

Raving

Raving's Strategic Solutions Magazine



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MESSAGE FROM THE CEO

Dear Ravers,

“Raving lassos round the moon ...”

Remember George Bailey in *It's a Wonderful Life* when he asks, “What is it you want, Mary? What do you want? You want the moon? Just say the word and I'll throw a lasso around it and pull it down. Hey. That's a pretty good idea. I'll give you the moon, Mary.”

It's a Christmas classic ... (it's not my favorite, no judging). However, it's a scene that speaks to a decision point. It's that moment when we can choose our path. [In the movie](#), it's the moment when Jimmy Stewart starts feeling sorry for himself and then realizes he is in control and capable of taking on the world.

For Raving, we are taking on the world of Indian Gaming.

First, you'll see a change to our Raving National Indian Gaming Analytics and Marketing Conference, January 29-31, 2018. We just added the word “analytics” to the title this year. It might not seem like a big change, but to us, it signals that we can no longer talk about marketing without seriously considering the analytics. So, to all the analytics folks behind the scenes, we salute you and believe the rest of the organization can no longer deny the importance of this area no matter how small the property.

Next, and I do mean NEXT, we have created a new one day program that kicks off our Indian Gaming Conference. I am pleased to announce the creation of Raving NEXT. [See page 20](#) to read more about our groundbreaking event. Plus, we have an astronaut coming!

As part of this change, we are pleased to announce our scholarship and mentorship program which is intended to support tribes' goals of self-determination. Raving would like to ensure that membership has the education and training to manage these complex business endeavors – and by participating in the January event, this is a terrific first step. We will play a role in providing access to industry leaders and education in our challenging market and spending three days in this program will give upcoming leaders that opportunity! This information is on [page 21](#) – please share it with those who may be interested.

In our desire to bring you experts in new technology solutions, I'd like to welcome our newest Raving Partners, Jerry Epstein with [Engaged Nation](#), Ryan Cullins with [Zero 8](#) and social gaming consultant [Justin Shank](#). It's time that we really begin conversations about how we use Gamification and Social Gaming to enhance the engagement with our



MESSAGE FROM THE CEO

players and capture new revenue. I know I have been broken record on this subject for years, but it is coming. Not to mention Internet Gaming and Fantasy Sports which we'll be covering at Raving NEXT.

So how do we lasso the moon? We must keep throwing the rope until we get it. We can't let fear stop us from trying. Yes, we may look silly at first and be way off target, but with each attempt, we get closer to our goal. We look forward to you taking this journey with us as we explore and evaluate what's relevant in today's market and expand Raving's services to assist you in your quest to "lasso round the moon."

Sincerely,



Deana Scott, CEO, Raving
deana@ravingconsulting.com

PS – Are you attending G2E this year? Don't forget to RSVP to our Raving Insider Party, "Game of Tastes" on October 4, at the Tuscany Suites poolside. Visit our website today to RSVP www.ravingconsulting.com and click on the Events menu.

Cover model: Read about our cover model, John B. Herrington, Ph.D., retired United States Naval Aviator and former NASA Astronaut. Read more about our luncheon keynote for Raving NEXT, our new program, on [page 20](#).

Ready to Build a Profitable Gamified Marketing Program? (Part II)

How to effectively engage in a crowded digital marketing landscape

By Jerry Epstein, Raving Partner and CEO, Engaged Nation

As gamification takes its place as a vital component in forward-thinking digital marketing strategies, companies realize that there is no end to the ways that they can apply this approach to broaden their markets and strengthen consumer connections and bottom-line results. We tackled the basics in my previous article, [How to Effectively Engage in a Crowded Digital Landscape](#).

In Part II, let's look at the steps needed to get you there.

There are a lot of ways that casinos can use gamification to make their digital marketing programs more profitable. In this article, we'll explore five best practices to building profitable, digital gamified marketing strategies, with real-world examples of how these strategies produced exceptional results.

Step 1 – Set Clear Goals & Objectives

To avoid becoming lost in the dizzying array of gamified marketing products, you should first ask the question: "What business objective do I want gamification to accomplish?"

For example, do you want to:

- Promote, inform, or educate people about your property, its amenities, and promotions?
- Drive more property traffic on an ongoing basis or during seasonal downtimes?
- Reactivate former customers?
- Drive new customer acquisition?
- Boost social media engagement?
- Liquidate perishable inventory?
- Increase engagement on your website or mobile apps?
- Enhance brand loyalty and build brand ambassadors?

With clearly defined business objectives and the right system in place, you're much more likely to get the results you want than if you use a "one-size-fits-all" approach. Ideally, you want a system that is highly customizable, one that engages your audience both demographically and psychographically. It also shouldn't take a lot of internal resources to build or maintain. Look for products that integrate into your current website, mobile apps or social media campaigns, and that are flexible and robust enough to produce repeatable results.

Step 2 – Create an Ongoing Digital "Experience"

A report by Harris Interactive stated that 70-79% of people will determine which brand to align with, and ultimately which business to visit, based on a website's strength of engagement. "Gamifying" your casino's website content can be a powerful way to transform it from a static digital reference library to a dynamic engagement experience that increases your brand loyalty and profitability.

How well does it work? One casino implemented a digital gamified marketing program in 2016 that incorporated "edutaining" games and activities that engaged players daily. By using segmented incentives, badges, trophies, free rewards, discounts and BOGO offers, they increased online traffic by 543%. That, in turn, helped generate more than \$16 million in Total Theo, and nearly 12,000 incremental visits a year. That's some seriously profitable fun!

Step 3 – Gamify On-Floor Promotions for Maximum Impact

So, you've developed a broad strategy and built an engaging, gamified digital experience. It's time for the good times to roll, right? Not quite. Now it's time to ensure that your returns will operate at peak proficiency by integrating online gamified marketing into your on-property promotions. You'll save valuable advertising dollars while significantly boosting your promotion's reach, awareness, interest, and participation.

One property used gamification to transform an insured on-floor promotion into their most successful online program ever, as well as their most profitable Sunday in many months. Here's how:

1. All gamified website activities were themed to match the on-property promotion.
2. Players engaged online to earn drawing entries and a chance to be a finalist in the \$100,000 grand prize property drawing. They also received special incentives online that drove incremental property visits.
3. Once at the property, players received a bonus code with a bounce-back incentive that they could only redeem on the website. This created an online-to-on-property redemption cycle that kept players engaged with the promotion on a regular basis while making them "brand ambassadors."

- The casino gave a select group of online participants the chance to be finalists; this special group was not chosen from all the casino's carded players, but rather from online participants who had activated their entries at the casino kiosks prior to the grand finale drawing.

This "play, redeem, repeat" revenue and engagement cycle kept the promotion top of the players' minds for six weeks, generating 18,000 casino visits and nearly \$2.5 million in Net Theo Win during the life of the promotion. Most notably, by gamifying the promotion online, the casino generated nearly 2,000 incremental visits and \$150,000 uplift in revenue on the day of the final event.

Step 4 – Gamifying Your Social Media Strategy for Supercharged Results

When you integrate gamification into your social media strategy, you'll find that your players voluntarily, eagerly, and actively participate in spreading the word about your events, promotions, and amenities. This gives your social media and social casinos a buzz boost, and creates a miniature engagement cycle that keeps your customers moving happily between your digital products.

Take another casino that asked customers to share a Facebook post promoting a concert. By implementing the request as a challenge that rewarded customers for spreading the word, this gamified social activity generated more than 3,000 reposts without any advertising spend, resulting in one of the quickest concert sell-outs in their history.

Step 5 – Building Profitable Loyalty and Brand Awareness for the Long Term

A traditional "pay to play" approach is at the heart of most gamified loyalty programs. However, the new "play first and pay second" paradigm has become prevalent in many social games (like Candy Crush) and social online casinos, where it is proving to be highly successful.

When given the opportunity to participate in fun, rewarding activities for free, players are more likely to spend money in the long run — especially when the program is designed to be a "subtle sell." According to a 2016 MMRC focus group, this "reverse" type of gamification was described as being a "... subliminal motivator impacting and increasing awareness, visitation, and loyalty ... that elicits greater share of attention, leading to increased engagement and a greater share of the patron's gambling wallet."

Bottom line? Free, fun and rewarding gamification strategies can help increase profitability and not only

retain customers, but convert them to passionate brand ambassadors.

Gamified Marketing Delivers Winning Results

A well-defined digital gamification program that educates, entertains, and motivates customers to visit and spend more can be a big marketing winner for both players and casino operators. As one marketing executive put it, strategic gamified marketing "... delivers on its promise. Most importantly, it provides a significant ROI that we can measure. It pays for itself and much, much more."



Jerry is a recognized leader in marketing communications management and development with over three decades of experience in branding, new product launches, and digital marketing. As CEO of Engaged Nation, Jerry and his team assist Raving clients by offering interactive products

and tools to convert online traffic into revenue generating property visits.

Meet Jerry and the Engaged Nation Team at booth #1318 during G2E.



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Anticipating Needs and Paying Attention

Are we really proactive in all of our service measures?

By Steve Browne, President, Raving Service

Dear Steven,

During your recent travel on Flight(s) #1794 and #1299 with us, you were unable to enjoy one of the perks of your tier status, priority check-in (automatic check-in 36 hours before your flight). This most likely led to you receiving a boarding position that was less typical than what you have come to expect as an A-List or A-List Preferred Member.

We consider you one of our top Customers, and if you were impacted at all by this issue, we fully recognize the frustration and the inconvenience it may have caused. As a tangible apology, we will be adding 1,500 Rapid Rewards® points to your account, which will also count towards your 2018 tier qualification (A-List or A-List Preferred) if you have not yet qualified. The points will post to your account within the next 48 hours.

We value your friendship and loyalty, Steven. We look forward to welcoming you back onboard again soon.

Sincerely,

Your friends at Rapid Rewards

Did I bitch? Complain? Moan and woe?

Nope.

Okay, that's not entirely true. Yes, I did, but only to myself. I did not in any way tip off the good folks at "MY" airline that I was unhappy with them. And it appears that I didn't have to.

Why?

Because they PAY ATTENTION.

Southwest ... How do I luv thee?

They know when you've been sleeping ... they know when you're awake. Oops! Sorry, wrong time of year! But they know ... they know. Even with thousands of flight legs every day of every week of every month of every year ... they know when they screw up and when it makes their best customers, their top tier customers, unhappy.

And God forbid that should remain unnoticed and unchallenged. So they don't wait. They don't hesitate. They step up to the plate and offer you something that says ... we know. And we care. And we LUV you.

IS IT ANY WONDER THAT I AM LOYAL TO SOUTHWEST AIRLINES?!

So, how about you? Do you love your top tier players? Do you not only take care of them, but more importantly, pay attention to them? Understand when they might be upset with you, or even angry? Like when you jerk their benefits back and forth, back and forth, from too much to too little and back to too much again (our database guru Nicole calls that the seesaw player rewards pendulum, and she has quite a cute graphic to illustrate it in her presentations).

Do you change things on them, make them jump through promotional hoops, stand them in the proverbial long line day after day while ignoring how it might make them feel?

Really, in the end, whether it comes to player development strategies aimed at your highest value players, or simple tier benefits and rewards offered to everyone appropriate to their level in your loyalty program, the most powerful thing that you can do is ... PAY ATTENTION TO THEM.

Like Southwest does.

And we don't.

Pay attention in ways that prove you are doing so as often as possible, in small ways and large, inexpensive or even at no cost, just letting them know that you pay attention ... and you care.

Okay, forget the airline business for a moment. How about one from our side of the fence ... the gambling business.

I often travel up to 2,000 miles away to work at a casino. While there I manage to play a bit, not much, just enough to qualify for one of their bounce-back coupons in the mail. And when I get home that is what I find, a letter full of platitudes and expressions of love and gratitude for my having joined their little family. Oh, and a \$5 free play coupon good on my next visit, and it expires... IN TWO WEEKS! Well now, let's just jump on a plane and travel 2,000 miles so we can get that coupon in action, eh?

Okay, I'm not suggesting that I am worth any more than a \$5 offer, but that's not the point. You see, I gave you a simple piece of information. I gave you my address, 2,000 miles away. And you demonstrated that you not only don't know me, but also don't PAY ATTENTION to me by sending an

offer that is worthless (even though by your prose I saw that you seemed to be very excited about it).

How about something that says we know ... and we care. Gee, Steve, we don't know why you traveled 2,000 miles to join our little family, but we're glad that you did, and the next time you come this way, here's a coupon good for a half-off room night at our hotel. Okay, I may use it, I may not, but at least it tells me that you pay attention ... and you care ... by offering something useful, something significant, something ... JUST FOR ME.

So look around your operation, your marketing tactics, your sales strategies, and most importantly, your customer service efforts. Are they perfunctory? Designed to follow a specific set of Policies and Procedures? Designed to drive efficiency and cost savings in your organization? Do they work for YOU, and not your player?

Or are they designed to tell your players every day, in every way, that you PAY ATTENTION to them. And you care. You know when they are happy; you know when they are sad. You know when you have let them down, and you're there to make them glad ... again! With you!

Because if you don't, then they might as well go elsewhere tomorrow. After all ... who'll notice? Who'll care?

Get busy and examine, change, add to, or innovate with a new way of doing business, one that says YES ... we pay attention TO YOU! Because we don't love our rules, policies and procedures ... we LOVE YOU!

Hey, if Southwest can do it ... why can't you?



Steve is known for his gaming savvy, extremely motivational style, and "people focus." These traits have helped Steve to become the premier customer service and player development resource in the gaming industry.

Meet Steve at G2E and Raving's 20th National Indian Gaming Analytics & Marketing Conference.



Five Key Ways to Improve Your Food and Beverage Operation (Part II of V)

The “labor” factor

By Brett L. Magnan, Raving Partner, Hospitality

[In ‘Part I’ of this five-part series](#), I spoke of how SERVICE was the start of our focus in improving your food and beverage operation. This second part will ask some important LABOR questions that you and your team can focus on. As we all know ... labor cost is the most questioned expense, and being able to definitively answer that labor is optimized for your operation is essential for success.

So ... what is the right amount of LABOR and what tools should we look at to optimize the expense?

Does it “feel” like the right amount of labor?

Evaluate the operation visually first and answer:

- Are there team members standing around?
- Does it seem like there is no one to help?
- There seems to be plenty of front-line staff but where are the supervisors?
- Are there complaints from your guests about long service intervals?

This rudimentary evaluation allows you to prioritize which outlet you should focus on first.

It “feels” right, but we still have complaints.

The Service segment in Part I addressed ‘Standard Operating Procedures’ and ‘Steps of Service’ questions and I reiterate the importance of service training and written standards being the basis of reducing labor due to inefficiencies and lack of clear expectations.

I need the data!!!

Telling the CFO, “It feels right” is not going to exude confidence or job security, so having the correct tools to evaluate service levels and optimal labor is required.

- **Labor Ratios.** A simple labor tracking ratio to revenue per outlet will allow you to see where labor trends are out of the norm. Your POS System can do this for you if you have “Time and Attendance” incorporated

with the capture of departmental revenue. If not, a simple spreadsheet can be created by tracking labor dollars per day per outlet, compared to same-day revenues. Run this over a three-month period daily to see trends.

- **Scheduling Variances.** The scheduling supervisor should track scheduled labor dollars versus actual cost on a weekly basis. Variances up or down will show inefficiencies in a static schedule and may allow you to restructure to a more efficient model.
- **Industry Trends.** By using industry trend reports, such as those available through the National Restaurant Association or local chamber of commerce statistics, you can evaluate your labor per hour for similar positions. This is not always apples-to-apples as your operation may have demographic difference, location challenge or varying benefits than the report, however it is good information to include in your evaluation.

Manage

Without being “Captain Obvious,” I find that many operations don’t manage labor – the labor manages the operation. Work with HR and leadership to create flexible schedules, part-time and on-call labor, or cross-discipline labor that can be shared amongst departments. Send people home early when you can save labor dollars without

affecting service and make sure your salaried staff are on the floor to pick-up the unexpected demands when it arises.

As it has been said, “People Make the Difference.” Having the correct amount of labor, with clear, measurable service expectations are the two first disciplines to focus on for an optimized food and beverage operation.

Look for Parts Three through Five in future Raving publications.



Brett brings a wealth of experience operating high-quality hotels, casino resorts, spas, and food and beverage facilities. He is known for his planning and opening of new properties, and is a trusted resource in the gaming industry with his reputation for hard work, innovation, teamwork, honesty, and integrity. For more information on Hotel or F&B 360 reviews, contact Amy Hergenrother at amy@ravingconsulting.com.

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Understanding Key Financial Statements ...

To make critical decision for your casino operation

By Kevin Huddleston, CPA, CGMA, CFF, Strategic Raving Partner, Accounting and Auditing, and Partner, Finley & Cook

This may sound weird to many of you, but I LOVE to read and analyze financial statements. I always have. As I understand it though, I am in a very small minority. Many gaming commissioners, board members, tribal council members, and even casino management don't fully understand the story that the annual audited financial statements tell. I am about to give you a peek inside the accountants' secret code so that you can pick up audited financial statements and get something meaningful from them. Let's get cracking.

We're going to walk through the key elements of the audited financial statements and break the code on each one. Each of the elements can provide some information about the casino and its operations.

MD&A (Management's Discussion & Analysis)

The MD&A is an opportunity for management to tell the reader about the casino's performance. Why things were good or bad. Although the MD&A is considered Required Supplementary Information (RSI) for governmental financial reports, such as Tribe-owned casinos, many do not include it in their financial report. If it isn't present, the auditor will mention it in their report or opinion, but it won't keep the casino from receiving a "clean" opinion.

Auditor's Report (Opinion)

That brings us to the second element, the auditor's report. I can't stress enough how important it is that you read the report. If you don't read the auditor's report, you may draw wrong conclusions from looking at the numbers on the pages that follow it. The report gives the auditor's opinion on the accuracy and reliability of the financial statements. Most of the language has been developed by the accounting profession over the years to present the auditor's opinion, while trying to protect their firm from lawsuits. Many people skip over this section because it is so confusing to read, but that is a mistake. Here's the decoding tool for reading the report and understanding what it says.

What type of "opinion" is it? There are four possibilities, but only one is good. Here they are in order of desirability:

A. Unmodified, formerly known as Unqualified

This is what you want, a "clean opinion." Look for the phrase "**presents fairly, in all material respects.**" It doesn't mean that everything is great with the casino's

accounting or operations, just that the financial statements can be relied on for decision-making.

B. Modified or Qualified

There was an issue that couldn't be or wasn't resolved by making an adjustment to the financials. The opinion paragraph will include "**Except for.**" There will also be a paragraph in the auditor's report explaining what the issue is. There may be a reference in the report to the footnotes, where more details may be found. Financials are reliable except for whatever issue is noted.

C. Adverse

The financials "**do not present fairly**" because there are too many issues that are not corrected or readily correctable. The dangerous thing here is that there will still be financial statements presented. However, *if you don't read the report* and see that there are significant issues with the accuracy and reliability of them, *you can draw incorrect conclusions* about the casino's financial performance and health.

D. Disclaimer

The auditor can't get enough information to form an opinion on the fairness of the financials. Again, there will still be financial statements presented, but *the auditor can't determine if they are reliable or not.*

If your casino gets anything other than an unmodified opinion, you should ask management about how they are addressing the issue(s). Repeated modified opinions will likely result in a visit from the NIGC, as will an Adverse or Disclaimer. Is your decoder ring starting to light up?

Financial Statements

The financial statements are the next element that we'll look at. I won't go into a lot of detail about analyzing the financial statements here; that's for another day. The name of the basic financial statements will vary depending on the auditor and how the casino enterprise is formed and managed. Generally, as an enterprise of a tribal government, a casino's financials should be in the format generally accepted for tribal enterprises. The main difference is how the financial statements end. Below are further comparisons of traditional financial statement names and those used for tribal enterprises:

Traditional	Tribal Enterprise	Primary Difference
Balance Sheet	Statement of Net Position	While the totals on the Balance Sheet show owner's equity, the totals on the Statement of Net Position show net for the enterprise. Both are the difference between assets and liabilities. It's just not considered an ownership interest.
Income Statement	Statement of Revenues, Expenses and Changes in Net Position	Traditionally, the Income Statement ends with net income. The Statement of Revenues, Expenses and Changes in Net Position comes down to a change in net position after distributions are made to the tribal government. It's still income less expenses, but payments to the tribe are treated more like expenses than return on the owner's investment. It then shows the beginning and ending balances of Net Position that you see on the Statement of Net Position. Yes, it's odd to mix income and balance information.
Statement of Cash Flows	Statement of Cash Flows	No difference

Footnotes

The last element of the audited financial statements are footnotes. The footnotes provide more detail about the highly-condensed lines of the basic financial statements. A few of the key footnotes you should read are:

- A. Note 1 always tells about how the enterprise being reported on is organized (corporation, tribal enterprise), and who is responsible for oversight of the casino. Explains exactly what the "reporting entity" is comprised of. It also explains the key accounting principles applied.
- B. Debt or Notes Payable note will tell you the interest rate(s), maturities, expected debt payments required in the future, and what, if anything, the debt is secured with (collateral).
- C. Concentrations of Risk note provides insight into whether there is a risk exposure due to the casino having a significant portion of its business, either a customer or supplier, from concentrated sources. You may or may not find this note in your casino's report. If a significant portion of your machines are leased from 1 or 2 vendors, the auditor may want to disclose that in this note.
- D. Commitments and Contingencies note provides information about future commitments to make payments that may or may not be recorded in the financial statements, such as lease payments. It will also include information about contingencies, things

that may or may not happen that could change the finances of the casino, which may include pending lawsuits or other legal matters.

- E. Related Party note gives information about significant transactions or volume of transactions with related parties. Related parties for a tribal casino would generally be the tribal government or other enterprises of the government. If the casino used a related party as a supplier or if the casino transferred money to or received money from a related party, it will likely be discussed here.

I hope your decoder ring is now glowing brightly. It doesn't take an accounting degree to get good information from the audited financial statements when you use these decoding tools to help you unlock their message. In the next article, we'll do a deep dive into some financial reports that you will see in both audited and internally prepared financials.



Kevin, a member of the Choctaw Nation of Oklahoma, provides outsourced accounting and consulting services for Native American tribes and casino clients. Through his nearly three decades of working within the gaming industry, he is an expert in integrating the many financial systems unique to the gaming industry.

Meet Kevin at Raving's 20th National Indian Gaming Analytics & Marketing Conference and Raving NEXT.



Football and Social Gaming

Why you need to play to win

By Justin Shank, Raving Partner, Social Gaming and Marketing

The greatest time of the year has finally arrived – Football is back! The college and professional football seasons are officially underway and those of us who have been aimlessly searching for a close substitute these past few months can finally sit back and enjoy our favorite sport.

All over the country, fans like me hunkered down to watch our professional and college teams of choice in the first games of the season. Every week we wrestle with high expectations and feelings of doubt, but we always hope for the win.

I'm a Seattle Seahawks and University of Washington Huskies fan. Born in Seattle and raised in the Northwest, I didn't venture too far from following the home-team(s). That said, as a life-long fan of these two great teams – things have not always been peaches and unicorns. We've celebrated incredible wins and suffered through mind-blowing losses. Like every team, we've had moments of greatness followed by years of turmoil. We've won and lost championships.

College football divisions include: FBS (Division I-A), FCS (Division I-AA), Division II, and Division III. FBS colleges will often start their season by playing FCS, DII, or DIII opponents. There is usually a financial component awarded to the smaller school for scheduling these games – think, pay to play. The likelihood of losing these games is often slim, but upsets are always on the table.

This season Howard University (FCS) beat UNLV (FBS) in Las Vegas, 43-40. Howard was a 45-point underdog in the contest; UNLV expected to win the game by double digits. In my mind, this is the greatest upset in college football history.

How football ties into social gaming and your casino

How does this tie into social gaming? There are quite a few popular slogans and anecdotes that come to mind:

- 1) You have to be in it to win it.
- 2) You can't win if you don't play.
- 3) You can't score if you don't shoot.
- 4) You can't hit the ball if you don't swing the bat.
- 5) You can't win the lottery if you don't buy a ticket.

Howard University bought the ticket. They were in the game and they won it. Many tribal and commercial casino properties have entered the online, mobile, and social casino space and are seeing some success. They are in the social gaming game – and there is plenty of space in the industry for growth.

Social gaming provides an opportunity to connect players with your brand on their personal device. It gives your property a new revenue stream, a new outlet to reach loyal players, along with people interested in playing casino games in a non-casino environment. It provides another tool for your marketing department to share information, advertising and entertainment.

While the games are free to play, there are opportunities to spend real money for virtual tokens or credits. Players can often enhance the game experience by unlocking special features or leveling-up by paying a small fee. Provide your players and your brand an opportunity to reach the demographic of people interested in playing social casino games. In order to compete in this space, casinos must buy the ticket.

What I learned

While working at Swinomish Casino & Lodge in 2012, we began to evaluate and create the digital marketing culture we would need to enter the space. Prior to investing in a social gaming platform, we needed to create our marketing strategy and build the digital marketing infrastructure that would allow that platform to be successful. We built a new website and mobile app. We invested more resources into our social media and email programs. We worked on analyzing our online, social media, and mobile app data.

The commitment to invest in the social gaming platform was organization-wide. Once we had our infrastructure in place, we selected our preferred vendor and went to work installing and launching our first campaigns. We focused on internal communication by including and educating the entire team on the new technology.

We informed our existing players through email, social media, property signage, and our website. Eventually, we launched our first advertising campaigns and saw the numbers grow, exponentially.

To win the game, you have to play the game. While the smallest properties may not always defeat the biggest ones in terms of market share or revenue, they can still enter the space and play the game. There is money to be made and players to play social casino games associated with your brand. Who knows, maybe like Howard University, your property can beat the odds and upset the biggest social gaming brands one day. If you don't play, you cannot win.



Justin is a marketing expert specializing in social gaming and digital strategy. He helps clients integrate social gaming into their overall strategic marketing plan by considering partnerships with vendors, internal communication staff training, and choosing the right platform to meet their goals.

Meet Justin at G2E and Raving's 20th National Indian Gaming Analytics & Marketing Conference where he'll be on a panel speaking specifically to social games and bringing gamification to your casino.

Audits, numbers, and compliance bringing you down?

How can we help?

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NO JUNK MAIL



More Interactive Postal Mail for Better Response

Yes, there is a way to improve on the mouse trap

By Lorrie Hellekson, Strategic Raving Partner, Direct Mail and Digital Printing and CEO, CSG Direct

Is your property sending the same types of mail pieces out to your players today as you did three or even five years ago? Well, don't feel too bad about it. Not a whole lot has changed in direct mail since the size requirement changes for self-mailers back in 2013. But there are some out-of-the-box options that you may want to consider. Keep in mind, some of these options will have a larger, but not crazy, impact on your budgets, so plan accordingly. All the options below do have something in common; either the mailer itself or the response mechanism requires more interaction than simply looking at or reading the mailer. Folks, interaction is key.

#1 QR Codes and PURLs

Most of you know about QR codes and PURLs and may think that they are old trends, but they are still quite relevant and may yield higher than usual response rates. With the still-ever-increasing usage of smartphones, QR codes can take a player directly to your reservations

web page to redeem room offers, or connect them to the latest music video from the artist who's going to be in concert at your property soon. There are many tools available out in Internet-land that will help your agency or on-property graphics personnel create the QR codes using the destination URL of the link required. There is no additional budget impact to print and mail production or postage for this option.

PURLs take a player to a special web page customized specifically for them where they may redeem offers or participate in promotions. Even though the mailer may be a traditional postcard or self-mailer, the response mechanism is personalized and interactive. PURLs require the hosting and creation of the individualized web pages, and the mailers will require digital variable print linking each web page to the specific player using the data, but there is no increase in postage costs for letter-size mail.

#2 Dimensional Mail

Dimensional mail is simply mail that has structure. It may be a pop-up mailer, a padded envelope with a CD of an artist appearing at your property soon, a box containing clues for a murder mystery, a tube with a treasure map, or whatever is appropriate to the promotion or offer you are sending. It may be a self-mailer with multiple folds (which reveal required details of a promotion) that need to be opened in a specific way to redeem the offer for their next trip to your property. Again, different and interactive. These mailers do require a healthier budget for design, production and postage, so they might be best used for smaller groups or higher end player promotions.

#3 Augmented Reality

Augmented reality has been around for quite a while. The United States Postal Service even introduced a promotion back in 2013 that gave mailers a small discount on their postage if they included the element in a mailer.

Essentially, an image is scanned with a special app (there are several) that “brings the image to life” in video format on your mobile device. It does require special programming to animate the image, and the recipient of the mail piece must download the app for it to work, so there is extra cost involved. It is, however, nowhere near as expensive as it used to be. There is no increase to print, mail production, or postage with these types of mailers, either. Search “USPS Augmented Reality” in any search engine to see some examples.

#4 Informed Delivery

The USPS is pushing mail service providers to present mailers at “Full Service.” Mailers who fulfill all the requirements for Full Service make the corresponding mailers eligible for another service called Informed Delivery.

Your players can go to the USPS website and sign up for Informed Delivery. It is free for all recipients of USPS mail. On the morning of every delivery day, those who have signed up for the service will get an email with a picture of all the Full-Service mailers that will arrive in their mailboxes that

same day. So now they may know in advance when their offers from your casino will be available to them and can be certain to retrieve their mail that day.

There is no budget implication to your property for this service. In fact, there is a discount, be it very small, off your postage for mailers that are entered at Full Service. Check with your mailer to see if they are Full Service capable.

It is the interactive component of these mailers that is representative of the overall trend seen across the marketing landscape of today.

A couple of “make sures” ...

1. Any content used online must contain responsive design so that it adjusts for desktop or mobile device usage.
2. Bite off small projects first and test response before committing to high-cost endeavors.
3. Do your research on development time and increased cost, and make sure all is accountable in your budgets so that you may evaluate properly.
4. Make it fun for your players and your staff ... this is an entertainment industry, after all.

So yes, there is a way to improve on the mouse trap and to improve response from postal mail. Remember, interaction is key.



Lorrie has grown with an industry where direct mail is still king, but technology requires multi-level campaigns and the knowledge to execute precisely, and at a competitive cost. Lorrie and her team are experts in customized, variable, direct mail printing and automated triggered direct mail and email programs.

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Is Free Play a DEFCON One Maneuver?

Do we need to operate in a constant state of emergency?

By Nicole Barker, Senior Raving Partner, Database & Loyalty Marketing

Oftentimes, our effectiveness as leaders and marketers is based upon a sustained state of emergency. What foe do we have to fight? What markets do we have to capture? What costs can we conquer? What profits can we maximize?

Is this heightened state of awareness helpful or hurtful?

In my curiosity, I googled the DEFCON system ...

Defense Readiness Conditions, known as DEFCONs, are used by the Joint Chiefs of Staff and the Commanders of the Military to outline progressive states of readiness

against military threats. As the threat stage amplifies towards nuclear war, the level counts down from 5 to 1. Though the United States has never declared a state of imminent nuclear war and reached a DEFCON 1 position of maximum readiness, the Cuban Missile Crisis in 1962 brought the country to DEFCON 2 with the Armed Forces ready to deploy and engage in less than six hours.

With that in mind, I rewrote what a DEFCON system might look like to manage the readiness of a casino against internal and external threats:

Readiness Condition	Description	Tactical Deployment	Situational Analysis
DEFCON 1	Price war is imminent	FREE PLAY	Transactional relationship with the customer. Incremental business must be bought with an offer that outmaneuvers competitors.
DEFCON 2	Next step to price war	Point Multipliers	An inflationary period focused on winning a midweek date.
DEFCON 3	Increase in force readiness above that required for normal readiness	Expand Direct Mail	Cut touch points to low worth players and throw additional mailers at targeted zip codes.
DEFCON 4	Increased intelligence watch and strengthened security measures	Secret Shop	Infiltrate the competition. Scrutinize other mailers, offers, and promotions. Agonize over the size of coupons.
DEFCON 5	Lowest state of readiness	Report and Test	Build a sustainable method of reinvestment that allows for moderate tactical changes.

Let's look at a few scenarios to evaluate what takes us to a heightened state of readiness. Our heightened state of anxiety urges us to layer reinvestment. How do we remain in a state of readiness? How do we not take ourselves up to DEFCON 1 every time we're faced with uncertainty?

SCENARIO 1:

A casino is opening down the street.

The wolf is at your door. Are you a house made of straw, sticks, or stone?

Do you ...

- A.) Panic?
- B.) Mail more Free Play?
- C.) Dress your management team in street clothes and obsess about seeing your players at the new joint?
- D.) Leave a dead carp hidden behind one of the competition's ATMs?
- E.) All of the above?

Obsessing about the competition is not the answer.

If you feel like you must protect your business by buying it, then what have you built for yourself? I wouldn't worry about a wolf blowing your house down. I'd worry about the customer smelling your desperation and your internal team imploding your ROI.

SCENARIO 2:

Your competitor is sending out Free Play like there is no tomorrow.

At this rate, there won't be a tomorrow. Your market has turned from one based upon value and customer service to Kohl's where everything is on sale.

Do you ...

- A.) Spend hours in meetings grappling over upping your Free Play coupons from 15% to 20% of ADT?
- B.) Deploy extra postcards, emails, and *carrier pigeons* to pummel your players with more offers?
- C.) Relent and agree to send \$1,000 Free Play coupons to your top players?

Direct Mail is not the answer.

This is not DEFCON 3.

SCENARIO 3:

A new vendor has introduced a technology that is poised to rock your world.

It slices, it dices, and it doles out offers in a way that George Jetson never dreamed. Your intellect will blossom with data visualization that is so revealing, it will make you blush. Your offers will be so tantalizing, your customers will drop everything and give you all their trips.

Tuesdays on your floor will look like Saturdays. Your costs will shrink, your profits will soar, and your customers will thank you.

What will happen three months from now?

- A.) You'll still be installing.
- B.) All the features you bought will not be fully functional because you don't have the right version of CRM system, kind of customers, or data warehouse.
- C.) Your initial results will glow, but subsequent returns will fizzle.
- D.) The layered offers will give your CFO a coronary.
- E.) The added information and knowledge won't necessarily have the tactic to go with it, the utility to drive change, or the simplicity to make sense to the player.

Technology is wonderful. Well-deployed technology connected to tactics that make sense within your existing loyalty program is even better. Most ideas fail in deployment because the new technologies or programs are additive, not integrative.

SCENARIO 4:

Put all your eggs in the Hosts' basket.

If you put all your eggs in the Hosts' basket, all incremental revenue is dependent upon your best players.

To court and retain your best customers you ...

- A.) Invite the same people to more parties.
- B.) Start sending VIPs additional Free Play in the mail.
- C.) Spend more money on food in your VIP Lounge.
- D.) Arm wrestle your Hotel to increase your room block on weekends.

Player Development is not the answer to every growth expectation.

PLAYER REINVESTMENT & FREE PLAY ANALYSIS

When faced with the new casino down the street:

Assess the strength of your structure. Is it made of straw or bricks? If you have been in business for twenty years, consider the customer base and the employee base that have stood with you over time. Those are strong bricks. Competition doesn't have the tenured customer. Competition doesn't have the historical data. Competition doesn't have your employees.

When faced with the pressure to send out more offers:

This is a short-term means to buy the business. You can manipulate a player to respond to win a weekend, but what will it take to meet the numbers the following month? You can buy good redemption. But what will the customer say when the offers return to normal?

When faced with new technologies:

Does a new technology create a new path for added reinvestment? Or can it bridge the gap between existing touch points? Can it add to the conversation? Can it deepen engagement or lengthen the relationship?

When pressuring Player Development to be all things to your bottom line:

Consider leveraging your existing programs to support Host endeavors. Comps and additional Free Play will erode margins faster than incremental visits will fill your bucket. There is great potential at the top of your worth segmentation. However, the most powerful revenue-generating section of your database resides in the upper middle. Spread your net wider to sustain and grow business.

Added offers, layered reinvestment, and Free Play are DEFCON 1 responses. Uncertainty in the marketplace is best met by leveraging the strengths of your existing loyalty program, connecting with your existing customer base, and celebrating the employees who bring the two together.



Nicole 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.

Catch Nicole's session "Player Development: Slicing and Dicing Your Database for Potential Hosted Players" during the Cutting Edge Table Games Conference, November 14 – 16, 2017.

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“Rocket Man” to Headline Raving NEXT

New conference, mentorship program, twentieth anniversary celebration, and more

By Christine Faria, VP of Marketing, Raving Consulting Company

This January marks the twentieth rendition of Raving’s signature *National Indian Gaming Analytics and Marketing Conference*. It also signifies a change of guard: as of October 1, the company is now a tribally-owned business. Raving’s CEO, Deana Scott, along with her husband Brady Scott, an enrolled Coquille Tribal member, have purchased Raving from gaming industry veteran and company founder, Dennis Conrad.

As longtime educators, there is a huge obligation to our industry to do our part, to be forward thinkers and leaders. To help those from the front line to those in the “C” suite be the most successful they can be, with critical and innovative information presented through our conferences. Raving has always taken that role very seriously.

When Deana, the “new boss,” brought the team together to start planning the 2018 event, she challenged us to develop a forward-thinking curriculum – unlike anything we’ve had in the past. A program that didn’t “catch casinos up to

what they should have been doing for the last few years, but to give them technology and thinking that will help them succeed in what’s next for the industry.” A program that addresses market maturity and choosing between tribal needs and reinvesting in our core business. Not only did we develop innovative content and an expanded speaker lineup for Raving’s signature National Indian Gaming Analytics & Marketing Conference, but an entirely new event was created.

INTRODUCING RAVING NEXT

For those who have not attended this conference, our three-day event comprises one pre-event day, **Raving NEXT**, and the following two days are devoted to marketing and analytics (and also features a tradeshow). Most attendees attend both programs.

This groundbreaking one-day event, *Raving NEXT*, will tackle critical topics pertinent to Tribal Council, General

Managers, CFOs, CEOs, and Directors. What makes this event stand out amongst the many gaming conferences and tradeshow across the country is Raving's expertise for gathering industry leaders, encouraging straightforward and relevant conversations, and providing intimate networking opportunities, specific to tribal gaming.

On creating Raving NEXT, Deana shared, "The Tribal gaming industry is in a new phase of market maturity. There's no time to waste; operators need to create decisive strategies for reinvestment for their aging properties to meet the needs of their changing customer base and to maximize their labor. As longtime educators in this field, we took a hard look at what trends and conversations will have the greatest impact for our casino clients. We look forward to being the catalyst to facilitate those discussions."

What we can learn from the first Native American Astronaut



We couldn't have found a better keynote presenter to kick off our inaugural Raving NEXT program, and here's why.

He was suspended from college his sophomore year, for spending more time rock climbing rather than studying. You can say he knows a little something about challenge. About failure and incredible success. About dreaming the impossible. About partnerships.

From near college dropout to United States Naval Aviator and the first Native American Astronaut, Dr. John B. Herrington can cite several parallels in his life to the immense challenges and successes tribal gaming has overcome and the opportunities that lie ahead.

Herrington was born in rural Oklahoma. He credits his mother as the driving force of keeping his family connected to their tribe, the Chickasaw, and their heritage.

His dream of flying in space started at a young age. In the 1960s, most kids had that dream. America and the Soviet Union were locked in a competitive race to see who could claim the title of first in space and first on the moon. People followed every broadcast about rockets launching and the latest details about the space program. Neil Armstrong

and Buzz Aldrin landed on the moon when Herrington was ten years old. It was the perfect age to become attached to an impossible dream. He used to take a cardboard box and sit in the basement of his house, imagining he was an astronaut, soaring into space and seeing the Earth below him. His dream became a reality in 2002 when, as a Mission Specialist on STS-113, he flew to the International Space Station.

Attendees will listen to this motivating story of a man who has always asked, "What's Next?" Who has devoted his life, after space travel, to understand the motivating factors behind why some Native American students are successful at pursuing degrees in science, technology, engineering, and mathematics and who have overcome incredible odds to achieve their dream of an education. Attendees will be reminded of how every day we have the power to attain our own impossible dream.

TRIBAL SCHOLARSHIP AND MENTORSHIP PROGRAM 2018

It is critical that Tribal members are engaged in discussions about the future of this competitive and complex industry. As a native-owned business, we want to ensure there are opportunities for future leaders to have a seat at the table.

Raving is offering the opportunity for up to five eligible tribal members to attend at no cost Indian country's largest and longest running conference, *Raving's 20th National Indian Gaming Analytics and Marketing Conference*, as well as the groundbreaking one-day program, *Raving NEXT: Innovative Strategies That Drive Profit*.

These tribal members will receive exclusive opportunities to engage with industry leaders from throughout the United States and will work closely with an assigned mentor during the event. They will also work with the Raving event team to facilitate sessions and workshops. The internship covers the cost of the conference and conference meals.

Throughout this three-day experience, participants learn valuable skills to take back to their organizations. They will also witness and participate in discussions about decisive strategies for reinvestment for their aging properties to meet the needs of their changing customer base and to maximize their labor.

Are you a supervisor working with a talented and motivated tribal member who will be a future leader in your gaming operation, and who would embrace this experience?

Are you currently in a tribal member development program and aspire to be part of the next generation of leadership for your tribe?

For eligibility and application instructions, please visit our website, www.ravingconference.com, no later than December 1, 2017.

TRIBAL SPIRIT OF GIVING CELEBRATION AND ENTRY INFORMATION

In an industry that most outsiders don't understand, the story of the tribal gaming community and its workforce of warriors who are dedicated to improving the lives of their communities is often unheard. Call it cultural modesty, call it silent giving; you don't hear a lot about the millions of dollars and hundreds of life-changing programs that tribal casinos invest in every year.

Three years ago, we began our journey to recognize those tribal organizations that give so much back to their communities. In this year's celebration, we will be standing up and applauding those organizations that have changed people's lives.

If you haven't already, go to our dedicated website and enter your initiatives online. We've changed it up this year: it's free! It's easy. We want to share what our industry has given back. Not ready to participate? Get new ideas about charitable initiatives that tribes across the country are doing for their communities, and vote for your favorite. Go to www.ravingconference.com for more information. The deadline to submit is November 30, 2017.

For more information on any of the topics presented above, contact Christine Faria, VP Marketing, Raving Consulting at 775-329-7864 or chris@ravingconsulting.com. Also visit www.ravingconference.com

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KEYNOTE SPEAKER

John B. Herrington
Ph.D.

Retired United States Naval Aviator
Former NASA Astronaut

Attaining the "impossible" dream for yourselves and your tribe: What we can learn from the first Native American Astronaut

Raving NEXT: Innovative Strategies That Drive Profit

As the Tribal gaming industry enters a new phase of market maturity, this one-day gathering, Raving Next, will provide decisive strategies pertinent to Tribal Council, General Managers, CFOs, CEOs, and Directors.

These discussions will include evaluating reinvestment in aging properties, meeting the needs of a changing customer base, providing for tribal membership, assessing key technology and how to evaluate opportunities.

What Casinos Can Learn About Performance Management from Microsoft

How to use technology to automate goal management and tracking

By Azam Husain, Strategic Raving Partner, Analytics and Systems Integration Specialist & CEO, Casino Science

Years ago, when I first started my career at Microsoft, one of the things that I enjoyed the most about the company's culture was its informality (and I don't mean walking around in ponchos and Birkenstocks – although that does happen). Work got done not by committee, lengthy process, or hierarchy, but through collaboration, resolve, and passion. At Microsoft, this meant a balance of creativity and discipline.

Discipline was enforced through the company's performance management process. This structure helped employees:

- Define goals that were aligned with the business
- Articulate performance expectations of contributions
- Understand how the compensation structure was tied to performance
- Receive feedback on a regular cadence that helped manage progress towards defined goals and outcomes

It's hard to argue against the tremendous success that Microsoft enjoyed as a result of its rigorous outcomes-focused approach. And although the very notion of performance management today is evolving at many companies, including Microsoft, most would agree that a formalized approach to goal setting and evaluation is critical.

Performance management is a process by which managers and employees work together to plan, monitor, and review an employee's work objectives and overall contributions to the organization. It can be thought of as a continuous cycle that involves:

- Planning goals and setting performance expectations that are aligned with organizational objectives
- Monitoring progress against measurable performance indicators
- Developing employee capabilities to successfully execute work assignments
- Evaluating progress against key performance indicators (KPIs) on a regular cadence to ensure that goals are met
- Rewarding successful outcomes

Goals help define an intended outcome with KPIs that are used to track progress. A KPI allows you to assess where

you are relative to where you want to be (actual vs. forecast). It is important because it can help you understand where to influence time and resources to achieve your desired outcome.

A poorly structured performance management process can be detrimental to the organization. If individual goals are not aligned with the organization's strategy, time and resources can be spent on activities that don't move the business. If performance measures are not adequately tracked to monitor progress, problems can fester without resolution. And if employees don't understand what they are being held accountable for or being evaluated in an inconsistent way, this can affect employee morale and productivity.

Performance management is not a technology capability; it's an organizational process that you use to drive towards an outcome. But technology can be instrumental in automating the performance management process and making things more operationally efficient.

In casinos, a host incentive program is a good example of where performance management is critical for program success. Hosts and managers need to work together to define performance goals for VIP business. KPIs must be constructed and actively monitored to assess weekly/monthly progress (theo, theo growth, visit growth, etc.). If problems arise, mitigations must be proposed and implemented. Managers need to give hosts relevant feedback to "course correct" on problem areas. And finally, incentive compensation must be properly rewarded at the end of the period based on the results.

As simple as this framework sounds, it is not always as easy to implement. Most of the challenges are organizational in nature. It can be difficult to hold people accountable for their actions if it is done without a fully supported system in place to capture goals and monitor progress.

How to start?

Clearly communicating strategic business objectives is the first step in the performance management process. This is set from the top, the CEO or property GM. Goals then filter down through the organization, with department

managers setting goals that align with their leadership's strategic direction. Each manager in turn shares the overall goals with his or her team, and meets with employees individually to set performance goals and plans.

Goals should be set that not only address what is expected, but also how it will be achieved. For example, the "what" covers quality or quantity expected, deadlines to be met, cost to deliver, etc. The "how" refers to the behavior demonstrated to achieve outcomes. And all of this should be clear, unambiguous, and align with the top-level strategy.

One widely accepted framework is the use of SMART goals:

- **Specific** – Defines the specific goal that you want to accomplish. Example: Increase VIP player revenue by 20% in 2018.
- **Measurable** – States quantitative key performance indicators that you will use to track towards your goal. Example: monthly theo, ADT, visits, etc.
- **Achievable** – The goal needs to be realistic and attainable; it should stretch you, but still be possible.
- **Relevant** – The goal should be in alignment with the rest of the organization.
- **Time-Bound** – You should have a target completion date for the goal.

Having a way to codify these goals and then monitor progress on a recurring cadence will be important in the performance management process. Technology can help here by automating goal management and tracking through performance dashboards.

Performance dashboards give an analyst or decision maker a high-level overview of the casino's most important metrics. For example, in the case of a host program, dashboards can allow you to monitor host or program effectiveness. It also provides a measure of transparency that allows both the management team and the individual host to understand what their goals are and how they are tracking towards completion. Performance dashboards also enable a quick health check of the host program or the host, without spending significant time building throwaway reports.

Regardless of the technology that you use, the creation of

goals and their tracking on a recurring cadence should be the primary activity. As Bill Gates once said, "By the time you realize you're in trouble, it's too late to save yourself." With a well-executed performance management process, that "trouble" can be avoided.



Az is the founder and CEO of Casino Science, an analytics software and consulting company. A self-confessed "data nerd," Az helps casino operators make sense out of the vast quantity of casino data. Az helps Raving clients extract the right data from casino systems, enabling marketing and player development teams to make data-driven decisions.

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Data and the Human Factor

Collection, interpretation, and execution for a more successful operation

By Mark Astone, Strategic Raving Partner, Branding, Advertising and Media Services and CEO, Catalyst Marketing Company

Casinos rely on their ability to harness information and execute strategies based on quantifiable resources. Thanks to player tracking systems, gaming is an industry that is decades ahead of other industries in data collection and understanding our customers' behavioral patterns. But no matter how "big" your data is, a solid strategy requires the human factor to interpret the data and gain actionable insights.

In addition to social media and web analytics, casinos today have access to the data points for every behavioral decision the guest makes. From every slot and table games wager to dining and retail preferences, you probably have your customer base completely figured out. Or do you?

With the latest in technological advancement, the speed of data collection has surpassed our ability to interpret data in real time. Wouldn't it be great if we could just feed all of our data into a "big data" machine that would spit out the

"answers" and insights for us in a nice, neat marketing plan? Ah, but big data relies on the human factor to understand and interpret the information, create a plan of action, and execute for success. Here are examples of where key components can fall short and affect your overall success.

Data Interpretation: One of our favorite examples of interpreting data is website analytics. All too often we hear that "something is happening with our web traffic and it's bad." Well, that may or may not be the case. Let's say you are running a digital display campaign that lands users on your promotions page. After reviewing the website traffic data, you note that the average session duration time gets shorter and bounce rates go up! Don't panic. Since your call-to-action is targeted, this is an acceptable and expected response to your campaign. Sure, your average session duration could drop to 25 seconds, but 55% of people spend fewer than 15 seconds on a webpage to take

in the information they sought out. And anytime you deep link from digital advertising, it's normal to see your bounce rate change, and this is okay. Users get the information they were looking for, and leave the site once it's been read.

When interpreting data, focus on the objectives of your campaign. Was your digital ad compelling enough to spike your click-through rate? Do your session duration times tell you that your event is in fact appealing to your target audience? Sounds like a successful effort.

Media Planning: Make sure that you completely understand your market research before applying it to media planning efforts. Sometimes third-party research identifies audience behavior to be one way, when it is really another. For instance, third-party data often indicates that a local casino-goer skews male. However, a review of your player data indicates that it is really female. Always apply what you already know to be true and unique for your property before relying on research data as gospel. When looking to define the media mix that your audience may be using, TV and digital usage can be under-reported. People taking a survey may not be accurate in estimating the time they spend with a medium. Survey subjects may not want to state how many hours they watch TV or spend on their mobile device. That's why it's important to look at multiple questions in a survey to get the full picture.

Management/Staff Execution: Digital communication has become a more predominant source of information for many demographics, so chances are that your casino's outbound communication has campaigns that are concentrated in interactive mediums. Having a clean database of your players' email addresses is critical. Ensure that everyone on the front line of the club booth understands that *they are* an important data collection point.

A healthy relationship with data strikes a balance between collection, interpretation, and execution. The way data is collected, and how it is interpreted and applied can have a major impact on success. The insights that are learned by us humans with our experience, observation and intuition combine with big data so that we can make better and more effective decisions. Data and technology remain reliant upon the human factor to integrate for success.



Mark 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. Raving has partnered with Mark and his team at Catalyst to help our clients with solutions for branding, advertising and media services.

Meet the Catalyst team at G2E and Raving's 20th National Indian Gaming Analytics & Marketing Conference.



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How to Increase Wallet Share

By using the science of Behavioral Economics

By Sarah Procopio, Raving Partner, Database Analytics

There is a discipline called Behavioral Economics that is growing in popularity. It is the study of the psychology behind why people make the financial decisions they do. In other words, it seeks to explain how people's emotions and thoughts affect how they make decisions. The good news is that you are probably already leveraging concepts from this field of study without knowing it. Now is the time to develop a deeper understanding of what you are doing right and how to take it to the next level. If you don't, you can be sure that your competitors who do, will gain an advantage over you.

Understanding why people make decisions will impact your bottom line. When you know why your players make the decisions they do, you can do a better job of influencing those decisions in ways that benefit your business. Scientists have established that the brain has two systems it accesses for decision-making: the rational system and the automatic system. Understand this and you will elevate the power of persuasion that you have with your players. Here are the characteristics of the decision-making process within each system:

Rational

- Slow
- Self-aware
- Controlled
- Effortful

Automatic

- Fast
- Emotional
- Uncontrolled
- Effortless

When a player makes a decision in your casino, they make it by accessing one of these two systems. When creating your casino messaging – from floor signage to offers extended at the Players Club – understanding which system your message taps into can have a higher impact with your players. The result? More wallet share. Here is how it works ...

The rational system has a high likelihood of activation when a player, in planning their next trip to your casino, calls VIP Services to make their reservation. In that scenario, they are operating from a place of conscious logic and attempting to make decisions to provide them with the highest-value experience possible. This is when extending

an offer, such as an additional \$10 comp at the

steakhouse for booking a reservation in advance (resulting in the player staying on-property

longer and you capturing more wallet share), would have the most impact because it appeals to the rational, value-oriented mindset of the player – the rational system of decision-making. Automatic decision-making comes into play when the player is on-property and in an emotional state. One of the best ways to leverage this opportunity is by making decisions that benefit your property the easiest decisions the player can make. For example, to keep players on-property longer during their visit, instead of asking if they'd like a reservation, have your hosts inform your players that there is a reservation booked for them at their favorite restaurant. This is a subtle and simple – but powerful – change in approach. When your hosts do this, they have made it easier for your players to stay on-property and keep the reservation – saying no or cancelling it would be more work. This appeals to the automatic decision-making system that prefers fast and effortless options when the player is in an emotional state.

A derivative of these Behavioral Economic principles is Nudge Theory – in action it is called Nudge Marketing. The concept is simple: you take information gleaned from behavioral economics, and you encourage customers to make choices that benefit your property. We are masters at this in gaming and hospitality, but we may not know the practice in these terms. The frame of reference that people have when making decisions massively impacts which decisions they make. This is referred to as "framing." Following are two examples of Behavioral Economic principles that you can use to increase wallet share when your players are on-property, and examples of ways to frame them in Nudge Marketing form:

1. **Temporal Discount Bias Nudge:** This is the concept that something of value now has a higher perceived



value than something of the same or greater value later. This strategic approach works like a charm with Millennials. For example, \$50 in cash now has more value than \$100 six months from now. The \$50 in cash now is “framed,” or compared, against the higher amount and a date that seems far away. Many lotteries put this to the test by offering winners \$1,000,000 via payments over 20 years versus an immediate payout of \$300,000. Winners almost always take the full amount available now.

- 2. The Social Proof (or Norms) Nudge:** In behavioral terms, we tend to do what those around us are already doing when we aren't sure what to do. You probably use this one already by shouting the news about winners via a variety of methods. The thought behind this approach is that when you do this, players receive the messaging and have the perception (proof) that other players win at the casino, too. This works. Now think about ways that you can take this to the next level. To increase ancillary revenue from room upgrades, your team can start saying something like, “More than 80%

of our VIPs are upgrading to the executive suite for just \$65 more a night. Is that something you'd like to do as well?” The choice of saying no to the suite upgrade is “framed” as unpopular against the choice of saying yes, which is framed as popular. Again, it sounds like just a small shift in choice of language, but these small changes can have a major impact on your bottom line.

Happy nudging!



Sarah helps clients meld data science and human behavior to grow revenue and increase profit. She was selected as part of Raving's Database Analytics team for her exceptional analytical, quantitative and problem-solving skills and deep experience in data driven marketing.

Meet Sarah at G2E and Raving's 20th National Indian Gaming Analytics & Marketing Conference.

A Player Engagement Campaign ... On Steroids

How Engagex Helped a Casino Achieve a 12.3% RSVP Response Rate

Regardless of how many mailers or emails you send, what is the best response you can hope for? 4-5%, if you're lucky? Recently, a casino client of Engagex had a huge event and wanted a large portion of their player data base to attend. They had a hefty goal to achieve a 10% response rate. After some discussion, it was

clear that direct mail or email alone would not be able to hit this goal. With three weeks until the event, Engagex helped this casino develop an RSVP program that made their response rate explode. Here are the details:

Campaign Details

- Send Direct Mail Event Announcement to Player Database
- Collect InBound RSVPs via Telephone
- Make OutBound Dials to Non-Responders
- Send Updated RSVP List to Print Event Certificates
- Make Personalized Reminder Calls 48 Hours Before Event

Results



Direct Mail
Inbound RSVP
4.4%



Outbound
Phone RSVP
7.9%



Total
Response Rate
12.3%

Next time you are running a promotion or event and want an exception response, contact Engagex. We have the tools, experience, and know-how to turn your promotion into a success.

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Changing the Worst Promotion Ever ... (Part II)

Into the best thing that ever happened

By Janet Hawk, Raving Partner, Player Development and Marketing

Years ago, I was involved in a promotion that appeared to meet all the necessary criteria. To this day, however, it is [one of the worst experiences I ever had in a casino](#), and one that I will never forget, because it helped me transition from operations to marketing, and taught me several important lessons.

Quite literally, this promotion was a real game-changer for the casino. Because it was such a big learning experience across the board, not only did it change the way we did every promotion moving forward, but it also caused a huge redirect of our overall guest service.

The premise ...

The promotion SEEMED simple: the promotion would be run at two properties (sister properties located approximately 30 miles apart), a system of “funny money” would be created (“Casino Cash” for the purpose of this article) that guests could earn in numerous ways over a 90-day period. The finale would be held at the larger property. A huge tent was erected in the parking lot, where there would be an auction that included a real auctioneer to add to the excitement. Guests would bring all the Casino Cash they were able to collect during those 90 days and use it to bid on a variety of items, from small tchotchkes to a brand-new car. Awesome!

Now for a few details ...

The Casino Cash was broken down into several denominations, from \$20 bills all the way to \$25,000 bills, and everything in between. There was no requirement to have a players club card. Guests could earn their Casino Cash in a variety of ways within the casino. A few examples:

- Any transaction at casino restaurants, hotel, spa, gift shop, or any other on-site venues
- Hopper fills, hand-paid jackpots, buy-ins on tables, cage transactions, etc.
- Valet parking their car
- Hourly, actively playing on slots or tables

Each activity or transaction was “assigned” a specific dollar amount for the guest to receive. For instance, a hopper fill would earn the guest \$50 in Casino Cash. We were instructed to be extremely conservative with larger denominations, such as \$5,000 and above. In other words, only management could approve those larger denominations in order to try to “control” distribution.

There were considerable issues that occurred with this promotion, which you will likely see. For [both parts of this article](#), I have focused on four specific problems that caused the most grief, but taught the biggest lessons (for problems one and two, read Part I).

HOST AND PLAYER DEVELOPMENT

Problem #3

The finale was held at the larger property due to space constraints. This was a bit of an issue for the guests who only went to the smaller sister property. The properties were at least a 45-minute drive apart, so we rarely had any crossover play. So not only did these guests have to drive farther to participate, but they were going to a place where they didn't know anyone. Not their usual, comfortable place where everyone knew their name. No accommodations were made to have key employees (casino hosts, operations management, etc.) from the smaller property have a presence.

LESSONS?

- If you are holding a multi-site event such as this (or any event, really!), always involve the PD department and other frontline management. Your guests have developed relationships with these people, and having a friendly face that they know is a great thing! Especially if something goes wrong or there are questions ... more on that later.
- The more difficult a promotion is for the guest, the less likely it is to be successful. Don't make your guests drive farther or make it more complicated to participate. Keep it simple!
- A huge tent was erected in the parking lot for the event. The items up for auction were out on display so that participants could determine what they would bid on. Guests arrived with the Casino Cash they had been collecting over the 90 days and were ready to see what was offered. There was no advance description of the items that would be up for auction, so no one knew if there would be anything of value offered. A totally missed opportunity to increase excitement for the finale and the promotion as a whole!

Problem #4

This was the part that really exploded. Remember, there were only guidelines for distribution of the Casino Cash and this promotion was running at two properties. One property attempted to follow the rules as closely as possible, and most discretionary issuance of cash was done in smaller denominations, with the exception of some of the bigger players. Even then, it was somewhat restrained. The larger property went all-out with the distribution of their Casino Cash, especially with their biggest player. Unbeknownst to the smaller property, it had been predetermined from the beginning that the car would go to him because of his existing level of play, and he was even asked what type of car he wanted.

When all the participants started arriving, it was noticed that some had several suitcases and garbage bags FILLED with Casino Cash. A very notable difference in distribution to everyone involved. The discontent escalated dramatically once the actual auction began and small items were going

for exorbitant prices. For instance, a pair of sunglasses that could be bought in the gift shop for \$5 went for \$2,500 in Casino Cash. So not only did they receive less Casino Cash throughout the promotion, but now even lower priced items were going at hugely overpriced amounts. That was when my phone blew up!

This is where I got the best dispute resolution experience of my entire career! I was inundated with angry, disgruntled guests, both in person and on the phone. My listening skills were truly tested! We immediately went into dispute resolution mode property-wide and began to invite our guests back "home" for some TLC. There were a lot of comps written, apologies and hugs given that night, I can tell you!

LESSONS?

- This might seem obvious, but your promotions/events **MUST** be fair! The only way to do that is everything must be based on play. Any perception of "special treatment" can be disastrous and cause you to lose players and business.
- When something goes wrong (and it will!), correct it and/or make it right as soon as possible! Below are some valuable guidelines to keep in mind:
 - Evaluate each situation independently, and do the appropriate research to determine the applicable solution.
 - Involve the guest in the resolution to ensure satisfaction ("what can I do to make this right?").
 - LISTEN!! Not to respond, but to understand.
 - Conflict resolution is not about arguing or the arbitrary enforcement of THE RULES. It is, however, about negotiating in good faith.
 - In most cases, it won't be quick and easy ... nor should it be! Take your time and make the right decision for all parties involved. This might be as simple as listening and offering a comp or free play, to as big as awarding a jackpot in a machine malfunction situation.

Problems WILL happen, so use them as growth and learning opportunities. Even with the most well-run promotions, there will be areas to improve the experience for not only your guests, but for the property as a whole. Don't miss out on a chance to keep improving!



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

Meet Janet at Raving's 20th National Indian Gaming Analytics & Marketing Conference.

Invest in Your Property's Future

A new look at capital reinvestment

By Andrea McCurry & Kevin Parker, Raving Partners, Casino Operations and Technology

As casino operators, our main goal is to maintain our current patron base while attracting new customers to our casino resort. In order to attract new guests, you must offer clean, comfortable accommodations in conjunction with an engaged and knowledgeable staff. Obvious, right? Yet as an industry, while we are quick to recognize the need for well-trained staff, we tend to fall down when it comes to the upkeep of our facilities.

When operators think of capital reinvestment, many erringly limit their considerations to only the items on the floor or in rooms and outlets. Attending to these assets is indeed a large and important part of the equation, but to do so at the oversight of the actual physical structure is a regrettable, potentially costly, mistake. If we, as an industry, want to continue attracting new customers and increasing our profits, we cannot ignore the facility itself.

For a property executive, there are many reasons to rationalize the delay, or even the cancellation, of facility improvement projects; almost all those reasons are dangerous and shortsighted. Choosing short-term “gains” over mindful expenditures for general maintenance, renovation or modernization is a sacrifice of long-term revenue streams.

Our facilities are very much like our homes: value lies as much in the beauty of the structure as in its functionality. Curb appeal matters; when we forgo appropriate upkeep of the facility, it begets a negative perception of the property in our target customer base.

There certainly was a time when a property could hide its true condition until the consumer arrived on-site. At the point of arrival, any displeasure expressed by the now-captive audience could often be placated with a little dynamic customer service. Those days are over! If your customer is reasonably attentive and minimally computer-literate, rest assured that they already know the current condition of your accommodations.

According to travel consumer statistics, 90 percent of travelers (leisure and business) use the Internet for the bulk of their trip planning, from the initial search for ideas about where to travel, to virtual exploration of a vacation destination, and to research and read online reviews of their intended accommodations.

Friends don't let friends stay at dive resorts

Travel advisory sites, such as Oyster.com (a hotel review site), detail the true story about a property's condition and amenities. Many newer apps and sites, such as Trippy.com, even sync with users' personal social media accounts, allowing online pals to chime in and provide recommendations for their itineraries.

To put it simply, if your property is not up to the standards of its immediate competition, or if your marketing department has resorted to using the term “shabby chic” to describe your accommodations – you need to rethink your property-wide priorities, immediately.

Even if you do not have the authority to guide the focus of capital improvement projects in your facility, we are certain that you have the ability to influence the cleanliness and general appearance of the overall property. Customers may forgive outdated decor, but they (rightfully) demand clean and serviceable accommodations in return for their entertainment and lodging dollars. You have exactly one chance to make a positive first impression on your customers. Fail, and there are simply too many other entertainment venues available to expect your facility to receive a second chance.

Over the past few months, we have had the opportunity to tour the floors, outlets and hotels of several corporate casino resorts, as well as various private and tribal facilities. What we observed was disconcerting: the majority of these facilities were outdated, shabby, or just plain dirty.

So, what can you do about it? We suggest taking a literal walk in your customer's metaphorical shoes. Begin at the parking lot and, with an open mind, visit every outlet and public area in your facility. Really look at the property and accommodations through the eyes of a consumer, rather than as an employee. Some items to consider:

Parking Lot and Garage Areas

- Is the parking area well-lit and free of debris?
- Are garbage cans overflowing and dirty, or have they been recently attended to?
- Does the lot/garage have adequate lighting, signage, and well-defined spaces? Is the ground sticky and stained? If you lost your shoe and were forced to walk

barefoot, would your next stop be an urgent care center for a tetanus vaccination?

- Is the route to the facility well-maintained? Are the parking elevators and/or stairs clean and serviceable?

Casino Entrance, Lobby and Porte-Cochere

- Is the casino entry convenient and inviting? Can your guests wait comfortably out of the elements for their vehicles to be retrieved from valet?
- Is the valet signage clear and easy for guests to understand?
- Survey the landscaping as you approach the front of the building: Are the grounds free of unruly weeds and unshapely shrubs? Do sprinklers spray onto the sidewalk or vehicles parked nearby?
- Do all of the doors, including the ADA access, operate properly?
- Well-maintained entrances and exits are very important, not only for appearance, but also for compliance with fire and general safety codes.
- Are the doors clean and free of fingerprints?
- Is the entryway clean? Notice the condition of the floor: Is it free of unsightly (and potentially hazardous) cracks or snags in carpeting?
- Take a deep breath through your nose: Is the smell pleasant, or does the air stink of dirty ashtrays, stale tobacco or an old dumpster?

Casino Floor

- Is the slot floor clean and free of debris?
- Have the chairs been straightened and matched to machines?
- Are the ashtrays clean and the machines wiped down?
- Look at the condition of the chairs: Do they appear clean and sturdy, or stained and cigarette-burned? If you wouldn't sit on them, your customers probably won't either.

Restrooms

When visiting a casino (or anywhere, period), bathroom cleanliness and accessibility are essential.

- Are the sharps containers or the trashcans overflowing? If guests are unable to quickly and easily dispose of their waste in the proper manner, it is likely to end up on the floor.
- Are the vanity areas dry and clear of litter, or do the

countertops have pools of standing water on them? There are few things more distressing to patrons than the glorious experience of retrieving their valuables out of a puddle of liquid that they hope is water.

- How are the levels of your janitorial supplies: bathroom tissue, seat covers, paper towels, hand soap, etc.?
- Are all of the sinks, faucets, and other plumbed outlets functional? Is an "out of order" sign or a piece of tape across a sink an acceptable maintenance notification? If not, address this issue with the maintenance department directly.
- Lastly, make sure that the floors, toilets, walls and stall doors are free of scuffs, grime or graffiti. Walk into a stall, take a seat and look around. Is this a bathroom that you would feel comfortable using?

Outlets and Amenities

Now stroll through your outlet areas: the restaurants, gift shop, spa, hotel lobby, and pool areas. Look for potential risks to guests and team members.

- Ask your team about safety concerns. Are unacceptable conditions or practices in place that staff have adapted to work around rather than address? The idea of a disregarded hazard is appalling, yet they can be found in virtually every facility. Be vigilant.
- Is the gift shop fully stocked with merchandise, or is it mostly bare with minimal products on display? Sure, a majority of guests may rely on the gift shop chiefly for snacks and cigarettes, but many also like to pick up merchandise for friends and family. Empty shelves discourage sales and breed dissatisfied customers.
- Check the pool area. Is the pool clean and well-chlorinated? Is the pool deck free of tanning oil, dead bugs, debris, and other potential hazards? Are the tiles worn or in need of replacement? A resort pool should look cool, relaxing and inviting. If that's not the case, then you have some work to do.

Should you find areas within your facility that are in need of serious attention, address them head-on. It is your charge as a property manager to ensure that due attention is given to the overall cleanliness and safety of the facility. Even if you lack the immediate resources to implement a dramatic remediation, don't use this shortage to allow yourself to rationalize away your property's shortcomings. Remember, the average customer doesn't care why your facility is in

disrepair, only that they are paying good money for a substandard experience. Address the issues that you can with the resources that you have available; your efforts will not go unnoticed by your patrons.

Why not take the opportunity to spin this into a property-wide learning experience? Instead of merely addressing each of the issues on your own, share your new awareness with the facilities staff. Repeat this walking exercise with key supervisors and managers so that they can also view the property through your customers' eyes. Don't assume that employees understand your standards for the facility; rather, you must educate them. Lead by example. Generate awareness and train your staff accordingly.

By empowering your staff and recognizing and addressing your property's current shortfalls, you can lead the way

toward forging new standards throughout your facility and, in turn, subsidize your property's future.



Kevin and Andrea are Raving's experts when it comes to casino operations, technology and regulations. They have partnered together for the last 15 years specifically open-

ing new casinos, rehabilitating existing properties, and developing new technology to enhance player experience.

Meet Kevin and Andrea at G2E, and Kevin will be a panelist at the Cutting Edge Table Games Conference during the session, "Build Revenue-Producing and Player-Pleasing Table Games Promotions That Work" on Wednesday, November 15.

CASINO PROMOTIONS DEVELOPMENT & ROI
 FOCUS GROUPS COMPETITIVE ANALYSIS SURVEYS
 DATABASE MARKETING ANALYSIS PLAYER REINVESTMENT
 & FREE PLAY GUEST SERVICE TRAINING PLAYER SALES SKILLS
 TRAINING STRATEGIC MARKETING SECURITY AND SURVEILLANCE BI
 SOFTWARE TRAINING HOST SALES SKILLS TRAINING ACCOUNTING
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 FACILITATION ONLINE CASINO OPERATIONAL SLOT ANALYSIS
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Who Comes First – An Architect or a Contractor?

Key questions that can save you millions

An Interview with John Stewart, Raving Partner, & President/CEO, Encompass Develop, Design & Construct

A friend of mine, Jodi, remodeled her bathroom after a leak caused major damage.

Wanting to save money, she bought fixtures and cabinets from one of the big-box stores, tile and flooring from another. She hired a bunch of “guys” to install the tile, plumbing, and cabinets. She hired a gal from the paint store to develop a palette that would match the tile and the cabinet color. She painted the bathroom herself. She had her husband do the floor.

Over a YEAR later, it’s done. Well, kinda. Some tile has already chipped, her shower nozzle doesn’t work properly, and her towel rack keeps falling down. She told me it was a “nightmare,” and she wished that she had someone to coordinate the entire thing for her. I didn’t even ask her how much money she really saved, as I doubt, what with all of the time off work in order to supervise, that there were any savings.

Twelve months, for one stinking remodel of a master bath in a subdivision!

Imagine ordering toilets, showerheads and bath mats for 150 rooms or more; making sure that electrical outlets, Internet hookups and hairdryers not only work, but are installed right-side up and level. What about the time it takes to coordinate the scheduling of several contractors -- and the mess when one is delayed? And just how do you keep track of the volume of the warranties? Let’s add in one more component -- the impact on guests and revenue.

Recently, I had the chance to chat with Raving Partner, John Stewart. Thinking of Jodi’s experience, I asked:

CHRIS: How do you manage a project like this on a commercial scale? How do you keep track of all these contractors? Who comes first – an architect or a contractor?

JOHN: To your question, who comes first, the answer would be “neither.” The answer to how do you manage a project that’s of a bigger commercial size -- is to hire someone who has the knowledge and experience, to run and oversee the complete project for you.

Where projects get upside-down is when an architect or a contractor is hired before the following questions are answered:

1. Have we done thorough research? Have we conducted market studies, strategic plans, and gathered customer feedback?
2. What do we need in order to develop a solid financial and construction plan? Are we prepared with a pre-construction package?
3. Can we make money from this project? What is the return on our investment?

As many companies find out soon enough, relying on individually contracted parties to provide the answers to those questions above is not the way to go. More often than not you will find this expertise is not in their wheelhouse, they’re not budgeting or finance experts. They are not guest research, feasibility or procurement experts. Who is? An owner’s representative can be the primary source for everything that you’ll need for your project.

CHRIS: How can hiring someone who would do all that, be less expensive than doing it yourself? What exactly does an owner’s representative do and how?

JOHN: Using an owner’s representative can not only SAVE you money, but it can ensure that your job gets done on budget and on time. A true owner’s representative is an expert extension of your team.

CHRIS: Okay, give me examples of how an owner’s representative can save money for a [gaming] organization.

JOHN: Sure, Chris. Not everyone works exactly like my company, Encompass, but I can tell you how we operate. Let’s summarize how an owner’s representative can save you money (over and above their fees):

1. **No need for more payroll** – Some companies hire permanent staff to not only get the project off the ground, but for ongoing maintenance capital and procurement. In addition, they might assign the project to an in-house senior executive who may have some knowledge of building, but this takes them away from their more important job, running the casino or maintaining the facility, and which they’re better at. If you use an owner’s representative, you don’t need to add on employees to your payroll or distract executives away from the gaming or other operations.

- 2. You can take that to the bank** – Many companies jump directly to an architect, as they believe that everything starts with detailed drawing. While these detailed drawings play a vital role in the project, in fact, what you need is a “preconstruction package” to approach board members, tribal councils, and financial institutions. It answers the question “is this project viable” and contains just enough information, including basic drawings, estimates, and feasibility studies. How can an owner’s rep save you money? You don’t need to start with full-scale drawings like you would get beginning the process with an architect. And if you have to go back to the “drawing board” after the fact, your changes can cost you thousands of dollars. Make sure that you’re on the right track before you hire your architect.
- 3. Finding the right financing** – Will you be financing through the investment community or through a bank? If you think in terms of percentages and points, an owner’s representative can find you the best rate for your financing. A good owner’s representative has helped clients explore both options, ultimately saving them thousands.
- 4. Contract negotiation** – If you look at most consultant contracts, they’ll list additional subcontractors to complete the job, along with fees that are embedded in the master fees. There also might be duplication of services between the architect and the contractor. There’s also the part about not being responsible for cost overruns. An owner’s representative knows exactly what should be in any contract to protect you, from additional fees, redundant services, and overcharges.
- 5. Procurement** – Sheets, commercial-grade digital TVs, seating, glassware, you name it; who has the time to find the best quality for the best price? Some owner’s representatives, like Encompass, will procure everything that you need without a commission fee on top of each item. You might hire an owner’s representative just for procurement; e.g., you’re doing a soft remodel of your hotel rooms.

yourself? In this case, I can speak for Encompass. We, as your owner’s representative, only charge for our time spent on your project. No mark-ups on anything. Just in contract negotiations alone, casinos can realize a tremendous savings over and above our fees.

Before you break ground remember ...

Are you planning on a remodel, expansion or new build? Whether it’s Encompass or another owner’s rep, before any plans are drawn or ground is broken, sit down and make sure that you have an expert team in place.



John is an award winning registered architect, licensed contractor, and licensed authority in the gaming industry across the country. John’s experience includes project development in industries including gaming and hospitality, restaurant and food service, retail, healthcare, religious, and manufacturing.

Meet John at G2E this year. He’ll also be doing a panel at Raving NEXT, January 29, “Balancing the needs of tomorrow with the short term needs of our constituents today: Is it really capital improvements versus tribal programs?”

Chris, you initially asked, **how can hiring someone who would do all that, be less expensive than doing it**

Dennis' *Vintage* Sure-Fire, Personal Casino Promotions (Part II of IV)

By Dennis Conrad, President Emeritus, Raving Consulting Company

This continues my Four-Part Series on Vintage Casino Promotions. In [Part I](#), I outlined the “Captain Casino,” Table Game Instruction Program, the Executive Invitational VIP Event, and the innovative “Pull Me More” skunkworks team. Read them if you haven’t and enjoy these three new classics as well!

Category: TABLE GAME PROMOTIONS

Name: PARTY PIT

Description: In the early 1990s, “Party Pits” (themed table game pits which supposedly are “more fun”) were not as commonplace as they are today. In fact, the first two attempts at Party Pits occurred in Las Vegas and were not much more than a small blackjack pit with a few balloons, dealers in t-shirts and a boom box with poor sound quality. Our “Fun Force” team tasked with bringing more excitement to the casino players’ experience, immediately saw the opportunity with the Party Pit concept if we could make it into a true “party” all the time – no small task.



The first thing we did was choose a Party Pit location in the deadest area of the casino (if we were going to create a lively scene, we reasoned that location wouldn’t bother “serious” table game players in the main pit, plus we’d get to see if the concept could bring a casino “dead zone” to life). Then we recruited the most gregarious (volunteer) dealers we could find to staff the Party Pit, which is another challenge because many dealers think the environment is silly and not “real dealing.” We added great music with a good sound system, prize giveaways, themed drinks and a whole bunch of hoopla. 25 years later, through many changes and various themed iterations, that Party Pit is still in existence in Las Vegas and is one of the best examples of that genre of table game experience.

Dennis’ Take: Party Pits have become ubiquitous in North America; more casinos seem to have them than not. I guess if the “normal” table game experience was more exciting, then we might not even need to create “a party” in the pit. Oh well, at least we are doing SOMETHING to address the often surly and adversarial environment in table game pits. Some years ago, I wrote about how to devise a successful [Party Pit](#). The advice there is still very sound, but with the benefit of several more years of observation of several dozen more Party Pit concepts, here is my current summary checklist to create a successful Party Pit:

- The theme has to work and excite players and potential players. “Sexy” is a common theme and can work, but is tricky. Changing themes periodically can have a benefit if done right.
- Let the dealers in a Party Pit “own” the experience and hold them responsible for it.
- Think “quality” when it comes to Party Pit music, environment, uniforms, etc. A “cheap” Party Pit sends a lousy message.
- Promotional prizes work well in a party pit, but again, don’t be cheap. Find a promotional vendor partner to participate.
- “Carnival” table games can work well in a Party Pit, and have the advantage of being new, fun (hopefully) and more efficient revenue producers.
- Make the table games offered in the Party Pit AFFORDABLE.
- When “entertainment” collides with “rules” in a Party Pit (and ultimately it will), lean towards the entertainment, flexibility and guest focus. The rules will still be followed, just more casually.

In short, if you want a great Party Pit think what makes for a great party. Then check out which casinos pull off the concept well (Harrah's Las Vegas, D/Golden Gate Casinos, Seminole Coconut Creek, Etc.), steal their best concepts and throw your own Party Pit. Many of your table game players will enjoy it, and you'll have a platform for attracting and developing new table game players!

Category : INNOVATION MARKETING

Name : "YOU'RE THE HOST"

Description: Back in the late 1980s, the Holiday Casino, owned and operated by the predecessor to Harrah's Entertainment (the Promus Companies), was a small, but extremely successful competitor on the Las Vegas Strip. It was soon to be rebranded as Harrah's Las Vegas. It had an inexpensive quality buffet, loose dollar slot machines, friendly employees and a low-priced, patriotic, entertaining stage show called Keep Smiling America – quite a marketing formula at the time in Las Vegas. The stage show tended to run only 50-60% full midweek, creating a marketing opportunity, with the unsold tickets each night (the only hard cost in giving the unsold tickets away was the cost of the drink, plus gratuity, that was included in the ticket package).



Sensing a real marketing opportunity, I focused on the best way to give away up to 200 show tickets a night for the maximum revenue benefit of the Holiday Casino. I immediately zeroed in on our "Las Vegas Locals" (around 8-9% of our database at the time), figuring that they already liked us and would be willing to help us give away tickets. I penned a letter called "You're the Host" from our Executive Host, offering our locals a chance to "comp" the show, with no restrictions other than it had to be on a night when tickets were available to comp. The letter spoke glowingly of how a Host gets to give away all kinds of complimentary casino goodies, and now he was offering these locals the same opportunity with the Holiday Casino Show.

The response was immediate. Locals started to comp Keep Smiling America like crazy. One player who was president of the Las Vegas chapter of the Detroit Club (made up of locals who used to live in Detroit) brought 100 club members to the show on a particularly slow night. The tracked play from the offer was impressive (non-club members had to sign up for the players club to receive their tickets), easily exceeding the cost of a free show drink. And the players who did the comping of their friends and relatives, well, they just loved being a big shot with "juice" on the Strip.

Dennis' Take: This vintage promotion deals with the issue of "expiring assets." Hotels have them. Airlines have them. Casinos certainly have them – every empty room, slot stool, show seat, or buffet chair that goes empty on a particular day, is an asset utilization opportunity lost forever. All we did with the "You're the Host" campaign was find a way to utilize that expiring asset.

Sure, this falls under the category of "discounting" or "comping to (mostly) unqualified players," but if the cost is not too high and the volume usage is created, well, you've created your own vehicle like Priceline or CheapoAir. So how can you do something similar for those casino assets that expire unused, or underutilized, every day? Especially those empty slot stools! Be aggressive, be innovative, be cost effective and leverage your own players (and employees). Expiring assets are an opportunity that even bean counters can buy into!

Category: GUEST SERVICE INNOVATION

Name: "WHAT CAN I DO FOR YOU?"

Description: In the mid-1990s, at a Northern Nevada casino, an Executive team discussion turned into how the property could be more innovative and guest focused. The Marketing Director (that was me) suddenly blurted out, "Why don't we just all go out on the casino floor and ask our guests what they want and where possible, do it for them RIGHT NOW?" The intrigued GM quickly said, "That's an interesting idea. How quickly can we do it? Within three days, each of the 10 members of the Executive Team had "volunteered" for a two-hour shift for each of two weeks, where their role was to engage players on the casino floor, introduce themselves and ask "Is there anything I can do for you RIGHT NOW to improve your experience at our property?" The most common responses, in order of frequency were:

1. "Oh nothing, but thank you for asking" (They were obviously impressed that a senior property exec had asked them)
2. "Let me win"
3. "Can you get me a drink?"

Dennis' Take: This was a tremendously interesting and instructive experiment. Okay, the executives hated me at first for having to actually spend time with guests, but most eventually saw the value and became eager to share their insights. I believe the responses from the guests to the executives told a powerful story. The most common one, "Oh no, thanks, I'm fine" was even instructive, namely, that guests liked the attention from the muckety mucks and were reluctant to name something they needed. The "Let me win" response was tougher to answer, but underscored what casino players really want, which is winning and more time on device. Execs took different approaches to answer this one, some tried being sympathetic and encouraging ("oh, your time will come"). Some tried to explain, usually futilely, that the game results are random and there was nothing they could do. Others tried playing into hope and superstition a little ("oh, I saw someone winning on that game over there").

The third most common, but most intriguing guest responses ("Can you get me a drink?") enlightened us on an under-served guest need – our cocktail service was perceived as inadequate. The execs had the power to act and go get the drink RIGHT THEN, even though it created some issues with the union beverage servers (it was solved by having the execs give any received tips to the server whose area it was).

There were a few "one-off" requests from our guests in this "What Can I Do for You?" experiment. One had a hard pillow in her room. Another needed to extend her reservation by a day. Stuff like that, which the execs quickly handled. I guess the learning from our exercise was simply that if you ask your guests what they want, they tell you, and then your executive "rock stars" do something about it, well, you have created something pretty powerful that likely will create more loyalty than any loyalty program.



Dennis is President Emeritus of Raving and 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.

Raving Conferences & Events Schedule



Raving @ G2E 2017

Sands Expo Center, Las Vegas, NV, October 3 - 5, 2017

www.globalgamingexpo.com



Raving @ AIGA Expo 2017

We-Ko-Pa Resort & Conference Center, Scottsdale, AZ, October 22 - 24, 2017

<http://www.azindiangaming.org/aiga-expo/2017/>



NB3FIT Week

Nationwide, November 5 - 11, 2017

www.nb3foundation.org/nb3fit-week/



Cutting Edge Table Games Conference

Paris Las Vegas, Las Vegas, NV, November 14 - 16, 2017

<http://www.tablegamesconf.com>



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Choctaw Casino Resort, Durant, OK, January 29, 2018

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Las Vegas Convention Center, NV, April 17-21, 2018

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