

Final Suggestions

Taking into account all the information displayed in the notebook files, our recommendations for investments in Airbnb listings in London are as follows:

If investing in existing properties...

If the objective is to invest in current listings in order to improve them and increase their popularity while taking advantage of the existing demand, our suggestion is to invest in **Camden**.

Why Camden?

- Per Figure 7 (01 - Initial Data Understanding), Camden has the second highest number of reviews (i.e. number of times guests stayed), meaning that there is a demand in the market for properties in Camden.
- Per Figure 9 (01 - Initial Data Understanding), listings in Camden have an average 'amenity score' among other boroughs, and a relatively small investment in improving this score for existing properties could justify an increase in listing prices (correlation represented in Figure 11) that potential guests will be willing to pay.
- Per Figure 12 (02 - Analysis Strategy), Camden has the third highest average profit, meaning that it generates high value per guest stay.

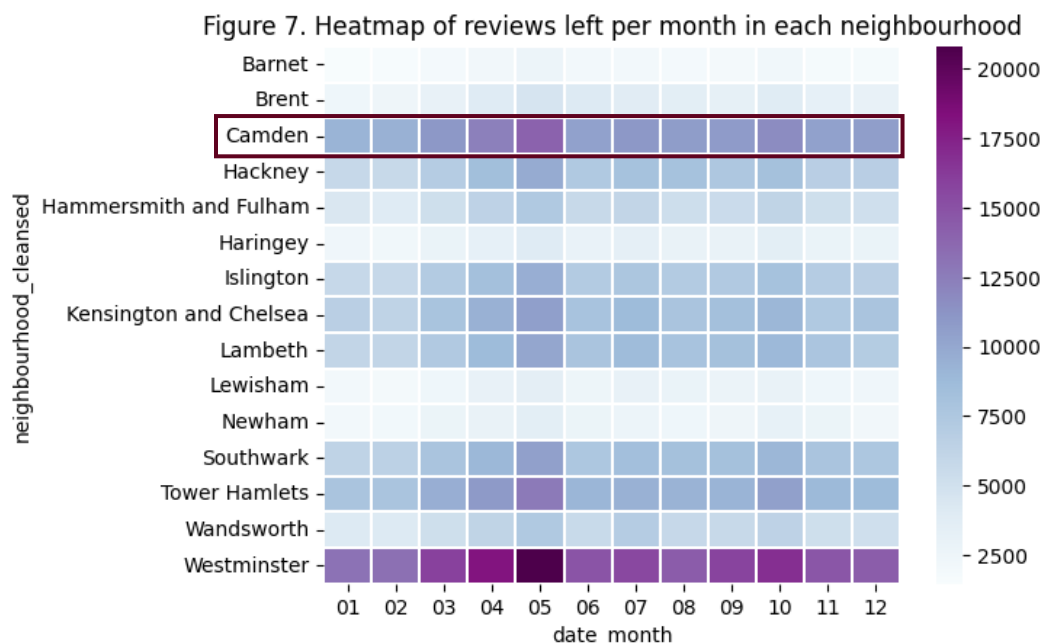


Figure 9. Average 'amenity score' per neighbourhood

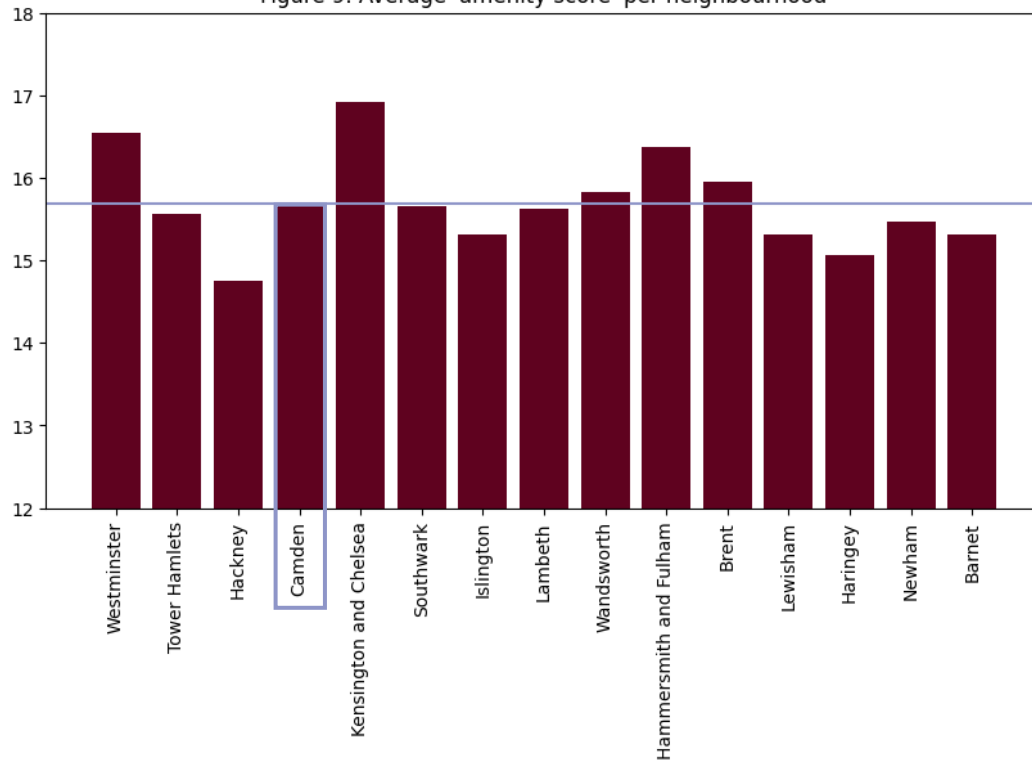
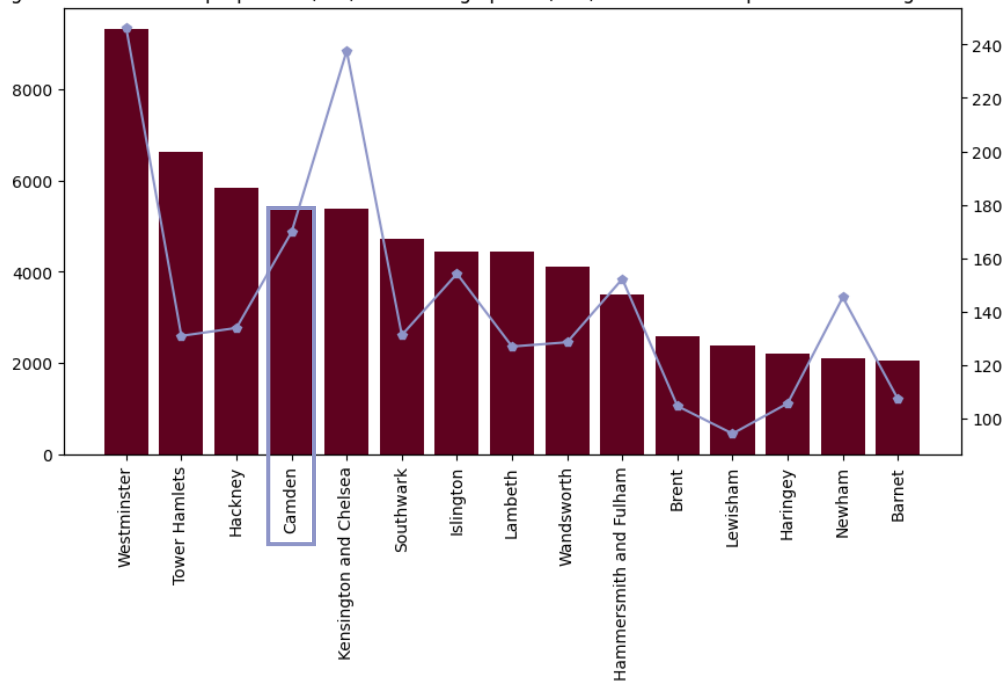


Figure 12. Number of properties (bar) and average profit (line) for the most representative neighbourhoods



If investing in new properties...

If the objective is to invest in the creation of new listings in order to cover the demand in a certain neighbourhood, our suggestion is to invest in **Hackney**.

Why Hackney?

- Per Figure 6 (01 - Initial Data Understanding), Hackney has the lowest availability for the next 30, 60, and 90 days among the top 5 boroughs, while having the third highest number of listings. In other words, there is a slight gap in offer compared to other top boroughs.
- Per Figure 8 (01 - Initial Data Understanding), listings in Hackney have a high average overall score. This means the borough itself has a nice reputation, which can help new listings stand out from similar ones in other boroughs.
- Per Figure 9 (01 - Initial Data Understanding), listings in Hackney have an 'amenity score' below the average. This is a great opportunity, since new listings covering most of the top-listed amenities will stand out from the current offer.
- Per Figure 12 (02 - Analysis Strategy), Hackney does not have a high average profit. However, since the listings in Hackney have a low average 'amenity score' (Figure 9) and this score is highly correlated to the listing price (Figure 11), guests may be willing to pay a higher price for new listings in Hackney that do have better amenities.

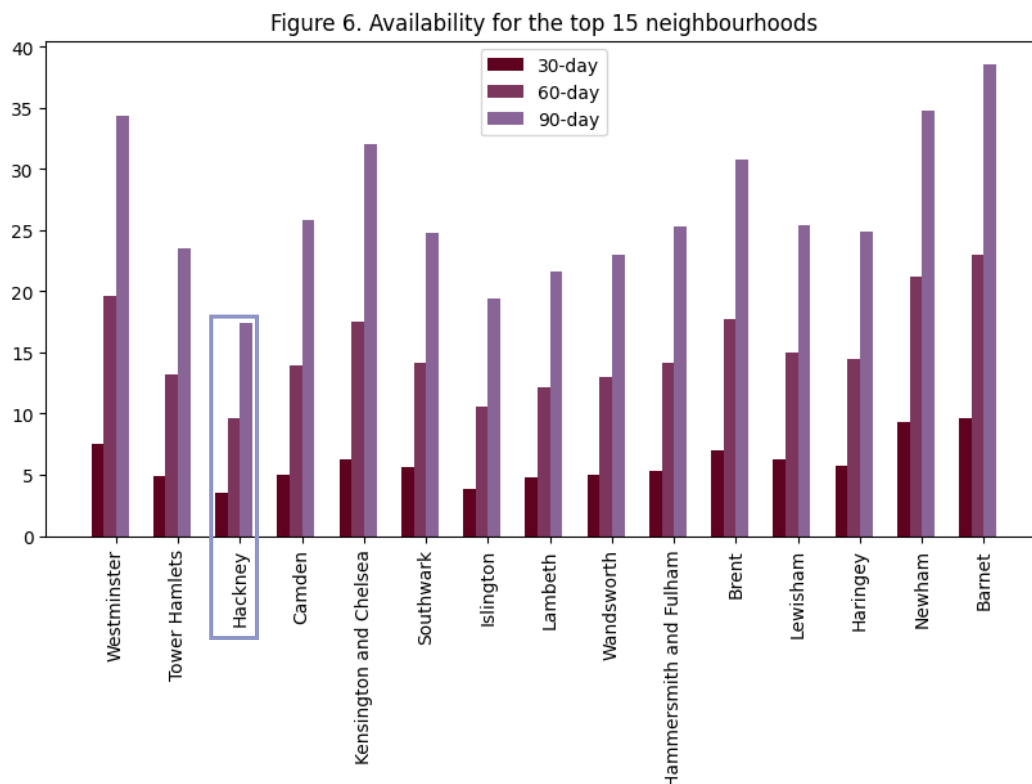


Figure 8. Average overall score per neighbourhood

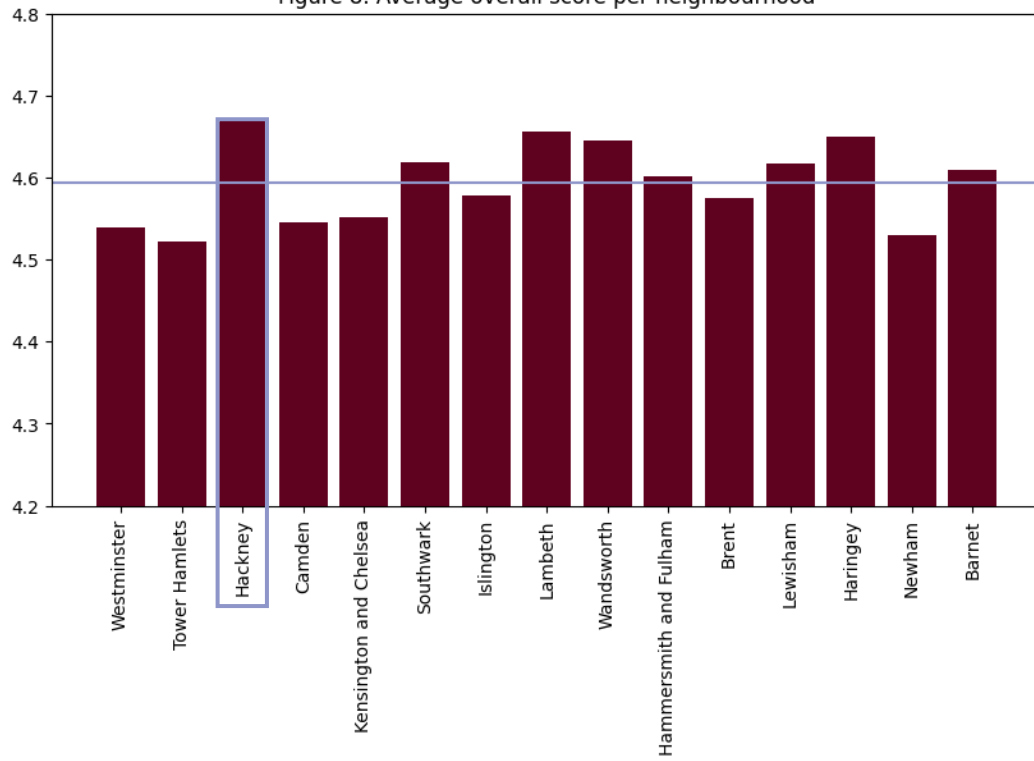


Figure 9. Average 'amenity score' per neighbourhood

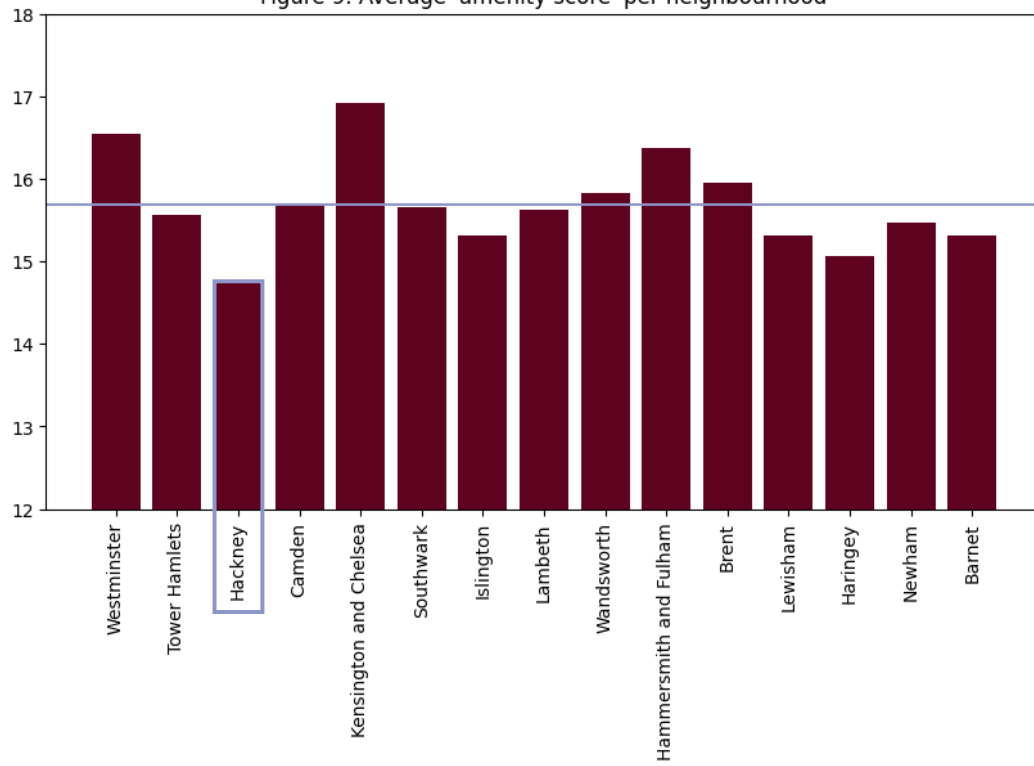


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