

Introduction

We are seeking to re-evaluate Big Mountain Ski Resort's pricing model to determine if there is a more profitable price point for Adult tickets. Our analysis finds that Big Mountain Ski Resort could indeed raise its prices. Our analysis could benefit greatly from the addition of some data points, such as average number of attendees per resort.

Data

The data was provided to us by Alesha Eisen, the database manager for Big Mountain Ski Resort. It represented 330 ski resorts across 25 columns. For the column `fasteight` there were 50 percent of the data was missing, for `nightskiing` ac, a key factor in determining price-point of our model had 43 percent missing data. A few of the columns as had up to 15 percent missing data.

Analysis

Our model suggests a price of 95.88 for an Adult Weekend ticket, with a mean absolute error of about 10.00. This implies that Big Mountain's current pricing-model is undercharging for the experience, relative to other ski resorts. We modelled a variety of different scenarios, from closing runs, adding a chairlift, to increasing the length of the longest run. The most profitable move for Big Mountain (if any move is to be made) would be adding a chairlift. Cutting costs and therefore cutting out the Big Mountain experience yielded too large of revenue decreases to be considered.

Further Considerations

The analysis could've benefitted greatly from additional information in the data, such as attendance numbers. The data-quality could also be improved for a few of the variables, but most notably the `nightskiing`, as that was a large determining factor of price, according to our analysis. Additional cost of doing business figures would yield better modelling of the scenarios.