

Roblox will be one of the first major platforms to launch in-game ads

Article

The news: Roblox announced on Friday that it's taking the plunge into in-game advertising. The company will soon partner with select brands to launch "immersive" ads, and is introducing age guidelines for content as it seeks to court an older audience.

How it works: Roblox already allows creators to place in-game billboards and sponsored objects if they pay for its in-game currency **Robux**, but its new ad platform would allow

brands to advertise in spaces across multiple games.

- While most advertising on Roblox is limited to single games (called “experiences”), creators will now be able to drop billboards and other forms of virtual ads into their own experiences, getting a share of ad revenue in the process.
- Another immersive ad format will be “portals” that whisk players away from their current experiences to branded spaces.

The in-game ad floodgates: The sweeping introduction of ads to Roblox is notable as it’s one of the first major, free-to-play games to fully implement in-game advertising—something several video game companies are racing to do.

- **Microsoft** and **Sony** are both working to develop [ad-platforms for free-to-play games](#) on **Xbox** and **PlayStation**, respectively.
- In-game advertising firm **Anzu** has [struck a series of major partnerships](#) related to in-game advertising, including one with Roblox last year to help launch the above-mentioned creator advertising tools.
- All those developments and more are in response to growing brand interest in the gaming space. The **Interactive Advertising Bureau** recently updated its in-game advertising standards, signaling a coming wave of ads.

First out of the gate: Being among the very first to launch in-game ads is both a powerful and precarious position for Roblox to be in.

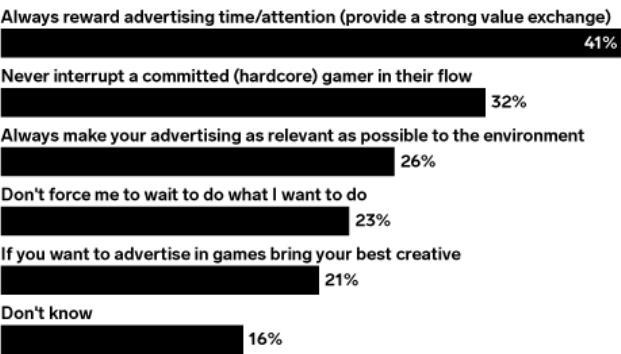
- On one hand, Roblox has proven itself as a [valuable space](#) for virtual brand activations. Companies from **Ralph Lauren** to **Spotify** have launched Roblox experiences that have generated revenues and made inroads with young users.
- But that same young user base that makes Roblox valuable is what could also put it and its brand partners in murky waters. The **White House** recently [announced principles for Big Tech and advertising reforms](#) that put an emphasis on the use of minors’ data for advertising purposes. Abroad, regulators are also cracking down on targeting minors.
- Because in-game advertising is a new frontier for both the gaming and ad industries, there’s no blueprint for how regulations forbidding advertising to minors will apply. But Roblox is carefully wading in, selecting only a few brand partners and developers and revamping its content age guidelines.

The big takeaway: Roblox’s in-game advertising venture is one to watch carefully. Some stumbles are sure to come given the current regulatory climate and Roblox’s already messy history rife with controversy, but others launching in-game ad efforts will look to its model as a blueprint.

- In-game advertising has lucrative potential, but it’s not a done deal. Ad spending is currently contracting, which may make advertisers hesitant to invest in yet-unproven formats—especially one with skeptical consumers.

What Advice Would US Gamers Give to Advertisers Looking to Advertise Within a Game?

% of respondents, Q4 2021



Note: ages 18-34
Source: Anzu, "The US In-Game Advertising Report 2022," April 13, 2022
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