



What Makes Your Casino Stand Out Today?

by Kell Houston

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The casino business has always been about gaming – keeping customers on the floor and driving gaming revenue. In January 2012, the Nevada Gaming Control Board announced that gaming revenues for 2011 made up 46% of the total income in Las Vegas. A few years back, gaming revenue was up to 60%. In 2011, a larger percentage was spent on food & beverage and other incremental amenities such as spas, golf and entertainment. Also noted was that during this period the visitor count was up 4% over 2010. So what does all of this mean and how can this information be applied to Indian Country?

Entertainment has always been a key element in the gaming business. There are many types of entertainment, from lounge bands to cooking shows. The strategy behind entertainment has been knowing your customer base. Casinos have been the king of comps and showrooms are filled with high rollers and gamers. The casino people know that these customers are going to spend money and entertainment is a key perk. Each seat in the showroom has a perceived value, above and beyond the ticket price. That value is based on the ADT (average daily theoretical) of the customer who is receiving the comped ticket. This strategy had been in place for a long time, but the rules started changing and in 2011 it became evident that the rest of the properties' amenities were becoming more important.

Today's casinos have been following a trend. Many properties started with a sprung structure in a rural area. As business grew, the next step was a brick and mortar property. With those expansions along came better restaurants, event centers and hotels. But that wasn't enough – the competition had those amenities too. So along came golf courses, spas and fine dining. Through all of these changes, entertainment has always been a key element. It started with bringing back favorite groups based on the customer database and their average age. And that meant a lot of 60s and 70s groups worked again. These entertainers had been relegated to county fairs, festivals and a few corporate shows, based on their popularity. Now there were plenty of

opportunities with casinos, all across the country.

This trend has been going on since the early 90s. Today, we are running out of those 60s and 70s groups. They are now older than the average customer base. They are not as relevant and have been over played in many markets.

Today's casinos have to be educated about entertainment. Consider the trends in the bigger city markets and apply what works for your area or region. Obviously, secondary and tertiary market places are not going to thrive and succeed with bottle service and the club/rave type scenes. Liquor laws vary state to state and many of the customers in those regions are blue collar. But the point and lesson here is applying trend, relatively speaking, in your area and perhaps even more important, be a trend setter.

Many casinos are afraid to take risks, but there is what is called a calculated risk. With study and networking you can stretch a little further and also gauge your success. Social media is an excellent tool when it comes to trying new things out. Don't be afraid to try some new trends and bring in current artists.

Entertainment is the key element to distinguishing your casino from the competition. The bigger properties all have beautiful hotels some with very top tier ratings. Their restaurants are some of the best in the country and they do not just offer a steak house, they offer a wide variety of fine dining. They also offer convention space, spas, golf, swimming pools, massage services, outlet malls, all with the intention of drawing in customers and keeping them on the property. Loyalty programs are another perk as well. Among all of these consumer options, the one distinguishing element is entertainment. Understand your customer base and understand their needs and wishes. What makes them pick your casino over any other option when it comes to a night out? Entertainment – that's what it's all about. ♣

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