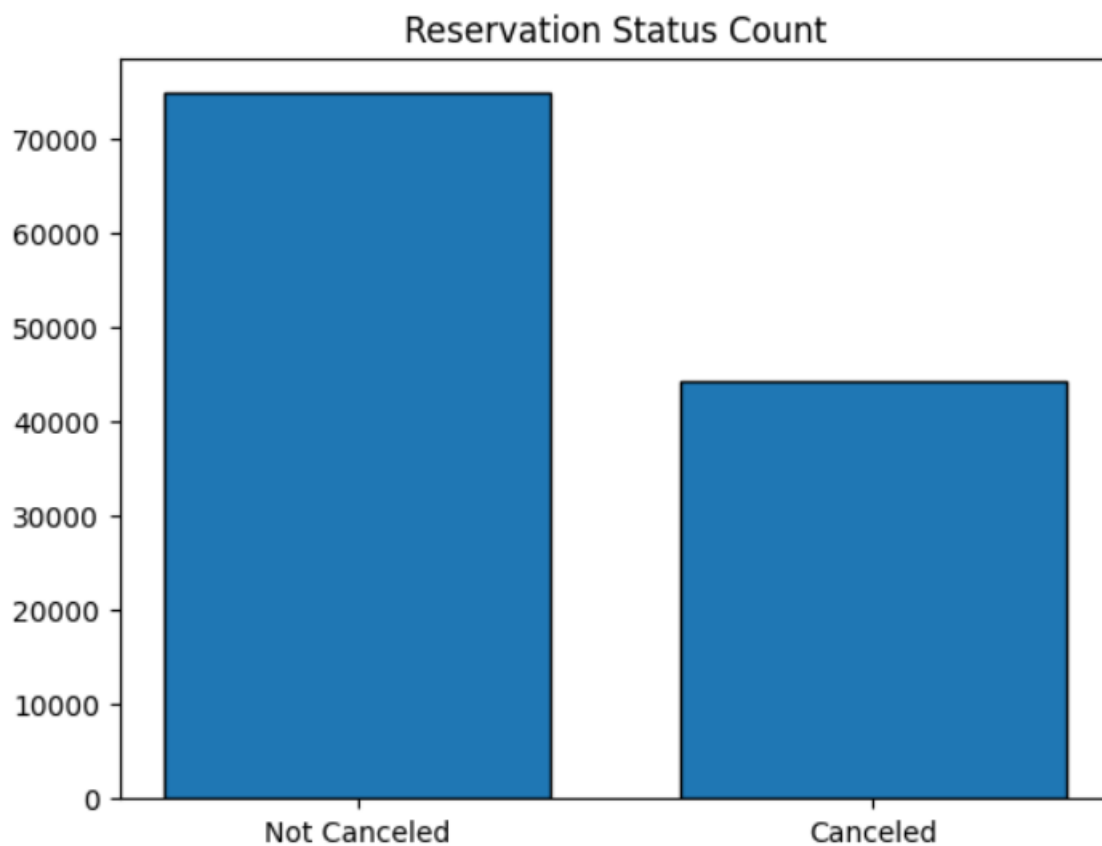


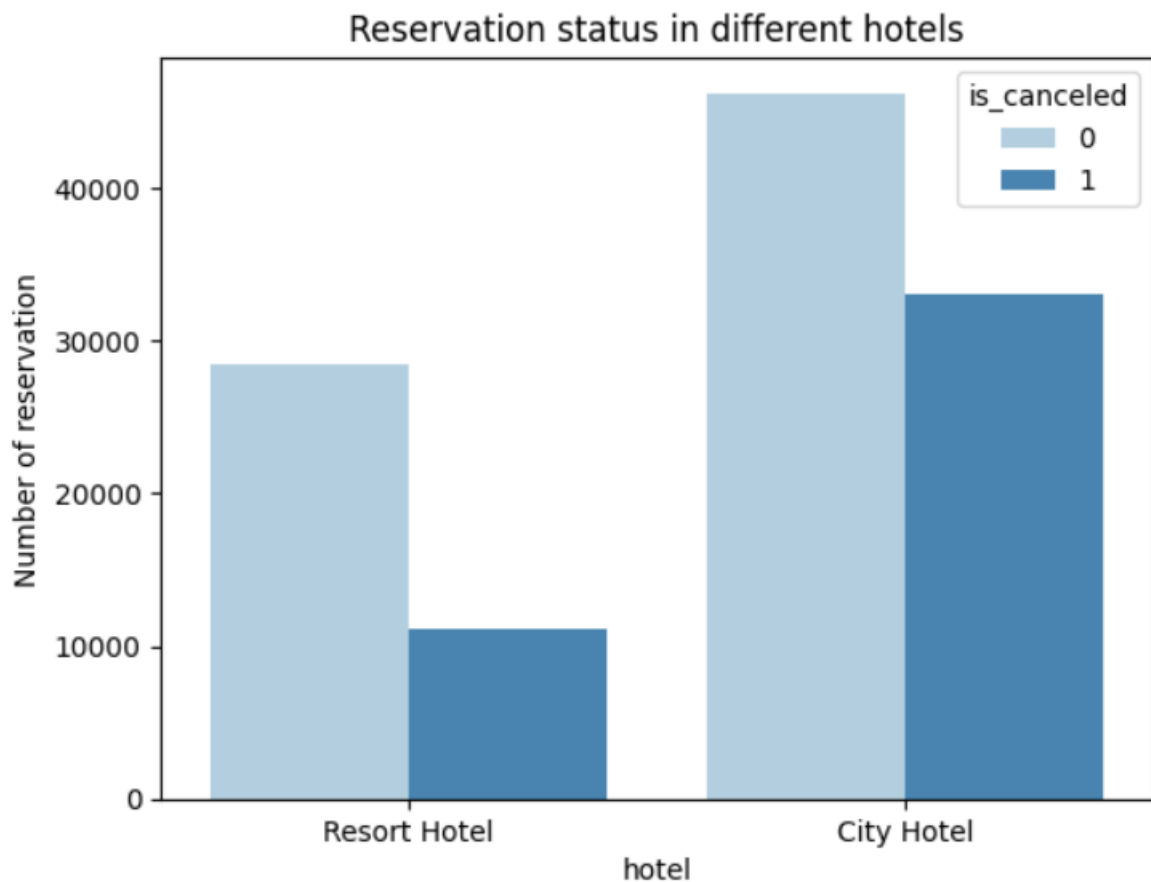
Problem Statement:

City Hotel and Resort Hotel have encountered a persistent challenge in the form of consistently high booking cancellation rates. These cancellations not only lead to a substantial loss in potential revenue but also result in suboptimal hotel room utilization and operational inefficiencies. To ensure the sustained profitability and competitiveness of both hotels, it is imperative to analyze the root causes of booking cancellations, quantify their financial impact on revenue generation, and develop actionable strategies to significantly reduce cancellation rates.

Analysis and Findings:

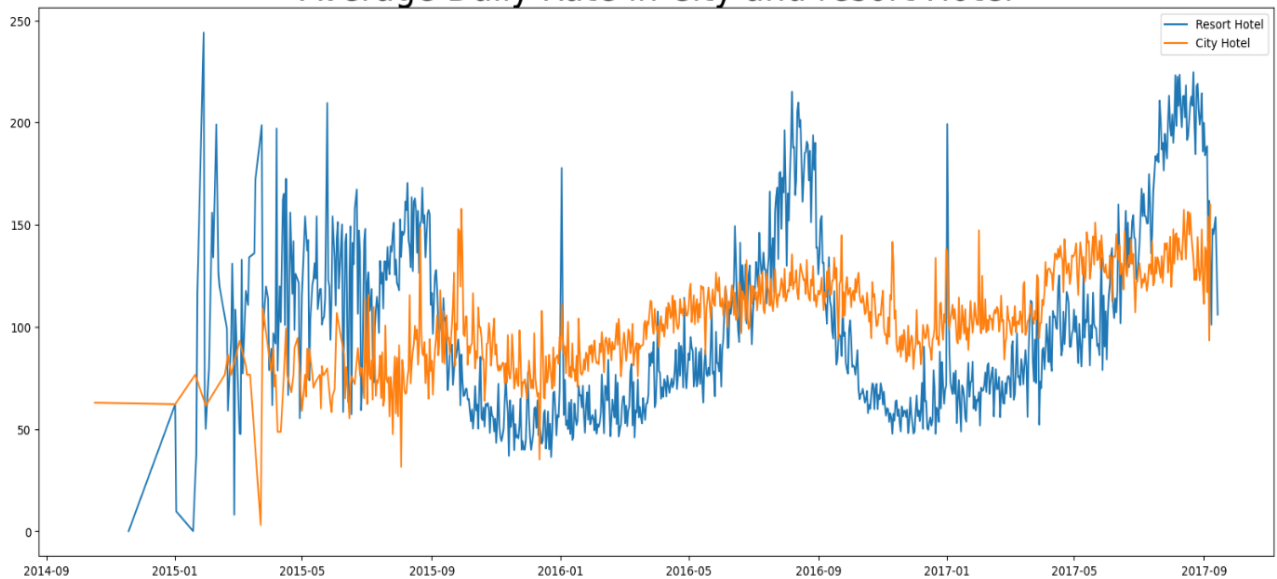


- The provided bar graph illustrates the distribution of reservation statuses, distinguishing between cancellations and successful reservations. Notably, a substantial portion of reservations remains unaffected by cancellations. Specifically, the data reveals that 37% of clients have chosen to cancel their reservations, a factor that continues to exert a significant influence on the hotels' revenue streams.



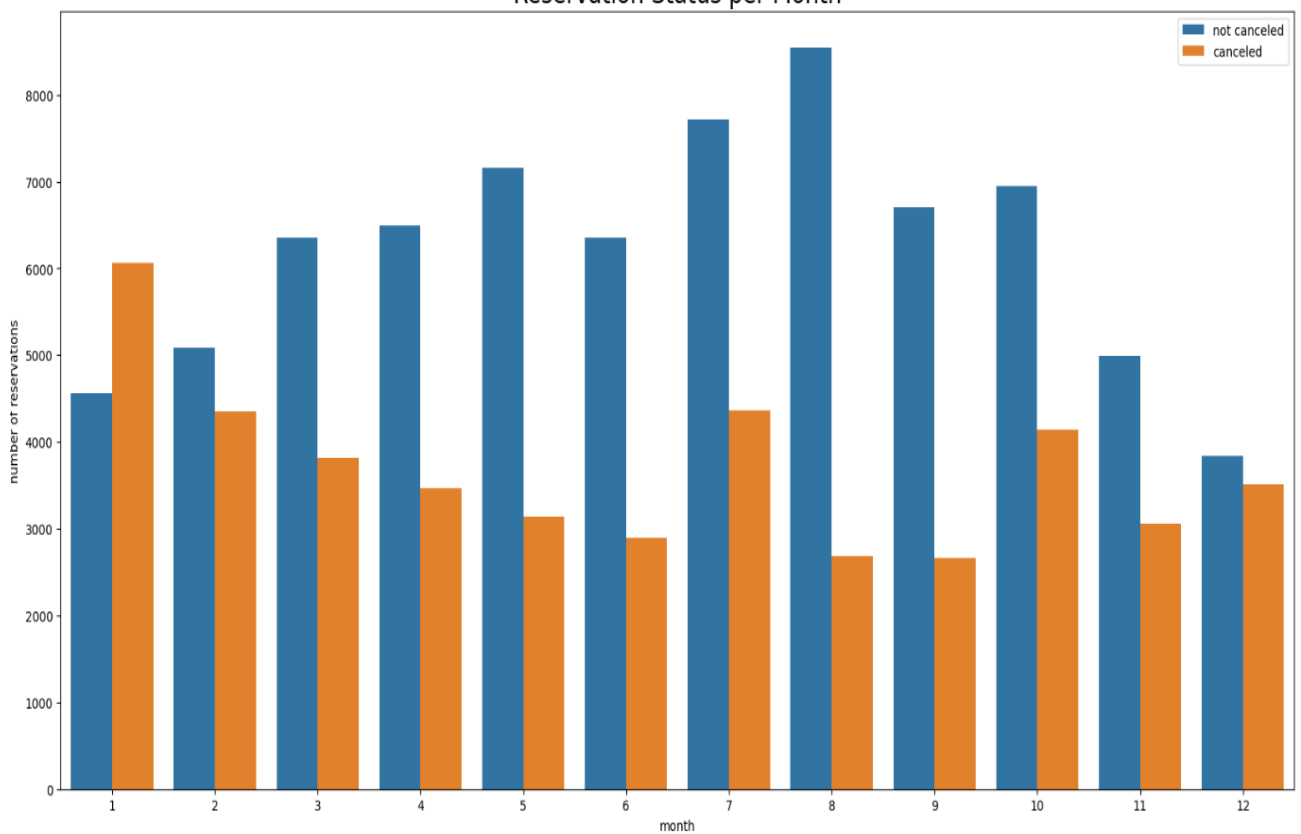
- City hotels typically experience a higher booking rate than resort hotels, and this difference in booking rates may be attributed to the generally higher costs associated with staying at resorts as opposed to urban accommodations. Additionally, it's worth noting that resort hotels often have a lower cancellation rate when compared to their city counterparts.

Average Daily Rate in City and resort Hotel

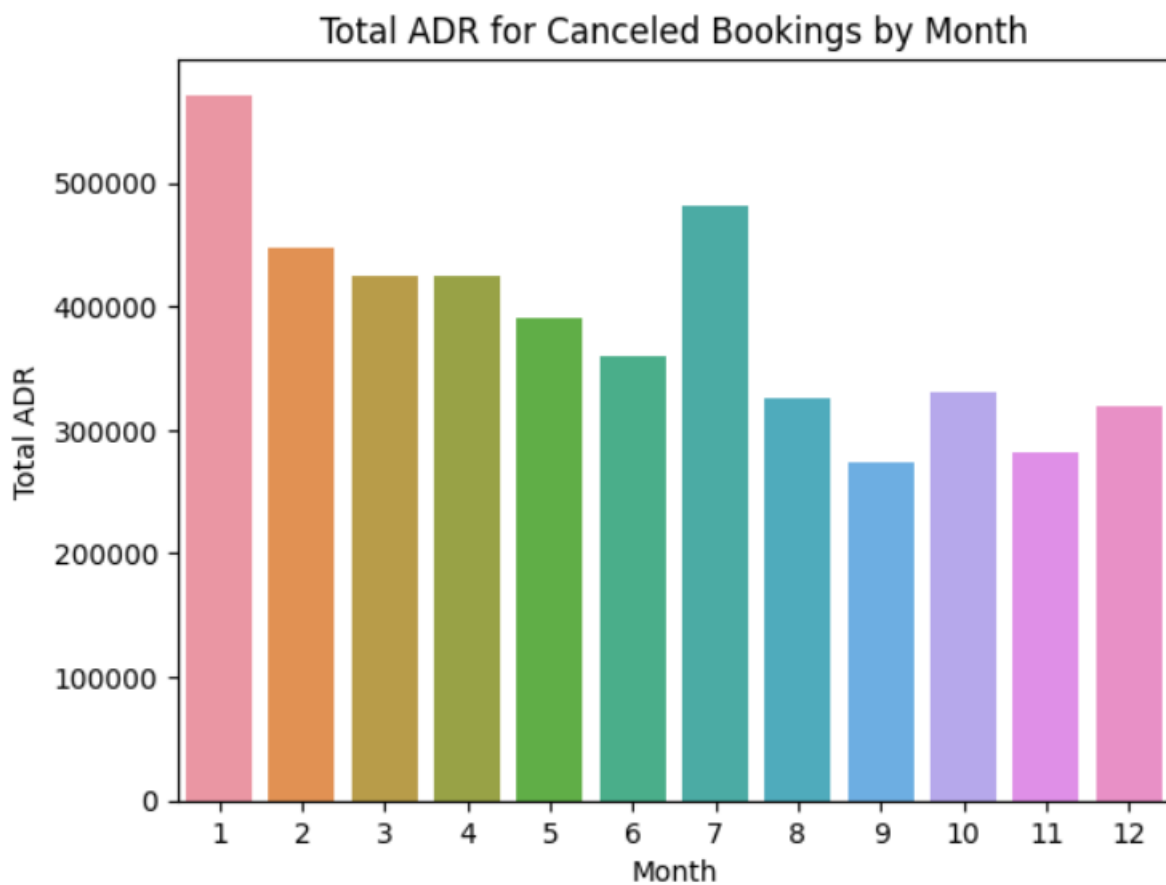


- The provided line graph indicates that, on specific days, the average daily rate for city hotels is lower than that of resort hotels, and in some instances, it's even considerably lower. Notably, weekends and holidays tend to witness an increase in resort hotel rates, reflecting a predictable pattern of price fluctuations.

Reservation Status per Month

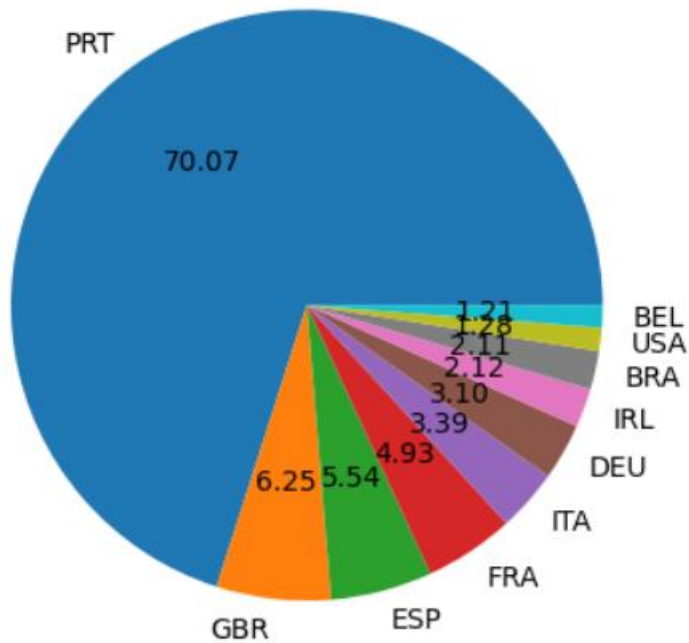


- We have developed the grouped bar graph to analyze the months with the highest and lowest reservation levels according to reservation status. As can be seen, both the number of confirmed reservations are largest in the month of August and cancelation is low in month of August. whereas January is the month with the most canceled reservations.

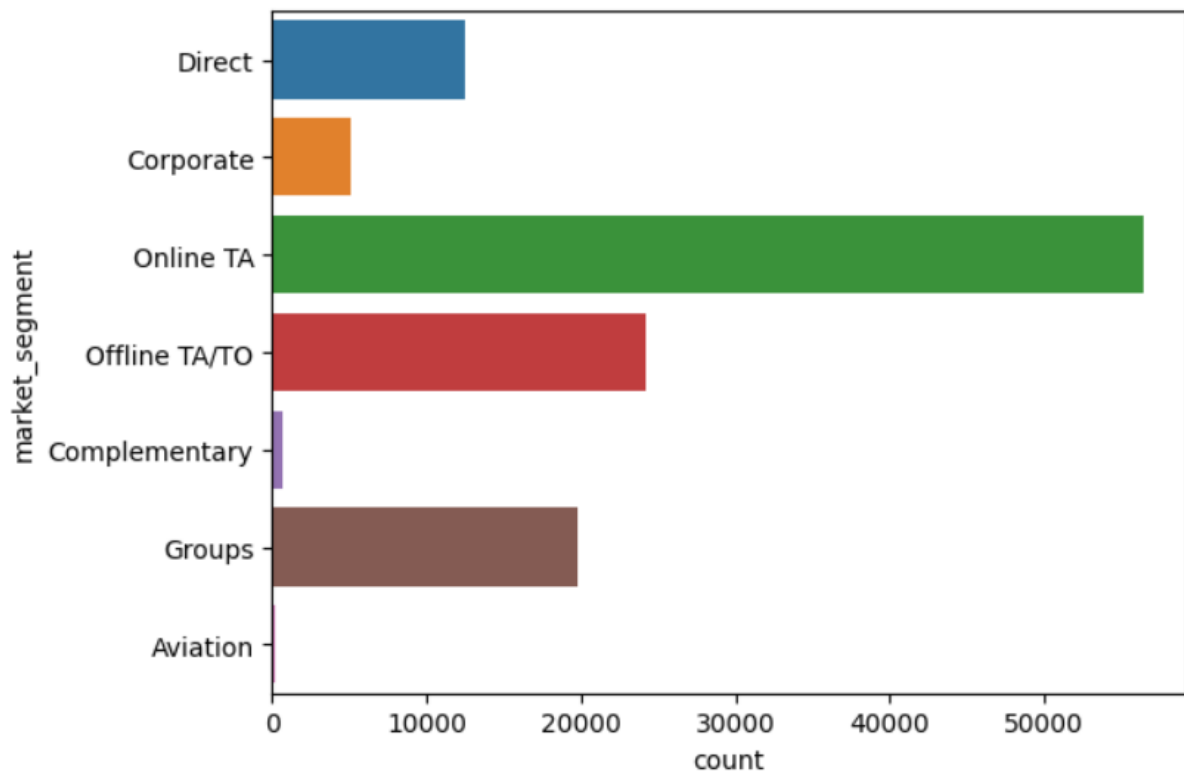


- This bar graph demonstrates that cancellations are most common when prices are greatest and are least common when they are lowest. Therefore, the cost of the accommodation is solely responsible for the cancellation.

Top 10 Countries with canceled reservation



- Now, let's explore which country has the highest number of reservation cancellations, and it turns out that Portugal leads the way with the highest count of cancellations. Which was around 70%.



- We examined the sources from which guests book reservations at the hotels, distinguishing between Direct bookings, Group bookings, and reservations made through Online and Offline Travel Agents. Notably, 46% of clients choose online travel agencies as their booking platform, while 27% prefer group bookings. Only a small fraction, 4%, opt for direct bookings by physically visiting the hotels to make reservations.

Solutions:

1. **August Management:** Given the high demand and low cancellation rates in August, hotels should consider strategies to optimize revenue during peak seasons, such as dynamic pricing and promotions.
2. **January Strategies:** To address the high cancellations in January, hotels can implement marketing strategies, special offers, or packages to attract guests and reduce cancellations during this potentially slow month.

3. **Cancellation Policies:** Review and refine cancellation policies to balance the needs of guests with revenue goals. Clear and flexible policies can reduce the number of cancellations during peak months and minimize the impact in challenging months.
4. **Customer Engagement:** Focus on customer engagement and communication throughout the year, especially during months with high cancellations like January. Building brand loyalty and providing value-added services can reduce cancellations.
5. **Data Analysis:** Continuously monitor and analyze data to identify trends and adjust strategies accordingly. Regularly reviewing reservation data can provide insights into changing guest preferences and market dynamics.
6. **Customer Feedback:** Collect and analyze customer feedback to understand the reasons behind cancellations. Use this feedback to improve services and address guest concerns, particularly in months with high cancellations.
7. **Market Segmentation:** Tailor marketing efforts and promotions based on monthly trends. Understanding which months have higher or lower demand can help in crafting effective marketing strategies for different times of the year.
8. **Forecasting and Planning:** Utilize historical data and trends to forecast demand and optimize resource allocation, especially during peak months like August.