

EUROPEAN CITIZENS AND INTELLECTUAL PROPERTY: PERCEPTION, AWARENESS, AND BEHAVIOUR – 2020

EXECUTIVE SUMMARY



NOVEMBER 2020

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FOREWORD

This updated major study of how IP rights are perceived by EU citizens is a unique roadmap for all the EU countries when it comes to counterfeiting and piracy attitudes and behaviours.

Now in its third edition, it shows a gradual but encouraging change in understanding and attitudes, following the previous surveys by the EUIPO in 2013 and 2017.

As in the previous editions, this EU-wide study confirms that the vast majority of citizens agree that it is important that those who invest time and money in innovation have their rights protected and are paid for their work.

This time, there is a particularly large increase in respect for artists and creators. In addition, people are gradually saying that they have a better understanding of IP rights, which is an important finding, given the evidence that those who understand these rights are less likely to deliberately infringe them.

There has been a slight drop from 7% to 5% for intentional purchase of counterfeits and from 10% to 8% for intentional piracy. Young people continue to be the biggest group that buy counterfeits and download illegally, showing there is more work to be done here, especially since this group comprise the heaviest users of the internet. At the same time the trend to perceive the purchase of counterfeits as harmful to people's image continues to rise – up from 12% to 17% in the current study.

While the study does not enter into why counterfeits are now perceived more negatively, this trend is likely to be reinforced by the public backlash against fake medicines and personal protective equipment during the Covid-19 crisis.

As regards downloads, people are now more willing to pay for legal content particularly if it is made available at a reasonable price. Part of this change may be linked to the increase in availability of legal sources. People are paying more for legal content as the quality and diversity improves. They are also checking more frequently whether the sites they use are legal or not.

These changes, and the reasons behind them, deserve to be closely studied and this updated report will continue to be an important resource for researchers, IP professionals and policymakers alike.

The details will help stakeholders at the national level to combat IP crime and provide a benchmark shaping future public awareness strategies for the EUIPO and in the EU generally.

EXECUTIVE SUMMARY

This report presents the findings of the 2020 study on ‘European Citizens and Intellectual Property: Perception, Awareness and Behaviour’ (2020 IP Perception study). The overarching aim of this study is to gather knowledge on Europeans’ attitudes towards intellectual property (IP), the degree to which they respect these rights, and the concept that they have of IP as a whole. More specifically, the study serves as a monitoring tool of public opinion with regards to:

- 1) general knowledge and perception of IP;
- 2) awareness of the value of IP and the damage caused by infringements;
- 3) counterfeit goods and pirated online content, and the reasons for buying or using these (or not);
- 4) the availability and quality of offers of legal online content at European Union (EU) and at national level.

In total, 25 636 interviews were conducted with EU residents aged 15 and above. The questionnaire was largely similar to the previous study to allow for comparable results. Modifications were integrated into the questionnaire to further explore relationships between perception and behaviour.

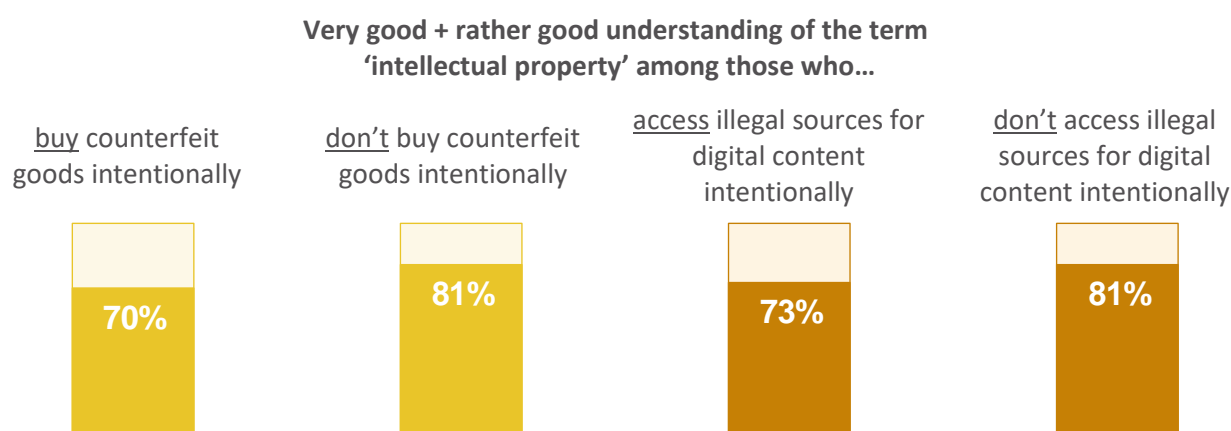
INTELLECTUAL PROPERTY – AWARENESS AND OPINIONS

Understanding of the concept of intellectual property is high. Those who do not infringe IP rights are more likely to have a very/rather good understanding of the concept than those who engage in behaviours that infringe IP.

Subjective understanding of the concept of ‘intellectual property’ remains high at 80 % (+ 2 percentage points (pp) in comparison with the 2017 study), though it varied substantially across countries. As in the previous two studies, the youngest respondents show the least subjective understanding of IP in comparison to the older age groups (71 %).

Awareness of IP is considerably below average among those who intentionally bought counterfeit goods (70 %) or accessed pirated online content (73 %), suggesting that those with a low understanding of IP are more likely to infringe it.

Understanding the concept of intellectual property and infringing it



It is almost universal that those in Europe recognise the value of protecting IP, as was the case in 2017, though few see the benefit being for people like themselves. Whilst protecting IP may be seen as something mostly beneficial to famous performing artists and big companies, there has been a doubling of those who believe that protecting IP is most beneficial for the creators of artistic content.

The value of protecting IP is recognised across Europe. The consensus (98 %) is that it is important that inventors, creators and artists are able to protect their rights and be paid for their work, as was the case in the previous study (97 %). Similarly, the view of the role of IP in economic stability remains stable with 73 % agreeing that if there was no longer any IP protection, there would be economic chaos.

While perception of the value of protecting IP may be high, few Europeans (4 %) believe that IP mainly benefits people like themselves. Many still believe that IP mainly benefits the ‘elite’, such as famous artists and big companies – though the perception of big companies benefiting has dropped 9 percentage points since the last study.

Furthermore, the proportion of Europeans who think that IP is most beneficial to creators of artistic content has doubled, from 10 % in 2017 to 20 % in 2020, although it should be stressed that two more categories were added to this question item in 2020 (‘authors/writers’ and ‘filmmakers’). Almost no one felt that nobody benefits from IP (2 %).

Who benefits the most from IP protection? ⁽¹⁾

Famous performing artists	21 % (0)
Creators of artistic content	20 % (+10)
Big companies	15 % (-9)
Consumers like yourself	4 % (-1)

COUNTERFEIT GOODS – OPINIONS AND CONSUMPTION

The majority believe that counterfeits have a negative effect on the economy in terms of business and jobs.

Europeans tend to be aware of the negative effects of counterfeit goods on the economy and health and safety. The economic argument against buying counterfeits continues to hold the most weight – 83 % in 2020 agree that buying counterfeit goods ruins businesses and jobs.

There is a continued rejection of justifications that would make the purchase of counterfeit goods acceptable.

As was the case in 2017, most Europeans do not agree with the arguments justifying the purchase of counterfeit goods. Only a small minority of EU citizens see valid reasons for buying counterfeit goods. For example, just 15 % of Europeans ‘totally’ or ‘tend to’ agree that it is acceptable to buy counterfeit luxury products. This disapproval of purchasing counterfeit goods has increased somewhat since the last study.

However, disapproval of purchasing counterfeits is not the same among all demographics. Young people (under 24 years old) are more likely to agree with justifications for purchasing counterfeit goods. 30 % of

⁽¹⁾ Source: Q2: In your opinion, who benefits the most from the protection of intellectual property? (Total base; n= 25 636). TREND QUESTION.

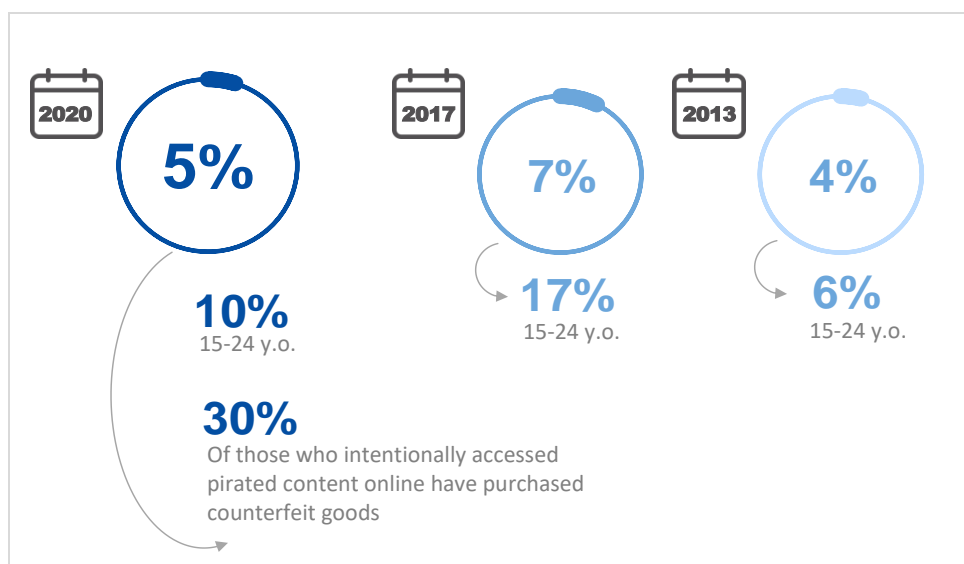
these young people ‘agree/tend to agree’ that it is acceptable to buy counterfeit luxury products – double the average EU population. 37 % of this demographic believe it is acceptable to purchase counterfeits when the price of the original product is too high, compared to 24 % of all the people surveyed.

Few admit to intentionally purchasing counterfeit goods, in line with the 2013 findings. Those who have purchased counterfeits, are far more likely to agree with statements that justify it as acceptable.

The declared purchase of counterfeit goods is low. The proportion of Europeans who admit to having intentionally purchased counterfeit goods during the last 12 months has declined slightly, from 7 % in 2017, to 5 % in 2020, bringing it more in line with the figure observed in 2013 (4 %).

As was the case in the previous study, younger people are more likely to admit having purchased counterfeits intentionally – 10 % of those aged between 15 and 24 admitted this – double the European average. Buying counterfeits and accessing pirated online content are related, with 30 % of those who intentionally accessed pirated content online having purchased counterfeit goods.

Bought counterfeit products intentionally⁽²⁾



Those who admit to intentionally purchasing counterfeits are likely to indicate that this can be justified. Two thirds (64 %) of those who say they bought counterfeits intentionally, feel that it is acceptable to do so when the price of the original and authentic product is too high. Only slightly fewer (58 %) of those who bought counterfeits intentionally feel it is acceptable to do so when the original product is not (or not yet) available where they live.

Consistent with the last study, a sizeable minority have wondered whether something they have bought was a genuine product or a counterfeit. Purchase of counterfeits as a result of being misled also remains low.

A third of Europeans (33 %) have wondered during the last 12 months whether a product they bought was original or not, down from 37 % in 2017. About 1 out of 10 (9 %) were misled into buying counterfeits during the previous year, a figure that has remained more or less stable since 2017 (- 1pp). There is an observable

⁽²⁾ Source: Q4a: During the past 12 months, which of the following have you done? - Bought counterfeit products intentionally (Total base; n= 25 636). TREND QUESTION.

over-representation of young people among those who bought counterfeits because they were misled – 12 % compared to the 9 % average.

Cost matters but has declined in importance as a reason to stop buying counterfeits. Reputational damage is a bigger deterrent compared to the previous study.

The availability of affordable genuine products remains the main reason that would make consumers of counterfeit goods stop this habit; about half (52 %) of those buying counterfeits say this would make them stop. Compared to 2017, the availability of affordable products is now, in absolute terms, less of an important driver for stopping people's purchase of counterfeit goods (- 10pp), although it is still the most important one. This is the case across socio-demographic groups. The risk of punishment is an important driver for young people to stop buying counterfeits, with 46 % of those aged between 15 and 24 who bought counterfeits reporting this.

Reputational damage is more compelling compared to 2017, as more respondents (17 %; + 5pp) who have intentionally purchased counterfeits, state that harm to their image would stop them purchasing counterfeits.

Affordability is also a reason behind the decision not to purchase counterfeits. However, those who do not intentionally buy counterfeit goods are more driven by their understanding of the harm caused to producers, jobs and the economy compared to those who have bought counterfeits.

In the current survey, for the first time, those who replied that they did not buy counterfeit goods intentionally during the last 12 months were asked about their main reasons for not doing so. The availability of affordable original products is their main reason for not buying counterfeits. However, compared to those who did buy counterfeits intentionally, those who did not, are significantly more likely to have not done so because of their understanding of the harm caused to producers, jobs and the economy – respectively 48 % and 41 % of those not buying counterfeits mentioned these to be key reasons, compared to 24 % of those buying counterfeits. This suggests that awareness of the negative effects is related to the buying (or not) of counterfeit goods.

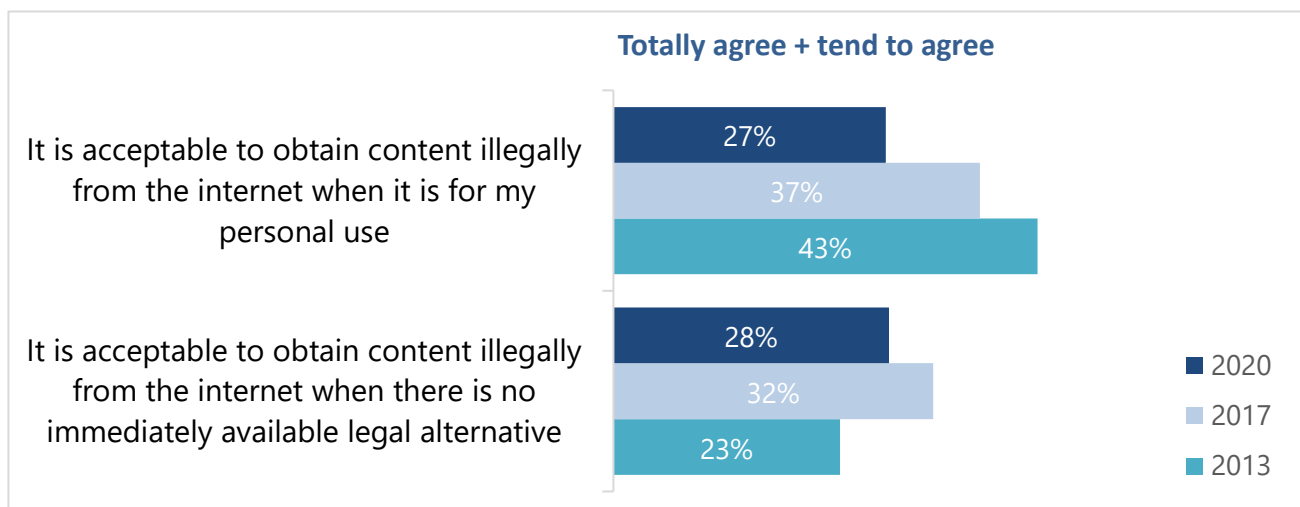
Having had a bad personal experience with buying counterfeits seems to have an impact on young people. Young people who did **not** buy counterfeit goods intentionally in the past 12 months, usually avoided counterfeits because they had had a bad personal experience buying them in the past – 31 % of those aged between 15 and 24 reported this, compared to 23 % of all respondents. At the same time, younger respondents are less likely to mention not buying counterfeits because of their understanding of the harm caused to producers, jobs and the economy (42 % and 34 % of those aged between 15 and 24 mention this as the key driver for not buying counterfeits).

PIRATED ONLINE CONTENT – OPINIONS AND CONSUMPTION

Acceptance of using illegal sources to access digital content for personal use is falling dramatically, whilst the percentage that believe it is acceptable if there is no legal alternative remains steady.

Accessing pirated online content is less and less acceptable. Following a small decrease in 2017, this study sees an overall decline of 15 percentage points since 2013 in the proportion of people in the EU that believe it is acceptable to obtain online content illegally if it is for personal use. At the same time, 28 % state that obtaining online content via illegal sources is acceptable if there is no legal alternative available.

Attitude towards pirated online content ⁽³⁾



No matter the type of online content, awareness of legal offers is significantly higher in 2020 compared to 3 years ago.

More than two-thirds of those in Europe are aware of the availability of legal offers for three categories of online content: films, music and TV series. Younger demographics are the most aware of legal offers for music, films, TV series and video games.

The preference to choose legal sources continues to grow when those legal options are affordable. Furthermore, both the quality and diversity of content offered on legal services is increasingly viewed as being superior to that found on illegal sources.

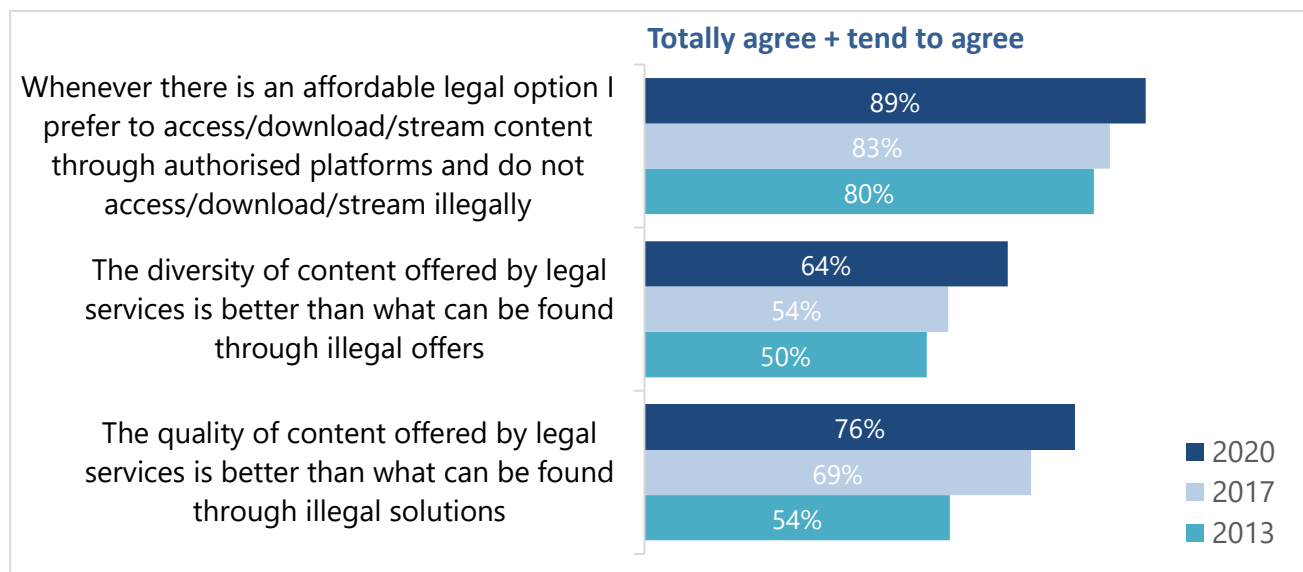
Europeans have a clear preference for legal online content, if reasonably priced. The clear majority (89 %) ‘totally agree’ or ‘tend to agree’ with the statement ‘Whenever there is an affordable legal option, I prefer to access/download/stream content through authorised platforms and do not access/download/stream illegally’.

Opinions are also positive regarding the quality and diversity of content offered by legal services. Notably, more than three quarters (76 %) ‘totally agree’ or ‘tend to agree’ that the quality of content offered by legal services is better than what can be found through illegal sources. There is a significant rise in the proportion agreeing that the quality of legal services is better compared to illegal sources since the first study in 2013 for this survey.

The proportion who have a preference for legal online content, if affordable, has also increased over the years by 9 percentage points. Whilst still the most convincing motivation to choose legal options, since 2013, the increase in those agreeing with this statement has not been as dramatic as the increase in the percentage of those who agree that the quality (+ 22pp) and diversity (+ 14pp) of content offered by legal services is better than what can be found through illegal sources.

⁽³⁾ Source: Q3: Please tell me if you totally agree, tend to agree, agree, tend to disagree or totally disagree with the following statements: (Total base; n= 25 636). TREND QUESTION.

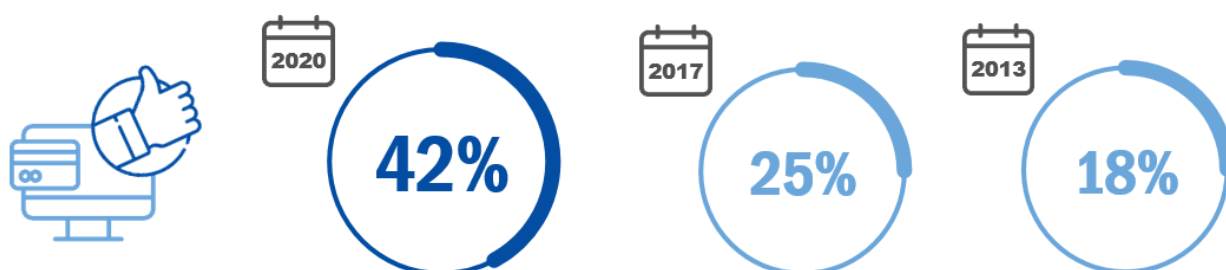
Opinions on legal offers, trend since 2013⁽⁴⁾



Paying for online content from legal sources has become far more widespread.

The preference to use legal sources for digital content is illustrated by the significant growth in the proportion that have actually paid to access content from legal sources online. More than 4 out of 10 Europeans (42 %) have paid to access, download or stream copyright-protected content from a legal service on the internet, a very significant (+ 17pp) increase since 2017. Compared to 2013, this figure more than doubled (+ 24pp). These findings align with other recent studies which observed a similar rise in the consumption of online subscription services, a development that only appears to have been reinforced by the COVID-19 pandemic⁽⁵⁾.

Paid for online content from a legal service⁽⁶⁾



⁽⁴⁾ Source: Q7: For each of the following statements regarding legal offers providing access to content such as music and films on the internet, please indicate whether you totally agree, tend to agree, tend to disagree, totally disagree: (Total base; n= 25636). TREND QUESTION.

⁽⁵⁾ See for example: <https://www.digitaltveurope.com/2020/05/11/coronavirus-accelerates-global-svod-growth/>

⁽⁶⁾ Source: Q4b: During the past 12 months, which of the following have you done? - Paid to access, download or stream copyright-protected content from a legal service on the internet (for instance music, video, film or TV series) (Total base; n= 25 636). TREND QUESTION.

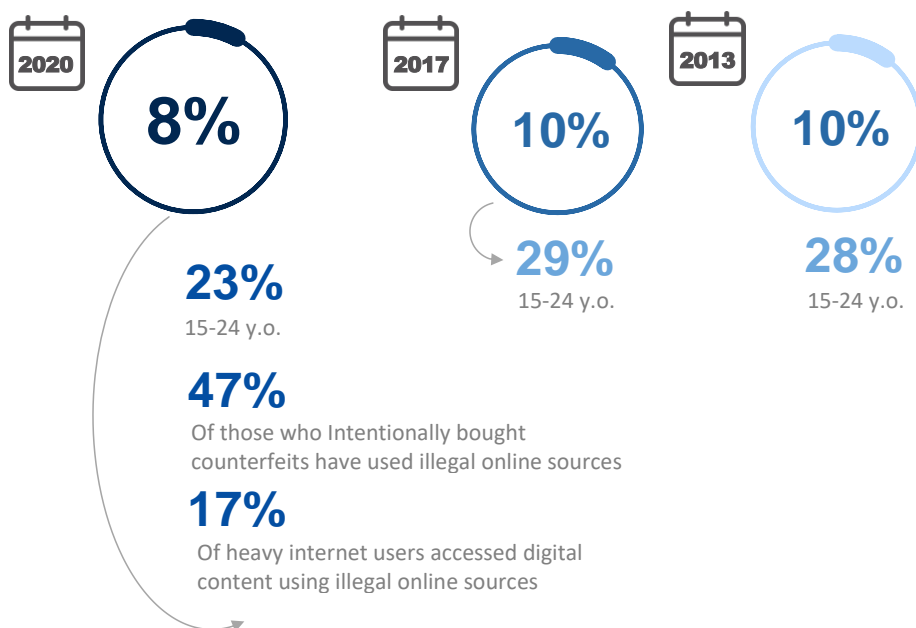
The main driver for those who report that they have not accessed digital content through illegal services is the availability of affordable content from legal sources.

Almost half (48 %) of those who have not used illegal sources for online content have not done so because of the availability of affordable content from legal sources. They are equally (48 %) driven by an understanding of the harm caused to musicians, writers, artists and creators from IP infringement.

The increase in use of legal sources for digital content has not translated into a significant reduction in the use of illegal ones, but there has been a small decline in the percentage of people in Europe who admit to using illegal online sources for digital content.

About 1 out of 10 Europeans surveyed (8 %) admitted to having used pirated online content intentionally during the past 12 months, only slightly below the figures reported in 2017 and 2013 (- 2pp). The proportion admitting use of illegal sources rises among young age groups and heavy internet users. Interestingly, those who accessed illegal online content intentionally, are also likely to have purchased online content. This suggests that people in Europe switch between both legal and illegal sources to access the content they need. As noted above, there is a clear overlap between people accessing illegal sources for digital content and people buying counterfeits.

Accessed, downloaded or streamed content from illegal online sources intentionally ⁽⁷⁾



Confusion about what a legal or illegal source is remains steady but the effort made to find out whether sources are legal or not is on the rise.

There was a rise between 2013 and 2017 in the confusion over what constitutes a legal or illegal source, but this trend has stopped. The current trend shows a steady proportion (23 %, compared to 24 % in 2017) who are ambiguous about what constitutes a legal or illegal offer.

(7) Source: Q4b: During the past 12 months, which of the following have you done? – Accessed, downloaded or streamed content from illegal online sources intentionally (Total base; n= 25 636). TREND QUESTION.

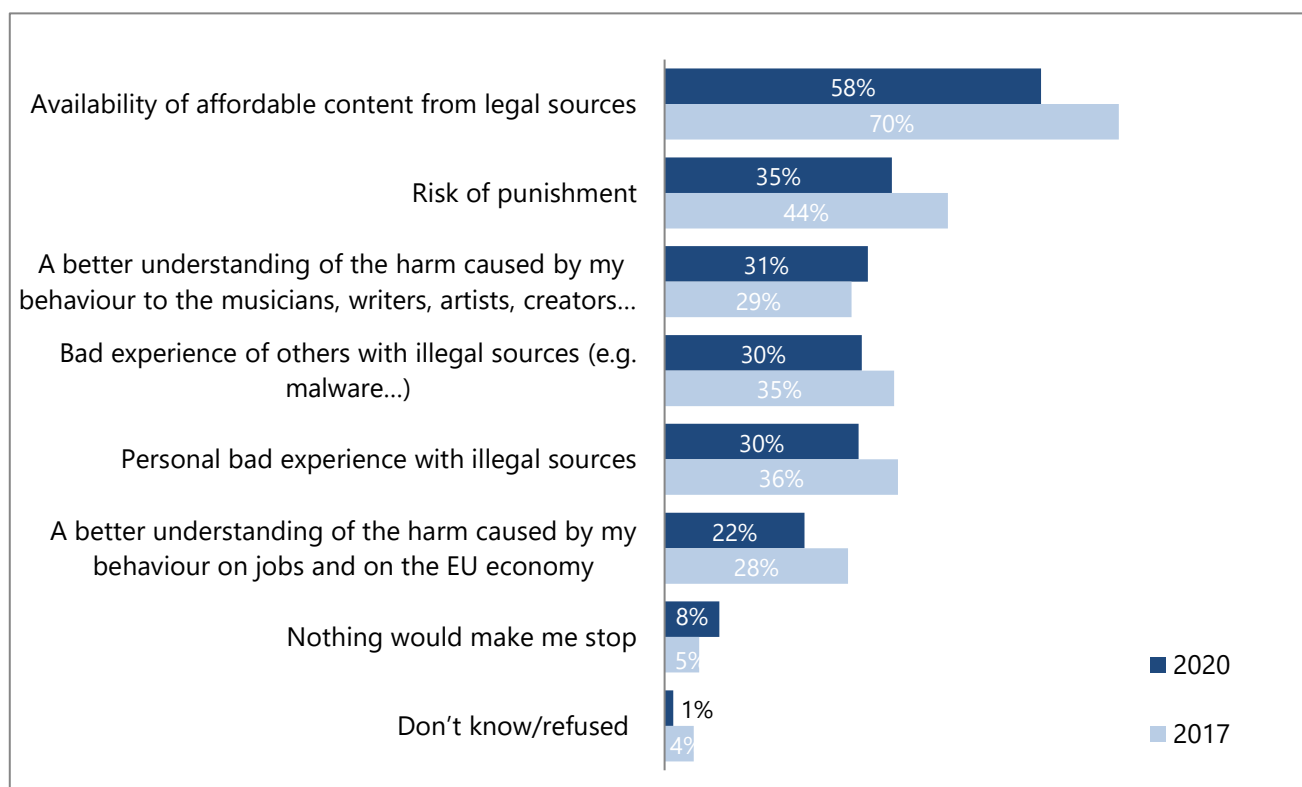
The evidence of this trend points towards an increase in the use of legal online sources and preferences for these legal sources. This is also supported by the rise in the proportion who research whether online content is from a legal source or not, from 14 % in 2017 to 20 % in 2020.

Compared to the use of pirated online content, the uploading of copyright-protected content on the internet (such as music, video, film or TV series) in order to share it with other internet users is less widespread, with only 7 % of those surveyed acknowledging they had done this over the last 12 months. An even smaller number (3 %) admitted having used illicit streaming devices, such as set-top boxes with pre-installed apps, to access pirated content. However, both these illegal activities cannot be considered insignificant, as young people are more likely to engage in these activities. Of those aged between 15 and 24, 15 % uploaded copyright-protected content and 7 % used illicit streaming devices.

The availability of affordable content remains the primary reason that would make those who access illegal sources stop, though it has declined substantially in importance. Arguments that it is for personal use have also declined substantially.

The availability of affordable content from legal sources is the most frequently mentioned reason to stop using pirated online content, followed by the risk of punishment and a better understanding of the harm caused to creators. Since 2017, the proportion citing that the availability of affordable content from legal sources would make them stop using pirated content has declined substantially (- 12pp).

What would make people stop using pirated online content? ⁽⁸⁾



⁽⁸⁾ Source: Q9a: You indicated that you used illegal sources (websites) intentionally for online content over the past 12 months. What are all the elements that would make you stop using illegal sources? (Total base; n= 2 434). TREND QUESTION.



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