



# **THE IMMERSIVE REVOLUTION: HOW IMMERSIVE ENTERTAINMENT IS DRIVING THE NEW EXPERIENCE ECONOMY**

**by Peter Tullin – Co-Founder, REMIX Summits**

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# I. Introduction – The Immersive Revolution

In 2006 at the passionate urging of a colleague I wandered through the streets of East London to a now demolished warehouse in Wapping to experience Punchdrunk's Faust, which she described as something unlike any other art experience she had been to. Entering into a cavernous 150,000 square foot space you left London behind and stepped into what The Guardian described as 'a strange parallel universe, a secret deep-south bar where the blues – the devil's music – is played, and a place where a preacher raises hell, and Faust raises the devil.' The Guardian's five star review was echoed by Susannah Clapp in The Observer who said "this is one of the most astonishing events, not just in the theatre, but in the whole of London." 30,000 other people got to experience Faust over its 6-month run and I can only assume they were as enraptured as I was, because while not their first production it brought Punchdrunk to public prominence. Just a few years later they conquered New York with *Sleep No*

*More;* a show which continues to draw in the crowds to this day and the rest is history.

It was at this point that I personally became something of an immersive junkie and London was the perfect immersive playground to scratch that itch. Other immersive pioneers such as Secret Cinema and the now defunct Shunt and You Me Bum Bum Train were also helping to build this embryonic industry. Slightly later through REMIX Summits I was able to get a birds eye view of this emerging sector, interact with the key players and help share their stories. We are getting ahead of ourselves however. Rewinding back to Faust, its sheer scale, lavishness alongside a unique new format ensured it made a seismic impact on the UK's cultural scene. This was in part made possible by the calculated gambles of two partners who played a role in bringing the production to life. One was Nicholas Heightner, who recognised the genius in the team at Punchdrunk having seen their first production the Firebird Ball. In his role as Artistic Director of the National Theatre he provided additional resources and marketing clout in a demonstration of how the established not for profit cultural sector can directly play a role in helping to develop the commercial creative industries. The other was a property developer, Ballymore (with advice from placemaking agency Futurecity), became the major sponsor and provided access to the building in which the show took place. They recognised how a creative spatial activation such as this could serve their commercial objectives (in this case to help rebrand an area in which they were planning a major new residential development).

These background players both contributed to Punchdrunk's breakthrough moment showing how creative entrepreneurship relies on multiple factors beyond the moment of creative genius itself. The Punchdrunk story is worth sharing because nearly 20 years on from Faust (and having taken a bit of time to reach the mainstream) it is hard to deny that immersive entertainment has finally arrived. In fact, the 'immersive' word is thrown around so much that it has started to feel ubiquitous.

Therefore it feels like now could be a good time to reflect on what I have termed the 'immersive experience revolution'. A range of players from governments to corporates (including property developers and commercial landlords once again) are seeking to learn the lessons of this growth story to understand how they can foster and develop local immersive industries (in the same way they have developed strategies to stimulate other industries).

This report will seek to answer the following questions. Where are we now and how have we got here? What are the key trends driving the immersive entertainment industry and where are we headed next?

- Dig Deeper – REMIX Talk – Felix Barrett, Founder and Artistic Director, Punchdrunk

- Dig Deeper – REMIX Talk – Maxine Doyle, Associate Director and choreographer for Punchdrunk

## WHERE ARE WE NOW? IMMERSIVE GOES MAINSTREAM

A lot has happened in 10-years since the first REMIX Summits in London which featured immersive pioneers including the Founders of Punchdrunk and Secret Cinema.

If we fast forward to today then a key difference now is the sheer number and scale of new immersive experiences that have exploded onto the scene. A new wave of creative entrepreneurs, technology innovation and changes in consumer behaviours are combining to supercharge the growth of immersive entertainment, spawning a whole new industry.

The canon of immersive entertainment is now incredibly broad. Immersive experiences are built upon or span multiple other industry sectors such as games, theme parks, immersive theatre and experiential art. They are intimately connected to the rise of immersive and metaverse technologies such as haptics, virtual reality (VR), augmented reality (AR) and mixed reality (MR), Holograms, motion capture and even AI.

Creative Entrepreneurs are also trying a myriad of combinations of these different immersive ingredients to create an ever more varied menu of options for an ever growing number of immersive experience seekers.

At the same time, this rapid growth means we are in something of a Wild West phase. This is an exciting but fragmented space that stretches from the artistic to the outright commercial given the financial rewards on offer. Some like teamLab are creating new forms of 21st century digital art (that appeals to millions) while others are seeking to monetise the immersive trend to build the next Disney or Cirque du Soleil. Suddenly everything is immersive and it has become one of those buzzwords that is increasingly attached to everything from theatre art to hospitality. It has even been applied to cities with the recent announcement of the Mukaab building in Saudi Arabia. It is claimed this 'will be the world's first immersive, experiential destination, where you enter a new reality – transported to Mars one day, and magical worlds the next.' With new immersive experiences seemingly announced on an almost daily basis then it seems clear that not all will survive. Therefore this report also seeks to predict what the rationalisation of the sector will look like.



The proposed Mukaab building in Saudi Arabia

## WHAT IS AN IMMERSIVE EXPERIENCE?

So with this wider landscape in mind, how do we define an ‘immersive experience’? For this report, I have defined it as the following:

Immersive entertainment offers multi-sensory and often interactive experiences. This immersion and realism is achieved through mechanisms such as immersive technologies or the use of performers. Immersive experiences put the audience front and centre, making them feel a part of a story world or experience and often providing them with agency over the outcomes, unlike traditional linear entertainment models.

## HOW DID WE ARRIVE AT THIS POINT?

This is a very short potted history in no particular chronological order but immersive experiences have been around in one form or another for a long time before Punchdrunk helped plug them into the mainstream. 3D glasses were all the rage in cinemas for a brief moment. Then there was the first coming of VR (before its more recent reemergence). Remember the Virtual Boy by Nintendo or VR arcade experiences by other video game titans



like SEGA? VR often underwhelmed and caused motion sickness for others (that's still a problem). Even basic motion control was sort of a thing for a brief time in the late eighties when Nintendo realised the novelty steampunk styled Power Glove in 1989 popularised by the cult movie The Wizard. It was only utilised by two games but still sold around a million units and is now a collectors item. Then of course there were other novelties such as Smell-o-vision in the 60's, using scents to increase realism for moviegoers. Many of these innovations have found use in contemporary immersive experiences. For example, scent is something that augments the locations in Jeff Wayne's The War of The Worlds: The Immersive Experience in London.



Advert for Nintendo's Power Glove

# II. What is driving the growth of immersive experiences?

## HOW BIG IS THE IMMERSIVE INDUSTRY?

Immersive entertainment sits within the broader 'experience economy', a term popularised by B. Joseph Pine II and James H. Gilmore in their book of the same name. The experience economy is predicted to be a \$8.2 trillion industry by 2028.

The size of the immersive entertainment industry specifically was estimated at USD \$61.8 billion in 2019 (No Proscenium). This figure is taken from a range of sectors including Theme Parks which is an industry (like many others) that has embraced immersive experiences. In 2019, for the first time in history, major themed attractions exceeded a collective half billion visits or nearly 7% of the world's population. Some Theme Parks such as Puy du Fou which have focused exclusively on creating immersive experiences for audiences. The park has no rides and immerses visitors in different historical periods. It has twice been named the best theme

park in the world and boasts 3 million annual visitors across its original location in France and a new site in Spain (with a third location announced for the US). Established players like Disney are also developing new ventures incorporating immersive elements such as the USD \$2 billion Galaxy's Edge based around the Star Wars franchise (which has opened in their California and Florida parks). Universal has also announced it is opening immersive-based attractions in Las Vegas and Texas. Other sectors such as retail and hospitality have also tapped into the immersive zeitgeist with Area15 perhaps the best-known example. This is an emporium of experiences in Las Vegas featuring a curated selection of leading players from across the US immersive entertainment sector (the site is anchored by immersive sensation Meow Wolf). The success of the first site has seen them announce a second 300,000 sqft location in Florida.

Excluding theme parks, the immersive entertainment industry alone is valued at \$9.7 billion according to the 2020 Immersive Entertainment Industry Annual Report. Location-based experiences such as VR and mixed reality are both expected to grow significantly. In 2019, a total of 755 new immersive experiences and shows were catalogued by leading industry publication No Proscenium. In the United States alone, 2,350 Escape Rooms were catalogued in 2019.

- Dig Deeper – REMIX Talk – Nicolas de Villiers, President, Puy du Fou



Immersive theme park Puy du Fou



# FACTORS DRIVING THIS GROWTH

## 1. ADVANCES IN IMMERSIVE TECHNOLOGIES

We delve into this in more detail later including but the development of immersive experiences is being shaped by advancements in technology (combined with the increasing demand from audiences for more interactive and engaging content).

Immersive technologies (or technologies that can be utilised to deliver immersive experiences) include AR, MR and VR headsets, 3D displays, 3D audio, gesture recognition, spatial sensing, holograms, speech recognition, haptics, AI, drones, cameras and omnidirectional treadmills. Some of them such as VR might not have taken off in the home as expected (yet) but are central to immersive experiences such as those produced by Zero Latency which now has 76 venues in 27 countries and uses free-roam VR to power social gaming experiences.

Precedence Research estimates that the immersive technology market will grow to USD \$134.18 billion by 2030. In 2021 it was USD \$21.66 billion so this suggests 'a compound annual growth rate (CAGR) of 22.46% from 2022 to 2030'. These technologies are being deployed in multiple industries not just immersive experiences and entertainment but they are offering new possibilities for how we tell stories and engage audiences.

Many of these technologies are closely connected to the concept of the Metaverse, popularised by movies such as Ready Player One and brought to the mainstream by the rebranding of Facebook to Meta. According to Fortune Business Insights, in 2021 the size of the worldwide Metaverse market was estimated at USD 63.83 billion. The market is anticipated to expand at a CAGR of 47.6% from 2022 to 2029, rising from USD \$100.27 billion in 2022 to USD \$1,527 billion.

The increasing affordability, accessibility and applications of these technologies is helping to drive their use in individual sectors such as entertainment, education and the games industries. As the tech continues to advance, there will be increasingly realistic and sophisticated immersive experiences that blur the lines between the virtual and physical worlds so that the stuff of science fiction will increasingly become a reality (both good and bad).

## 2. THE GROWTH OF IMMERSIVE ENTERTAINMENT HAS BEEN ACCELERATED BY CHANGES IN THE BEHAVIOUR OF AUDIENCES

The proliferation of new experiences is connected to changes in audiences particularly in relation to younger audience groups such as Gen Z and Millennials. For example, more than 3

in 4 millennials or 78% (25 – 36) would rather spend money on a desirable experience or event than buy a desirable object (Eventbrite).

77% of those surveyed also said some of their best memories were from an event or live experience they attended or participated in. 69% said that attending live events and experiences make them more connected to other people.

This is highly significant when you consider that by 2025, Millennials will constitute 75% of the workforce (Deloitte). Following on from this it is therefore not surprising that Macquarie have described “Millennials are the most powerful consumer cohort in history”. Millennials love the experience economy and immersive experience providers are well placed to benefit from their spend.

### **3. IMMERSIVE EXPERIENCES ARE BENEFITING FROM SOCIAL MEDIA PLATFORMS THAT HAVE HELPED THEM GO VIRAL**

The highly visual DNA of immersive experiences provides plenty of ‘Instagrammable moments’ that are helping drive awareness across multiple social media platforms. 85% of Gen Z learn about new products via social media (and 67% of millennials). Immersive experiences such as Immersive Van Gogh and teamLab are a delight for the senses and many are explicitly engineered with social media in mind to tap into the virtually free marketing that can result.

Perhaps the best known example however is the Museum of Ice Cream. Not a museum in any traditional sense, it has long been used as a case study for tapping into the ‘instagrammable moment’ as a key driver of its success. They also demonstrate how creative entrepreneurs leverage social media to grow rapidly with a fraction of the usual marketing spend. Their growth has been propelled by celebrities and influencers such as Beyonce who have shared their trips. An army of 500,000 on Instagram alone has been a critical factor in their expansion beyond their original pop-up site in New York, adding locations in Austin, Chicago, Singapore and Shanghai with 2 million plus visitors since opening in 2016. They have used this box office success to raise USD \$40 million to fuel expansion at a valuation of USD \$200 million.

- Dig Deeper – REMIX Talk – Manish Vora, Co-founder, Museum of Ice Cream

Gen Z also listens to each other (and influencers) rather than messaging from faceless brands. This means that if you can develop something that connects with them it has the potential to grow quickly. 65% state that they make buying decisions based on social media influencers and online discourse. Connected to this, many visitors also share their experiences with their communities via online user reviews across a variety of platforms from Facebook to

TripAdvisor. These are also critical to the rapid growth of immersive attractions, reflected in the positive online reviews for some of key players. These reviews are especially important for those that are relatively new who want to engender peer trust and marketing buzz. Puy du Fou for example has an incredible 69,349 Google reviews averaging 4.8\*.

As a result, new attractions that are only around 5 years old have built comparable social media followings as well as similar audience reviews to longer-established visitor attractions that have been around since the dawn of social media as the the table below indicates (including some of the best known cultural institutions globally).

Social Media Followers (000)	Instagram	Facebook	TikTok	Combined
<i>Leading Immersive Entertainment Providers</i>				
teamLab	655	205	12	872
Meow Wolf (Multi-Site / Multiple Accounts)	769	654	149	1572
Secret Cinema	154	429	2	585
CultureSpaces (Atelier Des Lumieres & other sites)	300	681	12.6	994
Museum of Ice Cream	534	101	11	646
Grande Experiences (The LUME)	46	27	0.6	74
<i>Leading Museums &amp; Galleries (Melbourne &amp; Sydney)</i>				
NGV	439	259	No presence	698
ACMI	44	81	No presence	125
Museums Victoria (Melbourne Museum, Scienceworks & Immigration Museum)	106	253	No presence	359
MCA	149	144	No presence	293

Australian Museum	52	103	0.2	155
LACMA	881	373	No presence	1254
Rijksmuseum	829	524	163	1516
Van Gogh Museum	2400	2670	0.1	5070
Whitney Museum of American Art	1100	454	5.5	1560

Figures correct as at April 2023



Instagram sensation the Museum of Ice Cream

#### 4. THE AGE OF THE CREATIVE ENTREPRENEUR

This report has referenced a new generation of creative entrepreneurs behind the likes of Meow Wolf and teamLab who are tapping into the outlined trends to grow the immersive segment of the booming experience economy. These pioneers are building the creative businesses that are providing employment and helping revitalise our cities by bringing in new visitors and diversifying the 24 Hour economy. The New Mexico Economic Development Department predicted Meow Wolf will create 440 jobs and \$358 million in economic impact over the next decade. They are already at over 1000 so have far exceeded expectations showing the potential to create fast growing immersive companies that can generate significant numbers of jobs and economic impact. Meow Wolf referenced Creative Startups, a local accelerator that helped them in their early days (they now contribute finance and expertise to this program to help other aspiring entrepreneurs).



It seems to me that if we could increase the number of creative entrepreneurs then this could further accelerate the growth of a sector that is already an undoubted success. In other areas such as the technology startup sector there are huge amounts of support for entrepreneurs such as incubators, accelerators, networks, industry lobbying, established public and private investment pathways and tax incentives. Creative entrepreneurs are sometimes able to tap into these but as with other segments of the innovation economy such as social entrepreneurship there is an opportunity for more targeted and specialised support for creative entrepreneurs which is covered elsewhere.

There is much more to say about these 'upstarts' as I call them in an essay REMIX recently contributed to the *Creativity, Culture and Capital* project where we explore how cultural sector policy could evolve to nurture both creative entrepreneurship and intrapreneurship (supporting change makers within cultural organisations).

## 5. NEW INVESTMENT MODELS ARE HELPING FUEL THE FIRE

Unrestricted by government funding or geographic territory, the rapid expansion of immersive experiences is in part being fueled by private capital (particularly in the United States). Meow Wolf, originally a volunteer art collective founded in 2008 are an example. A significant moment in their development was the 2011 installation at the Center For Contemporary Arts in Santa Fe. 100 artists co-created a large-scale installation consisting of a fictional inter-dimensional ship, 'The Due Return' which proved incredibly popular with its intricate details, interactive elements, and otherworldly atmosphere. The creative and commercial success of this project (plus the exhaustion caused by creating multiple temporary projects) caused the team to think about the development of a permanent attraction which was a key moment in their history and transformed the business model that underpinned their work.

They reconstituted as a company which is important as it allowed them to tap into investment funding to open their first permanent site dubbed *The House of Eternal Return* (also in Santa Fe). Notable investors include George R.R. Martin, Author of *Game of Thrones* who now holds the title of Chief World Builder at Meow Wolf and was an original investor contributing USD \$2.7 million.

This project transformed a disused bowling alley into a 20,000 square foot choose your own adventure immersive art installation. *The House of Eternal Return* takes the form of a Victorian-style house with seemingly ordinary rooms and corridors. However, as visitors explore the space, they discover that there is much more to it than meets the eye. The installation combines elements of fantasy, science fiction, and surrealism to create a multidimensional adventure for audiences across over 70 interconnected spaces.

Despite Santa Fe's small population of around 70,000 (with only 1.5 million international visitors due to the lack of a major airport), 400,000 people visited in the first year (2016). This was more than twice as many as the local Georgia O'Keeffe Museum. *The House of Eternal Return* also includes a music venue which hosted more than 75 shows bringing in additional revenue from events. The show has garnered incredible reviews from patrons (4.7\* based on 16,777 Google reviews), it also became a big hit on social media with selfie favourites including the spot where visitors open a fridge in this seemingly ordinary house in order to enter the Meow Wolf 'multiverse'. They had over 1.57 million followers across multiple social media platforms and accounts when I totalled these up in May 2023 and this mechanism has been a critical part of their growth. Visitor numbers have continued to grow and they claim 500,000 plus in 2019 the last full year before the global pandemic. In the first year of the House of Eternal Return, Meow Wolf achieved USD \$6.8 million in revenue. 81% of this was generated from the Box Office (primarily from tickets and a small percentage from a membership program). Retail accounted for 9% of revenue and with a dedicated events space, 10% came from this source. Initial prices were about half the current prices (\$18, \$16 for age 65 and older, \$12 for ages 3-12 with lower prices if you are from New Mexico compared to the 2023 starting adult price of \$39), so given the increased visitor numbers in subsequent years (2019) you could comfortably double that original 2016 revenue figure.

Their original attendance target was between 100,000 to 150,000 depending on which source you read (which was their "break-even" figure) so the attraction is clearly highly profitable. They used this data to make a business case to secure new investment to build more sites. They raised USD \$158 million of private investment in 2019 most notably from the Fisher Brothers, developers who saw both the box office value in immersive entertainment but its ability to take advantage of a changing real estate market where they could tap into lower rental rates. The Meow Wolf investment round is the largest amount raised by an immersive company to date and has been seen as a watershed moment that helps prove the potential scale and growing maturity of the immersive entertainment sector.

In a blink of an eye they are now up to 4 locations in the US helping prove this scalability. Santa Fe, Dever (Convergence Station) & Las Vegas (Omega Mart) are already open with Grapevine following shortly in July 2023. They also operate an 'art ride' in a theme park – 'Kaleidoscape' at Elitch Gardens in Denver theme park (also home to a Meow Wolf location). In 2022, Meow Wolf's three permanent locations recorded a total of 2.7 million visitors so they are now directly competing with some of the biggest visitor attractions in the US. Meow Wolf is an example of a sustainable model for ongoing employment and they are supporting and commissioning large numbers of creatives as a result of their commercial success.

The scale of their ambitions is also clearly increasing (helped by the new investment at their disposal). The second attraction, *Omega Mart* in Las Vegas is just over double the size of The

House of Eternal Return (1,900 sqm) at 4831 sqm but it has achieved double the visitation (over 1 million in the first year) and ticket prices are higher starting at USD \$49 and climbing to \$64 (plus the larger attraction has enabled them to offer VIP level of \$99). The third attraction *Convergence Station* attraction in Denver is nearly three times the size of the original site. It has 5574 sqm of exhibition space in an 8825 sqm building spread across four levels (this is bigger than the Guggenheim and the Whitney Museum of American Art according to artnet). This larger attraction is therefore again able to charge a higher admission price of \$45 to \$55 and has achieved in excess of 1 million visitors in just 9 months so is a further step up again. The pattern of increasing floor space is not set in stone and choices are made according to each geographical location and site. The latest and fourth site *The Real Unreal* in Grapevine, Texas is nearer the size of The House of Eternal Return at 2694 sqm.

- Dig Deeper – REMIX Talk – Vince Kadlubek, Co-Founder, Meow Wolf



Meow Wolf's House of Eternal Return. Photograph by Jeremy Thompson

Meow Wolf is one of many immersive companies that are leveraging investment to grow. Another example is Two Bit Circus, heavily inspired by the maker movement which raised over \$21 million to build a 40,000 sq ft 'micro-amusement park' in a giant warehouse in the LA arts district as a 21st century take on carnival. Developed in the words of CNBC by "a band of mad scientists, roboticists, visual artists and storytellers", its attractions include a multiplayer VR arena, story rooms and even a robot bartender. They are also expanding, recently opening a second park in Dallas alongside plans for hotels. Some of the profits from their activities are funnelled into their foundation focussed on STEAM (Science, Technology, Engineering and



Maths) projects to inspire the next generation reflecting the critical contribution of these disciplines to the success of their venture.

- Dig Deeper – REMIX Talk – Nancy Bennett, Creative Director, Two Bit Circus

Something very powerful about immersive companies is their ability to leverage their tribal fan bases and social followings to fund their growth above and beyond more conventional investment. Once you build a community who are passionate about what you create you can then monetise that relationship to sustain and grow your creative practice. More and more creators have been using crowd-funding platforms like Kickstarter, Indiegogo and GoFundMe and while are no longer the new kids on the block they are part of a \$1 billion dollar industry (2020) that is predicted to more than double by 2027 (Marketwatch). However, Crowd Equity allows fans to directly invest in creative enterprises (as well as other types of business) and this is really picking up steam as a concept. UK immersive experience pioneer Secret Cinema recently raised £4.7 million from fans and investors on CrowdCube to fund its growth.

Unlike the not for profit status of many cultural institutions, the corporate structures utilised by these creative entrepreneurs has not only allowed them to attract external investment in various forms which has allowed them to rapidly expand to multiple sites but where they have been successful they have created surplus funds that can also be used to support other creatives and causes as we will explore further later.



Back to the Future by Secret Cinema in London (2014)



# III. How is technology enabling new possibilities for immersive experiences?

There are a number of technological markers that perhaps point to this scenario, some of which I will touch upon. These include the potential impact of AI (Artificial Intelligence), Virtual Reality (VR), Augmented Reality (AR), Mixed Reality (MR) as well as the blockchain and NFTs (Non-Fungible Tokens). This list is by no means exhaustive, but their applications demonstrate some of the seismic shifts that are underway.

The inexorable march of technological change continues to speed up. The global pandemic has played a role here (in shifting habits and speeding up the adoption curve in certain instances) but these changes have always been coming. The transformation underway is also being accelerated by changes in audiences. Their expectations have been changed in a digital realm of on-demand products and services from Uber to Netflix that offer instant satisfaction and service in a few clicks. Increasingly realistic and interactive computer games have the potential to transport us to the virtual worlds promised in novels such as Ready Player One. For example, VR offers the possibility where we could visit any period in history without ever needing to set foot in a museum. Digital experiences such as these will become ever more immersive with the continual improvement of graphics and the integration of other elements to the experience through Haptic Technology for example and even Digital Scent technology.

Location-Based Entertainment (LBE) Experiences have become increasingly popular, providing immersive entertainment in dedicated venues. Even while mainstream adoption still eludes VR, experience economy startups such as Zero Latency VR have helped grow an industry which has seen hundreds of free-roam VR experiences open across the globe over the last few years. How long will it be before these experiences move beyond games related content such as shooting zombies to exploring alternative content? Narrative-driven immersive entertainment experiences such as Jeff Wayne's The War of The Worlds mentioned earlier already use a combination of VR plus real actors to transport visitors to Victorian England, the setting of the classic H.G. Wells science fiction novel.

- Dig Deeper – REMIX Talk – Tim Ruse, Founder & Managing Director, Zero Latency

## THE SECOND COMING OF VIRTUAL REALITY (VR)

After failed experiments in the 80s, 90s and 2000s such as Google Glasses, both the fully immersive experience promised by Virtual Reality as well as Mixed Reality (overlaid with the real world) have made something of a comeback in recent years. This resurgence has been driven by big tech (which brings its own challenges and opportunities) allied with the promise of the Metaverse. While widespread adoption of VR in the home has not quite panned out as predicted, it may still just be a matter of time as the technology continues to develop and further players throw their hats in the ring (including a rumoured Apple device that is supposedly just around the corner). Headsets such as the Quest 2 and Quest Pro (owned by technology company Meta, formerly Facebook) are now untethered (meaning they do not require a wired connection to a powerful and expensive PC), offering the possibility of a convenient, easy-to-use, high quality VR experience at an affordable price with free roaming. Meta recently revealed they have now sold over 10 million headsets (2021) and generated USD \$1.5 billion sales on its Quest App store.

Meta's purchase of Oculus (the company that developed the tech behind the Quest devices) underpins their belief that the internet is moving into a new phase. This has been called the metaverse, a collection of "virtual environments, experiences and assets" (Herrman and Browning 2021) where we use VR, MR and related technologies to experience, create and collaborate in entirely new ways. Meta recently announced Workrooms which uses the Oculus Quest 2 to allow multiple people to meet and brainstorm in a virtual room as a more immersive and social remote working alternative to Zoom. They believe it could offer a genuine alternative to in-person meetings. To make the interactions as natural and intuitive as possible, participants can also use hand gestures (rather than controllers). Time will tell whether this vision will come to fruition but market research firm IDC predicts that spending in the VR space will grow to USD \$72.8 billion by 2024 (up from \$12 billion in 2020), driven by potential use cases across multiple industries from construction to medicine.

Companies such as Meta ultimately need to monetise the metaverse to get a return on this investment which poses a serious question mark for many people. The flip side is that the technology can become more accessible if monetisation happens via third-party advertisers. The question is what the trade-offs will be, such as data collection which is the current method of monetisation, or if other models will emerge.

VR still needs the killer apps to truly achieve broader adoption but experimenting with these technologies could be an incredible opportunity for creatives and cultural institutions. The barriers to entry are disappearing and with the tech sector seeking to explore the possibilities of these technologies, they make natural partners. Some players in this space have even set up specific initiatives to collaborate with the cultural sector, such as VIVE Arts (HTC) and Google Arts & Culture which have now been operating for a number of years.

The Holodeck was a popular feature of the fictional Star Trek universe which allowed the cast to visit a convincing recreation of any place or time (real or imagined). The series has famously predicted a number of technological breakthroughs and VR fully evolved could allow us the same experience. Through VR we can even sidestep some of the limitations of the museum experience. For many visitors, the joy of collections is the wonder of seeing the actual object, but with VR, that object can be placed in context by recreating the historical environment around it. We can do things with the object that we could never in an institution, such as getting as close as we want, even picking it up and manipulating it to see it from multiple angles. For many who might never get to visit artefacts in far-flung parts of the world (or who might not want to visit in person for other reasons such as growing environmental concerns over air travel), it is another way (or the only way) of engaging with them. Virtual experiences also offer another solution to the problem of overtourism (which will inevitably return once the pandemic recedes).

Another factor that could drive the growth of virtual worlds is the emergence of low-cost scanning technologies that allow us to capture objects quickly and easily with little or no technical know-how. LiDAR technology (Light Detection and Ranging) can now be found in the latest iPhone and iPad models. This means that millions of people all around the world can now use apps like Polycam to scan objects in 3D, which could include cultural objects, heritage sites, and institutions for example. Think about what the smartphone has done for photography, and the potential of these new scanning technologies could have a similar impact as we march off into the metaverse.

The Tribeca Film Festival has introduced Tribeca Immersive in the last few years to shine a light on creative innovators in this space and VR has proved that it can generate a genuine emotional engagement and response from audiences in the same way as film, television, or real life creative experiences. The VR project, Lovebirds of the Twin Towers, which premiered at the 2021 festival is a powerful example of this.

## MIXED REALITY (MR) AND AUGMENTED REALITY (AR)

Unlike VR which seals the user off from the real world, both AR and MR are technologies that blend digital content with the real world. Where they differ in terms of the level of integration and interaction that blur the physical and digital with the latter offering more possibilities. For example, the introduction of wearable MR devices such as the Microsoft HoloLens 2 that overlay digital content onto the real world already has multiple applications in fields like gaming, education, and industrial training. It is also being used to develop immersive experiences such as bringing extinct animals back to life at the National Museum of Natural History in Paris.

Further possibilities exist by bringing all of these technologies together known as Extended Reality (XR) , the collective term for the integration of VR, AR, and mixed reality (MR) to develop multiple realities allowing for seamless transitions between virtual and real environments, enabling even more immersive and interactive experiences.

## SCREEN TECHNOLOGY

Rolling Stone described ABBA Voyage as “Ground breaking ... [and a] ... jaw-dropping spectacle ... [saying] ... it has to be seen to Be believed”. The Guardian weighed in with “a dazzling retro-futurist extravaganza” ; their review states that it “really does recapture much of the essence of one of the biggest bands in the world in their prime.”



Produced in collaboration with ILM (Industrial Light & Magic) the company that has produced special effects for films ranging from Star Wars to Jurassic Park and countless technology innovations. The new immersive ABBA Voyage production creates Abba's 'Abbatars', using innovative screen technology to provide a seemingly holographic representation of a classic version of the iconic band combined with other 21st century effects and storytelling has received multiple 5\* reviews and has been talked about as one possible future for live entertainment in the era of the metaverse. The ABBA Voyage concept took five years and £140 million to develop. It has involved building a dedicated 3,000-capacity arena in the Queen Elizabeth Park, London. The popularity of the show has now seen it extended to November 2023 and the concept hopes to tour to other locations around the globe.

We are entering an era where it is now possible to realistically reproduce history which offers huge possibilities for the cultural sector if this technology goes mainstream.



Abba Voyage and the 'ABBA-tars'

## CASE STUDY – OUTERNET

**Outernet** is another example of leading edge screen technology allied to other Web3 technologies which in this case provides what could be called a real life manifestation of the metaverse. Outernet claims to be "the world's most advanced public building" and the largest digital exhibition space in Europe. Located next to Tottenham Court Road station in London it opened in 2022. This enviable location makes it subject to as many as 400,000 eyeballs every

day (and over 100 million per year). A £1 billion development that was a decade in gestation it consists of multiple spaces including the Now Building, Now Arcade and the Now Trending space. Outernet claims that the Now Building has the highest resolution screen in the world and could be the 'world's largest wraparound video display, with over 2,000 square metres of 16K LED screen' combined with over 200 speakers.

Outernet has a business model that funds its creative program (Outernet Arts) and experimentation by offering brands a new format to advertise and engage with consumers offering immersion and interaction by utilising metaverse and Web3 technologies such as MR, VR, AI, NFTs and crypto. The screens utilise Unreal Engine's gaming engine meaning they are able to host "everything from global live streaming to Web3-integrated retail concepts, which basically means putting the metaverse right on Oxford Street" (Forbes). Brand partners include Burberry, Amazon, Netflix, EA Sports, Tommy Hilfiger, NBC Universal, Shiseido and BMW.

Creative partners that tap into the tools offered by Outernet include the British Phonographic Industry (Brit Awards) who recently screened a series of performances at Outernet. They have also signed a multi-year partnership with the Royal College of Arts, the London College of Fashion's Fashion Innovation Agency (FIA) and the Ridley Scott Creative Group. Outernet is aiming for close to half of its content being purely creative. Outernet Arts is currently supported by BMW.

HERE at Outernet is a 2000 capacity live music venue that has also opened as part of the new creative precinct which is the largest since the 1940's in the city and also uses immersive technologies to help performers augment the music experience.

Media reaction to this bold new venue has been mixed with some suggesting it is a glimpse of the future while others such as The Guardian saying "Why not just go the full Vegas?" as they referred to "the crass, ad-laden reinvention of central London". Outernet has ambitions to expand beyond this first outpost with planned future sites announced for New York and Los Angeles.



Outernet London. Picture by Diamond Geezer

## PROJECTION – BLURRING THE PHYSICAL AND DIGITAL

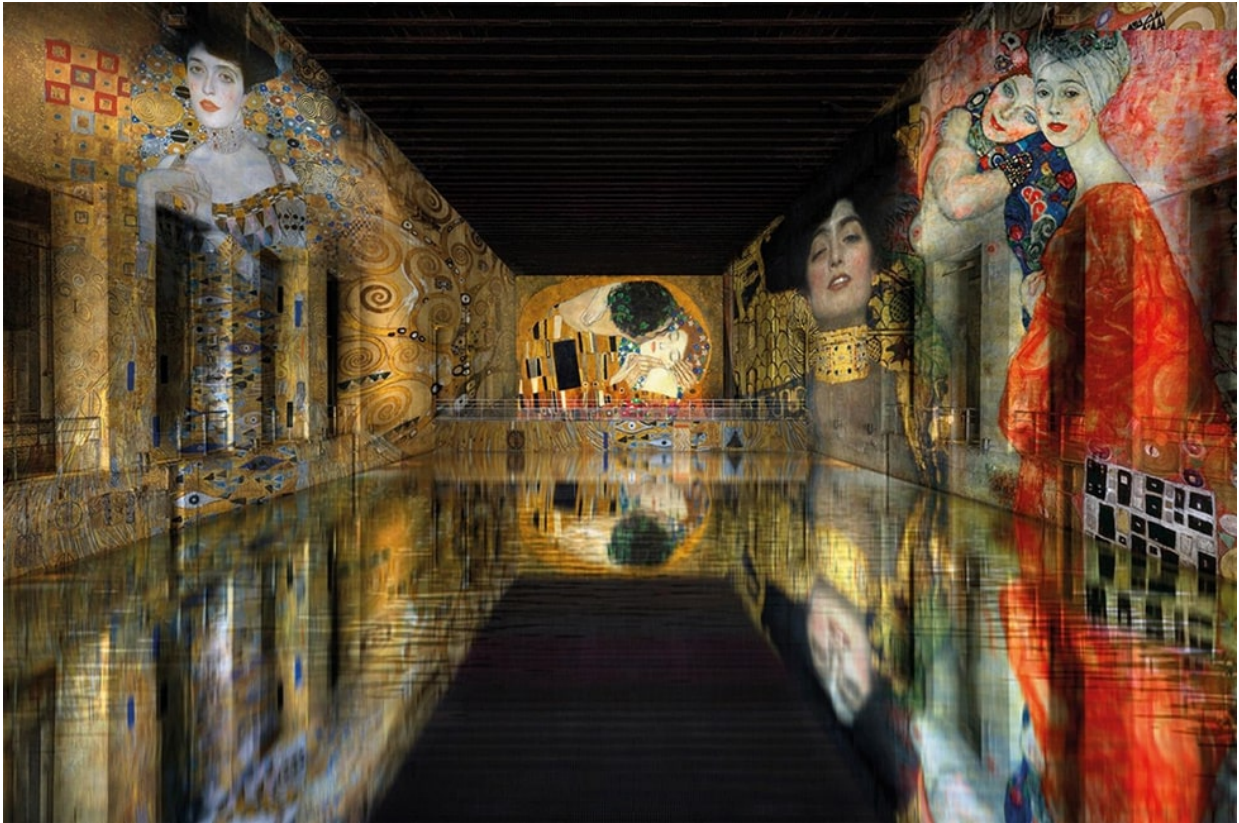
Immersion projection experiences are proving hugely popular with audiences. Lighthouse Immersive behind the Immersive Van Gogh shows claim 5 million+ tickets sold between February 2021 and May 2022 (one in 90 Americans have bought a ticket) and are the most successful visitor attraction on Ticketmaster. These impressive sales figures have helped them seal a partnership with Disney to deliver their first immersive show Immersive Disney Animation.

They already operate 18 venues across the US that range from USD \$4 million to \$15 million to set up and have a team of 850 people and are primed for further expansion.

There are many competitors in this space. Perhaps the two most significant are The LUME (by Grande Experiences) that is mentioned elsewhere and CultureSpaces based out of France. CultureSpaces is also expanding rapidly and operates 8 permanent immersive projection experiences including Atelier des Lumières (Paris), Bassins Des Lumières (Bordeaux), Carrières Des Lumières, (Les Baux-De-Provence), Fabrique Des Lumières (Amsterdam), Hall Des Lumières (New York), Bunker Des Lumières (Jeju), Théâtre Des Lumières (Séoul), Phoenix Des Lumières (Dortmund).



Given the relative ease in opening up these experiences the firm has developed and trademarked its own Amiex technology for its digital exhibitions (Art & Music Immersive Experience). They have also specialised in the innovative use of heritage and unusual spaces to provide a point of difference (a Cold War Bunker, Ironworks, former Bank, a Cave complex and even a WW2 Submarine Base). These spaces provide some incredible instagrammable moments and they have just under 1 million social followers as a result (across multiple sites and platforms).



Bassins Des Lumières (Bordeaux) by CultureSpaces

***Illumiarium*** has taken a different approach. While they still provide an immersive projection experience they are focusing on both a broader range of content. They currently offer three experiences that rotate at two venues (Las Vegas and Atlanta) which are Space: A Journey to the Moon & Beyond, Wild: A Safari Experience and Waking Wonderland: An Immersive Adventure inspired by Lewis Carroll's Wonderland. The company has raised an impressive USD \$100 million allowing for significant investment in the immersive content. The ***Wild*** experience cost about \$10 million for example. They have also added in a range of other technology to amp up the immersion such as scent, interaction with the projected content and haptics.

Perhaps the best evidence of demand is teamLab, a creative collective of interdisciplinary artists and technologists founded in 2001 whose digital artworks have been featured at cultural institutions around the world. In 2018 they decided to cut out the middle man so to speak and opened their own permanent space, ***teamLab Borderless*** in Tokyo. In its first full-



year over 2.1 million people visited making it the most popular cultural venue in the world by a single artist (or collective in this case) overtaking the Van Gogh Museum in Holland. teamLab has opened a further space in Shanghai with other locations to follow (including in Holland). The level of interaction in their experiences like the Illuminarium is a differentiator as well as the playful sculptural installations that augment the experience. However, what really marks them apart is the incredible original creative content rather than it being derived from the work of artists such as Van Gogh or Monet which dominate (understandably) the output of other players in this space. teamLab's core creative model means that they are at the leading edge of digital art and may out innovate others in this space.

teamLab have realised that technology alone is not enough however and there is evidence that once the wow moment provided by experiences such as those centred around large scale projection mapping has worn off then they struggle to achieve repeat visitation. The content of course can be changed but there are question marks about the longevity of some of these experiences especially where they are more passive. Industry publication Blooloo sums up the shift that is happening: "In 2023, visitors expect more than an Instagrammable moment. They want to be immersed and active in any experience."

- Dig Deeper – REMIX Talk – Takashi Kudo, Global Brand Director, teamLab



teamLab. Photo by Patrick Vierthaler

## HOLOGRAMS

Deceased music stars such as Tupac Shakur and Michael Jackson have famously used the Pepper's Ghost Effect to appear as holograms at live music events. The Pepper's Ghost effect was popularised by the English scientist John Henry Pepper in 1862 and is a special effect that creates the illusion of a hologram and has entertained people the world over.

However, developments are afoot in the space that could mean this holographic technology comes more to the forefront of immersive experience design. For example, Universal recently filed a patent for an 'Interactive Pepper's Ghost Effect System' according to Theme Park Insider. This new iteration proffers the tantalising possibility of blurring video game type experiences with the real world through convincing interactive experiences with holograms.

## INTERACTION

The next frontier is true interaction rather than a passive experience. Immersive Gamebox which is a provider of social gaming experiences (a category sometimes called 'competitive socialising') using immersive technologies such as projection is one such example. It used technology such as touchscreens and motion tracking within a variety of different games that are a combination of original productions as well as being based on licensed IPs such as Netflix's Squid Game and the popular children's TV series Paw Patrol. The first Immersive Gamebox location was in London but it has multiple sites globally across countries (including the US, UK, Canada, UAE and Germany). It has announced USD \$90 million of franchise deals and USD \$31 million investment raised to date as part of a strategy where it is aiming for 100 venues by the end of 2023. The company was founded by Will Dean, the man behind the well-known Tough Mudder brand. It is also another venture that is trying to capitalise on the struggles racing retail landlords although unlike some of the large scale immersive experiences it is designed to fit in smaller retail units (280-370 sqm).

## AUDIO

Audio is another area where great advances are being made that add to the sense of immersion and these technologies are becoming increasingly affordable and available to consumers and creatives (both for recording and listening) . The first live Dolby Atmos broadcast took place at the Rio Olympic Games in 2016 and in the following 7-years immersive audio has now become mainstream. We can experience it at home through spatial audio devices such as Apple AirPods Pro and numerous VR headsets that use it to increase the level of immersion.

Spatial audio adds realism, and directional audio, motion and tracking technologies allow creators to add interaction and to envelop the audience in a soundscape by providing three-dimensional audio from any angle. Darkfield who are the subject of the next case study deploy this technology to great effect. The premise is that 'sound engineers record using binaural setups with two microphones capturing audio at the same time, creating a 3D sound (XR Today)' or the spatial audio effect. For example this allows you to hear the audio but also convincing background and directional noise to make you feel like you are in a real life situation by reproducing the effect of 360 degree sounds you would be exposed to in your everyday life.

## AUDIO CASE STUDY – DARKFIELD

Some immersive entertainment companies have focused exclusively on using audio to build immersive experiences. Darkfield is a powerful example of this but their story also charts the evolution of London's immersive sector. I recently interviewed two of the Co-Founders, David Rosenberg and Glen Neath for the REMIX podcast, *See Things Differently*. They are influential and serial creative entrepreneurs in the UK, and as we find out Darkfield was not their first rodeo but is built on a myriad of experiences that came before.

David was a member of a creative collective that founded Shunt (which Glen was also involved in later on) which was hugely influential in kicking off the immersive movement which is now sweeping the world. One of their projects was the Shunt Vaults, a series of cavernous spaces underneath London Bridge station that were part performance space, part nightclub. They have since been transformed as part of a multi-million dollar redevelopment of the station which forced the closure of Shunt Vaults. Shunt helped pioneer site-specific performance which was what immersive experiences were known as back in those days. The format was extremely entrepreneurial where the team operated one of London's largest and most edgy hospitality venues that helped underwrite the immersive performances and experiences that were hugely popular with the patrons.

Time Out agreed and described it as follows: "A maze of vaults underneath London Bridge station is the unlikely home of one of the city's coolest and dampest fringe venues. Officially a members club (non-members have to queue for entry) shunt offers a weekly line-up of Live art, theatre, music and pretty much any avant-garde event they happen to devise. Boundary bending is an understatement here as shunt goes out of its way to make sure every night is unique. Expect themed club nights to morph flamboyantly into performance events and interactive theatre shows (often led by the in-house shunt collective) subjecting you to a sensory overload." Perhaps the irony now is that given the challenges of the retail and

hospitality sectors which have supplanted Shunt Vaults the answer may have been sitting there all along.

Shunt perhaps does not get the credit it deserves as a pioneer in the immersive space, perhaps because they disbanded and others in the scene went onto huge success such as the likes of Punchdrunk, Secret Cinema and more latterly organisations such as Meow Wolf and teamLab who have mainstreamed immersive experiences but as The Guardian put it “Along with Shunt, Punchdrunk led the charge for a wave of immersive, experiential theatre that aims to erase the fourth wall as much as possible.”

David and Glen used these experiences and went on to found Darkfield. This time they have specifically focused on the power of audio to tell incredible immersive stories. Over 250,000 people have bought tickets to step into the strange worlds of Darkfield which unfold behind the doors of shipping containers that they have deposited all around the globe. Once the audience steps inside they might find themselves on a commercial airliner, at a séance or in a bed that could be in a hospital or maybe an asylum. You are asked to put on a set of headphones and from there you enter an immersive audio adventure which utilises binaural 360-degree sound, complete darkness and a variety of sensory effects, where you are situated at the centre of intense, evolving narratives.

During Covid, Darkfield rapidly pivoted, being unable to deliver public experiences. They pivoted to create Darkfield Radio which is an app based immersive audio experiences to audiences at home that provided an innovative new form of entertainment directly responding to the new age we are living in. Darkfield Radio immerses audiences in strange and curious worlds, bringing new meaning to the familiar spaces we inhabit.

The first season of shows launched in July 2020 to critical acclaim, featuring in major film festivals such as Venice International Film Festival, IDFA and Raindance Film Festival, Tribeca Film Festival, and winning Columbia’s Digital Storytelling Lab’s Breakthrough Award in recognition of the year’s most innovative narrative. Season 2 was recently released.

Darkfield Radio was described by The Guardian as “unsettling audio that turns your home into a sci-fi dystopia”

Darkfield experiences are built on an App interface called Wiretapper that David is also a Co-Founder of which delivers immersive audio-based shows directly to you via your Android or iPhone. The events take place in public spaces and at home which fits the requirements of the different Darkfield experiences.

Darkfield's latest endeavour, Deadhouse is a collaboration with the BBC and is a horror themed trilogy of immersive binaural experiences and they continue to release new standalone immersive experiences with their most recent production being *Arcade*.

To hear more about the origins and evolution of Darkfield then check out our interview with the founders on REMIX's See Things Differently Podcast

- Dig Deeper – REMIX Podcast – David Rosenberg, Co-Founder, Darkfield & Shunt Vaults & Glen Neath, Co-Founder, Darkfield



# IV. Empty space for immersive experiences

## THE PANDEMIC'S LEGACY

The COVID-19 pandemic was merely a pause in the growth of the experience economy and has arguably even accelerated the trend

A global lockdown obviously curtailed this growth but as outlined earlier, the trends were evident pre-pandemic. Audiences have come back hungrier than ever before for immersive experiences after so many restrictions judging by some of the attendances for individual organisations that are documented in this report.

There is no doubt that this is a fast moving and dynamic space. Difficult moments like those that we have lived through over the last few years have often spurred new innovation historically and seen others fall by the wayside more quickly than they might have done. The palpable consumer demand for unique experiences is clear particularly as we seek out the things this missed during the multiple lockdowns.

One of the biggest opportunities stemming from the global pandemic for the immersive sector may come from the reduced demand for retail and office space in cities.

## THE RISE OF ECOMMERCE AND THE FAILURE OF BRICKS AND MORTAR RETAIL BRANDS

In the retail sector, the pandemic is not to blame alone but it has fast-tracked underlying trends including the shift towards ecommerce and changing consumer tastes from goods to demand for experiences. Traditional 'Bricks & Mortar' retailers have faced significant challenges over the last few years as they compete with internet players (with many failing the test). This has led to the bankruptcy (or vastly reduced footprints) for many famous retail brands (including Macy's, Debenhams, House of Fraser, Staples, Barneys and JCPenney). This impact is now being felt through increasing vacancies in urban centres and in shopping malls. These spaces will require adaptive reuse and re-purposing and the same forces will also impact the shape of new developments and future public space planning.

## THE FUTURE OF WORK IS HERE AND IT IS CHANGING CITIES FOREVER

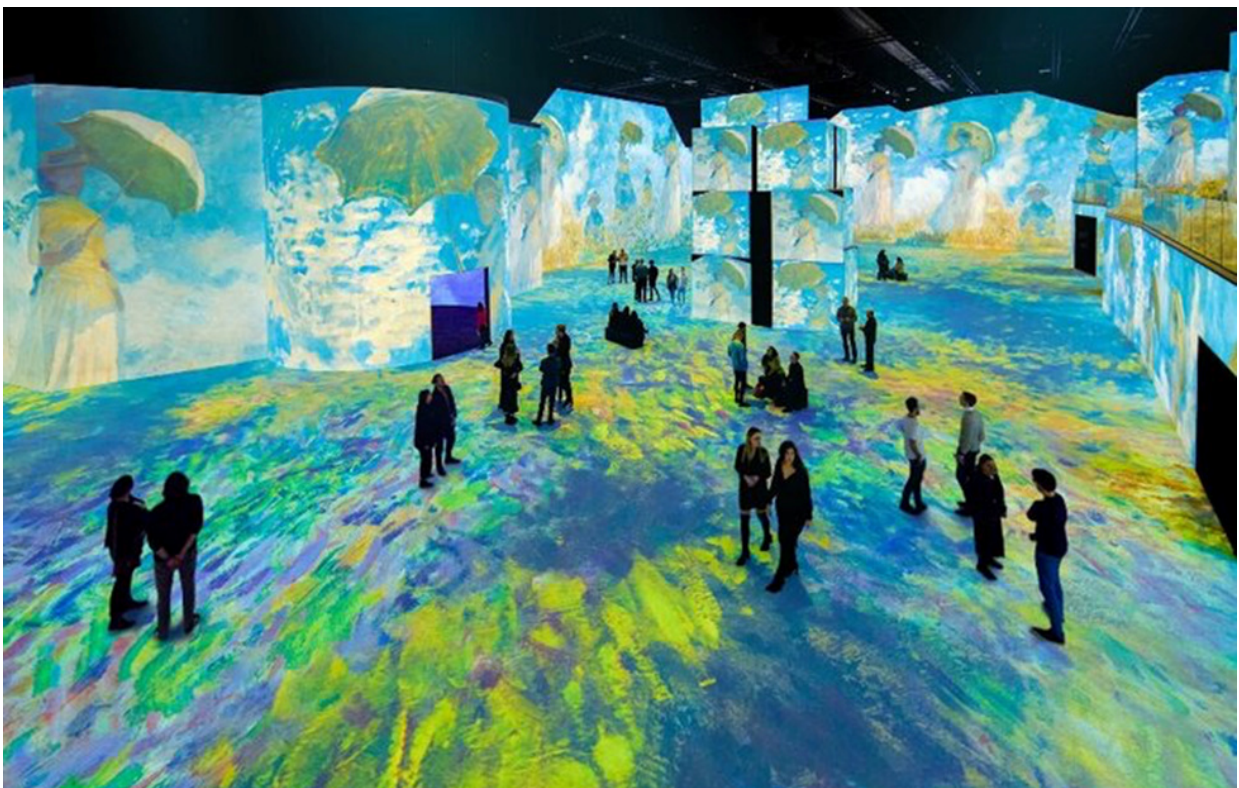
In the office sector it is also clear that despite the gradual shift to flexible working prior to the pandemic, many employers were still behind the curve on this trend (trailblazers in this space such as the tech sector had been doing this for many years). The enforced changes brought about by the global pandemic could change the office sector in cities forever.

Research published in the AFR (CultureAmp) reveals workers feel the same way with 88% of workers saying they have the resources and equipment to keep working from home and 84% believing they are as effective at home as from the office. Survey data can shift over time of course but only 2% say they wanted to go back to the office 5-days a week. If the knock on is that employers require less permanent office space then both landlords and city planners will need to adapt to this change. If we need to find new ways to attract people into the city then the booming experience economy combined with the boundless ideas of creative entrepreneurs could unleash an avalanche of immersive experiences to fill these gaps (some good and some not so good as we traverse the early days of the immersive revolution).

To make the point, Meow Wolf (something of a powerhouse in the immersive industry) have benefitted from investment and expertise from property developers such as the Fisher Brothers and their latest site, *The Real Unreal* will open in a vacant retail space in the Grapevine Mills

mall, Texas. It is not just the once dominant Shopping Malls so synonymous with the American Dream that are on the hunt for new tenants but also out of town retail parks that were once home to Big Box retailers. Immersive experiences including Electric Playhouse in Albuquerque, New Mexico and Otherworld in Columbus, Ohio have rescued these abandoned spaces setting up shop in a former Staples and Sports Authority respectively.

Other types of spaces are also being adapted for immersive experiences as they offer a higher return for landlords or they benefit from lower rents because they draw in visitors that benefit other tenants. The LUME (developed by Grande Experiences) converted 3000 sqm of space inside the Melbourne Convention and Exhibition Centre (MCEC). It features immersive projections of various artists and art forms from world-famous painters such as Van Gogh and Monet as well as contemporary Digital Art experiences.



The LUME Melbourne

# V. Clusters of Immersive Experiences: London

The speed of development of the immersive entertainment industry can be seen in the development of immersive clusters. As part of the genesis of this project, REMIX partnered with the British Council to take a look at one of the most significant immersive hubs: London.

## THE NEW BROADWAY OR WEST END?

Is the London immersive cluster an indicator of what might follow in other cities around the world if they tap into the immersive entertainment opportunity?

Over 40 immersive experiences (both permanent and temporary) that have taken place or been announced within the last 12-months (to April 2023) representing several hundred million

of investment and audiences numbering in the hundreds of thousands. These include Punchdrunk's *The Burnt City*, *Peaky Blinders: The Rise*, *ABBA Voyage*, *Dr Who: Time Fracture*, *Frameless* and The Light Room.

In a direct challenge to the existing status quo, eclipsing new theatres being built in London, there have been several announcements of privately funded permanent immersive performance and R&D spaces by multiple companies (already open and planned) including Secret Cinema, Immersive LDN (Immersive Everywhere), Lightroom and Labyrinth London. From the mapping exercise of the London cluster there are at least 15 venues that could be classed as permanent venues presenting immersive experiences (or marketed as with significant immersive elements). There is significant investment taking place in venues that utilise immersive technologies including the ABBA Voyage arena (part of a reported investment of £140 million) or the proposed MSG Sphere (the USD \$2.2 billion 17,500-seat MSG Sphere at The Venetian in Las Vegas is only months away from opening).

This activity is contributing to the development of what could be described as a London immersive hub. If the growth continues at its current rate it has the potential to grow into an economic cluster in a similar way to the West End or Broadway. This is significant if we consider that the West End or Broadway are frequently cited as globally important arts and entertainment clusters which produce significant numbers of jobs and export IP. It is arguable that in cities such as London, Las Vegas or Tokyo that we are seeing the development of immersive hubs that could rival (and collaborate) these traditional hotspots.

Audiences for the major national museums and galleries in London have seen visitors return more slowly than other cities. This could be down to a multitude of factors including increased competition for strained consumer spending as a result of inflation, the impact on tourism from factors such as the Pandemic (these figures cover the last phase of pandemic restrictions) and Brexit that have impacted overall international tourism numbers. Further research is required but an element of this could also be as a result of competition from a growing number of immersive experience competitors that are tailor made for these changing audience tastes.

- Dig Deeper – REMIX Podcast – Louis Hartshorn, Joint CEO, Immersive Everywhere (Dr Who: Time Fracture, Peaky Blinders: The Rise, The Great Gatsby)
- Dig Deeper – REMIX Talk – Neil Connolly, Creative Director, Immersive Everywhere (Dr Who: Time Fracture, Peaky Blinders: The Rise, The Great Gatsby)

## WHAT IS DRIVING THIS GROWTH AND HOW CAN IT BE REPLICATED ELSEWHERE



The 2022 Immersive Economy Report estimated that the immersive technology sector alone was worth more than \$1.4 billion. This figure is extracted from across multiple industry sectors such as Healthcare and Manufacturing, not just the creative industries that are the focus of this report. While immersive is a fragmented industry which is part of the challenge when developing strategies and support mechanisms, either way it appears to be in rude health. This is further evidenced that by the fact that in 2019 (the last time the report was undertaken) there were 1250 specialist immersive companies and this is now estimated to be 2106 in the 2022 Report

The Immersive Experience Network estimates that immersive entertainment is the fastest growing part of the creative industries sector in the UK. If this is true then that is significant as the creative industries sector contributed £109bn to the UK economy in 2021 and represent 5.6% of the economy. There are a number of elements that have contributed to the growth of the immersive cluster in London which are explored in this section.

## PIONEERS

Every cluster has its pioneers, Silicon Valley had Hewlett Packard, Xerox and Intel whose innovations laid the path for later players such as Apple and Google. The immersive cluster in London benefited from the presence of companies such as Shunt, Punchdrunk and Secret Cinema, the latter two of which have gone onto global fame. While they were not the very first organisations to offer an immersive experience their early works helped create an audience base for immersive works and started to bring the term to popular use (after a short dalliance with site specific theatre).

As a side note, the accolade of first mover probably goes to Alien War which originally opened at the Arches in Glasgow before moving to the now defunct Trocadero Centre in London after securing investment to open a \$1 million development which put audiences in a live action immersive and interactive adventure from the universe of the Alien movie franchise. It featured actors who put the audiences at the centre of the story which featured elaborate sets and real props from the movie. They were even able to secure the official rights from 20th Century Fox and even secured the involvement of Sigourney Weaver who was the lead actor. The experience operated for three years but they were so early that they (and the media) struggled to describe the experience settling for 'Total Reality' (Virtual Reality experiences were popular at the time including one at the Trocadero so this was a good counterpoint to that).

- Dig Deeper – REMIX Talk – Fabien Riggall, Founder, Secret Cinema

# NETWORKS

As the sector has matured it has also seen informal and formal networks spring up such as industry bodies the Immersive Experience Network as well as national government sponsored bodies such as Immerse UK, which is one of a series of Knowledge Transfer Networks set up by the UK's national innovation agency UK Research and Innovation (UKRI). Even the World Experience Organization started up in the UK in 2020. All of these organisations have developed research and advocacy, professional development and events.

## IMMERSIVE ENTERTAINMENT IS CREATING PARALLEL AND SPIN OUT OPPORTUNITIES FOR EXISTING INDUSTRIES WHERE THE UK HAS A STRENGTH

Immersive is a sector that thrives off interdisciplinary collaboration, with immersive experiences often made up of multiple parts of the creative industries such as creative technology, theatre and the visual arts to name a few. The UK is ideally placed to benefit from this melting pot approach given its diversity of creative talent. The UK is renowned for a globally competitive creative industries sector which represents some of its most successful exports with strengths in film, television, music and games sectors to name a few. It also has a highly skilled and flexible creative workforce in creative technology areas such as VFX and Virtual Production. Immersive entertainment also generates additional employment for the workforce in these sectors in between projects (such as Film and Television production) as well as increased employment in total as the sector grows.

With immersive entertainment offering new avenues for exploiting IP there can also be quite direct connections. The new Game of Thrones Studio Tour in Belfast deploys several immersive elements but also utilises the sets and props created for the series.

## SKILLS, TRAINING AND DEVELOPMENT

Organisations such as the StoryFutures academy have sprung up offering dedicated business support and training with programs including an Accelerator.

## RISK FUNDING, INVESTMENT AND EXITS

With this being a relatively new and immature sector, crucially, the UK has offered dedicated funding for experimentation in the sector such as the £39.3 million Audience of the Future program which was a UKRI Challenge Fund and supported the development of in-person, digital and hybrid R&D projects. Beneficiaries ranged from not-for-profit cultural organisations such as the Royal Shakespeare Company (RSC) to commercial players such as Aardman Animations (the creators of Wallace & Gromit).

Most recently, the UK Arts Councils and Arts and Humanities Research Council (AHRC) have announced a new immersive technology production and skills programme for creatives called XRtists, a £6 million, 3-year programme to develop skills and funding opportunities in immersive content production across the UK's cultural sector.

Just using the examples cited in this report alone, investment in the immersive entertainment sector globally runs into hundreds of millions of dollars and much of this is a recent phenomenon in the last 5-10 years. The UK also has an active investment climate in the tech startup and media and entertainment sectors and this has fed through to the immersive sector.

Some companies have benefited from seed funding from high net worth private individuals such as Wake the Tiger to help projects get off the ground. Other companies such as Secret Cinema have secured later stage Venture Capital funding to support growth such as their expansion into the US. For other immersive companies in growth phases loan financing has also proved a successful strategy. Immersive Gamebox secured over USD \$20 million in venture loans in 2022 to bring new locations online and this approach means that if they are successful they can supercharge their growth but also repay some or all of this debt rather than it being converted into equity that would reduce the holdings of existing shareholders.

As we cover elsewhere Secret Cinema and Wake the Tiger also engaged their substantial and loyal audience base to secure additional investment using a leading crowd equity platform showing the diversity of investment options in this space.

Perhaps, most importantly for future investor appetite in immersive companies, in 2022 Secret Cinema secured an exit for these investors when the business was sold to US company TodayTix in a deal valued in excess of USD \$100 million. Their UK shows such as the Empire Strikes Back and Back to the Future had been drawing in the region of 100,000 customers and its first US show (Stranger Things in partnership with Netflix and Fever) saw a jump to 300,000 attendees. Annual revenue (pre-pandemic) was reported as £15.2 million in 2019.

## REGIONAL ACTIVITY IS ALSO GROWING QUICKLY

While London has emerged as a hub for the immersive economy in the UK, outside of the capital there are also a number of flourishing immersive experiences (as well as immersive tech companies such as Charisma who offer 'a plug- 'n'-play platform for creating interactive stories with believable virtual characters'). Some of these experiences are being offered from established London players such as Secret Cinema (who like Punchdrunk before them) are launching experiences elsewhere in the UK such as their upcoming Dirty Dancing production in Birmingham.

Others such as Wake the Tiger in Bristol are home grown in the locations where they operate. This experience attraction was developed by the team behind the iconic Boomtown Festival this is an example of how producers of connected temporary creative activities (in this case a much loved immersive and experiential music and arts festival) are tapping into the immersive trend to develop new permanent experiences. This has both allowed them to engage with their existing community year round in a different way (Boomtown has grown from 1,500 attendees to 70,000 in 15 years) as well as unlock new audiences and revenue streams. The team describe Wake the Tiger as the '*world's first Amazement Park*' and they have developed a story driven fictional world for audiences to explore. The early thinking on the project started in 2015 but the inability to stage the Boomtown Festival during the global Covid-19 pandemic really lit the fire under the development as the team both needed to pivot their activities and had the bandwidth to deliver the project in these unique circumstances. The team funded the project through a mixture of private investment and also used crowd equity funding to leverage both support and engagement from their extensive community.

ClueddUp Games in Bedfordshire are another example, They specialise in app driven 'immersive outdoor experiences' with experiences either inspired by; or directly licensed from prominent IP and stories. Their experiences include the *Beauty & The Beast Experience*, *Witchcraft & Wizardry* and *Alice In Wonderland*. They now operate in 1500 locations in over 80 countries with 5 million customers across the 10,000 plus events they have delivered. They have also tapped into the corporate team building market with clients including Amazon, Google and Groupon. Social media has helped drive their incredible growth and they have over 300,000 Facebook Fans and 100,000+ Instagram Followers. Technology is essential to the experience and they have developed a highly engaging platform which has nearly 100,000 App reviews at over 4.5\* across the App Store and Google Play.

## LIST OF LONDON BASED IMMERSIVE EXPERIENCES

The list covers experiences that have taken place or been announced within the last 12-months of the report (May 2022 -23) and also includes London based immersive experience providers

that have been operating for 12-months or more to reflect key contributors to the London immersive cluster. The list is not exhaustive given the number, diversity and scale of immersive experience in the city. This online report will be updated so additional suggestions can be made to [hello@remixsummits.com](mailto:hello@remixsummits.com)

1. **Punchdrunk – ‘The Burnt City’** – this show takes place at the new Woolwich Works creative district where the company is now headquartered. Punchdrunk’s *Sleep No More* show continues to run in both New York and Shanghai.
2. **Swamp Motel** – this London based company describe themselves as the first immersive powered creative studio and they produce immersive activations for brands which help fund a broad range of original standalone immersive experiences they have developed for the general public such as The Drop (which combines immersive theatre with an escape room experience) to interactive films (The Alter). They have multiple works running currently from online only (the Isklander trilogy) to a new experience called Saint Jude which is possibly the first AI driven immersive theatre show (powered by a company called Charisma) which The Guardian has called ‘delightfully disturbing’.
3. **Immersive Gamebox** (multiple sites globally across countries including the US, UK, Canada, UAE and Germany) – this UK based immersive entertainment startup was founded by Will Dean, the man behind the well known Tough Mudder brand with its first location in London. This social gaming experience utilised tech such as motion tracking, projection mapping, touch screens and surround sound to offer both original games as well as games based on licensed IP such as Netflix’s *Squid Game* and popular children’s TV series *Paw Patrol*. [P]
4. **Jeff Wayne’s The War of The Worlds: The Immersive Experience** is based on the iconic H.G. Wells and is produced by Layered Reality, and combines immersive theatre, VR, Augmented Reality, Holograms and other technology to tell the story of the Martian invasion of earth (accompanied by Jeff Wayne’s iconic score). [P]
5. **The Gunpowder Plot** (Historic Royal Palaces/Tower of London) – this immersive experience is a collaboration between the heritage charity Historic Royal Palaces (which looks after the Tower of London) and Layered Reality (see above) and it explores the story of Guy Fawkes and the infamous Gunpowder Plot. [P]
6. **Outernet London** – a £1 billion development that was a decade in gestation that is “the largest digital exhibition space in Europe” (Forbes) and referred to by property developers behind the project (The Consolidated Group) as “the world’s most advanced public building”. Located next to Tottenham Court Road station makes it subject to as many as 300,000 eyeballs every day. “AR, VR, AI and crypto compliant, its wraparound screens underpinned by Unreal Engine’s gaming engine are able to host everything from global live



streaming to Web3-integrated retail concepts, which basically means putting the metaverse right on Oxford Street " Forbes [P]

7. Secret Cinema – Marvel’s Guardians of the Galaxy – in Autumn 2022 Secret Cinema produced an immersive version of the Blockbuster movie franchise
8. Peaky Blinders: The Rise is the official immersive theatre show of the blockbuster television series and takes place in a former Stables in Camden. It was created by London based Immersive Everywhere who are experts in producing immersive productions from well known IP.
9. Dr Who: Time Fracture (BBC & Immersive Everywhere) – It also took place at their permanent immersive venue, Immersive LDN. [P – *show is not permanent but space is*]
- 10 The Great Gatsby – another immersive theatre production by Immersive Everywhere which was the longest running immersive show in London until it closed recently (it will reopen shortly in New York). It also took place at their permanent immersive venue, Immersive LDN.
- 11 Abba Voyage – The content and technology has been developed by the likes of ILM – Industrial, Light & Magic & others. [P – *classed as a permanent venue as dedicated space constructed but the duration of the show is dependent on continued box office success*]
12. Frameless – another new permanent London venue that shows immersive projections of art. [P]
13. The Queens Ball, A Bridgerton Experience (Fever/Netflix) – an immersive experience based on the popular Netflix series.
14. Van Gogh Alive (Grande Experiences) – this immersive projection experience exploring the life and works of Van Gogh has appeared in multiple locations around the world (and the UK) including London.
15. Phantom Peak – describes itself as ‘the world’s First Fully-Immersive Open-World Adventure’ influenced by concepts such as Westworld. It has been created by The League of Adventure. Launched in 2022, the experience has just announced that its popularity means that it will expand by a further 30,000 sq ft. [P]
16. Superblue London (Pace Gallery) – Superblue is a venue for new experiential art and has recently opened a permanent space in Miami as well as a temporary space in London (at Burlington Gardens at the Royal Academy of Arts) that has now closed. Pace Gallery and Superblue also have an office in London where some of the team are based.

17. **Stranger Things: The Experience (Fever/Netflix)** – an immersive experience based on the popular Netflix series.
18. **Monopoly Lifesized** – an immersive and interactive version of the popular board game.
19. **Van Gogh, The Immersive Experience** – produced by Exhibition Hub, this immersive projection experience is similar in approach to Van Gogh Alive and claims over 5 million global visitors.
20. **Darkfield** – more information can be found on Darkfield elsewhere but this influential creative company has a focus on immersive and interactive audio with several shows based in shipping containers that have toured the globe including shows in London. They also tour across the globe with current and upcoming locations including Australia, Taiwan, South Korea and Scotland.
21. **You Me Bum Bum Train** – another highly influential London immersive pioneer specialising in one-to-one immersive experiences. They have not run a show for some time but their website remains live so they have been included.
22. **Lightroom** – a new venue for artist-led immersive shows and is a joint venture between 59 Productions and the London Theatre Company (founded by Nick Starr and Nicholas Hytner formerly of the National Theatre). The first show David Hockney: Bigger & Closer (not smaller & further away) has received widespread media attention. [P]
24. **Rematch** – this clever experience recreates iconic sporting moments through immersive theatrical events.
25. **Beams London Centre for New Culture** – this huge new 55,000 sq ft space is made up of interconnecting environments with a mission to ‘explore the boundaries between art and technology, working with light, atmospherics, sound, and experimental digital media’ and is highly experiential. [P]
26. **Otherworld VR Arcade** – VR experiences have popped up around the world and this one has no less than three spaces in London with a further location in Birmingham and others about to open elsewhere in the UK. While many VR experiences focus on gaming. Otherworld takes a different path and offers participants a chance to ‘travel together to a boundless world of natural beauty: the perfect antidote to the chaos of urban living’. There are game elements within the experience but it is a story first experience. [P]
27. **CluedUpp Games** – this company is covered in detail elsewhere in the report and offers multiple immersive and interactive IRL game based experiences in London

28. Les Enfants Terribles – are producers of immersive theatre shows including the Olivier nominated Alice's Adventures Underground which will return to London in November 2023.
29. Labyrinth – this immersive space in Waterloo has been developed by a newly formed immersive company by a team including the Creative Directors of Les Enfants Terribles. It is yet another permanent immersive venue and includes an immersive restaurant and bar and will shortly host Alice's Adventures Underground. [P]
30. MSG Sphere (by the Madison Square Garden entertainment company) – this 21,500-capacity immersive spherical arena has been announced for a site in the former Olympic Park in London (where ABBA Voyage currently resides). The USD \$2.2 billion 17,500-seat MSG Sphere at The Venetian in Las Vegas is only months away from opening. [P]
31. BBC Earth Experience – opened in March 2023 and utilises cutting edge screen and audio technology, to provide visitors with an 'immersive journey' through the natural world where they will 'explore the extraordinary diversity of seven unique continents on the most epic scale'. The experience features narration from David Attenborough,
32. The Paddington Bear Experience – developed by Immersive Octopus this is a new 26,000 sq ft immersive experience based around the much loved Children's story by Michael Bond.
33. 'The Murdér Express Part Deux' – an immersive dining experience designed by Funicular Productions
34. Guys & Dolls, Bridge Theatre (London Theatre Company) – this immersive take on the musical transforms the Bridge Theatre (operated by the London Theatre Company who are also a partner in another immersive venture, Lightroom).
35. Park Row/Monarch Theatre – fine dining meets immersive theatre and tech, described as "arguably the boldest restaurant concept London has seen" by the Evening Standard. Experiences include an immersive dining experience based on the DC universe's most iconic heroes and villains.
36. Museum of Shakespeare – this recently announced project which will be an immersive museum experience dedicated to the Bard on the site of the former Curtain Theatre is an intriguing collaboration between experiential duo Bompas and Parr, Historic England and Museum of London Archaeology. According to The Guardian, it will use "the latest AI technology will allow theatre lovers to walk across the Elizabethan stage where Shakespeare performed as an actor and that may have staged the first performances of Romeo and Juliet and Henry V." [P]
37. Dalí Cybernetics: The Immersive Experience – also produced by Exhibition Hub this is another immersive projection experience showing in London.

38. **Dopamine Land: A Multisensory Experience** – inspired by the success of experiences such as the Museum of Ice Cream it is described by the creators as “a multisensory experience that combines media, technology and play in one place.”
39. **Faulty Towers The Dining Experience** – produced by Interactive Theatre International who offer an immersive dining experience inspired by the iconic comedy series at the President Hotel (as well as other locations both in the UK and elsewhere in the world).
40. **Wonder of Friendship (Disney)** – 1,000 square metres of installations (in a former brutalist office block) based around a number of key Disney properties.
41. **Sherlock: The Official Live Game** – officially licensed immersive escape room experience based on the popular TV series starring Benedict Cumberbatch
42. **Arkham** – a new live immersive experience inspired by DC’s Batman
43. **The Crystal Maze Live Experience** – immerses guests in a live recreation of the classic TV series produced by Little Lion Entertainment which claims to be the UK’s largest immersive theatre company (over 250 staff and 1 million guests to date)
44. **The Crypt** – this is another new dedicated immersive theatre venue operated by Parabolic Theatre in the heart of London’s East End. The current show CRYPT is ‘an atmospheric and mysterious underground space showcasing established and emerging companies all making innovative immersive work’. [P]

# VI. How are immersive experiences reshaping the arts and cultural sector?

## **WHAT ARE THE OPPORTUNITIES AND CHALLENGES FOR THE CULTURAL SECTOR?**

The cultural sector has always co-existed with commercial attractions, but recently the lines are blurring with creative entrepreneurs in the immersive sector seeking



to provide more accessible stepping stones to artistic content and edutainment in response to rising consumer demand.

Predicting the future is a fool's errand. But could it be that in the next 10 years, we will see changes in museums and galleries in the same way that services like Napster changed the face of the music industry or Netflix changed Film and Television? They are also breaking many of the rules of cultural institutions such as museums and galleries and becoming both a competitor and collaborator with this sector at the same time.

An example is L'Atelier des Lumières in Paris by Culturespaces. It boasts 2,000 square metres of immersive audio-visual experience of artists such as Gustav Klimt's, featuring mural projections of images set to music by Wagner, Strauss and Beethoven powered by 140 projectors. Set in a former iron foundry, it attracted more than 1.2 million visitors in just eight months in 2018 – comparable to leading French museums – and has expanded to other locations such as Bordeaux and South Korea with further plans for the US and Mexico. Meanwhile, teamLab Inc.'s immersive playground of digital art has proven even more successful. Their Tokyo site 'Borderless' opened in 2018 and an incredible 2.3 million visitors from 160 countries descended upon the site in the first year, overtaking the Van Gogh Museum as the most visited single-artist museum according to the Guinness Book of World Records. They have also opened a second location in Shanghai, and have even announced a new site in Holland where they will go head to head with the Dutch master (and demonstrating how creative entrepreneurs have few reservations about moving into new markets to compete with the existing incumbents for the limited leisure time of audiences).

The growing number of creative entrepreneurs building these new experiences have the potential to disrupt the status quo in the same way that entrepreneurs in many other industries.

## SHACKLED BY CONVENTION

However, this challenge runs much deeper than just optimising exhibition design or marketing and distribution channels and immersive experiences offer both a challenge and an opportunity. With only a handful of notable exceptions, cultural institutions today are still shackled by an overload of convention. Too often, they do not innovate around the problems that historic assumptions produce because they never question these fundamental notions in the first place. The audience experience at a museum remains largely unchanged since Elias Ashmole founded the first public museum in 1683. Ditto for most galleries, libraries, performances and other cultural gatekeepers who have their own sacred cows (save for

somewhat superficial layers of change). Yet how much have the needs and expectations of audiences changed in the intervening years?

It could be that some museums are deliberately choosing to position themselves at the forefront of a counter-trend to the immersive experience revolution; a familiar space that remains a constant for audiences that are experiencing destabilising change in so many other parts of their lives. It isn't a problem if this is a deliberate choice and strategy (which may well work for some), but in far too many cases institutions find themselves there by accident rather than design.

## COLLABORATION MODELS

Some cultural institutions have chosen to team up with key commercial players in the immersive entertainment space to co-create something together; combining their different expertise in new ways to produce something that neither would do alone.

The first example of this was actually back in 2015 when Punchdrunk Enrichment (Punchdrunk's education wing) partnered with the National Maritime Museum in London (part of Royal Museums Greenwich).

*"Visitor feedback tells us that immersive environments create the most memorable experiences [...] We knew that we needed to think outside of our expertise and Punchdrunk are at the top of the game when it comes to immersive theatre", Sarah Lockwood, Head of Learning and Interpretation, National Maritime Museum*

*Against Captain's Orders* was a completely new immersive and interactive dimension to the museum experience. During the day, it was an educational experience, operated for young people between 6-12 and in the evenings an adult version took place allowing it to appeal to the broader Punchdrunk audience.

"Starting in the twilight world of a museum collection store, the immersive experience was led by two curators (played by actors). Doorways led to other times and other worlds, and life jackets were donned as visitors became part of the motley crew of HMS Adventure. Harnessing the heroics of Grace Darling, the intuition of Captain Bligh and the intellect of Sir Francis Drake, audiences lived through their very own nautical adventure. The educational experience involved problem-solving, storytelling and moments of mild peril."

Between 8 to 10 performances took place each day lasting about 50 minutes for up to 40 participants. Against Captain's Orders was experienced by 31,533 visitors, including nearly

8000 schoolchildren. The project received Arts Council England funding and was based on a break-even business model. The National Maritime Museum broke their box office records for pre-sales, selling 6,000 tickets before the show even opened (arguably this was down to the star power of Punchdrunk rather than the museum).

To back up that argument that immersive could be a key to helping draw in new audiences (and entice back existing audience to experience a museum in a new way), Mike Sarna, the Director of Collections and Public at Royal Museums Greenwich said the following about the goals of the project: *“When you go through a museum you sort of know what you are going to get, along that museum shuffle we want to wake visitors up and give them little surprises (of course always based on facts).”*

- Dig Deeper – REMIX Talk – Mike Sarna, Director, Programming & Exhibitions, Royal Museums Greenwich

Another more recent example is Historic Royal Palaces have collaborated with Layered Reality who are behind the long running immersive production of *Jeff Wayne’s The War of The Worlds: The Immersive Experience* in London.

Together they developed The Gunpowder Plot at the Tower of London which is an immersive, interactive into the infamous and ill-fated attempt to blow up the Houses of Parliament.

The experience is set in The Tower Vaults, a 20,000 sq ft space and UNESCO World Heritage last accessible to the public two decades ago, It has a real historical connection to the story as it is where much of the prelude to the Gunpowder Plot took place.

It is a multi-sensory journey which utilised several immersive technologies and techniques including live theatrical performance; Virtual Reality, Motion Simulators, Ambisonics (three-dimensional 360-degree audio) and physical sensations including smells, temperature and taste. There are also two themed bars onsite to generate additional revenue. This follows the model established by Layered Reality for War of the Worlds where one is part of the experience and the other is a standalone venue open to anyone (an aptly named pub, *The Crown and Barrel*). By partnering with Layered Reality this has also created a regular evening experience and hospitality offer that was previously not offered at The Tower of London, extending their opening hours.

- Dig Deeper – REMIX Talk – Hannah Price, Creative Director, Layered Reality (The Gunpowder Plot, Tower of London & War of the Worlds)

# IMMERSIVE MEANS BACK OF HOUSE CAN BE FRONT OF HOUSE AND CAN COMPLETELY CHANGE THE WAY CULTURAL SPACES ARE USED

One of the opportunities of embracing immersive entertainment is the ability to rethink the use of conventional cultural infrastructure. This could be to utilise redundant spaces such (as in the case of Gunpowder Immersive at the Tower of London which takes place in a series of converted former shops and fast food restaurants). It could be spaces normally off limits to the public that could be used for more than one purpose. *Against Captain's Orders* was staged in hidden back of house space at the National Maritime Museum. More and more cultural organisations are recognising that immersive can help activate underutilised spaces. Another great example is the Malthouse Theatre in Melbourne which received widespread acclaim for its first immersive theatre production 'Because the Night' which was also a big hit at the box office. This show transformed the theatre into the fictional world of Elsinore and takes over most of the venue including multiple spaces never before accessible to the general public. Immersive provides cultural organisations with an opportunity to reimagine their venues as a new canvas of possibilities. Some immersive experiences are also bringing dual purpose to more conventional cultural spaces such as a reconfiguration of the stage to incorporate audience interaction in the case of Guys & Dolls at The Bridge Theatre in London. The immersive trend is here to stay so cultural organisations may also wish to consider this opportunity in relation to new developments or making existing assets dual purpose.

- Dig Deeper – REMIX Talk – Sarah Neal, Executive Producer & Co-CEO, Malthouse Theatre

## TELLING STORIES IN NEW WAYS THROUGH ORIGINAL IMMERSIVE EXPERIENCES

Some institutions are beginning to see the opportunities in this space and rather than simply replicating what is out there (a strategy that is probably doomed to fail), they are innovating by tapping into their own collections, spaces and content to produce something unique. For example, Melbourne Museum (part of Museums Victoria) produced their first immersive experience *Tyama* with support from S1T2 [*Disclaimer: the author is a board member of Museums Victoria so this is just to recognise that I'm 100% conflicted (but it's a great project so I'm going to mention it anyway!)*]. The experience is an interactive multi-sensory experience of nature (going beyond many of the passive immersive experiences that are the norm) but crucially integrates objects from the museum's collection, content produced by the organisations scientists as well as indigenous storytelling and perspectives about the natural

world which are particularly relevant as we seek to take care of country and tackle the climate emergency. The Age describes it as “First Peoples storytelling meets Fortnite tech in an immersive museum exhibition.” Another important aspect about this project is that Museums Victoria have made an investment in permanent infrastructure (both hardware and software) giving them the flexibility to create future shows and providing another way to utilise existing space as discussed earlier. This includes AV (80 speakers and 47 projectors) and a software system that utilises Unreal Engine (normally used to power games such as Fortnite) all installed in the museum’s touring hall space which can be activated when it is empty.

If immersive is here to stay then the toolkits and skills of 21st century museums need to evolve because this may become a core element of experience and exhibition design.

- Dig Deeper – REMIX Talk – Miriam Capper, Experience Developer, Museums Victoria (Melbourne Museum, Scienceworks & Immigration Museum)



Tyama At Melbourne Museum. Source Museums Victoria. Photographer Eugene Hyland

## COMMERCIAL TOURING MODELS

Others have directly imported existing immersive experiences in the same way they might book a touring exhibition (these mostly operate on a profit share or fee based model).



The LUME in Melbourne (developed by Grande Experiences and mentioned elsewhere in this report) has been incredibly successful. It achieved around 700,000 paying visitors in the first year to its immersive projection experience Van Gogh (generating around \$27 million). This saw it rival the NGV (National Gallery of Victoria) in annual ticket sales (despite charging nearly twice the price) which is the most visited gallery in Australia (and one of the Top 20 in the world). These impressive numbers have intrigued some cultural organisations especially when you consider Grande Experiences broader track record. They have developed their immersive experiences activity on the back of a successful touring exhibitions business. 20 million people around the world have seen a Grande Experiences show over the past 15 years (in 175 cities and 33 languages and counting).

They recently struck up a partnership with Newfields/Indianapolis Museum of Art to bring The LUME to a 30,000 sq ft space in the museum (covering an entire floor, representing the largest exhibition in the institution's history). The investment appears to be paying off so far with over 108,000 tickets sold in the first three months which the institution states will put it on track to be one of their most successful ever.

Sometimes immersive experience producers deploy multiple models to respond to different opportunities. Grande Experiences operate their own permanent and touring immersive projection experiences using in-house shows. However, to help develop new content or gain access to the content of others (and their audiences) they also co-create immersive experiences with cultural institutions (in a similar way to some of the earlier examples). They have recently partnered the National Gallery of Australia to develop Connection which 'used cutting-edge visual, audio and aroma technologies to transform original artworks from First Nations artists' into an immersive experience. Their most recent partnership with The Dalí Museum in St. Petersburg, Florida has led to the creation of Dalí Alive, which is a new touring show.

- Dig Deeper – REMIX Talk – Bruce Peterson, Founder, Grande Experiences & The LUME

## HOW CAN WE ENGINEER NEW COLLABORATIONS WITH THE CULTURAL SECTOR TO UNLOCK NEW IMMERSIVE EXPERIENCES?

Innovative collaborations between experience developers and cultural institutions such as these could hold the key to developing new forms of cultural and creative experiences. The growing number of experience designers from multiple industries that have the potential to disrupt the status quo.

There are a multitude of opportunities for co-creation and collaboration with creative entrepreneurs to develop new experiences. However, we need to do more than just scout for the best collaborators; we need to be brave enough to hand them the keys. For example, REMIX recently developed a new experience strategy for State Library Victoria in Melbourne, one of the world's most visited libraries with over two million annual visitors (more than the British Library or Library of Congress). One initiative within this strategy is Alchemy, designed to develop incredible new experiences through collaborations with leading local creative entrepreneurs and experience designers across Victoria. A key objective was to also develop business models and long-term partnerships that would make these sustainable rather than one-off projects. Ideas supported included gamifying the library by one of Australia's leading escape room designers, immersive storytelling encounters through an Augmented Reality game and engaging new audiences through experiential dining and tours formats. 14 amazing experience designers and creative entrepreneurs were selected in total sharing \$240,000 to develop new experiences. The success of Alchemy has led to a second edition under the moniker of the Experience Lab which is being rolled out with Melbourne's Fed Square in Melbourne as to develop new experiences for their 20th anniversary.

Cultural institutions can play a vital role in building the immersive economy and it also has the potential to support their own metamorphosis. As another example, REMIX collaborated with ACMI (Australian Centre for the Moving Image) to develop a concept called ACMI X, the first co-working space in a museum in Australia. Some of the creative enterprises that took up residence also helped provide a new creative engine for ACMI that has influenced the organisation's public programming. One original ACMI X tenant Grumpy Sailor developed the award winning immersive *Mad Hatter's Tea Party* which is now touring the globe as part of ACMI's *Wonderland* exhibition.

As a Co-Founder of REMIX, a series of global summits in cities such as New York, London and Sydney that explore the future of the creative industries I get to see many of the changemakers reshaping the creative landscape at close quarters. Many more will emerge over the next few years to tap into some of the trends I have identified in this article and this is a great thing for the creative economy. The leaders of our cultural organisations need to look outside of the sector to understand the transformational potential of these trends and to identify and collaborate with creative entrepreneurs for mutual benefit.

## CREATIVE ENTREPRENEURS ARE ALSO CHANGING THE BUSINESS MODELS OF CULTURE

Superblue is a new experiential art venture, reportedly backed by over \$40 million of investment including from Pace Gallery, one of the largest private art galleries in the world.

In essence they have seen the success of experiential art installations in locations such as the Turbine Hall at Tate Modern and have aggregated a number of these into a single location (minus the rest of the gallery).

Perhaps its most significant innovation is that it is attempting to change the gallery business model by building a new platform for artists where they share the box office income rather than the traditional fee based deal structure.

Superblue has opened its first location in Miami, located in a vast unused industrial building in the city's Allapattah neighbourhood, the space transforms 50,000 sq ft into an immersive installation space, kicking off an inaugural programme with large-scale works from artists including Es Devlin, James Turrell and teamLab.

They have plans for a series of spaces around the world and a pop-up recently took place in London. Time will tell whether this concept will scale (the Miami site apparently suffered from cost overruns) but it is certainly one to watch.

- Dig Deeper – REMIX Talk – Margot Mottaz, Curator, Superblue

## **ARTISTS ARE ALSO SIMPLY PRODUCING THEIR OWN IMMERSIVE EXPERIENCES AND SELLING TICKETS DIRECTLY TO AUDIENCES AND BYPASSING THE GALLERY SYSTEM**

The idea of artist as brand is not new and the likes of Damien Hirst and Banksy have long had start power where they could release works direct to an audience or in the case of Banksy product direct to public events and experiential installations such as *Dismaland*.

Dismaland ran from 21 August – 27 September 2015 in the British seaside resort town Weston super-Mare. It attracted an impressive 150,000 visitors (selling 4,000 tickets a day online plus 500 in-person that were sold each day). Artnet reported that it generated USD\$30 million of economic benefit to Weston super-Mare. Dismaland featured 60 artists alongside Banksy and was estimated that an extra 50,000 nights were sold in the town's hotels versus previous year. Tickets, were priced at just £3 but with millions (including celebrities such as Brad Pitt) hoping to secure admission to the temporary exhibition, the Dismaland website crashed"

Australian Street artist Rone is an example of an artist that is using this strategy. He has built a brand with immersion at the core of his creative and commercial proposition and he has developed several highly successful ticketed experiential art installations (with a particular focus on heritage spaces). His installation *Empire* sold-out with 22,000 visitors in just two months. His most recent exhibition *Time* at Flinders Street Station was close to selling out the entire 6-month run.

- Dig Deeper – REMIX Talk – Rone, Artist and Creative Entrepreneur



Dismaland by Banksy, Photograph by Byron Smith

## SUPPLIERS ARE BOTH COLLABORATORS AND COMPETITORS

Numerous creative agencies and experience design companies are piling into the immersive entertainment industry with varying degrees of success. An example is the Moment Factory, a Canadian company based in Montreal with secondary locations in Paris, New York, Tokyo and Singapore. The studio has created over 550 projects globally since 2001 including for numerous heritage sites, cultural organisations and brands. Their multidisciplinary team of over 400 talents combines specialisations in video, lighting, architecture, storytelling, sound and special effects. While they continue to do client facing work they have realised that immersive technology combined with the creativity of their team means they are also in a position to develop their own experiences. Their philosophy as a company across all of their work is to develop a multi-disciplinary ecosystem where artists can strive, collaborate, and evolve. The era of the internet and social media means that it takes very little time to develop a brand now and if the experience that sits behind this is actually any good then you can cut out the middle man (in this case a cultural institution). Today you can set up a professional website on

Squarespace, build an eCommerce platform on Amazon Web Services, and advertise to hundreds of millions of people through Facebook and YouTube – all in the space of a few days. It means new brands can spring up from nowhere to take advantage of a gap in the market and before you even know they're a threat, take a healthy chunk out of an existing player. Brand is everything in the experience economy and it is becoming more important. 84% of the market cap of companies listed on the S&P 500 can be attributed to intangible assets like brand. 30 years ago, it accounted for just 32%

The Moment Factory has entered the direct to consumer space by developing the Lumina brand as a standalone experience concept. This has been running successfully now for a number of years alongside their other client facing work. Astra Lumina at Anakeesta is the 17th experience in the Lumina Enchanted Night Walk series by Moment Factory

Narrative premise is that “we’re always told to reach for the stars, but what if the stars could reach for us?” Promises guests “encounters of lighting, projection and sound, and connect with the stars before they return to the sky above.”

A Lumina experience is inspired by the cultural heritage or natural beauty of a site meaning that it can evolve and adapt according to this also to provide variety for audiences.



Lumina by Moment Factory, Photograph by JoLynne Martinez



# OTHER SECTORS ARE BEING IMPACTED BY THE IMMERSIVE REVOLUTION IN THE SAME WAY IT IS DISRUPTING CULTURE

Media giants such as Netflix and Disney have also recently entered this space launching immersive experiences connected to IP such as Stranger Things, Bridgerton and Star Wars. For Netflix, this includes the Stranger Things Experience and Bridgerton Ball. Netflix have also experimented in using technology to provide a more immersive experience such as the show *Bandersnatch*, part of the *Black Mirror* series which gives the audience some control of the outcome in a similar way to the Choose your own Adventure series of books.

SKY and HBO completely blurred the lines between TV and immersive content by partnering with leading immersive entertainment company Punchdrunk to develop an immersive component of their series *The Third Day*. Punchdrunk Founder Felix Barrett describes it as “a TV show and a world you can enter, giving viewers the chance to live and breathe the narrative.”

- Dig Deeper – REMIX Talk – Greg Lombardo, VP Live Experiences, Netflix (US)

Hospitality is no different. The Lost Distillery has reinvented a genre and is part distillery tour but also an immersive experience combined with a Speakeasy and influences from Cirque du Soleil. It has been described as the “Disneyland of Liquor” (WIRED) and consists of a myriad of dreamscape tasting rooms under the taglines Science, Innovation, Art. The first location opened up in LA and the second venue has recently opened in Las Vegas at the immersive smorgasbord that is Area 15. This second larger venue is a full blown immersive show (with 44 acrobats and performers). Most guests stay for 1.5 – 2 hours but you can stay longer

And prices start from USD \$59 including Rum tastings. The 20,000 Leagues Under the Sea dining room offers a 16 course fine dining experience for \$295 per person which can sell out months in advance.

Another location experiencing success is Phantom Peak in London, an immersive food, drink and entertainment destination developed by the League of Adventure. Describing itself as “the World’s First Fully-Immersive Open-World Adventure” it is a fully-realised steampunk mining town spread over 30,000 sq ft, indoor and outdoor. Phantom Peak’ Trails triggers quests via your phone leading to conversations with the town’s cast of characters through a series of missions. There are numerous F&B and retail options to increase dwell time and revenue per head. It offers both daytime and evening admission with ticket prices of £35 – £45 (weekday/weekend) with various additional premium packages. They have not published

any attendance figures but it's appeal is indicated by 4.8\* Google reviews. This is further bolstered by an announcement that Phantom Peak is to double in size and add further layers and depth to the immersive experience (less than 12-months after opening in August 2022).

The retail sector is also being influenced by immersive. Experiential retail is not a new concept but some players are dialling this up a notch and experiential arts and culture are playing a role. Starting with a Four-story, 14,000 sq ft store in New York and now a second store in Miami, Showfields describes itself as the "most interesting store in the world". Their philosophy is to challenge the retail status quo through merging Art and Commerce to reimagine the shopping experience through using immersive experiences, great service and discovery. An example of this is the giant tentacles that recently emerged from the windows of their Miami store by the artists Filthy Luker and Pedro Estrellas. The House of Showfields is another installation; a 30-minute sensory theatre production that gives customers a chance to immerse themselves in the store's featured brands.

Showfields reimagines retail using the principle of C-Commerce which they define as curation, content, commerce, convenience and connection with the customer at the centre. Through an artful lens, bringing artists, brands, events and experiences together to bring the magic of discovery to customers (particularly for online brands that gave no physical touch point normally). The concept has grabbed a lot of headlines and is a favourite of retail trend forecasters helping it secure \$US9 million in seed funding and is definitely one to watch.

- Dig Deeper – REMIX Talk – Tal Zvi Nathanel, CEO & Co-Founder, Showfields

# VII. What's next for Immersive Experiences?

## **HOW BIG CAN IMMERSIVE GET?**

In Saudi Arabia, they are betting on the fact that immersive experiences and technologies are here to stay and can be implanted into the fabric of whole new districts. The best example of this is the announcement of The Mukaab, a new cube-shaped skyscraper that will be the centerpiece of the new Downtown planned for Riyadh. Funded by the sovereign wealth fund, it will offer state-of-the-art entertainment, dining, and retail and is large enough to envelop 20 Empire State Buildings. It will also be the world's largest modern downtown and is estimated to generate USD \$48 billion of revenue.

**CONTENT IS STILL KING AND GREAT STORYTELLING  
WILL WIN OUT**

Some players in this space are looking to build the next IMAX; infrastructure that can house these next-generation immersive projection experiences that currently offer a WOW factor, accessibility and context that some audiences prefer to the real thing. However, there is a danger that the excitement of the new can dissipate and in the wild west of immersive art with a multitude of players where experiences can vary immensely from one provider to the next then not everyone will survive. This race will be won by content as much as the new canvas that these technologies provide and the master storytellers will rise to the top. The immersive technology arms race will continue however and experience creators that can identify the tools that will elevate their content have an edge. Where engaging content and emergent immersive technology intersect then it is possible to create whole new formats such as the ABBA Voyage which has been made possible through a collaboration between Industrial Light and Magic (among others) and the iconic band.

## **ORIGINAL VERSUS EXISTING IP**

As in other contexts, if you can create your own compelling IP then not only does that increase margin but your story worlds can live across multiple platforms that can extend your community and engagement as well as offer new monetisation opportunities (which has new possibilities in the era of the metaverse beyond the usual tactics of books, movies and games etc.).

Properties like Star Wars and Stranger Things now have both permanent and touring immersive experiences respectively but it is entirely possible to reverse engineer this process. How might visitors to Meow Wolf's strange 'multiverse' continue their connection with it before and after their visit?

Immersive production houses with permanent immersive projection spaces like Lighthouse Immersive are also demonstrating how you can leverage existing IP with ready-made fan communities by offering their expertise and infrastructure to brands such as Disney. They are banking on the star power of this IP to create volume visitation that makes up for a smaller piece of the pie. They clearly believe more and more rights holders will inevitably come into this space if the immersive entertainment sector continues to grow at the same rate, especially as many have already tapped into the booming experience economy in other ways to engage their fans.

## **MULTI-PLATFORM OPPORTUNITIES**

The direction of travel is two-way here and increasingly original immersive IP can be exploited across multiple platforms, not just the original immersive experience. Meow Wolf increasingly envisage their output as multi-platform, and have just announced that they are developing a game, 'Jared's Journey', which is described as "a standalone arcade game where players guide the main character, Jared and the story is connected to the imaginative multiverse of Meow Wolf as he searches for his family."

Another example of immersive experiences as source material for content across multiple platforms is the AMC/Amazon Prime series *Dispatches From Elsewhere*. This series was based on an actual immersive experience and documentary (The Institute, 2013) created by street artist Jeff Hull which served as the inspiration for *Dispatches From Elsewhere*. Hull developed an immersive game around the fictional Jejune Institute. Players uncovered clues as part of solving the mystery of a missing girl. Thousands of players joined over a three year period (2008-2011).

## INTERACTIVE VERSUS PASSIVE EXPERIENCES

There is no right and wrong way to do this because immersive is a new genre and audiences have different comfort levels (and some will always want to observe rather than participate). However, this may change as immersive technologies continue to offer new possibilities and immersive entertainment breaks into the mainstream (and audiences become more sophisticated and comfortable). My expectation would be that they will increasingly want agency when they seek out experiences. This is one of the most exciting possibilities that immersive entertainment offers over other more fixed passive entertainment formats such as IMAX. This does not mean that passive immersive experiences will disappear but they at least need to think about where there could be moments for particular audience segments to dial up (or down) their participation. *Tyama*, an immersive projection-based experience developed in collaboration with S1T2 for Melbourne Museum (part of Museums Victoria) is a good example of adding interactivity to the immersive projection format. This experience transports you to Victoria's nocturnal worlds where the experience allows you to chase pheromones with moths, use sound to see like a bat and learn from fish to sense without touch. It also integrates real objects from the museum's collection)

## BIG TECH – A NEW PLAYER IN THE EXPERIENCE ECONOMY?



Now, big tech – with the resources to reshape industries seemingly overnight – has noticed the opportunity, meaning new competitors and possible collaborators abound. For example, Secret Cinema collaborated with the newly-formed Experiences team at Netflix on an immersive production of Stranger Things in London and produced this in a drive-in format for LA which was seen by around 400,000 people. This follows on from a similar partnership between Secret Cinema and Disney for their Star Wars production of Empire Strikes Back.

Also responding to this demand for one-of-a-kind experiences, Airbnb reported a seven-fold year-on-year increase in seats booked on Airbnb Experiences in 2018, handling 1.5 million bookings per year. It launched in 2016 with roughly 500 experiences and today offers over 30,000 experiences in more than 1,000 cities worldwide. Airbnb recently announced new categories including Concerts, Social Dining, and Adventures, and is expanding its Social Impact Experiences (it has worked with more than 1,000 non-profits since 2018). 65,000 people have connected with a non-profit on an experience so far. The Experiences platform is helping launch the businesses of new creative entrepreneurs with some of the most popular hosts earning more than \$200,000. The company has just posted record earnings and according to the BBC, “nearly 104 million nights and experiences were booked on the platform in the April through June period, a record high for the lodging website.”

Digital is also driving people to real world cultural and creative experiences and one of the biggest players in this space might be surprising to some. Airbnb has been described as the largest hotel in the world with more listings than the largest hotel chain has rooms. Could it soon become the biggest cultural experience provider as well? Airbnb Experiences is a marketplace for experiences and already offers hundreds of them in the Arts and Culture category. These include street art tours, heritage walks, photography and jewellery making classes. With millions of guests staying in Airbnb rentals they have a huge audience open to buying experiences from local providers and anyone can offer them (as long as you pay Airbnb a cut and abide by their terms and conditions). Over 30,000 experiences were available in over 100 cities in 2019 (Airbnb). Airbnb also revealed in that year that some of their top earning hosts are making USD \$300,000 in a year (although the average is \$2,500). During the pandemic, Airbnb launched online experiences and they have since confirmed this will continue. Amazon has also recently entered this space, launching Amazon Explore. This also offers virtual cultural experiences but with the integration of Amazon’s ecommerce platform it allows users to buy creative products as part of their experience. The project is currently a pilot but companies like Amazon focus on the potential size of the market before making moves like this so it seems clear they think there is plenty of money to be made in offering cultural experiences and artisan goods.

Another player, Fever, is using a different more data driven approach which appears to be paying dividends. Launched just over 5-years ago, they recently raised the largest funding round ever for a business of its type (USD \$227 million) highlighting the huge growth of the experience economy.

Fever is an events discovery platform and lists and promotes its own events (and other peoples) events via its online media arm that it uses as a marketing megaphone. The network of Secret Media websites (Secret NYC, Secret LDN etc.) It has 6.2 million social fans and 15 million monthly pageviews.

Fever has been called the 'Netflix of events' as it uses data science to understand what its community of users wants to make recommendations and identify which events to secure and create for the platform. Fever's city specialists work together with their data scientists to bring the most demanded and curated events to the platform which now number over 10,000.

Fever produces its own events via Fever Originals. It has created, partnered with and promoted events with organisations including Netflix & Secret Cinema. The Fever App has a 4.8\* rating on the Apple App Store alone from nearly 36,000 ratings to give a sense of the scale of use and its popularity as a discovery mechanism. It also acts as a ticketing system for Fever events and also as a membership rewards program with different loyalty and reward tiers (encouraging people to use it as their platform of choice and come back again and again).

## **IMMERSIVE STORY WORLDS OFFER UNIQUE OPPORTUNITIES FOR A TIERED CUSTOMER PROPOSITION TO UNLOCK NEW REVENUE STREAMS**

The Game, a 1997 movie starring Michael Douglas depicts his character as a millionaire who has everything. So what do you buy the person who has everything for his Birthday. Well it turns out you drop him into the middle of an immersive game experience where he does not know what is real and what is imagined (this movie actually inspired a piece of "pervasive" theatre by UK company CoLab Theatre in 2016). The price point for entry into his immersive playground was beyond the means of most but interestingly the movie was a portent for the high price points that are possible through customised immersive experiences aimed at a variety of customer types.

The traditional model for the cultural sector still revolves around tickets and memberships but there are more and more opportunities to tier the offer for different visitor segments. How do we extract revenue from audiences that are happy to pay more for premium experiences?

There are some innovative examples of this in the immersive entertainment sector. These can centre around one-to-one experiences with the cast or access to parts of the story world only available to those with VIP tickets.

Perhaps the best example to show how far this can go is Disney's immersive hotel experience, the Galactic Starcruiser Adventure which is connected to the *Galaxy's Edge* theme park inspired by the Star Wars franchise.

With just 100 rooms and priced around USD \$5,000 for a group of 4 (or around \$1,200 per person), it was priced at a bucket list level designed to appeal to hardcore Star Wars fans. It was a bold creative experiment and is the first time Disney has offered such a high level of immersion (although they have previously collaborated with Secret Cinema which would have given them some useful insights)

However, it has just been announced that after just 18 months, it will close. Factors such as inflation which have impacted the cost of living are inevitably hitting discretionary spending but it also shows why it is important to get pricing and proposition right. The Galactic Starcruiser Adventure involved a significant cast to operate and from the outside it looked like an expensive endeavour at a time when the company is under pressure on a number of fronts and looking to make savings. Disney got some poor reviews on the hotel element of the experience: Variety said that guests were not happy about 'the lack of amenities, such as a gym or pool' and the 'small, windowless rooms'. Ironically, the latter was a deliberate design choice as they wanted to make guests feel like they were on a spaceship.

From the tone of the closure announcement there have been lessons from the development of the experience so it will be interesting to see if they come back with further offerings in this space. It should also be remembered the experience has earned a prestigious Thea Award and some of the highest guest satisfaction ratings in the history of Walt Disney World (CNBC).

## **BRANDS ARE ALSO INCREASINGLY TAPPING INTO THE EXPERIENCE ECONOMY THROUGH IMMERSIVE ENTERTAINMENT**

These once in a lifetime experiences are also being facilitated by brand partnerships. Porsche has partnered with Punchdrunk to deliver a premium experience to the lucky winners of a monthly draw. The prize is the ultimate ticket to their new latest London show, *The Burnt City* where you are chauffeur driven (in a Porsche of course) to and from the show. You arrive at a private entrance for a 'money-can't-buy start to your journey' into Punchdrunk's version of

Troy. You will find a reserved table in the VIP lounge 'where you can have a complimentary Dewar's Kykeon cocktail (courtesy of another brand tie in) and enjoy some cabaret'. With 80,000 people already having stepped foot into the Burnt City these types of partnerships are beginning to gain more and more traction with brands.

## IMMERSIVE SUPER BRANDS

Part of the appeal is the growing brand value of the leading immersive players. Some of the original movers in the immersive entertainment sector such as Punchdrunk and Secret Cinema quickly developed superfans (there is a group who have each clocked up 200+ visits to Punchdrunk's Shanghai production of Sleep No More) who want to remain connected to the immersive story world that they have created. These organisations live or die by the social media communities that coalesce around and share their work. In the case of Secret Cinema that trust and buy-in were so significant that it translated into nearly \$10 million dollars in a crowd equity fundraising campaign in part driven by audiences who wanted to invest in something they loved and share in the rewards and the journey. In their investment prospectus, Secret Cinema revealed they had a customer satisfaction score that sat between Apple and Tesla, two brands that inspire almost cult-like devotion.

Meow Wolf is perhaps the best example of brand building in this space reaching a level of interest where the New York Times recently asked the question, "Can an Art Collective Become the Disney of the Experience Economy?" and Forbes speculated on whether or not they might become the next 'billion dollar' entertainment company (the answer seems to be yes).

No longer the rag-tag artist collective that you see in the documentary 'Origin Story', they have brought in experienced executives to help steer their growth (including from Disney) and this new phase could alienate some of their original followers. However, it is clear they still maintain the alternative creative brand that inspires passion and loyalty in their fan base. This community identifies with Meow Wolf and their story over faceless brands which gives them a point of difference over more generic and commercially packaged immersive experience providers if the market begins to saturate with more and more new entrants. That trust and tribal engagement have allowed them to take their audience on a journey that has incorporated other ventures such as Festivals and even a theme park ride which can be harder for brands that are not native to the 'creative' led experience economy. Meow Wolf is also a BCorp signifying to its audience that it is a business that intends to create social benefits and be responsible and sustainable in relation to issues such as the environment. It often quotes the number of local artists commissioned and employed around each new development pointing

out that its commercially successful model ensures sustainable employment and revenue for the creative community (as opposed to one-off-grants or underpayment or underemployment which can often be the case in this sector).

The Boomtown Festival is another example of how 'creative' entrepreneurs are leveraging their brand power to launch new experience ventures. Boomtown is an immersive festival based in a 'parallel fictional world' that changes with each edition. The Festival has been ranked as one of the best in the world which has seen it grow from 1,500 attendees to 70,000 in 15 years. The team behind the festival leveraged this community combined with their skill set of building incredible story worlds to develop a permanent immersive experience in the form of Wake the Tiger in Bristol. This has both allowed them to engage with their existing community year-round in a different way. The team describe Wake the Tiger as the 'world's first Amazement Park' and they have developed a story-driven fictional world for audiences to explore. The early thinking on the project started in 2015 but the inability to stage the Boomtown Festival during the global Covid-19 pandemic really lit the fire under the development as the team both needed to pivot their activities and had the bandwidth to deliver the project in these unique circumstances. The team funded the project through a mixture of private investment and also used crowd equity funding to leverage both support and engagement from their extensive community.

## **PROFIT BLENDED WITH PURPOSE IS A BRAND DIFFERENTIATOR THAT HAS BENEFITTED COMMUNITY-DRIVEN IMMERSIVE EXPERIENCES**

The notion of business for good where social impact and commercial success go hand in hand is not new and companies such as Patagonia are defined by their ethical choices, openness and investment in making our planet more sustainable through their work to combat the climate emergency. Their purpose and brand therefore is in line with both their products (which focus on the outdoors) and the motivations of the community that buys them.

Unsurprisingly, many creative entrepreneurs are driven by the same passions and principles. Given the nature of the immersive industry have sought to invest in creatives and their local creative communities. Naturally many of the customers (or fans) of these organisations are creatives themselves or want to support organisations with motivations beyond profit in itself. With consumers better informed than ever before and actively seeking out and identify themselves with brands with social impact, this is also a strategy for growth in its own right as these factors can drive adoption and loyalty (but the flip side is the drop off can be far greater if they are ever seen to have feet of clay).

For example, Meow Wolf's strong alignment with the independent artistic and creative community is a critical part of their 'creative and authentic' brand that they see as a point of difference to large entertainment giants (although this will be increasingly tested if they continue to expand at their current rate).

Meow Wolf is certified as a B Corporation to reflect their commitment as a business to social impact and a desire to build a more sustainable and inclusive form of capitalism which blurs the line between business and not-for-profit mission driven organisations. Their commercial success has enabled them to provide \$635,000 to non-profit arts organisations in 2019 and they now employ, support or collaborate with more than 500 interdisciplinary creatives and artists.

## FROM TEMPORARY TO PERMANENT

Immersive theatre company Punchdrunk is one of the original examples of the transition from temporary shows to permanent attractions. Their 'Sleep No More' show in New York has run for over 10-years and has also recently opened in Shanghai breaking box office records in the city. As covered earlier the more recent journey of Meow Wolf has replicated this strategy and The LUME is another example of how immersive producers that have previously created touring shows have generated much greater revenue through a move to a permanent venue. This trend is here to stay and as well as the individual organisations building a broad range of permanent immersive experiences, there are a number of platform and infrastructure providers emerging.

One is Superblue mentioned elsewhere which is targeted at experiential artists and is partnered with the likes of teamLab and James Turrell. Area15 perhaps the best known example, a 166,000-square-foot project in Las Vegas which "weaves together immersive experiences, themed events, art installations, workshops, pop ups, restaurants, bars and nightlife." The site is anchored by Meow Wolf's Omega Mart. Its success has led to expansion of the original site and announcement of a second in Florida. As immersive techniques and experiences seep into other industries such as retail and F&B this has only increased the possibilities in this space.

- Dig Deeper – REMIX Talk – Michael Beneville, Chief Creative Officer, Area15 (Las Vegas) & CEO, Beneville Studios (NYC)

## THERE'S NO GOING BACK!



The immersive genie is well and truly out of the bottle. Whether it is the unrelenting pace of technological progress driving the creation of more and more realistic immersive environments (digital, physical and hybrid) or the changes in audience taste the trend appears set in stone. The question is how you or your organisation will adapt to the rise and rise of the experience economy and immersive entertainment as a subset of this. I hope this thought piece helps provides some ideas.

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## WHAT DO YOU THINK?

We'd love to hear your response to what you've just read. Please send us your thoughts via email to [hello@remixsummits.com](mailto:hello@remixsummits.com).

# VIII.

# Acknowledgements & Further Resources

## **ABOUT THE AUTHOR**

Peter Tullin is the Co-Founder of REMIX Summits. This is a leading global innovation summit exploring the future of the creative industries giving him access to leading-edge trends, insights and innovators in the experience economy (speakers have ranged from the CEOs of Burning Man and MoMA to the founders of Meow Wolf and the Head of Live Experiences at Netflix). REMIX takes place in cities including London, New York, Sydney, Istanbul and Dubai and partners include Google, VICE, Microsoft, Bloomberg and Time Out.

Peter is also an experienced entrepreneur and the Co-Founder of CultureLabel.com, a venture-capital-funded e-commerce site selling art and design products from 500+ leading culture brands and artists including Tate, V&A and Guggenheim. Having grown the idea from scratch as one of the first websites to sell art online, CultureLabel was sold in 2014. He is the author of

Intelligent Naivety, which is a manual to help creative entrepreneurs turn ideas into reality. He has published multiple research reports on the experience economy including on the Future of Immersive Entertainment for the British Council.

Peter has worked with cultural organisations around the world on innovation projects and as a consultant including Tate, ACMI, Saatchi Gallery, the Houses of Parliament and Fed Square and also works with corporate clients in the Experience Economy sector including Fever who were recently valued at over USD \$1 billion. He has also spent time at Google helping create the Google Cultural Institute in Paris. He is a Board member of Museums Victoria (Melbourne Museum, Scienceworks & Immigration Museum), the largest museum organisation in Australia and Geelong Arts Centre. He was a Member of the Victorian government's Creative Industries Advisory Group in Victoria, was named a member of the Courvoisier Future 500 and is a Senior Industry Fellow at RMIT.

## ABOUT REMIX SUMMITS

REMIX Summits began in the UK in 2012 and have championed the rise of immersive entertainment for over a decade now (long before it became the latest buzz word in the experience economy). Our earliest conferences in London featured UK pioneers such as Fabien Rigall, Founder of Secret Cinema and Felix Barrett MBE, the Artistic Director and Co-Founder of Punchdrunk. In 2022, Secret Cinema sold for a figure in excess of USD\$100 million

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Some of the content from this article is adapted from two recent thought pieces REMIX produced for the UK think-tank Nesta as well as the Singapore Government and you can read these in full [here](#).

## WANT MORE REMIX IN YOUR LIFE?

Finally, if you want to delve deeper into creative entrepreneurship and immersive experiences then live REMIX Summits take place around the world and some of our back catalogue talks can be accessed for free on our [website](#) (although some of the links to more recent talks in this report are from our on-demand Premium Archive). There are also a number of interviews you might want to check out on [See Things Differently](#), the REMIX Podcast.

If you want to get more practical then REMIX has developed an online course called the [Business of Culture](#) which helps cultural organisations develop ideas to build new revenue streams and audiences; featuring in-depth explanations of key topics, case studies from real-world innovation projects including some of the examples discussed in this report such as Meow Wolf and Secret Cinema.

REMIX also works with cultural organisations around the world to support innovation projects and strategies including the development of new audiences experiences. Some of this work is discussed here but you can find more information on the [REMIX Agency website](#).