

# OPTIMIZING BOOKING STRATEGY IN A COMPETITIVE OTA WORLD

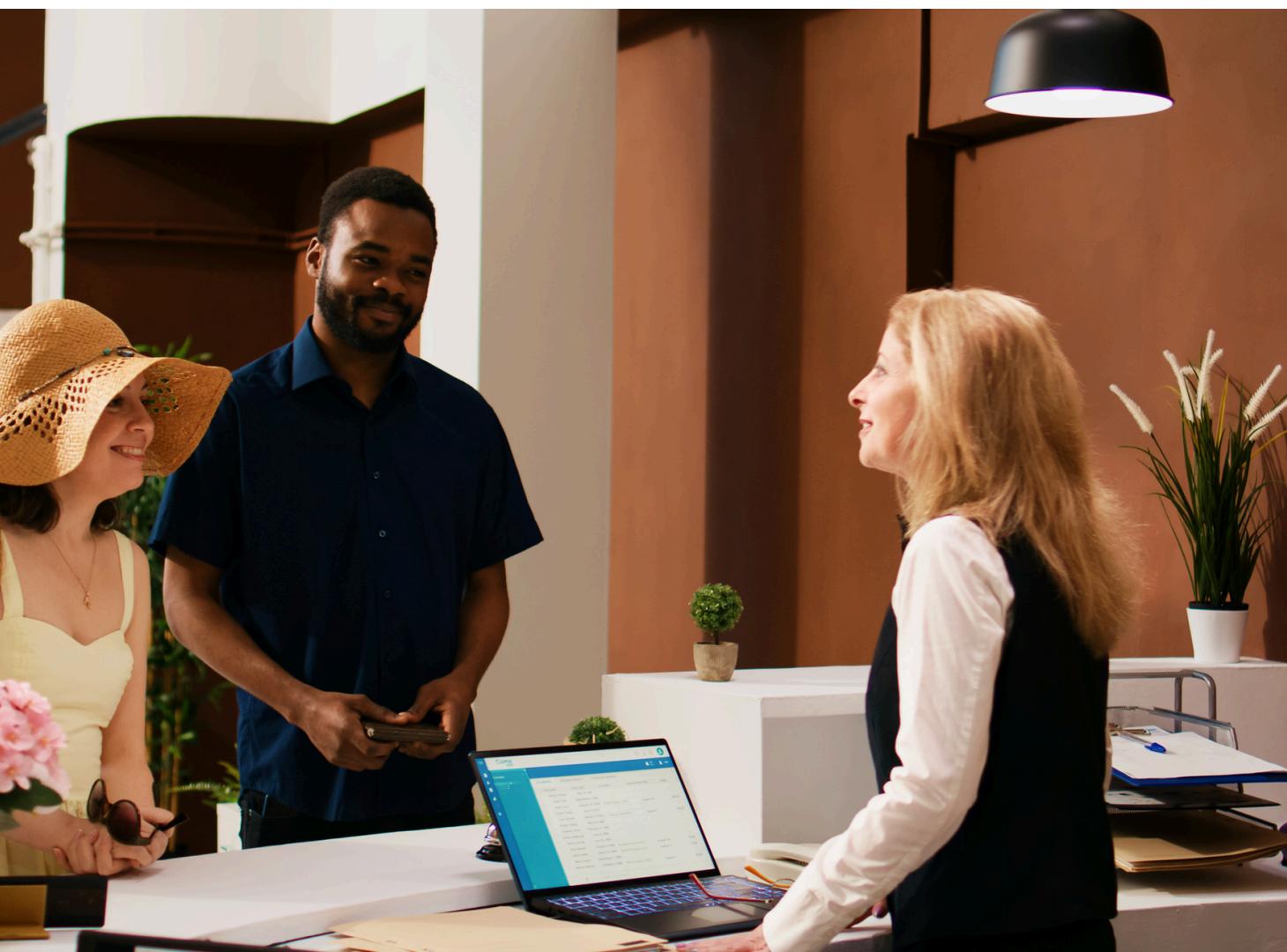


Persentation By : Defrizal Yahdiyan Risyad



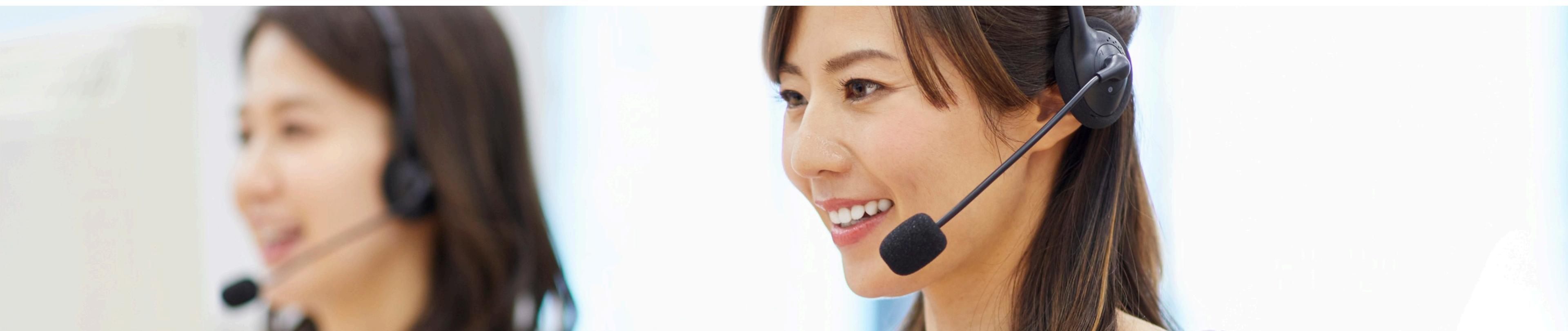
# BACKGROUND

The Online Travel Agency (OTA) industry, such as Tiket.com, Agoda, and Booking.com, is a highly competitive one. Modern travelers no longer just look at price; they consider ratings, reviews, amenities, cancellation policies, and promotions. A rich dataset with 16 variables—from price and ratings to hotel policies—provides the perfect opportunity to decipher consumer preferences and design winning strategies.



# PROBLEM STATEMENT

How can OTAs and hotels offer competitive prices and the right promotions to increase booking conversions?



# OBJECTIVES

01

Mapping price differences between platforms.

02

Understand the relationship between ratings and reviews and hotel prices

03

Evaluate the attractiveness of non-price factors (discounts, breakfast, etc.).

04

Create hotel segmentation for more targeted marketing strategies.

# DATASET

## GREAT DEALS - BOOKING HOTELS - USA

The “Great Deals – Booking Hotels – USA” dataset contains 1,399 hotel and resort listings across various US destinations, complete with ratings, reviews, and price comparisons from several popular booking sites. The data also includes cancellation policies, breakfast, payment options, and discounts, helping users choose the best hotel for their needs.

**Total data: 1,399 rows, 16 columns**

### Dataset columns:

- **Hotel/Resort Name** → hotel or resort name (string)
- **Residence Type** → accommodation type (Hotel, Resort, Apartment, Guest House)
- **Area** → hotel location/area (string, 983 unique areas)
- **Rating** → hotel numeric rating (e.g., 8.6, 7.9, etc.)
- **Rating.1** → rating category (Excellent, Good, Average, etc.)
- **Reviews** → number of customer reviews (integer, 15 – 17,210)
- **Booking website 1** → name of OTA/booking website 1 (string, e.g., Booking.com, Expedia)
- **Booking website 1\_Price** → room price on website 1 (string, format varies)
- **Booking website 2** → name of OTA/booking website 2 (string, missing values)

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REENA PINTO · UPDATED 2 YEARS AGO

Great deals - Booking Hotels - USA

Easily finding the ideal hotel and compare prices from different websites

5 Code Download

[kaggle.com/datasets/reenapinto/great-deals-booking-hotels](https://www.kaggle.com/datasets/reenapinto/great-deals-booking-hotels)

### Data type:

- 2 numeric columns (int/float: Reviews, Booking website Price)
- 13 categorical columns (object/string)
- 1 mixed string/price column (Booking website 1\_Price)

### Data quality:

- **Complete columns without missing:** Hotel/Resort Name, Area, Rating, Rating.1, Reviews, Booking website 1, Booking website 1\_Price
- **Columns with missing values:**
  - **Type of Residence:** 291 missing
  - **Booking website 2:** 14 missing
  - **Booking website 2 - Price:** 13 missing
  - **Booking website 3:** 331 missing
  - **Booking website 3 - Price:** 331 missing
  - **Cancellation Details:** 381 missing
  - **Breakfast Provisions:** 9 missing
  - **Payment options:** 597 missing
  - **Discount:** 721 missing
- **There are no duplicates in hotel names** (almost all unique, 1374 of 1399 entries).

**Dataset size: ±175 KB**

# INSIGHT ANALYSIS

## Price Dynamics: A Different Battle Map

Hotel pricing isn't a simple story. We found that the market is divided into four distinct segments: Budget, Mid-Range, Premium, and Luxury.

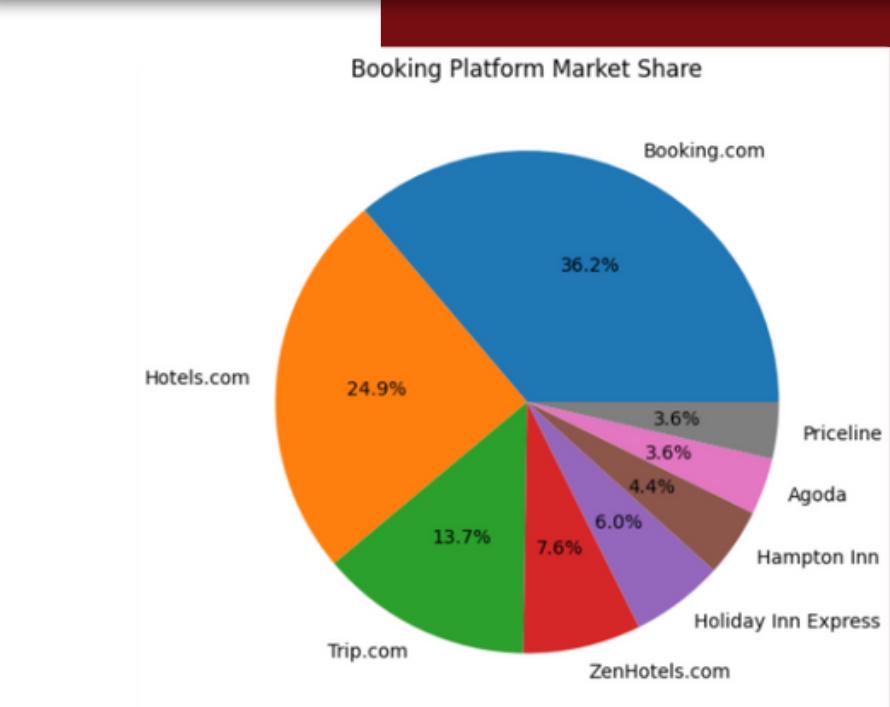
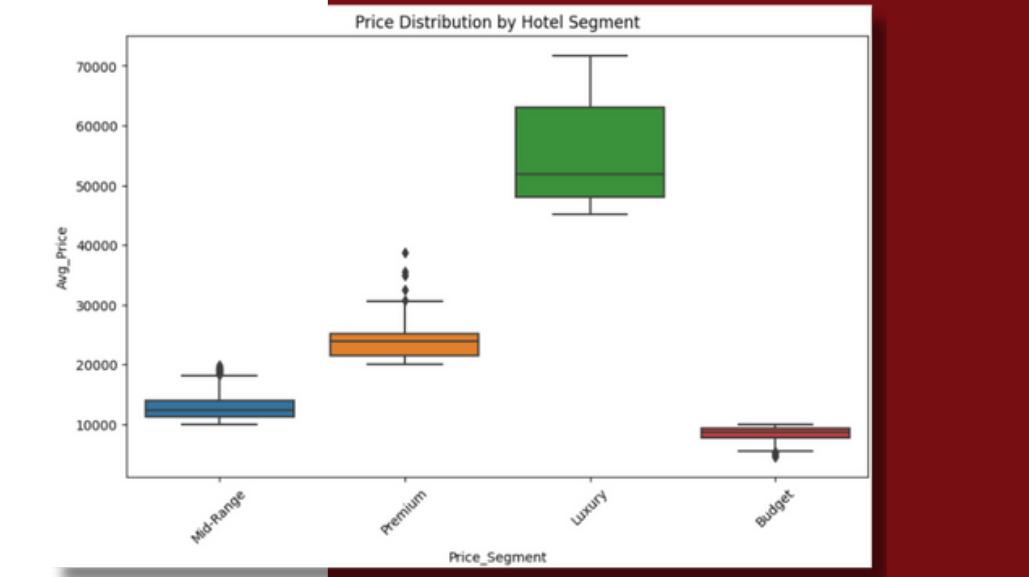
### 01 Opportunities in Premium Cities

Cities like Middleburg and Rancho Palos Verdes are becoming battlegrounds for premium hotels with very high average prices (>Rp 600,000). Conversely, the majority of hotels are concentrated in the Budget and Mid-Range segments, indicating intense competition in the economy class.

### 02 Pricing Inequality Between Platforms

While Booking.com is the market leader (36.2%), it doesn't guarantee the best prices. The highest average price is found on "Booking Website 1," while "Booking Website 3" offers the lowest. Surprisingly, in certain cities like RHI and WonderCK, the price variation between platforms can reach more than Rp 300,000! This indicates arbitrage opportunities and market inefficiencies.

**Interim Conclusion:** Prices are highly dynamic and influenced by location and platform. Savvy consumers can save significantly, while OTAs and hotels have room to adjust their strategies.



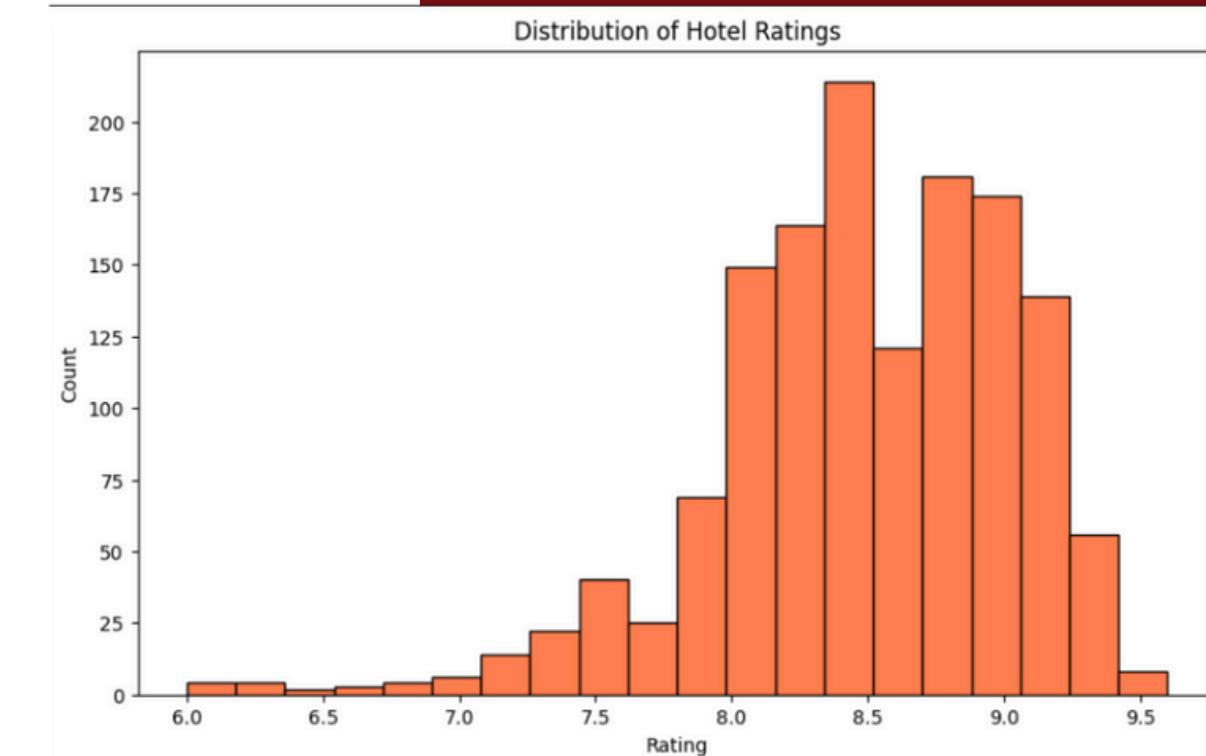
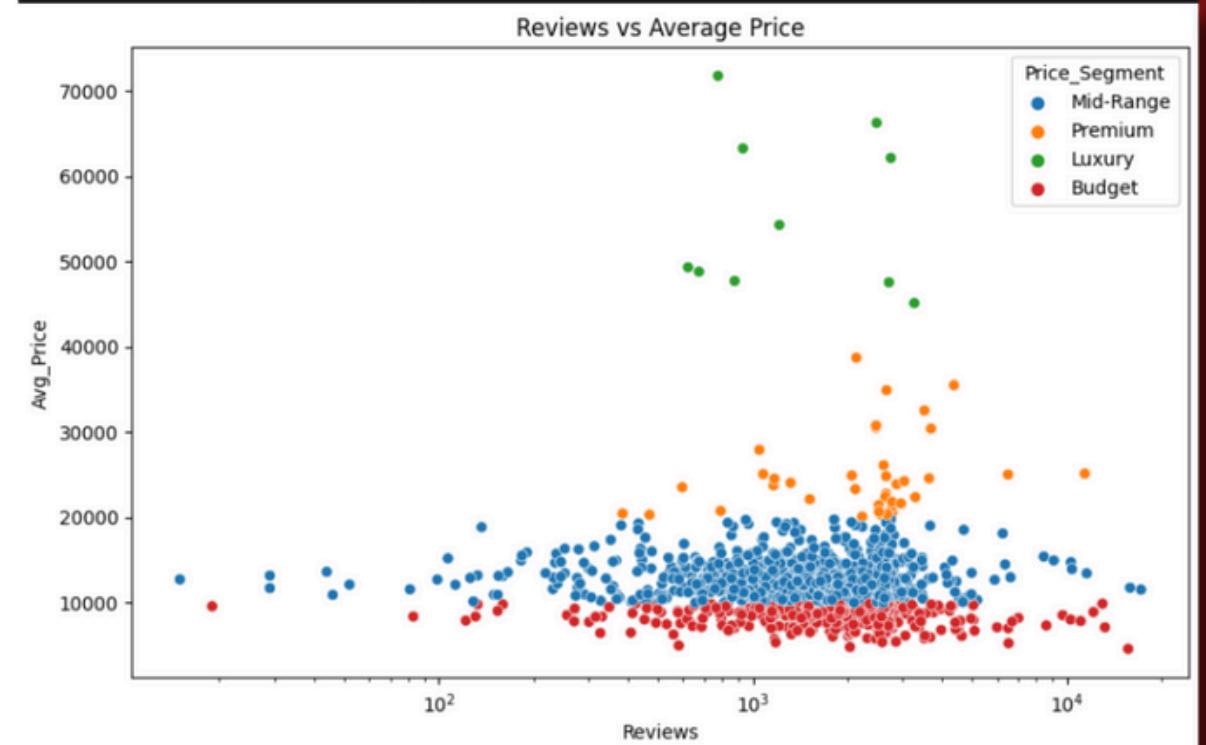
# INSIGHT ANALYSIS

## Rating Myth: Quality Doesn't Match Price

One of the most interesting findings was the lack of a strong correlation between rating and price. A budget hotel could easily have a 9.0+ rating, equivalent to a luxury hotel.

- 01 This indicates that customers are highly price sensitive and do not necessarily associate high ratings with high prices.
- 02 For hotels, a high rating is a powerful marketing asset that can attract attention in all segments.

**Interim Conclusion:** Ratings are an important quality differentiator, but not the primary determinant of price. "Value for Money" is a more powerful message than simply "Cheap" or "Luxury."



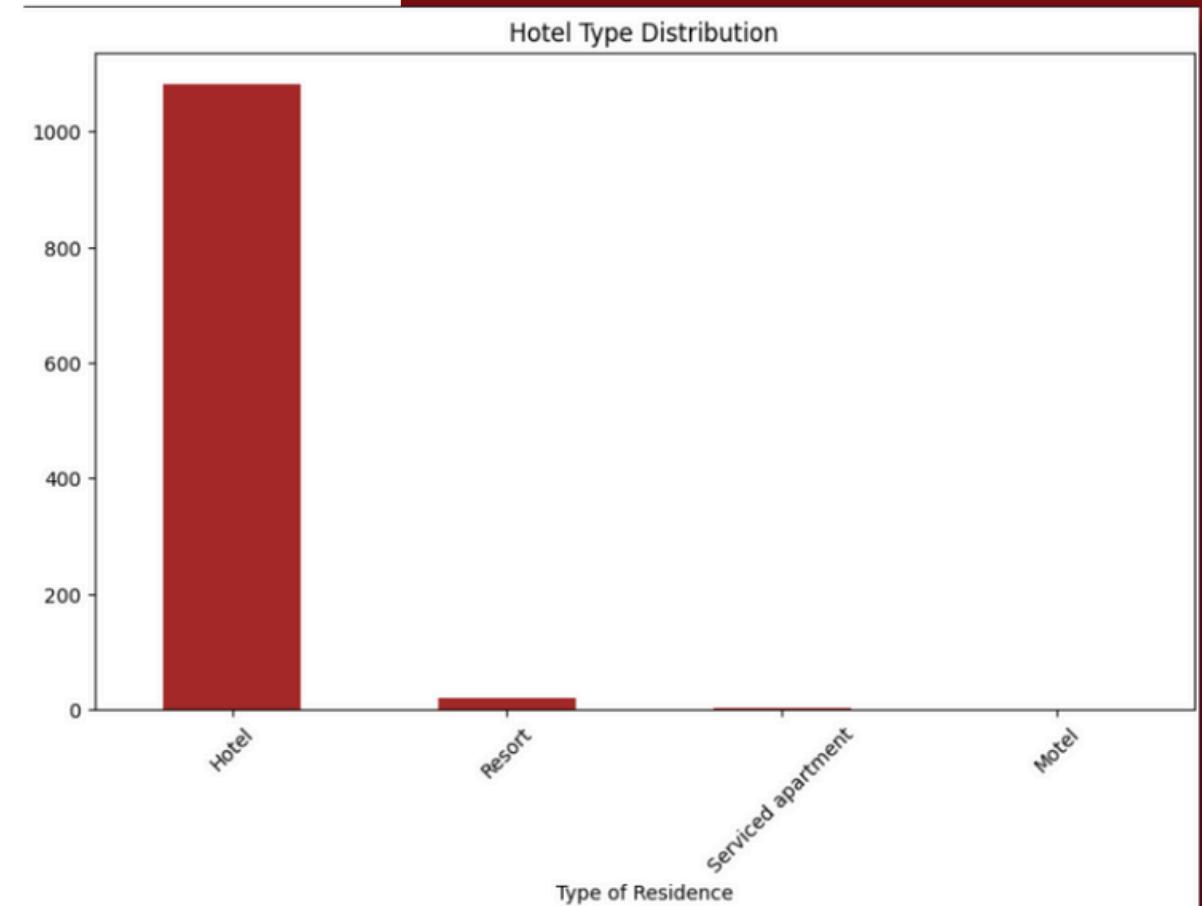
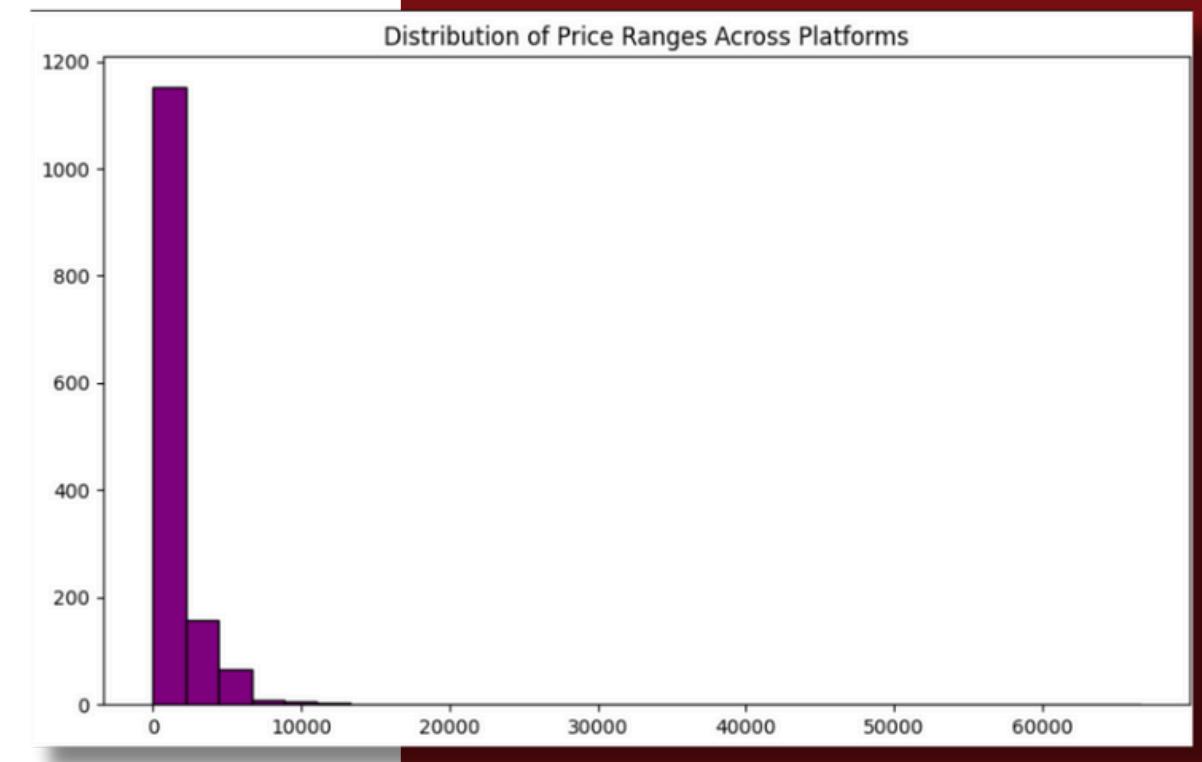
# INSIGHT ANALYSIS

## Attractiveness Beyond Price: The Role of Additional Factors

While price and ratings are important, supporting factors such as number of reviews and type of accommodation also play a role.

- 01 Most hotels have a small number of reviews (0-2,500), which can affect potential guests' confidence. Hotels with >10,000 reviews are a popular minority.
- 02 Hotels still dominate the market, followed by Resorts and Serviced Apartments, indicating that alternative accommodation types are starting to be noticed.

**Interim Conclusion:** Building a digital reputation (through reviews) and offering a variety of accommodation types are strategies to increase attractiveness in the eyes of travelers.



# STRATEGIC RECOMMENDATIONS

## For OTA Platform

### 1. Dynamic Pricing Intelligence:

Build a system that adjusts prices in real time based on competitors' prices, especially in cities with high volatility. This allows OTAs to remain competitive while maximizing revenue.

### 2. Selective Partnership with Highly Rated Hotels:

Focusing on partnerships with budget and mid-range hotels with a 9.0+ rating, this builds the platform's reputation as a provider of quality accommodation at affordable prices.

### 3. Price Transparency & Matching Features:

Develop a multi-platform price comparison feature in a single interface and implement a price matching guarantee. This builds trust and prevents consumers from switching to other platforms.

## For Hotel / Property Owners

### 1. Integrated Multi-Channel Pricing Strategy:

Set consistent yet competitive prices across all OTA platforms. Take advantage of opportunities by offering exclusive packages on specific platforms to reach different market segments.

### 2. Digital Reputation as a Primary Weapon:

Invest in a managed reviews program. Respond to every review professionally. A high rating (8.5+) is a critical differentiator that can attract attention in a sea of options.

### 3. Differential Package based on Segmentation:

Develop special packages for each segment. For example: "Savings Bundle" for budget travelers, "Experience Package" for the premium segment, and "Exclusive Package" for the luxury segment.

# CONCLUSION

This data story reveals that winning in the OTA industry is not just determined by the lowest price, but by smart and adaptive strategies.

- **For OTAs**, the key is real-time pricing intelligence and the ability to offer the best value (not just the best price).
- **For hotels**, the key to success lies in proactive digital reputation management and agile adjustment of offerings across multiple platforms.

By understanding the true competitive landscape which consists of dynamic pricing, rating power, and the attractiveness of non price factors each player can make more informed and profitable decisions.



# THANK YOU

For Your Attention

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