

.nz policy review consultation

This is a running document of short submissions received via email. It will be updated as submissions are received.

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1. Justin Cook - 16 March 2021

Month-by-month domain renewal change

To whom it may concern:

As a small indie developer I strongly oppose a change to the domain renewal process that would cease month-by-month renewal.

It provides an averaging effect for domain costs over the year, and typically it allows me to obtain the domains for new projects without outlandish costs being incurred should the project not proceed (as most of them do not.)

The month-by-month system has been a huge relief compared to the stress and up-front cost of ensuring all of the possible domains a client wants are registered through an annual system.

Some of us are operating on dollars and cents right now. Please do not halt this service.

2. Jamie Kahn Genet - 16 March 2021

My support for retaining monthly renewal of .nz domains

G'day.

I'd be sad to see monthly renewals of .nz domains go away, as it allows me much greater flexibility to try out new ideas without investing too much right off the bat.

Plus, as someone who occasionally creates videos on YouTube to do with various web and email hosting activities, etc, I've found it very handy to be able to show off a service with a new domain name that won't cost me more than a few dollars to have, while I create said videos. Having to purchase a domain for 12 months would exceed the ad profit from most of these videos.

So, I hope you'll retain monthly renewals :-)

Regards,

Jamie Kahn Genet

3. Craig - 22 March 2021

Keep monthly domain renewal

I have a bunch of personal domains and would not want to pay for them all upfront. Monthly allows me to budget easier.

4. James Sleeman - 22 March 2021

Submission on Draft Rules, Section 2.2.6

Section 2.2.6 in the draft rules concerns the period of registration (term) of domain names.

The section states that the term of a domain "must be indicated in whole years"

Currently I utilise a registrar (Metaname) which allows NZ renewal on a sub-yearly basis (or super-yearly basis not a multiple of years), down to monthly.

As a small web development business which registers NZ domain names on behalf of customers (with their registrant details of course), I use shorter terms to maintain a more stable cash-flow across the year, reduce costs when a domain name is no longer required, reduce costs when after registration a domain name is found to be incorrect or undesired by the customer, and reduce costs if (as a web developer holding domains on behalf of a customer) a customer decides that paying bills is an optional thing after a domain has been registered/renewed.

It seems that as registrars themselves will continue to be billed monthly for the domain names they currently hold in their portfolio, that customers of the registrars (and their customers) should also get that opportunity if they wish it. This change would effectively remove that possibility.

If the change is borne out of technical concerns (frequency of updates), then I would suggest that a 3 month unit of term would be a reasonable compromise. If the change is not borne out of technical concerns, then I would suggest that it is change for change's sake, and not necessary at all to change from 1 month minimum terms.

Yours Sincerely,

James Sleeman

5. Adam Warner - 22 March 2021

.nz policy review Submission

Dear InternetNZ,

As an appreciative user of monthly registration and renewal via Metaname I would like to respond to questions 25 and 26 of your .nz policy review Submission template:

25. Have we correctly assessed the implications of moving to yearly registrations and renewals? Are there other implications we have not considered?

26. Is there a better way of doing this?

Metaname provides a value-added service in the form of optional monthly registration and renewal. This is valuable to me as it saves me money but it is also valuable to InternetNZ as it potentially increases business intelligence by exposing information about intentions to you and the wider public within earlier timeframes.

When trying to decide whether to acquire a NZ domain name I frequently rationalise that it's only a couple of dollars to make a mistake (mistakes can be very apparent after a few days). By doing so I've made my intentions public earlier than if the fee was for a minimum of one year. This can provide InternetNZ and the wider public with more timely information about longer-term registration intentions. In addition unwanted domains become available for registration by someone else in a minimum of four months (one month + 90 days pending release) instead of a minimum of fifteen months (12 months + 90 days pending release). Again, early public information that someone is unlikely to want a domain name improves the efficient operation of the market.

It is disingenuous to characterise eliminating a valuable customer service as a way to "lower entry barriers for new registrars." Whether a registrar supports monthly registration by its customers is optional. Most don't publicly admit it exists. This goes a long way to explaining the low adoption of monthly registration. The public needs to be aware of an option before being able to adopt it. I suppose instead of educating customers and competing on customer service the benefits of a lower-level playing field could be touted instead.

Look at the euphemistic language in this expressed advantage: "International registrars' understanding of our 1 month auto renewal terms can diminish between initially connecting to our registry and improving or revising their systems." "can diminish" is a euphemism for forgetting the rules. And "improving ... their systems" is a euphemism for breaking their systems so they no longer work with the NZ Registry!

I cannot comprehend why InternetNZ is intent on eliminating a value-added service provided by trusted NZ Registrars supporting the local economy in preference to overseas operations that cannot follow our rules. The review already admits these operations "can diminish" in "understanding of our 1 month auto renewal terms". Their reward for not following the existing terms is elimination of our existing rules.

Note the 2021 draft rules still refer to the wholesale fee as a monthly amount:

7.3. Procedures and requirements

7.3.1. The fixed wholesale fee for each .nz domain name (referred to in clause 7.1) is \$1.50 per month.

7.3.2. InternetNZ will invoice each Registrar on a monthly basis for the aggregate amount due for the .nz domain names it manages as specified in Schedule 4 (Billing Business Rules).

As yet there are no changes to the Billing Business Rules. If InternetNZ prohibits monthly registration and renewal then the fixed wholesale fee should ideally be respecified as \$18 per year.

A single disadvantage of eliminating monthly registration is highlighted in your review ("a small number of purely domain-focused registrars have used this as a point of difference.") There is no recognition of new costs imposed upon some end users. A single New Zealand domain is already about 50% more expensive than a dot com. And by opening up the second-level registry it is now good practice for a New Zealand business to have twice as many New Zealand domains as dot coms (one .nz and one .co.nz for every .com). A minimum of 1 year registration makes it more than three times more expensive to regret buying all three domains at once. Is it in New Zealand's interests for citizens to hesitate in registering NZ domains at the same time they register a dot com?

[The maths: Yearly renewal of a .com is around 9.99 Euro. Round it up to NZ\$20. NZ domains are around \$30 (excluding GST). Total yearly cost is $\$20 + \$30 + \$30 = \80 . With monthly registration initial cost is $\$20 + \$2.50 + \$2.50 = \25 . Three times \$25 is \$75--still less than \$80.]

In the implications for the proposal you state "Simplifying the billing term and frequency reduces the complexity required

for the registry billing system." and "A simplified billing system reduces the support overhead and the effort required for testing, troubleshooting issues and reconciliation." I expect core functions to have costs and responsibilities associated with them. I suspect costs that can be directly attributed to monthly registration and renewal are so minor that they are immaterial, particularly in comparison to InternetNZ's overall budget.

I'll end with a potentially relevant analogy. Most Netflix subscribers are loyal and subscribe for a very long time, just as most domain name holders register for a very long time. Can you come up with a single reason why Netflix should eliminate monthly billing? The benefits of monthly billing are numerous: it lowers the costs of entry; increases the chance of hooking a customer; customers can find monthly billing more affordable even if the overall price is higher; higher customer satisfaction; less price sticker shock; etc.

Why should this level of customer responsiveness by NZ Registrars now be prohibited? Who was responsible for guiding this proposal to eliminate monthly

registrations and renewals? Does it indicate some degree of regulatory capture within InternetNZ?

Regards,

Adam Warner

6. Chris Muller - 25 March 2021

.nz policy review

Hi,

In regards to Questions 25 & 26.

I think the monthly registration of domain names should continue as it aligns with all of our other ongoing monthly subscriptions that we, as an MSP, provide to our customers.

Regards,

Chris Muller

7. Rhys Goodwin - 29 March 2021

Submission on Policy Review

Kia ora,

I oppose the removal of month-by-month domain renewals because:

1. Innovation. The spark of an idea, and the possibility to register the name you want and then release it again when you change your mind. This is stifled when you need to commit for an entire year.
2. Very small organisations need to spread their costs over a year. It might not be much but for a small club such as a Toastmasters club there are many small costs which add up and when they can be spread out it makes things easier. Please don't create a barrier for small not-for-profit community organisations.

Thanks,

Rhys

8. Michael Murphy - 29 March 2021

Disagree with month-to-month change

Hi there,

I personally disagree with this change from a developer / sysop's point of view.

Month to month domains are very handy for testing things and also setting up temporary sites (for example, weddings) without having to pay for a domain for a full year.

Whilst I agree domain names are cheap and it doesn't break the bank paying for a domain for a full year at a time this does add a domain to my portfolio for a full year instead of just for the time I need it. This is a very handy feature of my current domain provider, Metaname.

Cheers,

Michael

9. Jack Pivac - 29 March 2021

Feedback on proposal to end monthly renewals

Hi Team,

My feedback re moving to yearly minimum registrations.

I disagree with this move for the following reasons:

1. I've used 1 month renewals occasionally in the past when someones domain has accidentally expired, and it allows us to get them up and running again without the financial risk of a full years renewal if they subsequently don't pay.
2. 1-2 month domains can be useful for testing purposes, without a full years registration
3. Because the system is already in place, I can't see a major benefit in removing something that already works.
4. If international registrars are struggling to understand monthly renewals, then that's their problem. I would prefer to support NZ based registrars that provide a higher level of service, vs the godaddys of the world that provide poor service.
5. You are not forcing registrars to enable monthly renewals, so I can't see how it lowers barriers to entry. They can opt to support yearly renewals if they want. If not, they don't have to.

6. If this is easier for you to maintain, will you be passing on these cost savings and reducing annual renewals?

Thanks,

Jack

BlueTwist Web Development

10.Rhys Evans - 29 March 2021

Do Not Remove Monthly Registrations!

To whom it may concern,

I am the holder of over 250 domain names. Currently a lot of these are on monthly subscriptions because I do not have the money to pay the outrageous yearly registration price that .NZ seems to have imposed.

Last year the price with most registrars shot up nearly \$10, now there's discussion that you want to do away with month to month billing.

You're basically saying I'd have to find \$6750 to pay the annual fee for my domain names in one lump sum every year. As it stands I can pay \$600 a month to companies such as Metaname which have retained the monthly billing.

This is completely unacceptable to me and my cash flow.

Monthly registrations allow us to factor our cash flow throughout the entire year, by either selling the website asset or by putting money into other projects allowing us to retain our digital assets without breaking the bank.

As a holder of many domains around the world, the best motto I can give you is, if it's not broken don't fix it. Maybe a small number of people use monthly, but with the crazy yearly pricing charged by the .NZ registrar it's the only option for our business.

In comparison .com.au is \$9.95 per year. .co.uk is similar, Nearly 3 times less than the cheapest .NZ registrar. If you drop the price to something like this I would happily pay yearly, but at \$27+GST, it's simply not viable.

There is mention to an easier to use platform for registrars if using 1 month is removed on page 33. Well Metaname is a perfect example of how this works well. Maybe if other registrars offered monthly domains, the up take would be much higher than 4.2%. Why don't registrars offer it? Because most people never actually use their domain name, and it's easier to take your \$10 profit in one transaction, rather than over the course of 12 months. It's not because of 'clean-up' issues as it's been sugar coated.

It's obvious to me that this business pricing model works well for Metaname as they actually get more money from me throughout the entire year. But in return there's no phone support or luxury features that other registrars like to offer which can only be done with yearly pricing.

Again if it's not broken, why change it? If non monthly registrars don't want to charge monthly, then what's the problem? There's mention in page 33 of registrars needing to support monthly, but they don't offer it. If someone transfers a domain name, they can renew it for a year.

Hope you don't make a change that will ruin it for the 4.2% of us - probably the majority of us holding the most domains per person.

Regards

Rhys

11. Mike Clements - 30 March 2021

Minimum registration and renewal period

My submission is that I do not agree that we should get rid of 1 month renewals, in fact we should be promoting them more. I see this as an area where we are leading with more freedom and options, not falling behind.

1 month renewals allow short term stay for everything from marketing campaigns to school projects without unnecessarily taking up valuable namespace. And is quite useful when you want to change the time of year that renewals occur.

If anything I would say that we should be reducing the maximum period of registration/renewal to 12 or 24 months so that domains are regularly checked and maintained. Very little effort is required to complete renewals.

Many of your implications are invalid, registrar's often don't implement 1 month renewals so are free to continue selling 12 month renewals as they currently do. It does not complicate things as they simply don't offer it.

Mike Clements

12. Tristram Cheer - 29 March 2021

I strongly disagree with this change from a dev/ops position.

Month by month domains allow for short term testing setups/allows for billing alignment to specific months for customer billing reasons/allows for PoC sales demos/allows for short term events to have unique branding. I don't see any benefit in creating artificial restrictions on this nor have the panels review considered the impact on those 4.2% of domains registered in a monthly setup nor have they explored WHY they may be in that setup. The review points:

- Easier for most registrars to understand and implement
Almost all registrars already support NZ domains this is a past cost and didn't seem to have a big impact
- Easier for most registrars to maintain
See point above, the current ecosystem of registrars is pretty vast and competitive as well showing this "impact" isn't widespread enough to cause shrinkage in options
- Easier for us to implement
It's already implemented? Doing nothing requires no change to existing systems
- Easier for us to maintain
If this rule was to proceed I don't see anything flow on reduction in domain pricing? In your 2020 annual report registry fees of \$10mill+ are recorded yet the DNC is \$1.2million of expenses and Tech Services \$2.5mill. There is also a little over \$16mill in cash. You are operating well within your means and aren't hard up for money so why take away flexibility and freedom from your customers?

Overall the reasons for taking this feature away aren't clearly explained and the impacts of taking it away aren't explored. It comes across as a cash grab which it shouldn't be