



# Big Mountain Resort Price Analysis



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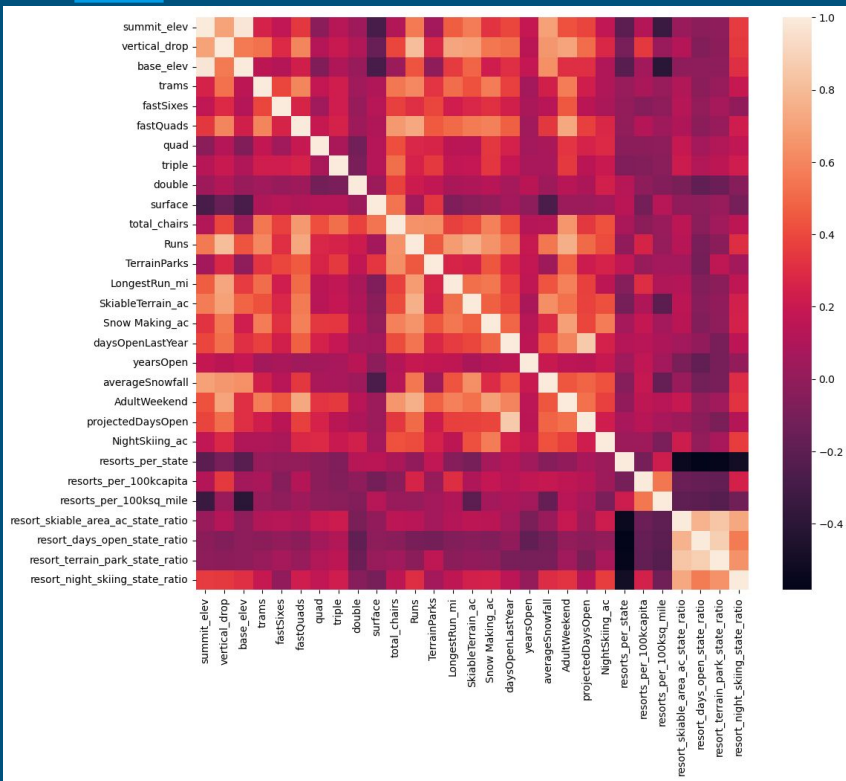


# Problem

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- How to increase revenue through pricing strategy and facilities usage, while staying competitive?
- Current Ticket Price: \$81
- New chair lifts: increase visitors distribution
  - \$1.54M operation cost

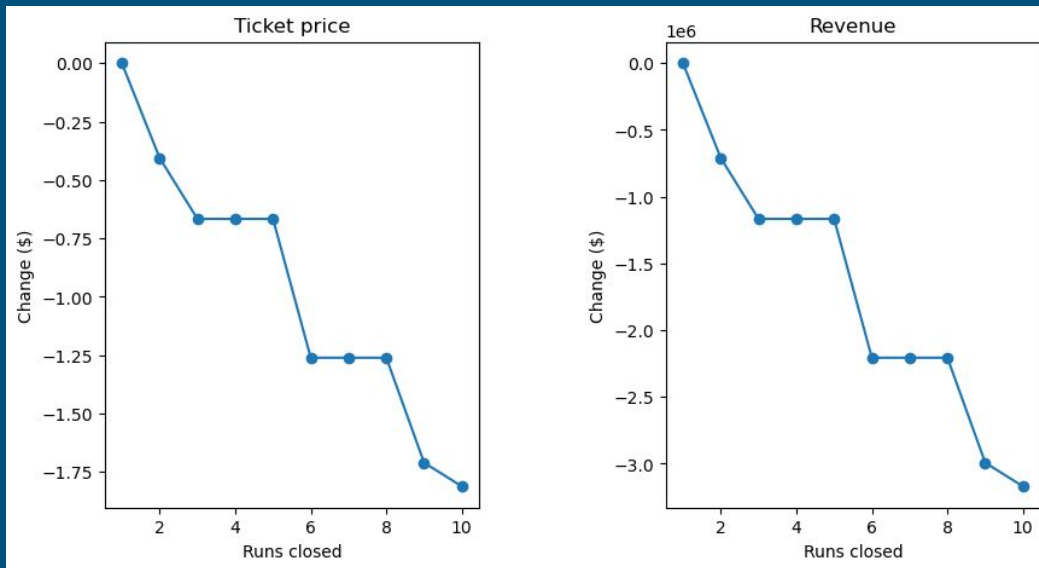
# Key Highlights



- The following features have strong correlations with Adult ticket pricing:
  - Fast quads
  - Night Skiing
  - Runs
  - Snow Making
- Priced Competitively:
  - Random Forest Model prices tickets at \$95.87
  - Significance of services/facilities justify cost rise

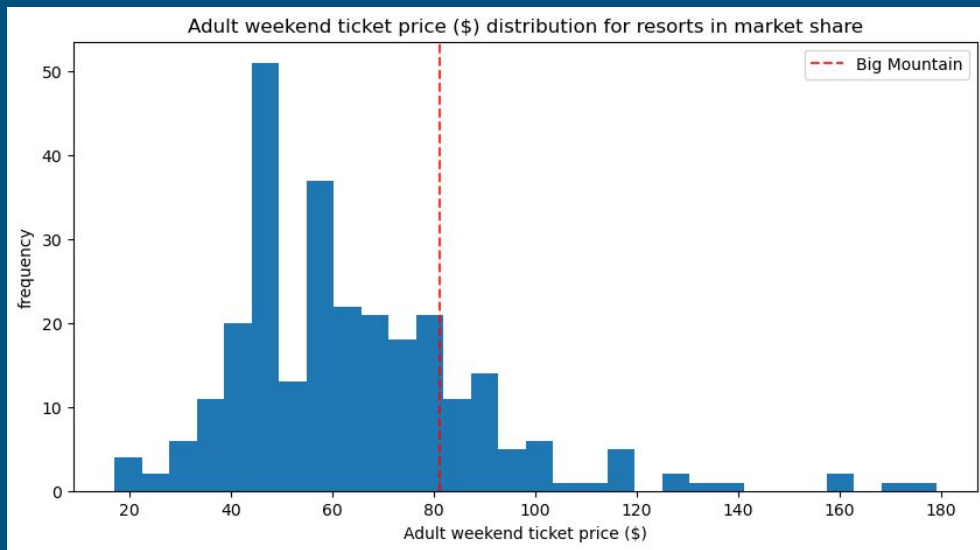
# Model & Analysis

Big Mountain can close up to 5 runs each day, some some lost in revenue, but weakens support for ticket price increase.



# Model & Analysis

- The resorts ranks fairly high in 7 out of 8 features:
  - Total Chairs
  - Fast Quads
  - Skiable Terrain Area
  - Snow Making
  - Total Runs
  - Longest Runs
  - Vertical Drop
- Raising the ticket price, will keep the resort competitive within this distribution



# Recommendation

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- Raise ticket price to \$83, additional \$1.99
- Increase vertical drop by lowering the run 150ft, and install new chair lift to increase visitor traffic in span of 5 days by 350k
- \$3,474,638 revenue projection

# Conclusion

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- Big Mountain is a high end resort that has a geographical advantage and competitive amenities:
  - Can justify the cost ticket increase if resort continues to offer customers high quality facilities like vertical drop and chair lifts
  - Will strengthen its competitive position in favorable market cycle