

Outlook 2026

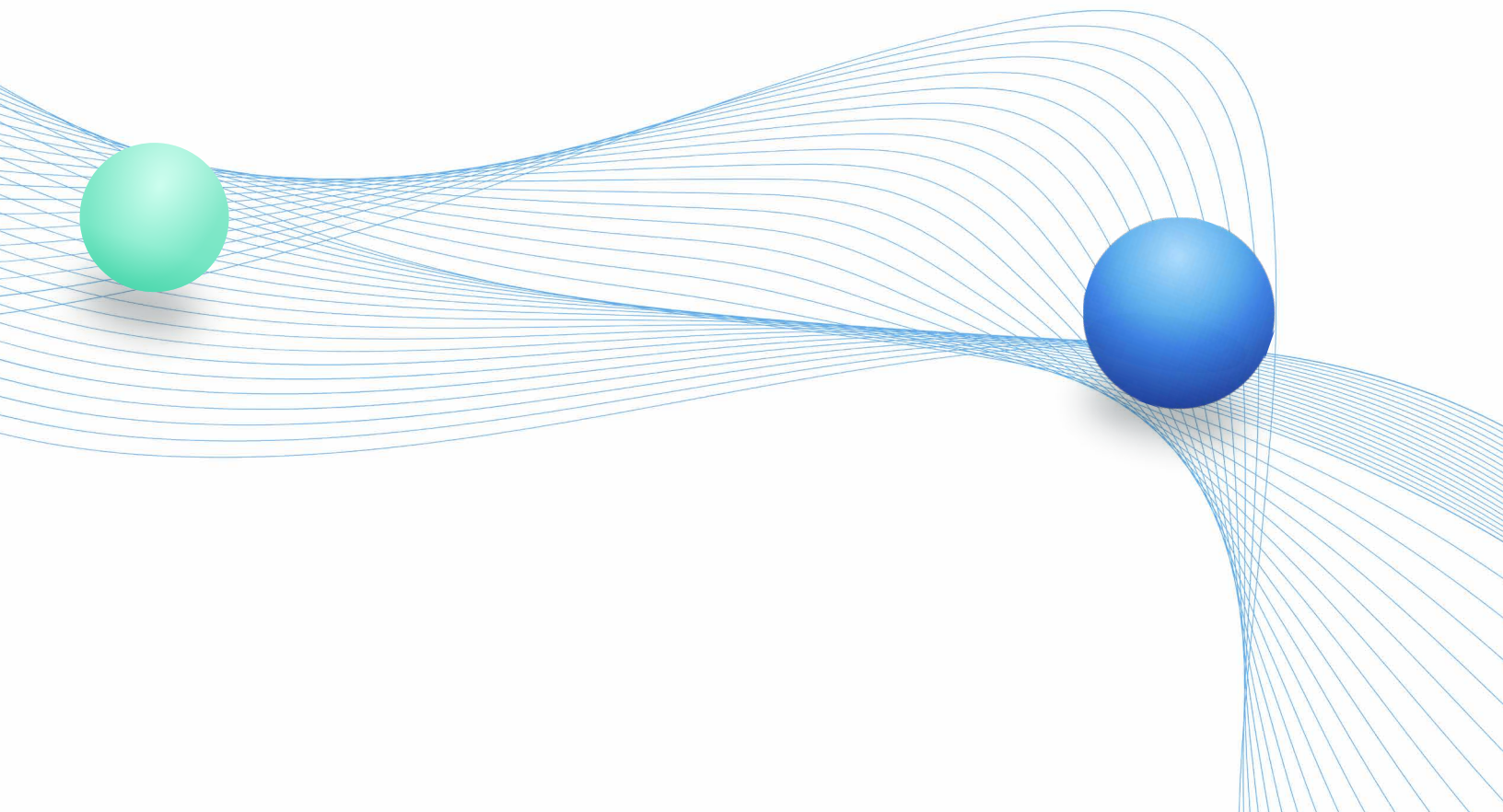
Entertainment & Sports

A focus on risk maturity and employee vitality will garner rave reviews.



What to Expect in 2026

Revenues will continue their upward trajectory as fans are expected to flock to live events in 2026, but cost pressures keep mounting. Film and TV face shifting delivery models, while rising costs, persistent labor shortages, extreme weather and event cancellations are also straining profitability and resiliency. However, opportunities exist for organizations to gain a competitive edge if they lead with data-driven strategies that improve risk maturity.



Profitability

Rain checks and rate hikes will test profitability, but forward-thinking operations will prosper.

Strong demand for live events will continue to fuel revenue growth in 2026. The live events market is on track to reach projected revenues of \$466 billion in the U.S. for 2025, with entertainment accounting for more than one-third of the total.

Forecasters predict live events revenue will experience a 4.9% compound annual growth rate through 2032, reaching \$652 billion.¹ New trends and technologies, such as niche festivals, virtual reality and augmented reality, will contribute to revenue growth by enhancing the concert experience.²

Worldwide, global entertainment and sports revenues are expected to reach \$3.5 trillion by 2029.³

The industry should feel optimistic, though it needs to be prepared for economic uncertainty and rising costs that could challenge profitability. As ticket prices climb, consumers are likely to reduce their discretionary entertainment spending. In addition, the cost of producing live events keeps rising due to labor shortages, escalating security requirements and elaborate staging and high-tech equipment for shows.

Across entertainment and sports, insurance costs — particularly cancellation and excess liability — will continue to increase, adding another layer of financial strain. At the same time, other sources of revenue, such as municipal grants and corporate sponsorships, are shrinking. The combination of rising expenses and weaker funding sources has caused event cancellations.

Extreme weather has compounded these challenges, forcing major tours and music festivals to cancel in 2025, including the Steve Miller Band, which cited extreme weather risks as the reason for the cancellation.⁴ Some fans are reluctant to attend outdoor shows as well, due to an increasing number of extreme weather events.⁵

Meanwhile, cord-cutting continues to erode traditional revenue streams for television and film, reshaping delivery models. Production remains vulnerable to higher costs and labor strife, and more production is expected to move overseas in search of savings.

Strategic thinking on costs, revenue generation and risk management will lead to new opportunities.

According to HUB International's 2026 Profitability & Resiliency Executive Survey,⁶ 89% of organizations in the lifestyle and experience sector (which includes entertainment companies and sports operations) say that rising operating and labor costs will affect profits in 2026, but only 54% feel confident in mitigating that risk.

Within these challenges lies the ability to overcome such obstacles to achieve profitability. Thinking strategically on production costs, revenue sourcing and risk management will help entertainment and sports operations open more opportunities. And it's important to consult with an experienced broker who can identify creative and effective paths to cost savings and risk financing strategies in 2026.

1. Coherent Market Insights, "[U.S. Live Events Market Size and Forecast — 2025-2032](#)," March 24, 2025.
2. Beatnickel, "[Is Live Music Dying? Trends in the Concert Industry](#)," February 2, 2025.
3. PwC, "[Perspectives from the Global Entertainment & Media Outlook 2025-2029](#)," July 24, 2025.
4. CNN, "[Steve Miller Band says extreme weather is so dangerous it's canceling its tour](#)," July 18, 2025.
5. Hypebot, "[Climate Change Impact on Festivals: Fan Hesitation](#)," May 8, 2025.
6. The HUB International 2026 Profitability & Resiliency Executive Survey polled 350 industry leaders and executives across North America on the issues facing them on profitability and resilience.

Vitality

An organization-specific benefits strategy will help address labor shortages and employee stress.

The demand for skilled workers continues to exceed supply, leaving the industry struggling to fill essential roles in 2026. This shortage will not only drive up labor costs but also undermine confidence in organizers' ability to execute on contracts and large-scale productions.

The skilled labor deficit is so acute that some sectors, particularly film and live events, have seen an increase in workers' compensation claims, which industry observers attribute to a shortage of skilled hands and institutional knowledge.

At the same time, limited career pathways, scarce mentoring opportunities and fewer entry-level roles will restrict new talent pipelines. Rising salaries have not solved the problem and have instead added to operating costs.

Yet there are ways to improve employee vitality, particularly for entertainment and sports companies that leverage benefits for recruiting and retention. According to [HUB International's 2025 U.S. Workforce Vitality Gap Index](#), nearly three-quarters of employees say a comprehensive, personalized benefits program would increase the likelihood of staying with their current organization.

Mental health remains the most pressing wellbeing challenge in the industry: Long hours, stress, extended travel, erratic schedules and inconsistent pay affect mental health and accelerate burnout. While unionized film and TV crews receive benefits, the live events sector remains highly fragmented and not unionized, as most employees are part-time and contract workers with no fixed employer.

*Rising salaries alone cannot solve a talent shortage caused by **limited opportunities and career pathways**.*

Organizations that provide access to mental health resources, crisis support and fatigue management programs will have a pronounced advantage in recruiting, retention and long-term productivity.

Brokers with the right expertise and tools, such as [HUB Workforce Persona Analysis™](#), can add value by helping industry leaders design benefits strategies, wellbeing programs and risk management practices that support retention while reinforcing safety and performance.

Resiliency

To stay resilient in 2026, the industry will shine a spotlight on risk maturity.

Resiliency will remain a major challenge for the entertainment and sports industry in 2026, as severe weather, performer liability, safety issues and insurance hurdles will converge.

These challenges present organizations with an opportunity to improve their risk maturity and resiliency, which is not just an organization's ability to stay afloat but its ability to anticipate, adapt and recover quickly from risks.

Insurers are closely scrutinizing contracts, risk transfer provisions and safety preparations before offering coverage. General liability coverage could rise as much as 15% in 2026. Underwriters are focused on exposures for public liability, premises liability, violence and concentration of attendees.

This rate pressure is expected to spill over into umbrella and excess liability insurance, where concerns about commercial automotive, general liability and liquor liability could increase premiums up to 20%.

Smaller venue operators will face heightened scrutiny as underwriters demand evidence of risk management rigor.

Weather-driven losses remain a critical concern. The cost of cancellation coverage — already one of the largest insurance expenses for the industry — may not rise much in 2026, but general weather conditions, geographies and coverage terms and options will affect rates.

Entertainment and sports operations also may see higher premiums for catastrophe (CAT) coverage. While underwriters are cautious when insuring properties for hail and convective storms, there's capacity. However, many carriers are excluding entire

counties based on elevated wildfire risk scores, making capacity for this peril increasingly scarce. Named storm exclusions are more frequently being applied at renewal.

*Underwriters are closely scrutinizing risk — and **general liability premiums could rise 15%, while excess liability could increase as much as 20%.***

Outdoor events must account for high-probability threats like wind and lightning. Evacuation routes, shelter-in-place protocols and real-time meteorology are now considered table stakes in planning. Organizers that can document decision-making protocols and show evidence of [emergency response plans](#) are more likely to secure coverage on favorable terms.

To stay insurable, companies must prioritize [enterprise risk management \(ERM\)](#), which leads to a strong culture of safety, security and training, as well as advanced risk maturity.

Weather protocols should be explicitly tied to policy language, layered liability structures and cyber readiness validated through tabletop exercises and vendor oversight.

Organizations that work with an experienced broker can tell underwriters a clear, data-driven story, backed by minimal claims, analytics and strong governance will stand out as best-in-class risks, improve risk maturity and secure the coverage they need to thrive in 2026.

Resiliency

Case Study

The BeachLife Festival, a three-day live music event, was exposed to unnecessary risk due to a fragmented and inadequate insurance program. BeachLife consolidated its broker relationships with HUB and developed protocols to reduce risk. The improved risk profile meant fewer expected claims and the possibility of lower rates, positioning BeachLife for sustained growth and stability.

Preparedness

Proper preparation will help the industry combat increasing risks.

In addition to erratic and unpredictable weather, entertainment and sports operations in 2026 will need to prepare for risks like cybercrime and litigation, both of which are getting harder to combat.

The number of nuclear jury verdicts — those that surpass \$10 million or more — is increasing across industries.⁷ Entertainment was the second-hardest hit industry, with \$4.7 billion in jury awards, behind the beverage industry at \$8.5 billion.⁸

The sector can respond to the threat of high jury awards by evaluating and responding to the inherent risks of putting on events. For instance, a single lapse in weather preparedness, security planning, crowd control or on-set safety can result in large losses.

Preparedness must therefore extend beyond traditional event safety. Strategies that include advanced weather modeling, rigorous crowd management and thorough background checks have become essential tools to reduce risks that can balloon into nuclear verdicts.

The threat of cybercrime to entertainment and sports operations remains high as the industry is a favorite target for its valuable intellectual property, fan data, financial information and high-profile clients.⁹ The financial impact is growing: In 2025, the average cost of a data breach for entertainment companies rose to \$4.4 million, up from \$4.1 million in 2024.¹⁰

At the same time, cyber exposures have intensified reputational risk. The 2024 Ticketmaster breach highlighted the high stakes of compromised ticketing and customer information. The fallout continued when a ransomware group tried to resell the stolen data a year later.¹¹

Fortunately, there are clear paths to improvement. As more than 40% of ransomware incidents in the entertainment sector have been traced to inadequate

cyber protections,¹² there are plenty of places to enhance risk maturity.

A data breach in the entertainment industry cost an average of \$4.4 million in 2025.

It starts with strong cyber defenses — including multi-factor authentication (MFA), endpoint detection, vendor oversight and real-time monitoring. These defenses, along with rigorous employee training to combat social engineering scams, can help mitigate cyber risk.

By integrating operational readiness with financial protection, entertainment and sports organizations can safeguard both their bottom line and their brand, ensuring that when the unexpected occurs, they remain protected.

Given the stakes involved, working with an experienced broker is essential in combatting these threats. A broker with the right expertise can help entertainment and sports companies incorporate cutting-edge technologies, advanced ERM and thoughtful planning strategies to battle the risks that will emerge in the future.

7. Insurance Journal, "[Corporate Nuclear Verdicts Surged to New Record High in 2024, Report Says](#)," May 22, 2025.
8. Risk & Insurance, "[Nuclear Verdicts Skyrocket: Corporate Lawsuit Awards Surge 116% to \\$31.3 Billion in 2024](#)," May 28, 2025
9. Hosting Journalist, "[Top Tech Trends for 2025 by Gartner](#)," April 24, 2025.
10. IBM, "[Cost of a Data Breach Report 2025](#)," accessed September 23, 2025.
11. DataBreach, "[Is Ticketmaster's 2024 Mega-Breach Now on the Cyber-Crime Resale Rack?](#)" June 9, 2025.
12. Sophos, "[The State of Ransomware 2025](#)," accessed September 18, 2025

Moving Your Organization Forward

HUB entertainment and sports industry insurance, risk management and employee benefits specialists will work with you to develop a tailored strategy to protect your bottom line, support the vitality of your workforce and build resiliency for 2026. Here are some initial considerations:

Accelerate your risk maturity.

1

Risks in entertainment and sports have increased — and so have insurance premiums. Consider taking a higher deductible on some coverages, which reduces premiums and improves experience rating, or think about alternative risk transfer vehicles to lower costs. Ask your broker what kind of insurance strategy meets your risk profile and budget.

Increase engagement through benefits.

2

Employees expect you to support their health, safety and wellbeing. A benefits strategy based on personalization and fostering [quality employee experiences \(QEX\)](#) will boost engagement, recruiting and retention and lower risk.

Understand your loss trends.

3

Understand the root cause of your large losses and explain to carriers what you're doing to prevent future losses. Develop a strategy with HUB to determine the best time and frequency to review alternative markets.

Be transparent with your broker.

4

Let your broker know what changes you've made to the business, so there are no surprises at renewal. Review exposures and insurance needs at least 90 days prior to policy renewal, so your broker can identify the best options.

Entertainment & Sports Rate Guide — U.S.

HUB International's rate guidance comprises an analysis of proprietary national survey data and interviews with HUB commercial insurance brokers and risk services consultants who specialize in the entertainment and sports industry.

On average, rates for middle- to upper-middle-market companies are experiencing rate increases for nearly all coverages as carriers need additional premium to support increased losses and expenses. Below are projections of rate increases that we anticipate in 2026. It's important to discuss your business' exposure with your insurance broker and understand what to expect well in advance of your next renewal.

Coverage	2026 Entertainment & Sports Rate Guide	Insights
Commercial Auto	+5% to +25%	<p>Insurers are paying closer attention to where risks are located, particularly in areas known for frequent or costly lawsuits. Organizations with vehicles concentrated in these regions are likely to see higher premiums.</p> <p>Auto losses are becoming more expensive across the board. Claim values are rising at every level, driven by several factors:</p> <ul style="list-style-type: none">○ More frequent lawsuits○ Escalating legal defense and settlement costs○ An increase in nuclear verdicts with exceptionally large jury awards <p>There is also waning interest among insurers in covering large tours. In the sports world, underwriters are taking a closer look at driver histories and often steering clear of accounts with recent violations.</p> <p>For vehicles that are rented, borrowed or otherwise not owned by the organization, insurers are asking for stronger safety and risk management procedures before offering coverage. Many are also requiring higher liability limits — and, in some cases, no longer providing coverage for vehicle damage, focusing instead solely on liability protection.</p>
General Liability	Flat to +15%	<p>The general liability (GL) market will remain challenging in 2026, with stringent underwriting guidelines tailored to individual risks for both music festivals and tours. Insurers are focused on exposures for public liability, premises liability, violence and concentration of guests or attendees.</p> <p>Retentions are increasing on facilities, with liquor exposure typically capping at \$1 million. Entertainment and sports operations should expect sublimits for assault and battery coverage.</p> <p>Participant exclusions in the sports sector will continue to be commonplace. Many carriers have added medical warranty endorsements or higher deductibles.</p>

Entertainment & Sports Rate Guide – U.S.

Coverage	2026 Entertainment & Sports Rate Guide	Insights
Workers Compensation	Flat to +8%	<p>After several years of consistent rate declines, many insurers will seek modest rate increases for renewals with no loss history.</p> <p>While claims frequency industry-wide continues to decline, severity is increasing, driven in part by an aging workforce with more complex, co-morbid health conditions.</p> <p>Underwriters will view timely reporting of claims as a predictor of claims management.</p>
Umbrella and Excess Liability	+5% to +20%	<p>Rate pressure is expected to continue, driven primarily by severity concerns related to auto, GL and liquor liability.</p> <p>Insurers are expected to remain cautious and continue managing their exposure by reducing the size of limits offered on each layer. This approach often requires organizations to stack multiple excess policies to achieve the same total coverage, driving up overall program costs. Capacity for lead layers remains limited, and pricing will vary depending on an insurer's position within the coverage tower.</p> <p>For sports facility risks, rates have moderated, and best-in-class insureds will see slight reductions.</p>
General Liability and Excess Liability – National Governing Body and Athletic Associations	+5% to +25%	<p>While typically purchased as a contractual requirement, capacity has tightened. Expect warranties for assault and battery and mandated waivers, depending on the state.</p> <p>For excess liability, insureds should expect higher minimum premiums. Stringent guidelines and shrinking limits persist for exposure to sexual abuse and molestation, concussion, chronic traumatic encephalopathy (CTE) and traumatic brain injury (TBI).</p>
Commercial Property	+5% to +25%	<p>Record-setting natural catastrophes marked the first quarter of 2025, largely driven by California wildfires and severe convective storms, but improved weather moderated losses in the second quarter. If the 2025 named wind season concludes with only moderate damage, property rates are expected to ease in 2026, particularly for non-CAT and well-engineered risks.</p> <p>Underwriters are also expected to tighten terms, adding more cosmetic roof exclusions and requiring pre-inspection reports before binding coverage.</p>
Catastrophic Perils	+5% to +25%	<p>While underwriters have remained cautious regarding exposure to hail and convective storms, overall capacity is likely to remain adequate. However, wildfire coverage will present challenges, as many carriers are excluding entire counties based on elevated wildfire risk scores. Insurers will apply named storm exclusions frequently at renewal.</p>

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Management Liability	Flat to +5%	As the soft market in management liability coverage has persisted for longer than expected — and with several carriers either reducing capacity or exiting the market — premium decreases will plateau. Clients with no changes in exposure and lacking claims activity can expect flat renewals to single-digit increases.		
		Artificial intelligence-related exposures are under increased scrutiny, and there are rising concerns about how AI is affecting work, employment and risk governance. The cost of employment practices liability (EPL) insurance could rise significantly, driven by inflation and the rise of nuclear verdicts, particularly in cases involving wage and hour disputes.		
Cyber	Flat to +5%	The frequency of ransomware and social engineering claims remained elevated in 2025, continuing the trend of persistent cyberthreats despite improved risk control conditions among many insureds. In addition to ransomware and social engineering, dependent business interruption is a growing focus area, especially following large-scale third-party outages (e.g., Change Healthcare, CrowdStrike in 2024). The use of AI by cybercriminals is enabling more credible phishing attacks that include mimicking company executives to manipulate employees to initiate fraudulent wire transfers. The cyber market is more disciplined and better capitalized now than it was at the height of the ransomware surge several years ago. Expect a lengthy application process, with underwriters scanning for vulnerabilities. For risks with promotional sweepstakes, there is pushback for indemnity.		
		Event Cancellation, Contingency and Non-Appearance	Flat to +5%	Pricing will continue to vary widely based on individual risk characteristics. Geographic location, venue type and seasonal weather patterns remain primary rate drivers, with events exposed to severe weather or natural catastrophe zones facing higher premiums and stricter underwriting. Coverage structure and optional extensions — such as adverse weather buy-backs — also influence pricing and capacity availability.
		Production and Film Package	Flat to +5% Less than \$5 million budget	With an increasing number of film productions taking place overseas, international exposure continues to rise. Regardless of budget or scale, underwriters are applying heightened scrutiny to risk management and safety protocols, emphasizing robust planning, local compliance and on-site controls.
+10% to 25% \$5 million budget or more	Productions that demonstrate comprehensive safety documentation, vetted vendors and proactive local risk assessments are more likely to secure favorable terms and smoother placements.			

Entertainment & Sports Rate Guide – U.S.

Coverage	2026 Entertainment & Sports Rate Guide	Insights
Media Errors and Omissions	Flat to +10%	Capacity for media E&O coverage remains limited, with underwriters deploying capacity selectively and maintaining a cautious approach.
Excess Accident and Medical	Flat to +10%	Depending on the jurisdiction, coverage may be mandatory, prompting underwriters to remain cautious in their approach. While available limits are expected to remain stable, rising deductibles are being used to manage increasing claim frequency and severity.

NOTE: *Rate* is typically defined as the amount of money necessary to cover losses and expenses while providing an insurance company with a profit for a unit of exposure. *Exposure* refers to a business' or an individual's susceptibility to various risks encountered daily. Carriers evaluate the level of risk an insured faces in calculating insurance premiums.

HUB Entertainment & Sports

When you partner with us, you're at the center of a vast network of experts who will help you reach your goals. For more information on how to manage your insurance costs, reduce your risk and take care of your employees, talk to a HUB Entertainment & Sports insurance specialist.

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