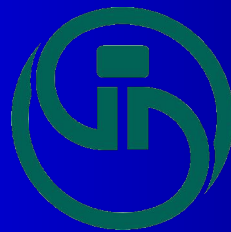


# Marketing to Ethnic Players

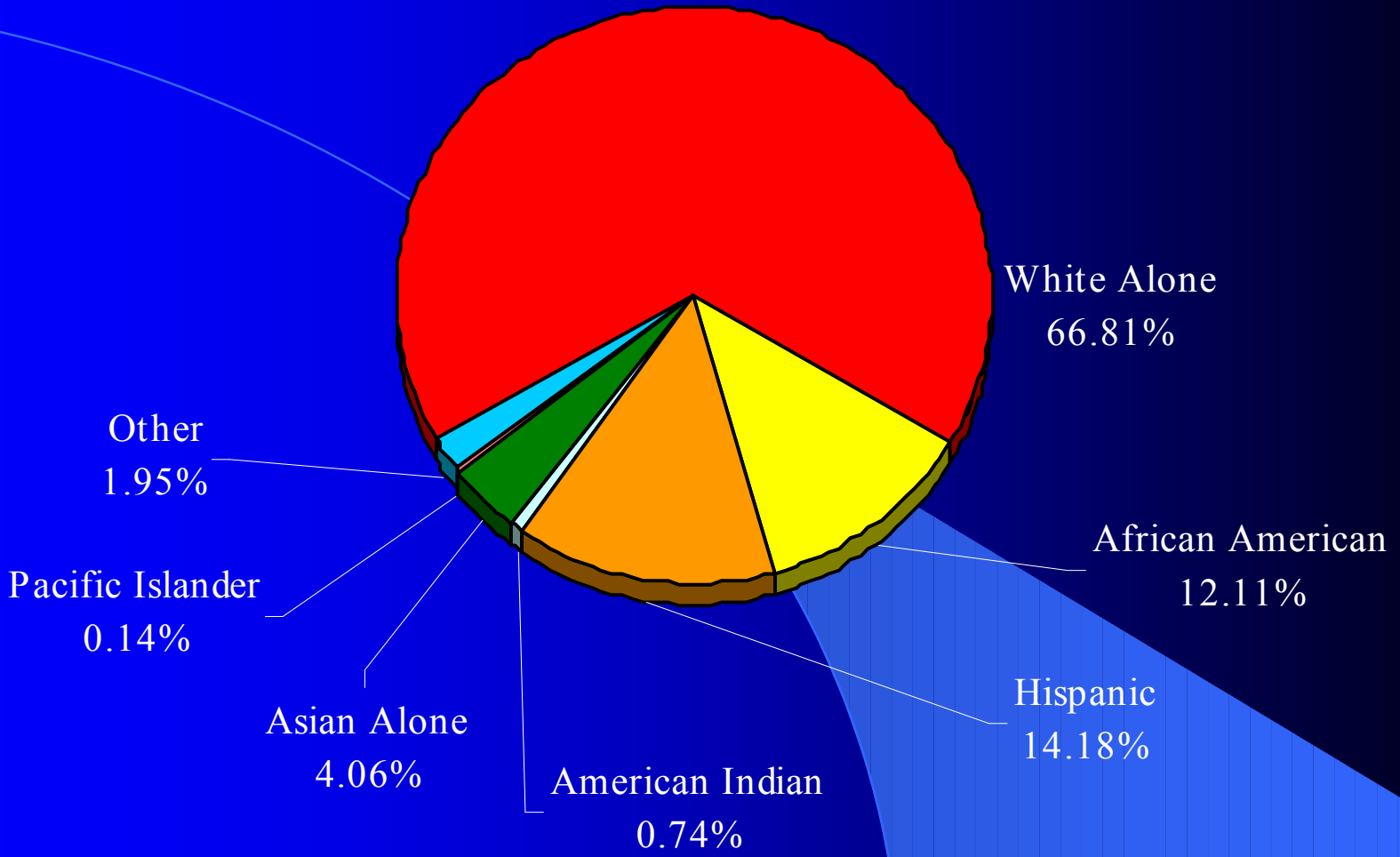
Presented by:

*Steve Szapor*  
*President*



THE INNOVATION GROUP

# 2005 U.S. Population by Ethnicity



# Population by Ethnicity

| <b>Ethnicity</b>        | <b>2005</b>        | <b>% of Population</b> | <b>2025</b>        | <b>% of Population</b> |
|-------------------------|--------------------|------------------------|--------------------|------------------------|
| <b>White Alone</b>      | <b>197,190,525</b> | <b>66.8%</b>           | <b>206,913,408</b> | <b>56.3%</b>           |
| <b>African American</b> | <b>35,744,911</b>  | <b>12.1%</b>           | <b>44,084,908</b>  | <b>12.0%</b>           |
| <b>Hispanic</b>         | <b>41,861,413</b>  | <b>14.2%</b>           | <b>80,708,471</b>  | <b>22.0%</b>           |
| <b>American Indian</b>  | <b>2,191,417</b>   | <b>0.7%</b>            | <b>2,768,489</b>   | <b>0.8%</b>            |
| <b>Asian Alone</b>      | <b>11,988,078</b>  | <b>4.1%</b>            | <b>22,861,775</b>  | <b>6.2%</b>            |
| <b>Pacific Islander</b> | <b>406,886</b>     | <b>0.1%</b>            | <b>711,053</b>     | <b>0.2%</b>            |
| <b>Other</b>            | <b>5,280,296</b>   | <b>2.0%</b>            | <b>9,067,469</b>   | <b>2.0%</b>            |

Source: IxPress, Inc, The Innovation Group

# Hispanic Population vs. Other Races

| Year | Hispanic   | % of Population | African American | % of Population | Asian      | % of Population |
|------|------------|-----------------|------------------|-----------------|------------|-----------------|
| 2000 | 35,305,818 | 12.55%          | 33,947,837       | 12.06%          | 10,123,169 | 3.60%           |
| 2010 | 49,144,556 | 15.87%          | 37,688,013       | 12.17%          | 14,022,772 | 4.53%           |
| 2025 | 80,708,471 | 22.0%           | 44,084,908       | 11.99%          | 22,861,775 | 6.22%           |

Source: IxPress, Inc, The Innovation Group

- **In 2000, the Hispanic population became the largest minority group in the U.S. just edging out the African American population and more than tripling the Asian population.**
- **From 2000-2025 both the Asian and Hispanic populations are expected to more than doubled in size.**
- **By 2025, the Hispanic population will be almost double the African American population and still more than triple the Asian Population.**

# Hispanic Population by State 2005

| State      | Hispanic Population | Total Population | % Hispanic |
|------------|---------------------|------------------|------------|
| New Mexico | 827,940             | 1,886,789        | 44%        |
| California | 12,534,628          | 35,340,566       | 35%        |
| Texas      | 7,882,254           | 22,250,152       | 35%        |
| Arizona    | 1,679,116           | 5,806,266        | 29%        |
| Nevada     | 557,370             | 2,376,017        | 23%        |
| Florida    | 3,433,355           | 17,363,653       | 20%        |
| Colorado   | 895,176             | 4,540,639        | 20%        |
| New York   | 3,026,286           | 18,679,211       | 16%        |
| New Jersey | 1,312,326           | 8,524,868        | 15%        |
| Illinois   | 1,807,908           | 12,441,864       | 15%        |

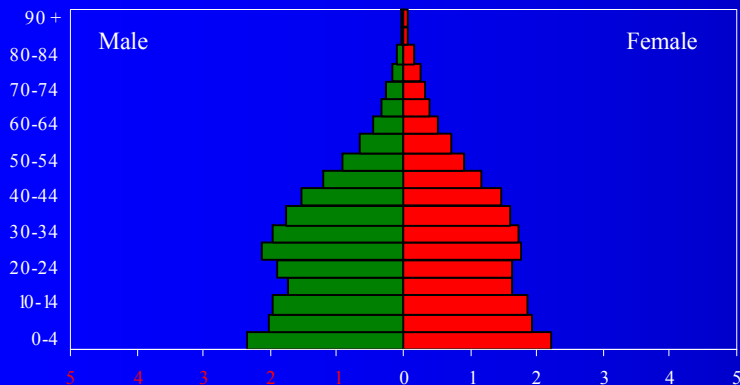
Source: Pew Hispanic Center tabulations of 2005 American Community Survey

# 2005 Age Distribution

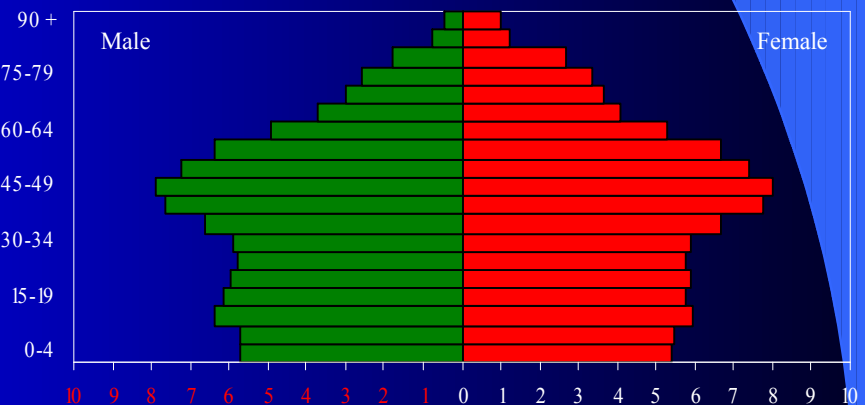
U.S. Mean Age – 35.3 Years (The highest in the Nations history)

Hispanic Mean Age – 25.9 Years (10 years younger than the U.S.)

Hispanic Age Distribution



U.S. Age Distribution



# Ethnic Buying Power (\$ in billions)

| <b>Ethnicity</b>        | <b>2000</b> | <b>2010</b> | <b>Percent Increase</b> |
|-------------------------|-------------|-------------|-------------------------|
| <b>White Alone</b>      | \$6,231.2   | \$10,063.9  | 61.5%                   |
| <b>African American</b> | \$590.2     | \$1,023.4   | 73.4%                   |
| <b>Hispanic</b>         | \$489.5     | \$1,086.5   | 122.0%                  |
| <b>American Indian</b>  | \$39.1      | \$69.2      | 77.0%                   |
| <b>Asian Alone</b>      | \$268.8     | \$578.8     | 115.3%                  |
| <b>Other</b>            | \$58.3      | \$111.7     | 91.6%                   |

Source: Selig Center for Economic Growth

# **A Portrait Of American Gamblers™**

**A Definitive Look At The Habits, Preferences  
And Intentions Of American Gamblers**

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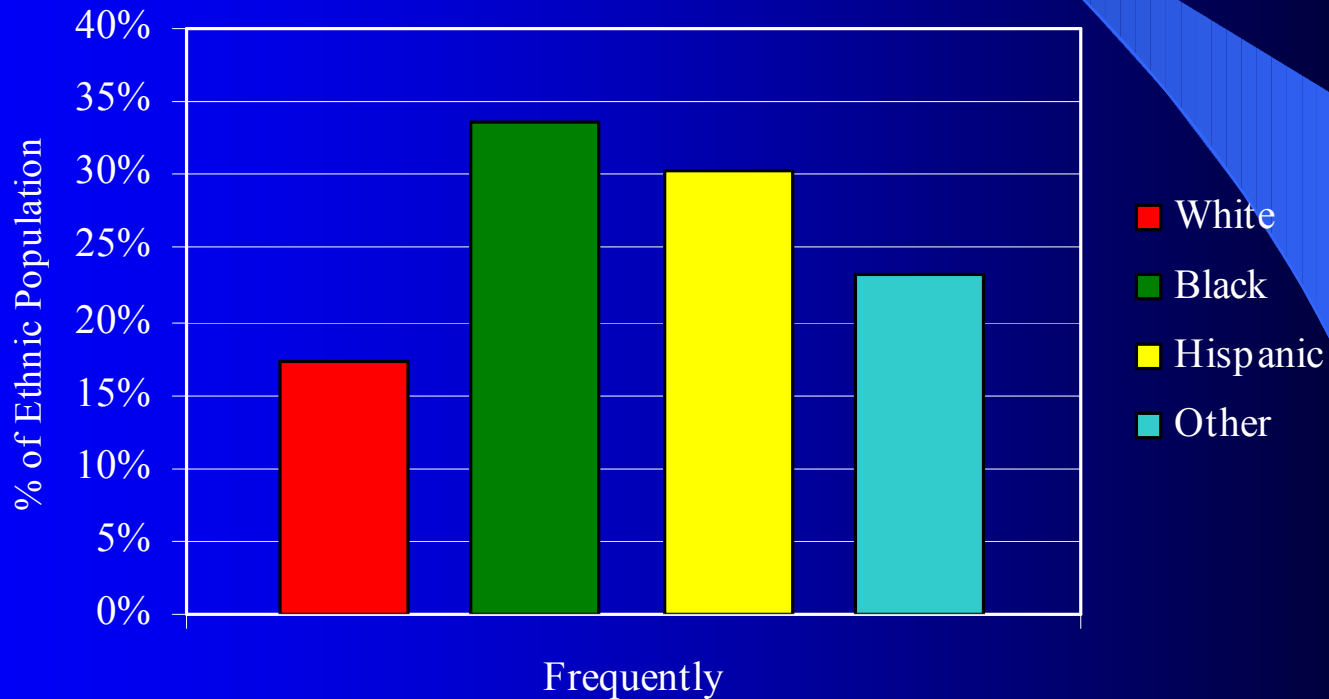
# A Portrait Of American Gamblers™

## Notable Differences Among Ethnic Populations

- In general, motivators, preferences and interests mirror gamers overall with certain distinct differences.
- Ethnic populations tend to:
  - Have slightly lower budgets.
  - Frequent casinos more often.
  - Prefer brand name restaurants.
  - Be motivated by entertainment and concerts
  - Be motivated by the presence of a buffet.

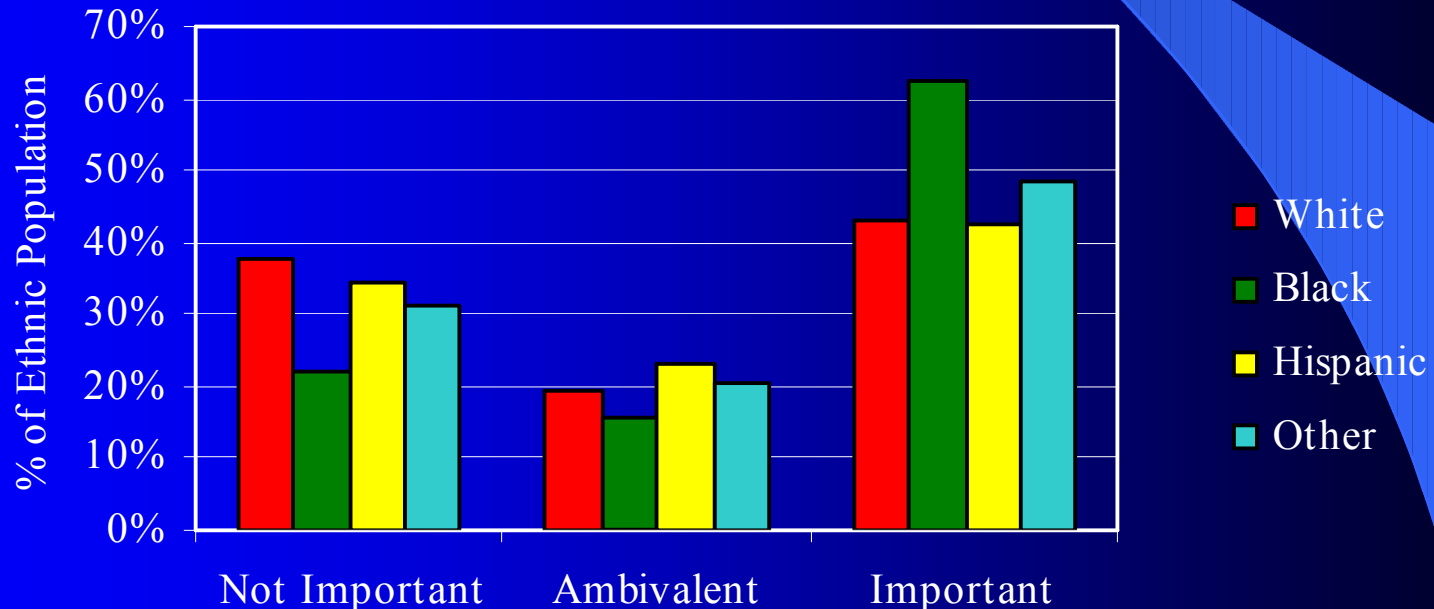
# A Portrait Of American Gamblers™

## Frequency of Casino Gambling



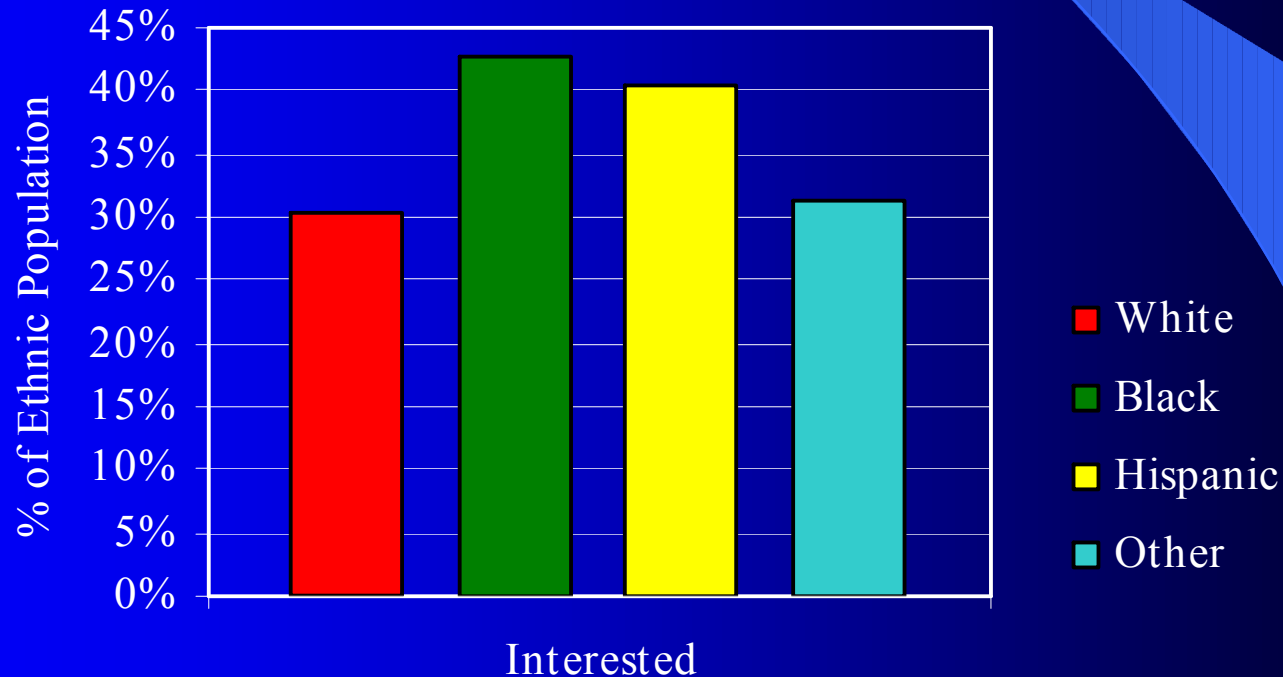
# A Portrait Of American Gamblers™

## Importance of Players Club



# A Portrait Of American Gamblers™

## Interest in Playing Video Slot Machines

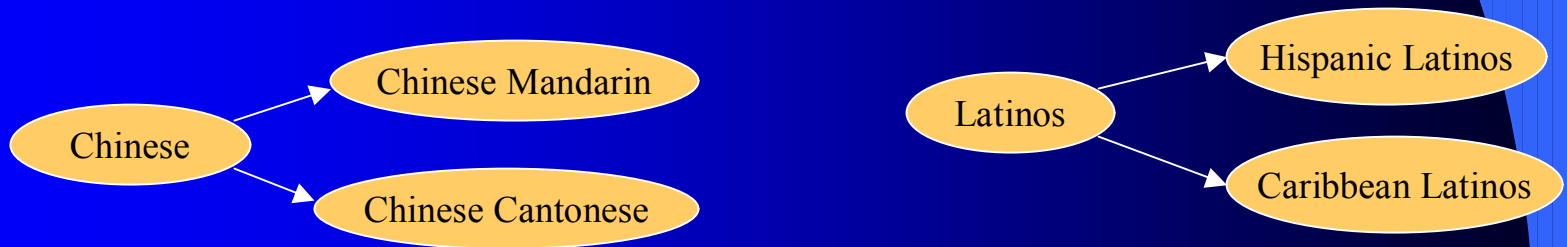


# The Changes in Ethnic Mix & Impact on Marketing Efforts

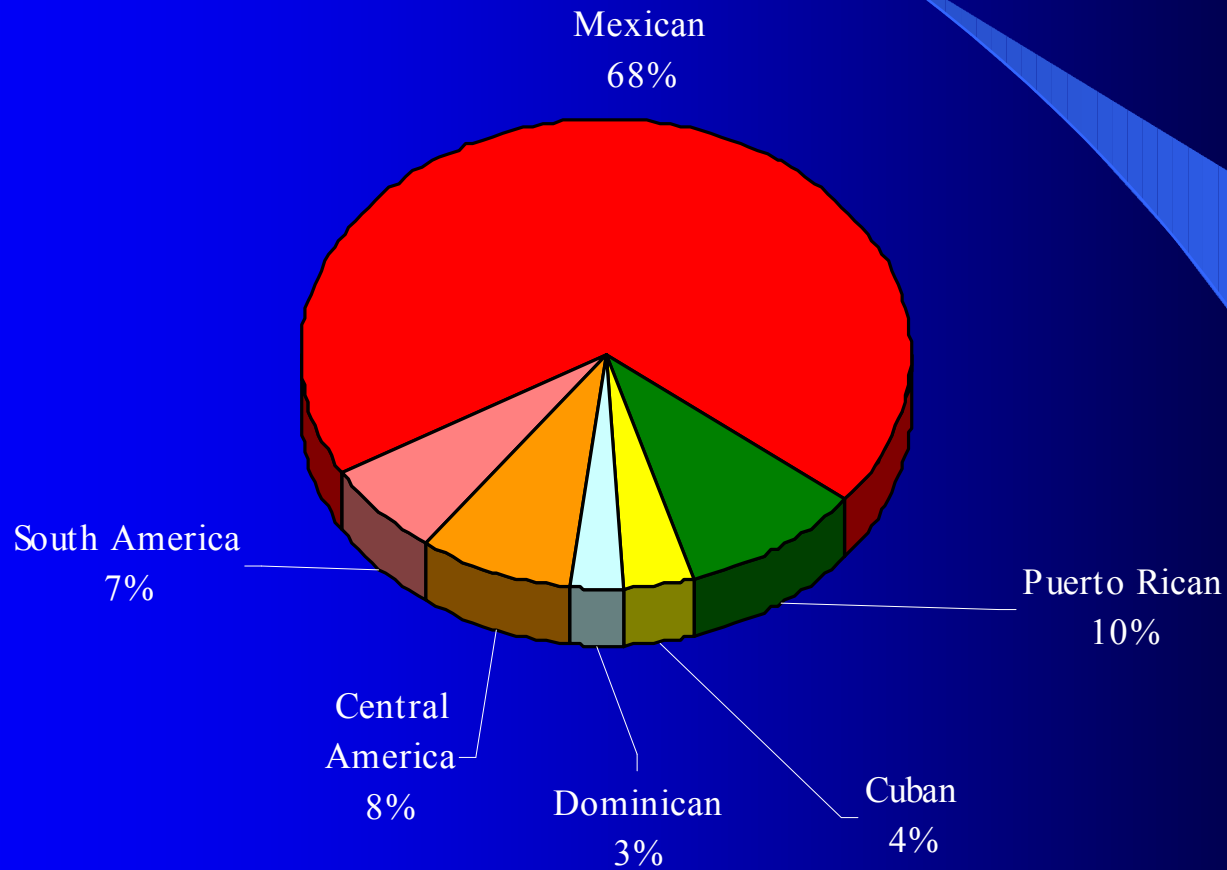
- Quantify Potential Opportunities in Your Specific Market
- Need to Better Understand the Preferences, Habits and Motivations of Ethnic Market Segments
  - Focus Groups
  - Customer Surveys

# Essential Factors in Ethnic Research

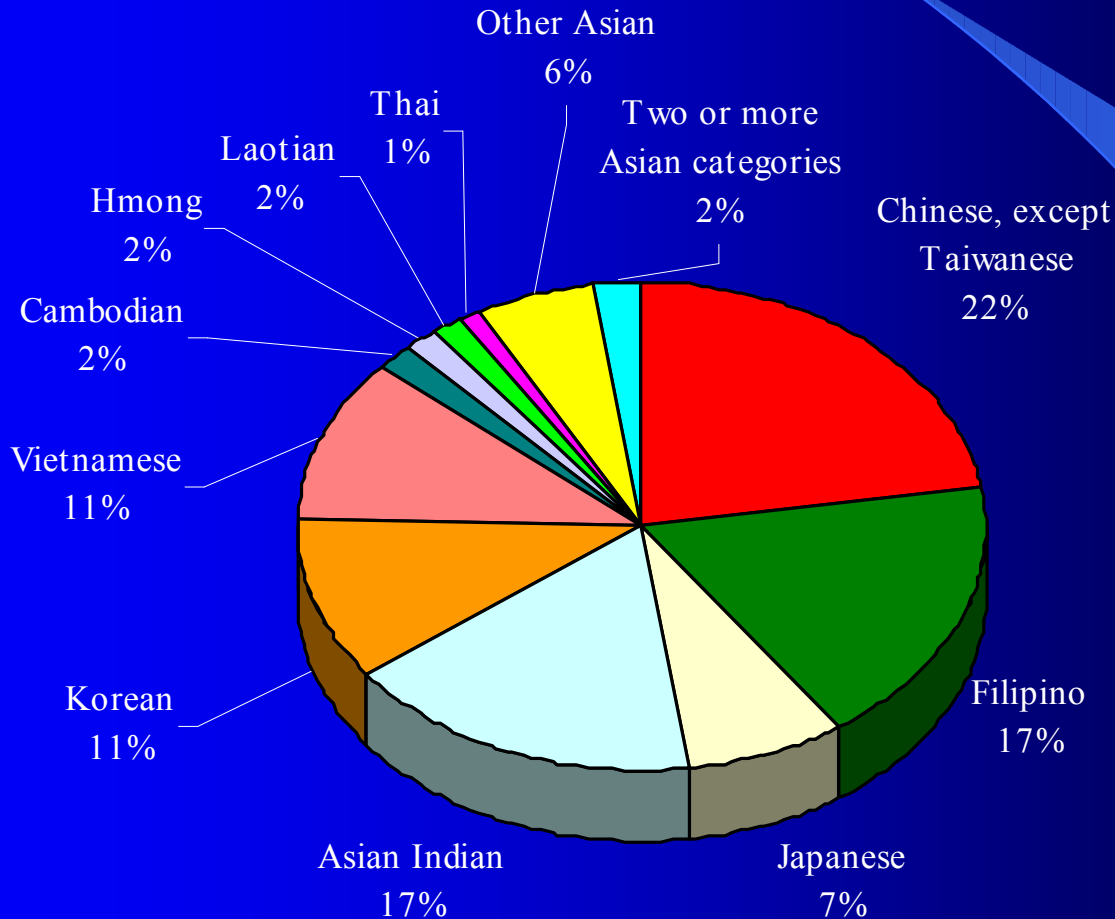
- **Gender** – Mixing genders in certain cultures is inappropriate
  - Asian cultures are particularly uncomfortable being grouped with other sexes
- **Age** – Elder respect is extremely important among many ethnic groups, particularly Asian
  - Grouping ages 40-49 it is considered very disrespectful
  - Instead group ages 40-44 and 45-49.
- **Segmenting** – Significant differences exist amongst divisions within one race or ethnic group and even within sub-groups. Many important identifiable facts would be lost with out segmentation.
  - Don't mix Chinese with Korean and Filipino
  - Segmenting further among dialects of Chinese gamers would produce an even better analysis of that groups motivators, preferences and interests.



# U.S. Hispanic Segmentation



# U.S. Asian Segmentation





# The Changes in Ethnic Mix & Impact on Marketing Efforts

- Bilingual Hosts/Customer Service Reps
- Print Advertising- Local Ethnic Newspapers
- Events/Concerts Targeting Specific Groups
  - Be Sensitive To Balancing Against Core Customer Segments
- Database Segmentation
  - Offer Differentiation
  - Letters/Photos/Content Orientation

# Advertising to the Hispanic Population

- **Print and T.V. Advertising**
  - January to June 2005 - \$1.9 billion spent
  - January to June 2006 - \$2.01 billion spent, a 10.4% increase
- **Future of Advertising for Hispanics** - Utilizing the rise of the bilingual Hispanic race
  - Hybrid commercials on prime time T.V.
    - Toyota Motor Corporation targeted Hispanics by using a mix of both English and Spanish for their Hybrid Camry commercial on a major U.S. network station during the Superbowl XL – It proved **very** effective.