Big Mountain’s current price is $81. The model predicts that Big Mountain with their current facilities and features could charge around $95. Taking into account potential error in the model there is still clearly room for an increase in price for the resort. I would approach business leadership letting them know that the model suggests the resort is under charging based on what it provides relative to other resorts. The model, however, only takes into account the data provided and lacks the potential nuance of industry professionals. The options they have proposed would do little to add to their ability to increase ticket prices. The increase in price may not necessarily give immediate returns over the costs of instating a new chair. The model suggests that adding a run with he increased vertical drop would be the strongest decision for being able to justify higher pricing. If the Business was going to look into closing runs I would suggest taking a look at how those runs factor into visitor retention and traffic. Unpopular runs may be worth cutting as a way to save costs on maintenance. I would test that by monitoring traffic, sending surveys, and testing how run closures affect overall customer satisfaction.

The data is limited by the lack of total data points available. The model also assumes other resorts are pricing their tickets efficiently and only Big Mountain’s prices have room for adjustment. The data lacked information such as total expenses and other sources of income. There is no knowledge of how much money the resorts may be making from other revenue streams. Other data that would be important is how price changes affect number of visitors and current customer satisfaction information. Big Mountain Resort across most features provides more than most resorts and has competitive price. Business leaders may be pleasantly surprised to learn that the resort has the potential to provide for higher prices based on features of the park. Using this model the business leaders could test how changing the feature the park could maximize pricing efficiency. The model would be best used in conjunction with further information gathering and industry experience to build a robust pricing model that can allow the business to more efficiently allocate resources. To allow the business to use this without needing me to run every pass I would write a script to allow the model to pull information from an excel spread sheet and write to another file the outcome of predictions based on the data in the spread sheet. I’d also like to write another script that could allow them to retrain the model as updates to the existing features are made.