



# Big Mountain Ski Resort Report

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# Big Mountain Ski Resort

- Located in Montana
- Access to 105 trails
- Around 350,000 visitors yearly
- All level friendly
- 11 lifts, 2 T-bars and 1 magical carpet



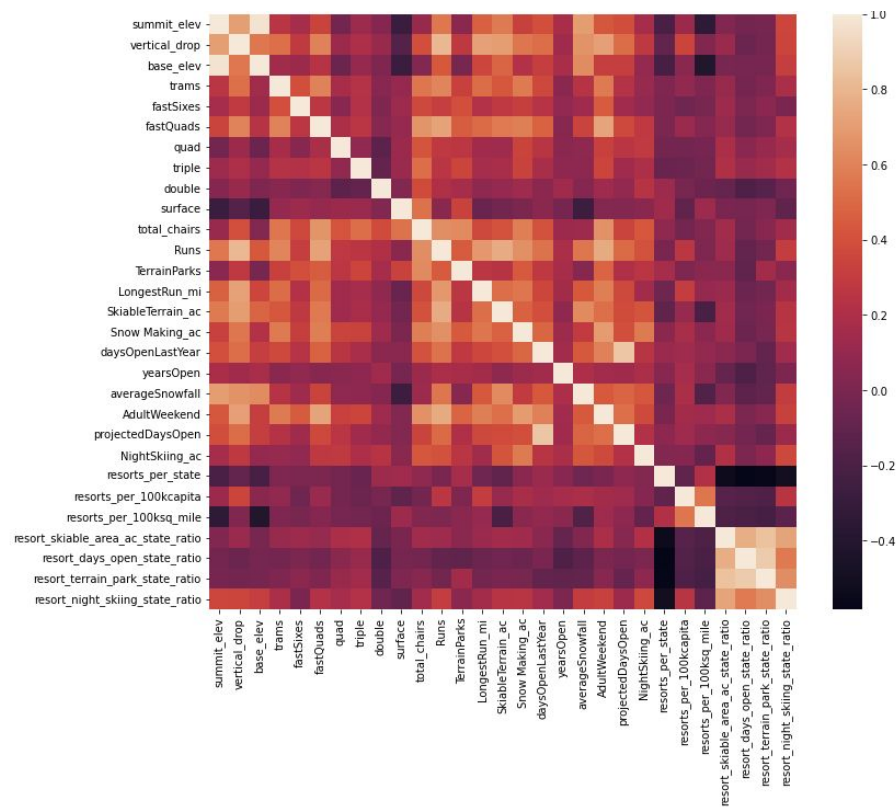


# Problem identification

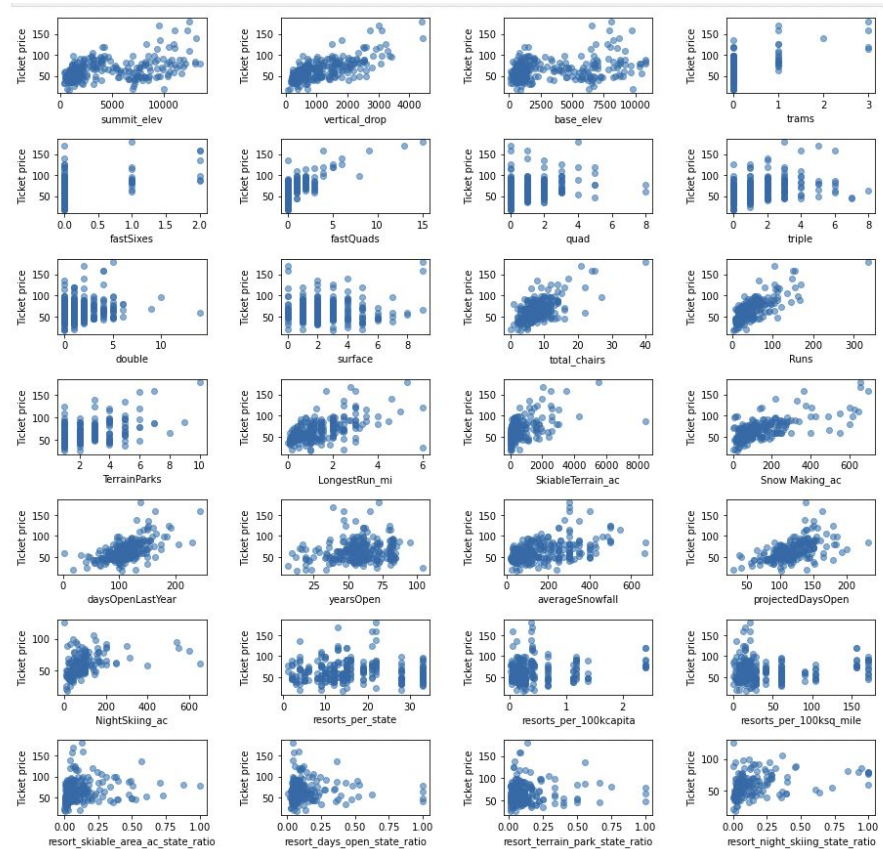
- Resort has recently installed an additional lift chair to help increase the distribution of visitors
- The chair increases their operating cost by \$1,540,000 this season.
- **Question:** Could Big Mountain Resort compensate for the \$1,540,000 operating cost of additional chair lift by raise the price of either weekend or weekday tickets?

# Key Findings

FastQuad, Runs, Snowmaking area covered and vertical drop are has the highest correlation with ticket price.

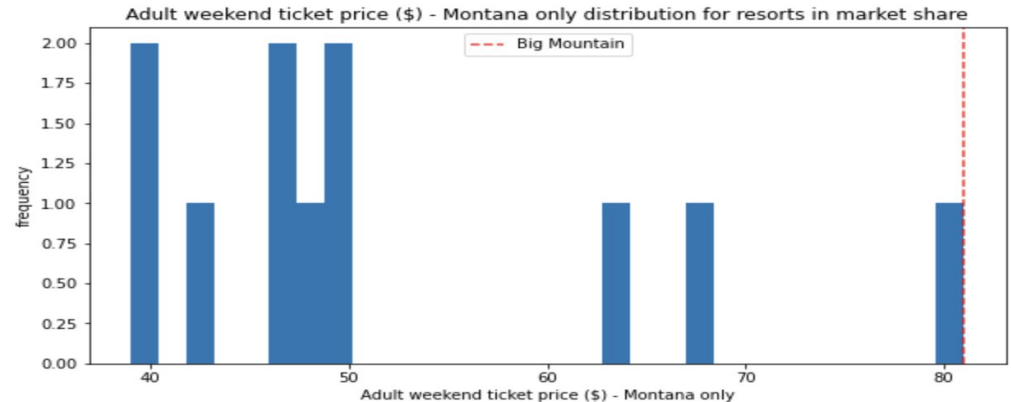
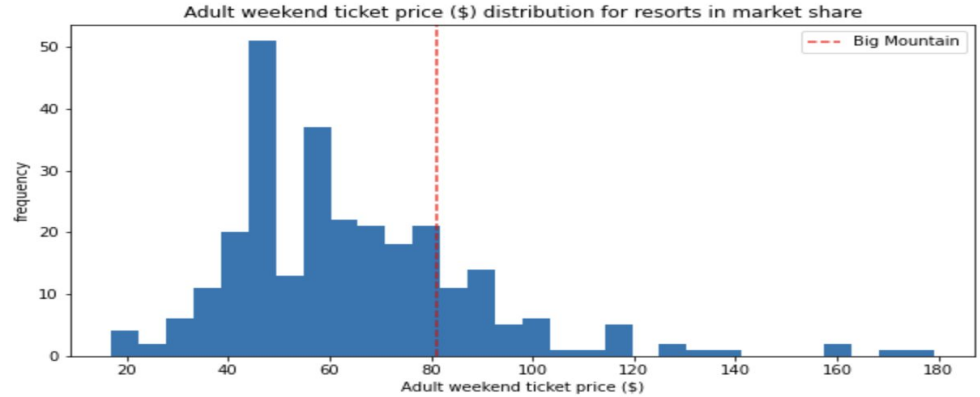


## Scatter plot to support key findings



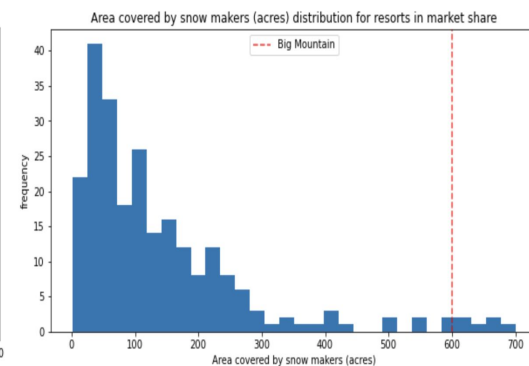
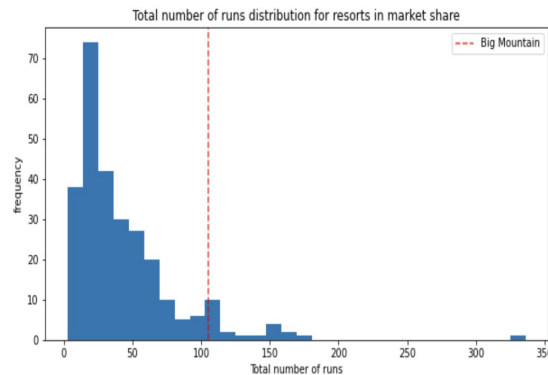
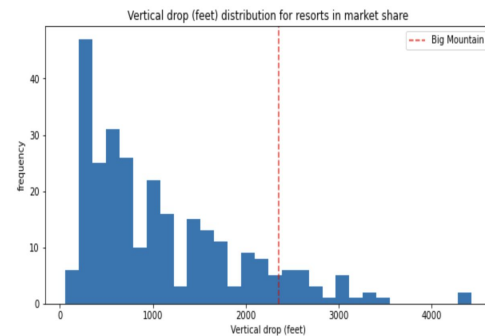
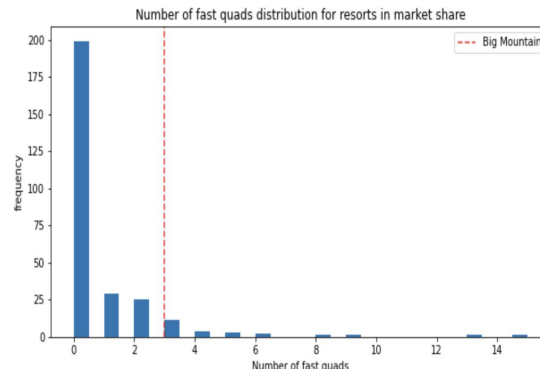
## Modeling results and analysis

Comparing Big Mountain Resort ticket price with all resorts and with just other resorts in Montana



## Modeling results and analysis

- Most resorts have no fast quads. Big Mountain has 3, which puts it high up that league table.
- Big Mountain is very high up the league table of snowmaking area.
- Big Mountain compares well for the number of runs. There are some resorts with more, but not many.
- Big Mountain is very high up the league table of snowmaking area.





## Modeling results and analysis

Big Mountain Resort modelled price is \$95.87, actual price is \$81.00. Even with the expected mean absolute error of \$10.39, this suggests there is room for an increase.

Increase the vertical drop by adding a run to a point 150 feet lower down but requiring the installation of an additional chair lift to bring skiers back up, without additional snow making coverage would support the increase of ticket price by \$1.99, which can be expected to amount to \$3474638





## Summary and conclusion

Big Mountain resort could compensate for the \$1,540,000 operating cost of additional chair lift by raise the ticket price supported by increasing the vertical drop by adding a run to a point 150 feet lower down.