**Icons in the Making Podcast - Christina Wootton**

**Date:** Thursday, November 18

**Podcast Time:** 10:00 - 11:00am PT

**Format:** [**Zoom**](https://us02web.zoom.us/j/89035395542?pwd=dld4WEcxcTNaS254SGJGRHB5Szd5UT09#success)

* **Directions:** This will be an hour long recorded podcast. The podcast will be recorded via Zoom. Please ensure you have a strong WiFi connection.
* If you’re comfortable, please keep your camera on, they’d like to record the video to use for social promotion.
* You should be receiving a mic kit from Lippincott set to arrive right before the podcast at 9:30am.



**Host Information**

**Host:** Heather Stern, CMO Lippincott

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**Overview:**

Icons in the Making is recording an episode to feature you and the work you lead at Roblox. The episode will dive into what Roblox is, the metaverse, brands utilizing Roblox as a platform to reach new audiences.

**Outline:**

*Intros - Heather/Christina*

*Questions*

1. I think there’s a misconception that Roblox is just one video game. For those who don’t know, can you explain what Roblox is?
2. The metaverse has exploded in the last year and a half, but Roblox has been around since 2004. Can you talk to me about how Roblox has been on the forefront of this for nearly two decades?
3. Roblox went public in early 2021 and shares have been surging since. How else has the rise of the metaverse category impacted Roblox?
4. Technology continues to shift the way brands engage with consumers and Roblox is leading the charge with partnerships with Gucci, Disney, Nike, Netflix, the NFL and many more. Why should brands be leveraging the power of digital experiences?
5. Why do you think fashion brands have especially gravitated towards the metaverse?
6. For many people, the metaverse can be daunting. How should brand executives be thinking when trying to understand the metaverse?
7. Roblox partnerships really run the gamut from concerts to fashion to food. What’s next? How will Roblox continue to differentiate experiences and what industries are you eyeing?
8. What is your dream partnership?
9. Your partnerships with Chipotle and Target were at the intersection of virtual and real life. What is powerful about a hybrid experience?
10. You’ve said that brands are starting to build teams dedicated to the idea of the metaverse, similar to what happened for social media several years ago. Talk to me about that and where you see the future going.

11. This podcast is all about showcasing today’s rising leaders and “icons” in the making. Who is your icon?

**Key Messaging**

**Roblox Mission:** Connect billions of people in the metaverse with optimism and civility.

**Roblox Promise:** Our platform enriches the way people connect, create, and express themselves through shared experiences.

**Roblox community: 47 million + daily,** users over 13 years old now make up over half of our community, nearly half are female.

**I think there’s a misconception that Roblox is just one video game. For those who don’t know, can you explain what Roblox is?**

* Roblox (and the Metaverse itself) is bigger than gaming - it is the place to be when you can't be in-person. Whatever you see in real life, we can imagine it in digital life.
* At its core, Roblox is a place for shared experiences. Millions of people are connecting on the platform every day, sharing experiences from concerts to fashion shows and engaging with the next generation of immersive entertainment. We are ushering in this human co-experience where people can connect, socialize, have fun and be whoever they want to be.
* As technology matures, and people spend more and more time sharing experiences online, we believe our platform will play host to even bigger and more immersive virtual spaces and events. That represents a massive opportunity for literally any industry, including sports brands (leagues, teams, athletes, and stadiums), celebrities, fan clubs to build a community on Roblox and engage millions of people around the world every day - whether they are existing fans or the next generation of fans.

**The metaverse has exploded in the last year and a half, but Roblox has been around since 2004. Can you talk to me about how Roblox has been on the forefront of this for nearly two decades?**

* We have been building this platform for more than 15 years. We don’t see any limitations on what Roblox can be and what people will use it for.
* What sets Roblox apart is our UGC platform, experiences and our scale
  + Our 3D experiences are **user generated**. A community of over **9.5 million developers** built the vast majority of experiences on our platform. We have **over 25 million experiences on our platform** that appeal to an increasingly above 13 users base. Our users can jump from experience to experience with their avatar
  + Our platform is about **entertaining experiences**. We make possible a wide range of virtual immersive experiences. It’s the future of how we play, work, learn, and share experiences. Roblox offers something for everyone: building your own amusement park, working in a pizza place, becoming your own DJ, or enjoying a concert
  + We have **massive scale**. Every day an average **47 million people** come to Roblox from around the world.
* While shared experiences in the metaverse today are more about doing fun things together, in the future they will be about literally any things people can do together in real life.

**Roblox went public in early 2021 and shares have been surging since. How else has the rise of the metaverse category impacted Roblox?**

* [Other companies’ ambitions for the Metaverse] are validating the space and our early bet on it - we are excited to see new players in this space.
* Roblox has been a metaverse pure play platform, and Dave, our CEO early on had a vision for how people would connect through shared experiences in 3D immersive environments to socialize, create, play and learn.
* Also, civility/safety were core to this early vision. We believe that the metaverse must be a civil and safe platform that welcomes people of all ages, where everyone (be it a 7 y.o. or a 30 y.o.) has a positive, civil experience.
* This is very complicated to achieve. We think it's much easier to start from that civility and safety foundation [that Roblox has] and then open up the freedom than to try to reel it back in and go the other direction.
* We also have our own unique take on the Metaverse - that it is co-created by the whole world and we enable anyone to be a creator on Roblox.

**Technology continues to shift the way brands engage with consumers and Roblox is leading the charge with partnerships with Gucci, Disney, Nike, Netflix, the NFL and many more. Why should brands be leveraging the power of digital experiences?**

* It’s always evolving - the opportunities in the metaverse are limitless. You can literally build anything you want without having the restraints you would in the real world.
* When brands learn about the reach of Roblox and how engaged our community is (millions of users with billions of engagement hours every month), they get really excited.
* As we continue to grow, we are investing in the tools and resources for developers and creators to build the next generation of experiences users can experience on the platform.
* One of our key recommendations is that they try to enhance our community’s shared experiences.
* We’re seeing a massive opportunity for brands to build persistent immersive worlds that can offer fans evergreen spaces to enjoy their favorite content, help maintain and even increase their emotional investment, as well as draw in new audiences.
* The latest example of this on the platform is our partnership with Nike. Launched today, NIKELAND is a persistent world inspired by Nike’s real-life headquarters. In the world, fans can test their skills competing against various mini-games like tag, the floor is lava, and dodgeball with their friends, as well as use the NIKELAND toolkit to easily design their own mini-games from interactive sports materials, plus fans can shop Nike’s digital showroom to get a number of apparel staples from AGC, Nike Tech Peck and classics like Air Force 1 sneakers.
* These spaces are the natural evolution of interactions in social media, allowing fans to connect with their favorite brands, celebrities, artists and content curated specifically for them in immersive 3D environments that are open to them at all times. We believe such virtual spaces and platforms to become a crucial channel alongside traditional and social media, and real-life events.

**Why do you think fashion brands have especially gravitated towards the metaverse?**

* Fashion brands are showing interest because Roblox is a place where the next generation of designers are cutting their teeth, trends are being shaped, and the virtual economy is growing quickly.
* Roblox experiences are social in nature, our community members love dressing up and showing off their latest virtual fashion items, merch, hair styles and overall looks. They adapt their avatars as their real-life interests and preferences evolve and they use their unique identities to connect with friends or belong to a broader community.
  + **1 in 5 of Roblox daily active** users update their avatar on any given day which points to the importance of self-expression through online identity for our community members.
  + Approximately **2 in 5 of Roblox weekly active users** update their avatar in any given week.
  + And around **50% of our users** update their avatars monthly.
  + Self-identity is a crucial pillar of the metaverse, and the ability to precisely customize your clothing to your unique tastes is key to personal expression.
* Virtual fashion and branded merchandise is a great way for brands to promote designers, test new ideas, discover new revenue streams and experiment and expand their reach to Gen Z.
* Virtual goods pave the way to a more sustainable future that’s fresh and fun. We see and hear from the next generation of consumers (i.e.Gen Z users on Roblox) that they often value virtual items more than physical ones, especially if they’re hard to get.
* As consumers start to view less as more, it doesn’t mean they’ve stopped wanting to express who they are. They can pursue coveted trendy virtual items, or even limited-edition collectible and couture pieces, at a lower price and without adding more waste to the world or violating their personal sustainability ethics.

**For many people, the metaverse can be daunting. How should brand executives be thinking when trying to understand the metaverse?**

* It really varies. Brands have been on the platform for the past eight plus years and we’ve worked with many brands, from entertainment to fashion to music to sports to create experiences and virtual items.
* Each experience is unique and varies from creating virtual items and collaborating with top Roblox developers and experiences, to building persistent worlds. In the earlier days, we saw brands coming on to create exclusive avatars, digital items and even scavenger hunts. Now brands use the platform for a variety of different experiences, including creating persistent worlds that live and breathe 365 days a year and serve as places where fans can gather and enjoy exclusive content, connecting with their friends and having access to experiences that may not be replicated in the real world.
* We also see brands more and more embracing our existing creator community to help build the experience and items. For example, Vans partnered with Roblox developer studio The Gang Stockholm to build their [Vans World](https://www.roblox.com/vans) experience, and Gucci worked with creator Rook Vanguard on virtual items for their [Gucci Garden](https://blog.roblox.com/2021/05/gucci-garden-experience/).
* The most successful collaborations on Roblox involve brands listening to our community and engaging with it in an authentic way. When brands listen and iterate on the feedback shared, users feel like they’re a part of creating the experience together and engage more.
* For brands to breakthrough, an experience needs to be authentic, natural, and creative. Our users expect a blend of physical and virtual experiences.
* Just like 15 years ago when brands were building teams to advertise on social media, every brand will need a metaverse strategy in the future and the ones that have them now are at the forefront.

**Roblox partnerships really run the gamut from concerts to fashion to food. What’s next? How will Roblox continue to differentiate experiences and what industries are you eyeing?**

* You’ll see us expanding formats - whether it’s live events, viewing parties, or bringing more diverse experiences to the platform.
* We expect people to engage in a vast range of activities. Whether they are historical in nature (visiting ancient Rome), going to an awesome concert, perhaps for the first time, or learning through shared experiences (like dissecting a simulated frog with others in an online classroom) we continue to make long-term bets with innovative engineering to improve the realism, fidelity, and intensity of how we interact online.
* We already know that shared 3D immersive experiences in the metaverse can be a lot more memorable than watching something on TV or interacting on the more traditional social media platforms—our community members often share these memories (and selfies!) when they go to events like virtual concerts, viewing parties, and other events with their friends on Roblox.
* We will see more and more brands utilize platforms like Roblox to kick off a season, launch campaigns, and even promote concert tours.
* As the metaverse expands, we’ll see new forms of entertainment emerge across a variety of categories like fashion, beauty, sport, music and entertainment.

**What is your dream partnership?**

* I really love seeing what the community is gravitating towards and because Roblox is social in nature, we see users adapting their avatars as their real life interests evolve. Fashion is a big part of their online identity and increasingly becoming an area where brands can test the waters.
* I’m excited that we’re building out more fashion experiences with partners - from red carpet moments, to limited virtual item drops, and immersive worlds that bring a vision to life.
* You’ll see more from us in the coming months in this sector.

**Your partnerships with Chipotle and Target were at the intersection of virtual and real life. What is powerful about a hybrid experience?**

* The metaverse has become an elevated and heightened extension of the real world, so it follows that the trends we see IRL are reflected in the metaverse.
* Experiences that begin in the metaverse also have the potential to cross over into the physical world to engage new and existing audiences across multiple platforms.
* We can imagine one day people designing their own shoes, clothing and accessories on Roblox and then having them be delivered in real life similar to how some brands give consumers options to customize online, but in an immersive social experience.
* Actions in the metaverse can not only drive real life behavior like in the case of Chipotle, but they can also help businesses better understand their customers and anticipate real world demands. For example, one day we may see the likes of fashion labels using their virtual collections to collect pre-orders and determine production quantities, putting it in a more favorable position amidst pandemic-related supply chain disruptions and financial uncertainty.

**You’ve said that brands are starting to build teams dedicated to the idea of the metaverse, similar to what happened for social media several years ago. Talk to me about that and where you see the future going.**

* Yes, we’ve seen brands lean towards this idea of building a metaverse team and we’ve worked with a variety of different teams within marketing, licensing, design, etc.
* Brands will continue to expand to new platforms to reach new audiences and every brand will need a metaverse strategy in the future.

**This podcast is all about showcasing today’s rising leaders and “icons” in the making. Who is your icon?**

* I really admire [Sara Blakley who is the CEO of Spanx](https://www.npr.org/2021/10/26/1049340376/spanx-ceo-sara-blakely-first-class-plane-tickets-and-10000). She embodies what a true leader is and seeing her go from selling fax machines door to door because she needed money to becoming the youngest self-made female billionaire building her womenswear empire is truly inspiring.

* She also has four kids (I have three) and to know what goes into raising a family and juggling a career - it’s just crazy to me. Women are powerful.
* Other qualities I really admire about her is that she’s kind, humble and generous too. She lifts other women up and when she recently sold a majority stake in her company, she awarded every employee $10K and two first-class tickets to anywhere in the world.
* It’s just really great to have amazing female leaders like her out there making a difference.

**+++**

**Roblox Company Facts**

* Founded by David Baszucki and Eric Cassel in **2004**
* Key milestones and dates:
  + Roblox Studio Launch (used for creating UGC games): 2006
  + Started selling digital currency: 2008 (Robux conversion: Roughly $1.00 to 100 Robux)
  + Game monetization introduced in 2013
  + Avatar Shop launched in 2019
  + Premium Payouts launched in 2020 (monetization based on engagement; awarded consistently to developers, regardless of their player base scale)
* Team: 1,400+ employees (80% in product & engineering), and over 3,000 trust and safety agents
* Location: San Mateo HQ

**Updated Stats - Q3** (ending October 31, 2021)

* **47.3 million** daily active users (DAU) from 180 countries (up 31% Y/Y - growth driven by international users and growth over 13 y.o.)
* **11.2 billion hours** engaged (up 28% Y/Y)
* **Over 50% of users are now over the age of 13**
* Over $130 million earned in the quarter by the developer community (millions of active devs) - on pace to earn *well over* $500 million in 2021
* Millions of experiences and creator-built virtual items available on the platform.

**Tough Q&A**

**If asked about Facebook/Meta/Microsoft other companies:**

* [Other companies’ ambitions for the Metaverse] are validating the space and our early bet on it - we are excited to see new players in this space
* We’ve been at it for over 15 years (Roblox has been a Metaverse pure play platform), and Dave had a vision early on for how people would connect through shared experiences in 3D immersive environments to socialize, create, play, learn etc.
* Also, civility/safety were core to this early vision: we believe that the metaverse must be a civil and safe platform that welcomes people of all ages, where everyone (be it a 7 y.o. or a 30 y.o.) has a positive, civil experience.
  + This is very complicated to achieve. We think it's much easier to start from that civility and safety foundation [that Roblox has] and then open up the freedom than to try to reel it back in and go the other direction.
* We also have our own unique take on the Metaverse - that it is co-created by the whole world and we enable anyone to be a creator on Roblox.

**How do you know this isn’t just a buzzword, that it’s materializing?**

* Building the platform for well over a decade, vision early on, see real-life experiences moving to the metaverse firsthand, especially last year (concerts, graduations, birthday parties, Thanksgiving celebrations, [Princeton Campus](https://www.dailyprincetonian.com/article/2020/06/members-of-the-princeton-class-of-2024-unveil-virtual-interactive-campus-in-roblox) reproduced for new students, music festivals, etc.).
* We used it to connect our own employees (Roblox HQ) while working remotely, celebrating workaversaries, holidays.
* People making real friends, meaningful connections, memories. For some Lil Nas X was their first concert ever, for example. We know it’s real.
* Instead of clicking on sites to read about something or watch a video, people enjoy walking into immersive virtual spaces with their friends to experience, explore, socialize, or even connect with their favorite brands and artists (we see this more immersive version of the internet materialize on Roblox).

**Interoperability**

* We are open to it, but usually comes with more mature technology and as technology evolves (right now it’s early stages of this next, immersive iteration of the internet)

**If asked about the outage:**

* Yes, our engineering team worked around the clock to find the bug and quickly reconfigure a solution.
* I am so happy we're back. Moments like this are a reminder of the role Roblox plays to bring people together for shared experiences.
* *IF PRESSED*: I am probably not the best person to answer those technical questions. Our CEO actually put out a blog post with additional information and I'd point you there.

**What is Roblox doing to promote safety on the platform?**

* We have a responsibility to make sure all users can explore their creativity freely and safely - safety has been in our DNA since day one. We have:
  + A stringent safety system, which we believe is one of the most rigorous of any gaming platform, going well beyond regulatory requirements.
  + A team of over 3000 trust and safety agents dedicated to protecting our users. A global org that includes an internal team at our HQ, as well as numerous teams around the world to ensure 24/7 coverage and multilingual capability.
  + Cutting-edge AI and other tech we are constantly reviewing and improving to combat bad actors.
  + Digital Civility Initiative to provide actionable resources for parents, caregivers and educators to promote learning about safety and digital civility. Safety partners and other partnerships with leading orgs across the globe.

**Are there safeguards in terms of time spent online/warning it's time for a break?**

* No official feature as of now, but devices used to experience Roblox do (i.e. Screen Time limits on iOS which parents can set up).
* It's also been interesting to see the conversation re: Screen Time shift during Covid; still an extremely important part of internet health but because Roblox is social and a means of connecting with friends many parents seemed to use it almost as a way to curb isolation -- w friends thru play/imagination etc.

**How do you foresee the intersection of music and gaming continuing to evolve?**

* The market will only get bigger moving forward - we’re only scratching the surface of a massive new industry that will combine gaming and music in an unprecedented way.
* In the future, virtual music experiences will complement physical ones.
* For instance, virtual shows can be a great way to kick off a real-world artist tour. If you can aggregate tens of millions of fans over a weekend online, you can then drive them to buy tickets for the tour. Fans won’t need to pick between virtual or live concerts - they can have both.
* Labels, artists and creators will only want to further extend their brand into platforms like Roblox in the future.
* As the Metaverse expands, we’ll see new forms of entertainment emerge; new Metaverse artists will be able to launch careers virtually without ever having to play a real-world show.

**How does Roblox’s virtual economy work?**

* Roblox allows players to create their own games using the Roblox Studio, which can then be played by other users. Players can purchase content within the games and the revenue is split between the developers and Roblox.
* Users can also design and release virtual items, which can also be sold for our currency, Robux, which can then be exchanged into real world money.
* This means that there’s ample scope for developers and creators on the platform to build careers, testing, growing and marketing businesses inside Roblox. Above all, they are expressing their creativity and creating new shared experiences for others.

**NFT Messaging:**

* A form of this is already taking place on Roblox: we already have “limited” items offered as part of events on the platform. Users then can sell or trade these items on the platform, creating a vibrant marketplace for valuable virtual goods.
* The recent Gucci Garden experience was a good example of that, with virtual goods selling in-experience and then being resold among users for amounts higher than their real life counterparts.
* Just announced at RDC 2021 that we’ll enable UGC items as limiteds, so the original creator could earn Robux for both that initial sale and the resale. With these limited items, the creator name will be listed so it’s easy to verify the source, and account names are unique, so purchasers will know they are buying from a verified source. Additionally, developers will be able to watermark their assets.

**If asked about IP Rights (i.e. Squid Games):**

* The Roblox community is quick to react to real-life trends and express their current interests through immersive and interactive fan content they create and participate in. We see this through the development of immersive experiences inspired by trending news/content or dressing up their avatars in the latest fashion trends recreated in virtual hangouts.
* This lightning-fast reflection of real-life interests in the form of immersive content is unique to Roblox, speaks to our platform’s social nature, and current generational and cultural ubiquity. Spending time in the Metaverse has clearly shaped the way people now see the world and vice versa, and it is impacting how they express themselves creatively through outlets like Roblox, leveraging technology and interactivity in new and unprecedented ways.
* In addition, As a platform powered by a community of creators, we are committed to protecting intellectual property rights - from independent developers and creators, to brands - and require all Roblox community members to abide by our Terms of Use. We do not tolerate copyright infringement and expeditiously respond to any valid Digital Millennium Copyright Act (DMCA) request by removing any infringing content.

**If asked about the developer revenue share:**

* We are deeply invested in making our developer and creator community successful and are continually focused on increasing developer economics and growing the overall pool of capital available to them.
* Through the first six months of 2021, our community earned $248.7 million, and we are on pace to share half a billion dollars this year.
* We are proud of the simple and free tools and technology we offer which level the playing field for a global community of creators and developers who want to be on the platform, and have the added benefit of teaching coding, digital civility, and STEM.
* *IF PRESSED:* We offer tools and technology, at no cost, to easily publish and monetize content (can share our  [dev economics](https://developer.roblox.com/en-us/articles/developer-economics) page with you where you’ll see the breakdown -- roughly after app store fees, platform investment, hosting and support costs, the proceeds from each in-experience transaction are split 50/50 with developers). We also pay developers on pure engagements that continue to increase as engagements increase.