



Preferred Marketing Developer:



MGM Resorts International (NYSE: MGM) is one of the world's leading global hospitality companies, operating a peerless portfolio of destination resort brands, including Bellagio, MGM Grand, Mandalay Bay and The Mirage.

facebook.com/mliferewards

Key Results

5x+

return on ad spend using custom audiences

3x

return on ad spend using Facebook Offers

15x

return on ad spend using Facebook Exchange

The global hospitality company uses Facebook to acquire new customers, convert them into guests, and ultimately retain them as brand loyalists, consistently seeing returns on ad spend higher than 3X for each stage of the purchase process.

Goals

Already a leading social marketer, MGM Resorts International decided to double down on Facebook in 2012 as the company had seen strong positive returns on advertising spend on the platform in 2011. In 2012, MGM Resorts sought to use Facebook's marketing tools in conjunction with AdParlor to:

- Acquire new customers for its resorts in Las Vegas and Detroit, Mississippi as well as for its loyalty program, M life
- Grow share of wallet and foster repeat visits to MGM Resorts' brands
- Build loyalty through exclusive promotions, unprecedented access and exclusive content

Strategy

MGM Resorts has taken a three-tiered approach to Facebook, with the understanding that travel—and Las Vegas travel in particular—is inherently social. The brand starts by acquiring highly qualified fans into its databases, either through the **custom audiences** targeting feature or the highly targeted segmentation available on Facebook. The brand then looks to inspire these fans through branding and awareness on Facebook that highlights the unique, one-of-a-kind experiences available at each of its resorts. Lastly, it seeks to reward its Facebook community with exclusive content and offerings. Using products such as **custom audiences**, **Offers** and the re-targeting on **Facebook Exchange**, the brand has seen a positive return on ad spend.

Acquisition

MGM Resorts decided it would leverage several of Facebook's latest products in 2012 to acquire new customers for its resorts as well as fans for its **Pages** where it could build loyalty over time.

To acquire new customers, MGM Resorts leveraged Facebook **Offers** to drive room bookings. During the year, MGM Resorts ran more than a dozen Facebook **Offers** for properties including ARIA Resort & Casino, Bellagio, MGM Grand, Monte Carlo, The Mirage and New York-New York. **Offers** typically included a resort credit and an upgrade in exchange for booking two nights:

- To reach new customers, MGM Resorts targeted friends of fans in addition to fans.
- After customers claimed the **Offer** on Facebook, they received an e-mail enabling them to easily complete the booking process.
- To scale the impact of friends telling friends about the **Offers**, MGM Resorts also used **sponsored stories** that displayed in the **news feed** of friends of people who had claimed the **Offer**: (e.g.: "Meg Sloan claimed an **Offer** from ARIA Resort & Casino").

Conversion

MGM Resorts also used several Facebook products to drive bookings for its properties in Las Vegas.

To encourage customers who had visited its various websites to make reservations, MGM Resorts began using **Facebook Exchange** which allows marketers to retarget the more than 1 billion people on Facebook. Using the exchange, MGM Resorts reached users who had dropped off at a certain point in the booking process at The Mirage, MGM Grand and Monte Carlo.

- **Facebook Ads in all Facebook placements** displayed to people with text that was tailored based on which stage of the booking process they had reached.
- The ad also detailed an appealing discount and drove directly to the booking engine.

MGM Resorts also used **Page post ads in mobile news feeds** to drive bookings at Luxor among people it knew would enjoy its amenities.

- Targeting on **mobile news feed** was to fans and friends of fans.
 - Ad text detailed low room rates and drove directly to the booking site
- MGM Resorts used Facebook's **lookalike targeting** feature to identify potential customers and present them with exclusive offers and content based on their similarities to key segments.

Loyalty

To build loyalty among the fans of one of hospitality's leading brands, MGM Resorts turned to several Facebook products.

The brand used a number of Facebook ad placements to drive people to sign up for M life using a variety of **Likes and Interests** targeting including the "travel intenders" **broad category targeting** feature.

MGM Resorts also leveraged **custom audiences**, which allowed the brand to display highly relevant ads on Facebook to people it knew were already its customers by matching guests in its email databases to corresponding users on Facebook in a privacy-safe way.

- With match rates averaging 55%, the company expanded **custom audiences** to all its resorts.
- Using the targeting feature, it leveraged **Page post ads in news feeds** with special promotions that rewarded existing customers, such as \$100 dining credits or complimentary buffets.
- It also targeted members who were already enrolled in M life but were not fans of the company's M life Facebook **Page**.
 - This resulted in massive efficiencies in cost per fan and a significant uptick in community engagement.

Results

Over the course of 2012, MGM Resorts on average saw:

- **5X+** return on ad spend using **custom audiences** targeting its customers on Facebook
- **4X** return on ad spend using the **lookalike targeting** feature
- **3X** return on ad spend using **Facebook Offers**
- **15X** return on ad spend using **Facebook Exchange**
- **2** fans acquired organically for every fan gained through Facebook media



MGM Grand Page



Offer

Ad

“Facebook has provided tools and advertising tactics that allow us to communicate with our customers at every stage of the purchasing process. We have identified highly qualified ‘fans’ and educated them on our brands and unique amenities through exclusive offers and content, resulting in them selecting our resorts when planning a trip to Las Vegas.”

Scott Voeller, Senior Vice President of Brand Strategy and Advertising, MGM Resorts International

Tools Used

- Pages
- Standard ads
- Ads in news feed
- Sponsored stories
- Offers
- Custom audiences
- Facebook Exchange