

CANADIAN GAMING BUSINESS

Vol. 9 No. 2

Summer 2014

WINNING WITH MILLENNIALS

Attracting the Future Gamer

Inside:

Optimizing Your Loyalty Program

Leveraging Data Analytics

Lottery Industry Roundtable

Developing Technology Savvy Employees

GAMING VOUCHER





LOYALTY PROGRAMS

Are You Leaving Too Much Loyalty on the Table?

BY PATRICK WATSON

More and more consumer businesses, including nearly every existing casino, are offering loyalty or rewards programs. Typically, players are happy to join, so much so that individuals belong to about five loyalty programs on average. With all of these opportunities to benefit from loyalty, one would think that most consumers would be completely absorbed in their respective programs of choice. However, it is often observed that less than 20 per cent of consumers report being “actively engaged” by the loyalty programs to which they belong.



More organizations than ever are vying for consumers' valuable time (and money), which makes this statistic all the more troubling. Since the online and mobile realms are making it easier for consumers to explore other options, and be reached by competitors looking for them, ensuring that consumers are engrossed in your loyalty program is a necessity.

Consumers can't be relied upon to drive their own engagement — they need to be called into action by you as often as possible in a way that they feel is relevant to them. For organizations that do this successfully, the prize is significant: some casinos have witnessed an increase in visitation rates by up to 40 per cent through well-crafted extended loyalty strategies, resulting in dramatic increases in revenue.

WHEN "LOYAL" PLAYERS LEAVE THE CASINO

For decades, casinos have provided a genuinely thrilling guest experience to drive revenue. Bright lights, sounds, friendly service, attractions, and the chance of winning a jackpot make for a sensational guest experience.

Unfortunately, when players leave, they quickly forget the excellent experience they just had. They return to their busy lives and are bombarded with advertisements and offers from thousands of organizations, including other casinos. With the rise of online mobile use, some patrons are even receiving offers from entertainment providers on their way home from the casino!

As a result, the memory of the casino experience quickly evaporates. Players move on, usually without a defined plan for their next interaction with the property, or worse, a plan to try another property next time.

CREATING ANTICIPATION: A SUSTAINABLE CYCLE OF PLAYER ENGAGEMENT

The questions become: How can we leverage those fleeting feelings of enjoyment and excitement players get at the casino to create genuine anticipation toward their next visit? How can we ensure that when a player leaves the property, they leave with a defined plan to return, or at least an interest in keeping their relationship with the casino alive somehow? Creating a sustainable cycle of engagement with your players is an ideal method of accomplishing these goals.

The cycle starts with explicit calls-to-action — things the player can do away from the property that reinforce their enjoyable casino experience.

AN IDEAL PICTURE OF THE LOYALTY ENGAGEMENT CYCLE

Player Leaves Casino with a targeted reason to visit the casino's branded loyalty portal online or on their mobile device (e.g. time-limited code or offer to play a targeted game or participate in a specific activity).

Player participates, and has an exciting brand reinforcing experience (game, promotion, contest, survey, video, etc.).

Player's online activity prompts

gamingtrends

a relevant, limited time reward, “tailored” for them and available only at the property, linked specifically to the branded activity they just completed.

Player feels individually important and keeps the property/brand top of mind – they are actively reminded through mobile, email, etc. that their offer/benefit is available.

Player visits the casino and makes use of their on-property reward.

The series of steps above is repeated over and over again!

MAKING THE MOST OF YOUR LOYALTY PROGRAM

Casinos that build a solid and immersive brand typically have a better chance at maximizing their success. But the most effective casinos extend that brand to every customer interaction, including their online/mobile accessible loyalty environment that keeps the dream alive. An online loyalty hub shouldn't just provide a space for players to log in to see point values; it should be immersive, engaging

and should remind the player of what the casino is about. The result is a centralized environment that players can return to time and time again to look for offers, information and entertainment in between visits.

Although numerous techniques exist to build brand loyalty with these players, some of the most useful are:

Full-Featured Loyalty Portal: Players expect the same depth of experience you provide at your casino from their online interaction with you so their experience cannot be basic or archaic. You should be able to show off your casino's online portal as proudly as any part of your facility/service.

Real Personalization: Casino staff do an excellent job of making players feel individually important at their property. That experience should extend online. Leading loyalty providers ensure that each player is provided information that is relevant to them and respects their tier/activity level. This can range from personalized greetings, individual

calendars, unique relevant offers, recent activity and play patterns, etc.

Contests and Sweepstakes: A series of simple, relevant and branded online contests or sweepstakes is a great way for players to interact with your brand from their online devices wherever they happen to be. Techniques can be used to advertise and build excitement around new casino events, amenities, offers or simply to provide value to entice member visits.

Quick-Play Games: Simple branded games can re-create the experience and thrill of winning away from the casino. Games can also be used to advertise new casino features, or casino events. To be clear, these do not have to be casino-type games. Rather, they can be games that appeal to your target demographic and accentuate your casino brand. Casino games only reinforce being in a casino, whereas branded, fun activities reinforce being in YOUR casino.

WHY YOU SHOULD BE ENCOURAGING PLAYERS TO VISIT YOU WHEN THEY LEAVE

Many casinos are apprehensive about providing too much online. The common reason is, “But I don't want to send people away from my casino to play and interact online because I am afraid they will enjoy themselves there and not visit me as often.” Although this seems paradoxical, successful properties have realized that if they can manage the relationship with the player even when the player has left, those players are much more likely to return far more often. Although this is the key component of the return on investment of a well-crafted online loyalty strategy, numerous other benefits exist, including:

Analysis of 'Big Data': In today's casino industry, data is king. Casinos are excellent at tracking everything players do on property. However, very little is known about their activities after they leave. With a well-designed online/mobile loyalty strategy using proven online loyalty tools, a casino can significantly enhance its transactional data with millions of additional data points, including when players are online, which other properties they visit, what will motivate them to visit more often, etc. Of course, an engaged membership also provides an avenue to inexpensive and reliable research through surveys.



CA CUMMINS ALLISON

Reduce drop processing time by 50%

Save time. Save space. Be more productive.

JetScan iFX® i400 Multi-Pocket Ticket and Currency Processing Solution. Faster, Smaller and Smarter.

1,000 tickets and notes per minute, including polymer.

Call 1.888.391.8701 now or visit cumminsallison.ca/gaming2 to learn more.

“Success requires careful planning, a thorough analysis of what players want when they aren’t gambling and an unconventional loyalty strategy that places a part of the focus outside casino walls.”

Exposure to All that a Casino has to Offer: Many casinos today are full entertainment hubs. An engaging loyalty program means players will interact with your brand more frequently, learning about all of the parts of their lives with which you can help them – partying, dining, shows, etc. As well, providing insights into games that they have never tried through ‘learn-to-play’ programs or sneak peeks can create the anticipation that is so important in ensuring that players return often. Of course, if online gambling is in your future, having an online membership ready and willing to play is also invaluable.

Rewarding Every Interaction: Over the past decade, gambling revenue has dropped as a percentage of total casino revenue, with over a quarter of casino patrons rarely gambling. Despite this, casino loyalty remains explicitly focused on gambling activities. An online/mobile loyalty strategy allows you to reward all sorts of activity more effectively, including dining, general entertainment, shows, etc. with no changes to your current loyalty system.

Creation of Brand Ambassadors: With social media, the power of referrals and word-of-mouth marketing is stronger than ever. Although many casinos have undertaken social media strategies, few have aimed at encouraging players to spend more time with them through online/mobile loyalty portals. Enjoyable and valuable online/mobile activities can go a long way toward ensuring players are excited about their favourite casino, whether or not their last visit resulted in a win. The happier they are with the overall casino experience, the more likely they will actively recommend it to friends. These recommendations can reach exponentially more people than ever before, so why not make sure players derive value from your casino even when they aren’t there?

CONCLUSION

The relationship that casinos have with their players is priceless; so why do most casinos only leverage it during physical visits? The online and mobile realms have created cost effective ways to engage players all of the time, not just when they are gambling. By encouraging players to interact with the casino even while they are not actively gambling, casinos can better manage their relationships with players, thereby increasing revenue with little investment.

Success requires careful planning, a thorough analysis of what players want when they aren’t gambling and an unconventional loyalty strategy that

places a part of the focus outside casino walls. Casinos that do this well will be able to make the most of that ever so valuable asset they all seek – true ongoing player loyalty that gets players back to the property sooner and more often. ■

Patrick Watson is CEO of SplashDot. SplashDot helps casinos and gaming organizations keep players and prospects engaged by offering unique loyalty strategies and solutions that encourage them to come back more often. The company was also instrumental in helping build online player bases to launch two of Canada’s most successful online gaming initiatives. For more information visit www.splashdot.com



The advertisement features a background image of a green casino table with white markings. At the top center is a circular icon containing a bar chart and a line graph. Below this, the word "Analytics" is written in a large, white, sans-serif font. Underneath, the text reads: "Learn how SAS is revolutionizing the practice of anti-money laundering in Canadian casinos." A horizontal dotted line with a small globe icon in the center separates this text from the next section. Below the line, it says "Watch the on-demand webinar" followed by the URL "sas.com/AMLCasino". At the bottom right, the SAS logo is displayed with the tagline "THE POWER TO KNOW." Below the logo, there is a small line of fine print: "SAS and all other SAS Institute Inc. service marks are registered trademarks or trademarks of SAS Institute Inc. in the USA and other countries. © Indicates USA registration. Other brand and product names are trademarks of their respective companies. © 2014 SAS Institute Inc. All rights reserved. S125562US 0514"