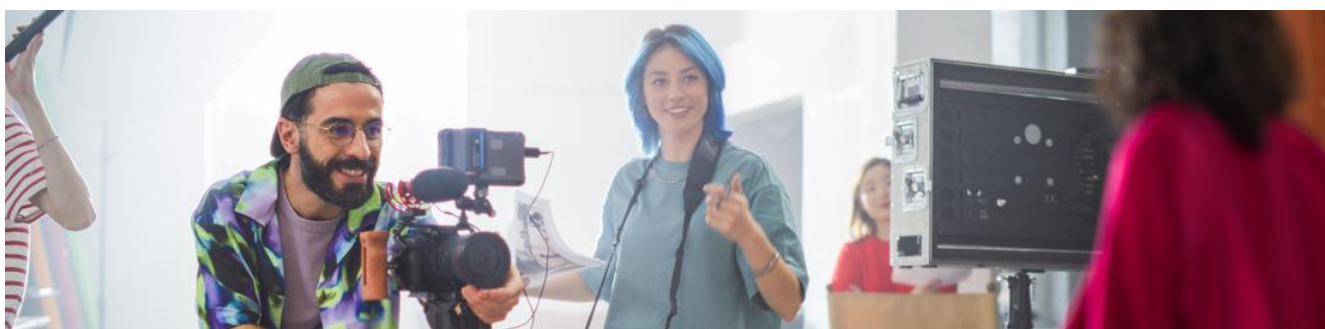




Lights, camera, action: Europe's film industry wins audiences with storytelling and social reality

EU-funded researchers are exploring how Europe's film industry is taking a different path from Hollywood, focusing on cultural diversity, collaboration and storytelling to boost global competitiveness and cultural influence.

20 November 2025 - By ALI JONES

In March 2025, a low-budget independent animation made history by becoming the first Latvian film to win an Oscar. *Flow* took home the award for Best Animated Feature, beating Hollywood giants Disney and DreamWorks.

Co-produced across several European countries on a fraction of a typical Hollywood budget, the film delivered a powerful message about solidarity and acceptance.

For Professor Katharine Sarikakis from the University of Vienna's Media Governance and Industries Research Lab in Austria, these are precisely the qualities that define the identity of European cinema – and its greatest strengths.

Identifying strengths and weaknesses

Sarikakis is leading a 3-year EU-funded research initiative called REBOOT that will conclude in January 2026.

The REBOOT team brings together researchers from 11 universities based in 9 EU Member States and Türkiye. They are analysing the challenges facing Europe's film sector and the support it needs to thrive.

Part of this is clearly identifying the main strengths and weaknesses of the European film industry and analysing audience preferences.

Worth over €120 billion according to the European Audiovisual Observatory's [Key Trends 2025 report](#), Europe's film industry is the third largest in the world, a cultural powerhouse as well as a key economic sector.

On paper, Hollywood still dominates the global film industry by producing more films, drawing the biggest crowds and earning the highest box office returns. Yet, according to the REBOOT researchers, these numbers do not tell the whole story. Professor Antonios Vlassis, political scientist at the University of Liège, Belgium, said that while financial returns matter, they are not the only measure of success.

"Film professionals in Europe consistently tell us that other fundamental criteria – cultural diversity, collaboration, public support and artistic freedom – are core to the identity and strength of the European film industry." Vlassis warned against trying to replicate the Hollywood model, arguing that doing so could undermine the cultural, political and social foundations that make European cinema so distinctive.

A cultural and geopolitical asset

The REBOOT researchers describe the European film industry as a geopolitical and cultural asset. It plays a vital role: from shedding light on the lives of minority communities and building connections across borders to shaping international relations in Europe and beyond.

Sarikakis stressed that the film industry is more than just art or entertainment.

"European film fosters identity, a sense of shared future and solidarity among nations and cultures, especially in the politically difficult times we're living in," she said.

"Film tells the stories that humans share about each other, shaping cultures and values. It speaks to tolerance, coexistence, human rights and democracy."

The European Film Awards in Seville, Spain, on 18 November, continued this tradition of celebrating diversity and identity in European cinema and strengthening its place on the global stage.

Industry in flux

According to the [European Audiovisual Observatory](#), 2024 saw a record 2 514 feature films produced in the EU – about 7 new films every day. European works accounted for around one-third of EU cinema admissions.

However, the rise of global streaming platforms such as Netflix and Disney+ is challenging traditional models of film production and distribution.

Despite this, REBOOT's surveys show that European film professionals are not seeking to create a single pan-European streaming platform to compete with US giants. Instead, they are exploring ways to preserve Europe's diversity and creative independence.

"Global streaming platforms have become direct and influential players in Europe's film industry," said Vlassis. "They use audience data to decide what to produce and promote, but most European producers lack access to that information. This weakens their bargaining power."

Professionals are therefore calling for greater data transparency, European content quotas, and investment obligations from global platforms.

Meanwhile, traditional cross-border co-productions remain the cornerstone of European filmmaking.

"Filmmakers see co-production as an economic necessity, for pooling financial resources and fostering creative exchanges, but also as a strategic asset for expanding distribution opportunities and professional networks in Europe and abroad," said Vlassis.

For the researchers, film is part of the EU's strategic soft power, contributing to its cultural diplomacy and global influence.

Inspiring the next generation

However, understanding how younger audiences engage with European cinema – and what draws them to cinemas despite competing entertainment options – is essential to addressing these industry pressures.

REBOOT's survey involving 4 000 young people revealed that despite the lure of streaming, the big screen still holds its magic.

"Cinema has a unique appeal," said an 18-year-old respondent from Italy. "The giant screen and sound create an atmosphere that can't be replicated at home."

At the Cannes Film Festival in 2025, REBOOT researchers presented early findings on how young audiences engage with European film.

Their recommendations included improving the quality of dubbing, lowering ticket prices and making European films more accessible for younger audiences.

They also highlighted the need to nurture young creators. Many young Europeans already make and edit videos on their phones, but struggle to enter professional networks – a loss of fresh ideas that could revitalise the industry.

Bureaucratic grant systems, they warned, often make it difficult for newcomers to get early-stage projects off the ground. This means the film industry does not get a regular supply of new ideas needed to keep it relevant and attractive for younger audiences.

At the same time, REBOOT's findings confirm that while global blockbusters have wide appeal, films rich in storytelling and grounded in social reality – often key features of European films – resonate the most.

"European cinema's thoughtful, long-lasting nature cuts through," said Sarikakis. "Young people bring multilingual lives, global outlooks and creative instincts. Combined with new technology, that creates enormous potential for the future of Europe's film industry."

A reboot for Europe's film future

Beyond co-production, the REBOOT team is also exploring how emerging technologies, digital workflows and new forms of independent and youth-led production are reshaping Europe's creative ecosystem and offering fresh opportunities for collaboration and innovation.

Crucially, the team aims to redefine what competitiveness means for European cinema. Rather than measuring success solely through market performance, REBOOT considers cultural, artistic and societal impact as central to Europe's long-term film strategy.

As *Flow* showed, stories with heart and meaning can cross borders and captivate audiences worldwide. Rooted in collaboration, creativity and cultural diversity, European cinema may well be one of the continent's most enduring works of art.

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More info

- [REBOOT \(CORDIS\)](#)
- [REBOOT project website](#)
- [Council of Europe Review of Film Support Policies](#)
- [Eurimages – the cultural support fund of the Council of Europe](#)