

Airbnb Business Case Study



- **Airbnb** is an up-and-coming home-sharing service. The company provides an online marketplace that connects people looking to rent their homes or rooms (hosts) with people who are looking for temporary accommodations (guests). Think of a smaller version of Airbnb with less than 100 employees!
- Your manager is Stevie, the Analytics Manager at Airbnb. Your manager reports to Johnny, the Chief Executive Officer (CEO).
- The CEO wants to expand to new cities with a marketing campaign that shows the value and benefits of being a host. The marketing team plans to create a nationwide campaign where they market a guide to teach potential hosts how to succeed with their first listing(s), and current hosts how to better succeed with their existing listing(s). Currently, there is no clear guide provided for hosts, only research based on qualities and actions that worked for Airbnb hosts (a company with a similar model and mission). Since Airbnb is a very young company, it has not had the resources to determine the qualities or actions that make their hosts successful.
- Airbnb does not have enough funding for this nationwide marketing campaign. The CEO plans to present the campaign to the company's investors and VCs with the hopes of securing funding. Airbnb is funded through a combination of investors¹ and venture capitals (VCs)².

1. Investors: A person or organization that invests money into something with the expectation of achieving a profit.

2. Venture Capitals (VCs): A type of financing that is provided by firms or funds to smaller, early-stage, emerging companies that seem to have high growth potential.

Airbnb Business Case Study (continued)



PATHSTREAM

- During a weekly team meeting, Stevie tells you that the CEO has encountered a problem with raising money for the marketing campaign. The investors and VCs will not fund the campaign until they are presented with data-based evidence on what traits (qualities and actions) make a successful host for Airbnb (versus for a similar company like Airbnb). They want to see data-based evidence specific to Airbnb.
- There has been a lot of data collected about each Airbnb host and their listings, but the marketing team needs help from a data expert (you) to explore and manipulate the current data. The CEO believes that one solution would be for the marketing team to collaborate with the analyst (you) to find these specific traits within Airbnb's data. However, the CEO is not sure that solution will be enough to convince the investors and VCs.
- The CEO is hoping that implementing subject matter expertise with marketing and analytics will help better guide the investigation. Airbnb would like you to find insights within the data and provide a data-based recommendation to identify successful host traits (qualities and actions) within the next two weeks. That data-based recommendation will be presented to the investors and VCs to convince them to fund the marketing campaign.