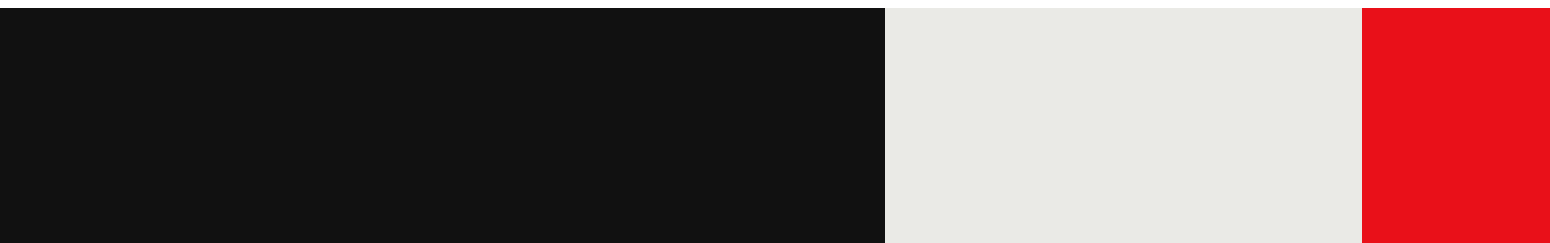



Roblox leans into the creator economy with convenience features

Article



The news: Roblox is leaning into its place as a user-generated content platform by expanding its marketplace. Users can now sell “bundles” of avatars and cosmetics that work across Roblox’s vast network of player-made worlds and games.

Roblox called the changes “a big step forward for creators,” emphasizing the crucial role users play in its business.

Zoom out: Among video game publishers and creator platforms, Roblox stands in an unusual position. The platform is a sandbox for users of all ages to toy with game-making tools and create digital assets, a model that has garnered praise for letting kids experiment with digital creation—and criticism for monetizing those creations.

- User-generated content is the fuel that keeps Roblox going. Its highly customizable worlds and characters encourage user expression and has attracted significant brand interest from big names like **Spotify** and the **NFL**. After an uneven post-IPO run, Roblox has enjoyed two strong quarters in 2024, with revenue gains of 22% and 31.3%.
- Brand interest has made Roblox a hotbed of testing for in-game ads, a burgeoning space that has piqued the interest of major game publishers like **Microsoft** and **Electronic Arts**.
- While most US consumers enjoy games but dislike in-game ads, Roblox has proved to be a valuable channel for brands looking to make inroads with its young user base.

User-generated content is also a big moneymaker: Roblox requires users to pay for an in-game currency for transactions that creators can convert into dollars; it then takes a portion of both conversions.

Our take: Convenience will lower the barrier of entry for creators who want to experiment with Roblox’s marketplace and could entice some of its active users to begin creating content as well. Pushing into both the creator economy and advertising makes Roblox a fascinating company to watch for insights on how both markets will fare when paired with gaming.

**Daily Time Spent With Leading Gaming Apps
Among US Children, 2021-2023**

average daily minutes

	2021	2022	2023
Roblox	180	190	139
Minecraft	36	49	48
Among Us	61	74	18
Clash Royale	40	35	18
Pokémon Go	23	16	18
Magic Tiles 3	11	14	8

Note: ages 4-18

Source: Qustodio by Qoria, "Born Connected: The Rise of the AI Generation," Jan 24, 2024

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