

Casino Enterprise Management

Your First Tool in Gaming Management Education

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Shuffle Master's Amazing Growth

United States Gaming Laws
Avoid Negligent Hiring Claims
Death of Denominations



by Tom Platt

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Satisfied Customers

Millions and millions of dollars are spent each year in deploying player loyalty programs in order to influence the customer’s behavior, while for the longest time, customer service and satisfaction have been largely ignored.

In an article titled “Gambling on Customers” published by McKinsey, a leading management consulting firm, Harrah’s CEO Gary Loveman stated, “Casino service is generally disappointing all around. Service is hard to deliver in a casino. Employees are under strict rules to ensure there is no corruption...so the business had always grown up around control. Service came way down the list, after control. It’s a complex service-delivery process, so there are lots of things that can get in the way of delivering good service.”

The Harrah’s organization quantified the impact of customer service to a change in customer value by sampling over 19,000 customers, and found that a positive change in satisfaction, over the previous year, substantially increased the value of the customer to the casino. In the article, Mr. Loveman went on to say that “the people who get happier with our service play much more with us, and the people who become unhappy play much less with us. Market by market, where our profitability and revenues greatly exceed our market position, there’s no question but that the results are largely service driven.”

Simply put, satisfied customers are more valuable.

Making Your Customers Happy—In Real Time

In an earlier article we discussed how controlling, managing and optimizing every customer interaction provided the opportunity for operators to maximize revenues, and optimize short- and long-term profit potential. We also examined how the “flaw of averages,” and other commonly used service

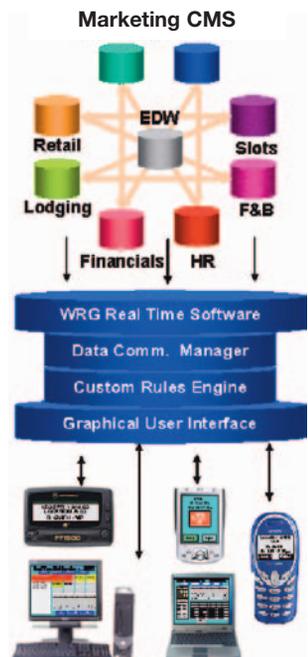
and staffing practices deployed in many properties, created an environment for inconsistent and unmanaged service delivery.

Now we will detail how real time systems empower you to proactively prepare and position your slot operations to maximize your capacity to serve your customers, and allow you to eliminate all the inefficiencies of the old, reactive service methodologies.

The Foundation Is Already In Place

Most casinos already have the foundation, systems, data and networks in place that are needed to implement a real time system to optimize every transaction with their customers. What’s missing is a system to pull it all together. The diagram below (Figure 1) details how The William Ryan Group, Inc. (WRG) has already applied its patent pending customer service and employee optimization technology to control 50,000+ slot machines across the United States.

Figure 1



Are More Valuable

WRG's Real Time Slot Service (RTSS) product is linked to the casino network, slot management system, and customer information databases. Customer and machine service events (jackpot, drink request, printer paper out, etc.) are recognized from the slot management system; if a player's card is inserted, that number is associated with selected player data from the customer information database, the event is prioritized and queued and then assigned for service based on rules set by the individual casino.

The event information is routed to the communication device selected by the casino, notifying and assigning available service providers to each specific event. Service is monitored based on rules set by the casino to ensure transactions are completed within service time objectives, and the RTSS system recognizes and records when the service has been completed, freeing up the employee to accept the next qualified assignment.

Rules Based Engine Is Key

Key is the multi-layer rules-based engine, customized to your unique customer service and player optimization objectives, which sorts through all this data, in real time, and recognizes monitors and assigns:

- the best qualified employee,
- to the best targeted customer,
- at the best time,
- with the best service and offer,
- all optimized to achieve the most value for the organization.

Sample rules settings are:

1. Prioritize higher-tiered players to enjoy faster service time executions than lower-tiered.
2. Ensure equal tiered players are serviced in order of event occurrence.
3. Monitor all open events to recognize service variance conditions for proactive re-deployment.

4. Only deliver drink service requested via slot machine to higher-tiered players.
5. Recognize inclining and/or declining play and initiate host service actions.

All are changeable by time of day, day of week, value of player, time since last visit, rate of plays, etc. The system can support virtually any number of rules, with no real limit on how complex the rules requirements can be.

Now let's take a quick look at an example of how real time information can be queued. (Figure 2)

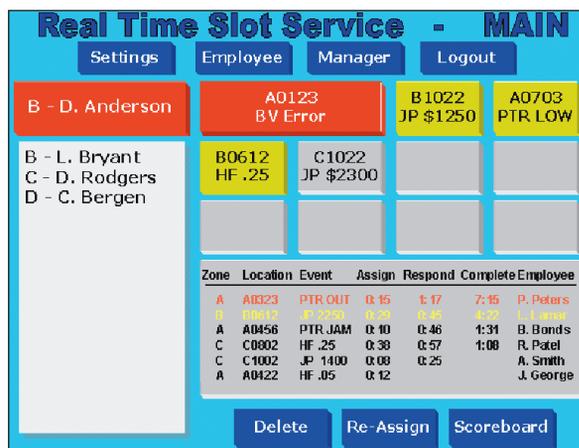
occurring in zone A, which has a highest-rated player waiting for service, and is similarly color-coded red.

Reassign On The Fly

Real Time software allows management to know where their employees and players are, and to place them where they would like them to be, at all times in real time, across the property, and to monitor, motivate and reallocate their available employee bandwidth to where the action demands.

The pending section of the screen monitors all slot events that have been assigned

Figure 2



This sample RTSS main screen displays open events waiting for a response, active attendants on the casino floor, and pending events assigned and awaiting completion.

Attendants are prioritized by zone of last transaction and time since completing the last transaction. So in this case, Dave Anderson is listed at the top and color-coded red to indicate he is the best attendant available for the highest-rated event to be serviced.

Open events are prioritized and rated in the queue, weighted by time since the event occurred, and by value of the player at the machine.

Dave Anderson is matched to and assigned the A0123 bill validator event,

to an attendant, and tracks each of these pending events until they are completed. This enables the reassignment of attendants and events in cases where variance conditions are occurring, as when an attendant servicing one guest's jackpot is stopped or interrupted by another guest—or any of the 1,000 other things that can occur on the slot floor. This monitoring and reassignment ensures compliance with service delivery objectives.

Rules can be set up for the system to automatically recognize and notify selected managers of specific condition sets that are either occurring or predicted to occur. For example, an imbalance of pending taxable jackpot events could trigger a message to a



manager's cell phone alerting of a pending service situation which could be addressed before service variances even begin to occur.

No More Reactive Service Deficiencies

A Real Time Slot Service System (Figures 3 & 4) improves upon the inefficient customer service experiences of the old, reactive methods of providing service by:

1. Removing the "roaming time" inefficiencies of a First Seen First Out method,
2. Minimizing the inconsistent and longer than acceptable service times a Zone Assignment method delivers,
3. Eliminating the confusion of paging systems by assigning specific events to specific providers,
4. Maximizing a Radio Dispatch method by recognizing more/all events, tracking the completion of already assigned events, and showing which providers are actually available to service a guest,
5. Greatly improving employee utilization rates,
6. Evening out the service times of all slot and customer events.

Figure 3

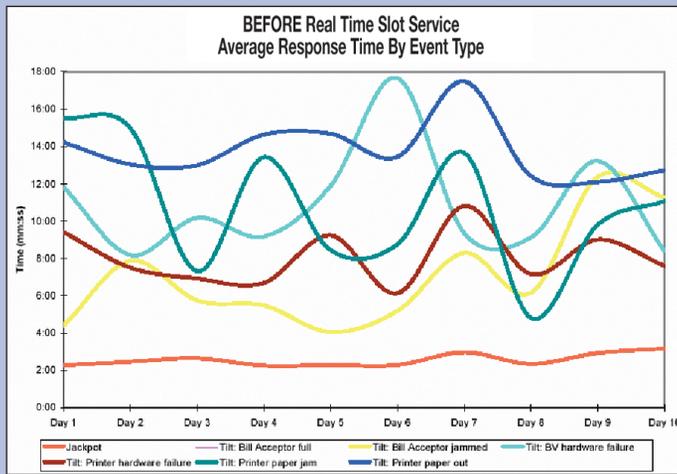
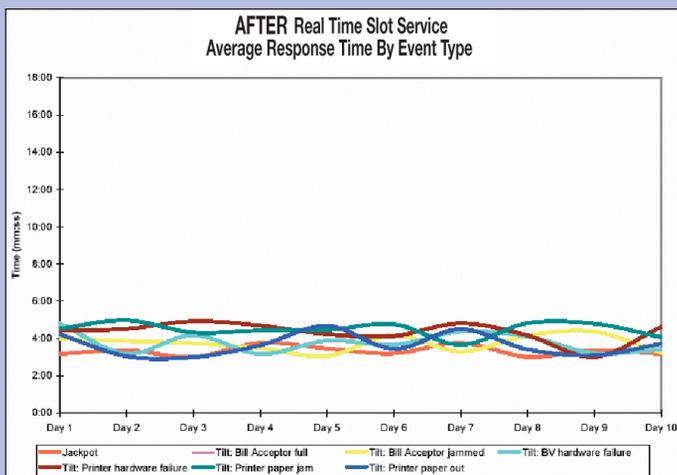


Figure 4



You Decide How And Where To Improve Your Business

Results have shown that a Real Time Slot Service product yields significant increases to a client's profits, both in increased customer play and in increased employee efficiencies. This results in reduced labor requirements in all slot environments, including cash, tickets, and mixes of the two.

You can drive profits by improving customer service, increasing employee utilization, keeping slot machines in play, giving priority to your highest-value customers, by maintaining customer loyalty with dynamic service recovery while customers are still in the building, and by creating customer loyalty with personalized real time customer interactions. You simply adjust the rules to accomplish your specific objectives.

The improvements real time systems deliver result in millions of dollars in increased EBITDA, and ultimately add shareholder value to client organizations, which we will demonstrate via detailed ROI analyses in future articles.

Wishing you keep your customers happy, and your shareholders happier still, in 2005!



Tom Platt, Director — The William Ryan Group, Inc. (WRG) provides proprietary customer service and employee optimization systems and tools for the gaming and retail industries. These marketing and customer service tools enable casinos to understand, control, manage, and continuously improve how they service and market to customers in real-time. WRG products are installed in 26 casino properties across 13 jurisdictions, monitoring and controlling millions of customer interactions as they occur. Tom can be reached at (877) 825-3010 ext 7112 or tplatt@wrgroupinc.com