Hotels

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```
library(tidyverse)
library(infer)
library(leaps)
library(MASS)
hotel_bookings <- read.csv("~/R/DIIG/hotel_bookings.csv")</pre>
```

First, I made some new variables and did some data cleaning:

New variable for total amount of nights stayed:

```
hotel_bookings <- hotel_bookings %>%
  mutate(total_nights = stays_in_week_nights + stays_in_weekend_nights)
```

Changing the month of arrival into chronologically-ordered levels:

I also changed the is_canceled variable from numeric to categorical, as 0 and 1 represent a booking being cancelled or not.

```
hotel_bookings$is_canceled <- as.factor(hotel_bookings$is_canceled)
```

I created a variable for the total number of guests during the duration of the stay:

```
hotel_bookings <- hotel_bookings %>%
mutate(total_guests = adults + children + babies)
```

I also created a new variable for the season during the arrival at the hotel, assigning the months to season.

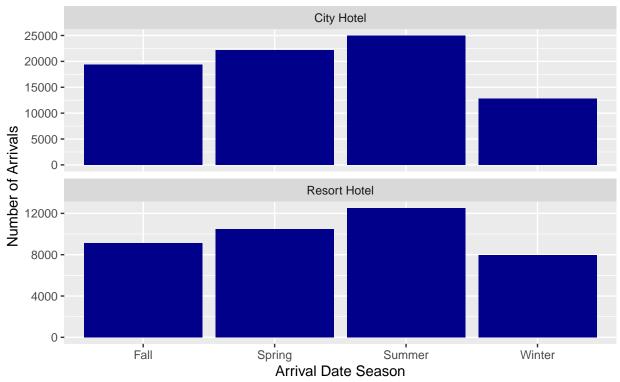
Next, I visualized the distribution of visits to the hotels based on month of the year, to find that there was an increase in volume of arrivals in the warmer months.

Distribution of Arrivals at Hotel by Month of the Year Faceted by City vs. Resort Hotel



Likewise, I visualized the distribution of arrivals at the hotels during the different seasons.

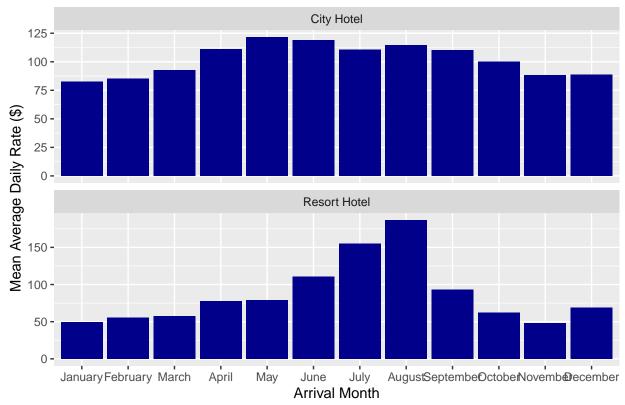
Distribution of Arrivals at Hotel by Season of the Year Faceted by City vs. Resort Hotel



Looking at average daily rate next, I visualized the distribution of average daily rate depending on the month of arrival at the hotels.

`summarise()` regrouping output by 'hotel' (override with `.groups` argument)





It seems that city hotels are pretty expensive year-round, whereas resort hotels are significantly cheaper in the colder months than in the warmer months.

For this data challenge, I'll mainly be focusing on Resort Hotels, so I filtered the "City Hotels" out of my dataset. Resort Hotels piqued my interested

```
resort_bookings <- hotel_bookings %>%
filter(hotel == "Resort Hotel")
```

Question: What influences the average daily rate at resort hotels?

I'll be looking at the number of adults, children, and babies, the arrival month, the total number of nights stayed, the meal plan, the number of special requests, and the number of purchased car parkings, because these variables are the most practical ones of the included variables when considering the price of a hotel during the booking stage. I'll build the model manually at first, and then use a stepwise backward and forward elimination to eliminate unnecessary predictors from the model. Afterwards, the model should follow the laws of Occam's Razor (the simplest model that explains the most).

```
resort_bookings %>%
  group_by(arrival_season) %>%
  summarise(meanadr = mean(adr))
   `summarise()` ungrouping output (override with `.groups` argument)
## # A tibble: 4 x 2
##
     arrival season meanadr
##
     <chr>>
                       <dbl>
## 1 Fall
                        69.0
## 2 Spring
                        71.7
## 3 Summer
                       157.
```

```
## 4 Winter 58.2
```

First, I need to figure out whether it is better to use month or season:

```
m_rate_month <- lm(adr ~ arrival_date_month,</pre>
                   data = resort_bookings)
glance(m_rate_month)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
                                                         df logLik
                                                                        AIC
                                                <dbl> <dbl>
                                                               <dbl>
##
         <dbl>
                       <dbl> <dbl>
                                        <dbl>
                                                                      <dbl>
## 1
         0.566
                       0.566 40.5
                                        4755.
                                                          11 -2.05e5 4.10e5 4.10e5
                                                    0
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
m_rate_season <- lm(adr ~ arrival_season,</pre>
                    data = resort_bookings)
glance(m_rate_season)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
                                                         df logLik
                                                                        AIC
                                                                               BIC
##
         <dbl>
                       <dbl> <dbl>
                                        <dbl>
                                                <dbl> <dbl>
                                                               <dbl>
                                                                      <dbl> <dbl>
         0.464
                       0.464 45.0
                                       11556.
                                                           3 -2.09e5 4.19e5 4.19e5
## 1
                                                    0
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
```

According to the r-squared values, arrival month explains more of the differences in average daily rate. Unfortunately, that means there will be twelve levels of that variable, rather than four levels.

I'll also need to figure out whether I want to use total number of guests or the individual number of adults, children, and babies.

```
m_rate_totalguests <- lm(adr ~ total_guests, data = resort_bookings)</pre>
glance(m_rate_totalguests)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
                                                                        AIC
                                                                               BIC
##
                                                         df logLik
         <dbl>
                       <dbl> <dbl>
                                        <dbl>
                                                <dbl> <dbl>
                                                               <dbl> <dbl> <dbl>
##
                       0.125 57.5
         0.125
                                        5709.
                                                           1 -2.19e5 4.38e5 4.38e5
## 1
                                                    0
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
m_rate_indguests <- lm(adr ~ adults + children + babies,</pre>
                       data = resort bookings)
glance(m_rate_indguests)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
                                                          df logLik
                                                                        AIC
                                                                               BTC
                                        <dbl>
##
         <dbl>
                       <dbl> <dbl>
                                                <dbl> <dbl>
                                                              <dbl>
                                                                      <dbl> <dbl>
                       0.160 56.3
                                        2536.
## 1
         0.160
                                                    0
                                                          3 -2.18e5 4.37e5 4.37e5
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
```

Using the individual guests instead of the overall number of guests is better due to a slightly higher adjusted r-squared value.

Now, I'll start building the bigger model manually:

```
glance(m_1)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
                                                         df logLik
                                                                        AIC
                                                                               BIC
                       <dbl> <dbl>
                                        <dbl>
                                                <dbl> <dbl>
                                                               <dbl>
                                                                      <dbl>
## 1
         0.575
                       0.575 40.0
                                        4520.
                                                    0
                                                         12 -2.05e5 4.09e5 4.09e5
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
tidy(m 1)
## # A tibble: 13 x 5
##
      term
                                   estimate std.error statistic
                                                                   p.value
##
      <chr>
                                      <dbl>
                                                <dbl>
                                                          <dbl>
                                                                     <dbl>
                                                          36.1 9.07e-281
##
  1 (Intercept)
                                      35.5
                                                0.982
  2 arrival_date_monthFebruary
                                       4.50
                                                1.12
                                                           4.03 5.67e- 5
                                                           6.70 2.16e- 11
## 3 arrival_date_monthMarch
                                       7.37
                                                1.10
## 4 arrival_date_monthApril
                                      27.2
                                                1.09
                                                          25.1 1.97e-137
                                                          25.5 5.90e-142
## 5 arrival_date_monthMay
                                      27.7
                                                1.09
                                      58.8
                                                          52.4 0.
## 6 arrival date monthJune
                                                1.12
## 7 arrival date monthJuly
                                                          98.4 0.
                                     103.
                                                1.05
## 8 arrival_date_monthAugust
                                     134.
                                                1.03
                                                         130.
                                                                 0.
## 9 arrival_date_monthSeptember
                                      41.2
                                                1.12
                                                          36.8 1.39e-291
## 10 arrival_date_monthOctober
                                      11.0
                                                1.09
                                                          10.1 7.80e- 24
## 11 arrival date monthNovember
                                                          -1.32 1.87e- 1
                                      -1.56
                                                1.18
## 12 arrival date monthDecember
                                      18.3
                                                1.16
                                                          15.9 1.96e- 56
## 13 adults
                                       8.42
                                                0.291
                                                          29.0 1.54e-182
Slight increase -> 0.575 in adj. r. squared with adults, without kids
m_2 <- lm(adr ~ arrival_date_month + adults + children,</pre>
          data = resort_bookings)
glance(m<sub>2</sub>)
## # A tibble: 1 x 12
                                                                               BIC
##
     r.squared adj.r.squared sigma statistic p.value
                                                         df logLik
                                                                        AIC
##
                                                <dbl> <dbl>
                                                               <dbl>
                       <dbl> <dbl>
                                        <dbl>
                                                                      <dbl>
         0.629
                       0.629 37.4
                                        5232.
                                                    0
                                                         13 -2.02e5 4.04e5 4.04e5
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
tidy(m_2)
## # A tibble: 14 x 5
##
      term
                                   estimate std.error statistic
                                                                  p.value
##
      <chr>
                                      <dbl>
                                                <dbl>
                                                          <dbl>
                                                                     <dbl>
##
  1 (Intercept)
                                     35.2
                                                0.918
                                                         38.3
                                                                5.43e-316
  2 arrival date monthFebruary
                                      3.67
                                                1.04
                                                          3.51 4.49e- 4
                                                          6.83 8.55e- 12
## 3 arrival_date_monthMarch
                                      7.03
                                                1.03
## 4 arrival date monthApril
                                                1.01
                                                         25.9
                                                                 3.66e-146
                                     26.2
## 5 arrival date monthMay
                                     26.7
                                                1.02
                                                         26.3
                                                                 5.20e-151
## 6 arrival_date_monthJune
                                                         53.3
                                                                 0.
                                     56.0
                                                1.05
## 7 arrival_date_monthJuly
                                     97.2
                                                0.979
                                                         99.3
                                                                 0.
                                                0.970
## 8 arrival_date_monthAugust
                                    128.
                                                        132.
                                                                 0.
## 9 arrival_date_monthSeptember
                                                1.05
                                                         39.2
                                                                 0.
                                     41.0
## 10 arrival_date_monthOctober
                                     10.8
                                                1.02
                                                         10.6
                                                                 3.24e- 26
```

-0.873

1.10

-0.793 4.28e- 1

11 arrival_date_monthNovember

```
## 12 arrival date monthDecember
                                     17.6
                                                1.08
                                                          16.3
                                                                 1.25e- 59
## 13 adults
                                      7.34
                                                0.272
                                                          27.0
                                                                 5.44e-159
## 14 children
                                     32.6
                                                0.426
                                                          76.5
                                                                 0.
Significant increase in r-squared \rightarrow 0.629.
m_3 <- lm(adr ~ arrival_date_month + adults + children + babies,</pre>
          data = resort_bookings)
glance(m 3)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
                                                          df logLik
                                                                               BIC
                                                                        ATC
                                                <dbl> <dbl>
                                                               <dbl>
##
                       <dbl> <dbl>
                                        <dbl>
                                                                      <dbl>
                       0.629 37.4
                                                          14 -2.02e5 4.04e5 4.04e5
         0.630
                                        4861.
                                                    0
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
tidy(m<sub>3</sub>)
## # A tibble: 15 x 5
##
      term
                                   estimate std.error statistic
                                                                   p.value
##
      <chr>
                                      <dbl>
                                                <dbl>
                                                           <dbl>
                                                                     <dbl>
##
  1 (Intercept)
                                     35.2
                                                0.918
                                                          38.3
                                                                1.03e-315
                                                           3.51 4.51e- 4
  2 arrival_date_monthFebruary
                                      3.66
                                                1.04
                                                           6.84 8.23e- 12
## 3 arrival_date_monthMarch
                                      7.03
                                                1.03
## 4 arrival date monthApril
                                                1.01
                                                          25.9
                                                                 2.92e-146
                                     26.2
                                                                 1.36e-150
## 5 arrival_date_monthMay
                                     26.7
                                                1.02
                                                         26.2
## 6 arrival_date_monthJune
                                     55.9
                                                1.05
                                                         53.2
                                                                 Ω
## 7 arrival_date_monthJuly
                                     97.1
                                                         99.2
                                                                 0.
                                                0.979
## 8 arrival_date_monthAugust
                                    128.
                                                0.970
                                                       132.
                                                                 0.
                                                         39.2
## 9 arrival date monthSeptember
                                     41.0
                                                1.05
                                                                 0.
## 10 arrival_date_monthOctober
                                     10.8
                                                1.02
                                                         10.6
                                                                 2.99e- 26
## 11 arrival date monthNovember
                                     -0.880
                                                1.10
                                                         -0.799 4.24e- 1
## 12 arrival_date_monthDecember
                                     17.6
                                                1.08
                                                         16.3
                                                                 2.21e- 59
                                                                 2.69e-158
## 13 adults
                                      7.32
                                                0.272
                                                          26.9
## 14 children
                                     32.6
                                                0.426
                                                         76.5
                                                                 0.
                                                          3.95 7.70e- 5
## 15 babies
                                      6.22
                                                1.57
Very insignificant increase in r-squared with babies.
m_4 <- lm(adr ~ arrival_date_month + adults + children + babies + meal,
          data = resort_bookings)
glance(m_4)
## # A tibble: 1 x 12
##
     r.squared adj.r.squared sigma statistic p.value
                                                             logLik
                                                                        AIC
                                                                               BTC
                                                          df
                       <dbl> <dbl>
                                        <dbl>
                                                               <dbl>
         <dbl>
                                               <dbl> <dbl>
                                                                      <dbl>
         0.655
                       0.655 36.1
                                        4232.
                                                    Λ
                                                          18 -2.00e5 4.01e5 4.01e5
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
tidy(m_4)
## # A tibble: 19 x 5
##
      term
                                   estimate std.error statistic
                                                                   p.value
##
      <chr>
                                      <dbl>
                                                <dbl>
                                                          <dbl>
## 1 (Intercept)
                                                                 3.19e-294
                                     32.8
                                                0.888
                                                          37.0
## 2 arrival_date_monthFebruary
                                      1.95
                                                1.01
                                                         1.94 5.25e- 2
```

```
3 arrival_date_monthMarch
                                      5.95
                                                 0.992
                                                           5.99 2.07e- 9
                                                 0.980
                                                          23.9
                                                                  5.38e-125
## 4 arrival_date_monthApril
                                      23.4
                                                                  6.87e-154
## 5 arrival date monthMay
                                      26.1
                                                 0.983
                                                           26.5
## 6 arrival_date_monthJune
                                     55.1
                                                 1.01
                                                          54.3
   7 arrival_date_monthJuly
                                      95.7
                                                 0.947
                                                          101.
## 8 arrival date monthAugust
                                                 0.940
                                                                  0.
                                     126.
                                                          134.
## 9 arrival date monthSeptember
                                                           39.7
                                      40.2
                                                 1.01
                                                                  6.93e- 29
## 10 arrival_date_monthOctober
                                                           11.2
                                      11.0
                                                 0.983
## 11 arrival_date_monthNovember
                                      -0.859
                                                 1.06
                                                          -0.808 4.19e-
## 12 arrival_date_monthDecember
                                      14.5
                                                 1.05
                                                           13.9
                                                                  1.57e- 43
## 13 adults
                                      6.51
                                                 0.263
                                                           24.8
                                                                  2.48e-134
                                                          79.7
## 14 children
                                      32.8
                                                 0.411
                                                                  0.
## 15 babies
                                      4.42
                                                 1.52
                                                           2.91
                                                                  3.59e- 3
                                                           15.3
                                                                  6.16e-53
## 16 mealFB
                                      20.5
                                                 1.34
## 17 mealHB
                                      20.7
                                                 0.457
                                                           45.3
                                                                  0.
## 18 mealSC
                                     -71.8
                                                 3.90
                                                          -18.4
                                                                  1.89e- 75
## 19 mealUndefined
                                                 1.09
                                                           24.6
                                                                  8.59e-133
                                      26.9
Tiny increase in r-squared with meal.
m_5 <- lm(adr ~ arrival_date_month + adults + children + babies + meal + total_nights,</pre>
          data = resort_bookings)
glance(m_5)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
##
                                                          df logLik
                                                                         AIC
##
                                                                <dbl>
         <dbl>
                        <dbl> <dbl>
                                         <dbl>
                                                 <dbl> <dbl>
                                                                       <dbl>
                                                                              <dbl>
                                                           19 -2.00e5 4.01e5 4.01e5
         0.659
                        0.659 35.9
                                         4080.
                                                     0
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
tidy(m_5)
## # A tibble: 20 x 5
##
      term
                                    estimate std.error statistic
                                                                    p.value
##
      <chr>
                                       <dbl>
                                                 <dbl>
                                                            <dbl>
                                                                      <dbl>
##
    1 (Intercept)
                                     35.4
                                                0.891
                                                          39.8
##
    2 arrival_date_monthFebruary
                                     2.05
                                                1.00
                                                          2.04
                                                                  4.10e- 2
    3 arrival_date_monthMarch
                                     7.29
                                                0.989
                                                          7.38
                                                                  1.66e- 13
                                     24.4
                                                                  2.00e-137
##
    4 arrival_date_monthApril
                                                0.976
                                                          25.1
                                                0.980
                                                                  2.50e-172
##
    5 arrival_date_monthMay
                                     27.6
                                                          28.1
                                                         56.9
## 6 arrival_date_monthJune
                                    57.9
                                                1.02
                                                                  0.
                                     98.3
## 7 arrival date monthJuly
                                                0.949
                                                        104.
                                                                  0.
## 8 arrival_date_monthAugust
                                                0.941
                                                        136.
                                                                  0.
                                   128.
## 9 arrival_date_monthSeptember 42.5
                                                1.01
                                                          42.0
                                                                  Ω
## 10 arrival_date_monthOctober
                                     12.1
                                                0.979
                                                          12.4
                                                                  5.03e-35
## 11 arrival_date_monthNovember
                                     -0.0759
                                                1.06
                                                          -0.0718 9.43e- 1
## 12 arrival date monthDecember
                                                          14.1
                                                                  2.87e- 45
                                     14.7
                                                1.04
                                                                  8.27e-151
## 13 adults
                                     6.88
                                                0.262
                                                          26.3
## 14 children
                                     32.8
                                                0.409
                                                         80.2
                                                                  0.
## 15 babies
                                     4.51
                                                1.51
                                                          2.99
                                                                  2.80e- 3
## 16 mealFB
                                     20.7
                                                1.33
                                                          15.6
                                                                  2.00e-54
```

0.461

3.88

1.09

0.0557 -21.5

22.4

28.0

-1.20

-68.2

48.5

25.7

-17.6

0.

6.87e- 69

1.97e-144

1.34e-101

17 mealHB

18 mealSC

19 mealUndefined

20 total_nights

Very small in r-squared with total_nights. The coefficient for total_nights is negative, indicating that holding all other factors constant, for each additional night of the stay, we expect a slightly over \$1 discount in the average daily rate. This decrease in average daily rate makes sense, because usually a longer stay warrants an additional stay discount.

```
m_6 <- lm(adr ~ arrival_date_month + adults + children + babies + meal + total_nights +
            total_of_special_requests,
          data = resort_bookings)
glance(m_6)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
                                                              logLik
                                                                         AIC
                                                                                BIC
                        <dbl> <dbl>
                                        <dbl>
                                                               <dbl>
                                                                       <dbl>
##
         <dbl>
                                                 <dbl> <dbl>
                                                                              <dbl>
                        0.665 35.6
                                        3974.
## 1
         0.665
                                                     0
                                                          20 -2.00e5 4.00e5 4.00e5
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
tidy(m 6)
## # A tibble: 21 x 5
##
      term
                                   estimate std.error statistic
                                                                   p.value
##
      <chr>
                                                 <dbl>
                                                           <dbl>
                                                                      <dbl>
                                      <dbl>
                                                           36.7 1.48e-289
##
   1 (Intercept)
                                      32.6
                                                 0.890
    2 arrival_date_monthFebruary
                                       2.23
                                                 0.994
                                                            2.25 2.47e- 2
##
   3 arrival date monthMarch
                                       8.17
                                                 0.981
                                                            8.32 8.70e- 17
## 4 arrival_date_monthApril
                                      25.1
                                                0.968
                                                           25.9 1.17e-146
## 5 arrival date monthMay
                                      28.1
                                                0.972
                                                           28.9 2.02e-181
## 6 arrival_date_monthJune
                                      57.7
                                                 1.01
                                                           57.2 0.
   7 arrival_date_monthJuly
                                      97.5
                                                0.942
                                                          103.
                                                                 0.
##
                                                                 0.
## 8 arrival_date_monthAugust
                                     126.
                                                0.935
                                                          135.
## 9 arrival date monthSeptember
                                                 1.00
                                                           42.8 0.
                                      43.0
## 10 arrival date monthOctober
                                                           13.3 2.43e- 40
                                      12.9
                                                0.972
## # ... with 11 more rows
Slightest increase in r-squared with number of special requests.
m 7 <- lm(adr ~ arrival date month + adults + children + babies + meal + total nights +
            total_of_special_requests + required_car_parking_spaces,
          data = resort_bookings)
glance(m<sub>_7</sub>)
## # A tibble: 1 x 12
     r.squared adj.r.squared sigma statistic p.value
                                                          df
                                                                        AIC
                                                                                BIC
##
                                                              logLik
##
         <dbl>
                        <dbl> <dbl>
                                        <dbl>
                                                 <dbl> <dbl>
                                                               <dbl>
                                                                      <dbl>
                                                                              <dbl>
         0.673
                       0.672 35.2
                                        3915.
                                                     0
                                                          21 -1.99e5 3.99e5 3.99e5
## # ... with 3 more variables: deviance <dbl>, df.residual <int>, nobs <int>
tidy(m_7)
## # A tibble: 22 x 5
##
      term
                                   estimate std.error statistic
                                                                   p.value
##
      <chr>
                                      <dbl>
                                                 <dbl>
                                                           <dbl>
                                                                      <dbl>
##
   1 (Intercept)
                                      30.1
                                                 0.884
                                                           34.0 5.05e-250
                                                            2.81 5.03e- 3
  2 arrival date monthFebruary
                                       2.76
                                                0.983
  3 arrival date monthMarch
                                       8.40
                                                 0.970
                                                            8.66 4.93e- 18
                                                           26.4 1.94e-152
## 4 arrival_date_monthApril
                                      25.3
                                                0.957
```

```
5 arrival date monthMay
                                      28.3
                                                 0.961
                                                           29.4 3.11e-188
   6 arrival_date_monthJune
                                                0.997
                                                           57.7
                                                                 0.
##
                                      57.6
   7 arrival date monthJuly
                                      97.6
                                                 0.932
                                                          105.
                                                                 0.
  8 arrival_date_monthAugust
                                     127.
                                                 0.925
                                                          137.
                                                                 Ω
   9 arrival date monthSeptember
                                      43.1
                                                 0.993
                                                           43.4
                                                                 0.
## 10 arrival date monthOctober
                                                           13.6 9.40e- 42
                                      13.0
                                                 0.961
## # ... with 12 more rows
```

Also a slight tiny increase in r-squared when car parking spaces are considered.

Because no coefficient in the model changes drastically when another is added, I can assume that there is not too much multicollinearity between the predictors and move forward without too much care for interaction variables.

I'm going to do backwards and forwards (both directions) elimination with multivariate regression to see which predictors most influences average daily rate. This stepwise elimination will remove excess variables from the model.

```
step.model <- stepAIC(m_7, direction = "both",</pre>
                       trace = FALSE)
summary(step.model)
##
## Call:
  lm(formula = adr ~ arrival_date_month + adults + children + meal +
##
       total_nights + total_of_special_requests + required_car_parking_spaces,
##
       data = resort_bookings)
##
## Residuals:
##
       Min
                10
                    Median
                                 30
                                        Max
            -17.20
                     -2.39
                              15.66
                                     353.40
##
   -412.62
##
## Coefficients:
##
                                 Estimate Std. Error t value Pr(>|t|)
                                                       34.032
                                                               < 2e-16 ***
## (Intercept)
                                 30.09395
                                             0.88428
## arrival_date_monthFebruary
                                  2.75751
                                             0.98323
                                                        2.805
                                                               0.00504 **
## arrival_date_monthMarch
                                  8.39711
                                             0.97009
                                                        8.656
                                                               < 2e-16 ***
## arrival_date_monthApril
                                 25.27508
                                             0.95693
                                                       26.413
                                                               < 2e-16 ***
## arrival_date_monthMay
                                 28.26713
                                             0.96121
                                                       29.408
                                                               < 2e-16 ***
## arrival_date_monthJune
                                 57.56562
                                             0.99735
                                                      57.719
                                                               < 2e-16 ***
## arrival date monthJuly
                                 97.58704
                                             0.93150 104.764
                                                               < 2e-16 ***
## arrival_date_monthAugust
                                             0.92480 137.191
                                126.87494
                                                               < 2e-16 ***
## arrival date monthSeptember
                                 43.09500
                                             0.99266
                                                      43.414
                                                               < 2e-16 ***
## arrival_date_monthOctober
                                                      13.550
                                                               < 2e-16 ***
                                 13.01692
                                             0.96063
## arrival_date_monthNovember
                                                        0.204
                                  0.21174
                                             1.03691
                                                               0.83820
## arrival date monthDecember
                                             1.01936
                                                       14.232
                                                               < 2e-16 ***
                                 14.50766
## adults
                                  6.33478
                                             0.25728
                                                       24.622
                                                               < 2e-16 ***
## children
                                 32.29981
                                             0.40144
                                                      80.460
                                                               < 2e-16 ***
## mealFB
                                 24.39468
                                             1.30634
                                                       18.674
                                                               < 2e-16 ***
## mealHB
                                                       51.407
                                                               < 2e-16 ***
                                 23.26121
                                             0.45249
## mealSC
                                -67.19850
                                             3.80299 -17.670
                                                               < 2e-16 ***
## mealUndefined
                                                      29.868
                                 32.03642
                                             1.07260
                                                               < 2e-16 ***
## total_nights
                                 -1.08184
                                             0.05503 -19.660
                                                               < 2e-16 ***
## total_of_special_requests
                                  5.35931
                                             0.22206
                                                       24.135
                                                               < 2e-16 ***
## required_car_parking_spaces
                                             0.50688 30.239
                                 15.32734
                                                               < 2e-16 ***
## ---
```

```
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 35.17 on 40039 degrees of freedom
## Multiple R-squared: 0.6725, Adjusted R-squared: 0.6723
## F-statistic: 4111 on 20 and 40039 DF, p-value: < 2.2e-16
```

The model kicked out babies, but kept all other predictors. The model has an adjusted r-squared of 0.6723, which is a pretty good r-squared value, signifying that approximately 67% of the variability in average daily rate at resort hotels can be explained by the model with the above predictors.

```
logit_mod2 <- glm(is_canceled ~ adults + children + babies + meal,</pre>
                  data = resort_bookings, family = "binomial", maxit = 100)
logit_mod2
##
## Call: glm(formula = is_canceled ~ adults + children + babies + meal,
##
       family = "binomial", data = resort_bookings, maxit = 100)
##
## Coefficients:
```

(Intercept)

adultschildren babies mealFB -1.85054 0.41463 0.32996 -0.64143 1.36302 ## ## mealHBmealSC mealUndefined

0.22745 -2.19245 -0.05317

##

Degrees of Freedom: 40059 Total (i.e. Null); 40052 Residual

Null Deviance: 47330

Residual Deviance: 46310 AIC: 46330