

## Success Story

### Think Flat

Gaming major's winning ways are driven by customer insights

*A simpler, friendlier loyalty program boosts profitability across properties*

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### Abstract

For a gaming conglomerate that owns more than 40 casinos in three countries under multiple brands, the key to profitability lies in letting customers take control of their winning ways. The company wanted to enhance and streamline its existing loyalty program to make it more attractive and increase customer retention and cross-property play.

## Making money from Information

### Industry:

*Media and entertainment*

### About the client:

*The company is one of the largest gaming conglomerates with 40 casinos in three countries under three brands.*

Keeping customers happy is every company's mantra for profitability, but earning the loyalty of happy customers is a veritable jackpot. For a US gaming conglomerate that owns more than 40 casinos in three countries under multiple brands, the key to profitability lies in letting customers take control of their winning ways.

The company wanted its existing, highly successful loyalty program to go the extra mile. It partnered with Infosys Technologies, a \$2 billion global company that defines, designs and delivers IT-enabled business solutions, to re-engineer its Casino Management System (CMS). The result: a simple, user-friendly solution for its patrons.

Visibility, Control, Portability and Patron Inspiration were the four objectives the company outlined in order to offer its patrons a user-friendly solution. To realize these, it needed an enhanced and streamlined version of its existing loyalty program, one that would make it more attractive and consequently increase customer retention and cross-property play.

The process of earning and redeeming points had to be simple and transparent. The company wanted to enable a direct relationship between coin-in and rewards. This would help patrons gain full visibility into their points and redeemable benefits (e.g. comps). Further, points were to be made visible to patrons through various touch points – slot machine readers and kiosks.

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*By effectively translating customer behavior into insights, the company has retained its leadership in cross-property play, a major drive of profitability.*

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The rewards had to be “bankable”. Taking a cue from the success of airline miles, the company wanted patrons to use rewards at their discretion with the barest minimum of restrictions. Another notable feature was portability. Patrons' points had to be portable across multiple properties and brands. Points could be accumulated across properties and used at any time for higher value comps. Additionally, a tracking mechanism was required to monitor the profitability of each property when rewards were redeemed.

Adding to the complexity, the company wanted to build an additional tier in its loyalty program. It wanted to clearly distinguish service levels between various tiers — a strategy introduced to inspire patrons to earn additional rewards and migrate to higher tiers where they would experience increased benefits and service levels.

The biggest challenge before the company, apart from the complexity of re-engineering the customer relationship management (CRM) system, was time. The company's marketing group wanted to launch the revamped program before the busy summer season in 2003.

As the company's strategic development partner, Infosys was involved in re-engineering the existing CMS. It designed, developed, tested and deployed user interfaces, core business functions and intelligence reports. The user interfaces tracked play information, issued and redeemed points. The core business functions and rules managed player tiers, provide players with better visibility into their reward and credit balances, and enabled them to control and transfer points. The intelligence reports enabled casino supervisors, floor managers and senior management in decision-making.

Infosys helped build key interfaces between the CMS and Slot Data System, and between the CMS and kiosks. These interfaces enabled the display of points on slot machines or kiosks. Infosys simplified the technical implementation of the business processes involved in earning points on the casino floor, which increased their efficiency.

To address the 'portability' objective, patrons were allowed to accumulate and transfer points or reward credits across properties and redeem them at any time for higher value comps. The Casino Management System was re-engineered to allow patrons to transfer points and rewards credits accumulated in one property to other locations. New functions were added to allow patrons to accumulate points for up to six months. Patrons now had significantly enhanced control and transferability over their points.

Infosys helped the company add a new tier to the existing loyalty program tiers. Business processes were re-engineered to identify, evaluate and move patrons across various tiers. This gave the company visibility into identifying and offering premium services to high rollers. Infosys' Global Delivery Model (GDM) helped to distribute and parcel work to appropriate geographic locations for speed, economy and faster time-to-market.

Right on deadline, the program was introduced before the busy 2003 summer season. At the end of fiscal 2005, the gaming major's loyalty program led the industry with over 40 million registered patrons. By tracking play across properties and rewarding patrons based on actual play, the company successfully achieved higher loyalty levels in the competitive casino gaming market.

The success of its loyalty program has helped the company post significantly better results and growth, well above the industry average. By effectively translating customer behavior insights to profitability, it has retained its leadership in cross-property play (2004-05), with over 12% of its customers playing across properties.

What else could the company have done it was thinking in a "Flat World" way? Discuss at <http://blogs.infosys.com/thinkflat>



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#### About Infosys

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