

When stepping into a casino or logging into an online iGaming platform, managing your money wisely is just as important as understanding the games you play. Bankroll management is a fundamental skill for any player who wants to enjoy casino games responsibly and make their money last longer at the tables and slots.

In this post, we'll cover essential concepts including **RTP** (Return to Player), house edge versus payout percentage, basics of probability in casino games, and the roles of volatility and variance. We'll also unpack practical bankroll rules, session budgets, and stop loss limits to help you play smart.

Understanding RTP, House Edge, and Payout Percentage

Before diving into bankroll management, it's helpful to understand two key terms: *RTP* and *house edge*.

What is RTP?

RTP, or Return to Player, is a percentage that tells you, on average, how much of the wagered money a game pays back to players over a long period. For example, a slot machine with an RTP of 96% means that if you bet 100 units (dollars, pounds, etc.), the game theoretically returns [roulette odds chart](#) 96 units on average across many spins.

However, this doesn't mean if you bet 100 units in a single session you'll get 96 back. It's a long-term average based on thousands or millions of spins or rounds.

House Edge Explained

The house edge is essentially the reverse of RTP. It represents the percentage of the total wager that the casino expects to keep as profit.

Term	Value	Meaning
RTP	96%	Average amount returned to player over time
House Edge	4%	Average amount casino keeps over time

In simple terms: **House Edge = 100% - RTP**.

Payout Percentage vs RTP

Sometimes you might hear "payout percentage" used interchangeably with RTP. Usually, payout percentage refers to the RTP for slot machines. It tells you roughly how much of the stakes come back to players. Table games like blackjack or roulette also have RTPs, but house edge is a more common term when discussing those.

Basic Probability in Casino Games

Probability underpins all casino games. Knowing probability basics helps you understand how likely an event is to happen, such as landing a blackjack or hitting a certain number on roulette.

How Probability Works

Probability is calculated as the number of ways an event can occur divided by the total number of equally possible outcomes.



For example, suppose you are playing European Roulette with 37 numbered pockets (0 to 36). The probability of hitting the number 7 on a single spin is:

Probability = $1 / 37 \approx 0.027$ or 2.7%

This means that on average, you can expect to hit the number 7 about 2.7 times per 100 spins.

Probability and Bankroll Management

Understanding probabilities lets you estimate risk and set appropriate *stop loss limits* and bet sizes. For example, you know that high payout bets with low probability (like hitting a single number on roulette) are less likely to win frequently but offer big wins. Smaller bets on higher probability outcomes usually win more often but pay less.



Volatility and Variance: What to Expect From Your Casino Sessions

When talking about games like slots, volatility and variance describe how risky or unpredictable a game is.

- **Variance** refers to the range of results you can get in the short term. High variance games have bigger swings between wins and losses.
- **Volatility** essentially means the same as variance but often reflects players' perception of risk — how “wild” or “tame” a game feels.

A slot with 96% RTP and low volatility might return many small wins regularly, making your bankroll stretch but rarely yielding big payoffs. High volatility slots might offer jackpots, but wins come less frequently—your bankroll will go through ups and downs with big peaks and deep valleys.

Why Volatility Matters for Bankroll Management

When choosing your session budget and bankroll rules, consider the volatility of your chosen game:

- **High volatility:** Requires a bigger bankroll or lower bet sizes to absorb long losing streaks.
- **Low volatility:** Smaller bankrolls might suffice because winnings come more steadily.

Effective Bankroll Rules for Casino Games

Bankroll management is about more than just how much money you bring—you need rules to protect your bankroll and maximize session enjoyment.

What Is a Session Budget?

A session budget is the amount of money you allocate for one playing session. Ideally, the session budget is a small portion of your total bankroll.

Example: If your total bankroll is \$500, setting a session budget of \$50 divides your money into manageable chunks. You risk more control over how much you lose or win in each session, reducing the chance of blowing your entire bankroll quickly.

Stop Loss Limits: Your Safety Net

A stop loss limit is a predefined maximum amount you're willing to lose during a session. When you hit this limit, it's time to stop playing. This helps enforce discipline and prevents chasing losses, a common and costly mistake.

Example: You decide that for a session budget of \$50, your stop loss limit is \$30. Once you lose \$30, even if the session budget isn't fully spent, you stop for the day.

Bet Sizing and Bankroll Management

Bet sizing is crucial. A common bankroll rule is to keep each bet between 1-5% of your session budget or bankroll. This means smaller bets help preserve your bankroll, allowing you to weather periods of bad luck.

Bankroll Recommended Bet per Spin/Hand (1%-5%) \$500 \$5 to \$25 \$200 \$2 to \$10 \$50 \$0.50 to \$2.50

Applying Bankroll Management: Putting It All Together

Here's a step-by-step example applying bankroll management rules:

1. You have a total bankroll of \$400.
2. You set a session budget of \$40 (10% of bankroll).
3. You define a stop loss limit of \$25 for the session.

4. You choose a slot with RTP 96% and medium volatility.
5. You place bets of \$1 per spin (2.5% of session budget).
6. If you hit the \$25 loss limit, you stop for the session, preserving your bankroll for future play.

This approach helps you avoid losing your entire bankroll in one go, reduces emotional betting after losses, and helps you enjoy steady entertainment.

Bankroll Management: The Key Takeaway

Casino games are designed with a house edge, meaning the odds favor the casino in the long run. But good bankroll management is your best defense against the unavoidable ups and downs of gambling.

Understanding RTP and house edge gives you realistic expectations. Knowing probability fundamentals lets you appreciate the risks involved. Appreciating volatility and variance prepares you mentally for swings in your balance. And applying bankroll rules, session budgets, and stop loss limits guards your funds and makes gambling more enjoyable and sustainable.

Remember: no strategy can guarantee wins, but managing your bankroll responsibly ensures that you play within your means and keeps the fun alive.

Bankroll Note:

- Always adjust session budgets and bet sizes based on your total bankroll size.
- Never chase losses beyond your predefined limits.
- If you enjoy high volatility games, prepare for longer dry spells by lowering bet sizes or increasing bankroll.
- Remember, no slot or roulette number is "due" to hit—the outcomes are independent and random.