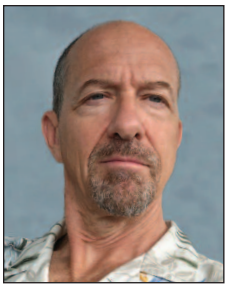


Ready Casino Player One

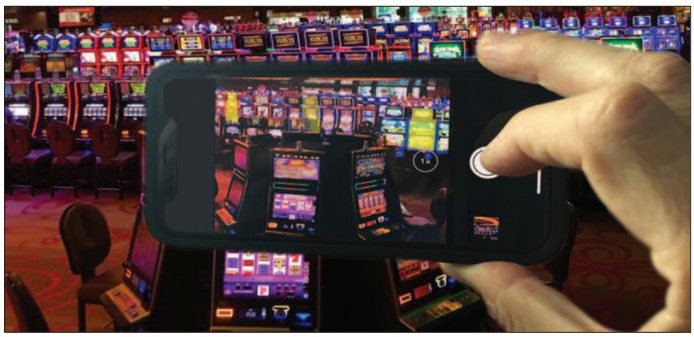
by Michael A. Perhaes

The greatest threat to the modern casino as it exists today is closer than you think. The impetus for immersion in an alternate virtual universe to escape the ordinariness and repetition of everyday life – from which we all need an occasional escape – is compelling. As greater advances are made in real-world applications of virtual reality (VR) constructs, from training the next generation of surgeons to maximizing factory floor design, online gaming is on a collision course with all that VR promises. If one could put on a headset and play blackjack at their favorite virtual property, they may be less likely to leave the comfort of their home to do so.

Regardless, the very survival of the casino experience will depend on operators and their ability to design more interesting ways to engage their customers on the casino floor. It's time to prepare for that mirror world virtual reality developers are rapidly producing.

Nearly every casino operator in the world now enlists a technology provider to gather all imaginable data points across their gaming floors to better inform their operational and marketing decisions. These tech providers dominating the customer relationship management universe offer their operators the tools to "heat map" casino floors, reporting slot machine statistical analysis and activity in real time. The customer who chooses to push a plastic card into an electronic gambling device today will have their play tracked to earn rewards, redeemable in real time. Slot machine payouts, jackpot frequency, total amount wagered per hour and per day, all represent a sampling of the data points that are tracked, accumulated and stored. The wealth of accumulated data provides an actionable blueprint of operational and marketing activity – from optimization of machine placements on the casino floor to accurately assessing how much to re-invest in any given customer. This tracking capability has been standard fare for over a decade. For those customers embracing casino rewards programs, recent developments include so-called 'cardless play.' Rather than inserting a plastic card into the slot machine or VLT device, the customer can enter a phone number into a keypad on the face of the gaming device and enjoy all of the benefits accrued to those plastic card holders. Any customer who has waiting on a player's club customer service line to replace a loyalty card instantly grasps this benefit.

So far, these and other innovations have been arguably small bore compared to what's possible and to what's certainly coming. Perhaps the biggest disruption was the introduction of the ticket-in, ticket out systems, ushering in our current era of the coinless slot machine. Other than this innovation, whose benefits accrued primarily to the operator, not the customer, the casino experience on the gaming floor has not drastically changed.



Today, the smart phone has redefined how we consume entertainment, news and all manner of information, and has become for most an indispensable appendage. Yet its utility on the casino floor for the customer is negligible; for all intents and purposes, only slot machine attendants and cocktail servers have seen their jobs embrace the mobile device to speed up service. There has been little effort to marry the casino experience to the customer's mobile phone, with the lone exception of mobile gaming and sports betting in some jurisdictions. Unleashing the power of the smart phone's technology, even in its current state, is still an unkept promise on casino floors. But change is coming.

A few years ago, Pokemon Go burst onto the world stage and suddenly the promise of virtual reality became readily apparent. The idea of using a phone as a VR screen to enable the overlaying of elements to augment reality now has real-world applications. Not only could you seek out cartoon characters imbedded into physical spaces, but whole manufactured worlds could be synthesized in very interesting ways. Today, before you commit to a big furniture purchase, like a sofa, you can use Ikea's app on your phone and scan a room with its camera to see the sofa already in place. You can move the sofa around to see where it fits best, or even change out colors and fabrics, all without making a purchase. It's easy to imagine how this premise can be applied to a myriad of scenarios, from hotel room comparisons to car shopping and wardrobe refreshment. We can now place our virtual selves into a myriad of virtual worlds to see if we 'fit.'

Existing tech already empowers us to use the smart phone's camera to scan a room or an environment, and overlay objects onto existing, physical spaces. Virtual tours of neighborhoods, museums and galleries are made more compelling and immersive with this technology. But can we migrate to the casino floor, and fully exploit existing VR technology? Married to the data that is already being gathered on every casino floor, the potential of VR to truly disrupt and enhance the customer experience is enormous.

Here's one interesting example. Slot players include a fair number of superstitious people who suspend reality when they're sitting in front of a game. Slot machines that haven't paid a jackpot are thought to be "about to hit." Nonsense, of course, because every spin of a slot machine's reels is a random event – an event whose outcome has been decided in the millisecond after the player has hit the spin button. The spinning reels are eye candy, amusement as the player watches the three, six or nine reels settle on the predetermined outcome. Haven't we all witnessed players rubbing the glass as the reels spin, as if this wishful effort will somehow alter that predetermined outcome? Superstitious, indeed.

Capitalizing on the existing smart phone VR capabilities and the available data that is already being accumulated by operators globally, it's time for the ultimate casino app. Imagine a world where casino game technology companies allow the marrying of their real-time casino floor data accumulation with a virtual reality app sponsored by casino operators. The customer who has downloaded this theoretical app can now enter a casino floor and use her phone to scan all of the slot machines or VLTs within her field of vision. The app will enhance the casino floor with visual enhancements or overlays determined by the user's preferences. The player can seek out all multi-line machines or only those machines with a minimum betting denomination of one dollar or more. But here's where the experience becomes truly interesting. Through the app, the data aggregation provider can highlight all of the machines on the gaming floor that have not delivered a jackpot within a specified time frame. The user can set the preferences to indicate the window of payouts they wish to see or the frequency or recency of any jackpot on any machine.

While this data is obviously proprietary and subject to gaming regulatory oversight, there is no good reason why jackpot frequency information cannot be shared with casino patrons. In fact, publicizing this information through a virtual reality app would enhance the customer experience in profound ways, particularly with those high frequency, superstitious customers. With this power to better "see" the casino floor and its potential jackpot opportunities, share of wallet would certainly increase among many tiers of loyal customers. Ready casino player one? ♣

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