

UK Entertainment Economy Navigates Global Shifts: AI, Inflation, and Streaming

UK Entertainment Economy · Answer Key · 20 Questions

1. What percentage increase did the UK music industry contribute to the UK economy in 2024, reaching a record total?

- A) 3%
- B) 5%**
- C) 7%
- D) 9%

2. According to recent data, how has the UK's export market for creative industries services changed in its destination after Brexit?

- A) Exports to the EU have significantly decreased.
- B) Other markets have taken a larger share, despite absolute increases to the EU.**
- C) Exports are now solely focused on the EU.
- D) There has been no significant change in export destinations.

3. Which of these global events has been identified as a major concern for the job security of creative industry workers in the UK?

- A) The rise of AI and Generative AI.**
- B) Increased competition from international streaming services.
- C) The resurgence of physical media sales.
- D) A decline in social media usage.

4. What has been a primary factor influencing subscriber retention and churn rates in the UK video streaming market recently?

- A) A decrease in available content.
- B) The introduction of more ad-free tiers.
- C) Rising costs and subscription fatigue.**
- D) A shift towards exclusively live content.

5. What impact has the cost-of-living crisis had on music festival attendance in the UK?

- A) Festivals are becoming more accessible, with lower ticket prices.
- B) Attendance has increased as people seek affordable entertainment.
- C) A majority of UK adults find festivals too expensive, leading to decreased attendance.**
- D) There has been no significant impact on festival attendance.

6. Which sector within the UK's creative industries experienced a 31% increase in expenditure in 2024, reaching £5.6 billion, largely driven by inward investment and co-productions?

- A) Video game development
- B) Live music promotion
- C) Film and high-end television production**
- D) Theatrical stage productions

7. How has the demand for AI skills and creativity in the UK labour market evolved since the widespread accessibility of Generative AI?

- A) Demand for AI skills has decreased, while creativity demand has remained stagnant.
- B) Demand for both AI skills and creativity has increased, often valued in tandem.**
- C) Creativity is now less valued than AI skills.
- D) There is a reduced demand for both AI skills and creativity.

8. What has been a significant challenge for UK music festivals in recent years, contributing to cancellations and closures?

- A) A surplus of available venues.
- B) Overly lenient licensing regulations.
- C) Rising operational costs and supply chain issues.**
- D) A lack of interest from emerging artists.

9. Which streaming service held the largest market share in the UK for home subscriptions as of early 2026?

- A) Amazon Prime Video
- B) Disney+
- C) Netflix**
- D) Apple TV+

10. What is a key trend observed in the UK video game market, contributing to its growth?

- A) A significant decline in mobile gaming revenue.
- B) The increasing popularity and revenue from mobile gaming.**
- C) A shift away from digital sales towards physical copies.
- D) Reduced consumer spending on gaming hardware.

11. What has been the impact of post-Brexit trading arrangements on the UK's creative industries' export market?

- A) Exports to EU member states now constitute over 50% of total creative exports.
- B) New trade deals have fully replaced lost EU export markets.
- C) Additional friction has led to a diversification of the export market, with a lower percentage going to the EU.**
- D) There have been no significant changes to export arrangements.

12. What is the primary driver behind the growth in the UK video games market, with consumers spending £8.76 billion in 2025?

- A) Increased sales of physical game copies.
- B) A surge in spending on game-related film and TV.
- C) Higher revenue from mobile games and digital sales.**
- D) A decline in the popularity of PC gaming.

13. How has the UK film and high-end television sector's production spend evolved, according to BFI figures released in early 2026?

- A) Production spend decreased by 22% compared to the previous year.
- B) Production spend reached a record £6.8 billion, a 22% increase.**
- C) Inward investment has significantly decreased.
- D) Domestic UK features now account for the majority of production spend.

14. What issue is a significant concern for photographers, musicians, and authors regarding the impact of AI on their work?

- A) The cost of AI software becoming prohibitive.
- B) The lack of AI-generated content to critique.
- C) Uncredited and unremunerated use of copyrighted material to train AI models.**
- D) AI's inability to replicate artistic styles.

15. What trend is observed in UK cinema attendance and revenue as of early 2026?

- A) Cinema admissions have significantly increased, surpassing pre-pandemic levels.
- B) While admissions have slightly decreased, UK box office revenue has seen a rise.**
- C) Revenue has declined sharply due to competition from free streaming services.
- D) Cinemas are experiencing a boom in attendance primarily driven by younger audiences.

16. Which of these factors has contributed to the decline in television advertising revenue in the UK?

- A) An increase in spending by major corporations on TV ads.
- B) A growing trend of younger generations watching less traditional TV.**
- C) The introduction of new, highly effective advertising platforms.
- D) A reduction in the overall volume of content available on TV.

17. What is a key concern for grassroots venues and mid-tier artists within the UK live music industry, despite record-breaking revenues from major tours and festivals?

- A) An overabundance of available performance slots.
- B) Excessive competition from international artists.
- C) Existential threats due to rising costs and lower overall attendance.**
- D) A lack of demand for live music experiences.

18. What is a major factor impacting the UK cinema market's recovery, alongside the rise of streaming and the pandemic?

- A) A decrease in the quality of films being released.
- B) The cost-of-living crisis affecting consumer spending.**
- C) An oversupply of cinema screens in major cities.
- D) The popularity of exclusively live theatre performances.

19. What percentage of UK households reported watching online content in the first quarter of 2024, indicating strong streaming engagement?

- A) 64%
- B) 74%
- C) 84%**
- D) 94%

20. What has been the trend for UK food exports to the EU since the implementation of post-Brexit trade barriers?

- A) Volumes have increased significantly, surpassing pre-Brexit levels.
- B) Volumes have remained largely unchanged.
- C) Volumes have decreased by over 23% between 2021 and 2025 compared to the prior five years.**
- D) Small firms have increased their EU food exports.