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<p>Synopsis</p> <p>This study provides a comprehensive view of piracy threats and the evolution of antipiracy techniques.</p> <p>The report includes five-year forecasts of revenue loss in the US market for video service providers.</p>	<p style="text-align: center;">Consumer Piracy Attitudes</p> <p style="text-align: center;">Strong Agreement Towards Unlicensed Video Media Usage</p> <table border="1"> <thead> <tr> <th>Reason</th> <th>Q1/2022 (%)</th> <th>Q1/2019 (%)</th> </tr> </thead> <tbody> <tr> <td>Because movies/music should be available to everyone for free</td> <td>23</td> <td>14</td> </tr> <tr> <td>Because the movie/music companies still make lots of money</td> <td>21</td> <td>14</td> </tr> <tr> <td>As long as somebody else is paying for the service</td> <td>20</td> <td>12</td> </tr> <tr> <td>If you can't afford to pay for them yourself</td> <td>20</td> <td>11</td> </tr> <tr> <td>If you never would have otherwise watched/listened to them</td> <td>19</td> <td>11</td> </tr> <tr> <td>If you only do it occasionally</td> <td>18</td> <td>10</td> </tr> <tr> <td>Because no one ever gets in trouble for it</td> <td>17</td> <td>9</td> </tr> </tbody> </table> <p style="text-align: right;">© Parks Associates</p>	Reason	Q1/2022 (%)	Q1/2019 (%)	Because movies/music should be available to everyone for free	23	14	Because the movie/music companies still make lots of money	21	14	As long as somebody else is paying for the service	20	12	If you can't afford to pay for them yourself	20	11	If you never would have otherwise watched/listened to them	19	11	If you only do it occasionally	18	10	Because no one ever gets in trouble for it	17	9
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<p>Publish Date: 2Q 23</p>	<p>“Piracy is increasingly being seen as an ecosystem-level threat, global in scope, to be fought by orchestrating theft-recognition, antipiracy countermeasures, best-practices, and collaboration across industry, law enforcement and government,” said Steve Hawley, Contributing Analyst, Parks Associates.</p>																								
<p>Contents</p>	<p>Definition: What is piracy?</p> <p>Key questions and research approach</p> <p>Executive Summary</p> <ul style="list-style-type: none"> Industry insights Key findings: The impact of piracy The piracy-antipiracy life cycle <p>Consumer Attitudes Toward Piracy</p> <ul style="list-style-type: none"> Consumer insights Consumer engagement with piracy Intention of Subscribing to a TV Service in Next 6 Months Piracy Tool Used Consumer Engagement in Piracy and Account Sharing Average Percentage of Households Giving or Receiving Account Credentials Pirate Tool Usage in OTT Service Business Models Strong Agreement Towards Unlicensed Video Media Usage Impact of Lower Pricing on Pirating Tool Users <p>Why Protect Against Piracy?</p> <ul style="list-style-type: none"> Revenue Loss to Piracy, All US Households (\$M US) Lifecycle of a Video Asset Live Events: Decline in Value The purpose of security 																								

	<ul style="list-style-type: none"> Key rationale for security Protecting reputation and fighting piracy Reducing the risk of theft, preserving revenue Consumer Engagement in Piracy and Account Sharing Additional consumer-facing paths to piracy Meeting obligations, maintaining advertising integrity, and preserving reputation Optimizing distribution
	<p>Piracy Life Cycle: Recognizing Piracy</p> <ul style="list-style-type: none"> The piracy-antipiracy life cycle: Recognition of piracy Piracy orders of magnitude The piracy ecosystem, from a distributor’s perspective
	<p>Piracy Life Cycle: Acquisition by Pirates</p> <ul style="list-style-type: none"> The piracy-antipiracy life cycle: Acquisition of content & services by pirates Where theft occurs, from a video distributor’s perspective Pirates steal services and content Pirates compromise service delivery infrastructure, devices and software Pirates exploit consumer access Pirates exploit a variety of alternatives to capture content Pirates profiting from stolen (legitimate) advertising Pirates profit from fraudulent advertising (malvertising) Close-up: examples of ransomware ads
	<p>Piracy Life Cycle: Distribution</p> <ul style="list-style-type: none"> The piracy-antipiracy life cycle: distribution Consumer-to-consumer distribution: it’s not piracy if it’s allowed by rights-holder Business-to-consumer distribution by pirates Online distribution: peer-to-peer (P2P) Online distribution: live streaming Online distribution: media centers and app stores as hosts to pirate apps Online distribution: compromised devices Online distribution: illicit streaming devices (ISDs) Online distribution: retail “IPTV” services IPTV business models: consumer-facing offers Setting up a piracy operation: choose a service platform and back-end Close-up: the profits from piracy far outweigh the costs Piracy business models: piracy-as-a-service Piracy-as-a-service: outsource the entire operation, including the content
	<p>Piracy Life Cycle: Detection & Deterrence</p> <ul style="list-style-type: none"> The piracy-antipiracy life cycle: Piracy detection and deterrence Piracy deterrence: pay TV and streaming security Pay-TV antipiracy: detection through watermarking & monitoring Piracy deterrence: platform requirements for usage monitoring & analytics Piracy deterrence: protecting apps from penetration and reverse engineering Piracy deterrence: service parameters and administration practices Piracy deterrence: best practices for service administration Piracy deterrence: conceptual guidelines Piracy deterrence: business rules should guide detection parameters Summary: components of an antipiracy framework
	<p>Piracy Life Cycle: Mitigation and Engagement</p> <ul style="list-style-type: none"> The piracy-antipiracy life cycle: mitigation & ecosystem engagement

	<p>Piracy mitigation: end-user mitigation practices and infrastructure and network issues Piracy mitigation: operations and vendor administration Ongoing deterrence: operations practices and countermeasures</p> <p>Ecosystem Approaches Against Piracy Non-technical countermeasures: ecosystem engagement Industry collaborations against piracy: Americas Antipiracy approaches differ region-to-region</p> <p>Additional Piracy Use Cases Cases: illegal distribution via ‘IPTV’ sites and illicit streaming devices (ISDs) Cases: ransomware / piracy-as-a-service Cases: VASTFLUX – exploiting ad automation by fraud Cases: antipiracy through collaboration</p> <p>Piracy Forecast Market drivers and barriers US Streaming Video Households (Millions) US Streaming Revenue per Household (\$US) Streaming revenue - All US Households (\$M) Piracy Rate, Percentage of Streaming Revenue Annual Revenue Loss to Piracy, per US HH (\$US) Revenue Loss to Piracy, All US HH (\$M US) Monthly Revenue Loss by Video Type (\$M US) Annualized Revenue Loss by Video type (\$M US) TV Piracy by Programming Type Fraudulent Advertising to Web and Mobile - 2022-2027 (\$M) Breakout of Ad Fraud between Web and Mobile (\$M)</p> <p>Appendix: Key Suppliers Core security / antipiracy suppliers and their security categories Leaders in antipiracy products and solutions</p> <p>Appendix: Definitions</p> <p>Appendix: Piracy Reference</p> <p>Appendix: Methodology</p>
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