FRAMING THE FUTURE:
OUTLOOK ON SAUDI ARABIA'S **FILM INDUSTRY**

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Strategic Gears
Management Consultancy

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THE KEY TAKEAWAYS

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As part of its mission to diversify the economy, Saudi Arabia is widening its cultural and entertainment offerings for citizens and tourists. This has led to a plethora of transformations across the Kingdom, one of which has been bringing cinemas back. This report reviews Saudi's film industry, which developed a film ecosystem in record time, and provides strategic pathways to propel it forward sustainably. **Below are the key takeaways:**

The institutional foundations of Saudi Arabia's film industry are in place. **There are three key institutions involved the industry's development**: the Ministry of Culture, which oversees cultural policy and promotes cultural development; the Film Commission, which leads film production, talent development, and regulation; and the Cultural Development Fund, which provides financial support and investment in film projects.

Since the reopening of cinemas in Saudi in 2018, the film industry has graduated from the phase of renaissance and entered a phase of maturity and sustainability. Film industry revenues have expanded every year since returning to business, from around SAR 38 million in 2018 to SAR 875 million in 2021 (renaissance phase), picking up to around SAR 933 million in 2024 with prospects to surpass SAR 1 billion by end of 2025 (sustainability).

The Kingdom led the Middle East box office revenues in 2024, accounting for 42% of the region's box office. Despite the industry's growth, it still lags more international markets. Granted, the industry is notably younger than its counterparts, meaning many of its stakeholders still need to get acclimated to the commercial acumen and gain experience in the industry to ensure sustainability, profitability, and grant-independence.

Local content films are rising yet remain underrepresented in the market. While foreign films still dominate the box office, Saudi films are gaining market share. Their portion of ticket revenues increased by 10 percentage points between 2019 and 2024, with a continued upward trend projected in 2025 indicative of a promising shift in audience engagement and a return on investment on Saudi talent development and film production.

Low commercial acumen across the film value chain is a binding constraint. Networking, marketing, and investor relations are underdeveloped. A lack of financial discipline and strategic commercial acumen reinforces reliance on public subsidies and constrains the industry's long-term commercial viability. Addressing this will require improved investor-filmmaker collaboration, strategic upskilling of talent, and financial planning to widen the commercial lifecycle of films.

The industry's local talent pool is increasing but more is still needed. The current local talent pipeline is light on the depth of skills needed, particularly in screenwriting, production, and direction, to meet rising demand for Saudi home-grown films.

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INTRODUCTION

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Context

Just under a decade ago, the film industry in Saudi Arabia got back in business. After a long-standing restriction on public cinemas, the Kingdom entered its era of transformation, led by Vision 2030, and spearheaded socioeconomic reforms to diversify income streams beyond oil and improve the quality of life for citizens. Plans have included gradually re-opening of cinemas, promoting culture and tourism, and doubling household spending on entertainment. And indeed, Saudi has managed to develop the film ecosystem in record time and attract investments from national and international players in the market, with ongoing commitments to capacitate the film industry by establishing over 300 theaters across more than ten cities to meet rising demand.

Aim and scope

This report advances a diagnostic of Saudi Araia's developing film industry and strategic pathways to propel it forward.

First, the report provides a global overview of the film industry to introduce its business model and value chain. Second, it assesses the Saudi film market to map the industry's key players and its economic performance. And third, the report presents an updated diagnostic of the binding challenges holding back the industry—from talent development to financial sustainability—and outlines the strategic priority needs that can transition the sector from government-led to market-led growth.

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THE FILM INDUSTRY: A GLOBAL UNDERSTANDING

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DEFINITION

The film industry broadly encompasses all processes directly or indirectly related to the production and screening of movies. It is made up of the technological and commercial institutions involved in film making including production, distribution, and exhibition companies.[1] For over a century, the film industry has operated as a business, with recurring trends and technological developments influencing its trajectory.

Although the film industry has historically been centered in the United States, primarily in Los Angeles and New York, it has become increasingly global, with the goal of appealing to international markets. The socioeconomic potential of the film industry is continuously being recognized and revitalized, especially as global markets expand to encompass more diverse populations. For example, in recent years, the Chinese film industry has boomed, surpassing North America in box office revenue.

For the Saudi Arabian context, defining the film industry implicates understanding how localization is institutionalized as a lynchpin of sectoral development. One defining characteristic of the industry's lifecycle is the dominance of foreign content, a byproduct of the Kingdom's endogenous recent market entry. To level the playfield for local creators and build a commercially viable domestic sector, the Kingdom's Film Commission manages a points-based system across linguistic, creative, and heritage-based criteria, like the use of Arabic language, Saudi crew participation, and local filming locations to determine access to incentives.

VALUE CHAIN

The “zero-to-one” film production process is best understood through its four core functions: development, production, distribution, and exhibition. Each of these has traditionally been represented as a phased process to take a movie from an idea to the screen, beginning with 1) the conceptual development of a film, 2) the production of a film, 3) the distribution and marketing of it, and 4) the consumption of it by consumers through a variety of exhibition channels.[2]

1. Film development is concerned with the ideation and logistical stages of creating a film. This stage relies on the director and producer, writers, and talent agents, to formulate a script, screen for actors, secure financing, and book filming locations.
2. Production entails the process of making a film through iterative recording and editing. This stage relies on the director and producer, and technical and acting crews to gradually produce a polished version of the film, from set design to special effects and audiovisual design.
3. Distribution is the film’s first exposure to the market. It entails licensing or selling the film to media outlets, such as theaters, televisions, and streaming platforms, and networking with marketing and PR agencies and film festivals.[3]
4. Exhibition represents the film’s mass release to cinema theaters and digital streaming for consumption by the broader public.

FILM PRODUCTION PROCESS FUNNEL

STAGE	DEVELOPMENT	PRODUCTION	DISTRIBUTION	EXHIBITION
KEY DELIVERABLES	Scriptwriting, Casting, Financing, Location scouting.	Set design, Acting, Filming, Editing, Audiovisual design	Licenses and sales Marketing campaigns, Festival submissions	Theatrical releases, Streaming releases
MAIN STAKEHOLDERS	Writers, Director and producer, Talent agent	Director and producer, Actors, Technical crew	PR agents, Marketing agencies, Film festivals	Cinemas, Film consumers


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SAUDI FILM INDUSTRY

SAUDI FILM INDUSTRY

The reopening of cinemas in the Kingdom was part of a larger movement towards the promotion of culture and entertainment.

To understand the trajectory of Saudi Arabia's film industry and better inform its strategic needs, it is essential to examine both the institutional groundwork that has shaped its development and the market dynamics that reflect its growth.

More specifically, this section unpacks the key institutions developing the sector and analyzes the industry's performance since the reopening of cinemas. It finds evidence characteristic of a rapid commercial interest and consumption of films, with consistent year-on-year growth in ticket sales, outside of 2020 (pandemic), in symbiosis with the increase in supply of cinema theaters and screens. Two phases can be identified: First, film industry renaissance, when ticket sales saw a steep increase between 2018 and 2022. And second, the start of film industry sustainability and maturity, defined by a slower pace of growth and lower ticket prices to cater to wider customer segments.

THE INSTITUTIONAL FOUNDATION

In line with Vision 2030's economic diversification objectives, Saudi Arabia has prioritized the development of its recreation and entertainment sectors, including the film industry. Since the reauthorization of public cinemas in 2018, the Kingdom has been installing an institutional foundation to manage and grow the sector (Table 1) across regulatory and financial standpoints, permitting the Saudi Broadcasting and Visual Media Authority to begin issuing cinema licenses to domestic and international investors.

Table 1: Key institutions developing Saudi Arabia's film industry.

INSTITUTION	YEAR ESTABLISHED	MANDATE	NOTABLE INITIATIVE
Ministry of Culture	2018	Oversees cultural policy and promotes cultural development	Vision 2030 cultural sector strategy
Film Commission	2020	Leads film production, talent development, and regulation	National Film Sector Strategy
Cultural Development Fund	2021	Provides financial support and investment in film projects	Film Sector Financing Program

Ministry of Culture

Established in 2018, Saudi's Ministry of Culture is responsible for the development and regulation of the Kingdom's cultural sector.

It's primarily concerned with empowering the cultural scene on a local and international front while preserving and promoting the Kingdom's cultural identity through visual arts, performing arts, theater, music and literature. The Ministry has three primary objectives, in alignment with the pillars of Vision 2030, including:[3]

1. Promoting culture as a way of life;
2. Enabling culture to contribute to economic growth; and
3. Creating opportunities for international cultural exchange

As such, the Ministry aims to reap the cultural sector's potential, improve its opportunities, and develop its capabilities by integrating elements of the Kingdom's cultural heritage into its people's daily lives.

Film Commission

Established in 2020, the Film Commission is one of eleven cultural commissions affiliated with the Ministry of Culture.

It is responsible for all film-related activities in the Kingdom, including the creation, production, development, and distribution of movies, script writing, and film production.[4]

The Commission's responsible for developing the Kingdom's film industry, marketing locally made films in local and international markets, creating a database for the film sector, hosting conferences and exhibitions, and encouraging different actors in the sector to produce and develop content.[5]

The Commission has also launched a strategy for the development of the film sector with the goal of consolidating Saudi Arabia's standing within the field of filmmaking, fostering growth in Saudi's film production industry, and carrying out projects and initiatives that benefit the sector. The strategy introduces nineteen initiatives, followed by forty-six projects, all which aim to attract talent and improve the skills of those involved in cinematic activities.[6] This will be achieved through the development of production infrastructure, the commencement of training and education programs and workshops, the facilitation of services through an electronic platform, the regulation of processes, the fostering of partnerships, and more.[7]

Metrics of success were established to assess the strategy's performance; these include revenues generated from screenings of Saudi series and films, the number of students enrolled in film-related programs in universities across Saudi, the number of films produced within the Kingdom, and more.[8]

Among the initiatives launched under the strategy are 101 Film Studio, the Filmmakers' Program, and Daw' Film Competition. 101 Film Studio was launched in collaboration with the Ministry of Education to improve local training programs and cultural activities related to the film industry. The Filmmakers' Program aims to develop the skills of youth in the film industry by providing them with knowledge resources and artistic fields based on current best practices in the international market. The program cooperates with international academies, institutes, and educational institutions to provide participants with accredited certifications.[9]

Cultural Development Fund

Established in 2021, the Cultural Development Fund is one of the entities responsible for the development of the Kingdom's cultural sector.

It works on implementing program which aim to develop and improve the cultural landscape in Saudi Arabia by providing support to private entities, offering advisory services to relevant entities, and maximizing the sector's impact.[10]

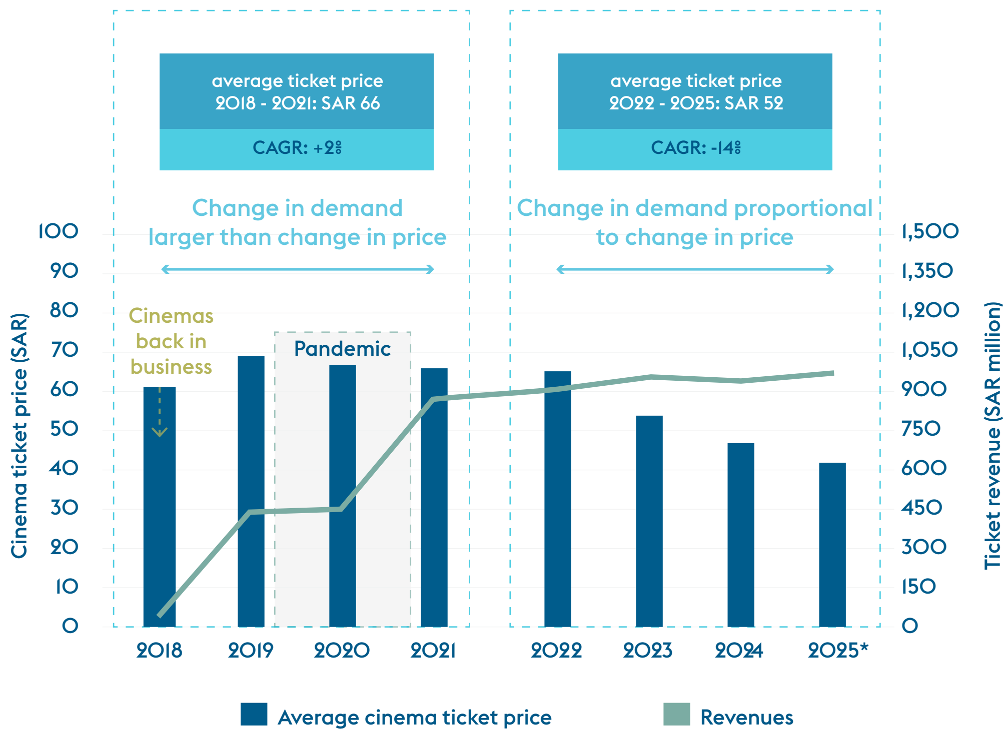
In 2022, the Fund announced the launch of its Film Sector Financing Program and kicked off the stimulus with allocations estimated at SAR879 million. The Program offers financial support to entities in the film industry to aid the development, production, and distribution of films and series, which it allocates 70% of its budget towards. Its objectives also include supporting and strengthening the film industry's infrastructure.

MARKET PERFORMANCE

Film industry revenues have consistently expanded since 2018. In under a decade, industry revenues increased from SAR 38.5 million in 2018, to SAR 933.7 million in 2024, with much of this increase happening between 2018 and 2021 (Figure 1). The pace of growth slowed after 2022, signaling the start of market maturity and stability, with the industry expected to surpass SAR 1 billion in revenue in 2025.

Figure 1: Average cinema ticket price (SAR) and ticket revenues (SAR million).

Source: Euromonitor and General Authority for Media Regulation.



The market evolution of the film industry since 2018 reveals two phases. A phase of renaissance between 2018 and 2021, when cinemas first resumed, marked by a high commercial demand for cinemas, where ticket revenues surged with a magnitude larger than changes in ticket prices. From 2022 onward, the market transitioned into a stabilization phase where demand growth became more proportional to price changes, signaling increasing price sensitivity and selective consumer preference compared to the initial excitement when cinemas returned to business.

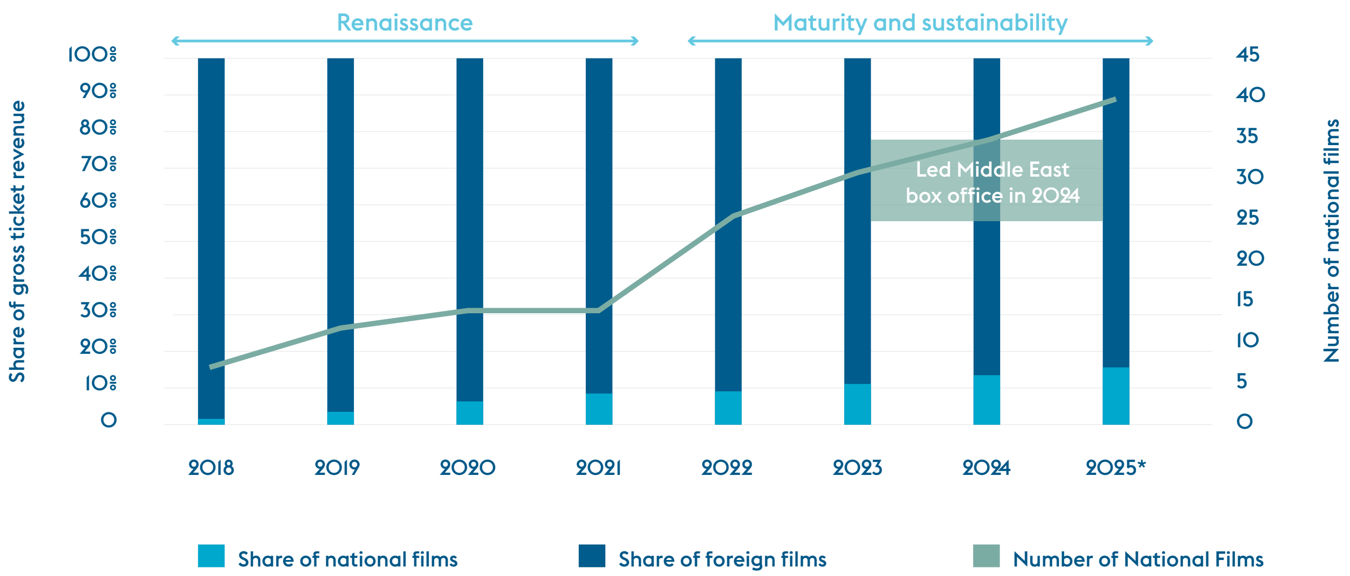
Average ticket prices in the Kingdom have decreased by more than 30% since 2018 (Figure 1), falling from the most expensive in the GCC, to the fourth, behind the UAE, Qatar and Kuwait. Despite the price reductions, reaching SAR 47 in 2024, ticket revenues are only marginally increasing, reflecting a near unit elasticity of demand in the current phase of market stabilization (Figure 1). This can be linked to three factors:

- One, the Film Commission's attempt to broaden cinema accessibility across the Kingdom,
- Two, the natural slowdown of excitement after the novelty effect of cinemas diminished and the industry entered a more mature phase where consumers are more selective,
- Three, the supply disruption of global content by the 2024 Hollywood writers' and actors' strike, constraining the release of blockbuster films and reducing cinema footfall.[11]

While audience enthusiasm has matured since the initial cinema renaissance, the Saudi film industry is steadily carving out a larger share of the market for local content (Figure 2). The data reveals a decreasing dominance of foreign films in Saudi box office revenues, with the revenue share of Saudi national films increasing substantially, from 4% in 2019 to almost 15% in 2024. This trend indicates a slow but measurable shift in audience engagement with local content and a positive impact of public investments on Saudi talent development and film production. In fact, 35 Saudi films were released in 2024, up from 14 in 2021 (Figure 2), including Norah, an award-winning drama and Madina, a documentary on the Saudi Arabian city (Annex 1).

Figure 2: Share of national & foreign films in revenue from cinema tickets (2018-2025).

Source: Euromonitor and General Authority for Media Regulation.



Since the reopening of cinemas in 2018—led by AMC Entertainment's establishment of the first theater in Riyadh—Saudi Arabia's film sector has made major strides. As of 2025, the Kingdom houses over 80 cinemas across 9 provinces (Figure 3), with plans to reach 300 theaters, over 2,000 screens, and nearly $1 billion in annual box office sales by 2030. With seven years of momentum, the industry led the Middle East box office in 2024 and is set to keep growing, supported by initiatives like the launch of Al Hisn Studios, one of the region's largest production facilities.[12]

Figure 3: Number of cinemas across the Kingdom.

Source: Euromonitor and General Authority for Media Regulation.

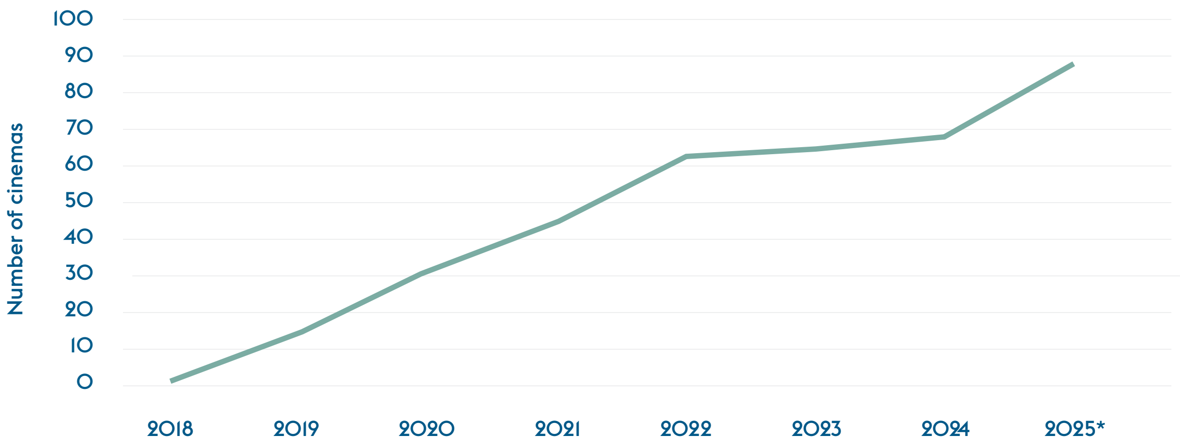
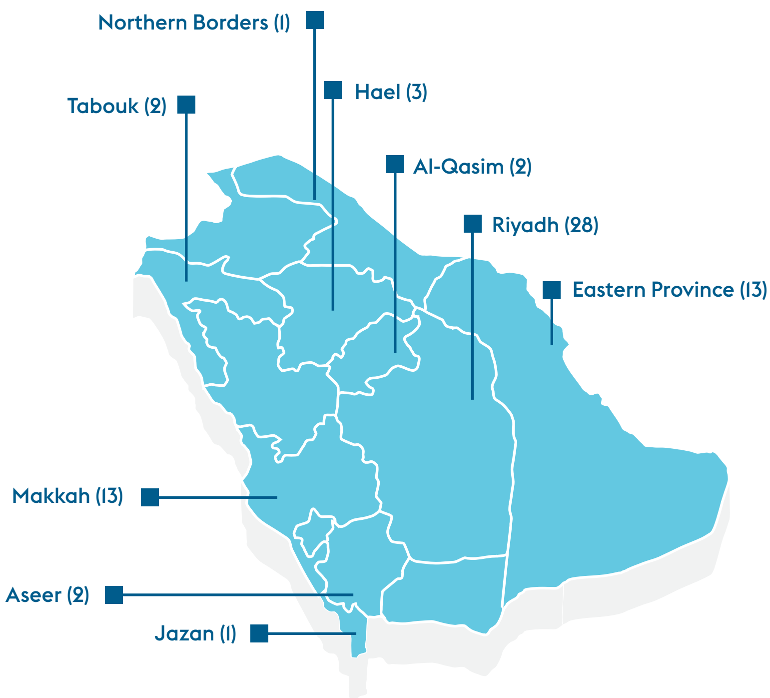


Figure 4: Distribution of cinemas by Saudi province (2023).

Source: General Entertainment Authority.



LOOKING AHEAD: DIAGNOSTIC AND STRATEGIC NEEDS

Since 2018, the Saudi film industry has seen unprecedented rates of growth, with industry revenues growing by over 23-fold since. Still, it has steps to overcome to reach global maturity.

Granted, the industry is notably younger than its counterparts and competitors, meaning many of its stakeholders are still building the needed experience to propel the industry closer to its potential. As the Kingdom's film sector reduces reliance on government support and transitions toward sustainability and self-sufficiency, addressing critical needs to future-proof the industry is paramount. Our analysis below follows up on an initial scoping exercise of the industry conducted two years ago, where a set of challenges were identified. Our updated diagnostics converge into four priority areas (Table 2).

Table 2: Challenges in Saudi's film industry.

THEMATIC CHALLENGE	DIAGNOSTIC	EXPLANATION	PRIORITY AREA
Talent & Skills	Low local talent with sufficient expertise.	The nascency of the industry means many crew members are new and learning on the job.	Skill development & better utilization of existing talent
	Film education infrastructure is lacking.	Limited specialized training programs in film and production.	
Leadership	Local filmmakers lack production experience to deliver large-scale projects.	Overreliance on films with short time-horizon.	More experience and longer project lifecycle for leadership
Investor-Creative Relations	Misalignment on project timelines and content strategy.	Investors—many new to the industry—prioritize commercial viability over creative development.	Improved dialogue between investors and creatives
Filmmaking Value Chain	Shortage of materials for studio construction, equipment sourcing, and logistics management.	Local production ecosystems are still developing.	Stronger commercial acumen across the business value chain
	Distribution and marketing are underdeveloped and not prioritized.	Lack of distribution and marketing networks constrains the film's commercial lifecycle.	
Financial Practices	Fragmented budgeting and cost control mechanisms.	Overspending on talent and poor allocation of funds from grants reduce sustainability.	

Priority Area 1: Skill development for people in the industry and improved utilization of existing talent

As a nascent sector, the Saudi film industry faces a significant skills gap in the talent pool, particularly in critical creative and technical roles such as screenwriting, production, and directing. While demand for locally produced content continues to grow, the availability of experienced and professionally trained talent has not yet kept pace.

Given that the film industry is inherently human-capital-intensive, its long-term success depends on cultivating a robust pipeline of skilled local professionals. This, in turn, requires the establishment and expansion of high-quality educational and training infrastructure tailored to the specific needs of local cinematic arts to foster a sustainable, self-sufficient ecosystem of creative practitioners capable of shaping a distinctly Saudi cinematic voice.

Continued investments in film schools, vocational programs, mentorship initiatives, and international partnerships will be key to building a generation of filmmakers equipped to compete and collaborate both locally and globally.

Priority Area 2: Leadership in the industry requires more experience and longer lifecycle for projects

A key constraint facing the Saudi film industry is the relative lack of experience among its emerging leadership in the areas of production and creative direction. This limitation becomes apparent across various stages of the filmmaking process.

On one level, many producers are still in the process of developing the cultural intuition and market insight needed to align content with audience expectations. This occasionally results in suboptimal resource allocation, affecting both creative decisions and operational execution.

On another level, the artistic identity of many domestic filmmakers remains in its formative stages, with limited integration of distinctively Saudi cultural narratives. This is not uncommon in nascent creative industries, where practitioners are still building their craft.

Government-backed initiatives and funding mechanisms have played a constructive role in addressing this gap, enabling local talent to gain experience through subsidized project development and lower-risk experimentation. Continued investment in professional development, mentorship, and longer project lifecycles will be essential to cultivating a more mature and globally competitive film leadership ecosystem.

Priority Area 3: Improved dialogue between investors and creatives

Collaboration between the financial and creative sides of the sector is sub-optimal, often leading to misaligned expectations regarding project timelines, commercial potential, and creative value.

In many cases, financing decisions are made with minimal input from creatives, which can result in projects that lack cultural or artistic resonance and, ultimately, diminish the sector's long-term development trajectory.

This challenge is particularly salient given that many investors are relatively new to the dynamics of the film industry. The inherent uncertainty of creative production, coupled with unfamiliarity around project lifecycles and return horizons, often leads investors to prioritize short-term projects—typically with an 18-month turnaround. While commercially understandable, this preference constrains the diversity of genres and storytelling formats that filmmakers can realistically pursue.

Facilitating more informed and continuous dialogue between creatives and investors can help bridge this gap. Doing so would promote a shared understanding of artistic and financial considerations, improve risk assessment, and support the development of a more resilient and diverse cinematic ecosystem aligned with both cultural and economic goals.

Priority Area 4: Stronger commercial acumen across the business value chain

A well-functioning film industry depends not only on creative capacity but also on strong commercial competencies across the entire value chain.

In Saudi Arabia, gaps in infrastructure and commercial maturity—particularly in the areas of logistics, distribution, and marketing—remain a key constraint. These upstream and downstream activities are currently underdeveloped, which limits the commercial lifecycle of films and constrains the range and scale of local productions below potential. As a result, the industry often defaults to low-budget, short-horizon projects that do not fully realize the potential of local storytelling or contribute to long-term sectoral growth, or relies on costly, operationally complex sourcing via external vendors.

Budgeting and financial planning present core challenges. Weak cost management practices, including inflated talent pricing, frequently result in unsustainable production budgets. This dynamic reinforces an overdependence on public funding mechanisms. While government grants have played an essential role in enabling early-stage content development and capability-building, ensuring the sustainability of these investments requires more strategic allocation of resources and improved financial discipline across the ecosystem.

One critical enabler of this shift is the adoption of structured financial management tools. For example, the Cinema Finance Toolkit (CFT)—developed by Strategic Gears—offers a practical framework for producers and investors to manage budgets, simulate revenue flows, and evaluate commercial outcomes under various distribution and pricing scenarios. Tools like the CFT ultimately contribute to shaping a sustainable, commercially viable, and less grant-dependent film sector.

ANNEX 1:
SAMPLE OF SAUDI FILMS RELEASED IN 2024

FILM TITLE	GENRE	RELEASE DETAILS	FILMING LOCATION(S)	PRODUCTION TIMELINE	KEY STAKEHOLDERS
Within Sand	Drama	Theatrical release: Feb 15, 2024	NEOM, Tabuk region	~1–2 years including preparation	Directed by Mohammed Al Atawi; shot in NEOM; over 360 Saudi cast and crew; logistical support from NEOM Media Industries.
Norah	Drama	Premiered: Cannes 2023; Cinema release: May 23, 2024	AlUla	Not specified	Directed/produced by Tawfik Al Zaidi; first Saudi feature shot in AlUla; 340 Saudi crew; supported by Film AlUla, Red Sea Fund, and Daw competition.
Last Party in the Red Desert	Drama/ Comedy	Premiered: May 9, 2024	Jeddah & surrounding areas	~1–2 months (filming)	Directed/produced by Mahmoud Sabbagh; local cast; distributed by ART; earned SAR 1,002,974 during first 3 weeks.
Horizon Saudi Arabia	Documentary	Awarded: Apr 29, 2024	28 wildlife sites across Saudi Arabia	~200 days filming	Produced by Konoz Initiative (Ministry of Media & NCW); ~50 crew; Saudi-led team documenting national biodiversity.
Hobal	Drama	Theatrical release: Early 2024	Bedouin regions (Gulf)	~6–12 months (typical feature cycle)	Directed by Abdulaziz Alshlahi; national cast; financed by General Entertainment Authority (GEA).
My Driver and I	Drama	Festival debut: Ithra 2025; wide release later in 2024	Jeddah	Several months (production)	Directed by Ahd Kamel; explores gender, class, and trust; produced under national initiatives; award-winning at Red Sea International Film Festival.
Madina: The Enlightened City	Documentary	Premiered: DOC NYC (Nov 2024); Berlinale (Feb 2025)	Medina	Several months (archival & location prep)	Academic documentary on Medina's religious heritage; aerial cinematography; produced in Saudi Arabia.
Yalla Parkour	Documentary	Premiered: DOC NYC (Nov 2024); Berlinale (Feb 2025)	Gaza	Flexible shoot timeline	Directed by Areeb Zuaiter; co-production (Sweden–Qatar–Saudi–Palestine); Grand Jury Prize winner at DOC NYC.
Hajjan	Drama	Premiered: TIFF 2023; theatrical release in 2024	Saudi desert regions	Production span: 2023–2024	Directed by Abu Bakr Shawky; produced by Ithra & Saudi Film Commission; selected for TIFF and earned international acclaim.

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* Data in figures 1 and 2 are based on Euromonitor estimates from desk research and trade interviews in Saudi Arabia conducted in August 2024.

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