Participant briefing | Policy workshop | November 20, 2024 | Košice

Kukučínova 2

9:30 – 17:00

Immersive Media

ekip policy lab on Reimagining distribution models for immersive experience

The objective of this briefing is to set the scene on the topic of the third *ekip* policy lab and guide the participants on what will be the main focus of the workshop. The briefing also provides an overview of the day programme and practical information.

Introduction to the topic and its challenges

In recent years, immersive technologies have been transforming the ways in which people interact with media. As a result, new, immersive experiences have the ability to deeply engage users across a variety of environments, creating a sense of realism and being fully present in the experience. Indeed, immersive media have caught the eye of industry pioneers like ARTE, the Venice Film Festival, and the Centre National du Cinema, highlighting Europe's potential to lead in this transformative field. Beyond entertainment, Europe also benefits from skilled workers specialised in 3D modelling and VR animation impacting sectors from manufacturing to fashion and architecture. Indeed, XR content also has the potential to trigger innovations in other industrial sectors, explore sustainable business models, boost efficiency in waste reduction, and create enhanced, immersive customer experiences. However, the European XR sector suffers from fragmentation across sectors, players, and applications.

A fragmented ecosystem across sectors, players & applications

Integrating extended reality into cultural and creative industries (CCIs) comes with challenges such as the need for highly specialized skills, prohibitive development costs, and accessibility concerns, which must be addressed to fully harness its potential. Additionally, for XR technologies to gain widespread traction, affordable and user-friendly hardware solutions are essential. A shift in mentality is therefore necessary on the demand side and will be crucial for XR's growth, and by extension, the CCIs sectors that revolve around it.

When it comes to the XR hardware landscape, significant technological challenges exist, such as vendor lock-in and the conflict between open and proprietary systems. Current limitations in hardware diversity and compatibility hinder consumer adoption, with key

players like Meta, Apple, and Sony using proprietary platforms. Furthermore, technological constraints like the availability of 5G infrastructure, necessary for rapid data transmission, also slow down XR's industrial scaling. And as technology progresses, Europe and the broader global market face pressing skill gaps, shortages, and mismatches, especially in immersive media—a field where SMEs, despite their dynamism, often lack the funding needed to thrive. This phenomenon is even more exacerbated on the market of immersive media and as technology grows. Moreover, the composition of the ecosystem is dominated by the small size of businesses, especially SMEs, which lack funding for startups. Other challenges relate to privacy & security concerns associated with XR devices, which are hindering the adoption of XR as well as health and wellbeing issues.

Progress in the support to the immersive media landscape

To address these challenges, European initiatives such as the European Media & Audiovisual Action Plan[1] (2021) aim to close the gaps between XR developments & adoption. sector. The plan positions immersive media as a promising yet largely unexplored field with potential across various industries. To promote immersive media, the plan introduces the establishment of a European VR/AR industrial coalition within the EU's digital media ecosystem. By encouraging innovation and collaboration, the plan seeks to integrate immersive media into sectors beyond traditional media, enhancing technological advancement and fostering cross-industry synergy. The strategy is reflected in key funding programmes at European level (*i.e. Horizon Europe, Digital Europe, Creative* Europe) targeting critical issues including developing market ready products adapted to specific application and niche sectors, expending the pool of talent to conceptualise, create & develop immersive experiences and pool resources & investments while supporting the emergence of a European innovation ecosystem.

The strategic agenda of the newly introduced EIT KIC Culture & Creativity also included as part of their first calls high-impact areas (CCSI with the greatest acceleration potential) on Audiovisual & Gaming focusing on innovations that have the potential to transform the way media creation and consumpton is made, exploring the use of new technologies such as virtual & augmented reality[2]. The call addresses critical CCSI challenges, particularly by closing skills gaps in entrepreneurship and technology, improving access to digital tools and collaborative networks, and enhancing venture creation within a fragmented ecosystem. It also seeks to foster European identity and social cohesion through culture-led innovations while promoting cross-sectoral collaboration and knowledge-sharing to build an integrated, resilient CCSI ecosystem across Europe.

Morevover, the recent Communication from the Commission, "Long-term competitiveness of the EU: looking beyond 2030"[3], identifies Web 4.0 as a ground-breaking technological transition towards a world where everything is seamlessly interconnected. At its core, Web 4.0 is powered by advanced technologies such as artificial intelligence (AI), blockchain, edge computing, and, crucially, immersive media technologies. Immersive media is not only a component but the central enabler of Web 4.0, facilitating the creation of persistent, spatial, and deeply interactive environments. In this regard, the European Commission's introduced potential future initiatives. The co-programmed partnership on Virtual Worlds has been identified by the Commission as

[1] https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52020DC0784&from=EN
[2] EIT Culture & Creativity – First calls for proposal 2023
[3] COM(2023) 168 final

candidate and will be a collaborative effort between the European Commission and industry partners who share responsibility for planning, funding, and prioritising R&I activities in the topic of virtual worlds which now includes immersive technologies. From this perspective, the partnership will guide developement in the area, addressing fragmentation of the sector, bringing together public and private funding to tackle investment risks and positioning the EU at the forefront of developing virtual world solutions.

Ensuring R&I policy addresses the need of immersive media beyond technology developement & content production

Beyond developing the technology developments themselves, the creation and production of content, one of the main obstacles to widespread XR adoption lies in distribution models of immersive production.

For immersive productions to thrive, they must be accessible to more actors within specific CCI sectors, scalable enough to reach a broader audience, and cost-effective enough to lower development expenses. However, the limited number of case studies available for potential adopters makes it difficult to gauge the benefits and risks of XR adoption. Developers often shoulder the cost of creating pilot projects, with limited showcasing opportunities to demonstrate their work's potential. Due to small audience sizes and the lack of a standardized distribution network, the market for XR remains uncertain. This fragmentation, along with weak links between creative and technical professionals, increases development costs, extends timelines, and may affect the overall quality of XR projects and outcomes.

Objectives of this policy lab

Accounting for the specificities of the immersive media sector and with the support of participants, we will co-create policy solutions that answer the following questions:

How can R&I policy foster the development of more accessible and scalable XR technologies for the CCI, driving the development of distribution models for immersive content?

- What support mechanisms or funding can facilitate economies of scale to reduce high development costs in immersive production?
- How can policy support the creation and dissemination of case studies to help potential adopters better understand the adoption journey and Return on Investment for XR technologies in the CCI?
- What initiatives can be introduced to build networks and create a pipeline for the distribution of immersive productions, ensuring broader audience reach and market validation?

How can R&I policy improve collaboration between creative professionals and technology developers?

- What initiatives can facilitate cross-border knowledge-sharing, standardisation, and joint ventures between content creators, technologists, distributors, and venues?
- What policy initiatives can facilitate better collaboration and communication between creative professionals and technology developers to improve project outcomes and efficiency?

How can R&I policy address the training and education gaps identified in the immersive sector, particularly for non-immersive players?

- What strategies, including EU grants or collaborative programmes, can be implemented to support stakeholders in understanding distribution practices, audience engagement, and economic opportunities, while improving operational efficiency and ensuring the scalability of immersive productions?

Programme of the policy lab

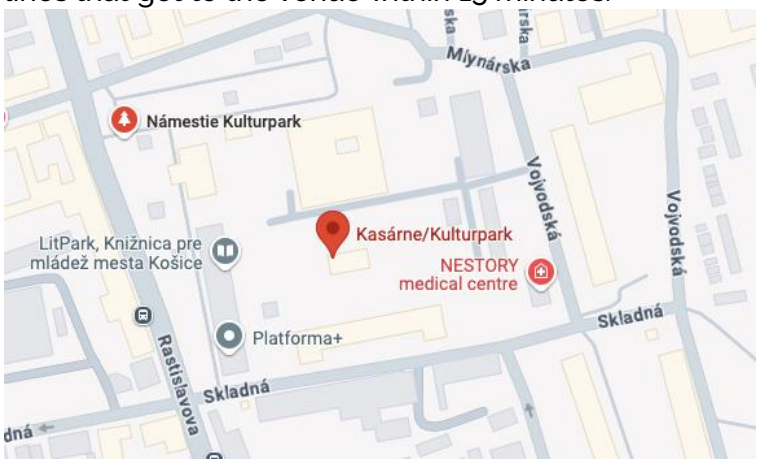
Time	Sessions
09:30-10:00	Registration & welcome coffee
10:00-10:10	Welcome and introduction, scope of the policy lab: Immersive media reimagining distribution models of immersive experience – Laura Galante, Technopolis Group
10:10-10:30	Presentation of the Hybrid Catwalk - Markku Lorentz, Pengu Studios and Stefan Lindgren, Humlab Lund University
10:30-10:50	Project TransMIXR - Rasa Boocyte, Netherlands Institute for Sound and Vision
10:50-11:10	The Co-STAR Programme - Caitlin McDonald, University of Edinburgh
11:10-11:20	Introduction to the programme & objectives of the breakout sessions – **Laura Galante**, Technopolis Group
11:20-11:45	Session 1: Current Landscape of Immersive Media in the CCI Key questions: What are the current opportunities and strengths in the immersive sector across CCI sub-industries like film, museums, videogames? What are the challenges and gaps in the EU-context? Presentation and discussion on sector fragmentation and distribution challenges Breakout brainstorming: mapping of challenges along the production chain including good practices
11:45-12:00	Coffee break
12:00-13:00	Session 2: R&I Policy Challenges for XR Distribution and Scalability Key problem statements: How can R&I policy promote accessible and scalable XR technologies for broader adoption? What mechanisms can reduce development costs and facilitate economies of scale? Policy sprint: Proposing policy actions to address scalability and distribution challenges
13:00-14:00	Lunch break
14:00-15:00	Session 3: Enhancing Collaboration Between Creatives and Technologists Key questions: How can R&I policy foster cross-border collaborations between creators, technologists, and distributors? What frameworks can improve communication and outcomes between these groups? Policy sprint: Identifying steps to build collaborative ecosystems and joint ventures across the EU
15:00-15:15	Coffee break
15:15-16:15	Session 4: Tackling Educational and Training Gaps in the Immersive Sector

	Key questions: How can R&I policy address education gaps for non-immersive venue managers, exhibitors, and cultural institutions? What strategies, such as EU grants, can help stakeholders improve distribution practices, economic data collection, and audience engagement? Policy sprint: Collaborative programmes and curricula to bridge the skills gap
16:15-17:00	Final session - action planning & policy recommendations Wrap-up & Summary of outcomes and next steps for policy development Key question: Who should act, and what specific actions are needed to drive the EU's immersive media sector forward? Plenary discussion to improve distribution, scalability, collaboration, and training.

Practical information

Getting to Kulturpark:

- The address of the venue is Kukučínova 2.
- From Kosice Airport, you can take bus 23 to Dom umenia for 13 minutes and walk about 7 minutes.
- From Kosice Train Station (Staničné námestie) there are multiple busses and tram lines that get to the venue within 15 minutes.



About *ekip*

ekip is a EU-funded flagship-project that will follow the principles of open innovation to establish a policy recommendation engine driven by partners and the active involvement of 40+ CCI-networks. This engine will continuously promote the development and adoption of policy recommendations for CCIs, resulting in support and guidance that enhances the ability of CCI actors to participate in and contribute to complex innovation processes. The *ekip* policy labs are meant to bring together practioners, experts and policy makers to discuss the role of CCIs in a culture and creativity driven European innovation ecosystem.

Contact information

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