

Key Info

HQ San Fransisco, US

Industry to learn from

Travel & Leisure

Founded

2007

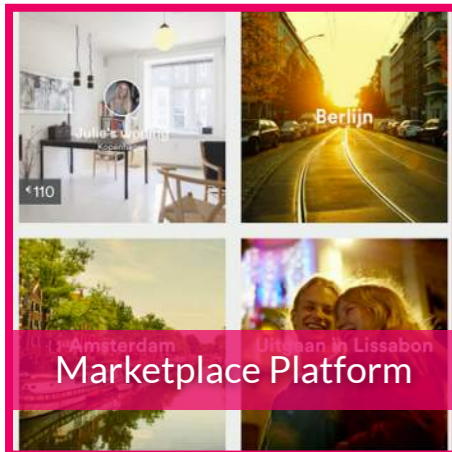


Facts

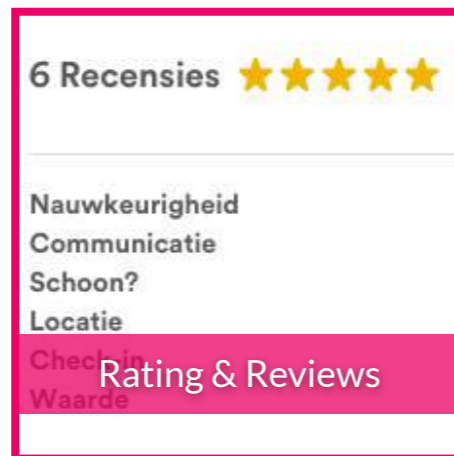
- Brian Chesky, CEO and co-founder of Airbnb, believes in “eating your own dog food”; which is to promote his company by using Airbnb himself. He has not owned a home since 2010!
- Airbnb has a vast network of freelance photographers in all major cities of the world who go to a location and click high-definition photographs of the property.

Why Innovative?

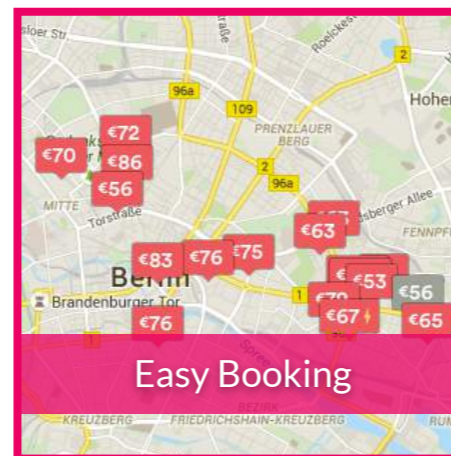
1. Airbnb in 3 key offerings



Enables owners to list their space on the platform and earn rental money. On there other side they give cheap options to travellers to stay with local hosts. Airbnb provides insurance to listed properties.



Rating and review system for hosts and guests. Hosts can accept or reject a booking after reading the reviews of the traveller or after going through his social profiles.



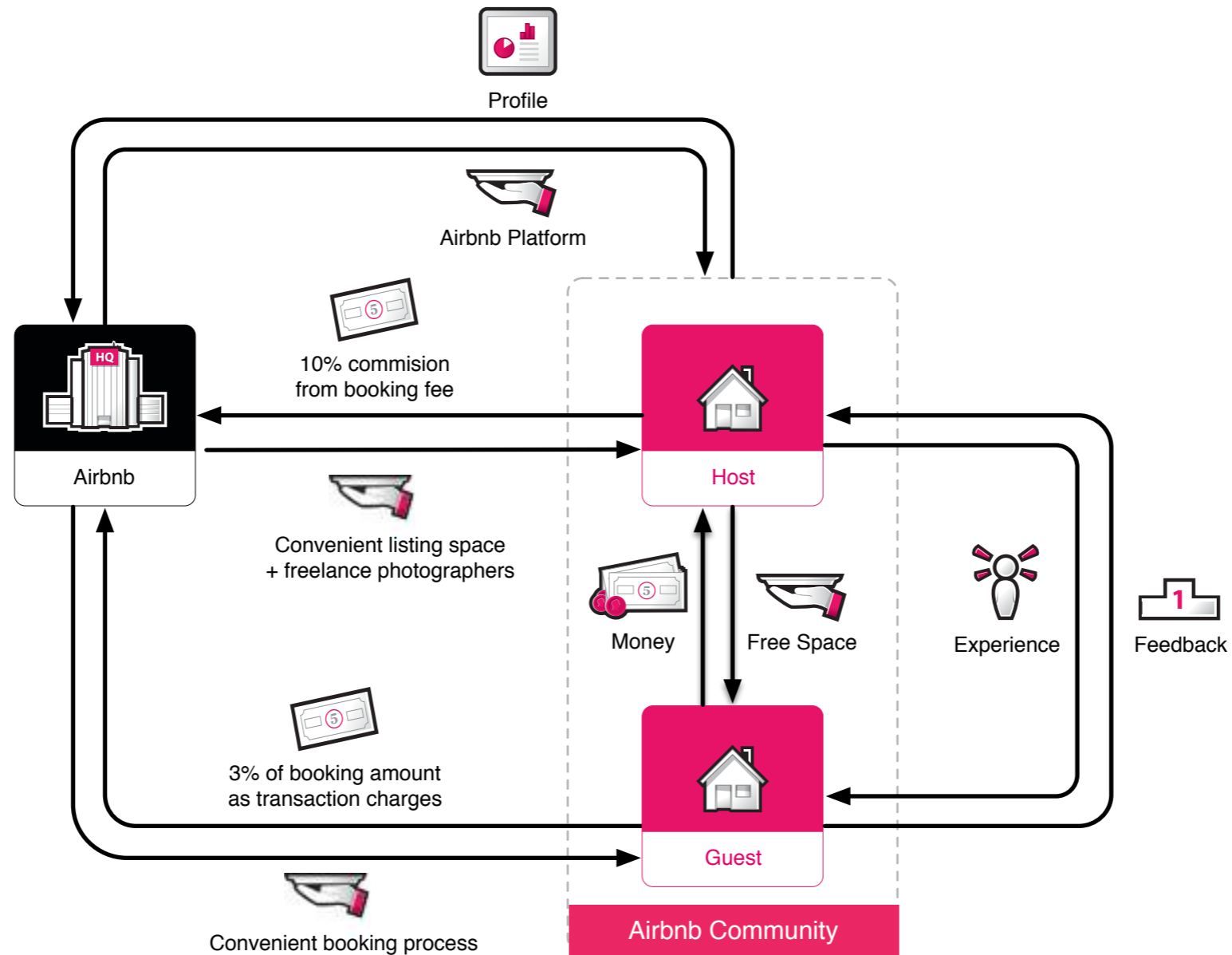
Complete Facilitation of the process of booking. Travellers have the option to search for a property by filtering them according to rent, amenities provided, location etc. They can book a space by paying through the Airbnb portal.

2. On which trends does this company focus?

- Sharing Economy
- P2P (peer-to-peer)
- Speeding-up Society (24/7 access)
- All Things Digital

3. Does it bring people out of their comfort zone?

- Airbnb's presence in cities significantly cuts into the long-term rental housing market.
- Quality-control. Inevitably some property managers won't provide a quality, local experience to guests.
- A New York City ruling has declared the service illegal, if renting for less then 30 days, despite efforts by Airbnb to intervene.



Business Model

1. How do they make money?

Providing the platform for “free”, Airbnb takes a flat 10% commission on the booking amount and charges 3% transaction costs to guests for every booking they make.

2. Other companies with similar business model.

- <http://getyourguide.com>
- <http://etsy.com>
- <http://opendesks.com>
- <http://www.thestorefront.com/>

3. Business Model characteristics

- Personal Reviews
- P2P-model
- Online community
- Broker model