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

Is social gaming right for your casino?

There are really only two reasons to start down that path.

[By Guest Contributor Rob Gallo, Raving Partner, Online Casino Gaming](#)

It's either "to create an additional revenue stream" or "to drive more foot traffic to your land-based property."

Let's break down social online casino gaming into these two rudimentary differences.

Before you begin on a path, it's critical that you're clear on the primary objective in launching a social gaming platform on your website.

Based on your answer, there are two options. They both rely on the "play for fun" premise of social gaming, but the difference is in how you market and promote it, AND the budget you have to do so.

1. As a revenue stream. The only way this works is if you have very deep pockets and a well-established brand name, and you are ready to commit significant resources to the social online gaming offering. Having said that, there are some critical things you need to understand about such an endeavor. Most importantly, the "if you build it, they will come" approach does NOT work.

The social online gaming market is a \$2.7 billion industry, and it is crowded with



many well-established brands. In order to compete, you must have a marketable differentiator. Why would someone play with you? You will need a unique proposition, and that costs a lot of money to break through the clutter and stand out. As good of a brand as you may have, it comes down to continuous and creative marketing and advertising.

2. As a land-based casino feeder. For the majority of land-based casino operators looking to dip their toe into the social online gaming space, this is the best approach to take. Still, it takes understanding and planning to successfully pull it off. The same "if you build it, they will come" model does not work in this instance either. It will take some effort and capital to make it successful.

Let's look at a simple analogy. Think of the hotels on the Las Vegas Strip. Back in the day, the entrance to the casino floor was generally steps away from the foot traffic on the Strip. It was easy for players to pop right in. As the expansion boom began in the '80s and '90s, casino operators realized that they needed something bigger, more grandiose to grab the attention of their customers. In doing so, the casino floor became further away from the passersby on the Strip. How can we get the player onto the casino floor? Build moving walkways.

Think of your new social casino as a new walkway into your land-based casino. First, you would create a budget and estimate how much additional revenue you expect from building this "walkway," then you can determine how much you can spend, and when you will break even, and finally profit. Next, you need to get someone from your team to champion and take ownership of this project. Then they would vet qualified contractors to build something that suits your needs.

Now, to transition from the analogy into the reality of social online casino gaming, the best place to start would be to look around at what's working successfully. To do that, look at the MGM and Play Studios social gaming site called MyVegas. It provides great branding for all of the MGM properties, and it helps drive real players to the properties through target promotions, like **free food vouchers, show tickets and hotel night stays just for playing online.**

Having said that, not all relationships with online social game providers are created equal. In order to negotiate a fair agreement, you are best served to have someone on your team who's already done it, and knows exactly what to look for in order to protect your interests.

As a little cheat sheet, here are some of the basic questions and concerns:

Who owns the player data? Is it yours exclusively, or do they have rights to your customer data as well? What happens to the player data in the event of a separation/termination of the contract? Who is responsible for payment processing? What level of access will they have/need to your current database? What are their obligations with regard to marketing assistance, if any? What are the milestones and

benchmarks for comparing their level of service to yours?

It may seem like a daunting task, but if you take a systematic approach to it, a social online casino can be a great asset to your brand. Just remember that it will take work to do it right.

Don't have someone on your team who's "already done it?" Set up an appointment today to discuss your social gaming goals with Rob. He'll be hanging with us at the [Raving G2E Booth #3409](#). He'll also be conducting an in-depth, hands-on workshop at [Raving's 17th Indian Gaming National Marketing Conference](#), January 2015.

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