Chapter 1 Introduction

I landed a great job with the Ritz-Jager Hotel operator as a data scientist. This hotel operator wants to improve their business efficiency by utilizing their historical data and they want to find out what happened in their previous bookings, knowing their customer better, and optimizing the promo timing. Your team of engineer have to **analyze the data** that they have based on the pre-defined questions that your CEO gave.

Questions:

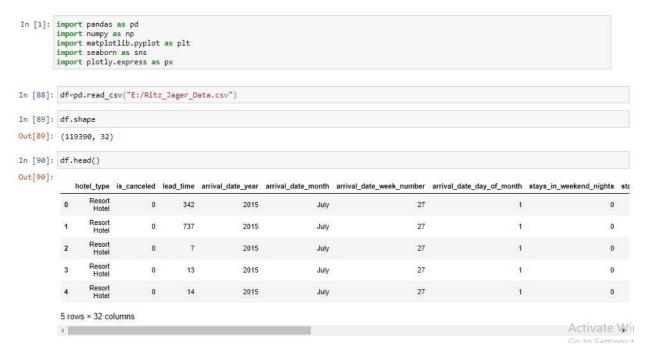
- 1. Where do the guests come from?
- 2. How much do guests pay for a room per night?
- 3. How does the price per night vary over the year?
- 4. Which are the busiest months?
- 5. How long do people stay at the hotels?
- 6. Bookings by market segment
- 7. How many bookings were cancelled?
- 8. Which month has the highest number of cancellations?

Chapter 2 Progress Report

| Day/Date | Task | Level (easy/medium/hard) | Comments |
|------------|--|--------------------------|----------|
| 02/05/2020 | Implement explanatory data analysis in Ritz Jager dataset | Easy | |

Chapter 3 Task Report

The first step is to import the required libraries, which are Pandas, Numpy, MatplotLib, Seaborn and Plotly. Next, import the Ritz Jager dataset using pandas. The data has 119390 rows and 32 columns.



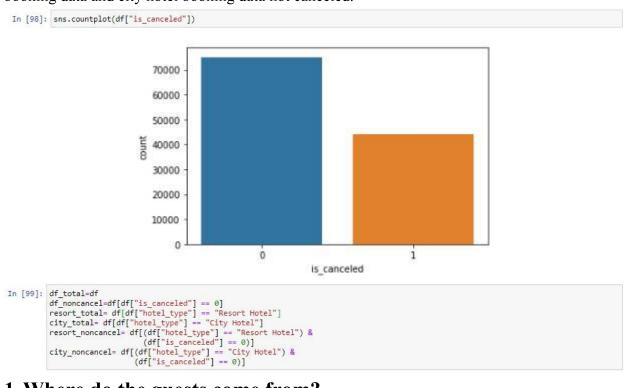
The next step is to preprocessing data. First check the missing value for each variable. There are 4 variables that have missing values, namely children, country origin, agent and company variables. Here are the details:

```
In [6]: df.isnull().sum()
Out[6]: hotel type
                                                 0
        is canceled
                                                 0
        lead time
                                                 0
        arrival date year
                                                 0
        arrival date month
                                                 0
        arrival date week number
                                                 0
        arrival date day of month
                                                 0
        stays in weekend nights
                                                 0
        stays in week nights
                                                 0
        adults
                                                 0
        children
                                                 4
        babies
                                                 0
        meal type
                                                 0
        country origin
                                               488
        market segment
                                                 0
        distribution channel
                                                 0
        is repeated guest
                                                 0
        previous cancellations
                                                 0
        previous_bookings_not_canceled
                                                 0
        reserved room type
                                                 0
        assigned_room_type
                                                 0
        booking changes
                                                 0
        deposit_type
                                                 0
                                             16340
        agent
        company
                                            112593
        days in waiting list
                                                 0
        customer_type
                                                 0
                                                 0
        required_car_parking_spaces
                                                 0
        total_of_special_requests
                                                 0
        reservation_status
                                                 0
        reservation_status_date
                                                 0
        dtype: int64
```

The four variables are imputed to eliminate the missing value. Missing values for the children variable are imputed with a median value of 0, which means there are no children's guests on the order. Missing value in the country origin variable is imputed with the value "unknown" because we do not know the country of origin of the customer. Missing values for the agent variable are imputed with a value of 0, where we assume that if the agent ID is not listed or given, ordering is most likely done without an agent. Furthermore, the missing value on the company variable is also imputed with a value of 0, which we assume if the company ID is not listed or given, most likely the order is made in private.

Furthermore, in the meal type variable there is an observation with the value "Underfined" where the value is the same as the "SC" class. Therefore, we replace the value "Underfined" with the value "SC". Furthermore, there are some observations in which the number of guests both adults, children and babies all have a value of 0, which means there are no guests in the booking. Therefore, we delete or drop the observation with the number of guests equal to 0. Furthermore, the reservation status date variable is initially the object data type which is changed to the date time data type.

There are 75001 orders that were not canceled and 44199 orders that were canceled. The total number of orders canceled is more than half of the un-canceled orders. Therefore to simplify the analysis process, we divide the data into 6 parts, namely total booking data, booking data not canceled, total hotel resort booking data, hotel resort booking data not canceled, city hotel total booking data and city hotel booking data not canceled.



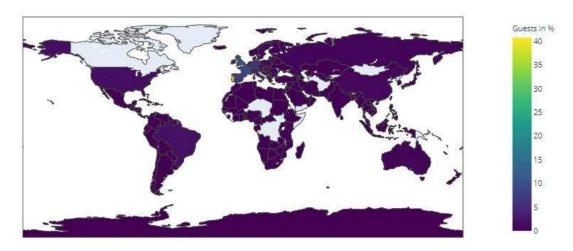
1. Where do the guests come from?

a. All guests including those canceled

Ritz Jager hotel guests as a whole when viewed from all reservations both divested and not most are from countries in Europe, namely Portugal, United Kingdom, France, Spain and

Germany. Furthermore, to make it easier to see the country of origin of the guests, visualization in the form of a map will be used. Here are the results of the visualization:

Country Origin of Guests

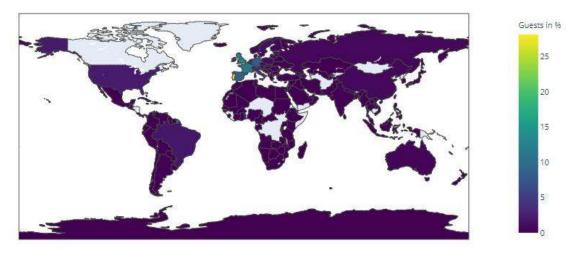


Guests of the Ritz Jager hotel spread almost all over the world from the continents of Europe, Asia, Africa, South America, North America to Australia. However, countries in Europe, especially Western Europe, Southern Europe and the United Kingdom are the most guests at the Ritz Jager hotel.

b. All guests do not include canceled

Likewise with hotel customers who were not canceled, most Ritz hotel guests were from countries in Europe, namely Portugal, United Kingdom, France, Spain and Germany. Furthermore, to make it easier to see the country of origin of the guests, visualization in the form of a map will be used. Here are the results of the visualization:

Country Origin of Guests



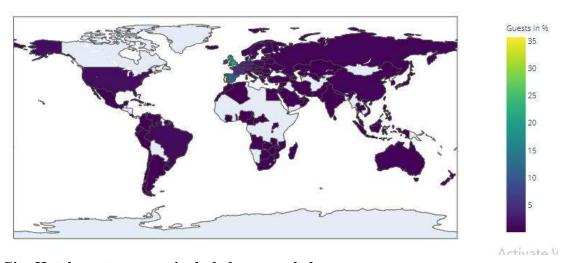
Guests of the Ritz Jager hotel spread almost all over the world from the continents of Europe, Asia, Africa, South America, North America to Australia. However, countries in Europe, especially Western Europe, Southern Europe and the United Kingdom are the most guests at the Ritz Jager hotel.

c. All Resort Hotel guests are not included as canceled

Next to the type of resort hotel, countries in the European region such as Portugal, United Kingdom, Spain, Ireland and France are the countries with the most number of guests at the Ritz Jager hotel. However, Germany is not in the top 5 while Ireland is in the top 5, which is ranked

4. The people of Ireland and the United Kingdom prefer to choose hotels with resort types.

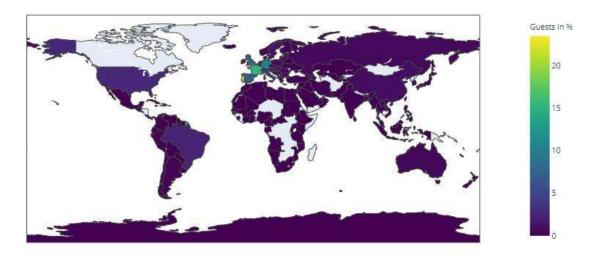
Country Origin of Guests



d. All City Hotel guests are not included as canceled

Furthermore, for City hotel types, countries in the European region such as Portugal, France, Germany, United Kingdom, and Spain are the countries with the most number of guests at the Ritz Jager hotel. However, Ireland is not in the top 5, while Germany is in the top 5, which is ranked 3. The German and French people prefer to choose hotels of the City type.

Country Origin of Guests



2. How much do guests pay for a room per night?

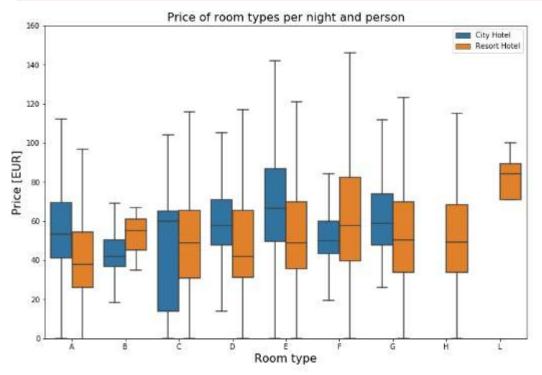
Both hotels have different room types and different meal arrangements. Seasonal factors are also important. So the prices vary a lot.

From all non canceled bookings, across all room types and meals, the average prices are:

Resort Hotel: 47.49 € per night and person.

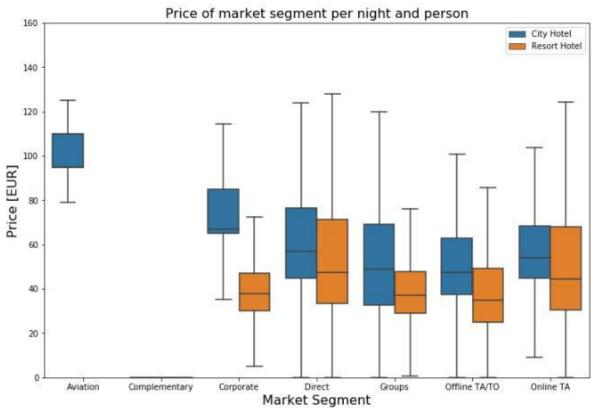
City Hotel: 59.27 € per night and person.

```
df noncancel["adr pp"] = df noncancel["adr"] / (df noncancel["adults"] +
                                                 df_noncancel["children"])
room_prices = df_noncancel[["hotel_type", "reserved_room_type",
                             "adr_pp"]].sort_values("reserved_room_type")
# boxplot:
plt.figure(figsize=(12, 8))
sns.boxplot(x="reserved_room_type",
            y="adr_pp",
            hue="hotel_type",
            data=room_prices,
            hue_order=["City Hotel", "Resort Hotel"],
            fliersize=0)
plt.title("Price of room types per night and person", fontsize=16)
plt.xlabel("Room type", fontsize=16)
plt.ylabel("Price [EUR]", fontsize=16)
plt.legend(loc="upper right")
plt.ylim(0, 160)
plt.show()
```



Furthermore, if the price is seen from the room type:

- 1. City hotel: room type E is the room type with the highest middle price, while room type B is the room type with the lowest middle price.
- 2. Resort Hotel: Room type L is the type of room with the highest middle price, while room type A is the room type with the lowest middle price.

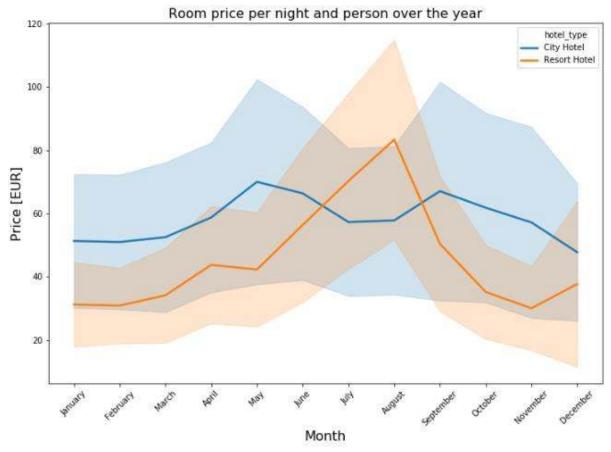


Furthermore, if the price is seen from the market segment:

- 1. City hotel: Market aviation segment is the market segment with the highest middle price value, while the offline TA / TO market segment is the market segment with the lowest middle price value.
- 2. Resort Hotels: Direct market segment is the market segment with the highest middle price, while the offline TA / TO market segment is the market segment with the lowest middle price.

3. How does the price per night vary over the year?

In this question, to measure variations in hotel rental prices, I use the average price per night and per person, regardless of room type and meals.

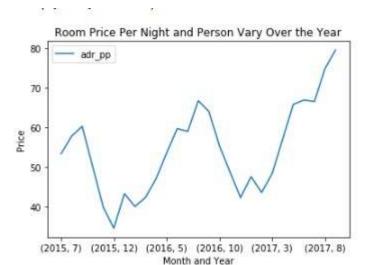


Based on the above plot it can be shown that prices at Resort hotels are much higher during summer in Europe ie June to September. As for City hotels the price varies less and is most expensive during spring in Europe, which is April to June and autumn in Europe, September to October.

Out[143]: adr_pp

| 2000 | | |
|-----------|-------------------------|-------------------------|
| | reservation_status_date | reservation_status_date |
| 53.345439 | 7 | 2015 |
| 57.798528 | 8 | |
| 60.306470 | 9 | |
| 50.067665 | 10 | |
| 39.838142 | 11 | |
| 34.545492 | 12 | |
| 43.277637 | 1 | 2016 |
| 40.022822 | 2 | |
| 42.314265 | 3 | |
| 47.052320 | 4 | |
| 53.542732 | 5 | |
| 59.708150 | 6 | |
| 59.003203 | 7 | |
| 66.773613 | 8 | |
| 64.045491 | 9 | |
| 55.411308 | 10 | |
| 48.783655 | 41 | |
| 42.278128 | 12 | |
| 47.565549 | 1 | 2017 |
| 43.563497 | 2 | |
| 48.376643 | 3 | |
| 57.119372 | 4 | |
| 65.820227 | 5 | |
| 66.938421 | 6 | |
| 66.564596 | 7 | |
| 74.875745 | 8 | |
| 79.573823 | 9 | |

```
In [152]: over_time.plot()
    plt.title('Room Price Per Night and Person Vary Over the Year')
    plt.xlabel('Month and Year')
    plt.ylabel('Price')
```

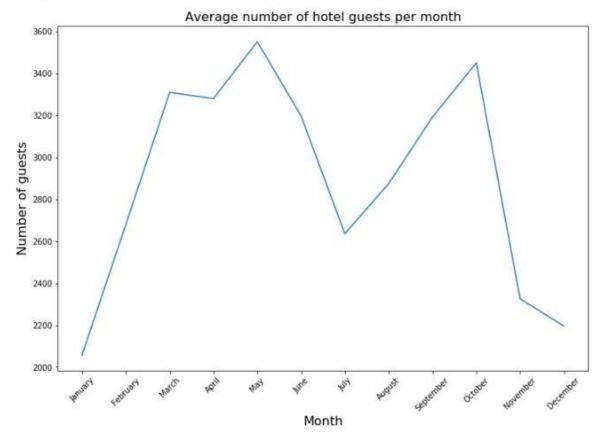


In addition, based on the plot above it can be seen that the price of room per night and people continues to increase throughout the year. Prices in 2017 are higher than prices in 2016, while prices in 2016 are higher than in 2015.

```
In [149]: avgmonth=over_time['adr_pp'].pct_change()
plt.figure(figsize=(12,3))
plt.title('The Precentage Change of Price Per Night and Person Vary Over the Year')
plt.xlabel('Month and Year')
plt.ylabel('Percentage change (%)')
avgmonth.plot()
```



4. Which are the busiest months?

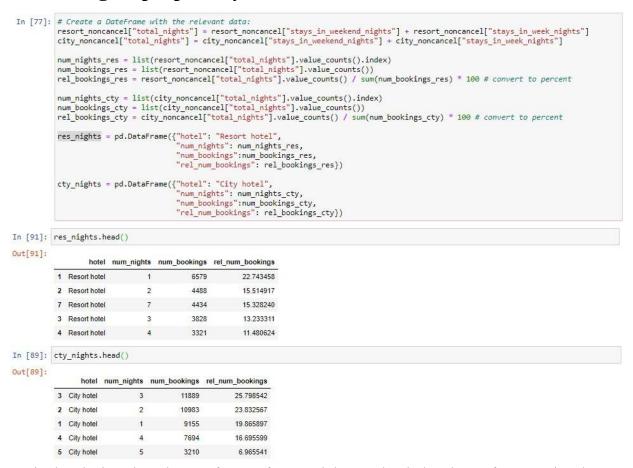




The Ritz jager dataset was taken from 1 July 2015 to 31 August 2017. Logically the number of guests in July and August was the highest, this is because the data for July and August were recorded 3 times, namely 2015, 2016 and 2017. While other months were only recorded twice. Therefore, to find out which is the busiest month or the month in which the most number of

guests are used, the average value of the number of guests will be used. City Hotels have more guests during the European spring, April to June and autumn in Europe, September to October, although during that season prices are also highest. The peak month with the most number of guests for City hotels is in May. Whereas in January, February, July, November and December there are fewer visitors, even though prices are lower. In addition, the number of guests for Resort hotels decreased from June to September, which is also when prices are highest. The peak month with the highest number of guests for Resort hotels is in October. Both hotels have the fewest guests during the winter (November - January).

5. How long do people stay at the hotels?

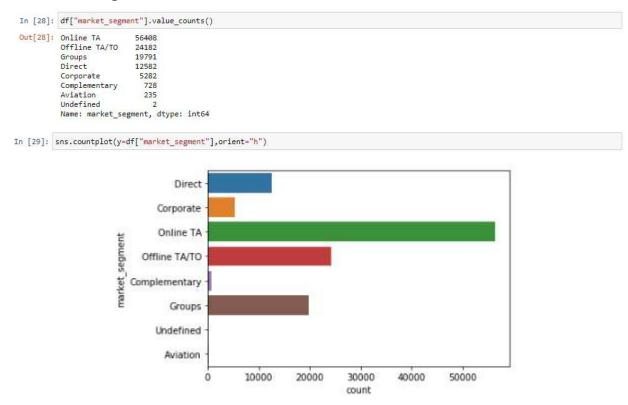


For city hotels there is a clear preference for 1-4 nights staying in hotels. As for resort hotels, 1-4 nights are also often booked, but 7 nights are also very popular.

As for the average length of stay, city hotels have an average of 3 nights while resort hotels have an average of 4 nights.

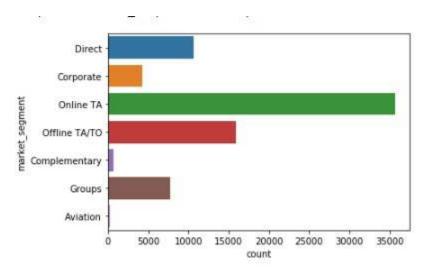
6. Bookings by market segment

a. All of Bookings



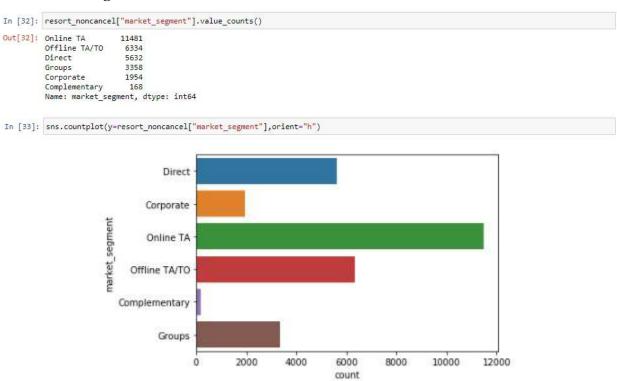
Based on all existing and unrelated bookings, online TA is the most effective market segment because there are more than 50000 bookings from that market segment. While rated 2 and 3, there are offline market segments TA / TO and Groups. In addition, aviation is the least effective market segment because it only produces 235 bookings.

b. All of Bookings are not canceled



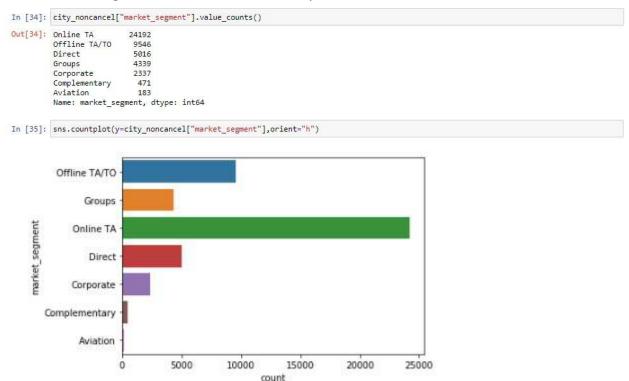
Based on non-canceling orders, TA online is the most effective market segment because there are more than 35,000 orders from that market segment. While rated 2 and 3, there are offline market segments TA / TO and Direct. In addition, aviation is the least effective market segment because it only produces 183 orders.

c. All of Bookings are not canceled at the Resort Hotel



Based on non-canceling bookings at resort hotels, TA online is the most effective market segment because there are more than 11481 bookings from the market segment. While rated 2 and 3, there are offline market segments TA / TO and Direct. In addition, complementary is the least effective market segment because it only produces 168 orders.

d. All of Bookings are not canceled at the City Hotel



Based on non-canceling bookings at city hotels, TA online is the most effective market segment because there are more than 24192 bookings from that market segment. While rated 2 and 3, there are offline market segments TA / TO and Direct. In addition, complementary is the least effective market segment because it only produces 183 orders.

7. How many bookings were cancelled?

```
In [36]: cancel1=df[df["is_canceled"]==1]["is_canceled"].count()
    percent1=cancel1/len(df)*100
    print("The total canceled orders is equal to "+str(cancel1)+" or "+str(round(percent1,2))+"%")

The total canceled orders is equal to 44199 or 37.08%

In [37]: cancel2=df[(df["is_canceled"]==1) & (df["hotel_type"]=="Resort Hotel")]["is_canceled"].count()
    percent2=cancel2/len(df[df["hotel_type"]=="Resort Hotel")]*100
    print("The total canceled orders for Resort Hotel is equal to "+str(cancel2)+" or "+str(round(percent2,2))+"%")

The total canceled orders for Resort Hotel is equal to 11120 or 27.77%

In [38]: cancel3=df[(df["is_canceled"]==1) & (df["hotel_type"]=="City Hotel")]["is_canceled"].count()
    percent3=cancel3/len(df[df["hotel_type"]=="City Hotel"))*100
    print("The total canceled orders for City Hotel is equal to "+str(cancel3)+" or "+str(round(percent3,2))+"%")

The total canceled orders for City Hotel is equal to 33079 or 41.79%
```

Total bookings canceled is 44199 (37%); Resort hotel bookings canceled is 11120 (28%); City hotel bookings canceled is 33079 (42%).

8. Which month has the highest number of cancellations?

a. All of hotel types

```
In [39]: df_group3=df.groupby(["arrival_date_month"]).agg({"is_canceled":"sum","arrival_date_month":"count"})
df_group3=df_group3.rename(columns={"is_canceled":"Number of Cancellations","arrival_date_month":"Number of Bookings"})
df_group3["Percent"]=df_group3["Number of Cancellations"]/df_group3["Number of Bookings"]
df_group3.sort_values("Percent",ascending=False)
```

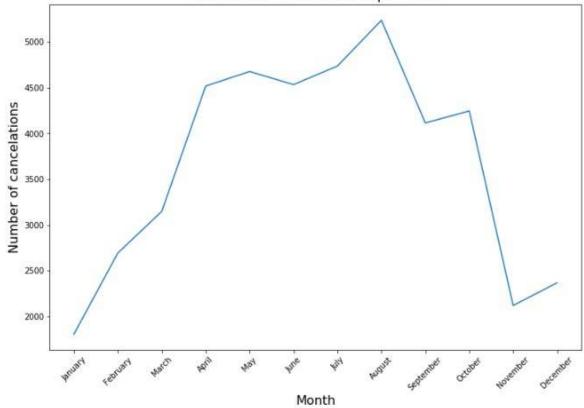
Out[39]:

| arrival date month | Number of Cancellations | Number of bookings | Percent |
|--------------------|-------------------------|--------------------|----------|
| June | 4534 | 10929 | 0.414860 |
| April | 4518 | 11078 | 0.407835 |
| May | 4677 | 11780 | 0.397029 |
| September | 4115 | 10500 | 0.391905 |
| October | 4246 | 11147 | 0.380910 |
| August | 5237 | 13861 | 0.377823 |
| July | 4737 | 12644 | 0.374644 |
| December | 2368 | 6759 | 0.350348 |
| February | 2693 | 8052 | 0.334451 |
| March | 3148 | 9768 | 0.322277 |
| November | 2120 | 6771 | 0.313100 |
| January | 1806 | 5921 | 0.305016 |
| | | | |

Number of Cancellations Number of Bookings Percent

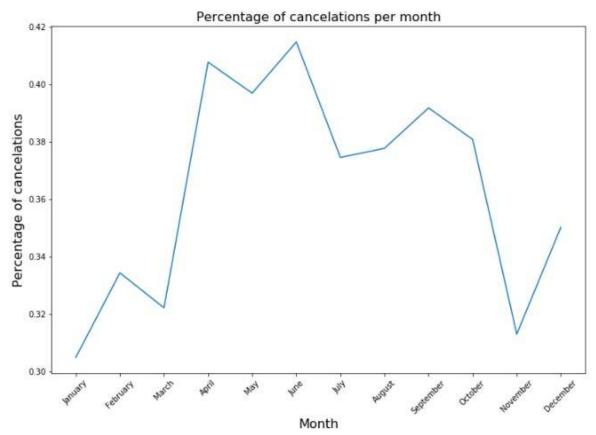
Activate Wii





```
In [41]: df_group3=df_group3.reset_index()
df_group3["arrival_date_month"] = pd.Categorical(df_group3["arrival_date_month"], categories=ordered_months, ordered=True)

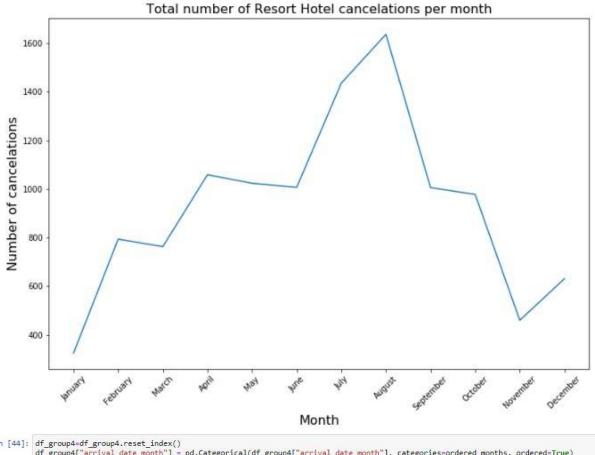
#show figure:
plt.figure(figsize=(12, 8))
sns.lineplot(x = "arrival_date_month", y="Percent", data=df_group3)
plt.title("Percentage of cancelations per month", fontsize=16)
plt.xlabel("Month", fontsize=16)
plt.xticks(rotation=45)
plt.ylabel("Percentage of cancelations", fontsize=16)
plt.show()
```



The highest number of cancelations occurred in August, which was 5237 cancelations. Then in July there were 4737 cancellations. And the third is 4677 cancelations in May. July and August have the highest cancelation rate because the data were taken from July 1 2015 to August 31 2017, so that July and August were recorded 3 times while other months were only recorded 2 times. Therefore the percentage of cancelation value will be used which is sought from the number of cancelation in that month divided by the number of orders in that month. When viewed from the percentage cancelation rate, June is the month with the highest percentage of cancelation followed by April and May in the second and third ranks.

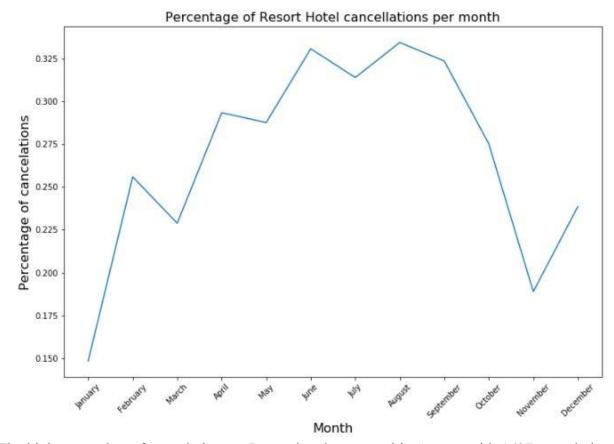
b. Resort Hotel

```
Out[98]:
                                 Number of Cancellations Number of Bookings Percent
              arrival_date_month
                                                                       4894 0.334491
                        August
                                                   1637
                                                   1007
                                                                       3044 0.330815
                           June
                                                                      3108 0.323681
                     September
                           July
                                                   1436
                                                                        4573 0.314017
                                                   1059
                                                                       3609 0.293433
                           April
                                                    1024
                                                                        3559 0.287721
                           May
                       October
                                                    978
                                                                       3553 0.275260
                                                    794
                                                                        3102 0.255964
                                                                       2645 0.238563
                      December
                                                    631
                                                    763
                                                                        3334 0.228854
                         March
                                                                       2435 0.188912
                      November
                                                    325
                                                                       2191 0.148334
In [43]: df_group4=df_group4.reset_index() df_group4["arrival_date_month"] = pd.Categorical(df_group4["arrival_date_month"], categories=ordered_months, ordered=True)
           #show figure:
plt.figure(figsize=(12, 8))
sns.lineplot(x = "arrival_date_month", y="Number of Cancellations", data=df_group4)
plt.title("Total number of Resort Hotel cancelations per month", fontsize=16)
plt.xlabel("Month", fontsize=16)
plt.xticks(rotation=45)
plt.ylabel("Number of cancelations", fontsize=16)
           plt.show()
```



```
In [44]: df_group4=df_group4.reset_index()
df_group4["arrival_date_month"] = pd.Categorical(df_group4["arrival_date_month"], categories=ordered_months, ordered=True)

#show figure:
plt.figure(figsize=(12, 8))
sns.lineplot(x = "arrival_date_month", y="Percent", data=df_group4)
plt.title("Percentage of Resort Hotel cancellations per month", fontsize=16)
plt.xlabel("Month", fontsize=16)
plt.xticks(rotation=45)
plt.ylabel("Percentage of cancelations", fontsize=16)
plt.show()
```



The highest number of cancelations at Resort hotels occurred in August with 1637 cancelations. Then in July there were 1436 cancelations. And the third is in April, namely as many as 1059 cancelations. July and August have the highest cancelation rate because the data were taken from July 1 2015 to August 31 2017, so that July and August were recorded 3 times while other months were only recorded 2 times. Therefore the percentage of cancelation value will be used which is sought from the number of cancelation in that month divided by the number of orders in that month. When viewed from the percentage of cancelation, August is summer is the month with the highest percentage of cancelation which is 33.4% and is followed by June and September in the second and third ranks.

c. City Hotel

```
In [99]: df_group5=df[df["hotel_type"]=="City Hotel"].groupby(["arrival_date_month"]).agg({"is_canceled":"sum","arrival_date_month":
            df_group5=df_group5.rename(columns={"is_canceled":"Number of Cancellations","arrival_date_month":"Number of Bookings"})
df_group5["Percent"]=df_group5["Number of Cancellations"]/df_group5["Number of Bookings"]
df_group5.sort_values("Percent",ascending=False)
Out[99]:
                                    Number of Cancellations Number of Bookings Percent
              arrival_date_month
                                                        3459
                                                                               7469 0.463114
                            April
                             June
                                                        3527
                                                                               7885 0.447305
                             May
                                                        3653
                                                                               8221 0.444350
                                                        3268
                                                                               7594 0.430340
                         October
                       December
                                                        1737
                                                                               4114 0.422217
                       September
                                                        3109
                                                                               7392 0.420590
                             July
                                                        3301
                                                                               8071 0.408995
                                                                               8967 0.401472
                                                        3600
                          August
                         January
                                                        1481
                                                                               3730 0.397051
                                                        1899
                                                                               4950 0.383636
                       November
                                                        1660
                                                                               4336 0.382841
                           March
                                                        2385
                                                                               6434 0.370687
In [46]: df_group5-df_group5.reset_index() df_group5["arrival_date_month"], categories=ordered_months, ordered=True)
             plt.figure(figsize=(12, 8))
             sns.lineplot(x = "arrival_date_month", y="Number of Cancellations", data=df_group5)
plt.title("Total number of city Hotel cancelations per month", fontsize=16)
plt.xlabel("Month", fontsize=16)
plt.xticks(rotation=45)
```

Total number of City Hotel cancelations per month

plt.ylabel("Number of cancelations", fontsize=16)

plt.show()

