

Newsroom

The gaming world will miss Mike

Buddy Frank, CDC Gaming Reports • August 13, 2021 at 8:09 pm



The country's leading researcher on casino gaming, Michael Meczka, passed away on Thursday evening, August 12, 2021.

Mike was a giant in the field with his innovative MMR/C firm based in Los Angeles and his three dozen years of experience. His recent appearance at the NIGA Convention in Las Vegas was an example of why he was also one of the most popular speakers and panelists in the industry.

He and his wife Elaine were avid gamblers who combined work with pleasure. Meczka also developed several video games in the late 1990s, including "Nines Up," "Sweepstakes Poker," and "Heads Up Poker."

In addition to his wife, Meczka is survived by a son and two daughters. It is expected that M/M/R/C will continue with input and leadership from family, team members, and investors.

Mike was a close friend for over 30 years and we managed to chat every few weeks or so for that entire time. Our discussions were usually about gaming, but often about the Navy (he was an officer) or magic. I penned a [feature story about Mike for CDC Gaming Reports](#) in September 2018.



Frank Floor Talk

Casino Market Research

Buddy Frank, CDC Gaming Reports · September 27, 2018 at 3:00 pm

Sometimes you'd like to have an outside professional validate and praise your strategies and methodologies. One way to do it is to use a market research firm. Just make sure that you don't call Mike Meczka of MM/R/C. That's not because he isn't good; he and his firm are widely acknowledged as the best in the industry. The facts are pretty supportive of that claim, since no one else in the industry has 35 years of casino research experience, has worked in every jurisdiction in North America, has performed over 2 million casino surveys and hosted 2,500+ qualitative interviews with players, employees and gaming executives. If that weren't enough, he and his wife love to gamble. There's simply no one better.

So why not use him? Because he'll tell you what the research says, which is not always what you want to hear. One would think that's what every research firm does.

They're supposed to do that. And yet many firms have been known to work very hard to massage or bend the truth a bit to present the conclusions in a positive and client-friendly way designed to meet management expectations. That's not the Meczka way. "Blunt" is a fairly apt description of his style.



In February of 2004, Meczka was invited to speak as a panelist at the inaugural Northern Nevada Gaming Summit being held at Harrah's Reno. One of the conference's objectives was to celebrate Reno's new "Renovation" marketing campaign. It was based on ads that Reno offered world class gaming and was embracing new technology. He

began his remarks with “Let me inject a little realism” into your thought process. Reno was a great place to live, he said, but “who wants to visit there?”

“Now it’s just another little market with gaming,” he said, and went on to question how Reno could justify promoting itself as a nascent high-tech destination “when there’s a dial-up phone in my hotel room?”

He concluded with the prediction that the fate of the Biggest Little City was “to become a gaming market dependent upon locals, with decreasing visitor and tourism counts.”

The audience was stunned. And angry. One of his major Reno clients dropped him almost immediately and hasn’t called since. Interestingly, his predictions were pretty much right on. Reno was hit hard by the expansion of Native American gaming in California and the new casinos added in the feeder markets of Oregon, Washington and western Canada. The recession of 2008 didn’t help either.

Today, after nearly a decade of setbacks, Reno has done a great job in right-sizing its gaming product and has diversified its economy with a strong mix of national technology and logistics operations. The city’s casino properties today host a healthy mix of locals and visitors and bolster its visitor counts with niche convention/travel business. That’s pretty much what Meczka advocated and predicted nearly 14 years earlier.

While Reno didn’t invite him to speak again, the rest of the country certainly has. Meczka has consistently been a sought-after speaker and panelist for years. His pleas to casinos – loosen your slots; hire more staff to decrease service times; eliminate as much smoke as you can; and use some common sense – are familiar to anyone who has attended a gaming seminar or trade show in the last forty years or so. His popularity stems not only from his frank opinions but also his demeanor. While his presentations of the facts can sometimes be harsh, Meczka’s personality isn’t. Clients love his broad smile, his boisterous laughter and his frequent use of magic to enliven meetings. Meczka loves watching magic, and there’s no better place to do that than Hollywood’s Magic Castle near his Los Angeles offices. “I learned at some point that members of the Castle got a discount on shows. Because of my frugal eastern European heritage, discounts always get my attention.”

However, to become a member you had to basically be a real magician, including passing a tough audition in front of other magicians. Many say that half of magic is skill and the other half is patter. That’s a magician’s term for the ability to sell a trick and talk to the audience. Mike admits that his skill is on the low side of average, but most everyone can vouch that his patter is world class. He earned admission to the Castle 10 years ago on his very first try. He’s also earned the respect of his gaming peers, receiving the 2013 Casino Marketing Lifetime Achievement Award at that year’s Casino Marketing Conference in Las Vegas.

With that as background, it seems prudent to listen to his advice when it comes to conducting casino market research.

Quality vs. Quantity

In the market research world, qualitative versus quantitative is their version of the “chicken or the egg” question. Should you have very large groups of customers respond, to increase confidence levels? Or should you use smaller groups and really probe deeply into their responses? Opinions on the matter vary widely, but Meczka prefers the qualitative approach with the caveat that “you must be cautious that you have a sample large enough to be representative of the universe being measured.”

He concedes that this number is often smaller than many casino operators think. “If you do small groups of three to seven customers and conduct five or six sessions, you’ll have a pretty strong representation of 30 to 40. If you’ve selected these participants from your strongest customer segments, that’s all you need.” Meczka frequently cites the Marketing 101 axiom that a small number of key players can generate a huge percentage of overall revenue. It is within these groups that he recommends using Qualitative Immersion Sessions, or interviews. That’s a redefinition of what many used to call focus groups. It’s here, especially, where Meczka recommends going small.

“If you have 10 or 12 in a group, you’ll never get good input from all the participants. With three to five, you can really probe and go into detail about issues, and each player can be heard.” He adds that this process works even better when the sessions are viewed live or on tape in a remote location by casino executives. It allows them to discuss what they are seeing and hearing and promotes good teamwork and common goals as a byproduct.

Meczka can cite example after example where this technique discovered new and successful solutions. He recalls that, at one property, their shopper reports showed a high level of guest dissatisfaction with cocktail and change attendants. The casino invested a major effort in implementing friendliness training, with virtually no difference in results. Meczka’s qualitative interviews determined that the problem was not really friendliness at all. It was response time. The casino used new technology and some additional staffing to reduce wait times, and the results were almost immediately positive.

Secret Shoppers

Secret shoppers have been a keystone in many casino research programs. Surprisingly, Meczka doesn’t like them and won’t recommend them unless you have money to burn. This relates to his earlier warning about having a sample size large enough to be representative. He says that most shopper reports are inadequate – small snapshots of just one or two encounters. In other words, unless you employ enough shoppers to survey larger segments on every shift and every position, the data will be unreliable. He

adds that he's never seen any casino make that kind of investment, even though many casinos use secret shoppers routinely.

Consistency

While it may seem somewhat self-serving for Meczka to recommend that basic research should be continual and consistent, he makes some strong supportive arguments. He says that sometimes things change so slowly in the casino that we fail to recognize their impact. And these changes can make a strong difference with customers. Since Meczka began conducting surveys in 1976, the industry has seen some major changes, such as a revenue shift from table games to slots. Within slots, there have been advances in tracking, TITO, video, penny games, free play, social media and even the emerging skill-based games.

Each of these innovations has raised new issues for casino operations and inspired new concerns from players. When video games introduced bonus rounds, Meczka's research showed that players loved them. As many of these bonuses became longer and less rewarding, opinions changed. "Players hate spending three to five minutes in a bonus round only to earn a dollar or two," Meczka says.

Speaking of time, Meczka notes that for most players it has become an even bigger factor than budget. "Time is extremely critical today," he says. He adds that, although the key demographic of 55+ generally has more disposable time than others, they still don't want to waste any. They have other attractions and distractions vying for a slice of their time.

Early in his career, Meczka had a *laissez faire* opinion on hotel rooms. Today, his research has consistently found that "the single most productive thing you can do is add hotel rooms." That also reflects his feelings about time. His research has confirmed what may seem obvious: players in a room gamble longer per visit and visit more often. That's also compatible with his belief that success comes from good numbers in "recency, frequency and monetary value."

Question/Survey Design

When asked about mistakes that operators make when conducting research, his first answer is that they must design their surveys to "have specific objectives and appropriate methodologies that will yield actionable results." Those last few words are the source of many miscues. An extreme example would be asking customers if they want world peace. An answer to that sort of question gives you virtually nothing actionable. Meczka also says that bad questions and survey design can lead to wrong or unhelpful answers.

"If you were to ask a player if they wanted free concert tickets, they'd certainly respond in the positive. If you followed that with a question about 'would you pay \$30 for a

concert ticket,' you would have biased the answer in a negative way with the first question and learned very little."

Executive/Employee Surveys

Many organizations utilize employee surveys, but only a few add the executive component. This is simply taking the same qualitative interviews given to players or team members and administering them to the executive team as well. It can be extremely helpful to know if management's opinions are aligned or contrary to those of your players and employees. Meczka says that "it is common that some things will be out of whack."

Most Overrated/Underrated Player Attractions

Meczka cautions that many topics are strongly influenced by location and demographics. The right answer for one property may be very different for another. But some things are common. He chuckles and says, with his trademark conviction, that "most casinos don't need a golf course" and that players everywhere ask, "what the blankety blank is a resort fee?"

Easy to see why executives are not always thrilled to hear the results of his work. But those who do listen and act are seldom disappointed.

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