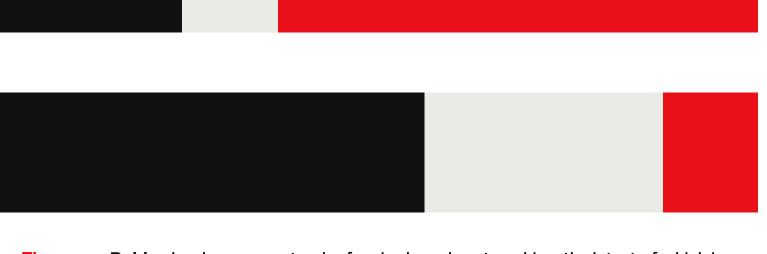


## Walmart tries to court young users via a Roblox partnership

**Article** 



The news: Roblox has been on a streak of major brand partnerships, the latest of which is Walmart. The retailer is partnering with the video game/metaverse platform to create two virtual, branded experiences:

 The first is Walmart Land, a virtual theme park with Walmart-themed rides and other shared branded spaces like a movie theater where users can play Netflix trivia. It also contains a hub





area where users can purchase in-game cosmetics from various brands, and has several "empty" stands that will be updated throughout 2023, Walmart said.

• The other is Universe of Play, a space where players can play with "toys come to life" across a variety of games.

Why Roblox? Simply put, Roblox offers brands a direct way to reach young, impressionable players using the language of a game they're familiar with.

- Spotify has also been a major partner of Roblox's in recent months. The audio app recently launched its second activation with the game targeting <a href="https://doi.org/10.1007/jhp-hop-fans">hip-hop fans</a>. Its first activation, Spotify Island, has been visited over 14 million times at the time of this writing.
- Walmart Land is off to a similarly strong start. At the time of this writing, it has been visited nearly 120,000 times.
- Roblox has also recently <u>revamped its advertising efforts</u> in an attempt to court older players and reverse its dwindling fortunes.

**Muddied waters:** Roblox may be enjoying renewed interest from brands thanks to major partnerships and a fresh advertising roadmap, but potential regulation around advertising to children immediately thrusts its new ventures into muddy water.

- The White House recently laid out six <u>reforms</u> for Big Tech and digital advertising, one of which is to "Protect our kids by putting in place even stronger privacy and online protections for them, including prioritizing safety by design standards and practices for online platforms, products, and services."
- It's unclear where the metaverse falls on that line—if a child can log on to Walmart Land and win a pair of virtual Skull Candy headphones, at what point does it become more of an advertisement than a game?

**The big takeaway:** The metaverse's most effective use cases have been large brand activations in games like Roblox and **Fortnite**, where young audiences that businesses crave congregate. But while these activations have proved successful thus far, they could be the first under the microscope as advertising rules shift.

## **Potential US Adult Metaverse Users Who Expressed Interest in Select Metaverse Functions,** Feb 2022

% of respondents

As an experience (Alo Yoga 'Alo Sanctuary' immersive wellness space for yoga and meditation on Roblox; Louis Vuitton game with NFTs)

To drive engagement (Discord channels for Gucci, Kenzo, Adidas, Stock X)

As advertising and marketing (Nike 'Nikeland,' Wendy's virtual food fight)

As a club or community to drive loyalty (Vans' virtual skatepark in Roblox)

As a sales channel for physical products (Selfridges Electric/City)

59.7%

As an authentication tool (Arianee using tokenization for brands)

42.3%

As a sales channel for virtual products (Gucci rare virtual items on Roblox, Balenciaga fashions in Fortnite)

26.5%

Source: Colliers, "Spring 2022 US Retail Report: The Global Outlook of Luxury Retail," April 21, 2022

276920



