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## **Asia Pacific with World's Highest Rate of Unlicensed Software Use Leaves Many Vulnerable to Cyberattacks, New BSA Survey Finds**

**Singapore – June 5, 2018** – The Asia Pacific region continues to have the world's highest percentage rate of unlicensed software use and greatest amount of dollar losses, with computer users in the region remaining highly vulnerable to the risks of cyberattacks linked with the use of unlicensed software. These are among the findings from **Software Management: Security Imperative, Business Opportunity**, the latest [2018 Global Software Survey](#) from BSA | The Software Alliance.

The survey, released today, found that in Asia Pacific (AP) 57 percent of software installed on computers in 2017 was unlicensed, a modest decrease from 61 percent in 2015. The commercial value of unlicensed software in AP decreased to US\$16.4 billion, compared to US\$19.1 billion in 2015, but still remains the highest in the world. Globally, 37 percent of software installed on computers around the world in 2017 is not properly licensed, with losses of US\$46.3 billion.

The survey also pointed out a clear correlation between malware and the use of unlicensed software; if enterprise software is unlicensed, organizations run a significant risk of encountering often-crippling security threats. Businesses that reduce unlicensed software use also reduce the risk of cyberattacks, while benefiting from improved end user productivity and enhanced brand reputation.

“Organizations around the world are missing out on the economic and security benefits that well-managed software provides,” said Victoria Espinel, President and CEO of BSA | The Software Alliance. “Businesses should establish software asset management (SAM) programs to evaluate and manage the software on their networks. This, in turn, helps organizations reduce the risk of debilitating cyberattacks and helps grow their revenues.”

Added Tarun Sawney, BSA's Senior Director, Enforcement – APAC: “It is alarming that 45 percent of consumers surveyed say their organizations do not have a policy on the use of

unlicensed software or that they do not know – which is worse than the 2015 survey. Furthermore, 25 percent of enterprises do not have a policy on employees who bring and install their own software, which significantly increases enterprise malware infection rates. Organizations must do more to actively adopt policies that mandate the use of legal and licensed software, especially in AP where the high rate of unlicensed software use is worrying.”

BSA’s Global Software Survey quantifies the volume and value of unlicensed software installed on personal computers in more than 110 countries and regions, and includes nearly 23,000 responses from consumers, employees, and CIOs. Its key findings include:

- **Use of unlicensed software, while down slightly, is still widespread.** Unlicensed software is still used around the globe at alarming rates, accounting for 37 percent of software installed on personal computers. Asia Pacific and Central & Eastern Europe both lead the world at 57 percent.
- **CIOs report unlicensed software is increasingly risky and expensive.** Malware from unlicensed software costs companies worldwide nearly US\$359 billion a year. CIOs report that avoiding data hacks and other security threats from malware is the number one reason for ensuring their networks are fully licensed.
- **Improving software compliance is now an economic enabler in addition to a security imperative.** When companies take pragmatic steps to enhance their software management, they can increase profits by as much as 11 percent.
- **Organizations can take meaningful steps today to improve software management.** Studies show that organizations can achieve as much as 30 percent savings in annual software costs by implementing a robust SAM and software license optimization program.

Some key Asia Pacific findings in this year’s survey show that:

- All AP economies surveyed showed a decline in the rate of unlicensed software use, but China and Vietnam registered the biggest drops, with China decreasing its rate by 4 points from 70 percent in 2015 to 66 percent in 2017, and Vietnam reducing its rate by 4 points from 78 percent in 2015 to 74 percent in 2017.
- Bangladesh has the highest rate of unlicensed software use in AP with 84 percent, followed by Indonesia and Pakistan, both with 83 percent
- Japan and New Zealand, both at 16 percent, and Australia with 18 percent, continue to have the lowest rates of unlicensed software use in AP. All three economies registered a 2 percent decrease, which can be partly attributed to the growing use of the cloud and software subscription services among enterprises
- Many AP economies registered a decline in PC shipments since 2015, but significant decreases in shipments (-22 percent) and installed base (-17 percent) in Hong Kong and Singapore (-13 percent and -12 percent respectively) helped IP protection efforts in both these economies

According to the survey, the decline in both enterprise PC shipments and the PC installed base, and a drop in the consumer share of PC shipments across many economies in the region, influenced the overall rate of use of unlicensed software in AP. Other factors include increased enforcement and legalization efforts by governments in AP, and an increase in the use of SaaS (software as a service) subscription models.

Through in-depth analysis, the survey shows companies can implement strong measures, including SAM programs, to improve the way they manage software, thereby increasing profits, decreasing security risks, and growing opportunity.

To explore the survey's results, including a breakdown of country-specific data, visit [www.bsa.org/globalstudy](http://www.bsa.org/globalstudy).

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