2019 Quarterly Issue #2

Raving

Raving's Strategic Solu

BUILD A SUSTAINABLE TRIBAL LEADERSHIP PROGRAM

AN IN-DEPTH INTERVIEW WITH PAULA ALLEN & DAN STROMER – PAGE 21

DRIVE REVENUE WITH CLASS II DIGITAL GAME WAGERING – PAGE 33

MESSAGE FROM THE CEO

Dear Ravers,

It's a great time for spring and growth, and we've got some fantastic updates to tell you about.

Will we see you at NIGA?

As I write this, the Sierra Nevadas, which I can see from our office here in Reno, are getting another dumping of snow. What a winter! It's hard to imagine that in a couple of weeks, we'll be down at the National Indian Gaming Association (NIGA) annual conference and tradeshow, with the San Diego sunshine warming our faces. It will be nice to put on those flip-flops for the first time in months.

At this event, we're presenting the results of Raving's Annual Indian Gaming National Marketing Survey, conducted every year by Raving Partner Deb Hilgeman, Ph.D. Our readers tell us that this groundbreaking research serves as a valuable tool to Tribal marketing teams for benchmarking and planning. To get your copy of this report, please email Gency Warren, Raving's Marketing Manager, at gency@betravingknows.com. And don't miss Deb's article on another critical topic this month on page 29, on how **changes in team member engagement trends help create a happier and more profitable workplace.**

Supporting Tribal Organizations

NIGA is also the time for our annual Comedy Slam that benefits the Notah Begay III Foundation, endorsed by NIGA and Chairman Ernie Stevens, Jr. It's our fifth year, and it is through the support of the gaming community (you!) that has made it possible to raise much-needed funds for the NB3 Foundation, which is a national Native American nonprofit organization dedicated to ensuring Native children achieve their full potential by advancing cultures of Native American community health.

On the same topic of building a foundation for success, I'd like to introduce you to two of our key Partners who are behind our Tribal Leadership and Executive Development Program: Paula Allen, enrolled Tribal Citizen of the Jamestown S'Klallam Tribe, and Dan Stromer. Check out our interview with them on page 21, where they discuss the

INSIDE THIS ISSUE

key opportunities to build a sustainable and measurable model for building a culture of top-down leadership and empowered Tribal members.

Online this month, we'll also be sharing our 2019 Tribal Scholarship Award recipients who participated in our Raving NEXT: Indian Gaming Analytics and Marketing Conference this past January. Go to www.ravingnext.com and find out more about these shining stars and Tribal leaders of tomorrow.

And speaking of Raving NEXT, we're proud to announce that we're taking this long-running conference to New Mexico for the first time! Drumroll, please … Isleta Resort & Casino will be our host property, January 28-30, 2020. What wonderful folks, who will help us make this event as spectacular as ever. Make sure you're subscribed to our email industry report so that you don't miss out on updates.

On page 33, Jim Nulph, Raving Partner and Chief Revenue Officer of Playport, gives us a great look at digital game wagering. His product couldn't be timelier: as the gaming industry matures and experiences market saturation, Tribal operators are constantly on the lookout to diversify and expand opportunities to increase revenue. Class II gaming provides that option, but we're not talking about adding additional games to the floor. We're talking about digital game wagering. It's a great opportunity for Tribes to increase revenues through a new avenue.

The Big, Big News!

This magazine was created just about two decades ago, and starting this October, we'll be undergoing a major transformation. We're launching the Tribal Gaming and Hospitality (TG&H) magazine with our partners RDG Media. As you can see by the content of the message above, as a Native-owned organization we believe in the importance of supporting Tribal gaming. This is our passion, this is Raving's "why." We will continue to feature articles that apply to commercial casinos as well, but it's time for us to take the leap and celebrate our Tribal clients of the last 20 years and give them even more relevant content focused on the future of Tribal gaming.

We're giving thanks this spring for you, our dedicated readers, and for the opportunity to work with so many amazing clients and Partners.

Sincerely,

Deana Scott
Raving CEO

PS – Make sure that you are one of the first to receive the new Tribal Gaming and Hospitality magazine via mail this fall. Send your address to Gency Warren, Raving's Marketing Manager, at gency@betravingknows.com today!

Cover: Raving Partner Paula Allen reveals key elements to building a culture of top-down leadership and empowered Tribal members. Read an interview with her and Raving Partner Dan Stromer on page 21.

Understanding Key Financial Statements – Part II

A deeper look at your balance sheet

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

In Part I of "Understanding Casino Financial Statements," we discussed that two things are needed to understand financial reports, perspective and expectations. You have to have something to measure the numbers against to really evaluate what they are telling you. Then we started building some perspective by looking at the most popular financial statement, the income statement. Now let's look at the Balance Sheet, or Statement of Net Position. It may not be as exciting as looking to see how much money our property made, but it has a lot of useful information.

Balance Sheet or Statement of Net Position

A few general things to keep in mind about the Balance Sheet or Statement of Net Position (see sample below). First, it is as of a point in time (e.g., at 9/30/XX). Second, its primary purpose is to show us what the casino OWNS and what they OWE. Hopefully, the statement will present at least two years' information so that we can have some perspective. With these things in mind, let's go through the statement and talk about what you will likely see.

- The thing we like to own most is always first, Cash. It might say "Cash and Cash Equivalents." This includes the money in the bank and money in the casino's vault. The footnotes to the audited financial statements will likely tell us how much is in each category. Internally prepared monthly or quarterly financials may break it out in the statement itself. For the average person, all they can really do is look at the balance in relation to the prior year or months. There are many factors that may cause changes in the cash balances from period to period. Understanding how the casino processes payroll and payables, when debt payments might be due, and how distributions to the Tribe are handled can help you make sense of any fluctuations in cash. Cash in the vault shouldn't change a lot unless there are changes in the number and types of games offered. The casino should have what is called a "bankroll calculation" that helps determine how much money should be kept in the vault. The gaming commission is supposed to have reviewed and approved the calculation methods.
- Accounts Receivable (AR) is usually the next thing listed. Unless your property extends credit to guests, AR for a casino is comprised primarily of amounts due from credit card, check and ATM processors. These payments are usually collected within a few days. Fluctuations are not uncommon, depending on how the end of the period falls in relation to weekends or holidays. If you have concerns about growing balances, ask for an aging so you can see if there are items that aren't being collected in a timely manner.
- Receivables from the Tribe or other related entities may be listed next. These can be tricky. Such receivables may or may not be repaid, at least not in a timely manner. You may need to ask how these amounts are handled.
- Prepaid Assets may be a line item. This represents a portion of amounts paid for things that will benefit the casino over the next year. Insurance coverage, equipment maintenance agreements or software support agreements are likely items included here. The balance will be impacted significantly in the month that these items are first paid.
- Fixed Assets is often the largest amount shown in the asset section. Things included here are items purchased above a specific dollar amount that will be used by the property for more than a year. Fixed assets are things like buildings, slot machines, furniture and equipment.

XYZ Casino[6]
Balance Sheets[*]

	December 31, 2011	2010
Assets		
Current assets		
Cash and cash equivalents	**$5,678,300**	$3,787,100
Receivables, less allowance for uncollectible accounts of $500,000 and $470,000	**1,800,100**	1,695,200
Other current assets	**240,700**	229,100
Total current assets	**7,719,100**	5,711,400
Capital assets, net of accumulated depreciation	**30,383,900**	31,697,615
Other assets and deferred charges	**1,300,000**	1,200,000
Total assets	**$39,403,000**	$38,609,015
Liabilities and Equity		
Current liabilities		
Current portion of long-term debt	**$1,000,000**	$700,000
Accounts payable	**928,600**	839,200
Other current liabilities	**944,475**	743,600
Total current liabilities	**2,873,075**	2,282,800
Long-term debt	**15,800,000**	16,800,000
Other	**618,125**	501,000
Total liabilities	**19,291,200**	19,583,800
Equity		
Invested in capital assets, net of related debt	**13,583,900**	14,197,615
Unrestricted	**6,527,900**	4,827,600
Total equity	**20,111,800**	19,025,215
Total liabilities and equity	**$39,403,000**	$38,609,015

- Accounts Payable (AP) is often the first liability listed. AP represents what the casino owes for goods and services for which they have been invoiced. The balance of AP can fluctuate from period end to period end depending on the casino's normal payment cycle and whether or not the balance includes any large quarterly or annual payments due. As with AR, if you are concerned about a growing balance in AP, ask for an aging. Not paying bills in a timely manner can indicate issues with performance or cash flow that need to be addressed.
- Accrued liabilities are amounts the casino knows they owe, but have not been invoiced for. This line item may also include payroll-related liabilities, like time worked but not yet paid at period end and the amount of leave time earned.
- Gaming liabilities are amounts owed for in-house progressive jackpots, players club points, and chip float. Significant changes in the balance from period to period should be questioned. Another thing to consider here is the amount of liability for retired progressives. Retired progressives can be added to active progressives or utilized for promotions designed to "return" those funds back to the players.
- Debt is usually presented as at least two items, long-term and current portion. It may be all the same debt, but the amount of it due in the next 12 months is presented as the current portion. Long-term is anything due in more than year. If you see increases in this area, in total, obviously there was additional borrowing. It may have been directly related to the purchase of some fixed assets. If the current portion increases significantly, you may want to look at the total current portion in relation to the amount of cash and the amount of income the casino generates in a year to see if there is any cause for alarm or at least a need for some cash flow planning.
- The last section will vary, depending on whether we are examining a balance sheet or a statement of net position. On the balance sheet you will see equity. For the statement of net position, it is net position. Both are the difference between your assets and liabilities. Both itemize the same basic items.
  - First, "Invested in Capital Assets Net of Related Debt" shows whether the casino has equity or net position tied up in fixed assets.
  - The other amount shown in this section is "unrestricted" equity or net position. It is possible that this amount may be negative, which may indicate that the casino has a large debt load, is losing money, or money has been distributed to the Tribe or its other enterprises in excess of the amount the casino earned.
- A final note on this financial statement – Footnotes to the audited financial statements should provide you with more detailed information about the individual line items. In fact, the footnotes may provide answers to some of the questions we've discussed previously.

Conclusion

While the Balance Sheet isn't the most popular financial statement, it can provide some great insight about the operation and condition of your property. With a better understanding of what the major line items may contain, you can more confidently examine the Balance Sheet.

Hopefully I haven't overwhelmed you with information. Always keep in mind that anyone can look at a financial report and gain knowledge about a casino's condition and operation, if you look at it in light of your perspective and expectations. You don't need an accounting degree, but knowing a good accountant doesn't hurt. ☺

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.

Anatomy of a Decision

Better results through better choices

By Dan Stromer, Raving Partner, Executive Tribal Development and Senior Operations

Before you have even gotten out of bed in the morning, you have decided several things. Should I hit the snooze button, what am I going to wear today, what do I want for breakfast, or am I even going to get out of bed?

Whether consciously or subconsciously, these choices just seem to occur. It is like when you are going somewhere, you get in your car and the next thing you know you arrive at your destination. You don't remember the road, the turns. You somehow just show up.

For the most part, none of these outcomes really have a significant impact on your day or your life. They just become the results of accepting things as they are. But what happens when you are put in the position that your thought process now begins to impact your life? Your financial circumstances, your relationships, your career, your children, your job, and so on.

Bias

Studies have shown that most decisions have little to do with intelligence, education, background or knowledge. They are more likely to be made based on what we have known, been exposed to, or have come to believe what we interpret as truth. This is referred to as BIAS. Bias has been developed by being exposed to an idea, whether through friends, family or others, as the way a subject is defined to them. You are comfortable with it because you have seen it before, and it influences your thoughts and reduces your anxiety about failure.

But what happens when your choice is in conflict with the outcome? Many times we discount it as an aberration that is not what would normally occur. We assume that we can't be wrong because we already know everything and dig no deeper to discover the true reason.

Bias also allows us to address another age-old casino issue. We have all heard and probably are guilty of: ***Because that's the way we have always done it.***

History is a great teacher because it allows us to evaluate circumstances, to figure out not only what happened, but also allows us to better predict the future.

Strategic and Critical Thinking

As we move away from Bias, we start to develop skills in Critical and Strategic thinking. Although applicable in all areas, we associate this more with business-related situations. To me, this centers around results-based activity. What we don't realize is that for every action we choose, there are consequences of those actions. The action is the Cause and the reaction is the Effect. Cause and Effect makes you think before you move. If you are considering doing something (Cause) and you are evaluating the outcome (Effect), and those results don't look good, you probably need to reconsider and do something different.

Probably the most expensive capital purchase that a casino has each year is the purchase of new slot machines. The purchase of just forty games could easily be $1,000,000. So how do you decide which games to buy?

First of all, you all have information available through your slot system or other analytic software. You can rank them from most to least profitable by win or coin-in. That's a start. Then by popularity you look at:

- Game Theme
- Denomination
- Manufacturer
- Floor location
- Percentage of floor
- Cost

As you all know, there are no guarantees when you spend three to four million dollars on slot machines that they are going to get played. So instead of putting all your eggs in one basket and buying all your games from one company, you spread it around. I have said many times that if you're going to make a mistake, make a small mistake.

- Bring games in with small batches (four to six games) to prove themselves

- Run trials if possible
- Get performance guarantees that they will upgrade them for six months to a year

Nothing is foolproof. But by strategically and systematically approaching your decision, you have narrowed the chance of failure and greatly improved the chance of it becoming successful.

The Mind has three distinctive functions:

- Thinking
- Feeling
- Wanting

These three functions are very much related. They tell us why things are the way they are, measuring the good and the bad, and how to go about obtaining it. Hopefully by evaluating these functions, it allows us to make better choices and to avoid or minimize poor results.

However, nothing is foolproof. Some of the best learning methods are through trial and error. But if we learn nothing and continue to repeat the same mistakes that we have made previously, then we need only to look in the mirror to see why we continue to get poor results.

Results

Business today is driven by Analytics. Whether consumer preference, marketing strategy, sports, or even dating. Just having statistics may still not be providing you with all the information you need to make better decisions. Most significant is making sure that you are analyzing the right information.

- Do you have all the facts?
- Are you interpreting them correctly?
- Are you asking the right questions to begin with?
- How does this change what you would do the next time?

Too often having a bunch of numbers only gives us the chance to support our desired outcome. To tell our boss it was successful and, maybe even more damaging, about why we should do it again.

Begin with the end in mind

Many of you may have heard this phrase before. For those of you familiar with Stephen Covey's *7 Habits* books, this is my favorite of the seven. What does it mean, and how does it affect making decisions? When planning a project most people start with what the project will be.

- Date
- Prizes
- Qualifications
- Rules
- Locations, etc.

I want to start with the results. I want to know when this event/project/goal is over, what are we going to achieve? Revenue, policy and procedures, construction. What did I expect and what did I get?

Regardless of the project, if it was based on revenue, then that is the number I am starting with.

$50,000 When it is all said and done, I want $50,000 more than what we began with. In order to do that, I need to know:

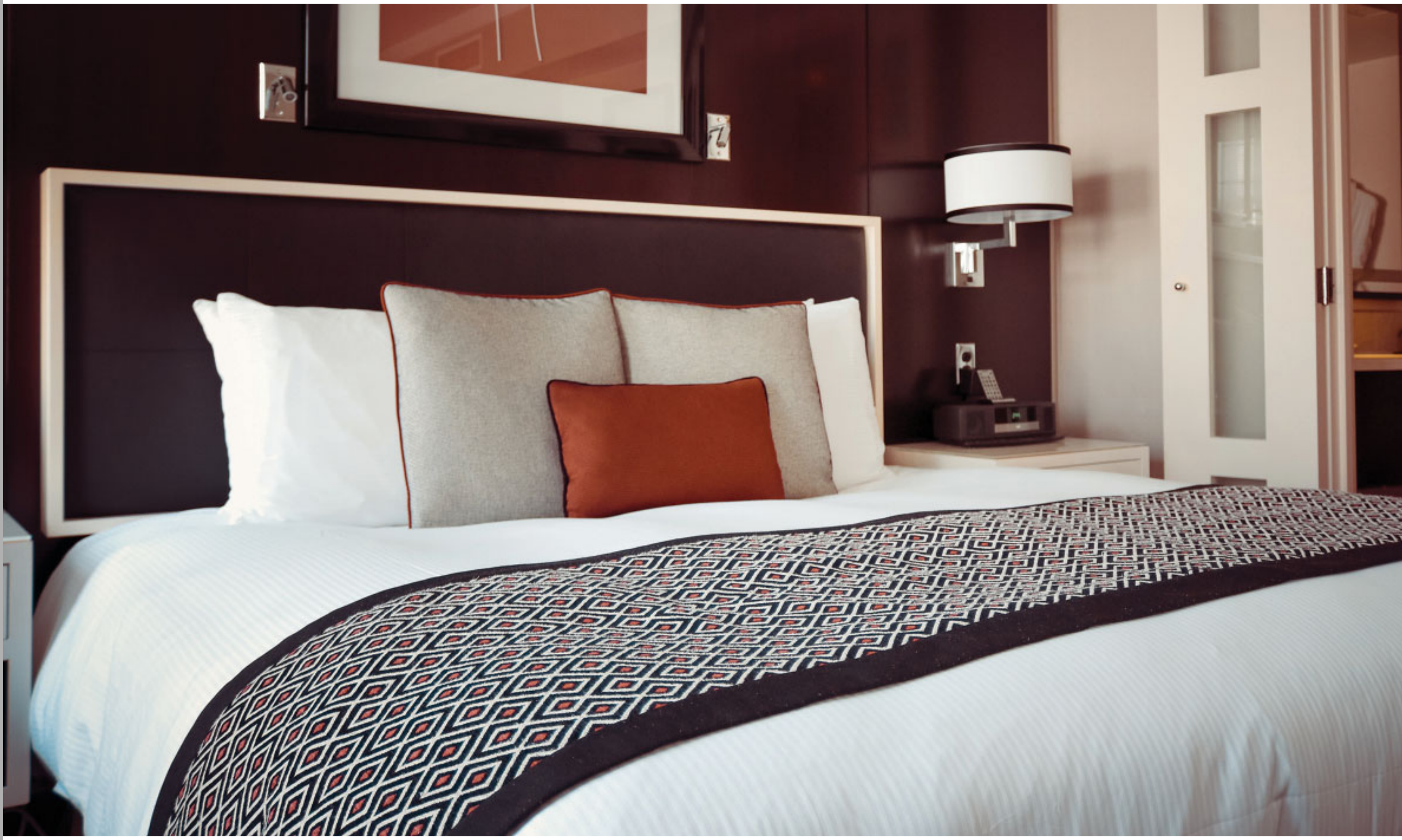
- How many people need to attend?
- How much money will they need to spend per person?
- What are the prizes that I need to offer in order to get them to attend?
- How do I invite them to get them to show up?
- How do they qualify?
- How do we staff it?
- When do we have it so it doesn't conflict with something else that's going on?
- What do I call it?

By starting at the end, I have defined what I want to achieve and how to get there. As opposed to the beginning, and hoping or accepting whatever the end result will be.

Leadership

As a leader of an organization or a department, part of our responsibility is helping those around us make better choices. How we think, decide and lead shapes the future of our company and our lives. We have just scratched the surface of this topic in this article. How we evaluate, apply and measure leads to an ongoing structure of determining the success of the people and company we represent. Taking this information and applying the functionality to where it can be implemented is the next challenge. Be diligent in accepting those responsibilities and enjoy the success that comes with it.

For the last 27 years, Dan has been involved in all aspects of casino operations including positions as a Table Games Director, Director of Marketing and for the last twenty years a General Manager. Dan believes that surrounding yourself with the right people and your ability to make those around you better helps to achieve that. With this knowledge, he is positioned to help Raving clients meet their operational and executive development goals.



Why Does the Shower Leak and There Aren't Enough Outlets?

How to avoid costly building errors impacting guest satisfaction

By Brett Magnan, Raving Partner, Hospitality

Designers – design.

Architects – draw.

GCs – build.

Owners – own.

Operators – operate.

Controllers – control.

The truth is that each of these players in the building of your new casino hotel have an important role – however, one piece is missing. The coordinating efforts of a great "hotel advisor," also known as an owner's agent or an owner's rep.

Now, you might say that you've already got an owner's agent to protect you … but does your owner's agent know gaming and hospitality?

We all have been in hotels where it just didn't seem like anyone was talking to each other during the construction and design of the property. To name just a few of these issues:

- Lamps with long stretched out cords to reach the nearest outlet.
- Oversized lounge tucked into the corner so that you can't get around to the other side of the bed.
- Faux blackout curtains that you can't get closed to be able to sleep at night.
- Furniture that is poorly crafted and shows wear easily and can't be cleaned.
- HVAC vents that blow cold air on sleeping heads.
- Toilets that are too close to the tub or sink, or toilet paper rolls that are too far away to reach.

- Showers that get you wet when turning them on and leak on the bathroom floor.
- Desks and counters with no space for your stuff.
- No outlets where you need them, or they're already occupied by other appliances.
- Doors that slam.
- Walls that leak noise from the room next door.
- TVs and Technology that either don't work, are too complicated, or have less features than you have at home.
- Phones with buttons that can't be read and don't call the department you need help from.
- Uncomfortable chairs and beds.
- Lamps that don't allow you to read in bed.
- Not enough storage for clothes in closets and drawers.
- Corners that you hit in the night.
- Etc., etc., etc.

These are all symptoms of a common problem. Lack of coordination. You see, designers mean well. They do make your hotel pretty.

Architects mean well, too. They draw up plans based upon the owner's directions (do it like this casino hotel I visited last month, but with our style), while using current building codes and mitigating changes from the designer and input from other contributors.

Contractors also mean well. They build with a goal of coming in under budget and early, while managing the complexities of weather, TERO, change orders, multiple opinions, sub mistakes, designer modifications, budget creep, and other unforeseen issues.

Owners, operators and the controller are then left to run the property, adapting to these lack of coordination issues, usually by throwing more money at the problems and all the while, affecting guest perceptions. All of this could be avoided by hiring someone to facilitate coordination, with the owner's best interest in mind.

The "Hotel Advisor" would begin by immersing into the operation to understand the culture, tradition and goals moving forward for the operation and the Tribal Owners. Having an understanding of the casino business and Tribal culture, a holistic approach that balances these attributes, will be forefront in how to proceed.

The building of a model room is smart, and money well spent. It can save considerably and solve awkward issues on a small scale. On one project, the model room total cost was $200,000, however in reviewing the finished design, changes to the room reduced the overall construction cost by $1.2 million.

The model room was also an invaluable marketing and operating tool. Tours of the model room allow the sales team to pre-sell rooms, months before the hotel opened, generating significant revenue right from the beginning. Players received an advanced preview of the property, getting them excited about the new amenity they would soon enjoy. The operations team used the room to train housekeepers on how to clean and to allow other support departments, such as the front desk and room service teams, to use the room to better do their jobs.

The early and ongoing coordination meetings solved many of the awkward design flaws, which allowed them to be corrected with little to no change in cost.

- Meetings with the electrical sub and the interior designer, for example, corrected the placement of power outlets behind lamps and devices, eliminating the eyesore of long cords between them.
- Educating HVAC contractors prior to specifying the air units and placement of vents, eliminates one of our guests' most common complaints about their rooms.
- Honest conversations with owners about quality expectations early in the process so that adequate funding is provided and not done late in the project when the cost has a greater impact to the budget or requires value engineering.
- Including technology discussions early in the process so that required infrastructure is accounted for in construction and budgeted properly.

This is a small list of examples, but they still have a huge impact on the success of your project, both in the return on investment, and in the return on quality and guest perception. There is much more that the correct "Hotel Advisor" can positively impact in your new hotel project.

Contact Raving today at 775-329-7864 to learn more about how our team of experts will help you create a seamless experience during your build to keep operations uninterrupted; from proper guest service training prep, to specialized marketing and operations coordination.

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.

What's Missing from My Marketing Budget?

How to factor in technology changes, competition and capital improvements

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

For many properties, this summer will bring the process of putting together their FY2020 marketing budgets. With the number of changes in technology, competition, and market strength, evaluating how to allocate your budget has become a more critical aspect of the process. With the reduction of print and the changes to how broadcast is being consumed, many properties are weighing how to most effectively optimize for the coming year. Based on what we've seen around the industry, here are a couple of things to consider when approaching your next yearly marketing budget.

Allocate Properly to Each Media Channel

As mentioned, allocating properly to each media is paramount to planning an efficient marketing budget. One hot topic has been the shift in spend from print to digital marketing. Viewership of print publications has continued to decline, to the point that *The New York Times* doesn't believe they will have a print edition in the next decade. That doesn't mean to drop all print, but it does mean to make sure that the publications you are appearing in are hitting the appropriate audience and maintaining their readership.

It is also important to consider the shift in how media is being consumed. For example, the number of formats to view broadcast is expanding to include not just larger platforms like Netflix and Amazon Prime, but individual companies like Disney are shifting their products and programming to their own platform. This form of broadcast, over-the-top or OTT, is bought like digital media, so it is much more cost-effective and has been increasing exponentially in recent years. Digital advertising spend in the United States has grown to the point that digital ad spend has surpassed the spend in broadcast advertising for the last two years.

Since traditional broadcast TV viewership has remained flat, we don't suggest pulling budget from TV. The incremental increase has really come via mobile devices over the past decade, and that trend looks to continue. Americans are simply consuming more media than ever, so advertisers need to be prepared to reach their audience through additional media vehicles and, in some markets, increased budgets.

Marketing Dollars for Capital Improvements and Expansions

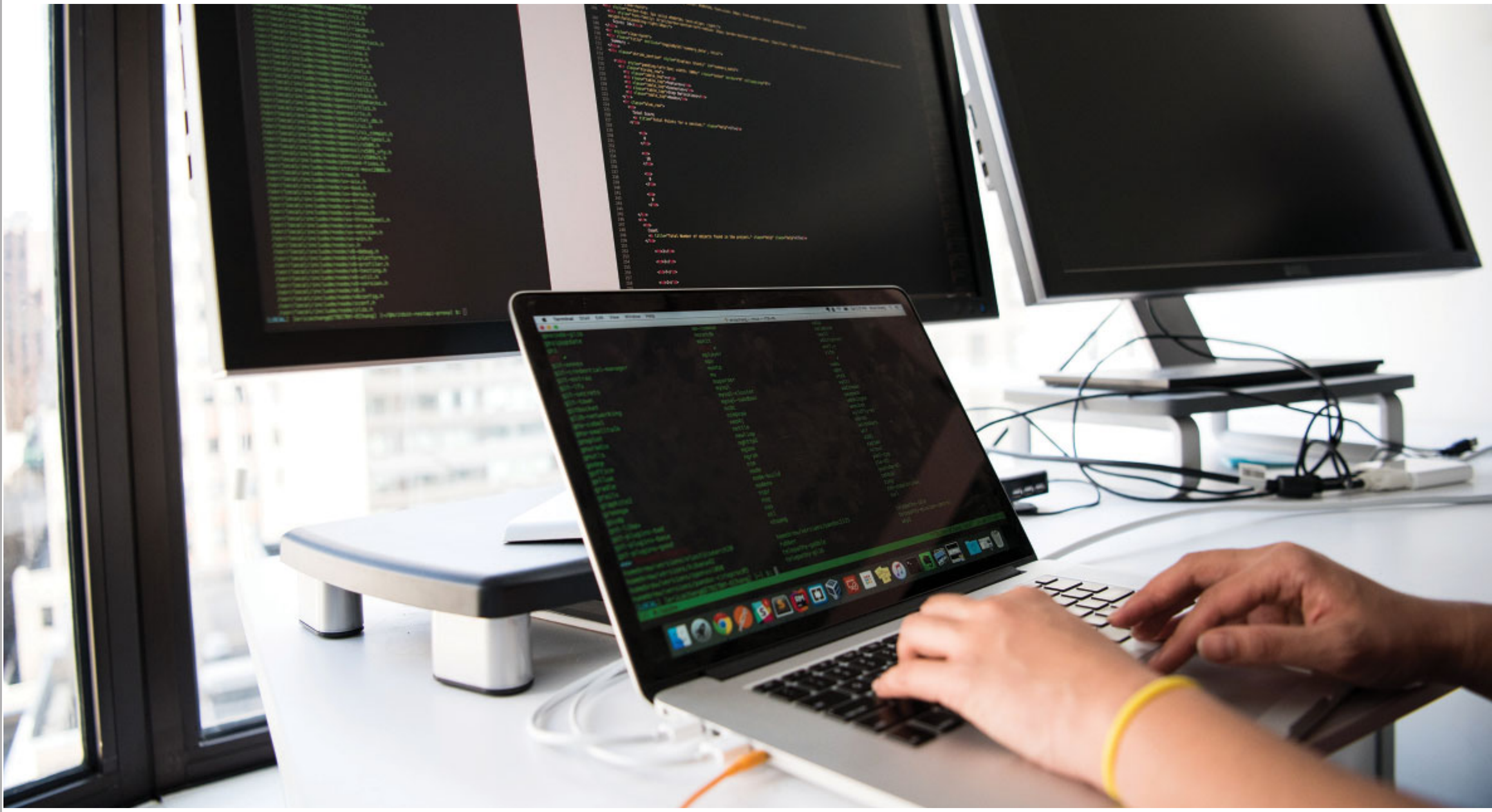
Another area we have seen that doesn't always get the attention it requires is allocating marketing dollars for capital improvements. Properties often make improvements, including new dining outlets, gaming spaces, new hotels, and expansion projects. Once these projects near completion, it's time to turn on the marketing faucet to drive traffic and revenue to these new amenities. Depending on the level of these projects or capital improvements, sometimes it's important to allocate a portion of the capital budget to marketing for big-ticket items, such as photo/commercial shoots and branding campaigns. When planning your budget, it's important to understand what potential capital improvements are taking place in the coming year and to budget appropriately to ensure their success.

Be Prepared for Emerging Technology

Over the past few years, we've seen technological advancements, especially in the realm of digital advertising, such as geofencing and IP targeting. Once they became available, there were strategies enlisted that made them effective tools to immediately impact visits and revenue. Testing newly available technology is becoming more common, and many times properties have to wait until their next fiscal year to implement these types of campaigns. The days of "set it and forget it" media plans are in the past. Not only should you not fear midcourse adjustments to your media plan, but it should be an expectation. Reporting is more readily available than ever, so near real-time feedback of how your marketing dollars are performing should lead to adjustments to ensure your dollars get their maximum reach.

So as we creep up on budgeting season, take a step back and look at areas you may not have considered previously, so that you can ensure you are making the necessary adjustments that lead to an efficient and profitable year.

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.



CMS, CRM, BI, Data Warehouse …

What are these tools, and what combination is the best for your property goals?

By Lynette O'Connell, Raving VP of Operations

There are so many words to describe the software systems in database marketing, and it can be confusing. I am going to cover the differences between a Player Management System, a data warehouse, a CRM (Customer Relationship Management) system, and a BI (Business Intelligence) system.

The first one is easy, the Player Management System.

PMS is the product that comes with your casino management system, and is where you manage your guests on a day-to-day basis. The CMS provides analytical tools for marketing and, with add-ons at a cost, also offers campaign management and some BI capabilities.

The CMS system secures data and stores it in a database to be retrieved for future use.

This database is different from a data warehouse. A data warehouse stores a massive accumulation of data from multiple sources. For your casino, a data warehouse would contain the guest information from your CMS, but it could also bring in other data, for example, from the hotel or food & beverage. It can also contain additional marketing information, like campaigns run from an outside source or survey information.

Now CRM and BI are easy to confuse, because they share many of the same functions.

The CRM system is used to manage your relationship with your guests. It executes all parts of the guest experience, from contact management and campaigns, to sales and service. It tracks the guest journey through the process.

Business Intelligence, however, is the process of making informed decisions from real-time or near real-time data.

BI was developed to help us manage the exponential growth of data, and turn all this information into insightful reports to help us see patterns and trends in our business. BI tools use your historical data to present actionable information through analysis, reports, dashboards, and data visualizations.

How do these all work together?

The CMS/Player Management System is the base of the guest data. Many casinos stop there, and use the add-ons available and Microsoft products to complete guest campaign management and analytics. With a good SQL person and analyst, that may accomplish the goals set.

Adding the additional data through a data warehouse to understand other behaviors of your guests is the next layer. Building a data warehouse that can include your guests' gaming behavior, along with their other resort behavior, to get a full understanding of their true spend with you and what else influences their purchases is beneficial for creating more significant insights into your organization.

If you can afford both a CRM and a BI system, or a hybrid of the two, you can get the best of both worlds. CRM and BI are core components of the same ultimate goal; to inform your business decisions and execute guest relationships using comprehensive data. Hooking up your BI tool and your CRM software will provide a much richer profile of your guests. This information is essential to understanding your guests' behavior and analyzing your reinvestment and segmentation strategy. There are great tools out there at all levels of price point. You need a skilled marketer to truly leverage either of these tools in building better guest relationships and analyze the results. They are able to discover and report trends that can help in delivering a better guest experience.

If you are thinking about purchasing any of these soon, first – know your goals and what you are looking to accomplish.

Buying any of the above can be an expensive investment. You want to understand your long-term goals and where you want to go in the future. Going through this process will ensure your purchase allows you to expand into your future goals. I would recommend working with someone to make sure that you have gathered all the right questions.

If you are looking to invest in your GUESTS and are not sure how to go about it, we can bring clarity and an understanding of guest-based processes.

Many of us get caught up in tactical execution and don't have time to look at the strategic drivers of a problem, which may come from issues with disparate guest databases in silos and seeing true guest profitability. We'd love to help if any of this rings true. To find out more about how Raving can help, please contact Amy Hergenrother, VP of Client Services, at 775-329-7864.

Lynette's expertise is comprised of 20 years of high-volume gaming operations experience in CRM, database marketing, analysis, and loyalty club development. Lynette assists Raving clients in maximizing their data including: evaluating marketing and system software, pulling data from this system, and making strategic marketing decisions around that data with easy-to-utilize reports and visuals.

Effective Time Management and Accountability for Player Development

Taking a page out of parenting five boys

By Daniel Wood, Strategic Raving Partner, Phone-Based Solutions at Engagex

Over the past 15 years, I have been extremely impressed by the time management and accountability that my wife has implemented in our home with our five boys. (Yes, we have FIVE active, busy, yet amazing boys!). Their ages range from three to 14, and each has responsibilities within our home. Miraculously, she manages her time as well as theirs, and finds ways to hold each of them accountable for their respective chores, homework and extracurricular activities. She does this with or without me around.

Recently, I was preparing for a 12-day road trip and asked her if she was sure she would be okay without me. Her reply was simple and modest as usual, "Of course, it's actually easier most of the time not having you here! The kids and I have our system, and it helps when you aren't distracting us!" I was floored and my ego suffered a bit of a blow, but I wasn't that surprised. Here's why: my wife has learned that each boy, despite their age or personality, has respective duties, and she finds or develops ways of encouraging, motivating and even doling out consequences for lack of performance.

Okay, so what do my wife and kids have to do with player development? I have met with a variety of player development teams of varying sizes across the country. There seem to be two main challenges that I consistently see, regardless of the size or amount of resources committed to player development: time management and accountability. Here is the correlation: each of my kids is not going to perform their chores and responsibilities the same, and likewise, not every host is going to perform the same. For my wife, our kids' ages and talents drastically affect their abilities and performance. For player development, whether it be because of talent or experience, each host will have varying strengths and weaknesses.

Here are four things you can do to improve the team's time management while still holding them accountable:

1. **Establish a baseline** – Evaluate each of your team members, what they are good at, what they struggle with. How many calls, emails, text messages and face-to-face interactions do they make on a daily or weekly basis? Establish a baseline as of today for each individual host and the team as a whole. This will assist you later in tracking their progress and ultimately holding each individual host accountable.
2. **Create a road map** – Design specific goals and responsibilities for each individual host and for the team. You may choose to start with your team goal and work backwards. Divide up the responsibilities based on each individual host's ability to perform their job.

This may include providing a daily task list for certain team members. You likely have some hosts who are better at making phone calls, and others who are better at face-to-face engagements. Have them work with and learn from each other. My 14-year-old doesn't require the same amount of management oversight to clean his room as my six or nine-year-old. Regardless, my wife has mastered ways to motivate and inspire each in their respective areas. (I hope you aren't hiring child labor, but hopefully you get where I'm going here …). My 14-year-old is motivated by money, and my younger boys are motivated by playtime.

3. **Give them space** – I have yet to meet anyone who likes to be micromanaged. Once you set the expectations, give them some room to perform. You may need to "check in" more frequently with some vs. others. If you notice a host who is not spending any time in the office making phone calls or sending emails, and you know they struggle to hit their goals, you might nudge or remind them. You can't leave a six-year-old alone for more than 10, maybe 15 minutes without reminding him of what he is supposed to be working on! The flip side is that you likely have hosts who you can give the entire month to perform, while others will need to report on a weekly or semiweekly basis.
4. **Hold them accountable** – In my experience, this is one of the most challenging aspects of any manager's responsibility in player development. The accountability process is much easier once you have goals set (a set number of calls to be made, steak house reservations or rooms to fill). Once you set the precedent (goals outlined), it makes the follow-up conversation flow so much better. Instead of referencing situations, you can reference the numbers. "Hey, Bill, it looks like you were making 25 calls per week last month, and you're pacing to make 35 calls per week this month. Great job, keep it up!"

There's a lot more to time management and accountability for player development. Do your hosts really call everyone on their list? Do they pick their favorite players or call the same players month after month? Do you struggle to know exactly where your team is at? If these questions resonate with you, then you aren't alone. For more information on Raving's full-service player development training program, give Amy Hergenrother a call at 775-329-7864 or email her at amy@betravingknows.com.

Daniel works with casinos to show how personalized phone calls have the power to increase their players' ADT, win back inactive players, and drive same-month revenue when used to deliver a promotional offer. He assists Raving clients in engaging with several tiers of guests to create repeat business, greater retention, and higher guest lifetime value through the phone.

The How, Why & Why Not to Profitable Gamified Marketing

New strategies to drive incremental revenue

By Jerry Epstein, Raving Partner and CEO, Engaged Nation

What's your plan for 2019 for new guest acquisition, reactivation or driving incremental revenue from existing guests?

According to Gartner, 70% of the top 2,000 corporations in the world have already implemented gamification. A recent report by Markets and Markets forecasts that the global gamification industry will be valued at $11.1 billion by 2020.

In its short life span (it only became a word in the Merriam-Webster dictionary in 2010), gamified marketing has seen tremendous success, as well as some very notable failures. The successes range from Starbucks and Southwest Airlines to McDonald's and Marriott, and hundreds of other companies. So then why doesn't it always produce meaningful results? Independent experts, such as Forrester Research, cited lack of a cohesive strategy, proper planning and implementation and customization using a full complement of gamified marketing tools that create a desirable and effective return.

Established in 2008, we are generally viewed – and honored – as one of the true pioneers and foremost experts in casino gamification. In this article we will review the how, why and why not of casino gamified marketing and the best way to create a successful outcome.

One Size Does NOT Fit All

Scientific studies, such as the one published in ScienceDirect's *Computers in Human Behavior*, show that many providers and users treated gamification as a generic construct, neglecting the fact that there are many different game design elements. It went on to say that different single and/or more complex custom configurations of game design components – such as continuous engagement, badges, leaderboards, performance graphs/leveling up – are some of the keys for a successful outcome.

Other factors include designing a program geared towards the demographics and psychographics of your target audience, the determination of which game elements would be most effective to modify behavior and achieve your desired goals (e.g., new guest acquisition, reactivation or driving incremental revenue from existing guests) and, very importantly, our client's industry and its guest economic approach.

Specifically, a restaurant chain, movie theatre, clothing store or the like, could simply fire off a gamified email with a "25% OFF" coupon attached good at any location in order to be successful. On the other hand, casinos must consider other critical elements unique to this industry. Reinvestment strategy and budget, database segmentation, synchronicity with on-floor promotions, tie-ins to the players club, kiosk integration … and the list goes on.

Success is optimal when you utilize gamified marketing in a similar way that you design your other marketing efforts – from direct mail, monthly promotions, hotel and F&B offers (if applicable), and social marketing to your players club. That approach will determine the best customized configuration that will best produce a profitable return.

Other consideration includes your specific property's marketing and operational philosophy. No two casinos are the same. Even if you are in close proximity, share players and battle for market share with other casinos, or if your competition centers around other local entertainment options, every property can benefit from a well-designed gamified campaign.

Keep It Fresh

A successful gamified program is not a "set it and forget it." Effective gamified marketing needs to be nurtured and kept fresh, just as you do with your marketing programs, direct mail, entertainment choices, gaming options and menu offerings, to name a few. A big mistake made by properties is doing the same gamified execution repeatedly.

Have It Embody Your Property's Personality

To be truly effective, you must offer your guests a fully immersive experience that is in alignment with your property and its promotional programs. When customized in this fashion, it should result in ongoing engagement that drives increased brand loyalty, spend, property visits and revenue over an extended and targeted period of time. In part, "edutaining" (educating players in an entertaining way) can be a very valuable tool to bring additional awareness and interest to your well-conceived programs and differentiate you in the marketplace.

Customize for Profitability

With very few exceptions, your end goal is to drive a profitable visit with marketing. That should also be your ultimate goal with gamification. Here is a revelation: The key driver does not necessarily need to be Free Play. Most marketers utilize Free Play as the sole incentive for successful gamified marketing. That might be necessary with a one-off email activity, but we have proven that drawing entries or redeemable "participatory" virtual currency are great engagement tools that can drive both ongoing participation and property visits.

Drawing entries can be an effective incentive. Specifically, if it's additional entries to an already existing promotion. Here's the key – entries, which can be segmented by player worth, must be activated at the property. This approach doesn't cost your casino a single dime and the perception to your guests is worth its weight.

Additionally, because of the ability to customize content and offers by both segment and database subsets (active vs. decliners, inactive, etc.), a properly configured campaign avoids over-reinvestment and produces a profitable outcome in virtually all cases.

Make It Rewarding

Leveling up, leaderboards and trophies are also proven components that drive a player's natural competitive instinct. This "earn and reward" philosophy is fundamental to building the real and perceived value of the rewards earned for their time and efforts.

DON'T Wait or Give Up

If you haven't tried it yet, now is the ideal time to test it. So much has been learned by us trailblazers in the past year to increase effectiveness and a quantifiable return. And if you had a bad experience, don't dump the entire concept – look at the different options that can produce incremental property visits and revenue – from customized campaigns around sports, major insured promotions, reactivation campaigns, new guest acquisition, and more. There is much more that we can help educate you on. If you have interest, please let us know. It will cost you nothing but a bit of time, and the return on that investment could be a significant uplift in incremental revenue.

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.

Integrating Your Loyalty Club and Player Development Function

Why this is critical to your organization's growth

By Steve Browne, Senior Raving Partner, Player Development and Guest Service

It's not rocket science. No, it's not. Nor is it a rocket ship.

It is not a cure for disease, or a solution to global warming. It is not the latest whiz-bang technological gizmo, 24G web speed, nor an electric car with a 1,000-mile range.

No, it is nothing that amazing, revolutionary or evolutionary. It is really pretty fundamental, pretty simple, and, well, pretty common-sensical. And if that's true, then why has no one really done it yet?

You see, I am talking about combining two of the most elemental and critical parts of your overall database and loyalty marketing engine, the loyalty (née players) club and the player development function.

"What?!" you exclaim wildly, "They are not already combined?"

Not at all. And, as a matter of fact, there are still properties where they do not even report to the same person, or exist in the same department, or even communicate on a regular basis. And yet they are the entire foundation, the very engine, that drives all your marketing efforts (not to mention your sales efforts, basic accounting and audit functions, and just about everything else that speaks to data and your business).

"And why is that?" you ask incredulously. "Why aren't my marketing, loyalty, reward and player development functions all integrated and running under the same umbrella?"

"Well," we reply, "we don't really know. That's just the way it is, the way we've always done it."

But now it is time for a change, maybe not as evolutionary as some of the aforementioned items, such as a 1,000-mile range electric car, but change we must, for it is long overdue.

For far too long our casino marketing efforts have been fractured along player-worth lines. We have different programs for different value levels, and we often overlap these programs in ways that are not only inefficient, but downright wasteful and confusing to the intended recipients, our players. We need to get on the same page, get integrated and coordinated under one model that doesn't try to do everything for everybody, but rather applies strategies and properly coordinated programs specific to the different types of players we host in our properties.

Here at Raving we think that starts with bringing your loyalty club (and all its operations and output) and your player development function into one seamless entity.

You see, your loyalty program really performs two functions. First, it is the fundamental and basic engine that drives all of your data collection and efforts around the data you collect for your business. Secondly, it is also the marketing tactic you use to market to both low and mid-value players through the use of points, tiers, and direct mail programs (as well as the primary vehicle you use to reinvest in players).

Your player development function on the other hand is focused on one task only, which is to use the data generated by the loyalty club to provide a personal one-on-one sales effort aimed at your high-value players. Moreover, it should provide all marketing efforts aimed at your high-value players, since they do not want to be marketed to like the masses in the lower segments.

Perhaps that is why they have always been considered separate entities, connected only by the data that they share when performing their respective tasks. However, when you unite the two, you overcome several inefficiencies in your marketing efforts and gain several powerful advantages.

Here are some examples of which I speak:

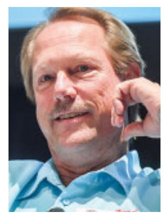
- Better coordinate and execute the different tactics aimed at different valued players while avoiding overlap, rewards layering, and the subsequent over- reinvestment in your players.
- Reach farther into your database of mid-value players with effective player development techniques once reserved only for the highest of value players, thereby unleashing several pockets of excess value currently lying dormant in your database.
- Free your executive hosts from being overwhelmed with minor guest service and comp writing duties so that they can focus on their true job of selling to high-value players.
- Develop a true career path for player development and marketing team members that runs from the loyalty club all the way up through the highest levels of player development and your Marketing Department.
- Create a stronger, more varied and interesting job function for your loyalty club team members, many of whom are currently languishing behind the counter overcome with repetitive tasks and job boredom.
- Provide more effective and powerful training programs across the entire scope of the department, so that from the moment a player joins the club, through their journey to a high-value level, they only encounter highly motivated, engaged and well-trained professionals dedicated to selling your gaming experience in the best possible way.

Sound good? Let me reiterate that the first two bullet points above speak to the very significant activities of saving money (over-reinvestment from reward layering) and making more money (using powerful player development techniques in an affordable manner with lower value player segments where you are currently leaving a lot of money on the table).

If you want to know more, then check out Raving's upcoming Loyalty and Player Development Conference, July 22-23, this summer in Las Vegas, where we will present this new model of a combined loyalty club/player development model, along with several sessions dedicated to coming up with the ideas and tactics necessary to make it work and achieve the deliverables as listed previously.

Right now, many properties, faced with a dwindling need for a cashier's cage due to the increasing use of automated kiosks, think it's a good idea to combine loyalty (players club) and Cashier Cage functions behind one counter. We STRONGLY disagree and suggest that there is a better way. One we are working hard to develop. So get to the conference in July and check it out.

It's going to be an exciting conversation, there will be lots to learn, and I hope to see you there.



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.

Giving Your Tribal Members What They Need to Succeed

Building a sustainable Leadership and Mentorship Program

Interview by Christine Faria, Raving VP of Marketing with Paula Allen, Raving Partner, Leadership & Development and Enrolled Tribal Citizen of the Jamestown S'Klallam Tribe, and Dan Stromer, Raving Partner, Executive Tribal Development and Senior Operations

Tribal casinos that have created a successful, enterprise-wide culture of leadership and service is not something that happens overnight and is still a challenge for most organizations. At Raving, one of the many conversations we have with our clients starts like this:

"We've invested in guest service frontline and management programs in the past; it does well for a while, but then there's a disruption or several months go by and team members become disengaged and service levels plummet." Or …

"We have Tribal members who we've put into management roles that we're grooming for senior positions. They're frustrated and not performing well, and the teams that they are managing are resentful that they have more experience than their manager!"

The solution might not be an easy one, but *there is* a solution!

Raving has a team of folks who work with Tribal organizations looking to truly make a change in their culture. In brief, it starts with gathering the right data through research (team members and senior management), and then it is a very targeted, progressive plan that embodies a detailed curriculum, measurement tools, and individual education programs.

In this article, we talk with two of Raving's Tribal leadership team members, Paula Allen, an enrolled Tribal Citizen of the Jamestown S'Klallam Tribe who serves as her Tribe's Director of Leadership and Guest Development, and has worked with Indian gaming organizations throughout the country. Dan Stromer heads our Executive Development and Operations team, and has devoted his career to developing Tribal members and team members for career advancement through his long-term role of being GM of a Tribal casino.

Let's get started!

Chris: Paula, you gained your initial experience working with your own Tribe. The process to build a top-down leadership program and THEN incorporate guest service took several years to lay the foundation. Now it's part of your culture. What are three pieces of advice you'd give to other Tribal casinos that want to embark on strengthening their leadership and service culture?

1. I think it's important for a senior leadership team to collectively agree on where their organization is and where they want to be. We call it "Baseline View"; we set metrics to measure our success throughout the journey and take leadership inventory to assess the primary needs.
2. After we agree on the status of the organization, it's important to create the vision. What do we see our leadership teams accomplishing? How do we want them to conduct themselves while leading our teams? The senior leadership team should set the tone for leadership; it's important for them to articulate their expectations.
3. Next is implementation. Far too often, we spend way too much time and resources on tools, and very little attention is given to implementation. How will we incorporate this into our culture? How will we ensure accountability? How do I get my teams involved in a way that they feel organically connected to the team? We need a visual roadmap, a plan.

Chris: Dan, you've spent your career in Tribal gaming, most recently, 17 years as a General Manager. Developing Tribal leaders has always been a passion for you. What are your three pieces of advice to an organization looking to build a Tribal Development program for future operators?

1. **Develop material that is relevant and meaningful to the running of a casino**

   This is important from both a practical and theoretical perspective. Understand the results of the decisions you make each day and the impact they will have on the business. Provide them information that they will actually use.

2. **Choose people committed to the program**

   Contrary to popular belief, being a GM or Director is more than walking around and shaking hands. People coming into these positions need to understand that it is hard work. Being a Director or GM is not sitting behind a desk all day. Be visible and let your team know that you are aware of what is going on.

3. **It should be more than just a program to choose a General Manager**

   Not everyone wants to be a GM. Having material that addresses all areas of development is important. This includes Directors, Managers, and Supervisory level positions that all members have an opportunity to advance in. The skills necessary are not that far apart, but until someone explains the significance of those skills in use, it may go unnoticed.

Chris: Paula and Dan, what makes Tribal enterprises unique to work with as opposed to commercial gaming or other businesses? And what does that mean to the program that you design?

Paula: This is a subject near and dear to my heart. Being a Tribal citizen, I am always preparing for the next seven generations. It goes into everything I do on a daily basis. The programs I implement into our resort will be around long after I retire, and the leadership programs I implemented at my Tribe will be helping the next seven generations accomplish their goals.

What makes us unique should be our strategy to educate and train our Tribal citizens in an efficient manner. I believe this should start at the elementary level. Our Tribal youth should be educated on their heritage, so they become proud of who they are. They should be taught leadership skills to exhibit throughout the tribal organization so they become respected throughout the Tribe. If we start here, it's easier to shape a Tribal team member when they are competing for a supervisor position.

Dan: To me, the biggest difference is a Tribal Casino is still a family-oriented enterprise. Which culturally is in line with Tribes and their history. With IGRA, it also fits the definition of promoting Tribal economic development, self-sufficiency and strong Tribal government.

The program requires a little more patience than what a commercial enterprise would. Explaining the WHY in your programs is more important than others. In essence, you are helping to mold individuals for long-term success. The commercial enterprise is more immediate and results-based. Should those results or expectations not be met, it's time to move on to the next one.

However, that does not mean that there is not accountability in a plan. Candidates need to know what they are signing up for and that they have responsibilities to not only themselves, but to the department, the casino and the Tribe. The information that you present to them is critical to assist in the development of all participants at all levels.

Chris: One final question to wrap up this article. Paula and Dan, you've laid out progressive and sustainable plans for organizations and Tribal members in your careers. What would be your top three things that sabotage the best laid programs?

Paula: I can narrow it down to three things:

1. A disengaged leadership team. The entire senior leadership team needs to own the process in order to guarantee the success of the program.
2. No follow-up on training; no implementation plan for new tools.
3. No connection to a coach. CEOs coach Directors, Directors coach Managers, Managers coach Supervisors. There should be a set plan to build those relationships.

Dan: I agree wholeheartedly with Paula's point about a disengaged leadership team. Here's my take on why programs fail:

1. **Management change**

   To me, continuity of management is one of the most important factors in a successful program. When leadership is constantly changing direction, the program also changes. The start/stop effect on the participants really leaves them dangling in the wind as to what is happening. One group's philosophy can be completely different than another's. This does not apply only to the casino management, but the Tribe as well. As Tribal Councils change their opinions of what the programs should be and who is in the program and who is not, it can greatly disrupt the progress. Having a solid plan that is outlined with the goals and objectives, and the ability to stick to it is in everybody's best interest.

2. **Management's lack of commitment to the plan**

   Too often we hear the term "working myself out of a job" when we are referring to development programs. If that is the case, you are only looking at it from a shortsighted perspective. There will always be a reason why somebody is not ready to be promoted to move into the GM role or other positions. To some extent, I understand that concern, but we also know what we signed up for. If management is not committed to putting a plan into place, it has little chance to succeed. What is unrecognized in this scenario is how much more valuable that individual is when s/he can do their job and also teach someone else to do it. Recognizing what your skill set is now that you achieved a successful developmental program, and what you can do with it and where you can go, has tremendous opportunities. Unfortunately, too many only look at it from a short-term perspective. The ability to teach others to be successful is a unique skill that will always place you in high demand.

3. **Political**

   The elephant in the room that nobody probably wants to bring up can have the biggest impact. Not a day goes by that it seems like there is not a political headline that catches our attention in one way or another on a national level. Developmental programs should have the goal of developing the best candidates to achieve the best results for the long-term interest of the Tribe. Hopefully all decisions are reached on that basis. How we choose candidates and leaders to be in these programs should be based on some criteria. Work history and skills, education, knowledge, attitude, work ethic, etc. Taking the personal bias out of that process is important. Ultimately you are looking at choosing the best people to ensure the long-term success of the operation. That responsibility should not be taken lightly by those choosing or those applying. Because both sides are making a commitment at that point that they are accepting the responsibility to ensure the well-being of the Tribe and its members for generations to come.

Special thanks to Paula and Dan for sharing their insight. If you're interested in building a Tribal Development Program or creating a more effective and sustainable leadership and guest service program that is specifically tailored to your organization, give us a call today. We've helped hundreds of commercial and Tribal casinos across the globe. What makes our trainers different? They've walked in your shoes! Call Amy Hergenrother at 775-329-7864, or email amy@betravingknows.com.

Paula has extensive experience working at all organizational levels creating, promoting, and delivering training solutions designed to support the organization's goals, business plan, and mission. As an enrolled Tribal citizen of the Jamestown S'Klallam Tribe, she feels a responsibility to formulate programs for Tribes that put more focus on relationships with guests and coworkers, rather than the mechanics of the job. Paula, with full support of her Tribe, now offers her skills and services to other Tribal enterprises as well, always focusing on meeting the strategic needs of the organization.

For the last 27 years, Dan has been involved in all aspects of casino operations including positions as a Table Games Director, Director of Marketing and for the last twenty years a General Manager. Dan believes that surrounding yourself with the right people and your ability to make those around you better helps to achieve that. With this knowledge, he is positioned to help Raving clients meet their operational and executive development goals.

Is Your Approach to Live Entertainment All It Can Be?

Through a committee, build a qualified wish list that meets your strategic criteria

By Kell Houston, Senior Raving Partner, Entertainment

In today's world, it's more important than ever to be very diligent, accountable and responsible for the "Entertainment Budget" at a casino property. Upper management, CFOs and CEOs have to answer to a Tribal Council or a Tribal Board about all financial expenses.

Entertainment is almost always coupled up with the Marketing Department, and a lot of money gets spent monthly for advertising, branding, promotions, entertainment, marketing, etc. It's not always clear what the expectation is and what the strategic plan is when it comes to entertainment programming.

Let's start here with these questions to evaluate and review the live entertainment at your casino:

- Is our entertainment venue intended to be a profit center? Is that realistic? In other words, do our ticket sales need to cover the cost of our entertainer?
- Is it better to look at live entertainment as a "loss leader," a magnet to draw in new guests?
- Is the program an extension of a greater campaign to brand and image the casino?
- Is our entertainment an advertising vehicle intent on targeting specific demographics and guests?
- Is our live entertainment drawing in new guests to experience our overall entertainment value (gaming, food & beverage, hotel, fun, excitement, atmosphere), and thereby raising the incremental revenues of all our varied departments?
- Is our program designed to fine-tune player profiles to increase the floor revenue?
- Are we using entertainment to reward our best guests?
- How can entertainment be used to increase the fun factor for our guests?
- What does our past history tell us about what works and what doesn't work?

Getting the right people on an evaluation committee is crucial. You probably want to get all the decision makers in there so everything gets said that needs to be said, and therefore nothing will come up later. Having a common understanding of the purpose of live entertainment at the casino solves a lot of problems, and makes it easier to evaluate all aspects of your program, such as budget, frequency of shows, types of entertainment, staffing, venue quality and size, decision-making process, etc.

It is not realistic to have live entertainment be a defined profit center unless you count the incremental revenues from ticket sales, the drop in the casino the day of the show, food & beverage, hotel rooms, gift shop, etc. In other words, if live entertainment is responsible for drawing an additional 1,500 people onto the property on a Thursday night, what overall financial benefit does the property enjoy from that action and investment? Also crucial to this, where do you place the advertising expense? If you say that advertising is a big picture branding/marketing expense and shouldn't be allocated to a specific night because having the advertising helps reinforce the overall casino image and helps with top-of-mind awareness, then of course your event numbers will be more impactful.

On another note, a key area to look at in your assessment is who makes the decisions about what entertainment to buy. It is a fact that many people in your organization think they know what to book and when to book it, and this causes big problems for the people charged with the responsibility of the day-to-day operation.

One solution is to gather the powers-that-be on a biannual basis and put together a wish list of entertainers who are affordable for the venue size, whose appeal matches the demographics that you are trying to attract to the casino, and who will match the brand you are trying to build, because nothing says more about your casino brand than the entertainment you book.

Now that you have a qualified wish list that meets the objective criteria that fits into your plan, it is easier to make decisions as certain entertainers become available in your region, which allows you to save money on booking. The most expensive way to buy entertainment is to try to get a specific entertainer on a specific date. Having the wish list allows you to focus on a large group of the right entertainers and to buy smart. This approach helps your outside talent buyer find the routed opportunities that fit into your strategic plans.

Another controversial issue is your ticket comp policy. Many executives struggle with investing in a nice venue, spending big dollars on entertainers and advertising, and then giving away tickets. The traditional gaming centers learned long ago that live entertainment is the magnet to bring in new gamers and reward current gamers, and that comp tickets were more than paid back by the dollars left behind in the casino. Make sure your Players Club database is current and kept up to date.

The biggest and most successful casinos today put the most people in comped seats. They have very accurate player rating systems in place and very current database systems. They know the ADT (average daily theoretical) of these players, and they know the potential value of the player when they are on-property. Those comped seats are worth hundreds and sometime thousands of dollars to your property

There are many things to assess in your evaluation of your live entertainment program. It is important in the beginning to define the purpose of live entertainment at your casino, as everything else flows from that. Getting a committee consisting of top management is crucial. How you measure the financial results of entertainment has everything to do with the perception of your program within the casino. If you can agree on what to measure, you will have more people on your team who understand the total benefits of live entertainment. Having a wish list of qualified entertainers is the smart way to buy talent. Outside opinions are great as long as they fit within the criteria of what you are trying to accomplish through your entertainment program.

Kell has a savvy gaming approach to utilizing entertainment as a tool to drive folks to the casino floor and makes him a perfect fit for Raving clients. Kell is the Owner/President of Houston Productions, with offices in Las Vegas, Minneapolis, Seattle & Vancouver, BC.

Employer-Sponsored Biometric Screening

A very cost-effective way to create ROI within your health plan spend

By Tyler Moore, Raving Partner, Benefits Management and Partner, Face Rock Enterprises

Several years ago, my firm received a call from a lab that we had contracted with on behalf of one of our Tribal casino clients. They had just completed the lab work for a biometric screening sponsored by the casino for its team members and spouses who are covered under the self-funded health plan. The lab, which was local to our office, said, "You need to get down here and see this ..." Upon arrival, we were shown a blood test vial with a pink substance inside that had the look and consistency of Pepto-Bismol. We were told that this was actually blood, which had been drawn from a team member during the biometric screening fair sponsored by the casino. The team member's triglycerides were near 1,500 (healthy is under 150, borderline high is 150 to 199, and high is 200 and above). We immediately shared this information with the casino's large case management and disease management firm, who performed an outreach call to urge the team member to head straight to the emergency room.

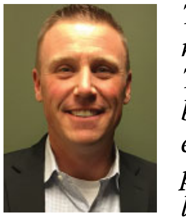
When we reported this situation (minus protected health information, of course) to the casino's health plan committee, the logical question was asked: Why was this team member not being managed by either the disease management program or the large case management program? The answer to this question was simple; this team member was not on the radar, even though the situation was a ticking time bomb. In order for a medical management firm to intervene, the member must show up in either a large claim report, a diagnostic code report, or a pre-authorization report. In this situation, the member didn't show up in any of these reports as they had not been to the doctor. Therefore, there was no claim submitted to the health plan administrator or a pre-authorization call made to the utilization review vendor, and as a result, the team member didn't show up on any of the necessary reports.

This story does have a happy ending! The team member did seek care, was prescribed the necessary and appropriate prescription drugs, and started to lose weight. Several months later, he stopped by Human Resources and told the HR Director that the casino had saved his life. He stated that he had felt terrible all along, but didn't know any different, so he never went to the doctor. Not only is he feeling better, but HR has reported that the team member's attendance, along with his productivity, has drastically improved. The other positive in this story is the cost avoidance that the health plan realized, because this team member was helped prior to becoming a very large claimant.

The health plan return on investment as it relates to biometric screening has been proven over and over again; however, many employers have a difficult time finding the money to pay for these programs. In addition, getting the participation needed to achieve a return on investment can be challenging. With some creative payroll contribution strategies, the casino can achieve over 80% participation without increasing plan costs; therefore, any savings achieved by the biometric screening would equate to a positive return on investment.

What's a biometric screening, and how does it differ from an annual check-up?

Incentivized, employer-sponsored biometric screening is typically an annual event used to provide the team member with basic biometric data, as well as non-identifiable aggregate data for the employer. It is typically performed on-site at the employer (say, through a "health fair"). These on-site events, with the right incentives, might be the only "check-up" that team members do for themselves, especially if they are averse to going to the doctor for even a wellness visit. These tests typically provide blood pressure, body mass index (BMI), cholesterol and glucose, and can be provided to a team member's primary care doctor at the time of an annual physical examination, so they don't need to be repeated again.



Tyler has an extensive background in managing benefits for Native American Tribes. He has worked in the employee benefits field since 1999 and has extensive experience in managing self-insured health plans, including underwriting and stop loss placement. Tyler consults on many self-funded plans and continues to work with Tribal Organizations on their unique benefit needs.

Top Six 2019 Guest Experience Trends

How casinos can keep pace with other industries

By Tom Osiecki, Raving Partner, Advanced Operations and Marketing

If you want to see the key to an unforgettable guest experience, look in a mirror. Dedication to a high level of guest experience starts at the top. But it's the heart of the team that always shines through.

Guest experience trends for 2019 show us how casinos can keep pace with other industries rapidly adapting to a guest service society. A society driven by the continuous march of game-changing technology that keeps the guest in the spotlight.

Shantanu Narayen, Adobe's CEO, says that, "Guests don't buy products; they buy experiences." How do we create these experiences?

Let's look at the leading guest experience trends for 2019 adapted for casinos:

1. **Team Guest Experience**

   If your company places the responsibility for guest experience with a small group of people, you could have a problem. Companies that understand guest experience realize it starts with the first digital or phone contact, and ends with a wave goodbye from the valet.

   If every department from shipping and receiving, to hotel housekeeping, to the front office doesn't focus on guest experience, you are going to be left behind. Every team member in every department should know how their work affects and influences guests.

2. **Own Your Own Guest Experience**

   Through the work I've done on Raving's Competitive Marketing Strategies Program, it quickly revealed that knowing and playing to your unique property niche is the key to competing in today's environment.

   Casino companies that focus on seamless guest experiences get it. Today's casino branding isn't about themes or promotions, but communicates the unique experiences that your property can deliver. The difference-maker is how hard the property works on delivering guest experiences and communicating that experience. The best marketing investment that a casino can make is in guest service and guest experience.

3. **Your Guest Is Smarter and Wants More Convenience**

   Casino guests in 2019 relate every guest experience they encounter in life to how they interact with your casino. Casinos that make their guest experiences seamless and frictionless are ahead of the curve.

   Is your digital experience as fast and responsive as guests experience outside your casino? Have you decreased line time? Is your hotel check-in and check-out painless? We live in a world where guests check social media reviews before they make a move. It's an easy way to know which casinos deliver excellence and which ones should be avoided.

Are your team member guest encounters as pleasant and upbeat as they can be? Casino companies that work to ensure that guest interactions are user-friendly and comfortable will beat the competition every day.

4. **Self-Service Is Here to Stay**

At the 2019 Raving Next: Indian Gaming Analytics and Marketing Conference, results from the pre-conference survey indicated that kiosks and apps were the leading additions to marketing technology.

Kiosks are no longer a casino bonus, but an expected property amenity. Kiosks combining redemption of points and comps for all casino functions is the bar, and the bar raises every year.

Guests who experience the ease of ordering food from a tablet at the table or a kiosk at the grab and go expect that experience at your casino. Check-in free hotels, where you go directly to your room, are cropping up across the country. The rolling thunder of technology pushes your guests to compare you to the rest of the world and expect that technology.

5. **Mobile, Mobile, Mobile**

Your guests are increasingly mobile-dependent. They shop, research and book each transaction through apps. Guests use apps to communicate with friends, interact with companies, and express their opinions. With today's smartphones, you hold the world in your hand.

If it's baby steps or a full-blown program, getting your casino's message on mobile is literally getting your message into people's hands.

6. **Know Your Guest**

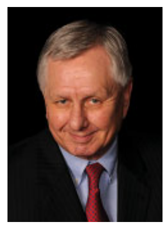
Big data trends allow you to know your guest and personalize messages. Casino marketers were always at the forefront of segmenting guests to provide more efficient offers.

Today's data availability allows you to treat your casino's guests according to their transaction patterns. Using big data or simply making good use of existing guest data can give guests an experience that is customized to their personal preferences. Personalized offers lead to personalized guest experiences in today's changing markets.

Summary: Trends for 2019 and Beyond

- The leading trend for 2019 is that guest experience is the key strategy for every brand. Successful casino operations continually rework guest service models in everything they do.
- The top guest experience trend today is to completely envelop your marketing into guest experience.
- Accomplished casinos understand that guests are more sophisticated and informed than ever, focusing on ease of use and convenience. Easy to use kiosks and apps allow guests to move through your casino experience effortlessly. Focus on mobile to get the best bang for your buck in guest interaction.
- Beyond mobile, successful casinos use big data and solid database marketing techniques to segment benefits to complete a personalized guest experience at your casino.

How does your casino stack up to these 2019 trends? Does your marketing and guest service work together for a complete guest service experience? For more information on how to adapt your service programs to embrace the concepts listed above, please contact Amy Hergenrother at 775-329-7864 or amy@betravingknows.com.



As a highly accomplished casino operator and marketer, Tom has a proven track record of effectively analyzing casino markets and implementing strategic planning that yields optimum EBITDA using customer focused tactics. He is adept at organizing strategic marketing plans through the execution of branding strategies, channel management, media, digital, corporate communications, database marketing, sales, promotions and agency management.

Still Want to Get Engaged?

Changes in team member engagement trends help create a happier and more profitable workplace

By Deb Hilgeman, Ph.D., Senior Raving Partner, Market Research

Three years ago, I wrote an article about team member engagement and how it is becoming increasingly popular. This article will look at current trends to help you identify ways to be more successful in 2019.

First, to recap just what it is that we're talking about, team member engagement is an emotional commitment to your employer and involves loyalty, commitment, satisfaction, advocacy, and going the extra mile. Using a series of specific survey questions, all team members are classified as Engaged, Passive or Disengaged.

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

There are many reasons why having engaged team members is more important today than ever before. Competition in the gaming industry continues to become fiercer, so holding onto profit margins has become more difficult for many casinos, much less being expected to increase earning year over year. Retaining the best team members is also more critical than ever. In Raving's 2nd Annual Indian Gaming National Marketing Survey, which had participation from almost 20% of all Tribal casinos in the U.S., the biggest challenge facing casinos is staffing. 21% of casinos ranked this as a bigger challenge than aging amenities, meeting profit goals, and a list of other issues that casinos routinely encounter.

Engagement Leads to Profit

Team member engagement continues to be critically important because of findings shown below:

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

- Similarly, companies with a highly engaged workforce experience a **19.2 percent growth** in operating income over a 12-month period.
- Engaged companies grow profits as much as **three times faster** than their competitors.
- Highly engaged team members are **87 percent less likely** to leave the organization.
- Companies with highly engaged team members have **two times higher guest loyalty.**

Measuring Engagement

It's really hard to change team member engagement if you aren't measuring it. There are many ways to take on issues related to team member engagement within an organization, but one challenge is constant. Without dependable data, it becomes difficult, if not impossible, to influence true change or impact lasting outcomes.

An engagement survey is best done by an outside company, as an internal survey would raise the question of anonymity. Team members won't be open and honest if they think that they could be penalized in some way for negative answers. The survey itself contains structured questions to determine what motivates team members and what level they're currently at. You end up with specific data that shows areas of strength and weakness so you know just where to target your efforts.

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

2019 Trends in Team Member Engagement

1. **Company culture is team member-driven**

   How team members interact and react to one another, align on shared values and recognize one another's contributions is what builds trust, respect and confidence. This, in turn, contributes to company culture. Your company needs to examine how you're nurturing good team member interactions and teamwork, and be sure to implement best practices. A team member engagement survey will tell you if you have problems, such as supervisors not supporting the people who report to them – this is just one example of how it is imperative to know how team members at your organization rank interactions among themselves and their managers.

2. **Real-time recognition is the best**

   Team member of the month and year are great ways to give recognition, but that's a long time to wait for someone to get positive feedback. Today's team members expect and want more frequent recognition. Real-time recognition is ideal for managers to provide in-the-moment feedback, validation and celebrations on the spot. If you see a team member doing something above and beyond, stop and recognize the action on the spot. If other team members are around, even better.

3. **Team members value choice**

   Recognition is powerful because it is as much a celebration of the individual as it is a validation of what is accomplished. Using rewards and incentives that team members can personally identify with will strengthen the emotional engagement aspect of recognition far more than rewards that have been chosen for them. 2018 taught us that rewarding team members with gift cards is the best way to put the power of choice to work. We'll continue to see this trend throughout 2019.

4. **Measure your recognition program**

   Recognition programs are an excellent source of information, insights and actionable next steps. How actively people engage in the program will help you identify the "doers" and "influencers," as they are the people who could be the future leaders of your organization. Identify these team members and actively seek their input to improve team member engagement.

5. **Invest in relationships, not technology**

   A final team member engagement trend is to focus on relationships and not a technology platform designed to improve your recognition program. 2018 taught us that investing in practical programs that are easy to implement and simple to use will gain earlier adoption and heavier utilization. Once again, conducting a team member engagement survey will show you where to focus your efforts in order to get maximum results.

Want More Info?

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

Deb uses her extensive research knowledge and qualifications, combined with her casino marketing management experience, to deliver superior market research to Raving clients. Deb works with properties to determine how market research can take their operations and profitability to the next level by removing the guesswork in decision-making.

Janet's Ten Host Rules

Finding success by using a code of conduct

By Janet Hawk, Raving Partner, Player Development and Marketing

I'm a big fan of *NCIS*. I love how they are able to add funny moments to such serious ones – like life, really. Every character is unique and detailed. The character of Leroy Jethro Gibbs uses an interesting leadership style that is anchored to his "rules." Gibbs' Rules are an extensive series of guidelines that Gibbs lives by and teaches to the people he works closely with. Whenever his team has a question, he refers them back to the "rules." The origin of Gibbs' Rules goes back to his first wife, who told him at their first meeting that, "Everyone needs a code they can live by."

The role of Player Development within the casino comes with heavy responsibility. Not only do we have "the power of the pen," but we have access to huge amounts of highly confidential information (both internal and external), which in the wrong hands can be dangerous to both the casino and our guests. We all have either heard stories or witnessed unethical behavior within a casino. These situations can run the gamut from bad, uneducated decisions to out-and-out theft. It got me thinking – should we develop a code of conduct for Hosts that will serve as a guideline for decisions and help them be successful?

So, here is my stab at creating a list of "Host Rules":

1. **Never Lie!**

   Hosts use relationship marketing, and trust is key to developing a relationship with anyone. When you lie, you lose that trust, and it will never be fully restored. Integrity and honesty are the basis of any relationship. Make a mistake? Own it, and do what you can to correct it. Negotiations with your guests should ALWAYS be truthful. There will be times it may be necessary to schmooze, coax, and advise – BUT NEVER LIE!

2. **It's Business!**

   While we use relationship marketing, we must never let things get TOO personal! By that I mean, watch what you share with your guests. Confidentiality is vital. Hosts function as a liaison between the guest and the casino, but never forget WHERE your loyalties lie.

3. **Teamwork!**

   We've all heard that there is no "I" in team, so why is this so lacking in most PD departments and between other departments?! Former United States Navy admiral William H. McRaven reiterated that sentiment in his book, *Make Your Bed: Small Things That Can Change Your Life ... and Maybe the World*. He speaks the truth when he says, "No one can do it alone. So, find someone to help you paddle." This refers to one of the many paddling exercises that Navy SEALS learn in training: It can't be done alone, and you need to be in complete sync with your teammates.

4. **Cover Your Backside!**

Document, document, document! No matter how you do it, either by using notes or remarks in your CMS or CRM, or going old school and using a notebook, post-it notes, print screens or a dry erase board, you must make sure that you keep track of all pertinent information concerning guest interactions, current or completed projects, etc., because you just never know when you may need it. In my years of hosting, I learned to document everything, and it came in handy more often than not. If my boss had a question about why I did something, I could show my thought process. If a guest "forgot" I had them at the casino rate and not comp, I had the notes on their account. That way anyone who pulled up their information could see it as well! Which brings me to the next rule …

5. **Communicate!**

Whether it is internal (communication with other hosts, departments, etc.) or external (your guests), clear and concise communication is vital. We so often fail to communicate altogether, or if we do, it is often inconsistent or unclear. Internally, I so often hear, "We don't know what the hosts do." That is a failure in communication! So many walls have been created internally because of poor (or nonexistent) communication. It is crucial to make sure that you are working closely with all departments in the casino because your guests interact with them throughout their time at the casino. Externally, your hosts need clear information and, as was mentioned in Rule #1, be honest! Communication is a two-way street.

"The two words 'information' and 'communication' are often used interchangeably, but they signify quite different things. Information is giving out; communication is getting through." – Sydney J. Harris

6. **Listen!**

Selling is based on listening. Listening is an art that must be practiced consciously. Not thinking about what YOU are going to say next or "one-up" the story being told or the conversation taking place, but just focusing on what the other person is saying. This is not only true with sales, but with dispute resolution and all other areas where there is communication with another being! Focus on the 3 Ls – Listen, so you can … Learn and be able to … Lead the conversation!

7. **Engage!**

The Raving Host mantra, "The more touches you make, the more revenue you generate," means to ENGAGE. The more you engage with your guests, the more you develop that relationship, thereby increasing loyalty. The more loyalty, the more revenue generated. Successful hosts ALWAYS follow up and follow through. Double and triple check, every time with everyone! I don't care how long you've dealt with a guest, reach out to them. Even a simple "just checking in with you" or "how are you feeling?" goes a LONG way! But, you must engage! The only way to overcome is to engage. Change your lens, choose to find reasons to succeed! See Rule #9.

8. **Ask!**

Never assume. If you don't know, ask. If you need help, ask. In order to learn about your guests, you must ASK!

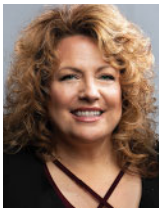
9. **Overcome!**

There isn't one way to do things, and there is no one "right answer." If the first solution or idea doesn't work or doesn't quite sound right, find the next right answer! Don't stay stuck or use excuses! See Rule #10.

10. **Be Accountable!**

For a host (or any adult), self-discipline is very important! If you make a mistake (and you will), own it, learn from it, and move on! Make personal goals and commit to them. Work smarter, not harder. Don't wait for your manager to tell you what to do, you should already know, and if you don't, see Rule #8!

This is only the start of my idea for "Host Rules." There WILL be more! The bottom line is this: hosts are part of an elite sales team, and these rules will help you be stronger and more successful. Do you need to build custom "Host Rules" for your player development program? Contact Raving to find out more about our extensive PD and Loyalty Programs at 775-329-7864.



Janet started her gaming career almost 30 years ago in Las Vegas as a Keno Runner and quickly moved to management within Slot Operations. She provides Raving clients with continued support and training in the practical skills of marketing, promotions, special events, entertainment, hotel, table games and player development.

How Click-to-Brick Technology Will Drive Revenue

Introducing Class II Digital Game Wagering

By Jim Nulph, Raving Partner, Playport Gaming

As the gaming industry matures and experiences market saturation, Tribal operators are constantly on the lookout to diversify and expand opportunities to increase revenue. Class II gaming provides that option, but, wait for it, we're not talking about adding additional games to the floor. We're talking about digital game wagering.

The Indian Gaming Regulatory Act clearly supports the use of new technologies to advance the sale of Class II gaming. These days, advancements in both retail and consumer technologies bring innovative real money gaming to Class II gaming operators. A prime example is Playport's smart phone platform for Class II digital games.

Bring on the Smartphone (or Not-So-Smart Phone)

Playport's key innovation is on-property sale and cashing of live draw bingo games using casino guest's smartphones. While this form of bingo game play is assisted by phone-displayed electronic aids to play bingo, Playport is not Internet wagering.

What combinations of technologies make Playport a regulatory compliant, profitable means of selling Class II games?

The most obvious is smartphone technology. Even older, low-tech smartphones deliver a high-functioning consumer technology, and the vast majority of casino guests use this technology every day.

Click-to-Brick Technology

Less obvious is the combination of smartphone and retail technology called "click-to-brick," which allows consumers to use their phones to enhance their shopping experience at brick-and-mortar retailers. McDonald's uses click-to-brick to sell burgers, Best Buy uses click-to-brick to sell electronics, and Walmart uses click-to-brick to sell almost anything.

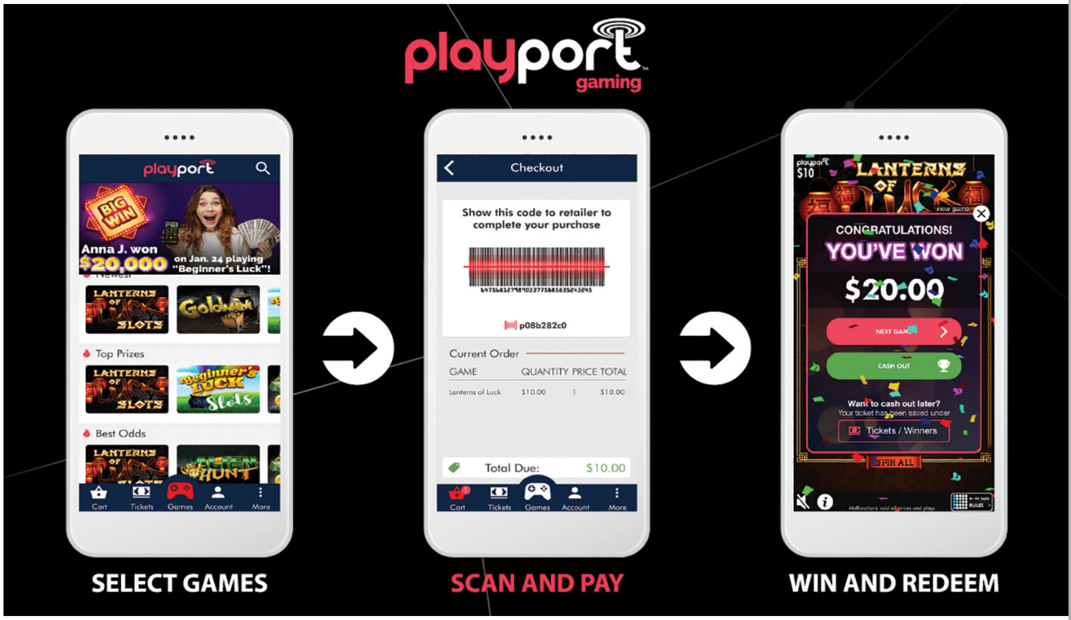
By using these same click-to-brick technologies, casino operators may now sell real money digital games while avoiding the poor user experience caused by complex Internet gaming account setup and while also avoiding the uncertain legal risk of differing interpretations of the federal Wire Act.

How do smartphone click operations and casino brick operations work to bring digital game wagering to smartphones? It all starts with the account setup experience. By eliminating age control, financial account setup, and geofencing from the account process, casino guests quickly and easily get to the fun parts of Playport's digital game experience, shopping for their games.

The Legal Stuff That Makes It Work

Like Class II electronic gaming machine (EGM) options, Playport offers players different electronic aids to playing Bingo. Unlike EGM options, these electronic aids are not limited by cost and floor space because they are offered through the player's phone. Consequently, there are no limits to game themes, play styles, pay tables, or denominations. Players can always shop to find the games that give them the best chance to try their luck.

When players have found their games, the purchase process is quick and easy. All data necessary to securely and accurately process the purchase is encoded into a high storage "game order" barcode. The player simply follows instructions on their smartphone to find where they can purchase their games. Purchase processes, like using prizes won to buy more games, make the process even more convenient.



Since each game purchased results in issuing the player a single bingo card that is quickly determined through live drawing to be a winner or loser, the player can use their smartphone-enabled electronic aid to bingo play to reveal the outcome of each card purchase whenever and wherever they wish.

And since the electronic aid is merely a graphic method to replace each bingo card outcome, the game graphics are quickly and easily refreshed to ensure that the Playport game portfolio changes to match changing player likes and dislikes.

Utilizing the App to Drive Business

Since the Playport app function can integrate into existing casino apps, the adoption and use of Playport will benefit from existing app traffic. As a standalone app, the Playport app function is easily found in the Apple or Google app stores, and common app download marketing and promotion programs, such as direct links from casino websites or in casino emails, will speed up adoption and use. Regardless of app function integrated into existing casino apps or app function delivered by a standalone. Playport's app technology supports the full use of each casino's brand elements, which includes game graphics customized for casino-branded game play.

Once the app is in players' hands, ongoing app usage can be promoted by using any marketing and promotion tactic available to casinos. Common tactics include one-on-one promotion of app usage by casino service teams, promotion of app usage as part of regular casino marketing communications, targeted "in-app" push notifications to communicate player profile-triggered communications about an individual player's favorite games, or broad push notification, email, text message, or social media communications about casino-branded games that build on common marketing opportunities like seasonal games (Halloween Cash, Major League Moolah), casino product games (Buffet Bucks, Tee Off to Win), or event games (Concert Cash, MMA Money). The combination of Playport's fast refresh game platform and casino marketers' imagination supports gamification tactics to promote any special marketing program with real money games.

Visit www.playport.com to learn more, or download a demo version of Playport to your phone from the Apple or Google app stores by using the keyword search "playport."

Jim Nulph has 30-years of executive experience in the casino and lottery gaming industry. Jim began his career as Director of Marketing for the Missouri and Virginia State Lotteries and has held a wide variety of executive roles since. Jim graduated from Grove City College with a Bachelor of Arts in Communications and Clarion University of Pennsylvania with a Masters of Science in Communications.

Improving Guest Profitability and Experience Through Kiosks

The balancing act with security concerns

Prasanna Satarasinghe, Raving Partner and VP Consumer & Mobility Practice, Savantis Solutions LLC

It is not an exaggeration to say that Kiosk technology is a top consideration for business executives in casinos and hospitality properties. As a matter of fact, in a recent Raving survey, gaming operators stated that kiosks were the number one technology addition implemented in 2018!

Casino and Hospitality enterprises are employing Kiosk technology as a key ingredient in their digital and guest engagement strategy and marketing mix. A Kiosk is a vital engagement and marketing channel to deliver loyalty and promotional content and gain valuable guest insights.

Properties are making significant investments to improve per guest profitability and guest experience management with their Kiosk technology selection and implementations. It is equally important to pay attention to understand and prevent the security vulnerabilities when a kiosk device is used as a personal ATM for individualized guest engagement and data exchange.

In this article we have highlighted key building blocks and important security checkpoints in the technology selection and implementation of Kiosks as part of the digital strategy.

Key Building Blocks

When a Kiosk device is used as a personal ATM, we are talking about exchanging personal information at an individual level that cannot be compromised at any level. The key building blocks that we need to pay attention to are:

- **User:** Is a guest or a players club card member exchanging personal information via the kiosk?
- **Kiosk device:** Be it a standalone or a tablet device, it is the digital engagement device capturing the personal information from the user and giving information back.
- **Players club card:** A physical card wherein the user information is electronically stored.
- **Kiosk software application:** A typical kiosk software application consists of a software client (e.g., App) that resides on the Kiosk device and the back-end server software application that deployed either on the property itself or in the cloud.

Security Checkpoints

Below is a list of checkpoints to consider when personal and sensitive data is exchanged between these building blocks.

1. **Kiosk:** Any Kiosk hardware device, such as a standalone or tablet, has a unique device identity. During the device onboarding process, this device identity will be recognized and registered in the back-end system. On every subsequent attempt when data is exchanged via this Kiosk device, the device will be authenticated and authorized by the back-end systems before any data could be exchanged in either direction.

   Additionally, the Kiosk device should be allowed to operate only within authorized locations within the property. The first level of validation can be implemented in the local IT network. The second level of validation can be done in the Kiosk application software, depending on the capabilities of the vendor.

2. **Kiosk software:** The Kiosk client and server software exchange data entered from the Kiosk device and the back-end systems, such as the players club card membership application, marketing application, etc. The next security checkpoint is to ensure that the Kiosk client and server are authenticated mutually, and that the data is encrypted and transported over a secure pipe between the Kiosk device and back-end systems via APIs. Token-based API authentication is utilized to validate the Kiosk client and server applications, and SSL certificates are employed to encrypt sensitive data and transport over a secure HTTPS pipe.
3. **User and Players Club Card:** Once the connectivity between the Kiosk device and the back-end systems, and the data pipe transportation are secure, the next important step is to validate the identity and authenticity of the user before exchanging any personal information via the Kiosk and delivering loyalty entitlements and individualized promotions to the Kiosk. In the absence of any fingerprint and/or facial recognition technologies, the electronic data stored on the players club card is utilized to identify and validate a user. Additional software can be embedded into the Kiosk client software to encrypt any sensitive data that is read from the swiping of the membership card, and make it only available and visible to the back-end membership loyalty system.

   A user can be a person with or without a loyalty card membership. In the case of a non-member, an email or mobile phone number can be entered from the Kiosk device as the user identity. A two-step authentication process, such as sending an email or text message to a mobile phone, can be employed to bind the user's identity (e.g., membership number from the card swipe, or email/phone number entered from the kiosk) with the person exchanging data via the Kiosk device.

Do you have the proper security protocols in place to protect your data? Do you have questions about the seven areas above regarding your current Kiosk setup? Drop us a line at 775-329-7864, or email Amy Hergenrother at amy@betravingknows.com if you're interested in a Kiosk security check-up.

Prasanna has over 20 years of IT industry experience in the Entertainment and Hospitality industry. He is a key contributor to the IETF standard (i.e. EAP-SIM RFC 4186) on secure SIM card authentication with Wi-Fi networks. Prasanna has worked on several Casino and Hospitality projects including several IT projects with Raving.

A Study in Data Hygiene

What is it, and why is it important?

By Tami Jones, Director of Client Services, CSG Direct

I've written quite a few articles in which I make the assertion that your player database is your most valuable asset, and that it is imperative to keep it clean and up to date at all times. This will save direct mail print and production costs, as well as postage. But I've had quite a few people ask me for a more detailed explanation of how those savings occur with comprehensive and regular data hygiene. First, let me explain the basics of postage calculation, and then I will outline the basics of data hygiene and share a case study.

Simplistically, postage is based on how many mail pieces are delivered within given zip codes.

The first three numbers of a zip code are called the SCF. This designates the postal Sectional Center Facility that sorts the mail. If there are at least 125 pieces going to any one SCF, those pieces get a discount. Next, if there are at least 125 pieces going to any one 5-digit zip code, those pieces get an additional discount. Zip codes break down into carrier routes. The higher the percentage of pieces delivered within any one carrier route, the more discounts are applied.

The highest discount is Walk Sequence. This is where you actually sort the mail in the order the carrier drives down the street and delivers to each address within a carrier route. The best way to get your data eligible for as many discounts as possible is to get the addresses in your data to match the addresses and delivery information in the Master Postal Database. Once you have done that, you then need to verify the players named actually live at those addresses with a Resident Verification.

The first step in getting your addresses to match those within the USPS database is to run a CASS certification.

CASS stands for Coding Accuracy Support System. This process compares your addresses against the Master USPS data and codes records that match and don't match. CASS will also find vacant addresses and delivery sequence information. Next, run an update against the DSF2 file, which adds additional validation information to identify address types and ensure deliverability.

Next, you want to make sure that you have the correct address for the correct individuals in your database.

Most of you are familiar with NCOA or National Change of Address. Individuals tell the Post Office when they move and provide their new address. That information is held by the Post Office for a rolling 48 months. NCOA compares your name and address data against the move update data at the Post Office and provided updated information where found.

What about those individuals who don't tell the post office that they are moving? Or who moved more than 48 months ago? For these records, there is PCOA, or Private Change of Address. This process taps the Lexus Nexus data repository, which contains over 35 years of personal and consumer data. Follow up this process with a resident verification process to confirm all your findings. An annual update with PCOA and quarterly NCOA updates will then keep the occupant information in your data very accurate.

There are additional data processes to suppress deceased individuals, prison addresses and bankruptcy flags, as well as to append missing apartment or unit numbers.

Email addresses and phone numbers may also be validated and/or appended at higher rates and with better accuracy with clean occupant and address data.

Now for the case study:

A client database of 302,614 records with activity in the last three years was analyzed. Here are the highlights of what was found:

Process	Records Found	% of Database	
NCOA-Good Moves (new addresses)	8,748	2.89%	
NCOA-Bad Moves (no new address)	1,958	0.65%	
PCOA-New Address	75,682	25.01%	(Wow!)
PCOA-Bad Address	23,636	10.21%	(Wow!)
DSF2-Vacant (no one lives there)	8,802	2.91%	
CASS-Address errors (not deliverable)	22,611	7.47%	
Deceased	6,441	2.13%	(Wow!)

*Notice the difference between the updated good and bad addresses found with NCOA vs. PCOA.

Based on these findings, the client estimated Marketing Mail postage savings of over $37,000 per year. Their estimate for recovered print and production costs for undelivered Marketing Mail exceeded $100,000 per year.

Of course, these results are not representative of every database. The only way to find out how yours compares is to run the updates and see for yourself. It may seem like a lot, but all the updates are reasonably priced and do not take much time to process. How much money can your property save?

Interested in your FREE data hygiene reports? Email amy@betravingknows.com for more information. Let's get your data cleaned up today so that you can start saving money on your next mailing!

In her 20+ years of casino, direct mail and management experience, Tami has worked for three different casinos, a home health corporation, and her current employer, CSG Direct, a direct mail and digital printing company. She specializes in helping casinos optimize their direct marketing programs by evaluating actual mail pieces and scheduling practices, data hygiene practices and more.

RAVING CONFERENCE & EVENT SCHEDULE

Raving @ NIGA
April 1 — 4, 2019, San Diego Convention Center, CA
indiangamingtradeshow.com

Native Strong Comedy Slam
April 3, 2019, Hard Rock Hotel San Diego, CA
NativeStrongComedySlam.com

Raving @ Northeastern Oklahoma Indigo Sky Expo (NOISE)
May 20 – 22, 2019, Indigo Sky Casino & Resort, Wyandotte, OK
noisegaming.com

Raving @ WIGA — Northwest Indian Gaming Conference & Expo
June 17 – 19, 2019, Tulalip Resort and Casino, Tulalip, WA
washingtonindiangaming.org

Raving @ NCAI Mid Year Conference & Marketplace
June 23 – 26, 2019, Nugget Casino Resort, Reno, NV
ncai.org/events/2019/06/23/2019-mid-year-conference-marketplace

Raving @ OIGA Conference and Trade Show
July 22 – 24, 2019, Tulsa, OK
oiga.org

Raving Loyalty and Player Development Conference
July 22 — 23, 2019, Caesars Palace, Las Vegas, NV
www.hostdevelopmentconf.com

Casino Marketing & Technology Conference
July 23 — 25, 2019, Caesars Palace, Las Vegas, NV
www.casinomarketingconf.com

Raving @ NNAHRA
September 23 – 25, 2019
nnahra.org/annual-conference/

Raving @ G2E 2019
October 14 – 17, 2019
globalgamingexpo.com

NB3FIT Week
November 4 – 10, 2019
nb3foundation.org/nb3fitweek

Cutting Edge Table Games Conference
November 18 – 20, 2019
tablegamesconf.com