

Total immersion

Media and entertainment investment specialist Gate Ventures recently acquired a 61 per cent stake in virtual reality content provider Infinity House Productions. Chairman Dr Johnny Hon explains why.

Virtual reality has the potential to change the way we experience entertainment, the way we are educated and how we do business. It effectively democratises the world, offering global access to experiences previously available to only a select few.

VR can replicate exclusive and extraordinary experiences for a much wider audience. It can give one the ability to see world landmarks, sports matches and live events; to visit theme parks and attend interactive exhibitions, all while remaining in the same place.

Its huge selling point is its inclusivity. Through only a headset, VR gives people experiences they might never otherwise have. It does not discriminate against age, disability, geographical location or financial constraints. As such, it has the potential to completely transform the way information and entertainment is consumed all over the world – and will likely do so in the next 10 years.

With cinema, television and gaming becoming more and more immersive, VR offers consumers the pinnacle of the experiential entertainment they seek. It meets a market demand that no 2D or 3D entertainment system has been able to meet thus far, and I believe the VR revolution is reminiscent of that of the mobile phone some 15 years ago.

With this in mind, I predict 2016 will be the year VR truly explodes onto the market. With the Sony PlayStation VR, the full Oculus Rift and the HTC Vive coming out this year, VR will become more accessible than ever and take the entertainment sector by storm. This view is supported by analysts who forecast that 12.2 million VR headsets will be sold this year alone.

Some of the biggest names in entertainment are taking notice. Disney, Lionsgate and Lucasfilm are jumping into virtual reality content and will not be the last to do so. If Simon Robinson, chief scientist at leading special effects specialist The Foundry, is right in his predictions, we could see a VR film win an Oscar in 2018.

In addition to the short-term returns VR can give investors, the market will only continue to grow over the coming years. It is predicted that by

2025, the VR hardware market alone will be worth more than US\$62bn. The market for delivering VR content from live events is also predicted to be worth more than US\$5.4bn in the same year.

As headsets become more widespread, this will lead to a world of possibilities in terms of creating new and delivering existing popular content. By delivering quality entertainment through a trusted brand, TV companies can successfully transition from the flat screen to the world of 360° immersive VR content. This transition will occur through either the creation of dedicated content or the delivery of live events.

Bringing live events to people's living rooms through VR, I believe, presents the biggest opportunity for TV companies hoping to transition into this new market. The content has an established viewer base and gives consumers the chance to immerse themselves in experiences they may not necessarily have access to in their everyday lives. People can experience the feeling of sitting courtside at an NBA game, be in the room as their favourite celebrity is interviewed, or replicate the experience of being in the front row at their favourite band's concert.

This is more than just words for me. We at Gate Ventures have put money behind a VR project because we believe in its potential.

In terms of telling stories, VR certainly has the ability to engage viewers completely. In the world of entertainment, the key to engaging audiences has long been captivating the interest and curiosity of viewers, as well as successfully suspending their disbelief. Through complete viewer immersion, VR does this best.

Full immersion also allows each viewer to experience content in their own way. Viewers can choose what aspects they wish to focus on within the same VR experience. This opens up opportunities to create various stories within one piece of

content and include background advertising. The potential for commercialisation is therefore huge.

This said, there are still challenges to overcome before virtual reality is fully embraced by the consumer. The main concern facing uptake is the fear that VR is an antisocial or insular medium. I don't believe this to be true. **Virtual reality offers refuge from the hyper-connected world we live in today, as well as opportunities to engage with other viewers and broaden our knowledge of the world.**

VR has the power to connect people and open users to things that they may never otherwise have the opportunity to see. I am excited to be one of the driving forces behind its growth in the UK and China. **FM**

