



## E-Marketing to Casino Customers

Email and the Internet have quickly become an integral part of the lives of most Americans. Most readers of this publication rely on the Internet and e-mail for daily communication with both friends and business associates. This behavior is no different for the general population.

Currently, it is estimated that 61.2% of adults use the Internet regularly. While it is generally assumed that younger age groups comprise the bulk of Internet users, usage among older demographic groups has increased significantly. Today, the 47% percent of the US population over the age of 50 uses the Internet regularly and their usage rate is increasing faster than younger demographic segments. In 2000, 45.8% of people aged 55-64 used the Internet. In 2003 that number jumped to 56.7%.

As usage among key customer segments increases and as costs associated with direct mail rise, casino managers have come to recognize that e-marketing will soon become a critical component of every casino's communications mix. This initiative is driven in large part in the belief that delivering an e-mail to a targeted customer costs far less than traditional mail. While

this is true, there remain real and significant costs with developing and maintaining an e-marketing infrastructure.

### Minimum Requirements

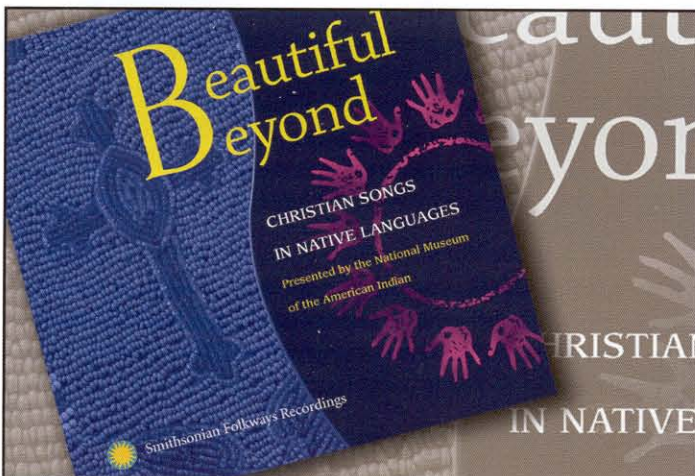
The costs associated with starting up an e-marketing program are dependent on a number of factors. A critical component is a casino management system whose player tracking module is capable of storing, sorting and retrieving e-mail addresses. Older systems can store e-mail addresses but there are often limits on the number of characters that can be stored in those fields. To get around this problem operators store e-mail addresses in the "comments" field. That, in turn, limits the ability of the operator to segment and sort e-mail addresses.

Any effective e-marketing program requires a dedicated computer server to manage the e-mail process. In addition, the casino must purchase software to pull e-mail addresses out of the casino management system, sort the addresses and send the right messages to the appropriate player segments. More significant are the costs associated with hiring and training personnel to manage the e-marketing process. Just as direct mail requires a dedicated person to manage the thousands of mail pieces that a casino sends out each month, so must a casino dedicate a person full time to the task of managing its e-marketing program. Alternatively, a casino can use an experienced advertising agency at start-up as an e-marketing manager until its infrastructure is in place and its staff is trained.

### Types of Offers

Though the concept of e-marketing in casinos is still in its start-up phase, casino operators have already tested many types of offers and have identified those that yield the greatest results. These include:

- Bar-coded offers that players can print, bring into the casino and redeem for cash, premiums or merchandise.
- Informational newsletters that can act as either a replacement or a supplement to the casino's monthly mailer.
- Surveys that probe customers' experiences with the property.
- Reminders of upcoming drawings, particularly for promotions that last several weeks.
- Last minute alerts to sell any unsold tickets to upcoming concerts.
- Frequent, personalized communications to premium segments of the database from both hosts and the general manager.



**BEAUTIFUL BEYOND: CHRISTIAN SONGS IN NATIVE LANGUAGES** is an amazing musical experience — the spiritual voices of American Indians, Alaska Natives, and Native Hawaiians raised in song offers a history lesson about resilience and cultural endurance.

"Looking past the tragedies of Native Americans throughout history, this anthology gives a meaningful respite...using the transcendent power of spiritual music." —*News from Indian Country.*

A new recording from the Smithsonian's National Museum of the American Indian and Smithsonian Folkways. Release coincided with the Grand Opening of the National Museum of the American Indian in Washington, D.C., on Sept. 21. Just in time for the Holidays, this CD makes the perfect gift for the music lovers in your family.

To order: (888) FOLKWAYS or [www.folkways.si.edu](http://www.folkways.si.edu).

For more information about the National Museum of the American Indian, visit [www.AmericanIndian.si.edu](http://www.AmericanIndian.si.edu)

