DM@X 2026

Canadian Media Production, and the Music Industries in the Global Marketplace: Audiences, and Future Prospects

February 2026

Nordicity

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DM@X

SOCAN

Report Mandate & Objectives

Mandate

- To gather and present information on global trends in the music and audiovisual production industries.
- To analyze the impact of these trends on the Canadian music and audiovisual industries.

Objectives

- To set the stage for a lively DM@X conference.
- To refresh the 2025 DM@X Report.
- To stimulate further discussion on policy, strategy, and economics in other venues.

Audience & Discoverability

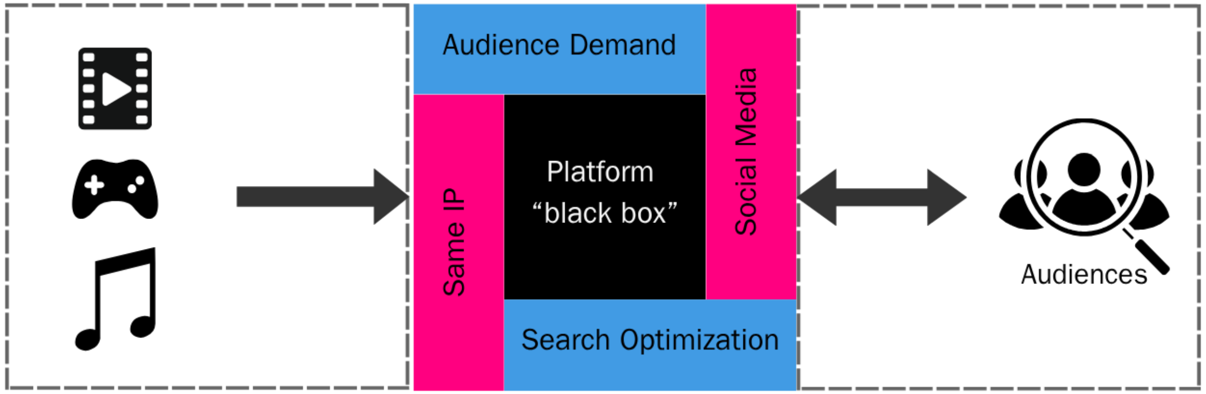
Discoverability is an output of audience development.

- Prominence & placement help, but visibility is driven by effective/authentic engagement.
- Creators can develop IP through approaches that facilitate audience participation.
- Many factors determine discoverability: *word-of-mouth, demand, SEO, recommendation systems, the zeitgeist.*

Audience interest drives prominence.

- Platform algorithms respond to audience engagement.
- To maximize visibility and algorithmic inclusion:
  - Engage audiences early and consistently
  - Cultivate sustained demand
  - Maintain strong online presence
  - Leverage relationships with existing content and IP

Discoverability as a function of audience engagement by both creators and platforms

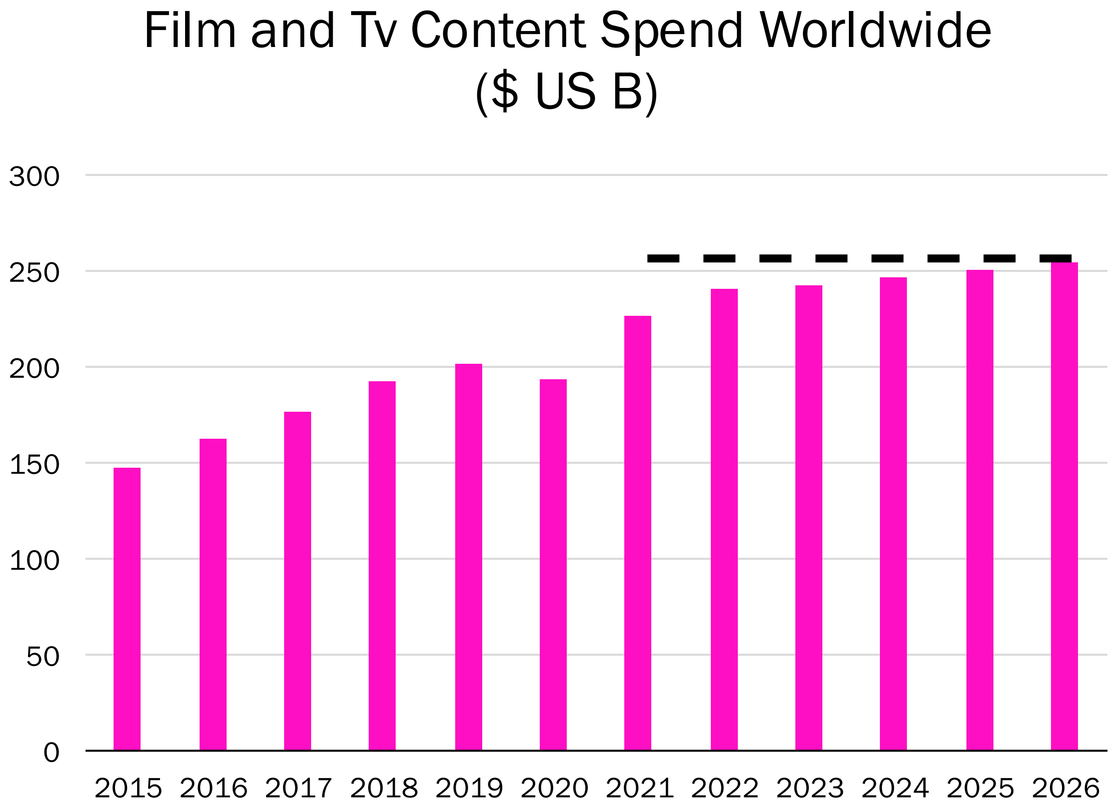


Audience engages with IP (story, character, brand , etc.) enhancing attractiveness of attached content

Audience engages with content prompting platform prominence

Global Content Spend

- Total world-wide content spend has essentially plateaued since 2022 rising by just $12 B since 2022 to hit $255B in 2026.
- Streamers anticipated to cross $100B content spend mark for the first time in 2026 (40% of total global content spending).
- Spending by broadcasters including PayTV, commercial and public entities is holding steady except in the U.S. where large studios are focused on feeding their online offerings.



Source:Ampere Analysis Jan 2026 ; Ampere Analysis Aug 2025

Pulse Check: Canadian Broadcasters

Broadcaster revenues continue to decline

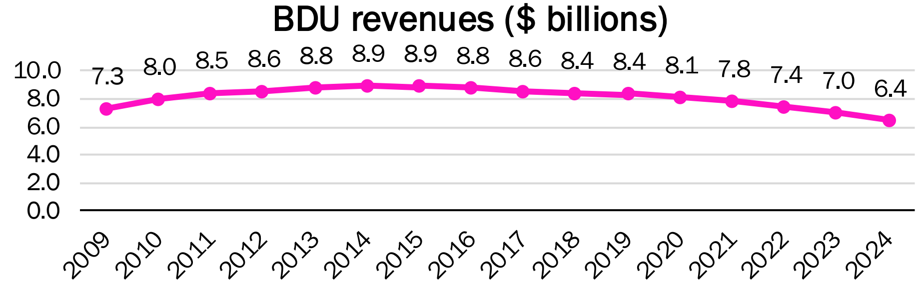
- Total revenue hit $8.9B in 2015 decreasing to $6.4B in 2024.
- BDU subscriptions erode despite household growth: dropping from 80%+ of households (2009) to ~58% (2024).
- Ad spending continues shift from television to digital .

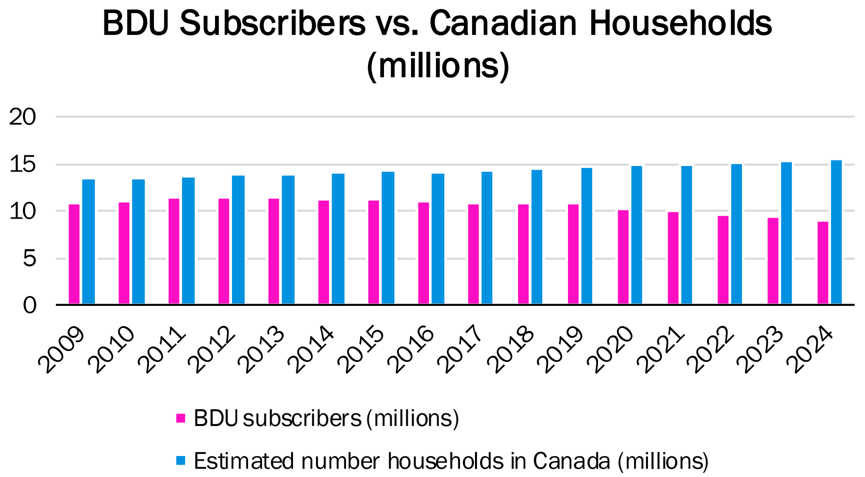
Continued challenges for broadcasters

- WildBrain exited broadcasting, citing the model is no longer commercially viable.
- Financial distress continues for Corus as it pursues survival measures of recapitalization and debt restructuring.

Emerging Opportunity

- CBC News expands local coverage with 11 new bureaus.
- Strength in PNI/CPE: For every dollar of revenue broadcasters earned in 2024, they spent $0.42 on Canadian programming (excluding PNI), $0.11 on PNI, and $0.20 on non-Canadian programming.
- Bell Media acquired a majority stake in UK-based Sphere Abacus, strengthening its global content distribution capabilities opening potential expanded reach for CanCon.





2025 Q1 Advertising Spending:

Digital
$939.5M
+5.1%
(12-month change)

Linear Television
$420.7M
-8.6%
(12-month change)

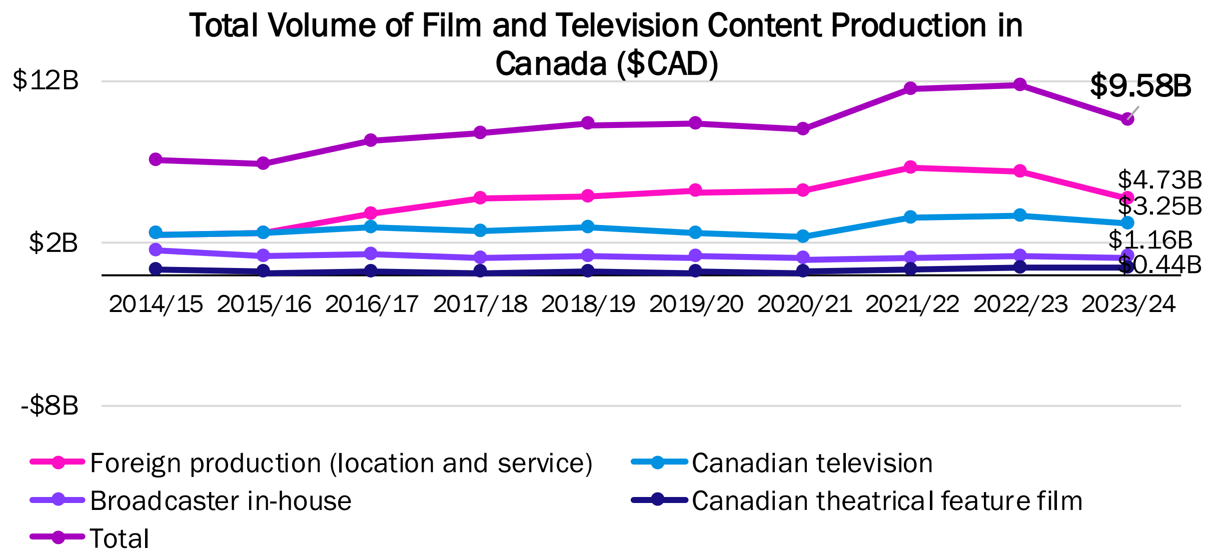
Source: CRTC, Communications Market Report

Canadian Production

2023/2024 saw a downturn

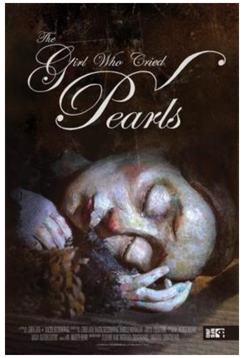
- Production spend down 18.5% from 2022/2023 ($11.75B) to 2023/2024 ($9.58B) due to fewer commissions, Hollywood strikes, and the end of pandemic overspending.
- The industry still packed a punch with 179,130 jobs and $11B GDP.
- 2025 Federal Budget transition support: $150M CBC top-up (2025/2026); and a total of $150M to Telefilm, $127.5M to CMF, $26M to NFB allocated over 3 years starting in 2026/2027.

Early 2024/25 data signals a rebound, though production is unlikely to return to the 2022/2023 peak, which was inflated by COVID-delayed activity.

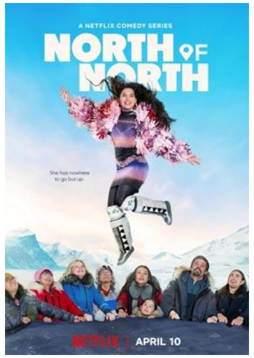


Canadian Content Generating International Success:

2026 Oscar Nominees



Top Ranking TV



Source: CMPA, Profile 2024

Global Industry: Policies and Regulations

Implementation of the Online Streaming Act:

- Streamer's appeal of 5% contribution decision is ongoing (since Dec. 2024)
- **Part 1 CanCon decision** (Nov. 2025): Streamers appeal data transparency rules; CMPA appeals 20% copyright threshold as insufficient for Canadian control.
- **Upcoming: Part 2 CanCon definition** and **market dynamics** decisions
- In the future: specific Conditions of Service.

Policy development:

- Minister of PCH, expresses intent to **modernize** supports for the Canadian film and television industry. This is to include:
  - An **Advisory Board** to explore a single-agency model for the CMF, Telefilm Canada, and the NFB.
  - The **Indigenous Screen Office** (ISO) is to remain an autonomous agency.

- **Australia's** new legislation: streamers to spend 7.5% of local revenues on Australian content, with penalties of up to 10x annual Australian revenues for non-compliance.
- A coalition of streamers is pushing back, arguing the law is unnecessary since they already invest at higher rates than Australian broadcasters.

- **15 EU countries** have implemented financial obligations under the AVMSD.
- European Commission will review the AVMSD in 2026 to assess effectiveness and may streamline.
- European Parliament has reaffirmed its support, despite criticism from the U.S.

- **UK** rejected proposed levy on streamers' local revenues, citing the need to attract streamer investment, and enable producers to secure higher upfront fees.
- **Ireland**: media commission introduced draft legislation, but the government will not proceed unless it determines a levy would "not impose an undue burden".

Global Trends: Collaboration & Consolidation

Legacy broadcasters, streamers, and tech players cooperate to compete.

Collaboration: To meet audiences where they are, increasing viewership (subscriptions and advertising revenue).

- **TF1 + Netflix Deal:** TF1 Group carriage deal with Netflix in)2026.
- **BBC + YouTube Deal:** BBC original content, across genres, specially for YouTube audiences.
- **Other :** Disney+ and ITV (UK), Prime Video and France Télévisions (France).

Consolidation: Not new but signs of acceleration. Ownership concentration for increased market power and financial efficiency, may lead to fewer commissions.

- Skydance acquisition of Paramount (SEC and EU approved 2025).
- Paramount and Netflix vying for Warner Bros. Discovery. Paramount bid rejected; Shareholders vote on Netflix offer anticipated March 2026. The Sale is subject to (international) regulatory review.

Global Trends: Attention and Power Shifts

Audiences are fragmented across platforms, devices, and formats with increased geopolitical tensions at play.

The Livingroom Screen: *YouTube vs. Netflix*

- YouTube revenue is over US$60B across ads and subscriptions vs Netflix's US$45.2B (2025)
- YouTube represented 10.4% of all TV viewing in the U.S. compared to Netflix at 8.4% (2025).
- Netflix adapts to YouTube's strengths:
  - Adding video podcasts (Spotify, iHeart) in 2026 to capture fast-growing demand (≈40% CAGR, 2024–2029).
  - Testing vertical feeds (like YouTube Shorts).

Emerging formats: *Micro-dramas/Vertical Content*

- Ultra-short form, serialized "soap-opera" content designed for vertical, smartphone viewing (originated in China).
- Beyond China, U.S. is market leader: estimated at $1.4B USD in 2024 and $9.5B USD by 2030.
- Leading platforms: ReelShort, DramaBox; studios investing (e.g., Disney, Fox Lionsgate, Hallmark).
- SAG-AFTRA issued first vertical–focused agreement.
- Vancouver becoming vertical content production hub.

In the Background: *Geopolitical Tensions*

- Increased political attacks on news, public broadcasting, and global media regulation.

Global implications:

- Proposed 100% U.S. tariffs on non-U.S. film production
- U.S. calls EU regulations censorship of American content;
- U.S. calls to rescind Online Streaming Act, citing discrimination and undermining USMCA.

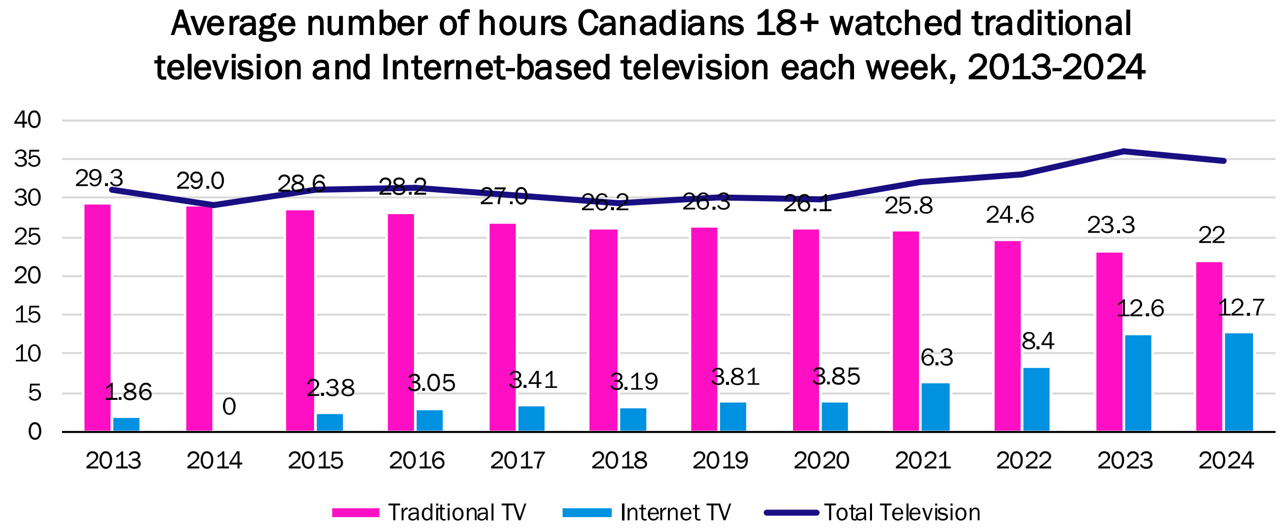
Source: Omdia, Nielson, Variety, Alphabet and Netflix Q4 Earnings; Deadline; EY Global and EY Americas Media & Entertainment (M&E) Sector Leader

Canadian Viewing Habits

- **Traditional TV viewing decreased 25%** from 2013 to 2024; however, **95% Canadians (18+) still watch traditional TV** monthly.

- **Internet TV doubled in** 2021 and continued to grow an inflection point likely due to COVID restrictions.
  - ~3 in 10 households are online-only (SVOD/FAST), driven by younger viewers; but fewer homes maintain 4+ services suggesting Canadians may be feeling the financial pinch of multiple subscriptions.

- **YouTube reaches 98% of all Canadians** and generates CAD $1.8 billion in GDP.
  - Over the past decade, it has maintained a consistent 70-75% market share penetration.



**Internet TV is defined by MTM as the full program or clips from TV programs watched with the use of a computer, smartphone, tablet, or Internet connected TV.*

Demographic Snapshot

Weekly traditional TV consumption is highest among people aged 50+ years (87%); while online audiovisual consumption peaks among those 35–49 years (83%).

Francophones are more likely to consume traditional audiovisual content than Anglophones. BUT 64% of Quebec youth (aged 15-29) watch non-Quebec content (vs 35% across all age groups combined).

Source: CRTC, Communications Market Report; Media In Canada; MTM; Broadcast Dialogue

Elbows Up: Heated Rivalry

Heated Rivalry succeeds because it is a great story – it happens to be unmistakably Canadian.

Key Ingredients

Original Canadian IP	Canadian-owned IP from Rachel Reid's popular book series and adapted by Jacob Tierney (*Letterkenny, Shoresy*)
High Risk Greenlight	Crave (Bell Media), took on the risk of developing a queer sports story, acknowledging it could be a significant failure.
Build in Fan-base	Fans of the book series and BookTok groups learned about the series production, generated buzz within existing fan base.
True CanCon	Produced/filmed in Canada, using public funds, tax credits and Canadian cast and crew.
Global Distribution	HBO Max acquired U.S. rights nine days before it premiered leaving little time for additional promotion -- yet it succeeded globally.
International Breakout	#1 on Crave and a top-five scripted debut on HBO Max in 2025, proving the show travelled well beyond Canada, fast.
Perfect Timing	The release aligns with broad concerns around human rights, and audience interest in sports and romance.

What We Learn — and Why It Matters

Heated Rivalry

North of North

Shoresy

Sullivan's Crossing

Demonstrates Value in Risk-taking

- *Heated Rivalry*, and shows like it, demonstrate the Canadian system works when risk-taking, originality, authenticity, ownership and control of content is enabled.
- Canada can originate valuable, exportable IP that platforms compete to acquire.
- Learning from these success stories to modernize support could strengthen the ecosystem and foster more opportunity for success. .

Discoverability in Action

- *Heated Rivalry* demonstrates the force of content developed with specific communities of interest.
- Community momentum (BookTok, fandoms) came first; distribution deals followed.

Canadian Soft Power

- These series, and others, project an inclusive Canadian identity and distinct voice amid political tensions and threats to Canadian sovereignty.
- Their international success functions as Canadian soft power, shaping perceptions and understanding through culture.

The industry already knew all this. But now the world does.

Snapshot of the Global Music Industry

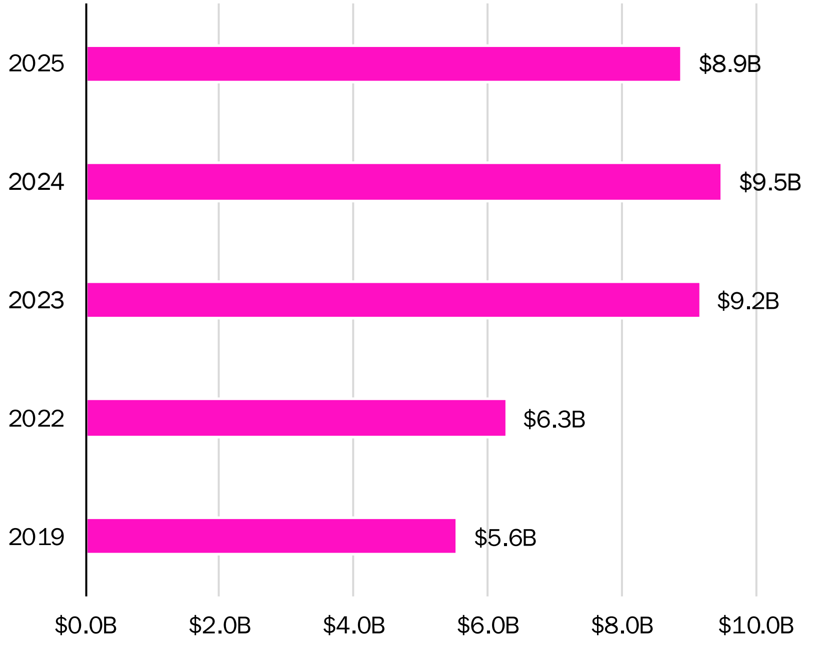
$38.2B

Projected Global Live Music Revenue (2025)

$20.4B

Estimated Global Music Streaming Revenue (2024)

Worldwide Top 100 Tours Total Gross (US$ billions)



- After three years of post-pandemic boom in major arena and stadium tours, **2025 saw a "return to earth," with a 6.1% drop from 2024 in overall Top 100 Tours** gross to an $8.9B gross. Despite the drop, major acts still drive the market, with acts like Coldplay, Beyoncé, and the Oasis reunion leading the 2025 box office.
- **Small and medium-sized venues saw declining attendance again in 2025**, with ticket sales down roughly 7–9% since 2023 across club and mid-sized rooms (≤750; 751–1,500; 2,500–5,000 capacity). Rising ticket prices helped stabilize gross, but lower attendance continues to pressure revenues for clubs reliant on ancillary sales (e.g., food and beverage)
- Approximately 106,000 new songs were uploaded to streaming services each day in 2025; this is an enormous number, no doubt, yet it represents a **~12% drop from peak upload volumes in 2023.** The proportion of these new songs is skewing toward indie distribution, with only 3.8% of songs delivered by major labels – down from 8% in 2024.
- As generative AI tools lowered the cost of music production at scale, platforms reported a surge in AI music and fraudulent streams; **Spotify removed roughly 75 million spam tracks in a single year**.

Sources: IFPI Music Industry Report (2025); Luminate; Pollstar; Pollstar 2; The Guardian; Variety; Music Business Worldwide.

Snapshot of the Global Recorded Music Industry

% change from 2023 to 2024

+7.3%
Streaming

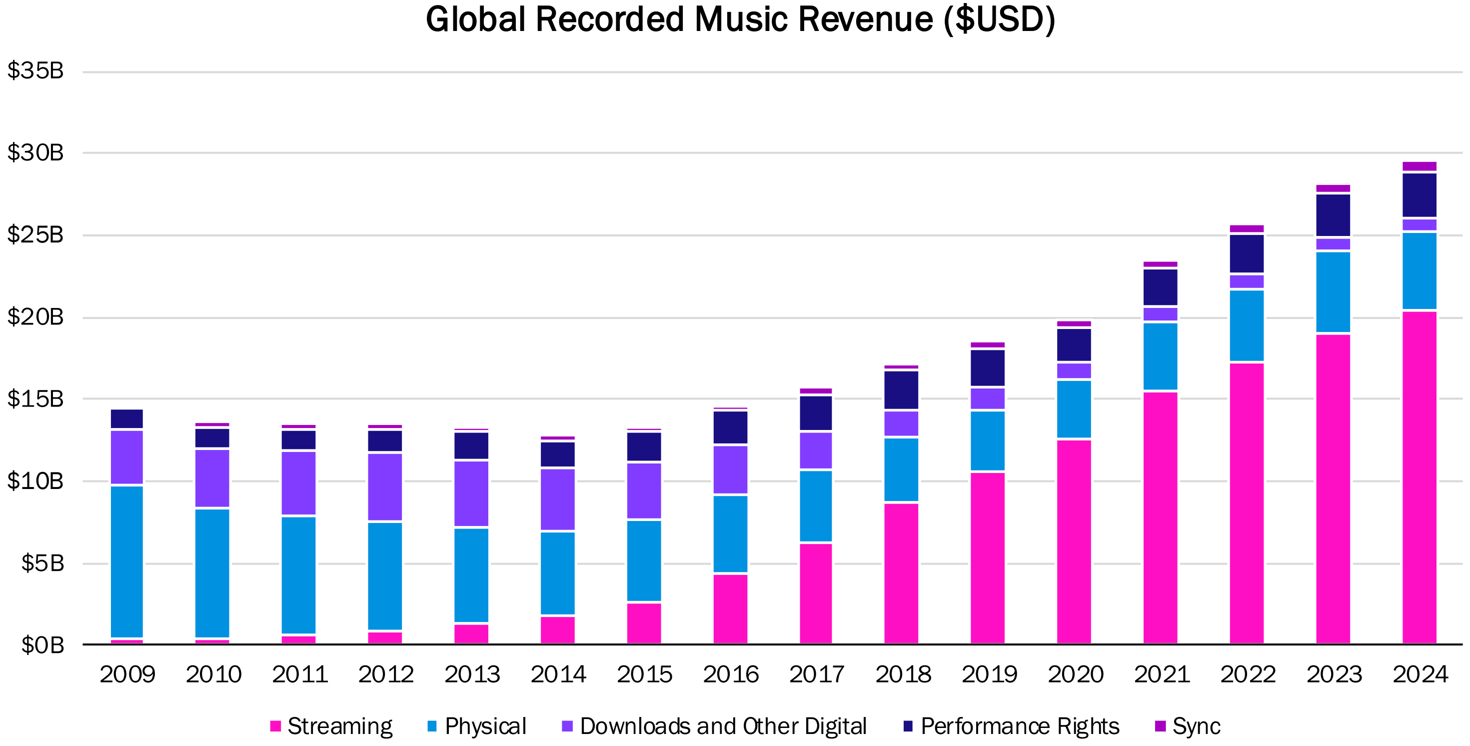
-3.1%
Physical

-7.7%
Digital Downloads

+5.9%
Performance Rights

+6.4%
Sync

+4.8%
Overall Revenue Growth



$29.5 B
Total revenue for 2024

69.0%
of total is from streaming

Source: IFPI, Global Music Report (2025);

Key Trends

- **Recorded music revenues continued to grow globally**, though growth slowed year over year to +4.8% in 2024 from +10.2% in 2023.
- **Physical media declined** after a strong prior year, falling –3.1% in 2024 – while still remaining above all years from 2016 to 2022.
- Paid subscription streaming continued to expand worldwide, reaching 752M subscribers in 2024, or **~9% of the global population.**
- **Content supply continued to accelerate** (driven by factors like low-cost distribution, accelerated and AI-enabled creation), intensifying competition for audience attention.

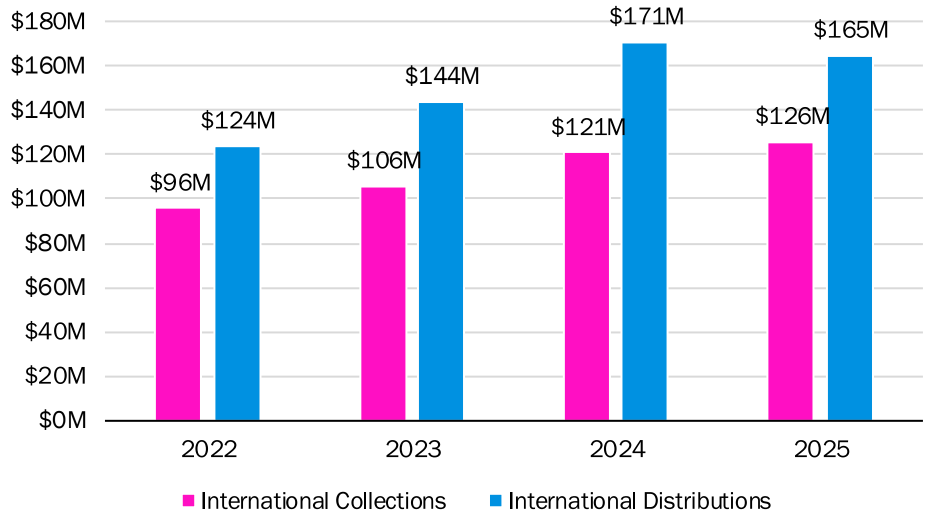
State of Music Rights in Canada

$67.14
Average digital streaming royalties earned by writers (2021)

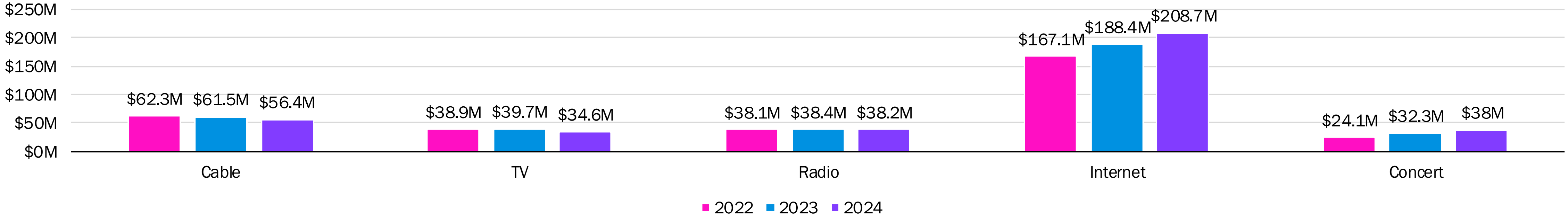
International distributions are funds distributed to foreign societies; international collections are funds from foreign societies distributed to SOCAN members. Distributions dipped in 2025, suggesting **a dip in Canadian consumption of foreign music**, while collections continue to grow year-over-year.

Rights revenues track with broader industry trends, with streaming growing while other sources continue to drop. Live performance rights revenue also grew, tracking with global growth in live music revenues.

INTERNATIONAL COLLECTIONS VS. DISTRIBUTIONS ($M)



DOMESTIC PERFORMING RIGHTS REVENUES ($M)



Source: SOCAN

News and Trends in the Canadian Music Industry


iStock/Indieground Design, Unsplash/Ana Luisa O.J.

Sources: IFPI, Global Music Report (2025); Luminate; Canadian Live Music Association; Government of Canada; The Walrus; StatsCan.

- Canada is the **eight largest recorded music market in the world**, though its revenue growth (+1.5%) trailed the global average (+4.8%) and the USA (+2.2%) in 2024. Canada also remains the **third largest music exporter in the world**, after the US and UK; the top 5 is rounded out by South Korea and Germany.
- Canadian recording companies saw +25.8% revenue from 2021-2023, **outpacing foreign-controlled companies operating in Canada** over the same period (+19.6%).
- A 2025 study published by the Canadian Live Music Association states that **live music in Canada generates an estimated $10.9B in annual GDP impact**, 101,640 jobs, and $3.73B in tax revenues.
- Budget 2025 **extended the Canada Music Fund's temporary $16 million annual boost** for FACTOR and Musicaction for three more years, maintaining federal support for artist development and career growth amid declining private broadcast contributions.
- Implementation of the Online Streaming Act for music in 2025 centred on **defining what qualifies as a "Canadian musical selection."** Ongoing CRTC consultations reflect a live debate between industry groups and rights-holders over how prescriptive that definition should be, alongside questions about whether streamers' direct investments in the Canadian music market should count as qualifying contributions.
- Recent commentary has raised the question of whether **cultural sovereignty should extend beyond "Buy Canadian" to "Listen Canadian,"** as US-based platforms increasingly influence music consumption patterns amid tensions around Canada's sovereignty.

Other News in the Canadian Music Industry

In October 2025, organizations including SOCAN, Music Publishers Canada, and the Songwriters Association of Canada urged Parliament to **address the effects of generative AI on the creative industries.** They argued that, even though most AI developers are foreign-owned, Canada can still play a role by enforcing copyright laws and disclosure rules around how Canadian music is used to train AI systems.

“Nearly every song ever written by a Canadian songwriter has already been scraped and is already stolen by these AI companies without consent, credit or compensation.” – Margaret McGuffin, CEO of Music Publishers Canada.

The Indigenous Music Office released an updated study examining **pathways to international markets for Indigenous music,** in light of the growing global demand for Indigenous music and notable gaps in export readiness for Indigenous music in Canada. The study notes **investment in an Indigenous-owned music ecosystem** as a priority area for support, alongside broader export and discoverability support mechanisms.

“A strategy to increase the export capacity of the Indigenous music sector is timely as demand for Indigenous music is growing in Canada and around the world.” – Pathways to International Markets report.

Sources: CBC; Billboard Canada; Indigenous Music Office.

Discoverability in the Canadian Music Industry

As the music marketplace has become **increasingly global and increasingly algorithmic**, discoverability of Canadian music has shifted from a traditional domestic marketing effort to a continuous, labour-driven process built on a foundation of **sustained fan engagement and iterative release strategies**.

Discoverability has shifted from being driven by industry entities (e.g., labels, broadcasters), toward an **ongoing, labour-intensive responsibility of artists themselves.**

*Sustained fan engagement now requires **continuous content creation and audience engagement** across social media platforms and live settings, using techniques like "waterfall releases," to maintain visibility over time. This shift effectively embeds discoverability work into the day-to-day practice of being a working musician.*

Industry support is increasingly contingent on **artists demonstrating existing audience traction.**

*Discoverability and sustained fan engagement now function as early-stage screening mechanisms, with labels and other industry entities relying on **data signals such as streams, followers, and engagement** before committing resources. This shift effectively moves audience development upstream, placing greater early-stage labour and risk on artists prior to formal industry involvement.*

Canada's increasingly culturally diverse music industry is seeing **global and diaspora-linked markets** play a more central role in discoverability.

*Punjabi artists like Ikky and Karan Aujla and Nigerian-Canadian entities such as Hi-Way 89 Entertainment are finding huge success building audiences abroad and within Canadian diaspora communities. This success reframes **discoverability of Canadian music as a borderless effort**, reaching beyond the mainstream domestic market.*

Challenges to Discoverability in Canada

- **Canadian artists who achieve global scale often transition their careers to the U.S. market**, where later stages of growth are supported by larger labels and industry infrastructure. While this progression may benefit artists individually, it creates a **structural talent drain for the Canadian industry**: artists leave as they reach commercially viability, limiting the long-term financial uplift and spillover benefits for the Canadian industry (e.g., labels, writers, broadcasters) and the public funding ecosystem that helped develop them.
- **The current MAPL system can sometimes make it difficult for Canada to claim credit for its own global success**. Successful Canadian artists will often collaborate internationally and create successful music that – by virtue of that collaboration – **no longer count as Canadian content**, limiting how their success can be leveraged by the Canadian industry in the current broadcast and regulatory environment.
- **Music discovery is increasingly driven by metadata** (e.g, search, recommendations, AI-driven discovery), but the **lack of a shared international standard** or system means that key information like country of origin or the nationality of the writer is often inconsistently captured. These gaps reduce the visibility and revenue potential of Canadian music and make it harder to measure its reach.

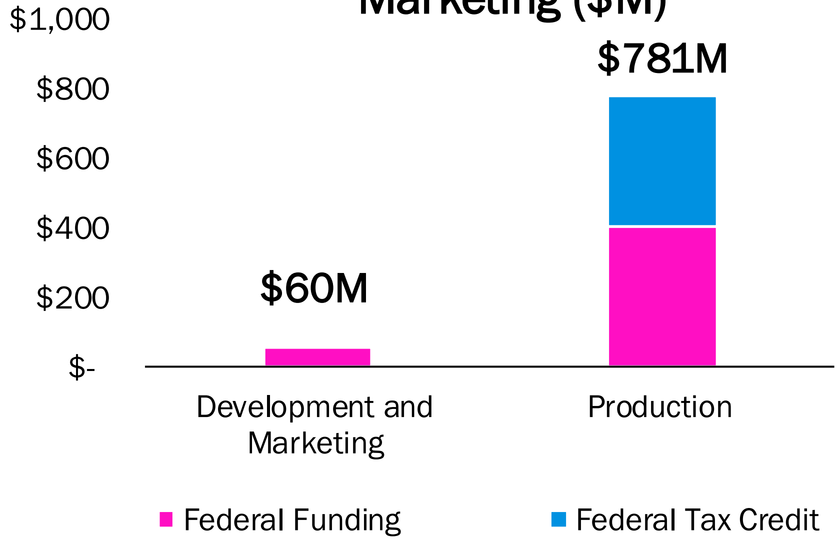
- Calgarian who breaks out as a popstar in late 2010's through So You Think You Can Dance, YouTube videos, and pandemic-era viral successes.
- Early releases qualify as Canadian content where she is sole writer or co-writing with another Canadian.
- Signs with U.S.-based RCA Records in 2019; over time much of her music no longer qualifies under MAPL due to international co-writing and production.
- Continues to be recognized and celebrated in Canada, including through JUNO nominations, but the financial benefits of her success largely accrue outside of the Canadian industry that played a role in her early development.

Shifting Focus for Global Success

- **From production to development of IP+Audience:** sustained investment in engagement for the full content lifecycle.
- **From platform-driven to audience-driven ecosystems**: Enabling creators to own and grow IP across markets and formats.
- **From volume to value**: Fewer, stronger projects with audience and market strategies.

Outcome: Canadian IP that travels globally—converting creative output into lasting audience loyalty and export growth.

Estimated 2023-2024 Federal Support for Content Production vs. Development and Marketing ($M)



It is not about making more content, rather it's about making content that resonates.

Source: CMPA, Profile 2024; CMF Annual Report 2023-2024; Telefilm Annual Report 2023-2024

Developing IP & Audience Together

- Changes the conversation between platforms and creators
- Advances projects with greater potential for commercial success
- Enables creators to transition audiences from project to project
- Builds sustainable companies with more long-term value
- Supports broader Canadian cultural and economic objectives

Focusing on audience and IP development gives creators and producers the leverage they need to maximize their commercial potential and build long-term enterprise value.

Understanding Discoverability

- **Discoverability is multifaceted**: It is a complex, system-wide challenge shaped by market structure, technology, and audience behaviour -- hard to grasp from any single vantage point.
- **Cross-sector parallels, with differences**: Audio and audiovisual require similar audience-first, outcomes-based approaches that acknowledge sector-specific dynamics (detailed in the report).
- **Start early – put audience at the centre**: Discoverability is facilitated from development onward; early and strategic ongoing audience engagement/validation are critical to shaping content that connects.
- **Sustain efforts throughout the lifecycle – a shared responsibility**: Maintain discoverability efforts across production, launch, and catalogue, with each stakeholder contributing according to their respective role.
- **Regulation & Beyond**: Discoverability cannot be solved by regulation alone; coordinated, cross-industry policy and program actions are essential to support and foster needed shifts in industry practice for durable results.

For a deeper dive:

Audience at the centre: Discoverability, Promotion, and Prominence of Canadian Content Across the Broadcasting System

Prepared by Nordicity for the CRTC

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