

# **HOTEL BOOKING CANCELLATION ANALYSIS**

**EXCEL DASHBOARD**



**PRESENTED BY:**

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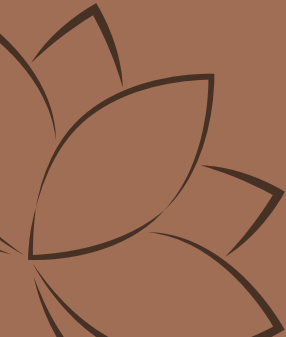
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# OBJECTIVE

The primary objective of this analysis is to gain insights and understand the factors contributing to hotel booking cancellations in order to develop strategies to reduce or mitigate the cancellation problem. This could involve improving guest experience, optimizing room allocation processes, adapting pricing and policies, or implementing targeted marketing and communication efforts to reduce cancellations and improve overall revenue and occupancy rates.



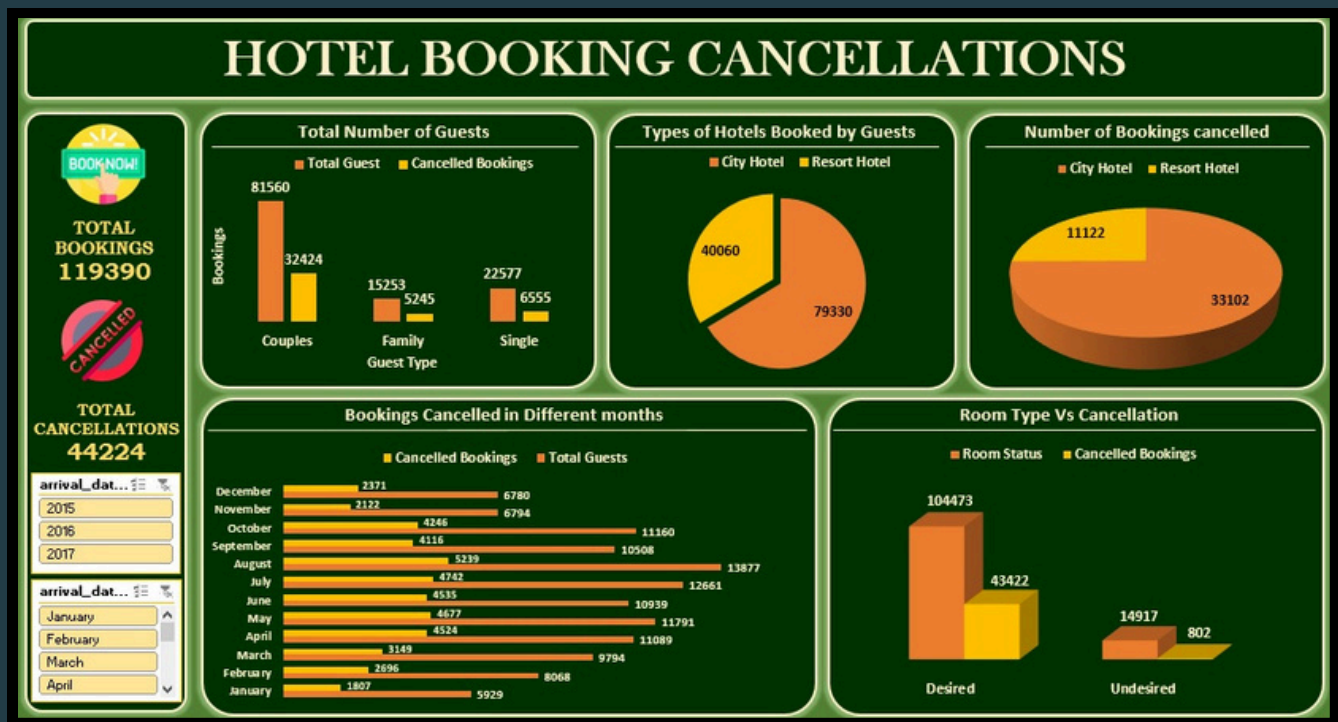


# QUESTIONS ANSWERED

- What is the total number of guest bookings and how many bookings were cancelled?
- What types of hotels (city or resort) were booked by guests and how many bookings for each type were cancelled?
- How many bookings were cancelled in different months?
- How do room status (desired or undesired) and cancellations compare?
- What are the total numbers of guests for different guest types (couples, families, single guests), and how many bookings were cancelled for each guest type?



# DASHBOARD



Based on the hotel booking cancellations dashboard, the key performance indicators (KPIs) visualized are:

- **Total Number of Guests:** This KPI breaks down the total guest count into different categories - Couples, Families, and Single Guest Types. It provides insights into the volume of bookings from each guest segment.
- **Types of Hotels Booked by Guests:** This KPI shows the distribution of bookings between City Hotels and Resort Hotels. It helps analyze guest preferences for different hotel types.

- ***Number of Bookings Cancelled:*** This KPI displays the number of cancelled bookings separately for City Hotels and Resort Hotels. It is a crucial metric to understand the cancellation rates for each hotel type.
- ***Bookings Cancelled in Different Months:*** This KPI presents the number of cancelled bookings month-wise, along with the total number of guests for each month. It allows for identifying seasonal patterns and peak periods for cancellations.
- ***Room Type vs. Cancellation:*** This KPI compares the number of cancellations for desired and undesired room types. It highlights the impact of room allocation and guest preferences on cancellation rates.
- ***Total Cancellations:*** The total number of cancellations (44,224) is a critical KPI that provides an overall measure of the cancellation problem.
- ***Cancellation Rate:*** The cancellation rate (potentially around 37% based on the provided figures) is an essential KPI that quantifies the extent of the cancellation issue relative to the total bookings.

# KEY INSIGHTS



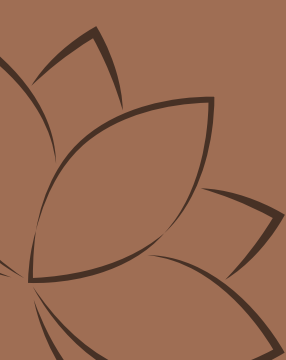

- ***Guest type impact:*** The highest number of cancelled bookings (32,424) were from couples, followed by single guests (6,555) and families (5,245). This suggests couples may be more likely to change or cancel their hotel plans compared to other guest types.
- ***Hotel type preferences:*** The majority of guests (79,330) booked city hotels, while a smaller portion (40,060) booked resort hotels. Therefore, for cancellations, city hotels had substantially more (33,102) compared to resort hotels (11,122). This could indicate city hotel bookings are more subject to changes or cancellations.

- ***Seasonal patterns:*** The data shows a clear seasonal trend, with peak cancellations occurring during the summer months (June-August), potentially due to changes in travel plans. December also saw a relatively high number of cancellations, possibly related to holiday travel.
- ***Room status impact:*** Undesired room status (43,422 cancellations) had a significantly higher number of cancellations compared to desired room status (802 cancellations). This suggests room allocation and guest preferences play a crucial role in cancellation decisions.
- ***Overall cancellation rate:*** With a total of 119,390 bookings and 44,224 cancellations, the overall cancellation rate for this data is around 37%. This highlights the importance of effective revenue management strategies for hotels to mitigate the impact of cancellations.

# RECOMMENDATIONS

- The data shows a significantly higher cancellation rate for undesired room status. Hotels should focus on improving their room allocation algorithms and processes to better match guest preferences and avoid assigning undesirable rooms. This can involve gathering more detailed guest preferences during the booking process and leveraging data analytics to optimize room assignments.
- The analysis reveals higher cancellation rates during summer months and around the holidays. To mitigate this, hotels could consider offering more flexible cancellation policies or incentives for guests booking during these peak periods. This could encourage guests to commit to their bookings and reduce last-minute cancellations.
- Since couples account for the highest number of cancellations, hotels could develop targeted promotional campaigns or package deals specifically tailored to these guest segments.



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- Given the overall cancellation rate of around 37%, hotels should invest in robust revenue management strategies. This could involve dynamic pricing, overbooking practices, or implementing penalties for late cancellations to minimize the financial impact of cancellations.
  - Proactively communicating with guests, addressing any concerns or issues promptly, and gathering feedback on their experiences can help hotels identify and address common pain points that may lead to cancellations. This can improve guest satisfaction and reduce the likelihood of cancellations.
  - While the analysis provides quantitative data, hotels should also collect and analyze qualitative data on the reasons behind cancellations. This can reveal deeper insights into guest behavior and help develop targeted solutions to address specific cancellation drivers.
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**THANK  
YOU**

