

# Business Growth Strategy - Airbnb

Presented to Head of Acquisitions & Operations and the Head of User Experience  
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# Agenda

- Objective
- Background
- Key Findings
- Recommendations
- Appendix
  - Data
  - Assumptions
  - Methodology

# Objective

- Provide recommendation for increase in revenue
- Insight into top features (locality, price slab, etc) to lookout for while acquiring new properties
- Recommendation for current properties based on property categorization

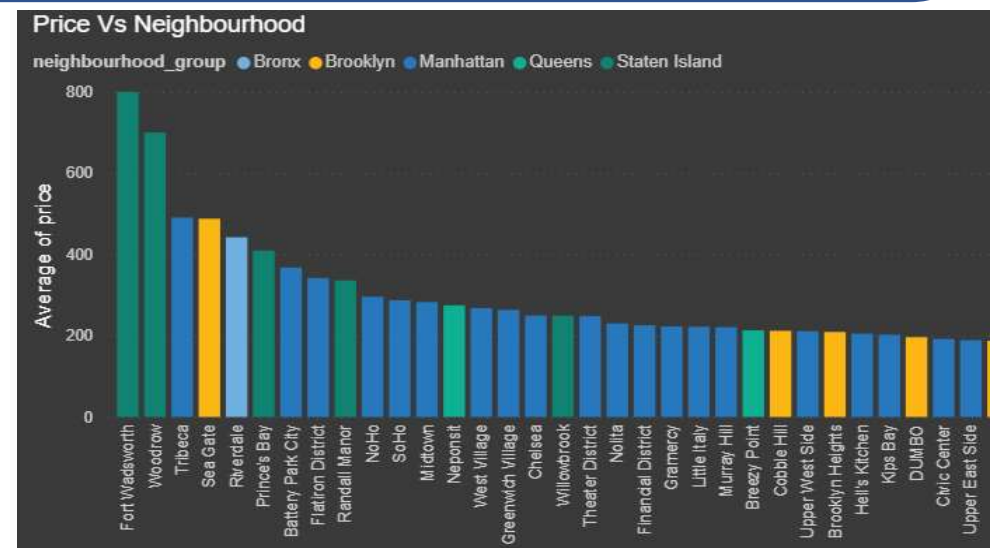
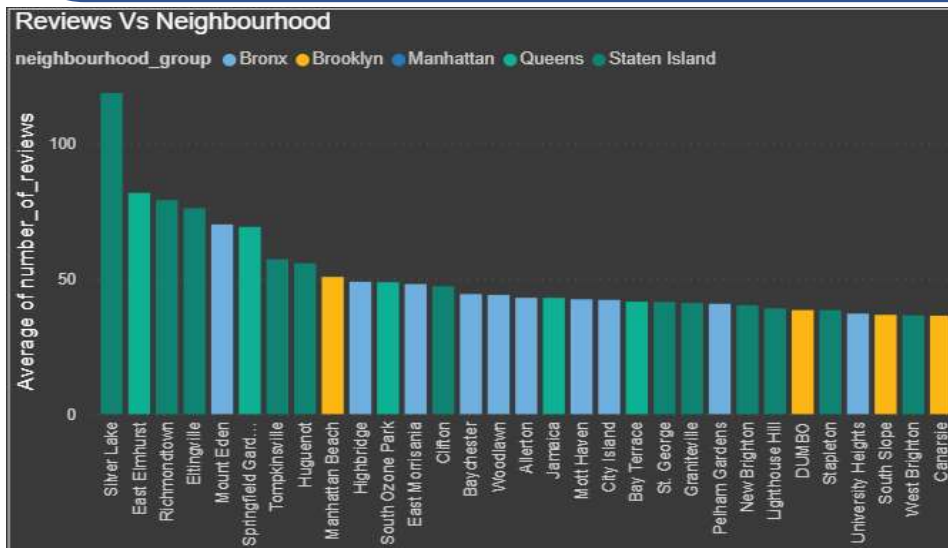
# Background

The Covid breakout brought multiple businesses around the world to a stand still. Airbnb was also badly affected due to it. Now, that the markets are reviving, Airbnb wants to make sure they are ready for the market needs to bring their revenue back on track.

# Preferred Properties

The properties Categorised as cluster 0 are customer's favourite based on their ratings. These properties are:-

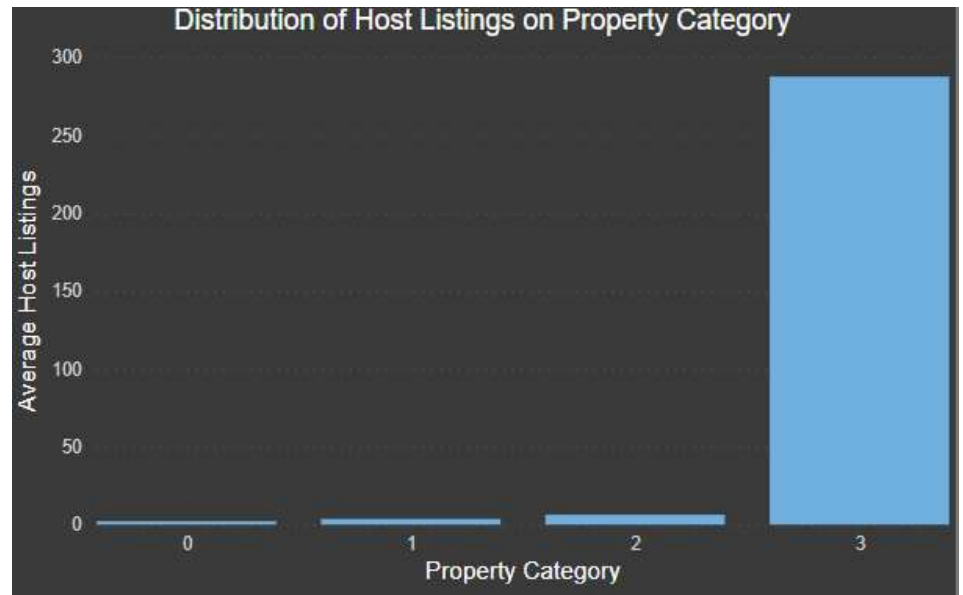
- Properties in Staten Island (especially Silver Lake, Richmondtown and its likes) have one of the highest average ratings and yet low nightly rates.
- Entire Apt or Private rooms mostly located in Brooklyn or Manhattan are the most acquired by Airbnb currently.
- Properties marked as mid and low range in terms of Price. These are the ones with nightly rate between 69 to 175 and an average nightly rate of 130. Quite a people also seems willing to spend bit more to stay in these properties.



# Avoid these Properties

Properties that Airbnb should let go or avoid based on the reviews are the ones clustered as 3. The one clustered as 2 are also performing badly. These properties are:-

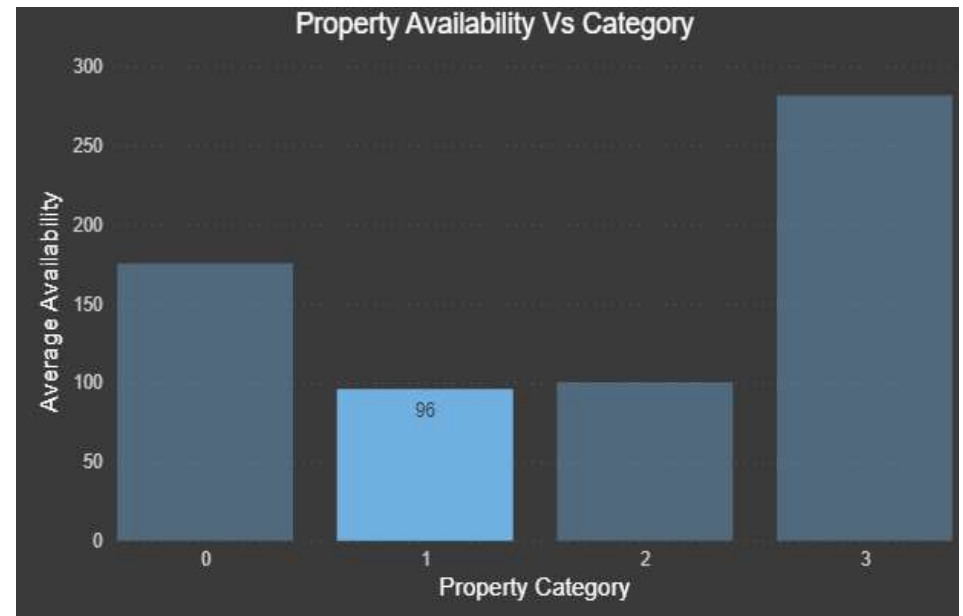
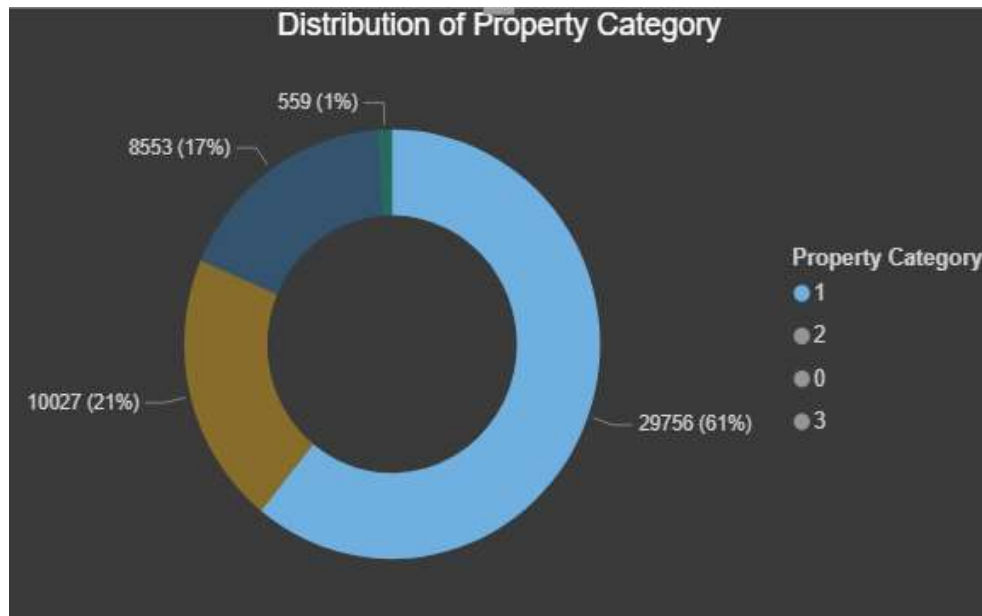
- Ones with higher average nightly rate of more than 200.
- Ones with the owner having multiple property listings. Properties for owners having more than 5 listings have less reviews.
- Ones having requirement for more than 3 minimum nights.
- Shared properties have least reviews.



# Properties Needing Upgrade

Properties clustered as 1 also don't have good review. They should be aligned to bring Airbnb success. These properties are:-

- Approx 30k (61%) of properties owner by Airbnb spread across New York's neighbourhoods.
- Ones with lowest availability. They should be asked to work on availability for maximum duration.
- Should be asked to be more interactive to customers to get feedbacks/ reviews.



# Recommendations

- Encourage more properties to be like cluster 0 properties in terms of pricing for location, room type and min number of nights.
- Do away with property owners with more than 5 properties and shared properties.
- Focus more on low or average nightly rate properties in Staten Island for quick results.



## Appendix - Data

- Data provided at the Upgrad portal.
- Data dictionary shared by Upgrad.

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## Appendix - Methodology

- Please refer the document “Methodology Document” on details on how the data was processed to draw these insights and many more such insights.