Questioning KIDTECH

Kids, KidTech and the Metaverse: Global childhoods in digital capitalism

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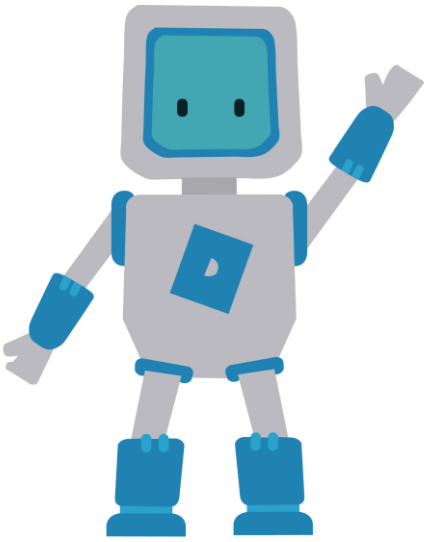

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This report is a summary of our initial findings from the first phase of a Social Sciences and Humanities Research Council (SSHRC) partnership grant which is asking three broad research questions:

What is the Tech in KidTech?

What is the Kid in KidTech?

How do children and families experience KidTech?

To respond to the first two questions, the research team conducted desk research by examining trade publications, press coverage, and Kidtech websites; attending the 2023

Kidscreen Summit; and conducting walkthroughs of online Kidtech spaces. The team decided to focus its investigation on Roblox, given the dominance of Roblox in Kidtech. As described in Section 2, Roblox has been labelled the 'YouTube of games' and is one of 'The Big Three' gaming platforms populated by children, together with Fortnite and Minecraft.

The report starts with a definition of KidTech, and then we provide a description of Roblox, with overviews of the revenue model, audiences, technical affordances, and content (Sections 2, 3 and 4). We take a deeper look at Roblox by sharing analyses of its monetization strategies (Section 5), audiences (Section 6), and regulatory practices (Section 7). Together, our findings indicate that Roblox is an important site of study for understanding KidTech more broadly from a variety of disciplinary perspectives that raise questions about how childhoods are constructed and experienced in an age of digital capitalism.

1-What is KidTech?

KidTech is an industry term that the KidTech sector uses to describe itself as the digital platforms that cater to young people. It encompasses the tech companies that are able to digitally engage with a massive number of kids every month (sometimes cited as 500 million) across various apps, games and services in ways that deliver what the industry deems as "safe" digital engagements to young audiences. KidTech also includes the underlying technological systems that advertise to children in these spaces that comply with local standards and regulations.

Embedded in this framework are ***five key*** components:

1. KidTech encompasses digital spaces created for children and designed to keep kids "safe", based on global regulations such as COPPA. This differentiates it from digital spaces designed for adults that kids use.
2. KidTech is a way to differentiate itself from the burgeoning EdTech industry that has ballooned since the pandemic, although this distinction is blurry (see Appendix 1.1).
3. KidTech is an ecosystem of technological services, policies, and standards,
4. At its core KidTech is a technology to deliver advertisements to young people.

While this term is a starting point, we expand this definition to argue that KidTech is a form of digital capitalism that includes the digital media, platforms and technologies geared to young people, the systems that advertise to children in these spaces, as well as the underlying professional and corporate infrastructures that support these.

2-Basic overview of Roblox

Roblox assets

2.1 Is Roblox a metaverse, a social media entertainment space, game making space, or something else?

We used 'metaverse' in our project title, almost as a provocation. Is Roblox a metaverse? It is a virtual space with millions of daily active users playing games (which Roblox now calls 'experiences') and potentially taking part in real time events – concerts, parties, and conferences. Of course, determining if Roblox is a metaverse or not largely depends on how you define a metaverse. Consensus seems to be that 'metaverse' is marketing hype; at Kidscreen we heard people essentially say, we don't know what a metaverse is or what it's going to look like, so let's focus on something else.

David Baszucki, Roblox Founder & CEO, described his vision for Roblox in May 2023:

"Our goal is one platform, where age-appropriate experiences for every life stage can be found. This could include experiences you may have seen on Roblox like concerts, digital fashion, immersive games, and education. But, in a distant future, Roblox could envision different types of experiences, like virtual dating for older age groups, indie movie screenings and new forms of content such as news and hot topics."

Our Vision for All Ages

This vision emphasises different experiences according to the ages of participants and a huge range of types of imagined experiences, which one might say sounds like a metaverse. But also notice the emphasis on 'one platform' - this is a no-friction platform, a place where Roblox wants parents to send their kids to get everything they want -

games, education, socialising and so on - without having to download further apps or purchase more games (no-friction is discussed in Section 3 below). Roblox aims to keep children's interest month to month and year to year by continually offering new experiences.

2.2 How is Roblox like YouTube?

At the 2023 Kidscreen Summit, we heard people refer to Roblox as the YouTube of Games. This helped us understand Roblox as more than a gaming platform. Clearly Roblox has earned its place alongside the two other major online gaming apps for under 18s, Minecraft and Fortnite (see Appendix 1.3 for comparisons). Roblox has:

- **5.2 million active 'experiences'** (March 2023)
- **88.9 million daily active users** (October 2024) (compared with Fortnite at 30 million, Minecraft at 1-1.5 million)

Like YouTube, Roblox is a space with **millions of choices** of 'experiences' (Roblox's term for the individual games that are on the platform) but **no central meeting place** for avatars. These 'experiences' are not listed randomly as a user enters the site – like YouTube, there are **hierarchies and algorithms controlling** what users see.

Referred to as the ***YouTube of Games*** also highlights user-generated content components of Roblox. **Millions of users create 'experiences'** and other virtual items, and similar to YouTube, there is a great deal of hype around the user-generated content component (as discussed in Section 5 below).

Like YouTube, Roblox positions itself as a **benefactor for developers,** providing **free easy-to-use tools** for future generations of entrepreneurs. Also like YouTube, there are famous success stories about developers becoming millionaires on Roblox through the monetization provided on Roblox platform. Also like YouTube, **companies see Roblox as a platform to access audiences** – creating not channels but games/experiences that they hope will go viral. However, few developers 'make it big' on Roblox. Here are Roblox developers by the numbers:

- There are **9.5 million active developers** on Roblox
- **99.47%** of developers earn less than **$1,000** per year on Roblox
- **10 developers made over $23 million $US**

- **12 000 developers exchanged their Robux for real-world currency**

YouTube, with the slogan 'Broadcast Yourself' has always emphasised the social aspects they anticipated for YouTube participants. Similarly, Roblox positions itself as a **social media entertainment space.** At Kidscreen, we heard about the social aspect of Roblox being an important part of the experience, particularly during the pandemic. As the YouTube of games, Roblox is offering something for everyone connected with children: developers, educators, and various organisations. For children, Roblox offers social spaces, entertainment, and the promise of making it big as a developer.

2.3 Roblox by the numbers

Although Roblox has been operating since 2006, it only recently skyrocketed in popularity. Some of the recent rise can be explained through changes in technologies such as cheaper data plans which allow users to be on Roblox for hours, and greater access to mobile tech with higher storage capacity and faster processing. In fact, **80% of Roblox user sessions take place on mobile devices.**

- Roblox was valued at $25 billion in 2023 (compared with Minecraft at $1.7 billion 2023)
- Its revenue was $2.7 billion in 2023 (compared with Minecraft at $365 million in 2022)

2.4 What do we know about Roblox users?

- The largest age group is **17- to 24-year-olds** (23% of its user base); 41% are over age 13; the second largest age group is **9 - to 12-year olds** (2023 statistics)
- The users are from **180 countries** - 32% US & Canada, 29% Europe (2022 statistics)
- **39%** of users are female and **53%** are male (the number of girls and women are much higher than on Fortnight and Minecraft) (2024 statistics)

Although these statistics indicate that users are 'ageing up', according to Dubit, 15% of US kids ages two to five have talked about Roblox with family members, and 13% have played the game in the same room with someone else. It is no wonder that the March 2023 blogpost from the Roblox founder and CEO was entitled, 'Our Vision for All Ages'.

3-How do we understand Roblox as a platform?

There are two key platform affordances[1] to the Roblox platform.

Affordance #1: Roblox is No/Little Friction

To access Roblox, it needs to be **downloaded onto a device**, which often requires **parental permission**. Once downloaded users can easily access the platform and are free to roam around in all the spaces on the platform. There is no need to ask again for parental permission for further downloads or access, it **loads instantly.** Dubit explains,

"There are **no barriers to playing a new game**. Because Roblox is a games platform, there is no friction (eg. download, parent registration) around trying a new game. Once playing Roblox, kids can **play your game immediately, invite friends in, and so on.** This means **faster onboarding and greater viral potentia**l "
(Dubit Guide to Brands, 2020, pg 12).

Roblox uses this term **no-friction** to explain itself to industry. It is a selling feature to corporations, as it can easily be accessed by children without parental gatekeepers. Many other digital companies use this term. The term stems from a 2016 article in Medium in which author Steven Hallam applies the definition of friction as the force that resists the motion of two elements sliding against each other. Using this as a starting point, Hallam suggests that **digital friction** is the force that hinders a user from moving toward the completion of a task.

What are the implications of little- or no-friction?

Removing digital friction makes it **easier to access a platform or digital service.** The more smoothly it can be used, the more frequently one might access it. The no-friction download makes it really challenging for parents to engage with their children in ways in which children aren't feeling surveilled. No-friction is one more layer of **digital**

[1] Platform affordances are the design features properties of a platform that shape the way a platform is used, navigated and experienced and are based on users' capabilities (see T Bucher, 2018).

enclosure of the child away from the parent. It is another layer of separation that is offered to parents as convenience.

Affordance #2 Roblox is a "Moated Walled Garden"

Once Roblox is downloaded onto a device, parents no longer have to provide permission for separate experiences, and children are **free to roam the entire Roblox platform.** In this way Roblox is a **digital enclosure**; users can not move their avatars to experiences beyond Roblox as there is no interoperability between the digital enclosures of other platforms. This also means that all **creators, developers and users have to abide by the corporate rules of the platform.**

This fits with Roblox's vision of its platform as an "omni-experiential" converged digital space where a child can learn, work, watch media, socialise, shop, game and communicate – all within one connected immersive environment where the child with their avatar can move between all of these spaces of life.

What are the implications of the moated walled garden?

At Kidscreen, many studios and companies were touting the value of creating experiences and content within Roblox. These studios also indicated their awareness that Roblox is created, run, and defined by the Roblox corporation. Roblox is in **full control of the way the platform works and how it is monetized.** Studios can't easily move their content off of Roblox and into other spaces. See Section 7 'Roblox and regulation' below for further description of this.

On a more expansive scale, this raises many concerns in terms of questions of jurisdiction as we look to the future. **What kind of territory is the metaverse? Where is the sovereignty?** In a digital enclosure like Roblox, the avatars are simply consumers, any rights they have are bestowed upon them by the corporations. Given the technological complexity and ephemeral transnationality of the digital space, the metaverse as a place exists in a **fractured geo-location.**

4-What is the content of Roblox?

Roblox's vision is to reimagine how people come together. As a User-Generated Content (UGC) platform, we provide the technology for creators to bring that vision to life. Whether you're an individual creator, a professional development studio, or something in between, we're committed to supporting and growing our community so we can make Roblox better and empower you to create all you can imagine.

Roblox Platform Overview

At this point in our research we have mostly focused on the content of Roblox as a whole, without looking in the workings of specific types of games and experiences. **Roblox is a platform that doesn't make content.** Roblox explicitly states this suggesting that

"Because Roblox is a platform, we do not create experiences that compete with our community for earnings".

This also means that **Roblox absolves itself of being fully responsible for the content of the experiences.** In the Developer Studio there are many instances where Roblox points out the specific governmental policies that creators are responsible to uphold in their own experiences (e.g., Roblox Terms of Use and Roblox Community Standards).

As a platform, Roblox states it is a digital space, providing tools and support for creators to build 'experiences' in the space. The fact that it is choosing the word 'experiences' over 'games' is critical in terms of how Roblox is situating itself for the future as a **"omni-experiential"** space that is **"reimagining how people come together"**.

Roblox defines content very broadly as: **"something you made such as experiences, decals, clothes, group logos, or audio files".** Roblox defines two forms of content creators who can monetize their work (see Section 5, below, for more details on these two categories). Although Roblox highlights numbers 1 and 2 below, number 3 is less explicitly addressed on the Roblox website:

1. **Developers**, who build "experiences"
2. **Creators,** who make avatar items and plugins.

3. A third category of content creators that exists on the edges, but is central to the workings of Roblox are **influencers/content creators**. These are content creators on Roblox who also produce Roblox content such as let's play videos.

Influencers/content creators on Roblox can create content for other platforms beyond Roblox. Often they are also creators in Roblox creating virtual merch that their fans can buy in Roblox. To encourage this, Roblox has a program called the **Star Code**, where users can direct their purchase commission to one of these stars. Roblox has a special category for those creators who reach a certain level, calling them **Roblox Video Stars**. This is an exclusive group that one has to apply to. To be considered, all Roblox video content must be in English, Spanish, Portuguese, French or German and be in accordance with the Roblox Terms of Use and Roblox Community Standards. Video creators have to apply to participate in the program based on video viewership and audience engagement and must meet **a minimum criteria**. The criteria set a very high threshold with requirements of 10,000,000 cumulative Roblox video views; 25,000 average views per Roblox video; 100,000 followers/subscribers on their video channels (e.g., YouTube).

5-Roblox and Monetization

5.1 How does Roblox make money?

Roblox generates revenue through premium membership subscriptions, in-game purchases, a range of in-game advertising strategies, and licensing partnerships. While Roblox states it does not sell users data to third parties, it does track data on the platform which can be used to display targeted ads. Roblox operates on a freemium/premium model. Users can sign up for a free Roblox account which provides basic access to games, virtual worlds, and tools to create content on Roblox.

Premium membership subscriptions give users access to additional content and experiences and a monthly allowance of Robux, the **in-game virtual currency.** Notably, unlike other virtual world games, Robux cannot be earned just by playing games or logging in daily. Robux must be purchased on the Roblox website, given through gift cards or promotional offers, traded for virtual items on Roblox, or donated by Roblox users. Robux can be earned by creating content or experiences that are bought by other users. Users can pay each other using Robux, for example, for services such as assistance in game development.

Users can use **Robux** to buy virtual merchandise such as outfits and accessories for their Roblox avatar and plugins in the developer studio. Users can also use Robux to enhance their user experience by paying for a **subscription, pass or private play within a game.** Similar to video game and application distribution platforms such as Steam, **Apple's App store, and Google Play,** Roblox charges **service fees** (in Robux) for all transactions such as purchases of virtual items. This fee varies depending on the type of transaction and ranges from **30-70%** of the revenue from each sale. The site standard fee is **30%**. Creators and developers can also use Robux to have their item display as a **sponsored ad on the Roblox site**, similar to Google's sponsored links auction. And, like Google, this is bought in a **bidding auction system** (see Roblox Bidding and Auction explanation).

Advertising on Roblox takes many forms, from **banner and video ads to sponsored** content. Roblox is able to **target ads** to users on the platform. Brands such as **Marvel, Lego, Disney, and Nike** have partnered with Roblox to gain access to the large Roblox audience (predominantly children). These partnerships provide companies with real-time data on how Roblox players are interacting with their virtual (branded) content. Finally, Roblox generates revenue from **licensing by partnering** with third-parties to use **Roblox intellectual property (IP)** on products such as toys, clothing, and other merchandise. Further, Roblox collects royalty fees on any developer-generated content that includes the use of Roblox IP on websites, apps, and other media.

5.2 How do Roblox users make real money from the platform?

Roblox differs from most KidTech platforms by providing tools, services, and support for users to create content on Roblox through their Roblox Studio. Roblox has minimal barriers to entry for developer projects, as Roblox provides server hosting, marketing, moderation (to some extent), and development tools. The Roblox site states,

"On Roblox you can start building for free, have everything you need in one place, and are only charged after you make money" (Roblox Platform Overview).

Significantly, Roblox developers can only get paid with Robux, which they can spend on the site or convert to real currency (see below).

Developers who create 'experiences' on Roblox can earn Robux in three ways:

- Through **in-experience sales** within the games that they develop and create. This can take the form of in-game merchandise (virtual items, accessories, unique avatar abilities, and tools), subscriptions (providing access to certain aspects of games/experiences), passes (one time purchases that provide access to certain experiences), and private servers (allowing play with an invited group of users).
- Through engagement-based payouts (EBP) calculated by the share of time a Roblox Premium subscriber spends in the experience.
- Through **creating an advertising space** within the experience that Roblox sells to advertisers.

Creators who create content for the platform can earn Robux through:

- Creating, selling and reselling avatar items
- Creating and selling plug-ins that can be used by developers

5.3 Key facts about Robux

The Developer Exchange (DevEx) system allows users meeting certain criteria to convert Robux into U.S. dollars.

- You have to be **13 years old** to earn Robux, **18 years old** to purchase Robux through the site, and **18 years old** to convert Robux to cash.
- Robux are purchased through app stores on Apple (iOS), Google and Amazon (Android), and Microsoft (Xbox and Microsoft Store), requiring payments to go through a debit/credit card.
- You have to have to be a **Premium subscriber** and have **30,000 Robux** as a minimum and be a community member in good standing (to be approved by Roblox) to cash out (convert Robux to real world currency).
- You can only complete one **DevEx request per calendar month.**
- Robux acquired from trading or reselling virtual items cannot be converted to cash.
- **Buying 100,000 Robux** through Roblox's store costs $1,000. Cashing out **100,000 Robux** earns you $350.

- Roblox keeps **71%** per each in-experience U.S. dollar spent. This covers expenses such as app store payment fees, costs of hosting and supporting the Roblox platform, investment in the platform, and operating costs. **29%** is given to developers through the Developer Exchange or engagement-based payouts.

6-Roblox Audiences: parents, children, and young people

6.1 How are parents and caregivers addressed by Roblox?

Parents are positioned by Roblox in three roles: **as safety patrols**, **as co-viewers, and as gatekeepers**. On the website and in presentations and discussions at the **Kidscreen Summit**, Roblox highlights the many safety tools and guides they have developed in partnership with various agencies concerned with children's welfare online. Further, parents are positioned or hailed in the architecture of the Roblox website as primarily interested in safety. In both the Parents and the Families pages on the corporate website, the focus is on various safety features of Roblox including interventions by Roblox (**e.g., chat filters, avatar clothing detection**); '**customizable parent controls'** such as ways to monitor and restrict children's accounts; and **'guides' for parents** that include resources about cyberbullying, digital wellness, and privacy. Roblox directly addresses commonly discussed and imagined risks associated with the internet: the **three Cs - contact** (e.g. chat), content (e.g. 'inappropriate' images or chat), and conduct (e.g. spending, security, and privacy). However, the **fourth C (commerce)** is missing from these areas of the website with no materials addressed to parents that mention advertising. The approach is to position parents as safety patrols: responsible for their children's safety once on Roblox. At Kidscreen, **Tami Bhaumik** the **Vice President of Civility and Partnerships** at Roblox, stated: **'The problem is us collectively not understanding tools available to us.'** Again, this clearly positions parents as responsible for creating a safe space on Roblox.

Another role Roblox imagines for parents is **as co-viewers.** The website indicates the important role parents play in having discussions with children about safety and security. However, at Kidscreen, co-viewing was mentioned as a way of convincing parents that **Roblox is 'not so scary'**. Positioning co-viewing in this way emphasises the view of parents as **gatekeepers to their children's consumption** of Roblox. Finally, at Kidscreen, there was an acknowledgement that **Roblox can be 'sold' to parents as gatekeepers** because of the **no-friction aspect** of the site; as one presenter said,

'Parents love it' because they don't have to keep downloading new games/apps (see Section 3 above for a discussion of 'no-friction').

6.2 How are children as developers constructed in Roblox rhetoric?

At Kidscreen we heard about two distinct child audiences – **developers and players (or users).** Notably, when mentioning the possibility for children to develop games, speakers used the term **'young people' rather than 'children'. Roblox uses 'child' primarily in relation to safety features**, reinforcing dominant constructions of children as on a developmental trajectory, and at some point turning into 'young people' who are more skilled technologically and also less in need of internet safety. In terms of positioning children and young people as developers, at Kidscreen, Roblox described themselves as providing tools to **learn how to code, design, and storytell.** Further, Roblox positioned themselves as creating an environment for developers to **improve 'experiences' (or games) through audience feedback as well as a desire to make money by attracting as many audience members as possible.** In describing this feedback loop, with developers responding to audience desires in order to drive up their user numbers, Roblox says that they are helping developers improve their understanding of audiences as well as their **entrepreneurial tech skills.** Young people as developers are framed as one of Roblox's success stories. At Kidscreen successful games were described as **'authentic experiences born out of the minds of young people.'** Young people are seen as **in-the-know, in terms of their audience's taste and identities.** In relation to developers, Roblox positions itself as a **benevolent provider for young people as developers**, serving young people by providing tools, communities, and audiences.

6.3 How are children as players constructed in Roblox rhetoric?

The third audience we considered was young people as **players or users** of Roblox. Surprisingly, we did not locate very much text about children **'playing'**. Rather, the rhetoric is vague, and it is hard to distinguish whether Roblox is referencing their audience of developers or players. For example, the website has these types of statements: **'Our vision is to reimagine the way people come together to create, play, explore, learn and connect with one another.'** It is significant that in Roblox rhetoric, users do not '**play games**' on the Roblox site, rather they have '**experiences**'. This is a fairly recent rhetorical shift. In 2021, Roblox changed their description of game play to

'experiences', and the tab that used to be titled 'games' on the main menu is now called **'discover'**. This was in line with the Apple App store which distinguishes apps from games and with Roblox being an app (rather than a game).
In any case, **'experiences' aligns with rhetoric reflected in their mission of 'connecting a billion people with optimism and civility',** as stated on their website. In this mission statement and in our observations at Kidscreen, Roblox is strongly emphasising the **social connections** pandemic social connections being supported on the site including parties and graduations. This positions players as wanting to use Roblox for **socialising** – this is part of the experience of Roblox.

In any case, children are clearly constructed in **developmental terms**, as indicated in the parental controls. For example, **'experiences' have age recommendations that are** "grounded in child development research", and parents can use the **'Allowed Experience Controls'** to limit children's access to **"age-appropriate experiences".** Recommended age guidelines are All ages, 9+, 13+ and 17+. Notably, access to 17+ content requires users to **upload a selfie and a photo of a government issued ID.**

At Kidscreen, we heard lots about **games and learning** with games offering **'dynamism'**, and tools to get at **'deeper kind of learning'** (see Appendix 1.2 Roblox vs EdTech). One speaker said, **'School standards call for the kind of thinking Roblox can offer.'** Significantly, Roblox is careful not to criticise schools, perhaps because this is a potential market for them. However, they do acknowledge the plethora of **poor quality educational games** in other online spaces, and position themselves as supporting better development through grants and loans which require partnerships between schools and developers. Again, Roblox is positioning itself as the **benevolent provider of tools for the betterment of society,** in this case games and learning.

7-Roblox and regulation

7.1 What's going on with the recent regulatory investigations and Roblox?

In March 2023, **Roblox announced new age restrictions for advertising to children**, banning all advertising (stealth or otherwise) to children under age 13. Roblox's announcement represents a significant move, given that **the second largest age group is 9- to 12-year-olds** (21% of its user base). The change came about following two

inquiries and investigations into the platform's advertising practices from regulatory watchdog groups, **CARU (Children's Advertising Regulatory** Unit, a division of the US Federal Trade Commission's Better Business Bureau) and an independent non-profit organisation, **Truth in Advertising (TINA)**. Identifying deceptive advertising embedded and enmeshed in the Roblox platform and its 'experiences', these organisations investigated and filed complaints with the **FTC** after they found that **Roblox was promoting undisclosed "advergames"** and were in violation of not making clear and conspicuous disclosures of their advertising. Additionally, the probes pointed to issues with stealth advertising via avatar-based influencers, as well as real live human influencers who were not disclosing that their content was sponsored. **CARU also criticised Roblox for not providing more guidance and tools for its social media influencers** to help them understand best practices. Also of issue was an allegation that **Roblox lures developers to Roblox with deceptive earnings claims**. Roblox responded to these investigations by changing some of its advertising policies and practices, and in the process, making this the responsibility of **Creators and advertisers** (Roblox Terms of Use). Roblox stated it would require advertisers to make ads transparent to users, and then announced that it is the advertisers' responsibility to hide **"all advertising content from users under the age of 13"** (Roblox Advertising Standards).

7.2 Are there any other regulations coming down the pipeline that may affect Roblox from a parent/ kids perspective?

The **California Age Appropriate Design Code (ADCA)** was passed in 2022 by the California Legislature and is based on the **United Kingdom's Age Appropriate Design Code (AADC).** The ADCA requires a defaulted **privacy by design** on all online services that may be attractive to children under the age of 18 including websites, platforms, apps, and any connected devices. Businesses must turn on privacy settings by default, include **kid-friendly language** in their policy descriptions, avoid collecting anything but the most necessary **geolocation data**, and limit most use of children's personal information. This has the potential to give children more **digital agency** over how their online information is used and saved (Weinstein and James, 2022).

In the US, there are some other potential new rules and laws at the national level that could also affect Roblox's operations and the way kids interact with the platform including the Kids Online Safety Act (KOSA), a bill sponsored by Senators Richard

Blumenthal and Martha Blackburn, and COPPA 2.0, authored by Senators Edward Markey and Bill Cassidy. The two bills represent a step toward creating regulations to protect children in the digital environment. **KOSA seeks to impose a duty on online platforms and services to mitigate harm,** create opportunities for children and teens to turn off data-driven recommendations, limit their connections to strangers on social media, and allow for tools for parents to track screen time, kids' spending, and better connect to the platforms themselves. **COPPA 2.0 expands privacy protections to teens to encompass teenagers under the age of 17** (the current COPPA stops at 13), would ban targeted advertising to all minors under 17, allows teens and parents of preteens to delete any data collected on minors and establishes fair information practice principles and a **Digital Marketing Bill of Rights for Teens.** There are potential issues with these bills, as opponents argue that they could hamper minors' access and opportunities to find potentially lifesaving information surrounding **birth control, pregnancy, abuse, alcohol/drug, and LGBTQ advocacy and research.**

7.3 It feels like there's a lot of changes and flux surrounding Roblox and the metaverse. Is it a precarious environment for developers?

Yes, there's little that's **terra firma** when it comes to the kids' digital environment. The promise of the **children's and family marketplace** is discursively positioned as both fragile and potentially lucrative. For example, while Roblox is at the forefront in the creative gaming spaces where companies can connect with children, companies creating games and worlds within the Roblox space acknowledge that **Roblox could change its business model at any time.** This unstable variable leaves contributors and regulators to wonder **'what will the platform do next'** whilst a powerful push toward the kids' space rises with substantial money-making and engagement potential. The entire conceptualization of the children's marketplace, however, is constructed amidst a **disconnect between the media and tech industry and children's media governance.**

Separate but interesting, the new **Advertising Standards rules enacted by Roblox in March 2023** also disallow advertisers to include any websites, URLS, or QR codes that might direct a Roblox user away from Roblox, prohibiting companies from **Directing Users Off-Platform** and keeping all Roblox users within the Roblox metaverse (further enforcing the metaphor of Roblox as a **'moated walled garden'**, see Section 3 above).

Roblox's **ephemeral**, **self-regulatory environment** cannot yet be defined nor fully locked into by regulators, so, beyond its inquiries and requests for changes, rulemakers have largely leaned on parents to transfer industry self-regulation to the domestic. **Responsibility is offloaded onto parents** through the use of its parental controls, management of Roblox's Robux financial purchases, and an understanding that parents will manage their children's devices and screen media. Even in the best-case scenario of **age-appropriate design** with some safety defaults, the best practices for these spaces of consumption and entertainment normalises selling, positioning children into a space of consumption.

APPENDICES

Appendix 1: How does Roblox compare to RetroTech, EdTech and other KidTech?

1.1 Roblox vs. RetroTech

Comparison points: Neopets, Moshi Monsters, Webkinz and HabboHotel

Roblox differs significantly from RetroTech games that existed in the Web 2.0 era. Web 2.0 games were platforms with user-created content, offering a more dynamic and social experience than the previous Web 1.0 web pages and allowing users to become participants rather than just observers (Kerner, 2023). This shift to Web 2.0 occurred in the mid-2000s, with the appearance of many Web 2.0 games aimed at children such as Neopets (launched 1999), HabboHotel (2000), Moshi Monsters (2008), and Webkinz (2005). These games had their rise and fall in the 2000s and 2010s. Web 2.0 games ran on Adobe Flash Player, a browser plug-in that enabled animations and interactivity on Web 2.0 (Fox, 2021), but news of the closure of Adobe Flash Player in 2020 caused restructures and closures for all the Web 2.0 games.

Key Points in comparing Web 2.0 games to Roblox

A. Web 2.0 were games that users played. Roblox is a platform that creators build games on.
B. Web 2.0 games were only accessible on web browsers and often required a desktop. Roblox is multimodal; the major tech platforms are mobile devices (phones and tablets) at 78% of use, desktop (20%) and console (1%). (stats from Dec 2022)
C. Web 2.0 generally operated on a smaller scale. For example: Moshi Monsters userbase peaked in 2014 at about 80 million users total (Armstrong, 2009), while

Roblox has over 70.2 million DAU (daily active users), 214 million MAU (monthly active users), and 4.6 billion accounts have been created (stats Q3 2023).

D. Compared with Web 2.0 games, socialising and communicating with other players is more flexible and less restricted on Roblox. In Web 2.0 games, socialising generally occurred within specified boundaries, and play was mostly done independently. Web 2.0 games often had restricted communication with a set of specific phrases or limited words to use, a static chat feature such as a message board or in a designated social space. Roblox experiences have more lexible chat features, a live chatbox, and you learn how to play a game from other players.

E. Although Roblox mandates that developers must "hide all advertising content from users under the age of 13", for participants age 13 and older, Roblox contains a range of types of in-game advertising (see section 7, Roblox and regulation, above). While there was a lot of backlash and concern about advertising in Web 2.0 games, for example, in regards to Neopets branded games (Coy, 2015), branded experiences have become a big (and often unquestioned) part of Roblox. Roblox has partnered with big brands like Gap, American Eagle (Walk-Morris, 2022), and Gucci (Kelly, 2022).

F. Roblox highlights (and has benefitted from) the ongoing shift from tangible to intangible goods. In contrast, on Webkinz, children needed to have a plushie first to be able to play with a virtual representation of it. Therefore, the virtual Webkinz plushie was secondary to the primary physical one. But with Roblox, the virtual is primary, and the physical is secondary or not an element at all. In May of 2021, a virtual Gucci Dionysus bag sold on Roblox for roughly $4,115 (or 350,000 Robux), which was more than the tangible purse, which usually retails for $3,400 (Ernest, 2021).

G. Play is monetized on Roblox. The most notable difference between the Web 2.0 games and Roblox is the fact that users create their own games on Roblox – and that they may (or may not) earn a profit doing so. Roblox has a studio to support individual creator content. Roblox claims, "the road to making your dream game starts here. Start developing games today with our step-by-step tutorials" (Learn Roblox Studio | Documentation - Roblox Creator Hub, n.d.). While most developers receive little to no financial compensation for their labour (Clement, 2023a), the rhetoric that you can make big money on Roblox persists.

1.2 Roblox vs. EdTech

Comparison points: Google Classroom, Prodigy

EdTech is an is an umbrella term for a wide range of products/services that can be divided into roughly three categories:

1. systems for organising classroom management, e.g. Google Classroom;
2. the practice of distributing hardware, e.g. iPads;
3. digital learning games, e.g. Prodigy (Linn, 2022).

The boundaries between KidTech and EdTech begin to blur in the third category. The difference lies in how games are marketed. Companies developing digital learning games tend to centre learning in their market definitions; whereas, while many KidTech platforms might mention learning, it is not central to their mission.

Roblox positions itself as, amongst other things, an educational space. The Roblox website includes a series of pages dedicated to education, and the corporation utilises language to signal its educational expertise. "With a growing collection of experiences offering immersive learning across grade levels and subjects, Roblox educational partners and developers bring curricular standards-aligned, relevant, and game-based learning to the global Roblox community" (Roblox, 2023).

Currently Roblox has two main educational components:

1. Roblox as a tool for educators: Roblox provides resources, such as lesson plans and tutorials, for educators to teach computer science, digital citizenship, entrepreneurship, and more.
2. Roblox as a platform for educational experiences:
    - In November 2021, Roblox announced a $10 million fund – the Roblox Community Fund (RCF) – to support the creation of online educational experiences.
    - The Museum of Science in Boston was the first RCF recipient, partnering with Filament Games to develop Mission: Mars, a 'free educational experience' that 'challenges players to design and build vehicles fit for navigating challenges on Mars' (Museum of Science, 2023).
    - Roblox also hosts other educational experiences that have been developed and funded by private corporations and non-profit organisations. For

> example, Experience Camps, a non-profit organisation supporting grieving children, has developed an experience called Grief Quest. This experience 'provides users with a safe place to learn about and reflect on grief by engaging in a digital scavenger hunt across a colourful, summer camp-inspired fantasy world' (Experience Camps, 2023).

Roblox clearly has plans to expand into the education space. Roblox' CEO stated the corporation has aspirations to serve 'all the students, all the time' (Baszucki, 2023). Roblox's Head of Education, Rebecca Kantar, stated that Roblox could host virtual classrooms and develop 'entirely new ways of teaching students how to read, or experiences that allow children in different countries to collaborate in real-time on virtual science experiments'. Roblox is planning to release an education/school mode on the platform, though it is unclear what this might look like (Chavous, 2023). Roblox is discussing its educational provision as a 'self-sustaining ecosystem of educators, of students, of educational organisations and of developers, who understand the broad applicability of an immersive, digital, co-experience platform to map into a number of grade levels and a number of subject areas' (Kantar cited in Baszucki, 2023). In this rhetoric, Roblox appears to be positioning itself as an educational metaverse.

1.3 Roblox vs other forms of KidTech

Comparison points: Minecraft, Fortnite

Roblox compared to Minecraft: Roblox and Minecraft are both sandbox games designed for and marketed to children. Both Roblox and Minecraft allow for exploring and building rather than competing through predetermined linear gameplay. Minecraft, however, is designed as a standalone game with different modes of play (survival, adventure, creative, and hardcore); whereas in Roblox, the game developer community continuously creates a wide range of genres of mini-games. The social component of Roblox and Minecraft is very different: Minecraft can be played in single-player mode without connecting to the internet, or it can be played with others on private or public servers; whereas a majority of Roblox games are multiplayer, and Roblox emphasises social interaction as part of the playing experience. Monetisation strategies are also very different: Minecraft relies on selling of the game itself through a traditional pay-to-play model alongside merchandise and limited microtransactions (community-made mods),

whereas Roblox has a wider range of strategies, with developers earning money through in-game purchases.

Roblox compared to Fortnite: Whereas Roblox is more of a gaming platform with millions of online games, Fortnite is primarily a battle royale survival shooter game. Fortnite can be played in three modes (Battle Royale, Save the World, and Creative), and the most popular mode (battle royale) is free-to-play with a limit of 100 players per 'match'. Fortnite is particularly popular among teenagers and young adults, with over 60% of its players in the 18-24 age bracket. Common Sense Media rates both Roblox and Fortnite as suitable for age 13+, based on content. Fortnite revenue comes primarily through in-game purchases (such as cosmetic items, objects, and celebratory animations) and from merchandise.

In 2022 Epic Games (Fortnite's company owner) was fined $USD 275M by the US Federal Trade Commission for COPPA violations (compounded by an additional fine of $245M for misleading billing practices). This is more money than the fines from all 34 prior FTC cases since the year 2000 combined. Fortnite claimed it was not targeting children under 13, yet it was clear in its marketing that it knew there was a large children audience; for example, it sold merchandise in Walmart geared to children. Its own data shows that 22% of users are under 9 years old, and 23% are aged 9 to 12.

In 2022, Epic Games positioned itself as developing more 'child friendly' experiences, potentially competing with Roblox and Minecraft. Epic games partnered with the Lego Group and, alongside Sony, Lego invested $USD 1B into Epic Games with plans to develop spaces for children to play across digital and physical worlds, including a multiplayer "survival crafting game". In November 2023, the two companies revealed that they are working toward making a space that protects children's rights to play, safeguarding children's privacy, and empowering children and adults with tools that give them control over their digital experiences.

Appendix 2: Methodology/theory overview

Our research has four levels of methods. We have been working on levels 1 through 3.

LEVEL 1: Listening in and burrowing down (Political Economy)

This methodology is situated in political economy and it is designed to situate "media systems and practices in their historical and structural contexts" (Corrigan 2018).

Researchers “burrow down” in trade press and reports, and “listen in” to the frank insider discussion that occurs when industry talks to itself. We attended the KidScreen Summit in 2023, and Natalie attended the KidTech summit as well. We have drawn from the industry press including KidScreen magazine, Tech Crunch, as well as searching for Roblox in various business presses.
Key Theorists: Thomas Corrigan (2018), Schiller (1996), Guback (1982)

LEVEL 2: Public facing discourse (Political Economy)
Drawing on a political economic analysis we have looked at public facing discourse of Roblox itself, recognizing that much of this is public relations. Roblox has produced a vast array of materials such as press releases, annual reports, information for parents, teachers, developers, users, creators, and others. We also looked at the promotional materials/reports of kid-centred digital consultancies such as Dubit and SuperAwesome that are a crucial component of the professional and corporate infrastructures of KidTech.
Key Theorists: Vincent Mosco (2009), Eileen Meehan (2018), Christian Fuchs (2014) Jonathan Hardy (2021)

LEVEL 3: Walk through method (Critical Digital Studies)
Using a critical digital studies frame we engaged in a walk through method that involved identifying and describing the various stages of registration and use. This method was very useful in establishing and defining KidTech in relation to EdTech and to RetroTech. Searching for the affordances and structures of the platform.
Key Theorists: Evan Light, Jean Burgess and Stefanie Duguay (2016), Gillespie (2010)

LEVEL 4: Zoom play tours ‘Media Go-Alongs’ (critical digital studies shaped by Child Studies)
The zoom play tours are inspired by Christine Hines’ call for “media go-alongs”. Research participants give verbal and visual tours, framed by the research questions. The media go-alongs allow the researcher and participant to have a shared sensory experience of the digital space. This method will be supported by a child studies approach that situates children as experts in their own lives and experiences.
Key Theorist: Christine Hine (2015).

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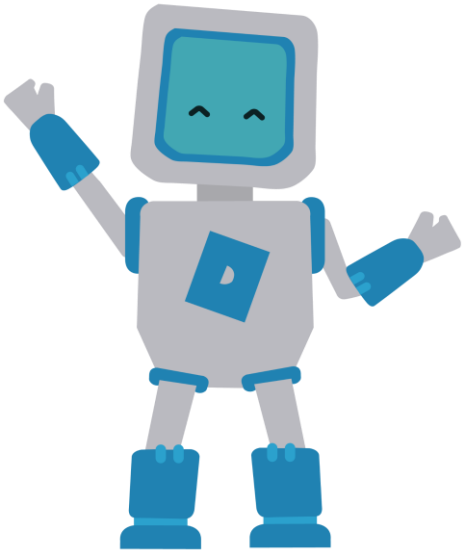

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