























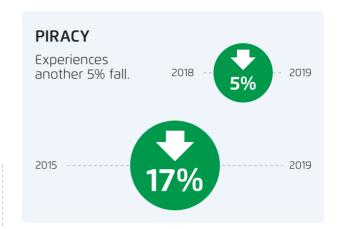
— PIRACY OBSERVATORY AND DIGITAL 2019 CONTENT CONSUMPTION HABITS

In Spain, each time users access less to illegal contents, although piracy continues at high levels, giving a break to spread legal offer. In 2019, the number of Illegal contents to which public accessed was 5,187 billion, which represents a decrease of 5% compared to 2018, and an accumulated fall since 2015 of 17%

The damage caused to the sector reached 2,437 billion euros. The Public Purse stopped receiving 673 million euros and with this amount, there could have been created 117,097 direct and indirect jobs.

LOST PROFIT

PUBLIC PURSE STOPPED RECEIVING



Access to contents



Slightly decreases the number of consumers of illegal and legal music.

MUSIC

Piracy consumers in physical or digital format



The legal consumption of movies increases and the illegal consumption decreases.

FILMS

Piracy consumers in physical or digital format



The legal consumption of video games is maintained but illegal consumption increases.

VIDEOGAMES

20%

31%

Piracy consumers in digital format.



The consumption of books increases, both legal and illegal.

BOOKS

33%

Piracy consumers in digital format.



The legal consumption series increases and the illegal consumption decreases.

SERIES

Piracy consumers in physical or digital format.



Football consumption through illegal channels decreases and legal consumption increases.

FOOTBALL

Piracy consumers in digital format.

22%





The illegal consumption of press and magazines in digital format triples the legal one.

Piracy consumers in digital format.

PRFSS MAGAZINES



The illegal consumption of scores is lower than the legal consumption.

SCORES

5%

Piracy consumers in digital format.

















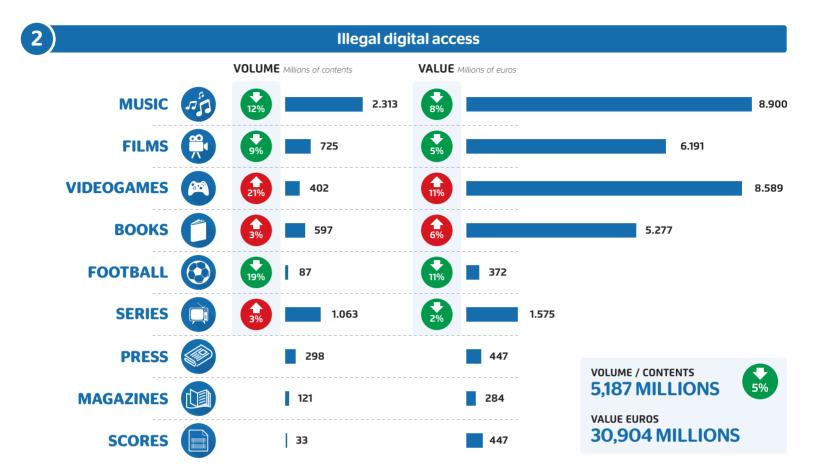












3 Illicit access in terms of age of content

Most of the consumed contents are new releases in all the industries.

From release up to a year:

67%

MUSIC

54%

FILMS

58%

VIDEOGAMES

57%

BOOKS

68%

SERIES

Lost profit in industry in spain due to the effect of piracy

The lost profit in 2019 for the industries was 2.437 million euros.

527

millions €

MUSIC

Would buy **16** and online **511** } **178%** increase in industry value

(

FILMS

Would buy **308** and online **128 57%** increase in industry value

437 millions € BOOKS

Would buy **74** and online **155 10%** increase in industry value

230 millions €

VIDEOGAMES

Would buy **54** and online **149** 203 millions

O FOOTBALL

Would subscribe to football: 293
25% increase in industry value

293

PRESS

Compraría físico **173** y online **114 24%** increase in industry value

287 millions €

MAGAZINES

Would buy 174 and online 149 } 323 millions €

SERIES

SCORES

Would buy scores 30 } 30 millions €











fedicine





















THE CONTENT INDUSTRIES WHO ARE MEMBERS OF THE COALITION **EMPLOY IN SPAIN**

80,876 DIRECT WORKERS

CURRENTLY

404,380

WITHOUT PIRACY



can generate five indirect jobs

NEW POSITIONS GENERATED IN A SCENARIO WITHOUT PIRACY

INDIRECT WORKERS

There could have been created 117,097 direct and indirect jobs.

NEW JOBS

Public funds cease to receive...

The Public Funds

applied

stopped receiving 673 million euros.

TOTAL

TOTAL LOST INCOME IN PUBLIC FUNDS 233 + 440 = 673

jobs

MILLI				
	New	Salary	Rate	

applied*

Social Security 19.516 23.647 38,9% 180 IRPF 11,5% 53 19.516 23.647 TOTAL 233

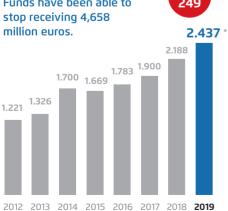
VAT	Physical		Online	TOTAL
MUSIC	3		107	111
FILMS	65		27	92
VIDEOGAMES	11		31	43
BOOKS	3		33	36
SERIES		23		23
FOOTBALL		61		61
PRESS	7		24	31
MAGAZINES	7		31	38
SCORES		6		6
TOTAL				440

Unit: millions of euros. Without Press and Magazines representation because 2019 is the first measurement in this study. (*) Average salary applied over GfK estimation based on data from the Annual Survey of Structural Salaries from INE.

Impact of piracy

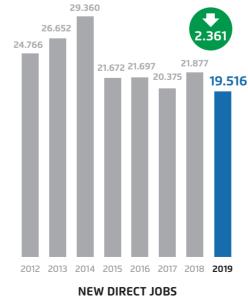
The damage caused by piracy has a negative impact on the industry (loss of profit).

Since 2012, the Public Funds have been able to stop receiving 4,658 million euros.



TOTAL VALUE OF LOST PROFIT DUE TO PIRACY

(millions of euros)



In an scene without piracy the

TOTAL LOST INCOME IN PUBLIC FUNDS (millions of euros)

























52%

37%

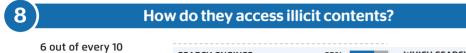
26%

32%

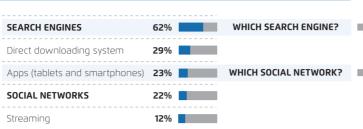
12%

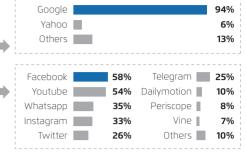
17%

YES



internet users use search engines to access illicit contents. In 2019 the rise of the access through Social Networks (Facebook, Whatsapp, Telegram...) stands out





DISTINCTION BETWEEN LEGAL AND NON-LEGAL

40%

NO. 4 out of 10 piracy consumers have a lot of difficulty in differentiating between legal websites and those which are not.

The reason why they say they access illegal content that increases the most in 2019 is because they already paying for their Internet connection. However, the degree of awareness about piracy positively increases.

SOURCES OF INCOME

ADVERTISING THEY RECALL

Virtually all of the illegal content portals have advertising.

Betting websites / online gaming

Online sales webs

Anonymization systems

Dating websites

First brands

Others -

How illicit portals are financed?

WHAT DETAILS DID THEY

HAVE TO PROVIDE?

7 out of 10 users who have acceded illicit contents had to register as an user. **4 out of 10** distrust these portals when they have to give information.

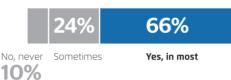
WHAT DEGREE OF CONFIDENCE GIVES YOU TO PROVIDE THIS INFORMATION?



confident

Much confident WHEN YOU ACCESS TO ILLICIT CONTENTS YOU WERE ASK TO ACCEPT THE COOKIES?

Tutorials to learn how to download content



DID THEY HAVE TO REGISTER AS AN USER?

confidence



HAS FILLED OUT A SURVEY WHEN THEY ACCESS TO THE CONTENT?



E CONTENT?
YES



WHEN YOU

ACCESS TO THESE CONTENTS DO THEY

HAVE ADVERTISING?







The most used are those that show how to download music (17%)

EQUIPMENT



CONTENT PORTAL



of those who access free digital content has tried to access content but it was closed / no longer existed.

11) Effectiveness of measures against piracy

8 out of 10 consider that the most effective measures against piracy are blocking websites with illicit contents and sanctions on Internet providers. However, the least effective measure is sanctioning users with fines.

MEASURES

Blocking or not allowing access to websites with illicit contents

Sanctions on Internet providers

Awareness raising campaigns

Sanctioning users with fines

VERY EFFECTIVE

77%

66%