



gTLD Marketplace Health Index: Advisory Panel Meeting

30 May 2017

Agenda

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Timeline

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‘Going a Level Deeper’: From Defining Categories to Selecting Metrics

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Re-evaluating metrics previously published in ‘beta’ report

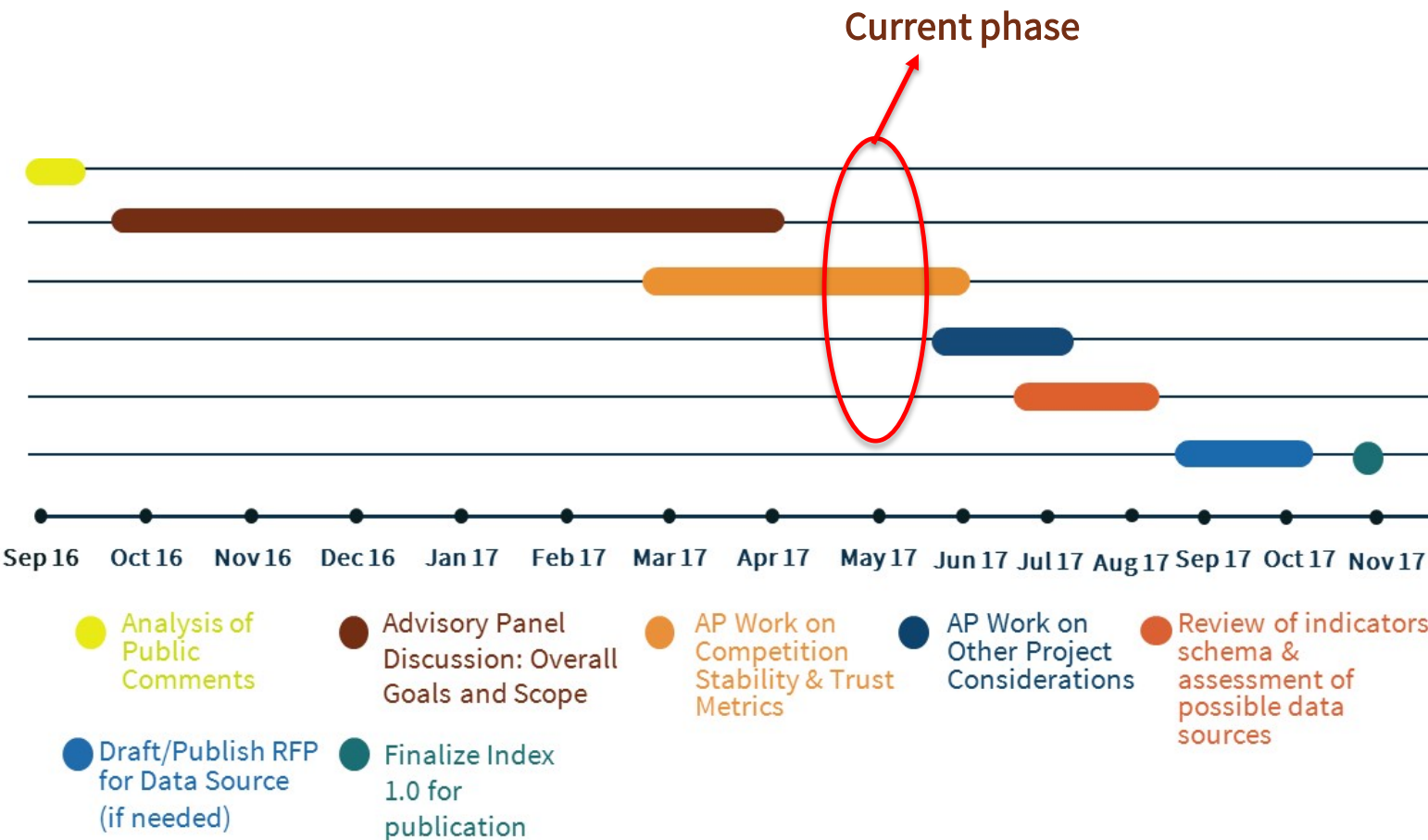
4

Evaluate metrics previously suggested but not published in ‘beta’ report

5

Next Steps


gTLD Marketplace Health Index 1.0: Proposed Timeline



- Upcoming meeting planned for 3rd week of June (week before ICANN 59)
- Doodle poll on ideal dates/times forthcoming
- Beta report providing coverage of 2H 2016 data planned for release mid-2017

Revisiting Overall Scope (Today's Discussion Areas)

Goal: track progress on ICANN objective 2.3, “Support the evolution of domain name marketplace to be robust, stable and trusted.”

- ✓ Coverage: Look to include ccTLD data, where available and relevant
- ✓ Initiative Name: Rename project to Domain Name Marketplace Indicators
- ✓ Revisit metrics category definitions for ‘robust competition’, ‘marketplace stability’ and ‘trust’
-  Identify appropriate metrics
 - a) Re-evaluate metrics already published in ‘beta’ report
 - b) Evaluate metrics previously suggested but not published in beta report
 - c) Identify other relevant metrics to capture for factors not yet covered

Others: Revisit considerations on publication frequency, report design and language, academic review, explore other relevant, recurring, reliable and rigorous datasets, evaluate extent to which indicators can be delivered via ICANN's Open Data Initiative. etc.

‘Going a Level Deeper’: From Defining Categories to Selecting Metrics

Zooming out to look at the final category definitions, how should we look to translate these definitions into metrics without risking going ‘out of scope’? And how can we ensure that resulting metrics serve as true indicators for what we intended them to measure?

- Easy enough to list some of the characteristics of ideal indicators, not too easy to find ones that actually meet all of them:
 1. Clear in value
 2. Clear in content
 3. Compelling
 4. Timely
 5. Democratic
 6. Hierarchical
 7. Reliable
 8. Tentative
 9. Sensitive to change
 10. Feasible
- Indicators are partial reflections of reality, based on overarching consensus as well as unique worldviews. We look to measure what we care about, and we care about what we measure.
- To avoid going ‘out of scope’, continue tapping into advisory panel for input. Factor in requisite independent expert reviews. This is an iterative process.

Re-evaluating metrics previously published in 'beta' report

- ICANN staff circulated an online survey on Feb 28th to members of the Advisory Panel (AP) to obtain input on the continued relevance of published 'beta' metrics in light of changes made to the category definitions.
- AP volunteers had the option to indicate whether they recommended maintaining, removing, or remained unsure of the relevance of 'beta' metrics. Opportunity to indicate any further questions was also made available.
- Fifteen AP volunteers provided their feedback.
- Survey results being presented as a basis for further discussion.
- We are now continuing from where we left off during our last advisory panel working session.

Re-evaluating Robust Competition metrics published in 'beta' report

'Beta Definition': The commercial marketplace is thriving—demonstrated by growth in new gTLDs and across all gTLDs.

Revised Definition: Demonstrated by registrant adoption of new TLDs and across all TLDs.

Re-evaluating Robust Competition metrics published in 'beta' report

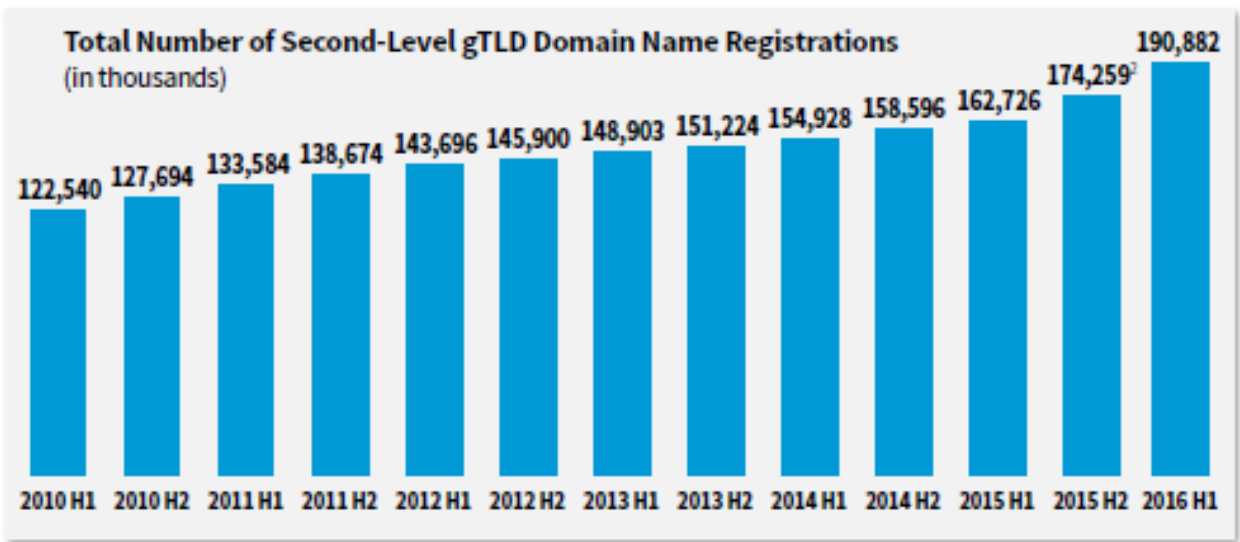


Figure 7

Recommend Maintaining	9	60%
Recommend Removing	3	20%
Unsure/Have further questions*	3	20%

Recommend Maintaining	11	73.3%
Recommend Removing	1	6.7%
Unsure/Have further questions*	3	20%

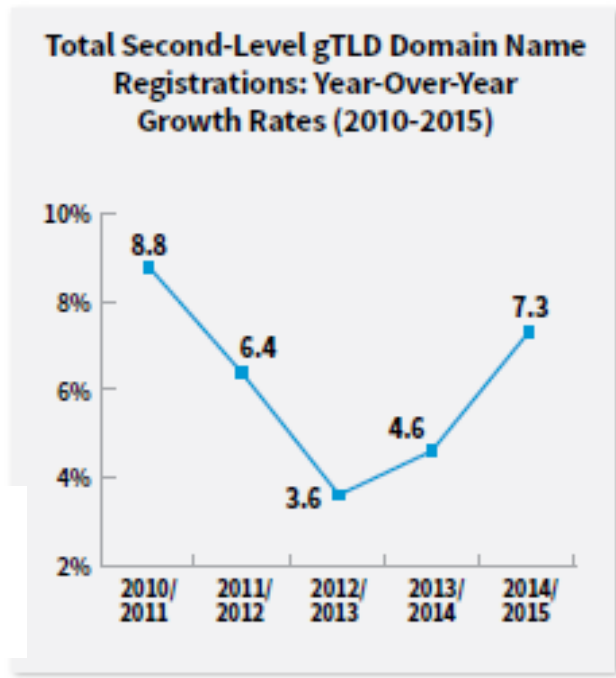


Figure 8

Re-evaluating Robust Competition metrics published in 'beta' report

**Second-Level gTLD Domain Name Additions:
Year-Over-Year Growth Rates (2010-2015)**

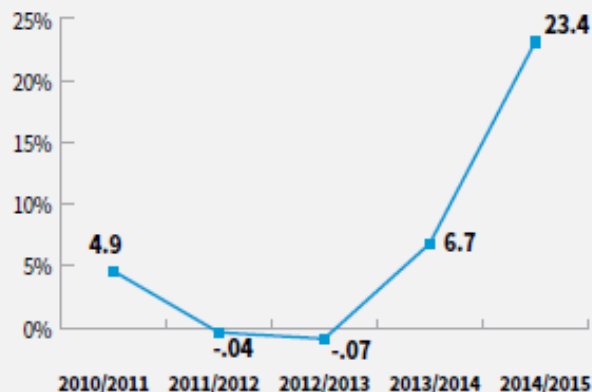


Figure 10

Recommend Maintaining	11	73.3%
Recommend Removing	1	6.7%
Unsure/Have further questions*	3	20%

**Second-Level gTLD Domain Name Additions
(in thousands)**

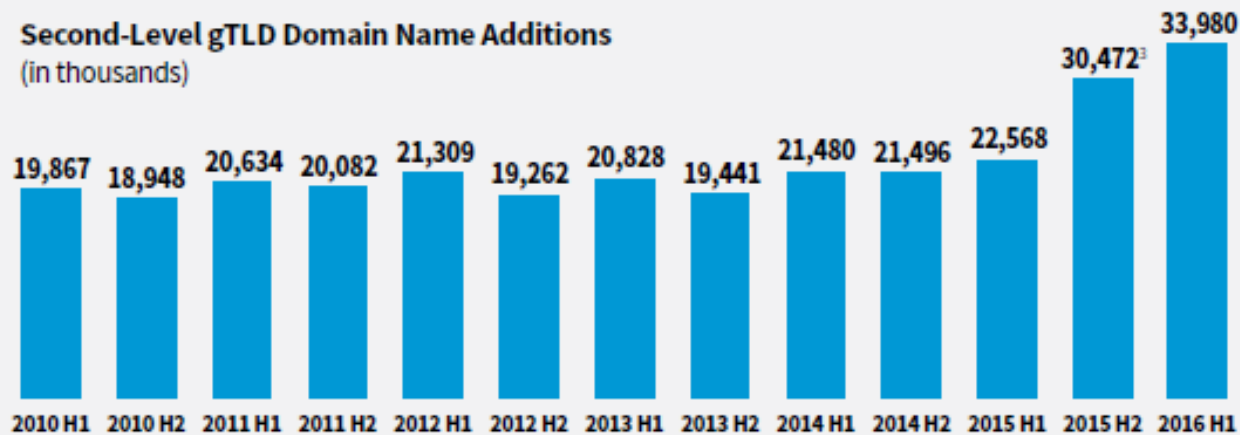


Figure 11

Recommend Maintaining	8	53.3%
Recommend Removing	4	26.7%
Unsure/Have further questions*	3	20%

Re-evaluating Robust Competition metrics published in 'beta' report

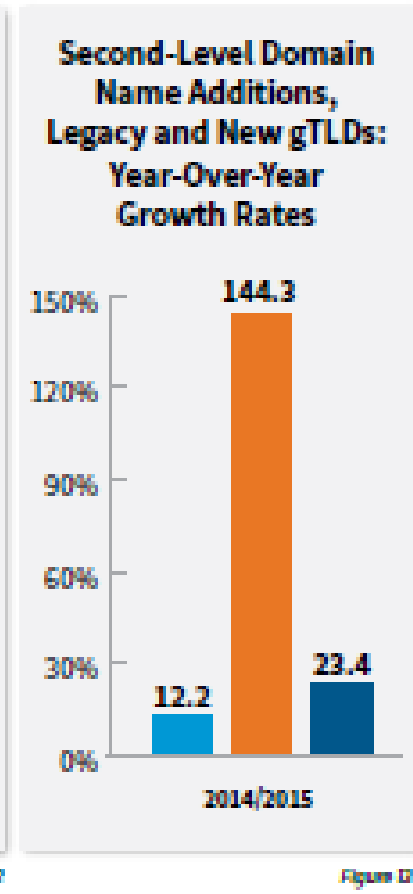
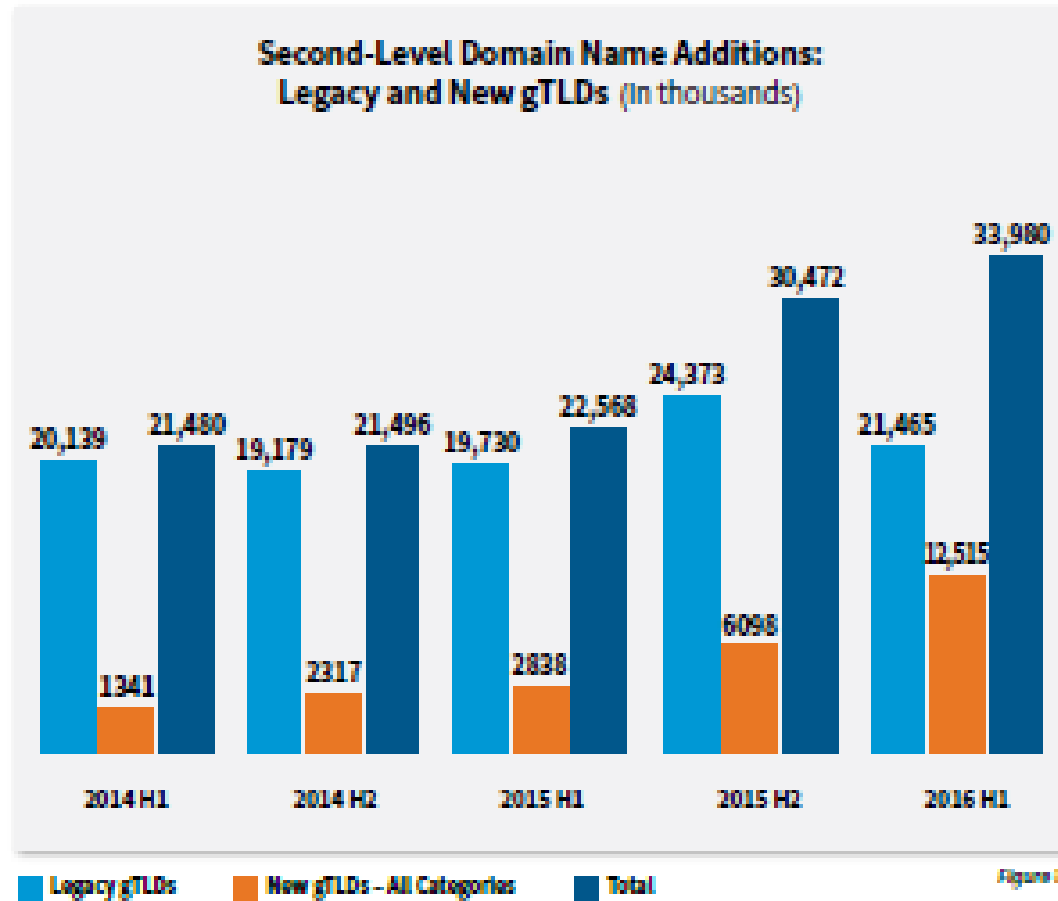


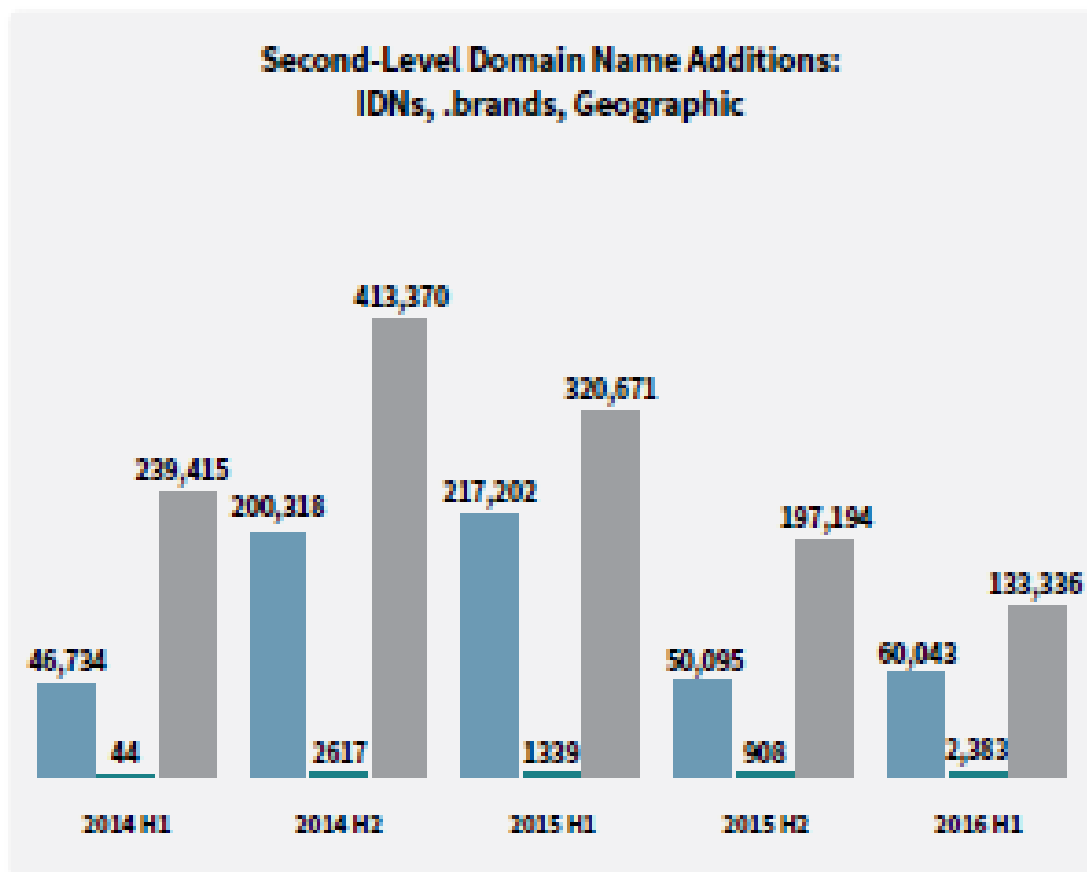
Figure 12

Figure 13

Recommend Maintaining 10 66.7%
 Recommend Removing 1 6.7%
 Unsure/Have further questions* 4 26.7%

Recommend Maintaining 11 73.3%
 Recommend Removing 0 0%
 Unsure/Have further questions* 4 26.7%

Re-evaluating Robust Competition metrics published in 'beta' report



■ IDNs ■ .brands ■ Geographic

Figure 14

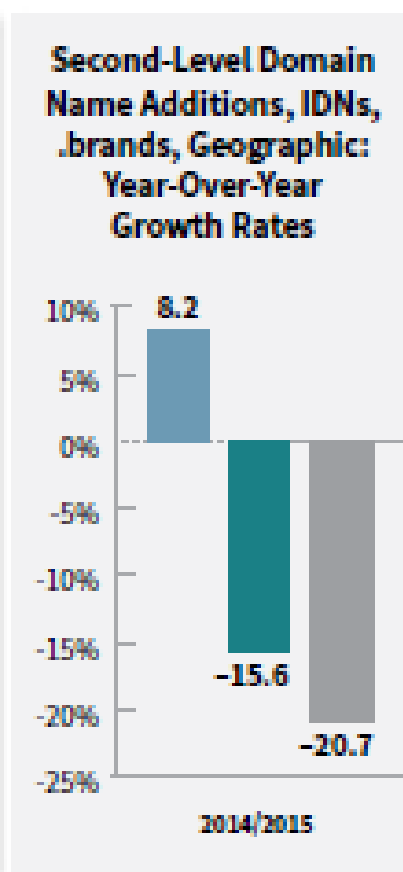


Figure 15

Recommend Maintaining	10	66.7%
Recommend Removing	1	6.7%
Unsure/Have further questions*	4	26.7%

Recommend Maintaining	11	73.3%
Recommend Removing	0	0%
Unsure/Have further questions*	4	26.7%

Re-evaluating Robust Competition metrics published in 'beta' report

Second-Level Domain gTLD Name Deletions
(in thousands)

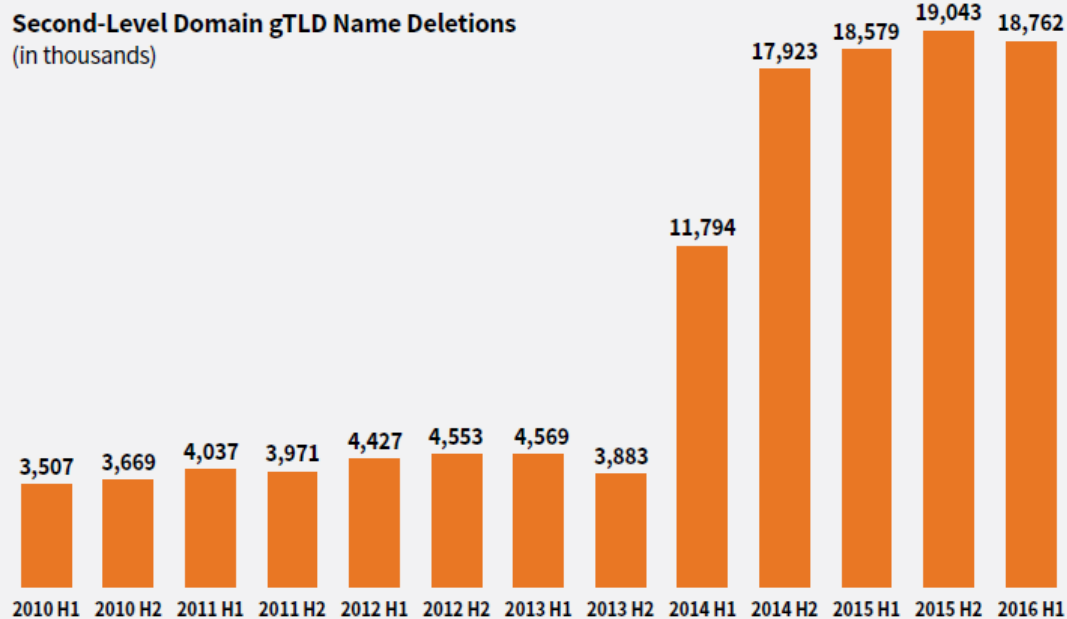


Figure 16

Second-Level gTLD Domain Name Deletions: Year-Over-Year Growth Rates (2010-2015)

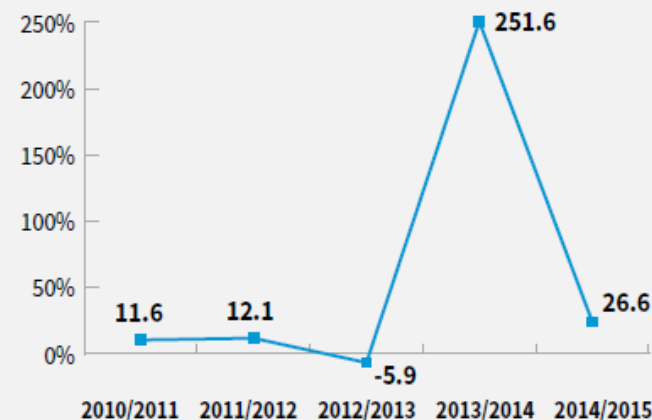
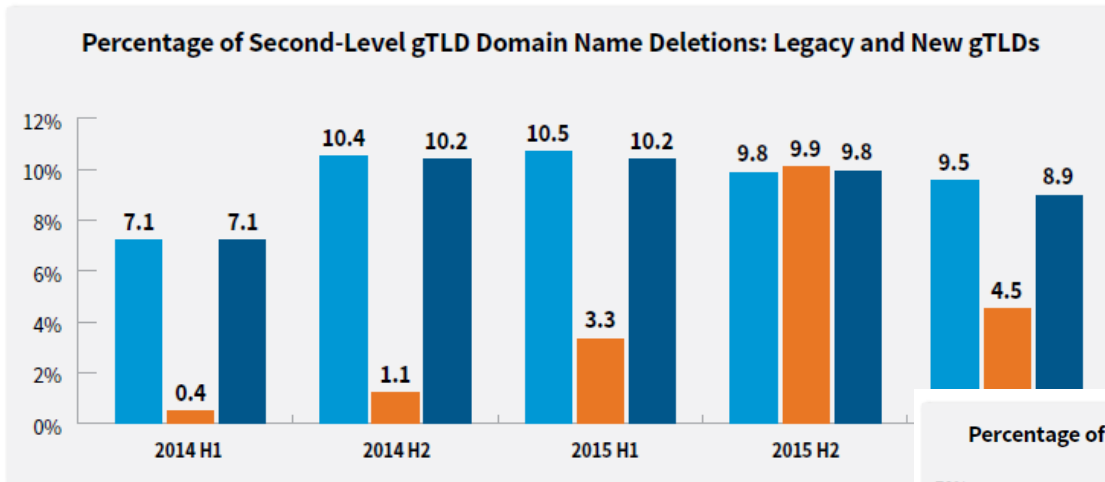


Figure 17

Recommend Maintaining	9	60%
Recommend Removing	4	26.7%
Unsure/Have further questions*	2	13.3%

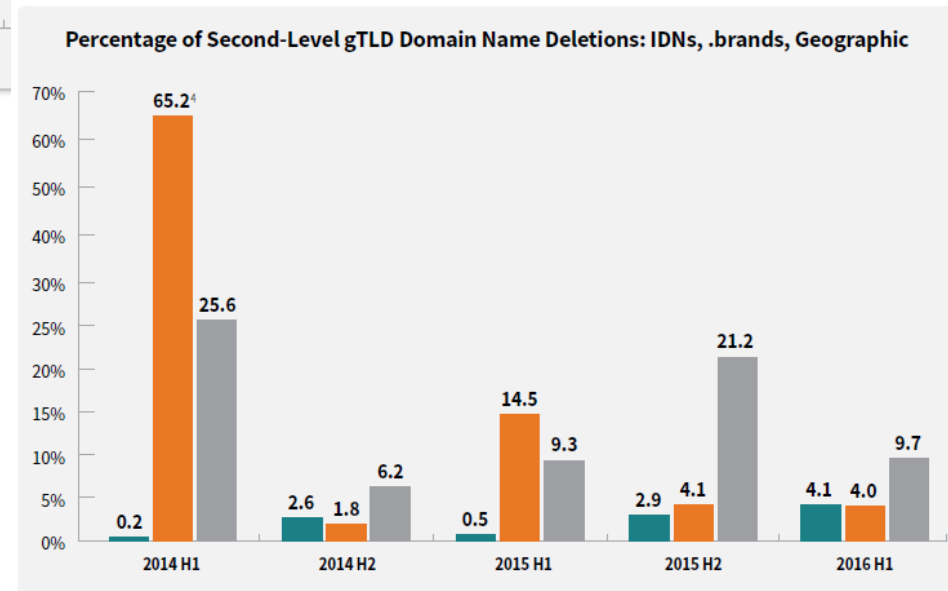
Recommend Maintaining	10	66.7%
Recommend Removing	3	20%
Unsure/Have further questions*	2	13.3%

Re-evaluating Robust Competition metrics published in 'beta' report



■ Legacy gTLDs
 ■ New gTLDs - All Categories
 ■ Total

Recommend Maintaining	10	66.7%
Recommend Removing	3	20%
Unsure/Have further questions*	2	13.3%



■ IDNs
 ■ .brands
 ■ Geograp

Recommend Maintaining	11	73.3%
Recommend Removing	2	13.3%
Unsure/Have further questions*	2	13.3%

Figure 19

Re-evaluating Robust Competition metrics published in 'beta' report

- I would strongly recommend adding end-user adoption rates.
- I'm still confused by the new definition. 'New TLDs' to me means something very specific - TLD launched post 2012.
- Unclear what the objectives would be for each of these data points to consider them "metrics." More sophisticated "concentration" calculation probably better.
- The word "adoption" in the definition is too non-specific to say that any metric actually fulfills it.



Re-evaluating Robust Competition metrics published in 'beta' report

'Beta Definition': The marketplace is open to new players.

Revised Definition: The TLD marketplace is open to new providers, including back-end technology service providers, registries, registrars, and resellers.

Re-evaluating Robust Competition metrics published in 'beta' report

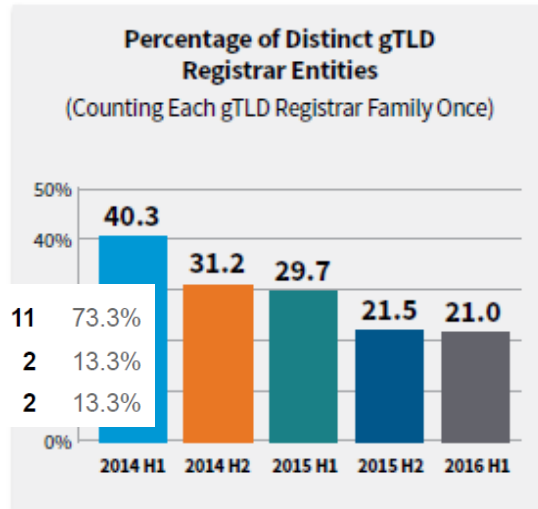


Figure 3

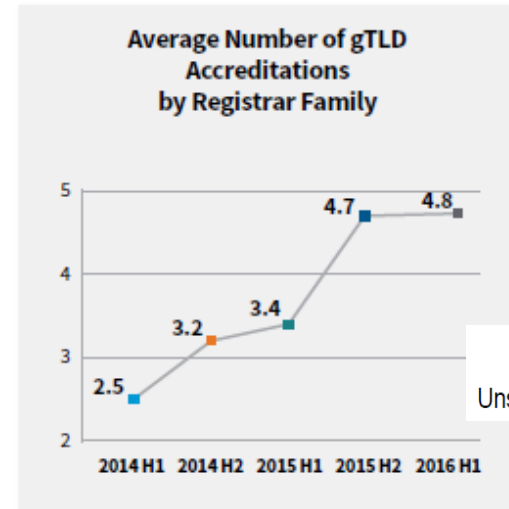


Figure 4

Recommend Maintaining 11 73.3%
Recommend Removing 2 13.3%
Unsure/Have further questions* 2 13.3%

Recommend Maintaining 9 60%
Recommend Removing 3 20%
Unsure/Have further questions* 3 20%

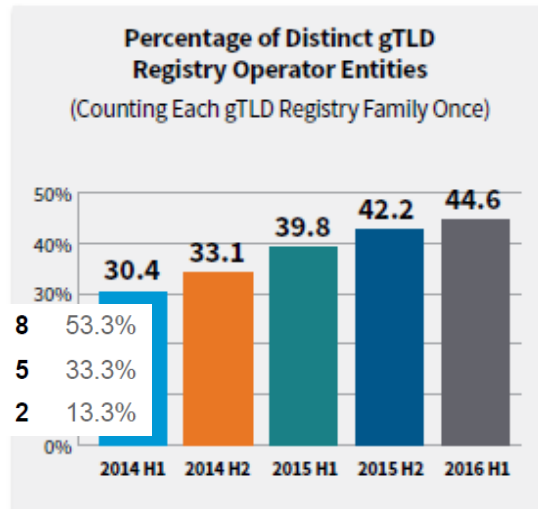


Figure 5

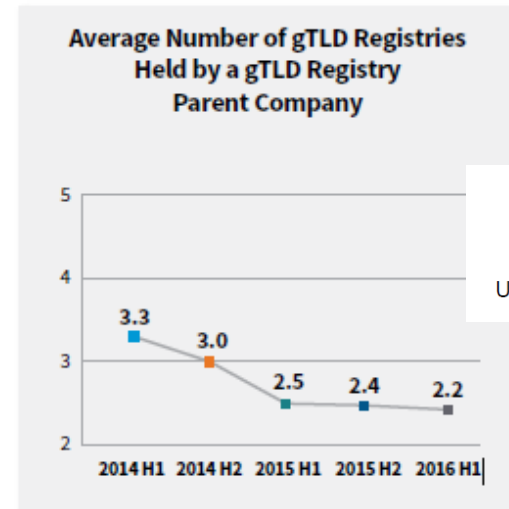


Figure 6

Recommend Maintaining 8 53.3%
Recommend Removing 5 33.3%
Unsure/Have further questions* 2 13.3%

Recommend Maintaining 9 60%
Recommend Removing 5 33.3%
Unsure/Have further questions* 1 6.7%

2014 H1 2014 H2 2015 H1 2015 H2 2016 H1

Re-evaluating Robust Competition metrics published in 'beta' report

- Figure 4 (which corresponds to Actual Number of gTLD Accreditations by Registrar Family) can be affected by actual market concentration (registrars buying registrars) or specific conditions such as drop catch registrars. Recommend removing.
- "Fig 4: "by registrar family" is unclear for me
- Not sure volume speaks to market friction. Need some other measure.
- Sorry, what does "percentage" mean in this case?



Re-evaluating Robust Competition metrics published in 'beta' report

'Beta Definition': The marketplace is not dependent on one or a small number of players.

Revised Definition: The TLD marketplace as a whole is not subject to control by a small number of providers, including back-end technology service providers, registries, registrars, and resellers.

Re-evaluating Robust Competition metrics published in 'beta' report

Number of Distinct gTLD Registrars Accredited

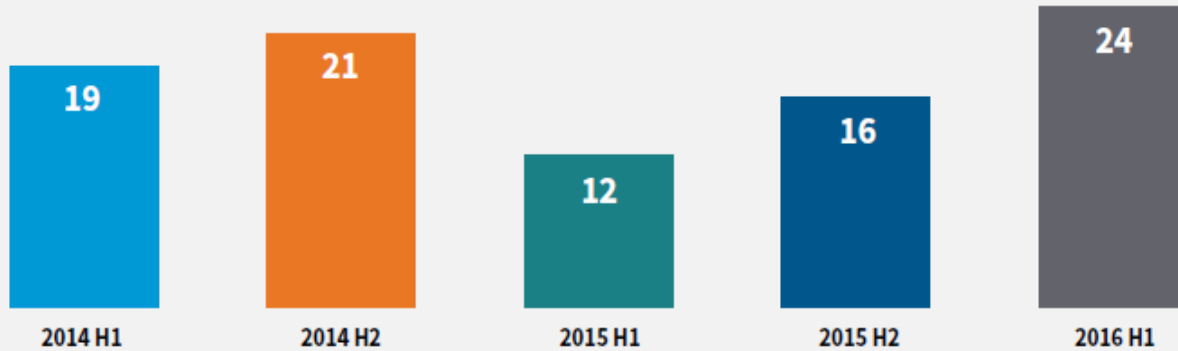


Figure 20

Recommend Maintaining	9	60%
Recommend Removing	1	6.7%
Unsure/Have further questions*	5	33.3%

Voluntary and Involuntary gTLD Registrar Terminations

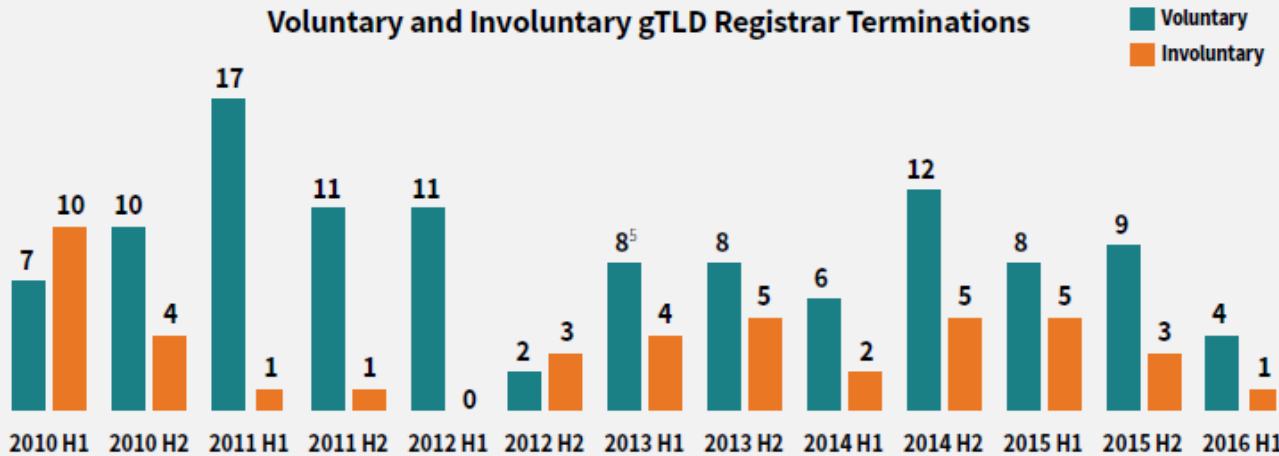


Figure 21

Recommend Maintaining	10	66.7%
Recommend Removing	2	13.3%
Unsure/Have further questions*	3	20%

Re-evaluating Robust Competition metrics published in 'beta' report

- The figures proposed are inadequate to cover the revised definition. I only see registrars.
- Would this include gTLD Registrars that are part of the same Group (as a fully or partly owned subsidiary)?
- Figure 20 should be "gTLD Registrar Families - Newly Accredited" so it's not impacted by drop catch registrar accreditations. Figure 21 could be either families or individual registrars, but symmetry suggests using families as well.
- Without knowing the reasons, difficult to attribute to market dynamics (as opposed to compliance violations, etc.)
- It is not immediately obvious that these metrics will fulfill the stated goal.



Re-evaluating Marketplace Stability metrics published in 'beta' report

CATEGORY 2: MARKETPLACE STABILITY

Input received thus far suggested completely striking out or potentially moving the existing 'beta' metrics under this category elsewhere in the report. Accordingly, there are no existing 'beta' metrics to evaluate under this category.

Re-evaluating Trust metrics published in 'beta' report

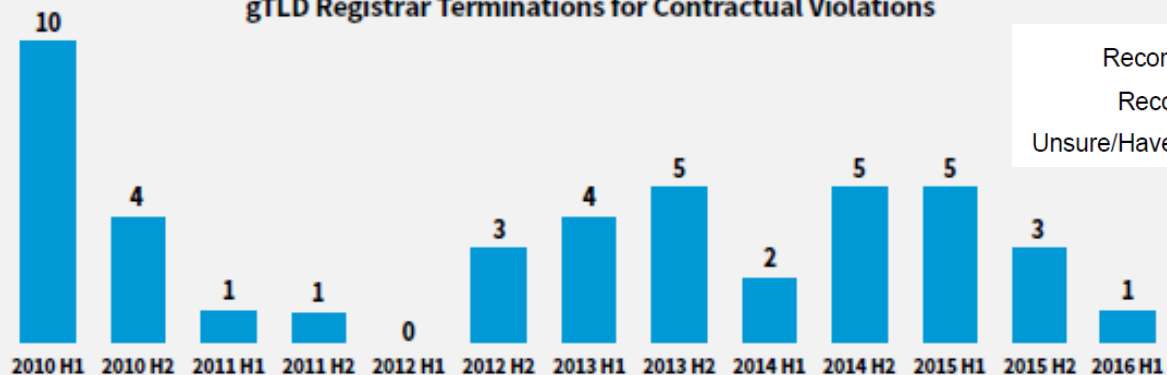
CATEGORY 3: TRUST

'Beta Definition': Service providers, gTLD registry operators, gTLD registrars and gTLD registrants are compliant with their contractual obligations

Revised Definition: Demonstrated operational success of domain name industry safeguards for registrants, Internet users and the global community (including law enforcement and intellectual property holders)

Re-evaluating Trust metrics published in 'beta' report

gTLD Registrar Terminations for Contractual Violations



Recommend Maintaining	11	73.3%
Recommend Removing	2	13.3%
Unsure/Have further questions*	2	13.3%

Figure 22

Note: During the beta reporting periods, there were no terminations of gTLD registry agreements due to compliance violations to report. Should any such instances occur, and if this metric is retained as part of the final set of marketplace indicators, such information will be included for presentation in future report editions.

Accuracy of WHOIS Records

Syntax Accuracy

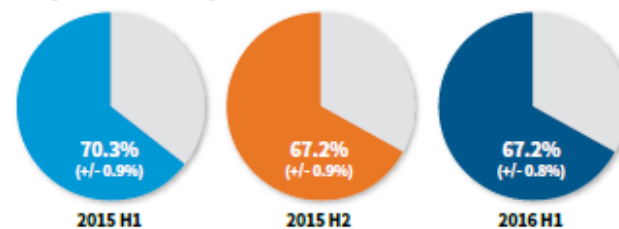


Figure 23

Operational Accuracy

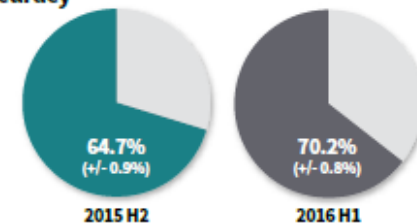
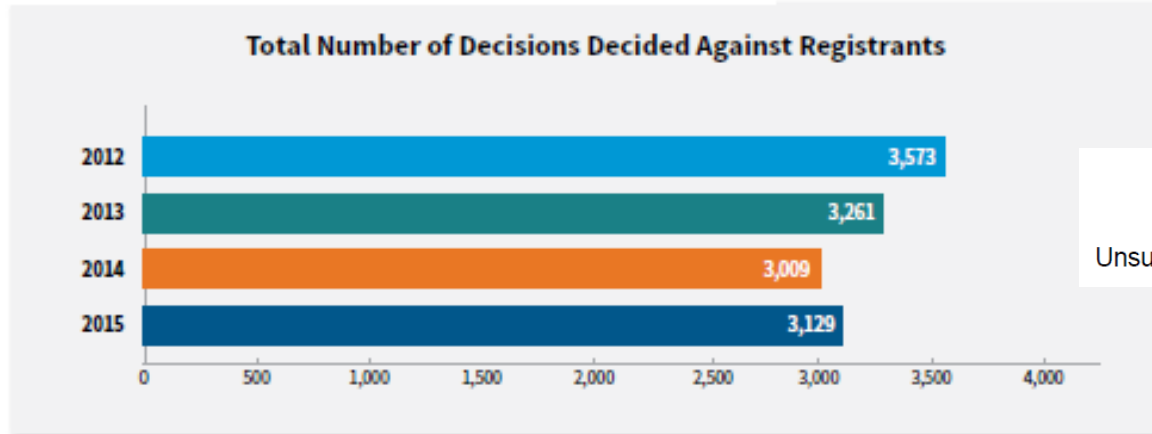


Figure 24

Recommend Maintaining	12	80%
Recommend Removing	1	6.7%
Unsure/Have further questions*	2	13.3%

Re-evaluating Trust metrics published in 'beta' report

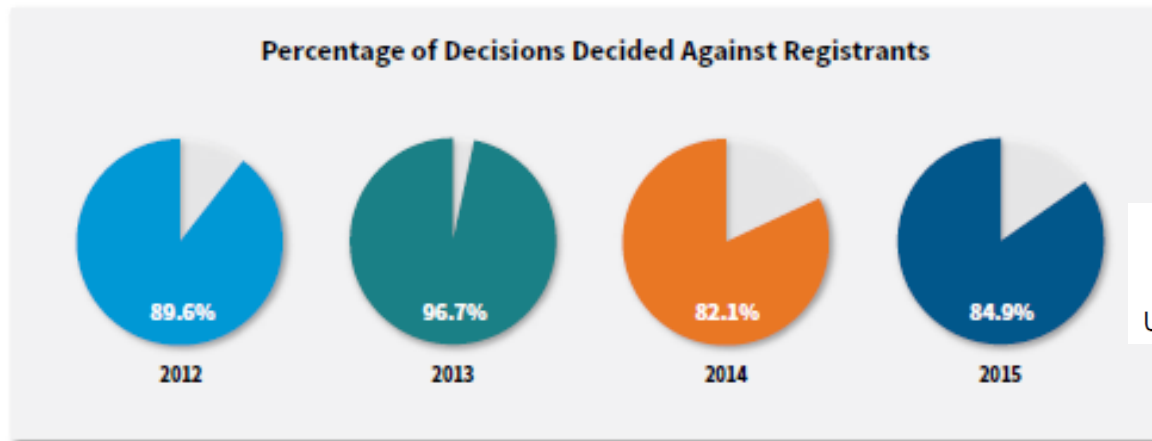
UDRP and URS Decisions Against gTLD Registrants



Recommend Maintaining	10	66.7%
Recommend Removing	3	20%
Unsure/Have further questions*	2	13.3%

Figure 25

Note: Annual totals for 2012 and 2013 include only UDRP decisions decided against registrants. Totals for 2014 and 2015 include both UDRP and URS decisions decided against registrants.



Recommend Maintaining	12	80%
Recommend Removing	1	6.7%
Unsure/Have further questions*	2	13.3%

Figure 26

Re-evaluating Trust metrics published in 'beta' report

- The term safeguards is one that might mean something different than what these metrics measure. There are safeguards that the GAC has been proposed (some accepted by the board and others rejected) and there could be more evolution of safeguards as a result of the compliance department hiring a director for consumer safeguards.
- It is not immediately clear whether or not these metrics properly align with the stated goal.



Evaluating metrics previously suggested but not published in beta report

- ICANN staff circulated an online survey on May 24th to members of the Advisory Panel (AP) to obtain input on the relevance of metrics previously suggested but not published in beta report, given that changes have been made to the category definitions.
- AP volunteers had the option to indicate whether they recommended including, excluding, or remained unsure of the relevance of these suggested metrics which were noted in the ‘beta’ report appendix. Opportunity to indicate any further questions was also made available.
- Ten AP volunteers provided their feedback as of May 30th. Survey results are being presented as a basis for further discussion.

Evaluating Robust Competition metrics previously suggested but not published in beta report

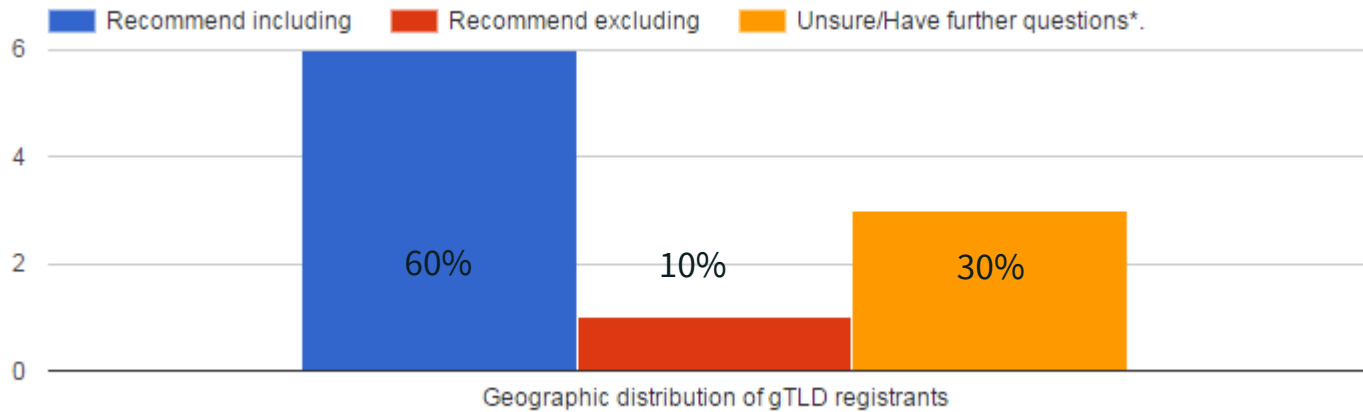
CATEGORY 1: ROBUST COMPETITION

Registrants should have a choice for which domains they can purchase and where they can purchase them, as characterized by:

'Beta Definition': Geography

Revised Definition: Geographical spread of registrants

Evaluating Robust Competition metrics previously suggested but not published in beta report



I'm still not sure the geographic distribution of buyers indicates increased competition. A registry could very well have achieved a high level of competition against, say, an incumbent TLD, with registrants only in one region.

The geographical spread of registrants of .cat is limited due to the nature of the TLD. However, the TLD is well used and renewed. So the distribution of registrants is not an indicator for robust competition. I still recommend to keep the former definition of "Geographic distribution of gTLD registrars and TLDs".

Recommend including provided privacy/proxy registrations can be excluded

Should be included but data should be provided by registrars/registries.



Evaluating Robust Competition metrics previously suggested but not published in beta report

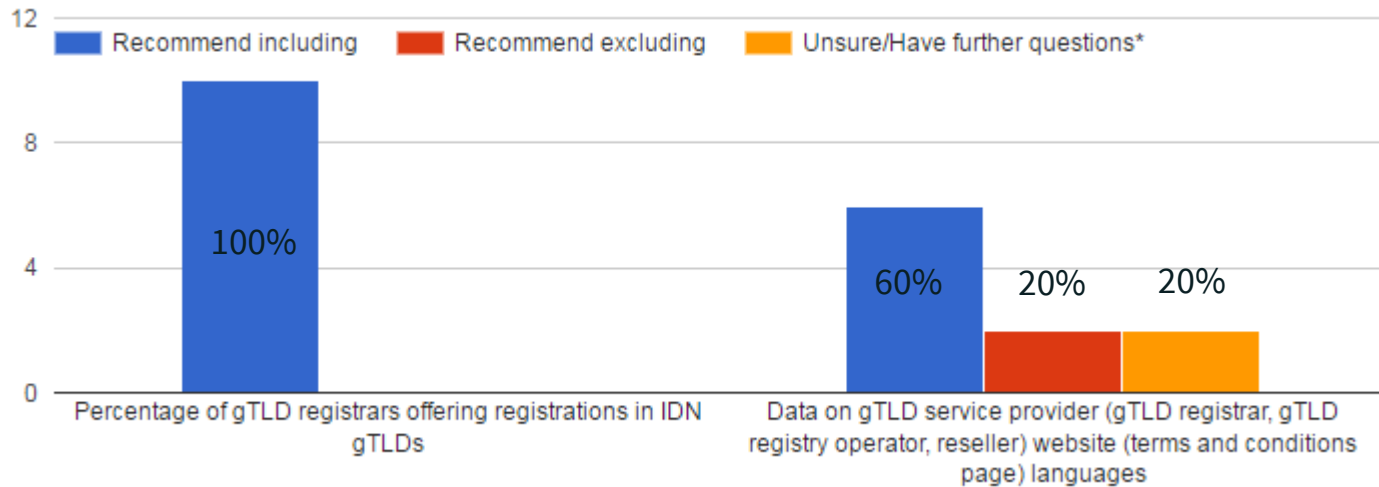
CATEGORY 1: ROBUST COMPETITION

Registrants should have a choice for which domains they can purchase and where they can purchase them, as characterized by:

'Beta Definition': Scripts offered

Revised Definition: (a) Domain names are available across languages and character scripts (b) Suppliers' terms & conditions are available across languages and character scripts

Evaluating Robust Competition metrics previously suggested but not published in beta report



I just don't see how the terms and conditions aspect helps. This is a business decision by the operator based on where their market is, or where they choose to market.

Website terms and conditions means a lot of collection and processing work. It may also be going beyond the remit of the report.

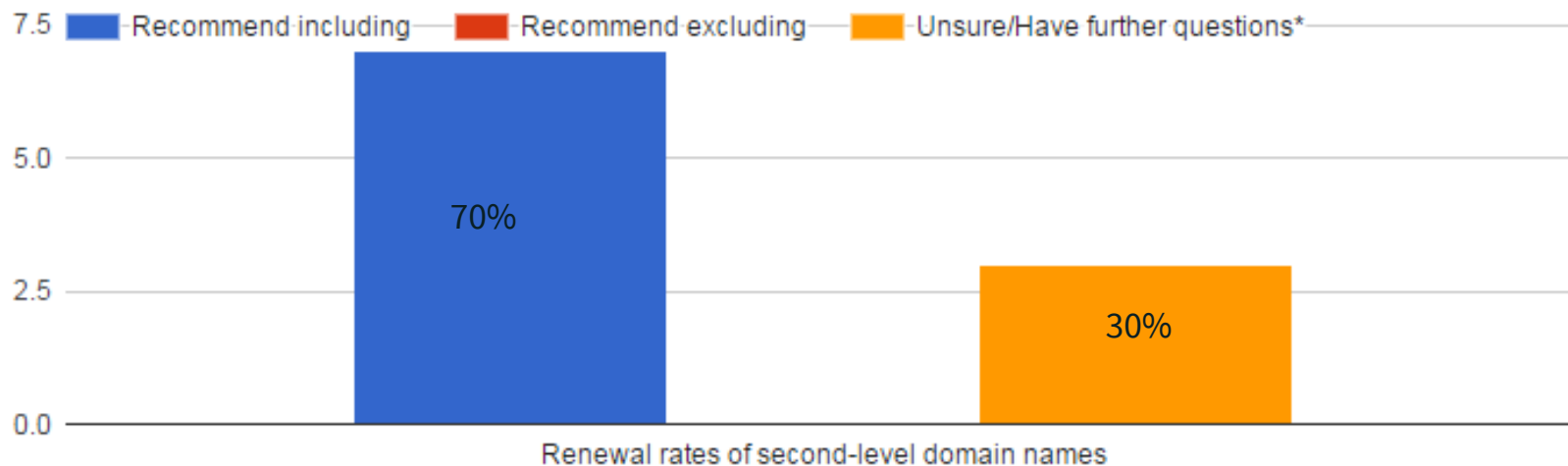


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Evaluating Robust Competition metrics previously suggested but not published in beta report



This may have been covered in a prior discussion but the rates themselves are a function of a number of factors including "heat" index of the TLD as well as pricing. An overall index might not be that useful.

...Renewal rates ignores the fact that renewals may be automatic and not reflect the importance of the domain names. I would therefore include a Metric that measures the number of Registered and Renewed domain names that direct to a unique website vs. those that either (a) direct to an existing .com or other Legacy registry site, or (b) are parked and direct either to a parking site or nowhere. This is intended to measure the number of renewed domains that are registered purely defensively, and therefore do not indicate a thriving marketplace, but a trapped set of registrants.

Include but where will the data come from? (ICANN registry reports etc)

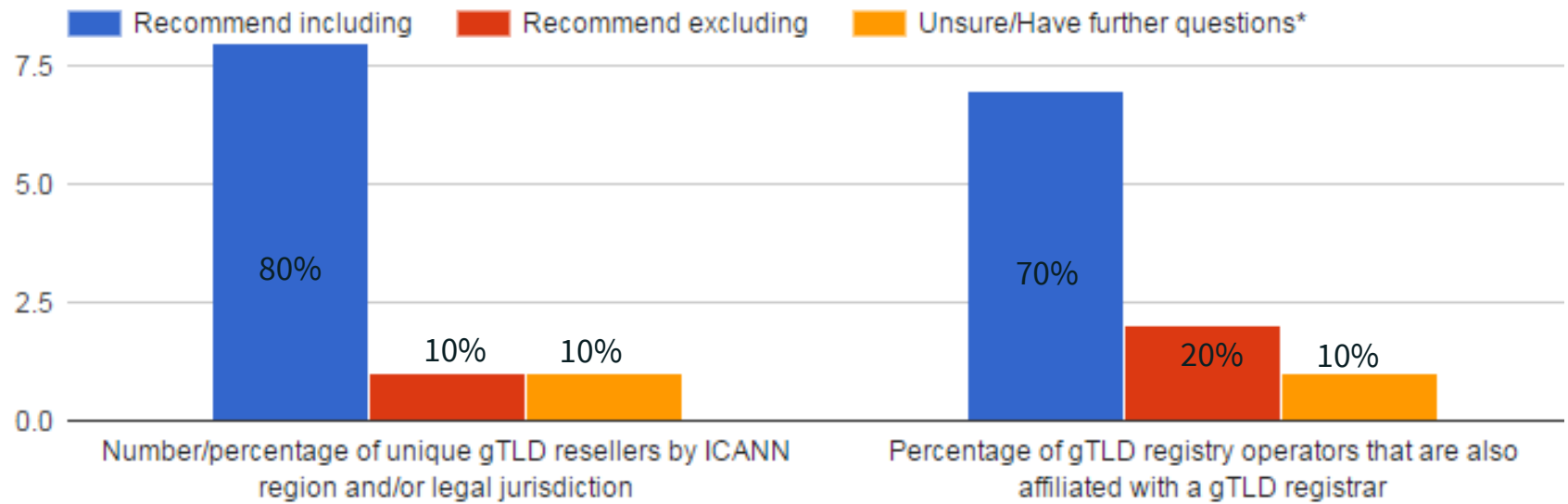


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Revised Definition: The TLD marketplace is open to new providers, including back-end technology service providers, registries, registrars, and resellers.

Evaluating Robust Competition metrics previously suggested but not published in beta report



I would like to discuss what this metric would actually mean.

I can supply/publish estimates for this but 'ICANN regions' are rather meaningless in the bigger picture.

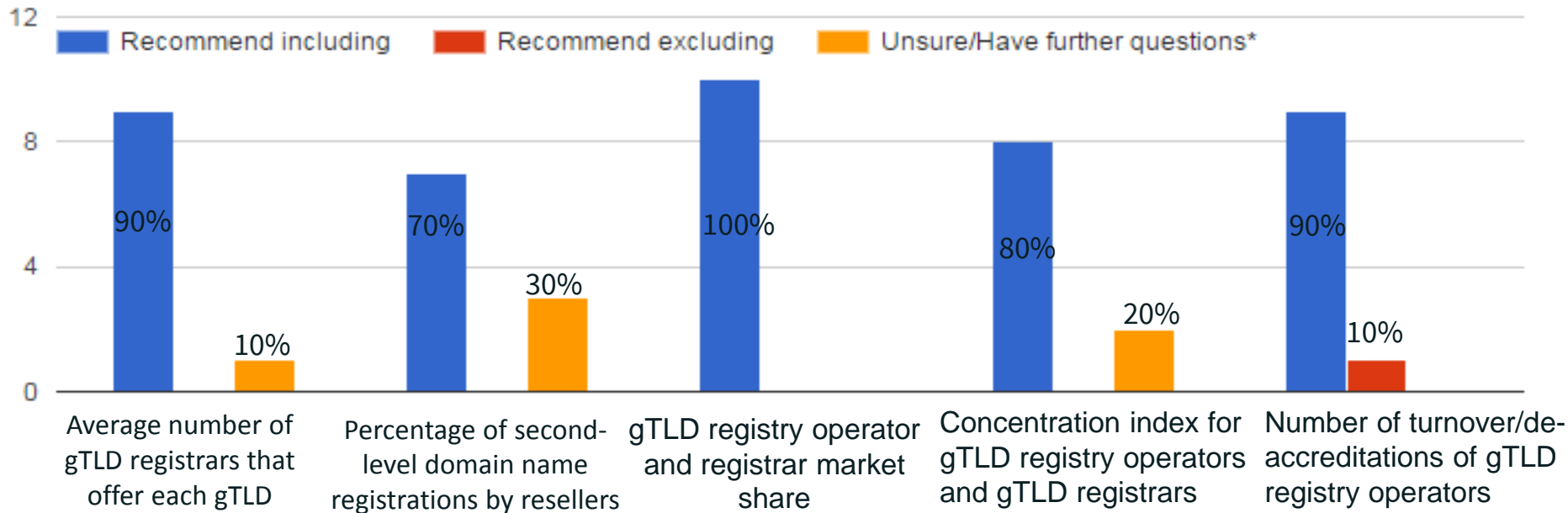


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Evaluating Robust Competition metrics previously suggested but not published in beta report



Average number of gTLD registrars that offer each gTLD -> amend to: Average number of gTLD registrars that sell regularly each gTLD (There are many registrars which are accredited with all new gTLDs to have a good image to the public but do not sell them actively).

Percentage of second-level domain name registrations by resellers -> Those data are not public, and registrars will most likely not provide them.

ICANN can produce registrar volume/% from reports. Going to resellers requires a lot more work. (It is actually an ongoing process.)



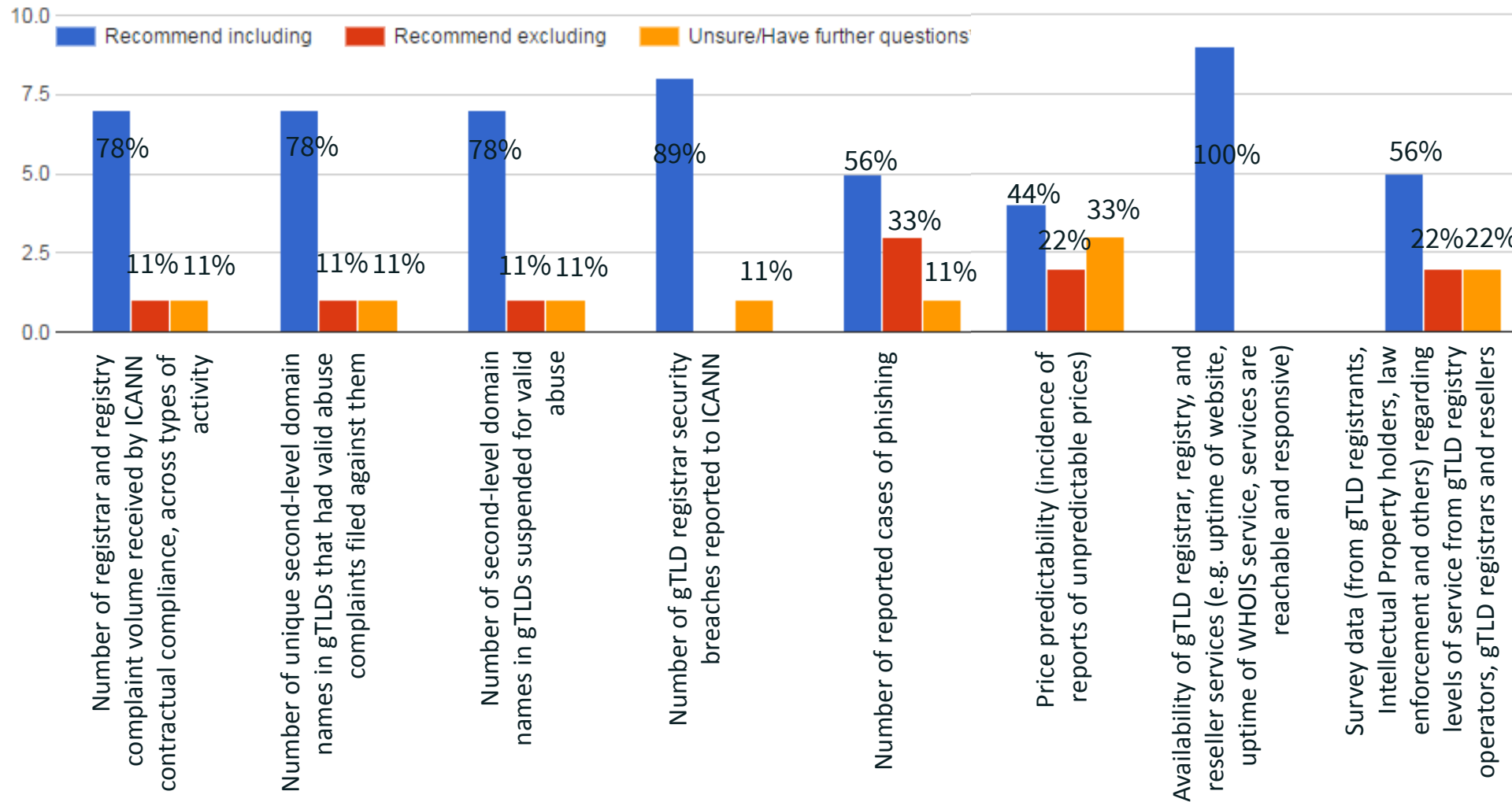
Evaluating Marketplace Stability metrics previously suggested but not published in beta report

CATEGORY 2: MARKETPLACE STABILITY

'Beta Definition': Service providers are reliable, setting consistent expectations and meeting levels of service for: gTLD registrants, Internet users and the global community (including gTLD registry operators, gTLD registrars, law enforcement and intellectual property holders).

Revised Definition: Registries and registrars consistently deliver against their contractual obligations and are not responsible for marketplace instability that would result in harm to registrants.

Evaluating Marketplace Stability metrics previously suggested but not published in beta report



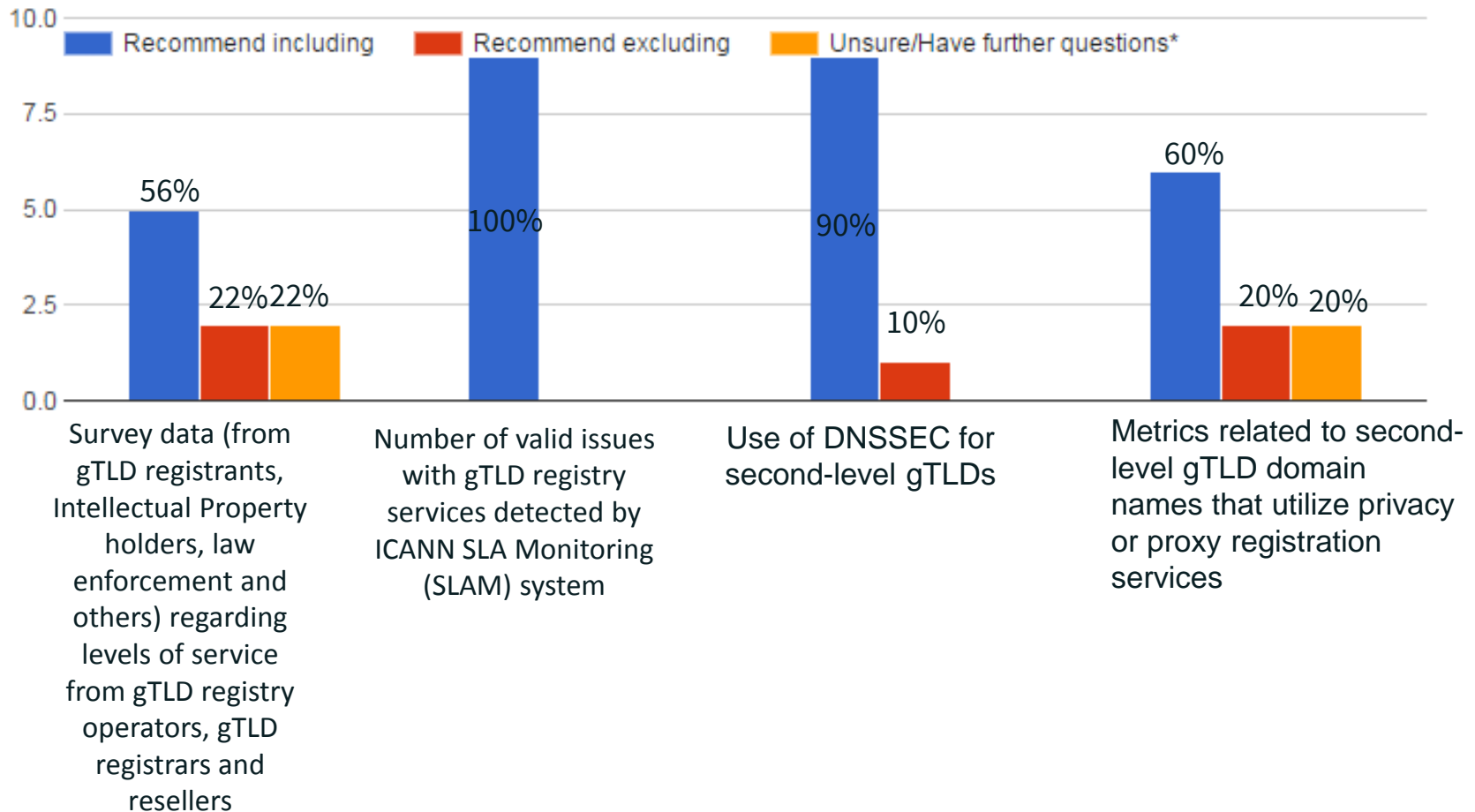
Evaluating Trust metrics previously suggested but not published in beta report

CATEGORY 3: TRUST

'Beta Definition': Service providers, gTLD registry operators, gTLD registrars and gTLD registrants are compliant with their contractual obligations

Revised Definition: Demonstrated operational success of domain name industry safeguards for registrants, Internet users and the global community (including law enforcement and intellectual property holders)

Evaluating Trust metrics previously suggested but not published in beta report



Evaluating Trust metrics previously suggested but not published in beta report

Phishing may be difficult to actually determine, especially with spoofed email addresses.

With regard to Category 2, I don't favor inclusion of independently reported breaches, as self-anointed experts frequently are not reliable and abuse the ICANN reporting system.

What about metric relating to ICANN's DART (Domain Abuse Reporting Tool)?

This gets back to the issue of data collection, limited or unreliable data, problematic methodology and unreliable, for the requirements of this report, analysis based on limited understanding of data or the market and or dynamics. (The MEACDNS/LACDNS reports, the CCT surveys of New gTLD awareness, the CCT "Parking" stuff etc.) This report has to be reliable and verifiable so that it can be used as a reference document by the domain name industry. That may mean restricting some of the data definitions to things that are provable from open ICANN data (the registry reports, the SLA data etc) rather than making a mess of things with the "awareness" stuff that just didn't stack up. Proxy whois stats may be crossing over into the WHOIS group territory. If the report can get accurate whois proxy data from registrars/registries, only then include it.



Next Steps and Action Items

Next Steps

- Capture inputs arising from session today.



ICANN: Update tracking document with inputs received and circulate to Advisory Panel

Advisory Panel: Review and provide any feedback prior to next meeting

- Continue to discuss relevance of existing and previously suggested beta metrics



Advisory Panel: If you haven't yet, take the online survey (sent May 24th)

Advisory Panel: Provide any further thoughts regarding existing/ previously suggested metrics via mailing list.

- Seek input on additional metrics to capture any factors not yet covered



ICANN: Create online poll for 'brand-new' metrics

Advisory Panel: Provide inputs

Questions?

Engage with ICANN



Thank You and Questions

Email: Mukesh.Chulani@icann.org

Amy.Bivins@icann.org

Please submit feedback on metrics to
gtldmarketplace@icann.org



twitter.com/icann



[gplus.to/icann](https://plus.google.com/icann)



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