| **Problem Statement Worksheet** | |
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| How can the Big Mountain Ski Resource make informed decisions on a better ticket pricing strategy for next opening winter season 2023 to cover the increasing operation cost from the recent facilities upgrade ,reduce cost by 10% and yet still make profit by analyzing the other resorts information ? | |
| **Context** | **Constraints within solution space** |
| Despite offering stunning views and a variety of trails, the Big Mountain resort is facing challenges in optimizing its pricing strategy and maximizing the use of its facilities. The recent installation of an additional chair lift at Big Mountain Resort, resulting in a $1,540,000 increase in operating costs for the season.The current pricing approach involves charging a premium above the market average, but the resort believes there is room for improvement. The resort is trying to explore changes to either reduce costs while maintaining ticket prices or potentially increasing ticket prices further. | * Limited historical data specific to Big Mountain Resort could impact the success of the data-driven pricing initiative. * Lack of customer data |
| **Criteria for success** | **Stakeholders to provide key insight** |
| Defining a price strategy that maximizes revenue while accounting for facility importance and market dynamics. Also ,Improving distribution of visitors across the mountain, reduced congestion, and positive feedback from guests. | * Jimmy Blackburn - Director of Operation * Alesha Eisen- Database manager |
| **Scope of solution space** | **Key data sources** |
| Analyzing data   * To determine an optimal ticket pricing structure that reflects the value of different facilities and services, as well as market conditions, to maximize revenue. * To ensure a balanced distribution of visitors across facilities, trails and lifts to enhance the skiing experience. | Ski Resort Data provided by Database manager in a .csv file which contains information from 330 resorts in the US that can be considered part of the same market. |