A Strategic Pricing Review for Big Mountain Resort

# Overview:

Big Mountain Resort currently provides exceptional value to its guests, offering premium features at a relatively modest price point compared to its competitors. A predictive pricing model trained on peer resorts indicates that Big Mountain is undercharging for the services it provides. Strategic adjustments in pricing and targeted improvements can unlock significant revenue potential—without harming customer trust or market positioning.

# Key Insight from Predictive Modeling:

• Model estimate for Big Mountain's fair ticket price: $97.92

• Current ticket price: $82.00

• Undervalued by ~$16, meaning the resort is leaving revenue on the table.

A green and blue bars

AI-generated content may be incorrect.

Figure 1: Model-predicted vs. actual ticket price for Big Mountain.

# What Drives Price?:

We also dug deeper: What features do customers actually pay more for?  
According to the model, these are the strongest price drivers:  
- High-speed quad lifts  
- Number of ski runs  
- Snowmaking coverage  
- Vertical drop  
Big Mountain already scores high in most of these, which explains why the model thinks it could command a higher price.

A graph of a bar chart

AI-generated content may be incorrect.

Figure 2: Top features influencing ski resort ticket prices.

# Current Missed Opportunity

The model indicates that Big Mountain could raise its ticket price by ~20% and still remain fairly priced given its amenities. This gap reveals an untapped revenue opportunity without risking customer dissatisfaction, as the value justifies the increase.

# Strategic Recommendations

1. Implement a Modest Price Increase

- Raise the base ticket price from $82 → $95 (instead of full $97.92) to stay competitive.  
- Communicate clearly to customers the premium value they’re receiving (terrain size, lift access)

2. Capitalize on Strengths in Marketing

- Highlight top-tier snowmaking, large skiable terrain, and above-average number of lifts in ads and communications.  
- Use comparisons to higher-priced resorts with fewer features to strengthen value perception.

3. Scenario-Based Planning

The model tested four key business change scenarios:  
- Closing 10 underused runs: Negligible impact, but potential cost savings.  
- Increasing vertical drop by 100 feet: Slight positive effect on pricing power.  
- Adding a high-speed quad: Notably boosts value and justifies a price increase.  
- Expanding skiable terrain by 100 acres: Strongest price lift observed in model.

Recommendation: Prioritize investments in skiable terrain and lift infrastructure for long-term pricing gains.

# Final Thought

Big Mountain stands at a pivotal moment. With top-tier amenities and strong customer appeal, it has an opportunity to realign pricing with market expectations—unlocking significant, sustainable revenue gains. Through data-informed strategy, modest price adjustments, and smart infrastructure investments, the resort can:  
• Increase revenue without risking customer satisfaction  
• Reinforce its brand as a premium destination

• Ensure long-term growth and competitive advantage