What is the pricing strategy of Big Mountain Resort?

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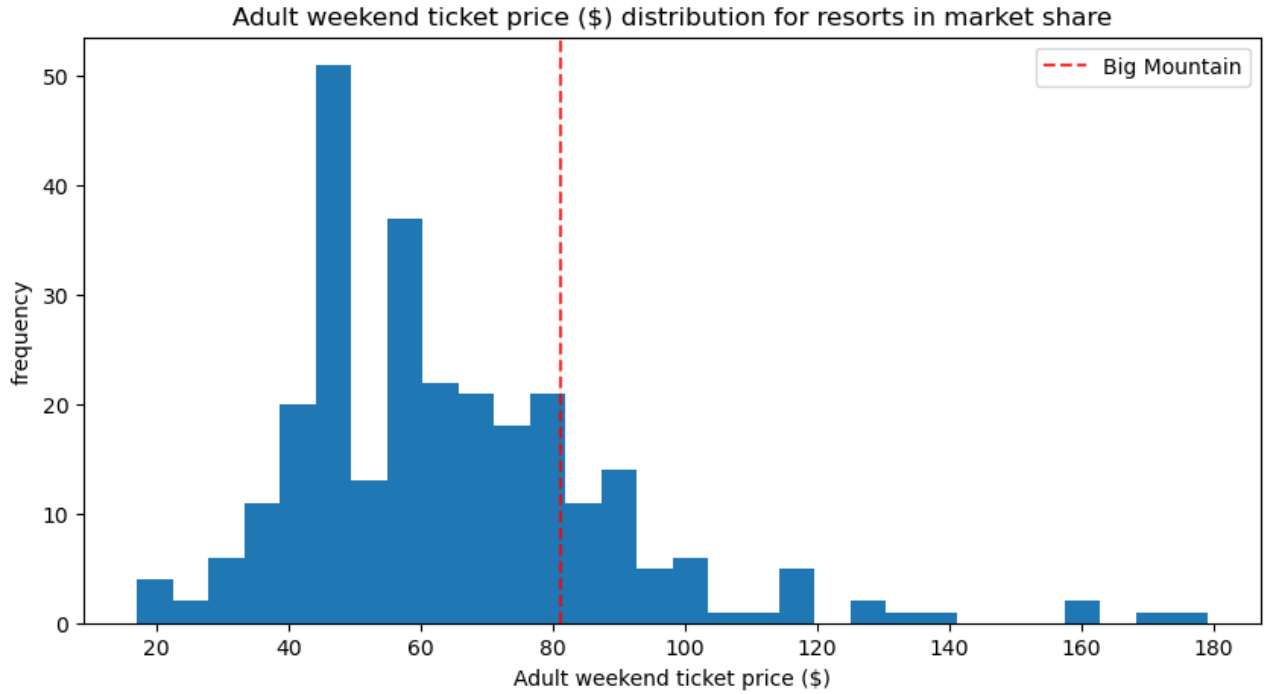
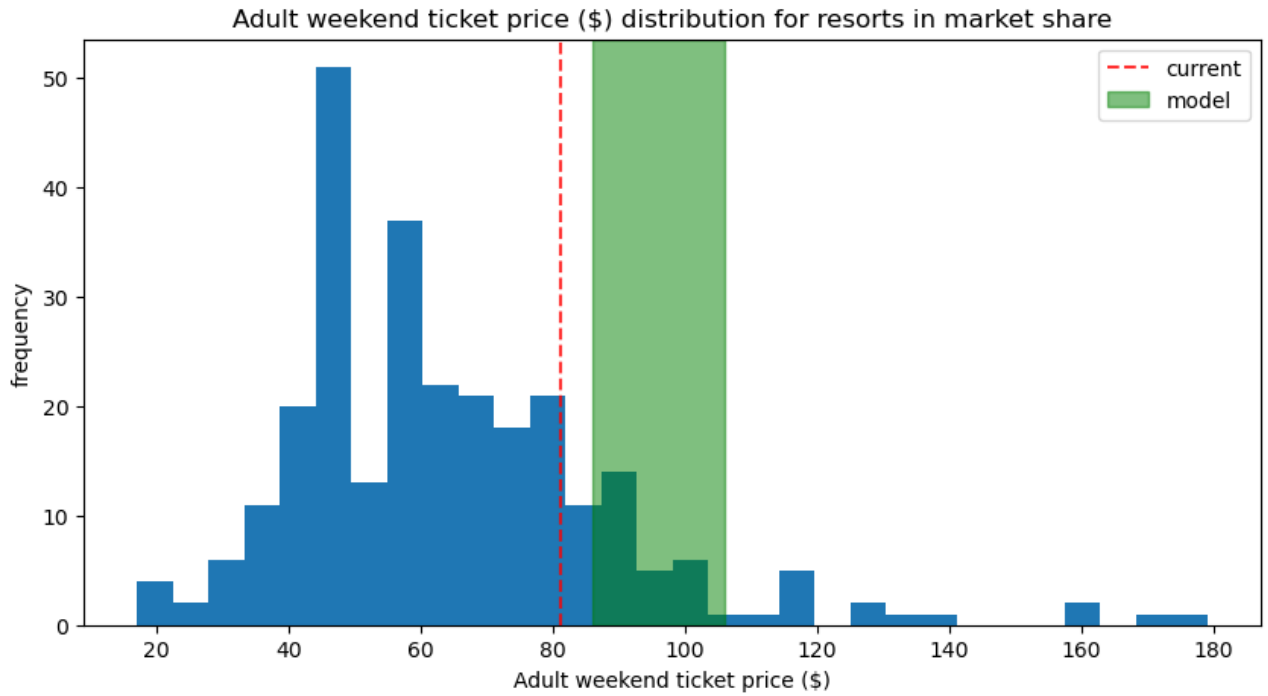
Current status



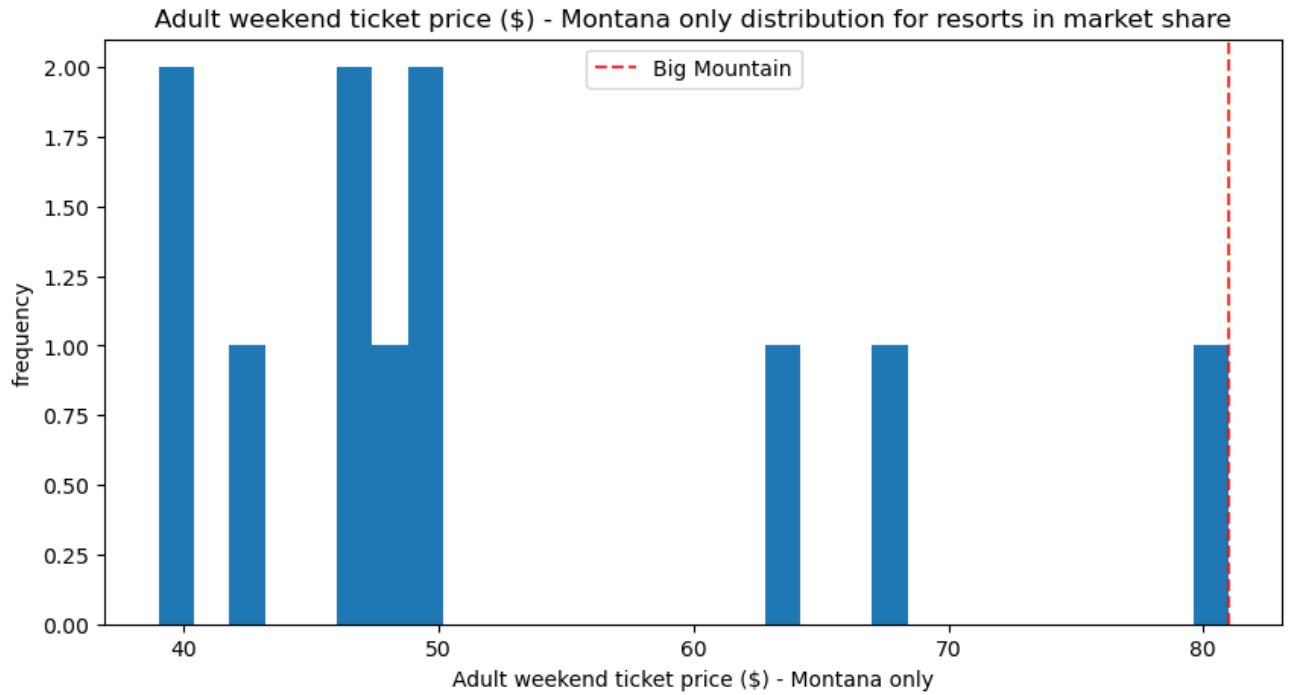
- Ticket price: $81
- Visitor: 350,000
- Average stay: 5 days
- New chair lift: $1.5M
- Cost/day/ticket: $0.88
  - Break even price: ~**$82**

Key Findings



- Current price: \$81 $\longrightarrow$ 80th percentile
- Model price: **\$86-\$106** $\longrightarrow$ 85th-95th percentile

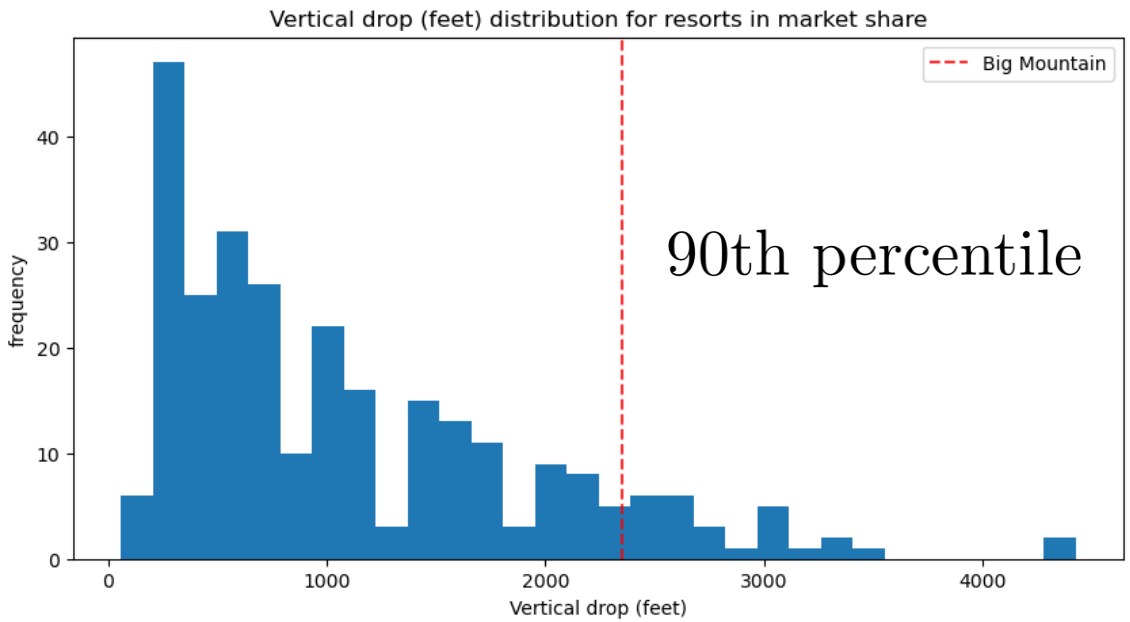
Key Findings

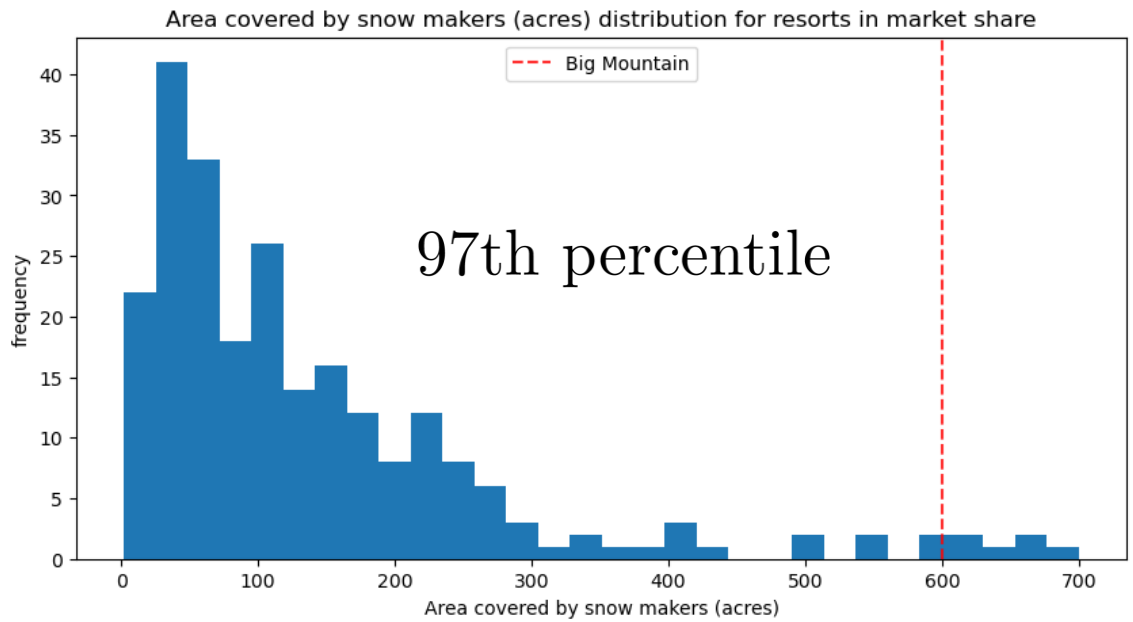


- Currently most expensive in Montana $\longrightarrow$ Suggested price: **$86**

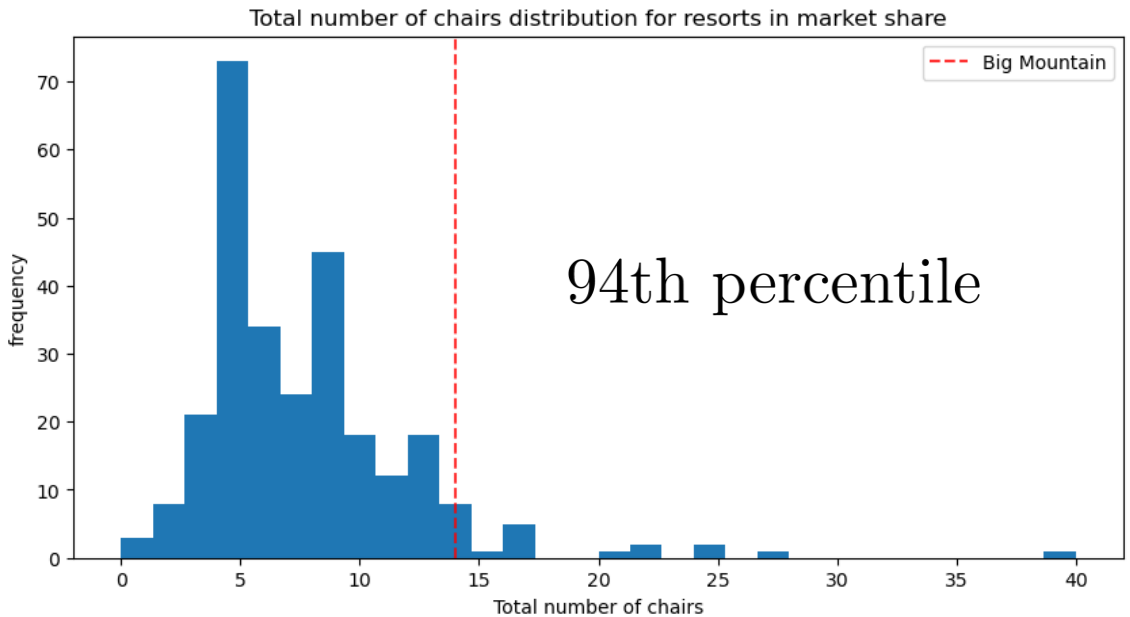
How can Big Mountain Resort support a higer ticket price?

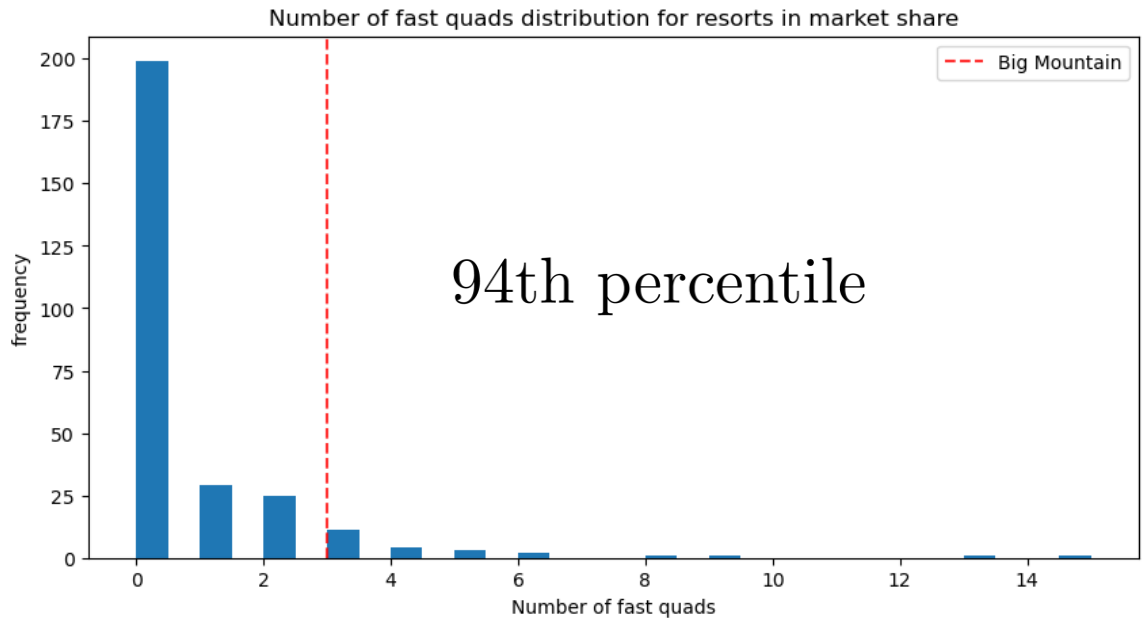
Key facilities





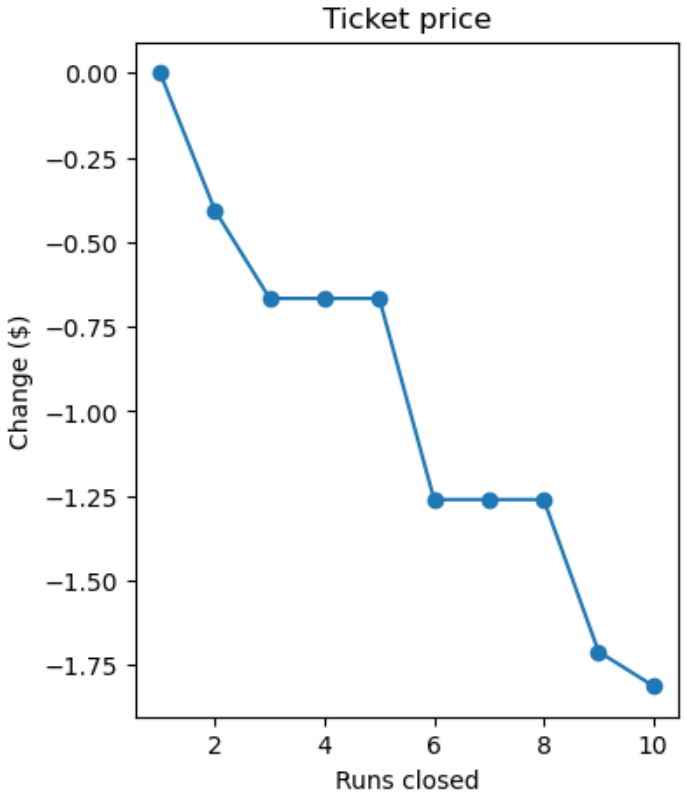
Key facilities





Any adjustment that can be made to support even higher prices?

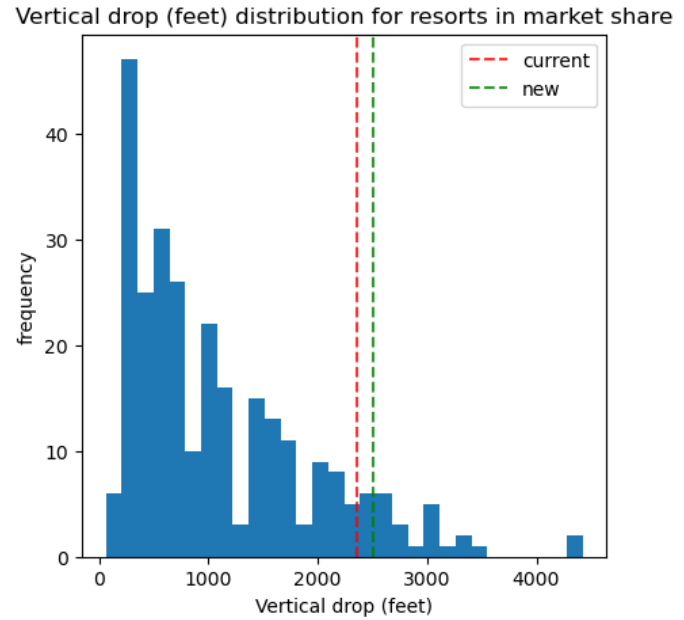
Modeling scenarios

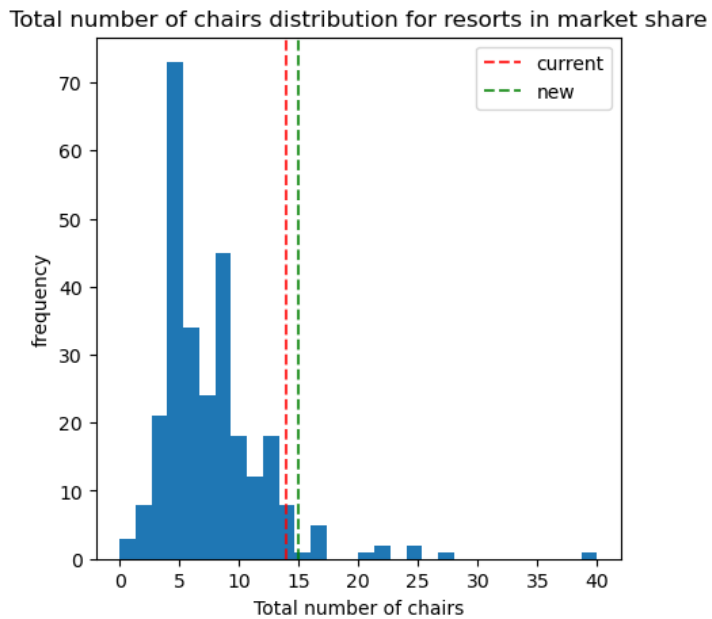


Run closed	Price decrease	Ticket price
1	$0	**$86.00**
2	$0.41	$85.59
3-5	$0.67	$85.33
6-8	$1.26	$84.74
9	$1.71	$84.29
10	$1.81	$84.19

Modeling scenarios

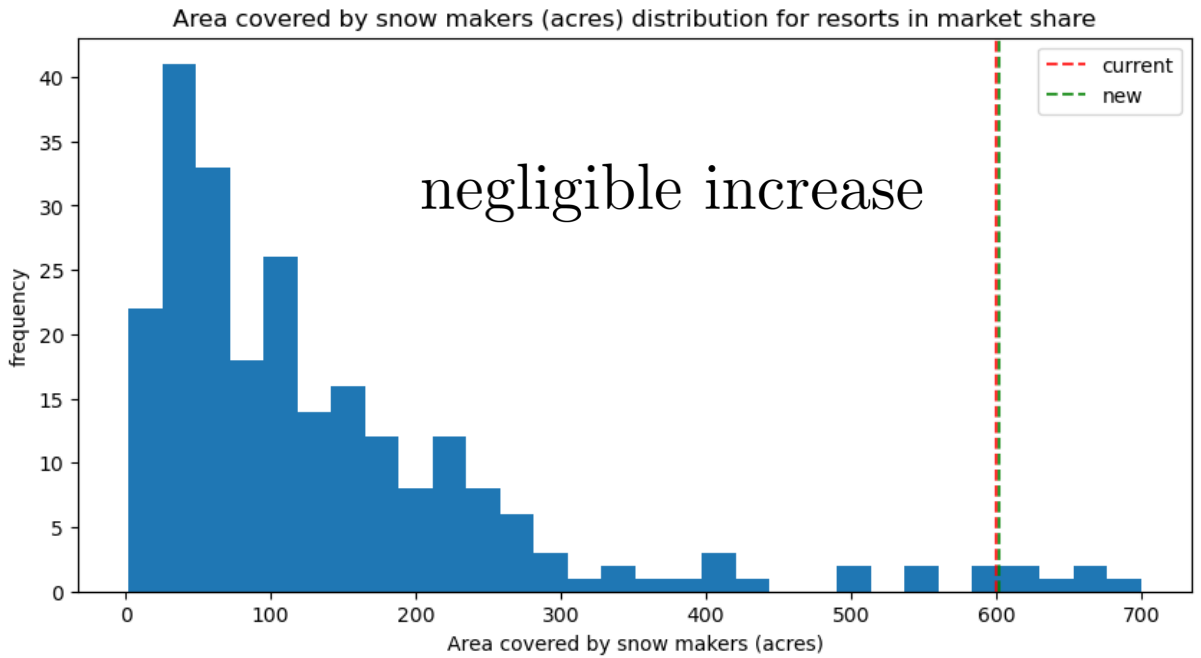
- +150 feet vertical drop
- +1 run
- +1 chair lift
- New chair lift: $1.5M
- Cost/day/ticket: $0.88
- Price increase: $2
- Ticket price: **$88**





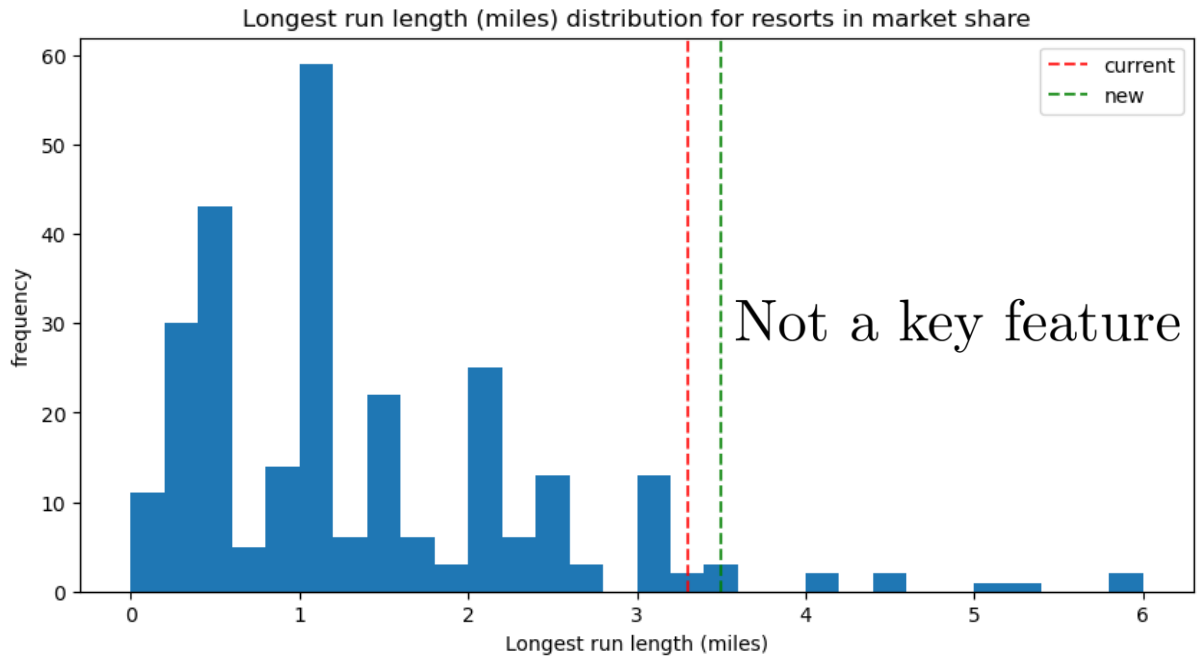
Modeling scenarios

- +150 feet vertical drop
- +1 run
- +1 chair lift
- +2 acre of snow making
- Ticket price: **$88**
- increase operating cost from lift and snow making



Modeling scenarios

- +0.2 mile longest run
- +4 acre of snow making
- Ticket price: **$86**
- increase operating cost from snow making



Summary

- No facilities investment: **$86**
- +150 feet vertical drop
- +1 run
- +1 chair lift

} **$88**