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In collaboration with



July 2026

Warner Bros. Discovery: Seeking Growth With Generative AI

by George Westerman and David Kiron



AUTHORS

George Westerman is a senior lecturer at the MIT Sloan School of Management and a coauthor of the award-winning book *Leading Digital: Turning Technology Into Business Transformation* (Harvard Business Review Press, 2014).

David Kiron is the editorial director, research, of *MIT Sloan Management Review* and program lead for its Big Ideas research initiatives.

CONTRIBUTORS

MIT Sloan Management Review

Todd Fitz, Linda Frahm, Kevin Foley, Sarah Johnson, Samantha Oldroyd, Elizabeth Platt Hamblin, Lauren Rosano, Allison Ryder

EY

Rahul Gautam

The research and analysis for this case study was conducted under the direction of the authors as part of an *MIT Sloan Management Review* research initiative in collaboration with and sponsored by EY.

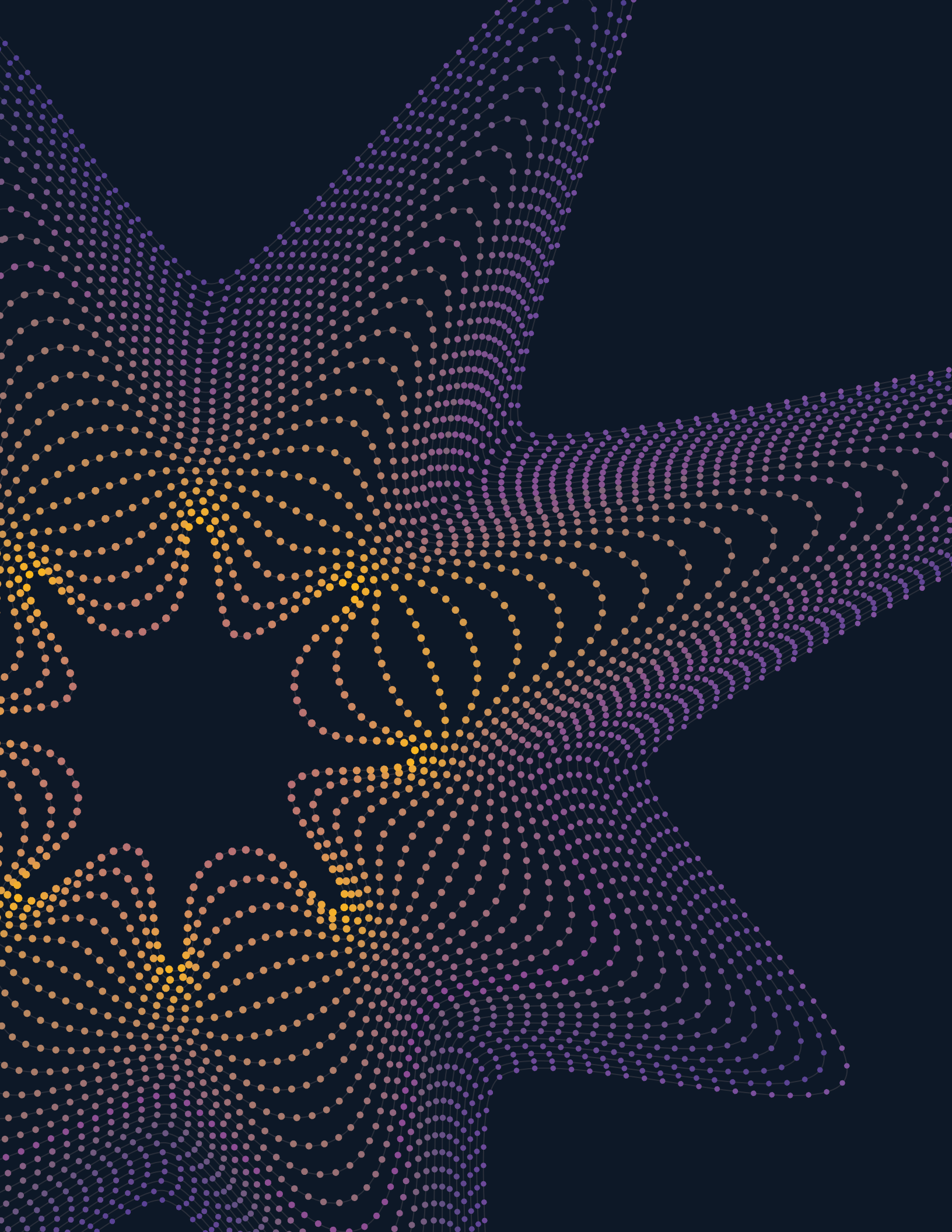
To cite this report, please use:

G. Westerman and D. Kiron, “Warner Bros. Discovery: Seeking Growth With Generative AI,” *MIT Sloan Management Review* and EY, July 2026.

<https://doi.org/10.63383/cWZM4733>

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This case study examines how Warner Bros. Discovery navigated the organizational, governance, and cultural challenges of implementing generative AI across a global media enterprise.

Introduction

When ChatGPT launched in November 2022, Warner Bros. Discovery (WBD) executives already had a lot on their minds. The company was barely seven months into a merger that had joined two different creative cultures: Warner Bros., built on scripted storytelling, iconic franchises, and high-budget films; and Discovery, rooted in real-life narratives from around the world. The integration was still underway. Layoffs from the post-merger consolidation were still raw. And the Hollywood writers' and actors' strikes were intensifying fears about artificial intelligence across the entertainment workforce.

Yet WBD's leaders recognized that generative AI presented not just a threat to manage but a growth opportunity to seize. Over the following two years, through targeted pilot programs and a deliberate capability-building effort, they developed an approach to AI innovation that yielded practical results while building the organizational muscle to scale.

Their experience illuminates a challenge that extends well beyond media. How does a large, complex enterprise, facing a technology evolving faster than any vendor contract can accommodate, set a foundation for AI-driven growth without triggering fears that would shut the effort down?

The Business Problem: Shifting From Cost-Cutting to Growth

WBD is a sprawling, global media company encompassing well-known cinematic and television brands (Warner Bros. Pictures, DC Studios, HBO), documentary and lifestyle content (Discovery's networks like HGTV and Food), animation (Warner Bros. Pictures Animation, Cartoon Network, Adult Swim),

news (CNN, TVN), sports (TNT Sports, Bleacher Report), and a streaming platform (HBO Max). Content produced in one part of the company or world can be adapted for others, through dubbing, captioning, and localization. The company also produces vast quantities of derivative content — trailers, promotional materials, social media assets — that are essential to driving viewer engagement.

Consolidation and cost reduction activities dominated the company's recent history. AT&T acquired Time Warner in 2018 and reshaped it as WarnerMedia. The Discovery merger followed in April 2022, bringing another wave of restructuring. As WBD's CIO Dave Duvall describes it, WBD was "a nesting doll of past transactions, with each integration getting to about 80% before the next one began. The fragmented data and platforms make scaling an AI initiative much harder than it might appear."

The result was significant technical debt: fragmented data, closed or semi-closed software-as-a-service platforms that weren't API-accessible, and systems architectures that had never been rationalized across business units. Previously, Warner Bros. had operated its divisions — HBO, Turner, the Warner Bros. studios — as largely independent silos. The Discovery merger created an opportunity to rethink that design and find areas where brands and channels could share capabilities. But it also meant that the organizational infrastructure was still being refined when generative AI arrived.

Although many companies saw GenAI as an efficiency opportunity, the company didn't need more cost-saving ideas. What it needed was a way to energize a senior executive team and workforce that were still working through a backlog of efficiency initiatives and were now seeing the industry struggle with concerns over AI's threat to creative livelihoods.

GenAI's risks to intellectual property raised additional concerns. WBD's most valuable commercial assets — its franchises, characters, and content library — were precisely the kind of material that generative AI models had been trained on, often without authorization. Questions of fair use and ownership of GenAI-assisted IP were legally unsettled. As a result, any AI initiatives had to navigate not only the usual enterprise concerns about data and integration but also many considerations related to unauthorized IP exploitation and the fundamental question of whether

AI-assisted content could maintain the quality standards that WBD's brands demanded.

Strategic Framing: Creator-First, Business-Led

WBD's leadership made two framing decisions that shaped everything that followed. The first was to position AI as a growth engine, not an efficiency program. Casting AI as a tool for revenue growth signaled the company was emphasizing new possibilities for creators rather than job cuts. Rebecca Kent, then head of transformation, led the effort: "As a media company, we didn't want to go out there with any idea that we want to save money and cut jobs." The company's position was that authentic storytelling requires human creators, and that AI is a tool to create opportunities in the production and distribution life cycle that can generate more IP for the same investment, led by those same creators.

The second decision was to make this a business-led initiative, not a technology project. Kent's transformation team, working closely with executive vice president Matt Chun's corporate strategy group, took the helm rather than IT. This was a deliberate choice. Business ownership was seen as critical to drive engagement with the content experts and support from senior executives. The technology group would help with the early innovation efforts and be an essential partner for scaling. But innovation had to be driven by people who understood the business best.

Building Alignment and Choosing Where to Start

Before selecting which pilots to pursue, WBD invested in increasing awareness and comfort levels with trying a new technology. Starting at the top, the transformation team organized a hands-on executive session where the company's leaders worked through a complete marketing case study using AI tools: developing a product, identifying customers, creating a marketing plan, designing packaging, and even generating a jingle. The exercise was transformative. Executives who had been skeptical or dismissive moved from viewing AI as an abstract threat to seeing it as a concrete, if imperfect, tool. Not everyone was fully persuaded, but there was, in Kent's words, "at least acknowledgment that it was worth exploring."

With executive alignment secured, the team took a deliberately bottom-up approach to identify opportunities to explore further. They held workshops across every major business unit — such as motion pictures, gaming, television, sports, and news, as well as corporate functions, like finance — asking these groups how they would want to use AI and where they saw potential. The exercise surfaced roughly a hundred use cases. However, its primary purpose was trust-building: showing a workforce emerging from strife that this was something the company wanted to do with them, not to them.

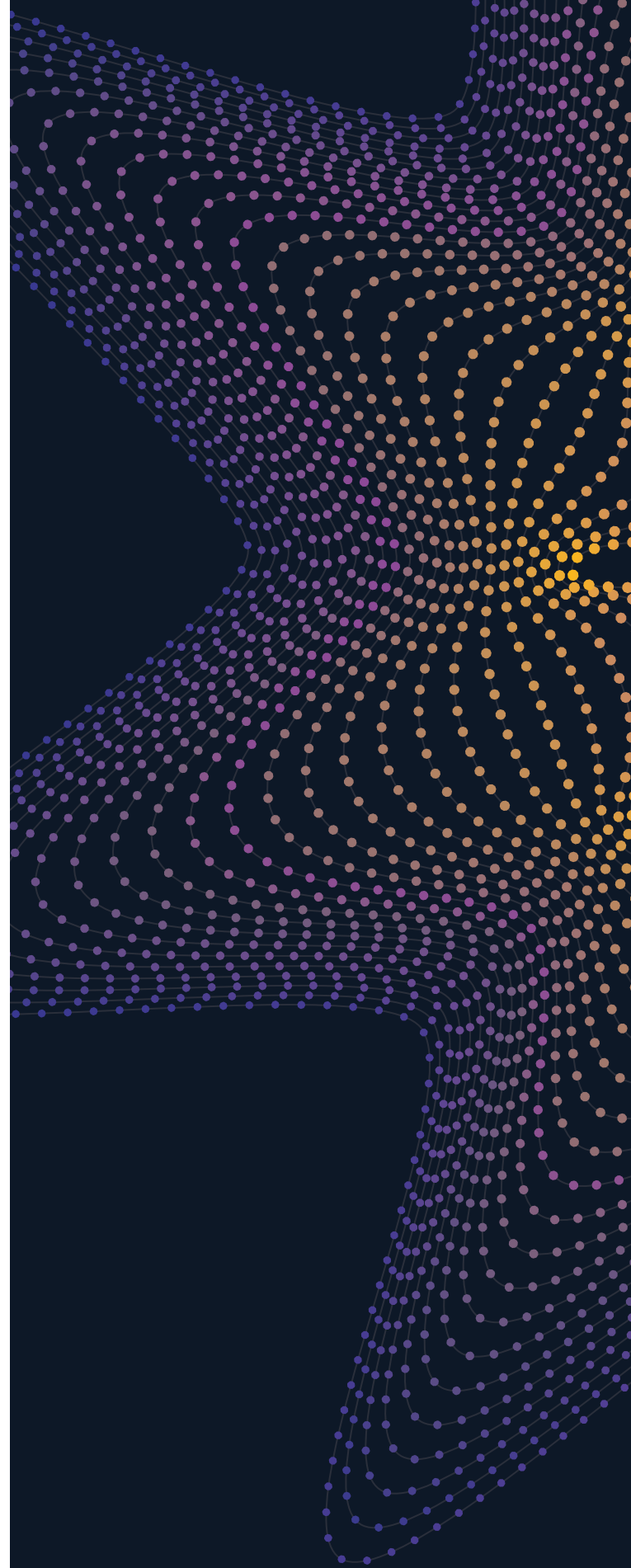
Pilots: Learning What AI Could and Could Not Do

Using a standard impact-feasibility matrix, the team narrowed the list of use cases to identify a small number of pilot programs. The pilots were chosen to be specific enough to deliver measurable results, foundational enough to build capabilities that could scale, and safe enough that failure would not be catastrophic. As one team member put it, they were deliberately “noncontroversial — if we screwed it up, nobody would care, and if we got it right, everybody would be very happy.” They were also stepping stones to more ambitious ideas beyond the pilots. Each offered a small but meaningful entry point into broader change.

The pilots achieved mixed results against their stated goals. But that framing understates their real contribution. Every pilot produced a shift in mindset: among participants, among executives, and within the transformation team. Pilot participants gained direct experience with what AI can and cannot do, as abstract fear was replaced with informed judgment. The transformation team learned not just about the technology’s potential and limits but also about the human dynamics of adoption: where resistance comes from, what mitigates it, and what does not. These mindset shifts proved to be at least as valuable as the operational outputs.

Marketing Assets and Foundational Metadata

The first pilot aimed to use AI to edit and eventually create marketing assets such as imagery and promotional materials. Kent says, “We worked alongside the



marketing creatives. Because only then can you best judge if something is actually good-enough quality.” The deeper opportunity, however, lay beneath the surface. To enable AI-driven marketing, WBD first needed a centralized, searchable content repository with rich metadata. Without it, even the best AI tools could not find the right content. Duvall agreed, saying, “This type of content understanding becomes foundational to making AI usable at scale across multiple use cases.”

This foundational metadata work turned out to be the pilot’s real breakthrough. Rather than program-level descriptions like “episode 200 of *90 Day Fiancé*,” the system now generates scene- and shot-level descriptions capturing emotion, tone, character, and narrative arc. Marketing teams can search for moments when the couples had an important conversation or where families met for the first time, rather than manually scrubbing through hours of footage.

This content understanding capability was a prerequisite for nearly every downstream AI application, including agentic marketing workflows and personalized promotion at scale. The metadata work has since been handed to WBD’s media supply chain team for production deployment, a valuable development beyond the pilot’s original scope.

Localization and Global Content Expansion

The localization pilot addressed a growth opportunity: making content accessible in more languages and markets. Localization activities can range on a spectrum from

simple captioning to seamless dubbing where characters’ lip movements synchronize with a new language. Kent questioned whether full localization was desirable, noting “a bit of a cultural question” about audience expectations. Instead, the pilot focused on less controversial applications — improving captioning quality and speed — while creating capabilities that could expand access to markets that had been economically prohibitive.

The pilot delivered practical value quickly. Employees and executives noted that the new tools helped employees to do their work faster and more easily while maintaining quality. The pilot has now moved into production, representing one of the project’s clear successes. By addressing a genuine constraint on global distribution, and enhancing rather than replacing human work, WBD avoided resistance while building scalable capabilities.

Animation Assistance

The animation pilot confirmed the most revealing aspect of the limitations of AI at the time. Animation production is extraordinarily lengthy — requiring at least a year for television, two or more for film — making it a prime candidate for acceleration. AI proved to be effective for early stage work: storyboarding, ideation, and establishing backgrounds and shots that would have been prohibitively expensive otherwise, such as a 360-degree room pan. It could also suggest other possibilities that the team could accept, modify, or reject.

However, the technology struggled with consistency — to avoid the fatal flaws in animation when characters do not look the same across scenes. CIO Duvall notes that

The localization pilot addressed a growth opportunity: making content accessible in more languages and markets.

creators embraced AI for “things further away from the finished product” but resisted its use for primary character work: “I want to have control over how I’m expressing emotion, how I’m getting the story across. Today, the technology isn’t consistently reliable enough to trust at that level.” The pilot did not proceed to production, but it generated essential knowledge about where AI could assist creative workflows and where it created more problems than it solved.

Building the Capability to Innovate at Speed

The pilots proved that AI could deliver value in specific domains. But proving concepts would not create transformative growth. According to Duvall, “Pilots are relatively straightforward, but scaling across a large, diverse enterprise is the harder part — particularly when integrating into existing workflows and systems.” WBD needed to build the organizational capabilities to move from pilot to scaled production across the enterprise — and to do so in an environment where the technology, the vendor landscape, and even the legal frameworks were evolving faster than the company’s normal operating tempo could accommodate. Six practices proved essential:

STRONG INTERNAL PARTNERSHIPS GROUNDED IN A CREATOR-FIRST MINDSET. With the transformation team leading, IT provided scaling capability, after pilots proved viable, and tooling and architecture advice, while the legal team focused on finding paths to yes instead of blocks, and the strategy team identified high-value opportunities and vetted vendors.

GOVERNANCE FOCUSED ON ACTION RATHER THAN PREVENTION. Clear principles were established upfront, a stage-gate process had clear go/no-go decision points, and a steering committee and legal tiger teams formed to work through issues at speed.

TECHNOLOGY CAPABILITIES FOLLOWED A FOUNDATION-FIRST MODEL. The metadata repository and content understanding layer were put in place before downstream applications, and sandbox environments allowed experimentation to happen before the team committed to enterprise-scale usage.

VENDOR ECOSYSTEM MANAGEMENT TOOK A STRATEGIC APPROACH. This involved maintaining both inbound and outbound scanning, making shortlists for different capability needs, and creating streamlined approval processes.

CHANGE MANAGEMENT POINTEDLY INVOLVED EARLY BUY-IN. The focus included ensuring that tools would integrate seamlessly into existing workflows and targeting what one executive called “the 80% in the middle who just want to do their jobs.”

COMMUNICATION WAS CLEAR FROM THE BEGINNING. The messaging reinforced the growth narrative while acknowledging uncertainty about the future.

Looking Ahead

Two years in, WBD leaders are proud of what the transformation effort has delivered so far. The pilots delivered learning and, in two cases, production tools. Even more important, WBD was able to make positive progress with AI tools that many stakeholders initially saw as potentially dangerous.

Looking ahead, “I still absolutely think this is going to transform the industry,” Kent reflects, but the tools “haven’t borne out as fast as I originally thought. It is a combination of the tech moving fast but perhaps not as fast in the areas we need, and the perennial challenge of scaling adoption of new tools with a large and disparate workforce.” Still, the broader organizational shift has been significant: Executives who two years ago needed persuading are now fully engaged, and many employees have moved from a posture of fear to a bit of impatience, wanting AI tools to do more, not less.

WBD now faces a further complication: a pending merger with Paramount Skydance. Even so, the capabilities built through the AI initiative, such as metadata infrastructure, governance frameworks, vendor management processes, and organizational comfort with experimentation, should serve the company whatever the surrounding corporate structure. According to Kent, “the real takeaway is how to find meaningful ways for AI to truly enhance human creativity.”

ACKNOWLEDGMENTS

We thank each of the following individuals, who were interviewed for this report:

Matt Chun

executive vice president and head of global corporate strategy,
Warner Bros. Discovery

Dave Duvall

CIO, Warner Bros. Discovery

Rebecca Kent

head of global experiences, Americas, Warner Bros. Discovery

Suzanne Underwald

executive vice president, legal, Warner Bros. Discovery

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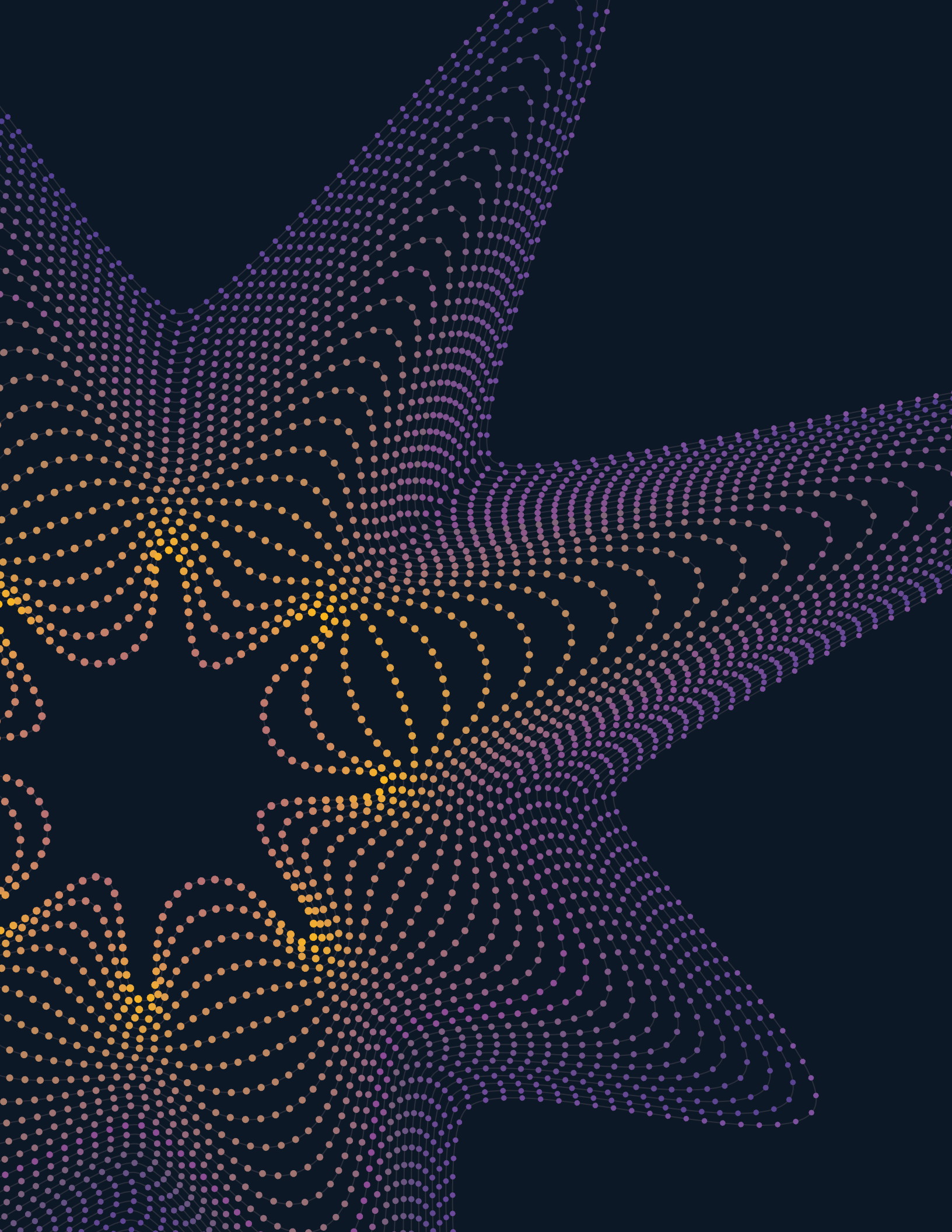
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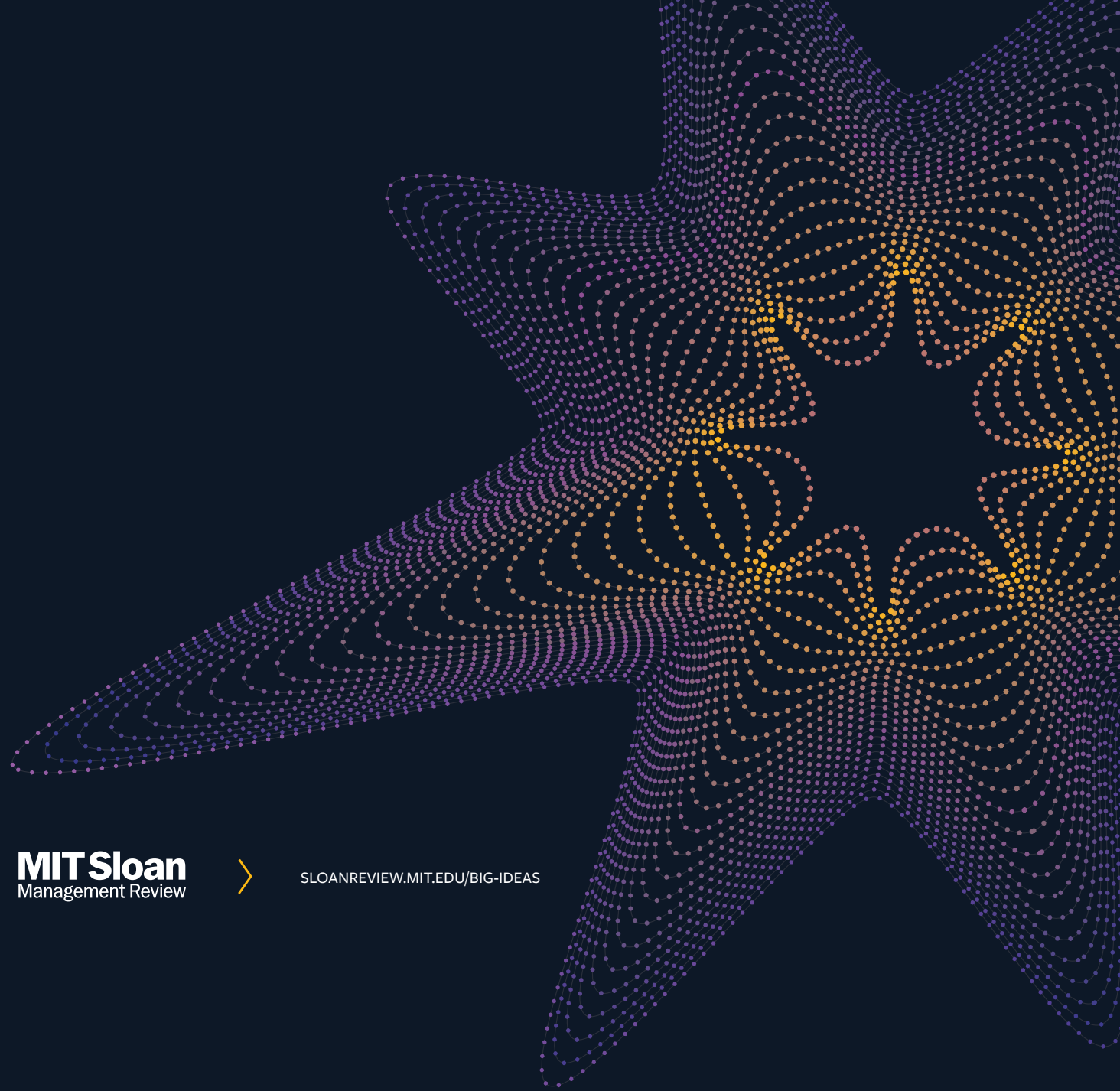
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