Problem Statement Worksheet (Hypothesis Formation)

Increase the ticket price reasonably to cover the newly operating cost for this coming season

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1 Context

Installation of the new chair lift to facilitate the visitors' distribution across the mountain, imposed some overhead operating cost that needs to be cover by increasing the ticket price and cutting costs. In this solution I am trying to focus on how to increase the ticket price to cover this newly cost.

2 Criteria for success

The new ticket prices should be as expensive as other resorts with the similar characteristics that provide similar ski experience for skiers, such as: resort natural environment (elevation, skiable area, snow falls, and number of days open per season), and resort facilities (such as number of lifts, snow making area, night skiing), and also the history of the resort. by "similar" I mean resorts with equal to maximum 10% higher values vs. Big Mountain Resort.

3 Scope of solution space

Prepare the dataset based on the success criteria and create a model to calculate the new ticket price.

4 Constraints within solution space

Maybe the new price is not enough to cover the operating cost, to overcome this issue I am going to create a model to calculate the new price based on variable percentage of similarity of resorts, and live it to final decision makers to see which one fits the best.

5 Stakeholders to provide key insight

1. **Director of Operations, Jimmy Blackburn**
2. **Alesha Eisen, the Database Manager**

6 Key data sources

Single CSV file from the database manager.

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