**Big Mountain Resort recommendations report**

Big Mountain is a ski resort located in Montana with around 350,000 visitors per year. This resort has great facilities, and they are trying to come up with an investment strategy that lets them increase their profit. The main issue for Big Mountain resort is to understand how to be able to use their facilities in a more profitable way to increase the ticket price and eventually benefit from a higher revenue.

A key point to develop the investment strategy is to know which features are not being exploited as well as they can be. Also, how is Big Mountain positioned in their market share compared to other resorts.

Chart, bar chart

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Fig. 1 Fig. 2

Based on the previous information, we can assume that Big Mountain is already charging good money for their tickets, but according to the models results, their weekend ticket price could be increased depending on how they improve their facilities, but how is this possible?

According to the model, we have some features that can be exploited, and they are strongly related to the ticket price. Some of these features are the following:

* Vertical drop
* Number of runs
* Snow making area
* Total number of chairs lifts

The good news here is that, based on the improvement of any feature, the model can predict the possible ticket price increase with and error of ~$10.

Now, the only question is, which feature to improve and by how much?

Big Mountain’s staff have some scenarios they would like to try. When these scenarios were tried in the model, one of them resulted better than the others. This scenario is indicated as follows:

1. Increase the vertical drop by creating a new run at 150 feet lower from the base of the mountain. This will also mean they have to install a new chair lift for this run, which will increase their operating costs for that season by ~$1.5M.

The predicted result for this scenario is an increase in ticket price of $1.99 per ticket (~$3.5M yearly revenue increase).

Additionally, they might want to try to slowly reduce some of the least used runs (one by one) and check the impact in operating costs.

As a conclusion, I can say that Big Mountain just needs the model to be available for them to try many different scenarios and find the one that can give them the best result. After finding this scenario, they can create a more reliable investment strategy, apply it, and monitor the results.