

Gaining the Edge: Will skill-based gaming attract a new demographic to casinos?

by Joseph Dimino

I am a millennial and I do not visit casinos to gamble. The vast majority of my friends are millennials and they do not gamble at casinos. While I have been to Vegas with many of my friends, we hardly gave the lines of slot machines on the casino floor a glance. We spent some time playing black jack but the primary purpose of our visit was to party at night clubs and watch shows.

For me, the root of the issue is technology. I could spend \$100 watching reels spin, knowing the odds are against me, or the same \$100 purchasing Xbox Live for a year. The vast majority of the population has more technology in their pockets than what's in the typical slot machine. The lack of technology excitement combined with the knowledge that the casino will always win in the long run does not appeal to millennials.

This does not apply to all forms of gaming. I frequently participate in daily fantasy football tournaments, bet on sports with my friends and even play the occasional poker game. Each of these games is skill based, as I can affect the outcome through my skill at poker or my knowledge of football. The ability to leverage my skill makes me more

comfortable putting money on the bet rather than watching a spinning slot wheel.

To attract millennials, slot machine manufacturers are pushing new skill-based gaming technologies. In May 2015, Senate Bill 9 passed, which many manufacturers believe is an opportunity for the gaming industry to make slots more comparable to the video games millennials played growing up. These developments may increase their interest in remaining on the casino floor which will look more like an arcade. Not all gaming executives, however, agree on this strategy.

John Policicchio, Senior Vice President of Marketing at MotorCity Casino Hotel, believes the true goal is to offer products in line with millennials' expectations once they reach the typical "gaming" age, quoting, "Twenty-somethings were never huge gamblers...even in the baby boomer generation. As people get older, they are more likely to become gamblers because they have three things that all gamblers need: time, money, and the will to risk." John continued to say that the true goal may not be to revamp gaming and attract people who do not typically gamble into the casino, but to "make sure your product is in line with their expectations. We grapple with things like that all the time." There are numerous advocates on either side of this issue.

Will skill-based gaming attract a new demographic to casinos? I do not believe this is the “silver bullet” for the gaming industry. The current “skill based” machine is a typical slot machine with a bonus round which entails some type of skill. While this does add an additional element, the overall experience remains the same. For something to be “skill based” and truly attract my attention, there needs to be something comparable to the games I can play in the comfort of my home. These games need to be technically exciting with the added value and incentive to leave my house and spend more money.