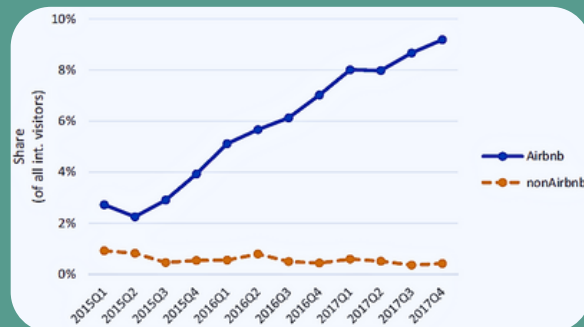


THE EVOLUTION OF 'AIRBNB-TOURISM' IN AUSTRALIA

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How did 'Airbnb' and other peer-to-peer accommodation platforms used by international visitors evolve in Australia between 2015 and 2017?

CONTEXT

'Airbnb tourism' refers to the strongly increasing importance of private short term rentals through the proliferation of internet platforms such as Airbnb. In recent years, Airbnb has seen significant demand growths in the EU and US markets. For Australia, in 2016 the most common website used to book private accommodation was Airbnb, with 426,000 visitors booking through the site. This study investigated the evolution of international tourists' consumption patterns of Airbnb and other peer-to-peer accommodation platforms in Australia.

HIGHLIGHTS

- Airbnb usage patterns in Australia have evolved in recent years, with strong growth in market share and a normalisation of user profiles. An increasing Asian (particularly Chinese) participation and increasing regional visitation patterns can be observed.
- The percentage of international visitors to Australia using Airbnb has increased dramatically from about 2% to 9% from 2015-17.
- Airbnb use in Australia is more likely for international visitors from Singapore and Malaysia or Northern America, who tend to be younger and less experienced travellers to Australia, who stay shorter and who tend to travel in family groups or groups of friends, who tend to spend more money during their stay and who stay in urban or semi-peripheral (regional) areas.
- The evolution of non-Airbnb peer-to-peer accommodation is less dynamic. The percentage of visitors using non-Airbnb peer-to-peer accommodation has declined from 0.9% to 0.4% in the years from 2015-17.
- However, some alternative providers successfully maintain specific niche-segments (e.g., sport-related activities and outback tourism).
- As a result of herding behaviour, increased concentration of peer-to-peer accommodation consumption towards the 'superstar-platform' Airbnb can be observed.

METHODOLOGY

- Data taken from the Australian 'International Visitor Survey' for the three years between 2015 and 2017 (survey conducted annually with around 40,000 visitors)
- Statistical analysis to predict the probability whether a visitor used Airbnb during their trip to Australia

KEY CONCLUSIONS

- Airbnb usage is moving from a niche phenomenon towards becoming part of the mainstream segments of the tourism market
- Policy focus on the main platform Airbnb is justified
- Alongside the users of the dominant, market leading platform, specific niche consumer tribes using other platforms continue to co-exist.

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