AIRBNB IN LONDON

MARKET SHARE MORE THAN DOUBLES

New research reveals that nights booked with Airbnb in London rose by a massive 130% from just over 2 million in 2015 to 4.62 million in 2016. Furthermore, nearly 9% of overnight visitors to London made use of Airbnb for their accommodation, up from nearly 4% in 2015. As in 2015, the boroughs of Westminster; Tower Hamlets; Camden; Kensington & Chelsea and Hackney accounted for nearly 50% of all Airbnb overnight stays.

DECREASING AVERAGE DAILY RATE

The Average Daily Rate decreased to an average of £100 per room per night, a decline of 8% compared to 2015. In contrast, hotels held their ADR at £143. The biggest rate drop of properties on Airbnb was for private rooms, which fell 15% to an ADR of £57. This unit type also became more popular than in 2015, taking share from the 1-room entire home properties, which also saw ADRs fall by 12% to £116.

MULTI-LISTERS KNOW HOW TO PLAY THE GAME

By the end of 2016, the number of properties listed on Airbnb had grown by 57% - from roughly 88,000 in 2015 to more than 138,000 properties. Of these listings, almost 54% were offered by hosts with more than one listing, up from 48%. This reinforces why concerns have been high about the scale of professional letting via the site.

FURTHER GROWTH IN 2017

In the first four months of this year a further increase of 55% in nights booked through Airbnb was seen compared to the same period in 2016. The number of active properties listed also increased by 80%. We expect 2017 to be another record breaking year for the scale of Airbnb in London.
How many book Airbnb?
Market share more than doubled to nearly 9% in 2016.

4,619,000
Booked nights in Airbnb accommodation in London in 2016
- an increase of 130% compared to 2015

Market share of overnight visitors in London in 2016
- increasing from 4% in 2015

Where do they stay?
Nearly 50% of all booked nights with Airbnb were in five boroughs
- the same top five as in 2015.

Top 5 boroughs
Westminster
Tower Hamlets
Camden
Kensington & Chelsea
Hackney

Amount of booked accommodation nights

0-20,000
20,000-50,000
50,000-100,000
100,000-300,000
>300,000
What do they book?
Guests show growing interest in booking private rooms.

2015
Booked nights by accommodation type

- Entire home 1 room: 1.2%
- Entire home 2 rooms: 4.4%
- Entire home 3 rooms: 31.3%
- Entire home 4+ rooms: 18.3%
- Private room: 43.3%
- Shared room: 1.5%

2016
Booked nights by accommodation type

- Entire home 1 room: 1.1%
- Entire home 2 rooms: 4.8%
- Entire home 3 rooms: 28.3%
- Entire home 4+ rooms: 18.9%
- Private room: 44.8%
- Shared room: 2.0%

What do they pay?
The Average Daily Rate (ADR) dropped in 2016 whilst hotels held their ADR level.

£100
Was the ADR in 2016 (-8% compared to 2015)

<table>
<thead>
<tr>
<th>Per unit type</th>
<th>2015</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entire home 1 room</td>
<td>£132</td>
<td>£116</td>
<td>-12%</td>
</tr>
<tr>
<td>Entire home 2 rooms</td>
<td>£189</td>
<td>£167</td>
<td>-12%</td>
</tr>
<tr>
<td>Entire home 3 rooms</td>
<td>£252</td>
<td>£233</td>
<td>-7%</td>
</tr>
<tr>
<td>Entire home 4+ rooms</td>
<td>£342</td>
<td>£327</td>
<td>-4%</td>
</tr>
<tr>
<td>Private room</td>
<td>£67</td>
<td>£57</td>
<td>-15%</td>
</tr>
<tr>
<td>Shared room</td>
<td>£45</td>
<td>£46</td>
<td>1%</td>
</tr>
</tbody>
</table>

What about the hosts?
The number of listings increased and more than half were offered by multi-listers.

Properties offered

+57%
2016 vs 2015

- One listing: 63,986 | 46.4%
- Two listings: 22,716 | 16.5%
- 3-10 listings: 27,323 | 19.8%
- More than 10 listings: 23,977 | 17.4%

2016
- One listing: 52%
- Two listings: 17%
- 3-10 listings: 28%
- More than 10 listings: 3%
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Sources: AirDNA, ONS, IPS, GBTS and STR  
1USD = 0.77 GBP

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