

**ICANN Dakar Meeting
Consumer metrics- TRANSCRIPTION
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Coordinator: The recordings have started. Speakers you may begin.

Stephane Van Gelder: Thank you very much everyone. Welcome back. We will now have a session on consumer metric, consumer choice composition innovation. I believe in the absence of (Rosemary), Steven DeIBianco has kindly agreed to give us a presentation and update on this.

Before you start Steve I should just say I forgot to say earlier obviously is that if you have, if you wish to, incoming counselors, sorry, new counsel members that will be joining us in Dakar here and already here for the weekend sessions please do not hesitate to come up to the table and sit at the table trying to participate as much as you can. And don't hesitate to ask any questions of Glen, myself or any of the leadership team or staff if you need any help. Right so that having been said Steve over to you. Thanks very much.

Steve DeIBianco: Thank you Stephane. Margie has prepared about 16 slides that we're going to be using on Thursday for a workshop on consumer trust, choice in a competition. So today Margie I believe has condensed that down to just a handful of slides to give counsel an update as to where we're going. And I

think it would be a great foundation to pick up some feedback and ideas how to move this discussion along. Now Margie you're driving, right?

So this is Bruce Tonkin's board resolution which he called the Zuck resolution, it was adopted by the board in Cartagena. And what Bruce did was take a look ahead at an affirmation of commitments review that's supposed to occur a full year after the first new gTLD goes into operation.

So sometime after the first year ICANN will do what it does with an affirmation review. The GAC and the Board will pick members of review team and the review team needs to look at three things: the degree to which consumer trust, consumer choice and competition are realized in the new gTLD plan.

So I think - and Bruce is here? He was earlier this morning. Be great to hear any other rationale he wants to add. But the notion here is why wait until the affirmation begins, the affirmation review a year after they're launched to figure out oh, my goodness we should have been paying attention to measures of consumer trust, competition and choice.

The idea is to try to identify what those measures might be, how do we define those terms, whose choice are we talking about? Because if we're able to do that early on there's a better chance we can actually manage toward it and meet it. And I know Jonathan Zuck's here did you want to add anything to that? Great. Next slide Margie. And again Bruce's words were lifted straight from the affirmation of commitments.

So the working group was formed and believe me it's a joint working group, a cost community working group whatever that means. It means its open to all. Because if you recall what the Board's resolution did is it asked all four ACSO's to come up with advice to ICANN's board on appropriate definitions, measures and metrics for those three terms. So, let's see, so let's go to the next one.

So this is a self-formed group. We've been meeting every two weeks for 90 minutes ever since probably February. Margie's been staffing it, has been a tremendous help to us. Rosemary Sinclair sort of stepped into the role of leading it, you all know that. Rosemary's not here today. And we've had - (Wendy)'s been on most of the calls, Jonathan Zuck, John Berard. We've had calls that have lasted anywhere from seven to ten people.

Let's see. The drafting team, all right, so we did definitions and we're going to be presenting those here today as well as Thursday and they're meant to get things started. They're not supposed to be a definitive clause list. Margie next one please.

So again three terms, the first one's competition. So this is the draft definition of competition. And again it's in the context of the DNS with respect to an evaluation of the new gTLD program. We said that competition is evident in the quantity and diversity of three things: of gTLDs, the operators of the registries and the registrars themselves. So it seems focused as you can see on the supplier side diversity.

And there are other aspects of competition. There are things that compete with a dot com, you might look at what can people choose. But that's going to come up, just hold your breath on that because that comes up under the choice metric.

We wrestled with the duality between competition and choice because when you're a consumer, a registrant or a end user you have choices of which TLDs you might want to search for or register in. The competition here is more focused on the industry that's supplying the TLDs, the industry that's distributing the TLDs so it's supply side orientation. So that's the definition. Is there any comments on the definitions or questions?

(Kristina): I guess it would be helpful for me to have a better understanding as to why, it just seems to me that the quantity of gTLD's is not necessarily going to be

indicative of competition unless you've got some other metric of measurement there. Simply...

Steve DelBianco: Great...

(Kristina): ...because, you know...

Steve DelBianco: ...question.

(Kristina): ...a TLD that has a, that there's defined registry agreement, you know, there are, you know, are only a couple registrations there or if it fails after six months. I mean, you know, and I know it's a moving target but it seems to me that this might be a little bit more simplistic than will actually be most useful.

Steve DelBianco: That's a great comment and this is a definition and definitions by definition are supposed to be simplistic, we wanted it to be simplistic. But if I go to the next slide we'll see the actual metrics we see to measure. I think this gets to the complexity we were speaking of.

There are several metrics on there not only the number before and after and everybody understands we're going to have a significant increase in the number of gTLDs, that's expected, the number of suppliers before and after.

And what (Kristina) I think what she just talked about is it's important to know those that are viable, that are in business. But at one year after is when they begin this review. I guess the review will take between nine and 12 months if it's like a typical affirmation review. So at that point it would be roughly two years of operation. So there would be an opportunity to evaluate some of the success this new gTLDs have had. So, Chuck.

Chuck Gomes: Thanks Steve, Chuck Gomes. Question, in your definition why did you say the number of gTLDs, why not TLDs? Because the 50 TLD market is absolutely part of the competition issue.

Steve DelBianco: Thanks Chuck. The affirmation of commitments in Bruce's Zuck resolution were only to do with the new gTLD program. All this is driven off of the affirmation of commitments, paragraph 9.3 which is asking whether we have generated competition, trust and choice in the new gTLD program.

Chuck Gomes: Okay. That was probably a mistake but I understand.

Stephane Van Gelder: Any further questions for Steve?

Steve DelBianco: Stephane if I could add on this slide, those of us who have been on the calls and again the calls are open to anyone who's wishing to join, this is a wide open working group. We have come up with metrics of the bottom and we're going to keep track of the new entrants and the new entrant is a new gTLD.

What is their share of new registrations? What is the new entrants of share among all registrations including the existing as well as what are the suppliers that are doing that? If the supplier diversity starting to show that we've introduced competition. Any other questions on this? We'll move on to the next definition.

Stephane Van Gelder: You have Marilyn and Jeff or Jeff and Marilyn, I don't know, Jeff first.

Jeff Neuman: Okay. So what is your definition of back end registry provider? And the reason I ask is that there's a lot of functions that are provided. Or in fact you could include in escrow providers being a part of the DNS registry.

You could include a DNS provider you can - so when you look at that I know we kind of take it for granted but back end registry provider I would think, you know, one thing that I have noticed is that there are far fewer escrow providers than there are registry providers at this point and so that's just one thing to consider. So when you have backend registry providers it would be good to provide a better definition of what that is.

Steve DelBianco: Do you have a suggestion? I mean the sentiment we had is that if you wanted to show that we have a lot of competition it would be great to show that multiple firms from around the world have stepped up to run a registry, not necessarily to be the escrow provider for, of someone else. But to run a registry for an operator or an applicant.

Jeff Neuman: Yes I think, you know, again what it needs to run the five critical functions, you can break them all down as ICANN defines, it, right? They have SRS, Whois, DNS, DNSX and escrow. Did I say that twice? Anyway there are five.

Steve DelBianco: So I guess I, by operator we would probably mean the firms that are providing all five of those to...

Jeff Neuman: Well the operator is the one that signs the contract with ICANN, the backend registry provider is comprised of those five functions but it could be the same as a registered operator.

Steve DelBianco: You're saying in some places it would be a different firm doing the backend registry called escrow and the backend registry of running the Whois?

Jeff Neuman: Or backend DNS or secondary DNS or however, I mean there's a lot of different, it's not as simplistic as one supplier always doing all for the functions.

Marilyn Cade: And Steve thank you and you may answer this elsewhere. You're evaluating the market share against a total number. So if we answer question number, the first bullet point to be 100, 22 today 100 then you would evaluate, you would count the new gTLD entrants that person to, that Jeff's going to assign to the contract with ICANN, right Jeff? You would count their share of the total...

Man: Registrations.

Marilyn Cade: Second-level registrations.

Man: That's right, that's right.

Marilyn Cade: And when we say the new entrants, that's the new entrant's share I guess among all total registrations. So at some point we're going to count the number of gTLD registrations only, not TLD registrations.

Man: That's right.

Marilyn Cade: Okay. I think that second point I just needed to understand that because you're assuming that that relates to the number of registrations in gTLDs but that would not be inclusive of IDN CC's or CC's?

Man: Probably not.

Stefan: Yes. I know Andre you were next but can I just, I know Jeff wants to just come back on this point, thanks. Okay Andre.

(Andre): Yes it's pretty much the same issue. I mean I believe that this is a single environment. I mean we divided in our minds the ccTLDs and the gTLDs but look I mean let's be honest it's a market, okay, it's a business. And it doesn't really matter for the end user if both ccTLDs and gTLDs plays on the same market, they hunt for the same user.

And just for the reference if you set up the metrics for the competition they have to consider the influence of the new gTLDs including to the cc and the ccTLD world because it will cost, it has standards. The new gTLDs will create a new market but not a lot of new users of the domain names. It will be the same environment, the same competition. You have to consider just for the statistical purposes at least.

Stephane Van Gelder: Thanks Andre. Jeff do you want to come back?

Jeff Neuman: Yes.

Stephane Van Gelder: I have Tim wants to ask a question so...

Jeff Neuman: I'll be quick. So one of the other things I'm, we're always looking at the number of registrations but it's very possible that there could be I'll call it a brand TLD. Let's say Google were to get their own TLD and I don't know if they are or not, they could have the lion's share of queries, DNS queries and maybe only have two registrations.
So I would not just look at the number of new registrations. There's got to be a look at volumes of queries and just overall, you know, what they're doing in the marketplace as opposed to, you know, the fact that they may only have two registrations.

Steve DelBianco: One of the tests we applied whenever we came up with the new metric is we'd look at staff and say are these the kind of data we can collect? And so queries, Margie's nodding yes you can.

Margie Milam: I don't know if we can but certainly that's something we should look at.

Steve DelBianco: And Jeff you could help us to try to formulate that expression in a way that we know staff can get the data. And to your point (Andre) on the cc space since we can get that data by all means let's do it.

(Andre): You can.

Steve DelBianco: And I'm completely sympathetic to the fact that we may see a slower uptake in IDN and gTLDs because the IDN sees about a two year head start. So things...

(Andre): All the data is available, it's all available, you can use it.

Steve DelBianco: And we did our best to try to suggest metrics that were going to be discoverable through the ordinary course of reporting that contract parties do at ICANN as well as the cc side to the extent we could get that. And any data we can gather let's throw it out now as things we can come up with.

We all realize that the numbers, there's going to be greater diversity and quantity of suppliers before and after, we know that's going to happen. So the question is it is as much as we expected? Will we be able to go through the affirmation review and say yep, there's more. Well what did we expect?

Bruce Takin's resolution actually asks not only definitions and metrics but also measures. We haven't begun any of that work in our working group yet which is to say the expectation is that we get a 50% improvement, right, Wendy? I don't believe we've come up with any numerical goals yet for the program. And that is a significantly more difficult step not worth going there until we've come to at least some agreement on what our definitions in metrics really are.

Stephane Van Gelder: Thanks Steve, we'll have Tim next please.

Tim Ruiz: I, my question has been answered, thanks.

Stephane Van Gelder: Thanks Tim. So Jonathan's next.

Jonathan: Yes I guess I just want to follow on Steve's point. I think that's a really significant point the fact that we're going to set expectations and hopefully create an environment in which the program is managed to those expectations.

That's when questions about whether ccTLDs should be part of the expectations management associated with the new gTLD program and also raises real questions about a two registration heavy queried Google domain if

that's really an element of competition being created by the new gTLD program as well.

I mean I, so I mean I think that is when the real questions are going to get harder, right? I mean we can decide to track all the data that we want to but ideally we come up with some kind of metrics in advance so that a year from now we're just not making up the measures of success the way that we always do, right?

I mean there's some way to figure that out in advance and manage to them that would be a real miracle and I think we should try to confine that as much as possible to make that as realistic as possible.

Stephane Van Gelder: I have Alan now. Oh sorry Steve did you want to address that point?

Steve DelBianco: If I could because Jonathan Zuck is exactly right about we're being aspirational here about trying to define things before we set about delivering on the performance which is a year before we even sit down and measure whether we performed okay. That's a break through for ICANN, we never do that.

At the same time there's a slide in here that Margie left out, there's a slide in here that unqualifyingly says we are not trying to prescribe what the affirmation review team will look at when it's formed.

I understand the way this affirmation commitment is written and when the affirmation review team forms it will decide what it's going to measure. We hope that it will be able to look back on the work of this group and the work of this first year and say these are appropriate measures to metrics and we think that we can build off of this.

But we're not trying to preordain all the things that should be defined and measured for the affirmation review team that of course won't even come into existence until the year after the first new gTLDs are in, that's a qualifier.
Thank you.

Stephane Van Gelder: Alan and then Jeff.

Alan Greenberg: Okay thank you. I guess I just wanted to support a number of earlier comments that say that the overall market including the cc and IDN cc space is from a consumer's point of view the market, they don't differentiate.

Most consumers and including people who acquire domains are, probably couldn't even give you a good definition that would meet our criteria. So I really think it has to be looked at in the overall context although ccTLD, IDN ccTLDs will have had a couple of year jump on it to try to evaluate how successful the new gTLDs are without understanding how successful or unsuccessful ccTLDs were is sort of ludicrous.

You can end, you could end up with a situation where everyone nods their head and say yet we've done very well but you're only seeing a tenth of the performance that the ccTLD once did when they were introduced and that's a ludicrous example. But nevertheless so it has to be looked at from the context and the statistics we have available of the overall space from a consumer's point of view. This is a consumer issue not the operator's issue.

Stephane Van Gelder: Thanks. I have Jeff, Marilyn, Jonathan and there's four minutes left in this session. This time I'm not going to be late. So please try and be brief.

Jeff Neuman: Yes just to quickly respond to Jonathan Zuck. I think Jonathan said, you know, maybe the number of queries may not be the right measure of competition. My fear is that this will be used to judge whether a new gTLD is successful or not. And what I'm trying to say is the more queries you have the

more consumers in theory are using this space which to me defines the success of a TLD as opposed to number of registrations.

So I'm not sure it fits in with competition, it may be more of a choice, it may be one of the other categories. But to the extent this is used by anyone to evaluate the success or failure of a gTLD queries needs to be considered.

Steve DelBianco: Just keep in mind that we're to measure the success or failure of a gTLD it's about the gTLD program and it's, and if you're able to put the next slide up...

Stephane Van Gelder: Steve can I ask you not to answer every question otherwise we'll not, the people that want to speak won't be able to. Thanks, Marilyn.

Marilyn Cade: I'm very quickly that I don't believe that we can change the assignment we've been given. This is an interesting debate about opinions but not about facts about whether the gTLD market and cc's compete with each other, overlap with each other, duplicate each other or something else.

I will say you have a discussion with the ccNSO coming up that maybe it would be good to have a noncontroversial discussion with them. I designed and did the analysis mason study and for at least five major market example corporates they treated the registration and the fees differently than they treated registration in the g's.

I would just say you don't have the facts, can't change the assignment. But at least you could raise that question with the c's and determine whether you think it's a useful study to try to do.

Stephane Van Gelder: So Jonathan last question to you and then Steve if you want to make some closing remarks or comments or whatever. Jonathan.

Jonathan Robinson: Thanks Steve, thanks Stephane. It's Jonathan Robinson I've been a sporadic participant in this particular group. One thing that strikes me is that

we need to think and make sure we cover the difference. I've heard a couple of people talk here about the existing market in other words looking at dynamics within the market do, assuming there's some form of relatively static market and participation in that market shipped from "old gTLDs to new gTLDs."

And of course one of the key measures that really might determine the success to the extent that new gTLD program creates entirely new markets that didn't exist prior to the existence of the new gTLD program. So I guess it's note to self and to the group that we must make sure we capture that. Thank you.

Stephane Van Gelder: Thanks Jonathan, Steve.

Steve DelBianco: Only a few minutes we'll have to hustle through this because the next two of the three measures and metrics are consumer choice and consumer trust. We knew we had to try to define the word consumer and a number of you already highlighted this.

Consumer from the standpoint of the new gTLD program are Internet users, gets to queries and registrants. And I realize that they sometimes don't make big distinctions whether it's in a cc or a g. So that's the definition we've come up with. There's very little controversy in our group at least about that. Next slide.

And the term consumer trust. Here was the definition. We said it was the confidence that those two consumers, registrants and users can have in the consistency of name resolution, registrar to registry this is the consistency of performance, this is one of the things Wendy brought to us.

And we also said the degree of confidence among registrants and users that a registry is fulfilling their proposed purpose and complying with ICANN

policies and applicable national laws. And you have no idea how much parsing and discussion it took to get to something like this.

And because it was a challenge, a challenge to define are the new gTLDs meeting the expectations they set for themselves when they proposed the TLD that might be restrictive. Dot bank might be saying, suggest that they're going to be resistive as to how can have second level names, their going to have terms of use that they will strictly enforce.

And if Dot bank said that a year later we would be evaluating well have they met their promise? In addition are they fulfilling not only the purpose but are they complying with ICANN policies and any applicable laws that apply to the operation of that TLD?

And we think the extent to which we can measure these things is going to be a challenge, that's the next slide. Up time gets to that first paragraph and then we thought we would do survey's on consumer trust which is asking people a year later have you, if you increased your level of trust in doing registrations or your level of trust in doing queries.

We think we can gather data on alleged violations, registry agreements, EDRP and URS complaints and decisions and then law enforcement. We would simply ask law enforcement because after all one of the four ACSOs who were asked to participate in this is the GAC's.

And we will look for their assistance at asking if they can quantify and even describe the number of concerns one year later they have had about registries and registrars compliance with applicable law and the new gTLD space. Any other comments on these metrics? Thank you. Next one.

So the third of three is consumer choice. And we've said that consumer choice again consumers are registrants and users. So consumer choice will be evident and the range of options available to a registrant and user for

scripts and languages for domain names and for TLDs that might offer choices for the proposed purpose integrity of the registrants.

So if I'm going to open a bike shop for me it's greater choice that I could go to a cc, I could go to a biz, a com or I could go to dot bikes if that's a gTLD. So that would be evidence of more choice for me than not. And not only the purpose of dot bikes would be to serve the biking industry and that's what I mean by the purpose, the integrity might be that the bike operator proposed it would only allow bike vendors to get second level domains.

And if that's part of their promise, integrity is whether they're living up to that promise? Or has the space become full of folks that aren't even in the industry at all? So this is how we would want to try to measure consumer trust, sorry consumer choice.

And the next slide Margie just lays out four metrics that we've proposed so far. It's not going to be easy to quantify these. And in particular since we have very limited time the fourth bullet on there is one of the trickiest ones we have is to figure out if registrants are registering domain names in new TLDs defensively because they feel that have to or because they want to.

And it's going to be very challenging to understand if they did it to get traffic, type in traffic that somebody might put into dot bike for instance Schwinnbikes.com. Is it going to be a traffic issue or are they there because they feel they have to defend it from cyber squatting? And we welcome help from the community to try to define that.

Stephane Van Gelder: Thanks Steve. I'll have to bring the session to a close now and move very swiftly on to the best practices session. But before we do I'm sorry there's not more time.

Steve DelBianco: I just wanted to say there's a workshop on this Thursday morning if anybody wants to get involved in greater part of this discussion.

Stephane Van Gelder: Thanks for saying that. Operator can you bring this session to a close and then restart with the next session please? And let us know hewn that's ready. Thank you.

Coordinator: All right the recordings have been stopped.

END