

THE MOBILE MARKETING REVOLUTION: GET IN THE GAME OR GET LEFT BEHIND

By Peter C. Yesawich Jr. and Alan Sultan

What do entertainment technologies like TV On Demand, TiVo, iPods, Sirius Satellite Radio and YouTube all have in common?

Simply put, they put the consumer in charge. For marketers, gadgets like TiVo and the iPod, and outlets like satellite radio, On Demand and YouTube, limit - if not totally remove - advertising messages from the equation.

By 2012, some industry forecasters predict that 90 percent of the most active retail customers will be unreachable by traditional advertising. Think about that for a moment. Print, TV and radio won't get it done anymore. Just a few years ago, these were the main vehicles for reaching consumers.

Casino and resort marketers must now ask, "What is my plan in a world where the consumer is in control?"

There is a solution, and it rests in the pockets and purses of millions of consumers worldwide: the mobile phone. As phones have evolved into intelligent multimedia devices capable of everything from short text messaging to live video, the so-called "third screen" provides a compelling and largely untapped marketing opportunity. If you don't do it, your competition will. They may have already started.

What is Mobile Marketing?

First, some quick and basic definitions to get us started. Mobile marketing is most easily defined as offers or ads that appear on mobile phones. These might appear as simple text messages (SMS) or in media rich formats with graphics and images (MMS).

Mobile marketing today is similar to where the Internet was in 1999: evolving and new, with certain limitations but tons of exciting potential. After all, what is more personal and vital to modern consumers than a mobile phone? People feel naked without them and rely on them for conversation, text messaging and overall organization of their time and priorities.

Have you noticed that many people barely pay attention to where they are walking these days? They are busy sending and reading text messages! According to the Mobile Marketing Association, 53 percent of all mobile phone users send text messages at least once a week, up from 44 percent just last year. More than one-third (34 percent) use text messaging daily. According to the Wireless Association, carriers generated more than \$3 billion in revenue from mobile messaging in 2006 and that number will only rise. Now is the time to get in on the conversation or get left behind.

Where to Start

The key to mobile marketing is relevance. To use this technique effectively, you need to know what guests like to do, and where and

when they like to do it. You also need permission to begin a mobile marketing relationship.

Is your VIP a sports nut or an aficionado of the arts? Does he prefer Blackjack or Craps? Would he rather have a steak dinner at a fine dining establishment or hit the latest club? If your guests receive an offer that is relevant to their interests, at the right time and in the right place (a concept called spot relevance), they will view mobile marketing as a true benefit. If not, it's seen as spam and can hurt your brand.

Most resorts have made the necessary investment in data collection and understand the preferences of its loyalty program members. To take that data from the back end to the front end on mobile devices, technology leaders leverage a robust, customer-intelligent mobile content delivery platform.

To be most effective, your mobile campaign can't exist in a vacuum; your brand promise must be consistent across all media. Companies that specialize in multi-channel marketing solutions for the gaming industry, ensure message continuity by centralizing the creation and management of all campaigns. Bottom line: Your mobile marketing message should have a familiar look and feel to be accepted by guests.

Perhaps what's most powerful about the technology is not just the personalization and immediacy of the message, but the opportunity to leverage *time* and *location*. Real-time access to customer data correlated against actual customer location allows you to do amazing things. For example, imagine that you have a VIP member who is leaving your property. On the way out the door, he receives a branded alert that he has recently earned \$500 in free play. Your VIP will likely make a U-turn and head straight back to your casino. Even if he doesn't, he will likely appreciate the offer.

This "datacentric" approach ensures that loyalty members receive personalized information and individually selected incentives to maximize revenue and customer satisfaction. Another compelling aspect of mobile marketing is the data collection capability. You will know exactly who sees offers, who responds and what they do. Response rates are incredible—upwards of 30 percent—because customers receive offers they have requested, not intrusions. Plus, this data can be used to enhance the effectiveness of other marketing channels.

Now is the Time to be Experimenting with Mobile Marketing

Here are a few examples of what casino resorts can be doing with mobile marketing technology available *today*.

Mobile loyalty programs can be launched to offer rewards and information to customers via mobile devices, optimizing revenue per

visit. Elements of a "VIP Mobile" program include targeted real-time offers such as restaurant discounts, comp updates, entertainment programs and resort information.

Visitors learn about VIP Mobile at the rewards desk, via websites, e-mail campaigns and other signage at the resort. To get started, they easily download an application to their phone, which takes only a minute and is compatible with a wide range of devices and all the major wireless carriers.

Once VIP Mobile is on a guest's phone, the interaction begins for the consumer and the resort. Guests can push a single button and automatically connect to customer service, the concierge desk, real-time comp and billing updates, and more.

Next come the offers. Here's where it gets fun. Imagine the ability to target your best customers with restaurant offers based on the time of day and their location. It's 7 p.m. and a VIP is walking toward the exit. As he does, up on his screen pops an offer for a \$100 discount at the steakhouse, or free or discounted tickets to an on-premises show.

Redemption is easy. VIP Mobile members just share a secret code with the appropriate resort staff and they are on their way.

No one wants empty seats at their live shows. Why not send "free" tickets to your best customers 10 or 15 minutes before a show starts? They get a great seat and that special "taken care of" feeling, and you get a packed house. Redemption might take place with a code, barcode scan or the ability to connect directly to the box office to confirm acceptance of the offer.

Offers go out via either "push" or "pull," which means that in addition to alerts you send (push), your customers can search for offers and pull them down.

If all of this sounds too good to be true, it's not. It's happening now and the technology and opportunities will only expand. Is your property in on

mobile marketing? It's time to get in the game and open a new world of loyalty and appreciation.

The first step is to pick a platform that provides maximum flexibility and start testing ... before your competition does it first.



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Jennifer DiMarzio has assisted numerous companies and individuals in obtaining Nevada state and local licensing, including gaming, liquor and other business licensing. She has represented clients before various professional boards and state and local tax authorities. Jennifer also practices litigation, primarily in the areas of First Amendment law, representing media clients, and administrative law, assisting clients regarding administrative agency actions. Prior to joining Lionel Sawyer & Collins, Ms. DiMarzio served as a law clerk for the FCC, the National Telecommunications and Information Administration, National Public Radio, and the National Association of Broadcasters, all in Washington, D.C. She also externed for Magistrate Judge Alan Kay, in the U.S. District Court for the District of Columbia.

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