Guided Capstone Project Report

Big Mountain Resort modelled price is 93.82, actual price is 81.00. Even with the expected mean absolute error of $10.34, this suggests there is room for an increase. This result should be looked at optimistically and doubtfully! The validity of the model lies in the assumption that other resorts accurately set their prices according to what the market (the ticket-buying public) supports. The fact that the resort seems to be charging that much less that what's predicted suggests the resort might be undercharging. It's reasonable to expect that some resorts will be "overpriced" and some "underpriced."

The model says closing one run makes no difference. Closing 2 and 3 successively reduces support for ticket price and so revenue. If Big Mountain closes down 3 runs, it seems they may as well close down 4 or 5 as there's no further loss in ticket price. Increasing the closures down to 6 or more leads to a large drop.