



TUESDAY, DECEMBER 6, 2016

Making Smart Data Sexy

PRESENTER:

Angel Suarez: Executive Vice President, Red Circle

Ms. Liz Bracken: Okay, if you could take your seats, we'll get going with the last panel before lunch. I think you're gonna really like this one.

It's been a great morning, and we want to continue that.

Before I introduce Angel, I just wanna remember our sponsors.

This session is sponsored by Racing & Gaming Services Limited.

Immediately following this, everybody is invited to the awards luncheon where we will honor Art Sherman with the "Big Sport of Turfdom," and there'll be some other awards that will be given out as well.

The Luncheon is sponsored by "The Stronach Group."

Angel just got in late last night and, "Thank God,"

[Laughs]

--because he's got a great presentation.

He is the Executive Vice President of "Red Circle."

Red Circle is exhibiting out here too. If you go out the door and kinda go by where Betty's office is, they're in the corner there.

Red Circle is a full-service advertising agency.

Angel has worked with nearly 100 casinos and racinos around the country for the last 15 years.

Before that, he had a lot of experience working with national companies and putting together their campaigns, like Walt Disney Company, USA Today Sports, and ESPN.

He's going to do some of that, talk to you about some of those campaigns.

We also asked him to really give you guys some really good ideas, things that you can bring back to your companies, again, that are easy things to do, don't cost a lot of money, but, basically, "best practices."

I think it's gonna be a great presentation, and I'm gonna turn it over to Angel.

Mr. Angel Suarez: Alright.

Did the mike go on?

[Applause]

Alright.

Thank you for having me.

As Liz mentioned, I'm fairly new to the gaming world.

I've been working with Red Circle for only four years. Prior to that, I worked for traditional advertising agencies, kind of big Madison Avenue agencies, if you will, in New York City.

I managed a \$26,000,000.00 advertising account there at a company called "Arnold Worldwide." I left the agency side to become a client, so — such as some of you here that might be running marketing departments for your properties, you might hire an ad agency; and, at that point, be on the client side.

I happened to be at the client side at ESPN at a time when live sports were just being introduced to the Internet.

My team put together the "brand strategy."

At the time, it was called "ESPN360.com." We re-branded it to be "ESPN3."

We did a lot of research to determine what that website should look like, the features of that website, how to be very "user friendly" to sports fans; but, then, most importantly, what type of content should that website have?

We launched a national marketing campaign, across platforms around the FIFA World Cup in 2010. As the Brand Manager, I had a lot of fun working on that project.

Then a small group of us left ESPN together, and we got an opportunity and a budget from USA Today from the Gannett Company to launch a new sports division called "USA Today Sports" where I was the Director of Media Sales, media partnerships. A lot of that had to do with digital media.

As Liz just mentioned, when you're looking for cost effective ways to market your properties, you've gotta be in the digital space.

It's the most cost effective medium, and also the most measurable medium that there is. We're gonna talk a lot about some of what the big brands are doing, based on my personal experiences and working on campaigns with these brands.

We're gonna talk about what the casinos are doing.

As a full-service marketing agency at Red Circle, as Liz mentioned, we've worked with nearly 100 casinos over the last 15 years.

I'm gonna share some of the "best practices," mostly in the digital marketing space for what casinos are doing.

Then we're gonna finish up with a case study: one of our clients, Kentucky Downs, how we were able to take their marketing efforts to the next level.

We start with a quote. "He who has the fastest, most accurate and most complete data will win."

As Tom mentioned before, when he was on stage, casinos are leveraging data in a way that's very, very sophisticated, which is the reason why I left the sports marketing world to come to Red Circle.

The way that casinos handle marketing, it's unlike most industries because it's so driven by data.

You're gonna hear me say "data" about 3,000 times throughout the course of this presentation.

As marketers, data can be intimidating. There's all kinds of different technologies out there, I'm sure, many of which are exhibiting today that are giving you data; but if you don't know what to do with that data once it's given to you, then it's not gonna be very fruitful.

The idea here is, "How do we take all that 'smart data' and make it sexy?"

By “making it sexy,” I mean, “How do we put marketing dollars into the marketplace, and then get a sizable return on that investment?”

Every dollar you send out should be garnering multiple dollars back. First, we’re gonna talk about what the big brands are doing to leverage data. These case studies are personal to me, actual campaigns that I’ve worked on.

We’ll start with the ESPN one that I mentioned, ESPN3.com.

First things first — well, let me just step back and talk about their current situation.

We’ve got this ability to stream live sports on-line.

New technology kinda just came out.

The question is, “How do we develop a product and market that product that’s gonna engage millions of avid sports fans from around the country?”

First, we gotta do the research, find the data so that we know what to do in order to build the product and market the product.

We did “quantitative research” in the form of e-mail research.

“Quantitative” can be phone surveys. It could be e-mail surveys. ESPN has a division called FRM (the Fan Relationship Marketing Division).

We have millions of e-mails in our database at ESPN.

We know a lot about these folks, ‘cuz they’re opting into receive our e-mails.

For your properties, when you’re getting people to opt in to receive e-mails from you, it’s an opportunity for you to really learn a little bit about them so that the messaging you’re sending them doesn’t feel “sales-ey.”

You’re giving them information that actually matters. Ask them questions.

In this case, at ESPN, we know what sports they’re into. We send these surveys out and get a lot of information that way.

“Qualitative research,” in the form of ethnography research, so “in homes.” ESPN actually flew me around the country.

I went into the private homes of avid sports fans, Alabama College football fans, Kentucky basketball fans.

I’d sit over their shoulder while they’re using their own personal computer, and they’re demo-ing this website product.

What I want to do is, I want to determine, "Is the website user friendly?"

What type of content would you be looking for us to add to the website?

Should we add a social media feed module?"

All these little things, and taking all that data is very important in terms of investing on next-steps, from a product development standpoint, as well as marketing.

What we determined from the research is that our strategy should be, "Find displaced fans."

By "displaced fans," I mean — I went to Florida State University; and if my team is not on television, I can go on-line and watch it, because I'm a "displaced fan."

If I'm from England and I like English Premiere League soccer, but I can't watch soccer on television, I'm gonna go on-line and watch it live on ESPN3.com, so we had our target at that point.

"How do we use the data after we did all this research?"

First and foremost, you build the product, develop a new user friendly site.

We determined that we needed to license content that we know is going to actually engage fans to not watch the game on their 65-inch television, but actually watch on their laptops.

We focused our efforts on that "displaced fan," which was college football, college basketball, and international soccer.

We found that 76 percent of the people that were coming to the site that consumed content were following those very specific sports.

Now we have our content strategy and what type of content we want to license.

Then we want to execute a holistic marketing campaign to reach these folks across TV, radio, print, digital, especially.

In the digital space, you're just one click away.

I'll share some of the ways that we — example/tactics of how we are data driven, on-line marketing, digital marketing in our plans.

Then we want to monetize all of this, obviously, to gather this massive audience.

They say in the on-line world, "If you build the product first, then you grow your audience; once you get that audience, then you sell it, whether it's subscription based or ad sales based."

In ESPN3.com's case, it's kind of a little bit of both.

One of the things we did was search engine optimization of the site and search engine marketing.

For those of you that don't know, this is probably the most important on-line marketing thing that you can do.

It's the reason why big brands, when they're looking at their digital marketing, their on-line marketing budget, most of it goes towards this.

It's because they are "googling" things like "things to do in your area."

Maybe they're "googling" gaming-relative terms.

Maybe they're "googling" racing-relative terms.

Maybe you're a very competitive market that's saturated.

This is a way so that when somebody's engaged enough to actively be searching for it, you're getting them right at that moment, because your properties are coming up at the top of the list.

This is what we did for ESPN.

We bought key words pertaining to those key sports, going back to college football, college basketball, and international soccer as our focus.

Also, in social media space, a lot of properties and businesses make the mistake of using social media as a sales tool, but it's not.

They call it "social media" for a reason.

It's meant to be "social."

It's meant to be fun.

It's meant to build brand loyalty, engaging your guests.

It was "low hanging fruit" for us to go into the social space, whether it's Facebook or Twitter, find where these college football, college basketball, international fans are already engaging in conversation, and then we organically integrate ourselves and say, "Hey, good news!"

Thousands of people on this English Premier League feed that are talking about the big match coming up, "Here's a link where you can literally go watch it live right now!" Social media.

"E-mail marketing."

Again, I mention that "Fan Relationship" marketing."

Huge database of folks!

We know a little bit about them when they opted into our e-mail address.

Therefore, we were able to target them with specific messaging relative to what they'd be interested in.

I'm gonna get into "best practices" for that, for what you guys should be doing, in a little bit.

Then this is really cool.

This is what we called our "dynamic display banner ads."

On the backend, ESPN has all this data, 'cuz the game is going on in that moment, and someone can actually click on it and watch it live.

What we did was, we called our department down the hall, which is the ESPN.com team, and we said, "Hey!

You guys have tens of millions of people coming to your website every single month.

Why don't we put a banner ad on the landing page for college football, college basketball, and international soccer that literally has the play button; so that if somebody is already engaged with that sport, already actively consuming that content, all of a sudden, when they see this little play button, they're like, "What is that?!"

This is back before people had as much access to live streaming sports as they do today.

Obviously, there's lots of companies doin' it now, "CBS News World," etc.

Back then, it was kinda like, "Huh! I wonder if I actually click this play button, is it actually gonna play it for me?"

Then, boom!

They're inside a live college football game or a college basketball game, so data driven "dynamic display" advertising.

ESPN3.com today, I just looked this up.

In September, they had 10.8 million unique devices visit that website.

They had 2.2 billion minutes spent on ESPN3.com across those devices.

Now, I watch ESPN, which is kind of the umbrella app that embodies ESPN3.com, along with other live and "syndi-cast" content, is a household name amongst avid sports fans everywhere, especially those that we were targeting out of the gate.

Lots of success there with that product.

It continues to grow and evolve.

I had a lot of good times working on that.

Next case study, we'll talk about "Gatorade"; obviously, a sports beverage everybody's very familiar with.

Now the sports beverage category is as competitive as ever.

You've got new sports beverages launching all the time.

Obviously, there are the big ones, "Gatorade," "Powerade," etc. How does Gatorade stay ahead of the game in such a competitive market?

They did the research to find the data, right?

"Quantitative" and "qualitative" research that Gatorade did determined, "Hey! Participation in high school sports has grown 26 years in a row!"

How many people here have kids that play high school sports? *[Some audience members raise their hands]*

Not as many as I thought there would be.

[Laughs]

Nonetheless, everybody's well aware of how popular high school sports are, and how much of a part of your family every-day life high school sports brings to the table.

They also did research and determined that teen athletes, specifically, they're the trend setters, the tastemakers in the classroom, and they're more likely to be loyal to brands that organically interact with their everyday life.

We talked a little bit about millennials earlier.

Very similar situation. If you can find a way to organically interact with their everyday life without feeling like you're selling them something, they're gonna gravitate towards your brand.

This was not while I was at ESPN. This was while I was at USA Today Sports.

USA Today Sports has a website, a high school sports website, specifically.

It's pretty interesting.

It not only has high school sports content, but it works as a tool for athletic directors, high school athletic directors, parents, and athletes around the country.

You can go onto that website and you can see when your school is playing next, what time the bus is picking you up, what that school is ranked compared to your school, the results of the game.

It's a really neat tool that is within that high school sports niche, but they had millions of people comin' to their site on a monthly basis that were both students, as well as parents, and athletic directors.

They came to us when I was at USA Today Sports and said, "How do we develop a campaign to reach these high school athletes, to get them loyal while they're young, so they partner with us, and specifically partner with us for our high school sports platform, and our high school sports website?"

Similar to that "dynamic display" that I showed you earlier for ESPN, we thought, "Okay, we've got all the data that we need in order to do cool, breakthrough, creative stuff here."

At the time, Gatorade was pushing their "prime, perform, and recover" products.

You drink one before the game.

You drink one during the game, and you drink one after the game. They want to drive awareness to those products in order to make money, obviously.

What we did was, "Let's make a dynamic banner ad so that if a student comes to the website before the game starts, we're gonna say, 'Hey, don't forget to 'prime.' Don't forget to drink that 'prime' product.'" If they click through to it, they'd go to a landing page that gave them information on that "prime" product.

Now if they came after the game ended, and they want to look at their stats, and they want to see how their rival school down the road did, we have the data that shows that that specific athlete, from that specific school, just finished a game, so we serve them a different ad that says, "Hey, don't forget to 'recover,'" and drives them to a landing page on the "recovery" product. When you give them messaging that's relevant to them, that they care about—and this goes for advertising in

general, which I'm gonna hit on a little bit more later—they're more likely to engage. They're more likely to notice it. They're more likely to click on it and generate some form of action.

I don't really have numbers to share in terms of growth of sales of those products coming out of our campaign, other than the fact that, when we put that banner ad on, the click-through rates increased 400 percent because the content within that ad was relevant and timely. I'm just assuming that the campaign and that strategy for high school athletes has been going quite well because just the other day I saw this commercial by Gatorade.

[Plays Gatorade Commercial]

A little bit different than the days of old where they were pourin' stuff on professional coaches' heads, and they were lookin' at Michael Jordan doin' dunks.

It's high school athletes now!

Speaking of high school athletes, Under Armour came to us while I was at USA Today Sports.

They said, "Hey, we've got a very similar strategy as well. We want to get these high school athletes while they're young to wear Under Armour. What can you do for us?"

In the digital space, you have the opportunity to create content for your properties that is relevant to your audience, relevant to your guests, getting them to share it through social media, YouTube, etc., cost effective.

It's not nearly as expensive as buying TV media, for example, to create a digital video and distribute it on-line.

This video was created — oops —

[Can't get video to work]

Never mind, it's probably a blessing in disguise, 'cuz I feel like I'm gonna be tight on time.

It's a video that essentially — we created — it was custom content where we shot behind-the-scenes footage of one of the biggest high school football programs in America, and organically integrated throughout the video, they were wearing Under Armour.

It's a good way to have organic brand integration for those high school athletes that we talked about earlier.

One thing that I want to touch on is the — oops — is "data driving creativity."

Typically, when you think of “data,” you think of database marketing strategy.

You think of media planning.

You think of those types of things, but data can actually drive a lot of what your properties do on the creative side of things.

I’m gonna quote, “The science of decision making” — Simon Sinek — if you’ve got time later today, I highly recommend you watch his TED talk.

He has this theory that really struck a chord with us because we at Red Circle feel the same way as it pertains to how we advertise for casinos.

There are these different parts of your brain, in the human brain.

There’s the limbic brains.

The limbic brains control all emotions, feelings, and all decision making.

There’s the neocortex which is logic, reasoning, analysis, and language.

What does that mean?

That means that all decision making is driven by emotion.

That’s why the most successful advertising campaigns out there are driven by creating an emotional connection to your brand.

There’s the old saying, “Information tells; emotion sells.”

That’s exactly why.

It’s driven by science.

Here’s an example of a TV spot that Apple did to promote the iPhone.

Again, they’re not showin’ the product features.

They’re not showing the difference between their product and their competition.

They’re not showing a brochure ad, if you will, which is something that we frown upon.

You gotta find what that thing is that makes you different, create that emotional connection and that excitement.

Don’t just “sell” them, “sell” them, “sell” them.

This is an example of how Apple uses emotions to sell their product.

[Plays Apple video]

Pretty emotional stuff, right?

They're not talking about the features of the phone.

They're talking about what it means to be family, what it means to be with your family during the holidays, and Apple, being there as an organic part of your life, as part of your lifestyle.

Our creative method is, "Figure out what's that emotion that we're trying to get.

How are we gonna be different than the competition?"

Some of you are fortunate enough not to have as much as competition, so you can really focus on the casino excitement or the racino excitement, and have the guest be the hero.

It's more believable when you see the guests enjoying themselves, having a good time, having a good experience than just shots of the inside of a property, or stock footage that everyone within the industry is using.

You can still wrap the casino or the racetrack amenities around that, obviously.

There's gonna be new developments, new food and bev, or whatever the case may be, that you can organically put in there.

Your focus needs to be creating an "emotional connection" with your guests.

That's what's gonna set you apart.

This is an example of that.

This is a campaign that's been around for about 12 years now, that we've been doin' for Grand Casinos in Minnesota, that really is an example of how emotions can be the center point to sell folks to be loyal to this property.

[Plays Grand Casino video]

True story.

It's very interesting, when we do casting for that property, because we tell the guests to come in.

I'm sure, as everyone here is well aware, it's a scary thing where you give your guests an opportunity to be on television on behalf of your brand.

You gotta do a good job of finding the right characters and the right stories if you want to go with that approach.

Here's another example that we did.

[Plays Grand Casino video]

How do you get data that supports that your brand strategy is right?

A lot of times marketing directors and marketing departments go with their gut, or you have that CEO who wants to be the face of the property and be in their commercials,

[Laughs]

but how do you make sure that your brand strategy is actually resonating with your guests?

The answer is pretty simple.

All you need to do is ask 'em.

Take the time, as Tom mentioned earlier, you have database, you know who your most valuable guests are.

It's important to understand what insights they have about your property.

It's important to understand what insights they have about your *competing* properties.

Sit down with them.

Ask them questions.

I'm gonna show you just a little clip of a focus group that we did.

Now these people have no idea what they're doing there, or what property has paid for these focus groups.

I'm behind a one-way mirrored glass with Grand Casino's CEO, marketing executives, and my strategy team.

We're picking the brains of these people who we know are avid gamers in the Minnesota market.

What we want to determine is, "Is our brand strategy on point?"

Are they remembering our commercials?

Are they remembering 'em in a way that's creating that emotional connection that I talked about, that's gonna get them coming to Grand Casino and not to their competitors, Mystic Lake and Treasure Island?"

Just a little clip to hear some of their reaction.

[Plays Grand Casino focus group clip]

We picked their brains for well over an hour.

They didn't mention or recall any of the competition's ads, because we created an advertisement that had an emotional connection with these people.

That's what you want to go for for your properties.

How are casinos using data in the digital world?

We're gonna focus a lot about on-line marketing here.

"E-mail marketing."

A lot of racetracks, casinos, they understand, and have understood for many years, the power of direct mail, the power of direct marketing, the opportunity to segment and offer to a guest, based on their value to the property, to get them coming back and keep them loyal.

You gotta treat your e-mail program just like your direct mail program.

You'd be surprised how many casinos are still behind the curve on this stuff.

E-mail marketing is now considered the leading communication channel.

91 percent of consumers report checking their e-mail at least once a day.

I'm sure everyone in this room checks it many, many times a day.

E-mail efforts that are tied to your database are gonna make sure that you're getting the right offer or the right message to the right guests.

You wanna give them information that they actually care about; because if they don't care about it, they're gonna delete it.

They're gonna kick it to their spam.

They're not gonna open it.

They're gonna opt out of your e-mail program.

Make sure the information you're giving them in your e-mail communication is relevant to them.

Don't send e-mail "blasts."

We never use that word at Red Circle.

Send targeted, smart e-mail that's giving them information that they actually care about.

Information that's gonna get them to come to the property.

That's another thing.

Using your on-line media budget for brand awareness is great; but what you really care about is, "How do we get them off of their computers, or off of their smart phone, and into your property?"

E-mail marketing can do that.

It's something that they can show at your player's club.

It's something they can redeem for an offer.

Then you track and see their activity while they're there.

Measure it, and make sure that what you're doing is smart.

We'll tackle a little bit of that more here in a sec.

From your e-mail marketing campaign, you want make sure that you send 'em some type of a welcome e-mail.

Once they sign up, you want to shoot 'em an e-mail, thank them for signing up for your e-mail program.

Let 'em know some of the benefits that they're gonna get as part of your e-mail program.

Things like "exclusive offers," coupons, etc.

"Newsletters and promotions."

Do your properties have big things going on in that month?

Make sure that you're sending it out saying, "Hey, this is the information on why you need to come this month!"

"Exclusive offers" is key.

That's how you can determine and measure your ROI when it comes to e-mail marketing.

You send out an e-mail offer that's targeted to guests that you want to bring back.

You can take a look at the data and determine how many people redeemed that offer.

How long did they stay, and how much revenue did they generate while they were there, especially if you have database marketing software?

Then "triggered offers."

Triggered offers are newer technology.

Casinos are using it in a way that is very sophisticated.

It's based on some type of an event threshold, loss/threshold win, things along those lines, where it will automatically fire out an e-mail to them.

You want to grow your e-mail database.

There are lots of ways that you can grow your e-mail database.

You can pay a third party to do a "list append."

It works to some degree, but we recommend organically growing your e-mail database as much as possible.

Then you know, the people that are in your e-mail database actually care. Clean your lists.

There are tools out there that will allow you to make sure that the e-mail addresses that you have are accurate.

I talked about the "list append."

The way a list append works is, if you have a current database of folks that you have, maybe, their home address, personal information for, you can scrub that entire list and get an e-mail list of, maybe, 20, 30 or upwards of 40 percent of accurate e-mail addresses using third parties.

“Website optimization.”

Give folks a call to action on your website to sign up for your e-mail program.

“In-room capture.”

If any of you have hotels, there are tent cards, and things along those lines, you can use to drive awareness.

You can create custom contests.

On the creative side of things, there’s your e-mail.

You want it to look sharp.

You want it to stay consistent with your brand, your brand tone, your brand “look and feel.”

You want to be responsively designed.

We build websites at Red Circles for casinos all over the country.

We see the data that over half of the people coming to websites these days, even in gaming, are coming in through their smart phones.

Now it’s as important as ever, to have everything you do, from an e-mail standpoint, be a responsive design to the mobile device, so that it will automatically show up in the right size and easy to read.

“Preheaders,” “ALT tags,” that’s kind of getting more into the reason and “granular” on “best practices” in “e-mail creative,” but A/B testing is really cool.

A/B testing, essentially, what you should do is, create two different versions of an e-mail, right?

Let’s say you have a 100 percent of your e-mail database.

Send ten percent of your e-mail database one version of the e-mail with one version of a subject line.

Do the same thing with another ten percent, and then measure them against one another.

Whichever one garners the most “opens,” and the most “clicks,” that’s the one that’s the most appealing to your guests.

Send that one to the remaining 80 percent.

A/B testing is something we do in display advertising, too, which is another thing that I'll get to.

From a measurement standpoint, you want your "deliverability," so how many people, actually, that you sent this e-mail to did it successfully get delivered to?

It didn't get kicked back or bumped to spam.

You want that to be 99 percent.

"Open rate," how many folks actually opened the e-mail.

"Click-throughs," how many people actually clicked on the e-mail.

You want to make sure you're not losing contacts or people are opting out of your e-mails.

If you have the ability to, or if you have the staff — a lot of the casinos will have database folks on staff — and they'll be able to take a look at "guest redemption," and how many people actually came in and used that e-mail to redeem an offer.

"Website development."

I touched on this.

You want to make sure it's mobile and tablet friendly.

If you pull up your website right now on your phone, and you've gotta go like this *[demonstrates tilting cell phone]* three times just to read something, it's not mobile friendly, and you've got to get rid of it.

"Search engine optimization," is an easy way for you to have organic people find you when they're "googling" things in your area that are relative key words to racing, things to do, etc.

There's a whole strategy that goes into just determining what words you should have as part of your mix.

There's a way you can build your site so that it's optimized with the appropriate content, the appropriate tagging, the appropriate development, so that you don't necessarily need to pay Google for those paid search terms, that your website is organically coming up at the top of the lists when people are searching and engaged.

Make sure it's, obviously, user friendly with a nice design that's consistent with the look and feel of the other creative pieces, advertising pieces, that are out there in the marketplace.

“Content management system” is important.

There are a lot of moving parts and pieces with your properties, and your marketing departments tend to be short-staffed.

There are ways that you can push your website to be developed so that there’s scheduling tools on the back, so that it’s not February 15th, and you’re promoting Valentine’s Day on the homepage, those types of things.

Make sure you stay on top of the upkeep of the website, and you always have relevant content up there.

“Updated photography and property amenities.”

I can’t stress that enough.

In many cases, your website is the first impression of guests, right?

Especially when you talk about tackling new markets or new properties.

I know a lot of you probably have local markets, and you’ve been around a long time.

In the event that someone comes to your website, has never been, but is considering to give it a try; if that website looks terrible, if the experience is terrible, if the photography looks terrible, there’s a chance they might change their mind or go to the property down the street.

Photography, I can’t stress enough how important that is in terms of appropriate website design “best practices.”

We measure through things like “conversions.”

Casinos, they have hotels.

They’ve got spas.

They’ve got golf courses.

They’ve got restaurants.

There’s plug-ins across all of things for reservations.

There’s, what we call a “pixel,” that you can put on your website that will essentially measure it from the moment that someone clicks on an ad that they see on their favorite website, comes to the landing page, let’s say, for example, to book a hotel room.

We can measure, now, if your digital media that you have out there on-line is actually converting people to book hotel rooms, to buy tickets to entertainment.

All those things are extremely measurable, and you know that those dollars that you're — again — putting out there in the marketplace are garnering a return.

Much more measurable, than, say, a billboard, for example.

How many billboards have you seen that you can look at and say, "That made me 300 more hotel room bookings and \$30,000.00 last month."

It doesn't happen.

Increase "search" visibility.

Keep on top of that.

If you have people on staff that are willing to learn it, Google has a lot of training that they can do to be "Google-analytic certified," "Google-ad word certified."

If you have someone who is young, who is hungry to learn about this type of stuff, Google has a lot of tools that they can access to be certified in those areas.

Obviously, we're measuring growth in site traffic, so how many people are visiting the site?

Then, how many people are signing up for the club or to your e-mail program through the website?

Just some ways to measure that.

I mentioned what SEO was.

"Search engine marketing," as well, it's super-important.

You've got a guest who might be interested, right?

Once they start searching for it, we know we've got 'em engaged.

Then we want to target them with ads on-line.

I'm gonna get into the ways that we can target them in a second here.

Then we want to keep 'em loyal through things like the e-mail program and Facebook, to keep them coming back to your property and not the competition down the road.

The way we look at it is, it's kinda like putting a billboard on top of a billboard.

If somebody is searching for racetracks in your market, or gaming-related terms in your market, and you have a proper paid search engine marketing campaign out there, you're gonna come up at the top of the list before that property they might have been searching for.

You can actually bid on the key words of your competitors.

If you have a competitor down the road, you can buy, literally, the name of that property; so that when someone's searching for your competitor, you're coming up at the top of the ranking, so it's driving away from their site and to your site.

Leverage to search engine optimization to determine which key words are working.

Not to get too complicated, but people who do get "Google ad word certified" will have the ability to understand which words people are searching for most, and maximize the key words that you're bidding on.

It is a "cost-per-click" model, which is great.

It means unless somebody clicks on it, you're not gonna pay for it.

Only people who click on that Google search result, or that paid ad, are you gonna get charged for, which is nice.

"Display advertising."

Display advertising is more of a brand awareness tool.

There are ways that you can make it promotional, like I mentioned before, which I'll get into, "site re-targeting."

Display advertising is basically the banner ads that you see when you're on favorite websites, right?

It could be text links.

It could be logos.

It could be pictures, images, video, or rich media.

Anything that you see in terms of branding or advertising when you're searching your favorite news outlet, or you're searching weather.com, or what-have-you, these are "display ads."

Display ads have really evolved over the years.

It used to be that your local newspaper would come to you and say, "Hey, you're buying a print ad with us. We've got this website. We want you to pay extra, and we're gonna put your banner on the homepage. It's gonna be there for a week."

Well, most of the people that go to that homepage probably aren't your target demographic.

They're probably not interested in racing or gaming, or even fit within that older demo that we're all achieving to reach.

There's gonna be a lot of 'em, no doubt; but wouldn't it be better if, instead of buying what they call "site direct," buying the homepage of your local newspaper, you can buy "programmatically."

"Programmatically," essentially, takes all the guess work out of it.

Right now, the old way, you've got Waldo there, and that huge crowd of people that's going to your local newspaper's homepage.

Waldo is only one of those people.

With programmatic ad buying, what we're able to do is, we're able to target "people."

Based on where they live, "geo-targeting," we want to make sure that people are seeing your ad that are within a realistic driving distance to your property.

If you're in Kentucky and somebody sees your ad in New York, that's not gonna do you any good.

You want to carve out a radius of about 100 – 200 miles around your property, and "geo-target" your display ads.

You want to "behaviorally target" them.

The Internet knows a lot about all of us.

It can be uncomfortable, sometimes, I know, but it's very effective from an on-line marketing standpoint to "behavioral target."

The Internet knows if you are playing social games on Facebook, if you're playing on-line poker, slot games, if your frequent racing-relative websites, or racing news, the Internet knows all that about you based on your behavior.

"Behaviorally targeting," we're able to reach someone with an ad knowing that they're actually interested in whatever that topic might be.

"Search re-targeting."

If somebody's googling "racetracks," we're able to, then, follow them to their favorite website with an ad.

A lot of you are probably doing holiday shopping right now.

If you're on Amazon, and you're lookin' to buy your husband or your wife a new watch.

Then you don't buy that watch, but you jump over to check out your "fantasy" team, or you jump over to read the news, guess what banner ad you see?

That same exact watch, right?

That's called "re-targeting."

They know you're lookin'.

They know you're interested, and you haven't bought it yet, and they're gonna follow you around for a bit to make sure that you generate some type of an action.

Same thing goes with "site re-targeting."

I can search for things on Google and get targeted with that ad on my favorite site, but I can also make it so that — let's say, for example, somebody comes and you're having a live race day.

Somebody comes to the live race landing page to learn more, or maybe you just opened a new food and bev concept and they go to that landing page, we know where they are on your site.

We can target them with an ad relative to where they were even on your site.

If they're interested in racing, let's hit 'em with a racing ad when they go to check the news!

If they're interested in our new restaurant, let's give 'em a coupon and hit 'em with an ad to come check out that new restaurant when they're looking at their "fantasy" team!

All very sophisticated stuff that doesn't cost you a ton a money!

Digital media is not very expensive compared to many other forms of media.

We talked about behavioral targeting.

Just an info-graphic for that.

Similar to the A/B testing that I talked about earlier, where you can test one e-mail against another and see which one generates more interest, and then blast it out to the rest of the — or target to the rest of the e-mail list — um — display ads can work the same way.

Let's say, I — this is an example of a Pandora ad — and this is a real example.

We had an ad that we sent out — Ronnie Dunn was gonna be at Grand Casino.

We sent an ad out to Pandora.

One picture with him with a guitar, and the other picture was just him with his nice, pearly-white smile.

We determined, based on A/B testing, that the guitar photo was generating more clicks than the other one, so then we pulled the other one down, keeping the guitar photo one up.

Digital media is fast.

You're able to optimize it quicker than anything else.

Imagine if you're tryin' to hit your budget or your goals at the end of the month, and you've got a big promotion coming up, it's much easier to get an e-mail out than it is to get a direct mail piece out.

The speed of digital media is incredible.

How do you measure display advertising?

We have "guaranteed impressions," so you buy in bulk, a million impressions, for example, so a million times your ad is going to be seen by someone.

"Click-through rates."

We can measure how many times people are clicking on that ad.

Then, again, we can actually link this back to revenue here.

When you put a pixel on that ad, and it drives people to a hotel booking engine, it drives people to a restaurant reservation page, it drives people to, whatever the case may be, a live event, a ticket purchase, we can actually track that these display ads are generating revenue, which is nice to see, again, compared to like what a billboard will do, for example.

"Social media, brand loyalty."

Why it matters?

Seventy four percent of Internet users are on a social networking site.

It gives you an opportunity to engage and keeps that loyalty with your guests.

Attract and build new relationships; so, if somebody who is a racing fan is on Facebook and they “like” your content so much so that they want to re-post it, or they want to “like” it, or they want to comment on it, that’s increasing the odds that people that are within their network are gonna see whatever that message is.

It may have an opportunity to bring more folks to come check out your property that are like-minded individuals as a friend of that racing fan.

“Attract and build new relationships,” as I mentioned.

Listen to what your guests are saying.

There’s lots of valuable insight that you can get by seeing what people are posting on Facebook.

Casinos, in a lot of the cases, they hear the same stuff like, “It’s too smoky. I never win.”

Everybody has those types of comments, but there is a lot of constructive feedback that we can get too.

Maybe we keep seeing consistently that the beds are very uncomfortable.

That’s something that we can take away that says, “You know what?

That’s kind of a random thing.

Maybe the beds are too uncomfortable.”

It gives you an opportunity to really listen to what the guests are saying.

This info-graphic here, if you look at it by age, “older” demographic is all over Facebook.

When I first started workin’ at Red Circle, I saw a huge opportunity in on-line marketing space, because I kept hearing over and over again from marketing directors, “I don’t need to be on-line. My guests aren’t online.

They’re all ‘old’ people!”

That’s not true! Old people are on-line multiple times a day, every day, on Facebook, lookin’ at their grandkids, doin’ all of these things, checking their e-mail, just like any other age demographic.

It's continuously growing year after year.

How do we handle social media?

When is your audience most active?

What is your brand voice?

What's your content strategy?

These are all really important things because, again, you don't want to just post "sales-ey" stuff all the time.

Yes, there's gonna be times where you want to tell 'em, "Hey, we're givin' away a car this month!"

Hey, we've got big live race events coming up!"

There's other times were, you know what, just have a conversation with them!

We get a lot of random, high metrics of engagement just posting things that are funny or relevant to the area that we live in, the demographics of the people that live in the area, finding content that makes sense to them.

We have a booklet, if you stop by at my booth, we have "21 Best Practices in Content Strategy for Facebook."

It really makes a big difference.

If people are engaging with it, clicking on it, "liking" it, sharing it, that's what casts a wider net, 'cuz Facebook knows, and it rewards you for having good content.

If you have good content, it's gonna reach more eyeballs and more newsfeeds.

Then there are, obviously, paid ads with Facebook.

Facebook is pretty inexpensive when it comes to paid media.

You can target your ads in the same way I talked about with display advertising.

You can tell Facebook, "I only want to reach people that are within this radius. I only want to reach people who you know have an affinity to gaming. I wanna reach people who maybe follow my competitors."

They help you put together kind of the profile, or the criteria, if you will, so that you can start targeting your ads, and encouraging people to start following your Facebook and "liking" your Facebook page.

It works quite well.

The ways we measure Facebook, you know, how much have your “likes” increased, your total reach, how many folks are engaged with your brand.

Again, “liking,” sharing, commenting, all stuff that’s very measurable and that you can easily do in-house using folks who want to learn how to buy ads on Facebook.

I’m just gonna take a sip of water here.

Then I’ll get to a racetrack case study.

How are cutting-edge racetracks using data?

This is an example of Kentucky Downs in Franklin, Kentucky.

They have 600 historical horse racing machines through Exacta Systems just outside of Nashville in the southern Kentucky market.

With these new machines installed, how do we then fill the gaming floor with valuable players?

For many years, Kentucky Downs was known as just a racetrack.

Now, all of a sudden, they have this additional “amenity,” if you will, in the HHR machines for folks to come in and make their wagers leveraging the machines.

How do we promote that and drive awareness of that in the priority markets in the area?

First of all, again, getting back to starting with research, so that you can identify the data and leverage that data to have action items that are gonna create revenue.

Identify the priority markets.

Create a compelling brand message.

“What is it about Kentucky Downs that we can advertise to the area that will generate that awareness that they can come and take advantage of the HHR machines? How are we gonna reach that target audience across all forms of media, so digital, TV, radio, print, etc., within those priority markets? How do we bring the database marketing to the next level?”

They’ve got all this data on all these guests, and they know, kind of, who’s worth what, who’s part of what tier in the player’s club.

How do we leverage all that viable data to keep them loyal, keep them coming back with offers based on their value to the property?

We have a proprietary database marketing software called "Recon."

If any of you have folks in-house that understand how to do database marketing, you don't necessarily need software; but we use our software for Kentucky Downs, as well as comScore and Nielsen data.

That's more on the media planning and buying side.

If you're buying your own media from the local sales rep who's just gonna try and sell ya' on over-priced media, you should really ask for the comScore and Nielsen data to make sure that you're getting the rates that it's worth, and that the programming is accurate for where you want your ads to be in terms of where your guests are, whether they're reading content in the newspaper, watching "Wheel of Fortune," or whatever the case may be.

We did qualitative and quantitative research with Kentucky Downs as well, to figure out, "What's that compelling brand message?"

We talked about that emotional connection earlier.

How can we let the priority markets know that there's this exciting place that they can go called Kentucky Downs that has great — not only live racing, but simulcast, and then they have the HHR machines — how do we wrap that all up in such a way that's gonna get folks in the area who like to game, like to wager, to come to the property?

We established that brand that's gonna emotionally connect, drive awareness of those machines, and get them to come in through a 360 degree holistic media campaign.

We built the media campaign.

We leveraged our database marketing software to determine who should be getting what.

We'll first touch on the "creative" of Kentucky Downs before.

I'm sure a lot of you, if you look at your ads — and I encourage you to do so when you get back to your properties — take a look at a poster you have inside the place.

Take a look at a direct mail piece that you've sent out.

Take a look at an e-mail that you've sent out, maybe a TV ad.

See if there's any consistency.

Do you have a voice?

Does it look like every other property in your area?

Or does it have a very specific look that you can own?

You want to have a consistent brand.

In this case, the messaging was a little disjointed.

The branding was a little inconsistent, and there was limited awareness that they now had these Exacta games that they go and play.

From a creative standpoint, this looks like any gaming-relative ad that you'd see.

Some more examples — it could be any property, right?

Here's an example of the TV spot.

[Plays TV Spot]

You get the point, right?

You can go to Kentucky Downs.

You can engage with the historical horse racing machines and have a good time.

How do we do it in a way that's really gonna attract attention to the market; particularly, the Nashville market, which is just south of Kentucky Downs?

How do we make it look like a fun, sexy place to come where you're gonna have a good time with your friends and engage in gaming in an exciting way?

We came up with a campaign called "Vegas is Closer Than You Think."

Here's an example of a TV ad that we created after the launch of the new campaign.

[Plays TV Ad]

Accomplished all the same objectives, right?

Did it in a way that's much more eye-catching, that's much more "ownable," that makes me want to get in my car and take the drive from Nashville to Kentucky Downs.

Take that same kind of brand look and feel and keep it consistent with the way that we handle things like print ads, from a photography treatment standpoint.

Everything that we do, as an advertising campaign, should have that same look and feel, have that brand consistency; so if somebody is driving down the highway, and they've got three seconds to see a billboard, they can immediately see that billboard and immediately know whose billboard it is.

That's extremely important, especially in the more saturated markets where you've got tons of competitors.

An example of a homepage taker that we did on the homepage of *The Tennessean*; again, everything havin' a very consistent look and feel on property and installation.

Everybody loves "selfies" now.

Why not have a "selfie" of the big jackpot that you just won?

I don't know if we're actually gonna create that, Ted, but we'll see if it's in the budget

[laughs]

"Digital."

Let's talk about digital media.

Now, I hope, after I've kinda brought you through the ABCs of digital media, as I bring you to this case study, it's kind of resonating with you.

Before, they had minimal on-line presence.

We built them a new SEO mobile-friendly website.

We did those targeted Facebook ads, and we created engaging content.

We had hyper-targeted display or banner ads.

We put together a paid search campaign and targeted e-mail offers.

Before, their website, not mobile-friendly, not search engine optimized, a little hard to navigate.

Afterwards, we streamlined things.

We gave them a "Tie Bolt" feature on the homepage where they can decide if they want to learn about the gaming side of things, or the racing side of things.

We streamlined it, made it mobile-friendly, easy to navigate, and emphasized the new gaming opportunities in the HHR machines.

Yeah, again, clearly separated gaming from live racing, and made sure that it was search engine friendly.

On the Facebook side of things, in terms of results, their Facebook page “likes” went up 235 percent by doing the ads that I mentioned earlier, the targeted ads on Facebook, as well as the engaging content.

Now, those are folks that we know, again, fit within the demographic from a “geo” standpoint, an age standpoint, and have an affinity for gaming.

They’re not just random people.

They’re people that we actually want to have a conversation with.

Their average daily Facebook engagement went up 512 percent.

Their daily Facebook page reach, that net that we’re casting across; not only people who are already “liking” us, but people that they’re friends with who are like-minded, their daily Facebook page reach went up 758 percent.

In terms of their general website, you can see there’s a big spike there around their live racing days in September; but year-over-year, 2015 in gray, 2016 in red, you can see over 50 percent growth, or 100 percent growth, in some cases, across the board in terms of people were driving to the website to learn more.

Once they get there, we’re accomplishing all those objectives that we mentioned earlier, and showing them everything that Kentucky Downs has to offer.

On the traditional media side of things, it’s really important that you have that research software and the data that I mentioned earlier.

Not having that data is really gonna harm you because you’re not gonna know how much something is worth in terms of negotiating rates for a TV buy, or a radio buy, or a print ad, etc.

Not able to marry the media plan to the database, in terms of “heat mapping”; so, comScore, now, is a third party research tool where you can leverage it to see where your media plans live.

Then you can leverage your database team — in our case we have Recon, our database marketing software — we’re able to take a look at that heat map and marry the two together.

We can actually determine, based on where the media plan lives, where the players live, marry the two together to make sure that that billboard is actually where the big fish are, to make sure that those TV ads are being seen by where most folks in your database live and frequent, etc. Marrying that up is very important.

We negotiate a lot of savings and added value with the local media vendors.

I encourage all of you to have a "media day" where you sit down as a marketing director.

You have your budget in front of you.

You've got your business objectives in front of you.

You've got your brand strategy in front of you.

You invite all your local media vendors in and say, "Here's what we are looking to do next year.

You are all, as media vendors, as local newspapers, local TV stations, radio stations; you are fighting for a piece of this pie.

What are you gonna do for me, in order to get my media dollars?

What are you gonna do in terms of added value to support my brand strategy?

What type of negotiated rates are you gonna come down, because the ABC affiliate is comin' in less than you," or, whatever the case may be?

Bring them in!

Be very direct with them and make them fight for your media budget.

They'll come back.

They'll come back with fresh ideas that you've never seen 'em come back with before.

Trust me!

They'll be in-line within your business goals, and in-line with your brand strategy, and rates lower than what you've paid in the past.

Increase recent frequency in those target markets that we mentioned.

Had a good mix of mediums relevant to where we want to push the brand, versus the promotion, plenty of development activity, entertainment, etc., a nice mix.

At the end of the day, the results were great.

We launched the campaign, and as you can see, there's a big spike here in new member growth.

When we first got hired, they said, "There's not a lot of folks in Nashville who know where we are, or know who we are, or what we have to offer."

One of things that we wanted to make sure is – okay, we have two things we want to accomplish.

We want to take the local loyal guests that have always been there, we want to make sure we still serve them as important guests.

We want to give them messaging that's gonna keep them loyal.

Then we have this massive amount of people in this big market in Nashville that doesn't know what Kentucky Downs has to offer, doesn't understand that they can come for these amazing live race days to engage with the historical horse racing machines.

What you see here, is new member growth.

Now, all of a sudden, in our database, we have new people that have not been to the property, historically, that have signed up for the players club.

And guess what?

We can look at that data now, and see how much they're worth to us, and give them offers to keep them coming back; but make sure that's in a way where you're not givin' away the farm to someone who's gonna come in and be worth \$10,00, \$20.00 bucks.

You want to find the people who are worth significantly more and give them offers so that you're not just throwing away money, and offers, and discounts, and free play.

That brings me to the database marketing front.

"Limited access to valuable data" for the strategic marketing insights.

We plugged in our database marketing software.

If you guys have in-house database experts, they can look at the data for themselves, pulling in either player tracking system, created segmented offers.

Again, reaching the right players with the right offer based on their value to the property, and then we're tracking it, we're refining it.

Make sure that we're fine-tuning those offers to maximize profitability, take away the guesswork.

We're not guessing how much we should be sending out to get people to come in.

We know, based on the data, if we send this offer out, here's how much revenue or return we're gonna get before we even send that mail piece out the door, which, obviously, shapes the impact of profitability.

What does all this result in?

For Kentucky Downs, the first full month where we blew out this holistic marketing campaign, they had a 34 percent carded revenue growth.

Folks that are already signed up for the player's club, 34 percent growth in revenue there.

Thirty-four percent increase in live race wagering in 2016.

Forty-eight percent increase in on-track handle.

Fifty-two percent increase to their website traffic, and a 100 percent increase in new members, which is extremely valuable, in the first two months of the launch.

You can see, when you really approach marketing holistically, from a brand strategy standpoint, to a media standpoint, to a database-marketing standpoint, the amount that you can move the needle is very significant.

Some steps for your data driven marketing: first, you do SWAT analysis.

Take the information I gave you today, bring it back to your property.

Sit down with your marketing team and figure out, what you're your strengths, what are your weaknesses, your opportunities, and your threats.

Get on the same page.

If your brand is inconsistent, make it consistent.

If your website is not mobile friendly, make it mobile friendly.

If you're not getting data from your database, and you're sending \$20.00 in free play to everybody, you're givin' away free lunch to everybody, take a hard look at your database and the data in that database.

Put in the research.

Gather the data. Use the data. Identify who your core target is.

Agree on that, and then create a brand message that's gonna emotionally connect with them.

Remember, "information tells; emotions sells."

You saw some examples of those ads earlier.

Find a brand message that's gonna separate you from your competition, and that's gonna create an emotional connection with your guests; so that when they see the ad, they know it's you, they like the ad, and it makes them want to come and be loyal to your property, and talk about your campaign through word-of-mouth.

Again, execute a data driven, holistic media plan, trying to take out the guesswork as much as possible.

Leverage that database, not only for direct marketing activity, but also making sure your media plans are in the right places.

Don't just "set it and forget it."

Your marketing campaign should never be on "cruise control."

It scares me how often we get new clients that are casino clients, that we take a look at the media plan that they had the year prior, the on-line marketing that they were doing, and then we take a hard look at these things, every month we're doin' the same thing.

It's been that way for years, and we've never changed, and we never really looked at it to see what we should change.

The time to change all that is now.

You need to stop, take a look, and measure things.

See what's working; if it's not, get rid of it.

Test something new.

The things that are working, keep refining it.

"Measure, optimize, repeat.

Measure, optimize, repeat."

The more you fine-tune your marketing activity on a daily basis, the more successful it's gonna be.

Get rid of the “cookie cutter” campaigns that you’ve been doing for years. and try and reinvent something that’s actually gonna move the needle.

Just on time, it’s 12:19 p.m.!

I’m at Booth Number Seven, if anyone wants to come by and say “hi,” pick up a card and talk about how we might help.

Booth Number Eight, Exacta Systems, is right next to us. They have those wonderful HHR machines that have helped Kentucky Downs in such a big way.

I’d be happy to answer questions that you might.

Shoot me an e-mail at angel@redcircleagency.com.

I would love to discuss more.

[Applause]

Ms. Liz Bracken: Alright.

Thank you all.

Please join us for lunch in the Catalina Room over to the left.

We’ll come back here at 2:00 p.m. with the TPA panel.

Two great journalists, Bill Knack and Tim Layden.

We’ll see you this afternoon.

Thank you.

Also, Steve Byk lost his iPhone. If any of you guys find an iPhone with a clear case, please let us know.

Thank you.