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Global watch on culture and digital trade

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CULTURAL MEASURES TOWARD STREAMERS UNDER TRUMP ADMINISTRATION PRESSURE

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Analytical report, April 2025

The April report begins with the debates related to the new trade agenda of the Trump administration and the potential impact on policy measures toward Video on Demand (VOD) streamers, such as the European Union (EU)'s Audiovisual Media Services Directive (AVMSD). The latter allows EU member states to impose investment obligations on online streamers such as Netflix and Disney+ to support the production of European works. Besides, benefiting from the new US trade agenda, the Motion Picture Association (MPA) has recently pointed out that the US does not have such policies, and such policies and practices are, therefore, non-reciprocal non-tariff barriers. The Trump administration and the MPA also focused on the intention of the Australian government to implement local content requirements toward VOD streamers. In addition, the report highlights a new study released by the European Audiovisual Observatory on the Key Trends 2025 in the European audiovisual economy. Finally, the report focuses on new partnerships and business plans in the platform-based economy, dealing with Netflix, TikTok, HBO Max, Spotify, and YouTube.

Regulation issues, digital trade and culture

The Trump administration against cultural policies in the digital market

As ScreenDaily pointed out, the Trump administration signaled its intentions to target policy measures toward film and TV sectors in a White House memo published on 21 February, titled "Defending American companies and innovators from overseas extortion and unfair fines and penalties". The memo specifically highlights legislation that "require[s] American streaming services to fund local productions" in several countries across the globe. This memo alarmed several associations in the European audiovisual industry as it clearly referred to the EU's AVMSD. The latter allows member states to impose investment obligations on online transnational streamers such as Netflix, Prime Video, and Disney+ to support the production of European audiovisual works.

On 11 March, the Motion Picture Association (MPA), which represents the leading US studios and streamers such as Netflix, Prime Video, Disney, Paramount, filed an 86-page document to the US Trade Representative that sets out the trading barriers the MPA members face worldwide. According to MPA, a 2024 OECD investigation of services trade restrictiveness for the motion picture industry found that "over 30 percent of the countries covered in its study impose restrictions on streaming and downloading platforms. The U.S. does not have such policies, and such policies and practices are, therefore, non-reciprocal non-tariff barriers. Such policies by the United States' most significant trading partners ultimately curb the ability of the US film and TV industry to compete fairly and limits consumers' access to legitimate content". The MPA explicitly mentioned that the full potential of US audiovisual exports is inhibited by a range of "unfair trade practices". Countries around the world, developed and developing, continue to "maintain restrictive content quotas, advertising restrictions, and foreign investment limitations, traditionally targeting theatrical and pay-TV distribution channels".

In addition, the comments from the MPA have also warned the Trump administration that Australia's push to implement domestic streaming quotas constitute "unfair trade practices". As such, the MPAhas railed against "local content mandates", which could violate trade obligations with the US, such as the free trade Agreement between US and Australia. According to Variety, early April, Australian Prime Minister Anthony Albanese has "doubled down on the government's commitment to implement local content quotas for streaming platforms, despite mounting pressure from the U.S.". On 3 April, Albanese stressed "we strongly "support local content in streaming services so Australian stories stay on Australian screens".

Moreover, Olivier Henrard, deputy managing director at France's National Centre of Cinema (Centre national du cinéma), has called on Europeans to unite and stand together against new US "threats" on EU regulations toward streaming services. Henrard took to the stage at Lille's Séries Mania Forum and discussed the future of the EU's AVMSD by mentioning that "the memorandum of the new president of the United States and the reaction it has sparked among US organizations made it very clear about the threats [.] Some aspects of the AVMSD are already being challenged, including Netflix's complaint against plans by the Wallonia-Brussels region in Belgium to increase local investment obligation from 2.2% of domestic revenue to 9.5% by 2027". Henrard added that Netflix is "calling for the national Supreme Court to send the case to the European Court of Justice", before adding that the case is being defended "staunchly" via the European Film Agency (EFAD), representing national film and audiovisual agencies from European countries. He also mentioned that the European audiovisual sector must expect "a much more aggressive approach from the US. We have to react collectively, as Europeans - Europe will need to show its unity".

It is worth reminding that mid-March 17 streamers in Denmark have signed up for the Danish scheme to support the industry and contribute to local audiovisual production. As such, Denmark is following the 16 European countries, introducing a cultural levy and/or investment obligation on streaming services to support local audiovisual production.

The European Audiovisual Observatory on key trends in the European film and TV industries

End of March, the European Audiovisual Observatory released the Key Trends 2025 report. According to the report, spending on European original content, excluding news and sports rights, reached a new high of 22 billion euros in 2023. Spending by broadcasting groups was stable, whereas global streamers increased their investments by 23%. "Overall, global streamers accounted for 26% of audiovisual investments in European original content". In addition, Netflix, Prime Video, and Disney+ account for 85% of Subscription(S)VOD viewing time in Europe. "European works account for 30% of SVOD viewing time, with a slightly higher share for films than for TV series. European films appear to be under-consumed, with a 33% share of viewing time despite them making up 43% of catalogues". Finally, US group Comcast, parent company of NBC Universal and Sky, was the number one audiovisual group in Europe with 15.3 billion euros of revenues in 2023, followed by Disney (8.9 billion euros) and Netflix (8.1 billion euros).

Worldwide activities of online platforms

New business plans and geographical expansion

According to The Hollywood Reporter, in 2024 the global box office dropped 10% to 30.5 billion USD. "Some legacy entertainment conglomerates posted profit growth, while others recorded drops". In comparison to Hollywood legacy studios, Netflix's revenue grew 16%, to 39 billion USD and operating income jumped 50% to 10.4 billion USD, "exceeding 10 billion USD for the first time in the company's history". Netflix added around 9.5 million global subscribers to end the year with 301.6 million in total. According to the Variety, "Netflix expects to spend around 18 billion USD in cash on content in 2025, up to 11% from 16.2 billion USD in 2024.

According to The Verge, despite reaching 45 million subscribers in 2024, Apple TV Plus is reportedly losing one billion USD per year and it is the only Apple service that is not profitable. As such, "Apple cut its initial 5 billion USD budget for Apple TV Plus content by around 500 million USD". According to Quartz, it seems like initial losses were always the plan for Apple's service, as it focused on more expensive and prestige content. "A former Apple TV+ employee said Apple projected losses of 15 billion USD to 20 billion USD in its first decade".

According to WARC's Marketer, in 2025, assuming a US ban is not implemented, ad spend with TikTok should reach 32.4bn USD, a rise of 24.5% year-on-year. TikTok's ad business is set to grow faster than either Facebook (+9.3%) and Instagram (+19.0%) this year, giving the video-sharing app an 11% share of the global social media market. The US remains TikTok's largest market, but over the last five years its share of the platform's total ad revenue has diminished, dropping from 43.3% in 2022 to 34.0% by 2026, according to WARC Media forecast. Ad revenue is growing faster outside of the US, potentially mitigating the impact of any ban in the US. Total monthly usage on TikTok by far exceeds that of any other platform, with the average user spending more than 35 hours on the app each month in 2024 - more than double the average usage by Instagram users.

In February, the streaming's share of all TV use in the United States represents 43.5% and it nearly equals all of linear TV - 21.2% for broadcast and 23.2% for cable. The gains for streaming platforms were led by YouTube, which hit an all-time monthly high of 11.6% of TV use – more than a quarter of the total for streaming as a whole. Netflix was second among streamers at 8.2% of TV use, down a bit from January, followed Disney, Prime video, Roku Channel, and Tubi. In just two years, YouTube's share of total TV viewing has jumped 53%, going from 7.9% to 11.6%. Viewing from adults 65 and over has nearly doubled in the last two years, rising 96%.

According to The Hollywood Reporter, in a global first, "Warner Bros. Discovery' streaming platform Max is partnering with Le Monde and Télérama to launch joint services in France bundling Max shows with news content from the French media groups.

Spotify is extending access to its partner monetization program for audio and video content creators to nine more markets starting 29 April. Eligible creators in France, Belgium, Luxembourg, Netherlands, Ireland, New Zealand, Germany, Austria, and Switzerland are able to enroll. The Spotify Partner Program offers audience-driven payouts to creators from Spotify Premium video engagement and the ability to monetize via ads in Spotify Free and on all other podcast listening platforms. In January, the program was launched in the US, UK, Canada, and Australia.

According to Cineuropa, Western Europe hit a record volume of crime and thriller production orders from leading global streamers in 2024, reaching a total of 94 titles. "This number refers to scripted first-run TV, season renewals and movie commissions in the crime and thriller genre ordered within the time period by Amazon Prime Video, Apple TV+, Disney+, Max/HBO Max, Netflix and Paramount+". Overall the crime and thriller genre's key role in streamers' commissioning strategy is increasing around the globe, with its share of scripted content growing from 20% in 2020 to 32% in 2024. Ninety-four titles are equivalent to a 43% share of all commissions by major streamers in the genre, more than the North American and Asia Pacific regions combined. North America's share of the streamers' commissions in the genre has declined, dropping by half over the same period to just 19% of orders in 2024.

Additional readings for the April report:

- OpenAI takes its pitch to Hollywood creatives after launching controversial video tool, Los Angeles Times, 21 March 2025, Link.
- How Netflix has shaped (and shattered) our content landscape over the past decade – and what comes next, The Conversation, 26 March 2025, Link.

Indicative sources :

- Global film and TV industry braces for expansion of Trump trade war, ScreenDaily, 2 April 2025, Link.
- Netflix, Disney, Amazon push Trump to act on 'unfair' Australian content quotas, Capital Brief, 21 March 2025, Link.
- Trump tariffs: Australia holds firm on local content quotas despite US trade pressures, Variety, 3 April 2025, Link.
- New Danish cultural levy is up and running, Nordisk Film & TV Fond, 11 March 2025, Link.
- Streaming nearly equals all of linear TV in February, despite Super Bowl, The Hollywood Reporter, 18 March 2025, Link.
- Western Europe now makes 43% of all crime titles ordered by major streamers, according to Ampere Analysis, Cineuropa, 28 February 2025, Link.
- Global TikTok ad revenue set to top $30bn, impacting Amazon – so long as there isn't a US ban, Internet Retailing, 1 April 2025, Link.
- Spotify expands video creator monetization program to nine new markets, MusicBusiness Worldwide, 31 March 2025, Link.

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