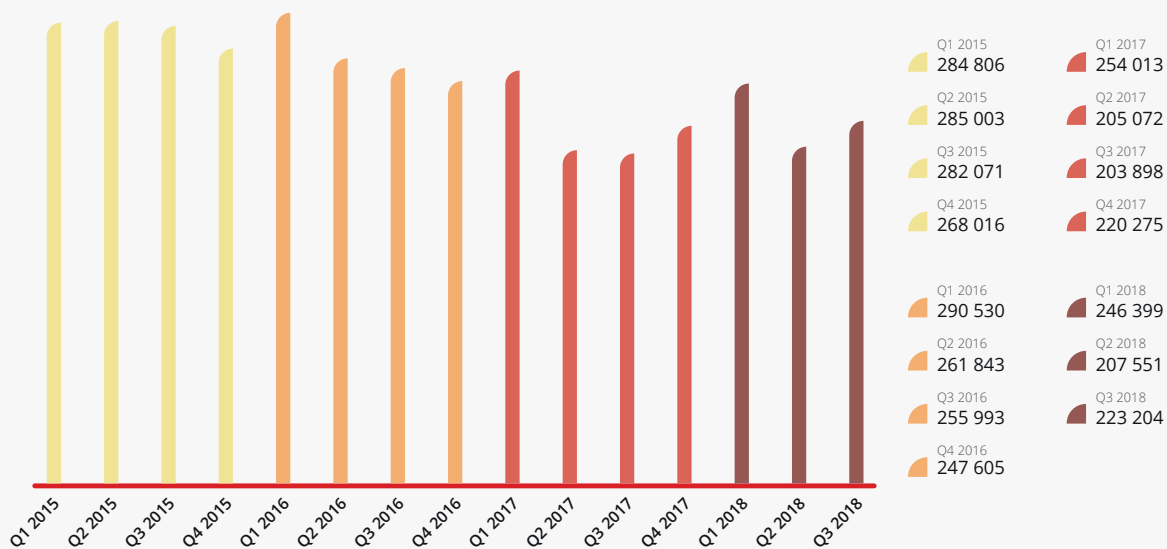
## .pl domain name registrations as divided into a type of zone, Q3 2018

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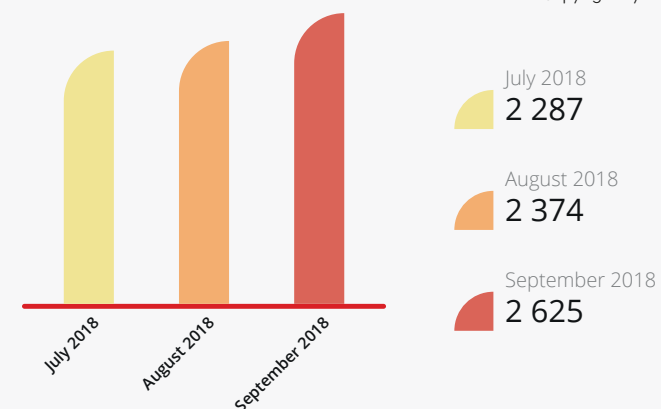
## Number of .pl domain name registrations

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## Number of .pl domain name registrations, daily average, Q3 2018

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# Registrants of .pl domain names

## Registrants in the .pl registry

In the .pl registry, at the end of the third quarter of 2018, there were **1 067 404** unique entries of .pl domain name registrants. It is by 14 210 registrants more than in the second quarter of 2018 – growth by ca. **1.35%**. 2.42 .pl domain names fell for one registrant on average. Entrepreneurs constituted 66.17% and natural persons 33.83% of all registrants.

## Place of residence of .pl domain name registrants

Out of all new .pl domain names registrations, effected in the third quarter of 2018, **91%** were realized for registrants from Poland (previously 90.73%), while remaining 9% of names for foreign registrants (previously 9.27%), domiciled, among others, in Cyprus (3.96%), Germany (0.97%). There was recorded a decline in registration share of Great Britain (0.54%) and increase in the activity of registrants from China (0.66%). At the end of September 2018, from amongst all the domain names, active in DNS, **93.65%** were being maintained for the registrants from Poland, while 6.35% of names for registrants from abroad. In this group the most numerous registrants were from Germany (1.52%), Great Britain (0.66%) and United States (0.61%).

## Registrants vs .pl domain names

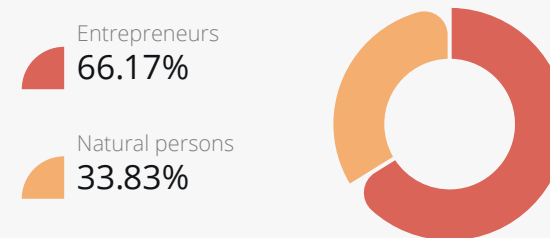
For entrepreneurs and organizations there were being maintained in the registry 68.43% of names, active in DNS, whereas remaining 31.57% for natural persons. For entrepreneurs and organizations 60.93% of new registrations were executed, while for natural persons 39.07%. At the end of September 2018 the .pl registry was maintaining one domain name for **67.51%** of registrants, two domain names for **14.96%**, three domain names for **5.73%**. Fewer than 5 names were held by 91.63% of registrants, whereas 10 and more .pl domain names by 2.46% of registrants.

## Assignments

In the third quarter of 2018 there were **37.1 thousand** changes of .pl domain names registrants, with more than 8.6 thousand both in July and August and almost 19.9 in September. In total the number of assignments was by over 21% higher than in the previous quarter.

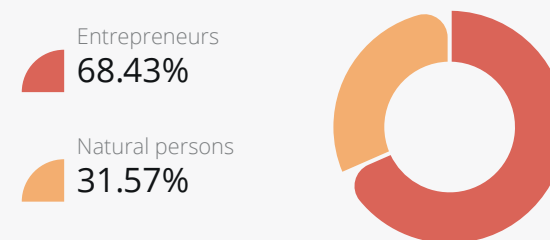
### Division of Registrants of .pl domain names, Q3 2018

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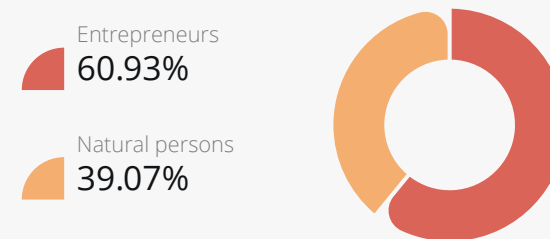
### Division of .pl domain names for Registrants, Q3 2018

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### Division of .pl domain name registrations for the type of registrant, Q3 2018

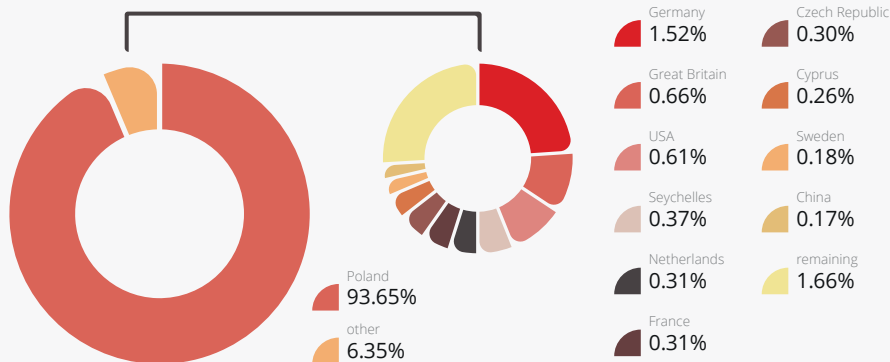
Copyright by NASK



# Registrants of .pl domain names

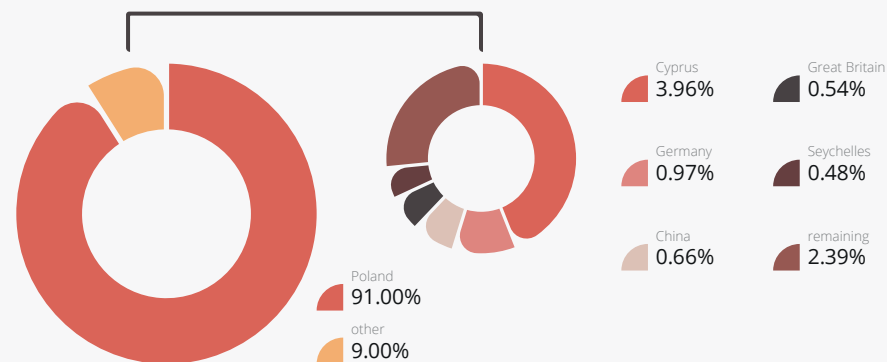
## Division of .pl domain names active in DNS for registrant's country, Q3 2018

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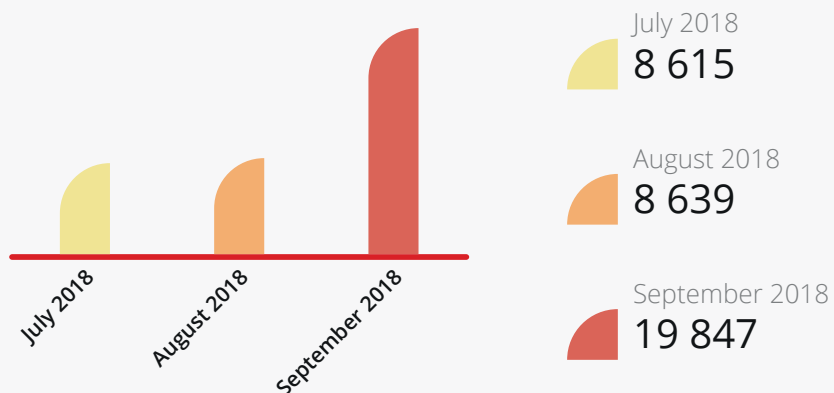
## Division of .pl domain name registrations for a registrant's country, Q3 2018

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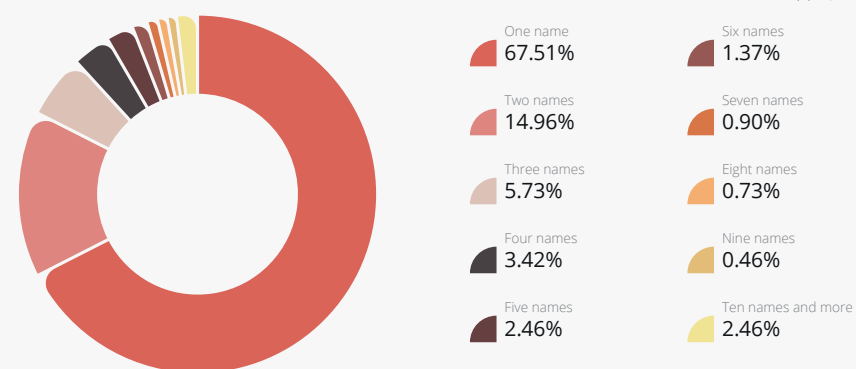
## Number of changes of .pl domain name registrants, Q3 2018

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## Division of registrants by account of the number of maintained .pl domain names, Q3 2018

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# Additional services of .pl registry

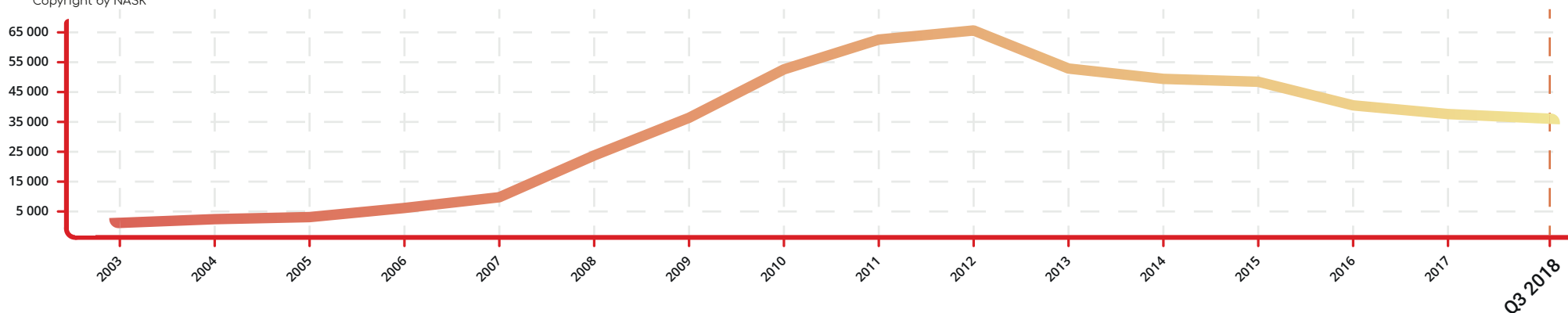
## IDNs

At the end of the third quarter of 2018, the .pl registry contained 36 226 names, active in DNS, with national diacritic signs (IDNs), constituting 1.40% of all active .pl domain names.

From the beginning of July to the end of September 2018 3 638 IDNs were registered, i.e. 1.63% of all .pl domain names registered during that period.

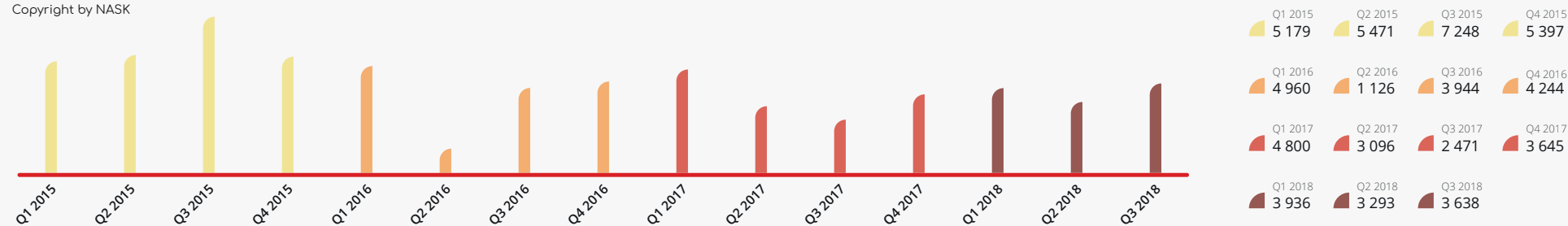
### Number of .pl IDNs active in DNS

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### Number of .pl IDN registrations

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# Additional services of .pl registry

## DNSSEC

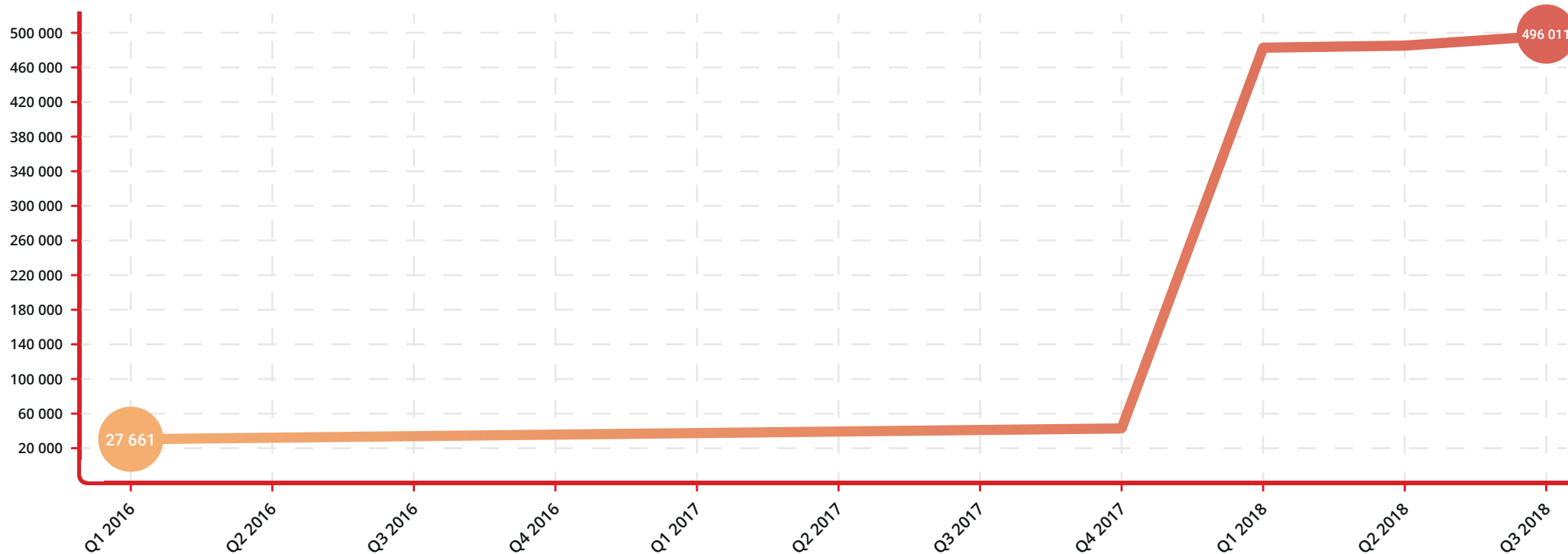
In the .pl registry, at the end of the third quarter of 2018 there were **496 011** names secured with DNSSEC protocol, i.e. by 6 743 names more than in the preceding quarter.

**70.86%** of secured names were registered directly in the .pl domain, **26.78%** in the functional domains, whereas **2.36%** in the regional domains.

**496 k**  
names  
secured with  
DNSSEC

### Number of the .pl domain names secured with DNSSEC

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# Additional services of .pl registry

## Options

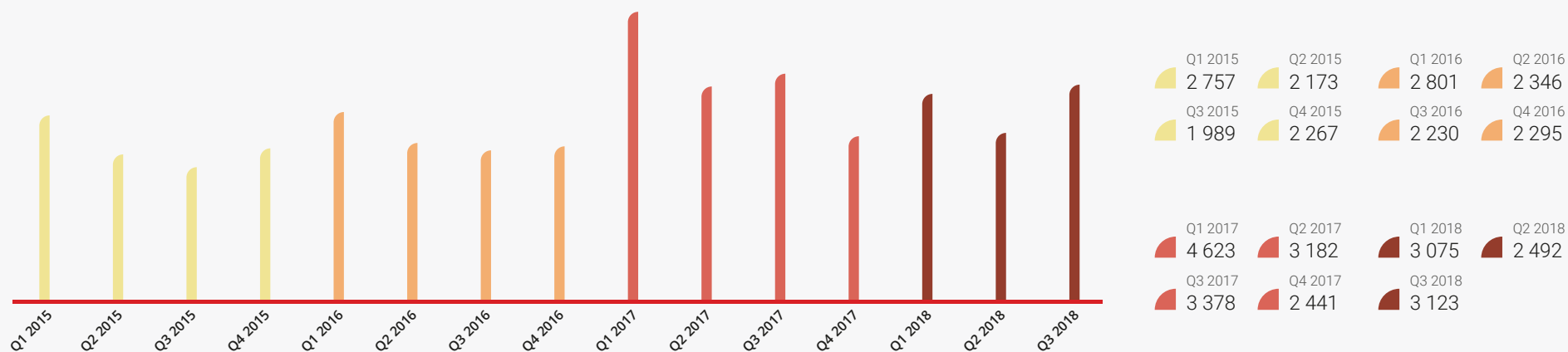
During the third quarter of 2018 **3 123** agreements on options for the registration of .pl domain names were concluded. It was by over 25.32% more than in the preceding quarter.

1 421 agreements on options ended with providing a domain name for registration, i.e. by 37 more than in the second quarter, whereas in 74 cases the registration procedure was not completed due to reasons attributable to an option holder, which resulted in the domain names being released to the group of names available for registration.

**3 123**  
new options

Number of options

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# Registrars of .pl domain names

## .pl Registry Partner Programme

The .pl registry, in the third quarter of 2018, was cooperating with **214** registrars from 23 countries.

132 registrars had their registered offices in Poland and were servicing in total 74.28% of .pl domain names, 54 registrars, seated in other European countries, were servicing 15.43% of .pl domain names, while 28 registrars, domiciled beyond Europe, were servicing 10.29% of .pl domain names.

**214**  
Partners  
of .pl registry

### Partners of NASK, division by place of residence, Q3 2018

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### .pl domain name market share between Partners considering the place of residence, Q3 2018

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# Registrars of .pl domain names

## Division of .pl domain name market

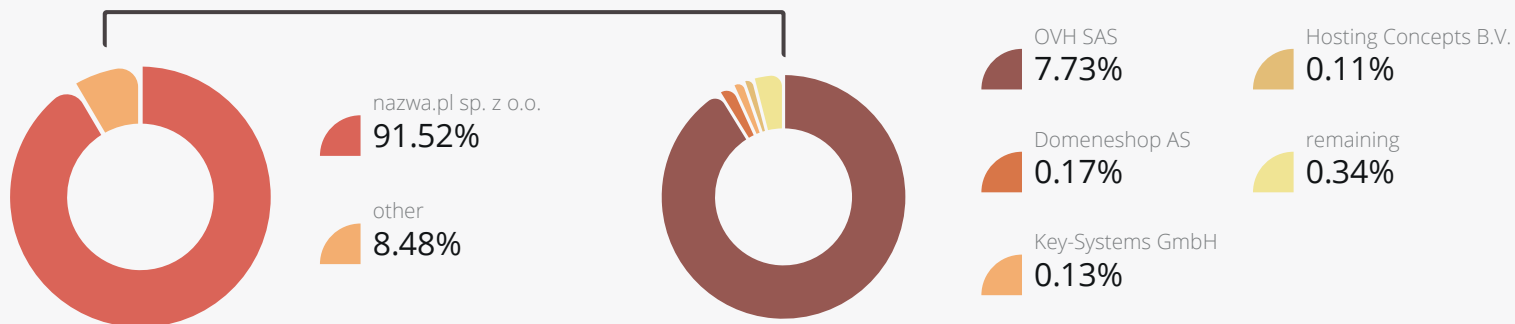
In the third quarter of 2018, nazwa.pl Sp. z o.o. remained on a leader position in the .pl domain name market in respect of the share of particular Partners both in the number of serviced .pl domain names - 22.52% (in the second quarter - 22.36%) and new registrations - 35.24% (in the second quarter - 32.72%). That registrar services also the highest number of .pl domain name registrants - 23.09% (in the second quarter - 22.98%).

During the discussed period most numerous options for registration of .pl domain names were being serviced by Michau Enterprises Ltd. - 41.21% (in the second quarter - 42.82%).

In the third quarter of 2018 the highest number of domain names, secured with the DNSSEC protocol, was being serviced by nazwa.pl Sp. z o.o., 91.52% of secured names (in the second quarter that share amounted to 91.30%). The second place was taken by OVH SAS with share of 7.73% (previously 8.06%). In the forefront there were also Domeneshop AS, Key-Systems GmbH and Hosting Concepts B.V.

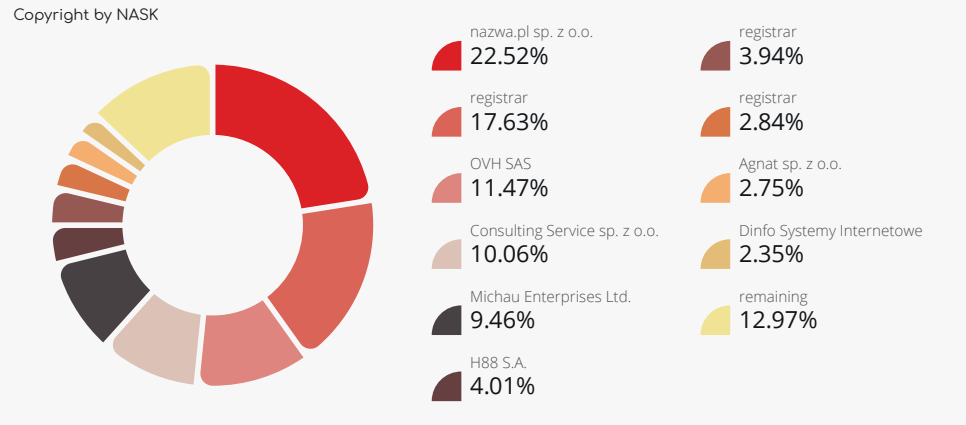
## Partner's market share in the service of .pl domain names secured with DNSSEC, Q3 2018

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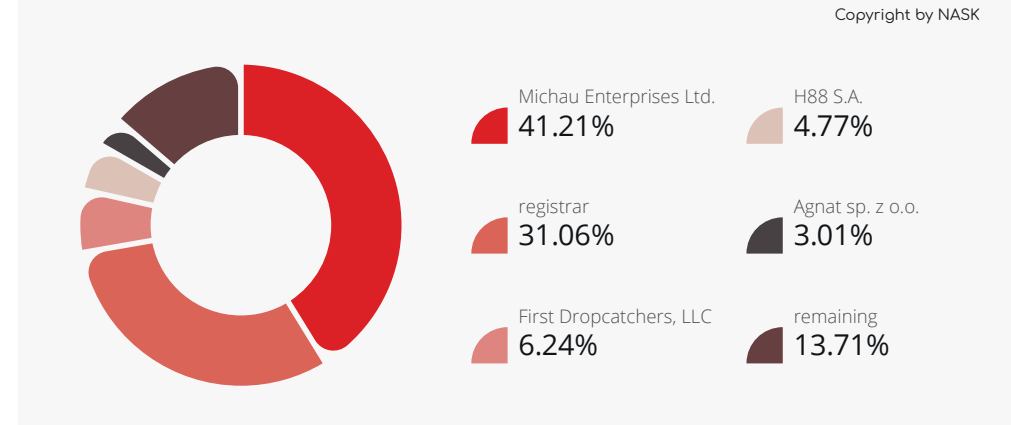


# Registrars of .pl domain names

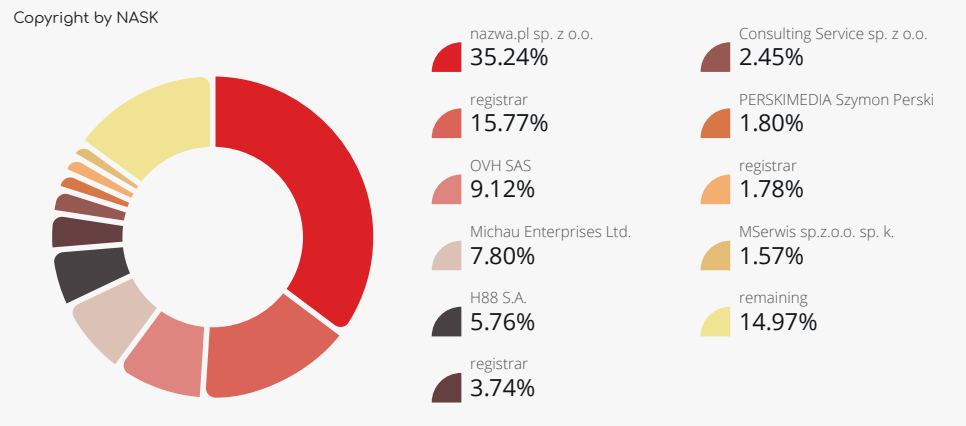
## Market share between Partners considering .pl domain names, Q3 2018\*



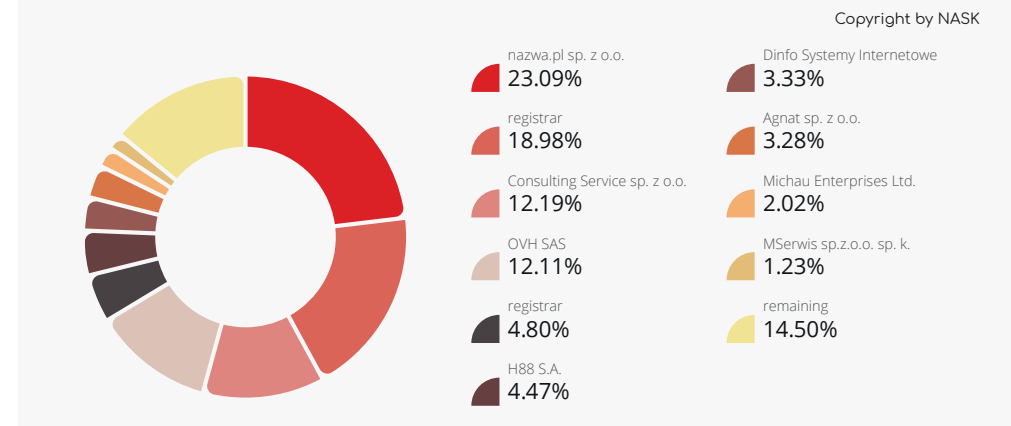
## WLS market share between Partners, Q3 2018\*



## Market share between Partners considering new .pl domain name registrations, Q3 2018\*



## Market share between Partners considering .pl domain name Registrants, Q3 2018\*





# Insight into .pl registry

## New complex solution - bulk transfer, assignment and merger of accounts



Piotr Studziński-Raczyński

Senior DNS Specialist at NASK PIB

**NASK is planning to implement bulk transfer, assignment and merger of accounts services in a short time. What do those services consist in?**

The Assignment procedure comprises two phases, first, which is more formal, involving a transfer of rights and obligations from a Partner (Assignor) to a future Partner (Assignee) in

order to ensure that uninterrupted service of Registrants is provided, and the second, operational, focusing on keeping the conditions, on which the Assignee is entering the Partner Programme, uniform with those imposed on new entities.

Bulk Transfer is a Registry's response to unplanned events and unexpected situations as a result of which a Partner loses their operating capacity of handling the services of the .pl Registry. The Bulk Transfer consists in conveying all the domain and option objects from the Resigning Partner to the Acquiring Partner in order ensure that the Registrants are uninterruptedly provided with the Administrative and Technical Service of .pl domain names.

The Procedure of Merger of Accounts is applied when the Partner assumes rights and obligations, by operation of law, of other Partner (division or merger of companies, acquisition of the enterprise or its organised part). It is a reaction to the effects of a legal

change, by providing equal conditions for each Partner, involving a change of entitlements followed by deactivation of a selected partner account so as a potential of one account per partner is maintained. That condition results from the Partner Agreement and pertains to the access to the system and equal treating of NASK Partners. It is worthwhile to note that it is a priority of the .pl Registry to provide Registrants with security and continuity of using .pl domain names. This is a role of NASK in the registry-registrar model of cooperation at each stage of service development.

### **What brought NASK to the decision to implement such a complex solution?**

Currently in the domain name market we may observe a consolidation trend resulting in numerous mergers and acquisitions of enterprises. Those sort of actions, besides obvious formal and legal regulations, entail the necessity to develop appropriate technical and procedural solutions, therefore in response to a growing interest in a bulk transfer service and clear signals from the market we have developed a complex solution consisting of three separate procedures.

I have commenced consultancy activities, aiming at forming a foundation for the development of the bulk transfer service, within the frames of the Council of European National Top-Level Domain Registries (CENTR), with particular European registries providing a bulk transfer service. Basing on gathered information, I have compiled a draft of a bulk transfer implementation schema. With time, this project grew to encompass the presented entire framework of services the management of which I am in charge of.

# Insight into .pl registry

## Who are those services targeted at and what processes will they facilitate?

Except the Assignment procedure, which has been designed also for external entities, the remaining services are addressed to registrars of .pl domain names participating in the NASK Partner Programme.

The services have been designed as a global solution primarily applied as a system and operational reflection of a legal situation which may occur in the partner channel. I am thinking here of the Assignment procedure and the Merger of Accounts. In case of the Bulk Transfer, in the Registry there has been a need for a solution that would serve as a backup remedy in the event of an unexpected situation the scale of which would require an immediate response of the Registry as an authority providing security and continuity of DNS services.

To my knowledge, currently most of entity changes in the Partner Programme are related to the transfer of rights and obligations from one company or partnership to another, thus it might be assumed that it is the Assignment Procedure that will be a most frequently applied solution out of all three services implemented by the Registry.

## What is the course of particular procedures in the implemented framework of services?

Any details on the course of a particular procedure will be referred to stakeholders individually in advance as well as on daily basis

during the execution of a procedure. Let me briefly discuss selected general elements of the procedures in question.

Having received from a Partner a notification on the change of entity, e.g. merger or acquisition, NASK terminates one Partner Agreement specified by the Partner or selected by NASK. Then, the Registry refers to the Partner a draft of the agreement on the deactivation of a particular partner account. By entering into that agreement, the Partner, besides having documented the transaction of transferring the whole volume of objects, receives specific reports on that transaction. Failure to conclude the agreement renders one of partner accounts inactive pursuant to the notice period of the Partner Agreement. In that scenario, however, the Partner is not entitled to receive reports on the performed transaction. By the time a selected partner account is closed, the number of IP addresses, used by the Partner to connect to the Registry system, will have been limited to the potential of one account. Completion of the procedure is followed by automatic e-mail notifications, being sent to the Registrants, informing on the change of a registrar servicing their domain names.

As far as the assignment is concerned, a Partner notifies NASK on that intention and denotes the Assignee. NASK refers to the Assignee the agreement on confidence, containing a consent to reveal the contents of the Assignor's Partner Agreement to the Assignee. Acceptance of the terms and conditions of the Assignment Agreement, including technical and formal requirements, leads to the execution of the procedure as a result of which NASK updates the Partner's data and notifies Registrants thereof.

# Insight into .pl registry

Out of all three solutions under discussion the procedure of the Bulk Transfer is definitely the most advanced and complex as far as system operations are concerned. Once the request for the Bulk Transfer has been approved by NASK, the entitlements of the Acquiring Partner are subject to verification, which in turn, is followed by providing the parties with an appropriate agreement. As soon as the Partners meet all the requirements they set a date of executing the transfer of objects, preceded by a system audit verifying Partners' ability to launch a database script by NASK. The consequence of the operation is termination of the cooperation between the Registry and the Resigning Partner, conveyance of system transaction reports to the parties as well as notification of the Registrants on the change of entities by e-mail.

## What requirements are to be met by an entity in order to use those services?

As it concerns the Assignment procedure an important element is to fulfil the preliminary conditions by the Assignee, i.e. a candidate for a Partner:

- payment of the advance fee for future operations;
- successful accomplishment of tests pursuant to the test scenario of cooperation of the Registry and Registrar systems;
- payment of a fee for the Assignment procedure.

The requirements, I have mentioned above, are analogous to preliminary conditions imposed to new entities willing to join the NASK Partner Programme. Unlike the Assignment procedure, the Bulk Transfer and Merger of Accounts are designed only for NASK Partners.

A Partner may use the Bulk Transfer service under certain circumstances. First and foremost, the scope of services provided by the Acquiring Partner has to be at least at the same level as it is in case of the Resigning Partner. An analogous condition is imposed on Partners requesting for the procedure of Merger of Accounts. This requirement is of particular importance for Registrants using additional .pl domain services, e.g. their names are secured with the DNSSEC protocol. Another condition is issuing a fee for the Bulk Transfer, calculated in accordance with the same schema as in the Assignment procedure.

A characteristic element of the Bulk Transfer service is Partners' obligation to obtain Registrants' consents to the transfer. Neither the Assignment procedure nor the Merger of Accounts requires active participation of Registrants or their consents. When it comes to the Merger of Accounts, here entities are merged or acquired by operation of law, whereas in case of the Assignment the reason of action is a transfer of rights and obligations, therefore obtaining a consent from a Registrant would be an excessive and unjustified activity.



Text:

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Compilation of data gathered from the .pl domain name registry system:  
Izabela Domagała

Translation:

Piotr Studziński-Raczyński

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