

Digital Leadership

MGM Resorts International: sparking the wow factor through digital and human connections



An interview with

Lilian Tomovich

MGM Resorts International



Lilian Tomovich, MGM Resorts International



A 20-year veteran of marketing communications, Lilian Tomovich serves as chief experience and marketing officer of MGM Resorts International, a global hospitality and entertainment company with 78,000 employees. Lilian oversees guest interactions across marketing channels with the goal of improving the guest experience companywide. Prior to MGM, she was senior vice president of Consumer Marketing for MasterCard.

Lilian's work has been recognized by numerous industry awards. In 2016, she was recognized as one of the Top 100 Women in Brand Marketing and, in that same year, among the 50 Most Influential Travel and Hospitality Marketers in the Americas. Lilian also sits on the Board of IHOP and Applebee's.

The Capgemini Research Institute spoke with Lilian to understand how MGM Resorts is transforming the customer experience through digital.

Customer experience at the center of digital transformation

What is the impetus for creating the chief experience officer role at MGM Resorts International?

We predominantly view ourselves as being in the business of experiences. We have hotel rooms, casinos, entertainment venues, restaurants, spas, and retail. Everything we do is about heightening consumer senses – whether it be through food, music, massage, or the thrill of a casino game. We are very clear that our role is to wow every customer who walks through our doors. The idea behind my role is to enable a holistic, integrated approach to ensure the delivery of exceptional guest experiences through both analogue and digital services.



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How has MGM Resorts International’s digital transformation journey evolved?

As with many hospitality companies that are not digital natives, we were – and always will be – very much focused on the physical experience. However, we recognized that in order to continue to transform and grow our business, we must leverage the digital ecosystem. And when we think about digital transformation, we really think about it from a digital capabilities’ perspective, and largely about addressing the gap between marketing and IT.



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What are the key priorities of Digital Ventures?

Digital Ventures has four key strategic priorities. The first pillar explores how we can continue to optimize our existing digital touch points. Predominantly, these are web, mobile, kiosk, and email. How do we make those best-in-class digital touch points, not only from a look and design perspective, but a performance perspective?

The second pillar explores how we build the marketing technology stack and the customer data platform that will allow us to do things like hyper-personalization and push notifications. We have been focused on agile software development, bringing different teams together virtually, which has allowed us to develop digital capabilities faster. We are already seeing results: our delivery cycle of pushing updates on the web has been significantly reduced and increasing page load times is having a positive impact on customer conversion rates.

The third pillar is what we call self-service, which focuses on how we are building self-service capabilities in our industry for the future. For example, we are exploring solutions where customers can order drinks by the pool using their phone. The lounge chair would have an RFID tag, so the server would know exactly where to deliver the drinks among the hundreds of guests relaxing at the pool. Another example of a solution in development would allow a guest to control the temperature in his or her room even before physically entering the room.

And lastly, the fourth pillar is what we call future-state technology. Under this pillar we are focused on emerging technologies such as AI and augmented reality for enhancing the customer experience. For example, using chatbot services to personalize the guests' experience.

Digital Ventures is already bringing noticeable benefits. Since moving to agile, the rating for the MGM Resorts International mobile app has increased from 1.7 stars in the App Store in 2017 to 4.8 stars today.



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Which digital initiative are you most proud of?

I am particularly proud of what we have done with our mobile check-in services. A lot of hospitality companies require guests to do their mobile check-in 24 hours in advance. With us, you can do your mobile check-in at any time, even after arriving at the hotel, and go straight to the door. You can tap your phone against the door, unlock it, and enter your room without ever having to speak to a staff member. While this seems simple, it provides a great seamless guest experience and, when you think about the scale in which we operate in, it is remarkable. An average-sized hotel has a few hundred rooms, but our average hotel has roughly



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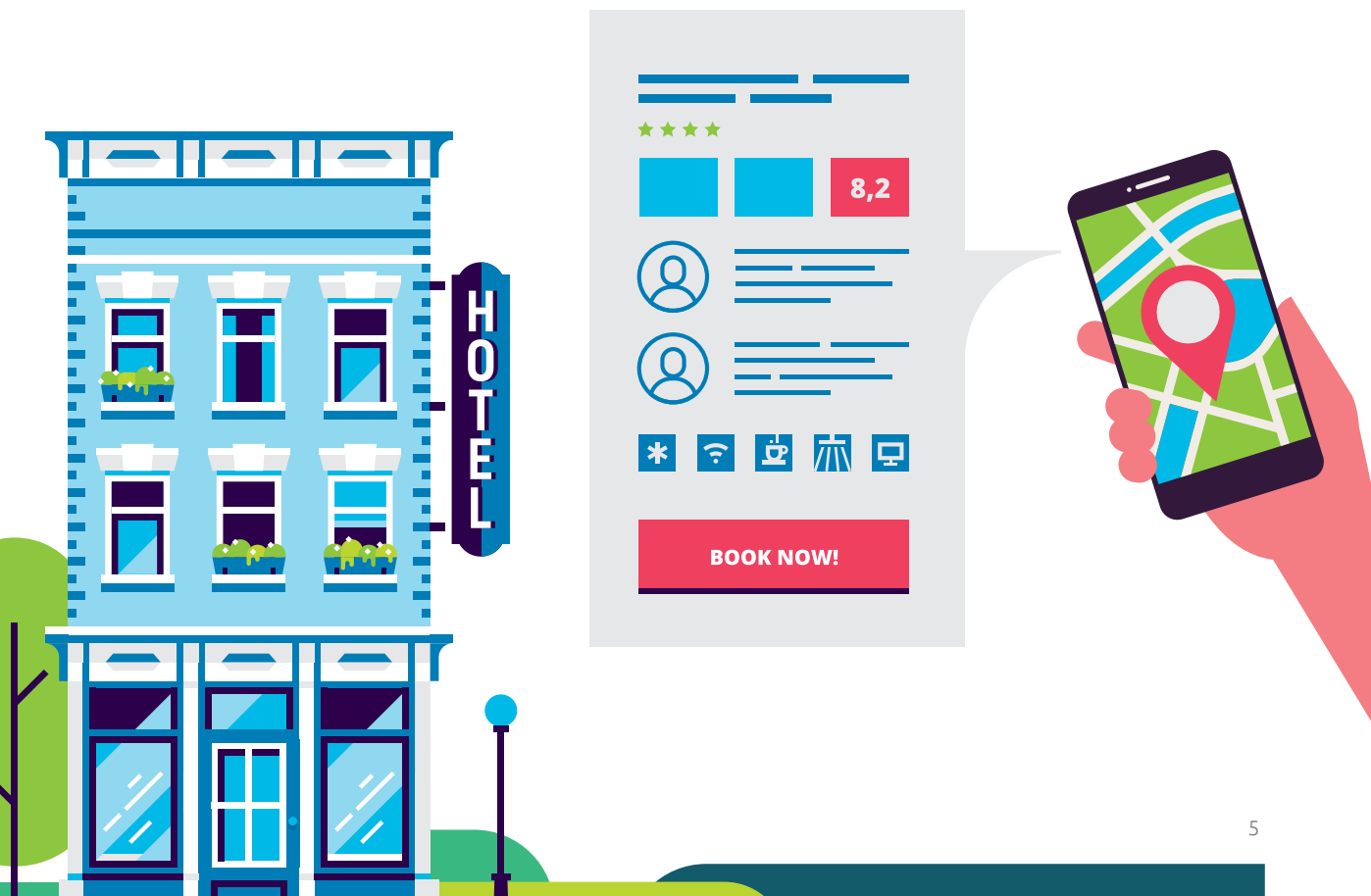
5,000 rooms. The logistics behind ensuring the room is clean and funneling that volume of traffic through our mobile device to do a seamless check-in, is complex. It took us about 16 months to build this solution because of all the systems integration and the complexity around the scale that we operate in.

How does Digital Ventures align with the IT and marketing functions of the organization?

Currently, the chief digital officer reports to me and Digital Ventures rolls into the marketing organization. This means the teams are very well

aligned and Digital Ventures helps to drive our marketing objectives, which is to use data insights to deliver personalized experiences. We are jointly working towards a future where personalization, automated marketing, and trigger-based marketing become central to our methods of attracting and retaining customers.

The Digital Ventures team works very closely with our IT teams, especially on the back-end services and the support required to enable a lot of these guest experiences I mentioned. There is a real partnership between IT and Digital Ventures.



Digital vision and leadership

What is MGM Resorts International's digital vision?

Our broad vision is to provide the best digital experience possible to our guests in the industry. The entire digital vision is focused around how we simplify the guest experience, leveraging digital channels to do so while driving greater share of wallet. It starts with web and mobile and progresses into using data for personalization. How can we leverage the data that we have to provide better offers and experiences? For example, if one of our shows is 50% empty, how can we alert a consumer who is walking by a Cirque du Soleil show that there are tickets available? How do we offer her or him last-minute, discounted tickets? This is the type of personalization we want to implement in the future and we are already taking steps to get to this level. For example, we use in-room tablets to send personalized triggers to our guests, be it purchase-related recommendations or timely breakfast options, suited to their liking, based on data already collected.



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How do you mobilize leadership around this vision?

With our leadership team, we started with clearly articulating a strategy, making sure that we obtained the necessary funding and then showcasing and talking about it as frequently as we can. For example, we send out five- to seven-minute videos, every two weeks, to the senior leadership team. We call these "DV Minute Videos" and they talk about what is new in Digital Ventures and what the team is working on in that week. This is useful to the leadership team as we provide quick snippets communicating the strategy and the latest updates on a frequent basis, and it gets people excited. They feel part of the process. Since they feel in-the-know, it also helps with their support to ensure we have the right talent and budget to fully execute these projects.

Digital talent and employee experience

What are some of the unique challenges for the hospitality and entertainment sector when recruiting digital talent?

The challenges for us are the same as for every other company pushing on the digital front. Talent is scarce and in demand. We are hiring designers, engineers, and product managers. I believe that talent is industry agnostic and we have hired talent from many different industries, be it food and beverage (for example, Starbucks) or technology (for example, Microsoft). In fact, most of our hires are not from the hospitality industry.



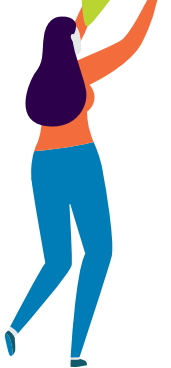
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How have your digital transformation efforts affected employees?

We are looking at ways to respond to challenges on the employee front. One of the biggest challenges is to communicate business needs to our approximately 80,000 employees. Like quick service restaurants, such as McDonald's or Subway, we have a lot of frontline staff who are not in the corporate office and not on email daily. To address this, we recently launched a mobile app named LEO, the name of the lion in our brand logo. LEO is designed exclusively for all 80,000 MGM Resorts team members so they can stay informed and connected to the MGM community. We can communicate the latest news, inspiring moments happening throughout our properties, tips for working smarter and living better – pretty much everything. The app has been a big win for us and has allowed us to innovate the employee experience..



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