

Resale resentment: Four-in-five Canadians say ‘ticket-bots’ should be banned

Half say government should step in to fix this problem; half say it’s an industry responsibility

May 8, 2017 – It has been called an [epidemic](#), hampering the live-music community. When tickets to concerts, or big-name sports events go on sale, sophisticated ticket-purchasing software – or ‘bots’ – swiftly scoop up prime seats, with brokers reselling them back to fans at inflated prices on secondary markets. Outrage over this issue hit a fever pitch last summer when it was confirmed that [two-thirds of tickets](#) for the Tragically Hip’s final tour were sold before fans had access.

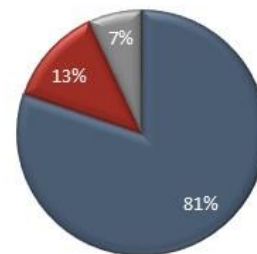
A new public opinion poll from the Angus Reid Institute finds Canadians sounding a sour note on this issue: three-quarters (76%) say it’s a “huge problem” that must be solved, and indeed, eight-in-ten say that they support legislation to ban the bots in Canada.

While the problem is apparently clear, the question of whose responsibility it is to provide a solution is not. Canadians are supportive of a number of measures, from an outright ban, to credit card confirmation at venues, to price capping in the resale market. But who should oversee these regulations? Half say it should be the government’s gig, while an equal number say this is a problem for the industry to solve on its own.

Key Findings:

- One-in-four Canadians (23%) say they have used the secondary market - a ticket resale service like SeatGeek or StubHub - to purchase tickets, while just 5 per cent say they’ve sold tickets this way.
- A majority (60%) of those who have used a secondary market service say that the prices they found were unreasonable, while just seven per cent said they found ‘very reasonable’ deals

Please indicate whether you are in favour or against:
‘Make it illegal to use bots to purchase tickets, and punish offenders with fines or jail time’



■ Support ■ Oppose ■ Don't know

METHODOLOGY:

The Angus Reid Institute conducted an online survey from April 17 – 20, 2017 among a representative randomized sample of 1517 Canadian adults who are members of the [Angus Reid Forum](#). For comparison purposes only, a probability sample of this size would carry a margin of error of +/- 2.5 percentage points, 19 times out of 20. Discrepancies in or between totals are due to rounding. The survey was self-commissioned and paid for by ARI. Detailed tables are found at the end of this release.

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- If bots are not banned, three-quarters (77%) of Canadians say they would also support a legal cap on the amount that tickets can be resold for

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Despite low ‘secondary market’ use, Canadians say bots are a problem

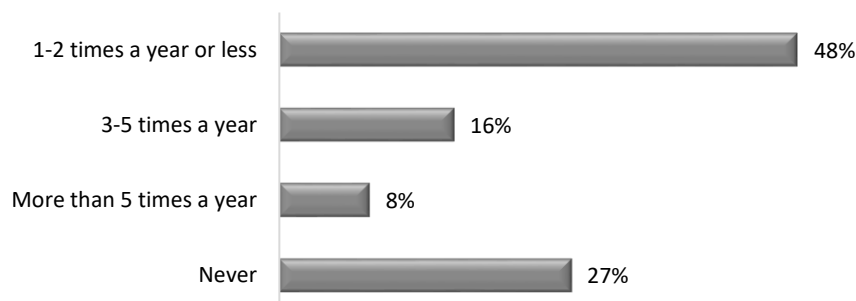
The confusion and anger many Canadians felt last summer when they tried to buy tickets to the Tragically Hip tour brought light to an issue that has been frustrating many for years. Hopeful would-be concert-goers clicked ‘find tickets’ on Ticketmaster, only to find that tickets for the Hip were gone [within minutes](#) and being resold on secondary markets simultaneously for inflated prices. [Ticket bots](#) – sophisticated software able to reserve tickets in milliseconds, operating from thousands of different IP addresses – purchased swaths of tickets before regular fans had the opportunity.

While many music- and theatre-lovers have long been aware of this phenomenon, it can take high profile events to garner the attention of policy makers. In New York, state Governor Andrew Cuomo [passed a bill](#) to raise penalties for automated scalpers after tickets for the popular Broadway musical Hamilton became the subject of rampant speculative price increases. Former President Barack Obama signed federal legislation [banning ticket-bots](#) nationwide in December 2016.

As he announced the province’s plan to introduce its own legislation on the topic, Ontario’s Attorney General Yasir Naqvi [told reporters](#) that the issues that came up around the Hip tour “really personally bugged” him. Critics have pointed out that the province contributed to the problem in 2015 when the government amended the Ticket Speculation Act to allow the resale of tickets above original value.

Three-quarters of Canadians say they buy tickets for live events each year, so the battle with the bots isn’t likely to go away any time soon:

How often do you purchase tickets for live events?

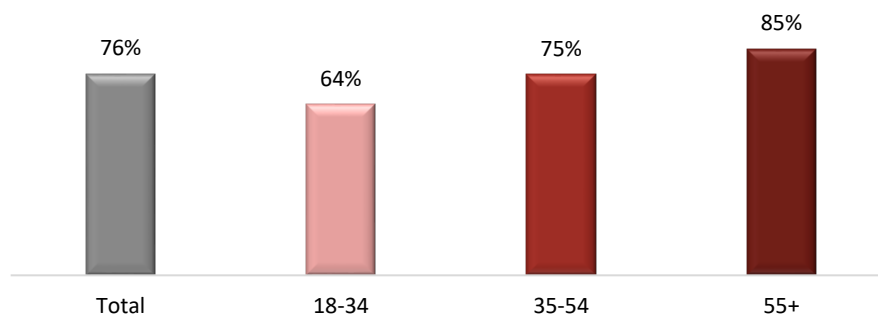


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Perhaps fueled by media attention and conversation generated in this country last summer, three-quarters of Canadians say the use of ticket bots is “a huge problem for consumers” that must be solved. Just one-in say it is a small issue (12%) or not a problem at all (12%). Interestingly, though they’re less likely to attend live events that require tickets, older Canadians are most convinced that this is a big problem deserving of attention:

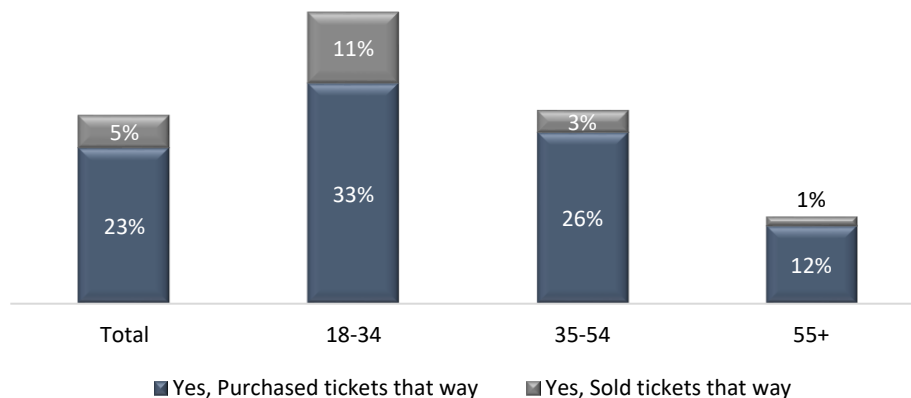
Would you say the use of ‘bots’ to buy tickets for resale is... A huge problem for consumers that must be fixed



Most Canadians hold this opinion despite the fact that they, themselves, are not frequent users of the resale market.

Indeed, only one-in-four have purchased a ticket from a secondary outlet and a large proportion of them are between 18 and 34. Just over one-in-ten from this age group have also sold tickets that way, far more than older generations:

Have you ever used a secondary market ticket re-seller to purchase or sell tickets?



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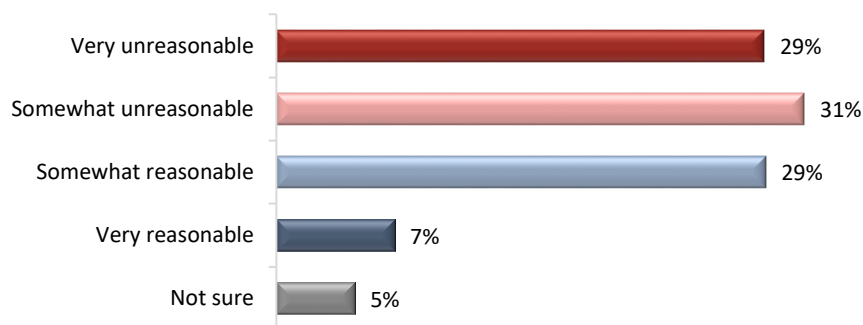
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Speculative ticket purchasing 'unfair'

Ticket aggregators – companies such as SeatGeek, StubHub or TicketIQ – advertise themselves as one-stop shops for cheap tickets, but this presentation doesn't necessarily match reality. A [study](#) by the New York State Attorney General found that the average resale ticket had a markup of 49 per cent and at times could reach more than 1,000 per cent of face value for high demand events.

Among those Canadians who have used the secondary market, few say they're finding much in the way of reasonable prices. Six-in-ten (60%) Canadians who have purchased tickets with one of these services say that the prices they've seen are unreasonable, while just seven per cent say they've found 'very reasonable' deals:

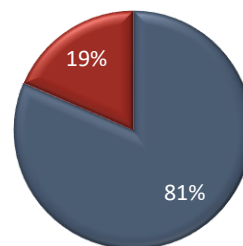
How would you describe prices of tickets you've seen on resale markets? In general, would you say prices are: Secondary Market Users (n=272)



When this issue is further deconstructed, Canadians appear to be philosophically opposed to the idea of speculating upon tickets for live events. Eight-in-ten say the people purchasing tickets specifically to try to resell them for a profit is unfair. Just one-in-five say that tickets, themselves, are a commodity and can be used as the purchaser deems fit.

Thinking about the issue of ticket resales more broadly, which of the following statements would you say is closer to your opinion, even if neither is exactly how you feel?

- People purchasing tickets specifically to try to resell them for a profit is unfair
- Tickets are a commodity and it is okay for people to buy and resell them if they want to



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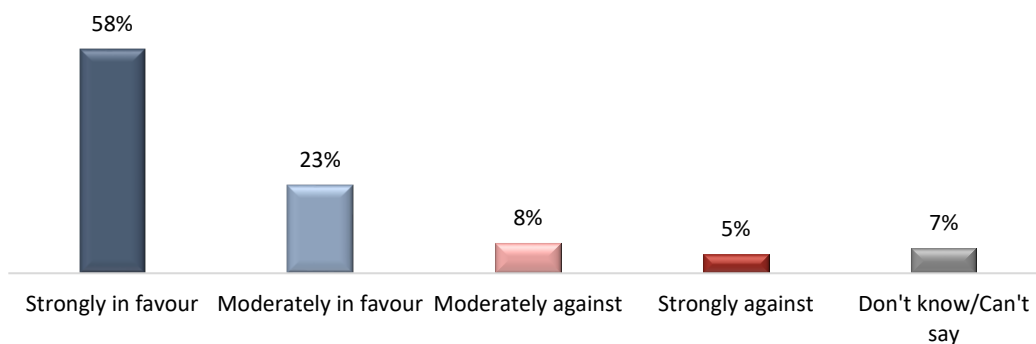
This poses obvious challenges for policy makers. The practice is widespread, the markets are established, and Canadians are unhappy.

What should be done?

The government of Ontario conducted a public review of the issue, engaging with [more than 35,000 residents](#) to ascertain what it could do to improve the ticket-buying climate in the province. The results of the review have yet to be released, but this Angus Reid Institute study finds support for several different approaches.

Canadians overwhelmingly support a ban on the use of ticket purchasing software, which would align with legislation passed in the United States. Four-in-five say that anyone using bots should be prosecuted with potential fines or jail time as punishment.

**Please indicate whether you are in favour of it or against this measure:
'Make it illegal to use bots to purchase tickets, and punish offenders
with fines or jail time '**



The proposed Bill 22, Ticket Speculation Amendment Act, in Ontario suggests a fine of up to \$50,000 and a prison term of up to one year. For a corporation found to have offended, the fine would reach up to \$250,000.

The provincial government in British Columbia has taken a different stance. Christy Clark's government issued a statement on the issue in late 2016 stating that "the artists, promoters and others in the industry have a collective role and responsibility" in ensuring fair practices in the ticketing industry.

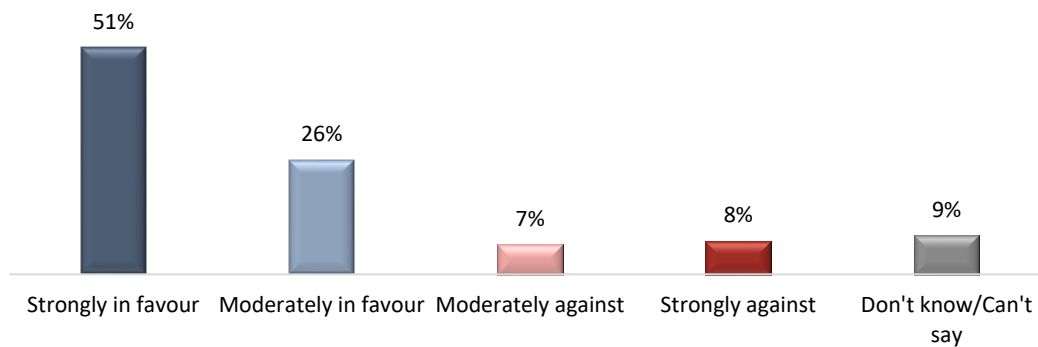
LiveNation CEO Michael Rapino [stated recently](#) that he believes legislation is in fact, not a panacea. While he says that some legislative aims are "decent attempts", he also suggests that better pricing and technology are necessary to overcome sophisticated scalpers. However, many artists attempt to price tickets at rates that ensure equal access for lower-income fans, suggesting many in the industry would not share Rapino's opinion that higher prices will help to overcome the problem.

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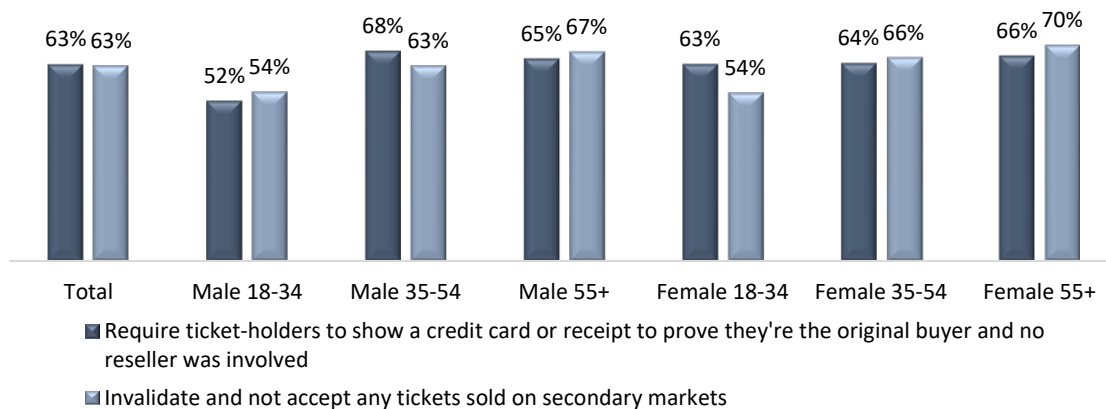
If online scalpers are going to be allowed to operate, another acceptable alternative to most Canadians would be a cap on the resale value of a ticket. Three-quarters (77%) of Canadians say they would support this measure:

**Please indicate whether you are in favour of it or against this measure:
'Set a legal limit on the maximum amount resellers can increase the price of a ticket'**



Majority support is also voiced for two other options that could be initiated by venues to curb the problem. Just over six-in-ten (63%) Canadians say that they would support both requiring ticket-holders to show a credit card or receipt to prove that they were the original buyer or having venues simply not accept tickets sold on secondary markets:

**For each measure, please indicate whether you are in favour of it or against it:
Summary of Favour shown**



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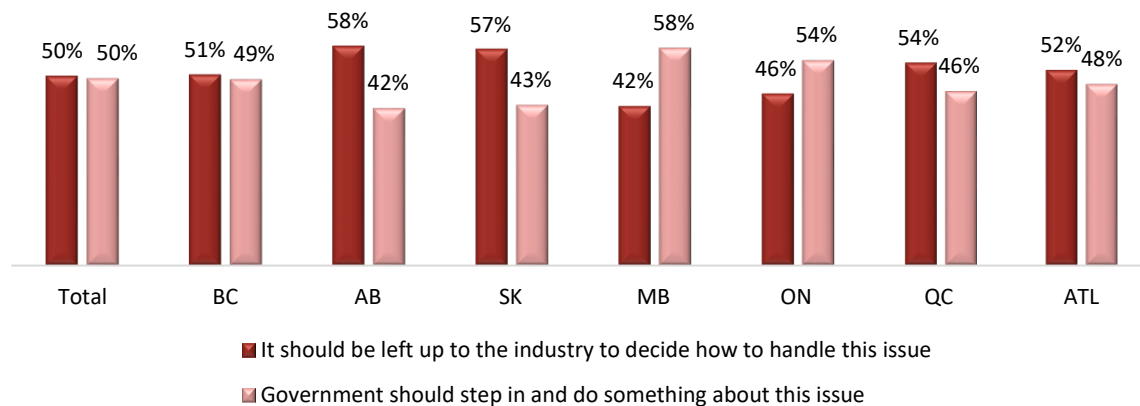
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Whose responsibility is regulation?

Canadians see a variety of different avenues to improve the current situation for ticket-buyers. There is a widespread disagreement however, over whether this is ultimately a government or an industry responsibility. Of the more than 1,500 Canadians surveyed, 50 per cent say the government needs to step in on behalf of the consumer, while 50 per cent say this is a problem for the industry to solve.

Regionally, Alberta and Saskatchewan residents lean toward an industry solution, while Manitoba and Ontario are most keen to see the government get involved.

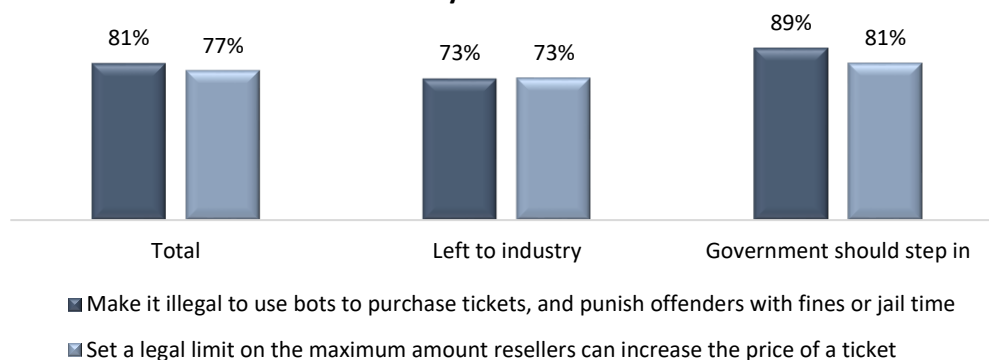
Thinking more broadly about this issue of ticket resales, which of the following statements is closest to your own opinion?



Paradoxically, among the half of Canadians who say the industry should lead the charge in fixing the problem, three-quarters still say they support legislation to ban ticket software or the imposition of a legal limit on pricing – both measures which would require government intervention.

For each measure, please indicate whether you are in favour of it or against it:

Summary of Favour shown



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*The **Angus Reid Institute (ARI)** was founded in October 2014 by pollster and sociologist, Dr. Angus Reid. ARI is a national, not-for-profit, non-partisan public opinion research organization established to advance education by commissioning, conducting and disseminating to the public accessible and impartial statistical data, research and policy analysis on economics, political science, philanthropy, public administration, domestic and international affairs and other socio-economic issues of importance to Canada and its world.*

For detailed results by age, gender, region, education, and other demographics, [click here](#).

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Here are some measures that have been proposed to combat the reselling of tickets. For each one, please indicate whether you are in favour of it or against it.

Summary of Favour

Weighted Sample Sizes	Total (1517)	Whose responsibility is it to solve this issue?	
		Industry (763)	Government (754)
Require ticket-holders to show a credit card or receipt to prove they're the original buyer and no reseller was involved	63%	57%	70%
Invalidate and not accept any tickets sold on secondary markets	63%	55%	71%
Make it illegal to use bots to purchase tickets, and punish offenders with fines or jail time	81%	73%	89%
Set a legal limit on the maximum amount resellers can increase the price of a ticket	77%	73%	81%

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