

Airbnb Case Study - 2

Ishan Singh Rawat

Table of Content

- Objective
- Background
- Important Findings
- Assumptions
- Conclusion
- Appendix

Objective

Airbnb has seen a major decline in revenue due to COVID-19 travel restriction . Now that the restrictions have started lifting and people have started to travel more, Airbnb wants to make sure that it is fully prepared for this change.

Background Summary

Airbnb is operating short- and long-term homestays and experiences in New York city, with major of the listing covered in following neighborhood group

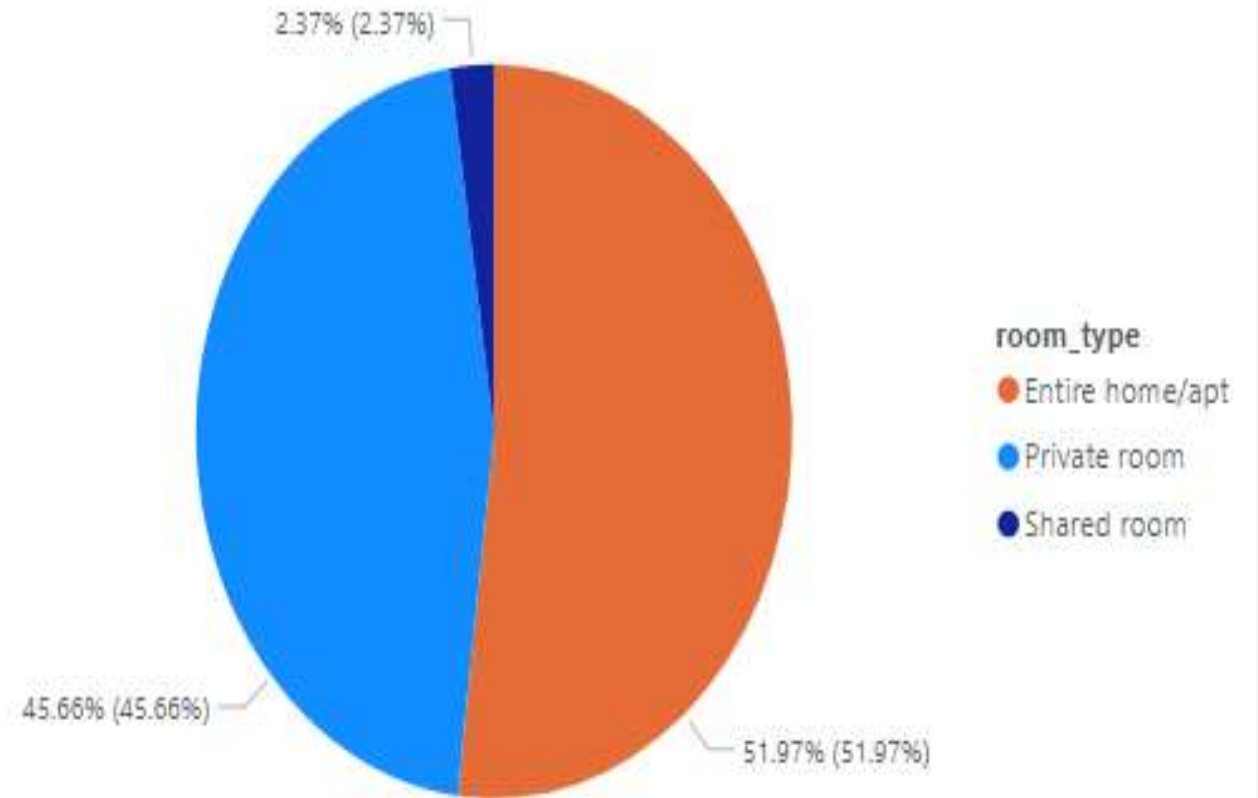
- Bronx
- Brooklyn
- Manhattan
- Queens
- Staten Island

With total 349K no's of listings

The business aims to strategically position itself by analyzing the data from 2019 and determining the optimal number of listings and room types to offer.

Favorite Host Among Customer

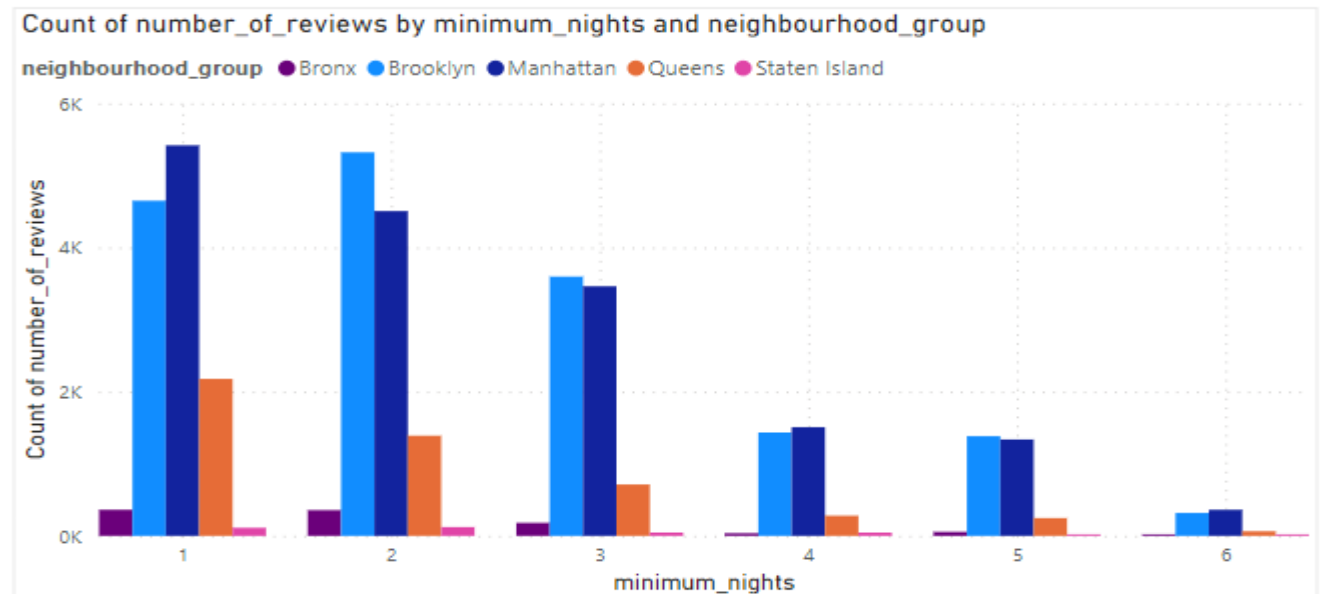
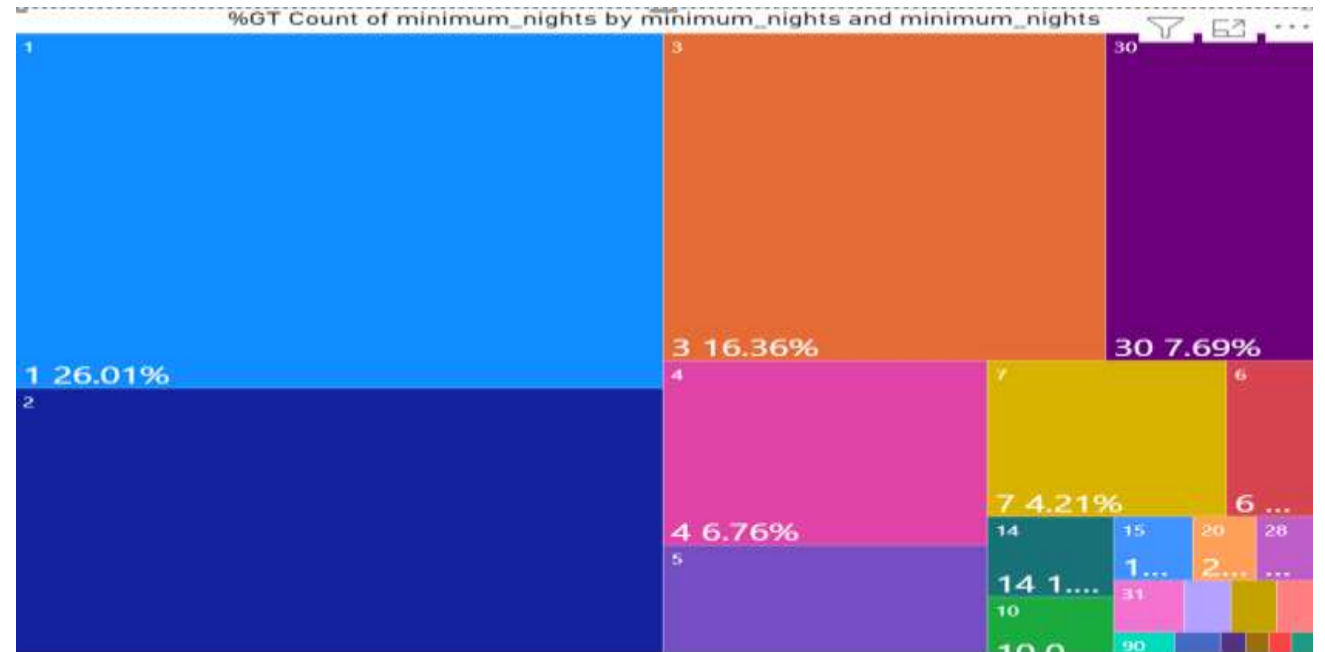
Based on the distribution, it can be concluded that Airbnb should consider onboarding hosts who can provide entire homes/apartments.



Minimum Nights Analysis

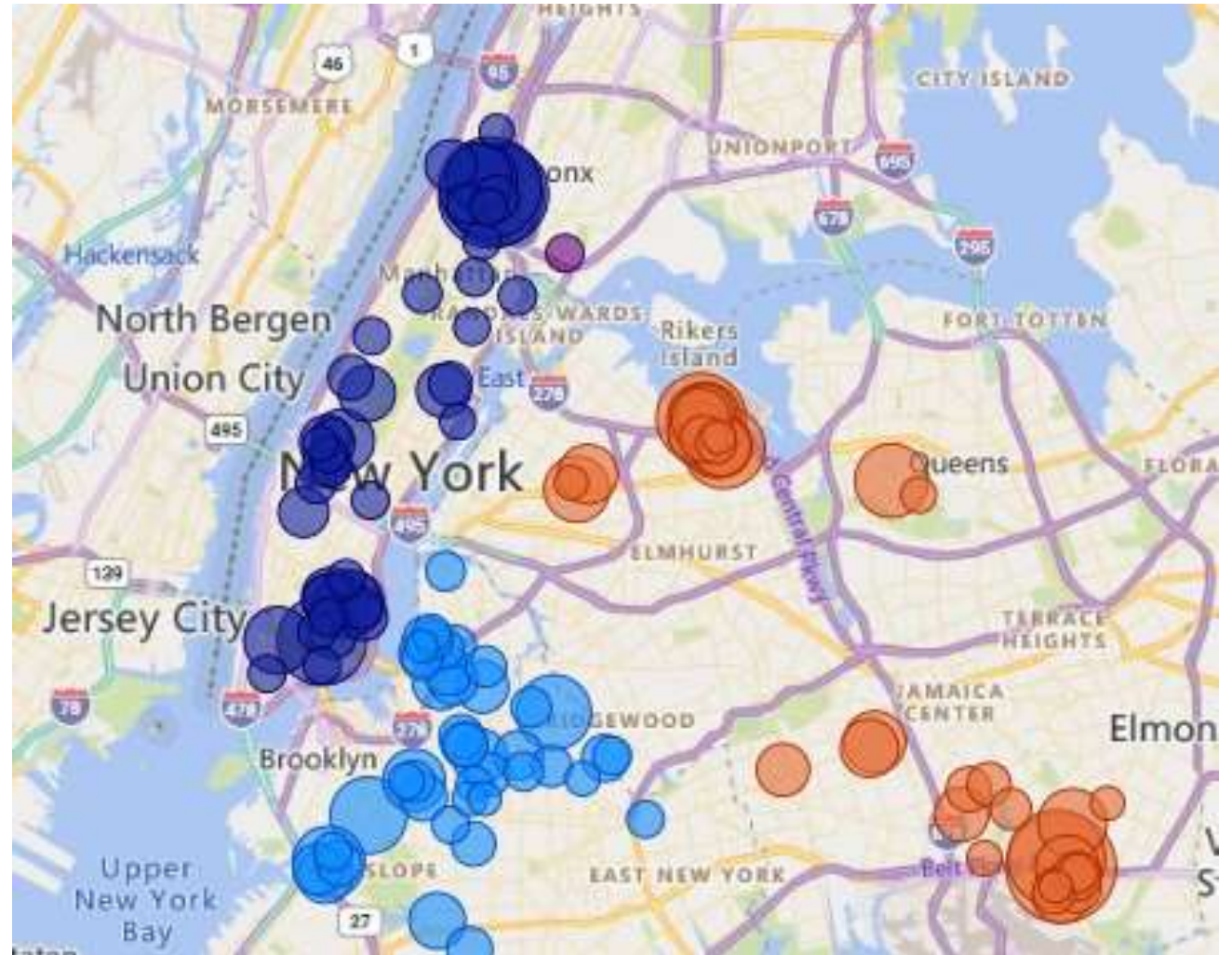
Out of all the minimum night options available, the highest demand is observed in listings with a minimum of 1 night

In addition to the listings with a minimum of 1 night, there is also a high demand for listings with minimum nights ranging from 1 to 7



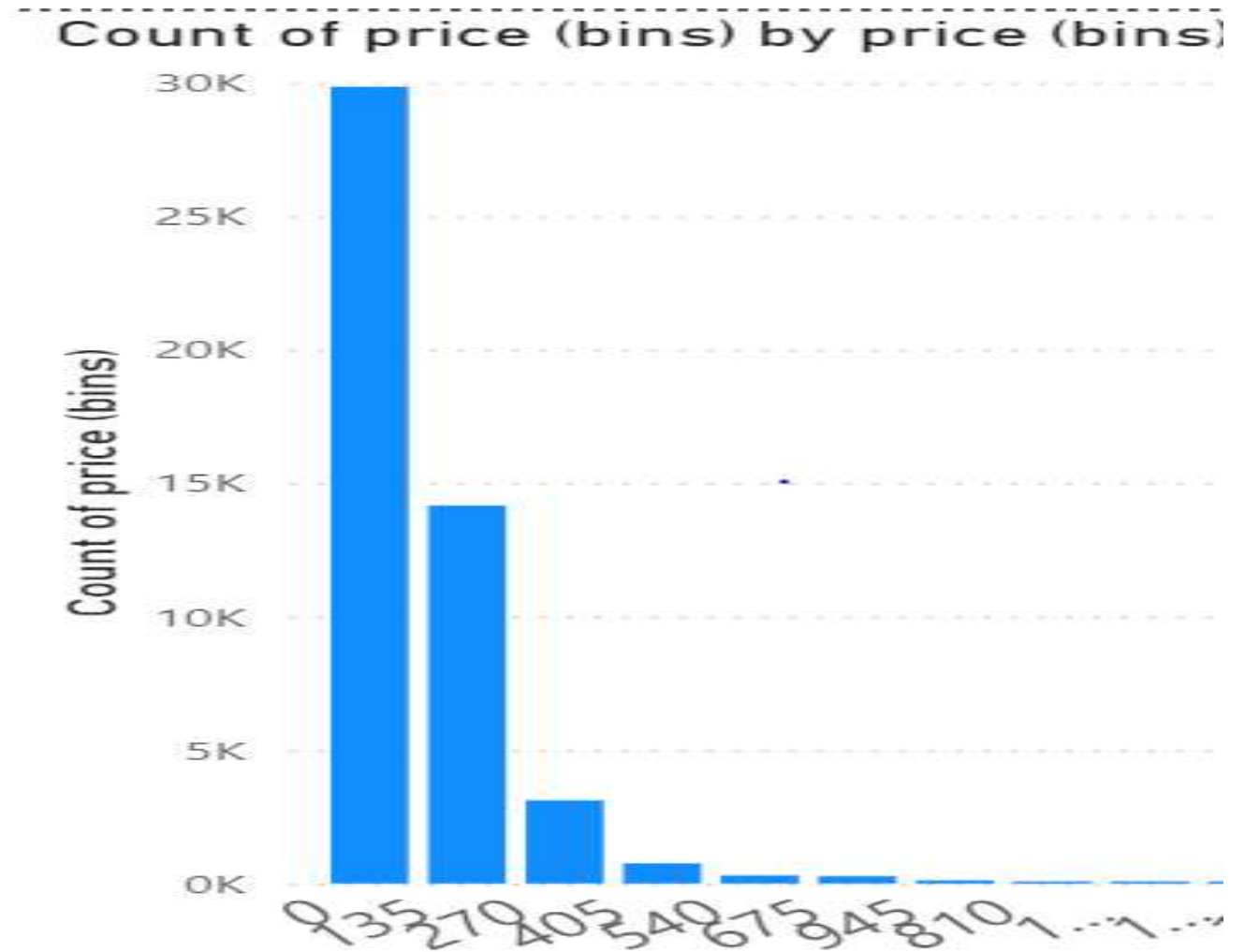
Neighborhood in Demand

Considering the sum of reviews received, it can be concluded that Manhattan and Brooklyn are the neighborhoods in demand



Price Range

Listings with a price range of 0 to 135 are highly preferred



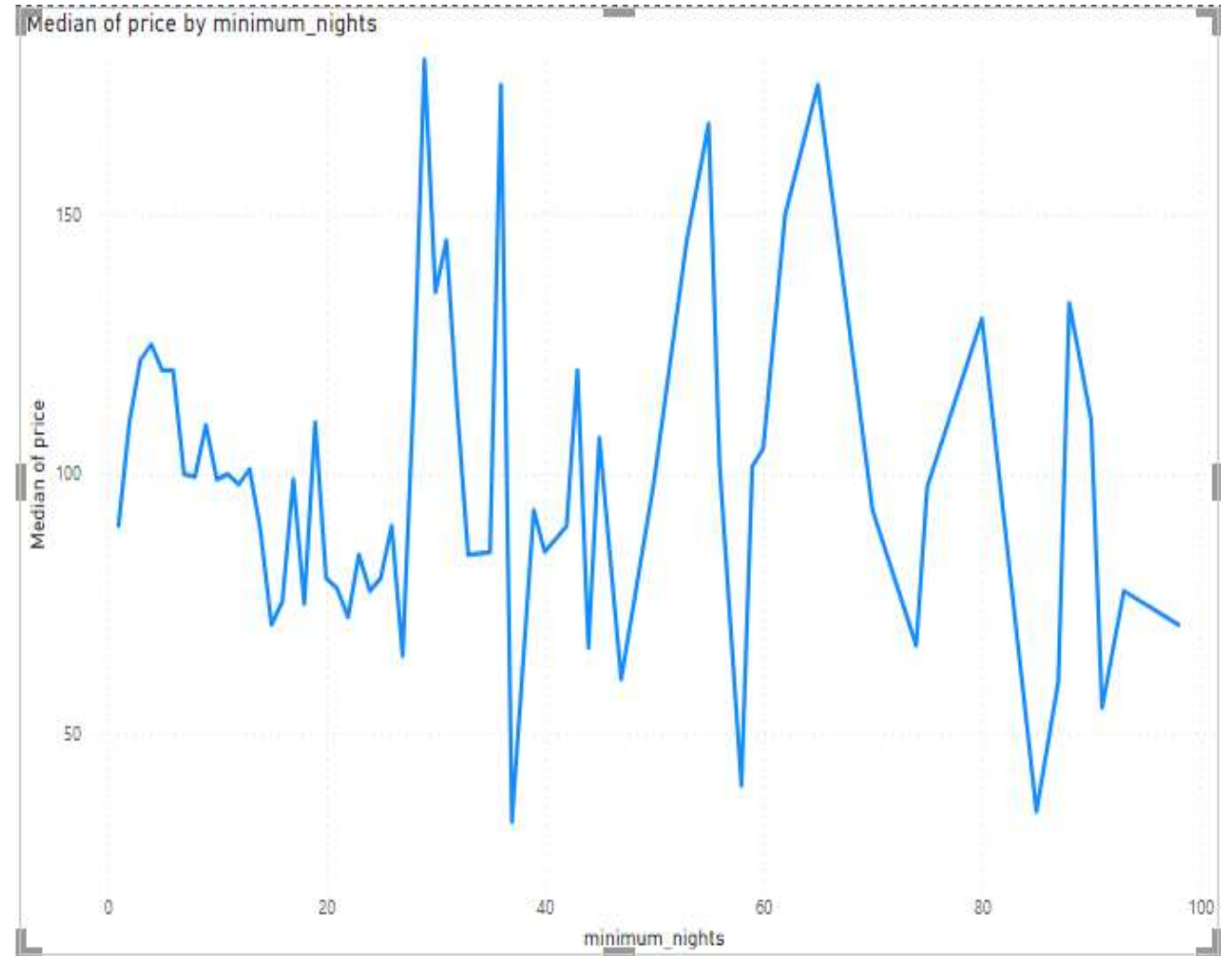
Average Price

Among the five neighborhoods, it can be observed that Manhattan has the highest average price for listings, while the Bronx has the lowest average price among all

neighbourhood_group	Average of price
Manhattan	196.88
Brooklyn	124.38
Staten Island	114.81
Queens	99.52
Bronx	87.50

Price Variation

The median price of listings generally decreases as the number of minimum nights increases, with a few exceptions



Assumptions

- Review received are all positive and indicates actual post after stay at one of the listing
- All data are actual and missing or NULL values has no significance

Conclusion

- Listing which offers entire home/apt has high demand
- Profit margins are high when customers books for 1 night
- Manhattan and Brooklyn are the neighborhood where business can be expanded
- The most acceptable price range among customers is 0 to 135
- It has been observed that, with a few exceptions, the price tends to decrease as the number of minimum nights increases

Thank You