

Predictors of Public Opinions about Video Piracy

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Abstract

Video piracy has become a major area of concern for the motion picture industry. The Motion Picture Association of America estimates that US studios lose more than \$3 billion annually in box office revenue from piracy. (De Vany, Walls, 2007) More recent estimates range to \$6 billion. The loss is serious enough that the music and movie industries are trying new approaches to fighting copyright theft. Several major Internet service providers, including Verizon, Comcast, AT&T and Time Warner Cable, agreed to help movie studios and record labels identify Internet users who download copyrighted content illicitly, warn them about the piracy and punish abusers. Studios have even resorted to the use of the illusion of piracy as a marketing tool. Film studios and music companies have distributed DVDs and CDs designed to look like pirated copies. Although music piracy has received attention in the Communication literature (e.g., LaRose, Lai, Lange, Love, & Wu, 2007), few investigations have examined video piracy. This study explores predictors of public opinions of Americans regarding video piracy. It reports the results of an in-progress online survey of U.S. college students that includes measures of demographic characteristics, video consumption behavior, and attitudes toward video quality. Implications of the findings for the entertainment industry are discussed.

Background

Some recent articles have downplayed the importance of video piracy to the motion picture industry estimating for example, that a pirated copy of *The Avengers* released to the web one week before theatre release only resulted in an estimated 0.5% reduction in box office receipts (The Avengers Demonstrates, 2012). Others have supported the case built by the Motion Picture Association of America (MPAA), that video piracy is digging into industry profits. In 2007, The MPAA estimated US studios lost more than \$3 billion annually in box office revenue from piracy. (De Vany, Walls, 2007) The loss has doubled to \$6 billion according to more recent estimates. (Ho, Weinberg, 2011)

The advent of digital media with lower costs of copying or sharing and the opportunity to achieve higher quality copies have put additional pressure on Hollywood. Although, digital copies are not always as high in quality as the original sources. (Waterman, Ji, Rochet, 2007) Pirated American movies on DVD are available even in Third World nations such as Malawi. Low resolution DVDs, sometime containing as many as 14 Steven Seagal movies can be had for two American dollars. (Gray, 2011)

The loss is so serious that the music and movie industries are trying several approaches to fight copyright theft. Major Internet service providers, including Verizon, Comcast, AT&T and Time Warner Cable, agreed to help movie studios and record labels identify Internet users who download copyrighted content illicitly, warn them about the piracy, and punish abusers. Punishments could range from redirecting users to a page with material on copyright abuse, throttling down their Internet speeds and possibly cutting their broadband connections. (A New Try at Curbing Piracy, 2011)

Another ploy used by studios and music producers has been to resort to the use of the illusion of piracy as a marketing tool. Sony Pictures release of *The Girl with the Dragon Tattoo* looks like a burned bootleg DVD-R copy with the movie's title seemingly written across it with a marker. Sasha Cohen's *Borat* was given a similar treatment. In the music industry, Smashing Pumpkins released their *Judas 0* CD designed to look like a pirated version and System of a Down released a pirated looking CD titled *Steal This Album!* (Piracy-looking treatment, 2012)



courtesy: DVD Intelligence

Legislation and legal penalties have also been used around the world to combat the theft of copyrighted material. Recently, legal actions have ranged from symbolic to severe. Under legislation know as HADOPI in France, rates of online piracy have declined. (Waning appeal of piracy in France, 2012) In a message to the masses, Alain Prevost, a carpenter from eastern France, was convicted under HADOPI and fined €150 for having two illegal Rihanna downloads on his computer. (Pirated Rihanna Songs Land Frenchman, 2012)

In addition to France, the Philippines, Spain, Japan and the United Kingdom have passed anti-piracy laws and legislation is being considered in many other countries, including the United States, where piracy is currently prosecuted under copyright infringement law. In the United Kingdom this June, Anton Vickerman, whose surfthechannel.com had 400,000 users a day, was sentenced to four years in prison on two counts of conspiracy to defraud. He became the first British man to be jailed in the UK for a website that linked to illegal copies of films and TV shows. (Surfthechannel owner sentenced, 2012) Also in the UK, Richard O'Dwyer, 24, lost an attempt to resist extradition to the United States. He was alleged to have breached US copyright law by setting up and running the website TVShack, which gave the public free access to copyrighted films and TV shows. In late November, he reached a plea bargain with a New York court to pay £20,000 (\$32,100) and not be extradited. (Richard O'Dwyer ordered to pay, 2012)

Despite legal threats, video piracy in the United States has not abated. Although music piracy among college students has received some attention in the Communication literature (e.g., LaRose, Lai, Lange, Love, & Wu, 2007), few investigations to date have specifically examined aspects of video piracy. A recent study found that the movie downloading behavior of Dutch college students was in part predicted by attitudes toward illegal sharing (Jacobs, Heuvelman, Tan, & Peters, 2012).

Rationale and Research Questions

The present study extends this work and explores predictors of public opinions of Americans regarding video piracy. It reports the results of an in-progress online survey of U.S. college students which includes items tapping opinions about video piracy along with measures of video format use, beliefs about video quality and illegal sharing and demographic characteristics. A goal of this research is to better understand why people have particular

opinions concerning piracy and what might be done to prevent illegal video consumption. The following research questions are advanced:

RQ1: How do demographic characteristics (sex, age, income) relate to public opinion about video piracy?

RQ2: How do beliefs (about the practical uses of video piracy, personal addiction, potential for community, justification, and video quality) relate to public opinion about video piracy?

RQ3: How does piracy behavior relate to public opinion about video piracy?

RQ4: How does use of different types of video content (broadcast TV, cable TV, theatrical movies, movies on video, and adult videos) relate to public opinion about video piracy?

RQ5: What are the strongest predictors of public opinion about video piracy?

Method

Participants

One hundred and sixty nine college students completed the online survey used for this investigation. The average age was 24.66 years old ($SD = 7.89$). Slightly more than half of respondents (53%) were female. In terms of household income, 38 (22.5%) said their income falls between \$0 and \$15,000, 32 (18.9%) reported an income of \$15,001-\$30,000, 26 (15.4%) reported \$30,001 to \$50,000, 18 (10.7%) reported \$50,001 to \$75,000, 25 (14.8%) reported an income of \$75,001 or greater, and the rest did not know/refused to answer. Nearly half (47.3%) reported engaging in TV show piracy and more than half (53.8%) reported engaging in movie piracy.

Procedure

Participants were recruited from Communication courses at a Midwestern university. They received partial course credit for their participation. The survey instrument was uploaded to QuickSurveys.com and completed by respondents online. It took approximately 25 minutes to complete.

Measures

All opinion and belief measures used a 7-point, Likert format scale ranging from “Strongly Disagree” to “Strongly Agree.”

Public Opinion about Video Piracy. The dependent variable in this study was measured using four items designed to tap opinions the acceptability of video piracy. It included items such as “copyright piracy is morally wrong” and “movie and TV show creators are hurt by file sharing.” Scores on the items were averaged to form a measure of public opinion about video piracy ($\alpha = .85$).

Belief about the Practical Uses of Video Piracy. Four items measured belief about the practical uses of video piracy, including “I can sample videos before I buy them on illegal sharing sites” and “I get see videos others have so I know what is hot on illegal sites.” The items formed a reliable scale measuring belief about the practical uses of video piracy ($\alpha = .86$).

Belief about Personal Addiction was measured using four items, including “My video viewing and downloading is out of control” and “Downloading and viewing videos is a habit I have gotten into.” The items formed a scale measuring belief about person addiction that had acceptable reliability ($\alpha = .82$).

Belief about Potential for Community was measured through three items, including “I meet new friends on illegal sharing sites.” The items were averaged to create a measure of belief about the potential for community through illegal video sharing ($\alpha = .83$).

Belief about Justification was measured using four items, including “High prices force people to download videos without paying” and “Downloading movies and videos is just like borrowing a video.” The items formed a reliable scale measuring belief about the justification of engaging in video piracy ($\alpha = .73$).

Belief about Video Quality was assessed through five items, including “Videos on the Web with bad looking video are difficult for me to watch” and “When I watch movies, I am bothered by poor quality video.” The items were averaged to form a measure of belief about video quality ($\alpha = .86$).

Piracy Behavior. To measure piracy behavior, two questions were asked—“How often do you watch or download TV shows online through unauthorized sites without paying?” and “How often do you watch or download movies online through unauthorized sites without paying?” Participants answered each question on a 5-point scale ranging from “never” to “all the time.”

Use of Video Content Types was measured using the same scale. Participants indicate the extent to which they viewed each of the following: Broadcast TV, cable TV, theatrical movies, movies on video, and adult videos.

Demographics. For descriptive, predictive, and control purposes, participants were also asked about their age, biological sex, and income.

Results

Table 1 shows descriptive statistics for all study variables. The first four research questions were assessed using correlation analyses. The final research question was addressed with multiple regression analysis.

Research Question Results

RQ1. Age was significantly and positively associated with public opinion about video piracy ($r = .27, p = .001$). As age increased, the view that piracy is morally wrong increased.

RQ2. Three of the five beliefs significantly related to public opinion about video piracy. Belief in the practical uses of video piracy was significantly and inversely related to public opinion about video piracy ($r = -.26, p = .001$). The more participants saw practical uses for video piracy, the less they perceived it as morally wrong. The belief that video piracy is justified was also significantly and negatively associated with public opinion about video piracy ($r = -.27, p = .001$). The more respondents felt they were being forced to engage in video piracy, the less they viewed it as morally wrong. Finally, belief in the importance of video quality was significantly and positively associated with public opinion about video piracy ($r = .22, p = .005$). The more participants viewed video quality as important, the more they viewed video piracy as morally wrong. The other two belief variables, concerning community and addiction, did not significantly relate to public opinion.

RQ3. Both types of piracy behavior significantly related to public opinion about video piracy. Pirated TV show consumption had a negative relationship with public opinion about video piracy ($r = -.24, p = .003$). The more participants engaged in TV piracy behavior, the less they viewed it as morally wrong. Pirated movie consumption also had a negative relationship

with public opinion about video piracy ($r = -.28, p < .001$). The more participants engaged in movie piracy behavior, the less they viewed it as morally wrong.

RQ4. None of the specific types of video content consumption significantly related to public opinion about video piracy.

RQ5. The hierarchical multiple regression analysis run for RQ5 included four blocks of predictor variables corresponding to the variables in Table 1, entered in the following order: demographic characteristics, beliefs, piracy behavior, and video content consumption. Blocks 1 and 2 emerged as significant predictors (Block 1 $R^2 = .08, p = .004$; Block 2 R^2 change = $.09, p = .005$). There were two significant individual predictor variables in the final model—age ($\beta = .26, p = .001$) and belief about video quality ($\beta = .21, p = .005$). This suggests that, controlling for other variables, age (being older) and belief about video quality (seeing it as more important) are positive predictors of public opinion about video piracy (viewing it as more morally wrong).

Discussion & Future Directions

The results show clearly that generational differences affect opinion about the morality of video piracy and indicate efforts to change opinions should target younger Americans. This view is supported by an earlier study's results, which suggests piracy prevention efforts may be most appropriately focused on high school age individuals. (Malin & Fowers, 2009) Some film organizations have spearheaded global educational programs to raise public consciousness of the importance of respecting intellectual property rights and educating people of the civil and criminal penalties resulting from piracy. (Ponte, 2008)

Perceptions of video quality also related to public opinion about piracy. Why? This bears further examination. At least one previous study also suggested possible concern over quality among consumers. (Waterman, 2007) The reasons behind the concern have yet to be thoroughly explored.

Traditionally, pirated videos have been low quality, as with cams- videos of first-run features recorded in theatres. However, as broadband connections and theft technology improve, this relationship may diminish due to higher quality pirated videos. This is still another avenue for exploration.

Early DVD piracy was rampant due to a democratized format which allowed mid-range DVD video producers access to high quality reproduction of materials. It also made piracy easier, as for example, distribution of barbershop discs of cams. But, the next generation disc-based format, Blu-ray is not democratized in order to quell piracy. This has partially led to lower popularity of the format. Will this impact the ability for future high quality disc-based piracy? Will this impact the choice 'to pirate, or not to pirate'?

In the future more data will be collected and the sample expanded beyond college students to the general population and perhaps even to known video pirates. Research could expand as well to examine how perceptions of potential punishments (i.e., lawsuits, loss of Internet service, government penalties, etc.) affect public opinion about piracy. Also considered will be exploration of predictors for engaging in various types of current and emerging forms of video consumption, both legal and illegal.

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and Sharing in the Movie Industry. *Review of Industrial Organization*, 30, 255–289.

Table 1.

Means and Standard Deviations of Study Variables

| Variable | Mean | Standard Deviation |
|--------------------------------------|-------------|---------------------------|
| 1. Public Opinion about Video Piracy | 4.69 | 1.68 |
| 2. Practical Uses Belief | 3.48 | 1.77 |
| 3. Personal Addiction Belief | 1.77 | 1.10 |
| 4. Potential for Community Belief | 1.87 | 1.27 |
| 5. Justification Belief | 3.25 | 1.39 |
| 6. Video Quality Belief | 5.42 | 1.43 |
| 7. Piracy Behavior Television | 1.98 | 1.30 |
| 8. Piracy Behavior Movies | 2.00 | 1.14 |
| 9. Use of Broadcast TV | 2.74 | 1.14 |
| 10. Use of Cable TV | 3.10 | 1.22 |
| 11. Use of Theatrical Movies | 2.46 | 1.06 |
| 12. Use of Movies on Video | 2.82 | 1.09 |
| 13. Use of Adult Videos | 1.85 | 1.10 |
| 14. Age | 24.66 | 7.89 |
| 15. Sex | 0.53 | .50 |
| 16. Income | 3.23 | 1.79 |