

## Big Mountain Resort Ticket Pricing Analysis

### Overview:

In order to increase the distribution of visitors across the ski resort, Big Mountain Resort has installed an additional lift chair. Because of this, their operating costs have increased by \$1,540,000 for the upcoming season. In order to find new ways to keep the business profit margin at optimal levels, we have analyzed the resort's data and compared it with 330 other resorts across the country.

### Recommendation:

Currently, Big Mountain Resort is charging \$81 per adult for a weekend ticket. However, with our model, Big Mountain Resort should **increase ticket prices to \$84** in order to maintain the optimal business profit margin levels.

Too drastic of an increase in prices could deter potential customers from visiting Big Mountain Resort, however, with our statistical analyses, we are confident that the \$3 increase will still be reasonable for customers. When comparing our ticket prices and key characteristics of the resort (summit elevation, days open last year, and average snowfall) to other similar resorts across the country, the recommended ticket price is in line with other resorts and is not a price that is considered absurd.

