# THE PIRACY BUS, WHO'S ON IT? CONSUMER ATTITUDES TO MOVIE AND TV THEFT IN AUSTRALIA

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IPAF are a not for profit organisation funded by a broad alliance of businesses and organisations involved in the film and TV industry in Australia. Our purpose is to raise awareness of the cultural, creative and economic value of the Australian industry and the people and businesses within it. We do that through a world first secondary education resource available free and on-line to teachers and schools nationally and through national research which defines our public awareness program via cinema and TV advertising, online and PR.

Impatient for change, there are those who pit the entertainment community against technology in what appears to be a hotly contested conflict with content providers and industry workers portrayed on one side and consumers on the other. Can that really be the case or is a vocal minority ignoring an already rapidly changing … and confusing … environment?

Worldwide this topic arises in discussions about jobs, creative industries and the growing digital community.

But let's keep it local … and first look at some of the Australian statistics that confirm the size and contribution of the industry vs the cost of the content theft issue:

- Access economics* in their 2011 report on the economic contribution of the film and television industry estimated that its total economic contribution is just over 6 billion dollars and that the industry employs the equivalent of just under 49,000 full time workers.

- In comparison to other industries this sector is significant. It is comparatively greater than exploration and other mining support industries, sports and recreation activities and internet service providers, web portals and data processing.

- A study undertaken by Ipsos MediaCT* and Oxford Economics* investigating movie only theft found that in 2010 digital piracy alone represented almost a quarter of a billion dollars in direct consumer spending loses. They also found the total direct consumer spending loss was 575 million dollars across a range of distribution formats.

- And … In this year's Newspoll quantitative survey* it was revealed that 53% of Australian's had participated in movie & TV theft in some way over the past 18 months.

These are compelling facts which seem to confirm an important industry is under threat … Yet some have a very different opinion. You've probably read these or some like them …

In his article 'Piracy — Are we Being Conned?' Asher Moses wrote in the *Sydney Morning Herald*: '… the industry isn't playing fair and should refresh its business model for the digital age instead of stretching the truth in order to scare the government into implementing knee-jerk legislation.'

And … in 'The Case for Piracy' by Nick Ross blogging on the ABC site he says, '… more needs to be done to protect the public from ham-fisted copyright industries demanding payment for everything'.

However, many independent film makers are finding that within the online environment there are not just disadvantages but in some cases there are lucrative opportunities opening. As producer Neil Peplow says in *Encore Magazine*, 'I had the audience suggesting a way to distribute … it opened my eyes on how to engage with my audience'.

Certainly in this issue there are economic facts, emerging opportunities and conflicting rhetoric.

What about the average Australian consumer? How do they think, believe and what are their actions and concerns?

Through regular research IPAF aim to better understand what Australians actually think and define emerging issues, trends and attitudes towards movie and TV theft. Independent research is commissioned through Sycamore Research in the form of online quantitative — through Newspoll — and qualitative — through targeted focus groups. The latest survey ran in February and March of this year with an online sample of just over 1600 people nationally. This research ran previously in 2008 and 2009 and the regular approach has meant a good picture of attitudes over time can be measured. The information and slides following are directly from the last research report.

The recent survey found that the attitudes to pirating activities had largely remained stable over the 3 years. Of note:

- 3 out of 4 people, or 72%, say they see the activity as stealing or theft

- 71% say it damages Australia's film and TV industry, and

- 63% say it damages the livelihoods of those working in the industry.

However, in a question added in 2009, 3 out of 4 people across 2 surveys don't think they contribute to the problem. Most people said even though they believe it is theft … they deny any personal responsibility.

In new news this year a question was added about frequency … The survey found it is the domain of an active minority with frequency the highest in those using file sharing. 22% of people said they use file sharing specifically with only 16% of those doing it at least once a week or once a month.

However, frequency plays a big role in attitude. For those doing it a little their belief confirms they don't really count and for those doing it a lot they believe everyone must be like them … and their actions are perfectly normal. The survey reported that frequency breeds acceptance which in turn feeds frequency.

The research also found that ISP intervention would be a quick and effective solution to the issue of digital theft. In the 2009 survey and again in 2011 over 70% of all respondents said they would stop illegal downloading activities if they received notification they were in breach of their internet service provider's terms and conditions.

In the 2009 survey the researchers identified — and named — 4 distinct attitudinal and activity segments.

And, in this year's survey the attitudinal groups remained the same with some shifting of percentages:

- **Proud Actives** — are 24% of the population. They openly consider themselves to be pirates. 55% say they would stop illegal downloading if they received a notice from their ISP.

- **Proud Passives** — are the majority of the population at 40%. They don't do any pirating activity and consider it to be wrong.

- **Blind Passives** — are a small minority in the population at 7%. They don't do any infringing activity at the moment … however, they do not considerate it wrong.

- The last group — the **Blind Actives** are 29% of the population. They participate in the activity at the same level as the Proud Actives … but they do not consider themselves to be part of the issue. 73% of Blind Actives say they would stop illegal downloading if they received a notice from their ISP.

This last group, the blind actives, researchers felt most represented the conflicting, and confusing, nature of the content theft issue for the general population.

To further define their attitudes and activities, representatives of this group were recruited for the 2011 focus group discussions.

Out of these groups research described the blind actives as a group in denial:

- While open in discussion about their behaviour, many perceive themselves to be almost victims or unwilling participants.

- While they are increasingly able to give textbook definitions of movie and TV theft there still remains a grey area of confusion over the legality of some of their actions.

- However this grey area is not a lack of knowledge or logic, for them it is a lack of persuasiveness that it is wrong:

  ➤ For them — how can sharing be wrong?

  ➤ And … it's there, it's free, it's socially acceptable, you don't get caught and if you did nothing would happen.

They actively excuse their behaviour and blame others for their actions … they blame:

- The law — for having archaic laws

- The law enforcers — for turning a blind eye

- The movie industry — for making large sums of money

- Society — for accepting the issue

- And they blame the ISPs — who they see making it possible and being apathetic towards the issue.

This year a new projective technique was added to the beginning of the group sessions. Before any discussions or questions the participants were given a line drawing of a bus. They were asked to draw their interpretation of what a 'Piracy Bus' would look like. To illustrate … Who is driving? Who's on board? Where are you sitting? And … What are the signs along the way?

Three key themes emerged from the Piracy Bus illustrations:

- It's a community bus.

- I pirate, but I'm not really on the bus.

- And … None of this would be possible without the ISPs.

The subsequent drawings added further context to the quantitative findings of the research. Here are 7 actual drawings which are representative samples:

- **The Community Bus** — Happily driven by a general member of the public with a cross section of the community on board … and with a smiling couple waiting to get on at the next stop.

- **The All Ages Bus** — With road signs from the world behind yet a stop sign in front featuring authorities, penalty and a question mark on getting caught. The caption below reflects much of the research comments … no one got off because it's cheap, easy, convenient, and everyone does it.

- **The Business Bus** — The world is on board this piracy bus with search engine dollars driving. Interestingly there is a flashing sign along the road that says, 'Warning loss of legal morals'.

- **The Dilemma Bus** — This drawing summarises the conflict and confusion for this person. Two figures are off the bus … one unhappy with the quality and one who's made a moral decision. Other figures are identified as:

  ➤ Interested in viewing material — not where items come from

 ➢ Focus on entertainment — bypassing having to pay

 ➢ And … Intention based in need/desire for cost cutting.

- **The ISPs are the Wheels Bus** — with everyone on the bus entirely average but the illustrator only half on and half off. Worryingly the bus is about to drive over a struggling artist with hands raised in supplication.

- **The ISPs are the Gas Bus** — and the world is driving.

- And finally, **The Death of the Film Industry Bus** … with a rather disturbing looking internet driving the over the film industry … and this consumer is well and truly on the bus.

In summary our research has provided much insight into Australian's attitude to this issue. We've learned that:

- Not everyone does it — 47% of the population don't do it — 40% believe it to be wrong.

- 53% of the population have done it in some way.

- 72% say they see the activity as theft.

- And yet 74% say they don't think they contribute to the problem.

- Frequency cements acceptance.

- The Blind Actives at 29% of the population are genuinely confused, in denial and actively excuse their actions.

- 73% of Blind Actives and 53% of Proud Actives say they would stop if they received a notification from their internet service provider.

This research clearly shows a significant level of personal conflict and confusion is apparent in even the staunchest of people who do it — regardless of their method.

In the noise of this debate are the general public and end consumer's needs for social guidelines being overlooked?

When it comes to content theft — movie and TV specifically in this case — many people act as if the product is simply there for the taking. In no other commercial sphere do we allow or make excuses for theft … There is no excuse for theft in our physical world.

Should we not — as a society — be focusing on consumer information and education which helps define the social norms and behaviours we wish to operate within for the present and the future?

This moral challenge is one that is or will soon confront all IP sectors — not just the creative industries, but any sector which involves digital product, innovation, and development of new ideas. How we value our creative and knowledge economy will prove to be a major factor for our society in the future.

Perhaps we — government, ISPs, business groups, rights holders and consumer groups — should take a clue from the sign on the road from the Business Bus which reads, 'Warning Loss of Legal Morals', and commit to work together to educate, develop and define what our society determines as acceptable morals and behaviours for content in the digital age.

# R E F E R E N C E S

Full Access Economics report and IpsosMediaCT/Oxford Economics report at www.afact.com.au.

Abridged version of Sycamore Research and Marketing report at www.ipawareness.com.au.

More information on Intellectual Property Awareness Foundation at www.ipawareness.com.au.