Discuss what is the exact business problem

Airbnb is an online marketplace and hospitality services company. Its members can use the service to arrange or offer lodging, primarily homestays, or tourism experiences. The company does not own any of the real estate listings, nor does it host events; as a broker, it receives commissions from every booking.

A major factor for someone choosing to rent a place is its price, which can vary based on multiple factors. The objective of this data set was to predict the price of a listing based on some features / factors of the listing. This data set was part of a competition where the aim was to predict the price of AirBnB listings in major US cities.

Discuss how tackling that business problem with data science would add business value

Price of a listing is by far the topmost reason for a listing to get rented on AirBnB. If the price can be predicted using data science, it significantly increases the chances of getting rentals and reduces the days when a listing doesn’t get rented. It ultimately increases the revenue for the listing owner and the commission for AirBnB, hence increasing both topline and bottomline.

Discuss the typical use scenario

As an owner would provide the features of the listing on AirBnB, the model would predict the price based on those features and historical data for listing rentals. This price would then be put up on the listing on the AirBnB website.