Guided Capstone Project Report

The Whitefish Mountain Resort should price the Adult Weekend lift ticket at $89 based on their competitors and their unique characteristics. As we can see in figure 1, our resort is just around the 6-8000 summit elevation range and within 2-3000 vertical drops, landing it within the yellow cluster. Our resort is around mid-tier in height, and may indeed be more efficient with an additional ski lift. If we are to recoup the costs of an additional ski lift at $1,540,000, then we must increase ski lift tickets while keeping the profit margin. To see how much we can increase the costs, we can compare with our competitors. In figure 2, we see that a similar resort with 3000 sq acres follows a regression line price point of around $150. At the same time, in figure 3 and 4, we see that the number of days the Whitefish Mountain Resort is open leaves us on the lower end of $50 to $80. Taking all of these different factors into account, the model predicts that our final price point should be at $88.77. Rounding up, we should set our price point at $89. This will result in a revenue of $2,450,000, and a net amount of $910,000 for the resort.

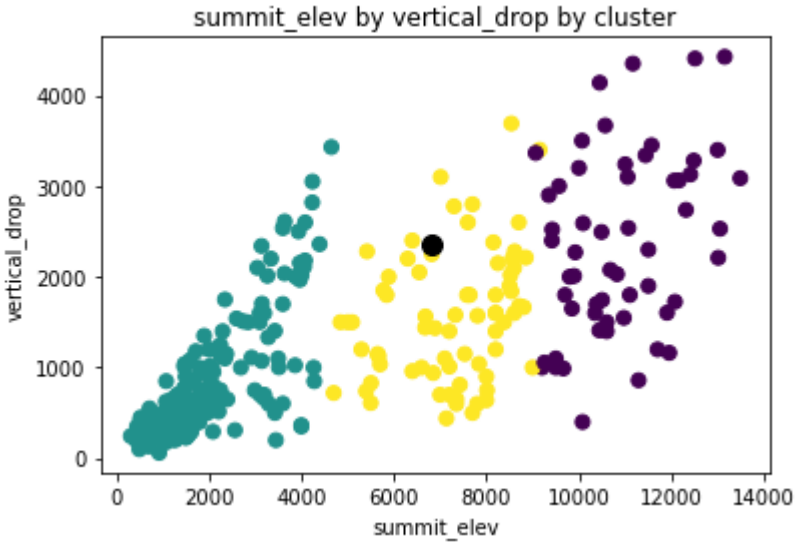

Figure 1. Vertical Drop vs. Summit Elevation cluster chart

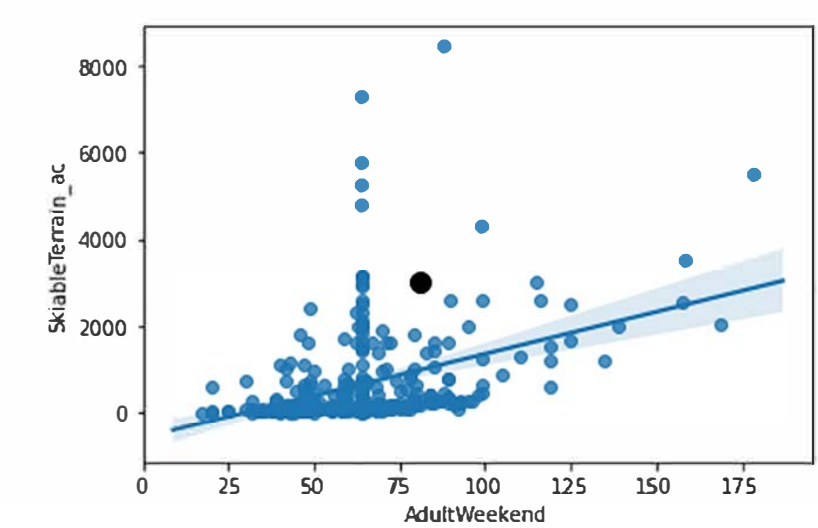

Figure 2. Ski-able Terrain vs Price Linear Regression Chart

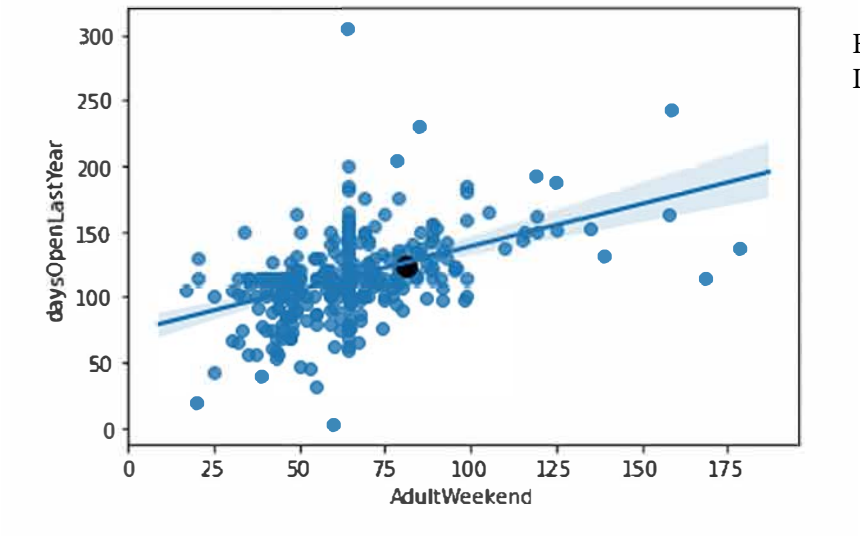

Figure 3. Days Open vs Price Linear Regression Chart

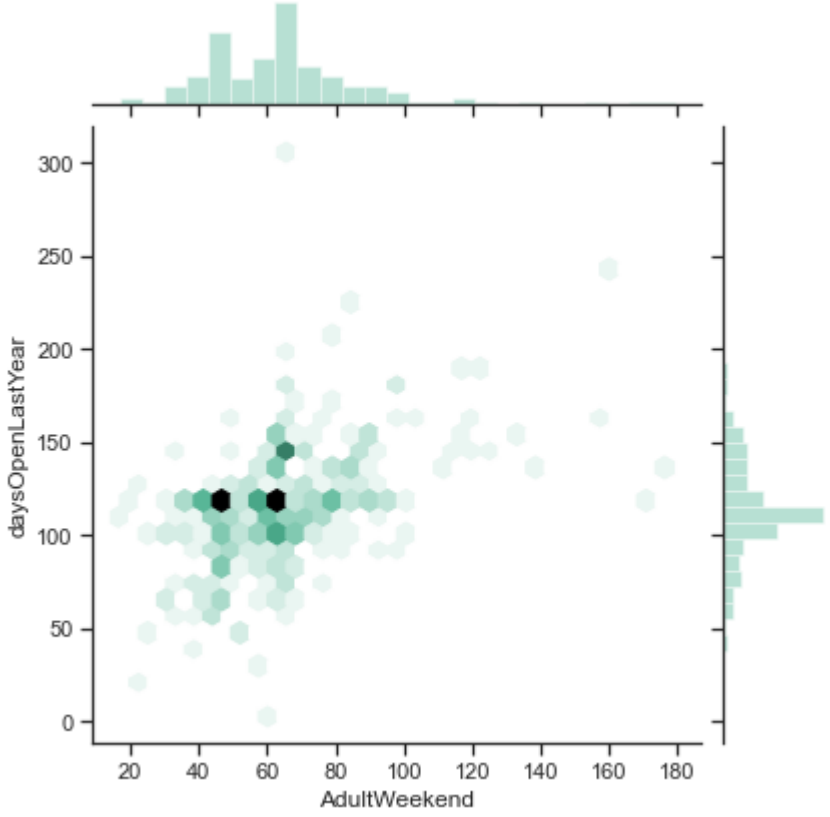

Figure 4. Days Open vs Price Joint Chart