Content Protection During 2020

What We’ve Learned in the Post-COVID Streaming World
Who are we?
Agenda

● Macro Trends in Video Piracy
● What our data tells us
● What our customers are saying
● The future of content protection
Overall Industry Trends
Consumption

40% increase in entertainment, news and sports views in Q2

Source: Brightcove Video Index
Password Sharing

42% of those 13-34 have shared a video service password with someone outside the house.

Source: Magid
Piracy of Football in the UK

On desktop & mobile web, in the last 6 months

Total Visits: 25.53M (+10.19%)
Avg. Visit Duration: 00:02:27
Pages per Visit: 3.09
Bounce Rate: 24.14%

Source: SimilarWeb, TorrentFreak
**Piracy Activity**

Total global visits to piracy sites Jan - June 2020 (68.3 billion)

<table>
<thead>
<tr>
<th>Country</th>
<th>Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>6.1bn</td>
</tr>
<tr>
<td>Russia</td>
<td>4.2bn</td>
</tr>
<tr>
<td>China</td>
<td>3.6bn</td>
</tr>
<tr>
<td>India</td>
<td>3.2bn</td>
</tr>
<tr>
<td>Brazil</td>
<td>2.8bn</td>
</tr>
<tr>
<td>Ukraine</td>
<td>2.2bn</td>
</tr>
<tr>
<td>France</td>
<td>2.2bn</td>
</tr>
<tr>
<td>Turkey</td>
<td>2.1bn</td>
</tr>
<tr>
<td>Vietnam</td>
<td>2.0bn</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1.8bn</td>
</tr>
</tbody>
</table>

Source: Muso
Operation Intangibles
Increase in Investment

14% increase in respondents saying that are investing in content protection

Source: Bitmovin Developer Report
What our data is telling us
In the 7 months since the onset of the COVID-19 pandemic in March....
Increase in Watermarking

66% increase in minutes of content watermarked vs. last year

Source: SHIFT
Increase in Credential Sharing

150% increase in credential sharing

Source: SHIFT
Increase in Interest

346% increase in leads for our content protection products

Source: SHIFT
What our customers are telling us
User Stories

● I'm a movie producer seeking to protect critical pre-release content from piracy.

● I'm an agency helping my Fortune 500 client with A/V needs for internal communications and training, and I need a way to mitigate leakage of sensitive content.

● I own a learning and development service and need to protect my most watched content from being leaked.
Reason 1: Reputation Damage

60% of respondents

Failing to protect your content can lead to loss in brand trust, ruined campaigns and diminished viewership.

Source: Global IP Center
Reason 2: Revenue Loss

53% of respondents

Global revenue losses from digital piracy are up to $97.1 billion for the film industry and up to $95.4 billion for the television industry.¹

Source: Global IP Center
Reason 3: Control Over Intellectual Property

53% of respondents

The domestic value of stolen intellectual property is up to $250 billion annually.

Source: U.S. Department of Commerce
Most Valued Content Protection Measure: Visible Watermarking

60% of respondents
Case Studies
Use Case

Major media conglomerate using many content protection and anti-piracy technologies for pre-release content

- Major motion pictures
- Live sports
- Premium programming
COVID Insights

- Potential new holes and needs due to WFH: get educated on what’s out there
- Ensuring efficient use of content protection resources
- Using piracy data to inform content protection spend
- Desire for increased simplicity, functionality for screenings
Use Case
How Customers Benefit

● Security and peace of mind

● Test content with a national/global audience

● Leverage insights to create, produce, distribute and market content
What are the right mitigation strategies going forward?
Content Protection + Anti-Piracy Options

<table>
<thead>
<tr>
<th>Stage</th>
<th>Production</th>
<th>Distribution</th>
<th>Post-Incident</th>
<th>Market Intelligence</th>
</tr>
</thead>
</table>
| Solutions | • Visible Watermarking  
   • Forensic Watermarking | • Token-based authentication  
   • Encryption  
   • DRM | Notice/Takedown | Piracy intelligence platforms |
Known Piracy Costs

ABOVE THE SURFACE
Better known cyber incident costs

- PR costs
- Litigation fees
- Cost of investigation
- Post-piracy cybersecurity measures

Source: Deloitte
Unknown Piracy Costs

Source: Deloitte
Takeaways

- Understand the macro-level issues
- Monitor your content library
- Use prevention and detection measures up front
- Consider all relevant datasets to continually hone your strategy
Thank You!

Eric Wynalek
eric@shift.io