

THOUGHT LEADERSHIP

# Reading Between the [Picket] Lines

How streaming viewers feel about the writers' strike

On May 2<sup>nd</sup>, 2023, the Writers Guild of America (WGA) initiated strike action, following the failure of negotiations with major film and TV studios to agree a new contract. This came on the heels of an authorization vote in April, in which almost 98% of union members voted in support of a potential strike.

As was the case with the 2007 - 2008 writers' strike—which lasted for more than 3 months and cost the entertainment industry an estimated \$2 billion<sup>1</sup>—it is expected that this action will have a dramatic impact on the production of a wide range of films and TV shows. Late-night shows like *Saturday Night Live* and *The Tonight Show* have already gone off the air; and popular series such as *Stranger Things* and *Severance* have had to halt production of their upcoming seasons<sup>2</sup>.

One of the core factors that has led to the current strike action has been the impact that the growth of streaming services has had on the

entertainment industry over the past decade and a half. The WGA claims that the growth of streaming has led to a significant reduction in average residuals, leading to a net loss of real income for many writers. They also object to the increasingly common practice of “mini-rooms”, arguing that they create fewer opportunities for writers and lead to poorer working conditions when compared to traditional writers' rooms.

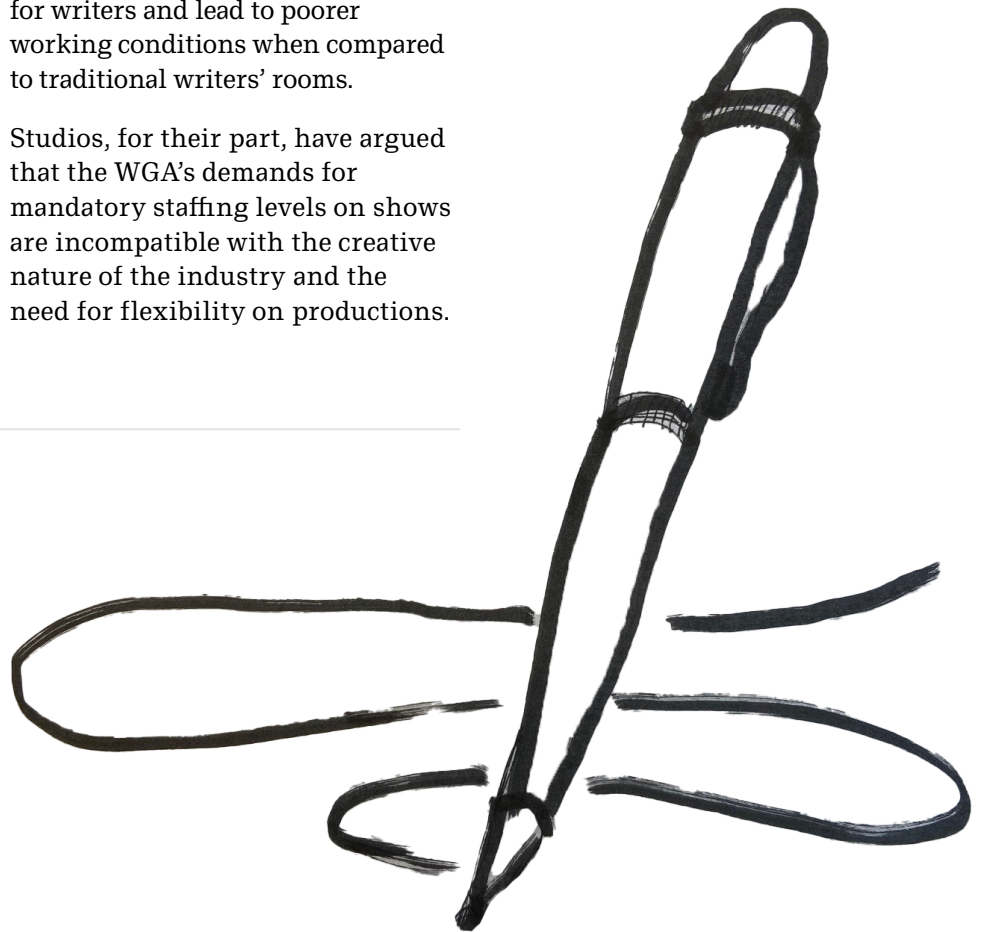
Studios, for their part, have argued that the WGA's demands for mandatory staffing levels on shows are incompatible with the creative nature of the industry and the need for flexibility on productions.

They have also pointed out that streaming residuals have already risen by 46% under the terms of the current WGA contract—and claimed that further increases would be financially unsustainable, especially as the pace of streaming growth begins to slow down<sup>3</sup>.

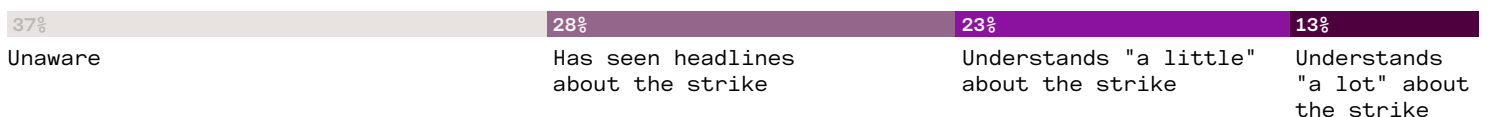
So, the question is:

## What do users of streaming platforms think about the strike?

Are they worried about the impact it could have on their favorite shows? Or do they think the costs of the strike will be justified if it helps preserve screenwriting as a viable career path?



## Awareness of the 2023 WGA Strike among US streaming viewers



<sup>1</sup>Winston Cho, "Writers Strike Fallout: \$2B Economic Impact May Be Just the Beginning", The Hollywood Reporter, May 5, 2023

<sup>2</sup>Sarah Whitten, "Hollywood writers' strike halts production of 'Stranger Things,' 'Severance,' Marvel's 'Blade'", CNBC, May 8, 2023

<sup>3</sup>Gene Maddaus, "Studios Push Back on WGA's 'Gig Economy' Claims, Reject TV 'Hiring Quota'", Variety, May 4, 2023

# While viewers are still educating themselves about the strike, there are already signs of strong support for the WGA

Right now, most viewers lack a detailed understanding of the dynamics of the strike and the situation that has created it. While a majority (63%) of streaming viewers have at least some knowledge that the strike is going on, only 13% say they understand “a lot” about the strike and the reasons behind it.

But despite the fact that viewers are still in the early stages of educating themselves about this strike action, there are already signs of public sympathy for the WGA's position. **Forty-three percent of viewers say that they either “strongly” or “somewhat” support the decision to strike**—more than 3 times the number who oppose the strike (13%).

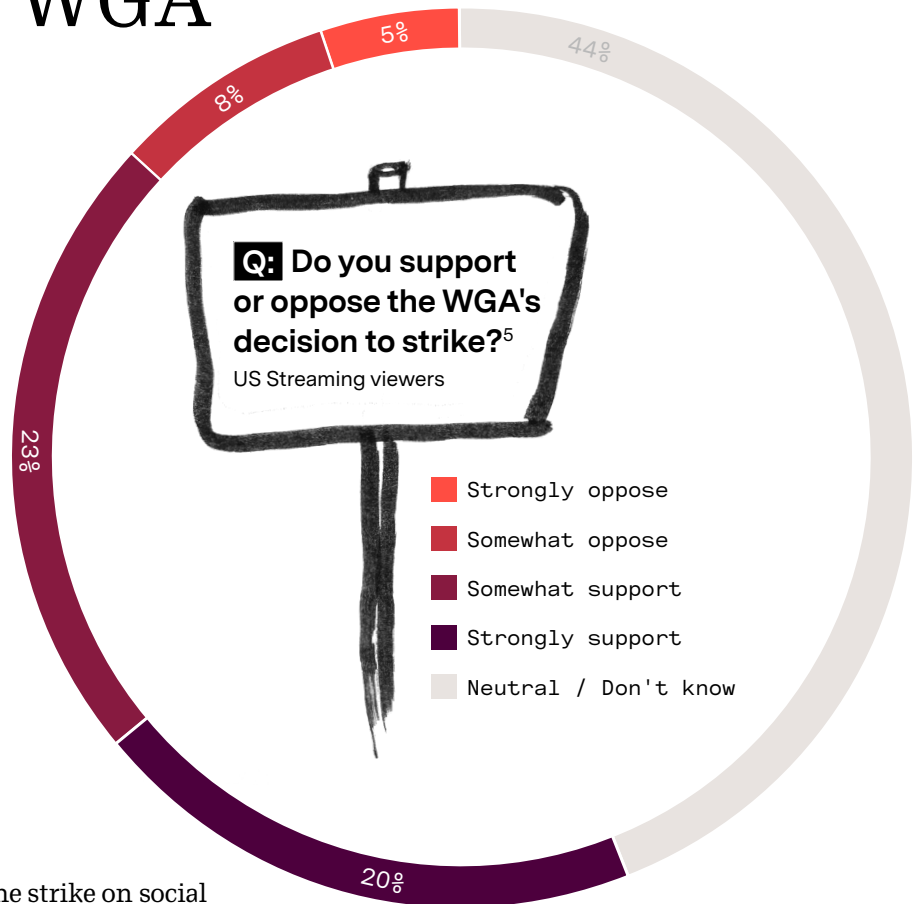
So, while support for the strike may be less fervent than it has been for some other high-profile recent labor actions<sup>4</sup>—potentially due to the large number of consumers who don't feel they know enough about the dynamics of screenwriting to have a strong opinion either way—it's still clear that, by and large, the public see the WGA as being on the right side of this dispute.

Support for the strike is particularly high among those aged 18-24, with 52% of these viewers saying that they back the WGA's decision. In part, this may be due to coverage

of the strike on social media platforms popular among this demographic, such as Twitter, TikTok, and YouTube; since the beginning of the strike, screenwriters with audiences on these platforms have been sharing videos of themselves on the picket line to their followers, and explaining to them some of the issues at stake.

And, notably, support for the strike transcends political divisions. Consumers who self-identify as liberal are among the most likely to

back the strike, with 57% in support and only 10% opposed; but even conservatives say they support the strike by a 2:1 margin (34% support vs. 16% oppose). Conservatives are also, however, one of the groups least likely to have seen coverage of these issues. 44% of them had no prior knowledge of the strike—potentially reflective of an imbalance of media coverage across liberal and conservative news outlets.



<sup>4</sup>Jordan Zakarin, “Poll: Americans Strongly Support Unionizing Amazon Workers”, More Perfect Union, April 18, 2022

<sup>5</sup>Question wording: *The Writers Guild of America claims that the growth of streaming services has led to a reduction in income for screenwriters and has made their employment less secure than it was in the past. Their current strike is likely to lead to a shutdown of production on a wide range of films and TV shows. Do you support or oppose the decision of the WGA to strike over these issues?*

# Public support for the writers looks set to continue growing as the strike remains in the headlines

## Strike support by level of awareness

■ Strongly support   
 ■ Somewhat support   
 ■ Neutral / Don't know   
 ■ Somewhat oppose   
 ■ Strongly oppose

### Understands "a lot" about the strike



### Understands "a little" about the strike



### Has only seen headlines



Moreover, there is a strong correlation between how much viewers say they know about the writers' strike, and how likely they are to express a favorable opinion towards it. **Among those who feel they understand "a lot" about the strike, a staggering 74% say that they support the WGA's decision to strike.**

This suggests that, as coverage of the strike continues—across both mainstream outlets and social media—over the coming weeks and months, public support for the strike could grow considerably. As more viewers learn about the issues involved, it's likely that many of the 44% currently ambivalent towards the strike will become more sympathetic to the WGA, and may even start to look for ways that they can express their support for and solidarity with the striking writers.

On the other hand, it's also true

### Q: As a viewer, what are your worries about how the WGA strike could impact you?

Lack of new movies 31%

Early ending / cancellation of shows I enjoy 31%

Postponement of upcoming shows I was excited for 28%

Lack of new scripted shows 28%

Compromised quality in upcoming movies and shows 26%

that most viewers have not yet felt personally impacted by the current strike. The most immediate impact of the strike has been the suspension of late-night shows; however, only 10% of streaming viewers say that this is an issue that they personally care about.

Instead, the impacts of the strike that viewers are most worried about are ones that may take some time to fully materialize—such as a lack of new movies and shows or the early cancellation of existing series.

Additionally, a quarter of viewers say that they're worried about a reduction in quality in upcoming movies or shows. There's a widespread perception among viewers that the previous writers' strike led to a sharp decline in quality for then-popular shows like *Heroes*<sup>6</sup>—and fans don't want their favorite shows to fall victim to the same fate.

<sup>6</sup>Louis Chilton, "How the last WGA strike affected TV, from *Heroes* to *Desperate Housewives*", Yahoo!News, May 2, 2023

# When it comes to the use of AI in Hollywood—a key issue at stake in the strike—viewers remain uncertain about how to feel

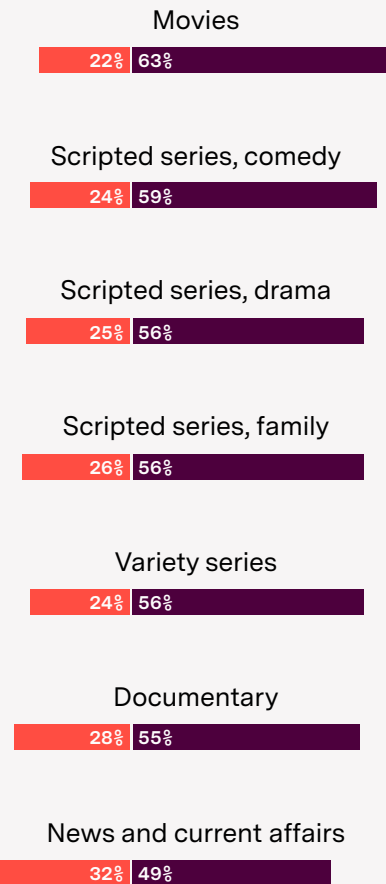
28%  
Less likely  
to watch

59%  
No impact /  
Don't know

13%  
More  
likely

## Q: Would you be interested in watching content written with the help of AI tools?

- Opposed to watching
- Would consider watching



One of the major issues at stake in the current strike has been the role of generative AI within the entertainment industry. As studios have started to explore using AI to help create and refine scripts, writers have become increasingly concerned about the impact that the technology could have on their profession. In the most recent round of negotiations, studios rejected a proposal from the WGA to ensure that “AI can’t write or rewrite literary material; can’t be used as source material; and MBA-covered material can’t be used to train AI”<sup>7</sup>.

Within the entertainment industry, there’s a sharp divide when it comes to the topic of AI. Some, such as *Avengers: Endgame* director Joe Russo, have hailed it as an exciting new development that represents the “democratization of storytelling”<sup>8</sup>. By contrast, comedian and writer Adam Conover—a member of the WGA’s negotiating committee in its current dispute with the AMPTP—has described it as “completely overhyped and oversold”<sup>9</sup>.

Viewers, for their part, are still making up their minds about whether AI will have a positive impact on the entertainment industry. Just over a quarter (28%) say that they’d be less interested in watching a show if they found out it was written with the help of AI, while only 13% say that they

## Q: Would you be more or less likely to watch a show if you knew it was written with the help of AI?

would be more interested in watching such a show. The demographics most likely to say they’d be more interested in watching a show that was written by AI include conservatives (17%) and under-18s (18%).

Overall, however, **a majority of viewers—almost 6 in 10—say that it would have no impact on their willingness to watch a show.** This suggests that, for the most part, consumers are still making up their minds about whether they want to lean in or lean out of AI-generated content. And there’s still a high degree of uncertainty about whether AI will lead to an increase or a decrease in the quality of entertainment content.

For the time being, viewers are more open to the idea of AI being used to help write fictional stories—i.e. movies and scripted TV shows—than news or educational content. It’s likely that perceived reliability issues surrounding generative AI—especially the problem of “AI hallucinations”—are making viewers reluctant to see studios use it in contexts where factual accuracy is important.

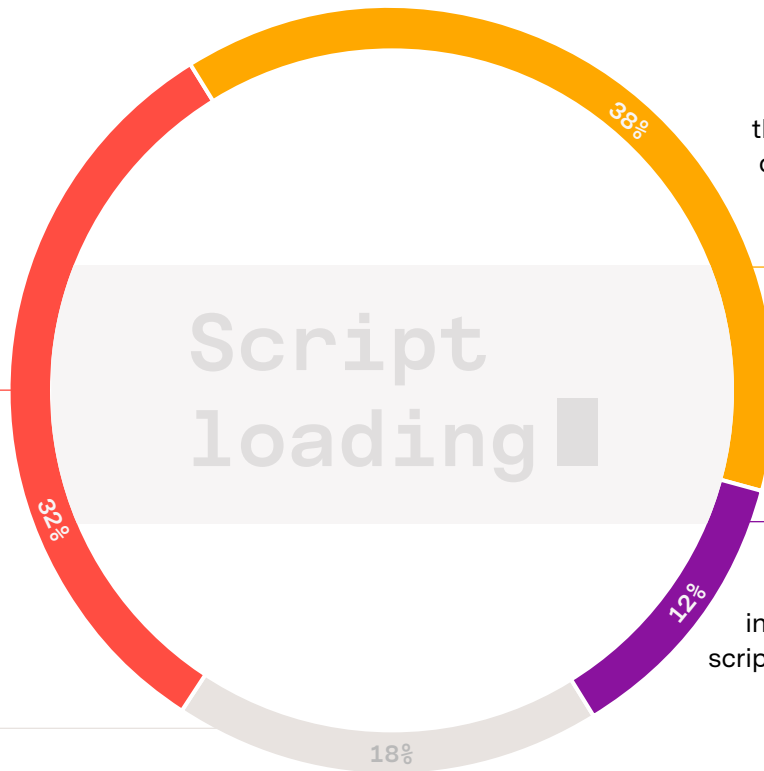
<sup>7</sup>Alissa Wilkinson, “The looming threat of AI to Hollywood, and why it should matter to you”, Vox, May 2, 2023

<sup>8</sup>Samantha Bergeson, “A.I.-Generated Films Are ‘Two Years’ Away, Joe Russo Estimates”, IndieWire, April 25, 2023

<sup>9</sup>Nellie Andreeva, Dominic Patten, “Negotiating Committee Member Adam Conover On Battle Over AI & Preservation Of The Writers Room, AMPTP Using DGA To ‘Undercut’ WGA”, Deadline, May 3, 2023

## Attitudes towards the use of AI to write scripts among US streaming viewers

"The entertainment industry should **avoid using AI completely** for any writing tasks."



"AI may have a role to play in the entertainment industry, but only **if used responsibly** under the direction of experienced human screenwriters."

"Studios should **embrace the use of AI wholeheartedly**, including using it to write entire scripts with minimal human input."

Don't know

# If studios are seen to be using generative AI to circumvent the strike, there could be a strong public backlash against the technology

One thing, however, is clear: while viewers may be open to the idea of AI playing a role in the production of scripts, they don't want studios to treat it as a replacement for human screenwriters.

Only 12% of viewers say that studios should use AI to write entire scripts with minimal human input. More than three times that number (38%) think that AI could have a role to play in the entertainment industry, but only if used responsibly and

under the direction of experienced human screenwriters.

Notably, there's a strong correlation between how people feel about the WGA strike and their attitudes towards the use of AI. **Forty-six percent of viewers who strongly support the strike say that studios should completely rule out the use of AI—compared to only 32% of all viewers.**

This may be an early warning sign of a potential backlash if studios

are seen as using AI specifically to "break the strike" or to weaken the negotiating position of the WGA. Studios interested in exploring this new technology, therefore, need to tread carefully—especially if public support for the strike continues to grow. If the popular narrative becomes that investment in AI is driven by a desire to replace human screenwriters, that could create long-term barriers to the public acceptance of a technology they were otherwise open to giving a chance to.

AT A GLANCE

# Three key takeaways

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## 01

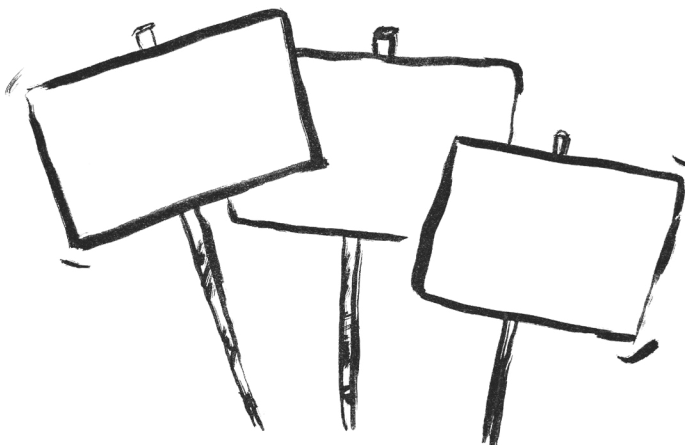
While public understanding of the WGA strike remains low, there is already strong support for the writers. As media coverage continues, it's likely that sympathy for the WGA's position will grow—especially in the early stages of the strike while studios still have content to release and most viewers don't yet feel personally affected by the disruption to the industry.

## 02

When it comes to the role of AI in the entertainment industry—one of the central issues at stake in the strike—viewers are yet to fully make up their minds about where they stand. While there's a contingent who are strongly opposed to the use of AI to write scripts, most viewers are willing to at least wait and see what AI-supported content looks like before deciding how to feel about it.

## 03

For generative AI to successfully carve out a space for itself in the entertainment industry, it's critical that viewers see it as a tool to support human screenwriters—not a threat to their livelihood. If studios are seen as turning to AI to replace striking writers, this could create a strong public backlash against the technology.



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## WORDS AND ANALYSIS

Fergus Navaratnam-Blair, Lucy Murrey, Katie Kelley, Grady Miller, and Mary Moczula

## CREATIVE

Design by Grace Stees  
Illustrations by Liv Horn

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## METHODOLOGY

Data in this report is based on a study of 3,000 US consumers who subscribe to at least one streaming service and watch a minimum of 4 hours of streaming content per week, ages 13 to 54. This study was conducted online from May 6<sup>th</sup> to May 10<sup>th</sup> 2023.