

THE PREVALENCE & TYPES OF PIRACY



159.6B visits to film and TV piracy sites globally in 2021.

16.0B downloads globally of pirated wide release movies, primetime TV and video-on-demand (VOD) shows in 2021 using peer-to-peer protocols alone, not including other sources like streaming and downloading sites.¹

USA



14.9B visits to film and TV piracy sites in 2021.

2.3M monthly visitors to the 10 most popular piracy sites, on average.

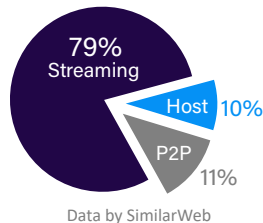
1.4B downloads of pirated wide release movies, primetime TV and video-on-demand (VOD) shows in 2021 using peer-to-peer protocols alone, not including streaming and downloading sites.²

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



Latin America

At least **15.6B** visits made in the region to 'illegal' online websites with pirated content, mostly for streaming, live TV and download, from November 2019 to March 2020 in Argentina, Brazil, Chile, Colombia, Mexico, Paraguay, Peru, Uruguay and Venezuela.⁵



Italy

43% of consumers aged 15 or over watched pirated films, series, and live sports in 2021, up from 40% in 2020.⁶



Spain

27% of individuals viewed pirated films and 22% of consumers view pirated TV series in 2020. 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 29% watched pirated live sports in 2021.⁸



Australia

24% of online movie/TV consumers access content unlawfully,⁹ 24% of teens and 21% of adults watched pirated content in 2021.¹⁰



Japan

444M visits per month to 867 online piracy sites from July 2020 to July 2021.¹¹

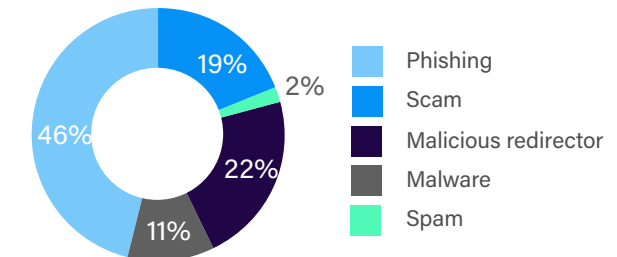
CONSUMER RISKS FROM PIRACY SITES

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.¹²



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.¹³

According to a study by Carnegie Mellon researchers:

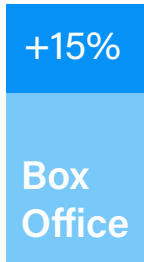
2X time spent on piracy sites = **20%** more malware infections

In other words, the more users visited piracy sites, the more often their machines were infected with malware.¹⁴

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.¹⁵

ECONOMIC HARM FROM PIRACY

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



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

\$29.2B is the estimated lost revenue to the U.S. economy each year due to global online piracy, according to a NERA study.²⁰

PIRACY PROFITS

\$1.34B in estimated annual revenues through advertising on websites and illicit streaming apps in 2020.

An average of **\$18.3M** annual revenue on the top five piracy websites.

\$259M in global annual ad revenue on the top piracy apps.²¹

1 in 4 ads on piracy apps are from well-known, Fortune 500 companies, paying piracy operators \$100M in 2020.²²

12% of the total ads on piracy sites are malicious advertising (malvertising), generating a minimum of \$121 million annually in revenue, with more than half of that, \$68.3 million, coming from U.S. visits.

Malvertising accounts for roughly \$1 out of every \$4 in illicit advertising revenue.²³

\$1B revenue for pirate subscription IPTV annually in the U.S. alone, with an estimated 9 million subscribers.²⁴

Pirate subscription IPTV services operate with estimated profit margins that range from 56% for retailers to 85% for wholesalers.²⁵



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 2021 - December 2021. SimilarWeb is a market intelligence company that uses a combination of panel, crawler, ISP and other data for its data estimations. For more information see: <https://support.similarweb.com/hc/en-us/articles/360001631538-Similarweb-Data-Methodology>

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 <https://transparencyreport.google.com> as of December 2021, 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 <https://www.operationcreative.uk>, <https://piracybank.org> and other internal and external sources.

In the United States 32,311 sites were included, based on SimilarWeb data. MPA placed the sites into custom analysis categories including streaming sites (25,835), P2P sites (5,246) and cyberlocker/host sites (1,230).

Worldwide, 44,135 sites were included, based on SimilarWeb data. MPA placed the sites into custom analysis categories including streaming sites (35,599), P2P sites (7,178) and cyberlocker/host sites (1,358).

Sources

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- ¹¹ Photonix System Solutions Inc. (PSS), Study Update: Benchmarking and Tracking Online Film & TV Piracy in Japan, July 2018 to July 2021, November 2021.
- ¹² RiskIQ for MPA Canada, *2018 Study of the Presence of Malicious Content at Content Theft Sites Visited by Canadian Consumers*, 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.
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- ²⁵ Ibid.