

Big Mountain Resort



The Issue At Hand



After installing the new chair lift our operating costs have increased by more than \$1.5m



We need to identify a new revenue generating strategies

What Are The Options?



Increasing ticket prices



Opening more runs



Staying open for more days
during the year

Which Way Should We Go?



Increasing ticket prices gives us the most flexibility



This option also gives us the quickest implementation



Other alternatives were more expensive

Increasing Ticket Prices



Most viable option



The model we used indicates we can go up to \$91 per adult ticket



Model also shows how we've been charging less than similar parks



Increasing the ticket prices will cover the new operating cost



It will also maintain a healthy profitability margin

How Did We Determine This?



The model takes into account the park's features in order to determine the ticket prices



We analyzed 330 parks that are in the same market segment as Big Mountain



Model performance was over 90%

Features With The Highest Impact



Skiable terrain



Average Snowfall



Total number of chairs



Based on the park features we can increase our prices



The price increase will address the new operating costs