

HOW LAS VEGAS IS DIVERSIFYING IN A WORLD OF GROWING COMPETITION



Las Vegas has been synonymous with casinos for nearly all of the last 100 years. It is the gaming capital of the United States and, until very recently, the world. Casinos are the lifeblood of the city, which has grown out of the desert sand into a metropolis of neon lights, Elvis impersonators, and world-class attractions.

However, the last few years have been challenging for Las Vegas as it faces increased competition at home and abroad.

In 2006, the Chinese region of Macau generated \$6.8 billion in revenue from its casinos, overtaking Las Vegas which managed \$6.6 billion. Fast forward 10 years and Macau saw \$28 billion wagered in its casinos, while Vegas stayed relatively stable at \$6.3 billion.

It is beyond doubt that, by numbers alone, Macau is now the king of casino cities.

Domestic Challenges

It's not just China that is posing a threat to Las Vegas' dominance. Regional casinos have been opening right across the United States, with the Hard Rock Hotel & Casino Sacramento opening in October 2019 and the Caesars Southern Indiana opening in December.

These casinos remove the need for Americans to travel across the country to be able to play their favourite casino games.

Online Challenges

Online casinos, which have been operating for the last two and a half decades have significantly improved their offerings, with many offering live games where a real-life dealer controls the game on a video stream.

Competition is high among these online casinos, with many offering large deposit bonuses and free spins for slot machines. A market for comparison and review sites like **Oddschecker** have also sprung up, letting customers find the most lucrative promotions.

The online sports betting market, which previously was held back by federal legislation, was opened up in 2018. This means that sports fans no longer need to be in Nevada to place bets and instead can do so from their computer, tablet, or smartphone.

More Than Just Casinos

Las Vegas has always been more than just casinos. It has long been resident to some of the biggest celebrities on the planet, including legends like Elvis Presley, Janet Jackson, and Elton John.

It's also packed with Michelin Starred restaurants, exclusive clubs, and some of the most expensive hotel suites money can rent.

The Strip is lined with white knuckle thrill rides and rollercoasters, and some of the best boutique shops fill the giant malls.

Almost all of Macau's revenue comes from casino games, while in Las Vegas it is only around 20%. So while the headline gaming revenue in Las Vegas is dwarfed by the former Portuguese colony, Las Vegas is strong thanks to its diversity.

Vegas Changes Everything

This is perhaps demonstrated best by a recent ad campaign produced by R&R Partners for the Las Vegas Convention and Visitor Authority. The campaign "Vegas Changes Everything" played on the fact that there was no place like Sin City.

In a part of the campaign, ads targeted at residents of neighbouring cities aimed to convince them that Las Vegas was a great alternative to having Thanksgiving or Christmas celebrations at home.

For example, some Vegas hotels offered a fully prepared Thanksgiving dinner for 6-8 people, delivered to your hotel suite for a little over \$250 without the stress and hassle of cooking or washing up.

Sporting Events

Major international sporting events are not regularly held in Macau, aside from a few regular lower-tier annual events like the Macau Grand Prix, a Formula Three race famed for its chaotic incidents, and a few other small tournaments.

In contrast, Las Vegas is famed for hosting major heavyweight boxing, UFC, NHL, NASCAR, and INDYCAR events. With events held throughout the year, Las Vegas attracts many sports fans who go on to spend money in its casinos and other attractions.

In Conclusion

This diversification is how Las Vegas is able to continue to be a powerhouse of tourism. It appeals to many different types of visitor, protecting it against a decline in interest from any demographic.

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