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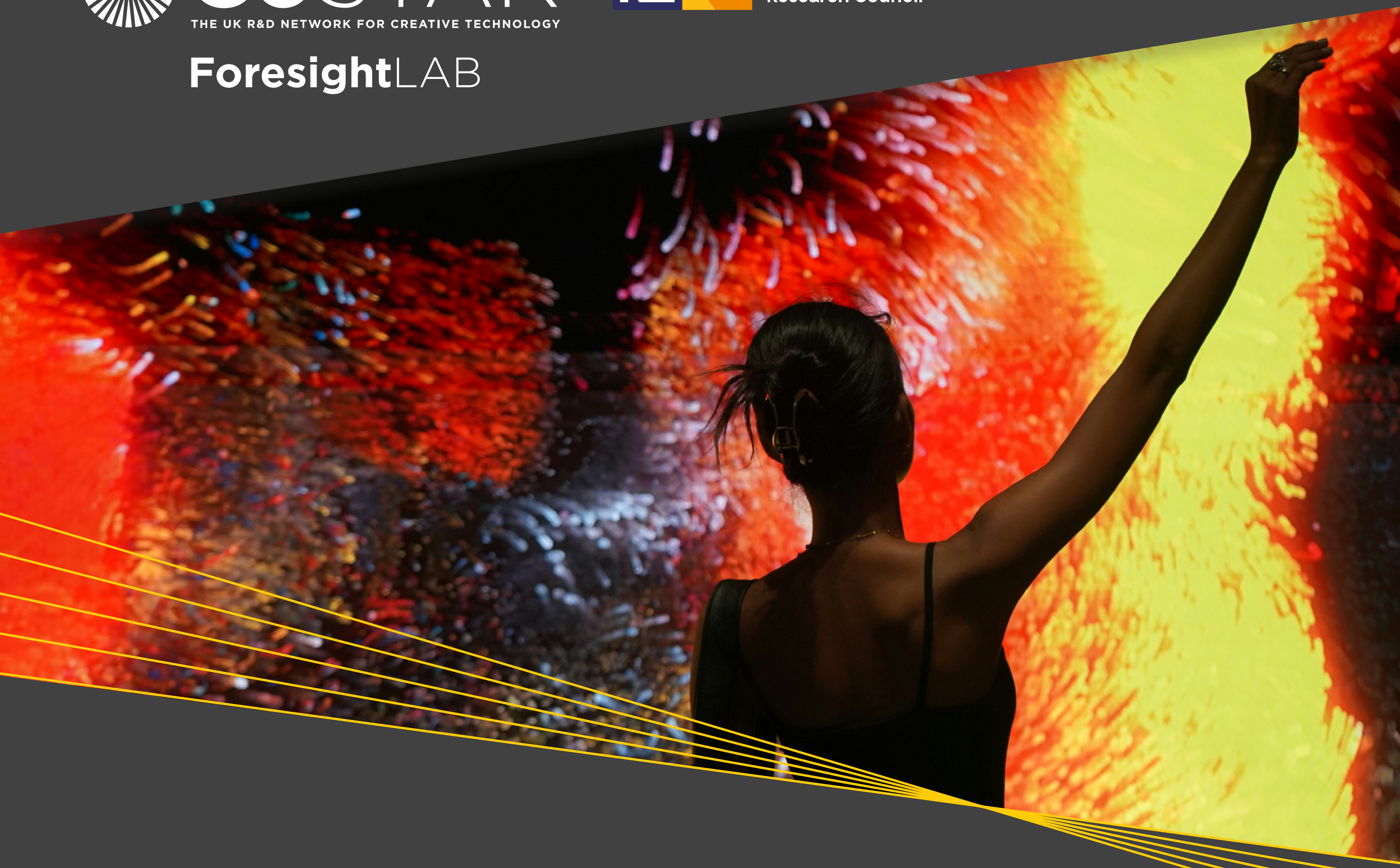

Creative Technologies International Scan #7

A Foresight Lab briefing prepared by Olsberg•SPI

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Creative Technologies International Scans

This Creative Technologies International Scan (CTIS) is the seventh in a series of publications designed to present and unpack global developments of advanced technologies in and for the Creative Industries.

The CTIS is a compilation of key trends and updates from markets outside of the UK, with analysis of the global opportunities and challenges on the horizon. It covers developments between **April and June 2026**, and tracks intelligence related to advanced technologies in and for the Creative Industries.

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Summary of key findings

AI Continues to be Deployed Across Creative Industries Workflows

Renowned filmmakers and major studios are deepening their adoption and public endorsement of generative artificial intelligence (AI), moving the technology beyond experimentation into routine production workflows. First tracked in Scan #1 (2024) and recurring in every edition since, the deployment of generative AI in production has continued to mature, from the early, efficiency-driven experiments of 2024, through the structural embedding seen in Scan #2 (Q1 2025), to the deployable production workflows described in Scan #6 (Q1 2026). A widening group of established directors and studios are increasingly building or acquiring in-house generative capability rather than relying solely on external vendors.

Fully AI-generated films and AI recreations are reaching festivals, markets and audiences, testing established norms of authorship and consent. This trend first emerged in Scan #3 (Q2 2025); in the period since, such work has moved out of online showcases and into established industry events at growing scale, including the recreation of deceased or absent performers under estate consent and emerging guidelines.

Virtual production (VP) and AI tooling are becoming more embedded in infrastructure, from production through to exhibition. VP has moved from showcase stages towards the mainstream capability described in Scan #5 (Q4 2025); it has become further integrated into the production process, and AI adoption is now beginning to extend through to exhibition activities, a newer development for the sector. At the same time, VP and visual effects (VFX) capability is increasingly concentrating among specialist providers and industry platforms.

AI Governance, Disclosure, Authorship and Performer Rights

Disclosure and provenance frameworks for AI are becoming increasingly formalised. In the early editions of the CTIS, the focus was on voluntary principles and the first statutory disclosure requirements. By Scan #4 (Q3 2025), labelling and dataset disclosure were becoming legal requirements through measures such as the EU AI Act. In Scan #5 transparency became a standard compliance expectation, supported by metadata embedding and machine-readable opt-outs. This edition marks a further development: alongside regulation, industry-led governance is becoming more important, with union agreements, voluntary provenance standards and award eligibility criteria establishing shared expectations for transparency. As a result, AI policy is increasingly focused not only on disclosure, but also on who controls AI systems and captures the value they create.

Performer image, voice and likeness rights are being asserted more forcefully as AI actor systems proliferate. Performer-rights protection has been a consistent concern throughout multiple previous scans. These interventions have since intensified: representative bodies are intervening against the unauthorised use of performers' images and voices, while platforms and legislatures respond with AI actor databases, detection tools and statutory consent requirements.

Fiscal Incentives Sharpen Focus on VFX, Post-Production and Interactive Content

Further jurisdictions are introducing dedicated VFX and post-production credits to capture high-value technical work. This is among the most explicit continuations in the series; as explored in previous scans, further jurisdictions are now using stand-alone incentives and VFX uplifts to separate this mobile, high-value activity from general production credits, often with regional or rural uplifts that spread economic benefit beyond established hubs.

Further production incentives are expanding to cover video games, esports and interactive content. Extending a thread visible in earlier scans, incentive programmes are being adapted to support interactive formats through lower spend thresholds, transferable credits and broader research & development (R&D) relief, signalling intent to build durable domestic capacity while also attracting large productions.

Governments are Increasing Strategic Focus on the Growth of Video Games, Animation & Immersive Content

Governments are backing video games and esports strategically as engines of cultural and economic growth. The strategic positioning of video games and esports has recurred across earlier scans, with increased governmental support for video games, XR and immersive content highlighted in Scan #6. That ambition has deepened: national Creative Industries strategies are increasingly combining explicit targets, dedicated funding, flagship events and regulatory frameworks to support economic development and cultural diplomacy, reflecting an ambition to build entire creative ecosystems rather than support individual sectors.

Animation is gaining institutional recognition and dedicated public investment. Animation received only limited attention in earlier editions, with dedicated public investment first appearing explicitly in Scan #3 through South Korea's multi-year national animation industry plan and fund, and again in Scan #4 as animation was folded into the expansion of incentives across the screen sector value chain. Over the period since, this has broadened into a more sustained pattern, with governments and regions funding permanent animation institutions, summits and studios, directing investment at both established players and emerging talent to build self-sustaining hubs.

Immersive, XR and interactive content are attracting structured public investment and research. Structured public support for immersive and XR work has been visible since Scan #1, with the cultural-inclusion dimension also seen in Scan #5. Public funders are now opening dedicated calls and commissioning prospective studies that treat immersive formats as a distinct category, often linked to cultural inclusion objectives as well as industrial growth.

Platform Regulation, Cultural Sovereignty and New Infrastructure

Governments continue to rely on content quotas and streaming investment mandates to encourage domestic screen sector growth. Cultural sovereignty was framed as a strategic issue in Scan #2, while content regulation, including streaming investment obligations, was revisted in Scan #6. This quarter's developments extend those trends directly. Investment obligations, quota reviews and state licensing are being used to channel platform spending into national production and to determine market access on cultural sovereignty grounds.

New production, distribution and immersive infrastructure is being built through public-private investment and cross-border alliances. Flagship venue and hub investment runs throughout earlier scans, with the cross-border, ecosystem-building dimension highlighted in Scan #5. Flagship immersive venues, digital-network reforms (a newer addition to the picture) and co-production agreements are extending creative-technology infrastructure into new markets, increasingly through international partnerships as well as domestic build-out.

The Digital Content Sector Continues to Expand and Formalise

Dedicated training pipelines and production infrastructure are being built around creators and short-form formats. This continues directly from Scan #5 and Scan #6, which tracked short-form content's shift from a trend into a formalising industry with dedicated training and infrastructure. That formalisation has widened: academies, courses and adapted facilities such as pre-lit vertical-video stages are professionalising digital-native content, often by repurposing existing industry assets and partnerships rather than building from scratch.

Established media institutions are investing in the creator economy at scale. This is the newest development in this edition. While it builds on the short-form and creator momentum tracked since Scan #5, the flow of institutional capital into the creator economy itself is largely new to this quarter rather than a continuation of an established trend: talent agencies, private equity and legacy media are deploying significant capital to acquire and grow creator businesses, as creator-led films post major box-office results and brands form revenue-sharing partnerships.

Sustainability Remains Active Across Parts of the Creative Industries

Industry-led initiatives continue to support awareness, accountability and the adoption of more sustainable practices across the Creative Industries. The sector, particularly in North America, continues to embed sustainability into content and production through events, guides and incentives, with growing attention to the environmental impact of AI tools.

Key findings

AI Continues to be Deployed Across Creative Industries Workflows

Renowned filmmakers and major studios are becoming increasingly explicit in their advocacy for the adoption and endorsement of generative AI, underscoring that the technology has moved beyond experimentation and into mainstream production workflows

- A widening group of prominent directors and major studios are now openly using generative AI within conventional production pipelines, marking a shift from isolated pilots towards routine application across development, pre-production, production and post-production
- The trend is most visible where AI reduces the cost or time of specific tasks, from generating background imagery and reworking scenes after filming to producing animation, indicating that adoption is being driven by concrete production economics rather than novelty
- As well as developing strategic partnerships with established AI companies, studios are increasingly building or acquiring in-house generative capability, embedding the technology within their own creative operations rather than relying solely on external vendors, which gives them greater control over workflows and intellectual property.

Takeaway: Markets that develop clear production standards and skills for integrating these tools are better placed to capture the efficiency gains, while those without supporting frameworks risk uneven adoption and disputes over creative and labour practices.

Case Studies

In the US, a growing number of established Hollywood directors, including Steven Soderbergh and Martin Scorsese, are publicly engaging with AI tools, with Soderbergh using AI-generated imagery for a documentary and citing a future project that could make significant use of the technology

In India, with admissions falling from more than one billion in 2019 to 832 million, studios are now deploying AI to generate films, dub content and rework titles, with one studio head reporting production costs in some genres falling to around one-fifth of traditional levels

Netflix introduced an AI system, VOID AI, capable of rewriting and altering video scenes after filming, further establishing AI into the post-production editing process

Netflix established a dedicated generative AI animation studio, signalling that major platforms are building proprietary AI production capability in-house rather than relying solely on third-party tools

Google DeepMind has entered a first-of-its-kind R&D partnership with entertainment company A24 to support filmmakers in developing new workflows and techniques, combining AI and human storytelling.

Fully AI-generated films and AI recreations are reaching festivals, markets and audiences, testing established norms of authorship and consent

- Films produced largely or entirely with generative AI are no longer confined to online showcases, with dedicated festivals and selections at established industry events bringing such work to professional and public audiences at growing scale
- Several AI-generated features are being produced for a fraction of conventional budgets, which lowers barriers to entry but also intensifies competition for attention and raises questions about quality, labour and creative value
- The recreation of deceased or absent performers using AI is moving from concept to practice, with projects proceeding under estate consent and emerging performer-protection guidelines, foregrounding unresolved issues of likeness, consent and remuneration.

Takeaway: Markets that establish transparent norms for disclosure, consent and festival eligibility early are better positioned to absorb these works credibly. Meanwhile, those without clear conventions face reputational and rights disputes as AI-native content proliferates.

Case Studies

At Cannes, the second World AI Film Festival showcased generative AI works at the Palais des Festivals, drawing submissions from over 80 countries in a roughly fivefold increase on its inaugural edition, as debate over AI's role in cinema intensified

Hell Grind, an AI-generated feature produced for around US$500,000 (~£395,000), screened alongside Cannes industry activity at the Marché du Film, demonstrating feature-length generative production workflows at commercial scale

Dreams of Violets (2026), was the first fully AI-generated live-action feature accepted into a major festival's official line-up, debuting at Tribeca for a reported production cost of around US$2,000 (~£1,600) and highlighting very low-cost AI production methods

In the US, filmmakers behind *As Deep As the Grave* (TBA) announced the use of AI to recreate the performance of deceased actor Val Kilmer under estate consent and emerging performer guidelines, accelerating debate around digital likeness, consent and performer rights

Huace Film & TV, a leading Chinese entertainment company, is creating its first fully AI-generated series as part of its strategic partnership with Utopai Studios, using its AI system, PAI, to be distributed across broadcast, streaming, and digital platforms

In Australia, a white paper by Deakin University and Swinburne University of Technology found that AI reduces barriers to entry for female filmmakers, with 46% of first-time filmmakers being female compared to 16% across all categories.

Virtual production (VP) and AI tooling are becoming more embedded across Creative Industries infrastructure and workflows. VP continues to embed across the production process and AI adoption is now beginning to extend through to exhibition activities, while capability is increasingly concentrating among specialist providers and industry platforms

- Cinema operators are adopting AI for scheduling, marketing and audience analysis to rebuild attendance and cut administrative workloads, illustrating that AI adoption is now extending into the exhibition segment of the screen sector value chain
- Major film markets are further formalising VP within their programmes, with dedicated stages and showcases demonstrating LED volume, real-time rendering and integrated production workflows to film and streaming professionals
- At the same time, the specialist visual-effects and VP sector is consolidating, with established vendors closing or being absorbed by larger technology and platform companies, concentrating capability among fewer, better-resourced players.

Takeaway: As AI becomes more embedded across exhibition and VP workflows, and capability increasingly concentrates among specialist providers and technology platforms, there is a growing need for a market-level infrastructure strategy. Markets that support local technical capability and production infrastructure will be better positioned to retain value across the Creative Industries value chain.

Case Studies

Global cinema operators, chains and independents are using AI for scheduling and marketing, with Norway's Tynset Kino reporting admissions up 21% to 14,000 and Vue using an AI system to manage around 30,000 sessions a week in the UK, though some limit AI in audience-facing creative work

Digital Domain, a global leader in VFX, launched DDAI, an AI infrastructure combining traditional CGI pipelines with generative AI-assisted production processes while emphasising data security, model provenance, and transparency

US film and television studio Wonder Project and AI company Luma partnered to launch Innovative Dreams, a filmmaker-led production company combining performance capture, virtual production and VFX incorporating end-to-end AI technology, supported by Amazon Web Services

Marché du Film launched its largest-ever virtual production conference and showcase stage, demonstrating LED volume, real-time rendering and production workflow technologies for the film and streaming industries

Pixomondo, the established global VFX and virtual-production studio, was shut down and absorbed into Sony, illustrating ongoing consolidation among specialist VFX providers

Sony continued to develop proprietary production technology, reflecting how large technology companies are building integrated virtual production capability across the pipeline.

AI Governance, Disclosure, Authorship and Performer Rights

Disclosure, provenance and strategic-control frameworks for AI are formalising across the Creative Industries

- Union agreements, voluntary standards and awards rules are continuing to classify and disclose AI use in film and television, indicating a broader formalisation and scaling of shared conventions around transparency and provenance
- Consumer research is being used to justify the development of AI governance frameworks, with evidence that a substantial majority of audiences want to know whether content was made with AI and would prefer human-made work shaping how disclosure standards are designed and promoted
- AI is increasingly being viewed by industry stakeholders not as a standalone technology challenge, but as a strategic issue that will shape who captures value and exercises control across the creative ecosystem. This is driving renewed focus on its operational and commercial consequences for broadcasters, platforms and technology providers.

Takeaway: Markets that adopt clear, interoperable disclosure standards are better placed to maintain audience trust and smooth cross-border distribution, while fragmented or absent rules risk consumer confusion and friction in sales and licensing.

Case Studies

Human Provenance in Film launched a free open standard for AI disclosure at Cannes, grouping use into No AI, Assistive AI and Generative AI categories, with consultation to 31st October 2026, citing research that 77% of consumers want to know if content used AI and 70% prefer human-made work

The Golden Globes updated its 84th awards rules so that AI use does not automatically disqualify a work provided human creative authorship remains primary, while performances substantially generated by AI will not be eligible in acting categories

Digital TV Group published a report finding that the central issue is no longer whether AI will be adopted but where value will sit and how control points across the television ecosystem may shift, framing AI as a strategic rather than purely technical issue

OpenAI acquired the technology talk show TBPN as part of a wider effort to shape public discussion around AI, with the programme retaining editorial and guest-selection control under the new ownership

The US Writer's Guild of America's new ratified agreement with the AMPTP preserves the AI protections secured in 2023 and adds a requirement for companies to inform and consult the Guild about licensing writers' work to train a commercial AI system

The US Directors Guild of America's new tentative agreement with the AMPTP includes renewed AI protections set out in the 2023 agreement, as well as enhanced generative AI protections, which establish director's control over AI-generated footage and creates a new employer-funded skills enhancement programme.

Performer image, voice and likeness rights are being asserted more forcefully as AI actor systems proliferate

- Representative bodies for performers are issuing formal statements and pursuing interventions against the unauthorised use of actors' images and voices to train AI models, anchoring image and voice rights in existing legal protections
- Streaming platforms are launching AI actor databases and licensing initiatives, framing them as production aids, but these have drawn significant backlash where performers dispute participation or fear the erosion of live-action work
- Platforms and legislatures are responding with detection tools and statutory consent requirements, indicating that performer protection is being addressed through a combination of industry monitoring, technical safeguards and law.

Takeaway: Markets that establish clear consent and remuneration rules for AI use of performers' likenesses are better placed to sustain professional talent pools, while those without protections risk disputes, talent flight and reputational harm.

Case Studies

In China, the Actors Committee of the China Federation of Radio and Television Associations condemned the unauthorised use of actors' images and audio to train AI models, stating that such use without written authorisation constitutes infringement and committing to monitoring and support for legal action

iQIYI, the Chinese streaming service, announced an AI actor database, Nadou Pro, with 117 participating artists, framed as a production aid, though several actors denied agreements and the announcement generated significant online backlash

YouTube introduced an AI deepfake detection tool to help identify unauthorised synthetic use of creators' and performers' likenesses on the platform

The Mexican Senate approved a new Federal Film and Audiovisual Law including provisions requiring performer consent for the AI use of voice and likeness, alongside a 30% production incentive

In the US, the Screen Actors Guild - American Federation of Television and Radio Artists has approved a new contract with the AMPTP, including enhanced protections around digital replicas and synthetic performers

The US Senate Judiciary Committee advanced the Nurture Originals, Foster Art, and Keep Entertainment Safe (NO FAKES) Act, protecting Americans from unauthorised AI-generated replicas of their voice and likeness.

Fiscal Incentives Sharpen Focus on VFX, Post-Production & Interactive Content

Further jurisdictions introduce dedicated VFX and post-production credits to capture high-value technical work*

- A growing number of jurisdictions are creating stand-alone incentives specifically for VFX and post-production, separating this high-value technical activity from general production credits to attract a greater share of post-production activity
- Jurisdictions are also deploying VFX uplifts within production incentive schemes to attract post-production activity, reflecting a growing focus on capturing a greater share of the film and television value chain beyond principal photography as competition for screen production intensifies
- Several programmes are also being designed with regional or rural uplifts and caps, indicating that incentive policy is being used not only to attract productions but also distribute economic benefits beyond established production hubs.

Takeaway: Markets that offer competitive, clearly targeted post-production incentives are better placed to retain VFX and finishing work that is otherwise highly mobile, while those relying on general credits alone risk losing this activity to more specialised regimes.

Case Studies

In California, Assembly Bill 2319 advanced to establish a Postproduction Tax Credit offering a 35% base credit on qualifying post-production expenses, with uplifts of up to 15% and a US$6 million (~£4.7 million) per-project cap, targeting VFX and finishing work

In Ireland, the European Commission approved a VFX uplift to the Section 481 credit, introducing a 40% enhanced rate for productions with €1 million (~£0.85 million) or more in qualifying VFX spend, applying to qualifying expenditure of up to €10 million (~£8.5 million)

Georgia brought a reinstated stand-alone post-production tax credit into effect, offering a 20% base credit on at least US$500,000 (~£395,000) of qualified in-state spend with uplifts for Georgia-shot and rural post work, capped at US$10 million (£7.5 million) a year to 2031

In Oklahoma, House Bill 4215 advanced to lower the minimum expenditure threshold for post-production projects filmed outside the state to US$20,000 (~£15,800), from US$50,000 (£37,600) easing access to its incentive for smaller post work.

* Olsberg•SPI is currently undertaking an international study of public incentive and funding models across CoSTAR sectors, assessing how international approaches are adapting to convergent production methods, emerging creative technologies, and evolving policy priorities, and drawing insights for UK policy discussion.

Further production incentives expand to cover video games, e-sports and interactive content

- Several jurisdictions are adapting incentive programmes to more explicitly accommodate video games, e-sports and interactive content, extending fiscal support across a wider set of creative-technology activities
- New and amended schemes are reducing minimum-spend thresholds and offering transferable credits, lowering barriers for smaller interactive studios and signalling an intent to build domestic video games and interactive capacity rather than only attract large productions
- Broader R&D tax relief is being extended in ways that benefit software and game development studios, reflecting a view that interactive content sits at the intersection of cultural and technology policy.

Takeaway: Markets that align video games and interactive incentives with their wider creative-technology strategies are better placed to grow durable studios, while piecemeal or narrow measures risk subsidising activity without building lasting local capability.

Case Studies

In Delaware, House Bill 364 proposed a 30% transferable tax credit covering film, television, e-sports and video games, with the minimum expenditure reduced to US$100,000 (~£79,000) and a US$10 million (~£7.9 million) annual cap

In Italy, the 2026 Film and Audiovisual Fund earmarked €10 million (~£8.5 million) specifically for video-game production and a dedicated allocation for technical industries and post-production, alongside €220 million (~£187 million) in production tax credits

New Zealand ran an application round for its 20% Game Development Sector Rebate, capped at NZ$3 million (~£1.4 million) per business under an MBIE-funded scheme supporting domestic studios

Sweden moved to expand its R&D tax relief and broaden the R&D definition in a competitiveness push that benefits software and game development studios.

Governments are Increasing Strategic Focus on the Growth of Video Games, Animation & Immersive Content

Governments are backing video games and e-sports strategically as engines of cultural and economic growth

- National governments are setting explicit targets and dedicated funding for video games and e-sports, treating them as priority export and growth sectors rather than as peripheral entertainment products
- State-backed strategies increasingly combine investment vehicles, flagship events and physical districts, indicating an ambition to build entire ecosystems spanning development, competition and infrastructure rather than support individual studios
- Several jurisdictions are advancing regulatory and legal frameworks for video games in parallel with funding, positioning the sector within formal cultural policy and providing the legal certainty needed for sustained private investment.

Takeaway: Markets that pair strategic ambition with stable funding and clear legal frameworks are better placed to grow internationally competitive video games sectors, while those relying on event-led visibility without durable support risk uneven results.

Case Studies

Japan set targets for overseas markets of ¥6 trillion (~£31 billion) for anime and ¥12 trillion (~£62 billion) for video games by 2033, with FY2026 anime-support funding of ¥58.9 billion (~£305 million) and IP360 indie grants of up to ¥10 million (~£52,000)

Saudi Arabia continued executing its National Gaming and Esports Strategy through Savvy Games Group, the annual Esports World Cup in Riyadh and the Qiddiya gaming district, as a state-backed Creative Industries growth plan

In Brazil, the Ministry of Culture used Gamescom Latam 2026 in São Paulo to advance the Marco Legal dos Games regulatory and funding framework, positioning video games within public cultural policy and fiscal incentives

Australia ran a National Cultural Policy refresh consultation covering digital video games and the Digital Games Tax Offset, which is due for review in 2027, inviting public submissions on future support.

Animation is gaining institutional recognition and dedicated public investment

- Governments and regions are funding permanent animation institutions and studios, signalling a shift from project-by-project support towards building lasting infrastructure and capacity for the sector
- New industry forums and summits are convening institutions and companies to advance the formal recognition of animation as a strategic sector, reflecting efforts to coordinate policy, co-production and regulation at the supranational level
- Targeted investment is being directed both at established studios seeking to expand into original content and at capacity-building for emerging talent, indicating a twin focus on scaling existing players and broadening the talent base.

Takeaway: Markets that combine talent development and original content funding are better placed to build self-sustaining animation hubs, while one-off grants without institutional support risk limited long-term impact.

Case Studies

In France, the state- and region-backed Cité internationale du cinéma d'animation opened in Annecy as a year-round animation hub combining a museum, production hub, cinema and artist residency

Annecy launched the inaugural European Animation Summit, a new annual forum convening EU institutions and industry on regulation, co-production and the formal recognition of animation as a strategic sector

Spain committed around US$28 million (~£22 million) to animation studio Anima Kitchent to expand into original features and grow Spain as an animation hub

In Africa, UNDP's timbuktoo Creatives Hub launched an Independent Animators Capacity Building Programme for 20 emerging African animators, with mini grants and training in IP, budgeting and partnerships.

Immersive, XR and interactive content is attracting structured public investment and study

- Public funders are opening dedicated calls for video games, XR and immersive content development, treating immersive formats as a distinct funding category alongside traditional film and television work
- Investment is being directed towards interactive and immersive projects from under-represented and Indigenous creators, indicating that immersive policy is being linked to wider cultural inclusion objectives as well as industrial growth
- Governments are commissioning prospective studies and large strategic plans that frame immersive experiences as emerging public cultural practices, providing an evidence base for sustained future investment.

Takeaway: Markets that develop dedicated immersive funding streams and evidence are better placed to develop the format as a recognised cultural and economic sector, while those treating it as a sub-set of existing schemes risk under-supporting it.

Case Studies

The European Union funded, Creative Europe MEDIA, opened its 2026 Video games and Immersive Content Development call, offering up to €200,000 (~£170,000) per project at a 60% rate for video-game producers, XR studios and audiovisual companies

In Canada, the Indigenous Screen Office and Canada Media Fund made a joint C$480,000 (~£280,000) investment in three Indigenous projects: a video game, a video-game series and an extended-reality installation

In France, the CNC presented a prospective study on immersive experiences spanning VR, AR, spatial audio and video mapping to the National Assembly's culture committee, framing immersive works as an emerging public cultural practice

Spain unveiled a €1.712 billion (~£1.46 billion) package of financial instruments for its Spain Audiovisual Hub Plan at the Marché du Film, explicitly spanning VFX, video games, VR, esports and immersive content.

Platform Regulation, Cultural Sovereignty and New Infrastructure

Governments continue to rely on content quotas and streaming investment mandates to encourage domestic screen sector growth

- Several jurisdictions are introducing or strengthening obligations on streaming platforms to invest a defined share of local revenue in domestic works, using regulation to channel platform spending towards national production sectors
- Reviews of established audiovisual frameworks are underway, with stakeholders pressing for higher local-content quotas and stronger prominence rules, indicating that platform regulation is being tightened rather than relaxed
- State licensing continues to determine market access for video games and audiovisual content, demonstrating how cultural sovereignty objectives shape which content can be distributed and on what terms.

Takeaway: Markets that pair clear investment frameworks with strong production incentives are best positioned to align global streaming platform growth with the development of sustainable local production ecosystems.

Case Studies

In Germany, the federal cabinet approved the Media Services Investment Obligation Act, requiring video-on-demand (VOD) platforms and broadcasters to invest at least 8% of German revenue in European works, with a 12% voluntary tier and new rights-reversion limits

The European Commission's new consultation on the Audiovisual Media Services Directive closed, with stakeholders pressing for a higher European works VOD quota and stronger prominence rules ahead of a full review due December 2026

In China, the National Press and Publication Administration published new approved-video games lists for domestic and imported titles, continuing the state licensing regime that gates console, PC and VR releases

In Mexico, the Senate approved a new Federal Film and Audiovisual Law providing formal recognition of streaming and audiovisual works alongside a 30% production incentive.

New production, distribution and immersive infrastructure is being built through public-private investment and cross-border alliances

- Major public-private investments are establishing flagship immersive entertainment venues as economic diversification plays, extending creative-technology infrastructure into new markets and formats
- Policymakers are advancing connectivity and digital network reforms framed as the backbone for media production and distribution, recognising that creative-technology growth depends on underlying digital infrastructure
- Exhibitors and venue operators are developing new live and immersive experiences, indicating that infrastructure investment spans not only production but also novel forms of audience-facing distribution.

Takeaway: Cross-border alliances and co-production agreements are being signed to share production, post-production and AI capability, suggesting that infrastructure strategy increasingly operates through international partnerships as well as domestic build-out.

Case Studies

Abu Dhabi's Department of Culture and Tourism and Sphere Entertainment announced Sphere Abu Dhabi, a US$1.7 billion (~£1.3 billion) immersive entertainment venue on Yas Island and the first Sphere outside the US, as a public-private diversification play

Qiddya Investment Company's partnership with Google Cloud will bring AI-enabled services to the large-scale entertainment destination Qiddya City, providing visitor and operational insights, alongside digital optimisation, to improve experiences for operators and visitors

The European Parliament, Council and Commission agreed the 'One Europe, One Market' Joint Roadmap to advance the Digital Networks Act, the connectivity backbone for media production and distribution, targeting the fourth quarter of 2027

AMC announced Arena One, a new live concert experience, illustrating how exhibitors are developing novel immersive and live formats to diversify audience-facing distribution

Singapore and South Korea signed an MOU to co-produce content and collaborate on post-production automation and AI-based production, with Korea's MCST and KOCCA hosting an ecosystem exchange

Modern Uprising Studio revealed plans to use spatial computing technologies typically used in defence training to create immersive theatrical cinematic experiences, starting with the Celeste Immersive Screening Lounge in New York launching later in 2026.

Sony Pictures Entertainment has invested US$100 million (~£75.8 million) in immersive experience technology company Cosm, which creates "shared reality" experiences bridging virtual and physical worlds.

The Digital Content Sector Continues to Expand and Formalise

Dedicated training pipelines and production infrastructure are being developed for creators and short-form formats, supporting the professionalisation of the digital content sector

- A growing range of academies, courses and scholarships are targeting creators, emerging writers and short-form specialists in formats such as microdrama and vertical video, indicating that skills development is increasingly being organised around digital-native content.
- Established studios and technology companies are adapting physical and technical infrastructure for these formats, from pre-lit standing sets purpose-built for vertical productions to platform-level audio and video quality enhancements aimed at creator-led content.
- Much of this activity repurposes existing assets and institutional partnerships, soundstages, festivals, streaming apps and education platforms, extending mainstream industry capability into the creator economy rather than building it from scratch.

Takeaway: Markets that invest in creator-focused training and adapted production infrastructure are better placed to capture value as short-form and vertical content scales, while those that continue to treat it as an informal or amateur space risk ceding ground to more organised and better-resourced ecosystems.

Case Studies

In Africa, the Digital Creator Africa Academy (DCAA) and Singapore-based AI video company Video Rebirth announced they will offer AI filmmaking training and scholarships to 100 African vertical and microdrama creators

Dolby partnered with video sharing platform RedNote to integrate Dolby Vision and Dolby Atmos into the app to enhance the quality of creator-led content and provide a more immersive viewing and listening experiences for users

TikTok partnered with Sundance to launch a free global microdrama training course, teaching serialized storytelling for digital platforms for emerging and mid-career writers

Sunset Studios and Knockout Shorts plan to launch a series of standing sets at its Sunset Las Palmas Studios facility in Hollywood designed for vertical video productions, repurposing existing assets within an 8,000-square-foot soundstage. The environments are pre-lit and repurposed from previous studio productions, extending the use of existing assets

Bedford, a US-based online education platform, launched a new annual programme to help individuals, entrepreneurs and organisations master digital content creation, grounded in practical application and enabled by coaching, peer support and resident creator feedback.

Established media institutions are investing in the creator economy at scale, integrating individual creators into established commercial pipelines

- Large talent agencies, private equity firms and legacy media companies are deploying significant capital to acquire, operate and scale creator economy businesses, treating individual creators and their output as institutional-grade assets rather than peripheral marketing channels.
- Content originating with online creators is increasingly competing directly in mainstream markets, with creator-led feature films posting major box-office results and platforms building dedicated hubs to surface, grow and monetise creator content at scale.
- Established brands and conglomerates are forming bespoke commercial arrangements with creators that blend talent fees with content revenue shares, signalling a shift from advertising-style transactions towards genuine, long-term business partnerships.

Takeaway: Markets and companies that integrate creators into formal financing, distribution and brand structures are better placed to capture the sector's rapid growth, while those that continue to treat the creator economy as separate from the wider Creative Industries risk missing a significant and rapidly formalising source of economic activity and revenue.

Case Studies

Creative Artists Agency (CAA) and private equity firm TPG's Integrated Media Company have launched Compound Creative Holdings, a US$250 million (~£189.2 million) holding company dedicated to acquiring, operating and growing a portfolio of creator economy businesses

YouTuber Kane Parsons' feature film *Backrooms* (2026) set several box office records with an estimated US$118 million (~£89.8 million) global opening, while the box office revenue on YouTuber Curry Barker's *Obsession* (2026) rose a second consecutive weekend to US$148 million (~£112.6 million)

Forbes announced "Forbes Creator", a new social-first network delivering original content across Forbes digital platforms, with bespoke deals combining talent fees and content revenue shares with six digital content creators

Amazon announced the launch of a dedicated Creator Hub on its media platform Fire TV, increasing the visibility of creator content, with the goal of expanding from over 120 creators to over 500 by 2027

Media conglomerate Beast Industries, founded by content creator MrBeast, is building an AI-driven global creator platform bringing together creators and Global 1000 brands, bringing new scale to the creator economy.

Sustainability Remains Active Across Parts of the Creative Industries

Industry-led initiatives continue to bring awareness, accountability and support for sustainable practices across the Creative Industries

- The Creative Industries, particularly in North America, continue to address environmental issues, using events, guides and incentives to incorporate sustainability into both content themes and production processes
- Despite recent policy intervention by state governments, initiatives tend to be led by industry bodies, demonstrating the willingness of sector stakeholders to drive accountability and action
- There is growing consideration of the environmental impacts of AI, and how to mitigate these as AI tools become more prevalent in the Creative Industries

Takeaway: Markets can effectively achieve environmental sustainability goals by incentivising sustainability efforts through awards and financial benefits, providing clear guidance and tools to enable sustainable actions, and building environmental consciousness into all parts of the creative process.

Case Studies

Illinois state government announced the first Green Film Production Tax Credit in the US, offering an additional 5% on the state tax credit for productions which commits to and achieves the required environmental sustainability benchmarks

Oregon-based animation company Laika Studios achieves B Corp Certification, two months after becoming the first stop-motion animation studio to earn the Gold Level Green Seal for Studios from the Environmental Media Association (EMA), Hollywood's leading environmental nonprofit

The Film Independent Spirit Awards and the Redford Centre have launched the Robert Redford Environmental Vision Award for American narrative feature film or television works that address environmental themes

In California, the seventh edition of the Hollywood Climate Summit brought filmmakers, actors, activists, media executives and scientists together to explore topics such as infrastructure, incentives and climate storytelling

CineRegio, Ecoprod and Green Film have launched the pilot phase of their ANIMPACT sustainability standards for animation production following the publication of the Green Animation Guide in 2025, as well as launching an e-learning course on green animation

The Directors Guild of Canada has released the Low Carbon GenAI Toolkit to help users understand, measure and reduce the impact of AI use in film and television production with factual resources, best practices guidance and a carbon footprint calculator

The Producers Guild of America released a Sustainability Toolkit to give producers resources and guidance on building a business case for sustainability, embedding climate awareness into each phase of a project, and enabling crews to propose sustainable solutions.

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