Big Mountain Resort Case study

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Problem

Big Mountain Resort needs to reevaluate ticket pricing models to stay profitable with 1.5M increase in operation cost with addition off new chairs.

Current Ticket Pricing is $81.00

How to increase business profitability to offset newly season operational cost?

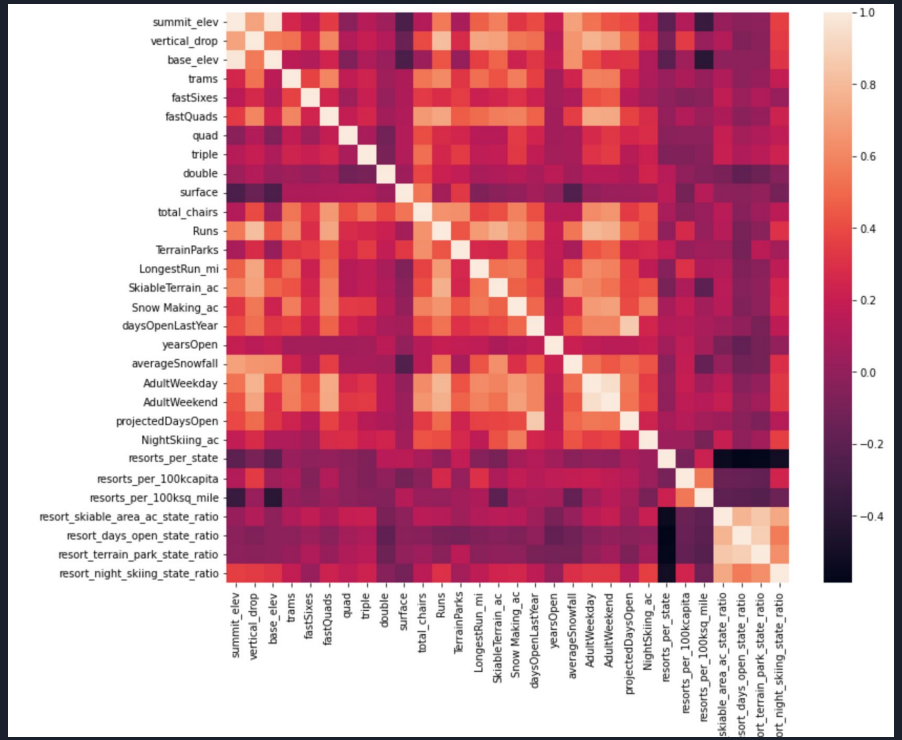
Key findings

Four key features have high positive correlation with pricing:

1. Runs
2. fastQuads
3. Snowmaking_ac
4. vertical drop

Random Forest Model Pricing: $95.87

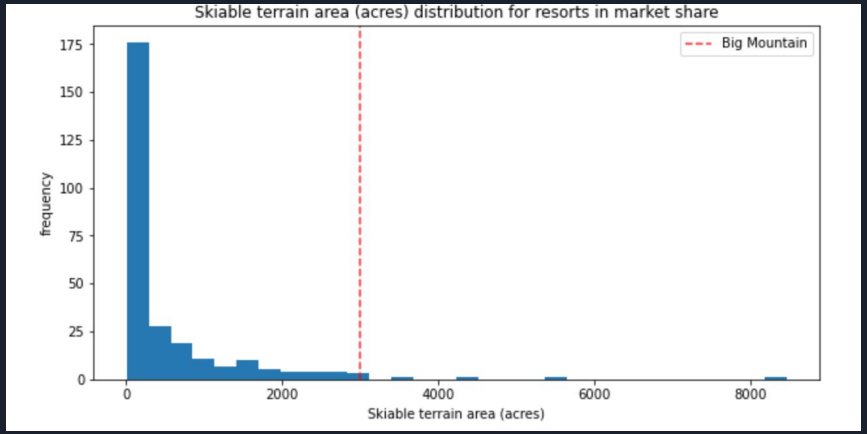
Resort has significant enough features compare to market for increasing ticket pricing.



Model Analysis

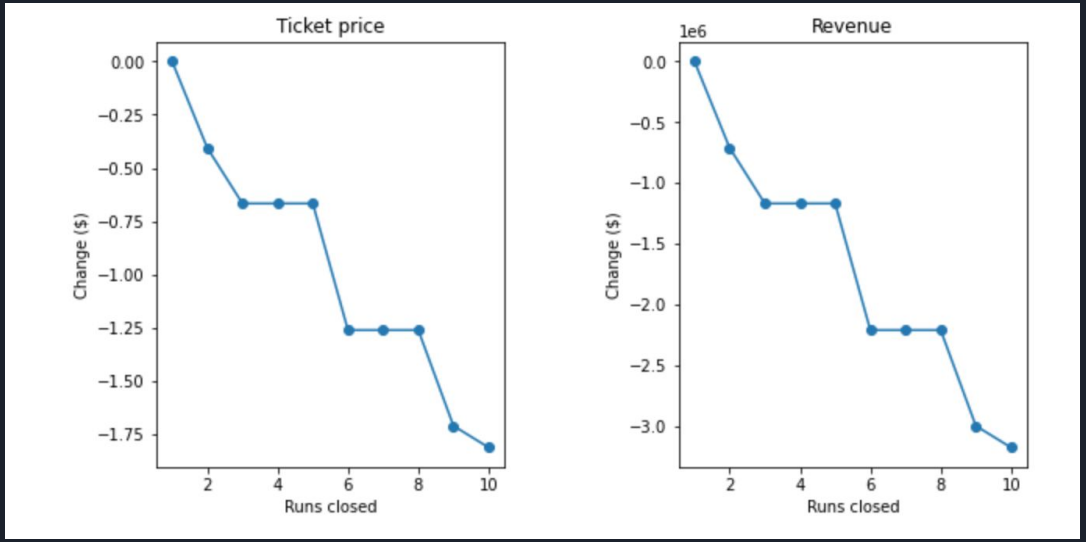
Resort performed exceptional in 6 out of 7 critical features compare to market

1. Vertical drop
2. Total number of chairs
3. fastQuads
4. Total number of runs
5. Longest run
6. Skiable Terrain area



Model Analysis

Resort can close 5 lanes to reduce operational cost without huge drop in revenue.



Recommendations

- Increase ticket pricing from $81 → $95.87.

- Resort can close **5 lanes** to reduce operational cost without large cost impact and maintain business sustainability.

Conclusion

- Big Mountain Resort is a top tier resort with highly sort out amenities and attractions.

- Given data and model created business can charge skiers higher pricing without hindering number of visitors.