



## Impacting Player Behavior to Maximize Frequency and Revenue

by Chad Carpenter

According to the report, *Critical Behaviors and Trends of Casino Customers: A New Segmentation Model for the North American Gaming Industry*, over the last 20 years, legalized gambling has grown tremendously. It's now a \$100 billion industry. A quarter of the U.S. adult population chooses to spend its entertainment dollars at a casino at least once a year – a significant figure given the myriad of entertainment options available.

With a staggering number of adults opting to play the slots or frequent the blackjack table, how do casinos go about maintaining or increasing these players level of interest? All casinos have their standard tiered card program as well as direct marketing tier segments, but how many actually go so far as to understand their players and more importantly... their behaviors? All casinos have the data that can provide player frequency, player spend, geographical locale and most recent play, but having the data and running analytics that gets down to the level of detail needed to truly understand and impact player behavior are two very different things.

### Types of Players

Casinos should first understand the types of players that come through their doors, as players are from all walks of life with varying ages, income, education, and gaming interests. All players are not looked at or treated equal when it comes to their play, comps, and rewards, and when this concept is expanded into even more segments, understanding a players behavior can be much more successful.

### Play Patterns

After determining the types of players that frequent a casino, properties then need to understand the type of gaming that takes place on their floor. Are the casino's guests qualifying into tiers based on "ADT levels" or are on "cumulative play"? By knowing this, it helps to understand their play patterns and so properties can find ways to positively impact gamers play at the casino.

Casino gamers also fall into various trip-counts over a given period of time. Knowing how many trips a player makes can be a critical segmentation tool when trying to impact their behavior. They fall into categories such as:

- "One-trippers" where casino marketing strategies consist of trying to squeeze a second or possibly third trip out of the player.

- "Chasers" are players that chase offers from competing casinos. This group typically frequents casinos in the range of 2 to 20 trips in a six month period.

- "Regulars" who are often on the gaming floor possibly more than the casino's employees.

Having this level of segmentation allows a marketer to customize the strategy of driving incremental revenues. The strategy for stealing a trip from a competing casino in the chasers segment is going to be different than the strategy for driving that second trip from a one-tripper. And if a player is already a regular, can properties drive more trips or is it about retaining those trips from that player?

### Marketing Strategies to Keep Players Checking Mail Boxes, Email and Mobile Devices

It pays to change up the game when sending offers. Having various structures/segments in monthly promotions/offers (beyond tiers and markets) is the first critical component. Properties cannot treat all players of all types and all segments in the same fashion. Keeping this in mind, casinos can then look at what areas and types of offers they can put out there to try to boost or supplement the existing offers. Those offers can come and should come in numerous medias, a.k.a. direct mail, email, mobile, etc.

When a player does not know which media the offers will come in, it forces them to consistently read all forms of marketing they receive. This means that when an email is sent about upcoming promotions, and does not contain an offer, it tends to get read as well, keeping the property at the top of the player's gaming list. There are two crucial elements here for casino's to consider – marketing media choice and promotion/offer timing. If either of these becomes predictable, the marketing loses potency. If casinos can keep players guessing, they begin to impact behaviors.

### Pitfalls to Watch Out For

When impacting behavior is done correctly, it can lead to tremendous success. However if properties try to strictly change behavior by throwing more incentives at guests like free play, F&B comps, hotel stays, gas, etc., they begin to dilute their marketing efforts or worse, just increase reinvestment levels without a true lift in play.

Impacting a player's behavior can lead to outcomes that ultimately increase a property's bottom line. Focusing as

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much attention on a player’s behavior as tiered analytics, casinos stand to gain:

- Increased player frequency
- Increased player out-of-pocket spend
- Reduced player defection to competing properties
- An upsurge in out-of-market play
- Reduced player reinvestment
- Improved customer loyalty

Next time a property looks at their player database, they should take a look from a different perspective. They might be surprised at what they discover. Beyond numbers and analytics

is a wealth of information on various types of players and behavioral patterns. As stated earlier, “All players should not be treated equally.” From varying age groups to varying gaming interests, players are not cut from the same cloth. It is up to the casino to delve a little deeper into what makes each group of players tick.

Understanding player behavior and then employing strategic marketing techniques to expound upon this information boosts a property’s revenue. With the financial gains casinos can see with these techniques, impacting player behavior is definitely worth exploring. ♣

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The Sault Ste. Marie Tribe of Chippewa Indians Kewadin Casino and Convention Center seeks to fill the position of **Marketing Director**.

The Marketing Director is responsible for managing, directing and supervising all activities related to advertising, marketing and entertainment and for insuring the departments operate in an efficient and effective manner in accordance with the overall marketing strategy and media plan. The position is also responsible for the day-to-day operations and management of Kewadin Casino Marketing Department.

Qualified applicants will possess a Bachelor’s Degree in Marketing or Business. Minimum of seven years of experience working in a Senior Marketing/Director or Senior Marketing Vice President role required.

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