

## **PROBLEM STATEMENT-**

In recent years, City Hotel and Resort Hotel have seen high cancellation rates. Each hotel is now dealing with a number of issues as a result, including fewer revenues and less than ideal hotel room use. Consequently lowering cancellation rates is both hotels' primary goal in order to increase their efficiency in generating revenue and for us to offer thorough business advice to address this problem.

## **ASSUMPTION'S-**

1. This information is still current and can be used to analyze hotel's plans in an efficient manner.
2. There are no unanticipated negatives to the hotel employing any advising techniques.
3. The hotels are not currently using any suggested solutions.
4. The biggest factor affecting the lower income is booking cancellations.
5. Cancellation results in the vacant rooms for the booked length of the time.
6. Clients make hotel reservations the same year they make cancellations.

## **RESEARCH QUESTIONS-**

1. What are the variables that affect hotel reservation cancellations?
2. How can we make reduce hotel cancellations ?
3. How will hotel be assisted in making pricing and promotional decisions?

## **HYPOTHESIS**

1. More cancellations occur when prices are high.
2. When there is longer waitlist, customer tends to cancel often.
3. The majority of the clients are coming from the offline travel agents to make their reservations.

## **SUGGESTIONS**

1. Cancellation rates rises as the prices does. In order to prevent cancellation of reservations and hotels can work on their pricing strategies and try to lover for the specific hotels based on the location.
2. Hotels should be provided discounts and reasonable prices on the weekends and month end.
3. In the starting of the new-year hotels can start marketing campaigns and discount to occupy more visitors.
- 4.They can also improve their quality and services in preferably Portugal's side to reduce the cancellation rates.