

# Evolving Immersive:

The 2025 Immersive Industry Report

**Gensler** RESEARCH INSTITUTE



**Noah Nelson**  
Immersive Experience Institute  
Editor



### **The Last Fifteen Years, And The Next Fifteen Years.**

The arrival of Punchdrunk's *Sleep No More* in New York City in March 2011 soon kicked off a global interest in immersive theatre. However, immersive theatre, as a performing arts format, had been around for generations, tracing its roots through productions like Richard Schechner's *Dionysus in '69* (1968), John Krizanc's *Tamara* (1981), Robert Wilson's *H.G.* (1995), Gale Gates' *Field of Mars* (1997), and Shunt's *Dance Bear Dance* (2003). The form can also trace its lineage back to the works of the Fluxus art movement while also drawing on the themed entertainment tradition which coalesced with the 1955 opening of Disneyland.

In a parallel development, the escape game format, heavily influenced by point-and-click games like Toshimitsu Takagi's "Crimson Room," was pioneered in Kyoto, Japan in 2007 by the company SCRAP. These "real life" escapes began to take off in Eastern Europe, Australia, and Singapore in 2011. By 2014, dozens of rooms had opened across the United States, including major players still in the market today. That format can also trace its own roots back to game shows like "The Crystal Maze" and adventure games of the 1990's like "Myst."

Nearly simultaneously, in August of 2012, a crowdfunding campaign for the Oculus Rift's DK1 created a rush to develop virtual and augmented reality technology. Developers would in turn rely upon many of the techniques and tropes of immersive theatre, escape games, and themed entertainment for the content

## Editor's Preface, cont.

released on the various platforms which now make up the extended reality (virtual, augmented, and mixed reality) ecosystem.

Meanwhile, those who were already fans of and creators of alternate reality games and live action roleplaying games — each with their own long histories — began to see the connections between all of these formats and more.

This convergence of developments, and the cross-pollination of the creative scenes from extended reality, escape games, immersive theatre, themed entertainment, and beyond, have led us to the point we are in today where immersive projects often defy classification, all while sharing shockingly similar DNA.

This Report, which follows upon the work established in the 2019 & 2020 Immersive Industry Reports we have previously published, is intended as a reintroduction of what the Immersive Experience industry is and where it is headed. Readers of the previous reports should consider this a reboot of the series. Our aim is to demystify and clarify the field, offering new rubrics for classification, as well as illustrating the lessons learned and the trends that have developed since the pandemic lockdowns of 2020 fundamentally reshaped the world.

While the signature projects of the past decade and a half have either ended or are entering a new phase of their lifecycle, 2025 is set to be a seminal year for the field. Whether it is the expansion of Las Vegas' AREA15, or the opening of Universal's Epic Universe in Orlando, the arrival of *Sleep No More* in Seoul, or the proliferation of touring productions across North America's network of

## Editor's Preface, cont.

performing arts centers, immersive works as both industry and artistic movement have been cemented into the public's consciousness.

But to build what comes next, and understand where we should go, we must begin to understand where we are and where we have been. To that end, the Report that follows will provide those new to the field, as well as those who have been creating and producing for years, with a framework with which to better understand the breadth and depth of the industry, the global challenges it faces, and the opportunities which lay ahead. The first 7 sections of this report focus on providing this framework, while Section 08 "Practitioner, Commissioner, Craftsperson, and Audience Surveys" acts as a deep dive on materials collected from active members of the creative and audience communities for immersive works across its many forms. For those already in the field, this is the heart of the current Report.

We also plan to release future whitepapers and supplementary reports which will expand upon trends and themes explored in this Report.

### **Noah Nelson**

Co-Founder, Immersive Experience Institute

February 2025



# 01: Executive Summary

The immersive industry has exited childhood and entered a critical maturation phase, or, as some might call it, our “awkward teenage years.” The current era is characterized both by the refinement of creative approaches and an increasing focus on sustainable business practices with the ultimate goal of long-term growth and stability.

The current evolution in immersive art and entertainment reflects a sophisticated interplay between artistic innovation and commercial viability, revealing complex patterns in how the industry is adapting to meet the demands of the audience and the ever-present tensions between viewing immersive as “art” or “entertainment.”

With today’s audiences having been raised on TikTok, Twitch, and Fortnite, all platforms which take interaction as a given, interactive and immersive offerings demonstrate tremendous growth potential, enough to warrant careful analysis, especially as traditional formats show declining engagement over time.

## Market Evolution and Industry Dynamics

The global entertainment market as a whole exhibits clear audience demand shifts toward more engaging and more interactive experiences, manifesting across multiple sectors in ways that suggest fundamental changes in consumer behavior, especially with the lingering effects of COVID-19 lockdowns:

- Interactive games demonstrate rising popularity across both digital and physical markets, including both those who play them and those who watch those who play them
- Traditional theatre is adapting more towards immersive/interactive and site-specific productions as a way of reaching younger audiences who may not else attend

- Cultural institutions have begun meaningful integration of interactive components as a way of thinking outside-the-box and demonstrating uniqueness
- Commercial real estate development increasingly incorporates experiential anchors, such as the upcoming Netflix Houses
- Purpose-built entertainment districts like Area15 show promising growth patterns

## Key Strategic Observations

Over the last 15 or so years, the immersive industry has demonstrated resilience where independent artists and operators have successfully balanced creative ambitions with operational sustainability, often on a shoestring budget. However, significant gaps persist between real estate development expectations and available operational models, indicating potential areas for strategic innovation.

- Asymmetry between artistic vision, audience demand, and commercial scalability
- Limited replication of successful and scalable operational models (a template for others to follow)
- Moving from self-funding to a hybridization of funding approaches (for both creators and developers)
- Diversification beyond reliance on ticket sales toward multiple revenue streams
- Increased integration of multiple format elements within single experiences (such as an escape room with live actors, site-specific performance within an installation, etc.)

## Market Response

Audience behavior patterns uncover an increasing sophistication in the evaluation and selection of immersive experiences with audiences, holding

projects like *Sleep No More*, *Star Wars: Galactic Starcruiser*, and *The House of Eternal Return* as the immersive standard bearers. Our research indicates strong correlations between high quality offerings and audience willingness to travel, alongside a growing demand for transparency in marketing and clear value propositions. The data suggests a clear preference for experiences that offer meaningful interaction and emotional impact, moving beyond simple novelty and “selfie opportunities” toward more nuanced engagement models.

### Critical Industry Challenges

As the industry matures from “adolescence” into “adulthood,” its structural and operational challenges – of which there are many – come into sharp focus. The expectations of stakeholders across the ecosystem, from investors to landlords to audiences, reveal *persistent tensions* that may require a multi-faceted approach to solving. A “one-size-fits-all” approach may be inappropriate, given the sheer diversity of immersive creators and projects.

### Structural

- Significant mismatch between real estate developer expectations and available operational models
- Limited number of proven, replicable success cases
- Persistent gap between creative vision and commercial viability and market fit

### Operational

- Lack of marketing effectiveness or marketing as an afterthought
- Audience communication barriers, often choosing opaqueness over clarity
- Inconsistent quality control across different immersive offerings

- Resource constraints affecting production sustainability
- Misalignment of certain staff skillsets and creative expectations
- Challenges associated with customer service and ticketing platforms

### Growth Opportunities

While the global immersive industry faces headwinds and unknowns in the year 2025 and beyond, audiences have spoken: they want more immersive and they want it now.

The demand for immersive experiences demonstrates clear trajectories of growth. Our analysis reveals several key opportunity areas in market development:

- Rising interest from cultural institutions and real estate sectors
- Expanding potential for touring and seasonal productions
- Growing demand for immersive elements in traditional venues
- Potential for hybrid funding, operationalization, partnership, and multiple experience models to increase financial viability

### Future Trajectory & In Summation

The immersive industry stands at a compelling inflection point, and choices made by individual market actors now will determine what the next fifteen years of the industry looks like.

While challenges persist, particularly in the alignment of creative and commercial objectives, the potential for growth appears robust. Success in this evolving landscape appears contingent upon several key factors:



- Development of more sustainable business models
- Improved alignment between creative vision and operational requirements
- Enhanced focus on consistent quality delivery
- Innovation in funding approaches
- Strategic deployment of resources

Organizations capable of balancing creative ambition with operational sustainability, while maintaining high production values, appear best positioned for long-term success in this evolving market. Those who succeed will not only shape their own futures but help define the next chapter of how we experience story, space, and spectacle.

*This executive summary synthesizes findings from comprehensive industry research conducted between September 2024 and February 2025, including surveys of immersive practitioners, commissioners, craftspeople, and audience members across multiple countries.*

# 02: Overview of the Industry

The immersive industry is currently past its nascent stages and is moving into adolescence. Across a variety of platforms and models there is a refinement of craft, making more strategic work and approaching business more creatively, with a desire to create experiences and spaces that focus on building community. The field is searching for ways to strengthen its core values and practices, while finding new mechanisms to remain sustainable and grow and expand.

The zeitgeist of audience demand for immersive and interactive offerings is clear in an examination of macro trends in the overall entertainment industry.<sup>1</sup> **Entertainment is a robust and growing market, reaching nearly 3 trillion in USD globally in 2024.** This figure includes traditional broadcasting mediums but the growth areas are almost exclusively in new media and “engaging” offerings.

Traditional formats like news or publishing continue to shrink while interactive and immersive formats such as virtual reality and e-sports grow at double digit rates.<sup>2</sup>

## Live & In-Person

Similar trends can be seen in the live performance and in-person entertainment markets, as more people choose to leave their homes, go do

something, and spend money doing it. Granted, the devastating effects of COVID cannot be overstated. Depressions linger longer in some areas of Asia, and initial bounce backs followed by plateaus are prevalent in parts of Europe, but globally we are seeing a rise in terms of revenue, spend, and attendance.<sup>3</sup>

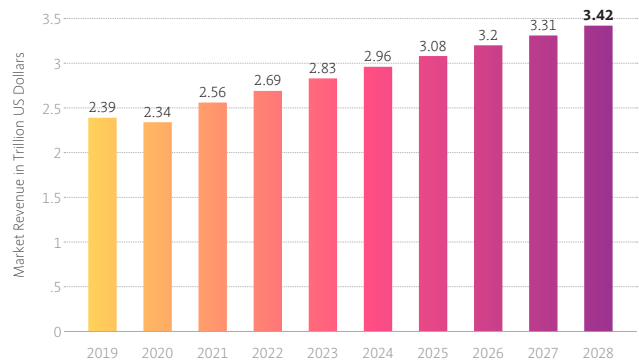
While this growth of in-person entertainment is encouraging, the majority of the trend is largely due to concerts, with some influence from live sporting events, and an overall rapid increase in ticket prices. Fans often cite the communal atmosphere, ephemerality of being in the moment, and the desire *to be there* that fuel their attendance and purchasing decisions. The providers of these offerings such as Live Nation, venue operators, and sports teams are, in turn, finding new ways to monetize this demand.

**Theatre, however, has struggled to regain footing across Broadway, non-profit theaters, and other forms of live performance theatre, with only the UK showing even marginal growth.<sup>4</sup>** And yet, the “immersive” trend appears to be a small glimmer of hope. While traditional theatre in almost every form is faltering, immersive/ interactive and site-specific theatre are quite notably on the rise, in terms of revenue, attendance, and demand.



Astra Lumina 2024, Promotional Photo Courtesy of Moment Factory

Value of the entertainment and media market worldwide from 2019 to 2028 (in trillion US dollars)



Source: Statista 2025



While these forms account for only a tiny percentage of the overall theatre market, the fact that immersive/interactive and site-specific theatre are growing means that they are helping to offset the declines seen across the broader market. Should they

continue to increase, site-specific and immersive/interactive productions could continue to take on an increasing role in the survival and growth strategies of many theatrical companies and venues.<sup>5</sup>

### Immersive In The Cultural Space

The cultural space also continues to lean into the world of immersive engagement as interactivity becomes nearly ubiquitous (as of 2021, the vast majority (78%+) of new museum exhibitions globally were planning to include interactive, digital, or multidisciplinary platform components).<sup>6</sup> Seeking to attract younger generations and find new methods of inviting guests to participate, museums are increasingly blurring the lines of education with entertainment. Immersive exhibitions can place the guest into an active role, engaging with a piece of history, art, or culture. This overlap between cultural institutions and entertainment is becoming so engrained that an independent survey of online adults in the United States found that when asked about their engagement with an “immersive activity,” museums were the most popular response, with a whopping 36% of respondents listing museums over other attractions, virtual reality games, and even live music events.<sup>7</sup>

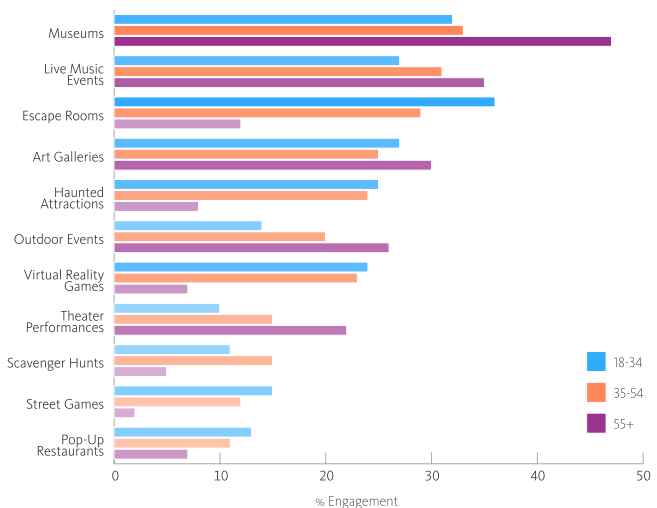
### Belonging & Access

Paramount amongst the core values of the field is the promise of immersive experiences to gather and connect, providing safe spaces to examine, explore

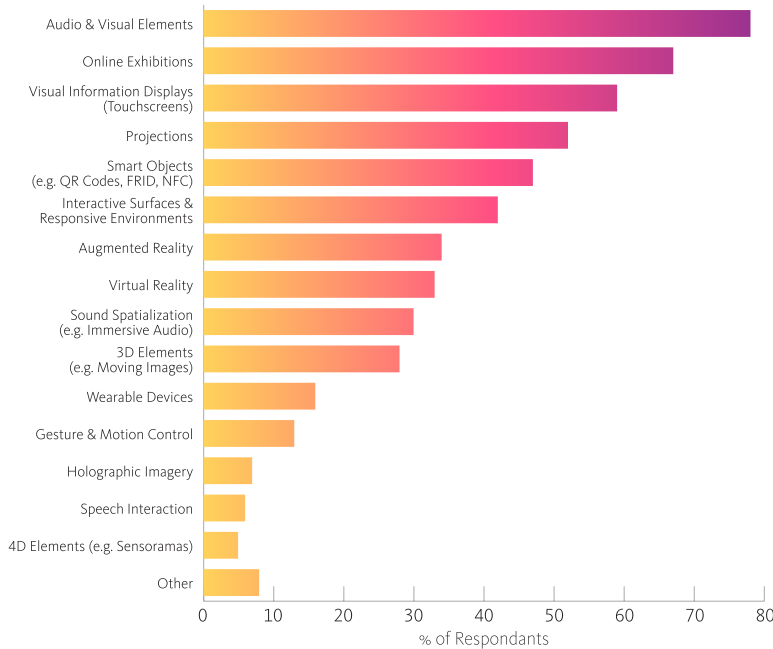
and strengthen community. According to Zach Morris, Co-Artistic Director at Third Rail, practitioners are “asking questions around what are the ways that we can create works that are community focused... where the focus is on is less so on telling a story or creating a piece of work, but instead actually creating, creating connections between the guests or the participants.”<sup>8</sup> Likewise, more mature and discerning audiences are asking questions about whose story was harnessed in the deployment of an experience and who gets to benefit from it.

As the industry seeks to grow, access to immersive experiences becomes ever more important with museums and cultural institutions finding success with experiences that appeal across multiple generations and creators finding new ways to provide a more inclusive experience for disabled and neurodiverse audiences. Another industry leader interviewed for this report acknowledged that “it sounds small, but that 3-5 percent who can’t go sometimes limits a whole group of 20 people. Families save up thousands of dollars to go to Disney and [if] one person in their group, can’t do half of the attractions...all 20 of them [decide] to stay out.”<sup>9</sup> Access can not only fuel and inspire the creative side but also make business sense for a market seeking to expand.

Engagement with immersive activities among adults in the United States as of December 2021, by age group



New technologies, tools, and digital formats for exhibitions planned to be implemented by museums worldwide as of May 2021



Source: Statista 2025

### The Commercial Market

In the for-profit space, immersive site-specific offerings are a rapidly evolving commercial world. Owner-operators such as theme parks, entertainment groupings (like Area15), or marquee immersive attractions (immersive observation decks, theatrical food and beverage, etc.) have so far seen more consistent results compared to the shorter-term leased offerings which pop in and out of underutilized commercial boxes. With an eye towards long term viability, those immersive offerings most often find success when surrounded by a critical mass of other related offerings to create the gravitational pull of being a “destination” and a strategy around regular refreshment is indicating investment in resiliency beyond one-offs.<sup>10</sup>

Local governments which target entertainment offerings and encourage immersive art such as London, Macau, Denver, and Frisco, Texas are increasingly becoming testing grounds for new formulations of business models, offering styles and new entrants into the market. Similarly, developers and owners experiencing a changing landscape between office, residential, and

commercial properties are seeking increasingly experimental methods of filling spaces and driving returns, which is generating increased interest in the immersive space.

The immersive industry is by no means mature, however. There is still a massive gap between the commercial expectations of most players in the real estate, development, commissioner, and operator worlds as well as the majority of the self-identified immersive creators. Most practitioners are looking to make immersive art that touches people, bringing them in and creating a sense of community, with returns as often a secondary or tertiary goal.

The vast majority of independent experiences are niche products, serving small audiences with limited runs and relatively low ticket prices (>\$100), while being bootstrapped or self-funded. Similarly, there are few examples of true scale in the market, either in terms of replication or touring models that make the necessary financial models appealing or even viable to others.<sup>11</sup> The risk profile is simply too great for most commercial players to enter yet.



## Summary

What does it all mean? As audience demand and expectation increases, there is opportunity. While audiences are getting more discerning, often citing experiences feeling thin when they're disappointed, they also crave more of them, both in volume and variety. **Indeed, perhaps the most encouraging statistics from this report are that most audience members say they were eager to attend more immersive experiences and a staggering “73% were willing to travel to experiences that piqued their interest; those who traveled frequently also reported a willingness to pay more for immersive experiences (presuming they are high quality).”** And of those interested in the space or “Immersive Curious” (primarily from the museum, development, and commercial worlds), 69.2% said they were planning for future immersive experiences in their budget. (see “Practitioners Survey” section for more information). If creators can continue to refine their models, knowing their audiences and tailoring location, run, duration, and formats while commissioners and commercial players can create resilient models that have long term viability, and all sides can find more ways to come together to explore the possibilities, it seems that the immersive industry will continue to grow.

# 03: Funding

When asked about the largest challenge in the immersive industry, Jeff Lessard of ASM Global did not hesitate:

"Capital is number 1, 2, and 3. It's exceedingly difficult to get capital. This is partially because of industry blowback coming out of the post-COVID boom. Boom and bust of projection mapping artist-based, bankruptcies, bad business practices. Landlords are skeptical."<sup>12</sup>

Despite this challenge (or perhaps because of it) the immersive entertainment industry exhibits remarkable diversity not only in its creative expressions but also in its funding approaches. While creative diversity strengthens the field, the wide variety of funding models can present challenges, particularly for for-profit ventures seeking investment. Financiers tend to favor predictability, yet immersive entertainment remains a hits-based business, subject to shifting audience tastes, industry trends, and larger macro-economic factors.

This emerging sector continues to experiment with various funding pathways as it matures. The following lists some of the various options for funding an immersive project.

## Self-Financing and Bootstrapping

**In 2023, 57% of surveyed immersive experience professionals reported relying on self-funding or personal investment as their primary funding source.**<sup>13</sup> Our findings from the Practitioners Survey (see section 08 of this Report) echo these findings, with the most common primary and secondary sources of funding including self-funding, revenue from other immersive work, and company/organization founders.

These strategies leverage credit cards, personal savings, and generational wealth, starting with

minimal capital investment and relying precariously on ticket sales to break even. Though riskier for entertainment ventures, certain projects can also secure funding through traditional bank loans or SBA programs.

Self-financing represents the most common entry point for independent artists and producers, who typically aim to:

- Break even on initial productions (or minimize losses)
- Generate enough revenue to sustain extended runs
- Eventually produce profit to fuel expansion

From our Practitioners Survey, we found that it is common for independent creators to struggle to break even when self-funding, sometimes choosing to not pay themselves in order to pay their cast/crew a fair wage. Others report that a successful immersive project is one where they did not have as severe a loss as the prior project as they generally expect to lose money.

The prevalence of self-funding can also account for the difficulties independent creators have in scaling and sustainability, as found in the distribution of ranges in the 2024 Gross Revenue section of the Commissioners/Presenters/Producers Survey.

---

## Case Study: Phantom Peak

The original London attraction, currently in its third year and operationally profitable with high margins, was established thanks to bootstrapping efforts of its founders Glen Hughes and Nick Moran. With the original park's success, the team is now seeking outside investment to expand their operations abroad.<sup>14</sup>

---



## Crowdfunding and Community Investment

A notable evolution in funding models has been the emergence of both crowdfunding and crowdinvesting approaches. Popular and effective, these methods have seen innovative growth, with platforms (Kickstarter, IndieGoGo, Patreon) and investment firms dedicated to their support.

However, crowdfunding works best for single, limited scope immersive projects with curious or already engaged fan bases, as well as those who are savvy about any individual platform's algorithms. These campaigns often offer early access or exclusive perks in exchange for funding, with geography playing a significant role in determining the pool of potential backers for location-based projects. Additionally, creators need to budget the time and resources to create and distribute any physical perks to backers from around the world, a process that can detract from the primary project itself.

Crowdinvesting is attractive to creators and audiences alike because it provides partial ownership of companies/organizations to backers, attracting funders to financial returns with a lower investment than needed with traditional VC models.

The key advantages of crowdfunding include:

- Building early community engagement
- Validating market interest
- Providing initial operating capital
- Creating brand ambassadors

However, the most ardent fans becoming financial stakeholders can be a double-edged sword. Audience members who "invest" in a crowdinvesting venture may not necessarily be the savviest of investors and understand whether they are receiving meaningful equity in a company.

For example, Secret Cinema turned to this method in 2021,<sup>15</sup> raising £4,708,021<sup>16</sup>, but was acquired by TodayTix in 2022,<sup>17</sup> leading to confusion among their prior backers about their investment. Because the Secret Cinema backer payouts were tied to individual production successes, and not the company as a whole, very little was returned to these investors from 2022-2024. This has led to many fans posting on social media about their disappointments with the company.<sup>18,19</sup>

---

### Case Study: And So Forth



A bottle detail from ANDSO FORTH's Absurdities in Singapore, Photo by Noah J Nelson

Initially relying on pre-sales for temporary experiences, And So Forth shifted to crowdinvesting for their most ambitious and longest running project, *Absurdities*. They offered 20 slots for 1% of the company at \$20,000 each and closed the round in two weeks, raising \$400,000 from

superfans. Beyond raising a large portion of the initial funding upfront, this approach had the added benefit of re-engaging and re-energizing their core fan base, making them feel included in the endeavor.

---

### Traditional Arts Funding

Traditional arts funding places value on the work itself from a cultural, as opposed to a financial,

standpoint. The expected return is a product that reflects the community's interest. In the United States, traditional arts funding through grants is under significant stress, as tax incentives for philanthropic giving to the arts has weakened. Across the pond, in the UK, the interactive theatre maker Coney has announced it would close in April 2025, primarily due to losing its bid to remain part of Arts Council England's National Portfolio in 2022.<sup>20</sup>

Many arts grants are geared towards specific formats/genres and thereby exclude immersive works. However, some immersive-friendly grants do remain available through local, state, and national arts councils, particularly if the organization is fiscally sponsored or already set up as a non-profit. The non-profit requirement may prove to be a significant barrier to smaller, less formally organized groups wishing to apply for grants. Additionally, organizations may not have existing expertise or resources to successfully research and apply for grants. Successful grant applications often do not result in large sums of money, though, for independent operators, any amount can and does help.

To compensate for the decline in funding, the subscription model has evolved to include memberships akin to Netflix, providing patrons with greater flexibility in exchange for their support.

---

### Case Study: Third Rail Projects

Known for works such as *Then She Fell*, Third Rail Projects has navigated traditional arts funding by leveraging a mix of grants, institutional partnerships, and memberships. The company has received support from organizations like the New York State Council on the Arts for the unique contributions their work makes to the community.<sup>21</sup>

---

### Commercial Investment

As the industry has matured and proven its value, venture capital and private equity investments have begun flowing into the sector, primarily targeting companies with proven concepts ready for market expansion. Funding sources include:

- **Private Investment:** Individual investors looking for high-risk, high-reward opportunities
- **Venture Capital:** Often reserved for scalable, repeatable experiences
- **Sovereign Wealth Funds:** Rare but possible for large-scale, globally appealing projects

---

### Case Study: Museum of Ice Cream

The Museum of Ice Cream, developed by Figure8, raised \$40 million in Series A funding in 2019, led by Elizabeth Street Ventures.<sup>21</sup> This capital allowed it to expand into new locations and evolve from a pop-up into a permanent experiential brand. The success of Museum of Ice Cream demonstrates how VC funding can enable immersive experiences to scale into sustainable, long-term operations.

---

### Marketing and Brand Activation Funding

A growing funding stream comes from marketing budgets of major entertainment and consumer brands. These typically manifest as:

- Pop-up experiences
- Brand activations
- IP-based installations
- Seasonal events

The ROI expectations for these projects center on brand awareness and engagement rather than direct ticket revenue, with brand experiences being viewed as more unique in comparison with traditional

advertising<sup>23</sup>. In some case, immersive experiences as marketing tools are changing the way that companies are measuring success.

**As noted by Michael Monello, Creative Director at Campfire:**

"I'm seeing a lot more... acknowledgement that an impression made in an experience is much, much more valuable and more important than an impression made by a banner ad. We're seeing brands use the fact that they're doing an activation as a communication to fans that they're serious about this IP. fans are starting to recognize, just from a pure marketing standpoint, that a show that gets that much love from the marketing team must have something to it." <sup>24</sup>

---

#### Case Study: Severance Pop-Up in Grand Central Terminal

As part of the promotional push for the second season of the Apple TV+'s series "Severance," a version of the show's set was staged inside a plexiglass cube inside Grand Central Station in New York City by the marketing firm Kamp Grizzly. Actors portrayed "severed" employees from the show's fictional corporation Lumon over a couple of days to the delight of curious commuters. The funding for this pop-up was part of the marketing budget of the streaming series, with success gauged by the impressions shared organically across social media.

---



Netflix's Squid Game: The Trials, Photo by Noah J Nelson

Building on this marketing-based funding model, media and entertainment companies have also begun to experiment in recent years with multi-IP experiences for regional markets. Netflix House, Sony's Wonderverse, and others are taking a page from themed entertainment, focusing on regional audiences and on shows that tour and rotate through these spaces. This model for investing in longer-term infrastructure and content meant to tour multiple locations has the advantage of more strategic real estate planning, control over venue, and a scalable way to keep content fresh. In addition to the funding advantages, grouping IPs together allows for cross-pollination of audiences and helps build parent brand loyalty. Formats range from longer-term location to more temporary multi-show experiences such as Paramount+'s "The Lodge."

#### Presenter & Commissioner Investment

For presenting venues, immersive experiences can provide an interesting way to diversify their portfolio of offerings for their community.

---

#### Case Study: Denver Center for the Performing Arts (DCPA), Off-Center

DCPA's Off-Center program made a strategic choice to focus on large-scale immersive work after



they did their first large-scale immersive theater experience, *Sweet & Lucky*, with Third Rail Projects in 2016. This continues to be an increasing focus today. Off-Center fits into a larger balanced portfolio of work being presented by DCPA – from touring Broadway shows to a kid’s education program to an event space. While some aspects of the business might provide profit, the immersive work that Off-Center is putting on is attracting a large number of new audiences. “Almost 40-50% of our [Off-Center’s] audiences are new to file, which is a much higher percentage than our other lines of programming,” says Off-Center Executive Director & Curator, Charlie Miller. “When you look at the cost per engagement for Off-Center compared to other lines of programming, we can engage a lot of people for less money by doing these larger scale immersive experiences. And so...it’s a good investment to invest in these works. We can get more engagements out of that investment than other types of programming.”<sup>25</sup>

Beyond diversification of presenting portfolios, top of mind for Miller and other leaders of presenting organizations is “how to create a national distribution network so that projects can have places to go” and so that “someone building [or investing in] a traveling version of *Monopoly Life-Sized* or *The Infinite*...know[s] they’ve got more than one stop where they could take it.

This desire for a “network of venues that would work together and have the same standards” was also articulated by Myriam Achard, head of New Media & PR at the Centre Phi. A network would benefit the XR work that they show, serving to standardize technical requirements for presenters and give artists more security knowing that “if they enter that network, then their work will be shown in the best way possible.”<sup>26</sup>

## Real Estate Development Models

A funding pathway available on all leases involves real estate developers and property owners who see immersive experiences as valuable anchor tenants. These arrangements can include:

- **Tenant improvement allowances:** Landlords often cover basic demolishing needs to bring a space to its original “warm grey shell” state (empty, with HVAC). In some instances, they will provide a budget for basic and minimal finish upgrades.
- **Revenue sharing agreements:** Landlords may be open to a lower starting base rent in exchange for a percentage of ticket sales. This model can be reviewed and adjusted as revenue grows.
- **Equity deals:** Some landlords looking to invest in immersive experiences will entertain partial ownership in exchange for reduced rent. This is often a workaround for the financial credit that is typically required for tenancy.



OddwoodBar at AREA15, Photo Credit AREA15 BrightLightDigitalArt

“Tenants we often equate to movies – you can pour a lot of money into a space and if no one shows up then it doesn’t matter. We created a content box with an anchor and supplemental exhibits. The fundamental business model is an anchor with other businesses that prosper.”<sup>27</sup>

- Alex Adams, Fisher Brothers

### Hybrid Funding Approaches

Our research indicates successful companies often evolve through multiple funding models as they grow. For example, Meow Wolf’s journey from self-funded art collective to venture-backed entertainment company demonstrates how funding sources can mature alongside the business:

- Self-funded art parties and events
- Community arts funding
- Crowdfunding campaigns
- Private equity investment
- Real estate partnerships

This hybrid approach allows companies to maintain creative control while accessing growth capital.

---

### Case Study: Meow Wolf

Meow Wolf paved the way for this adaptive approach, moving from self-financing and crowdfunding in its early days to securing private investment and real estate partnerships as it scaled.<sup>28,29</sup> The company’s ability to leverage multiple funding sources has been key to its expansion into multiple cities and the development of large-scale experiences.

---

### Conclusion

While some projects rely solely on one funding model, based on size and needs, others evolve through several models as their business grows or explore hybrid models; what makes sense for a dozen person loosely organized collective does not necessarily make sense five, ten, or fifteen years after its founding.

Based upon our Practitioners Survey, the most common primary and secondary sources of funding are self-financing/bootstrapping and leveraging client budgets, while avenues such as grants, crowdfunding, sponsorship, and outside investment are underused. This would seem to indicate that many smaller, self-financed creators are relying on a single funding source and hitting a ceiling when it comes to expansion and scaling, particularly since they rely so heavily on ticket sales to break even (see "section 08" for more information.)

For a healthier future, as an industry, companies/ organizations will likely continue to diversify funding sources and find outside-the-box models that do not rely so heavily on “hits” to survive. Diversification may in turn make them more attractive to the other players in the ecosystem who are eager to enter but find it too risky to do so at the present moment.

# 04: Real Estate

## Interest In Immersive

Perhaps the largest swing in the real estate world with regards to immersive experiences is the explosion of interest. A recent study from consulting firm Habo evaluated the U.S. immersive experience market and found substantial growth in the industry, estimating revenues hit \$3.9 billion in the sector in 2024 and indicating an annual growth rate of 21% since 2019.<sup>30</sup> Whether they are called Location Based Experiences, Family Entertainment Centers, Entertainment Districts, or something else, landlords, developers, and private equity groups alike are showing increased curiosity around the immersive world. Area15 in Las Vegas (and its upcoming 35-acre expansion), Inglewood's addition of Cosm to its arena campus in Los Angeles, and Puy du Fou's large scale play in Shanghai's Xuhu District all have increased the buzz around creating experiential anchors and districts.

**More and more, experiential offerings are included as part of newly built entertainment districts as well as a way to re-launch existing locations.** Malls now often feature escape rooms, and even closed nightclubs in Las Vegas are becoming more playful forms of entertainments, as seen in the recent launch of the British estate-themed *Swingers - Crazy Golf Club* at Mandalay Bay.

**Lanné Bennett, Executive Vice President National Accounts at URBANLIME Real Estate, points out that for many commercial landlords,**

**“Rent dictates sales, [which] dictates rent...that’s part of your whole business strategy. And so when you go from retail to an immersive experience, they’re just two different margins...they’re two different rent points.”**

## Mismatch Of Expectations And Understanding Between Parties

But this increase in interest, from mall and venue operators to developers, is met with what is often a substantial mismatch in both expectations and understanding.

Landlords accustomed to thinking about their investments in terms of what price per square foot their facilities can command are typically looking for turnkey tenants. Similarly, developers seek new ways to ensure quantifiable returns. There is a deep understanding that buzzy, unique experiences draw people in, increasing foot traffic, dwell time, and per capita spend, all of which is beneficial for any number of potential businesses that could benefit from adjacency to something “immersive.” But here again, developers are far more interested in turnkey, known business models or brands that they can bring to a development rather than betting on an unknown or becoming operators themselves.

Ben Enos, of The Escape Game, captured this profitability and replicability challenge well:

“Sometimes we’re a little jealous of the things you can do if you’re only doing it once. The beautiful thing about the industry is that the barriers to entry are really low. You get some beautifully created games by novices that are amazing games to play and a lot of fun. Building premium escape rooms at scale are really hard. Aside from design constraints and costs, you have different codes, fire and safety inspectors, building environments... Learning to standardize and build at a high standard so it will pass muster in any environment is critical. We spend more on development because we’re developing for 20 sites, which gives us more opportunity to play in a game world before we send to 20 locations.”<sup>31</sup>

This desire for the known, quantifiable, and ideally replicable offerings is simply not yet met with



many options at scale. While lower budget, easily installable builds such as *Immersive Van Gogh* saw an initial flash of popularity, its parent company, Lighthouse Immersive, filed for bankruptcy in August of 2023,<sup>32</sup> leaving some wondering about the financial viability of such offerings. Other, more robust offerings (such as Meow Wolf and Cosm), have been somewhat slower to expand, and their long-term financial forecasts have brought debate. Then, there are a plethora of smaller offerings such as escape rooms or intentionally short-term offerings like Instagram museums and experiential marketing plays that fill gaps, but do not have large scale, long term gravitational pull around which more traditional developers and landlords can build pro formas.

This gap in real estate demand to experiential offering indicates an opportunity for well known IP, touring models, and more substantial players to enter the game at a larger scale (one such project opening in the summer of 2025 is Universal Horror Unleashed at Area15). But even as more experiential models enter the market, there is still a disconnect between those and traditional methodologies of evaluating a real estate opportunity. Developers and landlords willing to redefine their concepts of loss leaders, tenancy vs. operations, and how opportunities are calculated are the ones most likely to find value in the world of experiential.

**Alex Adams of Fisher Brothers captures the bet that was an experiential retail destination:**

**“From an investment standpoint, there’s a lot of interest, but also trepidation.”**



Art Island at AREA15, Photo Credit AREA15 Laurent Velazquez

There’s not a track record there – you have to believe in the underlying promise of immersive retail. Other than Area15, we’re not seeing a lot of it. Our experience to date is that institutional investors are nervous about it. Tenants also need to raise capital. Meow Wolf is probably the best and most successful tenant in the space. For every Meow Wolf, there are 10 or more smaller companies that aren’t succeeding.”<sup>33</sup>

### Case Study: Summit One Vanderbilt

One of the most interesting examples of this is the success of SUMMIT One Vanderbilt. Part traditional observation deck, part interactive art exhibit, part ride component, Hines was not a developer known for playing in the experiential space, and yet by becoming both the developer and operator while partnering with creators like Kenzo, they are breaking through the noisy observation deck market with something popular, profitable (bringing in north of \$100 million annually<sup>34</sup>) and replicable.

### Risk Analysis And Summary

As Alex Adams says, “The market size for immersive is still in question.”<sup>35</sup>

In any evolving and emerging space, there is risk. Appetite for the fact that the business models are emerging, capital build costs vary widely, and permitting & zoning for these types of experiences are either changing, complicated, or unknown mean that many in the financial space are still adopting a “wait and see” attitude while others are cautiously testing opportunities. The most investment is seen in developers who are also owner/operators, such as major themed entertainment companies.

# 05: Project Models and Life Cycles

## The Evolution of Immersive Entertainment

The immersive entertainment industry has undergone dramatic evolution since 2011. What began as experimental theatrical productions has expanded into a diverse ecosystem of experiences, ranging from intimate escape rooms for small groups to massively sized themed environments which can hold hundreds at a time. While the industry was guaranteed to have evolved over the past 10+ years, COVID inevitably changed and supercharged this progression in unprecedented ways.

**As Vince Kadlubek of Meow Wolf notes,**

“When we got out of COVID, there was a rush to come back to the location based and IRL experiences. And I think we all felt that that rush, that post COVID bump. And now we're leveling off, and I think that people are settling in. There is a sense for me that anything that existed before COVID, any form that existed pre-COVID is less interesting now... So I think it's really important for our industry to push ourselves into newer forms and new experience design.”<sup>36</sup>



Meow Wolf's Radio Tave in Houston,  
Photo Courtesy of Meow Wolf Photo by Tarick Foteh

Our new, post-COVID world is marked by an immersive industry in transition, characterized by:

- Long-running productions closing or adapting
- Companies closing, restructuring, or pivoting into adjacent areas
- New emphasis on sustainability over rapid expansion
- Growing focus on permanent installations and tours (domestic and international)
- Increased interest from real estate developers and investors
- Evolution of audience demand, expectations, and sophistication level

## The Absolute Basics: Mediums & Formats

Immersive work comes in many shapes, sizes, and formats, much to the delight of audiences and the frustration of financiers. The possibilities are endless. Thankfully, immersive projects also have starting points and common features, which allows us to create categories for comparison, and even to illustrate production similarities in projects that, from an audience standpoint, may seem radically different.

Some projects also draw upon multiple formats to achieve their intended effects. (Indeed, the most ambitious projects often do so.) Each type comes with its own unique affordances and challenges, even as there is inevitable crossover between the categories, as there are only so many ways to move people through a physical space or connect them through the Internet.

To that end, before delving into the emerging project models by which success can be measured, it is worth it to examine both the various mediums that are used to create immersive experiences, as well as the formats that are commonly used.

## Mediums

The following represent the **six most common mediums** used in the creation of immersive experiences.

- **Audio/Visual**

While rarely the core of a production, the use of traditional A/V elements – video, music/soundscapes, recorded or live spoken word – is common in experiences due to the audience’s familiarity and ease of understanding. Especially useful for onboarding audiences or providing them with additional context in more elaborate narratives.

- **Built Environment & Objects**

Physically constructed sets, props, sculptural pieces, and even entire buildings and multi-acre grounds designed to mentally transport guests to another time and/or world and create the effect of a participant being surrounded in 360 degrees.

- **Game Mechanics**

Rules for play and social interaction that afford participants the agency to move outside their day-to-day personas. Including the actions participants can take, goals of the experience (if any), and how participants can interact with the environment.

- **Performance**

Acting, dancing, playing an instrument, singing (and more) which can be done live or reproduced through various means including audio, video, and motion capture.

- **Extended Reality (XR): Augmented Reality (AR), Virtual Reality (VR), and Mixed Reality (MR)**

Virtual, augmented, and mixed reality

elements that can be used to simulate real-life environments, enhance existing physical spaces, or conjure up entirely imaginary spaces. This can be delivered via head mounted devices, spatial audio, or large format screens and projections that surround the audience (a la domes) or alter the built environment.

- **Internet, Telecommunications & Physical Mail**

Critical for ongoing narratives such as Alternate Reality Games (ARGs), as well as interactive narratives that play out on platforms such as Zoom and custom-built web interfaces. Mobile apps may also be used to access features of a built environment (as in *Star Wars: Galaxy’s Edge*), or an experience may take place primarily through phone calls. Experiences may also choose to mail physical items to participants to enhance the narrative.



The Morrison Game Factory, Promo Photo Courtesy of PostCurious



## Formats

The following represent the **seven most common formats** used in the creation of immersive experiences. More elaborate experiences may blend formats or use different formats at specific times as part of the guest's experience journey.

Some formats have specific requirements for successful deployment, while most involve the core requirements of physical space and/or access to specific technology (e.g., headphones, VR headsets, video conference software) for the audience to engage with the work.

- **Theatre**

*Characteristics:* The audience is engaged in a dramatic scenario, with some agency over the experience, be it direct impact on the narrative, or merely the option to explore the space where the scenario plays out. Characters, usually performed by actors, drive the core of the action or respond to the audience's input. The relationships of characters to each other, the story world, and to the audience, are of chief importance.

*Additional Requirements:* Theatrical experiences often rely on performers and crew to bring the production to life, who must be compensated or have a stake in it.

*Examples:* *Sleep No More*, *Ghost Light*, *Theatre of the Mind*, *Phantom of the Opera* (2025)

- **Installation Art**

*Characteristics:* Sculptural and architecturally based art pieces that invite guests to explore around and within the pieces themselves. Sometimes, but not always, including interactive elements. Sensory elements engaging sight, sound, touch, smell, and (more rarely) taste are often thoughtfully incorporated into the designs. Some choose

to add on an additional layer of an in-world "creative operations" team. Projects vary wildly in scale from those that can fit into a suitcase to works measured in acres.

*Requirements:* Strong design and fabrication/coding skills — architectural, prop, set design, game engine — are needed for highest impact.

*Examples:* Meow Wolf's *Convergence Station*, Michael Heizer's *City*, Nancy Baker Cahil's *CORPUS*

- **Gaming**

*Characteristics:* a variety of tasks/puzzles and intricately layered interactive narratives make up this category's heart. Immersive gaming is the most popular format, with thousands of locations for escape rooms, and countless "in a box" or VR games which can be experienced at home. Location-based experiences typically require a moderator or host to act as the "game master."

*Requirements:* Game and puzzle design skills.

*Examples:* *Sherlocked*, *The Escape Game*, *Morrison Game Factory*, *The Room VR*, *Batman: Arkham Shadow*

- **Brand Activation/Experience**

*Characteristics:* These productions primarily exist to promote an IP based in another medium (such as film or television) or capitalize on that IP through ticket revenue. Many activations are staged as free events for the public, fans, or influencers, but in recent years have evolved into full productions of their own that can become revenue streams for the IP holder. These may or may not include live performers or moderators/hosts.

*Additional Requirements:* IP that is either known, or which has a sufficient marketing budget behind it.

*Examples:* SNL 50 Experience, *Squid Game: The Trials*, *Peaky Blinders: The Rise*



Quannii converses with a passenger aboard with a passenger aboard *Star Wars: Galactic Starcruiser*, Photo by Kathryn Yu

- **Themed Entertainment**

*Characteristics:* Here the emphasis is on built environments that invoke specific stories, legends, and intellectual property. This can include social spaces, shops, restaurants, performance spaces, rides, and other attractions. Sometimes all in one complex, as is true of theme parks. While the most famous examples measure their investments in the billions, scrappy projects involving little more than box trucks or a working knowledge of the Unreal Engine have been known to exist and attract a following.

*Additional Requirements:* Strong design skills — architectural, prop, set design, game engine — are needed for highest impact. Some experiences require additional staffing — crew and/or cast.

*Examples:* *The Wizarding World of Harry Potter: Diagon Alley*, *Phantom Peak*, *Casa Bonita*

- **Alternate Reality Games (ARGs)**

*Characteristics:* Playing out over multiple platforms and often extending into the real world, ARGs create the illusion of a fully fleshed out alternate world. Many of the original ARGs were promotional efforts for other projects, but the form has evolved to include standalone efforts, or elements woven into ticketed experiences. Players may interact with characters (played by actors) over email, web sites, social media platforms, and more.

*Requirements:* Game and puzzle design skills, a working knowledge of social media and other communications platforms is often a must.

*Examples:* *The Beast*, *Perplex City*, *The Black Watchmen*, *Lennox Mutual*

- **Live Action Role Playing (LARPs)**

*Characteristics:* Dramatic scenarios, usually largely improvised by the participants within previously agreed upon parameters. Participants typically create characters for themselves to play; organizers may also hire “non player character” performers to facilitate the scenarios. LARPs – styled “larps” in academic circles – rely upon game mechanics, costuming, rehearsed performances, and the power of make-believe to conjure a collectively created fictional world populated by player characters.

*Requirements:* Players. A LARP can be many things, but at heart it needs those willing to play.

*Examples:* *DrachenFest*, *Neotropolis*, *Darkness Emergent*

## Understanding Success Through Duration

The diverse nature of immersive experiences — from escape rooms to purpose-built venues like Meow Wolf's Convergence Station — requires different metrics for success. It is important to understand your audience and market in order to determine the type of experiences for which they have an appetite; additionally, we are seeing a trend of immersive enthusiasts traveling for immersive experiences if an experience is judged as high quality enough to make a special trip. Immersive projects need to compete with a multitude of available entertainment options (offline and online) and make sure they meet the needs of an increasingly savvy and mobile/global audience.

We have identified six key durational models, each offering unique opportunities for financial sustainability and creative innovation:

### Short-Term Models

#### 1. Product Release

- Complete upon launch with concentrated development costs
- Limited ongoing expenses (sales, support, maintenance)
- Content is usually considered “one and done” by consumers
- Examples: *Morrison Game Factory*, *Batman: Arkham Shadow*

#### 2. Pop-Up/Short-Run

- Intentionally temporary (single night to a few weeks), creating artificial scarcity
- Emphasis on specific elements (design, talent, IP)
- Can be timed to coincide with other release dates, special events, or seasons

- A good way to test a market before launching a medium or long-term model
- Examples: San Diego Comic-Con activations, productions by indie companies like The Speakeasy Society

### Medium-Term Models

#### 3. Tour

- Multiple locations with reusable production design
- Balance of traveling and local talent/crew
- Word of mouth can build over time as the production travels from city to city
- Examples: *Stranger Things: The Experience*, *The Infinite*, work by Darkfield

#### 4. Seasonal

- Annual productions during specific timeframes, often around yearly holidays
- Asset reuse for cost control
- Audience buzz can build over time as customers eagerly await the production's return
- Examples: *Camp Christmas*, *Ghost Town Alive!*, *The Willows*

#### 5. Semi-Permanent

- Open-ended runs without predetermined closing dates
- Success measured in years
- Ability to add additional revenue streams (food and beverage, special events, space rental, ancillary entertainment)
- Examples: *The Burnt City*, *Phantom Peak*, *Sleep No More*



## Long-Term Models

### 6. Purpose Built

- Custom-designed venues requiring substantial investment
- Intended lifecycles of decades with potential for periodic content refreshes
- Ability to sell memberships/annual passes
- Goals of becoming cultural landmarks
- Examples: *Casa Bonita*, *Star Wars: Galactic Starcruiser*, Meow Wolf

### Operations and Creative

Beyond performers, there are a variety of employee types that are visitor-facing across all platforms. Depending on the size and type of the experience, this can include:

- Ticketing/Front Desk
- Security
- Maintenance
- Hosts/Game Masters
- Docents/Creative Operators
- Food Service Workers
- Retail/Gift Shop Workers

### **As they are a part of the guest journey, it is critical to think about the role these workers play in the overall experience.**

These types of employees are not often required to have performance skills, and tension often exists between employee skillsets and creative integrity. There are several ways to accommodate for this, including uniforms and prescribed boundaries. Escape rooms accommodate the skillsets of employees well by transitioning into the themed environment only after you have parted ways with the employee. A server or bartender may need to have a few in-world rehearsed responses when probed about how to complete a mission or their favorite parts of an immersive experience.

### The Path Forward

The current high-volume state of the industry reflects healthy maturation rather than instability. Failed projects, while challenging for stakeholders, play a vital role in pushing boundaries and sparking innovation. Creators who take calculated risks and learn from setbacks are driving the field forward, crafting experiences that are increasingly nuanced and audience-centered or combining new techniques and formats.

Any single immersive experience – commercially successful or not – can also open the door to audiences who were not fans of the format previously and now choose to seek it out on an ongoing basis.

### Keys to Sustainability

- Thoughtful growth over rapid scaling/expansion
- Maintenance of creative vision and quality of product
- Strong understanding of audience and audience engagement
- Improved marketing and customer service
- Adaptive business models and consideration of multiple revenue streams
- Innovation balanced with proven formats

As the immersive industry continues to evolve, its ability to adapt, experiment, and learn from both successes and failures will determine its future trajectory. **As noted by Fri Frojindam, Executive Creative Director at Mycotoo, Inc.: “Now the creativity is on both ends. Creators are having to have a business savvy in terms of making the operations work and the business angle.”**<sup>36</sup> The most successful projects will likely be those that find

the sweet spot between creative ambition and operational sustainability.

### Case Study I: Sleep No More's Evolution

*Sleep No More* exemplifies the industry's maturation. As its original New York City production closes after 12 years, new international versions in Shanghai and Seoul demonstrate how successful formats can evolve and adapt. For example, the Shanghai production contains characters and storylines drawn from Chinese folklore which are unique to that instance of the show. This evolution suggests that while individual productions may have finite lifespans, strong creative concepts can find new life through reinvention/seasonal overlays, localization, and market expansion.

### Case Study II: Candle House Collective

Candle House Collective began as a series of pop-up, one-on-one audio-based performances tailored to the interests of horror enthusiasts. After establishing their bona fides with a hardcore fanbase, creator Evan Neiden expanded the number of projects and performers trained to run the experiences, as well as ventured into other existing online communities, such as ARG fans on YouTube to expand the Collective's audience base. From there they launched *Lennox Mutual*, a project which has garnered mainstream attention<sup>37</sup>, and which has proven to be financially sustainable for the small company for over a year of development and operation.



Meow Wolf's Cowboix Hevven, Photo by Kate Russell

### Conclusion

Immersive experiences will continue to evolve and additional kinds of experiences will inevitably emerge in the years to come. The current breadth of project modes and formats that have been identified thus far suggest that there will be more innovation by way of remixing and combining existing models rather than invention of completely new formats. Even the rise of immersive festivals in the West and large-scale Jubensha projects in China have lineages in the formats we have outlined here and other forms of entertainment (historic re-enactments, tabletop games, etc.).

This innovation in design of the experience, as opposed to operational format, is one of the keys to the long-term success of the immersive industry as a whole.



CBS Studios presents Creep x Ghosts from JFI Productions, Photo Credit Jeremy Connors



Beat The Bomb Philly's first players complete the Paint Mission, Promo Photo by Anthony Cunanan

# 06: Marketing

The landscape of live event marketing has undergone a seismic shift in recent years, creating unique challenges for immersive experiences trying to connect with potential audiences. While mega-events with established brands (e.g., Netflix, WWE) or celebrity power (e.g., Taylor Swift) continue to thrive, smaller-scale immersive productions often struggle to break through the noise of today's fragmented media environment, especially on small or nonexistent marketing budgets.

Over the last fifteen years there has been a fundamental change in how audiences discover and engage with experiences. Organic audience-building is generated from shareworthy experiences on social media, while the fans of entertainment franchises (e.g. *Westworld*, *Squid Game*) provide an easy-to-reach fanbase for modern IP-related experiences. However, this kind of organic drive has become increasingly difficult in today's algorithm-driven social media landscape.

For some creators and companies, with backgrounds in traditional entertainment, making the shift to thinking about experiences as products with which audiences actively engage rather than passively consume can be difficult. While immersive experiences often rely on the same storytelling techniques to convey meaning as television, theatre, and film, the unique interactive affordances can leave audiences on unfamiliar ground when assessing whether an experience is a fit for them. Marketing these affordances as features of the product, as opposed to obstacles and oddities to get at the entertainment gated behind them, has been a frequent stumbling block.

## Setting Expectations vs. Maintaining Mystery

One of the most delicate balancing acts in marketing immersive experiences is setting proper expectations while maintaining an element of



daisydoze's *The Letters* part of DIG SHIBUYA,  
Photo Courtesy of daisydoze

— having been burnt in the past by poor quality experiences — will be skeptical of overly mysterious marketing or visuals which are obviously concept renders or generated by AI. Other audience members mention having difficulty recruiting friends and family to join them at immersive experiences when there aren't enough details available, resulting in the loss of potential ticket sales and word of mouth buzz.

Several respondents to the Audience Survey expressed interest in being able to opt into spoilers and to have more revealing information available, even if they personally would not take advantage of it. Respondents often find it a challenge to research how interactive an experience is going to be and what exactly the experience means when it self-identifies as being “immersive.”

58.6% of respondents to the Audience Survey agreed with the statement that they wanted to see more marketing for immersive experiences.

One successful marketing strategy highlights key elements to build anticipation while leaving room for discovery. For example, London-based Punchdrunk effectively conveys the intrigue of their productions through dramatically lit noir-aesthetic photos and videos which tease secrets



and the unknown to be uncovered during a visit. This exact approach has become a key part of the company's brand identity, one that is paid off by there actually being layers of secrets embedded into the actual experience, so that subsequent word of mouth reinforces the marketing. Reviews, PR, and influencer testimonials can complement evocative visuals, creating a feedback loop that reinforces perceived value while preserving an air of mystery.

While Punchdrunk, and some others, have had great success with this method it is not a one size fits all solution and relies on audiences who are driven by curiosity and a fear of missing out. Too much ambiguity can lead to uncertainty on the part of audiences as to what to expect and what is expected of them. While a given experience may be designed as a welcome space for these kinds of guests, if the marketing does not make that clear they are unlikely to discover that for themselves.

Our Practitioner Interviews reveal they face the same challenges in even trying to describe what they do.

**When asked to describe what he does, Jared Butler of Neotropolis/Wasteland Weekend explains:**

**“I produce live events” to just about anybody, and then, describe them as “immersive festivals” if people want to know more and don’t get it, I say it’s part-music festival, part live theater, part car show, part role playing... about trying to create a movie that people can live in for a few days.”<sup>38</sup>**

Given the extreme difficulty of explaining things that are “sort of” like a lot of things and exactly like little else most potential audience members have a frame of reference for, it is no wonder

that marketing immersive experiences presents a massive challenge. The core affordances of an experience must be communicated and made to appear rewarding, all without relying on the kind of innate market knowledge that filmgoers, sports fans, and gamers bring to assessing messaging.

In our Practitioners Survey, the term “immersive” itself when used in marketing materials ranked as both most effective (due to its name recognition among enthusiasts) and least effect (due to its vagueness), with a few survey respondents discussing how it always needs to be combined with more specific terminology that describe the actual audience experience.

**The IP Advantage**



Monopoly Life Sized at the Denver Center for the Performing Arts, Photo Credit Amanda Tipton Photography

Experiences tied to recognized intellectual property (IP) have a distinct marketing advantage. The existing fan base provides a built-in audience that is more likely to be mobilized. IP-driven experiences like *Star Wars: Galactic Starcruiser* or *Stranger Things: The Experience* benefit from familiar imagery and brand loyalty, creating organic interest in the project.

However, enthusiasm for a brand does not automatically translate into an understanding

or appreciation of immersive experiences. Many potential customers may be drawn in by the IP but lack familiarity with the interactive or participatory nature of immersive entertainment. IP-driven projects must also meet the high expectations set by the IP itself. Failing to do so can alienate core fans. Creators simultaneously need to remain accessible to more casual audience members who may be attending an experience with family or friend groups and find themselves with a more positive view of the IP if they enjoyed the immersive experience. While established brands ensure attention, that heightened visibility raises the stakes — success hinges on whether curiosity can be converted into ticket sales and long-term engagement.

**When asked about the commercial success of their touring exhibits, Abby Byshe, Chief Experience and Strategy Officer at The Franklin Institute, said**

**“It has to do with brand resonance: The easier the brand is to recognize, the better success... the first hurdle is making sure it's something that kind of cuts through the noise from a competition perspective and has a brand that's easy to talk about.”<sup>39</sup>**

There is also the distressing pattern of knock-off productions, such as the now infamous not-quite Willy Wonka experience in Glasgow, Scotland<sup>40</sup>, that rely upon the aesthetics of an IP to attract audiences without delivering anything remotely similar to what was advertised. Such productions erode confidence in the marketplace while paradoxically demonstrating audience demand for experiences.

Original works face the separate challenge of creating a compelling value proposition without the recognition of a known IP.

As Stuart Wee of And So Forth observes, "Premise and marketing, ticketing and price point" are crucial factors in managing audience expectations for original productions.<sup>41</sup> Effective messaging must articulate why the experience is worth the audience's time and money, often relying on genre, creativity, and authenticity to stand out.

One potential avenue to bridge the gap between known IP and original work is to add a creative twist on a known and beloved work which is why so many immersive projects turn to the classics as source material. *Sleep No More* references the works of Shakespeare and Alfred Hitchcock. *Alice in Wonderland* is a particular favorite for producers to adapt. These familiar stories give audiences – especially those new to immersive art and entertainment – a way to ground themselves when coming into an unfamiliar experience.

Importantly, adaptations of existing works that fall under public domain and free use doctrines provide the marketing shorthand of commercial IP without the associated licensing costs.

### **Social Media Evolution: Niche Channels, and Word-of-Mouth Challenges**

Social media remains a dominant channel for discovery, with Instagram, Facebook, TikTok, and YouTube leading the way. However, the effectiveness of these platforms has shifted dramatically. The decline of organic reach on Facebook and the rise of TikTok's algorithm-driven feeds have forced organizations to increasingly rely on paid promotions to achieve visibility. This reliance creates a dilemma for seasonal or shorter-run experiences, which often lack the time to build word-of-mouth momentum organically.

To adapt, producers are turning to micro-influencers (1,000–100,000 followers), who can create authentic connections with niche communities. These concentrated audiences often drive higher engagement rates compared to larger influencers or traditional ads. In local markets, this strategy is particularly effective for fostering trust and bridging gaps between experiences and their potential audiences. Personal endorsements from influencers who genuinely connect with the content often carry more weight than paid advertisements.

Every influencer strategy requires careful curation. Selecting influencers who understand and can effectively communicate the unique aspects of immersive experiences can aid with audience expectation setting.

Additionally, some immersive creators are turning to more old-fashioned channels like email and

**Michael Monello, Creative Director  
at Campfire observed:**

“Fans are starting to become aware of the companies that make these things. And they're starting to learn the house style of the different companies. We actually have fans that reach out to us every year... fans that will look at Reddit to see when activations start getting announced... [and] deep fan blogs that will go and find out who's working on them. Fans will actually be like, oh, that's from so and so... that's a must do.”<sup>42</sup>

privately-managed chat servers (such as Discord) as a way to communicate with their intended audiences directly, outside the sandboxes of

corporation-owned platforms like X, Facebook, and Instagram. So, while not particularly powerful as a new customer acquisition tool, these niche channels can be extremely effective for deepening relationships with existing fans, especially as audiences grow savvier and more connected.

Organic word-of-mouth can still be an effective channel given the right opportunities. Attendees of *Sleep No More* in New York City were allowed to take the show's signature bauta mask home. Many attendees would post selfies wearing the mask or place the mask in a prominent place in their living spaces, inviting commentary from friends and family. By contrast, Punchdrunk's *The Burnt City* did not allow attendees to take their masks home<sup>43</sup> and seemingly received far less buzz. Neither production allows smartphones inside the show, so this became one of the only methods which through an audience member could brag online about having gone to the show, much in the way that customers routinely take photographs of their paper programs from their seats when attending a Broadway production.<sup>44</sup>

Other immersive productions, which also prohibit smartphone usage inside of the production, will often set up a backdrop mural or other staged vignette where attendees are encouraged to take photographs with friends before or after the experience, and post to social media. Automated photo booths are also popular for this purpose



Emersive's *Life and Trust*, Photo by Jane Kratochvil

and can produce prints themed to the experience's branding as well.

A small, thoughtful, or interesting keepsake (often given in situ by a performer to the guest) can serve a similar purpose for immersive experiences and it is commonplace for audience members to post these to Instagram after the fact.

The ticket on-sale event for *Life And Trust* built buzz around the show's soft opening through the producer's text message list. Subscribers received a series of mysterious messages for two weeks leading up to the on-sale announcement; as word spread, additional people signed up for the SMS list during this period. The final text message contained an intriguing photo with the statement that presale tickets would become available only in person at the venue's popular coffee shop starting at 10am the next day. Much like a limited-edition merchandise drop, fans stood in line and vied for the chance to purchase a ticket and be one of the first people to see *Life And Trust* later that year.<sup>45</sup>

Those who made purchases in person that day were also rewarded with a unique gift, which naturally found its way to social media, as well. Tickets to *Life And Trust* were not available on their web site until 24 hours later, meaning that the most desirable dates and timeslots went to those who showed up in person the previous day.

### Price Sensitivity and Value Communication

Research highlights a critical correlation between ticket pricing and marketing effectiveness. Per the Immersive Experience Network's Audience Report from 2024, experiences priced around \$50 represent a key threshold for audience expectations. Above this price point, audiences anticipate significantly higher production values and more comprehensive experiences. **This threshold has been fairly stable for the past decade.** This creates a challenging

dynamic: marketing must work harder to justify higher ticket prices by emphasizing exceptional quality and exclusivity, while lower-priced experiences have more flexibility in presentation and execution.

For premium offerings, detailed marketing that showcases the experience's uniqueness and value — through visuals, testimonials, and behind-the-scenes insights — can help justify the cost. Higher tiers within ticket pricing also need to prove their worth to customers through concrete perks such as discounts on merchandise, free parking, skip the line, exclusive VIP merchandise and/or content, flexible entry times, complimentary beverages and coat check, etc. Lower-priced experiences, meanwhile, can afford to focus on accessibility and fun, using approachable language and visuals to attract broader demographics. Upsells can be made available at lower-priced experiences, as long as producers are careful of not overdoing it and potentially offending their audience.

### New Marketing Models and Platforms

Some organizations are finding success with new approaches to audience building:

- Waitlist and presale strategies that create urgency and reward early interest
- Partnership with platforms like Fever that serve as discovery destinations
- Influencer collaborations to break through algorithmic barriers
- Market testing through pop-ups and temporary installations
- Memberships and annual passes



## Conclusion

The immersive experience industry must navigate a complex marketing landscape where audience behaviors, platform algorithms, and price sensitivities create both opportunities and challenges. Marketing remains a key piece of the puzzle as immersive creators work within the confines of a hits-driven industry and many smaller operators rely on ticket sales to drive revenue and break even.

When reviewing past projects they considered to be failures in our Practitioners Survey, the most cited reason for failure was poor marketing or doing no marketing at all. This lack of marketing or poor marketing can lead to poor ticket sales, leading to immersive projects running out of runway and closing, most likely prematurely, having not reached their intended audience in time.

By striking a balance between transparency (with the ability to opt into spoilers) and intrigue, leveraging IP advantages wisely, and employing targeted social media strategies (whether proven organic reach techniques and/or leveraging influencers); producers can effectively connect with audiences while building trust and anticipation. Re-building trust with consumers who have become disillusioned with poor quality immersive products will also be important in the long run.

As the industry evolves, adapting to these dynamics will be critical for ensuring long-term success.

# 07: Ticketing

From concerts to Broadway shows to sporting events, ticketing has in recent years become one of the hottest topics in arts, entertainment, and recreation. Whether it is fans feeling frustrated when trying to buy Taylor Swift tickets<sup>46</sup> or The Cure's Robert Smith fighting back against outrageous fees and scalping practices<sup>47</sup>, there has been no shortage of high-profile controversies surrounding the buying and selling of tickets to highly sought-after shows and experiences.

Ticketing is equally an important part of many (if not most) immersive art and entertainment experiences, as it's usually the primary revenue driver (see "Practitioners Survey" for additional details). Though there has been a strong rise of retail and food-and-beverage driven experiences, these still often feature free timed-ticket entry options to handle crowd flow, as with restaurant reservations.

The vast majority of consumers now expect to click through marketing channels and brace themselves as they meet with an unpredictable variety of ticketing options. That's the exact moment when the sales funnel hits a make-or-break point. The ongoing adjustments businesses and creators must make to minimize friction at that very point are among the most challenging – and optimally rewarding – decisions they will face when producing work in this industry.

It is all too easy for independent creators to be overwhelmed while when it comes to making these decisions, becoming reliant on platforms whose business models promise scale but do not always foster positive relationships between producers and their audiences.

Fortunately, there are many ways creators, producers, and business owners can become better informed about how they can navigate the complex, rapidly-changing, and often misleading aspects of ticketing. The following section dives into the most

important facets of ticketing that must be paid attention to in order to walk that fine line between success and customer satisfaction.

## Approaching Ticketing with Care

Beyond the simplicity of direct sales from the consumer, there are many more facets that make up the scope of the ticketing process within this industry. Selling immersive experiences involves many costs beyond creation and operations and ticketing is one that, if not carefully managed, can quietly eat away at a company's bottom line as well as impacting customers' perceptions of an event if they feel they have been taken advantage of. There is an easily observed connection between how much a customer enjoys an experience and how much they ultimately paid for it, after all fees are said and done.

If not managed properly, ticketing can irreparably harm a business or production before a customer has stepped on site.

## Shifting Customer Expectations and Trends

Consumers today expect frictionless, mobile-first ticketing<sup>48</sup>. A clunky, desktop-only or paper-only (will call / physical box office) interface can and will deter last-minute buyers.

Today's audiences demand transparent fee structures and clear refund policies, which can improve trust. Forward-thinking ticketing partners highlight these aspects in their branding and customer communications. Angry customers will also gather in online fan communities and compare notes about their experiences, aligned in their dislike of virtual queues and algorithmically driven "surge" pricing.<sup>49, 50</sup>

There is a tremendous rise in recent years of dissatisfaction with outrageous ticketing fees for other event types. Today's producers must use

extreme caution when deciding to tack on “service” or “convenience” or “platform” fees on top of their prices, as customer sensitivity is at an all-time high.

### **Impact of Good vs. Bad Ticketing Experiences**

For the customer, a good ticketing experience means the experience itself was invisible and made buying tickets and gaining access so easy that they are forgotten, allowing them to focus on their excitement for the experience itself.

A bad ticketing experience leads to frustration, negative reviews, poor or lost word of mouth, chargebacks, and potentially customers not even buying or entering.

**Critically, ticketing is the final step in an experience’s marketing and the first part of the experience itself.** Choices that lead to good customer experiences support word-of-mouth efforts, while bad experiences can undermine even the most ambitious marketing strategies.

Gathered from perusing hundreds of reviews across many types of experiences, the following are among the most common complaints from customers navigating the often-challenging world of ticketing.

- **Misrepresentation of the product or unclear advertising.**

The connection point between marketing and ticketing is crucial. Consumers form expectations immediately upon seeing marketing materials, particularly on social media. Clicking through to the ticketing platform must meet, if not surpass, those expectations. Thus, the experience itself must then meet, if not surpass, expectations further set by the language, base ticket price, up-sells, add-ons, taxes, and any other fees that are tagged on at the end of the purchasing process.

- **High costs and lack of value clarity.**

The ticketing process must demonstrate the value of the product appropriately, including all additional fees and taxes. If customers arrive at the experience and feel they do not receive enough value for the total price they’ve paid, they are never shy about dissuading others from making the same “mistake.”

- **Difficulty understanding how to book or booking for groups.**

Choosing a ticketing platform is often a trade-off of features, usability, and cost. While high platform costs can eat into a producer’s revenue, that sacrifice must be weighed against ease of use for the customer. Consumers who have difficulty completing the ticketing process – especially on mobile devices – will abandon the effort quite quickly and simply move on, rather than linger in frustration. Group sales can be quite lucrative for many immersive experiences but far too many ticketing platforms require groups to contact the business to arrange group pricing, rather than simply offering a quick and easy online way to achieve this.

- **Timed tickets not honoring their time slots, leading to long waits.**

Many immersive experiences rely on staggered, timed ticketing. This functionality has become the gold standard of the industry, adopted by all major ticketing platforms in recent years. However, poor operational planning by productions that lead to long waits and delays can lead to customer frustration that no amount of disclaimers can prevent.

- **Limited or confusing rebooking options, high fees to reschedule.**

Many immersive experiences in recent years have begun offering easy ways for customers to easily rebook / reschedule their tickets at no

charge, almost at any time. This has led to many consumers expecting this service to be available with no cost. Producers and creators who make it challenging for consumers to reschedule their tickets – even if there are completely understandable reasons for not allowing it – will be met with some level of pushback.

- **Arrival confusion with no on-site ticketing help.**

It is far too common for on-site staff to be undertrained to solve problems as they arise. Customers will arrive without their tickets, with a dead smartphone, losing their account information, or simply having made mistakes during the buying process such as forgetting to purchase a separate parking pass. Staff must be trained to handle this with care, even in the cases where the customer is obviously in the wrong. The way staff handles a problem will reflect even on customers who are waiting in lines around them, so it's important that all attendees see ticketing issues being kindly resolved, giving them peace of mind that if they have an issue, they needn't worry.

- **Forced app downloads with poor connectivity on-site, causing ticket access issues.**

The largest ticketing platforms have begun offering well-designed features that enable consumers and staff to handle the ticketing process without any Internet connectivity necessary. However, there are still many platforms that require Internet access at the moment of scanning a ticket, which too often leads to slowing down lines and confusion when that access is spotty. It's even more difficult when a specific app is required to pull up a ticket. The more a producer can do to limit the friction at the time of arrival, the better the customer's overall satisfaction will be.

- **Poor customer service (unresponsive, unhelpful, or rude).**

Some ticketing platforms offer customer service as part of their service package to producers, while others do not. Yet platforms that offer this but fail to follow through with excellent customer service can leave ticket holders angry at the producers, and not the platform. Clarity in communication and speed of responses are among the most important services to offer, along with carefully resolving whatever customer issues surface, with empathy.

- **Lack of email or notification updates about changes in details or protocols, or even canceled performances.**

It is far too common for a ticketing platform to focus on making the sale, delivering the ticket and basic instructions, then leaving the customer to figure out the rest themselves. As details and rules around experiences often change, it is important to have reliable methods of communicating these changes to customers. SMS is often the most reliable way to reach customers, far more than phone or email, as email can get caught in spam filters and many consumers do not answer calls from unknown numbers.

- **Auxiliary experience issues (i.e. no good food and beverage options nearby).**

Customer needs can be met in a variety of ways. Ticketing language can offer helpful tips for customers, even if it's not directly related to making the sale. For example, if an experience does not offer food and beverage service, after the ticket sale is complete it can be a helpful service to offer the customer information about recommended options nearby, especially if the experience has worked out a discount with the food/beverage vendor. This can enable the customer to have a better time out overall,



which reflects positively on the immersive experience too.

Most of these common complaints are easily solvable via most robust ticketing platforms, as long as the producer takes the time to properly evaluate them before committing, using their offered features to their fullest, and trains all staff to follow through.

### **Ticketing Landscape**

To meet these ever-changing needs of an industry as vast as the growing landscape of immersive art and entertainment, ticketing platforms have been forced to evolve significantly over the past few years.

There are more ticketing companies emerging annually, as the barrier to entry has become incredibly low. Where there used to be a handful of major platforms with exclusive deals on important venues, the rise of independent attractions and immersive experiences has opened the doorway to new companies with niche offerings. There are now hundreds to choose from, each claiming to offer their own unique approach.

Most ticketing platform business models center around requiring from the producer a percentage of sales for using their platform and/or potentially setup or monthly fees.

As the customer experience of the ticketing processes has simplified and become more streamlined, many immersive producers feel they now pay far too much “just” for a QR code entry.

What seems simple on the surface, however, is anything but.

### **Complexities & Needs in Ticketing**

Immersive events often have unique requirements that traditional stage shows, concerts, or sporting events do not. They require many different ticket types, monetization methods, and vast pricing and scheduling flexibility.



College football gameday broadcast at Cosm in Dallas, Photo Courtesy of Cosm

But they also require the same reliability and fraud prevention as traditional offerings, while also offering up-sells, retail and food-and-beverage integration, and memberships.

Effective ticketing should feel seamless to all parties. When it works well, it seems simple. When it doesn't, it's clear why carefully selecting a reliable, trustworthy ticketing partner is valuable.

### **Ticketing Strategies & Types**

Among the most common ticket types and strategies desired by immersive creators and producers that platforms have been working to stay up-to-speed with are:

- **Ticket Types**
  - General Admission (GA), VIP, Timed Tickets, Anytime Tickets, Memberships, Annual/Seasonal Passes.
- **Platform Features**
  - Enabling certain dates and time slots to automatically be marked with messages like “Selling Fast!” and color-coding can drive urgency to make a purchase.
  - Offering customizable dynamic pricing, when not abused, can significantly increase revenue on peak days while increasing attendance on slower days.

- Enabling flexible package deals, like lower up-front ticket prices combined with strategic up-sells (e.g. photo packages, behind-the-scenes tours) can yield higher total revenue and better guest satisfaction than single high all-inclusive price.
- Providing customers with the choice to choose their own type of experience and monetizing it appropriately can lead to unexpected boosts in revenue and satisfaction (i.e. unlimited access vs. timed blocks, interactions as credits, merchandise and food-and-beverage pre-sales).
- Providing a no-fee or low-fee rebooking option can result in fewer chargebacks and negative reviews.
- Ability to add one's name/email to a waitlist to a sold-out experience, should additional tickets become available, can increase customer satisfaction and ensure that any tickets returned to inventory can later be sold.

### **Ticketing Partner Pricing Structures**

While there are many variables to wade through when selecting the best ticketing platform, arguably the most important to fully understand is the partner's pricing structure. They often seem simple, but for medium- and long-term project models require careful calculation across multiple projection scenarios to fully understand the potential up- and down-sides.

### **Long-Term vs. Short-Term Approaches**

It's important to recognize the difference in how well a partner's ticketing support offerings will align with the expectations of the immersive work.

Some ticketing partners are far better suited for work that is aimed to run for short periods of time,

drawing a large attendance as quickly as possible, then either closing down or moving on to another city. This short-term strategy best aligns with a ticketing partner that understands how to “churn and burn” through a market's customer base, helping to sell tickets with efficiency and very little expectation of repeat attendance. These companies often offer marketing services as well, pushing wait lists and limited-time offerings as selling points. Extensions – even artificial ones – are more valuable in this strategy than being fully transparent about the actual length of a show or experience's run in any particular market.

By contrast, other ticketing services aim to develop long-term relationships with both producers and customers. For businesses, that translates to better rates, volume discounts, and improved terms. For customers, these platforms rely heavily on extensive databases of market trends and consumer habits, understanding the overlapping buying partners between market segments and enabling them to cross-sell between them.

In either case, longer-term and/or higher-inventory contracts with ticketing providers generally will yield better platform rates, marketing support, and even advance funds — helpful for financing new productions and experiences. Tiered pricing deals and volume-based discounts can also help align ticketing costs with actual sales performance, reducing financial risk.

But there are always potential drawbacks with long-term agreements and accepting external funding support, even from a ticketing partner.

Jared Butler of *Neotropolis* and *Wasteland Weekend* has managed to “do everything through ticket sales” across 16 years never once accepting outside capital. Their ability “to sell tickets [...] maintains autonomy.”<sup>51</sup> The best ticketing strategy with a

partner is the one that always enables the creator or producer to retain control over their own destiny.

Moreover, it's not always true that long-term focused operations should expect repeat business to significantly drive their sales. Meow Wolf's Vince Kadlubek noted their company's growth strategy has shifted to "where there's a market with tourism" since "first time visitors are a large percentage of ticket sales" for them.<sup>52</sup> When developing the ticketing process, it's important to recognize the utmost importance on treating every customer as if it's the only opportunity a company will have to earn their business.

### **Platform Revenue Models**

There is no one clear way that ticketing platforms charge for their services. Some enable creators to pass all fees on to the audience member, which can be particularly useful for smaller operations and non-profits.

Among the larger or more profit-focused entities, typical revenue models include percentage or flat rate fees per transaction, per ticket, monthly, annually, or as a percentage of overall revenue or profits.

Larger ticketing platforms often will be able to pass along discounts on credit card processing fees far more easily than smaller platforms.

### **Marketing Tie-Ins and Analytics**

Some platforms integrate seamlessly with ad networks and social media, directly translating audience segments into targeted marketing campaigns that can be measured against real-time ticket sales. Those companies that offer both ticketing and marketing services can often provide exclusive access to robust analytics dashboards that can guide dynamic pricing decisions, adjusting prices in near-real-time based on current inventory

and demand, as well as aligning with other local market trends.

Committing to a single company for marketing and ticketing services can be a blessing for creators and producers who are firmly focused on building their product, having less expertise or bandwidth to dedicate to these other aspects of their operations; however, it does mean handing over a key part of your company's reputation to your marketing/ ticketing partner.

Platforms who are able to offer marketing services often can leverage their databases (e.g. Ticketmaster's local concert & event data, Fever's local market data from similar productions) to help target likely buyers. This enables them to steer their approach to marketing and ticketing towards understanding what drives the best ticket sales with minimal buying friction and high customer satisfaction.

Leading ticketing providers may also share aggregated data trends, such as average advance purchase windows, popular ticket price ranges, or peak booking days.

Having access to key understandings of demographic data from ticket buyers – age ranges, ZIP codes, purchasing times – can inform more targeted marketing spend and event scheduling. It can even further help develop an experience or production, ensuring it is created for a market that indeed exists and can be sold to.

### **Global vs. Local Market Nuances**

Immersive ticketing in major US markets like New York City and Los Angeles will find audiences more knowledgeable than in smaller markets. These well-established immersive customer bases generally have a higher willingness to pay for new experiences, while others may be price-sensitive or less familiar with the format. The former often



requires a minimalist approach to ticketing in the form of a quick landing page with basic information (supported by more detailed marketing through other channels). The latter often requires more flash and imagery as well as grabby descriptions that help educate the market, enabling buying decisions to be made in the ticketing funnel.

In New York City, it's the goal of Zach Morris of Third Rail Projects to figure out the answer to one not-so-simple question: "What is a commercial show that has a ticket price high enough to sustain the work for a long time?"<sup>53</sup> Not every market can support this question's dependence on high ticket prices being the only way to overcome every market's increasingly high expenses.

Internationally, cultural expectations around ticket buying differ, and local platforms may outperform global giants due to language barriers, brand familiarity, trust, and integrated payment methods.

### **Cost Comparison**

To attach numbers that allow expectations to be set within this industry, it's important to broadly compare the costs of ticketing platforms against the other major operating expenses within immersive work.

Aside from staff, most immersive producers would cite rent and location-specific expenses as their highest. Rent (or mortgage payments), deposits, insurance, and utilities can consume 20-25% of revenue. Physical venues have high overhead, but are generally accepted as necessary for many immersive experiences.

Marketing, essential for visibility, can consume up to 30% of sales, depending on the market and word-of-mouth "buzziness" of the offerings.

Ticketing platforms, by contrast, generally consume around 5-6% of gross revenue. This includes the

standard 2.3-2.9% of credit card processing, plus an additional 2-3% for the platforms themselves. The platform-specific fees do vary widely, often combined with setup fees and/or monthly fees. These costs can add up quickly, requiring careful analysis of what the platform provides to ensure the benefits are worth it, dependent upon the number of tickets the operator wishes to sell; what is acceptable for a low volume production can quickly spiral out of control when that same operator attempts to scale up.

### **Ticketing Scrutiny**

Amidst recent high-profile controversies surrounding major concerts, Ticketmaster and its parent company Live Nation have faced ongoing government and public scrutiny. U.S. Senate hearings in 2023 called for greater transparency and fairness in ticketing, a pressure that persisted into 2024.

This spillover effect of these ongoing actions have begun to influence immersive events, as consumers increasingly question add-on fees, dynamic pricing, and perceived "junk fees" on all types of experiences, not just large-scale concerts.

In the U.S., federal and state lawmakers continue to push for "All-In Pricing" (listing the final price upfront) to reduce consumer confusion and sticker shock. Government and consumer advocacy groups have publicly condemned hidden fees, leading to proposed legislation that has aimed to impact how event producers display ticket prices.

The European Union has strengthened its stance on automated ticket-buying bots and misleading resale practices, a move that indirectly benefits immersive creators by curbing scalping and improving inventory control.

Currently, it is up to each immersive industry creator and producer to decide for themselves how to navigate these ongoing, prominent issues.

### **Industry Responses & Adaptations**

Immersive producers today are certainly able to negotiate with ticketing partners, seeking deals that not only secure better financial terms but also incorporate improved customer support, flexible rebooking options, and integrated marketing campaigns.

Rowing heavy competition among ticketing platforms has begun to translate into more leverage when choosing or renegotiating platforms.

### **The Future of Immersive Ticketing**

As much as offerings have changed in recent years, the general state of ticketing has not shifted away from the familiar. More features have and will continue to be added by platforms seeking to differentiate themselves and build up their competitive advantages.

The most important element of ticketing for immersive producers to take with them into the future is knowing that trends are pointing toward giving creators more leverage and control over how, where, and when their tickets are sold. Every creator with access to a computer can select from a wealth of choices or even roll out their own platform if they feel they can support it on their own. The biggest challenge ahead is not finding a ticketing platform but weeding through the smallest details in order to find the best platform for the job: both currently and in the future.

Fortunately, aside from long-term commitments involving up-front or ongoing cash incentives, most ticketing platforms operate on simple month-to-month terms, many even minute to minute. It's time consuming, but not difficult for creators to simply

try a platform for a while and, if it doesn't work, drop it and switch to another. The options are seemingly endless, empowering creators of immersive art and entertainment to do what they do best: experiment.

# 08: Practitioner, Commissioner, Craftsperson, and Audience Survey

## Practitioner Survey

Overall, the practitioner survey had 190 respondents from 17 different countries who self-identified as immersive creators. Respondents took the survey between September and October of 2024.

### Summary for all Practitioner Types

The Multi-Disciplinary Immersive Trailblazer – They've Been Here the Whole Time

Most survey respondents said that they work either as an independent or as part of a small business, and they are located in the USA.

The four most common categories they work in are immersive/interactive theatre, escape rooms, themed entertainment, installation art & performances, with some also working in extended reality (AR, MR, or VR) and experiential marketing. Most survey respondents also self-identified as working across multiple categories of immersive.

These practitioners value creative/artistic achievement as well as client/customer satisfaction highly in their work, over financial gain/profit. They are mostly self-taught, nearly all of them have come into immersive work from a variety of other disciplines.

The typical practitioner has been creating immersive work for 6-10 years, with many of them having worked much longer in the field. These practitioners also tend to wear multiple hats when working on a

project – from director to performer to designer to writer.

They are typically satisfied or very satisfied with their careers in immersive but many only get to do work in immersive part-time, not full time, and the career path for an immersive practitioner past a certain point remains unclear.

They also struggle to find funding for their projects. (See “Commissioners/Presenters/Producers” section for more details.)

### Demographics

#### Business/Organization Size and Type

Over half of the respondents (58.4%) identified their organization as being a small business (fewer than 100 employees) whereas 21.6% said they were independent (working solo or within a small group, not organized into a business).

### Primary Category of Work

Respondents were presented with a list of immersive categories and asked to select up to three primary ones that they work within. Most survey participants selected more than one category (142 respondents, or approximately 75%).

Half of respondents identified as primarily working in immersive/interactive theatre at 93. Next most popular were escape rooms (39 respondents) themed entertainment (35), installation art & performances (34), AR/MR/VR (29), experiential marketing (28), games (23), museums (22), and live action roleplaying (21).

Interestingly, those working in extended reality and experiential marketing had a decent sized presence in the practitioners' survey despite those areas not exactly being "loved" by the people who took the audience survey.

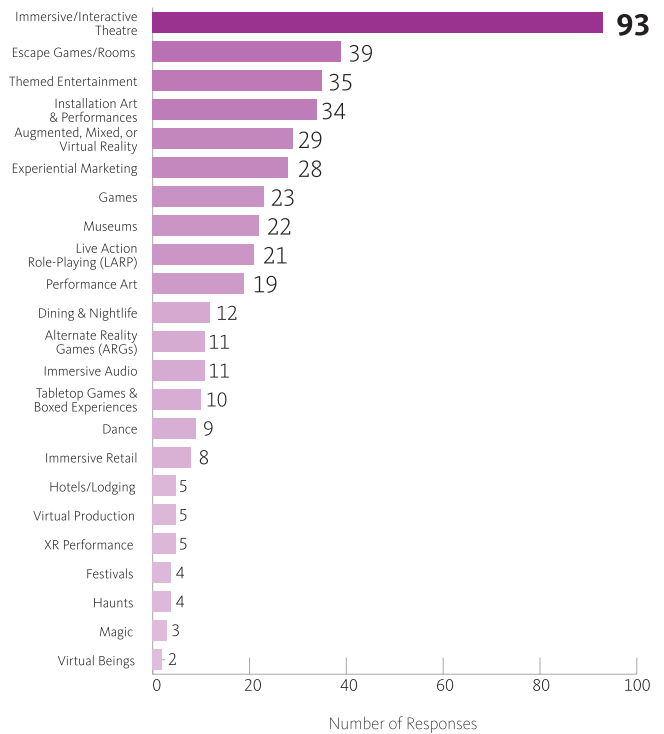
This discrepancy is possibly due to these immersive projects being better capitalized and funded and correlated with B2B/client work as opposed to those ticketed experiences purchased directly by consumers.

### Primary Country

Practitioners from 17 different countries responded to this survey. Most respondents identified as being in the USA (145 people). The next most common countries were the UK (16) and Canada (12).

There were also respondents from Australia, Japan, China, Croatia, Greece, Israel, Mexico, Singapore, Switzerland, and Trinidad and Tobago, as well as 5 respondents who cited working worldwide or across multiple continents.

Please identify the primary immersive categories in which you work:



### Primary City

Respondents identified as working in nearly 150 unique locations around the world.

Most cited locations were New York City (mentioned 32 times) and Los Angeles (30 times) followed by California (12 times), London (10 times), and Denver (7 times).



### What Do You Value Most as a Practitioner?

Survey respondents were asked to rank five items in a list: creative/artistic achievement, customer/audience satisfaction, social impact, client satisfaction (B2B), and financial gain/profit.

**Creative/artistic achievement and customer/audience satisfaction are by far the most valued aspects of immersive work for practitioners.**

Of the survey respondents, 72 said creative/artistic achievement was ranked first in value while 44 said creative/artistic achievement was ranked second for them. And 67 said customer/audience satisfaction was most valuable while 62 said customer/audience satisfaction was second most valuable.

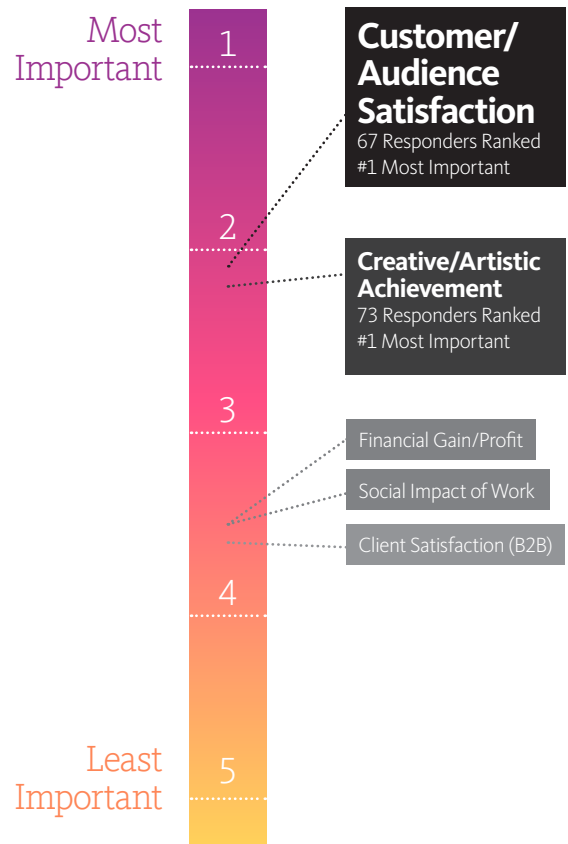
Social impact and client satisfaction were frequently ranked last on the list with financial gain/profit typically in the middle.

### What Else Do Practitioners Value?

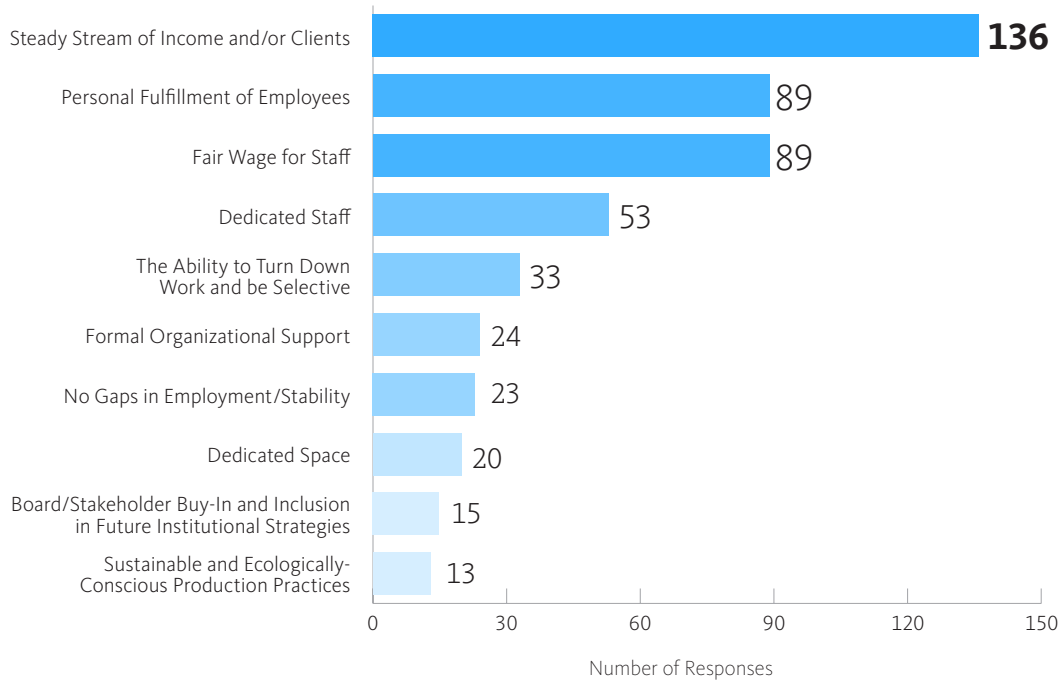
When asked what else they valued via an open text field, the most cited items were around growing the immersive field itself (mentioned 14 times), innovation (14), community (10).

Other frequently cited aspects were artistic/technical achievement (8), collaboration (8), having fun in the creation process (8), and a sustainable business model (8 times).

What do you value most in your immersive work?



What do you think an immersive company needs to have in order to be termed “successful”?



### Defining Success

Respondents were presented with the question, “What do you think an immersive company needs to have in order to be termed ‘successful?’” They were then presented with a list of options and asked to select up to three answers.

The majority of respondents selected having a **steady stream of income/clients (136 people)** as a marker of success.

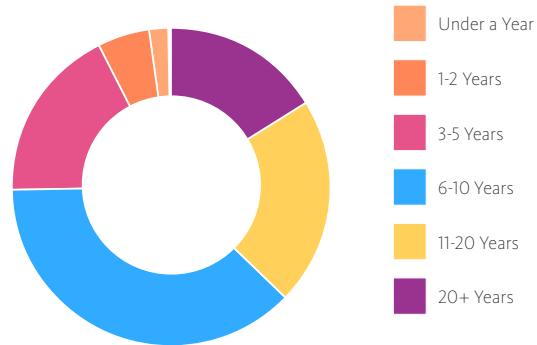
Next most popular was “**personal fulfillment of employees**” (89) and “**fair wage for staff**” (also 89). This was followed by “**a dedicated staff**” (53) and “**ability to turn down work**” (33).

## Years of Experience

Most practitioners answering the survey have been creating immersive projects for **3 years or longer** in the industry (176 out of 190 respondents).

Most have been working for **6-10 years (37.4%)** while others have been working 3-5 years (17.9%). Others have been working 11-20 years (at 21.1%) or even longer, with an impressive 16.3% saying they have been creating immersive/experiential work for 20+ years. 2.1% said had been working for less than one year and 5.3% said between 1-2 years.

How long have you been creating immersive/experiential work?



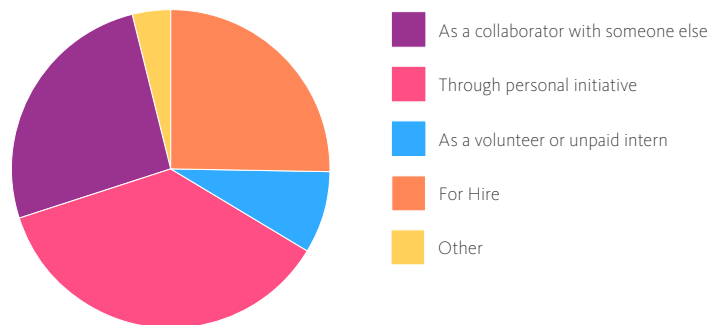
## Other Fields You Have Worked in or Trained For

Respondents were provided with a list of other fields and were able to select all that applied.

Respondents said that they have worked in or been trained for: writing (87 respondents), production (71), film (64), communications/media (63), design (57), education (53), and marketing (53).

However, the long tail of other fields coming into immersive is quite long, with some respondents saying they had worked in sectors as diverse as public policy, the law, video games, health care, politics, construction, cybersecurity, and finance. Only 1 person said they have only worked in or trained specifically for the immersive industry.

Think back to your first-ever project in the immersive industry. For whom did you complete this project?



## Your First Immersive Project

Most respondents said that they completed their first project as a **passion project**: either through personal initiative (36.3%) or as a collaboration with someone else (26.3%).

Only 25.3% said they were paid to create their first immersive project as an intern, contractor, or employee.

### Awareness in the Field

Most practitioners answering the survey said that they were aware of immersive art and entertainment as a broader field when they first began, at 61.1%. However, 22.6% said they were unaware of it as a broader field, and 10.5% said they were only aware of their particular area of expertise.

### Education

Respondents were presented with a list of options for education and asked to select all that applied.

**Almost all respondents said they were self-taught to some amount**, with 92.6% of people (176 respondents) selecting that option. 38.9% said they had mentorship from someone else in the field. Additionally, 31.1% said they have taken classes and workshops from practitioners (as part of non-degree earning programs).

Only 22.1% said they had formal education in creating immersive art/entertainment at the university or college level.

### Satisfaction With Career

Practitioners were asked to rank their satisfaction on a scale of 1 to 5 with 1 meaning very dissatisfied and 5 meaning very satisfied.

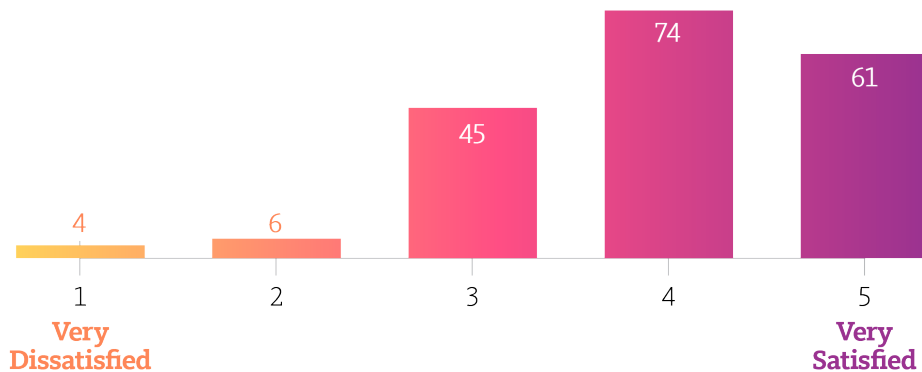
**Overall, career satisfaction ranks very highly among people who took the survey with most respondents selecting either a “4” ranking (38.9%) or “5” ranking (32.1%) on how satisfied they were with their career.**

Interestingly, very few people selected a “1” (4 respondents) or “2” (6 respondents) and only a small number selected a ranking of “3” on the satisfaction scale (23.7%).

### Why Satisfied?

Respondents were asked, “If SATISFIED, what do you find fulfilling about this kind of work?” and given

How satisfied in your career are you?





an open text field to write their answer. 156 people (82%) wrote in a response.

Overall, immersive practitioners derive immense satisfaction from the impact the work has on audience members (mentioned 75 times). One practitioner said, “it means a lot to me that the world we created inspires our guests,” after seeing fan art created by audience members online. Another practitioner wrote, “It’s amazing to witness patron happiness and awe when they experience the work,” while one respondent described it as “bringing joy into the world, especially in joyless times.”

Survey respondents also reported being driven by the creativity found within immersive (mentioned 59 times), the amount of innovation (cited 42 times) found in the field, and satisfaction when collaborating with others (mentioned 20 times). One practitioner wrote, “It provides a level of intellectual challenge and stimulation that I have not found as intensely elsewhere.”

For many of these practitioners, working in immersive art and entertainment is a calling. One respondent wrote, “telling collaborative stories is a way for me to connect to my friends, my community, even my heritage.” Another one said, “This field allows me to make the kind of art I’ve always been meant to make.” One practitioner described working in immersive as something that “feeds the soul.” And one creator even mentioned that “No one has ever taken a selfie in front of one of my Super Bowl commercials,” when compared to working in other fields.

An important aspect of working in immersive art and entertainment for practitioners is its unrealized potential, said some respondents. One wrote, “I like that there’s a lot of immersive work yet to do that has never been done before.” One creator phrased

their work in immersive as “finding constant new white space and creating new businesses from scratch!”

Rather than being discouraged, creators are also invigorated by the constant change in the field. One practitioner said they are “solving strange problems and never doing the same thing twice.” Another wrote, **“It’s like playing in a sandbox.... I can be an architect, an animator, a user experience designer, and a storyteller at the same time.”**

#### Why Dissatisfied?

Respondents were asked, “If DISSATISFIED, would you rather be working in the immersive industry in a different capacity or another field all together?” and given an open text field to write their answer. Only 48 (about 25%) of respondents chose to write an answer; most respondents left this blank or wrote “N/A.”

Of those who answered, 18 had a strong desire for more financial stability and sustainability in the industry and another 12 mentioned not being able to do full-time work in the immersive industry. These practitioners tended to do only part-time work in immersive and need to supplement their income in other ways (often with a day job); the ideal is a full-time role where they are making immersive work on a consistent basis and have a steady income.

Four respondents wanted to change their role or sector within the immersive industry, such as becoming more of a creative lead or pivoting into themed entertainment. They sought more opportunities to apply their immersive skills in new ways, which in line with the feedback that a full-time

role, only making immersive work, with steady income is the ideal.

This tension between the sense of creating something meaningful and something financially viable was characterized well by Charlie Miller of the Denver Center for the Performing Arts, Off-Center Productions:

“I really love immersive that you can’t see the edges of the world; that completely envelopes you in the physical world and where you have a meaningful role in the world and you can effect the outcome, and that there were humans in the world with you. I wish the economics made this possible more.”

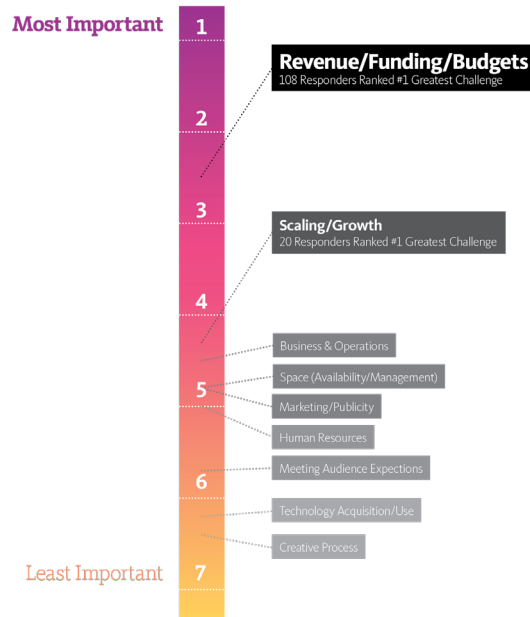
### Current Challenges in the Immersive Industry

Survey respondents were presented with a list of seven options and instructions to rank them according to relevance. The list of options contained the following: revenue/funding/budgets, scaling/growth, meeting audience expectations, human resources (e.g. finding staff/crew/talent), space (availability and/or management), business & operations, and marketing/publicity (i.e. attracting people to my experience). By far, the most cited challenge in the survey was revenue/funding/budgets with 108 respondents ranking that as their top choice and 26 placing that second. Next most cited was scaling/growth, selected as first by 20 people and second by 44 people.

The topics of human resources, space, business/operations, and marketing/publicity tended to hover in the middle, without any clear trends, unlike issues of funding and scaling.

However, potential issues with meeting audience expectations ranked either in the middle of the list or ranked last (31 people).

What are the biggest challenges to your current work in the immersive industry?



In an earlier question, “What Do You Value Most,” practitioners responding to the survey tended to rank artistic/creative expression and client/customer satisfaction very highly, leading to something of a disconnect between the two surveys (Practitioner and Audience).

It is possible there may be a large amount of emphasis on creating a unique, compelling, and emotionally satisfying immersive experience on the practitioner side while not putting enough resources into the marketing or customer service aspects of an experience, leading to gaps from the audience’s perspective.

The sample size of the practitioners survey also may not accurately reflect the larger pool of immersive creators, particularly those practitioners who are making work that the audience survey respondents consider to be “not really immersive” or of low quality.

As seen in the audience survey, attendees sometimes struggle to find basic information like level of interactivity, real-life photos and videos,

actual duration of an experience, and more. They have also felt misled by dishonest descriptors of immersive experiences in the past. (See “Information to Prepare to Attend an Experience” in the audience survey).

Respondents to the audience survey also said they felt that they did not see enough marketing for immersive experiences (205 respondents, or 58.6%).

Perhaps to meet (or exceed) the creative and emotional expectations of an immersive experience, practitioners first need to find their potential customers through more extensive *marketing* while also ensuring that they meet the customer’s *practical* and *logistical* expectations as a baseline.

### Other Challenges with Making Immersive Work

Practitioners were also asked, “What other challenges are you facing in your current immersive work that were not mentioned in the previous question?” and given an open text field to respond, optionally. 75 wrote a response; all other left the question blank or wrote “N/A.”

Other challenges with making immersive work (not mentioned in the previous section) included difficulties balancing budgets and costs more specifically against client expectations or while attempting to keep ticket prices reasonable for attendees.

Difficulties finding clients, working with clients, and educating clients about immersive came up multiple times (10 times).

Some also mentioned a reluctance to invest in immersive from institutions and that arts organizations typically don’t understand immersive as a format. A few also cited time as a challenge given how resource-intensive making immersive work can be.

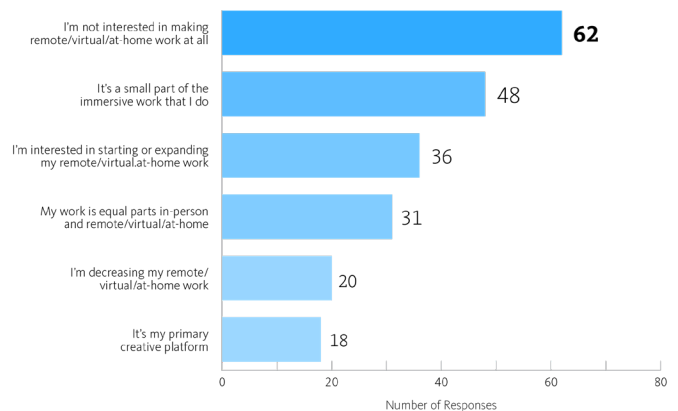
### Remote Work

Practitioners are very divided about remote, virtual, and other experiences which can be done at home.

About a third of survey respondents (62 or 32.6%) said they were not interested in that type of work. However, 25.3% said it’s a small part of what they make but not all of what they make and 16.3% said their time was divided equally between in-person and remote/virtual/at-home projects.

And 18.9% said they were interested in making more remote/virtual/at-home work while 10.5% said they wanted to make less remote work. And 9.5% of practitioners said it was their primary creative platform.

What is your relationship to remote/virtual/at-home immersive experiences (such as VR, over the telephone, boxed experiences, etc)? Select all that apply.



### Immersive Practitioners Wear Many Hats

Given the size and scrappiness of the industry, it may come as no surprise that immersive **practitioners often wear many hats** and take on multiple roles in a project, such as serving as a producer/designer/director or producer/designer/writer on a single experience.

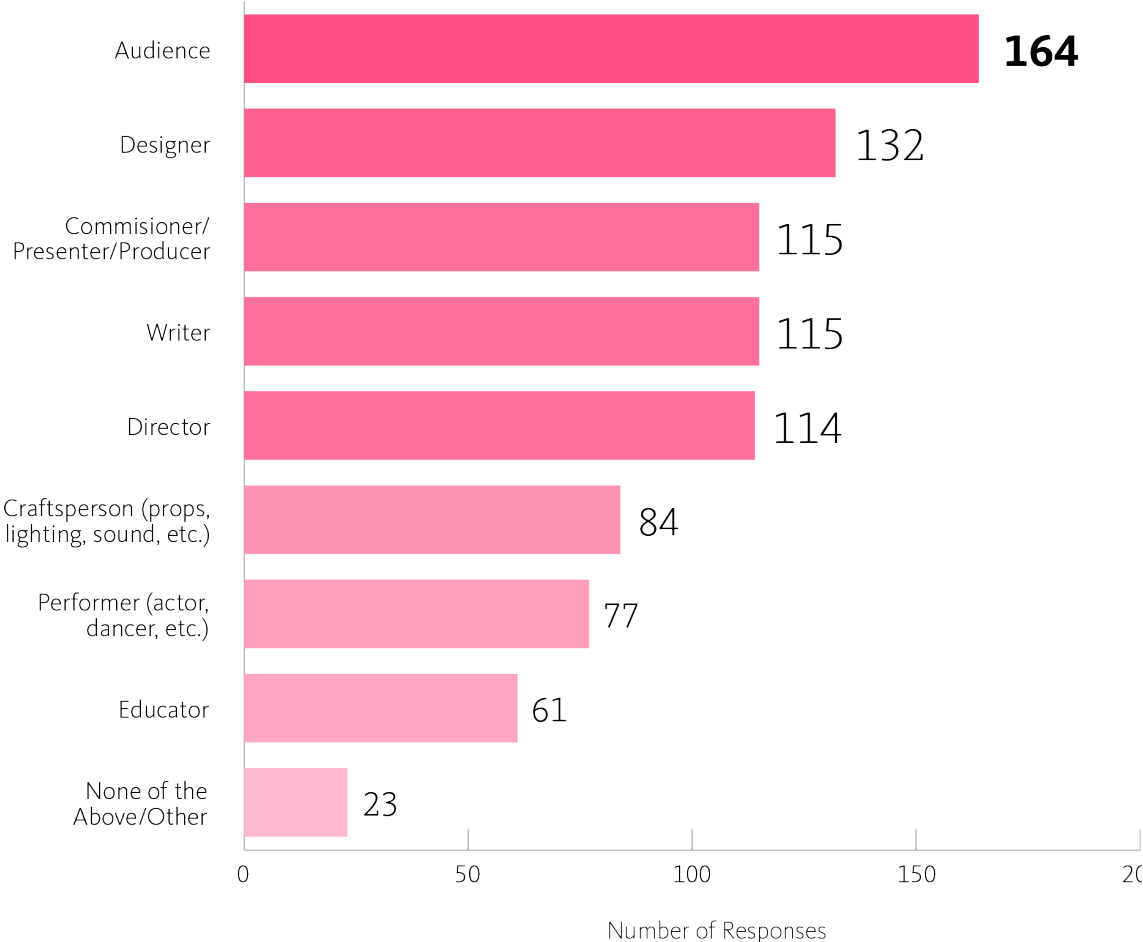
The vast majority (86.3%) have attended an experience as audience in the last year. And the majority (60.5%) said they had taken on the role of a commissioner/presenter/producer of work. 69.5% they have designed in the last year. 60% said they have directed in the last year. And 60.5% have taken on a writing role.

Nearly half (44.2%) of survey respondents have taken on a craftsperson role (such as props,

lighting, costume, etc.) while 32.1% have taken on an educator role and 40.5% have taken on a performance role in the previous 12 months.

Most interesting is the role of commissioner/presenter/producer of work which indicates a willingness to incubate new work, perhaps within their own companies, or doing work for multiple companies at once (such as during a day job and also on nights and weekends passion project).

Which of these roles have you taken on in the past year?





### Commissioners/Presenters /Producers Specific Questions

115 (60.5%) of the 190 respondents to the practitioners survey self-identified as a commissioner/presenter/producer of immersive work.

The following questions were only asked of those 115 respondents who self-identified as a commissioner/presenter/producer of immersive work.

#### Summary for Commissioners/Presenters/ Producers of Immersive Works

Most commissioners/presenters/producers of immersive works who answered the survey rely upon **clients, self-funding, revenue from previous immersive works**, and company/organization **founders** for funding.

They tend to employ independent contractors and salaried full-time employees.

Most respondents are in the growth or introduction stage of their companies and working on a **single new immersive project per year** that is intended to run for **less than one year** after launching. They tend to launch 1-2 projects per year and most of their revenue comes from **ticket sales or client work**.

Nearly half of commissioners/presenters/producers of immersive works who provided gross revenue information plan to report a 2024 revenue of \$100,000 or higher. However, a significant minority also plan to report a revenue of under \$10,000 (this includes companies that did not earn any revenue), with fewer respondents than expected reporting gross revenues in the ranges between \$10,000 and \$100,000.

#### This finding seems indicative of ongoing challenges in the ability to scale up from small productions.

Throughput per single show/experience as well as total throughput over the year of 2024 varies widely among these companies/organizations without any clear trends.

About half of the commissioners/presenters/producers of immersive works who answered the survey provide discounted or free tickets to certain groups.

The most common daily rent is \$100-\$499 (in USD) and the most common monthly mortgage payment is \$1,000-\$4,999 (in USD).

These commissioners/presenters/producers of immersive works tend to describe and market their immersive projects as “immersive” given its familiarity with the intended audience; however, they find the term is sometimes not as effective as intended, so they often elaborate with more detailed descriptions to provide additional specificity.

These respondents also noted that marketing, project management, budgeting, and business models can make or break an immersive project. In addition, successful immersive projects will often strike the right balance between artistic vision and audience appeal (and are poised to capitalize on positive customer buzz) whereas projects that fail often misjudge the appeal of the creative concept and/or run out of runway to build their audience over time.

Most will survey their audience members only occasionally or never survey them, which may account for missed opportunities around evaluating concept appeal, effectiveness of marketing, taking advantage of word of mouth, and more. (See “Failures” and “Successes” sections later in this section.)

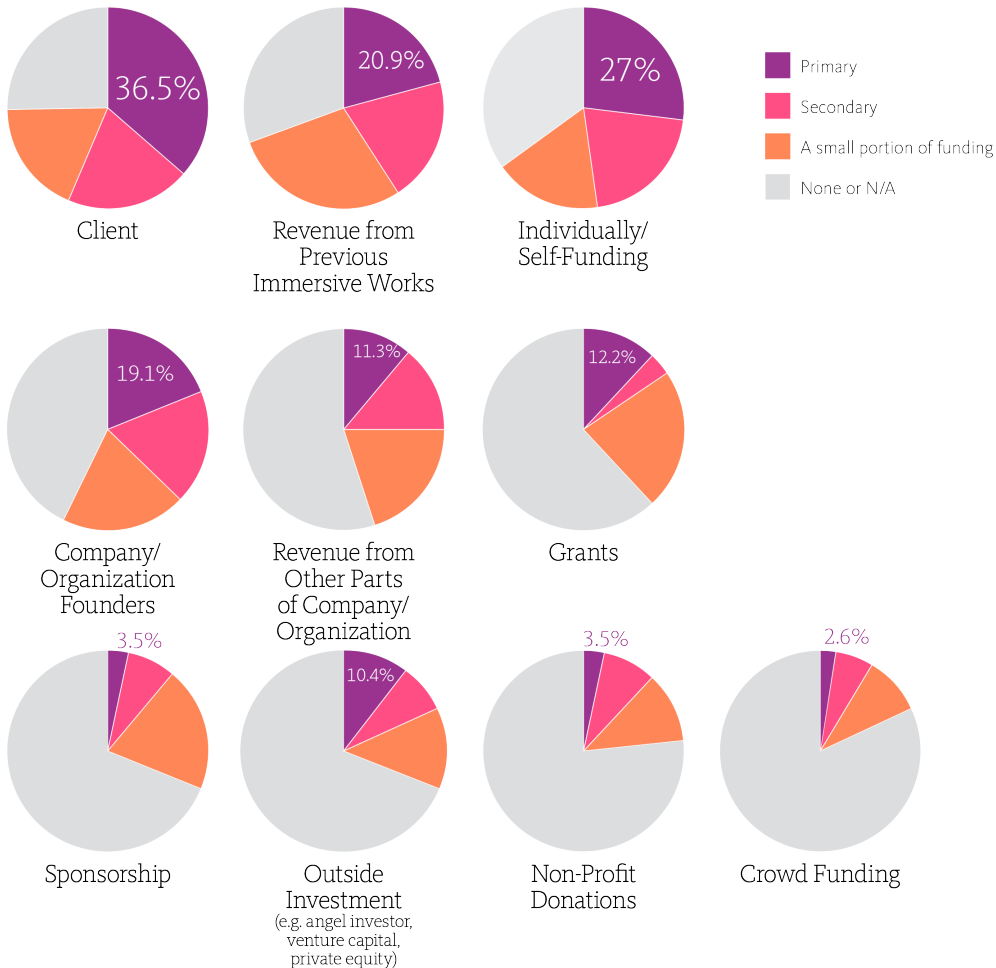
### Primary and Secondary Sources of Funding

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked to identify any primary and secondary sources of funding for immersive work from the following list: grants, client, crowdfunding, company/organization founders, revenue from previous immersive works, individually/self-funded, non-profit donations, outside investment, revenue from other parts of the organization/company, and sponsorship. Each source could be identified as a primary source, a

secondary source, a small portion of funding, or not applicable.

The most common primary and secondary sources of funding included clients (42 identified as primary, 23 said secondary), self-funding (31 as primary, 24 as secondary), revenue from previous immersive work (24 identified this as primary, 23 said secondary), and company/organization founders (22 selected this source as primary, 21 said secondary).

What are your primary and secondary sources of funding for your immersive work?



Overall, grants, crowdfunding, non-profit donations, outside investment, revenue from other parts of the company/organization, and sponsorship are **not** being used by the majority of respondents to fund immersive work.

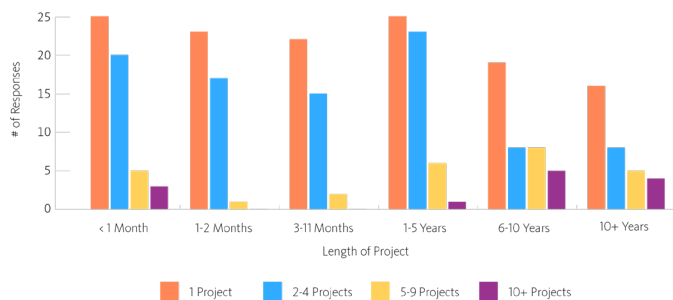
### Types of Employees

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked to identify how many of each type of employee their company employed: hourly full-time, hourly part-time, independent contractors, unpaid volunteers/interns, salaried full-time, and revenue or profit share.

The most common type of worker employed by a commission/presenter/producer of immersive work was independent contractors (92 of 115 respondents employ at least one independent contractor) followed by salaried full-time employees (58).

28 respondents said they employed at least one hourly full-time employee. 47 respondents said they employed at least one hourly part time employee. 38 respondents said they employed at least one unpaid volunteer/intern. 37 respondents said they employed at least one revenue or profit share employee.

How many projects do you currently have that are intended to run for:



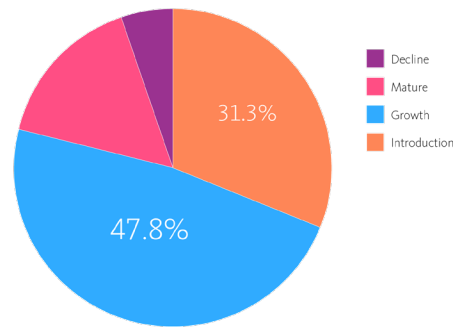
### Stage of Company

The majority of respondents who self-identified as a commissioner/presenter/producer of immersive work identified their companies as being in the growth stage (47.8%) while 31.3% said they were in the introduction phase. 15.7% of respondents said their company was in the mature stage and 5.2% said their company was in the decline phase.

### Intended Run Lengths of Projects

Respondents who self-identified as a commissioner/presenter/producer of immersive work were

Which stage best describes your company?



presented with a list of time ranges and asked how many projects they currently had that were intended to run for each provided time range.

60.9% of respondents answered that they were currently working on at least one project intended to run for less than 1 year.

Most respondents said they were currently working on projects which were intended to run for time periods between 1 month and 5 years. Of these survey respondents, a significant portion said they had at least one project intended to run for less than one month (25), 1-2 months (23), 3-11 months (22). 25 answered that they were working on one project intended to run 1-5 years.

And slightly fewer respondents said they had 2-4 projects intended to run for less than one month (20), 1-2 months (17), 3-11 months (15), and 1-5 years (23).

### New Works Produced in 2023 and 2024

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked how many new works they created in the calendar years 2023 and 2024.

Most respondents said that they created one new work (31 respondents) or two new works (27 respondents) in 2024.

2023 was a slightly less prolific year, with respondents creating one new work (33) or two new works (20) in 2023.

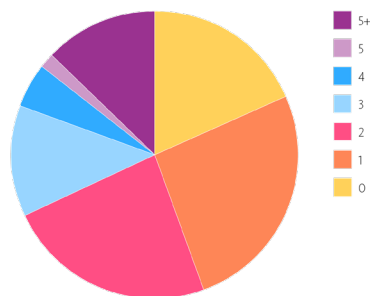
### Works From Before 2023 Still in Operation

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked how many immersive works they had which were still in operation from 2023 or earlier.

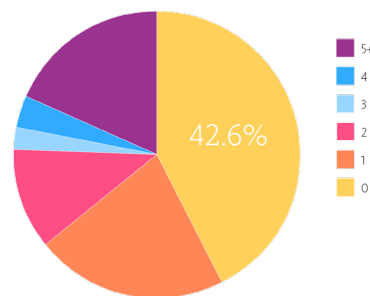
The majority of survey respondents (42.6%) do not have any immersive works from 2023 still in operation. 21.7% reported having one project still in operation while 11.3% reported having two works still in operation.

However, a large chunk (18.3%) of respondents reported having more than 5 works still in operation, most likely coming from the themed entertainment sector.

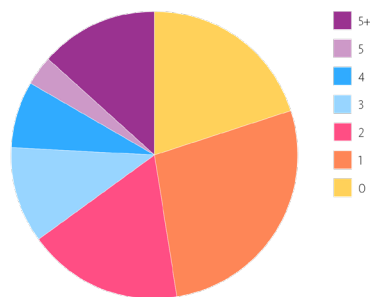
How many NEW works did you produce in 2024?



How many works produced prior to 2023 are still in operation?



How many NEW works did you produce in 2023?



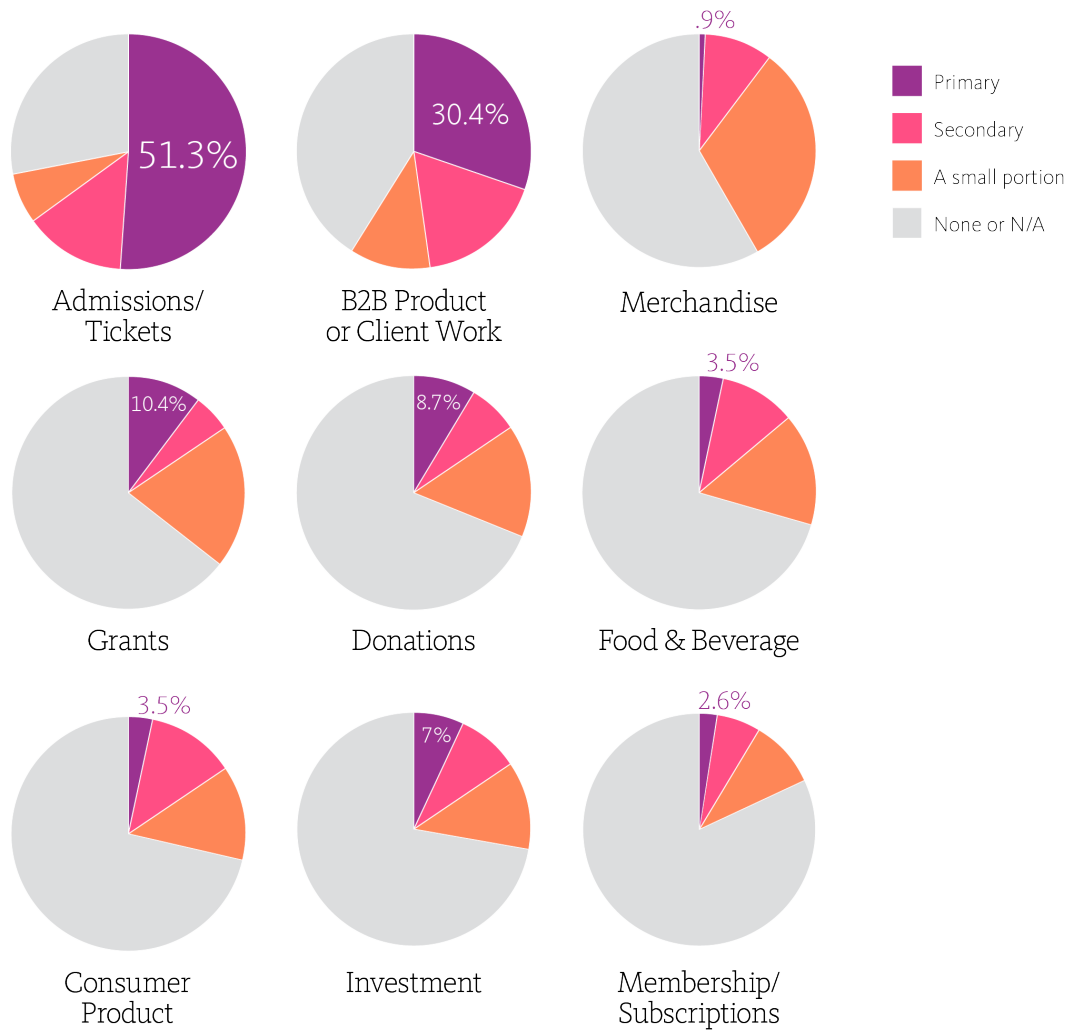


## Revenue Generation

Respondents who self-identified as a commissioner/presenter/producer of immersive work were presented with a list of categories and asked to identify if the category was a primary revenue source, secondary revenue source, only a small portion of their revenue, or not applicable.

Most commissioner/presenter/producers generate revenue via admissions/ticket sales or B2B product/client work.

Of the following, what generates the most revenue for your company?



**2024 Gross Revenue**

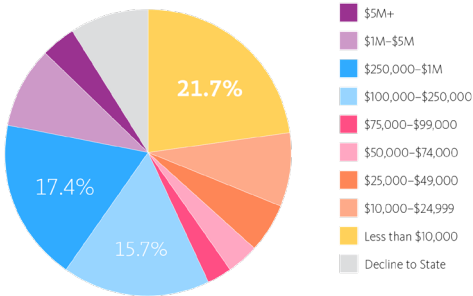
Respondents who self-identified as a commissioner/ presenter/producer of immersive work were very divided when answering questions about their company’s gross revenue in 2024. 13.9% declined to state a range.

Of those who answered, the most popular range was under \$10,000 gross revenue for the year. 21.7% of all respondents said they expected to earn less than \$10,000 in gross revenue (this includes companies which did not earn any revenue in the year 2024).

However, there was a strong showing for companies making more than \$100,000 in 2024, with approximately half of all respondents indicating so. 15.7% said they were in the \$100,000-250,000 range. 17.4% responded being in the \$250,000-\$1 million range. 8.7% indicated an expected gross revenue of \$1-5 million. And 3.5% expected a gross revenue of over \$5 million.

This finding seems indicative of ongoing challenges in the ability to scale up from small productions, as the number of respondents reporting a gross revenue within the \$10,000 and \$100,000 was lower than expected. 7.8% reported a revenue of \$10,000-24,999, 5.2% reported a revenue of \$25,000-\$49,999, 3.5% reported a revenue of \$50,000-\$74,999, and 2.6% reported a revenue of \$75,000-\$99,999.

What is/will be your company's gross revenue in 2024? (in US dollars)



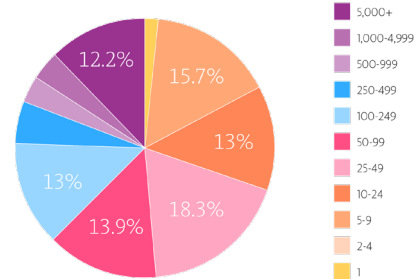
### Throughput Per Experience

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked “How many attendees/audience/participants do you serve/plan to serve per single show/experience?” Responses varied widely to this question.

The majority of respondents were divided between 5-9 people (15.7%), 10-24 people (13%), 25-49 people (18.3%), 50-99 people (13.9%), and 100-249 people (13%).

And a small subset 12.2% of respondents indicated that they serve over 5,000 people per single show/experience.

How many attendees/audience/participants do you serve/plan to serve per single show/experience?

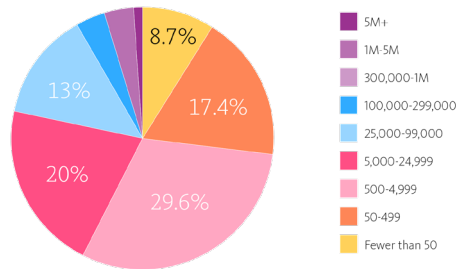


### Total Guests Served in 2024

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked “How many total attendees/audience/participants did you serve/plan to serve in 2024?”

The number of total people served throughout the entirety of the year 2024 was also very divided. 17.4% indicated between 50-499 people, 29.6% indicated between 500-4,999 people, 20% indicated between 5,000 and 24,999 people and 13% indicated between 25,000 and 99,999 people.

How many attendees/audience/participants do you serve/plan to serve in 2024?



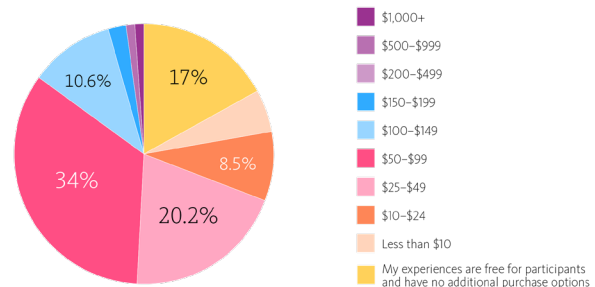
### Spend Per Person Per Experience (in USD)

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked “For commercial events, how much are your customers spending with you per person for each experience on average? (in US dollars, including tickets, food, beverage, merchandise, add-ons, etc.)”

The majority of respondents said that per person, for each experience, on average, their customers spend \$25-49 (16.5%) or \$50-99 (27.8%).

The next most common response was “my experiences are free for participants and have no additional purchase options” (13%).

For commercial events, how much are your customers spending with you per person for each experience on average? (in US dollars)



### Discounted/Free Tickets

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked “Do you offer discounted or free tickets for different groups? If yes, please describe.”

Approximately half out of the 115 respondents (61 people or 53%) said they offer some form of discounted or free ticket.

Most common groups to receive free or discounted tickets included students (mentioned 14 times), artists/industry members (10 mentions), group discounts (9 mentions), and discounts based on need (6 mentions).

Some respondents also mentioned that their events were already free (mentioned 2 times) or offered as tiered ticketing/sliding scale (mentioned 5 times) or offered as pay what you can experiences (6 mentions).

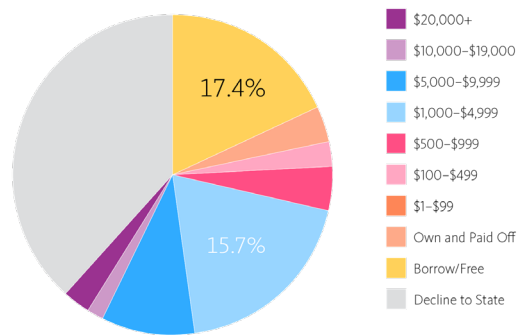
### Rent and Mortgage Payments (in USD)

Survey respondents who self-identified as a commissioner/presenter/producer of immersive work were asked to list their daily rent and/or monthly rent/mortgage payments in USD.

The most common response when asked “what is your daily rent in US dollars” was \$100-499 daily with 30.4% of respondents selecting this range. Next most common was \$100-499 with 17.4% of respondents selecting this answer. And 15.7% of respondents said that they borrow their space or get it for free. And 30.4% of respondents declined to state.

The most common response when asked “what is monthly rent or mortgage in US dollars” was \$1,000-4,999 (19.1%) followed by “borrow or free” for 18.3% of respondents. And 38.3% of respondents declined to state.

What is your monthly rent or mortgage payment? (in US dollars)





## Describing Your Immersive Work

Survey respondents who self-identified as a commissioner/presenter/producer of immersive work were asked, “What words do you use to describe your immersive work (other than ‘immersive’)?” and given an open text field to answer. 113 people entered in a response.

**The most frequently mentioned terms were “interactive” (mentioned 37 times), “experience” (26 times), “experiential” (17), “game” (12), “story” (10), and “theatrical” (9).**

Some respondents mentioned their projects being **audience-driven** or described an experience which was happening **“all around you”** (mentioned 10 times). The terms **“adventure”** or **“scavenger hunt”** were also used 10 times. Respondents also emphasized the **“live”** or **“performative”** aspects of their work (8 mentions).

## Marketing Your Immersive Work

### Most Effective Verbiage

Respondents who self-identified as a commissioner/presenter/producer of immersive work were asked, “What words have you found to be *most* effective in marketing your work?” and given an open text field to answer. 114 people entered a response.

Multiple respondents conceded that the terms **“immersive,” “immersive experience,”** and **“immersive theater”** (mentioned 23 times collectively)—while being open to interpretation—remain very effective because they are **familiar to the intended audience.**

The next most popular terms were **“interactive”** (mentioned 17 times), **“escape room”** (mentioned 8 times), and **“experiential”** (7 times). Use of **genre** (such as horror, mystery, comedy) was also popular (mentioned 6 times).

Several respondents also answered that they were **unsure** how best to market their work and were still **figuring it out** (mentioned 7 times).

**One respondent said “clear and simple descriptions” worked well for them while another answered “we just try and describe what we do as most don’t know what we do.”** One respondent pleaded in the survey, **“Haven’t found the answer yet, please tell me.”**

Others focused on the audience’s role with verbiage like **“your chance to be the hero”** and **“be part of the story,”** while some focused on the appeals of immersion itself with phrases like **“real life video game”** or **“it’s a movie you can walk around inside of.”**

### Least Effective Verbiage

Survey respondents who self-identified as a commissioner/presenter/producer of immersive work were asked, “What words have you found to be *least* effective in marketing your work?” and given an open text field to answer. 114 respondents wrote in an answer.

The most popular answer was **“immersive”** (which was mentioned 30 times) and many respondents felt unsure about answering this question at all (10 respondents).

However, a few respondents pointed out that while the term **“immersive”** can still be useful, additional specifics are needed, as just saying a project is **“immersive”** is **too vague on its own.**

A few respondents also said that they felt they had higher chances of success with visuals rather than any specific marketing terms.

## Surveying the Audience

The majority of respondents who self-identified as a commissioner/presenter/producer of immersive work said they survey their audience members only occasionally (40%) or never (13.9%).

21.7% said they survey their customers often and only 19.1% of respondents said that they survey their attendees after every single show or experience.

Without more frequent surveying of audiences, commissioner/presenter/producers may be missing valuable opportunities to better understand what kinds of immersive concepts appeal to their customers, what types of marketing work best, how word of mouth is spreading, any existing customer experience and user experience pain points, and more. (See “Failures” and “Successes” below.)

## Failures

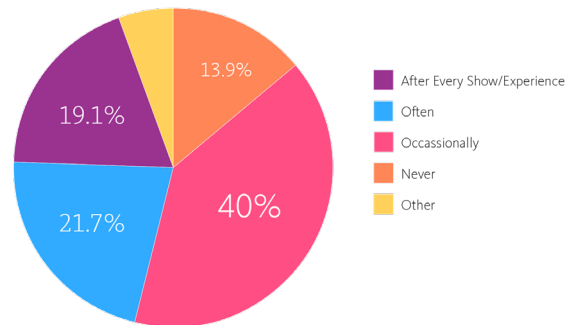
Survey respondents who self-identified as a commissioner/presenter/producer of immersive work were asked, “Think of a show or project in which you lost money or failed to break even; in your opinion, what went wrong?” and given an open text field to answer.

The most commonly cited reasons for a project failing to break even or losing money included poor marketing or lack of marketing (mentioned 21 times), poor budgeting practices (mentioned 18 times), lack of audience interest which resulted in lackluster ticket sales (13 times), poor project management practices (9 times), and a badly fitting business model (8 times).

Multiple respondents (8) discussed misjudging the appeal of their concept or creating something that was too niche or hard to explain to the public.

One respondent specifically said they made the mistake of “deciding that X amount of audience are needed to cover the cost of making the show... without considering whether X amount of audience

How often do you survey your audience/attendees about their experience?



are interested in what you present (especially with IP).”

Several (7) also mentioned that their projects were expected to lose money as subsidized or purely artistic endeavors.

## Successes

Survey respondents who self-identified as a commissioner/presenter/producer of immersive work were asked, “Alternatively, think of your most successful show or project. What makes this one stand out? What went right?” and given an open text field to answer.

The most commonly cited factors in a project’s success included making smart creative choices around the name of the experience, its concept, its theme, etc. (mentioned 24 times), getting audience buzz (mentioned 20 times), having strong partnerships with venues or presenting partners or clients (mentioned 15 times), designing a high quality product (13 times) as well as good budgeting

practices (12 mentions) and effective marketing (12 times).

Several respondents also mentioned having enough runway and resources to find the right audience or build that audience over time with a strong concept as contributing factors to their most successful project.

One survey respondent in particular said that they found success in a project by finding the sweet spot in capital expenditures (CapEx) vs. operating expenditures (OpEx) to run profitably. They stated, in their case, “a £300,000 production [with] a throughput of 100-150 [people] per day, if it hits a 70% capacity, can be more sustainable than a £3M show that can serve 600 people a day.”

1 said 10-24 hourly and 1 responded under \$10 hourly. 10 others declined to state and 39 others identified as not being a freelancer.

## Hiring

When hiring, the majority of survey respondents who self-identified as a commissioner/presenter/producer of immersive work tended to hire from the fields of theatre (60%), design (45.2%), technology (42.6%), art (33.9%), and management (25.2%).

## Freelance Status and Pay

Only 24.3% of respondents who self-identified as a commissioner/presenter/producer agreed with the statement that “freelancing is the majority of my work.” 23.5% said that freelancing was a small percentage of their work and 48.7% said they were not freelancers.

Of those who were willing to share hourly pay information for freelance work, 5 said they were paid over \$250 per hour on average, 15 said they were paid \$100-249 per hour on average, 12 said they were paid \$50-99 per hour on average, and 11 said they were paid 25-49 per hour on average,

## PERFORMERS/CRAFTSPEOPLE SPECIFIC QUESTIONS

79 (41.6%) of the 190 respondents to the practitioners survey identified as a performer/craftsperson in immersive.

The following questions were only asked of those 79 respondents who self-identified as a performer/craftsperson in immersive.

### Primary Role

Respondents who self-identified as performers/craftspeople were asked “How would you identify your primary work in immersive?” Respondents could select up to three answers.

The most common roles cited were **writer/editor** (41 respondents), **actor/performer** (39 respondents), **craftsperson** (props, set, lighting, etc.) (34 respondents), and **director** (33 respondents).

### Pay, Pay Rates, and Tips (in USD)

Most of the respondents who self-identified as performers/craftspeople said that they were **paid via salary (27.8%) or not paid at all (22.8%)**.

16.5% responded they were stipend-based workers and 15.2% said they were paid on an hourly basis.

When asked about hourly wages, 7.6% responded they were paid under \$10 per hour, 15.2% responded \$10-24 per hour, 21.5% said they were paid \$25-49 per hour, 8.9% said they were paid \$50-99 an hour, and 6.3% answered they were paid \$100-\$249 per hour. 19% declined to state.

The majority of respondents who self-identified as performers/craftspeople stated that they do not receive audience tips (87.3%).

### Breaks & Meals

Respondents who self-identified as performers/craftspeople were asked, “How many 15-minute breaks are you given per 8-hour shift?” The majority (50.6%) answered that this was not applicable. 6.3% said they were provided no breaks, 5.1% said they were provided 1 break, 8.9% said they were provided 2 breaks, and 11.4% said they were provided 3+ breaks.

Six respondents said that breaks happened organically, as needed, or were not scheduled in advance/planned, and thus the number varied.

Respondents who self-identified as performers/craftspeople were asked, “Are you provided meals during your shift?” 41.8% responded that this was not applicable to them. 17.7% said yes, while 29.1% said no.

### Safety & Support

Survey respondents who self-identified as performers/craftspeople were asked “Do you feel safe and supported by the companies you work with/for? Why or why not?” and given an open text field to write an answer.

72.2% (57 out of 79) of survey respondents said yes, they felt safe and supported. Most commonly cited reasons for feeling safe and supported were that they were the owner or worked for themselves (15 mentions), their company/organization had strong protections and policies in place (6 mentions), they were picky about who they collaborated with (4 mentions), their company/organization prioritized safety (4 mentions), and their company/organization practiced open communication (3 mentions).

12.7% (10 respondents) answered they sometimes felt safe and supported. 5.1% (4 survey respondents) answered no, they did not feel safe and supported. The top cited reason for only sometimes feeling safe



and supported or not feeling safe and supported was workers being taken advantage of (6 mentions), especially if they were younger or inexperienced. Other reasons included audience assault, harassment being ignored, getting injured on the job, lack of support and strong policies, experiencing racist/sexist microaggressions, promises being broken by management, being underpaid, and being undervalued.

10.1% (8 participants) stated this question was not applicable or did not answer.

### Benefits

Survey respondents who self-identified as performers/craftspeople were asked, “Do you receive benefits such as retirement, healthcare, or paid time off from your company?”

48.1% said they receive no benefits and 25.3% said this was not applicable to them. 12.7% said they receive some benefits and only 10.1% said they receive many benefits.

### Worst Things About Working in Immersive

Survey respondents who self-identified as performers/craftspeople were asked “What are the pain points or worst things about working in this industry? What do you wish was different or better?” and provided an open text field to submit an answer. 77 respondents chose to answer.

The top cited pain points and worst things about working in the immersive entertainment industry included **low wages or working for free** (mentioned 16 times), **lack of funding** (mentioned 14 times), **challenges around a ticket-driven business model** (mentioned 11 times), **there being not enough work available** (8 times), **lack of public understanding of immersive** (7 times), **as well as lack of job stability** (7 times).

Six respondents also mentioned the topics of mistreatment of workers and workers being taken advantage of or lack of a union and union protection within immersive.

### Best Things About Working in Immersive

Survey respondents who self-identified as performers/craftspeople were asked “What are the best things about working in this industry? What would you not want to lose?” and provided an open text field to submit an answer. 75 respondents chose to answer.

Similar to the answers about career satisfaction, survey respondents said they most appreciated the **creativity inherent in the field** (mentioned 35 times), **the people and community members they get to interact with** (20 times), **the impact immersive has on the audience** (17 times), **the field's cutting-edge nature** (mentioned 15 times) and **collaborating with others** (mentioned 7 times).

## Immersive-Curious Organizations

26 survey respondents self-identified as immersive-curious organizations. Respondents took the survey between September and October of 2024.

The majority were small businesses with fewer than 100 employees (10 respondents or 38.5%) or medium-sized businesses with 100-999 employees (5 respondents or 19.2%).

The companies came from a wide variety of industries including advertising, music, sports, hospitality, architecture, tabletop gaming, and more. The most cited category was museum or science center (5 respondents).

Respondents were primarily either answering on behalf of international/global companies (13 or 46.2%) or those with an individual location (10 or 38.5%).

For most respondents, the overall interest in immersive was either extremely high (18 or 69.2%) or moderately high (7 or 23.1%). The majority were interested in producing/making new, original immersive content (18 or 65.4%) or commissioning new work (3.8%) with less interested in presenting existing work in their space at 11.5%.

The top three categories of work that most interested respondents who self-identified as being immersive-curious included immersive/interactive theatre (61.5%), themed entertainment (57.7%), and museum exhibits (38.5%).

However, the most cited barrier to acting upon this interest was lack of investment (73.1%) followed by concerns around the business model (34.6%), concerns about the risk (26.9%), and not knowing who to engage with or partner with (23.1%) in order to execute a project.

The majority of the immersive-curious respondents said they were **planning for future immersive projects in their budget** (69.2%) and a similar number said they would consider **dedicating space and staff to immersive experiences**.

Most respondents were either extremely optimistic about the industry (34.6%) or somewhat optimistic about the industry (50%).

## Audience Member Survey

350 respondents from 10 countries, including Australia, Canada, Germany, Israel, Italy, Switzerland, South Korea, The Netherlands, the United Kingdom, and the United States took the survey between September and October of 2024.

### Summary for Audience Member Survey

Overall, the typical respondent to the audience survey is a middle-aged white woman living in the United States. She is married, employed with a full-time job, and has a bachelor's degree. Her annual household income is between \$100,000 and \$250,000.

**This person attends several immersive experiences a year and has a willingness to travel to see immersive projects in separate locations (between 1 and 4 times a year), visiting immersive destinations like London, New York City, and Los Angeles.**

The Immersive Maven – Build It and She Will Come (If It's Good)

In general, our typical survey respondent is a passionate and savvy consumer of immersive who loves losing herself in highly detailed fictional worlds, solving puzzles or completing missions, and interacting with live actors. **She is willing to pay for a high-quality immersive experience with significant emotional impact because she sees the value in it; she will travel to attend new immersive experiences and has done so in the past.** Our immersive maven loves her local indie creators but has been burnt by mediocre productions or misleading

advertising in the past, so she is often wary of new experiences.

It is very important to her to get a sense of what an immersive experience is actually like when researching immersive experiences. She is willing to evangelize for high quality immersive experiences, despite not being a professional influencer. She will recruit friends and family to come with her and she will try to act as their guide to an experience beforehand.

However, it is often difficult for her to do so. She is frustrated by the lack of honest, detailed marketing materials or representative photos/videos for any specific immersive event/experience. She's willing to opt into spoilers beforehand if it results in a better experience for herself and others in her party; she wants to know how to make the best use of her time inside an experience.

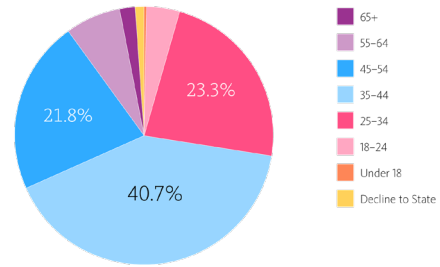
Overall, she wishes there were a **higher volume and more of a diversity of immersive experiences** to choose from. She plans to either attend the same number of experiences next year or to increase her attendance at immersive experiences in 2025. But, as always, **she wants to spend her time and money wisely.**

## Respondent Demographics

### Age

40% of the respondents to the audience survey identified as being between 35 and 44 years of age, with an additional 22% being 45-54 and 23.4% being 25-34.

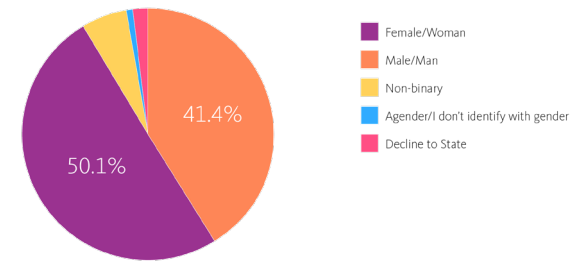
What is your age?



### Gender

50.3% responded that their gender was female/woman while 41.4% said they were male/man and 5.4% identified as non-binary. 3.1% identified as transgender.

What is your gender?



### Ethnicity

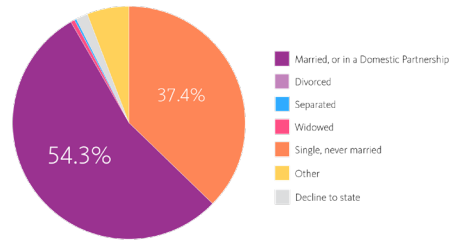
Survey respondents were presented with a list of ethnicities and selected all that applied. Most survey respondents (292) identified as White/Caucasian. 35 of respondents self-identified as Asian, 21 identified as mixed ethnicity, and 11 identified as Hispanic/Latinx.



## Marital Status

Most respondents identified as married at 54.3%, whereas 37.3% identified as single and 4.3% identified as divorced.

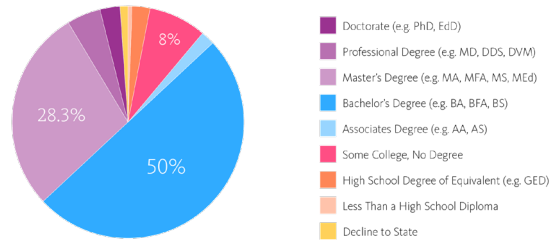
What is your marital status?



## Education

50% of respondents identified as having a bachelor's degree. 28.3% of respondents identified as having a Masters degree. 8% of respondents identified as having some college but no degree. (Note: the survey did not separate out current university students from those who dropped out of college or did not finish.)

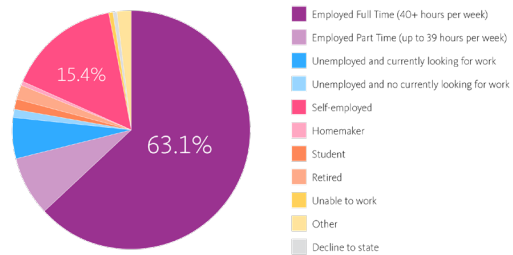
What is the highest degree or level of school you have completed?



## Employment

63.1% of respondents said they were working full time, with 15.4% reporting that they are self-employed, and 8% saying they work part time (up to 39 hours a week).

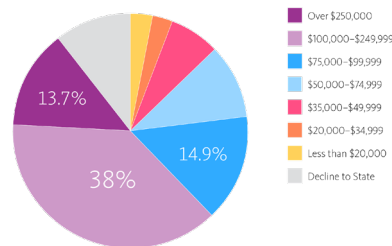
What is your current employment status?



## Household Income

38% said their household income was between \$100k and \$249,999 USD 14.9% of respondents stated that their household income was \$75k to 99,999 and 13.7% stated that their household income was over \$250,000.

What is your annual household income? (in US dollars)



## Influencer Status

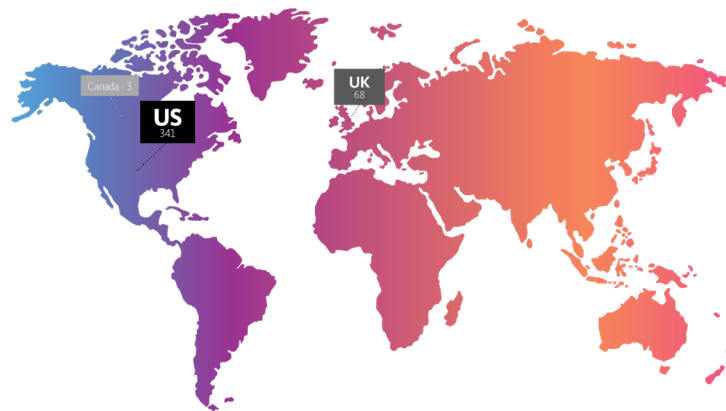
Only 2.3% of respondents said they were paid to post on social media.

## Respondent Location

### Country

78.9% of respondents reported they primarily attend in the USA, 14.9% in the UK, 1.1% in Canada, and 1.1% also responded seeing experiences both in the USA and UK.

In what country do you primarily work?



### City

The survey asked the primary city or cities where respondents attend immersive events and many respondents included multiple cities in their answers, indicating a willingness to travel for immersive experiences.

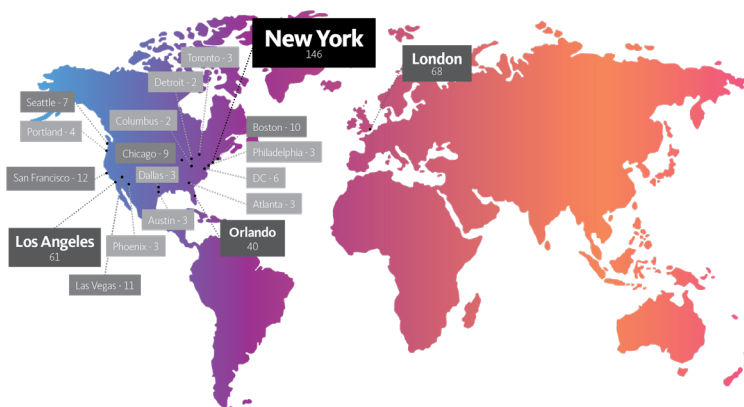
Overall, 107 respondents (30.6%) either included multiple cities/locales in their answer or mentioned

seeing immersive experiences in multiple cities (without specifying exactly which cities).

Additionally, the top city for immersive experiences was New York City, which was mentioned 146 times (by 41.7% of 350 respondents).

Next most popular was London, mentioned 68 times (19.4% of the time), followed by Los Angeles mentioned 61 times (17.4% of the time), and Orlando which was mentioned 40 times (8.9%).

In what city do you primarily work?



## Frequency of Attendance and Travel

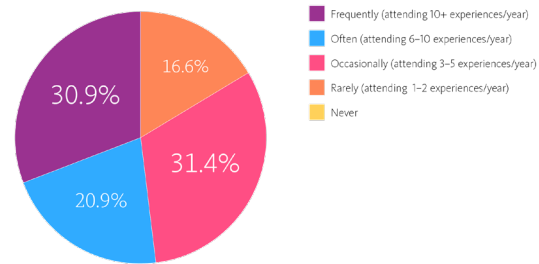
21.1% of survey respondents said they only attended one or two experiences a year. Most respondents said they attended at least three a year, or more.

31.5% of respondents said they attend between 3-5 experiences a year, while 20.9% said between 6-10 experiences a year. **Together, this means a full 40% of respondents said they would attend between 3 and 10 immersive events during the year.**

And a sizeable portion attend more than 10 a year: 24% said they attended between 10 and 25. Whereas 8.3% of respondents said they attended between 26-49.

The proportion of people responding 10+ a year may be particularly high if the respondents are avid consumers of remote events such as the serialized theatre show, *Lennox Mutual*, and are counting each episode as a separate event, or they are fans of Punchdrunk's *Sleep No More* which extended its anticipated closing multiple times throughout 2024, leading attendees to squeeze in "just one more show" over and over.

How often do you attend immersive experiences?



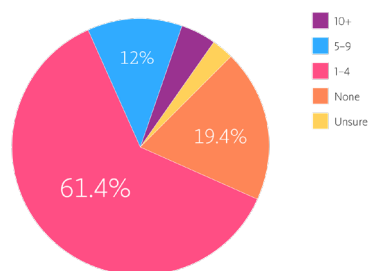
## Travel

This question asked how many times a year respondents take a flight or do a long drive primarily to attend an immersive experience.

**Most respondents said that they travel away from home between 1-4 times a year to attend an immersive event (61.4%).** While 12% of respondents said that they attend 5-9 events a year away from home.

Another 19.4% said they do not travel to attend immersive events at all.

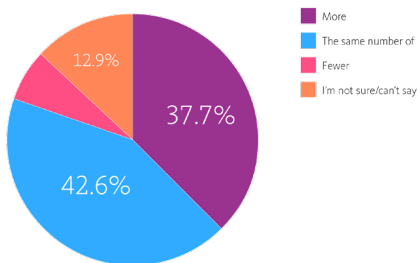
How many times per year do you travel away from home (such as taking a flight or long drive) primarily to attend an immersive event?



### Attendance Compared to 2023 and 2025

For the year 2024, 38.3% of respondents said they attended around the *same* number of experiences compared to the previous year while 38.9% of respondents said they planned to attend *more* experiences in 2024 compared to 2023.

Which of the following best applies to you?  
Next year, in 2025, I expect to attend \_\_\_\_\_ immersive experiences compared to 2024.



19.7% said they planned to attend fewer events in 2024 compared to 2023. This discrepancy may be in relation to some high-profile experiences which closed their doors in 2023 (*The Burnt City*, *Star Wars: Galactic Starcruiser*).

Most respondents planned to attend the same number of immersive experiences in 2025 (42.6%) or attend more immersive experiences in 2025 compared to 2024 (37.7%).

### Seasonality of Attendance

Respondents were asked to rank Spring, Summer, Fall, and Winter in terms of their attendance.

Survey respondents said they attended the most experiences in Fall (110 respondents ranked this as the top season) and Summer (107 respondents ranked this as the top season) compared to Spring (84 respondents picking this as their top season), but only by a small margin.

However, most respondents said they attend the least number of experiences in the Winter (Dec to

Feb). Most likely this is due to holidays and holiday-related travel.

### Virtual Reality Headset Ownership

Most respondents (223 at 63.7%) did not report owning a VR headset. Additionally, 175 respondents said they were not planning to buy a VR headset.

### Pricing and Perceived Value of Immersive Experiences

33.7% of respondents said that the most they have ever paid for a single ticket for an immersive experience was in the range of \$100-199. 26.6% of respondents went higher than that – saying that they have paid between \$200-499 at least once for a single experience.

While the range of \$500-999 only had 5.7% respondents selecting that range, 15.4% of respondents said that they have paid between \$1000 and \$4,999 for a single ticket to an experience – we believe these answers are primarily coming from audience members who attended *Star Wars: Galactic Starcruiser* in the past.

### Most survey respondents (77.7%) said they agreed with the statement that “immersive experiences are charging a fair price and I get the expected value for what I pay.”

Only 14% said that immersive experiences are overpriced, while 8.3% said they are underpriced.

Survey respondents were asked what was the most they would be willing to pay for a single ticket (in USD) to immersive experiences of varying lengths. Overall, there was some disagreement/preference spread in pricing of very short (30 minutes or less) or very long (multi-day/overnight) experiences, and a clear preference for a specific price range for 1-hour, 2 to 3-hour, and single day immersive experiences.



Survey respondents generally agreed that a price of **\$10-24** (115 respondents or 32.9%) or **\$25-49** (143 respondents or 40.9%) is desirable for a **30 minute or less experience**, with 15.1% saying they would pay \$50-99.

For an **hour-long experience**, most felt that **\$50-99** was the right price to pay (163 respondents or 46.5%) with 20.0% saying \$100-199 and 19.7% saying \$24-49.

For a **2 to 3-hour long experience**, the majority felt that **\$100-199** was a fair price (155 respondents or 44.2%) with 17.7% saying they would pay \$50-99 and 26.0% saying \$200-499.

For a **full day experience**, the majority felt that a price of **\$200-499** was fair (169 respondents or 48.3%) with 16% saying \$100-199 and 19.7% saying \$500-999.

For a **multi-day/overnight experience**, respondents felt that a price of **\$500-999** (107 respondents or 30.57%) or \$1,000-4999 (123 respondents or 35.1%) was a reasonable price to pay with 16.3% selecting \$200-499.

In general, these results are likely indicative of the fact that consumers have the most exposure to and experience with 1-hour immersive experiences (like escape rooms), 2–3-hour immersive experiences (such as immersive theatre shows) and single day immersive experiences (like going to a theme park).

Unsurprisingly, attendees may lack a direct frame of reference for much shorter immersive experiences (under 30 minutes) and much longer immersive experiences (more than one day/overnight).

Respondents seem willing to pay for a high-quality immersive experience but also savvy when it comes to identifying experiences that feel shallow, lack the most desirable qualities, or like an obvious cash grab (see “Favorite Qualities” and “Like Most/Like Least About the Work Available in Your Area”).

### **Those Who Travel Willing to Pay More**

Interestingly, audience members who said that they traveled at least 5 times a year to see immersive experiences had an **increased willingness to pay for experiences compared to the group as a whole.**

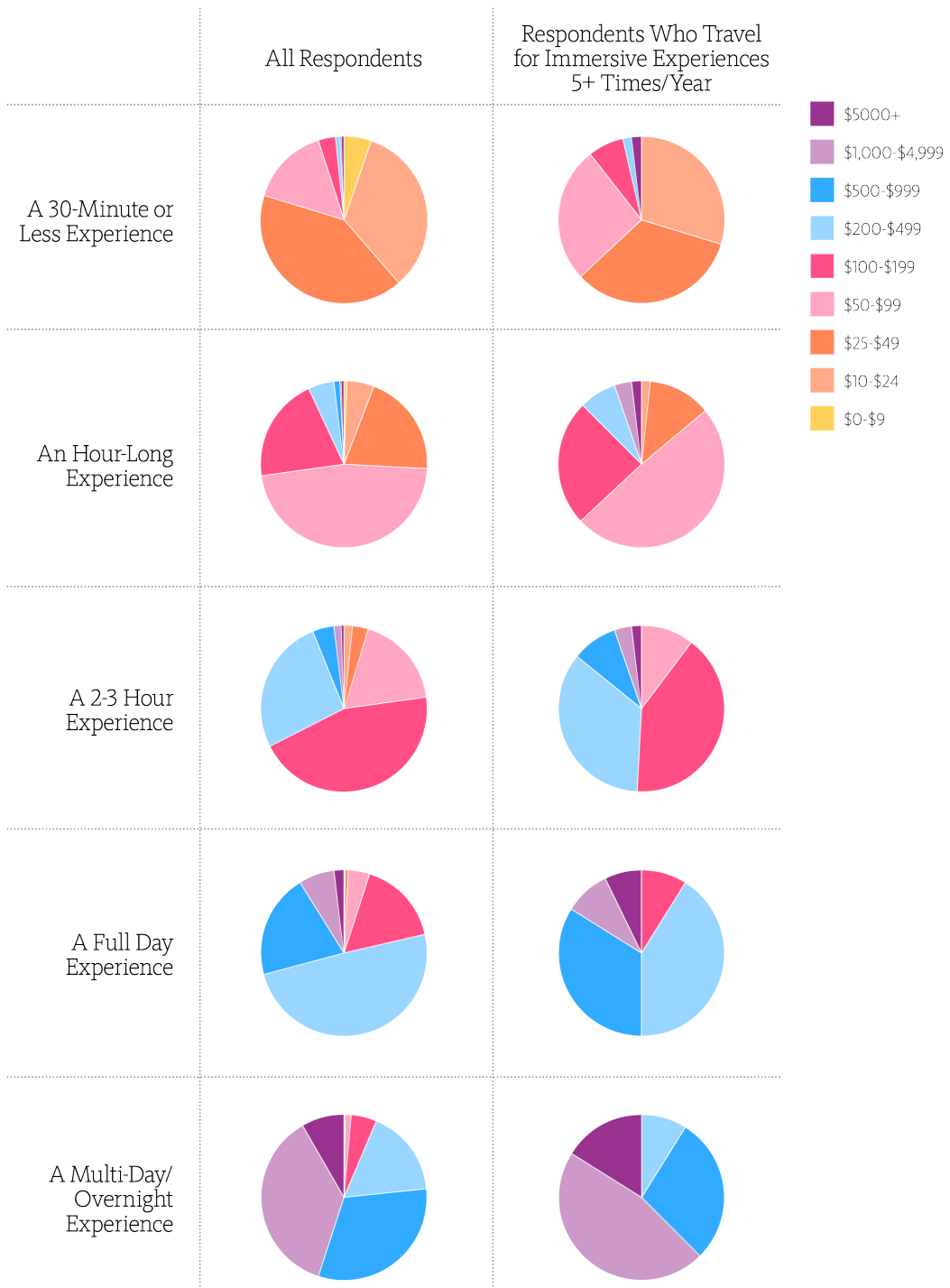
For a 30 minute or less experience, of audience members who travel frequently to see immersive, 29.3% were willing to pay \$10-24, 32.8% were willing to pay \$24-49, and 25.9% were willing to pay \$50-99.

For an hour-long experience, these respondents were willing to pay \$50-99 (48.3%) or \$100-199 (24.1%).

For a 2-3 hour experience, these respondents were willing to pay \$100-199 (39.7%) or \$200-499 (34.5%).

For a day-long experience, these respondents were willing to pay \$200-499 (39.7%) or \$500-999 (32.85%).

And for a multi-day/overnight experience, these respondents were willing to pay \$500-999 (27.6%), or \$1000-4999 (44.8%), or over \$5,000 (15.5%).



### Favorite Qualities of an Immersive Experience

Survey respondents were presented with a list of aspects around immersive experiences and select the qualities most important to them; respondents could select up to five answers.

Five aspects of an immersive experience were the clear favorites among those who responded to the survey: **a high level of interactivity (187 answers), the overall uniqueness of the experience (167), interacting with a purpose-built environment (164), encountering live actors at (155), and overall emotional impact (selected 132 times).**

This finding implies that consumers can clearly identify what is compelling about any single immersive experience that they have attended, and that they actively look for similar qualities in other immersive experiences. **The aspects listed above are likely considered table stakes for any quality immersive experience from the perspective of**

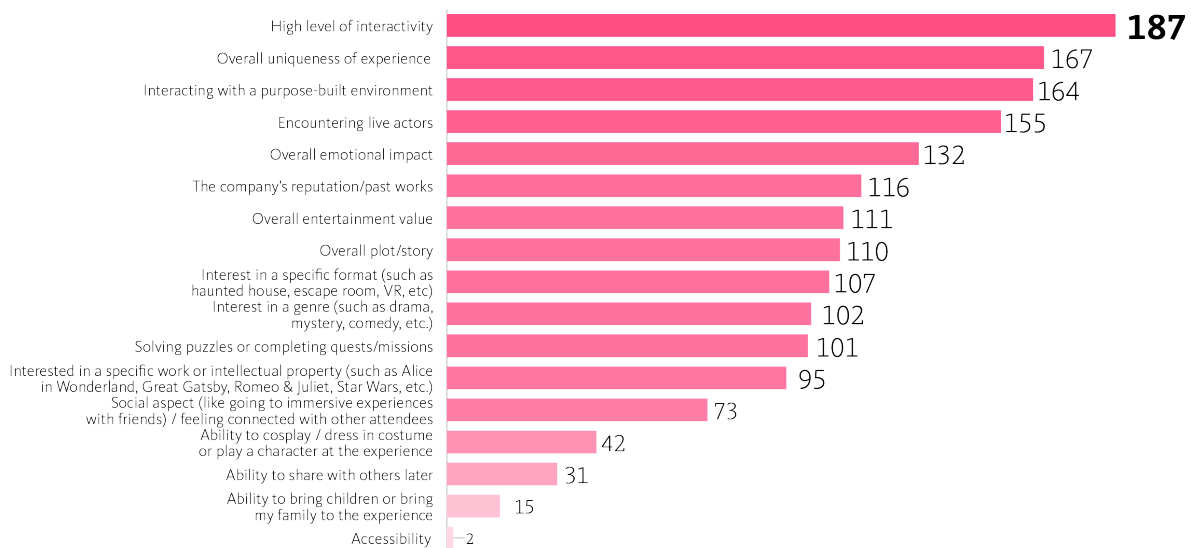
### the audience when deciding what to attend and where to spend their money.

This finding also correlates strongly with the four most preferred genres of immersive art and entertainment: immersive theatre, escape rooms, themed entertainment, and installation art & performances (see “Favorite Categories” below).

For many of the survey respondents, it is likely that past experiences with works like *Sleep No More* or visits to Disney parks and Meow Wolf set the standard and set the expectations high for any and all subsequent immersive experiences.

Other popular qualities of an immersive experience that ranked highly also included the the company's reputation/past works (116), overall entertainment value (111), overall plot/story (110), interest in a specific format (107), interest in a genre (102), solving puzzles or completing quests/missions (101), and interest in a specific work or IP (95).

What qualities are most important to you when attending an immersive experience?



### Favorite Categories of Immersive Experiences

Survey respondents were presented with a list of categories of immersive art and entertainment and asked to select up to three as their favorites. By far, the most popular category for immersive art and entertainment was immersive/interactive theatre (selected by 276 respondents), followed second by escape games/rooms (151).

Other popular formats included themed entertainment (82), installation art & performances (63), and haunts (49). This distribution also closely aligns with the four top primary categories from the practitioners' survey although audiences do not seem to favor AR/VR/MR (only selected by 19 people) or experiential marketing (only selected by 9 people).

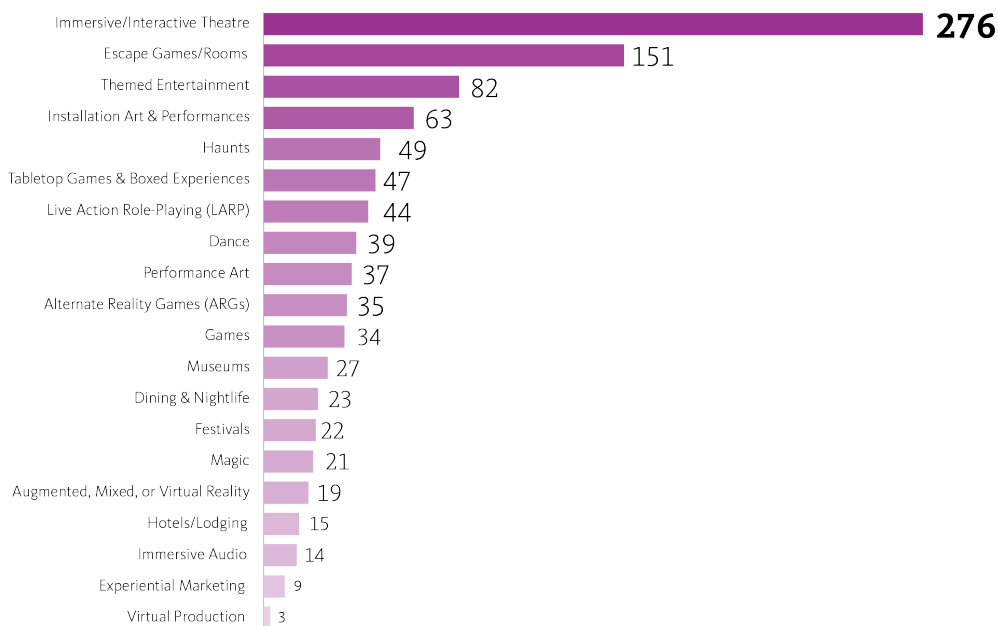
Survey respondents were presented with the same list of categories of immersive art and entertainment and asked to select up to three as

their least favorites. Respondents were very divided when asked about their least favorite formats, selecting experiential marketing (106) and virtual beings (102) as the two least popular, followed by immersive retail (88), virtual production (82), and dance (78).

This finding most likely reflects the diversity of the respondents' pool, since someone who is a fan of Meow Wolf may dislike *Sleep No More*, or someone who is a fan of escape rooms may avoid anything to do with dance or virtual reality, as a rule.

More interesting are the comments from a few respondents who specified that they could not pick a least favorite category, they simply dislike anything that is "poorly done," indicating that quality is more important than format or category.

What are your favorite types of immersive entertainment?





## Favorite Formats

Most survey respondents said that they enjoy sandbox/open world formats where the audience can come and go as they please, ranking 50.6%. And 15.4% of respondents preferred tracked/dark ride experiences while 14.3% said they preferred one-on-one private experiences. And, lastly, 16.9% said they had no preference, indicating a willingness to try different formats.

## Performer Interaction

Most respondents said they preferred either moderate (48.6%) or heavy interaction (31.1%) with performers during an immersive experience, with 13.4% saying light, and only 2.3% saying none.

## Marketing for Immersive Experiences in Your Area

Most respondents said that they wanted to see more marketing for immersive experiences, at 58.6%. 30.9% said they see the right amount and only 5.1% said they see too much marketing for immersive experiences, and a similar amount (5.4%) said they didn't recall seeing any marketing at all.

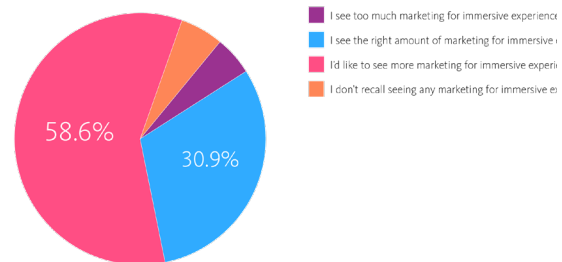
However, 43.4% of respondents said that marketing "sometimes" misrepresented the experience they attended. 13.1% said that this happened frequently and 5.1% said it happened very frequently. Meanwhile, 31.1% said this happens rarely and 7.1% said it happened very rarely.

## Quantity of Immersive Work Available In Your Area

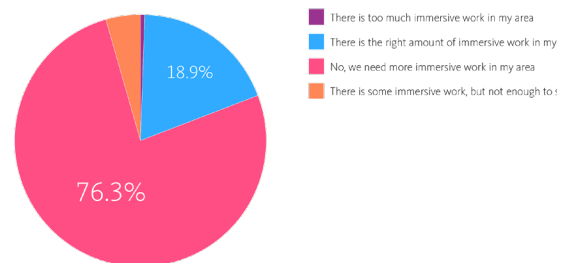
**Most respondents said that they needed more immersive work in their area – 76.3%.**

Only 18.9% said the "right" amount of immersive experiences could be found in their area.

How would you classify your own exposure to marketing for immersive experiences?



Overall, do you feel there is sufficient immersive work in your area of residence?



## What You Like Most About Immersive Work In Your Area

When asked what they liked about immersive work in their area, using a freeform text field, many respondents mentioned **appreciation for the level of escapism and wonder** they get out of the work (mentioned 43 times), such as the chance to “be someone else” or “be lost in another world” or feeling like they had been “transported” elsewhere or had “escaped” the real world temporarily.

Positive comments about quality and creativity also were very frequent. High production values (such as detailed sets, lighting, props, etc.) were mentioned 35 times, the creativity of various immersive projects was mentioned 31 times, the high quality of projects was mentioned 28 times. Ten respondents also mentioned a specific high-profile experience by name as setting the bar for quality in their perspective.

Additionally, the feeling of community and connection with others is something that ranks highly among the respondents: appreciation for performers was mentioned 26 times (“I loved the actors that I interacted with”) as well as gratitude for the passion of local creators (“lovingly made by small teams,” “they’re not just in it for the money”) was mentioned 19 times.

However, a sizable proportion of survey respondents expressed disappointment at the lack of experiences nearby (mentioned 34 times); a few also mentioned feeling that they “should” be happy or grateful for the few immersive experiences which even exist in their area (mentioned 10 times), even if they were low or inconsistent quality.

Additionally, 19 respondents did not answer this question at all, possibly because there are no immersive events nearby them.

## What You Like Least About Immersive Work In Your Area

When what they liked least about immersive work in their area, also via a free form text field, the

most popular response was the low volume and limited availability of experiences in their area, mentioned 85 times. In addition to there being too few immersive experiences near them, respondents did not like the **poor or inconsistent quality of experiences** that they tried (mentioned 53 times).

Additionally, the **lack of depth** in some immersive projects sticks out greatly to the respondents of the survey (mentioned 25 times). A few also cited high profile projects such as *Sleep No More* and *Life & Trust* as setting an extremely high bar for local or touring companies to clear and wished for something similar in their area (“Los Angeles, we need that *Sleep No More*”).

Survey respondents, having already seen one or more “best of breed” experiences, are very sensitive to the proliferation of mediocre experiences or misrepresented “not really immersive” experiences.

Eight respondents cited displeasure with projection-mapped shows like *Immersive Van Gogh* (“I don’t really consider them immersive,” “it’s a light show, folx”). Four people mentioned strongly disliking “overpriced” alcohol-centered experiences (“immersive bars constantly over promise and under deliver,” “if I see it’s a cocktail experience, I run for the hills”). Five people specifically mentioned disappointment in what one person called “Instagram click bait.”

The **lack of variety and diversity** was also mentioned multiple times (23) by respondents. Some stated that they wished that they had more theatre or actor-based events near them, while others disliked that the only experiences near them were escape rooms which they considered “not my thing” or “one and done” experiences. A few respondents also said that their personal preference is not for horror, so they felt left out when looking for experiences to attend.

Overall, survey respondents seem to have a strong desire for more high-quality, innovative experiences which are well-produced and take the form seriously.

## Preparing to Attend an Immersive Experience

Respondents were asked, “What information do you wish the marketing for immersive experiences included, in order to better prepare you for an experience?” and given a freeform text field to answer.

Most common types of information that survey respondents desired to prepare for attending an immersive experience included interactivity levels (mentioned 75 times), generally what to expect from the experience and what aspects make it “immersive” (mentioned 52 times), duration mentioned (39 times), content warnings (mentioned 28 times), and mobility advisories/accessibility information (mentioned 25 times). Only 1.7% of respondents explicitly said they prefer to go into an immersive experience with no preparation at all.

Other commonly sought after information included address/parking information, capacity, format, photos and videos, dress code/costuming and advice on what to wear (including temperature, comfortable footwear, and whether to wear contact lenses), pricing and what different tiers may include, and format.

Multiple respondents mentioned that experiences do not always do a good job of defining what they mean by the term “immersive” (mentioned 16 times).

**There was a strong desire from audience members to understand “what the show is or what you will be doing,” particularly when it comes to interactivity levels and engagement with live actors.**

Respondents wanted to know ahead of time if they should be prepared to talk to performers, for example, as some folks strongly like (or dislike) being asked to do so. One person stated, “I find a lot of experiences are so afraid of spoilers, they don't mention what it's actually like.” Another phrased it as “I want to know where my body is going and what will happen to my person.” One respondent said, “It's hard to convince people to come where

there is virtually no information what the experience actually is!” citing their difficulties recruiting others to join them.

Figuring out the “true” length of an experience is often a fraught issue. One respondent said they were sometimes surprised when something ended prematurely (from their perspective) whereas another respondent called it a sales tactic, allowing creators to charge more than what is fair for a short experience. Another said, “I want to know how long it is and I want it to actually be that long.”

Respondents were also generally disappointed in the lack of “representative” photos and videos of an experience. Without real-life photos and videos, survey respondents reported that it was much harder for them to judge the quality of an experience ahead of time. A few mentioned strongly disliking a production's usage of AI-generated artwork or an experience's usage of “just renders” of concept art in their marketing materials. One respondent said, “Mystery is detrimental to most immersive experiences. The concept is too confusing to most people in the first place, don't make it vague.” A few also mentioned feeling like they had been misled by an immersive experience in the past, resulting in a “bait and switch” situation.

There were multiple respondents who felt that productions should be able to provide more detailed information (in a spoiler-free way or by allowing participants to opt in to spoilers), without it being detrimental to the attendee experience. More than one person expressed interest in a “read as little but as far as you want” guide before attending an immersive event. Overall, survey respondents appreciated having information easily available even if they personally would not take advantage of it.

15 respondents said they wanted immersive experiences to provide more guidance on how to get the best experience possible. Some attendees also mentioned that they sometimes act as “guides” for groups of friends and family members when attending, so are relied upon as “immersive” subject matter experts by others.

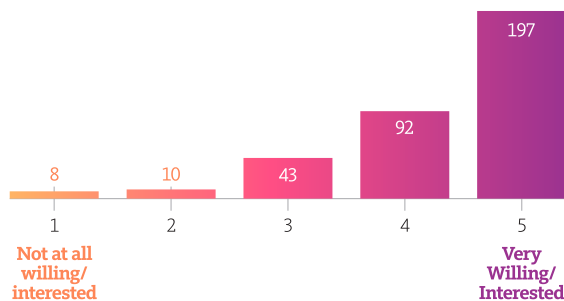
### Post-Experience Talkbacks and Surveys

Only 12% of respondents said that they frequently participate in post-experience surveys and talkbacks while 39.4% said sometimes and 12.3% only recall having done it once. 31.7% said they had never participated.

However, **most audience members would be willing to take part in a post-experience talkback or survey**, with 56.3% rating it 5 on a scale of 1 to 5 and 26.3% respondents rating willingness at a 4.

Practitioners may be missing a key opportunity to connect with their most engaged audience members, particularly if these are the same audience members who go out of their way to recruit friends and family to join them on immersive outings.

How willing would you be to take a post-experience/show survey?



### Accessibility of Immersive Experiences

Respondents were asked if they had ever requested accessibility accommodations when attending an immersive experience, and, if yes, to describe how well they were accommodated in an open text field.

50 of the 350 survey respondents (14.3%) indicated that they had asked for accessibility

accommodations when attending an immersive experience.

The types of requests varied widely, from food allergies to mobility issues, to the usage of flashing lights, to avoiding triggers in the experience's content. And 8 of the respondents mentioned asking on behalf of a friend, family member, child, or colleague, to ensure that each person in their party had an enjoyable experience.

These 50 respondents reported a **generally positive — but sometimes mixed bag — when it came to accessibility requests**. 33 respondents said they were well accommodated, 10 reported a mixture of experiences overall, and 5 had a negative experience when asking for accessibility accommodations from an immersive experience. One respondent also said they personally felt uncomfortable asking for any accessibility accommodations at all.

In general, escape rooms, given their small scale and high touch nature, received positive reception from those who asked about issues such as color blindness and crawling ahead of time. Experiences that included food and drink also generally did well to accommodate allergies and dietary restrictions with alternate menus. A few respondents with visible physical injuries and/or those who used assistive devices also reported that they were mostly pleased with the level of accommodation offered, as did a respondent whose wife was pregnant.

However, for some respondents, they would have a positive response from the production team when the request was made in advance, but during the actual experience, they would have a **less-than-ideal implementation of accommodations**. For example, one survey respondent asked for and was granted elevator access, but the elevator in question

was quite slow to arrive and they felt as if they could not keep up with the pace of the theatre show. Another said that they thought the production did “as well as they could” to avoid using the stairs. One person reported a building/attraction being rated as ADA accessible but personally witnessed a friend in a wheelchair who was not able to pass through a specific hallway.

One respondent cited making sure there were places to sit during the experience – especially for those with invisible disabilities – as a design element that is often overlooked in immersive projects, particularly if they were bringing an older family member with them.

Overall, there is a lack of consistency across various companies and events when requesting accommodations and many participants need to repeatedly advocate for themselves, which may cause stress or cause them to not attend at all.

### **Recommendations for Commissioners/ Presenters/Producers**

- Explore other sources of funding such as grants, crowdfunding, non-profit donations, outside investment, sponsorship, etc. And start to think “outside the box” as the industry develops more hybrid models of funding.
- Begin planning/budgeting for marketing for immersive projects earlier in the process.
- Track and measure when your marketing campaigns for immersive projects are successful and analyze what resonates with your customers and why.
- Immersive consumers are experiencing significant gaps in the supply of available experiences and creating more rotating/ in repertory, seasonal, touring, and pop-up experiences – or partnering with those who have this content – can help address the

desire for higher quantity of experiences in underserved areas.

- Partnering with museums, theaters, cultural institutions, and other entertainment venues/ events can also allow the introduction of new audience members to immersive work in more approachable ways (especially if free, low cost, or already bundled into the price of admission).
- Designers need to make sure that onboarding and entry points are approachable to newcomers and allow them to self-select levels of interactivity.
- Producers should be mindful of the most valuable aspects of an immersive experience to the audience when deciding where to devote resources. Projected animated art on walls in empty rooms and static themed environments alone will not meet their high standards.

### **Recommendations for All Practitioners**

- Keep innovating formats and structures that mix and match the most desirable qualities of an immersive experience in new ways.
- Be aware that the immersive audience may be wary of any marketing which is too vague or mysterious, because of bad experiences in the past, and act accordingly. If you build it, but can’t market it or explain it, they may not come.
- Recognize that an immersive experience’s reach spans multiple states/countries and your prospective customer will come to you if you can demonstrate your experience’s value and quality level – so make it worth the effort for them to travel.
- Labeling something “immersive” is still meaningful for your target audience, but not without additional qualifiers and description.
- Be explicit, honest and specific about what your experience means by “immersive” for audience



- members (i.e. what the participant is doing and how they are interacting with the experience).
- Continue to raise the bar for high quality experiences that contain what the audience values most: a high level of interactivity, overall uniqueness of the experience, interacting with a purpose-built environment, encountering live actors, and overall emotional impact.
  - Provide easy-to-find, practical guidance on how to best optimize the attendee experience (and allow attendees to opt into spoilers if they wish).
  - Take and use representative photographs and video of the actual experience to re-build trust with the audience.
  - Leverage audience willingness to participate in talkbacks and post-experience surveys more frequently to learn more about what immersive concepts resonate most with your customers, what marketing is most effective, how word of mouth is spreading, what the customer experience is like and how you can improve in the future.
  - Consider the “user experience” of being an immersive enthusiast or prospective audience member and evaluate gaps in your existing marketing and customer service through that lens.
  - Make it easier for your audience "sell" your experience on your behalf because they are already actively recruiting friends and family to attend with them, so give those prospective customers more reasons to say “yes.”

# 09: Perspective: Driving Innovation While Navigating Failure

AUTHOR: SARAH A.S. ELGER

Both standout *successes* and standout *failures* have shaped the immersive art and entertainment industry into the growing powerhouse it is rapidly becoming.

This is not just an expected moment in any industry life cycle, but one that is essential for fueling growth and success over the long term, as the industry matures and flourishes into something with more long-term sustainable success stories. Innovation and growth cannot happen without creators taking risks for experimentation through iteration.

It's equally important to make note of shorter-than-expected runs and early closures not necessarily as failures, but opportunities for the industry to learn from on the creative and business sides. From that comes change, not only in creative work but also rethinking financial models and adjusting ticketing and revenue streams. From that comes more nuanced, researched, and focused work that becomes the new breakthroughs of tomorrow – smarter, more intentional, and ultimately more sustainable, providing a base for pushing innovation that much further.

## Analyzing The Unexpected

Rather than pitting industry champions against sad stories, which only would serve to unnecessarily divide the industry into binary “success” and “failure” buckets, a greater opportunity here is to examine one of the most interesting categories within this industry: immersive experiences that have been critically and/or publicly acclaimed and won industry awards, and yet still stumbled in the long term.

That could mean they have struggled with the pains of growing and scaling, a lack of sufficient runway and resources due to rising costs, or simply having good intent, great creative, yet sitting on a bad model, insufficient marketing, or the right product

at the wrong time or in the wrong place, perhaps even for the wrong audience.

These brief case studies serve as examples of how expectations rarely coincide with reality and that this industry thrives – and fails – on a love and dedication for the unexpected.

## The Risks of Growth

For a historical perspective, it is important to note that it took decades of technology advancements, creative refinement, and audience reactions to allow Hollywood to eventually find a formula that “worked”, giving birth to what became the foundation for the thriving film industry of many, many years. That is, it was thriving until the global pandemic and new technologies arrived, up ending a century-old industry that felt unbreakable.

But today, the film industry is still seeing passionate sparks of its former creative glory through independent film production companies like A24. By taking creative risks, they have carved a niche that feels strangely familiar in appeal, tone, and content to many a boundary-pushing immersive experience. Nor have audiences completely abandoned the hit making machines of the past, as the success of Marvel's *Deadpool & Wolverine* can attest.

Within this industry, Secret Cinema was one of the earliest to merge immersive work with a love of traditional film, creating projects based on beloved movies like *Back to the Future*, *The Empire Strikes Back*, *Moulin Rouge*, and more. What began as an underground series of pop-up events grew to something far more mainstream, attracting global attention and creating opportunities for deals with major film studios. Since the time of the last industry report's publication in 2020, Secret Cinema's reputation has faltered. They seemed to be shaping up as one of the world's leading immersive companies pre-pandemic – when they decided to

launch a crowd investing campaign (see “Funding” section for more details) and ultimately sell to digital ticketing platform TodayTix for a reported sum of more than \$100 million USD (GBP £88 million).<sup>54</sup>

This led several of the Secret Cinema founders to depart the company and, in the sale’s wake, customer satisfaction dropped significantly, particularly as the number of original shows available to the public dropped, causing some who contributed to the crowd funding campaign to publicly complain about a lack of payouts for their investments.<sup>55,56</sup> Secret Cinema also began focusing more heavily on their marketing activation business, eventually launching a separate “Studio Secret Cinema” experiential agency arm.<sup>57</sup>

When the company then announced a new production of *Grease* in early 2025, some fans took to Reddit to express frustration at what they viewed as a “repeat” of a previous *Grease* immersive experience.<sup>58</sup> For these die-hard fans the original Secret Cinema “cool factor” had seemingly disappeared.

After 15 years of delighting audiences, did Secret Cinema struggle with the transition between indie and mainstream? Or was it a case of it simply being time for the company to become something new, which inevitably will disappoint long-term fans? How far can a product be changed before it is no longer lovable by its most loyal audiences and customers? Or is it worth it to “play the hits,” and bring new fans to existing work, perhaps at the expense of established customers?

This does not mean there is no room for the cinema-turned-immersive format to find success. It would not be difficult to convincingly argue that selling a company for \$100 million USD is quite the success

story. Yet the struggles that have shadowed the brand after the sale was certainly unexpected.

Similarly, at the time of publishing the last Industry Report, the immersive “Disneyland of liquor” Lost Spirits Distillery was just beginning to become beloved. They were recovering from a fire at their first Los Angeles location and preparing to open a massive new spot at AREA15. It was well-received experience, entirely original and unique. Not only were they opening LBE locations but also running a high-tech distillery with proprietary rapid aging techniques.<sup>59,60</sup>

Amidst the pandemic, they used a WeFunder project to raise nearly \$5 million with plans to expand to new cities. Their timing to open was ambitious, aiming to ride the wave of pent-up demand for out-of-home experiences as COVID-19 restrictions loosened. Publicly available projections and data in their WeFunder project illustrated a healthy business that was rapidly growing toward profitability.<sup>61</sup>

But plans to grow and even go public never came to fruition. Lost Spirits Distillery closed in early 2024, citing an insurmountable debt load incurred during the pandemic, prior to their Las Vegas location opening. In 2020, prior to their Las Vegas location and subsequent funding campaign, they already had \$1.5 million in short term debt, operating at an annual net loss of \$2.4 million.<sup>62</sup> It was necessary for the company to shut down.<sup>63</sup>

The unique nature of their business left many conundrums behind. Did they branch out too far from their core business? Did diversifying revenue streams hurt more than help? Was their push to innovate on all fronts overly ambitious? Did they try to do too much too fast? Did the WeFunder crowdinvesting campaign conceal underlying weak fundamentals? Could the business model of an

explorable alcohol-based tasting experience with live performers have thrived if it were not for the pandemic? Is there a future for that business model, minus the distillery?

Both examples certainly illustrate well-executed, high-quality experiences have the potential to delight audiences. But even when projects seem to creatively excel, the complexities of navigating the expensive requirements to build and operate such elaborate, ambitious experiences may forever outweigh the demand, in some cases.

These appear to be prime examples of industry course-correctors, examples to demonstrate how quality is not the only factor allowing sustained long-term growth.

### **Clarity, Confusion, and Over-Saturation**

Video games make up one of the most exciting, thriving entertainment industries today. But early in that industry's life cycle, an infamous crash nearly crippled it. In 1983, an influx of low-quality products resulted in widespread consumer confusion, fatigue, and frustration. It was unclear which games were high-quality and worth spending money to play and which were produced on a shoe-string budget, rushed out the door, just to try to capitalize on what was seen by many as a craze. Consumers began to feel cheated and interest in this new form of entertainment dwindled.<sup>64</sup>

But the Nintendo Entertainment System, released in 1985, is widely regarded as the new energy that primarily revived the American video game industry following that crash. It brought new creativity into mass markets, fuelled by a sense of playfulness and attention to quality, while showcasing new features never before seen.

**The immersive art and entertainment industry is certainly nowhere near a crash. But an influx of confusion has undoubtedly begun to rise within markets as low-quality offerings are being pushed out without any easy method for early adopting consumers to tell the difference.**

Quality is not the sole metric for success, but it is absolutely what will prevail in this creative industry that is trending towards growth and expansion.

Like the early video game industry, immersive work has grown rapidly on the heels of a select few standout success stories. Many projects have launched before markets have been ready for them, lacking sufficient understanding of customer needs and wants – or any sort of quality control measures in place.

The latest plague to infest the industry has resulted in unrealistic expectations set by an influx of AI-generated imagery and misleading copy on marketing materials – none more guilty than the now-infamous *Willy's Chocolate Experience* in Glasgow of February 2024. The poor quality of the event – that in no way resembled what was being marketed and sold – resulted in worldwide attention as memes spread quickly online: a shining example of exactly what happened with the early video game industry. As a microcosm of the greater industry problem at hand, the Willy Wonka knockoff over-promised and didn't even come close to delivering anything but unintentional Internet humor over the "event" that wasn't, staged in a largely empty warehouse with minimal decor and offerings, a far

cry from the lavish candy wonderland promised by promotional materials.

A similarly infamous *Bridgerton*-inspired ball staged in Detroit in September 2024 promised to transport visitors to a luxurious evening that felt as if they stepped into the popular TV show.<sup>65</sup> Instead, minimal decor in a lacklustre environment was just the beginning of the confusion, ending with widespread shock as the promised entertainment for the evening was about as far removed from the Regency era as one can imagine, as the event producers chose to book a pole dancer – certainly a far stretch from promised ballroom dancing.

The industry faces challenges of balancing many creators' genuine creative passion, ambition, and integrity against others' race to simply capitalize on market trends, at all costs. Market viability and truly understanding what customers actually want, not just what they will buy tickets to, remain key defining factors as the industry evolves to have more sustainable, long-standing offerings.

Misleading experiences like these are indeed detrimental to the industry, resulting in poor customer feedback to say the least.

But unlike the video game bust of '83, these poorly executed experiences are quite rare. In recent years, most markets in the United States instead became aware of immersive work by way of the rapid rise of Van Gogh-inspired experiences in 2021-2022. There famously were multiple variations operating concurrently, at times in the same or nearby cities, all with difficult-to-distinguish marketing materials.<sup>66</sup> Some of these experiences were of far higher quality than others. These became the first touch points for many consumers to learn what "immersive" was all about.

None of these experiences were misleading or downright poor. They have all run their course as

a fad, though spin-offs featuring new formats of classic artists' work have certainly kept running. Most of the million-dollar venues created for these projection-based shows have closed. The lasting industry impact as a result has been far more positive. Though they may have temporarily oversaturated the market, they did leave most audiences curious to see more of what "immersive" has to offer.

In one case the success of the run of Lighthouse Immersive's *Immersive Van Gogh* in Charlotte, North Carolina, which was a co-production with the regional powerhouse the Blumenthal Arts Center, has led to an entirely new venture for Blumenthal in the form of Blume Studios.<sup>67</sup> The new venue is positioned to be a home for both touring productions and original works and is being watched by many in the Performing Arts presenter community as a potential model.

Beyond the lessons that can be learned from the crash and recovery in the video game market, there are many other ties between video games and immersive work, as the two have often begun to hybridize. Real-life interactive experiences have been deeply inspired by video games – but emphasis on video game-style interactivity has proven to divide audiences.

Level 99 is a shining example of a real-life video game setting that places attendees within fast-paced physical and mental challenges. While not story-driven and only partially immersive, this modern evolution of a family fun center meets escape room has caught on like few other offerings. They have begun to expand across the United States, especially with their recent announcement of taking over the former home to Disney Quest at Walt Disney World's Disney Springs. And *Phantom Peak*, another immersive experience inspired by



open-world video games, seeks to expand with five new locations in the US as well.<sup>68</sup>

But other video game-meets-theatre experiences, including the *Department of Wonder* outside of Houston, Texas,<sup>69</sup> and Disney's *Star Wars: Galactic Starcruiser* in Orlando, were far more short-lived than anyone could have predicted, given their elevated levels of polish and ambition.

Innovation is key to standing out, but being too innovative can lead to market confusion. Though quality was most certainly not the issue with many of these recent closures, there is a danger of audiences simply not “getting it” when an experience resembles something familiar (a show, a hotel, or a cruise ship), but is an entirely new format. Confusion in the marketplace, especially amongst highly engaged fans, can spread quickly and leave marketing teams fighting an uphill battle to redefine what the public has already judged to be not what they expected. Even positive word of mouth can find it difficult to gain traction in such conditions.

Much like the oddball video games that emerged without any sense in the early days of that industry, much of today's innovative immersive work runs the risk of being too unique for its own good.

Yet a mature video game market shows that even so-called oddballs have their place. Annapurna Interactive has found success in redefining a niche within the video gaming industry as a publisher, focusing carefully curated, story-driven experiences and immersive projects. Their releases, such as *Kentucky Route Zero*, *Stray*, *Outer Wilds*, and *Gone Home* have been widely praised and accepted among gamers looking for something new and different, while crossing over to attract non-gamers who are interested in the emotional heart of storytelling. Some of titles in Annapurna's roster began as indie releases, which the publisher then

picked up, a business practice that only a few in the immersive field have replicated.<sup>71</sup>

This industry is still finding its ground to move beyond immersive die-hard fans who will become passionate about new types of offerings and draw in the mainstream crowds who are less willing to try something new, but eager to try a new spin on something familiar – as long as it delivers those familiar elements without creating further confusion.

### Flexibility And Adaptability

The ability to pivot in response to guest reactions and market demands are essential qualities for any long-term experience to thrive in an industry that is still defining its support structures. This flexibility requires enough financial cushion to have room to comfortably test and adapt – but that is not always the answer.

ArtsDistrict Brooklyn launched in 2022 as a new venue for a variety of immersive art exhibitions. It only took a few months of lagging attendance for them to pivot to an immersive party and DJ venue. But while they had investor capital that gave them enough runway to try to “figure it out,” they still ended up closing in early 2024 amidst their founders being publicly accused of severely lagging on pay owed to contractors and accumulating debt.<sup>71</sup> This was both a creative and a business problem that investor funds alone ultimately could not solve.

Las Vegas's AREA15 empowered themselves to make a dramatic pivot after announcing they were opening a second location in Orlando, FL. But AREA15 is backed by the Fisher Brothers real estate firm and over time it made better financial sense for them to pivot away from developing a new immersive art and entertainment complex<sup>72</sup>, instead selling the land after careful market analysis of the value of what they held. This decision does

not weigh positively or negatively on the immersive industry, only serving as an example of how an adaptive approach to business – when the funds allow – can lead to unexpectedly positive results.

Every new location-based immersive concept faces similar long-term sustainability challenges of high operating costs, scalability issues, and questions of ongoing market demand.

But unlike just a few years ago, the immersive industry has grown to one that now has many examples for new creators and producers to look to for guidance, learning how to better position themselves for a flexible future while finding their footing.

The history of this industry forms a base of experiences to look to, across both innovative successes and spectacular failures, to help shape what's ahead.

Projects that successfully balance creative vision with financial viability, flexibility, and clear accurate messaging to the public that showcase immersive experiences that people actually want and understand will have a greater chance of becoming those that help define the industry's future direction.

## Authors

### Ricky Brigante

(Writer: Ticketing)

Ricky is best known as the founder and former editor of Inside the Magic, which under his 14-year leadership became a respected leading source of news, information, and expertise in the themed entertainment industry. His coverage of theme parks and immersive attractions worldwide has been seen by more than 1 billion viewers, listeners, and readers as a podcast pioneer and on YouTube.

Today he is the COO & Director of Media & Technology of Pseudonym Productions, where he has designed and implemented immersive technology systems, produced original scores, and led the company's efforts in video production, graphic design, photography, and software development. Ricky's work has been featured in Entertainment Weekly, USA Today, Los Angeles Times, Fox News, NPR, Playboy, Business Insider, and the Orlando Sentinel.

### Joanna Chin

(Writer: Overview of the Industry; Managing Editor, Principal Interviewer)

Joanna is Director of Experience Strategy in the Digital Experience Design (DXD) and Entertainment Studio at Gensler, advocating for meaningful, human-centered design and forming the strategy and research that guides the studio's creative work. With over a decade of experience designing interactive, technology-enabled exhibits and experiences, she's particularly passionate about creating experiences that give participants agency and engage them in stories in new and transformative ways.

Prior to joining Gensler, she was a Director at Left Field Labs, a creative technology and design agency, where she led a growing team of UX designers, researchers, and strategists and shaped digital strategy and design for a diverse set of clients - from museums and social good organizations to industry leaders like Google, Meta, Cisco and Verizon. At Gallagher & Associates, she led the experience strategy and interaction design for The International Spy Museum (Washington, DC), The Sazerac House (New Orleans, LA), the Illinois Holocaust Museum Take a Stand Education Center (Skokie, IL), while co-founding a mysterious history box subscription startup in her spare time.

### Sarah A.S. Elger

(Writer: Perspective)

Sarah's career spans work with wizards, volcanos, King Kong, Big Bird, fast cars, and secret R&D projects. She started her themed entertainment design career as a Disney Imagineer and went on to design blue sky efforts for Universal Creative, SeaWorld, NASA, and Chimelong. On Broadway, Sarah also worked with lead producers Kevin McCollum and Jeffrey Seller on the productions of In the Heights, Avenue Q, and West Side Story.

Sarah is the founder, Creative Director, and CEO of Pseudonym Productions, where she has co-written and directed seven original immersive experiences with an emphasis on open world gameplay, branching narratives, and meaningful interactions that connect people together in unexpected, memorable ways. She has led teams of actors, scenic artists, designers, and technicians to bring to life vibrant fantasy worlds, themed environments, and surprising stories.

### Kasey Fechter

(Writer: Marketing, Funding, Project Models & Lifecycles)

Kasey is a recent Gensler alum, where she led Brand Experience Strategy and spearheaded its application across hospitality and entertainment—crafting early-stage strategies and concepts for hotels and immersive districts, from Las Vegas to Shanghai. She played a pivotal role in the Gensler Research Institute's Immersive Experience project in 2023, defining key industry attributes and establishing foundational frameworks for its application in architecture and design. A former pastry chef, she understands the importance of appealing to all five senses in experience design.

A graduate with honors from Columbia University's Creative Writing program, Kasey has applied her experience in fiction to develop unique settings, strategies, and narratives for the built environment. In her current work as an independent creative consultant, she leverages her 15+ years of experience to bridge the gap between strategic thinking and creative storytelling, defining and redefining brands and experiences that drive culture-rich engagement and returns on investment.

### **Ann Morrow Johnson**

(Writer: Overview of the Industry, Real Estate)

Ann Morrow Johnson leads the Global Experiential Architecture & Design Practice for Gensler and serves on the board of Immersive Experience Institute. She has driven decades of experiential innovation across theater, cultural, institutional, and entertainment sectors, recently as Global Head of Creative Development for Walt Disney Imagineering. There she led the visioning and creation of over 60 projects spanning restaurants, exhibits, resorts and attractions across the U.S, Europe, and Asia. Ann Morrow is a celebrated creative recognized as one of Blooloop's 10 Most Influential in Immersive and XLIST's 100 Most Creative Visionaries in Experiential. Having consulted for future leaning companies and the foremost cultural institutions such as National Geographic, the Royal Shakespeare Company, the Association for Cultural Enterprises, and ILMxLAB, she combines insights from the cutting edge of emerging experiential possibilities with the deep understanding of how people engage.

### **Noah Nelson**

(Writer: Preface, Funding, Project Models & Lifecycles; Editor)

Noah Nelson is the founder of No Proscenium, a publication dedicated to exploring the immersive and experiential arts, its sister site Everything Immersive, and co-founder of the non-profit organization The Immersive Experience Institute. He is proud member of the faculty of the CalArts School of Theater and holds a bachelor's in Theatre Arts from San Francisco State University. His reporting has been heard on NPR's All Things Considered and APM's Marketplace.

### **Kathryn Yu**

(Writer: Practitioner, Commissioner, Craftsperson, and Audience Surveys; Contributing Editor)

Kathryn Yu is an immersive designer & developer based in Los Angeles. She has a Master of Fine Arts in Interactive Media from the University of Southern California's School of Cinematic Arts. Kathryn's thesis game, Penrose Station, a sci-fi VR mystery about an abandoned deep sea research station, won the 2022 New Media Writing Prize Student Award.

Kathryn is currently a gameplay designer at Twisted Pixel Games (Oculus Studios) working on an unannounced VR project. Previously, she worked at the indie studio Tender Claws on Virtual Reality 2. She was also a recipient of a USC

Annenberg Graduate Fellowship and worked on an alternate reality game, The Pickfair Directive, which was nominated to the 2021 IndieCade Festival. She was also featured in WIRED for her interactive story, "Metaverse Noir." Heirloom, a game she co-created with Abby Sherlock, won the "Favourite game by a woman or female team" award at the 2021 Women in Games Global Awards.

Kathryn is also a co-founder of the Immersive Experience Institute and is the former Executive Editor of No Proscenium. She is part of the Oculus Launch Pad program and The Game Awards Future Class as well as a member of the IndieCade Alumni board.

### **Thanks**

Gregory Ashton (Research)

Nick Bryan (Layout)

Michelle DeCurtis (Gensler Research Institute)

Helen Grossman (Proofreading & Layout)

Chelsea Hurd (Data Graphics)

June Lee (Layout)

Megg Mullarkey (Research via The Immersive Experience Institute & Ohio State University)

Elizabeth Papadopoulous (Industry Interviews)

Sara Thacher (Interview outreach)

Eric Vosmeier (Interview Outreach & Report Outlining)

## Citations

- 1** PwC UK. (July 16, 2024). Value of the entertainment and media market worldwide from 2019 to 2028 (in trillion U.S. dollars) [Graph]. In Statista. Retrieved February 15, 2025, from <https://www.statista.com/statistics/237749/value-of-the-global-entertainment-and-media-market/>
- 2** Market.us. (November 30, 2024). eSports market size worldwide from 2023 to 2033 (in billion U.S. dollars) [Graph]. In Statista. Retrieved February 15, 2025, from <https://www.statista.com/statistics/1256162/global-esports-market-size/>
- 3** <https://www.statista.com/study/85740/the-live-event-industry-and-covid-19/>, <https://www.statista.com/topics/11681/entertainment-behavior-in-the-united-states/#topicOverview>, <https://www.statista.com/statistics/1174787/japan-market-size-live-events-by-category/>, <https://www.statista.com/statistics/1350940/south-korea-performing-arts-performances-number/>, <https://www.statista.com/topics/12719/entertainment-behavior-in-the-united-kingdom/>
- 4** Society of London Theatre. (February 10, 2023). Gross box office revenue of theaters in London, United Kingdom (UK) from 2000 to 2022 (in million GBP) [Graph]. In Statista. Retrieved February 15, 2025, from <https://www.statista.com/statistics/502061/united-kingdom-uk-london-theater-box-office-revenue/>
- IBISWorld. (September 30, 2024). Market size of the live performance theater industry in the United States in 2022 and 2023, with a forecast for 2024 (in billion U.S. dollars) [Graph]. In Statista. Retrieved February 15, 2025, from <https://www.statista.com/statistics/1176192/live-performance-theater-industry-market-size-us/><https://www.statista.com/statistics/193006/broadway-shows-gross-revenue-since-2006/>
- Theatre Communications Group. (February 5, 2024). Average income of not-for-profit theaters through ticket sales in the United States from 2018 to 2022 (in 1,000 U.S. dollars) [Graph]. In Statista. Retrieved February 15, 2025, from <https://www.statista.com/statistics/197075/us-not-for-profit-theatre-average-total-ticket-income-since-2005/>
- 5** Industry surveys and interviews
- 6** <https://www.statista.com/statistics/1287736/new-technologies-for-exhibitions-to-be-implemented-by-museums-worldwide/>
- 7** Vorhaus Advisors. (January 2, 2022). Engagement with immersive activities among adults in the United States as of December 2021, by age group [Graph]. In Statista. Retrieved February 15, 2025, from <https://www.statista.com/statistics/1310556/immersive-activities-engagement-age/>
- 8-12** Industry surveys and interviews
- 13** <https://immersiveexperience.network/articles/in-your-own-words-the-esrc-ien-research-report/>
- 14** Industry interview
- 15** <https://variety.com/2021/tv/news/secret-cinema-crowdfunding-business-model-1234987811/>
- 16** <https://www.crowdcube.com/companies/secret-cinema/pitches/qD0gEq>
- 17** <https://variety.com/2022/film/news/todaytix-group-secret-cinema-100-million-sale-1235379168/>
- 18** [https://www.reddit.com/r/SecretCinemaUK/comments/1am17q0/are\\_there\\_any\\_other\\_crowdcube\\_investors\\_of\\_secret/](https://www.reddit.com/r/SecretCinemaUK/comments/1am17q0/are_there_any_other_crowdcube_investors_of_secret/)
- 19** [https://www.reddit.com/r/SecretCinemaUK/comments/1ibhd14/investor\\_question/](https://www.reddit.com/r/SecretCinemaUK/comments/1ibhd14/investor_question/)
- 20** [https://coneyhq.org/wp-content/uploads/2024/12/AnUpdateFromConey\\_Statement\\_December2024-1.pdf](https://coneyhq.org/wp-content/uploads/2024/12/AnUpdateFromConey_Statement_December2024-1.pdf)
- 21** <https://www.thirdrailprojects.com/support>
- 22** <https://www.forbes.com/sites/karineldor/2019/08/15/museum-of-ice-cream-founders-launch-figure8-and-announce-40m-series-a/>
- 23** <https://www.reach3insights.com/consumers-overwhelmingly-prefer-brand-experiences-over-traditional-advertising>
- 24-27** Industry interview
- 28** <https://news.artnet.com/art-world/meow-wolf-raises-158-million-1550203>
- 29** <https://sararch.com/project/meow-wolf/>
- 30** <https://blooloop.com/immersive/news/habo-size-immersive-experiences-market-us/>
- 31** Industry Interview
- 32** <https://www.art-critique.com/en/2023/08/lighthouse-immersive-files-for-bankruptcy-in-u-s/>



- 33** Industry Interview
- 34** <https://urbanland.uli.org/development-and-construction/one-vanderbilt>
- 35-36** Industry Interview
- 37** "The Art of the Robocall," Kristen Roupenian, The New Yorker
- 38-39** Industry Interview
- 40** <https://www.theguardian.com/uk-news/2024/feb/27/glasgow-willy-wonka-experience-slammed-as-farce-as-tickets-refunded>
- 41-42** Industry Interview
- 43** <https://www.londontheatredirect.com/news/everything-you-need-to-know-about-the-burnt-city>
- 44** <https://www.latimes.com/entertainment-arts/story/2019-08-15/playbill-photos-instagram-stars-theater>
- 45** <https://www.vulture.com/article/this-fidi-coffee-shop-is-part-of-sleep-no-more-follow-up.html>
- 46** <https://www.cbsnews.com/news/taylor-swift-fans-battle-ticket-bots-and-ticketmaster/>
- 47** <https://www.rollingstone.com/music/music-news/robert-smith-talks-about-ticket-prices-ticket-master-1235150561/>
- 48** <https://sickeningevents.com/mobile-first-dreams-pioneering-scalability-in-ticketing/>
- 49** [https://www.reddit.com/r/Dimension20/comments/1c43ylt/dimension\\_20s\\_statement\\_on\\_the\\_ticket\\_sale/](https://www.reddit.com/r/Dimension20/comments/1c43ylt/dimension_20s_statement_on_the_ticket_sale/)
- 50** [https://www.reddit.com/r/hadestown/comments/1hhrfv3/who\\_else\\_is\\_in\\_the\\_queue/](https://www.reddit.com/r/hadestown/comments/1hhrfv3/who_else_is_in_the_queue/)
- 51-53** Industry Interviews
- 54** <https://variety.com/2022/film/news/todayix-group-secret-cinema-100-million-sale-1235379168/>
- 55** [https://www.reddit.com/r/SecretCinemaUK/comments/1ibhd14/investor\\_question/](https://www.reddit.com/r/SecretCinemaUK/comments/1ibhd14/investor_question/)
- 56** [https://www.reddit.com/r/SecretCinemaUK/comments/1am17q0/are\\_there\\_any\\_other\\_crowdcube\\_investors\\_of\\_secret/](https://www.reddit.com/r/SecretCinemaUK/comments/1am17q0/are_there_any_other_crowdcube_investors_of_secret/)
- 57** <https://www.marketing-beat.co.uk/2025/02/17/secret-cinema-agency/>
- 58** [https://www.reddit.com/r/SecretCinemaUK/comments/1iognpw/fucking\\_grease\\_again/](https://www.reddit.com/r/SecretCinemaUK/comments/1iognpw/fucking_grease_again/)
- 59** <https://www.insidehook.com/food-los-angeles/review-reborn-after-a-fire-las-lost-spirits-distillery-tour-still-delivers>
- 60** <https://www.forbes.com/sites/stevebaltin/2019/07/27/rebuilt-after-a-fire-los-angeles-lost-spirits-distillery-new-tour-remains-one-of-a-kind/>
- 61** <https://wefunder.com/lostspirits>
- 62** [https://www.sec.gov/Archives/edgar/data/1802061/000167025422000218/document\\_2.pdf](https://www.sec.gov/Archives/edgar/data/1802061/000167025422000218/document_2.pdf)
- 63** <https://wefunder.com/updates/172167-lost-spirits-is-closing>
- 64** <https://fee.org/articles/the-1983-video-game-crash-and-a-history-lesson-for-lina-khan/>
- 65** <https://www.bbc.com/news/articles/cx2kj45yy88o>
- 66** <https://www.nytimes.com/2021/03/07/arts/design/van-gogh-immersive-experiences.html>
- 67** <https://www.blumenthalarts.org/news/detail/blumestudiostransformation>
- 68** <https://blooloop.com/theme-park/news/phantom-peak-immersive-experience-us-expansion/>
- 69** <https://communityimpact.com/houston/sugar-land-missouri-city/business/2024/05/17/sugar-land-town-squares-department-of-wonder-closes-portal-doors-permanently/>
- 70** <https://www.hauntedhouseassociation.org/haunted-house-halloween-news-read/thirteenth-floor-announces-partnership-and-acquisitions>
- 71** <https://www.broadwayworld.com/article/ArtsDistrict-Brooklyn-Shutters-Leaving-Bills-That-Vendors-Say-Went-Unpaid-20240311>
- 72** <https://blooloop.com/immersive/news/area15-orlando-land-sale/>