DATA-INFORMED FORECAST FOR GAMING INDUSTRY
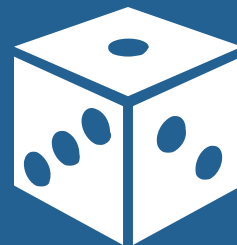
National Gaming & Racing
Financial Forecasting Case Study

Prevedere Inc. | An Intelligent Forecasting Company

Understanding Guest Counts and Revenues

Prevedere partnered with a Gaming Company to build forecast models for guest counts (High Rollers and Causal Gamers), total table, and total slot revenue.

THE PROBLEM

With gaming and racing facilities across 19 states, predicting traffic and revenue was a difficult task for the office of finance. The marketing promotions team had various outcomes and unexpected results leading to sub-optimal working capital and staffing decisions.

Without an accurate plan, the ability to allocate resources and optimize working capital was a guessing game.

THE CHALLENGE

National Gaming Company Challenge

1. Identify geographic and demographic leading indicators for their casinos
2. Work with finance to produce the potential impact to these leading drivers
3. Create forecasts to incorporate into the planning process and inform operations

- maximize visibility in future headwinds
- reduce risk
- plan for success

THE STRATEGY

Partner with Prevedere to build forecast

1. Prevedere's global data and AI/ML solution identified leading indicators in days
2. The company provided their historical guest counts and revenues for Prevedere forecast models
3. Prevedere built and tested forecast and econometric scenarios then provided executive insights to the Leadership Teams

THE PROCESS

Billions of calculations, millions of potential signals, and thousands of models built and tested

Some highly predictive leading indicators were uncovered

- Consumer sentiment
- Disposable income
- Prevedere travel & leisure leading indicator
- Consumer mobility data
- Employment by industry
- Regular unleaded gas price
- Residential and commercial construction

THE RESULT

Accurate forecast models were created for guest counts by category and revenue by table drop and slot revenue.

Company saw:
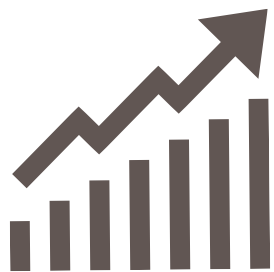
98.2%

Average 12-month forecast accuracy across guest count and revenue

60%

Reduction in time to hunt & gather global external data

$14M

Avoided a $14M top line revenue miss vs. internal forecast

CONCLUSION

A data-driven strategy allows for timely and highly valuable insight during unprecedented times

Business leaders now create more accurate forecasts for future results by leveraging Prevedere.

This company took the opportunity to partner with Prevedere to provide data-driven external insights into the planning process.

In just a few weeks, the leadership team was armed with forecasts that enabled them to increase revenue and decrease cost across their company.

FOR MORE INFORMATION:

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