

2020

2023

**Trendshare:
Predictions**

**SKILL
SHARE.**



Introduction

Earlier this year, we released our inaugural Trendshare report on the state of creativity, the creator economy and the broader economic landscape as it touches on artistry, technology and our well-being.

As we turn the corner in 2023, we checked in with some of the leadership and teachers here at Skillshare for their predictions and hot takes on what's to come for the rest of the year.

The Outcome of 2023:

**Mass
Extinction
or Mass
Consolidation**

Matt Cooper,
CEO of Skillshare



Skillshare is at the center of many industries: ed tech, the creator economy, content, etc. What worked in these spaces in 2020 and 2021, (despite the wake up call that most companies faced in 2022) is no longer sustainable. Today's economic landscape mandates companies to be cash-flow positive, yet we still see many who, despite making changes last year, failed to reach this necessary goal. The reality is if your business hasn't become cash-flow positive yet, it's unlikely it ever will. Growth stage funding is very hard to come by, and it's impossible for those still burning cash.

So what happens next?

We're entering a period where we'll see mass extinction and/or consolidation. Companies with shaky foundations whose survival could be attributed solely to the easy money and high return on burn will die off.

Companies who can break even or become cash flow positive will buy themselves time, but will struggle to grow. While some will try to wait it out and be patient, we'll see a fair amount of M&A activity in the back half of 2023, and it'll continue well into the next year. Some will sell to the bigger players with massive hits to their valuations while others will seek mergers with peers.

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The Metaverse *Isn't* Dead

Teflon Sega,

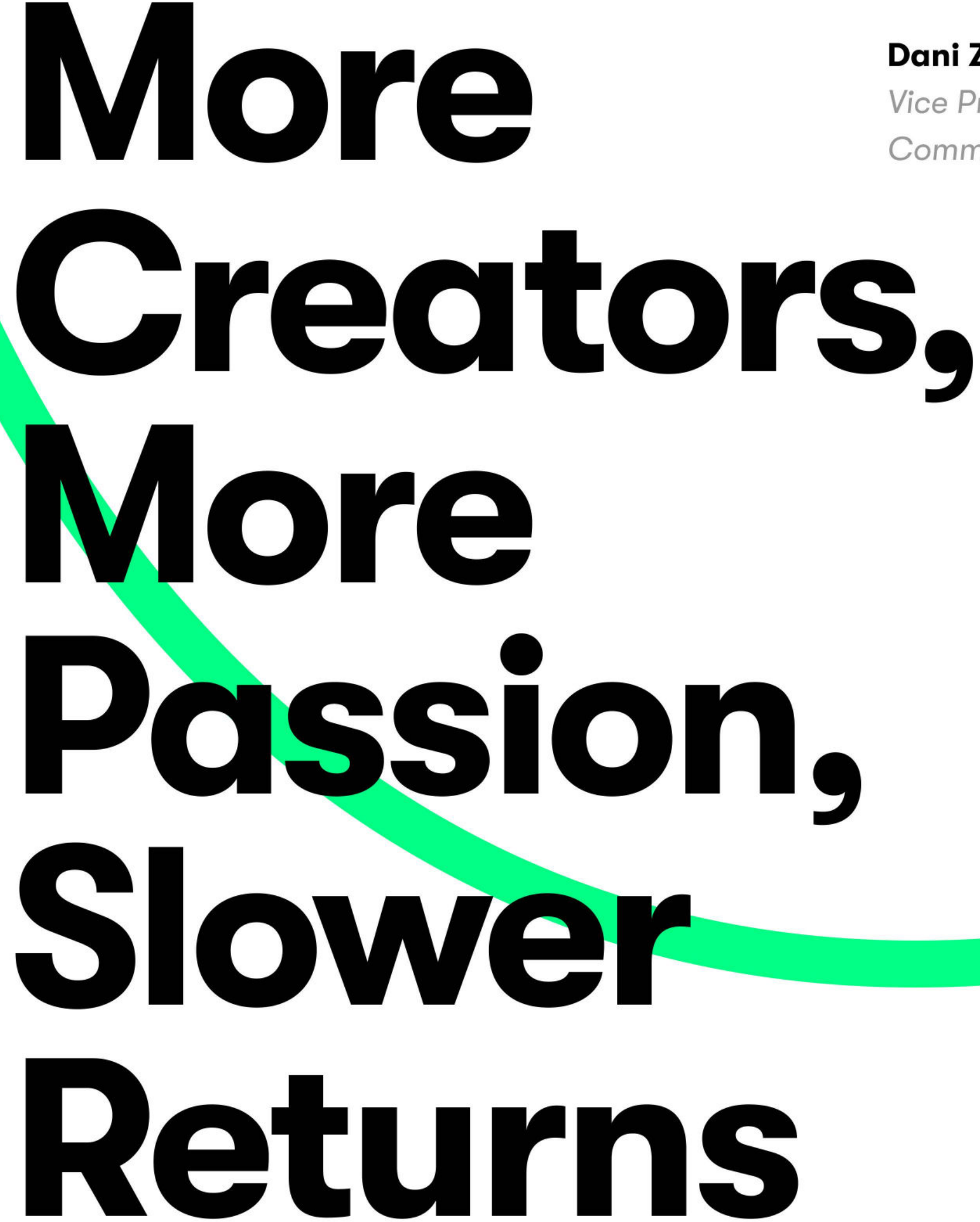
Musician and Content Creator

I understand and sympathize with the sentiment that I see quite often, “The metaverse is dead!” The combination of fatigue in web 2, endlessly scrolling through 2-dimensional text-based social networks and the pandemic mindset shift of “we need more home entertainment,” created hype and an unrealistic sense of urgency for the ‘next thing.’ Our collective expectations exceeded the current state of tech, development and content to bring the metaverse to fruition.

The idea that we will move on from smart phones and flat screens into an

experience that appeals to more of our senses and emotions is inevitable. Not only is the metaverse alive, it is in its infancy. Culturally, the name may have many iterations, but call it what you will, VR / AR / XR experiences will be mass adopted as tech moves along and becomes more accessible.

I am committed to proving that a great deal of the groundwork will be laid for web3, and VR will be done by individual creators and indie artists from home, but it will take a few more years to make the tools widely accessible.



**More
Creators,
More
Passion,
Slower
Returns**

Dani Zacarias,
*Vice President of
Community at Skillshare*

Today, more than 40% of Americans have a side hustle, up from 34% in December 2020. As economic uncertainty and rising costs continue, the popularity of the side hustle will only increase. This is no surprise to us here at Skillshare. Beginning in 2022 and continuing throughout this year, we've seen a steady rise of the search terms 'freelancing', 'entrepreneurship' and 'Shopify', with 'Etsy' becoming one of our top 50 search terms as well.

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So what does this massive increase in side hustlers mean? There's going to be a rise in content creators. The best way to drive traffic and garner eyeballs is by creating content and developing a following on social media. Thanks to AI, emerging technology is providing creators with tools like Midjourney and ChatGPT, both of which make creating content faster and easier than ever before.

While the process might be easier and more accessible for this new class of creators, a more crowded space will make it harder than ever to stand out. This means the long tail will only get longer and the number of big hits will not increase despite the influx of content. The bright side? More people are pursuing and finding ways to justify their passions with the day-to-day feeling less satisfying and the alternative becoming more popular. Your creative passion can fund your life, it just might take some time to pay off.

The Participation Era

Alicia Hamilton-Morales,

*Senior Vice President of Content,
Community and Brand at Skillshare*

We're entering a new era of creativity and collaboration, where the rules of participation are changing. The ability to create is more accessible than ever, much of which is credited to generative AI tools that turn a blank canvas into a first draft, the proliferation of UGC on TikTok, the world-building possibilities of Roblox, and the democratization of learning creative skills on platforms like ours. In the first half of 2023 we saw new search terms bubble up on Skillshare for generative AI programs focused on productivity and illustration with ChatGPT and Midjourney dramatically rising in the search ranks.

Tools for content creation and editing, like the free video editing software DaVinci Resolve or the digital audio workstation (DAW) Ableton, have also been on the rise.

Apart from accessibility, what's also interesting is how creativity has become somewhat of a team sport. Creative collaboration is no longer reserved for the 9 to 5ers among us. It's particularly popping within music fandoms, where ardent members aren't just listening to music, they're remixing it and making it their own as part of their consumption.



We're seeing that appetite around music creation amongst new users on the platform with music being one of the top selected categories on Skillshare.

While remix culture is nothing new, we do expect to see it extend beyond more traditional forms, like music and fine art, and into emerging areas like animation and 3D design. And where it was once the domain of a select few hardcore enthusiasts, we believe it will become the norm for anyone interested in experiencing art and creativity in both public forums like TikTok to intimate

communities on Discord. Budding and aspiring creatives will start to build upon and stretch their favorite work, alongside not only their human peers but also their AI sidekicks.

Provenance will be key in this era of creativity and collaboration, and we may just see new (and better) use cases for blockchain emerge as a result.

Creative skills will be a necessity in this new era for anyone wishing to create their own art as well as participate in culture and fandoms.