

## Don't be content with declining profit, work your conversion policy to pay dividends.

A Club in a metropolitan area with 80 gaming machines has always maintained a policy of converting or upgrading 20% of the gaming floor each year. As such, the Club offered an excellent selection of modern gaming machines and games.

Despite their consistent upgrade policy, the Club had noticed a **5% decline** in gaming machine profit.

The Club Manager logged into **Club Data Online (CDOL) database** and found that clubs of similar size and location have enjoyed a **3% growth** over the same period. In the past, the Club's performance was equal to that of the Top 25% (or high performing Clubs) but has now **slipped into the Mid 50%** performance tier.

As a CDOL subscriber, the Club regularly reviews the **monthly CDOL Game Ranking Reports** to ensure they offer the most popular 1c and \$1 games.

However, upon further analysis of the **CDOL Distribution** data, it was noticed that the high performing Clubs (Top 25%), when filtered by similar size and location, offered a **different denomination** mix. The data showed a trend of increasing floor space for 5c and 10c games whereas the Club focused primarily on 1c and \$1 games.

Subsequently, the Club identified **four low performing 1c games** that on average provided \$50 profit per machine per day. By looking at the CDOL Game Ranking Report for 5c and 10c games, the Club identified four strong performing games.

After converting the poor performing 1c games to high performing 5c and 10c games, the Club increased the average profit per machine per day from **\$50 to \$140**. In doing so, the Club was able to offer a more competitive denomination mix to attract and maintain new patrons.

### ROI Summary:

**Club's CDOL Investment = \$790 per month**

**Extra revenue from machine conversions = \$10,800 per month**

**Pay Back Period = Less than 3 days**