

The Effects of Internet Book Piracy: Case of Comics

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Summary

Whether piracy reduces legitimate sales has been a hot issue since the internet became the common infrastructure and provided users with new piracy options such as file sharing. Whereas there are accumulated researches in the case of music and movies, the analysis on the book piracy are very limited. In this study, I estimated the effects of internet book piracy in the case of the Japanese comic book market using direct measurement of product level piracy ratio and a massive deletion project as a natural experiment. Total effect of the piracy is negative to the legitimate sales, but panel regression and difference-in-difference analysis consistently indicated that the effect of piracy is heterogeneous: piracy decreased the legitimate sales of ongoing comics, whereas increased the legitimate sales of completed comics. The latter result is interpreted as follows: piracy reminds consumers of past comics and stimulates sales in that market. The heterogeneity is expected to suggest the efficient policy against piracy.

Keywords: copyright; piracy; internet; e-book; comic; Japan

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