

Consulting Recommendations Report

Optimizing Revenue Leakage & Profitability in the Hospitality Sector

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1. Executive Summary

This report outlines data-driven strategies to reduce revenue leakage, improve occupancy, and enhance profitability. Using booking, revenue, and cancellation data, we identified actionable gaps and modeled potential financial gains. The proposals include targeted pricing, service optimization, and operational enhancements - justified through ROI and scenario analysis.

2. Project Objectives

- Identify root causes of revenue leakage
- Optimize pricing and product strategies
- Justify actions with KPIs and financial models
- Deliver visual and dashboard-based insights

3. Summary of Key Insights

- High OTA cancellation rates (greater than 30%) compared to 10% for direct bookings
- RT1 (Standard) rooms underperform in realized revenue
- Weekday occupancy is significantly lower than weekends
- Spa & transport services are underused
- Estimated revenue leakage: Rs. 20 to 30L/month

4. Recommendations

4.1. 1. Pricing & Bundling Strategies

- Launch bundled packages (Room + Spa + Meals)
- Introduce Weekend Getaway campaigns
- Offer Corporate Weekday Packages
- Incentivize direct bookings to reduce OTA reliance

4.2. 2. Product Optimization

- Repurpose RT1 rooms (e.g., co-working pods or day-use)
- Upsell spa or transport options during checkout
- Launch loyalty perks for repeat guests

4.3. 3. Operational Tweaks

- Implement dynamic staffing based on check-in trends
- Use lead time analytics to forecast demand
- Block OTA slots closer to check-in to reduce last-minute cancellations

5. Business Justification

Scenario-Based Revenue Gain Simulation

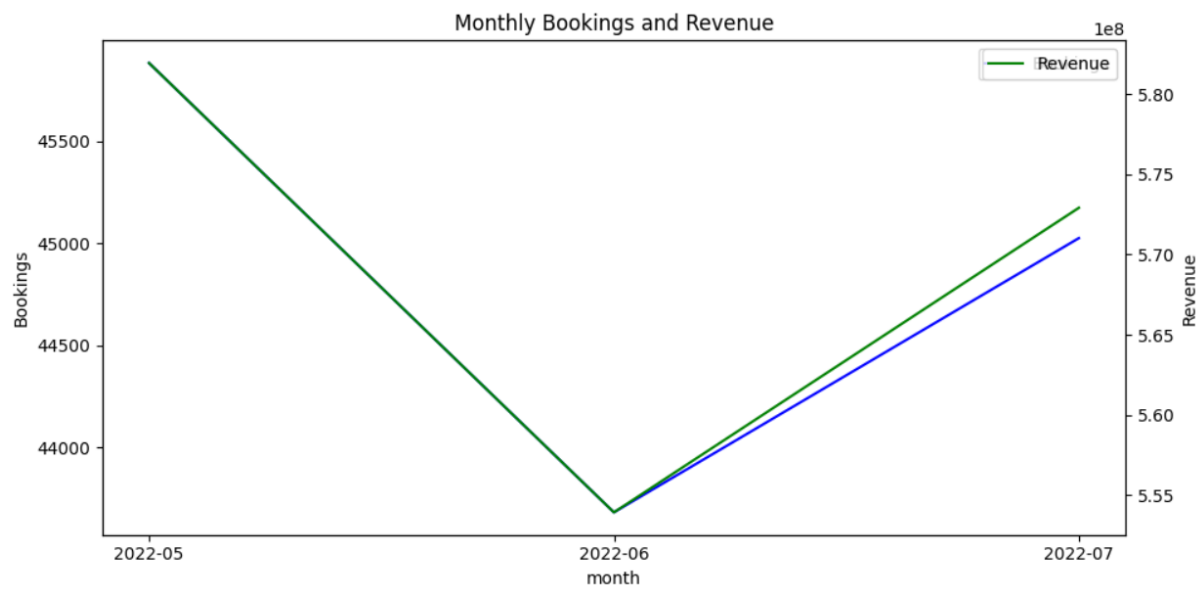
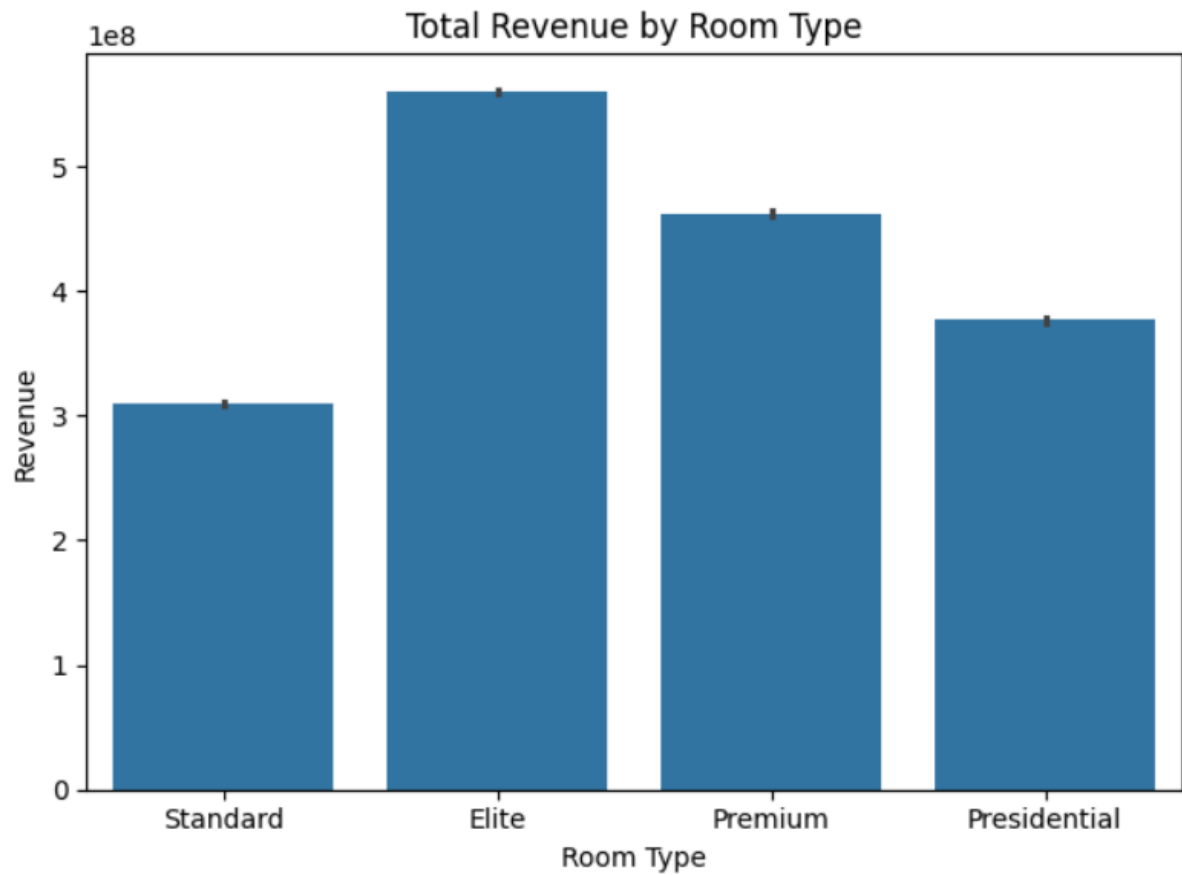
Scenario	Recovery %	Revenue Gained	Cost	Net Gain	ROI	Payback
Best Case	25%	Rs. 5,00,000	Rs. 1,00,000	Rs. 4,00,000	400%	2.4 months
Most Likely	15%	Rs. 3,00,000	Rs. 1,00,000	Rs. 2,00,000	200%	4 months
Worst Case	5%	Rs. 1,00,000	Rs. 1,00,000	Rs. 0	0%	12 months

Even in the worst-case scenario, the initiative breaks even within one year. In the most likely case, payback occurs in just four months.

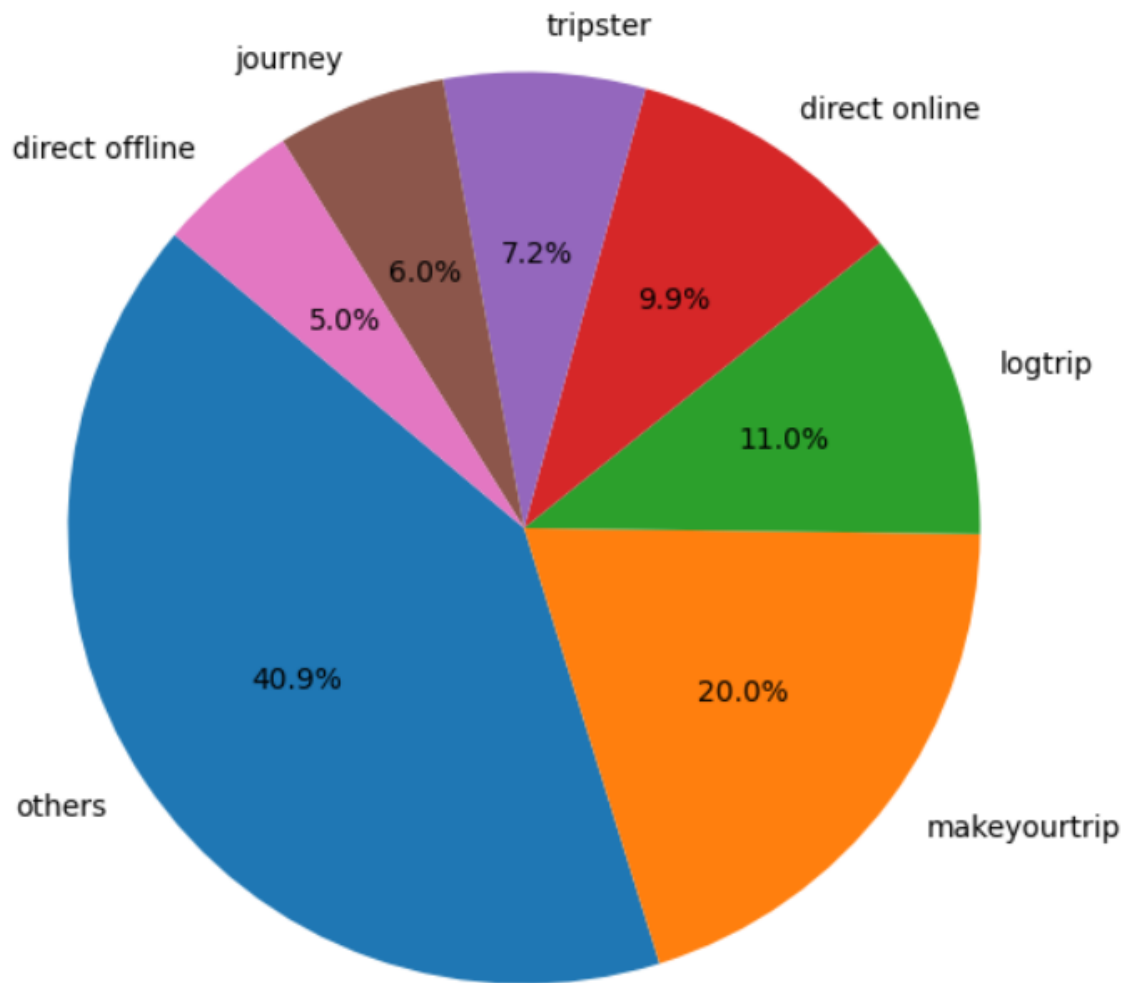
6. KPIs to Track Post-Implementation

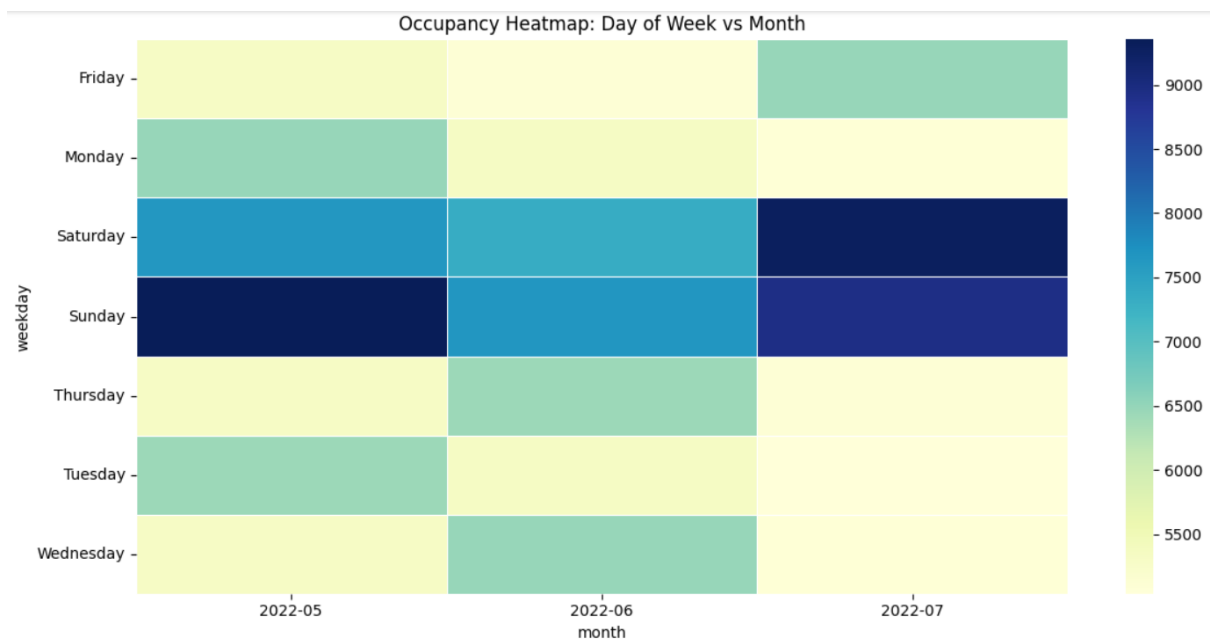
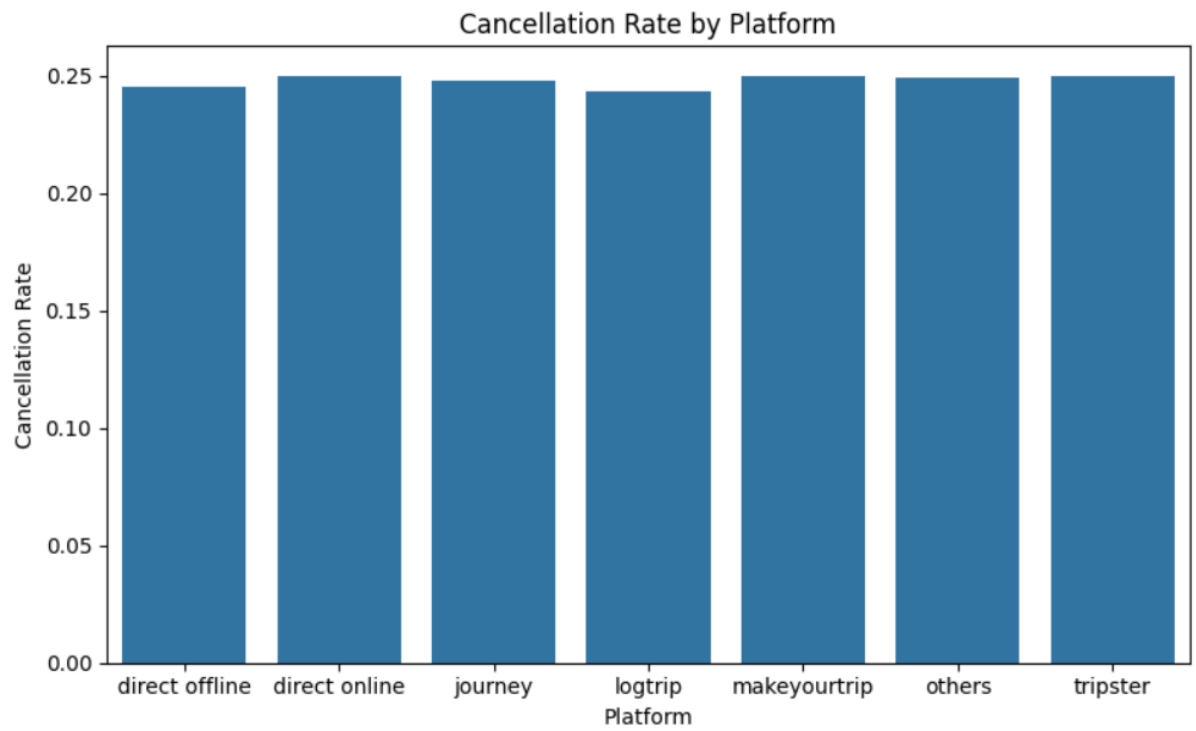
- Revenue Gap % down by 15 to 20%
- OTA Cancellation Rate down by 25%
- Weekday Occupancy up by 10%
- Ancillary Revenue up by 20%
- RevPAR up by Rs. 300 to 500

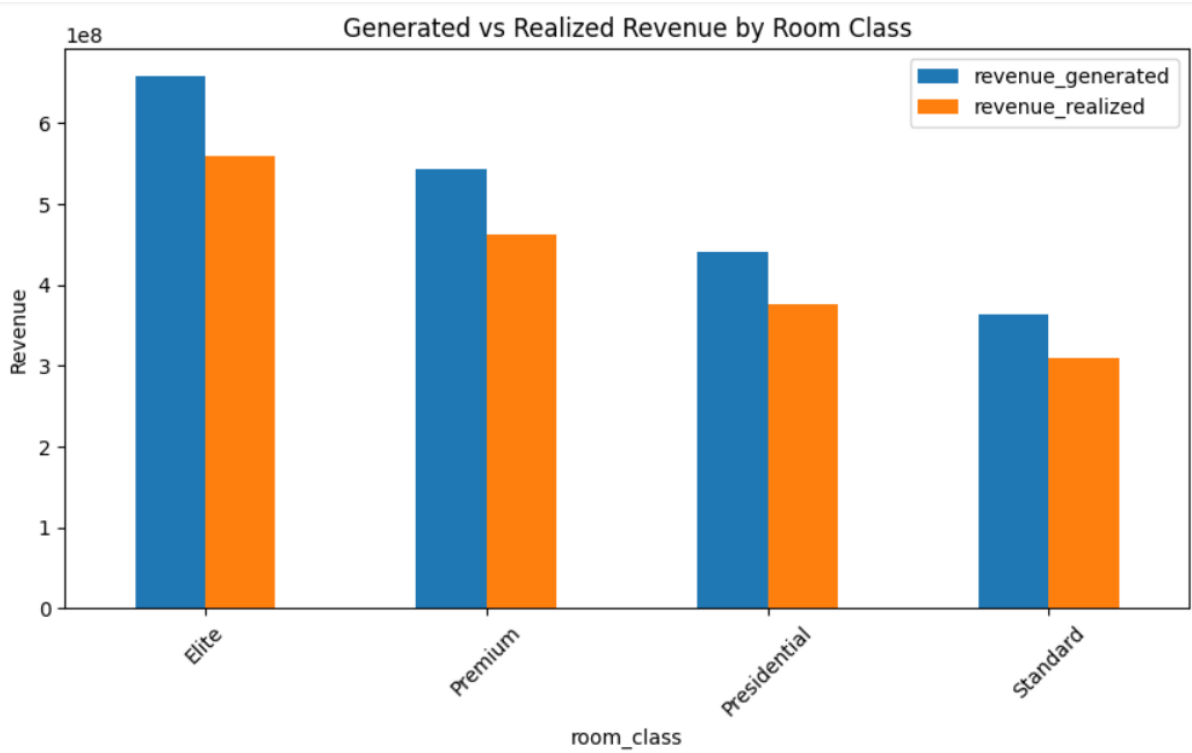
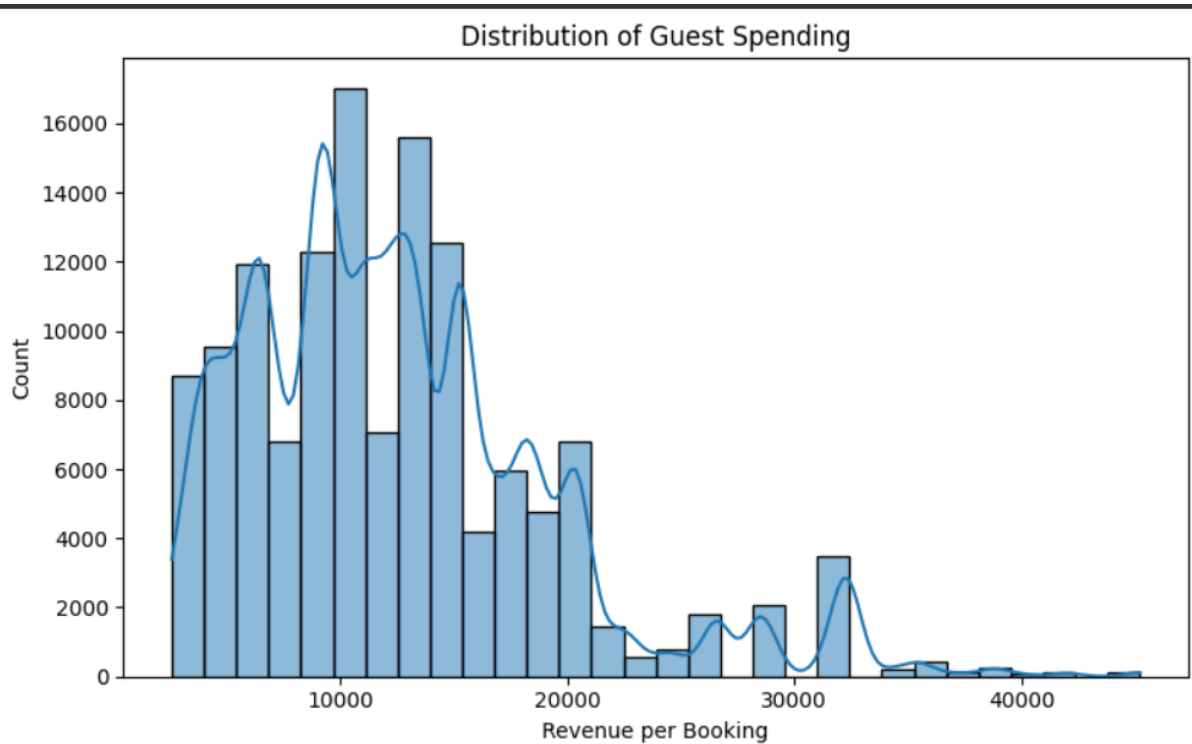
- Direct Booking Share up to 40 to 50%

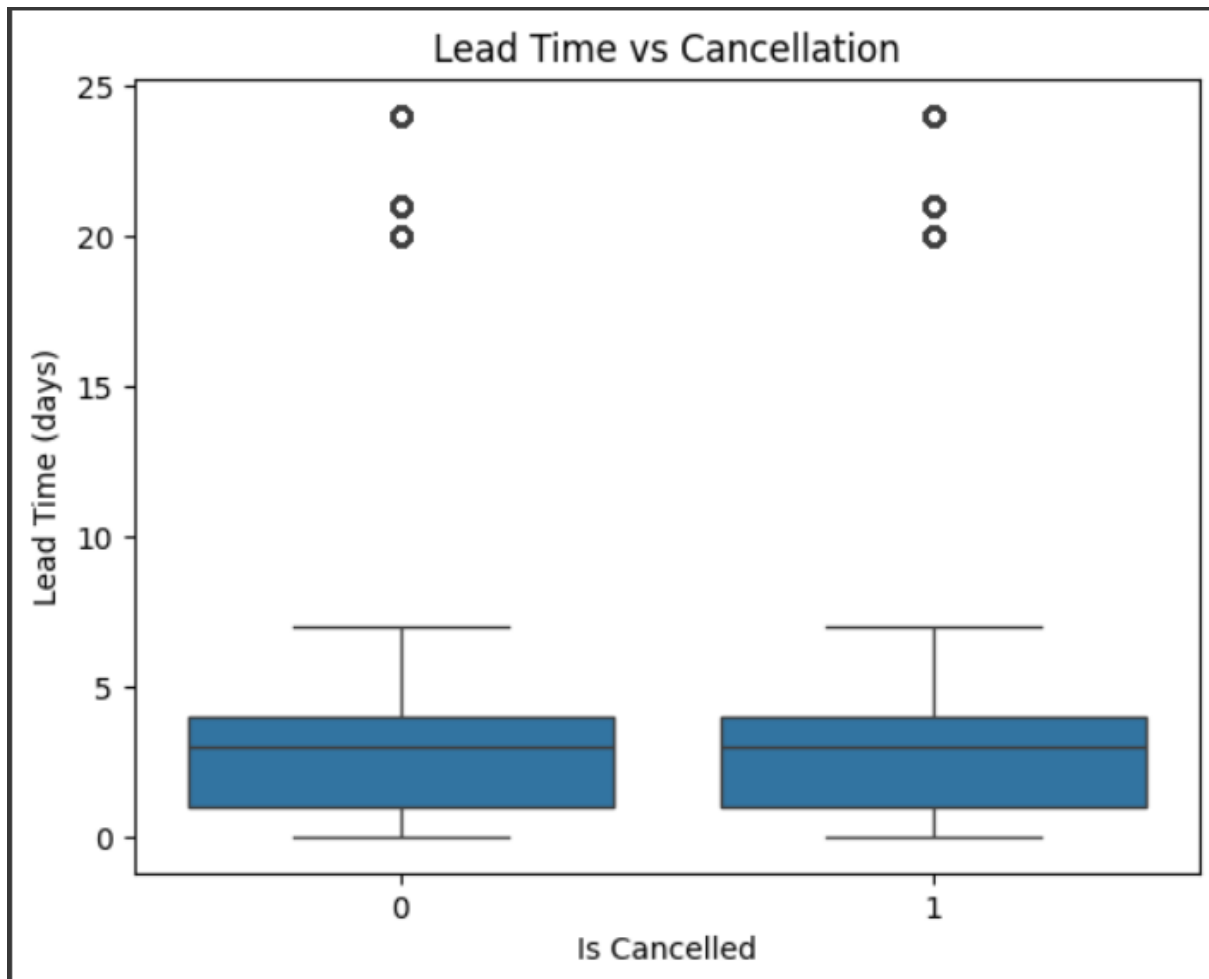


Booking Source Distribution









7. Project Deliverables

- Cleaned Booking Dataset (CSV)
- Root Cause Analysis Notebook (Jupyter)
- ROI & Scenario Models (Python)
- Visualization Dashboard (Power BI)
- Final Recommendation Report (PDF)

8. Conclusion

This project demonstrates how structured analysis of booking and service data can drive profitable change. With minimal tech investment and moderate operational restructuring, the hotel group can realize substantial improvements in both revenue and guest satisfaction.