

Big Mountain Resort

We Got a New Lift Now What?



The Problem

Big Mountain Resort is facing a \$1,540,000 increase in annual operating costs due to the addition of a new chair lift. To remain profitable while maintaining its premium brand, the resort needs to identify ticket pricing and cost strategies that increase total revenue by at least 5% before the next ski season.

The Simple Answer



Step 1

Use the simple scenario tool to determine and allow analysts, to compare how different lifts affect revenue.

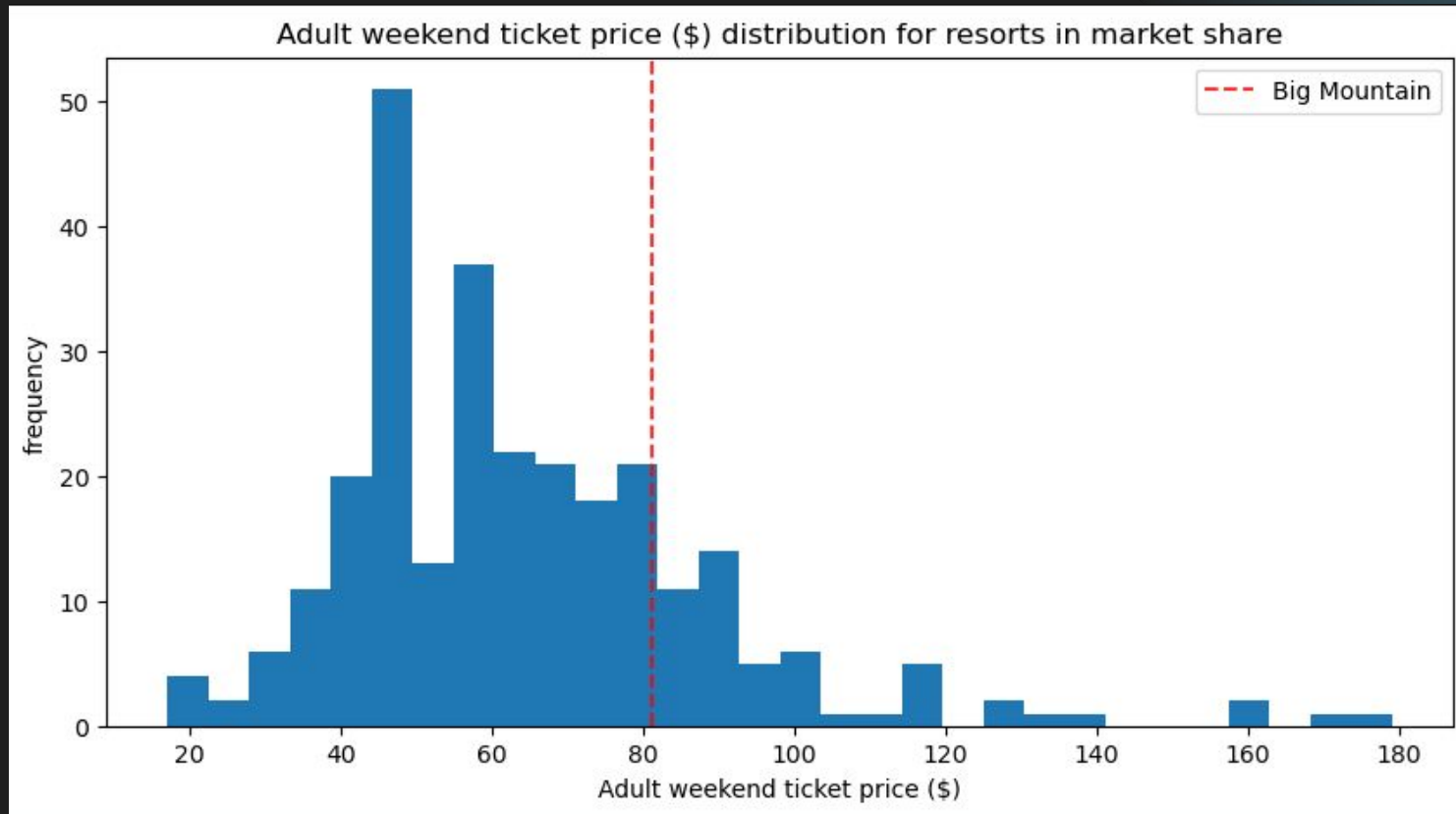
Step 2

Implement the data from before into practice and test if it works. I'm recommending small scale test to determine effectiveness.

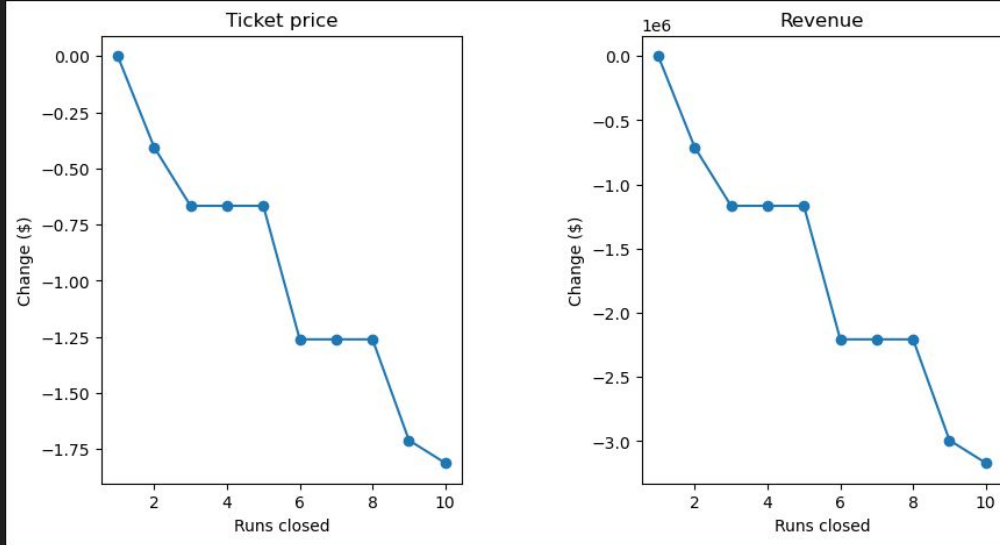
Step 3

Raise ticket price to match findings.

Where are we in comparison?

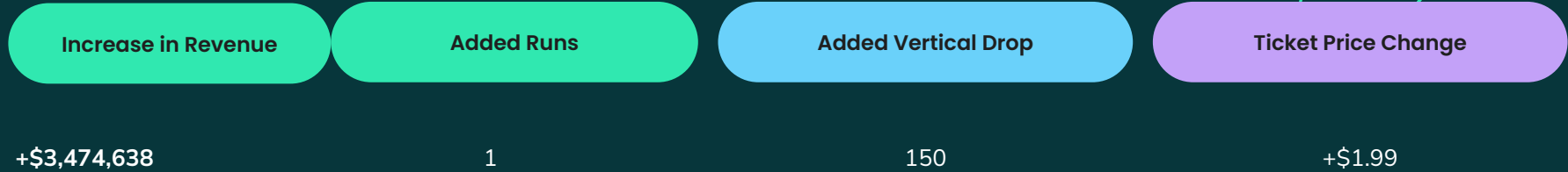


What actually affect the price of Tickets?



This Graph is showing us that closing one run makes no difference to the price of tickets or revenue. This graph is here to show us a pattern. See the flat spots on the graph this means there is no difference in price closing 3, 4, or 5 runs meaning we can make the same amount of revenue while reducing our up time cost.

What happens If we add?



**With the cost of running the new lift
The profit is \$1,934,638 if we raise the
cost per ticket by only a \$1.99. This
would make the new ticket price
\$82.99.**



Thank you!