

THE PREVALENCE & TYPES OF PIRACY



137.2B visits to film and TV piracy sites globally in 2020.

11.4B downloads globally of pirated wide release movies, primetime TV and video-on-demand (VOD) shows in 2020 using peer-to-peer protocols alone, not including other sources like streaming and downloading sites.¹

USA



13.8B visits to film and TV piracy sites in 2020.

1.5M monthly visitors to the 10 most popular streaming piracy sites, on average.

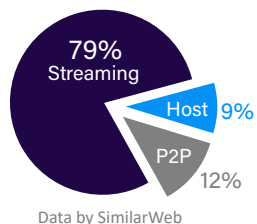
943.6M downloads of pirated wide release movies, primetime TV and video-on-demand (VOD) shows in 2020 using peer-to-peer protocols alone, not including streaming and downloading sites.²

10.6% of households used known subscription TV piracy services in 2020, up from 6.9% in 2019 and 5.5% in 2018.³

Canada



12.2% of households used subscription TV piracy services in 2020, up from 9.3% in 2019 and 8.3% in 2018.⁴



South America

49.7% of internet users, or 110.5M unique users, accessed some form of online piracy.⁵

Italy



40% of consumers aged 15 or over watched pirated films, series, and live sports in 2020, up from 37% in 2019.⁶

Spain



32% of individuals viewed pirated films and 27% of consumers view pirated TV series in 2019. Including other content types, 5.2 billion total pirated files were accessed.⁷

UK



20% of individuals watched pirated films, 14% watched pirated TV series, and 37% watched pirated live sports in 2020, during the pandemic.⁸

Australia



30% of teens watched pirated content in 2020, up from 25% in 2019. The COVID-19 lockdowns are a factor, with 40 percent saying they streamed or downloaded pirated movies and TV show more often in the last six months.⁹

Japan



340M visits per month to 1,447 online piracy sites in 2019.¹⁰

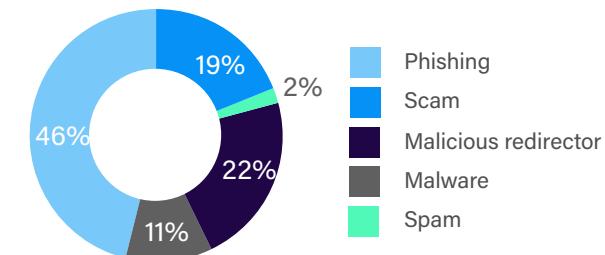
CONSUMER RISKS FROM PIRACY SITES

According to a study by RiskIQ for MPA-Canada:

1 out of 4 content theft sites visited by Canadians expose consumers to **malicious content**.



46% of the malicious content on content theft sites is phishing, where fake sites defraud users to log their username and password information, often redirecting users to legitimate websites afterwards.¹¹



30x times more likely to be exposed to malicious content on a content theft site than on a site in the general web site population.¹²

According to a study by Carnegie Mellon researchers:

2X time spent on piracy sites = **20%** more malware infections

In other words, the more users visited piracy sites, the more often their machines were infected with malware.¹³

During a Digital Citizens probe, investigators observed malware from piracy apps stealing usernames and passwords, probing user networks and surreptitiously uploading data without consent. In addition, the investigation found an illegal scheme to monetize stolen Netflix accounts.¹⁴

ECONOMIC HARM FROM PIRACY

\$160B estimated commercial value of digital piracy of film worldwide in 2015. The displacement of legitimate economic activity by counterfeiting and piracy has a negative effect on economic growth.¹⁵

14-15% is the estimated increase in U.S./Canada box office if piracy could be eliminated from the theatrical window (generally equivalent to \$1 billion per year). The promotional effect of piracy is far outweighed by the cannibalization effect.¹⁶

+15%

Box
Office

19% decrease in box office revenue due to pre-release piracy, as compared to what would have occurred if piracy were only available after the movie's release.¹⁷

7-10% increase in online movie units sold, and a 4-7% increase in online movie units rented due to the shutdown of Megaupload and its associated sites.¹⁸

Nearly all academic studies on video piracy find evidence that piracy displaces theatrical and home entertainment sales. Estimates for home video losses are, on average, larger than those for the box office, with the exception of one study that suggests that pre-release piracy may be particularly devastating to theatrical revenue.¹⁹

PIRACY PROFITS

90% of piracy sites have at least one source of revenue, predominately advertising.²⁰

86-93% profit margins for sites supported solely by advertising.²¹

\$111M digital advertising revenue linked to infringed media estimated in 2016.



\$36M from premium advertisers

\$75M from non-premium advertisers, such as gaming, dating and virtual private network security services.²²

\$1B revenue for pirate subscription IPTV annually in the U.S. alone, with an estimated 9 million subscribers.²³

Methodology for Analysis of Site Visits

This custom analysis uses SimilarWeb data to report across a group of sites often used for online piracy by category. It measures access to sites, but does not indicate what type of content was accessed (e.g. movies, TV, games, software, etc.).

SimilarWeb data used in this report represents visits to websites by the United States and Global desktop and mobile users from January 2020 - December 2020. SimilarWeb is a market intelligence company that uses a combination of panel, crawler, ISP and other data for its data estimations. See: <https://www.similarweb.com/ourdata> and <https://www.similarweb.com/blog/wp-content/uploads/2016/08/SW-vs-Direct-Measurement.pdf> for more information.

For the purpose of this analysis, sites used for online piracy included: Sites with over 10,000 copyright removal requests according to the Google Transparency Report (<http://www.google.com/transparencyreport/>) as of December 2020, including sites with any TV and/or movie content and excluding sites with only adult, music, games, UGC and eBook content; sites blocked in various countries or shut down due to copyright infringement, which have TV and/or movie content, and sites from www.operationcreative.uk and other internal and external sources.

In the United States 28,376 sites were included, based on SimilarWeb data. MPA placed the sites into custom analysis categories including streaming sites (21,959), P2P sites (5,305) and cyberlocker/host sites (1,112).

Worldwide, 36,687 sites were included, based on SimilarWeb data. MPA placed the sites into custom analysis categories including streaming sites (28,428), P2P sites (7,101) and cyberlocker/host sites (1,158).

Sources

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² OpSec Security GDPi data

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¹³ Telang, *Does Online Piracy Make Computers Insecure? Evidence from Panel Data*, March 2018.

¹⁴ Digital Citizens Alliance/Dark Wolfe Consulting and GroupSense, *Fishing in the Piracy Stream*, April 2019.

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¹⁶ Montgomery, Ma, Smith, *The Dual Impact of Movie Piracy on Box-office Revenue: Cannibalization and Promotion*, February 2016.

¹⁷ Montgomery, Ma, Smith, *An Empirical Analysis of the Impact of Pre-Release Movie Piracy on Box-Office Revenue*, July 2014.

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