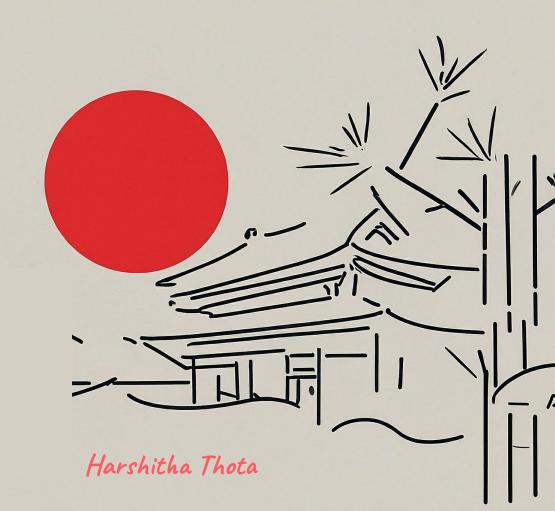
## Airbnbs in Tokyo:

Analysis and Recommendations



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# Agenda

- 1. Business Overview
- 2. Data Understanding
- 3. Data Analysis
- 4. Results
- 5. Recommendations
- 6. Future Insights



# About Airbnb in Japan

- Visitor arrivals in Japan reached 2.52
   million in October
- Airbnb Japan said its bookings in the
   12 months ending in September rose 75%
   from four years earlier
- The number of unused houses -- known in Japanese as akiya -- has almost doubled during the past two decades, to nearly 3.5 million in 2018



#### Business Problem



#### Business Problem:

With the growing tourism demand in Japan, Airbnb wants to efficiently grow its presence in Tokyo.

# Hypothesis:

By assessing trends of previous bookings, we can suggest attributes of future Airbnbs to help with expansion and match consumers' specific demands.



# Data Understanding



#### Data Overview

#### **Initial Data**

#### **Reviews**

Listings

- Used two datasets from <u>Inside Airbnb</u>
- Reviews data to understand quality and ratings
- Listing data to understand attributes of listings

#### Filtered Data Set

#### **Airbnb Listings**

- Data only after May 1, 2023
- Listings with at least **10 reviews**
- 74K listings
- 10K unique properties

#### Data Limitations

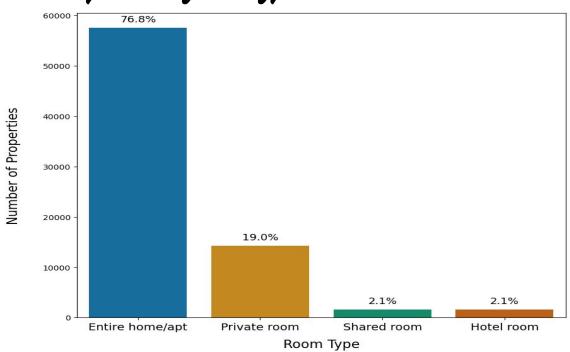
- **Listings data vary in quality** and can impact description, images, accuracy, completeness of attributes
- **User reviews** can be **subjective** and can **skew** to the **extremes** of the rating scale (1s and 5s)
- **Limited historical data** due to covid impact bookings in prior years



# Data Analysis

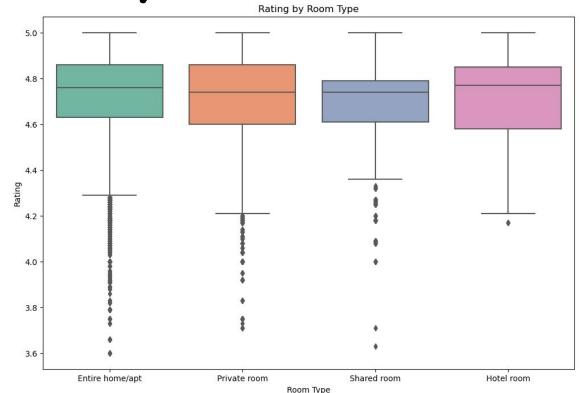


# Property Types



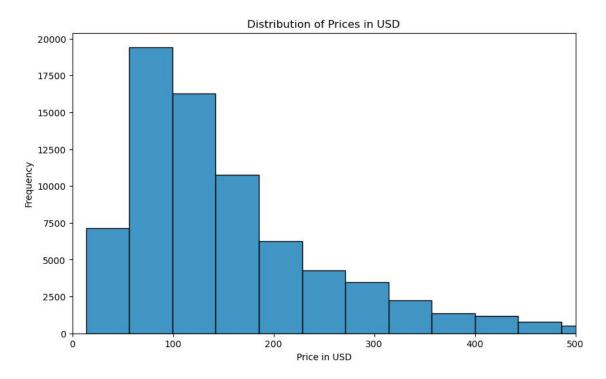
- Listings with ratings over4.5
- A majority, 77% of the listings were entire private homes or apartments.
- 2% of the properties were shared homes or hotel rooms

# Ratings Distribution



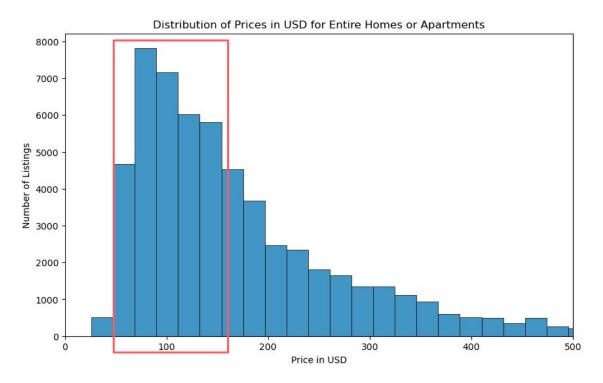
- Ratings for entire homes
   are the highest with a
   median of 4.7 and receive
   consistent ratings
- Shared rooms have a lower rating and skew lower in overall ratings

#### Price Distribution



 A majority of listings are under \$200 a night

### Entire Home Prices



- Similar to the overall data set, a majority of listings are under \$150 a night
- There are very little listings above \$300

### Amenities

- Safety features Fire and Smoke Alarms, Carbon Monoxide
- Essentials linens, bath,
   kitchen products
- Long term stays
- Self check in

### Actionable Recommendations



### Actionable Recommendations

 Invest in entire homes or apartments, for consistent high ratings



2. **Include** popular **amenities** - security, safety features and bath and kitchen essentials





3. **Price** the listing under \$200/night



Listing
Recommendations
for a New User



### Airbnb Recommendations



 A user selects and rates an Airbnb. These inputs are given to the model.

#### Similar listings







Apartment in Minato City ★ 4.81 (42 ☆ Akasaka Station 1 minute on☆ foot... 2 small double beds

\$68 \$51 night · <u>\$174 total</u>



Stay with Miho · Hosting for 8 years omotesandou/single size bed/Shibuya 1...

\$57 night · \$153 total

Jan 9 - 11

2. The model predicts a set of similar Airbnbs based on the users rating and the selected Airbnb.

# Future Steps



# Future Steps

Change **UI** to have listing **recommendations** near the **top** of the **homepage**



 Include feedback survey icons to ultimately gain insight on the performance of the listing recommendations



3. Add **demographic** data for **reviewers** 









# Thanks for listening!

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# Appendix

AirBnb Japan Statistics

**Datasets** 

**Japan Empty Homes** 

<u>Japan Tourism</u>



