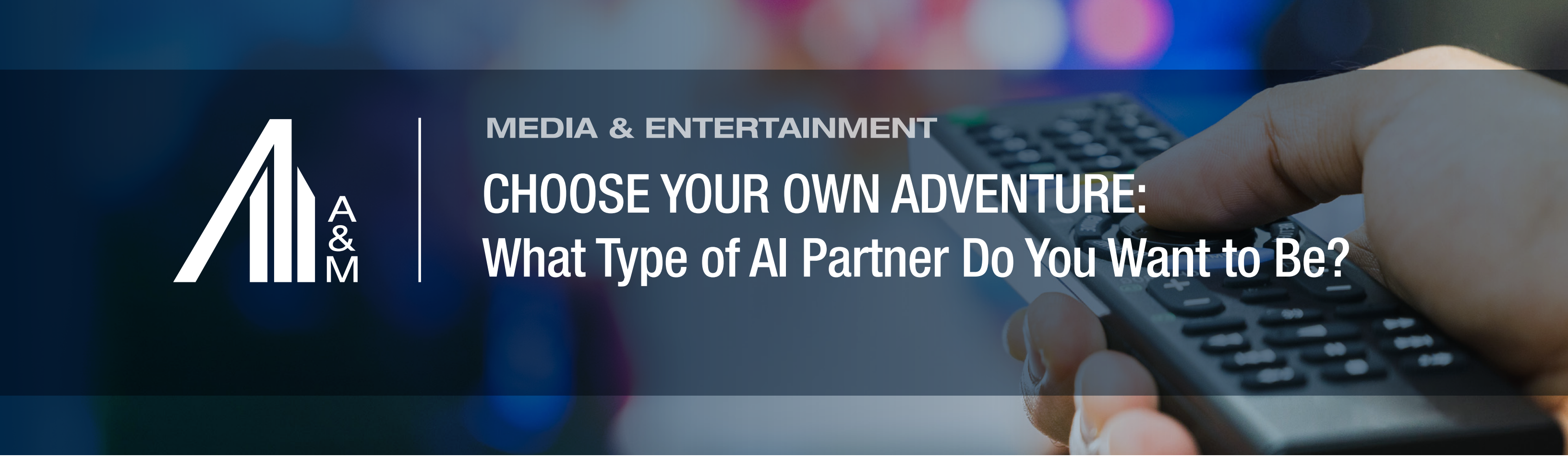

MEDIA & ENTERTAINMENT

CHOOSE YOUR OWN ADVENTURE: What Type of AI Partner Do You Want to Be?

Five Partnership Models Between Media & Entertainment and Artificial Intelligence Companies

In navigating the zeitgeist and reality of artificial intelligence (AI) and machine learning (ML), many questions arise. What are the advantages AI and ML can bring to your business? What use cases have potentially the highest impact? How do internal skills and processes need to change to capitalize on new AI-led technologies, both for back- and front-of-house? Which technologies or skills can you build and which must you leverage through partnerships or acquire through M&A?

This AI-driven epoch can feel like a modern-day Wild West, with guns blazing and key actors trying to find their footing along the new frontier. Amid this rapid expansion, some Media & Entertainment companies have adopted a predominantly wait-and-see stance. Others are using a key market entry strategy — partnerships — for speed-to-implementation, targeted technology know-how and team upskilling.

The value of strategic partnerships, executed with clear goals and strong governance, can be compelling. Analysis on thousands of partnerships revealed organizations that actively pursue partnerships increase their chances of long-term sustainability by 50% and average an increase of 20% in revenue growth compared to more standalone counterparts. It is no surprise that 81% of Media & Entertainment CEOs rate partnerships as "important" or "critical" to their business.[1]

Of course, the structure of a partnership can take many forms, from deeply entrenched to cursory; from integral to a company's core to more ancillary and hands-off. This paper will address A&M's view of partnership models unfolding between Media & Entertainment and AI technology companies.

> "With an alliance, you can pinpoint where the greatest value-creation potential lies and form the partnership around those specific areas only."[2]
>
> Brandeis Professor Ben Gomes - Casseres

In this article, Alvarez & Marsal outlines a view of five archetypal models and poses the question: "Who do you want to be?"

The Inventor | The Integrator | The Double Down | Feeding the Beast | The Hedge

Higher — Strategic Investment — Lower

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Model #1 The Inventor

The Inventor partnership model is the most active model along the spectrum and requires the most investment in resources, time and mindshare within a company. As the number of major partnerships of this scale will be inherently limited within a company, partnership selection is crucial to its success and ROI.

One example of **The Inventor** model in motion is Disney's Imagineering R&D partnership with Nvidia and Google's DeepMind. In March 2024, the partnership had its first reveal with Nvidia sharing a glimpse at Disney's robotic characters powered by Nvidia's GPUs. Then, in March 2025, Imagineering's Disney Research, Nvidia and Google's DeepMind formally announced their partnership.[4] The new partnership, named Newton, will focus on theme park humanoid robotic characters who can manage complex tasks and humanistic motions. Newton will begin with BDX droids and GROOT N1 humanoid robots (named for Marvel's Guardian of the Galaxy) as foundational characters who will move independently in the Galaxy's Edge section of Disney parks.

Through this entertainment, AI and robotics partnership, The Walt Disney Company is the embodiment of **The Inventor** partner, positioning itself central to innovation and R&D with dedicated engineering and development teams.

The Inventor model is for companies and executives ready for a big bet with a specific goal. This model requires clarity of mission, articulation of required outcomes and talent to manage partnership processes. Such a model is adopted when the partner has a highly strategic offering, product or goal tied to current and future core capabilities, thereby priming and fortifying competitive advantage.

It is unlikely a company, no matter how big, can form many of **The Inventor**-style partnerships, and so intention, focus and quality outcomes become paramount. While the Disney robotic example addresses R&D and product development specifically, other deep and highly capitalized partnerships can span geographic or market expansion, platform co-development, or even consumer collaborations.

> "The symbiotic relationship between art and technology is essential… Tech is at the core of storytelling."[3]
>
> David Ellison, CEO, Skydance/Paramount

The Inventor attributes:

- Strategically important
- High investment level
- High dedicated resources
- High governance oversight
- Selectively deployed
- For big bets

Model #2 The Integrator

As a partnership model, **The Integrator** sits close to innovation, but without the same level of engineering and development onboarding responsibility as **The Inventor**. Much like a "first look" content deal, this model puts the media company in a strong position with select partners to move quickly, utilizing the innovations of others and avoiding the same level of direct burden as **The Inventor**.

This model inspires fast pilots, evaluations and rollouts with key partner AI technology and can position a media company to be a fast follower with less core risk. As with **The Inventor** partnership, technical partner selection is critical to ultimate success and ROI.

An illustration of **The Integrator** can be found in WPP's work with Stability AI. In March 2025, WPP announced its deep partnership with Stability AI, describing their joint efforts as an "R&D pipeline" focused on workflow and system integration. The company plans to "ideate, perform concept testing and develop new solutions, further shaping the future of visual Media & Entertainment."[5] With this partnership, WPP embodies **The Integrator** partner.

Another salient example of **The Integrator** comes from an A&M strategy and transformation efforts with a mobile content company that serves professional users and specialized insights. The AI implementations brought an estimated 60% reduction in content production costs from deploying use cases that spanned from persona testing to content personalization, production automation and editorial summaries.

The Integrator model is utilized when companies and executives want to move fast but need to augment their talent and technology with outside AI expertise and solutions. While this partner type is more flexible than **The Inventor** model, it still requires intention, clarity of custom use cases, collaboration on product requirements and partnership governance. This partnership is a "lean forward" experience but allows media executives the flexibility of different select partners for diverse needs.

The Integrator model will likely become the leading path for Media & Entertainment executives in the 2026/2027 high-growth period for AI implementations enterprisewide.

> **60% Estimated reduction in content production costs from an A&M AI transformation project.**
>
> Illustrated benefits of **The Integrator** partnership model

The Integrator attributes:

- Fast capability-scaling
- Medium-to-high investment levels
- Moderate dedicated project resources
- High resource needs for implementation
- Moderate governance needs
- A natural near-future-state for many companies

Model #3 The Double Down

With **The Double Down** partnership model, Media & Entertainment companies fortify their current strengths with AI tools and upgrades within current workflows. **The Double Down** partner focuses on enhancing today's core capabilities and sampling AI for creative, production and distribution benefits.

Market examples include efforts by the magazine US News and World Report, as well as across the video gaming industry. For example, US News and World Report implemented the tool Vertex AI Search to allow users new content searches, recommendations and user journeys. US News reported that after only a few weeks, they saw an increase in key usage metrics like click-through rate, time spent on page and traffic volume.[6]

Similarly, video gaming developers and publishers are embracing tools from enterprise partners for product optimization. In one example, Google DeepMind's SIMA applied AI agent technology to enhance navigations and interactions across several games, including No Man's Sky and Goat Simulator.[8]

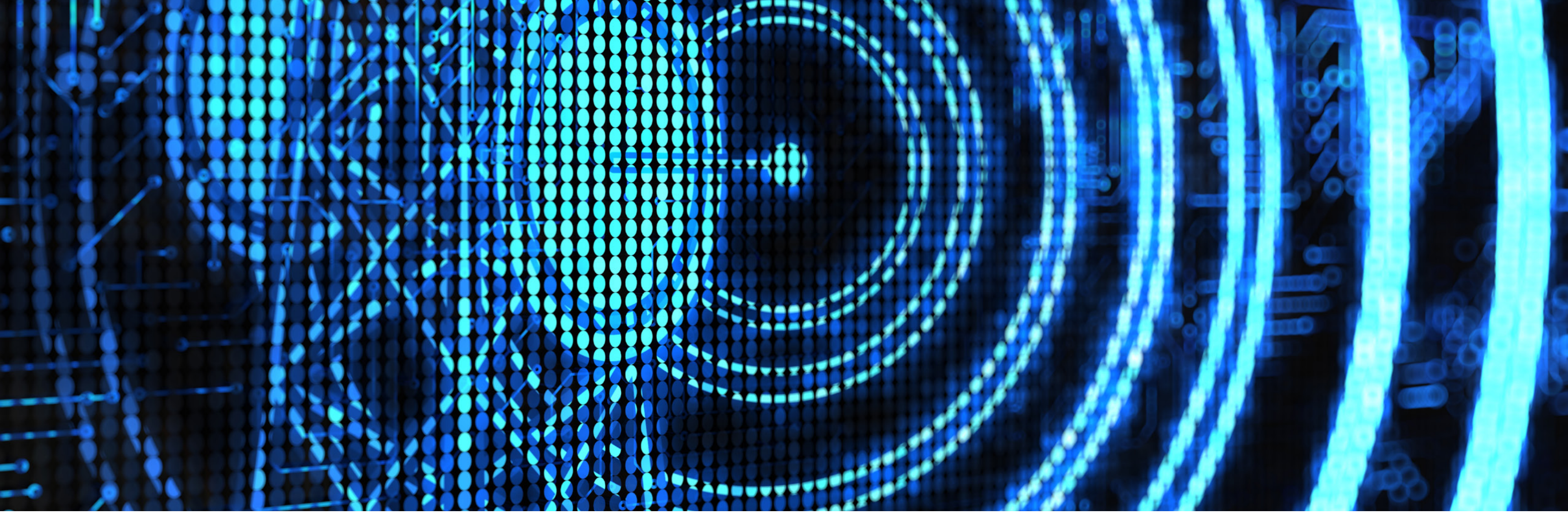
The Double Down as a model is adopted when the partner wants minimal disruption, operational reinvention or change management challenges in its core business, so therefore seeks incremental gains enabled by new AI toolkits. Not as risk-tolerant as **The Inventor** or **The Integrator**, **The Double Down** generally enables a media company for AI-led benefits without reinventing its current workflow, processes or product development.

For many Media & Entertainment executives, **The Double Down** may be the comfortable starting point for AI integrations, as it does not upend current business assumptions and may rely on familiar enterprise technology partners that have integrated AI into their current products. **The Double Down** is fast becoming a "table-stakes" path for companies that want to participate in the gains of AI and ML — including cost-efficiency, speed and automation — but have not yet articulated a future state that would likely be more disruptive.

> "It is not enough just to innovate within one's own vertical; to truly exploit the power of GenAI to transform workflows and drive competitive advantage, [companies] need to look outside their own organizations to get the scale, domain expertise and speed required to develop fully integrated solutions."[6]
>
> CIO Magazine

The Double Down attributes:

- Minimal-to-no disruption to current processes
- Low-to-medium investment level
- Targeted resource requirements
- Targeted governance needs
- Table stakes starting position for many companies



Model #4 Feeding the (Data) Beast

The fourth model, **Feeding the Beast**, is for companies focused on optimizing insights and modernizing data streams. A more specific use case compared to the other archetypes, **Feeding the Beast** focuses on honing and expanding Media & Entertainment enterprise insights with AI- and ML-enabled tools, leading to enhanced positional strength.

One of the first engagements between Media & Entertainment companies and the major foundational AI companies was a negative one, focused on LLM's unauthorized scraping of IP-protected content. However, in fairly short order, many IP holders architected and negotiated licensing models for LLMs, covering retroactive and future uses, as well as public and private content. A recent report from Business Research Insights expected the 2024 licensing fees to be $2.5 billion, growing to close to $30 billion within a decade.[9]

While IP copyright and licensing discord took over headlines, the quieter reverse strategy of **Feeding the Beast** was afoot. **Feeding the Beast** as a partner model is invoked when media companies themselves thirst for data to ingest into their workflows, predictive models and analytic engines. With public and private data sources to mine and ingest — including first-, second- and third-party information — companies are utilizing new AI tools to make sense of it. No longer is structured data required for it to be useful with the AI and ML tools driving insights.

This has led Media & Entertainment companies across the board to assess their data sources, content streams and AI-enabled use cases for insight-building. While a more niche partnership model compared to the other frameworks, **Feeding the Beast** importantly bolsters market, customer and internal insights and positions media companies for better future decision-making.

An illustration of **Feeding the Beast** is found in an A&M engagement with the advertising division of one of the major television network groups. By reconsidering ad sales reporting and implementing AI-supported efficiency workflows, the network gained deeper insight into its customers, reducing churn and increasing share-of-wallet. With new customer buying patterns and insights, data-led decisioning tools and workflow automation, the ad sales team altered how they approached and secured the market.

Feeding the Beast is a partner model that even the most risk-averse companies need to embrace. Whether implemented through rote licensing arrangements with current partners or with flavors of the activist **The Integrator** playbook, this path is applicable and necessary to every Media & Entertainment enterprise, business unit and executive.

Feeding the Beast attributes:

- Low-to-medium investment level
- Targeted data resource requirements
- Targeted data governance needs
- High data strategy requirements
- Table stakes starting position for many companies

Model #5 The Hedge

The Hedge is a popular portfolio view of investments and partnerships, keeping a Media & Entertainment company at the table to observe and track. This partner model is used when companies want risk diversification across many positions, as the market unfolds and solidifies. While more passive, and several steps removed from core product development, the benefit of **The Hedge** is that risk of any one position is curtailed and diverse learnings can be integrated into future product and market decisions.

An example of **The Hedge** as a partner model can be sourced from the music industry. The music industry, like other sectors of media, seeks inroads with AI technology and tools; it is estimated that music labels and publishers had already invested over $1 billion in AI companies and developments by late 2023. For example, Warner Music Group (WMG) invested in AI-fueled gaming platform Roblox, the AI- and avatar-led digital fashion company DRESSX and AI music generator Lifescore.[10] These positions may well have a through-line for WMG, but we cite diverse portfolio placements in general as holding a unique risk, different from the other archetypal models.

The risk of **The Hedge** is suboptimal ROI if focus is overly diffused and lacking in aligned strategy, a view of scalability and articulated necessary outcomes. The worst outcome for **The Hedge** is the scattered use of resources and lost time compared to peers.

Media executives who follow **The Hedge** partnership model can gain lessons across the business spectrum while waiting for the market to congeal and industry standards to be settled. However, for those who employ **The Hedge**, it is crucial that there is a resonating thesis at its core.

The Hedge attributes:

- Varied investment levels
- Low resource requirements
- Low governance needs
- Better in combination with **The Double Down** or **Feeding the Beast**
- Best in combination with **The Integrator**

Which Partner Do You Want to Be?

In the new AI-led frontiers, participation in the evolution/revolution can benefit the top- and bottom-line of any Media & Entertainment company, across sectors and offerings. To provide a framework and prism through which to assess AI entry points, A&M has outlined five archetypal partnership models for Media & Entertainment in partnering with AI companies.

These five models, **The Inventor**, **The Integrator**, **The Double Down**, **Feeding the Beast** and **The Hedge**, each illustrate a different path for executives and companies. They range in investment risk, resources requirements, speed-to-outcome, governance oversight and more.

The Double Down and **Feeding the Beast** are common starting points and for many companies, these initial forays will lead overtime to flavors of **The Integrator** with targeted incorporation. A "better case" scenario for **The Hedge** would be collaboration at the outset with **The Double Down** or **Feeding the Beast** to reinforce competitive core skills and data strategy with purpose. The "best case" for **The Hedge** would be in combination with **The Integrator** to participate as an investor in the active market, while positioning internally to test, pilot and integrate the specialist companies into future-state workflows, product development, market expansion and more.

The Inventor will be selectively used by those ready for big bets and "build" strategies and may be employed in combination with an enterprise's maturing M&A strategy.

In strategizing and scenario-planning the future, A&M poses key questions for Media & Entertainment executives in determining which partner model is best for today and tomorrow:

- Which model is prevalent with your company today and which model(s) will serve you best for 2026 and beyond?
- What is your company's strategic vision and where will AI speed or scale it?
- Where are your greatest workflow needs and use cases for AI?
- What is your risk sensitivity and investment level associated with each type of partnership?
- What resources do you have to manage partnership outcomes?
- What is your company's readiness for AI, including data, infrastructure and skills?
- Do you want to be more than one type of partner?

A&M MEDIA & ENTERTAINMENT:

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Contribution: Choose Your Own Adventure included significant contribution in research and insights from Louisa Shipnuck Jones, Director with A&M's Media & Entertainment practice.

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