

Press release

Domain name sales rebound in October following tech wreck and crypto crash

Escrow.com Releases its Domain Investment Index: Q3, 2022

SAN FRANCISCO, California - 1 November 2022 - [Escrow.com](https://www.escrow.com), the leading provider of secure online payments, today released its quarterly [Domain Investment Index for Q3 2022](#).

While domain name sales saw a 28% decrease in total transactions in 3Q22, dropping from \$105M in 3Q21 to \$75M, domain name sales have increased by 8%, from \$449M in 2021 to \$489M in 2022, trailing twelve months up to September this year.

Domain name sales through Escrow.com have also seen a strong bounce back in the second and third weeks of October, as total GPV across all transactions in the week of the 10th October reached highs of US\$ 18 million.

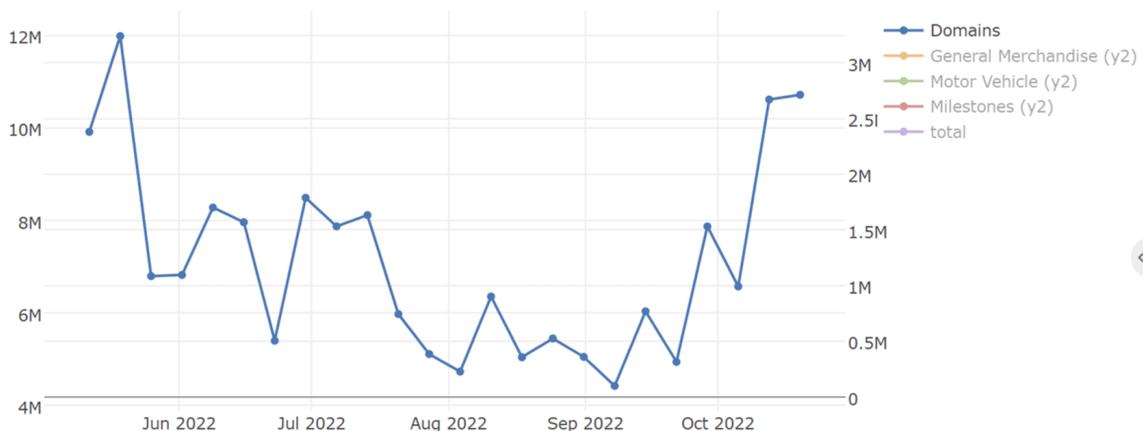


Figure 1: Escrow.com domain name GPV (paid out in US\$)

“Domain sales have shot back up strongly in October with significant sales in the first two weeks of the month,” said **Matt Barrie, Chief Executive at Escrow.com**. “The decrease in Q3 sales can almost all be attributed to a drop in multi-million dollar mega domain name transactions, which have been a result of the recent crypto crash and tech wreck.

Venture capital was down in the third quarter by 53%, for example, so we saw a decline in

startups seeking a premium brand to launch. The crypto space also experienced a large decline, and crypto ventures have been a large purchaser of \$10m+ domains in the last year. The general climate in domains, which we confirmed at NamesCon recently was that many decided to hang up a sign saying 'gone fishin' for the summer".

Premium domain name pricing, however, will continue to appreciate in price as a substantial arbitrage still exists between owning the industry defining canonical domain name for online retail and physical retail property. A decent storefront on a high street anywhere in a major city costs millions of dollars."

"1Q22 and 2Q22 were solid quarters for us, but in 3Q22 things noticeably slowed down. October has picked up and if we stay on track we should finish the year with decent numbers," said **David Clements, CEO at Brannans.com**. "When I got into this business 15 years ago, I saw domain names as alternative investments and I still do. As an industry, the ups and downs I've seen in the past typically follow the markets, but there has been such a huge surge in prices achieved for dictionary word .com domains that even with the markets down, we've still done some pretty solid business over the past few years."

Escrow.com continues to be the leading way businesses across the world secure premium domain names for their brands.

"Bottom line is that founders and Fortune 500s alike have really come around. They understand how valuable a one-word .com is for their brand. They know that it's going to take a significant investment to get one because everyone else wants it too," added Clements.



Figure 1: Total Domain Name Sales, trailing twelve months (Escrow.com)

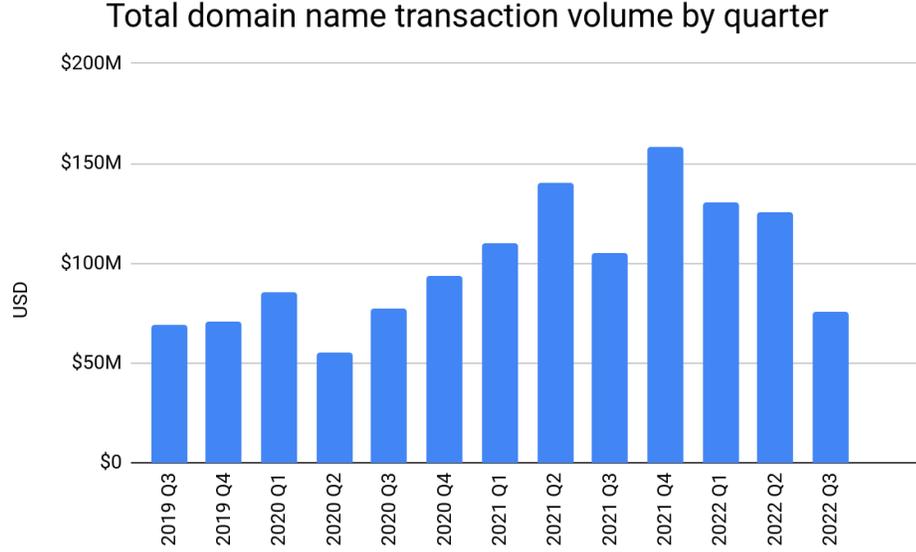


Figure 2: Total Domain Name Sales by Quarter (Escrow.com)

Total transaction value, by region

The total value of transactions involving at least one party from the United States eased from \$95M to \$60M in 3Q22. Transactions involving Canada eased from \$18.1M to \$6.7M, and Hong Kong eased from \$5.5M to \$622k.

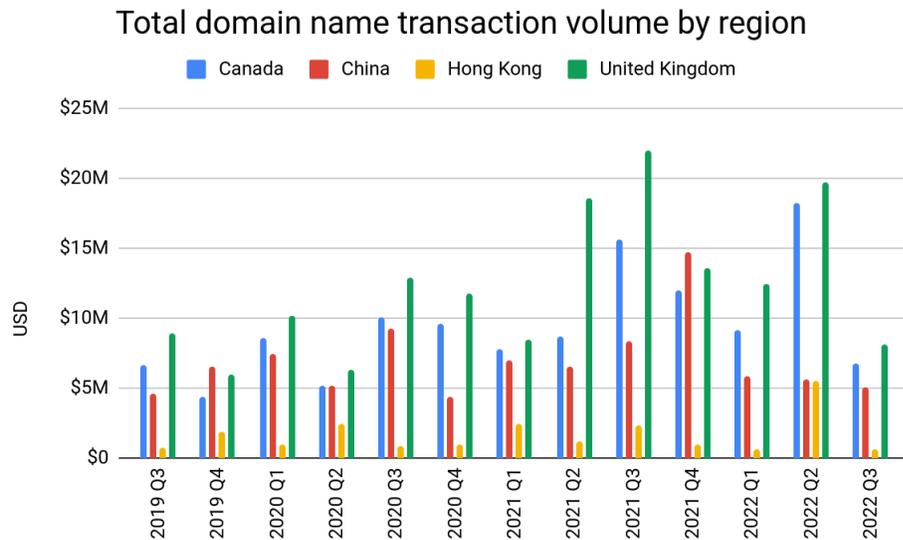


Figure 3: Total Domain Name Sales by Region (Escrow.com)

The impact of content on domain name sale price

The fastest way to raise the value of a premium domain is to build content, and ultimately an operating business out on it.

The median price of domain names bundled with content also eased to \$5,000 in 3Q22 from \$8,000 in 2Q22. The Median price of domain names without content is stable at \$4,504 in 3Q22 from \$4,500 in 2Q22.

The impact of content on median domain name price

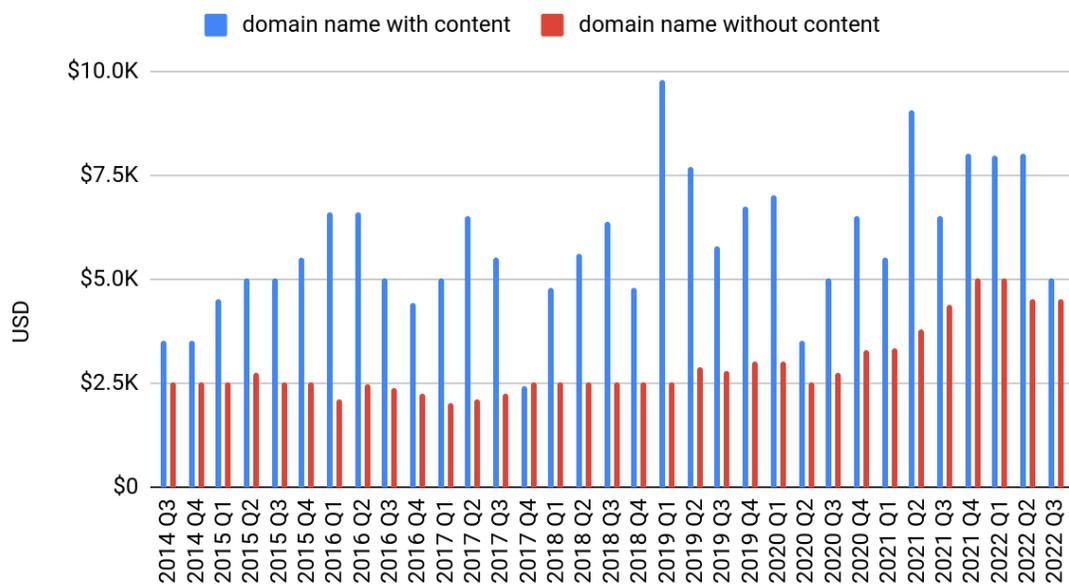


Figure 4: The Impact of content on domain name pricing (Escrow.com)

The total combined transaction value for all domains *without* content is at \$42M in 3Q22, down by 39% from \$70m in 3Q21. For domains *with* content, the total transaction value has increased by 2% from \$11m in 3Q21 to \$12m in 3Q22.

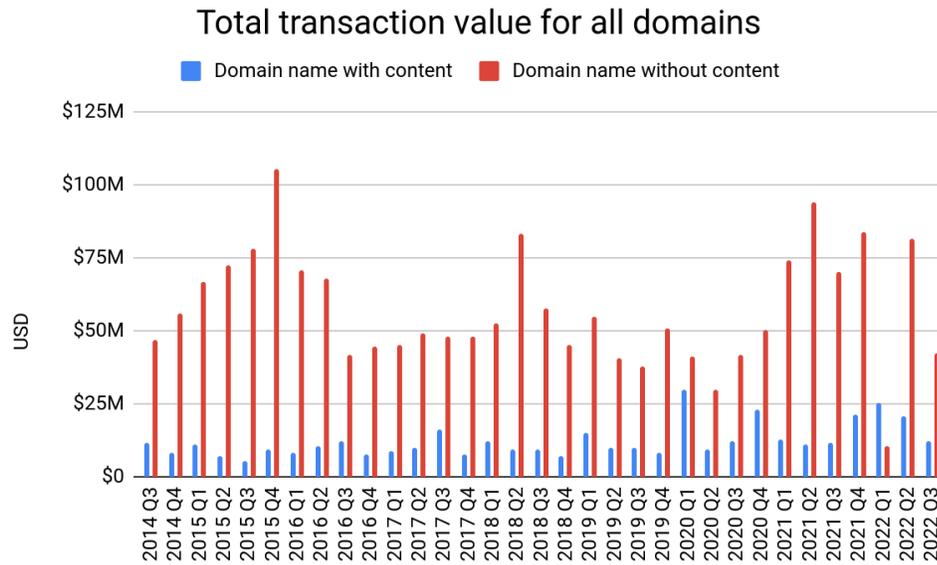


Figure 5: Total volume of domain name sales content versus no content (Escrow.com)

Two and three letter .com domain names (LL.com, LLL.com)

The median price of two and three letter {a-z} .com maintains \$371k in 3Q22.

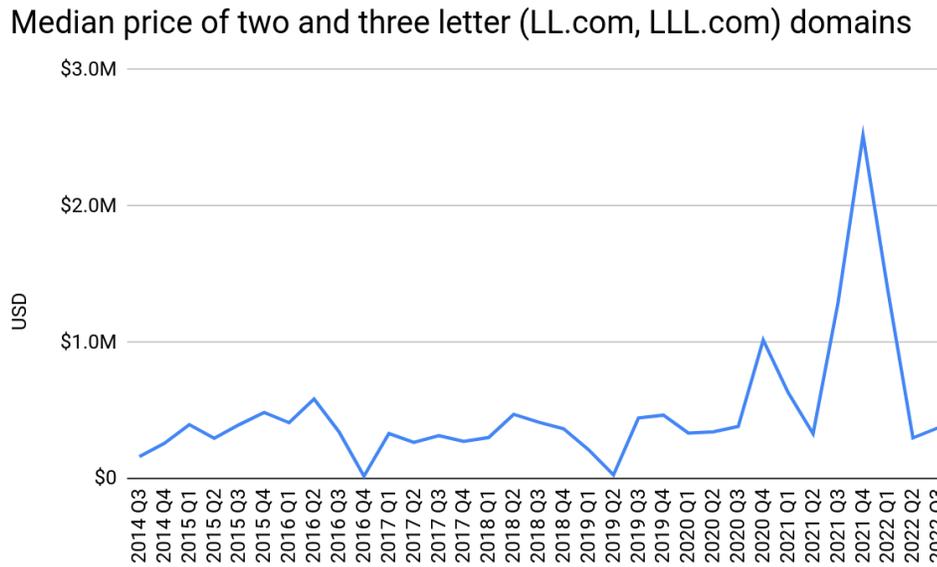


Figure 6: Median price of two and three letter domains (LL.com, LLL.com) (Escrow.com)

Four letter .com domain names (LLLL.com)

The median price of four letter .com domain names surges to \$138k in 3Q22 due to high value domain sales.

Investors are flocking to buy four letter .com domain names as a safe investment in an uncertain economic climate. The median price of these domains has increased steadily over the past few years, and shows no signs of slowing down.

For those unfamiliar with the world of domain investing, four letter .coms are considered to be among the most valuable assets one can own. This is due to their scarcity - there are only 4,096 possible combinations of letters - and their wide appeal; they're easy to remember and pronounce, making them perfect for branding purposes.

Median price of four letter (LLLL.com) domains

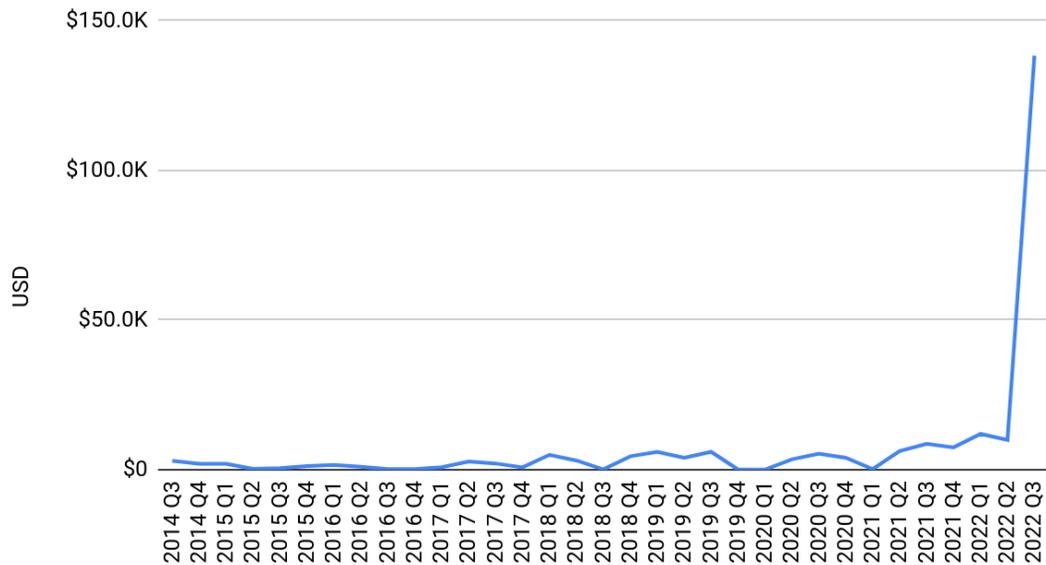


Figure 7: Median price of four letter domains (LLLL.com) (Escrow.com)

Five letter .com domain names (LLLLL.com)

Similar to four letter .com domains, the median price of five letter .com domain names surges to \$64k in 3Q22 due to high value domain sales.

Notable five letter domain name sales in 3Q22 include:

- Denim.com
- Twins.com
- Zmail.com

Median price of five letter (LLLLL.com) domains

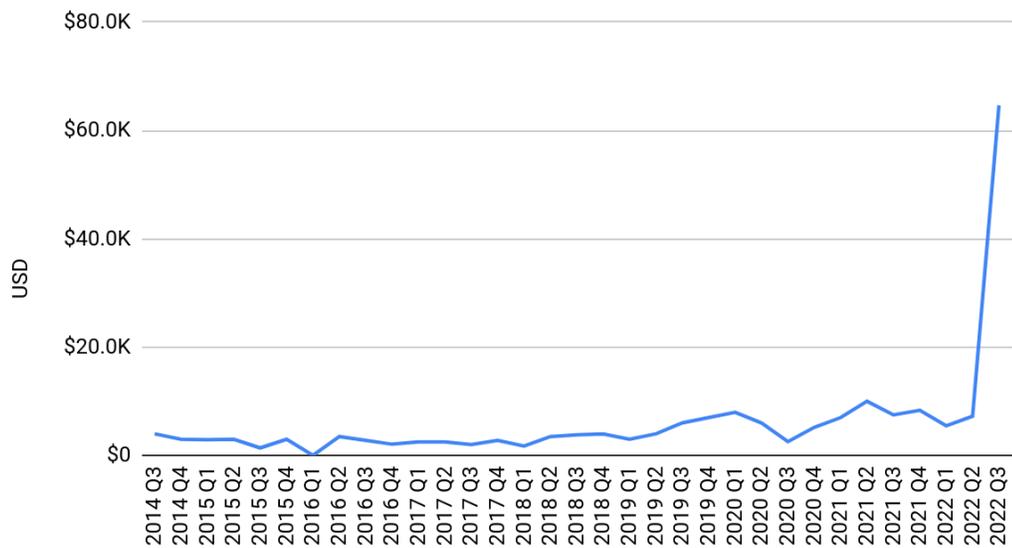


Figure 8: Median price of five letter domains (LLLLL.com) (Escrow.com)

Two and three character .com (CC.com, CCC.com) domain names

The median price of two and three character .com {a-z,0-9,-} domain names in 3Q22 was \$44,503.

Median price of two and three character domain names

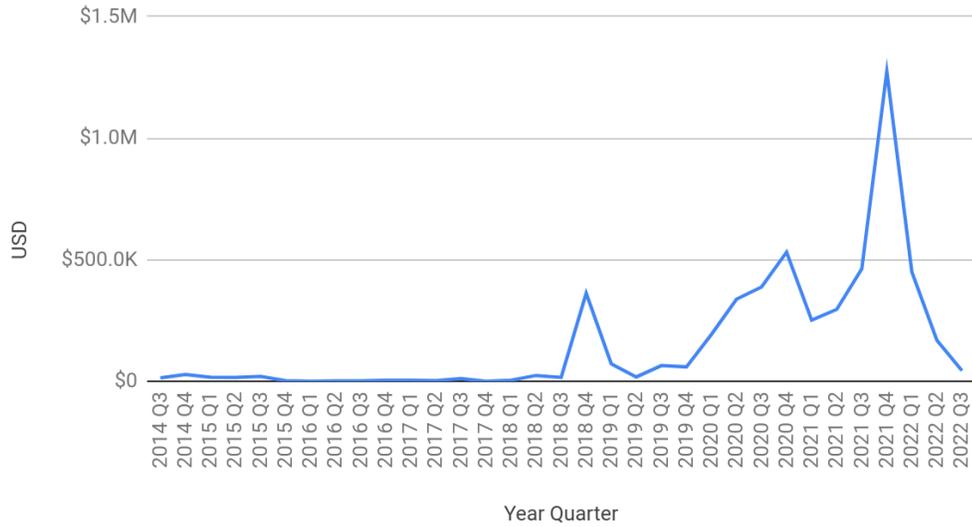


Figure 9: Median price of two and three character domain names (Escrow.com)

Four character .com (CCCC.com) domain names

The median price of four character .com domain names in 3Q22 was \$11,650.

Median price of four character domain names

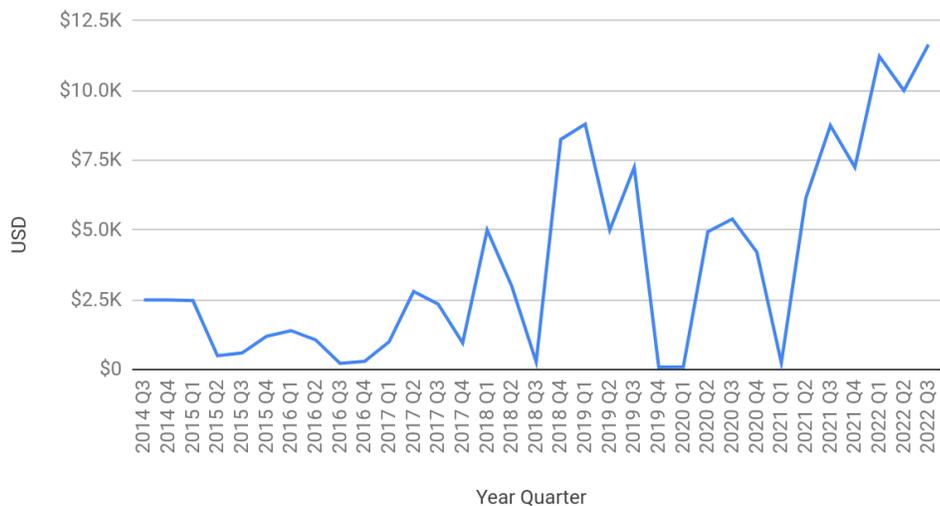


Figure 10: Median price of four character domain names (Escrow.com)

Five character .com (CCCCC.com) domain names

The median price of five character .com domain names in 3Q22 was \$5,000.

Median price of five character domain names

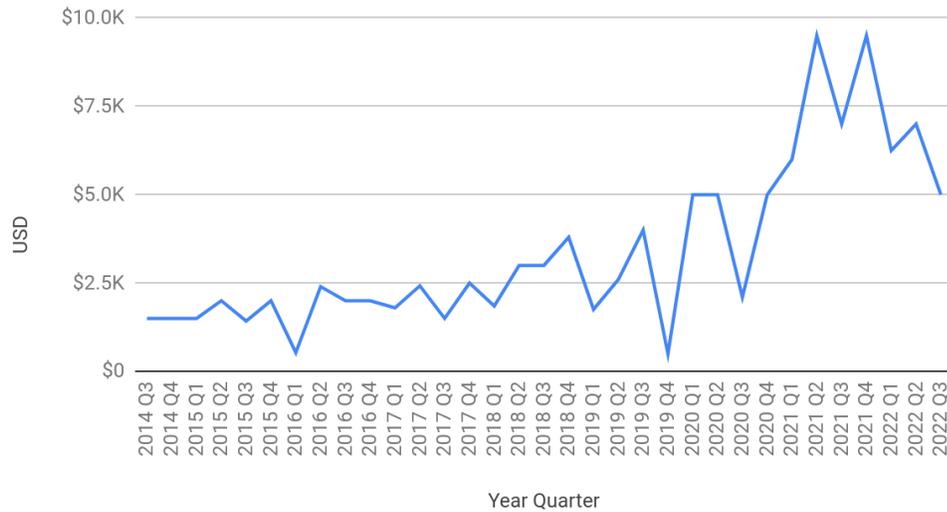


Figure 11: Median price of five character domain names (Escrow.com)

Six character .com (CCCCCC.com) domain names

The median price of six character domain names was \$10,000 in 2Q22.

Median price of six character domain names

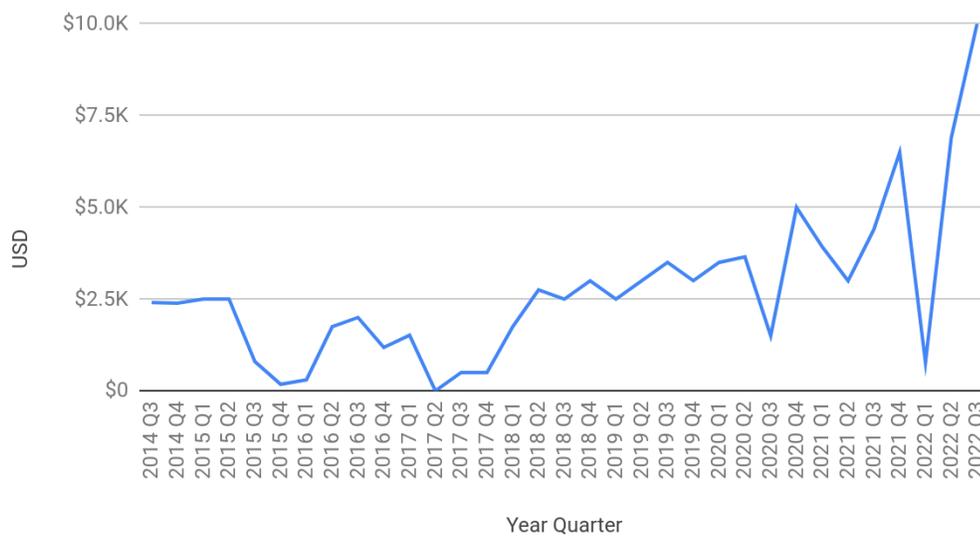


Figure 12: Median price of six character domain names (Escrow.com)

Two and three number .com domain names (NN.com, NNN.com)

Highly coveted two and three number {0-9} .com domain names had no transactions in 3Q22. There are only 1100 of these names.

Median price of two, three number (NN.com, NNN.com) domains

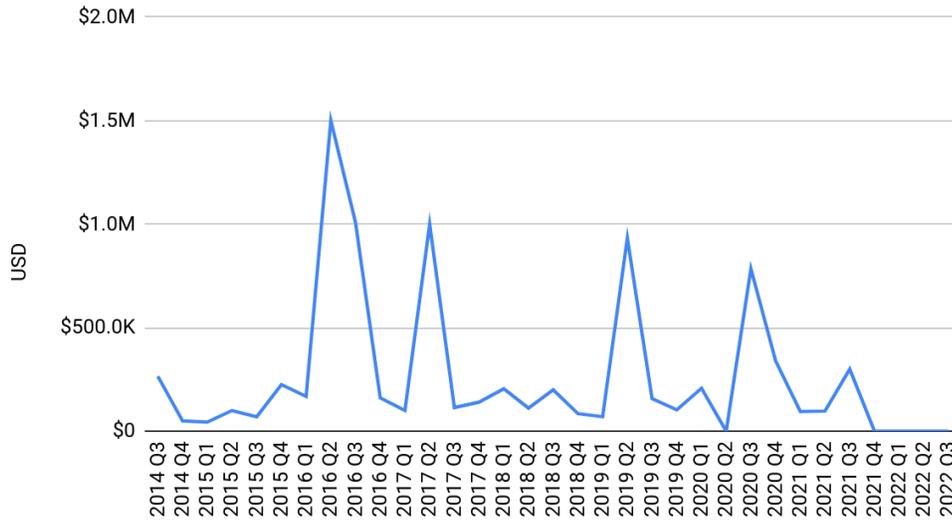


Figure 13: Median price of two and three number .com domains (NN.com, NNN.com) (Escrow.com)

Four number .com domain names (NNNN.com)

The median price of four number .com domains was \$23,800 in 3Q22.

Median price of four-number domain names (NNNN.com)

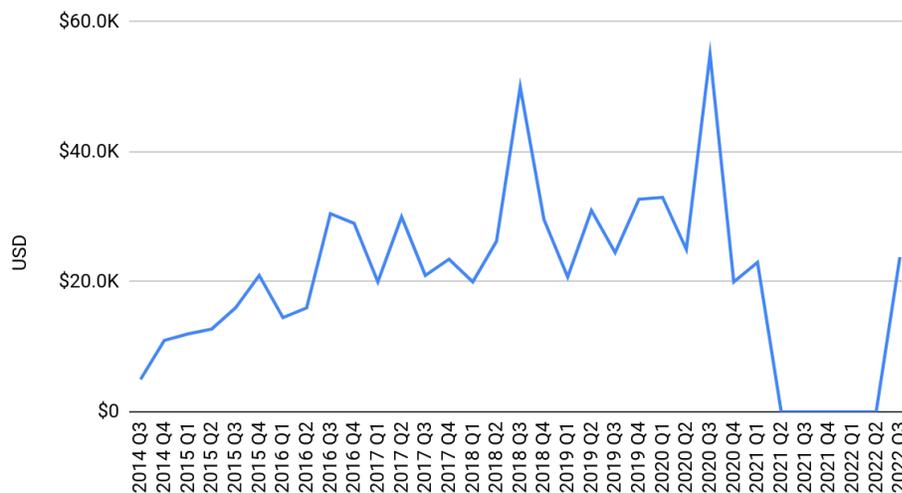


Figure 14: Median price of four number .com domains (NNNN.com) (Escrow.com)

Domain names containing a hyphen '-'

A 62% year-on-year drop was seen in the total transaction value of domain names containing a hyphen, from \$1M in 3Q21 to \$380k in 3Q22. Domains cannot start or end with a hyphen.

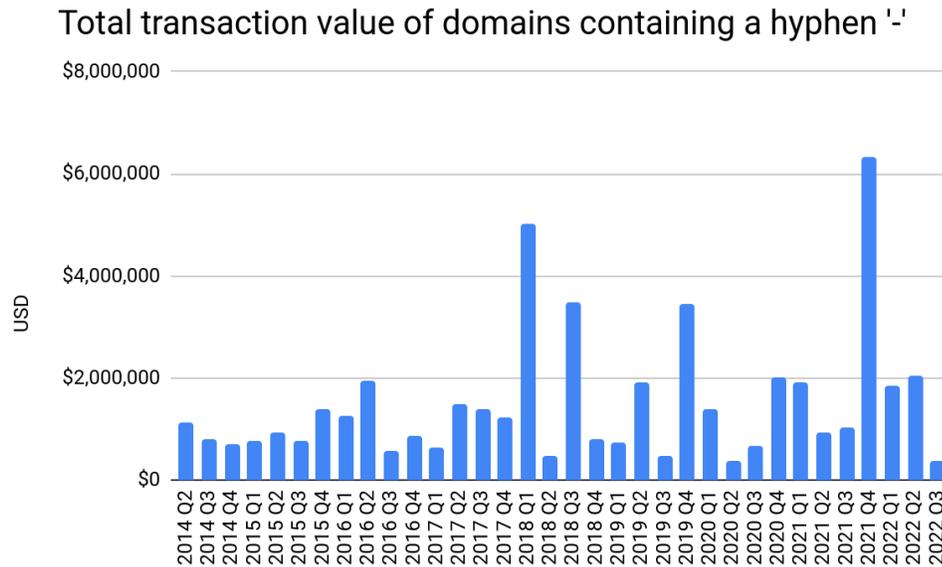


Figure 15: Total transaction volume of domains containing a hyphen '-' (Escrow.com)

The full Escrow.com [Domain Investment Index: Q3, 2022](#) is available to download here.

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About Escrow.com

Winner of the BBB Torch Award for Ethics for Silicon Valley, San Francisco and the Bay Area, Escrow.com is the world's largest online escrow provider. Founded in 1999 by Fidelity National Financial, today over US\$5 billion in transactions have been secured from over 2 million customers. The company is now a division of Freelancer Limited (ASX:FLN, OTCQX: FLNCF). Escrow.com's headquarter is in San Francisco, California, the United States.

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