

Hard Rock Las Vegas

Qualex's Implemented Solution Helps Hard Rock Las Vegas Increase Revenue By Understanding Their Players Better



HARD ROCK HOTEL & CASINO LAS VEGAS

OVERVIEW

To retain a competitive advantage in the fast paced and highly competitive hospitality and gaming industry, the Hard Rock Hotel & Casino Las Vegas (HRLV) wanted to explore new and cutting-edge software solutions available to them. HRLV's main goal was to maintain its current hotel occupancy rates while increasing their overall annual revenues by targeting their higher-end clientele. HRLV invited Qualex Consulting Services, Inc. to conduct a Value Assessment Service of its business processes, specifically targeting the efforts required to increase the usage of SAS at HRLV. In particular, HRLV wanted to target the following issues:

- Data warehouse augmentation (make more data from more property areas available to analyze);
- Add web reports for departments not currently using SAS;
- Surfacing HRLV's information to the appropriate areas within the Hard Rock organization through a newly created SAS Portal.

The 2009 goals for the IT department did not exclusively focus on IT, they also reflected the needs of several other areas within the organization. General overall goals included:

- Automating services and processes as much as possible;
- Augment corporate dashboard(s);
- Reduce, if not eliminate, the need for its legacy customer marketing and relationship management (CRM) system;

- Better control of telephone and e-mail hosting alerts;
- By completion, have the majority of the HRLV organization using the SAS' PVO solution.

COMPANY

One of the hippest and most popular destinations in the world, HRLV has 1,500 rooms, over 30,000 square feet of casino space, and table games that include Blackjack, Craps, Pai Gow Poker, Baccarat, as well as more than 600 slot machines and a 60-seat sports book. HRLV's live music venue, The Joint, seats up to 4,000 people and features some of the world's hottest musical acts.

HRLV houses five restaurants, including Nobu, Rare 120, Ago, Mr. Luckys 24/7 and Pink Taco. The spectacular 4.7 acre pool area features the popular pool party Rehab in the summer months. HRLV is known for its relaxed and casual gaming, dining and entertainment; however, it has developed a particular niche and reputation for being *the* party place in Las Vegas.

TECHNICAL CHALLENGES

During an on-site evaluation, various business and IT areas were studied and some of the key elements Qualex identified for improvement were:

- **Phasing Out Its Current CRM software:** Recreating the functionality in SAS was recommended since SAS would replicate all of HRLV's current CRM processes, which would result in substantial savings in software licensing fees.

- **Automated Report Generation:** Within the Hard Rock organization a significant amount of manual report generation existed. Qualex believed that automating much of this reporting would lead to substantial employee time savings. For example, automating the Hotel and Hospitality Daily Report Package alone would save up to 20 hours per week.
- **Lack of Analytics:** Most of HRLV's analysis was conducted through a manual process, or with simple ad-hoc queries. Qualex recognized a definite need for a flexible customer analytic environment that used industry-leading analytics, predictive modeling and data mining.
- **Integration of Additional Sources:** The data available for reporting was mostly focused on Point of Sale, Gaming and Hotel information. Qualex believed that incorporating data from additional sources would expand the use of HRLV's entire reporting environment.
- **Use of Existing Reporting Environment:** Within HRLV, the Marketing group was the primary user of the SAS PVO reporting capabilities. Recognizing this was being under-utilized, Qualex believed this kind of reporting could prove invaluable throughout the hotel and resort.
- **Automated/Standardized Information Delivery:** Qualex recognized a definite need for more timely, automated and standardized information to all levels within HRLV, from senior management to business analysts.

The Qualex Solution

Qualex delivered a gaming-specific enterprise solution that included the SAS Enterprise Intelligence Platform, which integrated HRLV's individual technology components into a single, unified system. This resulted in an information flow that transcended organizational silos, diverse computing platforms and niche tools, while also delivering new insights to drive increased value for the organization.

The solution enabled an improved customer experience because it allowed users to set up a framework that captured and intelligently managed HRLV's collected customer data. It also provided access to property-wide patron information, which allowed users to generate strategic marketing campaign initiatives that improved the utilization of information in the following ways:

- Consolidated disparate gaming and non-gaming information into one comprehensive patron view;
- Consolidated data from the various patron touch point source systems to create a centralized data repository of information from such disparate source systems as IGT's Advantage, Agilysys' LMS, InfoGenesis' retail solution and SpaSoft;
- Implemented a nightly production process to automate a batch update of the data warehouse, which was controlled through a Data Integration (DI) interface;

- The Enterprise Business Intelligence platform included a web-enabled executive dashboard, interactive (OLAP) reporting, static reporting, as well as desktop functionality through the add-ins for MS Office and several other standard software systems.

All of these tools helped HRLV optimize the casino's resources by putting their most profitable patrons into their hotel, onto their casino floor, or at their events. The integration of all its data into a central repository to be used for reporting is viewed as a very important initiative for HRLV.

Ryan Bower, HRLV's Director of CRM noted that, "The biggest challenge in implementing enterprise-wide systems is capturing, implementing, and satisfying the perspectives of a diverse group of stakeholders. Working with Qualex, we knew we were working with a team of professionals who had implemented these systems many times and they knew the challenges and opportunities in the landscape." He also added that, "Qualex's guidance and support was invaluable to achieving our infrastructure and analytical goals."

Initially, at HRLV, player card numbers were the primary method of tracking player behavior; players could be tracked for gaming action and limited data was available from the LMS. The player card number had to be captured in LMS to allow player tracking for hotel and point of sale information. Nightlife data, however, was not stored in the data warehouse. To better understand

player activity throughout the entire property, Qualex recommended that the data be incorporated into the data warehouse. The addition of comp data to the SAS data warehouse allowed the creation of a comp exception report, which alerted HRLV about over-comping or possible fraud.

Patron Value Optimization

Qualex implemented the SAS® Patron Value Optimization (PVO) solution. Combining patron intelligence and business intelligence into one solution, SAS' PVO provided HRLV with a 360-degree view of its patrons in the following ways:

- Consolidated and matched all patron activities throughout HRLV's entire property;
- Reported and analyzed patron information.

Once the 360-degree view was created, the PVO solution measured, analyzed and reported on an individual patron's total value to HRLV, thereby providing an accurate assessment of what HRLV's patrons were worth to their property.

Automated Report Generation

Within the HRLV organization, reports such as the Accounting Daily Revenue Reports, the Hotel and Hospitality Daily Report Package and the Weekly Hotel and Hospitality Revenue Report Package were being manually generated and these reports often required significant employee time. Qualex recognized that automating the production of these reports would greatly reduce, if not completely eliminate, the manual processes. In particular, Qualex replaced the following processes:

- **Report Replication:** This allowed HRLV to recreate the reports used in their legacy CRM system, thereby eliminating the need for any functionality other than the host management system, thereby reducing quarterly license fees.
- **Host Management System Replacement:** This provided host management functionality comparable to what was provided in PCS. This also eliminated the need for any functionality other than reporting, thereby also reducing quarterly license fees.

- **Accounting Daily Revenue Report Package:** This automated the generation of the Accounting Daily Revenue Reports, which saved HRLV 25 to 30 employee hours per week. The project also included requirements analysis in the SAS PVO solution.

Conclusion

To keep pace in the highly competitive casino and hospitality industry, HRLV turned to Qualex to deliver a gaming-specific solution that allowed their data and information to flow throughout the company's entire organization, while delivering new insights to drive increased value for the property.

Qualex's work resulted in substantial cost and time savings, as SAS was able to replicate much of HRLV's current CRM processes, which meant many of HRLV's current software licenses didn't have to be renewed. The Qualex-implemented solutions helped HRLV optimize the casino's resources and improve their customer's experiences because HRLV was able to capture and intelligently manage their customer data.

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Ryan Bower
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