



# Uncovering Airbnb's Unmet Needs

Addressing First-Time User  
Challenges on Airbnb

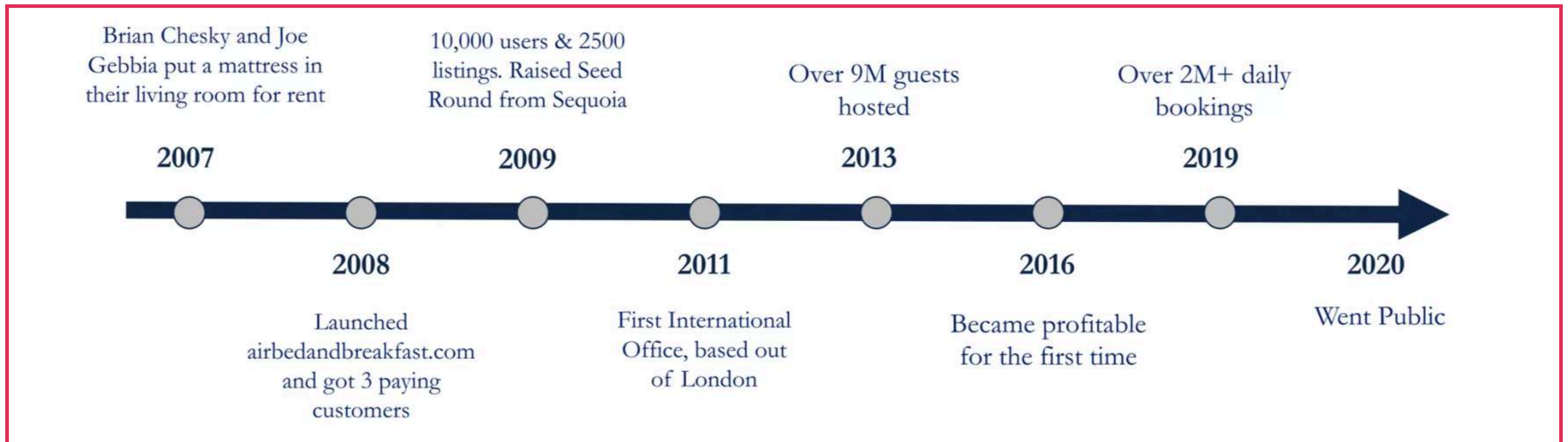




## Introduction

Airbnb was born in 2007 when two hosts welcomed three guests to their San Francisco home. It has since grown to over 5 million hosts, who have welcomed over 1.5 billion guest arrivals in almost every country globally. Every day, hosts offer unique stays and experiences that allow guests to connect with communities more authentically.

# Journey of Disrupting the Industry



# Our Numbers

Airbnb was born in 2007 when two hosts welcomed three guests to their San Francisco home. It has since grown to over 5 million hosts, who have welcomed over 1.5 billion guest arrivals in almost every country globally. Every day, hosts offer unique stays and experiences that allow guests to connect with communities more authentically.

**8M+**  
*active listings worldwide*

**220+**  
*countries and regions with Airbnb listings*

**5M+**  
*hosts on Airbnb*

**\$14K+**  
*earned by the typical US host in 2023*

**100K+**  
*cities and towns with active Airbnb listings*

**1.5B+**  
*Airbnb guest arrivals*

**\$250B+**  
*earned hosts*

**\$10B+**  
*total taxes collected and remitted globally*





# Competitive Analysis Table

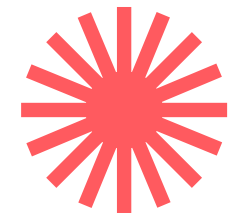
	<b>Airbnb</b>	<b>Booking.com</b>	<b>VRBO</b>	<b>Homestay</b>	<b>Sonder</b>
<b>Founded</b>	2008	1996	1995	2013	2014
<b>Primary Focus</b>	Short - term rentals	Hotels and vacation rentals	Vacation rentals	Hosted stays	Apartment-hotels
<b>Unique Features</b>	Diverse accommodations, experiences, and monthly stays	Extensive hotel listings, instant booking, and 'Homestays' for private rentals	Entire homes, family-oriented, and long-term stays	Live-in hosts offering cultural experiences, suitable for tourists and students	Professionally managed units with hotel-like amenities, targeting business travelers
<b>Market Presence</b>	Global, over 6 million listings in 220 countries	Global, strong presence in Europe and expanding in vacation rentals	Global, with a focus on family-friendly accommodations	Over 63,000 rooms in 176 countries	North America, Europe, and Dubai, with over 9,000 units

# Problem Definition



Airbnb's onboarding process for first-time users presents obstacles in account verification and payment procedures. These issues impact user satisfaction, conversion and long-term customer retention.





# Major Challenges

First-time Airbnb users might face challenges with ID verification, payment issues, minimum stay restrictions, and delays in booking confirmations, leading to a frustrating experience.

1

## Payment Issue

First-time users may encounter difficulties, such as declined cards, unsupported payment methods, or confusing pricing breakdowns.

2

## Verification Issue

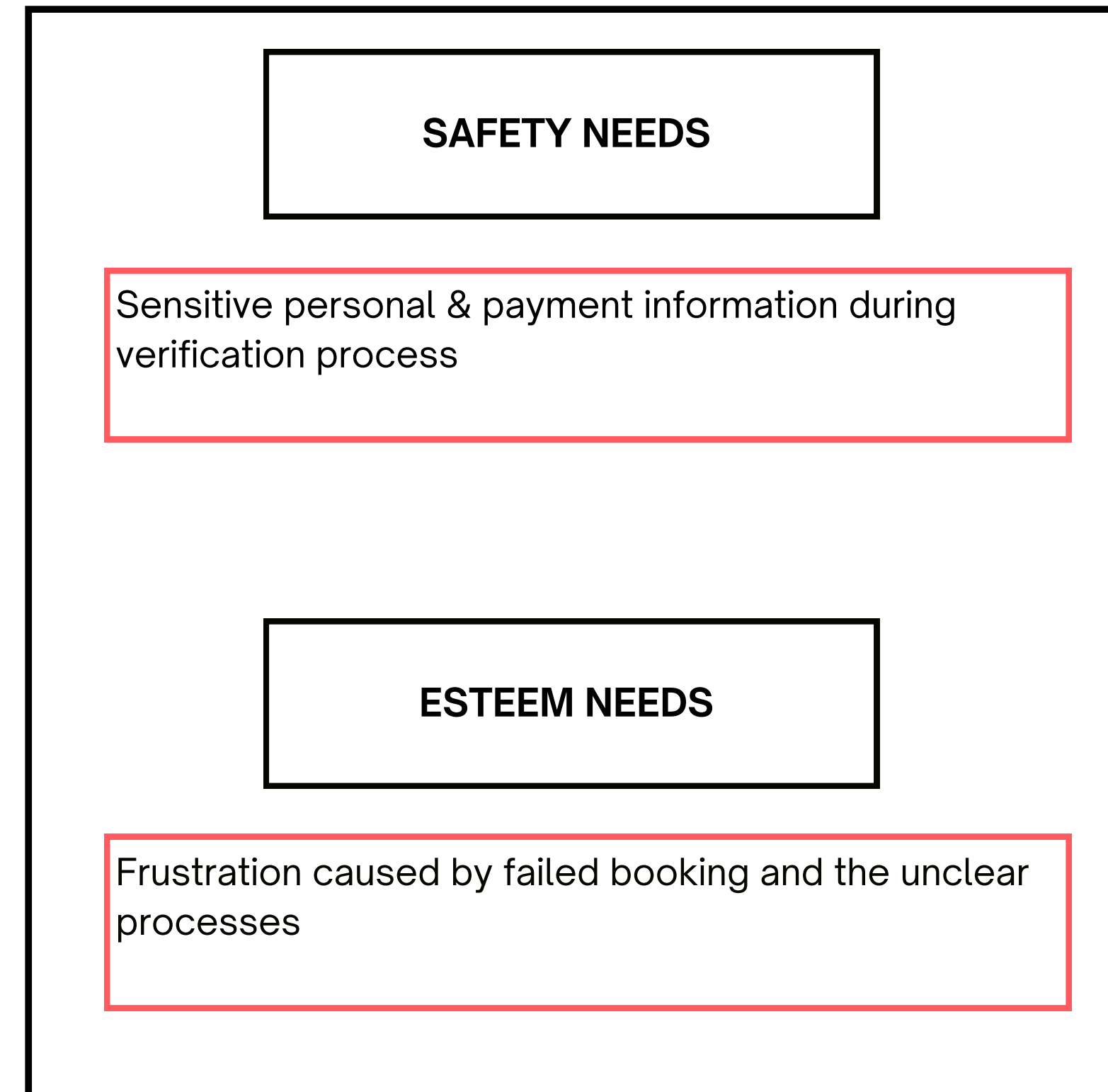
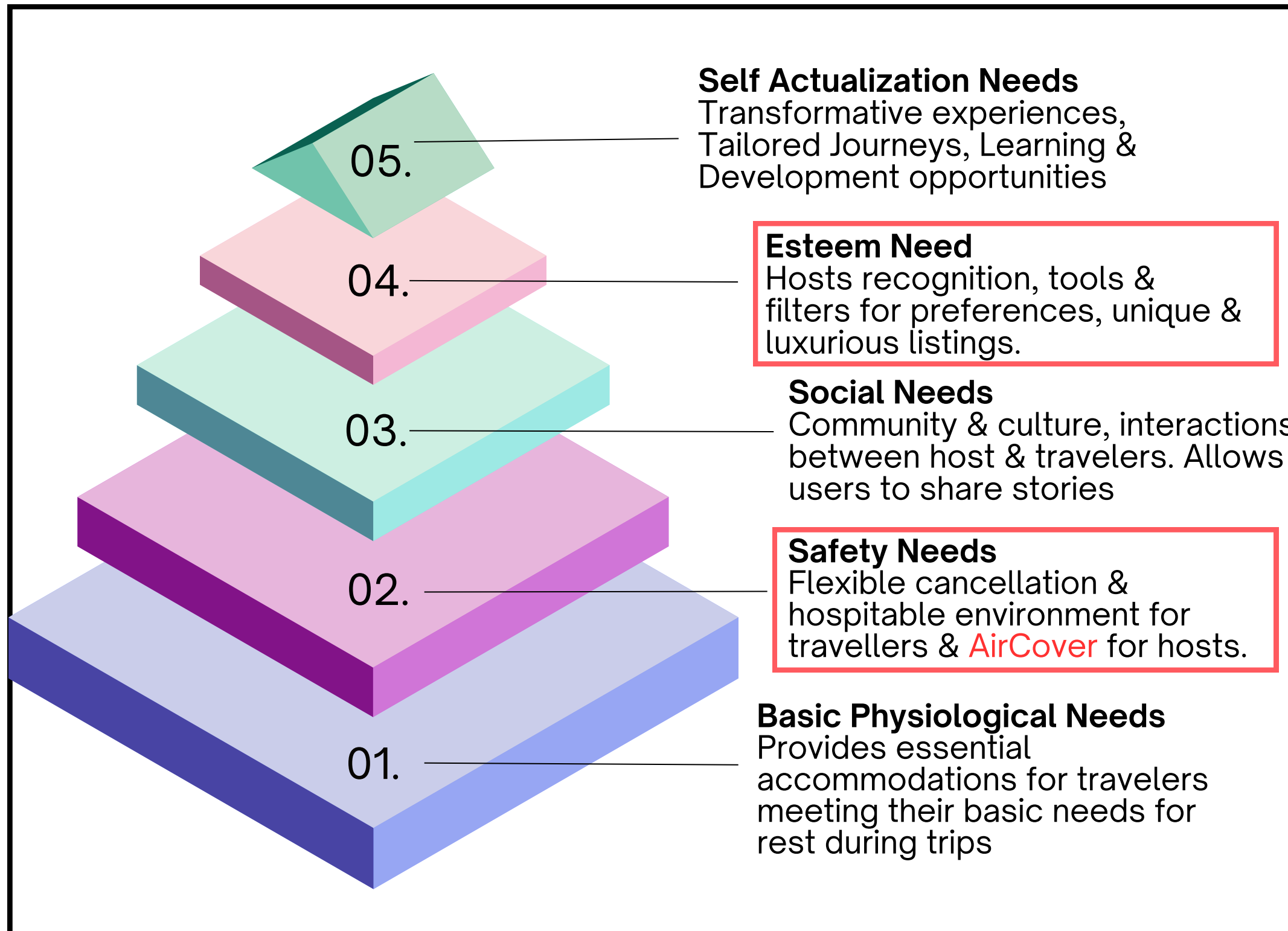
Users often find the ID verification process lengthy, confusing, or intrusive, leading to frustration and potential drop-offs during registration.

3

## Booking Limitation

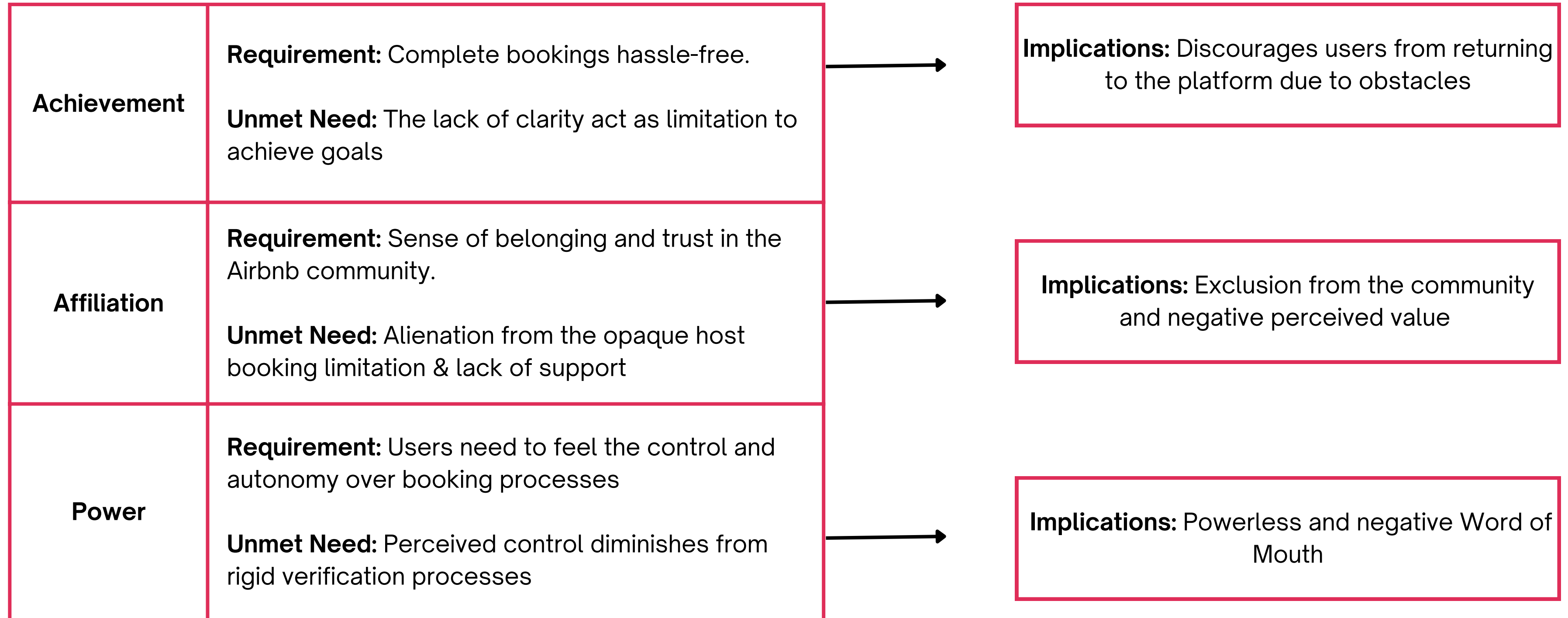
Users often face challenges due to restrictions such as age, check-in check-out, minimum/maximum stay requirements

# Consumer Behavior Theories



**Maslow's Need Hierarchy.**

# Consumer Behavior Theories



## McClelland's Human Motivation Theory.

# Secondary Research

## Airbnb's CEO Plans to Fix the Company

**Airbnb CEO Brian Chesky plans to fix 'fundamentally broken' company. Here's how**

*Airbnb CEO Brian Chesky admits that the company's recent improvements are just patches on its foundation as it struggles with issues such as inconsistent service and declining profit margins.*

Bloomberg

Published • 2 Oct 2023, 01:27 PM IST

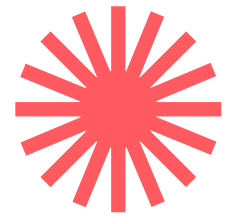


Chesky aims to address inconsistent service offerings

Introduction of new features like transparent pricing, listing verification, improved search filters

AI technology to improve search listings

Extreme competition from Vrbo



# Secondary Research Perception on Social Media



r/AirBnB • 7 yr. ago  
DefinitelynotNeon



## First time Airbnb user and have no clue what's going on

I recently 'requested to book' a villa . After the "tell about the trip and checkin / check out dates", it asked me to pay the entire amount of the stay. I was surprised that i had to pay for a 'request to book'. I made the payment. I few minutes later the host messaged me saying the price has been hiked take it or leave it. I told him i can't afford to pay that much and i had already made a payment. He declined the reservation. Will Airbnb refund the money i paid for the request or have i been scammed?

## Airbnb Payment Issue

Trying to book an Airbnb for next month, received a message "Something went wrong! Please contact customer support for assistance."

## My debit card declined by Airbnb

10-06-2021 10:16 PM



**Burak42**

Level 2

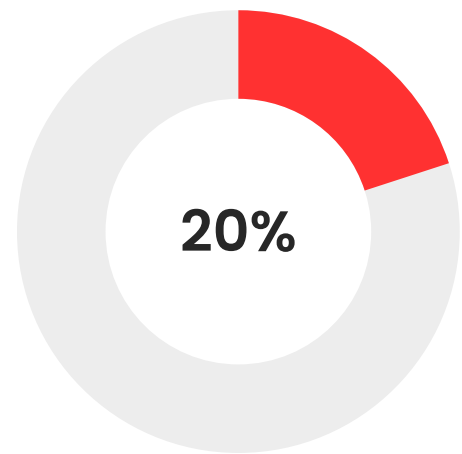


Its my first time and im trying to make payment for 2 days, but system giving error all the time. I did what support team advised me but nothing helps.

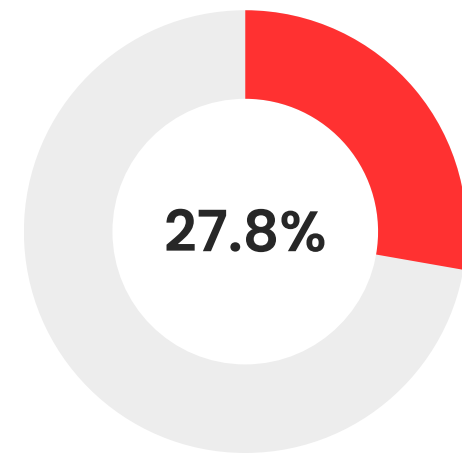
"This credit card can't be added right now."

Customer support at Airbnb is saying the transaction was declined, but my bank Citi Mastercard, is saying it saw two transactions from Airbnb for \$0, they were not declined, there was no block and everything is fine.

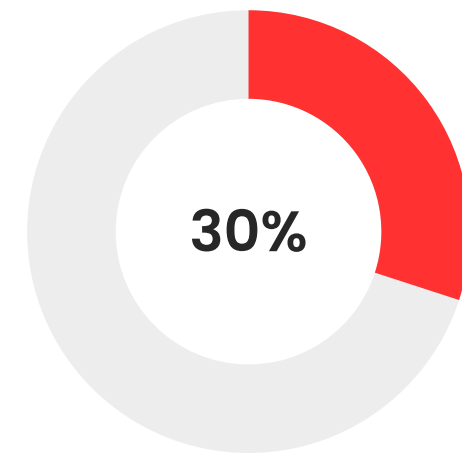
# Primary Research - Survey



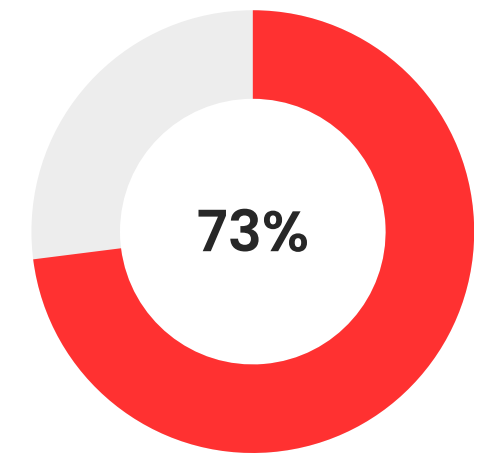
**Difficulty in Navigation**



**Payment Issues**

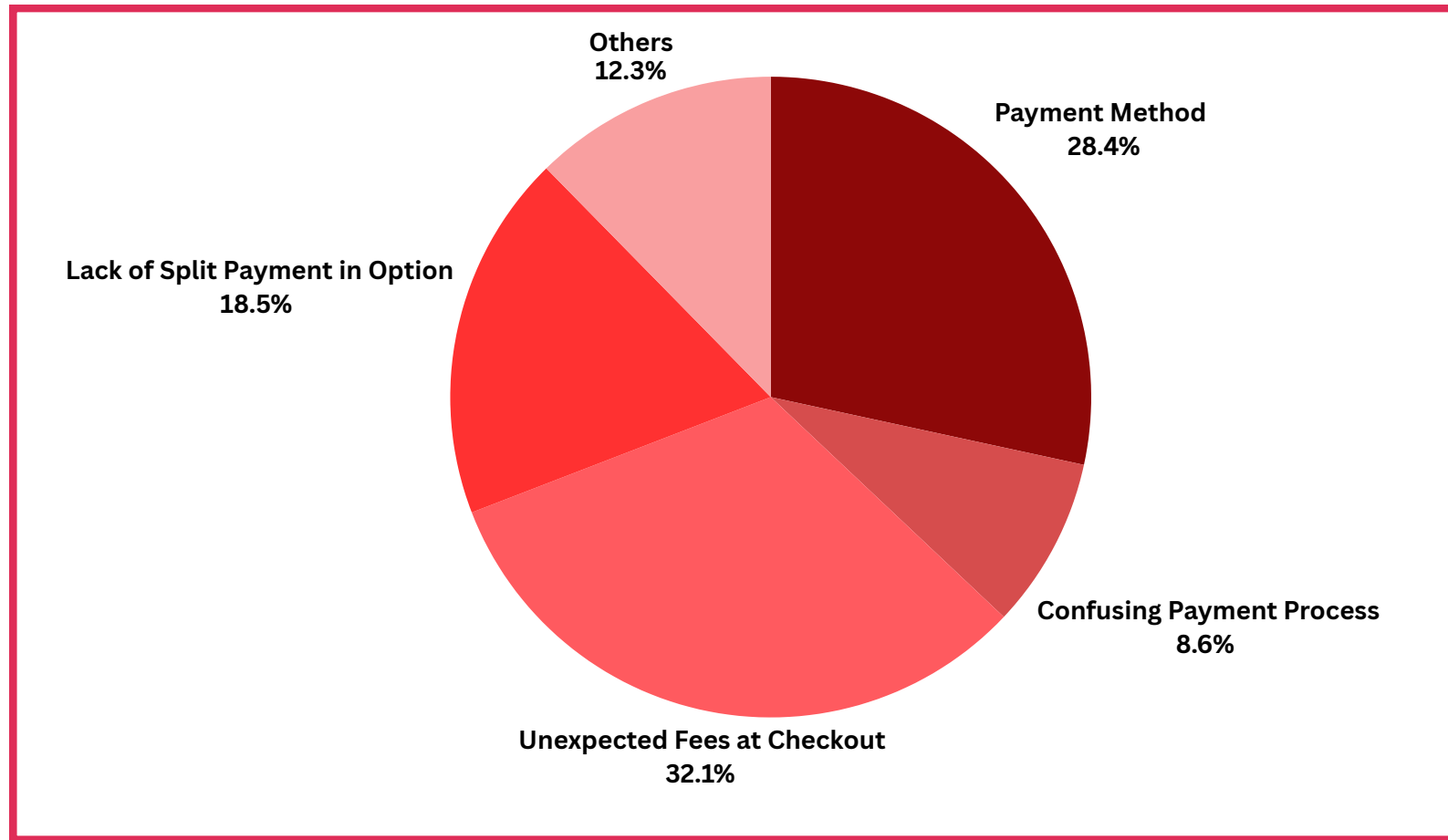


**Unlikely to Reuse**

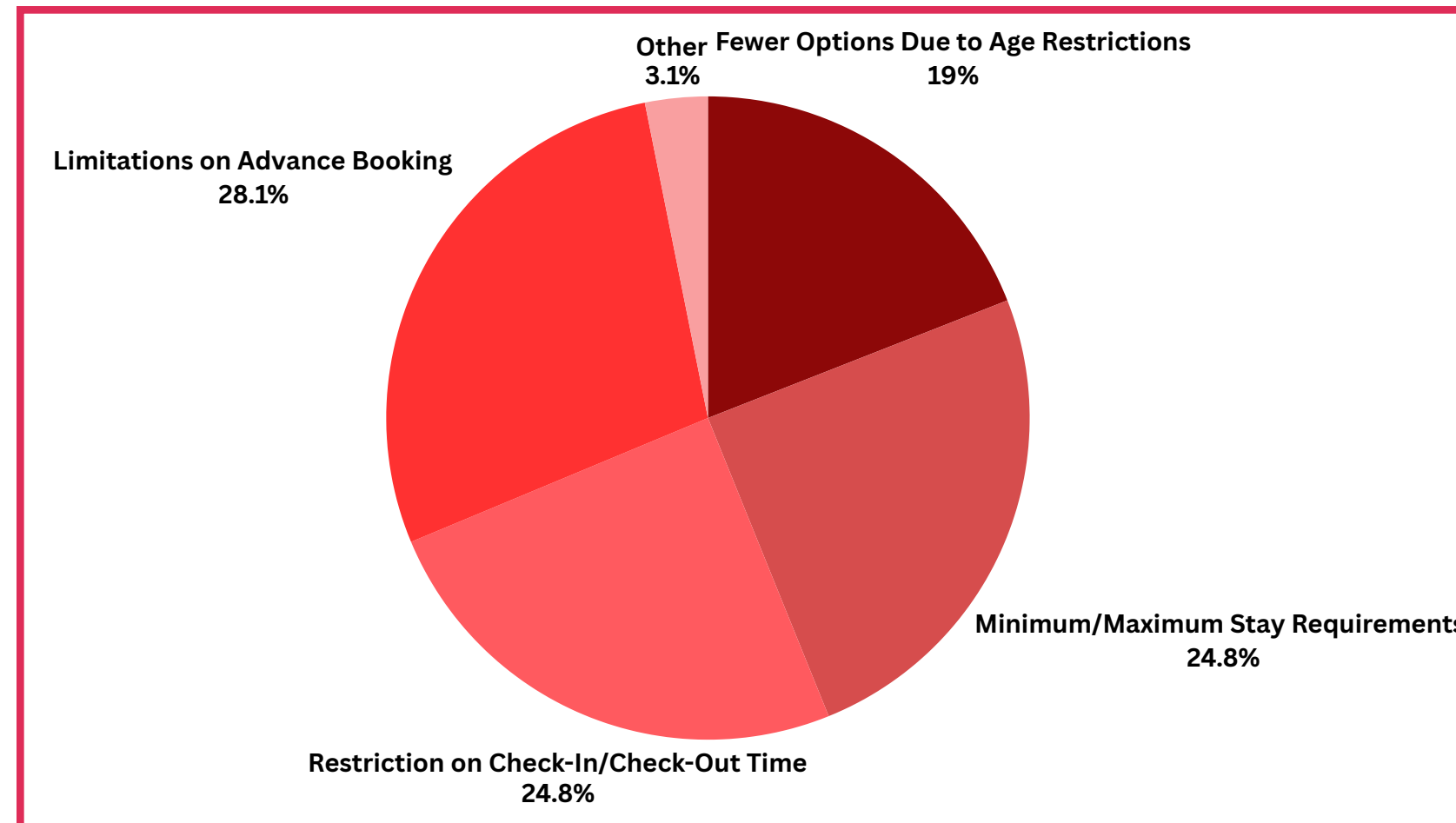
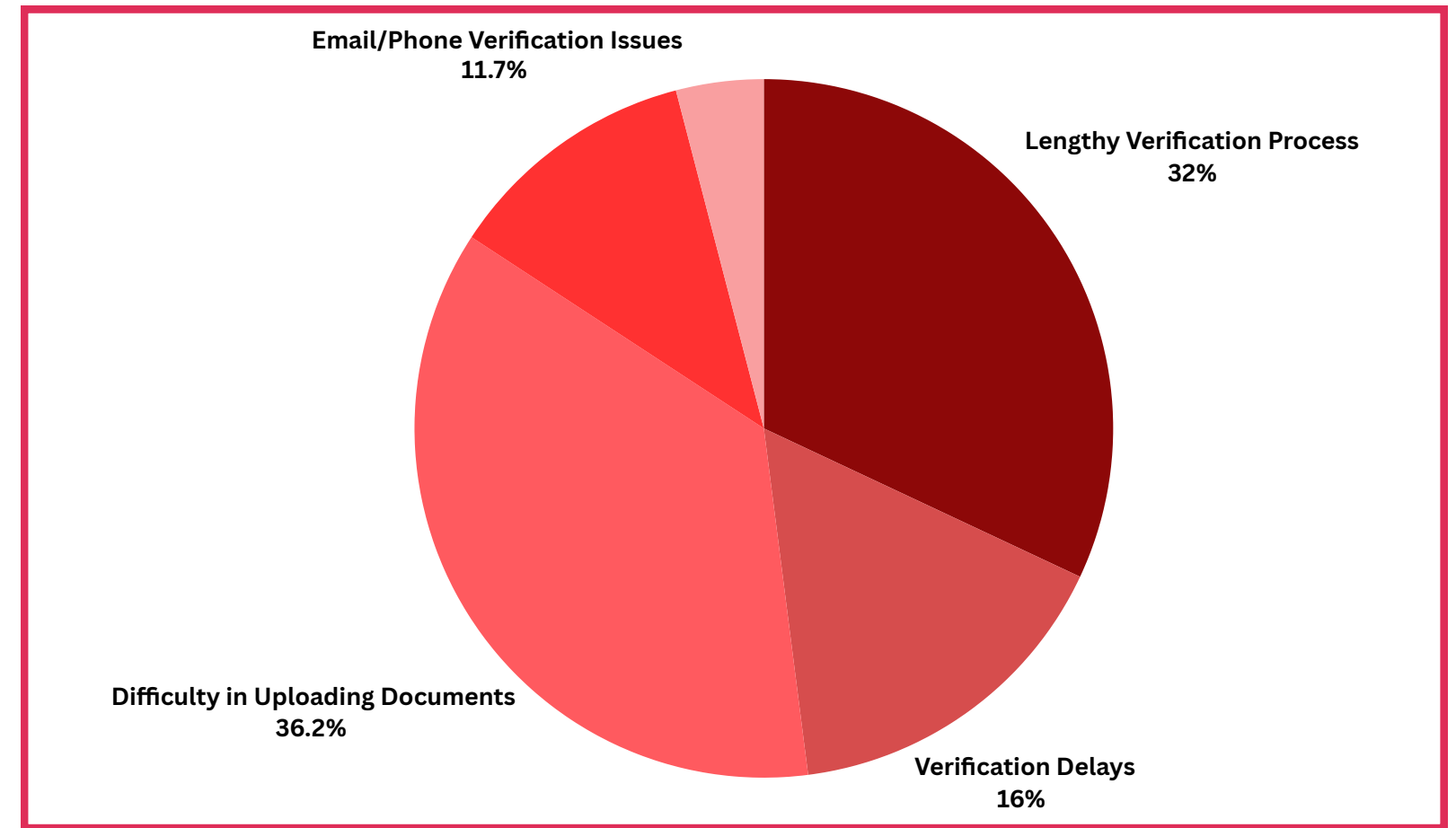


**Frustration and Abandonment**

# Payment Issues

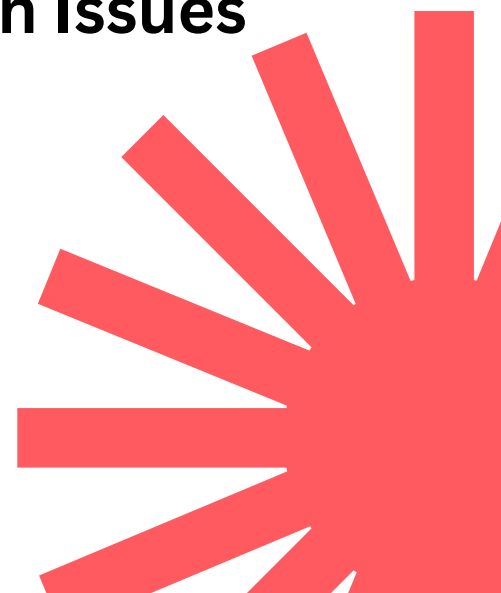


# Verification Issues



# Booking Limitation Issues

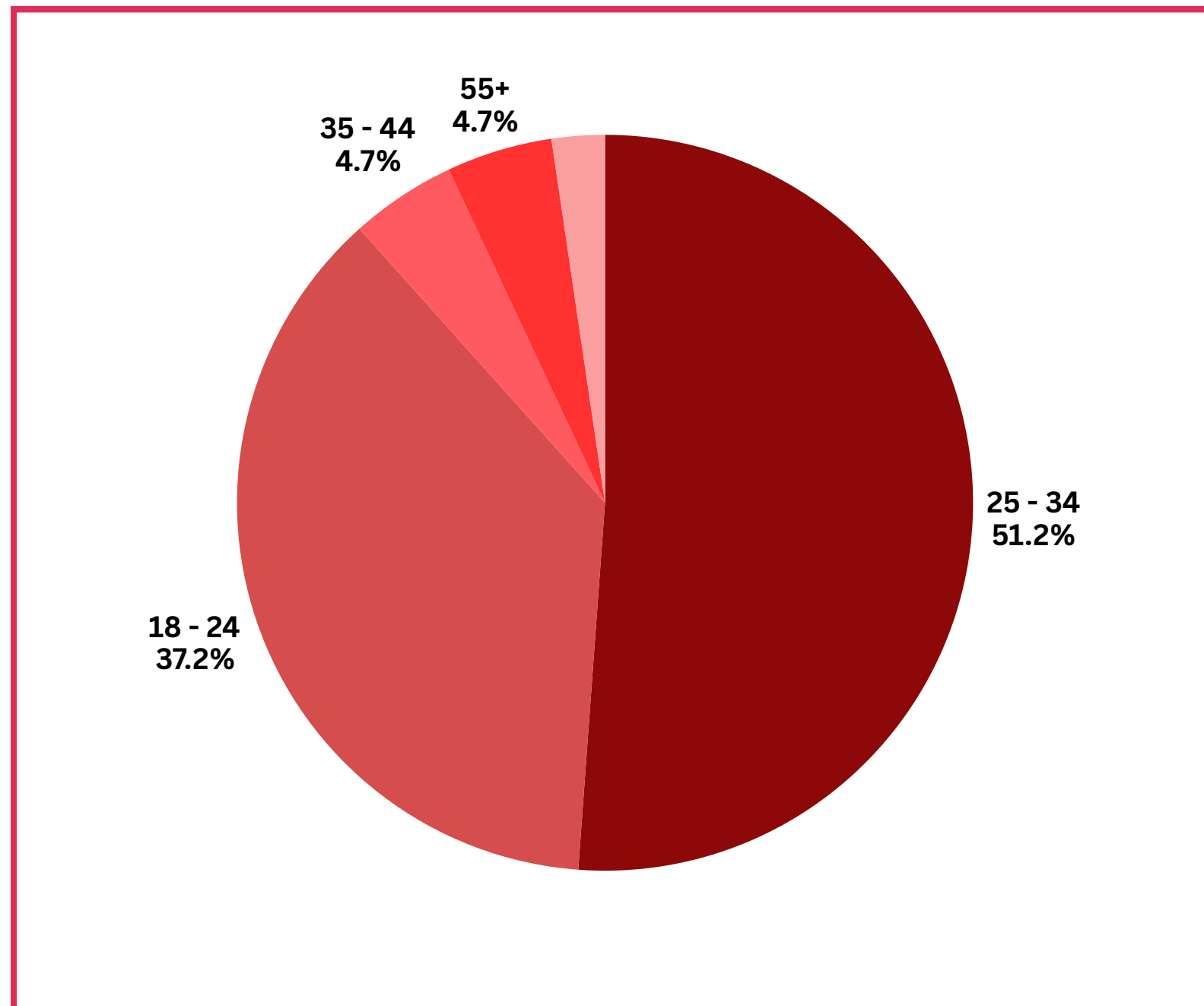
 **Specific Issues**



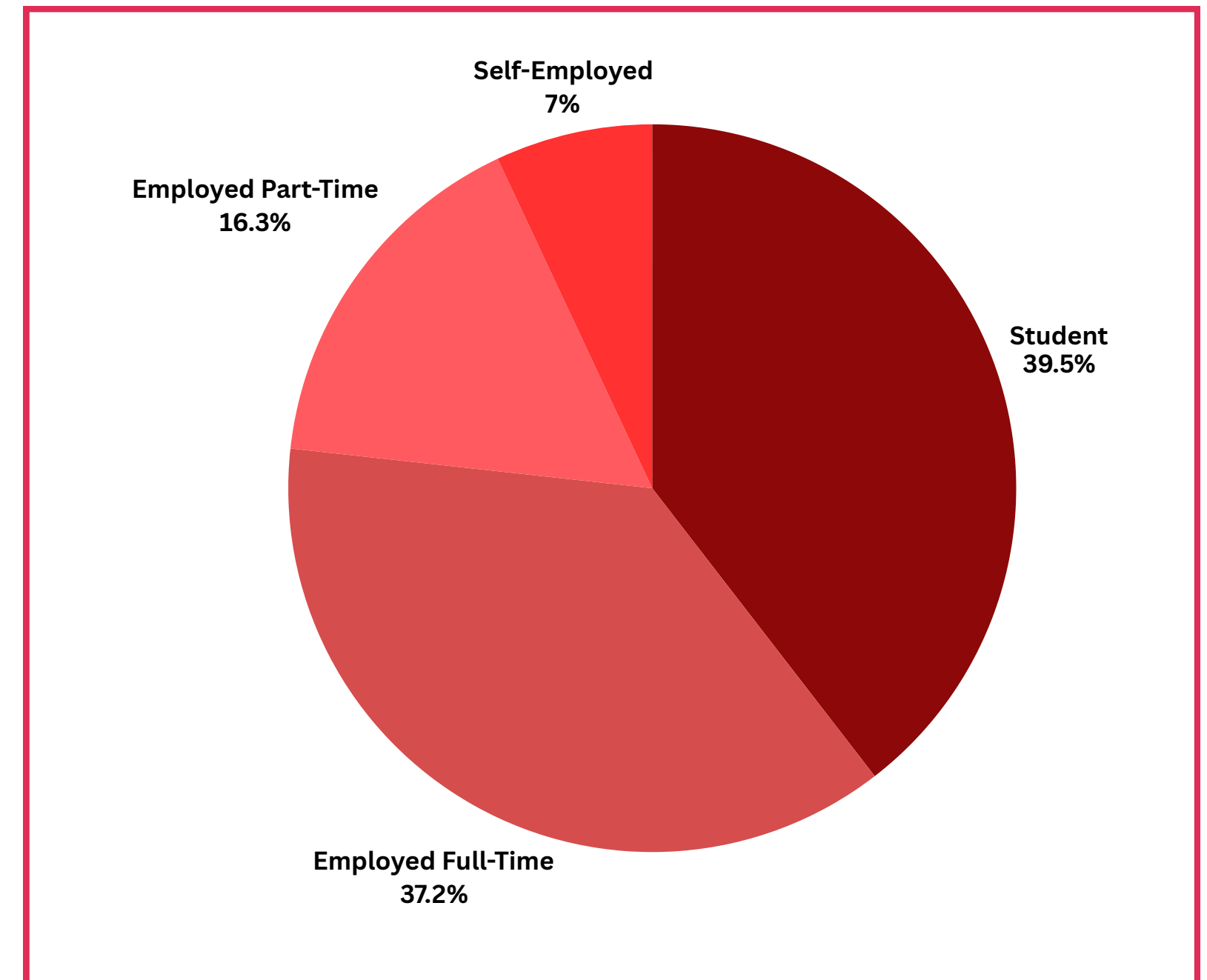
# Demographics



## Age Category



## Employment Status



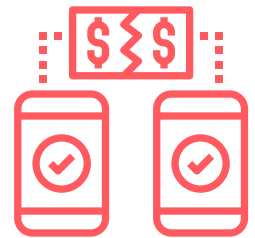
# Recommendations

## Improve Payment Experience



### PREPAYMENT ESTIMATION

Clearly break down all fees



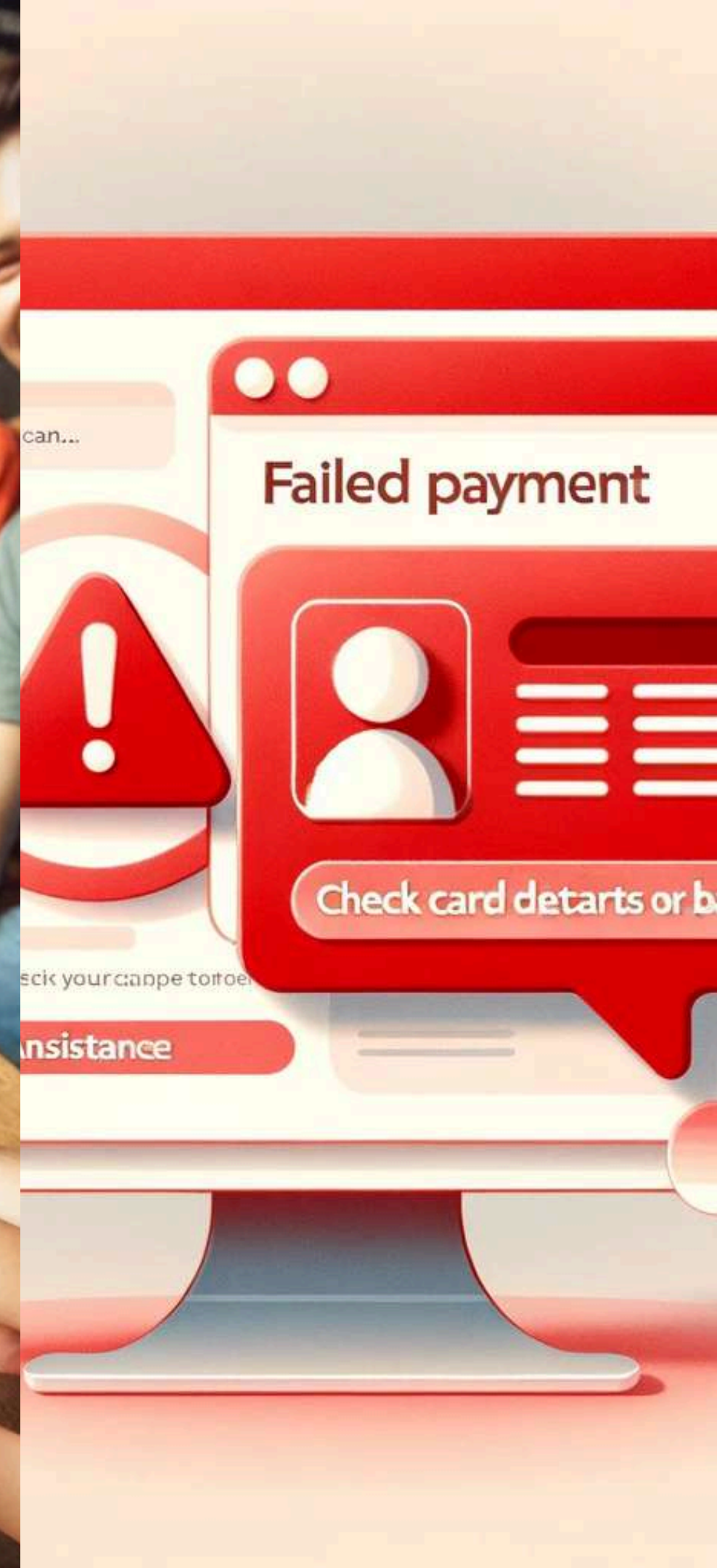
### INSTALLMENT OPTIONS

Provide a "Split Payment" option for group bookings



### FAILURE FEEDBACK

When a payment fails, offer actionable suggestions



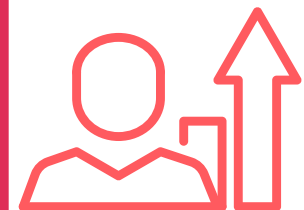
# Recommendations

## *Personalized User Support*



### **FIRST-TIME USER HELP CENTER**

Create a dedicated section in the app for first-time users with FAQs



### **USER PROFILE ANALYSIS**

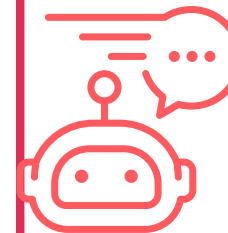
Analyze user behavior to proactively reach out with support

## *Simplify Account Verification*



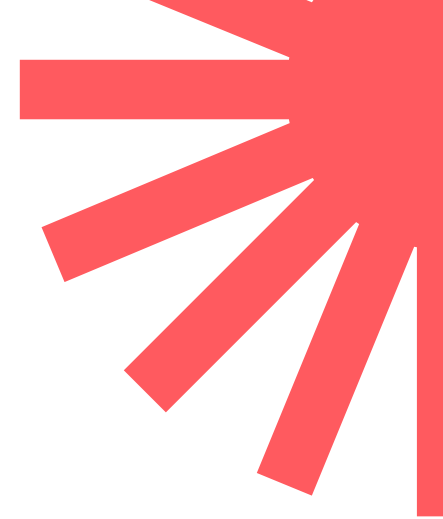
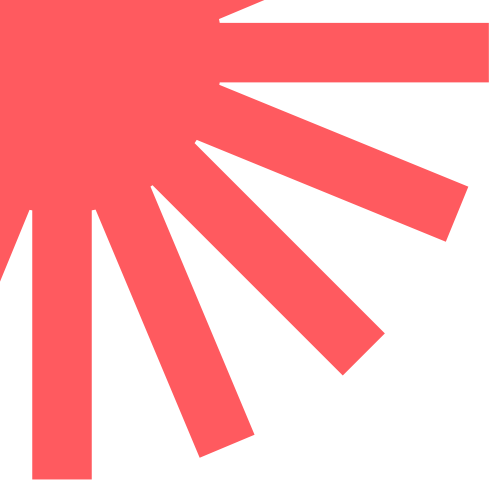
### **AUTOMATE DOCUMENT UPLOADS**

Use AI-based document verification for ID checks to reduce manual errors and delays.

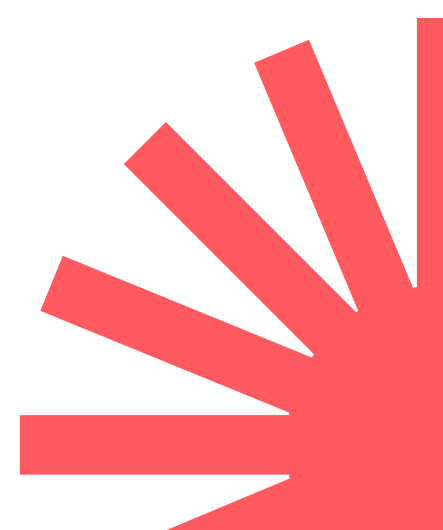
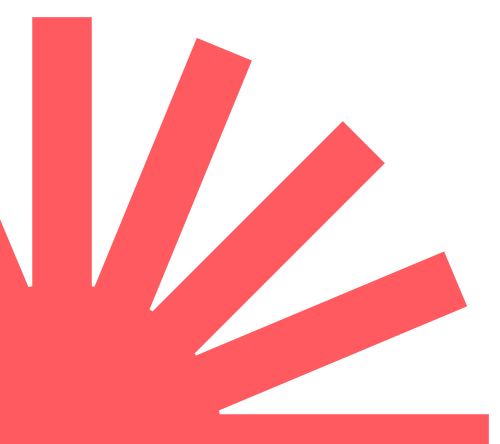


### **QUICK RESOLUTION CHATBOT**

Enhance Airbnb's onboarding process by providing immediate assistance to first-time users facing account verification and payment challenges.



**THANK YOU!**



# APPENDIX

1. Airbnb. (2024). About Us. Airbnb Newsroom; Airbnb. <https://news.airbnb.com/about-us/>
2. Something went wrong with your payment - Airbnb Help Center. (2024). Airbnb. <https://www.airbnb.com/help/article/2512>
3. Reddit - Dive into anything. (2022). Reddit.com. [https://www.reddit.com/r/AirBnB/comments/tmj90/there\\_was\\_an\\_error\\_adding\\_your\\_credit\\_card\\_check/](https://www.reddit.com/r/AirBnB/comments/tmj90/there_was_an_error_adding_your_credit_card_check/)
4. Why does Airbnb keep declining your payment? (2019). Quora. <https://www.quora.com/Why-does-Airbnb-keep-declining-your-payment>
5. Airbnb CEO Brian Chesky plans to fix “fundamentally broken” company. Here’s how. (2023, October 2). Mint. <https://www.livemint.com/companies/news/airbnb-ceo-brian-chesky-plans-to-fix-fundamentally-broken-company-heres-how-11696232214825.html>