Listening to Consumer Data Increases Success of Non-Gaming Amenities

by Joshua Pyle

The current state and growth of gaming continues to make the industry more competitive. Slot machines often resemble one another between different properties, so non-gaming amenities and value-added benefits have become critical assets in gaining market share and turning a one-time visitor into a repeat customer. What experiences do guests want that will keep them coming more often, staying longer, and spending more?

Keeping up with trends in customer experience is crucial in determining how to improve the property's bottom line. Most properties are faced with the challenge of determining how to move forward and create a program which satisfies the needs of the property, while also satisfying the needs of the guests.

Food and beverage continually tops the list as the most pivotal non-gaming amenity used to attract more guests. However, dining is also frequently viewed as a leader in lost revenue due to escalation of hard costs to operate bars and restaurants.

In an environment where fiscal operations and margins tend to get slimmer and the desires of guests become harder to meet, data analytics becomes critical, as does the ability to separate personal insights and assumptions versus guests' preferences and thoughts.

Attracting guests into existing on-site dining outlets or implementing new food and beverage programs can seem daunting. However, following the clues consumer data offers, success is much more obtainable. Through technology and an appropriate pricing structure, non-gaming amenities can be big drivers in increasing revenue and reinforcing the guests' experience.

Utilizing Data Analytics

When it comes to understanding how to gain market share, nothing is more important than understanding food and beverage analytics and the utilization of customer data. Strategies to assist in understanding customer spending habits include:

- Utilization of in-house customer service programs, which include both training programs and customer satisfaction surveying to populate feedback.

- Point-of-sales reporting, which provides valuable real-time information based upon set matrixes decided by the user.

The information and results gleaned from these strategies are viable only when consistently shared with other departmental managers on the property. The sharing of data works as a feasibility study within the property, serving as a valuable tool in all future decisions regarding outlet offerings, menu development, and overall food and beverage program interjected into the casino property.

Additionally, the importance of training service staff is often overlooked but definitively related to an effective customer service program. Training of the service staff – especially the ability to communicate with guests – is the most valuable asset a property can have, but the time and resources spent to get the service staff to execute at a high standard is significant. Valuing staff and developing their skills creates a successful consumer experience that inflates the property's bottom line.

Personal Preferences vs. Guest Preferences

One of the most difficult steps to adapting this program is to analyze available data and remove personal conjecture. The ability to remove preconceived notions from the equation is crucial so that the data shines through to align with the goals of the casino or restaurant.

All too often, managers make decisions based on their personal preferences and assumptions rather than asking an important yet simple question: "What do guests really want?" As discussed above, the data pulled and shared from reporting and programs provides valuable insight that should present a road map to guide future offerings. At times, even strong leaders feel they know what may work best and often the hard analysis of guest habits is overlooked.

Using factual data to make decisions is a more effective approach. Following the steps below will guide an executive team to formulate best practices when creating a program and offerings that best reflect their property and guest desires:

- Stay knowledgeable of industry trends and what may be working (or not working) with competitors. This does not mean duplication, but simply understanding what may be successful elsewhere and being poised to adapt to changes in the industry.

- Learn how to utilize consumer data to guide decision-making.

- Understand how to adjust pricing strategies based on clientele's spending habits on the property.

Pricing Strategies

The next step is developing a pricing model that best reflects both the value of the product being sold and the guest structure. Considerations in developing a strategy include:

- Produce a financial profit.

- Provide guests with a dining experience that stands out from competitors.

• Utilize a food and beverage program to attract more clientele, extend visits, and increase number of visits.

A combination of all of the above is important, as this is where pricing strategies in programs is essential. The decision must be made if financial gains within food and beverage outweigh the opportunity to attract larger volumes of guests based upon discounted pricing structures, with the goal of keeping the property extremely competitive within the market. Ultimately, the analytics of the customer data and all other analytics within the department should be the deciding factor in several key questions within a successful food and beverage program.

• What types of eateries are on-site?

• How many outlets are at the property?

• How will the pricing structures work?

• What is the comping structure for food and beverage offerings?

• Is there a way to utilize players' rewards?

Success will ultimately rely on being able to answer the above questions based on particular properties, so analyzing and employing the data gathered should be key in making those crucial decisions. A successful food and beverage program stretches far beyond a delicious menu.

The Future of Analytics

As systems and technology continue to evolve, the data available for analysis of business facets will continue to grow. Point-of-sale software is beginning to offer a significant amount of data about the buying trends of consumers. Executives and other departmental leaders must ensure that systems are properly configured to capture as much historical customer behavior data as available. Proper systems setups, while seemingly simple, will be a key component to how and why data is captured and how and why the departments use that data to grow gaming operations.

The most important data must be identified based upon the goals of the casino in order to forecast the needs within each department, and ultimately, present long-range plans. This should all be done while simultaneously striving to enhance the desired guest experience and establishing loyal customers. ♣

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