Walmart bought Vizio

After announcing plans to acquire Vizio in February, Walmart officially owns the company after the $2.3 billion transaction closed on Tuesday. The retail giant says the acquisition will help bolster its advertising business, as Platform Plus – the TV-maker's advertising and data division – "accounts for all the company's [Vizio's] gross profit."

The deal has raised concerns among privacy advocates, as Vizio has gotten in trouble over advertising and data tracking in the past. In 2017, it paid a $2.2 million fine to settle a Federal Trade Commission lawsuit that accused it of tracking viewers without their consent.

An acquisition by Walmart could help Vizio compete with other budget-friendly TV brands that rely on advertising as a significant source of revenue. Roku, which started selling its own TVs last year, made $908.2 million in advertising sales and subscriptions in the third quarter of 2024, with an average revenue per user of $41.10, while Vizio's last earnings report showed it was making about $37.17 per user.

Despite the acquisition, Walmart and Vizio will continue operating independently "for the foreseeable future." Vizio CEO William Wang will also remain in his position.

"VIZIO has also expertly changed their business over time, like building and quickly scaling a profitable advertising business," Seth Dallaire, the executive vice president and chief growth officer of Walmart US, said in the announcement. "Pairing it with Walmart Connect will be impactful and allow us to invest in our business even further on behalf of our customers."

https://www.theverge.com/2024/12/3/24312508/walmart-vizio-acquisition-complete