



## Newsroom

# Table-game hold percentages on the rise, Tangam study shows

Mark Gruetze, CDC Gaming Reports · January 14, 2021 at 3:35 pm

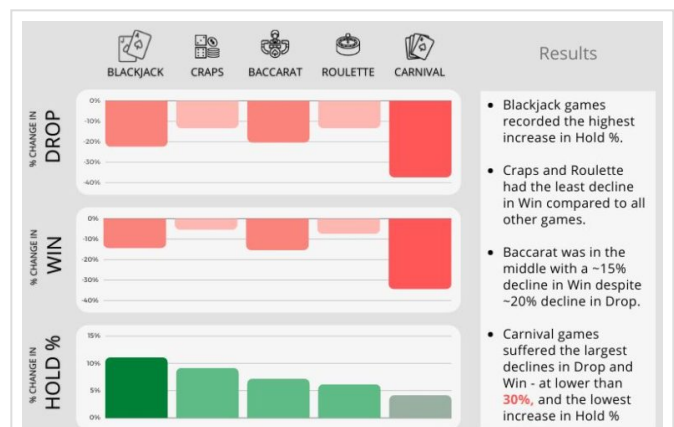
Despite COVID restrictions on the number of players, blackjack remains the king of table games for casinos, a new study shows.

The longtime player favorite posted the highest increase in hold percentage and casino win per open hour in a survey that compared table-game performance at 19 North American casinos that reopened in the third quarter of 2020 with their results from the same period in 2019.

The study by Tangam Systems, a data-analytics company headquartered in Ontario, Canada, found that blackjack's hold percentage in 2020 increased by a little more than 10 percent, while win-per-open-hour was up by 37 percent. Total blackjack win in 2020 was down a little less than 15 percent from 2019.

Tangam did not identify the casinos involved in the analysis. They included some whose revenue figures by game are publicly available, as well as some customers of the company.

The study found that all five varieties of table games – blackjack, craps, baccarat, roulette, and “carnival,” or proprietary games such as Three Card Poker and Ultimate Texas Hold 'Em – posted higher hold percentages. Craps and roulette had the smallest declines in drop and win. Carnival games had the biggest declines in drop and win, both more than 30 percent, plus the smallest increase in hold, at less than 5 percent.



An excerpt from Tangam's infographic. [Click here to view the full infographic.](#)

A combination of higher table minimums and fewer players per table contributed to blackjack's showing in hold percentage, a closely monitored metric. Tangam president and co-founder Maulin Gandhi said the first-of-its-kind study holds lessons for casino managers both now and when COVID restrictions are lifted.

"It's probably one of the biggest studies in the industry that truly looks at not just your theoretical performance of a game, but how those operational levers affect revenue results," he said. Those "levers" refer to factors the operator controls, such as betting minimum, game mix, and game pace.

"They could increase their pricing, (but) still see control of their occupancy and see that increase in hold percentage," he said. "They're learning this right now."

Blackjack hold percentage varies by casino and location, but generally is around 15 percent; a 10 percent increase puts that at 16.5 percent.

Hold percentages probably will decline when casinos return to full capacity, but the numbers don't have to drop to pre-shutdown levels, Gandhi said.

The classic formula for hold percentage is casino win divided by drop, or the total of player buy-ins. Gandhi refines that by breaking casino win into four factors: average bet, rounds per hour, time played, and house edge.

Social-distancing measures at many casinos allow only three players per blackjack table, rather than the standard five or six. To counteract the capacity limits, a number of casinos have raised betting minimums. Having fewer players means more rounds per hour, especially at blackjack. The number of rounds per hour can more than double when the number of blackjack players drops from six to two or three, while the mechanics of carnival games allow only a 30 percent to 40 percent increase, Gandhi said.

The combination of higher minimum bets and more hands per hour increases blackjack's hold percentage, despite fewer players in the game.

"No one has done this level of study at a large enough scale to actually look at what to expect," Gandhi said.

One operational lever for casinos to maintain their traditional range of offerings is to have a \$5 minimum for blackjack games with a 6-to-5 payout for naturals or other rule changes that increase the house advantage, while "pure blackjack" has minimums of \$15 or \$25, he said.

Tangam produces yield-management software that allows casino executives to view the number of open games, occupied seats, and the value of individual bets in real time, helping to determine when to open or close games and whether to raise or lower table minimums. It has about 70 clients in nine countries, including Asian operators, such as Galaxy Entertainment Group, that have more than 500 table games per casino.

Gandhi said the pandemic has led many in the industry to trust more in numbers than in their gut. He calls it “data democracy.”

“The data is actually telling a story, and it’s offering insights into how the business can evolve,” he said. “This is what we do, day in and day out.”

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