

# Hotel Booking Cancellation Analysis - Insights Report

## Key Insights from the Dashboard

### 1. Guest Segment Impact

- Couples have the highest cancellation rate with 32K cancellations out of 82K bookings. This segment contributes to approximately 39% of total cancellations.
- Single guests account for around 5K cancellations out of 15K bookings, indicating a 33% cancellation rate.
- Families show a moderate trend with 7K cancellations out of 22K bookings.

### 2. Booking Frequency & Cancellations

- Total Bookings: 119.39K
- Total Cancellations: 44K (approx. 36.8% cancellation rate)
- Between 2016 and 2017, the cancellation rate increased by 0.02, reflecting a pattern that needs further analysis.
- Analysis indicates that cancellations are largely concentrated around key seasons, with noticeable spikes during peak travel periods.

### 3. Hotel Type Comparison

- Resort Hotels account for the majority of cancellations with 33K cancellations compared to 11K cancellations in City Hotels.

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- Resort Hotels form 66.45% of total bookings, suggesting a stronger dependency on seasonal trends and tourist preferences.

## 4. Room Preferences

- A total of 104K guests successfully booked their desired rooms, while 15K guests received undesired rooms.
- Analysis reveals that undesired room assignments significantly correlate with cancellations, suggesting potential gaps in room allocation management.

## 5. Monthly Trends

- Peak cancellations occur between July and September, likely tied to high tourist activity and uncertain vacation plans.
- February and December show consistently lower cancellation rates, presenting opportunities for targeted marketing campaigns during these months.

## 6. Booking Trends Over Time

- 2016 recorded the highest number of cancellations, followed by a slight decrease in 2017.
- Cancellations outpaced no-shows, highlighting that guests often cancel rather than skip reservations altogether.

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## Recommendations

1. Optimize Cancellation Policies
2. Encourage Direct Bookings
3. Improve Room Allocation
4. Targeted Promotions
5. Predictive Overbooking Strategy

## Conclusion

This detailed analysis highlights crucial insights into booking behavior, seasonal trends, and guest preferences.

By implementing targeted strategies, hotel managers can reduce cancellations, improve room allocation, and optimize revenue.