

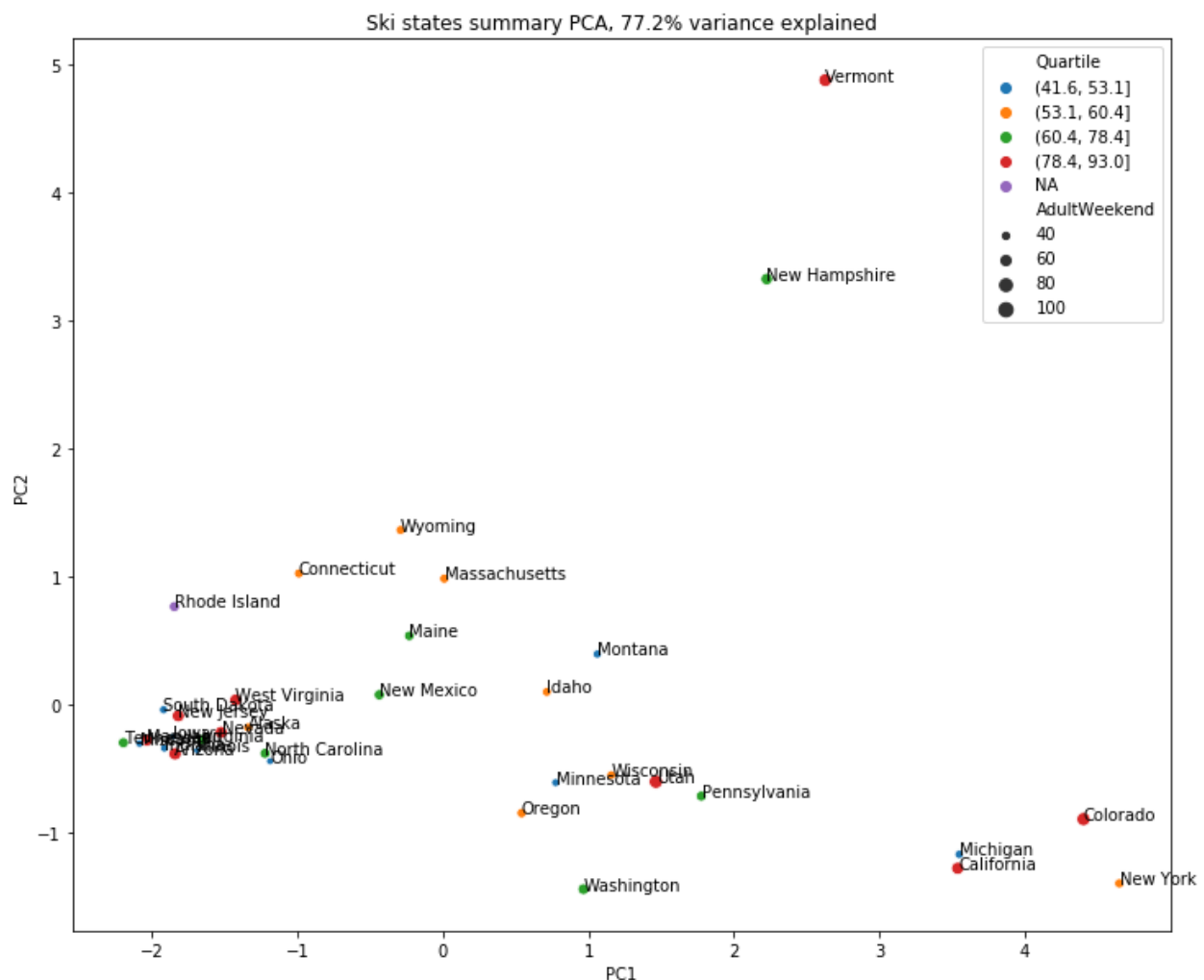
## Introduction

This guided capstone project was focused on Big Mountain Ski Resort, specifically on how the resort could adjust its operations and/or ticket pricing in order to offset the added cost of a recently installed chairlift.

## Data Exploration:

Our data-driven approach analyzed the pricing and equipment/amenities offered at 300+ competing ski resorts across the country in order to determine a business recommendation with the highest degree of confidence supportable by our dataset.

During our data cleaning and preparation stage, we opted to use weekend ticket pricing only in our modeling. We also discovered that although there were some resort features that were more prominent in certain states (e.g. Night Skiing is significantly more common in New York), states overall did not have much of a direct correlation/observable trend on ticket pricing. Therefore, our analysis focused on individual resort features to model ticket pricing for Big Mountain Resort using available data from resorts across the country regardless of location.

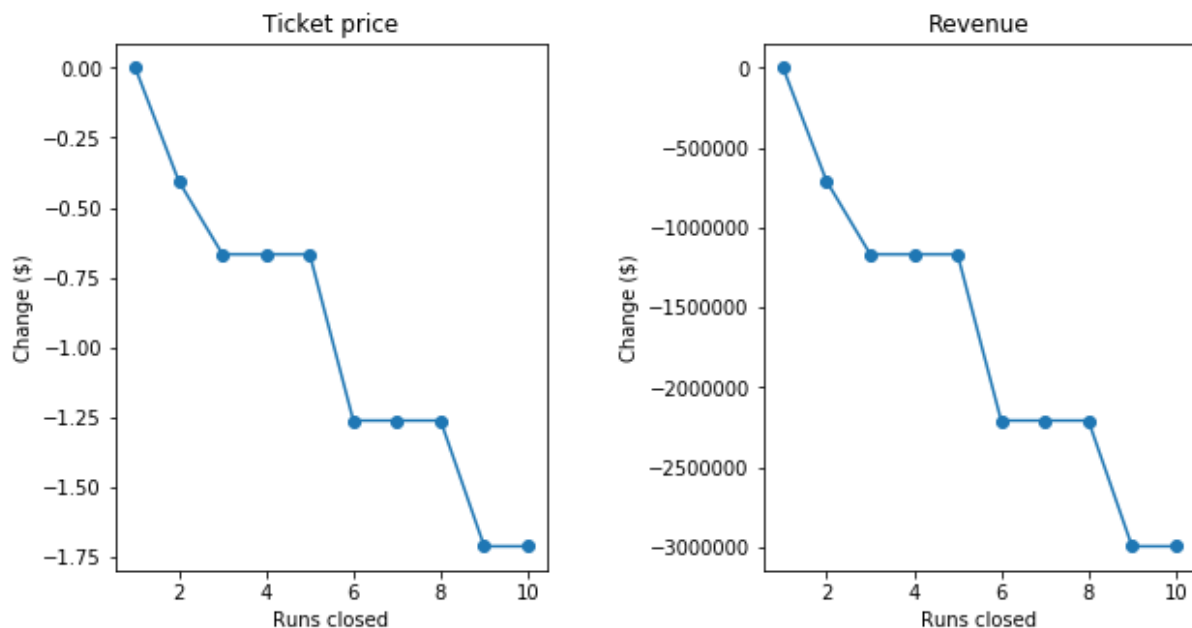


### **Recommendation:**

It is recommended that Big Mountain adds an additional run to the resort to extend the vertical drop by at least 150 feet. Based on our pricing model, such an addition would support a ticket price increase of nearly ~\$10 per person (whilst maintaining the same customer demand).

Based on ~350,000 visitors and assuming that they each ski for an average of 5 days, this would equate to an expected **\$17,500,000 increase in revenue per season.**

To compensate, we suggest that Big Mountain shut down the 5 least used runs on the resort to save on operating costs. Our model suggests that management would only need to lower ticket prices by ~\$0.70 after doing this in order to maintain the same level of customer demand. This \$0.70 ticket price reduction would only reduce expected revenue by ~\$1,200,000.



Note that even if management finds it infeasible to add in the extra run as recommended above, our model still supports **a price raise of up to \$94 per adult from the current \$81 without hampering current demand.** This price increase holding all other factors equal would already increase expected revenue by \$22,750,000.