Big Mountain Case report.

The model was created for adjustment of Big Mountain Resort’s new ticket price to support the operation cost with the newly installed lift chairs.

The modelled ticket price for Big Mountain Resort is $95.87 which is higher than the actual current price of $81.00, The modelled price has the expected mean absolute error is $10.39, and it shows that there is room for increase even with the mean absolute error.

The model’s calculation was supported by 8 features those affect the ticket price the most of the resorts in United States. The features include vertical drop, snow making area, total number of chairs, runs, trams and fast quads, length of longest runs and the area of skiable terrain. The model calculated where Big Mountain Resorts sits at in each of those features compare to other resorts in United States.

Chart, histogram

Description automatically generatedChart, histogram

Description automatically generated

As the figures above shows, Big Mountain is doing well in both the vertical drop and area covered by snow makers. There are more resorts with worse vertical drop and there are only few resorts with better snow making area than Big Mountain Resort.

Chart, histogram

Description automatically generatedA picture containing histogram

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The figures above also shows that there are only few resorts in United States with higher number of chair distribution and fast quads compare to Big Mountain Resort.

Chart, histogram

Description automatically generatedChart, histogram

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Also Big Mountain is ranked as the top tier in terms of total number of runs and the length of longest runs in United States.

Chart

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Although the figure tells us that Big Mountain resort does not have any trams as well as other reosrts in United States, but there are only couple of resorts with trams. Lastly, Big Mountain Resort has one of the greatest skiable terrain area in United States as well.

As the figures support, the Big Mountain has great features and facilities those affect the ticket price the most compare to other resorts in United States. Therefore it is reasonable to increase the ticket price and the resort itself will stay competitive in the market. Also the idea of ticket price adjustment came up due to change of lift chair numbers and its operation cost. The other way to cut the operation cost and remain competitve in the market is by reduing the other facilties and decrease the operation cost of them to maximize the profit. The one of model’s scenarios shows closure of one runs makes no differnece to the revenue. Chart, line chart

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Lastly, the other way to maximize the profit is to incraese the number of runs andsnow making area, In these scenarios, the support for ticket price increased by $1.99 which leads to $3474638 increase of revenue pre season.