



YOUR CASINO A CLICK AWAY

GameLogic's

By Mary Huyck

Step into what you feel is a casino, and you'll find everything as it should be. The table games pit, slot banks and bingo parlor neatly segregated for easy player navigation. The snazzy logos and bright graphics drawing your eye toward that certain game. The shuffling scrape of playing cards across a felt table top. The up-tempo whirl of slot reels and jangle of just-triggered bonus rounds. The friendly banter across the bingo table. The thousands of players testing their luck at everything from Texas Hold'em to Slingo® Jackpot. The smell of your co-worker's leftover Chinese food wafting in from the next cubicle over—wait a minute, what kind of casino is this?!

Well, the short answer is online, sort of. The slick answer is it could be yours. The right answer is GameLogic Inc.'s flagship offering, PlayAway™.

To oversimplify it, PlayAway is an Internet gaming interface that works with a casino's marketing strategy to attract new customers to the property and drive more frequent visits from existing customers. By placing a linked button on a casino's existing website, GameLogic directs visitors to an Internet games site that is customized with the casino's own specifications and brand, right down to the chips and felt on the virtual tables. Piggybacking on its existing marketing efforts, the casino can then direct players to

go online and play—and "win" individually targeted rewards and coupons. With game offerings just for fun, for bonus promotions and even for cold hard cash—FunPlay™, BonusPlay™ and MoneyPlay™, respectively—PlayAway is a fun and interactive opportunity to bring your casino to players' PCs and Macs.

Reveal Entertainment

Let's get this straight right off the bat: While a slot player may be hard pressed to notice the difference between the spinning reels of Bayou Bonanza™ or Jackpot Jury™ online and the "real" thing at a brick-and-mortar casino, all of the online games available on PlayAway are 100 percent, no doubt about it, play it at the regulator's office legal.

GameLogic President and CEO John E. Taylor Jr. says the PlayAway system avoids the pitfalls of the Unlawful Internet Gambling Enforcement Act (UIGEA) because it is based on something the company calls "reveal entertainment." "Game outcomes are pre-determined—either scripted or generated by a random number generator at the brick and mortar casino—well in advance of game play," he explained. "The players then play games on the Internet to reveal what they have 'won.' There is no element of chance when the games are

played online; the player is merely revealing the outcome that has already been determined."

The concept of reveal entertainment, and ultimately PlayAway, was created by GameLogic's senior management team, including the company's chairman, John Acres. More than three quarters of GameLogic's management team came to the company from Gamesville, an Internet-based direct marketing company presented as a free-to-play online games portal. It was at Gamesville that they pioneered

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manner, and how best to monetize the traffic that those games create."

And that's exactly why PlayAway works: Not only are Internet games a fun distraction from the daily grind in the first place (this author and about 40 million other Americans can vouch for that), but PlayAway games take it to the next level, tapping into what makes gaming great—the gamble.

"PlayAway marries two very powerful concepts: people love to play games on the Internet; and a dollar won is worth far more than a dollar given," Taylor said. "The vast majority of the games [played online are] casino style, and the demographic of online players represent the core of most casinos' best and most highly valued players.

Further, we have found that casino players would much rather play a game to find out if they have won something than just be handed a coupon. To use popular online games that gamblers love to play to deliver rewards and bonuses in a direct, highly cost efficient way makes absolute sense for casinos."

Of course, that's not to pooh-pooh the concrete results that casinos enjoy with PlayAway integrated into their marketing strategy. Because the program is Internet-based, there is an abundance of data available to measure its ROI, right down to the value of a PlayAway player's on-property visit. As reported by GameLogic, PlayAway's tracking data reveals the following:

- Existing players club members visit the casino more often—some casinos even realize 35 percent more in incremental spend from existing players club members who play Bonus Play, all driven by incremental casino visits.
- When the Internet games site is used to attract brand-new players to the casino, those players tend to be at least two times more valuable than players who walk in off the street.
- With the product and the electronic relationship created with the player, casinos can eliminate or greatly reduce their traditional direct mail costs, and cost-effectively communicate with a much broader base of players.

There are also less-tangible results that Taylor says lead to

PlayAway™

GameLogic's strategy of creating Internet games for marketing purposes. "It's not as simple as just putting a game up and letting people play," Taylor said. "Over the last 10-plus years, as a team we have learned what it takes to present game content in the most entertaining

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benefits for casinos that offer PlayAway. First there's the fact that the average FunPlay player visits about 14 times per month and spends about 50 minutes per session online playing games. Then there's the fact that the average BonusPlay player plays for about 15 minutes three times a week. Both lead to a major opportunity to maximize brand interaction, directing specific messages to these players, using tools provided by GameLogic. The best part? That marketing and promotion tool is always on, making it easy to promote specific events to specific players, survey hundreds of existing and new players, and drive player behavior in near real time.

Early Adopters

Casinos, however, weren't necessarily clamoring at GameLogic's door when it first introduced the idea of online games for casino marketing purposes—after all, the brouhaha over Internet gaming and the passage of the UIGEA came just as the young company (it was founded in 2002) was beginning to market PlayAway. "Early on there was a lot of sensitivity to the regulatory impacts of using the Internet, and in particular Internet games, for casino marketing and promotional purposes," Taylor said. "The politics associated with Internet gaming and then the passage of the UIGEA really had a lot of people focused on the issue."

Nonetheless, the GameLogic team knew that there were appropriate and entertaining ways for the casino industry in the United States to take advantage of the marketing and promotional tools available via the Internet. Today, with regulatory approval for PlayAway in more than 10 jurisdictions, 20 casinos clients (and more coming online each month) are proving that Internet gaming is not only alive and well, but a



John E. Taylor Jr.
GameLogic President and CEO

lucrative opportunity. "The Internet is one of the most powerful marketing tools that exist in the world today," Taylor noted. "No longer can the industry afford not to take advantage of the many appropriate opportunities that exist with the Web."

One early adopter to recognize the advantages of PlayAway was the Santa Ana Star Casino just north of Albuquerque, which became a beta testing site for the product a year and a half ago. "Our initial ventures were very successful and enjoyed a very high response rate with qualified consumers," said Santa Ana Star Casino Marketing Manager Chris Archunde. "Our goal has always been to create measurable promotion pieces or offers that may be given away at large off-property events and the GameAway product fit the bill."

Taylor says GameAway will likely fit any bill, as there are many ways that a casino can customize the online player experience with how it presents the program, what it gives away and how it chooses to do so. "Typical casinos would open the program up to their entire player database, but higher tier players might 'play' more often for free slot play, while lower tiers might play for only sweepstakes entries," Taylor explained. "Also, if the property wants, it could sprinkle in second-chance games to particular tier segments to drive a particular behavior. Because all of the outcomes are pre-determined, we have actually had customers call us on a Monday to turn up the awards on Thursday to drive traffic on the weekend in order to offset weather issues that could have impacted visitation."

Director of Yield Revenue Ted Cotman at French Lick Resort Casino in French Lick, Ind., knows first-hand just how much PlayAway can impact action on the casino floor. "The GameLogic PlayAway system has been a great tool for us," he said. "We began using the system in December 2007 and have seen the participation from our guests grow every month. The system has allowed me an immediate channel to communicate and reward our players."

With a full line of primary and second-chance games that casinos can choose from to create an experience that is right for them and their players, PlayAway supports free slot play, player club points, cash, sweepstakes entries and just about any non-numeric prize a casino might have, including concert tickets or buffet coupons. "Through the multiple prize pools for multiple events, unique prize codes and a variety of offer dates, this module has proven itself in measurable brand awareness, website visits, and most importantly, driving qualified consumer trips to our property," Archunde said. "Star@Home™ (the Santa Ana Star's branded version of PlayAway) has replaced all FREE Play offers at our large off-property events."

Crawl, Walk, Run

Despite the success of casinos like the Santa Ana Star and French Lick, not to mention PlayAway's clear-cut regulatory approval and crystal-clear advantages, lingering uncertainty over the UIGEA leaves many properties feeling cautious when it comes to this high level of Internet interaction with their guests.

Taylor says one of GameLogic's top priorities, therefore, is making sure its clients are comfortable with each phase of PlayAway before moving on to the next, employing a "crawl, walk, run" strategy.

"Our advice is to ease into and evolve the program," he said. "Use online games to attract customers to your website with content that they love to play and

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let them do it for free with no prizes. From there, you can start using those games to deliver specific rewards to the players to drive specific behavior. What matters the most is that the casino is comfortable with the program to start, and then grow from there.”

What that growth path entails depends entirely on the casino, Taylor says, as not every casino should implement PlayAway in exactly the same manner. What works for a locals property, for example, isn't the same as what works at a regional or destination property. Fortunately, but not accidentally, PlayAway's versatile functionality allows operators to easily tailor the variety of available content, currencies and play styles to make the program's complexion just-right for the property's needs—which will inevitably vary from property to property. Again, PlayAway's versatility makes this easy.

“We work with our casino customers to provide the best possible online experience that we can for their players,” Taylor explained. “Given that it's the Internet, we have tons of data at our disposal—everything from how many times they came, how long they stayed, how they got to the site, what games they played, etc. With this data we can create experiences that are tailored to the individual player to support the kind of behavior that the casino desires.”

On this note, Taylor points out another major reason why PlayAway works so well when it comes to driving player visits and incremental revenue: the marriage of the best aspects of the Internet (from a tracking and data metric perspective) with the tremendous understanding that the typical casino has about its individual players. “Very few industries can claim to have that level of customer understanding,” he said. “The casinos know everything that happens within the four walls of the property. We expand that understanding to what their customers do when not at the casino. Marrying the on-property understanding with that which happens off property is very, very powerful.”

Powerful indeed, as evidenced by the ROI models that GameLogic develops for each of its perspective clients, factoring in every material aspect of casino operations and their impacts on the PlayAway program to determine a true return on investment. “Using our ROI model, we work with our clients to specifically develop a program that works for them, which is predicated on success-based pricing, where we get paid for coupon redemptions, new player sign-ups, and creating electronic player relationships,” Taylor explained. “We recognize that every casino is different, from the type of player that they attract to the average daily theoretical, to the tax rate and everything in between.”

But one common across GameLogic's client base is that PlayAway players consistently tend to be from the highest tiers of casinos' players clubs. “When you think about it, it makes sense,” Taylor noted. “These are people that enjoy playing on-property, so when you give them the opportunity to play games at home and

receive valuable prizes, they are going to play.”

With that said, Taylor is also quick to add that because the casino can set the award amount by player, it can provide all of its players at every level with an entertaining and rewarding online experience.

A Game for Everyone

There is a game for everyone on PlayAway, from traditional casino fare like cards, dice and slots, to traditional Internet offerings like Cash Cave-In®, which has a manner of play similar to Yahoo! Games' Jewel Quest or Pop Cap's Bejeweled®. “We believe it's important to give people the choice to play what they want to when playing games on the Internet,” Taylor noted of those less-expected options.

While most of these PlayAway games are created by the GameLogic team, some content comes from third parties like Slingo and ShuffleMaster. The company is, however, always looking for ways to expand its offerings in ways that will appeal to players. Most notably, GameLogic has begun cultivating relationships with a number of slot machine manufacturers and other game providers, allowing them use the PlayAway site to test new games before they actually launch on the casino floor. “Given the tremendous amount of Web traffic we have across our different casino sites, PlayAway is becoming a very interesting channel for a number of industry stakeholders,” Taylor said.

Aside from new games, GameLogic is also adding new ways to play, including a newly debuted closed-loop sweepstakes product called EZStakes™, which gives online players the opportunity to win sweepstakes entries. Entries must be redeemed at the casino for a daily, weekly or monthly drawing, driving repeat visits to the property. Another brand-new offering is tournament-based games, where casinos can invite players on a session basis to online community events like slot and poker tournaments, as well as bingo.

And while the Internet remains its domain, GameLogic certainly hasn't forgotten about the intranet and The Next Big Thing—server-based gaming. Taylor says the company will “absolutely” be taking advantage of new technologies as they become available. “Appropriately connecting our at-home systems more directly to the casino's slot management system is a very powerful combination,” he noted. “It provides all kinds of opportunities to link the on-property casino experience with that at home.”

In fact, in August, GameLogic launched its first client whose PlayAway system is fully integrated with its on-property Konami casino management system. “I think many in the industry will be shocked when they see the potential of a direct connection between the home and casino,” Taylor said. “With the advent of server-based gaming, the opportunities of linking the on-property experience to one at home are limitless.”

As are the possibilities for revenue generation. But if you'll excuse me now, this author has a hot round of Slingo to get back to at www.casinoplayaway.com.



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