

# BIG MOUNTAIN RESORT

MARKET STUDY OF TICKET PRICES AND RESORT FEATURES

A study by Steven Bowler

# OPTIMUM TICKET PRICE STRATEGY

To date Big Mountain Resort has based its ticket prices on average ticket prices in the market.

This study seeks to maximize revenue and profitability of the resort by analyzing 32 different features from 330 competitors, and determining the impact of those features on ticket price.



# CAPITAL EXPENDITURE GUIDELINES

Big Mountain Resort has not defined detailed parameters and features that support future investment.

The same study of 32 features at 330 closest competitors will be used to develop a strategy to support future profitable investment and growth.



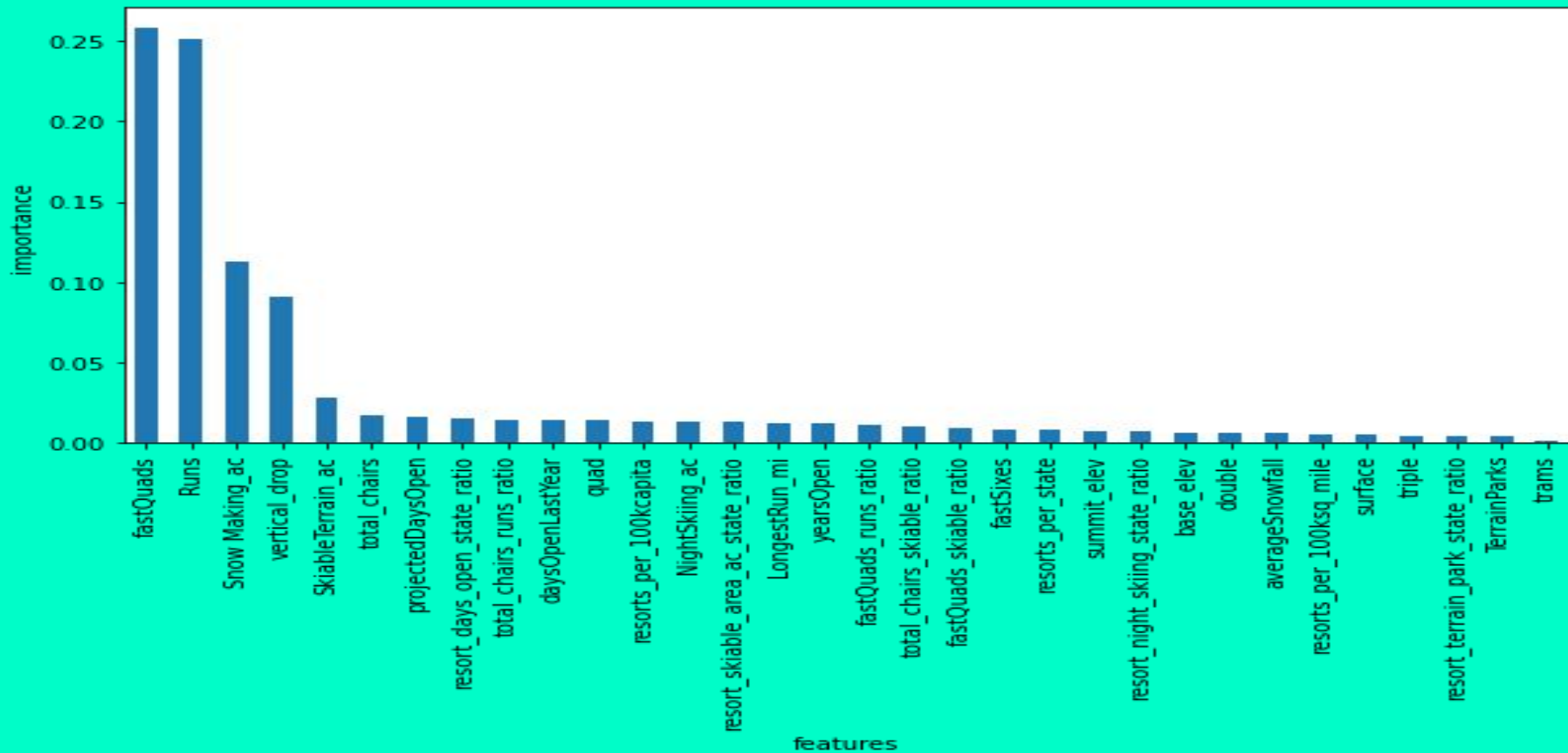
### ***Immediate Recommendations:***

1. **Increase ticket price to \$84.34.** Evaluate impact on skier traffic and customer satisfaction.
2. **Increase ticket price to a maximum of \$106.40.** Based on success in item #1 above.
3. **Reduce/close off one run.** selecting the least travelled/least popular run. Evaluate.

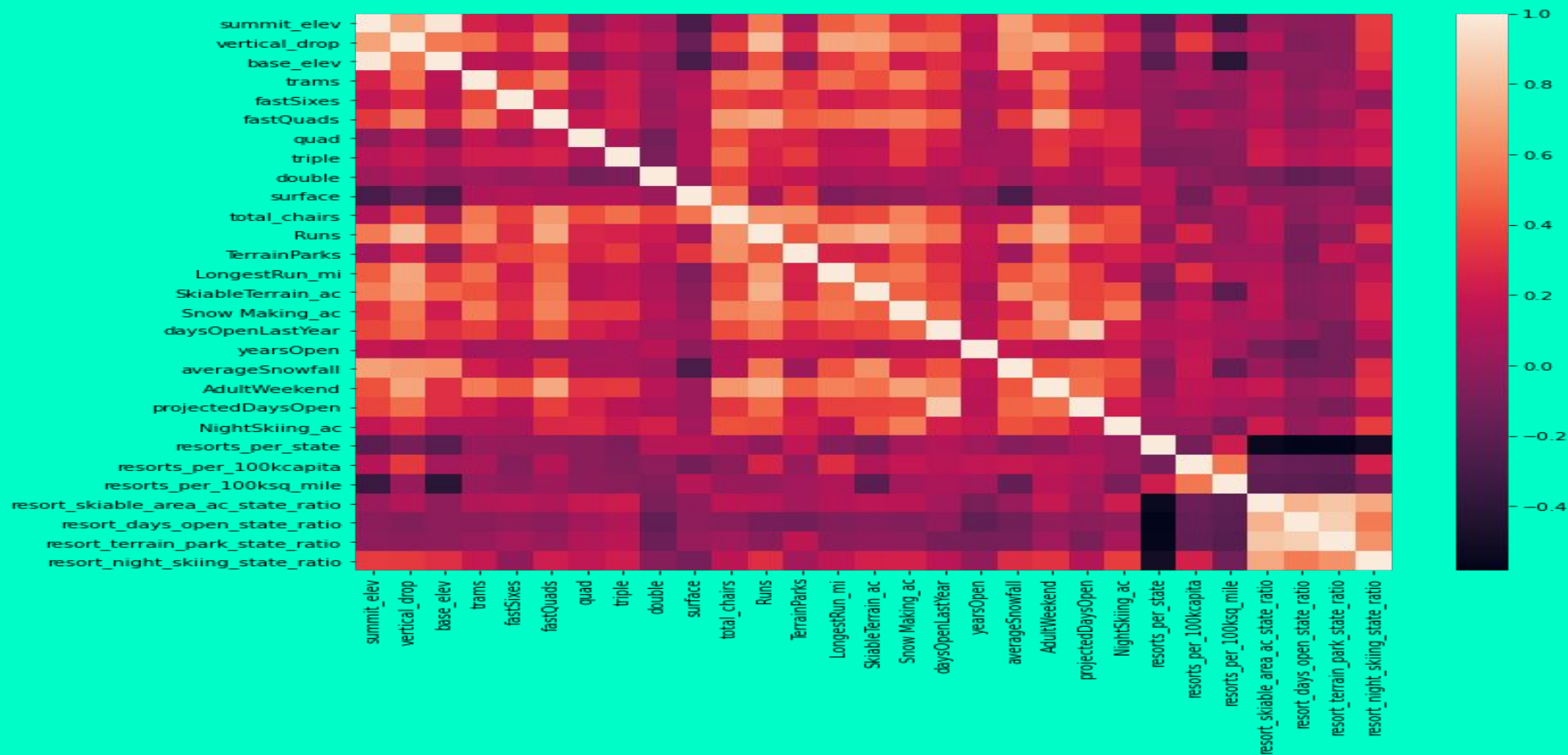
### ***Short Term Recommendations:***

1. **Increase ticket price by \$1.99** when one fast quad chair and 150' vertical are added.
2. **Increase ticket price by \$4.45** when minimum 54 acres of snow-making are added.

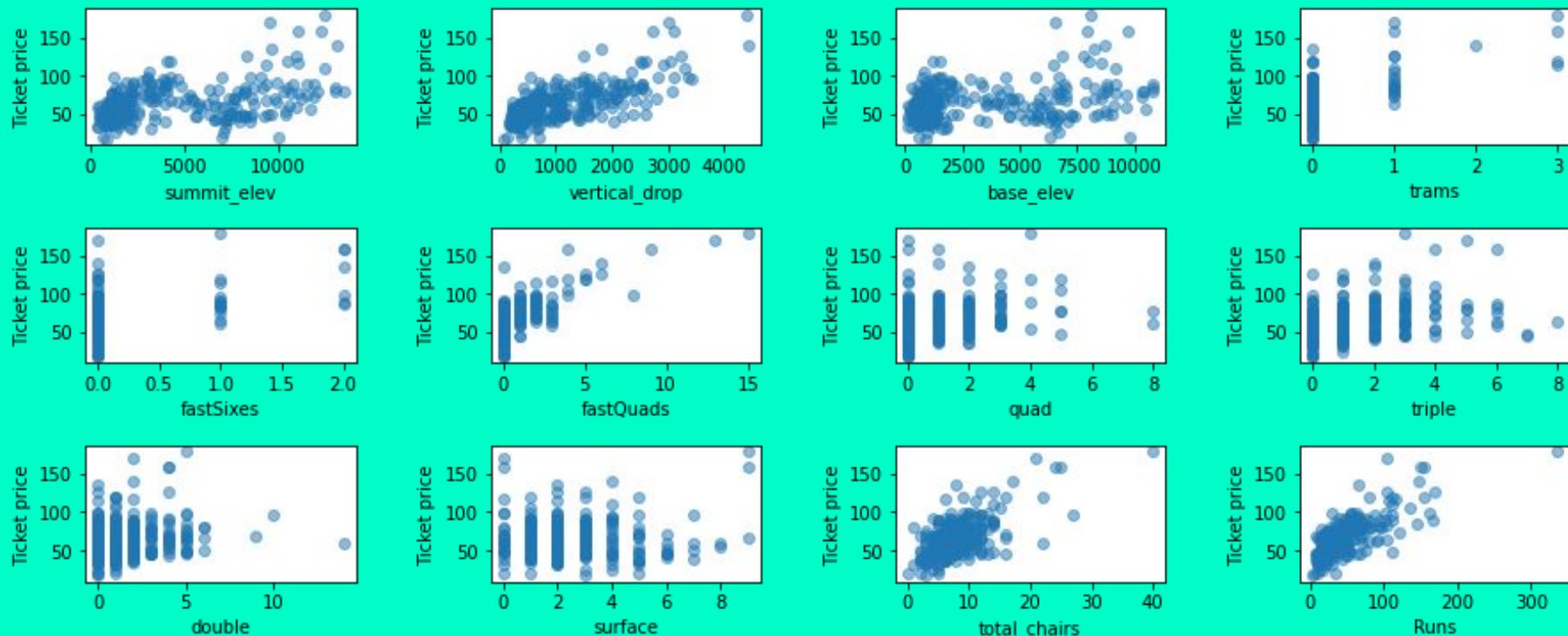
# Study Features and Their Relative Importance



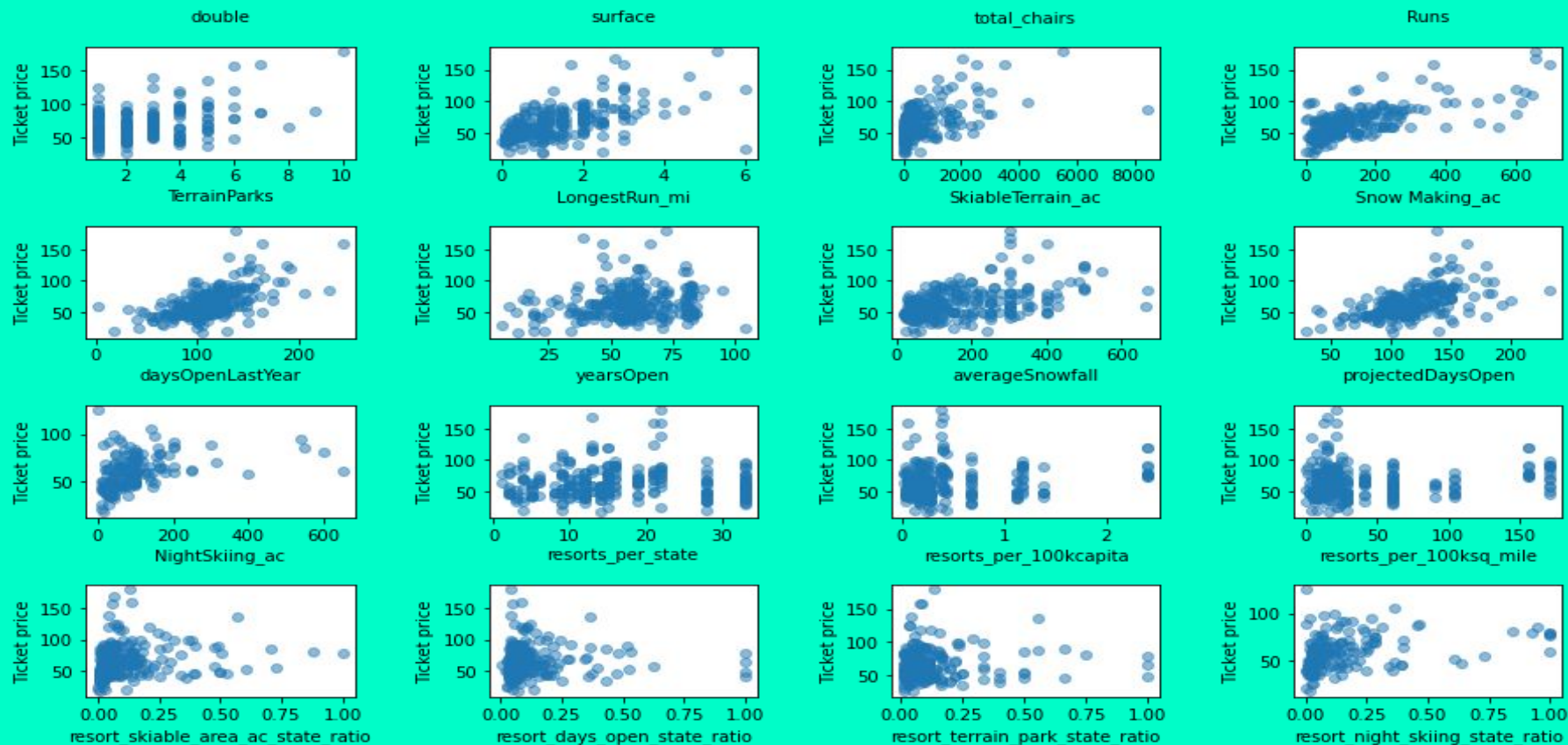
# Heatmap Showing Correlation Between Features



# Ticket Price vs. Feature Correlation Part 1 of 2



# Ticket Price vs. Feature Correlation Part 2 of 2





# *SUMMARY AND CONCLUSION*

1. CURRENT TICKET PRICE OF \$81 IS UNDERPRICED
2. TICKET SHOULD BE PRICED BETWEEN \$84.34 AND \$106.40
3. MARKET DATA SUPPORT CAPITAL INVESTMENT IN FAST QUAD COMBINED WITH ADDING 150' OF VERTICAL DROP FOR A POTENTIAL TICKET PRICE INCREASE OF \$1.99
4. MARKET DATA SUPPORT CAPITAL INVESTMENT IN SNOWMAKING EQUIPMENT FOR A POTENTIAL TICKET INCREASE OF \$4.45