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## Racial Discrimination on Airbnb (A)

"Airbnb gives you access to the world in a way that was never before possible," according to Brian Chesky, the company's co-founder and CEO.<sup>1</sup> In just a few years, the company had grown an impressive marketplace—allowing hosts to turn spare rooms and empty houses into hotels. When it was founded in 2008, getting people to take the leap of faith required to allow a stranger into their home, or stay in a stranger's home themselves, was the company's highest priority.<sup>2</sup> Given the nature of the transactions (short-term rentals from virtual strangers), Airbnb faced a central challenge of developing a product that offered safe transactions and would build trust among its users. Hosts needed to trust that guests would pay their rent and take care of the rental unit. Guests needed to trust that hosts were providing accurate descriptions of properties—and that the units would be available, clean, and in good condition upon arrival.

In building a community marketplace, Airbnb found trust and anonymity incompatible.<sup>3</sup> In Chesky's view, "Trust is built on transparency. When you remove anonymity, it brings out the best in people. We believe anonymity has no place in the future of Airbnb or the sharing economy."<sup>4</sup> Airbnb designed its product around this belief. In a dramatic departure from earlier rental platforms such as Expedia and Orbitz, Airbnb built trust in part by eliminating anonymity—encouraging guests to provide their names and pictures before booking a rental and allowing hosts to decide whether to accept or decline a would-be renter. This feature seemed to be part of a successful recipe, as the company grew rapidly. By December 2015, Airbnb was valued at \$25.5 billion and had well over a million listings.<sup>5</sup>

However, in the spring of 2016, growing evidence of widespread racial discrimination on the platform put Airbnb at risk of losing its most important asset: trust. The issue had been growing for years. In January 2014, a pair of researchers (including an author of this case study) published a working paper providing evidence that Black hosts received less in rent than hosts of other races on Airbnb's website.<sup>6</sup> In December 2015, the same two researchers, along with a third, released the findings of a field experiment that showed signs of discrimination against guests with African American sounding names on the platform.<sup>7</sup> The collective research highlighted an unintended consequence of giving hosts discretion to accept or reject guests based on little more than the potential

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guests' names and pictures.<sup>8</sup> Throughout 2015 and 2016, an outpouring of stories on Twitter, posted with the hashtag #AirbnbWhileBlack, provided personal experiences that supported these findings.<sup>9</sup>

With mounting evidence and press coverage, Airbnb's founders faced a challenge. Were they willing to make fighting discrimination on the Airbnb platform a priority? And, if so, how could they reduce discrimination while maintaining the environment of trust they had tried so hard to cultivate?

## Background on Airbnb

### *The Early Years*

In 2008, Brian Chesky, Joe Gebbia, and Nathan Blecharczyk founded Airbnb in San Francisco, California, as an online marketplace where individuals and small businesses ("hosts") listed and rented out homes, apartments, and spare rooms (as well as the occasional tent, RV, and treehouse) for temporary guests. The previous year, unemployed roommates Chesky and Gebbia had needed to offset the cost of rent. Graduates of the Rhode Island School of Design, the pair realized that, with a major industrial design conference in town, all of the hotels were booked. They realized they could set up a few air mattresses in their apartment and offer this as an affordable alternative to traditional hospitality accommodations. To do so, they created a website, Airbedandbreakfast.com, and welcomed three out-of-town guests to stay in their apartment, offered breakfast with their stay, and showed them around the city. The pair quickly realized this was a huge market opportunity. Gebbia reflected upon hosting their first guests, "Did we just discover that it was possible to make friends while also making rent?"<sup>10</sup>

The idea did not take off immediately. Chesky and Gebbia relaunched two more times in 2008 after bringing their former roommate Blecharczyk on board. Gebbia recalled their initial pitch to investors:

We want to build a website where people post pictures of their most intimate spaces; their bedrooms, their bathrooms, the kinds of rooms you usually keep closed when people come over, and then, over the internet, they're going to invite complete strangers to come sleep in their homes. [...] No one in their right minds would invest in a service that allows strangers to sleep in other people's homes, why? Because we've all been taught as kids that strangers equal danger.<sup>11</sup>

By early 2009, the founders joined the San Francisco startup incubator, Y Combinator.<sup>12</sup> They tested new approaches to running the business; for example, they went to New York to visit their hosts, stayed as guests, and took professional photos of the hosts' homes to post on the website.<sup>13</sup> They truncated the AirBed and Breakfast name and became Airbnb. Shortly thereafter, in April 2009, they received their first major investment of \$600,000.<sup>14</sup> The founders started to refine and grow the business, and, by 2011, they had received \$112 million venture capital investment and were valued over \$1 billion.<sup>15</sup> In 2011, they were operating in 89 countries with more than one million nights booked on the platform.<sup>16</sup>

As of 2016, hosts listed their homes or available rooms by setting up a profile on the website and describing their locations and rental terms. For example, they indicated if they had one bedroom or a whole apartment available for rent, uploaded images of the lodgings, and displayed a schedule of when the unit was available to book. Similarly, guests set up profiles on the Airbnb website, generally posting their names and photographs of themselves. Once they identified a home they wanted to rent, they submitted a request to the host via the Airbnb platform, indicating intended dates of stay, the size of their party, and their arrival and departure dates. When a guest decided to book a listing, Airbnb charged hosts a fee for facilitating the match.<sup>17</sup>

Throughout the process of booking, hosts and guests communicated directly with each other, rather than through an Airbnb customer service contact. This direct channel was similar to Priceline, another hospitality service provider, which also connected customers directly with hotels. Priceline, however, did not provide hotels with access to the guests' names or images when making their reservation acceptance decisions. Alternatively, Airbnb also offered hosts the option to enable Instant Book, which allowed guests to book a property directly without needing to be approved by the host.<sup>18</sup> As of 2014, Airbnb claimed roughly 8% of hosts used Instant Book.<sup>19</sup>

### *Designing for Trust*

Airbnb faced a challenge common to many online platforms, ranging from eBay and Amazon to Uber: getting customers to overcome their fear of strangers and trust the platform. As a result, a key goal from the start was to "build Olympic trust between people who had never met."<sup>20</sup>

Airbnb adopted and designed a number of features to help facilitate this trust. Profiles were initially built by allowing users to either upload a picture and enter their name, or to allow Airbnb to pull this information directly from the user's Facebook profile—making it particularly easy to update the information. Seeing profile pictures and names had the potential to help make guests and hosts seem less like strangers and raised the potential that hosts would feel more comfortable accepting guests into their homes, and that guests would feel safer booking with hosts. Airbnb's listings differed from other players such as HomeAway or Vrbo (see **Exhibit 1a** and **1b** for sample rental listings).

Airbnb also created a Trust and Safety team comprised of "24/7 response agents, engineers, data scientists, product managers, designers, law-enforcement liaisons, crisis managers, and victim-advocacy specialists [...] in addition to the company's [...] experts in policy, privacy, cybersecurity, insurance, and fraud issues."<sup>21</sup> This team was supported by back-end algorithms that monitored the platform for potential fraud, money laundering schemes, and illegal hotel listings and removed flagged hosts and guests.<sup>22</sup>

In 2011, Airbnb expanded its trust and safety efforts following a series of high-profile events in which properties were damaged by guests. Along with a \$50,000 (later increased to \$1,000,000) host guarantee to protect against property damage, these efforts included the capacity to take up-to-date profile photos within Airbnb using a webcam and to record and share a video profile.<sup>23</sup> While these features allowed the company to identify and remove guests or hosts whom they viewed as unwanted, it also continued Airbnb's reliance on names and photos as a trust-building mechanism.

### *"Growth-at-All-Costs Ethos"*

Airbnb demonstrated a "growth-at-all-costs ethos,"<sup>24</sup> which, at times, led to controversy. In November 2009, a competitor presented evidence suggesting that Airbnb was poaching customers from classifieds website Craigslist—and violating Craigslist's terms of service.<sup>25</sup> In 2011, Airbnb again came under fire when a host's property was badly damaged by a tenant, raising questions about the trustworthiness of the platform—and prompting some of the design changes described earlier.<sup>26</sup>

By 2015, Airbnb was a leading player in the fledging online marketplaces that covered a growing set of areas ranging from transportation platforms Uber and Lyft to financial service platforms LendingClub and Funding Circle; many of these platforms were disrupting traditional industries with online, often trust-based transactions.<sup>27</sup> The following year, there were 45 million sharing economy users in the United States, which was expected to grow to 87 million users in 2021, according to one estimate.<sup>28</sup>

Airbnb also had become a formidable player in the hospitality industry. It was the second-largest lodging company in the world measured by number of rooms or listings, behind only Marriott International (see **Exhibit 2**).<sup>29</sup> According to financial services firm Morgan Stanley, in 2016 Airbnb accounted for 4% of hotel demand in the U.S. and Europe, up from 3% in 2015.<sup>30</sup> Airbnb had over two million property listings in 34,000 cities located in 190 countries.<sup>31</sup> Some of this growth came at the expense of the hotel industry, which, at times, griped about Airbnb's ability to take advantage of regulatory loopholes and gray areas even as they became a dominant player in the market.<sup>32</sup>

Data analysis and experimentation also played an important role at Airbnb. According to Airbnb data scientist Jan Overgoor, the company "use[d] controlled experiments to learn and make decisions at every step of product development."<sup>33</sup> Experiments guided product-related decisions ranging from determining the number of listings to show in search results, to designing new landing pages, to refining algorithms to match renters to potential listings. Key outcome metrics focused on the flow of customers across different stages of the booking process from searching to contacting to making a reservation. Conversion from searching to booking was considered especially important<sup>34</sup> as Airbnb's profits were based on transaction fees tied to bookings.

As Airbnb grew, so too did the role of data and the scale of its data science efforts.<sup>35</sup> The company touted the importance of democratizing data access across the firm, and creating strong proactive partnerships between data scientists and product decisionmakers.<sup>36</sup> Data scientists at the company positioned data analysis as a means of listening to customers at scale, and argued that such data-enabled listening could and should play an important role at all stages of business decision-making from planning, to testing, to measurement and learning.<sup>37</sup>

Airbnb's experimentation capabilities grew over time as well. In 2014, the company developed a custom testing tool called the Experimentation Reporting Framework (ERF).<sup>38</sup> Over the next few years, Airbnb ran an increasing number of experiments, tracking thousands of metrics on a daily basis.<sup>39</sup> Experiment results were presented in a color-coded user interface (UI) that supported an interactive "slice and dice" approach to a wide range of host or guest dimensions such as region, language, and device type.<sup>40</sup>

## Discrimination in the Hospitality Industry

The hospitality industry, which included hotel, motel, and bed and breakfast companies—and, more recently, potentially Airbnb—was heavily regulated at the federal, state, and local levels in the U.S. Regulations included those defining fire standards, health and safety codes, accessibility and discrimination regulations, unions, taxes, and more. Real estate companies, property owners, and individuals renting out homes and apartments faced other regulations. In nearly all instances, business owners were prohibited from discriminating based on race or other protected categories.<sup>41</sup>

The foundations of these regulations had existed for more than a generation; the Civil Rights Act of 1964 prohibited discrimination on the basis of "race, color, religion, or national origin" in places of public accommodation including "any inn, hotel, motel, or other establishment which provides lodging to transient guests."<sup>42</sup> In the decades since, discrimination in traditional hotels and bed and breakfasts had been dramatically reduced.<sup>43</sup>

In contrast, during the early years of Airbnb, accommodation regulations had not yet kept up with the emergence of online platforms that had come onto the scene during the rise of the Internet and the sharing economy. Airbnb fell into a gray area for regulators: it was not a hotel operator clearly prohibited from discrimination, nor a hotel-rental intermediary like Priceline or Hotels.com.

Additionally, Airbnb's website was protected by the Communications Decency Act, which shielded online intermediaries from damages resulting from speech posted by their users.<sup>44</sup>

There was some evidence, however, that the regulatory environment was changing, as Airbnb and other companies like it were becoming too big to ignore. In major cities around the world, including New York City, Washington, DC, and San Francisco, city regulators were responding to pressures from constituents to address issues including discrimination.<sup>45</sup>

## Evidence of Discrimination at Airbnb

In January 2014, Harvard Business School Professors Benjamin Edelman and Michael Luca published a working paper that found Airbnb's platform design enabled racial discrimination against Black hosts.<sup>46</sup> Empirically examining how host-property rental price varied with the host's race, it found that Black hosts were receiving lower prices for their properties, relative to other hosts on the platform with similar listings.<sup>47</sup> Edelman and Luca argued that these differences highlighted "the risk of discrimination in online marketplaces, suggesting an important unintended consequence of a seemingly routine mechanism for building trust."<sup>48</sup> They continued, "To most designers of online reputation systems, the key objective is improving trust and accountability. [...] But our results indicate that the same features that build trust can also have severe unintended consequences."<sup>49</sup> (See **Exhibit 3** for posted and received rent by race.)

In December 2015, Edelman and Luca, along with coauthor Dan Svirsky, released another study that found further evidence of discrimination on Airbnb's platform.<sup>50</sup> This new study combined experimental results and observational data on Airbnb. The results suggested that when guests made accommodation inquiries to hosts, guests with distinctively White-sounding names received positive replies approximately 50% of the time while guests with distinctively African American-sounding names received positive replies only 42% of the time.<sup>51</sup> The researchers summarized, "This [is an] 8 percentage point (roughly 16 percent) penalty for African American guests."<sup>52</sup> (See **Exhibits 4** through **8** for more details on the experiment.)

Both male and female African American guests were discriminated against, and both African American and White hosts, across male and female hosts, appeared to discriminate.<sup>53</sup> Discrimination persisted among experienced hosts and appeared to be of similar magnitude across listing price and the diversity of the neighborhood.<sup>54</sup> When restricting the analysis to hosts who had previously hosted an African American guest, the discrimination seemed to disappear.<sup>55</sup>

### *Responses to the Research*

In response to the 2014 paper, Airbnb swiftly released a statement that their Terms of Service forbade discrimination.<sup>56</sup> The company went on to dismiss concerns of discrimination, saying: "The data in this report is nearly two years old and is from only one of the more than 35,000 cities where Airbnb hosts welcome guests into their homes."<sup>57</sup> However, Airbnb did not present any of their own data on the issue.<sup>58</sup>

After the 2015 paper's results were made public, Airbnb issued another statement which read: "We recognize that bias and discrimination are significant challenges, and we welcome the opportunity to work with anyone that can help us reduce potential discrimination in the Airbnb community."<sup>59</sup> A high-level Airbnb employee then flew to Boston to meet with the authors of the research.

By this time, state and federal agencies were also taking notice and had begun approaching both the researchers and Airbnb. In a 2016 letter to Chesky, the Congressional Black Caucus, composed of elected representatives in the U.S. Congress, called on Airbnb to change the design of the platform (see **Exhibit 9**).<sup>60</sup>

As awareness of the issue increased, customers began to express discontent.<sup>61</sup> The widespread discrimination occurring on the platform was at odds with the company's marketing campaigns that often focused on inclusivity, including a tagline that read "Belong anywhere." A 23-year old woman named Quirtina Crittenden created the hashtag #AirbnbWhileBlack, which launched across social media sites.<sup>62</sup> After experiencing numerous cancellations and challenges with booking a rental property on Airbnb, Crittenden had "changed her photograph from a self-portrait to one of a generic city-scape, and shortened her name [...] to Tina," and then found that her requests were accepted.<sup>63</sup>

By May 2016, #AirbnbWhileBlack was trending on Twitter with "stories about negative experiences using the house-sharing app and website."<sup>64</sup> For example, the *New York Times* picked up one of the stories: "When Ronnia Cherry, 30, and Stefan Grant, 27, rented a house in Atlanta through Airbnb last year [2015], they were caught off guard by police officers at their door, with guns drawn, responding to a neighbor's report that they were thieves."<sup>65</sup> Neighbors had called the police on Cherry and Grant, both African American, for entering the Airbnb rental.<sup>66</sup> The *Times* wrote that Cherry and Grant were "among the rising tide of [B]lack travelers decrying racist experiences while using the home-sharing service [...]."<sup>67</sup>

Later that month, a young African American man in Virginia named Gregory Selden led a class action lawsuit against Airbnb, claiming that Airbnb had ignored complaints about racial discrimination, hosts racially discriminated when accepting guests, and Selden was discriminated against based on his race.<sup>68</sup> As one media outlet reported, "He claim[ed] an Airbnb host rejected his initial application but subsequently accepted the same application when Seldon re-applied using profiles imitating white men, one under the name 'Jessie' and another under the name 'Todd.'"<sup>69</sup> Selden also asserted that Airbnb "shamed" him when he voiced his concerns.<sup>70</sup>

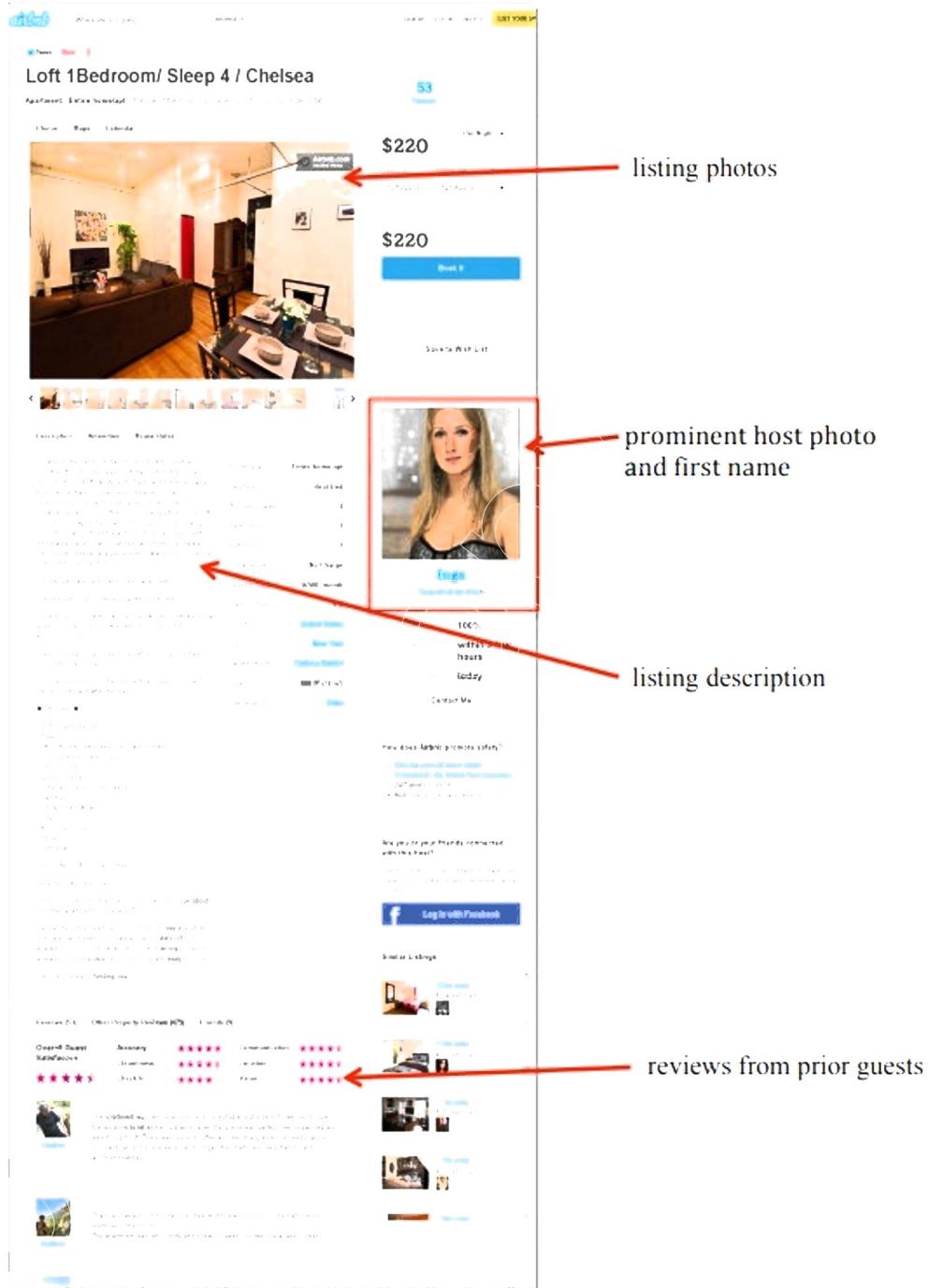
Airbnb now faced a complex web of challenges from its various stakeholders, as one observer wrote:

The hospitality industry [was] angry that it's losing business to hosts who pay no hotel tax. Landlords [were] angry that tenants [were] renting out their rooms and that they could be held liable if anything goes wrong. Tenant groups [were] angry that hosts could unknowingly violate their lease and get evicted. Neighborhood groups [were] angry about an influx of potentially obnoxious visitors. And affordable housing advocates [were] angry that Airbnb allows enterprising operators to gobble up apartments and rent them out to tourists.<sup>71</sup>

## The Task at Hand

With their company under a spotlight of negative attention for racial discrimination, Airbnb's founders faced a dilemma: how to move forward. One option was to do nothing and argue that the platform itself was neutral—guests and hosts were free to make their own decisions, so long as they kept within Airbnb's Terms and Conditions. Alternatively, Airbnb could take various steps seeking to reduce discrimination, such as blinding transactions, analyzing and reporting on host behavior, or expanding guest and host anti-discrimination training.

The company had achieved Chesky's goal of reducing anonymity through choices that were at the heart of the platform's design. However, while these choices may have helped to quickly and cost effectively build trust, they had also facilitated widespread discrimination on the platform. How could a company built on trust and community maintain its reputation if its services were known as discriminatory? To help with this decision, Airbnb's founders began recruiting anti-bias experts to review the platform and existing policies.<sup>72</sup> Now, Chesky needed to decide which path to pursue and how to evaluate success.

**Exhibit 1a** Sample Airbnb Rental Listing with Host Image

Source: Benjamin Edelman and Michael Luca, "Digital Discrimination: The Case of Airbnb.com," Harvard Business School Working Paper 14-054, January 10, 2014, <https://bit.ly/3IV0l1X>, accessed February 2019.

**Exhibit 1b** Sample HomeAway Rental Listing without Host Image

The screenshot displays a HomeAway vacation rental listing for a loft in Chelsea, New York. At the top, there are date selection boxes showing "Check-in Mar 5" and "Check-out Mar 13". Below the dates is a search bar. To the right are links for "Trip Boards", "Login", "Help", "Feedback", and "List Your Property".

The main content area features two large, side-by-side photographs of a bright living room. The room has light-colored walls, a large window, a flat-screen TV on a wooden stand, a sofa, and a coffee table. A circular callout highlights the sofa area. Below the photos are navigation links: "Overview", "Amenities", "Reviews", "Map", and "Rates & Availability".

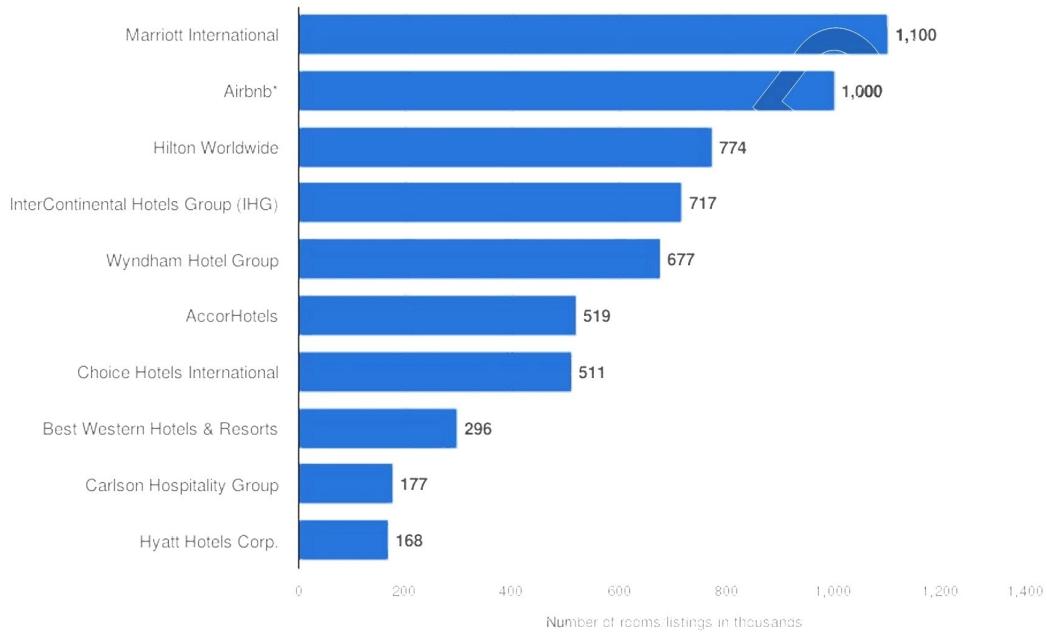
A title above the photos reads "High-end, designer Chelsea/West Village loft". To the right of the photos, the price is listed as "\$360 per night" with a "Save" button. Below the price are "5 reviews" and a "Wonderful" rating. A note says "Your dates are available".

On the far right, there's a sidebar with "Check-in Mar 5" and "Check-out Mar 13" fields, a "Guests" dropdown set to "4 guests", and a total price of "\$3,318.00". A "View Details" link is also present. At the bottom right is a "Book Now" button and an "Owner" section with a profile picture and a "Ask owner a question" link.

At the very bottom of the page, there are footer links: "Premier Partner", "Last Minute Deal", "Instant Confirmation", "Air Conditioning", "No Smoking", and "Internet".

Source: HomeAway Vacation Rental, <https://www.homeaway.com/vacation-rental/p1686705vb?adultsCount=4&arrival=2020-03-05&departure=2020-03-13>, accessed March 2020.

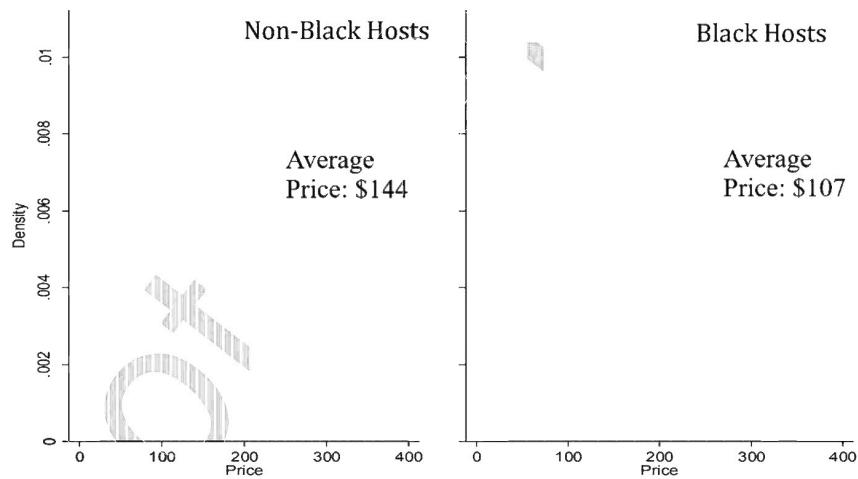
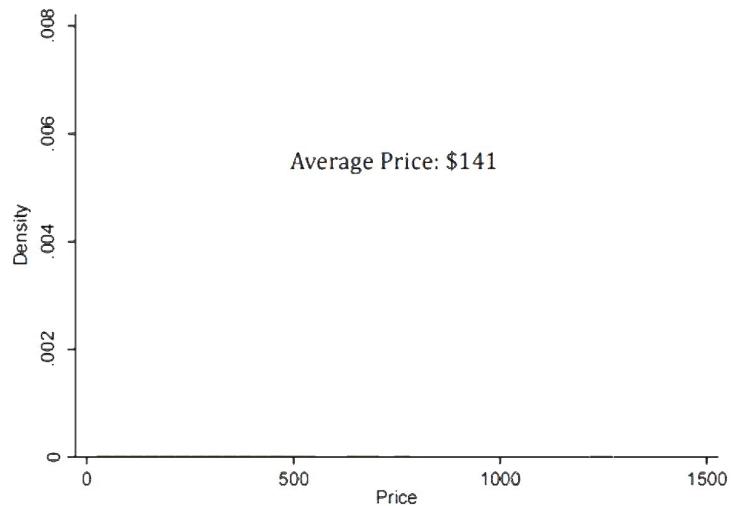
**Exhibit 2** Leading Lodging Companies Worldwide by Number of Listings (thousands), 2016



**Source**  
Hotel Management  
© Statista 2022

**Additional Information:**  
Worldwide; Hotel Management, June 2016

Source: “Leading lodging companies worldwide as of November 2016, by number of rooms or listings,” via Statista, accessed August 2022.

**Exhibit 3** Posted and Received Rent by Race from Edelman and Luca Study, 2014

**Source:** Benjamin Edelman and Michael Luca, "Digital Discrimination: The Case of Airbnb.com," Harvard Business School Working Paper 14-054, January 10, 2014, [https://www.hbs.edu/faculty/Publication%20Files/Airbnb\\_92dd6086-6e46-4eaf-9cea-60fe5ba3c596.pdf](https://www.hbs.edu/faculty/Publication%20Files/Airbnb_92dd6086-6e46-4eaf-9cea-60fe5ba3c596.pdf), accessed February 2019.

**Note:** These graphs show the price variation for non-Black and Black hosts studied in this experiment. The first graph presents the distribution of posted prices by host in New York City; the average price was \$141. The bottom two graphs indicate the respective distributions of rents received by non-Black and Black hosts (the entire distribution of rents for Black hosts was shifted down compared to that of non-Black hosts).

**Exhibit 4** Summary Statistics from Edelman, Luca, and Svirsky Study, 2015

Variables	Mean	Standard Deviation	25th percentile	75th percentile
Host is White	0.63	0.48	0	1
Host is African American	0.08	0.27	0	0
Host is female	0.38	0.48	0	1
Host is male	0.30	0.46	0	1
Price (\$)	181.11	1,280.23	75	175
Number of bedrooms	3.18	2.26	2	4
Number of bathrooms	3.17	2.26	2	4
Number of reviews	30.87	72.51	2	29
Host has multiple listings	0.16	0.36	0	0
Host has 1+ reviews from African American guests	0.29	0.45	0	1
Airbnb listings per census tract	9.51	9.28	2	14
Percent population African American (census tract)	0.14	0.2	0.03	0.14

Source: Benjamin Edelman, Michael Luca, and Dan Svirsky, "Racial Discrimination in the Sharing Economy: Evidence from a Field Experiment," *American Economic Journal: Applied Economics*, Vol. 9, No. 2 (April 2017): 1-22, <https://pubs.aeaweb.org/doi/pdfplus/10.1257/app.20160213>, accessed June 2022.

Notes: This table provides descriptive statistics about the listings analyzed in Edelman, Luca, and Svirsky (2017). This included information on the listings such as price, number of available rooms (e.g., if the entire unit or just a room was available), cancellation policy, cleaning fee, and previous guest ratings. For the purposes of this study, race was composed of White, African American, Asian, Hispanic, multiracial, and unknown. Amazon Mechanical Turk workers were hired to assess the race, gender, and age of each host. Two workers were tasked with assessing each image and if those two workers were unable to identify the race or gender, a third worker would weigh in. If there was no consensus about the race or gender, the researchers manually coded that entry.

**Exhibit 5** Results of Survey Testing Races Associated with Names from Edelman, Luca, and Svirsky (2017)

<b>White Female</b>		<b>African American Female</b>	
Meredith O'Brien	0.93	Tanisha Jackson	0.03
Anne Murphy	0.95	Lakisha Jones	0.05
Laurie Ryan	0.97	Latoya Williams	0.05
Allison Sullivan	0.98	Latonya Robinson	0.07
Kristen Sullivan	1.00	Tamika Williams	0.07

<b>White Male</b>		<b>African American Male</b>	
Greg O'Brien	0.88	Tyrone Robinson	0.00
Brent Baker	0.90	Rasheed Jackson	0.06
Brad Walsh	0.91	Jamal Jones	0.07
Brett Walsh	0.93	Darnell Jackson	0.10
Todd McCarthy	0.98	Jermaine Jones	0.26

Source: Benjamin Edelman, Michael Luca, and Dan Svirsky, "Racial Discrimination in the Sharing Economy: Evidence from a Field Experiment," *American Economic Journal: Applied Economics*, Vol. 9, No. 2 (April 2017): 1-22, <https://pubs.aeaweb.org/doi/pdfplus/10.1257/app.20160213>, accessed June 2022.

Note: This table lists the sample names and survey results with degree to which those names were categorized as White or African American. A ranking closer to 1 indicates that respondents felt there was a stronger affiliation to a "White" name. A ranking closer to 0 indicates that respondents felt there was a stronger affiliation to an "African American" name. The sample size was 62.

**Exhibit 6** Proportion of Positive Responses by Name from Edelman, Luca, and Svirsky Study, 2015

White Female		African American Female	
Meredith O'Brien	0.49 (303)	Tanisha Jackson	0.40 (309)
Anne Murphy	0.56 (344)	Lakisha Jones	0.42 (324)
Laurie Ryan	0.50 (327)	Latoya Williams	0.43 (327)
Allison Sullivan	0.49 (306)	Latonya Robinson	0.35 (331)
Kristen Sullivan	0.48 (325)	Tamika Williams	0.47 (339)
White Male		African American Male	
Greg O'Brien	0.45 (312)	Tyrone Robinson	0.36 (254)
Brent Baker	0.48 (332)	Rasheed Jackson	0.38 (313)
Brad Walsh	0.41 (317)	Jamal Jones	0.33 (328)
Brett Walsh	0.44 (279)	Darnell Jackson	0.38 (285)
Todd McCarthy	0.43 (314)	Jermaine Jones	0.36 (300)

Source: Benjamin Edelman, Michael Luca, and Dan Svirsky, "Racial Discrimination in the Sharing Economy: Evidence from a Field Experiment," *American Economic Journal: Applied Economics*, Vol. 9, No. 2 (April 2017): 1-22, <https://pubs.aeaweb.org/doi/pdfplus/10.1257/app.20160213>, accessed June 2022.

Note: This table lists the proportion of positive responses or accepted reservation requests for guests across the four treatment groups. The number of messages sent by each guest is shown in parentheses.

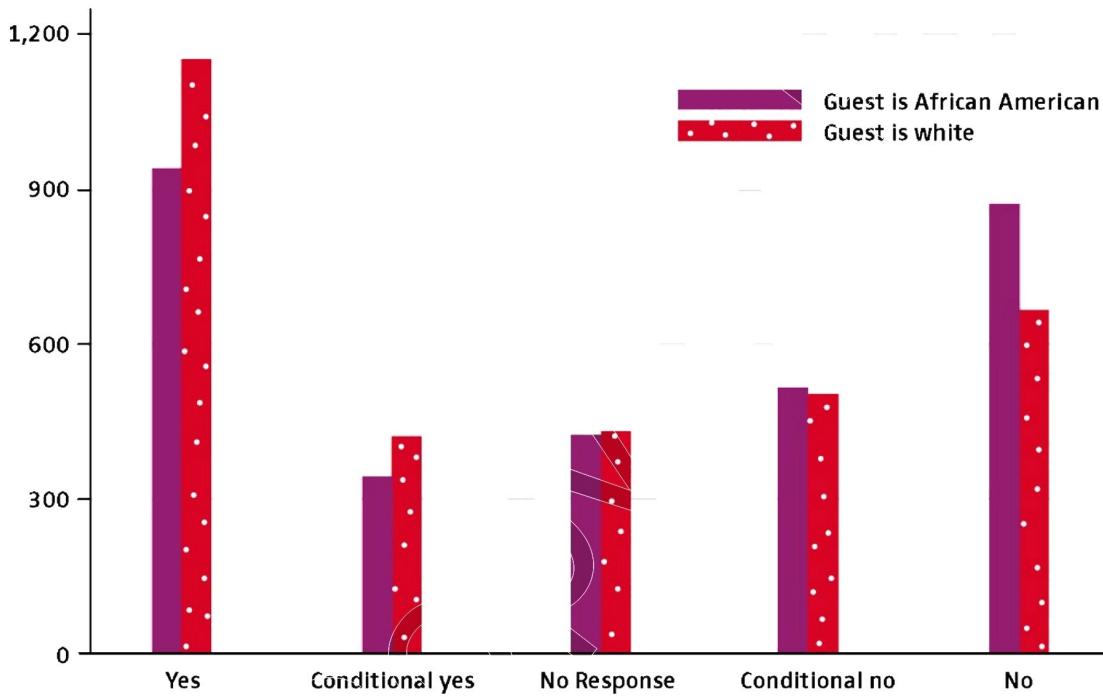
**Exhibit 7** Host Responses to Guest Inquiries, by Race of Guest, from Edelman, Luca, and Svirsky Study, 2015

	White Guests	Percent (%)	African American Guests	Percent (%)
Yes	1,152	36.4	940	30.4
Yes, but request for more information	375	11.8	308	10.0
Yes, with lower price if booked now	11	0.3	10	0.3
Yes, if guest extends stay	10	0.3	15	0.5
Yes, but in a different property	18	0.6	8	0.3
Yes, at a higher price	4	0.1	0	0.0
Request for more information	339	10.7	323	10.5
Not sure or check back later	154	4.9	175	5.7
No response	429	13.5	423	13.7
No unless more information is provided	12	0.4	15	0.5
No	663	20.9	873	28.3
<b>Total</b>	<b>3,167</b>	<b>100.0</b>	<b>3090</b>	<b>100.0</b>

Source: Benjamin Edelman, Michael Luca, and Dan Svirsky, "Racial Discrimination in the Sharing Economy: Evidence from a Field Experiment," *American Economic Journal: Applied Economics*, Vol. 9, No. 2 (April 2017): 1-22, <https://pubs.aeaweb.org/doi/pdfplus/10.1257/app.20160213>, accessed June 2022.

Note: This table reports the frequency of each type of host response to a guest inquiry, by race of the guest.

**Exhibit 8** Summary of Host Responses to Inquiries from Profiles with African American or White Sounding Names from Edelman, Luca, and Svirsky Study, 2015



Source: Benjamin Edelman, Michael Luca, and Dan Svirsky, "Racial Discrimination in the Sharing Economy: Evidence from a Field Experiment," *American Economic Journal: Applied Economics*, Vol. 9, No. 2 (April 2017): 1-22, <https://pubs.aeaweb.org/doi/pdfplus/10.1257/app.20160213>, accessed June 2022 Copyright American Economic Association; reproduced with permission of the American Economic Journal: Applied Economics.

**Exhibit 9** The Congressional Black Caucus' Letter to Brian Chesky

AMERICA'S  
**CONGRESSIONAL BLACK CAUCUS**  
\*\*\*\*\*  
ESTABLISHED 1971

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June 16, 2016

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Mr. Brian Chesky

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Second Vice Chair

CEO  
Airbnb, Inc.

**Hon. Karen Bass**  
Secretary

888 Brannan Street  
San Francisco, CA 94103

**Hon. Hakeem Jeffries**  
Whip

Dear Mr. Chesky:

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Hon. Charles B. Rangel, NY - '71  
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Hon. Terri Sewell, AL - '11  
Hon. Frederica Wilson, FL - '11  
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Hon. Robin Kelly, IL - '13  
Hon. Cory Booker, NJ - '13  
Hon. Alma Adams, NC - '14  
Hon. Brenda Lawrence, MI - '15  
Hon. Mia Love, UT - '15  
Hon. Stacey Plaskett, VI - '15  
Hon. Bonnie Watson Coleman, NJ - '15

As members of Congress and members of the Congressional Black Caucus, we are committed to ensuring African Americans have the same opportunities available to any other group. To that end, we write to share our concerns regarding the recent reports of the exclusion of many African Americans and other minorities from booking rooms on your site due to their race.

Title II of the 1964 Civil Rights Act prohibits discrimination in places of public accommodation, including hotels and motels, because of race, color, religion, or national origin. In light of the documented discrimination occurring on your website, we understand Airbnb is planning a comprehensive review of the internet platform in which your users interact with private citizens for the purpose of renting their homes or rooms in their home. We appreciate you taking the first step in correcting this serious issue. As part of your comprehensive review, we ask that you provide answers to the following questions:

1. Why is it seemingly so easy to discriminate against someone via Airbnb's internet platform?
2. Do you have data with regard to racial, ethnic, gender, or other types of discrimination on the Airbnb internet platform currently in use? If so, what does the data show?
3. What is Airbnb doing at present to address this glaring issue of discrimination?
4. Will Airbnb consider implementing some of the common sense measures to avoid discrimination of their customers like those suggested by Dr. Michael Luca in the June 2, 2016, *Washington Post* article which suggested fixes such as "downplaying when and where Airbnb displays guests' pictures and names; increasing the use of the instant booking feature that eliminates the subjective dialogue with hosts deciding which reservations to book, and converting Airbnb's anti-discrimination policy into regular notices each time someone books a reservation."



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**Exhibit 9** The Congressional Black Caucus' Letter to Brian Chesky (continued)

Mr. Chesky  
June 16, 2016  
Page Two

We urge Airbnb to take the issue of discrimination seriously as it has no place in our society. We look forward to your responses to the questions posed above and continuing a dialogue so together we can help end discrimination within the tech industry.

Thank you very much.

Very truly yours,



G. K. Butterfield  
Member of Congress  
Chairman, The Congressional Black Caucus



Emanuel Cleaver, II  
Member of Congress



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Source: G.K. Butterfield and Emanuel Cleaver, II, via the Congressional Black Caucus website, June 16, 2016, <https://cleaver.house.gov/sites/cleaver.house.gov/files/16.06.2016%20Airbnb%20Letter.pdf>, accessed June 2022.



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