

Marci in Accounting is a Casino Marketing Machine

By Steve Karoul

Pew research released a substantial report related to the connected nature of our digital world. Its focus was the impact that social media and digital connections have on the relationships held with our friends and family. Most telling in their report was how the average person has 634 connections. This article is about the need casinos have to reach out to these 634 potential customers who are friends and families of those who work at the casino.

Thinking back 20 years ago, we substantially engaged our friends & families through the mailbox, over the fence, across the picnic table, and in our workplace. Events brought us together to discuss relevant conversational topics within our lives. We had back yard cookouts, reunions, holiday parties or the chance meeting of two friends walking their dogs. Today however, we have new on-line options that both complement and supplant these events from 20 years ago. Facebook is arguably the largest, email, LinkedIn, Twitter, Pinterest, Blogs, YouTube videos, etc. Within each of these social platforms is a whole new ecosystem of communication that profoundly changes how we as a culture communicate and connect with our friends and families. The question now surfaces, can casinos tap into these connections, and if they can, how best does a casino optimize their brand.

As we consider the advertising efforts of our casinos, we see much interest in getting our promotions and event notices into the eyes and ears of these potential customers, many of whom are online. Banner Ad Campaigns, Social Presence, On-line Re-targeting, Facebook Fan Acquisition, Microsites, Rich Media Content, YouTube Channel, Blogger Advocates are but a few of the buzz words the Digital & Interactive marketing professionals use to get marketing dollars moved towards the digital genre. Each of these digital channels are important in the larger, holistic advertising strategies necessary to get our communities to spend at our casinos instead of buying a new sofa, or the “two for one special at Red Lobster” prior to going to the movies.

There is more, however, to this connected universe than serving ads directing potential consumers back to fancy websites. In July, Mark Zuckerberg, the founder and CEO of Facebook put into words what we already knew viscerally when he said, “We believe the best type of advertising is a message from their friends.” Simply put, Marci in accounting talking to her friend Janice at their “Tuesday Night Book Club” about what is going on at the casino where she works is the most compelling way to get Janice and her husband to forgo the “dinner and a movie” date night and enjoy some cuisine, gaming and entertainment at the casino instead.

For the most part, casinos draw from a local crowd. Even the “crown jewel” casinos in Las Vegas depend on both conventions attendees who must go to Las Vegas (and therefore cannot be influenced substantially) AND the visitors who make a decision to go

to Las Vegas over other options for their entertainment dollars (who are influenced by marketing to spend in Las Vegas over other options.) Casinos have local employees manning the tables, restaurants, entertainment venues and support staffs. Each of them contributes to the success of the casinos both in their demeanor and through the guest services they provide when your customers are on-property. And properly, we pay them for their time, services and skills. This is the foundational relationship between the casino and the people needed to make our casinos successful.

However, why have the marketing departments ignored the fact each of these capable employees have 634 friends and families we want inside our doors spending at our casinos? Research shows that for each 1,000 employees there are ~350,000 local friends and families who will consider coming to the casino. Couple this locality, with the connection to a person who works there, and suddenly we get the reality that special offers provided by this employee creates real opportunity to substantially market into a media channel currently untapped. This collection of friends & families is called the Employee Media Channel and is just as capable as any other audience the traditional and on-line media channels measure.

Broadly, the social media space is about people looking for special deals and unique offerings not widely available. As such, the conversation between friends about the workplace and what is going on is natural. Adding to these conversations a “special offer” that is only available to employees makes the marketing message compelling. Recall how often people talk to friends who work in automotive dealerships about their need to get a new car. Each conversation is based on the hope of getting some inside information on a good deal. Each of us lean on our friends when we consider engaging in products or services their companies deliver. How is a casino, with competing options for each local restaurant, tavern, movie theater, music venue, any different? What is needed is both exposure and conversation that reinforces the current initiatives out of the marketing departments of our casinos. With today’s technology, it is time to expand the marketing and promotions being undertaken to include the friends & families of our employees. In expanding this foundational relationship with our employees, we will also expand the earning options for our employees.

It is time to turn Marci in Accounting into a marketing machine.

Communicating with Marci’s connections is compelling. By repurposing existing promotions and projecting into this Employee Media Channel expands the exposure of the marketing dollars we already spend in Traditional and on-Line channels. By rewarding Marci for her efforts in “advertising” for the casino, we reward Marci just as we pay for banner ads, billboards and TV commercials. A side benefit is the employee loyalty built through higher earnings. Additionally, by having Marci engage with her friends, we gain conversations out of our marketing dollars unlike anything we are able to produce using other mediums. Marci knows the people she talks with, and as such will tailor her conversation around items of interest with that particular person; it is the ultimate targeted marketing initiative.

However, we cannot accomplish this goal asking Marci to become a different person than who she is. We gain nothing by forcing Marci to speak out for the casino she works for. We accomplish little by simply poaching Marci's friends and feeding them to the database folks for more spam emails and direct mail flyers. We accomplish our goals of communicating with Marci's friends about the value of our casino by letting Marci decide whom to talk to about each individual promotion or offering. If we provide Marci the tools to obliquely inform those people within her sphere of influence about the "specials" at the casino, she is then able to have the conversations she is comfortable with while advocating for the casino in ways that is compliant with the marketing department. This produces the results we want; it will deliver Marci's friends to the casino.

One new business that I will label as Company X has developed innovative software to do just this. Their portal allows either the marketing department or the casino's agency to input promotions that are then delivered to the employees for review. If the employee feels the promotion has value, they are able to privately share it with their friends & families through the one-to-one messaging protocols the Facebooks of the world have developed; or they can use traditional email.

By acting as a single source aggregator of all the social channels, Company X provides Marci an easy way to see her connected universe, and then to individually choose those friends she wants to share promotions with. Since they integrate directly with Facebook, for example, Company X utilizes the security, privacy and compliance rules Facebook demands. Ultimately there is a business agreement with the casino for the marketing portal and the "supertotal" data to measure performance results. It is, however, the social contract between Company X and Marci that keeps private Marci's actions and her connections. It is the social contract alongside the software, which makes it easy to share the casino's promotions, that turns Marci into a marketing machine. Since Company X administers the rewards earned by sharing the casino's promotions, Marci is assured of her awards.

Company X has demonstrated the capability to integrate within the rewards programs of casinos, keeping these marketing dollars coming back to the casino. Imagine the casino traffic that would be generated if Google or ESPN were willing to take Casino Reward Points as payment for the advertising exposure they offer. Company X does just this through their rewards program. And since your employees need the casino to be successful, they have a vested interest in using the Company X platform for reasons other than the rewards they will receive.

The big question then, is what does a deployment look like. Since Company X repurposes existing elements of the marketing plan, there is not a large creative or agency undertaking. With modest performance, a casino with 2,500 employees would see a total monthly cost in the sub \$15,000 range with add-on monthly revenues from these friends and families of \$375,000+. In the process of deploying this program, the employees are earning new income, thus becoming more dedicated to the casino. Employees may be rewarded with cash or with points or with comp dollars that they can redeem and use at their casino based upon pre-established rules and guidelines. There are numerous

additional incentives that may also be offered to the top producers each month to help keep the program fresh, exciting and appealing to your employees. Bonuses may range from casino logo merchandise to a new large flat screen TV. Incentives will vary from casino to casino and be based upon current operating budgets for such employee benefits.

This is an obvious add-on to any marketing initiative for the simple reason it is value based while delivering on the promise of the casino. The Employee Media Channel complements all the advertising initiatives undertaken. Utilizing word-of-mouth references from your employees will expand the audience any casino currently reaches. It adds heft to the impact of the advertising received by a potential guest, a guest that then discusses the promotion with an employee-friend. Each casino that moves towards this model will see an increase in both employee morale and loyalty while realizing a likeminded increase in revenues. Is not this the goal of all advertising?

Pew Report:

<http://www.pewinternet.org/Reports/2011/Technology-and-social-networks/Part-3/SNS-users.aspx>

Zuckerberg's Comment:

<http://www.nytimes.com/2012/07/27/technology/facebook-reports-a-loss-but-its-revenue-beats-expectations.html? r=2>

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