

# Understanding Supply and Demand of an \$8B Market

Use data to make better investments.



**NamesCon**  
CHINA 2017

# LXDO - LIQUID DOMAINS OVERVIEW



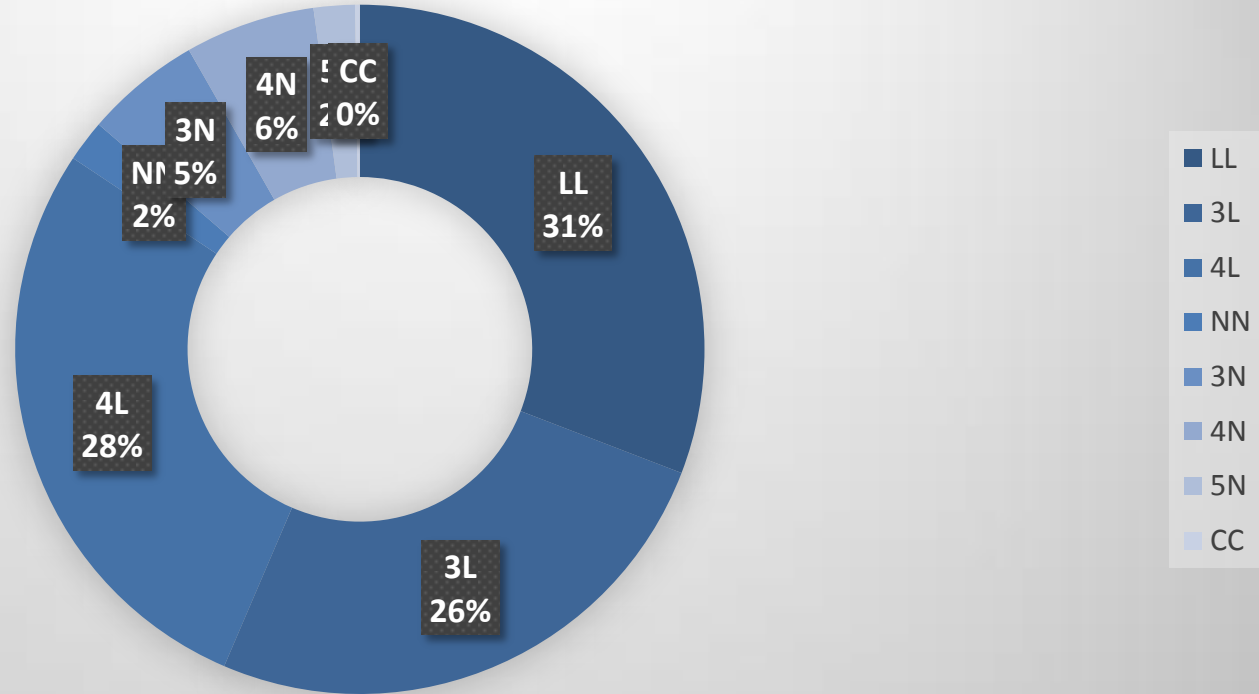
# 1. LIQUID DOMAINS

# WHAT IS A LIQUID DOMAIN?

- **NN .com** (27.com, 35.com, etc)
- **3N .com** (667.com, 865.com, etc)
- **4N .com** (5555.com, 6789.com, etc)
- **5N .com** (81818.com, 33777.com, etc)
- **LL .com** (QU.com, SH.com, etc)
- **3L .com** (QIN.com, YOU.com, etc)
- **4L .com** (GGRG.com, YANG.com, etc)
- **CC .com** (b6.com, y8.com, etc)

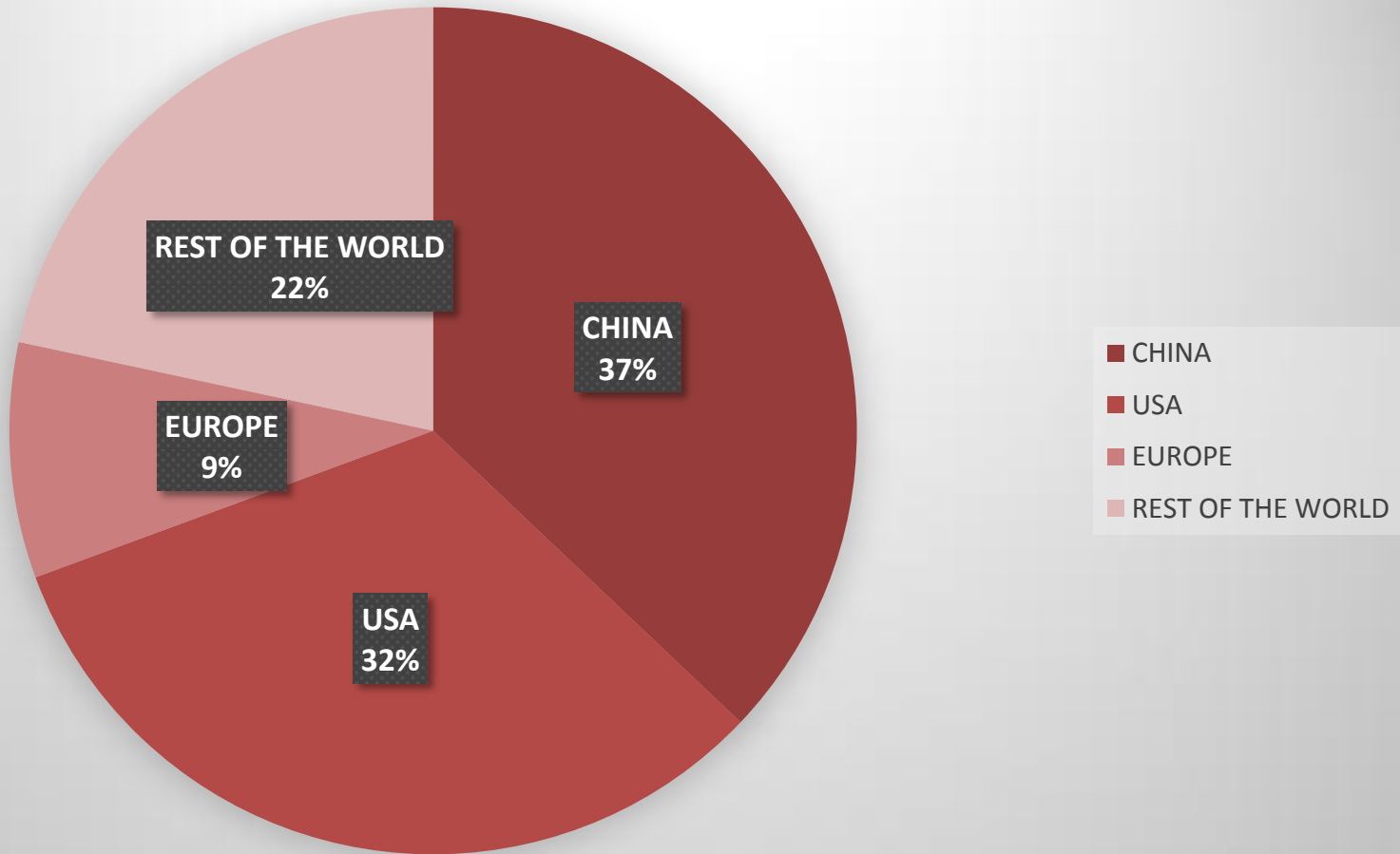
# MARKET SIZE

586,848 domains = \$8,313,394,299 USD



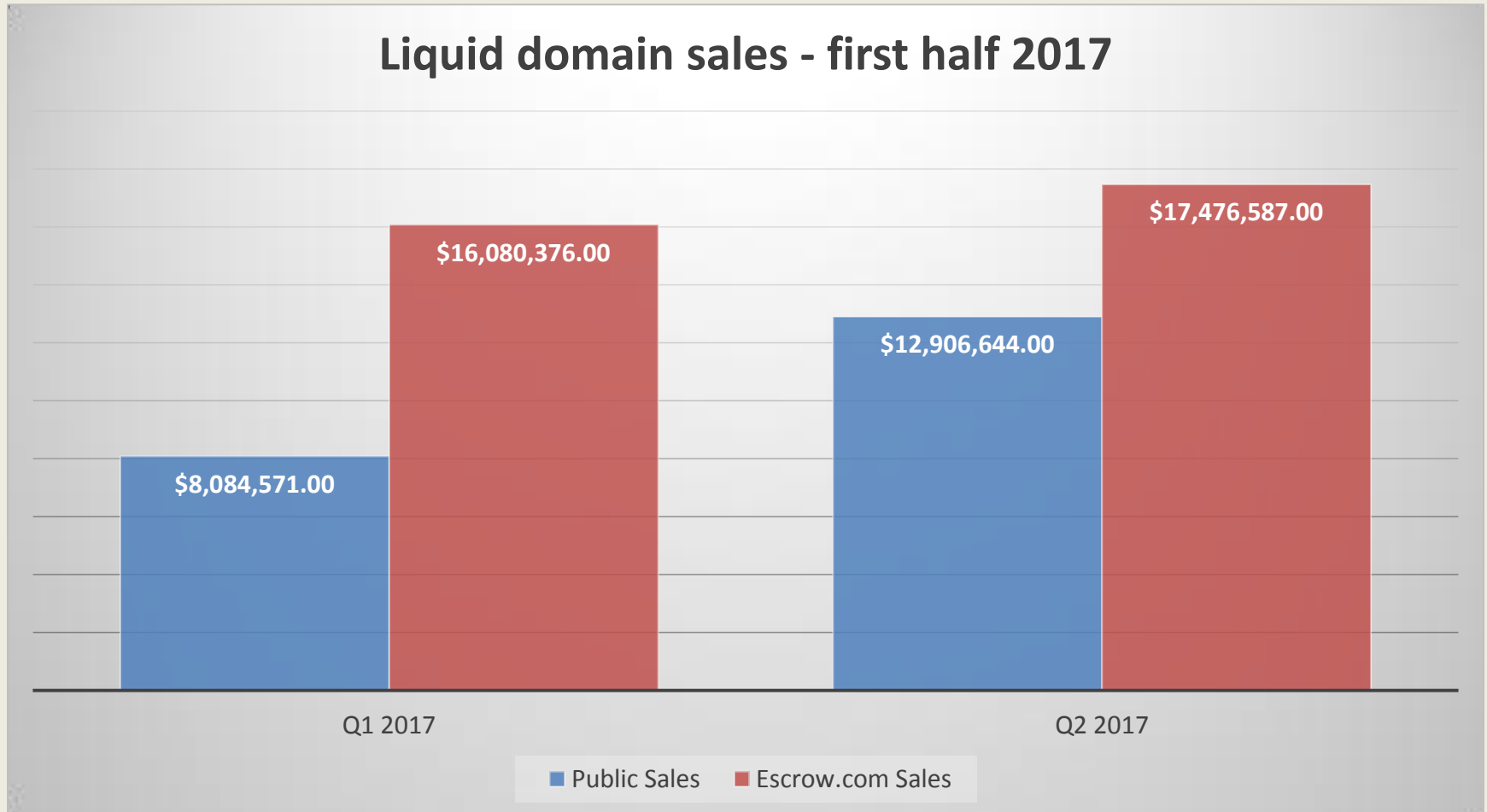


# OWNERSHIP BY COUNTRY

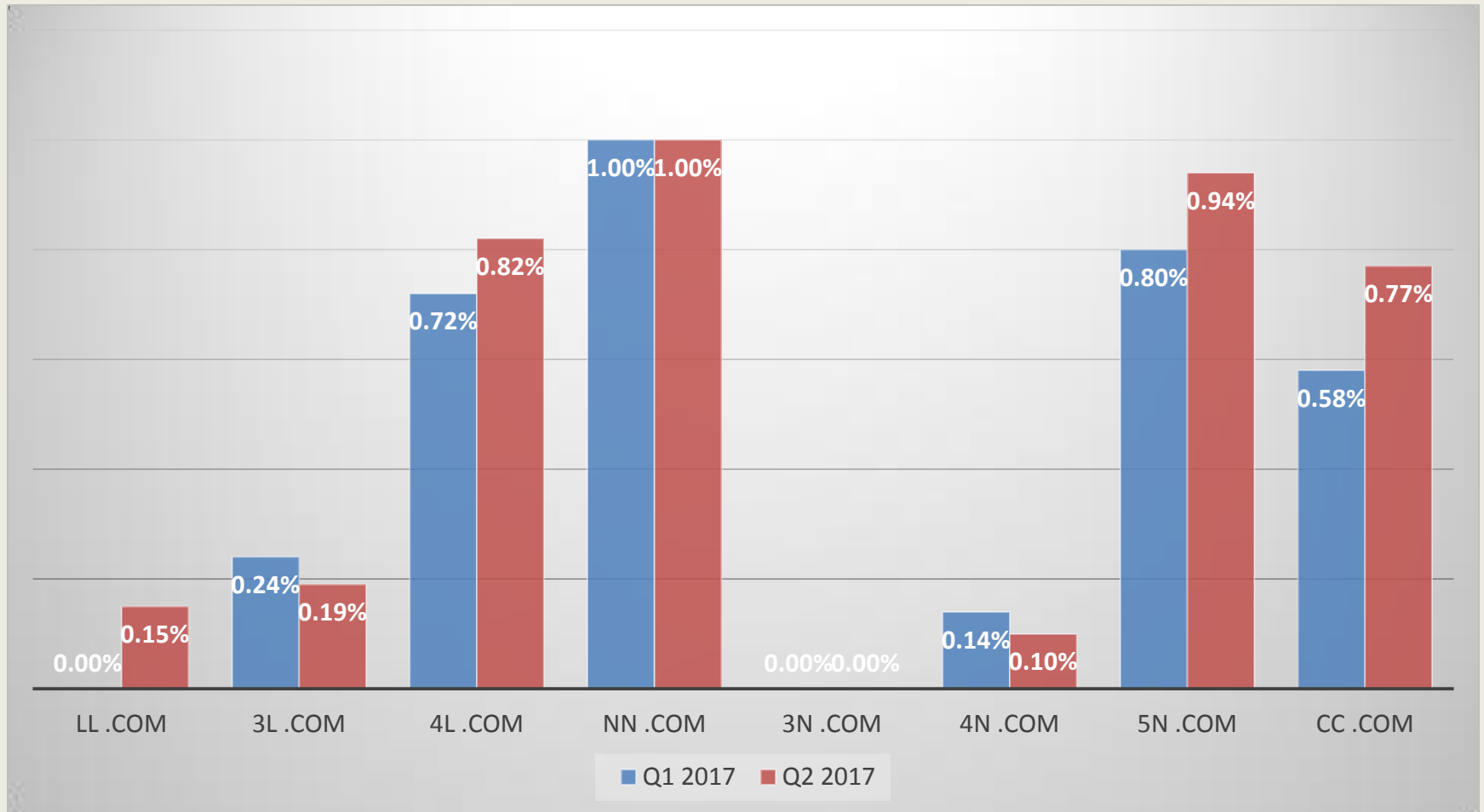


# SALES PER QUARTER

Liquid domain sales - first half 2017

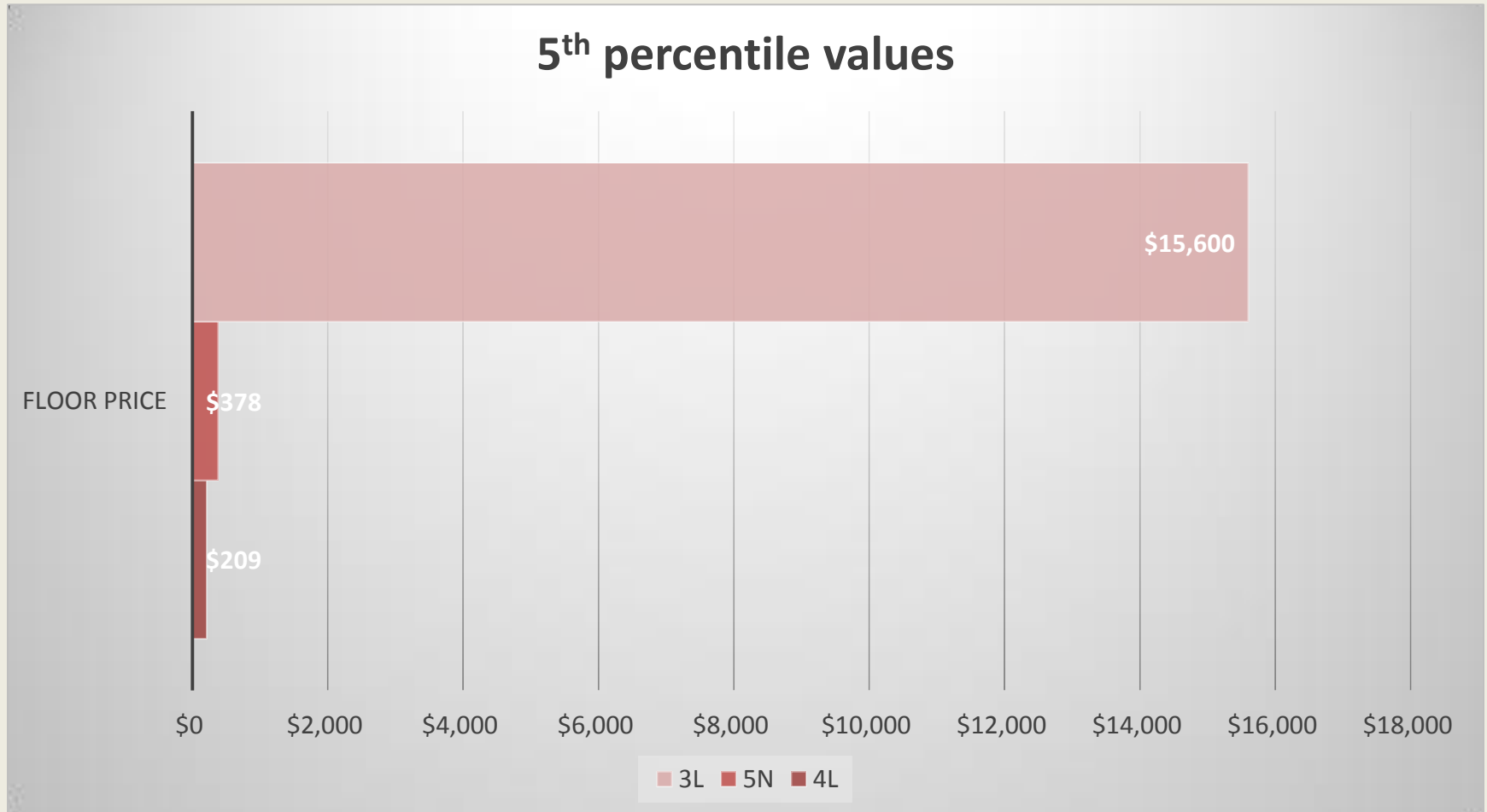


# TURNOVER





# FLOOR PRICES

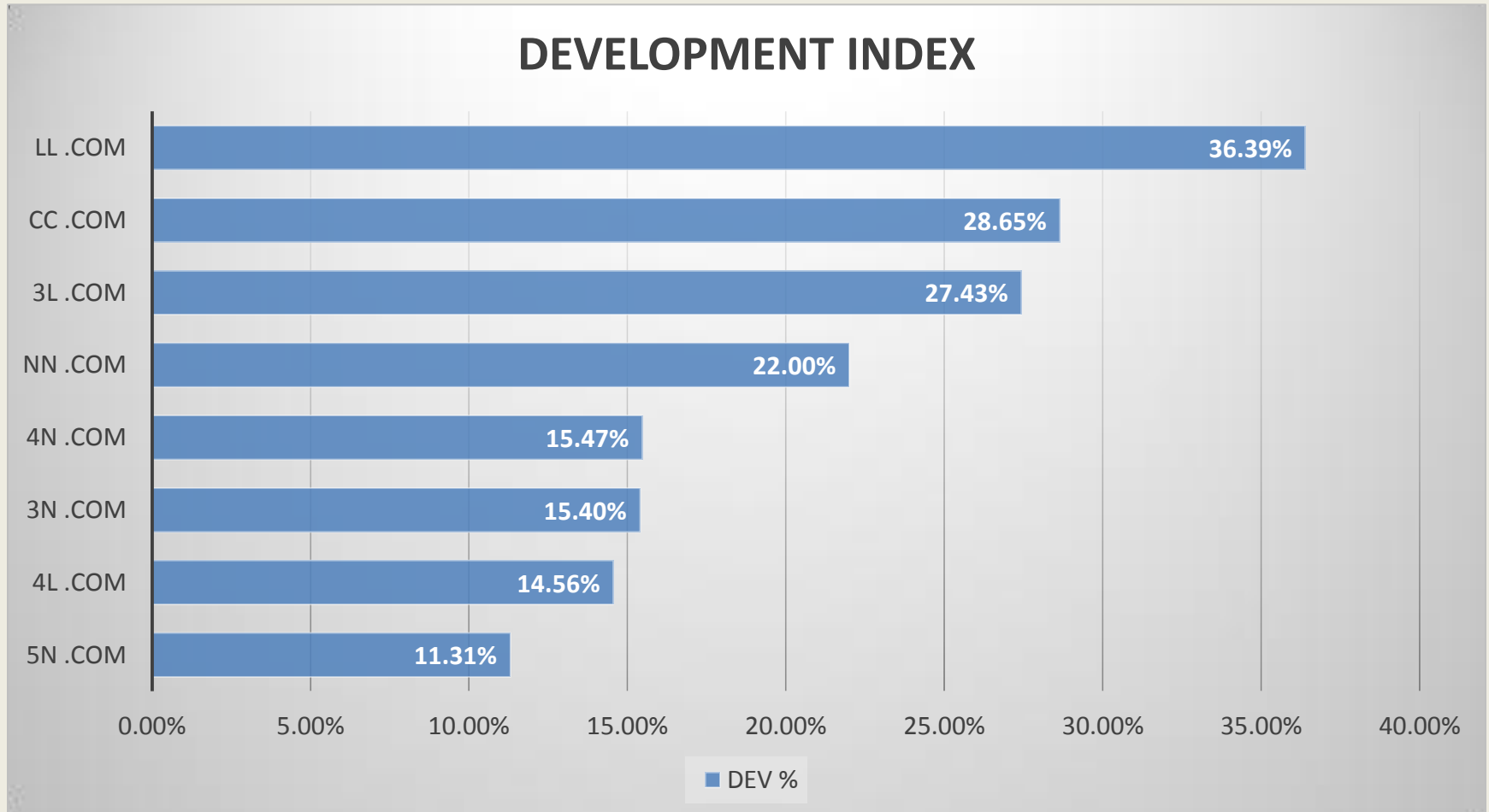


## 2. SUPPLY & DEMAND

*“A market only supported by investors is not sustainable”*

Nat Cohen, President of ICA

# SUPPLY & DEMAND



# MARKET INEFFICIENCY 1

- 4L are more developed than 5N (15% vs 11%), yet they are twice as cheap (\$200 vs \$400).

## MARKET INEFFICIENCY 2

- 3L CHIPS domains are slightly less developed than normal 3L domains (27% vs 24%), but they are almost double as expensive.
- 4L CHIPS (no aeiou) domains are slightly more developed than normal domains (16% vs 14%) but they are 4 times more expensive!



# MARKET INEFFICIENCY 3

- CC domains are almost as developed as LL and more developed than NN but twice as cheap!

# 3. TAKEAWAYS

# ACTION POINTS

1. LONG TERM INVESTMENTS - Prefer categories with high development index.
2. SHORT TERM INVESTMENTS - Invest in categories with high liquidity/turnover.
3. INEFFICIENCIES ARE OPPORTUNITIES (chips vs non chips, 4L vs 5N, CC vs LL & NN)

**Thank you !**

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