

Big Mountain Resort Ticket Pricing Study

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The Problem

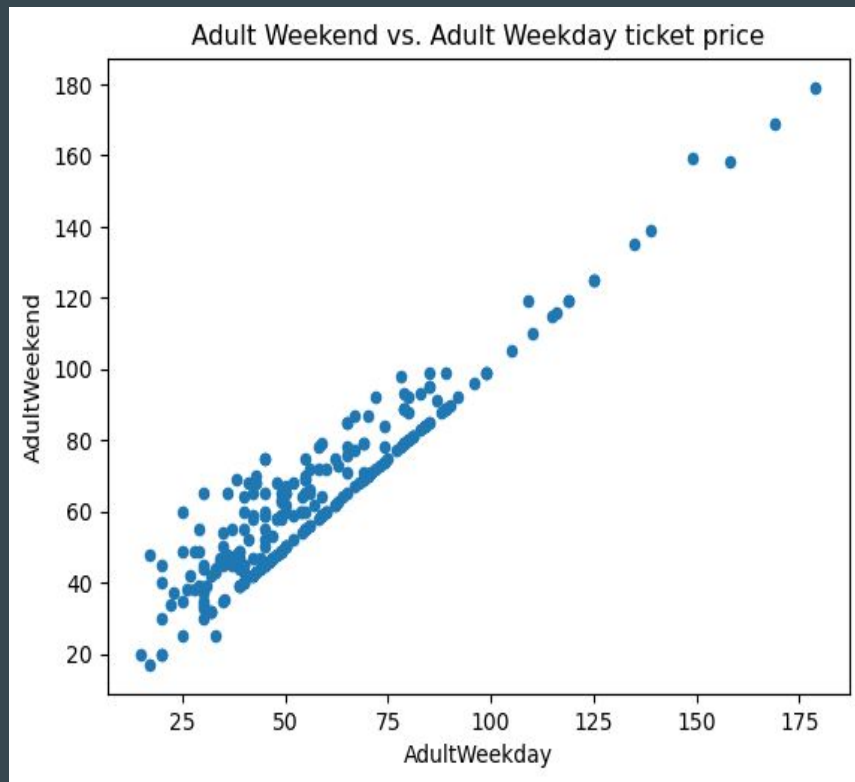
- Current ticket pricing is based on market average price
 - Does not account for some facilities being more important than others
- Need a data-driven approach
- Purpose of study:
 - Understand which facilities/features are most important to ticket price
 - Develop a ticket price based on Big Mountain's current features
- What changes can Big Mountain Resort make to their ticket pricing and/or to facility costs to increase their projected revenue by 10% for this year?

Key Findings

- Most important features that drive ticket price:
 - # of fast Quads
 - # of total runs
 - # of acres of snow-making
 - Size of largest vertical drop
- Big Mountain Adult Weekend Ticket Price:
 - Current price: \$81
 - Modeled price recommendation: **\$95.87**

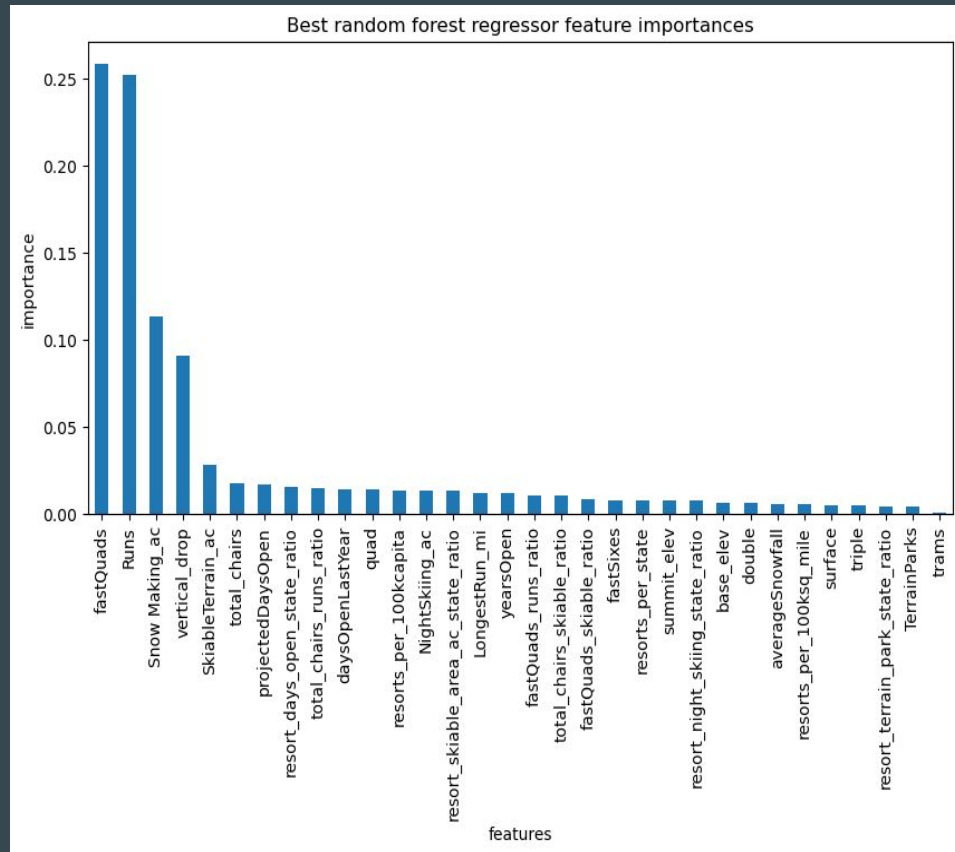
Target feature/ Sampling

- Adult Weekend price was selected as target feature
 - More data points in data set
 - Most resorts charge same price for weekday vs. weekend
- The model was built using data from 276 ski resorts across the US from the same market segment as Big Mountain



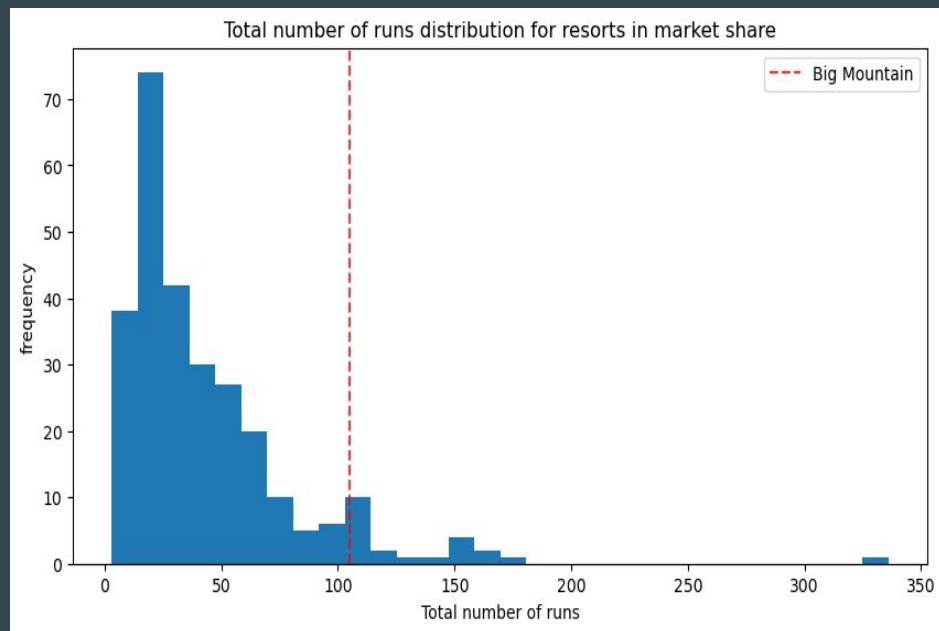
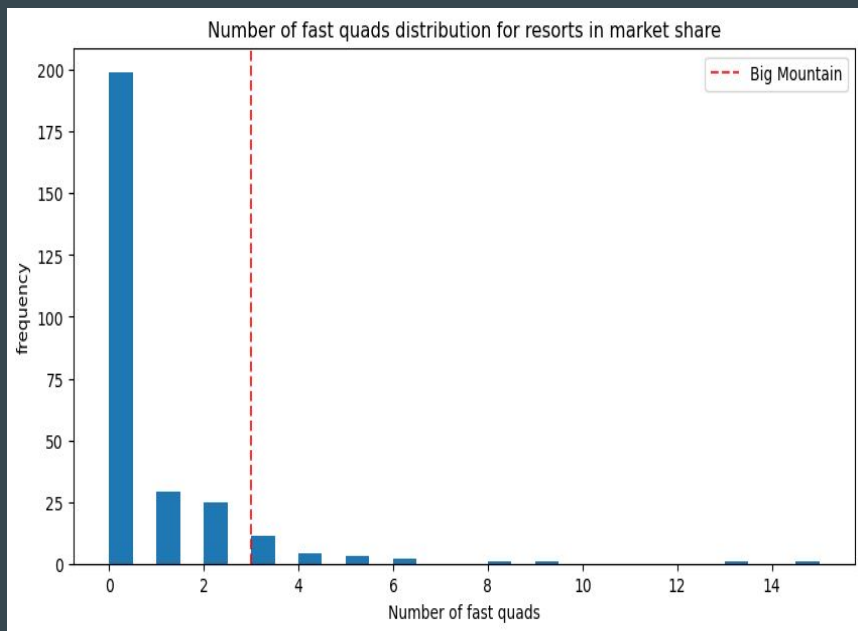
Important Features

- Model shows most important features for ticket price:
 - # of Fast Quads
 - # of Total Runs
 - # of Snow-making acres
 - Size of largest vertical drop
- Other important features:
 - # of Total Chairs
 - Length of longest run
 - # of Trams
 - Size of skiable terrain



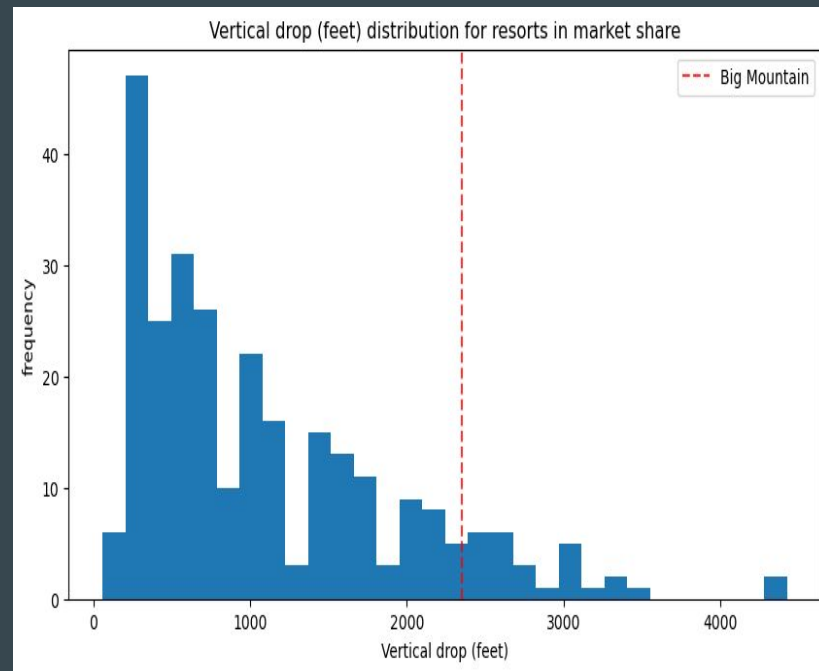
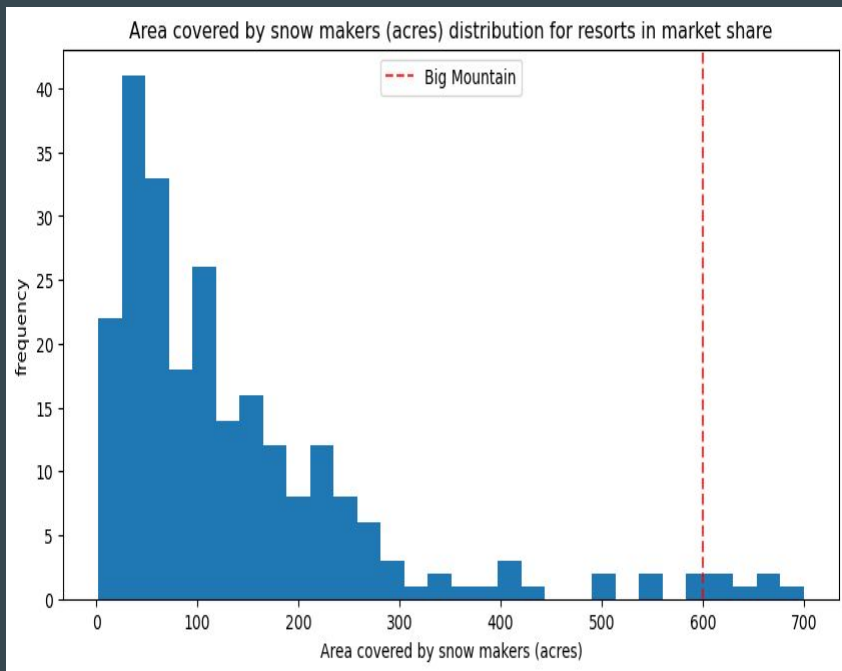
Big Mountain vs. Others - Fast Quads and Runs

- Big Mountain is among the leaders in # of Fast Quads and Runs for ski resorts



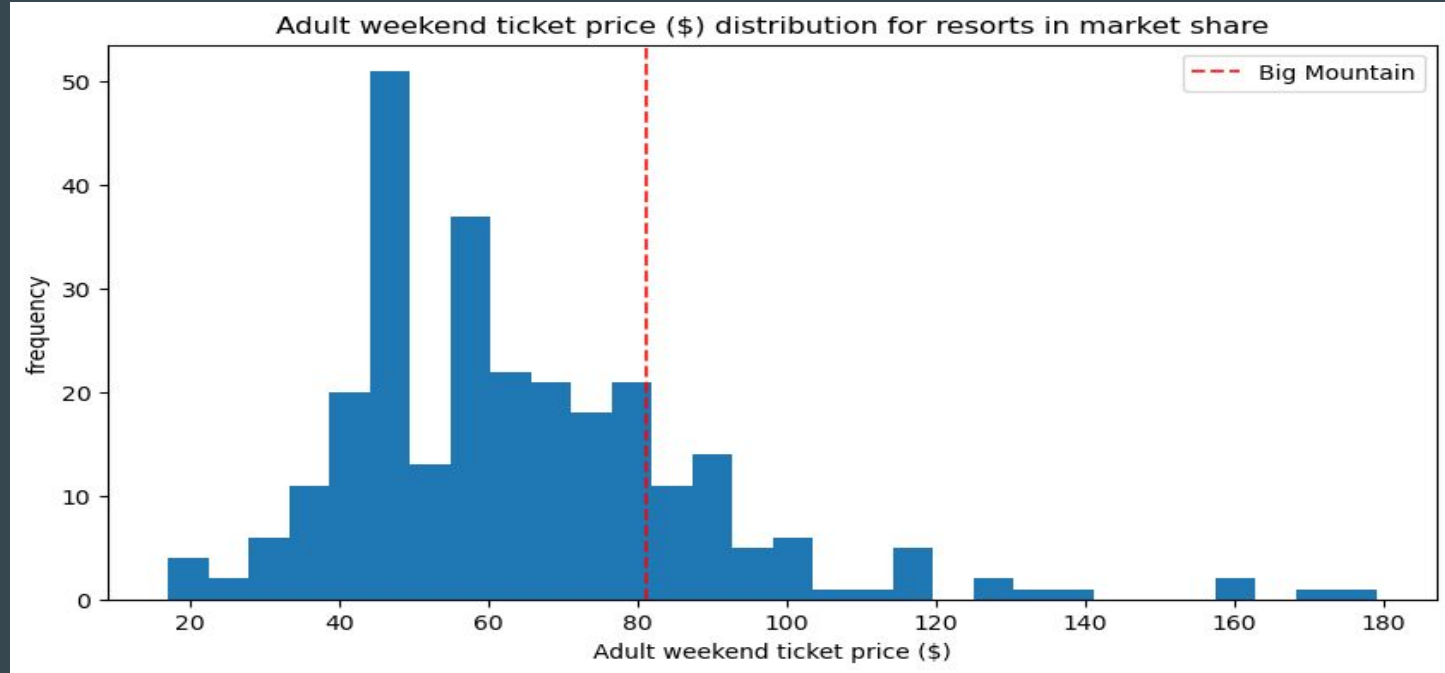
Big Mountain vs. Others - Snow Making and Vertical Drop

- Big Mountain is among the leaders in Snow-Making acres and Vertical Drop for ski resorts



Big Mountain vs. Others - Ticket Price

Big Mountain is closer to the middle in ticket price among all ski resorts



Conclusion

- Big Mountain Resort is among the leaders in important facilities that drive ticket price but its current ticket price (\$81) is closer to the median
- Model suggests the appropriate price based on current facilities is \$95.87
- Further facility strategies can be analyzed using this model and other cost/benefit analysis