Here we are focusing to re-evaluate the pricing model/strategy to estimate better ticket price of Big Mountain Resort to cover the operational expenses of $1.6M for installing additional chair lift by evaluating the facilities and service they provide

Data from 330 resorts across US shows that Big Mountain Resort (BMR) is currently charging $81 for utilizing different facilities, which is underpriced. So, BMR is reviewing possible options to optimize the ticket price by relating with different resorts across states with varied facilities to be competitive and sustain in the market. The model suggested a predicted ticket price increase from $81 to $95.87 +/-$10.39, which would increase the ticket price by $4.34/day/ticket to $25.4/day/ticket). Assuming 350000 visitors purchase 5-day passes (350,000\*5\*4.34= $7.595MM to 350,000\*5\*25.4=$44.450MM).

Initial analysis indicating that of the 32 features evaluated in the study, there were 4 key features that impacted ticket prices the most, in order of impact: Fast Quads, Runs, Snow-making and Vertical Drop were used for further analysis steps and recommendations.

1. As suggested by the model, initially increase the ticket price from $81 to $85.34/day/customer and monitor the daily increase of revenue and validate with recent sale information. If continues, increase the price to maximum of $106.40.
2. Closing down one of the least used runs which may not have a direct impact on ticket price. However, closing a run would reduce the operational expenses, which intern is added to the revenue. As the model suggests, recommend to close more least used runs after seeing the value gain of closing one.
3. Model suggested that increasing the vertical drop by 150 feet, adding a run, and installing an additional chair lift increase ticket price by $1.99/day/customer would increase the revenue. However, requires validation by including full financial data into the analysis.