

Caesars-gambling big on technology case study examples

[Business](#), [Company](#)



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This case illustrates how Caesars Entertainment Corporation uses database technologies to build a business strategy and gain competitive advantage over other companies. The corporation invests in a service which suffers great rivalry and competition among other business systems providing the same services. Companies employ different strategies to boost their competitive powers over other companies, the Caesars Entertainment Corporation employs greater and enhanced customer relations through technology to make sure each customer is distinguished from the other. Owing to this technological strategy, the corporation gathers tremendous rewards in its profits and recognition as well as a good competitive status. The corporation has different service points offering different types of services but is able to award each customer proportional attention with respect to his/her loyalty and business habits.

Question 1

Caesars service-oriented business strategy is entirely reliant on information systems through its database, poor information would lead to inappropriate rewards. Incorrect information in a customer's account would lead to over-rewards or under-rewards depending on the nature of the error. This would also lead to some customers not being rewarded totally owing to missing data in their database accounts. Moreover, poor update and storage of information would expose the data warehouse to malicious minds who would change the figures to advantage one or some of the customers. Additionally, the customers' concerns on the issues of privacy would be breached, other customers would accidentally or intentionally get access to other data belonging to other customers and use them to collect their rewards or harass them on the gambling table. This would portray Caesars Entertainment Corporation as a corrupt facility which would harm its profits and its relationship with the customers.

Question 2

Caesars Entertainment Corporation uses WINet (Winner's Data Network), which links all its properties by collecting customer data from all its company transactions, game machines and hotel management and reservation systems after which the data is transformed and converged in a central data warehouse. The information in the warehouse is grouped in terms of customer information and transactions which is then used to award points. Additionally, the corporation uses these records to feed its marketing department with sales-spheres with loyal and rewarding customers

depending on spending information. Using the data warehouse, the corporation evaluates the performance of each customer in terms of wins and losses, determines seasonal customers and their preferences from which adjustments and offers are put in place to attract these customers.

Moreover, the company traces the performance of its different machines and is able to either replace or improve their performance. It established that customers using more than one facility of the corporation accrues more rewards to both parties, this enables the firm to promote inter facility services to maximize profit.

Question 3

The corporation finds more value in customers who visit multiple points through its data warehouse it enables synchronous rewarding of those customers given that they choose the corporation as their preferred party for business. However, the company might suffer negative effects in case it does not have a central information database which receives and compares data from individual business entities of the corporation. Such a customer would not be sufficiently rewarded if the entities are not linked, it would also prove unfair when other customers receive more recognition than the latter in one of the businesses because there is no consideration given to the fact that he is a customer to two or more businesses of the same corporation. Moreover, the company would not be able to compare performance between its business entities and establish reasons for such results. It would also be unable to trace when a customer moves from one of their entities to another due to quality of services offered. In order for Caesars Entertainment

Corporation to synchronize customer information throughout its business entities, it should develop a database for each of its business entities. These databases would collect customer information pertaining to customer transactions and relay them to a central information system which receives and synchronizes data from all the entities and outputs performance and data for customer rewards considering single and customers common to different entities.

Question 4

The potential impact to Caesars business in case of a security breach in its customer information would harm the corporation's profit and reputation in a tragic scale. The performance of the corporation with respect to its competitors is largely dependent on its customer information systems. A security breach on this would give its competitors a loophole in convincing its customers against the credibility and loyalty of the corporation. Moreover, it would expose the activities of customers who would prefer their transactions kept confidential to the best extent possible. The corporation would lose the competitive advantage it has over other companies offering the same services; it could also lose a lot of resources in terms of customer rewards because the figures can be tampered to the advantage of some selected customers. Additionally, the company would lose a score of customers with fear of exposure. There would be corrupted performance comparisons between its business entities.

Question 5

A data mart refers to simplified data warehouse which handles a specific entity or department in a business organization and is controlled and managed by a single department. There are three basic types of data marts; dependent, independent and hybrid data marts. Caesars Corporation might choose to integrate all the three types or chose one that suits its strategy best. The dependent data-marts pull data from a chief data warehouse already created by the corporation and do analysis for use in decision making purposes. On the other hand, independent data marts on the other hand are separate systems which collect data directly from individual business entities of the corporation for analysis. The hybrid data marts are structured to collect data from the central data warehouse and can also is mandated with the freedom to record operational systems from individual business entities of the corporation.

Question 6

If Caesars Entertainment Corporation fails to clean its information before feeding into the data warehouse, various errors could be transferred which would paralyze its analysis and performance data. Among possible errors that could be carried to the data warehouse are incomplete errors like missing records and missing fields, incorrect errors like wrong calculations and duplicate records, incomprehensibility errors like multiple fields within one field and unknown codes and cases of inconsistency. Moreover, the company would be unable to establish conforming comparison between its entities. Additionally, the corporation relies on its information system as the

basis of decision making. In that breadth, incorrect records would result to wrong decisions which would affect the performance of the whole corporation. There is greater importance in maintaining consistency throughout the data marts of respective business entities which would be reflected in the central warehouse records.

Question 7

Cluster analysis is an evaluation of raw data and consequential grouping into relatively homogenous records with important aspects in common. The corporation can employ cluster analysis to establish relationships between its entities with common market or customer waveforms. This would give an idea of how to boost production in other areas of the corporation. Association detection refers to a series of tests to establish relationships between two sets of data. The corporation could use this strategy with cluster analysis to establish common traits and relationships among its services. On the other hand, statistical analysis refers to an assembly of approaches used to process data and to unveil trends common within and between business entities. Analysis of company data enables a corporation to strategize and make decisions that would directly influence performance patterns of a business. Caesars Entertainment Corporation would find the three aspects on analysis valuable in finding out trends and performance of their strategy to put them a step forward in the competitive business environment.

In conclusion, various companies have integrated technology in their strategies to ensure they feature in the competitive business world to support their existence. Additionally, the example discussed above has

utilized all the aspects of information systems to ensure their customers are well satisfied and ensure future transactions with them are guaranteed.

Caesars Entertainment Corporation illustrates the significance of database technology in the success of business corporations and in the building of greater customer relations with the service provider. Moreover, it shows how a company with different entities can integrate its branches to ensure performance.

References

Baltzan, P. (2011). Business Driven Information Systems. New York: McGraw-Hill Education.