

Harrah's Entertainment Case Study



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Our Question in 2 parts:

1. Were Harrah's Business and IT Strategies in alignment?
2. What aspects contributed to or detract from alignment?

Part one:

Were Harrah's Business and IT Strategies in alignment?

Business strategies:

- Expanding into new gambling markets
- Investing into new Las Vegas experiences (shopping malls, hotels, extra casinos)
- They focused on understanding where and when their customers would gamble.
- Their COO, Gary Loveman, a former Harvard professor, was a part of the strategy as well, he was armed with the correct knowledge to make the best decisions.

IT strategies:

- WINet. Used a PDB that served as an operational data store.
- “Total Gold”, the casino’s customer loyalty program, allowed the casino to track customers’ activities in the casino
- Both of these IT strategies were combined to create an effective combination that made tracking customer activity very simple

Part Two:

What aspects contributed to alignment?

Contributed To Alignment

- Leadership- Gary Loveman
 - Connected CRM and IT skills
 - IT Implementation- Winner's Information Network (WINet)
 - Marketing Workbenches (MWB)
 - Patron Database (PDB)
 - Closed Marketing Loops
 - Integration
 - Collecting information across properties
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Part Two:

What aspects detracted from alignment?

Detracted From Alignment

- Standardization within the Casino Industry
 - Harrah's was the first to emerge with retail/financial style CRM.
 - WINet
 - Posed issues with keeping up with business growth; user demands, changes.
 - Customer Relations
 - Initially offered customers rewards that did not align with their wants.
 - Marketing Workbench
 - Slow operating times; Inability to finish within computing window.
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Conclusion:

Though Harrah's strategies did not start off in alignment, they utilized CRM, data management and human resources in order to pave the way for an entirely new approach to customer relationship maintenance within the entertainment industry.