The Impact Of Shared Accommodation For The Overall Accommodation Industry

Juergen P. Weiss
Statistics Austria

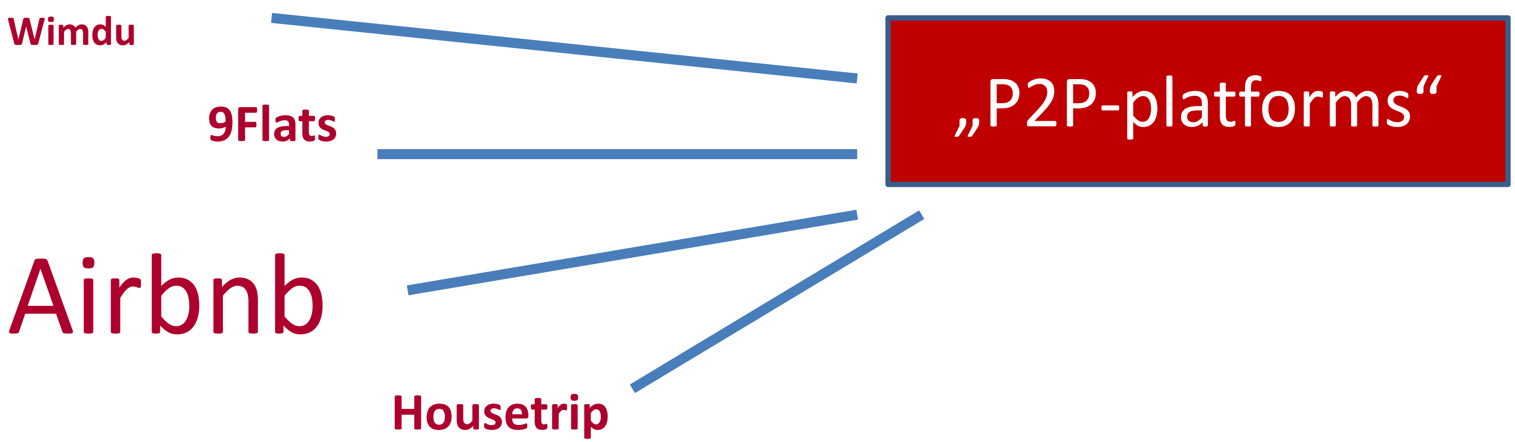
14th Global Forum on Tourism Statistics

Venice

22-25 November 2016

Session 6.3

AirBnB and the collaborative economy

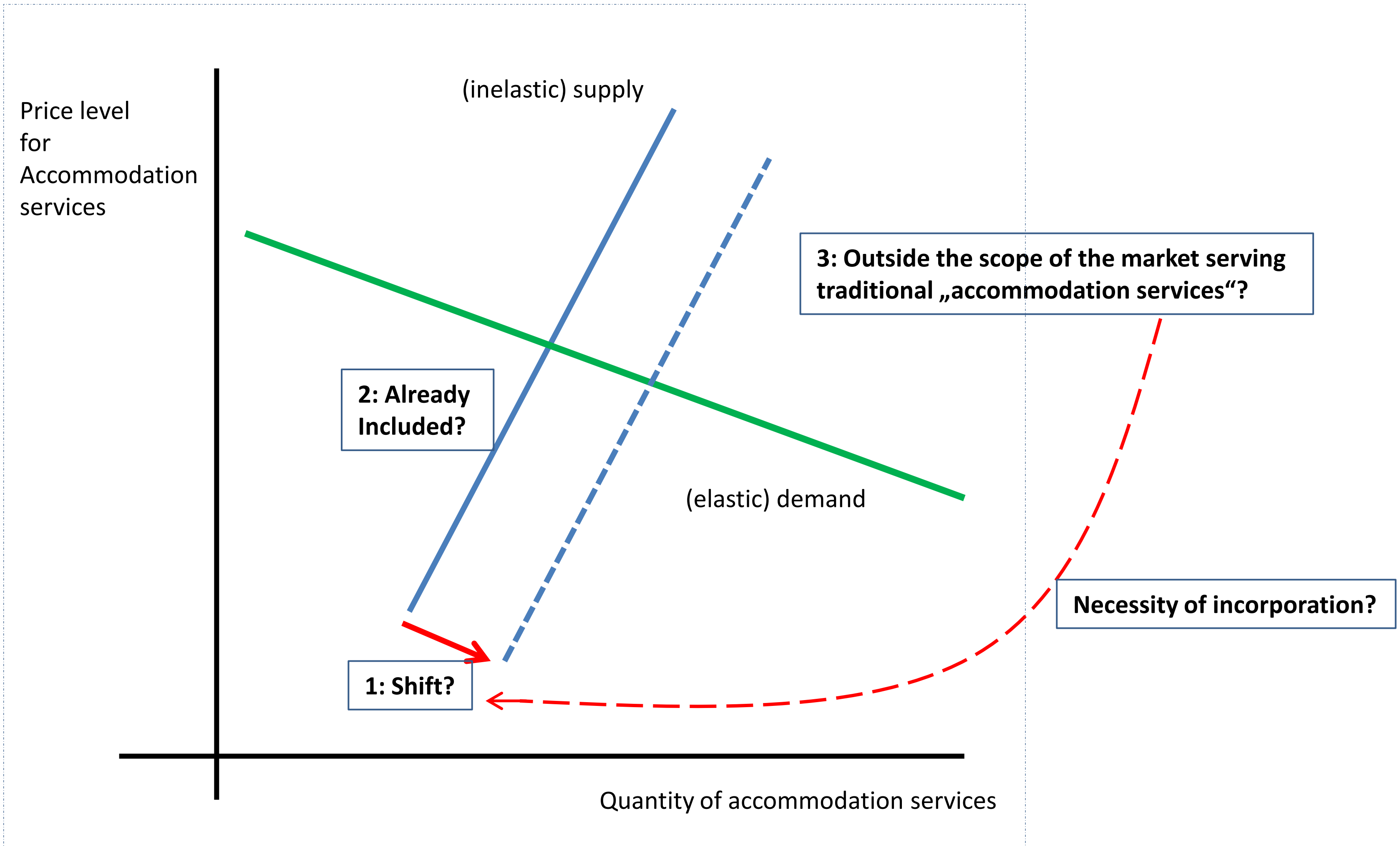


Is it a new accommodation phenomenon?...

.....or is it just a new instrument for distribution?

Outline:
Problem – Methodological Approach – Outcome and Discussion

Problem



Price level
for
Accommodation
services
(inelastic) supply
3: Outside the scope of the market serving traditional „accommodation services“?
2: Already Included?
(elastic) demand
Necessity of incorporation?
1: Shift?
Quantity of accommodation services

Why is it worth thinking about it?

Public relevance

- High response in media
- Increased public interest (media requests, professionals from tourism industry and research institutions)

Statistical relevance

- (Paid) overnights, which are definitely part of tourism statistics following IRTS 2008
  - but which are not part of supply side tourism statistics.
  - Not institutionalised in a legal framework as they are not part of „official“ accommodation supply.
- Meaning for balance of payments
  - Volume of expenditure which are primarily generised by and/or through this segment of tourism have to be considered for TSA and the **travel item of balance of payments**.

Aim of the excercise

STATISTICS AUSTRIA
The Information Manager

- How many overnights are generated by P2P- platforms?
- Are P2P-platforms creating a completely new market or are they acting as distribution factors on existing markets?

Exemplarily shown for the urban region of Vienna/Austria

- Estimation of the **share between** the number of overnights taking place in **traditional supply** versus the number of overnights taking place in **newly created supply** both under the **umbrella of P2P-platforms**

Method

1st approach: estimation based on platform information

- AiRBnB supply is indicated by at least 3,000 establishments in urban region of Vienna
- Uncertainties: Number of active hosts, number of multiple registrations, occupancy
- Defensive assumption: at least 1,000 active hosts with occupancy rate of 21%

2nd approach: estimation excluding platform information

- P1: Even without the existence of P2P-platforms private accommodation establishments (dwellings) have always been part of tourism supply in Vienna
- P2: Commercial holiday dwellings are "well captured" via Nace 55.2 whereas private accommodation establishments are „well hidden" in the tourism register of Vienna.

Method

2nd approach: estimation excluding platform information

- P1→true for all municipalities of Austria including Vienna
- P2→True for all municipalities of Austria other than cities with more than 100,000 inhabitants:

“The more similar non-urban municipalities are to the urban region of Vienna the more accurate is the indication about the share of commercial holiday dwellings in total holiday dwellings.”

  - **Unknown variable**: private holiday dwellings

Method

STATISTICS AUSTRIA
The Information Manager

2nd approach: estimation excluding platform information

- To estimate the share of commercial holiday dwellings in Vienna a comparative analysis with the most similar Austrian municipalities was carried out:

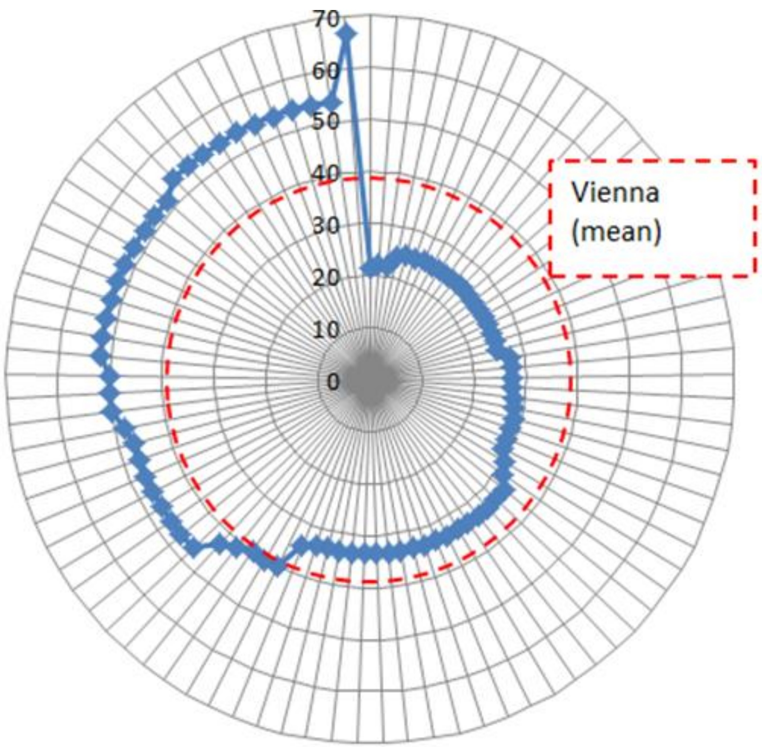
- Regression criteria derived from accommodation statistics as data source

Main Criteria :

- Municipalities with urban character
- Municipalities with international guests mixture
- Municipalities which have two seasons
- Municipalties that are connected to traffic knots

89 out of 1,550 municipalities have been selected

2nd approach: estimation excluding platform information



Share of commercial holiday dwellings in total holiday dwellings in most similar municipalities is between 25% and 55%.

Using the mean the total share of commercial holiday dwellings in total holiday dwellings is estimated to be 38% .
→A fair share for private holiday dwellings "hiding" in official registers is to be assumed with 62%.

→159 private holiday dwellings in the urban region of Vienna.

Conclusions

- An estimated „fair share" of private holiday dwellings without using information from P2P platforms in total holiday dwellings indicates a total number of 159 (official register shows „zero" in **2013** and 186 in **2015**).
- The total number of private holiday dwellings displayed by P2P-platforms are at least 1,000 (very defensive estimation which assumes multiple registrations of suppliers on different platforms and also the same platform as well as inactive hosts).
- The number of establishments delivered by **method 1 tops the number of method 2 by at least 840 establishments.**
- The new phenomenon of P2P-platforms **seems to generate a totally new tourism market.**

Outlook

- On the one hand P2P-platforms are simply a new form for distributing the supply of private accommodation to tourists which has ever been existing.
- On the other hand they create a totally new tourism market that would probably not exist without the existence of these platforms whereas it is at the moment unknown to what extend P2P supply is a substitute to traditional forms of accommodation.
- The supply of P2P platforms is at the moment transparent and therefore quite easy to observe.
- The physical flows created by this accommodation segment are out of scope of tourism statistics. Therefore demand has to be estimated.
- The monetary flows created by this accommodation segment have to be considered for T-BoP.
- The phenomenon has to be further observed as it might increase in volume and as it might indicate a step away from traditional market economy to the so called „collaborative economy“ also influencing other parts of the traditional tourism economy.

Thank you very much!

Please address queries to:
Juergen Weiss

Contact information:
Guglgasse 13, 1110 Vienna
phone: +43 (1) 71128-7974
fax: +43 (1) 71128-8002
Juergen.weiss@statistik.gv.at

http://www.statistik.at/web_en/statistics/tourism/index.html

The Impact Of Shared Accommodation For The Overall Accommodation Industry

Session 6.3