<u>Team Selling – Team Hosting in the Casino Industry</u>

By Steve Karoul

The casino industry has often been referred to as a copycat industry that often feeds upon itself copying various marketing ideas and or programs from competitor casinos. Actually, this isn't bad and oftentimes what really matters is who is copying whom. There is a big difference from copying something that is happening with your direct competitor versus something that you may have seen at another casino elsewhere. Remember, perception is reality and reality is perception in the casino industry.

Team Selling is not a new concept. Team Selling is a concept that has been around for many years and used profusely by the insurance industry and the financial services industry among others. Therefore, it is important to understand what the benefits of team selling are as opposed to individual selling. In the casino industry it can oftentimes mean the difference of a customer visit to your property. What happens with individual Casino Host sales effort is that an invisible umbilical cord connecting the player to the casino secretly develops. That particular Casino Host or Casino Player Development Executive becomes the lifeline between the player and the casino. Those hosted players call their Casino Host for everything from show tickets, dinner reservations, hotel reservations, transportation, entrance to a gaming tournament, etc.

However, the difficulty occurs with access and availability. What happens when that particular Casino Host is not available for whatever reason? Normally the player is not exposed to other Hosts at the casino since most Casino Hosts are usually extremely protective of "their" customers. Therefore, when the player calls and cannot reach "his" Casino Host he normally will think about which other Casino Hosts does he or she know or have a close relationship with and usually will call one of them for a reservation. Unfortunately, they usually work at another competitor casino and henceforth, the casino loses the players trip. This leads to the philosophical question of who actually owns the player; the casino or the casino host.

Most casinos believe that the casino owns the customer and not the Casino Host. If that is true than it may be time for the casino industry to copy other sales organizations which are much more focused on team sales efforts. However, as we all know, the casino industry is not the same as many of these other sales organizations even though sales are so critically important to us. We need sales to drive new business development and new player acquisitions. We need sales to drive increased trip visits. We need sales to help extend length of play and share of wallet. Many of these functions occur as a result of relationships versus pure sales. The relationship portion of the equation for success is provided by the Casino Host or by the Casino Player Development Executive but bear in mind that the casino pays their salaries and also pays for all of the promotions, special events, gaming tournaments, customer gifts, advertising, marketing and capital costs. So, who do you think should own a player – the casino or the host? My answer is neither. Both actually have a vested interest in rather than ownership of the

player. Having a vested interest in a customer as opposed to ownership of the customer means that one has to continually work hard to maintain a good relationship with a vested interest customer as opposed to a customer that one owns and therefore one that may be taken for granted at times.

I am a great believer in Team efforts as opposed to single person efforts. A football team may have an incredible quarterback but without a good team supporting him the team will never make it to the SuperBowl. The same comment about coaches. Great coaches lead and motivate great teams, not just individual players. Successful casinos are successful because they have good leaders and their employees are also good team members. As a result of this analysis, I developed a new concept called Team Selling – Team Hosting. Casino Marketing is the hub of this concept but in effect, everyone at the property is part of the Team Selling – Team Hosing effort. When I previously worked at a large casino, we implemented this new concept. We developed six teams and each team had between ten and twelve team members. Four of the teams focused on domestic players, one team focused on Asian players and the last team focused on international and domestic ethnic players. Each team was made up of Player Development Executives, Casino Executive Hosts and Casino Hosts. Each team was also supported by Casino Coordinators who booked all reservations, transportation, tournaments, etc. as well as by Casino Sales Executives whose sole function was to focus their efforts on inactive players. Smaller casinos can easily vary the number of teams as well as the number of people on each team.

Accountability is always a concern in most casinos so we used a dual code system where players were still coded to their Player Development Executive and also coded to a team code. Teams were assigned sales goals versus individual goals even though we were still able to monitor and measure both. Team efforts in casinos eliminate internal competition and surprisingly are almost self-regulated due to peer pressure. Every player that walked into the casino was introduced to all of their fellow team members and was also told that they worked as a team, so please feel comfortable to call anyone on the team for help at any time. Naturally, players still gravitated back to the person that they felt the closest too (the invisible umbilical cord) but they also felt relieved and happy to know that they could call upon others if necessary and that the other team members would know who they were. We received great comments from many of the customers about the new Team Selling – Team Hosting format at the casino.

Another issue with Team Selling – Team Hosting is transparency and fairness to all. Many leads come into the casino on their own or through Casino Credit or the hotel telephone call center. In the past there was a lot of favoritism as to who would get the lead. We developed a Lead Board in the Casino Marketing Office that worked like a clock. Unexpected leads were rotated in order around the clock so that every team had an equal chance at cultivating any new customers. The leads were rotated in order so one may be a \$10,000 level player and the next one may be a \$100,000 level player. It was the luck of the draw per se. Everyone liked the new transparency and fairness of the program. However, one thing that is true of sales efforts whether in a department store or in a casino is that you have to sell the customer what he or she wants to purchase which may not necessarily be what you are selling. This was also true with team or host assignments. Casino Host relationships with players can be like a marriage. They can be great or they can deteriorate for a variety of reasons and may even end in divorce. Recognizing this fact we developed the CCZ (Customer Comfort Zone) process. With the CCZ we were able to accommodate customer requests for reassignment. We developed a CCZ Form which in effect

was a request for code change form. One of the requirements was a letter in writing or an E-mail from the customer stating the reason why he or she wanted to request a new host. The letters where all kept confidential with the VP of Casino Marketing but the CCZ Form was sent to both Casino Hosts asking them to sign off either releasing the customer or accepting the new customer. As you can imagine, this was not always a smooth process and sometimes ended with me acting as the final judge as to who I thought was best suited to Host the player and keep the player loyal to our casino. Once again, the entire process was transparent and visible to all and thereby viewed as being a very fair process.

One of the fundamentals of Team Selling – Team Hosting is "selling". Everyone at the property was viewed as a salesperson. We made every effort to try to educate everyone that we all needed to sell the property to everyone at every opportunity. Part of the sales training process was to teach all of our team members to ask for referrals and to always thank customers for their help and their referrals. Word of mouth recommendation is invaluable in the casino business. Therefore, we developed a three step process. On the first request, we asked the player for the names of any of his or her friends that play at or near their level that we could invite to one of our upcoming events. We would always go back and thank them for referring their "friends" and now ask them if they have any "relatives" that they can also refer or recommend to us. We would also return to thank them again for referring their "relatives" and this time we would ask them if they had any "business associates" that they could refer or recommend. It didn't take long for them to get the message and understand that were looking for qualified leads. Our customers became our best advocates and usually brought us our best leads for new players.

Team Selling – Team Hosting is a great concept that will work in any size casino. It is also one of the more productive ways of developing new business. Once again, team efforts are always more productive than single person efforts for a variety of reasons that all make good sense in a casino environment. Good luck.

[Steve Karoul is a well-known and respected casino consultant. Steve has lived and worked in many different countries and has conducted casino marketing activities in more than 100 different countries. He is also a gaming industry innovator who openly shares his ideas and thoughts with fellow casino industry executives. Steve can be reached at skaroul@comcast.net or www.euroasiacasino.com]