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Exploring Guest Preferences: A Focus Group Study on Airbnb Accommodation Attributes

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Abstract. This research paper examines the hospitality industry, which was significantly transformed by the sharing economy, focusing on peer-to-peer accommodation platforms like Airbnb. Through a study involving a focus group of 13 students, we aim to determine the hierarchy of accommodation attributes valued by guests in this new era of travel. The paper meticulously analyzes 14 potential attributes, ranging from the type of accommodation to host communication, and evaluates their relevance based on guest preferences. Our findings highlight that the type of accommodation, cleanliness, location, and overall rating emerge as principal considerations for guests, shedding light on the nuanced expectations within peer-to-peer accommodation. This study contributes to a deeper understanding of consumer priorities in the sharing economy and provides strategic insights for hosts and platforms striving to enhance guest satisfaction and competitive advantage.

Keywords. Sharing economy, shared accommodation, Airbnb, focus group.

1 Introduction

The intersection of the hospitality industry and the sharing economy has redefined how people travel and experience accommodation. It is not an exaggeration to say that the hospitality industry has undergone the most significant transformative shift of all economic sectors with the advent of the sharing economy. Traditionally dominated by hotels and resorts, the landscape is now populated with diverse platforms and services facilitating accommodation sharing, creating new opportunities for hosts and guests. Guests can enjoy personalized experiences while usually having more affordable accommodation options than traditional industry offers (Guttentag, 2015). Hosts can easily offer their spare properties on the market, turning them into a source of income. The accommodation choices have been diversified beyond traditional short-term rental of various lodging units to co-living spaces offering unique experiences and encouraging community and connectivity among travellers.

Out of a certain number of platforms operating in the accommodation sector on a peer-to-peer model, Airbnb stands out mainly for its global presence and diverse accommodation options. As the company's value increased, it became one of the most prominent players, profoundly impacting the sharing economy world. According to the statistical data, there are over 5 million Airbnb hosts worldwide and over 7.7 million active listings on the platform (Airbnb, 2024). To stay ahead, the company and hosts should navigate the evolving requirements and service quality standards imposed by guests. Thus, the attitude towards the inherently different service attributes must be continuously monitored and explored.

Recognizing that not all service attributes are equally important to (actual or potential) guests, this research aims to identify high-priority areas that require attention. As these attributes are related to the platform and hosts' service, their identification facilitates strategic decision-making for both platforms and their registered hosts. Understanding customer expectations and what matters the most is the foundation for attracting guests and successful peer-to-peer transactions. The paper proceeds with a literature review followed by a focus group study, presenting and discussing the findings. In the last section, concluding remarks are given.

2 Literature Review

Shared accommodation has been a stimulating topic for many researchers (Drinjak et al., 2023; Maričić et al., 2023; Maricic et al., 2023). Existing academic research and scholarly articles that focus on Airbnb service attributes identification and prioritization brought many valuable conclusions. Some of the most relevant studies and findings are listed below.

Ding et al. (2023) analyzed online reviews under Airbnb listings to develop relevant attributes. A total of 21 topics were identified and classified into the following dimensions: facilities, service, location, value, and general experience. The study highlights how people prioritize these topics concerning chosen property types and price ranges.

Comparing Airbnb to hotels, Sánchez-Franco and Aramendia-Muneta (2023) have identified key topics influencing guests' (dis)satisfaction. Their results indicate the differences in prioritization of crucial topics – while hotel guests highly value facilities and staff professionalism, Airbnb guests prioritize staff recommendations and proximity to tourist attractions. The specificities of Airbnb service quality dimensions concerning those offered by hotels were also discussed by Sun et al. (2019). In this study, the authors emphasized the importance of the following attributes: accuracy, cleanliness, rooms and facilities, location, personalized service, and authentic experience. Most attributes are more complex in Airbnb than in the hotel industry. For example, personalized service includes timely communication and check-in arrangements before arrival, unlike in hotels where this and other service attributes are evaluated only upon arrival.

Jaka and Helgadóttir (2016) found that perceived hospitality and service are the most influential factors for the satisfaction of Airbnb guests, having an advantage over physical amenities and the property's location. By the term "hospitality and service," the authors refer to several sub-dimensions like personality and empathy of the host, tangibles provided by the host, local knowledge sharing, responsiveness, reliability, and easy check-in and check-out. Similarly, the study of Ju et al. (2019) emphasizes that the service-related attributes can be associated with 1) hosts (like friendship, caring, kind behavior, provided photos, etc.), 2) accommodation facilities, and 3) website/platform (like information quality or transaction experience).

Some authors provided valuable insights into service and product attributes. Nawi et al. (2019) studied the effects of the physical environment, that is, ambience, decoration, and layout, on customer behavioral intentions; Fagerstrøm et al. (2018) and Fagerstrøm et al. (2017) investigated the impact of personal profile image of hosts on rental rate, while Edelman et al. (2017) warn of a significant influence of both hosts' and guests' race on Airbnb transactions.

When it comes to the applied methods, although there are examples of field experiments (e.g., Edelman et al. 2017), the exploration of online reviews under Airbnb listings using big data and text analysis is the most represented. Ding et al. (2023) used a big data technique, namely structural topic modelling, to identify crucial topics. Sánchez-Franco and Aramendia-Muneta (2023) used improved text mining techniques to extract relevant topics. Ju et al. (2019) explored a mixed-method approach. They utilized content and sentiment analysis and then conducted an online survey to relate customers' expectations to Airbnb's performance.

In summary, different methods have been demonstrated to extract information of interest from online reviews, implying that analysis of the existing users prevails over the analysis of potential ones.

3 Methods and Results

This study serves as a pre-research phase for the prospective conjoint analysis we aim to conduct. To provide feedback on this topic and insight into the Airbnb guests' comprehension and behaviour, we performed the study on a focus group of 13 students at the University of Belgrade's Faculty of Organizational Sciences in the first half of December 2023. The results of the focus group research are presented in Table 1.

**Table 1.** Proposed attributes mean rank and attribute levels acceptance rate (Source: Authors' work)

Mean rank	Attribute	Level	Acceptance rate
1.62	Type of accommodation	Entire accommodation unit	100%
		Private room with private bathroom	92.3%
		Private room with shared bathroom	38.5%
2.92	Cleanliness rating	4.8+	100%
		4.5 to 4.79	92.3%
		4.0 to 4.49	38.5%
		Below 4	0%
3.08	Location	Up to a 15-minute walk to the city center (or other locations of interest)	100%
		15 to 30-minute walk to the city center (or other locations of interest)	92.3%
		More than a 30-minute walk to the city center (or other locations of interest)	30.8%
3.92	Overall rating	4.8+	100%
		4.5 to 4.79	100%
		4.0 to 4.49	84.6%
		below 4	0%
6.23	Photo presentation	Accommodation is photographed in detail (all rooms and additional facilities are clearly visible)	100%
		Accommodation is partially photographed	61.5%
		Accommodation is insufficiently photographed	15.4%
8	Host communication and availability	Host responds within 1 hour	100%
		Host responds within 24 hours	69.2%
8.31	Additional facilities	Basic (Wi-Fi, air conditioning)	92.3%
		Standard (Wi-Fi, air conditioning, kitchen, TV)	100%
		Luxury (Wi-Fi, air conditioning, kitchen, TV, swimming pool/jacuzzi, etc.)	100%
8.46	Check-in time	Possibility of check-in from 14:00 to 20:00 (limited time)	92.3%
		Check-in at any time after 14:00	100%
8.62	Number of guest reviews	Up to 5 reviews	15.4%
		6 to 25 reviews	69.2%
		26 to 50 reviews	92.3%
		Over 50 reviews	100%
9.62	Cancellation policy	Free cancellation up to 24 hours before the stay	100%
		Free cancellation up to 5 days before the stay	100%
		50% charge in case of cancellation	30.8%
10.31	Host reputation	Not a Superhost	53.8%
		Superhost	100%
10.31	Size	Up to 12 square meters	46.2%
		12 to 30 square meters	92.3%
		Over 30 square meters	100%
11.46	Parking availability	Free parking	100%
		Parking with extra charge	46.2%
		No parking nearby	53.8%
12.15	Minimum stay	At least two nights stay	61.5%
		No limitations	100%



Based on the previous literature, examples of good practice, and the study of Airbnb accommodation, we have extracted the set of 14 possible attributes of accommodation that are likely to be important to guests. The attributes include Type of accommodation (entire unit, room with a private bathroom, room with shared bathroom), Location (distance from the city center or other location of interest), Overall rating (by other guests on a scale of 1-5), Cleanliness rating (by other guests on a scale of 1-5), Photo presentation, Host communication and availability (responding to messages frequency), Check-in time (limited 14-22 or not), Size (square meters), Additional facilities (Wi-Fi, air conditioning, kitchen, TV, swimming pool/jacuzzi, etc.), Parking availability, Host reputation (Superhost or not), Cancellation policy (free cancellation within a certain period or not), Minimum stay (defined minimal number of nights for booking or not), and Number of guest reviews.

The focus group participants were initially asked to rank the set of potential accommodation attributes by relevance from their standpoint. Table 1 first presents the attributes sorted by the mean rank, calculated as the average rank provided by all the participants in the focus group research. The focus group found the Type of accommodation to be the most important attribute when choosing accommodation, with a mean rank of 1.62. It is followed by Cleanliness rating, Location, Overall rating, Photo presentation, etc. We foresee extracting a condensed set of 6 to 7 attributes from this list for subsequent conjoint analysis. The most eligible candidates are the first seven attributes from the list sorted by the mean rank. However, deeper analysis is indispensable to probe this subset.

We have further examined the levels for all the potential attributes of the pre-research for the prospective conjoint analysis. The levels are also extracted from the previous literature, examples of good practice, and the study of Airbnb accommodation. We asked the focus group participants to declare whether they found each level of the attributes acceptable when making the reservations. The results of the acceptance rate for each level, calculated as the percent of focus group participants that find the given level acceptable, are presented in Table 1. As can be seen, levels of the first five attributes have various spectrums of acceptance. For example, regarding the location, up to 15-minute and 15 to 30-minute walk to the location of interest have an acceptance rate of 100% and 92.3%, respectively, while more than 30-minute walk has an acceptance rate of no more than 30.8%. This attribute is likely to be included in the prospective conjoint analysis. Still, it is to be discussed whether to leave all three proposed levels or merge the first two levels and present two levels in total to future study participants: up to 30 and more than 30 min walk to the location of interest. Host communication and availability, Additional facilities, and Check-in time do not vary much across levels. It might be considered to exclude these attributes from future analyses, even if they were highly important to the focus group participants.

It is interesting to note that both the Cleanliness and Overall ratings are highly important to the focus group participants. Photo presentation, for example, was not expected to gain such a high rating, while accommodation Size gained a less-than-expected rating.

4 Conclusion

To better understand customer expectations and determine the most crucial factors in deciding on accommodation, we conducted a study with a focus group of 13 students as a pre-research phase for the prospective conjoint analysis. Drawing on previous literature, examples of good practices, and a study of Airbnb accommodations, a set of 14 potential accommodation attributes was tested. Our findings indicate that the accommodation type plays the most important role, followed by cleanliness rating, location, overall rating, photo presentation, host communication and availability, and the number of guest reviews. Numerous studies have found that Airbnb users who stayed at different types of accommodations have varying practical needs. Guests staying at an entire property generally require more interactions with hosts throughout the whole stay, while those at the shared property, who can interact with other guests, rely less on the host but expect timely communication mostly during check-in (Ding et al., 2023). Surprisingly, the photo presentation exceeded anticipated ratings, whereas the accommodation size received a rating below expectations, especially with guests who prefer the entire property (Han & Yang, 2021). When queried about the acceptability of each attribute level during the reservation process, the first five attributes showed various spectrums of acceptance. Attributes with the highest rank and significant differences in the acceptability of different levels of attributes are the most suitable candidates for further testing that we plan to conduct using conjoint analysis.

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