SOARING EAGLE
CASINO & RESORT®

TANGAM™
SYSTEMS

CASE STUDY

SOARING EAGLE CASINO'S COLLABORATION WITH TANGAM ENHANCES ROULETTE OPERATIONS AND BOOSTS PROFITABILITY

Soaring Eagle Casino's Collaboration with Tangam Enhances Roulette Operations and Boosts Profitability

In line with their commitment to providing exceptional service while continuously enhancing both guest experience and financial performance, the Soaring Eagle Casino team has fully integrated Tangam's TYM (Table Games Yield Management) product into their daily operations, including future spread and game-mix planning.

A key aspect of this ongoing improvement was the reconfiguration of Roulette. Challenges addressed included a fragmented floor layout, the need for better player segmentation at tables, and the ability to offer lower pricing without compromising performance.

The team centralized all Roulette tables on the Main Floor, consolidated from three pits, revised the pricing strategy, and introduced a higher house edge variant on one table. They leveraged TYM to actively monitor financial and operational performance and to execute the new pricing strategy.

SOARING EAGLE CASINO

50
TABLE GAMES

BLACKJACK, CRAPS
ROULETTE, BACCARAT &
POKER DERIVATIVES

Table Games are fully integrated with TYM Live, TYM Planning, and TYM Performance to align player demand with table game-mix, open hours, and pricing both in real-time and for future planning.

CHALLENGES	SOLUTIONS
Fragmented floor layout with Roulette in multiple pits	Consolidating Roulette into one section of the floor
Need for better player segmentation in Roulette	Introducing a chip-minimum pricing strategy
Ability to lower pricing without compromising performance	Introducing a new higher house edge Roulette variant

The Table Games Team

Brent Jackson, Director of Table Games, and Cliff Russell, Senior Manager, oversee daily table game operations at Soaring Eagle Casino. They manage staff, ensure compliance, and handle budgets. Their approach emphasizes open communication to engage and motivate floor managers.

Monthly meetings with all table games managers focus on policy updates, procedural improvements, TYM usage and balancing customer satisfaction with financial performance.

FINANCIAL RESULTS

Following the implementation of the changes, while other games saw slight growth, Roulette significantly outperformed all other games with a 7% increase in Drop and a 19% increase in Win, driven by an 11% increase in Hold%, year over year, over a 6-month period.

ROULETTE	+7% INCREASE IN DROP	+19% INCREASE IN WIN	+11% INCREASE IN HOLD%
ALL OTHERS	+3% INCREASE IN DROP	+2% INCREASE IN WIN	-1% DECREASE IN HOLD%

Soaring Eagle Casino's table games operation took a proactive approach to enhancing the player experience and optimizing operational efficiency within the Roulette business by consolidating tables.

The change to chip minimum pricing improved the player segmentation, resulting in higher average wagers on the regular Roulette offering and lower average wagers on the new Roulette with a higher house edge. With 26% fewer chips on the layout per spin, the game pace also increased making it easier for dealers to manage payouts.

This shift in player behavior and operational efficiency led to improved financial results, with the combination of the right operational levers including dynamic pricing, house edge and open hours driving superior performance growth.

These initiatives demonstrate the casino's commitment to providing exceptional customer satisfaction while maintaining a sustainable and profitable gaming environment.

About Soaring Eagle

The Soaring Eagle Casino & Resort is the Midwest's premier AAA Four Diamond gaming and hospitality destination, located in the heart of Central Michigan.

This casino features 210,000 square feet of gaming with a wide variety of table games, the newest and most popular slot machines, a poker room and high-stakes bingo. Soaring Eagle Casino offers top-name national entertainment year-round, Luxurious AAA Four Diamond rated rooms, award-winning dining, and a full-service spa.

Dining includes Ruth's Chris Steakhouse, Siniikaung Bistro, Ascend Sportsbook and Lounge, Central Deli & Slice, Native Grind, Food District which offers Chicken Guy, Bubbakoo's Burritos, Ike's Love & Sandwiches and Bonanno's New York Pizza Kitchen.

More information is available by calling 1 (888) 732-4537 or visiting soaringeaglecasino.com

---

About Tangam

Tangam Systems is the global leader in recommendation-driven gaming optimization software, trusted by casino gaming resorts to maximize profits in over 125 casinos across nine countries.

Tangam's award-winning flagship software, TYM, turns data into actions to optimize spread planning, game-mix, and dynamic management for table games. Tangam's Slot Optimization Platform, SODA, delivers unique insights to optimize slot floor-mix, settings and placement.

Merging decades of multidisciplinary experience in casino operations, artificial intelligence, software engineering, mathematics, and statistics, Tangam's patented algorithms and visualizations are backed by exceptional business and IT support.

www.tangamsystems.com

BACKGROUND: TYM PERFORMANCE FOR PRICING STRATEGY ANALYTICS

"One of the reports that we often use from Tangam's TYM (Table Games Yield Management) system is the Pricing Strategy Report," said Brent. "This report allows selecting any time period and breaks down the percentage of time each game spends at each table minimum/price point, complete with a plethora of operational metrics."

Using TYM, the team at Soaring Eagle Casino analyzed historical Roulette performance data. The insights revealed that players' average wagers did not significantly change across different table minimums ($5, $10, $15) when the chip minimum remained at $1. The rated wager only shifted when the chip minimum increased to $5 at the $25 table minimum.

This clearly indicates that the chip minimum, rather than the table minimum, influenced the average wager. Additionally, moving from a $1 chip minimum to a $5 chip minimum may be too steep of a jump for patrons.

Date Range
Jan 1, 2023 - Jun 30, 2023

Game Type	Minimum Bet	Rated Player Weighted Average Wager
Roulette	$5	$46.5
Roulette	$10	$50.8
Roulette	$15	$54.2
Roulette	$25	$97.8

TYM Performance Report on Roulette pricing strategy

Chip Minimum Pricing

Roulette pricing generally falls into two categories: chip minimum and table minimum. While the table minimum strategy is widely used in the United States, the **chip minimum approach is more common in Europe, Asia and Australia**. Tangam has extensively explored the benefits of chip minimum pricing and advocates for its implementation due to the advantages. For more insights into this topic, you can explore our webinar[1] or read our blog post[2].

[1] Optimizing Operational Procedures for Baccarat and Roulette, Tangam Systems Webinar. https://www.tangamsystems.com/post/optimizing-operating-procedures-for-baccarat-roulette
[2] Optimizing Roulette's Pricing Strategy, Tangam Systems Blog, https://www.tangamsystems.com/post/optimizing-roulettes-pricing-strategy

> "This (TYM Performance) report allows selecting any time period and breaks down the percentage of time each game spends at each table minimum/price point, complete with a plethora of operational metrics."
>
> - **Brent Jackson**, Director of Table Games, Soaring Eagle Casino

House Edge for Pricing Flexibility

Table games have multiple levers that influence performance. The table minimum dictates the average wager, while the house edge determines the theoretical win from that wager.

"Roulette has variants that enable operators to cater to different customer segments. Higher house edge variants can be offered to price-sensitive customers at lower table minimums without sacrificing performance," added Victor Tanase, Director of Casino Operations Strategy at Tangam Systems.

> "Higher house edge variants can be offered to price-sensitive customers at lower table minimums without sacrificing performance."
>
> - **Victor Tanase**, Director of Casino Operations Strategy at Tangam Systems and Tangam Account Manager for Soaring Eagle Casino

IMPLEMENTATION: CHIP MINIMUM PRICING STRATEGY

With Tangam's TYM software comes industry-leading operations support, including dedicated account managers who partner with clients to maximize table games performance. This successful collaboration involved exploring best practices from global gaming markets and to the decision to shift from the traditional 'table minimum' approach to the 'chip minimum' pricing method.

The display on Roulette tables was updated to reflect chip minimums, with the posted tiers changing from $5, $10, $15, and $25 to $1, $2, and $5.

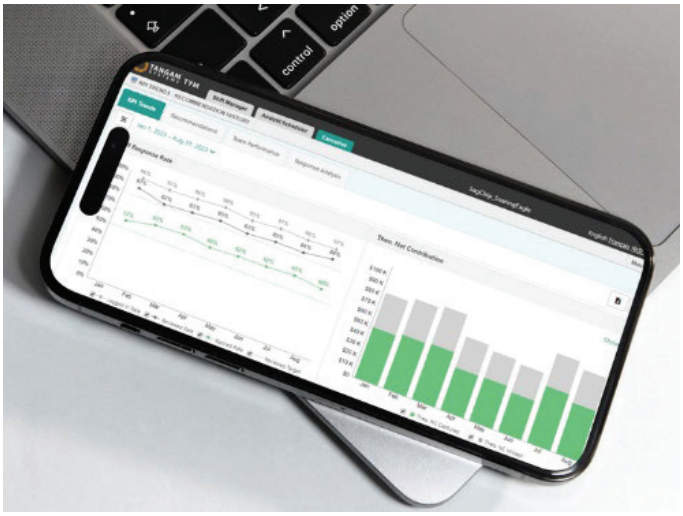
A new $2 chip minimum tier was also introduced.

> "I have been skeptical for a long time of trying this approach. I simply did not believe that our Roulette players would accept an increase in the house edge despite a lower price. However, we realized that offering more than one house edge option, we gain the flexibility to provide more table minimum options, especially during peak times."
>
> - **Cliff Russell**, Senior Manager of Table Games, Soaring Eagle Casino

POSTED TABLE MIN	COLOR IN PLAY
$5	<= $1 Value
$10	<= $1 Value
$15	<= $1 Value
$25	<= $5 Value

POSTED TABLE MIN	COLOR IN PLAY
$1	<= $1 Value
$2	<= $2 Value
$5	<= $5 Value

TYM Live for Dynamic Management



TYM Live Dashboard

The Table Games Operations team configured the pricing in TYM Live — the real-time module that automatically sends recommendations to adjust pricing and spreads based on player demand.

This ensured that:

- the chip minimums were always aligned with real-time and forecasted player demand; and
- tables with a higher house edge were always priced below those with a lower house edge.

The highly engaged Soaring Eagle floor staff managed this transition smoothly, ensuring a seamless implementation to chip minimums

RESULTS: BOOST IN AVERAGE WAGER, GAME SPEED AND PERFORMANCE

A six-month analysis following the implementation, compared to the same period the previous year, revealed that changes in the chip minimum influenced Roulette players' behavior.

Average Wagers: Players placed higher average wagers on the original Roulette game while betting lower on the new higher house edge version, resulting in a net 5% increase in average wager, with a 15% increase in house edge.

Game Speed: The new pricing strategy reduced the number of chips on the layout by 26%, leading to faster payouts and an increased game speed.



Roulette wheel at Soaring Eagle Casino

BEFORE (Table Minimum)			
TABLE MIN	RATED AVG. WAGER	AVG. CHIPS PER WAGER	OPEN HOURS % OF TOTAL
$5	$46.5	46	48%
$10	$50.8	51	36%
$15	$54.2	54	13%
$25	$97.8	20	3%
TOTAL[1]	$50.6	48	100%

AFTER (Chip Minimum)			
CHIP MIN	RATED AVG. WAGER	AVG. CHIPS PER WAGER	OPEN HOURS % OF TOTAL
$1	$46.2	46	47%
$2	$55.9	28	45%
$5	$83.6	17	8%
TOTAL[1]	$53.5	32	100%

Rated Avg. Wager: **+5%**

Avg. Chips per Spin: **-26%**

[1] Rated Avg. Wager and Avg. Chips per Wager are weighted by the % of Open Hours

Financial results

Roulette significantly outperformed all other games with a 7% increase in Drop and a 19% increase in Win, driven by an 11% increase in Hold%, year over year, measured over a 6-month period.

The operational levers applied included a 15% increase in house edge and a new chip minimum strategy that reduced the number of chips on the layout by 33%. The overall rated average wager decreased by 5%, and occupancy remained unchanged between the two time periods.

ROULETTE	+7% INCREASE IN DROP	+19% INCREASE IN WIN	+11% INCREASE IN HOLD%
ALL OTHERS	+3% INCREASE IN DROP	+2% INCREASE IN WIN	-1% DECREASE IN HOLD%