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JUNE 2026 · INDUSTRY RESEARCH

AEstruct June 2026 M&E Market Insights

A monthly read on what matters in media & entertainment — for the operators, producers, and business-side teams navigating the AI era.

PERIOD COVERED

June 1 – June 30, 2026

PUBLISHED

July 2026

Manage Less. Create More.

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Executive Summary

June was the month the money finally arrived to answer a question the industry has been arguing about for two years: is generative AI a threat to production, or a tool inside it? On June 22, Google put roughly \$75 million into A24 and embedded DeepMind researchers directly inside the studio's active productions. The first thing they are building together is not a text-to-film engine or a synthetic actor. It is an AI-generated storyboarding application, the rough previsualization sketches a director uses to plan a scene before a single frame is shot. The most talked-about AI deal of the year, at the studio most associated with human authorship, landed squarely on a previsualization workflow rather than on the creative work itself.

The same pattern showed up across the month. Amazon signed a content-licensing deal with The New York Times to feed its AI devices and services, and continued standing up Project Nara, the AWS production platform behind its GenAI Creators' Fund. Canal+ signed with both Google Cloud and OpenAI, putting Veo 3 into European and African production pipelines starting this month. On the labor side, SAG-AFTRA members ratified a new TV/Theatrical Agreement that tightens digital-replica protections and only permits AI performers when they deliver "significant additional value" over a live actor or that actor's avatar. New York's legislature passed the FAIR News Act, requiring clear disclaimers when AI is used in published news. And the contraction that has defined M&E employment continued without a pause, with Paramount cutting another 3.5% of its domestic workforce on June 10 and Disney running its fourth and largest round of television-side layoffs in ten months.

The strategic read for the industry is that the near-term value of generative AI in media sits in the planning and back-office layers, not in replacing the artist. When the richest AI partnership of the year points its first tool at storyboarding, and the biggest labor and regulatory moves of the month are about disclosure and consent rather than prohibition, the center of gravity has clearly shifted from "will AI replace the work" to "how do we run the business around it."

Key Findings

- Google's ~\$75M A24 partnership targets AI-generated storyboarding first — evidence that premium production is adopting AI in previsualization and logistics, not creative generation.
 - The SAG-AFTRA TV/Theatrical ratification and the NY FAIR News Act turned AI governance from debate into signed, in-force obligation across contracts and news content.
 - TikTok's Creator Rewards payouts and YouTube's crackdown on low-effort AI content reward human-authored, retention-driven content over volume.
 - The layoff wave continued at Paramount, Disney, Sony, Bungie, and iHeartMedia, extending a two-year contraction into a third year.
 - AI adoption is nearly universal at 91% of businesses, yet only 29% of executives report significant ROI — the defining gap of the current moment.
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Tv/Film/Streaming Landscape

1.1 The Layoff Wave Extends Into a Third Year

The contraction that has defined M&E employment since the 2023 strikes did not ease in June. Paramount announced on June 10 that it would cut roughly another 3.5% of its domestic workforce, with executives citing continued linear-television declines and framing the reductions as further streamlining while the company prioritizes streaming. This follows the larger multi-round program that reduced Paramount's headcount by about 10% across late 2025.

Disney ran its fourth and largest round of television-side layoffs in ten months, cutting several hundred employees across Disney Entertainment. The affected teams included film and television marketing, television publicity, casting and development, and corporate financial operations. Sony's entertainment cuts continued to hit television, film, and corporate roles, and Bungie, a Sony Interactive subsidiary, laid off staff in June after winding down active development on Destiny 2. On the audio side, iHeartMedia triggered a broad round of layoffs on June 25, cutting roughly 100 programming staff across more than 30 markets as part of a \$50 million reduction.

The cumulative picture remains consistent with the two-year trend. Entertainment and media layoffs rose 18% in 2025 with more than 17,000 jobs cut, and 2026 has continued the pattern. The mid-tier post houses, VFX vendors, and production-services shops that depend on major-studio order volume are running leaner than at any point since 2020.

1.2 Streaming Consolidation Accelerates

June continued the collapse of standalone streaming services into their parent platforms. BET+ ended as a standalone service, with its programming absorbed into Paramount+. Fubo moved to combine operations with the live-television side of Hulu, and Hulu itself continued folding into Disney+. The direction of travel is unmistakable: the era of dozens of independent direct-to-consumer apps is giving way to a small number of consolidated platforms with bundled tiers.

The backdrop to all of this remains the pending Paramount–Warner Bros. Discovery combination announced in February, a transaction that pairs two heavily leveraged companies and that analysts expect to drive years of integration-related restructuring once it closes. Warner Bros. Discovery's streaming segment, for its part, ended 2025 with roughly 132 million subscribers after adding nearly 15 million during the year, so the content and subscriber engine is running even as the corporate structure reshuffles.

1.3 Amazon and Google Move Deeper Into Production

The month's defining deals came from the two platform giants, and both are covered in more depth in Section 4. In brief: Google committed roughly \$75 million to A24 in a non-exclusive DeepMind research partnership announced June 22, with AI-generated storyboarding as the first tool in development. Amazon deepened its content-and-AI footprint through a New York Times licensing deal and continued building out Project Nara, the

AWS production platform behind its GenAI Creators' Fund. Neither deal is a creative land-grab. Both are infrastructure and workflow plays aimed at the parts of production that happen before and around the camera.

SECTION 2 • INDUSTRY ANALYST

Platform Policy Changes

2.1 TikTok Completes the Shift to Creator Rewards

TikTok's transition away from the old Creator Fund is now complete, with the Creator Rewards Program fully in place. The economics are materially different. Where the old fund paid roughly \$0.02 to \$0.05 per 1,000 views, the Creator Rewards Program pays in the range of \$0.40 to \$1.00-plus per 1,000 qualifying views, and it explicitly rewards videos longer than one minute. Eligibility requires being at least 18, having at least 10,000 followers, and reaching at least 100,000 views in the prior 30 days, with an account in good standing.

The structural message is that TikTok is paying for watch time and longer-form content, not raw view counts on short clips. For any shop running a branded or owned-audience channel on the platform, the content strategy that maximized reach under the old model no longer maximizes revenue under the new one.

2.2 YouTube Lowers the Entry Bar and Raises the Quality Bar

YouTube moved in two directions at once in 2026. It lowered the barrier to monetization by adding a path to the Partner Program through 10 million Shorts views in 90 days, giving fast-growing channels access without a long back catalog. At the same time it raised the quality bar, cracking down on inauthentic and low-effort content, including AI-generated scripts and voiceovers layered over stock footage, recycled clips, and mass-produced compilations. Alongside these changes, YouTube continued expanding its commerce and fan-funding tools, pushing further toward being a full creator-business platform rather than an ad-share arrangement.

The two moves are complementary. YouTube wants more creators monetizing sooner, but it wants human-authored, differentiated content doing the monetizing. The crackdown on low-effort AI content is a direct signal to anyone who assumed generative tools were a shortcut to a passive-income channel.

SECTION 3 • INDUSTRY ANALYST

Creator Economy Landscape

3.1 Market Size Keeps Climbing, With Wide Estimate Spreads

The creator economy continued its steep growth trajectory, though the range of published estimates remains wide enough to warrant caution. Research Nester valued the market at roughly \$252.3 billion in 2025 and projected about \$310.4 billion in 2026 on the way to \$1.35 trillion by 2033, implying a compound annual growth rate near 23%. Other houses put 2026 lower, and Goldman Sachs has forecast \$480 billion by 2027. The

direction is unambiguous even if the precise figure is not, and the spread itself is a reminder to cite the source alongside any number.

Confidence: Medium. The growth direction is high-confidence and consistent across sources. The specific dollar figures are medium-confidence given the wide variance in market-sizing methodology between firms.

3.2 The Burnout and Income Story Has Not Improved

The uncomfortable counterpoint to the market-size headline is that the economics for individual creators remain difficult. Across recent surveys, roughly 41% of independent creators report struggling with burnout, and 46% say it is hard to be successful in the creator economy at all. More severe estimates put burnout as high as 52% to 78% depending on the sample. The income data explains much of it: reporting indicates that around 57% of full-time creators earn below the U.S. living wage of roughly \$44,000, and more than half earn under \$15,000 a year.

The structural takeaway is that the creator economy is growing in aggregate dollars while remaining brutally top-heavy in how those dollars are distributed. The gap between the platform-level growth story and the individual-creator reality is where operational efficiency becomes survival, not luxury.

SECTION 4 · INDUSTRY ANALYST

Ai In Media & Entertainment

4.1 The Google-A24 Partnership Is the Signal of the Year

The most consequential AI development of June was Google's roughly \$75 million investment in A24, announced June 22 as a multi-year, non-exclusive research partnership with DeepMind. The structure matters as much as the money. Google does not get access to A24's content library or its data. Instead, DeepMind researchers work inside A24's active productions to build tools that filmmakers actually want, with the investment sized in line with what Thrive Capital put in during A24's last funding round.

The first application in development tells the real story. A24 Labs is building an AI-generated storyboarding tool — the rough previsualization sketches used to plan and pressure-test a scene before physical production — rather than a system that generates full video, performances, or finished scenes from prompts. The studio most associated with protecting artistic vision took a large AI check and pointed it at previsualization and production logistics. This is the clearest high-end proof yet that the near-term value of generative AI in premium content sits in the planning and production layers, not in replacing the creative act.

4.2 Amazon Builds the Rails: NYT Licensing and Project Nara

Amazon spent June extending two parallel efforts. It signed a content-licensing deal with The New York Times, bringing the paper's news, cooking, and games content to Amazon's AI devices and services, a structure designed to let publishers get paid without their content surfacing in traffic-cannibalizing AI search products. Amazon is also reportedly exploring a broader marketplace where media sites could license content directly to AI companies.

On the production side, Amazon MGM Studios continued building out the GenAI Creators' Fund it announced at the AI on the Lot event in May, which provides funding and access to AI production tools for filmmakers and startups developing premium shows and films. The underlying AWS platform, dubbed Project Nara, is being made available to the creators selected for the fund. Taken together, Amazon's moves are about owning the infrastructure and licensing rails for AI-era content rather than generating the content itself.

4.3 The AI Video Tool Landscape Reshuffles

The generative-video field turned over materially in the spring, and by June the hierarchy had settled into a new shape. OpenAI discontinued the standalone Sora product, with the web and app experiences ending April 26 and the API scheduled to close September 24. Into that gap, three tools now define the top tier. Google's Veo 3.1 is the safest all-rounder, with the strongest prompt adherence, native audio, and 4K output. Kling 3.0 from Kuaishou moved from budget pick to genuine top-tier competitor, with a multi-shot storyboard mode at roughly \$0.10 per second. Runway's Gen-4.5 remains the professional's choice when granular control over camera moves, motion, and character consistency matters most. Seedance 2.0 is the newest entrant drawing heavy testing.

Canal+ demonstrated where this is heading for traditional media. It signed multi-year agreements with both Google Cloud and OpenAI, with production partners getting access to Veo 3 for previsualization and archive reconstruction, rolling out from June across European and African markets. The pattern mirrors the A24 deal: the generative tools are entering production through previsualization and asset work, not through final-frame generation.

4.4 Labor and Regulation: SAG-AFTRA Ratifies, New York Legislates

June brought two concrete governance developments rather than abstract debate. SAG-AFTRA members ratified a new TV/Theatrical Agreement that builds on prior AI and digital-replica protections, adding terms that further restrict synthetics. Under the ratified contract, producers may only use AI performers when they bring "significant additional value" compared to a live actor or that actor's digital avatar. This is a signed, in-force obligation, not a proposal.

Separately, New York's legislature passed the FAIR News Act (S.8451-B / A.8962-B), which requires clear disclaimers when AI is used in published news content and builds on the state's earlier synthetic-advertising law. New York now has two enforceable AI-disclosure regimes stacked on top of each other, covering advertising and news.

4.5 Gaming: AI Adoption Rises as Layoffs Continue

The video-game sector illustrates the augmentation-and-displacement dynamic in sharp relief. The 2026 GDC State of the Game Industry survey found that 36% of professionals are now using AI in their work, while 33% reported being laid off in the previous two years and half said their employer had conducted layoffs in the prior twelve months. The roles most exposed to AI substitution track with the layoff data: game designers at a 20% layoff rate, narrative writers at 19%, and visual artists at 16%. Bungie's June cuts, following the wind-down of Destiny 2 development, fit the broader pattern of contraction even amid record industry revenue.

4.6 The Adoption-Versus-ROI Gap

The macro data frames the year's central tension. AI adoption is now nearly universal, with 91% of businesses reporting they use AI in at least one capacity in 2026, up from 78% in 2024 and 55% in 2023. Productivity gains are real but concentrated: the most AI-exposed companies show productivity growth roughly 40% higher than the least-exposed, and the top quintile averages a striking 163% productivity growth, while AI tools save workers an estimated 52 to 60 minutes a day. The technology, media, and telecom sector leads all others in AI hiring intensity, with nearly one in eight new roles now AI-related.

The catch is the gap between adoption and return. Despite 97% of executives deploying AI agents in the past year, only 29% report significant ROI, and more than half the workforce reports receiving no recent training. Adoption is easy and universal. Turning it into measurable value is neither.

APPENDIX

Key Data Sources

Major reports & studies cited: GDC 2026 State of the Game Industry (AI adoption and layoff exposure); Research Nester and Grand View Research (creator economy market sizing); Goldman Sachs (creator economy forecast); PwC and the U.S. Federal Reserve (AI adoption and productivity data); McKinsey State of Organizations 2026.

Entertainment trade monitored: Variety (Amazon GenAI Creators' Fund, Google–A24), The Hollywood Reporter (A24–DeepMind venture, Amazon–NYT), Deadline (Hollywood layoffs tracker, Google–A24), IndieWire (A24–Google DeepMind workflow analysis), The A.V. Club.

Creator/digital & platform trade monitored: Tubefilter, Social Media Today, Digiday (AI content-licensing timeline). Platform monetization details cross-referenced across multiple creator-education sources.

Streaming/tech business monitored: TechCrunch (Amazon AI content marketplace), Bloomberg (AI video-generation landscape), NPR (media AI-licensing trend). SEC filings (Warner Bros. Discovery, Amazon) consulted for subscriber and corporate-structure figures.

Regulatory/labor sources: SAG-AFTRA (TV/Theatrical Agreement ratification); New York State Legislature (FAIR News Act S.8451-B / A.8962-B).

AI video-tool landscape: Cross-referenced across multiple comparison and benchmarking sources for June 2026 (Veo 3.1, Kling 3.0, Runway Gen-4.5, Seedance 2.0, Sora discontinuation); treated as directional given the pace of change.

Community sentiment: Filmmaking, content-creator, indie game-development, and podcasting communities scanned via public web discussion for June 2026.

Note on estimates: Creator-economy market-size figures vary widely between research firms; dollar figures are cited with their publisher and flagged as medium-confidence. AI video-tool rankings reflect a fast-moving landscape and are directional.

A ESTRUCT

The advisor who already did the AI homework for M&E — so you don't have to.

AEstruct is a solo consultancy helping small and mid-size creators in media & entertainment put AI to work in the part of the business that actually grinds you down — the back office. We focus on workflows for the business side of production: the scheduling, the budgeting, the rights work, the pitch decks, the trend reads. Creative AI tooling is secondary; operational leverage is the point.

Founded by Emil Freund — 30 years leading M&E organizations through the analog-to-digital and on-prem-to-cloud shifts, now applied to the AI cycle for the people building the next generation of independent studios.

WHO THIS IS FOR

Indie producers & post-layoff founders

Stepping out of a studio or streamer and building the operating layer of a new shingle from scratch.

Solo creators & small content shops

1–25 people, drowning in admin, ready to figure out which AI workflows are real and which are hype.

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Post-houses & podcast networks

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NEXT STEP A 30-minute call to discuss fit. No deck, no pitch — just the right questions.