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Late Breaking News, Compelling Ideas, Just Plain Good Stuff for the Gaming Industry!

If MGM, Caesars, and IGT are heavily investing in social gaming ...

What do they know that we don't?

By Guest Contributor Rob Gallo, Raving Partner, Online Casino Gaming

Do you remember the tag line ... "Is it live, or is it Memorex™?" (If you don't remember, that means you're too young). In any event, that's quite possibly one of the most applicable questions in the gaming space today. When it comes to popular online social gaming sites, traditional land-based casinos are making a big move into the space, and the lines of differentiation are becoming a bit blurred.



We already know that online social casino gaming is a form of entertainment that millions of people partake in every single day, and even though the people who play these games cannot win real money, that does not stop them from buying virtual chips to the tune of \$1.7 billion in 2012. This dollar figure has attracted the likes of some of the biggest names in the land-based casino business, who have taken notice and begun partnering up with some of the top names in social casino game development. With no gaming regulations needed (at the moment, although this may be a topic for another article at a later date), the barrier to entry is very low, and the prospect of attracting "gamers" from states that might otherwise restrict real money gaming is an attractive one for some of these casino operators.

Social vs. Real Money Gaming

So, where are the lines the blurriest? With the list of casino companies entering the

social casino gaming arena ever expanding, for the purpose of this article, we will highlight the top three:

1. [myVegas](#) is a wildly successful social casino gaming app developed by Playstudios through a strategic partnership with MGM Resorts International. On the myVegas website, there's a rewards section that allows players to earn reward points that can be redeemed for a variety of tangible items (hotel stays, show tickets, nightclub entrance passes, etc.), which is based on the amount of virtual chips purchased or time played in the game, and not on whether a player wins or loses in the social casino.

2. [Slotomania](#) is owned by Caesars Interactive Entertainment (through the acquisition of [Playtika](#)), and the games are available through their Facebook app. Unlike myVegas, Slotomania is not quite as integrated with the land-based properties that Caesars owns, although they're currently working on exactly that. Nonetheless, they have dethroned the long time leader Zynga in the social gaming vertical, and will become an even bigger player in the space.

3. [Double Down Casino](#) was purchased by IGT for \$500 million, and while IGT is not a casino operator per se, they are still well entrenched in the real money gaming market as a leading supplier of slot machines and gaming content to the industry. Now with the distribution of Double Down Casino as one of the biggest social casino games to their extensive database of casino clients, like it or not, it's becoming a behemoth in the social gaming space.

Looking into the Crystal Ball

What does it all mean? With real money online gaming coming online one state at a time (online gambling is currently only legal in three states -- Delaware, Nevada, and New Jersey), with no regulations needed in social casino gaming, there are 47 other states in the US, and the rest of the world for that matter, that have millions of potential "virtual money" players to attract. So, if the axiom "money flows to money" is correct, the casino operators like Caesars, MGM, Boyd, Wynn, etc., and content providers like IGT, WMS, and Bally, will continue to use their financial resources and extensive distribution channels to dominate the lion's share of the social casino gaming market. For the rest of us lower in the food chain, we will need to create more innovative and targeted products that appeal to our own individual niche markets.

So, put on your thinking cap and begin the process of evaluating where you stand in the social casino market, and ultimately where you would like to be. With some focused attention and a little hard work, you can make it happen ... the crystal ball is optional.

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