

THE GOOD, THE BAD AND THE UGLY: AI AND THE CREATIVE INDUSTRIES

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Ankara, 25th April 2026

LET'S START WITH A LADY SINGING

- “Create the future”
- “Take the lead”
- “Use my creativity...”
- “We’re not the enemy...”

This proposition raises many hugely controversial questions – some of them creative, some regulatory/legal

[Video source: YouTube](#)



MARKET CONTEXT: A STRUCTURAL SHIFT IN THE ECONOMICS OF MEDIA BUSINESS

- **Driven by:**
 - Changing consumer behaviour (the battle for user attention)
 - New distribution platforms (social media, dominated by US and Chinese giants)
 - Rapid technological development (enables legal & illegal copying at industrial scale)
- Markets are increasingly characterized by direct-to-consumer distribution models where value is captured by owners of intellectual property (IP) via the ability to command audience attention and convert this attention into multiple revenue streams
- AI technologies are the drivers of change – in production, distribution and (algorithmically directed) consumption

THE GOOD

- **For creative producers? Cost reduction, e.g. in movie special effects (VFX), video games and animation, but also location filming**
 - Emergence of virtual technology studios
 - Elimination of wasteful processes in production workflows
- **For arts & cultural organisations – including theatres and museums – potential to deepen engagement relationships with visitors and communities. Demands uplifting of equipment and IT skillsets**
- **Enhanced ‘immersive’ experiences combining traditional museum curation with XR/VR/AR technologies to augment text and traditional video formats. e.g. *Ramses and the Pharaoh’s Gold*, re-enacting life in ancient Egypt, currently showing in London**

THE GOOD OR THE BAD?

- AI is not itself creative. It processes existing information. It cannot show us something creatively innovative
 - It can produce paintings in the style of Osman Hamdy Bey, but it cannot originate a new format or storyline within the genre of Turkish TV drama
- The example of AIDA the robot. [Ai-Da: Painting by an AI robot sells for more than \\$1 million - BBC Newsround](#)
 - Ai-Da Robot said: "The key value of my work is its capacity to serve as a catalyst for dialogue about emerging technologies."
- More controversially, Tilly Norwood the AI 'actress': caused panic in Hollywood. Its producer (Eline van der Velden, Particle6) says she is making a point about technological capability, not trying to replace human actors, and that creatives must learn to work alongside AI

THE BAD

- It can eliminate actors in voice-over roles, e.g. in advertising
- It is already being used to drive down actors' wages in these secondary markets
- It can be used to eliminate composers of film/TV scores. It can generate scores 'in the style of' Ennio Morricone (for westerns/cowboy movies)
- It can be used without consent to make 'content' in which the facsimiles of real actors are used. *Personality rights* – very hard to enforce in most jurisdictions

THE VERY BAD: AI AND COPYRIGHT INFRINGEMENT

- The biggest challenge to the creative industries is the impact of *generative AI* on copyright
- Copyright (and IP more generally) is the main source of economic value in the creative industries, defined as
 - *‘Those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property.’ (UK, DCMS 1998)*
- Large Language Models (LLMs), operated by AI companies, can copy any copyrighted material (film/TV/music/books) if allowed to do so
 - Text and data mining (TDM) exemptions for commercial use
- [Report on Copyright and Artificial Intelligence - GOV.UK](#) March 2026

THE UGLY: ‘SLOP’ AND ‘PIRACY’

- **AI ‘slop’**
 - Machine-generated meaningless nonsense is flooding Instagram, TikTok and Facebook and degrading the internet
 - In some developed markets, generation Z is withdrawing from social media, partly because of the invasion of ‘slop’
- **Piracy (theft) of IP: AI facilitates the development of unregulated streaming platforms which make money by selling subscriptions to ‘pirated’ content (films and TV)**
- **In some cases consumers now cannot detect the difference between legitimate platform operators and illegitimate ones**

CHALLENGES FOR THE CREATIVE INDUSTRIES

- Governments are generally behind the curve of technological change: regulation is weak or non-existent in many parts of the world
- UK experience is that large American AI companies do not recognize any issue with IP rights (see fair use litigation in the USA) and are unwilling to agree any form of collective self-regulation
- Failure to regulate appropriately will lead to the *de-industrialisation* of many parts of the creative industries with AI being used to excuse large scale loss of creative employment and reduced wages
- **Main challenge: to assert the value of human creativity in an age of growing 'big tech' dominance and capability when 'Tilly Norwood' and other AI creations will be everywhere in the audiovisual universe**