

Group 3

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Week 10

**Module 10 Assignment: XN Project: Project Draft
(Final)**

ALY 6080: Integrated Experiential Learning

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June 15, 2024

Executive Summary

This report delivers a thorough analysis of the Airbnb market in Downtown Atlanta, with a focused examination of the competitive landscape at 300 Peachtree. Through in-depth qualitative market research and a comparative analysis of high-performing Airbnb properties, the study identifies critical success factors.

Key Findings: The analysis underscores the effective strategies utilized by top-performing Airbnb listings, highlighting significant trends in occupancy rates, average daily rates (ADR), and the influence of seasonal variations on market dynamics.

Recommendations: To enhance profitability, the report suggests optimizing pricing strategies in alignment with seasonal trends, adopting proven practices from leading competitors, and exploring lucrative markets for future investment opportunities.

Business Problem

- What does the Airbnb market look like in Downtown Atlanta?
- How many Airbnb competitors at 300 Peachtree, Atlanta?
- Airbnb competition and pricing strategy at 300 Peachtree, Atlanta?

What does the Airbnb market look like in Downtown Atlanta?

300 Peachtree St, Atlanta

- Peachtree Towers Condominiums was the tallest residential building in Atlanta at the time, standing 23 stories tall and reaching a height of 240 feet.
- The building consists of 330 residential condominiums, including studio, one, and two-bedroom units.

Rules and Regulations:

1. **Residency Requirement:** To operate a short-term rental in Atlanta, the owner must be a resident of the city. This means that non-residents cannot legally operate short-term rentals in Atlanta.
2. **Property Ownership Cap:** Each resident is limited to owning and operating a maximum of two short-term rental properties. Of these, one must be the owner's primary residence.
3. **Licensing:** Owners must obtain an annual short-term rental license for each property they operate. The license fee is \$150 per year.
4. **Taxes:** In addition to the license fee, owners are required to pay an 8% tax on rental income. This is in line with the city's efforts to regulate and benefit from the short-term rental market.

Which time of the Year are they sold out and since when

July 10th -16th

- Christmas in July brawl
- Peachstate block party

August 29th – Sep 2nd

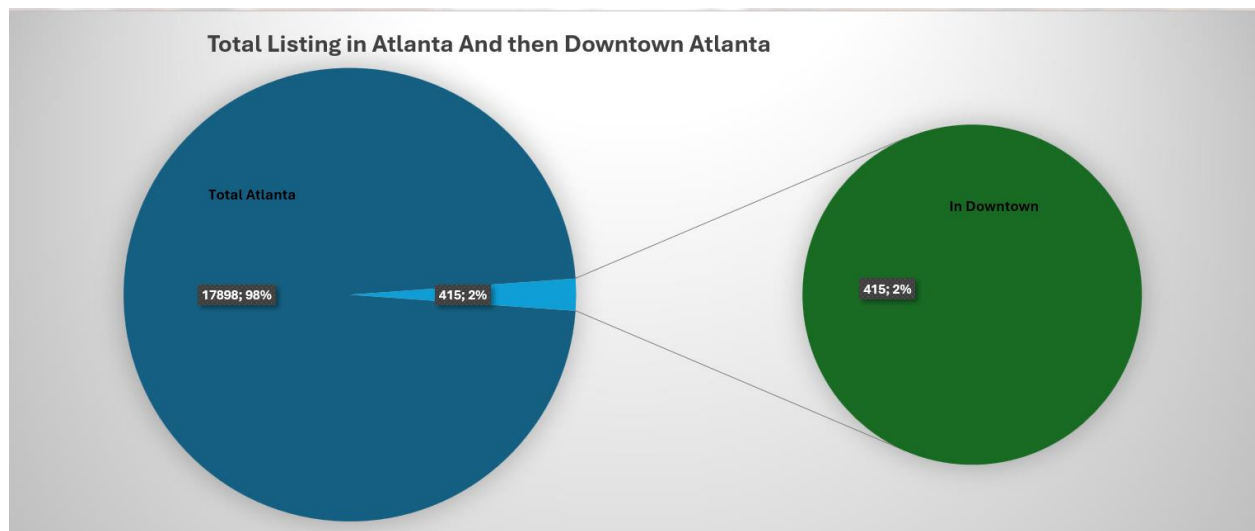
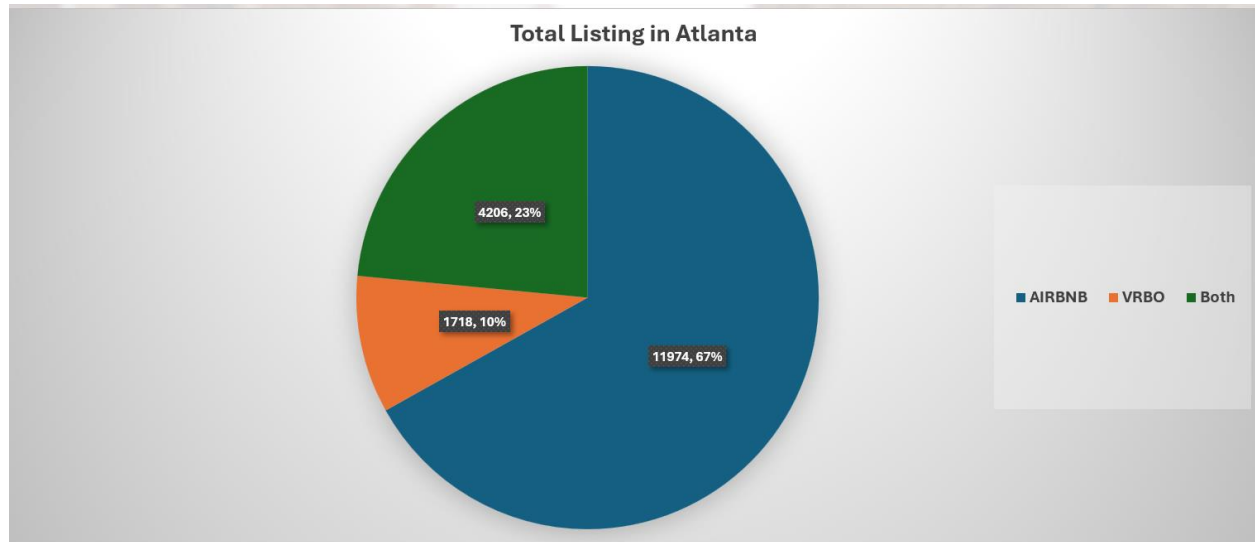
- Labor day weekend
- Black Pride Parade weekend
- Peachtree festival

Companies in Atlanta leveraging Airbnbs:

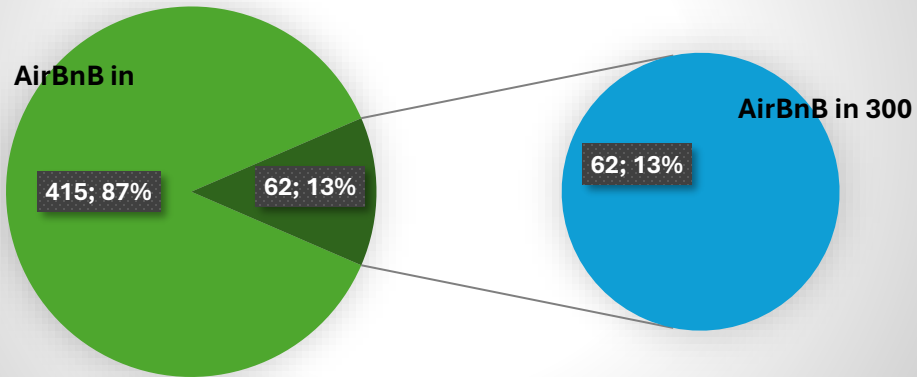
- **Coca-Cola**
- **UPS**
- **Home Depot**
- **Delta Air Lines**
- **Georgia Pacific**
- **Spanx Activewear**

How many Airbnb competitors at 300 Peachtree, Atlanta?

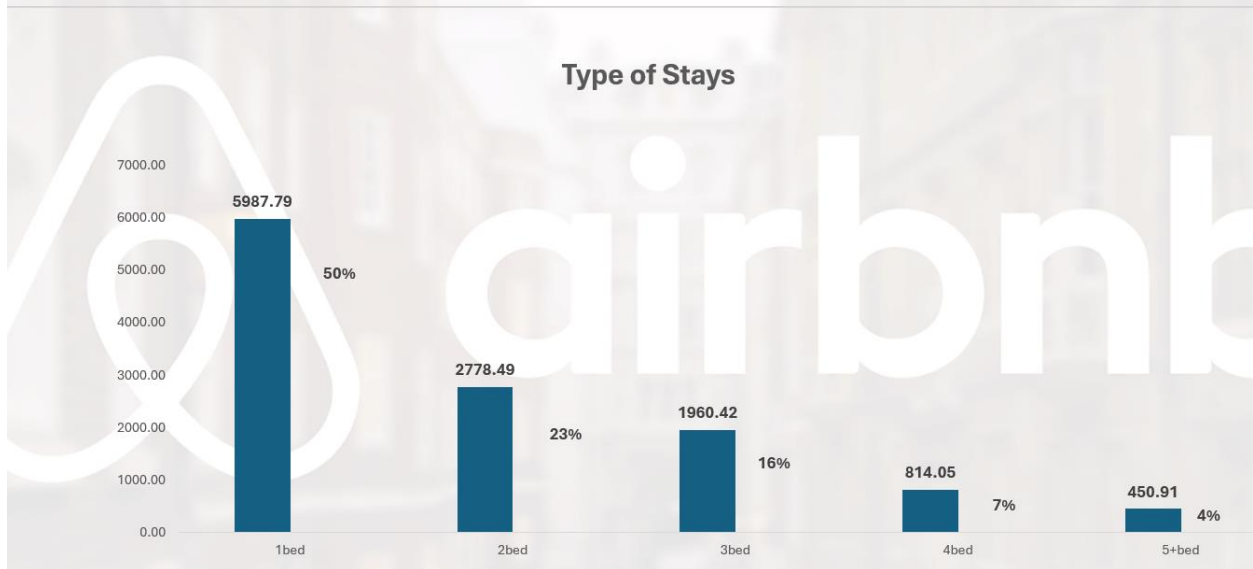
Manual Dataset:



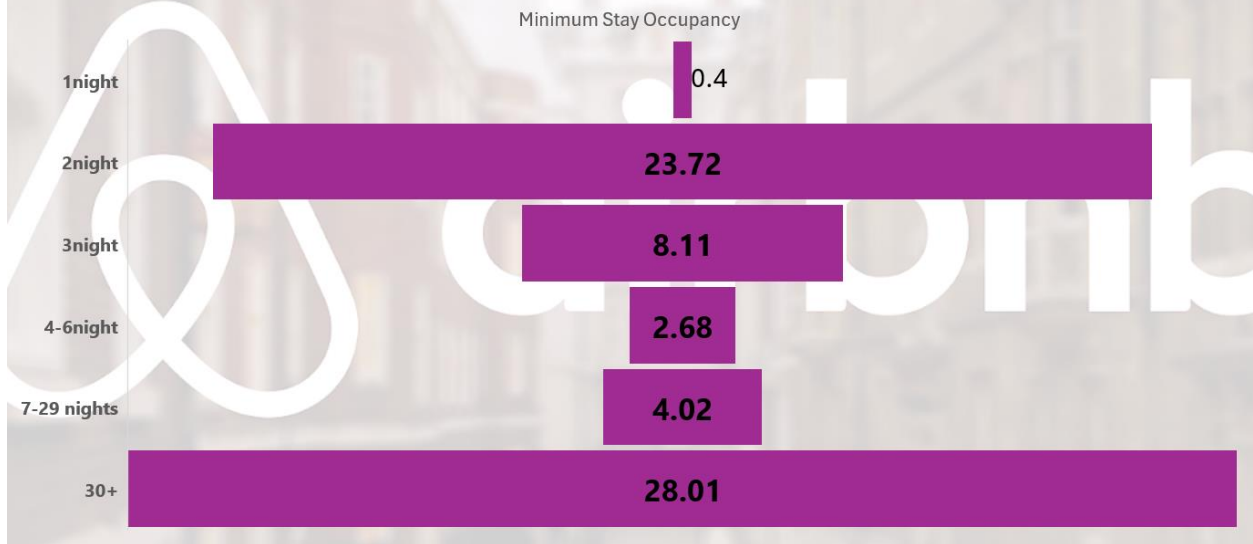
Total Airbnb in Downtown Atlanta and 300 Peachtree



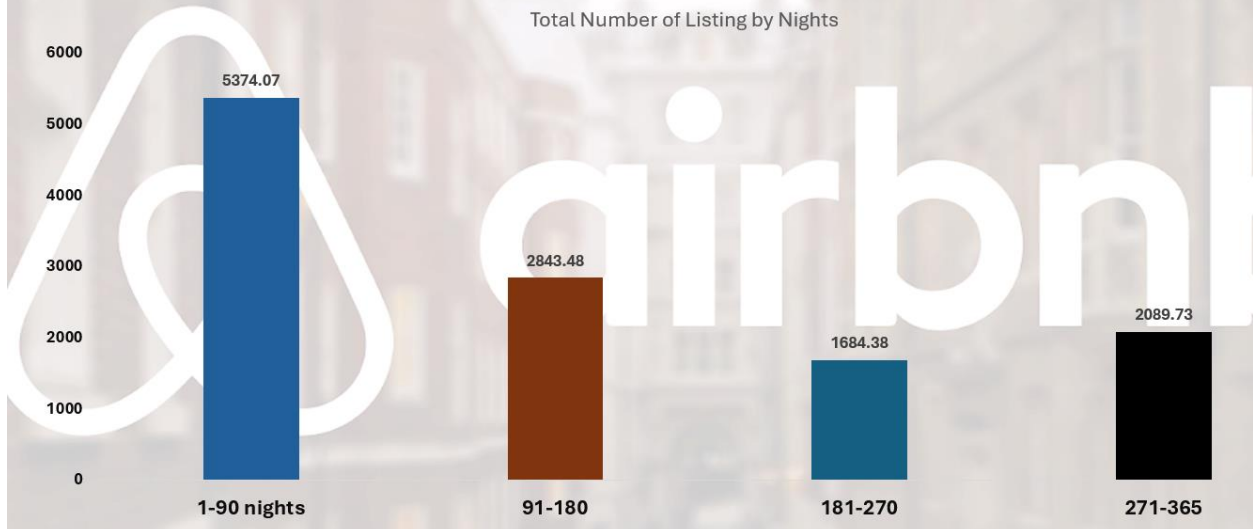
Common type of Rental Stays



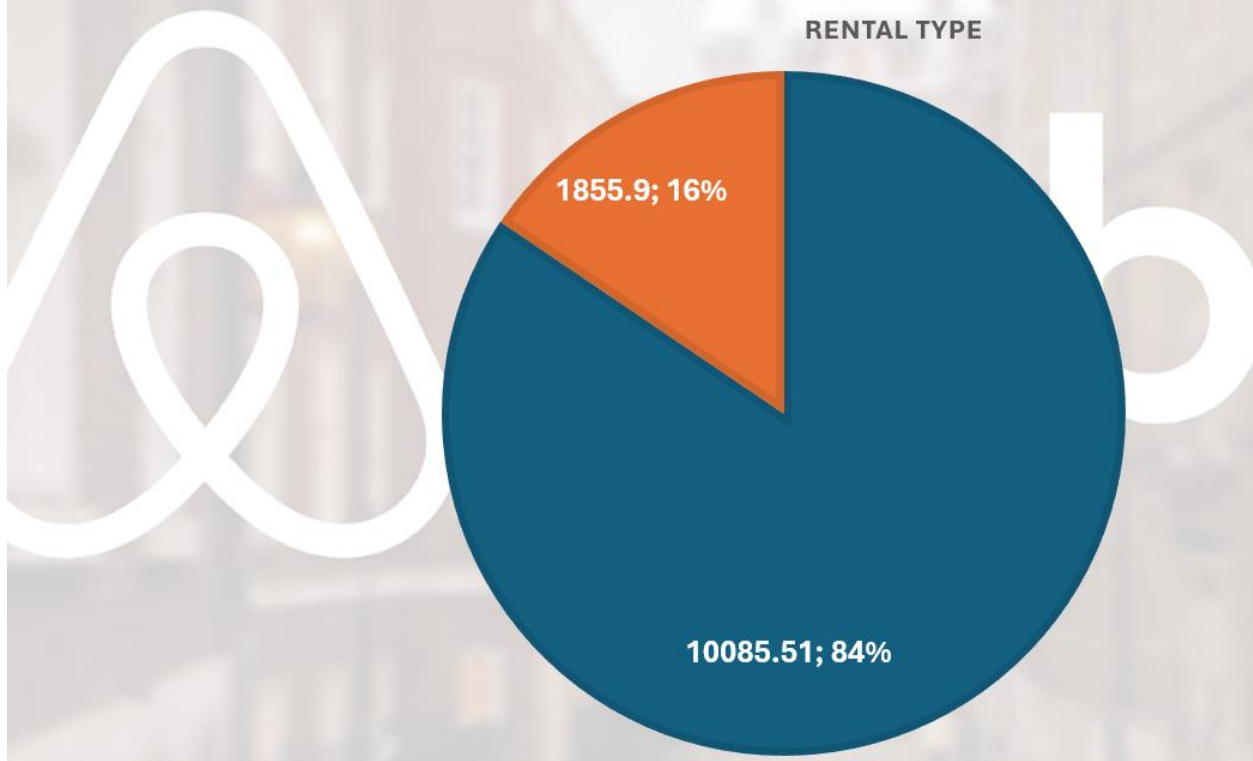
Understanding Airbnb



For how long do people stay



How are the properties Given



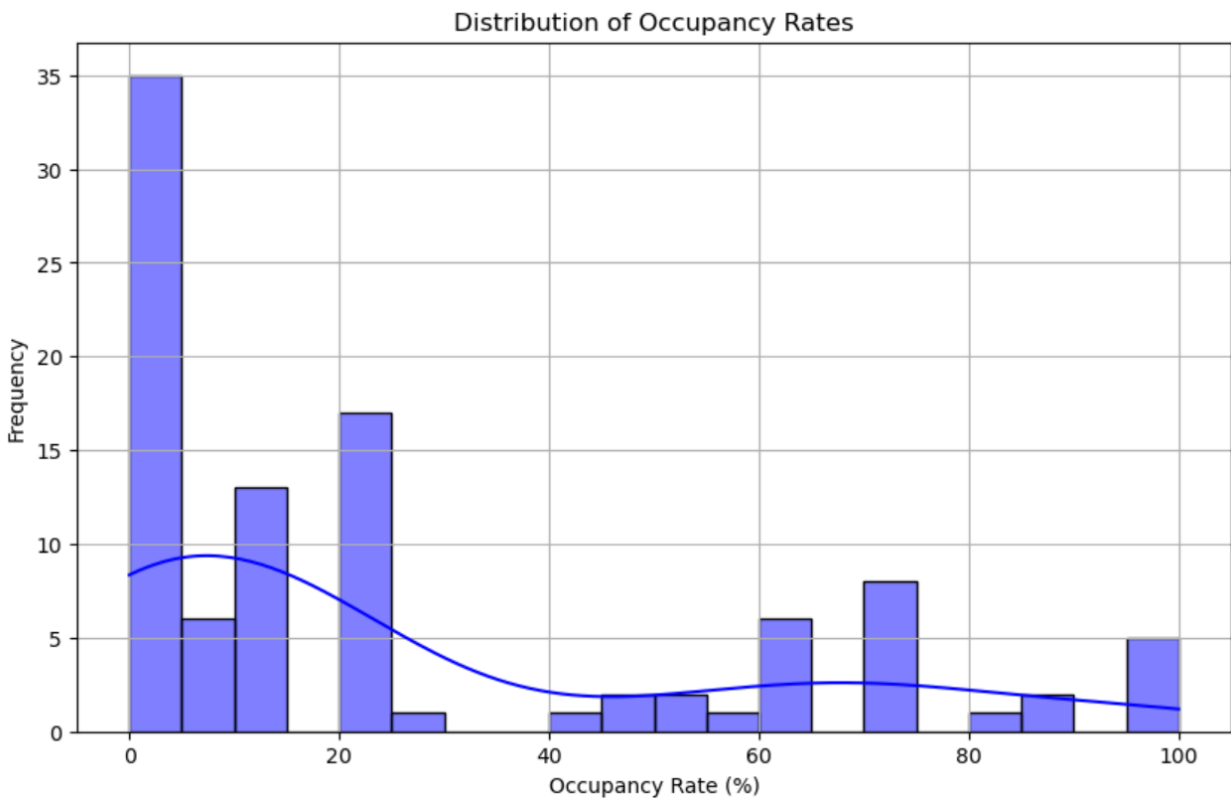
How did it work for Airbnb

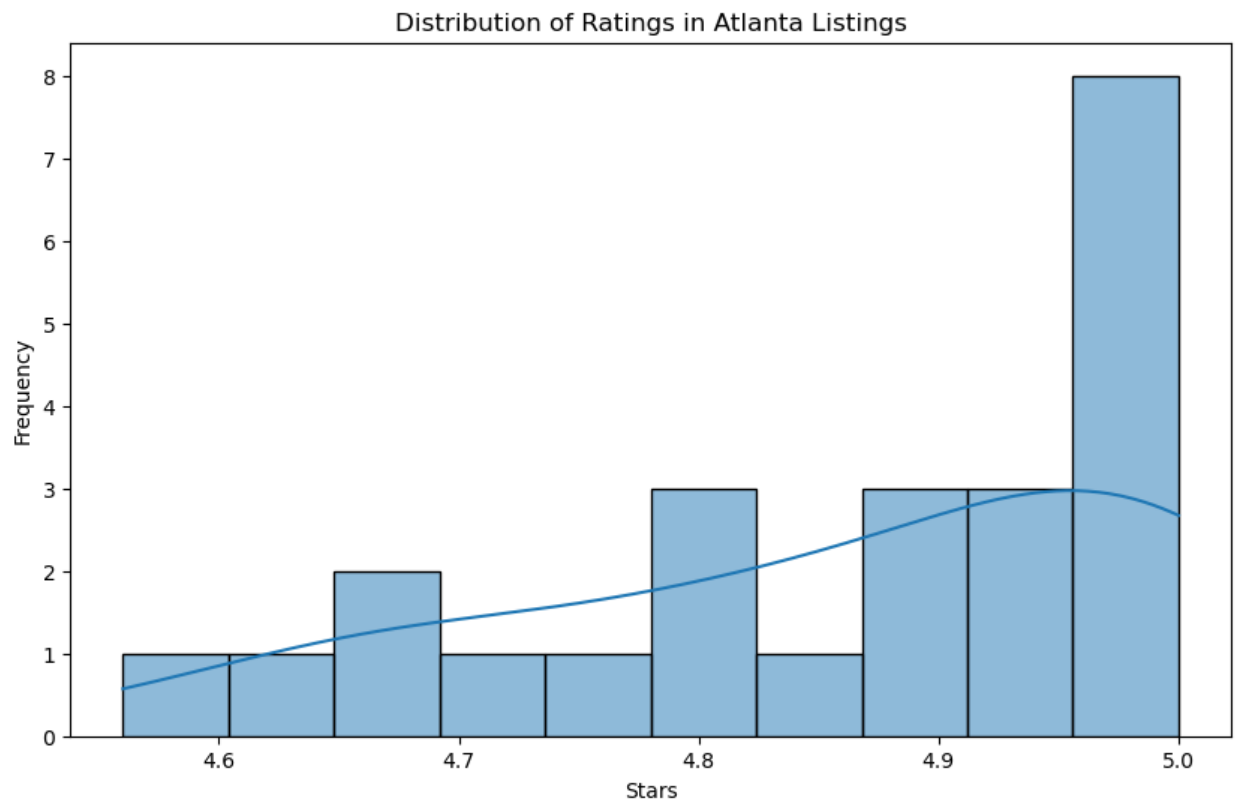
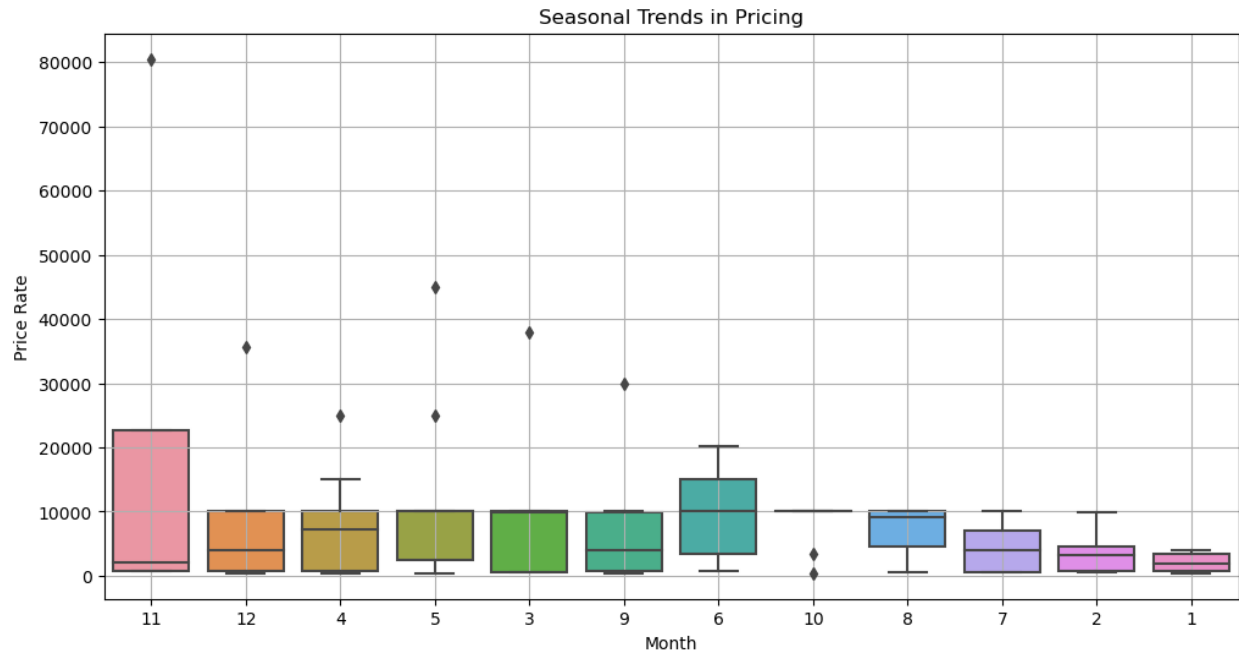
No. of Bedroom	No. of Bathroom	Max. no. of Guest	Occupancy rate	Average Daily Rate (\$)	Projected Revenue (\$)
2	2	4	59%	203	43600
1	1	2	55%	137	27300
3	3	6	75%	447	122700

What about its competitor VRBO

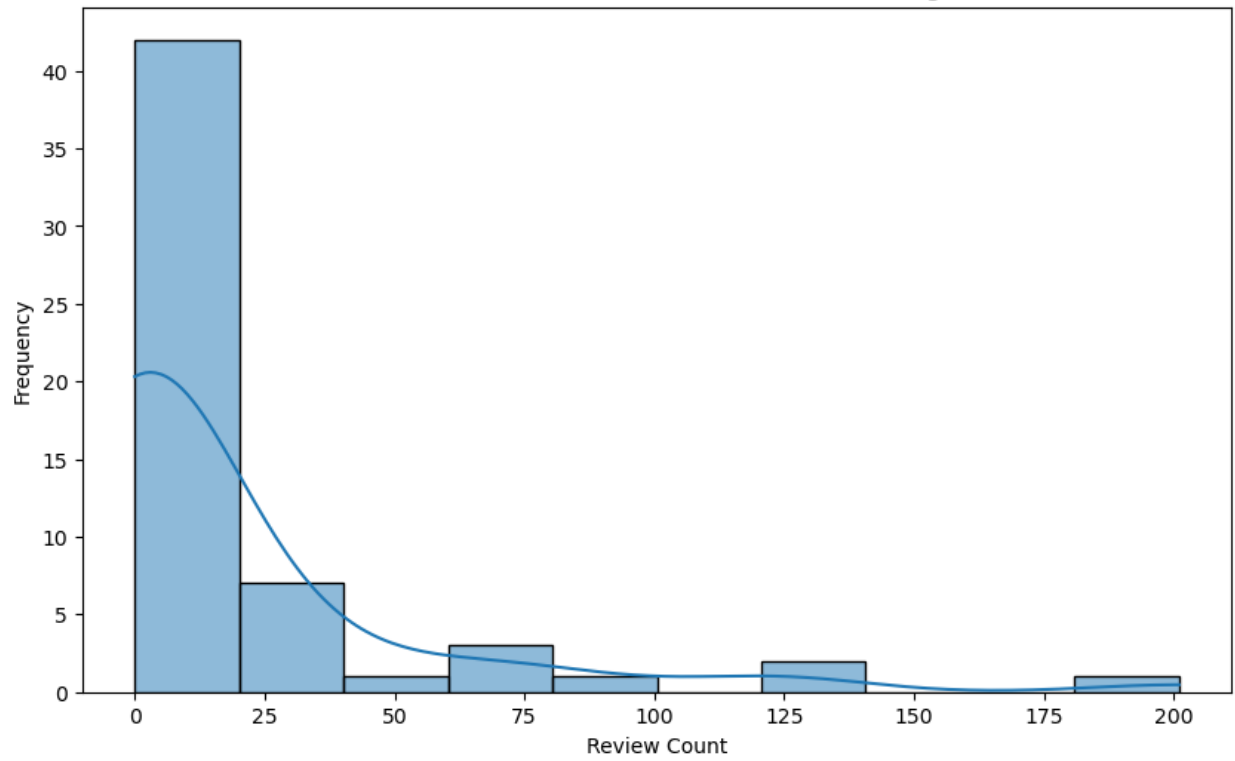
No. of Bedroom	No. of Bathroom	Max. no. of Guest	Occupancy rate	Average Daily Rate in \$	Projected Revenue in \$
4	4	8	82%	536	160900
5	5	10	47%	652	112100
6+	6+	15+	69%	763	191000

Automated Dataset:

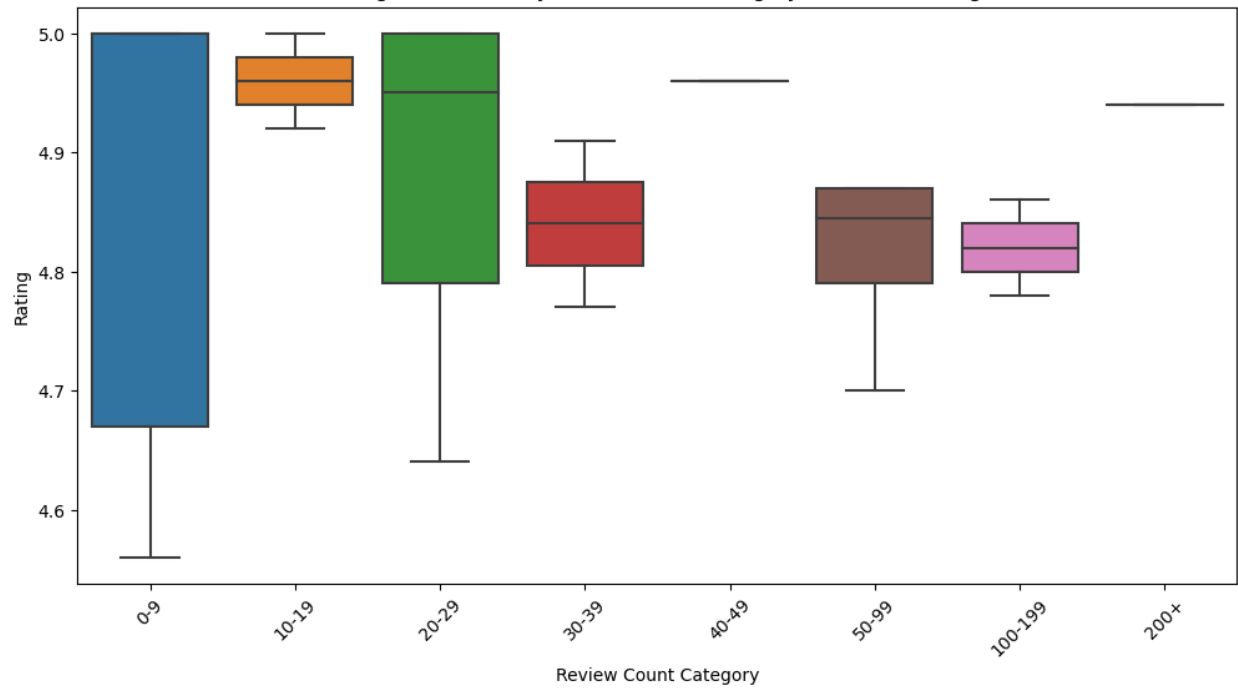


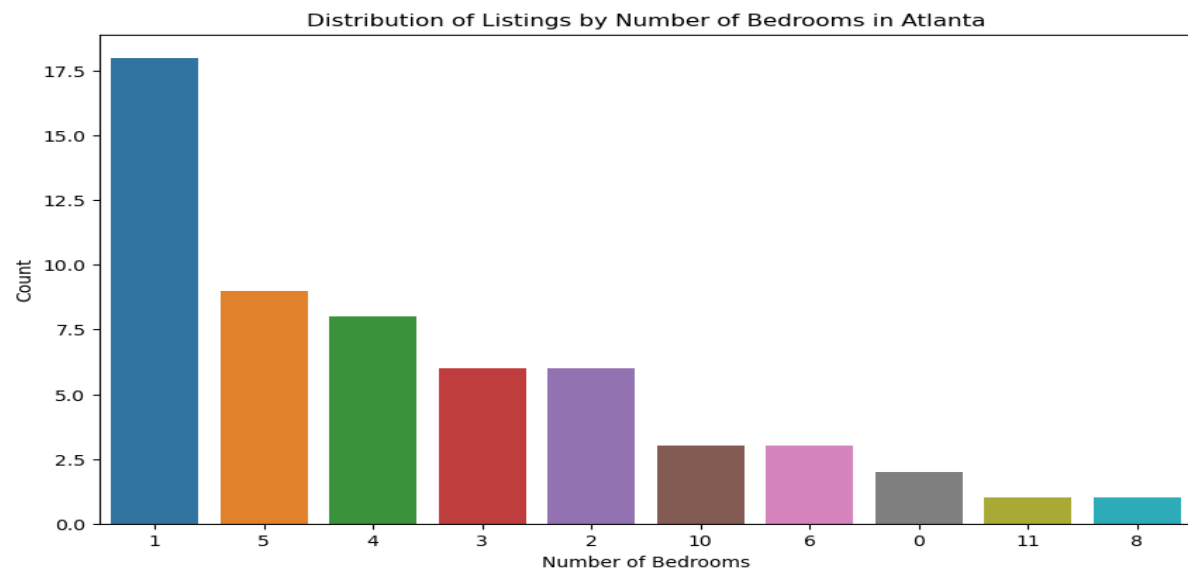
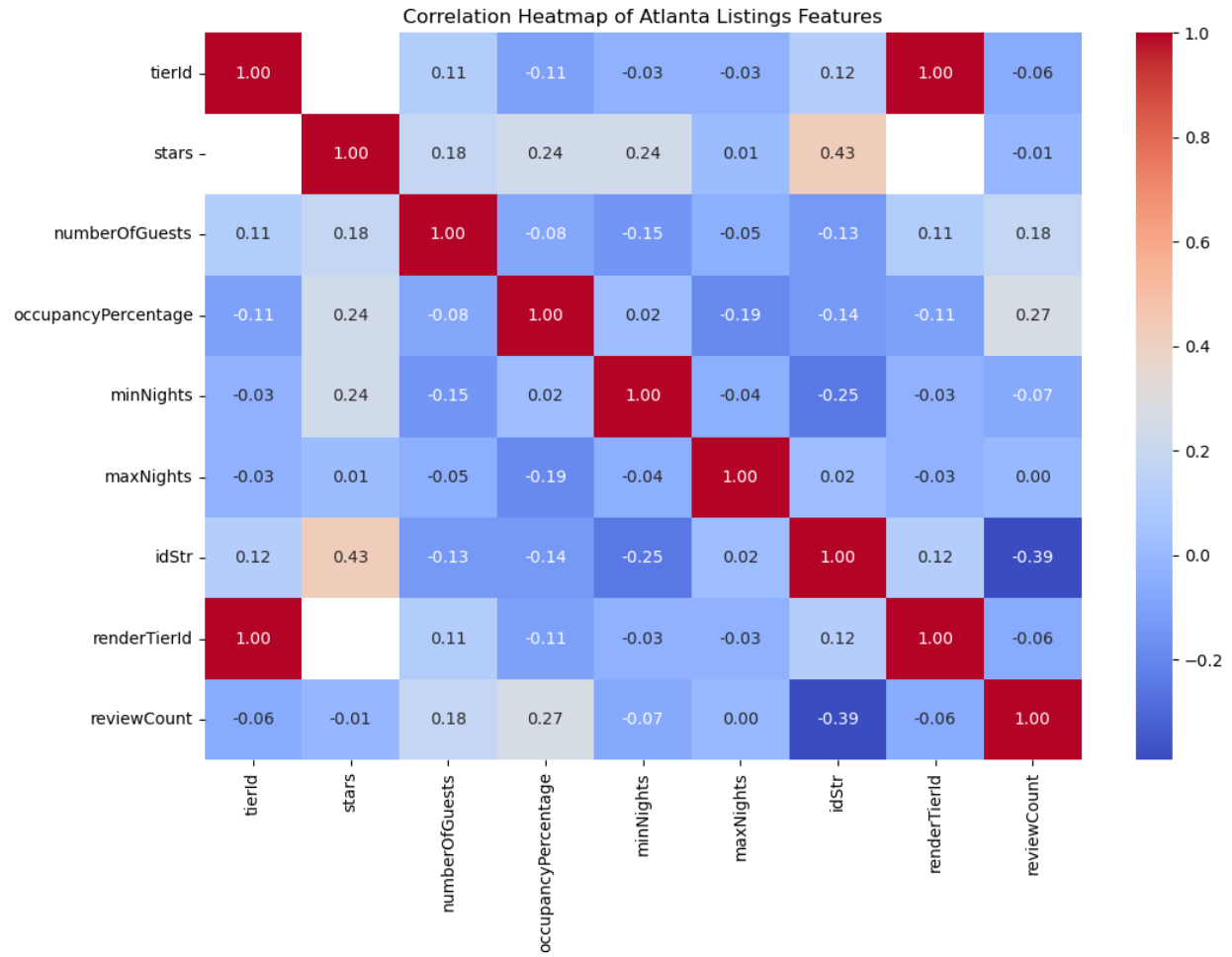


Distribution of Review Counts in Atlanta Listings

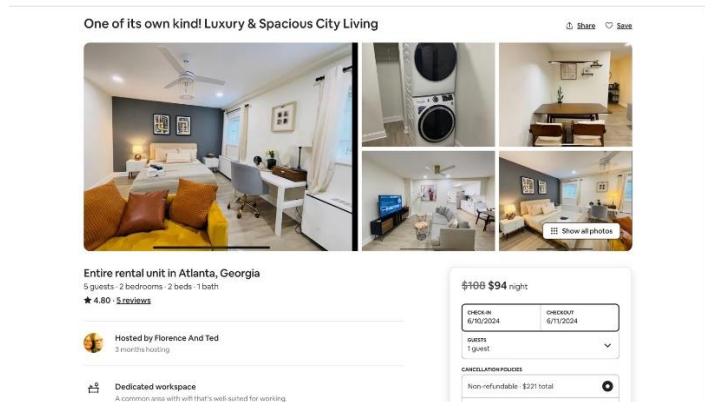


Rating Distribution by Review Count Category in Atlanta Listings





Airbnb competition and pricing strategy at 300 Peachtree, Atlanta?



In conducting a thorough examination of Airbnb listings, one standout example of success emerges in the form above Airbnb hosted by Florence and Ted. Despite being relatively new to the platform, this listing has garnered significant attention and acclaim within three months of hosting.

Why we feel this specific Airbnb is successful because.

We compared it with the amenities it offers' 55 Amenities which in when we compared with the other Airbnb we have found Unique Amenities:

- Offers shower gel in addition to body soap.
- Provides a washer and free dryer in the unit.
- Offers portable fans.
- Mentions a drying rack for clothing, clothing storage, and a laundromat nearby.
- Allows luggage drop-off and long term stays of 28 days or more.
- Offers a hot water kettle, baking sheet, blender, rice maker, and smart lock.

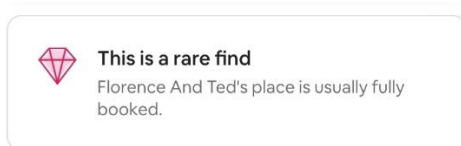
When comparing the booking experience between the two Airbnb's, a notable difference was observed in the minimum night requirements during weekends:

Minimum Night Requirement: Not specified for weekend stays.

In contrast to the other Airbnb, the platform did not display any specific minimum night requirement for weekend stays. Guests have the flexibility to book for single-night stays during weekends without any restrictions.

Competitive Pricing:

It offers an enticing nightly rate of \$94 and less During weekdays and during weekends it offers \$144 and more positioning it as an attractive option for budget-conscious travellers.



Florence And Ted place is a rare find, consistently experiencing high demand and typically fully booked."

Florence and Ted's Airbnb Listings in Downtown Atlanta

Florence and Ted are relatively new Airbnb hosts with three months of experience. They manage a total of 20 Airbnb properties, with 10 located in the 300 Peachtree area of downtown Atlanta. Despite their short hosting duration, they have amassed over 74 positive reviews, indicating a high level of guest satisfaction.

Florence and Ted have established a strong foundation with their Airbnb listings in downtown Atlanta, evidenced by the positive reviews and guest satisfaction. By maintaining high standards, leveraging feedback, and continuously enhancing their offerings, they can ensure sustained success and potentially expand their portfolio further.

Airbnb competition and pricing strategy at 300 Peachtree, Atlanta?

1. **Pricing Strategy:** To analyze the pricing strategy of Airbnb listings at 300 Peachtree, Atlanta, let's look for patterns in pricing, such as seasonal variations, weekend rates, and discounts for longer stays. Consider factors that may influence pricing, such as location, size of the accommodation, and amenities offered.
 - **Seasonal variations:** Pricing varies with the season and special events. During high-demand periods like holidays or local events, prices are increased to capitalize on higher willingness to pay. Conversely, rates are lowered during off-peak seasons to maintain occupancy. In detail, the rate in fall season (from Sep to Nov) may be 3 times higher than other seasons. This pattern might stem from the reason that fall months typically offer pleasant temperatures and are popular times for tourism.
 - **Weekend rate:** Weekday rate is lower than weekend one, with average of 30%, not including discount.
 - **Nightly rates:** from \$55 to \$190 per night
 - **Discount for longer stays:** monthly rental can offer from 25% to 35% discount compared to daily one. The average price for 1 bedroom condo/apt is around \$2,500 to \$2,849 per month in current season.
 - **Size of accommodation:** Condo/apt with 1 bedroom is most popular in this location, studio or one-bedroom units are typically less expensive.
 - **Amenities offered:** Properties with higher rate offer some extra amenities such as Exterior security cameras on property, city skyline view, etc.

Success on Airbnb hinges on a few key strategies:

Unique or high-demand property:

Atlanta boasts unique listings like treehouses or luxury apartments, which attract travelers seeking a special experience. Understanding what fits the Atlanta market, whether it's quirky or upscale, is crucial.

Compelling listing and photos:

High-quality photos that showcase the property's best features and a detailed, engaging listing description are essential to grab attention and convince potential guests to book.

Excellent guest experience:

Providing a clean, well-maintained space, along with clear communication and thoughtful amenities, ensures guests have a positive stay and leave strong reviews, which can significantly impact future bookings.

There are several factors of interest here:

Price: for Budget travelers, Courtland Grand Hotel is a good option at \$63 per night.

Amenities: for travelers looking for a hotel with a rooftop pool, then Crowne Plaza Atlanta - Midtown or The Westin Peachtree Plaza could be good options.

Guest Rating: for travelers who prioritize hotel with high guest ratings, then The Westin Peachtree Plaza or Atlanta Marriott Marquis might be a good fit, both boasting a guest rating of over 4.

Here are some of the most successful and insightful Airbnb listings in downtown Atlanta

Modern Studio Apartment in the Heart of Downtown: This studio apartment is in the heart of downtown Atlanta, close to all the major attractions. The listing is successful because it highlights the apartment's location and amenities, and the host has included high-quality photos that showcase the space.

Light-Filled Loft with Rooftop Terrace: This loft apartment has a rooftop terrace with stunning views of the city. The listing is insightful because it caters to guests who are looking for a unique and stylish place to stay. The host has also included a video tour of the apartment in their listing.

Cozy Condo in Historic District: This condo is in a historic district and is within walking distance of several restaurants and shops. The listing is successful because it appeals to guests who are looking for a charming and walkable location. The host has also included a detailed description of the condo's amenities in their listing.