

Problem Statement Worksheet (Hypothesis Formation)

How can we increase revenue by 5% through calculated ticket prices and/or reduced operation costs.

1 Context

Big Mountain Ski Resort, Montana, added a new chair lift that increases operating costs by \$1.54M. The ski resort wants to increase their revenue by increasing ticket prices based on facilities and avg ticket prices of other resorts. Including the new ski lift, the resort has 14 Lifts, 2 T-bar lifts, and 1 magic carpet. Skiers have access to 105 trails (runs), the longest being 3.3 miles, and a 2353 ft vertical drop.

2 Criteria for success

Revenue is increased by 5% through calculated ticket prices and/or reducing costs of operation.

3 Scope of solution space

The focus is to determine a proper ticket price based on Ski Resort data from across the US.

4 Constraints within solution space

- **A wide data driven strategy might not be handled well with business analysts within the company.**
- **Business is seasonal which limits the time to collect data.**

5 Stakeholders to provide key insight

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

6 Key data sources

CSV File - Provided by Database Manager