



# Caesars Entertainment: Digitally Personalizing the Customer Experience





## About Caesars Entertainment

Caesars Entertainment<sup>1</sup> is one of the world's largest gaming and entertainment companies, with multiple brands and operations spanning four continents. It operates over 50 casinos, hotels and golf courses including Caesars Palace and 9 other properties in Las Vegas, as well as properties in other cities such as Harrah's Atlantic City and Caesars Golf in Macau, China. It also owns the World Series of Poker and the London Clubs International series of casinos. Since the arrival of CEO Gary Loveman in 1998, the company has been highlighted as a leader in its use of technology and analytics to drive customer satisfaction.<sup>2</sup>

## Introduction

Amid the glitz and grandeur of the casino industry, Caesars Entertainment has placed its strategic chips down on customer relationships. The company pioneered this strategy in the early 2000s with its Gold Rewards loyalty program, which evolved into the award-winning<sup>3</sup> Total Rewards. The program adopts a data-driven and closed-loop approach to deliver a personalized experience for Caesars' guests.

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*We sell a stochastic product; sometimes you win big, sometimes you lose big. But, if you've played very 'disadvantageously,' and we market to you as if that's not the case, we have very little chance of getting you back. If you've had a very bad visit, then we have to give you more, treat you better.*<sup>4</sup>

”

– Gary Loveman, CEO

Today, Caesars is extending this strategy with mobile technologies in ways that go beyond just a slick-looking app. The company aims to deliver a superior customer experience by leveraging SMS, apps, location data and QR codes in a number of complementary ways. Senior executives point to three fundamental components underpinning this strategy: customer data, mobile and company culture.

## Turning customer data into customer loyalty

Caesars' approach begins with data. The company collects vast amounts of transactional, demographic and gameplay data through its loyalty program to create a detailed profile for each Caesars guest. Employees then use this information throughout the company to make better operational decisions. For example, the company's marketers can create and target special offers with precision. Meanwhile, hospitality staff can use the same information to personalize nearly every aspect of a guest's stay, from how she is greeted on arrival, to how her room is made up. Should a guest have an unlucky evening at the casino, managers on the floor can even perform a cost/benefit

analysis of offering complimentary services to improve the experience.

While it is common across the industry to lavish this kind of personalized attention on big spenders (or “whales” in industry parlance), most casino-goers receive a relatively undifferentiated experience. Caesars' data-driven approach, on the other hand, allows it to scale its personalized touch to a far larger group of customers. From CEO Gary Loveman's perspective, “You can't just fail to service the tens of millions of people that constitute the middle of the market.”<sup>4</sup>

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## Innovating the guest experience through mobile

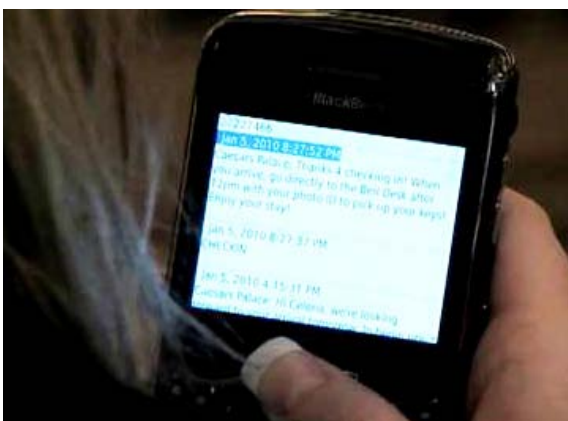
A customer's mobile experience at Caesars begins before he or she even walks in the door. Before arriving at one of Caesars' 40 properties, guests that have opted into the company's Texpress service can check-in via SMS. This enables them to bypass registration lines and pick up their keys at the bell desk. Texpress also combines mobile location data and SMS to deliver timely and

relevant special offers. "If you're at Paris, we could send you two free admissions to the Eiffel Tower ride or if you're at Caesars Palace after 6 p.m., we could send you an offer for the Bette Midler show," explains a member of Caesars' marketing team. "We might have some additional show tickets left over, so knowing where the customer is is a great way to get those tickets pushed."<sup>5</sup>

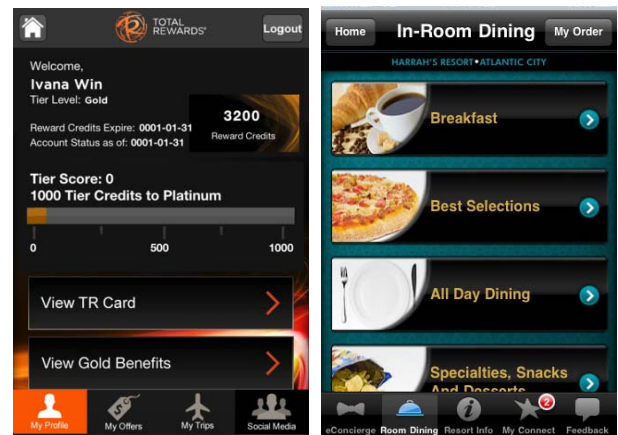
Caesars has also taken advantage of mobile apps to put more of its services at guests' fingertips

during their stay. The company's "myTR" app allows Total Rewards members to keep track of special offers, manage reward points and even book rooms in any one of Caesars' properties. For guests in the company's Las Vegas or Atlantic City properties, apps provide access to a mobile concierge, real-time event information and room service.<sup>6</sup> Staff are using apps to improve the guest experience as well.

**Figure 1: Caesars' guests can use its Texpress service to check in with a mobile phone and avoid lines when they arrive**



**Figure 2: Caesars' applications for mobile devices allow guests to manage Total Rewards points, make reservations, and even order room service**



The company's new Beverage iApp allows wait staff to submit drink orders directly to the bar, cutting the time to deliver a drink in half.<sup>7</sup> Rich Kang, Head of Omnichannel Innovation, commented on the Beverage iApp's success, "We set out to use an emerging technology platform like mobile to transform traditional beverage service in the casino and increase customer service scores."<sup>8</sup>

The possibilities for mobile extend far beyond the handset. Caesars' mobile strategy includes ways to deliver a seamless experience across virtual and real-world channels. To bridge the gap between mobile and traditional web experiences, the company has optimized its website to make

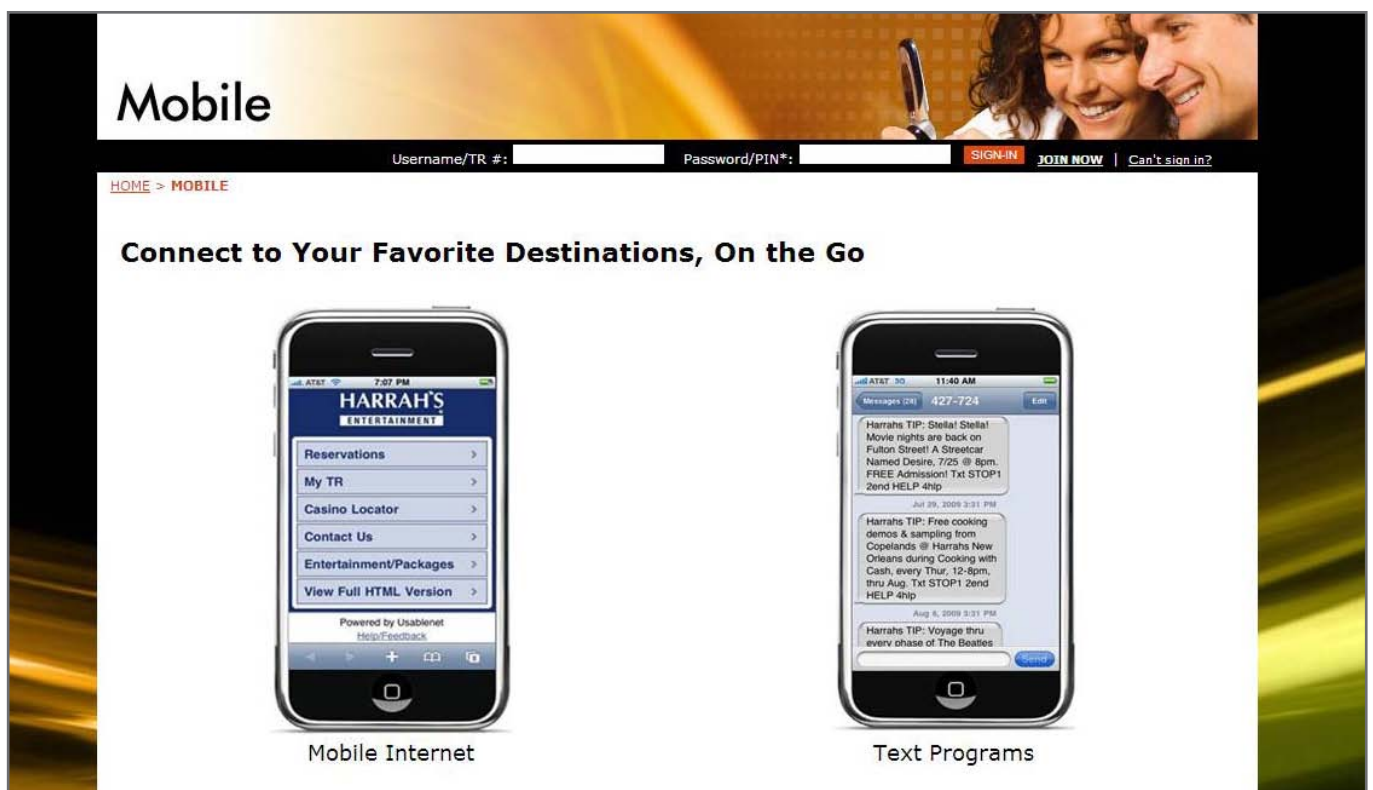
mobile access "sleek and easy to navigate."<sup>9</sup> Caesars also integrates mobile and physical world promotions through QR codes. For example, a guest may scan a code associated with a Jerry Seinfeld promotion that directs her to a video where she can learn more about the show, and a link where she can purchase tickets.

Caesars' executives believe that mobile is a natural fit, given the company's focus on data, closed-loop learning and personalization. According to one executive, "Most decisions with our guests happen on the casino floor. That's where you have to reach them." Every phone in the pocket of a guest represents a unique opportunity to deliver the personalized

service that has made the company famous. Moreover, as a mechanism to integrate channels at the customer level, mobile enables Caesars to deliver a more comprehensive and personalized experience.

As the functionality of mobile expands into social and other domains, opportunities to enhance the guest experience will multiply. "There will continue to be more opportunities with mobile devices to engage with our guests both when they plan travel and while travelling,"<sup>10</sup> explained a Caesars advertising executive. "Social, local, and mobile are huge areas of innovation and places to win."<sup>11</sup>

**Figure 3: Caesars website is optimized for mobile access. Users can enroll to receive special offers and information for each Caesars property via text**



## Sustaining a customer-focused culture

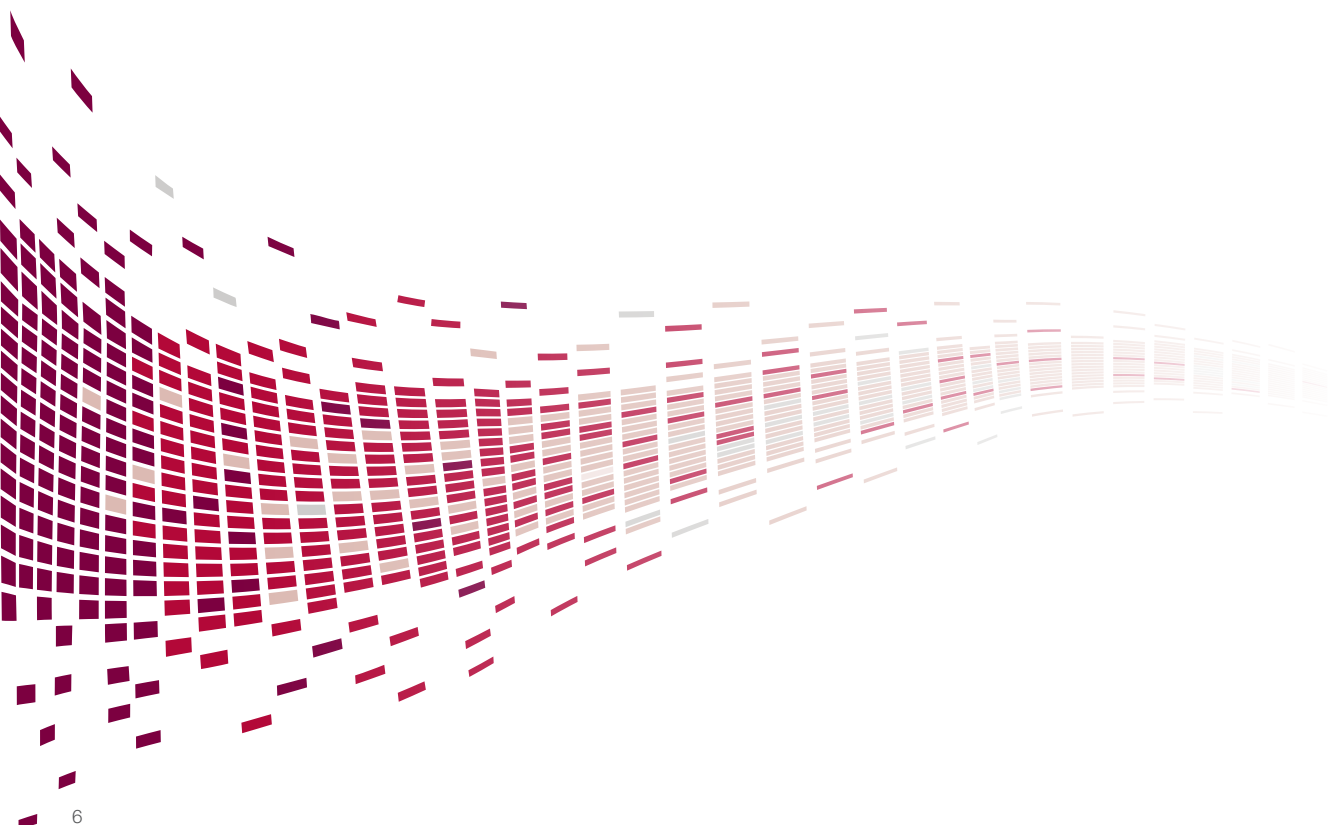
At Caesars, technology has been fundamental to delivering a different kind of experience to its customers. The company has combined a deep understanding of its guests – gleaned through analytics – with new mobile channels and opportunities to interact.

Yet executives highlight solid management practices and company culture – rather than technological prowess alone – as the cornerstones of continued success. The company’s “aggressively collegial”<sup>12</sup> culture seeks to complement

technical novelty with on-the-ground operational experience. Commenting on the relationship between centralized data analysis teams and on-the-ground operators, Loveman says, “If what we’re asking him or her to do isn’t working, they’ve got to be screaming. That’s their right. They can’t be deferential.”<sup>13</sup> He also tells the story of Jadwiga Maruszczyńska, a member of the housekeeping staff at the Flamingo Las Vegas, whom guests request by name because of her attention to details like children’s names and room preferences.<sup>14</sup>

Whether drawing on insights from advanced analytics, mobile or good old-fashioned attention to detail, the culture at Caesars is

rooted in a common pursuit: using information to deliver a superior customer experience. Looking forward, the company expects to continue leveraging new technologies to innovate the customer experience, while maintaining the level of service its customers have come to expect. According to Loveman, “The experience has to be what our customers want it to be. There’s a whole engine that needs to get that right.”<sup>15</sup>



## References

- 1 Formerly known as Harrah's Entertainment Inc.
- 2 See [https://caesars.hodesiq.com/careers/Link\\_nav/about/awards.asp](https://caesars.hodesiq.com/careers/Link_nav/about/awards.asp).
- 3 Master of Enterprise Loyalty Award, COLLOQUY (2012).
- 4 Interview conducted by Andrew McAfee on Dec 12, 2012 as part of the MIT CDB conference "Big Data: The Management Revolution."
- 5 Harrah's launches iPhone app; Caesars bypasses check-in, Las Vegas Sun, Jan 8 2010.
- 6 "Caesars Palace LV" app supports all Las Vegas locations: Bally's Las Vegas; Flamingo Las Vegas; Harrah's Las Vegas Casino; Imperial Palace; O'Sheas Casino; Paris Las Vegas, Bill's Gamblin' Hall & Saloon and Rio All-Suite Hotel & Casino. Total Connect app supports 3 Atlantic City locations.
- 7 CIO100: Caesars Entertainment Corp, 2012.
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- 9 See Caesars website (<http://www.caesars.com/mobile/wap/>).
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- 12 Interview conducted by Andrew McAfee on Dec 12, 2012 as part of the MIT CDB conference "Big Data: The Management Revolution."
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