



“The casino business today is not about making money, it is about creating value. If you focus on creating value for your customers first, making money will be easy.”

“Twin River Casino has an onerous gaming tax of 72%”



CASINO MARKETING IN GOOD TIMES VS BAD TIMES

By Steve Karoul



Steve Karoul is a well-known and respected casino consultant. He has conducted casino marketing activities in more than 100 countries. He understands high rollers, casino junkies, player development and all aspects of casino marketing. He is also a gaming industry innovator. For additional information Steve can be reached at skaroul@euroasiacasino.com or visit www.euroasiacasino.com

In good times, everything is easy. Business is good, profits are good and there is no pressure from above. However, in bad times, things can change quickly and the pressure from above for better results can quickly become unbearable. People and animals all react differently to stress and pressure. An Ostrich will bury its head in the sand during difficult times but a smart casino marketing manager will focus on customer service, web, media and social. Never before has the casino industry faced as many challenges as they do today. But on the other hand, opportunity for growth still exists for many casinos if one thinks and reacts strategically. Sometimes it is as simple as getting your head out of the sand and refocus on the basic premises of Casino Marketing. Player Development is different from Casino Marketing and would be similar to using a rifle with a scope compared to Casino Marketing which would be more like using a shotgun. One set of strategies is specifically targeted and the other is much more broad-based. A good example of that is Twin River Casino located in Rhode Island. Twin River is a fairly large casino located in a very small state. Unfortunately, Twin River Casino went bankrupt a few years back. Twin River has

5,000 VLT's and a pretty active customer base but they compete against two of the largest casino giants in the industry, Foxwoods Casino and Mohegan Sun Casino, both located next door in CT. Twin River has an onerous gaming tax of 72% (61% to the State plus vendor fees) compared to their competitors with zero percent tax on table games and only 25% tax on slots.

Never-the-less, Twin River has been able to overcome many difficult factors and still deliver some phenomenal results during these difficult economic times. Twin River has had 27 out of the past 28 months, of month over month growth as well as year over year growth.

Some would argue that Twin River is strategically located halfway between Boston which is one of the major East coast markets and the two large CT based casinos. Therefore, location is an advantage today with the high cost of gasoline. That is true but that is also only part of the reason for their success. Twin River management recognized that they were financially constrained and that they were never going to be able to compete head to head in comps, promotions, bonus slot play, etc. with their neighbors. Consequently they had to think strategically.

They had to think how to maximize their very limited marketing dollars to yield the greatest return on investment. This is the exact same challenge facing many casinos across the country today.

Twin River decided to use a dual prong approach to solving their dilemma. First, they decided to focus on exceptional personalized customer service. Every employee in the organization attended internal educational seminars. Remember, we train horses, we train dogs and we train monkeys but we “educate” people. That educational transformation by their staff was noticeable and warmly accepted by their customers. Customer loyalty as well as word of mouth recommendations are critically important. Who better to have as an advocate than a satisfied customer? Many of their customers were actually instrumental in helping to bring in many new customers. Second, management decided to focus their limited marketing dollars on a coordinated combination of web, media and social. The results were remarkable. The strategy sounds simple but the tactics are not and therefore they worked closely with their direct mail, web, video and social media partners to effect these changes via cutting edge new ideas and approaches to each discipline.

Web.

A totally new Twin River Casino website was developed to allow for more unique traffic and better conversion of visitors. With a user friendly layout, systematic Search Engine Optimization and marketing of the site through different forms of media; Twin River Casino was able to increase on just about every measurable aspect of their new website. Even though the amount of visits remained roughly the same, the visitor would view on average 5 pages per visit. This represented an increase of 35% over a 6 month comparison. The number of visitors that would visit only one page had decreased overall by 24%. Equally important, new website visits over the 6 month comparison period also increased by 20%.

Twin River was able to achieve this success by incorporating creative and different new aspects and features into their website. These aspects included information about upcoming events, a dynamic animated flash component on every page and a ‘play an online slot machine’ designed to entice and entertain its visitors.

Twin River also developed many new initiatives to keep their website fresh, exciting and current

utilizing both events and technology. Eventually, they added a mobile version of their website so that their players as well as people on the go would still be able to keep up to date on all the events and happenings at Twin River. As the Internet aspect evolved and with factors such as Search Engine Optimization frequently changing, their web vendor continually fine-tuned and improved their website to give them the best possible ranking by all major search engines. When compared to some of their local competitors; using tools to measure website First Byte Time, Keep-Alive, Compression of text and images, and Cache of Content; Twin River surpassed its competition. These elements are vital to a website because it allows for a visitor to be able to move around the site and not have to wait for it to load. By employing low page load times and promoting their website through different outlets, their web vendor was able to dramatically improve their Search Engine Optimization. These new efforts enabled Twin River Casino to be ranked on the first page of Google whenever anyone searched for the term 'twin', which has an estimated six hundred and twenty million results.

Media.

Twin River has taken a more modern and creative approach to the production of their media, utilizing traditional platforms like television broadcast and internal displays along with a host of contemporary platforms such as YouTube, smart phones and social media networking. Rather than repetitively hammering the viewer with endless promises of big wins, their new approach has been to focus on some of their more subtle attributes such as their warm, friendly, personalized customer service along with the undeniable perks of patronizing a slightly smaller casino. While showcasing different promotions, these new commercials feature a new common element of actual or real live Twin River employees graciously interacting with patrons on the gaming floor, thereby putting names and faces on suddenly recognizable and approachable staff. This really personalized their marketing effort evoking many positive comments from their players.

Regarding the distribution of their media, Twin River has not been shy about evolving with the times. While television broadcast still packs a viable punch in the realm of advertising, encroaching forms of entertainment such as Internet video has fragmented audiences of that once dominant platform. Consequently, their media vendor, with management’s approval,



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Get your Head out of the Sand...

decided to streamline their customer service based productions to play across numerous modes of distribution like television, radio, the Internet and even mobile devices. Considerable attention was given to the traffic on these varying platforms, to help insure that a commercial accompanying a properly timed post or tweet would reach more viewers than one airing on TV. Additionally, internally displayed media consisting of animated ads looping on wall mounted flat-screens were designed to be eye-catching, engaging, informative and efficient thereby capturing attention quickly as players moved from one location to the next within the casino property. Overall, this was quite cost effective for a casino with limited resources and limited budget.

The fragmentation of distribution means that Twin River's marketing team and Media Company worked closely to devise many new strategies and plans of execution. While television broadcast has long been aided by rating systems to determine viewership, Internet or Mobile based platforms are newer territories with still emerging guidelines. These new commercials were implemented into a promotion and adapted equally across all forms of media while staying true to Twin River's customer service initiative. Increased revenue and positive feedback across multiple platforms suggest or prove a very successfully implemented new media campaign that also worked very successfully.

Social.

Twin River Casino took another big step forward and incorporated social media into their marketing plan. This has been integrated both with plug-ins and a social presence. The social plug-ins allow for visitors to share pages or information with their friends and family. Having

a presence in social media has allowed Twin River Casino to promote winners and events to create a "buzz" for just about any happening, tournament or event at the casino. Different methods were used to create this special new buzz about Twin River casino events and promotions; including videos, photos, and engaging posts. One method used to promote upcoming events in certain areas was to create a landing page. The landing page is the first page people see if they do not like the page on Facebook. With Facebook Timeline fan page update, the landing page becomes more like a custom app linked to the fan page and prominent at the top of the page. This allows for some information to be seen and also allows for contests to be integrated into Facebook. This type of new social integration allows for the fan page to achieve additional likes or subscribers. Twin River very actively addressed social media with their vendor and now has over 10,000 Likes on Facebook and over 3,000 Followers on Twitter. These are amazing numbers for relatively low costs compared to other media advertising costs.

Conclusion.

Twin River also did an outstanding job at interfacing in cutting-edge new direct mail programs that worked in sync with their hugely successful web, media and social strategies to yield a well-balanced, cohesive, casino marketing strategy on a very limited budget during very difficult times. Their vendors worked very closely with management and were able to



strategically combine and integrate all of these changes quite successfully at reasonable price points. Twin River is one casino that has defied all odds, overcome insurmountable challenges and managed to get its head out of the sand. What about your casino? Good luck.

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**EuroAsia Consulting**
INDUSTRY EXPERTS IN CASINO MARKETING & PLAYER DEVELOPMENT

35 Payer Lane
Mystic, CT 06355
Tel +(1-860) 536-1828
Fax+(1-860) 536-1898
USA