

Big Mountain Resort Strategic Recommendations

Executive Summary

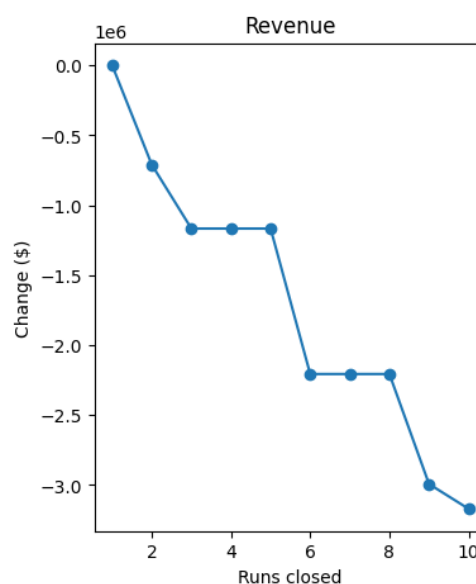
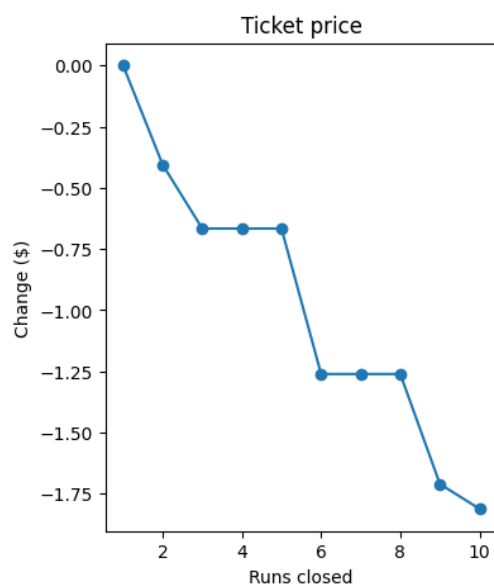
Our analysis indicates that Big Mountain Resort has significant potential for price optimization and operational efficiency improvements. The current weekend adult ticket price of \$81 is substantially below the market-supported price of \$95.87, suggesting room for strategic price increases.

Current Market Position

Big Mountain Resort ranks highly among competitors across several key metrics:

- Among the highest in snow making coverage (600 acres)
- Near the top in total chair lifts (14 lifts)
- Above average vertical drop (2353 feet)
- Extensive number of runs (105 runs)

Impact of Run Closures



Our analysis shows that closing up to 5 runs would have minimal impact on ticket price support, with a decrease of less than \$0.67 per ticket. This presents an opportunity for cost reduction with minimal revenue impact.

Expansion Scenario Analysis

Adding a new run with 150ft vertical drop and an additional chairlift could support a \$1.99 price increase, potentially generating \$3.47M in additional annual revenue.

Recommendations

1. Implement a gradual price increase strategy to move toward the market-supported price point
2. Test closure of up to 5 low usage runs during off-peak periods
3. Further evaluate the vertical drop expansion scenario with detailed cost benefit analysis
4. Develop monitoring systems for customer feedback and usage patterns

Implementation Timeline

We recommend a phased approach over the next 12-18 months, starting with run closure testing in the upcoming off-peak season, followed by gradual price adjustments based on market response.