

Big Mountain Resort

Recommendations for Ticket Pricing

A large, dark blue, diagonal shape that starts from the bottom left corner and extends towards the top right corner, covering the lower half of the slide.

Problem:

How can Big Mountain resort maximize revenues while improving the value for their ticket price based on the facilities they offer?

Questions:

1. What should the ticket price be based on current facilities?
2. What facility improvements would be best to increase revenues?

Key Findings & Recommendation

-Current weekend ticket price: \$81

-Suggested ticket price based on current market:

\$92.65

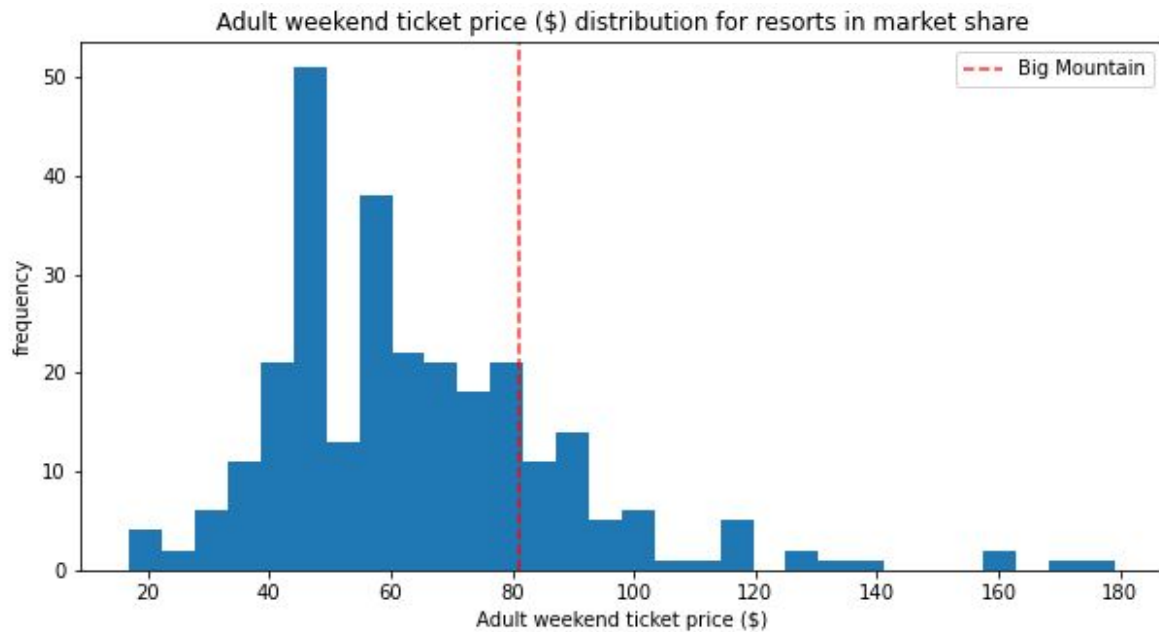
-Ticket price with higher vertical drop & additional run:

\$98.67

-Additional revenue from facility improvements:

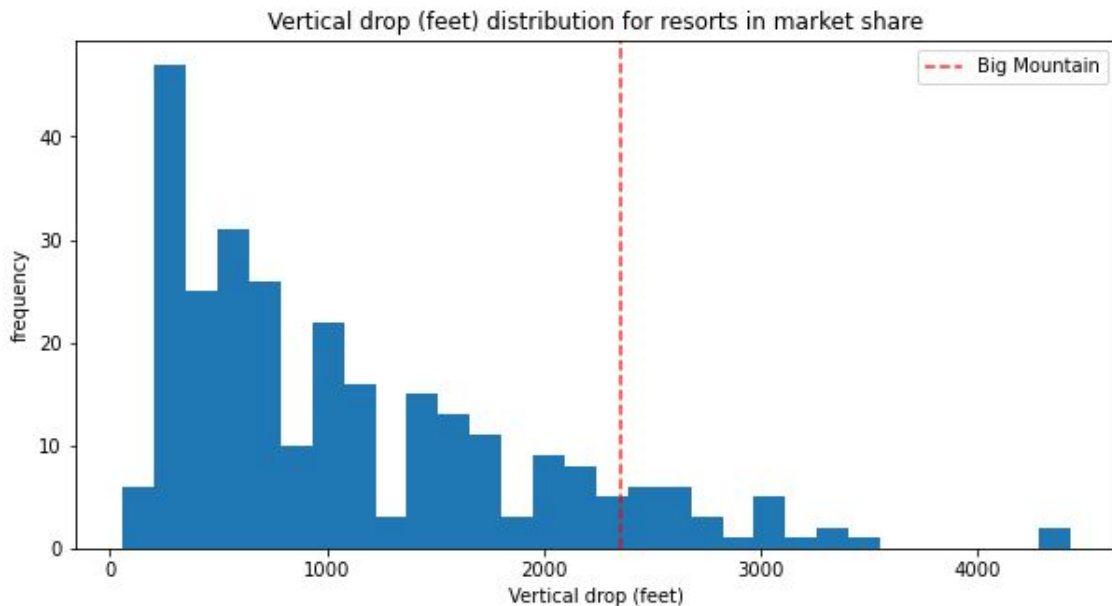
\$3,091,667

Modeling: Current Ticket Price vs. Market



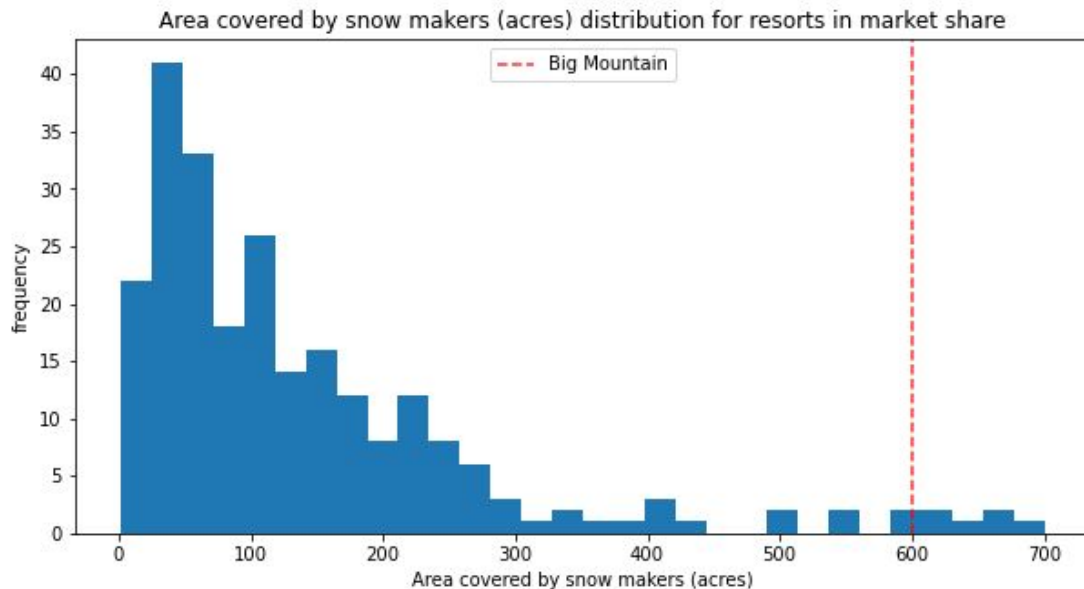
Despite Big Mountain Resort having a great many features as compared to other resorts (see following slides), the adult weekend ticket price is middle of the market.

Modeling: Vertical Drop vs. Market



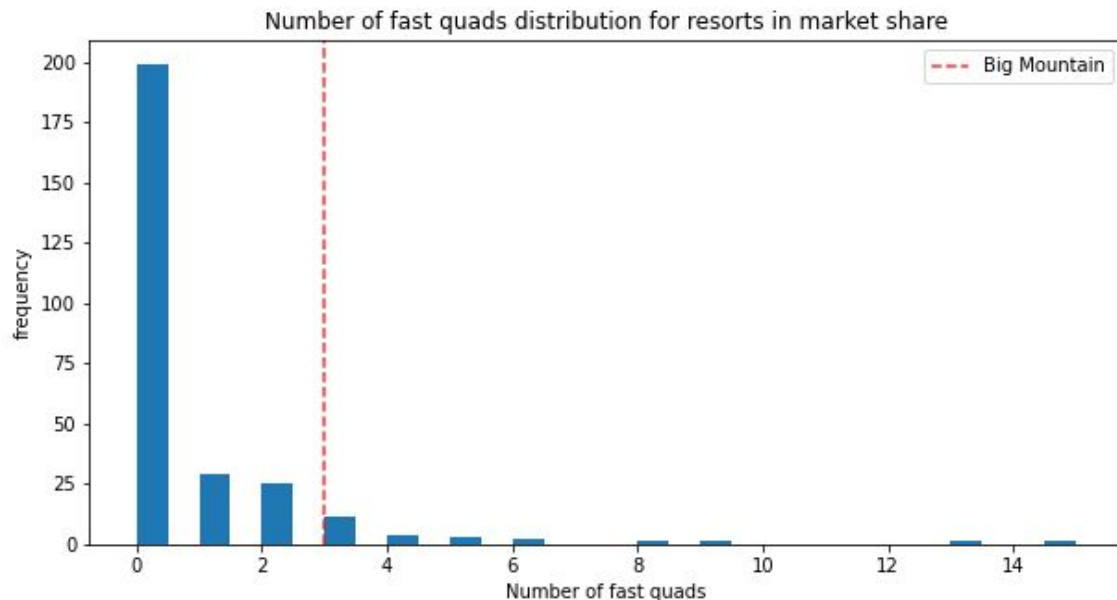
Vertical drop is a feature for which consumers will pay a premium. This feature is one where Big Mountain Resort could make improvements relative to its standings in the market.

Modeling: Snow Making Acres vs Market



Snow making acres was another feature that consumers valued. As seen here, Big Mountain Resort is in the top rankings in the market for this feature which is one of the reasons it merits a ticket price increase.

Modeling: Fast Quads vs. Market



Another area important to consumers and where Big Mountain is beating the competition is in the number of fast quads. This feature contributes to the recommendation of an increased ticket price.

Summary & Conclusion

Big Mountain Resort is competitive when it comes to features offered, but its ticket price does not follow accordingly.

It is recommended that ticket prices be increased up to \$92.65.

Big Mountain Resort could further raise ticket prices by improving on its vertical drop feature by adding a longer run and additional chair.

This change would be recommended with an increased ticket price to \$98.67.

Further modeling and additional testing of features could be continued to improve revenues.