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The Allure and Loathing of The Big Promotion

It happens to every marketing director. It may be precipitated by an unexpected downturn in business, an aggressive advertising campaign or promotional offer by a competitor or the realization that revenues are falling below plan. Regardless of the cause, the chain of events starts with a visit from a senior official of the casino, most often the casino manager, to the marketing director's office.

The casino manager will suggest the implementation of a big promotion to stimulate business. "We need something really big to get the gamblers in...we should give away lots of cash and a hot car or SUV." It makes no difference that such a promotion was not part of the casino's strategy or the budget was created without such a planned promotion. The allure is just too great. The casino manager assures the marketer that "we'll find the money for it. Just make it happen." And so begins the saga of the big promotion.

The first challenge to the marketing director is to quickly assemble all of the components necessary to make the promotion work. A marketing meeting is called with all of the operations managers in attendance. Various prizes are defined as well as how players can qualify for participation. All drawing tickets would be earned on gaming play and every gaming department wants their customers to participate. Jackpots of \$25 or more, fours of a kind, suited blackjacks, bingo and keno purchases, all qualify for a drawing ticket.

Once prizes are determined the advertising agency is called in to hastily develop a logo, design ads, billboards and radio messages, and create a media schedule that does not exceed the property's media budget. Impending deadlines for periodicals must be met so the agency is forced to quickly design and assemble proofs for these ads. Changes in design are foregone in exchange for expediency.

Drawing tickets, normally ordered in lots of 100,000, must be designed and printed. The hope of getting volume discounts goes out the window when the printer hears how little time he has to get the job done.

Then the marketing director has to go out and buy the truck, boat or automobile that defines the promotion's grand prize. Of course, the marketer cannot actually go out and buy a new car and truck. It is the thinking of the casino manager that any local auto dealership would be glad to lend the hottest vehicle on the lot for the duration of the

promotion just for the privilege of having the dealership's logo displayed in the casino. Car dealers long ago learned that winners rarely take the car and opt for a substantial cash discount so they are reluctant to go through the effort of parking their most popular car in the casino for this free advertising. Regardless, the marketing director calls around town until a dealership is found that is willing to place a vehicle on the casino floor. Usually a hefty fee is charged for this privilege. More often than not, the marketing director must actually buy a vehicle, which only makes the casino manager mutter in disbelief. He would have "his people" do it differently.

In just a few short days, the marketing director has designed the promotion; created the ads; signed the insertion orders; printed the drawing tickets, rules posters, banners, slot toppers, ceiling danglers and machine warblers; found a car and had it delivered to the casino. It is time for the promotion to begin.

Since players would supposedly earn drawing tickets based on gaming activity, and those drawing tickets must be distributed by slot and table game personnel, staffing on the floor should be increased. This, of course, rarely happens. So as players hit fours of a kind, \$25 jackpots or other gaming events, they must press the change lights each time in order for a floor person or change person to give them a coupon. Players who could be gambling are instead waiting for their drawing tickets. Slot and table game personnel struggle to keep up with the task of handing out drawing tickets.

Midway through the promotion, the slot director notices a disturbing anomaly. Inordinate amounts of drawing tickets are being earned by a small minority of professional gamblers. They are playing \$5 video poker machines and are earning a drawing ticket with every Jacks or better. Also, a pit clerk calls up and says the pit is out of drawing tickets. "We need another 50,000 tickets, right away," barks the pit clerk. The ensuing argument by the marketing director pointing out that it is a mathematical impossibility that a 30 table pit can distribute 50,000 drawing tickets in three days falls on deaf ears. More tickets are ordered. Not until after the promotion is over are boxes of drawing tickets found under a desk.

Finally, the big night comes. The casino starts to fill up

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several hours before the start of the drawings. The promotions manager works the microphone trying to create a sense of excitement. Customers come in at the last minute to deposit the stacks of drawing tickets that they earned with the hope that by placing tickets in the drum last their name will be called. Other customers grow suspicious as people come in with bags of drawing tickets. They start to mutter that the drawing is rigged.

As the drawings near, Security is called in to keep the aisles clear around the drawing drum. Customers sit in every available slot chair and wait for the drawing – waiting but not playing. This does not go unnoticed by the casino manager. The loathing begins.

Then the promotions manager starts to spin the drum and calls the first name. Three minutes go by and no one responds. This event is repeated until all of the small cash prizes are distributed. Minutes turn to hours as the drawings drag on. Finally, the drawing for the car is completed and, once the winner makes his/herself present, the casino suddenly clears out. Oddly, the car is won by a known video poker professional. Customers mutter their dissatisfaction.

A traffic jam ensues in the parking lot. The casino manager is now fully distraught that the casino emptied out so quickly. After the drawing the casino clears out, the drum is emptied and the realization hits that the casino may not have made any money for its effort. The grand prize went to someone whom the casino would rather not have won, regular customers could not get to their favorite games and many complained about how unfair the promotion was. Worst of all, in the haste of planning and implementing this promotion there was no measurement put in place to quantify the success of the promotion.

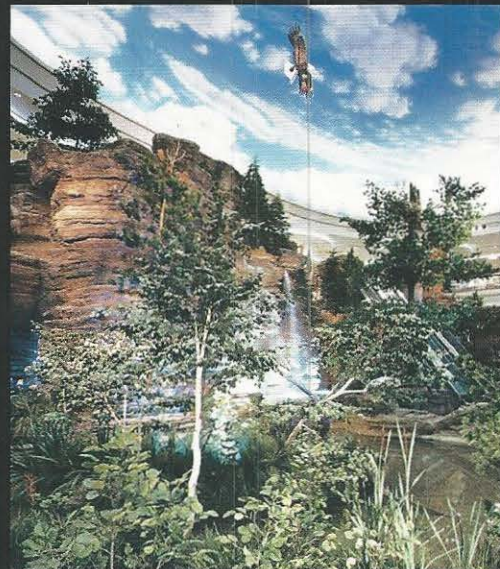
As a final analysis is presented to the marketing committee, a debate begins over the costs of the promotion. Should advertising be included since the property was going to advertise anyway? Why did the marketing department have to go out and buy a car? It should have just borrowed one and offered the winner cash instead. Tempers flair.

Nothing is so alluring to casino managers than filling the property with a big promotion. It is driven by the underlying need to do something – anything - to improve busi-

ness. The big promotion is tangible proof that management is fighting to generate new business. Yet the allure turns to loathing when the results fall below expectations. That loathing is compounded when the expectations are never clearly defined. Rest assured though that in time the antipathy recedes, the allure returns, and the cycle is repeated all over again. ♣

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