

Raving

Raving's Strategic Solutions Magazine



Inside this Issue:

Message from the President..... 2

Promotion Analysis Gaming
and Non-Gaming..... 23-24

Leadership & Innovation .. 3-22, 27

Digital Marketing Essentials — Mark Astone.....3

Can We Actually Help Our Guests “Get Lucky”? — Toby
O'Brien5

A Note to Aspiring General Managers — Deana Scott
.....7

Things Surveillance Can Do to Improve Table Games
Profitability — Derk Boss9

Why You Need to Build an Engagement Strategy for Your
Casino — Deb Hilgeman, Ph.D.11

Understanding Entertainment Contracts — Kell Houston
.....13

Search Engine Effect — Brandon with Comp My Play
.....15

Die, ROI, Die — Nicole Barker.....17

Four Important Things You Can Do for Your PD Team —
Janet Hawk19

Slot Floor Merchandising — Buddy Frank.....21

When the Odds of Winning Are Just Too Miniscule —
Winnie Grand.....27

A Gaming Executive's Guide
to Reading 25

Save the Date..... 26

Janet Hawk, Raving Partner, Player
Development and Marketing

*Bet*Raving Knows.™

MESSAGE FROM THE PRESIDENT

Dear Ravers,

For the past couple of years, I have been one of the vocal leaders who has railed away against the casino industry, who, to its detriment, has been squeezing value from the casino players' gambling experience. Higher holding slot machines; increased ATM fees; "6 to 5" blackjack games; casino/hotel resort fees – these and many others "squeezes" have taken their toll on our casino gamblers, the segment of your business with the greatest operating margins.

I know how and why it has happened. But it's time we started to restore some of that value to our players, at least if we want our casino business to thrive, or in some cases, to SURVIVE.

So I have decided to do something about it. I am creating an arm of Raving (and personally heading it up) called Profitable Value Restoration Consulting. The details are still emerging, but we've already had one client, in a highly competitive market, who had a big issue: a mostly dead casino that was losing money. "How can we attract casino players?" they wanted to know.

Well, from our perspective, you attract casino "gamblers" (yes, let's use the word) by finding intelligent ways to give them value and receive their play in return. This isn't "buying business," it's intelligently EARNING it by strategically leaving players with a value proposition that says they got a "good deal" for their dollars spent at the casino or casino resort.

On our first Profitable Value Restoration project (let's call it, "PVR" for short), I brought in a true "player value" expert, Anthony Curtis, publisher of the Las Vegas Advisor, a publication that details to gamblers from all over the world, how you can get more value in the Las Vegas experience. Curtis has a couple hundred thousand casino players, from all over North America, visit his LVA website monthly.

PVR is still evolving here at Raving, and other components will likely be "Player Value Assessments" (how much value your players get relative to your competitors), "Player Feedback" (inexpensive research with your casino players or potential casino players) that discovers where they feel your casino gives them value (and where it doesn't), and other "value-adding" consulting services.

Look for more info soon about Player Value Restoration at Raving. Your casino players WILL give you a bigger share of their wallets if you can just make them feel a little better about playing with you.

By intelligently and profitably restoring player value.

Sincerely,



Dennis J. Conrad
Believer in Value



Cover model: Janet Hawk's training and coaching style is pure Raving: she makes learning fun while getting down to brass tacks. She provides Raving clients with continued support and training in the practical skills of marketing, promotions, special events, entertainment, hotel, table games and player development. Read her article on page 19 "Four Important Things You Can Do for Your PD Department Right Now."

Digital Marketing Essentials

How to drive your casino customers through the door in 2016

By Mark Astone



So you use all the traditional media to talk to your gamer. You run radio, TV, and send out tons of direct mail. Seems like it's working. But ... are you missing a major channel? If you are not talking to your gamer with all of the digital tools available, you are missing prime opportunities to reach them where they are spending a significant amount of time.

Digital marketing is essential for today's businesses looking to reach their target market in order to build awareness and drive customers through the door. For example, let's look at the Albuquerque market. With adults age 35-64 and household income of \$50K+, 40% are heavy online users, with 44% spending 5+ hours per week online. 66% own a smartphone, 46% own a tablet, and 61% access the Internet via their cell phone.

Maybe you have already added digital to your marketing mix. You run online banners to promote your hotel, restaurants and giveaways. You send e-blasts to your players. You're on social media. Excellent! Digital is a great medium to build awareness about what's going on at your casino and drive traffic to your website to make a hotel reservation. Time to take it to the next level. No other medium can *optimize* like digital.

Here are some tips to help you truly leverage the full capability of the digital universe:

Targeting – Buying media by target market is Marketing 101. But did you know that digital allows you to not only target your messages geographically down to the zip code, but behaviorally as well ... almost to the nth degree.

Let's first start with geo-retargeting. You do it all the time with your traditional media by pushing specific messages to people in your community, local and destination markets. You have midweek hotel offers for locals and weekend packages for those in drive or fly markets. The same applies to digital. But did you know that digital now allows you to target *a specific address*?

Just when we were getting excited about geo-fencing and the ability to serve up your banners within an (X)-mile radius around a desired address ... here comes the next

level, which allows you to tighten the marketing net even more. Now you can serve up gaming, dining and hotel offers to people who have literally been at a specific address ... like say ... the address of your biggest competitor.

These are people who are playing at the casino across town, and you'd like to get a share of their wallet. These potential customers can be served your banners on the websites that they frequent for 30 days after their visit to your competitor. You need to entice them to come your way with a great offer. You can also geo-retarget the addresses of your local movie theaters, amusement parks, horse racing tracks, golf courses ... all the places that your potential customers may roam. Don't forget to include an enticing offer. Players are people too, and they're looking for value.

Now let's talk about how digital allows you to behaviorally target potential customers by using psychographic data. Let's say that you are looking to fill midweek hotel rooms with potential players. You decide to run an \$89 hotel offer with a banner online, and target women age 54+ who live within 100 miles, have been to a casino in the last 6 months, and have a propensity to travel. Sound about right? But wait ... there's more!

Behavioral targeting can look at age, income, online habits, favorite sports teams, hobbies, and more. You name it, and digital may be able to target it.

Pixels and Messaging

Now that you are getting dialed in with how to reach a more exact audience through targeting your digital ads, let's talk about the important roles that pixels and specific messaging strategies play. Placing a tracking pixel on every page of your website and on the landing pages you use for offers allows you to see where the audience goes and what they do once they click on your digital banner. It's important to have a full understanding of how effective your messages and offers really are.

Digital can optimize the results of that \$89 hotel offer campaign by looking at all of the people who responded by clicking on your hotel offer banner. You *learn* about these respondents and their online habits. You find they spend time on Facebook, shopping sites, news sites, and cooking sites. Digital can then reach out to *new people*

who have the same online habits as those who originally clicked on your banner. This new audience is now served up the same \$89 hotel offer. This is done using pixels, and it's a beautiful thing.

Let's say that you have a digital banner promoting an upcoming classic rock show. People click through to buy tickets. Your digital analysis shows that of the 20% of the audience who clicks to buy, only 3% actually convert once they get to the screen that shows the ticket prices. Are ticket prices a bit high for this audience? Perhaps the transaction stopped on the seating chart page, and you learn that this audience does not want nosebleed seats; they'll pay more for a better view. You can customize a retargeting message that will go only to those people who clicked, but did not buy. Your message says that it's going to be a great show and they shouldn't miss it, so here's a deal for BOGO 50% off. Then see how many people respond to this retargeting offer. The more specific and personal the message is, the more likely people are to respond. Then you can analyze the response to this retargeting offer and adjust accordingly. Now you are getting the picture.

If this all seems overwhelming, it's because the possibilities are endless, and you really want to be dialed in before heading down the digital rabbit hole. Start with one clear objective, and lay out options for different levels of offers and messages. Use an org chart format to help organize what you want to say to the audience with every decision they make. Create a clear plan, and include what you plan to measure and expected results. Monitor how things are going on a regular basis. With digital, you can change messages quickly if they're under (or over) performing. Take your digital marketing efforts to the next level. You'll find that it's worth it!



**No Tricks,
Just Talent.**

GAMING & DESTINATION ENTERTAINMENT MARKETING


CATALYST
MARKETING COMPANY

teamcatalyst.com
559.252.2500

Can We Actually Help Our Guests “Get Lucky”?

A different way to think about our casino's marketing strategies

By [Toby O'Brien](#)



After years of customer research, casino marketing folks believe that there are three initial factors considered by players in choosing a casino to visit on any particular day. In order of importance, they are: Location, Luck, Service.

When I've conducted service and sales training for casino employees, I share this information and take them through these questions: Can you control the location of your casino? Answer: No. Can you control your guests' luck? Answer: No. Can you control the service experience that your guests receive? Answer: Yes. So we focus on guest service training and delivery, and hope for the best.

But recently, I read an article in the October 2015 issue of one of my favorite publications, the official, in-flight magazine of Southwest Airlines, *Southwest: The Magazine* (formerly *Spirit Magazine*). The article was entitled, “Best of Luck.” You can read it by [clicking this link](#).

The author, Brad Herzog, explores the idea that we can be responsible for our own good luck; he posits that there are four qualities constituting the difference between “lucky” and “unlucky” people. They are OPPORTUNISM, OPTIMISM, INTUITION and RESILIENCE. Opportunistic (and therefore, luckier) people “recognize chances, and maximize them.” Optimism means “believing you're lucky.” Of intuition, he says, “Lucky people make lucky decisions by being open to hunches and following their instincts.” Resilience may lead to luck if you “relax, stay alert...be grateful, and always look on the bright side of life.”

As leaders in the gaming industry, we are all aware (although I'm not sure that we always keep it top of mind) that we deal with the concept of luck every day. Our most loyal guests are the ones who feel lucky when they visit our properties, whether it's because they actually win the games they're playing, we give them opportunities to feel lucky with special promotions, gifts and other benefits, or because we treat them like royalty. So, I ask you, how much attention do you pay to creating this feeling in your customers? What effort do you make in your business to cause your players to feel lucky? What messages and activities do our customers experience that

maximize their opportunism, optimism, intuition and resilience?

My consulting projects for clients have frequently included building strategic promotional strategies. Here are some examples of marketing tactics that you might employ to help your guests feel lucky:

1. **Opportunism – letting our guests maximize their chances of winning.** In promotions involving the accumulation of players club points to earn entry tickets for a prize drawing, whether offering a few big prizes monthly or many smaller prizes more often (daily/weekly) or both, we currently let our players see how many entries they've earned. But what if frequency of visit added a multiplier to those entries? For every day (or hour) that they visit or continue to play, their entries would multiply. So, if they earn 1x entries on the first day they participate, what if they earned 2x entries on the second day they participate, 3x entries on the third day, etc.? Wouldn't that reward guests for play AND frequency, and give them some control over their luck?
2. **Optimism – believing they're lucky.** This is one of the advantages of daily kiosk promotions, where players can swipe and win something every time they visit. But most casinos stack the deck of prizes in favor of their high end players, leaving their lower (often higher frequency) players with unimpressive rewards. As Raving Partner Nicole Barker espouses, your high end players are taken care of by your host program; why not let your low to mid-worth, high-frequency players benefit from your daily loyalty promotions? After all, besides points, it's really all they have to motivate them to continue sharing their patronage with you. How lucky would one of your regulars feel if they won a night in a suite, dinner at your steakhouse, tickets to an A-rated concert, or an invitation to a VIP party? And what if we offered every guest a 4-leaf clover, a rabbit's tail, or a chance to rub Buddha's belly at our front door?
3. **Intuition – follow hunches, follow instincts.** The most fun and successful promotions are interactive for the players, rather than just giving out cash or free play. Selecting winners and letting them pick their own envelope or pumpkin or balloon highlights THEIR intuition. Letting them play a game where they influence the results or enabling them

to trade up for a chance at larger prizes allows players to exercise their intuition. And what if we rewarded them with an extra pick if they get really lucky with a significant prize? I recently participated in a “LOCK-DOWN” event (a group of people try to escape from a locked room by using their intuitive skills) ... the excitement in achieving the goal was enough to want to do it again.

4. **Resilience – always look on the positive side.** Didn't win a jackpot? Didn't win a prize? This is the best reason to leverage threshold (earn and get) promotions. Setting reasonable earning levels for all of your customers means that anyone who wants something can go home with a gift. Nothing feels luckier than taking something home after losing at gaming; guests carrying around promotional items make your entire property feel lucky.

What can we do in all of our marketing efforts to better create the feeling of “Getting Lucky”? In our advertising, our newsletters, our direct mail offers, our in-house events, our service? I'd be willing to bet that if we could make our players feel luckier, they'd also be more loyal!

Get More at Raving Online

We've got an enormous library online, on just about every topic that marketers and operators face in their day-to-day business. Even we forget the depth of information our team has gathered since 1998!

Drop by www.ravingconsulting.com to find out about:



Get your frontline employees excited about your casino promotions



Five bad excuses for not doing your marketing research



Squirrel! Is your social media content grabbing attention?

Looking for something in particular? Articles on host development, free play, service challenges, surveillance, players clubs? Just email Amy Hergenrother, amy@ravingconsulting.com, and she'll find it!

A Note to Aspiring General Managers

How to groom your team for today's success while strategically planning to build long-term opportunities

By [Deana Scott](#)



I recently attended an event that brought together General Managers from throughout Indian gaming. As a relatively new General Manager, I was excited and anxious to attend, wondering what I might discover that would help me become a more effective leader. The group was an impressive crowd of tenured industry leaders. It was inspiring to

realize that even after decades in the industry, these leaders maintained passion and commitment toward their team and the Tribe they serve. Since beginning my career in gaming twenty years ago, I knew that I wanted to become the General Manager of a property. I hate to admit it, and I am sure my former GMs will agree, but I was a great armchair quarterback. I was the pesky marketing person asking why or offering unsolicited advice outside of my scope. Luckily for me, each of them had patience and a sense of humor in spite of their differing management styles.

As I looked around the room, I reflected on my journey to General Manager and what I had learned from my former General Managers that I carry with me today:

Chuck Leonard – My first casino manager's meeting was held in a pizza parlor while drinking wine and playing poker. I knew that this was the beginning of a great adventure! Chuck was a gambler and always reminded me that we are in the gambling business first. Our players come expecting to lose, but hoping to win, so we must make sure that they have a good time. You need to know the players, walk the floor, and be willing to place a bet. He grew up in the industry, and made it clear that this is a 24/7 business and we must be available for our guests and team at any time.

Marc Dryden – Like clockwork, Marc would bound up the stairs with a cup of coffee in hand, ready to greet the day. He was high energy, to say the least. This was in the late 90's when revenue increases appeared to have no limit. Coming from the media industry myself, I always appreciated Marc's understanding of public relations and community involvement. It wasn't just something that you did to drive business; it was the right thing to do. He encouraged us to create partnerships, and gave his

personal time to participate in the community. Additionally, during one of my rants about all of the items that needed to get completed, he offered me advice that I still use today. I am not sure that it was meant as a compassionate bit of advice, but more of a command. "You need to find balance!" Nearly twenty years later, I find that this is one of my regular pieces of advice to friends, team members and myself. Find balance!

Larry Close – I was on the interview panel for our new General Manager when I met him. He had a resume a mile long and was hoping to make our property his last stop before retirement. As a new property, we needed some experience on our team. Being in marketing, I always had crazy ideas about what we could do to the GM. Early in his tenure, I remember he once told me that we would never catch him in a costume at the casino. Maybe I took this as a challenge, but by the end of his tenure he wore a fish costume, starred with me in a Veterans Tribute show (this was a bit awkward), and finally appeared on stage in front of 300 employees as Elton John singing "Crocodile Rock," platform shoes and all. I always appreciated his willingness to try new ways of doing business, and he would support you, win or lose. In fact, Larry will be known to me as a pioneer in transitioning the industry. He embraced technology, going so far as to open one of the first iPad gaming lounges in the industry. Although today this room was not the success that some had hoped – time will tell. All concepts have a beginning, and it's important to have those leaders who are willing to innovate and keep trying to find ways to improve our industry.

Michael Peters – I actually met Michael at a NIGA event through a mutual friend who said, "You will really like this guy." And she was right. Later, when I realized that we would be working together to open a property, I was eager to get started. I quickly learned that Michael wasn't only a great GM, but a great Tribal Leader. As a member of the Squaxin Tribe, he is passionate about protecting sovereign rights and maintaining a separation of responsibilities between government and enterprise. He consistently challenged Tribal Council to examine the process and reasoning behind decisions. As you can imagine, this doesn't always make you popular with your bosses. But it was his intentions and true commitment to the sovereign rights of all Tribes that I appreciate to this day. His passion to do what he feels is right for the long-term success of the Tribe and business, combined with

his loyalty to his team, continues to inspire me. True leaders make unpopular decisions, which at times are at their own expense. Ultimately, Michael's departure became my opportunity. It is still bittersweet, but I will always be grateful for his leadership and giving me the opportunity to become GM.

The General Manager must groom today's team for success while strategically planning to build long-term opportunity for the organization for generations to come. This task cannot be accomplished alone.

So, to all the aspiring General Managers:

1. Be the best second-in-command that you can be. You can be involved in decisions and improve your management skills, but avoid the stress and responsibility of making the final call. Now that I sit in the "hot seat," I have a much greater appreciation for the pressure and responsibility.
2. Perform the tasks without expectation of reward or recognition. Your reward will be the opportunities that come down the road in terms of experience.
3. Bring the problem and the solution. Your General Manager is juggling multiple issues, so they will appreciate someone who is willing to step forward to

identify and then solve issues that improve the overall organization.

4. Find ways to work in all aspects of the facility. This will help you to have more compassion for your team and direct experience to help solve problems.
5. Thank your GM for all the behind the scenes negotiating and reporting that goes on outside of running the daily operation. It is this work that removes the hurdles for the operation to run effectively, yet it is rarely recognized by staff.

So thank you to all the General Managers who I had the privilege of working with over the years and those I met at the exchange in San Diego. And to the aspiring GMs, remember that having the job is a great privilege, and one that comes with great responsibility. Future generations are counting on you.

Deana Scott, our newest Raving Partner, is a twenty-year industry veteran who offers assistance in operations, strategic planning, marketing, leadership development & coaching. Contact Amy Hergenrother today at 775-329-7864, or amy@ravingconsulting.com, for more information.

Got the feeling you are doing casino promotions just because it is expected?

Want to create a 12-16 month promotional calendar that will:

- Drive weekday incremental revenue?
- Bring new players into your property?
- Increase carded play?
- Produce more cost effective promotions that make more money?

We have the team to help you pull the right data, target the right people, design the promotions and make a huge difference to your bottom line.

Contact Amy Hergenrother today at

EMAIL: amy@ravingconsulting.com

PHONE: 775-329-7864

Bet Raving Knows.™

Raving Consulting | 475 Hill Street, Suite G | Reno, NV 89501 | ravingconsulting.com

Tel: 775-329-7864 | Fax: 775-329-4947 | Email: ravingknows@ravingconsulting.com

Things Surveillance Can Do to Improve Table Games Profitability

How to increase decisions per hour and reduce the number of mistakes that make such a dent in your profitability

By Derk Boss



While the surveillance department's main goal in its support of Table Games is to detect cheats and advantage players, as well as employee theft and fraud, there are other things that Surveillance can do to add profitability. As in any other department or business, there are inefficiencies and waste that once identified and corrected can aid in increasing performance and profitability.

Surveillance is especially suited to assist Table Games in this manner because they are already looking at your games and personnel in detail, and are usually aware of a lot of the information that you want to know. *It really is just a question of asking for it.*

Let me give you a couple of examples. Getting the hands out, the dice rolling, and the ball spinning is key to generating handle. Are you getting the hands out where you expect them to be? I would suggest probably not. Most pits are not as efficient as we'd like them to be. I can tell you from personal experience that a lot of dealers are way below average in their game speed. Another area where dealers tend to slow down is during the shuffle. If you're still hand shuffling, you should be using a ninety-second shuffle, but some dealers can stretch that shuffle to over three minutes! Not your problem, because you have auto shufflers. Think again, a lot of dealers still tend to slow down just exchanging one stack for another. That's costing you hands per hour and affects your handle.

Don't know what your overall decisions per hour are right now, but you would like to? Get with your surveillance department and ask them to do a study for you. They may even do it already. Knowing who and what is slowing you down and fixing it will increase your handle.

Policies and procedures are not only for game protection, they're also for efficiency and to prevent mistakes. A dealer not following policy and procedure makes the game vulnerable to attack, slows it down, and makes more mistakes resulting in the backing up of cards, and the paying of pushes and losing bets. I don't have to tell you how long it takes to get back a bet that's been paid improperly.

Working in concert with your surveillance department to identify bad dealers and reoccurring mistakes pays off in increased decisions per hour, and reduces the number of mistakes that make such a dent in your profitability.

Most pits and surveillance departments focus on higher action play and players. While this is important to do, we can't forget all of the other games and players. Those games, dealers and players suffer from the same issues as the high action games, albeit on a smaller scale, and there are more of them. There can be the same cheaters, advantage players, and slow, inefficient, mistake-prone dealers on the grind games as there are on the big tables. Why not? They don't get as much attention and can blend in. What's with getting \$1,000 per day? By the way, in my experience, the grind games are where dealers "dump the game" and work other scams. Again, less attention paid to them.

Surveillance can drop their observation and evaluation of players to lower levels. In a lot of cases, we may only get involved at a wager level of \$500 or more, or a player win

**Crime is occurring
every day on every shift
in every department
in your casino.**

Not at *your* casino?

If your casino surveillance teams are reporting more procedural violations, like gum chewing or hawking the dice; guaranteed that you're not looking in the right place.

Contact Amy Hergenrother at 775-329-7864 or amy@ravingconsulting.com for a free 30-minute consultation with Raving Partner Derk Boss.

Raving Consulting

Bet *Raving* Knows.™

of \$10,000 or more. What if Surveillance looked at players wagering \$100 or more, or wins of \$2,500 or more? What could we find and put a stop to?

By the way, what if Surveillance did the same thing in the Slot Department? If Surveillance checked wins and redemptions at certain levels (or lower levels), what might we find? I think it's worth looking at.

It is my strong belief that when Table Games and Surveillance work together to identify and solve all the problems affecting profitability, not just game protection and going after the bad guys, the profitability of the table games operation increases. Remember, if we get just one more

hand per hour per game, that will justify our efforts. Think about it: we buy equipment and systems costing thousands of dollars to increase our hands per hour by the same margin. If we can do it with the personnel and resources we already have at our disposal and not spend a dime, then that's just a smart thing to do.

Follow the money!

Contributors

Mark Astone — Raving Partner, Branding, Advertising and Media Services, is the Owner and CEO of Catalyst Marketing Company. He has spent many years studying and working within the casino industry and understands what it takes to drive gamers to increase a casino's bottom line.

Nicole Barker — In partnership with Raving Consulting Company, she works with casinos across the country to harvest potential from patron databases in order to fine-tune the segmentation, messaging, and programming of multimedia and multi-channel campaigns.

Derk Boss — Raving Partner, Security and Surveillance, has served as a senior casino executive in surveillance, security, loss prevention and compliance for over thirty years with major gaming companies. The surveillance teams trained and led by Derk have a proven track record of continued success in the detection of cheating at gaming, advantage play, and internal and external theft and fraud.

Comp My Play — The Comp My Play executive team consists of Brandon, Dammon, Stephanie, and Steve, with over 25 years of

professional experience in gaming, mobile and social marketing, banking and unique national branding. As a Raving Partner, Comp My Play offers our clients expertise in mobile marketing as well as a user-friendly and impactful tool for every casino marketer's toolkit.

Dennis Conrad — President and Chief Strategist of Raving, Dennis has over 40 years of casino experience, including keno writer, bartender, dealer, floorperson, gaming instructor, special events manager, casino marketing director, gaming institute director, and corporate vice president of employee training and development.

Buddy Frank — Raving Partner, Buddy Frank has over 30 years of senior management experience in both slot ops and casino marketing. Buddy assists Raving clients with slot analysis, machine performance, mix and layout, and marketing dedicated to the slot floor.

Winnie Grand — Winnie has studied the casino industry since the early 60s. With a Masters Degree in Psychology, she has been interested in the psychological aspects of gaming,

along with the growth and development of the industry. She and her husband, a retired physician, travel to casino destinations for much of the year. She has written for Strictly Slots magazine and is an active participant in the gambling scene.

Janet Hawk — Raving Partner, Player Development and Marketing, Janet Hawk, provides Raving clients with continued support and training in the practical skills of marketing, promotions, special events, entertainment, hotel, table games and player development.

Deb Hilgeman, Ph.D. — An experienced casino marketing executive & consultant, Deb was founding GM of Mississippi Gaming News until Hurricane Katrina devastated the state's casino industry in 2005. Deb developed and taught the first casino marketing course at Tulane University. She has an M.S. degree in International Relations and has currently completed her Ph.D.

Kell Houston — Raving has worked with Kell since 2001, and throughout the years, we have not only valued his friendship, but his integrity. That combined with his gaming savvy approach to utilizing

entertainment as a tool to drive folks to the casino floor, makes him a perfect fit for Raving clients. Kell is the Owner/President of Houston Productions, with offices in Las Vegas, Minneapolis, Seattle & Vancouver, BC. Houston Productions is a proven industry leader in casino entertainment buying and consulting.

Toby O'Brien — Raving Partner, Marketing, and President of Toby Talks Marketing. After 21 years in the gaming business, Toby O'Brien has launched her own company, Toby Talks Marketing. As a Raving Partner, reprising her nearly 12-year role as a Raving consultant, she will be assisting casinos in building strategies that engage employees, attract guests, and grow business.

Deana Scott — Deana Scott has 20 years of casino resort executive management experience. As a Raving Partner, she helps clients with senior level strategic training and coaching, including strategic planning & operational improvement, event & promotion planning, and analysis.

Why You Need to Build an Engagement Strategy for Your Casino

Only if you want to increase customer loyalty, employee performance, and profitability

By [Deb Hilgeman, Ph.D.](#)



In the last few years, a relatively new branch of research known as employee engagement surveys has exploded in popularity. Employee engagement is an emotional commitment to your employer, and it involves loyalty, commitment, satisfaction, advocacy and going the extra mile. Using a series of specific survey questions, all employees are classified as Engaged, Passive or Disengaged.

“Research Has Clearly and Consistently Proved the Direct Link Between Employee Engagement, Customer Satisfaction and Revenue Growth.” ~ *Harvard Business Review*, 2000

Disengaged workers are more likely to look for other opportunities, or worse, drag down the productivity of the rest of your team. Unfortunately, every casino has Disengaged employees who don't know what promotions are going on because they don't care, frontline staff who provide minimal customer service because they're only there for the paycheck, and employees who are so unhappy at work that it affects everyone around them.

Full-time employees spend a large part of their day and the majority of their lives in the workplace, and how they feel about their work is important to them. In a recent Gallup survey, 63% of American workers are not engaged in their work, so companies are eager to find ways to measure engagement levels and identify ways to improve employee performance.

By increasing employees' willingness and capability to provide truly first-class service, you can differentiate your casino and gain an edge in the market. Employee engagement surveys measure just how your workforce ranks on the engagement scale, and what factors are driving those feelings. That way, targeted actions can be taken to improve organizational performance by increasing employee engagement.

ENGAGEMENT LEADS TO PROFIT

Why has employee engagement become so important to companies today? Here are some compelling findings from recent studies:

Companies with low engagement scores earn an operating income **32.7 percent lower** than companies with more engaged employees.

Similarly, companies with a highly engaged workforce experience a **19.2 percent growth** in operating income over a 12-month period.

Engaged companies grow profits as much as **3 times faster** than their competitors.

Highly engaged employees are **87 percent less likely** to leave the organization.

Companies with highly engaged employees have **2 times higher customer loyalty**.

DIFFERENCE BETWEEN SATISFACTION AND ENGAGEMENT

Employee engagement is much more than satisfaction, which only indicates how happy or content your employees are. It does not address their level of motivation, involvement, or emotional commitment. For some employees, being satisfied means collecting a paycheck while doing as little work as possible.

Measuring employee satisfaction and making changes to increase satisfaction will not necessarily lead to increased performance. In fact, the conditions that make many employees “satisfied” with their jobs may even frustrate high-performing employees. Top performers want to be challenged and to challenge the status quo. They embrace change, seek out ways to improve, and want all

Employee Engagement Segment Definitions



employees to be held accountable for delivering results. By contrast, low-performing employees often cling to the status quo, resist change, and avoid accountability whenever possible.

MEASURING ENGAGEMENT

So, how do you get started on an employee engagement survey? While there are easy, low-cost resources to conduct in-house surveys (Raving even has a two-day training program to teach your staff how to do this), an employee survey is best handled by an outside researcher. The reason for this is that employees feel more secure that their anonymity is protected, and they'll answer as honestly and openly as possible.

The employee engagement survey is usually spearheaded by HR, but buy-in needs to come from all departments. The survey questionnaire has specific sections to measure engagement, but you will work with the researcher to customize the survey questions for your property so that all input is considered.

The easiest way to collect data is by conducting the survey online. It can be completed on a desktop, laptop, tablet or smartphone. Most casinos provide an area where employees who may lack Internet access off-site have access to a computer at work where they can complete the survey privately. This can be as simple as a laptop in your employee dining room, with posted instructions or HR staff members there during certain hours to answer questions and help employees complete the survey.

Most companies across industries conduct employee engagement surveys every year or every two years. It depends on how many survey-driven changes you make, and how long you need to monitor the impact of those changes. If your company has high levels of disengaged employees and you commit to improvement actions, then you would definitely want to be on an annual schedule in order to monitor progress.

AFTER THE SURVEY

The guiding principle of employee surveys is that you should not conduct them if you are not going to act on the data. You'll end up damaging relationships with employees if you raise their hopes and expectations that management is seeking their input and will use it to make the organization better, then nothing happens.

Although moving from survey results to action is the most important part of the survey process, it's also the part where many organizations drop the ball. The ideal situation is for general survey results to be shared company-wide. Directors, managers and supervisors of each department should also meet with their teams to discuss specific results from their area, identify the top two or three areas that most require improvement, then create action plans that will be implemented and reviewed regularly.

WANT MORE INFO?

This article is just the beginning of an area of research that can have a major impact on your bottom line. For more information about how to bring employee engagement surveys to your property, contact Amy Hergenrother, Raving's VP of Sales, at 775-329-7864 or amy@ravingconsulting.com.



What is your mantra? It's more than just a slogan. It's who you are. At MantraHouse, we use our experience as a full-service production company to the tribal gaming and resort industry to add emotion to your brand in a clear and memorable way. Whether it is through TV and radio spots, web videos or digital displays, MantraHouse can create content from concept to completion.

Turn your mantra into a rallying cry.

M MANTRAHOUSE

TV RADIO WEB VIDEOS DIGITAL DISPLAYS

www.mantrahouse.com

Understanding Entertainment Contracts

Too many casinos are getting into legal binds

By Kell Houston



Those artist contracts with all the legalese and contract riders with pages and pages of specifications and requests are very difficult to pick through, plus they have a tendency to really drive you nuts. All that information is very important for you to understand because you have entered into a legally binding relationship. However, the process

can be convoluted. Let's take a quick look at what you have entered into, by starting at square one.

First of all, once you have decided on a certain artist for your casino concert, the first step is the actual offer to the artist. In most cases the artist's concert rider is available to review before you actually submit the offer. This is an important point. Reviewing this rider before you make the official offer can let you know about all the hidden costs, requirements, etc. This is a point where you can say no and avoid a problematic event. It is also a point where you can preliminarily discuss what you can and cannot provide for this artist. Believe me, "no" is the second best answer. Dealing with these issues after you have signed the contract is not a position that you want to put yourself in.

If you are a casino that uses an outside talent buyer, the offer process starts with giving your talent buyer the written authority to act on your behalf to submit the offer. Keep in mind that the authorization is like a contract. You are agreeing to the terms on that document. Then the actual offer that is submitted to the artist's agency needs to contain all the major points about your concert.

OFFER SHEET:

- State the date
- The venue – to include the actual name and physical address
- The performance time, the door time
- The ticket scaling, pricing and capacity
- The amount of money you are offering, to include any additional costs (if needed), like the backline buyout or some production buyout
- The authorized signer of the contract
- The venue/buyer contact information, to include names, phone numbers and email
- Your production contact person, to include names, phone numbers and email
- You should include a radius clause, to protect your exclusivity in your region
- Also make sure that you have included an expiration date for your offer

This offer will be reviewed by the agency, and then submitted to the artist's management for review and approval. Depending on many intangible things, it will be accepted, rejected, or they will come back asking for more money or some other additional need not previously discussed. For example – the hospitality requirements could be a deal breaker. Anyone remember the story about the Green M&M's? The hospitality rider for this "rock" act wanted only green M&M's. This was a time when M&M's were mixed, so they were asking the buyers to separate out only the green ones. The reality of this request was that they were seeing if anyone was actually reading the rider. The point being made here is that once that offer is submitted, you have entered into a legally binding agreement with that agency/artist, if they accept your offer, so be due diligent. If you use an outside talent buyer, the same holds true for you. So you must understand this fact going into this process. For all intents and purposes, this is a high stakes game. There is a lot of money on the table

Many times the original offer will be countered. There could be a date change, a request for more money, accommodations could change, production requirements could become different because the artist is now carrying much of their own gear, etc. Many times an offer is made many months out in the calendar year, so things can and do change. This is especially true with a current artist who has rising star power, awards, and radio/TV exposure. That \$30K offer could easily double or triple after an awards show or a hit on the radio. As you can see, the initial offer is typically the starting point for negotiations. Always remember that the artist and their management determine the price, and it's based on routing, availability and "supply and demand." Therefore the 300% variable price range.

Once you have confirmed the date and the price for the artist, a contract with a contract rider will be forwarded for your signature. The artist contract is always one-sided, and the rider can be very demanding. Here's another reminder – the delivery of this contract confirms your binding and legal agreement to the terms of your offer. It is now a hard copy, and your work is just now beginning. Every word, term and sentence has to be reviewed in the actual contract to make sure that all the points are correct per your offer.

Most contracts are very straightforward and, if you deal with a lot of them, they are fairly simple to navigate. The challenging part will be the contract rider, which accompanies the contract. This is the multi-page document we discussed previewing prior to making your offer. This document contains basic information about what is needed and what is required by the group. It includes details ranging from advertising and marketing information to food and beverage requests. It also includes all the technical/production needs and specifications. This entire document is another point of negotiation. An artist has to have an overall contract rider that can be applied to all venues and dates. There is a lot of information that is not applicable for your date in this document/rider. Hint: "Green M&M's."

So your first step is to go through that rider page by page and cross off everything that will not, and does not, apply to you. This can include everything from supplying airfares to exotic food requests. The production part of the rider needs to be given to your production team because they speak the language, and they should also know what your venue can and cannot do or provide. For example, the rider may call for a stage size much different than what your venue has or can provide. Or the artist will ask for some specific production gear that cannot be provided without cost overruns, or it may not be available in your region. Once you have covered all the information in the rider and noted your changes, the signed contract and signed off rider (with your noted changes/amendments) are sent back to the agency/artist for their counter signature.

Once the contract and rider have been sent back to the agency, you have to be very diligent in keeping track of getting the contract signed off and returned to you. This is a point where many managers will sit on a contract. You can help move this process along by informing them in the offer, and again when you send the contract back, that you

cannot issue a deposit for the performance date until the contract is fully executed. I swear to God, be persistent. I can't tell you how many contracts don't get returned until all hell breaks loose. Holding the deposit until you receive a fully executed contract is your best bet.

All artist contracts and riders are one-sided, like I stated before. You need to create a little balance in the relationship by creating your own casino addendum/rider, so you can send back your own requirements and specifications. The information in your addendum should contain such specific points as:

- Your alcohol policy
- Dressing rooms provided
- General hospitality you provide
- What your meal comp policy and amounts are
- Hotel information and contact info
- Stage dimensions, loading information and power available
- Your production, venue and buyer contact information
- Any sovereignty policy
- And any additional information you want the artist to know about doing business with your casino/tribe that needs to be communicated

This information will help clarify and simplify this process. Communication is very important, and the more that both sides fully understand each other and the relationship, the better.

I touched on some of this information back in a 2015 article, "[The Smart Casino Concert Planner](#)." I cannot emphasize enough the importance of the details and the preparation you need to go through in order to put on a concert. However, once you have been through this a few times, you will start to get the hang of how this all works.

The next step is marketing, advertising, and selling tickets. I will leave that for another time. If you have done your work during the early stages of this process, you should not run into any major surprises or conflicts, unless it's a Murphy's Law kind of deal. At that point I recommend finding the bar.

Search Engine Effect

How this purchasing behavior is transferrable to the casino industry

By Brandon with Comp My Play

In this competitive, technology-driven world, knowing the best way to reach customers can make or break a business. Consumers now have the tools to compare the best deals, offers and incentives at their fingertips with their mobile devices. Mobile devices house the tools that consumers use to make purchasing decisions. Consumers have the luxury of using these tools to compare competitive prices and rates anywhere at any time.

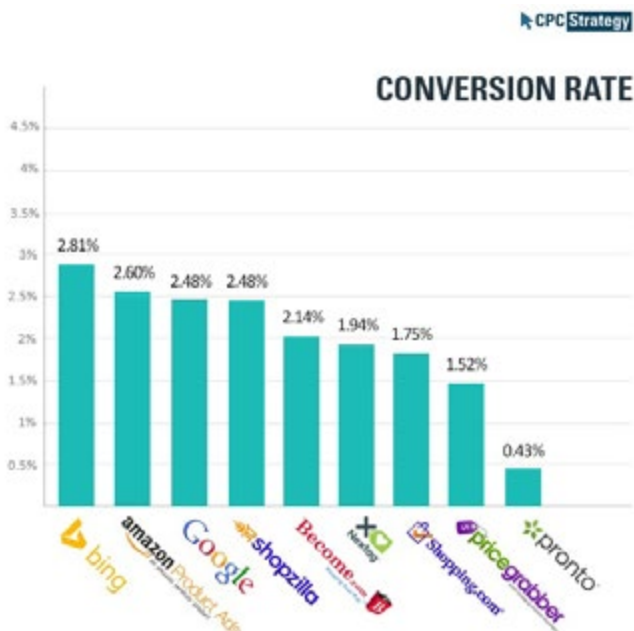
One of the biggest tools that consumers use to make decisions is search engines. 89 percent of consumers turn to Google, Bing or another search engine to find information on products, services or businesses prior to making purchases (Source: [Braffton](#)). Consumers are more likely to use search engines to find competitive rates and discounts before the actual act of purchasing.

Search engines are the #1 online activity for leisure travelers (Source: [Kenshoo](#)). This is the number one starting point for consumers who are planning trips and making reservations. When booking airfare, consumers are more likely to use "Search Engine Travel" sites, such as Expedia and Orbitz, to compare flight costs than going to major airlines to find flights. Consumers don't have the time to go to 6 major airline websites and wade through pages of useless flight listings. They want flight-specific and the cheapest airfare to be accessible to them on one screen, and preferably on their phone while they are on the way to the supermarket. At some point, the consumer may go back to the major airline to book the flight, but their initial research into looking for competitive flights usually always

comes from another source.

Comparison Shopping Engine (CSE) sites also know the value of collecting information on a single results page in response to a consumer's query. More than 5 billion searches happen on Google every year. Many of those retail-specific searches happen through Google Shopping, a cost-per-click program. Google Shopping is the top performer as the highest traffic and conversion rate-shopping site for merchants online – consistently generating more clicks and sales for retailers. Amazon and eBay know how successful these shop search engines perform, and they have created their own versions to compete with Google. Below is a list of some of the traffic rates for the Best CSEs ([Source](#)).

This purchasing behavior is transferrable to the casino industry. Casino enthusiasts are more likely to use search engines to find competitive rates and discounts than going to actual casino websites and apps. Casino apps and websites typically don't have the specific information that consumers are looking for on their homepage. Casino customers are looking for the most competitive deals, offers and incentives. These potential customers have to



Your customers have over **1,500** casinos to choose from



COMP my PLAY
Targeted marketing in the palm of your hand

Get customers into your casino using Comp My Play's consumer casino-search platform and geo-location technologies



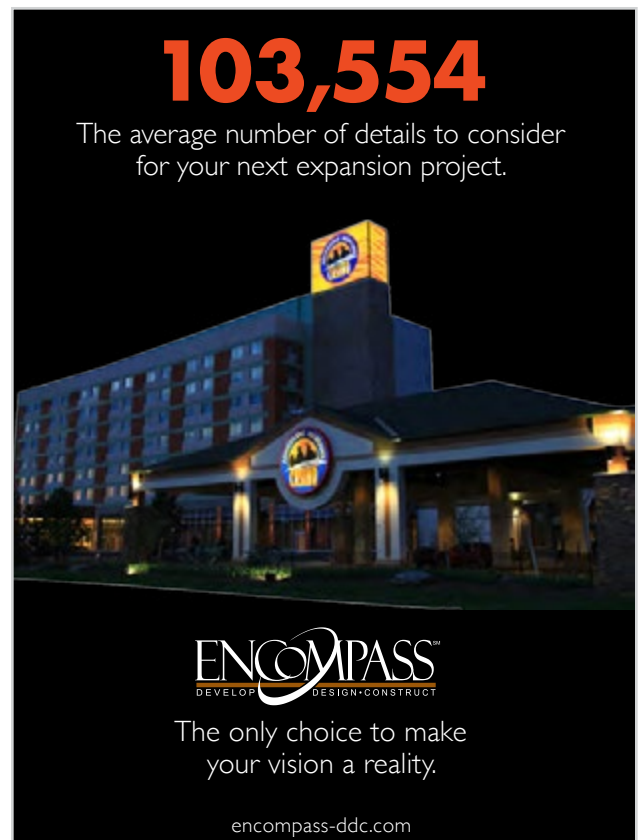
for a free demo
www.compmyplay.com • partner@compmyplay.com • 1-888-727-5444

search through pages to get specific rates, and that usually leads to abandoned pages and loss in sales. A casino search engine app and website would be more efficient and effective by having all of this pertinent information available on one page. This search engine would receive more traffic from specific queries that would then drive consumers to the appropriate casino based on their search. Consumers demand ease and convenience with quick results.

Another interesting point to consider is a consumer's mobile device space. A consumer's mobile device is a very important personal asset. Consumers are not likely going to load their device with 15 casino apps, but it would be more useful and convenient to have one single casino "search engine" app that would find value deals, offers and incentives all in one place. This "search engine" app would allow a consumer to search for specific customized casino incentives right on their mobile device. Now last-minute planning can be less stressful and actually "doable," with

search engines doing all the work for you.

Customers are more informed than they used to be. Their mobile devices are a powerful source of information that is practical in making planned and impulsive purchasing decisions. In order to increase traffic and make the most efficient use of marketing money, businesses need to participate and make sure that their product and brand are available in "Search Engine" listings.



103,554

The average number of details to consider
for your next expansion project.

ENCOMPASS
DEVELOP DESIGN • CONSTRUCT

The only choice to make
your vision a reality.

encompass-ddc.com

Die, ROI, Die

Let ROI drive the bus and you will see your customers defect in droves

By Nicole Barker



This isn't the first time that I have called for the end of a marketing mainstay.

Last year, I heralded the end to [Tiered Club programs](#). Or rather, I begged for loyalty marketers to toss their cards up in the air and pay more attention to the first tiered

card and not the top.

Now it is time to disengage from a percentage: a percentage that has been abused, misused, and confused. Return on Investment (ROI) divides returns minus expenses by expenses. It is intended to gauge whether the activity that you are reviewing drives enough revenue to merit doing again.

1. ROI is used as a stick to bludgeon the marketing department.

Left unchecked, the assumption is that the marketing department will spend and spend and spend until the customers lie in a gluttonous heap on the casino floor. It's a messenger between the C-suite and marketing. It's time to kill the messenger.

2. No one agrees on how to calculate the darn thing.

I've never seen ROI calculated the same way twice. Do you include sunk costs, or don't you? Do you multiply by 100% at the end, or not? Do you include all the marketing or property expenses for all efforts made during the day of the visit, or don't you? What gains do you attribute to the marketing activity, and what would happen without the added investment? Consistency is paramount. Otherwise, the result can be manipulated beyond recognition.

3. Comparing a Granny Smith to a Golden Delicious is better than analyzing an entire fruit salad.

ROI is not a stand-alone metric. Though it is comforting for a numbers-oriented organization to lean on a percentage in order to evaluate success, it is only useful when it is evaluated as a part of a greater picture.

ROI is a comparative metric. Comparisons require the existence of two like events. ROI helps an organization weigh one activity versus another. The challenge is that we don't operate in a vacuum. There are so many external factors that play a role in results, you can make yourself dizzy by chasing your tail in search of the perfect combination of influences. Are you comparing a similar time period? What were competitors doing at the same time? What layered costs were incurred to buoy or sink results? Oftentimes, external factors need to be noted as qualifiers alongside the presentation of an ROI. The risk of having a laundry list of qualifiers for every event is that we choose to take full responsibility for impressive ROIs, and make excuses pointing to external factors for poor ones.

4. "Hit this ROI by the end of the quarter, or to the gallows with subsequent reinvestment."

I have seen ROI used as a method of marketing triage. Programs that do not surpass a target ROI are set aside in lieu of short-term gain. What ROI fails to convey is the purpose of the marketing activity.

Retention activities tend to have higher ROIs. The customers know the product. They like the product. They will absorb the reinvestment. They will perform accordingly. We can throw reinvestment in this direction forever, but we may not see behavioral change. The numbers look good, but could reinvestment do just as well elsewhere? Could we back off of Free Play and other couponing activities with this group, and aim towards more community building and experiential endeavors? Would that have stronger gains in the longevity with the customer, rather than winning the day by having bought the business? ROI may not recognize a longer period of time and the ripple effects of more qualitative forms of reinvestment.

Acquisition and Reactivation activities tend to have lower ROIs. These customers either don't know us yet or have moved along. It takes a longer period of time and perhaps more expense to usher these customers to their optimum spend and frequency. A low ROI for an activity with strategic import should not be a death knell for ongoing reinvestment.

Growth strategies have ROI results all over the map. Do you need to put a package together for a customer who has not demonstrated high spend, but has the characteristics of a top player? Do you need to give away sports tickets to someone with a high Tiered Card who has demonstrated high cumulative spend? The time period chosen for analysis plays an influential role in determining whether the ROI will look promising or not. A customer may not spend according to expectation on the night of an event, but she may show an upswing in spend over the next month. An ROI for the day may look poor, whereas the ROI for the next three months may reflect a positive halo effect from the initial reinvestment.


5. ROI is not a strategic target.

Numbers-driven strategy feels like manipulation in the heart and mind of the customer. If you set a target ROI and then shuffle the marketing reinvestment components so that all results fall in line with

expectations, you will miss every mark you set. Numbers help to prioritize. Numbers help to evaluate. Numbers do not connect with the customer.

Walk the walk of a multitude of customer types. Evaluate the amount of time and spend it takes for the customer to feel the benefits of loyalty. Then check yourself. Do the layered costs make sense? Do the promotional activities garner acceptable ROIs? Does one type of promotion or activity promote greater ROIs versus other opportunities?

The job of the marketer is to travel between the customer experience, product development and deployment, and the C-Suite in order to synchronize all influencers and outputs. Let ROI drive the bus and you will see your customers defect in droves. In such cases, you are not in the relationship building business towards sustainable revenue; you are in a transactional business that has an expiration date that no business wants to stomach.



KALEIDOSCOPE

The Ultimate Player Portal and App!

A web based, player portal communication solution from player to casino and casino to player. Accessible from the player's device of choice, with a mobile app. Proven ROI!

www.focusonyourplayers.com 1.888.769.3342

Four Important Things You Can Do for Your PD Team

Coaching and management techniques for your high production teams

By [Janet Hawk](#)



Let's be honest. Leading a player development team is hard work! As a former Executive Host, I admit, we are high maintenance. We spend our days juggling the needs and wants of our guests, while trying to appease management. And to be even more honest, hosts and leadership struggle with communicating clearly. Endless multitasking, miscommunications,

assumptions, and unrealistic expectations lead to a very stress-filled environment. When your staff is stressed, they can't help but pass that energy off to your guests. So, what can a leader do to help?

Communicate

Communicate with your team often! This is the one thing that I hear from not just the PD team, but from every employee. Your employees spend a considerable amount of time at work. It isn't unheard of for your host team to average 50 or more hours a week at work. One of the most important tools that your team needs is communication. A leader needs to look at the 5 W's when communicating with their team:

Who? What? Why? When? Where? And you can throw in an H for added measure...How?

Your team wants to know why they are doing what they are doing, and keeping them in the dark causes frustration, confusion and assumptions (usually the wrong ones!). Including them in the process helps them to grow. The more your team grows, the stronger it is!

An interesting comment that I overheard from a participant during one of the workshops at [Raving's Indian Gaming National Marketing Conference](#) actually emphasized this point and inspired this article. We had an exercise that required us to determine, using a fictitious database, who would receive a certain DM piece. It required us to use manual methods to determine our proforma criteria. Most in the group had only done this process using a preset spreadsheet

that did the math for them. By doing it manually, it helped them to see the whole picture. When we finished, I heard "so, THAT'S why we do this! I understand where my boss is coming from now!" It really is amazing what happens when you involve your team in some of the day-to-day things you are dealing with and why some decisions are made. It opens up the lines of communication, and may very well lead to some inspiring dialog.

Listen

We all can do better with this, right? So many times we are quiet, but *we aren't listening at all*. We are thinking about how to respond, and we actually miss HEARING what is being said. Welcome feedback! Not only from your team, but from your guests! With your hosts being the liaison between the guest and the casino, who better to listen to in order to find out what your guests like or don't like? What promotion worked or didn't? Granted, there are times when the guest may not understand the operational aspects of gaming, or maybe they just like to complain. But that is why it is important to communicate with your team. Make sure that your office (and your team's offices) is considered a safe place where ideas can be expressed and constructively criticized. To quote the Dalai Lama, when you talk, you are only repeating what you already know. But if you listen, you may learn something new!

Organize and Motivate

Not everyone is a master of organization or self-motivation. Take the time to get to know each member of your team. What motivates them? Which ways do they learn? What are their weaknesses, how can you assist in overcoming them? What about the shift differentials? Your day shift team members may not be as busy on the floor, whereas your swing shift hosts may never get a moment in the office on weekends. Teach them how to piece out their day, week, month and quarter. When are the slower times that they can get the dreaded paperwork done? Do you have some shortcuts to share? Helping your team to organize their day-to-day (and shift-to-shift) activities with short-term and long-term goals will only benefit overall productivity.

Recharge and Celebrate

Taking a breath is important for accomplishing goals long-term. It's not a marathon, but a series of short races that require you to come up for air on occasion. So, allow your team to take a breath ... and celebrate the successes! It isn't productive or healthy to "always be on!" Downtime is essential.

I once had a Director who took this practice to heart. At least twice a year, he made arrangements with the casino to close the PD offices on a slow night. He then planned an evening of entertainment (including limos!) for the team. We rarely got to hang out together, and it not only helped us connect as a team, but we felt appreciated. We also got to experience what our guests did for once, the VIP treatment! This really helped us when we came back to work. Not only did we appreciate the break, but

we also learned to take the extra step for our guest when we dealt with them, because we knew how good it felt. Remember, it's quality, not quantity! There have been numerous studies that prove multitasking isn't effective or productive. Take the time to help your team recharge!

The golden rule still applies – treat others the way you would like to be treated!

Big deal, so your hosts are good on the phone. What's next?

Are your hosts calling the best list? A list with growth potential, as well as your VIPs? And do they have the right skills and tools to grow that relationship after the guest walks through the door? Or is all that effort resulting in one visit, with no new or incremental revenue?

Find out more about Nicole Barker and Steve Browne's Host & Player Development Sales Skills & Training with Data Analytics that's transforming the way casino hosts handle their "book of business."

"The best class of its kind that I have ever attended!"

– Billy DeVille, Executive Casino Host,
Hard Rock Hotel & Casino, Biloxi,
Mississippi

"The part I really felt was beneficial was the data portion. It has made 'hunting' in our database that much easier having specific points to look at."

– Jerry Brown, Executive Casino Host,
Rivers Casino, Des Plaines, Illinois

Contact Amy Hergenrother today at

EMAIL: amy@ravingconsulting.com

PHONE: 775-329-7864

Bet *Raving* Knows.™

Raving Consulting | 475 Hill Street, Suite G | Reno, NV 89501 | ravingconsulting.com | Tel: 775-329-7864 | Fax: 775-329-4947 | Email: ravingknows@ravingconsulting.com

Slot Floor Merchandising

How to improve results with three principles based on women's fashions and men's bathrooms

By [Buddy Frank](#)



I always maintained that one of the best places to learn what works on a slot floor is at a grocery store or a retail merchant. They deal with problems that are even worse than ours: extremely low margins and competitors who have the exact same merchandise. Obviously, they excel at the standard marketing concepts (so does Raving).

However, these retail stores are also masters at floor display merchandising. That's a lesson that many slot managers should revisit often.

Some of these are "Retail 101," like putting the milk, eggs and bread in the back of the store. It's a no-brainer to make you pass by all of the impulse items (in my case, Oreos and Pep-O-Mints) on your way in or out when grabbing the essentials. Most of you do the same on your slot floor with impulse games (hopefully).

That one is pretty obvious. But the real lesson that is so often overlooked on the slot floor is to consider if your layout is designed to merchandise. When most Native American casinos opened their doors, demand was generally high. They were new, usually had a location monopoly, and business was great. Whenever demand exceeds supply, the road to success is to maximize the number of units. It's simple: just create row after row of machines packed as tightly as your fire marshal will allow. More machines equal more revenue.



Those were the good old days. Today, for most of us, demand has slowed (but not management's desire for revenue). What to do? I think you could benefit by studying the women's fashion area of Macy's or JCPenney, and maybe a quick lesson in a Men's bathroom (?).

There's nothing as competitive as women's fashion. They know how to sell. It's not unusual for mall shops to get a new "merchandising pack" every six weeks or so to give an area, or an entire store, a new and fresh look. While we can't match their color, packaging and mannequin extremes, we can mimic their principles:

- 1. Things need to change.** I would recommend that 5 to 10% of your floor needs to change at least once a quarter. This doesn't always mean new machines (although that doesn't hurt); it just means change. (Caution: changing more than 10% can go negatively). Be sure not to mess with longtime guest favorites (look for high handle pulls, not Win Per Unit stats, to identify these). They should remain exactly where they are, anchored like monuments. Let the things around them change. If you keep products on the move, your Slot Technicians will hate you, but the guests will respond with better play and higher return rates.
- 2. Space things out and make the guest wander.** Slot Rounds (5x, 6x, and 8x) work. They've been around for years, and were originally inspired by dress carousels that are a staple in every fashion shop. Not only do they work on the slot floor, but they give players just a little bit of extra space (more on that below). They also encourage slot players to see what's just around the corner. Since there are no corners, they keep looking (thus exposing more product). They are most effective when breaking up long rows, or defining an entire area. The newest "rounds" that have emerged recently are tripods and crisscrossed fours (not back-to-back). When these are well-placed, a single one can outperform a back-to-back bank of six or eight games. It's merchandising!
- 3. Give 'em some room.** While you may have heard that folks today (particularly Millennials) are seeking more social experiences, most slot players are not. At least not the "up-close and personal kind." Sure, they want to be in an exciting place with lots

of people, but they don't want to be too close to one another. That's one reason the Rounds mentioned above do so well ... they provide space. On straight banks, you need to examine your mix of odd versus even numbers on each side.

It's also why you need to study the Men's Room.

Every guy instinctively knows this. But for the women, there are certain principles that govern where guys stand in the bathroom. Unless it's halftime at a beer festival, you'll generally find that only every other urinal is occu-



pied. It is an unwritten rule that unless forced by a weak bladder, you will not stand next to another guy. You may have to sometimes, but it just makes everyone uncomfortable. Once I became literate in the high-tech world of slot analytics and computerized visualizations, I quickly noticed that folks on the slot floor (both men and women) were playing this same Urinal Game. Slots on the end of banks were played first, and had the highest performance (just like the first Urinal). Next came the opposite end. And finally, the middle games got played (where uncomfortable players produced the lowest revenue). It was exactly like the Men's bathroom. But on the slot floor it was a Unisex phenomenon.

Accordingly, an even number of slots on a bank makes more players (percentage-wise) feel uncomfortable. Do the math. So change those counts to odd numbers per side, and you'll see improved results. It's merchandising. Why not try some tests and see what happens? Even if it doesn't work, at least you satisfied Principle #1.

PROMOTION ANALYSIS GAMING AND NON-GAMING

CANADA

Casinos du Quebec – Zappers!



North of the border, Casinos du Quebec (Montreal, Lac-Leamy and Charlevoix), created a model and customized marketing plan to encourage players to stay loyal to their favorite Quebec casinos (they do have some competition online and with U.S. casinos in the North-east). By combining demographic data, specific players club members were identified as potential “Zappeurs” (Zappers) and offers were adapted accordingly and sent to three different sections of this group. The strategy was, of course, that taking this more personalized approach, along with the exclusive enticements, would go a long way in achieving more loyalty. This was all accomplished inexpensively by personalized email, which overall had an open rate of 47.7%. The first group (“regular members” with some level of frequency) increased their play by 10% with the Zappers offers. The second group (“occasional members” of much less frequency) increased their gaming activities by 75% (\$110,000 in additional total revenue). And the third group (sporadic members “of very little frequency”) produced \$10,000 in additional revenue through the Zappers offers. The offers included 2-for-1 buffets, 7,500 additional Privileges Points for up to 6 weeks, and a “Bonus Survey” for cash prizes and promotional credits.

“Most casinos realize that the more information they have on their players club members, the more targeted their offers can be and the more robust the response should be. And yet, many casinos still don’t use the full package of ‘recency, frequency, and spend’ parameters that Casinos du Quebec used for their very effective Zappers program.

“On top of those very basic criteria, we also have the very real ability, through the wonder of technology, to further customize the offers. Is the player male or female? Do they prefer to play slots or tables? Do they ever use the hotel or are they purely locals (and MIGHT use the hotel?)? Do they eat in the buffet? Do they ever come for entertainment and if so, what type? You see, there is a ton of information we can use to show our players how well we know them and their playing habits and preferences. That knowledge should absolutely build more response and improve player loyalty if done right.

“Unfortunately, too often casinos send out calendar-type ‘incomercials’ to their players trying to tell them about EVERYTHING happening at that casino for the next month or more. Too often they send out slot offers to blackjack players (and vice versa), buffet offers to steakhouse goers (and vice versa), and hotel offers to non-lodgers. This inattention costs the casino money and sends a poor message to its players (‘we don’t really care what you prefer, here’s what we’re offering’).

“It is not easy to organize or customize all of that information sitting in casino databases and data warehouses. But in this increasingly digital world, where the technology-savvy continue to rule the world, you can’t afford not to leverage all of that data. So get a data-geek, start analyzing EVERYTHING that your players like and do, and then use that knowledge to offer them something they actually would want and get off their couch for. That’s personalization that can generate revenue and produce loyalty.” – D.C.

KANSAS

Prairie Band Casino & Resort (Topeka) – Price Is Right!



During the summer months, Prairie Band partnered with The Price is Right Live promotions group to give guests a chance to “come on down” and participate in television’s longest running and most popular game show. A floor promotion was created using Price Is Right, Plinko and The Big Wheel, and weekly drawings were held on the casino floor, inviting drawing winners to the Price Is Right Live game show at the casino with a chance to appear on the popular national show. The entire promotion attracted many new players to the casino (over 7,000 new card sign-ups), generated a 68% ROI, increased incremental profits 210%, while coming in 13% under budget. Over 1,000 finalists (the drawing winners) returned to participate in The Price is Right Live finale at Prairie Band.

“Most casinos in North America are now in mature, even

hyper-competitive markets and continue to look for ways to attract new customers, when in truth, there are not that many who have not already discovered gaming. So consequently, casinos start to fish in more remote waters for customers (often in outer markets where advertising is very expensive), they start using expensive lures and rich bait to drive traffic (no matter how much potential it has) and they often begin to gnaw on each other to try and increase market share. Some even start fishing for millennials and other groups that may not have a lot of value now, but MIGHT in the future."

"Yet where there may still be some 'new player opportunity' for casinos (besides hidden in current databases and going unnoticed daily on the casino floor with untracked players) with 'affinity groups,' as in this case with fans of The Price Is Right. There may already be a high number of Price Is Right viewers that visit casinos, but I'm betting, based on Prairie Band's results with this great, month-long promotion, that there are numerous POTENTIAL casino goers in this huge audience. After all, they like games, don't they?"

"Likewise, I believe there must be some potential casino customers among daily fantasy sports participants, competitive video game players, lottery players and a whole host of 'affinity groups.' Don't let chasing them be your entire marketing strategy, but when looking to take an intelligent shot at some new business, think of these groups that already have shown they like 'to play,' and they just might be playing at your casino." – D.C.

NEW YORK

Finger Lakes Racing & Gaming (Farmington) – Evoking Response!



As part of its Anniversary Celebration, Finger Lakes Casino gave away a Range Rover Evoque during a several-weeks-long promotion. Guests earned entries for the Evoque throughout the promotion period. To further enhance attendance on the Grand Prize Drawing Day, guests who had qualified during the earning period received mail offers inviting them to earn bonus entries on specific days before the Drawing and if they did, they also

received bounce back free play on Grand Prize Drawing Day. This not only drove traffic on the day the Evoque was awarded, but also on the slower days where the bonus entries could be earned. The slot revenue on Drawing Day was the second highest all year at Finger Lakes. 38.6% of the mail offer recipients redeemed their offer. Slot performance had a 73.7% response rate on Drawing Day and slot play was nearly \$800,000 higher than projected.

"On the surface this is 'just another' casino-wide, extended promotion with a big prize (which for casinos, continues to be a preponderance of cars and trucks). But Finger Lakes' highly effective promotion is featured here because of how well it is organized to produce results beyond the Grand Prize Giveaway Day. Let's take a look at the particulars of their strategy (which are too often lacking at some casinos):

- 1. There was a qualification period. To even be eligible to participate, there had to be at least some casino play (except I am assuming, for the obligatory 'one free entry with no purchase necessary' to not run afoul of lottery laws). Some casinos make qualification a prerequisite of coming to the casino and picking up that day's or that week's entry. That might drive a few trips and incent a few new people to show up, but how can you insure that they are players and not 'Evoque ticket shoppers'?"*
- 2. There was a direct mail component immediately after players qualified, allowing them to come in during the intervening time until the Grand Prize Drawing to earn 'bonus entries,' something of high perceived value that benefits the more valuable players.*
- 3. There was a free play offer on Giveaway Day for the better players to insure they showed up (and why Finger Lakes gaming revenues was HUGE that day). While this comes with some risk (the place may be so crowded that it creates a negative experience on Drawing Day), but it does help insure that the players that are there for the drawing are REAL PLAYERS and not just the 'looky lous' or 'coupon clippers' who tend to arrive late (with little play) and leave right after they don't win the vehicle (usually muttering how 'certain players always win').*

"There are many thoughts on what makes for the best casino promotion prizes – cash, cars, retail items or trips. But whatever you do give away and for however long, make sure you follow Finger Lakes' lead and put a solid strategy behind it, one that will 'evoke' the biggest response from your players that matter most!" – D.C.

Raving Recommended Reading Review

By [Dennis Conrad](#)

Book: [Reclaiming Conversation: The Power of Talk in a Digital Age](#), by Sherry Turkle (Penguin Press)

Reclaiming Conversation by Sherry Turkle is not the normal book reviewed here for Gaming Executives. But it is too important for anyone to ignore. Turkle is a clinical psychologist, sociologist and sometimes consultant. Don't let her employer, MIT, make you think this is too high-brow or too complicated a book for you to read.

Turkle has spent the last 30 years studying how new technologies are changing the way we communicate. She is not an old fart (like me), in fact she uses many of the modern day communication tools herself – texts, tweets, posts, IMs, snapchats, etc. etc. But what Turkle has noticed over all these years is how our “attachment to devices” is negatively impacting our ability to have real conversations, which she counts as the “most human (and valuable) thing we do.”

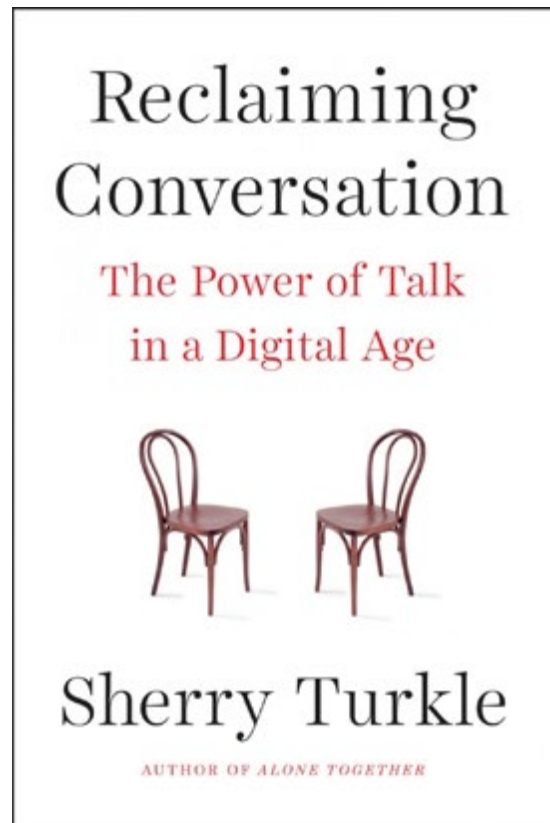
She talks about the college students she interviews who no longer carry on conversation with their professors, only email exchanges. She describes parents who can't spend a few dedicated hours in the park with their kids without their smartphones continuously sucking their undivided attention away. She describes “cell phone free” summer camps that freak out kids until they are able to grasp their “device addiction.”

Turkle does not argue for slowing down the march of technology in communication, she only suggests that we control IT and that IT not control US. Her central thesis is that in our friendships, our families, our romance and at our work, “we turn to our phones instead of each other.”

She may very well be right, and that's why this is an important work that every gaming executive, no, make that every HUMAN should read.

I have to go answer a few emails now ...

Dennis' Rating:



Raving Conferences & Events Schedule



Southern Gaming Summit

Mississippi Coast Coliseum & Convention Center, Biloxi, MS, May 3-5, 2016
Produced by BNP Media

<http://www.sgsummit.com/>



Building a Proactive Surveillance Department - Developing 21st Century Skills and Techniques to Protect Your Casino

Choctaw Casino Resort, Durant, OK, May 16-17, 2016
Produced by DJ Boss Associates

<http://www.djbossassociates.com>



Raving @ WIGA - Northwest Indian Gaming Conference & Expo

Tulalip Resort Casino, WA, June 20-22, 2016

<http://www.washingtonindiangaming.org/>



Raving's Host Development Conference

Paris Las Vegas, Las Vegas, NV, July 11-12, 2016
Produced by Raving Consulting Company for BNP Media

<http://www.casinomarketingconf.com/>



Raving @ Casino Marketing & Technology

Paris Las Vegas, Las Vegas, NV, July 12-14, 2016
Produced by BNP Media Gaming Group

<http://www.casinomarketingconf.com/>



Raving @ OIGA Conference and Trade Show

Cox Center, Oklahoma City, OK, July 25-27, 2016

<http://oiga.org>



Cutting Edge Table Games Conference

Flamingo, Las Vegas, NV, November 14-16, 2016
Produced by BNP Media

<http://www.tablegamesconf.com>



Raving's 19th Indian Gaming National Marketing Conference

Choctaw Casino Resort, Durant, OK, January 30 - February 1, 2017

www.ravingconsulting.com/indian-gaming



When the Odds of Winning Are Just Too Miniscule

Why I don't like most huge prize giveaways and "up to" promotions

by Winnie Grand, Raving's High-Roller Contributor

A popular promotion sometimes offered by casinos is an event that has a base prize schedule, plus an added chance to win a huge prize. This base event could be a drawing or a slot tournament. The difference is that the top winners in the event then have the opportunity to win a huge prize. Generally this grand prize is a luxury car or a cash prize of at least a million dollars.

From my perspective, the casinos like this type of event because they are able to advertise this promotion as an event with a huge prize. They can stress the top prize as "win a luxury car" or the "million dollar tournament."

Typically, the game for the big prize has astronomical odds against anyone winning. It may be a big wheel that the top winners of the base event get to spin. This wheel has a very small chance of hitting on the big prize. Other promotions of this type require the participants to match several specific game pieces. Again, the odds of the required outcome occurring are extremely small.

Why would casinos like this type of promotion?

- They are able to advertise a much bigger tournament than they will likely have to fund.
- The hope of a huge prize is very alluring.
- They are able to let the participants earn double entries during certain periods, which tends to increase casino play.
- They get more customers in the door by requiring them to be at the final awards ceremony.
- They seldom are required to pay out the big prize.

As a player, I am offended by these misleading promotions. Although there is nothing dishonest about the advertising and a player may indeed hit and be paid the big prize, it is very misleading. Personally, I ignore this top prize when deciding if I want to participate. Too often, the casino will use this top prize as an excuse to offer a reduced prize schedule during the "real" tournament. Then they will use language such as "chance to win" and will downplay language that would help participants understand that this huge top prize will most likely never be paid out by the casino.

Unfortunately for the player, this type of promotion has been in casinos for many years, and it seems to have

stood the test of time. Many of the earlier ones were run on a casino-wide basis, and the participants earned spins on a wheel or chances at matching different symbols or dollar amounts. These wheels were prominently displayed on the casino floor, and most of the prizes were very small or they won no prize at all. The top prize was rarely won. This "up to" marketing strategy has been used in other ways in the casino – we have all seen the signs above slot machines touting that these machines pay "up to." Of course, most of the machines in that bank will not pay out that good return.

The good news is that players have become much less susceptible to this type of marketing. They will participate if they plan to be playing anyway, but most now realize that winning this huge prize is not likely, and it wouldn't entice them to enter a certain promotion.

There are other gambling games that are promoted that have large payouts, but there is a big difference between those games and these "up to" or "chance to win" events.

The first that comes to mind is the lottery. The difference between the lottery and this promotion is that the lottery prize always rolls over to the next drawing. The prize will eventually be paid, and it will get larger as time goes on. The same is true of games with a progressive prize, like Megabucks. Several table games, like Let It Ride and 3 Card Poker, have progressive prizes and are wildly popular.

I think a good marketing tool for the casinos is to have a series of slot tournaments with a progressive prize that builds until it is finally won. This could even be a series of pay tournaments, as I think people will pay for the chance at a big progressive payout. The odds would need to be adjusted so that it doesn't take forever for the jackpot to win, but this shouldn't be hard since the statisticians could set this at any desired level. A portion of the tournament entry fee could be used to keep the progression going, and there could also be a slight reduction in the prize schedule to fund the big payout.

This would be a very straightforward marketing tool, and much more interesting to the customer. Once the participant realizes that they actually have little chance at a big payout at these "up to" tournaments, they will have little power to increase business.



475 Hill Street, Suite G

Reno, NV 89501

775.329.7864 phone 775.329.4947 fax

newsletters@ravingconsulting.com | ravingconsulting.com

TO SUBSCRIBE



FOLLOW US

 Like us on Facebook

 @ravingconsult

Join our network 

COMMENTS, CORRECTIONS, SUGGESTIONS:

Christine Faria, Editor, Raving Solutions Magazine

chris@ravingconsulting.com