Based on the model, I would conservatively recommend increasing the ticket price by at least five dollars, though the resort may be able to support an increase as much as fifteen dollars. Increasing the vertical drop by 150 feet, when combined with an additional run and an additional chair lift, should allow us to increase the ticket price by an additional two dollars.

If you decide to close runs instead, then closing one run should have a minimal impact on the ticket price the resort is able to support. However, closing a second lowers the supportable ticket price by 40 cents, with an estimated drop in revenue of approximately $750k. If you find it necessary to close more runs than that, then closing a 3rd run lowers the supportable ticket price by roughly 70 cents, leading to an estimated drop in revenue of about $1.2 million; however at that point there is minimal impact to closing a 4th or even 5th run. Closing 6 or more runs is not recommended.

The model I created showed that the most impactful features are the total number of runs and the corresponding number of fastquads, with snow-making acreage vertical drop, total skiable terrain, length of the longest run, and total number of chairs being other potentially significant factors. That is why I focus on the number of runs so strongly in my recommendation. I looked into the impact of increasing the snow-making coverage, but it seems to have minimal impact on a scale that would be practical to implement, as does the possibility of lengthening the longest run.

One thing I would like to draw attention to is the fact that the model did not distinguish between exclusive resorts and mass-market resorts, so if you are aiming for a mass-market audience you may want to be more conservative with increasing the ticket price, as the results provided by the model may have been skewed by the smaller, more expensive resorts. Data on exclusive vs mass-market audience for a resort was not included in the data provided, and if we were to do a study like this again sometime in the future, that would be good to have, but I’m confident that the model we have now is sufficient for our purposes here.

It was good to have data from across the country rather than just in Montana. I looked into it as part of building the model, and while resorts are on average more expensive in some states than others, I didn’t find any far-reaching trends on that front. As we are not near any major population centers, it makes sense that we are as much in competition with resorts across the country as we are with resorts here in Montana.