

VOLVEX HOTELS

Business Problem:

Volvex Company run its own hotels in several countries and regions. In recent years volvex hotels are facing number of cancellation rates in both city and resort hotels. They are clueless about the factors that impacting their business resulting in low revenue and less use of rooms with daily maintenance. They want to know what factors are resulting in cancellation of bookings.

Assumptions:

1. Hotels currently not using any of suggested solutions.
2. Unusual occurrences had no impact on present data.
3. No negatives about any services or hotel staff
4. This data can be used to make analysis and suggestions for current scenario
5. The biggest factor affecting the revenue is cancellation
6. They performing cancellation in same year as they booked before

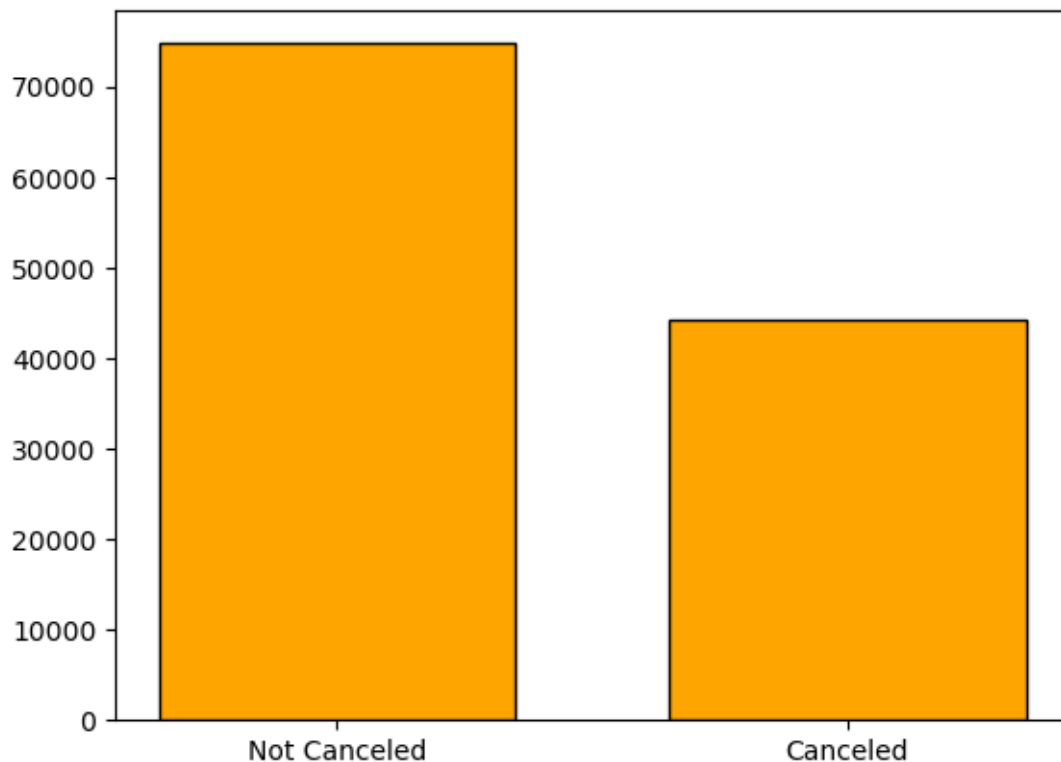
Research Questions:

1. What are the factors due to which reservation cancellation occurring.
2. How we can make hotel bookings much better with very less cancelation
3. Help with pricing and promotion decisions.

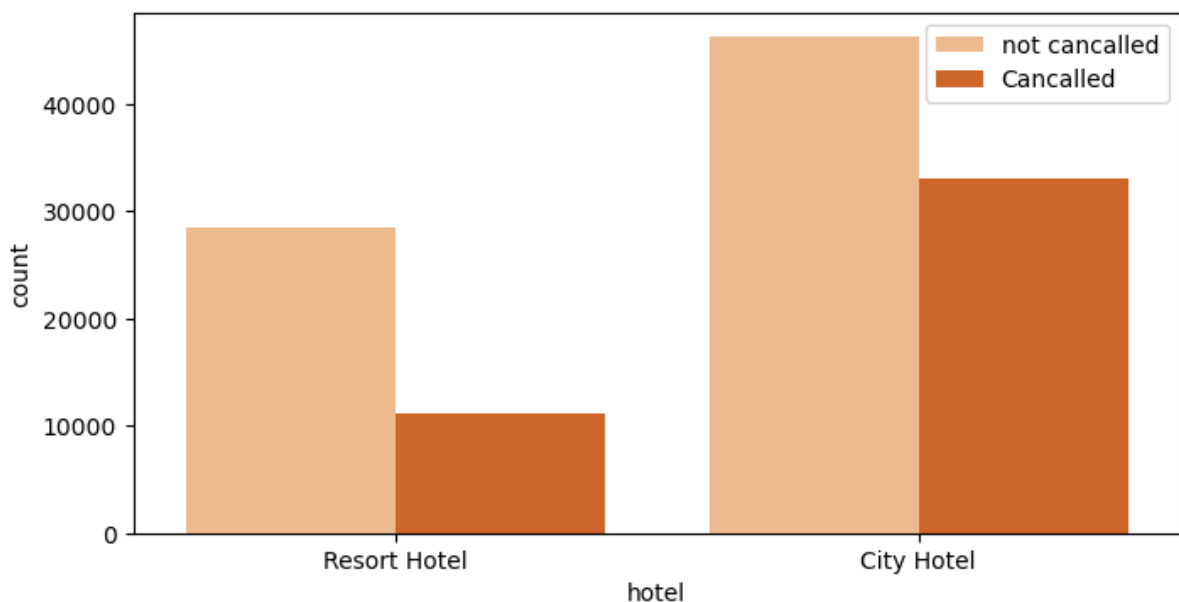
Hypothesis:

1. High price can result in booking cancellation
2. If waiting list number is high customer may tend to cancel the booking
3. Customers coming from offline agents do less cancellation

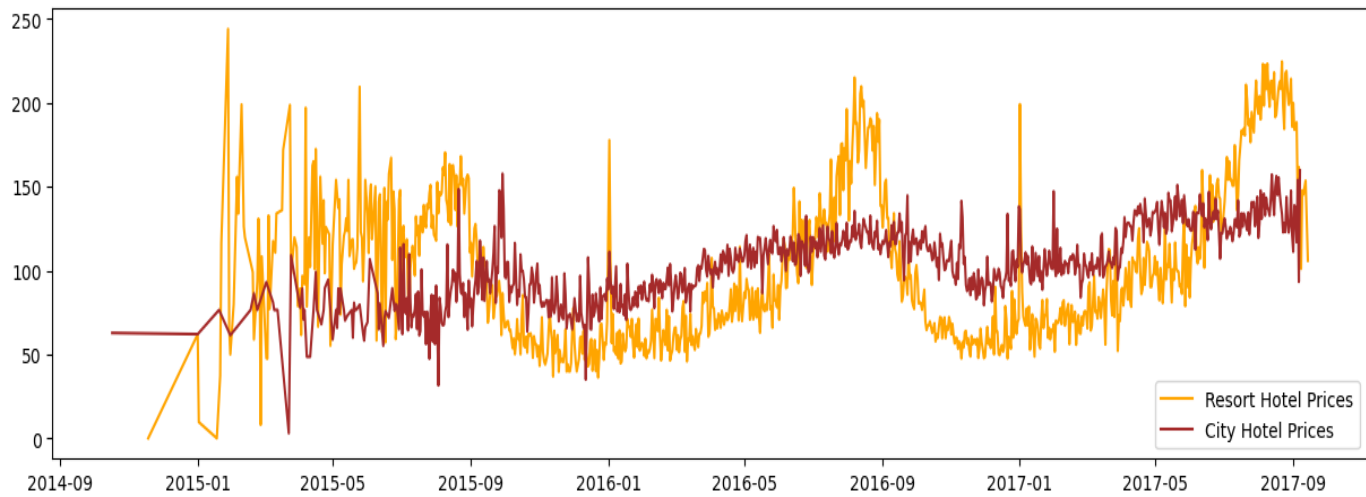
Analysis and Findings:



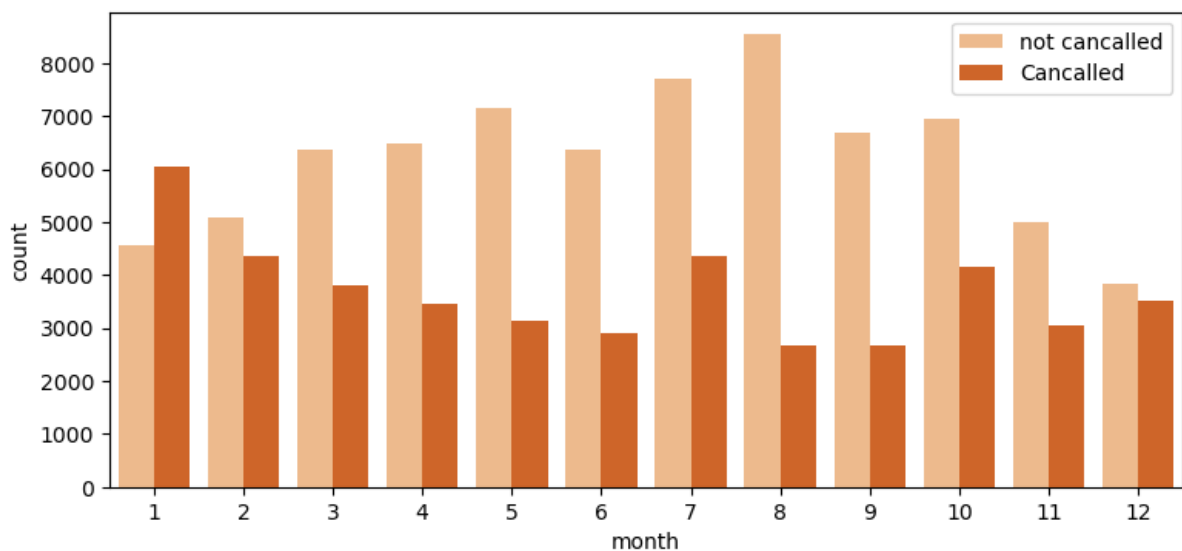
First We decided to check how many percentage of bookings canceled and if it needs to do deep analysis or can be managed in general ways. We found almost 38 % of bookings get canceled which is high for 1 lakh of bookings and can make great impact on hotels ideal revenue.



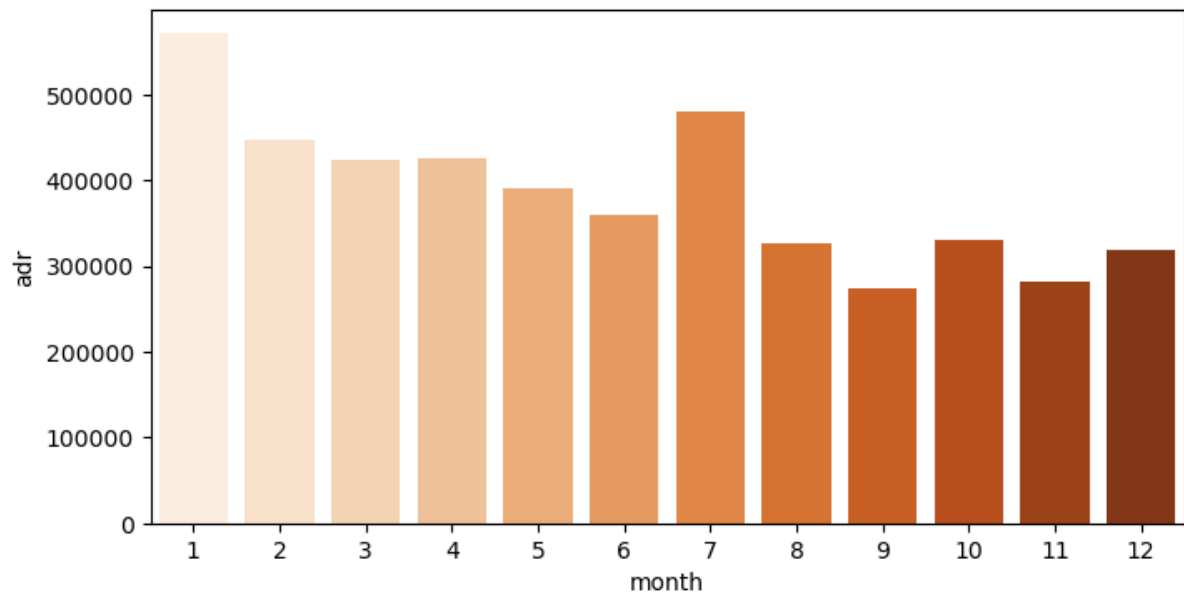
Here we can see city hotels facing more cancellations than Resort hotels. It may be possible that city hotel rooms price is more that results in cancellation after bookings. We have found that for Resort hotels 28 % of bookings has been cancelled while for city hotels there is almost 42% of booking cancellations.



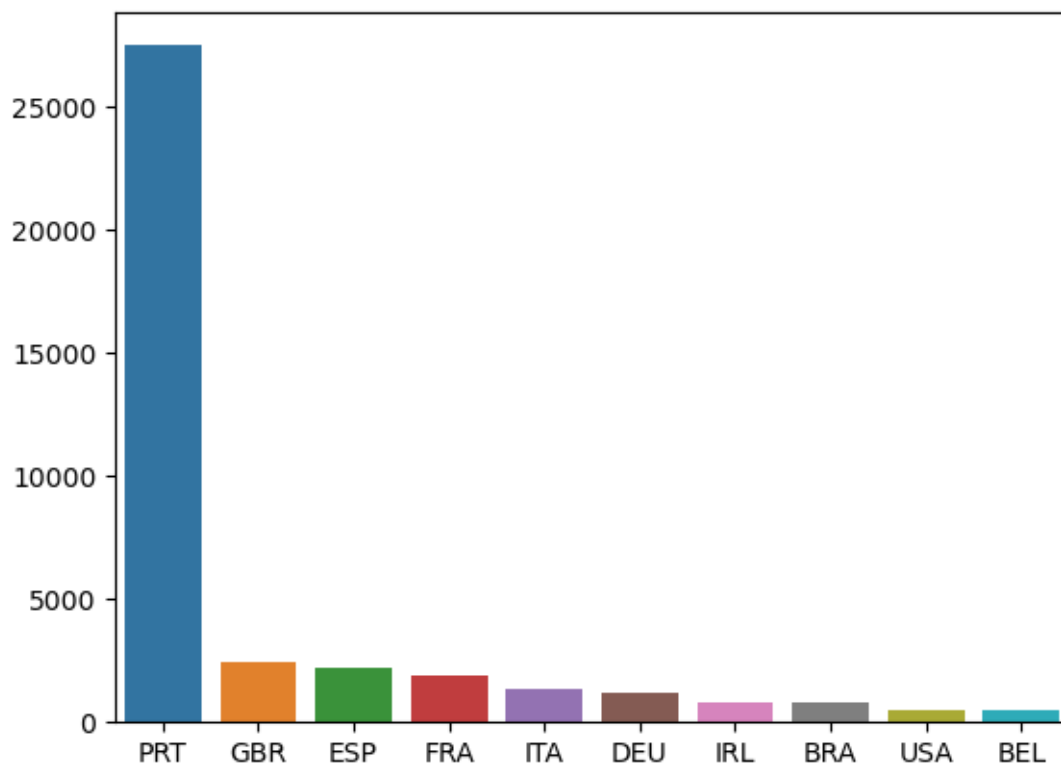
Resort Hotels have higher prices than city hotel rooms prices. Due to high prices cancellation rate also grows for resort hotels.



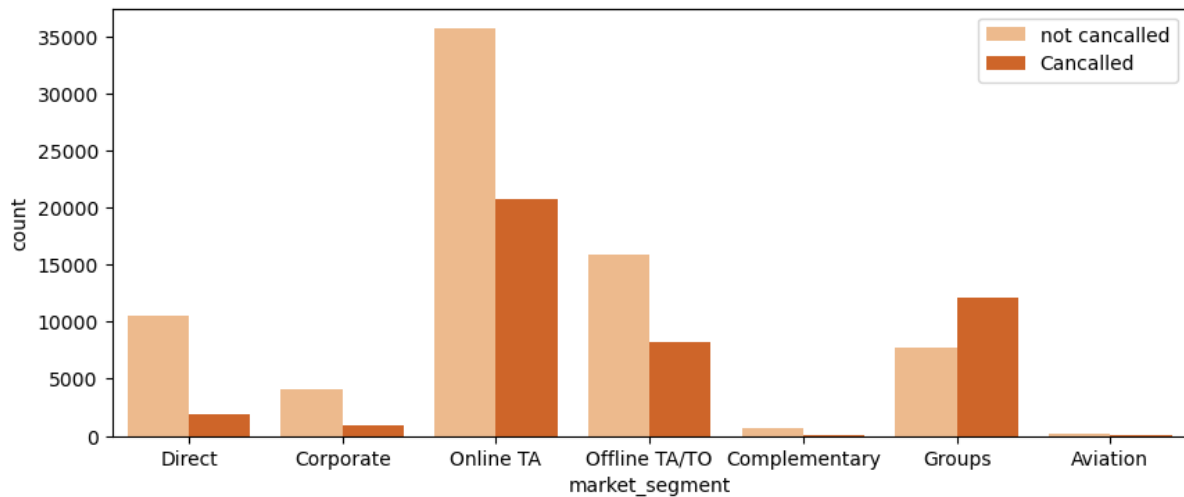
This graph presents that hotels face more cancellation in month om Jan and Dec. And in month of Aug and Sep there is less cancellation. For January and December we can reduce the prices and better the services so that less cancellation happen.



As we can see price for January month is much greater than the range of rest months. So high price can be result in more cancellation in January month.



This above is graph of total cancellation country wise. We can see Portugle hotels having much high number of cancellation than other countries.



from above plot it is clear that most of customers comes from online reservation and then from offline reservation. But Online reservation has also has high cancellation.

Suggestions:

1. High Price occurs in more number of cancellations. Hotels could work on pricing strategy and try to lower the rates based on locations. Discounts provides to customer can lower the cancelation of bookings.
2. Cancellation occurs more in Resort Hotel Bookings. So Resort Hotels can provide discounts to customers on their daily price on holidays and weekends.
3. In January hotels can start advertising their services and can lower the price to match the ideal monthly revenue.
4. For Portugal they can start campaigning and improve the service quality of their hotels., that can help to lower the cancelation rate.