

Roblox goes public Wednesday—here's how the company is leading the world of branded gaming

Article

Hugely popular video gaming platform Roblox is **going public** Wednesday, and it's expected to make a splash. The platform has been incredibly successful during the pandemic, **surpassing** 150 million monthly active users by the end of July 2020. It's been an especially big hit among kids: Roblox told **The Verge** earlier that month that "over half" of US kids 15 and younger played Roblox.

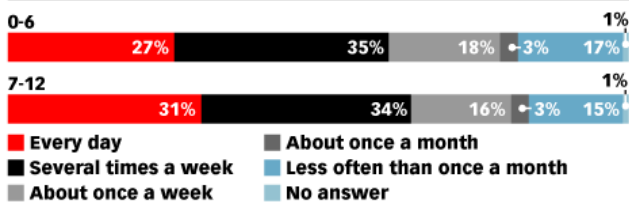
Its massive user base and "sandbox" play style has made it a popular destination for branded gaming content in the past—but it's really taken off during the pandemic. Roblox isn't a linear, story-driven game. Instead, users create their own "universes" that other players can join. These can be minigames or places to hang out. That also means brands can create their own universes without worrying about disrupting gameplay—since 2015, The Walt Disney Co., has **recreated** its theme parks within Roblox, where users can pop in to visit. With events canceled and stores temporarily shuttered, brands **turned** to Roblox to run experiential marketing campaigns or add product placement within its digital worlds. And Roblox wasn't the only beneficiary, with other video games like **Animal Crossing** seeing brands from Gucci to Twitter creating their own branded T-shirts to wear in-game.

As lockdowns end, Roblox (and video games in general) will continue being a valuable marketing destination for two reasons.

- 1. Video games will remain a popular way to reach young consumers.** Pre-pandemic, video gaming has always been highly popular among Roblox's main demographic. The majority of US parents reported their kids were playing video games at least once a week (80% of kids 6 and younger, and 81% of kids 7 to 12), **per** a Roblox study conducted in October 2019. And parents have become more accepting of digital device usage during the pandemic, so we don't **expect** kids' heightened screen time to drop sharply, even when they're able to socialize in person again.
- 2. Roblox plans to introduce built-in brand advertising capabilities—and other games will likely follow.** CEO David Baszucki said during Roblox's investor day **livestream** last week that the company is looking to add "native" brand advertising to the game, and even said it is considering introducing the ability to shop for real-life items. The success of in-game advertising within Roblox, Animal Crossing, and **Fortnite** makes it more likely that other video games will follow suit.

How Often Do US Children Play Online Games?

% of parent respondents, by age of child, Oct 2019



Note: according to their parents, to the best of their knowledge; numbers may not add up to 100% due to rounding

Source: Roblox, "Digital Civility Survey," Nov 7, 2019

251054

www.eMarketer.com

If you aren't currently an Insider Intelligence subscriber and would like to read more content like this, here's how to gain access:

1. Join other Insider Intelligence clients who receive forecasts, briefings, charts, and research reports to their inboxes each day. >> [Become a Client](#)
2. Explore related topics more in depth. >> [Browse Our Coverage](#)