Airbnb Stay Sale Price and Venue Data Analysis of Perth, Western Australia

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1   Introduction

Airbnb, Inc. is an online marketplace for arranging or offering lodging, primarily homestays, or tourism experiences. The company does not own any of the real estate listings, nor does it host events; it acts as a broker, receiving commissions from each booking [1].The company is based in San Francisco, California, United States.

The company was conceived after its founders put an air mattress in their living room, effectively turning their apartment into a bed and breakfast, in order to offset the high cost of rent in San Francisco; Airbnb is a shortened version of its original name, AirBedandBreakfast.com. Airbnb is becoming popular all over the world as it can provide a home stay feeling in a local community. Australia is also a popular touristic place in the world and has many attractions for tourists from every where. Evidently Airbnb stay is a good choice for majority of them due to its cheaper price and helping the guest to have a feeling about local culture and community.

1.1   Problem definition and Objectives

Since Airbnb stay is becoming a source of investment for some local peoples, having a better insight on its market can provide useful information for potential investors. In this brief report we focus on Airbnb market in Perth, capital of Western Australia and its suburbs. We will analyze the popularity of the different suburbs and will predict the future price based on the available data. Finally we will provide advice for a potential investor who may want to have a portfolio of houses or apartments for short term renting purposes.

2   Available Data

Fortunately there is an available source of structured data through Inside Airbnb [2]. We will use "Summary information and metrics for listings in Western Australia" data set for our analysis.

3   Next steps

Cleaning data and filtering it is the first step to approach our objective. Applying the Data Analysis techniques from courses 4,6 and 7 is the next step to explore the data set. In the third step we will use data visualization methodologies from course 7 to present the findings and insights to Airbnb market in Western Australia through graphs, charts and geographical maps. Finally, we will discuss the explored data and will provide insights about the market share of different suburbs. We will also discuss the current and potential future prices for different accommodations in different suburbs. A corresponding Notebook and a complete report and presentation will be provided as an assignment of week 2.

Bibliography

[1] Airbnb. *What are Airbnb service fees?*

[2] Inside Airbnb. *http://insideairbnb.com/get-the-data.html.*