

AirBnB Case

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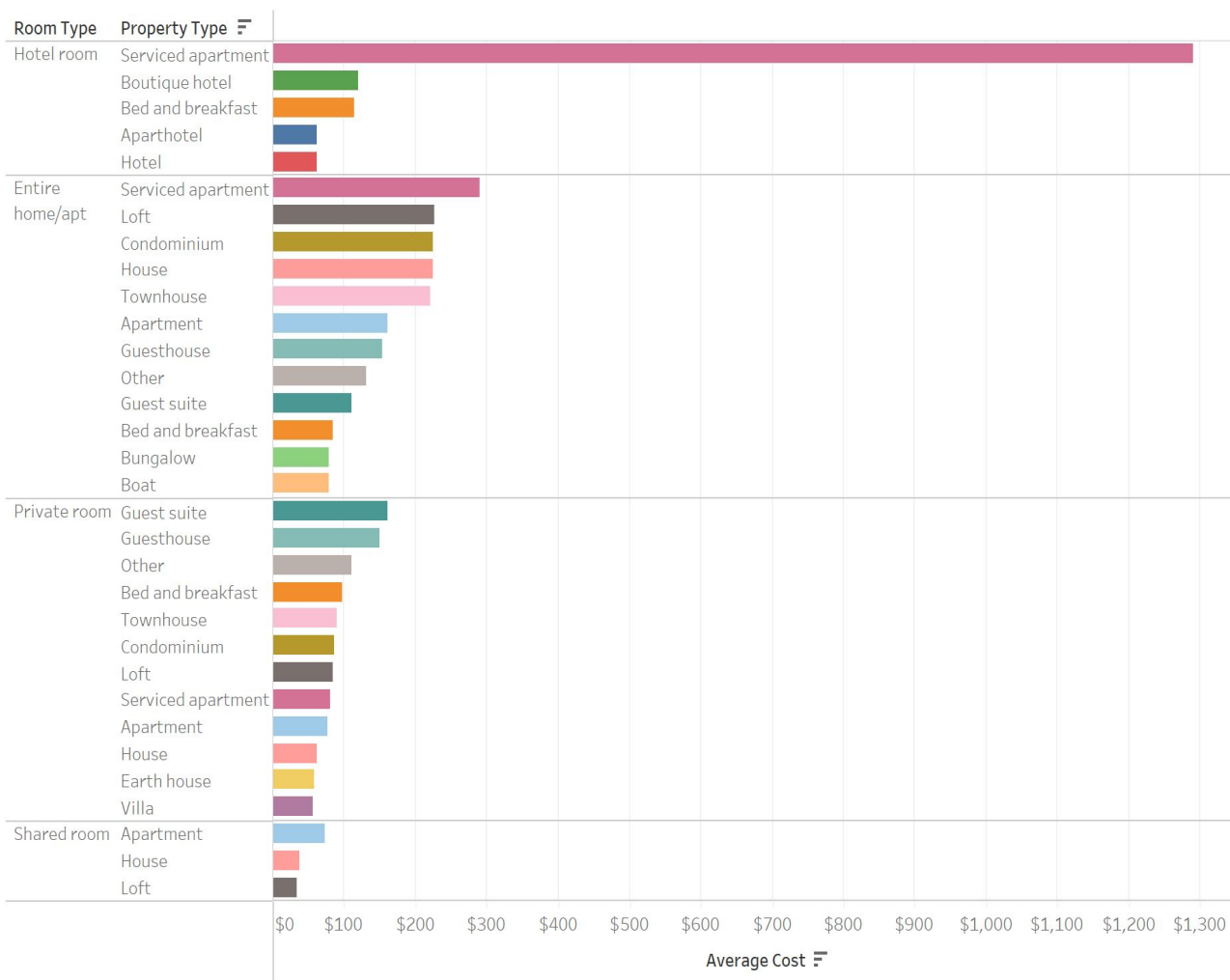


What's the Story?

As we are expecting to introduce AirBnB in our city, our team has put together visualizations of AirBnB data released from New York. Based on the gathered data we have put together visualizations to show the positive economic impact AirBnB could have on our city in the future.

The goal of the visualizations is to help us understand the approach we want to take in generating a sustainable profit in the AirBnB market:

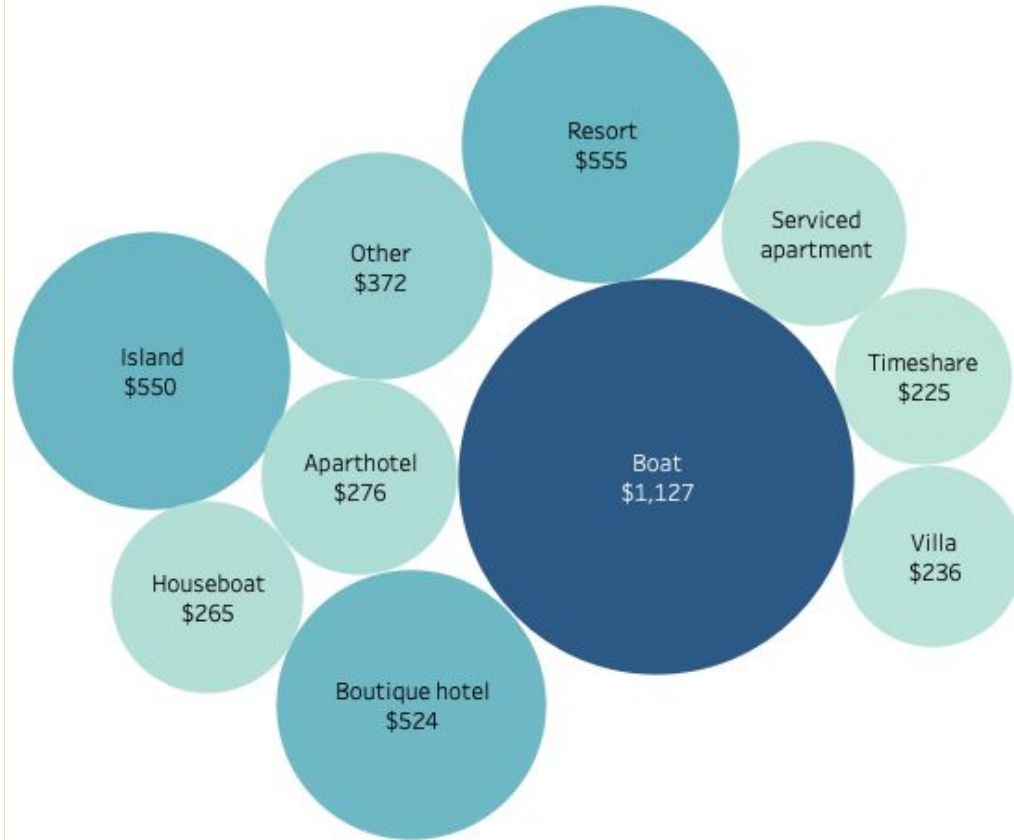
Do we want to focus on securing a more niche market (*more premium and loyal clientele*) with higher income or a larger market with lower revenue (*higher traffic*) ?



Average Prices in New York

- This visualization shows the average cost of all property types, respective to their room type listing.
- We are able to compare the different prices of different room types, along with the property type it is being offered in.
- The value of this information is that we can visualize cost differentiation of room types across cities which do not yet have Airbnb.
- The cities where Airbnb is being introduced will be able to visualize the scale of revenue based on the room types and property types available in their city.

Top 10 Property Types by Price

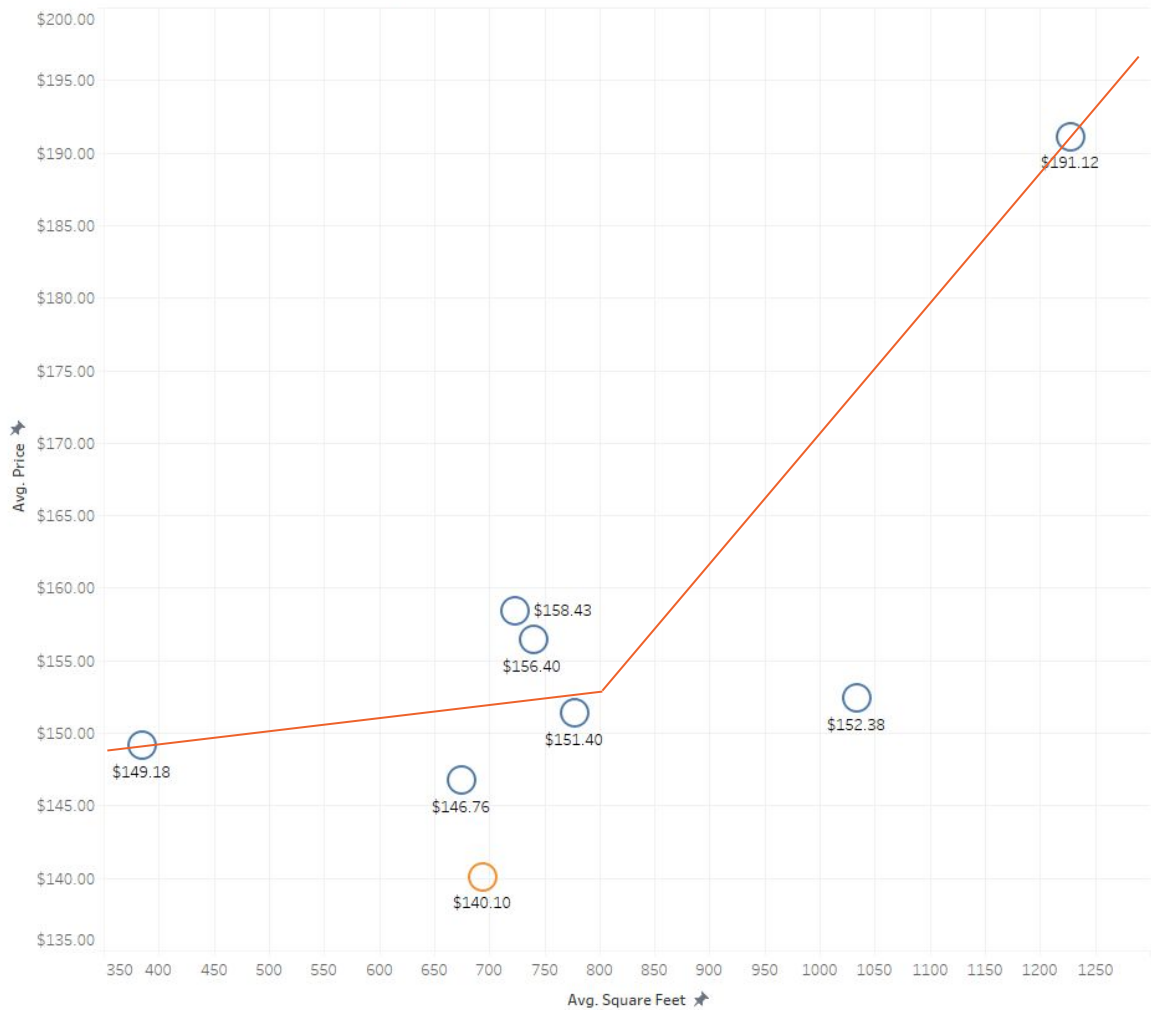


Top 10 Property Types by Price

- Boats, resorts, and island property types yield the highest return
- Focusing on these property types and promoting visitors to book these locations by curating ads and constructing attractions near these sites will result in a higher revenue stream



Average Square Footage vs Average Price



Average Square Footage vs Average Price

- As the average square footage goes up, so does the average price --
- Between 650 sqft-700 sqft, the average price seems to drop by a couple dollars compared to around 375 sqft --
- At around 1025 sqft we notice another considerable drop in average price
- Generally speaking, the greater the sqft, the higher the cost.



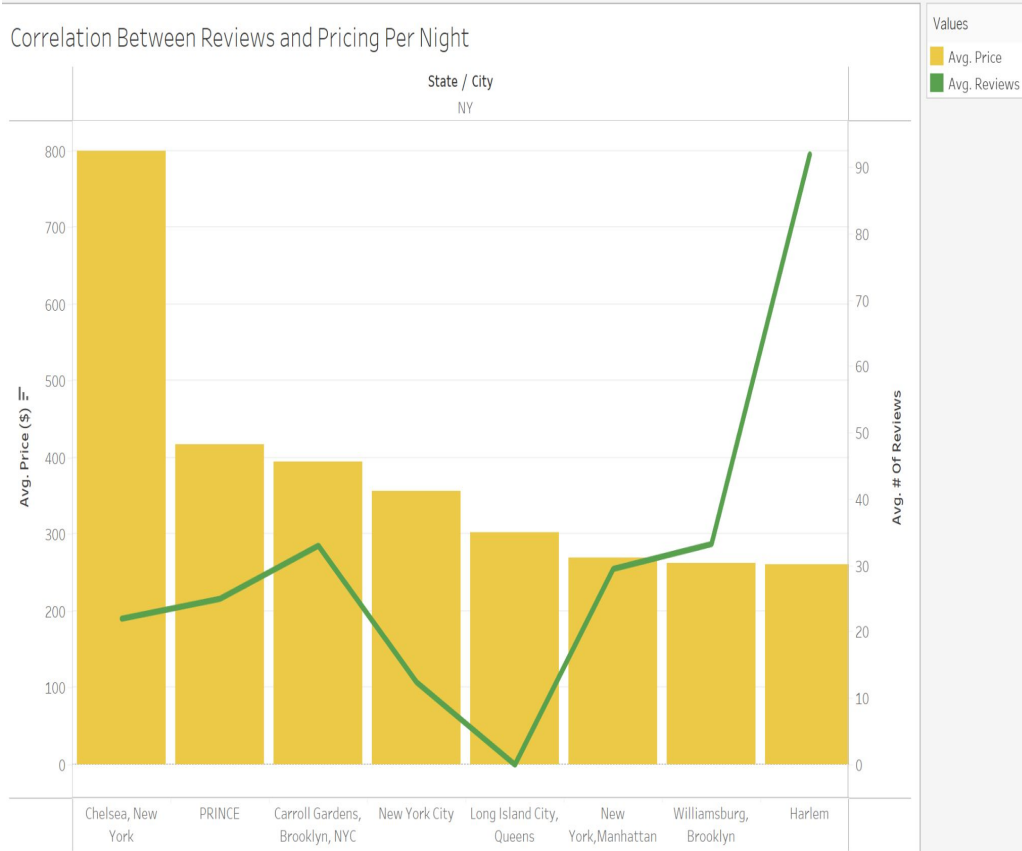
Correlation Between Reviews and Pricing Per Night (Vis 1)



- The following 2 visualizations (2nd on next slide; **Note: Both are filters of one single visualization**) attempt to find any sort of correlation between the number of reviews given by customers (traffic) and average pricing of the AirBnB's in that city.
- New York is being used to show this correlation as it has the highest amount of airbnbs out of any state by a clear margin and hence a good sample
- The data strongly suggests that there is a strong correlation that the cities with the most reviews are the more cheaper ones.
- It can be inferred that since the most reviewed areas are cheaper, those areas will have the most people coming in (more traffic) due to them being more popular and the more relied upon choice
- It can be seen how an increase by price by even a relatively small margin causes a drop in reviews
- Let it be noted that the visualization shows the top 8 highest reviewed cities in NY and yet the most expensive of them is barely \$100 on average; 4 times less than the most expensive city in the state (see next slide).

Correlation Between Reviews and Pricing Per Night (Vis 2)

Correlation Between Reviews and Pricing Per Night



- Here we see the complete opposite trend:
- The most expensive cities have the lowest amount of reviews i.e Chelsea has 20 times less reviews than the most reviewed city East Elhurst which is almost 18 times cheaper than Chelsea (see prev. slide for comparison
- The data strongly suggests that there is a strong correlation that the most expensive cities have the least amount of reviews
- It can be inferred that since the least reviewed areas are the most expensive, those areas most likely have a premium clientele secured. The customers do not feel a need to leave reviews nor does the airbnb host care most likely as the host has his customers secured. Relying more on the greater profit made per customer rather than focusing on higher quantity.
- It can be seen how a decrease in price eventually skyrockets the amount of reviews and thus potential traffic