**Big Mountain Resort [Emine Erdogan] PSW – Guided Capstone**

**Context:**

**Big Mountain Resort** is a ski resort located in Big Mountain, Montana. It is close to some natural wonders like Glacier National Park in the Flathead National Forest, the town of Whitefish, Columbia Falls, and Kalispell. Big Mountain Resort offers great adventure opportunities to its customers with 11 lifts, 2 T-Bars, and 1 magic carpet as outdoor activities. The longest run is named Hellfire and is 3.3 miles in length. The base elevation is 4,464 ft, and the summit is 6,817 ft with a vertical drop of 2,353 ft. It has around 350.000 annual skiers and riders from all levels and abilities.

Big Mountain Resort has recently installed an additional chair lift to help increase the distribution of visitors across the mountain. This additional chair increases their operating costs by $1,540,000 this season.

The purpose of this project is to come up with a pricing model for ski resort tickets in this market segment. Big Mountain Resort aims to maximize its returns, relative to its position in the market. It does not have a strong sense of what facilities matter most to visitors, particularly which ones they're most likely to pay more for. This project aims to build a predictive model for ticket prices based on a number of facilities, or properties, boasted by resorts*.* This model was going to be used to provide guidance for Big Mountain's pricing and future facility investment plans.

The research question for this study is as follows:

**What opportunities exist for Big Mountain Resort to maximize the annual returns through its pricing strategy (increasing ticket prices during weekends depending on the demand) starting in October 2023?**

**Criteria for success:**

**Constraints with solution space:**

The resorts in Montana do not implement varied pricing strategies during the weekdays and weekends, so it is a bit of a counterculture in Montana. However, using higher prices during weekends is a very common pricing implementation in many states and many other vacation options. Therefore, using higher prices during weekends is a possible strategy for Big Mountain Resort.

Based on this change, modifications to management intelligence infrastructure and marketing need to be done and training for the employees is required.

**Scope of solution space:**

Big Mountain Resort will increase its weekend ticket prices starting in October 2023 building on the higher demand during the weekends and examples from other resorts in the national market. Since Big Mountain Resort has better tools compared to what its regional competitors have this price increase can be a possible option for profit maximization.

**Stakeholders to provide key insight:**

Jimmy Blackburn is the Director of Operations to who we will present the recommendation.

Alesha Eisen is the Database Manager who provided the database.

**Key data sources:**

The key pieces of data that will be needed to answer the questions related to the research problem are as follows:

1- Total demand for skiing resorts in Montana and in the USA

2- Price data from other resorts in Montana and other states in the USA

3- Specific resort attractions and features of resorts that impact customer demands

4- Population size and density data.

5- Ticket sales data during weekdays, weekends, and holiday seasons.