Reviving Airbnb NYC Business in the Post-Covid Period

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AGENDA

- ❑ Objective
- ❑ Background
- ❑ Key Findings
- ❑ Recommendations
- ❑ Appendix:
  - ▪ Data sources
  - ▪ Data methodology
 - ▪ Data model assumptions

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OBJECTIVE

- Improve our strategies to revive the business in the post-COVID period.

- Understand customer preferences and user experience trends for Airbnb NYC business.

- Provide early recommendations for new acquisitions and improving customer experience.

BACKGROUND

- The COVID-19 pandemic affected Airbnb business due to travel restrictions.

- The revenue took the largest hit in NYC in the Q2 of 2020.

- Now that the travel restrictions are lifted, the business should be operated to recover the loss.

LOCATIONS UNDER FOCUS
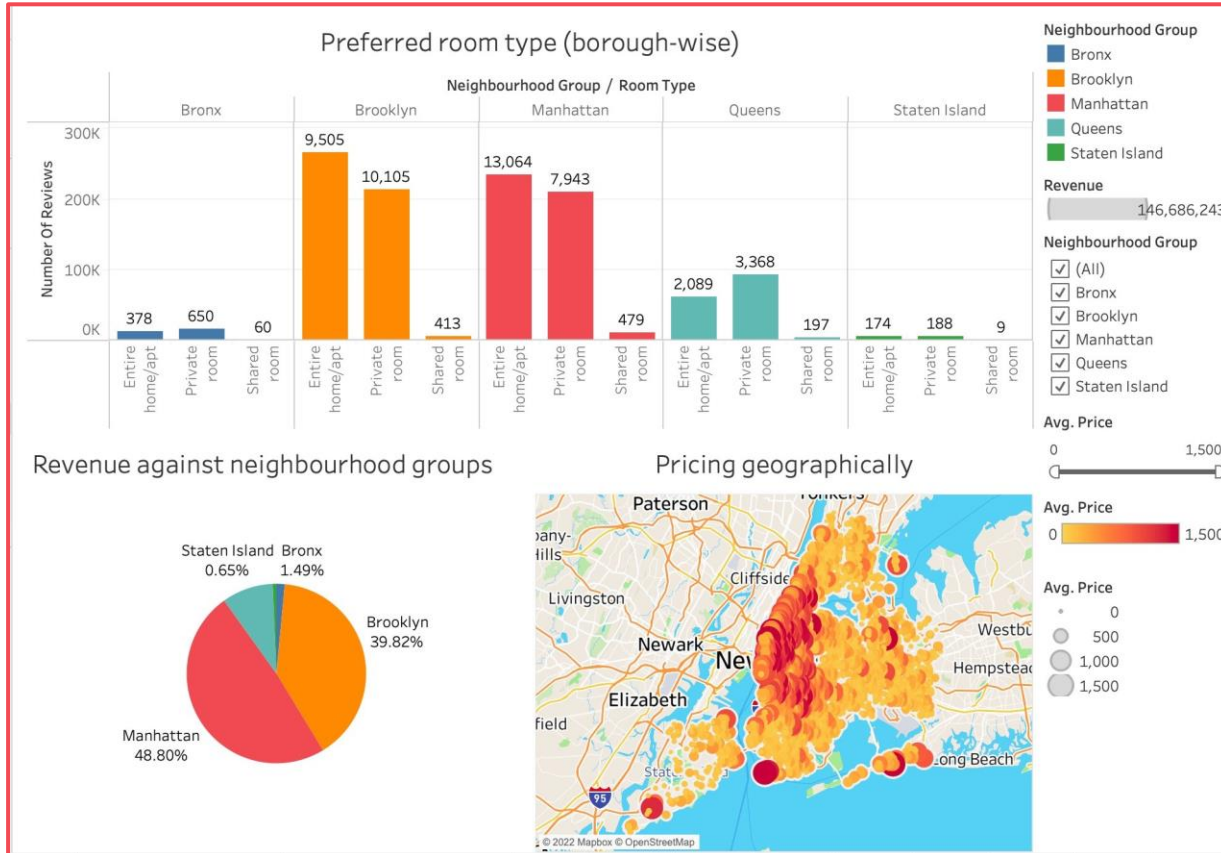
✓ Increase the number of listings (entire room/apt and private room) in Queens and Bronx due to its proximity to Manhattan and Brooklyn.

✓ Also, focus more on Staten Island by acquiring many Premium properties and also support the existing hosts to enhance their properties as it's potential is left untapped.

✓ Acquire more shared room properties in Manhattan and Brooklyn as customers prefer a lower price range in these boroughs.

CATERING TO CUSTOMER'S NEEDS
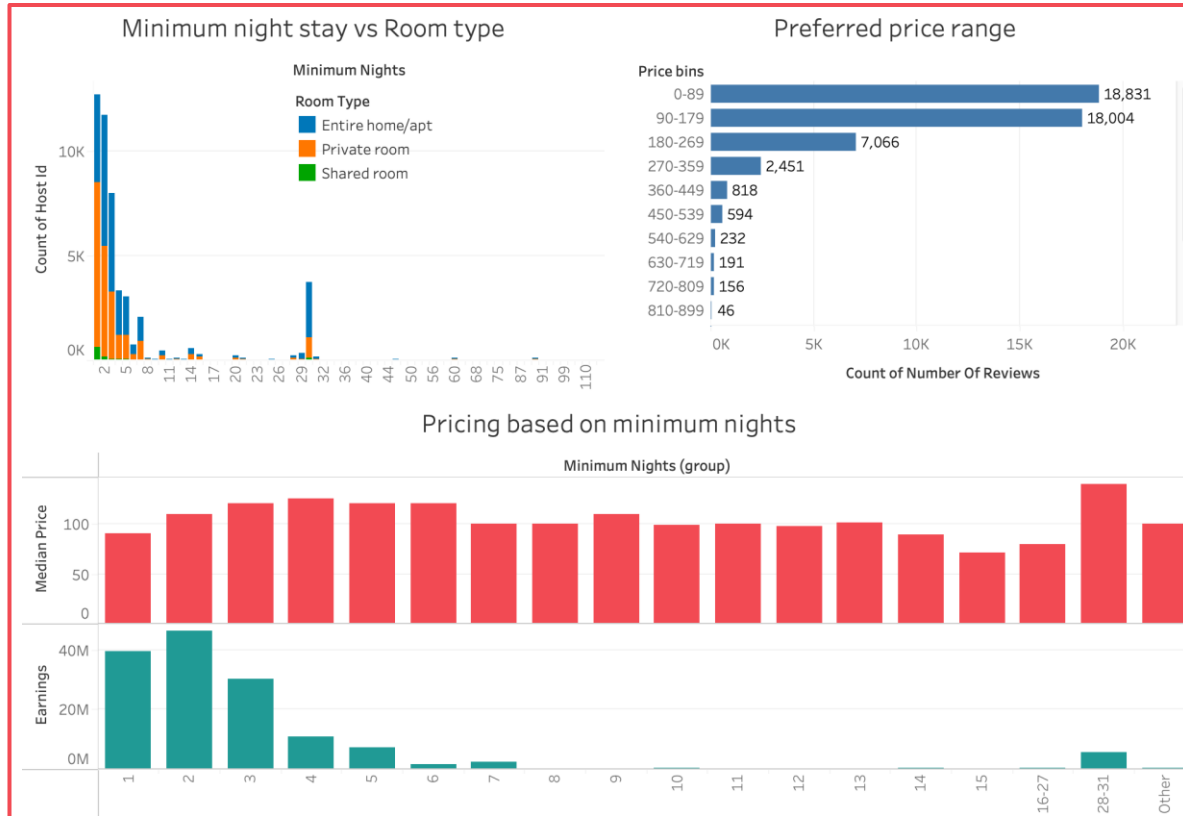
- ✓ In the past, it has been observed that majority of bookings are done for apartments, where the minimum number of nights is the least.

- ✓ It's observed that the median price is almost the same for all minimum night stay group. This might discourage customers to book Entire home/apt or private room type in expensive boroughs such as Manhattan and Brooklyn.

- ✓ Encourage hosts to offer lesser number of nights stay as it is the preferred one (less than 7 nights and a month stay). Also, discounts for lower minimum nights is an added advantage.

HOSTS AND THEIR LISTINGS
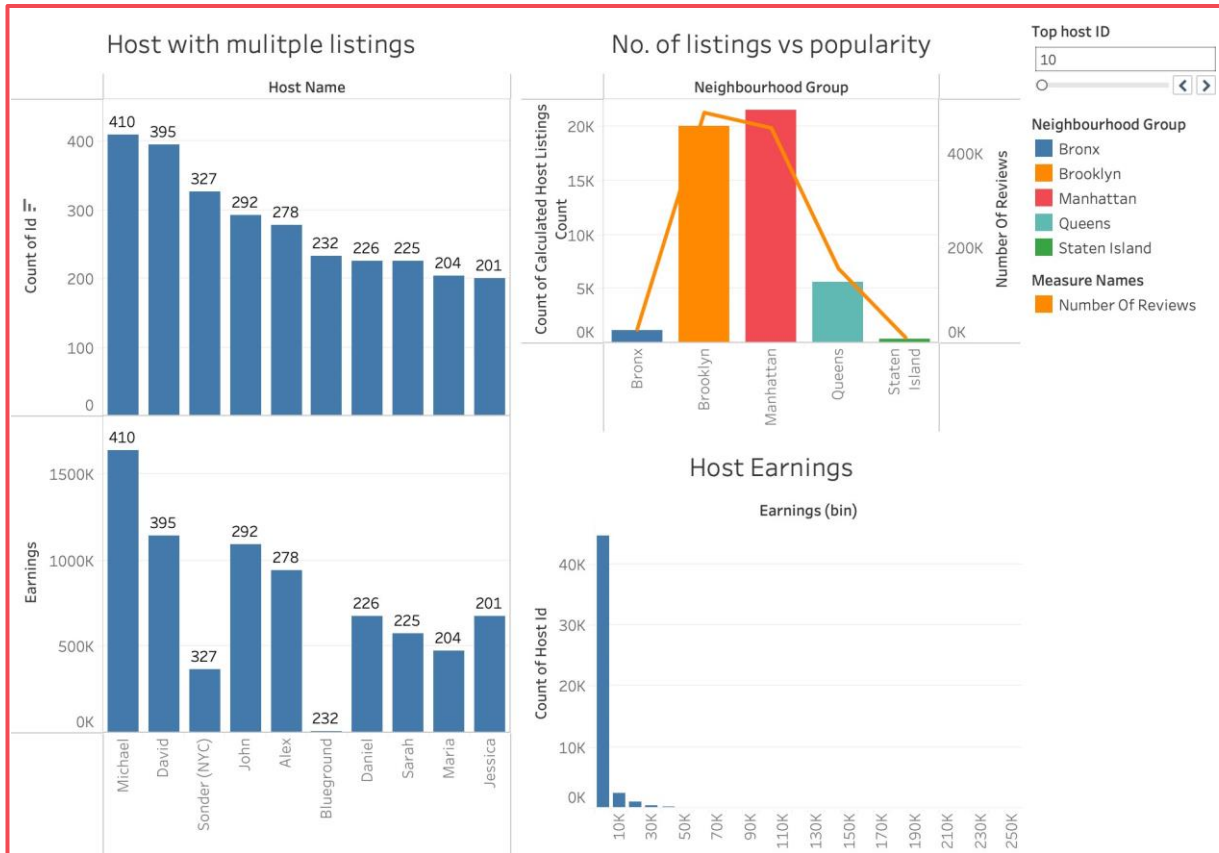
- ✓ **Higher number of listings by a host doesn't guarantee higher earnings.** Hence, it is highly recommended to improve the qualities of the properties such as cleanliness, digital facilities, food and other relevant facilities.

- ✓ **Bronx and Staten Island are the next fastest growing boroughs** as the others are completely occupied and also expensive for customers. Hence, we have the early bird advantage to utilize the potential.

- ✓ The **earnings of the hosts is completely skewed to left** between 0 to 30,000 USD. Hence, with the above mentioned findings we can declutter this trend.

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RECOMMENDATIONS

Prime Location: Increase shared room types in Manhattan and Brooklyn as it attracts more customers due to lower price of shared rooms and the scenic view of the borough.

Market Traction: Increasing the number of listings in Queens and Bronx (Entire home/apartment and private room) helps to attract more customers as it is closer to the prime location

Pricing: Preferred minimum night stay up to a week (7 nights) and a month(28-31 nights). Hence, introducing offers for such customers can increase traction.

Increase Listings: Staten Island should be given extra attention by increasing the number of listings especially the sea-side and supporting the hosts to improve the facilities.

Encourage Hosts: Hosts should improve the quality of their property especially in Entire home/apt and Private Room type as this attracts more customers and hence improves the reviews for the property.

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APPENDIX- OTHER INSIGHTS

- Acquiring premium properties in Manhattan and Brooklyn should not be prioritized as of now, due to high price.

- The majority of the listings are hosted by a single host each hence more support in terms of improving property quality should be extended.

- Acquiring more Sea-side properties in Staten Island and Bronx and converting them to private rooms can increase traction to these boroughs.

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DATA SOURCE

New York
Airbnb dataset

Column	Description
id	listing ID
name	name of the listing
host_id	host ID
host_name	name of the host
neighbourhood_group	location
neighbourhood	area
latitude	latitude coordinates
longitude	longitude coordinates
room_type	listing space type
price	
minimum_nights	amount of nights minimum
number_of_reviews	number of reviews
last_review	latest review
reviews_per_month	number of reviews per month
calculated_host_listings_count	amount of listing per host
availability_365	number of days when listing is available for booking

Data Dictionary

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DATA METHODOLOGY

- The data was cleaned from any missing values and outliers.

- The data was analysed using simple statistical tools in Jupyter.

- The visualizations were derived using the Tableau tool to understand key insights from the analysis.

- The methodology document is attached for your reference:

Methodology_Air
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MODEL ASSUMPTIONS

- We assumed the data prior to the COVID – 19 period was achieving the desired revenue.

- We assumed the company does not want to expand yet to new territories in NYC.

- The company's strategies are decided considering the travel will increased in the post COVID period.