

# Big Mountain Resort

Ticket Pricing and Ski Resort Feature's Effects on Value



# Predicting the Ticket Pricing

Big Mountain Resort prices their tickets at the marketplace average, plus a premium.

- Does the current ticket price reflect the resort's value?
- Can the ticket price be increased immediately, without additional changes?
- Would changes in facilities increase the value of the ticket, and if so, by how much?

# Recommendations

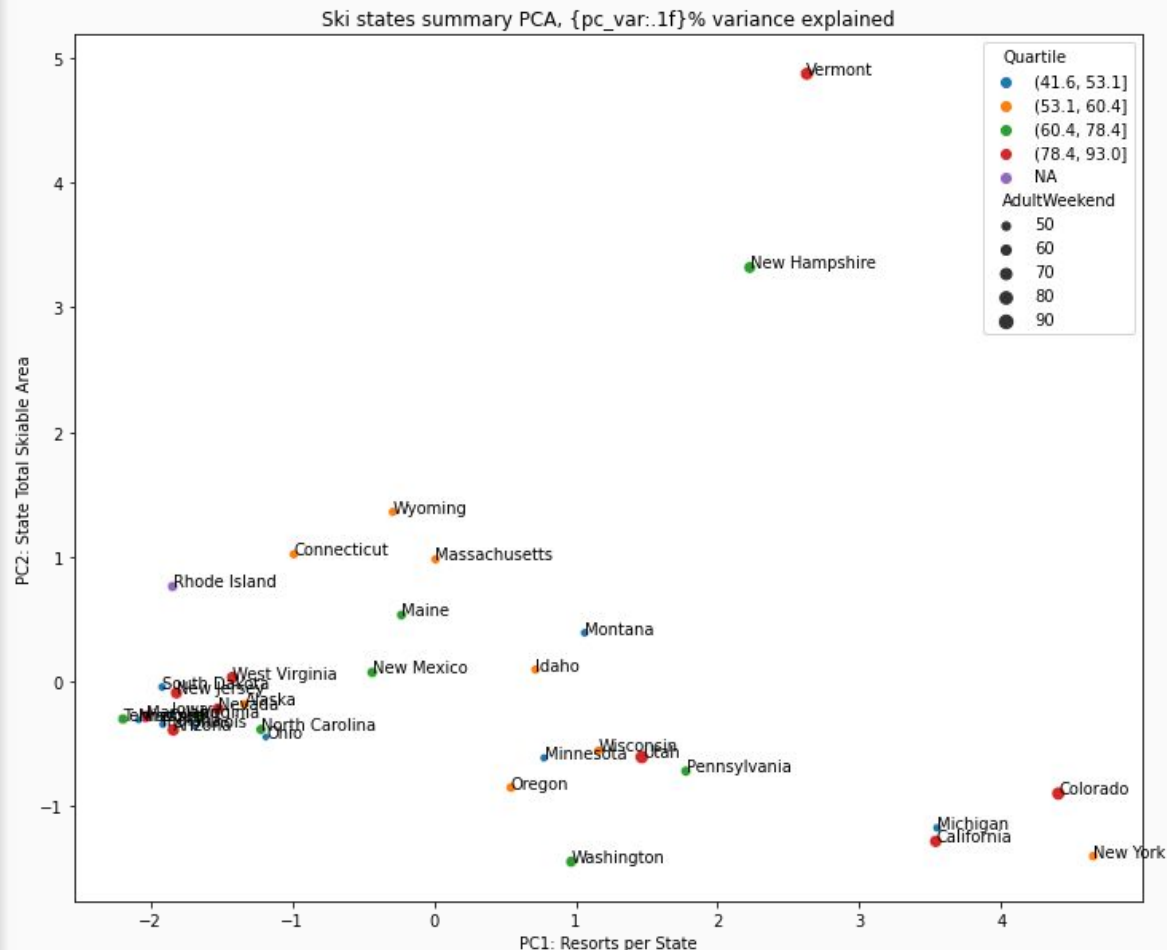
- The ticket price can be increased immediately to **\$95.87, without any changes to facilities**, for predicted seasonal revenue increase of **\$22MM**.
- After a new chairlift is built, which will add an additional run and 150' of vertical drop, the ticket price can be increased to **\$97.86**, for predicted seasonal revenue increase of **\$29.5MM**.

	<i>Ticket Price</i>	<i>Seasonal Revenue</i>	<i>Increase in Revenue</i>
Current	\$81	\$141,750,000	0
Recommended	\$95.87	\$167,772,500	\$26,022,500
After new chairlift, additional run, and 150' vert drop increase	\$97.86	\$171,255,000	\$29,505,000

# Pricing IS NOT State or Region Dependent

Most of the variance between states is accounted for by a few outliers.

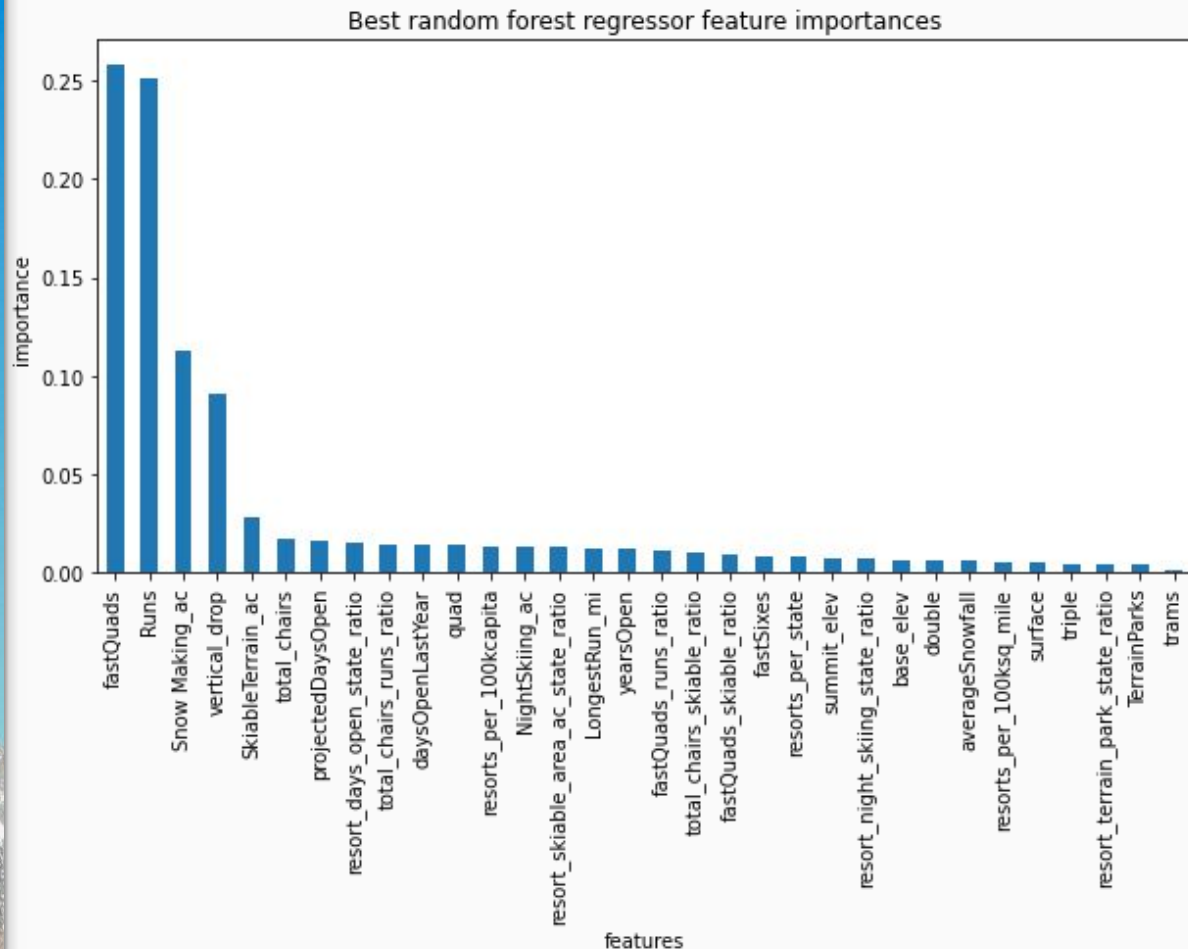
The price of the ticket does not depend on the location of the resort.



# Pricing IS Feature Dependent

Most of the variance in pricing is due to the following features:

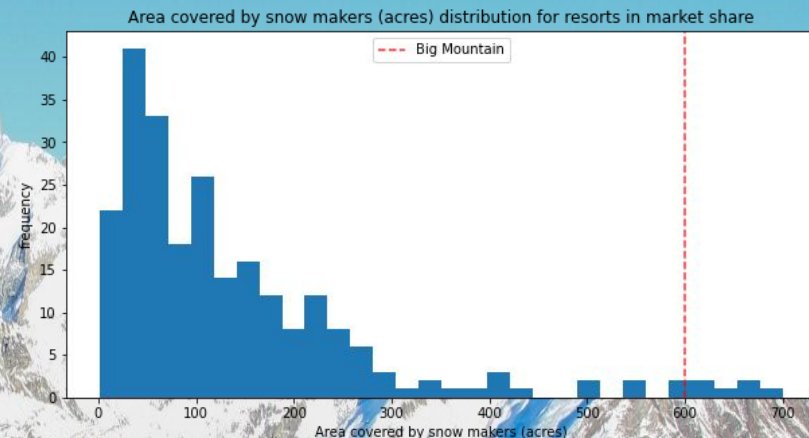
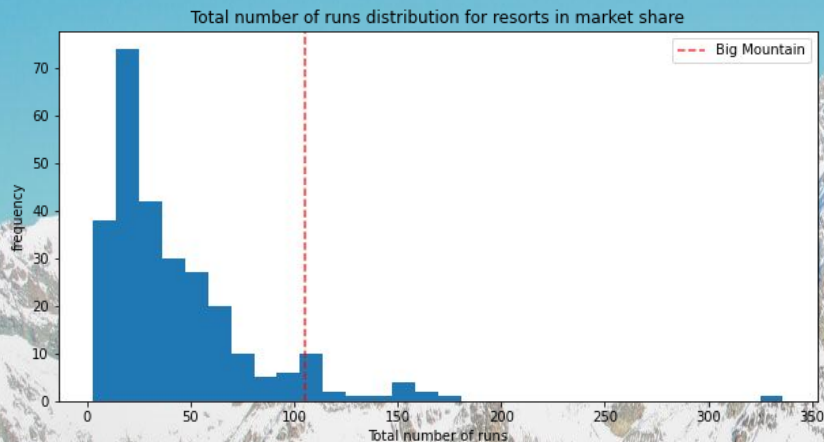
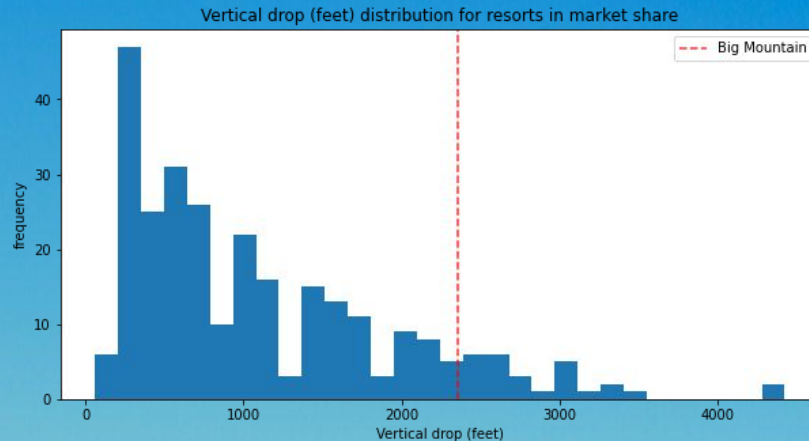
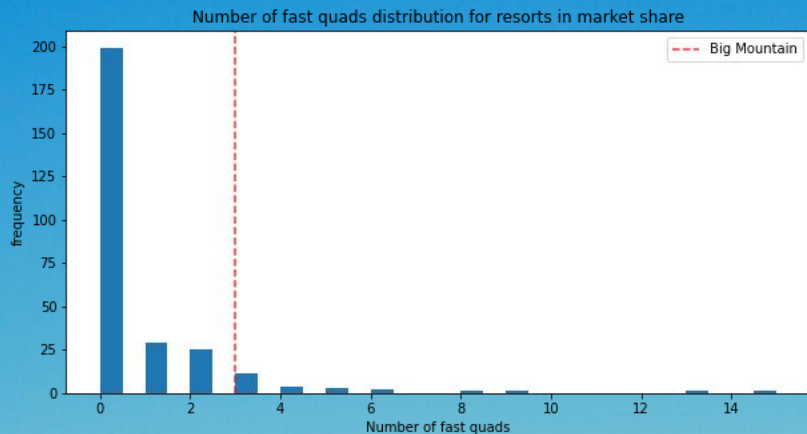
- Number of Fast Quads
- Number of Runs
- Acreage of Snowmaking
- Vertical Drop





# Big Mountain Resort compares favorably to other resorts:

## Key feature metrics: Fast Quads, Runs, Vertical Drop and Snow Making



# Current Ticket Value *exceeds* Current Ticket Price

- The difference between current ticket price and ticket value as compared to the market is about **\$15.00**.
- This model can be also be used to explore other changes, including:
  - Opening, or closing Runs
  - Building new chairlifts of different types
  - Increasing or decreasing snowmaking acreage

