



# THE RISE OF AIRBNB

*how hotels can fight back*

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# The Rise of Airbnb: How Hotels Can Fight Back



**Darlene  
Rondeau**

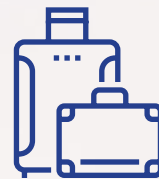
*VP, Best  
Practices, Online  
Merchandising  
Leonardo*

Ten years ago, the world was dealing with one of the greatest economic downturns. For much of 2008 and 2009, hoteliers were simply focused on surviving. At the same time, a new company, created out of persistence, determination, and most of all, hustle, would go on to disrupt the entire hospitality industry. That start-up was Airbnb.

In just 10 years, Airbnb has exploded in popularity, now boasting over 4 million listings in 191 countries. That's more inventory than any hotel brand. This means that hotels aren't just

selling against other properties, they're also competing with peer-to-peer rentals in their neighborhood.

To retain business and combat Airbnb's huge advertising budget, hotel marketers should look closely at Airbnb's success and learn how to beat them on a digital level.



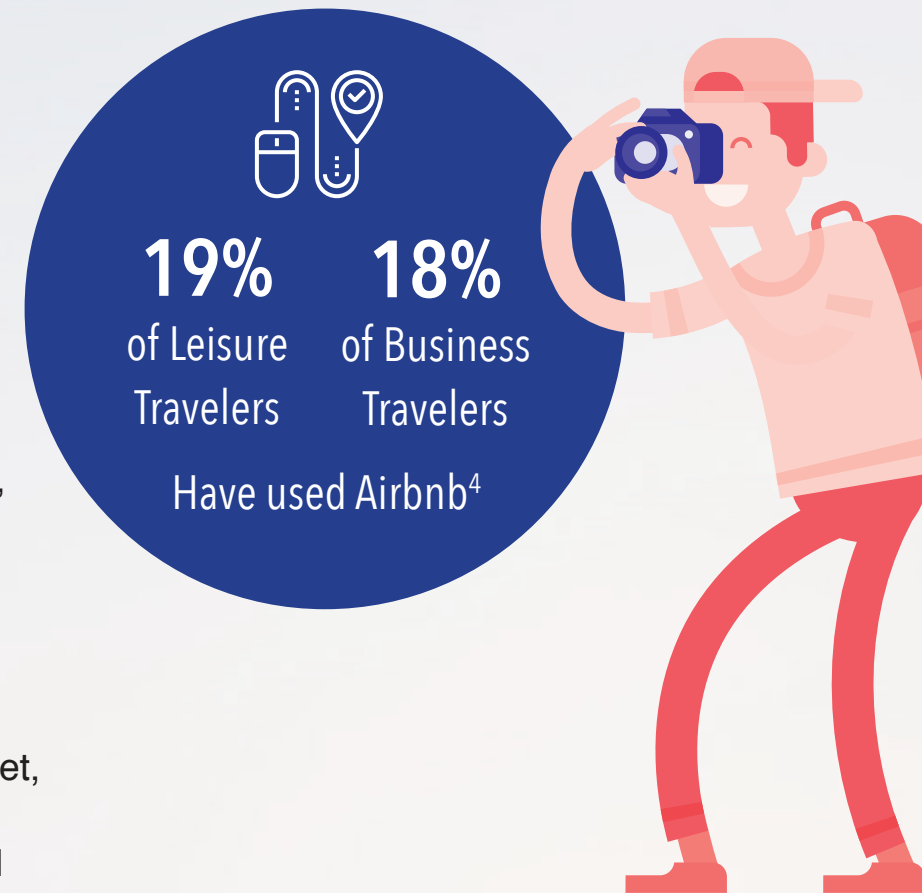
**150 Million Guests<sup>1</sup>**



**65,000+ Cities<sup>2</sup>**



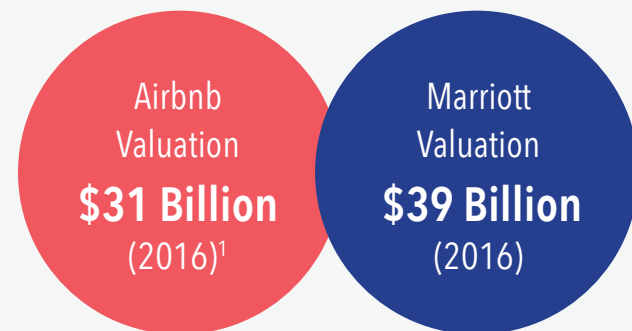
**4 Million  
Accommodations<sup>3</sup>**





# The Rise of Airbnb

Solidly positioned in today's travel ecosystem, Airbnb is an online marketplace for people to list, find and book unique accommodations around the world. Though a relative newbie in the accommodation space (e.g. Marriott has been around for 91 years), Airbnb's valuation is staggering at \$31 billion, just \$8 billion less than Marriott, the world's largest hotel brand.



23% respectively over the next 12 months. But interestingly - or perhaps alarmingly for hotels - a staggering **60% of consumers who have used Airbnb** or other “peer to peer” lodging sites **prefer it over traditional hotels.**

According to a 2016 survey by Morgan Stanley, 19% of leisure and 18% of business travelers have used Airbnb at least once, with predications that this will increase to 25% and

# Airbnb's Secret Sauce

Airbnb's growth has been fueled in no small part by tapping into technology and evolving consumer online behaviors. Specifically, Airbnb has built a reputation and loyal following by offering:

1. A superior digital experience
2. Authentic storytelling
3. A mobile-centric experience

## DIGITAL EXPERIENCE

Airbnb excels in providing an unparalleled digital experience. It understands that the guest journey begins long before someone steps foot on-property. In fact, for that to happen, a travel shopper must feel confident that a home's amenities, location and host will satisfy their needs.

Airbnb's website helps build this confidence and is the critical link that connects a travel shopper with a host. Each listing includes detailed information about the rental, including sleeping arrangements, neighborhood and host.

Airbnb also understands that travelers care about the experience around the accommodation. They will ask questions like, “Where will we eat? What is there to do in the area? Is there a coffee shop

nearby? Where can I go for a run?” To help answer these questions, Airbnb has invested heavily in building out its online experience by providing Audio Walks, Food Scene recommendations, and Experiences that can be booked directly through the website, to help travel shoppers better plan and customize their trip.

By doing this, Airbnb has evolved beyond a booking platform, to an online community for people to connect and share their travel experiences.

### AUTHENTIC STORYTELLING

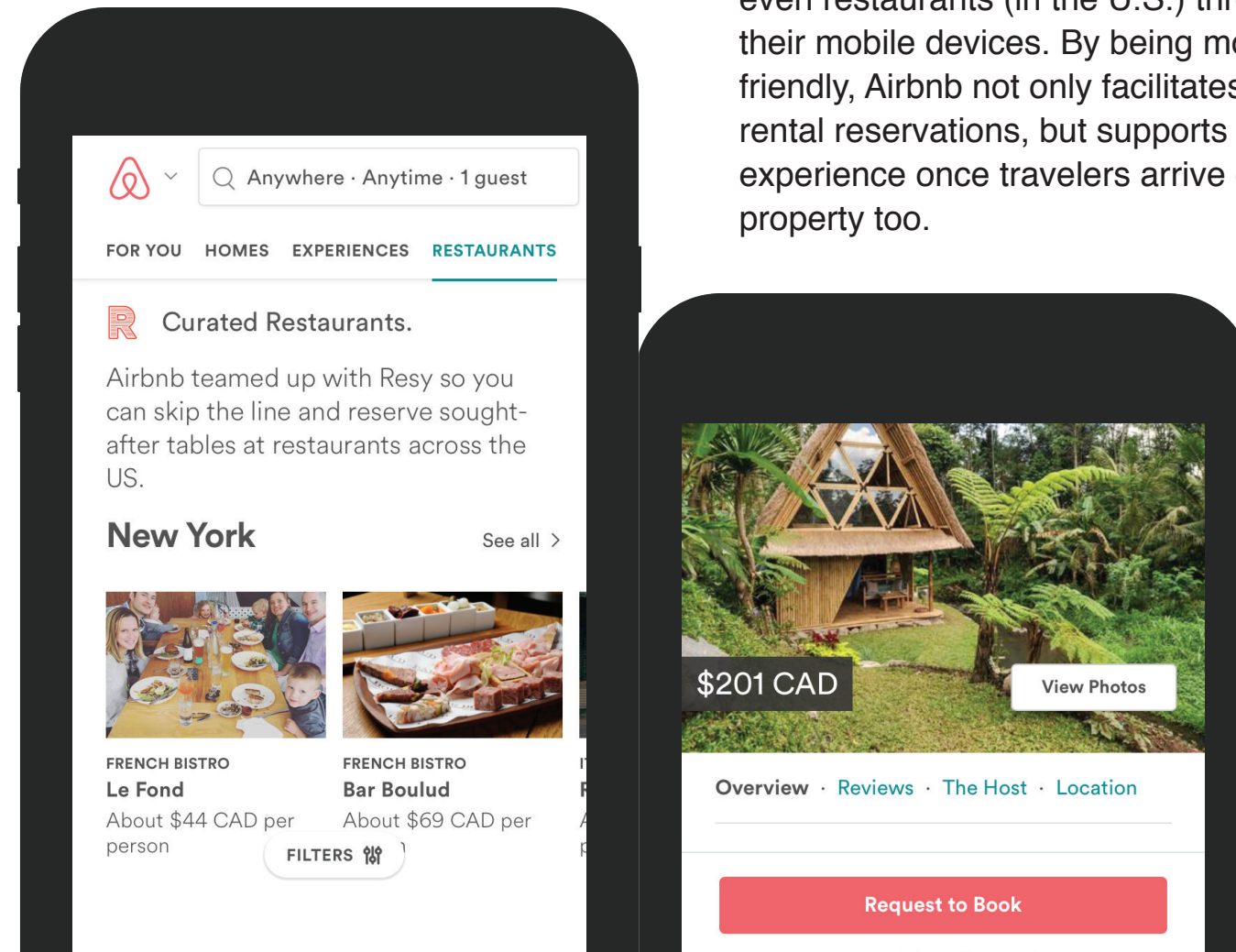
For many travelers, Airbnb is viewed as a breath of fresh air in the hospitality industry; a solution for all tastes and budgets that provides a unique experience every time. Hosts are given the freedom to tell their unique story – something that chain hotels are challenged to do on their respective brand.com websites.

Hosts can inject their own personality, upload their own images, describe the

neighborhood, and even provide a digital guidebook of the area. Airbnb relies on guest reviews to validate what it being said by each host. This all contributes to the authenticity of Airbnb, and builds trust in the minds of travel shoppers.

### MOBILE CENTRIC

Airbnb knows that a “mobile first” strategy is essential in today’s marketplace. Its mobile website therefore delivers the same digital experience as its desktop site. Consumers can easily navigate and book accommodations, experiences and even restaurants (in the U.S.) through their mobile devices. By being mobile-friendly, Airbnb not only facilitates online rental reservations, but supports the entire experience once travelers arrive on-property too.





## Airbnb Means Business

Clearly, Airbnb is the leisure travelers dream, with 90% of its guests in that demographic.<sup>6</sup> However, Airbnb has also been making some significant in-roads into the corporate travel market.

In 2015, just 250 companies were using Airbnb to book and manage business travel. That number tripled in 2016, and is expected to quadruple in 2017. **More than 250,000 companies are now using Airbnb's business travel services**, including Domino's Pizza, Morgan Stanley and Alphabet Inc.<sup>6</sup>



14,000/week

The number of new companies  
signing up for Airbnb Business  
Travel Services<sup>7</sup>

In October 2017, Bloomberg reported that Airbnb had also teamed up with WeWork to lure more business travelers.<sup>8</sup> The deal would give road warriors the option to book a work space at the nearest WeWork location in their city and enjoy amenities commonly found in hotel business centers, like a desk, Wi-Fi, printers and meeting rooms. This is a significant development and one that hoteliers should take notice of.

## How Travelers Shop for Airbnb Rentals

Whether someone is traveling for leisure or business, Airbnb positions itself as a solution that brings the world together, creating local and authentic experiences. Price and other practical benefits, like disclosing the specific address until after the reservation is made, are downplayed as secondary in importance.

Mary Meeker's 2017 Internet Trends Report points out that consumers are looking for these experience-driven travel relationships.<sup>9</sup> **While Airbnb is investing in destination value propositions, hotels are still talking about price and availability, which is counter to how people want to buy.** The report suggests that hotels should take a cue from the retail industry and create packages that emphasize the experience. People don't buy what you do, they buy *why* you do it and *how* it makes them feel. Most of the technology in today's travel industry wasn't designed to facilitate this type of marketing. It's always been about rates and occupancy.

This presents an excellent opportunity for hotels to compete directly with Airbnb in ways never thought possible. By using hotel digital marketing platforms, properties can present a rich, visual and helpful experience on all the channels and devices travel shoppers are using to research accommodation.

A stylized, monochromatic blue illustration of a city skyline. It features various building shapes, including a prominent skyscraper with a grid-like facade on the left. The background is a solid dark blue, and the entire scene is overlaid with a pattern of small white plus signs. A large, semi-transparent light blue circle is positioned behind the main title text.

# How to Win Against Airbnb

Leonardo has identified 4 best practices  
for competing with Airbnb.



1

# Build an Experience For Your Guests

Airbnb excels at building a great digital experience for its audience by empowering hosts to tell their unique story. Within each Airbnb listing you'll find a property description, list of amenities, photos, price, sleeping arrangements, map, house rules and cancellation policy. These are standard items an OTA listing might also provide, along with your listing on Brand.com.

But with Airbnb, hosts can choose to go beyond the basics. They can also upload details about themselves, the neighborhood and a digital guidebook of the area. This ensures that their listing is truly unique, and tells a story that connects with travel shoppers.



[Overview](#) · [Reviews](#) · [The Host](#) · [Location](#)

## SouthEnd-Very Cute 1930's Bungalow

Entire house · Charlotte



Scott

6 guests · 3 bedrooms · 3 beds · 1 bath

### The space

Be sure to check out the pictures of this 1930's fully renovated 3 bedroom, 1 bath bungalow. This home is conveniently located in the SouthEnd/Wilmore neighborhood only minutes to Uptown. Leave your car in the driveway and walk to the light rail for convenience as well as the numerous bars and restaurants in the SouthEnd area. Relax on the front porch or the rear deck after a long day of work or visiting with family. Southern Living touted the Wilmore - South End as one of the countries best up and coming neighborhoods in 2008.

Three bedroom home all furnished with queen size beds. The house is also fully furnished and all linens are provided. Pets are welcome.

Please feel free to contact us for more pics and to answer any questions that you may have.

Thanks,

Brooke and Scott

### Guest access

Entire home.

### Interaction with guests

We are happy to help you navigate Charlotte and to let you fend for yourself. It's totally up to you.

[Contact host](#)

Business travel

\$129 per night

★★★★★ 164

Check In Check Out

dd-mm-yyyy

dd-mm-yyyy

Guests

1 guest

[Book](#)

You won't be charged yet

This home is on people's minds.  
It's been viewed 114 times in the past week.

[Report this listing](#)



*Travel shoppers can learn about the history of this home, the host, and his guidebook when visiting Charlotte.*

Beyond rental listings, Airbnb also provides valuable content to help travelers’ better plan and customize their trip. This includes Audio Walks, Food Scene recommendations, and the ability to book Experiences through its website.

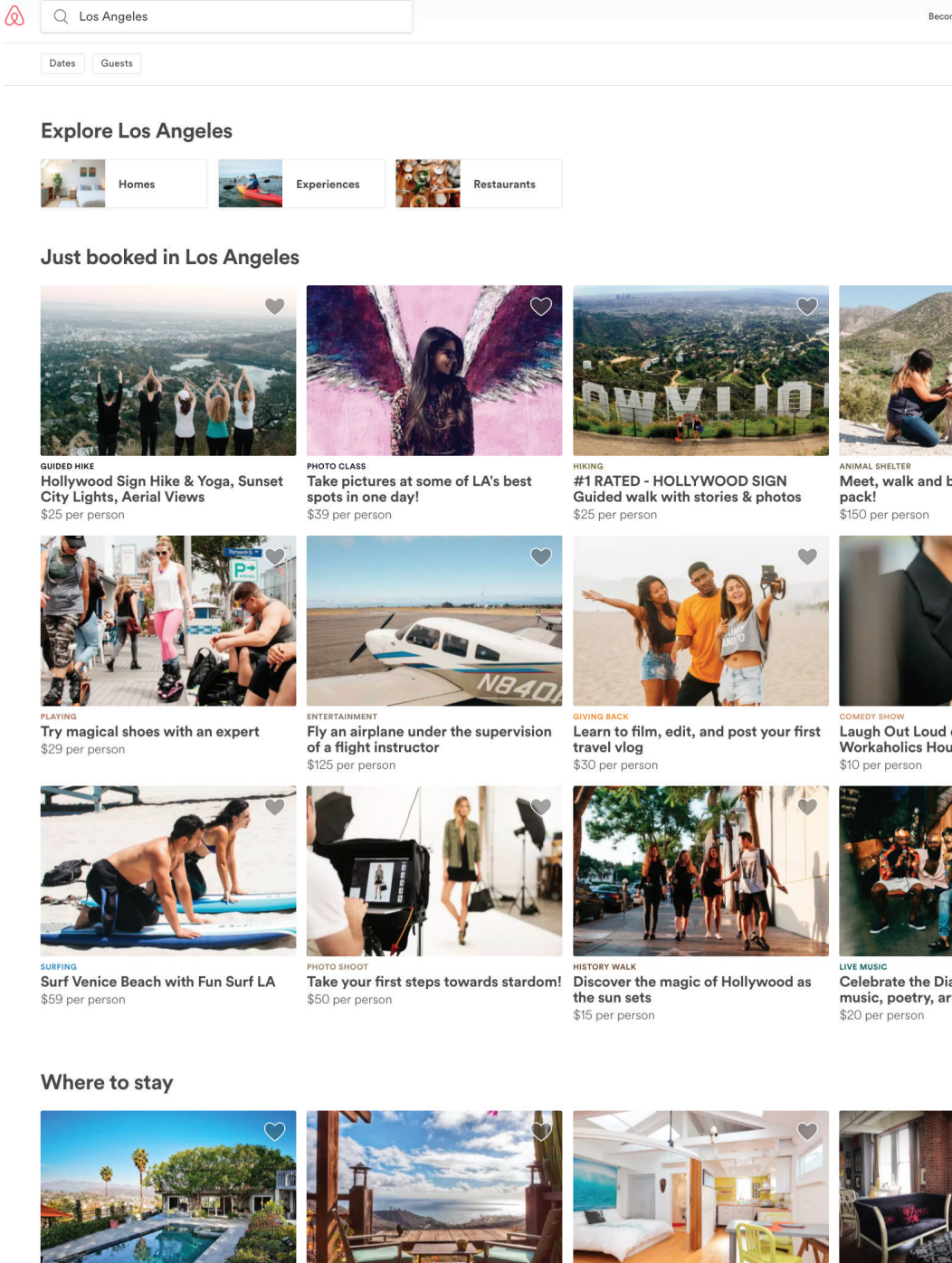
Hotels looking to compete with Airbnb need to provide an equally impressive digital experience. This starts with having your own hotel website, separate from brand.com, to tell your unique story.

Your brand has a responsibility to represent all of its properties fairly on its website. For this reason, each hotel listing is presented in a homogeneous

way, making it difficult to stand out. A vanity website, on the other hand, helps communicate your hotel’s unique story. It’s a place to showcase your amenities, special offers, local attractions, hotel staff and much more, using striking visuals and keyword rich text. You can target specific buying personas, such as business travelers, families or large groups, with content that speaks to their unique needs. A vanity website provides greater flexibility to update your content and become more nimble in your marketing.



*Hike up to the Hollywood sign or learn how to surf – just some of the experiences you can book on Airbnb.com for your upcoming trip to L.A.*





Airbnb does a great job of building its online community, encouraging people to upload their travel stories and create insider guidebooks to help other travelers. All of these things contribute to a great digital experience for Airbnb-ers.

Replicate this by using your vanity website to communicate what makes you better than any other hotel. Have you recently renovated? Does your building have any historical significance? Are your front desk staff the best in the business? Do you have any insider tips for the local area? Use your hotel website to invite travel shoppers into your world.

Storytelling like this is memorable and helps create a *visceral connection* with travel shoppers, which is important because [emotion has been found to influence purchase intent](#). If you're one of several properties being considered, you might just win the booking by telling a better story!



*Airbnb provides Food Scene recommendations,  
uploaded by local Airbnb users*

The screenshot shows the Airbnb interface with the 'Best of the best' section. It features two recommendations: #1 Gjelina and #2 Farmers Market. Each recommendation includes the name, category, price range, address, and links for Map, Hours, and Website. Below each recommendation, it shows the number of local Airbnb hosts who recommend it and a list of recommendations from local guidebooks.

**Best of the best**

**#1**

**Gjelina**  
Food Scene Restaurants  
\$\$\$ · 1429 Abbot Kinney Blvd · [Map](#) · [Hours](#) · [Website](#)

487 local Airbnb hosts recommend

**From Josh's guidebook**  
Very popular Venice eatery. Open for breakfast, lunch & dinner. A farm to table American bistro that serves pizzas, salads, small and larger dishes. On the pricey side, but not exorbitant. Make sur... [read more](#)

**From J's guidebook**  
The premiere Abbot Kinney restaurant. Owners Travis Lett, Fran Cemaj, and Shelley Armistead are well-renowned in SoCal and this 'sceney' restaurant proves why. Stellar think crust pizzas, pastas, a... [read more](#)

**From Kelsey's guidebook**

**#2**

**Farmers Market**  
Food Scene Everything Else in Food Scene  
\$ · 6333 West 3rd Street · [Map](#) · [Hours](#) · [Website](#)

364 local Airbnb hosts recommend

This is way more than a market or a shopping mall. There are many food stall and restaurants, gift shops, a few bars, several butcher shops, a French market, jewelry shops, pet stores, a toy store...

# 2 Capture Your Hotel's Experience with Superior Images

Airbnb acts as an intermediary for people to list and book accommodation. However, because hosts can upload their own photos, Airbnb doesn't entirely control the quality of images on its website. Some listings have high-quality professional photos, while others (like the example below) do not. It's not uncommon for images to be small, pixelated, dull, dark, or lacking in variety.



*Low quality photos do this Airbnb listing no favors.*

Hotels can capitalize on these shortcomings by telling a better visual story. Photos illicit an emotional response from travel shoppers. They help convey what kind of guest experience someone can expect when they stay with you. For example, what it would be like to soak in your Jacuzzi, sleep in that comfy-looking bed, or enjoy that decadent breakfast.





Leonardo analyzed more than 500 million media views of hotel images online and found that **86% of consumers view more than 10 images** for a hotel listing.<sup>10</sup> The top 3 most-viewed images are Guest Rooms, Restaurants and Recreation. Using these insights, hotels can tell a better visual story than Airbnb in the following ways:

1. Provide a good variety of images on your website; more than 10 to give travel shoppers a real sense of what you have to offer.
2. Lead with Guest Room images on your homepage. Travel shoppers want to see where they will be sleeping, not what the outside of your building looks like.
3. Take photos at multiple angles, especially of your guest rooms, to help travel shoppers understand the space and picture themselves in it.
4. Take photos of your on-site restaurant and amenities. If you don't have any, add photos of local restaurants and recreational activities in the area. This adds more color to the overall guest experience.



*The Port Inn  
Kennebunk in  
Maine provides  
local restaurant  
recommendations  
on its website.*



## 3

# Show Off Your Reviews

As consumers move further down the purchase path, they look for validation that your hotel is the right choice. This is where reviews come into play. More than half of travel shoppers won't book a hotel without first reading reviews, and 76% will pay more for a hotel with better reviews.<sup>11</sup>

Airbnb knows how persuasive reviews can be and uses them strategically in each listing. Guests are encouraged to rate a property against several attributes, including Accuracy, Communication, Cleanliness, Location, Check-In Experience and Value. They can also write individual reviews to provide more context. This information is helpful to travel shoppers and can help inform their purchase decision.

Take a page out of Airbnb's book and include reviews on your website. Reviews are an easy way to start building your online community. Popular review sites, like TripAdvisor and TrustYou, offer free embeddable widgets that pull in dynamic content to your website.



*Reviews influence the purchase decision and play a big role in Airbnb's success.*

[Overview](#) · [Reviews](#) · [The Host](#) · [Location](#)

144 Reviews ★★★★★

Search reviews

Accuracy	★★★★★	Location	★★★★★
Communication	★★★★★	Check In	★★★★★
Cleanliness	★★★★★	Value	★★★★★



David  
May 2017

Great place and very friendly owners. Would definitely stay again.



Tia  
November 2017

Great location, right near many bars and restaurants. Grocery store a two minute walk away. Very welcoming and hospitable, the homemade bread is amazing.



Don  
October 2017

This is what every Airbnb should be. Wonderful touches. Nice quiet neighborhood. Everything was thought of.



Alex  
October 2017

Angela's place was one of the best Airbnb's I've stayed at. The place was exactly as advertised. She went above and beyond to make it a great stay. Everything was clean and there were directions for everything so there was no confusion. There were fresh flowers in every room, home made DELICIOUS

[+ More](#)



# 4 Provide Special Offers

Accommodation is one of the biggest expenses when planning a trip, so travel shoppers want to feel like they're getting the best deal. Special offers can be the final nudge they need to make the booking, and hotels should be using this to their advantage to compete with Airbnb.

Airbnb does not specifically promote special offers on its website. Instead, it is at the discretion of each host to include a special offer in their listing. These instances are rare, and difficult to locate.

If you are a branded property, you already have access to special offers from your brand (e.g. Government & Military rates, Bonus Loyalty Points, etc.). You can build on these by adding your own promotions unique to your property.



*Special offers are rare on Airbnb and difficult to call out in a listing, often buried in the text.*







A special offer doesn't have to be fixated on price. Travel shoppers simply want to feel like they're getting the best *value*. It could be a complimentary drink on arrival, faster Wi-Fi, late check-out, or first pick of the best rooms.

Consider what events draw people to your area and create targeted offers around them. Leverage your on-site amenities to create more value (e.g. free parking, spa discount, dining credit). You can also partner with local businesses to create a custom package.

**Call out your special offers explicitly on your website** – on your homepage, a dedicated Special Offers page, in your room type descriptions – everywhere! The more travel shoppers see your promotions, the more likely they are to remember them as they move through the shopping journey. And the more likely they are to return to your website once ready to book.



*DESCRIPTION*
*BOOKING DATES*

### Riverboat & Breakfast

**CODE: LBOAT**

Start with a complimentary breakfast in the morning, at our hotel, and then enjoy a drift across the San Antonio River with our **Riverboat & Breakfast** offer. With a later checkout time of 2pm, you'll be able to visit the sites along the way!

**Package Includes:**

- 2 River Boat Tickets
- Free Breakfast
- Includes 3pm-"Extend Your Day" Check Out ( \$25 value added item)

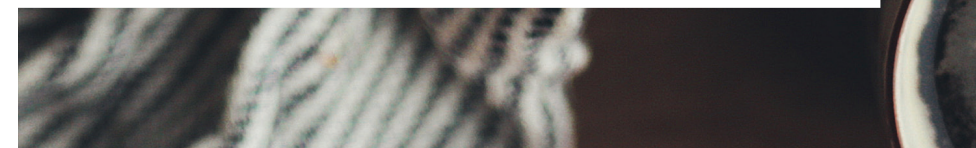
**Terms and Conditions**

*Offer is subject to change at any time. Further Terms & Conditions may apply. Offer based on Availability*

BOOK



*A special offer from Comfort Suites Alamo/River Walk, separate from what's offered by the Choice brand.*



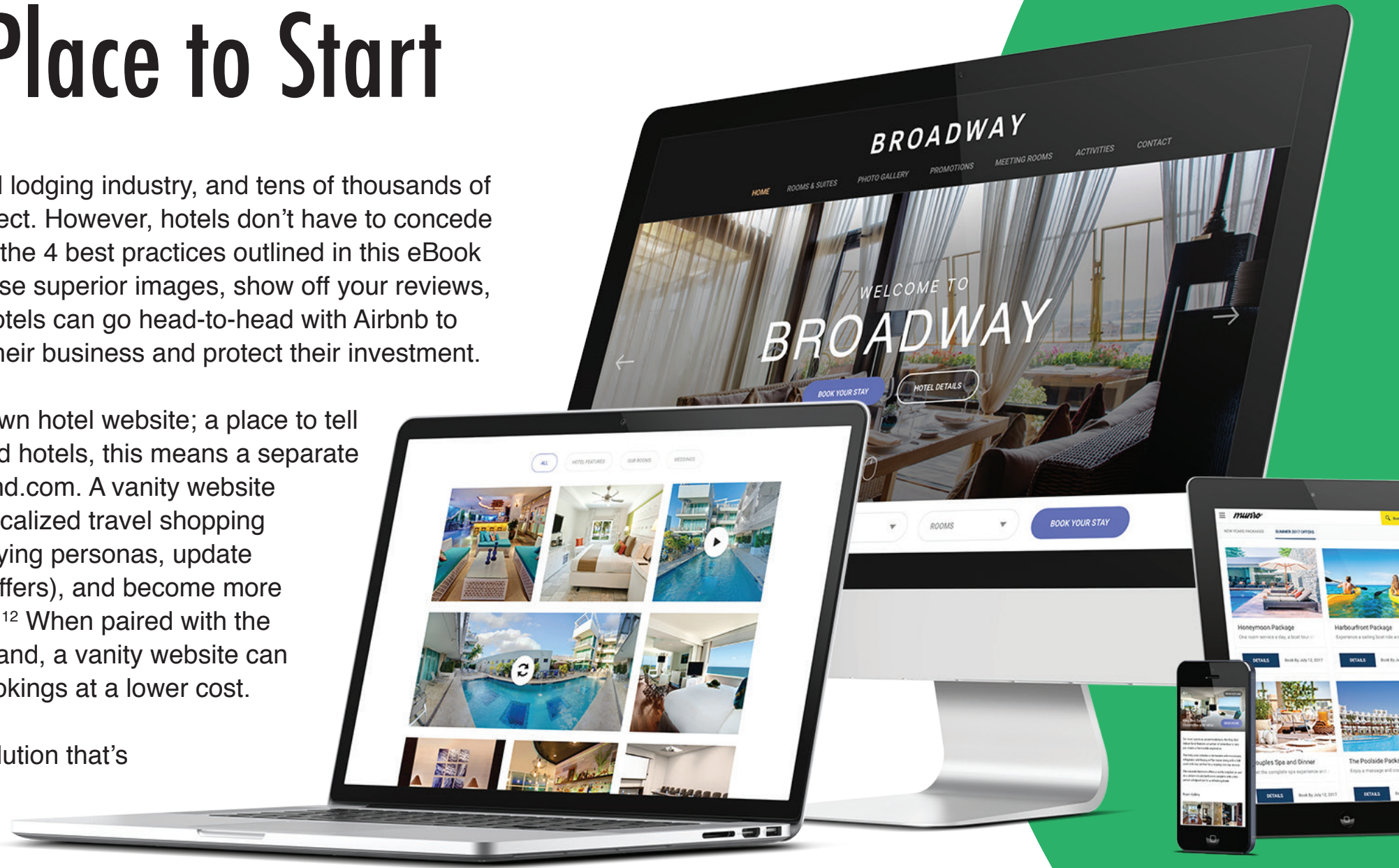


# The First Place to Start

Airbnb has changed the travel lodging industry, and tens of thousands of hotels are experiencing its effect. However, hotels don't have to concede defeat to Airbnb. By following the 4 best practices outlined in this eBook (create a digital experience, use superior images, show off your reviews, and provide special offers), hotels can go head-to-head with Airbnb to compete for bookings, grow their business and protect their investment.

The first step is having your own hotel website; a place to tell your unique story. For branded hotels, this means a separate website to your listing on Brand.com. A vanity website can help you create a more localized travel shopping experience, target specific buying personas, update content quickly (e.g. special offers), and become more agile in your digital marketing.<sup>12</sup> When paired with the eCommerce efforts of your brand, a vanity website can help you drive more direct bookings at a lower cost.

Vizlly is a digital marketing solution that's helping thousands of hotels do just that. With Vizlly you get:







### **A High Performing WEBSITE**

Drive more direct bookings with a hotel website designed and proven to deliver results.



### **A True MOBILE EXPERIENCE**

Create a seamless travel shopping experience across any mobile device.



### **FACEBOOK APPS**

Capitalize on your Facebook efforts with apps designed to drive direct bookings from within the Facebook platform.



### **MULTI-CHANNEL Distribution**

Publish and distribute digital brochures to a network of travel websites, including lucrative corporate and event channels.



### **SEO Services**

Drive more qualified traffic to your website with a tailored SEO strategy, built and implemented by our team of experts.

See why over 3,000 hotels are using Vizlly to drive more direct bookings at a lower cost.

Learn more at [www.vizlly.com](http://www.vizlly.com)

**REQUEST A DEMO OF VIZLLY**



Leonardo is a technology company serving the global hospitality industry. We provide hospitality professionals at Hotels, Management Companies, Hotel Chains and Travel Websites with technology solutions that improve the way they present their properties online to travel shoppers.

Leo\_eBook\_AirBNB\_17.0329

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