

Spotlight on Player Trends

This month we continue our discussion with five executives from tribal properties across the nation about player trends on the gaming floor. Here is what they had to say...

Steven Drewes, General Manager
Downstream Casino Resort in Quapaw, OK
www.downstreamcasino.com



Steven Drewes



In some ways we at Downstream Casino Resort follow the player trends dictated by the industry. In other ways we ourselves influence player trends under our roof through what we do with and for our guests.

At the same time, those two dynamics intertwine with our customer service practices and that is where we claim a sustainable competitive advantage in our particular market.

About 20 percent of our floor is Class II, or “bingo” style electronic gaming machines (EGM’s). This group includes a line-up of very down-to-Earth 3-reel, 1-line “stepper” games that do almost 50 percent of the entire floor’s coin in on any given day. The players love the VGT Class II EGMs, chasing jackpots and hitting the red screen bonus. Another Class II EGM is the Rocket “Gold Series” wide area progressive with a million dollar prize. These games have the attention of young and old, and are trending up. The Class III machines have been craftily engineered to deliver a unique gaming experience all their own. Bally, WMS and IGT are very popular on our floor and are very aggressive in delivering the “branded” products such as Wizard of Oz, Betty Boop and Sex in the City.

In this way, the industry and the game manufacturers are huge factors in player trends, by creating a more interactive experience in bonus rounds, changing the physicality of playing with the advent of sound and rumble seats and layering screens for a 3D experience, to name a few. One of the important recent developments has been the interaction with social media and websites with the actual EGMs like Players Life. Why is this important? As our player demographic changes in the next few decades, the manufacturers will have to entice the technologically savvy players by offering more full immersion games with which the future Internet-style games will not be able to compete. This will ensure the brick-and-mortar existence as it will offer an EGM experience along with the ambience, service and social value that our players enjoy.

With table games the situation is similar. Like everywhere else, our most popular game is blackjack, and as the industry

has introduced a variety of side-bet options to the standard blackjack game, such as In Between, we have offered those and found that our players liked them quite a bit. We have phased through a wide variety of other games such as Pai Gow and Mini Baccarat. Sometimes they stick, and sometimes we move on and find better use for our space. Ultimate Texas Hold Em’ and 3-Card Poker are both consistently popular.

But the most significant difference here at Downstream – the thing that drives player trends more than anything else – is a customer service philosophy that coordinates and plays off of those market and industry driven factors. The upscale aesthetic appeal of the property itself is part of that. But we knew that anyone could build a beautiful casino resort, and we had to define ourselves on something more. So we’ve got a fully staffed Player Development Department and Players’ Club, which was new to this region of the country. We provide personalized customer service, following a proven strategy that boils down to “know your customer” and “do something for them that they won’t do for themselves.” This necessitates a labor intensive form of relationship building that includes lots of handshakes and face-to-face contact. For this reason we are seeing a trend toward higher-end play. Having taught our market the value of higher end promotions and events, they are now expecting more of the same, and we must remain creative and diligent in meeting this new demand.

So it is important for this customer service style to react with the industry trends in a two-way relationship with our guests, and ultimately provide them with a unique gaming experience that goes beyond the gaming alone.

Scott Eldredge, Chief Operating Officer
Inn of the Mountain Gods Resort & Casino
in Mescalero, NM
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Scott Eldredge



Above. Beyond.

The trend in slots continues to slant heavily towards penny, slot video games and players continue to look for time on device and hit frequency (value in the game). In the last year, Inn of the Mountain Gods Resort & Casino recently updated over 30 percent of our floor with the

latest video product, including widening our aisles and adding new slot chairs to insure a comfortable playing experience.

While some carnival games are having success, tried and true blackjack and craps still dominate table games. So it's still all about the player experience - fun friendly dealers with a proper mix of minimums and limits is still the key. We conduct dealer school every other month to insure our dealers continually fine tune both their technical and guest service skills.

Tournaments, tournaments and more tournaments... Poker tournaments are popular and we've seen a trend that players are willing to pay higher buy-ins if that top prize (1st place) is attractive enough.

In this economy, players are looking for more value out of your players club. We continually add redemption options and club "member only" specials to frequently reinforce value in our players club. Regarding our entertainment, in addition to the traditional concerts we book, we're also developing unique events like shooting 4th of July fireworks over our beautiful Lake Mescalero, and an outdoor movie and concert series on Sunday's on the Inn's back lawn again, overlooking the lake. We've really tried to create unique experiences our guests can't afford to miss.

In F&B, we have seen a trend moving towards convenience (meaning quick!) and value - so we've recently added a quick stop food cart for our players to grab a quick bite. Our

guests love it and appreciate the convenience and value it offers. The "value" nights in our buffet are also extremely popular and drive traffic to our casino floor in non-peak days/times.

Overall, the Inn offers the complete resort experience that continues to be very valuable. Certainly the economy and high gas prices are having an impact on us all, but we have found that creating value in packaging our entire resort experience creates a one-of-kind experience that keeps our guests coming back. Whether it's golfing, skiing, horseback riding, hunting, clay shooting, lake fishing, paddle boating, hiking, mountain biking or world-class fine dining - we have the ability to differentiate ourselves from any other casino resort in the entire Southwest. We are always looking for ways to maximize this advantage by packaging our unique amenities and offering a special stay for our guests.

Finally, we have found that despite the economy, guests are still willing to pay for a world-class resort experience as long as we deliver on that expectation. We recently embarked on a comprehensive guest service training "recharge" program with Rapport Leadership to remind our entire team that no matter what amenities we may offer, nothing is more important than taking care of the guest. This is one trend that will never change.

NEW services.

C.J. Graham, General Manager
Thunder Valley Casino Resort in Lincoln, CA
www.thundervalleyresort.com



C.J. Graham



Thunder Valley Casino Resort is entering the first full year in our expanded facility including a 300-room luxury hotel and 144,500 sq. ft. of gaming with 2,800 slots and 125 table games. We believe we are setting trends rather than following them, but always based on a proactive response to our guests who have told us they want to maximize their time and budget with a range of activities at one location. Gone are the days of “if you build it, they will come” and here to stay is building long-lasting relationships with your guests. After eight years, we are fortunate to have built a diversified work force including a core base of team members with the company

since day one partnering with seasoned veterans from nearly every corner of the gaming industry. With active guidance from our owners, the United Auburn Indian Community (UAIC), these balanced perspectives keep us focused on the future.

From an operational perspective, we’re focused on being first to market with the latest games such as Shufflemaster’s Mississippi Stud and partnering with manufacturers to launch new titles such as Aristocrat’s Tarzan. This approach enhances the experience for guests as well as reinforcing strong partnerships with vendors. We’ve also chosen to promote convenience at the game by redeeming tickets via wireless handheld devices and offering the option of applying jackpots direct to machines as credit instead of having to wait for payment.

You can’t have a truly well rounded gaming experience without free and convenient parking, a variety of dining selections for every budget, a luxurious full-service spa, a fantastic pool complete with bar and cabanas and of course, entertainment. When the summer heats up, we raise the bar with our Summer Concert Series featuring acts such as Grammy award winning Train and The Doobie Brothers. With over 20 shows this summer in our 3,500 seat outdoor amphitheatre where you are never more than 200 feet away from the action, there’s no longer any reason to make the long drive to Tahoe or Reno.

You might think our growth is coming to a close but I

In today’s casino industry, technology is either your best friend – or your biggest challenge. With the insight and experience of our new **Professional Services Division**, we maximize your technology investment. Our consultants will evaluate your current technology and business practices, make sure they are aligned with your business objectives and, simply stated, turn your challenges into efficiencies. The result? Complete solutions that tackle all your problems – **so you don’t have to.**


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assure you that is not the case. The Poker Room is currently being expanded as a result of demand generated by tournaments and exclusive poker promotions which range from World Series of Poker (WSOP) satellite tournaments to the upcoming "Cruisin'" giveaway of Caribbean cruises and a custom, one-of-a-kind Hot Rod car. It's just the beginning as we continue to improve the Jackpot Capital of California!

Bill Guelcher, CEO

Lake of the Torches Resort Casino in
Lac du Flambeau, WI

www.lakeofthetorches.com



Bill Guelcher



Although there have been signs that the U.S. economy is slowly gaining momentum and consumer confidence is incrementally increasing, our guests continue to be very cost and spend conscious in terms of the amount they budget for entertainment and gaming.

The economy and personal finances are still very much in the forefront of guests' minds and, therefore, guests are very discriminating in terms of how they have been spending their gaming and entertainment dollars.

Over the last several months, we've discovered that while our gaming floor volume is increasing and our guests may be increasing the frequency of their visits to our property, the amount spent by each player per visit is remaining the same or in some instances, decreasing. Guests still want to come and have a quality gaming and entertainment experience, but don't believe they have quite the same amount to spend as in the past.

This mindset of guests and the general public in northern Wisconsin is driving gaming properties like Lake of the Torches Resort Casino to offer guests exclusive offers and "value based" deals to attract guests that might visit a neighboring casino and to retain visits by our more loyal customers. In addition, we feel that the strength of our VIP and host programs, our unique entertainment and celebrity interactive "experiences," interesting and innovative food and beverage offerings, and by consistently evaluating, evolving and improving our brand experience as a whole, we differentiate ourselves from the competition in the minds of our customers. And they let us know!

This competitiveness also makes it necessary that our marketing strategies include robust, creative and well thought out database marketing initiatives that drive our direct mail programs and casino promotions. We feel that all of our marketing efforts are database driven and quantifiable in nature, and just as important, we are offering our guests incentives that they want to receive. An example of this is a database driven,

targeted gas promotion that we are currently implementing.

As for promotions and attracting guests to our casino for special occasions, cash still reigns supreme. The past two years have seen our guests responding overwhelmingly to promotions where they can win all cash prizes instead of giving away new vehicles or other prizes like appliances or home furnishings. Guests feel they can use their cash prizes to help with their personal expenses and also to use for their future gaming plans.

Matt Harkness, General Manager

Four Winds Casino Resort in New Buffalo, MI
www.fourwindscasino.com



Matt Harkness



The most dramatic shift in gaming trends in recent years has been the growth of low denomination (penny, two cent and three cent) slot machines. Using the Northwest Indiana market as an example, in

early 2005, low denomination slots accounted for six percent of the floors of the five casinos. These same casinos now have 56 percent of their floor represented by low denomination machines generating 59 percent of their total slot win.

The Northwest Indiana market has stayed steady since 2005 with 9,000 slots; however, over 4,500 machines have either been converted to low denomination, or purchased new in that time. This represents a serious commitment of capital and expense through some challenging economic times.

What drives all this is of course is the demands of the customers. The manufacturers have designed low denomination slots that a majority of our guests find more engaging than the standard twenty-five cent and dollar games that used to dominate the market.

The trend in the Northwest Indiana market does not appear to be changing. The disparity between low denomination win per unit per day (WPUPD) and the rest of the denominations in April of this year was \$329 to \$304, or eight percent more. Another \$25 per day for 4,500 machines works out to \$41 million in increased win over the course of a year, or about \$8 million per year for each of the five casinos in this market.

As with any supply and demand cycle, as long as these games continue to outperform other denominations, those responsible for putting new product on the floor will continue to allocate the majority of their capital and conversion budgets accordingly. This in turn will continue to motivate the manufacturers to put their best new product into these denominations. I believe this cycle will continue to grow low denomination slots as a percentage of total floors in this market, as well as throughout the country. ♣