



Inside the Mind of a Book Pirate

Winter/Spring 2017

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ABOUT THIS STUDY

BACKGROUND

The growing adoption of digital formats by consumers, students, and professionals has enabled the growth of illicit downloading and accessing of copyrighted material produced by publishers. This is costing U.S. publishers significant amounts of lost income.

OBJECTIVES

The objectives of this study are to understand who is downloading illicit material, how and where they are doing it, and what this might represent to the industry in terms of lost sales.

METHODOLOGY

The survey was conducted online using Nielsen's sample of e-book purchases over the past six months. From there, purchasers were asked about their methods of downloading e-books and a sample of 595* were identified as having pirated material.

*Sample was weighted based on a profile of illegal downloaders identified in the Books & Consumers survey

NOTE: The survey research, findings, and analysis provided in this report were conducted and provided by Nielsen. Unless otherwise noted, Nielsen is the source of the data.

EXECUTIVE SUMMARY

Who are illegal downloaders?

The majority of illegal downloaders are 18 to 34 years old, educated and wealthy.

- More than 70 % of illegal downloaders have either graduated from college or have a post college graduate degree.
- Illegal downloaders are also slightly more likely to be 30—44 years old and to have a yearly household income of \$60k—\$99k.

How and where do they download?

Roughly 30% of illegal downloaders either obtain their content from friends via IM, email, or flash drive or from downloading from public/open torrent sites.

- Of the 13—16 e-books these illegal downloaders acquire per year, 3—7 are acquired illegally.
- 4Shared.com is the most popular torrent site to download e-books, and fiction is the most popular genre to download.

What are the implications in lost sales?

Illegal downloads account for approximately \$315 million in lost sales to the U.S. e-book market per year.

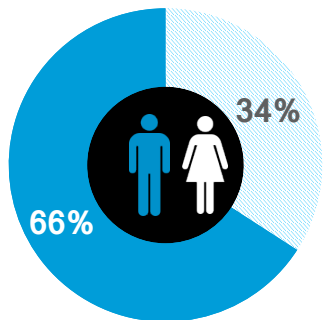
- This estimate is based on a number of assumptions and are outlined in the study. However, this number is ultimately based on self-reported data, which could underestimate the total lost sales to the book industry.

STATE OF ILLEGAL E-BOOK DOWNLOADING



WHO ARE THE ILLEGAL DOWNLOADERS?

GENDER



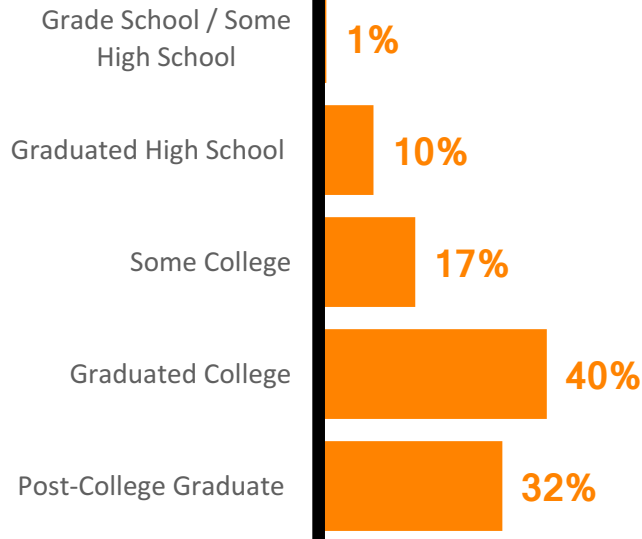
Male



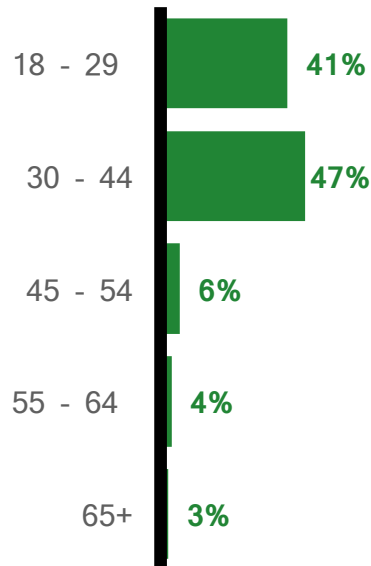
Female



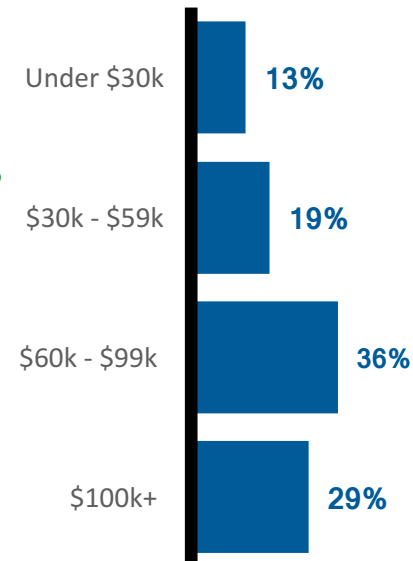
EDUCATION



AGE



INCOME



ILLEGAL METHODS FOR ACQUIRING E-BOOKS



Where Book Pirates Go for E-Books

On average, downloaders use 1.5 methods to acquire e-books illegally

31%

Downloaded free from a public/open torrent site (e.g., Pirate Bay)

31%

Downloaded free from a public/open cyberlocker (e.g., Uploaded.net, 4Shared.com)

30%

Obtained from a friend via IM, email, or flash drive

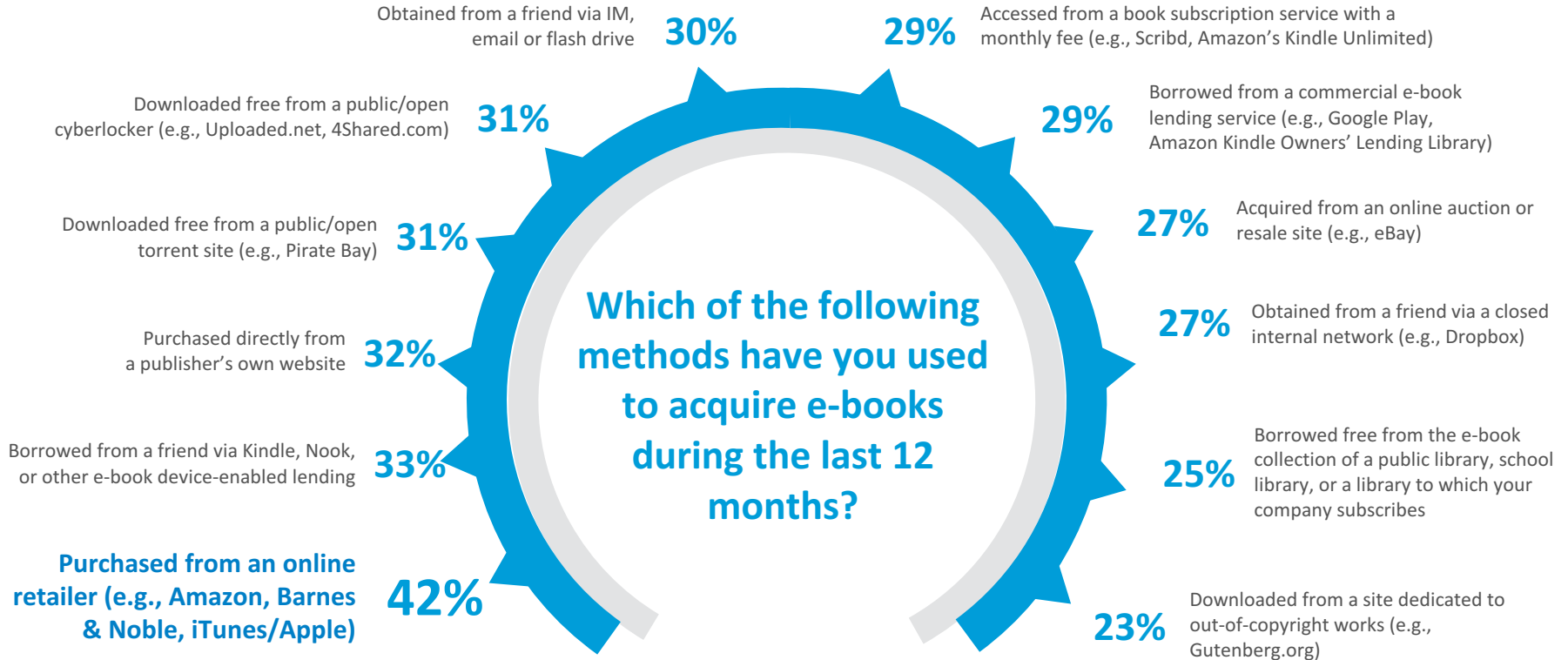
27%

Acquired from an online auction or resale site (e.g., eBay)

27%

Obtained from a friend via a closed internal network (e.g., Dropbox)

BOOK PIRATES ALSO BUY E-BOOKS LEGALLY



DEEP DIVE
INTO OBTAINING
E-BOOKS
VIA PUBLIC/OPEN
TORRENT SITES

PIRACY IS DRIVEN BY CONVENIENCE AND EASE



Why Pirates Download Illegal E-Books from Torrent Sites

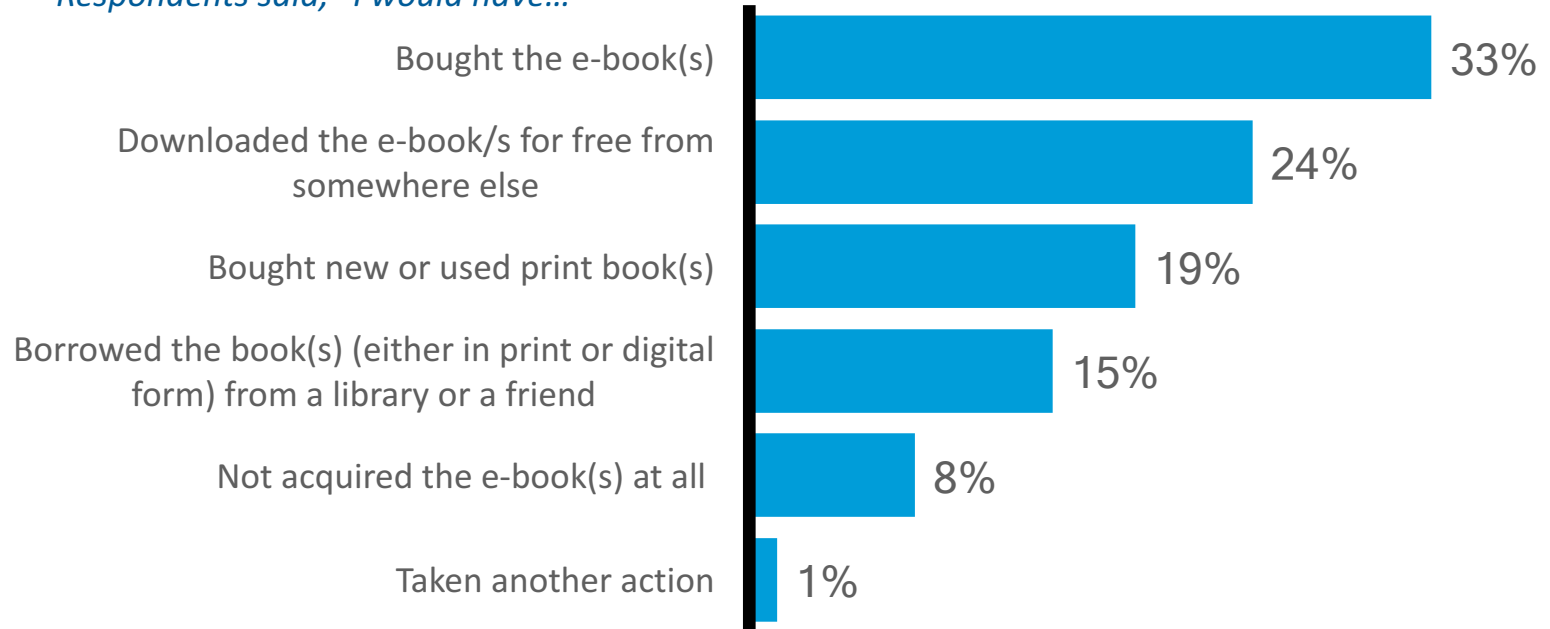


UNSATISFIED PIRATES HAPPILY TURN TO LEGAL METHODS



Alternative Methods for Downloading E-Books if Unavailable

Respondents said, "I would have..."



HOW TO DETER PIRACY? CONVINCE CONSUMERS THEIR COMPUTER IS AT RISK




Negative Drivers for Downloading Illegal E-Books from Torrent Sites

■ Much Less Likely ■ Somewhat Less Likely ■ No Change



ESTIMATING THE SIZE
OF THE ILLICIT E-BOOK
MARKET

METHODOLOGY FOR ARRIVING AT ESTIMATE



	Source
Total E-Book Purchasing Population	Books & Consumers
% of Illegal E-Book Downloaders	Piracy Study
Number of Illegal E-Book Downloaders	
% of Illegal E-Book Downloaders Who Would Have Purchased the E-Book Legally	Piracy Study
Population Who Would Have Purchased E-Books Legally	
% of Illegal E-Book Downloaders Via Methods	Piracy Study
# of E-Books Downloaded per Method Per Downloader	Piracy Study
Total Number of E-Books Illegally Downloaded	
Average Price of E-Books	Books & Consumers
Total Legal E-Book Sales Lost	

ILLICIT E-BOOK MARKET ESTIMATE

**Total Lost of Sales Due to
Illegal Downloading in
the U.S. Market**

~\$315,000,000



