

The background features a series of concentric circles in light gray, some solid and some dashed, creating a ripple effect. A large, solid red oval is positioned in the center, containing the main text. A dark gray, curved shape is visible on the left side, partially overlapping the red oval.

Big Mountain Ski Resort

Data Analysis and Business
Recommendations

The Problem at Hand:

Big Mountain Ski Resort is expanding, growing, and improving

The new chair lift installed is expected to cost about \$1.5 M per year to operate and maintain

We are looking to provide actionable insights to raise revenue and/or reduce operating costs enough to offset the lift costs and maintain a 9.2% profit margin



Key Findings:

RAISE ADULT WEEKEND TICKET PRICES

- Based off trends in lift ticket pricing across hundreds of ski resorts, our model shows that adult weekend lift tickets are currently underpriced by about \$10

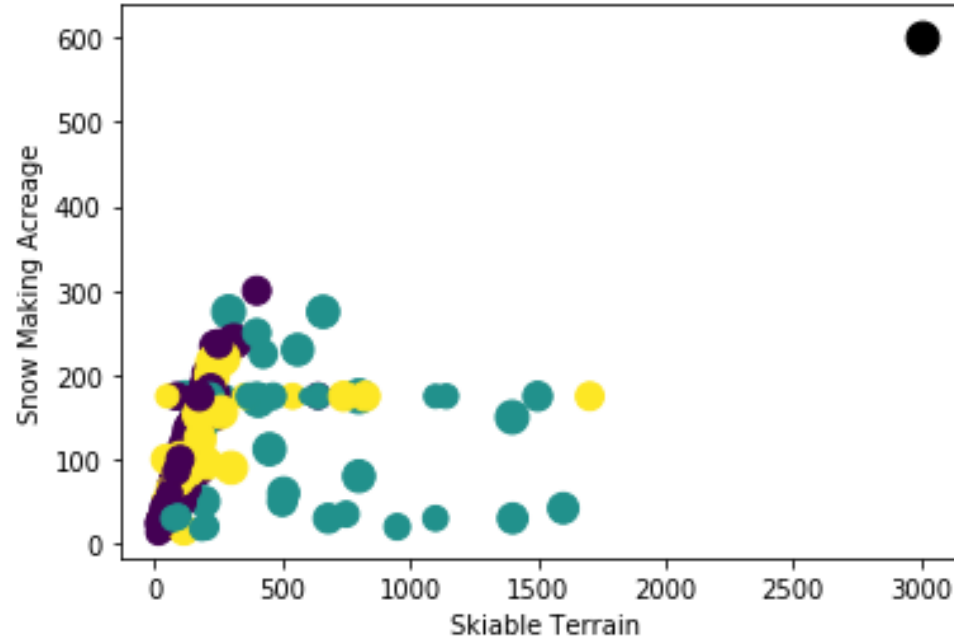
REDUCE SNOW MAKING OPERATIONS

- We currently maintain more skiable terrain than nearly all competitors. Reducing snow making would lower costs and still leave skiers with acreage to spare

EXTEND SEASON DURATION

- Average snowfall here at Big Mountain far exceeds that experienced at most other ski resorts, suggesting that we could easily extend the season duration to bring in more customers

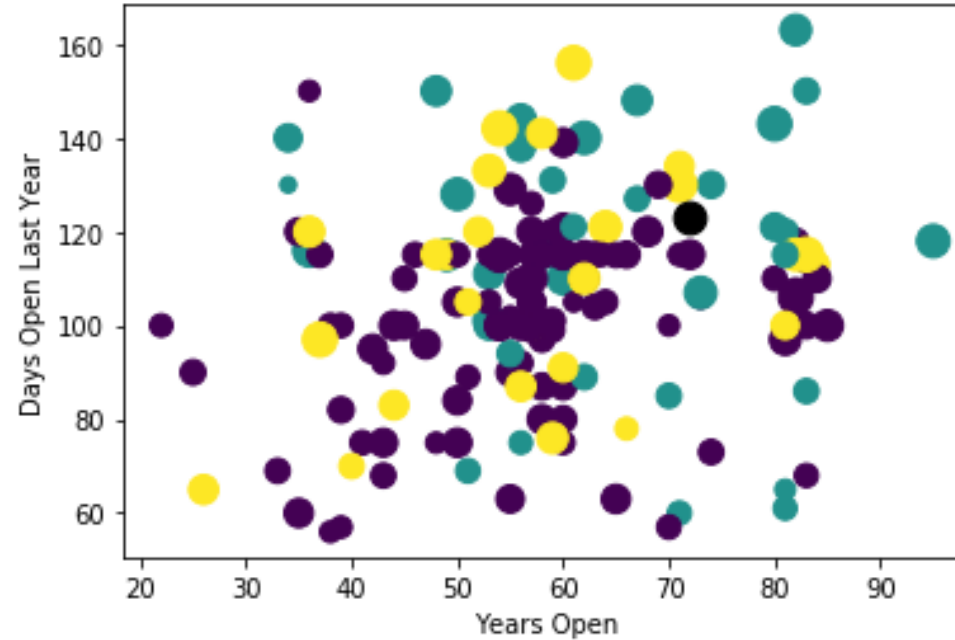
Snow Making Acreage by Skiable Terrain (acres) by Cluster with Weekend Ticket Price as size



Snow Making

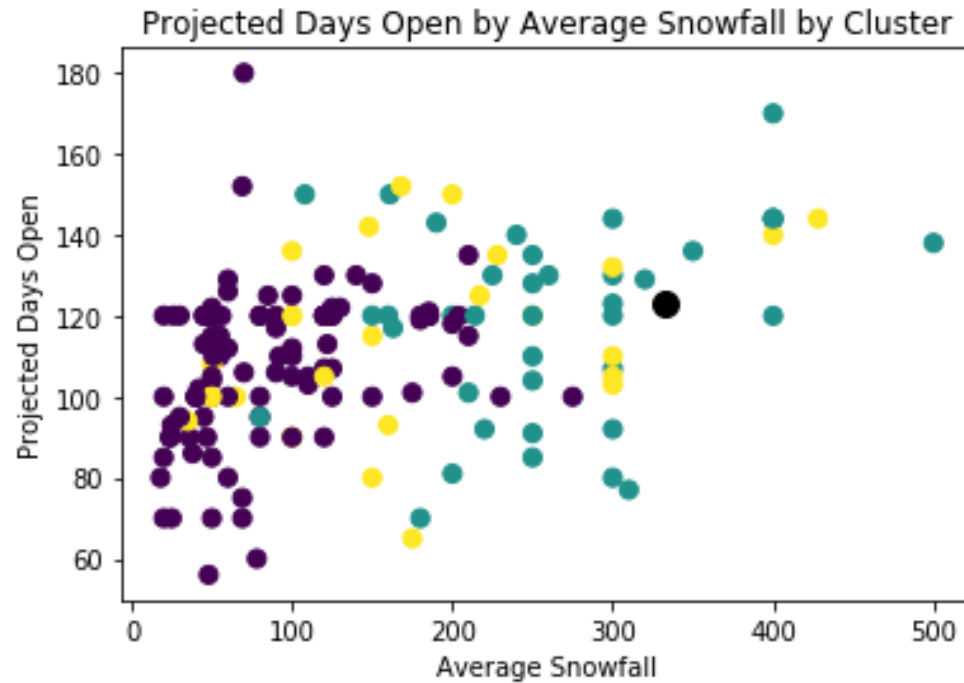
- The black point in the figure represents Big Mountain Resort. As you can see, we have nearly double the skiable terrain of any competitor. Even if we ceased all snow making operations, we would still be far ahead of other resorts in terms of skiable terrain. Snow making can cost as much as \$2,100 per acre-foot, meaning that we could conservatively save half a million in operating costs without compromising on quality.

Days Open Last Year by Years Open by Cluster with Weekend Ticket Price as size



Ticket Price

- The black point in the figure represents Big Mountain Resort. Based off key factors identified by our model, Big Mountains weekend lift tickets are underpriced by about \$10 (our model predicts a price of \$90.88 versus the current price of \$81.00).
- Big Mountain services 350,000 people per season. Assuming an even distribution (which is conservative), Big Mountain can expect a \$1 M increase in revenue if this price change is adopted.



Season Duration

- The above figure shows us that Big Mountain (black) receives a great deal more snow than many of its competitors, and yet, is open no longer than the standard 120 days per season. The climate allows for Big Mountain to keep its doors open much longer than its competitors. By extending the season for a week or two on either end, Big Mountain gains more possible customers and an edge over its competitors. This will help bolster revenue as well.

Conclusion:



Increase weekend lift price



Decrease snow making operations



Lengthen season duration



If the above changes are implemented, Big Mountain stands to increase revenue by over \$1 M while decreasing operating costs by over \$0.5 M- enough to offset the cost of the new lift.