

# Slot machine makers aim to attract a new generation of gamers

The slot machine is undergoing a generational shift. For more than a century, slots have required little more than cash, faith and an ability to pull a lever or push a button. But now, a new class of machines, aimed at attracting younger players who grew up with video games, is demanding something else: skill.

Adding an element of hand-eye coordination is just one way slot makers are laboring to broaden the appeal of the insistently bleating devices that have proved so popular among older players.

Besides new devices that provide an extra payoff for game-playing dexterity, manufacturers have developed communal games that link clusters of machines – which are proving popular with people under 40.

Coming soon are slot machines with joysticks, which the industry expects to be particularly popular, and others that will allow users to play in tandem or against one another, much as they do in many Internet games.

Industry surveys show that those 21 to 40 have fewer moral qualms about gambling than baby boomers and their parents. Young people are heading to Las Vegas and other gambling hot spots in large numbers. The problem for the industry is that they spend much less time in the casinos than the older players.

„Younger players come to town to party,“ said George Maloof Jr., president of the Palms Casino Resort, a popular Las Vegas hangout for people under 40. „They drink, they go to

nightclubs, they go to the after-hours clubs, they check out the pool for the scene there. Gambling in general is not high on their agenda.“

But gambling, particularly playing the slots, still pays the bills. Slot machines are sometimes called „beautiful vaults“ in the industry because they bring in nearly three-quarters of the roughly USD 60 billion in gambling revenue that American casinos generate.

Most of the USD 1 billion-plus that the roughly one million slot machines in the United States take in on a typical day is paid to winners. But about 5 to 10 percent, depending on the casino, stays with the casino. „The slot makers need to figure out how to develop these younger players,“ Maloof said. „We need it for the bottom line.“

One issue for the industry, said Tim Stanley, chief information officer at Harrah’s Entertainment, is that younger visitors, even when they gamble, tend to choose less profitable table games over slot machines.

Slot makers acknowledge that they are in the early phase of their efforts to draw in younger players. Moreover, they do not want to discourage their prime audience; they continue to create games aimed at reaching those they identify as the industry’s most coveted users: women 55 to 65 with time on their hands and money to spend.

Still, a new generation of machines is starting to crowd out the boxy, chrome devices that for decades have dominated the slot floor. These machines include features like surround sound, flat-panel display screens and images as vivid as those seen on today’s video games. One of the more popular is a slot machine based on the movie Top Gun, created by WMS Gaming in Waukegan, Ill..

Joysticks are just around the corner, slot makers say, and over the next several years, industry specialists expect

casinos to start investing in network systems that allow for games that mix gambling with the head-to-head competition popular in online computer games like World of Warcraft and Halo.

„We can't just make a slot thinking about the 55-year-old lady who comes to the casino a few times a month," said Rob Bone, marketing director for WMS Gaming. „We need to appeal to new buckets of players, or we'll die."

Slot manufacturers face conflicting demands in seeking to appeal to the widest possible group. They make games that have long appealed to those wanting to zone out in front of a machine that is neither physically nor mentally taxing. But younger players are yearning for more challenging games.

„Younger people, after years of solitary activity on their Gameboys and televisions and PCs, desire real human interaction," said Joseph S. Weinert, an analyst with the Spectrum Gaming Group, a consultancy based in Atlantic City. „That's why you see poker being so popular along with other table games."

Still, the generation that grew up on digital electronics is not about to turn its back on them. In one effort to appeal to a younger generation of gamblers, Bally Technologies, of Las Vegas, signed a deal with Atari, the video-game pioneer, to develop a series of skill-based slot machines, starting with a Pong-style machine. The game, released in August, includes a paddle control knob that players use when reaching a bonus round; the more dexterous the player, the larger the bonus.

But skill will take a player only so far as these machines are still calibrated to pay out less money than they take in. Bally introduced a second Atari title, Breakout, last month in Las Vegas, where the casino industry gathered for its annual trade show.

Marcus Prater, vice president at Bally, said that both Pong

and Breakout were designed by „a bunch of these Southern California dudes in shorts and flip-flops“ working out of a studio the company established in Huntington Beach, California

Similarly, the industry’s largest slot maker, IGT, turned to another outsider, a Silicon Valley industrial design firm called Whipsaw, to create a sleeker slot machine that the company introduced at last year’s trade show.

„We’re talking about a different vernacular, a whole different machine,“ Whipsaw’s president, Dan Harden, said. His ultimate challenge, Harden said, is to redesign the machines that power the gambling industry to appeal not just to the „Cadillac generation“ but to the „BMW generation“ as well.