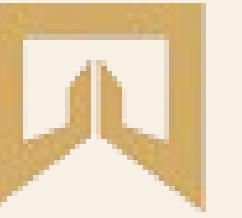




ITC HOTELS
REVENUE OPTIMIZATION

Presented by: Karthikeya M



ITC HOTELS

RESPONSIBLE LUXURY



ITC Hotels is an Indian hospitality company that operates and manages hotels. It has over 100 hotels and is India's third largest hotel chain. It has a franchise agreement to operate most of its hotels as part of The Luxury Collection of Marriott International.

With 'Namaste' as the enduring symbol of its brand experience and 'Responsible Luxury' serving as the guiding premise, ITC Hotels offer authentic indigenous luxury experiences rooted in local culture and environmental stewardship.





Key Areas to Address:

- Financial Overview & Revenue Performance
- Occupancy & Capacity Analysis
- Room Category Performance & Booking Insights
- Cancellations & Lost Revenue Analysis



1. Financial Overview & Revenue Performance:

1.1

What is the total revenue generated by ITC Hotels, and how does it vary across different hotels and room categories?

1.3

How has the revenue grown month-over-month (MoM) and week-over-week (WoW)?

1.2

What is the cumulative revenue growth over time?

1.4

What are the average daily rate (ADR) and revenue per available room (RevPAR)?



Revenue	MOM%Growth	WOW%Growth	ADR	RevPAR
₹1.71bn	50.44%	1385.34%	14.91K	₹7.35K

Occupancy

Bookings

Cancellation

property_id

All

Date

01-05-2022

31-07-2022

Month Name

All

Week Num

All

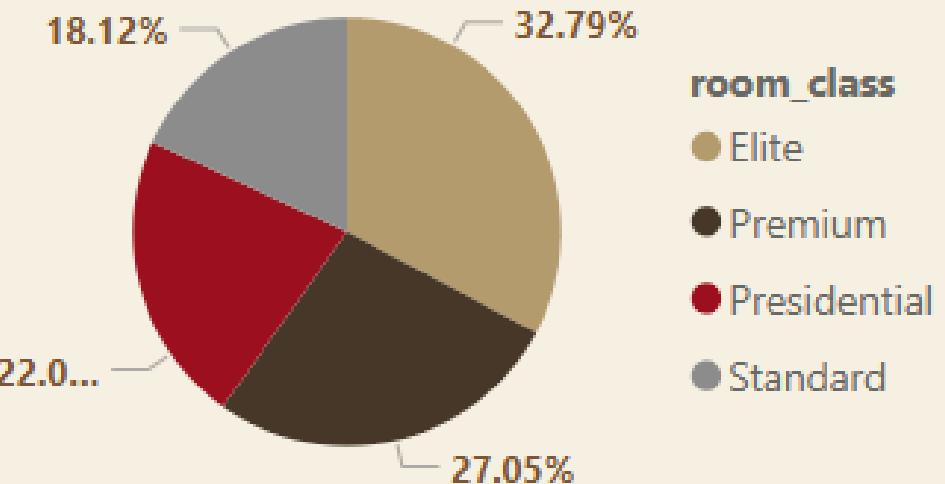
room_class

All

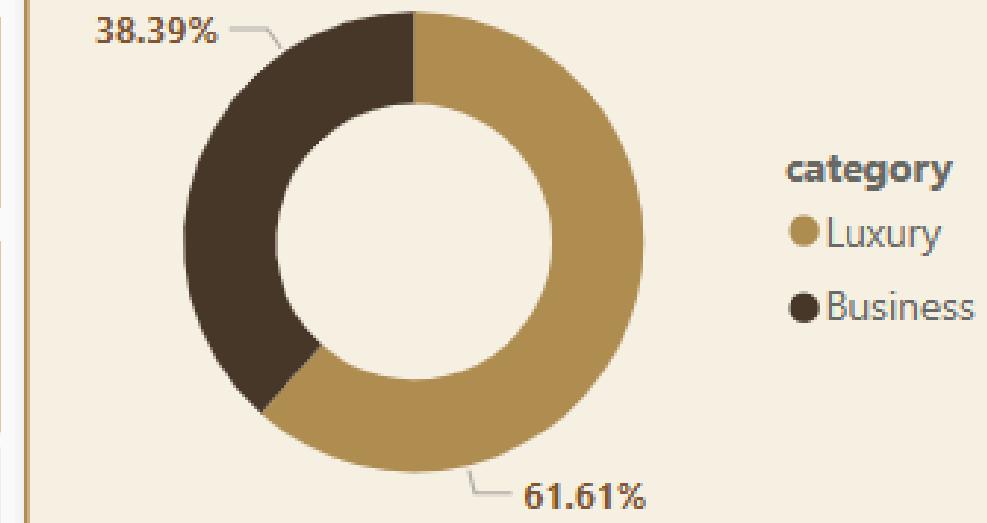
revenue by property name



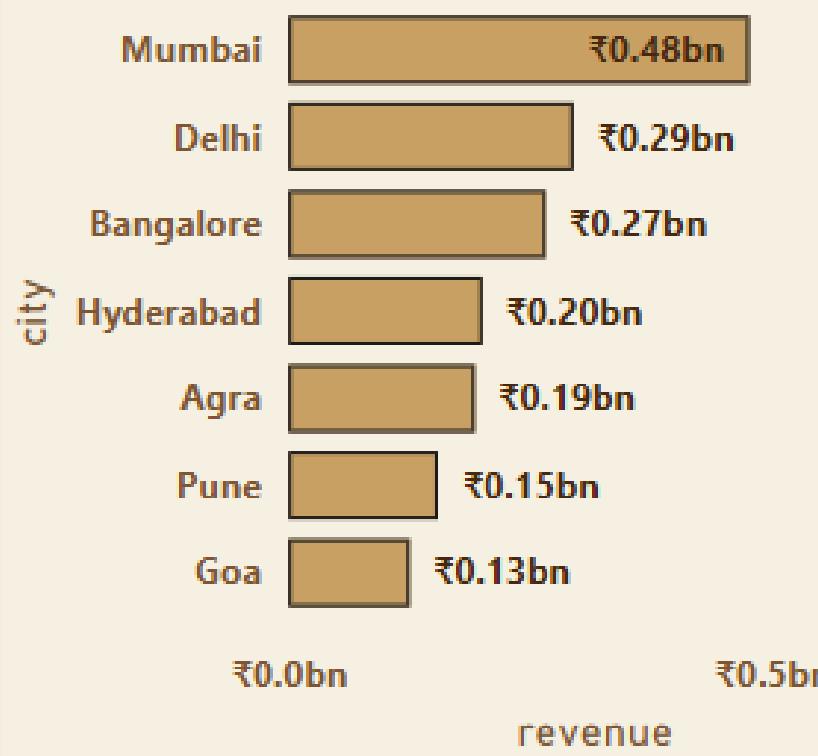
revenue by room class



revenue by room category



revenue by city



Date cumulative revenue

Date	cumulative revenue
01-05-2022	₹2,53,57,111.00
02-05-2022	₹4,27,65,917.00
03-05-2022	₹6,03,00,105.00
04-05-2022	₹7,76,32,159.00
05-05-2022	₹9,55,33,195.00
06-05-2022	₹11,29,60,081.00
07-05-2022	₹13,81,82,064.00
08-05-2022	₹16,38,79,383.00
09-05-2022	₹18,14,17,364.00
10-05-2022	₹19,91,14,360.00
11-05-2022	₹21,70,41,068.00
12-05-2022	₹23,45,16,453.00
13-05-2022	₹25,23,79,504.00
14-05-2022	₹27,76,17,984.00
15-05-2022	₹29,86,95,160.00
16-05-2022	₹31,34,62,020.00
17-05-2022	₹32,77,82,843.00
18-05-2022	₹34,19,76,304.00
Total	₹1,70,87,71,229.00

Overview:

Total Revenue & Key Performers:

- Total Revenue: ITC Hotels has generated ₹1.71 billion in revenue.
- Top-Performing Properties: ITC Exotica, ITC Palace, and ITC City lead in performance.

Room Category Performance:

- Luxury Rooms (61.61%) dominate over Business Rooms (38.39%) in revenue contribution.
- Revenue Leaders: Mumbai, Delhi, and Bangalore generate the highest revenue.

Revenue Growth & Trends:

- Steady Growth: A consistent daily increase in revenue highlights strong business momentum.
- Month-over-Month (MoM) Growth: 50.44%
- Week-over-Week (WoW) Growth: 1385.34%

Pricing & Revenue Efficiency:

- Growth Insights: A sharp revenue increase suggests higher bookings, optimized pricing, and seasonal demand spikes.
- Average Daily Rate (ADR): ₹14.91K, reflecting a premium pricing strategy.
- Revenue per Available Room (RevPAR): ₹7.35K, indicating strong revenue efficiency per room.

2. Occupancy & Capacity Analysis:

2.1

What is the occupancy rate for each hotel and room category?

2.3

What is the cumulative occupancy trend and occupancy growth (MoM and WoW)?

2.2

How does occupancy fluctuate seasonally or over specific periods (e.g., weekends, holidays)?

2.4

How does occupancy correlate with revenue and RevPAR?

Occupancy Rate	Correlation	MOM%Rate	WOW%Rate	RevPAR
43.50%	1.00	0.00	0.13	₹7.35K



Financial Overview

Bookings

Cancellation

property_id

All

Date

01-05-2022

31-07-2022

Month Name

All

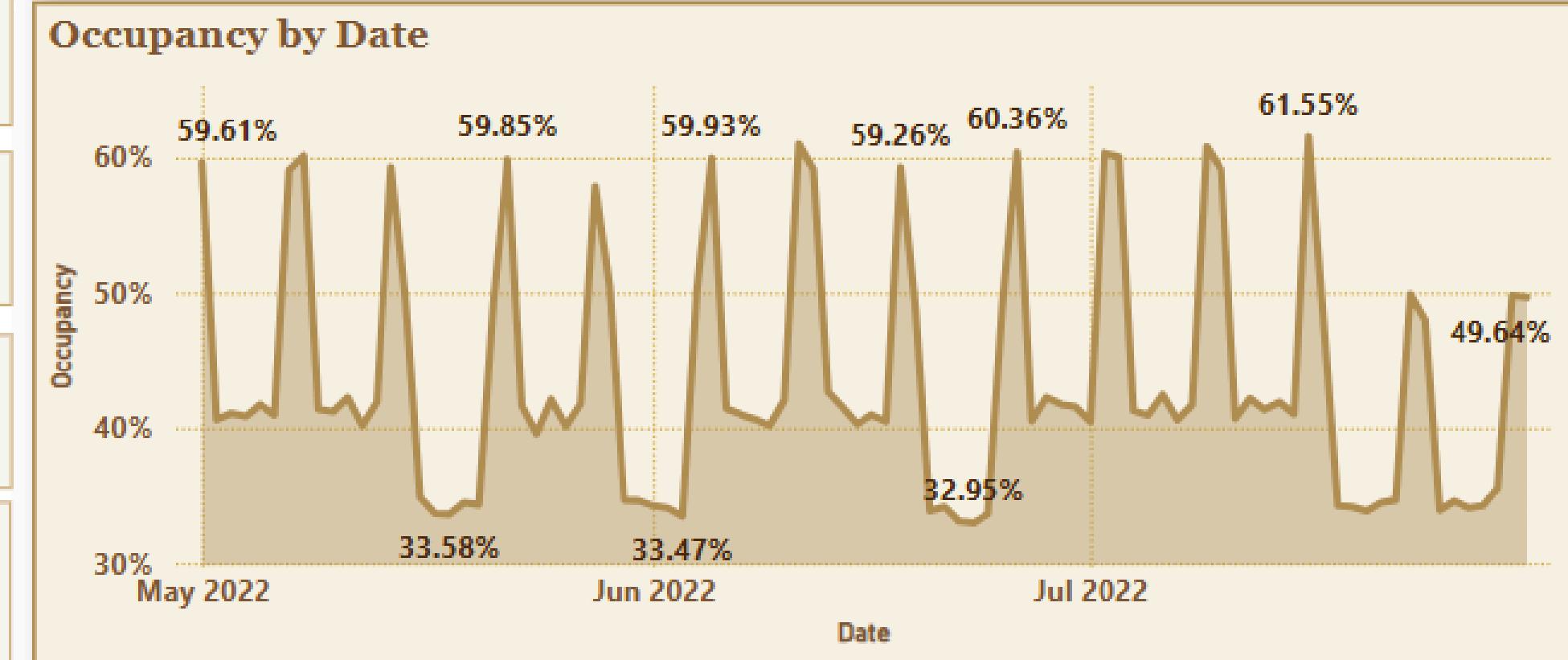
Week Num

All

Day Type

All

property_id	Elite	Premium	Presidential	Standard	Total
18560	50.00%	49.95%	52.03%	50.07%	50.29%
17559	49.92%	51.49%	50.62%	49.80%	50.23%
17563	50.00%	51.83%	50.34%	48.91%	50.08%
17561	50.69%	49.60%	55.71%	48.54%	50.03%
19562	49.76%	49.51%	50.70%	49.67%	49.80%
18561	50.41%	50.17%	46.86%	49.41%	49.75%
16559	49.58%	49.69%	50.72%	49.24%	49.69%
16563	50.03%	49.95%	48.31%	49.68%	49.63%
Total	43.23%	43.25%	44.75%	43.53%	43.50%



Date	Cumulative Occupancy
01-05-2022	59.61%
02-05-2022	50.10%
03-05-2022	47.09%
04-05-2022	45.52%
05-05-2022	44.76%
06-05-2022	44.13%
07-05-2022	46.26%
08-05-2022	47.99%
09-05-2022	47.26%
10-05-2022	46.65%
11-05-2022	46.25%
12-05-2022	45.74%
13-05-2022	45.44%
14-05-2022	46.43%
15-05-2022	46.64%
16-05-2022	45.90%
17-05-2022	45.18%
18-05-2022	44.54%
Total	43.50%

Overview:

Overall Occupancy Rate & Category Performance:

- Current Occupancy Rate: 43.50%
- Presidential Suites lead with 44.75% occupancy, followed by Standard (43.53%) and Premium (43.25%).
- Elite Rooms maintain a steady 43.23% occupancy.

Cumulative Occupancy Trend Over Time:

- The occupancy trend shows fluctuations, with peaks at 59.61% on May 1st and a gradual decline over time.
- The highest recorded occupancy was 61.55% in July.

Occupancy Growth Trends:

- Month-over-Month (MoM) Rate: 0.00%, indicating stable performance.
- Week-over-Week (WoW) Rate: 0.13%, reflecting minimal but steady growth.
- A strong correlation (1.00) between occupancy and revenue trends suggests a direct impact of room utilization on financial performance.

Revenue Efficiency:

- Revenue Per Available Room (RevPAR): ₹7.35K, demonstrating the effectiveness of ITC Hotels in monetizing available inventory.

3. Room Category Performance & Booking Insights:

3.1

Which room categories generate the most revenue?

3.3

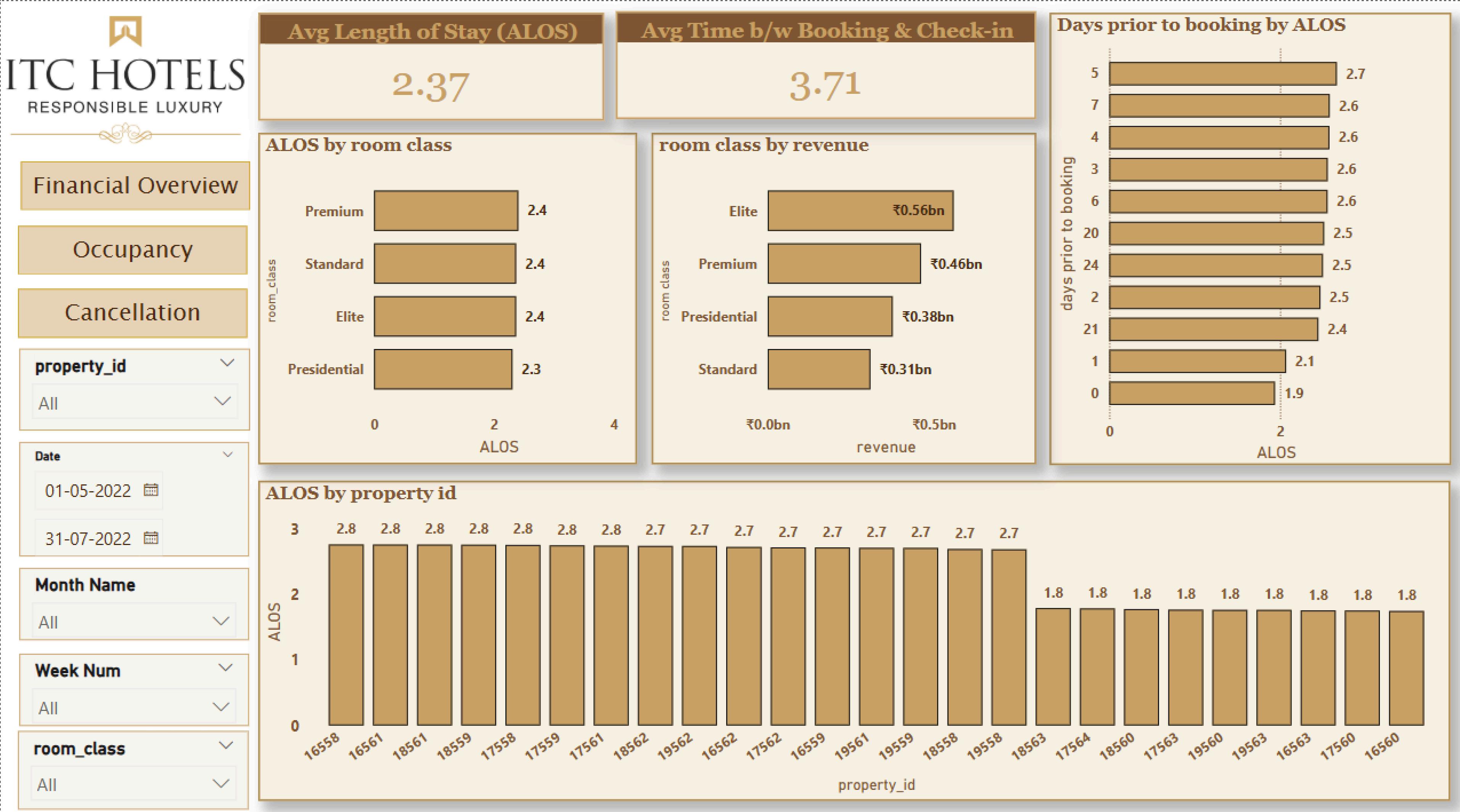
What is the average length of stay (ALOS) for each hotel and room type?

3.2

How do booking patterns (lead time, check-in dates) affect revenue and occupancy?

3.4

What is the room revenue trend (including running total and MoM/WoW growth)?



Overview:

ALOS & Booking Trends:

- Average Length of Stay (ALOS): 2.37 days, indicating a short to medium stay preference.
- Average Booking Lead Time: 3.71 days between booking and check-in, suggesting last-minute bookings.

Room Class Distribution:

- Premium, Standard, and Elite rooms have an ALOS of 2.4 days.
- Presidential suites have a slightly lower ALOS of 2.3 days.

Days Prior to Booking Impact:

- Longer booking lead times (5-7 days) result in higher ALOS (~2.7 days).
- Last-minute bookings (0-1 days) result in shorter stays (~1.9-2.1 days).

Revenue Impact by Room Class:

- Highest Revenue Generation: Elite rooms contribute the most revenue (~₹0.56bn).
- Standard rooms generate the lowest revenue (~₹0.31bn), aligning with their lower pricing model.

Property-Wise ALOS Variation:

- Some properties have higher ALOS (~2.8 days), while others have lower ALOS (~1.8 days), reflecting varying guest preferences across locations.

4. Cancellations & Lost Revenue Analysis:

4.1

What is the cancellation rate for each hotel and room category?

4.2

How have cancellation trends changed over time (MoM/WoW)?

4.3

What is the lost revenue due to cancellations?

4.4

Are there any patterns in cancellations (e.g., specific room types, time of year)?



Cancellation Rate

24.83%

Revenue Lost

₹298.8M

Cumulative Cancellations

₹33.42K

Financial Overview

Occupancy

Bookings

property_id

All

Date

01-05-2022

31-07-2022

Month Name

All

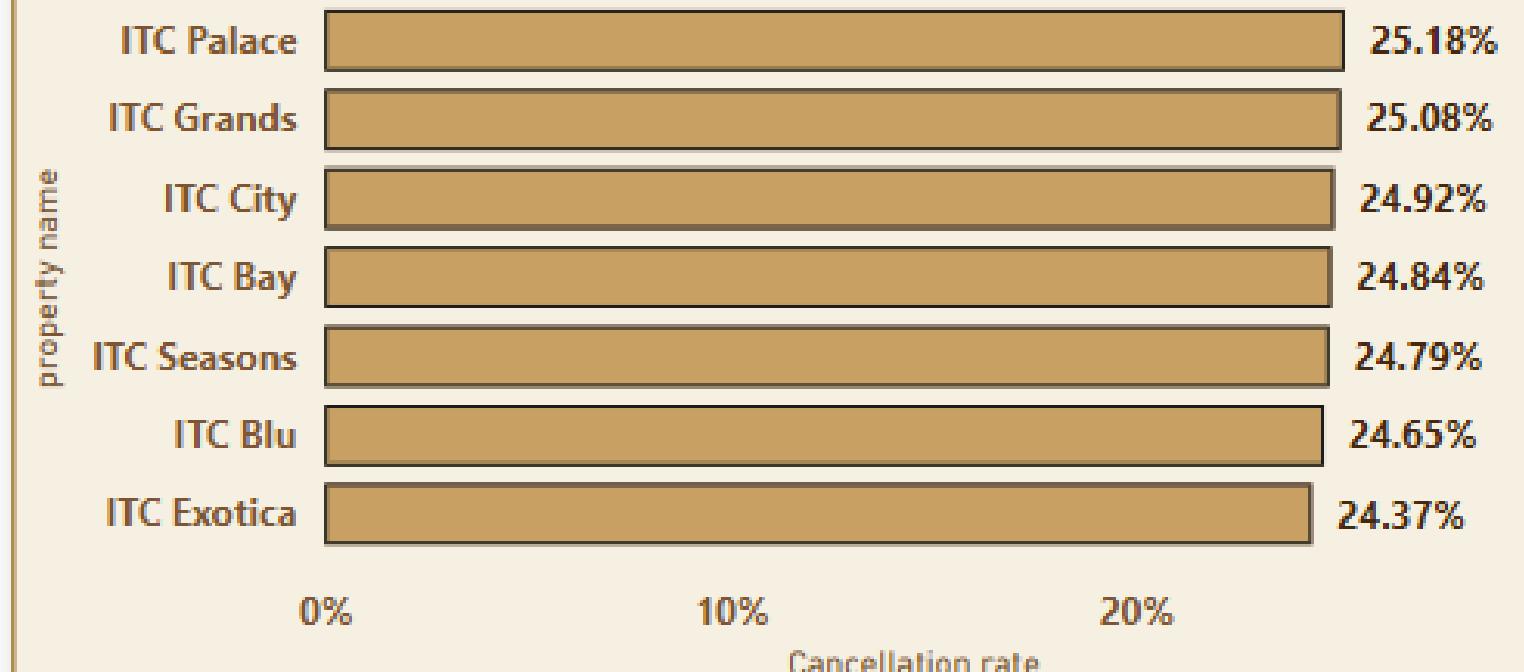
Week Num

All

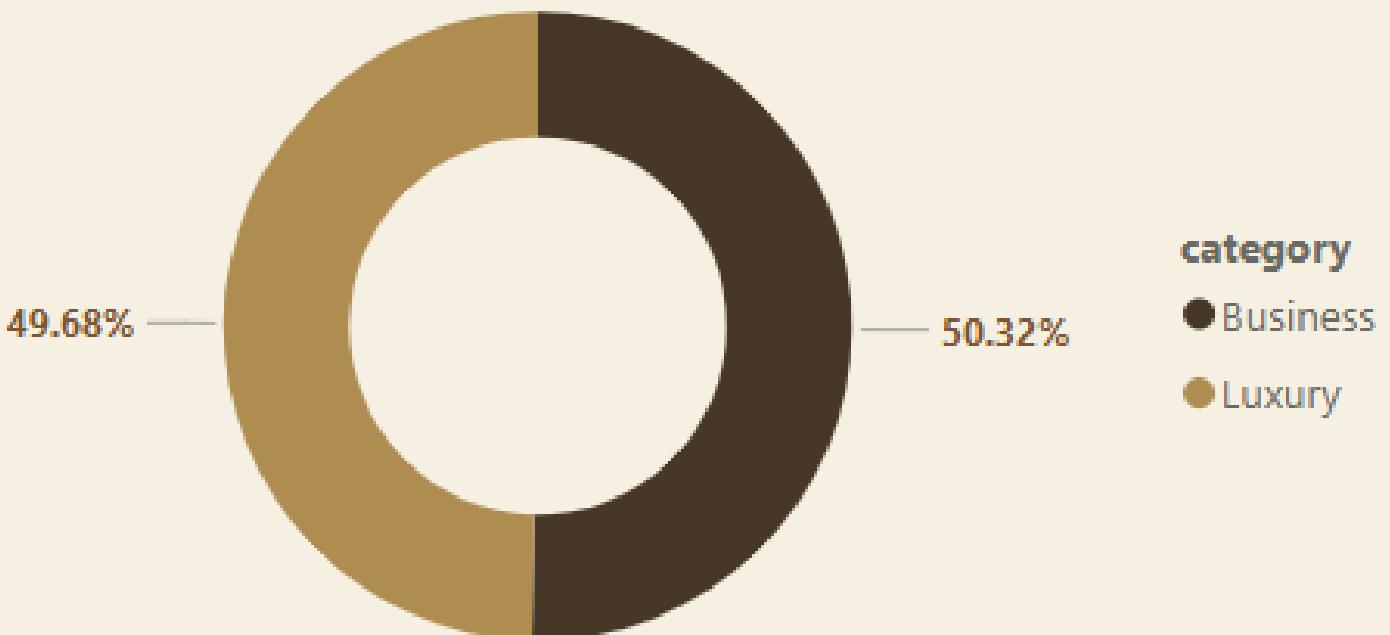
room_class

All

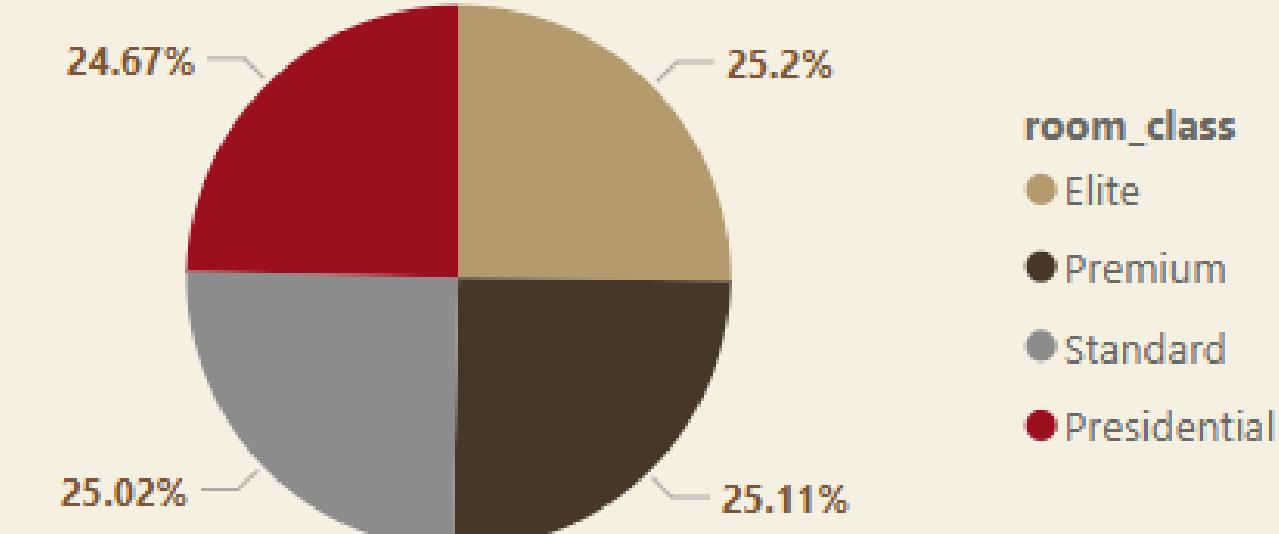
Cancellation rate by property name



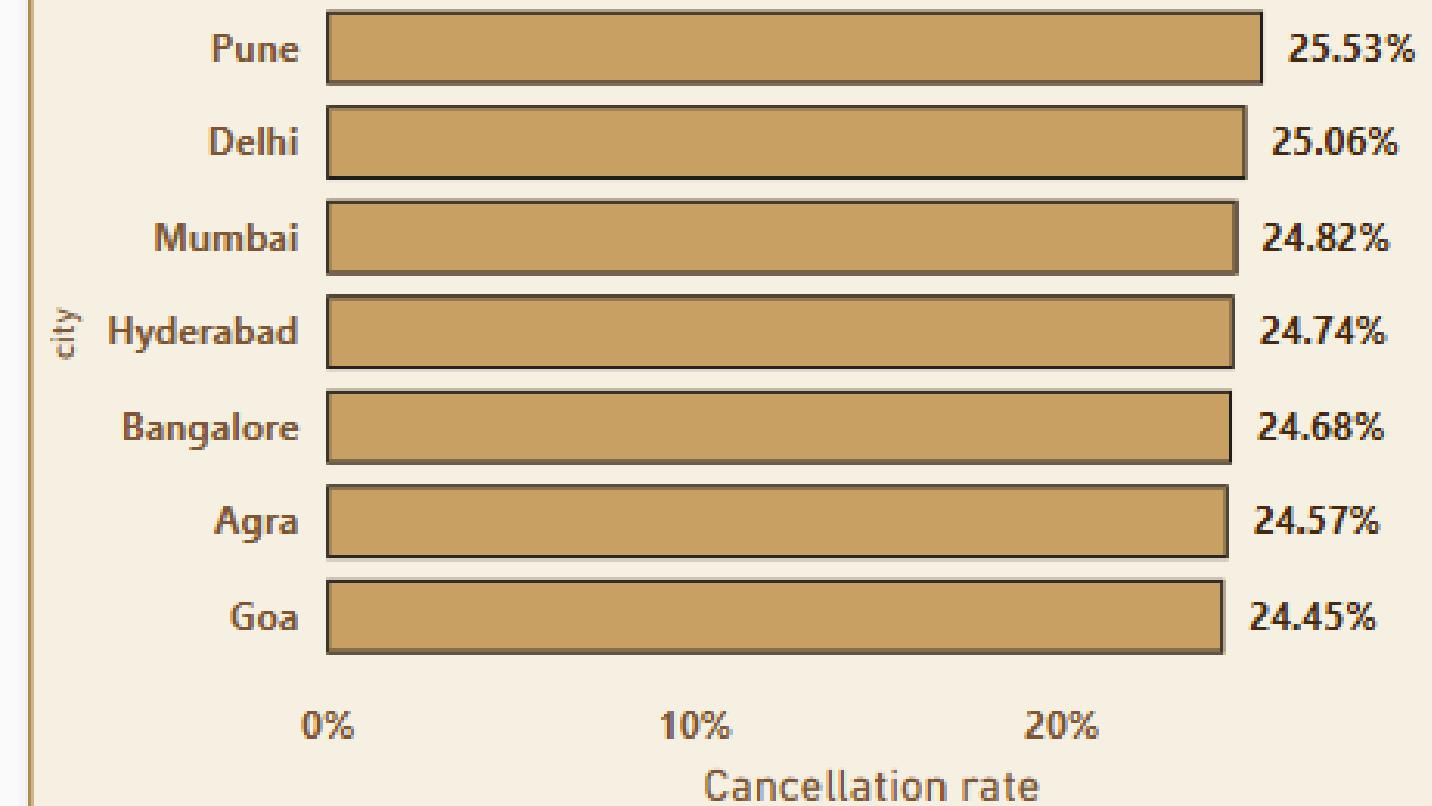
Cancellation rate by room category



Cancellation rate by room class



Cancellation rate by city



Overview:

Key Cancellation Insights:

- Cancellation Rate: 24.83% of total bookings.
- Revenue Lost Due to Cancellations: ₹298.8M, highlighting significant financial impact.
- Cumulative Cancellations: 33.42K bookings were canceled in the given period.

Cancellation Distribution by Property and Room Class:

- ITC Palace and ITC Grands have the highest cancellation rates (~25.18% & 25.08%)
- Elite rooms face the highest cancellations (~25.2%).

City & Category-Based Cancellations:

Cities with Highest Cancellations: Pune (25.53%) & Delhi (25.06%).

Room Categories:

- Business rooms (49.68%) and Luxury rooms (50.32%) have nearly equal cancellation rates, suggesting cancellations are spread evenly across customer segments.

Business Impact:

- The high cancellation rate directly affects revenue realization and planning.

Recommendations & Strategic Insights:

Revenue Optimization Strategies:

- Enhance Luxury & Elite Offerings: Luxury rooms dominate revenue share (61.61%). Focus on premium experiences, targeted marketing, and loyalty programs for high-end customers.
- City-Specific Revenue Strategies: Mumbai, Delhi, and Bangalore contribute the most revenue. Implement tailored pricing and promotional strategies for these high-performing locations.
- Dynamic Pricing Model: Given the significant revenue fluctuations, implement AI-driven dynamic pricing to optimize rates during peak and off-peak periods.

Occupancy & Demand Management:

- Increase Long-Term Bookings: With an average lead time of 3.71 days, encourage early bookings through discounts and flexible cancellation policies.
- Optimize Occupancy Growth: Despite stable occupancy (43.50%), leverage seasonal trends and targeted campaigns to increase room utilization.

Recommendations & Strategic Insights:

Cancellation Rate Reduction:

- Cancellation Policy Review: High cancellation rates (24.83%) impact revenue loss (~₹298.8M). Introduce stricter cancellation policies or tiered refund structures.
- Identify High-Cancellation Segments: ITC Palace & Grands have the highest cancellations (~25%). Conduct customer analysis to understand and mitigate frequent cancellation behavior.

Operational Efficiencies:

- Improve Revenue per Available Room (RevPAR): At ₹7.35K, there is room for improvement through better inventory management and upselling strategies.
- Monitor Room Category Trends: Presidential Suites show slightly lower occupancy; consider promotional offers or repurposing to align with demand.



THANK YOU



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