PIRACY PATTERNS

UNVEILING CANADA'S HIDDEN MEDIA CONSUMPTION TRENDS

CANADA MEDIA FUND

FONDS DES MÉDIAS DU CANADA

Piracy Patterns:
Unveiling Canada's Hidden Media Consumption Trends

Introduction

This report provides a comprehensive analysis of peer-to-peer (P2P) streaming (a form of illegal media pirating) and its traffic trends across Canada, with a particular focus on pirating behaviors in five major extended markets: Calgary, Edmonton, Vancouver, Montreal, and Toronto. This report highlights the findings from a custom dashboard by Parrot Analytics that captured 2024 pirating data, identifying trends and differences in P2P content demand across these regions. In addition to Parrot Analytics data, this report also incorporates supporting data from external studies and sources that encompass both Canadian and US audiences. This data has been utilized to provide additional context and comparative perspectives to enhance the understanding of illegal content consumption behaviors in Canada.

Report highlights

- *Greater understanding of piracy within Canada:* A deep dive into the complexities of piracy in Canada, moving beyond surface level statistics to uncover the social and structural issues driving Canadians to seek media outside conventional legal platforms.
- *More insights into Canadian media availability and diverse communities:* A challenge to the audiovisual industry to rethink how Canadian stories reach the people who need them most. It emphasizes the importance of creating content that resonates with diverse communities and ensuring that this content is easily available.
- *Broader understanding of the factors affecting access to legal Canadian media:* An analysis of the forces shaping illegal media consumption patterns, highlighting the need for a more inclusive and easy-to-access media environment. By examining the barriers that prevent Canadians from accessing local content, industry can identify opportunities to improve.
- *Deeper comprehension of economic implications:* Piracy reduces potential revenue for broadcasters, producers, creators, and streamers, impacting growth by decreasing demand for legitimately sourced media.

Illegal media sharing in Canada

Reasons for Pirating Content

A 2019 study from the Motion Picture Association of Canada suggested that one-third (36 per cent) of Canadian movie consumers pirated movies, while a similar percentage of Canadian TV show consumers pirated TV shows (34 per cent). Meanwhile a Government of Canada study found that the prevailing motivation for Canadians consuming content illegally was because it was free, easy/convenient, and quick.[i]

When asked in that survey what would motivate respondents to stop downloading or streaming files illegally, three-fifths (58 per cent) of those who had done so said that cheaper media services would motivate them to cease this activity. Notably, around half (47 per cent) stated that they would stop illegally consuming content if everything they wanted was available legally. [ii] Other reasons may include, but were not limited to:

1. **Consumer patriotism**: Some Canadian consumers may choose to pirate shows instead of subscribing to US streaming platforms in response to rising US political tensions.
2. **Financial limitation**: Subscription-based platforms are increasing fees, and more content is spread thinly across various platforms, requiring the subscription to several platforms at once to access most popular content.
3. **Anti-establishment attitudes**: As the cost of streaming platforms and broadcasting packages rise, some consumers may choose to pirate content as a form of protest against high subscription prices.
4. **Limited content availability**: Certain shows or movies may not be available on streaming platforms due to regional licencing restrictions, prompting consumers to turn to piracy to access the desired content.
5. **Convenience**: Piracy may provide a more convenient way to access content without the need for multiple subscriptions or dealing with different streaming platforms.
6. **Privacy concerns**: Concerns about data privacy and security may lead some consumers to avoid subscription services that require personal information, opting for pirated content instead.
7. **Trial before purchase**: Some consumers may pirate content to preview it before deciding whether to purchase or subscribe to a legal service, treating piracy as a form of trial.
8. **Peer influence**: Social circles and peer influence can play a role in encouraging piracy, as individuals may follow the behavior of friends or family members who engage in pirating content.

9. **Popularity**: The widespread popularity of a show can significantly drive pirating, as individuals seek to access it through any means possible, including piracy, especially when other factors such as cost, availability, or convenience come into play.
10. **One-stop-shop:** Due to licensing deals, platforms are often adding shows and then removing them with little predictability for the consumer. This may make it difficult for individuals to reliably know where to find the content they seek.

The Impact of Pirating

From a general economic standpoint, NERA Economic Consulting and the Global Innovation Policy Center (GIPC) estimates that the commercial value of pirated digital film content worldwide was about $285.7 billion USD in 2017 and pirated digital television content was valued at roughly $280.5 billion USD.[iii]

Piracy also reduces potential revenue and stifles growth by decreasing demand for legitimate digital and video-on-demand (VOD) services.[iv] The ongoing consumption of illegally obtained media by Canadian audiences undermines advancing financial efforts to support an important aspect of the Canadian economy and culture. Negative industry impacts could limit new creators from entering the traditional media industry[v] or push them into creating content for alternative platforms such as YouTube, which allow for greater autonomy over their content and have strong policies in place to prevent and discourage piracy.

P2P traffic trends across Canada

Peer-to-Peer (P2P) Illegal Streaming Popularity (via Parrot Analytics)

According to Parrot Analytics, the "household share" refers to the share of households in Canada that have streamed content on P2P networks, while the "content share universe" refers to the share of content consumed in Canada across P2P networks.

Any use of the word "content" refers to TV shows only; no data on movies or other media was collected. Therefore, the data in this report is limited to TV shows only. Additionally, 'title' refers to a TV series as a whole, not individual episodes or seasons. Titles are considered Canadian if they originate in Canada or are co-productions, such as US-Canada collaborations. Parrot Analytics identified Canadian content using data from IMDB, Wikipedia, and its proprietary sources.
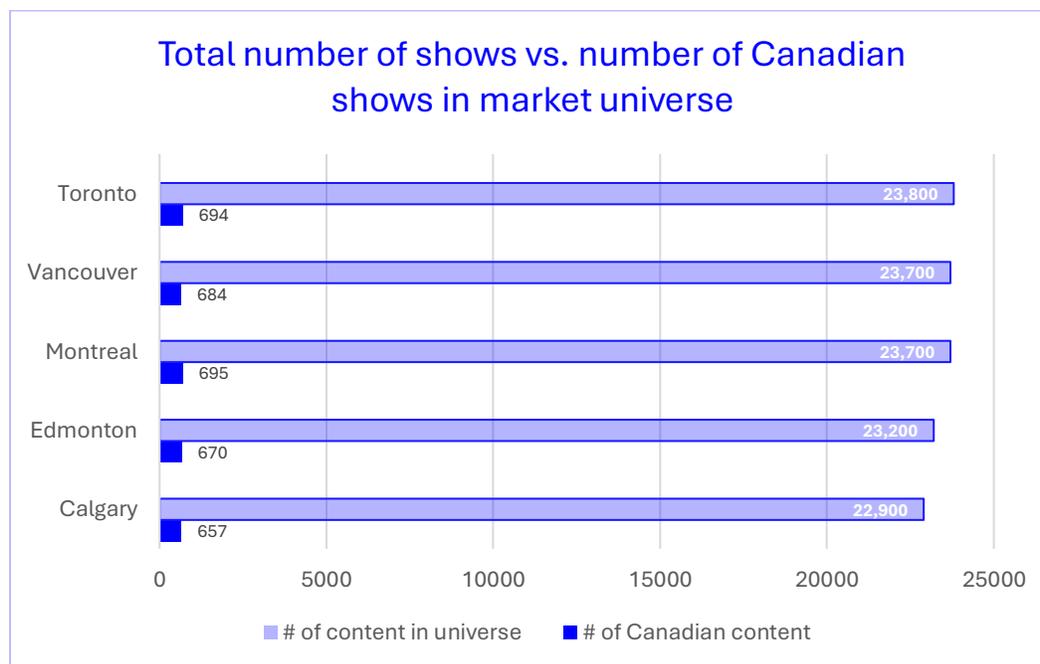
In 2024, the average share of P2P streams by Canadian household was 19.5 per cent - a 3.4 percentage point increase from the prior year. The average share of volume within the content universe by year also rose, from 26.9 per cent in 2023 to 32.4 per cent in

2024 (a 5.5 percentage point increase). The percentage of households streaming P2P content in 2024 was lowest from January to June (ranging from 15.9 per cent per month to 19.4 per cent). Traditional (linear) TV consumption normally declines within the summer months[vi], and interestingly, the demand for P2P content mimics that. The highest average share of P2P streams by household for the year hit just when the colder weather starts and many new shows premiere (October 2024 – 22.7 per cent, the highest in the year).

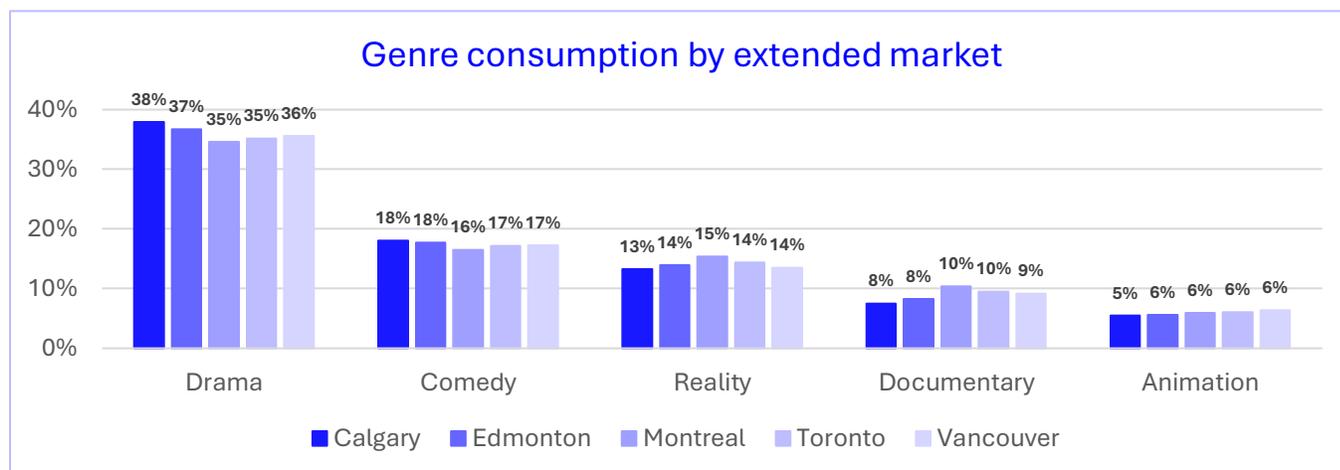**P2P traffic trends across key Canadian extended markets**

When it comes to the top P2P-streamed content by country of origin across these markets, the US, UK, and Japan were the countries of choice among all five markets. Content from the US was by far the highest across all markets, representing around three-fifths (59.7 per cent to 65.9 per cent) of P2P content.

Canadian-originated P2P-streamed content came fourth in all key markets (P2P streams ranged from 2.6 per cent to 2.8 per cent). Edmonton had the highest demand for Canadian content with 2.8 per cent, although this was not significantly different from the other key markets. There was not a significant difference in the amount of P2P content between the key markets, although Toronto was the lead when it came to the volume of P2P content accessed.

Total number of shows vs. number of Canadian shows in market universe

Market	# of content in universe	# of Canadian content
Toronto	23,800	694
Vancouver	23,700	684
Montreal	23,700	695
Edmonton	23,200	670
Calgary	22,900	657

Source: CMF Audience Research (Parrot Analytics); amount of P2P content for each region; content from all countries and Canadian origin.

There were no statistically significant differences when it came to the popularity of CMF-supported genres accessed by each market. Tastes remained statistically the same across the board, with dramas being the clear favourite, followed by comedy, reality, documentary, and then animation.

Genre consumption by extended market

Genre	Calgary	Edmonton	Montreal	Toronto	Vancouver
Drama	38%	37%	35%	35%	36%
Comedy	18%	18%	16%	17%	17%
Reality	13%	14%	15%	14%	14%
Documentary	8%	8%	10%	10%	9%
Animation	5%	6%	6%	6%	6%

Source: CMF Audience Research (Parrot Analytics); Top five popular genres; content from all countries.

More than one-third of all P2P content streamed within these markets in 2024 were dramas. This is in line with internal CMF data, which shows that in the 2022/2023 broadcast year, drama accounted for the highest full-day Total Hours Tuned (THT) across Canada within CMF-supported genres on linear (traditional television) platforms (6.8 million) and is the most popular CMF-funded genre in terms of sales (72.8 per cent in 2023/2024).[vii]

As shown in the graph below, the consumption of drama content through linear means (full-day) is primarily driven by foreign programming, rather than CMF-funded or non-CMF-funded Canadian drama content. Linear drama content is predominantly influenced by foreign programming, similar to P2P content, with Canadian-originated shows making up only 0.9 per cent to 1.0 per cent of P2P streamed dramas. The data indicates that key aspects of audience behaviour, such as interest in the drama genre and foreign shows (particularly those of US origin), are mirrored via both P2P and linear data. This highlights the striking similarity between audience preferences in P2P and linear consumption.

Foreign programs by genre
Full Day - English (including ODM)
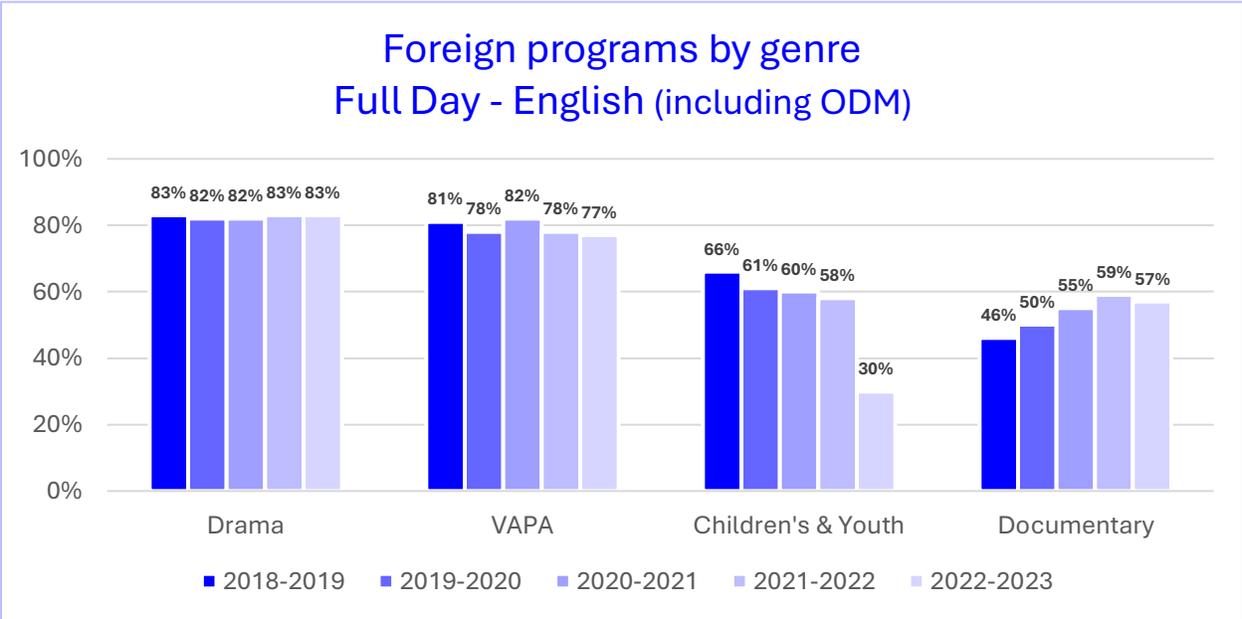
Source: CMF Annual data; CMF-funded vs. non-CMF-funded Canadian vs. Foreign Programs by Genre (Full Day – English).

When it comes to the popular content genres for shows of Canadian origin, the top four remain the same in all markets: Drama, comedy, reality, and documentary. However, animation falls off the leaderboard's fifth spot, when a combination of live sports and sports-themed scripted shows take its place.

Top "Alternative Genre" by Extended Market
(Canadian Content Only)
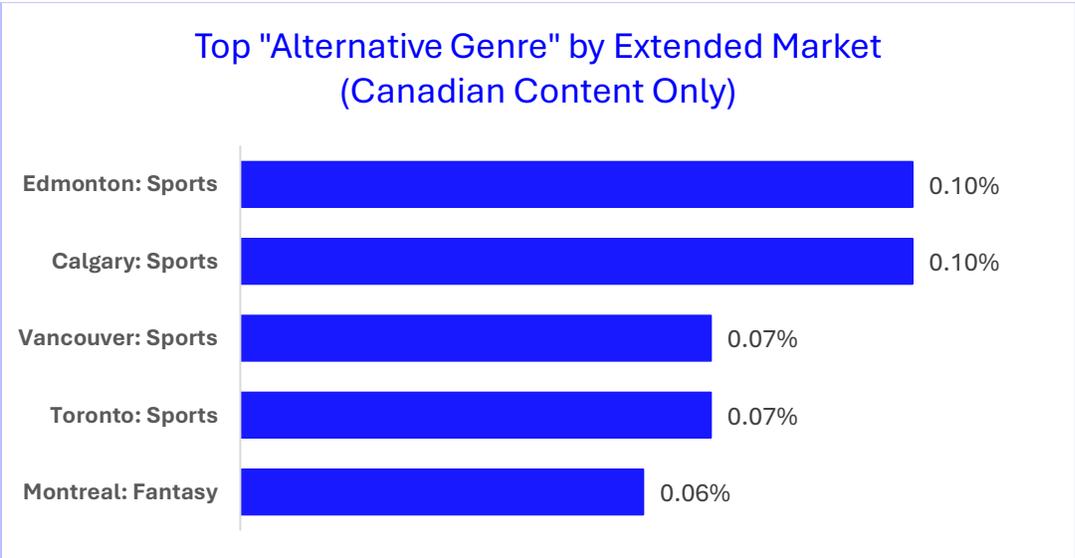
Source: CMF Audience Research (Parrot Analytics); Fifth-most popular genre; Canadian content only.

Language Differences

Notably, one of the few parts where the data strayed in a meaningful way between the markets was when it came to P2P share by language. English was unsurprisingly the top choice for content (78 per cent to 82 per cent), but it was the additional languages of interest that started to separate the markets. The top alternative-to-English languages were Japanese, Korean, Russian, Chinese, and Spanish. Japanese P2P content was accessed more by the Vancouver market (9.2 per cent) than other markets. While the Calgary market had the lowest percentage of non-English content in the top five alternate languages (12.4 per cent).

According to the 2021 Government of Canada census data, both Vancouver and Toronto's extended market populations are around two-fifths first generation Canadian (39 per cent and 43 per cent, respectively), compared to around one-quarter of Edmonton (24 per cent), Calgary (29 per cent), and Montreal (23 per cent).[viii] Taking into consideration that a significantly higher portion of the Vancouver and Toronto extended market population is first generation Canadian, it is reasonable that the demand for alternative languages is almost always higher than their counterpart markets. It is likely that those who are new to Canada, whether that be by days or decades, enjoy the familiarity of their first language or media from their countries of origin.

In the Montreal extended market, French-language content accounted for 0.9 per cent of P2P streams (95 Canadian-origin shows). This low consumption of French content may suggest that French-language audiences are able to find their French-language content easily, readily, and/or cheaply on BVOD platforms, and may not need to resort to pirating.
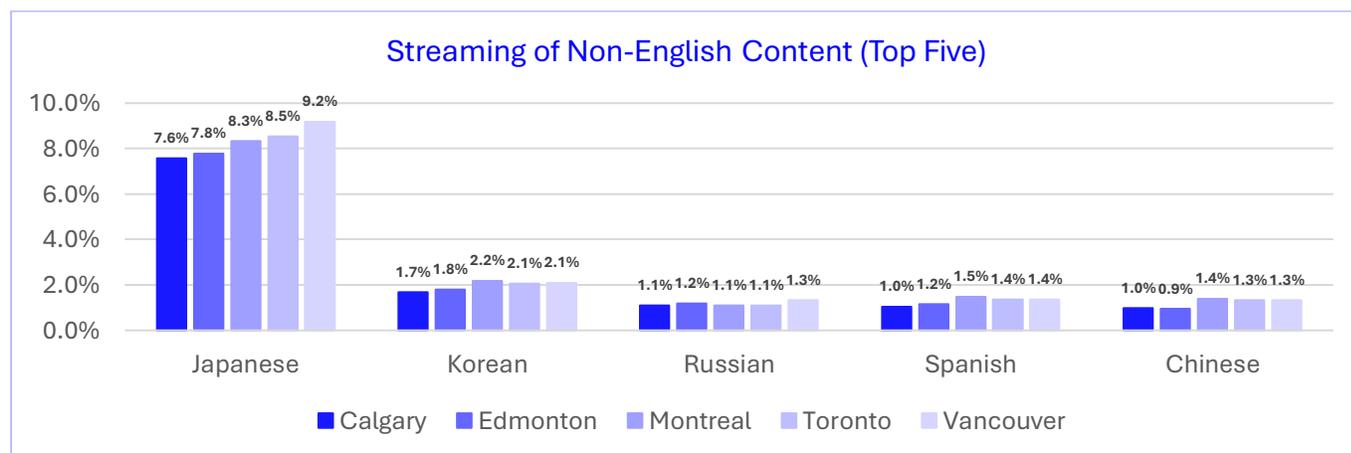
Source: CMF Audience Research (Parrot Analytics); Content Streaming by Language – Top Five; content from all countries.

What can be gleaned from regional demand differences?

While no significant differences between key markets were found in this data set, the slight variations in content demand across each extended market may be a result of the following:

1. **Demographic variations**: Different regions within Canada have varying demographic compositions, including age groups, cultural backgrounds, and socioeconomic statuses. These differences influence the types of content that are popular and the likelihood of consuming pirated content.
2. **Economic factors**: Economic disparities between regions can affect the affordability and attainability of legal content. In areas with lower income levels, there may be a higher tendency to resort to pirated content due to cost constraints.
3. **Cultural preferences**: Cultural differences play a significant role in content consumption patterns. Regions with distinct cultural identities may have unique preferences for certain types of content, which can impact the demand for pirated material. This content may include that which is reflective of their own experiences (and produced abroad) and/or content from their home countries.

Notable findings

Challenges in Content Reach and Availability

Notably, some Canadian shows available on AVOD platforms, such as *Schitt's Creek*, are highly pirated. Even as Canadian shows become available on streaming platforms (as opposed to strictly linear) and easier to access, Canadians may still be unaware where they have been added and then seek them out through P2P means. The fragmented nature of modern content distribution may make it challenging for Canadians to stay updated on where their favorite shows are available. Additionally, advertising aversion, delayed releases, content quality, streaming fatigue, financial constraints, internet/technology access inequity, and exclusive content rights all play significant roles in the popularity of pirating. These additional factors illustrate the complex motivations behind content piracy and underscore the need for greater access and heightened awareness of Canadian content.

The consistency of pirated content interests across various regions underscores a unifying cultural appreciation for certain mainstream media, transcending local differences. Shows like *Game of Thrones* resonate widely, suggesting that cultural tastes in entertainment are shaped more by awareness rather than availability.

Discoverability of Canadian media has profound cultural implications for the Canadian media landscape. Despite the availability of Canadian content on various streaming platforms, Canadians may remain unaware of where to locate specific content. This lack of awareness not only contributes to the popularity of piracy but also undermines the cultural significance of Canadian media. When Canadians turn to P2P networks to access content they cannot easily find on legal platforms, it diminishes the visibility and appreciation of Canadian stories and voices. Ensuring that diverse and high-quality Canadian content is readily accessible and that audiences are aware of its availability is crucial in fostering a thriving Canadian media ecosystem.

The Appeal of P2P Media in Diverse Communities

While English remains the dominant language for P2P content, there are meaningful variations in the consumption of alternative languages such as Japanese, Korean, Russian, Chinese, and Spanish. This can be seen in the Vancouver, with its higher proportion of first-generation Canadians, there is also a greater demand for Japanese P2P content compared to other markets. The consumption differences among Indigenous and Equity-Deserving Communities indicate a demand for TV shows and movies in alternative languages, potentially driven by the desire to maintain cultural connections.

The presence of culturally diverse media, including media in languages beyond English and French, ensures that the voices and experiences of various communities are accurately reflected, promoting a sense of belonging and understanding among audiences. This inclusivity not only enriches the cultural fabric of Canada but also drives the success of media content by appealing to a broader and more diverse audience and potentially minimizing the drive to illegally view TV shows and movies. As the Canadian media landscape continues to evolve, prioritizing cultural inclusion will be essential in creating content that resonates with all Canadians and supports the growth of the industry while also deterring the use of illegal media consumption methods.

Conclusion

The findings from this report unveil the intricate dynamics of piracy within the Canadian media landscape, highlighting the profound impact on revenue streams and growth potential for broadcasters, producers, and streamers. Despite increased availability of Canadian media on various legal platforms, piracy remains a challenge; itself a symptom of a variety of ongoing issues such as fragmented distribution, imperfect discoverability, and shifting audience consumption habits. Additionally, the demand for culturally diverse media, specifically media in languages beyond English and French, highlights the importance of inclusive content strategies.

Improving discoverability and refining distribution across platforms could help mitigate piracy and improve audience retention. Collaboration across the sector could help to build a more resilient Canadian media landscape that may be better at adapting to changing consumption trends and ensuring long-term sustainability. Piracy, as investigated in this report, is not limited to being a mere legal issue, but may be a sign of systemic inefficiencies in content accessibility and audience engagement.

This report underscores the need for a thriving Canadian-media ecosystem that supports the creation and distribution of high-quality, diverse content. As we navigate the evolving media landscape, the future state of Canadian media dissemination must continually innovate to meet the ever-evolving needs of diverse and discerning Canadian audiences, who now have an unprecedented number of avenues to take when discovering and consuming their media of choice.

Appendix

Parrot analytics dashboard data methodology

Data collection for this report did not involve specific websites, torrent indexers, or software clients like Streamio. Instead, it was captured at the protocol level, monitoring how devices interact within the P2P network itself. Parrot Analytics employs proprietary technology that functions as a network listener, observing real-time interactions between peers within the P2P ecosystem.

The report includes limited data from the 2021 Canadian census for contextual purposes, acknowledging potential demographic changes since then. The term "extended" is used to clarify that the postal codes include areas that extend outside of the exact city named, based on postal codes used in the Numeris system.

The data in the dashboard is accurate as of February 11, 2025.

Parrot Analytics Definitions

- Household share: The *share of households in Canada that have streamed content on P2P networks*. This metric is calculated by dividing the number of active P2P users for a given month by the total number of households that have engaged in P2P activity at least once between 2020 and 2024 (which represents approximately 2.5 million households).
- Content share universe: The *share of content consumed* in Canada across P2P networks. This metric is calculated by dividing the total volume of P2P content consumed in a given month by the total volume of content available on P2P networks from 2020-2024, which represents approximately 2 million TV content pieces.

Endnotes

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[ii] Government of Canada. **Study of Online Consumption of Copyrighted Content: Attitudes Toward and Prevalence of Copyrighted Infringement in Canada – Final Report**. May 2018. Retrieved from [https://ised-isde.canada.ca/site/public-opinion-research/en/study-online-consumption-copyrighted-content-attitudes-toward-and-prevalence-copyright-infringement]

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