Insights of Customer Preferences on Airbnb Homes

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<u>Agenda</u>

- Objective

- Background

- Key Findings

- Recommendations

- Appendix:

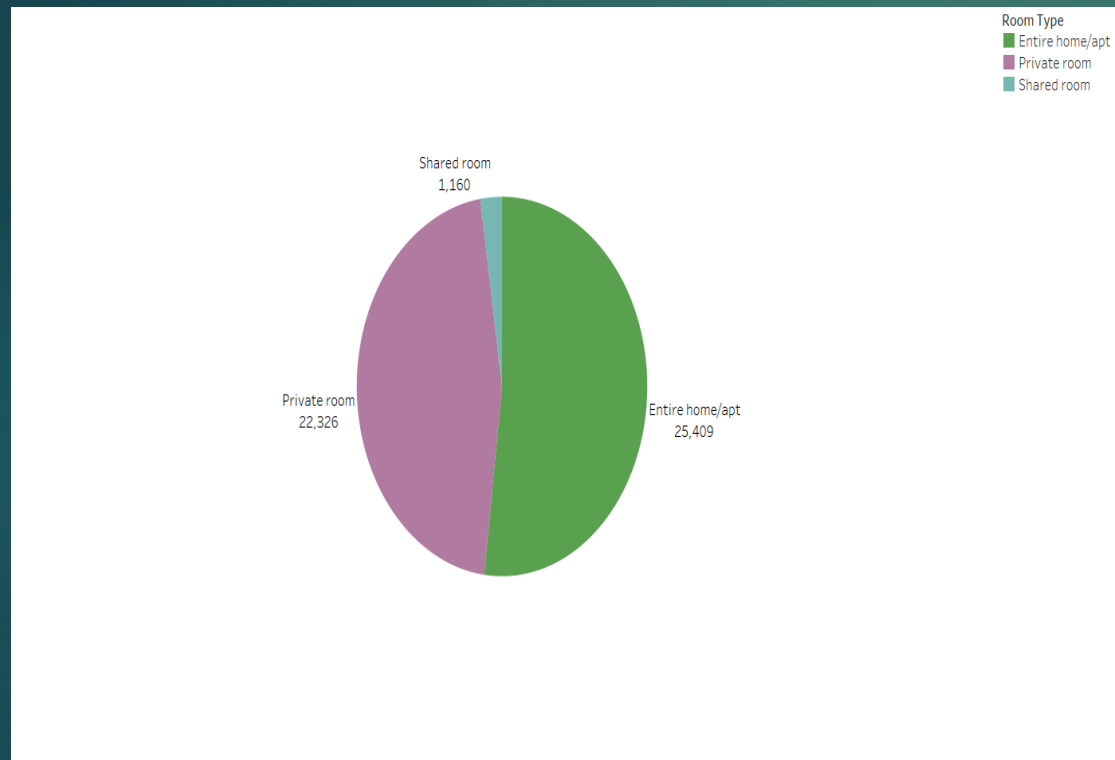 1. Data sources

  2. Data Methodology

  3. Data model assumptions

Objective

- Improve our understanding about the market conditions.
- Improve our understanding about our customers.
- Provide recommendations to our acquisition and operations team to be prepared for the changes post pandemic.
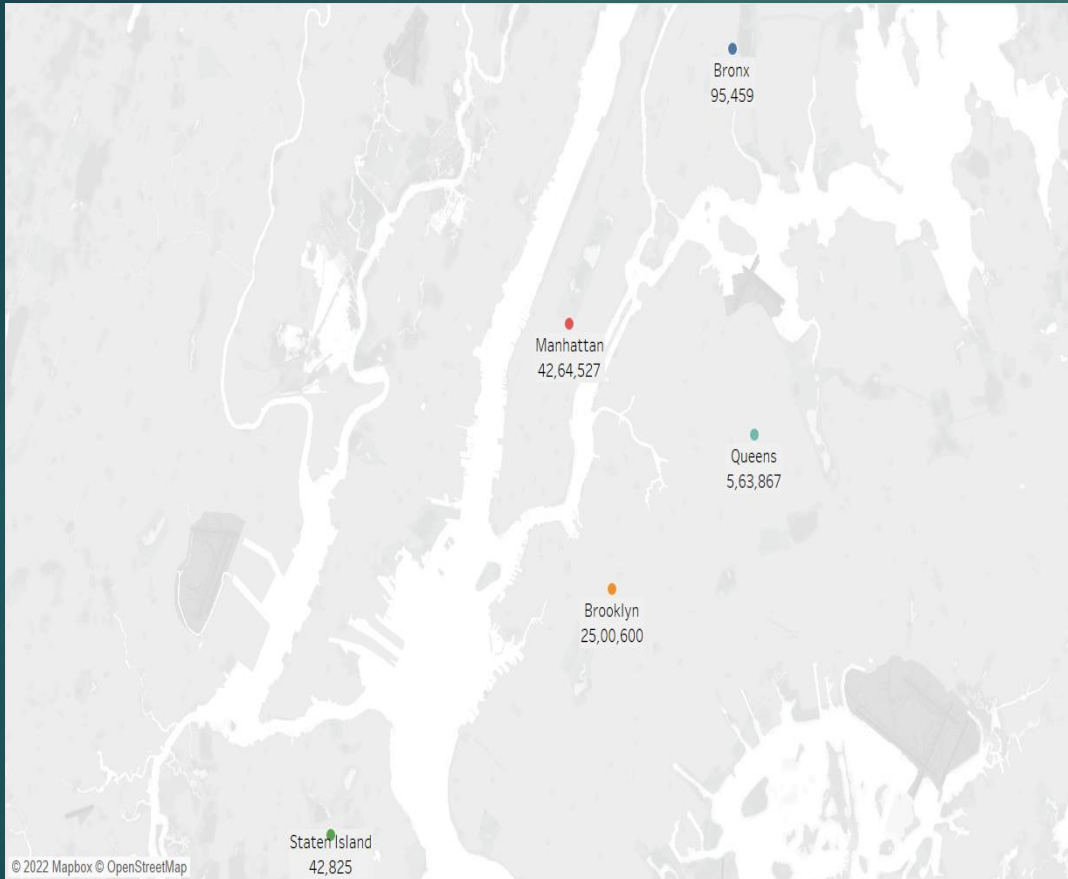
Background

- Major decline in revenue for the past few months due to the pandemic.
- Restrictions have started lifting around the country and world.
- People are travelling more as a result.

Host Listings per room type

Shared room
1,160

Private room
22,326

Entire home/apt
25,409

Room Type
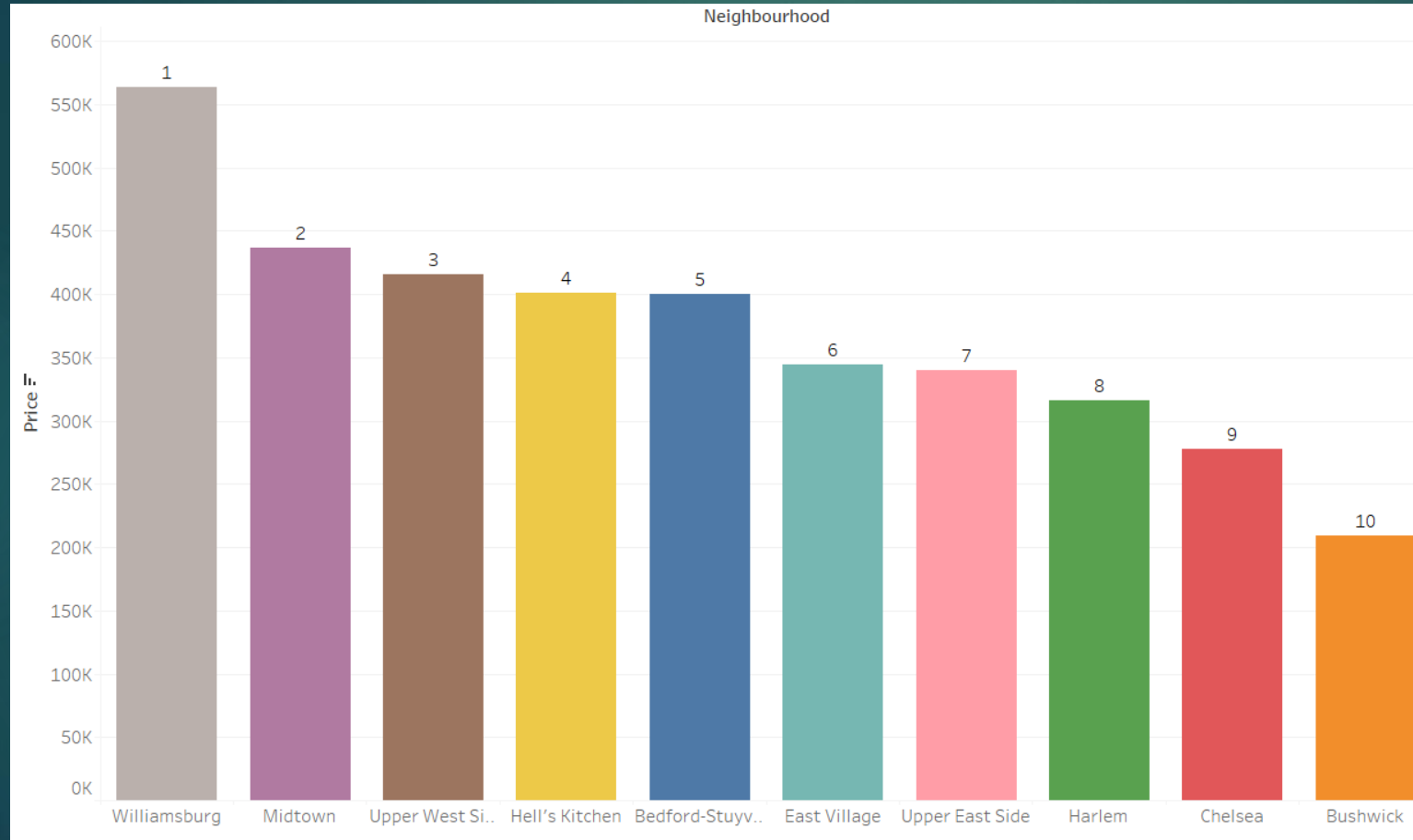Entire home/apt
Private room
Shared room

- ▶ There is more preference for Entire Home/Apartment and Private room among the three types.

- ▶ More than 25,000 listings are available in Entire home/apt category and around 22,000 listings in the Private room category.

- ▶ The listings of shared room are very low since people do not prefer this category.
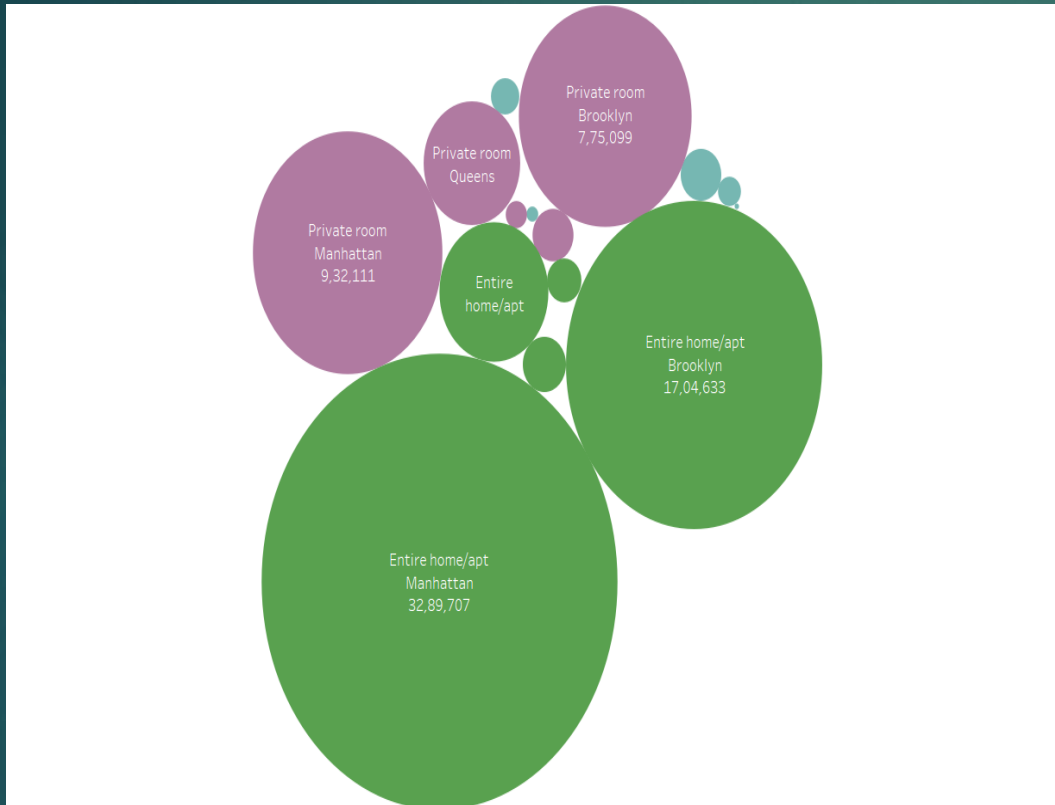
Overall Price of Neighbourhood groups

▶ The overall costliest neighbourhood group is Manhattan followed by Brooklyn.

▶ Queens is on a medium price range on an overall scale.

▶ Bronx & Staten Island are low on price but very less people visit those localities.

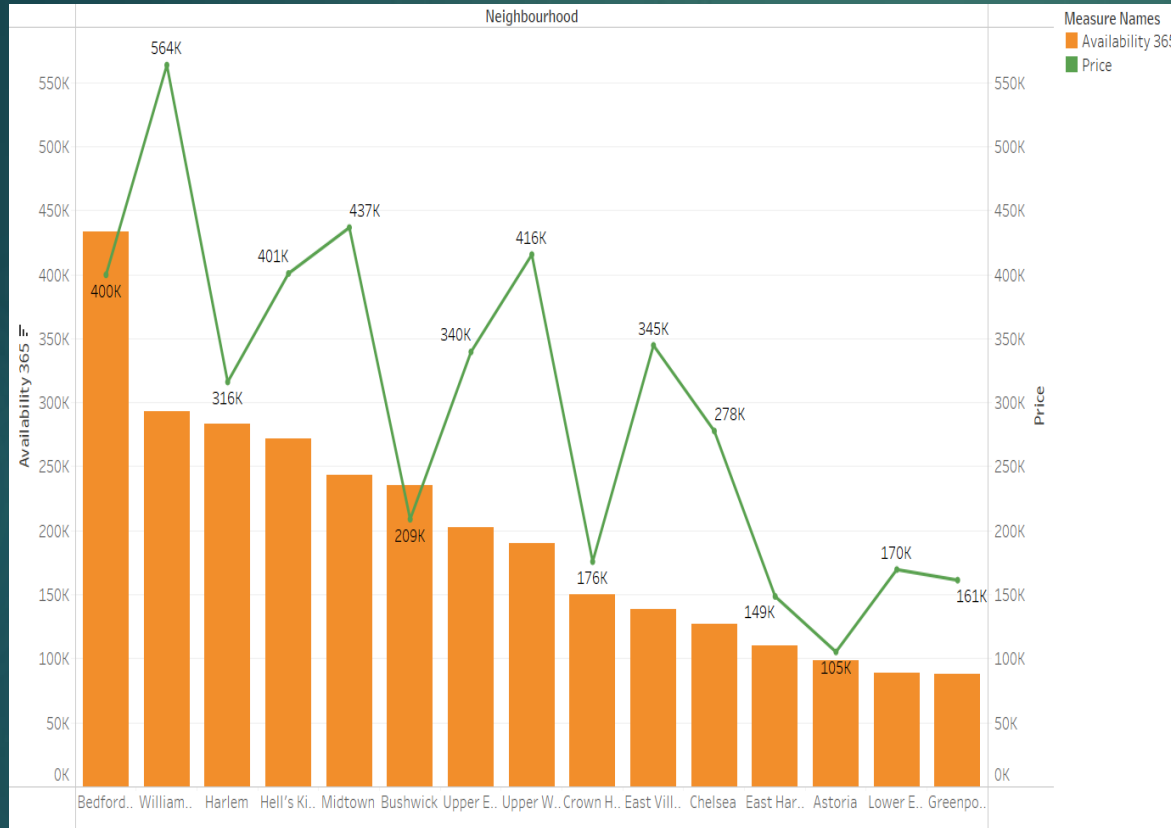# Ranking neighbourhoods by their overall prices

- These are the top 10 neighbourhoods according to overall price.

- Williamsburg is the costliest neighbourhood and is ranked top among them.

- People prefer Williamsburg and Midtown due to its ethnic communities and important landmarks even though the prices are high

Preferences of people on room types in various neighbourhood groups

- More people prefer to book Entire home/apt in Manhattan and Brooklyn.

- Private rooms are of similar yet lower importance than Entire homes in Manhattan & Brooklyn.

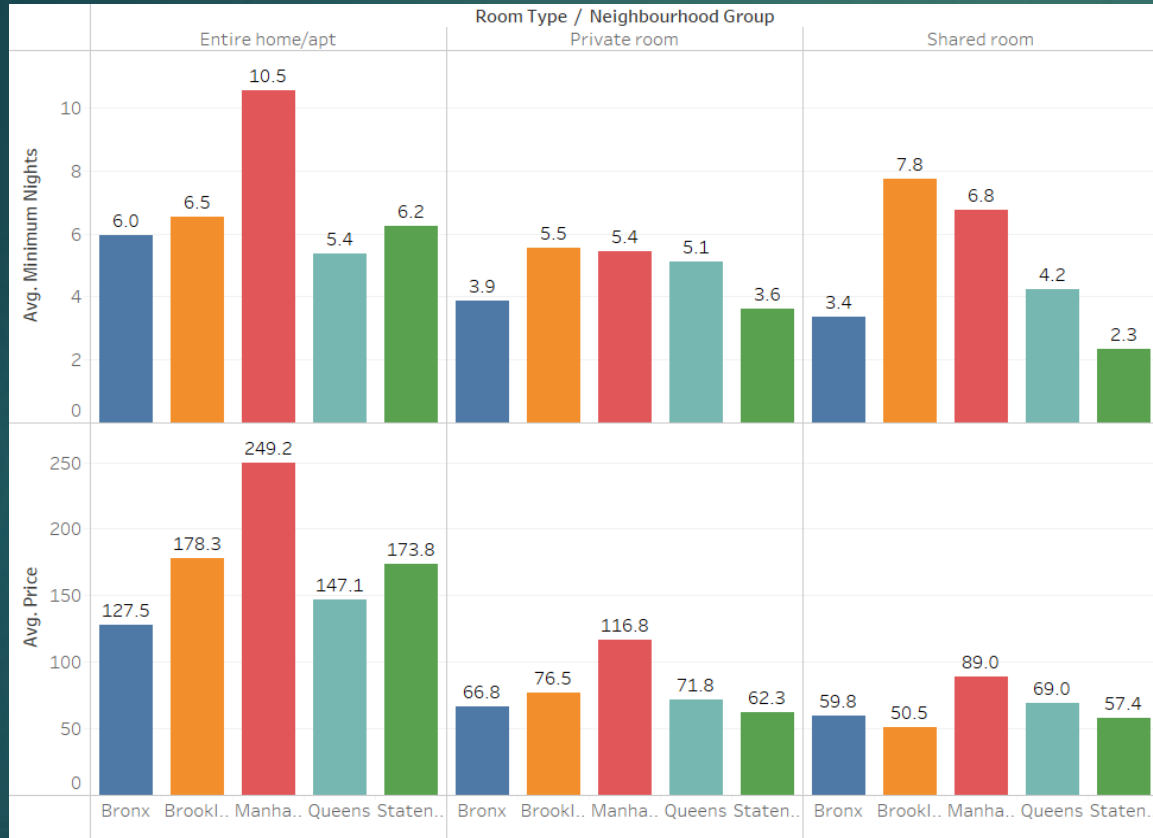- Shared rooms are of relatively low importance across the five neighbourhood groups.

Neighbourhood availability by price

- In terms of availability there are more rooms available in Bedford-Stuyvesant but is costly as well.

- Bushwick also has a good number of available rooms and in the affordable price range.

- People who need cheap rooms can prefer to stay in Bushwick and can also visit many parks and recreational centres.

Minimum Nights spent by customers

- People prefer to stay longer in Entire homes on an average followed by shared rooms.

- People stay longer in Manhattan in the entire homes category and in Brooklyn in the shared rooms category.

- The stay of people is around 5 days on an average scale in private rooms across neighbourhood groups.

Recommendations

▶ Reducing the prices of Entire homes in Brooklyn and Staten Islands to attract more people.

▶ Acquire more rooms in Queens neighbourhood group to attract more people since there are a considerable amount of reviews.

▶ Increase availability of rooms in Bedford and Williamsburg since more people visit these neighbourhoods too often.

Appendix: Data Sources

▶ Here is the snapshot of our data dictionary:

▶ Categorical variables like room_type, neighbourhood, etc.

▶ Numerical variables like price, availability_365, minimum_nights, etc.

▶ This data was taken using CRM tool of the Airbnb site.

Appendix: Data Methodology

▶ Used Tableau Desktop to visualize the data and obtain correct insights. Found outliers in the dataset but it did not have much impact on the insights.

▶ Used average of price and minimum nights wherever necessary for analysis purposes.

▶ Analysed the data using different columns based on price, minimum nights, availability_365, number of reviews, etc.

▶ Detailed methodology: Methodology.pdf

Appendix: Data Assumptions

▶ Used Number of Reviews to measure the popularity of the locations assuming them to be positive since there was no mention of positive or negative reviews.

▶ Used the average of minimum nights to find out how on an average people stayed in a particular location in a particular room type.

▶ Assumed that null values and outliers does not cause a noticeable impact in the analysis.

Thank You.