

Is Big Mountain Undercharging? A Data Science Review

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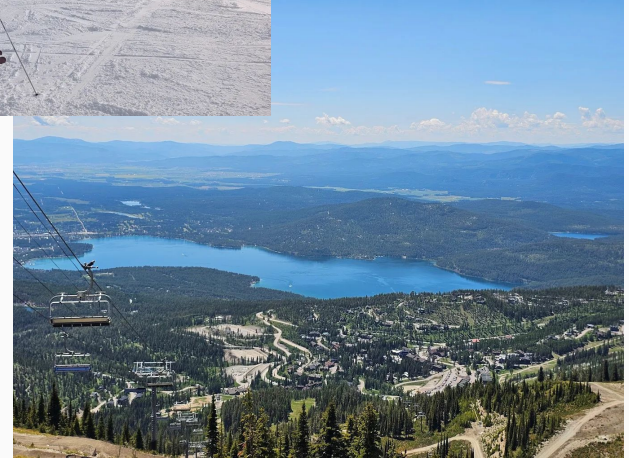
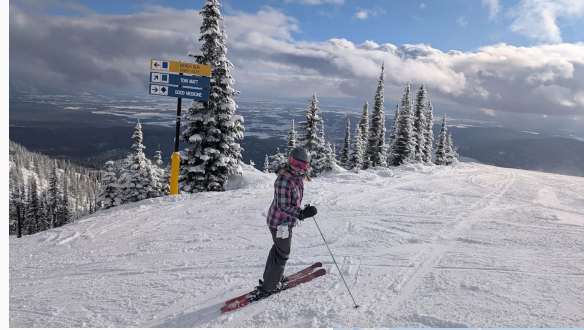


PROBLEM IDENTIFICATION

- Big Mountain Resort currently charges \$81 for an adult weekend ticket
- Is this price aligned with competitors and justified by the resort's offerings?
- Goal: Use the data driven approach if there is room to adjust pricing

PROBLEM CONTEXT

- Big Mountain is well ranked among resorts in:
 - Vertical drop
 - Total fast lifts/chairs
 - Skiable terrain
 - Snow making capacity
- However its prices are low given its features



RECOMMENDATIONS & KEY FINDINGS

Recommendation: Gradually increase Big Mountain's adult ticket price toward \$95.87, the price estimated by our model.

Potential Revenue Impact:

~\$3.5M increase per season with small operational upgrades.

Key Finding: Big Mountain is likely undercharging based on market-supported facility features

Big Mountain Ticket Price vs. Market Prediction

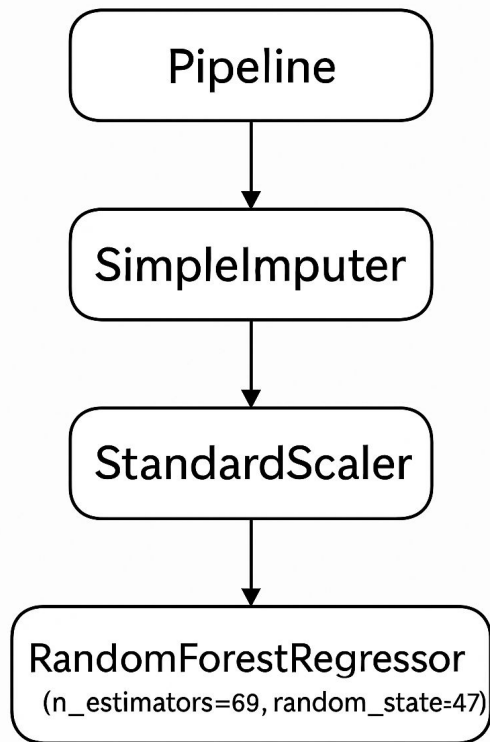
Predicted Ticket Price: \$95.87
Current Ticket Price: \$81.00

Pricing Gap: \$14.87 per ticket

Potential Revenue Impact:
\$3,482,500

MODELING INSIGHTS

- Used data from 276 U.S. resorts, excluding Big Mountain.
- Trained a Random Forest model to predict ticket prices.
- Key pricing drivers:
 - Vertical drop
 - Fast lifts
 - Snow making area
 - Skiable terrain



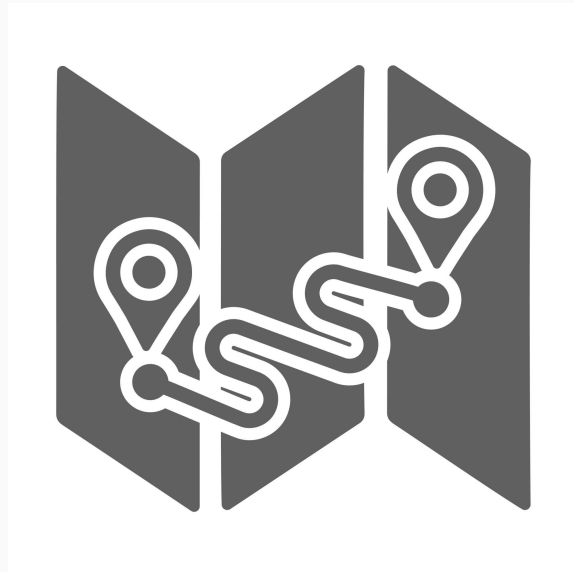
MODEL RESULT FOR BIG MOUNTAIN

- **Predicted Price:** \$95.87
- **Actual Price:** \$81.00
- **Difference:** ~\$15 under current value, even accounting for margin of error.

ANALYSIS

- Closing 6+ runs reduces revenue.
- Adding a lift and run with 150ft more drop = \$1.99 price increase
 - ~\$3.5M more revenue
- Small snowmaking upgrades or longer runs = little to no impact

SUMMARY & CONCLUSION



- Gradual increase toward \$95.87 is supported by data.
- **Actionable Investment:** Add a chair lift and extend a run = high ROI.
- Avoid closing more than 5 runs because it hurts revenue.

Next Steps:

Test ticket price increase in a single season.
Track customer feedback and ticket sales.
Use model internally to test future upgrades.