

Outlook 2025

Entertainment & Sports

Managing risk with comprehensive strategies will help bring the curtain down to a standing ovation.



What to Expect in 2025

Demand for live events will remain strong, boosting sector revenues.

However, film and TV production will continue to grapple with new delivery models. Escalating production costs, skilled labour shortages, extreme weather and arduous insurance requirements could further impede profits and resiliency. Businesses that lean into a comprehensive risk management strategy and data-driven benefits plans can be the stars of their own success stories in 2025.

78,000

The live performance sector accounted for 78,000 jobs in 2023, only 3.3% more than in 2019!

1. Canadian Association for the Performing Arts, "[Performing Arts Statistics](#)," accessed October 20, 2024.

The same cast of characters could dampen industry profits, but smart industry players will find ways to prosper.

If 2024 was the Year of the Comeback, then 2025 is poised to be its much-anticipated sequel as the demand for live events continues to drive revenue in the entertainment and sports sector. Worldwide revenues for live events are expected to exceed US\$85 billion in 2024 and US\$96 billion in the next four years.²

Powered by the industry's successful post-pandemic rebound, this trajectory is also coupled with the public's quest for experiences that only live, in-person events and immersive technology can offer. Global entertainment and sports revenues are expected to reach US\$3.4 trillion by 2028.³

Live Nation, the parent company of Ticketmaster, reported revenues of \$9.8 billion across North America for the first half of 2024, a 12% increase from the same period in 2023, and expects 10% growth in 2025.^{4,5} Live Nation is also opening a 50,000-seat concert venue outside Toronto in 2025.⁶

However, threats to profitability loom. Catastrophic weather continues to wreak havoc on live events, causing cancellation insurance premiums to triple.⁷ Another issue affecting profitability is mandatory insurance stipulations to ensure crowd safety management, emergency evacuations and other security protocols.

Elaborate and complex staging, lighting and sound systems escalate production costs to new levels. And the lack of skilled professionals with industry-specific experience and knowledge adds another layer to risk.

Film and TV production find themselves stymied by new distribution channels and an uncertain technological

future. An estimated 50% of Canadian households will turn to on-demand streaming services, such as Netflix, Hulu and Disney+.⁸

Yet forward-thinking entertainment operations can overcome obstacles to profitability with a thoughtful risk management plan, adequate insurance to protect their bottom line and an experienced broker with a proven network of carrier relationships.

2. Statista, "[Event Tickets — Worldwide](#)," March 2024.
3. PwC, "[Seizing growth opportunities in a dynamic ecosystem](#)," July 16, 2024.
4. Live Nation, "[Live Nation Entertainment Reporters Second Quarter 2024 Results](#)," July 30, 2024.
5. Investing.com, "[Earnings call: Live Nation reports growth, optimistic about future venues](#)," July 31, 2024.
6. Global News, "[Live Nation announces new Rogers Stadium with capacity of 50K in Toronto](#)," September 26, 2024.
7. Billboard, "[Climate Change Has Caused Event Insurance Prices to Triple — and Indie Promoters Are Bearing the Brunt](#)," March 29, 2024.
8. Globe and Mail, "[More Canadians have ditched traditional TV as streamers are 'winning the battle,' report suggests](#)," March 25, 2024.

Finding the right benefits solutions will help calm an unstable labour market.

As workers continue to leave the industry for other fields, the skilled labour shortage will continue to challenge the entertainment and sports sector. The industry faces a deficit of experience and institutional knowledge that is impossible to replace.

Already in short supply, many ancillary workers, such as special effects experts, set designers and production accountants, left the industry during the 2023 writers and actors strike for opportunities outside entertainment and have not returned to their previous careers.⁹

The fallout from this ongoing shortage has allowed workers to be more selective in choosing their gigs, often demanding several months' notice in advance before agreeing to take a job.

The lack of available talent may be one reason that the industry needs greater productivity out of individual employees: 73% of entertainment and sports respondents to the HUB International 2025 Outlook Executive Survey¹⁰ listed employee productivity as a top HR priority in 2025, higher than any other option. Similarly, the overall cost of benefits (65%) and recruiting (56%) were the next-highest listed priorities.

To combat the shortage, entertainment and sports organizations are increasing their focus on employee benefits, including health insurance, financial wellbeing programs and retirement options. However, the benefits needed to attract and retain talent will need to be personalized for individual employees.

For instance, live events crews are often older and aging out of the workforce, having been attached to festivals and entertainers for many years. Younger workers coming into the business are often more attuned to their benefits needs than previous generations. Given the transient nature of the entertainment and sports business, many

workers must prepare for interruptions in pay between gigs and self-fund their retirement, making financial education important.

And with gruelling travel schedules and long hours, people in the entertainment and sports industry disproportionately suffer from mental health issues. Performing arts workers are twice as likely to suffer from depression than the rest of the population, while individuals employed in the arts, design, entertainment and sports business have the third-highest rate of suicide compared with other industries.¹¹

That means entertainment and sports operations need to put a special emphasis on mental wellbeing through benefits. Delivering personalized benefits plans derived using tools like [HUB Workforce Persona Analysis™](#) can help organizations find the right mix of benefits that will help optimize recruiting, retention and engagement.

9. Imagine Communications, "[Bridging the skills gap: Addressing the talent shortage in the media and entertainment](#)," June 28, 2024.
10. HUB's Outlook Executive Survey polled 900 C-Suite and VP-level executives on the issues facing them on profitability, employee vitality and organizational resilience.
11. Centers for Disease Control and Prevention, "[Suicide Data and Statistics](#)," accessed September 16, 2024.

Proper preparation against risk will deliver rave reviews for long-term resilience.

The entertainment and sports industry is fraught with risks that can make or break an organization's reputation and bottom line. Tough lessons from the past will motivate entertainment and sports companies to adopt a culture of safety, enhance risk management awareness and improve planning.

Music festivals are particularly susceptible to unpredictable risk and serve as cautionary tales for the entertainment industry. In the past three decades, concertgoers around the world have been killed or injured as a result of deadly stampedes, riots, convective storms and shootings.¹²

And catastrophic weather, skilled labour shortages and "auxiliary" activities (non-sanctioned ventures outside a live event) result in additional risk and higher insurance premiums. Cancellation, contingency and non-appearance coverage rates will rise up to 15% in some markets.

There are likely to be higher limits for general liability insurance to counterbalance the growth in scale and use of technology. As events expand and attract larger crowds, premium increases will vary by location and genre. Family entertainment facilities with liquor liability could see rate increases of 25%.

For sports operations, litigation and large jury verdicts will diminish insurer capacity and demand strict underwriting guidelines for abuse and molestation insurance and coverage for concussion and brain-related injuries.

Nuclear verdicts have resulted in reduced limits for umbrella and excess liability and made it more challenging to procure adequate coverage. For example, venues that previously secured \$50 million in excess liability coverage from a single insurer now need to acquire policies from four or five carriers to reach that limit.

Case Study

When a music festival became overwhelmed by the number of insurance brokers and underwriters it worked with to procure proper coverage, the operation turned to HUB to consolidate its risk management. Doing so allowed the music festival to identify holes in its risk profile, obtain better coverage options and improve its risk profile.

Carriers will continue to require comprehensive information on evacuation strategies, crowd safety management, security protocols, ongoing training and background check systems.

A formal enterprise risk management (ERM) process will help mitigate risk and can result in lower insurance premiums, but only 40% of entertainment and sports respondents to the HUB survey reported having a formal ERM process. Partnering with an experienced broker can help jumpstart ERM efforts.

12. The Conversation, "[Canada could have its own Fyre Festival fiasco if it doesn't amp up event regulations](#)," August 23, 2022.

“Mega-events” bring mega-risk, but sophisticated planning will bring mega-success.

As music festivals and large, multi-day events proliferate, it's not a matter of *if* but *when* a crisis will occur.

Live events are competing for limited entertainment spending by increasing their size, turning small festivals into “mega-events” that are expensive and risky to produce. In the face of this trend, properly preparing for exposures is imperative and will help organizations not only mitigate losses but also decrease reputational fallout after an incident.

Employee training, robust security protocols for crowd management and safety and an emergency response plan are critical for venue owners, event planners and promoters. These protocols are particularly important for large concerts or sporting events with 100,000 or more attendees.

Weather events like convective storms can turn a mega-event into a disaster. Ensuring proper security and safety can be difficult — as safety and security professionals have left the industry, the industry has lost years of safety experience.

However, sophisticated weather modelling, communication strategies and advanced security processes are reducing risk. Live event companies are investing in global weather forecasting technologies and embracing new methods to better communicate with staff and attendees to quickly evacuate a space if needed. In fact, nearly 40% of entertainment and sports respondents to HUB's survey are using modelling and forecasting to evaluate the potential impact of anticipated risks.



Other trends include adopting crowd monitoring systems and apps that can identify issues and communicate to both staff and attendees in real time, as well as using facial authentication software to enhance security.

Venues and production firms are also going back to the basics: Designating a point person empowered to cancel an event or evacuate a facility, and routinely running tabletop exercises to prepare for all risks.

Navigating Your Next Steps

HUB entertainment and sports insurance, risk management and employee benefits specialists will work with you to develop a tailored strategy that will protect the bottom line, support your workforce and build resiliency for 2025. Here are some initial considerations:

1

Develop a comprehensive risk plan.

Making risk management the centrepiece of your organization's culture can help identify exposures and devise the right response in the case of an incident. Work with a broker with deep industry expertise to approach risk strategically and identify gaps in your insurance program.

Entertainment and sports companies are in the midst of a labour shortage, but those with a benefits strategy based on personalization and fostering [quality employee experiences \(QEX\)](#) will boost engagement, have an advantage in recruiting and retaining talent and lower risk. Work with your broker to identify employees' needs to create a personalized benefits strategy.

2

Create a personalized benefits strategy.

3

Rely on your partners in a crisis.

An incident can devastate an organization's reputation. Work with your broker to reduce risks and develop strategies to mitigate exposures. And take advantage of your carrier's expertise if an event occurs — they may be able to assist with legal counsel, crisis management and digital forensics.

Consistent communication with your broker will help identify and mitigate issues in advance of the next renewal and position your organization in the best light. Review exposures and insurance needs at least 90 days prior to policy renewal to allow your broker to find the optimal mix of coverage for your organization's needs.

4

Be transparent with your broker.

Canada Commercial Rate Guide

HUB International analyzes proprietary national survey data and interviews commercial insurance brokers and risk services consultants to create an annual rate outlook for Canada.

Below is our outlook on insurance rates in Canada for 2025. Discuss your business exposures with your HUB insurance broker to understand what to expect in advance of your next renewal.

Coverage	2025 Canadian Rate Guide	Insights
Commercial Automobile: One to five vehicles	Flat to +5%	Inflation and vehicle thefts continue to push rates upward. Rate increases are being filed in most provinces due to an increase in the frequency of claims and the amount of repair bills rising.
Commercial Automobile: Six or more vehicles	Flat to +5%	Inflation and theft continue to put pressure on rates. An increase in the frequency of claims and higher repair costs have driven rate increases.
Liability	-5% to Flat	Better performance in general liability has helped insurers offset losses in property insurance. Terms and pricing are more flexible as carriers seek to diversify their business.
Excess Liability	Flat	Excess liability premiums remain stable and in some cases are falling, with variability depending on exposure and attachment points. Excess layers with U.S. exposure may see rates increase.
Commercial Property	-10% to Flat	Most segments in commercial property are seeing rate reductions, but property in catastrophe-prone zones is still experiencing rate increases. Rebuilding costs have steadied, but undervalued properties remain a concern, as these properties may not be insured to cover full rebuilding and replacement costs.
Residential/Habitational Property	Flat to +5%	In light of recent natural catastrophes, premium increases and stricter terms and conditions are expected to continue.
Catastrophic Perils	Flat to +5%	Given the increased frequency and severity of weather events, rate increases are expected in catastrophe-prone areas. Climate change continues to push rates higher.
Environmental	-10% to Flat	The environmental insurance market remains favourable as insurers are eager to write new business. However, terms are tightening; insureds need to carefully review exclusions and restrictions at renewal.
Directors & Officers: Private	-10% to Flat	D&O coverage for private companies remains soft with ample capacity as carriers compete to keep business. Rates will be flat at renewal or dropping when there's competition for the business.

Canada Commercial Rate Guide

Coverage	2025 Canadian Rate Guide	Insights
Directors & Officers: Public	-10% to Flat	Public companies continue to see rate cuts or no increases at all due to increased competition. There is plenty of capacity, and underwriters are pricing with favourable terms and conditions.
Cyber Liability	-10% to Flat	Rates continue to reflect improvement in the cyber market. Carriers will lean toward flat rates at renewal unless competition for business drives rates downward.
Inland Marine	-5% to Flat	Despite trending downward overall, rates are rising in some geographies, largely due to the increased frequency and severity of weather events in catastrophe-prone locations, as well as an increase in theft.

NOTE: *Rate* is typically defined as the amount of money necessary to cover losses and expenses while providing an insurance company with a profit for a unit of exposure. *Exposure* refers to a business' or individual's susceptibility to various risks encountered daily. Carriers evaluate the level of risk an insured faces in calculating insurance premiums.

Industry Perspective

Business	2025 Rate Guide	Insights
Agribusiness	-10% to +5%	Additional property capacity is available for best-in-class construction and protection. Unprotected frame properties remain challenging to cover.
Cannabis	-10% to +10%	<p>Insurance rates for cannabis operations will vary depending upon the type of business and coverage. Commercial auto coverage is likely to rise 5% to 10% due to worsening loss trends. However, insureds may be able to negotiate discounts for general liability insurance and package coverages.</p> <p>Despite an improving market overall, property insurance rates in cannabis are likely to increase as much as 10% due to some significant losses. Following market trends, cannabis insureds will enjoy rate relief for D&O and cyber coverage.</p> <p>Stock throughput insurance rates will rise about 5% to 15%, with rate increases at the higher end for perishable or combustible stock.</p>
Construction	-5% to Flat	When construction operations put their business to market, there may be rate decreases. Several factors will drive reductions in rates: increased capacity, favourable claims experience and a more competitive environment.
Education	-10% to Flat	The property market is competitive, giving rate relief for educational institutions. Rates for cyber and D&O are also declining, giving institutions an opportunity to consider fortifying coverages.
Entertainment & Sports	-5% to +10%	<p>After years of rate increases, the market for property insurance in entertainment and sports has leveled out, with slight decreases or slight increases for 2025. General liability coverage will depend on loss history, with rates falling 5% or rising up to 10%.</p> <p>Excess liability coverage insurance rates will be flat or drop slightly. D&O and cyber insurance will follow general industry trends, with rates stabilizing or falling as much as 10%.</p>
Financial Institutions	-10% to +5%	<p>The industry will benefit from trends affecting insurance overall. D&O rates will drop as much as 10% due to strong competition and favourable conditions for insureds, while professional liability rates will reflect aggressive bidding for business.</p> <p>Low claims activity for Canadian private equity firms has attracted capacity for general partner liability coverage. However, firms with U.S. presence are likely to see reduced capacity.</p>
Healthcare	-5% to +10%	<p>Rates for property insurance in healthcare will rise, although the increases are expected to be small. General liability coverage will also increase slightly, with a high rate of renewals; insureds may see a 5% to 10% decrease if they go to market for a lower rate. The same is true for E&O insurance in healthcare.</p> <p>Excess liability rates are expected to remain stable.</p>

Industry Perspective

Business	2025 Rate Guide	Insights
Hospitality	-15% to +10%	<p>A wide range of outcomes in hospitality reflects different market conditions. Underwriters are competing for business for property, general liability and excess liability insurance, driving down rates as much as 15%.</p> <p>Meanwhile, auto insurance remains challenging in some regions though rate increases for larger fleets should be minimal. Like cyber insurance as a whole, the cyber market in hospitality is also competitive but can be challenging for hotels, as the risk is shared between the owner, manager and banner.</p>
Real Estate	-15% to Flat	<p>A competitive market will continue to drive property rate reductions for best-in-class properties with favourable loss histories. General liability rates for real estate will remain relatively flat and insureds can negotiate reductions for best-in-class properties.</p> <p>Underwriters are competing for business in excess casualty, moderating or reducing rates for insureds without U.S. exposure.</p> <p>And environmental coverage for property owners could see rates fall as much as 15%, particularly for low-risk residential properties.</p>
Transportation	Flat to +5%	<p>The transportation sector is in a very competitive market cycle. Companies that put their business out to market are likely to get better rates than those simply renewing with their current carrier.</p>

NOTE: Rate is typically defined as the amount of money necessary to cover losses and expenses while providing an insurance company with a profit for a unit of exposure. **Exposure** refers to a business' or individual's susceptibility to various risks encountered daily. Carriers evaluate the level of risk an insured faces in calculating insurance premiums.

HUB Entertainment & Sports

When you partner with us, you're at the centre of a vast network of experts who will help you reach your goals. For more information on how to manage your insurance costs, reduce your risk and take care of your employees, talk to a HUB entertainment and sports insurance specialist.

\$305M

in commercial insurance premium brokered by HUB

50,500

insurance policies managed

81,000

entertainment and sports clients

Stay up to date

Subscribe to receive risk and insurance insights and event invitations throughout 2025.

[Subscribe](#)