

THE MARKET FOR ESCAPE ROOMS IN THE UK



RESEARCH SOURCES

Whilst there is no official source of industry information about Escape Rooms in the UK, the market is well researched and reported, with several active online communities.

Highly recommended is the [Logic Escapes Me blog](#) run by industry expert and escape rooms enthusiast Ken Ferguson. A fantastic source of updates on new rooms, venues and insights into the market both in the UK and Internationally. Ken Ferguson really knows his stuff and his reporting on the market is balanced and enthusiastic. He reported on his market data to the recent [Escape Room Industry Conference](#) in London.

Ken Ferguson also manages a superb online database of industry news and rooms / venues at <http://exitgames.co.uk/> Use this to explore the rooms and websites of all the competitors in the market.

Finally, the [investor relations section of Escape Hunt plc](#) is a useful source of financial and other information about one of the larger competitors in the UK – and a competitor that is expanding rapidly!

SUMMARY

- **Fast-growing segment** in the experiential leisure market
- UK market size estimated to be between **£50-80m**
- Over **1,500+ escape rooms** now in the UK, a 40% increase over 2018. Widespread geographic coverage.
- Around **350+ competitors** operating approx. **525+ venues**
- **10 largest operators have around 25% of the market** (measured by number of rooms)
- Many small, independent operators. However, there is now a publicly-quoted company (Escape Hunt plc) focused on escape rooms (operating in the UK and internationally)
- All **year-round demand**, but **peaks at Christmas** and during school holidays.
- Significant recent investment in the quality and immersive experience of escape rooms as demand becomes more mainstream and customers expect constant innovation in room and game design
- **Build costs** of opening and refurbishing escape rooms rising to achieve theatre-set standard of design
- **Word-of-mouth by far the most important method of promotion**, supported by high rankings on Tripadvisor + digital marketing campaigns. Potential role for other direct marketing activities to support launch / expansion strategies

WHAT IS AN ESCAPE (OR EXIT) ROOM?

An escape room is a physical adventure game in which players are typically locked in a themed room and have to find clues and solve puzzles in order to escape against a countdown clock

ORIGINS OF ESCAPE GAMES

The origins of escape games lie in Japan where online point-and-click mystery games were popular. In 2007, SCRAP Entertainment opened its first escape room in Japan called the Real Escape Game, inspired by point-and-click adventure games.

Global Growth

Since 2007 escape games have spread quickly into many countries. It is estimated that the number of permanent escape rooms world-wide has grown from zero at the outset of 2010, to at least 2,800 by July 2015 and approximately 8,700 by January 2017 (based on rooms registered to escape room directories).

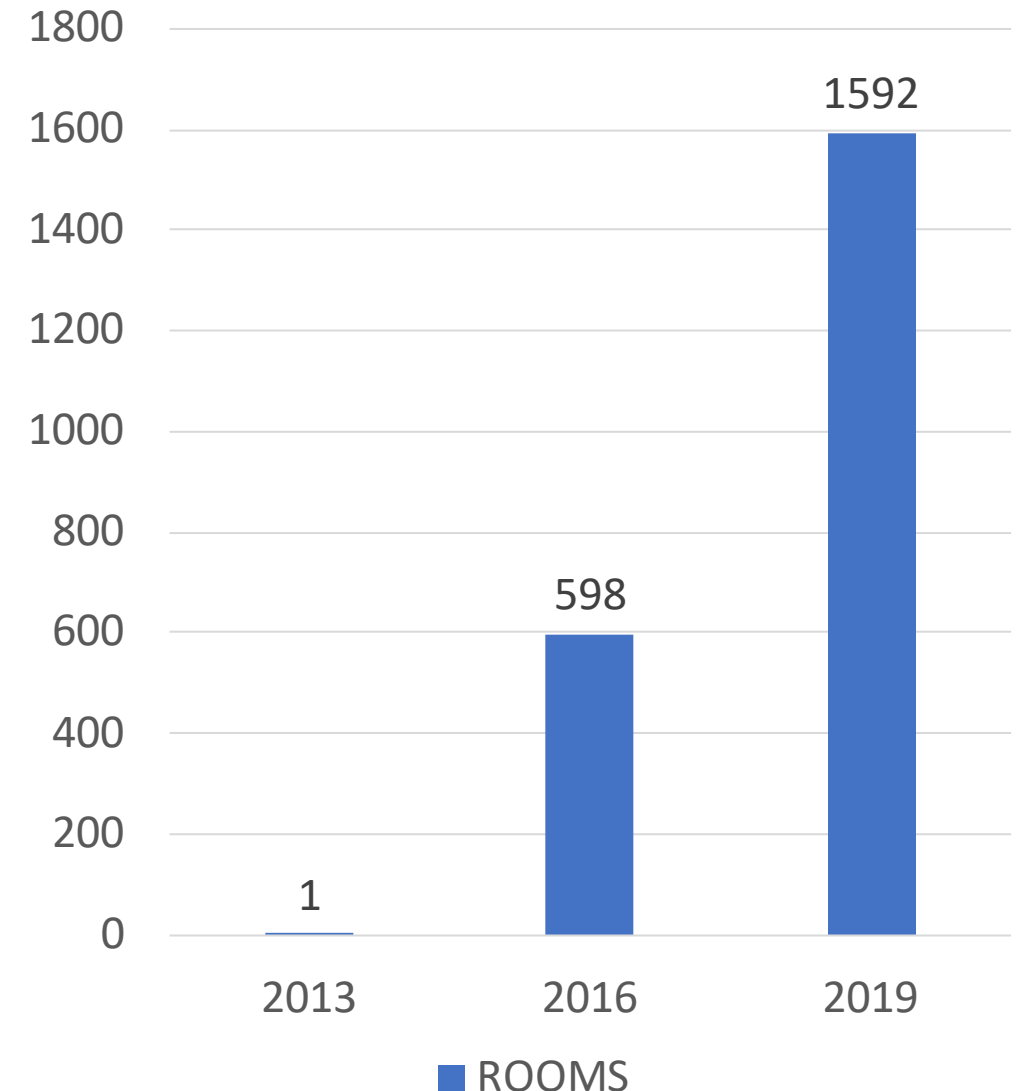


UK MARKET GROWTH

The UK escape room market has grown quickly in recent years. It is estimated that the number of escape rooms in the UK has grown from one in March 2013, to 598 by December 2016 and now over 1,500 by 2019.

These rooms are spread across the UK, demonstrating the popular appeal of the game. Similar to the global market, the UK market is fragmented, as only a handful of operators have more than 4-5 branches. Furthermore, the majority of these operators operate branches with only one to three rooms per branch.

ESCAPE ROOMS IN THE UK



MAIN COMPETITORS

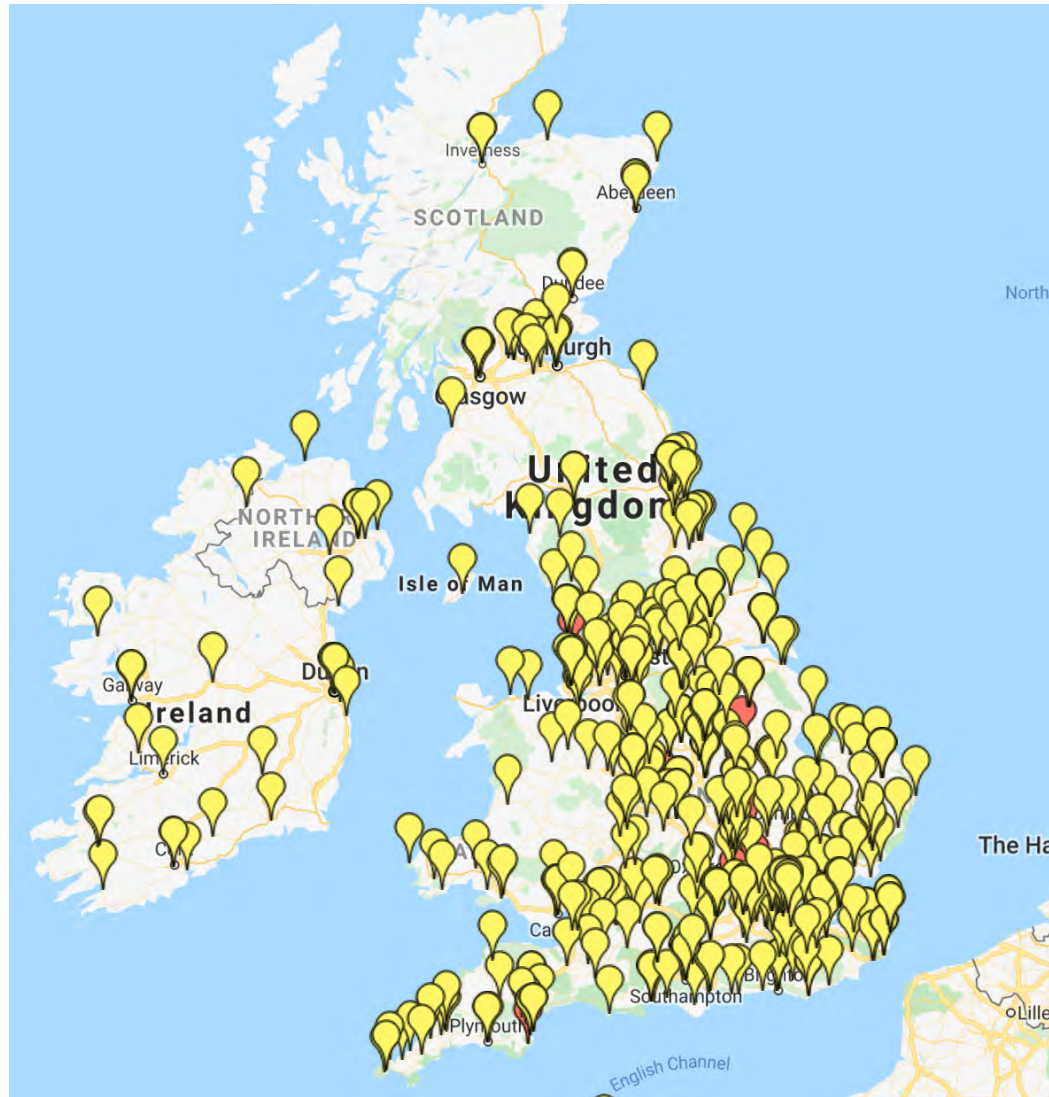


The ten largest operators of escape rooms in the UK operate around 400 rooms = approx. 25% of the market

According to exitgames.co.uk at December 2019 there were:

- 1,592 bookable games (rooms)
- 355 companies in the market
- 521 escape room venues

GEOGRAPHIC DISTRIBUTION



The rapid expansion of the escape rooms market in the UK in the last 18-24 months means that customers now have quite a wide choice of competitors within a small geographical area. In theory this makes it harder for new entrants to successfully enter the market.

Map sourced from:

<http://exitgames.co.uk/>

RECENT GROWTH IN THE UK

| | AUGUST 2018 | DECEMBER 2019 | CHANGE (GROWTH %) |
|------------------------|----------------|------------------|----------------------|
| ESCAPE ROOMS | 1,139 | 1,592 | +453 (+40.0%) |
| COMPANIES | 288 | 355 | +67 (+23.2%) |
| VENUES | 415 | 521 | +106 (+25.5%) |
| ESTIMATED MARKET VALUE | £53.3M | £74.5M | +40% |

MARKET SIZE & VALUE

An estimate of the 2018 market value from industry expert Ken Ferguson was provided in the blog listed below. The basis of the estimate is outlined in the table below.

| | 2018 | 2019? |
|---|---------------|---------------|
| NUMBER OF ROOMS (A) | 1,139 | 1,592 |
| AVERAGE SELLING PRICE PER ROOM BOOKED (B) | £60 | £60 |
| AVERAGE ROOMS BOOKED PER WEEK (C) | 15 | 15 |
| NUMBER OF WEEKS IN THE YEAR (D) | 52 | 52 |
| ESTIMATED UK MARKET VALUE (A x B x C x D) | £53.3m | £74.5m |

VALIDITY OF THIS DATA

2018 estimate based on detailed and up-to-date information on number of rooms and typical prices for 4-person booking. Assumptions look sensible.

RELIABILITY OF THIS DATA

Reliable. An industry expert with widespread experience of analysing the industry has produced the estimate. However, there is no official industry data to back this estimate up.

Source: <https://thelogicescapesme.com/opinion/analysis-of-the-uk-market-2018/>

TARGET CUSTOMERS

Escape room games are enjoyed by a variety of people from gamers to families, tourists and friends and that increasingly, corporates use escape room games for employee assessment, management training, leadership evaluation and team building.

According to Ken Ferguson, the main demographic group is aged between 25-35. Bookings are predominantly made for the evenings (weekdays) and all day over the weekend.

Corporate groups are particularly welcome and lucrative – as they tend to bring larger groups and fill up spare capacity during the daytime booking slots.



METHODS OF PROMOTION

According to Ken Ferguson, “**word-of-mouth**” is by far the most important **promotional method** guson, in terms of generating bookings.

The board of Escape Hunt plc point to the critical importance of having top ratings on Trip Advisor as a source of word-of-mouth recommendations.

The other main method of promotion is using **paid-for advertising on social media** – particularly Google Ads and Facebook.



Escape Hunt Leeds

★★★★★ 829 reviews

#1 of 83 Fun & Games in Leeds

"Brilliantly fun Awesomely clever Neatly put together Amazingly intriguing Next level puzzles Absolutely fantastic Super cool escape room (Now that's spells bananas!) Thanks Verity!"

"We went to the Escape Hunt Leeds and did Blackbeard's Treasure, it was a great escape room, great puzzles, we enjoyed every minute and managed to escape in time. Emily our games master was brilliant, we will defin..."

[Learn More](#)



Locked In Games

★★★★★ 972 reviews

#3 of 83 Fun & Games in Leeds

"It was so brilliantly set up, very clever and great fun activity to do with friends!! Did the American die-ner would love to go back and do some more!"

"We did hotel heist..lion witch n wardrobe and American Die-ner...all really well put together and authentic..you will also find your hosts good fun and really helpful they are a pleasure to deal with and make for..."

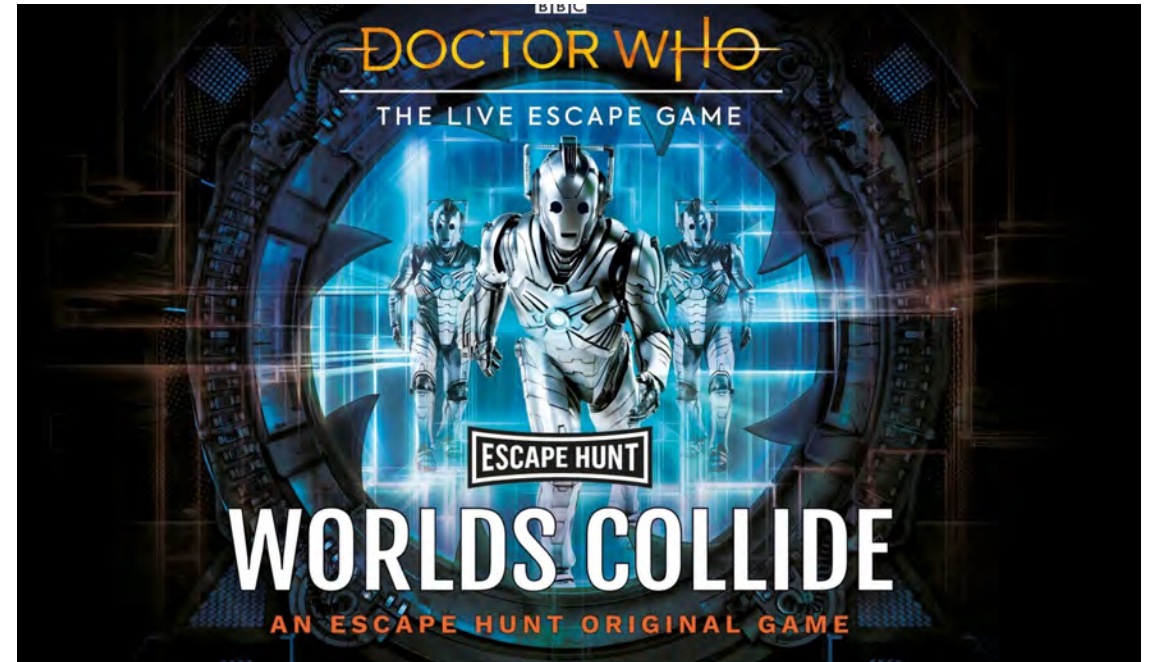
[Learn More](#)

KEY TRENDS

MAJOR ENTERTAINMENT BRANDS INVESTING IN THE MARKET



**SHERLOCK HOLMES – THE GAME IS NOW
LAUNCHED IN LONDON 2018**



**DR WHO – WORLDS COLLIDE
LAUNCHED IN BRISTOL 2019**

KEY TRENDS

ESCAPE ROOMS ENTERING THE MAINSTREAM?

The Winners of Red Bull Escape Room World Championship

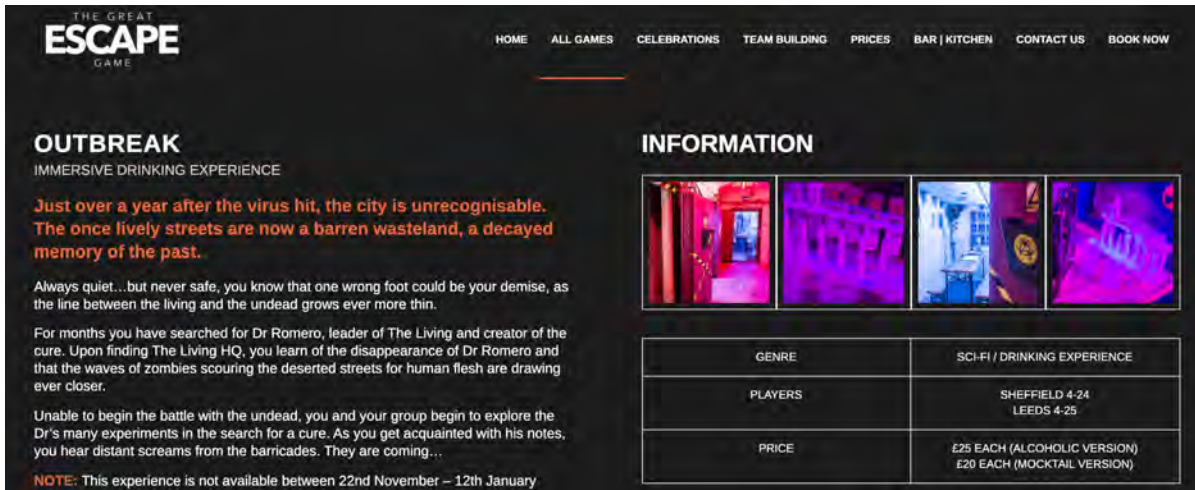
After two intense days of stretching the mind and thinking brilliantly to solve a specially designed Escape Room by Dr. Scott Nicholson, a new team is the 2019 winner of the Red Bull Escape Room World Championship



<https://mindgamers.redbull.com/escape/en>

KEY TRENDS

SUCCESSFUL ROOMS BECOMING MORE IMMERSIVE



THE GREAT ESCAPE GAME

HOME ALL GAMES CELEBRATIONS TEAM BUILDING PRICES BAR | KITCHEN CONTACT US BOOK NOW

OUTBREAK

IMMERSIVE DRINKING EXPERIENCE

Just over a year after the virus hit, the city is unrecognisable. The once lively streets are now a barren wasteland, a decayed memory of the past.

Always quiet...but never safe, you know that one wrong foot could be your demise, as the line between the living and the undead grows ever more thin.

For months you have searched for Dr Romero, leader of The Living and creator of the cure. Upon finding The Living HQ, you learn of the disappearance of Dr Romero and that the waves of zombies scouring the deserted streets for human flesh are drawing ever closer.

Unable to begin the battle with the undead, you and your group begin to explore the Dr's many experiments in the search for a cure. As you get acquainted with his notes, you hear distant screams from the barricades. They are coming...

NOTE: This experience is not available between 22nd November – 12th January

INFORMATION

| | |
|---------|---|
| GENRE | SCH-FI / DRINKING EXPERIENCE |
| PLAYERS | SHEFFIELD 4-24 LEEDS 4-25 |
| PRICE | £25 EACH (ALCOHOLIC VERSION) £20 EACH (MOCKTAIL VERSION) |

<https://thegreatescapedgame.co.uk/immersive-bar-experience/>

PRODUCT INNOVATION IS KEY

“We invest tens of thousands of pounds into a single room just to stay ahead; the competition is so fierce”

“When we started there were about 50 escape rooms in the UK – now there are over 1,500. If you were to go in as we did now, you would be crushed”

Hannah Duraid – Founder The Great Escape Game

<https://www.telegraph.co.uk/connect/small-business/escape-game-entrepreneur-hannah-duraid/>

KEY TRENDS

RISING COST OF CREATING ESCAPE ROOMS

From Escape Hunt PLC

- Capital expenditure is expected to be approximately £335k per venue (which includes approximately £40k rent deposit)
- It is expected branches will cost approximately £8k per annum to maintain and require approximately £80k refurbishments every four years



ESCAPE HUNT LEEDS
THE LIGHT, HEADROW, LEEDS

EXAMPLE OF A MARKETING CAMPAIGN

The use of digital marketing by Escape Hunt Leeds is illustrated in this marketing campaign

STEP 1: GOOGLE SEARCH

This marketing campaign starts with a simple search for an escape room in Leeds.

The search string “escape rooms leeds” generates a series of paid-for Google Ads from competitors targeting users searching for that keyword string.

The screenshot shows a Google search for "escape rooms leeds". The search results page displays three paid advertisements. The first advertisement is for "Escape Hunt Leeds | A New Kind Of Escape Room" from www.escapehunt.com/. It features a blue arrow pointing to the title. The second advertisement is for "Escape room games leeds | The ultimate escape experience" from www.lockedingames.co.uk/. The third advertisement is for "Leeds Top-Rated Escape R" from www.kanyu.co.uk/escape-room. The search results also show a local listing for "UB26, The Light, The Headrow, Leeds" with opening hours.

Google
escape rooms leeds

All Maps Images News Videos More Settings Tools

About 3,890,000 results (0.46 seconds)

Escape Hunt Leeds | A New Kind Of Escape Room
(Ad) www.escapehunt.com/ ▾
Leeds' Most Exciting **Escape Room** Experience. Step Into A New World Today! Group discount option. 4 game types. Choose your adventure. Types: Worlds Collide, Blackbeard's Treasure, Our Finest Hour, The Fourth Samurai.
📍 UB26, The Light, The Headrow, Leeds - Open today · 10:00 am – 10:00 pm ▾

How It Works
Brilliantly Themed Rooms. 60 Minutes to Escape. Book Online!

Book Online
Tickets are selling fast. Book your group now.

Escape room games leeds | The ultimate escape experience
(Ad) www.lockedingames.co.uk/ ▾
Play The Most Immersive And Challenging Games **Leeds** Has To Offer, rooms from £16. Summer offer use code SUMMER19 un room. Family day out. Group activities.
Contact Us · Rooms & Prices

Leeds Top-Rated Escape R
(Ad) www.kanyu.co.uk/escape-room
Our immersive movie quality sets & uni

Escape Hunt Leeds wins the keyword bidding auction to appear first in the search results, followed by local competitors Lockedingames and Kanyu

STEP 2: CONVERT THE GOOGLE AD

Clicking on the Escape Hunt Leeds Google Ad takes us to a dedicated “landing page” with a clear call-to-action. “Choose Your Adventure” by picking an escape room, date and timeslot. The aim here is to convert the visitor by encouraging a quick booking. Google Ad analytics will report how successful this is.

The screenshot shows the Escape Hunt Leeds website. At the top, there is a navigation bar with the logo 'ESCAPE HUNT', a location dropdown set to 'LEEDS', and links for 'Games', 'How To Play', 'Events', 'Gift Vouchers', 'FAQ', 'Contact Us', and 'Find Us'. A 'QUICK BOOK' button is in the top right. Below the navigation, the heading 'CHOOSE YOUR ADVENTURE!' is centered. A date selector shows '04 DEC' selected. The main content area features 'Our Finest Hour' with a description: 'Our Finest Hour is a World War II counter-intelligence mission. A group of Nazi double agents have recently been exposed and arrested. Escape Hunters will be sent to the British Intelligence bunker where the double agents had been assigned. They have just 60 minutes to find the location of the superweapons or Britain will suffer catastrophic losses beyond recovery. No pressure.' Below the description is a 'Learn more' link. To the right, there are icons for '2 - 6 People', '1 h 30 min', 'PG (10+)', 'Yes', and 'Escape Room'. A grid of time slots is displayed: 14:30, 16:00, 17:30, 19:00, 20:30.

STEP 3: REMARKETING USING THE FACEBOOK PIXEL

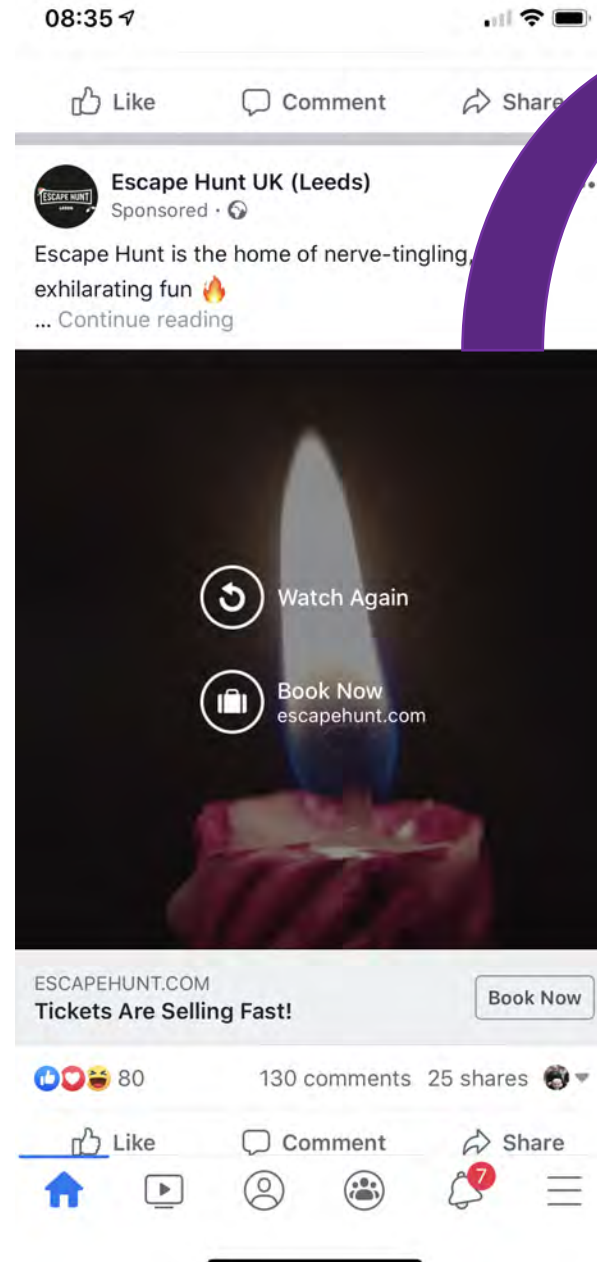
The Escape Room Leeds website has the Facebook pixel installed – a line of code that tells Facebook when a known Facebook user has visited a particular website and/or page. Visiting this landing page “fires the pixel” and adds the Facebook user to an audience that can be used to display ads on Facebook

STEP 4: DISPLAY FACEBOOK ADS

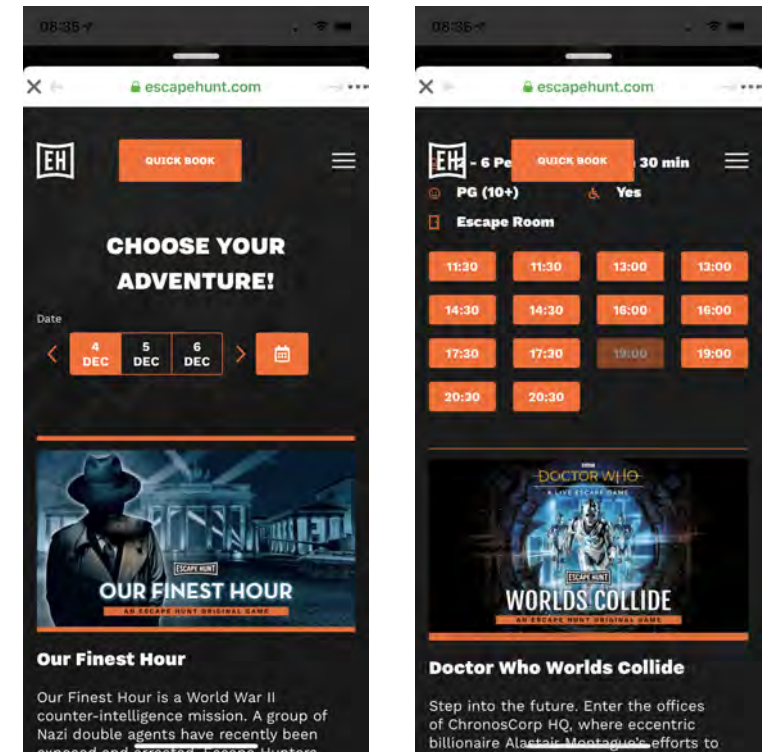
Using the re-marketing audience created by firing the Facebook pixel. Escape Hunt Leeds display a series of video ads to potential customers.

Facebook tracks who watches the video, for how long and whether they go on to engage with the ad by either clicking the link or sharing with other users.

As with Google Ads, if the Facebook user goes on to make a booking (or makes it part-way through the booking process) the results of the campaign are all tracked and reported.



Mobile-friendly landing pages aim to convert Facebook users



CAMPAIGN SUMMARY

COSTS

Not disclosed, but Facebook & Google Ad campaigns combined likely £2k-10k per month. Google Ad cost per click likely to be £2 each (see report next page)

TIMESCALES

Campaigns likely to run over an extended period, although the promotional creatives will change

MEDIA USED

Digital, social media advertising

MESSAGE COMMUNICATED

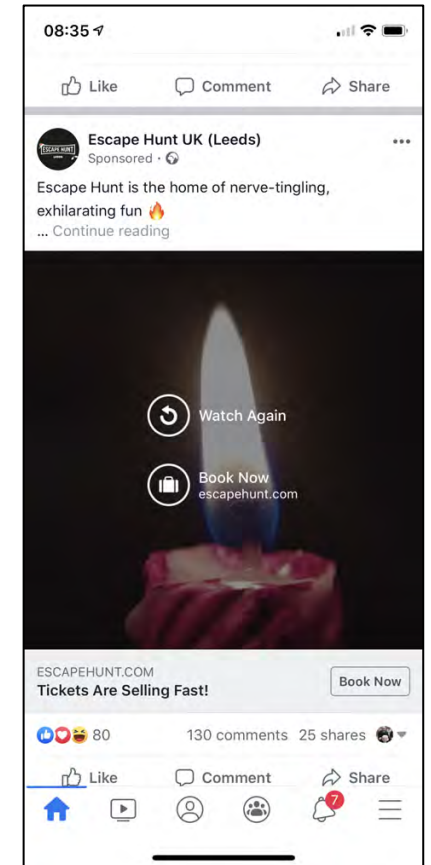
The promise of “nerve-tingling, exhilarating fun”. Choose your adventure. Book now – tickets selling fast

MARKETING MIX

Focus on Product (customer experience, adventure, fun). Campaign also based on Place – targeting potential customers living near Leeds

APPROPRIATENESS

Highly appropriate. Targeting people who are expressing an interest in the product (warm leads) + able to track effectiveness of the campaign & creatives



Your plan can get **400 conversions** for **£11K** and a **£2** max. CPC ⓘ

Conversion rate : 4.44%, Value per conversion : £27

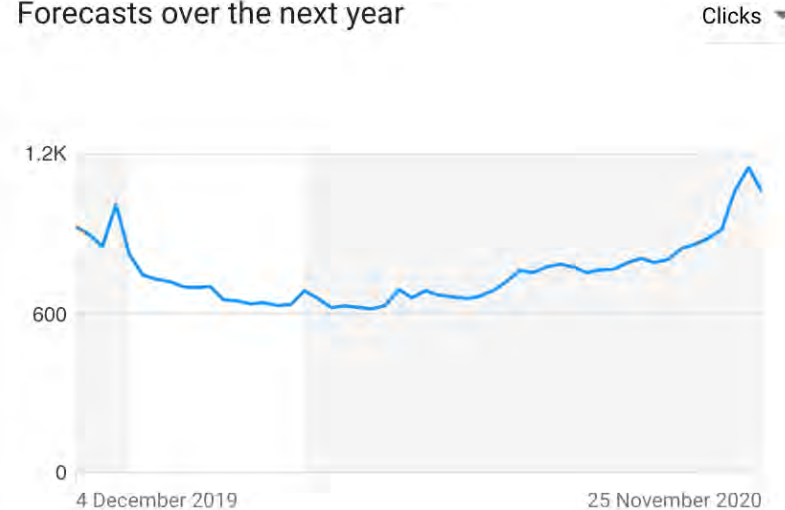
| Conversions | Avg. CPA | Conversion value | ROAS | Clicks | Impressions | Cost | CTR |
|-------------|----------|------------------|------|--------|-------------|------|-------|
| 400 | £27 | £11K | 1 | 9.1K | 85K | £11K | 10.6% |

Daily Budget: £140

Keywords

| | Cost | Clicks | Impressions |
|---------------------|-----------|--------|-------------|
| escape room | £5,926.37 | 5,332 | 53,144 |
| escape room leeds | £3,553.73 | 2,198 | 18,880 |
| escape room game | £536.71 | 837 | 7,020 |
| escape room near me | £380.72 | 406 | 3,969 |
| the escape room | £135.38 | 122 | 1,150 |

Forecasts over the next year



The Google Ad Keyword Planner indicates that a 3-month campaign targeting a range of keywords relating to escape rooms to Google users based in Yorkshire would cost around £11k. This might be expected to generate 400 conversions (bookings) with a potential sales value of £24,000. (avg booking £60)