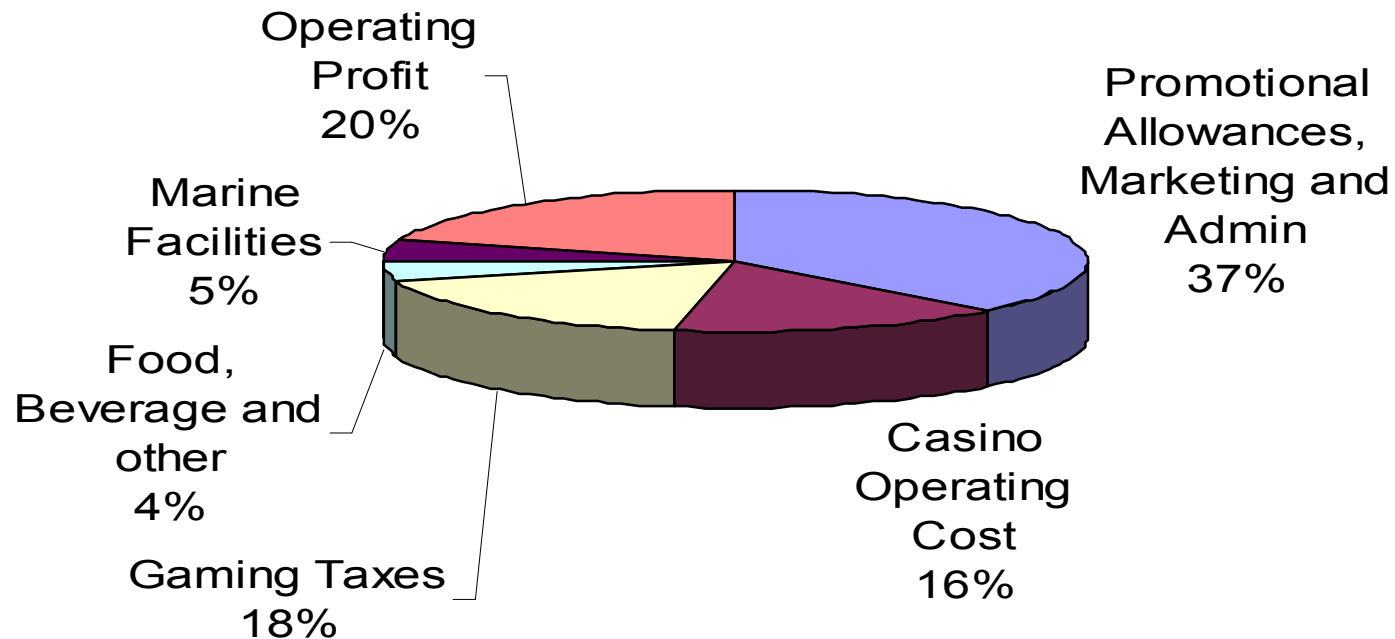
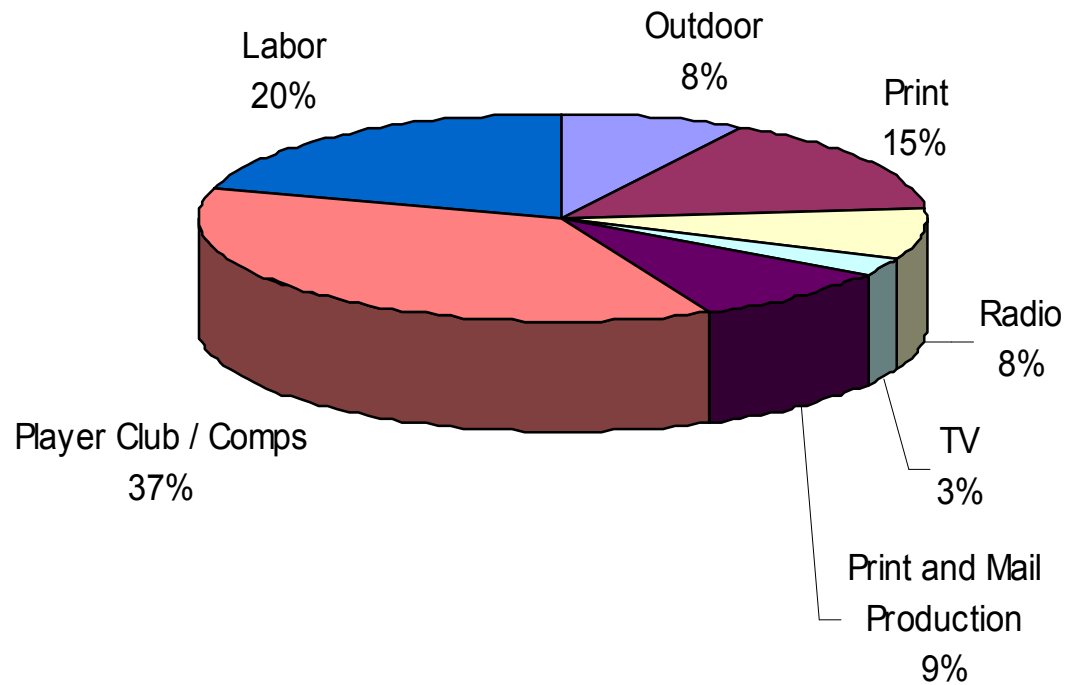

Analysis of Casino Marketing

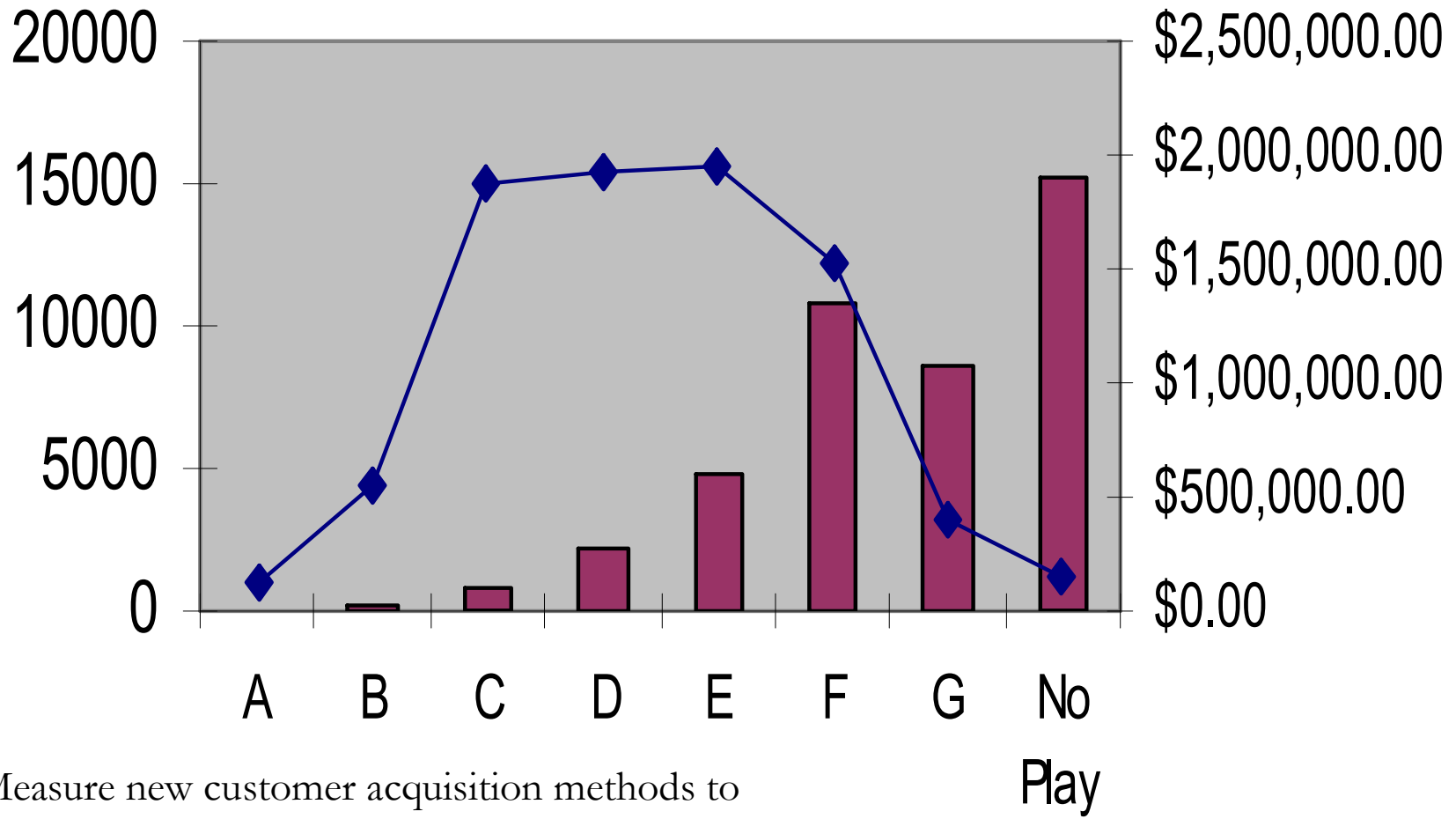
A major gaming corporation – public financial statement



Marketing Expenses



The 80/20 Rule

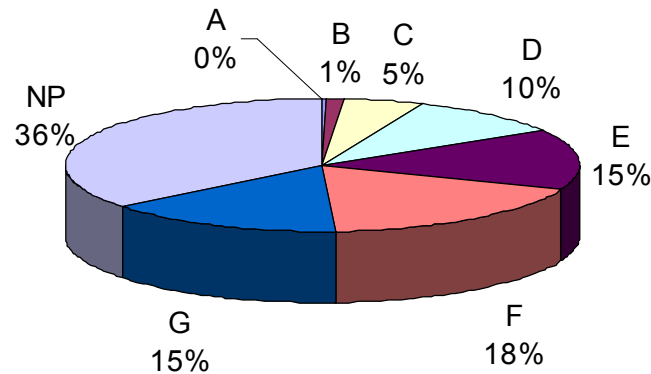


Measure new customer acquisition methods to
determine most effective source of 80/20 players

Database segmentation - ADT

Tier – Avg Daily Theo Win	Players	Theo	Coin In
A - \$500+	89	\$ 2,053,074	\$ 24,879,020
B - \$250-\$500	336	\$ 2,606,819	\$ 42,320,980
C - \$100-\$250	2887	\$ 9,333,810	\$ 142,027,407
D - \$50-\$100	8556	\$ 11,417,371	\$ 159,798,660
E - \$25-\$50	14994	\$ 10,337,895	\$ 133,360,137
F - \$10-\$25	21129	\$ 6,350,197	\$ 79,129,935
NP - <\$10	28049	\$ 1,722,092	\$ 23,182,103
Total	76040	\$ 43,821,258	\$ 604,698,242

Typical Database Breakdown



- 36% of new signups will have less than \$5 in average daily play
- Of 500 new signups:
 - Less than $\frac{1}{2}$ can be profitably marketed
 - 1 of 5 will contribute to the 80/20 principle

The Daily Business Diary

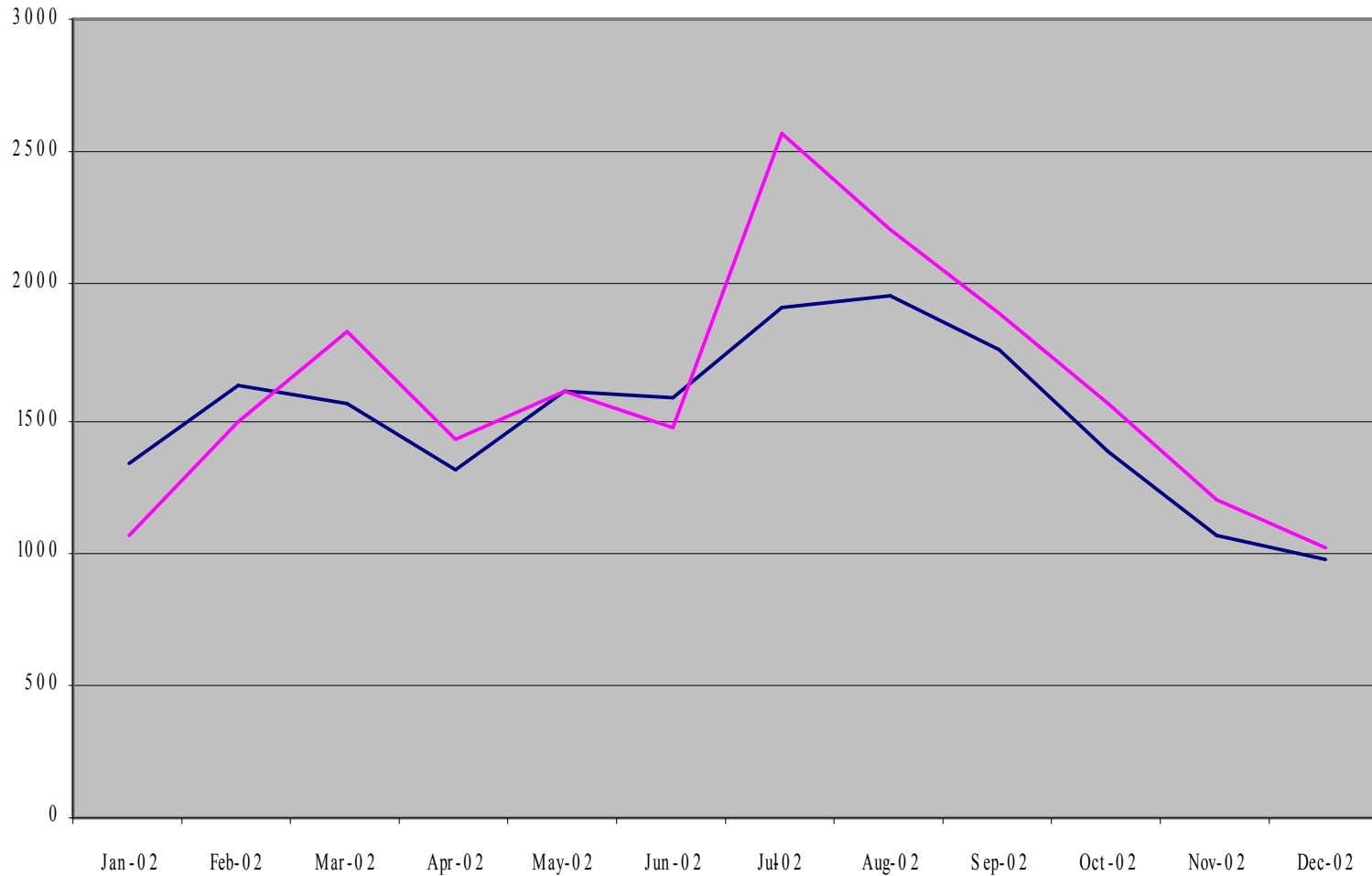
Date	Revenue	New Signups	Special Event	Direct Mail	City Event / Competitive Factors	Weather
5/10	9999999	147	Mother's day giveaway	Cash Mail		Snow
7/1	875123	99			Car Giveaway at Joe's Casino	
8/16	1234567 8	458	Car Giveaway		County Fair	

- Provides basis for subsequent analysis
- Logs all business drivers

Ongoing Analysis

- New Signups
 - Database value
 - Coin in – trends
 - Tournaments / Special Events
 - Direct Mail Analysis
 - Hosting program
 - Bus program evaluation
 - Reinvestment
-

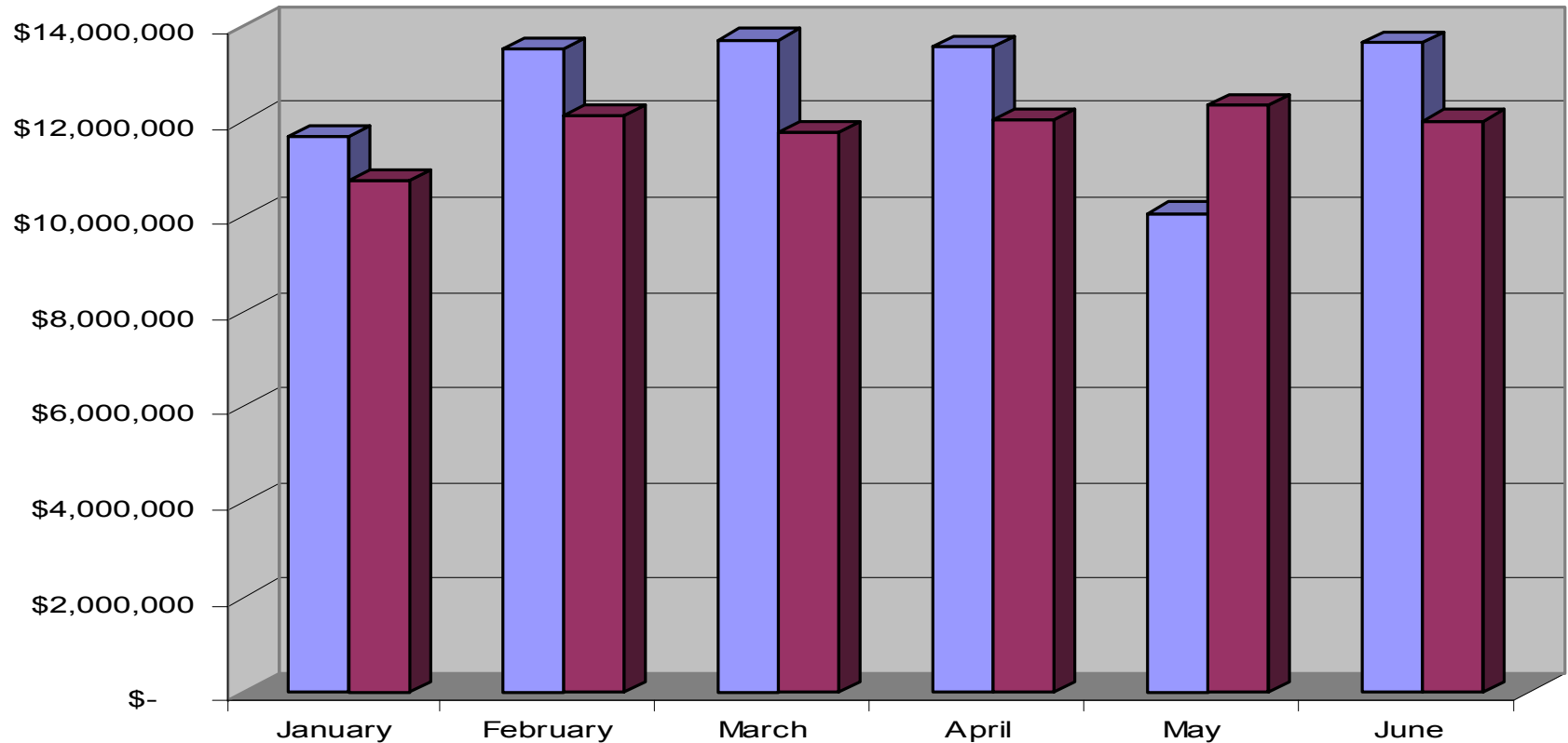
New Customer Acquisition



Database value analysis

	80/20		Total Database	
	Oct-04	Oct-05	Oct-04	Oct-05
Players	4196	4485	15850	15000
Days Played	13516	14031	39761	39149
Av Days/Played	3.22	3.13	2.51	2.61
Theo	\$ 1,656,865	\$ 1,795,393	\$ 2,175,249	\$ 2,319,824
Coin In	\$ 23,267,457	\$ 23,877,925	\$ 29,918,663	\$ 30,480,141
ADT	\$ 122.59	\$ 127.96	\$ 54.71	\$ 59.26

Coin In Analysis – Year over Year comparison



An excellent overall volume indicator

Tournaments / Special Events / Special Offers

	# Rdm	Players	Theo Win	Cost of Offer	Profit	Reinv %	Theo Per Responde r	ADT
Offer1	100	96	\$ 186,158	\$ 10,000	\$ 176,158	5%	\$ 1,939.15	\$ 154.62
Offer2	493	410	\$ 25,117	\$ 2,465	\$ 22,652	10%	\$ 61.26	\$ 61.26
Offer3	563	494	\$ 33,037	\$ 5,067	\$ 27,970	15%	\$ 66.88	\$ 66.88
Offer4	879	790	\$ 52,579	\$ 6,680	\$ 45,899	13%	\$ 66.56	\$ 66.56

Sample Mailer Analysis

Sample Mailer Analysis									
Database segments - by Average Daily Theoretical Win	Qty	Cash	Estimated Response	Mailer Responses	Cost	Revenue	Profit before production and mailing	Cost of Sales	Theo per Player
A - \$500+ ADT	68	\$50	20%	14	\$700	\$7,000	\$6,300	10.00 %	\$500
B-\$250-\$500 ADT	373	\$35	20%	75	\$2,625	\$18,750	\$16,125	14.00 %	\$250
C-\$100-\$250 ADT	2217	\$20	20%	443	\$8,860	\$44,300	\$35,440	20.00 %	\$100
D-\$50-\$100 ADT	4578	\$10	20%	916	\$9,160	\$45,800	\$36,640	20.00 %	\$50
E-\$25-\$50 ADT	6709	\$5	10%	671	\$3,355	\$16,775	\$13,420	20.00 %	\$25
Mailable Database Players	13945		15.20%	2119	\$24,700	\$ 132,625	\$107,925	19.10%	

Hosting Programs

Name	Total Guests Assigned	Customers Gained - Aug '05	Guests w/ no visit since 8/04	Direct Marketing Calls	Future Reservations	Guests Housed	Guest Theo Revenue
Abe	742	45	645	306	66	50	\$ 8,750
George	2059	98	998	257	90	104	\$ 15,496
John Q	1743	5	549	199	47	212	\$ 26,500

Hosting Programs

Host Asset Value Recap

Host	Accts	Trips	Avg Visits per Account	Total Theo (18 Mos)	Actual Win Loss (18 Mos)	Average RFM Score	Avg # of days since last visit	Avg Theo / Account	Avg Actual W/L per Account
E	3168	7557	2.39	\$4,465,938	\$3,823,552	2.95	250	\$ 1,410	\$1,207
F	2554	6323	2.48	\$4,191,613	\$3,525,851	3.04	245	\$ 1,641	\$1,381
G	2313	5567	2.41	\$3,584,502	\$3,333,449	3.16	227	\$ 1,550	\$1,441
H	2220	5784	2.61	\$3,954,828	\$3,224,005	3.12	234	\$ 1,781	\$1,452
I	1630	3600	2.21	\$2,647,501	\$2,386,377	3.06	238	\$ 1,624	\$1,464

Bus Analysis

Overall								
Month	Players	Days Played	Theo	Coin In	Redemption Cost	Profit	Profit Margin	Avg # Visits
Jan	10,374	23,495	\$ 778,202	\$ 13,105,044	\$ 218,677	\$ 559,525	72%	2.26
Feb	9,407	20,183	\$ 641,337	\$ 10,540,177	\$ 181,887	\$ 459,450	72%	2.15
Bus People								
Month	Players	Days Played	Theo	Coin In	Redemption, Walk and Bus Cost	Profit	Profit Margin	Avg # Visits
Jan	3,482	8,230	\$ 242,605	\$ 4,051,240	\$ 127,328	\$ 115,277	48%	2.36
Feb	3,152	7,260	\$ 209,301	\$ 3,392,697	\$ 112,309	\$ 96,991	46%	2.30
Non-Bus								
Month	Players	Days Played	Theo	Coin In	Redemption Cost	Profit	Profit Margin	Avg # Visits
Jan	6,892	15,265	\$ 535,597	\$ 9,053,805	\$ 91,349	\$ 444,248	83%	2.21
Feb	6,255	12,923	\$ 432,036	\$ 7,147,480	\$ 69,578	\$ 362,459	84%	2.07

Player Reinvestment

	Players	Unprofitable	Trips	Total T-win	Cost	Profit	Reinvestment %
A	623	1	1121	\$422,192	\$26,024	\$396,168	6%
B	2032	2	3658	\$581,110	\$47,869	\$533,241	8%
C	8275	15	14895	\$1,005,908	\$116,751	\$889,157	12%
D	12017	139	21631	\$647,711	\$100,288	\$547,422	15%
E	13882	722	20823	\$343,670	\$75,405	\$268,265	22%
F	15691	2932	21967	\$148,671	\$53,402	\$95,269	36%
G	7861	3253	10219	\$26,473	\$19,066	\$7,407	72%
NP	10771	10112	12925	\$6,126	\$11,121	-\$4,995	182%
Totals	71152	17176	107240	3181861	449926	2731934	14%