



Creator empowerment and the future of the content creator economy

Setting the stage

Worldwide, there's an estimated 50 million creators generating content for 5 billion social media users.¹ Social commerce is growing rapidly and is expected to be worth \$2 trillion by 2026 (a projected 25% CAGR).² Since it was first dubbed the creator economy in 2011,³ creators and social media platforms have relied on one another, but this symbiotic relationship may be approaching a critical juncture.

The growth of the creator economy sprung from the gig economy—capitalizing on the economic opportunities of platform-enabled work—but also departed from its predecessor model by empowering creators with greater individuality and agency.⁴ Still, the creator economy tracks with the evolution of the gig economy.⁵ Just as established rideshare platforms now face increased demand for transparency and fair pay, along with worker classification and protective regulatory pressure, calls for

a labor conversation in the creator economy have grown along with its scale and economic impact.⁶ Recent Hollywood union strikes further complicate the landscape. On the one hand, they serve as a short-term economic boon for creators and platforms alike (despite risk of backlash for non-union creators who choose to work, promote, or earn income from targets of the boycott).⁷ On the other hand, the SAG-AFTRA union strikes, coupled with broader concerns around the impact of artificial intelligence (AI), could be the spark that leads to a labor movement in the creator economy at large.

Cooperation and incentive alignment have always been a necessity for the ecosystem to thrive, but continued growth and expansion of the creator economy adds competitive pressures and public scrutiny that introduce uncertainty on what the future might hold. While it's hard to predict the future of any complex ecosystem, we do know that the relationship between creators and platforms will continue to evolve and will likely be shaped by three macro forces: competition, government policy, and corporate social responsibility.

Platforms empowering creators or vice versa?

In social media, attention is the currency and competition is stiff. It's no surprise then to hear executives describe creators as the **"lifeblood of the platform."**⁸ After all, it's the creators who drive engagement with content that inspires, informs, or entertains. And their content can draw a mass audience whose following shapes our culture and public discourse—particularly for younger generations. While social platforms have been wildly successful monetizing this content through ad revenue and increasingly social commerce, without resonant content to keep users coming back, the threat of irrelevance looms large. Yet, creators face substantial pressure to produce resonant content—oftentimes with no guaranteed income—leaving many feeling exhausted, defeated, and even burned out.⁹ More broadly, organizations of all kinds rely more and more on both internal and external contributors, with leaders adapting their management practices to support these complex workforce ecosystems.¹⁰ The primary question to consider, then, is how far should platforms go to empower and support creators? Are creators part of the platforms' workforce ecosystem, and would treating them more like an extension of the workforce result in more loyal, secure creators who, in turn, enable platforms to better compete? And what role will AI-generated content play?

Will policy for the creator economy parallel that of the gig economy?

Across the globe, countries—as well as individual states, cities, and provinces—are introducing policies and regulations to protect gig workers whose livelihood relies on technology platforms and their ever-changing algorithms. Pressure from both gig workers and labor-focused policymakers created a wide range of regulatory proposals from transparency around algorithms and diversity, equity, and inclusion (DEI) practices, to classification of gig workers, to benefit entitlements—all with the underlying goal of protecting gig workers from exploitation. To get ahead of some of these policies, rideshare companies have been campaigning to classify drivers as contractors,¹¹ lobbying for passage of a proposition that exempts their gig workforce from independent contractor classification.¹²



In the creator economy, our research finds 58% of creators make less than \$50K per year, with 89% of creators using two or more platforms to generate income and nearly 75% of creators ranking fair pay opportunities in their top three priorities when choosing a platform.¹³ Financial instability and lack of traditional professional support are, at least in part, contributors to a growing prevalence of creator burnout and could also indicate potential areas of policy focus.¹⁴ While policymakers are not as focused on creators as other sectors of the labor market right now, there is public discourse around protecting creators and empowering them to focus their efforts where they generate the most value and fulfillment: creating. To navigate potential legislation and regulations that address the creator economy, we need to determine how to classify and compensate creators to consider how much transparency and support they are owed.

Social media and grassroots activism

A note on Corporate Social Responsibility (CSR) and the power of social media capital: Even if policymakers remain focused on other sectors of the labor market for the time being, social media platforms are not immune to reputational risk. Social activism is on the rise—broadly and in the creator economy¹⁵—and the discourse on these platforms increasingly outpaces traditional media in shaping popular culture. User bases are likely to hold tech platforms accountable for their policies and practices, particularly since social media influencers have both a voice and valuable audiences and are strongly associated with whichever platform they are well known on.¹⁶ Platforms could see powerful grassroots forces coalescing to hold them accountable. This social media pressure could, in turn, pique policymaker interest and focus.

Navigating an uncertain future

Amid such uncertainty, scenario planning can be an effective tool to explore possible futures, stretch thinking, and chart a new course. To help make sense of how the relationship between platforms and creators could evolve in the future—and to what extent it might follow gig economy or workforce ecosystem trends at large—we’ve used the two factors described in the previous section, competition and policy, to explore four potential futures. These four futures described next are not exhaustive, or meant to be positive or negative, or likely to manifest as all-or-nothing. Rather, they are meant to help facilitate sense-making by helping social platforms, creators, and governing bodies alike reflect on the nature of this ecosystem and determine the right path forward.



Scenario 1: Empowered creators

A world defined by consumer and creator demands alike driving platforms to steer toward more unique value propositions (defined by target audiences, platform purpose/brand, the nature/form of the content, etc.). Creator support, services, and protections stem from emerging policy discussions and enactments, primarily from a continued rise of social activism and the growth of the creator economy as a segment of the labor market.

Signals that we could be headed toward this future:

- **Platforms:** Platform companies do not go beyond that which is required by law by way of creator support and services unless it clearly serves business growth goals, focusing instead on platform features and content monetization strategies to attract users and creators.
- **Creators:** Labor activism efforts gain traction among creators but are fragmented and specific to certain creator segments (e.g., gamers, members of other professional associations) or about treatment on certain platforms.
- **Policymakers:** Federal, state, and local governments—in the United States as well as other countries—enact policies that require companies to provide greater protections and rights to creators. In this scenario, it is possible that policymakers consider worker classification rules, pay rates, and transparency—both related to equity considerations and how platform algorithms promote content.

Scenario 2: Platforms on defense

A world where we see continued consolidation of power with a few “super apps” that leads to increasing market overlap (in features, formats, audiences, monetization strategies, etc.) and the need to continually differentiate to attract and retain creators. Creator support, services, and protections stem from a catalyzing event that sparks political activity and/or emerging policy discussions and enactments, with a focus primarily on limiting the power of Big Tech.

Signals that we could be headed toward this future:

- **Platforms:** Platform companies increasingly offer additional creator support services, creator funds, or small features to lure creators and create more platform loyalty (e.g., mental health support services), further blurring the line between workers and employees.
- **Creators:** Creators mobilize labor efforts—spurred by fair-pay concerns, the impact of AI, or otherwise—and look to join other groups lobbying against Big Tech to apply pressure on regulatory bodies to provide better treatment to creators.
- **Policymakers:** Policymakers look for ways to address concerns around the harms from Big Tech, including corporate consolidation; the impact of AI; and insufficient treatment of creators, gig workers, and consumers. This could include legislative activity, lawsuits and investigations, or legal actions.



Scenario 3: Platforms in the driver's seat

A world defined by consumer and creator demands alike driving platforms to steer toward more unique value propositions (defined by target audiences, platform purpose and brand, the nature or form of the content, etc.). Creator support and services are defined by the unique value proposition of the platform, its target audiences, and the creators they wish to attract. Regulation is limited due to lack of agreement on policy or political posturing, a belief that sufficient competition and choice exists across platforms, the limited growth and scale of the creator economy as a segment of the workforce, or creator community fragmentation.

Signals that we could be headed toward this future:

- **Platforms:** Platform companies offer creator funds and other incentives to lure creators and develop more platform loyalty but stop short of support or services that could be viewed as worker compensation or benefits.
- **Creators:** Labor activism efforts come and go but lack the internal coordination and/or interest to gain traction in political and regulatory spheres.
- **Policymakers:** Despite attention on related issues, federal, state, and local lawmakers do not enact related legislation.

Scenario 4: Platform –creator mutualism

A world where we see continued consolidation of power with a few “super apps” that leads to increasing market overlap (in features, formats, audiences, monetization strategies, etc.) and the need to continually differentiate to attract and retain creators. Regulation is limited due to lack of agreement on policy or political posturing, inability for creators to align interests across creator types, the limited scale of the creator economy as a segment of the workforce, or the absence of a catalyzing event that could inject political pressure.

Signals that we could be headed toward this future:

- **Platforms:** Platform companies proactively engage in policy discussions related to creator economy labor issues, up to and including additional regulatory requirements such as worker classifications.
- **Creators:** Labor activism efforts do not gain traction. Most creators continue to find it difficult to obtain protections.
- **Policymakers:** Legislation is proposed but does not have sufficient support to pass, and regulatory activity is limited as other topics take precedence.

An opportunity up for grabs

If creators are the linchpin of the entire ecosystem, what are their expectations for support, well-being, and worker protections? How far are platforms willing to go to attract the best ones? What will regulators allow? Will lack of agreement on policy or political posturing keep regulation at bay, or will a cultural flashpoint or concern around the impact of AI galvanize new scrutiny and, finally, action?

Ultimately, across these future scenarios, platforms have an opportunity to get ahead of both competition and potential regulations by treating creators as part of their workforce ecosystem, offering the best available support and tools—thus garnering more creator loyalty and engagement. What new creativity or psychological safety could be unlocked if creators had access to a support team that they could speak to when issues arise, regardless of follower count? Or a team of mental health and well-being professionals? What new avenues for revenue and growth might be unlocked by creator loyalty and a greater sense of community, shared ownership, and investment? The possibilities and implications for platforms and creators are far reaching—and could transform what it means to attract and retain the best creators in this thriving marketplace.

Endnotes

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