Data Analytics Part II
Are We Leaving Money on the Table? Let’s Dive into Your Slot Floor

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10:00 am – 10:45 am
Are We Leaving Money on the Table?
Let’s Dive into Your Slot Floor

• Qualitative analysis needed in your slot department
• How marketing player information is going to start affecting our selections of slot products, floor design, and marketing offers
• What slot data can help your marketing efforts beyond ADT
• At a high level what’s beyond ADT and win ratings
Qualitative analysis needed in your slot department

• Supply and demand analysis of slot floor by slot and customer segments
• How do we measure supply and demand of our slot product and determine the right number of games?
• What are our options for controlling the supply and pricing
• How to optimize floor design for maximum profitability
Slot Supply and Demand Metrics

Slot Supply Metrics
• Slot games available
• Total available handle pulls – slot pull speed x time

Slot Demand Metrics
• Total occupied seats as % of floor over time. If there are 1,000 slots and 900 at a specific time or period, the occupancy would be 90%
• Total pulls used. If pull speeds are 10 pulls/minute, machines have 600 pulls an hour or 14,400 pulls a day available for sale
Plot Slot Demand Over Time by Day by Segment
Slot Demand Constrain
Option 1 – Add more games
Option 2 – Increase the Price

• Increase the minimum bet to play
• Change from multi to fixed or increase min denom
• Raise denomination
• Increase the house advantage
What Makes It Work – Segmenting Slots

You’re trying to find constrain, you may have to dig by segmenting your games...

- Denomination
- Zone
- Type
- Player Segment
Segmenting Slots by Denom
Game Clusters by Customer Segment

- Game King 8.2 Cluster
- Game King 6.0 Cluster
- Multi-Line Cluster
- Dollar Reel Cluster
- Buffalo Gold Cluster
- Golden Egypt Cluster
- All Star Poker 2 Cluster
- Blazing 7’s Cluster
- Bonus Times Cluster
- Cleopatra Cluster
How marketing player information is going to start affecting our selections of slot products, floor design, and marketing offers

- Know what games are needed
- By grouping slots by player segments we can begin to “market basket”
- Group games into appropriate gaming areas for segments
- Set prices to maintain availability for preferred segments
- Better forecast WPUPD estimates and expectations
- Steeper acceptance curves by marketing games directly to targeted segments
What slot data can help your marketing efforts beyond ADT and win ratings?

What’s wrong with ADT?

- **ADT** = Average Daily Theoretical
  = (Theoretical Win / Rated Days)
  = (Coin In * House Advantage) / Rated Days
  = (Avg Bet * Handle Pulls * House Advantage)/ Rated Days

- The quick loss problem – ADT too low
- The big win problem – ADT too high
- Players “win” in only about 1 in 5 trips
- Roughly 2/3 of your database likely has less than 3 visits in your rating period, and about half have 2 or less
- Players are often bad at rating themselves (don’t use cards, don’t use full trip)
What’s the solution? Predictive Modeling

Identify correlations in slot metrics and ADT levels such as...

• Average Bet Per Spin
• Rated Slot Drop (Cash Buy In)
• Game Selection (“VIP” games from market cluster)
• External Demographic Data (Age, Income, Ethnicity, Zip Code, etc.)
• Psychographic Data
Comparing Average Slot Bet to ADT

Avg Bet vs. ADT (Slots)

\[ y = -3.5903x^2 + 90.181x + 29.32 \]

\[ R^2 = 0.8884 \]
Comparing Average Slot Drop to ADT

Buy In vs. ADT (Slots)

Equation:

\[ y = -3 \times 10^{-12} x^4 + 3 \times 10^{-08} x^3 - 0.0001 x^2 + 0.4089 x + 14.765 \]

\[ R^2 = 0.892 \]
Predictive Modeling Possibilities

Identify correlations in slot metrics and ADT levels such as...

- Better promotions/offers at signup
- Targeted social media campaigns to public databases
- First visit prediction scores that trigger marketing and player development actions real time
- Better initial core offers and promotional campaigns
- Add consistency and protect the player form themselves