

# ANNOUNCEMENT

## Bachelor Thesis

### KEYWORDS

- Movie Industry
- Digital Distribution
- Movie Piracy
- BitTorrent
- Causal Impact
- Difference-in-difference analysis

### TOPIC: THE IMPACT OF THE EXTRATORRENT SHUTDOWN ON MOVIE SALES AND PIRACY

Since the rise of digital channels for media distribution, the movie industry has undergone a major transformation process characterized by declining revenues and a proliferation of online piracy. To combat the piracy problem, the industry employs legal measures with the aim of shutting down illegal websites. For example, the popular torrent index ExtraTorrent shut down in May 2017 after being sued by the major movie studios. However, the consequences of this shutdown are unclear. Therefore, the goal of this bachelor thesis is to empirically investigate the influence of the shutdown of the website ExtraTorrent on movie sales (e.g., DVD), streams (e.g., Netflix), and piracy (e.g., other illegitimate websites). The analysis will be based on a large panel data set comprising detailed information on the online browsing and purchasing behavior of thousands of Internet users in the US over a period of two years. To identify the shutdown effect, a difference-in-difference model should be applied using the statistical software R.

### LITERATURE:

- **Danaher, B., Dhanasobhon, S., Smith, M.D., & Telang, R. (2010):** Converting Pirates Without Cannibalizing Purchasers: The Impact of Digital Distribution on Physical Sales and Internet Piracy, *Marketing Science*, 29(6), 1138-1151.
- **Danaher, B., & Smith, M.D. (2014):** Gone in 60 Seconds: The Impact of the Megaupload Shutdown on Movie Sales, *International Journal of Industrial Organization*, 33(March), 1-124.
- **Danaher, B., Smith, M.D., Telang, R., & Chen, S. (2014):** The Effect of Graduated Response Anti-Piracy Laws on Music Sales: Evidence from an Event Study in France, *Journal of Industrial Economics*, 62(3), 541-553.
- **Aguiar, L., & Waldfogel, J. (2017):** As Streaming reaches flood stage, does it stimulate or depress music sales? *International Journal of Industrial Organization*, forthcoming.

### SUPERVISOR:

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## APPLICATIONS

Applications with CV and transcript of records should be sent to Nils Wlömert ([nils.wloemert@wu.ac.at](mailto:nils.wloemert@wu.ac.at)).