Forty-Nine Degrees North Mountain Resort

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ABSTRACT

Marketing at ski resorts represents an interesting challenge because of the great variety of resort types associated with the ski industry. At one end of the marketing spectrum are high-end destination resorts that promote an image of glitz and glamour. Much of the marketing talent needed to run such resorts is encompassed in large corporate departments that promote everything from high-priced real estate to televised events with well-known celebrities. At the other end of the spectrum are small local resorts, often owned by entrepreneurs, whose marketing activities are limited to finding the right marketing mix for the sport itself. Such resorts are far more focused on product, price, promotion, and place than on the myriad activities associated with larger resorts. An interesting problem develops when such small resorts seek to leapfrog their current market position by expanding their resort size.

This case examines a small privately-owned ski resort in the State of Washington, 49° North Mountain Resort, a resort that is seeking an expansion. One of the most difficult tasks for entrepreneurs is assessing market potential and financial risk before investing in expansion activities. One possible technique for ascertaining risk is linking forecasted growth in revenues to improvements in facilities and operations. An entrepreneur with some history of market behavior has an advantage over those with limited knowledge of how a radically new product or service will perform. This case provides data that is useful in ascertaining whether expansion is desirable. Furthermore, it describes the marketing mix that has brought some stability to the resort’s financial performance. Market and quantitative data is available for analysis, but are other factors important as well? Should the resort maintain its current marketing mix, or should it change to target a more lucrative market?