



1

Problem Scope
Definition



2

Key Resort
Features



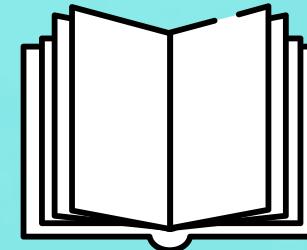
3

Modelled Price
Projection



4

Recommendations
for Improvement

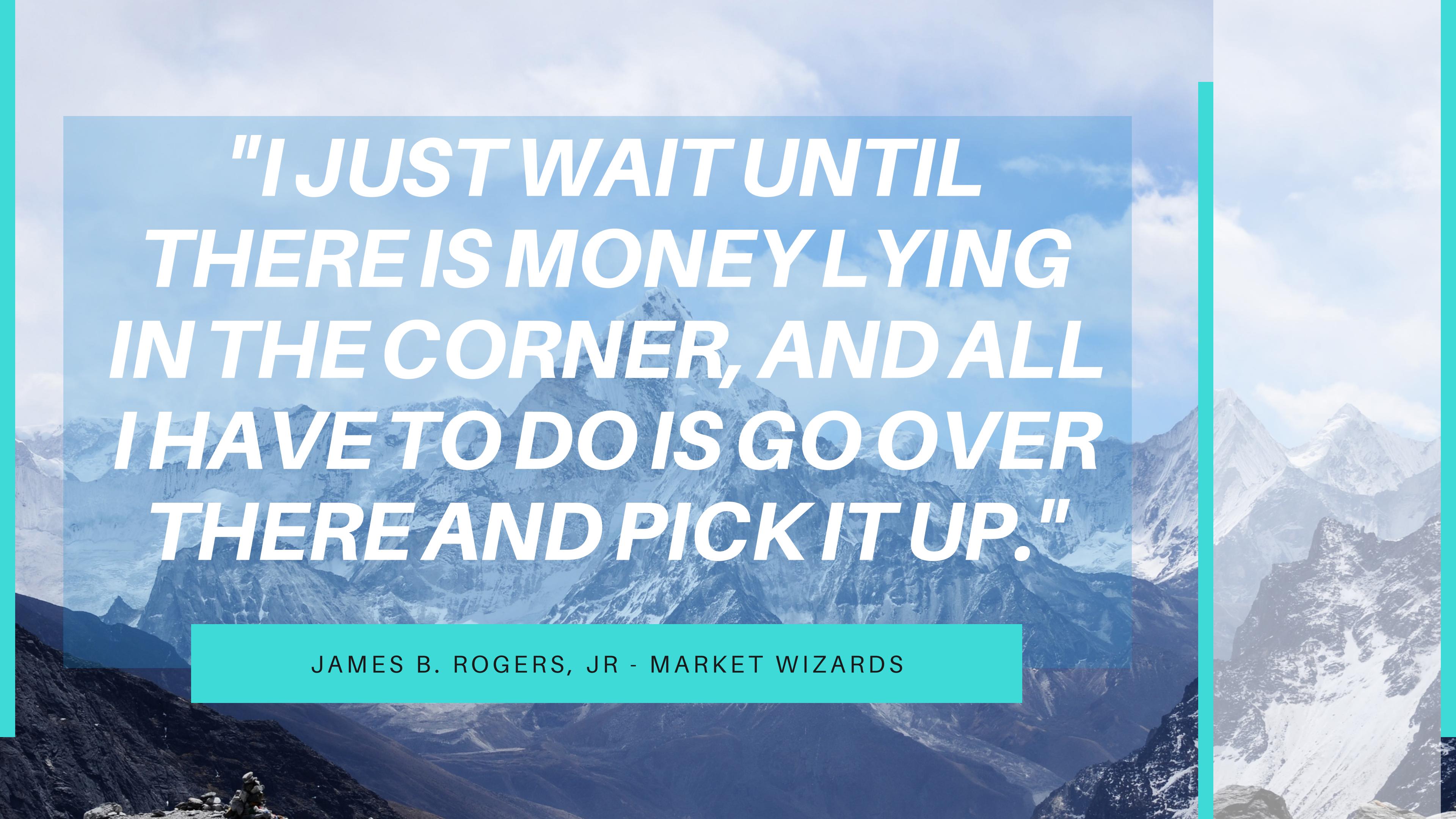


5

Solution Proposal

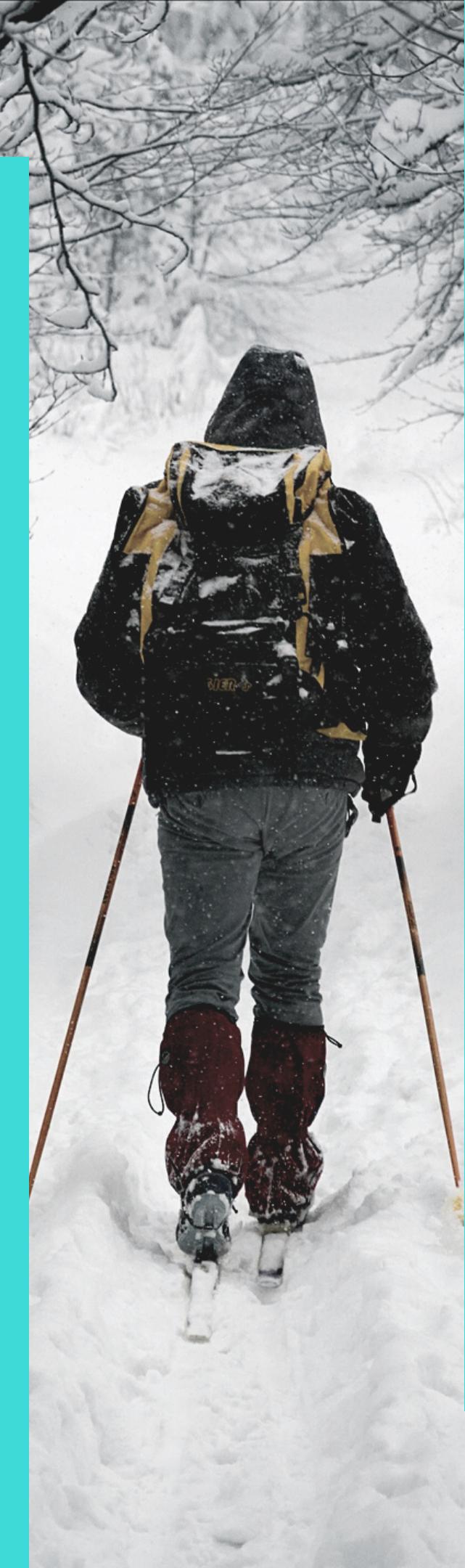
BIG MOUNTAIN RESORT TICKET PRICING MODEL

By Justin Jimenez

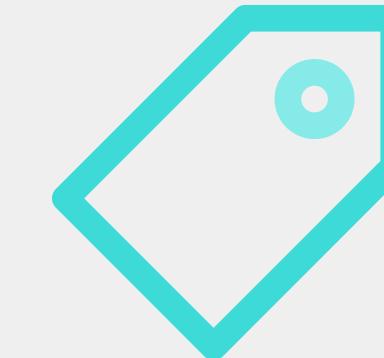


**"I JUST WAIT UNTIL
THERE IS MONEY LYING
IN THE CORNER, AND ALL
I HAVE TO DO IS GO OVER
THERE AND PICK IT UP."**

JAMES B. ROGERS, JR - MARKET WIZARDS



Primary focus is on the valuation of tickets



Secondary focus is on changes to operation that support a higher price

PROBLEM SCOPE DEFINITION



How can Big Mountain Resort change their ticket valuation model to offset the \$1.54 million increase to their operating expenses with an equal or greater increase in projected ticket revenue before the end of the coming season?

TOP 5 RESORT FEATURES

Features that support ticket prices

Total Run Count

15.8%

Fast Quad Count

16.9%

Total Chairs

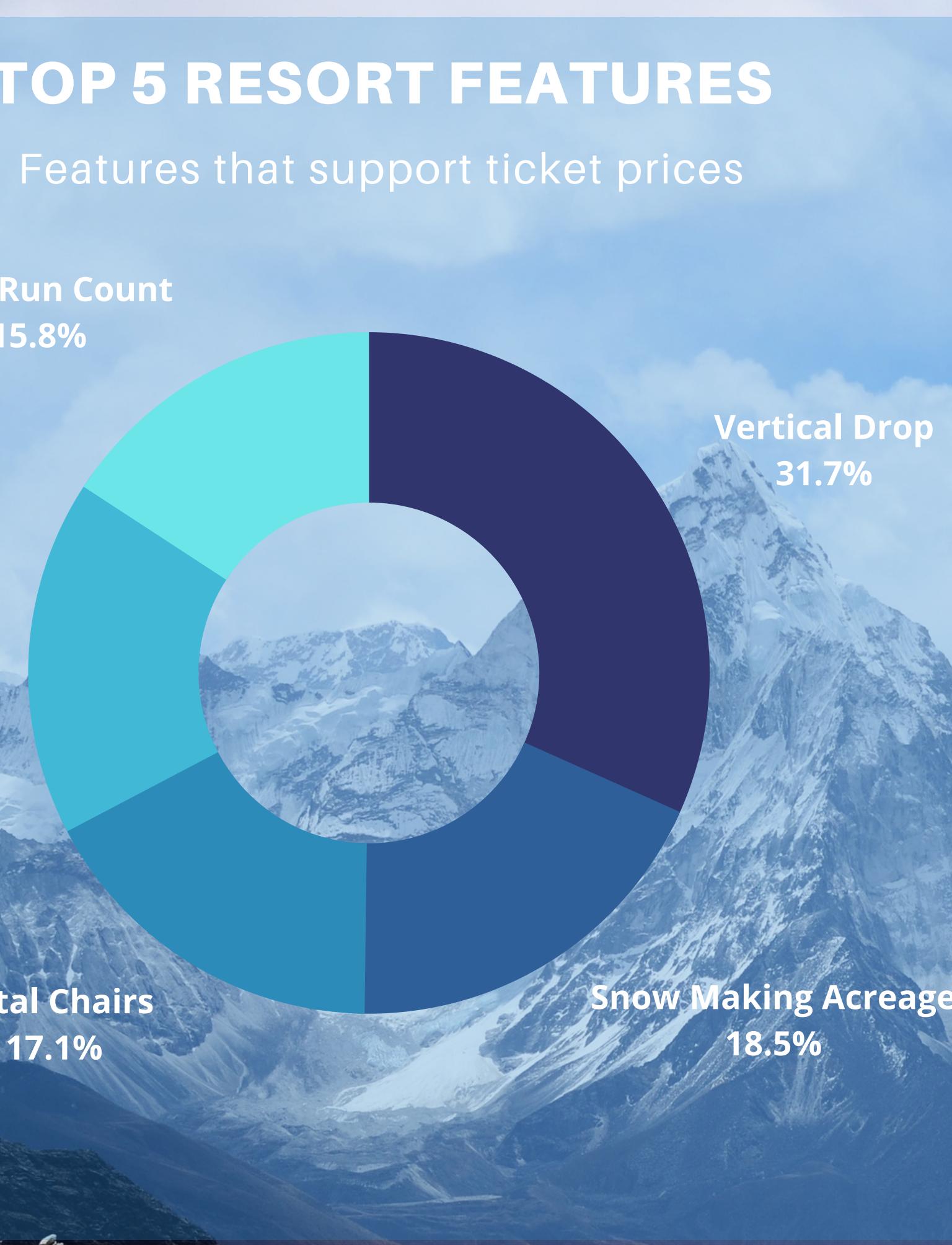
17.1%

Vertical Drop

31.7%

Snow Making Acreage

18.5%



VERTICAL DROP

2,353 Feet



SNOW MAKING ACREAGE

600 Acres



TOTAL CHAIRS

14 chairs



FAST QUAD COUNT

3 Fast Quads

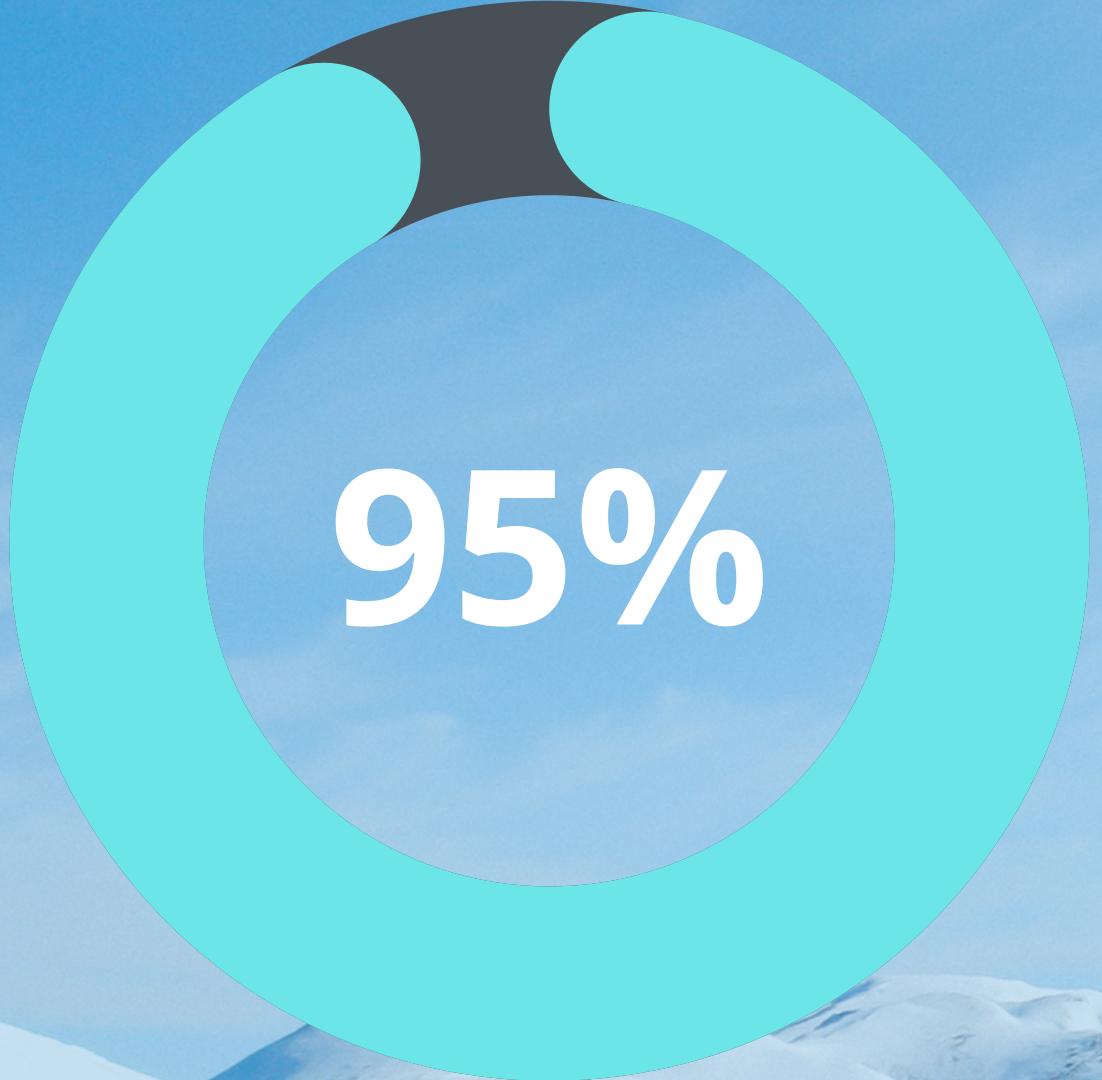


TOTAL RUN COUNT

105 Runs

DISCREPANCY BETWEEN CURRENT AND MODELLED TICKET PRICE

How much money is being left on the table?



95%

Current Ticket Price: \$81.00

Market-Supported Price: \$95.87 +/- \$ 10.39

\$7,840,000

**Additional
Revenue**

*Based on 350,000
annual customers
purchasing 5 tickets each

INITIATIVES TO SUPPORT PRICE INCREASES

Additional features to drive up ticket price.



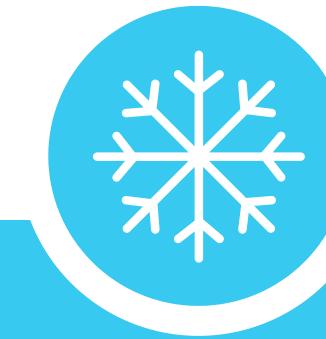
1

Permanently closing down up to 10 of the least used runs



2

Adding a run to increase vertical drop by 150 ft and adding an additional lift



3

Same as number 2, but adding 2 acres of snow making cover



4

Increase the longest run by 0.2 mile and increase snow making coverage by 4 acres

INITIATIVE PROJECTIONS

Resultant affects of investing in price-supporting features

\$1.99 Ticket Price Increase

\$3,474,638

Additional Revenue



CLOSING RUNS

Marginal savings in operating cost by eliminating 1 run.



VERTICAL DROP & NEW LIFT

Supports price increase of \$1.99



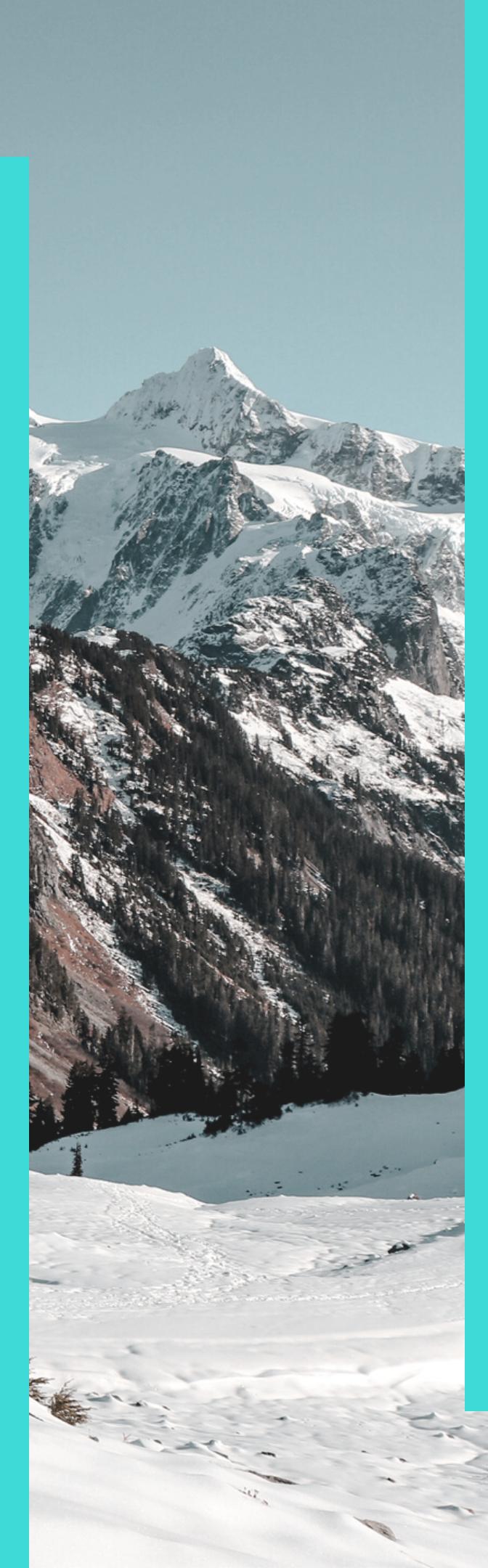
ADDING SNOW MAKING COVER

No support for price increase



INCREASING RUN LENGTH

No support for price increase



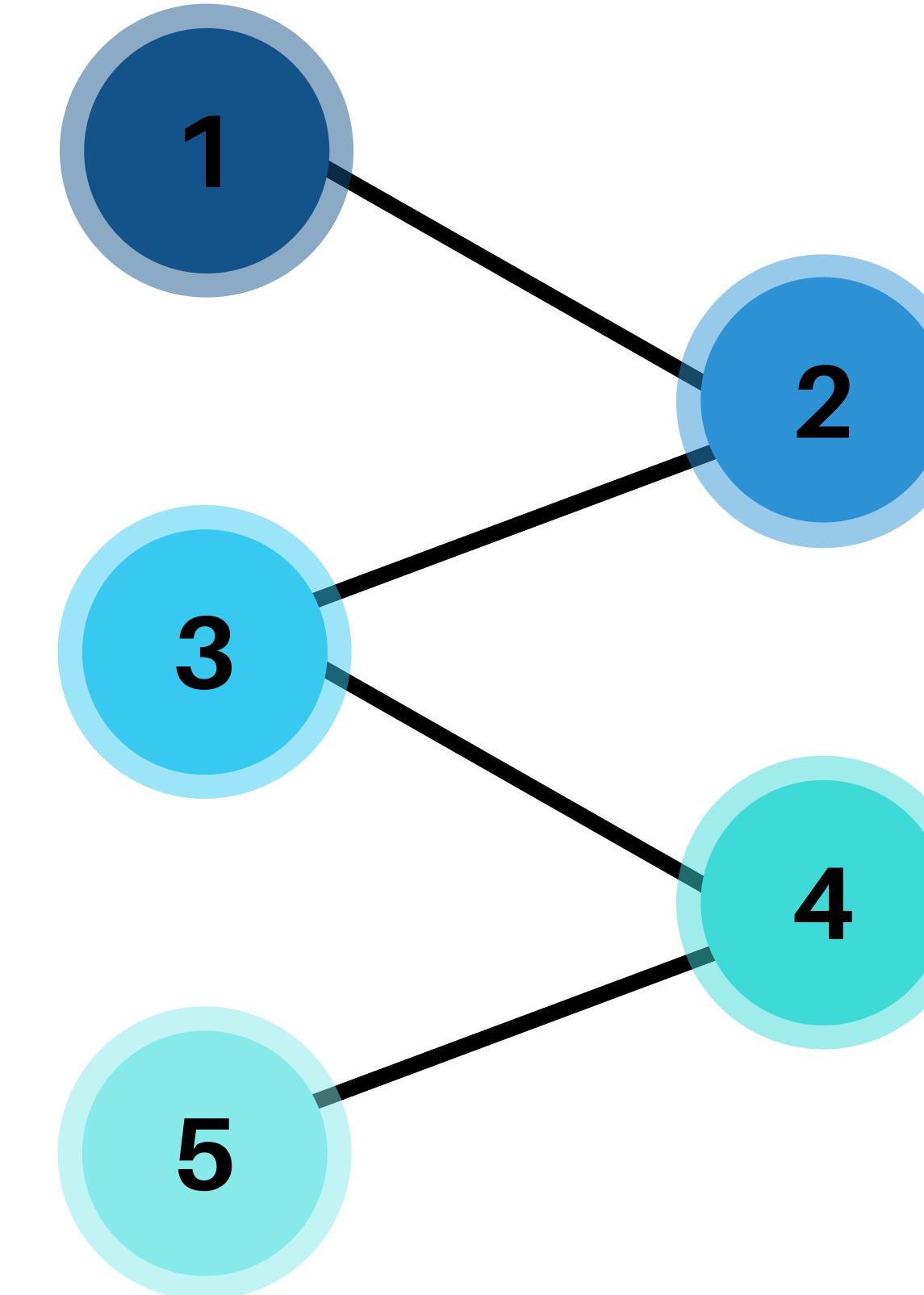
SOLUTION PROPOSAL

5-Step Solution Plan

Increase ticket price to match market supported price

Dashboard will provide ticket value for new project cost-benefit analysis

Increase ticket price to match new market supported price, increasing revenue again



Develop dashboard with ticket price model, operating costs. & customer data

Use additional revenue to invest in vertical drop increase and new chair lift