



OCI tracker benchmark study
Q3 2012
Introduction and key findings

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Section 1

Introduction

This report details the main findings of a large-scale consumer tracking study into the extent of online copyright infringement, as well as wider digital behaviours and attitudes, among people aged 12+ in the UK. The study was commissioned by Ofcom, undertaken by Kantar Media and made possible by financial support from the UK Intellectual Property Office (IPO). It is the first in a series of research waves intended to generate benchmarks and time series relevant to the access and use of copyright material online.

The research stemmed from a recommendation in the 2011 Hargreaves Review of Intellectual Property and Growth that Ofcom should not wait until its formal reporting duties arising from the Digital Economy Act began to start gathering independent data and establishing trends in the area of online copyright. Government adopted this recommendation and tasked Ofcom and IPO to work together to conduct research to gather the necessary evidence. This report is the result of this partnership.

This is a complex research task. The ways in which consumers access and share copyright material online change regularly, and infringement levels in particular are notoriously difficult to measure. Rather than focusing on one industry, the study looks at six main types of online content – music, film, TV programmes, books, video games and computer software – and for each of these assesses levels of infringement and locates this within wide patterns of consumer behaviour and content consumption.

The study seeks to provide as comprehensive a dataset as possible. It includes both older children (12-15 year olds) and adults who use the internet less frequently to get a nationally representative sample of UK individuals aged 12+. This requires a very large sample size (4400 individuals), and a hybrid online and face-to-face survey methodology. This approach has been carefully piloted¹ and subjected to independent peer review.² As such, we are confident that it represents the most appropriate and rigorous consumer research methodology to use in this area.

That said, as with all approaches to research, consumer surveys have limitations. In particular they rely on participants reporting their behaviour accurately and honestly – a sensitive issue in areas involving unlawful behaviour. We have allowed for this as best we can, most notably by deriving levels of infringing behaviour, rather than asking people about them outright.

Caution is needed when attempting to compare the results in this study with other market data, including industry figures relating to volumes of activity. Where data are not directly comparable, methodological difference in particular could lead to significant variations in apparently corresponding metrics.

It is also important to remember that consumer research offers only one perspective on levels of online copyright infringement. For a complete view of infringement levels, it needs to be considered alongside direct measurement of infringing behaviour on file-sharing websites and available industry data (e.g. network traffic volumes by protocol). Ofcom expects to consider a variety of data sources in the future as part of its Digital Economy Act reporting duties.

¹ <http://stakeholders.ofcom.org.uk/binaries/research/telecoms-research/filessharing/kantar.pdf>

² <http://stakeholders.ofcom.org.uk/binaries/research/telecoms-research/filessharing/peer.pdf>

Our hope is for this study to be a useful first step in improving and building the necessary evidence base for online copyright infringement policy. Our aim has been to report the data neutrally and without interpretation. Where we have made assumptions about the research we have noted this and our approach is available to scrutinise in the technical appendix at the end of this report. Alongside the report we have also published edited data tables and slide packs for those who wish to analyse the data themselves, and full tables are available on request.

We are keen to build on this first report. To this end we would welcome feedback and comment on ways to improve future waves of this research.

Section 2

Key findings

General copyright infringement

- One in six (16%) UK internet users aged 12+ were estimated to have downloaded or streamed/accessed at least one item of online content illegally³ over the 3 month period May-July 2012.⁴ A quarter of these (4%) only consumed illegal content.⁵
- Levels of infringement varied significantly by content type; our survey indicated that 8% of internet users aged 12+ consumed some music illegally over the three month period, while 6% did so for films. For video games and computer software the figure was just 2%.
- When looking only at those internet users who had consumed any content online over the three month period, 31% of those consuming any film content and 23% of those consuming any music content had done so illegally. Books had the lowest incidence of illegal consumption among those who had consumed any e-books online, at 11%.
- Online copyright infringers across all the content types were more likely to be male (58%), 16-34 (64%) and ABC1 (62%).
- Overall volumes of illegal content consumed online varied by category. Volumes were highest for computer software (47% of all computer software products consumed online were estimated to be illegally obtained), followed by films (35%) and music (26%), whereas it was lowest for books (12%).
- The survey data shows that for music, film and TV programmes, those who consumed a mixture of legal and illegal content claimed to spend more on that type of content over the 3-month period than those who consumed 100% legally or 100% illegally.
- When asking infringers why they download or stream/access content illegally, the most common reasons cited for doing so were because it is free (54%), convenient (48%) and quick (44%). Close to a quarter (26%) of infringers also said they do it because it means they can try before they buy.
- Factors that infringers said would encourage them to stop infringing included the availability of cheaper legal services (39%), if everything they wanted was available legally (32%) and if it was clearer what is legal and what isn't (26%).

³ Please refer to Section 1.2 for a full explanation of all calculations, including how legality is derived. We used the terms legal and illegal to make them readily comprehensible; we felt that terms such as "lawful/unlawful", "licensed/unlicensed" and "infringing" were too complicated (this was backed up by the cognitive testing we undertook prior to fieldwork).

⁴ Fieldwork took place between the 11th and 18th July 2012.

⁵ For convenience, we refer to the term 'consumed' to mean downloaded or streamed/accessed throughout this report.

- Regarding the threat of a letter from their ISP, 22% indicated that a letter suspending their internet access would put them off, falling to 16% for a letter informing them their account had been used to infringe, and 14% for the restricting of internet speed.
- Forty-four per cent of all internet users aged 12+ claimed to be either 'not particularly confident' or 'not at all' confident in terms of what is legal and what isn't online. Confidence was lower amongst females (51%) and C2DEs (48%). Although the proportion increased with age, 12-15 year olds (42%) claimed confidence was lower than all other age groups up to the age of 44.
- The most commonly cited indicator of the legality of a website was a reputable/well-known brand.

Music copyright infringement

- Eight per cent of UK internet users aged 12+ were estimated to have downloaded or streamed at least one music track illegally over the period May-July 2012. Of those who had downloaded or streamed any music over the period, just under one in four (23%) had done so illegally.
- Music online copyright infringers were responsible for illegally downloading or streaming over a quarter (26%) of all digital music consumed on the internet.
- The vast majority of those who consumed any music illegally online were male (60%) under 34 (79%), and ABC1 (70%).
- Music infringers who accessed both legal and illegal content online claimed to spend the most on the category as a whole,⁶ spending on average £77.24 over the 3-month period. The 5% of internet users aged 12+ who only accessed illegal content, spent much less (£13.80).

Films copyright infringement

- Six per cent of UK internet users aged 12+ were estimated to have downloaded or streamed at least one film illegally over the period May-July 2012. Of those who had downloaded or streamed any content over the period, close to a third (31%) had done so illegally.
- Film online copyright infringers were responsible for illegally downloading or streaming 35% of all digital film consumed on the internet.
- The vast majority of those who consumed any films illegally online were male (64%) under 34 (79%), and ABC1 (59%).
- Film infringers who accessed both legal and illegal content online claimed to spend the most on the category as a whole,⁷ spending on average £56.11 over the 3-month period. The 2% of internet users aged 12+ who only accessed illegal film content, spent much less (£28.25).

⁶ Music spend included individual digital purchases, online subscriptions, physical discs/vinyl/tapes purchased, concerts/gigs, and merchandise.

⁷ Films spend included individual digital purchases, online subscriptions, physical discs/tapes purchased and rented, and cinema,

TV Programmes copyright infringement

- Six per cent of UK internet users aged 12+ were estimated to have downloaded or streamed at least one TV programme illegally over the period May-July 2012. Of those who had downloaded or streamed any content over the period, close to a fifth (19%) had done so illegally.
- TV programme online copyright infringers were responsible for illegally downloading or streaming close to a fifth (19%) of all TV programmes consumed on the internet.
- The vast majority of those who consumed any TV programmes illegally online were 16-34 (64%) and ABC1 (66%).
- TV programme infringers who accessed both legal and illegal content online claimed to spend the most on paid for content (including physical rentals and purchases), spending on average £25.69 over the 3-month period. The 4% of internet users aged 12+ who only consumed illegal online content, spent much less (£3.51).

Computer Software copyright infringement

- Two per cent of UK internet users aged 12+ were estimated to have downloaded or accessed at least one computer software product illegally over the period May-July 2012. Of those who had downloaded or streamed any content over the period, 17% had done so illegally.
- Computer software online copyright infringers were responsible for illegally downloading or streaming close to a half (47%) of all computer software consumed on the internet.
- The vast majority of those who consumed any computer software products illegally online were male (70%), 16-34 (65%) and ABC1 (58%).
- Computer software infringers who accessed all their online content legally spent more (£26.27) on average on software products (including physical discs) than those who consumed any illegally (£14.61).

Books copyright infringement

- One per cent of UK internet users aged 12+ were estimated to have downloaded or accessed at least one e-book illegally over the period May-July 2012. Of those who had downloaded or accessed any e-books over the period, close to a tenth (11%) had done so illegally.
- Book online copyright infringers were responsible for illegally downloading or accessing 12% of all e-books consumed on the internet.

Video Games copyright infringement

- Two per cent of UK internet users aged 12+ were estimated to have downloaded or accessed at least one video game illegally over the period May-July 2012. Of those who had downloaded or accessed any video games online over the period, close to a fifth (18%) had done so illegally.

- Video game online copyright infringers were responsible for illegally downloading or accessing 18% of all digital video games consumed on the internet.
- The vast majority of those who consumed any video games illegally were male (73%) and under 34 (85%).
- Video game infringers who consumed all their content legally spent more (£34.51) on average on content (physical and digital) than those who accessed any software illegally (£25).