

# Hotel Booking Analysis: Cancellation Patterns

This analysis examines hotel booking cancellation patterns and their impact on revenue. We'll explore factors affecting cancellations and provide recommendations to reduce them.



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## **Cancellation Overview**

37.1%

62.9%

#### **Cancellation Rate**

Over one-third of all hotel bookings end in cancellation.

#### **Completed Bookings**

Majority of reservations are fulfilled as planned.



#### Revenue Impact

Cancellations significantly affect hotel revenue streams.



## **Hotel Type Comparison**

#### **City Hotels**

Higher booking volume overall.

Higher cancellation rates compared to resorts.

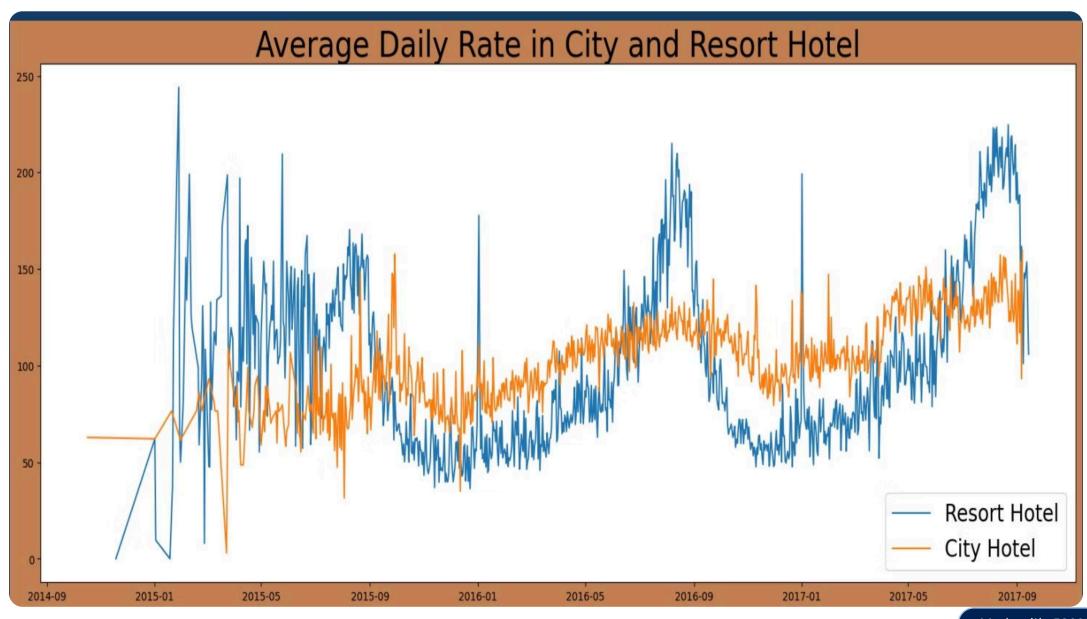
More stable pricing throughout the year.

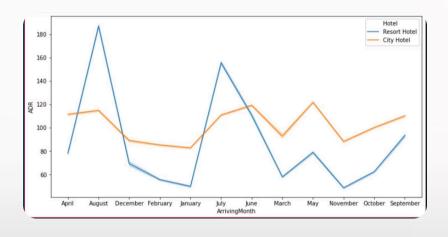
#### **Resort Hotels**

Lower booking volume overall.

Lower cancellation rates than city hotels.

Significantly higher prices on average.





## **Seasonal Price Variations**

Resort Hotels

Peak prices during July, August, and September.

Lowest rates during winter months.

City Hotels

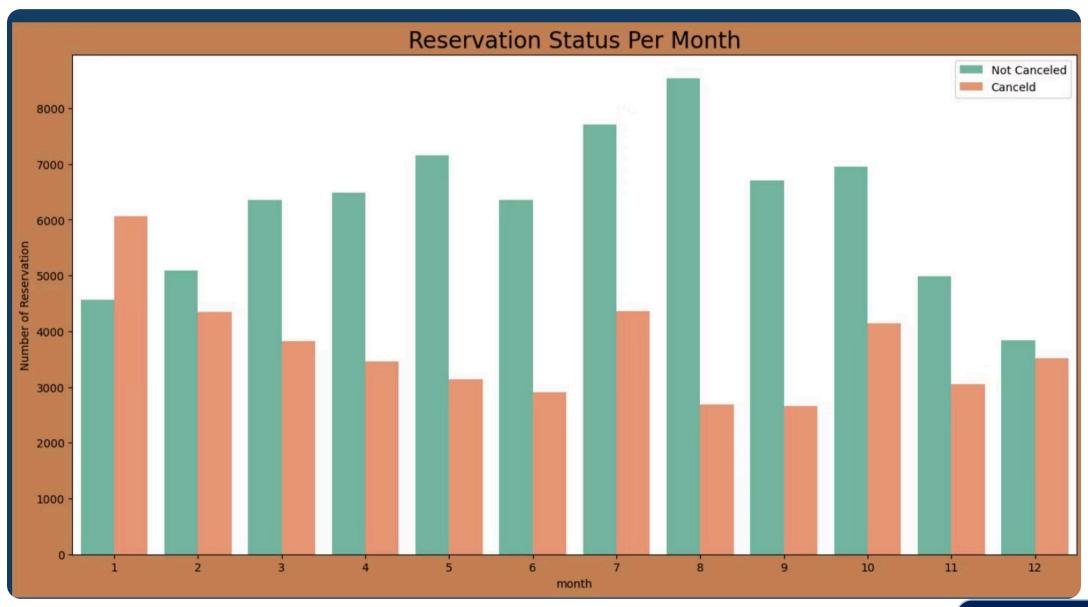
Slightly higher rates during March, April, and May.

More consistent pricing year-round.

Weekend Effect

Resort prices rise significantly during weekends and holidays.

## **Monthly Booking Patterns**



# Price Impact on Cancellations



#### **Higher Prices**

Lead to increased cancellation rates.



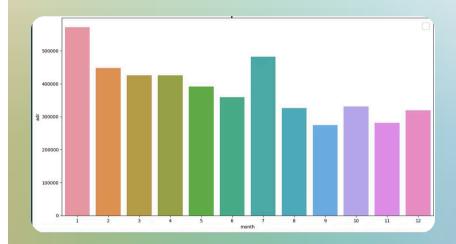
#### **Price Sensitivity**

Primary factor influencing booking decisions.



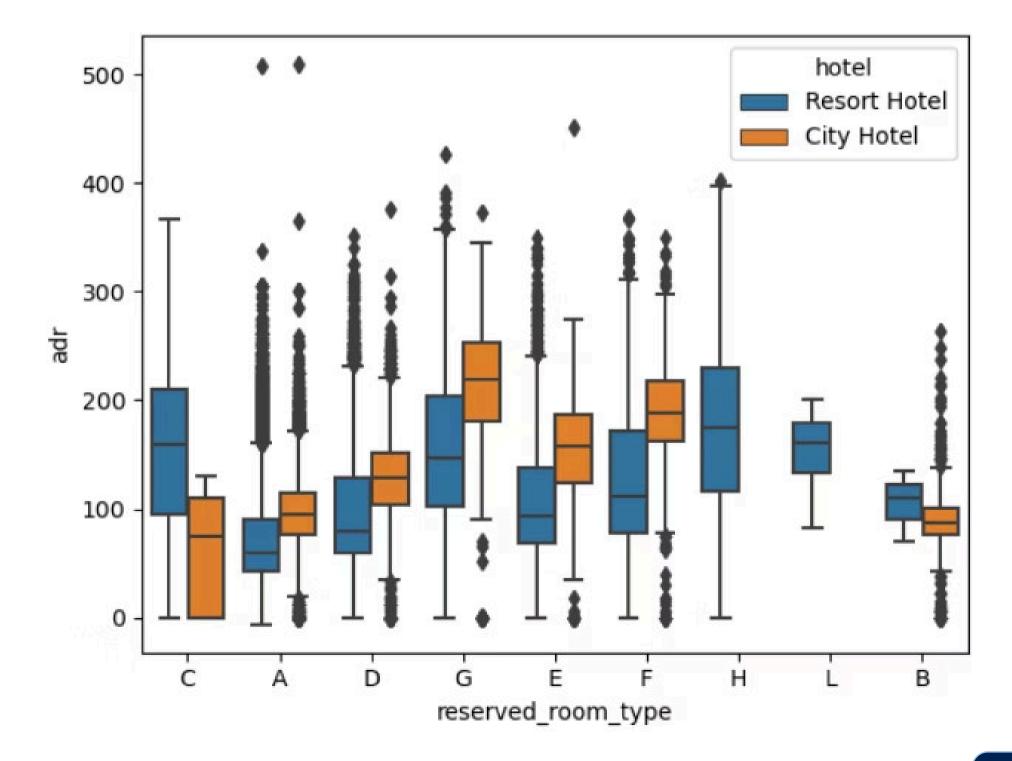
#### **Lower Prices**

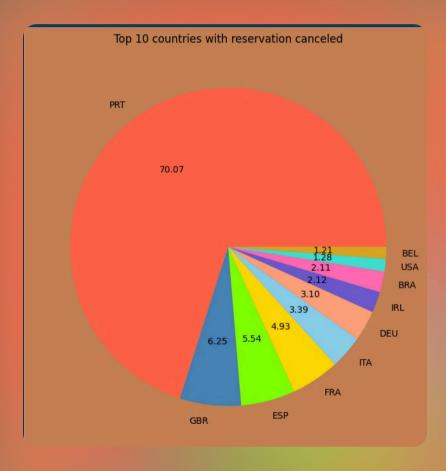
Result in fewer cancellations.



## **Factors Affecting Pricing**

#### **Meal Arrangements Seasonal Factors** Meal plans significantly High season commands impact overall booking costs. premium pricing. **Room Types Geographic Location** Different room categories Portugal has highest command varying price cancellation rates among all points. countries. ₩ W





## Cancellation vs. Daily Rate

# Higher ADR = More Cancellations

Canceled bookings consistently show higher average daily rates.

#### **Price Sensitivity**

Customers are highly responsive to price increases.

#### **Deposit Policies**

No-deposit policies may contribute to higher cancellation rates.

## Recommendations



#### **Refine Pricing Strategies**

Offer location-specific rates and customer discounts to reduce cancellations.



#### **Review Deposit Policies**

Consider adjusting no-deposit policies that may contribute to cancellations.



#### **January Marketing Campaigns**

Launch special offers during January to combat high cancellation rates.



#### **Focus on Resort Model**

Learn from resort hotels' lower cancellation ratios.

