**Business Problem**: There is a high cancellation rate in bookings, resulting in decrease in revenue of the hotel. Our goal is to identify the reason for the problem and make suggestions to increase revenue of the hotel based on research.

Dataset: Provided by the hotel.

Assumptions:

1. No outliers in dataset.

2. The data is relevant for analysis.

3. The solution proposed is not yet used.

4. The biggest factor is booking cancellation.

5. Vacant rooms due to cancellations are unused completely and no revenue is generated on that date.

**Research questions:**

1. What are the factors affecting booking cancellations?

2. What can be done to reduce cancellations?

3. How can change in pricing be made as per hotel's situation?

**Hypothesis:**

1. More cancellations occur when prices are higher.

2. Higher waiting time in conformation leads to cancellations.

3. Majority clients come via offline agent to make their reservations.

**Analysis and findings.**

Based on my analysis, here are the key findings:

1. Cost is a major factor in cancelation rate. Specifically in the month of January.
2. Online bookings have almost 50% cancelation, thus this needs to be addressed.
3. Portugal has the highest cancelation rate (70%) thus this area needs specific improvement.