Security Threats Rank as Top Reason Not to Use Illegal Software, BSA Survey Finds

Kuala Lumpur, Malaysia — 24 June 2014 — Computer users cite the risk of security threats from malware as the top reason not to use unlicensed software. Among their specific concerns are intrusions by hackers and loss of data. Yet a striking 54 percent of the software installed on personal computers in Malaysia in 2013 was not properly licensed.

These and other findings released today in the BSA Global Software Survey underscore the need for effective software management practices, especially in business settings.

“Most people don’t know what is installed on their systems. That needs to change,” said BSA President & CEO Victoria Espinel. “There are common-sense steps managers and administrators can take to make sure their organizations are using genuine, properly licensed software.”

The BSA Global Software Survey is conducted every other year for BSA by IDC, which this year polled computer users in 34 markets including nearly 22,000 consumer and business PC users and more than 2,000 IT managers. Among the findings:

- The rate at which PC software was installed without proper licensing in Malaysia was 54 percent in 2013, a 1 percentage point drop over 2011. The commercial value of unlicensed software totaled RM2 billion (USD616 million).
- The chief reason computer users around the world cite for not using unlicensed software is avoiding security threats from malware. Among the risks associated with unlicensed software, 64 percent of users globally cited unauthorized access by hackers as a top concern and 59 percent cited loss of data.
- IT managers around the world express understandable concern that unlicensed software may cause harm, yet less than half say they are very confident that their company’s software is properly licensed.
- Only 34 percent of companies in Malaysia have written policies in place requiring use of properly licensed software.
“Unlicensed software use is an organizational governance issue — and this study shows there is a clear need for improvement,” said Espinel. “There are basic steps any company can take to ensure it is fully compliant, like establishing a formal policy on licensed software use and maintaining careful records. Companies also should consider implementing more robust software asset management programs that follow internationally-accepted guidelines. These SAM programs can deliver substantial value by ensuring adequate controls are in place to provide a full view into what is installed on a network. That helps organizations avoid security and operational risks, and it ensures they have the right number of licenses for their users.”

According to a recent report from the Economist Intelligence Unit, more than 75 percent of organizations suffered a security incident in the past two years that caused major system disruptions or resulted in loss or theft of sensitive data.¹ BSA member Symantec labeled 2013 the “Year of the Mega Breach” and noted that there was a 62 percent increase in the total number of data breaches from the previous year, with eight of the breaches that occurred exposing more than 10 million identities each.²

“There is a disturbing disconnect between awareness of the dangers of unlicensed software usage and actual steps taken to address the problem. Users realize that unlicensed software can introduce malware and leave them vulnerable to hacker intrusion and data loss, yet many fail to do anything to protect themselves or their organizations. Given that the global cybersecurity threat environment has been worsening, this lack of attention to software compliance is deeply worrying,” said Roland Chan, BSA Senior Director of Compliance Programs, Asia Pacific.

“Additionally, businesses need to be reminded that software is a strategic asset of any organization — helping them make products, deliver services, run internal operations and do business in the global marketplace. To prevail, organizations must manage and optimize their software assets properly to derive the greatest possible value from them,” added Chan.

Among the other findings in BSA’s Global Software Survey:

- The global rate at which PC software was installed without proper licensing rose from 42 percent in 2011 to 43 percent in 2013 as emerging economies where unlicensed software use is most prevalent continued to account for a growing majority of all PCs in service.

- The commercial value of unlicensed PC software installations totaled $62.7 billion globally in 2013.

- The region with the highest overall rate of unlicensed PC software installations in 2013 was Asia-Pacific, at 62 percent. This represented a 2 percentage-point increase from 2011, with the commercial value of unlicensed installations reaching $21 billion.

A full copy of BSA’s Global Software Survey, including country-specific data, is available for download on BSA’s website: www.bsa.org/globalstudy.

About BSA

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