Hospitality Analysis

AtliQ Hotels

INDEX

Table of Content
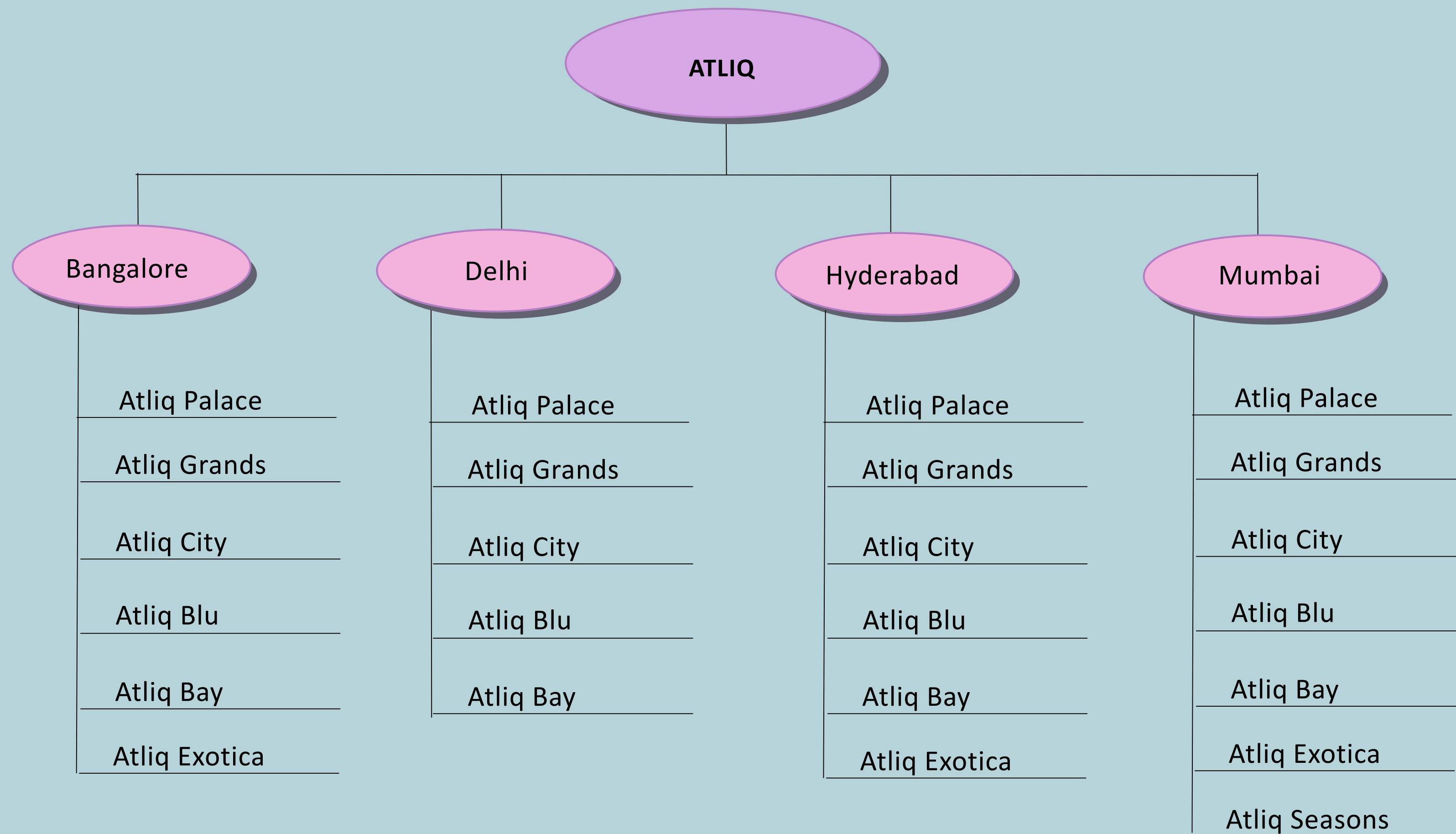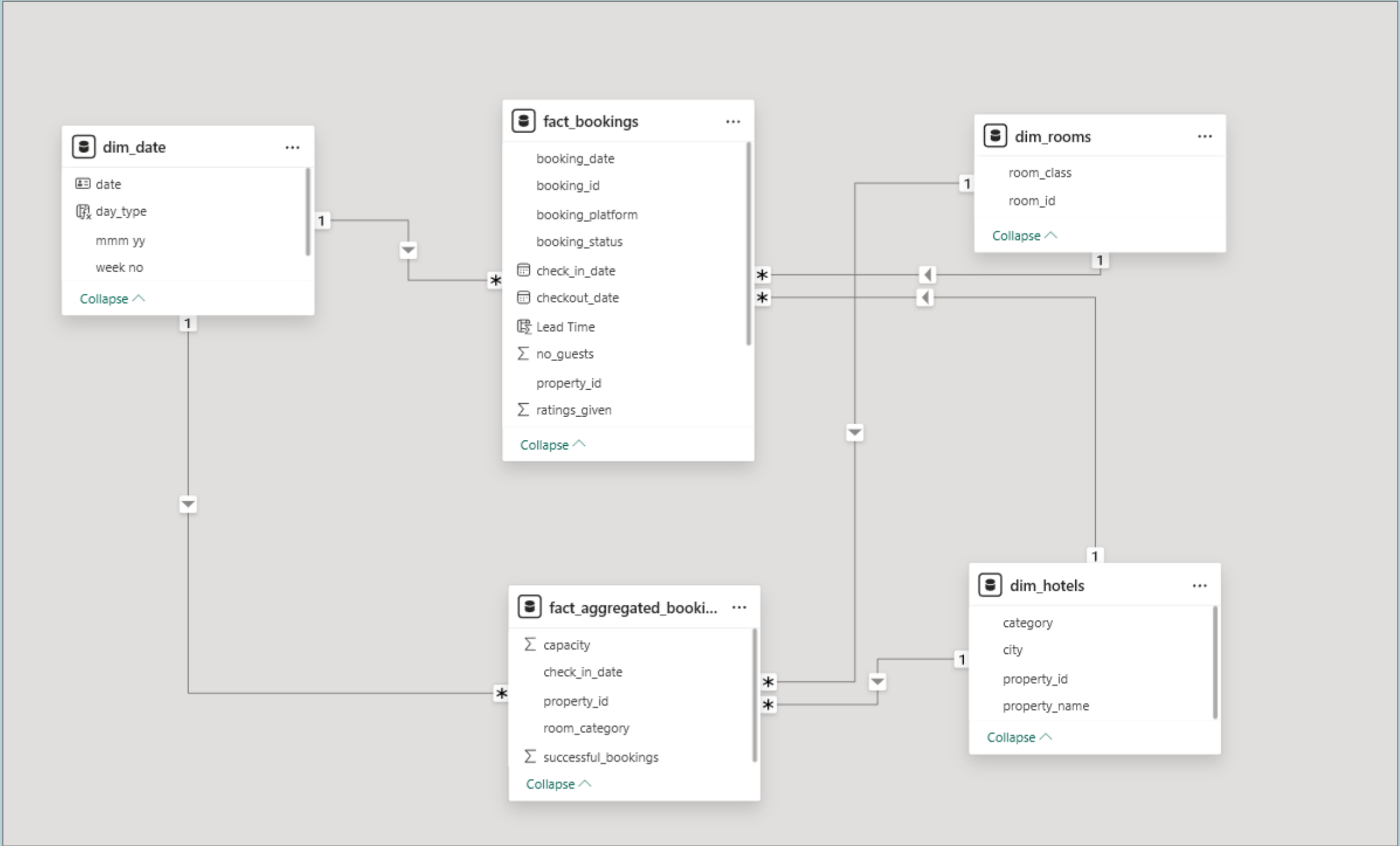
Introduction

❖ **AtliQ Grands** owns multiple five-star hotels across India. They have been in the hospitality industry for the past 20 years.

❖ Due to strategic moves from other competitors and ineffective decision-making in management, AtliQ Grands are **losing its market share and revenue** in the luxury/business hotels category.

❖ As a strategic move, the managing director of AtliQ Grands wanted to incorporate "**Business and Data Intelligence**" to regain their market share and revenue.

TASK - Provide Insights to Revenue Management Team of AtliQ hotels by using their historical data.

Data Model

Dashboard

Dashboard
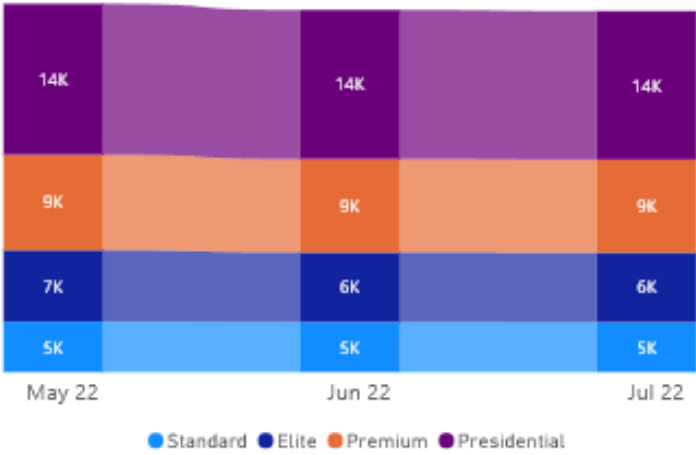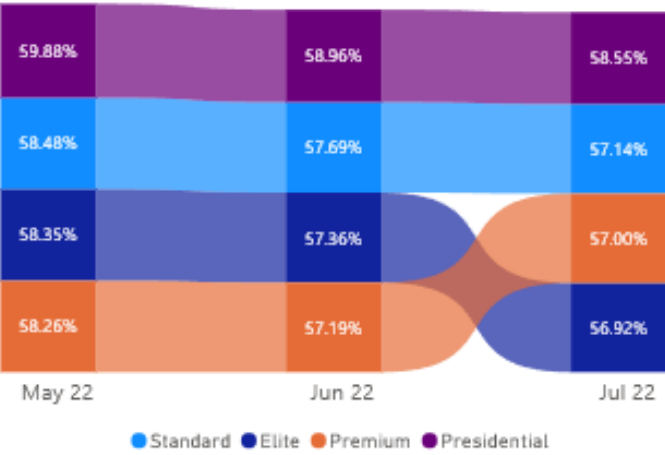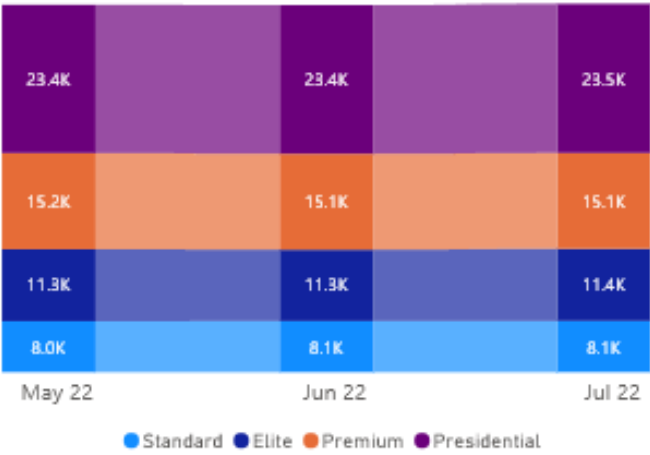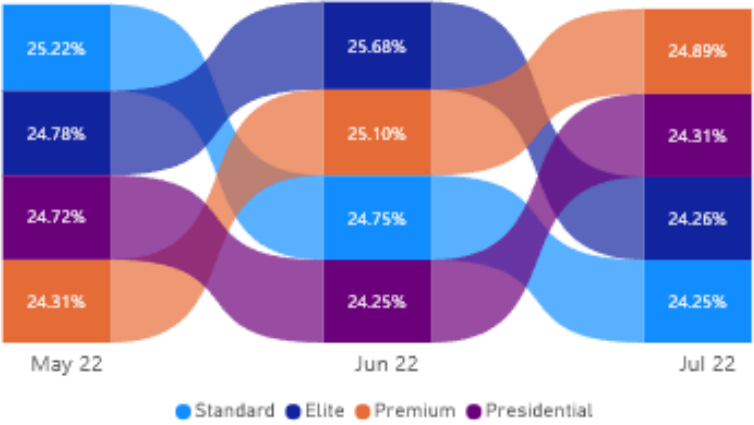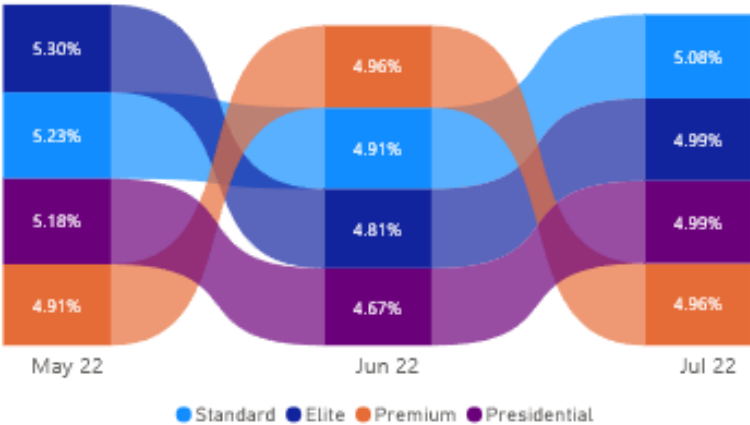
Dashboard
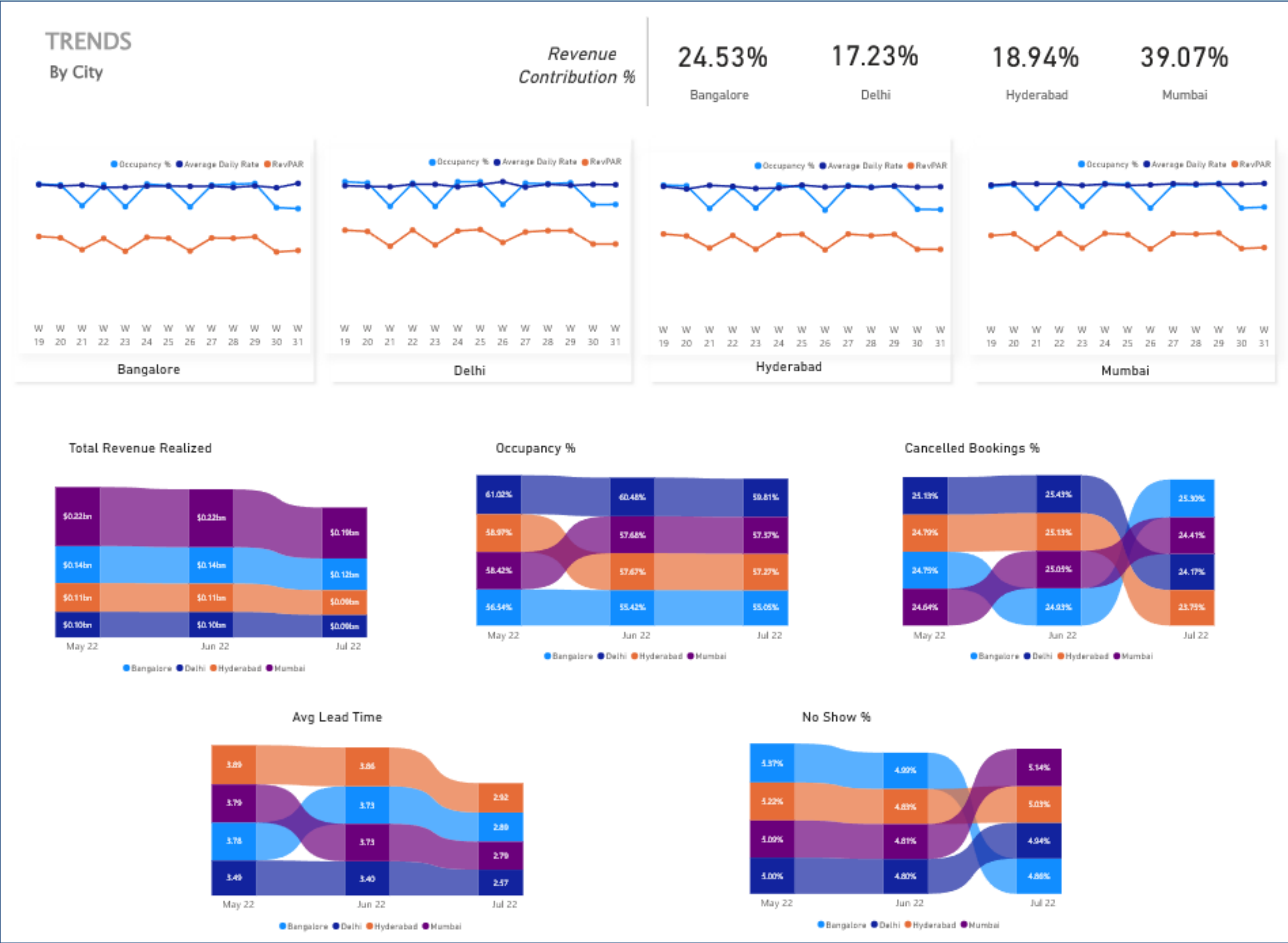
Insights &
Recommendations

Avg Lead Time by Property

● Business ● Luxury

Property	Value
Atliq Grands	4.4
Atliq Exotica	4.4
Atliq Bay	4.4
Atliq Blu	4.4
Atliq Palace	2.0
Atliq City	2.0
Atliq Seasons	1.9
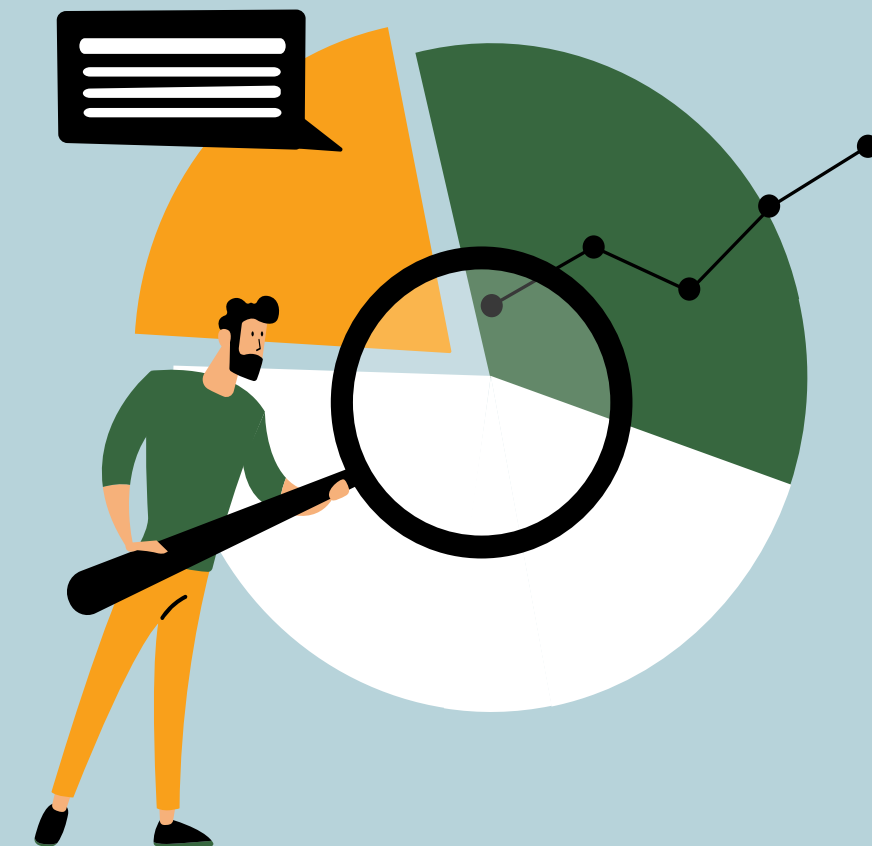
Highest Revenue generated was during **Week 19 ($ 140M)** followed by W24 & W28.
There's a **sharp decline** in revenue after W28.
In W31, weekend revenue dropped almost 50% to $16M

✓ **Implement a loyalty program that rewards repeat guests for weekend stays** by offering perks such as room upgrades, exclusive discounts, or VIP experiences.

✓ **Offer personalized services that cater to weekend guests**, such as complimentary breakfast, or partnering with local events or activities (e.g. concerts, festivals) to attract guests looking for weekend entertainment.

Short Lead Time and Length of Stay in Business Hotels:

Average Lead time and Average Length of stay (ALOS) is **lowest for AtliQ Palace, AtliQ City & AtliQ Seasons** since these three fall under Business category.
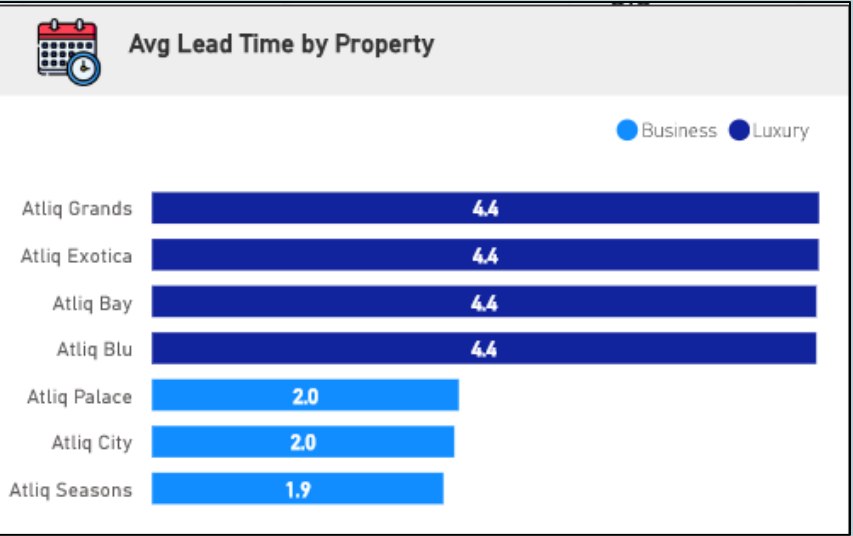While AtliQ Palace & AtliQ city are among the top revenue generators with highest Occupancy %, AtliQ Seasons has the lowest Occupancy and generates the least amount of revenue.

Strategies for Revenue Optimization:
✓ Streamline Check-In/Check-Out Processes
✓ Develop relationships with corporate clients - Offer customized packages or loyalty programs to encourage repeat bookings.
✓ Provide Business-Friendly Amenities
✓ Offer attractive last-minute deals to fill rooms and improve guest loyalty.

Total Revenue Realized	ADR	Occupancy %	RevPAR	Realisation %	DSRN	Avg Rating	Avg Lead Time	ALOS
$1.63bn	12.70K	57.79%	7.34K	85.14%	2.53K	3.6	3.45	2.37
-22.23%	1.08%	0.01%	1.09%	0.99%	0.00%			

WoW Trend by Revenue

● Weekday ● Weekend

Weekday: $98M, $94M, $87M, $94M, $85M, $99M, $95M, $86M, $96M, $98M, $91M, $76M, $68M
Weekend: $42M, $35M, $39M, $36M, $39M, $40M, $34M, $39M, $42M, $39M, $34M, $32M, $16M

W 19 W 20 W 21 W 22 W 23 W 24 W 25 W 26 W 27 W 28 W 29 W 30 W 31

ALOS by Property

● Business ● Luxury

Property	Value
Atliq Blu	2.8
Atliq Bay	2.7
Atliq Exotica	2.7
Atliq Grands	2.7
Atliq Seasons	1.8
Atliq Palace	1.8
Atliq City	1.8
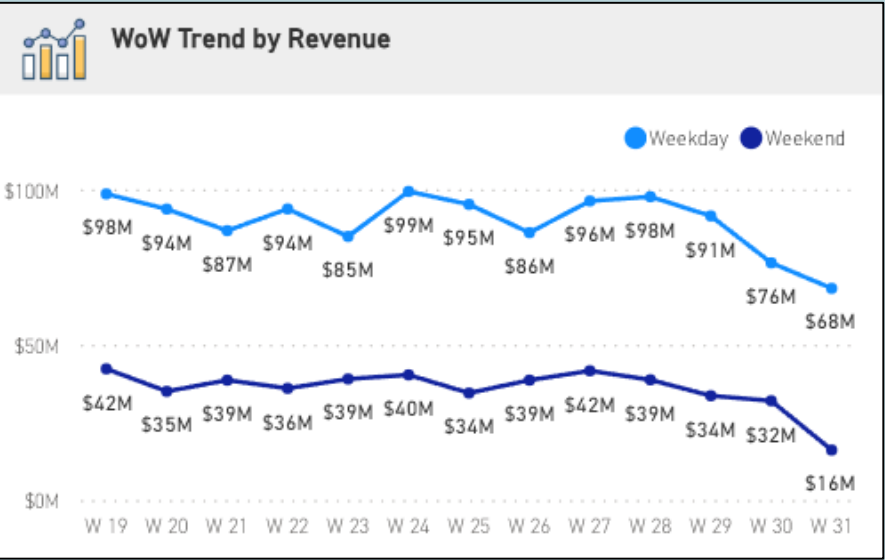
ADR for Direct Online is **low** compared to other Platforms but the revenue realized is almost **same** as other platforms.

✓ We can use **Differential Pricing** here**.**
Direct Online Channel i.e. AtliQ's website can offer rooms at cheaper rates to the customers as compared to other booking platforms since they do not have to pay extra platform fee.
This will ensure an increase in Occupancy and hence increased revenue.

ADR is almost same on weekdays & weekends. Only Occupancy is changing which results in a change in RevPAR which tell us that **weekend/weekday pricing is not used** as well.

✓ Price the Leisure hotel with weekend/weekday pricing since people travel a lot in Summers and especially on Weekends

We can see a decline of **(23%)** in Total bookings for Week 31 as compared to previous week i.e. W 30.
On checking the trend by Weekend/Weekday, we can see a significant decline of **~85%** in W31 Weekend Bookings as compared to previous weekend.

Realization % & ADR by Platform
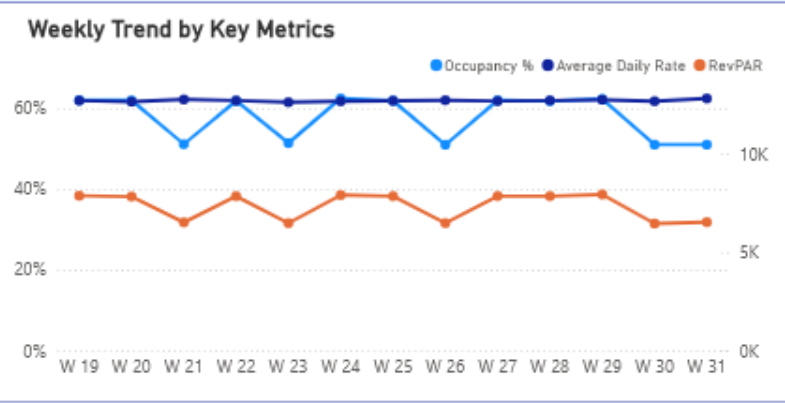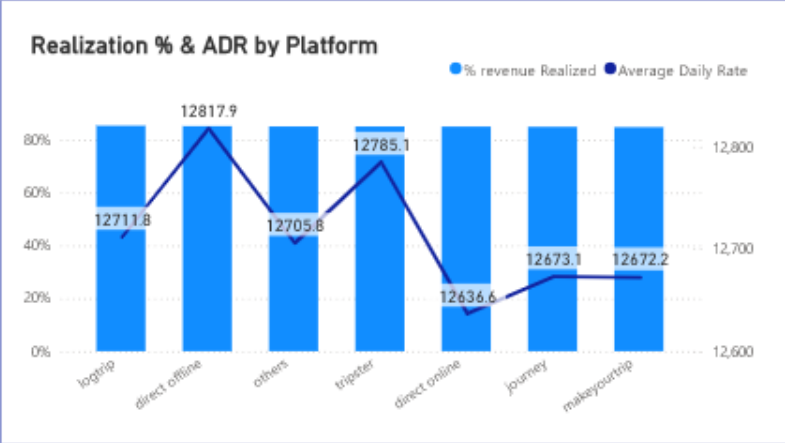
day_type	Bookings	RevPAR	Occ %	ADR	Realisation %	Rating
Weekday	92000	7,087	55.8%	12,690	70.1%	3.6
Weekend	36584	7,976	62.6%	12,732	70.4%	3.6

Revenue
$0.47bn (28.52%)
$1.17bn (71.48%)
● Weekday
● Weekend

Total Bookings	Cancelled %
129K	24.79%
BM: -23.06%	No Show %
	5.01%
	Checked Out %
	70.20%

WoW Trend by Booking
● Weekday ● Weekend

Total Bookings
129K
BM: -23.06%

$1.17bn (71.48%)
● Weekend

Weekly Trend by Key Metrics
● Occupancy % ● Average Daily Rate ● RevPAR

Property, City & Room by Key Metrics

property_name	Revenue	Total Bookings	RevPAR	Occ %	ADR	DBRN	DSRN	DURN	Realisation %	Cancellation %	Average Rating
⊞ Atliq Blu	$247M	20631	7,419	61.9%	11,981	227	382	159	70.1%	24.5%	4.0
⊞ Atliq Palace	$294M	22877	7,709	59.9%	12,871	251	428	176	70.0%	25.1%	3.7
⊞ Atliq City	$277M	22635	7,277	59.4%	12,248	249	426	175	70.2%	24.9%	3.7
⊞ Atliq Bay	$247M	20260	7,106	58.3%	12,178	223	398	156	70.1%	24.7%	3.7
⊞ Atliq Exotica	$303M	22202	7,819	57.2%	13,670	244	445	172	70.7%	24.3%	3.6
⊞ Atliq Grands	$200M	16116	6,524	52.5%	12,420	177	352	124	70.0%	25.2%	3.1
⊞ Atliq Seasons	$64M	3863	7,390	44.6%	16.582	42	97	30	70.6%	24.9%	2.3
Total	$1,633M	128584	7,340	57.8%	12,702	1413	2,528	992	70.2%	24.8%	3.6
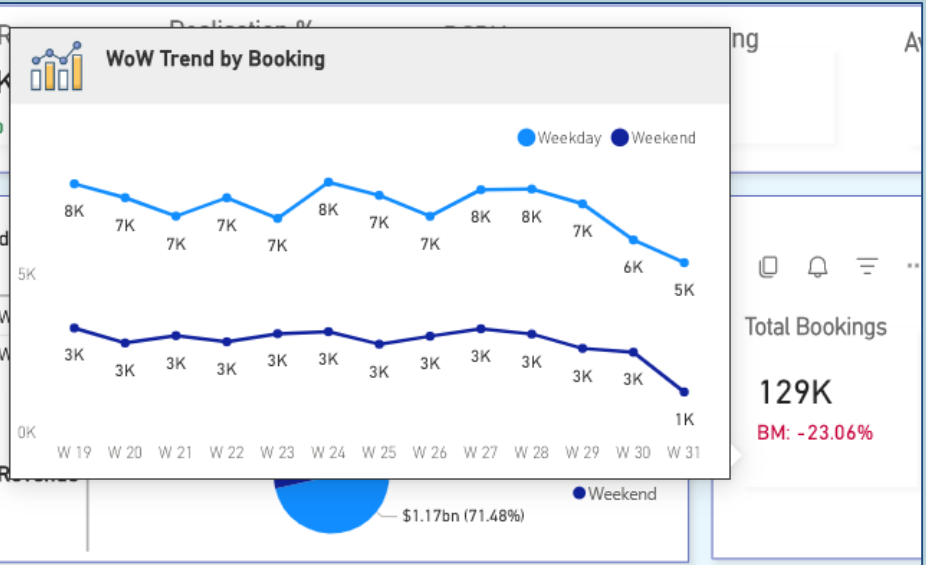
Property, City & Room by Key Metrics

city	Revenue	Total Bookings	RevPAR	Occ %	ADR	DBRN	DSRN	DURN	Realisation %	Cancellation %	Average Rating
Delhi	$282M	23203	7,348	60.4%	12,157	255	435	179	70.2%	24.9%	3.8
Hyderabad	$310M	33244	5,408	58.0%	9,327	365	653	257	70.4%	24.6%	3.7
Mumbai	$640M	41557	8,900	57.8%	15,391	457	816	321	70.3%	24.7%	3.6
Bangalore	$402M	30580	7,311	55.7%	13,131	336	624	235	69.9%	25.0%	3.4
Total	$1,633M	128584	7,340	57.8%	12,702	1413	2,528	992	70.2%	24.8%	3.6

Relation between Occupancy, ADR & RevPAR

Fluctuations in RevPAR are due to Occupancy % since ADR is stable throughout the time period.
This means **Flat pricing** is being used by hotels.

Flat Pricing does not help us set prices based on current market trends, seasonal demands, customer preferences, etc. resulting in loss of revenue

Atliq Blu having the **highest** ratings has the highest occupancy while **AtliQ Seasons** with **lowest** ratings has the lowest Occupancy

Delhi having the highest ratings, tops the Occupancy ranking out of all other cities.
Bangalore has lowest rating and hence lowest Occupancy ranking compared to other cities.

Occupancy at a hotel is highly correlated with Ratings they received. This can happen when customers are not delivered what they are promised.

✓ Improve customer experience during their stay
✓ Make sure to update photos and details about the hotel, rooms and location on all booking platforms

Elite rooms contribute the highest at **32.7%** followed by Premium rooms at **27%** and
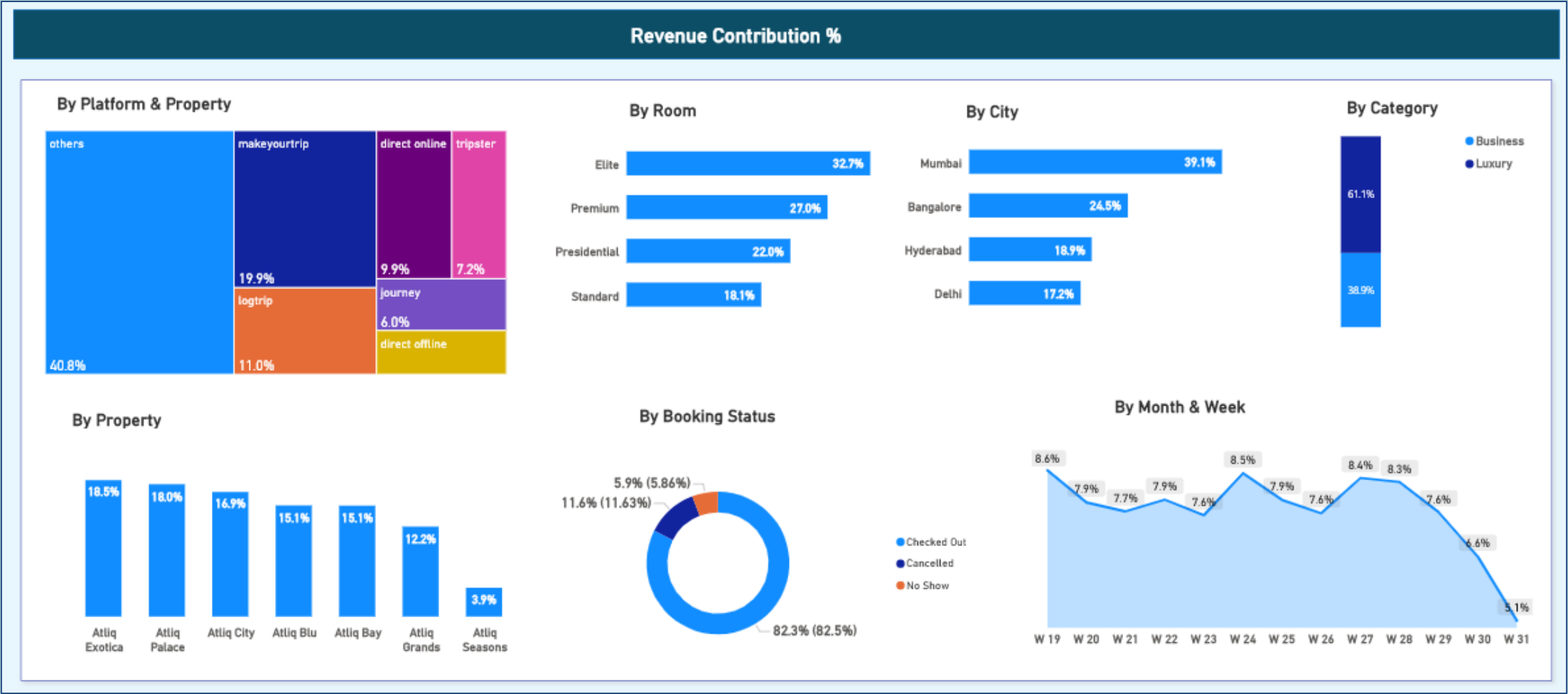Presidential rooms, Standard rooms at **22%, 18** %

Given that Elite and Premium rooms contribute significantly to revenue, consider investing in marketing
or enhancing services for these room types to maintain or increase their occupancy rates.

Luxury hotels contribute 62% of total revenue compared to business at 38%.

Mumbai generates the highest revenue **(639 M)**, contributing **40%** of total revenue, followed by
Bangalore, Hyderabad and Delhi

The largest revenue contribution in Platforms
comes from the "**others**" category (**40.8%).**

Followed by Makeyourtrip and logtrip
contributing **20%** & **11%** respectively.

Revenue Contribution %

By Platform & Property

others	makeyourtrip	direct online	tripster
40.8%	19.9%	9.9%	7.2%
	logtrip	journey	
	11.0%	6.0%	
		direct offline	

By Room

- Elite — 32.7%
- Premium — 27.0%
- Presidential — 22.0%
- Standard — 18.1%

By City

- Mumbai — 39.1%
- Bangalore — 24.5%
- Hyderabad — 18.9%
- Delhi — 17.2%

By Category

- Business
- Luxury
- 61.1%
- 38.9%

By Property

- Atliq Exotica 18.5%
- Atliq Palace 18.0%
- Atliq City 16.9%
- Atliq Blu 15.1%
- Atliq Bay 15.1%
- Atliq Grands 12.2%
- Atliq Seasons 3.9%

By Booking Status

- 5.9% (5.86%)
- 11.6% (11.63%)
- 82.3% (82.5%)
- Checked Out
- Cancelled
- No Show

By Month & Week

8.6% 7.9% 7.7% 7.9% 7.6% 8.5% 7.9% 7.6% 8.4% 8.3% 7.6% 6.6% 5.1%
W 19 W 20 W 21 W 22 W 23 W 24 W 25 W 26 W 27 W 28 W 29 W 30 W 31

Atliq Exotica **(18.5%)** and Atliq Palace **(18.0%)** are the top contributors
while Atliq Seasons contributes the least at **3.9%.**

The cancellation and no-show rates are notable.
✓ Provide more flexible booking options
✓ Offer incentives for confirmed stays.
✓ Use Automated Reminders
✓ Get in touch with guests when they don't turn up to learn why the guest was
   unable to make their reservation and use feedback from them to improve

Revenue shows fluctuation over the weeks with a peak at week 19 (8.6%).
There is a notable decline towards the end of the period, with week 31 showing the lowest
contribution at 5.1%.

Investigate potential causes such as seasonality, market conditions, or operational issues.
Plan promotional activities or discounts to boost revenue during lower-performing weeks

More Recommendations

Unified Digital Platform:
Introduce a Hotel App and consolidate single brand websites into a unified platform.
This streamlines digital presence, enhancing operational efficiency and content management.

Unique Selling Points (USPs):
Clearly communicate USPs to differentiate hotels from competitors.
Emphasize USPs in online marketing to effectively convert potential customers.

Visual Content Strategy and Digital Asset Management:
Utilize visual assets strategically to guide customers through the purchasing process.
Customize property pages to highlight unique selling points (USPs) tailored to guest preferences like Resorts, Luxury, Business, and Airport hotels.
Automate digital asset galleries for both web and app.
Enable properties to manage visual assets efficiently, including order, addition, and removal of assets directly.

Hyper-Personalization:
Implement dynamic pricing strategies offering guests personalized promotions and discounts based on their previous booking history or as a reward for loyalty
Implement online pricing strategies like member-only rates or app-only rates since **Direct Online** platform (Hotel Website) contributes *only 10%* to revenue.
Provide real-time offers based on preferences, activity, and past bookings, leading to increased revenue and transactions.

According to a study by McKinsey, 76% of customers will buy from a brand that personalizes their marketing communications and 78% will repeat their purchase.

More Recommendations

According to a survey by American Express Travel, 75% of travelers say they have been inspired to travel to a specific destination by social media, while 48% want to travel to destinations that will allow them to 'show off on social media'.

Leverage Social Media Presence by regularly sharing captivating visuals and engaging content showcasing unique amenities, experiences, and local attractions to inspire potential guests.
Create Instagrammable Spaces by designing specific areas within the hotel that are visually appealing and encourage guests to take photos.
Collaborate with local/travel influencers with significant following on social media. Invite them for complimentary stays or experiences in exchange for exposure and endorsements on their platforms, which can influence their followers' travel decisions.

To effectively manage cancellations and reduce no-shows in hotels,
Consider implementing a tiered cancellation policy that clearly communicates penalties for late cancellations or no-shows. Providing flexible booking options, such as refundable and non-refundable rates, can cater to different guest needs and reduce last-minute changes.
Utilize automated reminder emails or messages closer to the check-in date to confirm reservations and prompt guests to communicate any changes early, helping to minimize lost revenue from empty rooms and optimize occupancy rates.

Trend – WORKCATION (vacation with remote work):
Create work-friendly spaces, offering business-oriented services, and promoting workcation packages by offering on-site activities and partnering with local businesses for curated guest experiences.

Sustainability Initiatives:
Implement eco-friendly practices such as solar panels, smart thermostats, and comprehensive recycling programs.
Launch sustainability programs to showcase sustainability efforts to guests and offer them to participate as well. This is turn boosts Brand image, attracts Eco-conscious travelers and helps in cost savings as well.

Thank You !

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