European Accommodation Analysis

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Abstract

This report delved into the relationship between price and customer rating of different accommodation across different countries and websites, from a Kaggle dataset. I was able to find evidence towards a relationship between rating and price. What I hypothesised was that the higher the rating, the higher the price a customer would pay. During the linear regression analysis, there wasn't much proof of a positive linear relationship, however once I grouped the ratings into categories, we could see that original hypothesis come to light. The prices are in USD. The results were, from cheapest to expensive (Rating Groups):

1. Rating 2-6

a. Median: \$87; Mean: \$108.33

2. Rating 6-8

a. Median: \$125; Mean: \$146.04

3. Rating 8-10

a. Median: \$146; Mean: \$181.07

Other information on Rating Categories:

Price Summary Table for Each Rating Category

| | count | mea | an st | d min | 25% | 50% | 75% | 1 |
|-----------------|--------|-----------|-------------|--------|-------|-------|-------|---|
| rating_category | | | | | | | | |
| 2-6 | 174.0 | 108.32758 | 36 72.65057 | 4 25.0 | 69.25 | 87.0 | 119.0 | |
| 6-8 | 1657.0 | 146.03741 | 81.38620 | 9.0 | 92.00 | 125.0 | 172.0 | |
| 8-10 | 3904.0 | 181.07044 | 118.44467 | 7 19.0 | 96.00 | 146.0 | 236.0 | |
| | max | skewness | kurtosis | | | | | |
| rating_category | | | | | | | | |
| 2-6 | 657.0 | 3.557507 | 19.731532 | | | | | |
| 6-8 | 658.0 | 2.181552 | 6.992919 | | | | | |
| 8-10 | 664.0 | 1.444685 | 2.180365 | | | | | |
| | | | | | | | | |

Using Kruskal-Wallis test and Dunn's post-hoc test, I was able to successfully identify this pattern. Statistically significant results tell us that the groups are all different and I was able to order them. There will be more details in the report but essentially, I found that there was a relationship between rating and price.

Introduction

Holidays involve travel, visiting attractions, food, entertainment, and accommodation. Accommodation now comprises of hotels and more recently rental homes with the rise of Airbnb. This report will mainly explore the relationship between the cost of accommodation and the customer's rating of the accommodation. The site used and the city location will also be looked at. The dataset is obtained from Kaggle. We will use basic statistics, basic regression modelling and analysing different groups using ANOVA or Kruskal-Wallis test to help us form conclusions.

Data Description

The data from Kaggle was in JSON file format. There were 5 JSON files containing information from Paris, London, Madrid, Berlin, and Rome. The JSON files individually contain data from 3 different accommodation sites: Hotels.com, Airbnb and Booking.com. Each sites data contained slightly different tables, but they all had in common price in USD and a rating score. Appendix A will provide a link to the dataset found on Kaggle.

Cleaning Process

Essentially, during the cleaning process, the aim was to get as much numerical data out of the original set with the aim to explore price and customer rating data. I ended up with these columns:

| | city | price_value | rating_score | site |
|---|--------|-------------|--------------|-------------|
| 0 | Berlin | 111 | 8.1 | Booking.com |
| 1 | Berlin | 68 | 6.8 | Booking.com |

If you are more interested in the total process, there is more information found in Appendix B as well as the Jupyter Notebook.

Analytical Limitations

The only inferences we can make are based off a certain period as the ads for the various accommodations were scraped around May. For example, if you're planning on going during September or October, this set of data may or may not be relevant and accurate for that time. This issue also removes another aspect of analysis which is time series trends. We won't be able to predict any trends in dates and times that will be the best to go.

Outliers

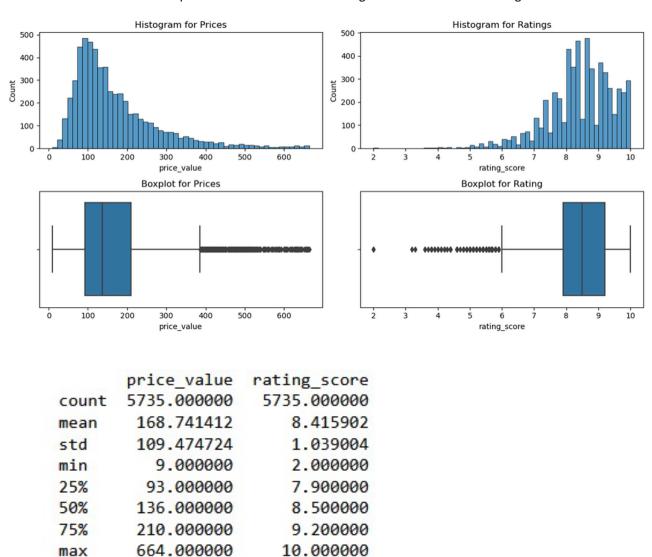
The main reason to remove outliers is to make the analysis more accurate as I wanted to focus on the average person. The process really focused on identifying and removing extreme outliers only in the price. There were some obvious ones that could be seen just by looking and then using the interquartile range (IQR) method, I used a high threshold number to specifically target 'extreme' outliers. Part of this process also involved having a look at what the outliers were and identifying where they mainly came from. In Appendix C and the Jupyter Notebook, there is more information on how the process works.

Analysis

The aim was to explore price and rating and see what their respective characteristics are. This will help us answer the question and maybe even find some other factors or interesting observations. Overall, there are a couple of key take aways from the EDA which were further explored using more advanced methods. These factors were the significance of what website you book with and even some locations were a lot pricier than others. Some of the main points and graphs will be below but the rest will be in Appendix D.

Exploratory Data Analysis (EDA)

During EDA, I was able to find out a lot about different groups and how they were distributed as well as creating a price vs rating scatterplot to see if there is a linear relationship present. The price data has a distinct right skewed distribution because of the very small number of luxury accommodation available. The rating data stopped at 10 and there were a few ratings below 6 potentially caused by one-off bad customer experiences which has caused a slight skew to the left for ratings.



The following tables will help us explore the characteristics of the booking sites as well as the cities.

This first one is the count:

| Count Table | | | | |
|--------------|--------|-------------|------------|-----------|
| site | AirBnB | Booking.com | Hotels.com | Row Total |
| city | | | | |
| Berlin | 244 | 499 | 493 | 1236 |
| London | 260 | 478 | 488 | 1226 |
| Madrid | 266 | 491 | 492 | 1249 |
| Paris | 232 | 486 | 497 | 1215 |
| Rome | 247 | 124 | 438 | 809 |
| Column Total | 1249 | 2078 | 2408 | 5735 |
| | | | | |

This second will be the average price:

| Average Price | Table | | | |
|----------------|------------|-------------|------------|-------------|
| site | AirBnB | Booking.com | Hotels.com | Row Average |
| city | | | | |
| Berlin | 81.590164 | 120.537074 | 124.866126 | 108.997788 |
| London | 102.353846 | 218.242678 | 231.584016 | 184.060180 |
| Madrid | 97.556391 | 166.391039 | 153.831301 | 139.259577 |
| Paris | 91.612069 | 130.355967 | 222.362173 | 148.110070 |
| Rome | 79.850202 | 418.370968 | 301.636986 | 266.619385 |
| Column Average | 90.592534 | 210.779545 | 206.856120 | 169.409400 |

This third one will be average rating:

| Average Rating | Table | | | |
|----------------|----------|-------------|------------|-------------|
| site | AirBnB | Booking.com | Hotels.com | Row Average |
| city | | | | |
| Berlin | 9.552541 | 7.741683 | 8.316430 | 8.536885 |
| London | 9.471308 | 7.702301 | 8.156148 | 8.443252 |
| Madrid | 9.428797 | 8.219959 | 8.402033 | 8.683596 |
| Paris | 9.526207 | 7.539506 | 8.377867 | 8.481193 |
| Rome | 9.499595 | 8.213710 | 8.598174 | 8.770493 |
| Column Average | 9.495690 | 7.883432 | 8.370130 | 8.583084 |

We have not proved it yet in the EDA stage, but we can see to some extent that ratings and price are mainly impacted by which site is used. With price you can see that Booking.com and Hotels.com are very similar whilst Airbnb is over two times cheaper. Similar can be said about ratings, that each site has its own distributions. With the cities, we can see that there are some major differences in price and one reason we have seen already is the booking websites, but I believe there are some other factors outside of the scope of this dataset that have an influence. If you want to further explore the data, in Appendix D, there are some other tables and boxplots and violin plots that also show some of the above characteristics.

To go back to our original question of whether rating affects the price, I had a look at a scatterplot of price vs rating. Below you will see a graph that has some inklings of a linear pattern:



We can see that there is a lot more volume in the lower price range but there is a bit of a linear pattern and potentially with the right transformations or other techniques we might be able to make it a bit more linear. There won't be any non-linear regression in this analysis.

Linear Regression

To preface the linear regression analysis, all graphical and tabular data will be shown in Appendix E for more information. The dependent variable is Price, and the independent variable is Rating, and I performed one transformation.

The first model was price ~ rating. There were a couple of issues with this model, the first being that essentially all the assumptions were not met and secondly there was a very small R-squared value. This is telling us that rating does not explain price very well and to see if any major improvements could be made, I trialled and errored different transformations and nothing really worked too well. However, I decided to use a log transformation on the dependent variable which formed this model: log(price)~rating. Although this model created better assumptions and the AIC and BIC tests indicated that it was a better fitting model, the R-squared value moved more towards zero.

This can tell us that price and ratings do not have a linear relationship, in this specific context. I feel like this could be because prices in general are determined by more tangible factors such as location, competition, fees and so on, whereas rating is purely subjective and not everyone participates in the rankings. I believe that these factors affect the potential for a linear relationship and that's why I explored rating categories and the Kruskal-Wallis Test.

Kruskal-Wallis Test

The next analysis is to analyse the different groups found in the data but most importantly the rating categories. Normally we would use an ANOVA but doing Levene's Test (testing equal variance) and Shapiro-Wilk Test (testing normality) showed we needed to perform the non-parametric version, the Kruskal-Wallis Test (See Appendix F). Based off the results from the Kruskal-Wallis test as well as the post-hoc Dunn's test, all the group's prices are statistically significant in both tests meaning that every group is not equal to each other. However, the ratings ranking for each city is a bit different, we don't have enough evidence to support that Paris, Berlin and London's rating score are different but there was evidence of Rome and Madrid being not equal to all the other cities. Below are the rankings. All the Kruskal-Wallis test results are found in Appendix G.

Ranking the cities by cost (low to high):

- 1. Berlin
 - a. Median: \$105; Mean: \$114.58
- 2. Madrid
 - a. Median: \$121; Mean: \$146.78
- 3. Paris
 - a. Median: \$143; Mean: \$160.59
- 4. London
 - a. Median: \$174.50; Mean: \$198.98
- 5. Rome
 - a. Median: \$238; Mean: \$251.81

Ranking the sites by cost (low to high):

- 1. Airbnb
 - a. Median: \$85; Mean: \$90.83
- 2. Booking.com
 - a. Median: \$139; Mean: \$173.92
- 3. Hotels.com
 - a. Median: \$180; Mean: \$204.69

Ranking rating groups by cost (low to high):

- 4. Rating 2-6
 - a. Median: \$87; Mean: \$108.33
- 5. Rating 6-8
 - a. Median: \$125; Mean: \$146.04
- 6. Rating 8-10
 - a. Median: \$146; Mean: \$181.07

Ranking cities by rating (High to Low; 3-5 can be interchangeable):

- 1. Rome
 - a. Median: 9.0; Mean: 8.81
- 2. Madrid
 - a. Median: 8.6; Mean: 8.55
- 3. Berlin
 - a. Median: 8.4; Mean: 8.33
- 4. London

a. Median: 8.4; Mean: 8.26

5. Paris

a. Median: 8.3; Mean: 8.26

Ranking sites by rating (High to Low)

1. Airbnb

a. Median: 9.6; Mean: 9.49

2. Hotels.com

a. Median: 8.6; Mean: 8.37

3. Booking.com

a. Median: 8.0; Mean: 7.83

Discussion

I believe the hypothesis I formed to be true because as we progressed up the rating groups, the mean and median prices increased. The group sizes were, 175 (2-6), 1678 (6-8) and 4034(8-10). A positive aspect to this is that 97% of all the data had ratings above 6 and 68.5% of the data had a rating above 8 meaning that the accommodation experience for customers overall was good. With the very different group sizes, I had to use the non-parametric Kruskal-Wallis Test. Throughout the analysis, there were also a lot of interesting factors to consider like which sites to use and which country as well as price and rating.

Airbnb was the site that the highest mean and median ratings, well above the other two booking sites. I am going to go off my personal experience with both hotels and Airbnb to try and figure out why we got these results. With Airbnb, I feel like it is mainly a place to stay and being satisfied is aligned with initial cleanliness and amenities, location, and owner communication. I believe what differentiates a hotel to an Airbnb is that hotels need to offer people that experience of feeling important and special. By providing restaurants and buffets, 24/7 customer service, facilities such as gym and swimming pools etc. In summary, there is a lot more to be critical of in a hotel compared to a Airbnb hence the rating differentials.

Ratings between countries were all relatively similar between Berlin, Paris, and London but Rome (1^{st}) and Madrid (2^{nd}) had statistical evidence to show that they were a little bit better. Compared to comparing the sites, the difference isn't as noticeable when comparing cities, and it shows that it doesn't matter where you go, your overall satisfaction of the accommodation isn't too much affected by which city you visit. Although we can conclude statistically that the accommodation that the customers rate the highest come from Airbnb, can we really conclude that it will provide the best experience, I think there are a couple more factors to try and find to be even more concrete in a conclusion.

With price, I believe a similar reasoning behind the differences can be down to the sites. However, there is a little bit more influence based off the city that the accommodation is located. Airbnb, seems steady no matter which country you are in but once we look at the hotel booking sites, that's where the variation comes in. Rome has the lowest Airbnb price mean but the hotel prices from the dataset in Rome are way higher than all the other cities. To further analyse, it would require a bit more research which I don't have the time or resources to do. Things like hotel competition, country's regulations, tourism policy etc.

Some other things to mention are the outliers. In the initial removal, there were 5 obvious points that I removed as the prices were too high and 4/5 were from Rome and Booking.com. Excluding the 5 outliers manually removed, I identified 152 outliers and 122 of them all came from Rome and all 152 were from hotel booking sites. None of the data points from Airbnb or Berlin got removed. With all these factors considered, I think there is enough to conclude the report.

Conclusion

To conclude the analysis, I can say that I was able to show that there is a relationship between price and rating. Although there was a large difference in the group's sizes, I think that has more to do with the distribution of ratings as most people were generally satisfied. It can be summarised by these statistics:

Medians:

Group 8-10: 146.0 Group 6-8: 125.0 Group 2-6: 87.0

Means:

Group 8-10: 181.0704405737705 Group 6-8: 146.0374170187085 Group 2-6: 108.32758620689656

I also delved into why there were differences in prices and ratings. The main difference was the actual difference between Airbnbs and hotels and the different uses, and expectations of each type of accommodation. At a hotel you're probably expecting a bit in terms of restaurants, daily customer service, etc... whereas in an Airbnb, if it is clean, functioning and the owner has good communication you're general very satisfied. I also saw different cities may have different rules and regulations or the countries have very different tourism policies which influence hotel prices.

Going back to the limitations, this data only covers 10–30-day span of accommodation ads. I think this analysis is useful and can bring someone some insight into accommodation prices in May-June time periods. Like all experiments, this will require a lot of repetition and maybe I will revisit this later and get some more data to analyse again. With the current analysis, we can take away that for the cheapest accommodation fares, use Airbnb because that has by far the cheapest rates. If you would prefer to go to a hotel, use Booking.com for cheaper prices compared to Hotels.com. Hotels seem to be more affected by the hypothesis which will lead to the final point which is lower rated hotels will be cheaper.

Appendix

A - Data Link

https://www.kaggle.com/datasets/mykhailozub/500-hotels-from-airbnb-booking-and-hotelscom?select=Berlin.json

B – Data Cleaning

All the columns in each accommodation site's page:

```
Columns in Hotels.com Data:
['title', 'isAd', 'location', 'snippet', 'paymentOptions', 'highlightedAmenities', 'price', 'rating', 'link']

Columns in Booking.com Data:
['thumbnail', 'title', 'stars', 'preferredBadge', 'promotedBadge', 'location', 'subwayAccess', 'sustainability', 'distance FromCenter', 'highlights', 'price', 'rating', 'link']

Columns in Airbnb Data:
['thumbnail', 'title', 'subtitles', 'price', 'rating', 'link']
```

Here are those different dataframe's first rows:

Hotels.com:

| - | title | isAd | location | snippet | paymentOptions | highlightedAmenities | price | rating | link |
|---|---------------------------|------|----------------|--|----------------|----------------------|---|---|--|
| 0 | Moxy Berlin Ostbahnhof | True | Friedrichshain | {"title": "Lifestyle Hotel close to Ostbahnhof | 0 | 0 | {'currency': '\$', 'value': 107, 'withTaxesAndC | {'score': 8.8, 'reviews': 596} | https://www.hotels.com /ho497828896/moxy- berlin |

Airnbnb:

| | thumbnail | title | subtitles | price | rating | link |
|---|--|---------------------------|--|---|--------|---|
| C | https://a0.muscache.com/im/pictures /miso/Hosti | Private room in Tempelhof | [Privatzimmer in Tempelhofer Feld, 1 bed, Jul | {'currency': '\$', 'value': 31, 'period': 'night'} | 5 | https://www.airbnb.com/rooms /647664199858827562 |

Booking.com:

| thumbnail | title | stars | preferredBadge | promotedBadge | location | subwayAccess | sustainability | distanceFromCenter | highlights |
|--|----------------------------------|-------|----------------|---------------|---|--------------|-----------------------------------|--------------------|---|
| https://cf.bstatic.com 0 /xdata/images/hotel /squa | Scandic Berlin Kurfürstendamm | NaN | True | True | Charlottenburg- Wilmersdorf, Berlin | True | Travel Sustainable property | 3.2 | [Standard Double Room, Beds: 1 double or 2 twi |
| price | rating | | | link | | | | | |

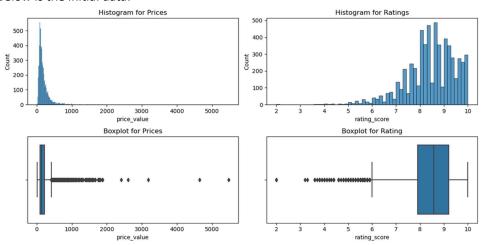
{currency: {score: 8.1, US\$', Value: scoreDescription: Very Good... https://www.booking.com/hotel/de/scandic-kurfu...

The common data points in all 3 were price and rating. Some other potential data points to explore could have been 'distanceFromCenter' from Booking.com and Airbnb has a date that the booking is available for in the 'subtitles' column. The decision was made to just focus on price and rating. With a myriad of steps, the final columns and output will be shown below.

| | city | price_value | rating_score | site |
|------|--------|-------------|--------------|-------------|
| 0 | Berlin | 111 | 8.1 | Booking.com |
| 1 | Berlin | 68 | 6.8 | Booking.com |
| 2 | Berlin | 104 | 8.4 | Booking.com |
| 3 | Berlin | 100 | 8.3 | Booking.com |
| 4 | Berlin | 135 | 8.3 | Booking.com |
| | | | | |
| 5887 | Madrid | 218 | 8.0 | Hotels.com |
| 5888 | Madrid | 229 | 8.4 | Hotels.com |
| 5889 | Madrid | 287 | 8.8 | Hotels.com |
| 5890 | Madrid | 125 | 8.0 | Hotels.com |
| 5891 | Madrid | 178 | 10.0 | Hotels.com |

C – Outlier Identification Process

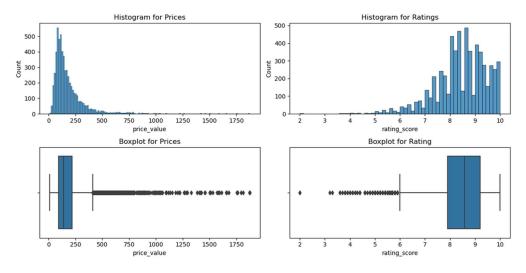
Below is the initial data:



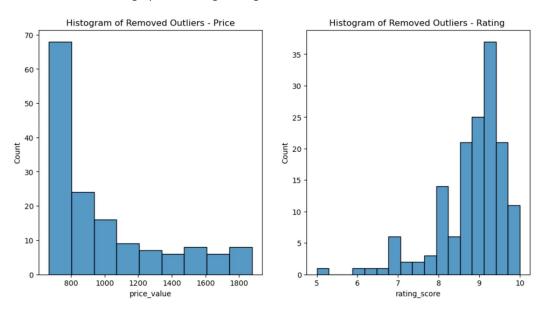
In the boxplot for price, you can see 5 distinct points at the right end of the plot, and I decided to remove these before further reducing using interquartile range (IQR) method. Those points were these:

| | city | price_value | rating_score | site |
|------|--------|-------------|--------------|-------------|
| 1577 | Rome | 5476 | 8.0 | Booking.com |
| 1638 | Rome | 4653 | 9.4 | Booking.com |
| 1572 | Rome | 3182 | 8.4 | Booking.com |
| 1470 | Rome | 2606 | 9.0 | Booking.com |
| 4829 | London | 2406 | 8.0 | Hotels.com |

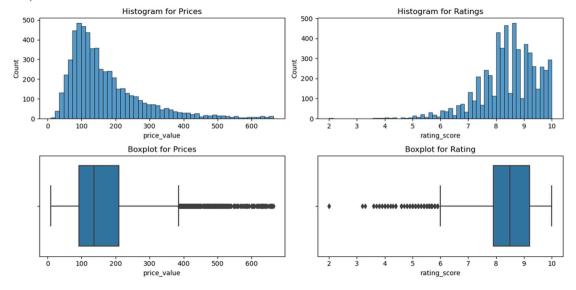
It's interesting to see that the top 4 points are all from the same site and country. Now here are the updated graphs:



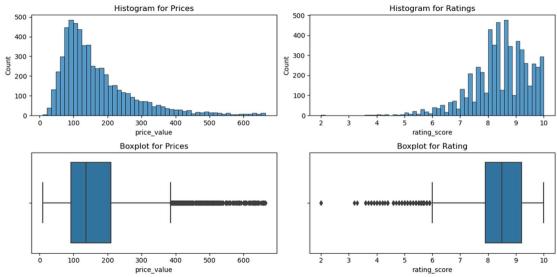
Now we can see that there are less obvious outliers, and it seems the nature of this data is that it is skewed to the right. Using the IQR method, I really wanted to focus a bit more on the common person's holiday. My threshold was quite high (3.5) as I only wanted the one considered extreme to be removed. Below are graphs showing what got removed:



Now we can see that we'll only be working with accommodation priced roughly \$700 and below. By still including some of the more expensive accommodations, it will make the analysis a bit more accurate since the nature of the marketplace of holiday accommodation will include the more upper end places. Here is the final refined data:



D – Exploratory Data Analysis Tables and Graphs

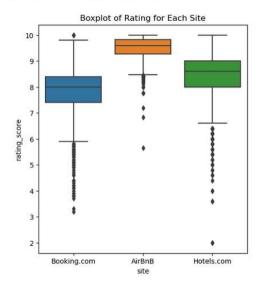


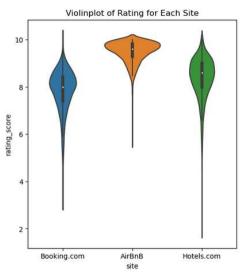
Rating Summary for Each Site

| | count | mean | std | min | 25% | 50% | 75% | max | 1 |
|-------------|--------|----------|----------|------|------|-----|------|------|---|
| site | | | | | | | | | |
| AirBnB | 1249.0 | 9.493915 | 0.446838 | 5.66 | 9.28 | 9.6 | 9.82 | 10.0 | |
| Booking.com | 2078.0 | 7.826516 | 0.928293 | 3.20 | 7.40 | 8.0 | 8.40 | 10.0 | |
| Hotels.com | 2408.0 | 8.365365 | 0.905036 | 2.00 | 8.00 | 8.6 | 9.00 | 10.0 | |

skewness kurtosis

site
AirBnB -1.710162 6.147000
Booking.com -1.291555 2.520890
Hotels.com -1.411687 4.072082



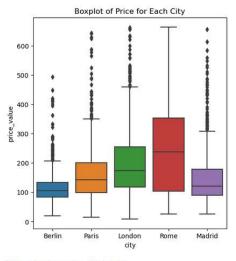


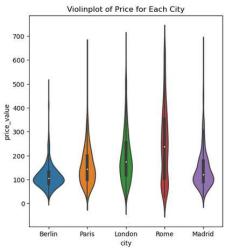
Price Summary Table for Each City

skewness kurtosis

| | count | mean | std | min | 25% | 50% | 75% | max | 1 |
|--------|--------|------------|------------|------|--------|-------|--------|-------|---|
| city | | | | | | | | | |
| Berlin | 1236.0 | 114.575243 | 52.669361 | 19.0 | 83.00 | 105.0 | 133.00 | 493.0 | |
| London | 1226.0 | 198.976346 | 112.566469 | 9.0 | 118.25 | 174.5 | 254.75 | 662.0 | |
| Madrid | 1249.0 | 146.783827 | 86.215385 | 25.0 | 90.00 | 121.0 | 178.00 | 655.0 | |
| Paris | 1215.0 | 160.593416 | 88.557891 | 15.0 | 99.50 | 143.0 | 200.00 | 643.0 | |
| Rome | 809.0 | 251.814586 | 157.179031 | 26.0 | 103.00 | 238.0 | 354.00 | 664.0 | |
| | | | | | | | | | |

city
Berlin 2.315873 9.528976
London 1.194951 1.625855
Madrid 1.915274 5.007804
Paris 1.681906 4.932163
Rome 0.603512 -0.328649



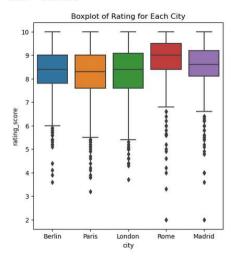


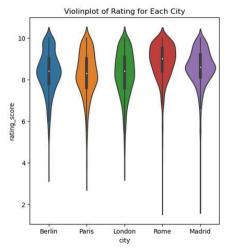
Rating Summary for Each City

| | count | mean | std | min | 25% | 50% | 75% | max | skewness | 1 |
|--------|--------|----------|----------|-----|-----|-----|-------|------|-----------|---|
| city | | | | | | | | | | |
| Berlin | 1236.0 | 8.328414 | 1.031212 | 3.6 | 7.8 | 8.4 | 9.000 | 10.0 | -0.672041 | |
| London | 1226.0 | 8.258108 | 1.108666 | 3.7 | 7.6 | 8.4 | 9.075 | 10.0 | -0.759898 | |
| Madrid | 1249.0 | 8.549127 | 0.895764 | 2.0 | 8.1 | 8.6 | 9.200 | 10.0 | -1.395012 | |
| Paris | 1215.0 | 8.261794 | 1.085095 | 3.2 | 7.6 | 8.3 | 9.010 | 10.0 | -0.811930 | |
| Rome | 809.0 | 8.814462 | 0.944444 | 2.0 | 8.4 | 9.0 | 9.500 | 10.0 | -1.878589 | |

kurtosis

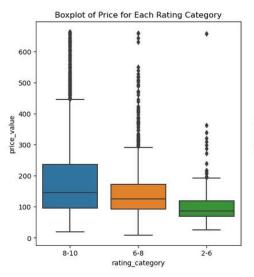
city
Berlin 0.821118
London 0.597681
Madrid 4.996952
Paris 1.324243
Rome 7.041350

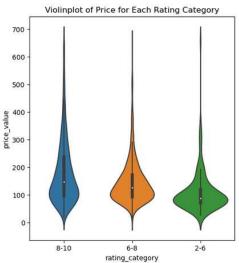




Price Summary Table for Each Rating Category

| | count | mean | std | min | 25% | 50% | 75% | 1 |
|-----------------|--------|-------------|------------|------|-------|-------|-------|---|
| rating_category | | | | | | | | |
| 2-6 | 174.0 | 108.327586 | 72.650574 | 25.0 | 69.25 | 87.0 | 119.0 | |
| 6-8 | 1657.0 | 146.037417 | 81.386208 | 9.0 | 92.00 | 125.0 | 172.0 | |
| 8-10 | 3904.0 | 181.070441 | 118.444677 | 19.0 | 96.00 | 146.0 | 236.0 | |
| | max | skewness | kurtosis | | | | | |
| rating_category | | | | | | | | |
| 2-6 | 657.0 | 3.557507 19 | 9.731532 | | | | | |
| 6-8 | 658.0 | 2.181552 | 5.992919 | | | | | |
| 8-10 | 664.0 | 1.444685 | 2.180365 | | | | | |





Price Summary Table for Each Site

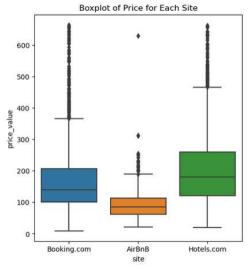
| | count | mean | std | min | 25% | 50% | 75% | max | |
|-------------|--------|------------|------------|------|-------|-------|-------|-------|--|
| site | | | | | | | | | |
| AirBnB | 1249.0 | 90.830264 | 42.829492 | 21.0 | 62.0 | 85.0 | 113.0 | 629.0 | |
| Booking.com | 2078.0 | 173.915784 | 111.642226 | 9.0 | 101.0 | 139.0 | 207.0 | 664.0 | |
| Hotels.com | 2408.0 | 204.687708 | 111.257971 | 19.0 | 121.0 | 180.0 | 259.0 | 662.0 | |

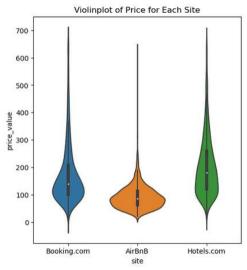
 site
 kurtosis

 AirBnB
 2.567087
 21.314002

 Booking.com
 1.891430
 3.965211

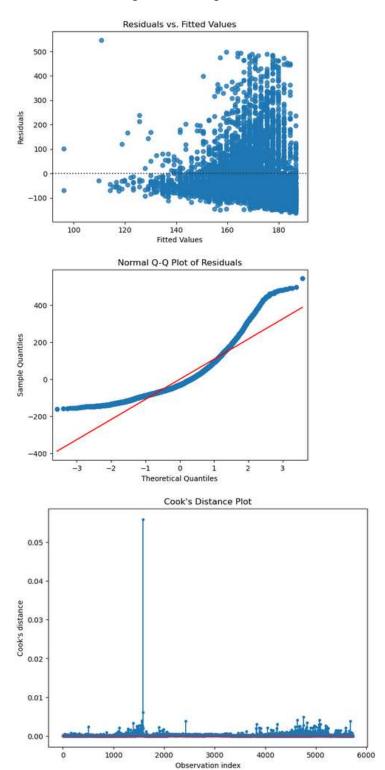
 Hotels.com
 1.295710
 1.824151





E – Linear Regression Assumptions and Models

Non-transformed Original Linear Regression



Rating predicting Price

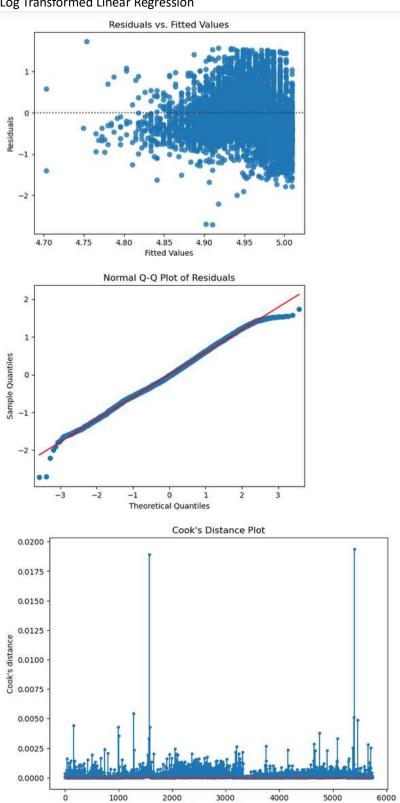
OLS Regression Results

| Dep. Variable: | | price_value | R-square | ed: | 0.012 | | |
|-----------------|---------|--------------|----------|-------------|-----------|----------|--|
| Model: | | OLS | Adj. R-s | quared: | | 0.011 | |
| Method: | L | east Squares | F-statis | tic: | 66.96 | | |
| Date: | Thu, | 24 Aug 2023 | Prob (F- | statistic): | 3 | 3.38e-16 | |
| Time: | | 18:18:40 | Log-Like | lihood: | -35034. | | |
| No. Observation | ıs: | 5735 | AIC: | | 7.007e+04 | | |
| Df Residuals: | | 5733 | BIC: | | 7.008e+04 | | |
| Df Model: | | 1 | | | | | |
| Covariance Type | : | nonrobust | | | | | |
| | coef | std err | t | P> t | [0.025 | 0.975] | |
| const | 73.4615 | 11.732 | 6.262 | 0.000 | 50.463 | 96.460 | |
| rating_score | 11.3214 | 1.384 | 8.183 | 0.000 | 8.609 | 14.034 | |
| Omnibus: | | 1750.127 | Durbin-W | latson: | ======= | 0.970 | |
| Prob(Omnibus): | | 0.000 | Jarque-B | Bera (JB): | 4 | 1917.359 | |
| Skew: | | 1.618 | Prob(JB) | : | | 0.00 | |
| Kurtosis: | | 6.179 | Cond. No | | | 70.2 | |

Notes:

^[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.

Log Transformed Linear Regression



Observation index

OLS Regression Results

| Dep. Variable: | | price value | R-square | ed: | 0.004 | | |
|-----------------|--------|--------------|----------|------------|---|----------|--|
| Model: | | OLS | | squared: | 0.004 | | |
| Method: | L | east Squares | _ | | 25.61 4.30e-07 -5156.2 1.032e+04 | | |
| Date: | | 24 Aug 2023 | | | | | |
| Time: | | 18:21:31 | Log-Like | elihood: | | | |
| No. Observation | is: | 5735 | AIC: | | | | |
| Df Residuals: | | 5733 | BIC: | | 1. | .033e+04 | |
| Df Model: | | 1 | | | | | |
| Covariance Type | 2: | nonrobust | | | | | |
| | | std err | | 100 | - | 0.975] | |
| const | | 0.064 | | | 100 Na 17 and 18 | 4.752 | |
| rating_score | 0.0383 | 0.008 | 5.061 | 0.000 | 0.023 | 0.053 | |
| Omnibus: | | 2.129 | Durbin-V | Vatson: | ======= | 0.924 | |
| Prob(Omnibus): | | 0.345 | Jarque-E | Bera (JB): | | 2.168 | |
| Skew: | | 0.042 | Prob(JB) |): | | 0.338 | |
| Kurtosis: | | 2.956 | Cond. No | | | 70.2 | |
| | | | | | | | |

Notes

[1] Standard Errors assume that the covariance matrix of the errors is correctly specified.

F - Shapiro-Wilk and Levene's Test

City and Price City and Rating
Group: Berlin Group: Berlin
Shapiro-Wilk Test Shapiro-Wilk Test

Group: Paris
Shapiro-Wilk Test
Group: Paris
Shapiro-Wilk Test

Group: London Group: London Shapiro-Wilk Test Shapiro-Wilk Test

Group: Rome Group: Rome Shapiro-Wilk Test Shapiro-Wilk Test

Test Statistic: 0.9447432160377502 Test Statistic: 0.8699321746826172 P-value: 8.362596807819607e-17 P-value: 2.2063100920683153e-25

Group: Madrid
Shapiro-Wilk Test
Group: Madrid
Shapiro-Wilk Test

Levene's Test Levene's Test

Test Statistic: 245.12462657492824 Test Statistic: 24.81894505586204 P-value: 1.2116820910014845e-194 P-value: 2.1101882550924412e-20

Site and Price Group: Booking.com Shapiro-Wilk Test

Test Statistic: 0.8109065294265747 P-value: 4.344025239406933e-44

Group: AirBnB Shapiro-Wilk Test

Test Statistic: 0.8635073304176331 P-value: 1.3138436882445763e-31

Group: Hotels.com Shapiro-Wilk Test

Test Statistic: 0.9003838300704956 P-value: 5.4517124390987e-37

Levene's Test

Test Statistic: 208.23888828904774 P-value: 4.9837166426056825e-88

Rating Category and Price

Group: 8-10 Shapiro-Wilk Test

Test Statistic: 0.874171257019043

P-value: 0.0

Group: 6-8

Shapiro-Wilk Test

Test Statistic: 0.8172882795333862 P-value: 8.108991914400922e-40

Group: 2-6

Shapiro-Wilk Test

Test Statistic: 0.6817498207092285 P-value: 6.533768964019582e-18

Levene's Test

Test Statistic: 106.16684588749516 P-value: 5.318632267719711e-46 Site and Rating Group: Booking.com Shapiro-Wilk Test

Test Statistic: 0.9181024432182312 P-value: 3.7332627943520726e-32

Group: AirBnB Shapiro-Wilk Test

Test Statistic: 0.8715369701385498 P-value: 7.671531921036987e-31

Group: Hotels.com Shapiro-Wilk Test

Test Statistic: 0.914094090461731 P-value: 6.337226650583487e-35

Levene's Test

Test Statistic: 156.8783403894428 P-value: 4.6549229233479106e-67

G - Kruskal-Wallis and Dunn's Test Results

Price per City

Kruskal-Wallis Test - Price per City
Test Statistic: 745.7292867246719
P-value: 4.361715016711756e-160

Medians: Berlin: 105.0 Paris: 143.0 London: 174.5 Rome: 238.0 Madrid: 121.0

Means:

Berlin: 114.5752427184466 Paris: 160.5934156378601 London: 198.9763458401305 Rome: 251.81458590852904 Madrid: 146.78382706164933

Dunn's Test Results:

 Berlin
 London
 Madrid
 Paris

 Berlin
 1.000000e+00
 2.562871e-104
 5.210910e-19
 5.861648e-42

 London
 2.562871e-104
 1.000000e+00
 7.885959e-38
 8.126765e-16

 Madrid
 5.210910e-19
 7.885959e-38
 1.000000e+00
 2.158301e-06

 Paris
 5.861648e-42
 8.126765e-16
 2.158301e-06
 1.000000e+00

 Rome
 2.035386e-118
 1.463606e-04
 1.323159e-52
 5.114234e-28

Rome

Berlin 2.035386e-118 London 1.463606e-04 Madrid 1.323159e-52 Paris 5.114234e-28 Rome 1.000000e+00

Price per Site

Kruskal-Wallis Test - Price per Site Test Statistic: 1454.6825755309694

P-value: 0.0

Medians:

Booking.com: 139.0 AirBnB: 85.0

Hotels.com: 180.0

Means:

Booking.com: 173.9157844080847

AirBnB: 90.8302642113691

Hotels.com: 204.68770764119603

Dunn's Test Results:

AirBnB Booking.com Hotels.com
AirBnB 1.000000e+00 6.726196e-164 0.000000e+00
Booking.com 6.726196e-164 1.000000e+00 5.991161e-31
Hotels.com 0.000000e+00 5.991161e-31 1.000000e+00

Price per Rating Category

```
Kruskal-Wallis Test - Price per Rating Category
Test Statistic: 168.60664161258697
P-value: 2.4408043447886735e-37
Medians:
Group 8-10: 146.0
Group 6-8: 125.0
Group 2-6: 87.0
Means:
Group 8-10: 181.0704405737705
Group 6-8: 146.0374170187085
Group 2-6: 108.32758620689656
Dunn's Test Results:
               2-6
                             6-8
                                          8-10
     1.000000e+00 3.370468e-13 9.550351e-27
     3.370468e-13 1.000000e+00 1.767993e-17
6-8
```

8-10 9.550351e-27 1.767993e-17 1.000000e+00

Rating Score per City

Kruskal-Wallis Test - Rating per City
Test Statistic: 238.42236855963924
P-value: 2.0285483422541933e-50

Medians: Berlin: 8.4 Paris: 8.3 London: 8.4 Rome: 9.0 Madrid: 8.6

Means:

Berlin: 8.3284142394822 Paris: 8.261794238683127 London: 8.25810766721044 Rome: 8.814462299134734 Madrid: 8.549127301841473

Dunn's Test Results:

| | Berlin | London | Madrid | Paris | Rome |
|--------|--------------|--------------|--------------|--------------|--------------|
| Berlin | 1.000000e+00 | 3.432081e-01 | 3.673374e-08 | 1.725838e-01 | 1.208249e-32 |
| London | 3.432081e-01 | 1.000000e+00 | 1.156493e-10 | 6.763812e-01 | 4.429843e-37 |
| Madrid | 3.673374e-08 | 1.156493e-10 | 1.000000e+00 | 7.405888e-12 | 2.094005e-12 |
| Paris | 1.725838e-01 | 6.763812e-01 | 7.405888e-12 | 1.000000e+00 | 4.752851e-39 |
| Rome | 1.208249e-32 | 4.429843e-37 | 2.094005e-12 | 4.752851e-39 | 1.000000e+00 |

Rating Score per Site

Kruskal-Wallis Test - Rating per Site Test Statistic: 2547.3306451585404

P-value: 0.0

Medians:

Booking.com: 8.0 AirBnB: 9.6 Hotels.com: 8.6

Means:

Booking.com: 7.826515880654475 AirBnB: 9.493915132105686 Hotels.com: 8.365365448504983

Dunn's Test Results:

AirBnB Booking.com Hotels.com
AirBnB 1.000000e+00 0.000000e+00 5.421264e-278
Booking.com 0.000000e+00 1.000000e+00 1.836290e-77
Hotels.com 5.421264e-278 1.836290e-77 1.000000e+00