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

## Social Casino Gaming vs. Real Money Gaming

### Which is right for your casino?

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

So, you've already decided to expand your casino's land-based horizon skyward, into the wild blue yonder of the online gaming market. Congratulations. It's a big step. Of course, the steps that follow are just as critical to online gaming success; as is the case with *any* profitable journey, choosing the right path means knowing your goals. With that in mind, casino managers eager to take that dive into the digital realm should first take a breath and envision the future that they want.



Which of these two scenarios comes to mind?:

- A thriving, self-sustaining Internet presence that drives revenue all by itself, or;
- A type of vast, Internet-based beacon that ultimately draws more gamers into your existing brick-and-mortar operation

The first scenario is an attractive one, no doubt. And if a self-contained, "permanent" online home for a growing clientele is the goal, you're more likely looking towards a real-money gaming model than a social one. With that having been said, here are some things to consider. On the one hand, real money means a deeper level of commitment from online players whose gaming aspirations are pretty similar to those in your land-based casino. They want to gamble, and you provide the venue. So, the logistics of real-money online operations are closer to what land-based

casino managers are already well acquainted with (e.g., demographics and psychographics), with some tweaks in the methodology of marketing execution. This means that the learning curve on your end is less daunting.

On the other hand, real money means a deeper level of commitment from online operators. Navigating the legal and regulatory issues related to online gaming can be tricky and attention-demanding -- beginning with the fact that real-money gaming is currently only allowed in three states: Delaware, Nevada, and New Jersey. Granted, it's entirely possible to limit the action only to players in those jurisdictions, biding your time as other states get the green light. Possible, yes, but messy. Conforming to variable and changing regulatory standards may be a degree of complication that your site doesn't need.

What about the second scenario? Because social gaming remains a less-scary prospect for most players ("online is just for fun -- save the real gambling for the real casino"), this model may just be the best way to advertise while catering to their sense of separation. And if you're heading down the social gaming route, consider a couple of other factors as well. For one thing, plan on partnering with an existing, successful online social casino platform provider. There are many great companies out there that specialize in social casino game development, so do your research and choose the company that best suits your needs. Competing against these guys with your own ground-up system may be admirably indie-minded, but isn't advisable.

Lastly -- and this is big -- stick to that original "beacon" goal of drawing players into your land-based operation. In other words, abandon hope for massive conversion rates from the social gamers to the real-money players, because it's not happening like that. Can it be turned into a separate revenue stream on its own? Yes, but it is a completely separate animal to make a social casino profitable in and of itself. Realistically, 3% of the users of social casino games actually make any real money deposits to acquire additional virtual chips, and unless you're attracting tens of thousands of new players a day, the monetization of social casino players is not very profitable. As a word of advice, seek expert help in this area; it will be worth it in the long run.

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