
AI IS REWRITING ENTERTAINMENT

THE \$100B TRANSFORMATION

From AI-generated music to intelligent NPCs,
Hollywood will never be the same

\$99B
by 2030

**AI in Media & Entertainment
Growing at 24% CAGR**

From \$26B in 2024 → Nearly 4x in 6 years

CATEGORY 1

Streaming & Personalization



80% of Netflix Views from AI

Netflix's recommendation engine drives over 80% of content discovered — saving \$1B/year in reduced churn



Personalized Thumbnails

AI selects different cover art for each user based on viewing history — millions of A/B tests per second



Real-Time AI Dubbing

Netflix launched AI dubbing in 20+ languages simultaneously in 2025 — instant global releases

CATEGORY 2

AI Music Revolution



7 Million Songs/Day

Suno generates an entire Spotify catalog worth of music every two weeks. Valued at \$2.45B.



\$500M Copyright Lawsuits

Major labels sued Suno & Udio — but Udio settled with UMG/WMG, pivoting to licensed remixing



Spotify's AI Partnership

Spotify teamed with Sony, Universal, Warner, Merlin & Believe on "artist-first" AI tools for fans

CATEGORY 3

Hollywood VFX & Production



80% VFX Job Reduction Predicted

Experts warn AI could slash VFX artist teams from 1,000+ to 200 per major film by 2026



Oscar Winner Used Runway AI

"Everything Everywhere All at Once" used Runway for rotoscoping — just 7 VFX artists, \$25M budget



Lionsgate's AI Partnership

Trained Runway model on Hunger Games, John Wick catalog. Goal: "Do it in anime" in 3 hours.

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Suno's goal is to become a 'verticalized' music creation, social media, and streaming service... This is before we consider monetizing consumption.

— Suno Investor Pitch Deck, 2025

Key Insight: AI isn't just changing how content is made — it's creating entirely new categories of creator. 60 million people made AI music in 2024. The 600M Spotify listeners who never learned to create can now become artists.

Would you watch a movie made entirely by AI?

 Share your thoughts below!

KEY NUMBERS

\$2.45B

Suno's valuation after \$250M Series C

\$147M

Suno's annual recurring revenue (Sept 2025)

\$3B+

Runway's valuation after \$308M raise

SN

Suno

AI MUSIC GENERATION

\$2.45B

VALUATION

2022

FOUNDED

\$147M

ARR (SEPT 2025)

10M+

USERS

The undisputed leader in text-to-song AI. Type a prompt like "80s rap about grocery shopping" — get a complete song with lyrics, vocals, and production in seconds.

 **Scale:** Generates 7M songs/day. Acquired WavTool DAW. Users keep full commercial rights. Facing \$500M lawsuit from major labels but continuing to grow.

RW**Runway**
AI VIDEO & VFX**\$3B+**

VALUATION

2018

FOUNDED

\$500M+

TOTAL FUNDING

Gen-4

LATEST MODEL

Hollywood's go-to AI video platform. Used on Oscar-winning "Everything Everywhere All at Once." Partners include Netflix, Lionsgate, and UCLA Film School.



Game Changer: Gen-4 produces multi-second video with motion capture. What took 3 months with a VFX team now takes hours. Targeting 2K resolution by end of 2025.

11

ElevenLabs

AI VOICE & AUDIO

\$6.6B

VALUATION

2022

FOUNDED

\$200M

ARR (AUG 2025)

260%

YOY GROWTH

The voice synthesis powerhouse. Hyper-realistic voice cloning in 29 languages. Strategic investment from NVIDIA. Licensed deals with Merlin and Kobalt.



Legal Edge: Unlike Suno/Udio, ElevenLabs trains only on licensed content. Launched AI music in Aug 2025 — may become the first truly legal AI music platform.



\$2.1B
VALUATION

2017
FOUNDED

160+
LANGUAGES

50K+
ENTERPRISE CLIENTS

Enterprise leader in AI avatar videos. Type text → get lifelike spokesperson video in minutes. Used by Fortune 500 for training, marketing, and localization.

 **Trust Signal:** Rejected \$3B Adobe acquisition offer. Focused on enterprise reliability over hype. Accenture, Amazon, BBC among clients.

NV

NVIDIA ACE

AI GAMING NPCS

RTX

ACCELERATED

2023

LAUNCHED

PUBG

FIRST MAJOR GAME

UE5

PLUGIN READY

NVIDIA's Avatar Cloud Engine brings truly intelligent NPCs to games. Real-time voice conversations, emotional reactions, persistent memory.

🔥 **2025 Launches:** PUBG Ally (AI teammates), inZOI Smart Zoi, Naraka: Bladepoint AI. Tencent, Ubisoft, miHoYo, NetEase all building with ACE.



Inworld AI

AI CHARACTER ENGINE

\$500M

VALUATION

2021

FOUNDED

\$125M

TOTAL FUNDING

Unity

+ UNREAL PLUGIN

Platform for creating AI-powered characters with goals, memories, and emotions. Backed by Intel, Microsoft, Lightspeed. Powers next-gen game narratives.

 **Demo Impact:** "Covert Protocol" tech demo with NVIDIA showed NPCs that lie, remember, and drive story. Source code released for developers.

\$500M

VALUATION

2020

FOUNDED

40K+

CUSTOMERS

40+

LANGUAGES

Viral AI video translation that matches lip movements. Your video, any language, your voice. Went viral with Messi, Elon clips speaking multiple languages.



Use Cases: Marketing localization, training videos, social content. Competitor to Synthesia with focus on translation and lip-sync AI.

UD

Udio
AI MUSIC (REMIXING)

\$100M+

FUNDING

2023

FOUNDED

UMG

+ WMG LICENSED

Pivot

TO FAN PLATFORM

Was Suno's main rival in AI music generation. After settling lawsuits with Universal & Warner, pivoted to licensed remixing platform launching 2026.

🔥 **Strategic Shift:** From "generate any song" to "play with licensed songs in a walled garden." Sessions visual editor launched. Users can't download remixes for streaming.

PK

Pika Labs

AI VIDEO GENERATION

\$600M

VALUATION

2023

FOUNDED

\$135M

TOTAL FUNDING

Pika 2.0

LATEST MODEL

Founded by Stanford PhD students, Pika makes AI video creation accessible. Text/image to video in seconds. Racing Runway for consumer-friendly AI filmmaking.

 **Features:** Sound effects generation, lip-sync, modify regions of video. Backed by Lightspeed, Spark Capital. 1M+ users in first year.

DS

Descript

AI VIDEO/PODCAST EDITING

\$600M

VALUATION

2017

FOUNDED

\$100M

TOTAL FUNDING

3M+

USERS

Edit video like a doc — delete words from transcript, video edits itself. Voice cloning, filler word removal, screen recording. Podcasters and YouTubers love it.

🔥 **Overdub AI:** Clone your voice, type new words, it speaks in your voice. Used by NPR, BuzzFeed, Spotify. OpenAI's Sam Altman is an investor.

FINAL THOUGHTS

The Entertainment AI Playbook



Creation is Democratizing

60M people made AI music in 2024. The 600M Spotify listeners who couldn't create before — now they can.



Licensing Will Define Winners

Udio settled, Suno fights on. Companies with clean data (ElevenLabs) may win the long game.



NPCs Get Intelligent

NVIDIA ACE brings real AI to games. No more scripted responses — characters that think, remember, and lie.

 FOLLOW FOR MORE AI INSIGHTS

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