

From Policy to Paradox: Diversity Washing, Policy Failures, and the Limits of Authentic Intersectional Pleasure in the European Video Game Industry

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ABSTRACT

This extended abstract presents consolidated, mixed-method results from Work Package 3 (WP3: Game Industry Ecosystem) of the Horizon Europe GAMEHEARTS project (Grant Agreement No. 101132543). The project aims to maximise the economic, social, and cultural value of the European Video Game Industry Ecosystem (EVGIE) through structured collaboration with the Culture and Creative Industries (CCI). Our goal is to critically examine the systemic failure of inclusiveness in contemporary game design. We argue that the weak institutional framework and prevailing political and organisational mechanisms foster superficial compliance, commonly referred to as „Diversity Washing”. Qualitative data analysis also reveals that practitioners perceive this practice as a manifestation of "artificially imposed" and overly formalised inclusivity, whose primary goal is to meet financial and reporting requirements rather than foster authentic, grassroots creativity. This instrumentalisation of inclusive goals limits the possibility of achieving true intersectional pleasure in game design, while simultaneously perpetuating the industry's image as "low culture" (which it has labelled „Profanum”). Realising progressive values requires not only declarative support but also big and lasting structural changes that enable authentic, rather than formally imposed, inclusivity.

Keywords

GameHearts Project, Diversity Washing, Policy Failures, Authentic Intersectional Pleasure, EVGI

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INTRODUCTION

This extended summary presents consolidated, mixed-method results from Work Package 3 (WP3: Game Industry Ecosystem) of the Horizon Europe GAMEHEARTS project. The project aims to maximise the economic, social, and cultural value of the European Video Game Industry Ecosystem (EVGIE) through collaboration with the Cultural and Creative Industries (CCI). The findings are drawn from the foundational deliverables (D3.1 State-of-the-Art Report 1, D3.2 - DTthons Summary, and D3.3 Report & Recommendations for VGD), which collectively document the outcome of an 18-month, multi-stage design. While the deliverables encompass a complete quantitative study of co-innovation relationships among VGD (Video Game Developers), validation of measurement scales for organisational innovativeness, and the complete diagnostic 4E model of collaboration (Establishment, Execution, Ending, and Endorsement), this selection focuses on socio-cultural critique. We argue that the weak institutional framework fosters superficial compliance, identified as "Diversity Washing". This practice limits the achievement of true intersectional pleasures and reinforces the industry's marginalisation as "low culture," termed "Profanum". Realising progressive values requires profound, lasting structural changes, as outdated legal regulations and excessive bureaucracy hinder the sector's progress.

METHODOLOGY

The study employed a rigorous, multi-stage, mixed sequential-simultaneous research design, conducted over 18 months. The methodology included triangulation of diverse data:

1. SLR & Case Study: A Systematic Literature Review (SLR) of 61 academic publications and analysis of 55 industry reports and 18 statistical reports. The analysis included nine comparative case studies of video games known for their extensive incorporation of European cultural heritage into gameplay or worldbuilding. The SLR included works published between 2003 and 2024, with a focus on industry reports published between 2020 and 2024.
2. Quantitative Survey: A large-scale survey of 1270 European VGD. Data were collected in July and October 2024. The research tool was a 7-point Likert-type, symmetric-scale questionnaire.
3. IDIs: in-depth semi-structured interviews, which included both face-to-face (onsite) and virtual conversations via MS Teams with representatives of EVGIE and CCI. A total of 27 interviews were conducted, comprising 15 (including one micro-group of four participants) with EVGIE and 12 with CCI. Interviews (with both EVGIE and CCI) were conducted from July to December 2024 (with one exception in April 2025, as an additional informant was recommended by participants of the DTthon in March 2025).
4. DTthons (design thinking marathons): three national (Wroclaw, Warsaw, Katowice) and one international (organised in Wroclaw) event. 3-day intensive format. A total of 12 working teams, comprising 72 participants, took part in the DTthon series. The

participant composition included video game developers, broader EVGIE, CCI, sports organisations, academia, and policy-making or lobbying bodies.

5. FGIs: Focus Group Interviews. 8 practitioners representing organisations headquartered in four European countries: Austria, Ireland, Sweden, and Poland. The interviews took place in June 2025, based on a semi-structured scenario.

FINDINGS

The qualitative research conducted (IDIs and FGIs) and discussions (DTthons) revealed key findings that illustrate structural gaps in the processes, policies, and structures of games within the VGI-CCI collaboration.

First, our research demonstrates the complexity of the challenges faced by the video games industry at both the national and European levels. While support programs, development programs, and grants effectively support newly established studios and prototypes, the functioning of various entities in this industry (both small and large) is often hindered by outdated legal regulations, unclear sector definitions, or excessive bureaucracy. Furthermore, despite its growing importance, the video game industry faces significant barriers (e.g., rapid returns on investment are expected, while the game development process is lengthy and high-risk).

Second, we found that the financial aspect is also viewed from a broader external perspective, which is reflected in the perception of games as commercial products rather than as artistic and cultural heritage. While games have a positive impact and can serve as a vehicle for conveying values, attitudes, or practices, their evaluation can undermine their potential. It is often perceived as "low culture" (less prestigious). We have termed this phenomenon "PROFANUM".

Third, we have observed that "artificial inclusivity" is a must-have for securing financing or obtaining credit. Therefore, in comparison to greenwashing, we call it "DIVERSITY WASHING". Although it is widely recognised that inclusivity plays a key role in changing the characteristics of the EVGIE industry itself, and gaming in particular, in some respects, it can be perceived as limiting. It turns out that excessive and unnatural imposition of inclusivity in games, driven by both formal pressures and more informal tensions, can become a burden, leading to negative impressions and even exhaustion for players and stakeholders (including potential partners).

CONCLUSION

The research reveals the complexity of the structural and institutional challenges facing the video games sector at the national and European levels. Although numerous support programs and grant initiatives foster development, the industry operates under conditions limited by outdated legal regulations, imprecise sector definitions, and excessive bureaucracy. This situation points to the need to redefine the legal and institutional framework to enable more effective support for both smaller and larger entities.

The analysis also revealed a dominant tendency to perceive games as commercial products, rather than as artistic phenomena or components of cultural heritage. This approach limits the ability to fully utilise games' potential as vehicles for cultural ideas,

attitudes, and practices. Consequently, it perpetuates their marginalisation under the term "PROFANUM" – a "low culture" and less prestigious culture.

These cultural and institutional dynamics also intersect with employment conditions within the sector. Video game development typically operates through project-based production cycles characterised by funding uncertainty, short-term contracts, and uneven access to career stability. Such structural precarity may disproportionately affect marginalised creators and smaller studios, which helps explain why formally promoted inclusivity does not always translate into deeper organisational or ecosystem-level change.

In turn, the phenomenon of "DIVERSITY WASHING" reveals the paradoxes of institutionalising inclusivity. While the concept of diversity is an undisputed element of social and structural change, its formal enforcement in industry practices often leads to superficial actions and a loss of authentic creative dimension. As a result, artificially imposed inclusivity can lead to frustration, fatigue, and reduced engagement among both creators and audiences, ultimately weakening collaboration and hindering innovation in the sector.

These conclusions underscore the need to introduce more sustainable and reflective systemic solutions that will enable genuine support for diversity, recognise games as legitimate cultural artefacts, and strengthen inclusivity grounded in authentic values and the participation of the creative community.

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DISCLAIMER

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