



Big Mountain Resort: Ticket Price Issue

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The Issue

Big Mountain Resort is Losing Out on Revenue!

- Our valuable facilities are not being capitalized on
- Our Ticket prices are misrepresentative of its true value



The Solution

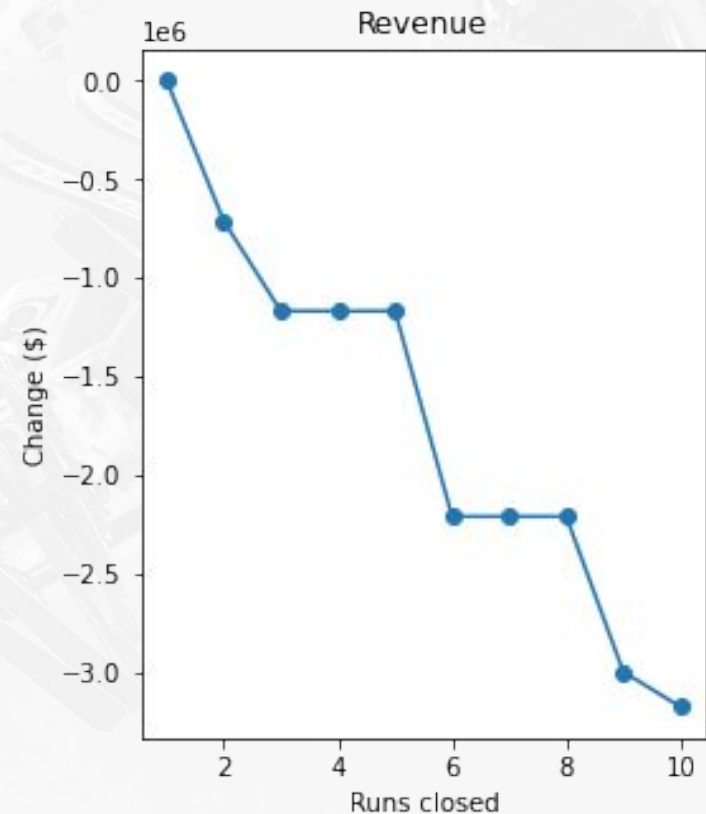
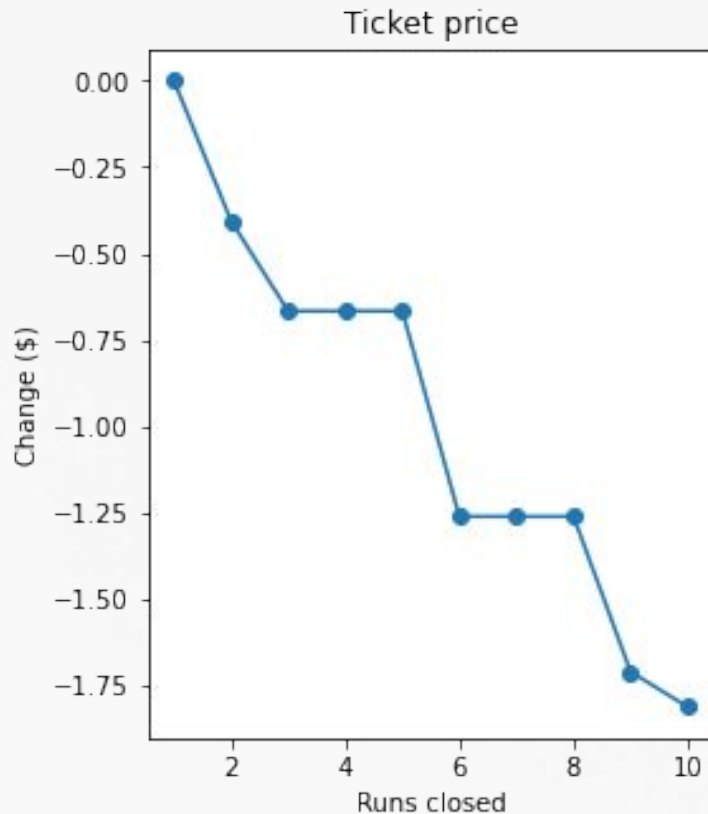
The Best Scenario:

Add an additional run, increasing the vertical drop by 150 feet and adding an additional chairlift.

DON'T Close Down 10 of the least used runs



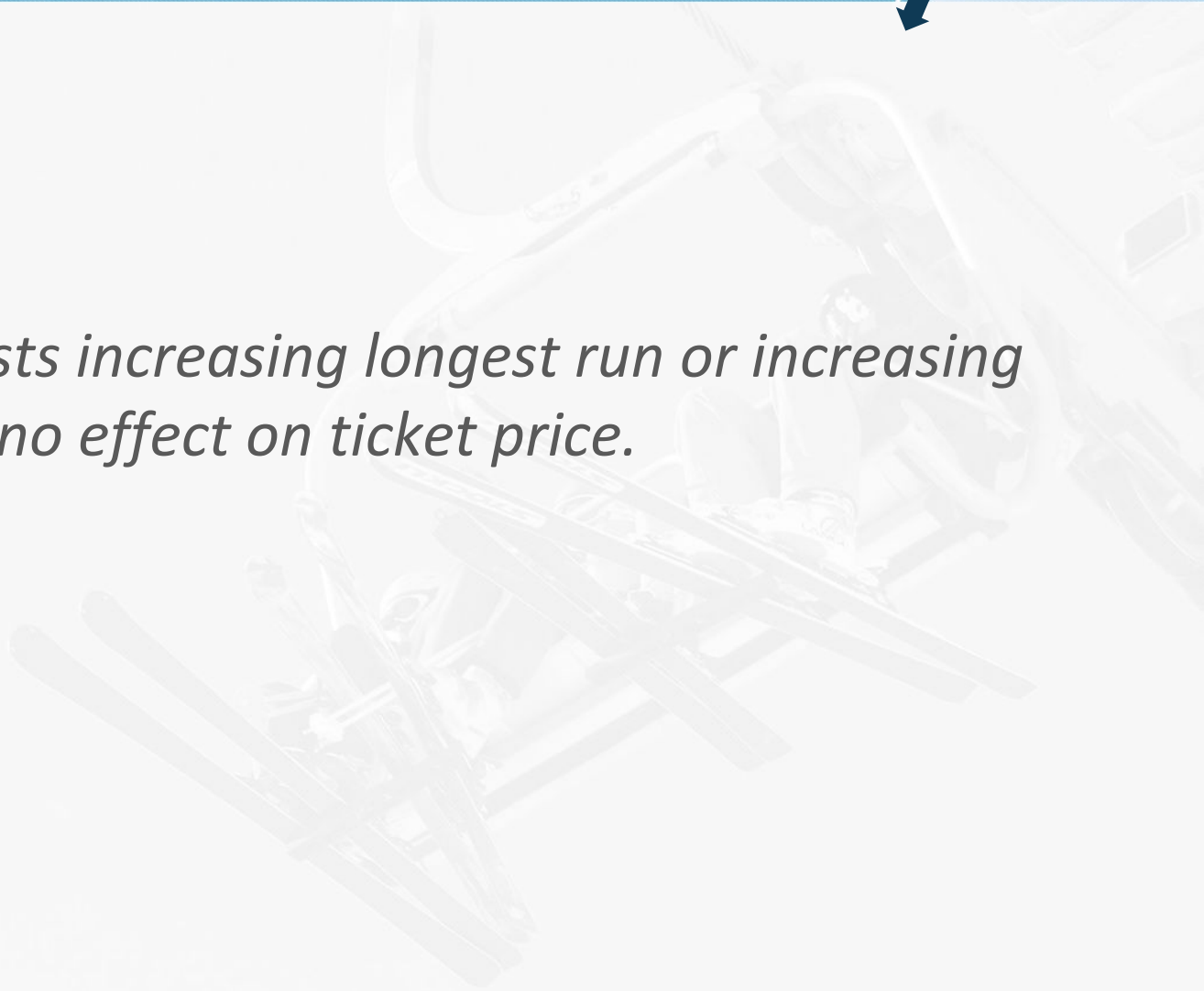
Results of modeling show closing least used runs only reducing Ticket Price and Revenue.



DON'T Increase Longest Run by .2 miles and add 4 acres of snowmaking capability.



Our model suggests increasing longest run or increasing snowmaking has no effect on ticket price.



DO increase vertical drop by adding a run and a chairlift



Model shows adding an additional run and installing an additional chairlift to increase the 150 feet is the best option.

Result:

This scenario increases support for ticket price by \$1.99
Over the season, this could be expected to amount to \$3474638

The increase in revenue from the change in ticket price will make up for the additional chair lift and more.

“Find the right price for an irresistible offer, which,
by the way, isn’t necessarily the lower price.”

— **W. Chan Kim, Author of *Blue Ocean Strategy***

