**Question answer**

**1. Which countries contribute the most to hotel revenue?**

Answer:  
Portugal is the top contributor to revenue, followed by the United Kingdom and France. This suggests that marketing efforts should continue targeting these regions, or even expand to similar markets for growth.

**2. What is the overall cancellation rate, and which customer type cancels the most?**

Answer:  
The overall cancellation rate is 40% , with Transient customers having the highest cancellation rate at around 80% . Hotels may consider implementing stricter deposit policies or loyalty programs for transient guests to reduce cancellations.

**3. How does revenue compare across different distribution channels?**

Answer:  
The Online Travel Agent (OTA) channel brings in the highest revenue but also has the highest revenue loss due to cancellations . Direct bookings have stable performance with lower risk. This indicates a dependency on OTAs comes with higher volatility.

**4. When are cancellations most likely based on lead time?**

Answer:  
Cancellations are more common when bookings are made closer to arrival dates (e.g., 0–30 days). Guests who book last-minute are less committed, suggesting that early booking incentives could help reduce cancellations.

**5. Are there seasonal trends in bookings and revenue?**

Answer:  
Yes, there's a clear seasonal pattern :

* Bookings peak in January and February , then decline.
* Revenue follows a similar trend, peaking in February . This indicates high demand during the early part of the year, possibly due to holidays or events. Staffing and pricing strategies can be adjusted accordingly.

**6. Which distribution channels have the highest booking share?**

Answer:  
The majority of bookings come from Online Travel Agents , followed by Direct bookings and Corporate bookings . This highlights the importance of maintaining strong relationships with OTAs while also encouraging direct bookings through promotions or loyalty benefits.

**7. How much revenue is lost due to cancellations, and which channel contributes the most to this loss?**

Answer:  
Total revenue loss due to cancellations is $13.1K . The Online Travel Agent channel contributes the most to this loss, reinforcing the need to manage OTA-dependent bookings carefully.

**8. What is the average lead time for bookings, and what does it tell us about guest behavior?**

Answer:  
The average lead time is around 90 days , indicating that guests generally plan their stays nearly three months in advance. This insight can be used for better forecasting and marketing timing strategies.

**9. Is there a correlation between cancellation rates and distribution channels?**

Answer:  
Yes, Transient customers via Online Travel Agents have significantly higher cancellation rates compared to other segments. This suggests that OTA-driven bookings are more volatile and require closer monitoring.

**10. What is the average daily rate (ADR), and how does it vary across customer types or channels?**

Answer:  
The average daily rate is $108.20 . While not directly broken down in the dashboard, ADR can be analyzed further by overlaying customer types or channels to identify premium segments or underperforming areas.

**Report Analysis**

**✅ Recommended Solutions**

**1. Reduce Cancellations**

**🔧 Strategy:**

* Introduce flexible deposit models : Offer partial refunds or rescheduling options instead of full cancellations.
* Loyalty incentives : Reward repeat guests with perks to reduce cancellation likelihood.
* Targeted communication : Send confirmation emails, reminders, or personalized offers to high-risk guests (e.g., transient via OTA).

**2. Optimize Distribution Channel Mix**

**🔧 Strategy:**

* Encourage direct bookings : Offer exclusive deals, free upgrades, or early check-in for direct bookings.
* Negotiate better terms with OTAs : Reduce commission rates or introduce minimum stay requirements.
* Track channel ROI : Compare net revenue after commissions and cancellations per channel.

**📈 Impact:**

* Reduced dependency on volatile OTA bookings
* Higher profitability from direct channels

**3. Manage Seasonal Demand**

**🔧 Strategy:**

* Dynamic pricing : Increase prices during peak months (Jan–Feb), offer discounts in low seasons.
* Promotions & packages : Create themed stays, event-based offers, or long-stay discounts.

**4. Enhance Guest Experience & Retention**

**🔧 Strategy:**

* Personalization : Use country and customer type data to tailor experiences (language, cuisine, services).
* Feedback loop : Collect reviews post-checkout and act on feedback.
* Email marketing : Re-engage past guests with special offers.