

Impact of Customer Preferences while Booking on Airbnb

Agenda

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

Objective

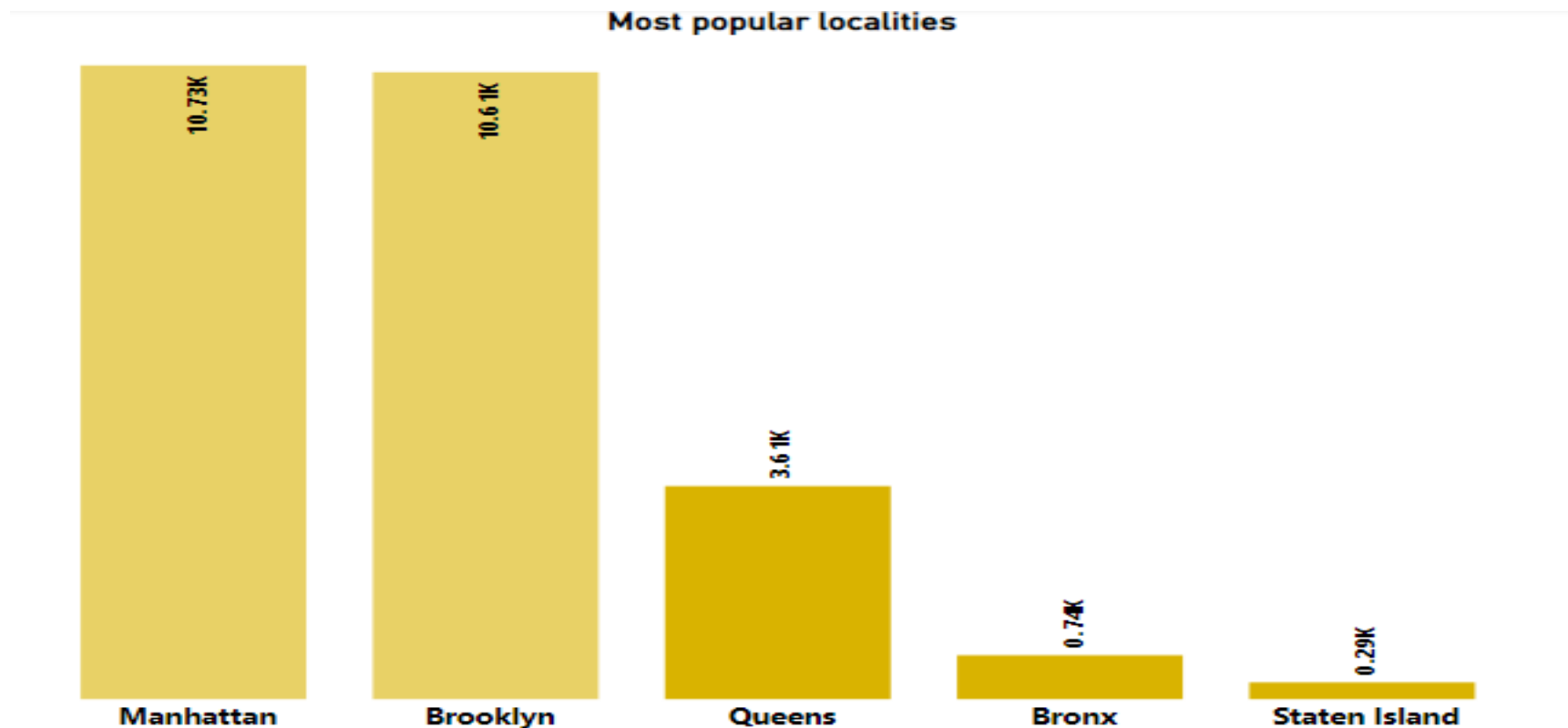
- ❑ Improve our shared understanding of the types of hosts to acquire.
- ❑ Improve our shared understanding of the categorization of our customers based on their preferences(neighborhoods, pricing ranges, kinds of properties, etc.).
- ❑ Understand how to get unpopular properties more traction.

Background

- ❑ For the past few months, Airbnb has seen a major decline in revenue due to covid.
- ❑ Now that the restrictions have started lifting and people have started to travel more, bookings are likely to happen.
- ❑ Airbnb wants to make sure that it is fully prepared for this change and excels in customer experience.

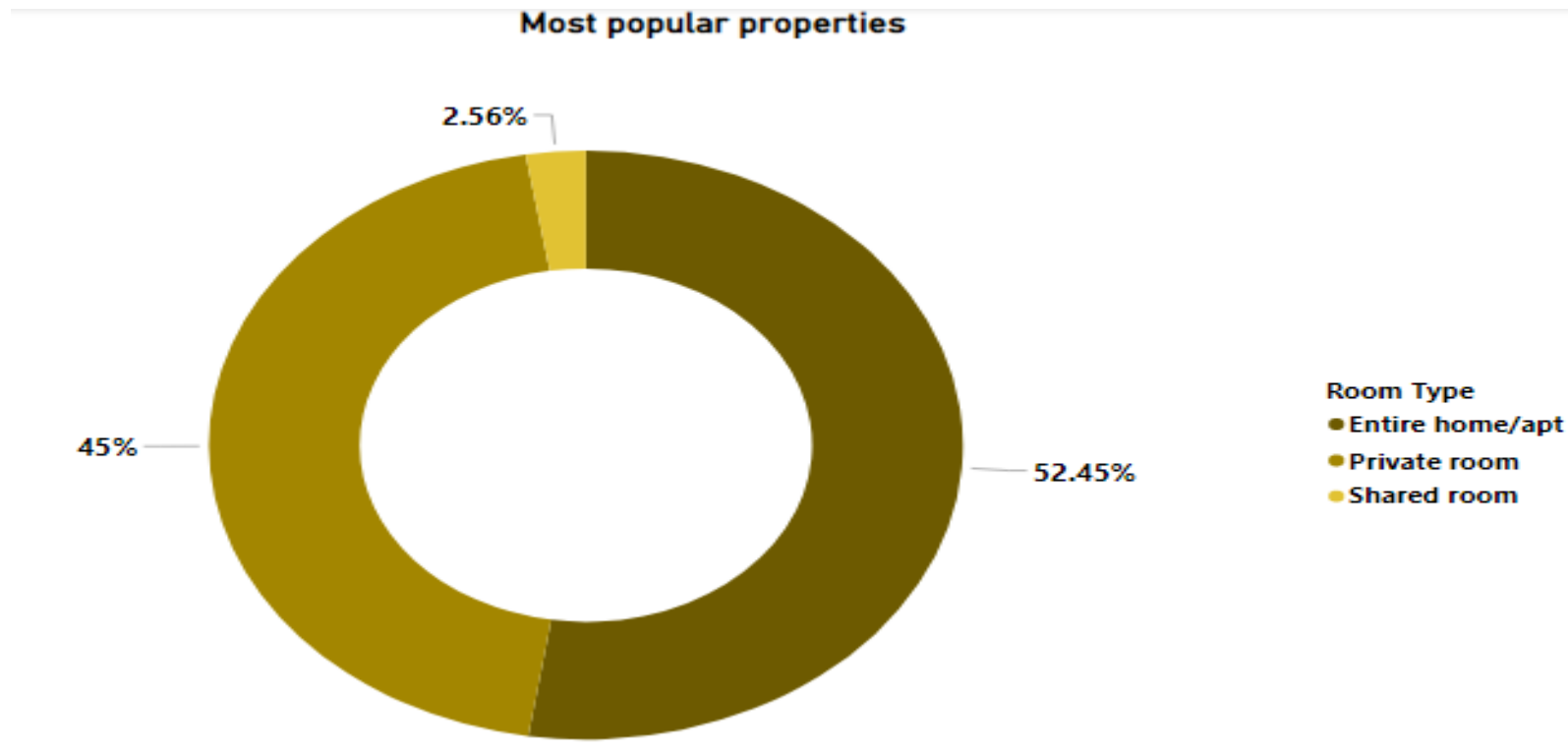
Manhattan and Brooklyn are excelling with most bookings

- ❑ Manhattan and Brooklyn are the most booked localities.
- ❑ Manhattan and Brooklyn acquire more than **80%** of booking share in NYC.
- ❑ Queens, Bronx, and Staten Island have considerably very small booked properties. We suggest acquiring more properties in these localities with better offers and discounts initially.



Entire home/apt is the customer favorite

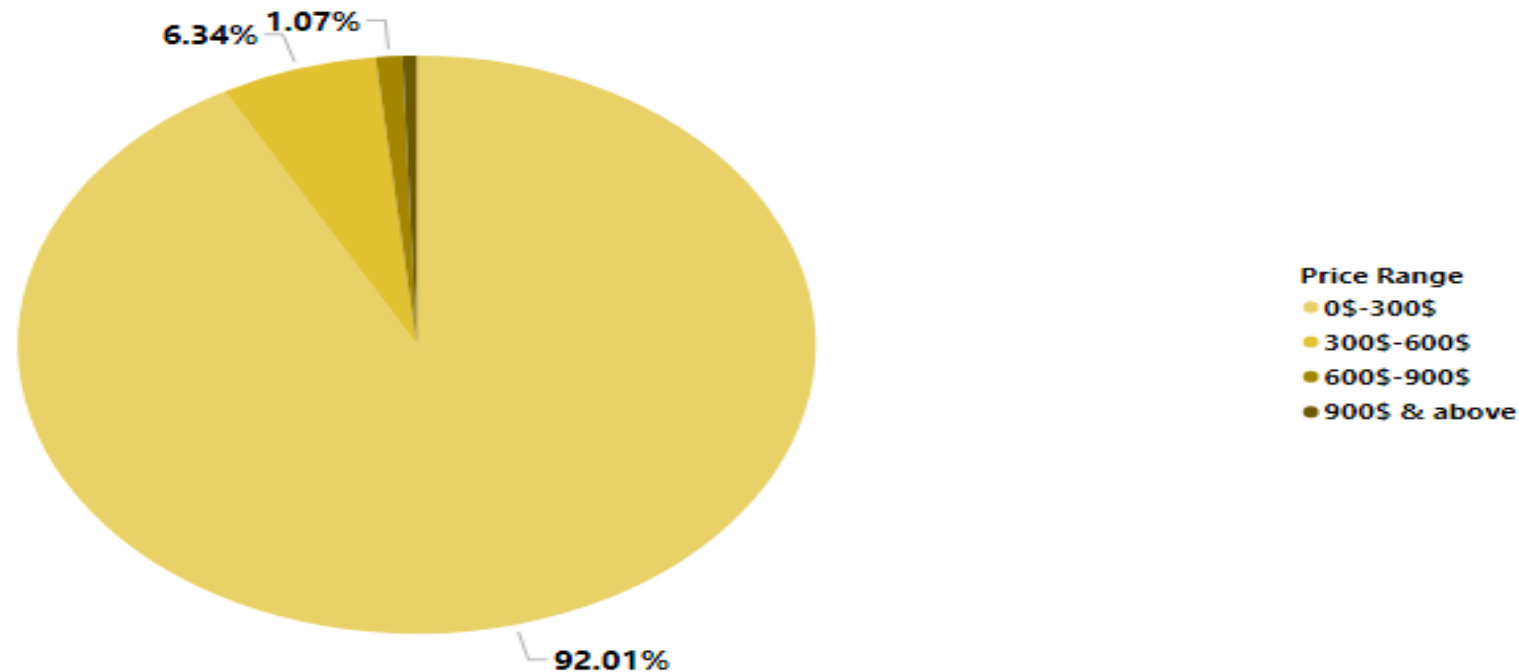
- ❑ Entire Home/Apartment is the most booked property with **52.45%** of total bookings.
- ❑ Private Rooms are next with a whopping **45%** and Shared Rooms have the lowest share with a minute **2.56%**.
- ❑ We suggest acquiring more Entire home/apts and Private rooms and providing more discounts on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



Customers prefer booking less expensive properties

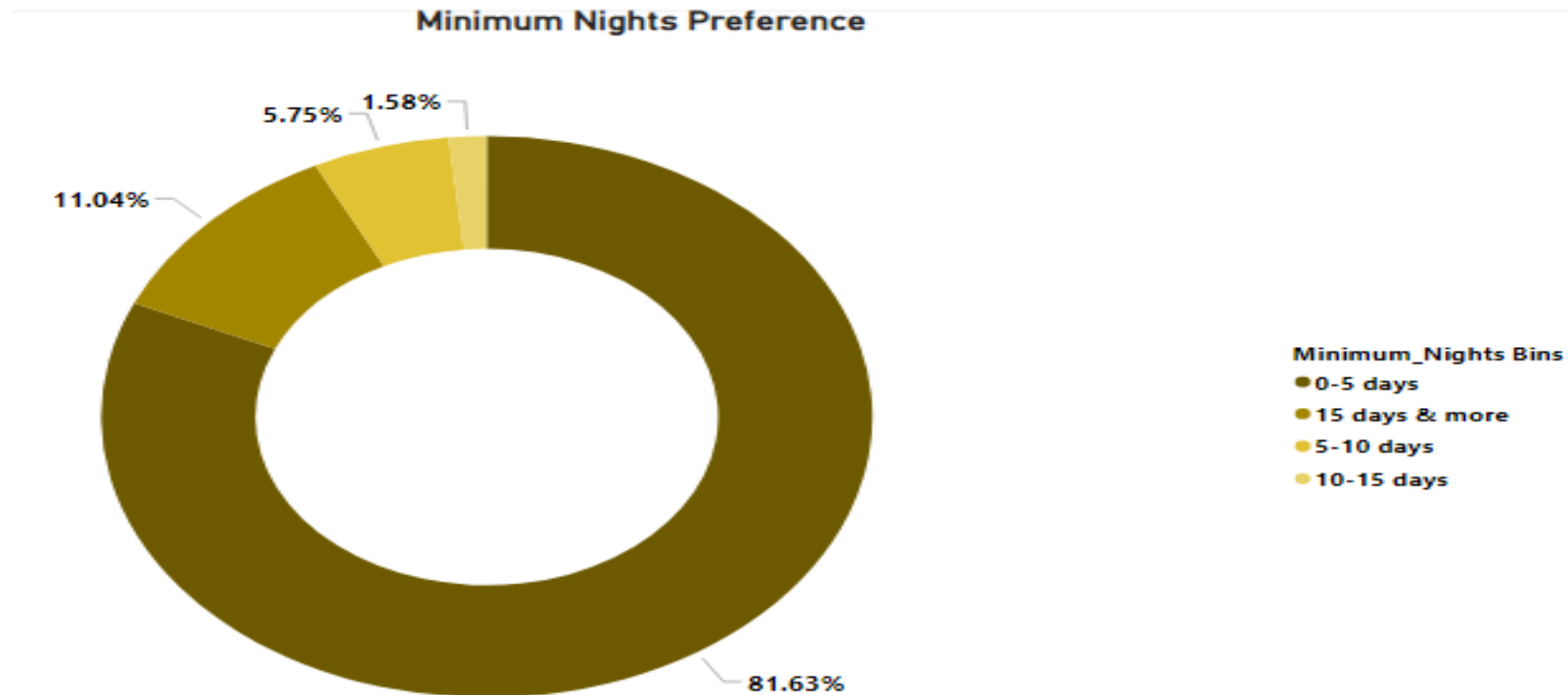
- ❑ More than **92%** of bookings were done for rooms ranging up to a maximum of **300\$**.
- ❑ With pricing between **300\$ to 600\$** taking the second position with **6.92%**. Above **600\$** it is just **1%** and above **900\$** is less than **1%** preferred.
- ❑ Acquire more properties that aren't too expensive. Also, keep a check on the website listings where hosts have unconvincing expectations with high rent, negotiate with such hosts to bring down rent.

Pricing ranges preferred by customers



Most customers prefer stays shorter than a week

- ❑ Majority of customers preferred to stay for **0 to 5 days** with **81.63%**.
- ❑ Surprisingly the second was **15 days or more** with **11.04%**.
- ❑ Negotiate with hosts for which the minimum nights requirement to book is too high. Such properties are usually neglected by customers, they look for flexibility.



Recommendations

- ❑ Focus on Hosts which are providing **stays shorter than a week or a maximum of 4 weeks**.
- ❑ Acquire hosts whose prices are in the range of **0-500** dollars.
- ❑ Acquire more Entire Apartment and Private room hosts than shared rooms.

Appendix - Data Sources:

- ❑ Here is a snapshot of our data dictionary:
 - Property demographics such as neighborhood, neighborhood group, latitude, and longitude.
 - Room information such as name, type, minimum nights, and room price.
 - Customer likeliness attributes such as the number of reviews, last review, etc.
- ❑ The team used the following data sources:
 - Airbnb listings data for New York City
 - Customer feedback data for the listings

Appendix - Data Methodology

- ❑ We conducted a thorough analysis of the Airbnb data. The process included:
 - Cleaning and transforming the data set using the Power BI tool.
 - Exploratory data analysis using the PowerBI tool.
 - The **Methodology document file** has been included separately with a detailed Data Cleaning, Data Preparation, and Data Visualization process.

Appendix - Data Assumptions

- ❑ There were certain assumptions made due to data unavailability:
 - We assumed that only the listings which had been reviewed were booked.
 - If the availability is zero for any listing then it is not available for booking.
 - If the prices for listings were zero then they were not a genuine listing/property.