

Understanding Asian Casino Marketing

By Steve Karoul

Asian Casino Marketing is not as easy as it sounds. In fact, it is a fairly complicated process and if not performed properly it can actually be perceived as offensive to the intended recipients. Steve Karoul explains some of the basic principles of Asian casino marketing. One form of casino marketing in Asia consists of Junkets and VIP Room operations while another form of Asian casino marketing is much more generic and more appropriate for casinos located around the world.

There is an old expression in Asia that when translated goes something like this, "Asia is not Asia". When you think about it you begin to better understand its subtle message; one size does not fit all and Asia is neither one country nor one culture. Asia is a vast melting pot of numerous different countries, languages and cultures. Some of them have marked differences based upon thousands of years of history and cultural evolution. Asians are extremely nationalistic and proud of their own cultures and customs. Therefore, it is extremely offensive to generalize all Asians as one in the same. They are not. Successful casino marketers around the world will need to understand this up front and then make every effort to research their target market segments before jumping into any new Asian marketing campaign.

Chinese is normally the largest Asian culture in the United States, Europe and elsewhere but this may vary when segmented by geographic locations as well as from city to city even with the same country. In some instances, Vietnamese or another Asian culture may dominate on a local basis close to a particular casino. Never-the-less, many uninformed casino marketing managers still insist upon copying and implementing marketing strategies specifically developed to target and to satisfy Chinese gamblers. However, this approach may backfire on you and actually be offensive if your Asian players are not Chinese. The cultural mix of Asian players residing near your casino may vary dramatically. Do your homework first to determine if you want to attract Chinese, Vietnamese, Korean, Japanese, Filipino, Thai, Cambodian, Laotian, Malaysian, Indonesian or other Asian players.

One major mistake that many casinos make is to hire an Asian Casino Host and then depend upon that individual to develop appropriate Asian casino marketing programs and strategies for their property. They may not have proper marketing experience which oftentimes leads to untargeted, unprofessional and fragmented marketing programs that will most likely not be as effective and productive as management desires. Marketing is marketing and Asian casino marketing is no different. It is incumbent upon the casino marketing directors or managers to learn as much as they can about their ethnic target markets whether they are Chinese, Vietnamese, Korean or other. On a similar note, casino hosting is hosting and not necessarily marketing. An Asian Casino Host who speaks a foreign language will be an asset to the program but not a means to an end for developing successful Asian or ethnic marketing

strategies. Management may have to support their Asian Host staff if they lack formal marketing training. I think Confucius once said “A wise man thinks first, acts second”.

For each ethnic market being targeted it is very important to research and understand at minimum the following:

- The history of the culture – Chinese, Vietnamese, Korean, etc.
- Any unique cultural differences such as lucky numbers, lucky symbols, good luck or bad luck superstitions, special holidays, celebrations, etc.
- Casino games preferences – Baccarat, BJ, Pai Gow Poker, Pai Gow Tiles, Sic Bo.
- Any special seasonal or religious holidays, traditions or customs.
- Special food preferences or styles of food or dining such as a Noodle Bar or Seafood Restaurant versus a more formal Chinese Restaurant which could also vary between many different styles of Chinese cooking – Cantonese, Mandarin, Shanghainese
- Types of entertainment – ethnic concerts, Karaoke, magicians, contests, beauty pageants.
- Advertising and best media or methods to reach players. Internet options, social media, etc.?
- Most popular types of casino special events such as lucky draws for money, a new car give away, food festivals, electronic gift parties, Karaoke contests, beauty pageants, or traditional celebrations such as the Harvest Moon Festival, Golden Week, Dragon Boat Festival, Chinese Lunar New Year, etc.
- Best time of the year and or best time of the day to organize ethnic events which can be ideal fill-in events for when the domestic markets normally celebrate at home such as Easter, Thanksgiving, Christmas, etc.
- Helpful expressions to be translated phonetically to be used by the non-Asian staff to help provide better customer service and make your Asian guests feel welcome.
- Educate your non-Asian employees about the major cultural differences and the benefits to both the casino and to them as to why a successful Asian casino marketing program will be important. Also, cover some of the basics of good etiquette for presenting business cards, understanding when to bow and other social graces.
- Evaluate what your competition is doing and do it better.

One word of caution pertains to copying competitive programs. Don't take anything for granted and always be sure to properly analyze all of the costs before implementing any new program. Many years ago when I worked for Caesars we developed a new airfare reimbursement policy. However, after a few months we realized that we made a very serious mistake and that we were actually losing money with this new program. We changed it but for years afterwards I saw that same flawed airfare reimbursement policy in effect at many other casinos both in the

United States and around the world. Everyone thought that if Caesars was doing it that it had to be correct so many casinos just copied it and put their casino name on it.

Demographics can change dramatically from one city to another and this has become very evident with the new emerging Vietnamese gaming market. This market segment has established itself over the past twenty or more years and now has the financial resources to support their propensity for gaming. However, many casino marketing managers know very little about the Vietnamese ethnic market and therefore still treat them as Chinese.

While it is true that some Vietnamese players may have their ancestral roots in China in addition to Vietnam, most consider themselves Vietnamese first and Chinese second if at all. Therefore, casinos desirous of attracting and satisfying Vietnamese gamblers need to better understand the Vietnamese culture to develop specifically targeted strategies as well as communicate with them in Vietnamese and English rather than Chinese. The same applies for Korean, Filipino, Thai, Indonesian, Malaysian or other Asian players.

For gaming, Chinese players almost always prefer Baccarat as their game of choice but Vietnamese players tend to prefer Blackjack and Pai Gow Poker. If your gaming regulations allow it you may want to remove Baccarat tables from the casino floor and replace them with more BJ's or Pai Gow tables during Vietnamese shows or special events and visa versa for Chinese events. This is a subtle but effective way of increasing revenue from the tables during ethnic special events but once again may require regulatory approval to do so.

Another area where one can notice a difference between Chinese and Vietnamese is in the area of entertainment. There is a marked difference in the styles. Chinese players prefer to see headline, superstar entertainers from Hong Kong, Taiwan or China with a choreographed show of dancers, smoke machines and other lighting special effects. Vietnamese players on the other hand prefer a totally different evening out which normally consists of a variety show format that may include one or two top singers from Vietnam, three or four local Vietnamese singers and dancers followed by a comedian or two.

It is also important to note that food plays a very important part in almost all Asian cultures. A common Asian greeting is to ask someone if they have eaten rather than how they are feeling. Asian American baby boomers and generation X and Y are up and coming new gaming market segments that are increasingly more sophisticated in their tastes for food, and since they are well-traveled, they also demand more choices and greater authenticity in their native cuisines. If you attempt to have Asian food at your casino make sure that you have it prepared properly; the more authentic the better. Perhaps that explains why Las Vegas has turned into such a Food Mecca. One famous restaurant in Las Vegas named Tao supposedly generates well in excess of US \$50 million a year in revenue. Therefore, plan your Asian restaurants carefully both from the name of the restaurant to the menu offerings. Non-Asians love good Asian foods too so don't be surprised if your Asian restaurants fill up rapidly with other players. Asian celebrity chefs and food tastings are becoming popular new mini-special events in many casinos around the world.

One also needs to understand the basics of Feng Shui and when it may be necessary to bring in a Feng Shui Master to review your plans or your business operation. There is also a dark side of Asian casino marketing and therefore it is equally important to also understand how the Asian gangs or Triads can very carefully infiltrate and prey upon your Asian customers with everything from loan sharking to extortion. Your staff needs to understand what to look for and how to alert the proper management who will notify the correct authorities capable of handling such nefarious individuals who can be dangerous.

In summary, Asian casino marketing is not as simple as it sounds but it is also achievable with proper advance planning and staff education. Staff education and training in cultural awareness is very important. You must also recognize the needs of your existing players and be careful not to give the impression that you all of a sudden are ignoring them by over emphasizing your Asian marketing efforts. You need to balance and continue to make your regular loyal players feel welcome as well as make your Asian guests also feel welcome too and not feel like second class citizens. Again, food is always important in Asian cultures. Involve your Asian speaking casino hosts in the planning process but be cautious about relying upon them to develop a complete casino marketing program if they are not qualified. Measure results and track both your successes and your failures. Learn from your mistakes. Monitor your competitors and do it better but don't fall into the trap of trying to compete against bad or unprofitable Asian marketing programs. And finally, remember, "Asia is not Asia" and one size does not fit all. It never has and never will be. You need to develop specifically targeted Asian casino marketing strategies for each segment of the Asian market that you wish to target. Good luck.

Steve Karoul is a recognized casino consultant with 35 years of hands-on experience with the best casinos both within the United States and internationally. He is also an authority on all aspects of casino marketing. Steve has lived in numerous countries and has conducted casino marketing activities in well over 100 countries around the world. He is an author, a lecturer and an educator who often injects his own hands on experiences and openly shares his ideas and thoughts with fellow industry executives. Telephone +(1-860) 536-1828 or skaroul@comcast.net or see www.euroasiacasino.com