



# **Big Mountain Resort Ticket Price Recommendation**



# Current Price

Big Mountain currently charges \$81.00/adult ticket

This price is based solely on adding a premium to other resort prices

Why is this a problem?

- Are we undercharging?
- This method doesn't tell us what specific facilities are worth

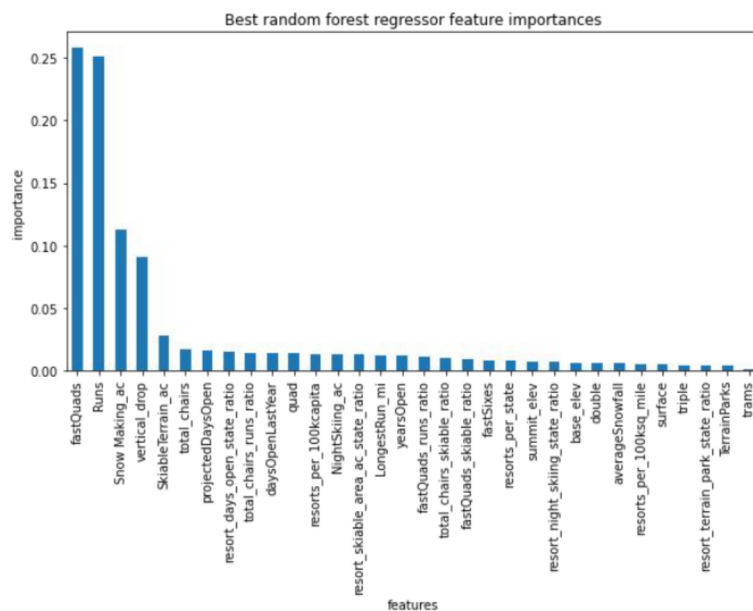


## Recommended Pricing

- Based on the features and ticket prices of over 300 other resorts, modelling suggests Big Mountain Resort should be charging \$95.87 (+/- \$10.39) per adult ticket
- Adding an additional 150 vertical feet and another chair lift will justify adding another \$1.99 to the new ticket price
  - Forgo adding 2 more acres of snow making here

# Random Forest Regression

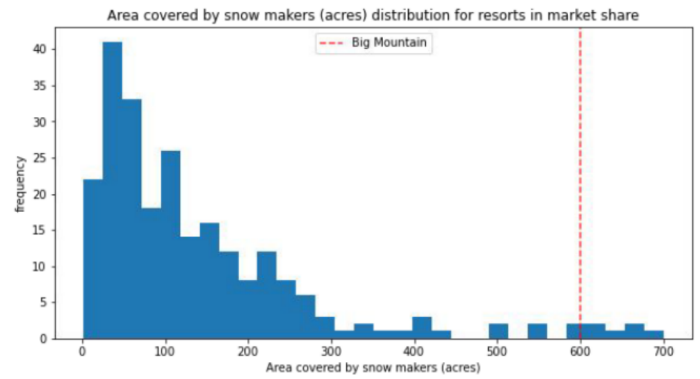
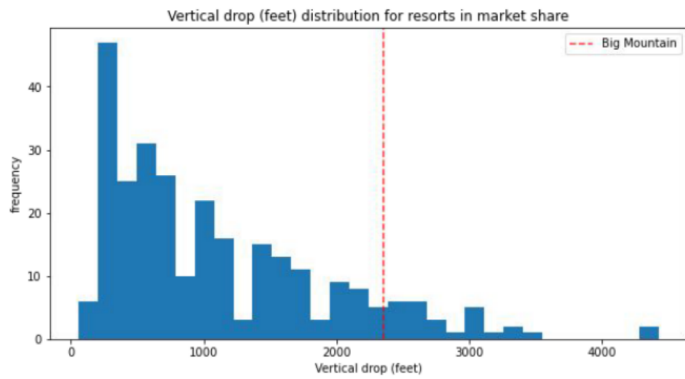
The random forest model shows fast quads, total runs, snow making acerage, and vertical drop as the features most influencing ticket prices





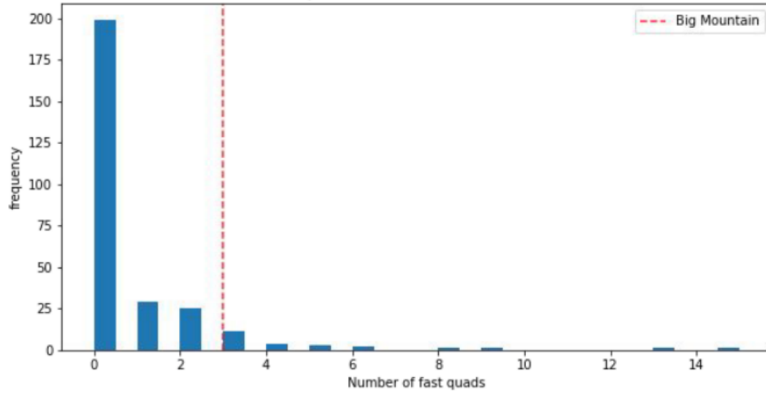
# Good News!

Fortunately, Big Mountain ranks higher than average in each of these four features

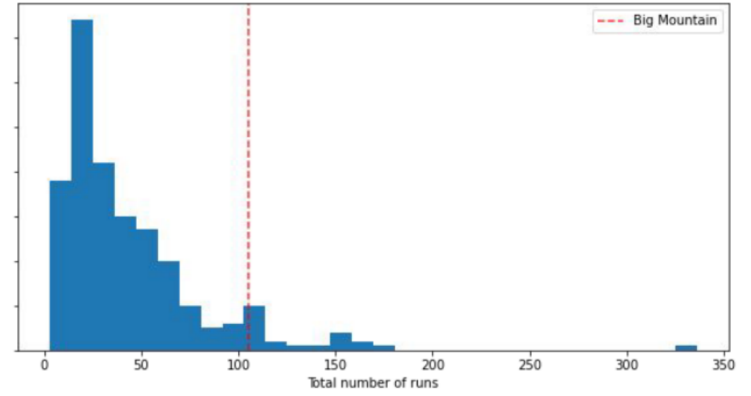




Number of fast quads distribution for resorts in market share

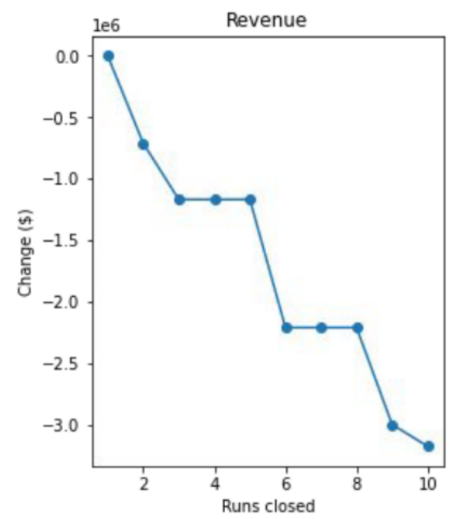
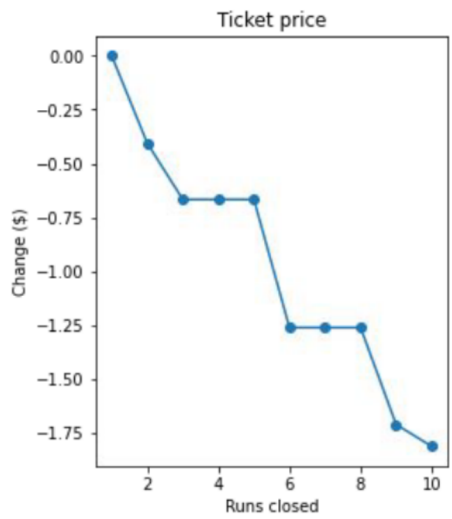


Total number of runs distribution for resorts in market share



# Run Closures

Closing one run will not impact revenue. More data on operating costs will aid in the decision to close more runs.





# Summary

- Big Mountain does have room to charge at least \$85 per ticket
  - But we are already one of the most expensive Montana resorts
    - Should we consider a dual pricing scheme? One price for Montana Residents and one for tourists?
- Future investments should focus on adding vertical feet to maximize potential ticket price