

Big Mountain Ski Resort

Where does Big Mountain fit into the market?

- Current ticket price is \$80
- Middle of the market

How do our services differ from the services of other mountains?

- We ticket price roughly correlates to the ticket prices we offer, middling price and middling services

Recommendations

1. To secure short term cash flow one or more runs can be closed without significant downward pressure on prices.
2. Long-term we can open a new a new run with a significant drop which should have put upward pressure on our ticket prices.

Modeling

- Our model has established a correlation between the quality and number of services offered and the price of the ticket.
- The model has taken into account the number of runs, longest run, highest drop, and several other services offered
- We can then establish the the potential increase or decrease in prices by altering the services input for our big Mountain.

Summary

- Short term cash flow can be secured by closing one or more runs
- The mountain is in a difficult position as we can be pushed out the market if larger mountains lowered their prices.