

The Big Mountain Game Plan

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Is Big Mountain Leaving Money on the Slopes?

The Situation: Big Mountain currently charges \$81.00 for a weekend ticket, a price set primarily by looking at local Montana competitors.

The Conflict: We have world-class facilities (top-tier vertical drop and lift capacity), but our pricing does not reflect our premium status on a national level.

The Risk: Without a data-driven pricing strategy, we are under-recovering the costs of our massive infrastructure and potentially missing millions in annual revenue.

The Amenities Outperform The Price

Data Insight: When compared to over 300 resorts nationwide, Big Mountain ranks in the top 10% for features like "Total Chairs" and "Vertical Drop."

The Gap: Similar resorts with our facility profile are commanding prices significantly higher than \$81.00. I am delivering a "Premier" experience at a "Value" price.



**Recommendation:
Realignment to
\$94.22
Market-Supported
Price**

Primary Move: Increase the Adult Weekend ticket price by **\$13.22** to align with the national market.

Financial Impact: At 350,000 annual visitors (averaging 5 days each), this realignment generates **\$23.1 Million** in additional annual revenue.

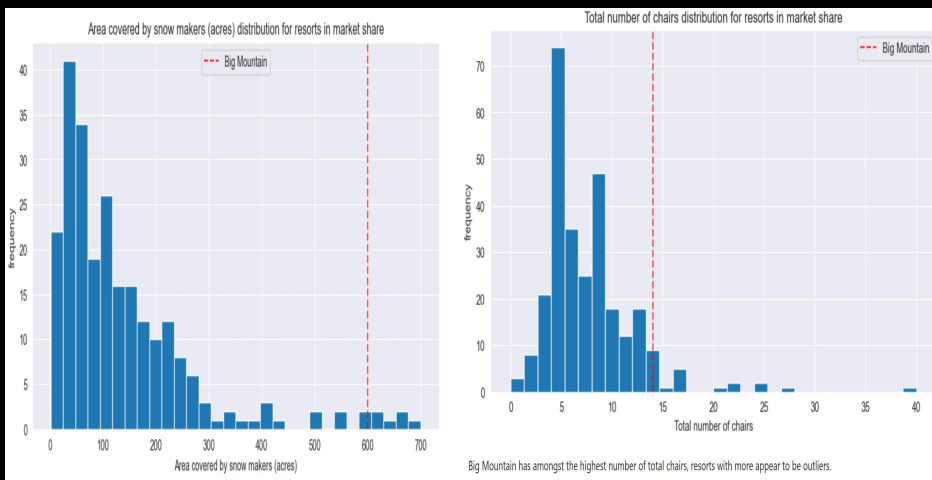
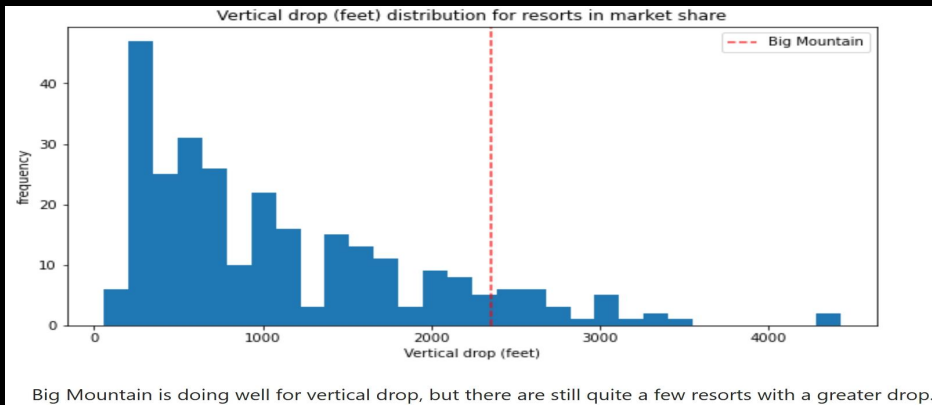
Strategic Growth: Invest in "High-Impact" features identified by the model (Snow Making and Vertical Drop) to solidify this premium positioning.

Leveraging Random Forest Modeling for Precision Pricing

The Methodology: We utilized a Random Forest Regressor to analyze 35+ features across 300 resorts.

Top Predictors: Our model identified **Vertical Drop**, **Snow Making Acreage**, and **Total Number of Chairs** as the three biggest drivers of a resort's market value.

Model Accuracy: The model successfully accounted for regional differences, proving that Big Mountain's facilities—not just its location—are its primary value drivers.





ROI of the New Chair Lift & Expanded Terrain

Scenario Analysis: I modeled the impact of the proposed new lift (\$1.5M operating cost).

The Result: Adding 1 lift and increasing vertical drop by 150ft increases our market-supported price by roughly **\$2.00**.

ROI: This more than covers the **\$0.86 per-ticket operating cost** of the new lift, proving the project is profitable.

The Hidden Cost of Closing Runs

Findings: Using the model, we tested the impact of closing up to 10 runs to save costs.

The Warning: Closing runs significantly reduces the resort's "Perceived Value." Even a small drop in the supported ticket price would lead to a revenue loss that far outweighs the operational savings of closing the runs.



Moving Big Mountain Forward

Conclusion: Our facilities support a premium price point of \$94.22.

Next Steps:

1

Implement a phased price increase starting next season.

2

Proceed with the new chair lift and trail extensions (High ROI).

3

Deploy a **Decision Support Dashboard** for analysts to continue "What-If" testing for future improvements.