

# Problem Statement Worksheet (Hypothesis Formation)

**What opportunities exist for the Big Mountain Resort to maximize revenue by optimizing ticket prices based on the 'best value to their customers' comparing their facilities vis-à-vis with other resorts in their market segment using data-driven strategies?**

H

## 1 Context

Big Mountain Resort, a ski resort located in Montana serves every year about 350,000 people ski or snowboard. This resort can accommodate skiers and riders of all levels and abilities.

With the investment of \$1.54 million for this season for the additional chair, company wants to develop a business strategy to maximize the revenue by providing the best value to their customers based on their level of facilities compared to other resorts in their market.

## 2 Criteria for success

Develop ticket pricing strategies to maximize the revenue based on their facilities vis a vis with other resorts to offer the best value to their customers for their current upcoming season.

## 3 Scope of solution space

Focus is on the revenue maximization based on the best value to their customers and not on the profitability as fixed cost as well as variable cost for different facilities are not known.

## 4 Constraints within solution space

With any type of ticket price increase, marketing team may resist the proposed changes.

Local factors such as the population demographics, economic outlook, proximity to other nearby resorts etc can impact any pure data-driven strategy.

Gaining access to the proper data sources may be difficult.

## 5 Stakeholders to provide key insight

- Jimmy Blackburn – Director of Operations
- Alisha Eisen – Database Manager

## 6 Key data sources

- SQL database or an S3 bucket

H

D

E

I

P