

REVENUE INCREASE OF AIRBNB NYC

FOR: HEAD OF ACQUISITIONS AND OPERATIONS, NYC || HEAD OF USER EXPERIENCE, NYC:

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AGENDA:

- Objective
- Background
- Key Findings
- Recommendations
- Appendix
 - Data Attributes
 - Data Methodology
 - Data Assumptions

OBJECTIVE

- Improve our understanding about market conditions
- To understand more about customers and their booking patterns
- Provide recommendations based on the Insights to various departments to have them ready for post pandemic

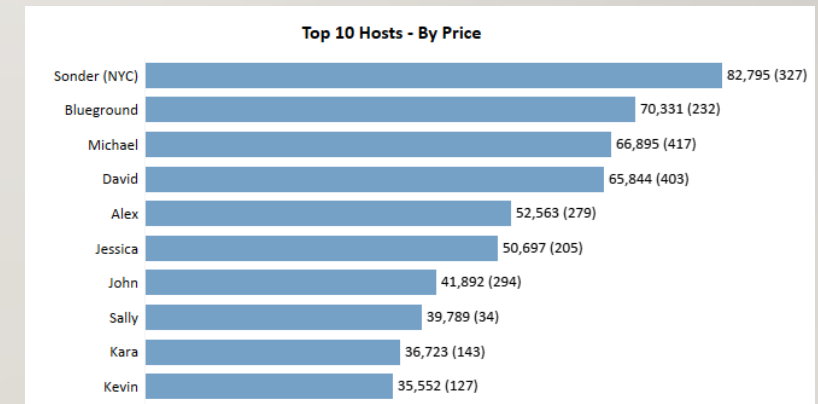
BACKGROUND

- Significant declines in the revenue for the past few months due to pandemic
- Restriction as being lifted
- People would be travelling more due to no restrictions

TOP HOSTS BY PRICE

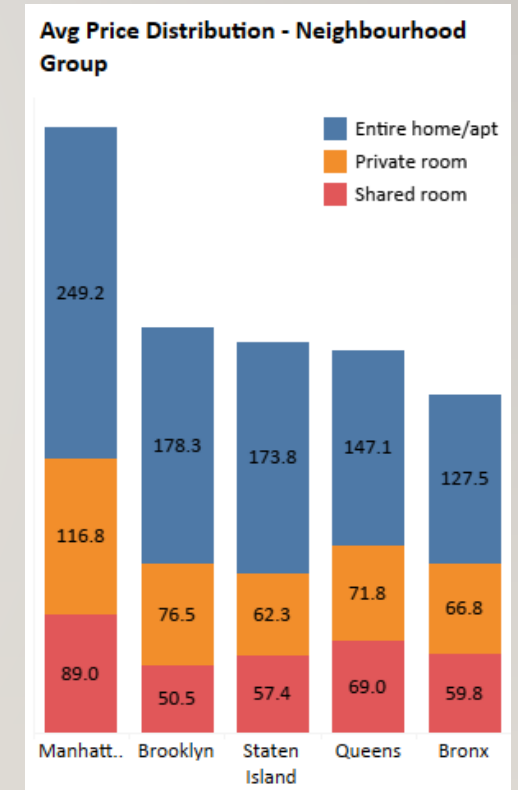
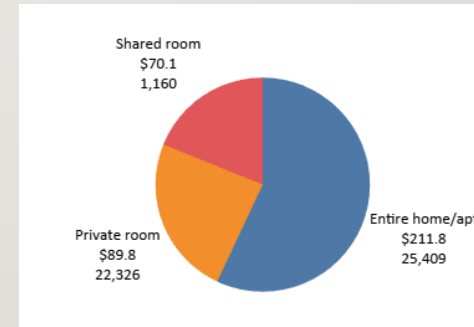
Top Insights

- **Sonder (NYC)**, despite being the most expensive option, has the highest number of bookings (327). This suggests that customers are willing to pay a premium for Sonder's offerings, possibly due to its location, amenities, or reputation.
- **Michael** and **David**, on the other hand, have a relatively high number of bookings compared to their pricing, indicating they may offer good value for money.
- While **Sonder (NYC)** commands the highest price, it's worth noting that other hosts with fewer bookings are charging similar rates. This suggests that pricing may not be the sole determinant of popularity.
- However, there are exceptions, such as **Sally** and **Kara**, who have a relatively low number of bookings despite having a decent number of reviews. This could indicate that these hosts may have recently joined the platform or have a niche market that limits their booking potential.



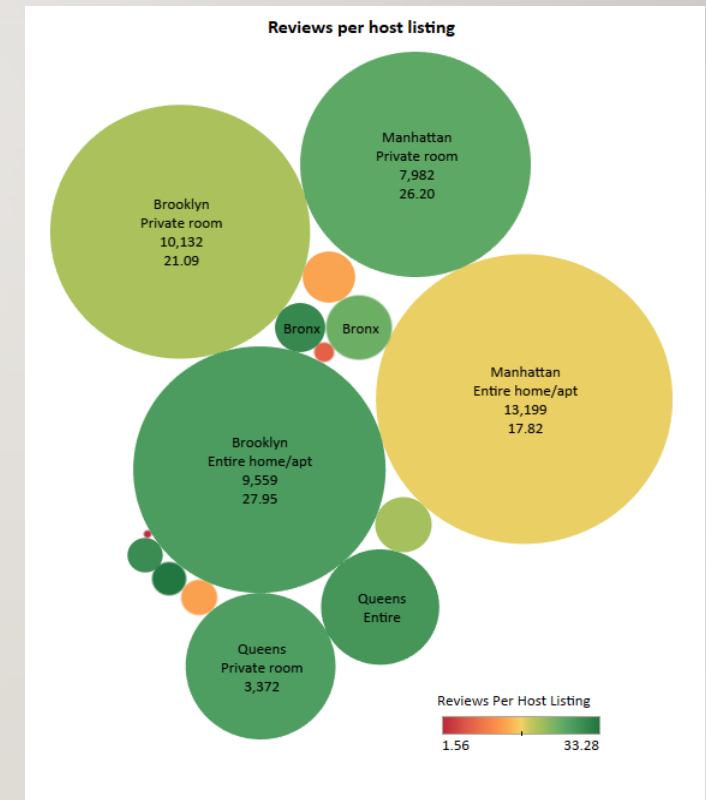
PRICING IN PREFERRED LOCATIONS

- Average price of entire Home/Apt is the highest and approx. 100% more than private rooms. For Brooklyn and Staten Island, the average price varies by 150%
- Private room's price is approx. 10% more than shared rooms except Brooklyn and Manhattan approx. 40%
- Manhattan is costliest overall and the cheapest are:
 - Entire apt: Bronx
 - Private room: Staten Islands
 - Shared room: Brooklyn



NEIGHBOURHOOD WISE BUSINESS DISTRIBUTION BASED ON REVIEWS

- Private rooms are the most popular option in New York's short-term rental market, particularly for listings with strong review ratings.
- Entire homes/apartments in Manhattan receive significantly fewer reviews compared to the citywide average.
- Shared rooms outside of Manhattan struggle to attract guest feedback, with an average of only 7.3 reviews per listing.



RECOMMENDATIONS

- **Inventory and Pricing Strategy:**

- Focus on acquiring private rooms and entire apartments in Staten Island to capitalize on its popularity.
- Implement a price adjustment: Decrease entire apartment prices in Manhattan by at least 15% to attract more guests, and increase private room prices in Queens by at least 10% to optimize revenue.

- **Listing Optimization and Visibility:**

- Prioritize listings with minimum stay requirements between 1 and 5 days and 30 days. These durations are likely in high demand.
- Showcase the most available properties first to entice guests with immediate booking options.

APPENDIX – DATA ATTRIBUTES

- Categorical Variables:
 - room_type: Type of room (e.g., entire home, private room)
 - neighbourhood_group: Grouping of neighborhoods
 - neighbourhood: Specific neighborhood within the city
- Continuous Variables (Numerical):
 - Price: Rental price per night
 - minimum_nights: Minimum number of nights
 - number_of_reviews: Total number of reviews
 - reviews_per_month: Average number of reviews per month
 - calculated_host_listings_count: Total number of listings managed by the host
 - availability_365: Number of days the listing is available for booking in the past year
- Location Variables:
 - latitude: Geographic latitude of the listing
 - longitude: Geographic longitude of the listing
- Time Variable:
 - last_review: Date of the most recent review

APPENDIX – DATA METHODOLOGY

- Leveraged Tableau to visualize and create necessary calculated fields to get the insights
- Have used average price to determine top hosts and top priced room category/location
- Below is the link to the detailed methodology document
 - [Methodology Document](#)

APPENDIX – DATA ASSUMPTIONS

- Used Reviews per Listing as the popularity measure to gain information on customer preferences
- Number of reviews assumed to be a base measure to find customer preferences
- Null values assumed to have no material impact on analysis

THANK YOU!