

White Tigers, White Lions and Casinos

By Steve Karoul

White tigers, white lions and casinos actually do have a lot in common. First, they are exotic, exciting and interesting. Second, they all attract attention and attract people. Casinos make money by attracting people to the property, through their doors and hopefully into the casino. The more people, the more volume and the more revenue. It is a very simple formula. In areas where casinos have competition, more volume usually translates into more share of wallet whether it is from extended play or increased visitation. One thing is for certain, the casino industry is changing rapidly.

The casino industry globally is going through a metamorphosis. That change can be summarized by one word – entertainment. One used to always assume that casinos were guaranteed cash cows that always made lots of money. That is no longer true due to the economy, increased competition, the high cost of gasoline, other entertainment options, etc. Therefore, many casino operators are now faced with the new challenge of how to reinvent themselves. How does a casino transform itself from a pure gambling den into a modern entertainment center that also offers gaming as part of its mix of products?

One of the first challenges is to recognize your current customer base and determine how to attract new customers. In gaming, it is easy. There are only two ways to increase market-share in the casino industry. The first and most common, is to steal market-share from your competition. The second and more costly method is to create or to develop brand new customers. This is not easy and requires funding as well as an organized marketing plan that carefully defines all goals, strategies and tactics that will work within an allocated budget. Very few casinos today operate via zero based budgeting and reverse engineer their budget from their marketing plan. Unfortunately, our current economic climate normally dictates that the marketing people develop a marketing plan that fits within an allocated budget.

Beyond the normal marketing ideas found in most casinos that encompass loyalty programs, promotions, give-aways, tournaments, special events and entertainment we find that there are other options for driving increased traffic and volumes of people through the doors. These methods fall into the category called “development”. Not quite player development but just development on new business development for now since we do not know whether these new customers will have any interest in casino gaming. However, you cannot eat what you don’t hunt and development is a form of hunting – hunting for new customers. One of the hidden benefits of development is that it allows you to capture customer information into a database

and then go back with “offers” to try to convert these captured new customers into casino gamblers. These offers may include match play coupons, bonus slot play, promotional chips, etc. that will all bring these new players to either your gaming tables or your slot machines. Any offer should be predicated upon having a Players Club membership so that you can track the results of any offer.

Returning to the initial premise that casinos of the future will need to reinvent themselves to be able to attract more volume will require creativity and imagination. One such option is to create unique attractions at the casino resort. Gauging by the success of zoos around the world, animal attractions are extremely popular and offer many good options to casinos. Many of the more popular zoos attract millions of visitors each year. Panda Bears are one of the more popular animal attractions but they are very rare and their supply is extremely limited and controlled. Equally as important wild animals are the big cats – lions and tigers. They are exotic, attractive and more readily available. Unique animal attractions have a proven track record of success in Las Vegas and therefore many casinos around the world are now looking for creative new uses of live animals to attract increased volumes of people to their casinos. Surprisingly, these projects are actually very affordable and within the reach of many regional casino properties looking for new venues or attractions to increase business volumes.

The more exotic the attraction, the greater the volume of development type patrons. Lions and tigers are great but the much rarer white lions and white tigers are even better. There are a few highly reputable companies available that understand the importance of wildlife conservation and repopulation that use their professionally trained staffs to work hard toward these goals and efforts. We also know that in the casino business, perception is reality and reality is perception. Just imagine what would happen if you could create the perception that white tigers represent good luck. Every visitor will want to see a white tiger before trying their luck in the casino. This is particularly true of Asian customers / gamblers who are far more superstitious and believe in Feng Shui and luck.

Obviously this is not an easy task to develop unique attractions that involve the use of exotic animals such as white tigers and white lions. Safety will always be a primary concern. There are a very limited number of reputable companies that actually specialize in the design, construction, development and maintenance of such wildlife attractions. An equally important aspect of this is the actual breeding, raising and training of the wild animals. This is a very highly specialized field.

Never-the-less, as casinos begin to reinvent them-selves for future growth we will begin to see some really clever new animal attractions merged in with casino resort operations. These new animal attractions will afford those new opportunities for customer development as well as become secondary revenue streams for the resort. In some instances the revenue can be very

substantial from all of the ancillary revenue streams associated with non-gaming attractions such as food and beverage, retail, etc.. I have seen some really innovative new concepts that include unique photo opportunities as well as unique signature type events under 100% safe conditions. Please feel free to contact me if anyone would like any additional information on such. It is time for casino operators to open their imaginations to creative and innovative new ideas for transforming their casinos into the new casino resorts of the future. Good luck.

[Steve Karoul is a well-known and respected casino consultant. Steve has lived and worked in many different countries and has conducted casino marketing activities in more than 100 different countries. He is also a gaming industry innovator who openly shares his ideas and thoughts with fellow casino industry executives. Steve can be reached at skaroul@comcast.net or www.euroasiacasino.com]