



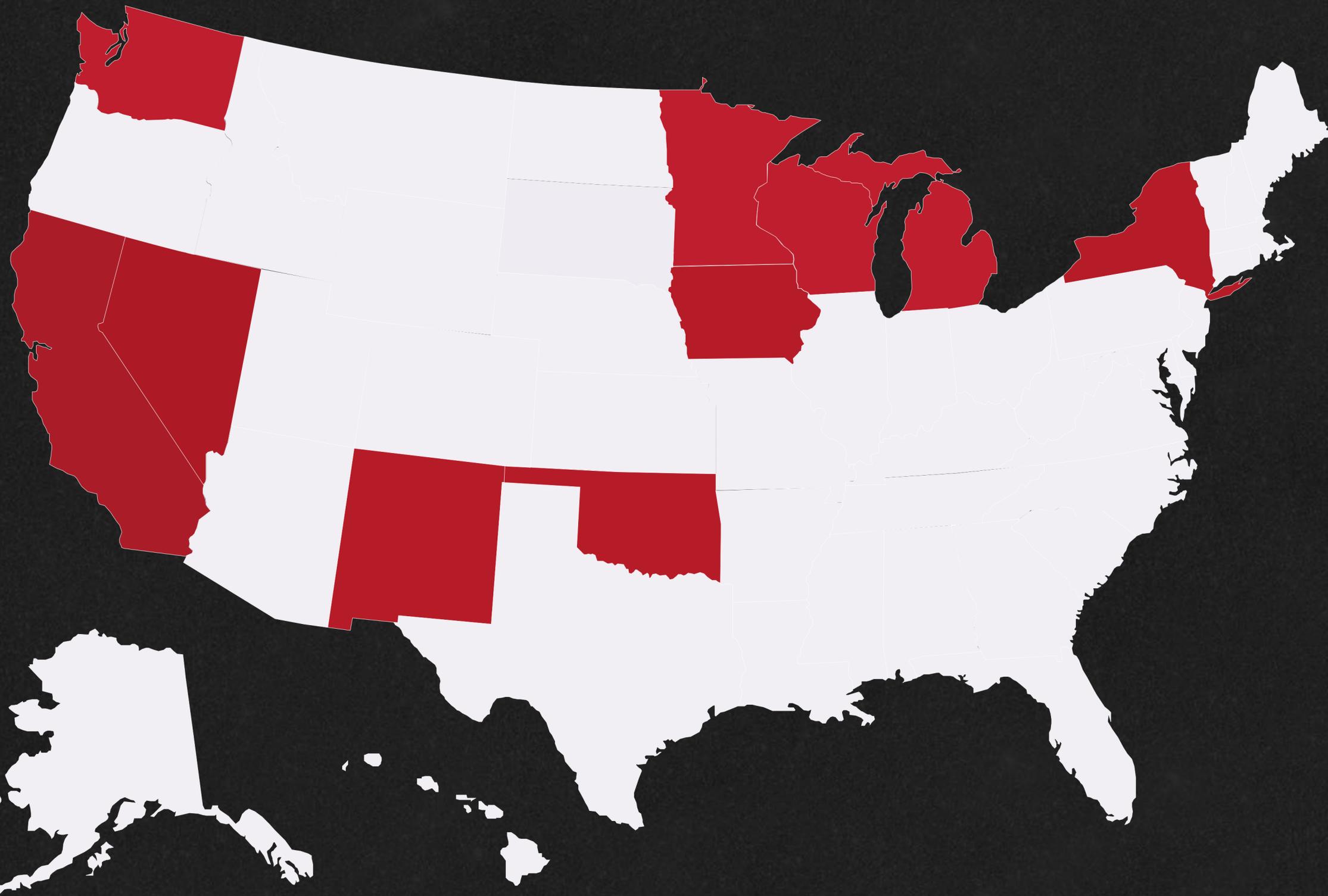
RED  
CIRCLE

# CV-19 Casino Player Behavior Study

Data Sample: May 1 - 31, 2021



Mission: To provide a source of continually updated, player behavior information and trending in the light of CV-19's ongoing industry impact. Made possible by Red Circle's **RECON** casino intelligence software system.



**Data Sample Set:**

- ▶ 10 States
- ▶ 19 Casinos
- ▶ 296,700 Players
- ▶ 814,000 Visits
- ▶ \$92,200,000 Theo Win



# Definitions:

Baseline 1: May 1 - 31, 2019

Baseline 2: Average performance of Feb - Apr, 2021

Rate of Return: Players who played in May and the month/year of their previous play date



# Executive Summary

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Over the past several months we have been comparing year over year data in this report. In May of 2020 all properties were closed for some portion of the month, and we have turned to two different baselines to chart progress.

Using the 2021 over 2019 baseline, when we compare **May of 2021** to **May of 2019**, we saw a **loss of 22.7% in players** and an **increase of 5.4% in theo win**.

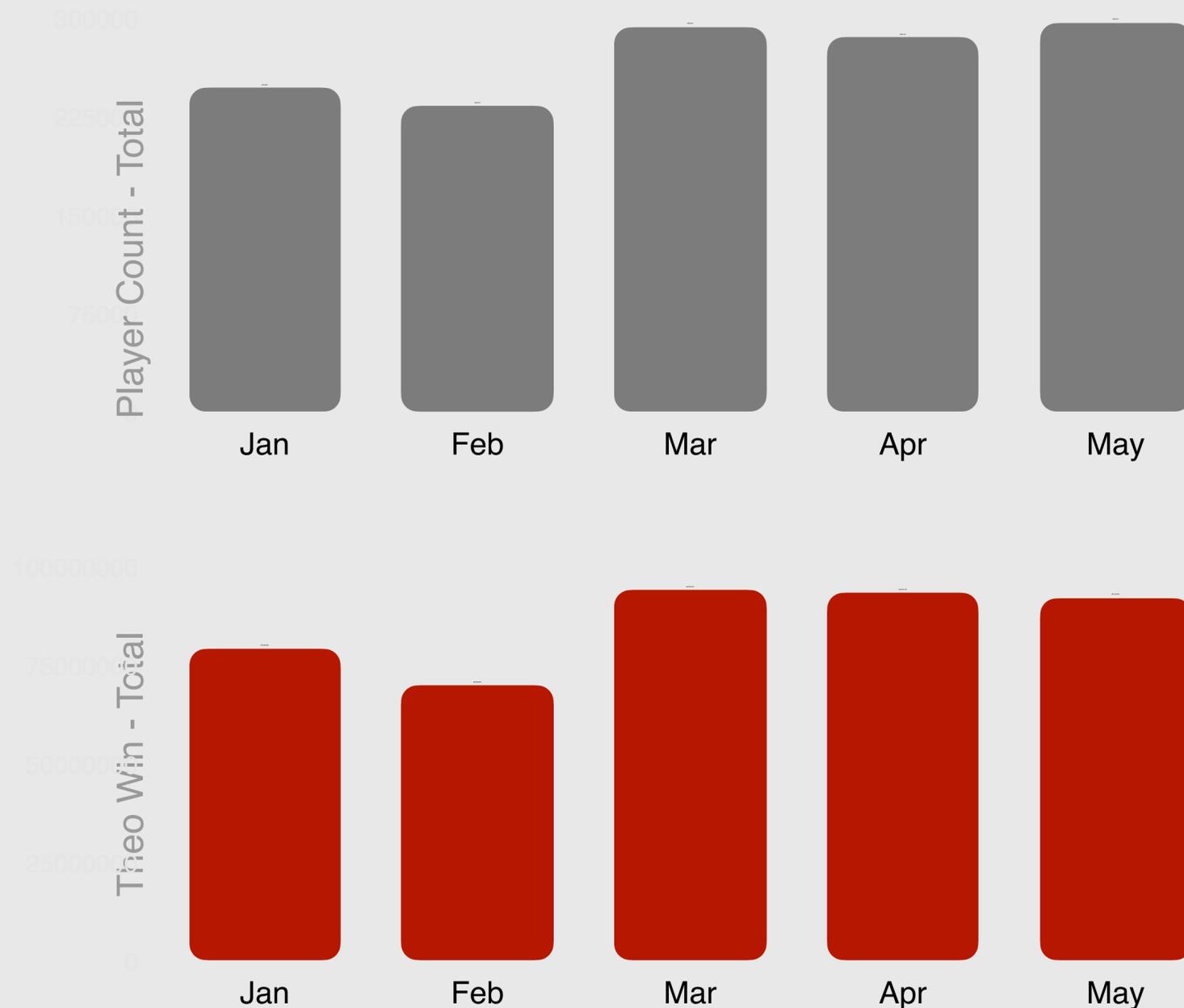
We also created a baseline using the average of the last three operating months, and based on that comparison we see a **9.7% increase in players** and **7.5% increase in theo win**.



# Player analysis, demographics and revenue impact



# 2021 Totals Trend



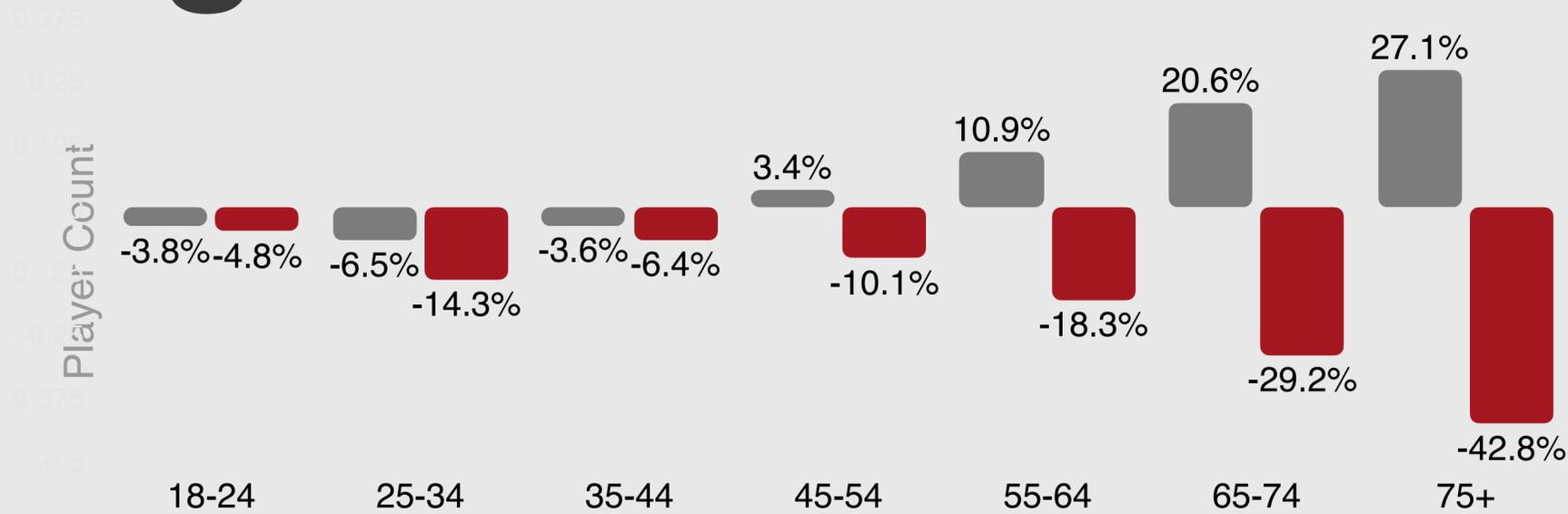
This graphs the total player count and the win from the first five months of 2021.

Both indicators show a positive trend starting in March and then a bit of a plateau.

If we think of how April generally performs compared to March, I think it is safe to say this is not a plateau. For many properties March is one of the best months of the whole year. To have an April and May perform similarly to March is a very positive indicator.



# Age



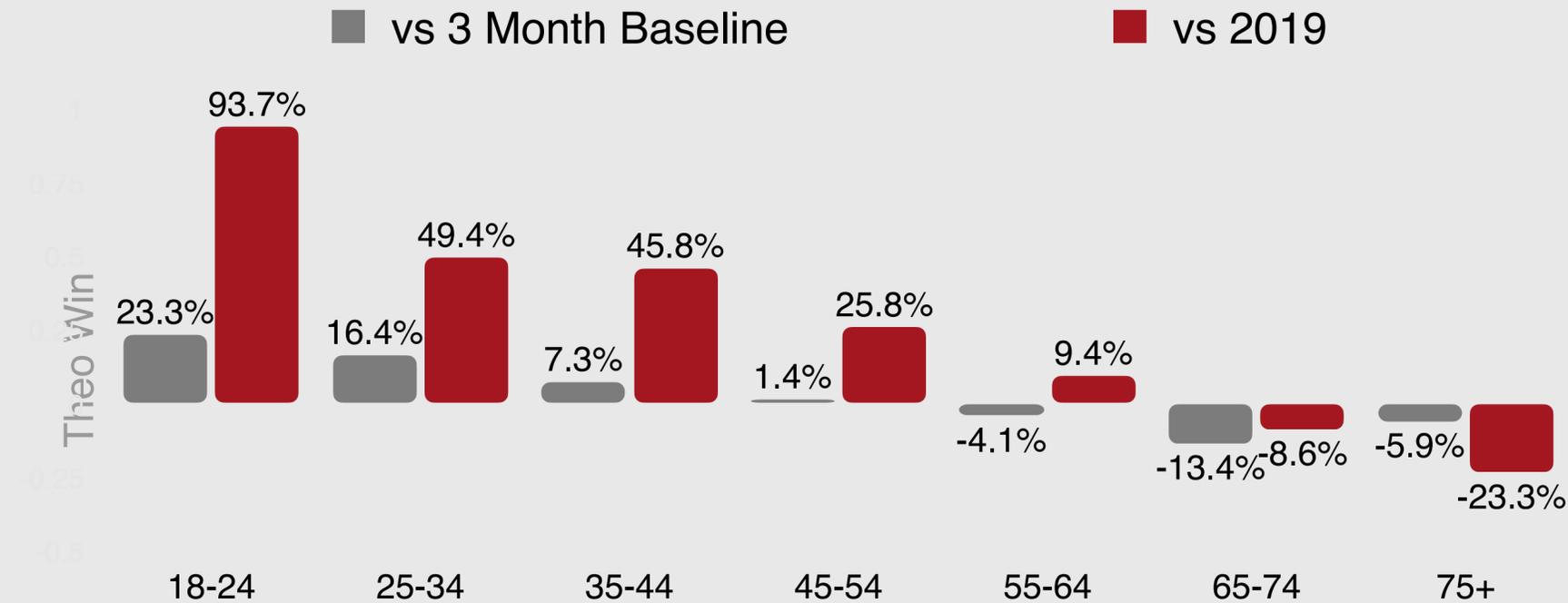
As **players 55+** represent a significant amount of play, we have watched these groups closely.

In March of 2021 players 55+ represented 56% of players and 62% of the win.

In April of 2021 players 55+ increased to 60% of players and 64% of the win.

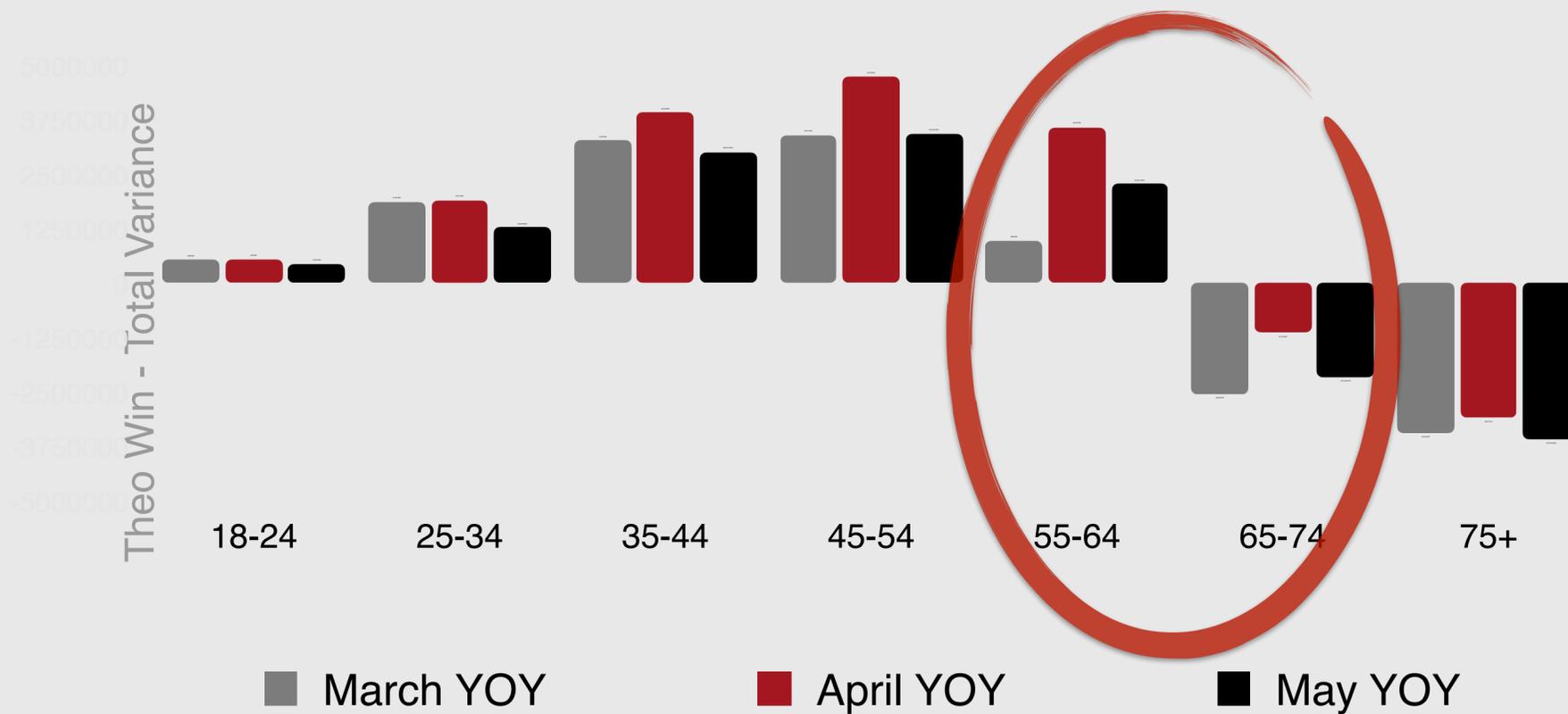
Now in May of 2021 players 55+ have increased to 61% of players and 66% of the win.

As we look at **May of 2021** compared to May of 2019, players **55+** are **down \$3,400,000**. Players **under age 55** are up **\$8,100,000**.





# Age



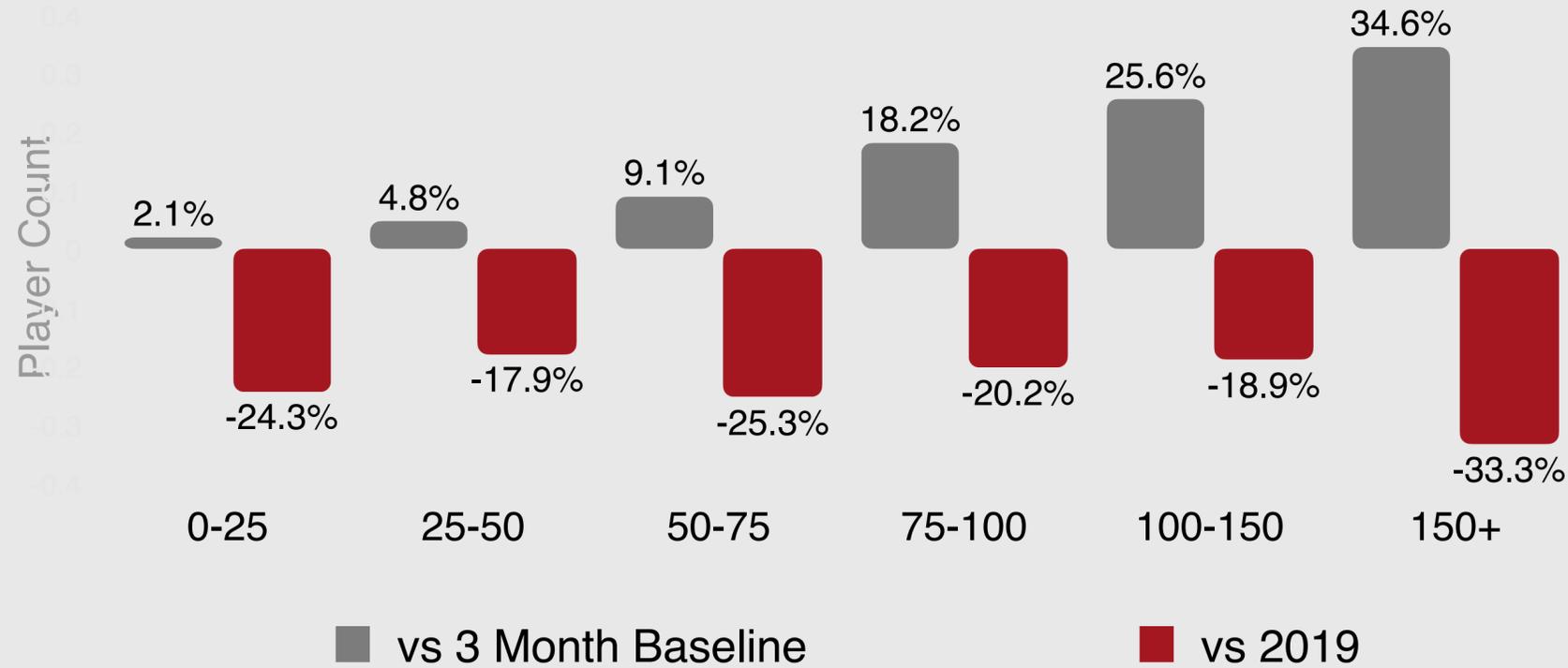
This graphs the variance of 2019 total theo win to total theo win in 2021 across the aggregated data set.

The decline in play from those 75+ is still lagging and May performance is not as strong from players 55 - 74.

While May is not as strong as April for this audience, it is still progress when compared to the rest of the year. We consider that to be the ultimate indicator for returned confidence in future revenue. It's time to open all the communication tactics for players.

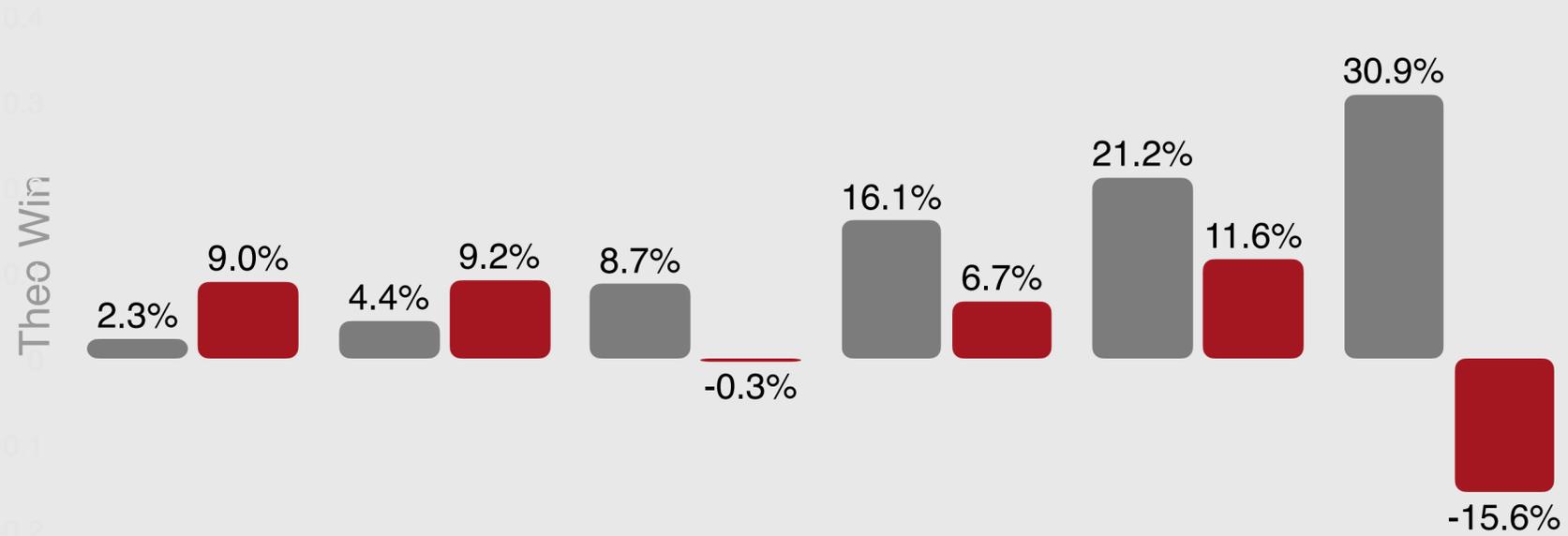


# Distance



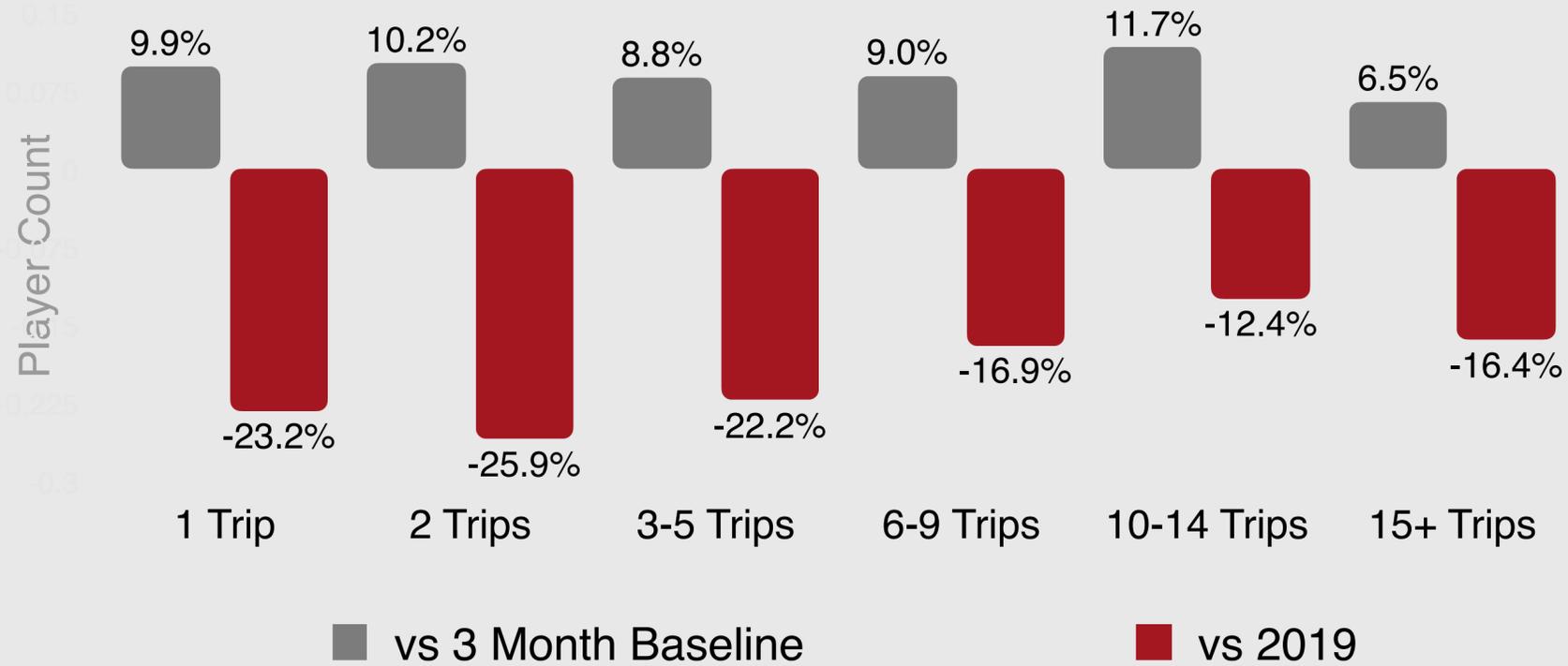
The impact to each distance range is directionally consistent within each baseline comparison.

Markets within a **50 mile radius of properties contribute 60% of the total revenue and 52% of players.** The increase in these markets are driving the **positive performance** we are seeing in May, when compared to either baseline.



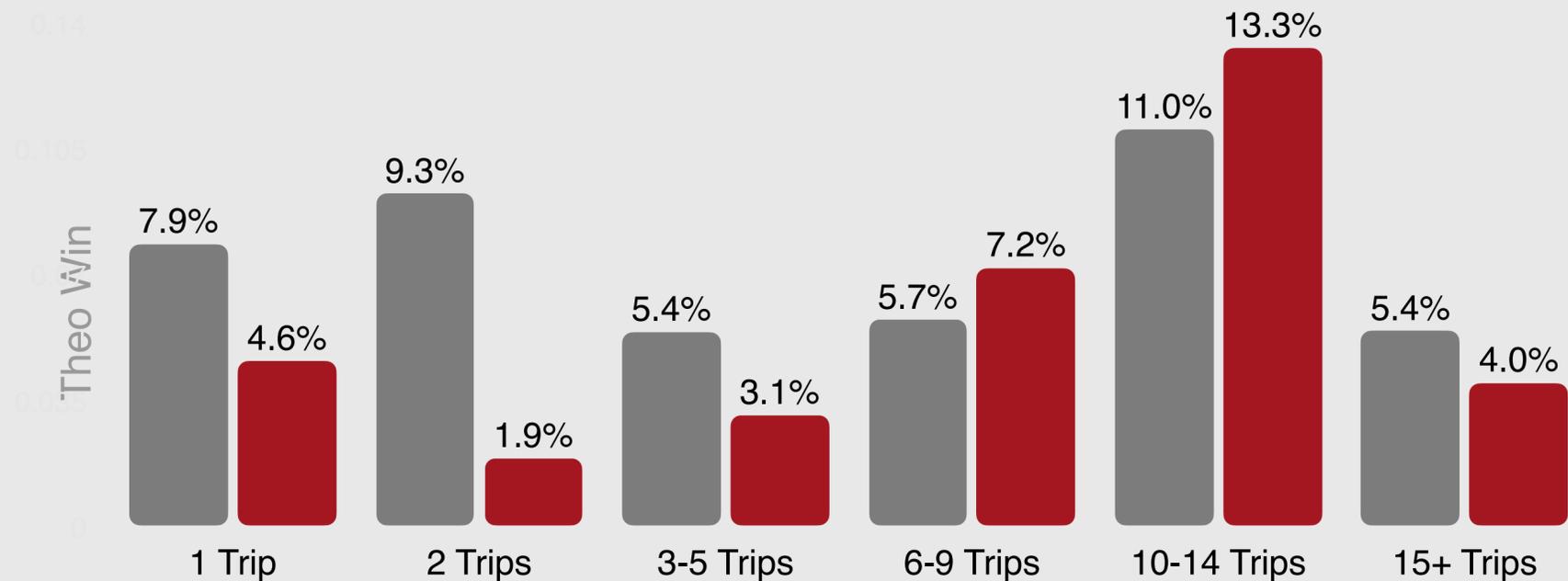


# Trips



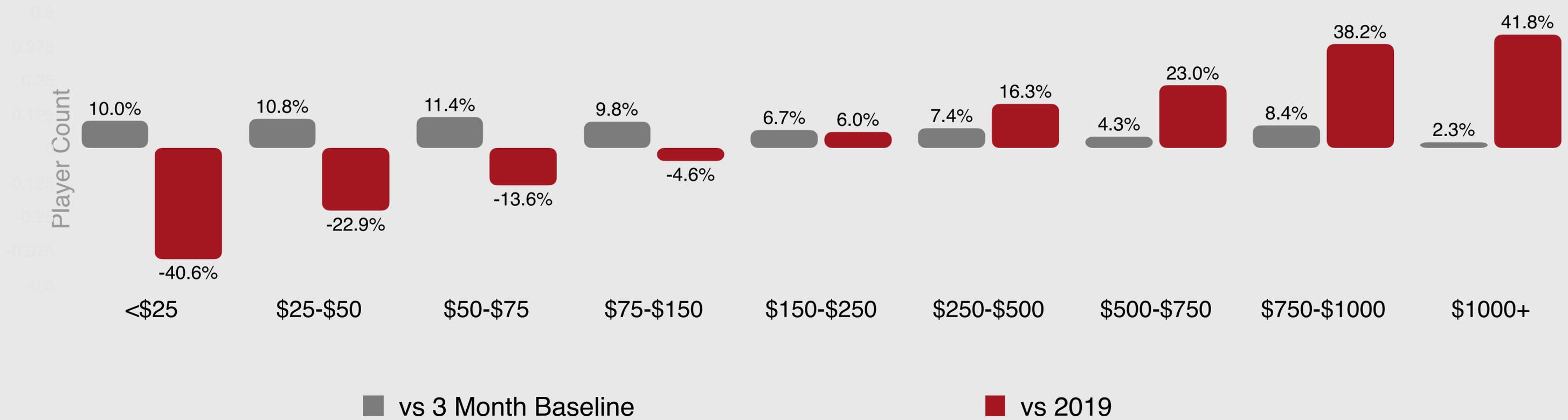
We have compared trip frequency in the month of May as a new addition to the report.

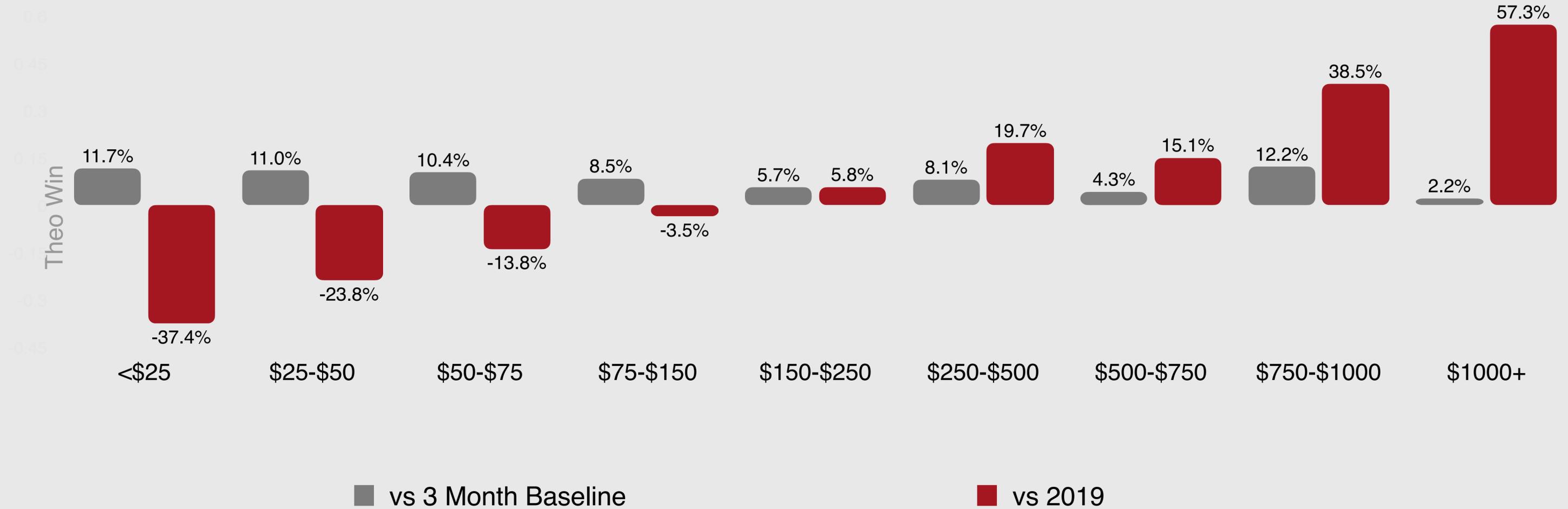
We have stable growth across all trip frequencies when compared to the average performance of the last three months. **However, when we look at the comparison to 2019, we see that players that visit more than 6 times per month are still down, but they are less impacted than the less frequent visitors.**





# ADT







# New Players

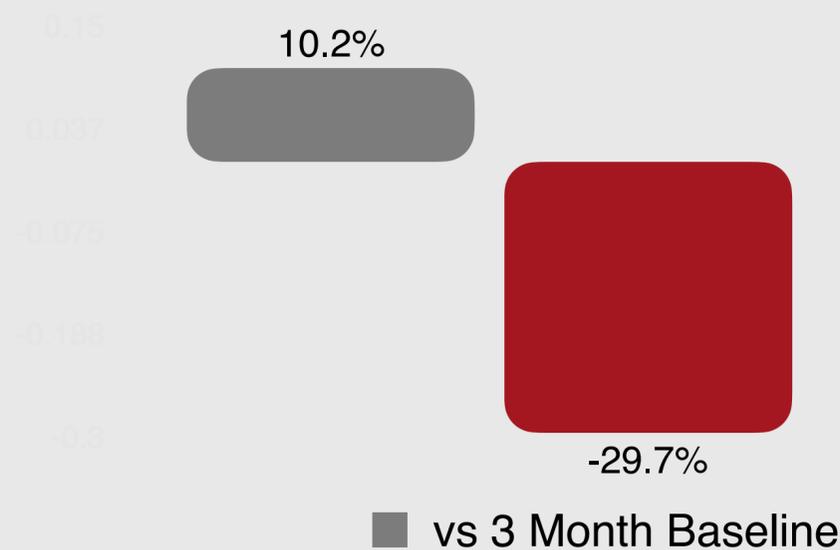
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## Are new players coming into properties?

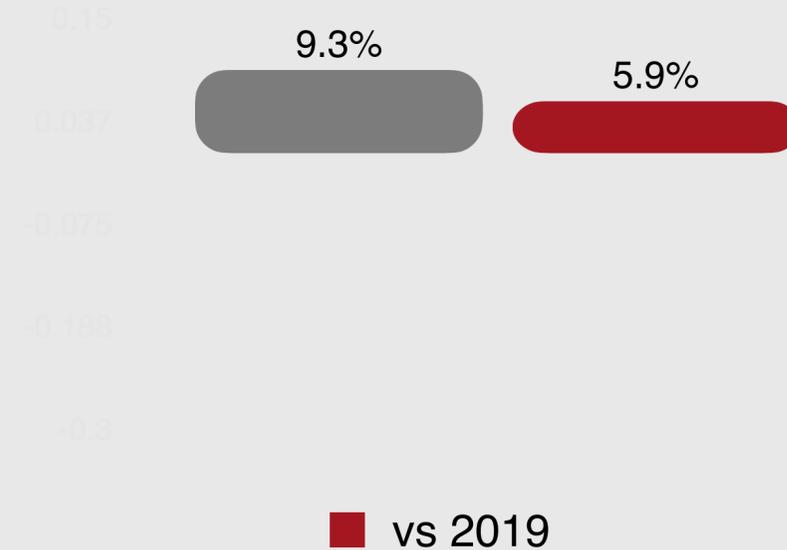
Compared the the previous few months, new members are back.

In May new players had the same ADT as the average of the last three months at \$58. When we compare the ADT to new members in April of 2019 we see a \$19 increase in ADT.

Player Count



Theo Win





**With a variance range of a 15.2%  
loss to a 44.6% gain in the win,  
who is doing well right now?**



# <or> 1,000 Machines

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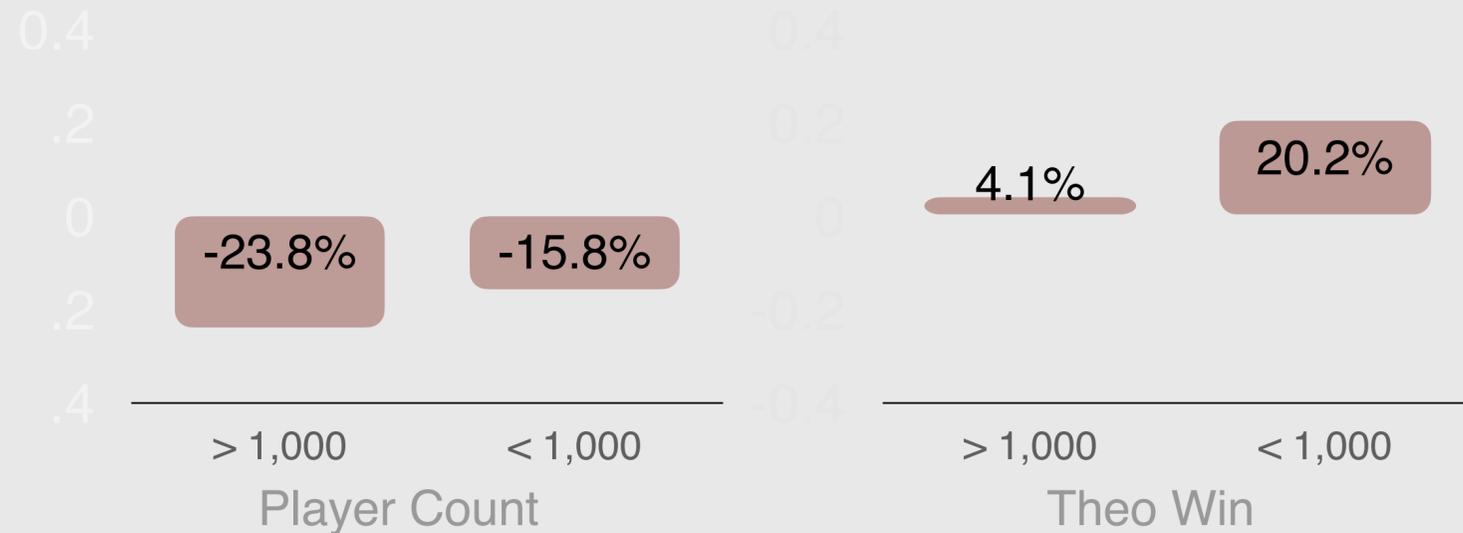
As with all casino data, there are many ways segment the information. One of the trends we discovered lead us to organizing the properties into two categories; **those with more and less than 1,000 machines.**

Machine count provides an indication or overall size and offering of a property.

Let's look at the results.



# < or > 1,000 Machines



For this analysis we are using the **May 2019** as the **baseline for comparison**.

In May 2021 properties with less than 1,000 machines continued to outperform the baseline with the **strongest gain this month of 44.6%**.

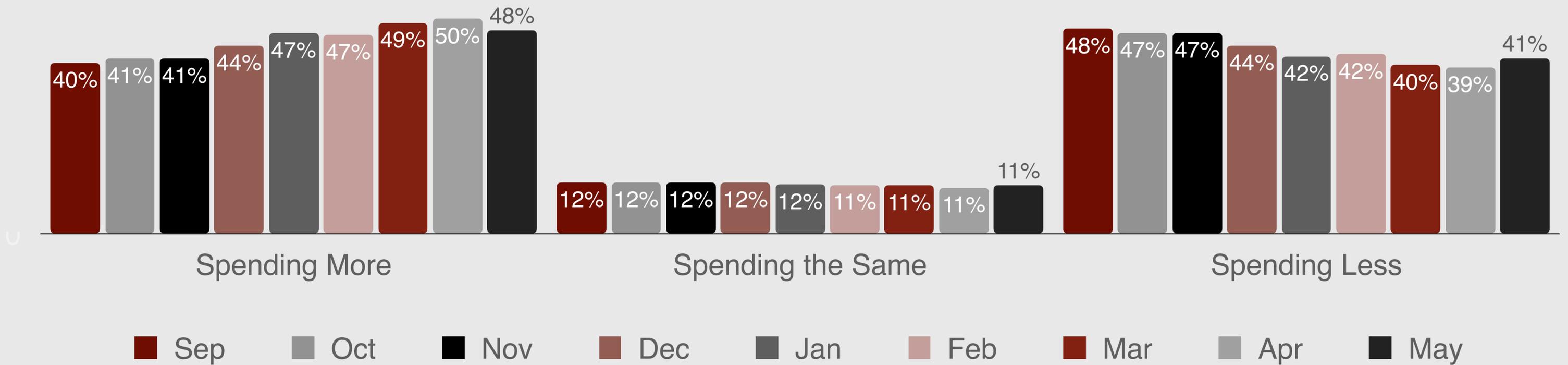
Over the last five months properties with more than 1,000 machines have shown **volatile performance**. December's 24.7% decline in revenue year over year was followed by just a 1% decline in January. February's results look similar to December, coming in at down 21.9%. **March** is comparable to January with just a **.8% decline**. **April** had a positive **5.4% gain** for properties over 1,000 machines, and in **May** these properties had a **4.1% gain** against 2019 numbers.



**Player Behavior, Less, more  
or the same?**



# 1 Spending Patterns





# Some Players Are Spending More

—

**47.06% of players are spending more** than they were in the 3-months before the shutdown. These players are currently contributing **66.98% of casino revenue.**

Short-term programs should be utilized to capitalize on this opportunity, as their behavior will likely change. **This is the largest percentage of players to have displayed an increase in spending since this report started.**

**We also recognize the impact that the stimulus may have on people's behavior.** If this level of play is an outlier, then it should be excluded from future analysis as it doesn't represent predictable future revenue.



# Some Players Are Spending The Same

—

**11.34% of players are spending the same** as they were in the 3-months before the shutdown.

These players are currently contributing **12.03% of casino revenue**. The contribution from these players has remained consistent for the last 10-months.

Direct mail reinvestment levels should be closely monitored as this suggests that only **11.34% of players** are currently exhibiting their typical behavior.



# Some Players Are Spending Less

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**41.06% of players are spending less** than they were in the 3-months before shutdown.

These players are contributing **20.98% of casino revenue.**

**A return to pre-COVID normal will take time.** Continuing to monitor and adjust will be key to maximizing revenue.



# What Next?

For the first time in recent memory historical player data may **not be the best predictor** of a player's future worth. In addition, having no year over year data complicates analysis.

Over the last three months 2021 has shown many significant trends. While uncertainty still exists, the players are indicating that they are returning and we should be prepared with promotions and making sure we are top of mind. We hope that the trends we are starting to see building in this report assist with planning for the future.





**Now more than ever, nothing  
should be “Set it and forget it.”**



Look for this Red Circle player behavior study each month. Adjust your business practices as each report reveals new trends.



# Red Circle's Mission & Purpose

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We want to advantage our clients in the marketplace, to help them make **data-driven decisions that are more efficient, more effective.**

- ▶ Casino-experienced staff
- ▶ Proprietary casino marketing software systems



# Red Circle, Built To Deliver Value

—  
Casino-only, full-service creative + media specialists, 9 former in-casino marketing staff in full-time positions

Unique value-driving casino marketing technology

Celebrating our 20th Anniversary

50 people, offices in Minneapolis, MN,

125+ casinos

Native-owned

# CHAD GERMANN

**FOUNDER  
OWNER / CEO**

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MILLE LACS  
BAND OF  
OJIBWE

—

CASINO  
MARKETING  
DIRECTOR  
4 YRS

—

CASINO  
MARKETING  
25 YRS



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**Miiigweech**

**Thank You**

