

Market research on Big Mountain Resort in Montana reveals that its tickets are underpriced, the business is always suspected not to have used its built features and the natural Geographical features while fixing the price, they currently follow the strategy of pricing a premium above the average price of other resorts in their market space.

They can increase the ticket price, and therefore their profitability, based on the model developed in the study, where it is shown that the current market will bear price increase from \$85.48 to \$106.26, the current price being \$81. With the expected number of 350000 visitors over the season skiing for 5 days on an average, this will increase the revenue between \$7.8M (\$4.48/ticket/day) to \$44.2M (\$25.26/ticket/day).

Out of 32 features that were available for study, 4 features that have impact over the ticket prices are FastQuads, Runs, Snow Making area and the Vertical Drop.

Using these 4 features for the analysis, following business recommendation has been made:

1. Increase the ticket price by the minimum mentioned above from \$81 to \$85.48.
Check the impact over a period of time. The price can be increased upto \$106.26.
2. As per the model, closing one least used run did not show any effect on revenue, though this run can be opened and closed on a weekly basis and the impact can be recorded.
3. The analysis also showed that increasing the vertical drop by 150 ft and adding an additional chair, allowed the ticket price increase upto \$1.99, leading to the revenue increase of \$3.47M which justifies the operational cost of \$1.54M for one additional chair.