



Big Mountain Resort Price Analysis



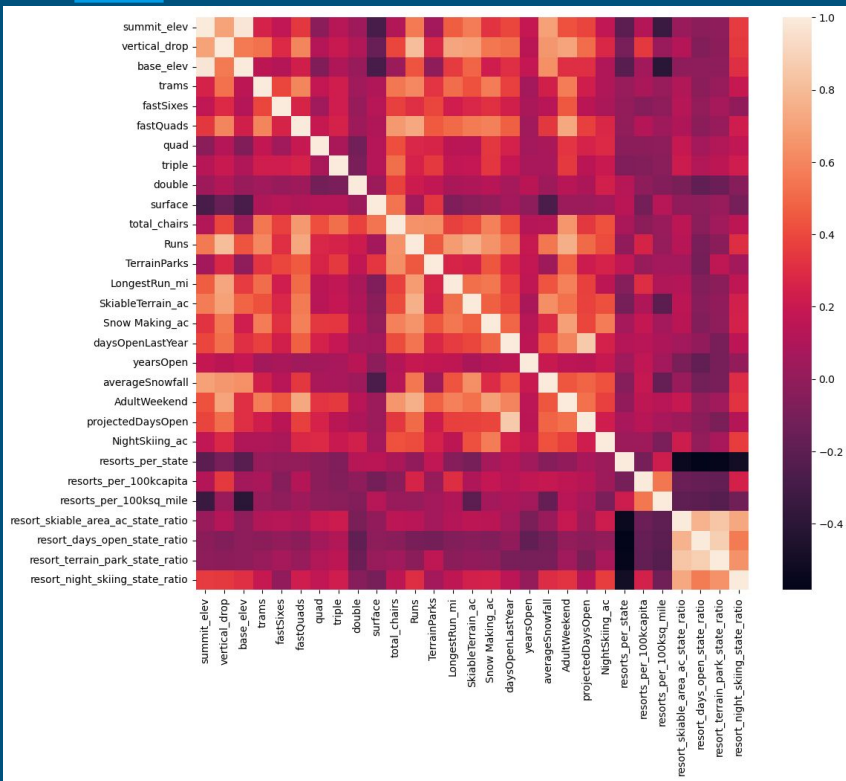
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Springboard Dec 23'



Problem

- 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

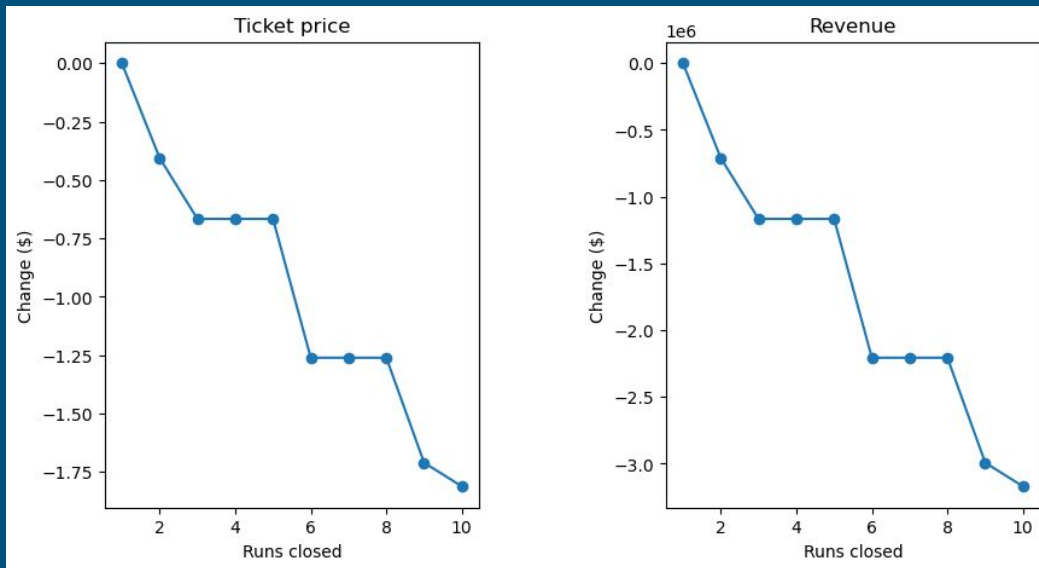
Key Highlights



- 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

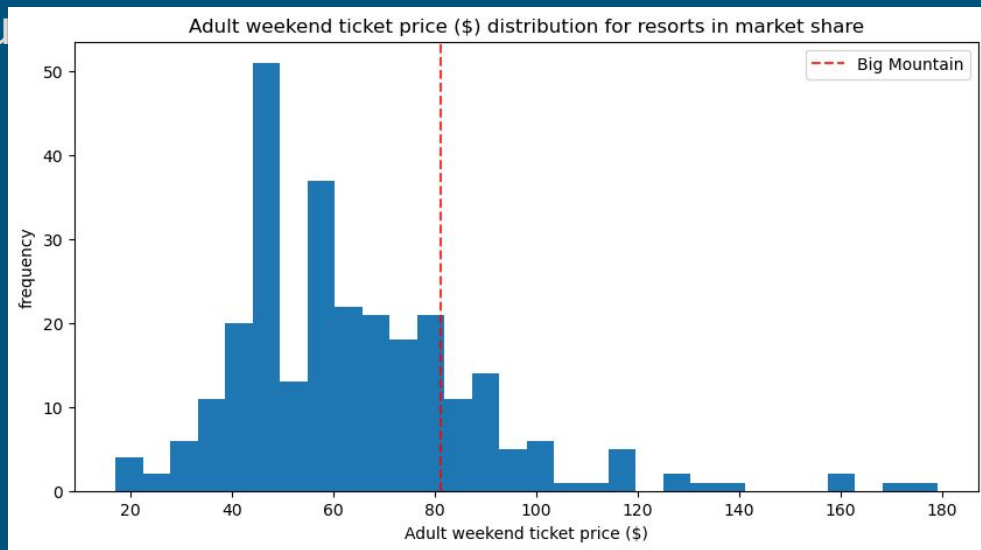
Model & Analysis

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

- 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

- 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