

## Instant Incentives: Pushing the Envelope During Hard Times

**Speakers**

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**Moderator**

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### THE LEISURE TRAVEL MARKET IS IN A CRUNCH. SMART SUPPLIERS WILL DEVISE CREATIVE TACTICS TO WOO THE CUSTOMER BACK

**Consumer confidence is at an all time low**

CCI Index  
Percent

Year	CCI Index
Oct 2007	96
Oct 2008	38

-60%

*"Make no mistake ... these [consumer confidence] numbers are extraordinarily awful" - High Frequency Economics Chief U.S. Economist Ian Shepherdson*

**Airline capacity has been cut**

Domestic seats  
Millions

Year	Domestic seats
2007	18
2008	16

-8%

**And some indicators point to big drops in certain segments of vacation travel**

- Some travel agents report that cruise bookings have fallen over 50% since last year
- Occupancy rates at Hawaiian hotels have hit a 10-year low

**Still leisure travel continues... but with the pursuit of the "good deal"**

**American travel intentions**  
Percent of respondents, travelhorizons survey, October 08

Book a package vacation to save money	75
Stay fewer nights	70
Spend less on food, beverages and entertainment	70
Comparison shop for prices and rates on the Internet	60

Source: McKinsey Travel & Logistics Practice; Associated Press; Intelegraph/edules via AP/GDAT; Travel Industry Association; upartner.com; Los Angeles Times; Global Insight; Cruise Week; travelhorizons; literature search

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## The Promotion Dynamic

- Are promotions an answer to marketing challenges faced by gaming companies today?
- What is working and why?
- Is there a solution for every market?
- Will players come if the offer is right?




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Promotions, working in concert with a balanced marketing plan can bring result-driven success to any of the "Big Three" marketing challenges:

- Increasing Revenue/Reducing Expenses
- Driving Player Acquisition and Retention
- Competition




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- The Big Three  
Increase Revenue, Acquisition and Retention, Competition

What issues do casinos face now when deciding on how to commit marketing dollars?  
The choices:

1. Be less/more aggressive with offers to players
2. Rethink Special Events
3. Re-evaluate cash/comp back in the players club
4. Continue running programs that have been successful in the past, expecting/hoping for the same result
5. If you are not aggressive with your marketing plan, what can you expect from your competition?




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### Ideas That Work

- Gas Cards
- Airline Vouchers
- Mortgage Payoff Promotions
- Credit Card Payoff Promotions
- Re-Evaluate RFBE Offers
- Prospecting
- Quik Reports Online Cash Advance Providers




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### Instant Incentives/Cost Cutting Measures

- E-Marketing
- Text Messaging
- Bar Codes On Cell Phones for Redemption



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### Instant Incentives

#### Email Promotions

**Universal Truth:**

The success of any E-marketing campaign relies on the accuracy of the data

- In the average casino database, how many customer records include accurate email addresses? 20%, 30% ?
- What is one of the best ways to incentivize players to provide that information?



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What are some casinos doing to combat the growing challenges facing them?

They're not sitting still.  
Here are some examples...



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- Revenue Driver  
Coast Casinos, Nevada

[▶ Video](#)



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### Instant Incentives: Pushing the Envelope During Hard Times

- Observations

Casinos are weighing their options during these tough economic times. The situation requires them to be more creative and far more open to new ways to generate revenue.

And they are.



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