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A Day in the Life of a Casino Host

Chu-Huan Liu

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November, 2005

CHAPTER 1

THE PROBLEM AND ITS PURPOSE

Introduction

“The premium-play segment of casino gaming has typically been credited with producing a disproportionate share of casino profits. In 1999, for example, premium players (often called high rollers) represented 5% of all Las Vegas gamblers, but produced 40% of the gross gaming win” (Lucas, Kilby & Santos, 2002, p. 65). In Lucas et al’s extensive discussions with casino executives, they also found that the high rollers segment is still considered a source of substantial profit. Most of these top 200 gamblers enjoy playing table games in mega-resorts on the Strip, such as Bellagio Casino & Resort, The Wynn’s, and Venetian All Suite Hotel & Casino.

Casinos usually hire junket representatives and casino hosts to act as a liaison between casino marketing departments and proven high-end guests. Junket representatives are usually independent agents who bring players into a particular casino; in return, they are compensated with commission by that casino. If these players do not spend enough time and money in playing, the casino simply loses interest in that representative. Casino hosts are in-house marketing employees who are fully responsible for retaining the existing good patrons and to bring in potential new guests (Makens & Bowen, 1994).

Rom and Flavia Hendler’s (2004) article showed revenue management could be combined with customer relationship management practices in gaming to maximize the overall property revenue. Personal guest services, casino credit, comps, airfare reimbursements, discounts, promotional chips, special events, shopping sprees, excellent facilities, comfortable gaming

areas, and courteous casino employees are all good marketing tools to help casino hosts sell the resort and to build a long-term relationship with the gamblers. As competition grows, casino hosts must be able to understand their customers' needs and wants, then act to further ensure their complete satisfaction hopefully. In return, a future trip can be booked in advance.

The casino marketing host's work has the following unique characteristics: service-oriented, 24-hour on call, and long hours. Most casinos in Las Vegas have at least one casino host on-duty at any given time. For certain high-end guests, there is often a single host assigned to them during their entire trip. He or she is standing by 24 hours a day to facilitate the VIP guests every request. Most casino hosts carry either beepers or cellular phones, so their guests or hotel staff can reach them any time. During peak seasons, such as New Years or Chinese New Years, most casino hosts spend 12 to 16 hours in the casino to service their casino guests.

The author will also discuss the following subjects in this paper: making credit decisions, collecting outstanding balances, making comps decisions, settling guests' accounts, preventing employee fraud, and dealing with guests who are self-limited. A successful casino host should not only make their guests feel comfortable and happy, but also maximize profits by carefully regulating company expenses on complimentaries.

Purpose of this Study

The purpose of this study is to describe the duties and responsibilities of a casino host. The day in the life of a casino host will be presented in Chapter 3.

Research Questions

“Casino hosts have three primary duties: to identify premium players and attract them to the casino, to negotiate with the players based on their level of play, and work out transportation, accommodations, accommodations, food and beverage, and other services for the players; and to

keep information on their players and maintain a relationship with them. Hosts are also responsible for developing premium players who are already at the casino” (Makens & Bowen, 1994, p. 69). How do casino hosts find new players? What kinds of deals can casino hosts offer to his guests? Are these deals so attractive to keep the existing guests and lure new guests away from other casinos? How do casino hosts perform their daily duties? How do casino hosts establish and maintain a relationship with their guests? What are employee frauds and how can they be prevented? Will casino hosts replace junkets representatives fully in the future? What are self-limited patrons and how should casino hosts deal with them?

Significance of the Study

Revenues from casino table games and slot machines are considered one of the major incomes of casino hotels or resorts on the Strip in Las Vegas. Hence, the marketing department plays a big role in the casino business. Even though services provided by all service departments are equally important to build a good reputation of a hotel or a resort, a group of proficient marketing staff can help promote a hotel in order to maximize the total revenues in casino drops. This paper is based on the diary of the author’s personal experience in hosting casino guests in a five-star casino & resort in Las Vegas and the review of the related literature. The author attempts to depict the daily life of a casino host, so anyone is interested in this field can have a basic concept of how a casino host performs his or her job either on- or off-duty. The related casino terminology and practices are discussed. A comparison between related literature and industry practices will also be included in this study.

Definition of Terms

Airfare Reimbursement: This is a cash award payable to the customers whose play is qualified to their deals no matter they win or lose. Usually, customers need to play at least twelve hours with theoretical win/loss at least $\frac{1}{4}$ of their credit limits. The reimbursement amount depends on where the guest is from and how much his or her credit line is.

Average Bet: The average dollar amount wagered (Makens & Bowen, 1994).

Cash Complimentary: A form of monetary reward is based on the play of the customers (Makens & Bowen, 1994). Discounts, airfare reimbursements, front money incentives and quick-pay incentives are examples of cash complimentaries.

Cash-deposit Incentives: This is a cash award payable to the customers who deposit front money at the cage before starting playing and whose play is qualified to their deals no matter they win or lose. Generally speaking, customers need to play at least twelve hours with theoretical win/loss at least $\frac{1}{4}$ of their front money. Casino hosts only offer this incentive to players with deposit \$100,000 or above.

COB: It stands for check-on-board.

Complimentary: A. K.A. “comp”, services, rooms, and F&B reward to the players based on their play.

Corporate Exposure: The maximum credit limit a certain guest can obtain within properties.

Discounts: A form of monetary reward to the players based on percentage of their losses. Generally speaking, discounts is offered to players with bankroll \$50,000 or above.

Earning Potential (E.P.): Also known as the theoretical loss/win. The theoretical amount a casino can win from a player (Makens & Bowen, 1994).

Disposition: The payment method. Guests can choose to pay their IOU in 30 days, pay upon departure, settle with casino hosts, pay outside branch offices, or allow casino cage staff to deposit their markers in 7 days after departure.

Hold: The amount a casino expects to win from the initial buy-in (Makens & Bowen, 1994).

Hosts: Casino employees responsible for developing and maintaining premium-player business without the use of junket representatives (Makens & Bowen, 1994).

House Advantage: The statistical advantage a casino has over a player on a particular table game. It is usually expressed as a percentage. Among all table games, roulette has the highest house advantage and pai gow has the lowest house advantage.

IOU: It stands for outstanding balance.

Junket Representatives: Independent agents who organize junkets and are compensated by casinos, usually through some form of commission (Makens & Bowen, 1994).

Live Chips: Chips that can be redeemed for cash (Makens & Bowen, 1994).

Marker Limit Restriction: It defines a request from a patron verbally or in writing that their credit limit is set at a specific level indefinitely or for a specific period of time, and not referring to problem gambling. It also encompasses a patron's request for revocation of credit and/or check cashing privileges at one or more casinos (Taube, personal communication, July 4, 2005).

Pit Manager (Pit Boss): The casino employee in charge of a gaming area such as Blackjack or Baccarat (Makens & Bowen, 1994).

Player's Club: Players can register to casino's players club and earn credits if they play. The more they play, the more credits they earn. The credits can be redeemed for meals,

shows, hotel rooms, and other complimentary items. The credits earned are based on the percentages of a player's theoretical win/loss.

Player Ratings: Player ratings are composed of players' average bets, hours played, theoretical win/loss, actual win/loss, comps earned, cash-backs earned, credit limits, cash buy-ins, and expenses.

Promotional chips: Not redeemable for cash, promotional chips must be played until they are lost or until they win chips that can be redeemed. They are also called nonnegotiable chips (Makens & Bowen, 1994). They are usually used as a marketing tool to attract players for return trips.

Quick loss: When a player loses his or her bankroll within a short period of time (Makens & Bowen, 1994).

Quick pay: A credit player pays his or her IOU in fewer than 14 days after the trip ends.

Quick pay incentive: An extra 1.5 to 3 percents of loss as incentives is rewarded to the players, who lost \$200,000 or more, if they agree to pay IOUs within 14 days.

Reg. 6A: The law enforces the control of the cash. Casinos must abide by the Money Laundering Control Act of 1986, which states that they are required to identify and report cash transactions exceeding of \$10,000.

Relationship marketing: An orientation of treating all customer interactions as part of an ongoing stream of interactions, rather than treating each customer interaction as an isolated incident. It focuses on long-term relationships and series of transactions with the customer (Berry, 1995).

RFB: It stands for room, food, and beverage.

RFB comp: The expense that is incurred by the casino for providing its players with free rooms, food and beverage, show tickets, and limo services.

Self-limited Patrons: Self-limited patrons are casino players who believe they have a gambling problem and wish to voluntarily self-limit themselves from casino privileges, including receiving complimentary, and agree to be removed from all check cashing and other cage disbursements, marker privileges, direct mail marketing lists, telemarketing lists, promotional mail lists, e-mail and player recognition programs at a certain casino or a certain group of casinos (Taube, personal communication, July 4, 2005).

Stop holds: Remarks in a player's account to stop him from drawing markers.

Theoretical Win/Loss: $\text{Player's average bet} \times \text{number of hands per hour} \times \text{number of hours played} \times \text{house statistical advantage for that game}$. (Makens & Bowen, 1994)

Unusual customer actions: Floor supervisors observe unusual customer actions at table games, and report them to higher management and marketing department. For example, guest A draws markers \$20,000 and give the chips to guest B to play with.

Whales: The elite of premium players who play for large amounts such as one million dollars (Makens & Bowen, 1994).

Limitations

The market segment is targeted at high-end guests who have credit lines or front money deposits in the amount of \$50,000 or above. Table games marketing is specified because it is the major and most profitable division in the casino. Sports books, kenos, and slots marketing are not suggested to be included in this study since casinos usually have different marketing strategies for these areas. Poker is also not mentioned since casinos simply make very little profit or no profit from this division.

CHAPTER 2

REVIEW OF RELATED LITERATURE

Introduction

The purpose of this chapter is to examine and integrate research findings related to the table games casino marketing and a casino marketing host's job responsibilities in Las Vegas. This chapter will cover the topics, such as casino marketing tools, airfare, discounts, comp decisions, employee ethics and fraud, a casino host's duties, casino junket representatives, related gaming regulations, casino credit, casino collection, and special deals for international guests. A comparison between related literature and industry practices will also be included in this chapter.

The three primary duties of a casino host is to identify premium players and attract them to the casino, to negotiate with the players, based on their level of play and arrange transportation, accommodations, food and beverage, and other services for the players; and to keep information on their players and maintain a relationship with them. Casino hosts are also responsible for developing premium players who are already in the casino (Makens & Bowen, 1994). Casino hosts usually work on the casino floor to greet the existing guests and to get to know the potential players on gaming tables. To the existing guests, a casino host usually evaluates their play history to upgrade or downgrade their trip comp status, and examines their level of play and payment history to increase or remove their credit limits.

By explaining benefits of being players club members and providing personal guest services to new guests, a host can establish the very first relationship with them. Generally speaking, a casino host usually obtains contact phone number and address from a player in the casino, and at the same time he or she also receives a host's business card for future trip reservations.

Whenever casino marketing has special events, blackjack or baccarat tournaments, or shopping spree promotions, a casino host will mail invitations to the potential players and follow up with sales phone calls to these guests to see if they can participate. If guests decide to come, they usually will ask their host to book room, dinner, limousine, golf, tour and other reservations by phone or by e-mail in advance.

A credit limit is usually processed and negotiated before a customer's arrival. New guests are also informed the disposition method before their arrivals. The stop holds will only show up for a guest with permanent credit line if his or her bank rating is too low to support the limit, or his or her identification is expired in the system. In these cases, the guest should either provides his or her host or credit department staff additional bank information at least two business days before arrivals, or shows a cage clerk his or her new identification after check-in.

Different guests are presented different types of deals in complimentary services & goods and casino settlements depending on their level of credit lines or front money deposits and their actual players' ratings. Settlements are taken place in property before players' departure if they win money and also play up to the level. If a guest loses money and has IOU, his or her host will inform him the payment amount and term either before or after departure. Most likely, airfare and discount will be applied to a guest's account after the payment is made. For domestic guests, the payment is expected in 30 days. For international guests, guests are allowed to pay in 60 or 90 days depending on the payment agreements.

Players Clubs and Direct Marketing

Most casinos have players clubs to keep customers' personal information and play history. Casino hosts and floor supervisors usually invite the potential players to join players club by explaining the benefits of being a member. A player's card with the guest's name and

membership number is given to the player after the guest's ID is scanned in the system. Before playing, a guest should give his or her card to a floor supervisor to get his or her play rated if their average bet is high enough, such as \$ 25 or above. Players can redeem their points either in comp rooms, food and beverage or services.

“John Romero, a consultant for the casino industry on direct response advertising and database building and author of *Casino Marketing*, believes casinos are retailers- like any other business- and have to handle their customers one-to-one. Romero also believes that direct mail is the most powerful marketing medium casinos can use. According to Romero, the necessary weapons that a casino must have in its marketing arsenal are: personal communication, instant recognition, courtesy, respect, attention to detail and follow up” (Raphel, 1997, p. 54). Mr. Romero also knows that half of all U.S. adults have been in casinos and that one out of four actually played in the casinos. Everyone who comes into a casino wants to be somebody. They want to be catered to and appreciated (Raphel, 1997).

Direct mailing relies on the accurate and complete guest information in Players Club database. Casino marketing supervisors print out the mailing lists and mail out the invitations whenever there are special events, such as concerts, fights, golf tournaments, baccarat tournaments, or promotions, such as summer funs. Guests who received invitations can call casino marketing coordinators or their casino hosts to book rooms and redeem their event tickets or other comp items. For guests who request no mails, it is a casino host's responsibilities to inform these guests by phone calls. With the help of the effective and efficient computer programs, casino hosts can also reach unknown decent playing customers by receiving the printouts of guest lists from casino marketing. Harrah's Entertainment, the largest gaming group in the world, is a good example. “ Harrah's Entertainment has focused on relationship marketing

and customizing its interactions with customers. So when it came time to optimize marketing efforts to its most valuable customers, Harrah's understood the need to integrate relationship building with its business intelligence to drive additional visits to revenue. Harrah's has approximately 300 casino hosts responsible for servicing the top 100,000 VIP customers, who account for the majority of its revenue. With the help of the Blue Martini Software, a Java-based application that allows realtime access to customer information, Harrah's also was able to establish more transparency and accountability within its VIP initiatives. Previously, the entertainment marketer was dependent on the hosts self: prioritizing their customer outreach efforts, which often resulted in repeated calls to the same loyal customers"(Cherkassky, 2005, p. 21).

Casino Credits, Front Money Deposits and Check Cashing Privileges

Casino credit is also a powerful marketing tool for casinos. For guests, they do not need to bring a lot of cash with them from home, and they usually can pay in 30 days after they establish play with the casino. Guests, who request casino credit, can either contact credit department staff or their own casino hosts to process credit limits. The complete credit application includes name, residential address and phone number, date of birth, social security number, business name, address and phone number, bank name and address, bank account number, credit amount requested, and signature. A complete credit application is sent to credit department for central request and bank check.

Central Credit Incorporated is an information service company based in Las Vegas, Nevada. The service provides its subscribers with a gaming history of most credit customers who have credit lines in the past. This service enables all subscribing casinos to trade information with each other. This includes some New Jersey, Las Vegas, Reno, Tahoe, Caribbean Clubs, and

some London clubs (Ritto, 2003). From the central report, casino hosts and credit staff can find out if a guest has current balances in other clubs, derogatory information, check-in-transits, returned checks, or slow payment history. In additions, marker limits in other clubs and high & low play actions can also be found on the central report.

If an applicant has limited or no gaming experiences, a casino credit clerk also runs his or her credit bureau report. A credit bureau report is an additional way to verify a customer's payment history. The report contains bank loans, mortgages and credit cards. In other words, it contains a customer's consumer debts and how they are handled. There are four different credit reports available. They are Experian, Equifax, Trans Union and Canada. The most commonly used credit bureau reports are Experian (Ritto, 2003).

A credit manager or a casino host decides if credit requested is granted to an applicant after reviewing his or her central report and bank rating(s). The reason to check guest's bank rating is to make sure the applicant has enough money in his or her bank account to cover the credit limit requested. A letter will be sent to the applicant to inform him or her if the credit limit is approved or not. Moreover, the payment method is also included in the letter. The cage usually obtains a COB from a new credit guest upon arrival. The COB is returned to the guest before departure if he or she does not owe any markers. A COB guest can choose to pay cash to get COB back or to ask a cage clerk to deposit his COB to clear his or her IOU. Credit decisions are to be made in the best interest of the company and the customer. The decision is to be made with the absolute belief that the markers issued can and will, in fact, be repaid (Ritto, 2003).

Most casinos do not grant casino credits to international guests. Large casino groups, which welcome international high profile players, usually have overseas branch offices to market their properties. Branch office marketing staff is responsible for finding new credit guests and

collecting outstanding balances after trips end. Domestic guests usually can have permanent credit lines set-up. For international guests, temporary credit lines are set up since the credit department relies heavily on branch office staff to check patrons' financial background. Those, who decide to come, usually contact branch office staff to book rooms and negotiate their credit limits and deals. Branch office staff will check their bank ratings and update credit managers and in-house hosts guests' financial situations. International deals will be discussed in the settlement session.

Front money deposit is for guests who do not want to have casino credit limits, or who are not able to get credit limits. Guests can wire funds, deposit cashier checks, traveler's checks, or cash as their front money. However, personal checks are not acceptable as a customer deposit. As a bonus, front money guests receive 1.5% to 3% front money commission if they play qualified in addition to airfare and discount. The details will be discussed in settlement session.

Known patrons usually have check cashing privileges at the cage. Many casinos use global check cashing systems instead to lower the risk. The cashing amount varies from \$500 to \$20,000 depending on individual casino's policies.

Casino Collections

The casino collection department is responsible for collecting credit guests' outstanding balances. The collection process differs from one another depending on guests' disposition codes. There are several disposition methods, such as markers deposited in seven days if no immediate payments, payment to outside offices, statement sent to customer one to two weeks after trip ends and payment expected in thirty days, markers deposited in fifteen days with no statement, markers deposited in thirty days with no statement, or handled with collection department or casino hosts (Ritto, 2003).

The collection department usually produces a monthly summary report and a monthly aging report to casino hosts and branch office executives. Collection meetings also are held to discuss past due accounts over 90 days every three months. Generally speaking, casino hosts contact their guests for collection if they approved the credit limits. Collection department clerks and managers help to collect guests' balances if credit managers approved the credit limits. Branch office employees are responsible for collecting guests' IOU in their region or country. If there are no special deals involved, established domestic guests are allowed to pay in 30 days and international guest's pay period can be up to 90 days.

Cash payments and travelers checks will clear a customer's account immediately. Cashiers checks totaling under \$100,000 from a patron with an established relationship and a known bank will be considered cash and clear the customer's account right away even if verification can not be performed immediately. Money orders will only be accepted after bank verification and proper authorization from a credit executive. Personal checks are also accepted as a payment type. However, a guest's account will only be cleared after the check given is cleared with the bank (Ritto, 2003).

It is very common for a domestic casino host to visit a guest to collect money. Overseas branch office staff usually helps to collect IOUs from guests in that region. International hosts also have collection trips overseas to collect IOUs from guests with whom they have good relationships. In other cases, guests refuse to make payments. Generally speaking, an international host would visit a guest for payment with a branch office staff. He or she usually does not bring the fund collected back to the United States. Branch office employees would fill out and file all the related paperwork; such as CTRC-N, Cash Action Control Log, receipt to guests, and transmittals. If a casino host travels to visit a guest for payment, the collection

amount is usually over \$100,000. In most casinos in Las Vegas, the collection department can write off 3% total IOUs as bad debts annually.

Regulation 6A

Regulation 6A is a Nevada State regulation which all Nevada casinos must follow. This regulation is similar to Title 31 of the United States Department of Treasury's Bank Secrecy Act, under which all businesses must report cash transactions over \$10,000. Transactions not involving cash, such as credit play, payment of markers with checks, depositing checks in the casino cage against which to play, etc., are not affected by this regulation and do not require that a report be made. A reportable cash transaction is any single cash transaction in excess of \$10,000 (foreign cash equivalent to U.S. \$10,000) or multiple cash transactions within a 24-hour period totaling in excess of \$10,000 (Regulation Notice, 2000). When a patron conducts a cash transaction in excess of \$3,000 or foreign equivalent and less than \$10,001, an entry on the Multiple Transaction Log or Cash Action Control Log is completed. When a patron conducts a cash transaction in excess of \$10,000 or foreign equivalent, an entry on the Multiple Transaction Log or Cash Action Control Log and a Currency Transaction Report Casino-Nevada is completed during the 24-hour period. The examples of reportable cash transactions in excess of \$10,000 within a 24-hour period are, purchase of chips with cash, money plays bets in cash, payments of markers with cash, cash deposits made with and verified by casino cage cashiers, and cashing of checks for cash (Regulation Notice, 2000). In order to comply with the regulation, casinos request the following information prior to completing a transaction: official government identity credential (such as driver's license or passport), residential address, birth date, social security number, and identification number and expiration date. If a guest refuses to provide the required information, casino staff will be prohibited from completing the transaction

(Regulation Notice, 2000). They become “barred patrons” who enter into cash transaction in excess of \$10,000 without having complete identification. They can no longer play in gaming area unless they provide the required Regulation 6A information (Taube, 2005).

Casino employees can enter into a reportable transaction without reviewing a physical identification if the guest is a known patron. A known patron is a player whose identification is not expired, has been verified in the last three years, and is scanned in the computer system. However, if the identification is expired in the system, the patron needs to present an updated identification to a cage clerk before entering into a reportable transaction. The new identification will be input to the computer system (Taube, 2005).

An agent is another individual conducting transactions on behalf of a patron. An agent is defined as a relative, a friend, or an associate of the patron. When an agent conducts a transaction on behalf of a customer, he or she must show his or her identification, regardless of the amount. If a transaction exceeds \$10,000, the patron’s identification must be reviewed, too (Taube, 2005). The absolutely prohibited transactions are cash for cash exchange in excess of \$3,000 or foreign equivalent, issuing checks for cash in excess of \$3,000 or foreign equivalent, and wire transfer of cash in excess of \$3,000 or foreign equivalent (Taube, 2005).

Front money deposits, front money refunds, and payment of markers are the most common transaction types handled by casino hosts. For front money deposit under \$10,000 in cash, cage clerk requires to log the breakdown the type of currency and denomination received on a Multi-Property Receipt and complete a Cash Action Control Log. For front money deposit over \$10,000 in cash, cage clerk verifies if the patron is a known patron or obtains new identification first. He or she also logs the breakdown the type of currency and denomination received on a Multi-Property Receipt, complete a Cash Action Control Log, and Currency Transaction Report

Casino-Nevada. When the guest who deposited money in cash at the casino cage is ready to leave, a cage clerk is required to return the leftover deposit in the same denomination and currency type. Once the determination has been made on how the funds will be returned, a cage clerk notes the breakdown and denomination returned on a Multi-Property Receipt and Cash Action Control Log. If the amount of the refund is over \$10,000, a Currency Transaction Report Casino-Nevada is also filled out. The winnings can be distributed in anyway the guest wishes. It could be by check, wire transfer, cash, or combinations of the above (Taube, 2005).

If a patron would like to make payment in cash, the same rules apply. A Cash Action Control Log is completed if the marker payment amount is between \$3,000 to \$10,000. Over \$10,000, a Currency Transaction Report Casino-Nevada is also completed during the 24-hour period.

A casino host must be very careful in answering any guest's questions regarding cash transactions. Giving guests advice to avoid the reportable transactions is illegal. If an employee is found circumventing Regulation 6A on behalf of a patron, fines and criminal penalties may be imposed on the company and individual involved. He or she may be subject to disciplinary action up to termination. The best way is to hand regulation notice brochures to guests. The brochures may be in several languages, such as English, Chinese, Japanese, and Spanish available at the casino cages and pits. These brochures are also available in branch offices.

The main purpose of Regulation 6A is to prevent money launderers using casinos to conceal their illegal profits or to move these funds beyond law enforcement's reach. If the following situations occur, suspicious activity reports may be filed and submitted to the U.S. Department of Treasury Financial Crimes Enforcement Network.

- A. A guest is trying to avoid or prevent the filing of a Currency Transaction Report for Casino.
- B. The transaction has no business or apparent lawful purpose.
- C. The transaction involves the use of the casino to facilitate criminal activity.

Casino Junket Reps

“All-expense-paid trips for gamblers are part of the marketing strategy of casinos throughout the world and junket reps act as the liaison between casino marketing departments and proven premium players. The primary function of a junket rep is to bring known gamblers, including premium players to a casino. If those players do not spend enough money, the casino loses interest in the rep. Therefore, a good client list is a junket rep’s primary asset. Junket reps do much the same job as meeting planners. They arrange accommodations, food, beverages, side excursions, entertainment, and other recreation. They travel with their clients to attend to their needs and serve as intermediaries if disputes arise between the hotel or casino and the player” (Makens & Bowen, 1994, p. 63-64). Most casinos on the Strip still rely on junket reps to bring in potential players. Junket reps usually come with their guests to the property, and take requests of their needs and wants. Then they pass over the requests to in-house casino hosts. Casino hosts tell the junket reps what are fulfilled and what cannot be done according to guests’ level of play and hotel policies. Summarily, junket reps do the same job as casino hosts: to bring in and serve guests.

A profit and loss statement is prepared for each of the casino’s junket reps. This compilation allowed management to assess each junket rep’s performance (Thompson, 1999). Casino management decides to extend a junket rep’s contract annually depending on his or her performance. Some casinos encourage their in-house casino hosts to get to know and establish

relationships with junket reps' guests in case the company ends junket reps' contracts in the future.

“Before becoming junket reps in the United States, applicants must complete a detailed personal and business history for the applicable state governing agency (e.g., State Gaming Commission). The State Gaming Control Board of Nevada requires a fingerprint check and detailed information including military record and criminal arrests” (Makens & Bowen, 1994). In Las Vegas, the license renewal is required annually. Casinos are cautious in dealing with new junket rep, since an unethical rep can cause problems. For example, a junket rep might loan money to his or her player but also apply casino credit for the same player. When it comes time to pay, the player is pressured into paying the rep first since the rep has better connections and relationships to the player than does the casino. The casino is left with a slow pay or a bad debt (Makens & Bowen, 1994).

“Junket reps work as the exclusive agents of a particular casino. They rely on promotions, such as free show tickets, rooms, and transportation to encourage gamblers to visit the casino. In return, junket reps are paid a commission based on the volume of gambling activity they generate. Most junket reps covered their own overhead out of their commissions” (Thompson, 1999, p. 61). “Junket reps are compensated through several methods: flat fee, percentage of front money, commission on dead chips, commission on live chips, compensation on number of turns, percentage of player's loss or percentage of casino's theoretical win” (Makens & Bowen, 1994, p. 67). In most Las Vegas casinos, there are two kinds of junket reps. One is compensated as a regular employee, that is, through a combination of salary, bonus and benefits. They are usually working in branch offices and they accompany their patrons to Las Vegas if necessary. However, branch offices reimburse their expenses incurred. They are not different from other

branch office employees, except they have junket licenses and contracts with the company. The other is paid a commission based on the volume of gambling activity they generate. The commission is based on 2 to 3 % of a guest's credit limit, or front money deposit, or combination of credit limit and front money deposit depending on the agreements between junket reps and casino. Absolutely, a junket rep's guest must play more than 12 hours and achieves certain theoretical win/loss.

Makens & Bowen (1994) found that some casino operators view junket business as unprofitable or marginally profitable and they believe that junket business is not needed in peak seasons and on weekends. Junket reps are under pressure. Those who continually upgrade their marketing and managing skills and consistently supply casinos with highly qualified, profitable premium players should continue to be view as important partners (Makens & Bowen). Many casinos on the Strip still continue to work with independent junket reps to bring in premium players. However, they also rely heavily on in-house casino hosts to do the same job.

Player Ratings

“The rating is simply an attempt to estimate the amount of money any given premium player is likely to lose during a visit to the casino” (Makens & Bowen, 1994, p. 65). A player rating consists of average bet, hours played, theoretical win/loss, actual win/loss, credit used, and cash buy-ins. Each casino makes its own calculation of theoretical win/loss using the similar equation. $\text{Theoretical win/loss} = \text{player's average bet} \times \text{hands per hour} \times \text{hours played} \times \text{house advantage}$. A guest starts a new player rating each trip. The player ratings are very important for the following reasons.

- A. Theoretical win is a negotiating measure to be used between the casino and junket reps and is designed to allow reps to earn commissions on all the premium players they bring to casinos, not just the losers.
- B. Casino hosts make comp, airfare, discount, front money incentive decisions based on a guest's hours played, theoretical win/loss and actual win/loss, credit limit, and amount of front money deposited.
- C. It is an encouragement for new players to join players club and get rated. By getting rated, they can redeem their points. The comp dollars are usually 40 to 50% of their theoretical win/loss, which can be redeemed to free rooms, F&B, show tickets, or limo services.
- D. Casino hosts can develop existing players based on their past play history and payment record. A casino host can present a better deal to a guest by offering better room types and increasing his or her credit limit. In return, a patron is expected to generate better theoretical win/loss by increasing hours played and average bet.

Settlements--- Comps, Airfares, Discounts and Front Money Commission

Before a customer checks out, he or she usually looks for a casino host to settle the account if he or she is a credit or front money player. A player's rating and comp expense play a major role in settling an account. The standard rule is that if comp expense is over 40% or 50% of theoretical win/loss depending on a casino's policy, no airfare is given. Airfare is issued if a credit or front money guest plays qualified to his credit or front money level regardless of a win or loss. That means, he or she plays at least 12 hours and theoretical win/loss reaches one quarters of the credit limit, front money deposit, or the combination of both.

A domestic guest usually gets the face value of the ticket price if his or her airfare comp guideline is over the cost of the ticket. If the airfare comp guideline is lower than the cost of the ticket, then airfare may only be partially reimbursed. Exceptions happen, especially guests are high-end or frequent mid-end. International guests will receive the fixed amount of reimbursements depending on where they are from and how much their credit limits or front money are as long as they play more than 12 hours the same trip and theoretical win/loss reaches one quarter of their marker limits, front money deposits, or the combination of both. Most casinos offer casino hosts an airfare reimbursement guidelines table. The airfare dollar amount is easily found by putting in guest's credit limit and origin. Airfare is an incentive to encourage out-of-state and international guests to come to play in Las Vegas. Casino hosts do not offer Las Vegas residents any airfare unless they lose a substantial amount of money.

Front money commission is an incentive to encourage guests to bring in their own money to play instead of play on credit. Guests can wire the fund to cage, deposit cash, traveler's check, or cashier checks at the cage upon arrival. Large casinos offer 1.5% cash-back to qualified guests who deposit over \$100,000 but less than \$300,000, 3% cash-back to qualified guests who deposit over \$300,000. Junket representative's guests are not entitled to receive front money commission, since the commission is paid to their junket representative.

“The recent building boom on the Las Vegas Strip has intensified the competition for premium players. That increased competition, in turn, has led to expanded play incentives, chiefly comprising discounts on player losses” (Lucas, Kilby & Santos, 2002, p. 65). In Lucas et al found that 12 major Las Vegas Strip properties actively offer discounts to premium players. Atlantic City casinos also employ discounting practices liberally. Discounting is most often made available to the baccarat players, which comprises mostly international high rollers even

though discounting player losses is a practice that no executive would want to advertise, as it clearly reduces cash flows.

Until now, most casinos in Las Vegas only offer discounts to international guests who lose more than \$50,000 in one trip. If a guest loses over \$50,000 but less than \$100,000, 5% of the actual loss is reimbursed on top of comp goods, airfare and front money commission. If a guest loses over \$100,000 but less than \$500,000, 10% of the actual loss is given back. For premium guests with \$500,000 and above credit limits, they usually negotiate with casinos about their special deals in airfare, discount, front money commission, and air charters before their arrivals.

Unusual Customer Actions and Rating Variances

The examples of unusual customer actions are hiding chips from floor supervisors, signing markers but giving chips to friends, and jumping tables without showing chips on hands. The floor supervisors have the choice to file an unusual customer actions report or not. The reports are sent to table games office and casino marketing. The guest's casino host usually will receive one copy of the report as well. These reports are very helpful especially when a guest states a rating variance, his or her casino host can determine whether to request a rating variance investigation with pit boss or not.

The customer's rating consists of average bet, theoretical win/loss, hours played, and actual win/loss. A floor person usually has two to six tables to watch depending on the types and betting limits of the games. It is impossible to record all guests' average bets and actual win/loss with 100% accuracy. Rating variance is the difference between actual win/loss and rated win/loss. If a guest does not show his or her players card to a floor supervisor each time before playing, he or she might not get all the ratings. In this case, nobody can help. When tables are busy, chances of recording less or more actual win/loss might happen.

A casino host will request a rating variance investigation with pit boss according to this player's past playing pattern and history and if the loss is over \$50,000. The player can decide to settle before or after the investigation. He or she usually will wait to settle after the investigation since a discount is involved. The investigation usually takes 3 to 5 days. In approximately eighty percent of the cases, the ratings can be changed.

Casino Marketing tools, Special Events, and Amenities

Due to the increase competition among casinos, most casinos try to offer the best facilities and amenities to their existing guests and potential guests. "In a competitive environment, successful casino destinations will have to provide more than mere availability. A study investigates the relationship between use of casino amenities, such as food service and entertainment, and total casino spending. Results indicate that users of casino amenities spend substantially more money than do nonusers of these amenities" (Wesley, 1996, p. 58). Guests have more choices now in casinos. They would like to stay in casinos offering good restaurants, shows, suites, spa and salon, pools & cabanas, room amenities, limo services, casino ambience, and courteous employees. Special events, such as fights, shopping sprees, concerts, baccarat or blackjack tournaments with high prizes, Christmas, New Year, Chinese New Year, or Super Bowl parties are also great promotional tools for casino hosts. Casino hosts send out invitations to their guests and call to follow up the future reservations. In order to promote the events, casino hosts have more chances to contact their guests to build up stronger bonds. The more a casino can offer both in facilities and services to its guests, the easier for casino hosts to promote a property.

The large casinos usually have a Special Events department to book shows and arrange parties. The fact sheet of an event is usually e-mailed out to Front Desk, VIP Services, Casino Marketing, Concierge, and both slot and table games casino hosts.

Employee Fraud in the Casino and Gaming Industry

Casinos rely heavily on complimentary services and goods to attract and retain their best customers. The more customers play, the more points they earn. Points can be redeemed for complimentary goods, services, and sometimes cash, such as airfare and cash-back on slot play. “On the casino floor one of the most common areas of comp abuse involves play ratings. A casino supervisor can miscalculate the theoretical win by overstating a customer’s length of play or average bet” (Rudloff, 1999, p. 46). Overstated theoretical win/loss will increase the value of comps to be awarded. Players might offer cash gratuities or gifts to entice casino supervisor into embellishing their rated play. In some cases, coworkers, such as casino hosts or junket representatives, can also persuade casino supervisors to overstate rated play, since casino hosts might be bribed by the guests, or junket representatives usually receive commissions from casinos based on players’ theoretical win/loss. Some casino hosts will use one guest’s comp earned to favor the other guest in forms of free show, dinner, or rooms. This should also be avoided. The worse situation is casino host selling comp goods to friends or guests with discount rates. “ Statistics compiled by Nevada Gaming Commission indicate that during the period from 1999 to 2000, just over one third of those arrested for theft or cheating in casinos were the casino’s own staff members. Whether driven by drug or alcohol abuse, a lifestyle that exceeds income, or high personal debt, casino employees may simply rationalize their actions because of greed, need or revenge” (Marden & Edwards, 2005, p. 21).

“Promotional and marketing programs often leave casinos wide open to the risk of fraud. Casinos often will spend huge amounts of money to entice new customers into their facilities and keep current patrons coming back. For example, the Venetian Casino agreed to pay \$1 million in fines and investigation costs to settle a first-of-its-kind list of complaints that the resort had fixed promotional contests to favor specific high rollers. The first count involved Venetian employees rigging a promotion to give a Mercedes-Benz to an Asian high roller” (Marden & Edwards, 2005, p. 24). Two casino executives in Venetian were attempting to make the gambler happier after he lost \$5 million. State Gaming Control Board Chairman, Dennis Neilander said that when the violations came to light in early 2002, regulators found out other casinos were about to initiate similar programs to rig contests, all of which have been subsequently stopped (Marden & Edwards, 2005).

Other frauds consist of restaurant servers cheating on comp checks, collusion at gaming tables between dealers and players, or casinos failing to abide by the Money Laundering Control Act of 1986. The gaming industry has always faced the challenge of detecting fraud schemes by relying heavily on observation and surveillance. However, casinos should educate their employees to change a corrupt and unethical business culture in the organization (Marden & Edwards, 2005).

Compulsive Gaming and Self-limit Patrons

Compulsive gambling is an emotional illness recognized by the American Psychiatric Association. Identified by the American Psychiatric Association as “Pathological Gambling,” it is an impulse control disorder, which causes the same kinds of negative consequences as drug or alcohol addiction. It is estimated that compulsive gambling affects two to five percent of adults who gamble. It can also affect men and women of any age, race or religion, regardless of their financial or social status (Nevada Council on Problem Gambling, 2000).

“A logistic regression analysis found that, as compared with problem gamblers denying any alcohol use problems, those reporting past or current alcohol use problems were more likely to be male and more frequently acknowledged problems with more forms of gambling, suicide attempts related to gambling, arrests secondary to gambling, daily tobacco use, drug use problems, prior substance abuse treatment, and family histories positive for alcohol and drug use problems. The findings highlight the strong relationship between alcohol use problems and other substance use problems, and suggest that problem gamblers with as compared with those without alcohol use problems demonstrate greater problems in multiple areas (arrest, attempted suicide) linked by impaired impulse control” (Potenza, Steinberg & Wu, 2005, p. 233). “Compulsive gamblers, drinkers and drug users have high underlying levels of negative emotionality, a syndrome that includes nervousness, anger and a tendency to worry and feel victimized” (Kluger, 2005, p. 53). As the stress increases, compulsive gamblers find that they must seek relief through even more gambling. The result is a progressive financial and emotional deterioration, which can destroy both gamblers themselves and their family.

A patron can request to voluntarily self-limit his or her access to casino privileges such as check cashing privileges, credit requests, receiving direct mail materials, and participating in player recognition programs by completing a “Patron’s Request to Self-Limit Access” form available at the casino cage. A self-limited patron will not receive any promotional mails and will not be able to get any complimentary rooms, F&B, and services. They can play cash, but they will not be rated and their credit limits are frozen. A self-limited patron can only release the self-limited status at least one year after filling out the “Patron’s Request to Self-Limit Access” form by sending a letter with public notary signature to casino’s corporate legal department.

Guests can also choose to limit their use of markers. Marker limit restriction defines a request from a patron verbally or in writing that his or her marker limit is set at a specific level indefinitely or for a specific period of time, and not referring to problem gambling (D. Taube, personal communication, July 4, 2005). For example, a player has \$50,000 credit limit, but request that he only be allowed to play up to \$20,000 for his upcoming trips or until he notifies the credit managers either verbally or in writing to make any changes. Guests who request to limit their use of credit continue to maintain casino privileges. These guests are not considered compulsive gamblers.

Resources are available to treat compulsive gambling and to provide support to the individuals and families being affected by compulsive gambling in Las Vegas. Gamblers Anonymous is a 12-step support group for the compulsive gambler. Many have found the support and suggestions necessary to stop gambling and live healthy and happy lives. Gam-Anon is a 12-step support group for the spouse, family, and friends of the compulsive gambler, who might need help to cope with the emotional and financial stress associated with this disorder. Professional counseling is also available. Trained therapists and addiction counselors can help a compulsive gambler to understand this addiction and develop new coping skills to deal with the stress of life (Nevada Council on Problem Gambling, 2000).

Brochures about compulsive gambling are available at the cage, players' club desk, and casino pits. The brochures provide important information for players who search for help. Gamblers Helpline is 24 hours a day and 7 days a week.

Branch Offices

Most casino groups have branch offices in other big cities, such as Houston and New York. Casinos who welcome international players also have branch offices or junket representatives overseas, such as Taiwan, Singapore, Hong Kong, and the United Kingdom. Before opening a branch office, a demographic research and a feasibility study are done and evaluated. In most European countries, individual junket representative plays a big role in bringing customers and collecting their outstanding balances since there are no branch offices over there. In Asia, branch office salespeople are responsible for searching for new potential guests. Branch office employees have the following liaison responsibilities.

- A. Keep in touch with existing patrons in the region. Update guests' financial stability to in-house casino executives.
- B. Act as liaison officers between guests and in-house casino hosts. Send guests' room, show, restaurant, transportation and other requests by fax to property. Communicate with guest's needs and wants with in-house casino hosts.
- C. Explain casino comp, credit, and collection policies to guests and negotiate credit limits and payment terms with premium guests.
- D. Collect C.O.B. if necessary and provide patrons' bank reports to credit managers and in-house casino hosts. Patrons' business information, bank information, and account ratings should also be included on bank reports.
- E. Collect IOU from a guest when the payment is due.
- F. Prepare a collection report of that region to property monthly.
- G. File the necessary Reg. 6A documents daily.
- H. Accompany "whales" to the property and provide guest services.

I. Arrange annual golf tournament and/or annual promotional party.

Collection department clerks and managers collect most domestic customers' IOUs.

International hosts depend heavily on branch office staff to help collection overseas.

International hosts usually attend the annual parties held in overseas branch offices in October to promote Christmas, New Year, Chinese New Year, and Super Bowl weekend.

Customer Relationship Management

“Customer relationship management (CRM) is used in casinos to identify individual preferences, demographics, psychographic profiles and other measures to predict behavior and customize marketing efforts. As a casino executive stated, intelligence allows us to determine the destination, dining and gaming choices of our customers. Using this insight, we are able to build complimentary and special-offer programs that are customized to the individual customers. Customer relationship management allows a customer's value to be determined and resources to be allocated effectively” (Hendler & Hendler, 2004, p. 73). Current CRM systems track the play of individual patrons using Players' Club Cards. Casino hosts usually utilize the CRM's past player's ratings and trip itineraries as reference to book future trips. This is a guideline to determine how much each customer is eligible for in complimentary rooms, F&B, tickets, gifts, discount, etc. As a casino host gets to know his or her guests more, he or she can create more comfortable trip experiences to guests. In general, high-end and premium customers receive highly personalized services and individualized offers, which may be shopping sprees, personalized jet transportation, and luxurious suites with personal butlers. On the other hand, mid and low-level customers usually receive standard offers, and do not have much personal attention (Hendler & Hendler, 2004). Casino hosts usually help all the guests who need services and assistance. However, the priority service group would be premium guests who are willing to

wage thousands a hand. Mid and low-level customers get more personal services by calling Casino Marketing Coordinators, VIP Services Representatives, or Concierges. Sometimes, a casino host is assigned to a high-end guest 24 hours a day during his or her entire trip to provide better services.

CHAPTER 3

A DAY IN THE LIFE OF A CASINO HOST

Introduction

Casinos, as special entertainment providers, can benefit from loyal customers. However, casinos face a singular challenge in this realm different than in non-gaming properties. The challenge is greater because guests are usually losing money in the casinos. In the high-end players market, casino management makes every possible move to improve customer services and its facilities. A casino host's job is to establish relationship with guests and bring the total satisfaction to their guest's trip experience even if they might lose substantial amount of money. Better servicing players and providing a better player experience requires a lot of personal attention, respect, patience, courtesy, and attention to details.

This chapter is based on my personal experiences working as a Far East Casino Marketing host in a major hotel in Las Vegas. The first part discusses my daily duties. The second part covers monthly routine work. The final part describes a guest's trip experience in Las Vegas.

Daily Responsibilities

Just like floor supervisors or cage clerks, casino hosts also have shift changes. The off-duty host passes over guests' important information to the on-duty host. The on-duty host will follow up unfinished business from the previous shift. After the shift change, a host usually checks his or her e-mails, voice messages and in-coming mails. According to customers' requests, a casino host puts in all kind of reservations, processes credit requests, retrieves paid markers ...etc. A casino host will follow up with phone calls or e-mails after all the arrangements are done.

The next thing is checking the arrival lists to make sure all the room reservations are correct both in room types and comp status, pre-assign suites with front desk for high-ends guests, and inform in-room amenity department to send amenities in the morning. Moreover, limo reservations, such as airport pick-ups, are re-confirmed with a limo dispatcher over the phone.

Also, the arrivals' credit limits are double checked in the system to make sure they are ready for the guests. If not, his or her host must find out what the problem is and try to contact guests to obtain the required information or ID. Casino hosts also make credit decisions when guests lose their credit limits and request to increase the credit lines during their trip. Casino hosts usually will consider the following factors before increasing the limit: bank ratings, past player's ratings, payment history, employment, and personal knowledge about the guest's financial background. According to credit policy, the increase should not exceed 25 % of the original credit limit. However, exceptions also occur especially when the guest has strong financial background and payment history is perfect.

Faxes from the branch offices should also be taken care the same day. A host looks through the requests and communicates with branch office staff if necessary. Generally speaking, a host should reply to branch offices with reservation confirmation codes the next day. Moreover, in-house hosts usually produce or provide a weekly action report and a monthly collection report for branch office employees.

The graveyard hosts will greet guests, who will play golf that day at the front door to make sure golf clubs are all taken out and limos are punctual. Return trips are arranged with limo dispatch at the same time. Breakfast time-orders are also arranged with in-room dining in early morning. They also pre-block suites with casino services representatives and make sure floral arrangements and in-room amenities are sent to the pre-assigned suites.

The day shift hosts usually help to check guests' wire transfers with cage. Front money should be posted in guests' accounts before arrival. Payments should be posted against IOU as soon as possible. Paid markers are sent to guests by collection department unless there are special instructions. If wire transfers are not received by the cage, guests are notified and asked to contact their bank for wire transfer receipts by their hosts. Front money deposited in outside offices is refunded by branch office accounting if guests still have money left in their accounts. The requests are sent to branch office accounting for approval. Corporate finance department staff will send reimbursement instructions to branch office staff, then branch office staff will wire leftover front money or simply cut a non-endorsable check to guests.

The swing shift hosts should double check all the restaurant reservations, and greet guests in restaurants. Many times, they will have dinner with guests to build better relationship. In addition, it is usually swing shift hosts' responsibilities to distribute show tickets. They will either hand tickets to guests or leave them at VIP Services Lounge for the guests.

The limo dispatcher usually will call a player's host or on-duty host 10 minutes before guest's arrival. A host will greet the guest at front door and bring them to check in at VIP Services Lounge. A copy of guest's itinerary is given to the guest for review. According to a guest's requests, the host makes changes to the itinerary. During their stay, guests can always call their hosts for services and assistances.

For departures, hosts will help guests check out. A host will check customer's play, review the room folios and make necessary adjustments, and issue airfare and discount if applicable. If a guest has front money left in the account, a host will inform them to retrieve the money at the cage. If a guest has an IOU, a host will inform him or her about the payment amount and payment term. If a guest's play does not qualify to cover his or her expenses occurred in the

hotel, a host should explain to him/her the hotel policy and expect payment from the guest. Casino hosts will try not to downgrade guests' comp status unless they do not play or have minimum play for more than one trip.

A win/loss report is produced after settling guests' accounts at the end of the shift and is e-mailed out to other hosts. If any of the guests settled is coded by one of the branch offices, a copy of the report is sent to that branch office staff either by fax or e-mail.

Casino hosts work closely with other departments to provide services. They act as liaison officers between hotel and guests. Most guests want to feel special and hope someone can take good care of them during their stay. Casino hosts call bell desk dispatch for newspaper deliveries or luggage pick-up, housekeeping for cleaning the rooms or robes, sewing kits, or slippers deliveries, pit managers for rating variances investigation or dispute hands on the table, casino marketing to put in room reservations or pick-up charges, cabana hosts to get cabanas by the pool, restaurant reservations for dinner arrangements, limo dispatch for limo reservations, cage supervisors for wire transfers or airfare, discount, front money commission approval, spa & salon for massages, facials, manicures & pedicures, and golf line for golf reservations. As courtesy, flight reservations and transportation requests are made for guests if they request.

Casino hosts usually work in a office in the casino. Whenever a guest needs help, he or she can find a host in this office called a host station. There is usually one host at the host station all the time. The rest of the hosts are either looking for potential guests in the casino, working on reservations in main office, or settling guests' accounts at the cage or VIP Services Lounge.

Most casino hosts answer their cellular phones 24 hours since some guests only look for their own hosts when they need any assistance. Most of time, casino hosts can take care of their guests' requests by coordinating with other department staff or colleagues over the phone.

Monthly Routine Work

A casino host usually prints out monthly birthday list at the beginning of the month, and sends birthday cards to their guests 5 days before their birthday. For some high-end guests, flowers are also delivered to their home or their offices. In addition, follow up phone calls are made to greet guests on their birthday. Guests might not promise a future trip right away; however, they usually will consider the property as one of their choices whenever they decide to come to Las Vegas.

Special events invitations are also prepared and sent out to potential guests one month before the event. If they are interested, they usually will contact their hosts to make future trip reservations. Event tickets are usually free and handed to guests by their casino hosts in person. Guests usually will play more time or have higher average bets if they receive more comp items other than room, food, and beverage.

Collection phone calls are also made for payment at the beginning of the month. Guests, who have good relationship with their hosts, usually have no problem making payments unless they have financial difficulties. Guests, who cannot clear their balances immediately, usually will promise a future date to pay, or they might send installment payments. In a few cases, casino hosts will ask collection department to send the accounts to legal department. The legal department will send letters to these guests for final notice before suing them.

Premium Guests' Trip Experience

Gamblers may get angry easily simply because of losing money. This makes customer service issues more complex in casino environment. The service to high-end guests needs to be more considerate and personalized. Relationship marketing, especially host relationship marketing, used in conjunction with the VIP Services and Casino Marketing departments, is

crucial in retaining premium guests. Casino hosts provide personalized and customized services to different high rollers depending on their habits and personalities.

The “Whales” are the biggest gamblers who bet millions at baccarat and rate star treatment including jet flights. This elite group numbers around 200 or so in the world. Less than 5% of the “Whales” are female. Most of them do not want other people to see them playing in the casinos. Some casinos have private gaming areas specially built for them to offer better security and privacy.

A casino host tries his best to make his “Whale” feel that his hosts care about what happens to him. The red carpet treatment begins at home. A luxurious limo shows up at their front door to take him to the air charter. His host greets him at the air charter and accompanies him to Las Vegas. After arriving Las Vegas, a hotel limo arrives to ferry the guest back to hotel. VIP Services Representatives greet the guest at the front door and hand him the room key. A bellman will send his luggage to his posh suite. When he arrives to his room with his host, butlers welcome him at the door with respect and are ready to unpack his luggage and take any requests.

When he is ready to come down to play, his host will show him a table, which is reserved for him. When he is tired or hungry, the butler will serve him in his private dining room. When he feels like golfing, his host will take him to play wherever he requests. When he wants to see any shows, his host will try to get the best seats for him. Wherever he wants to dine, his hosts will also get the table with best view for him. When he quits playing, his settlement is ready for him to sign. When he is ready to leave, an air charter waits for him at Executive Terminal. Of course, a stretch limousine will take him back to his residence.

Mr. Chen is a frequent Chinese player from Hong Kong. His credit limit is usually \$3 Million, and he can wager \$150,000 a hand. Since his family lives in Vancouver, he usually

visits a mega-resort around 4 days in Las Vegas before going back to Hong Kong. His trip experiences can be described as following:

The first day at 12PM

Mr. Chen takes the limo from home to air charter terminal in Vancouver. His host greets him on his jet. The jet takes off fewer than 30 minutes after his arrival.

3PM

The jet lands at Eagle Executive Terminal in Las Vegas. A stretch hotel limousine takes Mr. Chen and his host back to hotel.

3:20PM

The hotel limousine drops off Mr. Chen and his host at the tunnel, a private entrance to Villa. A VIP Services Representative and other on-duty casino hosts bow to Mr. Chen when he gets out of the limousine. The VIP Services Representative hands Mr. Chen his room key and accompanies him to his beautiful and luxurious three-bedroom villa. When Mr. Chen enters his room, one of his personal butlers is ready to serve him his favorite Chateau Margaux 82' with exotic caviar. The other butler unpacks his luggage in the bedroom.

5PM

A welcome party is held in Mr. Chen's room with great food, great wine, and great live band.

His hosts and colleagues join the party to entertain Mr. Chen.

7:30PM

Mr. Chen watches a show accompanied by his casino host in the hotel.

9:30PM

Mr. Chen is guided to his reserved Baccarat game in Salon Prive. His host and a personal butler are standing nearby to watch him playing. His favorite drink at table is hot ginseng tea.

The second day at 12:30AM

Mr. Chen enjoys his snack in private dining room in Baccarat Room. He usually has abalone congees with condiments, hot soy milk, and birdnest soup as dessert.

1:30AM

Mr. Chen returns to table to play. He asks butlers to prepare more hot ginseng tea for him.

3:30AM

Mr. Chen goes back to his room accompanied by his butlers.

10:00AM

Mr. Chen is wakened up by his butler, and his breakfast is ready in the dining room in his villa.

11:00AM

Mr. Chen goes golfing with his casino host. He plans to have lunch at the golf course.

4:00PM

Mr. Chen returns to the hotel and takes a nap in his room.

7:00PM

Mr. Chen dines with his host at Japanese restaurant. Of course, his table has the best view.

8:30PM

Mr. Chen returns to his private tables to play. His host and butlers are nearby to service him.

10:30PM

Mr. Chen watches KA, the newest show in town with his host. They sit at section 103, the best seats in the theater.

The third day at 12:30AM

Mr. Chen plays Baccarat again. His host and butlers are behind him. He requests a bottle of Lafite Rothschild 86' this time.

3:00AM

Mr. Chen is tired and asks his casino host to call a masseur for him. He enjoys massage in his room. It is free to him, since casino pays for the massage.

9AM

Mr. Chen gives his shopping list to his host. The gifts are for his lovely wife and two children. His host arranges a limo runner to go shopping for Mr. Tsui. The runner will leave the merchandises in his room.

10:00AM

Mr. Chen plays more golf with his host at one of the best courses in town. As usual, he has lunch at the golf course.

3PM

Mr. Chen goes to in-door shooting field with his host after golfing.

5PM

Mr. Chen watches TV in his room and enjoys red wine with a cheese platter.

6PM

Mr. Chen returns to table to continue his play. He wants to finish 12 shoes before going home.

9PM

Mr. Chen's host takes him to Chinese restaurant to have late dinner. Shark fin soup and braised abalone are his favorite. Mr. Chen decides to go to a nightclub for relaxation after dinner.

11PM

Mr. Chen has a great time in the hotel's nightclub.

The fourth day at 2AM

Mr. Chen tells his host that he wants to go home around 11am next day. He is tired and goes back to his room to sleep. His host makes his flight reservations from Los Angeles to Hong Kong and requests an air charter with aviation department from Las Vegas to Los Angeles.

10:00AM

Mr. Chen enjoys his breakfast in his villa while his personal butler is packing for him.

10:30AM

Mr. Chen settles his account with his casino host at the cage. He wins this time, and he tells his host to wire his winning money to his account in Hong Kong. Mr. Tsui is very happy since he also receives airfare from the casino. His casino host is busy preparing paperwork for him to sign and instructing the cage to wire his money.

10:45AM

Mr. Chen and his host take the hotel limousine to air charter terminal.

11:00AM

The private jet takes off and heads for Los Angeles. His host accompanies him to Los Angeles.

12:00PM

A stretch limo is waiting at Garret Aviation to take Mr. Chen to Tom Bradley International Airport. Mr. Chen will take Cathay Airlines back to Hong Kong. His host says “Goodbye” to him after helping him to check-in. Mr. Chen is satisfied with the casino, especially he wins money this time. He promises his host he will come back soon.

Conclusions

A casino host’s job is service-oriented. It requires a lot of patience and attention to details. This paper describes a casino host’s job duties and their responsibilities. It shows people who are interested in this filed highlights of a day in the life of a casino host.

A casino host works with other department closely to maximize his or her guests' trip experience. Without the help of other service department's staff, it is very hard for a casino host to fulfill his or her job duties. A casino host also cooperates with junket reps to set up credit limits and provide services to these clients brought in by junket reps. Casinos encourage their casino hosts to get to know junket rep's players in case companies discontinue their junket reps' contracts.

Since a casino host has a lot of power in giving out comps, airfares, front money commissions and discount, casinos are looking for ethical employees to prevent company loss and employee frauds. It is also very important for casino employees to abide by Regulation 6A against money laundry and criminal activities.

The competition among casinos is fierce in getting high-end guests. Casino hosts should try to make friends with them, get to know them, and polish their service skills. The more a casino can offer and the better services casino hosts can provide to "Whales", the better a casino will retain these high-end guests.

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