

RFID keeps tabs on Vegas bartenders

In Las Vegas, RFID tags are on the job 24/7

By Patrick Thibodeau, Las Vegas | Monday, 21 April, 2008

RFID technology is on its way to ubiquity in hotels and casinos, helping to bring new levels of personalised services. But the tiny tracking chips are threatening some longstanding practices as well - such as the tradition that a generous tip by a patron is apt to lead to a generous drink from a bartender.

Tucked away in the pouring spouts of the bottles behind the bars, the MGM Mirage is using RFID tags that measure the flow of liquor, producing data that links in turn to the point-of-sale systems. The chipping is part of its loss-control system (it has RFID in some casino chips as well), keeping tabs on a company with 55,000 employees and tens of thousands of guests daily. But it is a relatively minor example by Tom Peck, MGM Mirage's senior vice president and CIO, of how technology is being used. This resort and casino company has some big plans to deploy a range of technologies, changing how services are delivered.

And MGM Mirage is moving aggressively to adopt new technologies to expand customer services, and is pushing vendors to refine them as it works to open its US\$8 billion CityCenter here late next year. That complex will include 2,650 private residences, boutique hotels, a 4,000 room hotel and casino, and spaces for retail.

Peck, who appeared at a Gartner ITExpo forum with Aldo Manzini, the Mirage's executive vice president and chief administrative officer, envisions a seamless network - from algorithms that can predict customer wants to systems that will respond to newly arrived hotel guests by automatically turning on lights, adjusting blinds, and setting the television to the customer's preferred language. All of it will happen through fibre networks and ZigBee, a short-range, wireless network technology in rooms.

Peck wants these systems not only in CityCenter but in its other complexes as well, and the company has labs working on the issues they raise. For instance, integrated room technology needs a network switch, and upward of 10,000 switches will be installed behind walls - switches that give out heat and will break, he said. "We're actually measuring ambient heat and working with vendors to generate the next product that doesn't exist today," said Peck.

Room keys as identifiers that can not only open doors, but keep track of preferences; tracking gaming play will also be offered. But Peck says that this type of technology, which includes RFID and a computer chip, will also likely be "opt-in," since some customers may not want to be tracked.

The business goal, said Manzini, is to be able to use technology to create an experience as close to a personalised concierge service as possible for a very large number of customers, "and the only way we can accomplish that is through technology."

All this information has to go somewhere, and the company has some 85 million records that are replicated in real time - an information jackpot in its own right.

"Knowing what happened in the past is interesting but not really relevant," said Peck. "What we want to be able to do is predict the future." Predictive modeling of the hotel's guests' activities and requests makes the algorithms that sit on top of the data warehouse a "killer app for us," he said.

Casino operations are, in some ways, very similar to banks inasmuch as they're heavily regulated by the states and federal government. Any technology that affects guests or cash flow has to be certified by authorities who examine systems in their own labs, a three- to six-month process.

Consequently, the MGM Mirage can't afford to allow its various entities, which include the Bellagio, MGM Grand, and Mandalay Bay, to head off in their own tech directions. But managers of each of its properties are responsible for the results, so the company wants to ensure they have the flexibility to meet unique customer needs.

"We want to encourage properties ... to be autonomous and come up with ideas, but we're very centralized from a technology perspective," said Peck, and that's due to support issues and regulatory requirements. "We like to deliver centralized tools" that the managers can choose to adopt, or not.