



# Big Mountain Ski Resort: Optimizing Revenue and Operations

# Introduction

The installation of new chair lift has increased the operation cost by \$ 1,540,000 this year.

A light blue downward-pointing arrow connects the first box to the second.

The Resort's Pricing Strategy is generic and does not exploit all the different facilities it offers.

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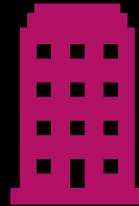
To Stay Relevant in Market, we either need to Increase revenue and/or reduce Operation Costs while maintaining the resort's features

# Dataset

The dataset includes information about various resorts in the United States regarding:



Location



Facilities



Pricing

# EDA & Findings

There is a strong correlation between **Ticket Pricing** and several key features of the resort.



Four features in particular stood out as having a significant impact on ticket pricing: ***FastQuads, SnowMaking\_ac, Runs, and Night skiing ratio.***



The Resort ranks in Top Quartile in seven of the 8 most important qualities namely **Total Area of snow makers, Vertical Drop, Total chairs, Total Number of Runs, fastQuads, Longest Run and Skiable Terrain Area.**

# Random Forest Model



Explanation of the Random Forest Model and its prediction of the optimal ticket price at \$89



Justification of the chosen price based on the model's insights and features

# Resort Optimization Analysis

Three main areas for optimization: ticket price justification, operation cost reduction, and maintaining competitiveness

Insight: The resort can close up to 6 runs per day without impacting revenue

Explanation of how reducing runs can lead to cost savings without sacrificing revenue

Big Mountain's ranking in top quartile for key qualities, emphasizing its strong market position

Identification of qualities where the resort excels compared to competitors

# Ticket Price Justification



Analysis of features that can justify the ticket price increase to \$89



Details on adjustments that can be made to facilities to support the price increase

# Facility Improvement Recommendations

Suggested improvements: Lowering a run by 150 ft, installing an additional chair lift, adding one run, and increasing snow area by

Explanation of how these improvements lead to a \$3.39 increase in ticket price and \$5,930,556 in revenue



# Maintaining Competitiveness



Assurance that the resort's features and position will remain intact after implementing the price increase and facility improvements



Importance of staying relevant and appealing to visitors

# Implementation Plan

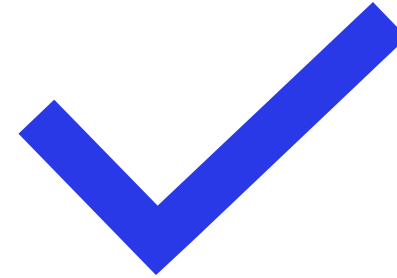
Timeline for  
implementing the  
recommended  
changes

Coordination with  
different  
departments for  
smooth execution

# Monitoring and Feedback



Importance of continuous monitoring  
of revenue and visitor feedback



Flexibility in adjusting strategies based  
on market response

# Conclusion



Recap of the main findings and recommendations



Emphasis on the potential impact of the strategies on Big Mountain's revenue and competitiveness

# Q&A

OPEN THE FLOOR FOR  
QUESTIONS AND  
DISCUSSIONS

