

INFORMATION



Subject: 2020 Budget – Peak Period Pricing and Member Guest Public Tracking

Background:

New for Winter 18.19, Downhill Ski (DH) and Cross-Country Ski (XC) introduced both Peak Period pricing for Guests and Public (not Members) and by product tracking of member guest public at the three core lines of business; Tickets Rentals and Ski School. The Peak Period pricing seemed to have some intended effect on demand, however, each season varies, and we will learn more regarding this as we move forward. Peak Period pricing is relatively common in the industry and provided significant incremental revenues at both DH and XC.

The tracking of Member Guest and PUBLIC (MGP) by product at Tickets, Rentals, and Ski School provided specific MGP mix and member unit/lot utilization metrics. However, obtaining these data metrics was detrimental to the customer experience for numerous reasons.

Refer to last year's 2019 Budget Information Paper for additional background information. [LINK](#)

[This information paper details management's planned winter 19/20 implementation logistics specific to DH and XC.](#)

Peak Period Pricing

Pricing is being increased for DH and XC, for both Regular and Peak periods,

Member Guest Public, Tracking and Pricing

Tickets –

Unique products for Member Guest, and Public; by age range, and for multi-day. Prices vary between Peak and NonPeak periods, for G and P. Same prices all season for M. Track specific individual identification (IP) and Unit Lot information for M and G.

Rentals and Ski School –

One set of products. Create a Discounts for Member, NOT Guest. The Discount% will be greater for Member during Peak, in order to not Peak Price the Member. This Discount will be applied to the Transaction (non-Ticket) products in the transaction/cart, not to specific product lines in the transaction.

Core MGP occurs with Tickets detail tracking. Non-core tracking of MGP by product at Rentals and Ski School will not occur. Members tracking at RS and SS will occur, with the Discount. No tracking of Guest at RS and SS.

Eliminating GUEST in Rental and Ski School immensely simplifies transactions and customer experience. By shifting to a Discount instead of specific products for Members, this simplifies transactions and customer experience.

All of the above greatly simplifies the software POS setup and employee training, as well as, the customer experience.

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Other Alternatives

Management's 1st recommendation is MGP pricing for Tickets only. All other product lines only one set of prices. This is like pre-winter 18/19, other than for Guest there was only Adult All Day products and there was no peak period pricing. However, this simple methodology (for both employees and customers) subject's Member to Peak Period pricing on RS and SS products.

Management strongly recommends not implementing MGP products for RS and SS, as was done in winter 18/19, which did provide specific MG tracking by product of RS and SS utilizations. The value of this information does not out weigh the complexity and confusion burden on employees and customers. Having the MG tracking information for Tickets is deemed valuable and adequate.

Background - Diamond Peak

Generally, the ski industry has few MGP customer dynamics. We did research the topic with IVGID's Diamond Peak ski resort. DP provides a Ticket discount for Members. DP does not provide a discount for Rental or Ski School lines of business. Tahoe Donner currently has 'triple' the number of products a typical ski resort offers.

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