



Disclaimer

Data Source: Kaggle

Assumptions:

1. Data as per 31 October 2017 & short-term stay

2. Objective Customer Review Rate

Business Overview

Airbnb connects hosts with guests for short-term & long-term stays

Problem Scope

Increasing trend of low rated reviews (under 90 of 100) from 2012 – 2017 in some cities on USA

4

Pricing & Listings

Averagely \$4.73 per night for 51.838 units

Executive Summary

Factors of Low Rated

Unit with bigger capacity & strict cancellation Policy tend to have lower Customer Rating Review Score

5

Recommendation

Compensation on factors that boost customer satisfaction for units which tend to have low rating



Overview

Industry: Hospitality and Tourism

Founded on 2007 in San Francisco, California, United States of America

Business Model

Airbnb operates as a platform-based business that earns revenue mainly through service fees from guests and hosts. It follows a B2C model by connecting travelers with individual hosts, but also incorporates B2B elements through corporate travel partnerships and its Airbnb for Work offering

Platform Model

Airbnb operates as a digital platform connecting hosts and guests

Fee Based Income

Charged to both Guest and Host

Diversity of Options

Unique stays ranging from apartments to treehouses, accommodating various travelers' needs

Customer Relationships

Focus on building community through reviews, ratings, and continuous support for both hosts and guests

Key Process



Business Problem

Project Scope & Analysis

This project analyze customer satisfaction for Airbnb services per accommodation based on what does the unit provides, host information, and policies implemented on unit



Problem

What causes customer review score **rating less than 90** during 2012-2017?



Objectives

Aim to have overall review score rating is at least 90 on Q2 2018



Analysis Method

Using Python, create analysis customer satisfaction score and metrics

Business Undertanding

Undertand the business to effectively adress the problem

4

Data Analysis

Insight generations from keystats generated using Phyton (Google Collab)

2

Data Collection

From listings in USA across 6 cities

5

Data Visualization

Using Tableau to deliver better insights

3

Data Cleaning

Using phyton to clear noises in dataset

6

Recommendation

Advice to address regarding issue

Methodology

Focused Metrics

Problem Tree (slide 33)

Problem Priority (slide 34)



Possible Root Cause	Hypothesis	Metrics	Rationale
Facilities from Accommodation	Customer Dissatisfaction with listing from:Less facilities and capacitiesCertain room type	Accommodates# of AmenitiesRoom Type	Those metrics reflect accommodation's value and facilities
Policies	Customer will be more satisfied if the accommodation impose less obligation	Cancellation PolicyCleaning Fee	Those two metrics are obligation for customer
Host' Characteristic	Unclear information of Host verification and slow response rate will impair customer's trust on the listing. Impairment of customer's trust may drag the satisfaction rate.	 Host's Profile Pic & ID Verified % Host Response Rate 	 Fully Verified mean Host has profile photo and ID verified by Airbnb Will find the correlation of Response Rate with Cust Rating

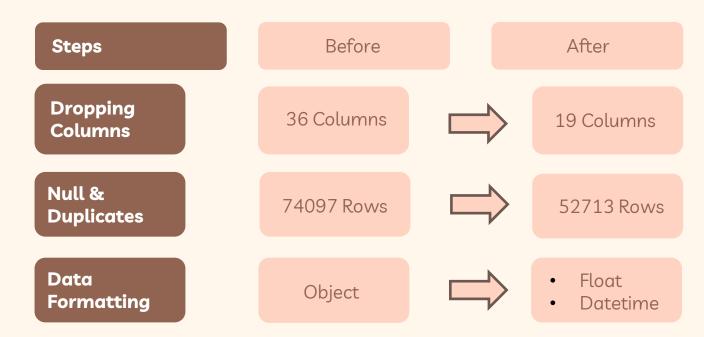
Segregation of Duties

Management Structure (slide 32)

ROLE	PIC - DUTIES
Decider	Chief Executive Officer (CEO) - Final approval for Business Initiatives
Accountable	Chief Business Officer (CBO) - Data Analyst guider in technical role
Responsible	 Chief Technology Officer (CTO) - Ensures Data Analysts deliver accurate customer review tools and models Global Head of Operations (GHoO) - Gathers insights from ops/customer service and integrates customer feedback.
Consulted	 Chief Financial Officer (CFO) - Considers cost impact of operational insights and actions Global Head of Marketing (GHoM) - Ensures alignment with branding and user perception Chief Strategy Officer (CSO) - Assesses long-term strategic impact of host or policy changes
Informed	 Global Head Policy & Communication (GHPC) - Stays informed if insights need public communication or PR handling Chief Legal Officer (CLO) - Must be informed of changes affecting legal compliance or host-guest policies



DATASET



- Data cleaning <u>steps</u>
- Data dictionary on google sheet
- Data formatting <u>steps</u>

EXPLORATORY DATA ANALYSIS

Factors - Host	Average Review Rate
Verified Host	94.31
Unverified Host	93.30
Factors - Room	Average Review Rate
Entire Room Type	94.23
Private Room Type	93.85
Shared Room Type	92.10
Factors - Host	Correlation Review Rate
Host Resp. Rate	0.07
Factors - Listing	Correlation Review Rate
No of Amenities	0.13
Accommodates	-0.03

- Customers tend to be satisfied with the listing that has Verified Host (has verified Id & photos) and Entire Room Type
- Responsive Host and decent Provided Amenities boost customer satisfaction rate
- While more capacity (Accommodates)
 in listing dragging satisfaction rate

16.7% of listings across 6 cities in USA from 2012 – 2017 are low rated





Stats on customer review score please find on <u>slide 35</u>

Total Listings: 51838

NYC has the most Low-Rated Listings, which has 50.7% contribution from 8661 low-rated listings



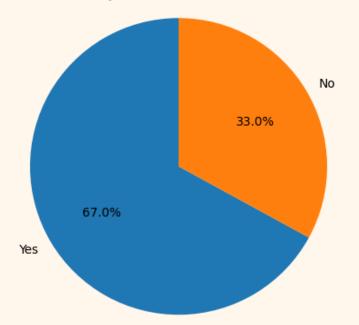
Chicago

City	Average Resp Rate	Unverified Host Count	Average No Amenities	No Strict Policies	Total Listing
NYC	<mark>74%</mark>	<mark>7,171</mark>	<mark>17</mark>	11,403	<mark>22,824</mark>
LA	86%	3,739	18	7,416	15,454
SF	77%	1.094	19	2,033	4,490
DC	83%	873	19	1,421	3,638
Boston	85%	887	20	1,329	2,900
Chicago	92%	529	20	1,311	2,532
	Total Listing from 6 Cities				51,838

Strict Policies = strict + super_strict_30 + super_strict_60 (Source of Airbnb Policies)

33% of low-rated listings have unverified hosts, suggesting host verification may impact customer satisfaction

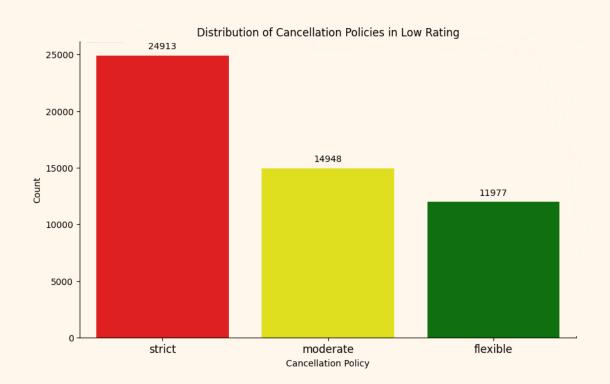
Distribution of Fully Verified Hosts in Low-Rated Listings



AVERAGE RESPONSE RATE ACROSS LISTING CATEGORIES

Listing Category	Average Host Response Rate
Low Rated	74%
Overall	79%
Rating >= 90	81%

Strict cancellation policies are more common in low-rated listings, hinting at a link between inflexibility and poor customer experience



This statistics, support the correlation before, higher capacity, lower the average review rating

Average Capacity per Room Type



Entire Unit

4.25 Low Rated Listing

3.92 Rated >= 90



Entire Room

2.12Low Rated Listing

2.01 Rated >= 90



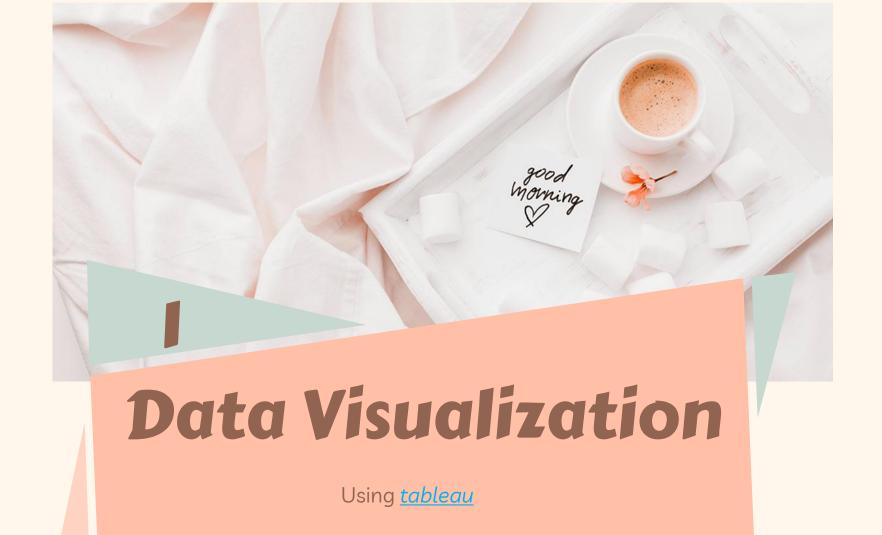
Shared Room

2.35
Low Rated Listing

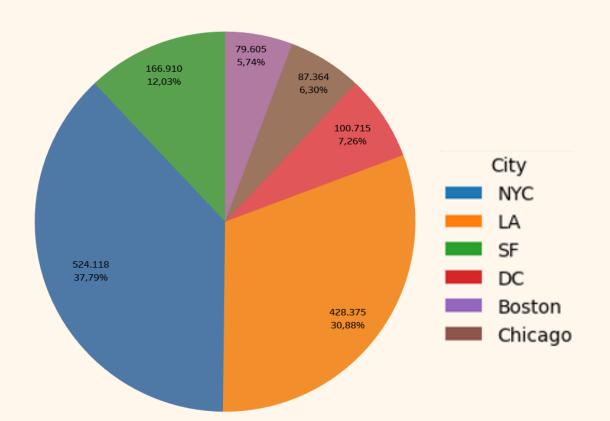
1.94 Rated >= 90

More amenities lead to higher customer satisfaction, support that both satisfaction review score and number of amenities are causative related

Listing Category	Average No of Amenities
Low Rated	16
Overall	18
Rating >= 90	19



NYC has the most active guests who are giving customer review rate (524118 reviews)



NYC has the most Airbnb listings across all room types, followed by LA

City	Entire Unit	Private Room	Shared Room
Boston	1,567	932	33
Chicago	1,744	1,091	65
DC	2,446	1,112	80
LA	9,433	5,569	452
NYC	11,749	10,549	<mark>526</mark>
SF	2,655	1,780	55

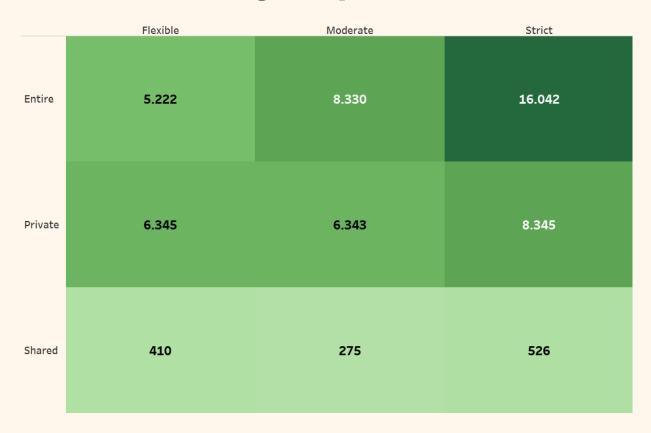
Boston's shared rooms have the lowest rating, while NYC shows generally lower ratings across all types despite high listings



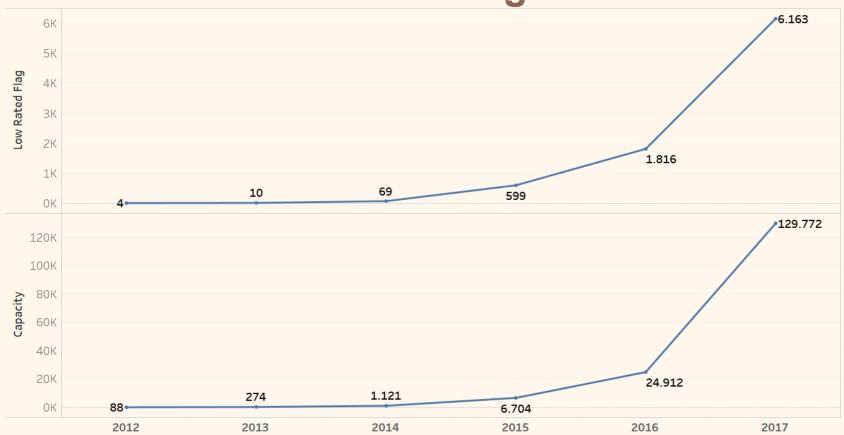
Entire Unit Type Has the biggest Number Listings with Low Rated Review Score



Entire Unit Type has the most Number of Strict Policy Implementations



Increasing Trend of Low Rated Listing consistent with Increasing Accomodates



Full Dashboard on Tableau Public



6K

AIRBNB DATA DASHBOARD 2012-2017

On/Off Filter



Listings

51.838 units

Reviews

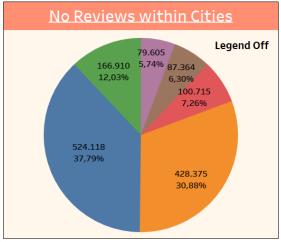
1.387.087 reviews

Host Response Rate

79,68% on average

Average Price

\$4.73 per night



Avg Score Rate by City & Room Type			
	Entire	Private	Shared
Boston	93,86	93,21	88,03
Chicago	94,96	95,30	94,08
DC	95,00	94,57	91,39
LA	94,23	94,57	91,94
NYC	93,78	93,21	92,00
SF	95,25	94,41	95,51

6.163



Trend of Low Rated Listings & Capacity

Room Type Impact on Low Ratings Review

Insight Summary



Host Verification & Responsiveness Drive Satisfaction

Listings with **verified hosts** and **responsive communication** consistently receive higher customer ratings.



Strict Policies & High-Capacity Hurt Reviews

Units with **strict cancellation policies** and **higher guest capacity** tend to get lower review scores, indicating these are potential pain points



More Amenities = Happier Guests

A positive correlation exists between the number of amenities provided and customer satisfaction, suggesting added value leads to better experiences.

Context	Recommendations
Cities	 NYC Targeted host education and quality control for low-rated listings Incentives or support for highly rated hosts to maintain standards Boston Investigate shared quality room
Host	 Strengthen Host Verification by implementing stricter verification measures on identity and property Improve Host Responsiveness by introducing incentives for quick responses, automated messaging tools, or host training
Policies	Adjust cancellation rules based on demand, listing type, and host reliability to balance flexibility and protection.
Room Type	 Reassess strict cancellation policies in Entire Unit listings Targeted quality assurance such as Cleanliness & Enhanced Host Support
Capacities	 Evaluate the impact of larger accommodations on guest experience Enhance service quality for high-capacity listings
Amenities	 Promote key amenities like Wi-Fi and kitchen essentials Give hosts data-driven insights on amenities that improve ratings

Thanks



Airbnb Management Structure



As of April 6, 2025, Airbnb's executive management team is structured as follows:

- Brian Chesky: Co-founder and Chief Executive Officer (CEO).
- Dave Stephenson: Chief Business Officer (CBO).
- Ellie Mertz: Chief Financial Officer (CFO).
- Ari Balogh: Chief Technology Officer (CTO).
- Hiroki Asai: Global Head of Marketing.
- Tara Bunch: Global Head of Operations.
- Jay Carney: Global Head of Policy and Communications.
- Ronald A. Klain: Chief Legal Officer

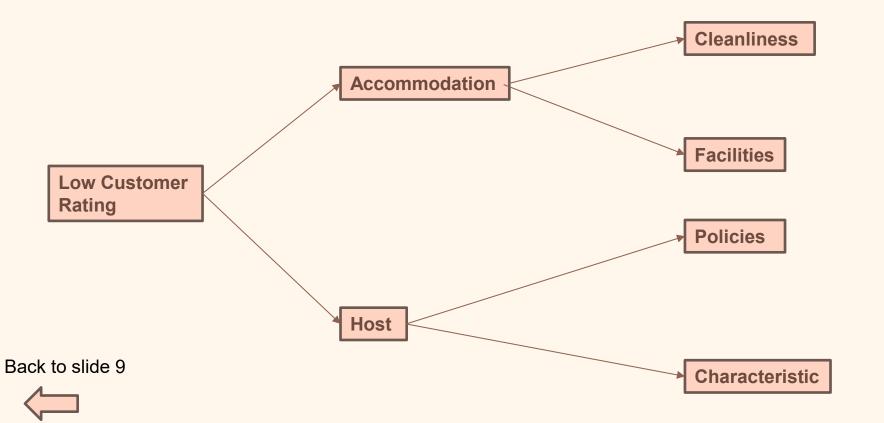
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Source <u>1</u>, <u>2</u>

Possible Root Cause





Problem Prioritization



Possible Root Cause	Hypothesis	Priority
Cleanliness	Dirty accommodation obviously drive away customer's satisfaction	Low (Relative Opinion)
Facilities from Accommodation	Less Facilities and capacities, certain room type, and high price per night will drive away customer satisfaction score.	High
Policies	Customer will be more satisfied if the accommodation impose flexible policies	High
Host' Characteristic	Unclear information of Host verification and slow response rate will impair customer's trust on the listing. Impairment of customer's trust may drag the satisfaction rate.	High

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STATISTICAL ANALYSIS



This analysis focus on Customer Rating Score, which have the details below

review_scores_rating

	. c. zan_oco. co u czg
count	51838.00
mean	94.03
std	7.87
min	20.00
25%	92.00
50%	96.00
75%	100.00
max	100.00

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dtype: float64

DATA CLEANING - DROPPING COLUMN



The columns first_review, name, description, host_since, thumbnail_url, instant_bookable, latitude, longitude, zipcode, Neighbourhood and Unnamed: 29 to Unnamed: 35 were dropped from the dataset to focus on analysis

No Duplicated Data found in Listing ID, which must be unique

Null data in 'last_review', 'number_of_reviews' are initially **removed** as Review Score will be invalid if both of them are 0, while null in **'bathrooms','bedrooms' and 'beds**' are **removed** subsequently

However, null data in Host Verification dan Response Rate can be imputed by 0

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DATA ADJUSTMENT



Adjusting data type for:

Host Response Rate (from Object to Float):

```
df['host_response_rate'] =
df['host_response_rate'].str.rstrip('%').astype('float64') / 100
```

Last Review (from Object to Datetime):

```
df['host_response_rate'] =
df['host_response_rate'].str.rstrip('%').astype('float64') / 100
```

