Your Name

Instructor Name

Course Number

Date

**Discussion Questions**

Question 1: Where does the firm’s major revenue come from?

Answer: The firm major revenue source is gaming. The firm has more than 85,000 people working for them in five different continents. Their business is spread over more than 50 casinos which acts are their hub of revenue income. The firm which was previously known as Harrah's, have now acquired other brands as well which include Caesars Palace, Bally's, Horseshoe and Paris Las Vegas. Thanks to their CEO Gary Loveman, the firm has now swallowed their competitors. The Caesars' name is known throughout the industry nowadays. This is a reflection of their largest trade deals which is $9.4 billion buyout of Caesars Entertainment.

Question 2: Who are the firm’s most valuable customers?

Answer: Data collections on their customers has pushed Caesars to the level where they are today. The data sets include their eating, gambling, and staying routines. Through that the management decides whether a certain customer is worth pursuing or not. A customer’s lifetime value, which represents likely future income streams will determine whether you should spend on the customer or not. The firm tracks different geographical and ethnic segments as different people respond differently to marketing strategies. The firms run these marketing approaches every year. The idea is to test first and then make it a policy. They know that their loyal customers are locals who visit regularly. Their data suggests that customers who spend between one hundred and five hundred dollars are their source for majority chunk of revenue.

Question 3: What types of customer data does Caesars gather?

Answer: Caesars has made categories of their customers based on data. The categories are gold, diamond, and platinum. The more you spend and the regular you visit you are likely to receive more discounts and free items. Customers can even expect white-glove treatment if you came out on top in their data collection system. The firms continuously monitor customers' behavior on what they eat, what they drink, what show they enjoy and how much they gamble. They also collect data on their customers’ attendances and if a customer that spends regularly doesn't come in a while their management is likely to contact them with a promotional offer or some discount. They know that these things will help them in gathering such customers who can be loyal and lifelong. Their CEO Loveman explained this by giving an example of a lady whose obituary mentioned her as a diamond total reward card of the firm. This shows that that is the level they have reached and want from their customers.

Question 4: What does Caesars learn from the data that it collects via IT?

Answer: Caesars know that data collection helps you track your customers and it helps you know how customers behave. Some customers are happy when you get close to them or send promotional messages while others may find it too persuasive and annoying. They know that if data can help you collect valuable customers it can also misfire. They came to a result through data analysis that there is a fine line between helpful and too helpful. Their employees have learned that there should be a behavior of professionalism and not friendliness during their communication, as some customers get annoyed by it. This has also led them to believe that apart from customers you should also collect data on their employees. They also know that continuously moving forward and innovation is the way to achieve things.

Question 5: Based on your answer to question 4 above, discuss what Caesars learns from the data impact its operation?

Answer: Caesars know that using data analysis and records have benefited them hugely in creating high quality and personalized customer experience. Data analysis have helped them in generating edge over competitors. According to their chief marketing officer before the integration of data analysis into their system they were earning thirty-six cents on every dollar that their customers spent. After the integration of data analysis into their system they hoped to increase that target to forty cents, but they reached a level where they earned forty-five cents which in their own words was more than monstrous. Their data collection, information gathering and turning it into profit is unmatched.