

## **Airbnb hosts use earnings to cover rising cost of living**

APPROXIMATELY half of Malaysia's Airbnb hosts utilise the earnings from their accommodation listing to cover the rising cost of living while making ends meet.

A recent survey by Airbnb Inc provided insights into how hosts use their income from Airbnb in a time of economic recovery after Covid-19 and how guests are using the platform amid a travel revolution.

Based on the survey, over 60% of Malaysian hosts surveyed said one of the reasons they host is to earn extra spending money, whereas almost 50% said they host to earn money to grow their business.

According to the **Department of Statistics Malaysia**, Malaysia's consumer price index (CPI) increased by 2.3% in April 2022 from a year earlier due to higher food prices.

In coping with the inflation, almost 60% of hosts surveyed in Malaysia said they use their Airbnb earnings to buy food and other necessities that have become more expensive.

"Realising this, more than half of Malaysian hosts surveyed also concurred that they expect their host income to become more important, with over 50% saying they expect to become more reliant on income from hosting in the next year," it noted in a statement today.

The pandemic has also reversed job growth in Malaysia with over one-third of hosts experiencing a pay cut or reduced work hours.

According to the survey, nearly half of them claimed that their income from hosting had helped them stay in their homes.

"Almost 60% indicated that hosting helped them prevent foreclosure or eviction.

"Beyond paying their rent and mortgages, more than half of the hosts indicated that they use the money earned through hosting to improve their homes," the survey noted.

Apart from that, the survey also discovered that being a host also enhances their role to rebuild the economy and uplifts the spirit of "support lokal" as it involves recommending the locally-owned businesses to guests.

Evidently, over two-third of Airbnb hosts in Malaysia said they have recommended places to eat, shop, and activities in the neighbourhood of the Airbnb listing that are lesser-known by tourists.

Hosts also prefer recommendations with guests about restaurants and cafes (over two-third), outdoor sites and activities (over 50%), lesser-known areas and places to visit (over 40%), and shops and boutiques (over 40%), among others.

"Almost half also say they hire support staff such as professional cleaners," it noted.

Interestingly, the survey also revealed that in Malaysia the main reason for guests to stay is for travel and remote work with an affordable stay.

Long-term stays reached an all-time high in the first quarter of 2022 (1Q22), more than tripling in size from 1Q19, and continue to account for almost one out of every five booked nights.

“Nearly half of the nights booked in 1Q22 were for one week or more,” it added.

To better support the trend and offer more flexibility to the guests, Airbnb last year deployed more than 150 updates to the Airbnb service, and last month the company introduced the biggest change to Airbnb in a decade.

Airbnb also introduced the biggest change to its platform earlier in May, which includes the Airbnb Categories, a redesigned user interface that makes it easy for guests to discover millions of homes.

This feature helps to spread tourism outside of typical destinations while “Split Stays” allows guests to split their trips between two places to stay when they are searching for a week or longer.

However, beyond these features, almost 50% of Malaysian guests said they chose to stay at an Airbnb listing for the convenient location.

Meanwhile, approximately one-third of guests chose to stay at an Airbnb listing for its large accommodation space and over 50% said they wanted a private space.

Above all, the survey found that affordability remains a top priority for Malaysian visitors.

This is because in Malaysia, over two-thirds of visitors indicated that staying at an Airbnb listing helped them save money on accommodation whereas over half said they were able to spend more money on other items and services.

This would be economically beneficial to the local community, as more than two-thirds of the guests claimed they had visited sites recommended by the host.

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