

# Big Mountain Resort





# Modeling

## **Objective:**

- To evaluate the pricing strategy of the resort using a data driven approach.
- To collect the data pertaining to the facilities offered by different resorts of the region and model on optimizing the pricing.

## **Steps involved:**

1. Data collection
2. Data Wrangling
3. Exploratory Data Analysis
4. Pre processing the data
5. Modeling



# Key Findings

The facilities customers are willing to pay based on:

1. Vertical drop
2. Snow making area
3. Number of chairs
4. Number of fastquads
5. Number of runs
6. Number of trams( higher the number of trams, lower is the ticket price expectation)
7. Skiable terrain area (higher the area lower is the ticket price expectation)
8. Snow making area

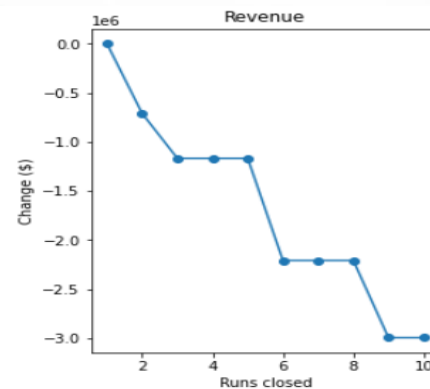
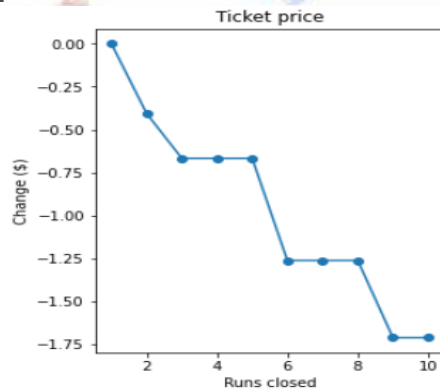


# Recommendations

## Strategy 1:

Permanently closing down up to 10 of the least used runs.

Impact:



## Strategy 2:

Increase the vertical drop by adding a run to a point 150 feet lower down with an additional chair lift to bring skiers back up.

Impact:

Ticket Price can be increased by **\$8.46**.

Revenue increase per season **\$14,811,594**



# Recommendations

## **Strategy 3:**

Increase the vertical drop by adding a run to a point 150 feet lower down but requiring the installation of an additional chair lift to bring skiers back up, adding 2 acres of snow making cover

Impact:

Increase in support for ticket price: **\$9.75.**

Revenue generated during the season: **\$17,068,841**

## **Strategy 4:**

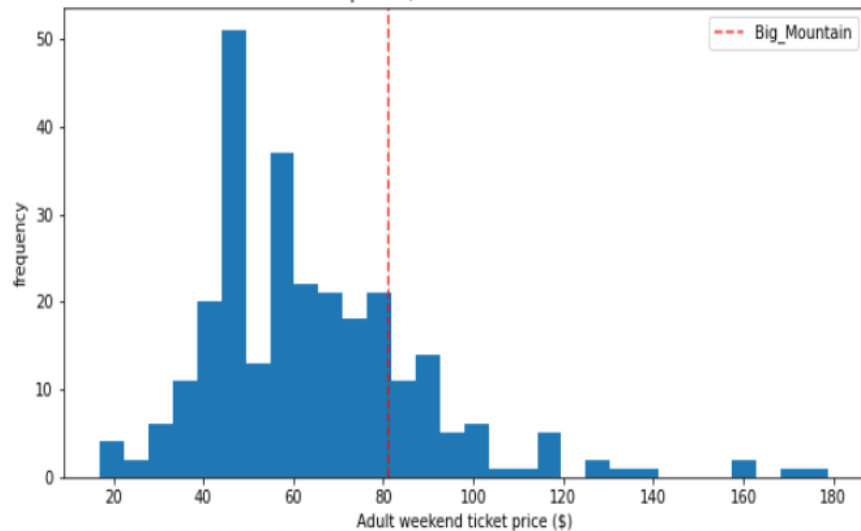
Increase the longest run by 0.2 mile to boast 3.5 miles length, requiring an additional snow making coverage of 4 acres.

Impact: No impact seen.

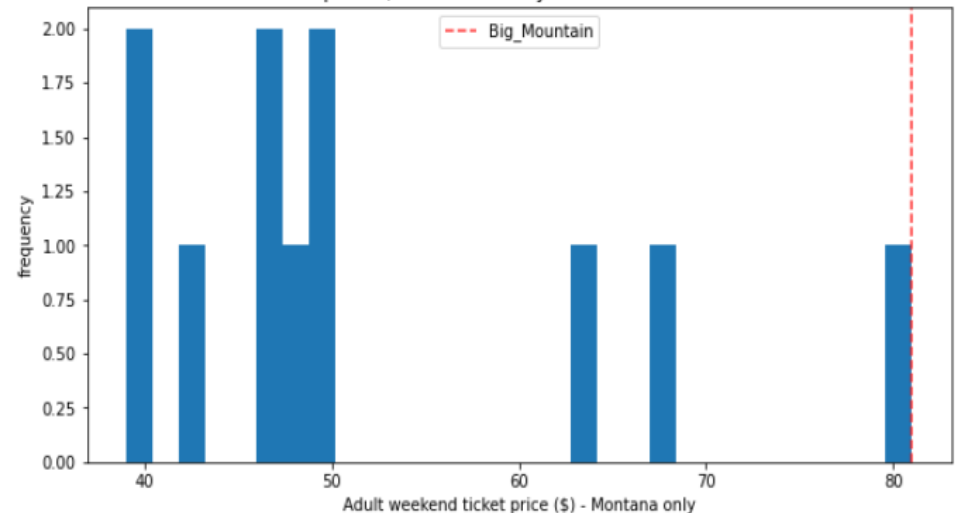
# Where do we stand currently?

Ticket price distribution vs market share:

Adult weekend ticket price (\$) distribution for resorts in market share



Adult weekend ticket price (\$) - Montana only distribution for resorts in market share

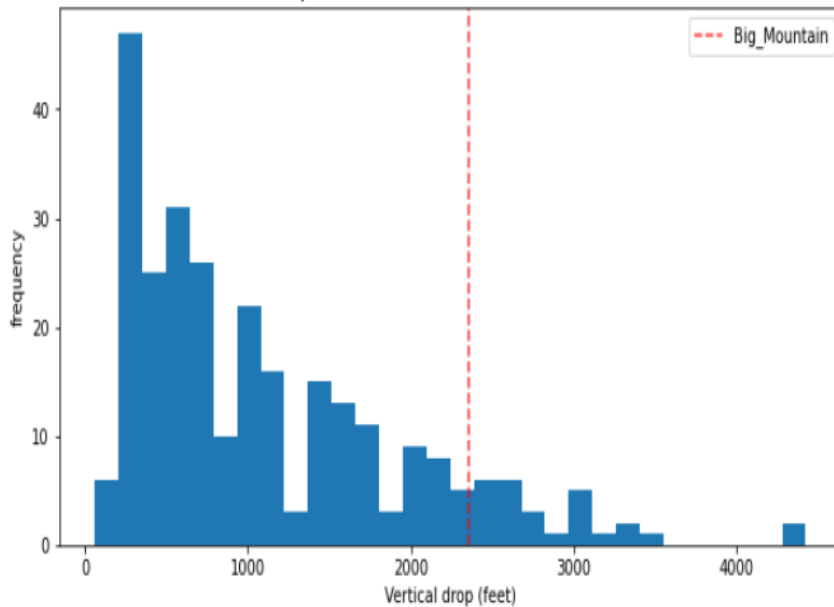




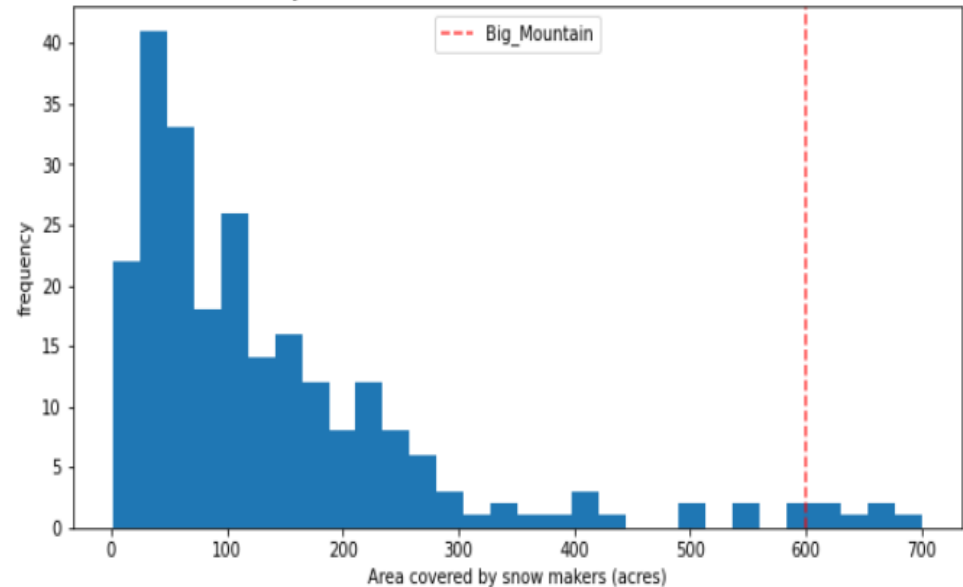
# Where do we stand currently? - Key indicators

Vertical drop and Snow making area

Vertical drop (feet) distribution for resorts in market share



Area covered by snow makers (acres) distribution for resorts in market share



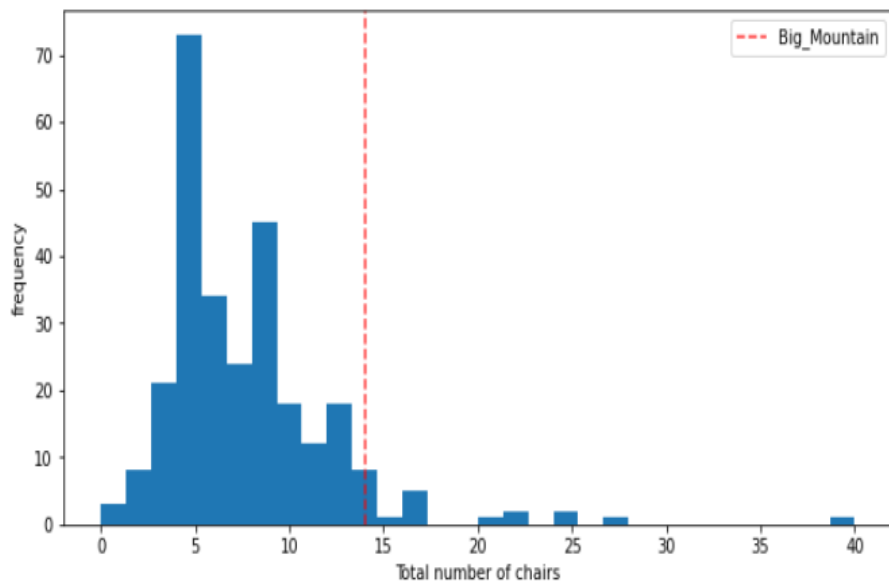




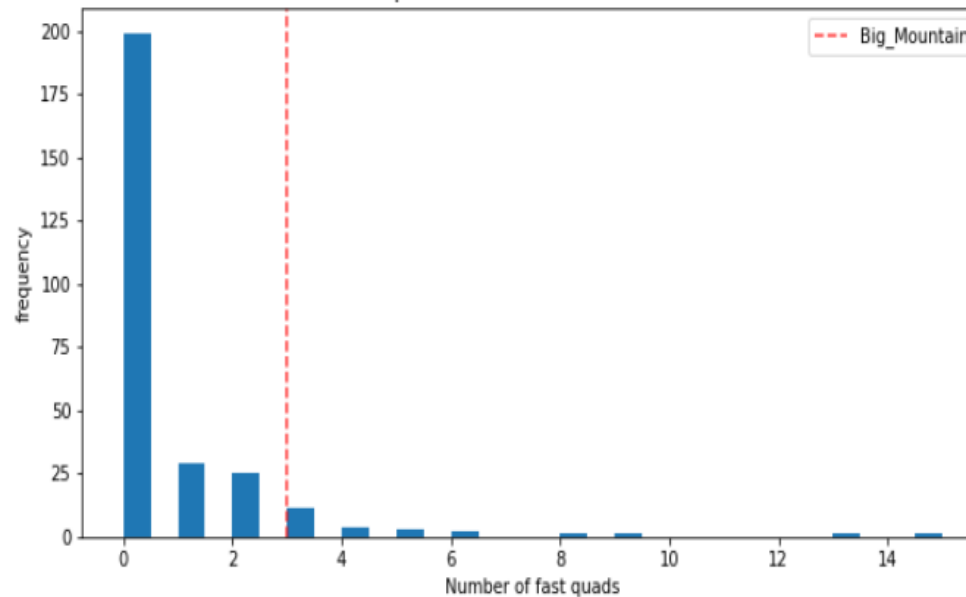
# Where do we stand currently? - Key indicators

Number of chairs and Fastquads

Total number of chairs distribution for resorts in market share



Number of fast quads distribution for resorts in market share



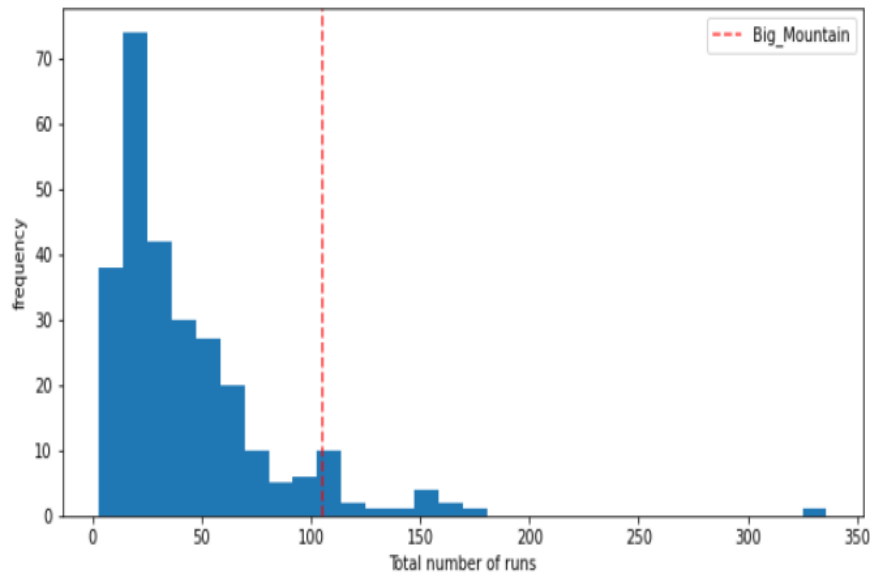




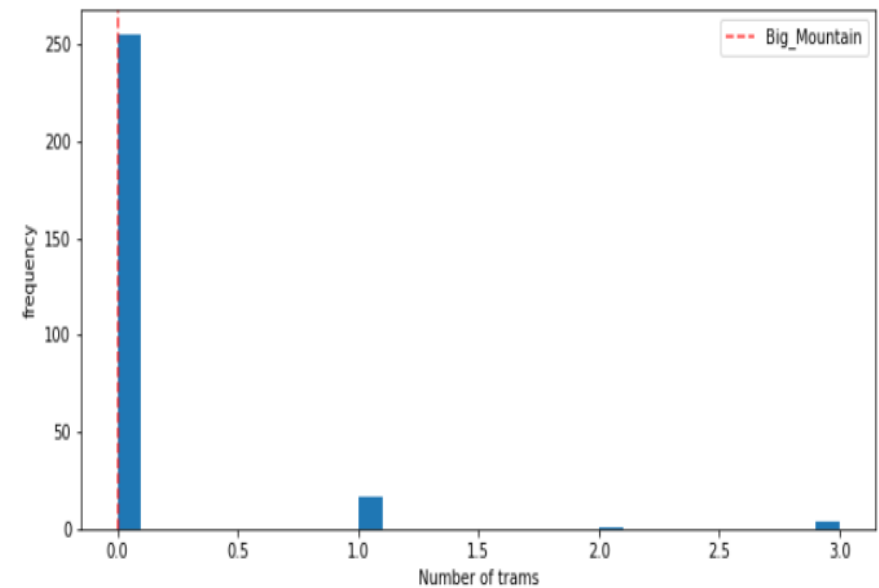
# Where do we stand currently? - Key indicators

Number of runs and Number of trams

Total number of runs distribution for resorts in market share

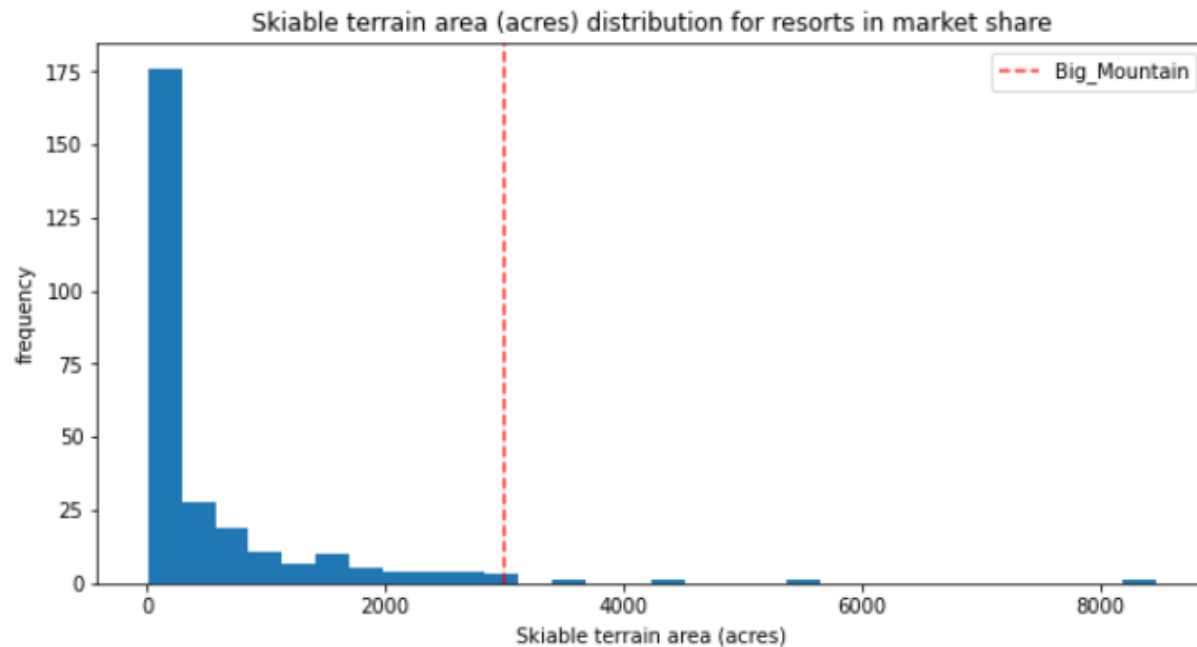


Number of trams distribution for resorts in market share



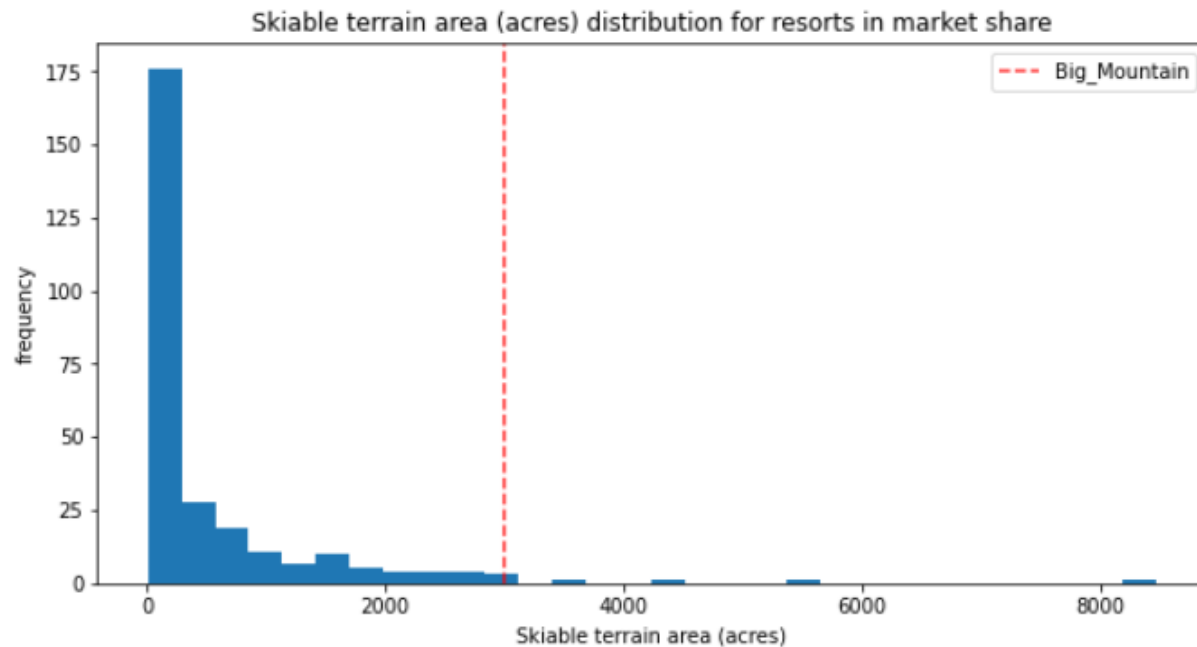
# Where do we stand currently? - Key indicators

Skiable terrain area



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Skiable terrain area





# Summary and Conclusion

- Big Mountain Resort is at par with its competitors in terms of the premium facilities offered.
- There are 8 key facilities that have an impact on the ticket prices.
- These key facilities can be optimized for pricing and hence better returns.
- Of the shortlisted strategies, the company may consider the addition of vertical drop and snow making area after consideration of the expenses for better returns.