Big Mountain Resort PSW – Leo Evancie

How can Big Mountain Resort use data to identify changes that would result in a combination of cutting operating costs and increasing ticket prices, resulting in increased profitability the coming season and beyond?

1 Context

Big Mountain has just added a new chair lift, increasing operating costs by over $1,5m. To date, the resort has set ticket prices as a premium above average resorts in it market segment. The business wants to develop a data-driven pricing scheme using (and to further develop) insights about the importance of facilities within the resort.

2 Criteria for success

If Big Mountain's business changes lead to a) reduced operating costs, and/or b) a higher ticket price (supported by the data), in such a way that the resort is at least as profitable as before the addition of the new chair lift, as reflected in the financials for the upcoming ski season, the project will be considered successful.

3 Scope of solution space

We will focus on identifying expenses eligible to be cut or reduced, and identifying changes to the resort that would support a higher ticket price.

4 Constraints within solution space

With the mountain having recently increased expenses by $1,5m with the addition of the new chair lift, simply improving profitability is not sufficient; we must improve it beyond the point that the new expense is compensated for. Also, the ski season is determined largely by weather, although the number of open days can be extended with the use of snow-making machines.

5 Stakeholders to provide key insight

Jimmy Blackburn - Director of Operations, Alesha Eisen - Database Manager

6 Key data sources

From the provided CSV file of information pertaining to competing ski resorts, we will consider: Region, state, trams, chairlifts (each type/size), runs, terrain parks, skiable area, snow-making area, days open last year, average snowfall, adult weekday & weekend chairlift ticket price, projected days open, and night-skiing area.

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