

Problem Statement

Big Mountain Resort is reevaluating its ticket model scheme in hopes of increasing profitability.

This presentation presents the finding of analyzing available data from other resorts in Big Mountain's market share.

Problem Statement

Can Big Mountain Resort increase its ticket price enough to offset recent the recent increase in operating cost?

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1 Context

Big Mountain Resort fears that it is under-capitalising on its facilities by using its current ticket pricing paradigm. It also has recently added a chair lift to the facility which increases there operating cost of the resort.

2 Criteria for success

Determine an increase in ticket price that covers the increase in operating cost and increases profitability while maintaining competitive pricing with similar resorts.

3 Scope of solution space

Increasing ticket price.

4 Constraints within solution space

Location of each resort may play a significant role in determining what price points customers will tolerate. Customers are unlikely to tolerate a large increase in ticket price even if analysis suggests the price is fair.

5 Stakeholders to provide key insight

Jimmy Blackburn, Director of operations
Alesha Eisen, Database Manager

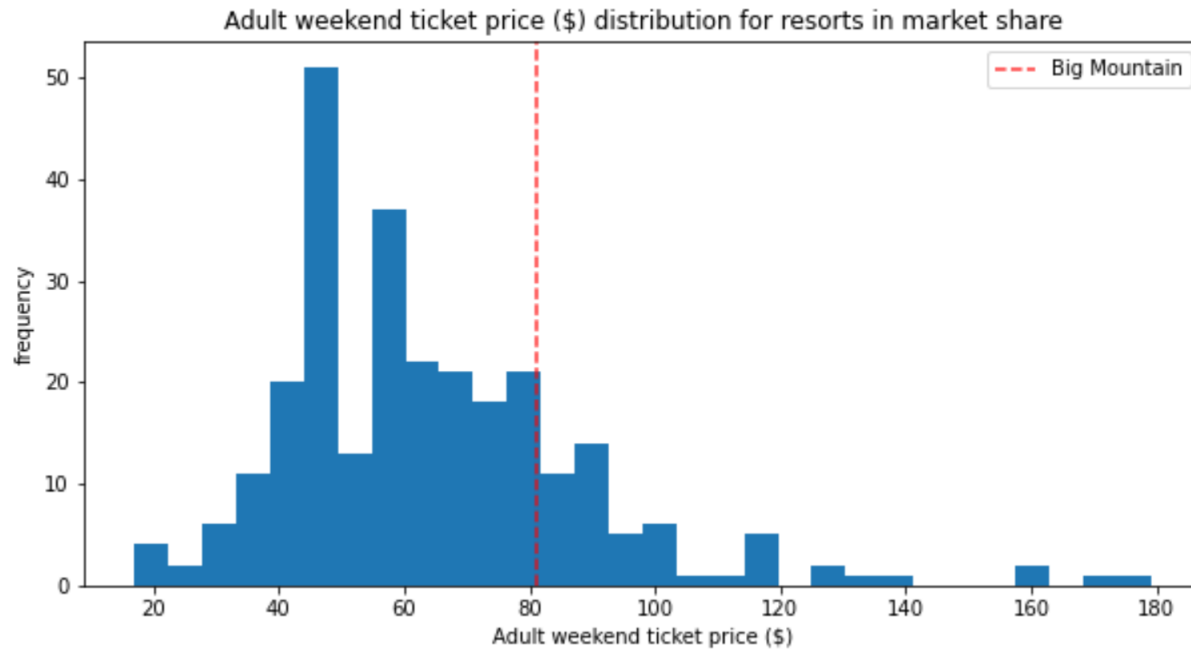
6 Key data sources

CSV file received from Alesha.

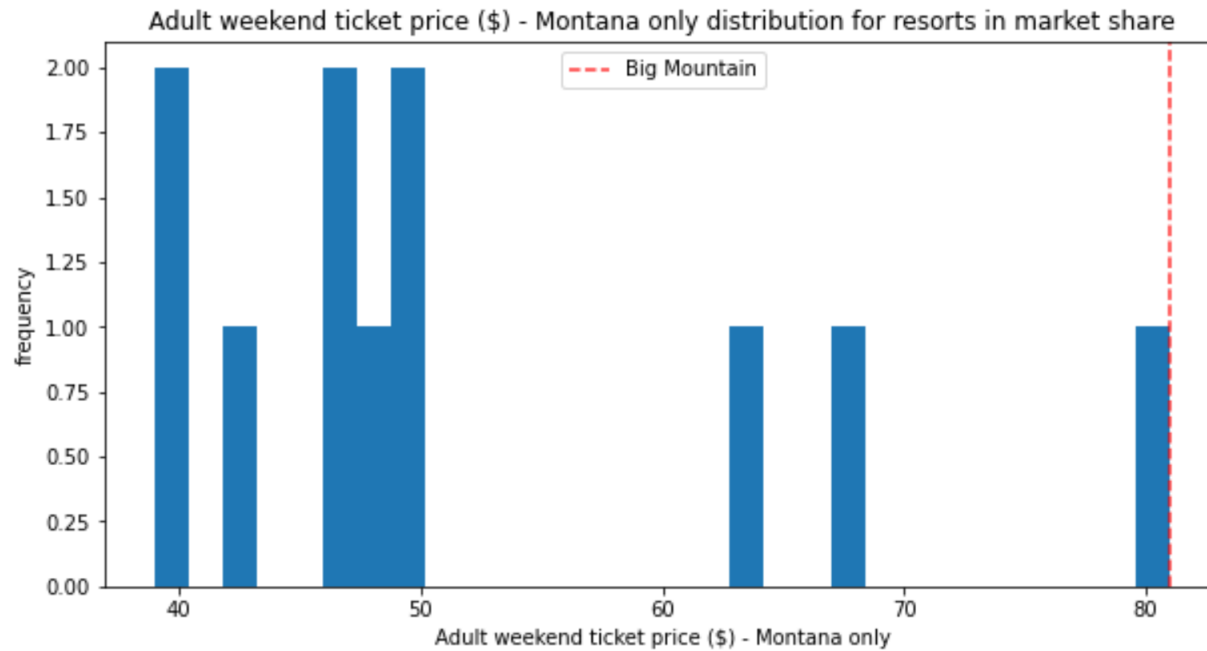
The Final Recommendation

- Add a chair lift in order to support a new run with an increased vertical drop of 150ft.
- Increase the ticket price by \$6.00 to \$87.00.

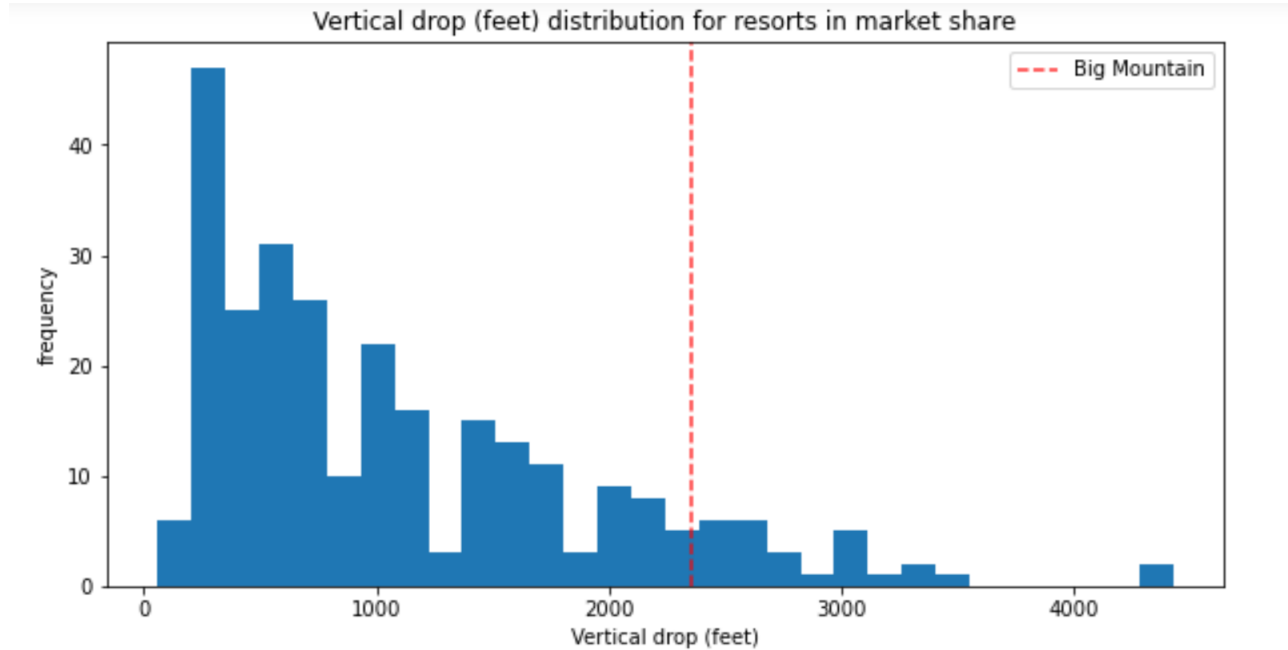
Distribution of Ticket Prices



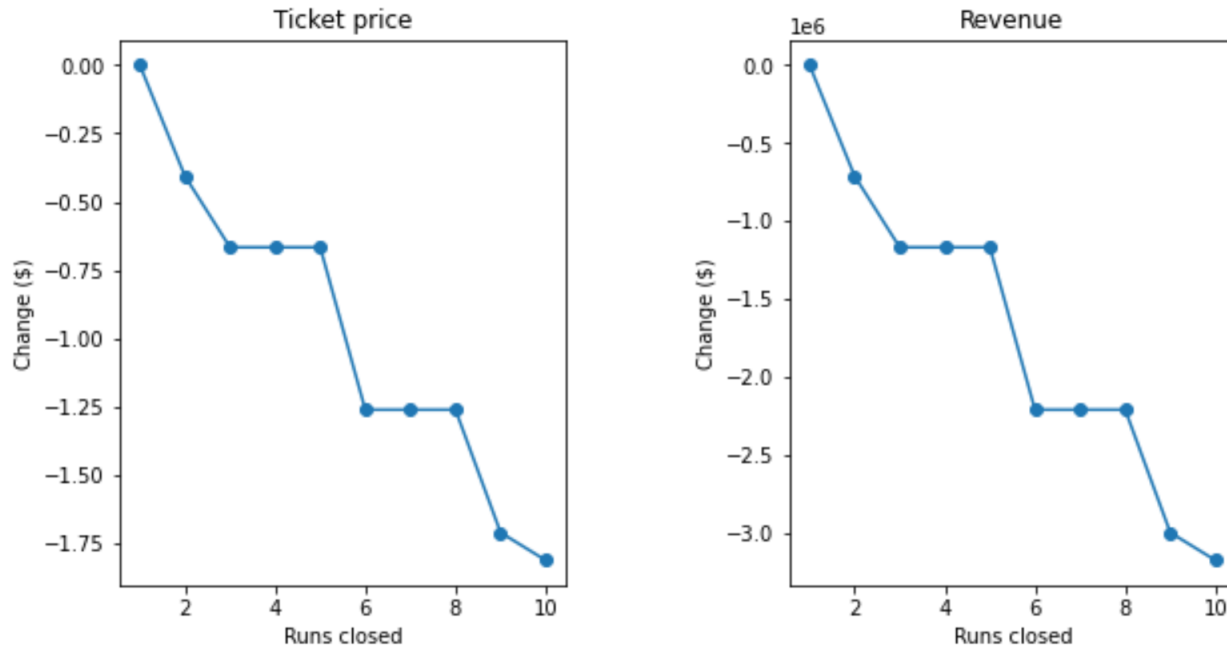
Distribution of Ticket Prices



Distribution of Vertical Drops



Effect of Closing Runs



Decreased support for tick price and decreased revenue are predicted.

Summary

- Big Mountain is in the upper end of resorts in its market share
- It is already the most expensive resort in its state
 - But, there is room for increasing the ticket price
- By following the recommendations in this presentation Big Mountain can cover the cost of those additions as well as increase profits beyond that.
- Summary of Recommendations
 - Add a chair lift in order to support a new run with an increased vertical drop of 150ft.
 - Increase the ticket price by \$6.00 to \$87.00.