University of Nevada, Reno

Slots 101

Presented by:

Ken Moberly

Floor Layout and Design as a Marketing Tool

mar•ket•ing (mär kî-tîng) n.

Abbr. mktg. 1. The
commercial functions involved
in transferring goods from
producer to consumer.

What is the slot department's main business?

We sell goods!

Coin, Currency, Tickets and Coupons

In the selling of our "goods" it is important to remember that:

- 1) Customers shouldn't have to wait. Obtaining coin or cash, receiving jackpot pay-offs and cashing in winnings should be easy and timely.
- 2) To a customer sitting at a slot machine waiting for service, for even a few minutes, seems too long.
- 3) And, for every minute they're waiting, the casino is loosing money that cannot be replaced.

In utilizing proper marketing techniques -

- Our goal is to make it easier to gamble.
- Everything else we do is presentation...

By using correct marketing decisions and making it easier to gamble we can...

Optimize the revenue potential of the slot machines.

Players' choices in the slot department are influenced by issues related to:

- 1. The entire non-gaming casino package.
- 2. Exterior and interior décor.
- 3. Floor design.
- 4. The slot machines.
- 5. The slot floor layout.

1. Players' choices are influenced by the overall non-gaming casino package:

- Everything from the highway signs, to parking, to casino entrances, to placement of food services, to the restroom locations. This includes the focus on a particular player base.
- Usually decided by an architect in conjunction with management/owner.
- Management/owner's decision to focus on Casino Visitors or Gamblers.
- Few, if any, slot department personnel have any input.



Eldorado, Reno



Sienna, Reno

Which customer should the resort/casino be concentrating on?

Casino Visitors

or

Gamblers

(they are not necessarily the same people)

By concentrating on the Casino Visitor and not the Gambler...

- Non-gaming revenue areas will benefit.
- Higher room occupancy rates, higher room and entertainment prices, and retail shopping areas will balance the revenue picture.
- However, gaming area revenues do not reach their full potential.

2. Players' choices are influenced by the exterior and interior décor:

- Exterior and interior décor decisions include market positioning, overall marketing strategy, casino design, and logo designs.
- Usually decided by an architect in conjunction with management/owner.
- Few, if any, slot department personnel have any input.

Players' choices are influenced by the exterior and interior décor continued:

- Exterior décor should pull/draw players to the casino.
- Interior décor to a gambler in not only irrelevant but it is a distraction to gaming.
- Interior décor in the slot areas should be understated to focus attention on the slot machines.
- Interior décor should not draw attention over and beyond the slot machines.



New York, New York, Las Vegas

3. Players' choices are influenced by the floor design:

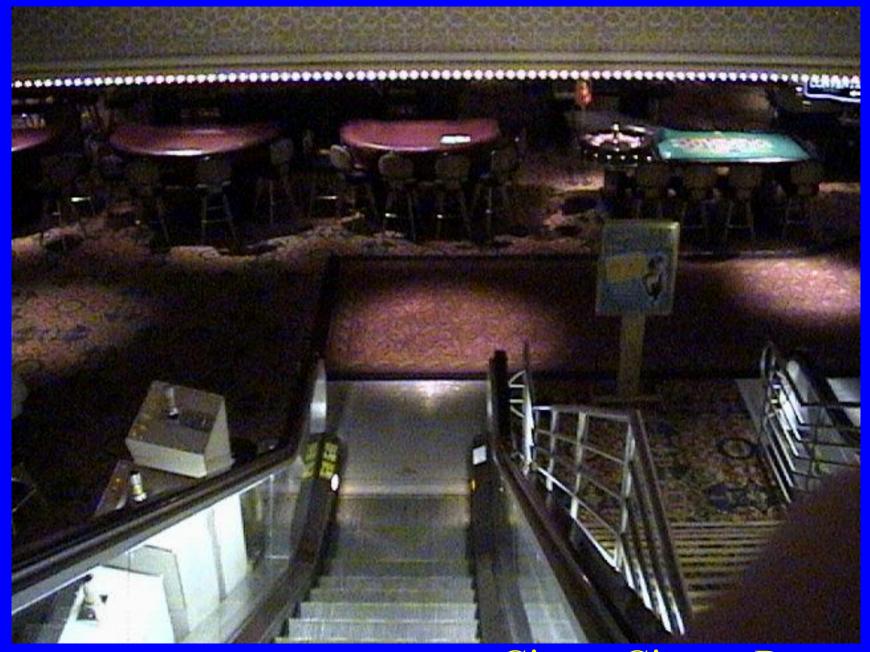
- Floor design relates the elements of the casino floor except for the gaming equipment and layout.
- Floor design is influenced by decisions made for the entire non-gaming casino package, and exterior and interior décor.
- Usually decided by an architect in conjunction with management/owner.
- Few, if any, slot department personnel have any input.



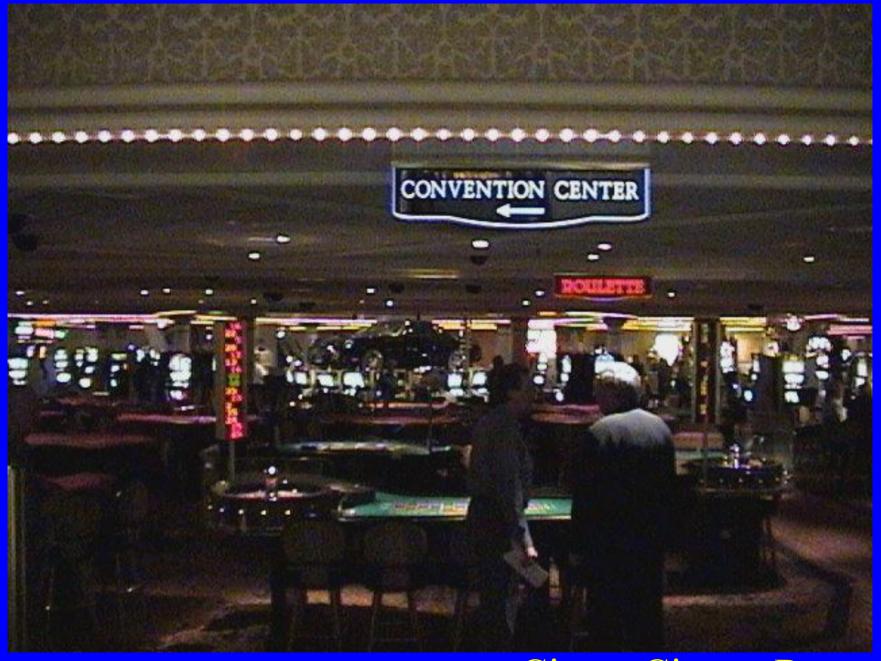
Bellagio, Las Vegas



Bellagio, Las Vegas



Circus Circus, Reno



Circus Circus, Reno

Floor design – structured chaos is an appropriate goal...

- Gamblers like to gamble in active, busy settings.
- Gamblers move from one gambling setting to another for various reasons.
- Gamblers seek compact gambling areas.
- Gamblers consider a busy casino to be a lucky casino.

Historically, the most popular and busiest casinos:

- Have been segmented.
- Have short pathways and short lines of sight.
- Have small, compact playing areas.
- Are crammed with equipment.
- Have low ceilings.
- Have a bland décor.
- Have low ambient light levels.
- Have a subdued image.

The emphasis in new casino design and expansions, unfortunately, has been:

- Large, completely open barns with everything in it totally visible from everywhere else.
- Long lines of sight.
- An absence of small, isolated, personal playing areas.
- Spaciousness.
- Very high ceilings.
- Emphasis on interior décor.
- High ambient light levels.
- Non-gaming, tourist image.

When discussing new casinos or expansion designs what questions should be ask?

When discussing new casinos or expansion designs ask the questions:

Did the old casino design work?

Will the new design be as effective?

...for the gamblers?

4. Players' choices are influenced by the slot machines:

- Includes everything related to the individual slot machine.
- The initial marketing design created by the manufacturer is critically important.
- Most post-manufacturing design decisions are made by the slot manager/director. However, some decisions require agreement with management/owner.

A slot machine works because the manufacturer has...

built in:

Point-of-purchase sales techniques

and player appeal.

tested the game for:

Player acceptance.

IGT's Frog Prince

- 1) What are the pointof-purchase sales techniques utilized?
- 2) What creates the player appeal?
- 3) Do the players accept the game?



Manufacturer's marketing decisions affecting players' choices:

- Game type
- Game theme
- Colors
- Sounds
- Attraction modes
- Max bet
- Number of lines
- Number of reels
- Number of stops

- Machine type (reel, video, multi-game)
- Hit frequency offerings
- Jackpot offerings
- Jackpot size offerings
- Progressive offerings
- Cabinet style
- Bonusing features
- Many, many more...

Slot manager's marketing decisions affecting players' choices:

- Denomination
- Payback percentage
- Hit frequency
- Cabinet style/color
- Stand size/color
- Seating
- Location in casino
- Bill validator
- Ticket printer

- Signage
- Progressive features
- Cashless options
- Auto hold strategy
- Game set-up offering
- Payout offering
- Lighting
- Floor layout
- Many, many more...

5. Players' choices are influenced by the slot floor layout:

- Slot floor layout relates to placement of the slot machines in the casino.
- Includes decisions made for the entire non-gaming casino package, exterior and interior décor, floor design, the individual slot machines, and other gaming entities.
- Most decisions are made by slot manager/director with the consensus of other department heads and with the agreement of the architect and management/owner.



Caesar's Palace, Las Vegas



Silver Legacy, Reno



Silver Legacy, Reno

An effective floor layout isn't just getting the customers from point A to B...

• Are we effectively directing the customers to go where we want them to go?

An effective floor layout isn't just getting the customers from point A to B continued...

- Are we effectively directing the customers to go where we want them to go?
- Are we creating effective traps in our traffic pattern to catch slot play?
- Have we created effective nooks and crannies in which our slot players will feel secure?



Silver Legacy, Reno

An effective floor layout isn't just getting the customers from point A to B continued...

- Are we effectively directing the customers to go where we want them to go?
- Are we creating effective traps in our traffic pattern to catch slot play?
- Have we created effective nooks and crannies in which our slot players will feel secure?
- Are the aisle widths comfortable?
- Can we service our slot players through the layout and aisles we've created?



Circus Circus, Reno

When working on a layout ask yourself:

- Does the layout "feel" good?
- What makes this layout different?
- Is the layout workable?
- Is it sellable to management?
- If asked, can you respond as to why you did what you did?

Analysis of the slot department.

The #1 asset of a Slot Department is:

"The Customer"

market research n. The gathering and evaluation of data regarding consumers' preferences for products and services.

The focus for gathering and evaluating data regarding consumers' preferences for products and services should be on the Slot Department's #1 asset:

"The Customer"

A Slot Manager has the *unique* ability to:

- Set Performance Levels The ability to affect slot floor variables allows the Slot Manager to set performance levels.
- Gauge Performance We record all machine activity for a true and actual measure of play. Comparisons of set performance levels and actual performance levels allow the Slot Manager to evaluate performance.
- Make Changes Quickly Knowing where each machine should perform and where it is performing allows the Slot Manager to make immediate changes to adjust performance.

Marketing decisions are based on:

- Proper Marketing Techniques
- Market Research
- Slot Analysis

Question: Have I made the right decisions for...

The Customer

Slot Machine Performance

Slot Department Operations

Floor Design Considerations

The Resort/Casino

The two things I want from my customers are:

"Their Time

and

Their Money"

Customers VOTE on what they like or dislike:

"With Their Money"

The single best figure to look at to determine growth in slot play is:

"Coin-in"

(total wager)

The single best way to tell if your customers are happy with your Slot Department is:

"An Increase in Coin-in"

But, you can't take "coin-in" to the bank, so, the second important performance number is "win".

14 different ways to analyze slot machine performance:

Individual Machine

Manufacturer

• Manufacturer's Model

Denomination

Hold Percentage

Machine Group

Coin-in Type

Manufacturer's Game

Section

Area/Row

Progressive Link

Bill Validator

Cabinet Style

Number of Reels

6449

IGT

S-Slot+

\$1.00

5.325%

Reel

2-coin multiplier

Red, White & Blue

Buffet Entrance

Area 3, Row 4

Buffet Progressive Link

Yes

Round Top

3-reel

•Additional ways to look at slot machine performance:

- Ticket printer
- Bonusing features
- Cashless options
- Occupancy (games played)
- Volatility index
- Auto hold strategy

Reports should be produced which compare:

- Coin-in (total wager)
- Jackpots
- Win
- Win %
- Games Played

- Drop
- Fills
- Win/Day
- Days on Floor
- Variance from PAR

Slot Machine Performance Should be Compared:

- Daily
- Week-to-date
- Month-to-date
- Rolling six weeks-to-date
- Year-to-date
- Rolling Year-to-date

Suggested Reading:

Designing Casinos to Dominate the Competition by Bill Friedman

Institute for the Study of Gambling and Commercial Gaming
University of Nevada, Reno

Friedman Casino Design Principles_{TM}

- 1. A physically segmented casino -- beats -- An open barn.
- 2. Casino equipment immediately inside casino entrances -- beats -- Vacant raised entrance landings and empty lobbies.
- 3. Short lines of sight -- beats -- Extensive visible depth.
- 4. The maze layout -- beats -- Long, wide, straight passageways and aisles.



MGM Grand, Las Vegas

- 5. A compact and congested gambling-equipment layout -- beats -- A vacant and spacious floor layout.
- 6. An organized gambling-equipment layout with focal points of interest -- beats -- A floor layout that lacks a sense of organization.
- 7. Segregated sit-down facilities -- beat -- Contiguous ones.
- 8. Low ceilings -- beat -- High ceilings.
- 9. The gambling equipment as the décor -- beats
 - -- Impressive and memorable decorations.



Caesar's Palace, Las Vegas

- 10. Standard décor -- beats -- Interior casino themes.
- 11. Pathways emphasizing the gambling equipment -- beat -- The yellow brick road.
- 12. Visitor perception -- beats -- Reality.
- 13. Multiple interior settings and gambling ambiances -- beat -- A single atmosphere throughout.

Thank you for your attention.

Ken