We recommend a weekend price increase up to USD 93.99 from 81.00 for Big Mountain resort. We believe this price increase is justified based off our findings that Big Mountain is positioned favorably vs other resorts when it comes to crucial feature sets that customers value, such as number of runs, and total skiable area. Our findings determined that despite Big Mountain ranking highly on these feature sets relative to its competitors, its pricing did not reflect these advantages. We highlight our key highlights below, as well as next steps and additional information that would be informative as we make additional suggestions.

It is important to note that our findings are based off of all states provided to us in the dataset and that our exploratory data analysis showed that geographic location did **not** have any clear relationship to price. Because management’s objective was not just to recommend a price increase, but rather identify the feature sets that could be used to **model** ticket price based off of market data, we also identified a number of key features early on that we thought might have the greatest influence on price:

**Correlation Heat Map**

A close up of a logo

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While this heat map only provides a high-level overview of the correlation between the various features, it shows that weekend ticket price has a fairly strong positive correlation with the number of fast quads, number of runs, as well as snow making area. This provided a preliminary basis for us as we tried to narrow down our choice of target feature.

As we were determining the best modeling methodology for the feature sets vs. price, our eventual model of choice also confirmed that fast quads, number of runs, and snow making area were important in determining price. Looking at these features, we see that Big Mountain compares very well vs other resorts in its market:

**Big Mountain vs Other Resorts’ Feature Sets**

A screenshot of a cell phone

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We believe these charts support the price increase recommended by our model (94.22, which we rounded down to 93.99), and we suggest that management consider basing its pricing off of the number of runs it has to offer relative to the rest of the market. We would note, however, that information on attendance as well as cost savings achieved by closing down the least popular runs would be helpful in making a more informed decision. For example, our model may show that there is a plateau or limit to ticket pricing power beyond a certain number of runs added; additionally, if we knew exactly how many dollars could be saved by closing down the least popular runs, we might be able to recommend closing those runs as the best course of action. Though our model showed an adverse impact to ticket price beyond 1 closure, the full impact to operating profit is what matters.

We recommend management take a careful approach to increasing the number of runs, and assess the impact to attendance – more price sensitive visitors are likely to purchase fewer tickets or visit less frequently in the event of a price increase, but having additional runs could potentially attract new visitors and/or cause current visitors to see additional value in the resort’s offerings. We think they will happily pay the extra $13 per weekend ticket if they recognize the value they’re getting.