# Big Mountain Resort Recommendation

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**Recommendation:**

It is my recommendation that Big Mountain Resort charges $95.87 per ticket. While this price may seem high, Big Mountain Resort is well above most of the competition when it comes to the vertical drop, snow making area, number of chairs, number of fast quads, number of runs, and skiable terrain. Below it can be seen how Big Mountain Resort measures up to the competition regarding these important ski resort features.

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**Potential Changes:**

**Scenario 1**

**(Closing up to 10 of the least used runs)**

It is recommended to drop:

1 run – Closing the least used run will not impact revenue and will save on operating costs

2 runs – Closing the two least used runs is justified if combined operating costs > $750,000

3 runs (up to 5 runs) – If combined operating costs > $1,250,000   
(would recommend closing 5 runs as closing 2 additional runs will not impact revenue)

6 runs (up to 8 runs) – If combined operating costs > $2,250,000

(would recommend closing 8 runs as closing 2 additional runs will not impact revenue)

9 runs – If combined operating costs > $3,000,000

10 runs – If combined operating costs > $3,250,000

**Scenario 2**

**(Adding a new chair lift, increasing the vertical drop by 150 feet, and adding another run):**

All these changes would justify increasing the ticket price by an additional $1.99, up to $96.86. However, these changes would only be justified if the total cost of the changes were less than or equal to $3,474,638 (the total amount of money the changes would bring in during a single season).

**Limitations:**

There was no data for consumers (total visits, visits per customer, etc.) and no data on overhead or operating costs. Without this data, the model and recommendation could only be based on profits and revenue.