# Problem Statement Worksheet (Hypothesis Formation)

**Big Mountain Resort needs a data-driven ticket pricing strategy to optimise revenue and cover the $1.54M operating cost of the new chair lift, incorporating facility value when benchmarked against similar resorts.**

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## 1 Context

**Currently, the resort utilises a ticket pricing strategy of having a premium above-market value without consideration of facility value. This limits the Big Mountain resort from making changes to price or from identifying cost-saving opportunities without affecting value perception.**

## 2 Criteria for success

**Criteria for success includes:**

**- Proposal of data-driven ticket price in alignment with market trends while maximising facility value.**

**- Recommendations for cost reductions or for justifications on premium ticket pricing without negatively impacting customer satisfaction.**

## 3 Scope of solution space

**A solution will:**

**- Analyse facility usage data, including the new chair lift.**

**- Benchmark Big Mountain's pricing against 330 similar resorts in the market.**

**- Identify and provide actionable insights on cost-saving measures and ticket pricing strategy.**

## 4 Constraints within solution space

**Key potential challenges include:**

**- Resistance from stakeholders regarding the adjustment of pricing strategies without a clear ROI.**

**- Limited data from resort visitors**

## 5 Stakeholders to provide key insight

**Jimmy Blackburn (Director of Operations): Oversees resort strategy and is responsible for implementing recommendations**

**Alesha Eisen (Database Manager): Will provide data access and supports analysis process.**

## 6 Key data sources

**Core analysis will be performed using CSV dataset containing:**

**- Resort Market Data: Data from 330 similar resort such as ticket pricing, facilities offered, and other performance metrics.**

**- Big Mountain-Specific Data: Details of Big Mountain's facilities, operation expenses, and ticket pricing information**

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