Strategic Insights for Growth

(An in-depth examination of New York City's Airbnb market)

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DS Course 4 cast study

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Objective & Agenda

Objective:
To derive actionable insights from NYC's Airbnb landscape for strategic growth.

Agenda:

✓ Dive into Host Acquisition & Customer Preferences.

✓ Explore Geographical Distribution & Temporal Trends

✓ Check Availability Distribution in the region.

✓ Summarize with Key Takeaways & Recommendations.

Introduction

The Current State of the Travel Industry

- The travel industry has been undergoing rapid transformation, with technology and sharing economy models leading the charge.
- Urban destinations, like NYC, have seen a surge in travelers seeking unique, local experiences over traditional hotel stays.

Airbnb's Challenge & Potential in NYC

- While NYC presents a vast market, the challenge lies in navigating a competitive landscape, regulatory hurdles, and ever-evolving traveler preferences.
- Airbnb's potential is immense, capitalizing on NYC's status as a global hub and the city's rich tapestry of neighborhoods, cultures, and experiences.

The Power of Data-Driven Decisions

- In an industry swayed by trends, seasonality, and external factors, data-driven decisions are pivotal.
- Leveraging data not only offers insights into traveler behavior but also uncovers growth opportunities, optimizes marketing strategies, and ensures Airbnb remains at the forefront of the shared accommodation market in NYC.
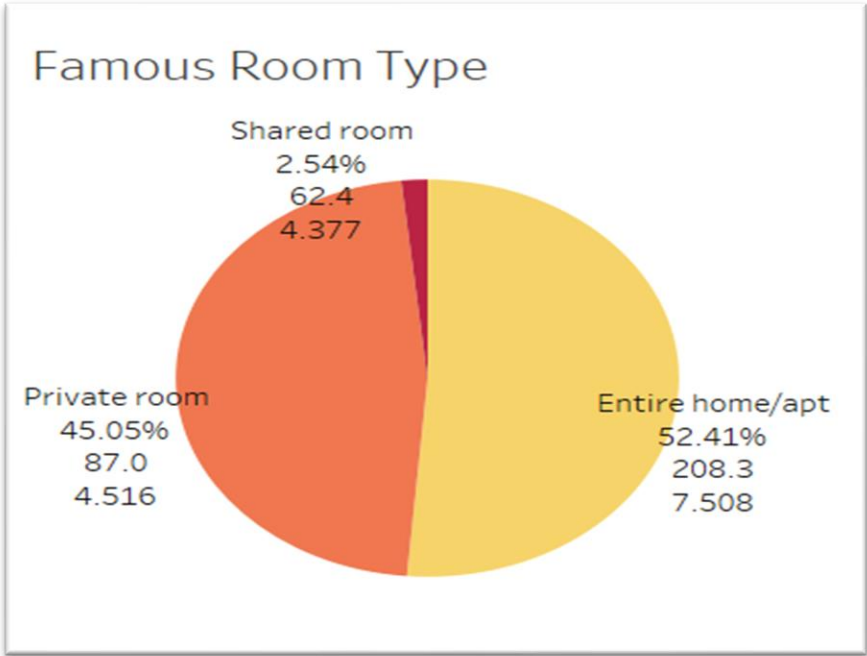
Customer Preference

Popular Neighborhood
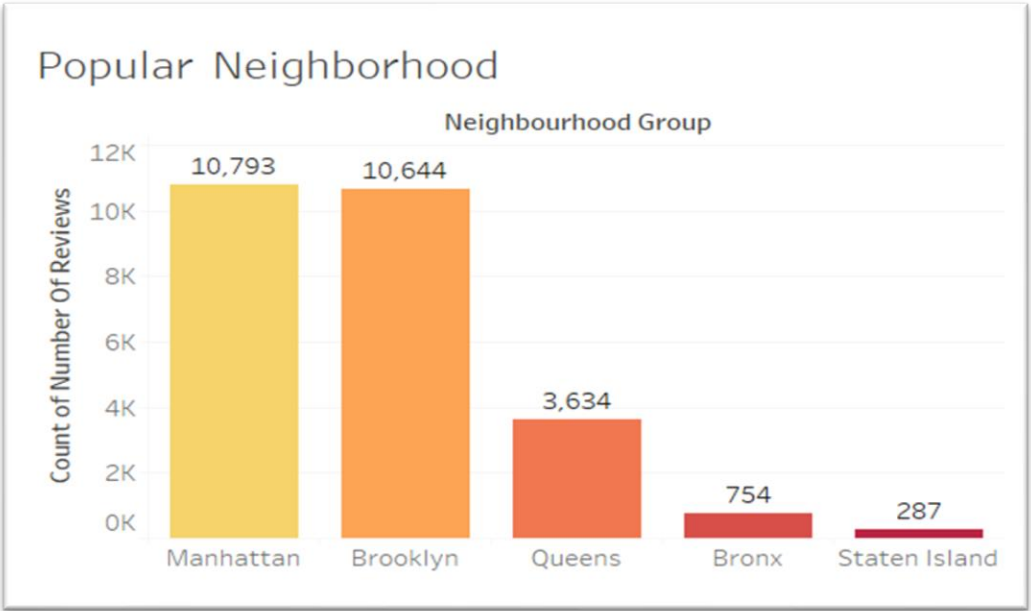
Popular Neighborhood:

Manhattan and Brooklyn are the famous neighborhood in New York. Both these accommodated more than 80% of total bookings in New York. Queens, Bronx, and Staten Island have considerably very small booked properties. We suggest acquiring more properties in these localities with better offers and discounts initial
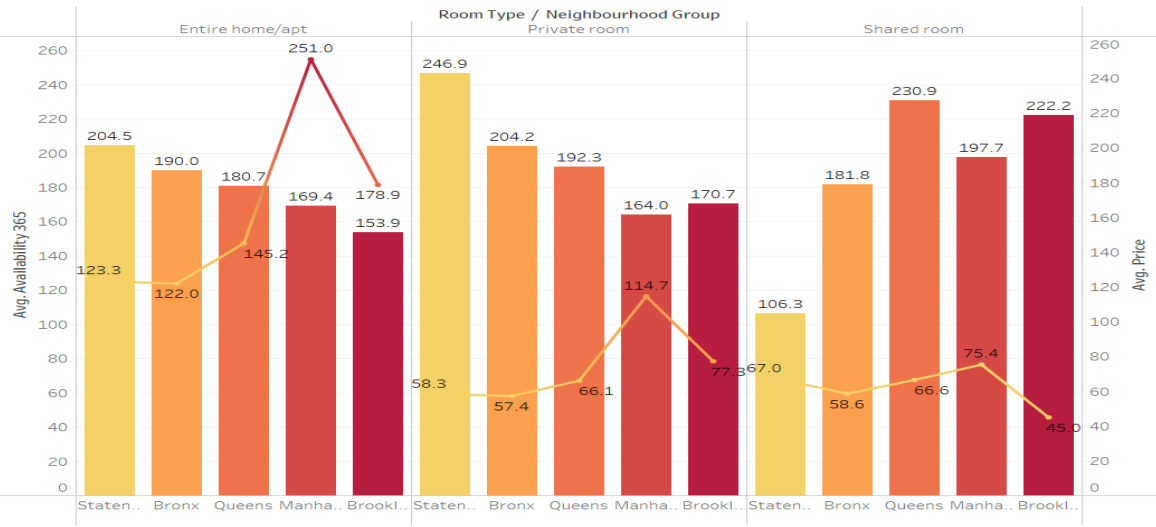
Popular Room Types:

Entire Home/Apartment is the most booked property with 52.45% of total bookings. Private Rooms are next with a whopping 45% and Shared Rooms have the lowest share with a minute 2.56%.We suggest acquiring more Entire home/apts and Private rooms and providing more discounts on the existing shared rooms.

Famous Room Type

Customer Preference

Avilability vs Price

Room Type / Neighbourhood Group

Entire home/apt — Staten.. 204.5, Bronx 190.0, Queens 180.7, Manha.. 169.4, Brookl.. 153.9; line values 123.3, 122.0, 145.2, 251.0, 178.9

Private room — Staten.. 246.9, Bronx 204.2, Queens 192.3, Manha.. 164.0, Brookl.. 170.7; line values 58.3, 57.4, 66.1, 114.7, 77.3

Shared room — Staten.. 106.3, Bronx 181.8, Queens 230.9, Manha.. 197.7, Brookl.. 222.2; line values 67.0, 58.6, 66.6, 75.4, 45.0
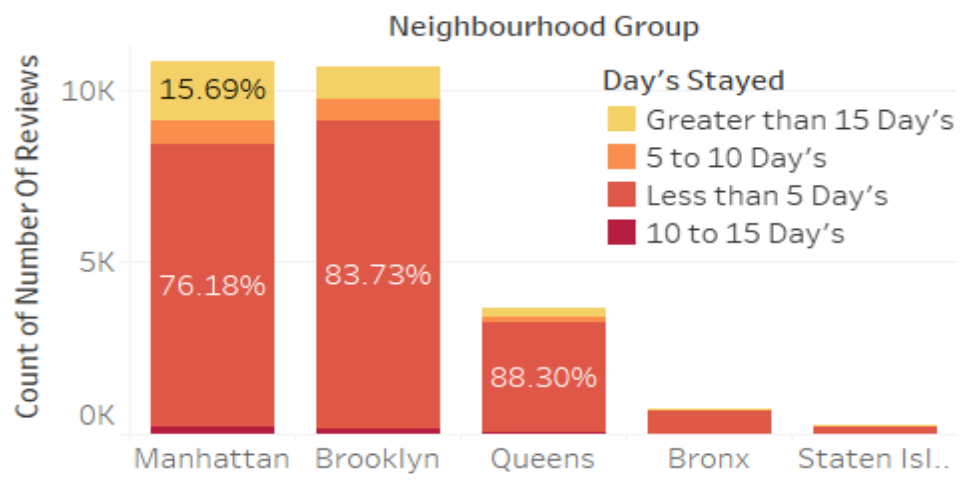
Popular Neighborhood Availability :

We can see the availability of each type of property listed in neighborhoods. Despite being more popular location Manhattan and Brooklyn have less average availability for bookings and its average cost is also high. If we increase the average availability for bookings in these then we can attain more revenue

Percentage of number of Day stayed

Neighbourhood Group

Day's Stayed
- Greater than 15 Day's
- 5 to 10 Day's
- Less than 5 Day's
- 10 to 15 Day's

Manhattan: 15.69%, 76.18%
Brooklyn: 83.73%
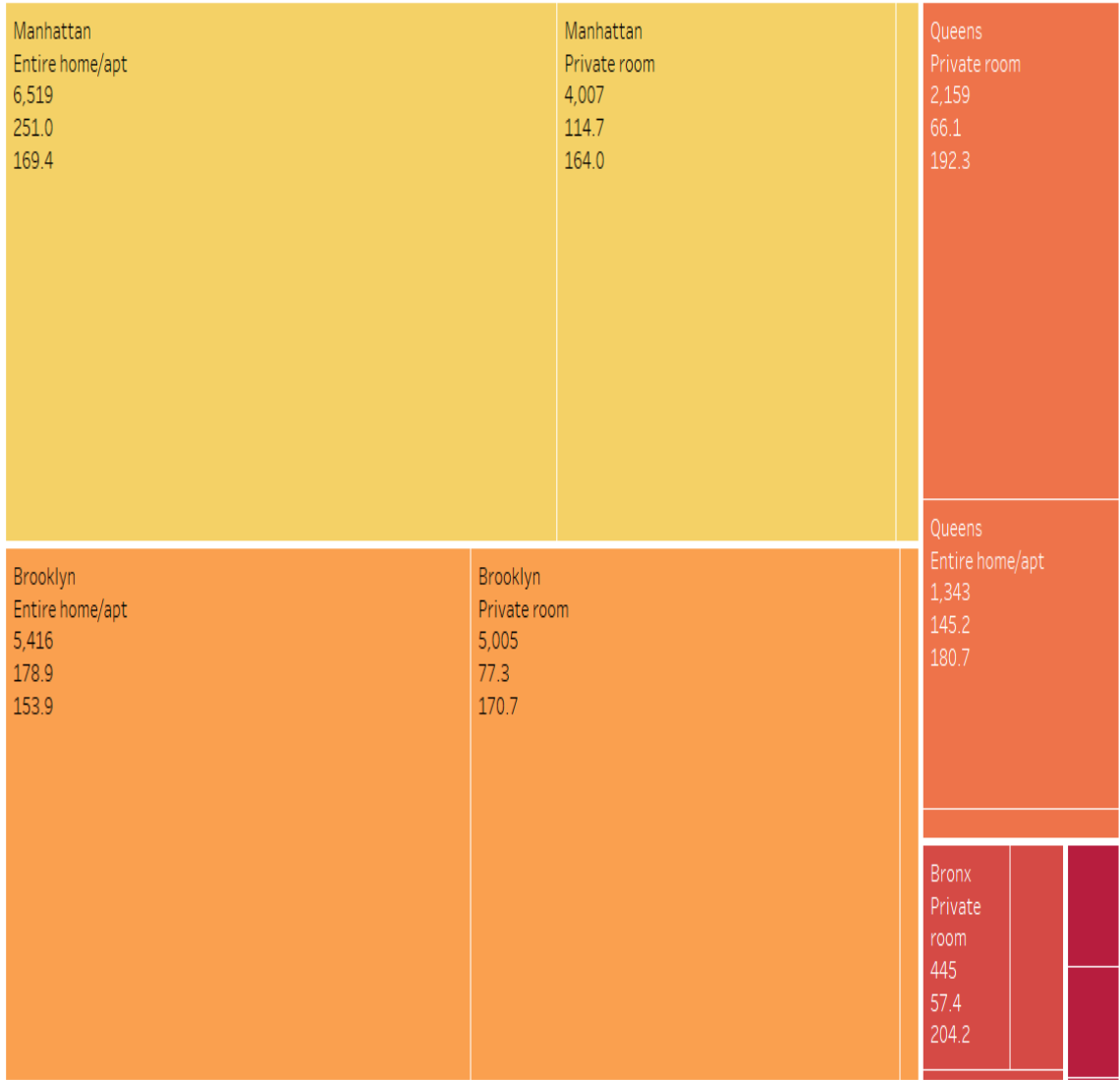Queens: 88.30%

Customer Preference Stay:

We can see that more than 75% people who booked rooms in all neighborhood prefer to stay less than 5 days. It seems that people prefer shorter stays in each location. There only 16% percent of people who stayed more than 15 day's in Manhattan and we can target these type of customers to create more revenue

Customer Preference

Neighbourhood vise room type

Manhattan Entire home/apt 6,519 251.0 169.4	Manhattan Private room 4,007 114.7 164.0	Queens Private room 2,159 66.1 192.3
Brooklyn Entire home/apt 5,416 178.9 153.9	Brooklyn Private room 5,005 77.3 170.7	Queens Entire home/apt 1,343 145.2 180.7
		Bronx Private room 445 57.4 204.2

**Popular Neighborhood Room Types :**

We can see that Entire Home home/apt is the most booked room type in Manhattan and Brooklyn. In Queens and Bronx Private Rooms are more popular than other room types.

We are able conclude one thing from above is that the people who are booking rooms in Manhattan and Brooklyn are not much concerned about price. But the people who booked rooms in Queens and Bronx are little more price sensitive than those who travel to other neighborhood.

We suggest that if we give discount in Queens and Bronx we can acquire more customers in that area and we need to add more Entire home/apt in Manhattan and Brooklyn

Geographical distribution:
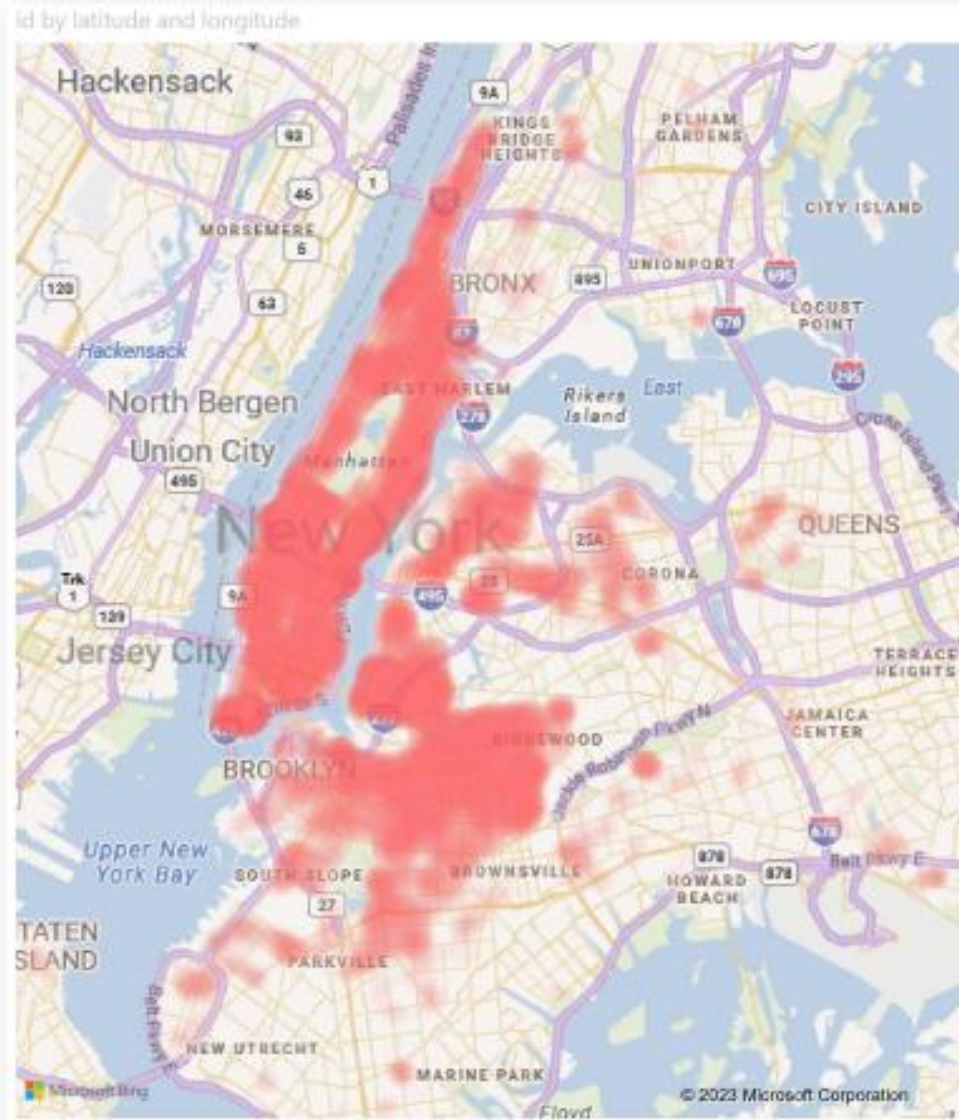
High-Density Areas:

Regions such as Manhattan, Brooklyn showcase a high concentration of Airbnb listings, signifying them as popular destinations for travelers. These areas, being travel hotspots, could be primary targets for intensified marketing campaigns.

Emerging Areas:

While central regions have a dense distribution of listings, peripheral areas like Ridgewood, Bronx are emerging as new hubs. Investing in promotional activities here could capture a growing market segment.

Strategic Placements:

The geographical spread of listings suggests that travelers have a wide range of choices in terms of location – from bustling city centers to quieter suburbs. Tailoring marketing strategies based on these preferences can lead to better engagement.

Key Takeaways:

Popularity & Demand: NYC's Airbnb landscape shows distinct patterns of demand. Seasonality plays a significant role, with summer months indicating peak activity. Additionally, certain neighborhoods emerge as hotspots due to their cultural richness, accessibility, or other unique selling points.

Pricing & Availability: The majority of listings fall within a specific price range, pointing to a market standard or expectation. Meanwhile, availability varies, with many listings being available year-round, while a substantial portion is rarely available, suggesting different strategies or purposes among hosts.

Growth Opportunities: There's a clear upward trend in reviews over time, signifying growing trust and popularity of Airbnb in NYC. The platform's potential in this bustling city remains vast, especially when strategies are aligned with observed trends and patterns.

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