

Promotions...

To Be Or Not To Be

By Rebecca Perger

Not all promotions are created equal, but they do share common goals: to encourage brand loyalty and increase trip frequency from the casino's players. Both goals are welcomed and sought daily in the industry. So with this in mind, when is it acceptable to not have a promotion?

My motivation for this article was derived from an experience I had while leading an interview. The casino I was working for at the time was looking for a new promotions manager, and it was my responsibility to find the right person for the job. Across from me sat my first interview of the day, a very reputable candidate for the position. Good resume, good education, great experience and a nice suit. The interview was going quite well, he was personable and had answered all of the normal protocol questions the way I had expected.

"So, Mr. Smith," I began, "when is it okay not to schedule a promotion?" He thought about it for a minute and then answered, "Never." Mr. Smith had failed to understand the cardinal rule of promotions planning.

Promotion infiltration is a common misconception. Why wouldn't you always want excitement and buzz on your casino floor? The answer is simple and complicated: More isn't always better. Promotions can be expensive, labor-intensive, fragile and most importantly — not always successful. There are strategies, resulting from experience, to schedule and run winning promotions.

The first is deciding why you are having a promotion. Incremental revenue, increased tracked play, increasing your database or reactivating defective customers? What is the No. 1 reason for this promotion at this particular time? Acquisition is a strong reason. Casinos are always looking for new players to increase their database, gain market share and grow revenue. An effective promotional campaign can successfully reel in new members by creating exciting themes and branding your message in your target audience's mind. Do you know the value of a new member in a year? If you can determine this information, you will see why acquisition is so important.

Loyalty is another one. Winning money is not the only allegiance-building advantage to promotions. Camaraderie is another. Slot tournaments and drawings encourage player interaction. It is a law of nature: People go and enjoy going where their friends are — it applies in the casino world, too. And the camaraderie doesn't have to end after they leave the bank of slot machines; dinners and parties become a social outlet for some of your most loyal players to meet your other most loyal players. Promotions are also a time for staff and players to interact. Don't forget: Promotions are meant to be fun.



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Scheduling is the next factor for a successful promotion. Think about New Year's Eve. The holiday has so many special events involved with the festivities that a promotion might appear as a fizzled firework or a flat flute of champagne. The calendar shouldn't always determine your scheduling, who you are and who you are targeting should dictate the planning of your promotions. There is time to peak the peak and time to hit the week. If you are a mega facility with plenty of rooms, you may not need to peak the peak. However, if you are a casino without a hotel, it may be beneficial to have a promotion on a busy weekend.

The next reason needs little or no explanation. If the promotion is going to cost you more than you will make, then you probably do not need it. An exception to this rule is if you are trying to launch a new brand or reposition the property. For example, I remember when an Atlantic City casino decided to re-brand itself from a classy marina property to the hot spot on the boardwalk. To draw a young crowd, the management team brought in Van Halen and hosted huge deck-party promotions all summer long. The promotional expenses were larger than life, but the property tapped into a growing market, bought its "wild side" position and still owns it today.

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we're going to make the numbers for the month," he says. "We need help from marketing." Panic-stricken, you do the only thing you know how to do quickly: You throw together a promotion. Already there is a problem. "Throw-together" is a phrase that should never be associated with promotions. With little time to plan, the chances of driving revenue are slim to none.

For those times that an immediate promotion is needed to add to the marketing calendar, keep a signature promotion nearby that is owned by the staff, one they have been trained with and one that is recognized by your active customer and can easily be advertised. Utilize your direct mail, Web site and every means within your property to increase your chances that the gamblers you want participating get the message and in return drive the short-term revenue you are seeking.

Improve your future promotions by improving your planning. Train your staff on customer service and inform your players to expect it. If lines move quickly and efficiently at the players club booth, you are more likely to have increased participants. If the staff appears (and is) knowledgeable, they will feel more comfortable in asking questions about the promotion, and it will be easier for them to get excited about winning.

But a promotion isn't over after the last winner has received their prize and the confetti is swept from the floor. A promotion isn't over until it has been analyzed. Do you analyze each promotion and use that information for future promotions? If you don't, you should. Remember, not all promotions are created equal, and not all of them work out as planned. How do you measure your promotion? Overall coin-in compared to days of the week and tracked back to participants? Increased coin-in or improved profitability? By the time of the year, quantity of new members? By analyzing your promotion you will achieve greater success in future promotions and the analysis will allow you to make necessary changes to them. But remember, management reserves the right to modify the promotion at any time.

Foremost though, your promotions must speak to your gamblers. Gambling is sexy, fun and tempting — your promotions should reflect that. Speak to the soul of gamblers through the excitement you provoke and the customer service you offer. Get excited about the promotions, and it will show in the energy produced by the event. Compel gamblers by speaking to the correct markets, understanding those markets, and creating the promotions around their interests and their behaviors because your promotions are an expression of your casino.

So, was last week's promotion successful? That is the question. **NAC**

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