Problem Statement Worksheet (Hypothesis Formation)

How can Big Mountain Resort capitalize on their facilities to select a data-driven value for their ticket price, and what changes can they implement that allow for higher ticket prices or cut costs without sacrificing the visitor experience?

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1 Context

Big Mountain Resort is a ski resort in Montana, near Glacier National Park and Flathead National Forest, with access to 105 trails. Every year they get about 350,000 visitors of all levels and abilities. They are currently choosing their price structure by charging a premium above the average ticket price of other ski resorts in their market segment, but would like to base their prices on the value of their facilities, and make changes so that they can support an even higher ticket prices or not undermine their current ticket price.

2 Criteria for success

This project will be considered successful if a new pricing structure is developed based on the value of the facilities, and if recommendations are made on how to change the facilities to cut costs without sacrificing ticket value, or increase ticket value.

3 Scope of solution space

The scope of this project will be limited to looking at the impact of facilities named in the data set on ticket price.

4 Constraints within solution space

It is likely that non-quantifiable variables impact ticket value, such is the beauty of a location, how easy to access the resort is, how friendly staff is, etc.

It will be difficult to make recommendations on what changes to make without data on the cost of those changes.

5 Stakeholders to provide key insight

Management and owners of Big Mountain Resort.

6 Key data sources

We will be using the provided dataset of the 330 ski resorts in the same market share.