

# A closer look at Consumer behavior and illegal streaming

## Synamedia & Ampere Sports Piracy

Analysis of consumer behavior reveals the interconnected nature of illegal consumption that extends to sports and premium content.

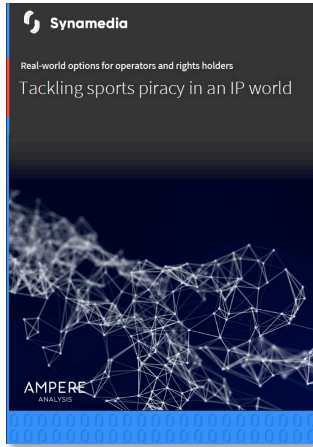
Trends to help our strategy and inform the anti-piracy strategy of rights holders, broadcasters, and OTT platform owners.

Justin Caple  
Synamedia

Our mission is to stop commercial piracy, with strategic focus and significant investment .

Focused on commercially driven, illicit Open (Web Browser) and Closed (IPTV) Network services





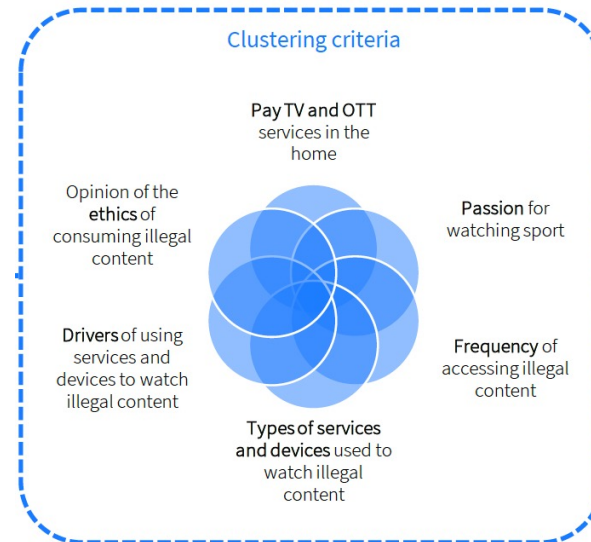
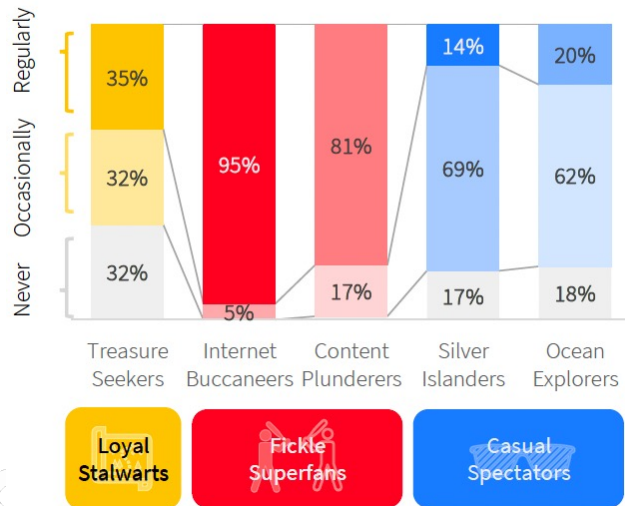
# Tackling sports piracy in an IP world

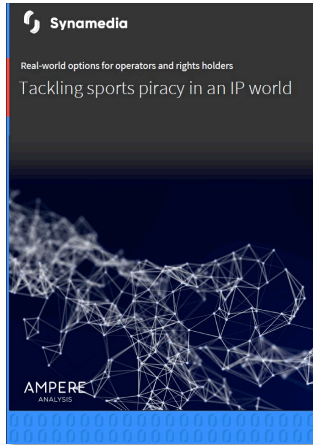
More than 6000, TV watching sports fans across 10 countries

Revealing the differences in the ways they consume illegal sports content, and the attitudes and behaviours that underpin consumers' use of pirate content providers.

Understanding the traits of each type of sports fan and the behavioural groups within them, offers a clear route to reducing demand for illegal content, encouraging uptake of legitimate services, and managing the impact on the industry.

Consumer segments: frequency of accessing illegal sport content (%)





### Consumer segments: moral attitudes & use of illegal content



Rights holders, rights buyers and distributors can work with industry technology providers to fine-tune their response, reacting to the needs of each group of consumers individually— creating focused product offers and ensuring content is fully protected as it is delivered across every platform, network and device.

This means focusing on security solutions which create flexible access and payment models, protect and facilitate multiscreen access, and help to combat the full range of illegal access technologies. Delivering this without increasing complexity of access or frustrating paying sports fans is the key to maximizing disruption of the pirate ecosystem.

**Sports Piracy is the primary gateway**



# Tackling sports piracy in an IP world

The research established that 84% of those surveyed are watching sport illegally. Not only that, but 38% of the most engaged pirate consumers are paying for a pirate service.

From our research, it became clear that 75% of pirate consumers admitted that what they do is wrong. It's not an issue of educating the pirate consumers. The vast majority know it is wrong.

Most importantly, however, nearly all fans (84%) fear disruption of their illegal service. And so, if pirate streams became so unreliable that consumers no longer trust them, they would be less likely to turn to illegal providers.

 **Loyal Stalwarts**  
26% of fans

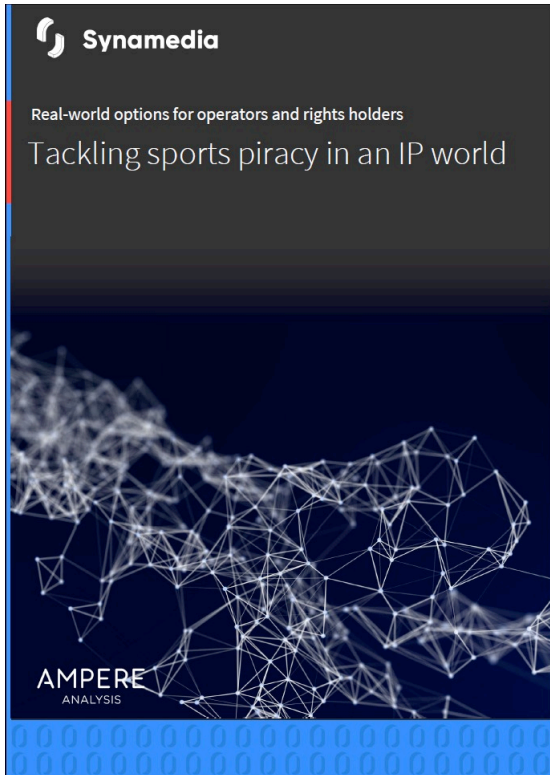
 **Fickle Superfans**  
31% of fans

 **Casual Spectators**  
43% of fans

© Ampere Analysis 2020







## Tackling sports piracy in an IP world – Part 2

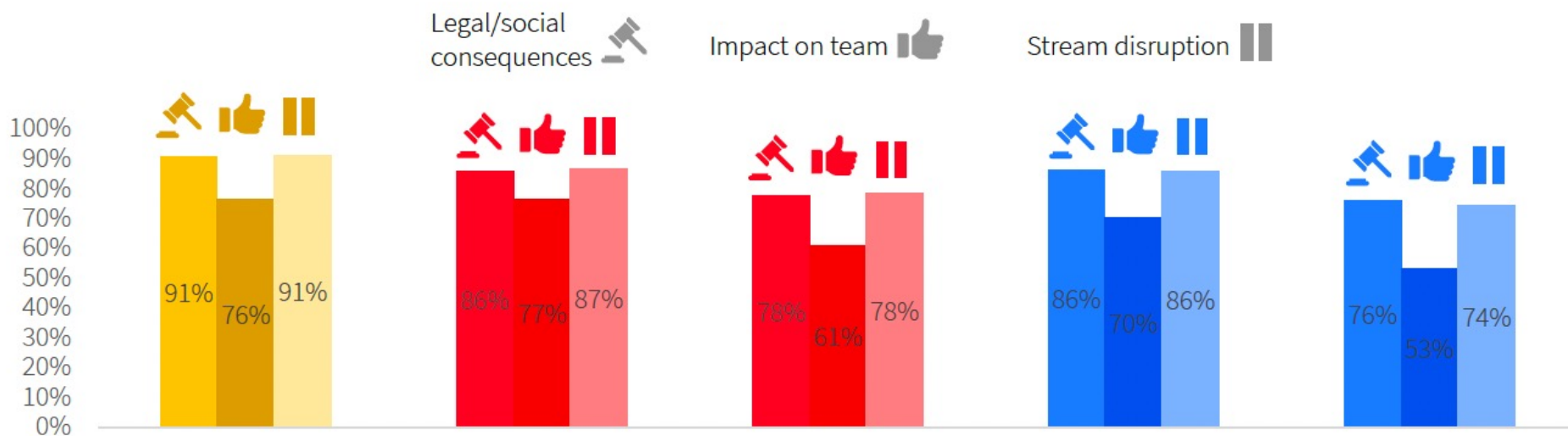
The scale of illegal consumption of live sports is staggering. Among the most engaged fans who watch sport every week, 83% access illegal pirate streams, primarily via internet based IP streaming.

Understand strategies for converting consumers of illegal content into paying subscribers, and a roadmap for all players in the value chain to focus on anti piracy interventions that are tailored to the motivations and behaviours of each distinct group of consumers.

- ✓ What would motivate pirate consumers to change their ways and become legitimate legal consumers?
- ✓ Do anti-piracy actions change the pirate consumers' view of their illegal sports streaming?



## Most important factors in reducing piracy % of segment that would change behaviour



**Loyal Stalwarts / Treasure Seekers** would be 8 percent more likely than average to reduce their piracy if the risk of social or legal consequences rose

Although they are regular users of illegal content, **Internet Buccaneers** are passionate fans and would reduce piracy if it impacted their favourite team

**Content Plunderers** are distinct from the other **Fickle Superfan** subgroup in being less likely to be dissuaded by any factor, likely seeing risks as low

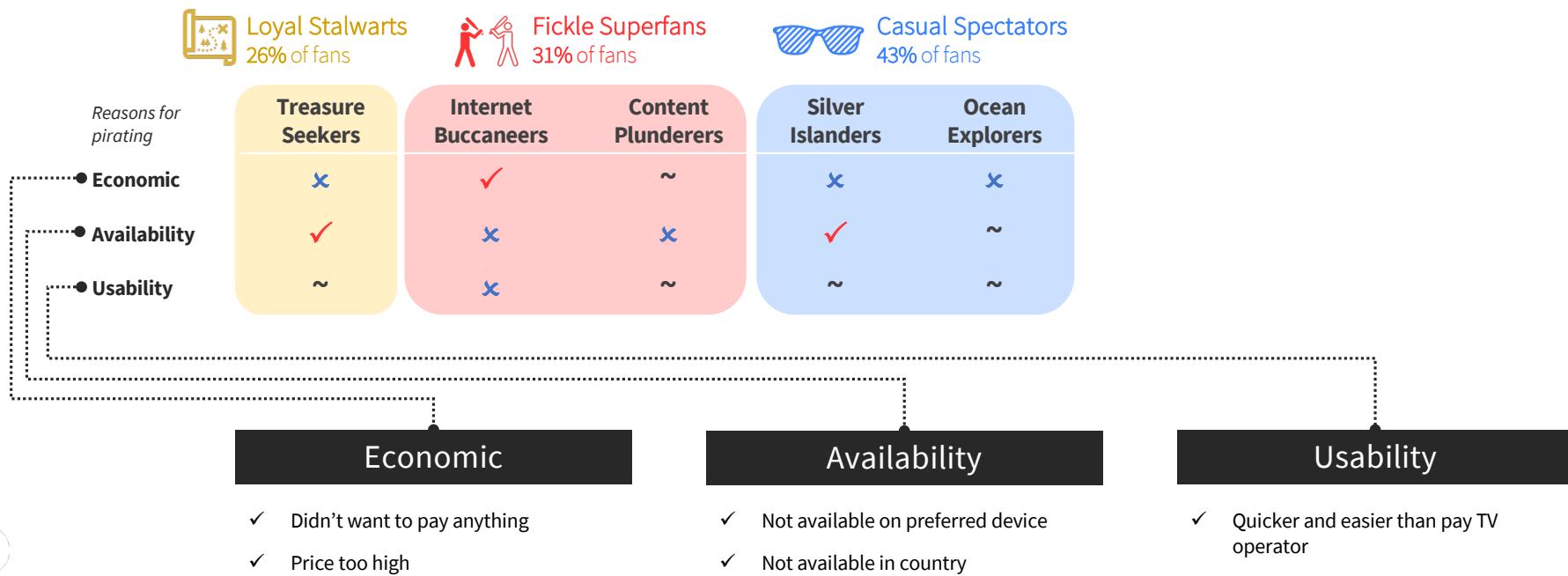
**Silver Islanders** are marginally more concerned than average about all factors, but also have lower baseline sports piracy engagement

The risk of their favourite team suffering financially from piracy doesn't really concern **Ocean Explorers**, who are typically 'lighter' sports fans



# Targeted strategies for cutting sports piracy

Make it harder than handbags. The theory is that if the criminals are sufficiently frustrated, they will turn their attention away from content piracy to other crimes like producing fake designer purses. This requires a multipronged approach from all players in the sports value chain with carefully targeted interventions. It means closing the incentives that can cause consumers to turn to illegal providers in the first place, with effective rights licensing strategies and pay TV product development. It means using monitoring and intelligence to detect and take down illegal streams, degrading the experience for consumers. And it means global collaboration among a wide range of industry players, from rights holders to TV channels to pay TV platforms, to Internet and technology companies.



## Summary

Reasons for pirating	Treasure Seekers	Internet Buccaneers	Content Plunderers	Silver Islanders	Ocean Explorers
Economic	x	✓	~	x	x
Availability	✓	x	x	✓	~
Usability	~	x	~	~	~

## Multiple ways to address piracy challenge

Understanding the motivation

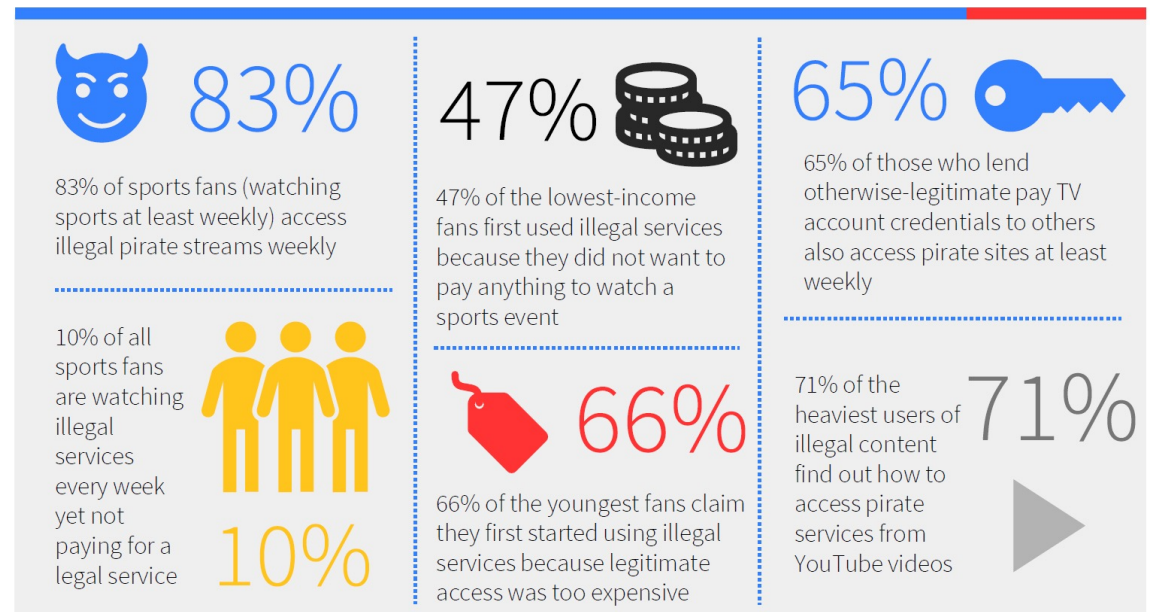
Using effective anti-piracy technology and legal action

Applying anti-piracy measures equally

Maximizing collaboration

Addressing economic triggers

Addressing availability and usability triggers





Real-world options for operators and rights holders

# Tackling sports piracy in an IP world

### Multiple ways to address the piracy challenge

Summary: key findings

Sports rights owners and pay TV platforms have a number of opportunities to reduce illegal consumption of sports content, many requiring only small changes to working practices, among them:

- Understanding the motivations of the large proportion of engaged fans who "top-up" their legitimate pay TV services with illegal content.
- Using effective anti-piracy technology and legal action, monitoring and intelligence to disrupt pirate streamers and a greater emphasis is placed by many of fans, especially those paying for illegal internet-delivered sports streaming, in leveraging legal action to take down illegal services/borders this impact.
- Applying anti-grainy measures equally in every market, avoiding leaving a "weakest link" platform to become the source of pirate streams elsewhere.
- Maximizing collaboration between rights holders, broadcasters and platforms—sharing responsibility for monitoring and enforcing anti-piracy measures.
- Addressing economic triggers prompting consumers to use illegal content services with pay TV product and pricing innovation such as "flex passes".
- Addressing availability and usability triggers with multi-screen and OTT-only access, and bundling deals to minimize rights fragmentation and to maximize the reach of legitimate content on every screen.

<p><b>83%</b> 83% of sports fans watching sports at least weekly access illegal pirate streams weekly</p>	<p><b>47%</b> 47% of the lowest-income fans first used legal services because they did not want to pay anything to watch a sport event</p>	<p><b>65%</b> 65% of those who are otherwise legitimate pay TV account subscribers also access pirate sites at least weekly</p>
<p><b>10%</b> 10% of all sports fans are watching illegal services every week yet not paying for a legal service</p>	<p><b>66%</b> 66% of the youngest fans claim they first started using illegal services because legitimate access was too expensive</p>	<p><b>71%</b> 71% of the heaviest users of illegal content find out how to access pirate services from YouTube videos</p>

### Managing rights fragmentation to reduce illegal consumption

Example of fragmented rights: Brazil

With the lack of a "one stop shop" platform for the most engaged fans to access their choice of sports, many are turning to illegal providers instead.

Brazil is a hotbed for illegal live sports viewing, with 83% of all sports fans watching pirate streams weekly. Sports fans in the country often prefer watching their favorite sporting events via illicit streaming services.

Fans in Brazil are far more likely than viewers in other countries to say they first turned to pirate providers because there was a sporting event unavailable by other means in their country.

They are more likely than most to accuse their consumption of illegal services of saving their main TV provider does not show all the games they want to watch.

Most people will pay if it's available. Where there's the right service available at a reasonable price then piracy goes right down.

—International sports broadcaster—

Rights for key national and international sports, leagues and events are spread among at least 17 different broadcasters and platforms, ranging from local providers like Globo to international channels such as ESPN and ESPN, OTT service iFlix, and social media platforms including Facebook and YouTube.

Brazil is one of the biggest soccer-loving nations, but the sport is the major domestic and international soccer league is also divided among 11 different leagues, 93% of regular users of illegal streams are soccer fans.

### Closing the gateways to illegal sports content

Pricing and access strategies

Rights owners and rights buyers can address each of the triggers systematically to reduce the risk of each segment of consumers seeking out pirate streams.

Pricing strategy segment the market with flexible pricing models to access to live sports.

Access strategy ensure rights deals maximize reach across platforms and devices so sport is readily available to consumers.

Incentives may not help with all. **Flocke Superfans** and consumers in markets like Brazil and Malaysia who are reluctant to pay to watch sport, but rights holders are increasingly adopting innovative strategies that broaden the reach of their products. These approaches help reach the loyal fans who don't want to commit to multiple subscriptions, and do not use social platforms who just want occasional access.

The NBA is transforming the way access to its games are provided with its OTT streaming product, NBA TV. Consumers can subscribe monthly, or for the entire season for a single game, or for audio commentary only. Flexible subscription management technology even enables access for a single team, or the final quarter of a game.

The French Football League sold "flex resolution" league rights to BTV operator Iliad for four seasons starting 2020. This provides access for last 15 minutes of every game, or for audio commentary only. Flexible subscription management technology even enables access for a single team, or the final quarter of a game.

Have paid for premium sports channels/OTT services and also access pirate sport services once a week or more

Local Networks	20%
Pirate Superfans	50%
Casual Sportsfans	24%

European operator Sky offers flexible subscription terms to users of its football services as OTT streaming video platform. Consumers can subscribe to the premium Sky Sports channels without needing a satellite receiver, and can pay on a month-to-month basis with no commitment, or even for a single day.

Download the report

<https://www.synamedia.com/whitepapers-reports/tackling-sports-piracy-in-an-ip-world/>





Q & A