

# STATION CASINOS

## No Limits: Station Casinos Breaks the Mold on Customer Relationships



Founded in 1976 in Las Vegas, Nevada, Station Casinos is the premier provider of gaming and entertainment for Las Vegas *residents*, the nearly two million people who live in and around the gaming capital of the United States. The Station brand extends across 18 properties and, in fiscal year 2010, revenues exceeded \$1 billion.

This paper describes a project that began in 2008, when Station chose Teradata to partner on an ambitious business intelligence (BI) project. Station was such a true believer in the value of the project that it forged ahead, even in the face of a foundering economy. Dubbed “Total Guest Worth,” the project uses real-time data capture and integration across all of Station’s properties to provide an in-depth view of every guest in the context of Station’s entire operation. By successfully delivering a true 360-degree view of Station’s guests, the project received two Ventana Research Leadership Awards in 2010: the Customer Analytics and Performance Leadership Award and the Marketing Analytics and Performance Leadership Award.

“By collecting customer, financial, gaming, and other data from a variety of systems, we knew we would be better positioned to understand and make use of the customer trends, usage patterns, and overall experience at the casinos to build our brand and grow our company,” says Karen O’Dell, director of Business Intelligence Product and Business Systems.

After getting the entire solution up and running in only 18 months – with elements up considerably sooner – Station has already garnered some stunning results, even in what many believe is the worst economy since the Great Depression. The results include, but are not limited to:

- > Slashing \$1 million per month from a \$13 million slot promotion budget, by more precisely targeting campaigns.
- > Achieving a 14% improvement in guest retention – that is, the number of guests returning to a Station property within four months of a prior visit. With the profit per active guest remaining constant, the greater retention rate improved overall company profits.
- > Designing, developing, and deploying highly personalized marketing and promotional campaigns in just days. In the past, less personalized and less effective campaigns would take weeks to create.
- > Attaining a 4% rise in total monthly net slot revenue after marketing expenses.
- > Reducing the time it takes to analyze campaign effectiveness from a couple of weeks to a couple of hours. In some cases, analysts improved efficiency by as much as 35%.
- > Creating a more tactically and strategically valid approach to promotions, by increasing the number of segments for marketing and promotions from 14 base segments to 160 sub-segments per month, on which the marketing team runs multiple tests before determining who should get an offer and what that offer should be.

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- > Reducing production and processing expenses by \$500,000 per month, despite processing more segments and more programs.
- > Doubling the reach of specific telemarketing efforts from 60% to 120% of target, because improved data and reporting enabled more targeted calls and more accountability among marketing reps who were making the calls.
- > Reducing input error rates on new sign-ups for the Station "Boarding Pass" program from as high as 80% to 1%, through enhanced accountability made possible by more reliable data and more in-depth, readily accessible reports.
- > Increasing new member acquisitions in a Station Boarding Pass program by 160%, by creating reports that hold all employees accountable for targeting the right people and delivering results.
- > Creating more personal, value-added relationships with high-value guests, and more effective outreach to guests who have the potential to jump up a category.
- > Improving financial close from as much as 15 days to 10 days, with a goal of eventually reducing close to two.
- > Fostering a culture of data-driven decision-making: The wealth of guest-centric data not only drives marketing and promotions, but also enables improved operational decisions.

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- > A successful transition from "siloes" data generated by multiple systems into an enterprise data warehouse with primarily real-time database capture that protects the performance of operational systems. It also ensures the value of data through data matching and integrity.

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"I am fired up after 16 years here," says Frank Zurita director of database marketing and player development. "For me to provide great data that affects positive change is pretty exciting."

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