

NEXT STEPS

CCT-RT DISCUSSION PAPER WORKSHEET

HIGH LEVEL QUESTION: Has the new gTLD program increased price competition?

OWNER: Waudu Siganga

SUB-QUESTIONS: Is there increased price competition among registrars within registries?

FINDINGS:

In its first survey report¹ on the competitive effects of the new gTLDs Analysis Group (AG) was unable to clearly establish a correlation between domain name price and registration numbers. This meant we could not be sure that registrars are using selling, renewal or transfer price as a competitive tool. Analysis Group dropped this analysis from its second report²

A separate report³ by the Analysis Group shows that most of the active new gTLDs exhibit multiple registrars (with a high of 140, mean of ?? and a median of ??). The preponderance of numbers of registrars per registry is an indicator of active competition amongst registrars, and it can be postulated that some of that competition is attributable to price competition.

The CCTRT at its meetings held in Hyderabad during the 57th ICANN Public meeting made a fresh request to Analysis Group for new computations that may aid in determining correlation and price. These new computations include calculation for each registry for the three price types, the coefficient of variation of registrar prices and the frequency distribution of the coefficients.

We are awaiting these new calculations from Analysis Group

CAUSES:

TBD

PRIORITY TO ADDRESS:

1. Determine if there is a correlation between registrar concentrations and registration levels i.e. are registries having lower HHIs having higher than average registrations?

RECOMMENDATIONS:

1. Given the finding that registry wholesale price data (required for competition calculation) are generally difficult to obtain we recommend that registry agreements incorporate a requirement for registries to make periodic reporting to ICANN on wholesale pricing.

¹ Analysis Group Phase I Assessment of the Competitive Effects Associated with the New gTLD program, pp. 34-35

² Analysis Group, Phase II Assessment of the Competitive Effect Associated with the new gTLD Program (October 2016)

³ Project 4: Registrar Concentration within New gTLDs as of March 2016

NEXT STEPS

- 2.** Recommended that a mechanism be explored and put in place to periodically collect published retail prices by registrars in regard to new purchases, renewals and transfers.
- 3.** Continue determining and collecting registrar concentration data and incorporate it into any future main study on competitive effects

REVIEW: TBD