Big Mountain Pricing Analysis

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Problem Overview

- Operating cost will increase by 1.5 million this season

- We need to increase revenue this season to cover cost of new lift

- It's very possible we are not optimally leveraging our facilities
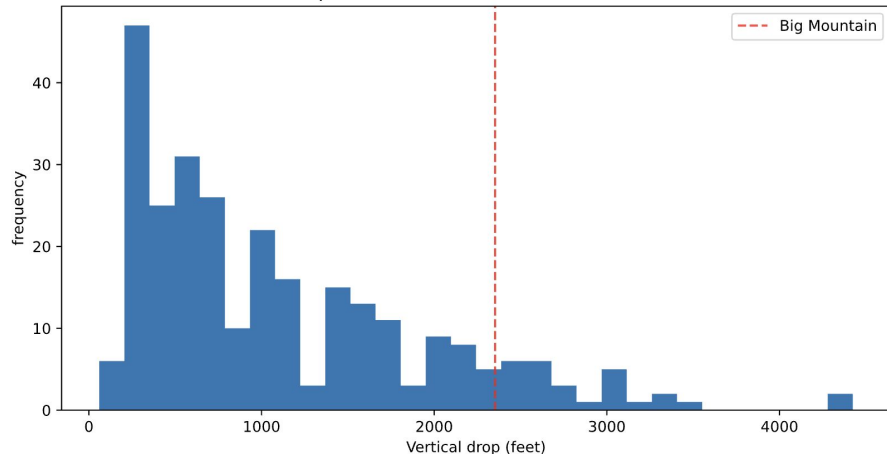
- We are undercharging for tickets

Analysis & Modeling Results

- We analyzed data from over 200 resorts in the U.S. to determine which features correlate closest to ticket price

- The five primary features we found are; vertical drop, snow making, total chairs, fast quads, and runs

- We then ran our model on Big Mountain to determine what our ticket price should be based on those features

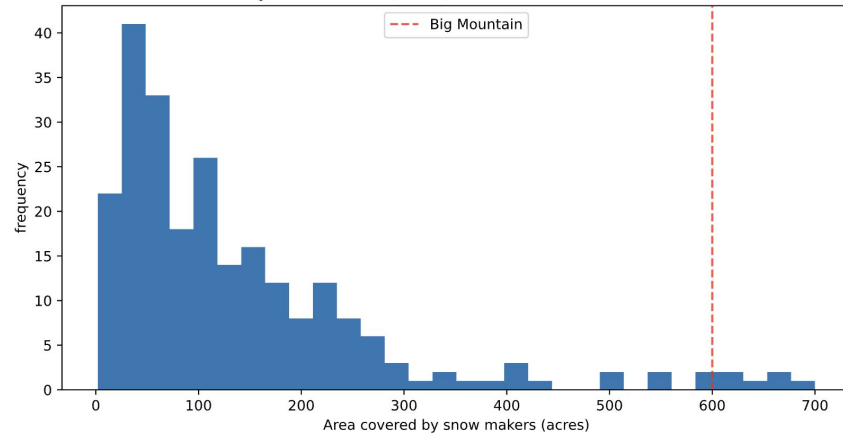- The result was a figure that is 18% higher than what we currently charge

Analysis & Modeling Results

The red line represents where Big Mountain sits amongst other resorts for vertical drop(left) and area covered by snow makers(right)
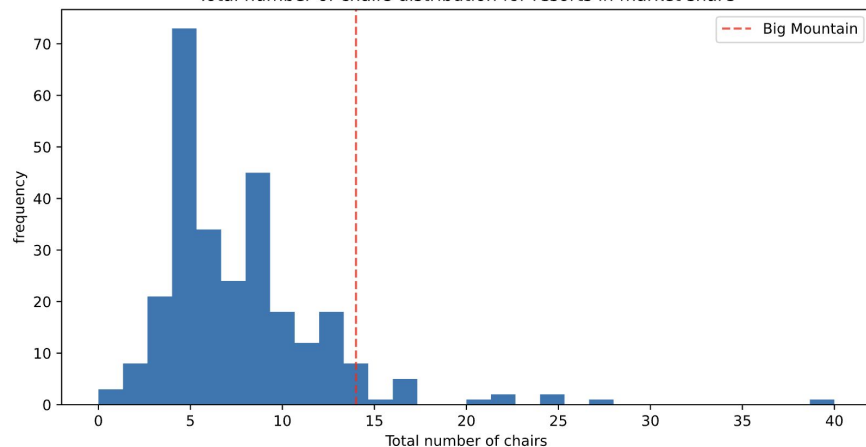
Analysis & Modeling Results

The red line represents where Big Mountain sits amongst other resorts number of fast quads(left) and total number of chairs(right). As you can see, Big Mountain is above average for all of these metrics.
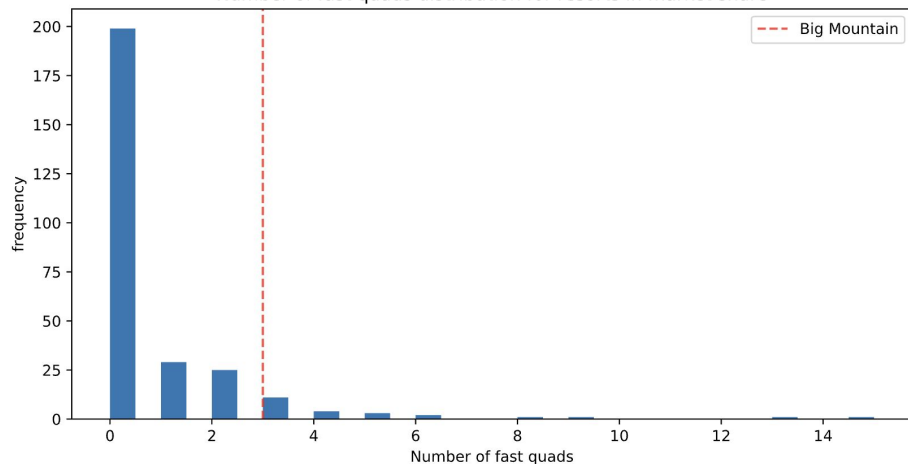
Recommendation & Key Findings

- We found that based on our current facilities we can be charging $96 per ticket

- If we add a new run and increase our vertical drop we can be charging $98 per ticket

- Either pricing model is more than enough to cover the cost of our new lift

Summary of Findings

- Our findings make it clear that our ticket price should be raised, even prior to the addition of our new lift

- Our new lift and an additional run will give us a further edge to boost prices

- Big Mountain is clearly an excellent resort with stand-out features that compare well to other resorts in Montana and across the country