

Research into the online behaviour and attitudes of Australians in relation to movie and TV piracy.



*"I live on the internet, almost daily
I talk, text, watch movies and
download everything I can for free"*
14-15 year old

IPAF Research Summary 2013

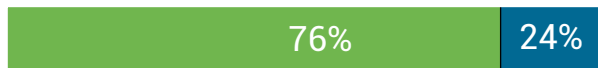
KEY FINDINGS

- Illegally downloading movies or TV shows is not the social norm amongst Australians aged 12-17 (despite the anecdotal assertion that "everyone does it") – 76% say they don't pirate movies and TV shows.
- The majority of 12-17 year-olds who use illegal websites to access pirated content recall viewing gambling advertisements and pop ups, and over a third recall sex industry advertisements. This supports recent academic research¹ that found piracy websites are increasingly dependent on high-risk advertisements as their primary means of profit.
- Almost half of Australians aged 12-17 agreed that the internet should be more regulated in order to prevent piracy- only 19% disagreed.
- Parental influence is a key factor in the behaviour of Australians aged 12-17. 78% of teens who don't download illegally say that their parents have spoken to them about piracy.
- The primary motivator for Australians of all ages illegally downloading movies and TV shows is that it is free.

¹ "A systematic approach to measuring advertising transparency online: an Australian case study" Dr. Paul A. Watters, University of Ballarat 2013

Why do kids pirate?

76% of Australians aged 12-17 do not illegally download movies and TV shows.



■ non active ■ active pirates

"I don't believe it's acceptable even though I do it anyway, the show and everyone involved works hard...and provides entertainment at a cost which we take advantage of." 16-17 year old

they incorrectly believe it's the social norm.

The behaviour is legitimised by the mistaken perception that it is the dominant behaviour – that "everyone is doing it".

"Why should I be the sucker that has to pay for what everyone else is getting for free?" 12-13 year old

because nobody is stopping them.

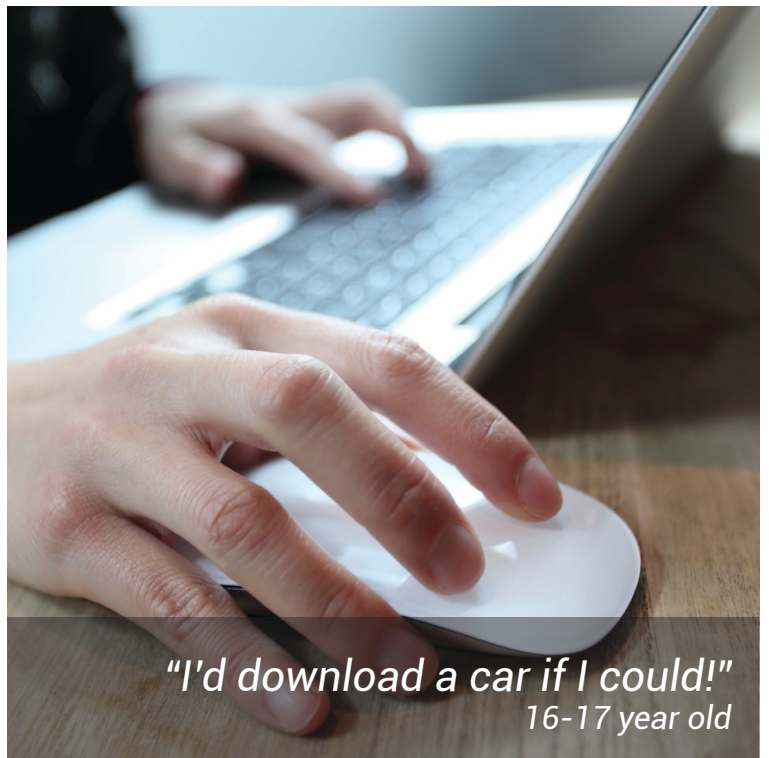
If it's there, teens assume it must be OK otherwise it would be shut down by the government, police or the industry.

They believe that there are no consequences for individuals or those operating piracy websites.

The lack of intervention reinforces the belief that it is not really important enough to act on.

"If you aren't chased up for it and if the websites are still running (police could cancel them) then no, it isn't piracy." 14-15 year old

"...it is so easy to do, with no real consequences for those pirating the content." 16-17 year old



*"I'd download a car if I could!"
16-17 year old*

because it's free.

12-17 year-olds are not just attitudinally averse to paying but also physically restricted - they have limited funds and their parents are unwilling to foot the bill.

"Free" impacts how content is valued. The proliferation of pirated movies & TV shows online undermines the value of content.

"Even at 99c a download, I download/stream too many shows for it to be a reasonable price." 16-17 year old

"I wouldn't waste my money on something I wasn't going to love." 14-15 year old

they mistakenly believe it does no real harm.

However, they rationalise & justify their own behaviour in this context, maintaining that, people in the industry make too much money, or that as it's only for personal use, it doesn't count.

"...all the actors that played in Twilight were not only millionaires, but have now branched off into other movies...research has shown that even though movie piracy exists, Twilight DVD sales were one of the highest selling sequels ever made...I think I have made my point." 14-15 year old

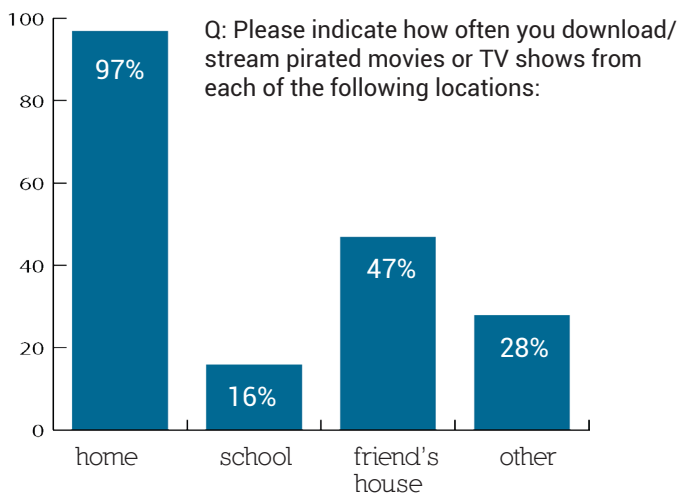
"I only watch it for myself and my family so I don't feel bad." 12-13 year old

Parental Influence

78% of 12-17 year-olds who do not pirate have had a conversation about online piracy with their parents.

12-17 year-olds predominantly download or stream pirated content from home.

16% say they have downloaded/streamed pirated movies or TV shows at school.



64% of 12-13 year-olds said their parents are aware that they have pirated movies and TV shows.



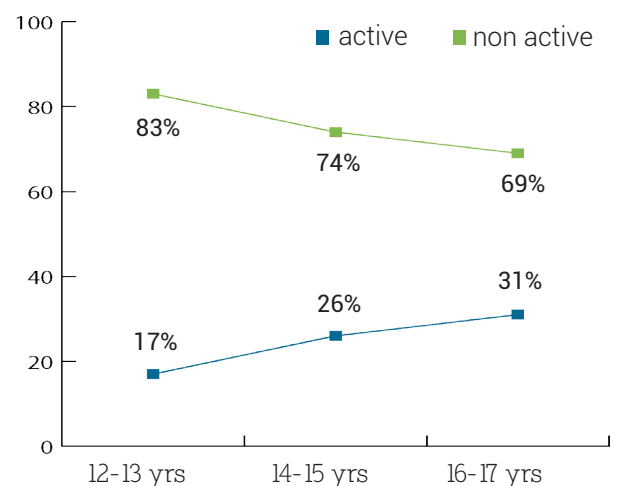
Parents give unspoken or actual approval for illegal downloads.

- Online activity is a vulnerable area of parenting
- Parents have more control in younger age groups, as expected, but parents believe they have more control than they actually do
- They fear for the safety of their children online and are concerned about them becoming victims of cybercrime such as identity theft and cyberbullying
- They show less concern about their children being perpetrators of online misconduct

"Well, my parents do know that I download because my mum was one of the people that taught me how to download, and both of my parents are fine with it..." **16-17 year old**

"My mum doesn't really mind because I am not doing anything that is viewed as illegal or wrong..." **12-13 year old**

The activity of illegally downloading movies and TV shows increases with age:



"My heart says yes it is wrong to be doing [this] due to the fact that it is piracy...but it's there, it's free and I'm loving it." Parent

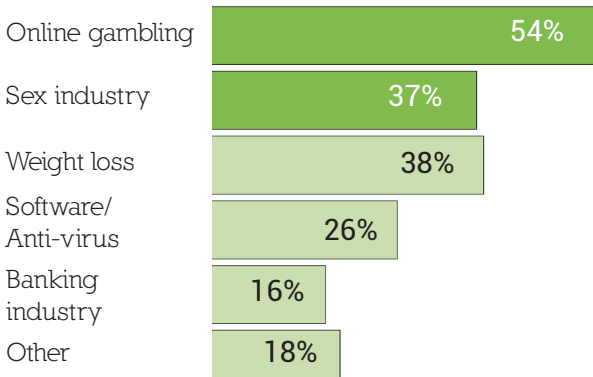
High-Risk advertising exposure

Australians aged 12-17 years face real risks when accessing piracy sites whose profits are increasingly dependent upon sex industry and unregulated gambling advertisements.



"...almost everything comes up with porn..." 12-13 year old

Q: When viewing pirate websites, what kind of ads or pop-ups do you see on these types of websites?



"The sexual ads can be so awkward! Like when they pop up I try and shut it down really quick." 14-15 year old

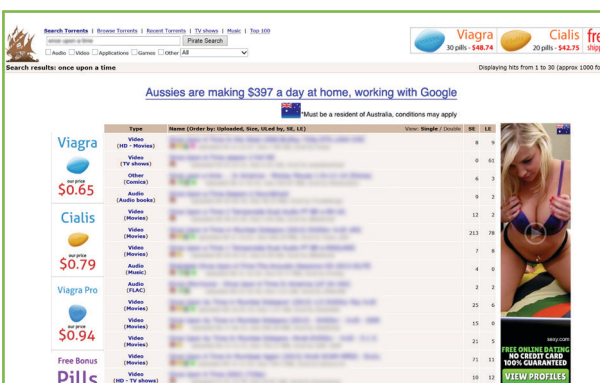
"Just watch out for the ads...they're weird and not cool!" 14-15 year old

"By accepting advertising from these dubious sources... (piracy website) owners are showing that their snouts are well and truly in the sort of money trough no respectable or ethical business would go near in a million years... Parents who hitherto may not have bothered much about their children's engagement with piracy need to know about this aspect... Right now I'm afraid largely they don't."

John Carr, Executive Board member of the UK Council on Child Internet Safety, the British Government's principal advisory body for child online safety and security.

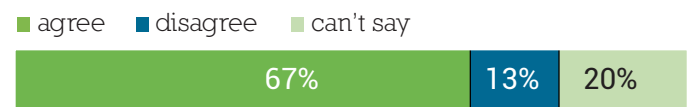
75% of 12-17 year-olds recognise that downloading/streaming pirated movies or TV shows puts them at risk of getting viruses, spyware or other malware.

Below is an example of sex industry advertisements which appeared when searching for a popular children's film on piracy site "The Pirate Bay".



PIRACY IS STEALING

Q: Downloading or streaming pirated movies or TV shows is stealing/theft



LEGAL ALTERNATIVES

Q: There is an increasing number of options for people to legally obtain and watch TV shows and movies (e.g. via legal websites, iTunes and through digital channels)



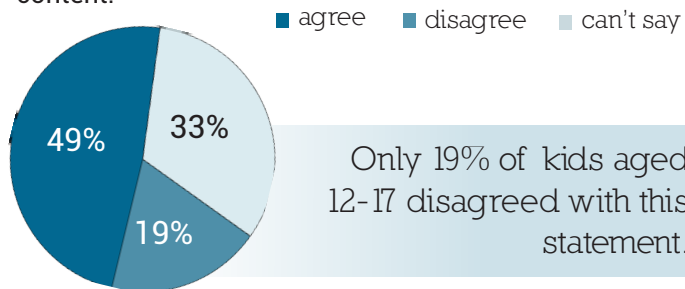
NB: Figures total 99% owing to rounding

Internet Regulation

Teens are not averse to regulation.

Q: Do you agree or disagree with the following statement?

The internet requires more regulation to prevent individuals from downloading or streaming pirated content.



NB: Figures total 101% owing to rounding

Sycamore Research: methodology

12-17 YR OLD QUANTITATIVE RESEARCH (JUNE 2013)

Quantification of online behaviour in relation to movie and TV piracy

- 606 respondents aged 12-17
- Post-weighted to ABS data on age, sex, area
- Online study by Sycamore Research in partnership with Newspann

12-17 YR OLD QUALITATIVE RESEARCH (3-20 MAY, 2013)

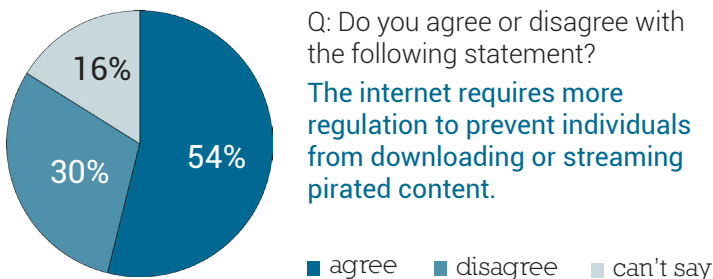
Qualitative exploration of attitudes, behaviour & influences in relation to movie and TV piracy

- 27 respondents aged 12-17, M/F, all of whom are active film/TV pirates
- Fully moderated online qualitative platform - diary, forum & feedback over 2 weeks
- 12 parents of children participating in the study, 2 parents without children in the study - pirates and non-pirates
- Online study by Sycamore Research

Internet Regulation

Adult research

The majority of adults agree that the internet needs more regulation to prevent the illegal downloading/streaming of movies and TV shows.



"I honestly have no idea of the corporations that are trying to reduce piracy. It seems such a common thing now that they could hardly make a dent." 12-13 year old

"I'd assume [if] the movie companies and the government would be trying to minimise piracy, they'd shut down websites dedicated to illegally downloading." 16-17 year old

"I don't really know why piracy is acceptable, even though that's where I get all of my shows and movies from." 12-13 year old

"If there was a problem with having the free video downloading websites, they would not be online." 14-15 year old



Adult Research

Sycamore Research: methodology

ADULT QUANTITATIVE RESEARCH (JUNE 2013)

Quantification of online behaviour and attitudes in relation to movie and TV piracy

- 1229 national respondents aged 18-64
- Results post-weighted to ABS data on all standard demographics
- Online omnibus in partnership with Newspoll

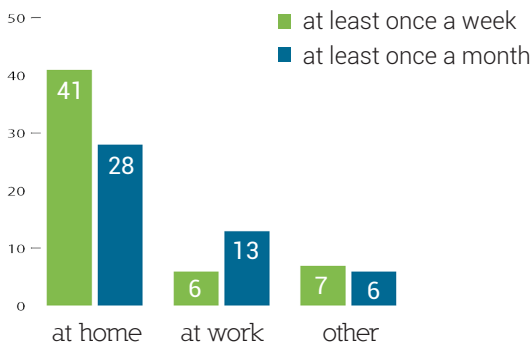


Only 25% of adults say that they engage in illegally downloading/streaming movies or TV shows.



WHERE DO THEY DO IT?

28% of illegal downloaders have pirated movies or TV shows at work.



67% of adults agree that downloading/streaming pirated content is stealing or theft.

WHY DO THEY DO IT?

FREE is a primary motivator for piracy.

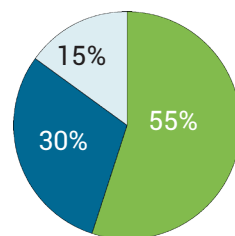
Q: If your favourite TV show was available on an online legal service in Australia at the same time as in the United States, which of these would you do:

- Download a legal version at \$2.99 per episode
- Download a pirated version for free



WHAT NEEDS TO BE DONE?

The majority of adults agree that courts should have the authority to decide to block overseas websites that solely profit from pirated content.



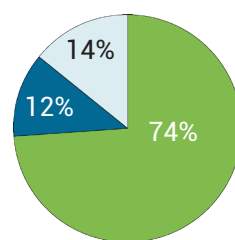
Q: Do you agree or disagree with the following statement?

Similar to other countries, Australian courts should be allowed to decide to block overseas websites that solely profit from pirated movies, tv shows or other copyrighted material.

■ agree ■ disagree ■ can't say

LEGAL ALTERNATIVES

74% of adults agree that there is an increasing number of legal alternatives for watching movies and TV shows.



Q: Do you agree or disagree with the following statement?

There is an increasing number of options for people to legally obtain and watch TV shows and movies (e.g. via legal websites, iTunes, and through set top boxes, gaming consoles and digital channels).

■ agree ■ disagree ■ can't say

ABOUT IPAF

The Intellectual Property Awareness Foundation (IPAF) – a non-profit foundation made up of Australian film and television organisations committed to informing consumers about the damaging impact of content theft and highlighting the role of copyright.

To better inform the debate, IPAF undertakes annual research into the attitudes and actions of Australians in relation to the issue of illegal downloading of films and television shows. The aim is to influence behaviour through education about the contribution that responsible use can make to the future of Australian content.

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For more information regarding Sycamore Research, please visit their website at www.sycamore.com.au