



# Managing a Successful Bingo Hall Program



## ***Panel***

- **Dave Curial, AGLC**

- **Alex Zukowsky, AGLC**  
**Policy Analyst**

- **Dennis Kronberger**  
**Hall Manager, Bingo Palace**



**Canadian  
Gaming  
Summit**

- **Regular & Special Game Payouts**
  - **Target 65% overall payout**
- **Satellite Game Payout**
  - **Pays 50%**
- **Payouts monitored over a 52 week rolling average**

# ***AGLC Bingo Program Policy***

- **Bingo policy is developed in consultation with Bingo Alberta.**
- **Industry Stabilization Group (AGLC, Bingo Alberta, Hall Managers Assoc.) was formed to specifically review bingo program policies.**
  - **Regional Meetings held - Regional Program Standards developed.**
  - **Flexibility for halls to target customer base.**

# ***AGLC Bingo Program Policy***

# Facts, Fictions, and Strategies

Alex Zukowsky, Policy Analyst

*Building a  
Bingo  
Program*

- **Attendance Based Pay Levels**
- **Product Mix (\$1 card, \$2 card, combo cards, etc.)**
- **Minimum Payouts & Multiple Winners**

*Regular Games*

## Considerations in building an attendance based pay structure:

- What are your typical attendance levels?
- How many card faces do your players play on average?
- What price (regular or discounted) will your players be paying?

***Attendance  
Based Pay  
Levels***

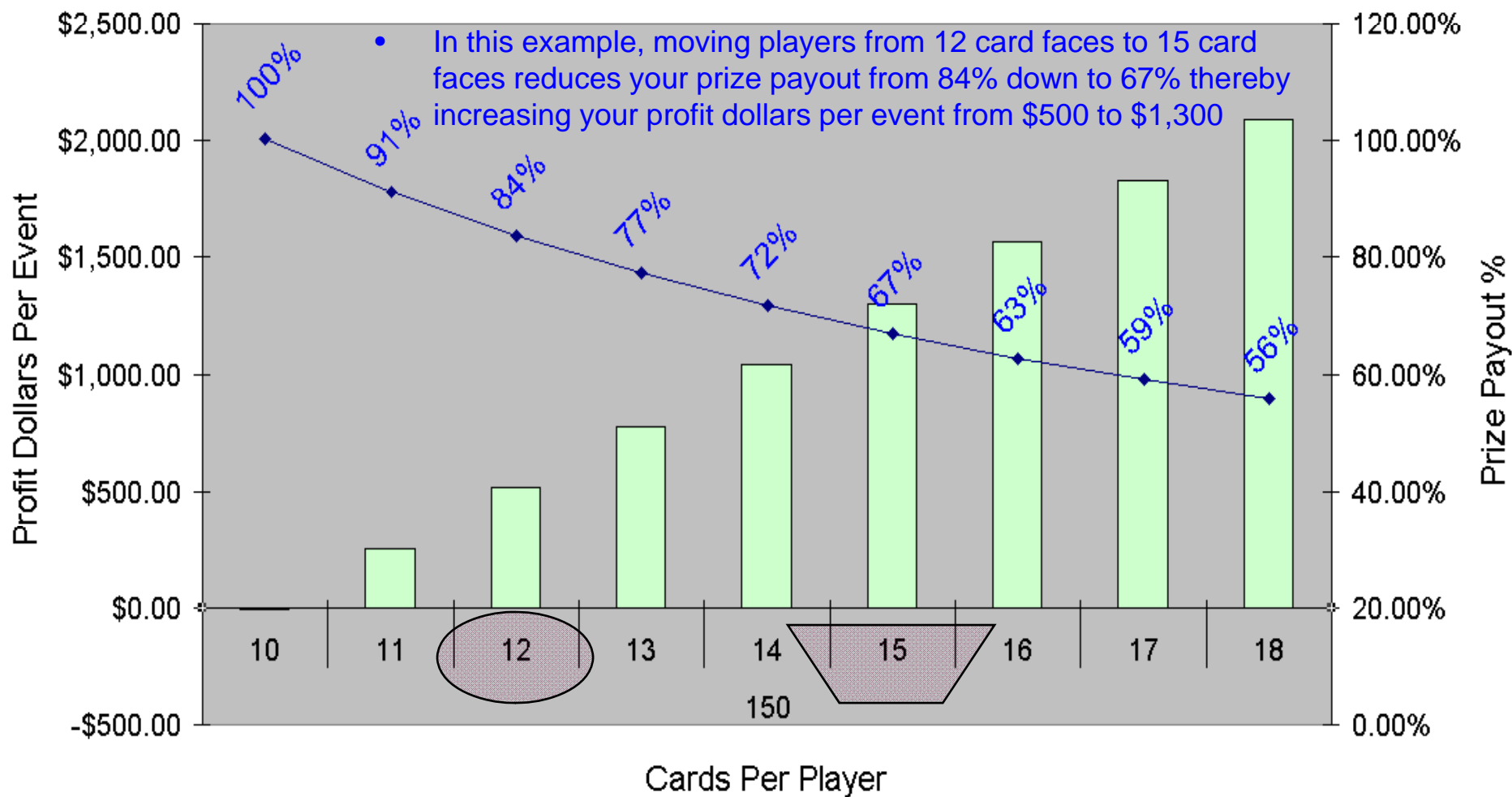
## Pros

- Encourages players to bring more players.
- Can (should) be structured to pay out a smaller percentage of sales as the pay levels increase.
  - Based on 15 cards per player, a typical Edmonton hall pay structure will pay out:
    - 88% of regular sales – in pay level 1
    - 62% - in pay level 2
    - 54% - pay levels 3 through 6
- Provides opportunity for additional sales through higher player spend (card faces) and increased attendance (within the same pay level) without a change in total prizes.



## *Attendance Based Pay Levels*

### Effect of Varying Cards Per Player



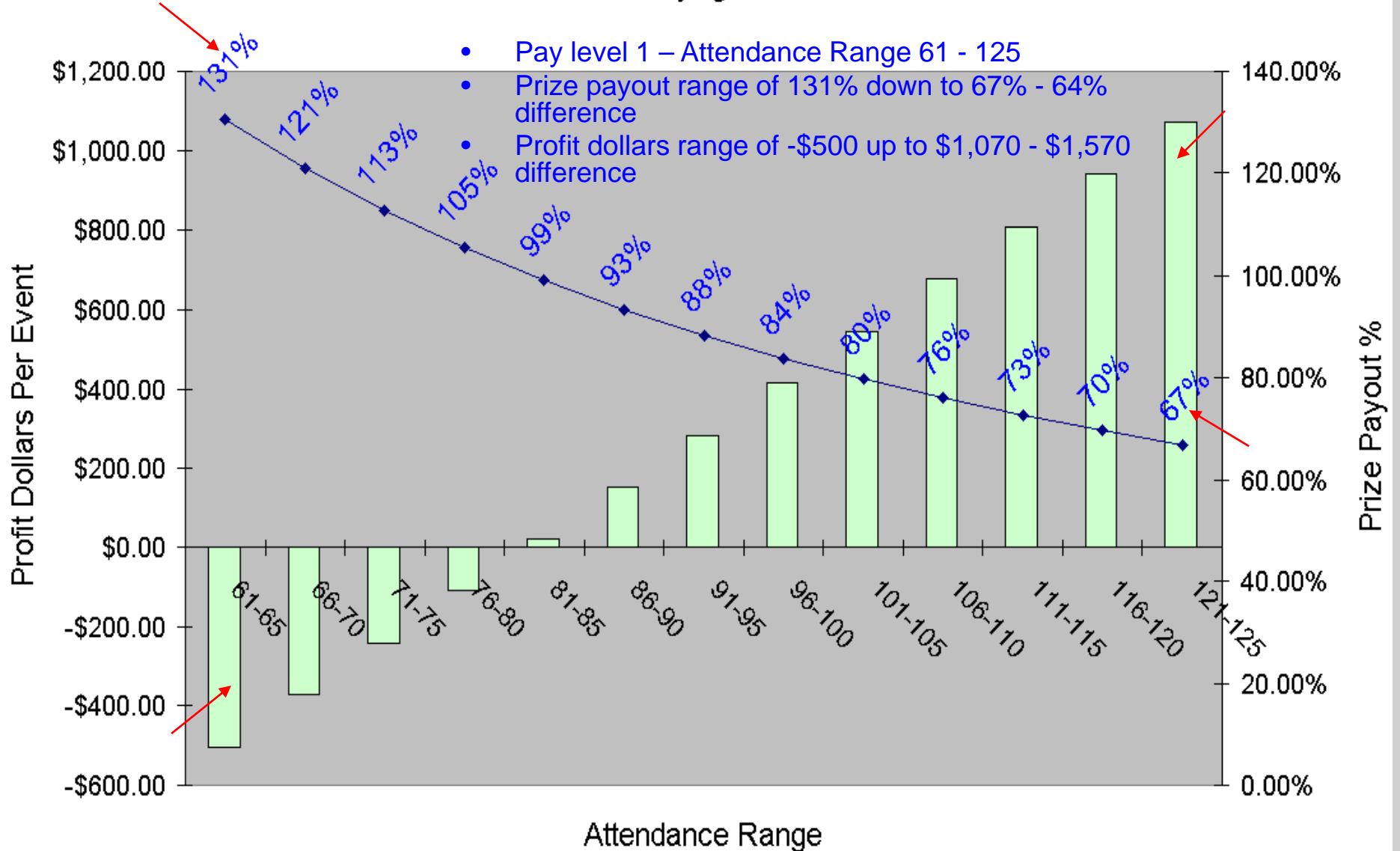
Regular Profit/Event - Pay Level 2 (attendance 150)
  Prize Percentage - Pay Level 2 (attendance 150)

## Cons

- Any reduction in sales per player (e.g. discounting) directly results in lower proceeds
- Attendance ranges that are too wide yields an uncertainty of regular game payouts

***Attendance  
Based Pay  
Levels***

### Effect of Varying Attendance



Regular Profits/Event - Pay Level 1
  Prize Percentage - Pay Level 1

## Review your attendance ranges

- Is there the ability to make adjustments (reduce) to your attendance ranges?
- Consider your card faces per player and your typical attendance when structuring your pay levels
- What will the feedback be from your players as a result of your changes?

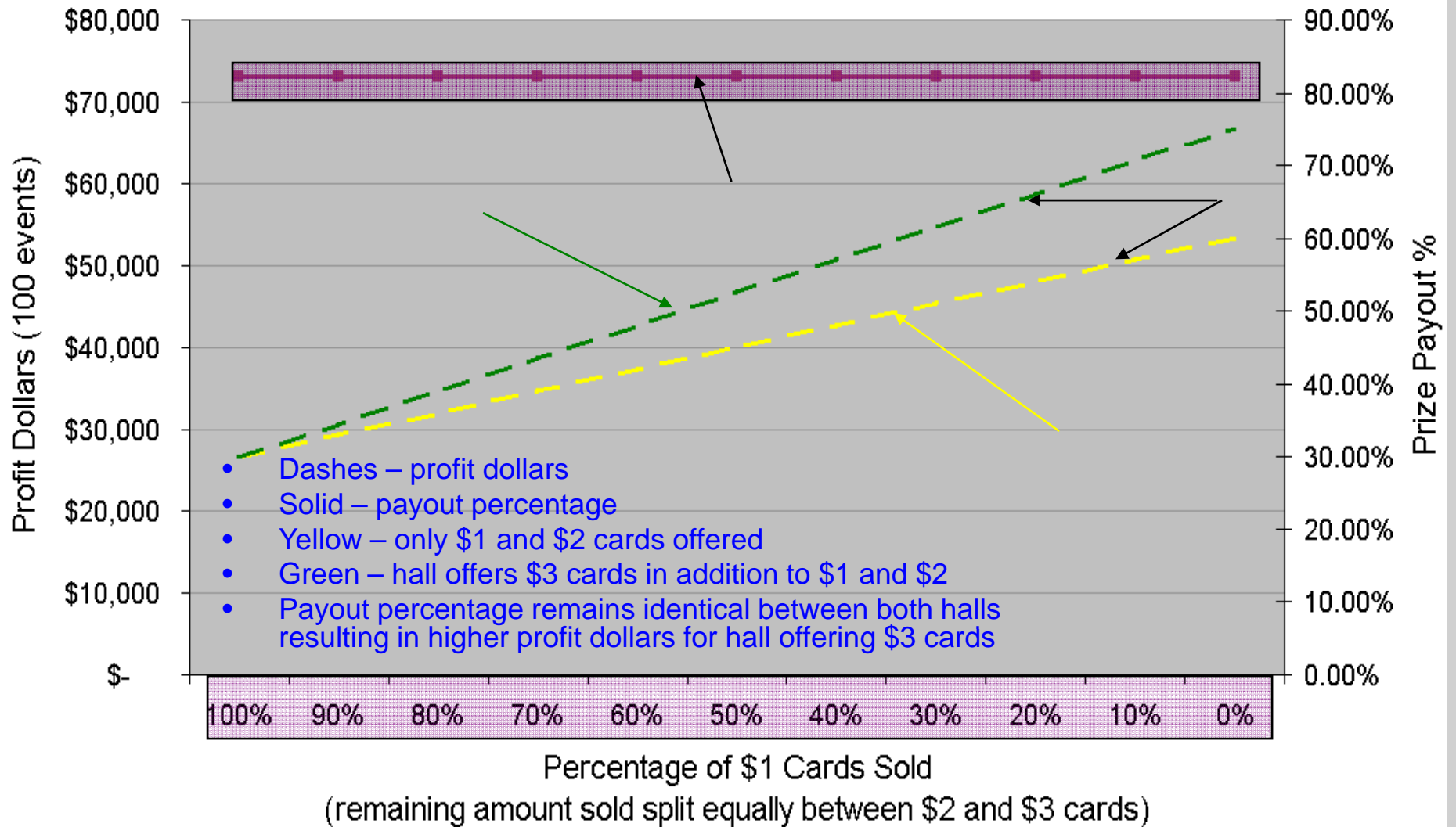
***Key Results:  
Attendance  
Based Pay  
Levels***

**Fact:** The product mix being offered does not alter the regular game prize payout percentage.

**Fact:** As long as your regular prize board is structured to payout less than 100% of sales, increasing your product mix to include higher valued cards will in fact **increase** your regular game event **proceeds**.

***Product Myth: By offering \$2, \$3, combo cards, etc, I will be increasing my regular game prize payout percentage***

### Effect of Product Mix on Regular Game Profits (Addition of \$3 Cards)



— Profit Dollars (no \$3 cards)   
 - - - Profit Dollars (with \$3 cards)   
 —■— Prize Percentage

**Consider offering higher valued cards at all events that you know will pay out less than 100% the majority of the time.**

- If you have events that are too close to state with certainty that you will be payout out less than 100% of regular game sales (e.g. slow afternoon events) and you can't structure these events to pay out less than 100% on a continuous basis then don't offer higher value cards for these events.
- For all other events consider ensuring that you are providing your players with the opportunity to make those additional purchases.
  - e.g. a special or anniversary event.

***Key Results:  
Product Mix***

## **Are dollars spent on higher value cards going to be incremental spend?**

- If the increased dollars spent on regular games are going to come directly from your special game sales then do not increase your product mix with higher value cards.
- If the players who want to play the higher value cards are now going to play less card faces then do not increase your product mix with these cards.
- Player's spending may be limited by their budget, any shift towards higher value card sales may come from these other two areas (special games or card faces purchased).

***Considerations:  
Product Mix***

- In games where the minimum payout comes into effect it will result in increased overall prize payout.
- The number of times that you dip into the “minimum payout well” depends on both the event pay level and the number of valid bingos per game.
  - E.g. with a \$10 min. payout - paying \$30/single win - the minimum payout becomes a factor after 3 wins.
- Once the payout level has been calculated based on multiple wins, the addition of higher value cards does not change the prize payout percentage.

***Question:  
What effect do  
minimum  
payouts and  
multiple  
winners have  
in terms of  
prize payouts?***

	Percentage of Times With:				
	1 Win	2 Wins	3 Wins	4 Wins	5+ Wins
Game 1	63%	22%	9%	3%	3%
Game 2	78%	16%	4%	1%	1%
Game 3	83%	13%	3%	1%	0%
Game 4	78%	15%	4%	2%	1%
Game 5	77%	16%	5%	1%	1%

***Average Win Breakdown of a Typical 5 game Go-Go series (based on a review of 2 years of game pattern data)***

**Answer: YES**

- By shifting the dollars within a series payout we can reduce the number of trips to the minimum payout well.
  - E.g. if you change a \$20 payout to a \$30 payout - the minimum payout threshold goes up from 2 wins to 3 wins.

***Question: Is there anything I can do to help avoid paying out minimum prize values?***

## Answer: **YES**

- Where possible avoid payouts that end in 5
  - For example if you have a payout of \$25 then your minimum payout threshold is 2 – the same threshold that a \$20 payout has.
  - If you move \$5 from another game (if possible from a payout that also ends in \$5) to this game, then you have increased your threshold by one.

***Question: Is there anything I can do to help avoid paying out minimum prize values?***

## Actual Level 2 Payouts

$$\$25 - \$25 - \$25 - \$30 - \$80 = \$185$$

Minimum Payout Threshold

$$2 - 2 - 2 - 3 - 8 = \mathbf{17}$$

## Proposed Level 2 Payouts

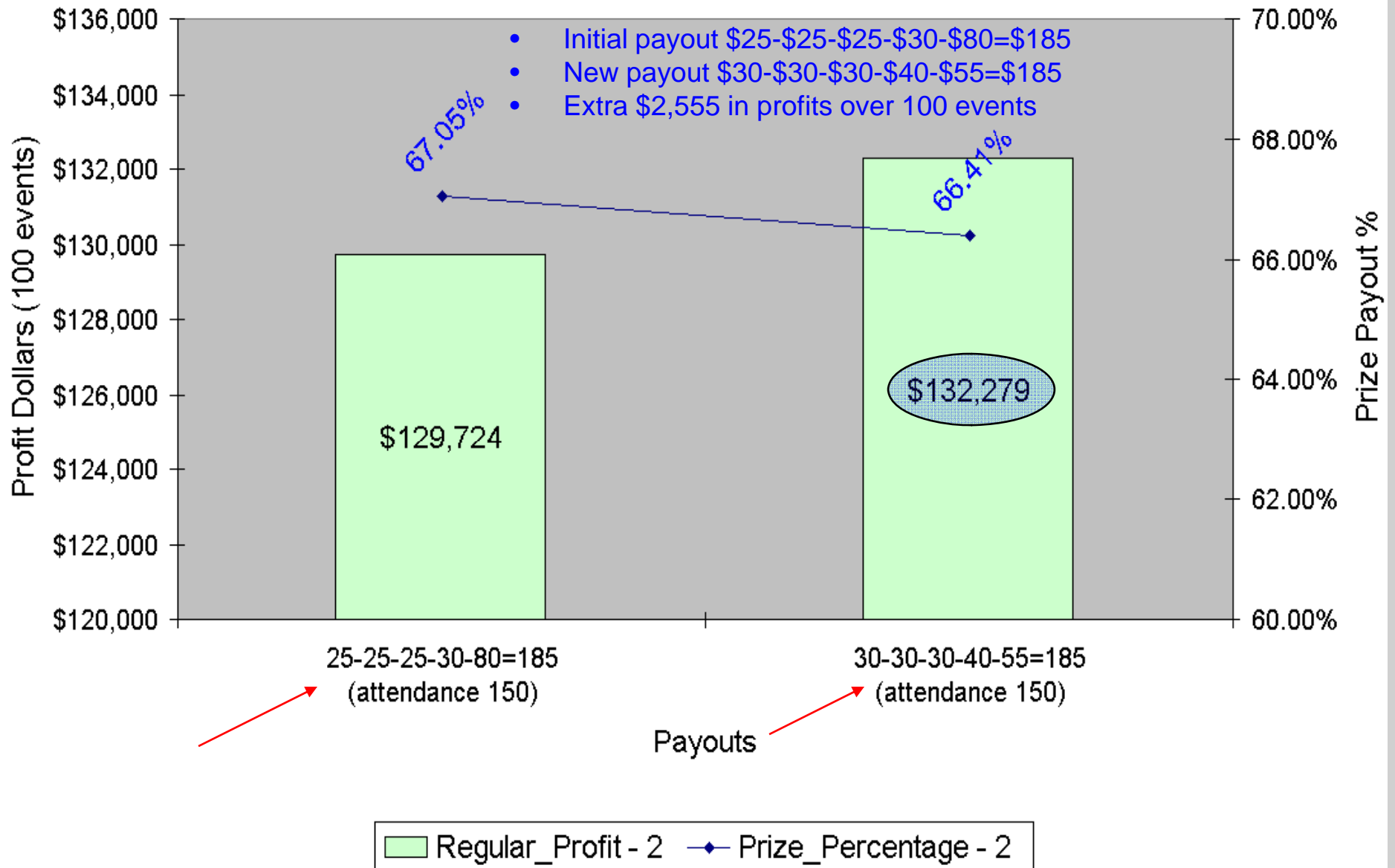
$$\$30 - \$30 - \$30 - \$40 - \$55 = \$185$$

Minimum Payout Threshold

$$3 - 3 - 3 - 4 - 5 = \mathbf{18}$$

*Example: Payout  
Changes*

## Effect of Paylevel Changes (Shifting Prize Dollars to Avoid Minimum Payouts)



## Answer: **MAYBE**

- By selecting patterns that have a lower percentage of multiple winners you can help avoid payout amounts higher than your quoted payouts.

***Question:  
Anything else I  
can do to help  
avoid paying out  
minimum prize  
values?***

	Percentage of Times With:				
	1 Win	2 Wins	3 Wins	4 Wins	5+ Wins
1 Corner Stamp	50%	22%	12%	6%	9%
2 Corner Stamps	78%	16%	5%	1%	1%
3 Corner Stamps	79%	15%	4%	1%	0%
4 Corner Stamps	78%	16%	5%	1%	1%

***Average Win Breakdown  
(based on a review of 2 years of game pattern data)***

- **Actual Series and Payouts**

- 1 Corner Stamp, 2 Corner Stamps, 3 Corner Stamps, 4 Corner Stamps
- $\$20 - \$20 - \$20 - \$40 = \$100$

- **Proposed Series and Payouts #1**

- 2 Corner Stamps, 3 Corner Stamps, 4 Corner Stamps
- $\$30 - \$30 - \$40 = \$100$

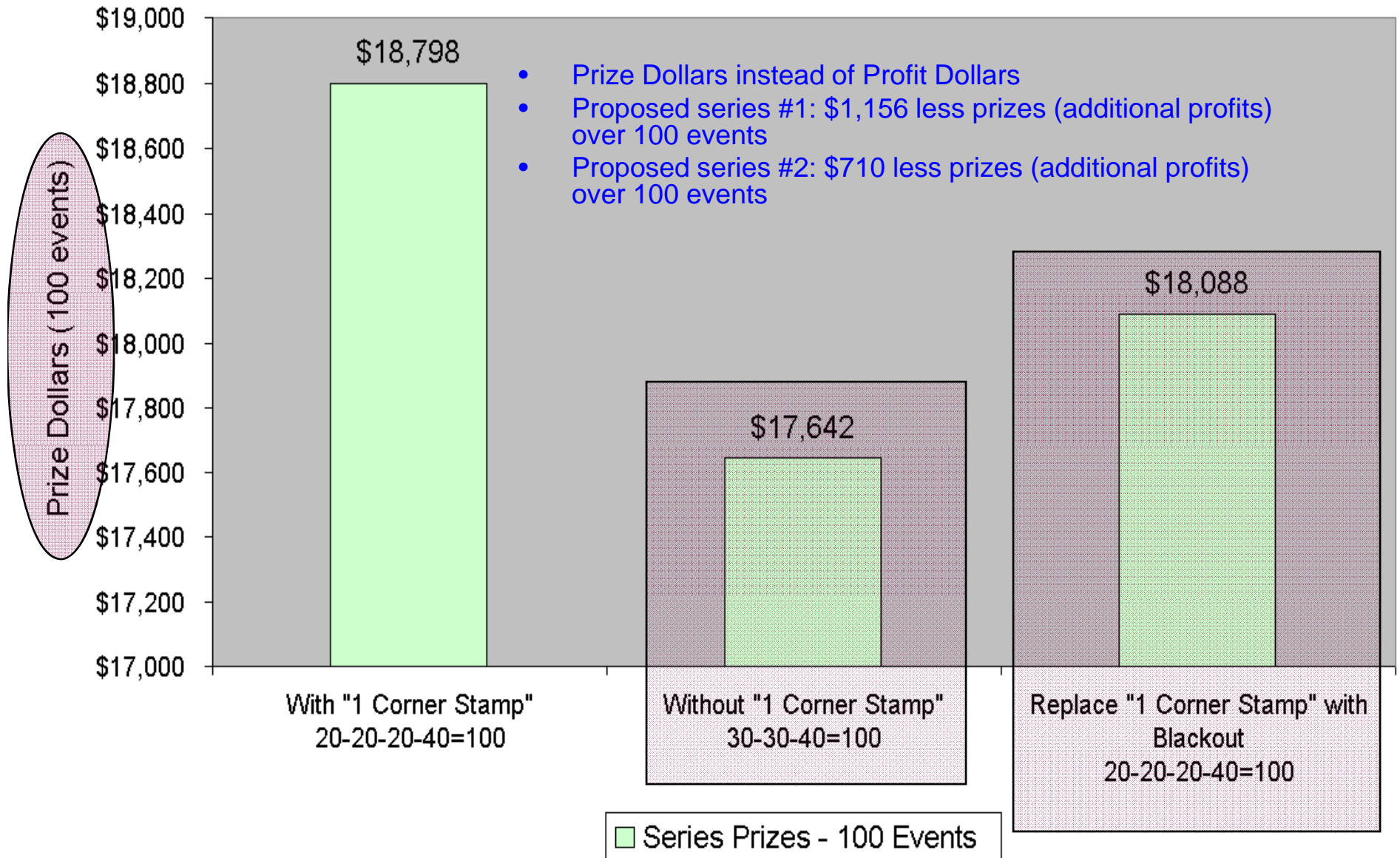
- **Proposed Series and Payouts #2**

- 2 Corner Stamps, 3 Corner Stamps, 4 Corner Stamps, Blackout
- $\$20 - \$20 - \$20 - \$40 = \$100$

***Example: Pattern Changes***

## Effect of Pattern Selections

(1 Corner Stamp, 2 Corner Stamps, 3 Corner Stamps, 4 Corner Stamps)



## Do the best you can to avoid minimum payouts

- Review your individual game payouts and:
  - Shift dollars if possible
  - Avoid payouts ending in 5's
  - Where possible make changes to the game patterns being played.
    - Even the go-go series allows for some changes. Halls playing a “1 Line or 4 Corners” as their first pattern could have 3% less 4+ winners by selecting a “1 Line or 4 Corners **or Small X**” pattern instead.

***Key Results:  
Minimum  
Payouts***



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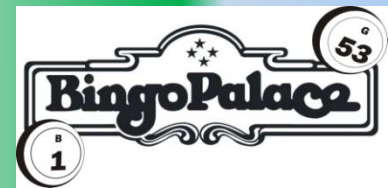
# Managing a Successful Bingo Hall Program



**Dennis Kronberger**  
**Email: [palace@telus.net](mailto:palace@telus.net)**

# YOU KNOW YOUR FACILTY

- *PATRONS*
- *CHALLENGES*
- *SURROUNDINGS*
- *REQUIREMENTS*



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Bingo Hall Program

## TEAM WORK APPROACH

- *RESULTED IN THE INDUSTRY STABILIZATION GROUP*

## 65% MAXIMUM PAYOUT

- *APPROACHED THESE CHANGES REGIONALLY*

## PRINCIPLES

- *CONTROL DISCOUNTING*
- *INDUCE SPENDING*



# HOW TO INDUCE SPENDING

- *IDENTIFY THE STATS THAT YOU NEED TO ANALYZE*

## BINGO PALACE - STATS AVERAGES FOR ALL EVENTS

- *AVERAGE ATTENDANCE*
- *AVERAGE SPEND*

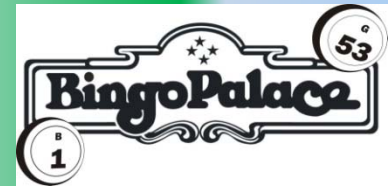


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# SAMPLE 52 WEEK AVERAGES

*AVG. ATTENDANCE - 100 x*  
*AVG. SPEND PER HEAD - \$10*  
*= AVG GAME SALES - \$1,000*

**AT 60% PAYOUT =**  
**AVERAGE GAME PAYOUT**  
**\$600**

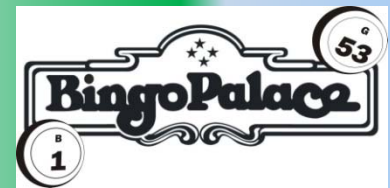


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# REVIEW YOUR AVERAGES

## ATTENDANCE

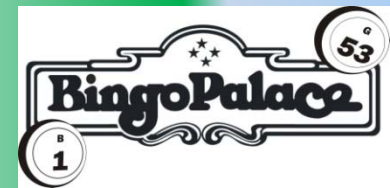
<b>WEEK 1</b>	<b>50</b>
<b>WEEK 2</b>	<b>50</b>
<b>WEEK 3</b>	<b>50</b>
<b>WEEK 4</b>	<b>250</b>



# REVIEW YOUR AVERAGES

## SPEND / HEAD

<b>WEEK 1</b>	<b>\$8</b>
<b>WEEK 2</b>	<b>\$8</b>
<b>WEEK 3</b>	<b>\$8</b>
<b>WEEK 4</b>	<b>\$16</b>



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***REVIEW YOUR AVERAGES***

***PAYOUTS***

***WEEKS 1 THRU 3 - \$240***

***WEEK 4 - \$2400***



**Managing a Successful  
Bingo Hall Program**

**Now that you have set your guaranteed payouts, what is next?**

- **Advertise**
- **In House Promotion**
- **Floor Sales**



**Managing a Successful  
Bingo Hall Program**

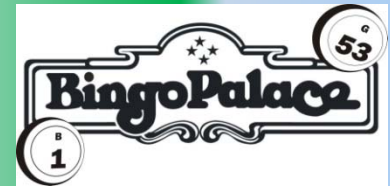
## Other ways to induce customer spend

### Add a Progressive

- *Make the pot attainable*

### Add a Must Go Date to the Pot

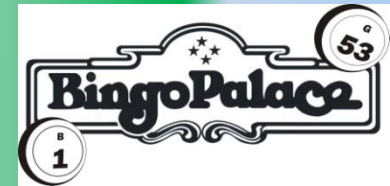
- *The date will provide an increased spend on the game.*



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# Special Games

- *Include special games that offer a lower average payout – yet are attractive to patrons.*
- *E.g. Palace has:  
Crazy 8's - avg. payout of 52%*
- *This will assist with lowering your overall payout %.*



# Increasing Player Spend/Event

- *Put all available bingo products on your electronic machines*
- *Selling Bingo Event “Balls” Tickets*
- *Selling Seal Card Tickets*



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**Dennis Kronberger**  
**Email: [palace@telus.net](mailto:palace@telus.net)**

## *Panel*

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Policy Analyst
- Dennis Kronberger  
Hall Manager, Bingo Palace



QUESTIONS