

Following on from last month's research on denomination preference by age group and gender, I have looked further into product preferences across EGM and MTGM lines. How do we define the 'typical' MTGM player vs EGM player? While there is a large amount of cross over, the MTGM player is a rare and highly prized unicorn that is a different subset to the larger gaming machine playing entity.

One of the first rules of Marketing is understanding your target market and subsets. While we cast a blanket of ethnicity preference for MTGM play, there is also a distinct age breakdown which is worth considering as evidenced from the numbers below.

Age	Game Type	Share
<b>Under 35</b>	EGM	86.9%
	MTGM	13.1%
<b>35 - 49</b>	EGM	89.7%
	MTGM	10.3%
<b>50 - 69</b>	EGM	93.5%
	MTGM	6.5%
<b>70 +</b>	EGM	97.4%
	MTGM	2.6%

**Table 1** – using the 'minutes played' variable from Q3 2018 play in NSW Clubs, we can start to draw a picture of play time across each age demographic. The younger demographic, while smaller in numbers are the group who play the most time proportionately on MTGM product. The trend then declines across the age brackets.

**Conclusion** – the MTGM offering is something the Clubs have over Pubs, so how do we make this appeal to the age demography who use it the most? How is the environment designed differently from the main gaming floor?

Age	Game Type	Share
<b>Female</b>	EGM	95.4%
	MTGM	4.6%
<b>Male</b>	EGM	92.7%
	MTGM	7.3%

**Table 2** – using the same data capturing principles as Table 1 (Q3 2018, minutes played), we can also see the gender preference between MTGM and EGM product.

Conclusion – while males have a greater inclination to play MTGM product, the female representation is at such a level that it needs to be considered when looking at the space.

Manufacturer preference among player tiers/groups is a common data driven exercise, but what should venues and manufacturers understand about their 'core audience' of age groups and gender? I think there is value in understanding this because there is such a distinct variation of results in these numbers that consideration may be given to floor layout and what can be done to leverage of this knowledge.

Female to Male minutes ratio – this table expresses the number of minutes females will play per manufacturer and age group against their male counterpart. Overall, females will play games longer, and this does change from one end of the demographic spectrum to the other.

M'fact	All	U35	35-49	50-69	70+
AINS	<b>1.79</b>	0.72	1.36	1.85	1.90
ARIS	<b>1.19</b>	0.61	1.08	1.20	1.40
IGT	<b>1.45</b>	0.70	1.23	1.46	1.53
KON	<b>1.24</b>	0.58	0.88	1.26	1.37
SG	<b>1.07</b>	0.40	0.90	1.10	1.34

**Conclusion:** layout strategy implementation has evolved over the years to reflect the move away from specific denominations, but there is scant research implementation on preferences by demographic and gender. Venues will spend large amounts understanding bathroom trends along gender lines, but gaming floors are treated as non-gender specific. If we truly want to understand what players want, numbers like this show us that the adage rings true – 'Men are from Mars and Women are from Venus' even when it comes to manufacturer preferences.

## INFLECTION POINT – OPINION PIECE

### THE GREAT RTP DISCUSSION – By Terry O'Halloran

We love candy. The sweeter the candy, the more we like it. We complain when we need to go to the dentist, or have buyer's remorse when we over indulge, but we love it. Now look at that sentence and replace 'Candy' with 'High RTP product'. Tell me that statement isn't true, especially the part about remorse. Many people ask me about retention and I have highlighted then offending products using 3 years of data from the AstuteBI 45,000+ machine database, but rising RTP across the board is also a problem. I surveyed a Maxgaming new game ranking last week, and 24 of the top 30 games listed had expected RTPs above the current State average. This problem isn't going away any time soon.

RTP	NSW		Queensland		Victoria	
	Expected	Actual	Expected	Actual	Expected	Actual
Sep'18	91.15%	91.44%	90.81%	90.70%	90.30%	90.89%
Variance	-3.28%		1.20%		-6.08%	
Sep'17	90.90%	91.21%	90.62%	90.50%	90.32%	90.74%
Variance	-3.50%		1.28%		-4.34%	
<b>YOY Change</b>	<b>2.75%</b>	<b>2.62%</b>	<b>2.03%</b>	<b>2.11%</b>	<b>-0.21%</b>	<b>1.62%</b>
Sample	15,900		10,100		7,600	

The table to the left details the 12 month RTP movement (ex.MTGM) in the eastern states (both expected and actual). The variance is the difference between expected and actual (retention).

The YOY change highlights the erosion of RTP from Sep'17 to Sep'18.

**Conclusion:** The solution? Limit game approvals with a max RTP to 93%. No variation can have a hold less than 7%. Revolutionary? Queensland Pubs and Clubs have had a ceiling of 92% for as long as I have been in the industry (1997). If we can't help ourselves, let a regulatory body do it for us, it will put a cap on the RTP arms race.

### OCTOBER 2018 TURNOVER GAME PERFORMANCE - games (ex.MTGM) released in last 12 months, sample of 5+ units

NSW			
Game Name	Manufacturer	Avg Vs Floor	Sample
SPRING FESTIVAL DC	Aristocrat	2.05	55
PEACOCK PRINCESS DC	Aristocrat	1.76	56
DYNAMITE DOLLARS ALL ABOARD	Konami	1.45	59
STAR STAX VEGAS NIGHTS	IGT	1.28	98
DANCING DRAGONS ALL ABOARD	Konami	1.22	47
FORTUNE GONG DRAGON DYNASTY	IGT	1.22	35
HHL LOTUS PRINCESS	IGT	1.17	32
MULTISTAR MEGABUCKS GOLD 3	IGT	1.17	30
FORTUNE GONG PHOENIX RISING	IGT	1.16	30
HAPPY CHANCE CAT	SciGames	1.15	53

QUEENSLAND			
Game Name	Manufacturer	Avg Vs Floor	Sample
GENGHIS KHAN DL	Aristocrat	2.78	68
GENGHIS KHAN DC	Aristocrat	2.61	12
PEACE & LONG LIFE DL	Aristocrat	2.50	61
SPRING FESTIVAL DL	Aristocrat	2.07	174
PEACOCK PRINCESS DL	Aristocrat	2.01	148
PEACE & LONG LIFE DC	Aristocrat	1.87	9
WELCOME TO FANTASTIC JACKPOTS	Aristocrat	1.86	66
EYES OF FORTUNE LL	Aristocrat	1.85	50
MAGIC TOTEM LC	Aristocrat	1.81	29
PEACOCK PRINCESS DC	Aristocrat	1.80	25

### NEW! - MARKETING EFFECTIVENESS REVIEW



Marketing includes a wide catchment of activities and costs that have varying levels of effectiveness. Whether you know and how you measure it is the best insight to if you have control of it.

**Our review looks at 4 key areas;**

- \* LGA market share review – vs Clubs/Pubs since 2014
- \* Rewards Review – real cost distribution and contribution
- \* Membership – penetration and contribution by postcode
- \* Promotions review – effectiveness and trending

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