The Cost of the Shortcut

What AI is doing to creative judgement.



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The AI & Creativity Report 2026

Why this report, why now?

This is D&AD's second report on AI and creative work: The AI & Creativity Report 2026, The Cost of the Shortcut.

When we published *Shaping the Shift* last year, AI was evolving at extraordinary speed and we wanted to understand what that meant for our industry. One year on, the conversation has moved on, so have the questions – this report is our answer.

We've spoken to 197 creative leaders across 60 cities and 30 countries and tested what they told us against D&AD's own Awards data: 10,118 entries across 46 categories. That combination matters because understanding AI's impact on creativity means looking at both what the work reveals and what it takes to make it.

For more than 60 years, D&AD has judged the world's best creative work through our Awards while helping develop the people behind it through our learning and talent programmes. That gives us a perspective few organisations can claim. We don't just see the finished work; we see the standards, skills and judgement that make creative excellence possible. That's why we believe this is a conversation D&AD is uniquely placed to lead.



I hope this report challenges some assumptions, confirms others and, above all, starts meaningful conversations about the future of AI within the creative industry.

This is what we found.

David Patton, CEO, D&AD

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> *“The human element is the fundamental part of creativity that AI can never replace.”*
>
> **ADAM BARNETT, VP, EMEA & APAC, SHUTTERSTOCK STUDIOS**



Every major shift in creative work creates a new leverage. Digital changed how we edited. Mobile changed how we distributed. Social changed how quickly ideas moved through culture. Each time, the industry adjusted and the core still held: the ability to tell stories that connect and make people feel something.

AI is the next version of that shift. It gives creative teams faster ways to explore, prototype, visualise, adapt, and produce. In many cases, that is a good thing. Some of the work AI removes may not be essential to creativity, and the next generation may not need to learn every production tactic the last one did.

The risk is when AI removes the work that teaches people how to think. The human element is the fundamental part of creativity that AI can never replace. If young creatives skip the process of forming ideas, building arguments, shaping narratives, making visual choices, understanding culture, or knowing why one direction is stronger than another, the industry has a real problem. The problem arises when AI eliminates the learning hidden inside the tasks it’s helping to eliminate.

We need to be open-minded and clear-eyed: use AI to remove unnecessary friction, but protect the parts of the process where creative judgement is built. The future of creative production should not be slower because we are nostalgic. It should be stronger because we know which skills are worth carrying forward.

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The study: practitioners not pundits

197 voices. *30 countries.*

60 cities. *82 hours.*



To build this report, we talked to the people actually making the decisions about AI: 197 conversations, each around 25 minutes, 82 hours in total, April through June 2026, spanning creative directors, founders, strategists, producers, and lecturers across London, São Paulo, Sydney, Stockholm, New York, Amsterdam, Dubai, Mumbai, and more, produced in partnership with Brainstrust.

The interviews were conducted by Juno, an AI interviewer. That choice was deliberate: it reaches a scale and geographic spread no human research team could match, and can follow an answer into unexpected territory instead of moving to the next question on a list. The same logic applies here as everywhere else in this report: AI as infrastructure that serves human judgement, not a substitute for it. It sits alongside desk research, D&AD Awards data, and the testimony of trustees and practitioners named throughout.

What's changed since 2025

Last year's study showed a profession split between concern and anticipation.

The most common view was that AI might reach the level of human creativity. Attention was fixed on what might happen next.

This year, that future is no longer abstract. In 2025, people argued about whether AI could be original. In 2026, most have decided it can't. Skill atrophy has appeared as a new concern that did not come up a year earlier. Pricing has not moved. Ethics still lacks follow-through. The earlier optimism has given way to a more sceptical view.

The evidence behind the argument



The 2025 D&AD AI & Creativity Report

The baseline for this study. Last year's research found a profession split between concern and anticipation, with attention fixed on what AI might do next. The 2026 findings answer it: focused on what is already being lost.

The 2025 D&AD Trend Report

A cultural analysis of award-winning work from the 2025 D&AD Awards. The "Unmistakably Human" trend documented a measurable moment of creative pushback: AI-referenced work declined from 9.3% to 7.6% of Pencil winners, and jurors reported actively seeking work that machines could not have conceived. This report treats that as context: the industry's first instinct, not its final position.

The 2026 D&AD Awards Data

Entry and winning data from 10,118 submissions across all 46 categories. AI-declaring entries more than doubled year-on-year, from 10.7% to 27.6%. Juries were neutral: AI-using work won at the same rate as the full entry pool.

The signal sits inside that work. Generative AI, where the tools make the material, accounted for 56.2% of AI entries but only 44.7% of AI Pencil winners. Assistive AI, where the tools work underneath the idea, made up the difference.

Specialist tools beat the ubiquitous ones. The lesson is blunt: the shortcut underperforms. The investment wins.

Data note: 2026 awards data drawn from 10,118 entries as of 27 May 2026; AI tool mentions extracted from open-text responses.
Application type data (Generative / Assistive / Integral) available for 2026 entries only. 2025 comparison data based on 11,637 entries.

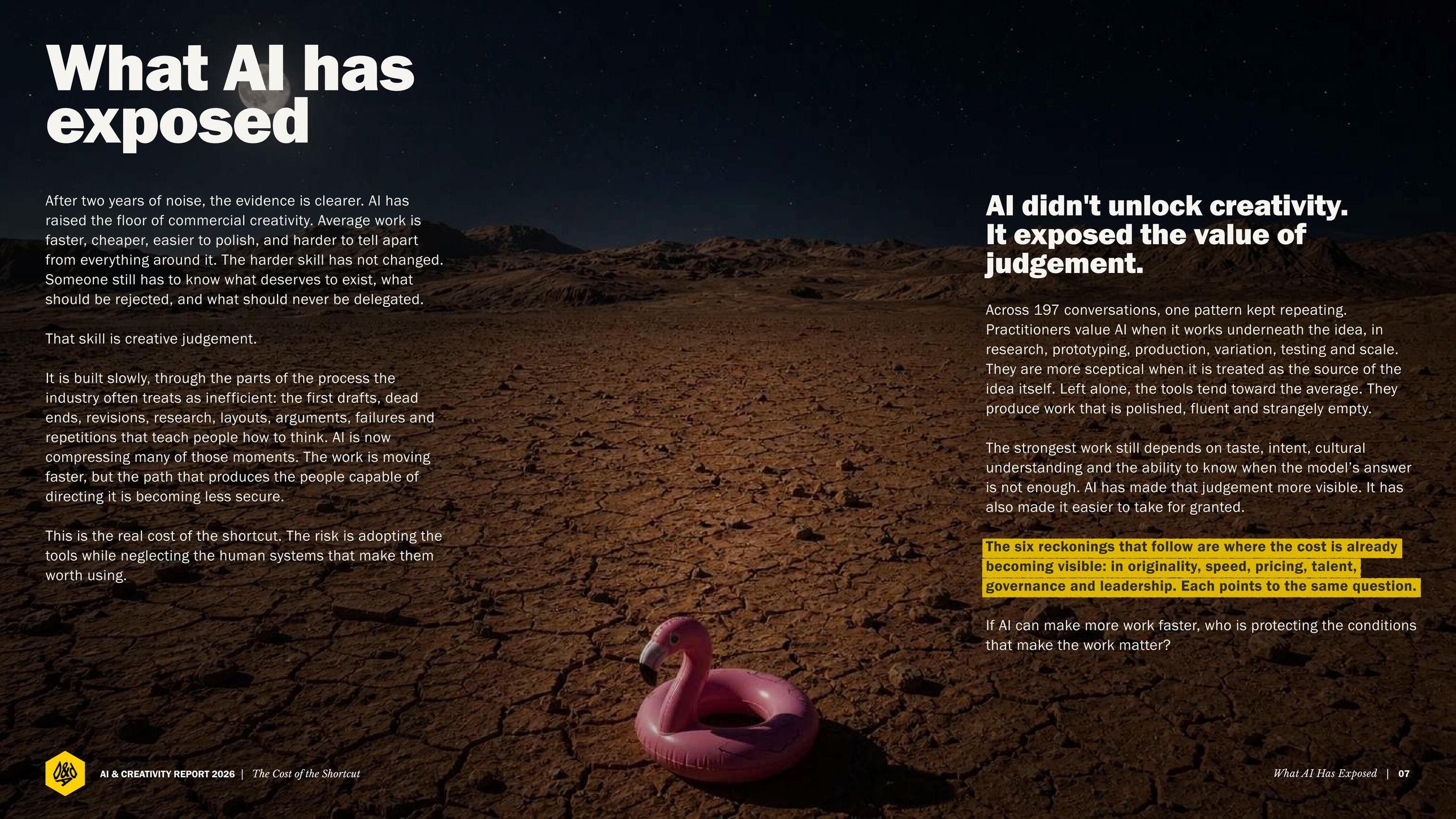
What AI has exposed

After two years of noise, the evidence is clearer. AI has raised the floor of commercial creativity. Average work is faster, cheaper, easier to polish, and harder to tell apart from everything around it. The harder skill has not changed. Someone still has to know what deserves to exist, what should be rejected, and what should never be delegated.

That skill is creative judgement.

It is built slowly, through the parts of the process the industry often treats as inefficient: the first drafts, dead ends, revisions, research, layouts, arguments, failures and repetitions that teach people how to think. AI is now compressing many of those moments. The work is moving faster, but the path that produces the people capable of directing it is becoming less secure.

This is the real cost of the shortcut. The risk is adopting the tools while neglecting the human systems that make them worth using.



AI didn't unlock creativity. It exposed the value of judgement.

Across 197 conversations, one pattern kept repeating. Practitioners value AI when it works underneath the idea, in research, prototyping, production, variation, testing and scale. They are more sceptical when it is treated as the source of the idea itself. Left alone, the tools tend toward the average. They produce work that is polished, fluent and strangely empty.

The strongest work still depends on taste, intent, cultural understanding and the ability to know when the model's answer is not enough. AI has made that judgement more visible. It has also made it easier to take for granted.

The six reckonings that follow are where the cost is already becoming visible: in originality, speed, pricing, talent, governance and leadership. Each points to the same question.

If AI can make more work faster, who is protecting the conditions that make the work matter?

Six reckonings

What we know now

Six reckonings surfaced consistently across geographies, roles, and agency sizes. Each one points to a different cost the industry is not yet paying.

Read on for what the evidence shows and what it demands.

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#1

The mean machine

When anyone can make, what does it take to mean something?

Few participants could point to mainstream commercial work that was fundamentally impossible without AI.

A year ago, the industry framed generative AI as either a breakthrough or a threat. That binary is gone. Across eight languages, people now reach for the same words unprompted — generic, formulaic, slop, derivative, flat, vanilla, expected. Left to itself, AI works from what already exists, and trends toward the average.

"AI is, by its nature, aggregation, conversion to data, and the mean of that data."

ASSOCIATE CREATIVE DIRECTOR, TORONTO



"There seems to be far more conversation about AI than there is genuinely great work being made with it."

LISA SMITH, D&AD PRESIDENT / GLOBAL CHIEF DESIGN OFFICER AT UNCOMMON CREATIVE STUDIO



Live prompts for the word 'ketchup'. The model returned Heinz, almost every time. Forty years of distinctive brand-building set the default.

"Everyone has access to the exact same models. The new industry baseline is a sea of mathematical averages. It's a sea of AI slop."

DIRECTOR OF CREATIVE TECHNOLOGY & AI, SAN FRANCISCO

Supporters say AI helps them execute ideas they could not produce before. Critics say the output is generic when left on its own. Both are describing the same dynamic: the result depends on what the person brings to the process.

AI reflects intent. If the input is weak, the result is weak. If the input includes taste, cultural context, and a clear point of view, the tool becomes useful. Originality comes from the person.

> *"These tools aren't built for variation. That's something you need to actively build into your prompts. If you don't, it will converge your creativity back to the mean."*
>
> **DIRECTOR OF CREATIVE TECHNOLOGY & AI, SAN FRANCISCO**

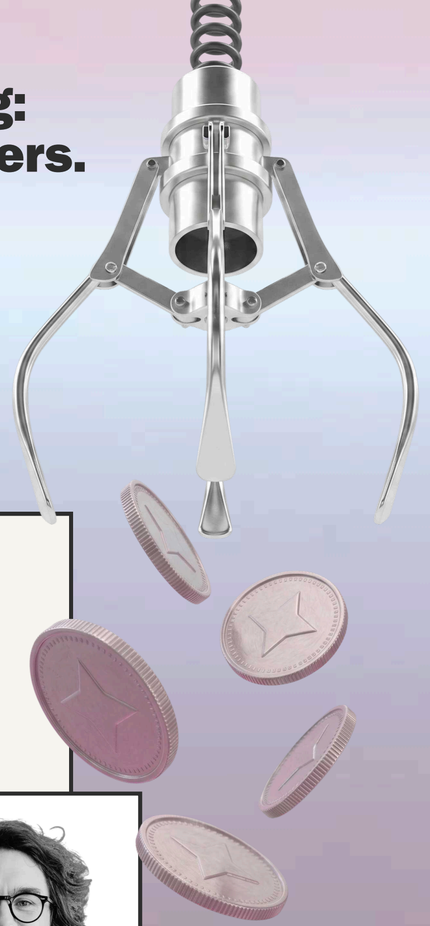
AI has made the human role easier to see by failing to reproduce it. Taste, judgement, a point of view: what the model cannot supply has become more visible and more valued.

The execution is correct. That is what makes the critique precise: technically right, and still somehow wrong.
AI has not replaced creativity. It has made weak work easier to spot. Treat its default output as a starting point, then move away from it. **If the result could come from anyone using the same prompt, it is not finished.**

> *"It can be the most technically perfectly executed work, but there's just something wrong. There's an uncanny valley that you can't escape."*
>
> **DIRECTOR OF CREATIVE TECHNOLOGY & AI, SAN FRANCISCO**



Sixty cities told us the same thing: AI gives everyone the same answers. This page is the proof.



> *“For a lawyer or an accountant, convergence can be a feature. For a strategist, writer, marketer, comedian or creative team, it is a bug.”*
>
> **PIP BINGEMANN, CO-FOUNDER & CEO, SPRINGBOARDS**



The artificial hivemind

In 2025, researchers tested over 70 large language models on 26,000 real-world queries. The outputs collapsed.

Asked to write a metaphor about time, 25 different models converged on two answers. GPT-4o and DeepSeek, built by different companies on opposite sides of the planet, described the same product with 81% of their phrasing in common. When the researchers adjusted parameters to restore diversity, they got gibberish before they got originality. There is no dial to turn; the convergence is baked into the architecture. The finding won Best Paper at NeurIPS 2025, and the researchers gave it a name: the Artificial Hivemind.

The market has responded with divergence models, built to push output away from the average. On NoveltyBench, which measures how many meaningfully distinct responses a model produces across ten samples, Springboards reports Flint scoring 7.47 out of 10. The frontier models it tested against score between 1.83 and 3.19. That creative teams now have to select deliberately for weirdness shows how far the defaults have narrowed.

But tuning for strangeness fixes only half the problem. A model can be pushed away from the average; nothing pushes it toward a point of view. That still has to come from a person.

SOURCES: JIANG ET AL, NEURIPS 2025; NOVELTYBENCH (SPRINGBOARDS TEST RUNS, 2026); SPRINGBOARDS / FLINT ALPHA, 2026





The strongest work around AI came from opposite directions. Claude argued for what AI should not become. Nike used AI to stage an emotional idea. In both cases, the technology mattered less than the judgement around it.

When competitors announced ads inside AI conversations, Anthropic answered at the Super Bowl. A Time and a Place imagined ads appearing in moments of grief, medical anxiety and fear at 3am. **To defend what AI should protect, they hired human writers. That decision was the idea.**

Nike's The Room proves the same point from the other side. AI brought an Mbappé face to face with a younger version of himself. **The encounter was cinematic before it was technical.**

"It's critical that creative leaders continue to fight for creative that is original, unexpected, and brave."

KWAME TAYLOR-HATFIELD, CO-FOUNDER KIN



Award-winning work, courtesy of the D&AD Awards Archive (2026).





Creators are using AI to invent forms that could not exist without it.

The person directing it.

Chloe vs History came from one person with no filmmaking background, using AI to create a new interview format between historical figures and the present. The format, the audience and the pace could not have existed without the tools. But the model did not invent the idea. It executed it. The taste, framing and reason came from elsewhere.

Making a thing to make a thing.

Gary Hustwit and Brendan Dawes made a generative documentary about Brian Eno. Each screening is different. The same material sits inside the system, but the arrangement keeps shifting. Viewers have contributed photographs and footage, which are absorbed into the film itself. As the filmmakers put it: “we’re making a thing to make a thing.”

The creative act is no longer only the final cut. It is the design of the conditions that produce it. That is AI as a new kind of material.

Start where the model stops

When the floor rises, the only thing that separates the work is what you bring above it — a point of view the model cannot reach from a prompt alone. AI has made it impossible to hide behind execution.

Stop when the output looks like everything else — that is where the work begins. Ask what you bring that the model cannot reach alone, and make that visible. Document the directions you rejected: the instinct behind those decisions is the creative act. The work is finished when it could only have come from you.



> *“We're no longer just making things - real creative value now comes from “making things that make things”: brand systems that learn, adapt, and grow.”*
>
> **TIFFANY ROLFE, GLOBAL CHAIR/GLOBAL CHIEF CREATIVE OFFICER, R/GA**

Faster, not further

What are you doing with the time you got back?

#2



The most-cited benefit of AI is speed. The industry has spent most of it on more output.

Production speed is the most cited benefit across the study. Research in minutes. Mockups before the brief is finished. Pitch decks assembled during the meeting. The gain is real, measurable, and consistent across markets, agency sizes, and experience levels.

What the industry has done with the time is the harder question.

AI shows up across the whole process now, from research to final production. What matters is what happens to the time it returns. Most teams spend it on more output: the brief moves faster, the approval cycle tightens, and work arrives sooner.

Most teams stop there. The real gain is AI that disappears into the work entirely.



> *"We did a project for a fried chicken fast food restaurant chain. We used AI to pull category and competitor data, consumer trends, shifts in US diets. A week's work turned into 15 minutes with AI."*
>
> **COPYWRITER/CREATIVE DIRECTOR, PHILADELPHIA**

The best work hides its tools

Caption with Intention

Caption with Intention, for the Chicago Hearing Society, used Whisper for transcript alignment, Hugging Face emotion recognition to detect dialogue intensity, and custom scripts to animate captions with the full emotional weight of a line.



Build Your Own

Build Your Own Super Bowl Commercial for Uber Eats ran custom AI quality control across more than a thousand edit outputs, flagging sound and picture anomalies for human review. Every decision was made by a person.



> *"If AI is challenging us to become more inventive, original and ambitious, then maybe this is a win for humanity."*
>
> **JONATHAN KNEEBONE, GLUE SOCIETY**



PainVisible

PainVisible translated clinical data into a visual language for people who struggle to describe pain. In each case the model worked underneath the idea, invisible in the output.



Featured work on this page is Award-winning, courtesy of the D&AD Awards Archive (2026).

Visual work presents challenges.

A London founder ran a reverse image search on an AI-generated character and found another company using the same one. The client did not own anything unique. The team moved to CGI and illustration for final assets, using AI only for animation and variation.

> *"Anything with generated humans still tends to be a bit flat. We've only managed to really nail the cadence of human movement and expression a few times, to a point where you cannot tell."*
>
> **ECD, LONDON**

Speed has become the product when it should be the means. Agencies that treat AI as a route to a known destination will make more of the same thing more efficiently. **Agencies that use the time to go somewhere new will produce work the model could not have predicted.**



Spend the dividend on thinking, not volume

AI has made the process faster. It has not decided what the extra time is for.

Know where in your process AI is shortening the path to an idea, and where it is beginning to replace the idea itself. When the tools return time, protect it for thinking rather than filling it with more output. If research that took a week now takes fifteen minutes, that time belongs to depth. Keep AI in service of the work, and keep the thinking where it belongs — with the people making it. If the work arrives at the same destination faster but unchanged, you have not used the tool. You have just arrived earlier.

The value of our value

If speed is now standard, what are clients actually paying for?



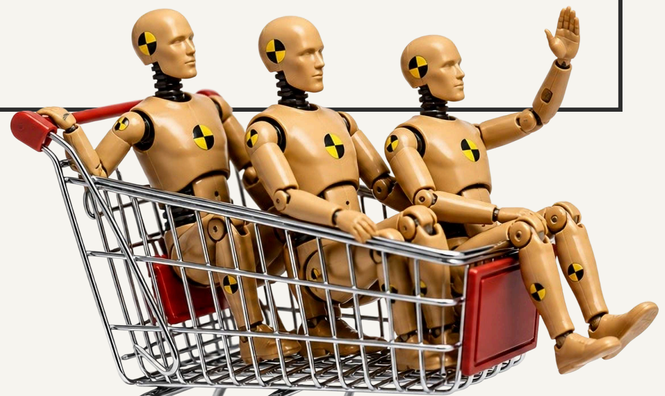
The industry says it sells judgement. Its pricing still says it sells time.

Around 70% of participants report no change in fees or pricing models. At the same time, speed is the most cited benefit of AI. If speed is now standard and pricing still reflects time and output, the efficiency gain has transferred to clients.
People across the study describe selling judgement, taste, originality, and strategic thinking. The data shows these remain human. Pricing does not yet reflect it. Most commercial models still tie value to hours and deliverables. AI has made both faster and cheaper to produce.

> *"AI can accelerate execution, but it doesn't replace taste, judgement, curiosity or craft. Those remain the things clients actually pay for."*
>
> **LISA SMITH, D&AD PRESIDENT / GLOBAL CHIEF DESIGN OFFICER AT UNCOMMON CREATIVE STUDIO**



> *"We can't keep on multiplying the amount of deliverables for the same fees. We will have to change the pricing model completely, from labour-based to idea/IP-based. The biggest barriers will be understanding IP from an agency side and changing procurement models on the client side."*
>
> **CHIEF CONTENT OFFICER, TURIN**



Practitioners are already working in different commercial territory. A Creative Director running a nine-person studio in Bucharest finds mid and high-tier clients choosing human-led work again, at a premium, after a period of testing AI. A Sydney ECD includes token costs as a separate line in project budgets. A London ECD has turned AI into a product, selling structured playbooks as a service.

The commercial language is being built case by case, without coordination across the industry.

If AI is framed as a way to do the same work faster, clients will expect lower prices. The agencies changing that framing charge for the judgement behind the work. The tools are available to everyone. The decisions are not.

Practitioners can be accused of protecting their craft. 8,000 consumers can't.

The audience has already decided. Among consumers who actively use and like AI, 39% say they would trust a brand less for using AI-generated content.

In December 2025, Klaviyo surveyed 8,000 consumers across eight countries. When people can see that content is AI-generated, 32% trust the brand less and 7% trust it more. That's a penalty of better than four to one, and half say tone alone gives it away.

The heaviest AI users are the hardest to fool. 38% of them encounter generic AI content from brands several times a week, more than double the general population. Even the people who avoid AI entirely are watching: 58% of them trust a brand less when they see it.

This is the number the pricing conversation has been missing. If visible AI costs a brand trust, then work that shows no trace of it is worth paying for. The agencies charging a premium for human-led work are pricing that difference. Everyone else is giving it away.

SOURCE: KLAVIYO 2025 AI CONSUMER TRENDS REPORT.

Decisions are our value

Pricing by hours and deliverables transfers any AI efficiency gain straight to the client.

The work needs to be sold for what it actually is: decisions that produce outcomes, not hours that produce files. Build that language into proposals and establish it in contracts before pricing pressure makes the conversation harder. Move in that direction now, before it is forced on worse terms.

The work was the training

How do we protect the future of our craft?

#4



Have we lost the tasks that teach?

The tasks being replaced built something. Layouts, first drafts, mockups, research, and iteration build the instincts that matter later. Repeating that work over time is how juniors become seniors. The repetition was the curriculum.

The numbers are already moving. The IPA's Agency Census reports that the proportion of employees aged 25 and under at UK member agencies fell 19.2% year-on-year, and is now 11.8% of the sector, down from 17.4% three years ago. In the US, the share of advertising and PR jobs held by people aged 20 to 24 fell from 10.5% in 2019 to 6.5% in 2024, the lowest since 2020. More than half of agencies have slowed or paused entry-level hiring entirely.



> *"They just learn to copy each other's cheats basically, sharing them like a video game. Not a good process to understand why we do what we do, and not really expanding on their design knowledge."*
>
> **CREATIVE DIRECTOR, LONDON**

The junior pipeline is shrinking alongside the loss of those early-stage tasks. Senior talent depends on years of junior work. If you stop hiring juniors, you stop producing seniors. But the loss goes further than the pipeline. Juniors bring cultural proximity, fresh thinking, and the insight that comes from not yet seeing the world the way the industry does. Lose them and you lose more than the next generation of seniors. You lose your connection to the culture you are trying to reach.





The junior pipeline is shrinking. But AI is not the only explanation for what is happening.

The IPA Agency Census names the risk directly: "AI-washing" — using AI to explain decisions that have other causes. Only 8% of UK agencies directly attribute recent headcount reductions to AI. The wider contraction reflects holding group consolidation, falling share prices, and sustained pressure on agency business models. WPP cut 7,000 jobs between 2024 and 2025. Omnicom folded four agencies and cut 4,000 more following its IPG acquisition.

But convenient or not, the effect on the pipeline is the same. When Standard Chartered's CEO, Bill Winters, told investors in May 2026 the bank would replace what he called "lower-value human capital" with AI, the phrase slipped into the public before a memo walked it back. In advertising, the logic runs the same way. The language stays internal. Agencies removing juniors — whether the cause is AI, margin pressure, or consolidation — are liquidating the capability they will need most in five years.

"AI is lessening opportunities for junior creatives to enter the field. In a few years, when the current juniors and mid-level creatives move up, no one is replacing them. So the industry seems to be eating itself from within."

PROFESSOR, NEWARK, DELAWARE



"The biggest risk is not that AI replaces junior creatives. It's that we stop giving them opportunities to build judgement through practice."

CAMILLA WALLANDER, CEO, BERGHS

When asked what a healthy pipeline looks like now, the same professor said: "I don't know, and that's the problem."

"Young creatives are not wrong to be furious. Three years of training, a junior market disappearing, and wealth flowing to a handful of people who built these tools from everyone else's work. The industry should be listening to the booing, not waiting for it to stop."

CREATIVE DIRECTOR & EDUCATOR, SYDNEY

That fury has a second source. Schools are still preparing people for a version of those roles that no longer exists at scale. The response from many programmes has been to train students to operate like one-person agencies — to ideate, direct, and execute with AI as support. That sounds like adaptation. It is also training people to replace teams rather than join them.

The juniors not hired in 2025 are the seniors of 2031. That gap is already decided. The optimistic case is that AI tools replace the lost developmental years: instant feedback, simulated briefs, faster iteration. The evidence runs against it.

A 2025 study from Microsoft and Carnegie Mellon found that heavier reliance on AI reduced critical thinking and made those skills harder to recover. The MIT Media Lab, using electroencephalography to record the brain activity of 54 essay writers, gave the pattern a name: cognitive debt. The effort you skip now gets repaid later, in weaker recall and thinner ideas.

Research consistently shows AI boosts creative productivity for people who already carry strong judgement and craft. That is what the junior years are designed to build. Remove them, and there is nothing for the tool to amplify.

If AI has taken over the work where people improved, the industry is trading skill for speed. That trade will show up as a leadership gap — just not for years. No one is reimagining entry-level roles; the industry is simply removing them. The schools are still sending people to fill them.

"Do not delegate your critical thinking about anything that is truly valuable. The process of creativity is so important. 'You' is hard to shortcut."

LUCINDA BARLOW, HEAD OF INTERNATIONAL MARKETING, UBER



Judgement is the product

It is built through repetition — the research, drafting, and revision cycles AI is now absorbing. The work that feels routine is often where people learn to think. Remove it without replacing it and you lose the path.

Audit what AI has absorbed in your junior team's workflow. If those tasks built judgement, replace them deliberately. Redefine entry-level work around selection, critique, and cultural awareness — those skills are still learnable, and still the basis of everything that comes after. Keep some friction in the process; the ability to know when something is wrong is built by making things.





#5

No position is still a position

Who's responsible for the policy you haven't written yet?

Ethics is the area with the most concern and the least action.



In 2025, the focus was on IP, attribution, consent, and disclosure. In 2026, the scope has widened. Environmental cost is part of the discussion. The loss of junior roles is now an equity issue. Mandated AI use without direction affects wellbeing at work.

31% of participants name ethics as a top barrier to using AI. 38% say clear guidelines are the resource they want most. Among those who addressed ethics directly, 35% have taken no action, and 46% rely on policies that are loose or out of date.

"Yes, we have trainings, but the changes happen quicker than we can keep up with."

HEAD OF DESIGN, CHICAGO

A few organisations have built structured approaches. A global design director at a large in-house brand runs an AI council that reviews tools and decisions, including training data and IP. The team uses sandboxed tools so client data does not enter external systems. A senior copywriter at an in-house FMCG team works under a policy that covers data security, personal data, and how customers feel about AI use. Both report the same result: clearer decisions and more trust within the team.

Others are building ethics into the product itself. Cathay Pacific's Asia Just Got Closer lets travellers generate artwork in the style of named artists using a model built on licensed work, with attribution and payment to those artists designed in from the start.

Most agencies have none of this. A policy written in 2024 is already outdated. Legal and technical conditions have changed and will keep changing.



The deciding has already started. On 2 August 2026 the transparency provisions of the EU AI Act took effect. Article 50 requires providers to mark synthetic content as artificially generated and deployers to disclose deepfakes. The exemption is the part worth reading twice: AI-generated text published to inform the public needs no label if it has passed through human review and a person holds editorial responsibility for it. For regulators, the difference between machine output and authored work is someone accountable standing behind the words.

In May 2026, Leo XIV published Magnifica Humanitas, his first encyclical and the first dedicated to artificial intelligence. It addresses the dignity of work under digital transition and the conditions that allow people to remain the authors of what they make.

An institution that measures change in centuries decided this moment required a formal position. The creative industry, which shapes the culture these tools are trained on, is still drafting its terms of use.

Three in four executives can't say what AI is costing them. The bills arrive anyway.

Creative governance and financial governance turn out to be the same problem. Most organisations have neither.

The bill is growing faster than anyone is watching it. Gartner projects that AI coding costs will exceed the average developer's salary by 2028, yet KPMG found that only 26% of senior executives have real-time visibility into what their AI systems actually cost. Most leadership teams are signing off on a number they cannot see.

Uber has shown what watching looks like. It caps individual AI tool spend at $1,500 per month, per person, and anyone who needs more has to make the case for it. What the cap really buys is information: every team has to say what the spend is for.

Seeing clearly takes three ledgers: time, tools and tokens. Time tracks how AI is changing the shape of work and where decisions still require people. Tools records which are approved, which are not, and why. Tokens counts the compute costs accumulating invisibly across teams.

Most creative organisations are keeping none of the three. Not tracking is a position in its own right, the same one as having no view on ethics, and the risk of both lands with leadership.

SOURCES: GARTNER, JUNE 2026; KPMG AI QUARTERLY PULSE SURVEY, Q2 2026; UBER INTERNAL AI SPEND POLICY (TECHCRUNCH, JUNE 2026).



Policies protect

Without a defined position, the risk sits with whoever made the last decision without a framework to make it in.

The absence of a policy is a policy. It says: anything goes. That gap is where the risk lives. Start with a written position: where AI is used, where it is not, which tools are approved, and who is accountable when something goes wrong.

Track what it is actually costing the organisation in hours, subscriptions, and compute; without that visibility, governance is guesswork. Build attribution and consent in from the beginning. Return to the position every six months. The conditions will keep changing.

You can't delegate the reckoning

How do you lead a tool you've never used?





AI tools are in the workflow. Nobody has said who is qualified to direct them.

Creative authority has always been earned by doing the work. Years of it: the judgement that comes from making something badly, then better, then well enough to defend. AI has short-circuited the doing. The judgement is still required.

The question of what now qualifies a leader runs wider than this research can reach, into how decisions get made, how organisations are built, and what leaders are accountable for. What we found is its near edge: what happens when the people setting direction do not understand the tools they are mandating.



“AI has not reduced the value of creativity. It has increased the value of human judgement.”

CAMILLA WALLANDER, CEO, BERGHS



Leaders are rolling out tools they do not fully understand to teams that have no guidance. People describe teaching themselves, testing things on the fly, working without direction. Fear comes up often at the team level.

"Most leaders don't know, they can only guess. They've just told teams the teams will shrink. And then dealt with the fallout. There's a lot of guesswork involved. Team morale is low and that is down mostly to fear."

CREATIVE DIRECTOR, LONDON

The traits that built agencies can cause problems here. Quick decisions lock in choices before there is enough evidence. Confidence in outputs that leaders do not understand leads to overtrust. Some leaders speak publicly about AI without a basic grasp of how it works. Teams are watching, and they can tell the difference between genuine direction and performance.

"We're seeing a gap in terms of people who are figuring out how to use it vs. those who are not. And yes, it is impacting the type of people that we're hiring."

EXECUTIVE CREATIVE DIRECTOR, DALLAS

"Leaders need to learn about it themselves. That lack of understanding from leadership makes team members, especially creatives, more fearful. Because they're not sure how the business is going to treat them if the leaders themselves don't know how to integrate AI into their processes."

CREATIVE DIRECTOR, LONDON

Leaders need enough direct experience to make decisions and to know what in the output requires human judgement.

Hiring choices also matter. Several participants say senior talent is more important now, valued for the direction they provide. Cutting senior roles and replacing them with tools moves in the wrong direction.



The ones who didn’t wait

Some of these six creators came through agencies and studios. Others never went near one. What matters is what they did once the tools were in their hands.

They’ve all used AI to make work nobody commissioned, going around the systems that decide who gets funded and who gets taken seriously.

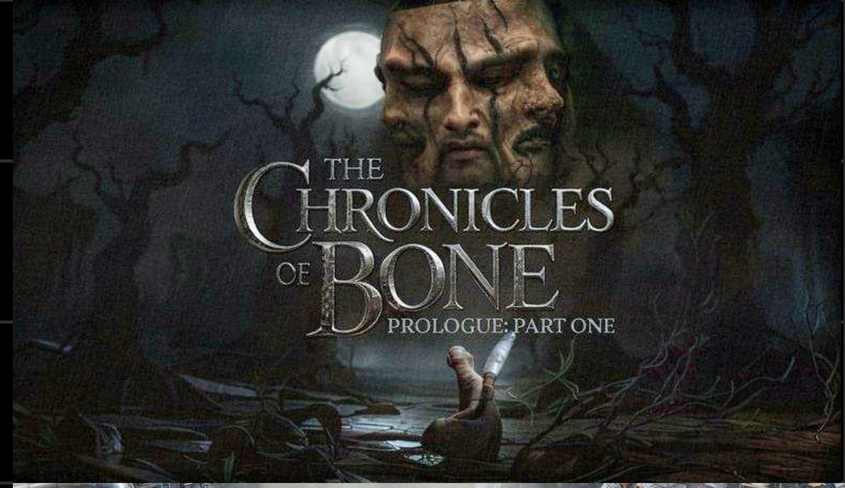
A fantasy epic sold from a single desk. A feature film made at home for about $2,000. Imaginary aunties at the Grand Palais.

And they’re not alone. In a global survey of more than 16,000 creators, 63% said they feel more confident, more professional or more serious about their work since using AI.

Here are the six that are showing that confidence.

Kavan The Kid

Kavan Cardoza built a fantasy epic from his desk, no crew, no studio. Magnific bought the rights to the first season. "I'm using this machine, but I'm still the author behind the work," he says.



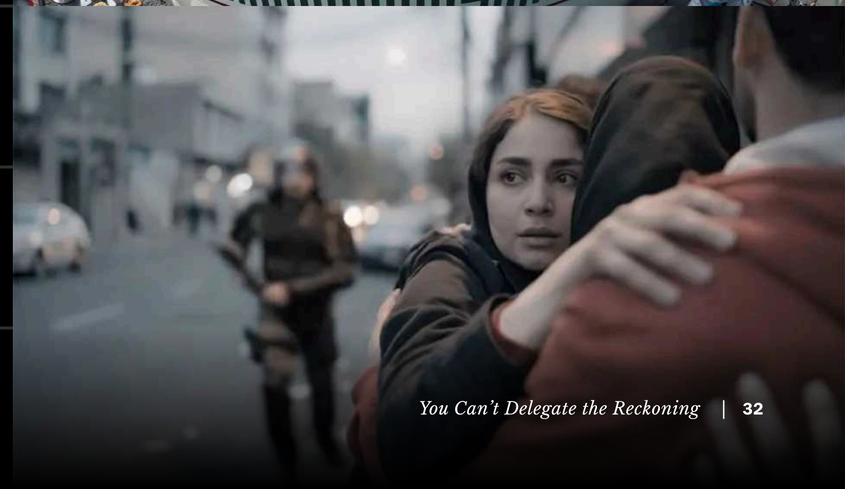
Nice Aunties

Wenhui Lim's aunties drive tofu-powered cars and dance on beaches that don't exist. She was an architect before she started building the Auntieverse, shown at the Louisiana Museum, Paris Photo, Christie's, and the Grand Palais.



Ash Koosha

Koosha built Dreams of Violets, a 75-minute AI docudrama recreating the January 2026 Tehran massacre, from his home in London for about $2,000. Tribeca accepted it in June - the first AI-generated live-action feature any major festival has taken, and not without objection.





Anne Horel

Horel works from Paris, building contemporary mythologies out of algorithmic perception. Palais de Tokyo has shown her work; the Artefact AI Film Festival gave her Best Use of AI.



Alex Naghavi

Seventeen years a creative director before the leap into film in 2023, Naghavi won a 48-hour competition with Feast, made on Runway. Railbound and Gentle have picked up festival wins most directors spend a career chasing — George Miller, director of Mad Max: Fury Road, singled out Gentle at the OMNI Awards.



Miss Em

Bruce Ryder has his own weekly show across Instagram, YouTube and Facebook, appears in Lürzer's Archive's first AI edition, and just signed to Genflix. Built by Emma Barbato, an Australian creative director. The format is fiction. His following isn't.



For creative leaders, this changes the talent question.

The next generation may not come through the usual routes or build a portfolio in the expected order. Some will arrive with an audience, a festival run and a buyer already behind them. The industry has always been good at recognising talent once it walks into the room. The harder test is seeing the people doing the work outside it.

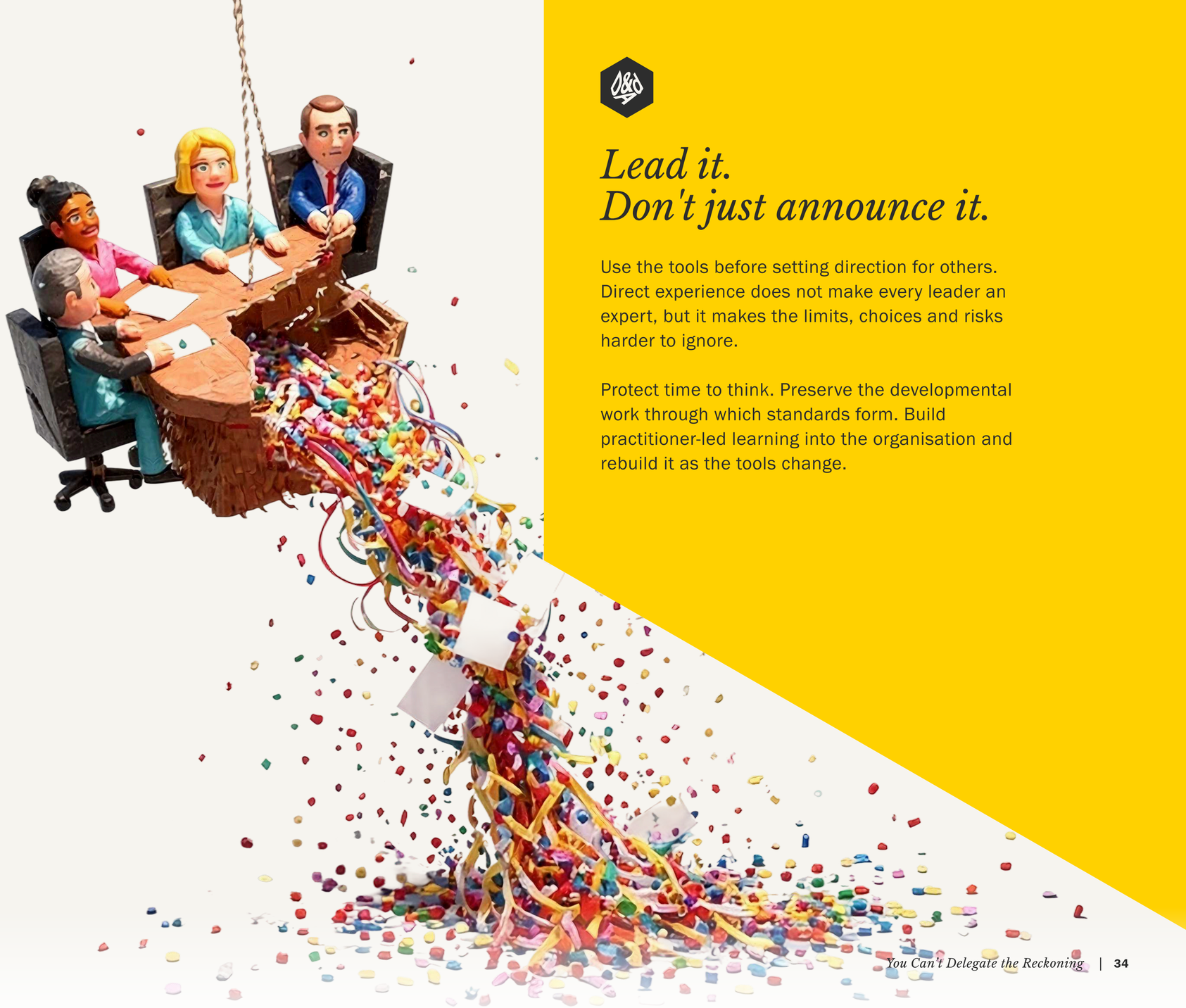
The ones who didn't wait are already here.

“I think people will look for more senior talent as independent thinking will be one of the most searched-for resources.”

CHIEF CREATIVE DIRECTOR, AMSTERDAM–SÃO PAULO

Domain expertise matters more than prompt technique. Knowing the subject and judging whether the output is correct are the skills that count. Without those, better prompts still lead to average work.

Teams are watching whether leaders understand what they are deciding. What qualifies a leader now is the ability to tell when the work is wrong. Every reckoning in this report - originality, speed, pricing, talent, governance - requires a decision from a leader. None of it can be delegated.



Lead it. Don't just announce it.

Use the tools before setting direction for others. Direct experience does not make every leader an expert, but it makes the limits, choices and risks harder to ignore.

Protect time to think. Preserve the developmental work through which standards form. Build practitioner-led learning into the organisation and rebuild it as the tools change.

Two versions of the industry are taking shape

The Shortcut Model

The first uses AI to compress the parts of the process that cost money: research, concepting, revision. The junior tasks go first, and with them the route by which people learned to judge. The pricing model does not change, so the saving transfers straight to the client. Nothing is written down about where the tools may be used or what they cost.

It will look efficient for as long as the pipeline lasts.

The Judgement Model

The second treats AI as infrastructure rather than strategy. Time saved is reinvested rather than spent on volume, so the work still carries a point of view. Fees follow judgement rather than hours, and clients are already paying a premium for it. A position on ethics is written down, the cost of the tools is known, and the people setting direction have used them.

It means protecting capacity the P&L rewards you for cutting.

Most organisations are already building elements of both. One is cheaper this year. The other is still an industry in five.

"There are two types of agency leader out there: those who see AI as a shortcut to commercial gain, and those who see it as a tool to empower creativity. Creatives should know which is which."

MALCOLM POYNTON, FORMER GLOBAL CHIEF CREATIVE OFFICER, PRESIDENT CREATIVE, CHEIL WORLDWIDE



Let's lift the ceiling

Across this report, one finding came back everywhere: AI has lifted the floor, but it hasn't raised the ceiling. AI-generated work is polished and usable, but without a human touch it's forgettable. The stuff that makes creative work excellent - taste, judgement, knowing why one choice is better than another - still only comes from people.

The D&AD Awards data reflects this shift. Entries declaring AI use more than doubled year-on-year, and our juries neither rewarded nor punished them for it: work made with AI won at the same rate as the entry pool overall. The change happened inside that work. The entries that leaned on the tools to do the making won less often than the entries that used them underneath the idea. Creative excellence remains the only thing that wins.

Used with judgement and craft, AI can be part of the process that produces it.

The harder news is that the industry isn't protecting any of it: ethics policies stop at good intentions; and leaders are handing teams new tools faster than they're working out what those tools are for. And the pipeline that turns juniors into senior creatives is quietly closing. None of this has to stick, but left alone, all of it compounds.

D&AD exists to eliminate mediocrity, we do it by holding work to an uncompromising standard, and by proving, again and again, that bold creativity drives commercial success. That mission hasn't changed, even when the tools around it have and that's exactly why the mission matters more now.

For most of our history, eliminating mediocrity meant catching bad work: the lazy idea, the derivative execution, the safe choice dressed up as strategy. That job still matters, but AI has changed what bad work looks like. It's no longer lazy or derivative in any obvious way, it's competent, polished, but generic, and it's the default output for anyone, anywhere. Catching that isn't enough, because the real problem sits one step earlier: how do you train someone to tell competent from excellent, when competent is now the easy default everywhere they look? That training is quietly breaking down, and the industry isn't investing in the mentorship that used to teach it.

Protect the rigour required to tell the extraordinary from the work that anyone can make, and mediocrity has nowhere to hide, because someone's always there to catch it. Neglect it, and no amount of catching bad work will save you, there'll be no one left who can tell the difference.

This report isn't just a diagnostic survey of risk, it's also D&AD planting a flag. Not for the tools or against them, but for the human judgment they can't replace. We're asking the industry to stand there with us.

> *"The choice is ours. To value judgement over shortcuts, protect the rigour that separates competent from exceptional and invest in the people who will learn to tell the difference. AI has raised the floor. It's up to all of us to decide where the ceiling should be."*
>
> **DAVID PATTON, CEO, D&AD**



The standard for what comes next

About D&AD

D&AD is a global creative non-profit that exists to celebrate, inspire and enable excellence in commercial creativity.

Through our world-renowned Awards, learning and talent programmes, we bring together the world's most creative thinkers, makers, and doers – championing creative excellence and its ability to drive change in business and society.

Awards

The D&AD Awards are recognised globally as the ultimate creative accolade, awarding excellence in design, creativity and advertising. Check out our archive of work to dive deeper into some of the 10,118 submissions we analysed for this report across all 46 categories.

Talent

D&AD's talent programmes: including Shift, a night school for creatives who've taken less traditional paths, and New Blood, our Awards for emerging creatives. Help junior talent get their foot in the door of the creative industry. Take a look at D&AD Shift and D&AD New Blood Awards, and register your interest to sponsor the programmes, or to mentor and hire juniors who bring cultural proximity, fresh thinking, and the insight that comes from not yet seeing the world the way the industry does. Because remember: if you lose them, you don't just lose the next generation of seniors, you lose your connection to the culture you're trying to reach.

Learn

D&AD Learning is the global learning platform from D&AD, delivering contemporary training for creatives and brands worldwide, delivered by current industry leaders and D&AD Pencil-winners. From short Masterclasses to long-form programmes, every course is built to strengthen practical skills, strategic thinking and the creative confidence needed to thrive in their roles.

Right now, that means helping you navigate AI, whatever your role. Learn to use it as a creative collaborator without losing your point of view, or lead your team through how it's adopted. Explore our AI courses.