Patrick Long – Presenting My Work

Big Mountain Resort

# Problem identification

- Big Mountain Resort, a ski resort located in Montana.
- The business wants some guidance on how to select a better value for their ticket price. They are also considering a number of changes that they hope will either cut costs without undermining the ticket price or will support an even higher ticket price.

Recommendations and Key findings

- I think states feature should be brought to the modelling. Different states with different outstanding features so if this is accounted for, the modelled price might improved. Operational cost incured on snow making machine might be helpful to know.
- This might include state taxes, employee salary, state population + tourism numbers.

Key findings 1
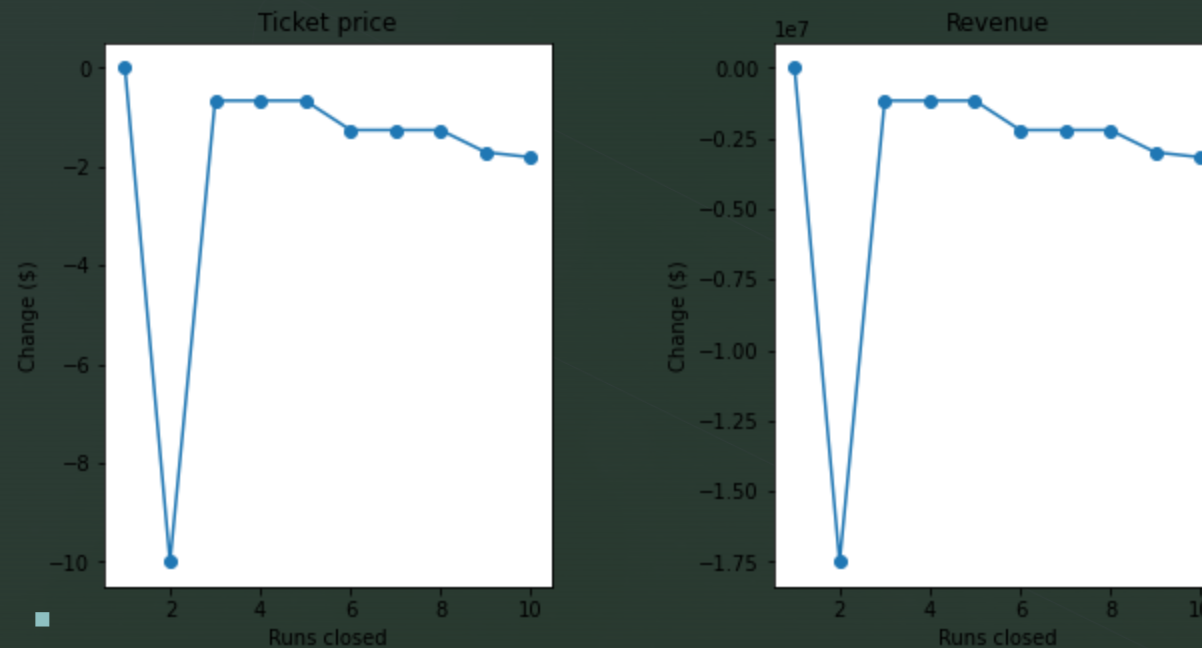
The model says closing one run makes no difference. Closing 2 and 3 successively reduces support for ticket price and so revenue. If Big Mountain closes down 3 runs, it seems they may as well close down 4 or 5 as there's no further loss in ticket price. Increasing the closures down to 6 or more leads to a large drop
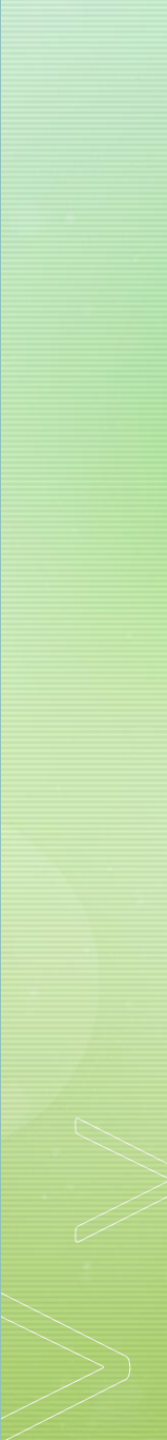
Key Findings 2

Skiable terrain area (acres) distribution for resorts in market share
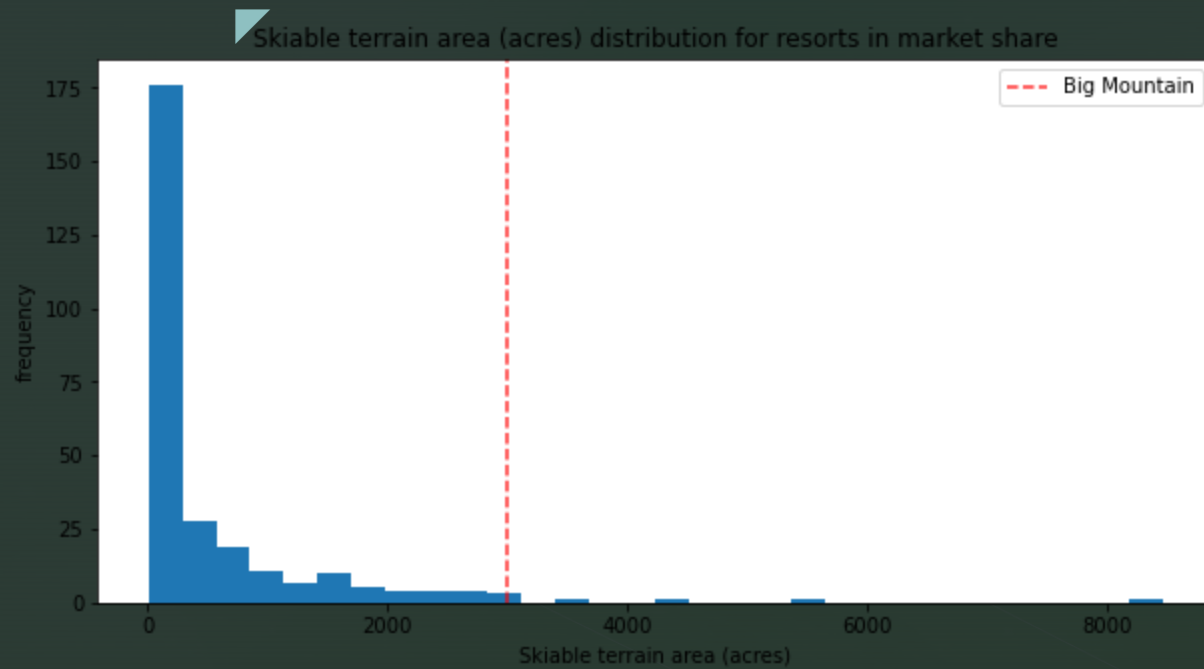
Big Mountain is amongst the resorts with the largest amount of skiable terrain.

Big Mountain has one of the highest adult ticket prices in Montana.

Summary and Conclusion

Big mountain's current charge is 81 dollars, the modelled price is 95.87 dollars with the mean absolute error being 10.39 dollars. For the ticket price, choosing 2 or 3 runs reduces support for ticket price as well as revenue. Big mountain is part of the resorts with the highest number of chairs and I do not think it is necessary to incure more operation cost on chairs. The expected number of visitors over the season is 350,000 and, on average, visitors ski for five days. Suppose the data provided includes the additional lift that Big Mountain recently installed. They might want to raise the ticket price to cover the additional operating cost.