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# The Rise Of The Pop-Up Economy



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The ball pit at New York's Color Factory HEATHER MOORE FOR COLOR FACTORY

The [subscription economy](#) has given way to a parallel phenomenon responsible for the waves of Instagrammable exhibits and experiential retail shops undulating your news feed--the pop up economy.

With consumers increasingly adverse to own things or commit their dollars in the long term, the real estate industry has experienced a proliferation of ultra-short term leases for everything from [offices](#) to art museums. Valued at [\\$50 million](#) by research firm

In a time where young people crave increasingly novel experiences, businesses have shifted their budgets from traditional advertising to brand activation efforts. Combine that with the changing landscape for brick-and-mortar retail and the potential for experiential retail among burgeoning online giants, and you have the perfect environs for the pop-up economy to flourish.

Today In: Real Estate



One major segment of the pop-up industry has been e-commerce companies, like Blue Apron and Casper, that are using pop-ups as a way to test the waters of the very industry they've been credited with annihilating. For example, Blue Apron [opened](#) a month-long “experiential retail” shop over the summer in New York City that offered cooking classes and grab-and-go products, while Casper debuted a [showroom](#) that included a “Dreamery” where guests can pay for 45-minute naps. Even Spotify has been dabbling in pop-up exhibits, such as a [10-room experience](#) for Ariana Grande’s new album this weekend. It’s safe to say, pop-ups are cropping up everywhere.

According to Adi Biran, CEO and Founder of [Splacer](#), a company that is the “Airbnb for event spaces”, pop-up real estate can offer multiple benefits to brands in an environment where traditional leasing models are going out the window.

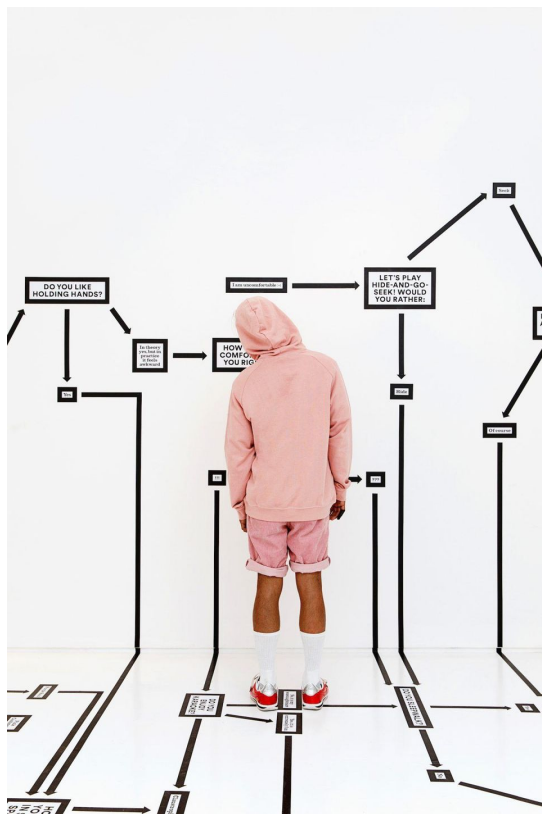
“Space is becoming more and more expensive,” she said. “On one hand you have a growing population, [but you also] have millennials and younger generations losing interest in owning.”

For businesses, pop-up shops or exhibits can serve as a valuable brand activation tool to reach their target audiences. The market for brand activation in the U.S. was worth nearly [\\$600 million](#) in 2016, according to the Association of National Advertisers (ANA), topping \$740 million by 2020. In today’s social media age, these experiences will then be documented extensively by consumers and influencers on Instagram or Snapchat, creating an organic advertisement campaign that travels through valuable linked networks.

combined 12 million square feet of creative space for rent, helping brands like H&M and Reebok secure temporary property for huge industry events like New York Fashion Week.

Pop-ups may also be successful because they cater to the feeling of “massclusivity,” as a 2017 Atlantic article described, similar to how limited edition and seasonal items stoke desirability. People feel more compelled to go to the exhibit if it won’t be there in two weeks--and it doesn’t hurt if it doubles as a photoshoot set.

### The Instagram Museum Effect



An interactive room in Color Factory HEATHER MOORE FOR COLOR FACTORY

Undoubtedly, one of the biggest reasons why the pop-up economy has been such a success has been due to the increased consumer demand for picture-perfect “experiences”. This want is particularly evident in large cities like New York and Los Angeles, where steep real estate costs, coupled with consumers’ and brands’ need for greater flexibility, have created the conditions necessary for the rise of the pop-up.

“It’s mind-blowing how many stores have been closed in the US alone,” Biran said. “We see those budgets coming back to us and [companies] asking to do pop-ups. It can be a few hours, it can be a few days. We really see this segment growing over time.”

With big cities also comes a bigger appetite for social media-perfect experiences. Enter the pop-up art exhibit. A cross between an Instagrammable mecca and an adult funhouse, these temporary art museums often feature lavish artistic decor, interactive installations, and a whimsical theme (think candy, rose, or pizza).

the most well known pop-up exhibits on influencers' feeds.

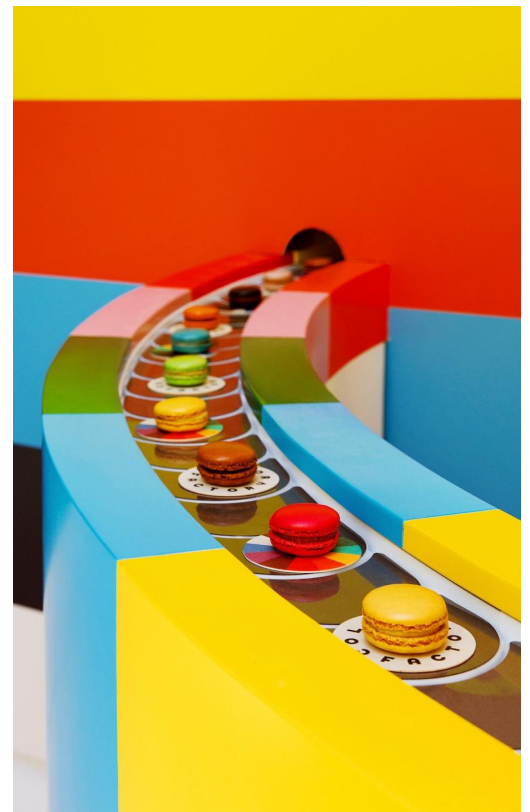
The idea was born after a creative proposal Ferney put together for an ad agency failed to be picked up, but left Ferney excited. She rounded up a team of creative thinkers, including Lea Rosenberg, Erin Jang, and Molly Young, and put together a weekend event in her office. Then, she was signing a lease for one-month exhibit space, which turned into Color Factory's eight and a half month home run in San Francisco.

This August, Color Factory opened its second 20,000-square foot temporary exhibit in New York. Tickets sold for \$38 per person, including several freebies and a QR code card that allowed attendees to take pictures using cameras installed at optimal points in the exhibit, automatically emailed to you after.

While Color Factory's first exhibit in San Francisco was sponsored by Alaskan Airlines and Method Soap, Ferney's team was able to create a bigger and better New York location with the San Francisco profits. However, she stressed that profit was not the priority. Much of the project was sustained from her own pocket as well.

"I'm sure there are ways to run this that are more profitable," Ferney said. "But our goal is to make a quality product and invest in people, and if it does make money, then that's great. I joke that my goal is to break even, and after that, to make it good, and after that, to make a profit."

Yanz Zeng, a recent School of Visual Arts graduate and one of the co-founders of Chaimi Food Studio, also said that her pop-up wasn't making much money. Zeng and her team created the temporary New York exhibition [Room for Tea](#), which features attractions like a pink ball pit room, a room filled with pink neon signage, and a room with ambient paper lamps and bamboo mat



A conveyor belt of colorful macarons at Color Factory HEATHER MOORE FOR COLOR FACTORY



Zeng said that the pop-up wasn't "traditionally profitable" compared to "how much we're invested in physically and mentally." She, like Ferney, also wanted to make the exhibit more than just an Instagram trap, though it was clear that it was what most people had come there for.



The pink ball pit at Room For Tea in New York ROOM FOR TEA

"Now, there's so many places that [are built] for people to take pictures for social media," she said. "We actually didn't come from that standpoint. We just really loved to [and] wanted to talk about this culture with people."

Ferney said her goal had always been to make something that was beautiful to experience, not photograph. However, recognizing her consumer's needs to take pictures, Color Factory installed custom cameras on the walls and ceilings of the New York exhibit to help people take photos at opportune moments, hoping to untether people from their iPhones.

## **Finding Respite In An Indonesian Music Room**

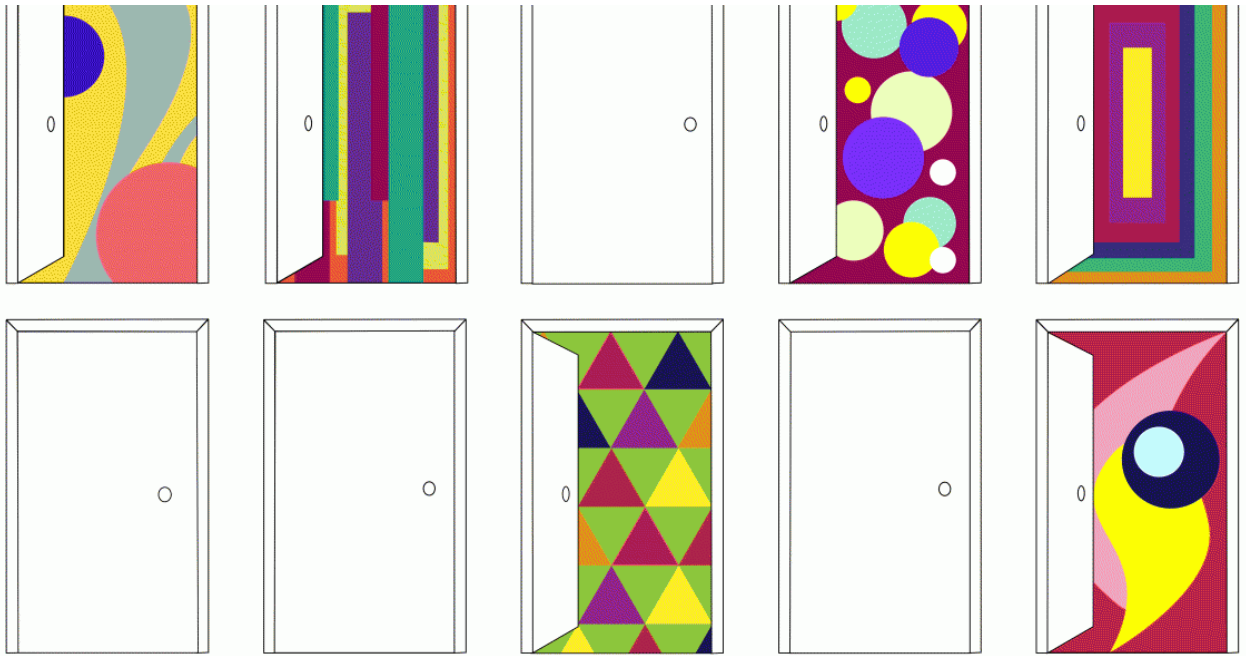
The 80,000-square foot Brooklyn warehouse was seething with attendees who had each paid for a \$129 wristband for entry on a Saturday night. A Smirnoff-sponsored bar churned out Moscow mules by the hundreds, servers walked around with h'or d'oeuvre and deafening pop music pumped on loudspeakers above-head.

Now in its fourth year, 29Rooms is an annual two-weekend pop-up fest held by media company Refinery29. The event invites attendees to experience 29 individually designed rooms that, in line with this year's theme, will "expand your reality". With the ticket came complimentary booze, food, and small favors customized by room, such as a skincare sample or fortune telling.

It was easy to be skeptical of what was probably the mothership pop-up of them all, but I tried to keep an open mind as I flitted from room to room. In one corner, experimental dancers invited people to paint on their bodies. In another, Rupi Kaur whispered into your ears a pre-recorded poem while you poured white sand into a gigantic pile at the center of the room.

Many of the rooms were, of course, made for taking pictures. However, 29Rooms' creative director, Piera Gelardi, [told Time Out](#) that they actually wanted people to experience many of the rooms without their phones.

"We want people to be present, live in the moment and to reconnect with themselves," Gelardi said.



Doors opening up KRUTI MEHTA

It would be an understatement to say that people had their devices out at 29Rooms, but I did notice there were at least a handful of rooms where most people had put them away in order to take in the exhibit. One of them was Room 29, a creation by Carlota Guerrero where you could write a message to your 10-year-old self and pin it on the wall. Hundreds of pink papers blanketed the room: *“Your mind is the most powerful thing you have.”* *“Zach Morris is trash.”* *“Keep creating”* scrawled 13 times.

It was in this exhibit that Toni Thai Steriott, a 35-year-old filmmaker, found herself in near tears as she remembered her parents fighting when she was 10, which she said impacted her greatly as a person. That room was her favorite, she said. Now, she wandered around a display filled with gigantic purple piggy banks while her friend waited in line for them to get into another room.

“I just want to feel like a kid,” she said. “You know, when you used to go to parties and they had ball pits?”

Jovani Demitri, a 32-year-old professional photographer, said his favorite room had been one filled with Indonesian instruments that you were encouraged to shut your phone off for. “You just go in, make sure you’re really present, and kind of let it absorb over you.”

what the price tag for creating a two-weekend fantasia in a gigantic warehouse was. Then again, while the pop-up economy itself may not generate direct profits, it sure fulfilled its purpose as a living, breathing billboard for brands, and a creative outlet for attendees and creators to boot.

Ferney, the creator of Color Factory, said that she would probably consider continuing the exhibit in other cities after its New York location closed shop. However, she heavily stressed creativity before money or scalability.

“I just want people to be able to tell it came from a good place,” she said. “When you walk into a place, you can kind of tell if they’re just trying to make money off of you.”

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