



2019 Intellectual Property and Youth Scoreboard

EXECUTIVE SUMMARY

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Commissioned by the European Union Intellectual Property Office (EUIPO) from Ipsos

Executive Summary: October 2019

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1.1 SUMMARY OF KEY FINDINGS

This study follows the first edition of the Intellectual Property and Youth Scoreboard (2016). The specific aim of the research is to understand which drivers and barriers are the strongest when acquiring online digital content or purchasing physical goods that are offered legally and illegally. The 2019 study is based on repeating the same online survey of 2016 among young people (aged 15-24) in the 28 EU Member States (EU28), to highlight the similarities and differences between then and now. This executive summary, which accompanies the report, summarises the key findings and specific results in the three domains of digital content, physical goods, and communication.

The most noticeable aspect of the 2019 Intellectual Property and Youth Scoreboard is that many of the results are very similar to those found in 2016. However, there are also some interesting early indications of a possible change in the attitudes and behaviour of young Europeans, and this report highlights the notable similarities and changes since the first edition. It remains to be seen whether these small shifts are indicative or not of a real change in the behaviour and attitudes of young people. The demographic-based differences of young people in the EU28 and the significant differences between countries have also been taken into account.

Quality matters, cost is also a main factor but has declined in importance

Young people care about quality when it comes to shopping online for digital content or physical goods. Furthermore, they are concerned about making purchases in a safe online environment. While cost/price is ranked as an important consideration, this driver is not as strong as it was in 2016. Affordability arguments are ranked highest among the reasons to stop engaging in IP infringing behaviour, but fewer young people in 2019 agree that this is a primary reason to stop.

Legality appears to be resonating slightly more with young people

When it comes to young people and intellectual property infringement, there is a big difference between buying fake products and accessing digital content from illegal sources, as was the case in 2016. Only one in five had bought counterfeit goods whereas twice this figure had accessed digital content from illegal sources. An indicative finding of the 2019 Youth IP Scoreboard is that there has been **a slight decrease (4 percentage points) in the proportion of young people who have intentionally accessed digital content through illegal sources** and an increase in the proportion who have intentionally not used illegal sources (11 percentage points). This shift is **not reflected in young people's propensity to buy fake goods**, although this behaviour is far less common than accessing digital content through illegal sources.

Young people in 2019 consider the legality of online sources for digital content and physical goods. The percentage of young people who stress the importance of an item being original rather than fake has slightly risen, as has the percentage who say that online content offered legally is also important. There has been a slight decline in the percentage of young people saying that they bought fake goods because they did not care whether they were genuine or fake and, similarly, in the proportion of those who accessed digital content via illegal sources because they did not know otherwise, or because they did not see anything wrong with doing so.

Most young people across Europe say they perform at least one check to verify whether a source is legal or illegal (when purchasing physical goods or accessing digital content). Indeed, the figure has marginally

increased since 2016 (82 % in 2016 mentioned performing at least one check compared to 87 % in 2019), indicating that young people are checking the legality of their sources slightly more often. The most common check performed, by quite a margin, is searching the internet for reviews, comments or opinions (58 %). The next most common is checking the site owner (31 %), then asking friends (26 %), and asking parents or relatives (19 %). Just over half (55 %) of young people say they are capable of identifying illegal sources of digital content. While fewer — 39 % — feel able to identify illegal sources of *physical* goods, both figures represent a small improvement on the results for 2016, with 4 and 3 percentage points respectively.

Together, these small shifts indicate that there may be an increasing willingness among young people to make checks, which can be encouraged further.

The market has changed

The idea of subscription-based business models for digital content appears to have gained traction, with a 9 percentage point increase in those saying that paying a subscription to access all content is important. Furthermore, the patterns in what young people are accessing have shifted significantly since 2016, with a 17 percentage point decrease in the number of young people saying they used illegal sources to access music and a 7 percentage point decrease in the number saying they used illegal sources to access films. The reasons for using illegal sources are less likely to be about the lack of a need to register and access content by item. Together, these findings suggest that the trend towards subscription service legal offers, at least in some markets, may be influencing young people's online behaviour towards these legal offers and subsequently reducing the attraction of illegal offers.

Young people think twice if they sense a risk to their personal safety, but are increasingly convinced by moral arguments

Young people are sensitive to the risks to themselves if they choose to engage in behaviour that infringes the IP of others online. The risk of their credit card details being stolen or their computer/device being infected by viruses/malware are the biggest reasons for young people to think twice about purchasing digital content from illegal sources or counterfeit goods. Nevertheless, it is some of the more 'moral' arguments that have become more convincing for young people. Young people increasingly think counterfeit goods are 'not cool' and are concerned that the 'artists/creators and the team behind them may be harmed'.

1.2 DIGITAL CONTENT

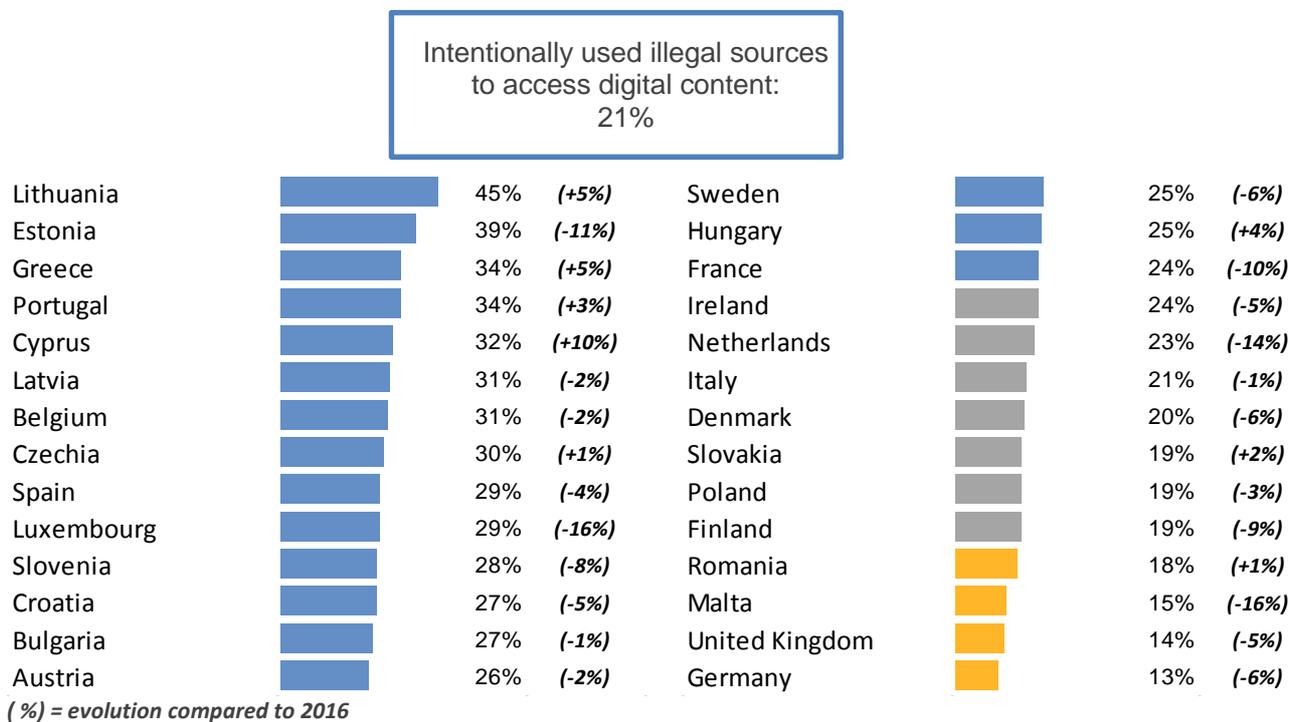
As was the case in 2016, music remains the most popular digital content accessed by young people. Indeed, almost all (97 %) stream or download music and more than nine in ten stream or download films/series (94 %) and games (92 %). Around eight in ten stream or download educational content (82 %) and TV shows or sport (79 %). The proportions accessing e-newspapers and magazines, and e-books remain somewhat lower, at 59 % and 56 % respectively.

The quality and safety of the online offer are more important than price to young people when making a choice of digital content. Both price and quality have decreased in importance since 2016, whereas the legality of sources has become more important — with the increase most noticeable in Finland. Furthermore, young people are more likely to say that being able to pay a subscription fee is an important factor.

A third of young people have accessed illegal sources, but this has decreased by 5 percentage points since 2016. Therefore, there has been an increase in the proportion who have *not* used illegal sources.

When it comes to accessing illegal sources for digital content, one-third of young people has accessed illegal sources, 21 % intentionally and 12 % *unintentionally*. This is lower than in 2016. Furthermore, there has been a corresponding increase in the proportion saying they have *not* accessed illegal sources, and a decrease in the proportion saying they are unsure. More generally, it is rare for young people to rely exclusively on illegal sources — 80 % of the sample use legal sources to access digital content. Overall, the degree to which young people are accessing illegal sources for digital content has not seen a dramatic shift, however there have been increases in some countries (e.g. in Cyprus) and decreases in others (e.g. the Netherlands, Luxembourg and Malta). With one exception, every country has seen a decrease in the percentage who are unsure as to whether sources are illegal or otherwise.

Figure 1.1: Proportion of young people who intentionally accessed digital content from illegal sources per country



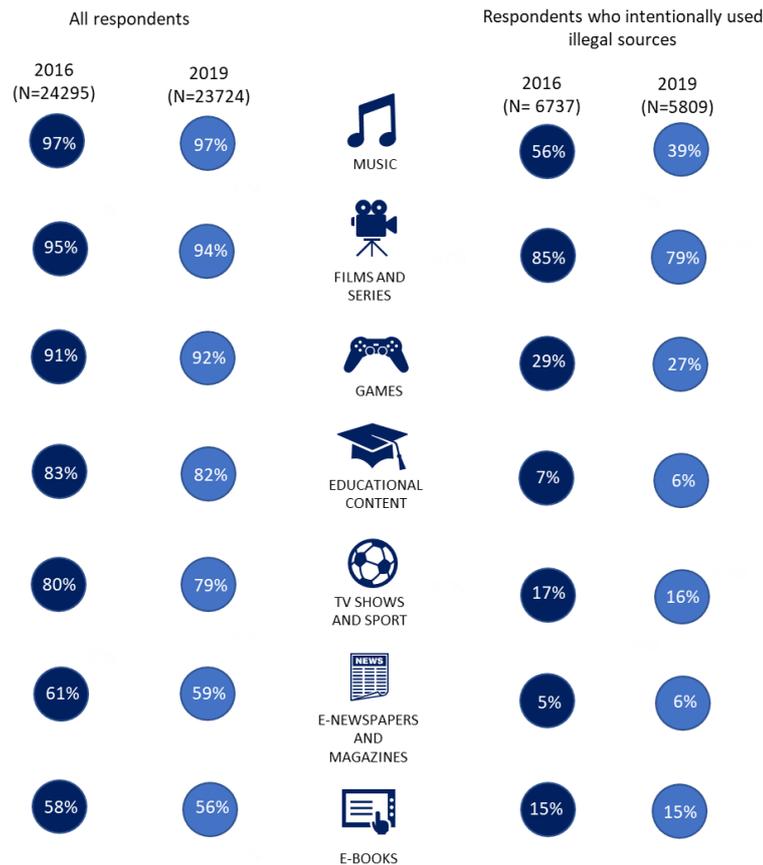
Young people who use illegal sources intentionally to access digital content do so primarily to access films and series. There has been a notable decrease in those using illegal sources to access music — whereas almost all young people download or stream music online, only 39 % of those intentionally using illegal sources do so to access music — a decline of 17 percentage points since 2016.

The main reason that young people use illegal sources intentionally is due to price, with over half (56 %) mentioning this, but other reasons include the lack of a legal offer (30 %) and the perception that a larger choice of content is available illegally (26 %). Price as a driver has decreased by almost 10 percentage points since 2016.

There are almost always reasons that would stop young people from using illegal sources to access digital content. Primarily these relate to having a more affordable offer (55 %), followed by a risk of punishment (35 %), and a bad personal experience (29 %).

The specific type of illegal content that young people access intentionally continues to show a limited correlation with more general digital consumption patterns. Thus, whereas a majority of all respondents digitally consume films/series, games, educational content, TV shows, sport, e-newspapers/magazines, and e-books, those accessing illegal sources intentionally are predominantly doing so to download or stream films and series.

Figure 1.2: Use of digital content in general and intentional use of content from illegal sources ⁽¹⁾



Nonetheless, reflecting the aggregate decline in intentional use of illegal digital sources, the proportions of young people accessing illegal sources of music or films and series intentionally are appreciably lower than in 2016 — by 17 and 6 percentage points respectively.

1.3 PHYSICAL GOODS

The overwhelming majority of young Europeans — 94 % — have bought products online in the last 12 months. This is almost identical to the finding for 2016. Clothes, accessories and footwear remain the most

⁽¹⁾ Source: Question II3.1: How often have you listened to, watched, read, used, played, downloaded, streamed the following content from the internet during the past 12 months? (N=23724) and IV4: Which type of content did you use, play, download or stream intentionally from a legal source (website)? Please indicate all that apply (N=5809).

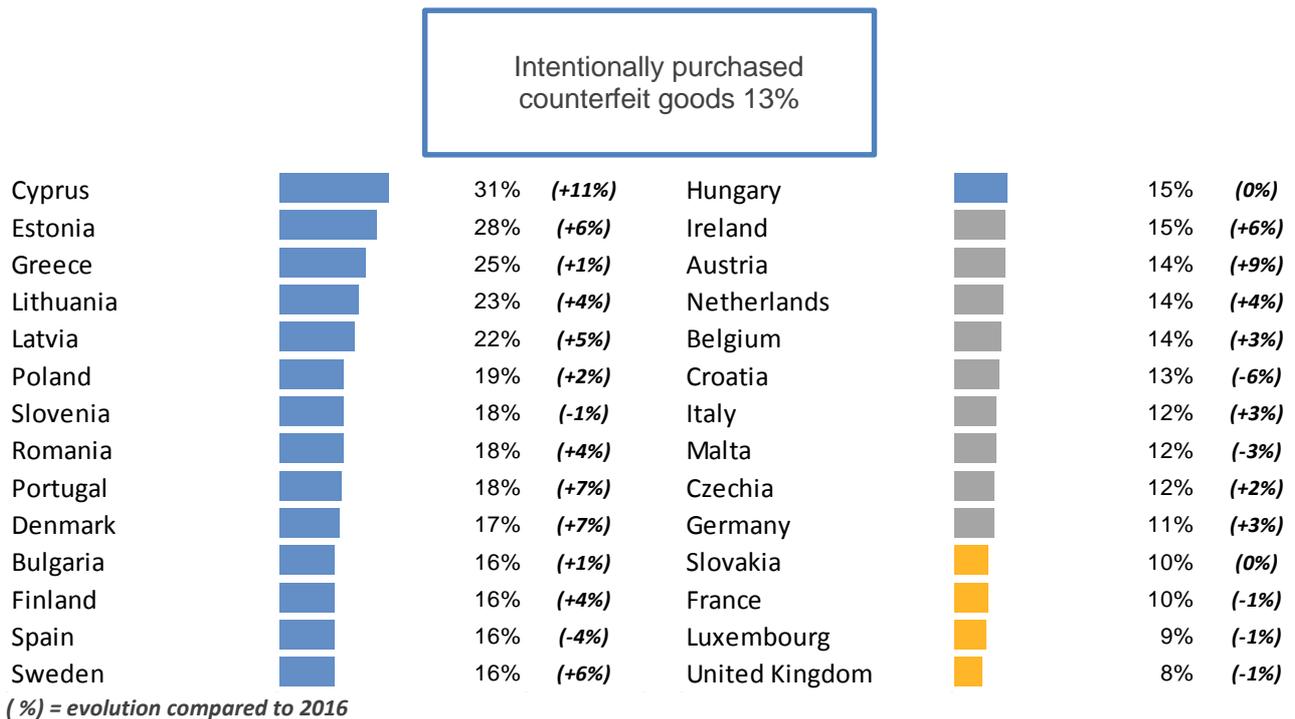
popular categories of goods that young people buy online. In terms of other categories, young people are less commonly purchasing music and films (physical product versions) online in comparison to 2016.

As is the case for digital content, the key factor that young people consider when purchasing products online is the quality of the product (62 %) and the safety of payment methods (61 %). However, another factor, the safety of the site, has increased in importance since 2016, by 7 percentage points.

There has been a slight (3 percentage points) increase in the purchase of counterfeit goods among young people, from 22 % to 25 % since 2016.

A quarter of young people have bought counterfeit physical goods online — 13 % intentionally and 12 % unintentionally. Overall, there has been a small (3 percentage points) increase in the purchase of counterfeit goods since 2016. This increase has been more noticeable in countries such as Austria and Cyprus than in others — indeed, Croatia has seen a decrease in the percentage buying counterfeit goods. Across Europe, one in ten respondents are unsure as to whether or not they have bought counterfeit physical goods; an almost identical proportion to that recorded in 2016.

Figure 1.3: Proportion of young people who intentionally purchased counterfeit goods per country



The most commonly purchased counterfeit goods continue to be clothes and accessories, and footwear. Other categories, including electronic devices, tickets, books and magazines are purchased comparatively infrequently. These results show no significant change to 2016.

Price again plays a key role in the intentional purchase of counterfeit goods. Furthermore, a significant minority of young people do not see the difference between real and fake products and do not care if they are fake. While this rank ordering of factors reflects that of 2016, there has been a decrease in the proportion citing price.

Fewer than one in ten of those who have bought counterfeit physical goods intentionally say that nothing would stop them from doing this again. Again, a more affordable offer of original products, a bad experience or the risk of punishment would stop young people from buying counterfeit products, as was the case in 2016.

1.4 COMMUNICATION

Messages about personal safety and risk still resonate strongly among young people, but at the same time there has been an increase in three moral values-based arguments against infringing intellectual property rights, especially that counterfeit goods are not cool and that artists/creators may be harmed.

Two main themes emerged in the 2016 Youth IP Scoreboard that might form the basis of any communications aimed at increasing young people's awareness of intellectual property rights and the negative impacts of counterfeiting and piracy. These themes were personal safety and risk; and moral values.

In 2016, the theme of 'personal safety and risk' was found to carry more weight than 'moral values', albeit both resonated with most of the respondents. In 2019 statements about safety and risk again carry the most weight but there has also been notable change in the findings since 2016; in particular, an increase in the proportion of young people saying they would be influenced by three of the moral values-based considerations:

- that counterfeit goods and piracy are just not cool (up from 48 % to 56 %);
- that artists, creators and the teams behind them may be harmed (up from 60 % to 66 %);
- that counterfeit products can be bad for the environment (up from 58 % to 61%)

In parallel with these changes, there has been a *decrease* in the proportion of young people saying they would be influenced by the consideration that money spent on counterfeit goods goes towards organised crime. Whereas almost three-quarters of young people selected this in 2016, the 2019 figure is 6 percentage points lower, at 66%.