

A Study on Consumption Behaviour of Pirated Copyright Works

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Background and Objectives

- **Trademark Infringement Symposium**
- **Copyright piracy** – another global problem for many years
 - Over 1/3 of software used globally was pirated (\$46.3 billion) in 2020, Business Software Alliance Report (2020)
 - WIPO carried out a study assessing consumer attitudes towards piracy and behavior in the Philippines, 2021, namely WIPO/ACE/15/9 – Consumer Attitudes and Awareness in the Philippines
 - Scale of piracy can vary significantly through different countries and regions as well as across product categories
- **Objectives of this research:**
 - Extend WIPO research in 2021
 - Enrich understanding of consumer attitudes and behaviors in Indonesia and Thailand
 - Identify the motivational drivers for consuming pirated copyright works
 - Findings may be used to inform policy-making and legislative development and to shape anti-piracy strategies

Approach

- **Choice of research context:** Thailand and Indonesia
 - Geographical location
 - Copyright infringement is widespread
 - Considered to be markets of concern by authorities in other countries
- **Mixed method**
 - 1-2-1 face-2-face interviews: 20, stratified convenient sampling
 - Identify most pirated products
 - Inform questionnaire design
 - Predict and address any potential difficulties
 - Refine WIPO Simplified Consumer Survey Toolkit
 - Online survey: 1170/1157
 - Thailand: snowballing
 - Indonesia: snowballing and a market research company
 - Revised WIPO Simplified Consumer Survey Toolkit (mostly 10-point scale)
 - Incentives

Interview Key Findings

- Pirated copies were widely accessible to consumers
- Music, movies/TV programs (video on demand), TV channels (live broadcast) and computer software were the most pirated works
- Some interviewees did not differentiate between piracy and trademark infringement, even after a clear definition was offered
- Most of the respondents could not recall when piracy or related issues were ever the subject of public discussion
- Music piracy was no longer as prevalent as in previous years
- Some respondents reported that pirated computer software were offered to them free of charge when they bought their PC/laptop



Survey Key Findings - Similarities (1/5)

- Use of pirated works remains prevalent, and popularity varies depending on product categories.
- Movies/TV programs are the most pirated products (music comes second).

Knowing Thai consumers of pirated works (55.6%)

Category	Number of consumers	% All respondents
Music	152	23.5%
Movies /TV programs	253	39.2%
TV channels	106	16.4%
Computer software	113	17.5%

Knowing Indonesian consumers of pirated copies (38.9%)

Category	Number of consumers	% All respondents
Music	118	23.1%
Movies/TV programs	137	26.8%
TV channels	56	11.0%
Computer software	85	16.6%

Survey Key Findings - Similarities (2/5)

Methods of knowing access to pirated works – Thai consumers of pirated copies

Access	Music	Movies/TV programs	TV channels	Computer software
Unofficial user-created channels on YouTube official streaming	60.5%	31.6%	n/a	n/a
Unofficial website	26.3%	47%	n/a	n/a
Computer/tablet using unofficial streaming website	21.1%	33.2%	45.3%	n/a
Search using an app/service on a computer/tablet/phone	n/a	n/a	n/a	51.3%
Number of consumers	152	253	106	113

Methods of knowing access to pirated works – Indonesian consumers of pirated copies

Access	Music	Movies/TV programs	TV channels	Computer software
Unofficial user-created channels on YouTube official streaming	65.3%	64.4%	n/a	n/a
Unofficial website	45.8%	66.1%	n/a	n/a
Computer/tablet using unofficial streaming website	18.6%	34.7%	24.6%	n/a
Specific websites that you regularly use	n/a	n/a	n/a	41.5%
Number of consumers	118	137	56	85

- **For consumers** who knowingly use pirated works, the most often used access method varies depending on product categories.
- Consumers find **most pirated works** via search engines such as Google.

Survey Key Findings - Similarities (3/5)

- More than 10% of respondents use pirated works **at least once a month**.

Thailand usage frequency of pirated copies

Usage frequency	Music	Movies/TV programs	TV channels
Daily	4.5%	2.5%	1.4%
Weekly but not daily	5.1%	8.0%	3.3%
Once or twice a month	3.7%	9.6%	5.9%
Cumulative %	13.3%	20.1%	10.6%

Indonesia usage frequency of pirated copies

Usage frequency	Music	Movies/TV programs	TV channels
Daily	10.4%	6.1%	5.7%
Weekly but not daily	6.7%	10.0%	6.5%
Once or twice a month	6.1%	8.6%	6.7%
Cumulative %	23.2%	24.7%	18.9%

Survey Key Findings - Similarities (4/5)

- Perceived **poor value for money** of subscription is the most prominent reason for consumption of pirated copies for movies/TV programs/TV channels; for computer software it is affordability.

Reasons for consumer piracy – Thai consumers of pirated copies

Reasons for consumer piracy	Music	Movies/TV programs and TV channels	Computer software
Original copies are poor value for money	11.0%	16.3%	15.0%
Official service subscription prices are poor value for money	17.0%	18.7%	n/a
I cannot afford to pay for original copies	11.8%	15.2%	20.6%
It's much easier than getting original copies	13.6%	16.1%	13.0%
Pirated copies were offered to me when I bought my PC/laptop free of charge	n/a	n/a	14.6%

Reasons for consumer piracy – Indonesian consumers of pirated copies

Reasons for consumer piracy	Music	Movies/TV programs and TV channels	Computer software
Original copies are poor value for money	7.6%	9.0%	10.2%
Official service subscription prices are poor value for money	9.2%	12.5%	n/a
I cannot afford to pay for original copies	11.4%	10.6%	14.3%
It's much easier than getting original copies	15.3%	13.5%	10.2%

Survey Key Findings - Similarities (5/5)

Confidence in telling apart unofficial sites from official sites – Thai nonusers of pirated copies

Confidence level	Percent
Very confident	34.8%
Quite confident	55.4%
Not very confident	3.9%
Not at all confident	5.9%

Confidence in telling apart unofficial sites from official sites – Indonesian nonusers of pirated copies

Confidence level	Percent
Very confident	17.6%
Quite confident	40.4%
Not very confident	35.3%
Not at all confident	6.7%

- More than 50% of consumers who use pirated copies believe pirated computer software is either the same or better quality than the genuine copy.
- The majority of consumers who do not use pirated copies have confidence in differentiating unofficial sites from official sites.

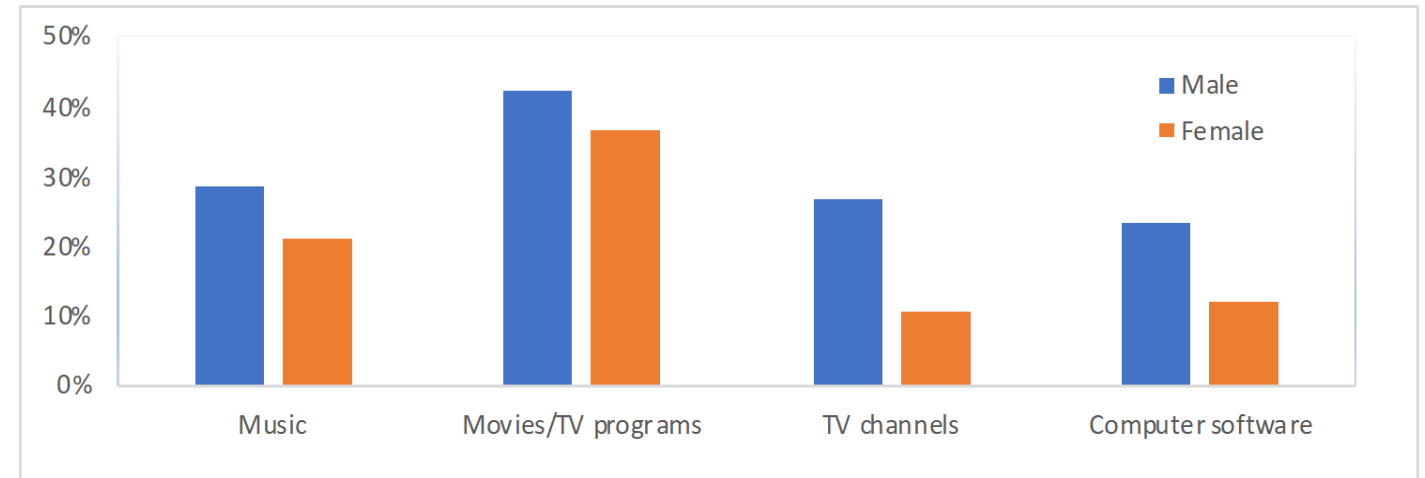
Survey Key Findings - Differences (1/6)

Gender

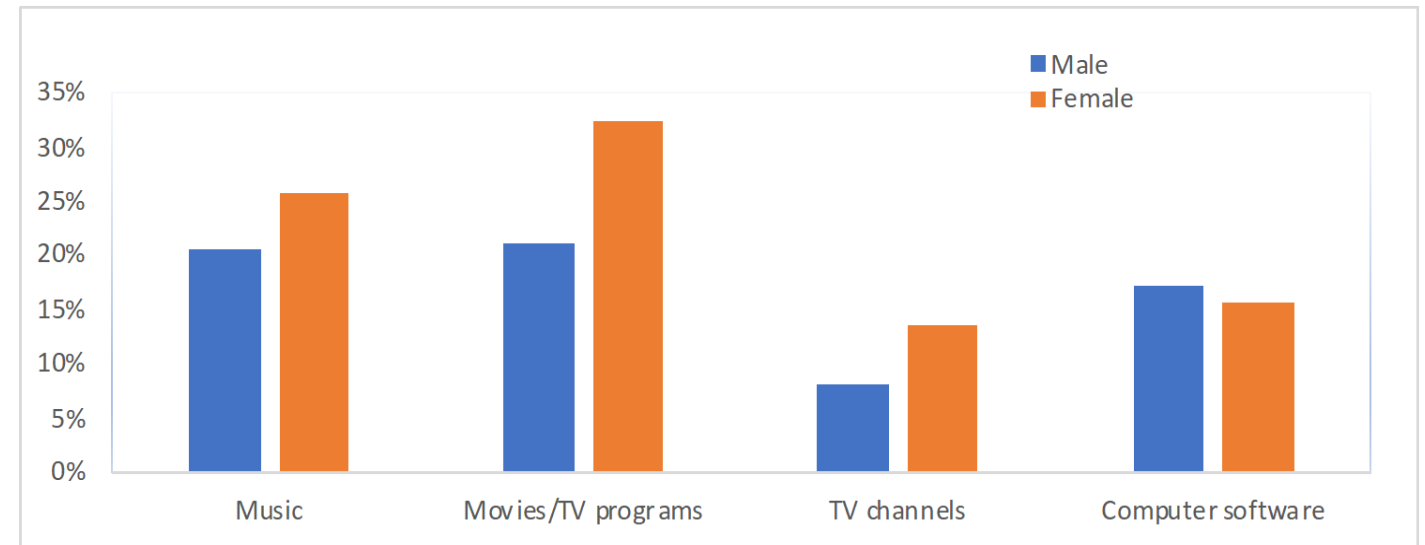
Thai male consumers are more likely than females to knowingly use pirated works.

Indonesian female consumers are more prone to use pirated copies than male consumers across all product categories except for computer software.

Gender distribution of pirated copies consumption – Thai consumers



Gender distribution of pirated copies consumption – Indonesian consumers

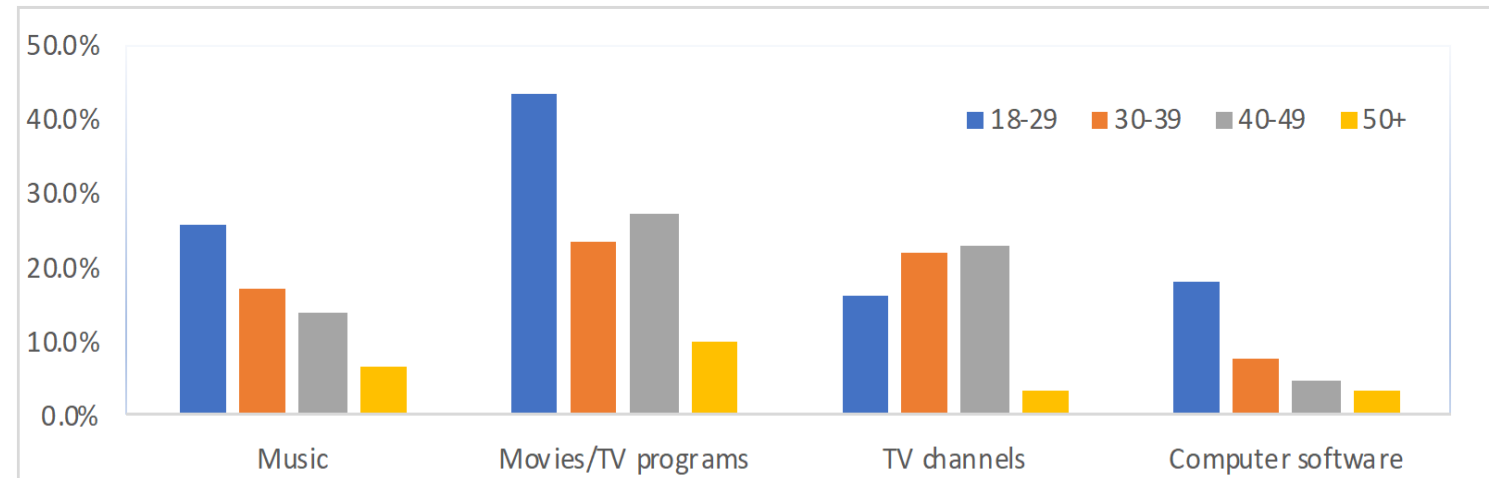


Survey Key Findings - Differences (2/6)

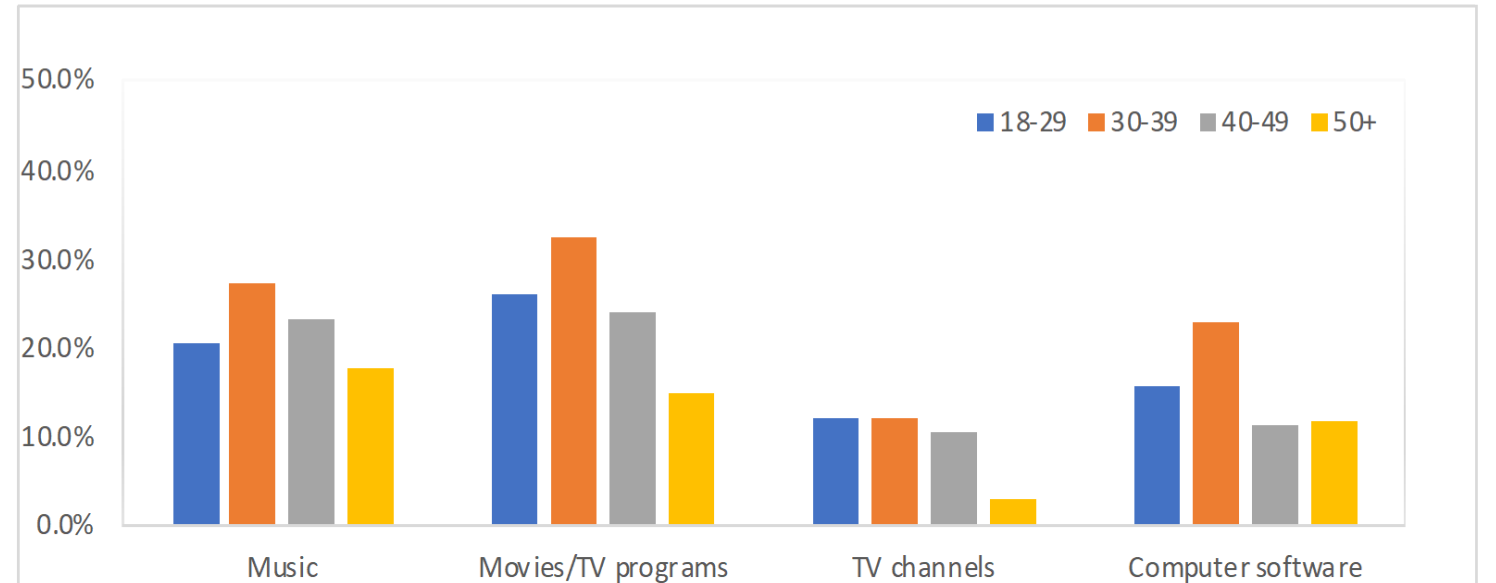
Age Distribution

Thai consumers aged below 30 are more inclined to use pirated works. Indonesian consumers aged between 30 and 39 are more likely to use pirated copies than consumers of other age groups, including those aged below 30.

Age distribution of pirated works consumption – Thai consumers



Age distribution of pirated works consumption – Indonesian consumers



Survey Key Findings - Differences (3/6)

Quality evaluation

Compared with Indonesian consumers, more Thai consumers who use pirated works believe that pirated music/movies/TV programs and TV channels are worse quality than original copies.

Quality evaluation of pirated copies – Thai consumers of pirated copies

Perceived quality	Music, Movies/TV programs and TV channels	Computer software
Much worse than original copies	22.8%	23.2%
A little worse than original copies	37.0%	25.2%
About the same as original copies	38.7%	49.6%
A little better than original copies	1.4%	1.4%
Much better than original copies	0%	0.6%

Quality evaluation of pirated copies – Indonesian consumers pirated copies

Perceived quality	Music/Movies/TV programs and TV channels	Computer software
Much worse than original copies	10.1%	12.7%
A little worse than original copies	38.7%	33.3%
About the same as original copies	42.7%	43.4%
A little better than original copies	3.0%	5.3%
Much better than original copies	5.5%	5.3%

Survey Key Findings - Differences (4/6)

- Compared with a 33% chance for Indonesian consumers, there is an approximate 50% chance that Thai consumers who do not use pirated works would encounter them unintentionally.
- The most prominent reasons for avoiding pirated music, movies/TV programs and TV channels are different between Thai and Indonesian consumers. It is having a subscription to the original service/copy for the former and quality concern for the latter.
- Regarding computer software, the most prominent reason for avoiding pirated copies is feeling bad/guilty for Thai and quality concern for Indonesian consumers.

Survey Key Findings - Differences (5/6)

Attitudes toward piracy

There are some significant **attitudinal differences** (e.g., perceived benefits, judgment, harm and perceptions) toward piracy between Indonesian consumers and non-consumers of pirated works. As regards to Thai consumers, there are not many attitudinal differences between consumers and non-consumers of pirated works.

Average attitudes towards piracy – Thai consumers

	Items	All	Consumers	Non-consumers
Benefit	Copied versions benefit the poor who cannot afford originals	5.07	5.40	4.67*
	I would be worried about being prosecuted and fined if I was accessing pirated copies online	7.00	6.53	7.59***
Judgment	I think it's wrong to make pirated copies of music, movies etc.	6.87	6.55	7.27*

Average attitudes towards piracy – Indonesian consumers

	Items	All	Consumers	Non-consumers
Benefit	Using pirated copies keeps me ahead of the crowd / up with the latest trends	3.31	4.32	2.60***
	Pirated copies give me access to what I want before it's officially available where I live	4.98	6.18	4.16***
	Copied versions benefit the poor who cannot afford originals	5.39	6.52	4.60***
Judgment	I think it's wrong to make pirated copies of music, movies etc.	6.67	7.09	6.38*
	Selling and distributing copied music, movies and computer software is wrong	6.32	6.78	6.01*
	I think it is wrong to use copied computer software	6.00	6.53	5.63**
Harm	Buying and consuming copied version cause no harm to anyone (reverse coded)	5.96	5.49	6.32**
	Selling and distributing copied music, movies and computer software causes no harm (reverse coded)	5.98	5.47	6.30**
	I feel I'm supporting the artist if I buy the original copy of a music release	6.73	7.17	6.43*

Note: * $p < .05$, ** $p < .01$, *** $p < .001$

Survey Key Findings - Differences (6/6)

Factors discouraging consumer piracy

The most influential factor that would discourage Indonesian consumers from knowingly acquiring pirated works is cheaper **price of original copies**. For Thai consumers it is greater convenience of original copies.

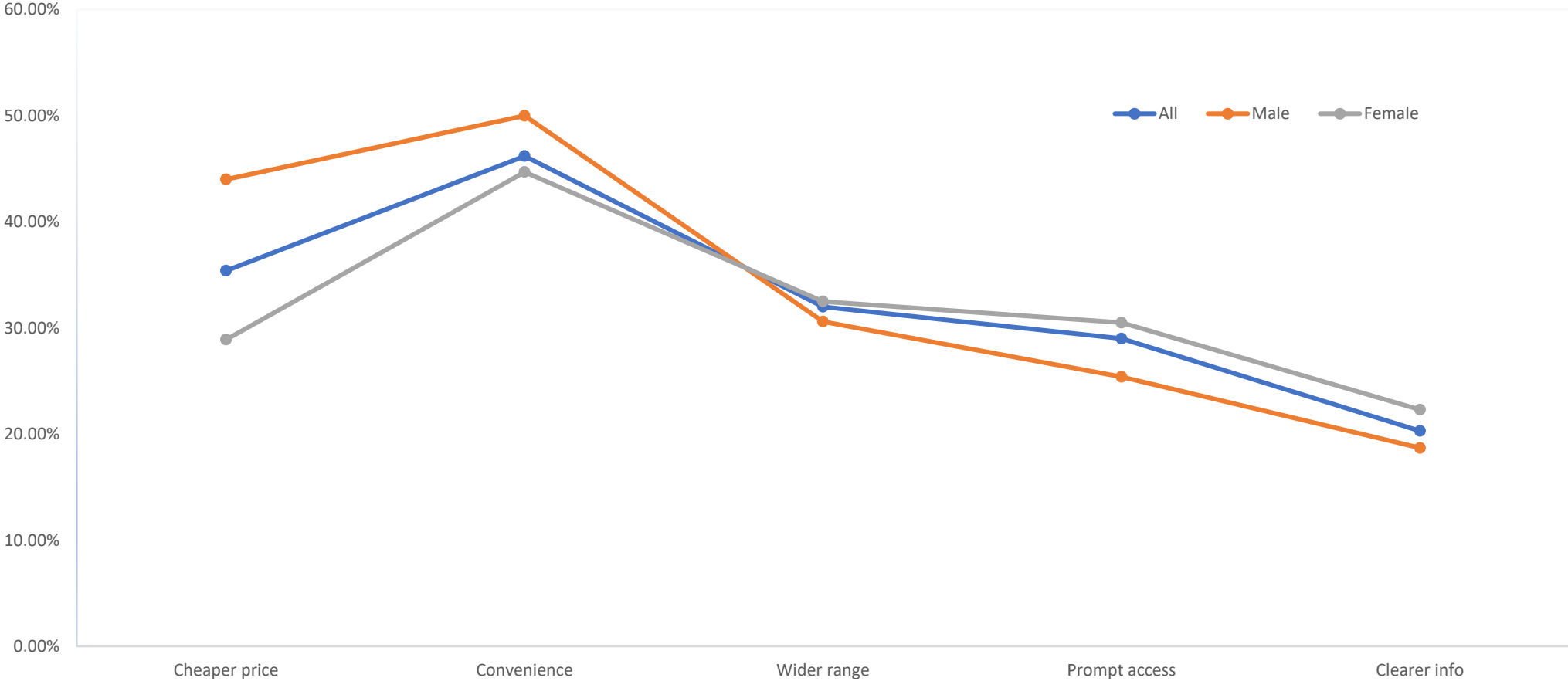
Factors discouraging consumer piracy – Thai consumer of pirated copies

Items	Piracy consumers	Male consumers	Female consumers
If official services were cheaper	35.4%	44.0%	28.9%
If official services were more convenient	46.2%	50.0%	44.7%
If official services had a wider range of product	32.0%	30.6%	32.5%
If everything I wanted was available through official services as soon as it was released elsewhere	29.0%	25.4%	30.5%
If it was clearer what is original and what isn't	20.3%	18.7%	22.3%

Factors discouraging consumer piracy – Indonesian consumer of pirated copies

Items	All	Male	Female
If official services were cheaper	62.8%	67.8%	59.5%
If official services were more convenient	41.7%	43.7%	40.5%
If official services had a wider range of product	40.2%	40.2%	40.5%
If everything I wanted was available through official services as soon as it was released elsewhere	30.2%	33.3%	27.9%
If it was clearer what is original and what isn't	13.6%	19.5%	9.0%
If I am aware that I would be facing a penalty, such as fine	14.6%	13.8%	15.3%

Gender and factors discouraging online piracy – Thai consumers of pirated copies



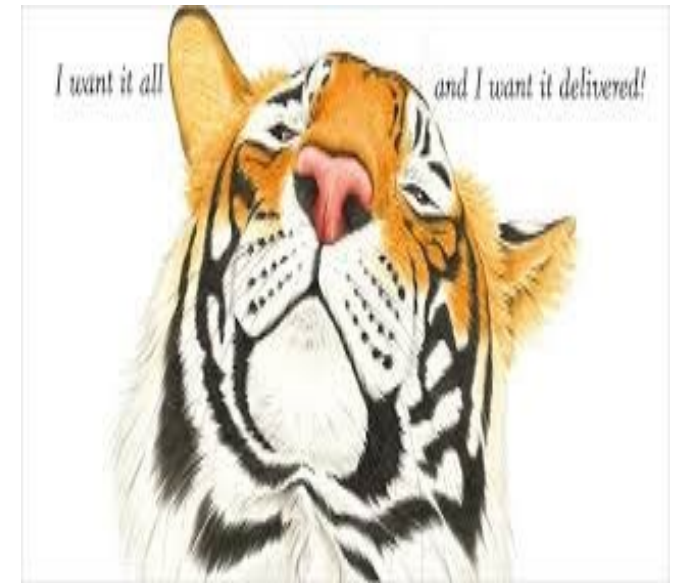
Implications



- Policies aimed at reducing consumer piracy should take into account product category, consumer characteristics as well as national level differences.
- When designing anti-piracy campaigns in relation to music, movies/TV programs and TV channels, marketers could particularly focus on promoting user friendly subscription services (Thai), and emphasizing resultant feelings of guilt one may experience associated with piracy consumption of computer software (Thai).
- Practitioners and researchers need to be mindful of the fact that some consumers in certain countries might not fully appreciate the differences between piracy and counterfeiting, thus effort is required to improve consumer understanding by raising awareness.
- Anti-piracy strategies need to be developed based on the most up-to-date knowledge because piracy is a fast-evolving issue.

Ongoing Efforts in the Space of IP Protection

- *Impact of Counterfeits on Original vs. Everyday Brands*
(internally funded PhD, completed)
- *Effective anti-counterfeiting communications*
(internally funded PhD, submission pending)
- *Counterfeited Product Prevention with a Blockchain
Technology-enabled E-Commerce Platform*
(externally funded, December 2024)
- *Journal*



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Thank you!

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