

THE CHANGING LANDSCAPE OF CASINO ENTERTAINMENT

Catering to the younger generations makes good business sense

By Kell Houston

In the casino business we speak about the “ageing out” of our core customer. The slot player has been the main revenue stream for casinos for years, and the discussion is now focused on how to attract and develop the next generations of customers. Indeed, the youngest boomers turned 50 last year, and so Generation X and the Millennials are becoming very relevant. They are the target audiences for properties today, in order to keep growing and retaining their customer base.

Entertainment plays a big part in this changing landscape. The tried and true entertainers that casinos have been relying on since the 1990s are, like their core customers, ageing out. Wayne Newton, Debbie Reynolds, Don Rickles and other older entertainers, plus all of your favorite bands out of the '60s and '70s, are on that list.

What does the ageing of both core customers and traditional entertainers mean for casino owners who wish to remain as profitable as possible?

Market research is the key to answering that question. Entertainment buyers need to stay abreast of the casino entertainment trends being set in Las Vegas, which all point to the development of younger entertainers and younger concepts. No longer are casinos considered the place entertainers go to end their careers. Today's casinos are jumping in with both feet and bringing in rising stars—artists who are on their way up, not on their way down. Properties are partnering with local radio in the tertiary marketplaces where radio is still relevant in order to bring in new artists. Facebook, YouTube, Twitter and Instagram all give casinos access to the younger generation, as well as access to the new artists and trends. Most artists today are using these digital channels to connect to their fan base and to the world. Thus, casino marketing and entertainment professionals must be on the cutting edge of both technology and trends.

NEW ENTERTAINMENT OPTIONS

Today, casinos are bringing in current stars, when affordable. These include celebrity DJs and the weekly procession of high-end club appearances here in Las Vegas. Note the huge success of the Electric Daisy Carnival (EDC), an electronic dance music festival that last year drew more than 700,000 people to Las Vegas over three days.

Country music today is probably more popular than any other genre when it comes to the live band experience. To make things even better, country knows how to develop new artists, and there are many opportunities to find a “hot” country artist with songs on the



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country and pop charts. The current TV lineup of *American Idol*, *The Voice*, *America’s Got Talent* and similar shows is breaking new stars every day. These are great opportunities for casinos to explore.

Casinos are also branching into different kinds of entertainment, such as tribute shows, game shows, magic shows, comedy shows, TV reality stars and more. The power of TV is very real and the variety of stars and programs out there today for talent buyers to consider is tremendous. The challenge is reaching them and knowing which ones are qualified for one’s customer base, and which ones would be a bad choice. For example,

the tribute world is home to millions of marginal acts. Many bands discovered that if they did a tribute show they could make more money, and so the rush was on. But a tribute act’s popularity does not always equate to a great show for one’s customers; so again, research is key.

With comedy acts, it’s especially true that “you get what you pay for.” The best-quality

acts are preferable to the cheapest. An act needs to have some major TV exposure to mean anything to customers, especially if they will have to pay a cover charge. Hypnotist shows and magic shows can also do very well, if they are marketed and advertised properly. And it’s important to check references and see if the acts have played any other casinos.

The bottom line is that the development of the younger-generation customer cannot be overlooked. Casinos need to explore their entertainment options and look outside the box for unique artists and events. These are not as expensive as one may think, but can take some effort and research to be sourced.

Kell Houston is the owner of HOUSTON PRODUCTIONS, a full-service entertainment company with offices in Las Vegas, Minneapolis and Seattle. Since 1982, he has bought talent for the following markets: casinos, fairs, festivals, corporations, colleges and universities, and public and private special events. Houston is the winner of IEBA’s 2014 Casino Buyer of the Year Award.