Strategies for Airbnb Business post covid

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AGENDA

o **Objective**

o **Background**

o **Key Findings**

o **Recommendations:**

o **Appendix:**

        o Data Sources

        o Data Methodology

        o Data Model assumptions

<u>OBJECTIVE</u>

❑ Strategies for post pandemic recovery of business.

❑ Understand customer preferences and user experience trends for Airbnb NYC.

❑ Provide recommendations for acquisitions and better customer experience.

BACKGROUND

❑ In the Covid-19 pandemic period , the Airbnb business suffered a lot due to travel restrictions.

❑ Airbnb suffered a major decline in revenue.

❑ With restrictions being lifted , the business should be ready for the change and revive.
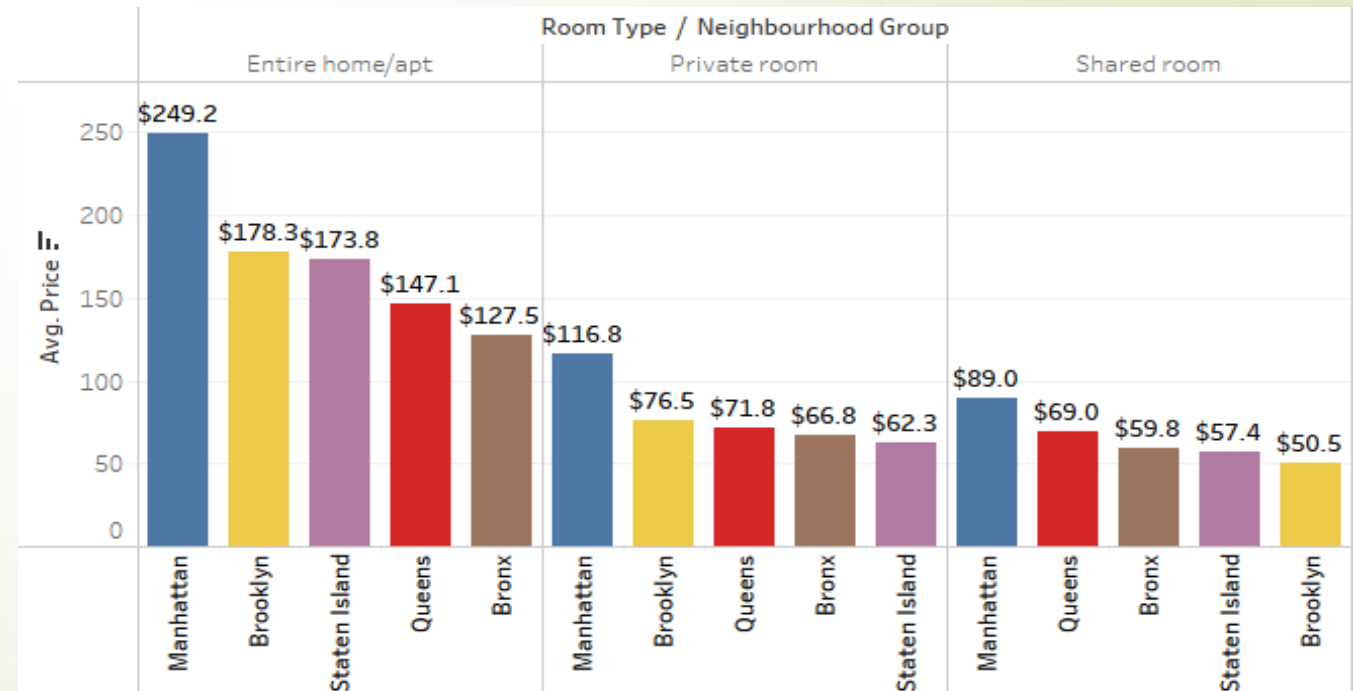
Acquisition of Properties in Bronx

❑ Target **premium properties in Bronx** as they are least expensive and have highest average reviews.

❑ Also acquire **properties in Brooklyn** as the average reviews of properties is better considering Brooklyn has second highest number of listings.

❑ The properties in Manhattan are the most expensive while in Bronx are the least expensive.

Review vs Price

Manhattan 21.0 | Queens 27.7 | Avg. Price $87.5 — $196.9
Brooklyn 24.2 | Bronx 26.0
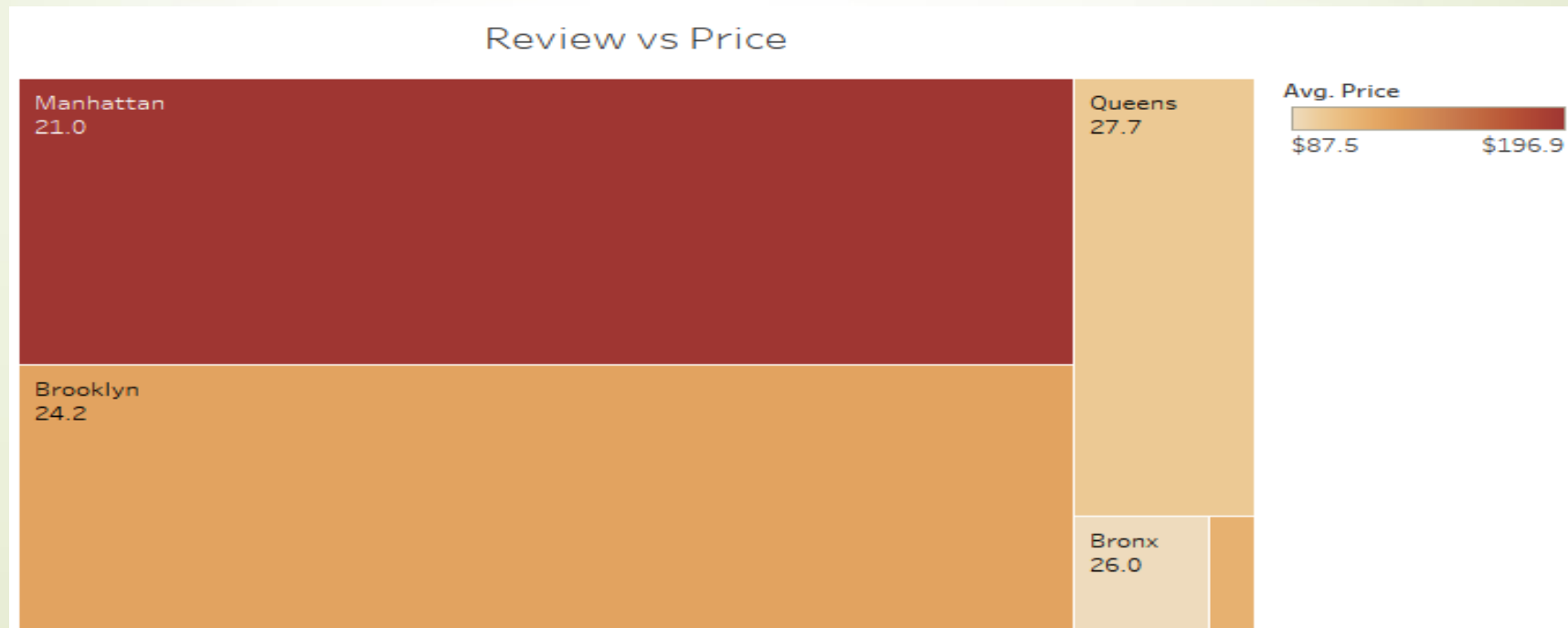
Targeting Hosts offering Least Min Night Stay

❑ Hosts which offer least minimum night stay are the most reviewed hosts.

❑ These hosts allow a minimum night stay of **1 to 5 nights ,** they mostly own private room or shared rooms.

❑ Target **private rooms and shared rooms in Bronx** as they are fairly cheaper.

Host Name	Room Type	Neighbourhood Group	Minimum Nights	Price
Agnes	Private room	Manhattan	2.0	$145.0
Asa	Entire home/apt	Brooklyn	1.0	$160.0
Carol	Private room	Manhattan	2.0	$99.0
Dennis & Naoko	Entire home/apt	Queens	5.0	$99.0
Dona	Private room	Queens	2.0	$94.0
Jj	Private room	Manhattan	3.0	$147.0
Lloyd	Shared room	Queens	1.0	$39.0
Maya	Private room	Queens	5.0	$213.0
Miss Dy	Entire home/apt	Queens	1.0	$49.0
Wanda	Private room	Brooklyn	3.0	$60.0

Room Type / Neighbourhood Group

Entire home/apt — Manhattan $249.2, Brooklyn $178.3, Staten Island $173.8, Queens $147.1, Bronx $127.5
Private room — Manhattan $116.8, Brooklyn $76.5, Queens $71.8, Bronx $66.8, Staten Island $62.3
Shared room — Manhattan $89.0, Queens $69.0, Bronx $59.8, Staten Island $57.4, Brooklyn $50.5

Customer Prefer Entire Home./Pvt Rooms

❑ Customers preferred **Entire Home/Apt or Private room** among all the three room types.

❑ Entire home/Apt and Private room account for **most reviewed room types** by the customers(around 98%).

❑ Also Most of the Entire home and Private rooms are listed in **Manhattan** or **Brooklyn** location.
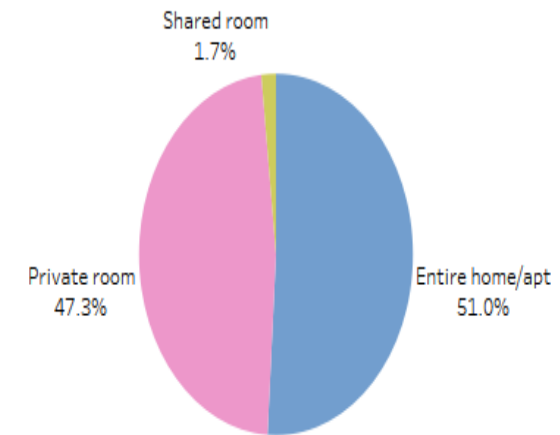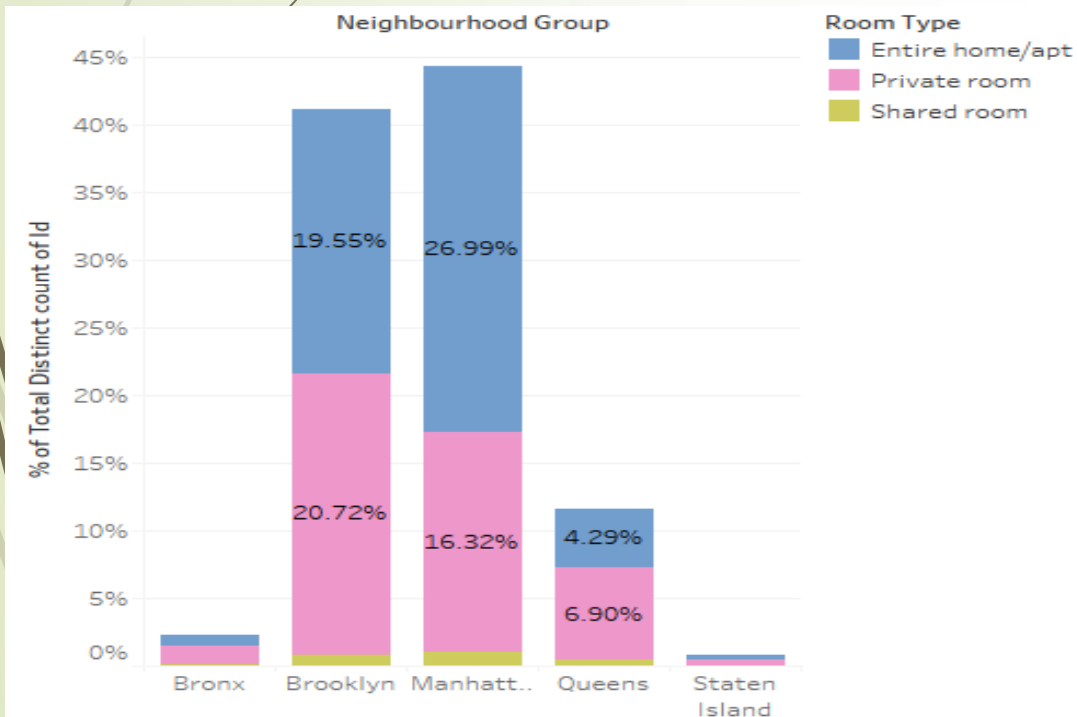
RECOMMEDATIONS

❑ **Property Adjustment** : Since most of the customers preferred Entire Home and private rooms , we could work with hosts to make adjustments to the listings and list more private rooms to drive more demand post covid.

❑ **Property Acquisition** : Acquiring Premium properties in Bronx so that they can get optimal amount of traction as they are most available.

❑ **Minimum Night stay** : Targeting host that offer less minimum night stay requirements to attract more customers.

❑ **Discounts** : The pricing in Manhattan area in most expensive but they also have maximum number of listings. So we could work with the hosts to give out more discounts to attract more customers in Manhattan area.

APPENDIX – DATA METHODOLOGY

❖ We Conducted through Exploratory Analysis of the Airbnb dataset in Tableau. The CSV file when uploaded to Tableau contained 49k records approximately.

❖ There are Missing values in reviews column, but nothing major to affect the analysis.

❖ Customer Preferences and user experience was analysed based on :

- Number of reviews

- Price

- Area Preferences

- Listing Preferences

APPENDIX –DATA ASSUMPTIONS

❑ We assumed that prior to the restrictions the company was achieving desired revenue.

❑ The next steps for reviving the business is based on the assumptions that travel would increase once restrictions are lifted.

❑ The dataset is assumed to be free of outliers.