



Conversations w/Tino

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Tino Magnatta: Welcome to another episode of GT Radio. I'm Tino Magnatta and tonight I have a good friend and a very, very funny man with a lot of stories, Mr. Michael Armenta. How are you, Mike?

Micheal Armenta: Good, how are you doing, Tino?

Tino Magnatta: Good, good. You and I were chatting a little bit before the show, and we were saying that life is an adventure, right? I think that the more adventurous it is, the more you tend to want to live more of it, I think. You and I have both that streak, of the adventure. There's no question about it. Mike, tell us a little bit, where you're from and a little bit about your parents.

Micheal Armenta: Okay. Yeah, I'm from Santa Ynez, California, central coast. I am from the Santa Ynez band of Chumash Indians. I grew up on the reservation with my two brothers.

Tino Magnatta: [inaudible 00:01:29], and your dad was a welder, right?

Micheal Armenta: Yeah, yeah, yeah. My dad, when I was younger, was a welder. Welder by trade, and he was a welder up until '99. At that point is when he actually got into tribal politics himself and was elected Tribal Chairman.

Tino Magnatta: Amazing, and he still does welding, right? You were telling me the other day that he's always doing stuff, right?

Micheal Armenta: He does it as a hobby. He's retired now, even though he's relatively young, but yeah. He just dabbles around and plays around with Damascus, and stuff like that.

Tino Magnatta: Now, was the casino there while you were growing up, or was it just a bingo hall?

Micheal Armenta: Well, I was born in '84. In the early eighties, it was just a bingo hall.

Tino Magnatta: Got it, okay.

Micheal Armenta: Yeah, the casino didn't open until the early nineties.

Tino Magnatta: Right, so you did grow up in a period where there was no casino, right?

Micheal Armenta: Yes, yes.

Tino Magnatta: But there was a bingo hall.

Micheal Armenta: There was a bingo hall. From what I remember, it was closed for a few years in between the opening of the, before the casino was open, but there, yeah. There was a bingo hall.

Tino Magnatta: What was life like on the res before the casino?

Micheal Armenta: Well, I mean, it was ... To me, it was normal. The reservation was, I didn't really think of it as a reservation or boundaries or anything like that. It was just another housing development within the town. It was ... I know what the perception is of reservations sometimes, but our reservation has always been very prosperous and everybody with the tribe has always worked extremely hard to make it that way.

Tino Magnatta: Yeah. You told me the community was very, very close. We always looked out for one another.

Micheal Armenta: Yeah, yeah. It's funny, my dad is one of 12, and I have a ton of cousins, first cousins, and we're ... It's more like one big immediate family. Everybody was always around. My dad and his brothers were all tradesmen and welders, contractors and stuff like that. Very entrepreneurial. They all had their own businesses and everything, and it was just, you know. Before the casino there wasn't, everybody just worked a lot. They still do. I think it's built in their DNA, but yeah. Everyone was-

Tino Magnatta: In a different way now. In a different way.

Micheal Armenta: Yeah, yeah. Definitely in a different way.

Tino Magnatta: They're working in a different way, yeah. Yeah.

Micheal Armenta: Yeah.

Tino Magnatta: Does this entrepreneurial kind of environment, you think it's affected the way you approach life and business?

Micheal Armenta: Oh, significantly. My dad is, everything stems back from my dad. He's, before we got on the call we were talking about kids. Well, I was, my mom and dad were married when they were 19 years old and then I was born when they were 21, and so I've kind of grown up with my parents. My dad has always been kind of the pillar of everything, and taught me pretty much everything. Very entrepreneurial, he had his own businesses forever, and it was always, had something to do with welding, structural steel. Then a little later, before '99, he still got into some things that he liked to do a little bit more with ornamental iron and everything.

Tino Magnatta: That's great, yeah, and so what kind of qualities do you think that you developed because of being in that environment?

Micheal Armenta: It's interesting because he, yeah. It's interesting, because he never stopped working. That really rubbed off on me, which is good and bad. I love work, whether it's at home or at actual work. Everything is kind of a job to me, but it's

all fun. My dad's the exact same way. Whatever he was ever working on, he made the best of, and that definitely is, you can see it in myself and my two younger brothers.

Tino Magnatta: Yeah, so definitely there's no question about it, is the ability to work, and achieve certain things at a certain speed, right? You're always running your own show, so to speak.

Micheal Armenta: Yeah, yeah. We're always on our toes, always looking for something new. Just always advancing, trying to do something. If you're not trying to do something, you'll never see a result, and that's kind of us. We're always moving in one direction or another.

Tino Magnatta: Tell us a little bit about education. How'd that go for you?

Micheal Armenta: Well, education is probably another one of those pillars that stand right alongside of my dad. Education is super important. I actually did not go to college straight out of high school. I decided that I wanted to work, and I wanted to make money, and I wanted to move out of my parents' house, even though I had multiple opportunities with academic scholarships and stuff like that. I just decided it was time to work, but once, fast forward a little bit, a couple years out of high school I decided it was definitely time to go back. I found myself in situations where I saw a need to not only have a degree, but also have the backing of that, the education, the knowledge that comes with that.

Tino Magnatta: What do you think, in native nations now, what do you think that ... If people get the opportunity to get the education, are they prone to taking it and moving forward?

Micheal Armenta: Well, my perception is yes and no. I mean, the thing is, I was provided with an amazing opportunity where the tribe paid for 100% of my education. I was able to go to school for eight years while I worked, and they paid for it. The tribe put me through college. It was amazing. I think there's a lot of people throughout the various tribal nations that have opportunities like that, whether it's with the tribe paying for it, or with a grant, or some other type of scholarship. There are a lot of people that take advantage of it, but I think there could definitely be more. It's a huge, huge opportunity. After eight years of schooling, I was able to sit back and have zero debt associated with school. Not many people can say that, and it was all because of the tribe. A lot of individuals who have the same opportunity might not take advantage of it or know that they can take advantage of it. That's one of the things that I think everyone needs to work on, is we need to understand the opportunities we have sitting right in front of us.

Tino Magnatta: Now, you started dealing blackjack when you were 18, right?

Micheal Armenta: I did, I did.

Tino Magnatta: Tell us a little bit about how that experience was, and what happened from there.

Micheal Armenta: Yeah. When I was 18, I actually graduated high school early because I had finished everything. I was actually already doing some college courses when I was in high school. I started dealing blackjack in March of 2003, which is, right now we're in graduation time for high school so if you do the math, I actually had to take a day off of work to deal blackjack, or, to walk with my class, from my job as a dealer. The job as a dealer, I didn't realize would lead me to really what I am today. I dealt for a couple of years, and then was quickly moved throughout management within table games. Being a blackjack dealer was, it was a great, great foundation to have. I interacted with customers. I enjoy interacting with customers and people in general, just having conversations and relating to them, and learning how to read people and different emotions. It was a fun, fun job.

Tino Magnatta: What happened from there? You got approached by GM, right?

Micheal Armenta: I did. I did. From there, I was approached by our general manager at the time and he said, "Hey, we have this opportunity for a management training program." The program was designed to elevate employees and tribal descendants as well, anybody from the tribe or any tribe working at the casino, but all employees could apply for it. The general manager approached me and asked me if I wanted to go into the program, and at the time when I was in table games, I was a pit manager and I liked what I did. I still dealt a little bit too, but it seemed like the next natural step for me, and it was, the management training program was, it's a great program. The way he pitched it was amazing, and when I finished it, it was amazing. That was actually what turned me on to going back to school. I was only a dealer for three years, and when I had the opportunity for the management training program I knew that I would need a little bit more than a high school diploma to kind of back up the direction I was going.

Tino Magnatta: What was the ... How did that program change you?

Micheal Armenta: Well, I ... The management training program, just to give a little context to it, I spent two years going through every single department, every single area, of the casino and the tribe. It was mostly casino, but we did everything from maintenance to executive planning meetings, and the marketing. It was a great program. It really helped learn that there are so many facets to a single business. It was just kind of mind-blowing at the time, especially for me being at 21 years old.

Tino Magnatta: Now, during the management program you went back to school, right? You've got to tell me what triggered that.

Micheal Armenta: Yeah, so right when I ... Oh, sorry, go ahead?

Tino Magnatta: You had something that triggered that.

Micheal Armenta: Yeah, yeah. When I was in the program and first started it, I was quickly involved in conversations that were above my head. They were, actually I remember I was sitting in a executive meeting, and I just really didn't understand what they were talking about. We were going over financials and everything like that, because within the training program you were exposed to everything, and I just didn't get what was going on. That right there was the major turning point that said, "Michael, you need to go back to school. You need to understand these things, and if you don't, you might as well just go back and do what you were doing." That was a really big driver. I didn't want to be left behind. It's tough when you're in a conversation or you're asked for your opinion, and you don't have an opinion to give. I had this great opportunity of being in a management training program, but I had to educate myself in order to take advantage of it. I actually, at that point, spent the next eight years in school.

Tino Magnatta: Wow. Pretty amazing. How did that affect you?

Micheal Armenta: It was good. Like I said, I was super fortunate and very thankful to have that opportunity, to where I could work and I could go to online school and I could actually eventually finish my MBA. Ultimately, it was, because I was working during school I was able to apply everything I was learning in school to work. The value of that is absolutely beyond. If you just go to a class and you can't find a way to relate to it, it's tough to retain that information, but ultimately, being able to work and go to school really helped me understand all the topics that we would cover, and then in turn I could actually hold my own in a meeting. I could be asked to conversation or asked a question or an opinion on something, and I would have no trouble just jumping in and giving one. It was super valuable, and not only that. When you're done, when I was done with school, it provided another opportunity. I could write down that I had that piece of paper. I had that diploma, and I could put that on a resume. It doesn't do everything for you, I mean, but it did, it gets your foot in the door.

Tino Magnatta: Yeah, it's definitely something that's needed. You saw the need and you went for it. Look, it all comes down to what we talked about at the beginning, and I think that ... I think that when I asked you about your dad, and you said, "You know, he's always working." Now, I want to clarify that a little bit, because when people think about work, they think about the postman or the police officer, but when you're an entrepreneur and you work, you're also working when you're not doing things with your hands. You're working with your brain, right? Thinking about things.

Micheal Armenta: Correct, yeah. Yeah. That's-

Tino Magnatta: That's what you meant by always working, right?

Micheal Armenta: Yeah, yeah. It's not, by no means saying that my dad was just at work all the time, or that I'm at work all the time, because I'll admit to it, I'm a workaholic.

Tino Magnatta: Yeah, exactly. Well yeah, I mean, it's kind of like that, but it's not, because a lot of those times you're trying to think things through, right? Strategically in your head, so, that's an important part of it. Is that right?

Micheal Armenta: Yeah. Yeah, definitely. The process that your mind goes through, and it never really shuts off, is what I kind of mean by always working. You're always thinking about something, always moving.

Tino Magnatta: Yeah. Yeah, it's never ... You need to, do you train yourself to do that, or is that something that only certain people can achieve?

Micheal Armenta: I think it's partly a curse. No, you just ...

Tino Magnatta: That's funny.

Micheal Armenta: It's just the way, I kind of actually, yeah. The way I've training my mind to work. Problems are solvable, and questions have answers, and I've always tried to take steps in a direction that helps me either solve a problem or answer a question or achieve something. You, acting without thinking doesn't really do anything. The results are usually negative, and that's ... What I try and do is I try and process things constantly, so that when I do act or when I do make a move on anything, I achieve what I'm actually trying to.

Tino Magnatta: Exactly. You've thought it through.

Micheal Armenta: Mm-hmm (affirmative).

Tino Magnatta: When you started working at the casino, what were some of the things that you had to overcome?

Micheal Armenta: Well, I was the son of the boss. I was the son of the big boss, because my dad was Chairman for 16 years, and it was tough because I had to be the best. When I dealt blackjack, I had to be the cleanest dealer. Had to follow every protocol, and I managed, I had to manage everything to the highest of standards. A lot more was kind of expected of me. It was, to tell you the truth, it made me what I am today, but it was tough. It was definitely hard to overcome. People think, because you are the son of the boss, a lot of things were handed to you, and nothing, absolutely nothing was handed. What it was, it was me having an opportunity and actually taking advantage of it. My dad could help provide an opportunity. That's why the doors, a lot of the tribes on their hiring have a Native American hiring preference on it, on their applications. They ask for what tribe you're from, and everything like that. It's just, it's providing an opportunity for those of us who are from various tribes, so I had opportunities at my fingertips. It was up to me to actually take that opportunity and run with it.

Tino Magnatta: Right, right. You were kind of thrown the ball, and had to take it to the finish line.

Micheal Armenta: Yeah, yeah, and that was really tough though, because it was kind of viewed negatively because I had the opportunity, because of the position my dad was in, which was why I had to really try to be the best at whatever I did. Not, because I'm by far not the best, but I had to work extremely hard just to prove that I was there for a reason. I'm still faced with it today, and it's fine because I've learned to actually thrive on it, but it was definitely an uphill battle.

Tino Magnatta: Mm-hmm (affirmative). What's your message to younger people coming up in the business?

Micheal Armenta: Oh, man. Work hard. Don't be afraid of an opportunity, but if you take an opportunity, ensure that you're going to succeed. Don't be afraid to take the risk, and really make sure you apply to yourself. When you go to do something, you go in there to succeed. You definitely need an education, because like I said earlier, that helps you get your foot in the door, but you learn stuff when you're in school and you need to be able to apply it. You need to continue to work hard. You just have to capitalize on the opportunities you're given.

Tino Magnatta: Yeah, and you've got to be ready to do that, whenever they pop up.

Micheal Armenta: Yeah, yeah.

Tino Magnatta: That's the key, yeah, and not be afraid to jump in fearless, right?

Micheal Armenta: Yeah, fearless, but calculated. You have to ... Yeah. Don't jump into anything head-first, because the pool might not have water in it, but you've got to make sure that you're ... Set yourself up for success and do it the right way. Otherwise, you're kind of running in blind. Back in the beginning when I started this story, we were talking about the driver for me to go to school, and that was when I was in an executive meeting. That was a driver for me, and I was in over my head, and I very quickly acclimated myself and made moves to further acclimate myself to different situations, after I realized that I, "Okay, you really have to perform now." Yeah, I jumped in head-first, but I knew there was water, and I knew I could swim. Just a learning curve, I was young and maybe a little more bull-headed that I should have been, but at the same time I know my personal ability, and probably a little, was a little too confident at the time, but I knew I could do it because I knew I would apply myself.

Tino Magnatta: What spurred your interest in marketing?

Micheal Armenta: Sorry, say that one more time, Tino?

Tino Magnatta: What spurred your interest in marketing?

Micheal Armenta: Oh, so, after ... These are all stories. I'll apologize now. After the management training program-

Tino Magnatta: Yeah, we want to hear them.

Micheal Armenta: Yeah. After the management training program, I was asked to be a project manager. Along with school, I actually got PMP certified because that was one of my interests, and so I was working, going to school, and got PMP certified, and then our general manager asked, "Hey, I have these high-level projects I really need you to work on. Would you like to do them?" I said, "Of course." You basically don't ever say no to that position. I took on the projects, and one of the projects was, "Hey, we need a new website." At the time, I had marketing knowledge, but I didn't have much knowledge of website building or anything like that, so I said, "Of course, I can do this," and I started looking for partners outside of the business to help my accomplish the ask, help us get a new website up and going for the casino.

That was really when marketing took off for me. I fell in love with going through UX, walking through what a customer might do, and seeing how the end user's going to interact with a website, and from there it just kind of exploded. That was actually the project that ended up landing me in marketing. At the time, there were only three people on our marketing team. I was number four, and that's when the business decided, "Hey, the website should really live in marketing." We were growing quickly as a business, so every day was a learning curve for everybody, but my interest in marketing, the website project, and that really landed me in marketing.

Tino Magnatta: What were the things that you think you gravitated most in the marketing department? What piqued your interest the most?

Micheal Armenta: Well, honestly, figuring out what makes the customer tick, what drives the visitation. It's still a big question to this day. I don't have some secret sauce or anything like that, but after dealing with, after interacting with customers for so long and then moving through the business, and then getting the website project, understanding what a driver, what the mental driver is to an individual that actually puts them in building. That was huge for me, and what gets them to come back, time and time and time again, and what gets somebody who's never been to a casino to walk into a casino. Then, various ways to just change behavior. I really like looking at the customer aspect of it, and not from a ... Of course from a data side, but also from a personal side, because I had interacted with customers so much on the floor.

Tino Magnatta: Yeah, because you were dealing and all that. Yeah.

Micheal Armenta: Yeah, and that job, I got ... That was so much fun. It taught me so much, but that, interacting with people, I still love doing that. I walk up on the floor every

day, multiple times a day sometimes, just to have conversations, whether it be with employees or with customers or just to help a customer.

Tino Magnatta: You ever get behind the table?

Micheal Armenta: No.

Tino Magnatta: [inaudible 00:25:53].

Micheal Armenta: I still, yeah.

Tino Magnatta: [crosstalk 00:25:55].

Micheal Armenta: Technically I can sit back there and do quite a few things, but from a legal standpoint, I don't think that I should.

Tino Magnatta: The [inaudible 00:26:05], the [inaudible 00:26:05] would be very happy about that.

Micheal Armenta: I'm not really employed that way anymore, so gaming might get a little mad at me.

Tino Magnatta: That's right, that's right. Yeah. Let's talk customer service. You have a very interesting view on customer service, I think is really cool. Tell us a little bit about that.

Micheal Armenta: Well, customer service is, it's the key to the business, and finding a way to service the customer is what every casino or every entertainment industry in general ... Anybody in the entertainment industry, a hotel or the movie theater, whatever it may be, that's what everybody tries to do, is service the customer appropriately to create repeat visitations. The thing is, is ... Some of the interactions that you have with customers are a little negative. Something went wrong, this, that, and the key is to not necessarily spin the conversation positive, but to be able to alleviate some of the stress and give the customer something, whether it's a tangible something or just a conversation, that lightens the mood. Interact with that customer in such a way that they feel the outcome is positive.

There's multiple different things, roads you can go down with how to create good customer service and how to deliver good customer service. How to, the right and wrong ways to interact, but every situation's extremely unique. It's hard to give a script to somebody and say, "This is how you interact with the customer." It doesn't work that way. You have to train, you have to mentor. You have to put yourself in those situations so that you know exactly what an employee might be dealing with, and you really just need to take that interaction and make sure that the customer walks away either with a smile on their face or at least feeling positive about it, even if the answer is no. The

answer sometimes has to be no to an ask, or whatever the question may be, but you have to say no in the most positive way possible.

It's tough, but I mean ultimately, I think about going up on the floor and interacting with customers, and it's, no two situations are generally the same. They might have similarities, but none of them are the same. It's definitely a difficult situation to be in, but there's ways to alleviate that, and as long as the customer walks away, and they might still be a little upset in a negative situation, but they will, they'll feel like they were taken care of. They'll feel like they were heard, and they need to be heard. That's the foundation of the business, is the customer.

Tino Magnatta: Do you think that the different departments, whether it be hotel, gift shop, concerts, or the casino floor, do you think that the strategy behind the customer service is different? Do you distinguish between casino floor and hospitality, or?

Micheal Armenta: I don't think so. I think usually there's uniqueness to the ask, to the interaction, but ultimately they're relatively the same. You just have to read every situation unique, so, regardless if it is the gift shop or if it is the entertainment venue, or if it is the tables, or if it is a beverage server, that customer service interaction touch point is unique at the individual level, not on the outlet level. Some things may be more common in the gift shop in comparison to a table game or a slot machine, where that interaction happens, but at the same time every single interaction I think is extremely unique.

Just the other day I was at our gas station here, and there were two elderly ladies who were trying to use their card to redeem points to purchase gas. Points that they had earned here at the casino, which were converted for ... Well, we actually, there was a marketing offer associated with it, but they were trying to redeem it at the pump and they were having trouble. They just didn't understand the process, so I walked up and they were frustrated. I just looked like a normal Joe, I was filling up my car, and, but I walk up and I started to help them walk through the process and I think they very quickly realized that I worked with the business. I walked them through the process, and they actually had a mistake on their account, which was definitely not the fault of anyone except for the fact that they hadn't reset their PIN, and they couldn't redeem the offer at that time. They needed to reset their PIN number. It was a bummer. They didn't get the free gas they were expecting, but at the same time, I actually took their information down. They don't even know this, that I put additionally offers on their card, actually free play on their card, but they walked away from that conversation happy.

They were bummed they had to go in and pay. They didn't want to, they wanted their free gas, but they walked away from the conversation, when I told them, "I'm very sorry, you need to reset your PIN before you redeem this offer, you're going to have to buy your gas," after the whole interaction they were happy about the interaction. I think it's partially because of the way I handled it. "I'm so sorry," that type of thing, apologetic, but at the same time, I found a way to

just talk to them. Talk to them about where they were from, and, "How long have you been here, and how often do you visit?" Just have a conversation with them, and when they walked away satisfied, it was a major bonus. It was great to see that, and I guarantee they've probably been back. This was a couple weeks ago, but they've probably been back and that may have been a driver, or it wasn't, but I guarantee that they didn't look at that as a negative experience. Yeah, they had to pay for the gas, but I think they walked away pretty happy from it, being that I was so willing to actually help and interact with them.

Tino Magnatta: Yeah, it very important to be able to do that. Where is the casino business now, and where are we headed?

Micheal Armenta: Well, it's ... Can you tell me? No. It's the where we're headed part that's the golden question, but no. Casino business is great. I mean, it's fun. It's evolved from where it's ever been. The slot machines that are on the floors, the offerings that are on properties, the games, the amount of side bets you have on table games and the interesting ways to play, it's just, it's fun. It's a booming business. There's all these questions about online gaming, and especially in the state of California when it comes to sports betting, but the casino business is just on a huge, huge upswing right now. It also has to do with the economy, but it's flying in a very positive direction and it's been flying for a few years now, so it's definitely heading in a good direction. I think it's going to go, continue down the same road. Maybe slow pace a little bit, but I don't think we're going to have major speed bumps like 2007, 2008.

I think that the evolution of casinos, I think everybody in general is realizing the importance of the customer. The importance of loyalty, that customer being loyal to your brand, although none of them really are. It's all about the offers you give them, but we're the local watering hole, and customers have a preference over that, even if it is a little bit further than other watering holes. I think the evolution of future casinos is going to be very dependent on our ability to service the customers appropriately. Show them we appreciate their business, we appreciate them picking us as their form of entertainment, and that's the thing. Casinos are a form of entertainment. That's why everybody has, once it's not entertainment, everybody still has that disclaimer on the bottom of a lot of marketing, collateral that says ... The 1-800 Gambler's Anonymous link, but I mean, realistically, that customer is the future of the business.

We're faced, it's kind of tough, too, because we're between a rock and a hard place because brick and mortar businesses are going out everywhere. We, casinos are here to stay, and brick and mortar is the form of entertainment I think people prefer, until somebody comes up with a better way to service the customer through, some way through a website or through an app or something. They're still going to be preferred. We just can't lost that edge, lose that edge of the business where we do service the customer and we appreciate the customers.

Tino Magnatta: It's interesting that you say that, because entertainment is the only form of business that cannot be replicated anywhere in the world. For instance, we make movies from the United States that they can't make the movies like we make them, because they don't have the infrastructure and the actors. They have casinos, but they don't have a Vegas. People from Asia, even, with the big casinos over there Macau, everybody comes to Vegas. Vegas is the Mecca center, the Mecca. Yeah, you're right. It's something that's, it's almost ubiquitous. You can't kind of grasp it, right? It's just, it's a mood, it's a feeling.

Micheal Armenta: Yeah. I mean, I honestly go to Disneyland for a reason. Disneyland, you have Disneyland in LA and Disney World in Florida. I think there is a Disneyland Europe or something like that, but it's not replicated anywhere else. It is what it is, definitely.

Tino Magnatta: No, well we made it. It's Disneyland anyways, right? It's just-

Micheal Armenta: Yeah, yeah. Well, it is Disneyland [crosstalk 00:36:42]. That's the thing. It's funny, too, because working in a casino for so long, I've been here for 16 years, and I still, when it's my wife and I, if we want to go on a trip, which we haven't been able to do for years because we have two little kids, but if we want to go somewhere-

Tino Magnatta: Yeah, of course.

Micheal Armenta: We pick Vegas. We'll go down to Southern California, we pick a casino. I love this form of entertainment.

Tino Magnatta: Yeah, it's a great one. It's a great one. What does Michael Armenta do to wind down?

Micheal Armenta: I go home, and I continue to think, but about things that pertain to my personal life. Yard work, and the family, my boys. My oldest one is five, and just, or four, and he's going to be five in a couple of weeks, and just finished pre-school. He's getting ready to start kindergarten. My youngest one's a year and a half and never stops yelling at me, but that's what I do to wind down. I go home and I surround myself with family. I hang out with my parents. My parents are some of my best friends. We're a tight-knit group, and that's my wind down. Just being around those who I feel are very close to me, and honestly, shifting my mind to a different topic is always a good wind-down. It's, shifting my mind from work-work to home-work is nice to do. It always get stressful regardless of what you're trying to do, but I like to go home and relax or work around the house, work in the garage or work in the yard. Wrestle with my kids, and just hang out.

Tino Magnatta: That's great, that's fantastic. Should we take some calls?

Micheal Armenta: Yeah, sure.

Tino Magnatta: Let's do it.

This is Tino Magnatta, do you have a question for Michael?

Jess: Hey, Tino, Michael, thanks for having me on the show. This is Jess calling from Las Vegas. Yeah, so far-

Tino Magnatta: How are you doing, Jess?

Jess: Pretty good, pretty good. So far listening, some pretty great stuff. I'm in marketing as well. I was also in a management program, and I also like to wind down with chores around the house, believe it or not.

Tino Magnatta: That's great.

Jess: I'm curious, Michael. Management programs for casinos, and all companies, are a big investment in an employee, and usually a younger person. It's a big investment, so, and this is a pretty broad question here, but in terms of recruiting young professionals for management programs and similar programs, where they rotate, do you think that kids these days starting out and starting their careers in the casino industry right now are more entitled or more distracted compared to past generations?

Micheal Armenta: I think, honestly if I looked at a 21-year-old me today, I'd be afraid. I think that they're ... I think they're both entitled and slightly distracted. The problem is, is I don't think there's as much loyalty as there used to be. You're right, it's a huge investment for a business to take on. You're taking an individual and you're literally removing them from the work you need them to do, and training them because you see something in them. You're going to pay them accordingly, and there's, I'm so thankful to my tribe for providing me the opportunities they have, which is why I've stuck here, but I have seen it in the past where somebody gets their training, goes through the training program, gets it under their belt, bounces around a little bit and then leaves the business and goes across the street, or goes to work for another company. Which is good, everybody needs to get exposure outside, but it's a big undertaking for the business to really commit to. I don't think the loyalty is the same as it used to be, which is unfortunate, but it's also up to the businesses. The businesses have to appreciate that individual and reward accordingly, because a lot of the times, it's strictly a money decision, which I think are probably some of the more negative ways to make a decision, is based on money.

Jess: Sure.

Micheal Armenta: A lot of the time, it's because that individual might have finished the program and grown themselves, and they're evolving the business that trained them and then they might feel slightly under-appreciated or have something more lucrative outside, and end up walking away. Management programs are

definitely tough for businesses to do, but they can sometimes yield really, really great results.

Jess: Okay, yeah. Couldn't agree more. Same topic, which department had the biggest effect on you, that also maybe was overlooked by whoever designed the management program? You're in marketing, obviously working with marketing teams might have led you straight to where you are or had a big, big impact on your current career, but was there a smaller, less thought-of department in terms of rotation for management programs that really spoke to you, that sometimes you're in a meeting and you think back to it and go, "That experience in the beverage department, for some reason that nobody thought would happen, I think about that all the time"? Was there any experiences like that?

Micheal Armenta: Yeah, yeah. Definitely. I mean, of course I landed in marketing, which, there was a rotation in marketing, and it's marketing. They're very glorious jobs, making commercials and designing websites and figuring out strategic ways to advertise through various outlets. It's an awesome place to work, but I'll be honest with you. Finance was actually one of the ones that I took almost more interest in. I decided I was a little too fast-paced for it, a little too hyper, but finance was always super interesting and I think, it's definitely not overlooked, but I think when you're younger and you're in those programs, you might think, "Why am I doing this? This is boring," but the foundation of finance is so important to any business. We're all, our jobs and everything we do is dictated by budgets. There's a reason everybody doesn't make a million dollars a year, and that's because of budgets. If you don't understand the basis of finance and what finance does, you're really going to lose a lot. That was one of the ones that I really enjoyed, and actually ended up spending extra time there.

Jess: Okay. Wow, awesome. Thank you so much.

Micheal Armenta: Great stuff.

Jess: I really appreciate it.

Micheal Armenta: Yeah, yeah. Thank you Jess.

Tino Magnatta: All right, thanks. Have a good night.

Jess: Thanks for having me.

Tino Magnatta: Hello, this is Tino Magnatta. Did you have a question for Michael?

Speaker 4: Hello, am I on?

Tino Magnatta: You are.

Speaker 4: Yes, hi. I know analytics has been, lately is a big buzzword, and I understand the importance of it.

Tino Magnatta: Hello? I think we lost him.

Speaker 4: Yeah. Yes, can you hear me?

Tino Magnatta: Now we can.

Speaker 4: Okay. Yeah, I was saying, the analytics has become a buzzword. I mean, it has its value, a tremendous value actually, as it relates to marketing, but how do you balance a good old-fashioned experience with the need for good data?

Micheal Armenta: Yeah. Well, the thing is, is experience isn't everything, but it holds ... You can kind of count them as equal. Analytics are very, very important. Everybody likes to talk about them, everybody likes to present them and everything like that, but the problem is, is you have to, number one, not have too much data sitting in front of you, otherwise it just becomes useless. You can slice and dice something so many different ways, and look at so many different outcomes. You can manipulate it to say whatever you want. That's great, unless you're going to, but if you're going to use it is really the question. It's a combination of the experience and understanding analytics, just the top-ish level view, only going down one or two layers. I don't think you need to dive too deep into different things. It just becomes a waste of time.

It's super interesting. I love analytics, but in the marketing world, you have to be able to take a look just deep enough into the analytics, and then make a call on the next direction to take. The direction to take, realistically, comes from experience. You have to understand the customer, and no data is really ... It'll tell you if they're more apt to redeem a free play offer versus a food offer versus a gas offer, or if they frequently stay at the hotel, but then you start asking the questions of, "Well, what's going to drive a visit outside of their normal redemption?" That comes from interacting with the customer, and actually having the experience of being there with them and seeing what they respond to. Promotions are a gut ... There's analytics behind promotions, but you really go with a promotion based on how you feel about it. Do I think it's going to drive people in? All the numbers can work out great, and it can flop if people don't find it interesting.

Speaker 4: One other quick question. I know there's two schools of thought. One is, we would want to maximize, feel the, peak the peak, for instance. Times that we have the possibility for more visitation, then we throw more offers out there, because that's when people can come. Then the other school of thought is, let's get some activity for the slower times. Which camp do you fall in there?

Micheal Armenta: I ... Well, I try and capitalize on both, and I know that's probably not the answer you're looking for, but every day of the week, which, that's how I like to look at

things, is I dictate things by days of the week, and then move further on to months, and then seasons, but you're ... A Monday has a ceiling, and that ceiling is probably a lot lower than a Saturday or a Friday. A Tuesday has a ceiling, which is different than Mondays, and everything like that, so what I look to do is I like to look at each day individually and say, "Okay, where's my ceiling? Could I increase visitation by 10% on a Monday? Okay, how do I do that?" Saturday has a ceiling. Okay, well, Saturday the building might be at capacity, so don't do anything on Saturday because you don't need to, but if Saturday is not at capacity, it is the biggest opportunity. Friday, Saturday, Sunday, attracting the masses into a building, but I think, is what I'm saying, is I fall in both camps but you need to look at each one individually in order to actually maximize your business.

Speaker 4: Thank you very much.

Tino Magnatta: Thank you so much, thanks for calling in.

Micheal Armenta: Thank you.

Tino Magnatta: Bye-bye. Good questions, very good questions. Hello, this is Tino Magnatta. Do you have a question for Michael Armenta?

Vince: Hi, yes I do. This is Vince. How are you guys tonight?

Tino Magnatta: Good, how are you doing, Vince?

Vince: Can't complain, thank you. I was really intrigued with, Michael, listening to you speak, especially with respect to guest service. I liked the example of turning around that situation out at your convenience store. I'm not so sure that your attitude is reflected across American businesses today, not just casinos but in general. Service seems to fall behind profitability in a lot of ways, and ways that I've never seen before. I guess my question is, what do you do to empower your team members to, that are guest-facing to solve service recovery issues? Are they empowered? To what degree, and how do you manage that?

Tino Magnatta: Yeah, Mike, can you hear me?

Micheal Armenta: Hello? I'm here, can you hear me?

Tino Magnatta: Mike, can you hear me? Hang on one second.

Vince: Tino, I blew up your show.

Tino Magnatta: You did not. Mike, are you there? Okay, Vince, you're on, right?

Vince: I am.

Tino Magnatta: Okay, so then I've got you. Okay, hang on one sec here. Let me see if I can find Michael.

Vince: You bet.

Tino Magnatta: Yeah, let me see. He's got to be here somewhere, or did he fall out? Hold on one sec. All right, so this is a first. Okay, let me see. [inaudible 00:50:43] six eight six. [inaudible 00:50:46], oh, here we go. Okay. Michael, we lost you. We couldn't find you.

Micheal Armenta: Can you guys hear me now?

Tino Magnatta: Now we can, yeah. For some reason you dropped out, so, we just got you back.

Micheal Armenta: Oh, man. I could hear everything you guys were saying.

Tino Magnatta: Really? Oh, man.

Micheal Armenta: I was, and I'm looking at my phone, if I'm muted. My wife's texting me, "Are you on mute?"

Vince: That's what I was thinking, actually. [crosstalk 00:51:15].

Tino Magnatta: Vince was like, "I blew up your show." That's a first.

Micheal Armenta: Oh, man. All right. What was the, I'm sorry, what was the question again?

Tino Magnatta: Go ahead.

Vince: In an era where, at least in my opinion, corporate profits take precedent over guest service, and if you lose a guest you'll just get another one, I think that seems to be prevalent in today's society. Not just in casinos, but in service businesses in general, it seems like nothing is more important than that extra two cents. It was very refreshing to hear you talk about the service values that you have, and apparently you're instilling them into your team members. What does Chumash do to empower their team members to solve service recovery issues with guests?

Micheal Armenta: Yeah, we ... Without going into great detail, we're very big on lead by example. We make sure that the individuals who are interacting the most with the customers and are probably dealing with the most difficult situations understand the difference between right and wrong. If you use logic for a situation, it's pretty easy to understand what needs to take place. We empower the employees to do that. We want to make sure that every one of our employees who's interacting with a guest has either means of taking care of the situation right then and there, or can quickly engage another employee who can take care of it right then and there. It's very important that all the individuals

who interact with customers understand the uniqueness of every situation, and feel like they're comfortable and that not only will management step in and help them out, but management is doing everything they can to make them the best that they can be at their job.

Vince: I like that attitude. Thank you.

Micheal Armenta: Yeah.

Vince: All right gentlemen, well have a good evening, and sorry about ... If I did anything, I apologize. I don't think that-

Tino Magnatta: Oh, that's okay.

Micheal Armenta: No worries, thank you.

Tino Magnatta: That's okay, it's no issue whatsoever. No issue whatsoever. Yeah, it was wild. You just dropped off. That's, I think we're on our 96th show, and that's never happened. That's a first, so, there you go. Some things happen that never happened before. Life is an adventure. Michael, are you there?

Micheal Armenta: Tino? Yeah, can you hear me?

Tino Magnatta: Okay. Yeah, that was weird, wasn't it? Did you hear that echo?

Micheal Armenta: Yeah.

Tino Magnatta: That was wild. This is a weird show, but it's good. Let me see here. This is Tino Magnatta, do you have a question for Michael Armenta? Hello? Nothing is working tonight. We had a nice chat for about 40 minutes, and then a few good questions. Hello, anybody there?

Micheal Armenta: Yeah, I hear you, but-

Speaker 6: Hello? Michael, can you hear me? Hello?

Tino Magnatta: Yeah, now we can. Good, okay. Hallelujah.

Speaker 6: Okay. Hello, hallelujah, we're on.

Tino Magnatta: Yeah, do you have a question for Michael? We're on, yes.

Speaker 6: Sure, sure. Great show, guys. Just a quick question, Michael. It was asked before, but given the pace of the casino industry, where ... I'm interested to see what your vision is, where everything's going to be in about five years, in terms of what the landscape is going to look like in terms of technology.

Micheal Armenta: Yeah. Oh, there's a fun one, because one of the things I enjoy working on most is systems integration. Thank you for the question, and honestly, the sky's really the limit with what is available from a technological standpoint. I think businesses are continuing trying to integrate various systems so that they can better read and service a customer, through whatever outlet they want to interact on. Slot machines are getting way more advanced, and the games are getting more advanced, and the interactiveness of the game in the bonus rounds, and table games with the various side bets, and it's really growing quickly.

Five years is a fun one, just because you never know. We've already seen table games where the dealer isn't there, and it's just a screen with somebody who looks like a dealer, and everything is digitized. I feel like those were kind of rejected. I've only played one once, because I'd want that actual personal interaction. I think the casino industry is going to realize the, continue to realize the value of the personal interaction and the reason why people choose a casino as their form of entertainment, and over the course of the next five years I think the focus of customer service is going to evolve and grow significantly. I think it has to, to sustain the growth trend that everybody's on, and continue to keep casinos as top of mind of individuals who are looking for that form of entertainment, but it's going to be all about interacting with the customer on the outlets they choose. Delivering messages through, whether it be an app, or through a player portal or something like that. We need to deliver something to the customer so that they continue to interact with the brand, and I think over the course of five years everybody's just going to continue to strive in that direction.

Speaker 6: Thanks for having me on, guys.

Tino Magnatta: Yeah, no problem. Have a good evening.

Speaker 6: Have a good evening. Cheers.

Tino Magnatta: Well Michael, that was a great show, even though we had a few bumps in the road. It was very entertaining. I enjoyed talking to you, and I think our guests asked some great questions. I wish you continued success in everything you do, and the best to your family, and can't wait to have you back on the show at some point.

Micheal Armenta: Yeah, definitely, Tino, and thank you very much for the opportunity. This was fun, and I really enjoyed taking the questions from individuals and hearing, just being able to talk about something that maybe I didn't think about. Like, the last question, a five-year outlook, I really plan for three years because five years is ... Those are some lofty goals. They're big goals, and I think that actually relates to the direction a lot of businesses take with trying to capitalize as much as they can when they can, but, no. This has definitely been a great experience for me, and I truly appreciate you and everything you do.

Tino Magnatta: Thank you so much, Michael, and like I said, we'll definitely get you back on the show. We got a lot of positive feedback. You have a great night. Enjoy your family, and we'll talk very soon.

Micheal Armenta: Will do. Thanks Tino. Appreciate it.

Tino Magnatta: No problem buddy. Talk soon, bye-bye.

Micheal Armenta: Bye.

Tino Magnatta: Okay, what a great guy. Just an amazing guy. Next week we have Dan White, the CMO of Lucky Eagle Casino and Hotel. He's a very interesting cat. I think you're going to like him. Remember, everybody's got a story to tell. You just have to have time to listen. Have a good night, talk to you soon.

END