

Big Mountain Resort

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Problem Identification

How should Big Mountain Resort charge their customers this season in order to a) recoup their \$1.54 million operating cost and b) achieve a business profit margin near 9.2% at season end?

Recommendation and Key Findings

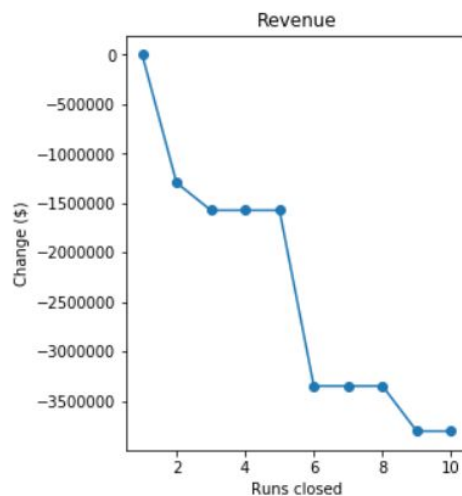
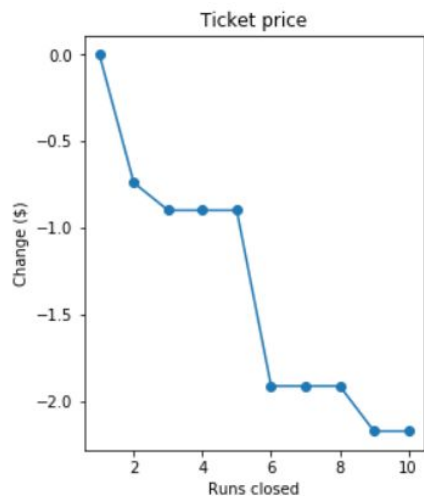
Increasing vertical drop (along with some runs) at Big Mountain Resort is a viable option for increasing ski ticket price.

Key finding - increasing vertical drop and/or number of lifts at the resort is typically an opportunity to increase ticket prices (as found in our dataset).

Modeling Results and Analysis

Small moves in the number of ski runs did not change ticket price

Large moves in the number of ski runs did change ticket price



Modeling Results and Analysis

Increasing the vertical drop at Big Mountain Resort an opportunity to increase ski lift ticket price.

Modeling Results and Analysis

Slight increases in longest ski run and acres covered by snow makers had no influence on ticket price.

Summary and Conclusion

Increase the vertical drop at Big Mountain Resort by installing new lift to extend the peak or base of the resort. This way, we can increase ticket price and offset operating costs of the additional lift.