



OTIS COLLEGE UPDATE ON THE CREATIVE ECONOMY

Otis College Report on the Creative Economy

March 27, 2025

Introduction

Otis College is excited to share the 2025 Report on the Creative Economy. Since its inception in 2007, this Report has become a critical resource for industry leaders, policymakers, educators, artists, and designers who are shaping creative sectors throughout Los Angeles and California. Over the years, the report has expanded and changed to engage new audiences while chronicling dynamic shifts across creative industries.

In 2024, we proudly introduced the new Otis Creative Economy dashboard to complement our focused research. This free, interactive tool provides immediate access to real-time data on trends impacting creative industries across the state. Users have the ability to tailor outputs to support their needs and compare the performance of creative sectors by region. It's a powerful resource that we've been thrilled to share with the world. Just as our reports continue to evolve, so too will the dashboard by incorporating new data and insights.

This year's report reveals California's creative economy to be a resilient source of high paying jobs despite challenges including recent wildfires and employment declines within the entertainment and new media industries. Meanwhile, our second report features a case study on toy design in Los Angeles, showcasing why the region is a global hub of specialized design and the ideal location to pursue careers in these fields.

At Otis College, we're preparing a new generation of creatives for success. As Los Angeles' first professional school of art and design, we are proud to be a thought leader on the changing creative economy. This research program not only provides vital insight into the industries that employ our graduates, but also offers helpful information to stakeholders who will collectively empower creatives to make an impact and shape the world.

I would like to thank Westwood Economics & Planning Associates for their authorship of this year's reports and their partnership in developing and updating the Otis Creative Economy dashboard.

I would also like to thank our supporters who make the Otis College Report on the Creative Economy possible including California Community Foundation, City National Bank, Los Angeles Councilwoman Traci Park, The Los Angeles Department of Cultural Affairs, Gallagher, Moss Adams, The Music Man Foundation, The Ralph M. Parsons Foundation, Snap Foundation, and Sony Pictures Entertainment.

Thank you,

Charles Hirschhorn
President
Otis College of Art and Design

Key Findings

California is a renowned national and global leader within the creative economy. However, during the past five years, headlines surrounding creative sectors in the state have been far from ideal. Responses to the pandemic halted many in-person activities, curtailing the very essence of live performances, museums, movie theaters, and many forms of content creation. In 2022, film and TV companies cut production budgets following a race to create original content for streaming platforms, while social media and internet companies engaged in multiple rounds of layoffs in the name of efficiency. In addition, a spate of traditional media companies, including news channels and print media, engaged in highly publicized job cuts, and Hollywood strikes in 2023 brought most TV and film production to a stop.

California's creative economy is still adjusting to these headwinds, with some sectors adapting more effectively than others. This report will focus on five key trends occurring within the state's creative economy.

Key Finding 1: Employment in California's creative economy contracted by 0.9% during the past year; however, California remains the national leader of the creative economy.

Key Finding 2: Entertainment employment is still below its 2022 peak and may not bounce back soon.

Key Finding 3: Fine arts continue to shine as California remains a fine arts education powerhouse.

Key Finding 4: Creative economy workers continue to become better educated and better paid.

Key Finding 5: Across the state's regions, Los Angeles led creative economy job gains, while San Francisco led job losses.

1. Employment in California's creative economy has contracted by 0.9% during the past year; however, California remains the national leader of the creative economy.

The creative economy employs more than 760,000 workers in California, who earn an average salary of \$191,000 a year. These wages compare favorably to the economy-wide average of \$87,000 in the state. California's creative economy directly employs five percent of the state's workforce. Yet as creative firms contract with other sectors of the economy and creative workers spend their wages in the state, additional jobs are created in other sectors of the economy. When these additional jobs are taken into consideration, the creative economy accounts for nearly one in every 10 jobs in California.

During the past year, the state's creative economy shed approximately 6,700 jobs, shrinking by about 0.9%. This was not helped by the fact that California's overall economy has added relatively few jobs in the past year, increasing by just 0.3%. In comparison, employment expanded by 0.9% across the nation's entire economy.

However, a sluggish state economy is not the only factor that has impacted California's creative economy. In 2024, the number of creative economy jobs in the state stood nearly 7.1% below the pre-pandemic peak, while the number of jobs across the remainder of the state's economy has grown by 2.3% during the same period. There has been a broader malaise across the creative economy that extends beyond California's borders. Nationally, creative economy jobs have fallen by 35,000 or roughly 0.8% over the past year.

While the struggles of the film and TV industry continue to garner attention, it was California's best-performing creative sector in the past year, adding close to 15,000 jobs. The growth in film and TV employment, however, represents a partial return of jobs that were lost during the depths of the 2023 strikes. Today, there are still 25% fewer film and TV jobs in the state than in 2022.

Of the nine sectors that comprise the creative economy, three saw payroll expansion in the past year, including: film, TV and sound; Fine arts performance and institutions (fine arts); and managers, independent artists, performers. Speaking to the extended lethargy in the industry, only three creative economy sectors have added employment in the state since 2019: fine arts; managers, independent artists, performers; and new media.

Table 1: Employment Change by Creative Sector

Creative Sector	Job Change in California	
	5-year	1-year
Film, TV, Sound	-13,454	14,670
Fine Arts: Performance and Institutions	7,385	1,637
Managers, Independent Artists, Performers	2,495	447
Advertising	-4,621	-1,152
Architecture and Related Services	-2,573	-1,690
Traditional Media	-34,993	-3,682
Creative Goods and Products: Design & Manufa	-18,069	-3,813
Fashion	-16,591	-4,815
New Media	22,505	-8,308
Total Creative Economy	-57,916	-6,707

Source: Quarterly Census of Employment and Wages

Despite recent job cuts in New Media, a sector that includes social media platforms, and film, TV, and sound, they remain the most important sectors in the state’s creative economy, accounting for close to 50% of all creative jobs in California.

Table 2: How Jobs are Divided Across the State’s Creative Sectors

Creative Sector	Contribution to Creative Economy Jobs
New Media	31%
Film, TV, Sound	17%
Fashion	11%
Creative Goods and Products: Design & Manufa	11%
Advertising	8%
Fine Arts: Performance and Institutions	7%
Architecture and Related Services	6%
Traditional Media	4%
Managers, Independent Artists, Performers	4%

Source: Quarterly Census of Employment and Wages

Despite the tumultuous past five years, one key data point remains unchanged: California continues to be the national and global leader of the creative economy. The state accounts for nearly one out of every five of the nation's creative jobs, and its share of these jobs has not changed significantly during the past five years. In some sectors, the state remains particularly dominant. For example, California accounts for 37% of managers, independent artists, and performer jobs, a sector that includes the creator economy. The state is still home to 35% of the nation's film, TV, and sound employment and about a quarter of all new media jobs, which includes social media platforms. The creative economy remains a resilient source of high-paying jobs in the state. In fact, creative jobs pay twice as much as jobs in other sectors of California's economy.

Table 3: California's Contribution to National Creative Sector Jobs

Creative Sector	California's Share of US Jobs
Managers, Independent Artists, Performers	37%
Film, TV, Sound	35%
New Media	23%
Fashion	19%
Fine Arts: Performance and Institutions	15%
Architecture and Related Services	14%
Advertising	12%
Creative Goods and Products: Design & Manufa	11%
Traditional Media	9%
Total Creative Economy	18%

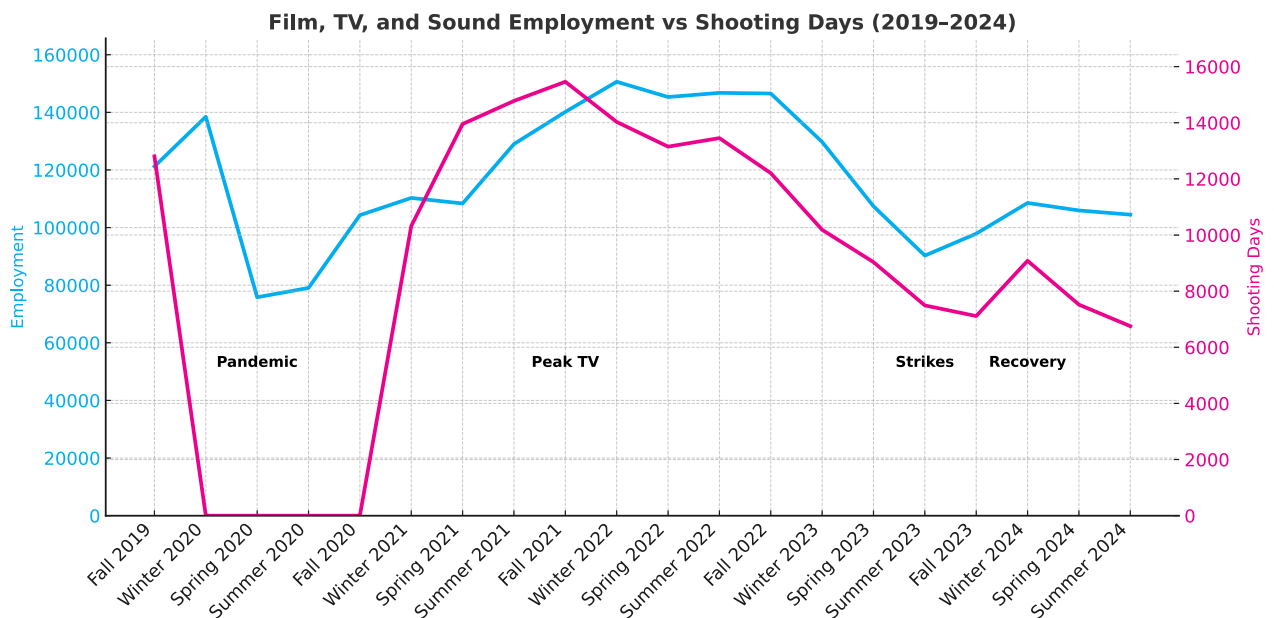
Source: Quarterly Census of Employment and Wages

2. Entertainment employment is still below its 2022 peak and may not bounce back soon

The film, TV, and sound sector experienced notable job growth in the past year, adding nearly 15,000 jobs—the most of any creative sector in the state. However, these gains are largely the result of a partial rebound from sharp declines that occurred leading up to and during the 2023 strikes. Despite this recovery, employment in the sector remains significantly below pre-strike levels. As of 2024, film, TV, and sound still employs 25% fewer workers than it did 2022, which marked an industry employment peak. Only 26% of the jobs lost during the strikes have been recovered, underscoring the lingering impact of an industry in transition.

While employment figures have seen modest improvement, production levels continue to lag. The number of shooting days in Los Angeles County—a central hub for film and television production—was down 42% in 2024 compared to 2022. This decline suggests that even as workers return, fewer projects are being greenlit and completed.

Figure 1: Film and TV Employment and Production in Los Angeles County



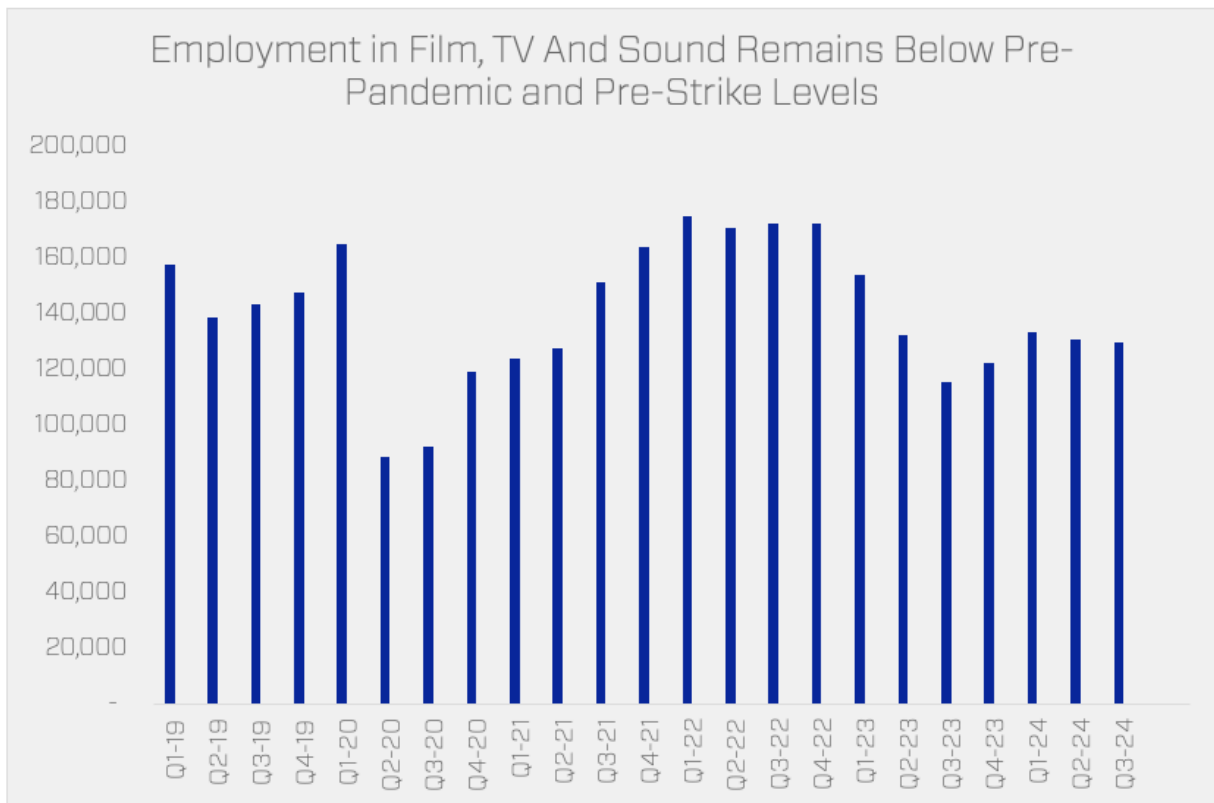
Source: Quarterly Census of Employment and Wages, FilmLA

Last year’s Otis College report highlighted that the film and TV industry was shedding jobs before the strikes even began. The report anticipated that 2022 would be a high-water mark for employment in the sector due to the “Peak TV” phenomenon. Leading up to and immediately following the pandemic, streaming platforms engaged in an aggressive content production race, each seeking to attract and retain subscribers with a steady flow of original programming. Between 2012 and 2021, the number of scripted television shows produced in the U.S. doubled.

However, the financial sustainability of this model proved untenable. As streaming services accumulated billions of dollars in losses, it became clear that subscriber growth alone would not cover production costs. In response, companies cut production budgets significantly, leading to a sharp reduction in new content—and, in turn, a substantial drop in industry employment.

Looking ahead, the film, TV, and sound sector appears to be settling into a “new normal,” characterized by lower employment and production levels compared to its pre-strike peak. Despite this contraction, Los Angeles continues to be the executive and creative hub of the global screen industry, retaining a concentration of high-wage, highly skilled jobs. However, the cost-sensitive nature of some production means that some projects—particularly those that do not require access to California’s state-of-the-art studios and specialized workforce—will continue to be filmed elsewhere.

Figure 2: Film and TV Employment in California



Source: Quarterly Census of Employment and Wages

3. Fine arts continue to shine as California remains a fine arts education powerhouse

The fine arts sector is the perfect example of a successful creative sector in California that is sometimes overshadowed by the state’s other creative activities. Fine arts are comprised of several activities devoted to the study, creation, and showcasing of art, dance, drama, and music. While fine arts account for only 7% of jobs within the state’s creative economy, the sector is one of the fastest growing in the state. It is the only creative sector in California to have added jobs in each of the last two years. In the past five years, only new media companies have added more jobs than fine arts companies. This growth is more impressive when considering that many fine arts activities—especially live performances—ground to a halt during the pandemic.

Fine arts schools are adding employment faster than any other fine arts segment. In the last five years, art schools have accounted for three-quarters of the jobs gains in fine arts and more than two-thirds of the job gains in the sector in the past year. The growth seen in theater companies, dance companies, and musical groups and artists also highlights an enduring demand for non-screen entertainment and live performances.

Table 4: Job Changes Within the Fine Arts Sector

Fine Arts Subsector	Job Change in California	
	5-Year	1-Year
Fine Arts Schools	5,589	1,208
Musical Groups and Artists	669	344
Museums	-37	279
Dance Companies	520	58
Other Performing Arts Companies	-137	-56
Theater Companies and Dinner Theaters	1,055	-81
Art Dealers	-273	-115
Total Fine Arts	7,385	1,637

Source: Quarterly Census of Employment and Wages

California excels as a center for fine arts education, producing more fine arts graduates than any other state in the U.S. This is not only due to California’s size. In 2023, the state’s higher education institutions conferred 22% of the nation’s fine arts degrees.

California is also home to some of the most prestigious fine arts programs in the nation. According to U.S. News and World Report, four of the top 10 fine arts programs in the nation and seven of the top 15 are located in California. Five of the top 15 schools are located in the Los Angeles metropolitan area, speaking to the region’s broader strength in higher education that is often under-recognized. Furthermore, one in six Fine Arts graduates in the nation calls California home, with those graduates serving as a key source of labor for the state’s creative economy. Fine Arts graduates currently make up 10% of the state’s creative economy workforce.

Table 5: Institutions Conferring the Most Fine Arts Degrees

Institution	Number of Fine Arts Degrees Conferred 2023
School of the Art Institute of Chicago	747
California State University-Long Beach	476
California State University-Fullerton	433
California State University-Northridge	340
Full Sail University	291
University of North Texas	262
San Diego State University	254
San Jose State University	223
Arizona State University Campus Immersion	200
Rhode Island School of Design	190
University of California-Los Angeles	180
Georgia State University	179
University of Michigan-Ann Arbor	171
University of Georgia	168
California State University-Los Angeles	167

Source: National Center for Education Statistics

4. Creative economy workers continue to become better educated and better paid

Creative economy workers are among the most educated workers in the state’s economy, and this trend has accelerated over the past decade. In 2013, 55 percent of creative economy workers in California held college degrees. This figure increased to 64 percent in 2023, much higher than the statewide average of 42 percent.

Educational attainment has increased in every creative sector in California except for fashion, in which there has been a small decrease during the past decade. Aside from fashion, in which a large portion of the workforce is focused on the production of goods, educational attainment is higher than the economy-wide average, and much higher in some sectors.

Table 6: Share of College Graduates Comprising Creative Sectors in California

Creative Sector	Share College Degree Holders	
	2013	2023
Advertising	64%	74%
Architecture and Related Services	71%	73%
Creative Goods and Products: Design & Manufacture	37%	44%
Fashion	31%	28%
Film, TV, Sound	60%	66%
Fine Arts: Performance and Institutions	43%	60%
Managers, Independent Artists, Performers	54%	59%
New Media	80%	87%
Traditional Media	50%	73%

Source: Census Bureau, ACS public use microdata sample (PUMS).

Furthermore, California’s creative economy workers have higher levels of educational attainment than their counterparts throughout the U.S.

Table 7: College Graduates by Creative Sector in California and the U.S. in 2023

Creative Sector	Share College Degree Holders	
	US	CA
Advertising	73%	74%
Architecture and Related Services	70%	73%
Creative Goods and Products: Design & Manufa	35%	44%
Fashion	35%	28%
Film, TV, Sound	59%	66%
Fine Arts: Performance and Institutions	58%	60%
Managers, Independent Artists, Performers	59%	59%
New Media	74%	87%
Traditional Media	64%	73%
Total Creative Economy	57%	64%

Source: Census Bureau, ACS public use microdata sample (PUMS).

As these figures suggest, California’s creative workers are paid higher wages than their counterparts throughout the rest of the nation. This is due to California being home to high-talent aspects of creative industries, including executives, creators, and designers. California is not only home to more creative jobs than other parts of the U.S., but it is also home to the best-paying work in the creative economy.

Table 8: Annual Average Wages for U.S. and California Creative Workers

Creative Sector	Average Annual Salary (\$)	
	US	CA
Advertising	91,852	111,200
Architecture and Related Services	78,681	98,209
Creative Goods and Products: Design & Manufacture	55,785	73,995
Fashion	62,297	72,304
Film, TV, Sound	78,813	116,504
Fine Arts: Performance and Institutions	38,239	47,804
Managers, Independent Artists, Performers	102,550	136,165
New Media	210,634	405,472
Traditional Media	86,326	119,379
Total Creative Economy	99,336	191,423

Source: Quarterly Census of Employment and Wages

Several factors have contributed to an upskilling within the creative economy, although two explanations stand apart. As housing prices and residential and commercial rents have increased throughout the state, higher paying aspects of the creative economy have centralized in California, while lower paying aspects have left the state. Higher paying work is typically performed by workers with higher levels of formal education. At the same time, educational attainment has not only increased in California, but also across the U.S. While 64 percent of California’s workers hold college degrees, 57 percent of creative workers throughout the nation hold the same qualification, which is far above the national average of 35 percent. Increasingly, creative economy work relies more heavily on skilled workers.

As the state’s creative economy workers have become more educated, different roles are growing and declining in importance to the state’s creative economy. The share of architecture and engineering, arts and entertainment, business and finance, computer and mathematics, and management occupations have increased throughout California’s creative economy. Concurrently, office and administration, production, and sales occupations have declined as a share of the state’s creative economy employment. Essentially, higher paying jobs are growing, while relatively lower paying jobs are shrinking in the state.

This shift poses challenges for less-skilled workers in the creative economy, as opportunities for lower paying work continue to decline.

Table 9: How Jobs are Divided across California's Creative Economy Occupations

Occupation	Contribution to Creative Economy Jobs	
	US	CA
Architecture/Engineering	9%	10%
Arts/Entertainment	27%	28%
Business/Financial	5%	7%
Computer/Mathematical	5%	9%
Management	14%	16%
Office/Administrative	11%	8%
Production	8%	7%
Sales	8%	4%
Other	13%	12%

Source: *Census Bureau, ACS public use microdata sample (PUMS).*

5. Across the state’s regions, Los Angeles led creative economy job gains, while San Francisco led job losses.

During the past year, the creative economy saw impressive employment growth in the Los Angeles and Sacramento metropolitan areas, while relatively large job losses occurred in Santa Barbara, Fresno, and San Francisco. For many parts of the state, creative economy employment changed little.

Table 10: Change in Creative Economy Employment by California Region

California Metropolitan Region	Job Change	
	5-Year	1-Year
Los Angeles	-32,365	8,778
Sacramento	-1,593	2,791
Santa Cruz	88	223
Visalia	65	155
Chico	-210	135
San Luis Obispo	343	51
San Jose	-5,129	24
Hanford	128	22
Yuba City	-64	-20
El Centro	-64	-31
Merced	2	-41
Modesto	-191	-44
Stockton-Lodi	-1,075	-54
Napa	-147	-60
Bakersfield	-485	-62
Vallejo	-132	-75
Madera	-61	-92
Salinas	100	-134
Santa Rosa	-693	-151
Riverside	-3,192	-217
Redding	-7	-269
Oxnard	-1,055	-655
San Diego	-2,003	-800
Santa Barbara	186	-891
Fresno	-2,163	-1,946
San Francisco	32,034	-19,265

Source: Quarterly Census of Employment and Wages

While Los Angeles led the state’s creative economy job gains, San Francisco led the losses. The performance of these two creative economies is important, as together they account for eight out of every 10 creative jobs in the state. The two regions are also home to the state’s largest creative economy sectors: film, TV and sound, centered in Los Angeles, and new media, centered in San Francisco.

The Los Angeles job growth in the past year was driven by film, TV, and sound, which added approximately 14,000 jobs, as the sector recovered from the worst effects of the 2023 strikes. However, the entire creative economy in Los Angeles added only 9,000 jobs. In other words, excluding film, TV, and sound, the remainder of the region’s creative economy lost jobs during the year.

The job losses in Los Angeles were led by the fashion, creative goods and products, and traditional media sectors. The fashion and creative goods and products sectors are largely manufacturing-oriented, and the last couple of years have been especially tough for the state’s manufacturers. At the same time, high-profile job losses occurred at traditional media companies ranging from CNN to the Los Angeles Times, as these and other outlets continue to struggle for attention in a markedly changed media landscape.

The performance of San Francisco’s creative sectors, where more than 19,000 jobs were lost during the past year, acted as a major drag on the state’s creative economy. Without San Francisco, the state’s creative economy would have added jobs during the year.

More than half the job losses in San Francisco occurred in new media, as social media platforms engaged in highly publicized job cuts. Yet the job losses at social media companies do not represent a loss of momentum for these high-growth companies. In fact, they continue to grow in revenue and generate billions in profit. New media companies are the largest creative employers in the state, and their success bodes well for the state’s overall creative economy outlook.

Table 11: Changes in Creative Economy Employment in Los Angeles and San Francisco

Creative Sector	1-Year Change	
	Los Angeles	San Francisco
Advertising	-788	-273
Architecture and Related Services	-896	-72
Creative Goods and Products: Design & Manufacture	-2,369	-759
Fashion	-2,607	771
Film, TV, Sound	14,263	-6,746
Fine Arts: Performance and Institutions	341	228
Managers, Independent Artists, Performers	616	-109
New Media	1,542	-11,854
Traditional Media	-1,323	-451
Total Creative Economy	8,779	-19,265

Source: Quarterly Census of Employment and Wages

Looking Ahead

While California's creative economy has struggled to add jobs during the past five years, context is important. The loss of revenue during the pandemic, in an industry particularly sensitive to lockdowns, means a period of regrouping has occurred as financial damage sustained during the pandemic was repaired.

Yet California's share of the nation's creative economy has not significantly changed, and industry leadership remains rooted in the state. In this respect, California continues to be at the forefront of the evolving creative economy, as it has been for decades. Furthermore, the most dynamic and high-growth aspects of the creative economy—new media, streaming, the creator economy, and gaming—remain centered in the state. As the industry's reliance on skilled workers continues, leaders across the state should pursue workforce development programs that ensure those with lower levels of formal education possess the skills required to follow careers in the creative economy.

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About Otis College of Art and Design

Established in 1918 as Los Angeles’s first professional school of the arts, Otis College of Art and Design is a non-profit 501(c)3 institution and a national leader in art and design education. The College educates a diverse community of 1,300 creative students to become highly skilled, well-informed, and responsible professionals—empowering them to shape the world. Alumni and faculty are Fulbright, MacArthur, and Guggenheim grant recipients, Oscar winners, legendary costume designers, leaders of contemporary art movements, entrepreneurs, and design stars at influential companies including Apple, Abercrombie & Fitch, Pixar, DreamWorks, Mattel, Nike, and Netflix.

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