

INSIGHTS FROM THE BDO GAMING, HOSPITALITY & LEISURE PRACTICE

OMNICHANNEL INVESTMENTS MAKE A WINNING HAND FOR GAMING'S PANDEMIC RECOVERY

By Tom Donohue, National Gaming, Hospitality
and Leisure Practice Leader and
Robert Brown, Managing Director,
BDO Digital Retail Leader

Online and mobile gaming disrupted the casino industry long before COVID-19, but as casinos closed during the pandemic, online gaming soon became the only way for customers to enjoy their favorite games. As hospitality businesses continue the process of reopening, guests are eager to return to a full casino-resort experience. However, mobile and online gambling helped expand market share during the pandemic, and that customer behavior is likely to persist long after the pandemic subsides. While casinos provide a dynamic, engaging experience, mobile gaming allows customers the convenience of playing whenever and wherever they want in certain jurisdictions.

The gaming, hospitality and leisure industry is now at a pivotal moment where both online and on-premise gaming will be critical parts of a successful business model going forward. A key to success will be to develop an omnichannel strategy that connects those gaming experiences. By giving customers the option to play online while offsite, and even play online while on-site but away from the gaming floor, casinos have the unique opportunity to capture more data, better measure customer engagement and ultimately improve the customer experience (CX). Think of a personalized, interconnected CX with rewards tailored to each customer's preferences, which can increase brand loyalty and retention to drive more gaming and resort revenue.

IMPROVING CX FOR NEW CUSTOMER BEHAVIORS AND HEIGHTENED EXPECTATIONS



During the pandemic, hotel check-in kiosks, personal digital betting terminals and QR codes to view online menus reduced person-to-person contact and limited the number of high-touch surfaces for guests. These technologies also created a smoother guest experience overall while also reducing workload for employees, so the changes are likely to become permanent. Mobile games and digital technology were also crucial in creating a safe and comfortable alternative for guests during the pandemic. Going forward, some guests will remain mobile-only customers, and others will return to the casino, but many customers will avail of both options at their convenience, which creates revenue growth opportunities.

While many gaming organizations already have a loyalty programs in place, the next step in customer experience and is to create a more robust and customizable players club program, one that allows players to create a tailored profile on a mobile app that integrates online games with casino games. As an operator, this cross-platform integration enables you to gather data from each customer interaction and tailor the customer experience with customized loyalty and reward programs based on each customer's unique habits.

With the advent of new technologies like progressive web applications (PWA), it's easier than ever for casinos to create stable, high-performing mobile sites and apps connected to their enterprise. A central app allows for integrated mobile payments and rewards, providing a seamless experience for customers and capturing more data for improved customer intelligence. In addition to convenience, these apps can provide greater security in data collection and payment processing, including by accepting cryptocurrencies.

DATA ANALYTICS HELP INCREASE CUSTOMER ENGAGEMENT



Maximizing online and mobile gaming usage is a crucial source of revenue that will continue to grow in importance. Research shows that [70% of U.S. mobile phone users](#) play some form of mobile game, and that trend doesn't only apply to younger users. In fact, [more than 23%](#) of mobile gamers are over the age of 55. In order to seamlessly connect the on-premise and online gaming experiences, you need robust data analytics to ensure you're targeting customer segments effectively and integrating the experiences efficiently.



With insights from mature data analytics, you can see which online and on-premise games are drawing the most customer engagement. You can use this analysis to help keep more customers engaged online and convert them to on-premise customers as well. What games and experiences do they want? What will entice them into making a trip to the casino? By fully integrating the online and on-premises experiences, you can gain valuable insights and leverage data-driven decision-making to develop a better understanding of the customer, refine and focus marketing activities and maximize revenue opportunities.

MITIGATING RISKS AS DIGITAL ADOPTION GROWS



As the amount of data being collected increases, it's critical to have strong data governance and master data management to ensure the accuracy, consistency and security of data. This helps you know what data you have and where it's stored, so analytics can deliver valuable insights. Data privacy requirements also vary across different jurisdictions, so each organization should carefully review their data policies on a routine basis and make the required disclosures to customers.

Investments in more digital, mobile and enterprise technologies across on-premise and online gaming can help protect your business from disruption. However, these technologies also come with corresponding risks for service interruptions, data breaches and cyberattacks. A cyber incident could severely impact your business and potentially cause significant reputational damage.

For example, during high-profile sporting events, a surge of online bets could impact your computing capacity. Technology such as cloud or hybrid computing can provide flexible, scalable and elastic functions to support high-volume betting cycles and events by ensuring the servers and are responsive to spikes in demand. Each organization also needs to ensure there are robust safeguards in place for data protection and cybersecurity. Cyber threats continue to grow in both number and sophistication, and casinos make for a high-value target due to the number of transactions and wealth of customer data they process.

Gaming is already a highly regulated industry, so regulatory compliance is familiar territory. As new legislation for data protection is considered at the local, state and federal levels, businesses need to be responsive to compliance requirements across each of the jurisdictions where they operate. To prepare for evolving regulations, ensure legal teams proactively review internal policies and processes and make changes as necessary. It's critical to understand the full downstream impacts of all current and planned digital initiatives.

OPPORTUNITIES AHEAD



The gaming industry has an opportunity to capitalize on a post-pandemic boom of customers looking to travel and enjoy themselves at casino resorts. Digital transformation can help casinos appeal to these patrons and deliver an outstanding customer experience while simultaneously providing a seamless on-premise, online and mobile experience. As gaming businesses evolve their digital strategies, it's critical to leverage data analytics for customer insights and use an omnichannel approach to drive long-term growth.



People who know Gaming, Hospitality & Leisure, know BDO.

www.bdo.com/gaming

CONTACT:

TOM DONOHUE

Partner, National Gaming, Hospitality and Leisure Practice Leader
702-673-1254 / tdonohue@bdo.com

ROBERT BROWN

Managing Director, BDO Digital Retail Leader
714-957-3200 / robert.brown@bdo.com

ABOUT BDO

BDO is the brand name for BDO USA, LLP, a U.S. professional services firm providing assurance, tax, and advisory services to a wide range of publicly traded and privately held companies. For more than 100 years, BDO has provided quality service through the active involvement of skilled and committed professionals. The firm serves clients through more than 65 offices and over 740 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multi-national clients through a global network of more than 91,000 people working out of over 1,600 offices across 167 countries.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. For more information please visit: www.bdo.com.

Material discussed in this publication is meant to provide general information and should not be acted on without professional advice tailored to your needs.

© 2021 BDO USA, LLP. All rights reserved.

