Data-Driven Pricing Strategy for Big Mountain Resort

Enhancing Revenue Through Strategic Pricing

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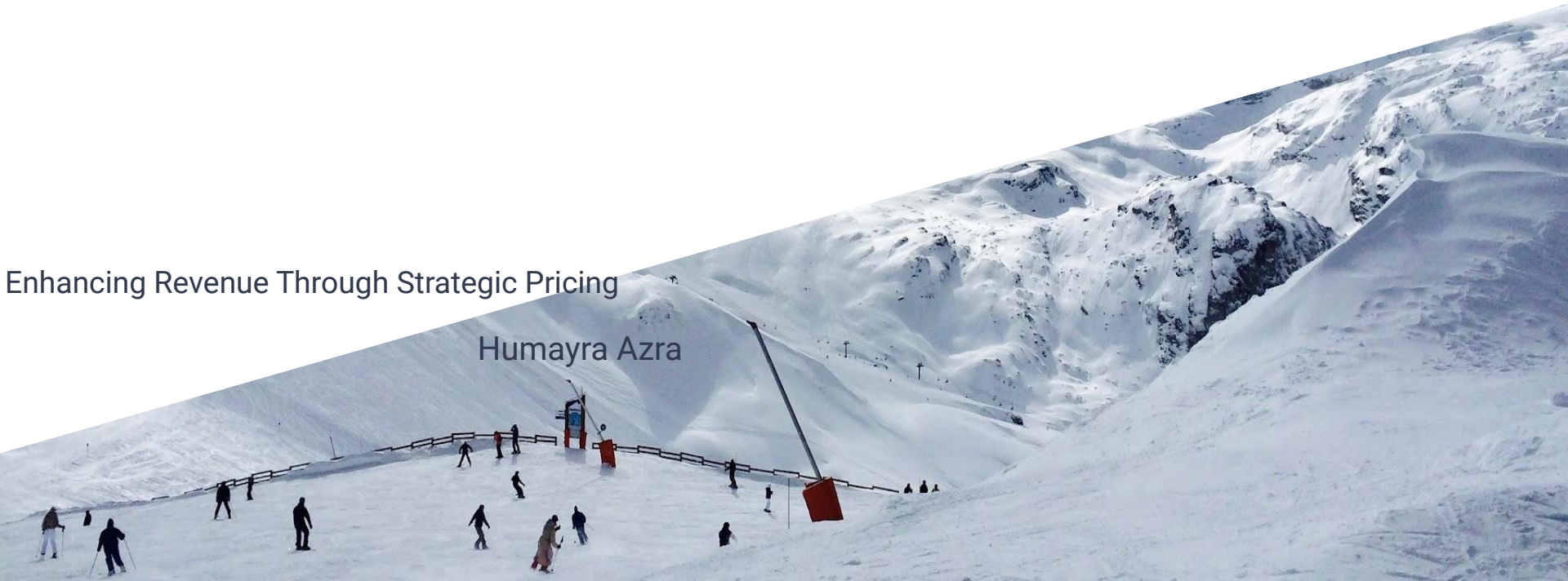

Problem in Ski Resort Pricing

Competitive landscape in the ski resort industry.

The need for a pricing strategy that reflects the value of individual facilities.

Importance of maximizing overall revenue while maintaining visitor satisfaction.

Objectives of the Pricing Strategy

Develop a pricing model that accurately reflects facility value.

Maximize ticket prices without significantly reducing visitor numbers.

Provide actionable insights to support operational cost reductions or justify higher pricing.

Recommended Pricing Strategy

Analyze data from 330 ski resorts to inform pricing strategies.

Use scatter plots and PCA for visualization and comparative analysis.

Potential for price increase supported by modeled outcomes.

Comparison with competitor pricing to validate market positioning.

Data Analysis Framework

- Analysis focuses on ticket pricing, facility details, visitor numbers, and geographical factors.
- Findings:
  - Alaska has the largest ski areas.
  - California has the highest population.
  - New York has the most ski resorts.
  - Big Mountain Resort ticket price average is currently $82.53

Baseline Performance & I

Establishing baseline performance by calculating average ticket price.

Development of a linear regression model yielding strong cross-validation results.

Advanced Modeling Techniques

Exploration of a random forest regressor for competitive performance.

Insights into feature importance derived from the random forest model.

Addressing data gaps related to operational costs of the new chair lift.

Comparative Pricing Analysis

Modeled prices significantly exceed current ticket prices.

Feasibility of adjustments without alienating customers.

Comparison with competitor pricing to reinforce market positioning.

Summary and Next Steps

Importance of effective communication with stakeholders to address resistance to pricing changes.

Need for additional data on operational costs for model refinement.

Potential for the pricing model to inform various pricing scenarios and facility upgrades.

Development of an interactive tool for real-time input and analysis.

Thank You!

Questions and Discussion