

Analyst the Rental Opportunities of Airbnb in Singapore

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01

Introduction

What's the problem?



About Airbnb and the problem

INTRODUCTION

Airbnb is a service that **lets property owners rent out their spaces** to travelers looking for a place to stay. **Travelers can rent a space** for multiple people to share, a shared space with private rooms, or the entire property for themselves.

Since Airbnb was made for travelers that need space for multiple people, it is quite tricky for the property owner to take the opportunity which **they could gain the optimum profit**.

in Singapore, there's various trend that happen among the travelers such as places, room type, price, and so on. In order to maximize the profit, this project was made to give property owners insight the best strategy and gain the optimum profit.

Objective and Scope



OBJECTIVE

- Highlight the region which has the most valuable income
- Sort the best room type to be rented
- Suggest the best price for the owners

SCOPE

- **Rented Airbnb in Singapore**
during 2018-2022



02

Exploring the Data

What data we have?

The Data

1

DQLAB AIRBNB LISTING DATASET

List of the Airbnb unit, owners, price, location, room type, minimum nights, and availability in a year.

[Link](#)

2

LISTING REVIEWS HISTORY

Order history of each unit Airbnb from 1 January 2018 to 22 September 2022

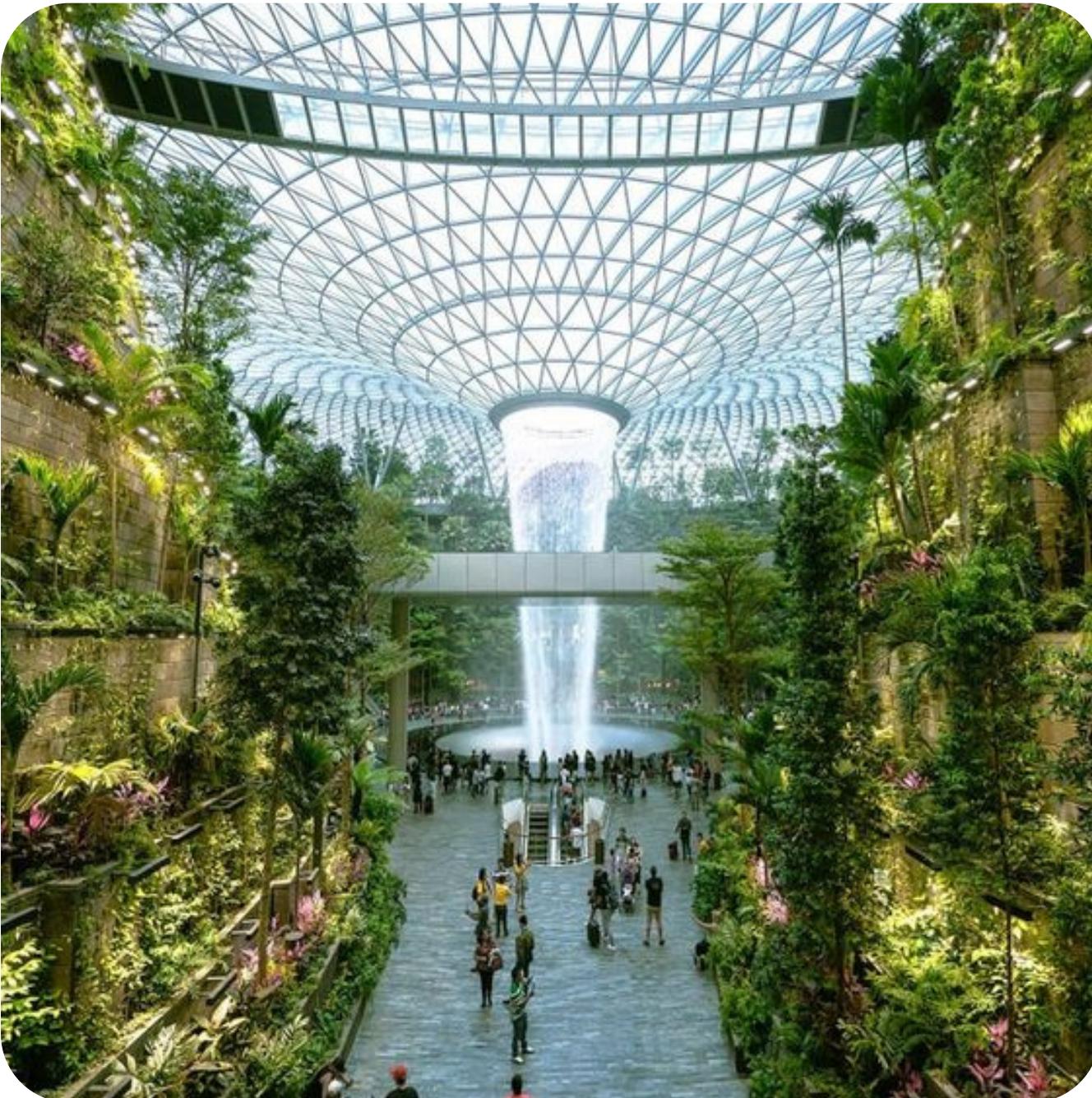
[Link](#)

3

NEIGHBOURHOOD MAPPING

List of region and neighbourhood group in Singapore

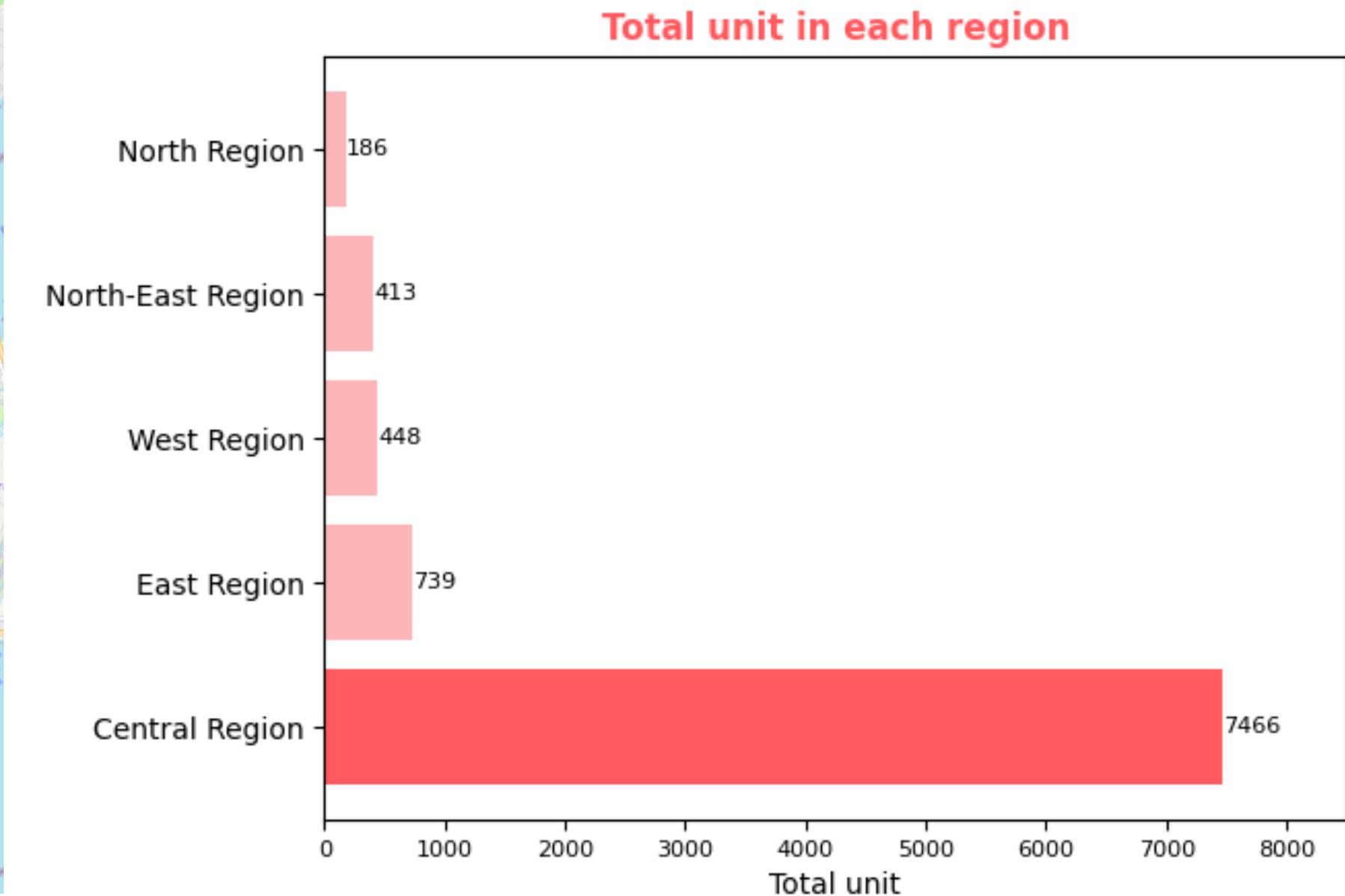
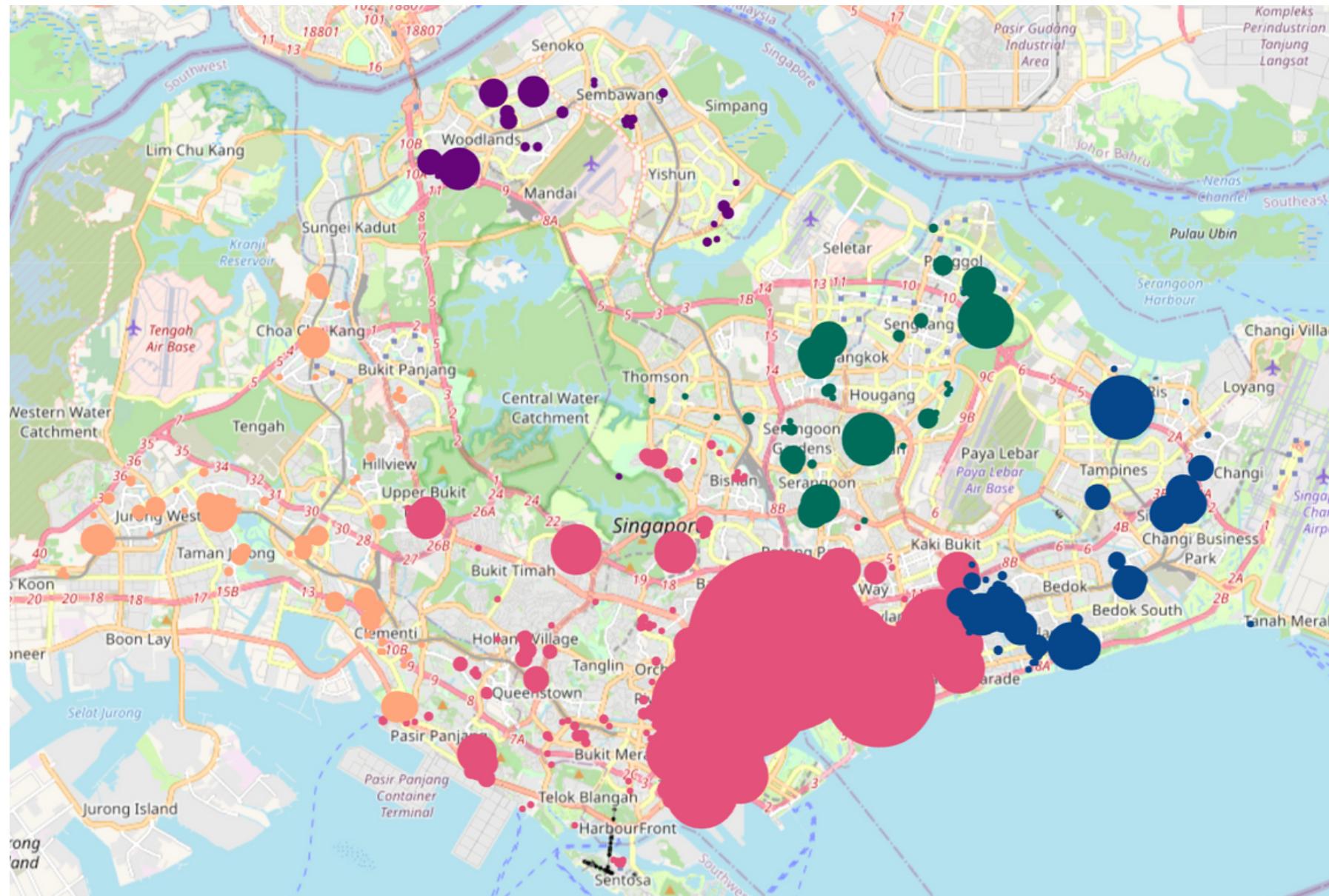
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03

Insight

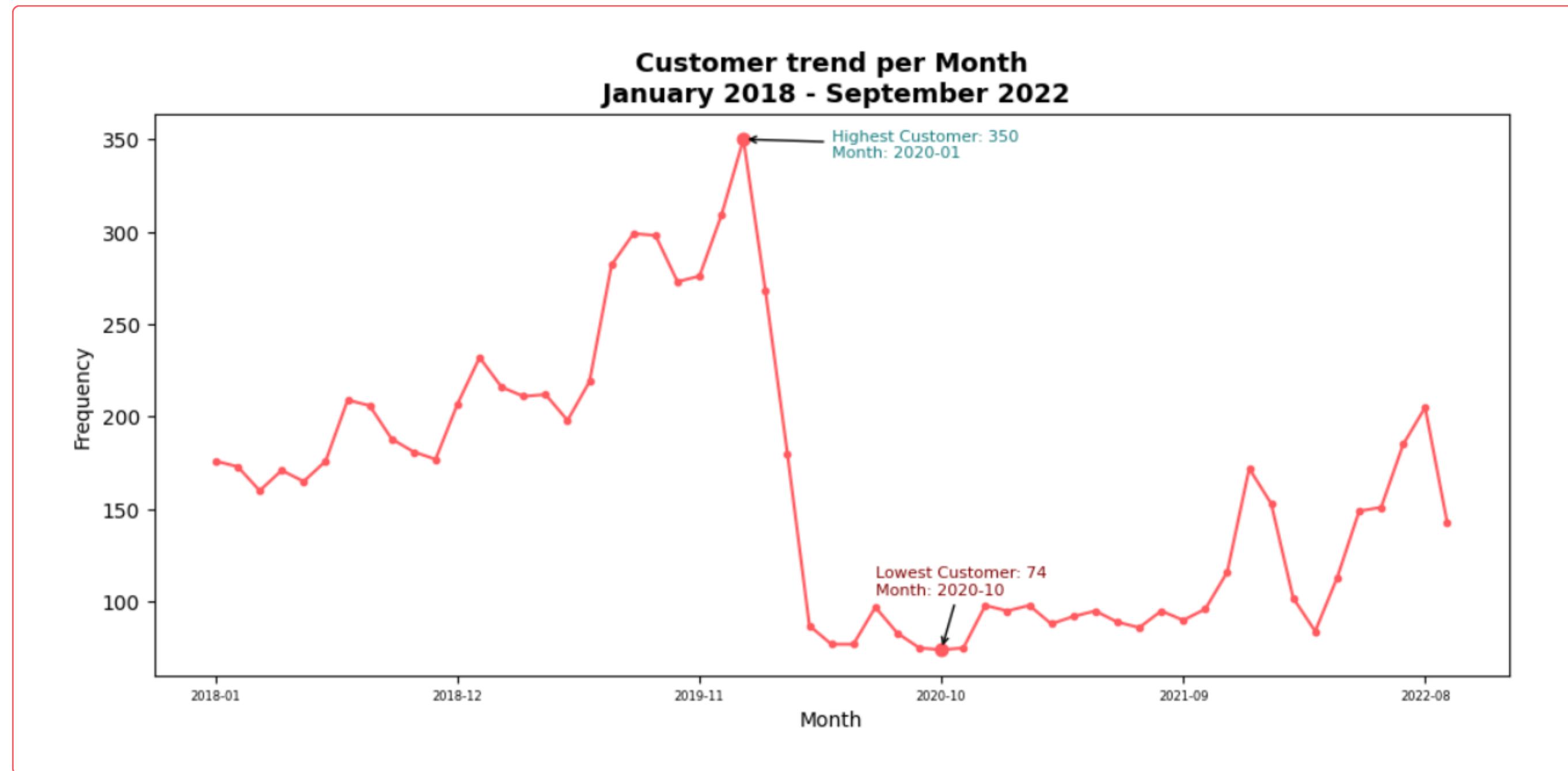
What insight we can know
from the data?



It is shown from the table that most of the Airbnb are located in **Central Region** with **7466 unit of Airbnb.**

Here's the graph of customers trend from January 2018 until September 2022

What can we conclude from the graph?

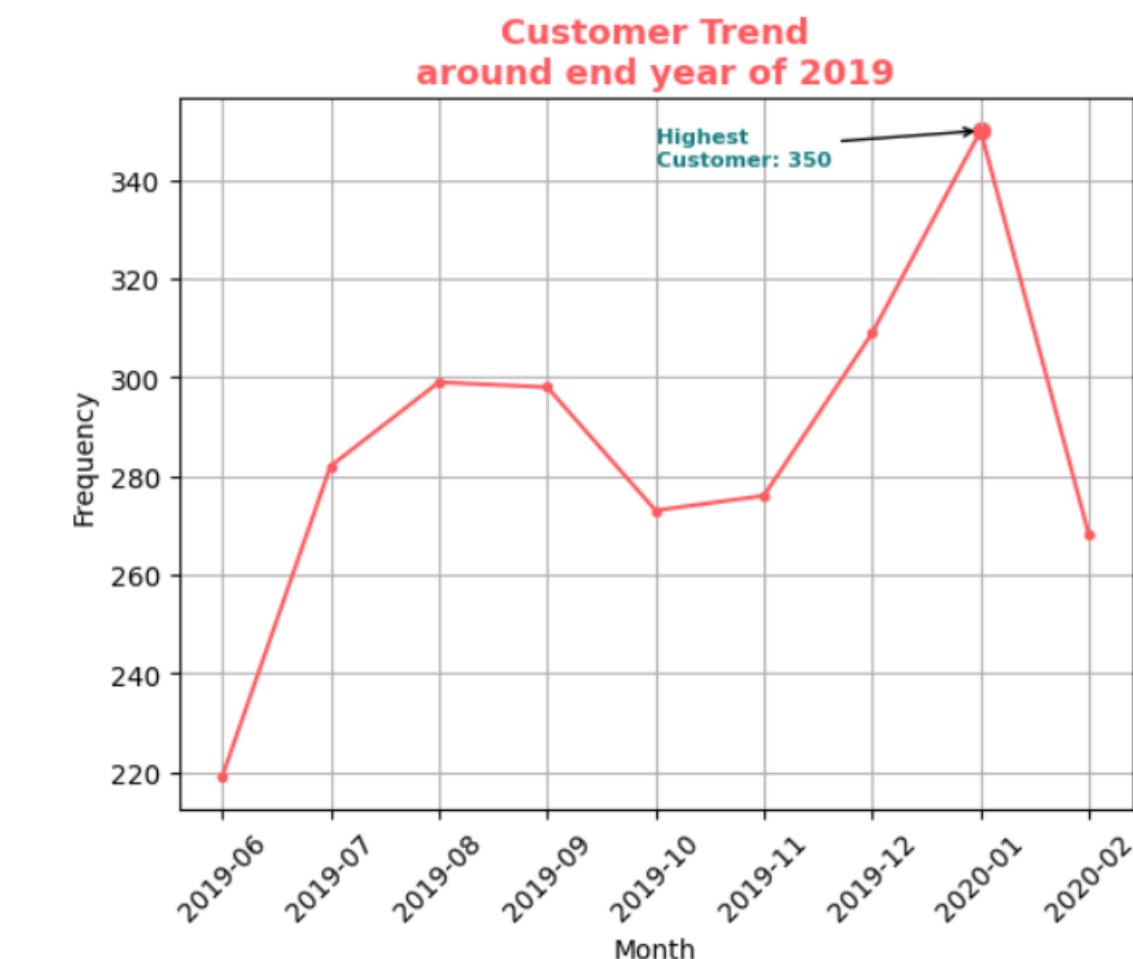
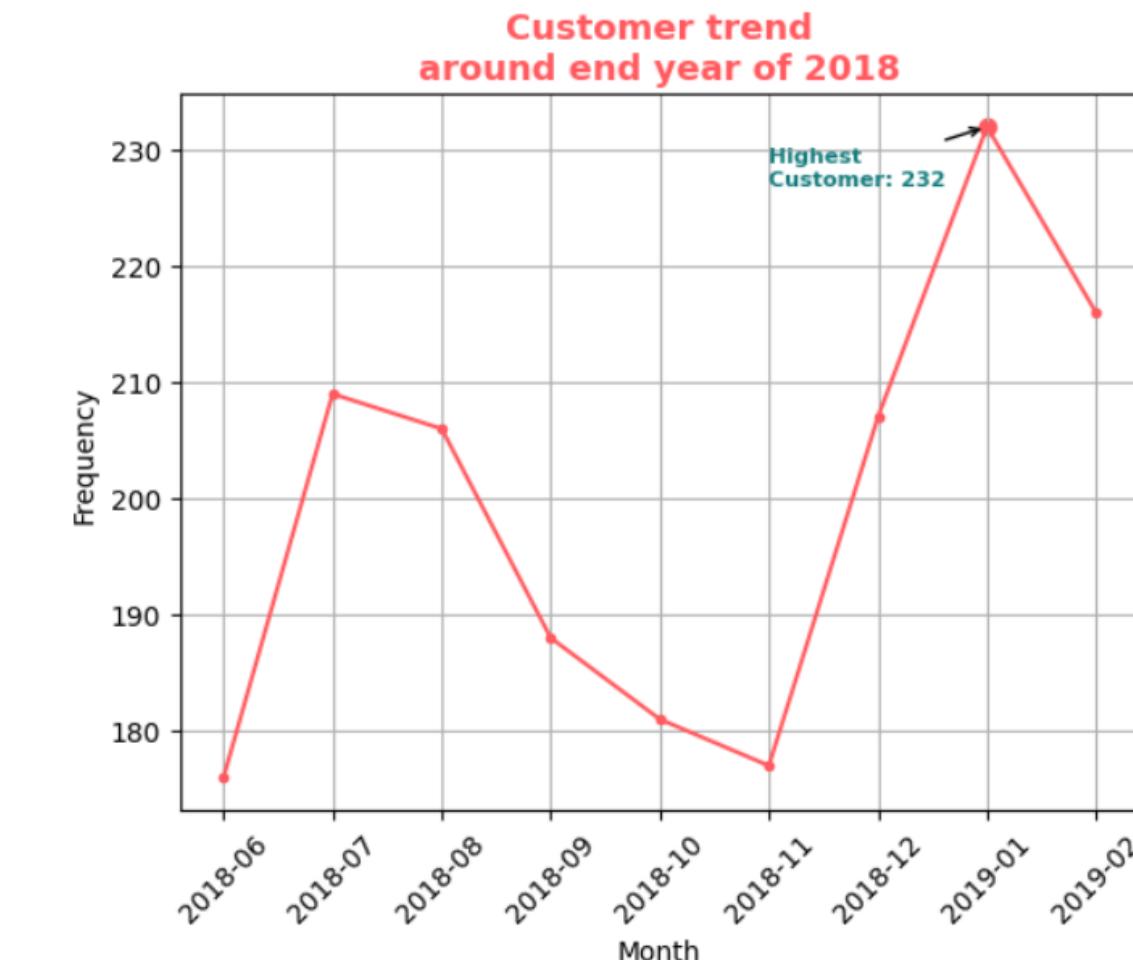


Peak season in Singapore

By the end of the year, **the number of rented Airbnb will significantly increase** as shown from the graph and it will reach the highest number in January.

For instance, on December 2018 the number of rented Airbnb is increasing from around 180 to 232. **It grows 28% since November 2018 until January 2019.**

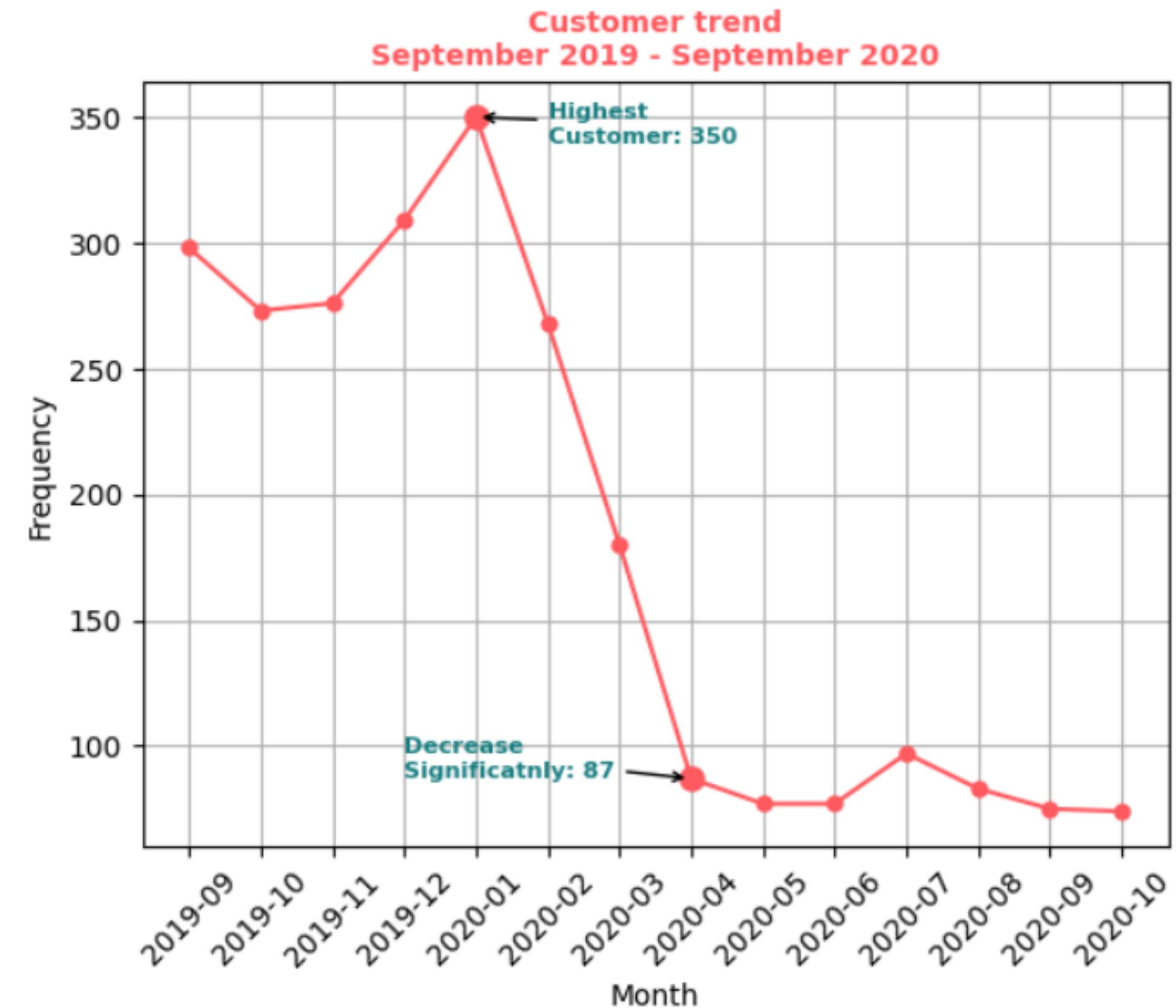
It also happen on December 2019 when the number of rented Airbnb **increased 25% from November 2019 until January 2020.**

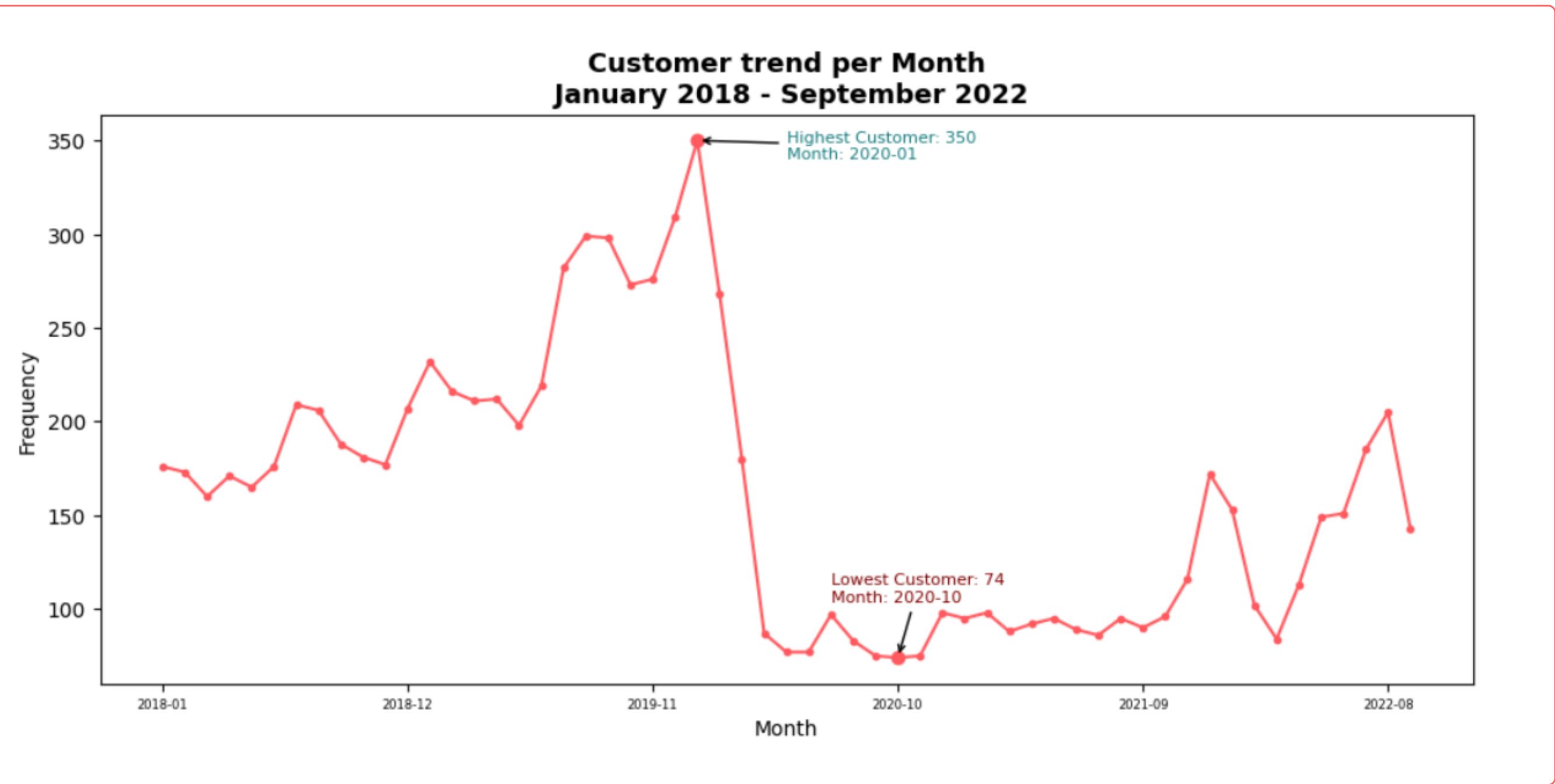


Lowest point on Airbnb's rented trend

As we all know, there was a massive outbreak in early 2020 which is known as COVID-19.

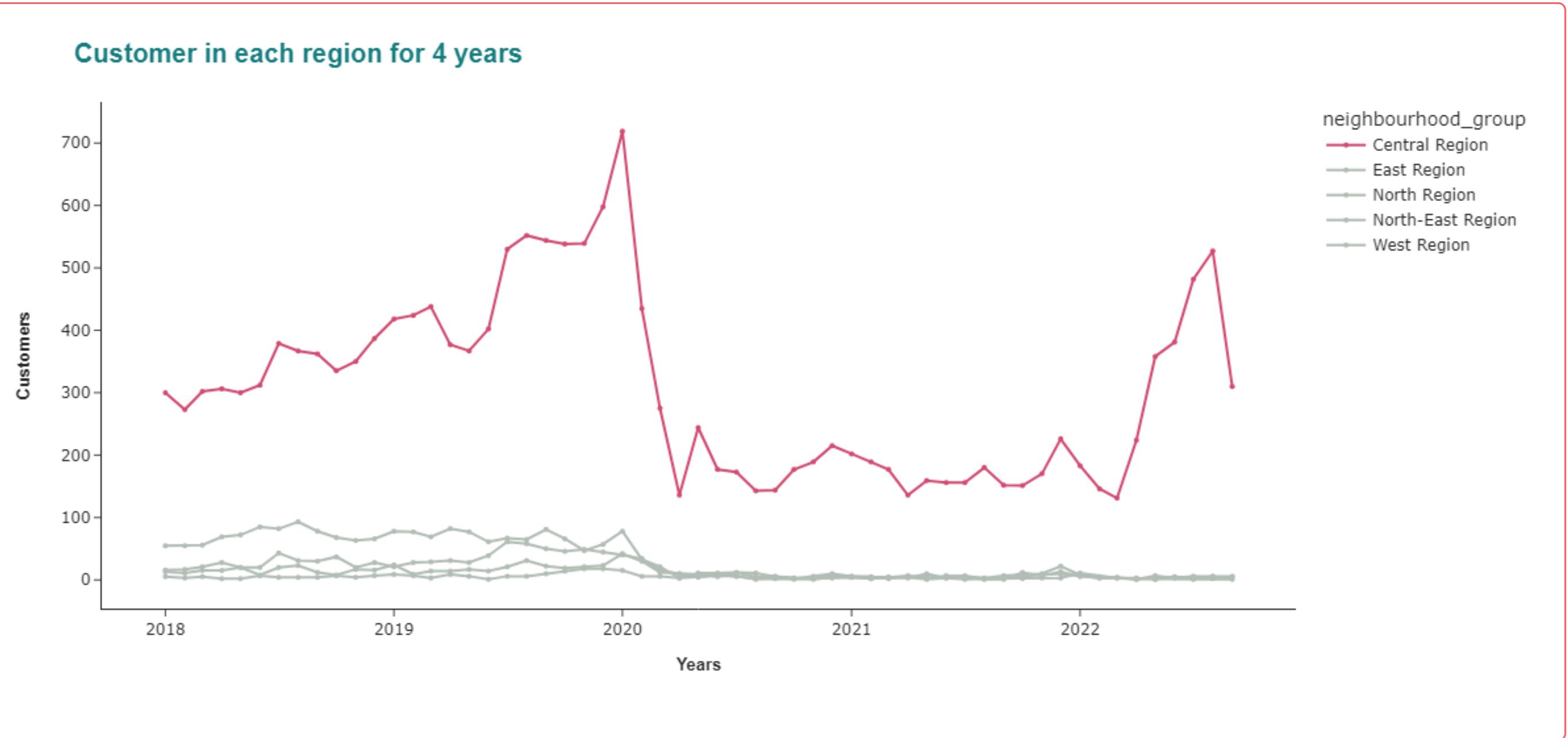
It gave a huge impact on the number of rented Airbnb. **The number of them significantly fell in only 4 months. It decreased from 350 rented units to only 87 rented units.**





Despite the outbreak, the Airbnb industry in Singapore still finds its way to keep **its popularity sustained**. It is shown that the customer slightly increases since the first outbreak.

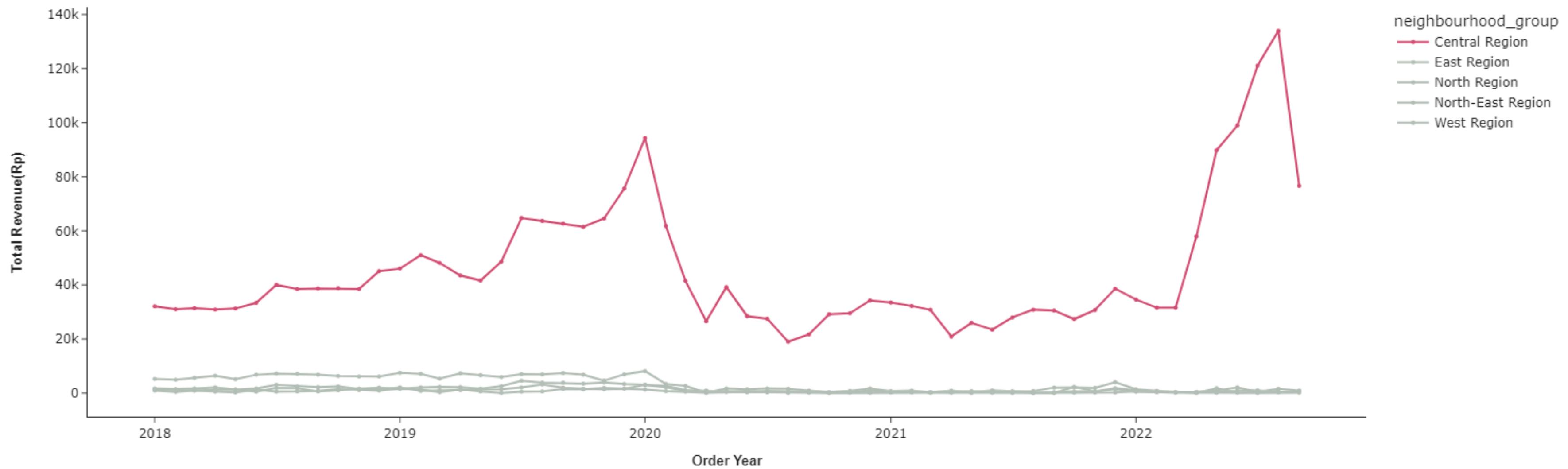
This is a nice insight for the property owners to not hesitate to invest in Singapore, especially in the Airbnb industry field.



From the graph, we can assume that **most of the customers are most likely to rent Airbnb unit in Central Region over other places.**

It is also shown that the customer trend in the Central Region after the outbreak has **a positive growth.**

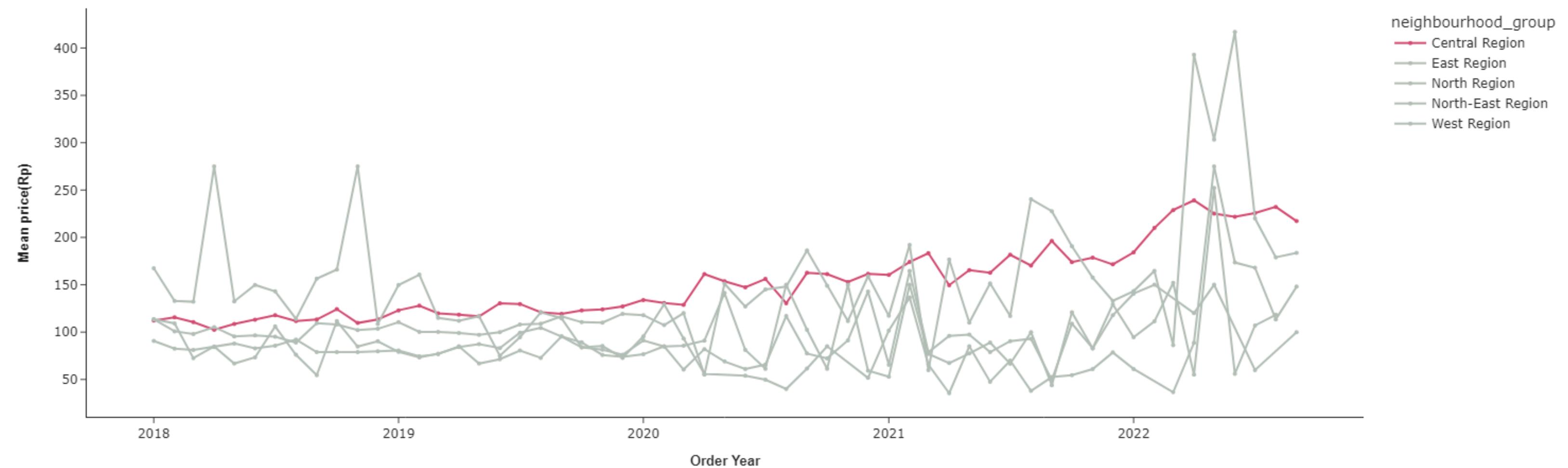
Gross revenue by neighbourhood in 4 years



Following the trend of customers and Airbnb units which Central Region is in first place, **the central region tends to have the most gross revenue.**

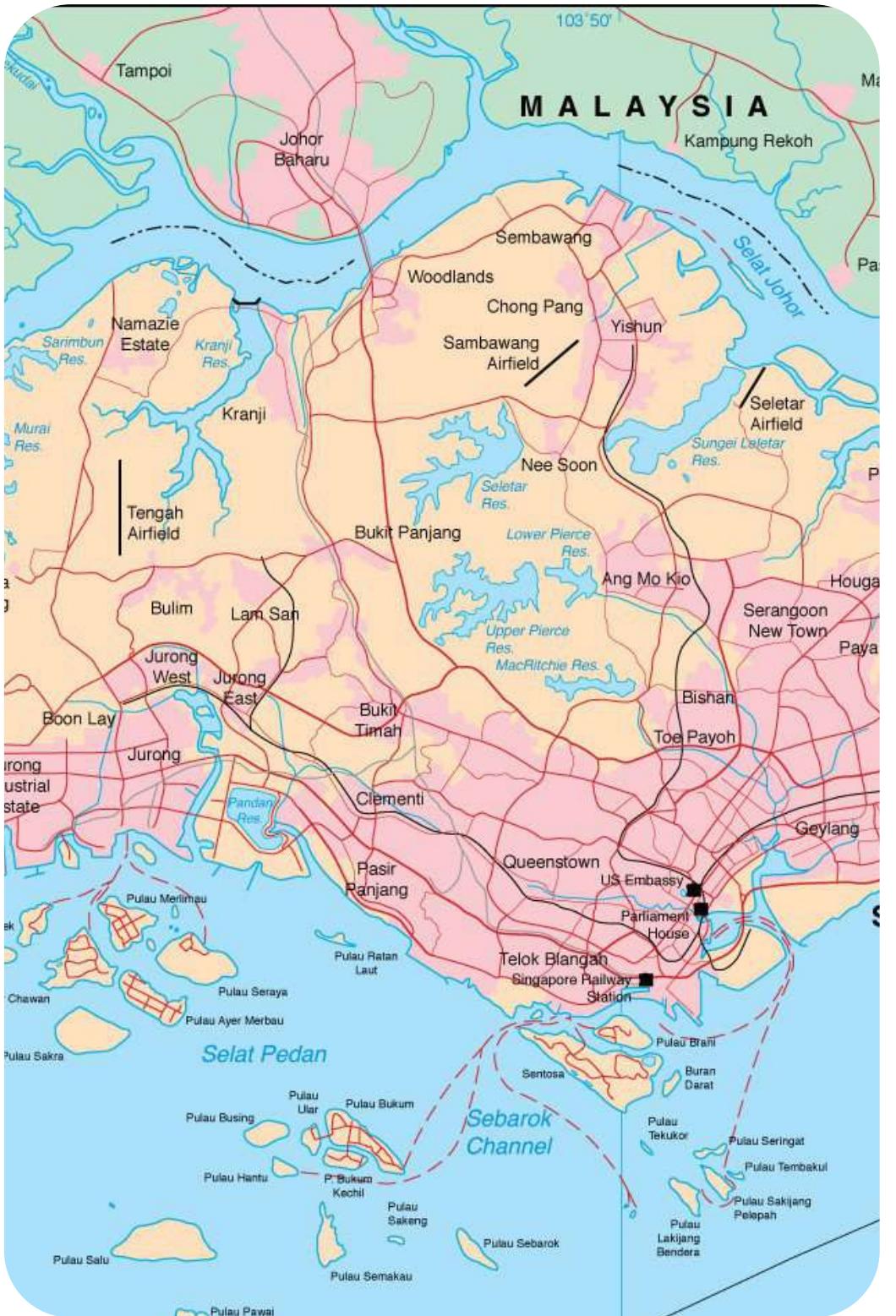
In this case, the calculation is excluding any additional costs.

The mean price of each neighbourhood in 4 years



It is shown that **the mean price of Central Region are stable and slightly increased.**

All of the data lead us to the conclusion that **Central Region is the best region for property owners to invest.**



MINI OVERVIEW

About Central Region

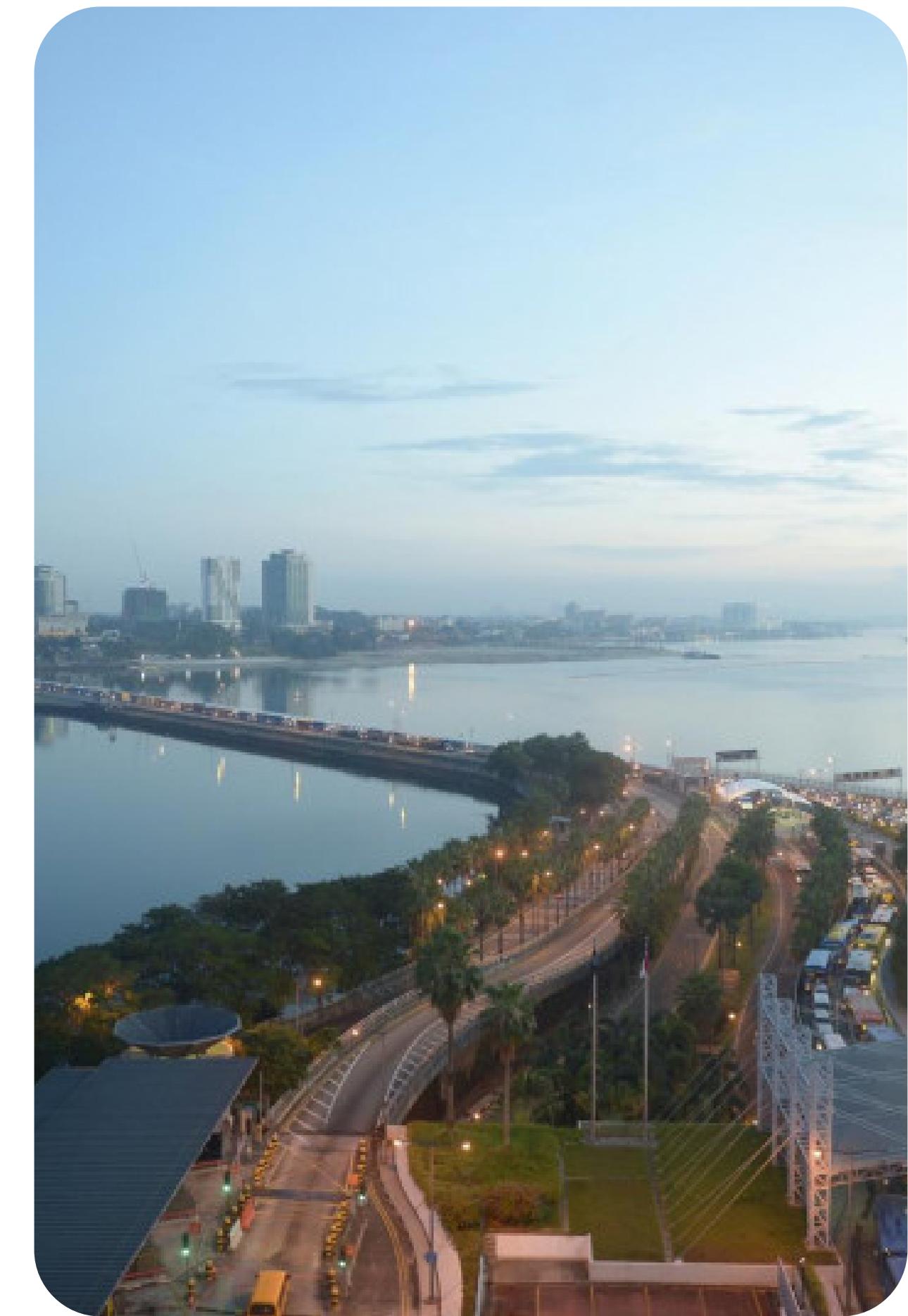
The Central Region and its popularity

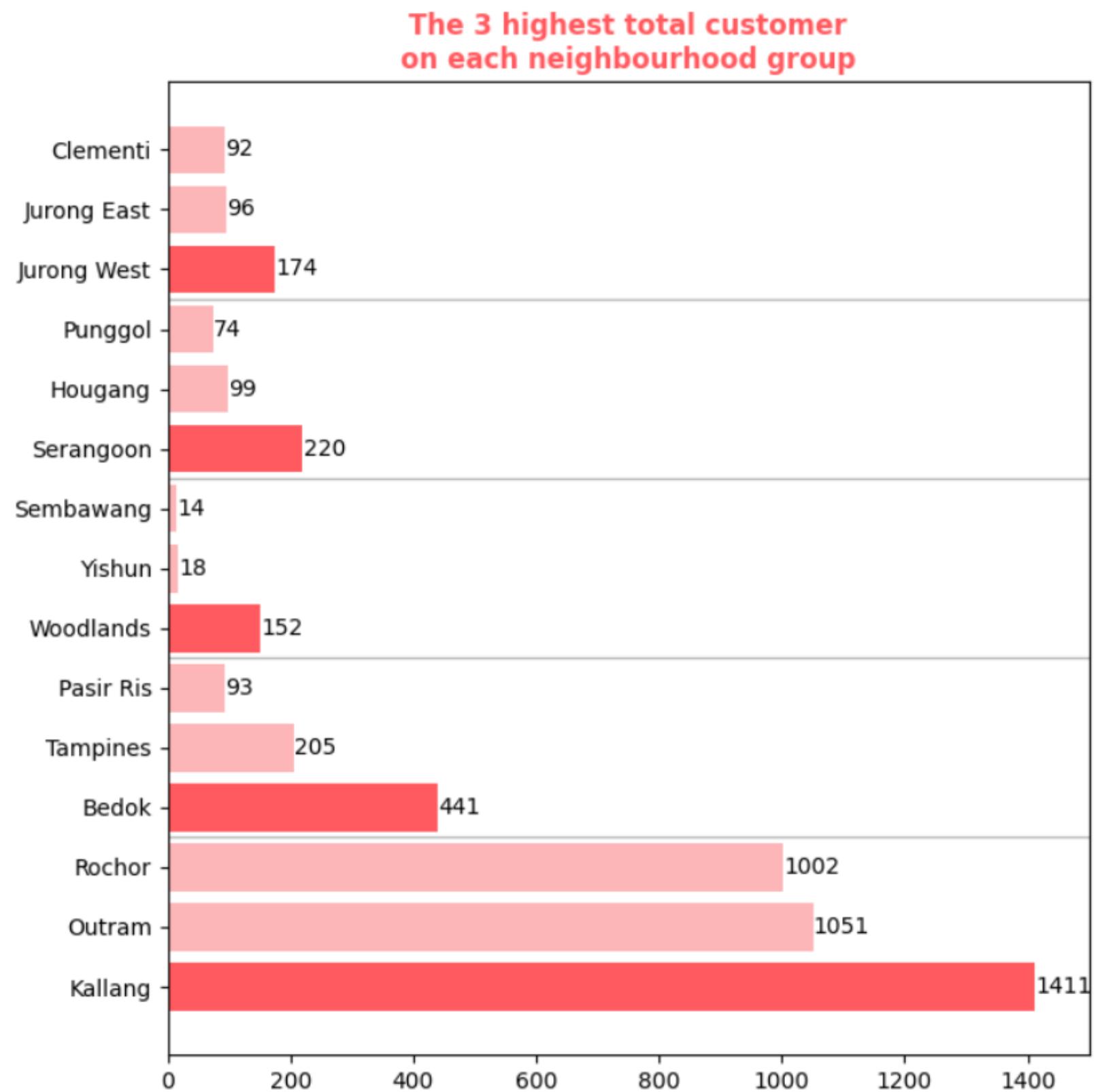
From the data that has been shown, we all know that Central Region has the highest income than any other region. It is fair since it is the most iconic place to visit in Singapore which also attracts travelers to visit, as well as the price that is quite competitive.

Conclusion

Central Region, Singapore

NEW CHAPTER





Top 3 Favorite Neighbourhood (by order history)

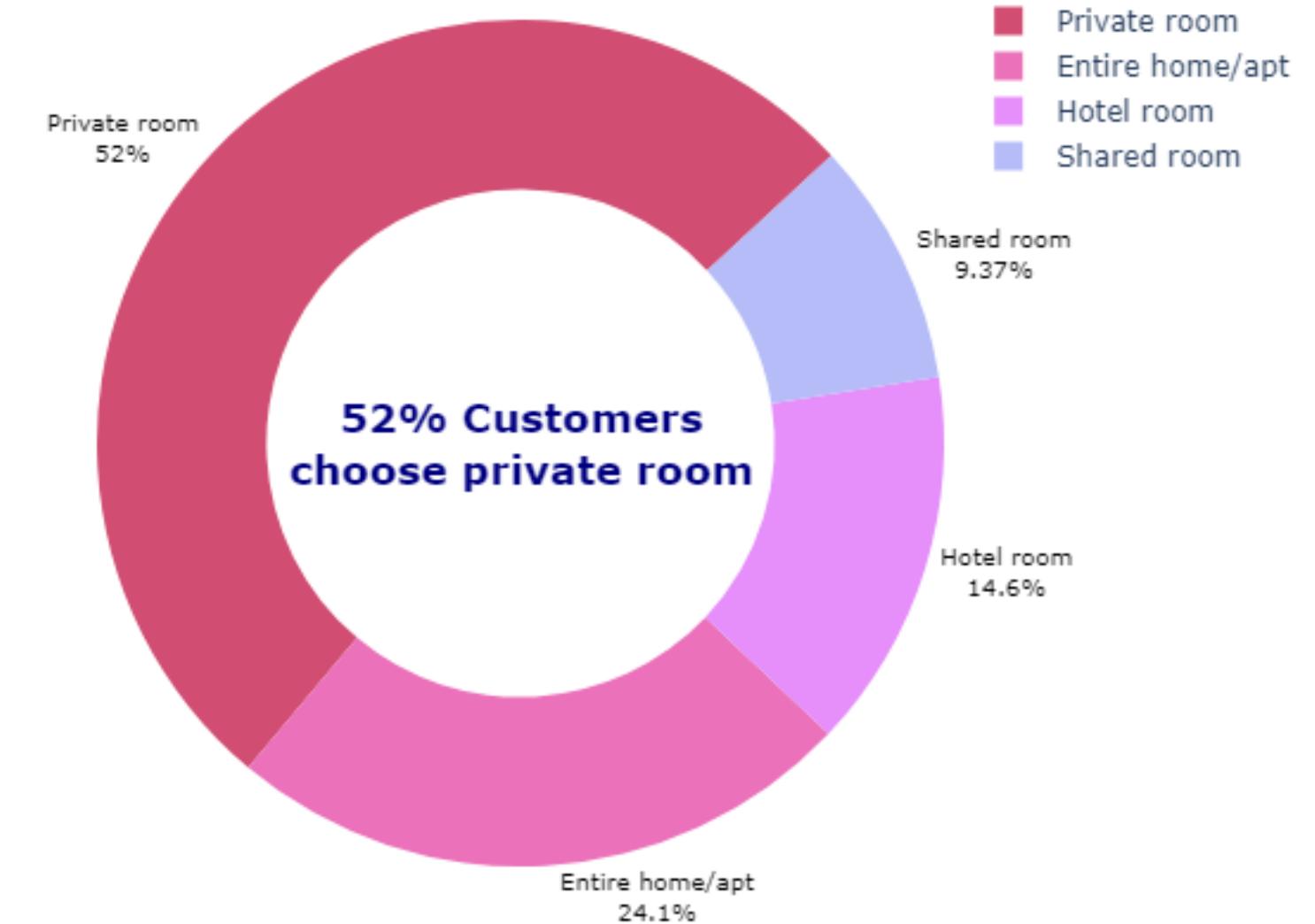
Central Region, or especially in this case Kallang, is the most favorite region for the customers to visit. From January 2019-September 2022, **Kallang has reached a total of 1411 customers.**

From Dollars and Sense, **Kallang has a good variety of public and private housing options**, with accompanying amenities and services. **From an investment perspective, the numbers do look healthy** for buyers as the prices tend to appreciate well given the popularity and convenience of staying near the city fringes.

Customer interest (by type of room)

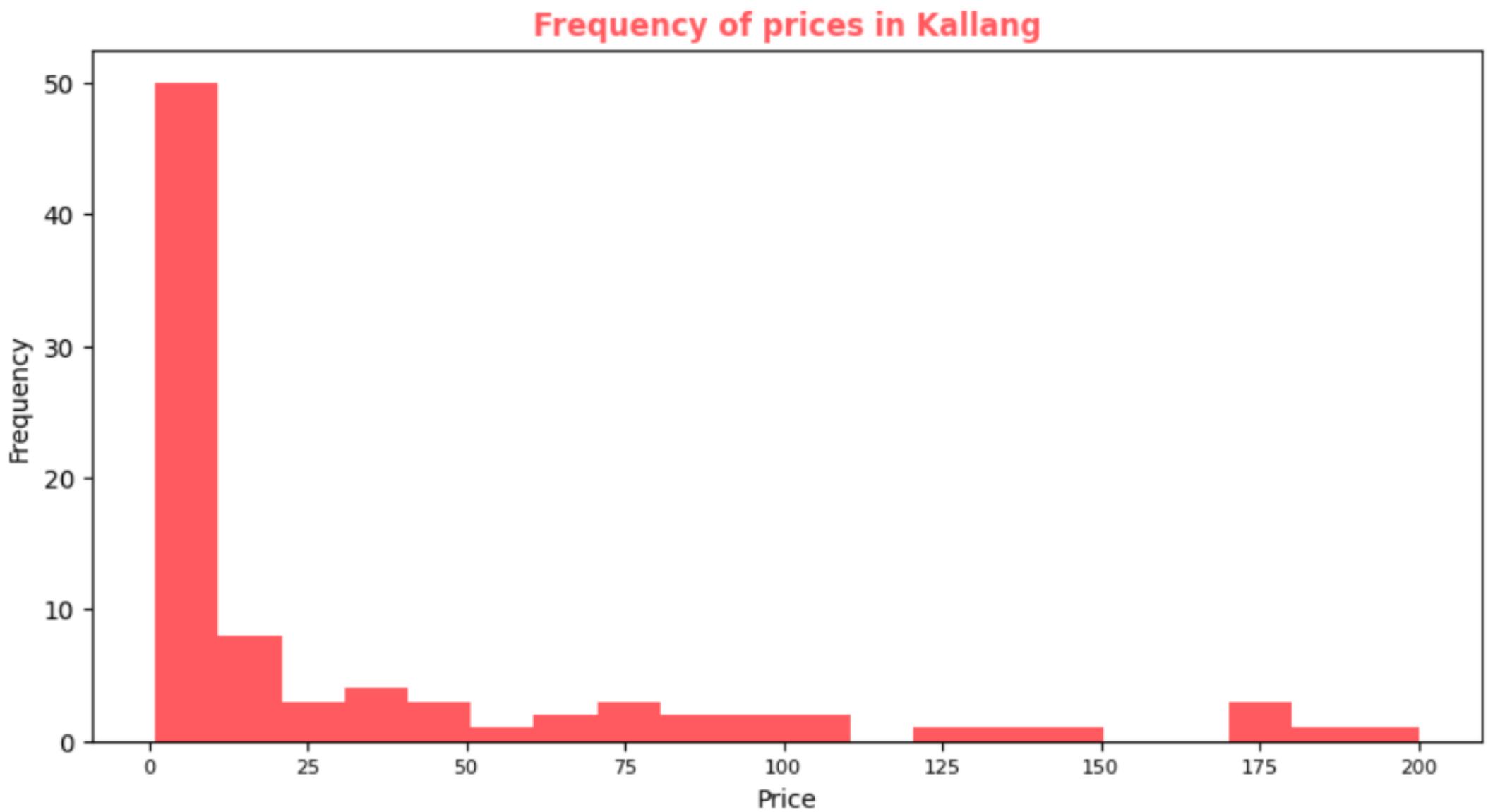
It is obvious that most of the customers in Kallang, **52% will choose to rent a private room**. Following by Entire home or Apartment (24.1%), Hotel Room (14.6%), and Shared Room (9.37%).

Customer interest
based on type of room



Price

In Kallang, most of house or apartment that rented by the customers is rented around **22-50 dollars.**



Conclusion

Central Region - Kallang

Due to the data, Kallang is the best option for properties owner to rent theirs. Here are a few reasons why we can jump into the conclusion :

- It has had a positive growth during the last few years.
- It attracts the most customer among other regions.
- This side of the country is near many iconic places in Singapore.
- The price in Central Region was quite stable even during the outbreak.

Suggestion

Due to the data and analysis that has been made. Here are a few suggestions for the property's owner.

From the data, the best strategy to rent a property are :

- **Located in Kallang, Central Region**
- **Rent it in the range of 20-50 dollars**
- **A private room is highly recommended**

However, the study should be continued since there's another variable (i. e. the price of land, maintenance cost, etc.) that should be involved to conclude has a precise result as what is wanted.



Thank You

Details of the project : [**Github Link**](#)