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Do casinos really know how their guests feel about them? Casinos need to have a firm understanding of the answer to this question and it has nothing to do with satisfaction. Customer advocacy is the key. Martin R. Baird, chief executive officer of Robinson & Associates, Inc., explains in this article.

Do You Know If Your Casino Is Fanatically Loved By Its Customers?
By Martin R. Baird

Do your guests fanatically love your casino? Does your casino offer such a superior gaming experience that it generates that kind of devotion at the customer level?

The fanatical love question comes from none other than Forbes magazine. In a recent opinion piece, publisher Rich Karlgaard didn't write about the gaming industry, but his point was well taken. He laid out seven skill sets of successful corporations and one of them had to do with customer devotion. Karlgaard wrote that "products must stick out to get noticed and *be loved fanatically by users to get real momentum.*" Successful companies achieve that goal. (I added the italics, by the way.)

From my point of view, an equally important question is whether casinos have even the foggiest notion of how guests feel about them. I think few casinos really know if their guests love them and are fanatical about them. Karlgaard calls these customers fanatics, and we call them advocates. Advocates are the deciding factor in your casino's future success.

So what do you do if you don't know how your guests feel about you?

Fortunately, that's simple. You measure how many advocates you have. If you measure the degree to which your customer base is composed of advocates and express it as an index, you have a powerful number. From that moment forward, the index is a benchmark for future success. The more advocates you have, the higher the index number and the greater your success. Advocates are critical to your bottom line because they return to your casino again and again to play (repeat business). They tell others about your casino and encourage them to give your property a whirl. That creates new customers (new business). If those new customers become advocates, the cycle starts again.

You can even use the index to predict future growth. If, for example, you knew that a five-point jump in the index would result in a 3 percent increase in revenue within 12 months, well that is a potent management tool. What if you looked at it in reverse? What if you set a goal of a 10 percent increase in revenue and determined that you could accomplish this mission by increasing your advocacy score by 20 points?

The beauty of such an index is that it is easy to implement and communicate internally. Management and employees simply focus on improving the gaming experience to raise the index ever higher. Yes, you need to measure periodically, but managers and employees only need to know one number. Everyone can watch the trend line established by the index over time to know how well they are doing. That is about as simple as you can get.

I didn't dream this up. Research published in Harvard Business Review shows there is absolutely no correlation between customer satisfaction and the future

performance of any business. Even measuring customer loyalty is not good enough. The Harvard article points directly to advocacy as the key. The importance of advocacy is the result of 10 years of research of more than 4,000 customers in 14 industries. Advocacy is not well known in gaming but it is in other industries. Companies such as Dell, Intuit, Enterprise Rent-A-car, Symantec and Harley Davidson use methodology similar to the index I've mentioned in this article.

The research published by Harvard undermines the gaming industry's infatuation with customer satisfaction surveys and comment cards. Neither can identify the customer as an advocate. Measuring satisfaction is a waste of time, energy and money. The problem is that guests can say anything they want on a survey or card because they have nothing at stake. But they put their personal reputation on the line if they advocate on behalf of your casino by voluntarily recommending it to others.

Guests who fanatically love your casino are advocates. You want to have as many of those customers as you can possibly get. Your casino may very well have some advocates in its customer base, but to what extent? You need to know the answer to that question so you understand where you stand today. Only then can you plan your future success.

To read other articles by Martin Baird, go to www.casinocustomerservice.com/post.htm

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