



## X Factor Revealed at NIGA

One of the opportunities NIGA attendees have is to participate in the workshops that are held in conjunction with the tradeshow. One of the best-attended sessions this year was TLG Gaming's **X Factor: The Hispanic Player**. It is obvious that tapping into the Hispanic audience is a top priority for many casinos. Over 30 different enterprises attended the one-hour workshop. The panel assembled by TLG Gaming consisted of industry professionals that had expertise in five categories: marketing, media, printing, entertainment and operations. The panelists were: Waleed Ashoo, LithExcel; Nancy Laster, TLG Gaming; Edward Little, Entertainment Buyers Group; Treena Parvello, Desert Diamond Casino; Jose Luis Padilla, Univision; and Brian Parrish, Morning Star Consulting. The panel was moderated by Kurt Gross, vice president of TLG Gaming. Each area was then addressed by the panel to get to the core of what works and what doesn't and to identify trends within that segment. Tiah DeGrofft, Marketing Director at Wildhorse Casino in Pendleton, Oregon who attended said, "The X-Factor seminar put on by TLG Gaming offered insightful information and presented many useful ideas for gearing marketing to the Hispanic population. I found the session to be extremely beneficial and TLG to be a great resource for Native American casinos looking to expand their Hispanic audience."

While many specific strategies might transcend different target markets (Hispanic, Asian, etc.) within your marketing plan, attention needs to be paid to the details that could make or break your marketing to these segments. Here are a few things that were discussed in the X Factor: The Hispanic Player presentation that should be considered.

## Marketing & Operations Working Together

In general, marketing's role is two-fold: (1) Create the initial value proposition to get the Hispanic guest to visit the enterprise, and (2) Manage the reinvestment level in the player relationship to ensure that there is a balance between profitability and long-term guest loyalty. The Hispanic market is extremely loyal once you have earned their business. It is the responsibility of the operating departments to "fulfill the promise" and make good on the

value proposition offered by the Enterprise. Done properly, the guest's experience will meet or exceed their expectations, which creates satisfaction and earns return trips in the future. Remember, marketing is a partner to operations – operations needs marketing to drive revenues for their division; marketing needs operations to fully integrate and support all programs in order to achieve the best possible results. You cannot have one without the other.

## Failed Promise Fulfillment

Market research has identified that it is 6-10 times more expensive to identify and attract a new customer than it is to retain an existing one. You only get one shot at making a first impression. Most patrons will give you that one shot, or maybe two at the most, to start earning their loyalty. But once you've earned the loyalty of the Hispanic market, it is yours for a very long time.

In gaming, all customers are not created equal. In other words, all gaming customers do not share the same earning potential for the enterprise. Replacing a lost player is not a one-for-one proposition as it is in other industries. Based on a Guest Satisfaction Study by Xerox Corporation that was profiled in Harvard Business Review several years ago, it was reported that a guest who rates you a "5" (excellent) in satisfaction surveys is 6 times more loyal to your product and service than the customer who rates you a "4" (above average). That is a tremendous gap. In short, this means any customer who is not rating you a "5" is vulnerable to defection to a competitor. Any breakdowns in this process will result in lower revenues and profits from high guest turnover, escalating new player acquisition costs and the redirection of critical marketing dollars that should be dedicated to the retention of existing players.

## Hispanic Entertainment

When booking Hispanic entertainment, one of the biggest obstacles is the fear of the unknown. To combat this fear, you need to do research. Know your marketplace and demographics. Your Marketing Department is a good resource for this information.

Go see shows! See the artists that are playing in your area. Is this act drawing your clientele? How big was their draw? What was the capacity of the venue and their ticket prices?

When you compare the venue and ticket prices, it will give you a good idea what the act is charging and if you can afford them. Check the artists' websites and their touring calendars. There is a considerable amount of research that should be done by your entertainment director or talent buyer.

There are many different genres of Hispanic/Latin music: Tex-Mex, Norteño, Latin Pop, Mariachi and Salsa, to name a few. Find out what your Hispanic clientele prefers. Talk to your Hispanic employees, and get their feedback. They are members of the Hispanic community-at-large that you are trying to reach. Their input and insight into Hispanic-targeted entertainment will help you define the acts that are right for your venue and are within your budget. The more familiar you become with these genres, the easier it will be to book Hispanic entertainment.

The Hispanic player represents an under served market. Reevaluate your approach to Hispanic entertainment. Make it a part of your entertainment calendar.

## Staffing Support

Many of the tribes and pueblos have hiring ordinances built in to the operations of their hospitality enterprises. It is management's responsibility to honor and respect those hiring guidelines at all times and to justify to tribal leadership how important the Hispanic market is to the revenue and profit growth of the Enterprise. In turn, management can then incorporate Spanish-speaking language skills or other unique attributes into job descriptions and job postings. This will ensure that the screening and hiring of candidates is handled in full compliance with the hiring ordinance. It is critical to have Spanish-speaking personnel across the organization on all three shifts to ensure that a Hispanic guest does not have to wait for assistance. This includes obvious areas like the players club, hotel front desk and casino hosts. But don't forget about other important areas too, such as accounting to handle credit card disputes, the administrative offices to handle employee issues, childcare and more.

## The Development of Creative & Collateral Materials

It is extremely important to have the operating departments provide input to your collateral materials before they are delivered to the guest. Areas like rules and disclaimers can make or break a marketing program – operations personnel are on the front-line defending and implementing those guidelines, so arm them with what they need. Remember, good rules and disclaimers are simple, easy to understand and provide proper protection for the Enterprise.

Make sure that your advertising and collateral materials are written in proper Spanish depending upon the sub-segment

of the Hispanic population that you're cultivating. English does not directly translate into all dialects. The use of slang terms can end up being offensive or a misrepresentation of your offer.

## "Internal" Marketing

In advance of implementing any marketing program, be sure to deliver the details of the program, including the value proposition or core offer, dates, important disclaimers and other pertinent information, to the operating departments. In turn, these departments must review this information in pre-shift meetings. Marketing personnel should go and participate in these pre-shift meetings to build relationships, answer questions and let other departments know who to contact with questions or requests for assistance.

## Market Research & Guest Satisfaction Surveys

Ask for guest satisfaction feedback from the Hispanic market and evaluate the information separately. Don't group it in with all other guest satisfaction information because it can distort the findings of both sets of data. There are important distinctions associated with the Hispanic market so look at the information independently.

Be sure to calculate the spending of this segment in non-gaming areas as well – the Hispanic and Mexican National guests are very profitable in those non-gaming areas, too. Based on extensive experience, the Hispanic guest doesn't complain a lot – they just don't come back.

## Summary

This Hispanic player segment is a niche market that requires a full commitment on the part of the casino management and the Tribe in order to optimize profitability. Failure to do so means the Hispanic and Mexican National guests will flock to other resorts that do all of these things well.

**For more information on X Factor: The Hispanic Player, log onto [www.tlg-gaming.com](http://www.tlg-gaming.com). Or to find out what your casino's "X Factor" (Hispanic adult households) is, contact Kurt Gross at TLG Gaming (800) 950-7333.**

TLG Gaming is a full-service marketing firm that specializes in Tribal Gaming. TLG Gaming has over 28 years of marketing experience and over a decade of experience in the gaming industry, ranging from stand-alone casinos to multi-location four-diamond casino resort properties. We are Proud Associate Members of NIGA. For more insight on a wide variety of topics in the gaming industry, podcasts and results of our surveys, visit [www.tlg-gaming.com](http://www.tlg-gaming.com).