



ISSN: 0976-3031

Available Online at <http://www.recentscientific.com>

CODEN: IJRSFP (USA)

International Journal of Recent Scientific Research
Vol. 9, Issue, 3(A), pp. 24695-24699, March, 2018

**International Journal of
Recent Scientific
Research**

DOI: 10.24327/IJRSR

Research Article

A STUDY ON MOVIE PIRACY

Ashvini Ravi., Lekshmi R.S and Rajamani K

Department of Management Science, Velammal Engineering College

DOI: <http://dx.doi.org/10.24327/ijrsr.2018.0903.1709>

ARTICLE INFO

Article History:

Received 16th December, 2017

Received in revised form 25th
January, 2018

Accepted 23rd February, 2018

Published online 28th March, 2018

Key Words:

Movie Piracy, Movie Industry, Ethics,
Movie Consumers, Pirated movies, Movie
Revenue, Movie Profits, Movie theatres.

ABSTRACT

The objective of the study is mainly to understand movie piracy and its impact on the movie industry. It is also to understand the awareness of movie piracy among movie viewers. The study would benefit the production houses by reducing movie piracy in the future. It will also make movie viewers understand the disadvantages of watching pirated movies at home on the small screen while also making them understand the ethical aspect of watching pirated movies. Few studies have studied piracy in the movie sector while many have focused on music piracy. The characteristics of these two sectors are different in terms of download speed, digital rights protection and consumption. Therefore the real threat to the industry came from sharing of movie content.

Copyright © Ashvini Ravi., Lekshmi R.S and Rajamani K, 2018, this is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution and reproduction in any medium, provided the original work is properly cited.

INTRODUCTION

Movie Piracy has been the bane of movie producers throughout the globe. The Indian film industry lost \$959 million (Rs 4,411 crore) in revenue and around 5,71,896 jobs in 2008 thanks to piracy (fe bureau, 2010). The effects of counterfeiting and piracy on India's entertainment industry, estimates the piracy rate at 60% (fe bureau, 2010).

Few studies have studied piracy in the movie sector while many have focused on music piracy. The characteristics of these two sectors is different in terms of download speed, digital rights protection and consumption (Liebowitz, 2006; Rob and Waldfogel, 2007). Hennig-Thurau, Henning and Sattler (2007) conducted a study in Germany. They found that a real threat to the industry came from sharing of film files. This resulted in considerable reduction of cinema visits as well as DVD rentals and sales. The estimated annual loss in Germany as a result of such piracy was €300 million. The Oxford Economics Report (2009) shows the direct revenue loss from piracy to audiovisual industry amounts to 531 £ million and the employment impact is 15.710 jobs lost.

Objectives of the Study

- To create awareness about movie piracy in Chennai
- To study the effect of movie piracy on movie industry

- To study the prevalence of movie piracy among movie viewers in Chennai.
- To conduct awareness campaign and digital marketing campaign about movie piracy in colleges, and the public.

Scope of the Study

The study is limited to Chennai city. The scope of the study is mainly to understand movie piracy and its impact on the movie industry. It is also to understand the awareness of movie piracy among movie viewers. The study would benefit the production houses by reducing movie piracy in the future. It will also make movie viewers understand the disadvantages of watching pirated movies at home on the small screen while also making them understand the ethical aspect of watching pirated movies

RESEARCH METHODOLOGY

Research design

The research design for this study was descriptive research where we can study the characteristics of the sample and also infer how variables affect each other.

Sampling technique

The sampling technique used in this study is non-probability sampling technique. Under non-probability sampling

*Corresponding author: **Ashvini Ravi**

Department of Management Science, Velammal Engineering College

convenience sampling technique is used. The team went to Malls and parks to take survey according to their convenience.

Sample size

The total sample size for this study is 200.

Tools for data collection

This study is based on primary and the secondary data. For primary data questionnaires are prepared consisting of different types of questions; dichotomous questions, likert scale questions and open ended questions. The questionnaire is divided into 3 parts 1st part contains the demography profile of the respondents and the 2nd part consist of 5 point scaling questions likert scale questions. The last part contains the comments of the respondents.

DVD piracy is a problem primarily because of intellectual property laws, these laws insure the artists get paid royalties for the sales of their work and grant permission to anyone that wants to use their work (Brown, 2006). Creative industries can't compete with the wide spread availability of piracy, making it difficult for the film industry to make a fair profit (Smith & Telang, 2009). Piracy of a movie can sell for hundreds or even thousands of dollars if it is a high quality copy of a popular movie that just opened in theaters, thus hurting the industries legitimate profit (Taub, 2008). An example of this is X-Men origins: Wolverine' which leaked onto the internet weeks before its release in theaters causing the Box office earning to be lower than expected. (Duke, 2009).

A study by the Motion Picture Association of America found that in 2005, \$18.2 billion was lost through piracy by DVDs, producers, distributors, theaters, video stores and pay-per-view operators around the world (Taub, 2008). Canada's Research Chair in internet and E commerce Dr. Michael Geist, (2007) says the reason why the film and music industries are slowly losing modern day profit, is due to Primary channels of revenue, including retail stores such as Wal-Mart and Costco. These stores are selling media at cheaper prices, and are not primarily due to DVD Piracy but to the their methods of ordering in huge amounts and selling for little with little profit from each but more sale of the product, which means more money for that store..

In the survey "DVD Piracy" thirty responses from college students answer eight questions about the DVD piracy problems. The Survey consisted of 39.9% males and 60.7% females. Data collected showed that more than half of the college students that did the survey answered yes to purchasing a pirated DVD and then when asked the question, "If you were to create a major motion picture, would you feel okay with someone downloading your movie on the internet and making a profit off of it illegally?" 56% percent said no. Shown in Figure 1 (Vest, 2009).

This concludes that half of college students that took the survey think it's ok to buy Pirated DVD, but when it came down to someone else making a profit off of their intellectual property, some were completely against the idea of their property being stolen.

When interviewing a current DVD pirate he was asked a variety of questions in regard to selling bootleg DVDs. The DVD pirate wishes for his name to stay unknown. He is 20

years old, college student, and is not very wealthy. The first questioned asked was, how do you go about producing and selling bootleg DVDs? "Download movie through the internet. Then I copy it to a DVD. Selling the DVD is just as easy, first I ask friends and then it travels through the word of mouth". Second question, with the money that you make off of DVD piracy what do you use it for? "I use the money on alcohol, paying rent, and buying necessities". Third question, how do you feel you and other people that do DVD piracy effect the economy? "As long as it's benefiting me I know it will work out for the economy because the money goes right back into the money pool that runs the economy". The last question, If you made a movie and someone made money off it illegally, how would you feel and why? "Hopefully I will be satisfied with the money I make from box office". The pirate answered all the questions with ease and little thought. The pirate's main concern for his life is getting by and DVD piracy makes it easier.

Many countries are fed up with the problem DVD piracy has made for them, be it a bad reputation it has given countries like China and Australia or the funding it make for terrorists in African countries. Beijing being fed up with continued piracy of DVDs and software, is offering retailers the chance to swap fake discs for real ones. The way this works is a person brings three bootleg copies and they will receive a good copy of any movie they want that the government can get. This method had proven to be very successful being that it's on a no questions asked term (Economic Times, 2006). The Australian government approach to the piracy crisis is to introduce a levy on blank DVDs on the assumption that they would be used for piracy. The levy being five percent of the DVDs cost, would be paid into the music royalty collection society in Australia and the money would go to the respective artists from the country (Brown, 2009) The British feel they have been unsuccessful with their attempts to persuade people that by purchasing pirated DVDs they are funding arms trafficking and child prostitution. Therefore they tried something new which was a short video called Knock Off Nigel, the videos about a Man named Nigel who is in a bar with his girlfriend. When a man approaches them with a guitar and then proceeds by singing a song about what kind of "knock off" Nigel is for being a cheap person by buying pirated DVDs. The video is intended to send a message across to Brit's that they are cheap lowlife looser if they buy pirated DVDs (Guard, 2008).

Then there are organization out there sponsored by the film industries and government funds to eliminate DVD piracy. Bay TSP, is an organization that works with the entertainment industries to monitor and protect intellectual properties. They do this by monitoring and tracking digital addresses of people, who download illegal files, such as Movies that can be burned and sold for profit. Then the information is given to the Internet service provider, which can ask the customer to stop their illegal actions. (Taub, 2008) In 2003, Cinea an organization based out of Herndon, Virginia, received a federal grant to work on an approach to stop piracy in theaters, but the company knowing that pirates would eventually figure some way around it, abandoned the project (Taub, 2008). The Sony Corporation is trying something new with one of its new films Cloudy with a Chance of Meatballs; it will be made available to consumers through the internet before the film is released on DVD. The Sony organization is doing this

experiment to find a solution to the steep decline in profit Hollywood is facing.

There are also solutions out there made from the individuals and groups of people trying to address the DVD Piracy Problem. In the film presentation Piracy is good, the Speaker says the motion picture industries will hopefully be using a new method of collecting profit off of Pirated DVDs by putting BUGS on the screen of the films. Bugs are little advertisements in the corner of the screen for the duration of the film. This is what the speaker of the film calls valuable real state for advertisers. This will eliminate all middle connections between the director and the advertisers making it so more profit is made for the producer (Pesce, 2005)

In the survey DVD Piracy (2010) students had this to say when asked the question, "What do you believe should be the punishment for DVD Piracy?" Most said higher fines for buyers and sellers, jail time for sellers, illegal material confiscated and burned, and the students that due buy DVDs do so because the outrages cost of the material with little to no quality put into it.

Data Analysis and Interpretation

ANOVA Analysis

The Null hypothesis is rejected for the following statements

Watching movies in cinema theaters is a great experience * Age
I only watch movies in cinema theatres * Age
I always watch latest movie CD's/ downloaded movies on my TV or computer at home or with friends * Age
It's such a waste of money watching movies in cinema theatres * Age
Stringent action should be taken against people who illegally record movies in theatres. * Age
Government should bring stringent rules against movie piracy * Age
Watching movies in cinema theaters is a great experience * Qualification
I only watch movies in cinema theatres * Qualification
My friends/relatives always provide me with movie CDs /downloads of the latest movies. * Qualification
There are plenty of websites that provide the latest movies * Qualification
Pirated movies do not affect the movie industry * Qualification
There is no need to fight movie piracy * Qualification
There is nothing wrong in watching pirated movies. * Qualification
Pirated movies are easily available in CDs or on the internet. * Qualification
Watching movies in cinema theaters is a great experience * Occupation
I always watch latest movie CD's/ downloaded movies on my TV or computer at home or with friends * Occupation
There is no need to fight movie piracy * Occupation
Movie piracy affects the economy of the world * Occupation
Government should bring stringent rules against movie piracy * Occupation
How many pirated movies have you watched in the last month * Occupation
Does the picture and sound quality of pirated movies bother you * Occupation

General Linear Model (GLM)

The GLM model reveals the following:

Age and Gender together have impact on:

There are plenty of websites that provide the latest movies

The 36-45 Males agree the most with this statement. This is followed by 16-25 females. Overall females are more likely to agree with this statement.

Pirated movies are easily available in CDs or on the internet. 46 and above males agree most with this statement followed by 26-35 males. However overall females agree more with this statement.

How many pirated movies have you watched in the last month 46 and above females are the most likely to watch many pirated movies. This is followed by 26-35 females. Overall males have watched more pirated movies in the last month.

Age and Occupation have impact on:

Pirated movies are easily available in CDs or on the internet. 26-35 business men are more likely to agree with this statement. This is followed by 16-25 students and 26-35 Managers agree more with this statement.

Movie piracy affects the economy of the world 16-25 professionals are more likely to affect the economy of the world.

Factor Analysis

		Rotated Component Matrix ^a					
		Component					
		1	2	3	4	5	6
Watching movies in cinema theaters is a great experience				.743			
I only watch movies in cinema theatres						.602	
I always watch latest movie CD's/ downloaded movies on my TV or computer at home or with friends	.848						
My friends/relatives always provide me with movie CDs /downloads of the latest movies.	.792						
There are plenty of websites that provide the latest movies	.755						
Movie producers are very rich and movie piracy does not affect their business.							
It's such a waste of money watching movies in cinema theatres	.701						
Pirated movies do not affect the movie industry	.538						
Movie producers are greatly affected by movie piracy.							-.614
There is no need to fight movie piracy	.766						
Movie piracy affects the economy of the world							.849
There is nothing wrong in watching pirated movies.	.721						
Pirated movies are easily available in CDs or on the internet.	.637						
Stringent action should be taken against people who illegally record movies in theatres.							.801
Government should bring stringent rules against movie piracy	.877						
How many pirated movies have you watched in the last month							-.574
Does the picture and sound quality of pirated movies bother you							.752

		Binomial Test			
		Category	N	Observed Prop.	Test Prop. Exact Sig. (2-tailed)
Preference	Group 1	Pirated	122	.61	.50 .002
	Group 2	Theatre	78	.39	
	Total		200	1.00	

T-test –For Independent Samples

Watching movies in cinema theaters is a great experience
I only watch movies in cinema theatres
Movie producers are greatly affected by movie piracy.
There is no need to fight movie piracy
Movie piracy affects the economy of the world
Pirated movies are easily available in CDs or on the internet.
Stringent action should be taken against people who illegally record movies in theatres.
Government should bring stringent rules against movie piracy

Friedman Test

Ranks	Mean Rank
Watching movies in cinema theaters is a great experience	4.81
I only watch movies in cinema theatres	3.35
Movie producers are greatly affected by movie piracy.	3.27
Movie piracy affects the economy of the world	3.07
Stringent action should be taken against people who illegally record movies in theatres.	3.24
Government should bring stringent rules against movie piracy	3.26
I always watch latest movie CD's/ downloaded movies on my TV or computer at home or with friends	4.74
My friends/relatives always provide me with movie CDs /downloads of the latest movies.	5.37
There are plenty of websites that provide the latest movies	3.58
Movie producers are very rich and movie piracy does not affect their business.	4.54
It's such a waste of money watching movies in cinema theatres	6.01
Pirated movies do not affect the movie industry	5.59
There is no need to fight movie piracy	5.61
There is nothing wrong in watching pirated movies.	5.78
Pirated movies are easily available in CDs or on the internet.	3.78

Findings

What percent prefer pirated movies	61 %
Watching movies in cinema theaters is a great experience	Strongly agree
<ul style="list-style-type: none"> I only watch movies in cinema theatres There are plenty of websites that provide the latest movies Pirated movies are easily available in CDs or on the internet. It's such a waste of money watching movies in cinema theatres Movie producers are greatly affected by movie piracy. Movie piracy affects the economy of the world Stringent action should be taken against people who illegally record movies in theatres Government should bring stringent rules against movie piracy 	Somewhat agree
Does the picture and sound quality of pirated movies bother you	Often does not bother
After release within how many day will you be watching pirated movie	3- 5 days
How many pirated movies have you watched in the last month	1-5 movies
Agree with:	Older people
<ul style="list-style-type: none"> Watching movies in cinema theaters is a great experience. I only watch movies in cinema theatres Stringent action should be taken against people who illegally record movies in theatres. Government should bring stringent rules against movie piracy. 	
Disagree with:	
<ul style="list-style-type: none"> It's such a waste of money watching movies in cinema theatres. I always watch latest movie CD's/ downloaded movies on my TV or computer at home or with friends Watching movies in cinema theaters is a great experience I only watch movies in cinema theatres Pirated movies do not affect the movie industry Pirated movies do not affect the movie industry There is nothing wrong in watching pirated movies. Pirated movies are easily available in CDs or on the internet Watching movies in cinema theaters is a great experience 	Younger people More Educated Less Educated
There is no need to fight movie piracy	Professionals and Managers
<ul style="list-style-type: none"> Movie piracy affects the economy of the world Government should bring stringent rules against movie piracy 	Students Managers and businessmen

<ul style="list-style-type: none"> Watching movies in cinema theaters is a great experience I only watch movies in cinema theatres Movie producers are greatly affected by movie piracy Pirated movies do not affect the movie industry There is nothing wrong in watching pirated movies 	Males
The Pro- Piracy Factors	Females
<ul style="list-style-type: none"> The CD/Website Factor The money saving Factor Stringent Action to be taken Factor The Movie Theatre Experience Factor The Economy Factor 	
Anti – Piracy Factors	
<ul style="list-style-type: none"> Watching movies in cinema theaters is a great experience Movie piracy affects the economy of the world 	Top Motivation for Anti- Piracy Least Motivation for Anti-Piracy Statement
Easy availability on CDs and internet	Top Motivation for Piracy
It's such a waste of money watching movies in cinema theatres	Least Motivation for Piracy

Recommendation

Piracy is a menace and is difficult to curb because of proliferation in technology and the easy spread of pirated movies through the internet

The following table shows the relevant finding and what can be done to improve the situation

Finding	Recommendation
Watching movies in cinema theaters is a great experience	Provide incentives to people to come to the theatre
<ul style="list-style-type: none"> There are plenty of websites that provide the latest movies Pirated movies are easily available in CDs or on the internet. Movie producers are greatly affected by movie piracy. Movie piracy affects the economy of the world Stringent action should be taken against people who illegally record movies in theatres Government should bring stringent rules against movie piracy 	Advertise the sound, the visuals, the food service, the seats, etc that will give a wonderful experience to the movie goer. The easy availability of pirated movies is a major reason for piracy and should be curbed through initiatives by the Government and movie associations.
After release within how many day will you be watching pirated movie	People do not seem to care about the loss to movie producers, to the economy or taking action against the wrong doers.
How many pirated movies have you watched in the last month	There is a need to take up massive campaigns to sensitize people to the issue.
<ul style="list-style-type: none"> I always watch latest movie CD's/ downloaded movies on 	The first 5 days after release are crucial and movie producers should take all steps to prevent piracy in these crucial days As it has become a habit for people to watch pirated movies, there is a need to create a fear and guilt of watching pirated movies by introducing law under which viewers of pirated movies are also liable.
	The younger viewers are the main culprits who propagate

my TV or computer at home or with friends		piracy and all initiatives to educate, sensitize and punish them should be initiated.
<ul style="list-style-type: none"> • Pirated movies do not affect the movie industry • Pirated movies do not affect the movie industry • There is nothing wrong in watching pirated movies. • Pirated movies are easily available in CDs or on the internet 	Less Educated	Campaign targeted at the less educated – through TV and outdoor media should educate and sensitize them to the issue.
There is no need to fight movie piracy	Students	Students are the main culprits and action at the level of schools and colleges can help the situation.
<ul style="list-style-type: none"> • Pirated movies do not affect the movie industry • There is nothing wrong in watching pirated movies 	Females	Surprising females seem to be major culprits and they should be educated against piracy.
The Pro- Piracy Factors	<ul style="list-style-type: none"> • The CD/Website Factor • The money saving Factor • Stringent Action to be taken Factor 	Availability of movies on CDs and on the internet should be strongly curbed.
Anti – Piracy Factors	<ul style="list-style-type: none"> • The Movie Theatre Experience Factor • The Economy Factor 	These factors can be used in the anti-piracy campaigns to fight piracy
Watching movies in cinema theaters is a great experience	Top Motivation for Anti- Piracy	Campaigns should focus on the great movie experience
Movie piracy affects the economy of the world	Least Motivation for Anti-Piracy Statement	

Let us hope that the world arrives at better ways to curb piracy in the near future as movie piracy could well mean annihilation of the movie industry in the not so far future.

References

1. Fe Bureau, 2010. Piracy, a serious threat to Indian film industry. Retrieved from <http://www.financial-express.com/archive/piracy-a-serious-threat-to-indian-film-industry/592752/>
2. Waldfogel, J., & Rob, R., 2007, Piracy on the high c's: Music downloading, sales displacement, and social welfare in a sample of college students, *J. Law Econ.*, 49 (1).
3. Liebowitz, J., 2006, "Pitfalls in Measuring the Impact of File-sharing." *CESifo Economic Studies*, <http://ssrn.com/abstract=583484>
4. Thorsten, H., Victor, H., & Henrik S., 2007. Consumer File Sharing of Motion Pictures. *Journal of Marketing: Vol. 71, No. 4.*
5. Oxford Economics, 2009. Economic impact of legislative reform to reduce audiovisual piracy. Final Report. Available at <http://www.allianceagainstiptheft.co.uk/downloads/reports/Great%20Expectations%20Economic%20impact%20>
6. Brown, A. (2006). Dealing With Fakes. *Beijing Review*, 49(43), 56. Retrieved from Academic Search Complete database.
7. Smith, M., D., & Telang, R., 2009. "Competing with Free: The Impact of Movie Broadcasts on DVD Sales and Internet Piracy," *MIS Quarterly*, (33: 2)
8. Taub, Eric A. (2006) "Off New York Streets, Film Piracy Is Online." *New York Times* 14 Apr. 2008: C7(L). Retrieved from InfoTrac Newspapers.
9. Duke, A. 2009. 'X-Men Origins: Wolverine' Leaked to Web. *CNN*. Retrieved from <http://www.cnn.com/2009/SHOWBIZ/Movies/04/02/xmen.piracy/index.html>
10. Geist, M., 2007. On piracy: on piracy & the future of medi. [Web]. Retrieved from <http://topdocumentaryfilms.com/on-piracy>.
11. Vest, E. (2009, March) "DVD Piracy" Survey Monkey, [Survey] Retrieved from https://www.surveymonkey.com/MyCollector_Detail.aspx?sm=pxg0ulxVCxPNOTKnWetUZYJD0X54xNNLsecebTdbanruEvhmrTGMCfr5fwlu%2bsdE
12. The Economic Times, 2006. Software piracy still rampant. Retrieved from <https://economictimes.india-times.com/liveitup/software-piracy-still-rampant/articleshow/2879720.cms>.
13. Pesce, M. 2005. Piracy is Good. [Web]. Retrieved from <http://www.viddler.com/explore/mpesce/videos/3/>

CONCLUSION

This study was an eye opener as it showed the extent of movie piracy in Chennai city. The rampant piracy is primarily fueled by easy availability of pirated movies in CDs and on the internet. While movie producers spend crores of rupees in making a movie, the same movie is sold for a few rupees or is available for free on the internet.

The anti-piracy police wing tells the team that even those who initiate piracy by making and selling CDs or uploading on the internet do not really make big money from this piracy. While older and more educated still preferred the theatre experience it was the young, less educated and the student community who seemed to be propagating piracy in the city.

The mini-project team has made an attempt to create awareness and sensitize people to the piracy situation. The team has created a website, a facebook page and an instagram page to actively help fight this parasitic phenomenon. The team is also digitally marketing the social media pages in order to spread the awareness.

How to cite this article:

Ashvini Ravi., Lekshmi R.S and Rajamani K. 2018, A Study on Movie Piracy. *Int J Recent Sci Res.* 9(3), pp. 24695-24699. DOI: <http://dx.doi.org/10.24327/ijrsr.2018.0903.1709>
