

Mobile tech to dominate gaming industry in 2021, experts say

By Mike Shoro Las Vegas Review-Journal

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If there's to be a turnaround 2021 after a tumultuous 2020, experts say vaccines and mobile technology will be to thank.

Namely, online sports betting, touchless technology and mobile wallets. Some of those technologies existed pre-COVID. Then the pandemic hit and accelerated demand for them and other innovations in gaming.

Vaccine rollouts offer hope of an eventual economic recovery. But the pandemic isn't yet over, and those in and around the industry expect the repercussions from 2020 to shape the story of 2021.

“The great thing about the gaming industry is it has always been innovative and adaptable and very agile in its handlings of what it needs to do to survive,” said Brendan Bussmann, partner at Global Market Advisors.

A touch of touchless

In some respects, the story of 2021 will be told through your phone.

A former Wynn executive sums up her view on 2021's biggest gaming trends with one word, three times.

"Technology, technology, technology," said Debi Nutton, a retired executive vice president of casino operations for Wynn Las Vegas and Encore.

Casinos adapted to the pandemic with things like plexiglass shields between bar seats and entrance temperature checks. There's more coming in 2021, she and other experts say.

Nutton anticipates mobile and touchless technologies will play an even larger role in 2021, as it's "all about the ease of the guests."

In general, Nutton anticipates fewer interactions and more digital touch points — things like mobile wallets and mobile wagering.

"So your room key is on your phone, and you check in from your phone, and you order your room service from your phone and you download the property app," Nutton said.

It took a while for ticket-in, ticket-out slot machines to become an industry standard when they were first invented in the early '90s, Nutton said. She thinks cashless gaming at slot machines could follow a similar path, and make its way over to the table games, too.

Nevada Resort Association President Virginia Valentine predicted touchless technologies will continue to evolve with customer wants and needs.

“The resort industry continues to seek out innovative technology that enhances the overall customer experience while meeting the strict standards set by gaming regulators,” she said.

Additionally, she said, resorts will keep in place the health and safety measures they implemented during the pandemic “to ensure the industry is always providing the safest environment possible.”

Safety and health concerns could spur a whole host of other changes to Las Vegas casinos. Bussmann suggested resorts will find new ways to safely separate groups of people, potentially re-imagine buffets, devise new cleaning protocols or incorporate new ways of checking guest temperatures.

It surprises Bussmann cashless gaming technologies haven’t entered the mainstream since he first learned of them nearly a decade ago, particularly as “80 to 90 percent of our daily lives” involves moving cashless money.

“There’s going to be a lot of opportunity for innovation and adaptability as we recover going forward,” he said.

‘Floodgates have opened’

Legalized sports betting drew a ton of media coverage in 2020 as it spread across the country at breakneck pace, and there’s no slowing down in 2021.

Nineteen states have operational sports betting, and another eight potential jurisdictions have the “steps to start a regulatory phase,” Bussmann said. Other states like Massachusetts and Texas could consider it in the near future.

Nehme Abouzeid, founder and president of LaunchVegas, LLC, said it’s “felt like musical chairs” keeping up with sports betting partnerships.

Caesars Entertainment Inc. announced in September it was buying sports betting company William Hill for \$3.7 billion. [That deal is expected to close in the second half of 2021.](#)

It's a big area for potential growth and competition, Abouzeid said, adding that gaming companies will need "access to multiple states, a cool brand, and a user-friendly" app to compete in the market.

"I remember when sportsbook directors were cautious about doing interviews with national media outlets," he said. "Now the floodgates have opened."

Turning the page

The return of visitation will fuel an economic turnaround, according to the Nevada Resort Association.

Valentine, said "enormous pent-up demand" for Las Vegas' offerings will bring back visitors when it's safe to do so. Events, concerts, tradeshow and venues with unrealized potential — like [Allegiant Stadium](#) and the [expanded Las Vegas Convention Center](#) — will drive visitation, she said.

"Once the vaccine is widely accepted and the virus has abated, we are confident the return of large gatherings will be the highlight of 2021," she said.

[Visitation to Clark County remains down.](#) Visitor volume plummeted to 106,900 in April (down from 3.5 million last April) and has steadily climbed since June to nearly 1.9 million in October, according to Las Vegas Convention and Visitors Authority data. Clark County saw about 3.7 million visitors last October.

Clark County gaming revenue is down, too. Revenue totaled about \$5.3 billion through October, a 38.1 percent decrease from the same period last year, according to the LVCVA. One-third of all gaming revenue in those 10 months stemmed from a January and February that generated a combined \$1.8 billion in revenue.

Reopening with restrictions in June sparked a partial rebound. Gaming revenue in Clark County totaled \$441 million for the month, according to LVCVA data. Since then, monthly revenues for the county have totaled between \$594 million and about \$672 million in October. Those figures still trail monthly figures from last year, which never totaled less than about \$792 million.

Restrictions like a 25 percent casino floor capacity limit will carry into the new year. If you ask Bussmann, the story of 2021 may begin on Jan. 15.

That's the deadline for Gov. Steve Sisolak's statewide economic "pause" to slow the spread of COVID-19. He may stay the course, loosen restrictions or impose new ones, depending on infection trends.

Analysts and economist point toward June and beyond as a potential turnaround point to coincide with vaccine administration and the return of conventions and large gatherings, as many resorts already have conventions on the books for late 2021.

Maintaining current restrictions or tightening them further could delay a recovery, which may take a couple of years for a full rebound as it stands, Bussmann said.

“It may be optimistic, but I’m sort of the optimistic pessimist,” he said of a second-half recovery. “When I look at this thing, I’m going, ‘I’m hoping for the best but realizing that the worst may happen.’”

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