Consumer Trust, Consumer Choice & Competition

Presenter: Steve DelBianco

WG Chair: Rosemary Sinclair

Goals for Today's Workshop

- Background
- Provide update since Dakar
- Review draft Advice
- Community-wide discussion

Affirmation of Commitments

This document affirms key commitments by DoC and ICANN, including

- Ensure that decisions made related to the global technical coordination of the DNS are made in the public interest and are accountable and transparent;
- Preserve the security, stability and resiliency of the DNS;
- Promote consumer trust, consumer choice, competition in the DNS marketplace; and
- Facilitate international participation in DNS technical coordination

ICANN

43

COSTA RICA

11-16 March 2012

Affirmation of Commitments

9.3 Promoting competition, consumer trust, and consumer choice

If and when new gTLDs have been in operation for one year, ICANN will organize **a review that will examine the extent to which the introduction or expansion of gTLDs has promoted competition, consumer trust and consumer choice**, as well as effectiveness of (a) the application and evaluation process, and (b) safeguards put in place to mitigate issues involved in the introduction or expansion

ICANN Board Resolution

Consumer Trust, Consumer Choice, & Competition

Resolved (2010.12.10.30),

the ICANN Board requests advice from the ALAC, GAC, GNSO and ccNSO

on establishing the definition, measures, and three year targets for those measures,

for competition, consumer trust and consumer choice in the context of the domain name system

Working Group Tasks

Focus on drafting

- Definitions
- Measures
- Three Year Targets

For

- Consumer
- Consumer Trust
- Consumer Choice
- Competition

Context

- Domain Name System

Working Group Purpose

To produce advice for consideration by GNSO, ccNSO, GAC and ALAC, each of whom were asked for advice as part of the Board resolution

To provide guidance for ICANN to manage and measure the effectiveness of the New gTLD Program prior to the convening of the review team

Not intended to limit the scope of the future Affirmation review team to be organized in early 2014

Efforts of Consumer Metrics WG

- Gained consensus on proposed definitions
- Gained close consensus on proposed metrics
- Gained consensus on three year targets
- Created 7 iterations of Draft Advice
- (EN) version posted for public comment
    - Initial comments close 17-Apr-2012
    - Reply comments close 8-May-2012
- Other translations of Draft Advice in progress

Proposed Definition: Consumer Trust

Consumer is defined as actual and potential Internet users and registrants.

Consumer Trust is defined as the confidence registrants and users have in the consistency of name resolution

and

the degree of confidence among registrants and users that a TLD registry operator is fulfilling its proposed purpose

and

is complying with ICANN policies and applicable national laws.

Proposed Metrics: Consumer Trust

- Uptime availability for new gTLD registry and registrar services
- Survey of consumer trust in the DNS
- Complaints and adverse decisions for violations of registry agreements
- UDRP and URS complaints and decisions
- Law Enforcement/GAC complaints over registries and registrars failing to comply with applicable law
- Instances of domain takedowns
- Phishing and fraud at sites in new gTLDs
- Complaints for inaccurate WHOIS in new gTLD registrations

Proposed Definition: Consumer Choice

Consumer is defined as actual and potential Internet users and registrants.

Consumer Choice is defined as the range of options available to registrants and users for domain scripts and languages,

and

for TLDs that offer choices as to the proposed purpose and integrity of their domain name registrants.

Proposed Metrics: Consumer Choice

- Registrants and end users should be able to access and understand registry restrictions and terms of service
- Choice of TLDs using IDN scripts or languages other than English
- Choice of registrars and registries subject to differing national laws
- Chosen registrations -- not for defensive purposes or merely re-directing to existing domains in legacy TLDs.
- Geographic diversity of registrants

Proposed Definition: Competition

Competition is defined as the quantity, diversity, and the potential for market rivalry of TLDs, TLD registry operators, and registrars.

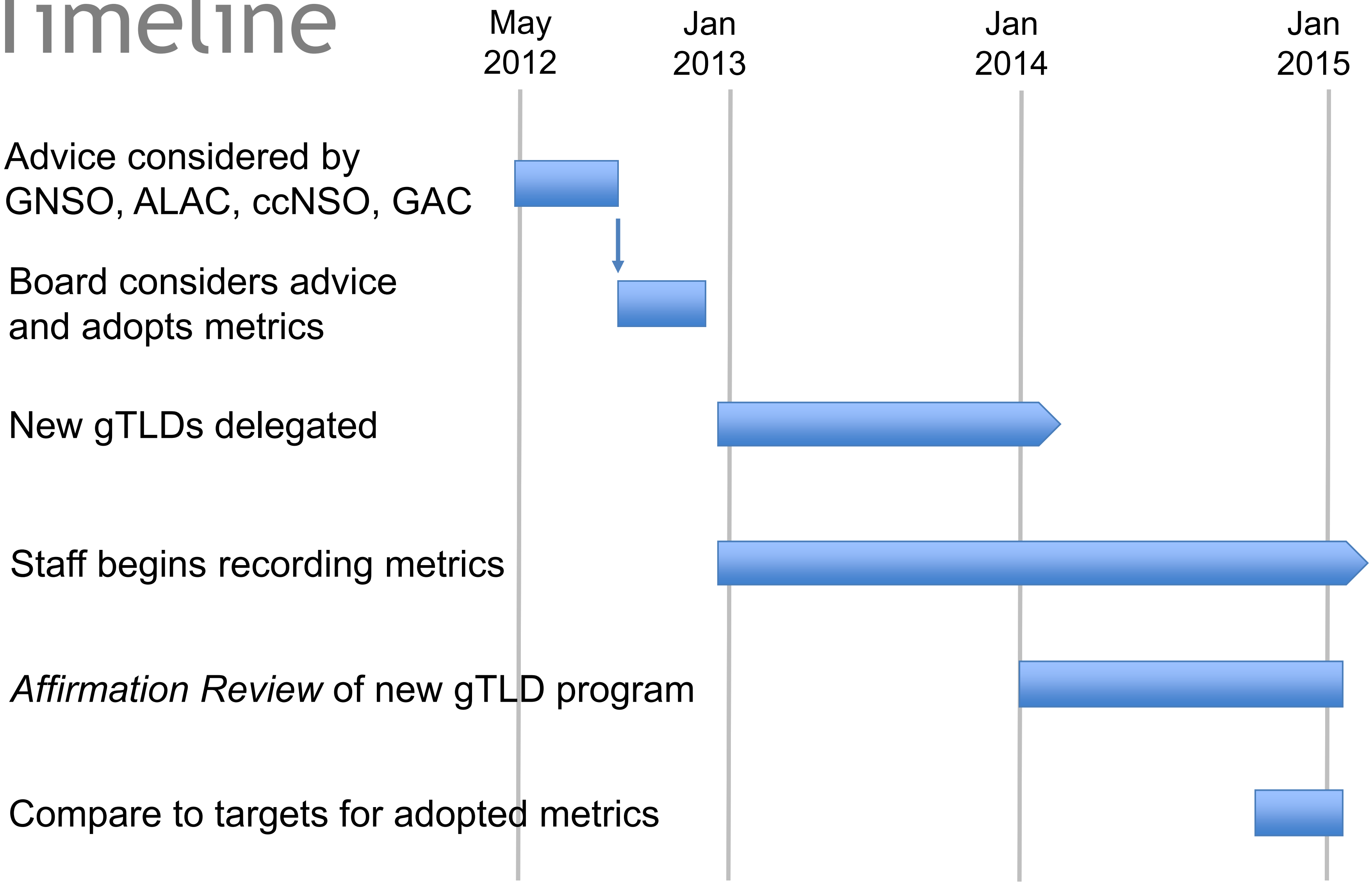
Proposed Metrics: Competition

- Growth in number of all TLDs in operation
- Growth in number of gTLDs in operation
- Growth in suppliers (registries, registry service providers, and registrars)
- Market share of registrations run by "new entrant" registries
- Gather data on wholesale and retail registration prices in new gTLDs (no targets recommended)

Next Steps

- [EN] Draft Advice was posted for Public Comment on 23-Feb for 40 days, plus a 21-day reply period
  - Other UN5 translations also get 40-day public comment & 21-day reply periods
- The WG will review and consider all comments in creating the final version of draft Advice
- In May-2012 the WG plans to submit the final version of draft Advice to the GNSO Council, ALAC, ccNSO, and GAC for their consideration

Timeline


May 2012
Jan 2013
Jan 2014
Jan 2015
Advice considered by GNSO, ALAC, ccNSO, GAC
Board considers advice and adopts metrics
New gTLDs delegated
Staff begins recording metrics
Affirmation Review of new gTLD program
Compare to targets for adopted metrics

Questions & Comments

One World

One Internet

COSTA RICA

11-16 March 2012

Consumer Trust

Measure of Consumer Trust	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Measures related to confidence in registrations and resolutions:			
% DNS Service Availability (present SLA is 100%)	ICANN	None noted	100%
% Availability for Registration Data Directory Services (RDDS). (SLA is 98%)	ICANN	None noted	98%
% of Service Availability for Extensible Provisioning Protocol (EPP). (SLA is 98%)	ICANN	None noted	98%
Survey of perceived consumer trust in DNS, relative to experiences before the gTLD expansion. Survey could measure experiences with malware and spam; confusion about new gTLDs;	Survey Vendor	Moderate difficulty to gain consensus on survey questions. Survey cost is approx. $100K.	Should show improvement on all survey measures
% Uptime for Registrar services such as WHOIS, contact info, and complaints, assuming that SLAs are established for these measures in the new RAA	Registrar	Doubtful that Registrars will compile and disclose uptime stats unless required by RAA	SLA in RAA

Consumer Trust

Measure of Consumer Trust	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Measures related to confidence that TLD operators are fulfilling promises and complying with ICANN policies and applicable national laws:			
Relative incidence of notices issued to Registry operators, for contract or policy compliance matters	ICANN	None noted	Lower than incidence in legacy gTLDs
Relative incidence of breach notices issued to Registrars, for contract or policy compliance matters	ICANN	None noted	Lower than incidence in legacy gTLDs
Relative incidence of UDRP Complaints, before and after expansion	RPM Providers	Moderate difficulty obtaining data	Lower than incidence in legacy gTLDs
Relative incidence of UDRP Decisions against registrant, before and after expansion	RPM Providers	Moderate difficulty obtaining data	Lower than incidence in legacy gTLDs

Consumer Trust

Measure of Consumer Trust	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Decisions against Registry Operator arising from Registry Restrictions Dispute Resolutions Procedure (RRDRP)	RRDRP Providers	None noted	No adverse decisions
Quantity & relative incidence of URS Complaints	RPM Providers	Moderate difficulty obtaining data. Cannot compare with legacy gTLDs.	Declining incidence from Year 2 to 3
Quantity & relative incidence of URS Decisions against registrant	RPM Providers	Moderate difficulty obtaining data. Cannot compare with legacy gTLDs.	Declining incidence from Year 2 to 3
Quantity of Compliance Concerns w/r/t Applicable National Laws	LEA/GAC	Difficult, because law enforcement and governments may not report this data	Declining incidence from Year 2 to 3
Quantity and relative incidence of Domain Takedowns	Registry	Moderately difficult to obtain and report	Lower than incidence in legacy gTLDs

Consumer Trust

Measure of Consumer Trust	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Quantity of spam received by a "honeypot" email address in each new gTLD	SpamHaus	None noted	Lower than incidence in legacy gTLDs
Quantity and relative incidence of fraudulent transactions caused by phishing sites in new gTLDs	APWG	None noted	Lower than incidence in legacy gTLDs
Quantity and relative incidence of detected phishing sites using new gTLDs	APWG	None noted	Lower than incidence in legacy gTLDs
Quantity and relative incidence of complaints regarding inaccurate, invalid, or suspect WHOIS records in new gTLD	ICANN	None noted	Lower than incidence in legacy gTLDs
Relative incidence of errors in new gTLD zones (such as commas instead of dots, bad IP addresses, malformed domains, etc.)	ICANN	Moderately difficult to obtain and report	Lower than incidence in legacy gTLDs

Consumer Choice

Measure of Consumer Choice	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Transparency and clarity of gTLD registry benefits and restrictions, so that registrants and users can make meaningful distinctions when choosing TLDs.			
Registry website should clearly disclose benefits and restrictions.	Audit of Registry websites	Moderate difficulty in auditing registrars' display of terms and conditions for each gTLD they offer.	All Registries should disclose (e.g. ICM's disclosure for .xxx)
Registrars websites should clearly disclose gTLD benefits and restrictions in the terms & conditions for each respective TLD they offer.	Audit of Registrar websites	Moderate difficulty in auditing registrars' display of terms and conditions for each gTLD they offer.	All Registrars should disclose for all offered TLDs
gTLD registry benefits and restrictions should be clear and understandable to registrants and users.	Ry and Rr websites; surveys	A survey of registrants and users could assess clarity.	All disclosures should use "plain language"

Consumer Choice

Measure of Consumer Choice	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Range of options available to registrants and users in terms of scripts and national laws			
Quantity of TLDs using IDN scripts or languages other than English.	Registry websites	None noted	Increase in number of TLDs offering these choices, relative to 2011
Quantity of Registrar websites offering IDN scripts or languages other than English.	Registrar websites	None noted	Increase in number of Registrars offering these choices, relative to 2011
Quantity of different national legal regimes where new gTLD registries are based.	Registry websites	Not difficult, if each nation is counted as a separate legal regime.	Number of choices in new gTLDs > number in legacy gTLDs

Consumer Choice

Measure of Consumer Choice	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Measures designed to assess whether prior registrants chose new gTLDs for primarily defensive purposes. (Note: registrations using privacy and/or proxy services will not provide meaningful data, and should there fore not be counted in certain measures)			
A defensive registration is not seen as an improvement in choices available to registrants. For purposes of this measure, "defensive registrations" are Sunrise registrations & domain blocks. Measure share of (Sunrise registrations & domain blocks) to total registrations in each new gTLD. (do not count privacy/proxy registrations)	Zone snapshot at end of Sunrise	Obtainable, since Registries must publish zone before open registration begins.	Post-Sunrise registrations > 85% of total registrations. Post-sunrise registrations should increase over time.
Relative share of registrations already having the same domain in legacy TLDs. For this measure, count all registrations that redirect to domains in legacy TLDs. (do not count privacy/proxy registrations)	Zone and WHOIS data	Moderate difficulty to snapshot each new gTLD zone & WHOIS at end of years 1, 2, and 3.	"Redirected" registrations < 15% of all new registrations; This % should decline over time
Survey a sample of "duplicate" registrations in new gTLDs. For purposes of this measure, "duplicate" registrations are those where registrant reports having (and still maintaining) the same domain name in a legacy gTLD.	Online Survey	Obtainable, using either ICANN or external survey tools and advice	"Duplicate" registrations < 15% of all new registrations; This % should decline over time

Consumer Choice

Measure of Consumer Choice	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Other measures of Consumer Choice in new gTLDS			
Measure the increased geographic diversity of registrants across all new gTLDs, as an indication of new choices presented by gTLDs expansion. (do not count privacy/proxy registrations)	Zone and WHOIS data	The working group is seeking an index or statistical measure of geographical diversity	Diversity should be greater than in legacy gTLDs; Diversity should increase from previous year.

Competition

Measure of Competition	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Quantity of total TLDs before and after expansion, assuming that gTLDs and ccTLDs generally compete for the same registrants	ICANN	None noted	Increase of 2x over 2011 (311)
Quantity of gTLDs before and after expansion	ICANN	None noted	Increase of 10x over 2011 (18)
Quantity of unique gTLD Registry Operators before and after expansion	ICANN	None noted	Increase of 2x over 2011 (16)
Quantity of unique gTLD Registry Service Providers before and after expansion	ICANN and Ry Operators	None noted	Increase of 2x over 2011 (6)
Quantity of Registrars before and after expansion, along with indication of country where Registrar is based.	ICANN	None noted	No target; compare to 2011 (1000)
Relative share of new gTLD registrations held by "new entrants". For purposes of this measure, "new entrants" are gTLDs run by Registry Operators that did not operate a legacy gTLD.	ICANN; Zone files for new gTLDs	Moderately difficult to obtain.	"New Entrants" should have at least 20% of total new gTLD registrations

Competition

Measure of Competition	Source	Anticipated Difficulties in Obtaining and/or Reporting	3-year Target
Measures related to prices for domain registrations (see legal note in Appendix B)			
Wholesale price of new gTLD domains offered to the general public. (do not evaluate gTLDs with registrant restrictions).	Registries	Difficult to obtain. (see legal note in Appendix B)	No target; compare to 2011 and to unrestricted legacy gTLDs
Retail price of new gTLD domains offered to the general public. (do not evaluate gTLDs with registrant restrictions).	Registries and Registrars	Difficult to automate collection. (see legal note in Appendix B)	No target; compare to 2011 and to unrestricted legacy gTLDs