

Brian Werle - Guided Capstone

Executive Slide Deck

Challenge: Setting Fair and Competitive Prices

Problem statement: What should our lift ticket prices be so they are competitive but also fair given our resort's size and amenities?

Why it matters:

- Pricing impacts competitiveness, revenue, and customer perception
- Must be justified by resort features (market, size, terrain, amenities)

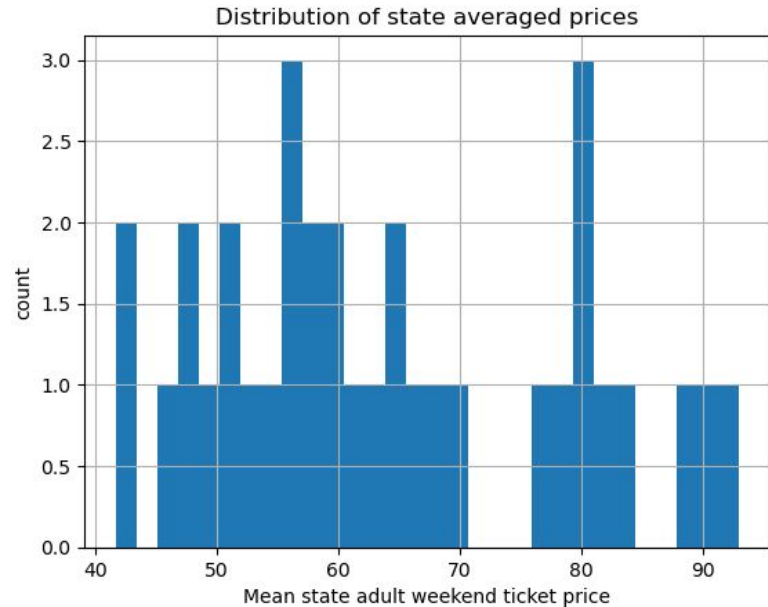
Market Context: How Do We Compare

Ticket prices vary widely by region

Big Mountain offers amenities similar to higher-priced resorts in neighboring areas

Pricing model uses regional pricing as baseline

Outliers are associated with market anomalies (luxury resorts, limited access)



Recommendation: \$83 Ticket Price

\$83 supports competitive positioning and revenue goals

- Resort size and features align with similarly-priced competitors
- Model testing supports \$83 as a 'fair value'
- Scenario testing shows opportunity for revenue growth

Data Preparation and Cleaning

Dataset: 330 ski resorts, 27 columns

Actions taken:

- Dropped incomplete or unrealistic entries

- Removed columns with excessive missing data

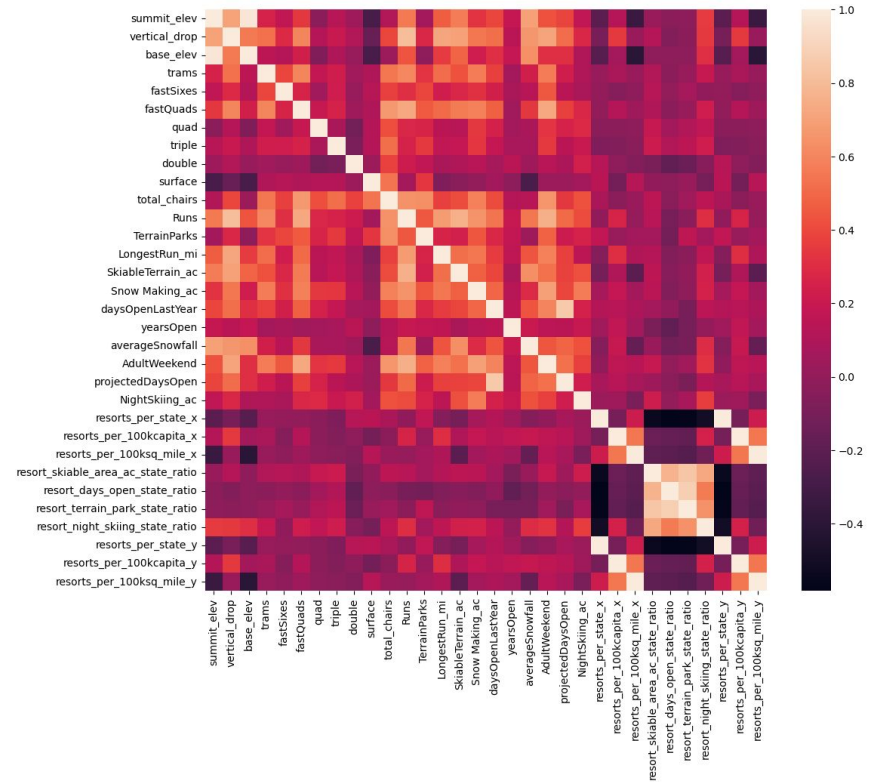
Purpose: Ensure model accuracy and reliability

What Drives Ticket Prices?

Strongest predictors:

- Terrain Size
- Number of Lifts
- Run Length

Larger Resorts -> Higher Prices



Modeling and Evaluation

Algorithms used: Linear Regression, Random Forest

Feature engineering:

- Region categorization
- Log-transformed prices
- Normalized features

Conclusion: Model effectively predicts prices using available data

Scenario Analysis

Key Scenario Outcomes:

- \$83 price point: Matches Model Prediction
- New Lift below 150 Ft: boost price justification
- Closing low-performance run: no revenue loss

Revenue impact:

\$3.89 million increase based on visitor volume x price change x stay length

Conclusion and Next Steps

Key Points:

- \$83 price point is data-backed and competitively sound
- Operational changes (new lift + closure) optimize pricing potential
- Forecast: +\$3.89M in seasonal revenue

Future Recommendations:

- Collect actual transaction data to refine model
- Add customer demographics & travel insights
- Explore dynamic pricing and bundled pass model