

Data Insights Report on Hotel Booking Dataset

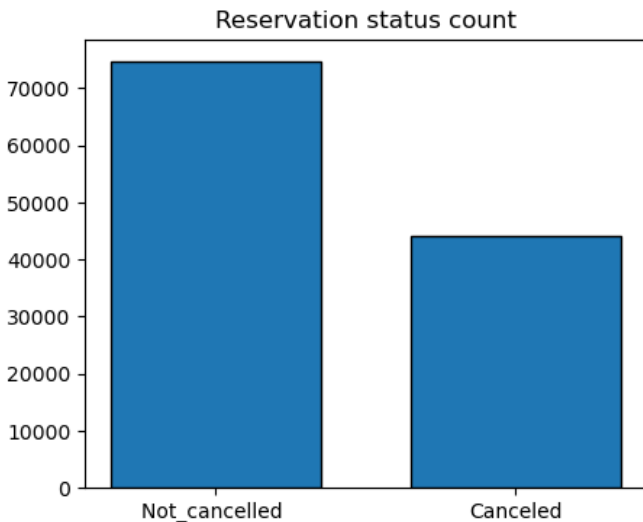
Dataset source: ([click here](#))



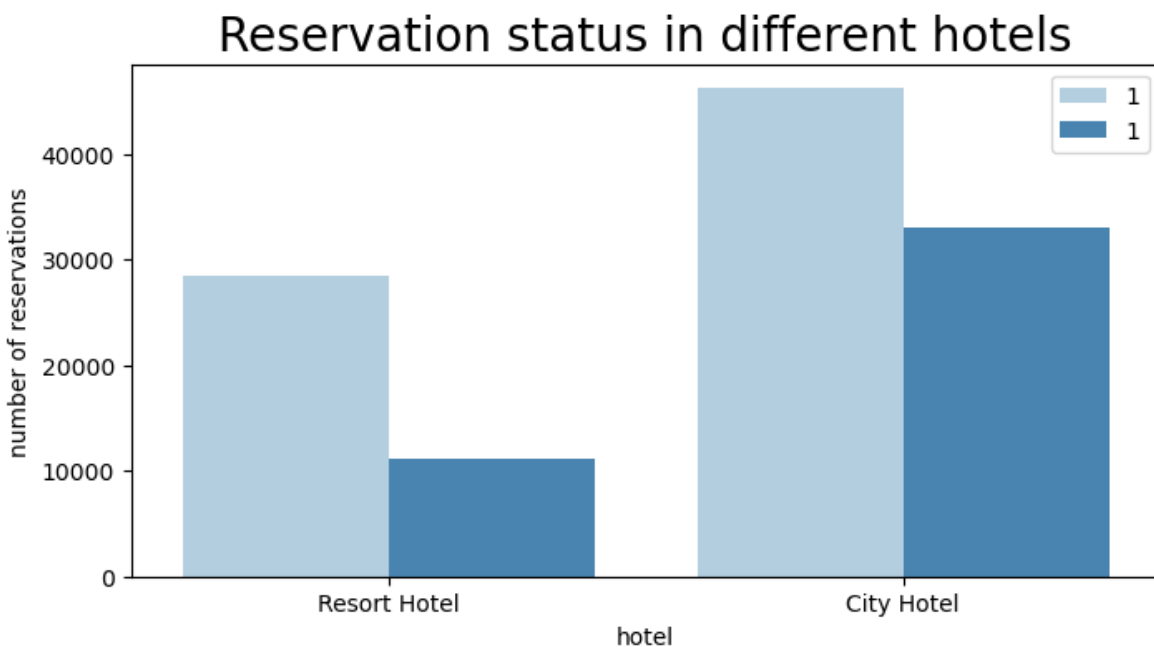
Presumption:

1. Increased prices lead to a higher number of cancellations.
2. A higher number of cancellations is observed when the waiting list is longer.
3. The predominant source of client reservations is offline travel agents.

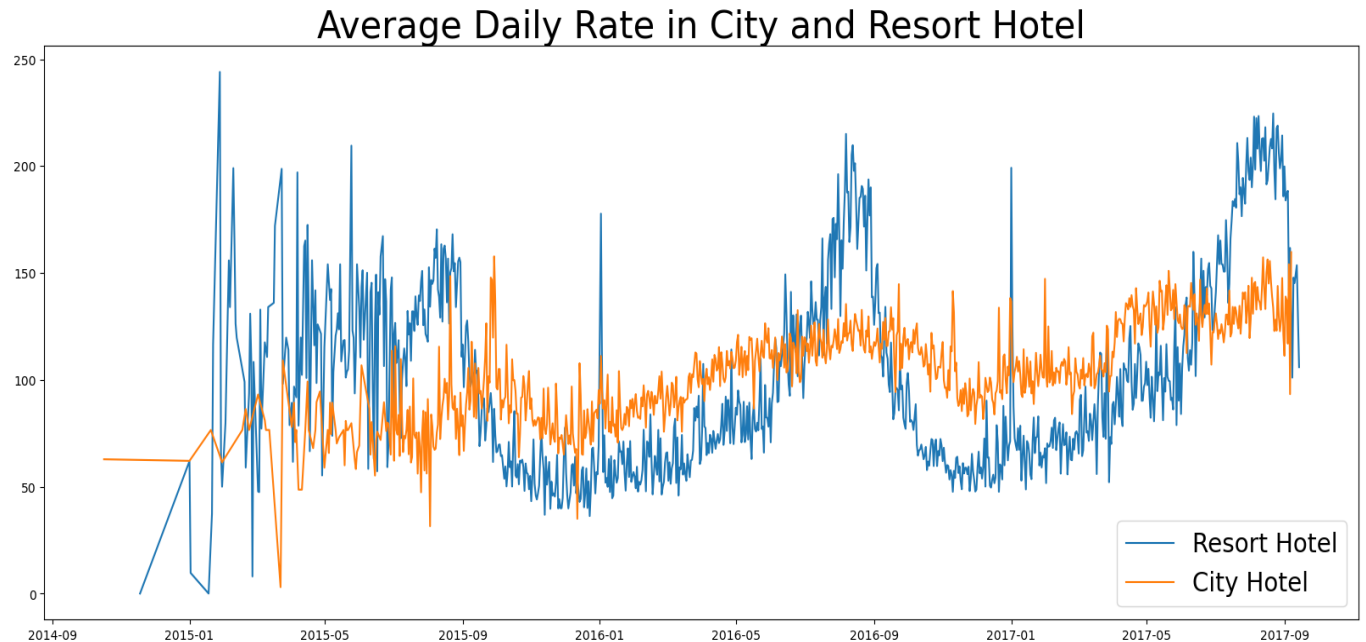
Interpretation:



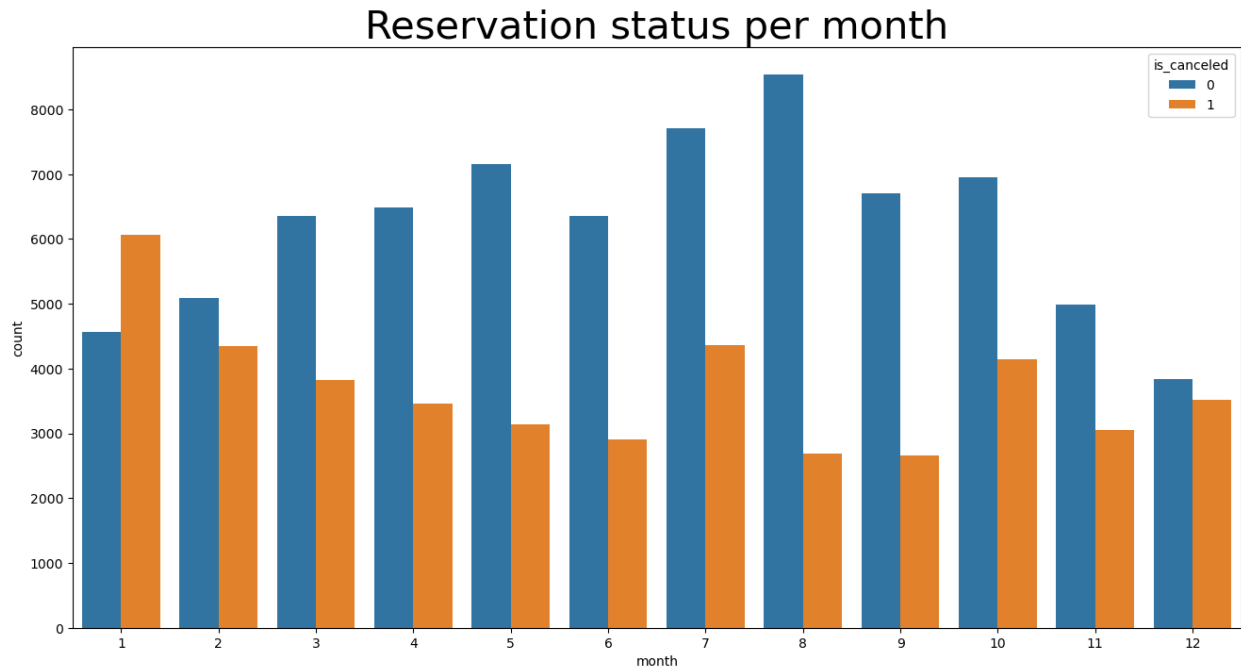
The provided bar graph illustrates the proportion of reservations that have been canceled and those that remain intact. It is evident that a substantial number of reservations have not been canceled. Notably, 37% of clients have chosen to cancel their reservations, exerting a noteworthy influence on the earnings of the hotels.



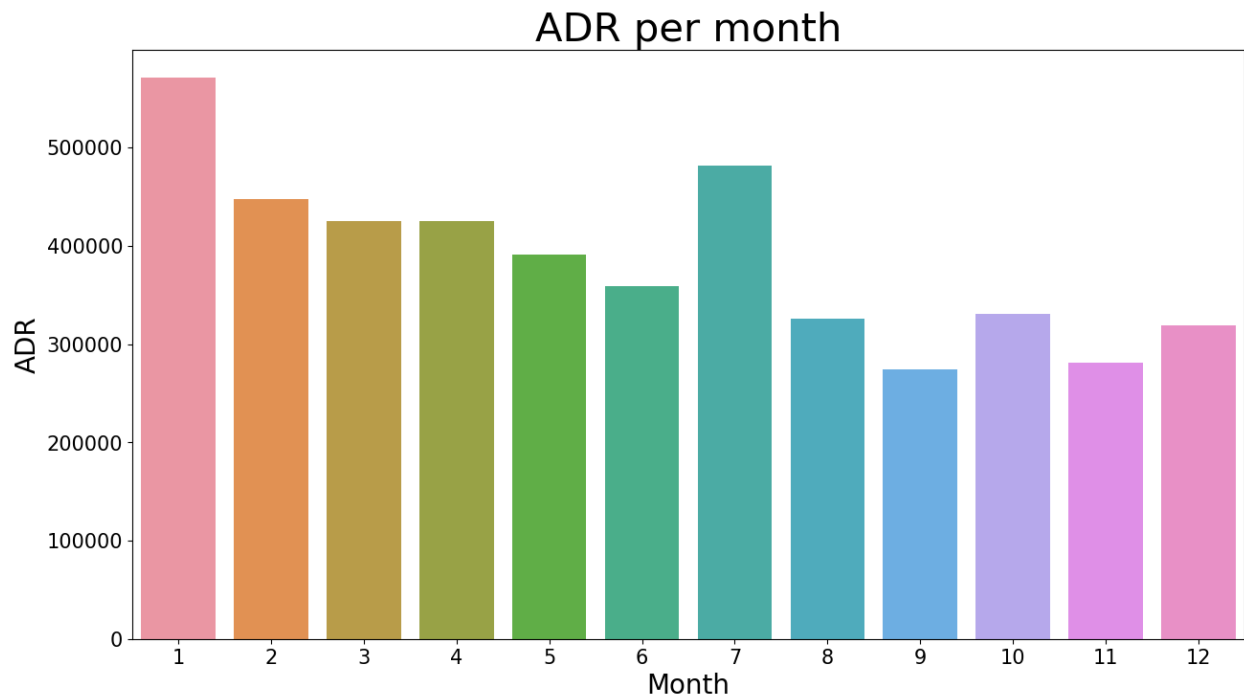
When comparing resort hotels to city hotels, it is apparent that city hotels experience a higher volume of bookings. It is plausible that resort hotels command a higher price point in comparison to their city counterparts.



The provided line graph depicts variations in the average daily rate for both city hotels and resort hotels. It is evident that on specific days, the average daily rate for a city hotel is lower than that of a resort hotel, and on other days, it is even lower. It is implicit that weekends and holidays might witness an increase in resort hotel rates.



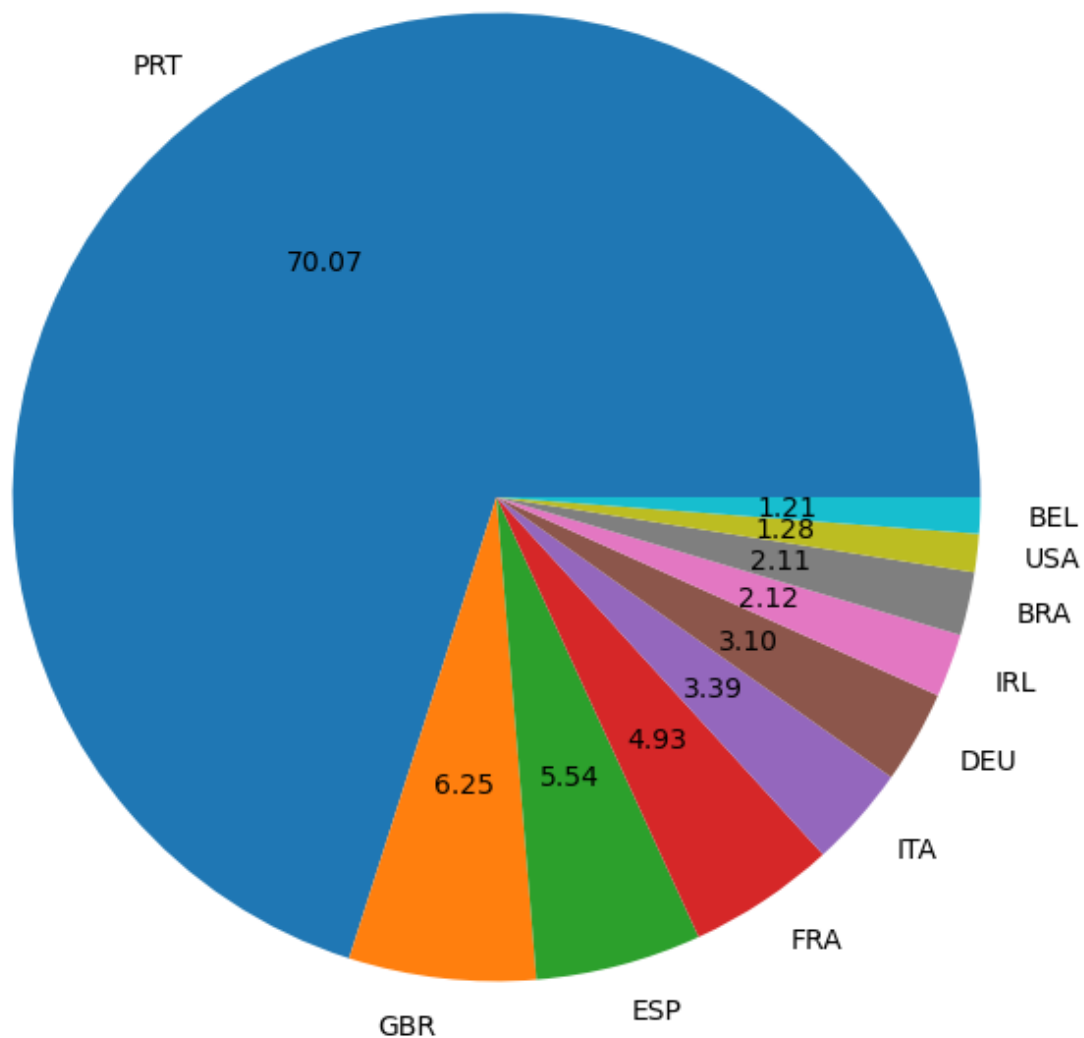
We have developed the grouped bar graph to analyze the months with the highest and lowest reservation levels according to reservation status. As can be seen, both the number of confirmed reservations and the number of canceled reservations are largest in the month of August. whereas January is the month with the most canceled reservations.



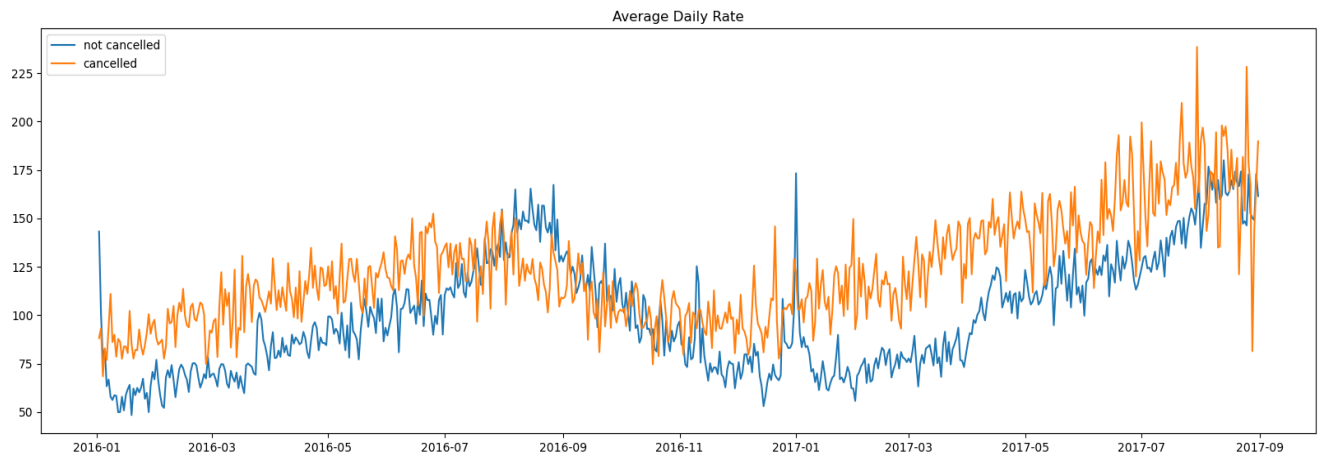
The presented bar graph clearly illustrates a direct relationship between the magnitude of prices and the frequency of cancellations. It indicates that cancellations are more prevalent when prices are higher and less prevalent when prices are lower. Hence, the cost of accommodation appears to be the primary factor contributing to the cancellations.

Now, let's examine the country with the highest number of reservation cancellations. Portugal emerges as the top country with the highest cancellation rate.

Top 10 countries with reservation canceled



Let's explore the source of hotel guests and their reservation methods. Are guests predominantly arriving through Direct bookings or Groups, Online travel agencies or Offline travel agents? Approximately 46% of clients originate from online travel agencies, while 27% are attributed to groups. Only a small fraction, specifically 4% of clients, opt to book hotels directly by physically visiting the establishments and making reservations.



As evident from the depicted graph, it is observed that reservations are more likely to be canceled when the average daily rate is higher compared to when it is not canceled. This provides compelling evidence that aligns with the previous analysis, demonstrating a strong correlation between higher prices and increased cancellation rates.

Suggestions:

1. To mitigate reservation cancellations, hotels can consider adjusting their pricing strategies. They may explore lowering rates for specific hotels based on their locations. Additionally, offering discounts or promotional offers to customers can incentivize them to retain their reservations.
2. Given the higher cancellation ratio in resort hotels compared to city hotels, it would be beneficial for hotels to offer competitive discounts on room prices during weekends and holidays. This can attract more bookings and potentially reduce cancellation rates.

3. January, being the month with the highest cancellation rates, presents an opportunity for hotels to implement targeted marketing campaigns or promotional activities. Offering attractive deals or packages during this month can help boost revenue and minimize cancellations.

4. Improving the overall quality of hotels and services, particularly in Portugal where the cancellation rate is highest, can be an effective strategy. Enhancing facilities, amenities, and customer service can instill confidence in guests and decrease the likelihood of cancellations.