The Creator Economy: Navigating Brands, Technology, and Innovation

A look at the state of today’s creator economy and the relationship between brands, creators, and AI.
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Introduction

The creator economy is no longer just about creators. It encompasses brands, technology, and platforms that all play a significant role in building and shaping the future of content creation. While it may be obvious that creators are at the center of the creator economy, without brand deals offering them monetization opportunities and the ever-changing platforms that incentivize creators to share a steady stream of innovative content, the creator economy as we know it wouldn’t exist. To add to that, today’s rapid technological advances, especially in the field of generative AI, offers an additional layer that creators must choose to adopt to.

Whether it is how the various algorithms push certain content or the focus and discussion about the power of photo versus video content, there’s always something new and buzzworthy about the creator economy.

To better understand how the creator economy is evolving and how creators are feeling about it, Lighttricks collaborated with YouGov to survey more than 1,000 people in the United States who identify as content creators or aspiring content creators. Content creators were defined as those who edit and share photos and/or videos online that generated income, and aspiring creators are those who are working towards achieving that goal.

Creators and aspiring creators responded to four topics impacting the creator economy, starting with one of the most transformative technologies to impact the industry – generative AI. After understanding how AI can be used as a tool, we explored the relationship between AI and creators, then the industry overall, including how brands work with creators. Finally, the survey looked at whether or not creators are satisfied with how they’re being compensated.

Let’s take a look at our findings:
AI as a New Tool

Generative AI offers a new set of tools for creators to enhance their creative process and open up new avenues for exploration and innovation. From content generation, to inspiration, and even editing and refinement, AI is already changing the way creators and aspiring creators work.

Our survey revealed that 92% of current creators and 66% of aspiring creators are familiar with AI, with 62% of current creators and 56% of aspiring creators already using AI in their content creation process. It’s apparent to creators that generative AI is becoming an important part of their field.

Interestingly, there’s a large discrepancy between the percentages of creators who are familiar with AI but do not yet use AI in their creative process. In comparison to the smaller gap among aspiring creators. We can assume a couple of things from these findings. While creators are more familiar with AI, most have already built the skills that allow them to create without the need of AI tools, or don’t want to change their established creative process. Aspiring creators, however, are less likely to acknowledge they are familiar with AI, perhaps because they don’t feel as confident or competent, compared to their creator counterparts.

Looking further at how creators use AI within their creative process, there were a few additional interesting findings:
- 53% use AI image generation to create backgrounds for photo content
- 46% for making avatar profile pictures
- 47% for creating video backgrounds
- 42% for creating clothing and leaks

While these are the initial use cases, we are seeing new ways creators are leveraging the power of AI for more creative and out of the box results.

Yet, despite the growing popularity of AI among creators, there remains some concern regarding its usage. The survey revealed that 74% of creators are concerned about the potential use of AI for creating deep fakes, 58% are concerned with copyright issues, and 57% are worried about the decrease in authenticity of content. These concerns highlight the need for creators to exercise caution while using AI and continue an open discussion about the need of regulatory frameworks to address the potential risks associated with its usage.

We can expect both creators and aspiring creators to continue to use AI within their creation process and to benefit from its versatility in generating unique content. As with the introduction of any new technology, it can be assumed that it will take time for the majority of society to adapt to generative AI. Creators, however, seem to have embraced this new technology as they have quickly realized the benefit it has on their content creation process. However, the survey also emphasizes the need for creators to use AI responsibly. As AI continues to evolve, it is crucial to ensure that its usage does not compromise the authenticity and integrity of the content created.

Familiarity and usage of AI

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<th>Creators</th>
<th>Aspiring creators</th>
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<tr>
<td>Familiarity to AI</td>
<td>92%</td>
<td>66%</td>
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<tr>
<td>Generative AI use</td>
<td>62%</td>
<td>68%</td>
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Creators biggest AI concerns

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<tr>
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<th>Creators</th>
<th>Aspiring creators</th>
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<tr>
<td>Potential deep fakes</td>
<td>74%</td>
<td>58%</td>
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<tr>
<td>Copyright</td>
<td>58%</td>
<td>57%</td>
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<tr>
<td>Decrease in authenticity</td>
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AI creator use cases

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<tr>
<th>Use case</th>
<th>Creators</th>
<th>Aspiring creators</th>
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<tbody>
<tr>
<td>Photo backgrounds</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>Video backgrounds</td>
<td>42%</td>
<td>44%</td>
</tr>
<tr>
<td>Make creator profile pictures</td>
<td>44%</td>
<td>42%</td>
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<tr>
<td>Create clothing and leaks</td>
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Creating with the Power of AI

With its growing popularity, generative AI is quickly becoming an essential tool for creators, and those aspiring to become creators, in a variety of industries. Apart from assisting creators in their process on a creative level, it offers practical logistical solutions to help busy creators save both their time and their money.

When it comes to the likelihood of using AI, the data shows that both current and aspiring creators are likely to use it if it saves time and money or positively impacts the creative process. A large percentage of current creators, 84%, are likely to use AI if it saves time or money, while an even higher percentage, 86%, are likely to use it if it positively impacts the creative process. The data showed similar results for aspiring creators, suggesting that all creators are eager to welcome new tools that can positively impact their work.

The data also reveals that more than half of creators surveyed, 56%, have been asked to use generative AI by brands, with nearly 40% being asked as early as 2022. This highlights the increasing demand for AI-generated content from brands, and how creators must stay abreast of the latest trends and technologies to cater to the ever-changing demands of brands.

To further support the AI boom, the data shows that 71% of creators found that followers responded positively to AI-generated content, while only 10% found their followers responded negatively. This is an interesting statistic to keep an eye on, as we can only assume AI will continue to become a larger part of the content creators share with their audiences.

Interestingly, the data shows that a majority of current creators, 64%, consider AI to be a form of art, while only 30% of aspiring creators hold the same view. This suggests that the role of AI in the creative arts is still being debated. While some creators have already embraced AI as a tool for artistic expression, others may still be skeptical or unsure of its potential. As AI technology continues to evolve, become more accessible, and a larger part of everyday life, it is likely that the perception of AI as an art form will continue to shift and develop.

As 2023 unfolds, we can expect to see more generative AI, in new and surprising ways. It’s clear that AI-generated art will continue to become more prevalent, changing not only how creators create, but also the final output of their creative processes, and based on our data, brands and audiences are here for it.
Creators & Brands Building New Models

Creators and aspiring creators have personal and professional reasons for creating the content that they share, and clearly, this has a significant impact on the content itself. As an added layer, creators and aspiring creators face their fair share of challenges – from growing their following to monetizing their work. This is exactly where brand deals come into play to fuel the creator economy.

Our survey found that a significant portion of creators, 23%, create content for their business, while 25% do so as a hobby, and 33% create content for others as a side gig to make money. For aspiring creators, on the other hand, 36% create content as a hobby, and 24% do so for side gigs. Only a small percentage of both groups create content solely for themselves. Clearly, those who are paid to create content report that monetization opportunities are a more significant percentage of why they create compared to aspiring creators, who have yet to experience the demand.

As might be expected, creators said that they most often create content based on lifestyle, tech, and product reviews. Aspiring creators focus more on creating content based on travel, lifestyle, and product reviews. The differences suggest the evolution of a content creators’ journey. Most creators and aspiring creators start off largely sharing travel and personal content to build their brand, before moving into more paid opportunities that are tech and product based.

Our survey also highlighted the challenges faced by creators and aspiring creators to build an engaged audience. Aspiring creators also reported facing challenges in finding new content ideas and attracting new followers. And yes, making money from posts and content is one of the most significant challenges faced by both creators and aspiring creators today.

Our respondents noted that brand deals can have a significant impact on bridging this gap. The data shows that 80% of creators have worked with at least one brand in the past 12 months. Of these, 37% worked with six or more brands, while 6% worked with 20 or more. The data found that despite economic challenges, when comparing 2021 to 2022, 40% of creators earned more money year over year and 39% signed more brand deals. Only 20% of creators reported that they were negatively impacted by economic turmoil. While brand deals will always remain an essential component of monetizing content creation, it is safe to say that for the time being, the creator economy is alive and well.

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Creator Compensation

Creators in today’s creator economy find themselves in a unique position with the advent and adoption of generative AI. The new capabilities offered by AI allow creators to take on more brand deals and gigs, by allowing them to easily scale their creative process, in turn allowing for more monetization opportunities. While this is indeed exciting for creators, most report that they are already satisfied with the way they are compensated today. The data provided gives insights into the compensation and income of creators, the percentage of income they receive from content creation, and where they make the most money. Additionally, it explores the potential impact of AI on creator fees.

Though nearly 75% of creators feel that they are fairly compensated for their work, the data shows that 24% of creators earn less than $500 every month, while 15% earn more than $5,000. The largest percentage of creators, 26%, earn between $1,000 - $2,000 per month. When asked about monthly income from content creation, 42% of creators said they earn less than 25% of their income from content creation, while 8% earn more than 75% of their income from this source. For the majority of creators, 55%, creating custom content for brands is where they make the most money, followed by product placements, 49%, and advertisements, 46%. Curiously, even though the creator economy has blown up in recent years and creators report that they’re satisfied with their compensation, it is still challenging to make a living as a full-time content creator.

Regarding the impact of AI on creator fees, 38% of creators believe that fees will increase, while 22% think they will decrease. The remaining 40% of creators think that AI will not impact their fees. This is interesting as a large part of the discussion around generative AI is solely focused on how the technology will impact the livelihood of individuals such as content creators, whereas the majority of creators themselves actually believe that AI will not impact their fees. Even more interestingly, there is a large percentage of creators who believe that their fees will even be positively affected by AI.

Where do creators make the most money?
- Custom content for brands: 55%
- Product placements: 49%
- Advertisements: 46%

Do you feel you’re fairly compensated?
- Yes: 74%
- No: 26%

Do you think AI will impact creator fees?
- Fees will stay the same: 40%
- Fees will increase: 38%
- Fees will decrease: 22%
What’s Next?

So, what does all of this mean for the future of the creator economy, and specifically creators? The creator economy has been around for a few years, and it’s safe to say that this industry will continue to evolve and remain a mainstay for entertainment, marketing, and advertising. This is a great opportunity for creators.

The development of technology like generative AI is an exciting evolution that creators can use to scale their creative process and attract even more brand deals and partnerships. It’s also great news for aspiring creators who can more quickly acquire well-rounded skills needed to monetize their work. By using AI as a tool, these individuals will be able to create content that they wouldn’t be able to just on their own.

Just like photography revolutionized the way we all create, it is becoming evident that generative AI will have a similar, if not more significant impact on content creation. With that being said, we predict that the creator economy will undergo an even bigger and more widespread boom, as soon as more creators and aspiring creators latch onto the idea of generative AI. Together, these concepts complement one another, making what was once only in our imaginations, a reality.

Methodology

In March, 2023, we engaged YouGov to survey more than 1,000 current and aspiring content creators. Each participant is 18+, living in the United States, and identifies according to our definitions as an aspiring or current content creator as mentioned in the introduction.