



Disney launches an Al task force to implement the tech across the company

Article



The news: Disney has formed an artificial intelligence task force to find ways to integrate the technology across its entertainment empire. According to Reuters, the company set up the

task force several months ago before the start of the Writers Guild of America strike.

• The effort to integrate AI stretches to every part of Disney's business, from creative applications to its theme park business to its advertising unit. Reuters reports that the company is looking to build a "next-generation" advertising stack built around AI.

Open secret: It's no secret that Disney is interested in AI. Executives have spoken publicly about its potential to revolutionize its business, and its potential as a cost-saving technology meshes well with the company's dramatic cost cutting that involves laying off <u>7,000</u> <u>employees</u>.

- Disney is also a member of the Association of Motion Picture and Television Producers, the industry group opposite the WGA and SAG-AFTRA. The use of AI is a key point of dispute in the ongoing strike—AMPTP members have refused to agree to proposals from the striking unions that would curb their use of artificial intelligence.
- At a conference hosted by **Ad Age** in May, Disney ad chief **Rita Ferro** said the company's "next 12 months of innovation" would be <u>focused around Al</u> and gave examples of how the tech could be integrated into **Disney+**.
- Disney also recently laid off its metaverse division (including chief Mike White), a sign that it's chosen AI as the technology to go all-in on.

What will it look like? All isn't a one-size-fits-all technology, and it will likely take several dramatically different forms across Disney's vast multimedia empire. But comments from executives and pain points at the company can give a glimpse into how All will take shape at one of the world's largest entertainment conglomerates.

- At the above-mentioned conference, Ferro touted the tech's potential to help Disney+ become a powerful shoppable marketing platform. Ferro said Disney was interested in using Al to scan content for products and provide purchase links within the streaming interface without the need for QR codes.
- According to CNBC reporting, the task force is also exploring ways to use AI to cut costs of producing original films and streaming content. Streaming services have been under great pressure to reduce expenses this year, causing many to <u>slash original content spending</u>.
- But AI has powerful creative potential. Companies like Adobe have made strides to make AI commonplace in creative fields, and the technology is already used for many purposes in



animation and video game development that could be applied to Disney films.

Our take: Disney has made several dramatic changes and statements that show the company is reexamining its identity. Whether drastic moves like a <u>divestiture from linear TV</u> come to pass or not, it's clear that artificial intelligence will be at the core of the company's future.





