

Traditional slot machines likely to vanish from casinos

By Ron Sylvester, Las Vegas Sun

The slot machines you see in casinos today could soon be things of the past.

Not in 20 years, but in five.

Experts predict that the games themselves aren't likely to change. They'll just get more portable, as gaming tries to keep pace with customers used to being entertained by iPads and smartphones.

Instead of players sitting at big banks of slot machines, they'll gamble on iPads installed in restaurants, bars and other parts of the casino, much like video poker screens are today, but portable.

"If we're going to survive, we've got to change the way we do things," Deana Scott, marketing director for casino technology company Acres 4.0, told an audience at last week's Global Gaming Expo, where many of the ideas were discussed. "Over time, what we do now will become obsolete."

For casinos, it's a winning proposition.

First, a \$500 iPad is far less expensive than a \$22,000 slot cabinet. Second, customers are expected to increasingly demand the speed and convenience they get from their personal devices from casinos.

Casino iPad games already have proven viable in smaller test markets in Northern California, Oregon and Oklahoma. Boutique areas set up by Acres 4.0, such as tapas bars that offer iPad slots, have resulted in the average age of players dropping five years.

In Asia, areas devoted to e-gaming are thriving, casino architect Paul Heretakis said. There, players congregate in stadiums, making bets on iPads while real dealers shuffle and deal cards.

“The cost savings are tremendous,” said Heretakis, of Westar Architects, which has designed more than 1,000 casinos, restaurants, retail centers and hotels.

Keno actually was one of the first mobile gaming devices, but it used a pencil and paper instead of a touch screen, said Brett Ewing, an architect who oversees resort design for the Cunningham.

“It allowed people to move around a casino,” Ewing said.

That’s what a growing segment of gamblers wants.

“No longer do they want to sit in a dark corner like a mushroom,” said Steve Waither, vice president of marketing for Aruze Gaming.

In fact, players’ feelings of seclusion helped drive people away from gaming in recent years and toward more social venues such as restaurants and nightclubs, which now bring in more revenue than gambling, the experts said.

Moving forward, casinos hope to integrate those types of amenities with gaming.

IGT, for example, used G2E to debut a new menu feature that allows players to bid on buffets and other perks and hotel amenities using players’ points. WMS has designed platforms that let players carry over bonuses earned on their personal computers to the casino.

Casinos are developing ways to engage customers on their smartphones as soon as they walk in the door.

Future competition, meanwhile, may not come from gambling

companies on the Strip but from technology companies worldwide.

“WMS, IGT and Ballys are seeing their biggest competition from (mobile phone app designer) Zynga and Facebook,” said Kevin Parker, also of Acres 4.0.