



EXECUTIVE SUMMARY

CUSTOMER:

South Point Hotel, Casino & Spa; Las Vegas

BALLY TECHNOLOGIES SOLUTIONS:

iVIEW™, iVIEW Display Manager (DM)™, Elite Bonusing Suite (EBS)™, Virtual Racing™, CoolSign® Media-Management Solution

BUSINESS NEED:

South Point Casino, Hotel & Spa had defined several important and measurable marketing objectives. The first was a broad objective to increase player excitement across its 150,000-square-foot casino floor on Las Vegas Boulevard South by utilizing the power of iVIEW and iVIEW DM player interfaces on all 2,600 slot and video-poker machines. Additionally, the property wanted to increase coin-in, increase carded play for current members of their loyalty program, and use these floor-wide events to increase new card signups.

SOLUTION:

The casino utilized Bally's Elite Bonusing Suite Virtual Racing application to host a three-week-long promotion it branded the South Point Stakes. Each Thursday, players had the chance to participate in four Virtual Racing events with a guaranteed prize pool of \$30,000 in bonus credits daily.

RESULTS:

South Point created contagious floor-wide excitement by using synchronized audio and video media, as well as adding costumed employees, a signature race drink, and a live trumpeter and race caller. Management saw an impressive 28.5 percent increase in coin-in which exceeded the pro forma expectations. Customers stated in testimonials that the reason they came and joined the club was because of the event, and that they loved the fact that they could experience this event on the game of their choice.

**ELITE
BONUSING
SUITE™**



Bally Technologies' iVIEW Display Manager™ (DM) with the Elite Bonusing Suite™ (EBS) Virtual Racing™ Application Brings Excitement and Additional Coin-In to the South Point Hotel, Casino & Spa in Las Vegas

By Mark Gilbert and Mike Trask

In July 2012, the South Point Hotel, Casino & Spa became the first casino in the competitive Las Vegas market to deploy Bally's iVIEW Display Manager (DM) and Elite Bonusing Suite (EBS). The property kicked off the new technology with a three-week long series of Virtual Racing events that they branded the "South Point Stakes".

South Point saw a 28.5 percent increase in coin-in during Virtual Racing events

South Point patrons who were members of The Club at South Point and earned 25 points on their player's club cards within two hours prior to each race were able to participate in the virtual races. Qualification enabled each player to select and cheer for their favorite horse from a field of eight.

The Virtual Racing events were available on all of the South Point's 2,600 gaming machines – without interrupting game play. The events occurred each Thursday for three weeks at 4, 6, 8, and 10 p.m., with winning players sharing in a guaranteed daily prize pool of \$30,000 in bonus credits.

"Our mission is to provide the highest quality service to our players and give them a rewarding gaming experience, and we showed that once again as the first casino in Southern Nevada to offer the excitement of Bally's iVIEW DM and Elite Bonusing Suite solutions," said Michael Gaughan, owner of the South Point Hotel, Casino & Spa. "We like to stay at the forefront of gaming technology, and we are confident we will continue to build our player loyalty with this investment while offering our guests something completely new to the market."

Background & Installation

South Point Hotel, Casino & Spa originally opened in 2005 as South Coast Hotel and Casino, prior to Boyd Gaming's acquisition of Coast Casinos. The property opened with Bally's ACSC™ system for slot accounting and monitoring in conjunction with Bally Technologies' CMS/400™ for management of the casino's patron-loyalty program. In July 2012, South Point signed an agreement with Bally Technologies to provide iVIEW DM with Elite Bonusing Suite, making it the first property in Las Vegas to utilize these trailblazing products.



See a video of the South Point Casino, Hotel & Spa's South Point Stakes at:

www.BallyTech.com/VR

“People were jumping up and down. Husbands and wives were yelling at each other about who to pick. It really was a great atmosphere and it created a whole new energy level on the casino floor. That’s what you want to see; people coming in and seeing other people having fun.”

Tom Mikovits,
Director of Marketing
South Point Hotel, Casino & Spa
Las Vegas

From project commencement to completion, the installation of 2,600 iVIEW or iVIEW DM player-user-interfaces took 44 days. During the installation process, the combined South Point/Bally team averaged 65 games per day. Additionally, the team converted a section of the South Point floor from serial to high-speed, installed network switches in every bank, and connected each bank to the new core switch once it dropped from serial.

Post installation, Bally walked through numerous early-morning trial runs testing the validity of the system. This testing process was not simply supported by a single Bally resource, but rather several technical experts, including a Bally Project Manager assigned to South Point.

“The implementation went very well,” said South Point Director of Slots Cliff Paige. “Bally was behind us 100 percent. We received all of the support we needed to make it a success.”

Additionally, Bally was present for the Virtual Racing promotion and subsequent Elite Bonusing Suite events, ensuring that South Point personnel were satisfied with the product. Finally, and most importantly, the entire project came in on time and on budget.

Opportunity to Increase Business through Player Loyalty and On-Floor Excitement

South Point prides itself on having one of the more loyal player databases in the local Las Vegas market which surrounds the Las Vegas Strip.

The property is a 2,200-room resort focused on affordable luxury while catering to tourists and locals alike. This casino destination features a world-class spa, bowling center, 10 restaurants, showroom, equestrian arena, convention center, exhibit hall, bingo, 16-screen movie theatre, and all of the casino games that made Las Vegas famous.

South Point has positioned the property well in terms of capitalizing on its facilities and amenities. The Events Center creates activity 300 days a year with equestrian competitions, college and high school basketball tournaments, trade shows, and concerts. Additionally, the property’s 10 restaurants and spa cater to local and destination guests.

Like all properties in Las Vegas, it must remain competitive due to the large number of casinos located just minutes away – from 10 Station Casinos to Silverton, the M Resort Spa Casino, seven Boyd Gaming properties (including The Orleans, Gold Coast, Suncoast, and Sam’s Town) and the resorts lining the famed Las Vegas Strip just north of South Point.

In light of a slowly recovering Las Vegas locals market, the question plaguing the property was: How to set up the operation for success to continually grow year-over-year results?

The South Point identified Bally Technologies’ EBS as an opportunity to differentiate the property from the rest of the Las Vegas locals market. Being first to market was essential in establishing South Point as the only casino



in Las Vegas to experience the new and exciting player experience available with the various applications of EBS.

In addition to Virtual Racing, the South Point has also utilized other EBS player-bonusing applications such as U-Spin Bonusing™, Lucky Match Bonusing™, Dynamic Random Bonusing™, and DM Tournaments™.

Non-Traditional Bally Services

The South Point has always been adept at the standard database marketing efforts such as player reinvestment and food-and-beverage offers. However, given the additional casino marketing firepower of EBS, the property needed some assistance with the promotional and analytical expectations of this new product to determine some key factors:

- The best practices in terms of marketing and publicizing an EBS event.
- The amount of cash awards or free-play giveaways in the prize pool.
- The number of players expected to participate in the Virtual Racing events.

Bally Technologies was eager to provide marketing support and assistance from an analytical perspective in terms of developing a pro forma for the promotion.

With the benefit of having former casino-industry planning and analysis personnel, Bally supplied South Point with custom slot performance, player database, and game utilization data to assist in the formulation of a pro forma.

Understanding the probable number of players in the casino on a Thursday night, along with the expected coin-in numbers, and then adding in a performance escalator based on empirical results from previous Virtual Racing events, an incremental win value was surmised by the combined team of Bally experts and South Point personnel.

From the expected increase in win, a prize pool was established that would allow the property to break even on the promotion. But, the South Point ended up doing much better than simply breaking even.

South Point opted to increase the recommended prize pool by 50 percent to entice and excite players in the Virtual Racing promotion. By doing so, the expected bottom-line performance was projected as a loss, which was acceptable to the property's leaders as they understood that the ultimate value of EBS lies in a casino's database rather than the individual events.

Yet, at the end of the three-week run, the South Point was pleasantly rewarded with a bottom-line result in the black. During Virtual Racing events, the South Point saw a 28.5 percent increase in coin-in, resulting in a solid profit for the property.

From a marketing and public relations perspective, Bally generated significant public relations attention with two of Las Vegas' top TV stations



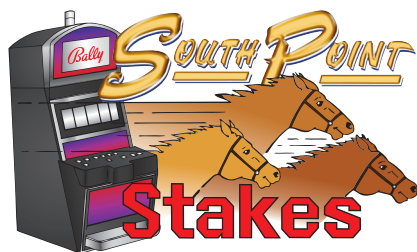
Bally Technologies' iVIEW DM with Virtual Racing made its grand debut in Las Vegas in July 2012 at the South Point Hotel, Casino & Spa on the Las Vegas Strip. Players had a blast cheering on their favorite horses in the South Point Stakes, a weekly series of four exciting virtual horse races on all 2,600 slot machines in the casino.

“Bally Technologies was behind us 100 percent. We received all the support we needed to make the Virtual Racing events a success.”

Cliff Paige,
Director of Slots
South Point Hotel, Casino & Spa
Las Vegas



The South Point added to the excitement with a professional race caller and bugler, summoning the horses to post and describing the progress of the race.



“It creates a whole new level of excitement on the casino floor.”

Tom Mikovits,
Director of Marketing
South Point Hotel, Casino & Spa
Las Vegas



As part of the Virtual Racing promotion, the South Point’s mixologists partnered with Grey Goose® Vodka to serve a special drink, the South Point Stakes Lily. The drink, a refreshing combination of Grey Goose and cranberry juice with lime, added to the festive nature of the floor-wide event, making an ordinary Thursday night an extraordinary experience for South Point patrons.

and its two major newspapers. These efforts enabled South Point and Bally representatives to promote the events to the more than 2 million residents of Southern Nevada.

Additionally, Bally’s award-winning marketing team worked closely with the South Point to develop an array of promotional collateral including: event logos, T-shirts, banners, billboards, and advertisements. Plus, the South Point took promotions to the next level when they hired a professional bugler and well-known race caller to kick off the series of events.

This marketing effort gave the South Point Stakes a unique experience that served to further differentiate the casino from competitors.

And it worked.

“People were jumping up and down,” said South Point Director of Marketing Tom Mikovits. “Husbands and wives were yelling at each other about who to pick. It really was a great atmosphere and it created a whole new energy level on the casino floor. That’s what you want to see: people coming in and seeing other people having fun.”

South Point Continues to Rev Up its Floor

Following the success of the South Point Stakes, the casino has utilized Virtual Racing several times to increase player loyalty and drive additional revenue at its beautiful property. And the South Point did not stop with virtual horse races.

In October 2012, the South Point became the first casino in the world to use Virtual Racing NASCAR® during a month-long series of events. The new product brought more excitement to the casino as, instead of horses, players selected one of eight famous NASCAR drivers: Clint Bowyer, Dale Earnhardt Jr., Jeff Gordon, Kevin Harvick, Jimmie Johnson, Matt Kenseth, Mark Martin, or Martin Truex Jr. from the touch-screen on the iVIEW or iVIEW DM player-user-interface on each of South Point’s slot or video-poker machines.

The casino used Virtual Racing NASCAR again in March 2013 when it ran a weekend series of events in conjunction with the NASCAR race at the Las Vegas Speedway.

“We like to stay at the forefront of gaming technology while offering our guests something completely new to the market,” Gaughan said. “There is nothing like the excitement of NASCAR and we were thrilled to bring it to players on Las Vegas Boulevard.”

