

Ticket Pricing Model

Big Mountain Ski Resort

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Problem Identification

Big Mountain Resort is not capitalizing on its facilities as much as it should

- Select better value for their ticket price by:
 - Cut costs without undermining the ticket price
 - Make changes to support an even higher ticket price
- Insight into what facilities matter most to visitors
- Provide guidance for pricing and future facility investment

Recommendation and Key Findings

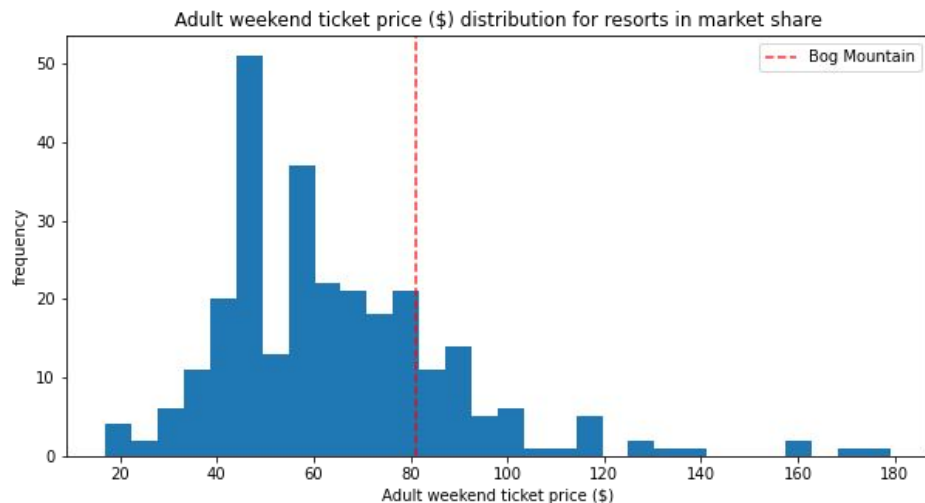
Key Findings

- Big Mountain resort is currently underpriced
- Permanent closure of least used runs can cause decrease in support for price
- Small increase (2 acres) in snow making areas has no effect on price
- Increase the longest run does not impact ticket price

Recommendation

- Increase current ticket price
- Increase vertical drop by 150 ft with the addition of a chair lift and

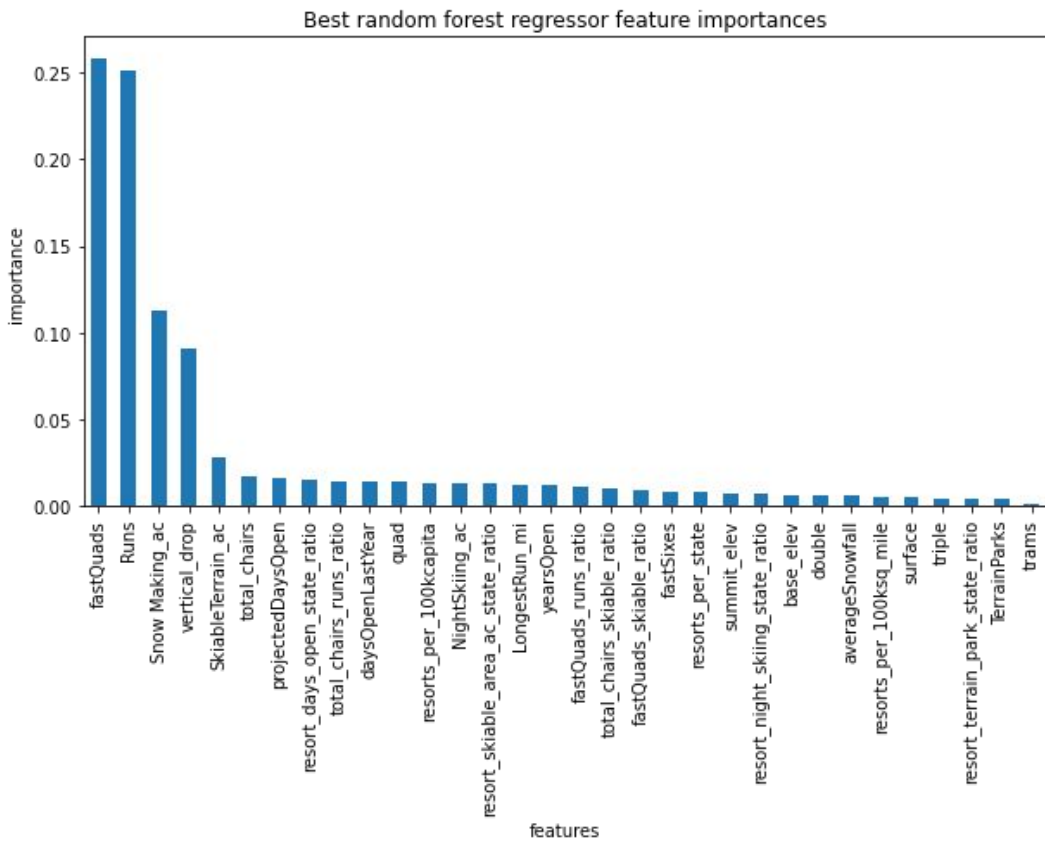
Ticket price



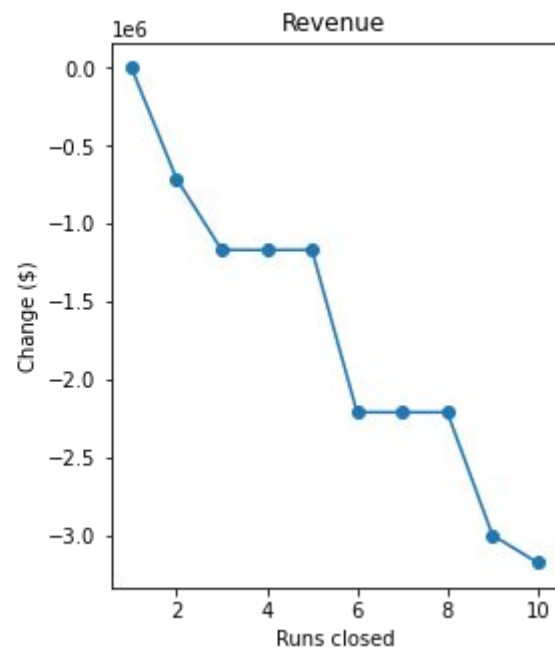
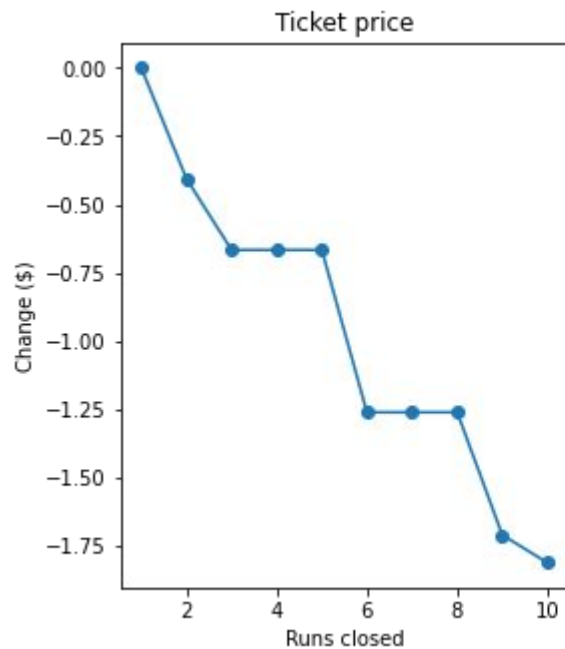
Linear Regression Model

- Current price: \$81
- Supported price:
 - Min: \$85.48
 - Max: \$106.26
 - Mean Abs. Error: \$10.39
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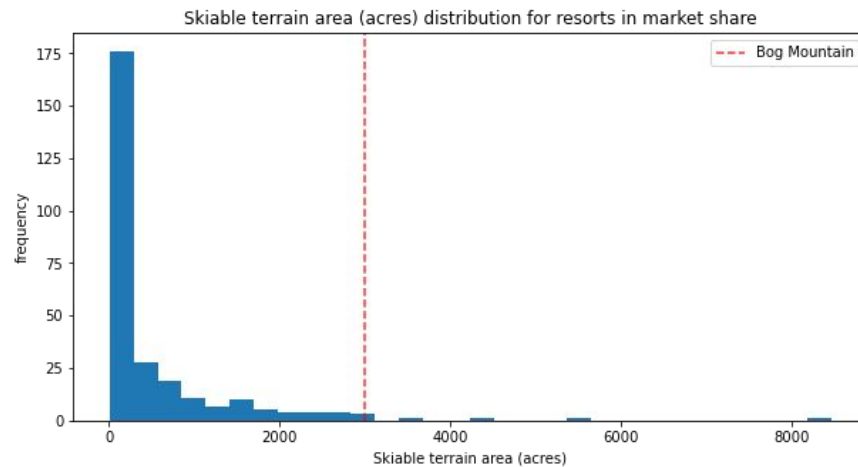
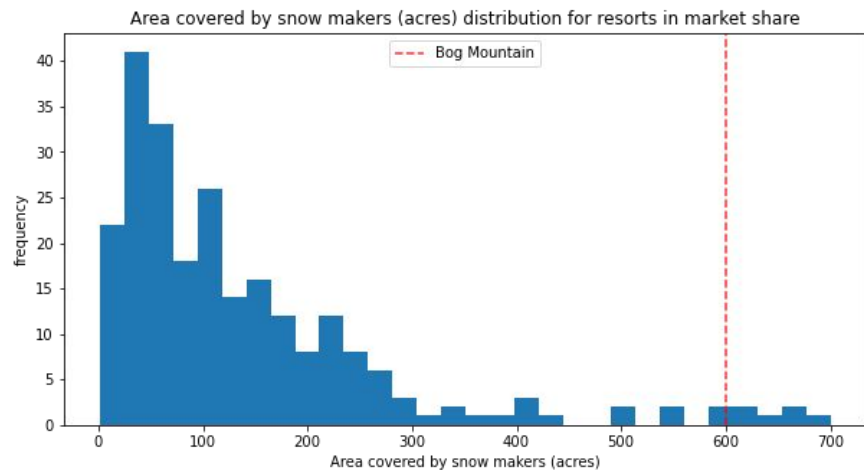
Most important facilities



Runs closure



Decrease skiable terrain & snow machine coverage



Summary and Conclusion

Suggestion:

- Increase ticket price to be between \$85.48 and 106.26
- Increase vertical drop by 150 feet and install an additional chair lift

Future study:

- Close least used runs
- Decrease skiable terrain and snow making coverage