Business Model Development and Competitive Differentiation through Content Innovation: A Case Study of Dream Traveler in China's Escape Room Industry

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Abstract

This study examines how content innovation may contribute to business model development and competitive differentiation in the escape room industry. It uses a qualitative case study of Dream Traveler, a Guangzhou-based escape room brand identified in publicly available industry materials. The analysis focuses on three documented product practices: the adaptation of the licensed theme "The Underworld: Moshenzai", the reconstruction and interconnection of the licensed theme "Impurity", and the development of the original theme "The Decaying Muse". Drawing on the Business Model Canvas, the experience economy perspective, and Porter's differentiation strategy, the study analyses how narrative redesign, character development, immersive staging, interactive mechanisms, and theme-world linkage can create customer value beyond conventional puzzle-solving. The evidence indicates that Dream Traveler's publicly documented approach places emphasis on the integration of story, performance, environment, and interaction. "The Decaying Muse" also received two national awards in Escape Games Alliance (EGA)'s 2024-2025 selection: Best Mechanical Effects and Best Immersive Interactive Drama (Escape Room Category). These awards provide evidence of industry recognition, but they do not establish financial success or a causal relationship between innovation and commercial performance. The study contributes an exploratory account of content-led differentiation in an experience-based service business. It proposes managerial implications concerning intellectual-property adaptation, original content capabilities, experience consistency, and performance measurement. Its conclusions are limited by reliance on secondary sources and the absence of verified company-level financial and operational data.

Keywords

Escape room, Business model, Content innovation, Competitive differentiation, Experience economy, Case study

Introduction

The escape room has developed from a puzzle-centred leisure activity into a form of experiential entertainment that can combine narrative, spatial design, mechanical effects, live performance, and collaborative participation. In this setting, customers do not purchase only access to a room or a set of puzzles. They also purchase a designed sequence of emotions, discoveries, interactions, and memories. The competitive basis of an escape room therefore extends beyond puzzle difficulty. It may include the coherence of its fictional world, the quality of its performers, the integration of physical effects with storytelling, and the consistency of the experience delivered to different players [1].

Such characteristics make the escape room industry a useful context in which to examine the relationship between business models and experience innovation. A recent study of Chinese escape rooms identifies product construction, communication strategies, derivative development, customer experience, and perceived value as relevant elements of business model development. Although this study offers industry-level evidence, the way an individual operator translates creative practices into a differentiated market offering requires case-based examination [2].

Dream Traveler is identified by EGA industry reviews as an escape room brand operating in Guangzhou. EGA's published reviews document the brand's adaptation of licensed themes, including "The Underworld: Moshenzai" and "Impurity", and its subsequent original production, "The Decaying Muse". The reviews describe narrative rewriting, role-specific performance, changes to the pacing of the experience, connections between separate theme worlds, and the integration of mechanical effects with dramatic sequences. These documented practices provide a basis for analysing content innovation as a potential source of competitive differentiation.

The case is particularly relevant because licensed-theme adaptation and original content development involve different strategic choices. An adapted theme may offer an existing story foundation and recognisable creative assets, while requiring the operator to interpret and localise the material. Original content may offer greater creative control and the possibility of a distinctive brand identity, but it also requires the operator to coordinate concept development, writing, scenic design, technical production, and performance. The transition between these approaches raises questions about the capabilities required to create and sustain differentiated experiences.

The purpose of this study is to examine how Dream Traveler's publicly documented content practices relate to business model development and competitive positioning. Three questions guide the analysis: (1) How has Dream Traveler developed its business model through licensed-theme adaptation and original content development? (2) How have content innovation and immersive experience design contributed to its competitive differentiation? (3) What observable outcomes and limitations can be identified, and what management lessons can be derived? The study does not assume that product innovation necessarily leads to higher revenue, profitability, or market share. Instead, it distinguishes observable product characteristics and external recognition from commercial outcomes that cannot be verified through the available sources.

Literature review and analytical framework

Business model development

A business model explains how an organisation creates, delivers, and captures value. A widely used framework organises this logic through nine connected elements. These include value proposition, customer segments, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. The framework is useful for an escape room business because the customer-facing experience depends on several interrelated factors. These factors include creative content, physical facilities, employees, technical systems, booking channels, and operating processes [3].

For Dream Traveler, publicly available reviews provide relatively rich evidence about the value proposition and selected key activities. They describe the themes, narrative structures, performance arrangements, environments, and interactive mechanisms offered to players. They provide much less information about pricing, revenue, cost structure, customer acquisition channels, contractual arrangements, or the allocation of resources. The Business Model Canvas is therefore used selectively: Documented elements are analysed, while undisclosed elements are treated as unknown rather than inferred.

Experience economy and immersive services

It has been argued that businesses can create value by staging experiences rather than merely delivering goods or services. In experiential entertainment, the customer participates in an event whose value is shaped by the environment, performance, narrative, and degree of involvement. Escape rooms are particularly suited to this perspective. Players move through a designed environment, interact with objects and performers, and contribute to the unfolding experience.

Experience quality is not produced by spectacle alone. The relationship between narrative and action matters: A mechanical effect is more meaningful when it advances the story or changes the player's understanding of the fictional world. Similarly, a performer contributes to immersion when the character's behaviour is consistent with the narrative and when the interaction gives players a meaningful role. The case analysis therefore considers the integration of story, setting, performance, and mechanisms rather than treating them as independent attractions [4].

Competitive differentiation

A competitive strategy framework identifies differentiation as a way of creating customer value that is

perceived as distinctive. Differentiation does not simply mean adding more features. It requires a coherent basis for distinction that matters to customers and that competitors cannot easily reproduce. In an escape room context, differentiation may arise from original narrative worlds, distinctive visual design, well-integrated effects, differentiated role experiences, or a recognisable creative approach.

Content innovation may support differentiation when it changes the substance and structure of the experience rather than only its surface appearance. For example, rewriting a story can improve causal coherence; redesigning roles can distribute participation more evenly; linking separate themes can create continuity across products; and original content can give the operator greater control over the identity of a theme. These practices may strengthen perceived distinctiveness, although their commercial value depends on customer response, operating quality, and the cost of maintaining the experience [5].

Analytical framework

This study combines three perspectives. The Business Model Canvas is used to identify the value proposition and observable activities through which the experience is created. The experience economy perspective is used to examine how narrative, environment, performance, and interaction shape the customer experience. Porter's differentiation strategy is used to assess whether these practices create a coherent basis for distinction. Together, the frameworks support an analysis of the relationship between content development, experience design, and competitive positioning without assuming unverified financial outcomes.

Research methodology

Research design and case selection

The study adopts a qualitative, retrospective single-case design. A case study is appropriate when a contemporary organisational phenomenon is examined in its real-world context and when the boundaries between the phenomenon and its context are not fully separable. Dream Traveler was selected because public industry reviews describe multiple forms of content practice associated with the brand: adaptation of licensed themes, reconstruction of an existing theme, linkage between theme narratives, and development of an original production. This provides a focused case through which to explore content-led differentiation [6].

The unit of analysis is the brand's publicly documented product-development and experience-design practices, rather than the legal entity or the full financial performance of the business. Public sources identify Dream Traveler as a Guangzhou escape room brand, but the legal operating entity, ownership structure, and relationship between all reported venues have not been independently verified. The study therefore avoids making claims about corporate ownership or organisation structure.

Data collection

The study relies on secondary data available to the public. The main sources are EGA's professional reviews of "The Underworld: Moshenzai", "Impurity", and "The Decaying Muse", together with EGA's published account of its 2024-2025 awards. A peer-reviewed industry study on the business model of Chinese escape rooms is used to contextualise the analysis. The professional reviews are treated as informed industry commentary rather than audited company disclosures. Award records are used as evidence of external recognition, not as measures of sales or profitability [7].

Data extraction focused on statements describing product features and operational practices: narrative adaptation, role design, performer interaction, scene construction, mechanical effects, pacing, and links between themes.

These observations were grouped into three analytical categories: licensed-theme adaptation, experience integration, and original content development.

Data analysis and credibility

The analysis followed a thematic approach. First, each source was read to identify concrete descriptions of the brand's product practices. Second, the descriptions were grouped according to the three categories above. Third, the categories were interpreted through the analytical frameworks. Finally, claims about outcomes were checked against the type of evidence available. Product descriptions support statements about the design features reported by the reviewer; award records support statements about recognition; neither source establishes the brand's financial performance.

Source triangulation is limited because the available

detailed material is concentrated in one industry platform. This limitation is acknowledged rather than concealed. The analysis distinguishes between (a) reported facts, (b) interpretation based on management theory, and (c) recommendations proposed by the researcher. This distinction is important because a professional review may contain evaluative language and does not provide access to internal decision-making.

Research limitations

The study does not include interviews with the brand's owners, designers, employees, or customers. It also lacks verified information about investment, operating costs, prices, bookings, customer retention, revenue, profit, and market share. As a result, the research cannot establish why management selected a particular strategy, how resources were allocated, or whether content innovation caused improved financial performance. The findings should be understood as an exploratory analysis of publicly observable practices, not a comprehensive evaluation of the company's overall performance.

Case description: Dream Traveler's content practices

Adaptation of "The Underworld: Moshenzai"

EGA describes Dream Traveler as a Guangzhou brand that brought in and substantially adapted the licensed theme "The Underworld: Moshenzai". The review compares the Guangzhou version with the original and notes that the adaptation involved changes to the narrative, interactions, characterisation, pacing, performance, visual effects, and scenic details. The reviewer describes the adaptation as a process of adding and removing elements rather than simply reproducing the original experience.

At the narrative level, the Guangzhou version reportedly expanded the original world with additional religious elements and revised the story's causal sequence. The review suggests that clearer motivations helped make the characters' behaviour more understandable. At the role level, characters received more developed personalities and additional dedicated performances. The reviewer also notes adjustments to the flow and distribution of individual tasks, with the intention of making the experience more balanced across players. These changes indicate that adaptation was applied to the structure of participation as well as to the visual presentation [8].

From a management perspective, this case illustrates the potential value of local adaptation. The operator appears to have treated the licensed theme as a foundation that could be reinterpreted through its own design and performance choices. The value of the adaptation, as described by the reviewer, lay in improving narrative continuity and integrating high-intensity sequences into a more coherent flow. However, the available evidence does not disclose the licensing agreement, adaptation budget, production schedule, or commercial results.

Reconstruction and linkage in "Impurity"

The EGA review of the Guangzhou version of "Impurity" describes a further stage of adaptation. The review states that Dream Traveler reconstructed the narrative around the theme of distorted maternal love and used a newspaper report and a religious text within the story to clarify the source of the central conflict. It also reports that some physical performance sequences were replaced with spoken dialogue that supplied additional narrative information, while foreshadowing was inserted into key scenes.

An important feature of this version was the connection with "The Underworld: Moshenzai". According to the review, the two themes were linked through recurring characters and story elements, creating a broader fictional world. The linkage gave players the opportunity to recognise references across separate products and to interpret the ending of one theme in relation to another. The review also describes mechanical effects that were more closely matched to dramatic events, including movement and environmental changes that supported the narrative.

This practice can be interpreted as product-portfolio development. Rather than treating each licensed theme as an isolated offering, the brand used narrative connections to create continuity between experiences. Such continuity may encourage interest in more than one product and can make the brand's creative identity more recognisable. These are plausible strategic mechanisms, not demonstrated commercial outcomes: The available sources do not provide cross-purchase rates, repeat-visit data, or evidence of increased customer lifetime value.

Original content development: "The Decaying Muse"

EGA's review presents "The Decaying Muse" as Dream Traveler's original production following a series of licensed adaptations. The reviewer describes the work as

an original theme that attracted substantial attention among players, while also offering a detailed account of its design. The reported design features include a horror environment based on familiar American settings but altered through unsettling details. Another feature is a character concept that allows different figures to appear within the narrative, alongside a tightly paced sequence of dramatic scenes.

The review highlights the use of a fictional novelist and a hallucinatory perfume premise to provide a narrative explanation for the appearance of different characters. This structure gives the design team a potential mechanism for introducing new performance content without abandoning the central fictional framework. The reviewer also notes that transition time between major scenes is compressed, with high-impact sequences distributed throughout the experience. Lighting, performer movement, water, heat, scent, and other sensory elements are described as contributing to the overall effect [9].

From a business model perspective, original content can be strategically important because it gives the operator greater control over narrative identity, product design, and the relationship between the theme and the brand. It may also create opportunities to build proprietary creative assets. However, original development can involve higher uncertainty and demands on internal capabilities. The public review does not disclose the development cost, intellectual-property ownership arrangements, staffing model, or the extent to which the theme can be replicated or adapted across locations.

External recognition

EGA's account of its 2025 industry summit reports that "The Decaying Muse", produced by Guangzhou Dream Traveler, received the 2024-2025 national awards for Best Mechanical Effects and Best Immersive Interactive Drama (Escape Room Category). These awards provide evidence that the production received recognition within the EGA selection process. They support the conclusion that the theme achieved a degree of industry visibility and professional recognition.

Nevertheless, awards should be interpreted carefully. They do not establish ticket sales, profit, return on investment, customer retention, or market share. Nor do they prove that the original theme was commercially more successful than the licensed themes. In this study, the awards are treated as an external qualitative indicator of recognition, not as a substitute for business performance data.

Case analysis

Business model: Value proposition and key activities

The available evidence suggests that Dream Traveler's observable value proposition is based on immersive, narrative-led escape room experiences. The product is not limited to solving puzzles: It combines story, character, set design, mechanical effects, and live interaction. This combination is consistent with the experience economy perspective, in which value is created through the staging of an engaging event and the active participation of customers.

Several key activities can be identified from the case materials. These include interpreting licensed intellectual property, rewriting narratives, developing character roles, designing scenic environments, coordinating performers with mechanical effects, and producing original themes. These activities imply that creative development and operational execution are closely connected. The experience delivered to a customer depends on the coordination of writers, designers, technicians, performers, and front-line staff. A weakness in any one component may undermine the perceived quality of the whole experience.

Other Business Model Canvas elements remain uncertain. Public sources do not provide enough information to assess customer segments in detail, pricing strategy, booking channels, customer relationship management, revenue streams, cost structure, or partner arrangements. It would therefore be inappropriate to present a complete business model or to infer profitability from the quality of the themes. A key finding of the case is that public product evidence can reveal part of the value-creation system, but not the full value-capture system.

Experience integration as a source of differentiation

The case suggests that differentiation is created through the integration of multiple experience components. In "The Underworld: Moshenzai", narrative revision and role development were combined with changes to pacing and individual player tasks. In "Impurity", dialogue, narrative foreshadowing, mechanical movement, and

links to another theme were coordinated around the story. In “The Decaying Muse”, the environment, character premise, sensory effects, and scene rhythm were presented as parts of a single creative concept.

This integration matters because isolated spectacle can become repetitive or disconnected from the story. The EGA review of “The Underworld: Moshenzai” specifically discusses the challenge of maintaining continuity between high-intensity moments. The adaptation’s reported response was to refine the narrative and transitions so that the experience would feel more coherent. Similarly, the review of “Impurity” describes replacing some physical performance with dialogue that clarified the story. These examples suggest that the brand’s approach was not simply to increase the number of effects, but to improve the relationship between effects and narrative [10].

From the perspective of differentiation strategy, this kind of integrated design may be harder to imitate than an individual prop or visual effect. Competitors can potentially copy visible features, but reproducing the timing, role distribution, narrative logic, performer coordination, and technical reliability of a complete experience is more complex. The competitive resource may therefore lie in the capability to coordinate creative and operational elements, rather than in any single design feature.

Licensed adaptation and original production as complementary routes

The case does not support a simple conclusion that original content is always superior to licensed content. Licensed themes can reduce the need to create an entire fictional world from the beginning and may provide a tested narrative foundation. The Dream Traveler adaptations show that the value of a licence can be extended through rewriting, local interpretation, role redesign, and improved integration of effects. In this sense, the operator’s contribution lies in the ability to transform source material into a distinctive experience.

Original production offers a different set of possibilities. “The Decaying Muse” demonstrates how an original premise can organise scenery, character appearances, and sensory sequences under a unified concept. Original content may also give a brand more control over future revisions and creative extensions. However, it places greater responsibility on the operator to develop a compelling concept and to manage the uncertainty of customer response. The two routes may therefore be complementary: Licensed adaptation can support the development of design and production capabilities, while original work can provide a stronger basis for proprietary identity.

Limits of the competitive advantage

Although the case provides evidence of product-level differentiation and industry recognition, it does not establish a sustainable competitive advantage in the strict economic sense. Sustainability would require evidence that the brand can maintain customer preference over time, protect or renew its creative assets, deliver consistent quality, and capture sufficient value to cover the costs of development and operation. None of these conditions can be fully assessed from the available public sources.

Content innovation also creates management risks. High levels of scenic detail, mechanical effects, and live performance may increase production and maintenance requirements. A complex experience may be difficult to reproduce consistently across teams or venues. Continuous novelty can create pressure to update content, while a theme that depends heavily on particular performers may be vulnerable to staff turnover. These are risks that follow from the operating characteristics described in the reviews; they should be treated as analytical considerations rather than confirmed problems at Dream Traveler.

Managerial recommendations and implementation

Establishing a structured content-development process

Dream Traveler and similar operators could formalise a content-development process that links concept selection, narrative design, experience mapping, technical prototyping, rehearsal, launch, and post-launch review. Each theme should have a design brief that identifies its target audience, core emotional promise, narrative logic, player roles, key interaction points, technical dependencies, and service standards. This would help ensure that creative ambition is matched by operational feasibility.

Managing licensed and original content as a balanced portfolio

A portfolio approach can reduce dependence on a single

type of content. Licensed adaptations may be selected when the source material offers a strong narrative foundation and a clear opportunity for reinterpretation. Original themes may be prioritised when the brand has a distinctive concept and the capabilities required to develop it. Before committing resources, management should assess intellectual-property rights, expected development time, production complexity, maintenance requirements, and the potential life cycle of each theme.

Protecting consistency across the experience

Because the customer experience depends on multiple interacting elements, operators should develop standard operating procedures for performer cues, scene transitions, safety checks, equipment maintenance, customer briefing, and incident handling. Rehearsal and quality review should cover the complete player journey rather than isolated scenes. A structured feedback process can identify points at which the narrative becomes unclear, participation becomes uneven, or technical effects interrupt immersion [11].

Building a measurement system

Public recognition and professional reviews provide useful qualitative signals, but they should be supplemented by operating and customer indicators. A practical performance dashboard could include booking conversion, occupancy by time slot, average revenue per session, customer satisfaction, and recommendation intention. It could also track repeat booking, complaint rate, equipment downtime, performer training completion, and maintenance cost per session. These indicators would allow management to assess whether a differentiated experience is also operationally and commercially sustainable.

Developing customer insight and responsible marketing

Customer feedback should be collected systematically after sessions and analysed by theme, customer type, and experience component. Marketing communication should explain the distinctive value of a theme without overpromising effects or revealing key story elements. Where products contain intense horror, physical effects, or sensory stimulation, clear pre-visit information and appropriate safety guidance are important parts of service quality. The brand should also consider whether its content appeals to different customer motivations, including social participation, puzzle challenge, narrative immersion, and theatrical spectacle.

Suggested implementation priorities

In the short term, management could map the full customer journey for each active theme, document operational standards, and establish a consistent post-session feedback mechanism. In the medium term, it could create a portfolio review process for licensed and original themes, supported by cost and performance data. In the longer term, it could develop reusable creative and technical capabilities, strengthen original intellectual property where commercially justified, and evaluate opportunities for cross-theme storytelling or carefully controlled replication. These are recommendations proposed by this study; they are not claims about actions already taken by Dream Traveler.

Conclusion

This study examines Dream Traveler as an exploratory case of content-led business model development and competitive differentiation in China's escape room industry. Public industry reviews document three relevant practices: substantial adaptation of "The Underworld: Moshenzai", narrative reconstruction and theme linkage in "Impurity", and the development of the original production "The Decaying Muse". Across these examples, the reported design work involves more than visual decoration. It includes narrative coherence, character development, player-role allocation, scene pacing, mechanical effects, and the integration of performance with the fictional world.

The case indicates that content innovation can contribute to a differentiated value proposition when creative elements are coordinated into a coherent customer experience. Licensed adaptation and original production should not be viewed as mutually exclusive strategies. Adaptation can allow an operator to reinterpret existing material and develop its production capabilities, while original content can provide greater creative control and a potential basis for proprietary identity. The two national EGA awards received by "The Decaying Muse" provide evidence of external industry recognition, although they do not establish financial success.

The main managerial implication is that content differentiation should be supported by systematic capability development. Narrative design, technical

production, performer training, service operations, and performance measurement need to be managed as an integrated system. Operators should also evaluate whether the additional complexity and cost associated with immersive production are matched by customer value and sustainable returns.

The study is limited by its reliance on public secondary sources and the absence of verified company-level financial data, internal decision records, and interviews. It cannot establish the motives of Dream Traveler's management or measure the causal impact of content innovation on commercial performance. Future research could address these gaps through interviews with designers and managers, customer surveys, observation of the player journey, and analysis of operating indicators. Subject to these limitations, the case offers a useful starting point for understanding how content and experience design may support competitive differentiation in the escape room sector.

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Conflicts of Interest

The author declares no conflict of interest.

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