Digital Piracy in New Zealand
Summary of research report

11 September 2018

TheNavigators

SKY

Project background

Purpose: To better understand the problem of digital piracy to enable the development of an effective strategy to combat it.

Research objectives: To provide updated local data and understand:

- Who is pirating?
- What is being pirated?
- How is it happening?
- Why is it happening?
- How do pirates and non-pirates view the behaviour and attempts to mitigate it?

Research approach: Online survey of 1,009 New Zealand adults over the age of 18 years.

- Sourced from the Research Now public research panel.
- Conducted between 17th to 20th May 2018.
- Data was weighted to make it representative of the New Zealand general public by age, gender and region.
- Percentages for the bars in the charts may not add up to 100% due to rounding.
- Top box percentages may not reflect the exact addition of the percentages shown in bar charts due to rounding. The top box scores reflect the actual figure, in order to reduce rounding error. For example, 30% agree (29.7%) + 30% strongly agree (29.6%) = 59% as the top-2 box score (59.3%).
- Sample provides a margin of error of +/- 3% at the 95% confidence interval. This means that 95% of the time, our sample measure will be within 3% of the actual measure that would occur if we asked the question of the entire population.
- A balanced 6-point scale was used to measure attitudes. To make it easier to analyse differences and identify the relative importance of issues and attitudes, the data has been presented to reflect top 2 box scores (i.e. the total score for those who "agree" or "strongly agree"). To show overall sentiment we have also provided a net positive score (that is, a top 3 box score which is total score for those who "somewhat agree", "agree" and "strongly agree").

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Research summary: Who, how and why?

Who are the pirates?

- **One in ten** New Zealanders say they "normally" stream content from pirate websites.

- **Three in ten** New Zealanders pirate at least twice per year (i.e. either weekly, 1-2 times a month, every 2-3 months or every 6 months).

- (For the purposes of defining an active pirate, we have excluded viewing content on YouTube or Facebook that a person thought may have been pirated.)

How are they pirating? Core pirating behaviours include:

- **Stream or download movies or TV shows** (21-25% of adults have done this "ever" and 14-18% do so at least every 6 months).

- **Streaming of live sports events** (11% of adults have done this ever and 8% do so at least every 6 months).

- **Using VPNs to avoid paying in NZ** (10% of adults have done this ever and 7% do so at least every 6 months).

- **Using Kodi boxes** or similar devices/software (5% of adults have done this ever and 3% do so at least every 6 months).

Why are people pirating?

- Because they **don't want to pay** or they find it **more convenient** than subscribing to a service. Or that content is **not available** or is **delayed** in New Zealand.

- Non-pirates believe others do it to **avoid paying for content** or because of a **disregard for the law** (they are less likely to believe it's due to content not being available or being delayed).

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Research summary: Is pirating bad and should it be regulated?

Pirating impacts:

- Most pirates acknowledge that piracy can cause damage and losses, though they acknowledge it to a lesser extent than non-pirates.

- However, even non-pirates are not strongly aware of the impacts of piracy (especially the impact on sports).

Perceptions of acceptability, ease and risk:
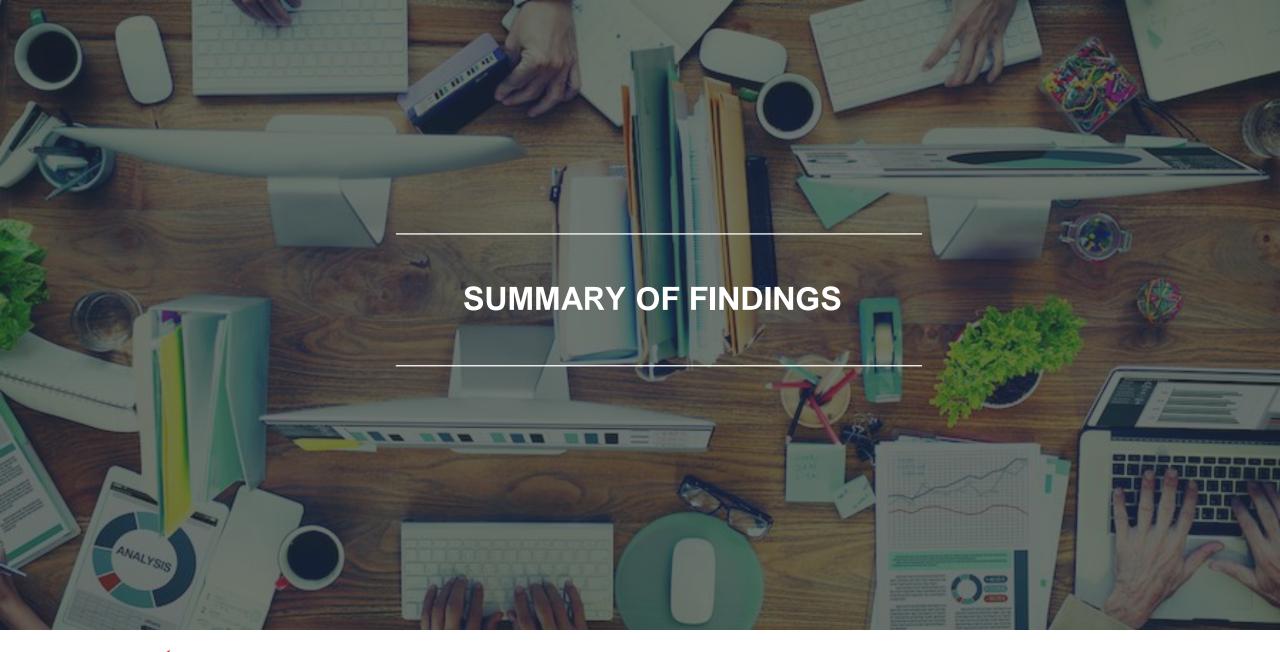
- Non-pirates believe:
    - piracy is theft (58% agree or strongly agree; 82% overall agreement).
    - piracy is a serious and growing problem and more should be done to stop it (33-36% agree or strongly agree; 60-64% overall agreement).
- Pirates:
    - also tend to believe piracy is theft (but to a much lesser extent than pirates).
    - are more likely to believe they will not get caught.
    - believe it is easy to pirate.
    - know lots of people who also pirate (unlike non-pirates).

Pirating regulation:

- Weak support for personal prosecution of individual pirates. Stronger support for blocking access to pirate websites at ISP level via court orders.

- Non-pirates are supportive of blocking websites.

SUMMARY OF FINDINGS
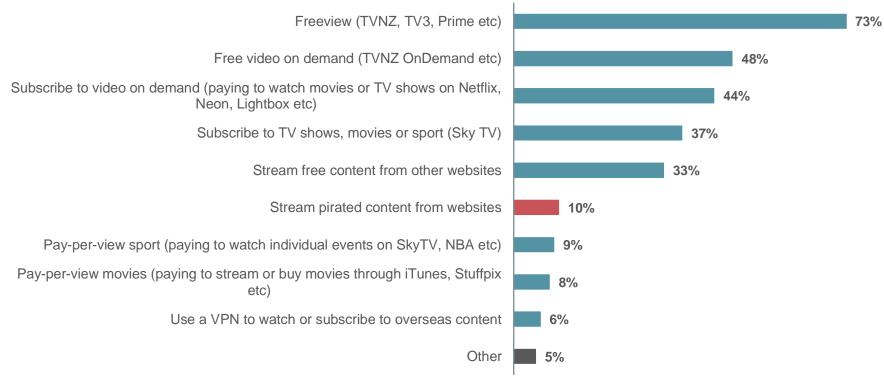
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One in 10 New Zealand adults say they "normally" stream pirated content from websites.

Q1. Please select all the ways you would normally watch movies, TV shows or sporting events:

Normally watch:

Category	%
Freeview (TVNZ, TV3, Prime etc)	73%
Free video on demand (TVNZ OnDemand etc)	48%
Subscribe to video on demand (paying to watch movies or TV shows on Netflix, Neon, Lightbox etc)	44%
Subscribe to TV shows, movies or sport (Sky TV)	37%
Stream free content from other websites	33%
Stream pirated content from websites	10%
Pay-per-view sport (paying to watch individual events on SkyTV, NBA etc)	9%
Pay-per-view movies (paying to stream or buy movies through iTunes, Stuffpix etc)	8%
Use a VPN to watch or subscribe to overseas content	6%
Other	5%

Base: n=1,009

When presented with a list of piracy methods, 50% of New Zealanders say they have viewed pirated content at some time in the past.

Q2. We are interested to know if you have ever watched something over the internet for free that you would otherwise have needed to pay for (i.e. a pirated movie or TV show or sporting event) or watched something from an overseas provider rather than buying it from a New Zealand one. Which of the following have you ever done?

Piracy behaviours "ever done":

Behaviour	Percentage
Watched something on YouTube or Facebook that you thought may have been pirated	32%
Streamed a pirated movie or TV show from the internet	25%
Downloaded a pirated movie or TV show from the internet	21%
Streamed a pirated live sports event from the internet	11%
Used a VPN to watch a movie, TV show or sports event on an overseas site in order to avoid paying for it in NZ	10%
Used a Kodi box or other software or device to watch a pirated movie, TV show or sports event from the internet	5%
None / Can't recall	50%

Base: n=1,009

Over half of all New Zealand adults have undertaken at least one of the listed piracy behaviours in the past. Streaming pirated movies or TV shows from the internet is the most common activity.
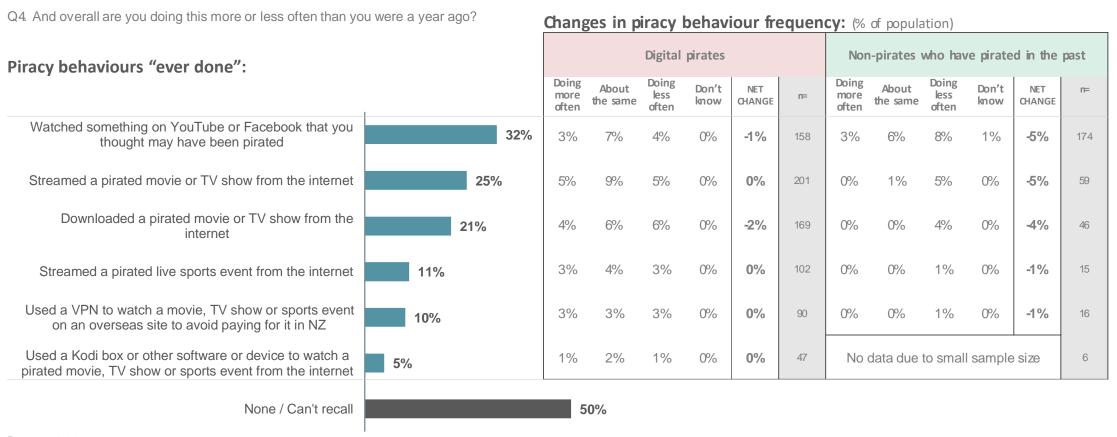
29% of New Zealand adults undertake regular digital piracy (at least 6-monthly).

Q2. We are interested to know if you have ever watched something over the internet for free that you would otherwise have needed to pay for (i.e. a pirated movie or TV show or sporting event) or watched something from an overseas provider rather than buying it from a New Zealand one. Which of the following have you ever done? Q3. How often would you typically do each of these…?

Piracy behaviours "ever done":

- Watched something on YouTube or Facebook that you thought may have been pirated — **32%**
- Streamed a pirated movie or TV show from the internet — **25%**
- Downloaded a pirated movie or TV show from the internet — **21%**
- Streamed a pirated live sports event from the internet — **11%**
- Used a VPN to watch a movie, TV show or sports event on an overseas site in order to avoid paying for it in NZ — **10%**
- Used a Kodi box or other software or device to watch a pirated movie, TV show or sports event from the internet — **5%**
- None / Can't recall — **50%**

Base: n=1,009

Frequency of behaviour: (% of population)

	At least weekly	1-2 times a month	Every 2-3 months	Every 6 months	Yearly or less	Only 1-2 times	Can't recall	TOTAL PIRATES FOR EACH CORE BEHAVIOUR (% of population)	TOTAL PIRATES FOR ANY CORE BEHAVIOUR (% of population)
Watched something on YouTube or Facebook	9%	4%	5%	3%	3%	5%	2%	YouTube and Facebook excluded	
Streamed a pirated movie or TV show	5%	5%	5%	3%	2%	4%	1%	**18%**	
Downloaded a pirated movie or TV show	5%	5%	3%	1%	2%	4%	1%	**14%**	**29%**
Streamed a pirated live sports event	2%	2%	2%	2%	1%	1%	1%	**8%**	
Used a VPN	2%	2%	2%	1%	1%	2%	1%	**7%**	
Used a Kodi box	1%	1%	1%	0%	0%	0%	0%	**3%**	

The people in the pink boxes above have been defined as **digital pirates** for this research.

Looking at the frequency of each type of piracy behaviour, 18% of New Zealanders stream a pirated movie or TV show from the internet at least every 6 months (with 5% doing so at least weekly, 5% doing so 1-2 times a month, 5% every 2-3 months and 3% every 6 months). Looking at the proportion of the population who've undertaken any of the core pirating behaviours (excluding via YouTube or Facebook) at least every 6 months, we would class 29% as pirates.

Compared to one year ago, New Zealanders' pirating appears to be only slightly declining. Some are doing it more often but slightly more people are doing it less often.

Q4. And overall are you doing this more or less often than you were a year ago?

Piracy behaviours "ever done":

Changes in piracy behaviour frequency: (% of population)

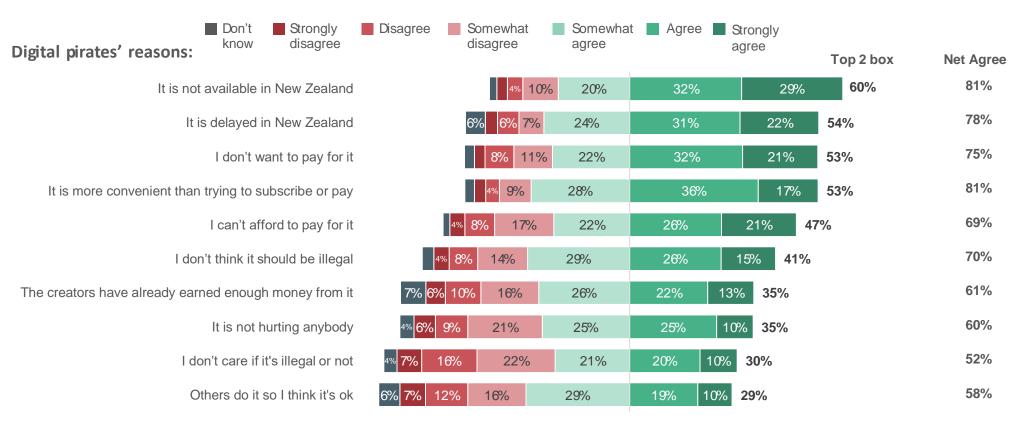| Piracy behaviour	%	Digital pirates						Non-pirates who have pirated in the past					
		Doing more often	About the same	Doing less often	Don't know	NET CHANGE	n=	Doing more often	About the same	Doing less often	Don't know	NET CHANGE	n=
Watched something on YouTube or Facebook that you thought may have been pirated	32%	3%	7%	4%	0%	**-1%**	158	3%	6%	8%	1%	**-5%**	174
Streamed a pirated movie or TV show from the internet	25%	5%	9%	5%	0%	**0%**	201	0%	1%	5%	0%	**-5%**	59
Downloaded a pirated movie or TV show from the internet	21%	4%	6%	6%	0%	**-2%**	169	0%	0%	4%	0%	**-4%**	46
Streamed a pirated live sports event from the internet	11%	3%	4%	3%	0%	**0%**	102	0%	0%	1%	0%	**-1%**	15
Used a VPN to watch a movie, TV show or sports event on an overseas site to avoid paying for it in NZ	10%	3%	3%	3%	0%	**0%**	90	0%	0%	1%	0%	**-1%**	16
Used a Kodi box or other software or device to watch a pirated movie, TV show or sports event from the internet	5%	1%	2%	1%	0%	**0%**	47	No data due to small sample size					6
None / Can't recall	50%												

Base: n=1,009

Looking at the net change in the different digital pirating behaviours, digital pirates are pirating the same amount or less often, and non-pirates (but who have undertaken some type of pirating in the past) are pirating less often. This suggests that on balance, pirating behaviour is slightly declining, mainly due to a decrease in downloading.

Pirates say they are motivated by content access/delays, cost and convenience.

Q5a. Which of the following are reasons why you watch pirated content (movies, TV shows or sport)? I watch pirated content because…

Digital pirates' reasons:

Legend: ■ Don't know ■ Strongly disagree ■ Disagree ■ Somewhat disagree ■ Somewhat agree ■ Agree ■ Strongly agree

Reason	Top 2 box	Net Agree
It is not available in New Zealand	60%	81%
It is delayed in New Zealand	54%	78%
I don't want to pay for it	53%	75%
It is more convenient than trying to subscribe or pay	53%	81%
I can't afford to pay for it	47%	69%
I don't think it should be illegal	41%	70%
The creators have already earned enough money from it	35%	61%
It is not hurting anybody	35%	60%
I don't care if it's illegal or not	30%	52%
Others do it so I think it's ok	29%	58%

Bar chart values:

- It is not available in New Zealand: 4% / 10% / 20% / 32% / 29%
- It is delayed in New Zealand: 6% / 6% / 7% / 24% / 31% / 22%
- I don't want to pay for it: 8% / 11% / 22% / 32% / 21%
- It is more convenient than trying to subscribe or pay: 4% / 9% / 28% / 36% / 17%
- I can't afford to pay for it: 4% / 8% / 17% / 22% / 26% / 21%
- I don't think it should be illegal: 4% / 8% / 14% / 29% / 26% / 15%
- The creators have already earned enough money from it: 7% / 6% / 10% / 16% / 26% / 22% / 13%
- It is not hurting anybody: 4% / 6% / 9% / 21% / 25% / 25% / 10%
- I don't care if it's illegal or not: 4% / 7% / 16% / 22% / 21% / 20% / 10%
- Others do it so I think it's ok: 6% / 7% / 12% / 16% / 29% / 19% / 10%

Base: Digital pirates n=302

Digital pirates (those who undertake a digital pirating behaviour at least every 6 months, excluding via Facebook and YouTube) state that their key reasons for doing so are because the content is not available in New Zealand, the content is delayed in arriving to New Zealand, they don't want to pay for the content or they find it more convenient to watch pirated content than to subscribe and pay for legal content.

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Non-pirates believe others pirate to avoid paying and due to their disregard for the law.

Q5b. Which of the following do you think are reasons why other people might watch pirated content? People watch pirated content because…

Legend: Don't know | Strongly disagree | Disagree | Somewhat disagree | Somewhat agree | Agree | Strongly agree

Non-pirates' perceived reasons:

	Top 2 box	Net Agree
They don't want to pay for it	75%	90%
They don't care if it's illegal or not	59%	81%
Others do it so they think it's ok	47%	78%
It's not available in New Zealand	46%	72%
They don't think it should be illegal	44%	69%
They can't afford to pay for it	43%	67%
It's more convenient than trying to subscribe or pay	42%	67%
It's delayed in New Zealand	38%	66%
It's not hurting anybody	23%	46%
The creators have already earned enough money from it	18%	40%

Stacked bar values:

- They don't want to pay for it: 5% (Don't know), 15% (Somewhat agree), 35% (Agree), 40% (Strongly agree)
- They don't care if it's illegal or not: 8%, 7%, 22%, 36%, 23%
- Others do it so they think it's ok: 8%, 5%, 6%, 31%, 34%, 13%
- It's not available in New Zealand: 14%, 9%, 26%, 31%, 15%
- They don't think it should be illegal: 12%, 7%, 10%, 25%, 32%, 12%
- They can't afford to pay for it: 9%, 10%, 11%, 25%, 27%, 16%
- It's more convenient than trying to subscribe or pay: 9%, 10%, 11%, 25%, 29%, 13%
- It's delayed in New Zealand: 16%, 6%, 10%, 28%, 28%, 10%
- It's not hurting anybody: 10%, 8%, 15%, 21%, 23%, 17%, 6%
- The creators have already earned enough money from it: 16%, 7%, 16%, 20%, 22%, 11%, 7%
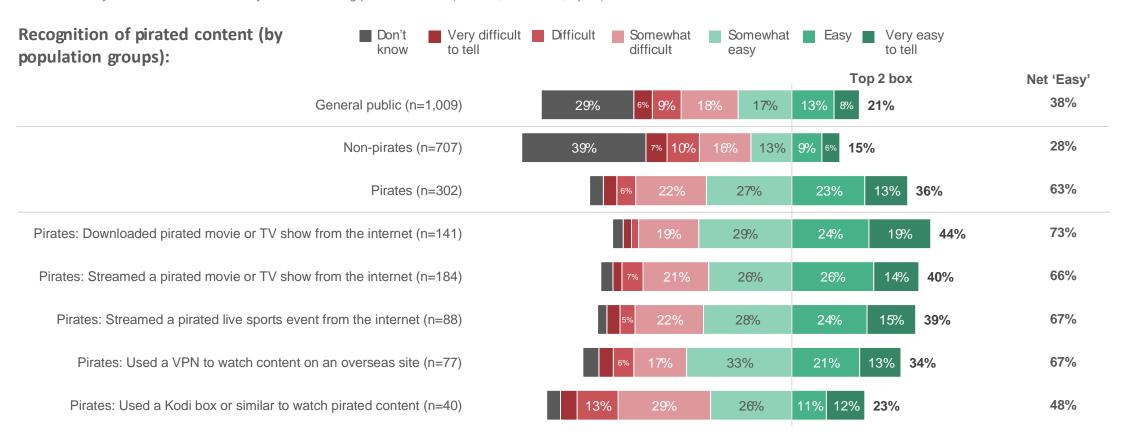
Base: Non-pirates (never pirated) n=485

Non-pirates believe that piracy is motivated by people not wanting to pay. They are less likely to accept the other factors pirates say they're motivated by, i.e. content being unavailable in New Zealand, content being delayed in New Zealand and pirating being more convenient than trying to subscribe or pay for content.

Most people (even pirates) do not find it easy, or very easy, to identify pirated content.
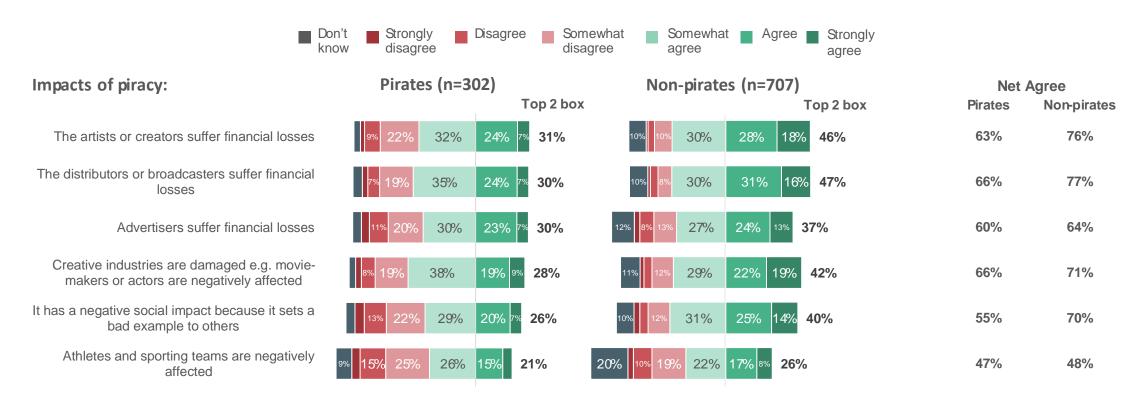
Q6a. How easy or difficult is it to know if you are watching pirated content (movies, TV shows, sport)?

Recognition of pirated content (by population groups):

Legend: Don't know | Very difficult to tell | Difficult | Somewhat difficult | Somewhat easy | Easy | Very easy to tell

Population group	Top 2 box	Net 'Easy'
General public (n=1,009)	21%	38%
Non-pirates (n=707)	15%	28%
Pirates (n=302)	36%	63%
Pirates: Downloaded pirated movie or TV show from the internet (n=141)	44%	73%
Pirates: Streamed a pirated movie or TV show from the internet (n=184)	40%	66%
Pirates: Streamed a pirated live sports event from the internet (n=88)	39%	67%
Pirates: Used a VPN to watch content on an overseas site (n=77)	34%	67%
Pirates: Used a Kodi box or similar to watch pirated content (n=40)	23%	48%

Only two-fifths of the general public find it easy or very easy to know when they are watching pirated content. Pirates are more confident about knowing than non-pirates, but even then, only approximately one-third of pirates feel it's easy or very easy. Pirates who download pirated movies or TV shows from the internet are more confident about identifying pirated content than those who use a Kodi box or similar software/device.

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Non-pirates are more likely to agree there are negative impacts of digital piracy, particularly that distributors, broadcasters, artists and creators suffer financial losses.

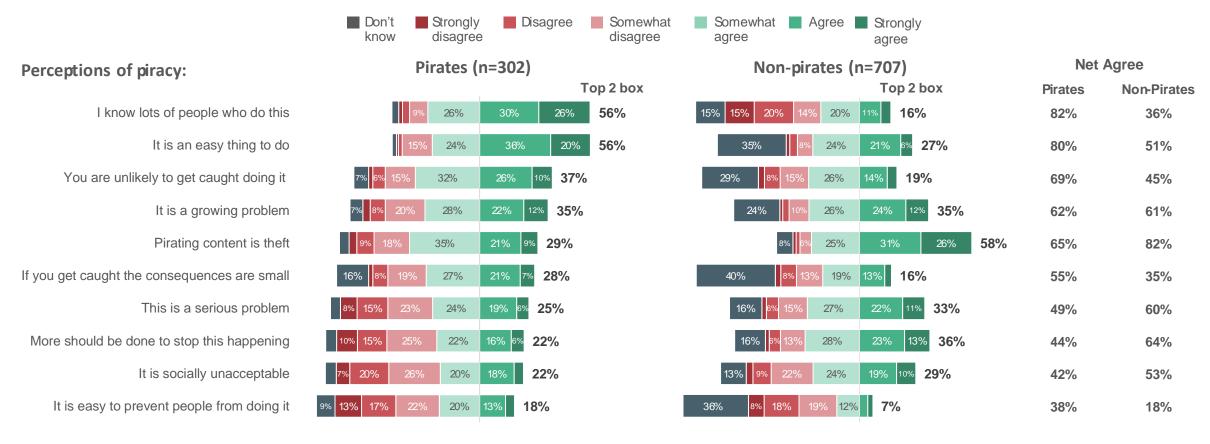Q7. When people do watch pirated movies, TV shows or sporting events, to what extent do you agree or disagree that the following happens…

Legend: ■ Don't know ■ Strongly disagree ■ Disagree ■ Somewhat disagree ■ Somewhat agree ■ Agree ■ Strongly agree

Impacts of piracy:	Pirates (n=302) Top 2 box	Non-pirates (n=707) Top 2 box	Net Agree Pirates	Net Agree Non-pirates
The artists or creators suffer financial losses	9% / 22% / 32% / 24% / 7% — **31%**	10% / 10% / 30% / 28% / 18% — **46%**	63%	76%
The distributors or broadcasters suffer financial losses	7% / 19% / 35% / 24% / 7% — **30%**	10% / 8% / 30% / 31% / 16% — **47%**	66%	77%
Advertisers suffer financial losses	11% / 20% / 30% / 23% / 7% — **30%**	12% / 8% / 13% / 27% / 24% / 13% — **37%**	60%	64%
Creative industries are damaged e.g. movie-makers or actors are negatively affected	8% / 19% / 38% / 19% / 9% — **28%**	11% / 12% / 29% / 22% / 19% — **42%**	66%	71%
It has a negative social impact because it sets a bad example to others	13% / 22% / 29% / 20% / 7% — **26%**	10% / 12% / 31% / 25% / 14% — **40%**	55%	70%
Athletes and sporting teams are negatively affected	9% / 15% / 25% / 26% / 15% — **21%**	20% / 10% / 19% / 22% / 17% / 8% — **26%**	47%	48%

Approximately one-third of pirates and almost half of non-pirates agree or strongly agree that distributors, broadcasters, artists or creators suffer financial losses when people watch pirated content. The remaining pirates and non-pirates either weakly agree (i.e. somewhat agree), disagree or don't know. Compared to non-pirates, pirates are more likely to disagree with the suggested impacts of digital piracy. Two-fifths of non-pirates don't know if athletes and sporting teams are negatively affected by digital piracy.

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Most pirates know others who watch pirated content and feel it's an easy thing to do. By contrast, most non-pirates don't know many people who pirate, and see it as theft.
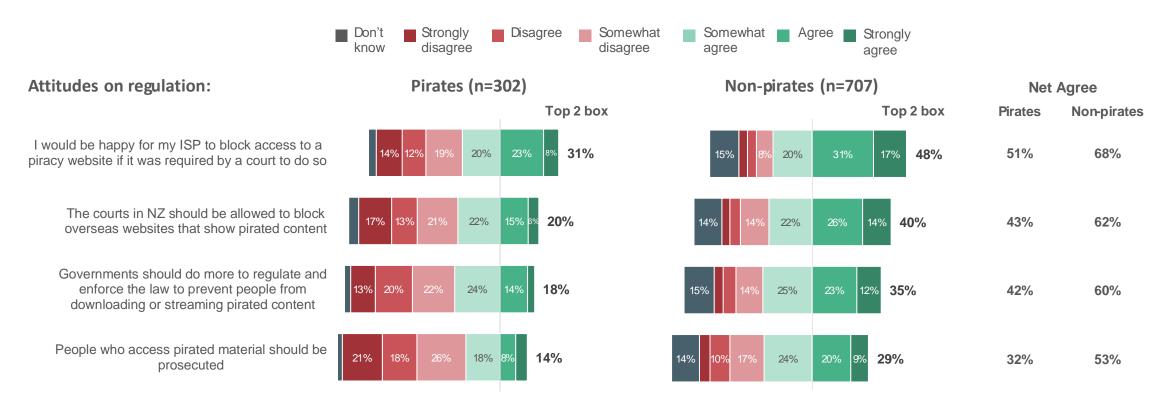
Q8 Again thinking about people watching pirated movies, TV shows or sporting events, to what extent do you agree or disagree with the following statements…

Legend: Don't know | Strongly disagree | Disagree | Somewhat disagree | Somewhat agree | Agree | Strongly agree

Perceptions of piracy:

	Pirates (n=302) Top 2 box	Non-pirates (n=707) Top 2 box	Net Agree Pirates	Net Agree Non-Pirates
I know lots of people who do this	9% / 26% / 30% / 26% — **56%**	15% / 15% / 20% / 14% / 20% / 11% — **16%**	82%	36%
It is an easy thing to do	15% / 24% / 36% / 20% — **56%**	35% / 8% / 24% / 21% / 6% — **27%**	80%	51%
You are unlikely to get caught doing it	7% / 6% / 15% / 32% / 26% / 10% — **37%**	29% / 8% / 15% / 26% / 14% — **19%**	69%	45%
It is a growing problem	7% / 8% / 20% / 28% / 22% / 12% — **35%**	24% / 10% / 26% / 24% / 12% — **35%**	62%	61%
Pirating content is theft	9% / 18% / 35% / 21% / 9% — **29%**	8% / 5% / 25% / 31% / 26% — **58%**	65%	82%
If you get caught the consequences are small	16% / 8% / 19% / 27% / 21% / 7% — **28%**	40% / 8% / 13% / 19% / 13% — **16%**	55%	35%
This is a serious problem	8% / 15% / 23% / 24% / 19% / 6% — **25%**	16% / 6% / 15% / 27% / 22% / 11% — **33%**	49%	60%
More should be done to stop this happening	10% / 15% / 25% / 22% / 16% / 6% — **22%**	16% / 6% / 13% / 28% / 23% / 13% — **36%**	44%	64%
It is socially unacceptable	7% / 20% / 26% / 20% / 18% — **22%**	13% / 9% / 22% / 24% / 19% / 10% — **29%**	42%	53%
It is easy to prevent people from doing it	9% / 13% / 17% / 22% / 20% / 13% — **18%**	36% / 8% / 18% / 19% / 12% — **7%**	38%	18%

Pirates tend to 'justify their actions' by claiming that: other people they know do it, it solves an access and timing problem, and it is easy for them (and convenient). The majority of the non-pirating public see it as theft and as a growing and serious problem that is also unlikely to affect people they know (they don't know many pirates).

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Pirates would rather their ISP blocked access to piracy websites than they be personally prosecuted.

Q9. To what extent do you agree or disagree with the following statements…

Legend: Don't know · Strongly disagree · Disagree · Somewhat disagree · Somewhat agree · Agree · Strongly agree

Attitudes on regulation:

	Pirates (n=302) Top 2 box	Non-pirates (n=707) Top 2 box	Net Agree Pirates	Net Agree Non-pirates
I would be happy for my ISP to block access to a piracy website if it was required by a court to do so	14% 12% 19% 20% 23% 8% **31%**	15% 8% 20% 31% 17% **48%**	51%	68%
The courts in NZ should be allowed to block overseas websites that show pirated content	17% 13% 21% 22% 15% 6% **20%**	14% 14% 22% 26% 14% **40%**	43%	62%
Governments should do more to regulate and enforce the law to prevent people from downloading or streaming pirated content	13% 20% 22% 24% 14% **18%**	15% 14% 25% 23% 12% **35%**	42%	60%
People who access pirated material should be prosecuted	21% 18% 26% 18% 8% **14%**	14% 10% 17% 24% 20% 9% **29%**	32%	53%

The majority of non-pirates agree that they would be happy for their ISP to block access to a piracy website if it was required by the court to do this (68%). Even people who pirate agree (to some extent) on this course of action (51% net agreement). There is much stronger support for blocking pirate websites than individual pirates being personally prosecuted.

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