Problem Statement Worksheet (Hypothesis Formation)

How can Big Mountain Resort can spend $1,540,000 on an additional chair lift while maintaining a profit margin of 9.2%?

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1 Context

The resort is interested in installing an additional chair lift so that its visitors will be able to travel across the mountain more easily. However, we want to keep profit margins at 9.2%. In order to achieve this, we need to first determine how much extra revenue the new chair lift could generate, and from there determine where operating costs can be cut.

2 Criteria for success

Successfully figuring identifying what a new ticket price can be such that expenses for the additional chair lift are covered.

3 Scope of solution space

We are given various data and metrics of ski resorts across the US. From this data we can start to analyze what affects the revenue of a ski resort.

4 Constraints within solution space

- **Limited amount of data available for each ski resort**
- **Missing entries of data**

5 Stakeholders to provide key insight

- Big Mountain Resort
- Resort visitors

6 Key data sources

Ski resort data

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