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# Consumer Survey on Online Copyright Infringement 2017

A marketing research report
June 2017

Prepared for:
Department of Communications and the Arts

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# 1. Executive Summary

This report presents the main findings of the third consumer survey of online copyright infringement amongst Australians aged 12+, conducted in March 2017. The survey asked respondents to think about activities they had undertaken in the past three months, which broadly corresponds to the first three months of the calendar year. Results have been examined against the second consumer survey conducted in March 2016, and the benchmark consumer survey conducted 12 months earlier in March 2015.

The objectives for this research were: to understand the prevalence of online copyright infringement in Australia across four core content types (music, video games, movies and TV programmes); to understand what attitudes drive online copyright infringement behaviours; to determine the role pricing plays in lawful and unlawful access of online content; and to understand how each measure has changed since 2015/2016.

The survey was designed to capture information across four core content types: music, movies, video games and TV programmes. It also provided top level measurements for a further two content types: e-books and PC software.

The key findings were as follows:

## Consumption of digital content

- Digital consumption of content increased in 2017, with seven in ten Australian internet users aged 12+ (66%) consuming at least one of the four core content types in the past three months. This was a significant increase from 6 in 10 Australian internet users aged 12+ in both 2016 (62%) and 2015 (60%).
- The increase in consumption of digital content in 2017 is driven by a significant increase in streaming digital content. Streaming content continued to rise, up from 54% in 2015, to 57% in 2016 and a further increase to 62% in 2017. Downloading remained relatively stable from 39% in 2016, to 40% in 2017.
- There were significant increases in consumers streaming content across all content types (music, video games, movies, TV programmes and e-books), with the exception of PC software. TV programmes remain the most commonly accessed content type via streaming, followed by streaming of music, movies, and lastly video games.
- The frequency of consumers downloading the four core content types on a weekly basis has remained consistent to that of 2016, however the proportion of consumers streaming content weekly has increased significantly in 2017 for movies (up from 51% in 2016 to 58% in 2017) and TV programmes (up from 55% in 2016 to 63% in 2017).
- Among consumers of digital content, the median number of files downloaded remained largely comparable to the 2016 and 2015 results (12%). However, as seen in 2016, there is an increase in the median number of files streamed across the four core content types, up from 14% in 2015 and 20% in 2016, to 24% in 2017.

## Sharing of digital content

- Levels of sharing (i.e. the proportion of consumers who shared at least one item of digital content across one of the four core content types in the past three months) have remained largely consistent in 2017. The median volume of files shared across any of the four core content types continues to incrementally increase from five files in 2016, to six files in 2017, and currently up to seven files in 2017. Age and gender correlations have continued in 2017, with males and those aged under 25 sharing a larger median volume of files.

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- Of the four core content types, music had the highest median of files shared in the past three months (ten files). This was significantly higher compared to the other content types which averaged two or three files.

## Payment for digital content

- The 2017 data shows evidence of a shift in consumption habits across the four core content types. This shift was evident by way of an increase in those consuming '100% paid' content and a 'mix of paid and free' content (3% and 6% increase since 2015 respectively), and a decline in those consuming '100% free' content (9% decline since 2015).
- The movement away from consuming '100% free' content is seen particularly in movies and TV programmes, with both content types recording a decline of 23% since 2015. Video games have also seen a 7% drop since 2015 in the proportion of those consuming '100% free' content.
- The proportion of those consuming '100% paid' content for movies has increased by 19% since 2015, with payment for TV programmes also increasing 17% since 2015. The increase in consumption of paid digital content over the internet is driven by the increase in streaming.

## Levels of infringement

- Levels of infringement have remained consistent in 2017, with an estimated 23% of Australian internet users aged 12+ having consumed at least one item of online content unlawfully. As seen in 2016, around a quarter of these infringers (6% of internet users) exclusively consumed unlawful content.
- If instead of looking at 'all internet users aged 12+' we use as our base 'all internet users who consumed content online', we find that the proportion who consumed unlawful files in the past three months also remained consistent with 2016 levels.
- Among the core content types, rates of unlawful consumption among consumers remained steady or declined slightly. The only slight increase seen in 2017 was the proportion of those consuming 'any unlawful' video game content (22% in both 2015 and 2016, up to 24% in 2017).
- Movies continued to have the highest rate of unlawful consumption in 2017 (38%), followed by music (32%), TV programmes (25%), and video games (24%). The rates of unlawful consumption, across the content types, have remained largely consistent over the past 12 months.
- The median number of 'any unlawful' files downloaded or streamed in the past three months, across all content types, declined in 2017 to 13 files, as compared to 16 files in 2016 and 2015. This was underpinned by a significant decline in the number of '100% unlawful' files consumed in 2017 (nine files) as compared to 15 files in 2016 and 13 files in 2015.

## Consumption volumes

- Since 2015 there has been a significant increase in the volume of digital content consumed for video games, movies, and TV programmes. This has corresponded with a decline in the volume of physical content consumed for these categories. Music content, both physical and digital copies, have however remained fairly consistent over the three year period.
- While music volumes have remained steady, there has been a positive shift in the digital music content being paid for (up 23% since 2016) and consumed lawfully (up 10% increase since 2016). Digital TV programmes have recorded a similar positive shift (increase of 15% paid for and 8% consumed lawfully since 2016). It is estimated that in the first quarter of 2017, 184 million music tracks and 53 million TV programmes were unlawfully consumed online, a significant decline in volumes since 2016 (where volumes were estimated at 279 million and 56 million respectively).

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- There was an increase in the number of ‘free’ digital files consumed for video games and movies, however both content types did not return to high volume figures seen in 2015 (53% and 56% respectively, as opposed to 62% and 69% in 2015).
- Movies consumed digitally remain the most likely content type to have been consumed unlawfully (38% were consumed unlawfully, consistent with 37% in 2016).

### Sites used for consuming or sharing digital content

- YouTube remains the most commonly used site overall for the consumption of digital content. It is the most common service for consuming or sharing music and there has been little change year on year.
- Although YouTube remains the second most popular service for consuming or sharing movies and TV programmes in 2017, it continues to see a downward trend.
- Netflix continues to rise in popularity since its introduction in Australia in 2015. 36% of users consuming or sharing any of the four core content types have used Netflix in the past three months, up significantly from 2016 (27%) and 2015 (9%).
- Usage of the streaming service Stan has increased significantly each year since 2015, with higher levels of usage for both movies and TV programmes. Usage of ABC iview increased significantly for movies in 2017, although it decreased for TV programmes.
- iTunes experienced declining popularity, continuing the downward trend evident in the 2016 data (9% decline since 2015). Spotify, however, increased in popularity and is now the second most popular music streaming service across any of the four core content types (12% increase since 2015).
- Steam remained the most used service for consuming or sharing video games, closely followed by EB Games.
- Infringers’ and non-infringers’ lists of top ten sites most commonly used varied. YouTube, Facebook and Google search were significantly more popular amongst infringers, they were also more likely to use peer-to-peer methods such as email, and reported using BitTorrent. Non-infringers were more likely to use licensed services such as ABC iview, SBS On Demand and Plus7.

### Spend

- The proportion of individuals who spent money on each content type remained largely consistent with 2016 results, with the exception of movies, which recorded a decline in total spend (down from 71% in 2016 to 68% in 2016). This drop was driven by a significant decline in physical purchases (from 27% in 2016 to 24% in 2017) and a shift towards individual digital purchases and online subscription services (increase of 3% and 5% respectively).
- Digital purchases were significantly higher in 2017 for TV programmes (3% increase since 2016), movies (3% increase) and for video games (2% increase).
- There was also a significant increase in the proportion of people spending money on TV programmes, movies, and music online subscriptions.
- Similarly to previous years, the majority of the average spend across music ($96.80) and movies ($65.60) were from content purchases. This mainly consisted of attending concerts and gigs in the case of music and going to the cinema in the case of movies.
- Across each of the content types, the average consumer quarterly spend for those who consumed a ‘mix of lawful and unlawful’ content was considerably higher than for those who consumed 100% of the content lawfully. Those who consumed 100% of their content unlawfully continue to spend the least amount of money across all content types.

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## Price sensitivity

- A majority of consumers would only pay $1.19 for a single downloadable music track. Price sensitivity for music content has remained fairly consistent since 2015, however the proportion of consumers who would be prepared to pay the various price points has decreased across all price points, and is significantly down for the price point of 99c per single track download.
- The optimal price to encourage digital movie consumers to pay for a single movie download is $5 and a movie subscription service priced at $10 a month. There has been a significant increase in the proportion of digital movie consumers who were willing to pay a higher price for a subscription service ($20 and $25).

## Reasons for using paid services and for infringing

- Consumers who had paid for content continued to be most motivated by the ease/convenience of the paid for services (52%). Other common reasons cited by consumers included speed (45%), superior quality (38%), wanting to support creators/industry (36%), preferring not to use sites providing unlawful content (36%), and fearing viruses (33%). Motivational factors of speed, quality, and the fear of viruses significantly increased in 2017.
- The top motivator for unlawful consumption of digital content continues to be because 'it's free' (54%). Other influences to unlawful consumption mentioned by consumers included convenience (44%) and speed (42%). Infringers were significantly less likely in 2017 to cite the following as key reasons for unlawful consumption of content; friends/family consumption behaviour, having already paid for the content, availability of lawful content, and believing the industry makes too much money.
- Nearly a quarter of '100% unlawful' infringers did not realise that they were consuming content unlawfully. This reason has been significantly increasing among consumers since 2015 (2% in 2015, 14% in 2016 and 22%, in 2017) and was the fourth highest motivator for unlawful consumption cited in 2017, indicating an issue with awareness of what is and is not lawful, particularly among those aged 55 and over.

## What would make infringers stop?

- The top reason cited that would encourage infringers to stop the consumption of unlawful content in 2017 continues to be the price of lawful services.
- Although price was the highest motivator among 'any unlawful' consumers (39%) and a 'mix of lawful and unlawful' consumers (43%), it was not the top reason cited for those who consumed '100% unlawful' content (only 25%). These infringers believed that a greater motivator to encourage more lawful behaviour would be 'knowing what is/what is not lawful' (27%) and 'if they knew where to go to see if something was lawful or not' (15%). These motivators suggest a possible need for further education to increase knowledge on lawful/unlawful behaviour.
- Other common motivations for infringers to stop consuming content unlawfully included lawful content being more available (30%), lawful services being more convenient (30%), and if lawful services were better quality (28%).
- In 2017, an additional attribute of 'encountering a site that has been blocked' was added to the list of reasons that would discourage the consumption of unlawful content. 17% of all users who consumed content unlawfully believed this would be a deterrent.
- 62% of users had not downloaded or streamed content in the past three months because they had encountered a site that was blocked and 'simply gave up'.

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## Levels of consumer awareness in lawful services and confidence about what is and is not lawful online

- Confidence in knowing what is and what is not lawful online has significantly increased since 2016 (from 58% in 2016 to 63% in 2017). However, 37% of internet users are still not confident in identifying lawful/unlawful content.
- Those who consumed ‘100% unlawful’ content had significantly lower levels of confidence, with 57% citing they were ‘not particularly confident’ or ‘not at all confident’ in identifying lawful/unlawful content.
- As in the previous two years, lower levels of confidence were seen among females. While the overall confidence levels continue to reflect a significant decline, females are still experiencing a proportionally greater level of non-confidence than their male counterparts.
- Age also continues to be a key indicator for confidence of lawfulness with all age groups, excluding those over 45+ years, recording declines in levels of non-confidence. Those aged 55+ remain high and steady at 53% non-confidence (54% in 2016), and 45-54 year olds also steady at 41% (42% in 2016).
- The three best known licensed online services mentioned in 2017 continued to be YouTube, Netflix, and Foxtel – pay TV. YouTube remained the best known provider of perceived lawful content (78%), although recording a significantly lower proportion than in 2016 where it was cited by 83% of internet users. Netflix was the second highest service mentioned (73%, consistent with 2016 levels), and Foxtel – pay TV was the third perceived lawful provider (72%, down slightly from 74% recorded in 2016). Stan and SBS On Demand both recorded significant increases in awareness in 2017 while YouTube, iTunes/Apple Store, Amazon/Amazon mp3/Kindle, and Bigpond – music/movies, all recorded significant declines.
- The most common indicators of a lawful online service remained fairly consistent with the 2016 findings and included: the importance of a trusted brand (15%), terms and conditions/legal disclaimers (12%), and having to pay for the service (11%).

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# 2. Research overview

## 2.1 Background

The rapid growth of the internet and advancements in technology have created both positive and negative consequences for copyright holders in terms of online copyright infringement. New advancements mean that it has become easier to access content both lawfully and unlawfully. It is important to continue to evaluate the extent to which individuals consume, copy and share content both lawfully and unlawfully in order to inform copyright policy in Australia.

The Australian Government is currently considering significant reforms to the copyright system in Australia, including a number of recommendations made by the Productivity Commission (PC) in its report on Australia's Intellectual Property (IP) Arrangements. The data from the 2017 consumer survey will be used to inform legislative and non-legislative reform options to reduce online copyright infringement in Australia.

The 2017 survey builds upon previous surveys and contributes to an authoritative and independent research base to allow the Government to continue to examine:

- the impact of changes to the way content is delivered (e.g. greater access to lawful and affordable streaming services) and how this correlates with online copyright infringement levels;
- the effect of competition on the content market and whether market forces are driving a change in consumer behaviour or whether Government intervention is needed to improve competition;
- the impact of the website blocking measures on reducing and deterring access to infringing material;
- the level of consumer awareness in terms of what content is lawful and unlawful; and
- the similarities to international studies such as the customer survey undertaken in the UK.

The third survey has modelled the first two as closely as possible so that any differences in online content consumption, infringement rates and motivating behaviours can be measured and analysed.

### The first consumer survey

Due to a lack of authoritative local data on online copyright infringement, in 2015 the Department of Communications and the Arts commissioned a study to provide baseline data on the prevalence of online copyright infringement in Australia. Creative industries had argued that the move from physical to digital media consumption had increased the risk of copyright infringement, which in turn diminished the economic contribution of these industries[1].

Copyright infringement directly results in a loss of income for businesses in copyright industries. Indirectly, copyright infringement can decrease the incentive to create new content, as creators may be unable to sustain themselves from their incomes.

Kantar Public was commissioned to conduct the first consumer survey in March/April 2015, which was intentionally modelled on surveys undertaken in the UK by Kantar Media, enabling direct comparison between Australia's first survey and the UK's fifth-wave survey[2].

The first consumer survey provided a holistic view of online copyright infringement in Australia by measuring levels of use (lawful versus unlawful) and levels of access (streaming, downloading and sharing) of four core content types (music, movies, TV programmes and video games).

[1] PWC on behalf of the Australian Copyright Council, *The Economic Contribution of Australia's Copyright Industries 2002 – 2014* (2015), http://www.wipo.int/export/sites/www/copyright/en/performance/pdf/pwc_report_2014_australia.pdf

[2] The UK study was commissioned by UK communications regulator Ofcom, undertaken by Kantar Media and made possible by financial support from the UK Intellectual Property Office (IPO). http://stakeholders.ofcom.org.uk/market-data-research/other/telecoms-research/?a=0.

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The findings from the research were published in July 2015[3] and provided a foundation to assess the effectiveness of measures to address online copyright infringement.

The first consumer survey revealed that 26% of internet users had consumed at least one item of online content unlawfully. Additionally, the main reasons consumers provided for infringing included the cost, convenience and speed of accessing unlawful material.

The results also highlighted a lack of awareness of what content is lawful and what is unlawful, with four in ten consumers (43%) not confident in their knowledge regarding what is and is not lawful online.

### The second consumer survey

This second survey was commissioned to measure and understand any changes in online content consumption, access and infringement since the first survey in 2015.

The fieldwork for the first survey coincided with the launch of Netflix Australia on 24 March 2015, meaning that it was unable to measure the uptake and impact of Netflix and the other newly-launched streaming services Stan and Presto to any great extent. The second survey was designed to take the introduction of these services into account.

The results of the 2016 online copyright infringement survey showed an overall decrease in the level of infringement (since 2015) largely due to the increase in the availability of lawful online streaming.

- In 2016, 23% of Australian internet users were accessing unlawful online content, down from 26% in 2015.
- The results indicated pricing and availability of online copyright content, such as streaming services, led to a reduction in infringement.

The *Copyright Amendment (Online Infringement) Act 2015* (Cth) came into effect in June 2015, after the first survey was conducted. The Act enables rights holders to apply for a Federal Court order requiring an internet service provider (ISP) to block foreign websites that infringe copyright, or facilitate infringement. The second survey was unable to evaluate the effect of the amendments as no orders had been made at that time to block foreign websites.

### The third consumer survey

The third consumer survey was commissioned in 2017 to continue to measure and understand any changes in online content consumption, access and infringement since the first survey in 2015, and compared to the results of the second survey in 2016. The third consumer survey was the first survey to measure the impact of website blocking measures on reducing and deterring access to infringing material.

December 2016 saw the first two site blocking cases in the Federal Court decided under the website blocking powers in section 115A of the *Copyright Act 1968* (Cth). The third consumer survey was designed to understand levels of awareness of these injunctions and what impact these blockages had on infringing behaviour.

The PC recently reviewed Australia's IP arrangements and the Government released a report detailing the PC's findings and several recommendations on 20 December 2016. The focus of the PC's report in terms of the copyright recommendations was that Australia's copyright arrangements are too heavily skewed in favour of copyright owners. The PC also concluded that the most effective approach to addressing online copyright infringement was through 'timely and competitively-priced access to copyright-protected works' (finding 19.1).

The third consumer survey had a continued focus on how market forces are driving consumer behaviour and the effect Government intervention generally has, in order to assist the Government with finding the appropriate balance in terms of copyright protection/enforcement.

[3] https://www.communications.gov.au/departmental-news/new-online-copyright-infringement-research-released

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The extent that content delivery influences user behaviour, and specifically whether greater consumer access to streaming services continues to reduce rates of infringement, was a key area of interest in the third consumer survey.

## 2.2 Key objectives

The fundamental objectives for this research were to understand the prevalence of online copyright infringement among consumers in Australia and how this has changed since 2016, and compared to the benchmark collected in 2015.

In order to answer these questions, they need to be deconstructed in a way that facilitates the identification of comprehensive insights. The table below illustrates our approach and shows how the survey metrics relate to each objective.

*Table 0.2.1: Research objectives and metrics*

| OVERALL AIM | RESEARCH OBJECTIVE | METRICS |
|---|---|---|
| What is the current level of online copyright infringement among Australian consumers? | ■ What is the level of access (streaming, downloading and sharing) of the four core content types among Australian consumers?<br>■ What level of use/access for the four core content types is lawful (and what proportion is unlawful)?<br>■ How does level of use differ by demographic factors?<br>■ How has consumption changed since 2015? | ■ Whether accessed/downloaded/ shared files (past three months) by content type<br>■ Frequency per content type<br>■ Volume per content type<br>■ Proportion of type paid for and free<br>■ Proportion of files believed to have been lawfully accessed (from which a figure for unlawful files can be derived) |
| What are the attitudes that drive online copyright infringement behaviours? | ■ What is the level of consumer awareness and knowledge around online copyright infringement?<br>■ What are consumer attitudes towards online copyright infringement?<br>■ What drives online copyright infringement among consumers?<br>■ What would stop consumers from undertaking copyright infringement behaviours?<br>■ What is the level of awareness and use of lawful streaming, downloading, and sharing services?<br>■ What are the key reasons driving use/non-use of lawful services?<br>■ How do knowledge, awareness, and attitudes differ by demographic factors? | ■ General attitudes<br>■ Key drivers of behaviour<br>■ Why people do/don't infringe<br>■ What would make them stop?<br>■ Awareness/use of lawful services<br>■ Reasons why consumers do/don't use lawful services<br>■ Understanding of what is lawful |

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| OVERALL AIM | RESEARCH OBJECTIVE | METRICS |
|---|---|---|
| | ■ How have knowledge and attitudes changed since 2015, and what role have policy measures played? | |
| What role does pricing play in lawful and unlawful access of online content? | ■ What is the current level of spend across each of the four core content types?<br>■ How does unlawful file sharing impact on purchases across each of the four core content types?<br>■ What is the willingness to pay and optimum pricing levels for different content types?<br>■ What is the role of demographic factors in willingness to pay?<br>■ How have spend levels and willingness to pay changed since 2015, and what role have policy measures played? | ■ Current spend on relevant material<br>■ Willingness-to-pay modelling |

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## 2.3 Methodology overview

The survey was designed to closely replicate the methodology for the UK study so that results between the two jurisdictions could be compared. A key objective of the 2017 consumer survey was to be able to compare results to that of previous years (2015 and 2016) in order to understand to what extent consumption and attitudes have changed in Australia. In order to enable such a comparison, it was imperative that the survey approach used in 2015 and 2016 be replicated as closely as possible, including:

- use of the same data collection methodologies;
- conducting fieldwork at a similar time of year;
- asking the same questions using the same questionnaire structure;
- defining target sample, quotas and weighting in the same way to achieve an equivalent representative sample; and
- use of the same data analysis processes.

As in previous years, the approach for the 2017 Australian study comprised a mixed methodology of online interviewing and computer assisted telephone interviewing (CATI). Online interviewing was used to reach respondents who use the internet at least once a day or more frequently and CATI interviewing was used to reach respondents who use the internet less often.

A total of 2,442 interviews were undertaken between 2 March and 20 March 2017 with the target audience for this study being all people aged 12+ in Australia. Of this total, 2,042 interviews were achieved online, 1,897 from people aged 16+ and 145 from people aged 12-15 years old. The remaining 400 interviews were achieved by CATI from people aged 16+. The average length of the interviews was 15 minutes for online and 19 minutes by CATI.

Greater detail of the study methodology can be found in the Appendix.

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## 2.4 Notes for this report

### Content type and activities assessed

This study sought to provide detailed measurements for four core content types of interest:

It also provided top level measurements for a further two content types, but did not provide detailed measurements for these content types due to restrictions on survey length and these being the two least commonly used of the six types:

The survey asked respondents to think about activities they had undertaken in the past three months, which broadly corresponds to the first quarter (January-March) of 2017.

The questions were primarily focused around three online activities, explained to each respondent as follows:

- **Streamed or accessed** – By this we mean that you viewed, listened to, or played content directly through the internet without downloading a copy. For example, watching TV programmes on Netflix or listening to music through services such as Spotify or Pandora;
- **Downloaded** – By this we mean that you transferred a copy of the file to your device. For example, downloading a music track to your device through iTunes or Amazon; and
- **Shared** – By this we mean that you made the file publicly available, or sent or uploaded it online for someone else to stream, access or download. For example, sharing files on your computer through an online service. This does not include sharing links online.

These categories all relate to what is termed ‘digital’ content/files. However, certain metrics in this report also incorporate consumer spend attributable to ‘physical’ formats (e.g. CDs, DVDs, games and cartridges) to help locate the consumption of digital content in its wider context. This report also frequently refers to consumed digital content, by which is meant content that is either streamed or accessed online or is downloaded from the internet.

For most of the content types there are several elements that have the potential to cause confusion and thereby distort the figures if misinterpreted by the respondent. For example, there is a fine line between music tracks and music videos, and there is a distinct difference (in terms of number of digital files) between singles and albums. Similarly, for computer software and video games people may consider updates and patches as products in themselves. Therefore the questionnaire attempted to be as clear to respondents as possible in terms of what they should include in each definition. In addition, music videos and short video clips were asked about separately to aid with the distinctions. The definitions were as follows:

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*Table 0.4.1: Definition of content types*

| Content type | Definition for respondent |
|---|---|
| **Music** | Music tracks or albums (excluding online radio stations) |
| **Video games** | Video games (excluding patches and upgrades) |
| **Movies** | Movies (full length) |
| **TV programmes** | TV programmes |
| **e-books** | e-books |
| **Computer software** | Computer software (excluding mobile phone apps, and patches/upgrades to software already owned) |

### Payment and lawfulness

Respondents who had consumed (i.e. streamed or accessed or downloaded) digital content were asked in the survey how much of what they had consumed was paid for and how much was lawful, and from this it is possible to calculate how much was free and how much was unlawful respectively. Payment and lawfulness were explained to respondents as follows:

- **Payment** – how many did they personally pay for, either as a one off or as part of a subscription; and
- **Lawfulness** – how many do you think were downloaded or streamed lawfully.

As highlighted by the previous surveys, there is a large proportion of the Australian public who are not confident they know what is lawful and what is unlawful in terms of downloading, streaming, accessing and sharing content through the internet (see Chapter 6.5). Therefore, in addition to some people being reluctant to admit to engaging in unlawful activities, some people may not be aware that what they are doing is necessarily unlawful, and hence the level of unlawful activity may be under-reported.

### Key metrics

With respect to assessing levels of copyright infringement for each content category, the approach is consistent throughout the survey, filtering down from general online behaviour towards the potentially sensitive topic of infringement. Within each category, key metrics are reported at two levels:

- **Respondent level –** For example, the total number and proportion of the Australian population who undertook an activity such as downloading music; and
- **Volume level** – For example, the number of music tracks downloaded in the past three months, or the number of music tracks lawfully obtained.

The key metrics throughout this report are summarised in the following table:

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*Table 0.4.2: Key metrics*

**Assessing levels of online infringement**

| Topic | Respondent level | Volume level |
|---|---|---|
| **General behaviour** | 1. Done in the past three months<br>2. Frequency<br>3. Median volumes (past three months) among those who have done activity | |
| **Payment** | Proportion of the population who fit into the following derived groups in terms of volume of content consumed in the past three months:<br>1. 100% paid<br>2. Mix of paid and free<br>3. 100% free<br>4. Any free (combination of 2 + 3)<br>5. 100% already owned in physical format<br>6. Any already owned in physical format<br>7. None already owned in physical format<br>8. 100% previously downloaded for free (% of paid acquisitions across formats)<br>9. Any previously downloaded for free<br>10. None previously downloaded for free<br><br>As well as the proportions of those who have done the activity in the past three months, metrics 1 to 4 are also reported among the total 12+ internet population, and include median volumes. Metrics 5 to 10 include mean volumes. | Paid and free proportions of total volume (incorporating physical format where relevant) |
| **Lawfulness** | Proportion of the population who fit into the following derived groups in terms of volume of content consumed in the past three months:<br>1. 100% lawful<br>2. Mix of lawful and unlawful<br>3. 100% unlawful<br>4. Any unlawful (combination of 2 + 3)<br><br>As well as the proportions of those who have done the activity in the past three months, the above metrics 1 to 4 are also reported among the total 12+ internet population and include median volumes. | Lawful and unlawful proportions of total volume (incorporating physical format where relevant) |

**Assessing consumer spend on categories and price sensitivity**

| Topic | Respondent level | Volume level |
|---|---|---|
| **Spend** | Proportion of population who have spent anything (and average spend in the past three months) on digital subscriptions, individual digital downloads, physical formats and other related areas such as gigs or cinema. | Total volumes and proportions of overall spend |
| **Price sensitivity** | Willingness to pay (music and movies only)<br>■ For consuming individual files via a download service<br>■ For a subscription service (monthly charge) | |

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### Significant differences by year and by subgroup

For each category the report details the main findings from 2017 and compares them with the results from 2015 and 2016. In the tables, significant differences have been indicated by highlighting a significant increase in 2017 compared with 2016 in green text, and a significant decrease in red text.

The report also details significant differences of interest (at the 95% confidence level) among the following groups:

*Table 0.2.3: Subgroups of interest*

| Category | Subgroups |
|---|---|
| **Gender** | Male, Female |
| **Age** | 12-15, 16-24, 25-34, 35-44, 45-54, 55+ |

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## 2.5 Changes to the 2017 survey instrument compared with 2016

As previously outlined, in order to facilitate the most accurate comparison between surveys, it was imperative that the survey approach taken in previous years be replicated as closely as possible in 2017. A number of small changes were made in 2017 and included:

### Inclusion of site blocking measures

In order to measure the impact of policy and legislation on infringing behaviour, particularly the new site blocking injunctions that were ordered by the Federal Court in December 2016, questions were included in the 2017 questionnaire to understand levels of awareness of these injunctions and what impact these blockages have had on infringing behaviour:

- Q81 – to identify behaviour of participants who have not downloaded in the past three months because the site has been blocked. Here we sought to find out if respondents simply gave up, sought lawful or unlawful access, if they bypassed the website, or if they sought alternative paid for but unlawful access;
- Q83 – respondents who have streamed or downloaded music or albums, video games, movies or TV programmes in the past three months were asked what they would do if they encountered a site which has been blocked; and
- Q82 and Q84 – when respondents indicated they had bypassed or would bypass the blocked site they were asked an additional question to gain a deeper understanding of their methods used to bypass the blocked website.

Additional predefined attributions about site blocking were also added to the following questions:

- Q74 – reasons why the consumer has not downloaded or streamed in the past three months, ‘The site has been blocked’; and
- Q78 – potential reasons why the consumer would stop unlawfully downloading or streaming content, ‘Encountering a site that has been blocked’.

### Review of the list of sites and services for channels of usage

In order for the questionnaire to be relevant, a review was conducted of the sites and services used to prompt respondents when asking how they download, stream, access, or share content through the internet. Services were removed if they ceased to operate and sites were added that had a high number of mentions from the 2016 survey (i.e. The Pirate Bay, Project Free TV). In 2016 the list of services included Foxtel/Presto, this was updated in 2017 to include three separate services (Pay TV, Play and Presto). This change was incorporated to accommodate the discontinuation of Presto, and to allow analysis of Pay TV and Play separately. In order to maintain comparability to previous years, in 2017 Foxtel has been combined and reported as one service.

### Removal of questions relating to services available in the market

Questions 30 and 58 were removed from the 2017 questionnaire. The questions asked respondents to indicate their likelihood of spend for a subscription service allowing streaming and access of music (Q30) and movies (Q58). As these services are now offered and available in the market, these questions were deemed not relevant and were removed.

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# 3. Digital content consumption

## 3.1 Digital behaviour among internet users aged 12+ across all content types

The following table outlines the proportion of internet users aged 12+ that streamed or accessed, downloaded, or shared content for each of the six content types. The 'any of 4' column is an aggregation across the four core content types and the 'any of 6' column is an aggregation across all six of the content types (for example, if someone downloaded and streamed both music and movies they would be counted only once within the overall proportion). As noted in the Research Overview, significant increases from 2016 to 2017 are in green text and significant decreases are in red text.

*Table 0.1.1: Digital behaviour in the last three months among internet users aged 12+ – all content types*

| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** | E-books 2015 | E-books 2016 | **E-books 2017** | PC software 2015 | PC software 2016 | **PC software 2017** | Any of 6 2015 | Any of 6 2016 | **Any of 6 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All internet users 12+ | 2,607 | 2,387 | 2,365 | 2,607 | 2,387 | 2,365 | 2,607 | 2,387 | 2,365 | 2,607 | 2,387 | 2,365 | 2,607 | 2,387 | 2,365 | 2,607 | 2,387 | 2,365 | 2,607 | 2,387 | 2,365 | 2,607 | 2,387 | 2,365 |
| Download (%) | 29 | 26 | **26** | 11 | 10 | **11** | 19 | 17 | **17** | 18 | 16 | **16** | 43 | 39 | **40** | 12 | 12 | **12** | 17 | 16 | **16** | 50 | 47 | **47** |
| Stream/ access (%) | 34 | 33 | **38** | 13 | 12 | **15** | 25 | 29 | **36** | 34 | 38 | **43** | 54 | 57 | **62** | 11 | 10 | **12** | 16 | 15 | **17** | 57 | 60 | **65** |
| Download, or stream (%) | 42 | 39 | **43** | 16 | 15 | **18** | 29 | 33 | **39** | 38 | 41 | **45** | 60 | 62 | **65** | 15 | 14 | **16** | 23 | 21 | **22** | 65 | 66 | **69** |
| Share (%) | 5 | 7 | **7** | 2 | 3 | **3** | 4 | 4 | **5** | 4 | 4 | **4** | 8 | 11 | **11** | 2 | 2 | **2** | 2 | 3 | **3** | 9 | 12 | **12** |
| Download, stream, or share (%) | 42 | 39 | **44** | 16 | 16 | **18** | 29 | 33 | **39** | 38 | 42 | **45** | 60 | 62 | **66** | 15 | 14 | **16** | 23 | 21 | **23** | 65 | 66 | **69** |

### Trends in consumption across the digital content types

- In 2017, over two-thirds (69%) of internet users claimed to have consumed (i.e. downloaded, streamed or accessed) digital content from one of the six content types in the past three months. This is a significant increase from 66% in 2016 and 65% in 2015.

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- The overall increase in consumption of digital content in 2017 is driven exclusively by the significant increase in streaming or accessing of digital content, from 57% in 2015, 60% in 2016, up to 65% in 2017. Downloading content has remained consistent between 2016 and 2017 at 47%, maintaining the significant decrease from 50% in 2015. Sharing content remains a relatively niche activity in 2017, with the 2016 result consistent at 12%, which was a significant increase from 9% in 2015.
- Looking at the 'any of four' content types examined in this report, the proportion of internet users who had consumed digital content (downloaded, streamed or shared) continued to increase significantly to 66% in 2017, up from 60% in 2015.
- The overall trend towards streaming or accessing digital content was also observed for the 'any of four' content types, up significantly from 54% in 2015, 57% in 2016 to 62% in 2017. Downloading behaviour and the proportion of internet users sharing 'any of four' content types remained consistent between 2016 and 2017.

### Trends in streaming digital content

- In 2016 increases in streaming or accessing content were only observed for TV and movie content, however in 2017 there was an increase in streaming rates across each of the six content types, significantly so for all except PC software.
- TV remains the most commonly accessed content type via online streaming at 43% in 2017, which is significantly higher than 2016 (38%) and 2015 (34%).
- Streaming of music content was the next most common at 38% in 2017, which is up significantly from 33% in 2016 and 34% in 2015.
- This was closely followed by streaming of movies at 36% in 2017, which is up significantly from 29% in 2016 and 25% in 2015.
- PC software is the next most likely content to be streamed at 17% in 2017, up slightly from 15% in 2016 and 16% in 2015.
- Video game streaming also increased significantly from 13% in 2015 and 12% in 2016 to 15% in 2017.
- E-books were the least likely to be streamed, however the proportion streaming e-books increased significantly from 10% in 2016 to 12% in 2017, which is marginally higher than 11% in 2015.
- There were few consistent significant gender differences for streaming across content types overall; males were significantly more likely to stream computer software (21%) and video games (20%) compared to females (14% and 10% respectively). Females were more likely to stream TV programmes (45%) and e-books (14%) compared to males (41% and 10% respectively).
- There was a consistent trend in the age groups most likely streaming content in the last three months; for 'any six' file types streaming is highest amongst 16 to 24 year olds (90%), followed by 25 to 34 year olds (82%), 12 to 15 year olds (80%) and 35 to 44 year olds (75%). 45 to 54 year olds were less likely to stream any content (53%) and lastly the 55 years and over were consistently least likely to stream any content (38%). The largest discrepancy in age concerned video game streaming where 40% of 12 to 15 year olds streamed this content compared to 2% of 55 year olds and over.

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### Trends in downloading digital content

- As discussed above, there has been a massive shift towards streaming in 2016 and 2017, which means the proportion of internet users downloading content declined in 2016, and has since remained stable between 2016 and 2017. The only variation to this has been a slight increase in downloading of video games from 10% in 2016 to 11% in 2017.
- Music continued to be the most common content type downloaded in 2017 and maintained the significant decline reported in 2016, a comparable 26% in both years, down from 29% in 2015.
- Based upon 'any of six' file types, males were more likely to download as compared to females (50% versus 44%). Those aged 16 to 24 reflected the highest likelihood of downloading in the last three months (69%), compared to those aged 55 years and over (24%).
- Looking at demographic differences in downloading different file types, those who were significantly more likely to download:
    - Music - included those aged 24 years and under, compared to those aged over 45 years;
    - Movies - included those aged 34 years and under compared to anyone over 35 years;
    - TV programmes - included males (18%) compared to females (14%); those aged 44 years and under compared to anyone aged over 45 years;
    - Video games - included males (15%) compared to females (8%); those aged 12 to 15 and 16 to 24 years compared to anyone aged over 25 years; and
    - Computer software - included males (20%) compared to females (11%); those aged 34 years and under compared to anyone aged over 35 years.

### Trends in sharing content

- The proportion of internet users sharing specific content remained largely comparable between years.
- In line with previous years, the most commonly shared content was music (7% in 2017 and 2016, and 5% in 2015), followed by movies (5% in 2017, 4% in 2016 and 2015), TV programmes (4% across all three years), video games (3% in 2017 and 2016, and 2% in 2015), PC software (3% in 2017 and 2016, and 2% in 2015) and e-books (comparable 2% across all three years).

### Connection used to consume digital content

- Amongst those who had consumed (streamed or accessed or downloaded) any content in the past three months, eight in ten (82%) had done so using fixed line access, which is consistent to 83% in 2016, and up from 77% in 2015.
- There was a significant increase in the proportion of internet users using a mobile network, 40% in 2017, up from 34% in 2016 and 37% in 2015.
- There was also a slight increase in use of public Wi-Fi in 2017 to 13%, compared to 11% in 2016 and 12% in 2015.

### Frequency of consuming digital content

Those who downloaded, streamed or accessed, or shared any of the four core content types were asked how often they did this for each. The following table shows the proportion of those who did the activity in past three months, who did it at least once a week.

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*Table 0.1.2: Proportion of those who had done activity at all in the past three months who did it at least once a week*

| | | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Download | Base: Did at all in last 3 months | 817 | 640 | **653** | 306 | 253 | **285** | 549 | 448 | **432** | 541 | 434 | **408** |
| | % weekly | 31 | 40 | **41** | 24 | 27 | **32** | 36 | 38 | **43** | 48 | 48 | **52** |
| Stream/access | Base: Did at all in last 3 months | 937 | 818 | **926** | 362 | 311 | **387** | 712 | 752 | **895** | 967 | 981 | **1,096** |
| | % weekly | 59 | 71 | **73** | 63 | 71 | **68** | 41 | 51 | **58** | 48 | 55 | **63** |
| Share | Base: Did at all in last 3 months | 169 | 176 | **190** | 65 | 74 | **91** | 113 | 112 | **130** | 113 | 114 | **117** |
| | % weekly | 50 | 55 | **62** | 56 | 60 | **63** | 32 | 38 | **45** | 35 | 42 | **52** |

## Frequency of downloading digital content

- Across all four core content types there was a small, but not significant, increase between 2016 and 2017 in the proportion of users reporting they downloaded this content at least once a week.
- As per the 2016 and 2015 results, downloading content on a weekly basis was most common for TV programme consumers (52% in 2017, and 48% in both 2016 and 2015).
- The next media type most commonly downloaded on a weekly basis were movies (43% in 2017), which was an increase on 2016 and 2015 (38% and 36% respectively).
- This was followed by four in ten (41%) downloading music at least once a week in 2017, which remained consistent with the significant increase in 2015 and 2016 (31% and 40% respectively).
- Lastly, around one-third (32%) of users downloaded video games at least weekly, increasing from 2016 (27%) and 2015 (24%).

## Frequency of streaming digital content

- Music remained the content that was most likely to be streamed at least once a week in 2017 (73%), consistent with the significant increase achieved in 2016 (71%) compared with 2015 (59%).

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- This was followed by video games (68%), which had a small decline from 2016 (71%), yet remained higher than 2015 (63%).
- There was a significant increase in the proportion of users streaming TV programmes at least once a week to 63% in 2017, compared to 55% in 2016 and 48% in 2015.
- Movies also experienced a significant increase to 58% in 2017, up from 51% in 2016 and 41% in 2015.

### Frequency of sharing digital content

- Across all four core content types there was a small, but not significant shift in the proportion of consumers reporting that they shared this content at least once a week between 2016 and 2017.
- Video game sharers were the most likely to have shared on a weekly basis (63% in 2017, 60% in 2016 and 56% in 2015), followed by music sharers (62% in 2017, 55% in 2016 and 50% in 2015), TV programme sharers (52% in 2017, 42% in 2016 and 35% in 2015), and lastly movie sharers (45% in 2017, 38% in 2016 and 32% in 2015).

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## Median volume of files consumed

The following table outlines the median volumes of files downloaded, streamed or accessed, or shared in the past three months (amongst those who had done each activity) for each of the four core content types. In the UK study, means were initially used in reporting, but were found to be too volatile due to a minority of individuals consuming or sharing very large numbers of files, and hence medians are now used instead. The Australian study showed a similar pattern, and hence medians have also been adopted.

*Table 0.1.3: Median number of files among 12+ internet users who consumed or shared content (past three months)*

| | | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Download | Base | 817 | 640 | **653** | 306 | 253 | **285** | 549 | 448 | **432** | 541 | 434 | **408** | 1,202 | 1,007 | **1,011** |
| | Median | 12 | 12 | **12** | 3 | 3 | **3** | 4 | 4 | **4** | 5 | 5 | **5** | 12 | 12 | **12** |
| Stream/ access | Base | 937 | 818 | **926** | 362 | 311 | **387** | 712 | 752 | **895** | 967 | 981 | **1,096** | 1,500 | 1,422 | **1,548** |
| | Median | 20 | 24 | **30** | 3 | 3 | **3** | 3 | 5 | **5** | 4 | 5 | **6** | 14 | 20 | **24** |
| Download or stream | Base | 1,152 | 956 | **1,058** | 451 | 386 | **454** | 824 | 836 | **959** | 1,077 | 1,061 | **1,148** | 1,664 | 1,544 | 1,626 |
| | Median | 25 | 30 | **30** | 4 | 4 | **5** | 5 | 6 | **6** | 6 | 7 | **10** | 22 | 26 | 32 |
| Share | Base | 169 | 176 | **190** | 65 | 74 | **91** | 113 | 112 | **130** | 113 | 114 | **117** | 260 | 285 | **293** |
| | Median | 5 | 9 | **10** | 2 | 3 | **3** | 2 | 2 | **2** | 1 | 2 | **2** | 5 | 6 | **7** |

The 2017 results are largely comparable to 2016 and 2015 concerning the median number of files downloaded or shared in the past three months. The number of files being streamed or accessed had significantly increased ('any of four' median = 24 in 2017 as compared to 20 in 2016).

- Of the four core content types, music had the highest median number of files consumed and shared in the past three months. The median number of music tracks consumed in 2017 was 30, the same as 2016, but higher than the 2015 figure of 25.
- The median number of music files being downloaded remained consistent between years (median 12 files each year), however the median number of music files streamed or accessed has incrementally increased from 20 in 2015, 24 in 2016, and 30 in 2017. The median number of music files being shared has also increased by a small margin from five in 2015, nine in 2016 and ten in 2017.

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- As per previous years, the second highest number of files consumed was for TV programmes, with a median of ten consumed in the past three months in 2017, which is significantly higher than seven in 2016 and six in 2015. The median number of TV programmes shared in 2017 remained low (2) which is a comparable result to 2016 (2) and 2015 (1).
- The median number of movies consumed (downloaded or streamed) over the three month period was six in 2017, which is the same result achieved in 2016, and which was slightly up from five in 2015. The median number of movies shared has remained stable at two across all three years.
- Lastly, the median number of video games consumed experienced a slight shift to five in 2017, this is up from four in 2016 and 2015, and the median number shared was three in 2017 and 2016, and two in 2015.

- Overall, those downloading any of the four core content types downloaded a median of 12 files, which was consistent between years.
- However, the median number of files streamed or accessed over the three month period has increased significantly each year from 14 in 2015, to 20 in 2016, to 24 in 2017. It follows that total median consumption (downloaded or streamed) increased significantly to 32 files per week in 2017, from 26 in 2016 and 22 per week in 2015.
- The median level of sharing of any of the four core content types has experienced an incremental increase from five files in 2015, to six files in 2016 and seven in 2017.
- Age and gender correlations have continued in 2017, with males and those aged under 25 sharing a larger median volume of files. Males recorded a median of ten files shared in comparison to females at five, and those under the age of 25 shared an average of nine to ten files, in comparison to between four to seven files shared for those aged 25+.

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## Services used to consume digital content

The following table shows the incidence of the top ten services used in the past three months to consume or share each type of content.

*Table 0.1.4: Use of sites or services for consuming or sharing content in the past three months*

| | Music | Video games | Movies | TV | Any of 4 |
|---|---|---|---|---|---|
| | **[2017]**<br>2016 (2015) | **[2017]**<br>2016 (2015) | **[2017]**<br>2016 (2015) | **[2017]**<br>2016 (2015) | **[2017]**<br>2016 (2015) |
| Base: All who consumed or shared content | **[1,069]**<br>966 (1,161) | **[461]**<br>397 (458) | **[972]**<br>845 (832) | **[1,160]**<br>1,071 (1,084) | **[1,631]**<br>1552 (1,669) |
| 1 | YouTube<br>**[57%]**<br>56% (58%) | Steam<br>**[27%]**<br>28% (24%) | Netflix<br>**[48%]**<br>41% (16%) | Netflix<br>**[41%]**<br>31% (12%) | YouTube<br>**[52%]**<br>48% (55%) |
| 2 | Spotify<br>**[37%]**<br>30% (19%) | EB Games<br>**[27%]**<br>27% (22%) | YouTube<br>**[31%]**<br>34% (39%) | YouTube<br>**[26%]**<br>27% (32%) | Netflix<br>**[36%]**<br>27% (9%) |
| 3 | iTunes/Apple<br>**[35%]**<br>43% (45%) | Xbox Live<br>**[22%]**<br>17% (13%) | Foxtel*<br>**[19%]**<br>15% (10%) | ABC iview<br>**[19%]**<br>23% (21%) | iTunes/Apple<br>**[28%]**<br>32% (37%) |
| 4 | Facebook<br>**[26%]**<br>24% (23%) | Sony/PS<br>**[18%]**<br>15% (13%) | Stan<br>**[14%]**<br>10% (3%) | Foxtel*<br>**[16%]**<br>13% (8%) | Spotify<br>**[25%]**<br>19% (13%) |
| 5 | Google search<br>**[19%]**<br>21% (23%) | Facebook<br>**[17%]**<br>20% (18%) | iTunes/Apple<br>**[11%]**<br>12% (16%) | SBS<br>**[16%]**<br>19% (16%) | Facebook<br>**[23%]**<br>22% (23%) |
| 6 | Pandora<br>**[13%]**<br>**13**% (9%) | Google search<br>**[16%]**<br>18% (16%) | SBS<br>**[11%]**<br>12% (9%) | Plus7<br>**[16%]**<br>17% (18%) | Google search<br>**[21%]**<br>21% (25%) |
| 7 | Email<br>**[12%]**<br>14% (11%) | Google Play<br>**[15%]**<br>18% (15%) | Facebook<br>**[9%]**<br>10% (9%) | TENplay<br>**[15%]**<br>16% (19%) | Foxtel*<br>**[17%]**<br>12% (8%) |
| 8 | SoundCloud<br>**[12%]**<br>10% (2%) | iTunes/Apple<br>**[13%]**<br>21% (23%) | ABC iView<br>**[9%]**<br>1% (1%) | Stan<br>**[11%]**<br>8% (3%) | ABC iview<br>**[15%]**<br>15% (13%) |
| 9 | Google Play<br>**[11%]**<br>15% (11%) | Amazon/ Kindle<br>**[10%]**<br>12% (11%) | Google search<br>**[9%]**<br>13% (15%) | 9jumpin<br>**[9%]**<br>11% (15%) | SBS<br>**[14%]**<br>15% (11%) |
| 10 | Amazon/ Kindle<br>**[10%]**<br>10% (9%) | BitTorrent<br>**[9%]**<br>12% (7%) | BitTorrent<br>**[8%]**<br>12% (16%) | Google search<br>**[9%]**<br>9% (11%) | Email<br>**[12%]**<br>12% (12%) |
| Mean number of services | **[3]**<br>3 (3) | **[2]**<br>3 (2) | **[2]**<br>3 (2) | **[2]**<br>2 (2) | **[4]**<br>4 (4) |

*Please note Foxtel includes Foxtel Pay TV, Foxtel Play, and Presto.

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- In 2017 consumers or sharers of each content type used an average of two to three services to consume or share that content type, and across all four core content types consumers used an average of four services. This was identical to the 2016 and 2015 results.
- YouTube remains the most commonly used site overall. 52% of users consumed/shared 'any of four' using YouTube in the past three months, this is up significantly from 2016 (48%), but still lower than 2015 (55%).
- YouTube remained the most used site or service for consuming or sharing music and there has been little change between years (57% in 2017, 56% in 2016, and 58% in 2015). Although YouTube remains the second most popular service for consuming or sharing movies and TV programmes in 2017 (having been the most popular service in 2015), it experienced a significant decline in popularity between 2016 and 2015, and hasn't recovered in 2017. The proportion of users using YouTube for consuming or sharing movies continued to decline in 2017 to 31% as compared to 34% in 2016 and 39% in 2015; and for TV programmes YouTube declined slightly to 26% in 2017, from 27% in 2016, which is significantly lower than 32% in 2015.
- The age group most likely to use YouTube were 16 to 24 years (66%). The proportion incrementally declines with age, making the 55 years plus group the least likely to use YouTube (38%). There were no gender differences.
- After the introduction of Netflix in Australia in 2015, its popularity continued to rise significantly in 2017. Over a third (36%) of 2017 users consuming or sharing 'any of four' in the past three months used Netflix, which is up significantly from 2016 (27%) and 2015 (9%).
- Netflix was the most popular platform for consumption of both movies and TV in 2017; just under half (48%) of all consumers of movies in 2017 are using Netflix, which is a significant increase from 41% in 2016, and 16% in 2015. Two in five (41%) of those consuming TV in 2017 are using Netflix, again a significant increase from 31% in 2016 and 12% in 2015.
- Netflix was significantly more likely to be used by those aged 16 to 24 (48%) and 25 to 34 (45%) years compared to other age groups. Those aged 55 years and over were the least likely to use Netflix. There were no longer any significant gender differences in usage.
- There were some other shifts in the use of movie and TV streaming services in 2017, including:
    - Usage of the streaming service Stan has increased significantly each year since 2015; movies usage is up to 14% in 2017, from 10% in 2016, and 3% in 2015; and TV usage is up to 11% in 2017 from 8% in 2016 and 3% in 2015. Stan is significantly more popular amongst 16 to 24 year olds (14%) and 25 to 34 year olds (13%) compared to the other age groups.
    - The popularity of Foxtel for streaming both movies and TV rose in 2017 as compared to the 2016 results. There was a significant increase in usage of Foxtel for movies from 15% in 2016, up to 19% in 2017 (10% in 2015), and a significant increase in usage for TV from 13% in 2016, up to 16% in 2017 (8% in 2015). This result may be influenced by the changes to list of services provided to respondents in 2017.
    - Usage of ABC iview increased significantly for movies (to 9% in 2017 as compared to 1% in previous years), and decreased significantly for TV (to 19% in 2017 as compared to 23% in 2016 and 21% in 2015). Those aged 45 to 54 and 55 plus were significantly more likely to use iview (19% and 25%) compared to all other age groups.
- iTunes has experienced waning popularity in 2017 continuing the trend evident in 2016 data. In 2017 three in ten (28%) users consuming or sharing 'any of four' used iTunes in the past three months, down significantly from 2016 (32%) and 2015 (37%). This drop is largely being driven by a significant decline in using iTunes for music (down to 35% in 2017 compared to 43% in 2016 and 45% in 2015), video games (13% in 2017 compared to 21% in 2016 and 23% in 2015) and movies (11% in 2017, 12% in 2016, and 16% in 2015).

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- Females were significantly more likely to use iTunes compared to males (31% versus 25%). Those aged over 55 years were significantly less likely to use iTunes compared to all other age groups.
- This decline in popularity of iTunes largely correlated with the significant increase in popularity of Spotify as a music streaming service. Spotify is now the second most popular music streaming service after experiencing significant increases in usage from 19% in 2015, up to 30% in 2016, and up again to 37% in 2017.
- Females are significantly more likely to use Spotify than males (29% versus 21%), and those aged 16 to 24 years reflect the highest use (40%), while those aged 45 years and over are the least likely to use Spotify.
- A similar platform, Pandora, experienced no shifts in usage between 2017 and 2016 (both 13%), after experiencing a gain from 9% in 2015.
- Usage of SoundCloud continued to increase (12% in 2017, 10% in 2016, and 2% in 2015).
- Use of Google Play (which allows downloads and streaming) declined significantly for music consumption and sharing from 15% in 2016, down to 11% in 2017, which is comparable to the 2015 result. A similar trend was observed for video games with the 2017 result (15%) declining from 18% in 2016, returning to 2015 levels.
- Steam remained the most used site or service for consuming or sharing video games (27% in 2017, 28% in 2016 and 24% 2015), closely followed by EB Games (27% in both 2017 and 2016 and 22% in 2015). Xbox Live achieved the largest gains for video games in 2017 increasing to 22%, up from 17% in 2016 and 13% in 2015.
- There were no major changes in usage of Facebook in 2017, which remained in the top 10 sites or services for music (26% in 2017, 24% in 2016 and 23% in 2015), video games (17% in 2017, 20% in 2016 and 18% in 2015) and movies (9% in 2016, 10% in 2016 and 9% in 2015). Overall across the four core content types Facebook was the fifth most used site or service (23% in 2017, 22% in 2016, and 23% in 2015). Those using Facebook were more likely aged 44 years and under.
- In 2017 the trend reflecting a decline in peer-to-peer methods continued. Usage of uTorrent declined significantly for music (5% in 2017, down from 10% in 2016 and 9% in 2015) and for movies (6% in 2017, down from 13% in 2016 and 19% in 2015). Usage of BitTorrent declined significantly for video games (9% in 2017, down from 12% in 2016 and 7% in 2015) and for movies (8% in 2017, down from 12% in 2016 and 16% in 2015). Those using BitTorrent were significantly more likely male and aged 12 to 15 years.
- ‘Google search’ continued to wane in usage in 2017 as a way of accessing music (19% in 2017, 21% in 2016 and 23% in 2015), video games (16% in 2017, 18% in 2016 and 16% in 2015), movies (9% in 2017, 13% in 2016 and 15% in 2015) and TV programmes (9% in 2017 and 2016 and 11% in 2015).

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## 3.2 Payment groups

People were categorised according to the proportion of digital content they claimed to have paid for, either personally or by someone in their household; these categories are referred to as 'payment groups'. The following table shows the incidences for each payment group in terms of content accessed in the past three months, across two different bases:

- Base 1 - all who downloaded or streamed/accessed each content type in the past three months
- Base 2 - all internet users aged 12+

The second base has been included because the proportion of people active in each category varies between content types; looking at payment categories across the 12+ internet universe allows comparisons to be made between them.

*Table 0.2.1: Payment groups – proportion who paid to consume content or did so for free (past three months)*

| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All who consumed content | 1,152 | 956 | **1,058** | 445 | 385 | **454** | 824 | 836 | **959** | 1,077 | 1,061 | **1,148** | 1,663 | 1544 | **1,626** |
| 100% paid | 26% | 24% | **26%** | 31% | 33% | **32%** | 21% | 36% | **40%** | 13% | 25% | **30%** | 14% | 17% | **17%** |
| Mix of paid and free | 26% | 30% | **30%** | 31% | 29% | **37%** | 22% | 25% | **25%** | 12% | 14% | **17%** | 39% | 42% | **45%** |
| 100% free | 48% | 46% | **44%** | 38% | 38% | **31%** | 58% | 39% | **35%** | 76% | 61% | **53%** | 47% | 41% | **38%** |
| ANY PAID | 52% | 54% | **56%** | 62% | 62% | **69%** | 42% | 61% | **65%** | 24% | 39% | **47%** | 53% | 59% | **62%** |
| ANY FREE | 74% | 76% | **74%** | 69% | 67% | **68%** | 79% | 64% | **60%** | 87% | 75% | **70%** | 86% | 83% | **83%** |
| Base: All internet users 12+ | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** |
| 100% paid | 11% | 9% | **11%** | 5% | 5% | **5%** | 6% | 12% | **14%** | 5% | 10% | **13%** | 8% | 10% | **10%** |
| Mix of paid and free | 11% | 12% | **12%** | 5% | 4% | **6%** | 6% | 8% | **9%** | 4% | 6% | **7%** | 24% | 26% | **28%** |
| 100% free | 20% | 18% | **18%** | 6% | 6% | **5%** | 17% | 13% | **13%** | 28% | 25% | **22%** | 28% | 26% | **24%** |
| ANY PAID | 22% | 21% | **23%** | 10% | 9% | **11%** | 12% | 20% | **24%** | 9% | 16% | **20%** | 32% | 36% | **38%** |
| ANY FREE | 31% | 29% | **30%** | 10% | 10% | **11%** | 23% | 21% | **22%** | 33% | 31% | **29%** | 52% | 51% | **51%** |

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- There has been very little change in the proportion of all internet users consuming at least one content type for free. Half (51% in both 2017 and 2016 and 52% in 2015) of all internet users consumed at least one content type for free in the 'last three months'. Specifically:
    - Just below one-third of internet users consumed free TV programme content (29% in 2017, 31% in 2016 and 33% in 2015) or free music content (30% in 2017, 29% in 2016 and 31% in 2015);
    - Two in ten (22% in 2017, 21% in 2016 and 23% in 2015) consumed free movie content; and
    - One in ten (11% in 2017, 10% in 2016 and 2015) consumed free video game content.
- There was slightly more movement amongst those consuming 100% of their content for free. In 2017 there was a small decline to 24% of *all internet users* who consumed all content for free, compared to 26% in 2016 and 28% in 2015.
    - Exclusive use of free content was highest for TV programmes, however this experienced a significant decline to 22% in 2017 from 25% in 2016, and 28% in 2015; and
    - This was followed by music (18% in both 2017 and 2016 and 20% in 2015), movies (13% in both 2017 and 2016 and 17% in 2015), and lastly video games (5% in 2015, 6% in 2016 and 2015).
- The 2017 data for payment groups amongst those who consume content continues the 2016 trend towards paid content with an increase in those consuming a mix of paid and free content (45% in 2017, up from 42% in 2016 and 39% in 2015), and a decline in those consuming 100% free content (38% in 2017, down from 41% in 2016 and 47% in 2015).
- Looking specifically at TV content consumers, there is a downward trend in those consuming 100% of their TV content for free from 76% in 2015, down significantly to 61% in 2016, and again significantly down to 53% in 2017. This trend is correlated with a significant upwards shift towards paid usage, which was likely driven by the increase in usage of paid streaming services such as Netflix and Stan as discussed previously. This is reflected by a significant increase in those consuming 100% paid content, up from 13% in 2015, to 25% in 2016, and up again to 30% in 2017.
- Those aged over 55 years were significantly less likely to consume 100% paid content, and significantly more likely to have consumed TV for free.
- A similar trend towards paid movie content was evident by a decline in those consuming 100% free content, down from 58% in 2015 to 39% in 2016 and 35% in 2017; and an increase in those consuming 100% paid content, up from 21% in 2015 and 36% in 2016 to 40% in 2017, making movie content the most likely to be 100% paid as compared with other content types.
- Those aged 55 years and over were significantly less likely to have consumed any paid movies compared to other aged groups.
- There has been very little change in the size of payment groups amongst music content consumers. Overall, music content consumers were the most likely to obtain 'any' for free (74% in 2017, 76% in 2016 and 74% in 2015). Just under half (44% in 2017, 46% in 2016 and 48% in 2015) consumed all their music content for free, and just over one-quarter paid for 100% of their consumption (26% in 2017, 24% in 2016 and 26% in 2015). Similar to previous years, music consumers aged 55+ were more likely than younger music consumers to obtain 'any' music for free.
- The 2017 data for video game consumers indicates a shift towards a mix of paid and free content (37% in 2017, significantly up from 29% in 2016 and 31% in 2015). This was alongside a significant decline in those consuming 100% of video game content for free (31% in 2017, down from 38% in both 2016 and 2015). Compared to previous years, there was no longer any gender difference in regards to consuming at least some video game content for free.

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## 3.3 Existing ownership, and free access to digital content before purchasing

### Physical ownership of digital content

The following table displays whether those who had consumed digital content in the past three months already owned all of this content in a physical format, already owned at least some of it in a physical format, or owned none of it in a physical format.

*Table 0.3.1: Prior physical ownership of content consumed in the past three months*

| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All who consumed content | 1,152 | 956 | **1,058** | 445 | 385 | **454** | 824 | 836 | **959** | 1,077 | 1,061 | **1,148** | 1,663 | 1,544 | **1,626** |
| 100% owned in physical format | 6% | 7% | **8%** | 13% | 10% | **15%** | 5% | 5% | **3%** | 3% | 4% | **4%** | 2% | 3% | **4%** |
| Any owned in physical format | 38% | 43% | **41%** | 39% | 41% | **46%** | 26% | 29% | **26%** | 13% | 16% | **17%** | 37% | 40% | **41%** |
| None owned in physical format | 62% | 57% | **59%** | 61% | 59% | **54%** | 74% | 71% | **74%** | 87% | 84% | **83%** | 63% | 60% | **59%** |
| Mean number owned in physical format | 15 | 13 | **16** | 2 | 2 | **4** | 2 | 1 | **1** | 1 | 2 | **3** | 13 | 10 | **14** |

- Overall across 'any of four' content types the majority (59%) of content consumers don't own any of their digital content accessed in the last three months in a physical copy (60% in 2016 and 63% in 2015). 41% of consumers in 2017 'owned any' of their digital content in a physical format (40% in 2016 and 37% in 2015).
- Video game content consumers were the most likely to also own physical copies of any content they had consumed online in the last three months (46% in 2017, 41% in 2016, and 39% in 2015). On average, video game consumers already owned four games in physical format (compared with 2 in previous years).
- Music content consumers were next most likely to also own a physical copy. Around one in four (41%) consumers of online music content also owned a physical copy of any of the content they consumed, reflecting a small decline from 2016 (43%), yet remaining above 38% in 2015. This was coupled with a very small increase in 'none owned in a physical format' (59% in 2017, 57% in 2016, and 62% in 2015). On average, music consumers already owned 16 tracks in physical format (compared with 13 in 2016 and 15 in 2015).

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- This was followed by movie content consumers, just over one-quarter (26%) claiming to own physical copies of any of the online movie content accessed in the last three months, which was slightly below 2016 (29%) and comparable to 2015. There was a significant decline in the proportion of movie consumers who owned 100% of their digital content in physical formats from 5% in 2016 and 2015, down to 3% in 2017. On average, movie consumers already owned one movie in physical format.
- There has been a decline in the proportion of TV programme consumers who do not own any physical copies of the online TV accessed in the last three months (83% in 2017, 84% in 2016, and 87% in 2015). This is parallel to a small upward shift in 'any owned in physical format' (17% in 2017, 16% in 2016, and 13% in 2015). On average, TV programme consumers already owned three TV shows in physical format.

### Was content purchased after consuming it for free?

The following table shows whether people who had paid for content (in either digital or physical format) in the past three months had previously consumed that same content online for free.

*Table 0.3.2: Consuming online content for free before purchasing in the past three months*

| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All who had paid for content | 932 | 853 | **956** | 554 | 523 | **537** | 988 | 942 | **973** | 576 | 650 | **703** | 1,524 | 1,420 | **1,472** |
| 100% of paid for content previously consumed for free | 13% | 12% | **13%** | 12% | 11% | **9%** | 7% | 7% | **8%** | 14% | 13% | **12%** | 6% | 4% | **4%** |
| Any paid for content previously consumed for free | 41% | 41% | **43%** | 28% | 31% | **32%** | 18% | 22% | **23%** | 28% | 29% | **31%** | 37% | 35% | **40%** |
| No paid for content previously consumed for free | 59% | 59% | **57%** | 72% | 69% | **68%** | 82% | 78% | **77%** | 72% | 71% | **69%** | 63% | 65% | **60%** |
| Mean number previously consumed for free | 21 | 18 | **34** | 1 | 3 | **3** | 1 | 2 | **2** | 3 | 4 | **6** | 15 | 15 | **27** |

- The 2017 results reflect a shift towards purchase of content previously consumed for free. There was a significant increase in 'any paid content previously consumed for free' to 40% in 2017, up

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from 35% in 2016 and 37% in 2015; this was parallel to a significant decline in ‘no paid for content previously consumed for free’ down to 60% in 2017 from 65% in 2016 and 63% in 2015.

- Music consumers were the most likely to have ‘any paid content previously consumed for free’ (43%), which is just slightly up from 41% in previous years. The mean number of files previously consumed for free also increased to 34, from 18 in 2016 and 21 in 2015.
- Around one-third (32%) of video game consumers had ‘any paid content previously consumed for free’, which is just slightly up from 31% in 2016 and 28% in 2015.
- A similar pattern is evident amongst TV consumers, where just under one-third (31%) of TV programme consumers had ‘any paid content previously consumed for free’, which is up from 29% in 2016 and 28% in 2015. The mean number of files previously consumed for free also increased to six, from four in 2016 and three in 2015.
- Lastly, movies were the least likely to be purchased after previously consuming the content for free compared with other content types. However the incremental shift towards paid content (as discussed above) was also evident here, with 23% of movie consumers having ‘any paid content previously consumed for free’, which is up from 22% in 2016 and 18% in 2015.
- In line with previous years, for all four core content types, males were more likely than females to have purchased any paid for content after already consuming it for free. Younger consumers were more likely than older consumers to have also done so.

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# 4. Levels of copyright infringement

## 4.1 Lawfulness groups

As with the payment group metrics outlined in Section 3.2, it is possible to create 'lawfulness' groups by assessing the proportion of online content they each consumed lawfully.

For all four core content types, respondents were asked how many of the free pieces of digital content they consumed were consumed lawfully. For music and movies, respondents were also asked how many of the pieces of digital content they paid for were consumed lawfully. This question was not asked about video games or TV programmes. It was not included in the 2015 questionnaire because the UK pilot study on which it was based found that only a negligible proportion of people pay for unlawful digital content of these types.

For music and movies, it is possible to measure the lawfulness of all the digital content consumed by combining the figures for lawfully accessed free digital content and lawfully accessed paid for digital content. For video games and TV programmes an equivalent measure for the lawfulness of all digital content consumed can be derived by assuming that all paid content was lawful. These measures are shown in the following table.

*Table 0.1.1: Lawfulness groups – proportion who consumed any content lawfully/unlawfully (past three months)*

| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All who consumed content | 1,152 | 956 | **1,058** | 445 | 385 | **454** | 824 | 836 | **959** | 1,077 | 1,061 | **1,148** | 1,663 | 1,544 | **1,626** |
| 100% lawful | 63% | 68% | **68%** | 78% | 78% | **76%** | 52% | 61% | **62%** | 67% | 74% | **75%** | 57% | 63% | **62%** |
| Mix of lawful and unlawful | 17% | 17% | **17%** | 10% | 10% | **16%** | 17% | 16% | **16%** | 12% | 11% | **11%** | 31% | 28% | **29%** |
| 100% unlawful | 20% | 15% | **15%** | 12% | 12% | **9%** | 32% | 23% | **21%** | 21% | 15% | **14%** | 12% | 9% | **9%** |
| ANY UNLAWFUL | 37% | 32% | **32%** | 22% | 22% | **24%** | 48% | 39% | **38%** | 33% | 26% | **25%** | 43% | 37% | **38%** |

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| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All internet users 12+ | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** |
| 100% lawful | 27% | 26% | **28%** | 12% | 12% | **13%** | 15% | 20% | **23%** | 25% | 30% | **32%** | 35% | 39% | **38%** |
| Mix of lawful and unlawful | 7% | 7% | **7%** | 2% | 1% | **3%** | 5% | 5% | **6%** | 4% | 5% | **5%** | 19% | 17% | **18%** |
| 100% unlawful | 8% | 6% | **6%** | 2% | 2% | **1%** | 9% | 7% | **8%** | 8% | 6% | **6%** | 7% | 6% | **6%** |
| ANY UNLAWFUL | 15% | 12% | **13%** | 3% | 3% | **4%** | 14% | 13% | **14%** | 12% | 11% | **10%** | 26% | 23% | **23%** |

## Consumption of unlawful content types amongst consumers

- The 2017 results pertaining to the consumption of any unlawful content were largely similar to 2016, were there was a downward trend of consumption of any unlawful content.
- Across all four core content types 38% of consumers had consumed any unlawful content in the past three months, maintaining the significant drop to 37% achieved in 2016 from 43% in 2015. This corresponds to a quarter of all internet users consuming any unlawful content in the past three months (23% in both 2017 and 2016, down from 26% in 2015).
- The 2016 decline in the proportion of consumers who consumed 100% of their content unlawfully was maintained in 2017 (9% both years), significantly down from 12% in 2015. This difference was less pronounced when based on all internet users, with 6% in both 2017 and 2016, and 7% in 2015, of all internet users consuming 100% of their content unlawfully.
- Movies continued to have the highest consumption rate of any unlawful content amongst consumers in 2017 (38%). This 2017 result maintains the significant decline from 2016 (39%) when compared to 2015 results (48%). It follows, that the proportion of those consuming '100% unlawful' movie content has also declined in recent years from 32% in 2015, down significantly to 23% in 2016, and slightly down again to 21% in 2017.
- Music was next most likely to have any unlawful consumption in 2017. The 2017 results relating to the consumption of any unlawful music content were identical to 2016. In 2016, there was a significant decline amongst 'any unlawful' content consumed from 37% in 2015 down to 32% in 2016, which was maintained at 32% in 2017. This was largely driven by the significant decline amongst '100% unlawful' consumers from 20% in 2015, down to 15% in 2016, again maintained at 15% in 2017.
- The 2017 results for any unlawful consumption of TV content were again largely comparable to 2016, maintaining the significant decline in 'any unlawful' consumption from 33% in 2015, down to 26% in 2016 and 25% in 2017. This was driven by a drop in the percentage of consumers of '100% unlawful content', from 21% in 2015, down to 15% in 2016 and 14% in 2017.

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- The only exception to this trend was for video games, where the proportion consuming 'any unlawful' content increased by a small amount from 22% in previous years up to 24% in 2017.
- Looking at any unlawful consumption based on all internet users, those unlawfully consuming movies (14%), music (13%) and TV programmes (10%) was more similar (which is because TV programmes and music are consumed by a greater proportion of internet users than movies). The proportion of internet users who had unlawfully consumed video games was comparably lower (4%), reflecting both lower consumption of video games and that video games that were consumed, were less likely to be consumed unlawfully. The 2017 result was comparable to that of 2016 and 2015.

The next table shows the demographic profile of consumers of 'any unlawful' content across the four core content types (infringers) compared with '100% lawful' (non-infringers).

*Table 0.1.2: Demographic profiles of infringers versus non-infringers*

| | All adults 12+ 2015 | All adults 12+ 2016 | **All adults 12+ 2017** | All content consumers 2015 | All content consumers 2016 | **All content consumers 2017** | Any unlawful (infringers) 2015 | Any unlawful (infringers) 2016 | **Any unlawful (infringers) 2017** | 100% lawful (non-infringers) 2015 | 100% lawful (non-infringers) 2016 | **100% lawful (non-infringers) 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base | 2,630 | 2,405 | **2,442** | 1,663 | 1544 | **1,626** | 768 | 602 | **635** | 895 | 942 | **991** |
| Male | 50% | 50% | **49%** | 53% | 52% | **51%** | 56% | 54% | **53%** | 50% | 50% | **50%** |
| Female | 50% | 50% | **51%** | 47% | 48% | **49%** | 44% | 46% | **47%** | 50% | 50% | **50%** |
| 12-15 | 6% | 6% | **6%** | 8% | 8% | **8%** | 8% | 10% | **11%** | 8% | 7% | **6%** |
| 16-24 | 14% | 14% | **14%** | 20% | 19% | **21%** | 27% | 24% | **28%** | 14% | 16% | **16%** |
| 25-34 | 16% | 17% | **17%** | 21% | 22% | **24%** | 26% | 30% | **28%** | 17% | 18% | **21%** |
| 35-44 | 17% | 16% | **16%** | 20% | 18% | **19%** | 19% | 15% | **17%** | 20% | 20% | **21%** |
| 45-54 | 16% | 15% | **15%** | 14% | 15% | **13%** | 11% | 11% | **8%** | 16% | 18% | **15%** |
| 55+ | 31% | 32% | **32%** | 18% | 18% | **16%** | 8% | 9% | **8%** | 25% | 23% | **21%** |

- In line with previous years, consumers were significantly more likely to be aged between 12 and 34 years, and significantly less likely to be over 55 years, as compared to the total sample (all adults 12+).
- 'Infringers' were more likely to be male (53%) than female (47%), as compared with 49% male and 51% female in the total sample. 'Infringers' were significantly more likely to be aged between 12 and 34 years, and significantly less likely to be over 45 years. The profile of 'non infringers' was fairly similar to the total sample, except for having a lower proportion of those aged 55+.
- There has been little change in the demographic profile of consumers of 'any unlawful' content across the four core content types (infringers) compared with '100% lawful' (non-infringers).

### Median items consumed unlawfully by lawfulness groups

The following table shows the median number of items downloaded or streamed unlawfully, split out by the lawfulness groups.

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*Table 0.1.3: Lawfulness groups – median content items consumed unlawfully in the past three months*

| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All who consumed unlawful content | 464 | 323 | **361** | 103 | 91 | **115** | 417 | 333 | **374** | 395 | 282 | **295** | 768 | 602 | **635** |
| Mix of lawful and unlawful | 20 | 20 | **19** | 3 | 3 | **5** | 5 | 5 | **5** | 7 | 10 | **8** | 20 | 16 | **15** |
| 100% unlawful | 20 | 20 | **16** | 2 | 3 | **2** | 5 | 5 | **5** | 7 | 5 | **4** | 13 | 15 | **9** |
| ANY UNLAWFUL | 20 | 20 | **18** | 2 | 3 | **4** | 5 | 5 | **5** | 7 | 7 | **5** | 16 | 16 | **13** |

- Across all content types, the median number of 'any unlawful' items downloaded or streamed declined in 2017 to 13 items, as compared to 16 items in 2016 and 2015. This was underpinned by the significant decline in the number of '100% unlawful' items consumed in 2017 (nine items) as compared to 15 items in 2016 and 13 items in 2015.
- The median number of 'any unlawful' items downloaded or streamed was highest for music (18 tracks in 2017, and 20 tracks for both 2016 and 2015).
- The median number of 'any unlawful' TV programmes declined in 2017 to five items, from seven items for both 2016 and 2015, whereas the median number of movies items remained static at five items each year. The consumption of 'any unlawful' video games has experienced an incremental creep from two items in 2015, three in 2016 and now four in 2017.

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## Consumption of free content lawfully/unlawfully

The next table shows the lawfulness of the free consumed content, and then the lawfulness of the free consumed content as a proportion of all consumed content and as a proportion of all internet users.

*Table 0.1.4: Lawfulness groups – proportion who consumed free content lawfully/unlawfully (past three months)*

| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All who consumed free content | 868 | 736 | **798** | 303 | 254 | **313** | 655 | 556 | **607** | 942 | 808 | **836** | 1,444 | 1,310 | **1,395** |
| 100% lawful free | 60% | 64% | **63%** | 68% | 67% | **64%** | 44% | 51% | **47%** | 62% | 65% | **64%** | 55% | 59% | **58%** |
| Mix of lawful and unlawful free | 15% | 15% | **16%** | 7% | 10% | **14%** | 16% | 12% | **17%** | 9% | 10% | **12%** | 28% | 24% | **26%** |
| 100% unlawful free | 26% | 20% | **21%** | 26% | 23% | **21%** | 40% | 36% | **36%** | 28% | 25% | **24%** | 18% | 16% | **16%** |
| ANY UNLAWFUL FREE | 40% | 36% | **37%** | 32% | 33% | **36%** | 56% | 49% | **53%** | 38% | 35% | **36%** | 45% | 41% | **42%** |
| Base: All who consumed content | 1,152 | 956 | **1,058** | 445 | 385 | **454** | 824 | 836 | **959** | 1,077 | 1,061 | **1,148** | 1,663 | 1,544 | **1,626** |
| 100% lawful free | 44% | 49% | **44%** | 47% | 45% | **39%** | 35% | 33% | **26%** | 54% | 49% | **40%** | 47% | 55% | **45%** |
| Mix of lawful and unlawful free | 11% | 12% | **11%** | 5% | 7% | **9%** | 13% | 8% | **9%** | 8% | 7% | **7%** | 24% | 23% | **20%** |
| 100% unlawful free | 19% | 15% | **14%** | 18% | 15% | **13%** | 32% | 23% | **20%** | 25% | 19% | **15%** | 15% | 14% | **12%** |
| ANY UNLAWFUL FREE | 30% | 27% | **26%** | 22% | 22% | **22%** | 44% | 31% | **30%** | 33% | 26% | **22%** | 39% | 38% | **32%** |

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| | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** | Any of 4 2015 | Any of 4 2016 | **Any of 4 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All internet users 12+ | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** |
| 100% lawful free | 19% | 19% | **19%** | 7% | 7% | **7%** | 10% | 11% | **10%** | 20% | 20% | **19%** | 28% | 30% | **30%** |
| Mix of lawful and unlawful free | 5% | 4% | **5%** | 1% | 1% | **2%** | 4% | 3% | **4%** | 3% | 3% | **4%** | 14% | 13% | **13%** |
| 100% unlawful free | 8% | 6% | **6%** | 3% | 2% | **2%** | 9% | 8% | **8%** | 9% | 8% | **7%** | 9% | 8% | **8%** |

Amongst those who consumed free digital content:

- Movies were the most likely to be consumed unlawfully out of the four core content types in 2017. There was a small increase in the proportion of 'any unlawful free' movies from 49% in 2016 up to 53% in 2017, but remaining below the 2015 result of 56%. This was driven by the significant increase in those consuming a 'mix of lawful and unlawful free' movies in 2017 (17%) up from 12% in 2016, yet comparable to 16% in 2015.
- Music was the next most likely core content type to be consumed unlawfully in 2017 (37%), similar to 36% in 2016 and remaining down from 40% in 2015.
- A similar proportion consumed TV programmes unlawfully in 2017 (36%) comparable to 35% in 2016, yet remaining below 38% in 2015.
- Any unlawful consumption of video games increased in 2017 (36%), compared to 33% in 2016 and 32% in 2015. There was also a small decline in the proportion consuming '100% lawful free' from 68% in 2015, down to 67% in 2016, and down again to 64% in 2017.

## Consumption of paid content lawfully/unlawfully

The next table shows the lawfulness of paid content for music and movies. This question was not asked about video games or TV programmes.

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*Table 0.1.5: Lawfulness groups – proportion who consumed paid digital content lawfully/unlawfully (past three months)*

| | Music 2015 | Music 2016 | **Music 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | Any of 2 2015 | Any of 2 2016 | **Any of 2 2017** |
|---|---|---|---|---|---|---|---|---|---|
| Base: All who consumed paid content | 595 | 514 | **580** | 349 | 488 | **599** | 747 | 753 | **839** |
| 100% lawful | 75% | 79% | **79%** | 76% | 78% | **80%** | 72% | 75% | **77%** |
| Mix of lawful and unlawful | 13% | 12% | **13%** | 9% | 11% | **10%** | 16% | 15% | **16%** |
| 100% unlawful | 13% | 10% | **8%** | 16% | 11% | **10%** | 12% | 10% | **7%** |
| ANY UNLAWFUL | 25% | 21% | **21%** | 24% | 22% | **20%** | 28% | 25% | **23%** |
| Base: All internet users 12+ | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** | 2,607 | 2,387 | **2,442** |
| 100% lawful | 16% | 16% | **18%** | 9% | 16% | **19%** | 19% | 23% | **25%** |
| Mix of lawful and unlawful | 3% | 2% | **3%** | 1% | 2% | **2%** | 4% | 5% | **5%** |
| 100% unlawful | 3% | 2% | **2%** | 2% | 2% | **2%** | 3% | 3% | **2%** |
| ANY UNLAWFUL | 5% | 4% | **5%** | 3% | 4% | **5%** | 7% | 8% | **8%** |

- In 2017, one in five (21%) of those who consumed paid music had consumed at least some of this unlawfully, equating to 5% of all internet users; this was similar to the 2016 result (21% consumers and 4% all internet users), which had declined in comparison to 2015 (25% consumers and 5% all internet users). It follows that there has been a small incremental decline in '100% unlawful' paid music content since 2015 (13% in 2015, 10% in 2016, and 8% in 2017).
- The proportion of those who consumed paid music '100% lawfully' in 2017 was 79%, identical to 2016, remaining higher than 2015 (75%).
- A similar proportion of those who consumed paid movies, had consumed some of this unlawfully (20% consumers, equating to 5% of all internet users), which reflects an incremental decline in unlawful consumption amongst consumers since 2015 (24%), and 2016 (22%). However, because the number of consumers paying for movie content increased in 2017 compared to other years, when based on all internet users the result reflects a small incremental increase from 3% in 2015, 4% in 2016, up to 5% in 2017. The proportion of consumers of '100% unlawful' paid movie content in 2017 was 10%, which is comparable to 2016 (11%) remaining down from 2015 (16%).
- The proportion of consumers of paid movie content '100% lawfully' has increased incrementally from 76% in 2015, 78% in 2016, up to 80% in 2017; this increase becomes significant when based on all internet users (9% in 2015, up significantly to 16% in 2016, and up significantly again to 19% in 2017). These results reveal there is a trend towards the payment for digital movie content.

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## Sites used for consuming or sharing content by infringers/ non-infringers

The top ten services used in the past three months to consume or share the four core content types, (see Chapter 3.1) can be compared between infringers and non-infringers.

*Table 0.1.6: Lawfulness groups – use of sites or services for consuming or sharing content in the past three months*

| | All content consumers | Any unlawful (infringers) | 100% lawful (non-infringers) |
|---|---|---|---|
| | **[2017]**<br>2016 (2015) | **[2017]**<br>2016 (2015) | **[2017]**<br>2016 (2015) |
| Base: All who consumed or shared content | **[1,631]**<br>1,552 (1,669) | **[635]**<br>602 (768) | **[991]**<br>942 (895) |
| 1 | YouTube<br>**[52%]**<br>**48**% (55%) | YouTube<br>**[62%]**<br>**56**% (67%) | YouTube<br>**[46%]**<br>43% (46%) |
| 2 | Netflix<br>**[36%]**<br>**27**% (9%) | Netflix<br>**[37%]**<br>**28**% (11%) | Netflix<br>**[36%]**<br>**27**% (8%) |
| 3 | iTunes/Apple<br>**[28%]**<br>**32**% (37%) | Facebook<br>**[34%]**<br>32% (29%) | iTunes/Apple<br>**[29%]**<br>33% (36%) |
| 4 | Spotify<br>**[25%]**<br>**19**% (13%) | Spotify<br>**[30%]**<br>20% (16%) | Spotify<br>**[21%]**<br>**18**% (11%) |
| 5 | Facebook<br>**[23%]**<br>22% (23%) | Google search<br>**[27%]**<br>29% (32%) | Facebook<br>**[17%]**<br>17% (19%) |
| 6 | Google search<br>**[21%]**<br>**21**% (25%) | iTunes/Apple<br>**[26%]**<br>**32**% (38%) | Google search<br>**[17%]**<br>**17**% (21%) |
| 7 | Foxtel*<br>**[17%]**<br>12% (8%) | BitTorrent<br>**[21%]**<br>22% (26%) | ABC iview<br>**[17%]**<br>18% (15%) |
| 8 | ABC iView<br>**[15%]**<br>15% (13%) | Foxtel*<br>**[20%]**<br>13% (8%) | Foxtel*<br>**[15%]**<br>12% (8%) |
| 9 | SBS<br>**[14%]**<br>**15**% (11%) | Email<br>**[20%]**<br>18% (15%) | SBS<br>**[16%]**<br>**17**% (13%) |
| 10 | Email<br>**[12%]**<br>12% (12%) | Amazon/Kindle<br>**[16%]**<br>14% (11%) | Plus7<br>**[13%]**<br>13% (12%) |

*Please note Foxtel includes Foxtel Pay TV, Foxtel Play, and Presto.

Comparing usage of sites between infringers and non-infringers in 2017 revealed:

- YouTube remained the most popular site for both, yet is more popular amongst 'infringers' 62% as compared to 46% for 'non-infringers';
- Netflix has grown significantly in popularity for both groups (37% 'infringers' and 36% 'non-infringers');

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- Facebook is more popular amongst ‘infringers’ (34%) compared to ‘non-infringers’ (17%);
- iTunes is more popular amongst ‘non-infringers’ (29%) than ‘infringers’ (26%);
- Spotify has increased in popularity overall, and is more commonly used amongst ‘infringers’ (30%) compared to ‘non-infringers’ (21%);
- Foxtel has also increased, and is more commonly used amongst ‘infringers’ (20%) compared to ‘non-infringers’ (15%). This result however may influenced by the change to list of services in 2017;
- ‘Infringers’ are more likely to use ‘Google search’ (27%) compared to ‘non-infringers’ (17%);
- ‘Infringers’ reported using BitTorrent (21%), which is not used at all by ‘non-infringers’; and
- ‘Non-infringers’ were more likely to use licensed services such as ABC iview (17%), SBS On Demand (16%), and Plus7 (13%) rather than peer-to-peer methods (such as email).

Analysis of significant difference in usage of sites between years has revealed:

- YouTube has significantly increased in popularity amongst ‘infringers’ in 2017 (62%) as compared to 56% in 2016, yet remains lower than 67% in 2015;
- Netflix has significantly increased in popularity amongst both ‘infringers’ (37% in 2017, 28% in 2016, 11% in 2015) and ‘non-infringers’ (36% in 2017, 27% in 2016, 8% in 2015);
- Spotify has significantly increased in popularity amongst ‘infringers’ in 2017 (30%) as compared to 20% in 2016 and 16% in 2015;
- Foxtel has significantly increased in popularity amongst ‘infringers’ in 2017 (20%) as compared to 13% in 2016 and 8% in 2015; and
- iTunes has significant decreased in popularity amongst ‘infringers’ in 2017 (26%) as compared to 32% in 2016 and 38% in 2015.

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## 4.2 Content consumption volumes

While the metrics outlined so far have focused on results at an individual respondent level, the following table outlines total consumption volume estimates for each of the content types (in the past three months, rounded to the nearest million in each case, and based on mean consumption across all adults 12+). It assumes that all physical files are paid for and acquired lawfully.

*Table 0.2.1: Volume of content consumed*

| | | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base: All 12+ year olds | | 2,630 | 2,405 | **2,442** | 2,630 | 2,405 | **2,442** | 2,630 | 2,405 | **2,442** | 2,630 | 2,405 | **2,442** |
| **TOTAL** | Volume | 908m | **1,360m** | **1,598m** | 48m | 58m | **74m** | 119m | 131m | **175m** | 233m | 262m | **354m** |
| | % | 100% | 100% | **100%** | 100% | 100% | **100%** | 100% | 100% | **100%** | 100% | 100% | **100%** |
| **Physical** | Volume | 152m | 164m | **238m** | 15m | 22m | **22m** | 41m | 37m | **34m** | 29m | 30m | **26m** |
| | % | 17% | 12% | **15%** | 32% | 38% | **30%** | 35% | 28% | **19%** | 13% | 11% | **7%** |
| **Digital** | Volume | 756m | **1,195m** | **1,360m** | 32m | 36m | **51m** | 77m | 93m | **141m** | 204m | 231m | **329m** |
| | % | 83% | 88% | **85%** | 66% | 62% | **69%** | 64% | 71% | **81%** | 87% | 88% | **93%** |

DIGITAL FILES ONLY

| | | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Paid | Volume | 303m | 360m | **717m** | 12m | 22m | **24m** | 24m | 51m | **61m** | 43m | 87m | **176m** |
| | % | 40% | 30% | **53%** | 37% | 61% | **47%** | 31% | 55% | **43%** | 21% | 38% | **53%** |
| Free | Volume | 453m | 835m | **644m** | 19m | 14m | **27m** | 53m | 43m | **79m** | 160m | 145m | **152m** |
| | % | 60% | 70% | **47%** | 62% | 39% | **53%** | 69% | 46% | **56%** | 79% | 63% | **46%** |
| Lawful | Volume | 598m | 916m | **1,177m** | 22m | 30m | **45m** | 49m | 59m | **87m** | 138m | 175m | **276m** |
| | % | 79% | 77% | **87%** | 71% | 83% | **88%** | 64% | 63% | **62%** | 68% | 76% | **84%** |
| Unlawful | Volume | 158m | 279m | **184m** | 9m | 5m | **7m** | 28m | 34m | **53m** | 65m | 56m | **53m** |
| | % | 21% | 23% | **14%** | 29% | 14% | **14%** | 36% | 37% | **38%** | 32% | 24% | **16%** |

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PHYSICAL AND DIGITAL FILES COMBINED

| | | Music 2015 | Music 2016 | **Music 2017** | Video games 2015 | Video games 2016 | **Video games 2017** | Movies 2015 | Movies 2016 | **Movies 2017** | TV 2015 | TV 2016 | **TV 2017** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Paid | Volume | 457m | 524m | **954m** | 27m | 44m | **47m** | 66m | 88m | **95m** | 73m | 117m | **202m** |
| | % of total | 50% | 39% | **60%** | 57% | 76% | **64%** | 55% | 67% | **54%** | 31% | 45% | **57%** |
| Free | Volume | 455m | 835m | **644m** | 20m | 14m | **27m** | 53m | 43m | **79m** | 161m | 145m | **152m** |
| | % of total | 50% | 61% | **40%** | 41% | 24% | **36%** | 45% | 33% | **45%** | 69% | 55% | **43%** |
| Lawful | Volume | 754m | 1,079m | **1,141m** | 38m | 53m | **67m** | 91m | 97m | **121m** | 168m | 204m | **302m** |
| | % of total | 83% | 79% | **88%** | 80% | 91% | **91%** | 76% | 74% | **69%** | 72% | 78% | **85%** |
| Unlawful | Volume | 158m | 279m | **184m** | 9m | 5m | **7m** | 28m | 34m | **53m** | 65m | 56m | **53m** |
| | % of total | 17% | 21% | **12%** | 19% | 9% | **9%** | 23% | 26% | **30%** | 28% | 21% | **15%** |

The 2017 results reflect a very strong trend of increased consumption volumes driven by digital.

Comparison of volumes of different media in the last three months reflects volume is highest for music, then TV programmes, followed by movies and lastly video games. It follows that the time it takes to consume this media underpins volume consumed, whereby music tracks are generally below five minutes, compared to a movie which is an hour and a half, and video games which can be played repeatedly.

## Volume of content by content type

- In line with previous year's results, in 2017 music was by far the most consumed content type over the three month period (1598 million tracks), which was comprised of 238 million physical tracks (15%), and 1360 million digital tracks (85%). The number of music tracks consumed increased from 908m in 2015 and 1360m in 2016, with almost all of this increase from digital consumption.
- In 2017 the second most consumed content type was TV programmes (354 million episodes/shows), this content comprised of 26m (7%) physical and 329m (93%) digital programmes. It should be noted that the data does not include free content consumed non-digitally (e.g. watched through a normal TV). The volume of TV programmes has increased significantly in 2017, from 262m in 2016, and 233m in 2015. This is being driven by the significant increase in consumption of digital TV programmes in 2017 (93%), compared to 88% in 2016 and 87% in 2015.
- The volume of movies consumed in last three months was 175 million, which has increased from 119m in 2015 and 131m in 2016. The volume in 2017 was comprised of 34m physical movies (19%) and 141m digital movies (81%). Digital consumption has increased significantly from 64% in 2015 and 71% in 2016.
- Video games were consumed in the lowest volumes, with a total of 74m consumed in the past three months, which is higher than 48m in 2015 and 58m in 2016. 2017 video game consumption

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saw a significant increase in digital (69%) as compared to 62% in 2016 and 66% in 2015, and a significant decline in physical (30%).

### Volume of content consumed - paid versus free

The 2017 results for the proportion of paid versus free, and lawful versus unlawful digital content consumption reflects a number of significant changes between years. These include:

- There was a significant increase in the volume of paid music content in 2017 (53%), up from 30% in 2016, and 40% in 2015. This was parallel to a significant increase in the volume of lawful music content in 2017 (87%) up from 77% in 2016, and 79% in 2015.
- A similar trend was observed for TV programme content whereby there was a significant increase in the volume of paid TV programme content in 2017 (53%), up from 38% in 2016, and 21% in 2015. Again, this coincided with the significant increase in the volume of lawful TV programme content consumed in 2017 (84%) up from 76% in 2016, and 68% in 2015.
- Movies reflected the reverse trend with a significant decline in paid movie content in 2017 to 43% compared to 55% in 2016, yet 2017 remained higher than 2015 (31%). Lawfulness of movie content consumed digitally remained comparable between years (62% in 2017, 63% in 2016, and 64% in 2015).
- The volume of video game content paid for also declined in 2017 (47%), down significantly from 61% in 2016, but remaining higher than 2015 (37%). However, the volume of files consumed lawfully did increase in 2017 (88%), from 83% in 2016 and 71% in 2015, which indicates that there was more free video game content legally available in 2017.

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## 5. Consumer spend

This section outlines the main findings for consumer spend across the four core content types.

### 5.1 Quarterly consumer spend among 12+ year olds

The table below shows, at a respondent level, the average spend within content types in the past three months across a number of expenditure categories. It also shows the proportions of the entire Australian population (i.e. not just internet users) aged 12+ who claim to have spent money on these items. The 'other' category incorporates merchandise (for all content types), music concerts, or gigs, cinema tickets, and movies purchased individually through pay-per-view. Online subscriptions are applicable to TV, music and movies only.

*Table 0.1.1: Average consumer quarterly spend among 12+ year olds – all content types*

| | Music Mean | Music % any | Video games Mean | Video games % any | Movies Mean | Movies % any | TV Mean | TV % any |
|---|---|---|---|---|---|---|---|---|
| **Physical purchases/rentals 2017** | **$16.80** | **26%** | **$19.70** | **19%** | **$12.90** | **24%** | **$8.00** | **14%** |
| Physical purchases/rentals 2016 | $14.80 | 24% | $19.50 | 20% | $14.40 | 27% | $8.80 | 16% |
| Physical purchases/rentals 2015 | $13.50 | 23% | $17.10 | 18% | $15.30 | 32% | $8.00 | 16% |
| **Individual digital purchases 2017** | **$8.10** | **19%** | **$8.80** | **10%** | **$3.60** | **11%** | **$4.50** | **12%** |
| Individual digital purchases 2016 | $7.40 | 18% | $7.90 | 8% | $2.60 | 8% | $2.70 | 9% |
| Individual digital purchases 2015 | $6.50 | 19% | $5.30 | 8% | $1.60 | 7% | $2.30 | 7% |
| **Online subscriptions 2017** | **$15.90** | **14%** | **-** | **-** | **$8.30** | **19%** | **$8.60** | **21%** |
| Online subscriptions 2016 | $11.20 | 10% | - | - | $5.10 | 14% | $5.90 | 16% |
| Online subscriptions 2015 | $ 5.70 | 7% | - | - | $1.00 | 4% | - | - |
| **Other 2017** | **$56.00** | **29%** | **$6.90** | **10%** | **$40.90** | **60%** | **$2.90** | **6%** |
| Other 2016 | $57.70 | 28% | $5.70 | 9% | $43.20 | 63% | $3.50 | 7% |
| Other 2015 | $50.90 | 26% | $2.80 | 8% | $31.90 | 57% | $1.60 | 5% |
| **TOTAL 2017** | **$96.80** | **48%** | **$35.40** | **23%** | **$65.60** | **68%** | **$24.00** | **31%** |
| TOTAL 2016 | $91.10 | 46% | $33.10 | 23% | $65.30 | 71% | $20.90 | 30% |
| TOTAL 2015 | $76.60 | 44% | $25.20 | 22% | $49.80 | 67% | $12.00 | 22% |

Base: All 12+ year olds (2017 n=2,442; 2016 n=2,405 and 2015 n=2,630)

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- When comparing the average consumer quarterly spend among individuals aged 12+ across the four core content types, music had the highest average spend per person, at $96.80 (compared to $91.10 in 2016).
- Movies had the second highest average spend with a slight increase in 2017, at $65.60 compared to $65.30 in 2016.
- Both video games followed by TV programmes had an increase in average spend in 2017 (up from $33.10 to $35.40 and $20.90 to $24.00 respectively).
- As indicated in 2016 and continues to be seen in 2017, the increase in expenditure for TV programmes and movies were partly due to the introduction of TV programme online subscriptions such as Netflix within the Australian market.
- When reviewing the proportion of 12+ individuals who spent money on these content types, nearly seven in ten (68%) paid for movies, nearly half (48%) spent money on music, two in ten (23%) spent money on video games and three in ten (31%) spent money on TV programmes.
- The proportion of 12+ individuals that spent money quarterly on movies decreased significantly since 2016 (down from 71% in 2016 to 68% in 2017). This was driven by a significant decline in physical purchases (down from 27% in 2016 to 24% in 2017) and a shift towards an increase in individual digital purchases (up from 8% in 2016 to 11% in 2017) and online subscription services (up from 14% in 2016 to 19% in 2017).
- The proportion of 12+ individuals that spent money quarterly on physical TV programme purchases has decreased since 2016 (down from 16% in 2016 to 14% in 2017). As seen with movies, this decline was driven by a shift towards digital purchases (up from 9% in 2016 to 12% in 2017) and online subscription services (up from 16% in 2016 to 21% in 2017).
- Similar to previous years, the majority of the average spend for music ($56.00) and movies ($40.90) were from content purchases. In the case of music, this mainly consisted of attending concerts and gigs, and in the case of movies this primarily consisted of going to the cinema.
- The highest average spend on physical purchases remained on video games ($19.70), followed by music ($16.80) and movies ($12.90), with the lowest levels of spend continuing to be spent on TV programmes ($8.00).
- There has been a significant increase in the proportion of people spending money on online subscriptions for music (up from 10% in 2016 to 14% in 2017), and the average amount spent has increased from $11.20 in 2016 to $15.90 in 2017.
- There has been a further significant decline in the proportion of individuals aged 12+ who have made any physical movie purchases (24%) when compared with 2016 (27%) and 2015 (32%). There has been a significant increase in the proportion of people spending money on online subscriptions for movies (up from $5.10 in 2016 to $8.30 in 2017) and TV programmes (up from $5.90 in 2016 to $8.60 in 2017).
- Music had the highest proportion of individuals aged 12+ who spent money on physical purchases (26%), compared with video games which had one of the lowest proportions (19%). The number of individuals who paid for physical video games was higher compared to those who purchased physical movies and TV programmes.
- As seen in 2016, the highest spend on individual digital purchases was for video games ($8.80). There was a significant increase in the proportion of people spending money on individual digital purchases on video games (10%), movies (11%) and TV programmes (12%). The proportion of individuals aged 12+ who spent money for individual digital purchases on music was nearly double to that of purchases on the other content types, indicating that compared to video games, those making digital music purchases spent relatively less. This is consistent with the findings in 2016 and 2015.

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The following table shows the average total spend for each of the four core content types (see previous charts for details of spend coverage) among the lawfulness groups:

*Table 0.2: Average consumer quarterly spend among lawfulness groups – all content types*

| Base: All 12+ year olds | Music Base | Music Mean | Video games Base | Video games Mean | Movies Base | Movies Mean | TV Base | TV Mean |
|---|---|---|---|---|---|---|---|---|
| **100% lawful 2017** | **697** | **$154.80** | **339** | **$136.90** | **585** | **$96.90** | **853** | **$44.90** |
| 100% lawful 2016 | 633 | $147. 80 | 294 | $145.20 | 503 | $105.80 | 779 | $40.00 |
| 100% lawful 2015 | 688 | $125.20 | 342 | $110.10 | 407 | $66.20 | 682 | $22.10 |
| **Mix of lawful and unlawful 2017** | **191** | **$328.40** | **73** | **$265.50** | **154** | **$212.60** | **127** | **$111.40** |
| Mix of lawful and unlawful 2016 | 167 | $229.10 | 39 | $188.30 | 131 | $123.50 | 114 | $61.50 |
| Mix of lawful and unlawful 2015 | 208 | $182.90 | 48 | $115.50 | 137 | $92.30 | 141 | $28.40 |
| **100% unlawful 2017** | **170** | **$84.10** | **42** | **$14.70** | **220** | **$64.90** | **168** | **$13.00** |
| 100% unlawful 2016 | 156 | $110.40 | 52 | $18.90 | 202 | $55.20 | 168 | $6.80 |
| 100% unlawful 2015 | 256 | $86.30 | 55 | $23.60 | 280 | $52.00 | 254 | $8.30 |

- Across each of the core content types, the average consumer quarterly spend for those who consumed a mix of lawful and unlawful content was considerably higher than those who consumed 100% of the content lawfully. Those who consumed 100% of their content unlawfully spent the least amount of money across all content types. This was consistent with 2015 and 2016.
- There has been a significant increase in the average consumer quarterly spend for those who consumed a 'mix of lawful and unlawful' movies and music in 2017, and among those who consumed 100% of their TV programme content unlawfully compared to 2016.
- Similar to 2016, the majority of spend on music and movies was not from content purchases, but from concerts, gigs and the cinema. This suggests that those who consumed 100% of their content unlawfully still spent a substantial amount of money on music and movies. In contrast, those who consumed 100% of their content unlawfully did not spend much on video games and to a lesser extent on TV programmes.

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## 5.2 Quarterly total spend estimates

While the previous sub-section focused on results at an individual level, the following table outlines total spend estimates for each of the content types in the past three months, based on mean spend and rounded to the nearest million in each case.

*Table 0.2.1: Total quarterly spend estimates – all content types*

| Base: All 12+ year olds | Music Spend ($m) | Music % of total | Video games Spend ($m) | Video games % of total | Movies Spend ($m) | Movies % of total | TV Spend ($m) | TV % of total |
|---|---|---|---|---|---|---|---|---|
| **Physical purchases/rentals 2017** | **346** | **17%** | **406** | **56%** | **266** | **20%** | **165** | **33%** |
| Physical purchases/rentals 2016 | 298 | 16% | 393 | 59% | 290 | 22% | 177 | 42% |
| Physical purchases/rentals 2015 | 269 | 18% | 341 | 68% | 305 | 31% | 159 | 67% |
| **Individual digital purchases 2017** | **167** | **8%** | **181** | **25%** | **74** | **5%** | **93** | **19%** |
| Individual digital purchases 2016 | 149 | 8% | 159 | 24% | 52 | 4% | 54 | 13% |
| Physical purchases/rentals 2015 | 129 | 8% | 106 | 21% | 32 | 3% | 46 | 19% |
| **Online subscriptions 2017** | **327** | **16%** | **-** | **-** | **171** | **13%** | **177** | **36%** |
| Online subscriptions 2016 | 226 | 12% | - | - | 103 | 8% | 119 | 28% |
| Online subscriptions 2015 | 114 | 7% | - | - | 20 | 2% | - | - |
| **Other 2017** | **1,153** | **58%** | **142** | **19%** | **842** | **62%** | **60** | **12%** |
| Other 2016 | 1,163 | 63% | 115 | 17% | 871 | 66% | 71 | 17% |
| Other 2015 | 1,014 | 66% | 56 | 11% | 635 | 64% | 32 | 13% |
| **TOTAL 2017** | **1,993** | **100%** | **729** | **100%** | **1,351** | **100%** | **494** | **100%** |
| TOTAL 2016 | 1,836 | 100% | 667 | 100% | 1,316 | 100% | 421 | 100% |
| TOTAL 2015 | 1,525 | 100% | 502 | 100% | 992 | 100% | 239 | 100% |

Base: All 12+ year olds (2017 n=2,442; 2016 n=2,405 and 2015 n=2,630)

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- Similar to previous years, music had the highest overall quarterly spend across the core content types, at an estimated $1,993m, followed by movies ($1,351m), video games ($729m) and TV programmes ($494m).
- For both music (58%) and movies (62%), the majority of the quarterly spend was not from content purchases, but from other mentions relating to attending concerts, gigs, or the cinema.
- The proportion of total spend in 2017 decreased significantly, predominantly for music (down from 63% in 2016 to 58% in 2017), movies (down from 66% in 2016 to 62% in 2017) and TV programmes (down from 17% in 2016 to 12% in 2017). This was due to a significant increase in online subscriptions across music (up from 12% in 2016 to 16% in 2017), movies (up from 8% in 2016 to 13% in 2017) and TV programmes (up from 28% in 2016 to 36% in 2017).
- Similar to 2015 and 2016, the amount of money spent on physical purchases was substantially larger than the amount spent on digital purchases across all core content types.
- The highest spend on digital purchases was for video games ($181m), which was comparable to 2016. The second highest spend on digital purchases was for music ($167m), followed by TV programmes ($93m).
- The highest spend on physical purchases was for video games ($406m) and music ($346m). Spend on video games increased from $393 in 2016 to $406m in 2017. However the physical purchases spend on TV programmes decreased significantly from $177m in 2016 to $165m in 2017.
- The highest spend on online subscriptions was for music ($327m), followed by TV programmes ($177m) and then movies ($171m). Spend on music, movies and TV programmes increased significantly compared to 2016 ($226m, $119m and $103m respectively); this measure was not collected for TV programmes in 2015. Since 2015 online subscriptions has seen an increased proportion of total spend compared with physical purchases and even individual digital purchases (in the case of TV programmes).

### 5.3 Price sensitivity

Consumers of digital music or digital movies in the past three months were asked how likely they would be to:

- Download a high quality music track or movie from a reputable and reliable service at a range of prices; and
- Subscribe to a monthly unlimited high quality music track or movie streaming service at a range of prices.

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*Table 5.3.1: Displays the proportion of digital music consumers and of digital movie consumers who indicated that they would be likely to use the download or subscription service at each price point*

*Table 0.3.1: Likely use of music and movie download and subscription services at different price points*

| | Price Point | 69c | 99c | $1.19 | $1.69 | $2.19 |
|---|---|---|---|---|---|---|
| **Music download service 2017** | **Base: Music consumers**<br>**% likely** | **1058**<br>**78%** | **1058**<br>**71%** | **1058**<br>**56%** | **1058**<br>**48%** | **1058**<br>**36%** |
| Music download service 2016 | Base: Music consumers<br>% likely | 956<br>79% | 956<br>75% | 956<br>60% | 956<br>49% | 956<br>38% |
| Music download service 2015 | Base: Music consumer<br>% likely | 1,152<br>78% | 1,152<br>71% | 1,152<br>54% | 1,152<br>45% | 1,152<br>33% |
| | **Price Point** | **$5** | **$10** | **$15** | **$20** | **$25** |
| **Movie Download service 2017** | **Base: Movie Consumers**<br>**% likely** | **959**<br>**68%** | **959**<br>**44%** | **959**<br>**27%** | **959**<br>**16%** | **959**<br>**13%** |
| Movie Download service 2016 | Base: Movie consumers<br>% likely | 836<br>73% | 836<br>42% | 836<br>23% | 836<br>11% | 836<br>9% |
| Movie Download service 2015 | Base: Movie consumers<br>% likely | 824<br>68% | 824<br>39% | 824<br>22% | 824<br>11% | 824<br>8% |

- A significant portion (56%) of digital music consumers indicated they would be willing to pay $1.19 per single music track download. This is slightly down compared to the 2016 figure where 60% indicated they were willing to pay $1.19 per track.
- A majority (71%) of digital music consumers indicated they would be willing to pay 99c per single music track download. This is a significant decline from the 2016 figure where 75% said they were willing to pay 99c per track.

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- At the 69c price point, digital music consumers were on average twice as likely to pay when compared with $2.19. However significantly more 12-15 year olds indicated they were willing to pay $2.19 per track compared with 2016 (up from 73% in 2016 to 81% in 2017).
- Digital music consumers aged 25-34 indicated they were significantly less likely to pay 99c, $1.19, $1.69, or $2.19 per track compared with 2016. However in contrast the proportion of 45-54 year old consumers willing to pay 99c or more increased in 2017.
- Nearly seven in ten (68%) digital movie consumers were willing to pay $5 per movie download. This has declined significantly in 2017, however there has been a significant increase in the number of consumers willing to pay $20 (up from 11% in 2016 to 16% in 2017) and $25 (up from 9% in 2016 to 13% in 2017).

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# 6. Attitudes towards digital activities and copyright infringement

## 6.1 Motivations for general online activities

The survey measured consumer attitudes with a view to uncover the primary motivations for taking part (and, in the case of downloading, for not taking part) in the activities covered in the survey i.e. downloading, streaming or accessing, and sharing content.

The following tables show the ranked prompted responses among those respondents who claimed to have done the above activities in the past three months. We have included only those answers that gained a response of 5% or more.

The questions within this sub-section focused on the general acts of downloading and streaming (without any reference to lawfulness). The sub-sections to follow (section 6.2 and 6.3) focus on the motivations for lawful and unlawful behaviour.

*Table 0.1.1: Motivations for consuming content online rather than buying physical versions*

| | **[2017]**<br>2016<br>(2015) |
|---|---|
| Base: All with internet access who have consumed any of the four core content types in the past three months | **[1,626]**<br>1,544<br>(1,664) |
| It's easier/more convenient | **[66%]** 68% (71%) |
| It's quicker | **[57%]** 51% (57%) |
| It's cheaper | **[51%]** 48% (50%) |
| Catching up on missed TV* | **[39%]** 39% (3%) |
| I can access them more easily on the devices I have | **[38%]** 37% (43%) |
| I can get them for free | **[36%]** 36% (44%) |
| Save on physical space* | **[23%]** 22% (1%) |
| It's more up-to-date | **[22%]** 21% (29%) |
| The quality is not noticeably different | **[22%]** 20% (27%) |
| Not available in Australia yet* | **[22%]** 19% (1%) |
| There is no physical version available | **[20%]** 20% (27%) |
| It's what everyone does | **[17%]** 16% (18%) |
| Try before you buy it* | **[17%]** 17% (1%) |
| Can't play a physical version (e.g. no CD player)* | **[10%]** 8% (0%) |

*Please note these were new response options from 2016 (in 2015, they were mentioned spontaneously and in 2017, they were added as choice options)

- For the third year running, 'ease/convenience' has remained the most common motivator for downloading or streaming content. This response has remained consistent across the three

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years, being selected by approximately seven in ten consumers (66% in 2017, 68% in 2016, and 71% in 2015).

- The second most common motivator cited by 57% consumers in 2017 is speed ('it's quicker'). This was significantly higher compared with the 2016 result of 51%, however aligned to the 2015 result of 57%.
- Cost ('it's cheaper') was selected by 51% of consumers (similar to the 48% result from 2016 and 50% in 2015), and rounded out the top three motivators for consumption of content online.
- The common motivators of speed and cost were more likely to be mentioned among 16-24 year olds, a trend that was also seen in 2016.
- Other motivations cited by consumers remained fairly consistent with 2016 results. Significant increases were however seen in three incidences; 'it's quicker' (as mentioned previously), 'not available in Australia yet' and 'can't play a physical version'.
- Internet users opting for 'not available in Australia yet' as their reason for consuming content online has significantly increased year on year, with 22% of internet users in 2017, citing this reason (up from 19% in 2016 and just 1% in 2015). This was a particularly important reason for those aged 16-34 (26%).
- The reason of 'can't play a physical version' significantly increased to 10% in 2017 from 8% in 2016 and seven single mentions in 2015. This was driven by internet users aged 16-24 (15%) and 25-34 (12%).
- Around four in ten consumers stated the following reasons for accessing online content: 'catching up on missed TV' (39%), 'I can access them more easily on the devices I have' (38%), and 'I can get them for free' (36%).
- Two in ten consumers cited the following motivations for consuming content online: 'save on physical space' (23%), 'it's more up-to-date' (22%), 'the quality is not noticeably different' (22%), 'not available in Australia yet' (22%), 'there is no physical version available' (20%), 'it's what everyone does' (17%), and 'try before you buy' (17%).

*Table 0.1.2: Motivations for not downloading content online*

| | **[2017]** 2016 (2015) |
|---|---|
| Base: All with internet access who have not downloaded any of the four core content types in the past three months | **[1,065]** 1,117 (1,131) |
| I'm not interested | **[56%]** 55% (55%) |
| I prefer to have a physical copy | **[29%]** 30% (29%) |
| I'm not sure how to do it | **[28%]** 34% (34%) |
| I fear they may have viruses/malware/spyware | **[25%]** 26% (30%) |
| Too busy no time* | **[25%]** 26% (1%) |
| I fear that they may be unlawful# | **[20%]** 18% (22%) |
| They are too expensive | **[18%]** 15% (12%) |
| I'm unaware of the download services available | **[17%]** 22% (21%) |

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| | **[2017]**<br>2016<br>(2015) |
|---|---|
| Physical copies are more flexible | **[17%]** 16% (14%) |
| I prefer to stream/access (without downloading) | **[16%]** 20% (19%) |
| It is easier to buy physical copies | **[16%]** 17% (18%) |
| My download limit is not large enough/do not have enough data~ | **[11%]** 1% (1%) |
| I don't own a computer/device capable of downloading | **[11%]** 12% (8%) |
| The quality is not as good | **[8%]** 7% (8%) |
| I do not have a credit/debit card | **[7%]** 7% (5%) |
| The site has been blocked~ | **[3%]** 0% (0%) |

~ Please note these are new response options in 2017 (in 2015 and 2016, they were mentioned spontaneously)
* These were new response options in 2016 (in 2015, they were mentioned spontaneously and in 2017, they were added as choice options) # In 2015, this response option referred to 'illegal' rather than 'unlawful'

- Amongst those with internet access who had not downloaded any of the four core content types in the last three months, the most common reason for not downloading content was a lack of interest. This was mentioned by 56% of internet users in 2017 (55% in both 2016 and 2015), and was most commonly mentioned by those aged 55+ (67% in 2017 and 61% in 2016).
- Three in ten of those who had not downloaded any of the four core content types in the last three months said this was because they 'prefer to have a physical copy' (29% in 2017, 30% in 2016 and 29% in 2015), with those aged 55+ (40% in 2017 and 34% in 2016) most likely to select this option.
- Another third of those who had not downloaded any content believed this was due to a lack of knowledge of how to download content online ('I'm not sure how to do it'). Although still in the top three reasons, this reason has significantly declined in 2017 to 28% (34% in both 2016 and 2015). Lack of knowledge continued to be a larger barrier for older internet users (mentioned by 44% of those aged 55+), and in 2017 was significantly higher for females than for males (32% and 23% respectively).
- A similar reason, mentioned by two in ten, was a lack of awareness of the download services/ sites available. This also recorded significant decline to 17% in 2017 (22% in 2016, 21% in 2015), which was again was most commonly mentioned by older internet users (27% of those aged 55+) and females (20%).
- Another quarter of internet users were concerned about viruses, malware, or spyware (25% in 2017, 26% in 2016, and 30% in 2015), as well as being too busy to have downloaded content in the past three months (25% in 2017, 26% in 2016, and 1% in 2015).
- In 2017 two new response options featured as reasons why consumers have not downloaded any of the four core content types in the last three months. 'My download limit is not large enough/ I do not have enough data', significantly increased to 11% in 2017 (from 1% in 2016 and 2015) and was mostly mentioned by those aged 45+ (13% for 45-54 and 14% for 55+). 'The site has been blocked' was the other motivator for not downloading content, which increased to 3% in 2017 (from 0% in 2016 and 2015). This was mostly mentioned by those aged 16-24 (7%).

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*Table 0.1.3: Motivations for sharing content online*

| | **[2017]**<br>2016<br>(2015) |
|---|---|
| Base: All who had shared any of the four core content types of interest in the past three months | **[293]**<br>285<br>(260) |
| My friends/family can't access files themselves | **[35%]** 40% (34%) |
| It's easy to do | **[35%]** 37% (44%) |
| It's what everyone does | **[32%]** 28% (29%) |
| It's only fair | **[28%]** 29% (36%) |
| I should be able to share my content with whomever I choose | **[23%]** 30% (29%) |
| Unless I share content, I can't download other files myself | **[5%]** 10% (12%) |

- Amongst those who had shared content online, the top reasons for doing so was because their 'friends/family can't access the files themselves' (35% in 2017, 40% in 2016 and 34% in 2015), and as 'it's easy to do' (35% in 2017, 37% in 2016 and 44% in 2015), each mentioned by around four in ten.
- Around three in ten felt 'it's what everyone does' (32% in 2017, 28% in 2016, and 29% in 2015) or 'It's only fair' (28% in 2017, 29% in 2016, and 36% in 2015).
- Two in ten mentioned that 'I should be able to share my content with whomever I choose' (23% in 2017, 30% in 2016, and 29% in 2015). This was mentioned significantly more by males (28% compared to females 17%).
- Significantly lower in 2017, only 5% believed that 'unless I share content, I can't download other files myself' (10% in 2016 and 12% in 2015).

## 6.2 Attitudes towards online content

Respondents were asked the following, in relation to the consumption of digital media.

*To what extent do you agree or disagree with each of the following statements?*

*1: Strongly agree*

*2: Slightly agree*

*3: Neither agree nor disagree*

*4: Slightly disagree*

*5: Strongly disagree*

The following table outlines the proportions who agreed (strongly or slightly netted together) and the level of disagreement (strongly or slightly netted together). Results are shown among all those with internet access (aged 12+), and then among 'Any unlawful' infringers and '100% lawful' non-infringers (aggregated across all four core content types).

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*Table 0.2.1: Proportion who agree and disagree with statements*

| | | All aged 12+ with internet access 2015 | All aged 12+ with internet access 2016 | **All aged 12+ with internet access 2017** | Any unlawful (infringers) 2015 | Any unlawful (infringers) 2016 | **Any unlawful (infringers) 2017** | 100% lawful (non-infringers) 2015 | 100% lawful (non-infringers) 2016 | **100% lawful (non-infringers) 2017** |
|---|---|---|---|---|---|---|---|---|---|---|
| Base: All internet users 12+ | | 2,607 | 2,387 | **2,365** | 768 | 602 | **635** | 895 | 942 | **991** |
| Content that you download or access online should be cheaper than the equivalent purchased in a physical format (e.g. CD, DVD, Blu-ray, or VHS) | Agree (%) | 72 | 73 | **73** | 74 | 75 | **72** | 83 | 81 | **82** |
| | Disagree (%) | 7 | 9 | **7** | 5 | 5 | **5** | 5 | 7 | **4** |
| It is wrong to access content online without the creators / artists permission | Agree (%) | 59 | 64 | **65** | 42 | 52 | **49** | 66 | 67 | **71** |
| | Disagree (%) | 13 | 12 | **11** | 21 | 15 | **14** | 13 | 12 | **10** |
| The rules governing what you can and can't do with content you purchase should be the same for both physical (e.g. a CD, DVD, Blu-ray, or VHS) and online formats | Agree (%) | 58 | 63 | **59** | 49 | 56 | **51** | 66 | 68 | **66** |
| | Disagree (%) | 9 | 9 | **9** | 12 | 10 | **12** | 8 | 10 | **9** |
| If you had paid for a digital file you should then be able to share it with others | Agree (%) | 48 | 54 | **50** | 53 | 58 | **57** | 54 | 54 | **50** |
| | Disagree (%) | 21 | 22 | **22** | 16 | 13 | **12** | 22 | 25 | **27** |
| It is easy to find content on the internet for free that would usually be paid for | Agree (%) | 45 | 48 | **47** | 63 | 67 | **61** | 45 | 49 | **47** |
| | Disagree (%) | 15 | 16 | **14** | 11 | 9 | **10** | 20 | 18 | **17** |
| I think that you should be able to download or access the content you | Agree (%) | 42 | 42 | **41** | 53 | 54 | **55** | 40 | 39 | **33** |
| | Disagree | | | | | | | | | |

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| | | All aged 12+ with internet access 2015 | All aged 12+ with internet access 2016 | **All aged 12+ with internet access 2017** | Any unlawful (infringers) 2015 | Any unlawful (infringers) 2016 | **Any unlawful (infringers) 2017** | 100% lawful (non-infringers) 2015 | 100% lawful (non-infringers) 2016 | **100% lawful (non-infringers) 2017** |
|---|---|---|---|---|---|---|---|---|---|---|
| want for free from the internet | (%) | 28 | 30 | **28** | 16 | 18 | **13** | 34 | 37 | **37** |
| The price that you pay to download or access content online is generally about right | Agree (%) | 28 | 35 | **36** | 27 | 37 | **36** | 37 | 41 | **41** |
| | Disagree (%) | 26 | 22 | **21** | 36 | 30 | **29** | 28 | 27 | **24** |
| I find it difficult to find lawful content online# | Agree (%) | 25 | 26 | **25** | 33 | 41 | **37** | 23 | 22 | **21** |
| | Disagree (%) | 28 | 33 | **34** | 29 | 24 | **26** | 40 | 46 | **50** |

# In 2015, this statement referred to 'legal' rather than 'lawful'

**Attitudes towards price and payment of online content**

- As seen in 2016, there was a general view among seven in ten internet users aged 12+ with internet access that 'content downloaded or accessed online should be cheaper than the equivalent purchased in a physical format' (73% in both 2016 and 2017 and 72% in 2015). 'Non-infringers' continue to reflect stronger levels of agreement with this statement (82% in 2017, 81% in 2016, and 83% in 2015) as compared with 'infringers' (72% in 2017, 75% in 2016, and 74% in 2015). 2017 saw the level of disagreement with this statement return to levels seen in 2015 after an increase in 2016 (7% in 2017, 9% in 2016 and 7% in 2015).
- In 2017 there has been a significant decrease in the proportion of all internet users who agreed that 'if you had paid for a digital file you should then be able to share it with others', dropping to 50% in 2017 from 54% in 2016 and 48% in 2015.
- There has been little change year on year in attitudes towards 'I think that you should be able to download or access the content you want for free from the internet', among all internet users, and agreement with the statement remains relatively polarising. 'Infringers' were more likely to agree with this statement (55% in 2017, 54% in 2016, and 53% in 2015) than 'non-infringers'. 'Non-infringers' saw a significant decline in agreement with the statement in 2017 to 33%, down from 39% in 2016 and 40% in 2015).
- Year on year there has been little change in attitudes among all internet users, 'non-infringers', and 'infringers' towards the statement 'the price that you pay to download or access content online is generally about right'. Around a third of internet users agreed with this (36% in 2017, 35% in 2016, and 28% in 2015).

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### Morality of accessing and sharing content without permission

- Levels of morality about downloading content has remained largely consistent, as reflected by comparable levels of agreement with 'it is wrong to access content online without the creators/artists permission' (65% in 2017, 64% in 2016, 59% in 2015). Agreement with this statement is particularly strong amongst 'non-infringers' (up to 71% in 2017 from 67% in 2016 and 66% in 2015), whereas agreement amongst 'infringers' has declined slightly in 2017 compared to 2016 (49% in 2017, 52% in 2016 and 42% in 2015).
- There has been a decrease in agreement with 'the rules governing what you can and can't do with content you purchase should be the same for both physical (e.g. a CD, DVD, Blu-ray, or VHS) and online formats' compared to 2016 among all internet users (59% in 2017, down from 63% in 2016 and 58% in 2015), 'non-infringers' (66% in 2017, down from 68% in 2016 and 66% in 2015), and among 'infringers' (51% in 2017, down from 56% in 2016 and 49% in 2015).

### Efficacy of accessing online content

- Overall, just under half of all internet users agreed that 'it is easy to find content on the internet for free that would usually be paid for'. Agreement with this statement was consistent with 2016 (47% in 2017, 48% in 2016, significantly up from 45% in 2015). Agreement with this statement continued to be higher amongst 'infringers', however agreement with this statement in 2017 has declined significantly on 2016, back to 2015 levels (61% in 2017, down from 67% in 2016 and 63% in 2015), compared with 'non-infringers' (47% in 2017, 49% in 2016 and 45% in 2015). As in previous years males were more likely than females to indicate that it is easy (51% compared with 43%).
- As seen in previous years, the statement 'I find it difficult to find lawful content online' was polarising, and also subject to large variations between 'infringers' and 'non-infringers'. Amongst all internet users in 2017, 25% agreed with the statement (comparable to 26% in 2016 and 25% in 2015), and 34% disagreed (comparable to 33% in 2016 and 28% in 2015). There was a consistent polarised response among 'infringers' and 'non-infringers', with a higher proportion of 'infringers' who agreed with the statement (37% in 2016, 41% in 2016 and 33% in 2015).

## 6.3 Motivations for lawful and unlawful behaviour

Further questions on attitudes were asked in order to assess the primary motivations for lawful and unlawful behaviour, in order to uncover factors that might encourage those who currently infringe to stop.

Respondents who paid for any content were asked what their personal reasons were for doing this, rather than using free services. It is important to take into account that in asking about the use of paid services over free ones there is not necessarily an implication that the latter is unlawful – for many of the content types, free services such as YouTube, ABC iview and Facebook are particularly popular when it comes to consuming and sharing content. The following table displays the main reasons given for paying for online content, both at the overall level and amongst 'infringers' and 'non-infringers':

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*Table 0.3.1: Motivations for using paid services rather than free services*

| | Any paid 2015 | Any paid 2016 | **Any paid 2017** | Any unlawful (infringers) 2015 | Any unlawful (infringers) 2016 | **Any unlawful (infringers) 2017** | 100% lawful (non-infringers) 2015 | 100% lawful (non-infringers) 2016 | **100% lawful (non-infringers) 2017** |
|---|---|---|---|---|---|---|---|---|---|
| Base: All who had paid for content | 896 | 894 | **979** | 414 | 353 | **377** | 482 | 541 | **602** |
| It is easier/more convenient | 50% | 50% | **52%** | 47% | 46% | **52%** | 52% | 52% | **52%** |
| It is quicker | 41% | 39% | **45%** | 43% | 35% | **51%** | 40% | 41% | **41%** |
| They are better quality | 28% | 31% | **38%** | 30% | 35% | **38%** | 27% | 29% | **38%** |
| I want to support creators/industry | 43% | 37% | **36%** | 33% | 29% | **25%** | 50% | 41% | **42%** |
| I do not want to use sites providing unlawful content# | 40% | 37% | **36%** | 25% | 24% | **19%** | 52% | 45% | **46%** |
| I fear they may have viruses/malware/spyware | 32% | 28% | **33%** | 20% | 24% | **22%** | 40% | 31% | **40%** |
| I can afford to pay | 28% | 26% | **28%** | 23% | 22% | **23%** | 31% | 28% | **31%** |
| I think it is morally wrong to use sites providing unlawful content# | 33% | 30% | **27%** | 18% | 20% | **16%** | 44% | 36% | **34%** |
| I prefer to pay | 24% | 22% | **23%** | 16% | 16% | **13%** | 29% | 26% | **29%** |
| I do not think it is right to get them for free | 20% | 22% | **23%** | 10% | 14% | **10%** | 27% | 28% | **30%** |
| I fear I might be caught | 16% | 17% | **17%** | 12% | 17% | **15%** | 18% | 18% | **18%** |
| I do not know how to use the free services | 13% | 12% | **12%** | 8% | 7% | **5%** | 17% | 16% | **16%** |
| I am unaware of the free services available | 13% | 15% | **12%** | 8% | 8% | **6%** | 17% | 19% | **16%** |

# In 2015, these response options referred to 'illegal sites' rather than 'sites providing unlawful content'

- The most commonly cited reason for using paid services continues to be 'it is easier/ more convenient', which was cited by over half of all who had used paid services (52% in 2017 and 50% in both 2016 and 2015). There were no differences in motivation for those who had consumed unlawful content compared to those who consumed only lawful content (52% agreement amongst 'infringers' and 'non-infringers').
- The next most common reason for using paid services, cited by nearly five in ten, was that 'it is quicker'. There was a significant increase in agreement of this motivation amongst those using any paid services (from 39% in 2016 to 45% in 2017) and more notably among 'infringers' (from 35% in 2016 to 51% in 2017).

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- Nearly four in ten of those using any paid services thought the paid services were 'better quality' (38% in 2017, 31% in 2016 and 28% in 2015), a trend that is significantly increasing over time for most consumers.
- A third of consumers in 2017 (36%) stated that they wanted to 'support creators/industry' and 'do not want to use sites providing unlawful content'.
- A continued concern for those using any paid services and 'non-infringers' is the fear of viruses, with an increased number recorded in 2017 (33% in 2017 and 28% in 2016 for any using paid services; 40% in 2017 and 31% in 2016 for 'non-infringers'). 'Infringers' were significantly less likely to be concerned.

Respondents who indicated that they had infringed were asked what their personal reasons were for consuming content unlawfully. The main reasons given for unlawful consumption of content online among the lawfulness groups were as follows:

*Table 0.3.2: Motivations for unlawful consumption of content online*

| | Any unlawful 2015 | Any unlawful 2016 | **Any unlawful 2017** | 100% unlawful 2015 | 100% unlawful 2016 | **100% unlawful 2017** | Mix of lawful and unlawful 2015 | Mix of lawful and unlawful 2016 | **Mix of lawful and unlawful 2017** |
|---|---|---|---|---|---|---|---|---|---|
| Base: All who have consumed content unlawfully | 691 | 516 | **635** | 190 | 143 | **155** | 489 | 373 | **480** |
| It's free | 55% | 52% | **54%** | 54% | 48% | **45%** | 58% | 54% | **56%** |
| It's easy/convenient | 51% | 44% | **44%** | 49% | 38% | **41%** | 53% | 46% | **45%** |
| It's quick | 45% | 41% | **42%** | 44% | 37% | **35%** | 47% | 42% | **44%** |
| I think lawful content is too expensive# | 30% | 26% | **23%** | 30% | 19% | **14%** | 32% | 28% | **26%** |
| It means I can try something before I buy it | 35% | 24% | **20%** | 27% | 11% | **12%** | 38% | 28% | **23%** |
| I can't afford to pay | 23% | 23% | **19%** | 24% | 15% | **14%** | 23% | 25% | **21%** |
| Because I can | 24% | 22% | **19%** | 22% | 18% | **19%** | 25% | 24% | **19%** |
| The files I want are not available on lawful services# | 19% | 19% | **16%** | 13% | 6% | **10%** | 22% | 23% | **18%** |
| I didn't realise it was unlawful* | 1% | 13% | **14%** | 2% | 14% | **22%** | 1% | 13% | **12%** |
| I already owned content in another format | 12% | 11% | **12%** | 6% | 5% | **11%** | 15% | 13% | **12%** |
| It's what my friends or family do | 16% | 18% | **12%** | 16% | 10% | **10%** | 17% | 21% | **12%** |
| I've already paid to see it/them at the cinema/in concert, etc. | 17% | 16% | **11%** | 13% | 7% | **7%** | 19% | 19% | **12%** |

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| | Any unlawful 2015 | Any unlawful 2016 | **Any unlawful 2017** | 100% unlawful 2015 | 100% unlawful 2016 | **100% unlawful 2017** | Mix of lawful and unlawful 2015 | Mix of lawful and unlawful 2016 | **Mix of lawful and unlawful 2017** |
|---|---|---|---|---|---|---|---|---|---|
| I don't want to wait for content to become available on lawful services# | 21% | 17% | **11%** | 19% | 8% | **4%** | 23% | 20% | **12%** |
| The industry makes too much money | 15% | 12% | **8%** | 14% | 10% | **4%** | 15% | 13% | **10%** |
| I already spend enough on content | 14% | 10% | **8%** | 12% | 4% | **5%** | 16% | 12% | **9%** |
| No one ever gets caught | 5% | 4% | **6%** | 6% | 4% | **6%** | 5% | 4% | **6%** |
| I don't think I should have to pay for files online | 10% | 6% | **6%** | 17% | 4% | **4%** | 8% | 6% | **6%** |
| No one suffers | 6% | 6% | **6%** | 6% | 4% | **7%** | 7% | 6% | **5%** |
| Mean number of reasons cited (if give any) | 4 | 4 | **4** | 4 | 3 | **3** | 4 | 4 | **4** |

* Please note these are new response options in 2016 (in 2015, they were mentioned spontaneously)
# In 2015, these response options referred to 'legal' rather than 'lawful'. Please note the table includes mentions 6% or higher.

- Overall, the top motivator for unlawful consumption of content online continues to be because 'it's free' (54% in 2017, 52% in 2016 and 55% in 2015), with some differences seen between '100% unlawful' users and 'mixed' users (45% in comparison to 56%).
- Around four in ten consumers mentioned 'it's easy/convenient' (44% in 2017, 44% in 2016, 51% in 2015) and 'it's quick' (42% in 2017, 41% in 2016, 51% in 2015) as reasons why they were engaged in unlawful consumption. Those who consumed content from a 'mix' of sources were somewhat more likely to cite these reasons as motivations more so than those who consumed 'any unlawful' content and '100% unlawful' content.
- Around one quarter (23% in 2017, 26% in 2016, and 30% in 2015) of those consuming 'any unlawful' content did so because they believe 'lawful content is too expensive', although '100% unlawful' consumers were less likely to select this reason (14% in 2017, 19% in 2016 and 30% in 2016). A positive decline can be seen for this motivation since 2015, across all infringement types.
- One reason which saw a continued significant increase among '100% unlawful' consumers was not realising the activity was unlawful (22% in 2017, up from 14% in 2016 and 2% in 2015). This was the fourth highest reason cited by these consumers and suggests an issue with awareness and knowledge of what is and is not lawful. This reason was also significantly higher among those aged 55 and over, with 40% unaware they were acting unlawfully.
- There was a significant decline in consumers indicating they consumed content unlawfully because it was what their friends or family do, from 18% agreement in 2016 down to 12% in 2017; 'that they had already paid to see the content', from 16% agreement in 2016 down to 11% in 2017; 'not wanting to wait for the content to become available on lawful services', from 17% agreement in 2016 down to 11% in 2017; and 'the industry makes too much money', from 12%

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in 2016 down to 8% in 2017. These declines in agreement were largely driven by those consuming a 'mix of lawful and unlawful' content, with the exception of the industry making too much money, which was driven by the '100% unlawful' consumers.

Infringers were also asked which aspects, if any, from a range of options would make them stop consuming files unlawfully. The main reasons given that would encourage infringers to stop downloading or streaming files unlawfully were as follows:

*Table 0.3.3: Aspects that would encourage stopping consuming content unlawfully online*

| | Any unlawful 2015 | Any unlawful 2016 | **Any unlawful 2017** | 100% unlawful 2015 | 100% unlawful 2016 | **100% unlawful 2017** | Mix of lawful and unlawful 2015 | Mix of lawful and unlawful 2016 | **Mix of lawful and unlawful 2017** |
|---|---|---|---|---|---|---|---|---|---|
| Base: All who consumed content unlawfully | 691 | 516 | **635** | 190 | 143 | **155** | 489 | 373 | **480** |
| If lawful services were cheaper# | 39% | 43% | **39%** | 35% | 33% | **25%** | 42% | 46% | **43%** |
| If everything I wanted was available lawfully# | 38% | 31% | **30%** | 29% | 19% | **22%** | 43% | 36% | **32%** |
| If lawful services were convenient/flexible# | 26% | 30% | **30%** | 23% | 17% | **16%** | 29% | 34% | **34%** |
| If lawful services were better# | 22% | 27% | **28%** | 18% | 15% | **19%** | 24% | 31% | **30%** |
| If everything I wanted was available lawfully online as soon as it was released elsewhere# | 36% | 35% | **26%** | 30% | 15% | **21%** | 39% | 41% | **27%** |
| If it is clearer what is lawful and what is not# | 25% | 25% | **24%** | 23% | 20% | **27%** | 25% | 27% | **24%** |
| If I thought I might be sued | 23% | 21% | **19%** | 23% | 17% | **15%** | 24% | 22% | **21%** |
| If my ISP sent me a letter informing me my account had been used to infringe | 17% | 18% | **18%** | 15% | 11% | **17%** | 19% | 21% | **19%** |
| If I thought I might be caught | 20% | 23% | **18%** | 21% | 17% | **10%** | 21% | 26% | **20%** |
| If a subscription service I was interested in became available | 26% | 24% | **18%** | 20% | 14% | **12%** | 30% | 27% | **19%** |

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| | Any unlawful 2015 | Any unlawful 2016 | **Any unlawful 2017** | 100% unlawful 2015 | 100% unlawful 2016 | **100% unlawful 2017** | Mix of lawful and unlawful 2015 | Mix of lawful and unlawful 2016 | **Mix of lawful and unlawful 2017** |
|---|---|---|---|---|---|---|---|---|---|
| Encountering a site that has been blocked~ | 0% | 0% | **17%** | 0% | 0% | **17%** | 0% | 0% | **17%** |
| If I knew where to go to see if something was unlawful or not# | 14% | 18% | **14%** | 11% | 8% | **15%** | 16% | 22% | **14%** |
| If everyone else stopped doing it | 14% | 16% | **13%** | 15% | 13% | **12%** | 15% | 17% | **13%** |
| If there were articles in the media about people being caught | 9% | 12% | **10%** | 10% | 9% | **11%** | 9% | 14% | **9%** |
| Nothing would make me stop | 5% | 6% | **6%** | 10% | 10% | **12%** | 4% | 4% | **4%** |
| **Average number of reasons cited** | 4 | 3 | **3** | 3 | 2 | **3** | 4 | 4 | **3** |

# In 2015, these response options referred to 'illegal' or 'legal' rather than 'unlawful' or 'lawful'

- The top reason given that would encourage consumers to stop the consumption of unlawful content continues to be the price of lawful services. Around four in ten (39% in 2017, 43% in 2016 and 39% in 2016) of those who had consumed 'any unlawful' content indicated they would be encouraged to stop 'if lawful services were cheaper'. Selection of this factor was lowest amongst those who consume '100% unlawful content' (25% in 2017, 33% in 2016 and 35% in 2015), and highest amongst those consuming a 'mix of lawful and unlawful' content (43% in 2017, 46% in 2016 and 42% in 2015).
- While price was the top motivator to stop consumption of unlawful content online for 'any unlawful' and a 'mix of lawful and unlawful' consumers, the same could not be said for those consuming '100% unlawful' content. In 2017, the top reason cited by these individuals was 'if it is clearer what is lawful and what is not', with 27% indicating this in 2017, up from 20% in 2016 and 23% in 2015. Similarly, 15% of the '100% unlawful' consumers in 2017 stated a similar motivation that 'if they knew where to go to see if something was lawful or not', that this would reduce unlawful behaviour compared to 8% in 2016 and 11% in 2015.
- Issues around 'availability of lawful content' was the second most pertinent motivator for those consuming 'any unlawful' online content, with 30% of consumers in 2017 citing this reason (31% in 2016 and 38% in 2015). '100% unlawful' consumers were significantly less likely than the 'mix of lawful and unlawful' content consumers to select this response.
- Similarly, three in ten indicated they would be less likely to consume content unlawfully if lawful services were more 'convenient/flexible' (30% in 2017 and 2016, 26% in 2015). Once again, those consuming '100% unlawful' content continued to be less likely to be encouraged by convenience and flexibility of lawful services (16% compared with 34% of those consuming 'mix of lawful and unlawful' content).

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- Some significant declines in motivations were seen in 2017 by ‘any unlawful’ content consumers, including: being able to lawfully gain access to content as soon as it was released (26% in 2017, down from 35% in 2016), if the individual thought they may be caught (18% in 2017, down from 23% in 2016), and if a subscription service became available (18% in 2017, down from 24% in 2016).
- There were also significant declines in motivations for the ‘mix of lawful and unlawful’ content consumers, including: being able to lawfully gain access to content as soon as it was released (27% in 2017, down from 41% in 2016), if the individual thought they may be caught (20% in 2017, down from 26% in 2016), if a subscription service became available (19% in 2017, down from 27% in 2016), knowledge of where to go to see if something was unlawful or not (14% in 2017, down from 22% in 2016), and if there were articles in the media about people getting caught doing the wrong thing (9% in 2017, down from 14% in 2016).
- In 2017 an additional attribute of ‘encountering a site that has been blocked’ was added to the list of reasons that would discourage the consumption of unlawful content. 17% of all users who consumed content unlawfully believed that this would be a deterrent.
- There continued to be a small proportion of consumers (6%) who claimed ‘nothing would make me stop’ (6% in 2016 and 5% in 2015) and was highest amongst ‘100% unlawful’ consumers (12% in 2017, 10% in 2016 and 2015), and lowest amongst the ‘mix of lawful and unlawful content consumers’ (4% in 2017, 2016 and 2015).

### 6.4 Awareness of licensed online sites or services

The following chart shows prompted awareness of sites or services offering licenced/lawful access to any of the four core content types covered in this survey. The figures below include people who also indicated that they had used any of these services in the past three months.

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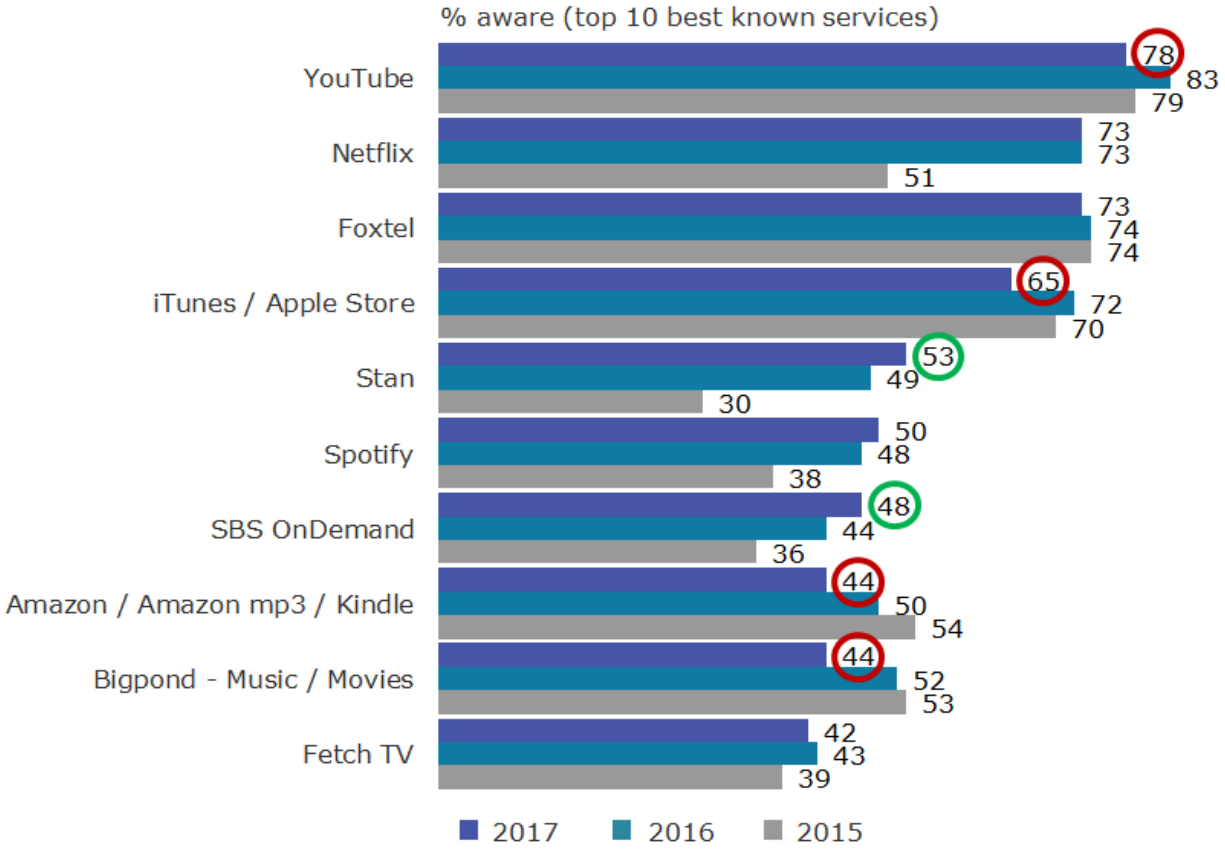
*Figure 0.4.1: Proportion of internet users aged 12+ aware of lawful / licensed online services*




Base: Internet users aged 12+: 2017 n=2,365; 2016 n=2,387; 2015 n=2,607

- The three best known online services for downloading, streaming or sharing content were YouTube (whose awareness significantly decreased from 83% in 2016 to 78% in 2017, however is more aligned to 2015 figures), Netflix (whose awareness remained steady 73% in 2017 from the 2016 increase) and Foxtel (whose awareness remained consistent 73% in 2017 and 74% in both 2016 and 2015).
- Online service iTunes/Apple Store significantly declined in 2017 from 72% in 2016 to 65% in 2017. This fell even past 2015 levels of awareness (70%).
- A further six online services were known by around half of those with internet access: Stan (53% in 2017, significantly higher than 49% in 2016 and 30% in 2015); Spotify (50% in 2017, 48% in 2016 and 38% in 2015); SBS On Demand (48% in 2017, 44% in 2016, 36% in 2015) Amazon (44% in 2017, significantly lower than 50% in 2016 and 54% in 2015); Bigpond (44% 2017, significantly lower than 52% in 2016 and 53% in 2015); and Fetch TV (who featured on the top 10 list for the first time, knocking off Google Play with 42% in 2017).
- Awareness of Stan has increased significantly since 2015 across all ages and genders, with awareness highest among 35-44 year olds (64%). SBS On Demand has also seen a similar upward trend, with a further increase in 2017, dominated by those aged 25+.

## 6.5 Confidence in knowing what is and is not lawful online

Respondents with internet access were also asked the following question: *How confident are you that you know what is lawful and what is not in terms of downloading, streaming/accessing, and sharing content through the internet?* The results are shown in the chart below, with the proportion who said they were 'not particularly confident' or 'not at all confident' broken down by gender and age.

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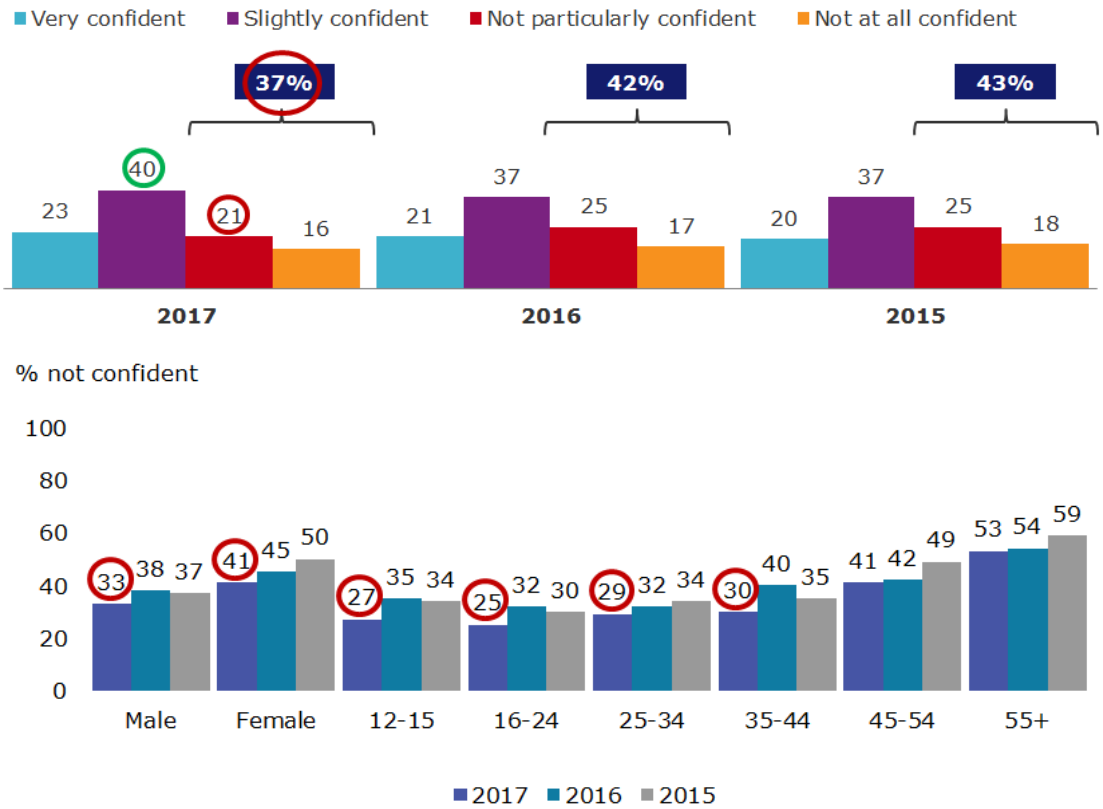
*Figure 0.5.1: Confidence in knowing what is and what is not lawful online*




Base: Internet users aged 12+: 2017 n=2365; 2016 n=2,387; 2015 n=2,607

Note: Green circles indicate significantly higher. Red circles indicate significantly lower.

- A positive shift can be seen in the 2017 results with a significantly higher number of all internet users aged 12+ stating they were 'slightly confident' in their knowledge regarding what is and what is not lawful online (from 37% in both 2015 and 2016, up to 40% in 2017).
- Although a significant reduction has occurred since 2015, in 2017 there remains over a third (37%) of consumers who are not confident about knowing what is and what is not lawful online.
- The highest level of non-confidence can be seen in those that consume '100% unlawful' content, with 57% citing they were 'not particularly confident' or 'not at all confident' (49% in 2016).
- Lower levels of confidence continue to be seen more among females (41% in 2017, 45% in 2016) than males (33% in 2017 and 38% in 2016), although the proportion of both fell significantly from 2016 to 2017. The trend continued towards lower levels of confidence with an increase in age, with 27% of 12-15 year olds and 25% of 16-24 year olds rating themselves as not confident compared with 41% of 45-54 year olds and 53% of those aged 55+.

Respondents were asked an open-ended question in order to gauge what they perceived as being lawful in terms of online services: *What aspects of an online service which allows you to either download, or stream/access content through the internet would make you trust that the content was lawful?*

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In 2017, the top response spontaneously mentioned by 18% of all those with internet access continued to be the importance of a **'trusted brand/reputable organisation/trusted site/highly respected/lawful/legitimate websites'**. This was thought to be the primary indicator of a lawful online service, a significant increase from 2016 where it was mentioned by 15% of internet users.

For example:

> *"A trusted site either directly from the owner of the material or a site that they use to supply content."*
>
> *"If it was by a reputable company, e.g. Foxtel, Sony etc and was clearly able to be identified as a legitimate site."*
>
> *"The service provider is reputable and known to be lawful."*
>
> *"Being from a reputable company with known affiliations with publishing houses (erg iTunes, Google Play, Pandora, etc)."*
>
> *"I only use known brand sites that have a solid reputation and have a good rating."*

Another 11% of internet users in 2017 spontaneously mentioned the similar indictor of a lawful online service – **'well known/ recognised site/popular brand'**. This was in line with the 2016 results (11%).

For example:

> *"If the services are provided by either well-recognised organisations and businesses, such as YouTube or Vimeo or who is authentically a lawful streaming platform, such as Spotify and Steam.*
>
> *"I only use well known services like Foxtel. I would not use any service I had not heard of or seen advertised."*
>
> *"Content from a major known provider such as ABC iview, Netflix etc should always be lawful."*

The second most commonly mentioned indictor of lawful service were the **'terms and conditions /legal statements/legal documents/disclaimers/warnings/privacy statements/stating that it is'**; spontaneously mentioned by 12% of internet users in 2017 and 2016.

For example:

> *"If there was a disclaimer or note to say that the site was legal."*
>
> *"Where content is legally downloaded, there is usually a fee involved, and the conditions of access are usually stated."*

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*"Usually because there is some sort of access to my account or you have to make a selection/tick box to acknowledge you have read terms and conditions."*

*"Terms and conditions should be available to view. You should identify yourself. You should accept the Terms and Conditions. Otherwise download is not available."*

The third most common response as an indicator of lawfulness was **'having to pay for the service/paid services/subscription/interested parties being paid'**; as spontaneously mentioned by 11% of internet users in 2017 (10% in 2016).

For example:

*"I assume that if it is paid for, then the content is lawful."*

*"Paying a subscription fee i.e. Netflix. Paying to 'rent' the movie i.e. Bigpond movies."*

*"If money is paid in exchange for the product with the money going directly to the creators/owners of the product."*

*"If you were paying a subscription fee."*

## 6.6 Attitudes and behaviour towards blocked sites

Respondents were asked additional questions in 2017 in relation to awareness of site blocking and the impact of these blockages on infringing behaviour.

Consumers who have consumed any content in the past three months were asked what they would do in the instance of encountering a blocked site. The following table outlines what they would do.

*Table 0.3.4: How encountering a blocked site impacts on behaviour – proportion who had consumed any content in the past three months*

| | All who have consumed content |
|---|---|
| Base: | **1626** |
| I would simply give up | 49 |
| I would seek alternative lawful access | 43 |
| I would seek alternative free but unlawful access | 20 |
| I would try and bypass the blocked website | 10 |
| I would seek alternative paid for but unlawful access | 7 |

- Nearly half (49%) of consumers would 'simply give up' if they encountered a blocked site. This was more likely amongst females (52%), those aged 55+ (60%), and those who were consuming 100% unlawful content (56%).
- Four in ten consumers (43%) would look for a lawful alternative. Seeking lawful alternatives was more common amongst males (46%) and less common among the 100% unlawful consumers (26%) and those aged 12-15 years old (32%).
- Around two in ten (20%) would seek a free alternative but with unlawful access, and only one in ten (7%) would seek a paid alternative but with unlawful access. Seeking unlawful access, either paid or unpaid, was more dominant among 16-24 year olds (28%) and infringers.
- 10% of consumers would try and bypass the blocked website. These consumers were more likely to be male (14%), aged below 34 years old, and infringers.

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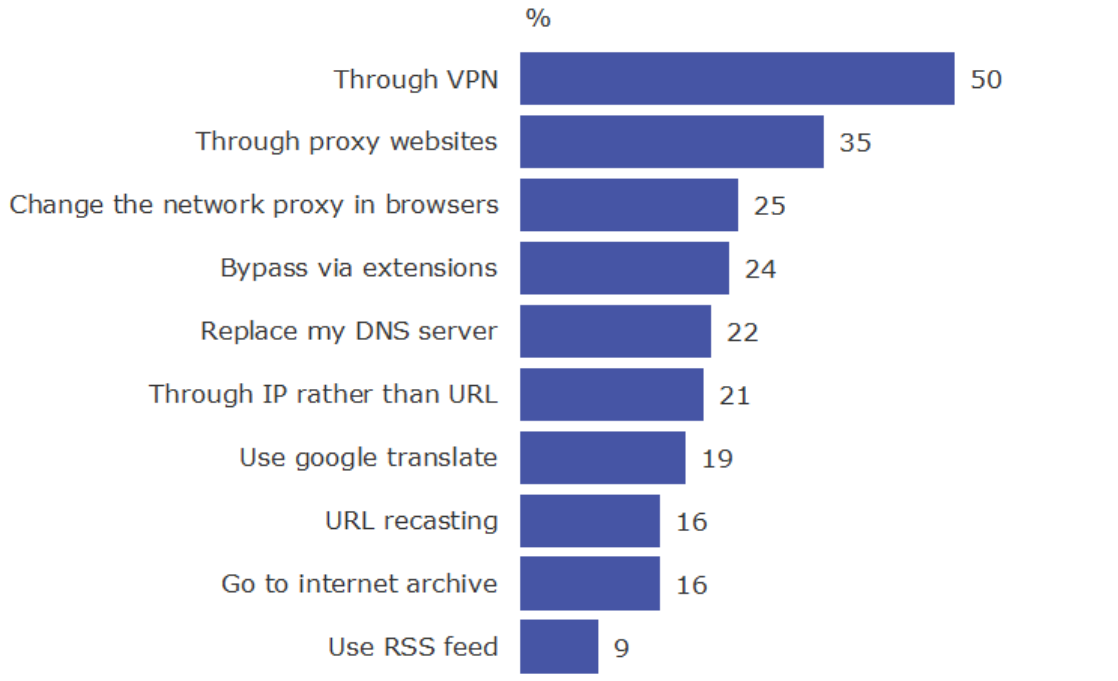
Consumers who cited they would try to bypass the website if they encountered a blocked site were asked to indicate how they would go about it. The following chart outlines how these users would try and bypass the blocked website. Responses higher than 5% have been included below:

*Figure 0.5.2: How consumers would go about bypassing the blocked site*




Base: All who have consumed content and would attempt to bypass a blocked site: 2017 n=162

- Overall, of consumers who indicated they would attempt to bypass a blocked website, half (50%) would do so through using a VPN and around a third (35%) would use proxy websites.
- Around one in four consumers cited they would change the network proxy in browsers (25%), bypass via extensions (24%), and around one in five would replace their DNS server (22%), or go through IP rather than using a URL (21%).
- A further 19% would use Google translate and 16% would try URL recasting or go to the internet archive, and around one in ten (9%) would use RSS feed.
- The average number of cited ways a consumer who would try to by-pass the blocked site was three.

The following table outlines the proportion of users who had not downloaded or streamed content in the past three months because they had encountered a site that was blocked and what they did in this instance.

*Table 0.3.5: How encountering a blocked site impacts on behaviour – proportion who had encountered a block site*

| | All who have not consumed content because the site had been blocked |
|---|---|
| Base: | **31** |
| I simply gave up | 62 |
| I sought alternative lawful access | 12 |

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| | All who have not consumed content because the site had been blocked |
|---|---|
| I sought alternative free but unlawful access | 10 |
| Bypassed the blocked website | 3 |
| I sought alternative paid for but unlawful access | 3 |
| I am not interested in accessing unlawful sites | 8 |

- Overall, six in ten (62%) consumers had not downloaded or streamed content in the past three months because they had encountered a site that was blocked and 'simply gave up'. These consumers did not actively seek out alternatives. Almost one in ten (8%) claimed they were not interested in accessing unlawful sites, and similarly to the group who 'simply gave up' would also not pursue any unlawful alternatives.
- One in ten (12%) looked for a lawful alternative, upon encountering the blocked site, while a further one in ten (10%) looked for a free but unlawful alternative.

  3% of consumers, on encountering a blocked site, tried to bypass the site.

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# 7. Appendix

## 7.1 Key considerations for methodological design

### Key considerations

The methodology for the 2017 consumer survey replicated that employed in the 2016 and 2015 consumer surveys, since a key objective and primary focus of the 2017 consumer survey is to be able to compare results between the second and third surveys in order to understand to what extent consumption and attitudes have changed.

Three key considerations, highlighted in the UK methodological study[4], shaped our methodological design for the consumer survey. These considerations are outlined in detail below.

1. **Researching unlawful behaviour and obtaining honest responses**

Measuring online copyright infringement is a challenge as the fundamental drawback with any questionnaire-centric approach is that we are reliant on self-reported measures of behaviour. Many people will be reluctant to admit to engaging in such activities, and will no doubt be wary of the consequences if they do. Furthermore, some people may be unaware that what they are doing is unlawful.

The only way that we can get truly accurate behavioural data is via monitoring online activities. However, the cost of doing this would be prohibitive, and there would be obvious representativeness issues (e.g. it is highly unlikely that anyone actively partaking in unlawful file-sharing would agree to have their online activities monitored).

Therefore, we chose an approach that overcomes these cost and representation issues, minimised suspicion, and conveyed a level of trust that reassured respondents that there would be no repercussions from any response.

2. **Representativeness**

Estimates of copyright infringement behaviour vary substantially in Australia, by industry group. It is likely that these differences can be somewhat attributed to differences in methodology between each estimate. Therefore, it was essential to ensure this research collects sufficiently robust and representative data, in order to allow it to become an authoritative source for ongoing monitoring of online copyright infringement behaviours.

3. **Consumer understanding**

Any research that covers a technical subject matter among a wide range of ages will need to consider this in the questionnaire design and data collection stages of the research. It was essential that the survey was administered in a way that would ensure all respondents could understand what was being asked of them.

### Justification for approach taken

As a result of these three considerations, as well as a need to ensure consistency between the Australian and UK studies, a mixed methodology approach was utilised. This approach comprised of online interviewing and computer assisted telephone interviewing (CATI).

[4] Kantar Media, 2010, Illegal File-Sharing Pilot Survey Report. Ofcom.

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**Online interviewing:**

An online interviewing approach was selected as the primary data collection method in order to ensure consistency with the UK survey. Online interviewing ensures a representative sample by allowing for a larger sample size because it is more cost effective. It also provides a higher incidence of high-frequency internet users, key to quantification for any questions on unlawful online behaviour, and hence providing a more robust sample to allow profiling of the data. This sample can be down-weighted in order to provide the true proportion among all adults.

Online interviewing also assists with obtaining honest responses: The UK methodological report[5] found that online interviewing was more likely to generate honesty because it is entirely self-completed (i.e. removing the interviewer conditioning effects).

Finally, online interviewing was felt to assist with respondents' understanding of the research by allowing:

- larger pieces of information to be presented for review to gauge responses, which can be difficult to digest when read over the telephone;
- the ability to run longer surveys; and
- More 'considered' responses because people participate at a time of self-selected convenience (rather than 'on the spot' following a telephone contact).

However, despite these benefits of online interviewing, it cannot be considered representative in isolation as it:

- significantly reduces coverage of 65+ year olds; and
- Significantly reduces coverage of low-frequency internet users (i.e. people who use the internet less than once a day).

**CATI interviewing:**

CATI interviewing was selected in order to overcome the representativeness issues of online interviewing. The CATI interviewing component of this research was particularly targeted towards over 65 year olds and those who use the internet less than once a day (there also being considerable overlap between these two groups).

The approach differs from the UK study which used face to face interviewing to target over 65 year olds and those who use the internet less than once per day. Replication of the face to face component of the UK study in Australia was not undertaken due to the cost and logistical implications this would involve. For example, ensuring a nationally representative sample for face to face interviews in Australia would involve flying teams of researchers to metro, regional, and remote locations throughout Australia, which has large cost implications. It would also require significant time investment and logistical planning which was not feasible in this instance. CATI was considered a more time and cost effective option and is in line with standard practice in Australia.

## 7.2 Methodological approach in detail

### Questionnaire design

The 2016 questionnaires were used as the basis for the 2017 online and CATI surveys, incorporating any agreed changes while ensuring the two versions maintained the same content as each other, and did not exceed 20 minutes in length. The questionnaire changes made for the 2017 survey are outlined in Section 2.4 of this report.

[5] Kantar Media, 2010, Illegal File-Sharing Pilot Survey Report. Ofcom.

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The 2017 questionnaire followed the same order as in 2015/2016 with the following sections:

A. Screener questions – age, gender, location, internet access and usage;
B. Online streaming, downloading and sharing of different content types;
C. Music;
D. Video games;
E. Movies;
F. TV programmes; and
G. Attitudes to streaming, downloading, and sharing content online.

**Recruitment and fieldwork**

*Table 0.2.1: Fieldwork summary*

| | 2015 | | | 2016 | | | **2017** | | |
|---|---|---|---|---|---|---|---|---|---|
| Fieldwork dates | 25 March | *to* | 13 April | 4 March | *to* | 21 March | **2 March** | ***to*** | **20 March** |
| Methodology | Online | CATI | Total | Online | CATI | Total | **Online** | **CATI** | **Total** |
| Total aged 12+ | n=2,227 | n=403 | n=2,630 | n=2,005 | n=400 | n=2,405 | **n=2,042** | **n=400** | **n=2,442** |
| 12-15 year olds | n=145 | - | n=145 | n=177 | - | n=177 | **n=147** | **-** | **n=147** |
| Aged 16+ | n=2,082 | n=403 | n=2,485 | n=1,828 | n=400 | n=2,228 | **n=1,895** | **n=400** | **n=2,295** |
| Interview length | 22min | 24min | - | 14min | 20min | - | **15min** | **19min** | **-** |

A total of n=2,442 interviews were undertaken in 2017 with the target audience for this study – all people aged 12+ in Australia. This compared with n=2,405 in 2016 and n=2,630 interviews in 2015.

Online interviewing took place using an online panel. Kantar Public subcontracted sourcing of the online respondents for the 2017 project to the same online panel that was used in 2016.

A total of n=2,042 12+ interviews were achieved online in 2017 (compare with n=2,005 interviews in 2016 and n=2,227 interviews in 2015), with n=1,895 from people aged 16+ and n=147 from people aged 12–15 years old. The average length of the interview was 15 minutes. All online respondents were incentivised through an online points reward system, which is the standard incentive provided by the online panel provider for interviews of 20 minutes. Recruitment of 12-15 year olds was handled differently to adult (16+) respondents as they need to be recruited via their parents (who are asked for consent). Among this age group, we used an online-only approach as internet penetration and frequency of use is very high.

CATI interviewing was subcontracted to a full service resource supplier to the market research industry, as done in 2016. Kantar Public provided a telephone briefing to interviewers on the project requirements prior to fieldwork commencement. A total of n=400 telephone interviews were achieved through this approach. The survey was, on average, 19 minutes long. A $10 Coles-Myer gift card was provided to each respondent in line with the AMSRS guidelines that state that CATI interviews over 20 minutes require an incentive.

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### Timing

As in 2016, both surveys were run concurrently in field in order to avoid bias in the data caused by any changes in the market, particularly given the rapid pace of change and high-profile cases related to copyright infringement in the media.

Both the online and CATI surveys were piloted over the first 24 hours of interviewing to check the survey length, screening criteria, and questionnaire routing were all working as anticipated. In 2017 the pilot surveys ran on the 2 March 2017. Data from the pilot was included in the final survey data as the questionnaire did not need to be amended following the pilot. Online fieldwork then took place between 3 and 17 March 2017 and CATI fieldwork took place between 4 and 20 March 2017.

The 2017 surveys were run at the same time of year as the 2015 and 2016 studies, allowing the findings from all the studies to be directly comparable against one another.

### Sampling

An essential aspect of this research was to undertake rigorous sample stratification to ensure that we spoke to a nationally representative sample of the target audience - all people aged 12+ in Australia. Although some elements of the survey cover those without internet access, so as to provide a nationally representative frame, the core focus of the study (and thus the majority of questions) was the Australian online population aged 12+.

The following table illustrates the sampling frame used for this research.

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*Table 0.2.2: Sampling frame for research*

| Age group | Year | % of pop. who access the internet | % of internet users using daily | % of pop. using internet daily | % of 12+ Australia population | Total target sample | Online target sample | CATI target sample |
|---|---|---|---|---|---|---|---|---|
| **12-15** | **2017** | No data available but likely to be similar to 16-24 | | | **6%** | **145** | **145** | **0** |
| 12-15 | 2016 | No data available but likely to be similar to 16-24 | | | 6% | 145 | 145 | 0 |
| 12-15 | 2015 | No data available but likely to be similar to 16-24 | | | 6% | 145 | 145 | 0 |
| **16-24** | **2017** | **98%** | **81%** | **79%** | **14%** | **345** | **305** | **40** |
| 16-24 | 2016 | 98% | 81% | 79% | 14% | 345 | 305 | 40 |
| 16-24 | 2015 | 96% | 81% | 78% | 14% | 345 | 305 | 40 |
| **25-34** | **2017** | **96%** | **82%** | **79%** | **17%** | **380** | **340** | **40** |
| 25-34 | 2016 | 96% | 82% | 79% | 17% | 380 | 340 | 40 |
| 25-34 | 2015 | 96% | 82% | 79% | 16% | 380 | 340 | 40 |
| **35-44** | **2017** | **94%** | **81%** | **76%** | **16%** | **410** | **370** | **40** |
| 35-44 | 2016 | 94% | 81% | 76% | 16% | 410 | 370 | 40 |
| 35-44 | 2015 | 94% | 81% | 76% | 17% | 410 | 370 | 40 |
| **45-54** | **2017** | **87%** | **75%** | **65%** | **15%** | **380** | **340** | **40** |
| 45-54 | 2016 | 87% | 75% | 65% | 15% | 380 | 340 | 40 |
| 45-54 | 2015 | 89% | 75% | 67% | 16% | 380 | 340 | 40 |
| **55-64** | **2017** | **81%** | **71%** | **58%** | **14%** | **340** | **270** | **70** |
| 55-64 | 2016 | 81% | 71% | 58% | 14% | 340 | 270 | 70 |
| 55-64 | 2015 | 78% | 71% | 55% | 14% | 340 | 270 | 70 |
| **65+** | **2017** | **51%** | **56%** | **29%** | **18%** | **400** | **230** | **170** |
| 65+ | 2016 | 51% | 56% | 29% | 18% | 400 | 230 | 170 |
| 65+ | 2015 | 46% | 56% | 26% | 17% | 400 | 230 | 170 |
| **TOTAL** | **2017** | **-** | **-** | **-** | **-** | **2,400** | **2,000** | **400** |
| TOTAL | 2016 | - | - | - | - | 2,400 | 2,000 | 400 |
| TOTAL | 2015 | - | - | - | - | 2,400 | 2,000 | 400 |

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Within the target sample for each age group, it was ensured that a reasonable balance of males and females was achieved. Separate targets were set for each state or territory in line with their proportion of the total Australian population.

### Sample selection

The way in which the sample was selected varied across methodologies:

**Online interviews (16+)**: The sample was initially selected using age, gender and location information held by the online panel provider. The panellists were invited via email to take part in the survey, and demographic quota targets (gender, age, and location) were set to ensure that the end sample profile was representative of the Australian internet population. Respondents were screened out if they claimed to use the internet less than once a day.

**Online interviews (12-15 year olds)**: Invitations to complete the questionnaire were emailed out to a separate sample of online panellists who had previously agreed to participate in market research, and had children in the relevant age group. They were instructed to pass the completion of the survey on to their child, having provided consent for them to participate. The survey was closed when the required sample profile was achieved.

**CATI interviews (16+):** CATI interviews were undertaken by targeting households with a higher likelihood of containing an infrequent internet user. All interviews were conducted via the CATI field team and in accordance with strict quality control procedures. Quotas (by gender, age, and location) were set during interviewing to ensure representativeness of the data. Respondents were screened out if they claimed to use the internet at least once a day, thereby ensuring that all CATI interviews were with people who used the internet infrequently or not at all. Both landline and mobile phones were used in the method to maximise response rates and the representativeness of the sample.

### Weighting and grossing

In order to accurately measure levels of online copyright infringement in Australia, it was important that the achieved sample was representative of the Australian population. Careful sampling and monitoring of quotas was used to ensure that the achieved sample approximated the Australian population in terms of gender, age and state/territory. The data was weighted on these characteristics to ABS statistics using figures from the most recent estimated resident population release (in the case of 2017, the 30 June 2016 figures) to ensure an exact match.

In addition, in order to collect sufficient data on online activities, the achieved sample was designed to over-represent those who used the internet frequently (at least daily) and under-represent those who used the internet infrequently (less than daily). The final data was then weighted to correct for this over-representation, to ensure it was representative of the Australian population. Due to the fact that frequency of internet usage is known to be correlated with age, the data was weighted by internet usage within age in addition to gender and state/territory. Official statistics on internet usage within age were sourced from a combination of 2014-15 ABS statistics on household use of information technology (for levels of internet access) and the Australian Communications and Media Authority (ACMA) 2012-13 report (for frequency of internet usage). 12-15 year olds were not weighted by internet usage since all 12-15 year olds who took part in the survey used the internet at least daily.

Data was weighted using a Random Iterative Method (rim) technique with targets defined for gender (two categories), internet usage within age (13 categories), and household income (eight categories). The three non-interlocking dimensions are individually put through an iterative sequence of weighting adjustments. The sequence adjusts for each dimension in turn and then repeats itself as many times as is required in order to obtain a convergence, in which the sum of the weighted dimensions matches the target population estimates, or is as close as it is possible to achieve.

The rim weighting efficiency gives an indication of how well balanced the sample is. If the data for many respondents needs to be heavily weighted up or down, the efficiency percentage will be low. In 2017 the weighting efficiency was 76.3% (maximum weight 3.88; minimum weight 0.40), which is

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a respectable proportion (and similar to the 2015 and 2016 efficiency), given the deliberate decision to over-represent those who used the internet frequently in the survey design.

The target weights for gender, internet usage within age and state/territory are shown in the following table.

*Table 0.2.3: Unweighted and weighted achieved sample*

| Variable | Year | Unweighted (n) | Unweighted (%) | Weighted (n) | Weighted (%) |
|---|---|---|---|---|---|
| ***GENDER*** | - | - | - | - | - |
| **Male** | **2017** | **1,156** | **47** | **1,209** | **50** |
| Male | 2016 | 1,143 | 48 | 1,190 | 50 |
| Male | 2015 | 1,318 | 50 | 1,323 | 50 |
| **Female** | **2017** | **1,286** | **53** | **1,233** | **50** |
| Female | 2016 | 1,262 | 52 | 1,215 | 50 |
| Female | 2015 | 1,312 | 50 | 1,307 | 50 |
| ***INTERNET USAGE WITHIN AGE*** | **-** | - | - | - | - |
| **12-15** | **2017** | **175** | **7** | **147** | **6** |
| 12-15 | 2016 | 177 | 7 | 144 | 6 |
| 12-15 | 2015 | 145 | 6 | 158 | 6 |
| **16-24 daily use** | **2017** | **327** | **13** | **269** | **11** |
| 16-24 daily use | 2016 | 326 | 14 | 265 | 11 |
| 16-24 daily use | 2015 | 340 | 13 | 289 | 11 |
| **16-24 non-daily use** | **2017** | **29** | **1** | **73** | **3** |
| 16-24 non-daily use | 2016 | 31 | 1 | 72 | 3 |
| 16-24 non-daily use | 2015 | 30 | 1 | 79 | 3 |
| **25-34 daily use** | **2017** | **350** | **14** | **317** | **13** |
| 25-34 daily use | 2016 | 328 | 14 | 313 | 13 |
| 25-34 daily use | 2015 | 489 | 19 | 342 | 13 |
| **25-34 non-daily use** | **2017** | **40** | **2** | **98** | **4** |
| 25-34 non-daily use | 2016 | 34 | 1 | 96 | 4 |

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| | | | | | |
|---|---|---|---|---|---|
| 25-34 non-daily use | 2015 | 30 | 1 | 79 | 3 |
| **35-44 daily use** | **2017** | **326** | **13** | **293** | **12** |
| 35-44 daily use | 2016 | 327 | 14 | 289 | 12 |
| 35-44 daily use | 2015 | 520 | 20 | 342 | 13 |
| **35-44 non-daily use** | **2017** | **30** | **1** | **98** | **4** |
| 35-44 non-daily use | **2016** | 29 | 1 | 96 | 4 |
| 35-44 non-daily use | 2015 | 41 | 2 | 105 | 4 |
| **45-54 daily use** | **2017** | **338** | **14** | **244** | **10** |
| 45-54 daily use | 2016 | 322 | 13 | 241 | 10 |
| 45-54 daily use | 2015 | 293 | 11 | 289 | 11 |
| **45-54 non-daily use** | **2017** | **46** | **2** | **122** | **5** |
| 45-54 non-daily use | 2016 | 32 | 1 | 120 | 5 |
| 45-54 non-daily use | 2015 | 40 | 2 | 131 | 5 |
| **55-64 daily use** | **2017** | **288** | **12** | **196** | **8** |
| 55-64 daily use | 2016 | 285 | 12 | 192 | 8 |
| 55-64 daily use | 2015 | 239 | 9 | 210 | 8 |
| **55-64 non-daily use** | **2017** | **85** | **3** | **146** | **6** |
| 55-64 non-daily use | 2016 | **96** | **4** | **144** | **6** |
| 55-64 non-daily use | 2015 | 82 | 3 | 158 | 6 |
| **65+ daily use** | **2017** | **238** | **10** | **122** | **5** |
| 65+ daily use | 2016 | 240 | 10 | 120 | 5 |
| 65+ daily use | 2015 | 201 | 8 | 105 | 4 |
| **65+ non-daily use** | **2017** | **170** | **7** | **318** | **13** |
| 65+ non-daily use | 2016 | 178 | 7 | 313 | 13 |
| 65+ non-daily use | 2015 | 180 | 7 | 342 | 13 |
| **State/Territory** | | | | | |
| **NSW** | **2017** | **712** | **29** | **785** | **32** |

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| | | | | | |
|---|---|---|---|---|---|
| NSW | 2016 | 758 | 32 | 773 | 32 |
| NSW | 2015 | 882 | 34 | 842 | 32 |
| **VIC** | **2017** | **609** | **25** | **614** | **25** |
| VIC | 2016 | 592 | 25 | 604 | 25 |
| VIC | 2015 | 648 | 25 | 653 | 25 |
| **QLD** | **2017** | **526** | **22** | **486** | **20** |
| QLD | 2016 | 494 | 21 | 479 | 20 |
| QLD | 2015 | 516 | 20 | 529 | 20 |
| **SA** | **2017** | **195** | **8** | **176** | **7** |
| SA | 2016 | 169 | 7 | 173 | 7 |
| SA | 2015 | 182 | 7 | 190 | 7 |
| **WA** | **2017** | **279** | **11** | **264** | **11** |
| WA | 2016 | 263 | 11 | 260 | 11 |
| WA | 2015 | 267 | 10 | 287 | 11 |
| **ACT** | **2017** | **51** | **2** | **39** | **2** |
| ACT | 2016 | 48 | 2 | 39 | 2 |
| ACT | 2015 | 57 | 2 | 43 | 2 |
| **TAS** | **2017** | **51** | **2** | **54** | **2** |
| TAS | 2016 | 57 | 2 | 53 | 2 |
| TAS | 2015 | 54 | 2 | 58 | 2 |
| **NT** | **2017** | **19** | **1** | **24** | **1** |
| NT | 2016 | 24 | 1 | 24 | 1 |
| NT | 2015 | 24 | 1 | 27 | 1 |

This report includes some figures grossing up levels of online activity to the Australian population level. ABS data from April 2017 was used for the 2017 calculations, at which point in time the Australian population age 12+ was estimated to be 20,588,553.

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