

CASE STUDY:



airbnb

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THE INTRODUCTION.

AIRBNB.COM

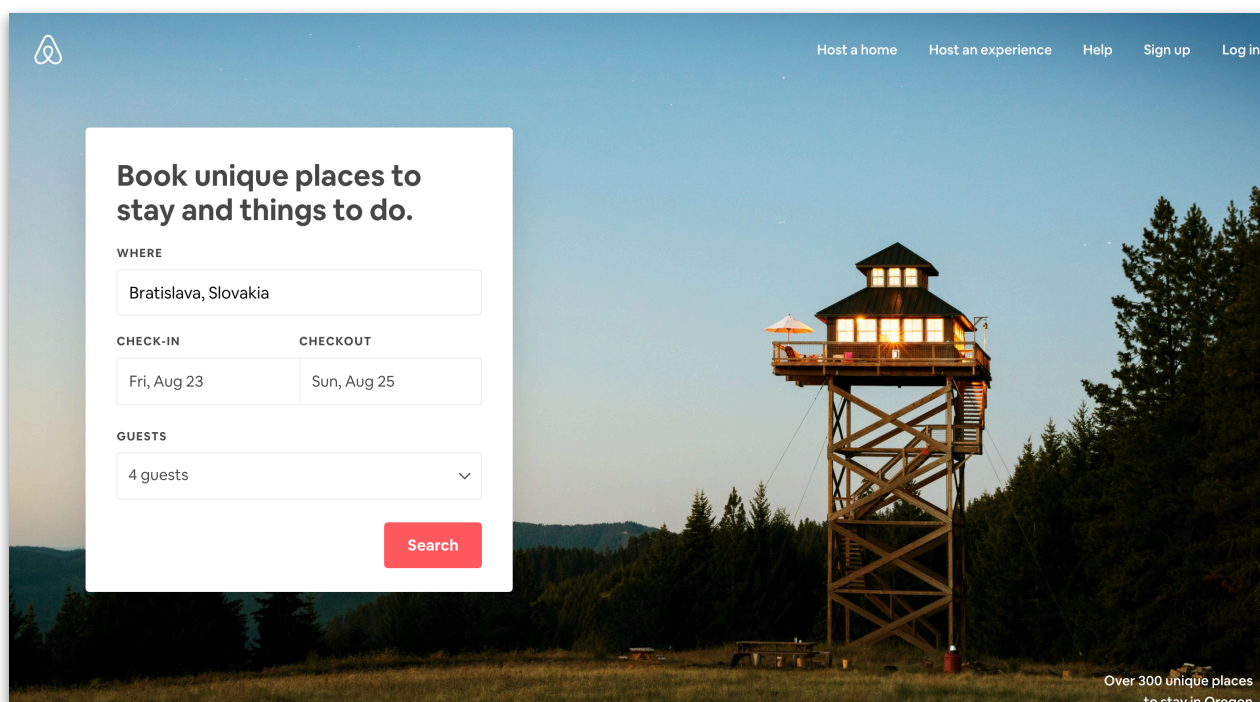
Not only is Airbnb an household name, the path it took (and didn't take!) since the early days in 2008 make for both a fascinating and educational case.

It all started when Brian Chesky and Joe Gebbia, the founders of Airbnb, couldn't afford the rent on their San Francisco apartment. To make ends meet, they decided to turn their loft into a lodging space.

There was a design conference coming to town and the city's hotels were fully booked, so they set up a simple website with pictures of their loft-loft-turned-lodging space - complete with three air mattresses on the floor and

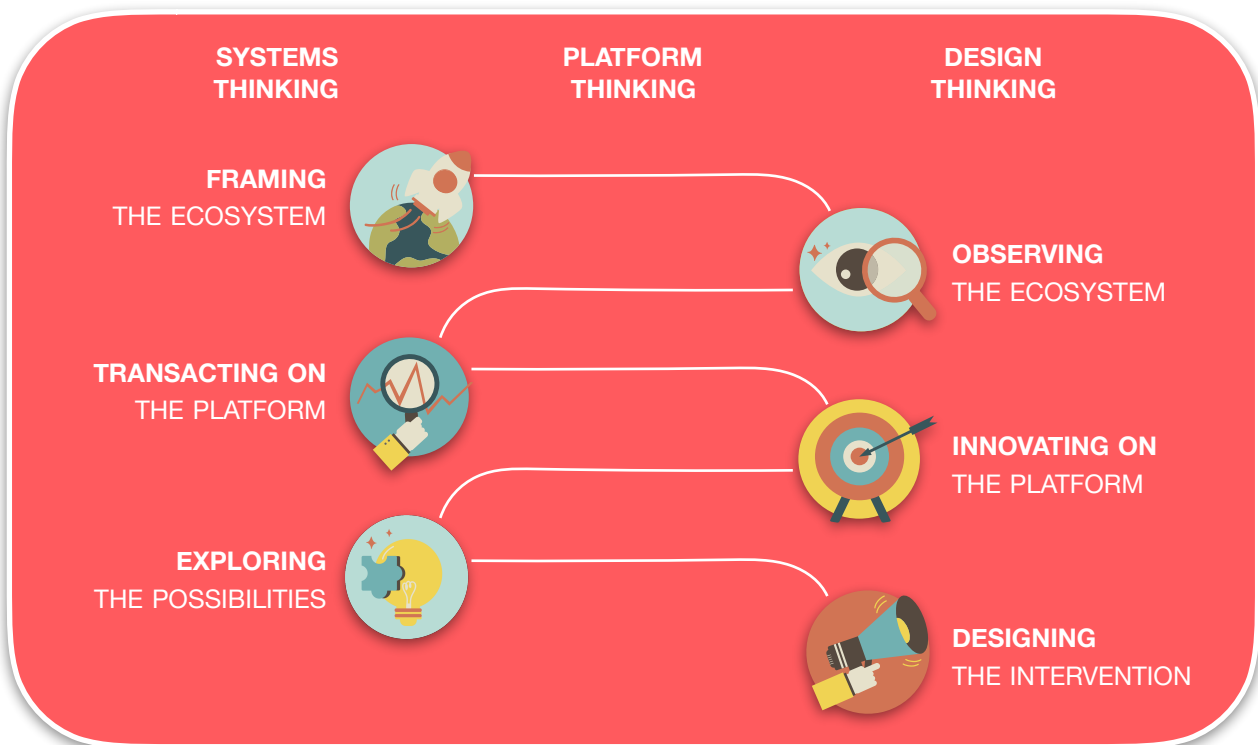
the promise of a home-cooked breakfast in the morning. Six days later, a 30-year-old Indian man, a 35-year-old woman from Boston and a 45-year-old father of four from Utah showed up in their apartment.

This is how Airbnb started, and today, the platform provides access to **7+ million unique places** to stay in **100.000+ cities** and **220 countries** and regions. With experiences, Airbnb offers unprecedented access to local communities and interests through **40.000+ unique**, handcrafted activities run by hosts across **1.000+ markets** around the world. The numbers are staggering, all of this in just **10 years**.



THE FRAMEWORK.

THE FRAMEWORK.



This case is described using the **Platform Positioning System** and it's 6 steps to ecosystem innovation. On the following three pages you'll find the Airbnb platform and the ecosystem it supports described in full using the System's design model.

The first step summarises the actors that play a specific **role** in the hospitality ecosystem. Airbnb is the keystone of that ecosystem as it regulates connections among the other roles and works to increase over diversity and productivity.

The second step outlines the **motivations** and **intentions** of the participants to be active in the hospitality ecosystem. The case continues with portraying the

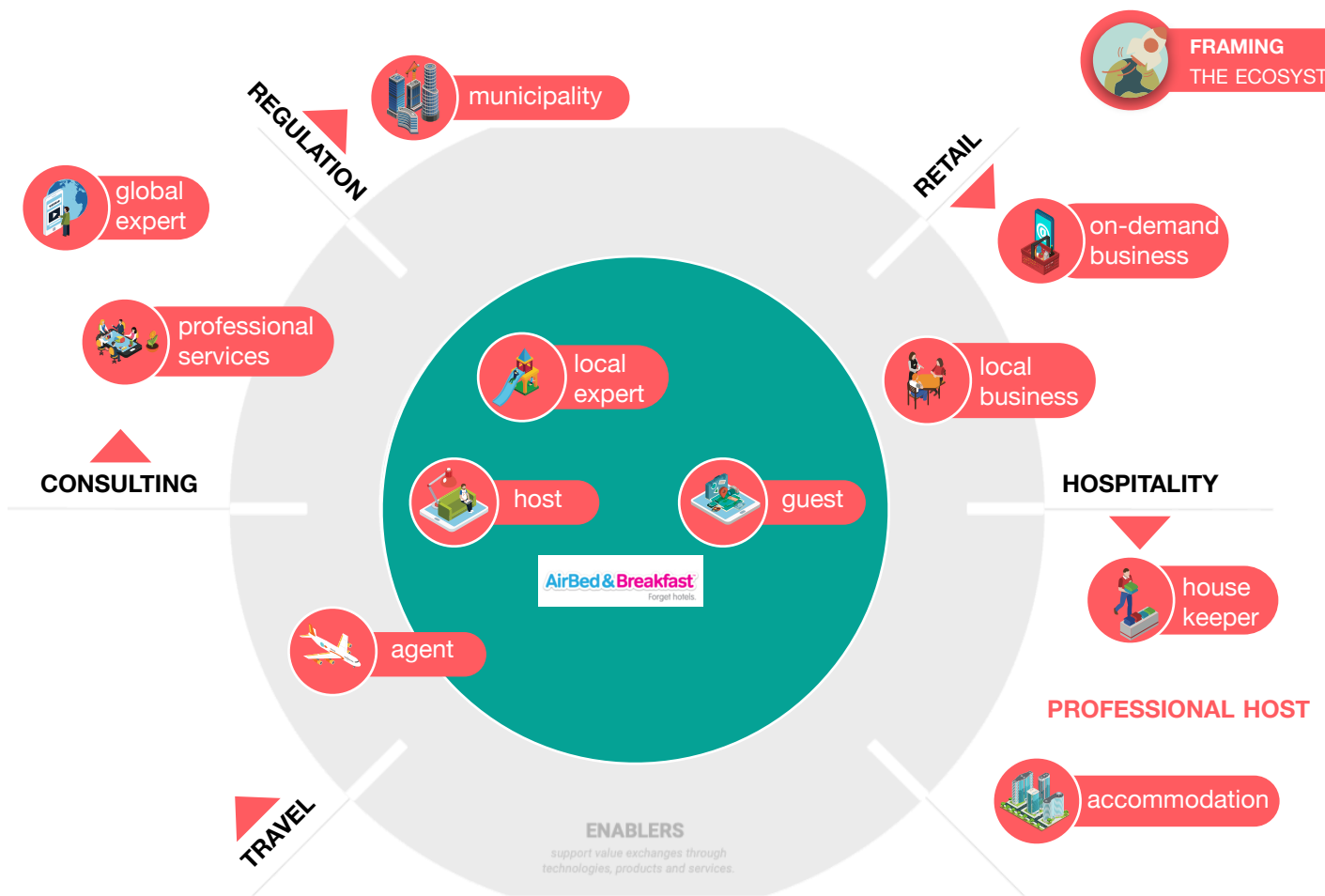
key relationship between the guests and hosts that represents the backbone of the framed ecosystem.

The case goes on with the transaction engine, which lays out **touchpoints** that need to be in place in order for the roles in the key relationship to be able to exchange value in a new way.

The innovation engine described in the next step shows the main **services** provided by Airbnb for the participants to be able to coordinate themselves on the platform.

You'll find two **platform experiences** that combine the touchpoints and services described in the previous steps at the end of this case study.

THE FRAMEWORK.

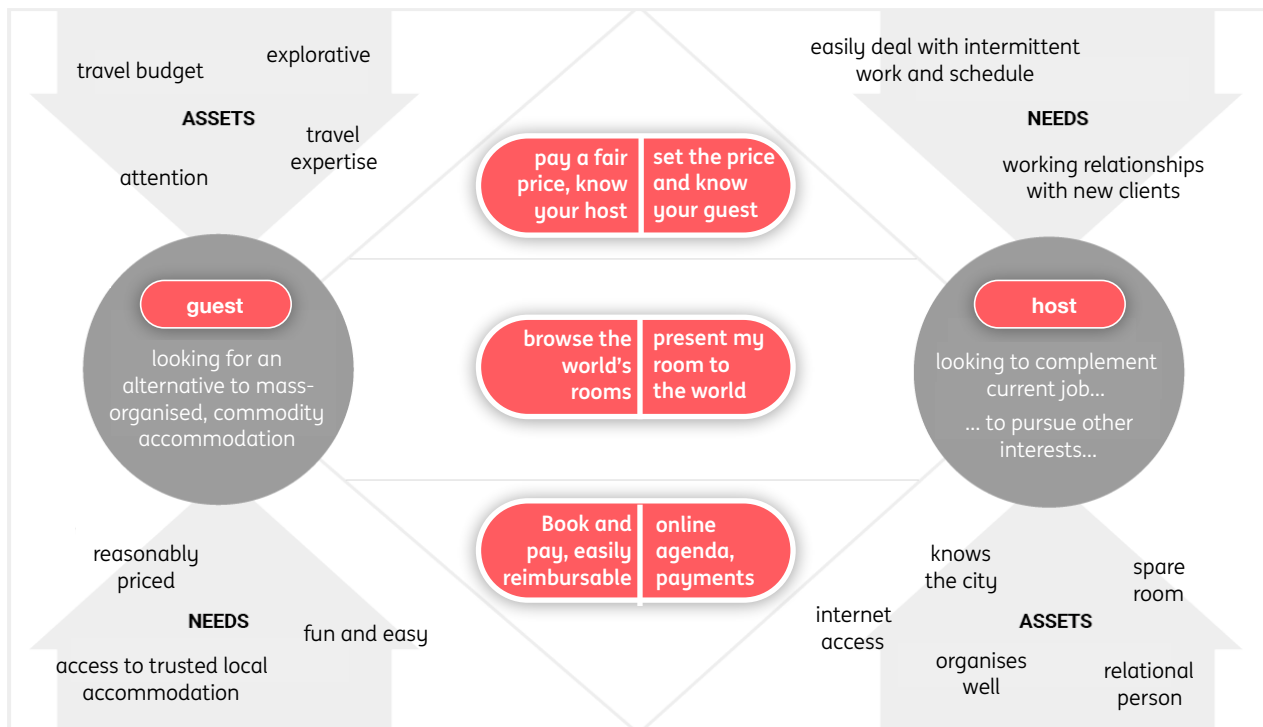


GIVES TO	guest	host	local expert	agent	local business
guest	income attraction aspiration	unique home savings reputation	referral inspiration	(cheaper) destination	inspiration
host	income feedback reputation	experience inspiration savings	income feedback reputation	reach reputation	reach reputation
local expert	attraction inspiration coaching	experience education	income visibility inspiration	(attractive) destination	referral participation
agent	reach accessibility	reach accessibility	reach accessibility	additional destinations	referral reputation
local business	attraction discount	experience connection	referral discount	(attractive) destination	income visibility reputation

THE FRAMEWORK.



TRANSACTIONING
ON THE PLATFORM



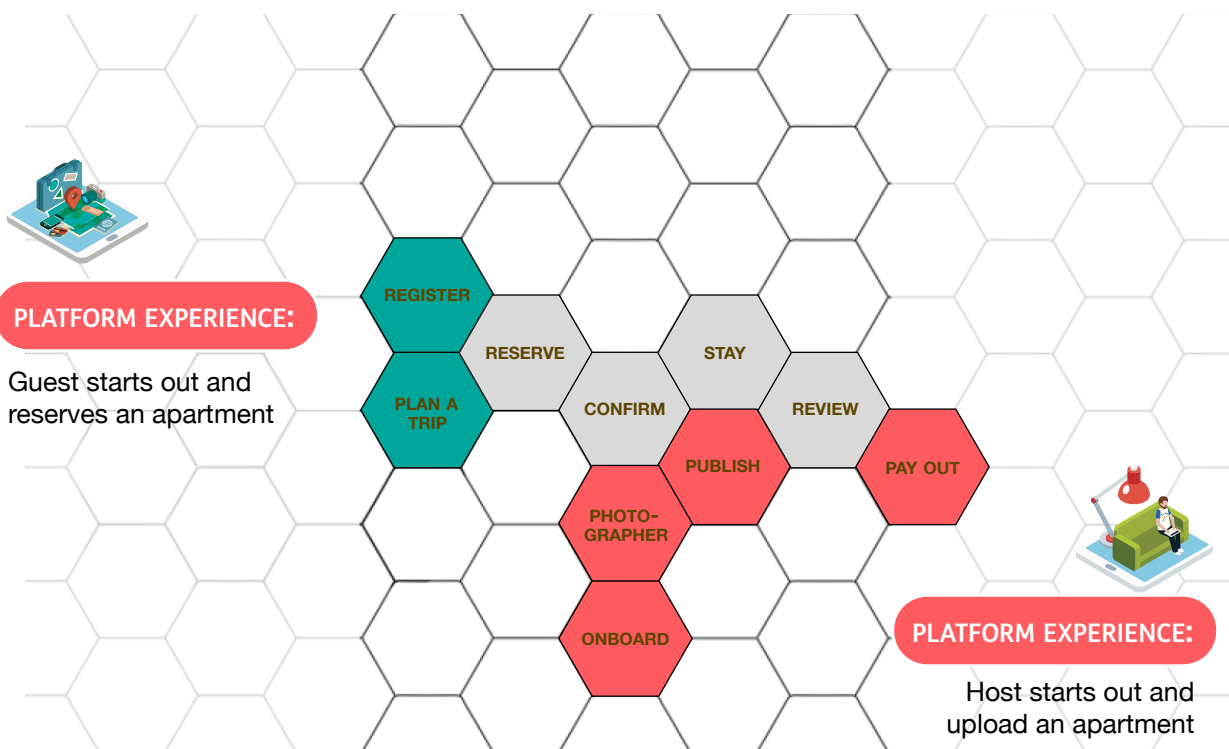
guest	VALUE	CHANNEL	TOUCHPOINT	CHANNEL	VALUE	host
make a reservation	request, payment info	guest app/web	reserve	host app/web	additional details	respond to reservation
respond to confirmation	payment, details	guest app/web	confirm	host app/web	reservation	confirm reservation
communicate	details	chat, mail, guest app	arrange	chat, mail, host app	details	communicate
visit	presence, attention	home, chat	stay	home, chat	home, attention	host
write a review	feedback, tips	guest app/web	review	email, webinar	feedback, tips	write a review

THE FRAMEWORK.



INNOVATING
ON THE PLATFORM

STARTING OUT	STANDING OUT	TOUCHPOINT	STANDING OUT	STARTING OUT
step-by-step registration FAQ city guides	event schedule profile & reputation	reserve	hosting dashboard	professional photogr., templates onboarding
notification easy payment	taxes dashboard	confirm	auto-confirm rules, auto update calendar	notifications pay outs
city guides event schedule		arrange	personal FAQ link to local business	
	reputation, become a host	stay		tips & practices event schedule
notifications	tips & practices	review	become superhost, profile co-host	tips & practices emojis



EXPLORING
THE POSSIBILITIES

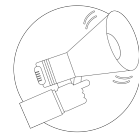
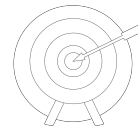
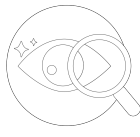




FRAMING YOUR ECOSYSTEM.

IN 3 STEPS





1

THE ENTITIES.

The **hospitality industry** is diverse and includes everything from hotels and other accommodation types, through restaurants, bars, travels and tour operators. There are some trends that are fairly typical across the industry. One of them is the desire for tourists or travellers to enjoy *local experiences*.

Arguably the most obvious form of temporary accommodation are hotels, that cater people who require overnight or longer-term stays. Hotels may have been providing the best quality of services for the past centuries, but the low degree of differentiation does not allow for many choices to match travellers personal requirements and expectations, as they unfold today.

Hotel/motel franchise
Local hotel/motel
Local BnB, inn
Resort



It's because there is a very strong trend of people wanting to explore destinations from their "within". They want to experience the authentic way of life in the location they visit. Even beyond making the world a better place, there are many good reasons to travel as much as one can. The notion of a customer segment falls apart when you realise that there is more than just a persona - there is a human being with different jobs-to-be-done.

weekender
family
honeymooner
adventurer
event visitor



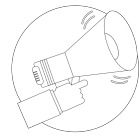
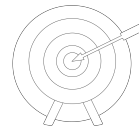
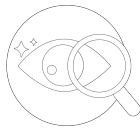
This is where technology innovations and introductions come in, they have created a highly fragmented landscape all across industries. There are so many touchpoints and channels used by people to find their places to stay. And if they look for an authentic experience, some people put their rooms or apartments even on craigslist. Some are staying in other people's home without paying a penny in accommodation while they travel.



part-time host
flat sharer
empty nester

It seems that house swaps and home stays is a cheaper way to connect with the contemporaries and their space rooms or sofas in the place people are visiting. In fact, Couchsurfing, for instance, is free. The idea is to share and reciprocate.

Flexibility and variation are, after all, a part of travellers' journey. If you start detailing that journey, many other entrepreneurs with different characteristics, potential, needs and motivations will start popping up.



1

Cities offer something special for everyone. People want to be immersed in the destination and doing that by cycling or horse-riding, experiencing the authenticity of the culture they dive into on their trips.

Entrepreneurs in the hospitality industry are responding to this trend by helping people to take part in local activities in an easy and smart way.



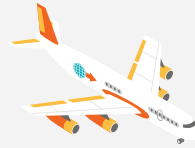
Vayable
SpinLister
Audio walk
Excursion

One also needs to eat. And the internet in particular offers many attractive opportunities to find and book a table in local restaurants online for any occasion. You can also easily discover local businesses ranging from bars, restaurants, and cafes to hairdressers, spas, and gas stations in small and big towns.

Yelp
OpenTable
Resy



Homes are less concentrated than hotels, which encourages geographic diversity and distribution of tourists arrivals. A number of businesses might step in to enable travellers reach their preferred destinations faster.



(online) travel agency
metasearch
corp. travel manager

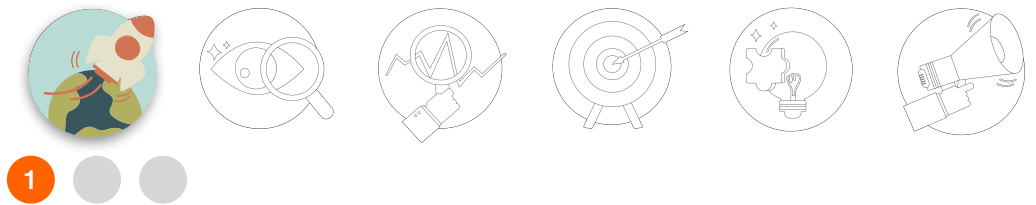
Distributed technology enables building communities on a global scale. People with common interests create their own content and opinions on independent websites. People are motivated to build fan-pages so they can learn from each other and grow.

Experienced users of a product or a service can give tips on better ways of using that product or service, others would keep the community posted on the recent news related to the product, its updates and promotions. Or people simply share positive and negative experiences, stories, or ideas with each other at large scale.



all-about-airbnb.com
getpaidforyourpad.com
airbnbrcitizen.com
airbnbhell.com

“Bleisure” is the name given to trips that combine business travel with leisure activities, and it is increasingly popular. While the change in traveller’s expectations appears to be the desire for more authentic experiences, business people might be looking to escape from cramped hotel rooms too.



While food and drinks are necessities, most food and drinks services also fall under the hospitality umbrella. As shopping has become a ubiquitous activity, many brands are moving towards on-demand, frictionless shopping experiences.

Diverse online shopping apps take easy, local delivery from pharmacies, groceries and even pet stores to the next level. These can help people to provide the essential amenities on-demand and to quickly have what they need to be comfortable, either when travelling or hosting strangers.

Amazon Prime Now
Instacart
Walmart Grocery
Alber Heijn App



Hosting people may require fairly good organisational skills. Independent third party companies have emerged to assist with hosting responsibilities like how to set a fair price, security and property management.

A number of businesses portray themselves as experts when it come to help to set the right price of your listing, using dynamic pricing solutions. They utilise real-time market data to ensure that the price recommendations maximise revenue and occupancy for the apartment owners.

Others offer you their expertise in revenue management by collecting millions of data points every night, including prices, occupancy rates, seasons, and events.

BeyondPricing
AirDNA
SmartHost
PriceLabs



Key handoffs remotely has also never been easier. You can get into your place with a real-time photo ID verification, or find a spot to deposit keys in trusted local stores. For instance, there are mini-businesses that started manufacturing a range of home security products that incorporate outdoor notion based cameras and smart doorbells.

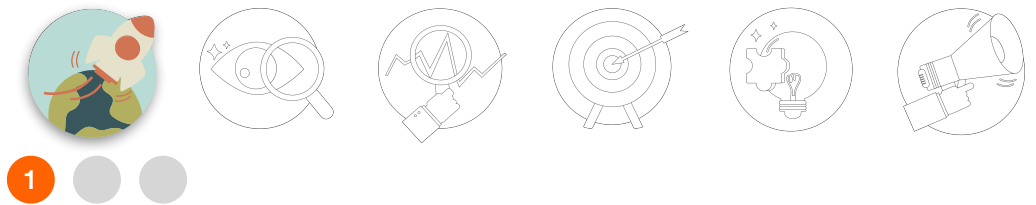
KeyCafe
Hoard
Amazon Ring
SkyBell
GuestHop



Others support hosts when it comes to managing properties and the logistics. Today, people are able to manage their homes online, order a high-quality laundry, dry cleaning and other transportation services.



Properly
FlyCleaners
Porter



1

If people should start monetising their home spaces, passions and talents to become hospitality entrepreneurs, that would require a fair amount of courage.

Not everyone is a born entrepreneur though. For some people, running a rental business can be very difficult. Why not to outsource the entire property management to professional entities specialising in precisely this direction?

Services such as crafting a fully optimised listing for a property, handling marketing, distribution and communications with guests can be done by someone with the potential to build the best experience for hosts.



Guesty
Pillow Homes
Evolve
BeyondStays

Town, Cities or Local (tax) authorities around the world may be interested in everyone's success or failure by introducing all sorts of regulations. They will (have to) have and offer their help or opinions too, then it comes to starting a business.



City, Town
Local Community
Town Planner
Tax Authority

Host 1
Messages 1
Help

Serve your Guests better with Host Assist Apps

RemoteLock from LockState

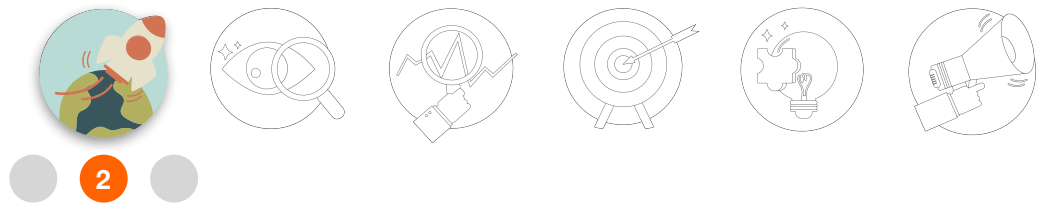
RemoteLock WiFi Smart Lock integrates with Airbnb to allow property managers the ability to create, delete and manage guest codes.

Hoard

Check guests in & out remotely for only 3€ by depositing your keys in trusted local stores. Test now for free with the coupon code: SIMPLIFY

Master Lock

Master Lock is the world's leader in padlocks & security products. Founded in 1921, we continue to innovate & expand our product offering.



FROM ENTITIES TO ROLES.

*One of the most important concepts in dealing with ecosystems are the roles various people, organisations or things play. A group of entities acts in a capacity of a **role** by sharing the same characteristics or advantages. What do they currently experience?*

As noted earlier, hotels, motels, inns or guest houses all represent a traditional form of temporary **accommodation**. New consumer expectations and technologies however put hotels under enormous pressure.

Accommodation

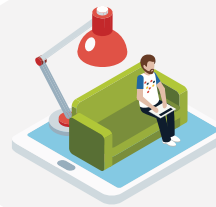


In this context, a weekender, family, honeymooner, adventurer and backpackers share the same motivation when **travelling** and **looking for place to stay**. The latest consumer trends indicate that authenticity and personalisation play a crucial role when they are exploring new destinations, spending their free time and traveling budget.

Guest



On the other hand, it's trendy to welcome people in your **home** for at least one night, maybe take them even out on the town. A part-time host or a flat share might be a better fit for travellers with the desire for authenticity. Hotels can't fulfil that need anymore.



Host

Vayable, SpinLister or AudioWalk, they all have the same interests in this ecosystem. It's about sharing their **unique knowledge** and **passion** about their surroundings and enriching travellers experiences.

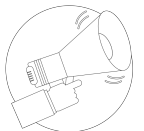
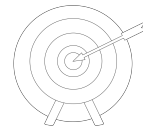
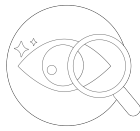
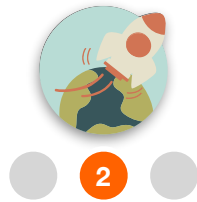


Local Expert

Yelp, OpenTable or Resy help people find a table for any occasion and to **discover local businesses**. Download the app and off you go!



Local Business



Organisations that enable travellers to reach their **destinations** share a mutual advantage of handling the frequency of booking their journeys.



Agent

If there is a local expert that knows its territory, then it makes sense to call the fan pages created by experienced travellers global experts. They are here to **share all sorts of information**.



Global Expert

The on-demand economy came with an abundance of various online shopping apps. These can be of benefit to anyone travelling but also staying at home. Download the app and get to your fast and satisfactory grocery **shopping experience!**

On-Demand Services



BeyondPricing, AirDNA, SmartHost or PriceLabs have one thing in common, they assist people with all aspects relating to appropriate prices and the **financial management**.

Financial Advisor



Entities that make sure that people have the most secure experience when welcoming others to their homes share one and the same goal - their **safety**.

Concierge



Managing household is a shared goal of businesses that offer services covering cleaning and other domestic tasks. Let them do the work.

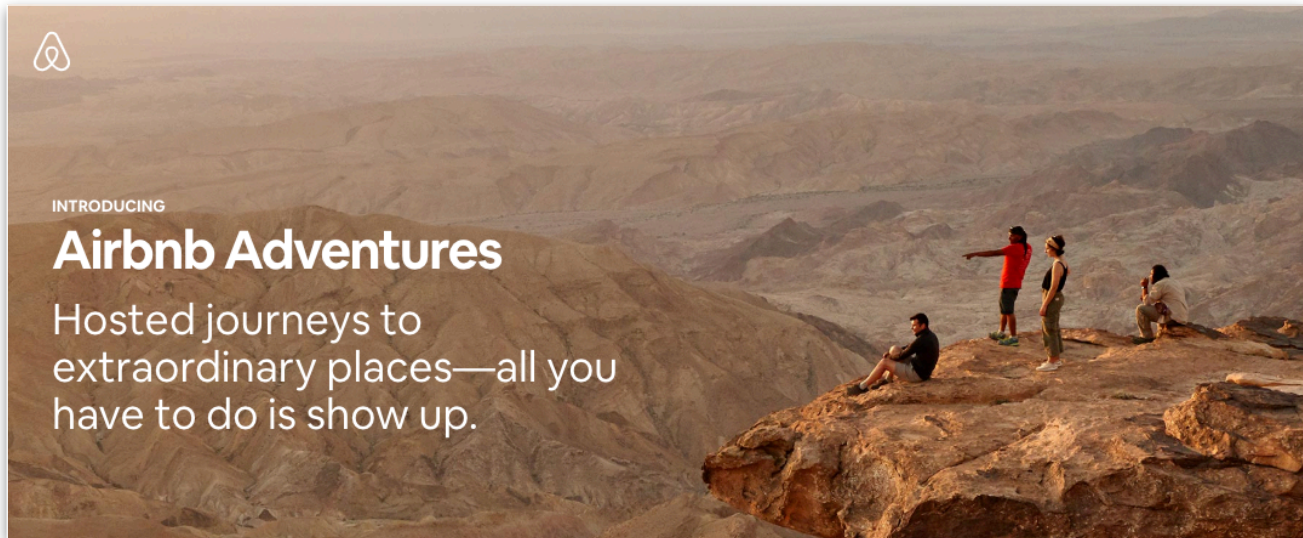
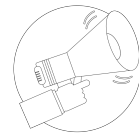
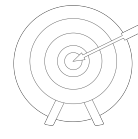
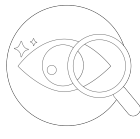


House Keeper

And what about the authorities, cities, towns, local communities? In the end, they all share one and the same goal, which is to **influence** someone's position in the ecosystem.



City, Town
Local Community
Town Planner
Tax Authority



Positioning roles is a very crucial, strategic step. At this point you determine the first smell of the framed ecosystem. It's also about narrowing down the focus to the most interesting roles and further clustering, if necessary. The less interesting roles stay out of scope as indirect stakeholders as inventory.

A **GUEST** generates demand for unique homes. A **HOST** responds to the demand and offers unique homes for utilisation. **LOCAL EXPERTS** create and publish things to do that enrich guests' journey. They thus act as peer producers, anyone with potential could do this.

The **PROFESSIONAL HOST** is a role that Airbnb does not support explicitly now, which is why this role is positioned as indirect stakeholder. On the other hand, **LOCAL BUSINESS** and **AGENT** are positioned as enablers contributing to the relationship between the guest and the host.

ON-DEMAND SERVICES and **GLOBAL EXPERT** may well be important for a better performance of the participants. But guests and hosts would still exist without their help. The decision has been made to keep them out of scope.

The same thing shall also be true for all the other roles that emerged as an aid to guests or hosts. They can be further clustered into **PROFESSIONAL SERVICES** and put aside.

As noted earlier, **ACCOMMODATION** and **MUNICIPALITY** may have a specific interest in: the success or failure of others. They are therefore also important to keep in mind as indirect stakeholders, but essentially not crucial for the value creation.

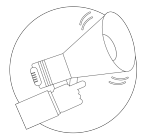
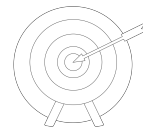
Airbnb is positioned of a **KEystone** in this ecosystem, with sufficient power to potentially orchestrate connections among all of the other selected roles in this ecosystem.



OBSERVING HOSPITALITY THE ECOSYSTEM.

IN 3 STEPS





1

2

3

THE VALUE STREAMS.

By means of **digitising communication and trust**, one could allow the roles to establish trustworthy relationships with other roles on a truly **global scale**, at **nearly zero marginal costs**.

This framed ecosystem is predicated on the **hospitality** industry, where feeling safe matters more than anything. Trust is the basis for the relationships between roles, and once in place, assets such as **homes** can be shared.

The give-to potential is a **unique home**, unique because every single property is different, and in most cases even **cheaper**. **Reviews** are an essential trust mechanism. People will be more likely to book a home if the host has better reviews and higher ratings. Local activities, on the other hand, are designed and led by inspiring locals.

They go beyond typical tours or classes by immersing traveller's in a host's unique world. Hosts thus might give a **referral** and **inspiration** to the local experts. An agent benefits from hosts in the form of a **cheaper destination** that many guests are more likely to book. This can substantially increase the number of travellers using public transport services.

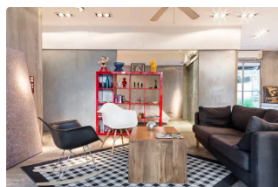
Local businesses would aim at being recommended by hosts to their guests. Especially when it comes to businesses one can clearly see **referral** marketing as a fruitful method of promoting local products or services.

The same way of mapping the current and potential value streams is done for all the other roles of the framed ecosystem.

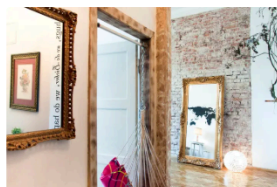


[Add listing](#)
[Host](#)
[Saved](#)
[Trips](#)
[Messages](#)
[Help](#)


Places to stay around the world



SUPERHOST Silom · Bangkok ★ 4.69
Designer Loft Bangkok Silom



SUPERHOST Kraków ★ 4.88
Amazing and Extremely Central Flat



SUPERHOST South Lake Tahoe ★ 4.81
The Lake Tahoe Chalet



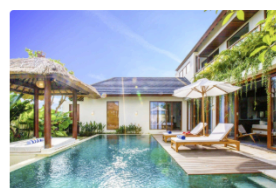
★ 4.74
Exceptional property private beach - ...



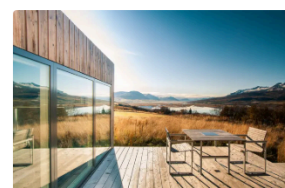
SUPERHOST Mount Washington · L... ★ 4.96
Private Pool House with Amazing...



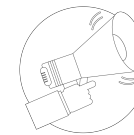
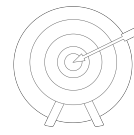
SUPERHOST Riva ★ 4.85
Lussuoso. Vista incantevole.



PLUS Bali · Umalas ★ 4.82
Tropical Canggu Villa on Ricefield nea...



SUPERHOST Akureyri ★ 4.76
Amazing view - Moderne apartment



THE INTENTIONS.

There is a **reason d'être** for all of the selected roles to be an active player in your framed ecosystem. If engagement works because of the intrinsic motivation, then the roles need to be **empowered** in what really matters to them, not in what matters to you.

Mapping the intrinsic motivations, expectations and intentions for each role gives more clarity about who the roles are. The conversation about role's intrinsic drivers **brings the role to life**.

Through technology, millions of people around the globe could potentially be empowered to monetise their homes and talents to become hospitality entrepreneurs. What is it that the roles feel attracted with?

To keep the motivation at an intrinsic level, monetising homes should not be seen only as a way to generate **income**. Hosting can, for instance, help hosts pay for their rents or to save some extra money. Monetisation is a bonus for what we truly, from the bottom of our hearts, want to become.

For some hosts, more than money is **truly caring** about their guests. They host because they enjoy learning how diverse people can be. This type of hosts give guests a welcome snack or drink, and may even take them out for a beer. They want to enjoy the benefits

of being **attractive** to the entire ecosystem of guests and hosts.

The world is full of spectacularly stunning apartments. Having a property that stands out seems vital if hosts want to secure glowing reviews, better ratings and more bookings. Many hosts will look for **inspirations** on how to turn a simple place into something **exciting** and **attractive**.

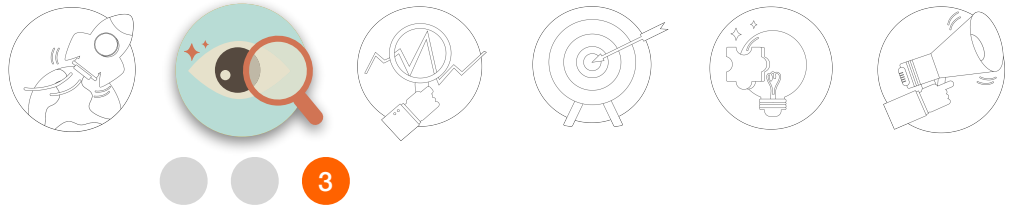
In the end, *belonging* is one of the basic needs of a human being. Hosts, guests and local experts would reciprocate having the chance to exchange ideas, stories and tips with a broader **community** of like-minded people that collectively create a world where anyone can belong anywhere and where people can live in a place, instead of just traveling to it.



UNITED STATES
Camp on a cliff in Colorado
From €875/person · 2 days
★ 5.0 (2)



BALI
Backroads - beautiful Bali home stay
From €183/person · 3 days
★ 4.67 (3)



THE KEY RELATIONSHIP.

What part of your ecosystem is potentially **fragmenting**? Hotels can't fulfil the individual and personalised needs of the current consumer, and it becomes increasingly trendy to stay over night at someone else's **home**. This is the direction the current trends unfold, and this movement points to the **key relationship** between a guest and a host.

In this context, **local experts** are adding value to the key relationship, but they are now not of the primary concern when it comes to **designing for hosts and guests**. *What is it that both parties have and are looking for, at the same time?* This exercise is the most important for the future **design of the platform**.

No matter what kind of home or room **hosts** have in their inventory, a platform organisation designs for services everybody should build upon in the same way. Hosts want to be able to easily present their primary assets - **homes** - to the world in order to attract as many guests as possible. Another example for an asset that they have is **internet access**.

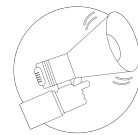
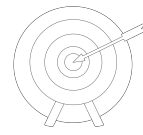
Hosts typically know how to **organise** and **take care of people**. Great hosts **know their cities well** and give **recommendations** for places to go, restaurants to visit or what areas of the city to avoid.

Everyone has their own life **story**, and so do roles have their stories behind everything they are doing. Some hosts might be **looking to complement their current job**, the other ones want to **pursue other interests** and experiment with their capabilities, some just want to **travel more** and swap their homes.

People are also moving forward not only because they want, but also because they experience **constraints** in their stories that **need** to be solved. This can be a mortgage that needs to be paid, easily managed **intermittent work schedule** or **irregular income**.

On the other end of the string, when **guests** hit the road to **explore** the world, they usually have a **travel budget** to spend. Both those with more **travel expertise** and those travelling for the first time are **flexible** to spend more **attention** on selecting where to stay over night.

No-one wants that the available travel budget covers only the costs for accommodation. Hotels are expensive and many guests are willing to look for **an alternative to that mass-organised, commodity accommodation**. Guests tend to be fed up with **being charged** for many trivial items, extra utility or services that the hotels provide.



Travel trends also reveal that nearly half of global travellers plan to be more adventurous in their travel choices once they've retired. The trend nr.1 is a long-term travel. Travellers will feel confident to pay **reasonable prices** for access to **trustworthy local accommodation** and feel like at home. They don't want to be bothered by housekeeping that knocks on the door at 8am. And how about eating a pasta in Italy, but making it fresh in the kitchen of a Sicilian grandmother? Experiences enriching the travel are becoming an integral part of every travellers' journey, as discussed in the ecology of this ecosystem. Everything needs to be **fun und easy!**

Experiences

Looking at the given **story, assets** and **constraints** of the host, it seems that **hosts** are craving for a **fun and easy** way to present their rooms to the world and so attract as many guests as possible.

Guests, on the other hand, should have an easy access and **browse through those rooms** whenever and from wherever they might feel like it.

Hosts typically want to be in full control of their **time**, prices, house rules, and with **whom** they interact. The same is true for the guests. Only if guests **understood who** they are staying with they can build trust, and pay that **fair price** set by the hosts.

An **online agenda** with **integrated payments** could help hosts to deal with intermitted work and schedule. Having this in place would enable guests to **book and pay their hosts** in an easy and secure way. Hosts should have a **clear overview** about who stayed and paid. This can be of value especially for the **regulation**.

The key relationship with its derived potential experience is the foundation for the transaction engine of the platform.

Where you've been



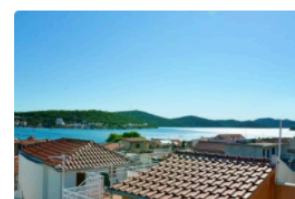
DEC 27 – JAN 1
Spišský Štiavnik
1 reservation



NOVEMBER 2019
Groningen
1 reservation



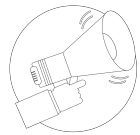
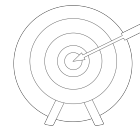
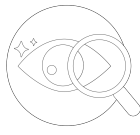
AUGUST 2019
Bratislava
1 reservation



JULY 2019
Tisno
1 reservation



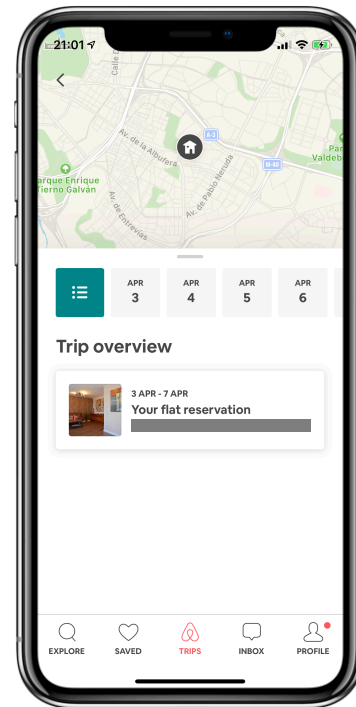
TRANSACTIONING ON AIRBNB.COM



THE TRANSACTIONS.

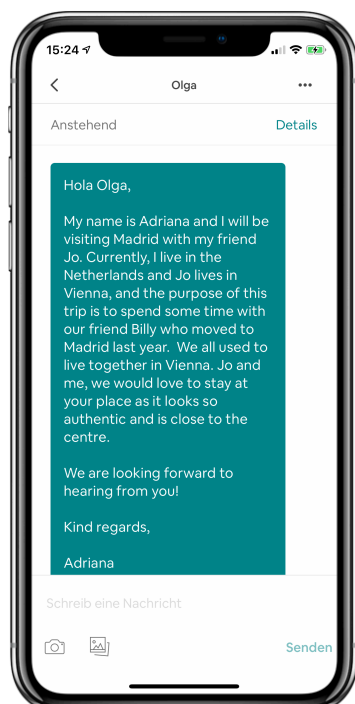
Airbnb exists to enable value-exchanging **touchpoints** between hosts and guests. All the other roles add value to this primary relationship.

Hosts' potential are their unique homes, in most cases at a cheaper price than what the hotels would ask. To gain access to these homes, guests **reserve** the places they find perfect via Airbnb channels **Website** or **Mobile App**. Hosts receive a **request to booking** on the other side and compensate guests by making the **reservation** official, to avoid a double-booking. Hosts have 24 hours to accept or decline a reservation request before it expires.



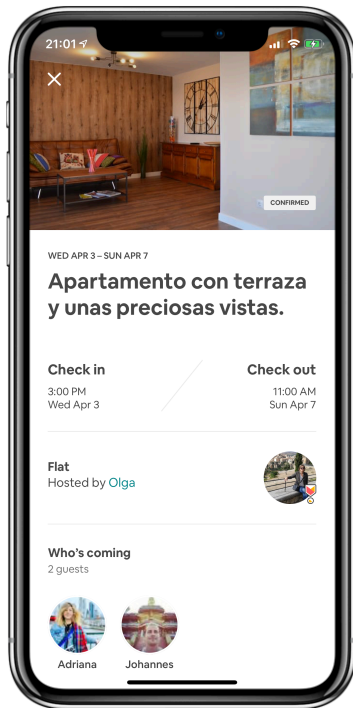
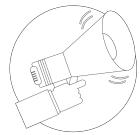
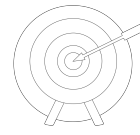
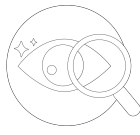
reserve with guest app

<optional>



arrange with messenger

To tackle the “*I control who gets to stay*”, many hosts prefer to **confirm** reservations before they are final. In order to increase the chances of getting a request approved, guests can **share** a little **introduction** about themselves using Airbnbs’ **secure messaging tool**. Hosts and guests get to know each other before the reservation is confirmed. This is how Airbnb is trying to help both parties to **better know each other**. After an approval, both guests and hosts can use the messenger further as a reliable communication channel to easily message back-and-forth to coordinate things like check-in and directions.



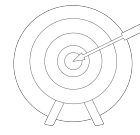
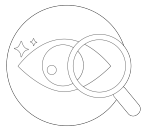
confirm with host app

As mentioned earlier, it is up to the host to decide whether a reservation should be **confirmed** or whether a guest can book the place instantly without waiting for approval. In case of the former, a **confirmation** is being given, to make sure that no-one else can book at the same time. **Instant Book**, on the contrary, applies to all available dates on the calendar. Guests who meet hosts requirements are able to automatically book the space.

Communication is essential in every relationship. Trust is built through communication. Airbnb encourages hosts and guests to **message** each other to arrange all the **reservation details** such as check-in and check-out times, make plans for the key exchange, and ask any other questions. Airbnbs integrated a **messaging tool** to its apps, and that is used to handle all the necessary communication.



arrange with messenger

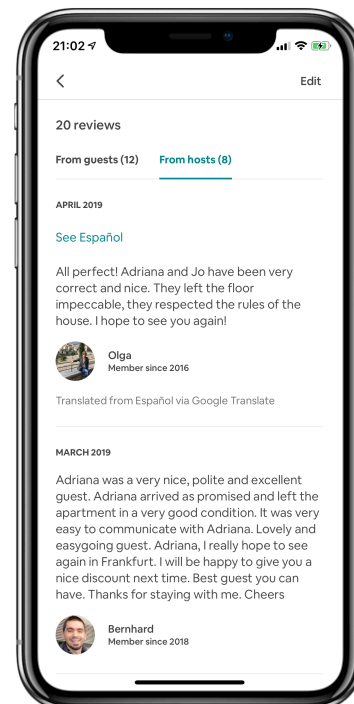


stay at the home

Some hosts greet guests in person, In some cases guests check in with a key-code. Some give you a welcome snack or drink, and the others rent out their space because of pure economic need. Peoples' motivations to join Airbnb are as diverse as the 6 million people themselves.

To help build trust and **reputation** on Airbnb, guests and hosts **review** each other after each reservation is complete.

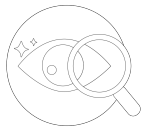
Before hosting a guest or booking a reservation, a history of reviews is available. This is a way the roles gradually build up their reputation, which, in most cases, is highly valued aspect when using the platform in a repeated manner.



review with guest/host app



**INNOVATING ON
AIRBNB.COM**



THE INNOVATIONS.

*In the platform context, it is the **ecosystem** that **innovates**, not the platform organisation. This is where the paradigm shift manifests itself, platforms design for services (to happen) by placing touchpoints where needed and tools around those touchpoints for users to improve.*

Airbnb sets out the requirements for **GUESTS** to start out on the platform. To pick up a few examples, all guests need to provide a full name, email address, confirmed phone number, introductory message and payment information.

Step-by-step guides also cover information regarding how to find a place to stay, all about guest's account,

general safety, cancelation policies or everything around payments. All of this and more should help guests to get closer to **making their first booking**.

Travelling with Airbnb provides an opportunity to connect with other members of the community. To enhance the travelling experience and make sure that guests can do **repeated bookings**, building up a reputation is key.

Guests can re-use the reputation to break out and, for instance, **become a host**. Another example would be Airbnbs' **recommendation engine** learning from guests data that sends out suggestions on the best rooms to matching with guests' profiles.

Monthly potential ⓘ **€1,743** [Get started](#)

Earn money as an Airbnb host

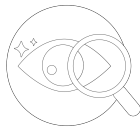
Find out what you could earn

Utrecht

Entire place ▾ 4 guests ▾

€1,743 per month ⓘ

[Get started](#)



And just like guests, **HOSTS** also go through their beginnings. The platform needs to make sure that they know how to **set up an account, create a listing and get the first booking.**

To help hosts out a little, a **professional photographer** can be booked to make the listing stand out and to attract more travellers. Airbnb organises webinars and seminars to show hosts tips and tricks on how to enhance the overall hosting experience.

Once hosts know how to orientate themselves on the platform, getting repeated bookings becomes easier, **dealing with a number of booking** becomes more of a challenge. To support hosts, Airbnb offers a feature to quickly **coordinate calendars** with other (personal) calendars. This allows hosts to keep all calendars up-to-date automatically and avoid getting booked when having an existing reservation.

Hosting dashboards help hosts to keep track of all their incoming requests, reservations and notifications. They have also free access to a guide that helps them to increase bookings and dazzle their guests. It was put together based on Superhost secrets.

Similarly, increased income and related taxes become more relevant. Airbnb offers a **collect-and-remit-feature** to handle the tax.

Hosts that stand out can become **SUPER-HOSTS**. More than 1.4 Million people have earned SuperHost badge status over the last 5 years.

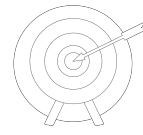
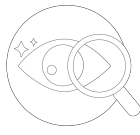
To become a SuperHost, hosts need to have an account in good standing and meet **requirements** set out by Airbnb. There is no need to apply to become a Super-Host. Hosts performance is measured over the past 12 months. If a host meets the program requirements on the quarterly assessment date, Airbnb sends out a notification of the Super-Host status at the end of each assessment period.

Additionally, community gatherings and coaching are organised regularly to support hosts with outstanding performances. **AirbnbOpen**, for instance, is an annual host convention that includes workshops, keynote presentations, and festive celebrations. Hosts learn hospitality tips from industry leaders, improve their knowledge of Airbnb's platform, connect with others, and share feedback and tips.

Hosts can also hire **co-hosts** to take care of their home and guests. They are usually a family member, neighbour, trusted friend, or someone the host hires explicitly to help with the listing. Airbnb provides hosts with a **guide** into **how to** add a co-host to the listing.



**EXPLORING
THE POSSIBILITIES.**



The key **touchpoints** in Airbnb's transaction engine are: **reserve, confirm, arrange, stay** and **review**, and these touchpoints persist unchanged to this day. What keeps changing and evolving though are the **services** that support and enable parties to start interacting with each other around the touchpoints, and to become better in their lives.

At this point, you as a designer need to make a decision about what to include in the MVP and what to keep for later developments, once live with the MVP.

Platform Experience of a Guest:

In order to be able to **reserve** a place on Airbnb, guests will have to find the right place and *plan a trip*. They can narrow down their options by using *filters* and reading the *descriptions of places* to check if they'd be a good fit for their trip. Typically, guests spend some time reviewing their hosts' listings to make sure the place is indeed a good match for them. The Airbnb search ranking algorithm is designed to help guests find the perfect listing for their trip.

Before guests get to plan a trip, they need to *register* using an app or web page specifically designed for them. After that they share their story in a bio section of the profile and upload all the necessary information (email, phone number, ID) Airbnb requires in order to get them started.

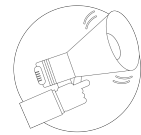
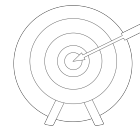
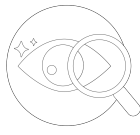
Airbnb always requires guests to share a short *story* about the purpose of the trip before hosts confirm the reservation. Participants can communicate outside of the platform, e.g. using WhatsApp, which is why this touchpoint won't be facilitated by the platform in its MVP incarnation.

Platform Experience of a Host:

Getting to know each other better can considerably increase the chances of hosts' **confirming** the reservation quickly. Before hosts get a booking request at all, they will need to have published their properties somewhere. Travellers can browse world's apartments in a search

The Host App enables scheduling for a professional *photographer*. The photography service was introduced by Airbnb at the later stage. A photographer spends about an hour photographing the home and the host gets 2-3 photos per room. Airbnb automatically deducts the cost of the photoshoot from the future guest bookings.

Once the *listing is updated* and completed, millions of global traveller can find it in search results and book. The listings show up in city guides specifically designed for guests to find the place of their dreams.



Listing a home on Airbnb is free of charge, easy and customisable. Hosts are fully in control of their availability, prices, house rules, and how the interactions with guests happen. Airbnb supports hosts with a guidance to get them set up, covering up topics on how to register and set a price.

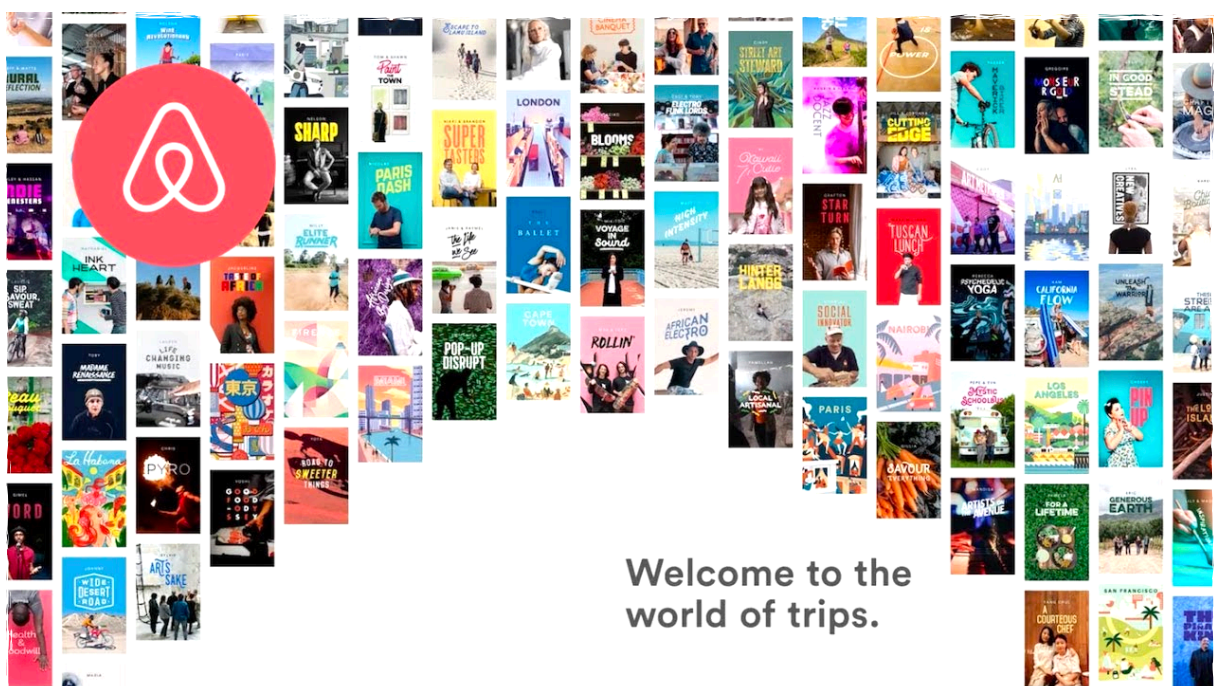
When guests finally get to **stay** in their dream apartments, the channel where the touchpoint happens is the context of a real life. Airbnb provides services such as protection for up to \$ 1,000,000 to a host for damages to covered property in the event of guest damages above security deposit or if no security deposit is in place.

Reviews about the actual hosting experience are submitted 14 days after reservation is complete.

Airbnb community relies on honest, transparent reviews. A review that violates Airbnb's review guidelines will be removed.

All payment is handled through Airbnb itself 24 hours after the check-in. It supports different payment methods. In addition to major credit cards, certain payment options are available in specific countries or on specific platforms (iOS app or Android app).

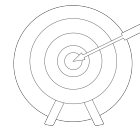
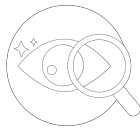
This is a set of touchpoints and services that were sufficient for Airbnb to be valued at around 3.4 billion dollars in 2011. The platform is characterised by its strong focus on the transaction capabilities. Only when a large number of participants are engaged in exchanging value, Airbnb can earn a piece of the cake by cutting a fee from each transaction.



Welcome to the world of trips.



**DESIGN
THE INTERVENTION.**



THE BUSINESS MODEL.

In the platform context, everybody wins, which is the main reason why this is a paradigm shift from “zero-sum” (I win you lose) to “positive-sum” (We all win). A platform organisation has therefore two types of customers. Consumers that generate demand for supply, using Airbnb tools to interact with the producers. And the producers of supply, that use Airbnb tools to reach their consumers, stand out and become even better.

What's in it for a guest?

Airbnb offers something to any traveller who is looking for lodging and a unique experience while traveling. Guest can choose from more than 7 MIO. listings in 100K cities and 220 countries. The apartments are **cheaper** than hotels and it's **easy** to browse through them and **book** one.

The **uniqueness** of the experience lies in the highest degree of **differentiation** possible, travellers can find there entire houses, rooms in bed and breakfasts or inns, tree houses in the woods, boats on the water, or enchanted castles. Payment is integrated, there won't be a hassle with bank wires and so on.

What's in it for a host?

Listing a home on Airbnb is easy and customisable. Once a listing has been created, hosts can start earning money by **reaching millions of global travellers**. They are in full control of their availability, prices and who gets to stay, and who not.

As an additional tool, hosts can schedule for a professional **photographer** who will help them to make their properties look outstanding.

What's in it for Airbnb?

The **revenue** of Airbnb comes from two main sources. One of them are **travellers fees** that range between 0 and 20%. This is the fee which a traveller is required to pay for using Airbnb to find a place to stay. This may include reservation fees, cleaning fees, services fees, occupancy, extra guest fees, currency exchange fees or VAT. What it takes to support guests are **marketing** activities, the infrastructure and maintenance of the **guest app** and web, potential **guests acquisition cost**, employees taking care of potential issues that guests might experience during their stay.

The other main source of revenue is the **host fee** that ranges between 3 and 5 %. Airbnb charges the host a fee for listing a property or an experience. This commission will be deducted once listing is completed. There is also a 20% service fee on hosts that offer an experience. One of the most crucial tactics for Airbnb's success is the ability to provide home listings at a global scale. The cost structure further includes **marketing activities** directed towards hosts and the acquisitions of them, the **host app** and web infrastructure and maintenance, regulatory costs and other legal and operational costs.

PLATFORM POSITIONING SET

Building on the Shoulders of Giants.

We are very grateful to be building on the work of Platform Design Toolkit (PDT). Much of their work is visibly present in our workshop and you can readily apply the workshop with the canvases as distributed by PDT.

We have introduced a few changes, compared to PDT:

- All our canvases refer to the concept of **ROLE** instead of **ENTITY**. We have learned that having this distinction takes away quite some confusion, especially regarding the fact that a single entity can both produce and consume (albeit in different roles—see?).
- To accommodate for this, our workshop starts out with an exercise of explicitly clustering entities into roles.
- We have renamed the phases of the Learning Engine Canvas into **STARTING OUT**, **STANDING OUT** and **BREAKING OUT**. These are just that little bit more aspirational and inspirational than the original names.

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