

## **Advisory Committee on Enforcement**

### **Sixteenth Session**

**Geneva, January 31 to February 2, 2024**

### **CONSUMPTION BEHAVIOR OF PIRATED COPYRIGHT WORKS\***

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#### **ABSTRACT**

The purpose of this research is to achieve a comprehensive understanding of consumers with regard to copyright piracy in Indonesia and Thailand. It identifies the product categories that are most pirated in both countries. Further, it explores the consumption behavior of consumers of pirated works and the most frequent access method and usage frequency in relation to each product category. It also reveals the motivational drivers for using pirated works and the perceived quality of pirated works in comparison with original copies. This research unveils consumer attitudes towards pirated works in general and reports attitude differences among consumers and non-consumers of pirated works. In addition, this research uncovers the reasons why non-consumers of pirated works deliberately choose not to access them and identifies the influential factors that discourage consumers from knowingly acquiring pirated works. Important implications, informed by the findings of this research, are also reported.

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\* This study was undertaken with the aid of funds provided by the Ministry of Culture, Sports and Tourism of the Republic of Korea (MCST). An executive summary of the study in all WIPO working languages is available at: [https://www.wipo.int/meetings/en/details.jsp?meeting\\_id=76048](https://www.wipo.int/meetings/en/details.jsp?meeting_id=76048).

\*\* The views expressed in this document are those of the authors and not necessarily those of the Secretariat or of the Member States of WIPO.

## EXECUTIVE SUMMARY

### A. INTRODUCTION

1. Piracy has been a global issue for many years and remains prevalent both online and in the offline marketplace. The scale of piracy can vary significantly through different countries as well as across product categories.
2. To eliminate piracy, it is important to develop a comprehensive understanding of the ongoing worldwide issue that is also country- and product-specific. Building on a study carried out in 2021 by the World Intellectual Property Organization (WIPO), which assessed consumer attitudes towards piracy and behavior in the Philippines, this current research investigates consumers in regard to piracy in Indonesia and Thailand, both of which have been considered to be markets of concern for piracy.

### B. SIMILARITIES AMONG THE KEY FINDINGS OF THAILAND AND INDONESIA

3. Use of pirated works remains prevalent among consumers in both countries. The popularity of pirated works varies depending on product categories. Among the four tested product categories, movies are the most pirated.
4. For consumers who knowingly use pirated works, the most often used access method varies depending on product categories, namely music (unofficial user-created sites on YouTube), movies (unofficial websites), TV channels (unofficial streaming websites) and computer software (apps or services on a device). Consumers find most pirated works via search engines such as Google.
5. More than 10 percent of consumers use pirated works more than once a month.
6. Perceived poor value for money of subscription is the most prominent reason for consumption of pirated copies for music and movies/TV programs/TV channels; for computer software it is affordability.
7. More than 50 percent of consumers who use pirated copies believe pirated computer software is either the same or better quality than the genuine copy.
8. The majority of consumers who do not use pirated copies have confidence in differentiating unofficial sites from official sites.

### C. DIFFERENCES IN THE KEY FINDINGS OF THAILAND AND INDONESIA

9. In Thailand, male consumers are more likely than females to knowingly use pirated works. In Indonesia, female consumers are more prone to use pirated copies than male consumers across all product categories except for computer software.
10. There are some age differences regarding piracy prone consumers between the two countries. Specifically, in Thailand, consumers aged below 30 are more inclined to use pirated works. In contrast, Indonesian consumers aged between 30 and 39 are more likely to use pirated copies than consumers of other age groups, including those aged below 30.

11. Compared with Indonesian consumers, more Thai consumers who use pirated works believe that pirated music/movies/TV programs and TV channels are worse quality than original copies.
12. The scale of deceptive piracy is higher in Thailand than in Indonesia because, compared with a 33 percent chance for Indonesian consumers, there is an approximate 50 percent chance that Thai consumers who do not use pirated works would encounter them unintentionally.
13. The most prominent reasons for avoiding pirated music, movies/TV programs and TV channels are different between Thai and Indonesian consumers. It is having a subscription to the original service/copy for the former and quality concerns for the latter.
14. Regarding computer software, the most prominent reason for avoiding pirated copies is feeling bad/guilty for Thai consumers and quality concerns for Indonesian consumers.
15. There are some significant attitudinal differences (e.g., perceived benefits, judgements, harm and perceptions) toward piracy between Indonesian consumers and non-consumers of pirated works. As regards Thai consumers, there are not many attitudinal differences between consumers and non-consumers of pirated works.
16. The most influential factor that would discourage Indonesian consumers from knowingly acquiring pirated works is cheaper price of original copies. For Thai consumers it is greater convenience of original copies.

#### D. CONCLUSION

17. Despite all the effort from stakeholders, copyright piracy remains prevalent in both Thailand and Indonesia and some consumers still do not fully appreciate the differences between piracy and counterfeiting. Additional to the similarities in the key findings, this research reveals some substantial differences between the two countries in regard to copyright piracy from the perspective of consumers. Variations across product categories are also identified. To this end, policies and anti-piracy strategies aimed at eliminating consumer piracy should take into account product category and consumer characteristics, as well as national level differences.

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## II. INTRODUCTION

18. Copyright piracy is the “unauthorized and illegal reproduction or distribution of materials protected by copyright”<sup>1</sup>. Piracy manifests in different ways, such as creating unauthorized copies of copyright-protected materials or distributing or sharing copyright content without proper authorization. Pirated products are sold both online and in the offline marketplace. The issue of piracy is a complex and ongoing problem worldwide<sup>2</sup>.

19. Piracy has been a global problem for many years. The scale of piracy can vary significantly through different countries and regions as well as across product categories. According to the Business Software Alliance (BSA), the global piracy rate for software was 37% (\$46.3 billion) in 2020, meaning that over one-third of software used globally was pirated<sup>3</sup>.

20. It is useful to examine the issue on a country basis to identify the specific challenges and factors that contribute to piracy in specific parts of the world, which would enable tailor-made interventions. Building on a study carried out in 2021 by the World Intellectual Property Organization (WIPO), which assessed consumer attitudes towards piracy and behavior in the Philippines, this study focuses on consumer attitudes and behaviors in Indonesia and Thailand<sup>4</sup>. Thailand and Indonesia were chosen because right holders assert that copyright infringement is a widespread problem in these countries, and they have been considered to be markets of concern by authorities in other countries<sup>5</sup>.

21. The structure of this report is as follows. First, the existing relevant literature is reviewed before introducing the research aim. Subsequently, methodological procedures and the results of the empirical study are presented followed by a discussion of the key findings. This report concludes with contributions and practical implications as well as future research directions.

## III. RELEVANT LITERATURE

### A. POTENTIAL REASONS FOR THE PREVALENCE OF PIRACY

22. There are several potential reasons why piracy might be more prevalent in one country than in another.

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<sup>1</sup> “PIRACY”, Black’s Law Dictionary (11th ed. 2019). See also: Paul Benjamin Lowry, Jun Zhang, and Tailai Wu, “Nature or Nurture? A Meta-Analysis of the Factors That Maximize the Prediction of Digital Piracy by Using Social Cognitive Theory as a Framework” *Computers in Human Behavior* 68 (2017): 104–20, <https://doi.org/10.1016/j.chb.2016.11.015>; Cheolho Yoon, “Theory of Planned Behavior and Ethics Theory in Digital Piracy: An Integrated Model” *Journal of Business Ethics* 100, no. 3 (2011): 405–17, <https://doi.org/10.1007/s10551-010-0687-7>.

<sup>2</sup> See, e.g., Yavuz Akbulut and Onur Dönmez, “Predictors of Digital Piracy among Turkish Undergraduate Students” *Telematics and Informatics* 35, no. 5 (August 1, 2018): 1324–34, <https://doi.org/10.1016/j.tele.2018.03.004>.

<sup>3</sup> Business Software Alliance, “BSA Limited Annual Report 2020” 2020.

<sup>4</sup> World Intellectual Property Organization (WIPO), “Consumer Attitudes and Awareness in the Philippines – Results and Lessons Learned from Deploying the WIPO Consumer Survey Toolkit”, Doc. WIPO/ACE/15/9, 47-50, [https://www.wipo.int/edocs/mdocs/enforcement/en/wipo\\_ace\\_15/wipo\\_ace\\_15\\_9.pdf](https://www.wipo.int/edocs/mdocs/enforcement/en/wipo_ace_15/wipo_ace_15_9.pdf).

<sup>5</sup> International Intellectual Property Alliance (IIPA), “IIPA 2021 Special 301 Report on Copyright Protection and Enforcement” (WASHINGTON, DC 20036, 2021), [https://www.iipa.org/files/uploads/2021/01/2021SPEC301REPORT\\_12854504\\_1.pdf](https://www.iipa.org/files/uploads/2021/01/2021SPEC301REPORT_12854504_1.pdf); Office of the United States Trade Representative, “2023 Special 301 Report” (Washington, 2023), <https://ustr.gov/sites/default/files/2023-04/2023%20Special%20301%20Report.pdf>; European Commission, “Report on Intellectual Property Rights in Third Countries” (Brussels, 2023), [https://policy.trade.ec.europa.eu/news/commission-releases-its-report-intellectual-property-rights-third-countries-2023-05-17\\_en](https://policy.trade.ec.europa.eu/news/commission-releases-its-report-intellectual-property-rights-third-countries-2023-05-17_en).

23. Some countries may have weaker copyright laws or inadequate resources for enforcement, making it easier for consumers to engage in piracy without fear of legal consequences<sup>6</sup>.
24. It has been argued that some individuals in East Asian countries may regard copyright protection as a western-derived concept that allows one party to wield monopoly power of knowledge over other parties and that this mindset influences attitudes toward copyright<sup>7</sup>. They believe that intellectual property (IP) should be shared and freely accessible, which can contribute to higher rates of piracy<sup>8</sup>.
25. This cultural perspective can also lead to a more relaxed attitude toward IP rights and copyright protection<sup>9</sup>. As a result, piracy rates may be high since some consumers would likely assume that there is nothing wrong in accessing copyrighted materials without the creators' being remunerated<sup>10</sup>.
26. The cost of copyrighted material may prompt some consumers to resort to piracy as a more affordable alternative, whether in relation to entertainment content or business software<sup>11</sup>. According to Sinha et al.<sup>12</sup>, a major reason why people engage in piracy is the desire to save money by obtaining content for free or at a reduced price. Where consumers cannot afford such products, they may turn to piracy as a way to obtain the materials they want without having to pay the price of a legitimate product<sup>13</sup>.
27. A further potential motivator is accessibility of content. In some Asian countries, pirated materials may be more easily accessible than legal content due to the limited presence of legal distribution channels, which may encourage the acquisition of pirated content by consumers<sup>14</sup>. Consumers are more likely to choose legal alternatives over piracy when they are affordable and readily available. Conversely, if legal options are scarce, consumers may be more inclined to turn to piracy<sup>15</sup>. Pirated copies are readily available online and can be downloaded and streamed from a variety of sources, often with minimal effort<sup>16</sup>.
28. While consumers may benefit from accessing pirated materials at a lower cost, they may also experience negative consequences<sup>17</sup>. Pirated materials may contain malware or viruses that can harm the end user's device, and the quality of the pirated material may be inferior to the

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<sup>6</sup> Shujen Wang, "The Cloud, Online Piracy and Global Copyright Governance" *International Journal of Cultural Studies* 20, no. 3 (2017): 270–86, <https://doi.org/10.1177/1367877916628239>.

<sup>7</sup> Amanda Budde-Sung, "The Invisible Meets the Intangible: Culture's Impact on Intellectual Property Protection" *Journal of Business Ethics* 117, no. 2 (2013): 345–59.

<sup>8</sup> *Ibid.*

<sup>9</sup> Pola B. Gupta, Stephen J. Gould, and Bharath Pola, "'To Pirate or Not to Pirate': A Comparative Study of the Ethical versus Other Influences on the Consumer's Software Acquisition-Mode Decision" *Journal of Business Ethics* 55, no. 3 (2004): 255–74.

<sup>10</sup> Budde-Sung, fn 7 above.

<sup>11</sup> Ram D. Gopal et al., "A Behavioral Model of Digital Music Piracy" *Journal of Organizational Computing and Electronic Commerce* 14 (2004): 89–105, [https://doi.org/10.1207/s15327744joce1402\\_01](https://doi.org/10.1207/s15327744joce1402_01).

<sup>12</sup> Rajiv K. Sinha, Fernando S. Machado, and Collin Sellman, "Don't Think Twice, It's All Right: Music Piracy and Pricing in a DRM-Free Environment" *Journal of Marketing* 74, no. 2 (March 1, 2010): 40–54, <https://doi.org/10.1509/jm.74.2.40>.

<sup>13</sup> Simplice A. Asongu, Pritam Singh, and Sara Le Roux, "Fighting Software Piracy: Some Global Conditional Policy Instruments" *Journal of Business Ethics* 152, no. 1 (September 1, 2018): 175–89, <https://doi.org/10.1007/s10551-016-3291-7>.

<sup>14</sup> Trisha L. Bezmen and Craig A. Depken, "Influences on Software Piracy: Evidence from the Various United States" *Economics Letters* 90, no. 3 (2006): 356–61, <https://doi.org/10.1016/j.econlet.2005.08.029>.

<sup>15</sup> Birendra K. Mishra, T. S. Raghu, and Ashutosh Prasad, "Strategic Analysis of Corporate Software Piracy Prevention and Detection" *Journal of Organizational Computing and Electronic Commerce* 15, no. 3 (2005): 223–52, [https://doi.org/10.1207/s15327744joce1503\\_3](https://doi.org/10.1207/s15327744joce1503_3).

<sup>16</sup> *Ibid.*

<sup>17</sup> Wang, fn 6 above.

original<sup>18</sup>. In addition, individuals may face legal consequences if they are caught producing and/or distributing pirated materials<sup>19</sup>.

29. While legislation represents an important step in the fight against piracy, enforcement and implementation remain a challenge in many countries<sup>20</sup>.

30. Governments, particularly law enforcement agencies, may encounter difficulties in adequately implementing and enforcing copyright laws<sup>21</sup>. This could be due to various factors such as insufficient funding, inadequately trained staff, or inadequate technology to identify and take action against pirates. Additionally, competing priorities or political influences may sometimes compromise efforts to enforce copyright laws<sup>22</sup>.

31. Advancements in technology can pose challenges in enforcing copyright laws effectively<sup>23</sup>. Similarly, the distribution of perpetrators and infrastructure across borders makes it difficult to trace pirates and hold them accountable for their actions. With technology constantly evolving, governments must keep pace with the latest tools and approaches to effectively combat piracy<sup>24</sup>.

## B. CONSUMER BEHAVIOR AND ATTITUDES TOWARDS PIRACY

32. The demand side of piracy refers to the consumers who engage in piracy. Extant literature has established that there is a demand for pirated goods<sup>25</sup>, particularly in certain countries, where some consumers proactively engage in piracy<sup>26</sup>.

33. Who consumes pirated works? Research has shown that consumers who engage in piracy are not a homogeneous group, and their behavior can vary depending on factors such as age, gender, income and cultural background. For instance, younger consumers and those with lower incomes tend to engage in piracy more frequently than older and wealthier consumers<sup>27</sup>. Consumers who view piracy as unethical are more inclined to avoid it, while those who do not perceive it as harmful may be more inclined to participate in it<sup>28</sup>. Consumers who highly value supporting creators and the industry may have a lower likelihood of participating in piracy, while

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<sup>18</sup> *Ibid.*

<sup>19</sup> *Ibid.*

<sup>20</sup> BSA, fn 3 above.

<sup>21</sup> ICC, "ICC Open Markets Index 2nd Edition 2013" *ICC - International Chamber of Commerce* (blog), 2013, <https://iccwbo.org/publication/icc-open-markets-index-2nd-edition-2013/>; Office of the United States Trade Representative, "2023 Special 301 Report" (Washington, 2023), <https://ustr.gov/sites/default/files/2023-04/2023%20Special%20301%20Report.pdf>.

<sup>22</sup> USTR, "2023 Special 301 Report" <https://ustr.us7.list-manage.com/track/click?u=b58f12c4da47019d98a1e84ef&id=87fae4774a&e=b2f1fc8409>.

<sup>23</sup> European Union IP Office (EUIPO), "Intellectual Property Infringement and Enforcement Tech Watch Discussion Paper 2023" [https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document\\_library/observatory/documents/reports/2023\\_IP\\_Tech\\_Watch\\_Discussion\\_Paper/2023\\_IP\\_Infringement\\_and\\_Enforcement\\_Tech\\_Watch\\_Discussion\\_Paper\\_FullR\\_en.pdf](https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/observatory/documents/reports/2023_IP_Tech_Watch_Discussion_Paper/2023_IP_Infringement_and_Enforcement_Tech_Watch_Discussion_Paper_FullR_en.pdf).

<sup>24</sup> Digital Citizens Alliance, "Breaking (B)Ads: How Advertiser-Supported Piracy Helps Fuel A Booming Multi-Billion Dollar Illegal Market" 2021, <https://www.digitalcitizensalliance.org/clientuploads/directory/Reports/Breaking-Bads-Report.pdf>.

<sup>25</sup> Peter H. Bloch, Ronald F. Bush, and Leland Campbell, "Consumer 'Accomplices' in Product Counterfeiting: A Demand Side Investigation" *Journal of Consumer Marketing* 10, no. 4 (1993): 27–36, <https://doi.org/10.1108/07363769310047374>.

<sup>26</sup> Helmuth Cremer and Pierre Pestieau, "Piracy Prevention and the Pricing of Information Goods" *Information Economics and Policy* 21, no. 1 (February 1, 2009): 34–42, <https://doi.org/10.1016/j.infoecopol.2008.09.003>; Kenneth K. Kwong et al., "The Effects of Attitudinal and Demographic Factors on Intention to Buy Pirated CDs: The Case of Chinese Consumers" *Journal of Business Ethics* 47, no. 3 (October 1, 2003): 223–35, <https://doi.org/10.1023/A:1026269003472>; Mishra, Raghu, and Prasad, fn 15 above.

<sup>27</sup> Kwong et al., fn 26 above.

<sup>28</sup> *Ibid.*

those who prioritize cost and convenience may be more likely to engage in it<sup>29</sup>. Consumers who lack access to legal options may be more likely to resort to piracy<sup>30</sup>.

34. Consumer attitude: Consumer attitude is one of the most important factors that influences consumer behavior towards piracy<sup>30</sup>. Cultural factors often play a role in shaping attitudes towards piracy<sup>31</sup>. Some consumers view piracy as a victimless crime and deny the impact it has on the creators and industries affected by it<sup>32</sup>. They may also consider piracy beneficial, such as saving money or accessing content that is not available legally in their region<sup>33</sup>. Some consumers view piracy as morally and ethically wrong, while others see it as harmless<sup>34</sup>.

35. Rationalization and psychological impacts: Consumers who consume pirate works may justify their actions as a means of obtaining content that is not legally accessible or to save money. They may also claim that piracy is harmless and that the industry is already making sufficient profits<sup>35</sup>. Nonetheless, many consumers experience a sense of guilt about engaging in piracy and feelings of unease. One reason for these feelings of guilt is awareness that piracy is illegal<sup>36</sup>. Another reason for these feelings is an understanding of the consequences that piracy can have on the digital content industry<sup>37</sup>.

36. Frequency of piracy consumption: Consumers' frequency of consuming pirated products can vary greatly. Some may download and/or share large amounts of copyrighted content on a regular basis, especially those who are heavy users of digital media, such as avid music listeners, movie enthusiasts, or gamers<sup>38</sup>. Some consumers may not engage in piracy regularly but instead do so sporadically as the need arises<sup>39</sup>.

#### IV. LEGISLATIVE BACKGROUND IN INDONESIA AND THAILAND

37. Indonesia and Thailand have adopted legislative measures to combat piracy.

38. The Copyright Law (Law No. 28 of 2014) in Indonesia offers legal safeguards for copyright holders and stipulates penalties for any violation of copyright<sup>40</sup>. The law includes provisions for civil and criminal remedies for copyright infringement, as well as measures to address online piracy. Additionally, the Indonesian Copyright Office is tasked with enforcing copyright laws and raising awareness about copyright.

39. The Copyright Act (BE 2537) in Thailand has provisions similar to those in Indonesia for protecting copyright, which include establishing the Copyright Board and judicial remedies for

<sup>29</sup> Timothy Paul Cronan and Sulaiman Al-Rafee, "Factors That Influence the Intention to Pirate Software and Media" *Journal of Business Ethics* 78, no. 4 (2008): 527–45, <https://doi.org/10.1007/s10551-007-9366-8>.

<sup>30</sup> Denni Arli and Fandy Tjiptono, "Consumer Digital Piracy Behaviour among Youths: Insights from Indonesia," *Asia Pacific Journal of Marketing and Logistics* 28, no. 5 (2016): 898–922, <https://doi.org/10.1108/APJML-11-2015-0163>.

<sup>31</sup> *Ibid.*

<sup>32</sup> Budde-Sung, fn 7 above.

<sup>33</sup> Cremer and Pestieau, fn 26 above.

<sup>34</sup> *Ibid.*

<sup>35</sup> Gupta, Gould, and Pola, fn 9 above.

<sup>36</sup> *Ibid.*

<sup>37</sup> Sinha, Machado, and Sellman, fn 12 above.

<sup>38</sup> *Ibid.*

<sup>39</sup> Cronan and Al-Rafee, fn 29 above.

<sup>40</sup> Suzanne C. Wagner and G. Lawrence Sanders, "Considerations in Ethical Decision-Making and Software Piracy" *Journal of Business Ethics* 29, no. 1 (2001): 161–67, <https://doi.org/10.1023/A:1006415514200>.

<sup>40</sup> Law of the Republic of Indonesia No. 28 on Copyright, available at <https://www.wipo.int/wipolex/en/legislation/details/15600>.

copyright infringement, including criminal penalties<sup>41</sup>. The Act also addresses online piracy. Additionally, a National Intellectual Property Center has been established to promote awareness and enforcement of intellectual property rights. The situation in Thailand has been extensively reported on at sessions of WIPO's Advisory Committee on Enforcement (ACE)<sup>42</sup>.

## V. AIMS OF THE STUDY

40. Focusing on Indonesia and Thailand, this research seeks to achieve a better understanding of consumer attitudes towards piracy in these countries and identify the motivational drivers for consuming pirated copyright works.

41. The findings of this research are also deemed to advance the understanding of consumption behavior of pirated works and, equally importantly, may be used to inform policy-making and legislative development and to shape anti-piracy strategies.

## VI. RESEARCH DESIGN AND METHODOLOGY

42. The research used a mixed-methods design, including both qualitative and quantitative studies. The mixed-method research design was implemented via two phases, that is, one-to-one interviews (Phase 1) followed by a large-scale survey (Phase 2). Specifically, Phase 1 adopted in-depth interviews with consumers who had acquired pirated works to gain insights. Phase 1 was purposefully designed to inform Phase 2 (the main study), including identifying products which were most pirated, questionnaire design, and identifying and addressing issues that might be encountered in the main study. Phase 2 involved a survey of consumers in Indonesia and Thailand to gather data on their piracy behavior, perception of product quality, attitudes, motivational drivers and essential measures for habit reversal of consumer piracy.

43. Data were collected in Indonesia and Thailand because, as reported in the introduction, right holders believe that copyright infringement is a widespread problem. Equally important, we aim to map the resultant similarity and diversity of the findings across two neighboring countries in South-east Asia. From a theoretical perspective, a cross-country research effort is important because researchers suggest that consumers' decision-making, product evaluations, assessments of risk and uncertainty avoidance are based on relevant cultural, social, experiential and technological factors<sup>43</sup>.

44. Exploratory studies are useful where little prior knowledge exists in the literature<sup>44</sup>. Qualitative data collection is an appropriate methodological approach in exploratory research<sup>45</sup>. To this end, Phase 1 comprised 20 interviews, which enabled us to gain insights regarding

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<sup>41</sup> Copyright Act B.E. 2537 (1994), as amended up to Copyright Act B.E. 2561 (2018), available at <https://www.wipo.int/wipolex/en/legislation/details/19877>.

<sup>42</sup> World Intellectual Property Organization's Advisory Committee on Enforcement (ACE), "The Experience of the Thai Central Intellectual Property and International Trade Court" (2016, doc. WIPO/ACE/11/7, pp 18 to 22); "Challenges in Prosecuting Online Intellectual Property Infringement Cases: The Perspective of the Office of the Attorney General of Thailand" (2017, doc. WIPO/ACE/12/10 Rev, pp 17 to 21); "Intellectual Property Enforcement Coordination and the Role of the Royal Thai Police" (2017, doc. WIPO/ACE/12/5 Rev. 2, pp 33 to 37); "Raising IP Awareness via Social Media in Thailand" (2018, doc. WIPO/ACE/13/4, pp 16 to 19); "Current Intellectual Property Awareness Activities in Thailand" (2022, doc. WIPO/ACE/15/9, pp 51 to 53). All accessible at [https://www.wipo.int/meetings/en/topic.jsp?group\\_id=142](https://www.wipo.int/meetings/en/topic.jsp?group_id=142).

<sup>43</sup> Rosemary R. Seva and Martin G. Helander, "The Influence of Cellular Phone Attributes on Users' Affective Experiences: A Cultural Comparison" *International Journal of Industrial Ergonomics* 39, no. 2 (2009): 341–46.

<sup>44</sup> Norman Blaikie and Jan Priest, *Designing Social Research: The Logic of Anticipation* (John Wiley & Sons, 2019).

<sup>45</sup> Andrew Crane, "Are You Ethical? Please Tick Yes Or No On Researching Ethics in Business Organizations" *Journal of Business Ethics* 20, no. 3 (1999): 237–48, <https://doi.org/10.1023/A:1005817414241>.

consumer understanding of piracy, attitude and consumption behavior. Phase 1 data were analyzed and utilized to refine the research instrument, namely the WIPO Simplified Consumer Survey Toolkit<sup>46</sup>, adopted in Phase 2, when ordinary consumers were invited to take part in an online survey. Online data collection was considered adequate because piracy is most prevalent in online environments, particularly in relation to music, movies, TV programs and computer software, the products of our interest. JISC, a popular online data collection platform, was used for Phase 2 data collection because it is approved and subscribed to by the authors' university. The analysis is based on simple descriptive statistics, tabulated summaries and charts to identify trends, as well as comparative analysis.

## A. PHASE 1

45. Interviewees were recruited using the snowballing technique, a non-probability sampling method where identified research participants help recruit future subjects for a study. Snowballing technique is often used when studying sensitive topics. In this research, using her existing connections the first author identified three interviewees in each country, who subsequently helped recruit further interviewees. Twenty interviews were conducted in total (10 for each country). Interviewees comprise ordinary consumers aged between 18 and 60, with an equal split of gender (see Table 1 for interviewee profiles). The interview duration ranged from 45 to 75 minutes. The interview was conducted at a place convenient and comfortable for the interviewee. All interviews were carried out by the first author. An interview guide was used during the course of the interview. The interview guide covered broadly defined areas related to piracy, such as knowledge, purchase/consumption experience, perceptions, attitudes, motivations, expectations, and possible solutions. During the course of interviews, the researcher observed that some interviewees did not differentiate between piracy and trademark infringement. Therefore, offering a clear definition of piracy from the outset was considered necessary to achieve a shared understanding of the salient concept of this research among all interviewees. Subsequent interviews started with the definition of piracy. Consent was obtained prior to the interview starting. All interviews were audio recorded and transcribed.

*Table 1: Interviewee profiles*

<b>Name</b>	<b>Age</b>	<b>Gender</b>	<b>Education attainment</b>	<b>Job</b>	<b>Country</b>
KK	22	Male	Undergraduate Degree	Digital artist	Thailand
Phie	46	Female	Undergraduate Degree	Business owner	Thailand
Isabella	22	Female	Undergraduate Degree	Freelance writer	Thailand
Monrada	18	Female	High School	Student	Thailand
Wanvipa	35	Female	Undergraduate Degree	Estate Agent	Thailand
Prasoert	60	Male	High School	Merchant	Thailand
Sulfa	19	Female	High School	Student	Thailand
Wunlayaporn	50	Male	High School	Clerk	Thailand
Thongchia	30	Male	High School	Military service	Thailand
Supasinee	40	Male	Undergraduate Degree	Company owner	Thailand
Nicholas	21	Male	High School	Student	Indonesia
Sese	30	Female	High School	Shop assistant	Indonesia
Apriadi	35	Male	Undergraduate Degree	Freelance	Indonesia
Gonzales	19	Male	High School	Student	Indonesia
Phie	49	Female	Undergraduate Degree	Business owner	Indonesia
Kevin	31	Male	Undergraduate Degree	Student	Indonesia
Susan	25	Female	Undergraduate Degree	Trainee	Indonesia
Harry	22	Male	High School	Student	Indonesia
Indra	30	Female	Postgraduate Degree	Business owner	Indonesia

<sup>46</sup> <https://www.wipo.int/export/sites/www/enforcement/en/pdf/wipo-consumer-survey-toolkit-simplified-version-2023.pdf>.

Rika	54	Female	Primary School	House wife	Indonesia
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46. Phase 1 research revealed that music, movies/TV programs (video on demand), TV channels (live broadcast) and computer software were the most pirated works in both Thailand and Indonesia. Pirated copies were widely accessible to consumers either online or offline or both. Despite the prevalence of pirated copies, respondents demonstrated very limited understanding of piracy. In general, they felt difficulty in telling the differences between piracy and counterfeiting and often used the two concepts interchangeably. This was particularly the case for the respondents from Indonesia. Some respondents kept referring to counterfeits even after they were informed about the definition of piracy to help distinguish trademark counterfeiting from copyright piracy. Most of the respondents could not recall when piracy or related issues were ever the subject of public discussion. Music piracy was no longer as prevalent as in previous years because of the wide use of official streaming services, such as Spotify, in recent years. Surprisingly, some respondents reported that pirated copies were offered to them free of charge when they bought their PC/laptop.

## B. PHASE 2

47. Phase 2 involved an anonymous online survey of ordinary Thai and Indonesian consumers aged 18 and above. The survey targeted a wide range of consumers in order to achieve a comprehensive understanding of market responses to pirated works.

48. The questionnaire was developed based on the WIPO Simplified Consumer Survey Toolkit. Specifically, the Toolkit was revised by the research team, reviewed by the staff at WIPO and adjusted accordingly. The main changes made include but are not limited to presenting a definition of piracy, including computer software as an additional product category, adding more items in order to more precisely capture attitude data, and making some amendments to existing items when necessary. The questionnaire was then translated into the Thai and Indonesian languages. A back-translation technique was also applied to ensure accuracy before the questionnaire was pilot-tested using a convenient sample. Minor issues in relation to translation and administration were identified and addressed prior to the main survey, which was launched online.

49. The questions were designed to collect data in relation to consumer perception, attitude, consumption behavior, underlying reasons as well as essential measures for habit reversal of consumer piracy. The majority of the questions were multiple choice, where single answer questions were set out on a 10-point scale (1 = Disagree very strongly, 10 = Agree very strongly).

50. In order to set the context for assessing consumers' attitudinal evaluations and behavioral reactions to pirated works, this research investigated four categories of goods, including music, movies/TV programs, TV channels and computer software respectively. These four categories of goods were chosen because the findings of Phase 1 suggested that they were the most pirated goods in Thailand and Indonesia (see paragraph 30).

51. Participants were recruited using the snowballing technique and were offered a small monetary incentive to enhance response rates. While data collection from Thai consumers went smoothly as expected, collecting data from Indonesian consumers turned out to be challenging, as the response rate to the call for participation was significantly less, although the value of the incentive afforded was identical. To this end, Panelbase, a market research company that has access to the Indonesian market, was appointed to assist with data collection because of their established sampling pool of Indonesian consumers.

52. The data were collected during a period of six weeks between April and May 2023. In total, 1170 questionnaires were collected (654 from Thailand and 516 from Indonesia). After data cleaning and screening, the number of usable questionnaires comprise 646 (Thailand) and 511 (Indonesia), which gives a high usable rate of 98.8% and 99.0% respectively.

## VII. FINDINGS – THAILAND

### A. KNOWING CONSUMERS OF PIRATED WORKS

53. In order to assess consumer behavior towards pirated works, all respondents were asked whether they had come across pirated copies of music, movies/TV programs, TV channels and computer software. In this research, *consumers (non-consumers) of pirated works* are the respondents who admitted (did not admit) knowing consumption of pirated copies.

54. Overall, more than half of the Thai respondents (55.6%) knowingly consumed pirated works. At the product category level, between 16.4% and 39.2% of respondents reported that they had accessed pirated works (Table 2), with movies/TV programs being the highest, followed by music, then computer software. TV channels (16.4%) are the least knowingly pirated by respondents among the product categories examined in this research. This indicates that the number of consumers of pirated works varies depending on product categories. Movies/TV programs remain the most pirated product in Thailand. Some respondents accessed pirated works of multiple product categories, 45.5% accessed two categories, 18.3% accessed three, and 3.3% accessed all four respectively.

55. In Thailand, male consumers were more likely to knowingly consume illicit pirated works than female respondents across all four product categories. For example, 28.8% of male respondents admitted to music piracy compared with 20.9% of female respondents. Additionally, younger consumers appeared to be more inclined to access pirated works in general. For example, 25.7% of respondents in the 18-29 age group admitted to intentional music piracy compared with 13.8% in the 30 plus age group. The trend is consistent across product categories except for TV channels. See Figure 1a and 1b for details.

Table 2: Knowing Thai consumers of pirated works

Category	Number of consumers	% All respondents	% male	% female	% 18-29y	% 30y+
Music	152	23.5%	28.8%	20.9%	25.7%	13.8%
Movies /TV programs	253	39.2%	42.5%	36.7%	43.2%	20.7%
TV channels	106	16.4%	26.5%	10.7%	16.2%	17.2%
Computer software	113	17.5%	23.6%	12.2%	18.1%	14.7%

Figure 1a: Gender distribution of pirated works consumption

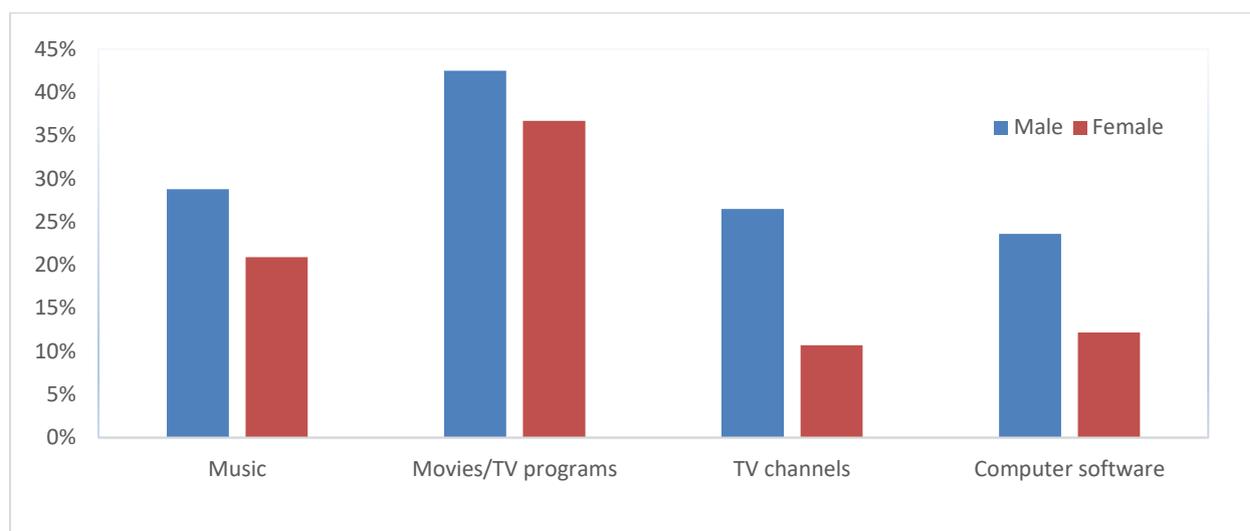
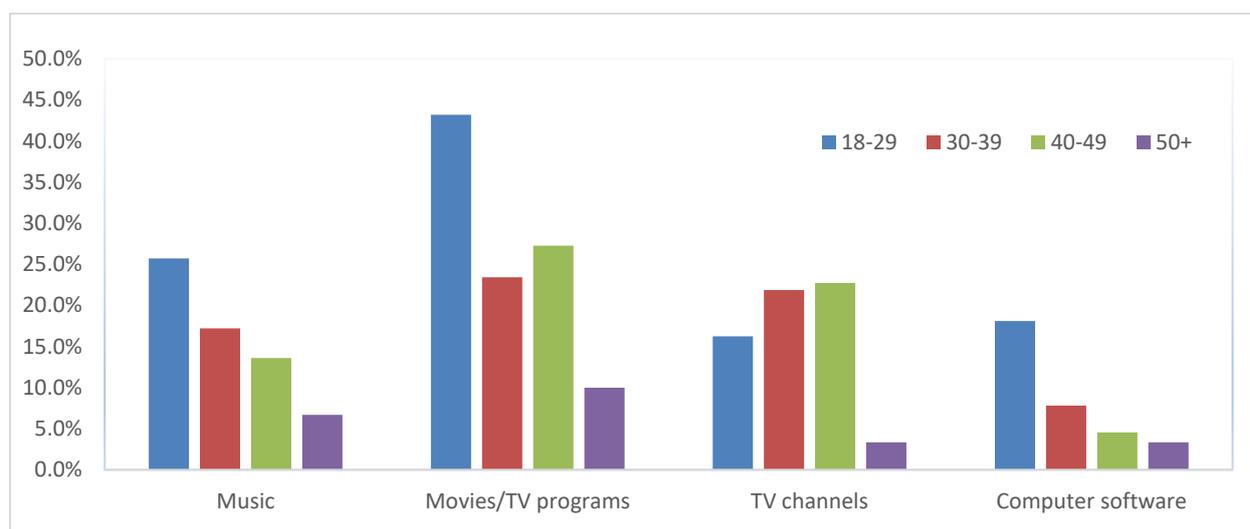


Figure 1b: Age distribution of pirated works consumption



## B. ACCESS TO PIRATED WORKS

56. The respondents who use pirated works indicated how they intentionally access such works. For consumers of pirated works, the most often-used access method varies depending on product categories. Specifically, 60.5% of respondents used unofficial user-created channels streaming on YouTube to access pirated music, 47% of respondents accessed pirated movies through unofficial (i.e., unlicensed) websites, 51.3% of respondents searched for pirated computer software using an app or service on a computer or tablet or phone, and 45.3% of respondents used unofficial streaming websites to access TV channels. See Table 3 for more detailed analysis results.

Table 3: Methods of access to pirated works

Access	Music	Movies/TV programs	TV channels	Computer software
Unofficial user-created channels on YouTube official streaming	60.5%	31.6%	n/a	n/a
Unofficial website	26.3%	47%	n/a	n/a

Computer/tablet using unofficial streaming website	21.1%	33.2%	45.3%	n/a
Facebook or other social media	50%	40.7%	23.6%	n/a
Mobile phone using an unofficial streaming website or app	15.1%	22.5%	20.8%	n/a
TV using a set-top box or an app on a smart TV	5.9%	3.2%	5.7%	n/a
Pay for a subscription to watch pirated copies (unofficial live broadcasts) on a phone/computer/ tablet	5.9%	4.3%	7.5%	n/a
Pay for a subscription to watch pirated copies (unofficial live broadcasts) on TV using a set-top box or app on a smart TV	2%	1.2%	2.8%	n/a
Someone in my house or family accesses the music/movies/TV shows for me	9.2%	5.5%	n/a	n/a
A shared account with others, e.g., friends or family	14.5%	13.8%	n/a	n/a
Computer/tablet on Facebook or other social media	n/a	n/a	39.6%	n/a
Specific websites that you regularly use	n/a	n/a	n/a	21.2%
Friend recommendation/sharing a link	n/a	n/a	n/a	35.4%
Forum/group chat where people share links	n/a	n/a	n/a	13.3%
Search using an app/service on a computer/tablet/phone	n/a	n/a	n/a	51.3%
Computer retailer recommendation	n/a	n/a	n/a	23.9%
Complimentary to purchase of a computer	n/a	n/a	n/a	24.8%
<b>Number of consumers</b>	<b>152</b>	<b>253</b>	<b>106</b>	<b>113</b>

57. The respondents who use pirated works were also asked where and how they found most of the pirated copies investigated in this research. The data suggest that consumers of pirated works resorted most commonly to a search engine to find pirated copies. Overall, 48% of respondents reported that they looked for piracy with a search engine, e.g., Google. The second most commonly used access was through friend recommendation/sharing a link (15.2%), followed by app/service on a computer/tablet/phone (11%). Other means, such as specific websites that one regularly uses and forum/group chat, were not widely used (below 10%).

### C. USAGE FREQUENCY

58. The respondents who use pirated works were asked to indicate how often they used pirated copies. The results indicate that between 1.4% (TV channels) and 4.5% (music) of respondents used daily, between 3.3% (TV channels) and 8% (movies) used weekly, and between 3.7% (music) and 9.6% (movies/TV programs) used monthly. Taken together, 13.3% respondents were regular consumers of pirated music, 20.1% for movies/TV programs, and 10.6% for TV channels (Table 4). Regular consumers are defined as those who consume pirated copies at least once a month. Unlike other products, such as music, movies/TV programs and TV channels, using pirated computer software, once installed, does not require repeated access to the unofficial provider(s). Thus, data concerning usage frequency of pirated computer software were not captured in this research.

Table 4: Usage frequency of pirated copies

Consumption frequency	Music	Movies/TV programs	TV channels
Daily	4.5%	2.5%	1.4%
Weekly but not daily	5.1%	8.0%	3.3%
Once or twice a month	3.7%	9.6%	5.9%

Cumulative %	13.3%	20.1%	10.6%
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#### D. REASONS FOR CONSUMPTION OF PIRATED WORKS

59. This research also investigated the reasons for consumption of pirated works among respondents who use pirated works. The results indicate a high level of similarity pertaining to the main reasons. Specifically, for music and movie/TV programs and TV channels, the four prominent reasons are identical. They comprise poor value for money of service subscription (17.0%, 18.7%), poor value for money of original copies (11.0%, 16.3%), affordability (11.8%, 15.2%) and easy access to pirated copies (13.6%, 16.1%). The latter three are also identified as the predominant reasons for computer software, namely affordability (20.6%), poor value for money (15.0%) and easy access to pirated copies (13.0%). The fourth important reason is being offered by the seller. That is, 14.6% of respondents reported that they were offered pirated computer software when they bought a PC/laptop. See Table 5 for details. One should note that two product categories, namely movies/TV programs and TV channels, were combined when collecting data. This decision was guided by Phase 1 interview data which suggest that the main reasons for consumption in these two product categories are largely identical.

Table 5: Reasons for consumer piracy

Reasons for consumer piracy	Music	Movies/TV programs and TV channels	Computer software
Original copies are poor value for money	11.0%	16.3%	15.0%
Cinema tickets are poor value for money	n/a	13.2%	n/a
Official service subscription prices are poor value for money	17.0%	18.7%	n/a
I cannot afford to pay for original copies	11.8%	15.2%	20.6%
Pirated copies mean I can see (listen to) more movies/TV shows (music)	7.7%	5.7%	n/a
It's much easier than getting original copies	13.6%	16.1%	13.0%
I try a pirated copy to check I will like it before paying to access the original	7.0%	7.4%	10.8%
The pirated copies I need are not available any other way (where I live)	9.0%	14.6%	6.2%
Pirated copies mean I can access what I want before it's officially available where I live	4.5%	4.2%	n/a
Pirated copies are not really harming anyone	2.0%	1.4%	2.6%
I am not interested in the packaging and extras that come with original DVDs and Blu-rays	n/a	1.5%	n/a
I want to see the latest movies releases but don't want to have to go to the cinema to watch them	n/a	8.0%	n/a
Pirated copies were offered to me when I bought my PC/laptop free of charge	n/a	n/a	14.6%

#### E. QUALITY EVALUATION OF PIRATED COPIES

60. The respondents who use pirated works indicated perceived quality of pirated copies in comparison with original copies. Overall, 59.8% of respondents reported that pirated copies of music/movies/TV programs and TV channels were worse than original copies. The figure (48.4%), however, is much lower for computer software. In other words, more than half of

consumers of pirated computer software believed they were either the same or better quality than original copies. See Table 6 for details.

Table 6: Quality evaluation of pirated copies

Perceived quality	Music, Movies/TV programs and TV channels	Computer software
Much worse than original copies	22.8%	23.2%
A little worse than original copies	37.0%	25.2%
About the same as original copies	38.7%	49.6%
A little better than original copies	1.4%	1.4%
Much better than original copies	0%	0.6%

## F. UNINTENDED EXPERIENCE OF PIRATED COPIES AND CONFIDENCE

61. In order to understand the scale of deceptive piracy, respondents who do not use pirated works indicated their unintended experience of pirated copies. They also recorded confidence in telling apart unofficial sites from official sites.

62. The results suggest that 49.5% of respondents who do not use pirated works unintentionally accessed pirated copies of music, movies/TV programs and TV channels when they thought they were accessing an original copy. The majority of these respondents (90.2%) exhibited confidence in differentiating unofficial sites from official sites. Nevertheless, 5.9% non-users of pirated copies felt unable to tell the difference at all. See Table 7 for details.

Table 7: Unintended experience of piracy and confidence in telling apart unofficial sites from official sites

Confidence level	Percent
Very confident	34.8%
Quite confident	55.4%
Not very confident	3.9%
Not at all confident	5.9%

## G. REASONS FOR AVOIDING PIRATED COPIES

63. The research also investigated the reasons why *non-consumers* did not knowingly access pirated copies. The results suggest that the top three primary reasons for avoiding both pirated music, movies/TV programs and TV channels were the same. They included having a subscription to an official service/copy (33.8%, 52.3%), supporting industry (37.6%, 40.4%) and feeling guilty (33.8%, 33.1%). As to pirated computer software, the most important reason was feeling guilty about pirated copies (34.1%), closely followed by supporting the industry (33.8%) and avoiding hassle (32.1%). Other reasons have also been analyzed. See Table 8 for details.

Table 8: Reasons for not accessing pirated copies

Reasons for consumer not accessing piracy	Music	Movies/TV programs and TV channels	Computer software
It's too much hassle	24.0%	28.2%	32.1%
I can no longer find any pirated copies online	8.7%	7.7%	8.4%
I cannot find pirated copies of the specific item I like online	6.6%	5.2%	9.4%
The quality of pirated copies isn't good enough	24.4%	29.6%	26.1%

I have a subscription to an official service/copy	38.3%	52.3%	20.9%
I got a virus or computer problem as a result of pirated copies	9.8%	13.9%	29.6%
I feel bad/guilty about pirated copies	33.8%	33.1%	34.1%
I am worried that accessing pirated copies is helping to fund organized crime	25.1%	30.7%	33.1%
I received a legal warning for using pirated copies	6.3%	7.7%	10.5%
I prefer to support the industry by using original copies	37.6%	40.4%	33.8%
Recent publicity or advertising about unofficial copies has put me off	8.4%	8.7%	5.6%

## H. ATTITUDES TOWARDS PIRACY

64. In order to achieve a better understanding of attitudes towards piracy, all respondents indicated perceived benefits, risks, judgements, harms and perceptions on a 10-point scale (1 = Disagree very strongly, 10 = Agree very strongly).

65. Overall, the respondents reported a low level of perceived benefit (measured by three parameters) to themselves and people who cannot afford originals (average scores = 2.98, 4.91 and 5.07). They were concerned about risk associated with pirated copies (two parameters) (average scores = 8.09 and 7.00) and inclined as a matter of moral judgment (four parameters) to believe that producing, distributing and using pirated copies were wrong (average scores = 6.78, 7.70, 6.60, and 6.48). It is worth noting that distributing pirated copies was believed to be more wrong than other forms of piracy, namely producing and using. The average score of harm was 5.82 (buying and consuming) and 5.72 (selling and distributing). Although the respondents were leaning towards the perception that piracy was associated with criminals (average score = 6.47) and buying the original supported the right holder (average score = 7.07), they perceived piracy as somehow harmless. See Table 9 for details.

66. In order to provide more insights, additional analysis was conducted to compare respondents who use pirated works with respondents who do not use. The results indicate no significant differences except for three items. That is, compared with non-users, users were more inclined to believe that pirated copies benefit poor people (average score = 5.40 among users and 4.67 among non-users), less concerned about being prosecuted and fined (average score = 6.53 among users and 7.59 among non-users) and less inclined to believe that making pirated copies is wrong (average score = 6.55 among users and 7.27 among non-users).

Table 9: Average attitudes towards piracy

	Items	All (average)	Consumers (average)	Non-consumers (average)
Benefit	Using pirated copies keeps me ahead of the crowd / up with the latest trends	2.98	3.04	2.91
	Pirated copies give me access to what I want before it's officially available where I live	4.91	5.17	4.58
	Copied versions benefit the poor who cannot afford originals	5.07	5.40	4.67*
Risk	I would worry about getting a virus on my computer / device if I downloaded pirated copies	8.09	8.09	8.09
	I would be worried about being prosecuted and fined if I was accessing pirated copies online	7.00	6.53	7.59***

Judgment	I think it's wrong to make pirated copies of music, movies etc.	6.87	6.55	7.27*
	Selling and distributing copied music, movies and computer software is wrong	7.70	7.60	7.82
	I think it is wrong to listen to or watch copied music and movies/TV programs	6.60	6.32	6.95
	I think it is wrong to use copied computer software	6.48	6.26	6.75
Harm	Buying and consuming copied version cause no harm to anyone (reverse coded)	5.82	5.96	5.66
	Selling and distributing copied music, movies and computer software causes no harm (reverse coded)	5.72	5.86	5.53
Perception	Pirated copies of music / movies / TV series on unofficial discs are almost all made and distributed by criminal gangs	6.70	6.47	6.98
	I feel I'm supporting the artist if I buy the original copy of a music release	7.05	7.20	6.87
Note: * $p < .05$ , *** $p < .001$				

## I. FACTORS DISCOURAGING CONSUMER PIRACY

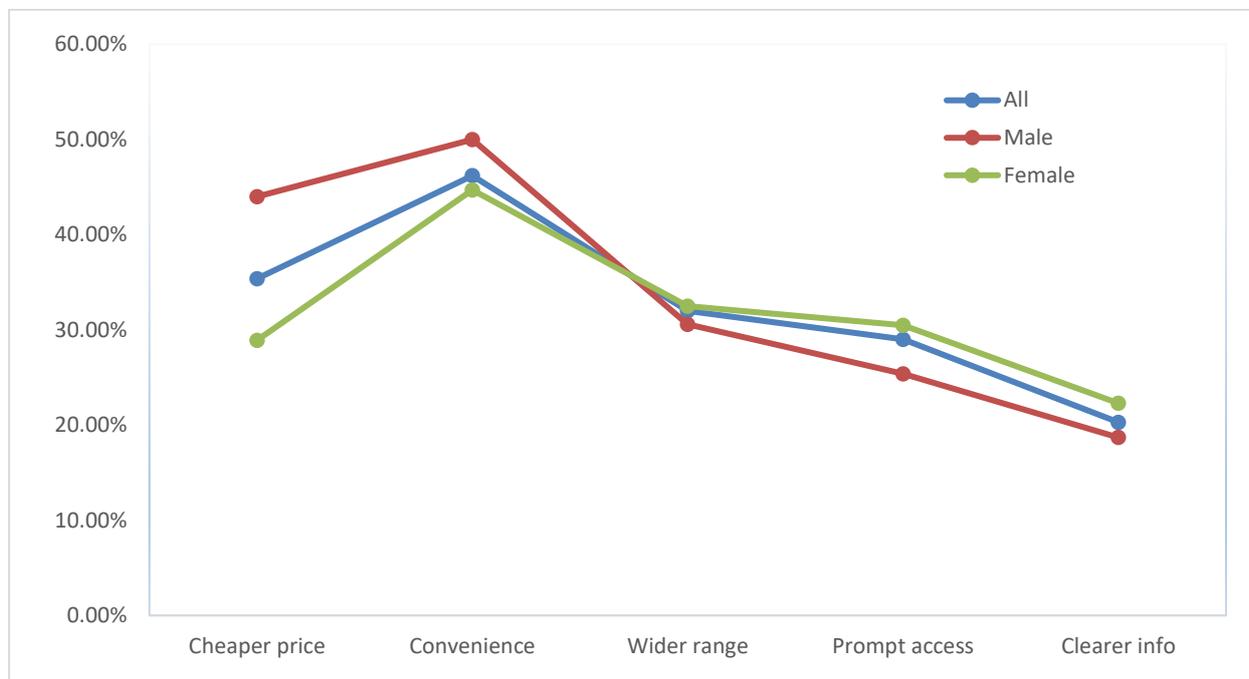
67. The respondents who use pirated works indicated factors that would encourage them to stop accessing pirate works online. In general, the responses of the respondents indicated that greater convenience (46.2%) was the most influential factor, followed by cheaper price (35.4%), a wider range of genuine product (32.0%), prompt access (29.0%) and clearer information as to what is genuine and what not (20.3%). The comparative analysis results indicated some variations between male and female consumers of pirated works. For example, cheaper price and greater convenience were identified to be more impactful on males than females. In contrast, females would respond to a wider range of genuine offerings, prompt access and clearer identification of genuine products better than males (Figure 2). Other influential factors were also identified. Detailed analysis results are available in Table 10.

Table 10: Factors discouraging consumer piracy

Items	Piracy consumers	Male consumers	Female consumers
If official services were cheaper	35.4%	44.0%	28.9%
If official services were more convenient	46.2%	50.0%	44.7%
If official services had a wider range of product	32.0%	30.6%	32.5%
If everything I wanted was available through official services as soon as it was released elsewhere	29.0%	25.4%	30.5%
If I thought I might be taken to court	6.1%	8.2%	5.1%
If I thought I would be detected	14.2%	11.9%	13.7%
If everyone else stopped doing it	12.5%	10.4%	14.2%
If my ISP sent me a letter telling me my account had been used to download or access pirated copies	6.7%	8.2%	6.1%
If my ISP sent me a letter saying they would restrict my internet speed	3.1%	2.2%	3.6%
If my ISP sent me a letter saying they would suspend my internet access	5.3%	7.5%	3.6%
If my friends or family were caught accessing or downloading pirated copies	5.3%	5.2%	6.1%
If there were articles in the media about people being sued for accessing or downloading pirated copies	13.1%	12.7%	13.2%
If it was clearer what is original and what isn't	20.3%	18.7%	22.3%

If I had better information on how to find out if something is original or not	13.4%	12.7%	13.2%
If I am aware that I would be facing a penalty, such as fine	19.2%	19.4%	19.3%

Figure 2: Gender and factors discouraging online piracy



## VIII. FINDINGS – INDONESIA

### A. UNDERSTANDING CONSUMERS OF PIRATED WORKS

68. All respondents were asked whether they had come across pirated copies of music, movies/TV programs, TV channels and computer software. Overall, 38.9% of Indonesian respondents knowingly used pirated works. At the product category level, between 11.0% and 26.8% of respondents reported that they had accessed pirated works (Table 11), with movies/TV programs being the highest, followed by music (23.1%) then computer software (16.6%). TV channels (11.0%) were the least knowingly pirated by respondents among the four product categories investigated. These results suggest that the number of consumers of pirated works varies depending on product categories. Movies remained the most pirated product in Indonesia. Moreover, some respondents accessed pirated works of multiple product categories because the total (77.5%) was higher than 38.9%. Some respondents accessed pirated works of multiple product categories: 57.5% accessed two categories, 23.1% accessed three, and 4.1% accessed all four respectively.

69. In general, female respondents were more likely to knowingly access pirated works than male respondents across all product categories except for computer software. For example, 25.6% of female respondents admitted to music piracy compared with 20.4% of male respondents. The younger (aged below 30) respondents appeared to be slightly less piracy prone than the group of respondents aged 30 and above. Nevertheless, the difference was not substantial. See Figure 3a and 3b for details.

Table 11: Knowing Indonesian consumers of pirated copies

Category	Number of consumers	% All respondents	% male	% female	% 18-29y	% 30y+
Music	118	23.1%	20.4%	25.6%	20.5%	24.5%
Movies/TV programs	137	26.8%	21.2%	32.4%	25.9%	27.3%
TV channels	56	11.0%	8.1%	13.6%	11.9%	10.4%
Computer software	85	16.6%	17.3%	15.6%	15.7%	17.2%

Figure 3a: Gender distribution of pirated copies consumption

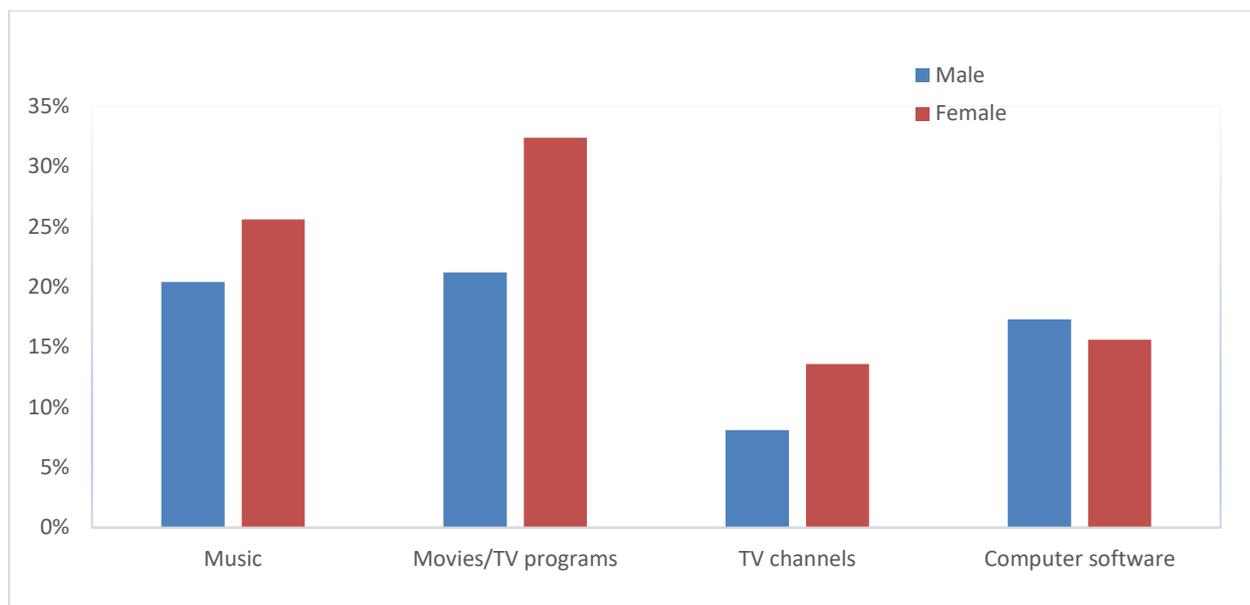
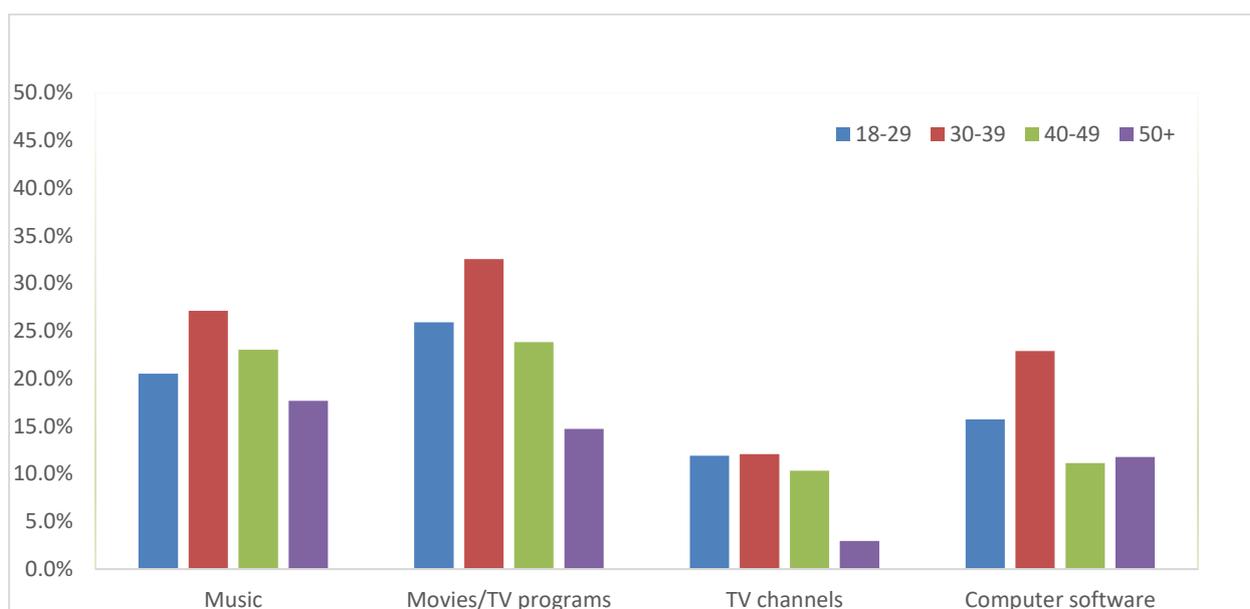


Figure 3b: Age distribution of pirated works consumption



## B. ACCESS TO PIRATED WORKS

70. The respondents who use pirated works indicated how they accessed such works intentionally. For consumers of pirated works, the most often-used access method varies depending on product categories. Specifically, 65.3% of respondents used unofficial, user-created channels on YouTube to access pirated music, 66.1% relied on unofficial website to access pirated movies, 24.6% accessed pirated TV channels through unofficial streaming websites, and 41.5% searched pirated computer software using an app or service on a computer, tablet or phone. Music and movies/TV programs shared the same four most often used access methods, namely unofficial user-created channels on YouTube, unofficial website, unofficial streaming website, social media, and mobile phone using an unofficial streaming website or app. Computer software was often accessed through distinct channels, such as specific websites, friend recommendation, shared links, searching using an app and complementary offer by retailers. See Table 12 for more details.

Table 12: Access methods to pirated works

Access	Music	Movies/TV programs	TV channels	Computer software
Unofficial user-created channels on YouTube official streaming	65.3%	64.4%	n/a	n/a
Unofficial website	45.8%	66.1%	n/a	n/a
Computer/tablet using unofficial streaming website	18.6%	34.7%	24.6%	n/a
Facebook or other social media	28.8%	40.7%	15.3%	n/a
Mobile phone using an unofficial streaming website or app	27.1%	52.5%	20.0%	n/a
TV using a set-top box or an app on a smart TV	6.8%	11.1%	6.6%	n/a
Pay for a subscription to watch pirated copies (unofficial live broadcasts) on a phone/ computer/ tablet	5.9%	3.4%	5.1%	n/a
Pay for a subscription to watch pirated copies (unofficial live broadcasts) on TV using a set-top box or app on a smart TV	6.8%	3.4%	5.9%	n/a
Someone in my house or family accesses the music/movies/TV shows for me	6.8%	9.3%	n/a	n/a
A shared account with others, e.g. friends or family	9.3%	7.6%	n/a	n/a
Computer/tablet on Facebook or other social media	n/a	n/a	22.0%	n/a
Specific websites that you regularly use	n/a	n/a	n/a	41.5%
Friend recommendation/ sharing a link	n/a	n/a	n/a	33.1%
Forum/group chat where people share links	n/a	n/a	n/a	17.8%
Search using an app/ service on a computer/tablet/phone	n/a	n/a	n/a	33.9%
Computer retailer recommendation	n/a	n/a	n/a	13.6%
Complimentary to purchase of a computer	n/a	n/a	n/a	22.0%
<b>Number of consumers</b>	<b>118</b>	<b>137</b>	<b>56</b>	<b>85</b>

71. The respondents who use pirated works were also asked where and how they find most of the pirated copies investigated in this research. The data suggest that search engine was the most prominent source. Overall, 29.4% of respondents reported that they find pirated content through a search engine, e.g., Google. The second most common means of access is friend recommendation/sharing a link (14.7%), followed by specific websites one regularly uses (11.5%). Other tested means, such as app/service on a computer/tablet/phone and forum/group chat, were not widely used (below 10%).

### C. USAGE FREQUENCY

72. The respondents who use pirated works were asked to indicate how often they used such copies. The results indicate that between 5.7% (TV channels) and 10.4% (music) of respondents used daily, between 6.5% (TV channels) and 10.0% (movies/TV programs) used weekly, and between 6.1% (music) and 8.6% (movies/TV programs) used monthly. Taken together, 23.2% of respondents were regular consumers of pirated music, 24.7% for movies/TV programs, and 18.9% for TV channels (Table 13). Regular consumers are defined as those who used pirated copies at least once a month. Usage frequency data in relation to computer software were not assessed for the reason reported on paragraph 46 above.

Table 13: Usage frequency of pirated copies

Usage frequency	Music	Movies/TV programs	TV channels
Daily	10.4%	6.1%	5.7%
Weekly but not daily	6.7%	10.0%	6.5%
Once or twice a month	6.1%	8.6%	6.7%
Cumulative %	23.2%	24.7%	18.9%

### D. REASONS FOR CONSUMPTION OF PIRATED WORKS

73. This research also investigated the reasons for consumption of pirated works. The results indicate a high degree of similarity pertaining to the main reasons across product categories. For music and movies/TV programs and TV channels, the four prominent reasons were identical, namely, poor value for money of service subscription (9.2%, 12.5%), variety (11.4%, 10.4%), affordability (11.4%, 10.6%), and easy access to pirated copies (15.3%, 13.5%). The latter two, namely affordability (20.6%) and easy access to pirated copies, were also the predominant reasons for computer software. The third and fourth important reasons were poor value for money (10.2%) and piracy as a trial before paying for the original (10.0%). See Table 14 for details. For the same reasons reported on paragraph 48 above, two product categories, namely movies/TV programs and TV channels, were combined when collecting data.

Table 14: Reasons for consumer piracy

Reasons for consumer piracy	Music	Movies/TV programs and TV channels	Computer software
Original copies are poor value for money	7.6%	9.0%	10.2%
Cinema tickets are poor value for money	n/a	6.1%	n/a
Official service subscription prices are poor value for money	9.2%	12.5%	n/a
I cannot afford to pay for original copies	11.4%	10.6%	14.3%
Pirated copies mean I can see (listen to) more movies/TV shows (music)	11.4%	10.4%	n/a
It's much easier than getting original copies	15.3%	13.5%	10.2%
I try a pirated copy to check I will like it before paying to access the original	8.8%	7.6%	10.0%
The pirated copies I need are not available any other way (where I live)	3.7%	6.3%	5.9%
Pirated copies mean I can access what I want before it's officially available where I live	6.1%	5.3%	n/a
Pirated copies are not really harming anyone	1.8%	2.9%	2.3%
I am not interested in the packaging and extras that come with original DVDs and Blu-rays	n/a	2.7%	n/a

I want to see the latest movies releases but don't want to have to go to the cinema to watch them	n/a	7.5%	n/a
Pirated copies were offered to me when I bought my PC/laptop free of charge	n/a	n/a	10.0%

## E. QUALITY EVALUATION OF PIRATED COPIES

74. The respondents indicated perceived quality of pirated copies in comparison with original copies. Overall, 48.8% of consumers of pirated copies reported that pirated copies of music/movies/TV programs and TV channels were worse than original copies. This figure (46%) is slightly lower for computer software. In other words, over 50% of consumers of pirated copies believed they were either the same or better quality than original copies. See Table 15 for details.

Table 15: Quality evaluation of pirated copies

Perceived quality	Music/Movies/TV programs and TV channels	Computer software
Much worse than original copies	10.1%	12.7%
A little worse than original copies	38.7%	33.3%
About the same as original copies	42.7%	43.4%
A little better than original copies	3.0%	5.3%
Much better than original copies	5.5%	5.3%

## F. UNINTENDED EXPERIENCE OF PIRATED COPIES AND CONFIDENCE

75. In order to understand the scale of deceptive piracy, the respondents who do not use pirated works indicated their unintended experience of pirated copies. They also recorded confidence in telling apart unofficial sites from official sites.

76. The results suggest that 33.0% of respondents who do not use pirated works unintentionally accessed pirated copies of music/movies/TV programs and TV channels when they thought they were accessing an original copy. The majority of these respondents (58%) demonstrated confidence in differentiating unofficial sites from official sites. Nevertheless, 6.7% of non-consumers of pirated copies felt unable to tell the difference, while the remaining respondents (35.3%) were not very confident. See Table 16 for details.

Table 16: Unintended experience of piracy and confidence in telling apart unofficial sites from official sites

Confidence level	Percent
Very confident	17.6%
Quite confident	40.4%
Not very confident	35.3%
Not at all confident	6.7%

## G. REASONS FOR AVOIDING PIRATED COPIES

77. Reasons for avoiding pirated copies among non-consumers of pirated works were investigated. Concern for quality was the most prominent reason for avoiding pirated copies for three product categories comprising 37.2% (music), 45.2% (movies/TV program and TV channels) and 33.7% (computer software). Other influential factors varied across product categories. For example, the participants identified hassle avoidance and concern about

viruses as the second (20.5%) and third (18.9%) most important influential factors for music, having a subscription to official copy (24.4%) and concern about funding organized crime (22.4%) for movies/TV programs/TV channels, and concern of virus (22.1%) and concern about funding organized crime (22.8%) for computer software. See Table 17 for details.

Table 17: Reasons for not accessing pirated copies

Reasons for consumer not accessing piracy	Music	Movies/TV programs/TV channels	Computer software
It's too much hassle	20.5%	18.6%	21.5%
I can no longer find any pirated copies online	14.1%	15.1%	10.3%
I cannot find pirated copies of the specific item I like online	12.5%	17.9%	14.1%
The quality of pirated copies isn't good enough	37.2%	45.2%	33.7%
I have a subscription to an official service/copy	11.5%	24.4%	12.8%
I got a virus or computer problem as a result of pirated copies	18.9%	18.3%	22.1%
I feel bad/guilty about pirated copies	15.4%	13.5%	13.8%
I am worried that accessing pirated copies is helping to fund organised crime	17.9%	22.4%	22.8%
I received a legal warning for using pirated copies	4.2%	7.7%	9.9%
I prefer to support the industry by using original copies	12.2%	3.5%	16.3%
Recent publicity or advertising about unofficial copies has put me off	3.2%	3.5%	3.8%

## H. ATTITUDES TOWARDS PIRACY

78. In order to achieve a better understanding of attitudes towards piracy, all respondents indicated perceived benefits, risks, judgements, harm and perceptions on a 10-point scale (1 = Disagree very strongly, 10 = Agree very strongly).

79. Overall, the respondents reported a low level of perceived benefit (measured by three parameters) to themselves and people who cannot afford originals (average scores = 3.31, 4.98 and 5.39). They were not very concerned about risk associated with pirated copies (two parameters) (average scores = 6.65 and 6.13) and were somewhat inclined to believe that producing and distributing pirated copies was wrong (average scores = 6.67 and 7.70). In contrast, they did not judge using pirated copies (two parameters) as very wrong (average scores = 5.51 and 6.00). In other words, producing and distributing pirated copies were believed to be more wrong than using copies. The respondents' perceived harm pertaining to buying and consuming (average score = 5.96) and distributing (average score = 5.98) was also low. See Table 18 for details.

80. To provide more insights, additional analysis was conducted to compare respondents who use pirated works with respondents who do not. The results indicate some significant differences. For example, compared with non-consumers, consumers were more inclined to believe that pirated copies benefited themselves and those who cannot afford originals and that making and distributing pirated copied was wrong. They were also less mindful of potential harm caused by piracy (Table 18).

Table 18: Average attitude towards piracy

	Items	All	Consumers	Non-consumers
Benefit	Using pirated copies keeps me ahead of the crowd / up with the latest trends	3.31	4.32	2.60***

	Pirated copies give me access to what I want before it's officially available where I live	4.98	6.18	4.16***
	Copied versions benefit the poor who cannot afford originals	5.39	6.52	4.60***
Risk	I would worry about getting a virus on my computer / device if I downloaded pirated copies	6.65	6.92	6.45
	I would be worried about being prosecuted and fined if I was accessing pirated copies online	6.13	6.24	6.05
Judgment	I think it's wrong to make pirated copies of music, movies etc.	6.67	7.09	6.38*
	Selling and distributing copied music, movies and computer software is wrong	6.32	6.78	6.01*
	I think it is wrong to listen to or watch copied music and movies/TV programs	5.51	5.73	5.36
	I think it is wrong to use copied computer software	6.00	6.53	5.63**
Harm	Buying and consuming copied version cause no harm to anyone (reverse coded)	5.96	5.49	6.32**
	Selling and distributing copied music, movies and computer software causes no harm (reverse coded)	5.98	5.47	6.30**
Perception	Pirated copies of music / movies / TV series on unofficial discs are almost all made and distributed by criminal gangs	5.31	5.20	5.38
	I feel I'm supporting the artist if I buy the original copy of a music release	6.73	7.17	6.43*
Note: * $p < .05$ , ** $p < .01$ , *** $p < .001$				

## I. FACTORS DISCOURAGING CONSUMER PIRACY

81. This research is also interested in exploring what would discourage consumer piracy. The respondents who use pirated works rated factors that would encourage them to stop piracy online. In general, the respondents reported that cheaper price (62.8%) was the most influential factor, followed by greater convenience (41.7%), a wider range of genuine product (40.2%), and prompt access (30.2%). The comparative analysis results indicated some variations between male and female piracy consumers. For example, male piracy consumers (compared with female piracy consumers) were likely to react to the four most influential factors more strongly. Other influential factors were also identified. Detailed analysis results are available in Table 19.

Table 19: Factors discouraging consumer piracy

Items	All	Male	Female
If official services were cheaper	62.8%	67.8%	59.5%
If official services were more convenient	41.7%	43.7%	40.5%
If official services had a wider range of product	40.2%	40.2%	40.5%
If everything I wanted was available through official services as soon as it was released elsewhere	30.2%	33.3%	27.9%
If I thought I might be taken to court	8.0%	5.7%	9.9%
If I thought I would be detected	8.5%	8.0%	9.0%
If everyone else stopped doing it	11.6%	17.2%	7.2%
If my ISP sent me a letter telling me my account had been used to download or access pirated copies	8.5%	8.0%	9.0%
If my ISP sent me a letter saying they would restrict my internet speed	3.0%	4.6%	1.8%

If my ISP sent me a letter saying they would suspend my internet access	5.5%	2.3%	8.1%
If my friends or family were caught accessing or downloading pirated copies	5.0%	3.4%	6.3%
If there were articles in the media about people being sued for accessing or downloading pirated copies	7.5%	10.3%	4.5%
If it was clearer what is original and what isn't	13.6%	19.5%	9.0%
If I had better information on how to find out if something is original or not	15.1%	18.4%	12.6%
If I am aware that I would be facing a penalty, such as fine	14.6%	13.8%	15.3%

## IX. DISCUSSION OF KEY FINDINGS

82. This research reveals that use of pirated works is prevalent in both Thailand and Indonesia. While there are some similarities among the findings across the two countries, some substantial differences are also apparent. This section describes the key findings generated from the data obtained in Thailand and Indonesia. To avoid repetition and ensure clarity, a synthesis of the key findings across the two countries are presented in the two tables below. Table 20 summarizes the main similarities. Table 21 presents a summary of the main differences.

*Table 20: Similarities among the key findings of Thailand and Indonesia*

Countries	Similarities in findings
Thailand & Indonesia	Use of pirated works remains prevalent and popularity varies depending on product categories.
	Movies are the most pirated products.
	For consumers of pirated works, the most often used access method varies depending on product categories, namely music (unofficial user-created sites on YouTube), movies (unofficial websites), TV channels (unofficial streaming websites) and computer software (apps or service on a device).
	Search engine, e.g., Google, is how respondents find most of their pirated works.
	More than 10% of respondents use pirated works at least once a month.
	Perceived poor value for money of subscription is the most prominent reason for both music and movies/TV programs/TV channels piracy; for computer software it is affordability.
	More than 50% of respondents who use pirated works believe pirated computer software is either the same or better quality than the genuine copy.
	The majority of piracy non-consumers have confidence in differentiating unofficial sites from official sites.

*Table 21: Differences in the key findings of Thailand and Indonesia*

Key findings	Thailand	Indonesia
Piracy prone consumers (gender)	Male	Female
Piracy prone consumers (age)	Aged below 30	Aged between 30 and 39.
Pirated music/movies/TV programs and TV channels are worse quality than original copies	Approximately 60% of consumers agree	More than 50% of consumers disagree
Experience of unintended access to pirated copies	Approximately 50% of non-consumers	Approximately one third of non-consumers
Most prominent reason for piracy non-consumers avoiding pirated music, movies/TV programs and TV channels	Having a subscription to an official service/copy	Quality concern
Most prominent reason for piracy non-consumers avoiding pirated computer software	Feeling bad/guilty	Quality concern

Attitudinal difference toward pirated copies between consumers and non-consumers of pirated copies	Not much significant difference	Some significant differences
The most influential factor discouraging consumer piracy	Greater convenience	Cheaper price

## X. CONCLUSION

83. The aim of this research is to achieve a better understanding of consumer behavior and attitude towards piracy and identify the motivational drivers that incentivize and discourage consumers acquiring pirated works. To achieve this end, data were collected from both Thailand and Indonesia. This effort enabled identification of country-specific challenges and factors that contribute to the demand side of piracy. Equally important, this research investigated consumer piracy across four product categories, for all of which pirated copies are easily accessible to consumers. The choice of multiple product categories is informed by the findings of Phase 1 study, namely that pirated works of the four product categories are most consumed by Thai and Indonesian consumers. This approach enabled generation of product-specific understanding as well as development of new insights through comparative analysis.

84. This research opens more avenues for future research. Research can be designed to understand how, and to what extent, the identified most predominant factors would explain consumer piracy. For example, future research could explore and compare the explanatory power of the identified influential factors using statistical modelling. The *piracy non-consumer* aspect represents an almost uncharted area that is crying out for research effort. Attitudinal differences towards piracy between *non-consumers* and *consumers* were revealed in this research. Future research might consider investigating whether and when *non-consumers* risk being converted into *consumers*. The current research identified the most prominent factors discouraging consumer piracy. Future research could explore the explanatory power of each influential factor and examine underlying mechanisms.

85. Four important implications of the research are: policies aimed at reducing consumer piracy should take into account product category, consumer characteristics as well as national level differences; anti-piracy strategies need to be developed based on the most up-to-date knowledge because piracy is a fast-evolving issue; when designing anti-piracy campaigns in relation to music, movies/TV programs and TV channels, marketers could particularly focus on appealing to support industry, promoting user friendly subscription services, and emphasizing resultant feelings of guilty one may experience associated with piracy consumption; and, practitioners and researchers need to be mindful of the fact that some consumers in certain countries might not fully appreciate the differences between piracy and counterfeiting, thus effort is required to improve consumer understanding by raising awareness.

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