



# Big Mountain Resort

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Profiting and Pricing  
Business Model



# OBJECTIVE

- To maximize its capital on the resorts facilities by either cutting or supporting its ticket prices
- To cover the expenses generated by their recent chair purchase of \$1.54 million.



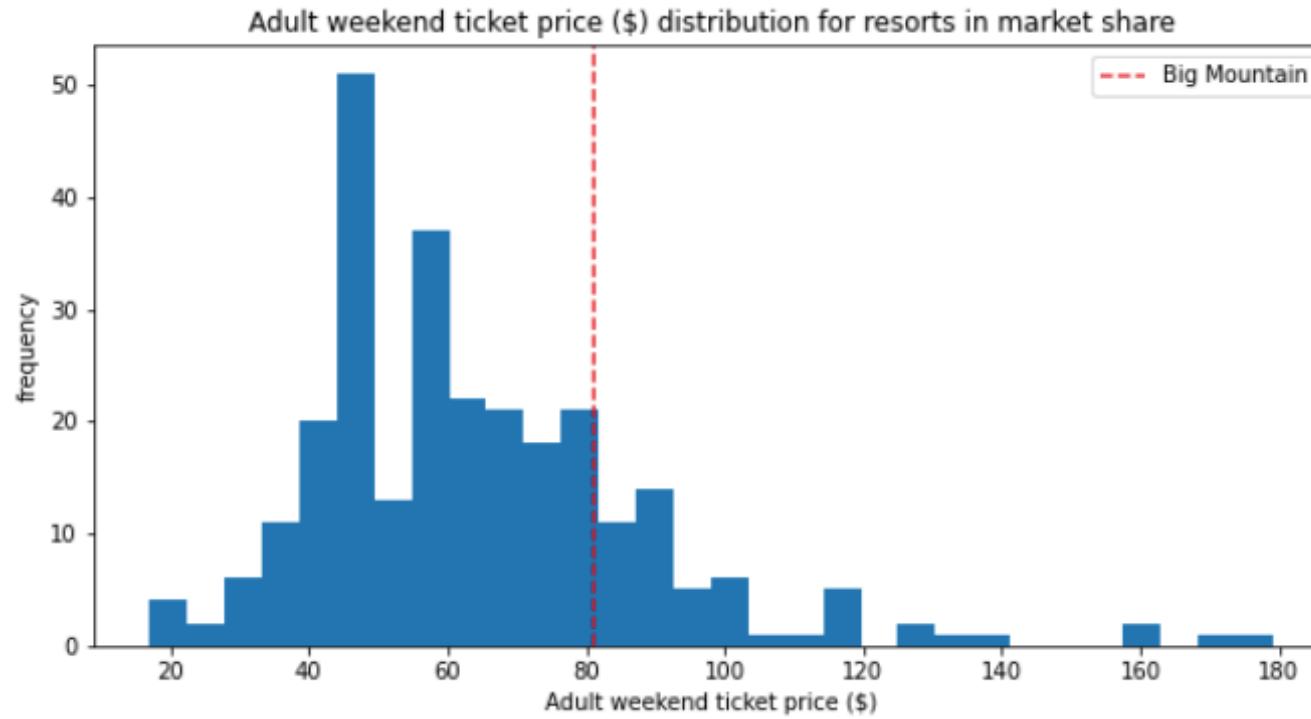


# STRATEGY

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- To evaluate resort's operations with that of the other 330 resorts from the same market in the nation.
- To analyze and compare each resorts' parks, trails, amenities, and daily operations to determine what is best for Big Mountain.

# ANALYSIS & FINDINGS



Big Mountain Resort currently charges their ticket prices at \$81. Our predictive model shows that there is room for a ticket price increase to about \$93.79 since there is a mean absolute error of \$10.32.

Increase the vertical drop by adding a run to a point 150 feet lower down but requiring the installation of an additional chair lift to bring skiers back up, without additional snow making coverage

Increasing vertical drop but also adding 2 acres of snow making cover

## Possible Solutions

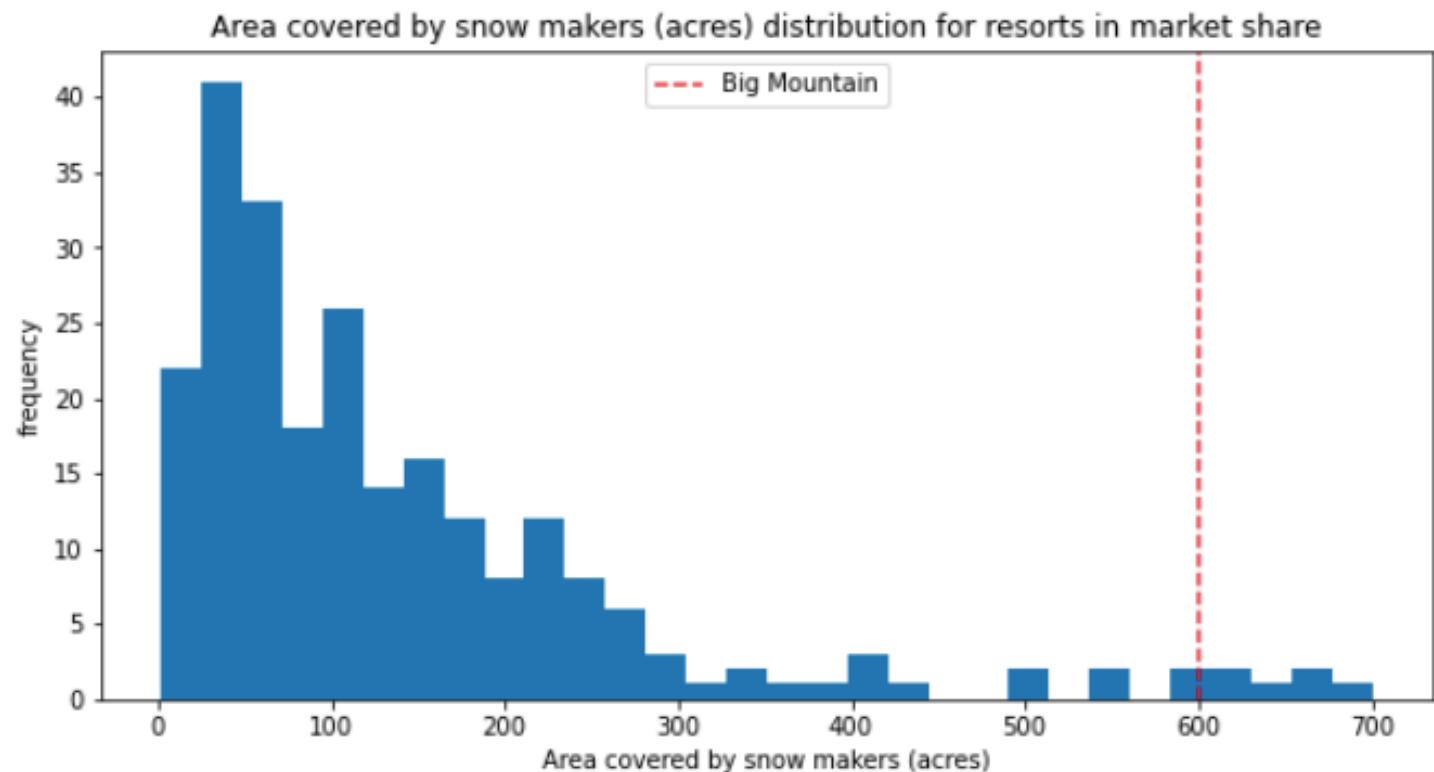
Increase the longest run by 0.2 mile to boast 3.5 miles length, requiring an additional snow making coverage of 4 acres

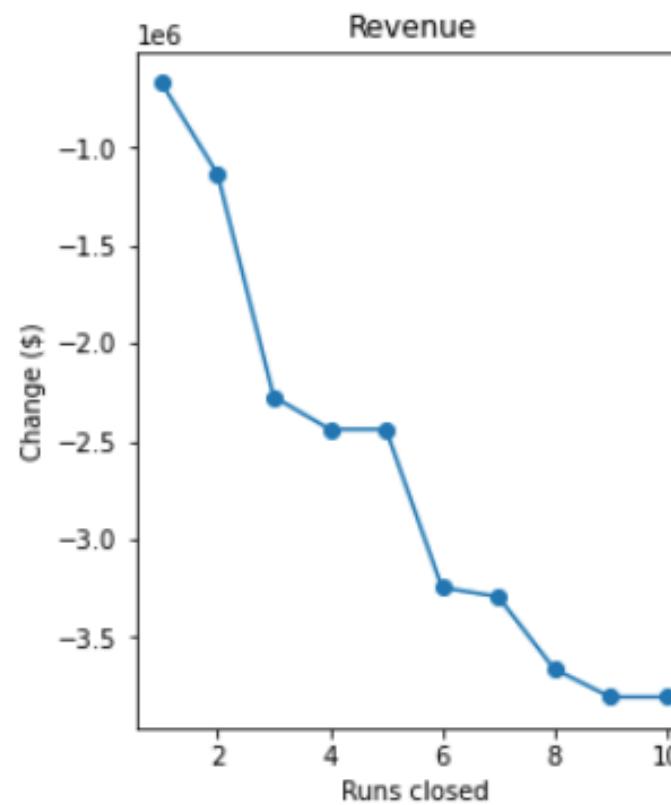
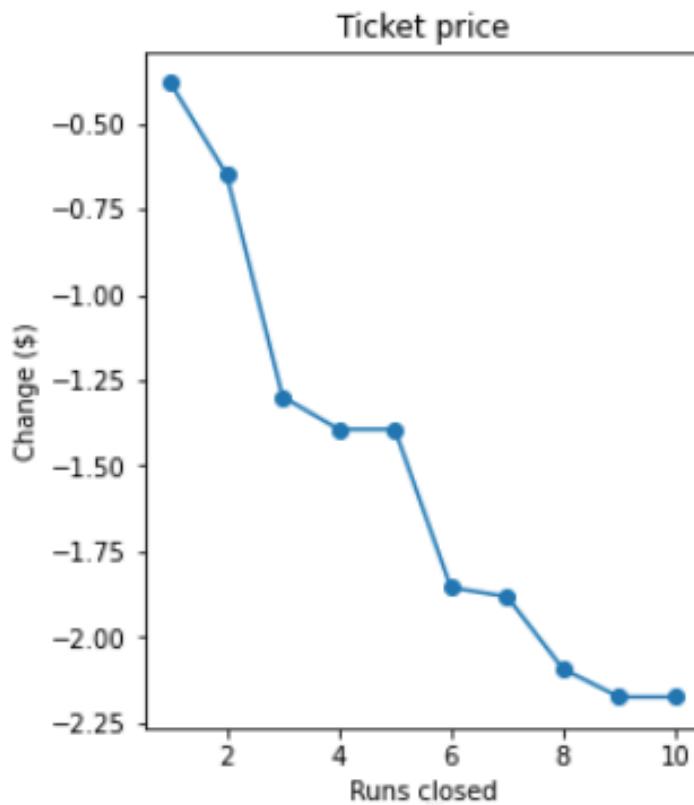
Permanently closing down up to 10 of the least used runs. This doesn't impact any other resort statistics.



Big Mountain Resort can expect a \$858k increase with a \$0.49 increase in ticket prices with its projected sales from the 350,000 visitors.

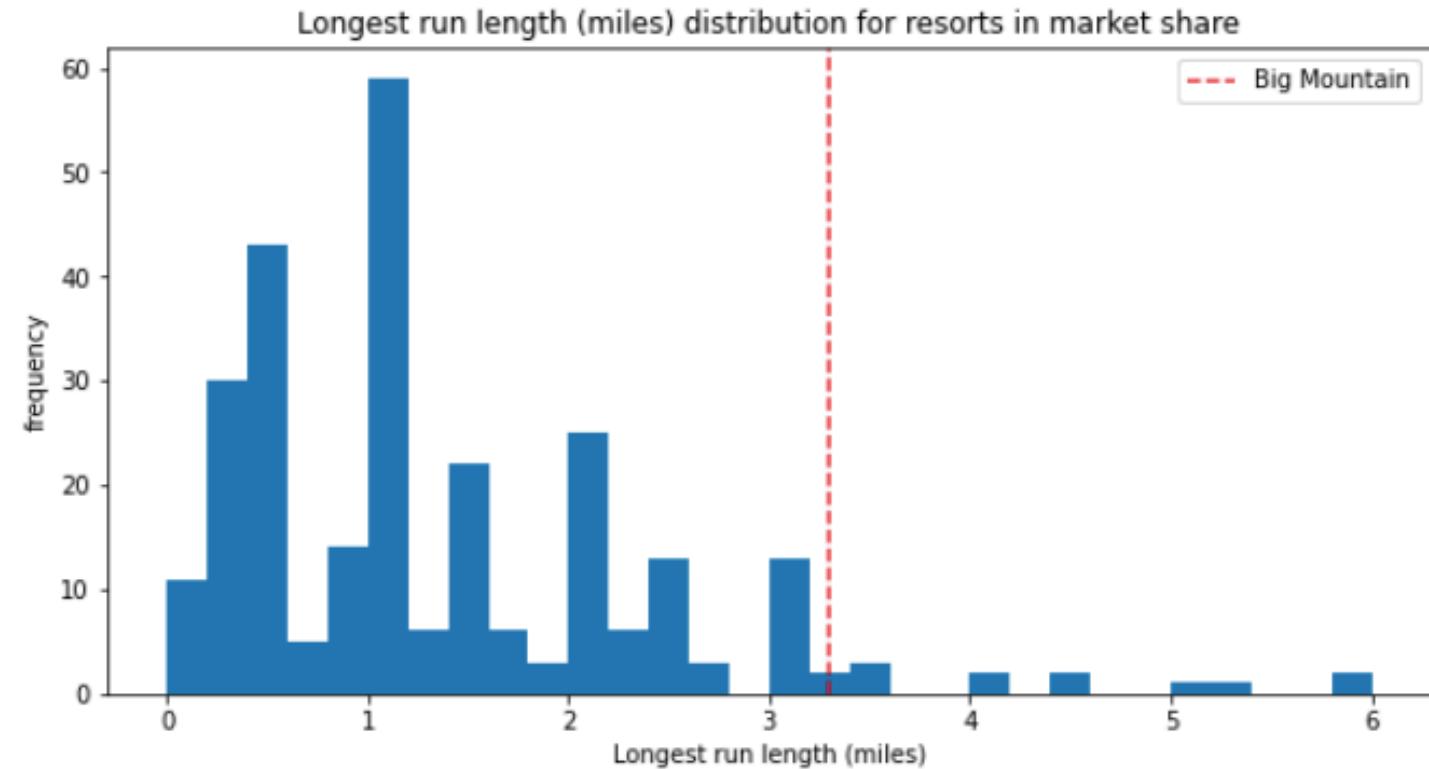
- Big Mountain Resort already has high amounts of snow making when comparing other resorts in the nation.
- Adding 2 acres of snow does not make a difference in ticket prices but could be a potential additional expense.





Big Mountain could also close 1 run and have minimal effect in ticket sales

- Big Mountain Resort already has one of the longest runs in the nation.
- Increasing the longest run to 3.5 miles gives no potential increase in revenue



# RECOMMENDATIONS & FOLLOW-UP ACTIONS

- Increase ticket prices by \$0.49 to generate a \$858k increase from the projected sales of 350k visitors
- Closing up to 1 least used run
- Analyzing the ticket and pricing strategies of other resorts in the United States
- Analyzing the demographics of its visitors and providing's services to attract those visitors