Storytelling Case Study : Airbnb, NYC

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AGENDA

Objective

Background

Key Findings

Recommendations

Appendix:

- Data sources
- Data methodology
- Data model assumption

OBJECTIVE & BACKGROUND

OBJECTIVE

To deliver valuable insights into the existing market landscape.

Improve strategies for property and host acquisitions, operations and customer preferences.

Present actionable insights to refine operations and user experience.
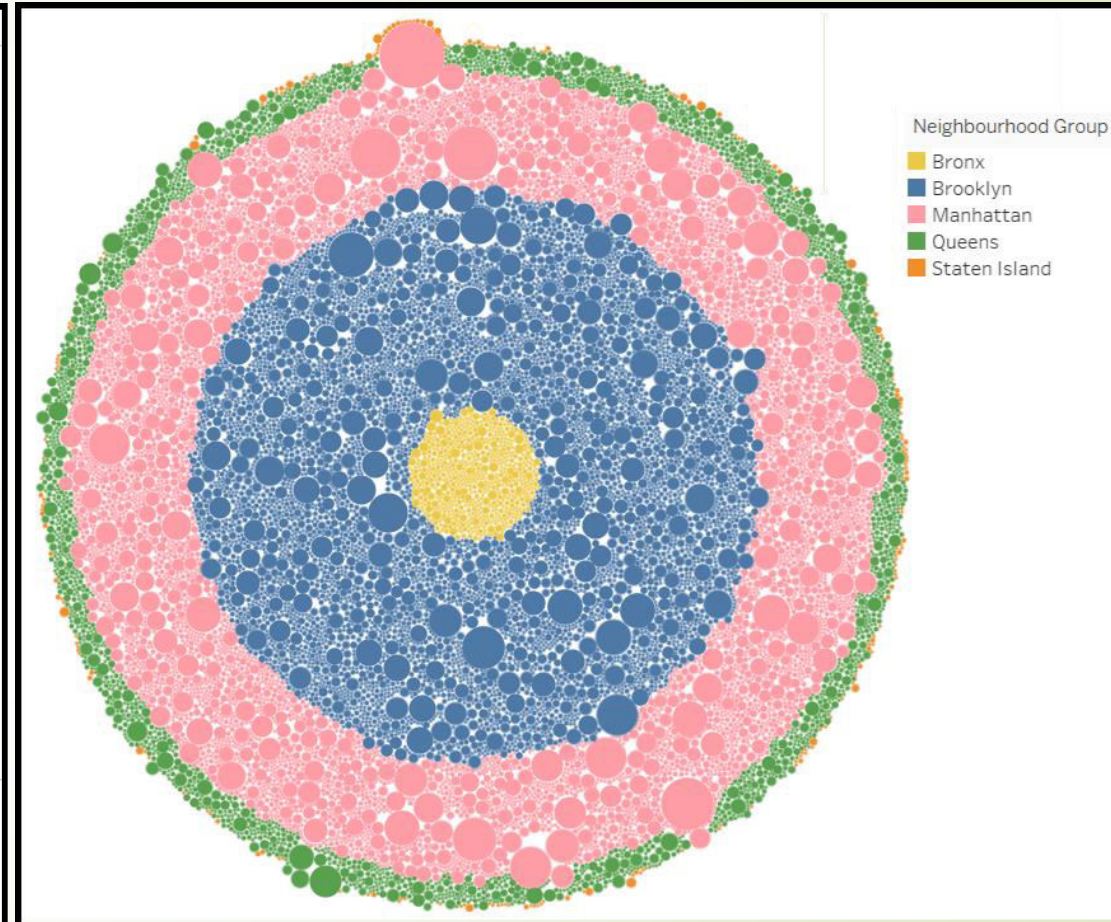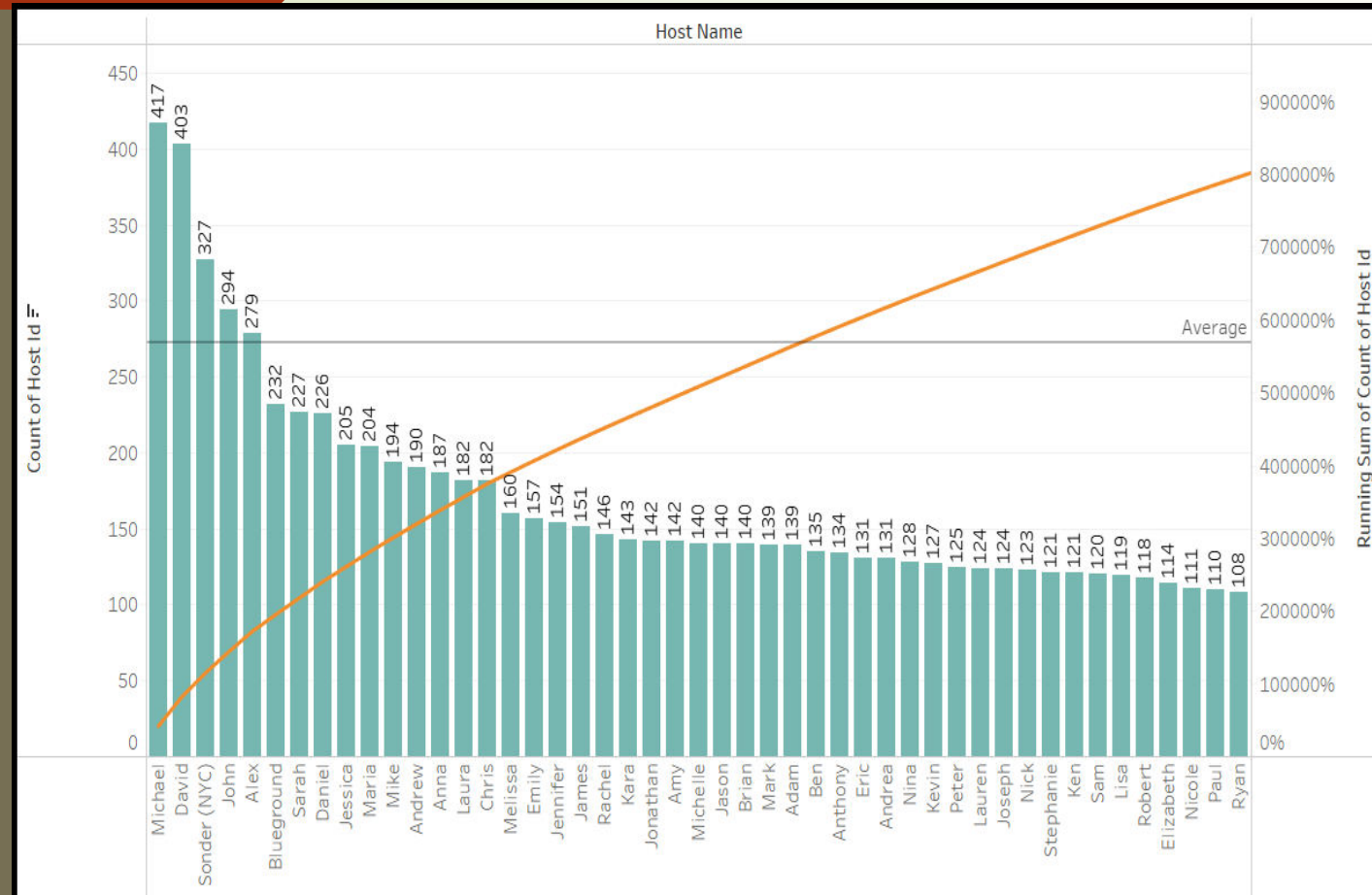
BACKGROUND

Airbnb has seen a major decline in revenue in recent months.

With travel resuming, the company needs to prepare strategically for market recovery.

Analysis is based on a dataset of Airbnb listings in New York to uncover key trends.
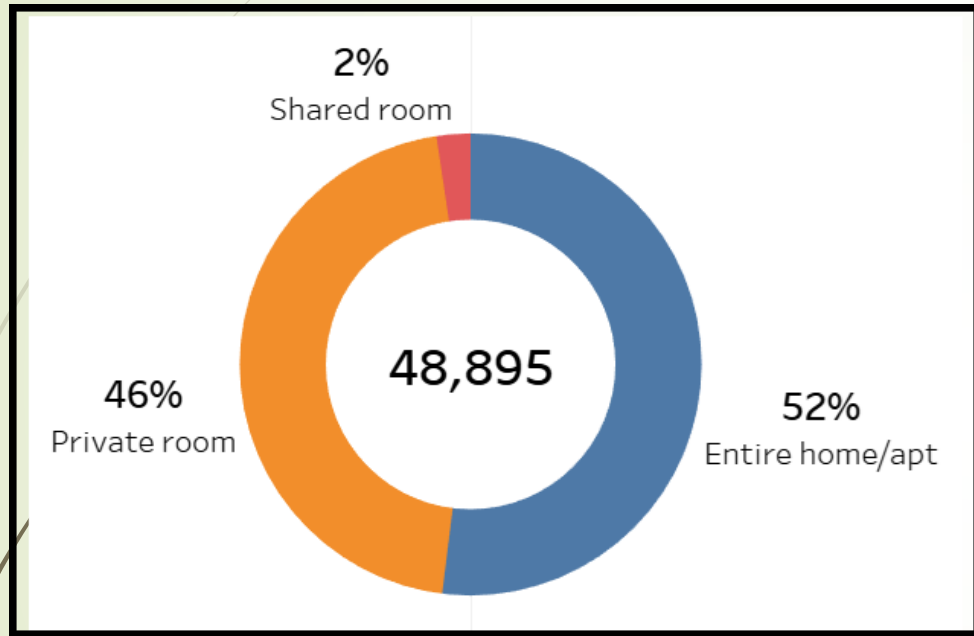
# Strategic **Host Acquisition**: Maximizing **Impact** in Key Markets

- ► Focus on acquiring high-performing hosts with multiple listings for maximum impact.
- ► Prioritize **Manhattan** and **Brooklyn** targeting **Entire home/apt** listings to drive growth.

Market Trends:
# Where Demand Meets Expansion Potential

- **Entire homes/apartments (52%)** receive the highest bookings, followed by **Private rooms (46%)**, while **Shared rooms (2%)** remain the least preferred option.
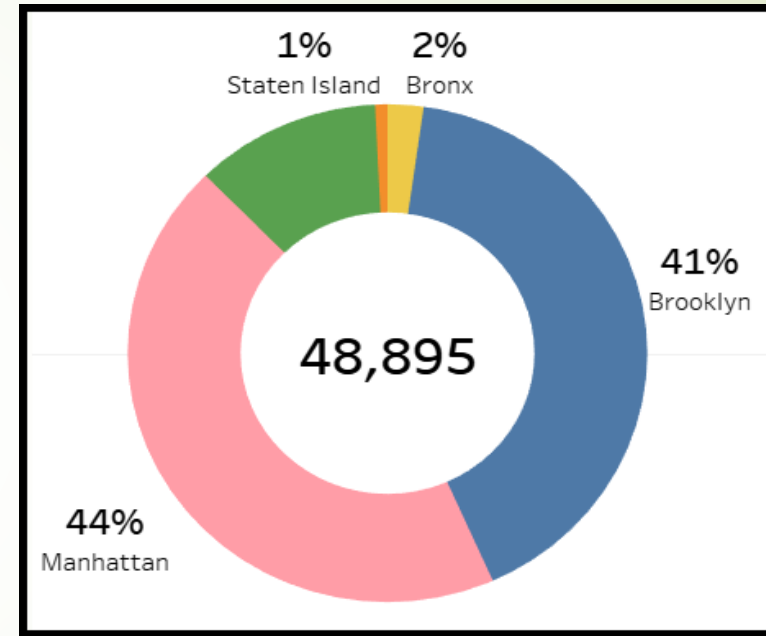
- **Manhattan (44%)** and **Brooklyn (41%)** dominate with **85%** of listings, while **Bronx (2%)** and **Staten Island (1%)** offer expansion opportunities in underrepresented areas.

Discover the most popular **Room Types** in **Neighbourhood Groups**

Room type with Neighbourhood group
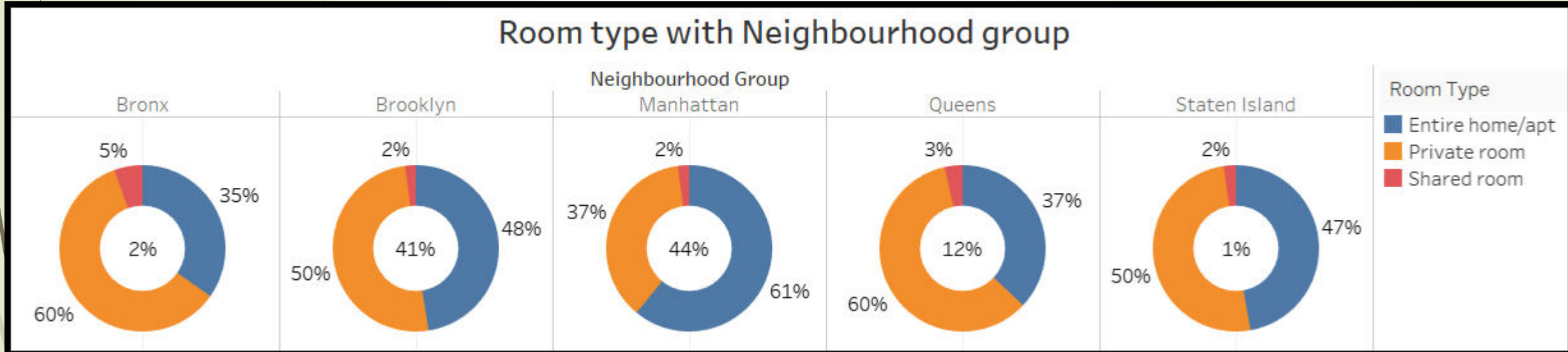
- ➤ **Manhattan** and **Brooklyn** are the most popular neighbourhood groups with most people opting to book either an **Entire home/apt** or a **Private room**.

- ➤ **Manhattan** leads in the share of **Entire home/apartment** properties, representing **61%** of the total listings in Manhattan.

- ➤ Maximum number of **Private rooms** are available in **Bronx** i.e. around **60%** of total listed properties in **Bronx**.

- ➤ Each neighbourhood group has very few shared rooms available.

Customer booking wrt min nights
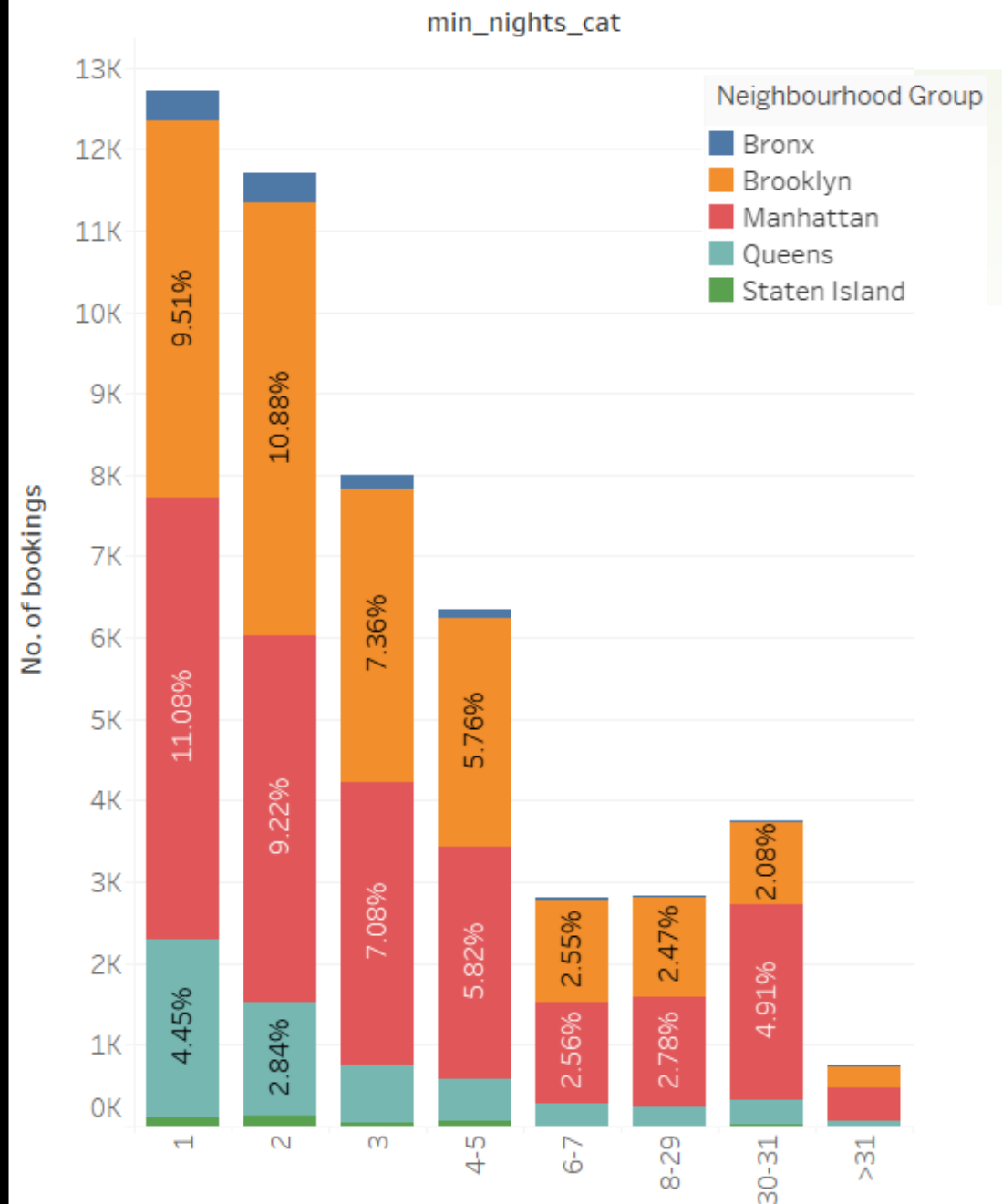
Strategic Analysis of Booking Trends Based on Minimum Night Requirements

➡ Properties with a minimum stay of **1-5 nights** experience the highest booking volume with a notable increase in bookings at the **30-day** mark likely driven by demand for **monthly rental** options.

➡ After the **30-day** period, smaller spikes are observed indicating ongoing interest in longer stays particularly for **monthly rentals**.

➡ **Manhattan** and **Queens** report a higher frequency of **30-day** bookings relative to other areas likely due to extended stays from tourists or business/official travelers seeking more **affordable** lodging options for official trips.
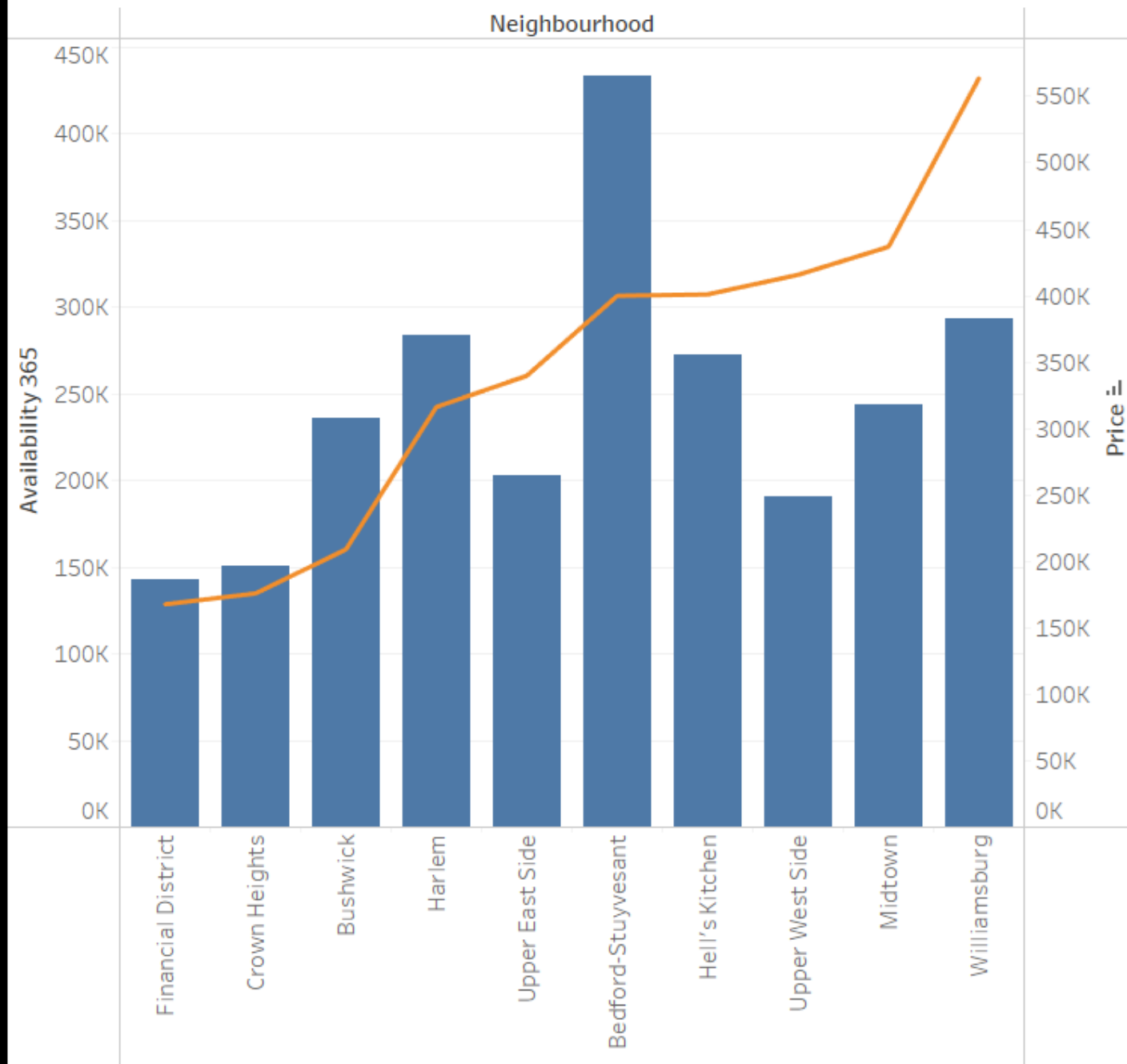
Strategic Insights on Neighborhood Availability and Pricing Dynamics

- ➡ **Bedford** demonstrates the **highest availability** with relatively **lower pricing**, positioning it as a highly attractive option for customers.

- ➡ **Harlem** follows a **similar trend** offering **high availability** at **competitive pricing**.

- ➡ **The Upper West Side**, while offering **limited availability** is characterized by **premium pricing**.

- ➡ Conversely, **Williamsburg** features **higher price** points alongside **moderate availability**.
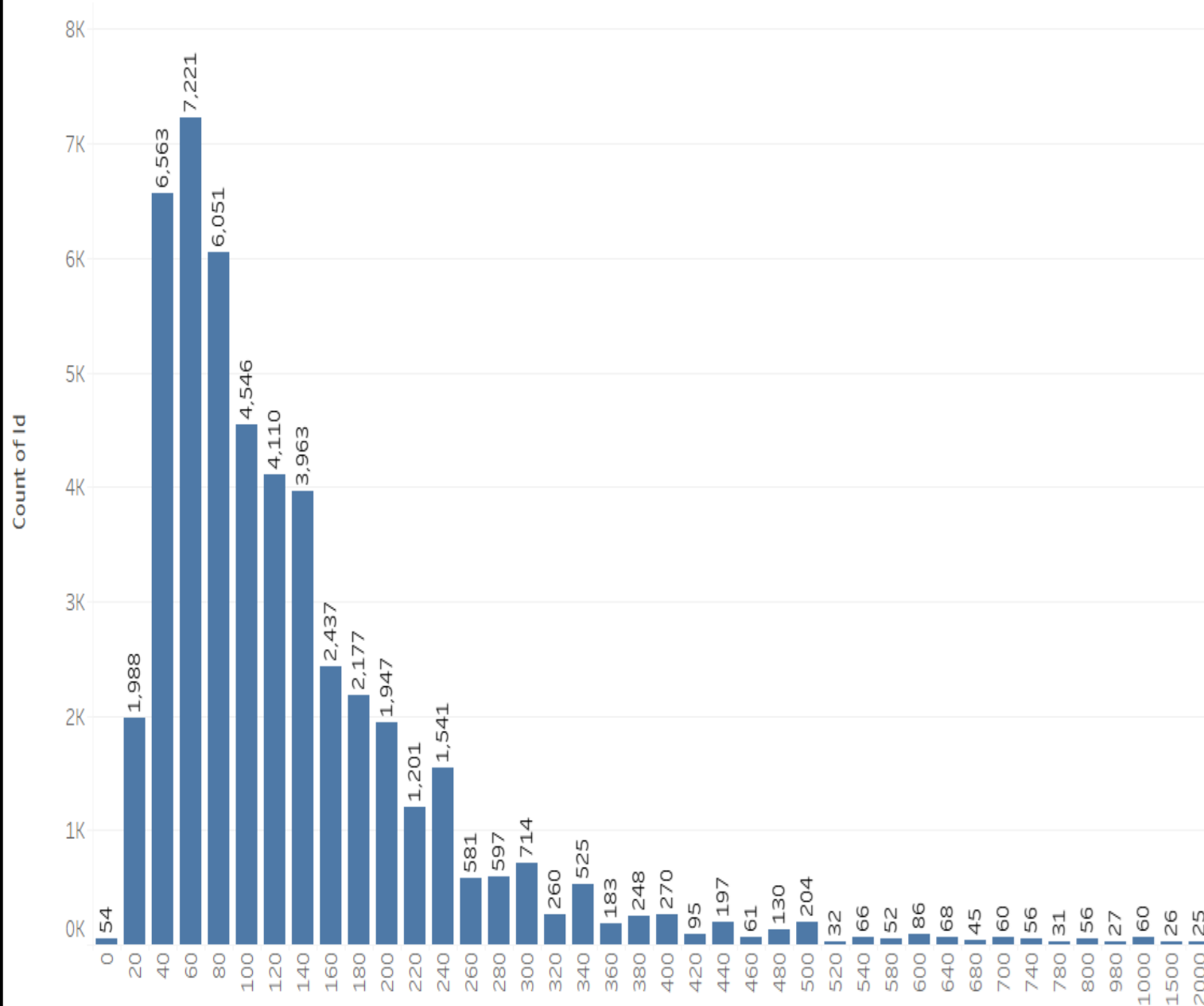
Key **Price Range** for Maximizing **Bookings**

- We analyzed pricing preferences by examining the volume of bookings within specific price ranges.

- The optimal price range based on customer preferences is **$20 - $200** as it attracts the highest volume of bookings.

# Impact of Room Types and Neighborhoods on Pricing Strategies

Understanding Price Variation wrt Room Type & Neighbourhood

Entire home/apt Manhattan 249.2	Entire home/apt Brooklyn 178.3	Entire home/apt Staten Island 173.8
Private room Manhattan 116.8	Private room Brooklyn 76.5	Shared room Manhattan 89.0
Private room Queens 71.8	Private room Bronx 66.8	Shared room Queens 69.0	Shared room Bronx 59.8
Entire home/apt Queens 147.1	Entire home/apt Bronx 127.5	Private room Staten Island 62.3	Shared room Staten Island 57.4	Shared room Brooklyn 50.5

- ➤ The **Entire home/apt** in **Manhattan** averages **$250** reflecting strong demand for premium properties.

- ➤ **Private rooms** in **Manhattan** and **Brooklyn** command the highest average price indicating strong demand in these areas.

- ➤ The **Shared Room** type in **Brooklyn** is the most affordable with an average price of **$50.50**.

Short Stays, High Impact:
Majority of Reviews Focus on 1-3 Nights
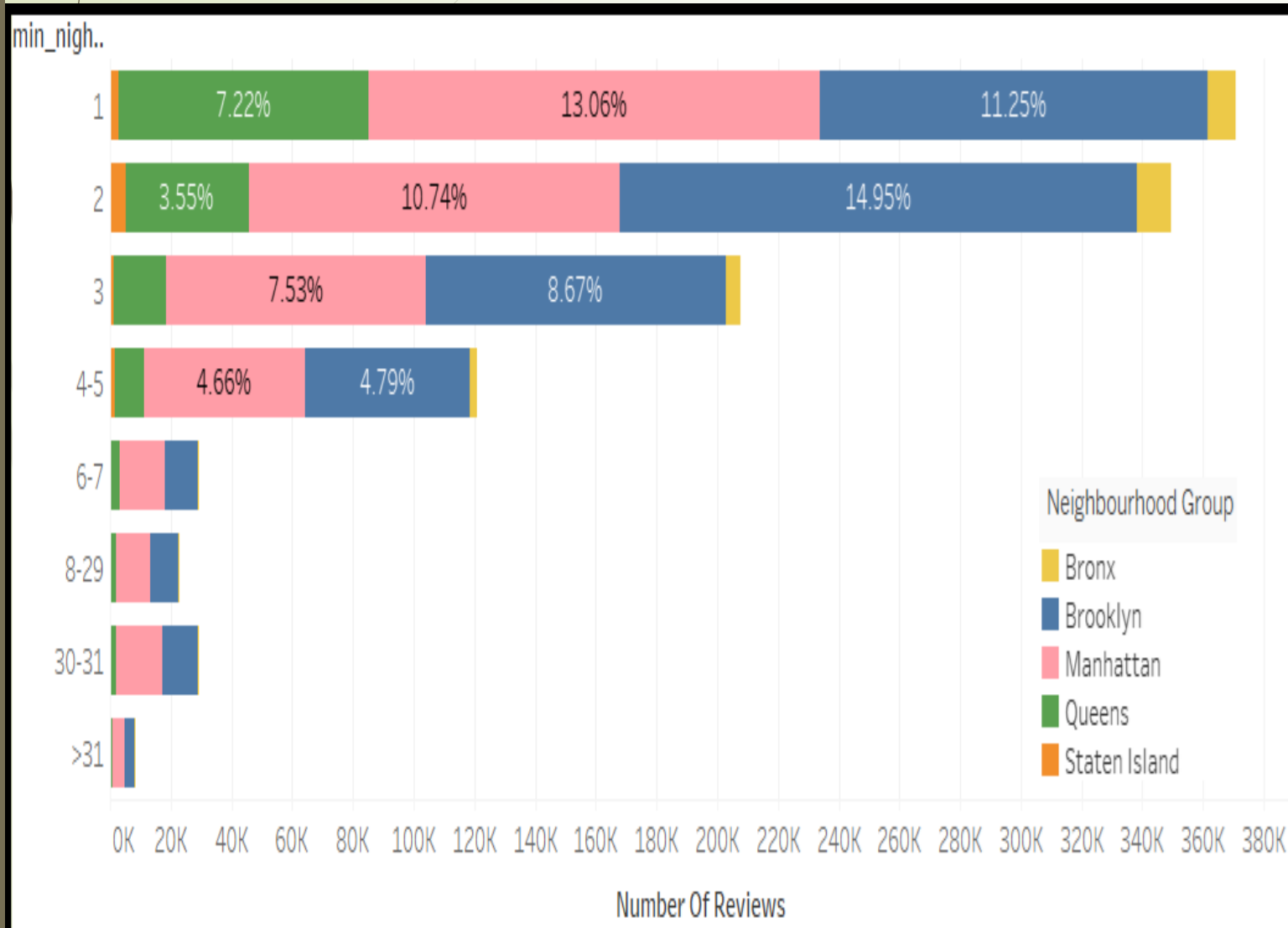
- Short-term stays **(1-2 nights)** dominate; Manhattan (13.06%) & Brooklyn (14.95%) lead. Optimize pricing and availability to maximize revenue.

- Brooklyn outperforms Manhattan in mid-range stays **(2-3 nights)**. Promote Brooklyn listings more for weekend travelers and short vacations.

- Long-term stays **(30+ nights)** have minimal traction. Avoid over-investing in extended-stay properties due to low demand.

CONCLUSION & RECOMMENDATION

Optimize Pricing Strategy for Maximum Bookings

Conclusion: The most preferred price range is **$20 - $200** attracting the highest volume of bookings.

Recommendation: Implement **dynamic pricing** strategies to maintain competitive rates within this range while optimizing revenue.

Leverage High-Demand Neighborhoods for Growth

Conclusion: **Manhattan and Brooklyn** dominate with **85%** of total listings while **Bedford-Stuyvesant and Harlem** show high availability and strong customer interest.

Recommendation: Focus on expanding listings in high-demand areas like **Manhattan, Brooklyn and Queens** while enhancing marketing efforts in emerging hotspots like **Harlem and Williamsburg**.

Enhance Long-Term Stay Offerings

Conclusion: Properties with **1-5 night stays** see the highest bookings with **30-day stays** showing a strong spike especially in **Manhattan and Queens** for business and long-term travellers.

Recommendation: Develop **monthly rental promotions** and offer incentives for long-term bookings to attract business travellers and extended-stay tourists.

Diversify Room Type Offerings Based on Market Demand

Conclusion: **Private rooms (46%) and Entire homes (52%)** are significantly more preferred than **Shared rooms (2%)** with Bronx leading in private room availability.

Recommendation: Encourage hosts to list more **private rooms and entire apartments** in high-demand locations while ensuring quality standards for **shared rooms** to improve their appeal.

Strengthen Customer Experience & Host Engagement

Conclusion: High review counts in **Manhattan** and **Brooklyn** with short-term stays **(1-3 nights)** indicate strong customer satisfaction.

Recommendation: Prioritize **quality assurance and host support programs** in top-performing neighbourhoods to maintain positive guest experiences and sustain high review ratings.

APPENDIX

- Please find the enclosed document for Appendix.

Adobe Acrobat
Document