

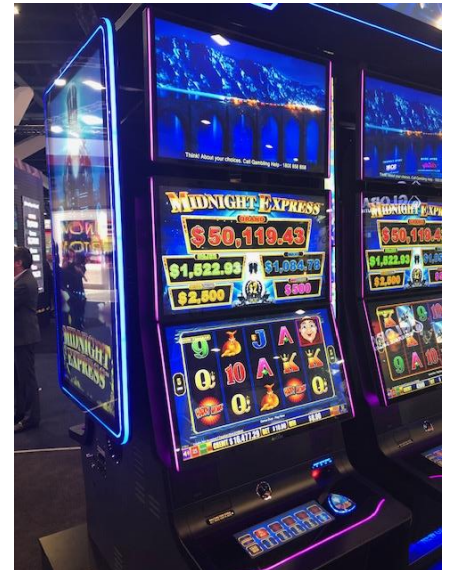
The AGE is generally an insight into the next 12 months of the Australian market. With no real surprise, the manufacturer stands were overloaded with 50-line SAP multi-denomination product. This is the new standard now and manufacturers can't be blamed for following trends to achieve sales, but market segmentation is an important offering

In order to remain impartial, I usually avoid recommending individual products with no track record of performance. Given my current message of fostering areas with low volatility product, I feel compelled to highlight 2 products at the show that can start the process of evaluating machines in a different manner, with less focus on turnover and net and a placement and assessment in keeping with proper market segmentation.

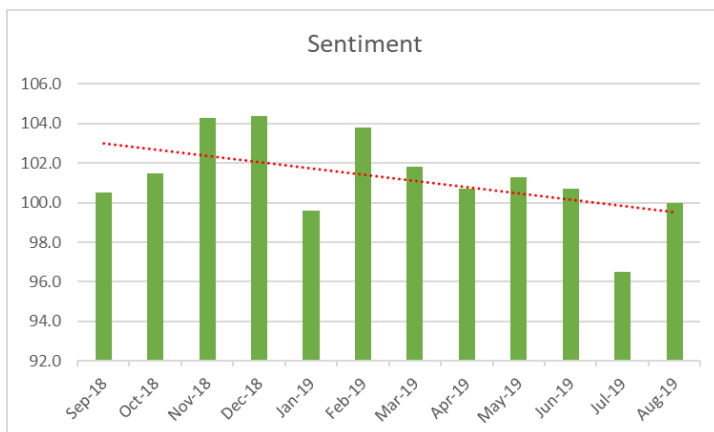


IGT's multigame to the left is a trip down 90's memory lane with notable titles like 'Blue Moon II' and 'Money Beans' – standard bearers of the IGT math model stable for many years. There is no SAP and the lines available are in their original format.

With another homage to the 90's, Aristocrat's return to a Hyperlink style product with a maximum price point to cover all the lines at \$0.25 on the 1c denomination.



Clubs have invested enormous time and effort to engage younger markets through, food, beverage, entertainment and other activities over the last 5 years. In this same period, Pub performance has rocketed ahead with growth averaging around 5% a month (year on year) over the last 18 months, so where does that leave Clubs? The older age demographics are still the bedrock of Clubs, and RCA data has demonstrated how the average age continues to climb. Current trends show the extent this has continued and is expected to continue in the short term.



Data source: [www.tradingeconomics.com.au](http://www.tradingeconomics.com.au)

social player, so games are taking on more of that persona as the market develops. Club analysis is still largely centred around turnover and net. The story of declining occupancy is starting to form now and is pointing to a greater reliance on top end players, a declining engaged player base and changes in cancelled credits and turnover to cash clearance ratios. A mindset change by Clubs must commence to reverse this trend and look at the gaming floor in a different way.

## INFLECTION POINT – OPINION PIECE

### IT'S THE ECONOMY STUPID – By Terry O'Halloran

James Carville (the original Ragin' Cajun) was the man credited with the Bill Clinton 1992 slogan, 'it's the economy, stupid'. Simplistic at its best, most industries are tied to the wider economy, which is why the Federal Government used a tax stimulus package on 2018/19 returns that is making its presence felt in July and August activity, and expected to continue into September.

So, where is the competition for Clubs? We have covered Pubs ad nauseum, and Clubs who compete with the Casinos are well versed in that, but other companies who

Tabcorp – wagering, 24 hours of content, more online/app based. Lotteries development continuing

Star City – a downturn in their VIP market will put the focus on the 'grind' market.

### APEX VOLATILITY RATING

To assist Club's in understanding the impact of games on the floor, the appeal to player types and market segmentation, Russell Corporate Advisory have developed the 'Apex Volatility Rating' system that uses venue specific data to rank games from least to most volatile based on their specific player preferences and habits.

The development of 'low-volatility' gaming areas for players seeking entertainment and less risk will become important for venues moving forward. Market segmentation moves beyond gender and age into more data driven designs based around player preferences. Email: [terry.ohalloran@russellcorporate.com.au](mailto:terry.ohalloran@russellcorporate.com.au) for more details

continue for some time, the opportunity to reset the way Clubs segment players and engage them based on product preferences is the chance to use scale and size as a competitive advantage.



*"An intensive one-day masterclass focused on the business of Gaming. Understand the finance of running a Gaming floor, how to identify the competitive pressure points and the contributing factors that determine success"*

**SEPTEMBER 12**

Moama RSL

9:00am – 4:00pm

Bookings and details

<https://www.trybooking.com/508158>

A 2-hour overview of the current state of the NSW market, what Clubs need to be aware of and where the industry is heading. Designed for Boards and Senior Management to gain valuable exposure to the wider market



**GAMING GOLD  
DIRECTOR'S CUT**

**SEPTEMBER 4**

Ryde-Eastwood Leagues

4:00pm – 6:30pm

Bookings and details

<https://www.trybooking.com/523709>

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