

# AIRBNB Case Study

Acquisitions and Operations / User Experience

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# Objective

- Improve our shared understanding about market
- Improve our shared understanding about our customers
- Provide recommendation to various department
- To be prepared for the change post pandemic

# Background

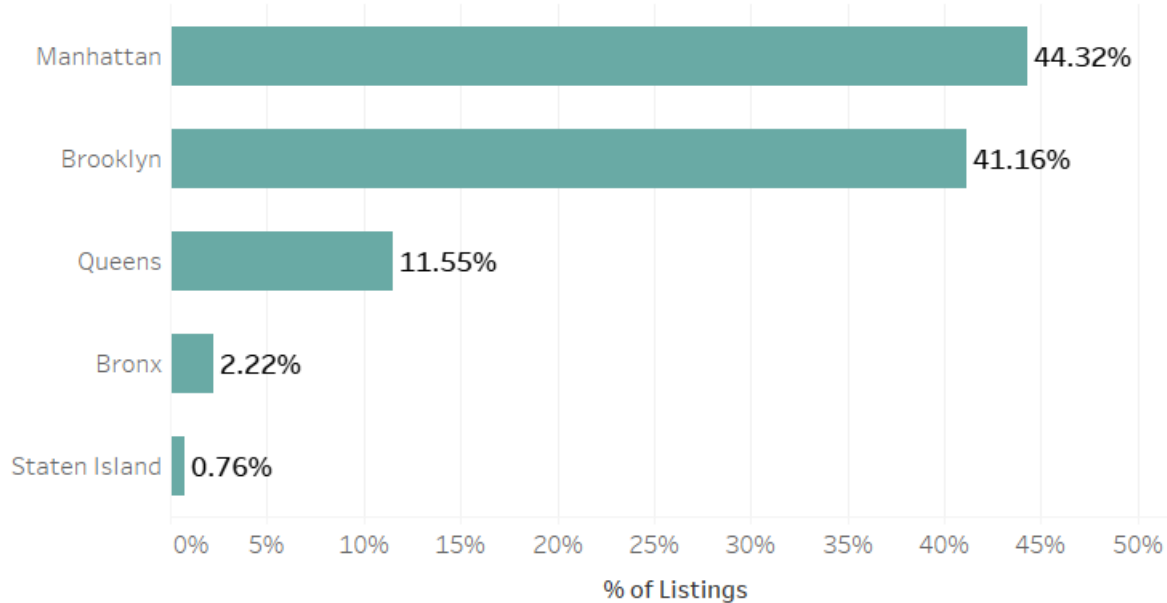
- Major decline in revenues due to pandemic
- Travel Restriction are lifting
- People are travelling more often

# Key Recommendations

- Target the Top 3 Districts
- Target Customers for Short Term Stay
- Special Attn. to Top 5 Neighborhoods in Each District
- Partner with Hosts with most Available Listings
- Define Pricing Strategy based on Avg. & Median Price
- Investigate Listings Not Available for Renting ( $\text{Available}_{365} = 0$ )

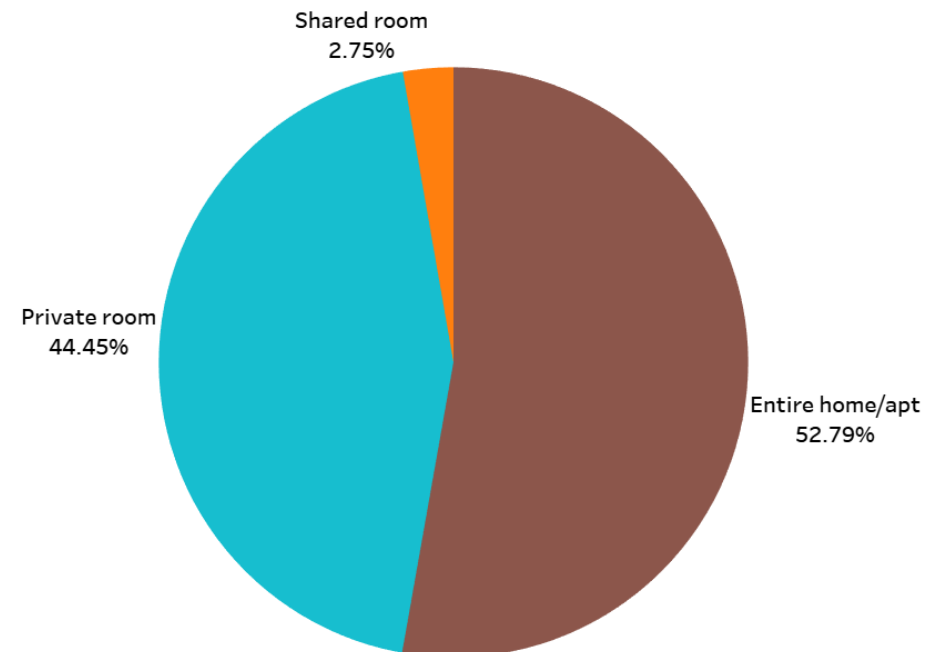
# #1 – Target the Top 3 Districts – 97% of Listings

Percentage of Total listings By District



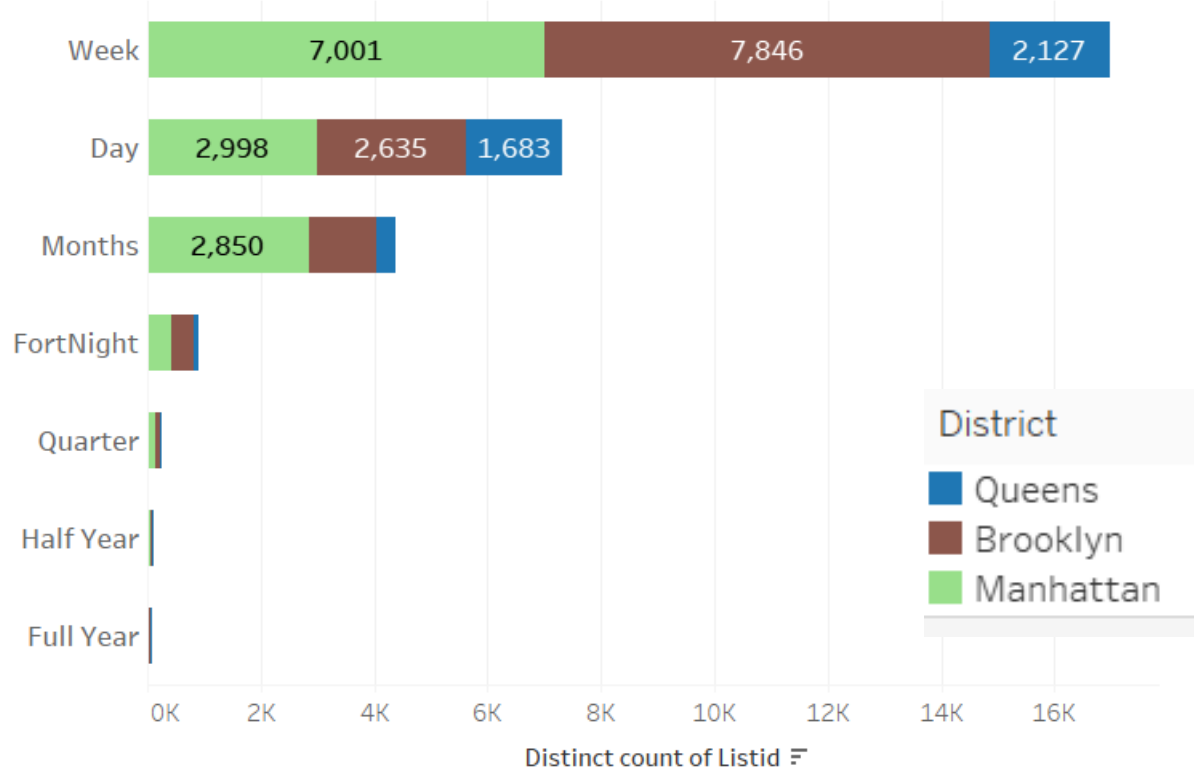
We can Exclude **Bronx & Staten Island** from our efforts since together they are less than 3% of the Listings

We can Exclude **Shared Room** as it is less than 3% of the Available Listings by Room Type



## #2 – Target for Short Term Stay

Total Available Listing by Minimum-Nights (District Wise)

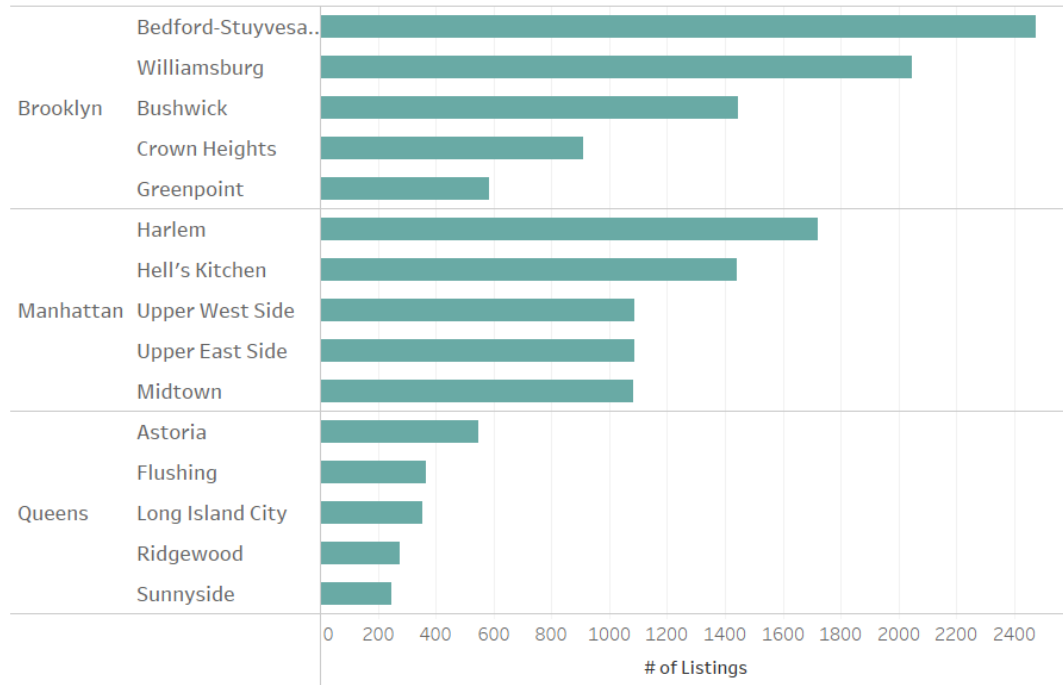


It is Recommended to Target Customers or Create marketing Campaigns for **Short Term Stay**

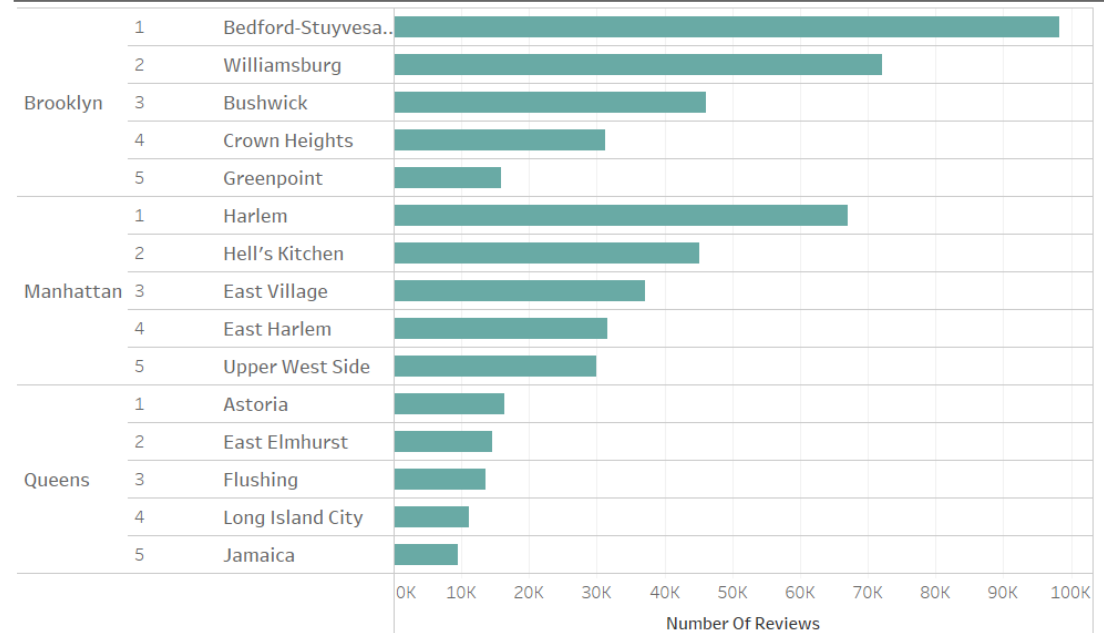
Day / Week

# #3 – Top 5 Neighbourhoods

Top 5 Neighbourhoods in Each Dist. By # of Listings



Top 5 Neighbourhoods in Each Dist. By Total Reviews



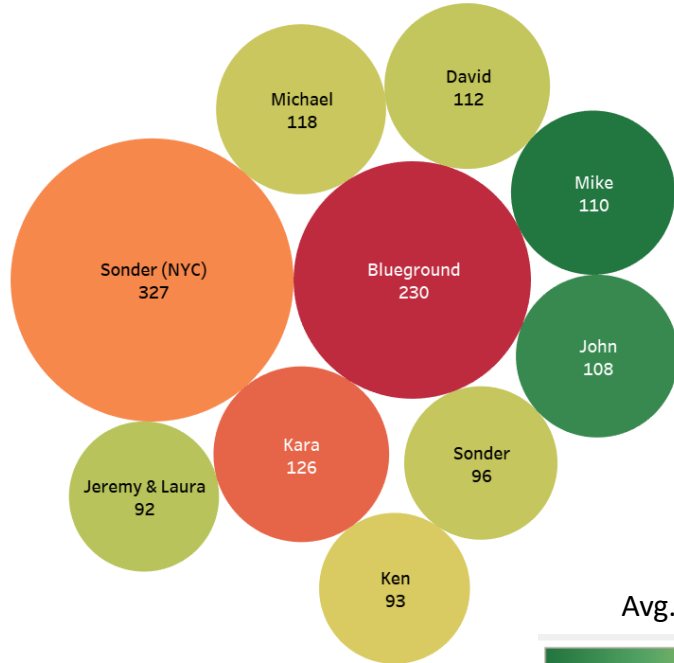
**Work Towards strengthening Presence in the Neighbourhoods with Most Listings**

**Specifically : Bedford / Williamsburg / Harlem and Bushwick**

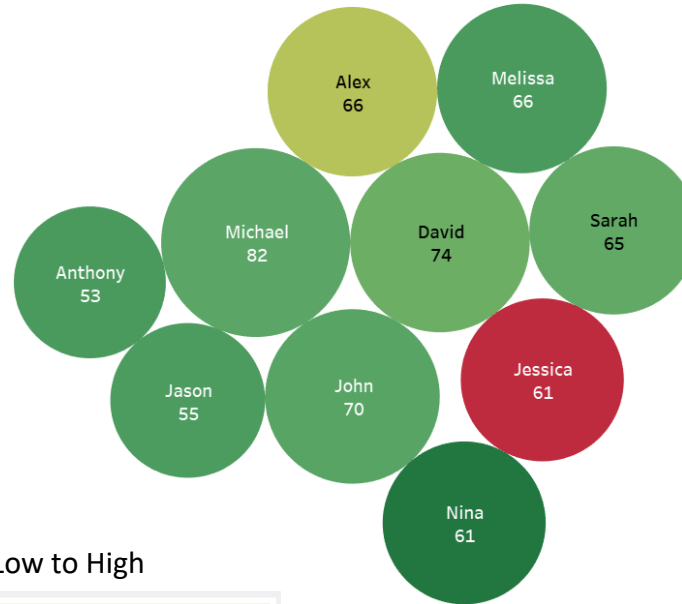


# #4 Partner with Hosts with Most Listings

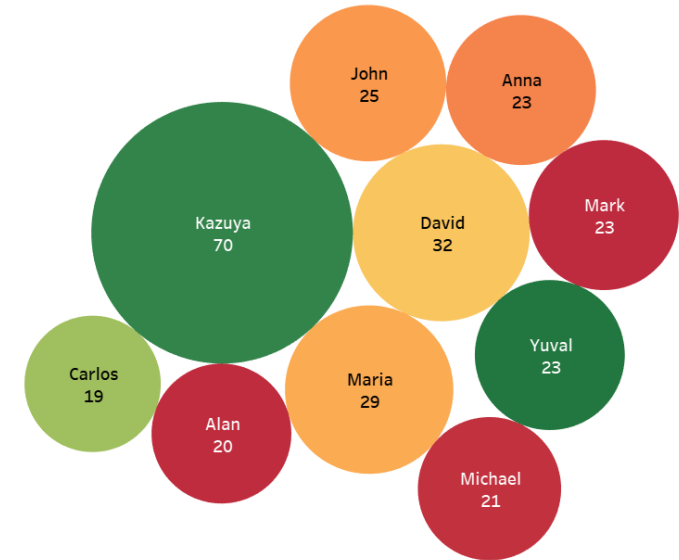
Top 10 Hosts in Manhattan Based on # of Listings (Available)



Top 10 Hosts in Brooklyn Based on # of Listings (Available)



Top 10 Hosts in Queens Based on # of Listings (Available)



Avg. Price Low to High



**Leverage Hosts With more # of Listings and get into a Long term partnership or Agreement**

**District Wise Top 10 Hosts & # Of Listings are Shown**

**– With Average Price of their listings (Color-coded)**

# #5 – Define Pricing Strategy

## Median Price (For Various Stay Options) -District Wise

Min Stay	Brooklyn	Manhattan	Queens
Day	80	125	69
Week	300	490	240
FortNight	1,067	1,386	825
Months	2,340	5,250	1,410
Quarter	5,841	9,000	3,125
Half Year	18,000	15,700	20,610
Full Year	61,368	43,500	81,260

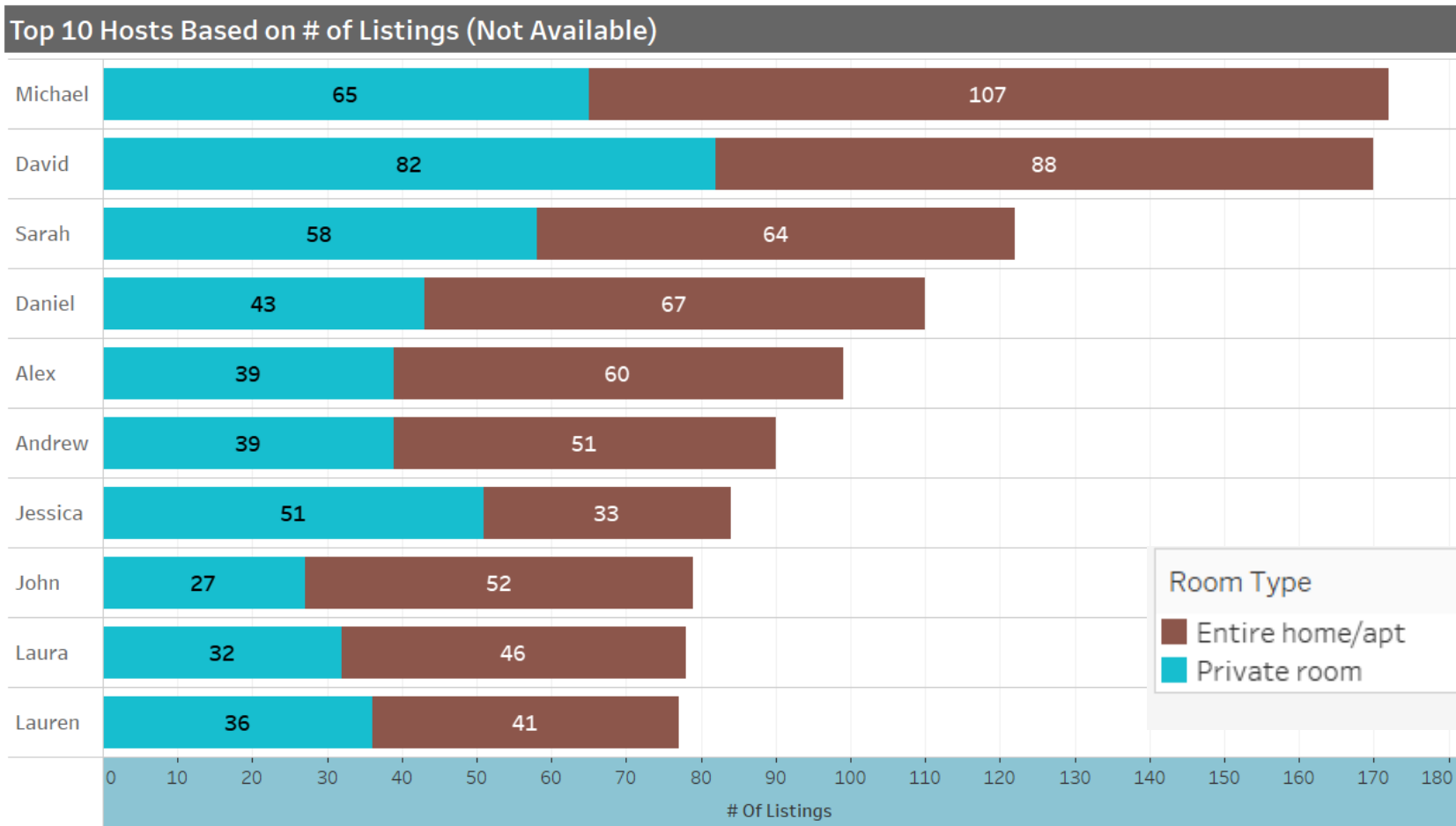
## Median Price (Percent Diff) -District Wise

Min Stay	Brooklyn	Manhattan	Queens
Day	0.0%	56.2%	-13.8%
Week	0.0%	63.3%	-20.0%
FortNight	0.0%	29.9%	-22.7%
Months	0.0%	124.4%	-39.7%
Quarter	0.0%	54.1%	-46.5%
Half Year	0.0%	-12.8%	14.5%
Full Year	0.0%	-29.1%	32.4%

**Manhattan is Costly for Short Term Stay / Queens is Costly for Long Term Stay (Comparatively)**

**Queens is cheaper than Brooklyn for Short Term Stay  
Manhattan is Significantly Costlier than Brooklyn**

# #6 – Investigate Listings Not Available for Renting



**Many Hosts Own Properties (Listed) but are not Available for Rent (Available\_365 = 0)**  
**Need to Investigate if they are occupied / Sold to New Hosts / Do not want to Rent Out ??**

# Summary / Conclusion

Significant opportunities to **On-Board Hosts** and Provide Customers with Stay options

Negotiate to On-Board Hosts in **Neighbourhoods with Most Ratings** and Most Listings

To Increase Volumes Target Short Term Stays – **more Customers / frequent Touchpoints**

Develop **Strategies to Increase Profitability** in High Cost / long Term Available Listings

Long Term Stays – have less touch Points with AIRBNB (hence **reduced Opportunities to Serve**)

# Appendix - methodology

## Data Was prepared for Analysis

- All Blanks / Errors were eliminated

- Additional Categorical Variable was created for Bins of Numerical Measures

## Analysis

- Various Charts were created with Different Dimensions and measures

- Appropriate Aggregations were used

- Some charts that did not provide any major insights were not used in Business Slides

## Report Out

- Key Recommendations are shared with User Exp. And operations Leaders

**For Additional Technical Details Refer to Enclosed :**

- a) Technical Presentation**

- b) Methodology Document**