

LEARNING MADE EASY



# Airbnb®

for  
**dummies**<sup>®</sup>  
A Wiley Brand



Break into the world  
of Airbnb hosting

—  
Learn to profit with or  
without a property

—  
Create great guest  
experiences

**Symon He, MBA**

Co-founder of LearnBNB.com

**James Svetec**

Founder of BNB Mastery

فروشگاه کتاب الکترونیک باکتابام  
<https://e-baketabam.ir>



# Airbnb®

**by Symon He, MBA**

*Co-founder of LearnBNB.com*

**James Svetec**

*Founder of BNB Mastery*

**for  
dummies®**  
A Wiley Brand

فروشگاه کتاب الکترونیک بایتابام

<https://e-baketabam.ir>

## Airbnb® For Dummies®

Published by: **John Wiley & Sons, Inc.**, 111 River Street, Hoboken, NJ 07030-5774, [www.wiley.com](http://www.wiley.com)

Copyright © 2020 by John Wiley & Sons, Inc., Hoboken, New Jersey  
Published simultaneously in Canada

No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning or otherwise, except as permitted under Sections 107 or 108 of the 1976 United States Copyright Act, without the prior written permission of the Publisher. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

**Trademarks:** Wiley, For Dummies, the Dummies Man logo, Dummies.com, Making Everything Easier, and related trade dress are trademarks or registered trademarks of John Wiley & Sons, Inc., and may not be used without written permission. Airbnb is a registered trademark of Airbnb, Inc. All other trademarks are the property of their respective owners. John Wiley & Sons, Inc., is not associated with any product or vendor mentioned in this book.

LIMIT OF LIABILITY/DISCLAIMER OF WARRANTY: THE PUBLISHER AND THE AUTHOR MAKE NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE CONTENTS OF THIS WORK AND SPECIFICALLY DISCLAIM ALL WARRANTIES, INCLUDING WITHOUT LIMITATION WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE. NO WARRANTY MAY BE CREATED OR EXTENDED BY SALES OR PROMOTIONAL MATERIALS. THE ADVICE AND STRATEGIES CONTAINED HEREIN MAY NOT BE SUITABLE FOR EVERY SITUATION. THIS WORK IS SOLD WITH THE UNDERSTANDING THAT THE PUBLISHER IS NOT ENGAGED IN RENDERING LEGAL, ACCOUNTING, OR OTHER PROFESSIONAL SERVICES. IF PROFESSIONAL ASSISTANCE IS REQUIRED, THE SERVICES OF A COMPETENT PROFESSIONAL PERSON SHOULD

BE SOUGHT. NEITHER THE PUBLISHER NOR THE AUTHOR SHALL BE LIABLE FOR DAMAGES ARISING HEREFROM. THE FACT THAT AN ORGANIZATION OR WEBSITE IS REFERRED TO IN THIS WORK AS A CITATION AND/OR A POTENTIAL SOURCE OF FURTHER INFORMATION DOES NOT MEAN THAT THE AUTHOR OR THE PUBLISHER ENDORSES THE INFORMATION THE ORGANIZATION OR WEBSITE MAY PROVIDE OR RECOMMENDATIONS IT MAY MAKE. FURTHER, READERS SHOULD BE AWARE THAT INTERNET WEBSITES LISTED IN THIS WORK MAY HAVE CHANGED OR DISAPPEARED BETWEEN WHEN THIS WORK WAS WRITTEN AND WHEN IT IS READ.

For general information on our other products and services, please contact our Customer Care Department within the U.S. at 877-762-2974, outside the U.S. at 317-572-3993, or fax 317-572-4002. For technical support, please visit <https://hub.wiley.com/community/support/dummies>.

Wiley publishes in a variety of print and electronic formats and by print-on-demand. Some material included with standard print versions of this book may not be included in e-books or in print-on-demand. If this book refers to media such as a CD or DVD that is not included in the version you purchased, you may download this material at <http://booksupport.wiley.com>. For more information about Wiley products, visit [www.wiley.com](http://www.wiley.com).

Library of Congress Control Number: 2020934805

ISBN 978-1-119-62607-7; ISBN 978-1-119-62606-0 (ebk); ISBN 978-1-119-62609-1 (ebk)

# Airbnb® For Dummies®

To view this book's Cheat Sheet, simply go to [www.dummies.com](http://www.dummies.com) and search for “Airbnb For Dummies Cheat Sheet” in the Search box.

## Table of Contents

### Cover

### Introduction

[About This Book](#)

[Foolish Assumptions](#)

[Icons Used in This Book](#)

[Where to Go from Here](#)

### Part 1: Getting Started with Airbnb

#### Chapter 1: The Lowdown on Airbnb, Just the Basics

[Looking at the Big Picture](#)

[Recognizing the Benefits of Airbnb as a Platform Compared to Its Competition](#)

[Answering Common Questions That You as a Potential Host May Have](#)

#### Chapter 2: Hosting on Airbnb: What It Really Means

[Having a Hospitality Mind-Set — What It Takes to Be a Host](#)

[Before Becoming an Airbnb Host: What to Consider](#)

#### Chapter 3: Determining Your Profit Potential

[Decoding How Much You Can Really Make on Airbnb](#)

[Researching Your Airbnb Market: Earning Statistics](#)

[Determining the Size of Your Pie](#)

[Comparing the Big City versus Rural](#)

[Determining the Legality of Hosting in Your Market](#)

## **Part 2: Putting the Spotlight on Your Listing**

### **Chapter 4: Preparing Your Property for Airbnb**

[Creating Profit Potential with Your Property](#)

[Determining the Amenities Guests Want in Your Market](#)

[Focusing on Which Amenities, Furniture, and Appliances to Include](#)

[Figuring Out What Space Is Accessible to Guests in Your Listing](#)

[Managing Neighbors' Relations](#)

[Managing Landlord Relations](#)

[Getting Proper Insurance Protection](#)

[Being a Guest First to Better Understand Hosting — Walk in Your Guests' Shoes](#)

### **Chapter 5: Building the Perfect Listing**

[Making a Strong First Impression](#)

[Creating a Listing That Gets Attention](#)

[Writing a Strong Headline](#)

[Drafting a Great Description](#)

[Setting House Rules](#)

[Choosing a Cancellation Policy](#)

[Determining Appropriate Fees](#)

[Turning on Instant Book: The Pros and Cons](#)

### **Chapter 6: Making Your Listing Shine with Photography**

[Setting Your Photo Strategy](#)

[Staging Your Property for Photos](#)

[Getting All the Shots](#)

[Working with Your Photographer to Get Great Photos](#)

[Identifying Tips and Tricks Used by Top Listings and Superhosts](#)

## **Part 3: Uncovering Important Pricing Essentials**

### **Chapter 7: Setting Your Listing Pricing**

[Focusing on Baseline Pricing](#)

[Ramping Up to Baseline Pricing](#)

[Understanding and Adjusting for Seasonality](#)

[Factoring in Temporality and Special Events: Going from High to Low](#)

[Using Dynamic Pricing: Yes or No?](#)

[Setting Other Types of Fees](#)

## **Chapter 8: Increasing Your Profit Potential**

[Leaving Money on the Table](#)

[Picking the Low Hanging Fruits First](#)

[Reducing Operating Costs](#)

[Spending Smart: Best Purchases That You Can Make Now for Profits Later](#)

[Increasing Booking Revenue](#)

[Maximizing Overall Revenue Potential](#)

[Creating Additional Revenue Sources](#)

## **Chapter 9: Going on Cruise Control and Still Making Money**

[Choosing Sanity over Profits: Steer Clear of Burning Out](#)

[Identifying What You Can Eliminate](#)

[Automating to Make Your Life Easier](#)

[Outsourcing Different Tasks](#)

## **Chapter 10: It's a Bird, It's a Plane... No... It's a Superhost!**

[What Makes a Superhost: Putting the Guest First and Foremost](#)

[Meeting Superhost Requirements](#)

[Maintaining Superhost Status](#)

[Losing Superhost Status and Bouncing Back](#)

[Eying Superhost Alternatives: Business Travel Ready and Family Friendly](#)

## **Part 4: Mastering Your Guests' Experience**

### **Chapter 11: Comprehending What Being a Good Host Means**

[Understanding the Guest Search Experience](#)

[Identifying the Fundamentals of Guest Satisfaction](#)

[Creating Your Guest-Centric Plan](#)

[Catering to Your Ideal Guest Type](#)

### **Chapter 12: Creating a Seamless Check-In Process**

[Communicating Check-In Information with Guests](#)

[Preparing for Your Guest Check-In](#)

[Handling the Check-In Process](#)

## **Chapter 13: Continuing a Stress-Free Guest Stay Post Check-In to Check-Out**

[Setting the Tone for Your Guests' Arrival](#)

[Ensuring Your Guests Enjoy Their Stay](#)

[Ensuring a Smooth Check-Out](#)

[Knowing What to Do After Guests Leave](#)

[Managing and Responding to Guest Reviews](#)

## **Chapter 14: Upkeeping Your Space to Keep the Reservations Coming**

[Maintaining Your Space to Ensure Long-Term Success on Airbnb](#)

[Cleaning Your Space — The No. 1 Biggest Headache](#)

[Using Professional Cleaners](#)

[Having a Cleaning Backup Plan in Place](#)

## **Part 5: Taking Your Airbnb Hosting to the Next Level**

### **Chapter 15: Elevating Your Hosting Game with Airbnb PLUS**

[Knowing What Airbnb PLUS Is](#)

[Becoming Airbnb PLUS Certified: The How-To](#)

### **Chapter 16: Exploring the Many Nontraditional Listing Opportunities**

[Understanding Nontraditional Listings](#)

[Going Small to Earn Big](#)

[Looking at the Many Ways to Go Small](#)

[Crafting a Story for Guests](#)

### **Chapter 17: Subdividing Your Airbnb**

[Understanding What Subdividing Your Airbnb Means](#)

[Determining When to Subdivide](#)

[Diving into Subdivisions Economics](#)

[Adding an Accessory Dwelling Unit \(ADU\)](#)

### **Chapter 18: Hosting without a Property through Airbnb Experiences**

[Introducing Airbnb Experiences](#)



[Considering the Advantages and Disadvantages to Hosting an Experience](#)

[Understanding the Keys to Successful Experiences](#)

[Brainstorming Unique Airbnb Experience Concepts](#)

[Submitting Your Airbnb Experience for Approval](#)

[Looking at the Future of Airbnb Experiences](#)

## **Part 6: Tackling Important Money Matters**

### **Chapter 19: Understanding Airbnb Taxes**

[Getting Serious about Taxes](#)

[Taking Account of Your Airbnb Earnings](#)

[Taking Account of Your Airbnb Expenses](#)

[Exploring Recent Tax Law Changes](#)

### **Chapter 20: Making Big Bucks as an Airbnb Co-Host**

[Co-Hosting: What It Actually Takes to Manage Other People's Listings](#)

[Scaling Your Income through Co-Hosting](#)

## **Part 7: The Part of Tens**

### **Chapter 21: Ten Tips to Be a Better Host**

[Research Your Market before Hosting](#)

[Become a Guest First](#)

[Invite But Never Impose](#)

[Offer More than Promised](#)

[Touch Base with Your Guests Regularly](#)

[Use Tiny Helpful Labels](#)

[Always Have Extra Supply](#)

[Use Action Shots in Your Photos](#)

[Disclose and Highlight Potential Negatives Up Front](#)

[Measure Return on Time](#)

### **Chapter 22: Ten Best Purchases for Hosts**

[Futon Couch or Sofa Bed](#)

[Floor Mats for Every Entrance](#)

[Shoe Racks](#)

[Universal Phone Chargers for Every Room](#)

[Large Capacity Appliances](#)

[Storage Lockers with Locks](#)  
[High Quality Mattress and Linens](#)  
[Smart Locks](#)  
[Automation Tools](#)  
[Better Coffee Options](#)

## **Chapter 23: Ten Ways to Increase Your Earnings**

[Putting Your Best Listing Forward](#)  
[Asking Guests to Leave Reviews](#)  
[Tailoring Amenities to Your Audience](#)  
[Offering Add-On Goods and Services](#)  
[Using Appropriate Pricing](#)  
[Hosting More Listings](#)  
[Listing an Airbnb Experience](#)  
[Thinking Long Term](#)  
[Renting Something Else](#)  
[Avoiding Catastrophic Losses](#)

### **Index**

### **About the Authors**

### **Advertisement Page**

### **Connect with Dummies**

### **End User License Agreement**

## **List of Tables**

### **Chapter 5**

[TABLE 5-1 Airbnb Headline Formulas](#)

## **List of Illustrations**

### **Chapter 3**

[FIGURE 3-1: How much Airbnb hosts earn.](#)

[FIGURE 3-2: Two blocks away, a world of a difference.](#)

[FIGURE 3-3: Average monthly rental revenue.](#)

[FIGURE 3-4: Seeing market seasonality.](#)

[FIGURE 3-5: Estimated time commitment required per week for hosting.](#)

[FIGURE 3-6: Comparing an urban versus a remote listing.](#)

## **Chapter 7**

[FIGURE 7-1: Baseline pricing exercise.](#)

[FIGURE 7-2: Different kinds of seasonality.](#)

[FIGURE 7-3: Example of how a third-party pricing tool could benefit a listing.](#)

[FIGURE 7-4: The fees can add up.](#)

## **Chapter 8**

[FIGURE 8-1: The relationship between occupancy rate and average nightly rate.](#)

[FIGURE 8-2: The four scenarios of Airbnb listing performance versus competition...](#)

[FIGURE 8-3: The cost of a price-dominated listing.](#)

[FIGURE 8-4: The cost of an occupancy-dominated listing.](#)

## **Chapter 11**

[FIGURE 11-1: The guest expectation matrix.](#)

## **Chapter 12**

[FIGURE 12-1: Welcome message template.](#)

[FIGURE 12-2: Check-in instructions message template.](#)

[FIGURE 12-3: Combination portable lockbox.](#)

[FIGURE 12-4: Examples of four smart locks.](#)

## **Chapter 13**

[FIGURE 13-1: Sample follow-up thank-you note to guests.](#)

## **Chapter 14**

[FIGURE 14-1: A handy checklist for turnovers.](#)

## **Chapter 16**

[FIGURE 16-1: Twice the return at half the price.](#)

## **Chapter 17**

[FIGURE 17-1: A tale of two markets.](#)

## **Chapter 19**

[FIGURE 19-1: Airbnb collecting and remitting occupancy tax.](#)

[FIGURE 19-2: From gross earnings to taxable earnings.](#)

[FIGURE 19-3: Airbnb earnings report export.](#)

[FIGURE 19-4: A ten-year depreciation schedule.](#)

# Introduction

---

Welcome to the incredible world of Airbnb hosting. Airbnb is one of the fastest growing companies in the world and an incredible opportunity for people all around the world to earn extra income from their unused space. In addition to the extra income, meeting new people from all around the world is one of the many great perks of hosting on Airbnb.

You may have heard horror stories about hosting on Airbnb, be it unwanted parties or guests trashing a host's house. Things aren't always perfect. When a platform like Airbnb facilitates more than a half billion guest stays, they're bound to have a few rare instances that are less than ideal.

The vast majority of all Airbnb hosts never encounter a single major issue with their guests. The odd coffee cup may break, but if you do things the right way, hosting can be rewarding and profitable.

## About This Book

*Airbnb For Dummies* serves as the perfect roadmap for current and aspiring Airbnb hosts who want to do things the right way and optimize their hosting. This book includes everything you need to know in order to get the most out of your hosting and truly enjoy the experience.

Becoming a top performing host on Airbnb isn't easy; however, with the strategies we cover in this book you'll have everything you need to make it happen. You can read about everything you need to know about the following:

- » **The Airbnb basics:** From how Airbnb works as a platform to what it really means to host your space on Airbnb to setting goals for your specific listing. We walk you through so that you understand the game you're playing and how to win at it, whatever that means for you.
- » **Setting up the perfect listing:** We cover everything you need to know to get your property and your listing set up for success. We tell you what you need to do to ensure your property is guest ready and hassle-free. We show you how to set up your listing so that guests are excited to book

your place. Whether you're brand new to hosting or have been at it for several years, we show you how to optimize your listing from every angle.

- » **Maximizing hosting returns:** You can discover what you need to keep your place booked as much as you want it to be and at the best possible rates.
- » **Minimizing hosting hassle:** You get plenty of helpful tips and resources that help you to make your hosting as enjoyable as possible. Hosting is meant to be fun and exciting, and we show you how to keep it that way for as long as you host.
- » **Using the right tools and systems:** With the right tools and the right systems in place, you can all but guarantee any hosting nightmare doesn't take place at your listing, while maximizing your profit and minimizing your stress levels.
- » **So much more:** You can discover how to get involved with new opportunities for fun and for income such as Airbnb Experiences and Airbnb PLUS.

This book is meant to give you everything you need to make your hosting both profitable and enjoyable.

## ***Foolish Assumptions***

If you fall into one of the following categories, then this book is for you:

- » You're an absolute beginner to Airbnb. You've never hosted or even stayed at an Airbnb before, and you don't know where to begin.
- » You've started hosting, but you're not really sure if you're doing things the right way or if you're performing as well as you could be.
- » You've been hosting for a while and everything is going well, but you're starting to get tired and you need to find a better way to operate. You want hosting to be as fun and enjoyable as it was in the beginning.
- » You're an experienced host with years of guest stays under your belt and you have a Superhost badge to show for it. You're doing a fantastic job of hosting, and you want to continue to improve and find out how to take

your hosting to the next level.

- » You don't have a property that you can list on Airbnb, but you want to host other people's properties, and you're not quite sure where to get started.
- » You're curious about what some of the most successful Airbnb hosts in the world are doing or about some of the new and exciting features that Airbnb has to offer. You realize that Airbnb currently presents a huge opportunity and you want to get in on it.

## Icons Used in This Book

Throughout this book, you'll notice a number of helpful little icons over in the margins. Here's what they mean:



TIP

This icon indicates a pro tip that will likely save you a lot of time or make your hosting more successful. We learned these little tips through trial and error so that you don't have to.



WARNING

We use this icon to highlight anything that, if done improperly, could lead to some headaches down the road. Be sure not to overlook these points because they'll save you from potential mistakes.



REMEMBER

This icon indicates an important tidbit that you're going to want to remember so that you do things the right way and understand the reasoning behind our advice.



ON THE  
WEB

As an additional value to our readers, we use this icon to point out the useful resources we've gathered and made available at

## *Where to Go from Here*

This book doesn't need to be and isn't meant to be read from cover to cover. If you want to read it that way, then of course you may; however, if you only need specific pieces or solutions, then feel free to jump around and gather what you need to accomplish your goals. Just use the table of contents or index to find the topics that interest you and go from there. You can also refer to the Cheat Sheet at [www.dummies.com](http://www.dummies.com) for more helpful advice that you can refer whenever you need to. Start with your needs and interests.

That being said, oftentimes as a host you may not properly identify the source of a specific problem, which makes coming up with the right solution more difficult. If, for example, your property isn't generating the returns that you want it to, you may decide to first look at [Part 3](#) for optimizing your pricing strategy. You may find however that improving your listing photos or adding some much-needed amenities is what you actually needed to do in order to increase your performance. If so, check out [Part 2](#).

If at first you don't succeed, reassess, revisit, and rework your approach. Having things go exactly as you want them to go may not necessarily be easy; however, we can assure you that doing what it takes to get there will be worthwhile.



# Part 1

## Getting Started with Airbnb

## IN THIS PART ...

Understand the big picture view of the Airbnb, its place in the sharing economy, and why it's a great opportunity to earn extra income from your unused space.

Discover what you need to have and do before hosting so you can get the best possible start.

Ask yourself key questions before becoming a host to understand clearly whether hosting is right for you.

Know how to figure your profit potential on Airbnb and determine how much money you can make as a host.

## Chapter 1

# The Lowdown on Airbnb, Just the Basics

---

### IN THIS CHAPTER

- » Understanding what Airbnb is at its core
  - » Finding out why people love Airbnb
  - » Considering common hosting questions and misconceptions
- 

Airbnb is a home-sharing platform born in the early 2000s that now offers more listings than all the top five hotel brands in the world combined. It started out as two guys hosting friends and guests on an air mattress in a San Francisco living room. They didn't know at the time that they were starting a wave that would spread across the world, where people could open their homes and properties to travelers seeking a more personal stay. If you're reading this book (and clearly you are), more than likely you're interested in listing your property on Airbnb to meet interesting new people and make money at the same time.

If so, you've come to the right place. Consider this chapter your jumping-off point into the world of Airbnb hosting. Here we dive into the lowdown on Airbnb and share just what you need in order to understand how Airbnb works so you can start hosting.

## *Looking at the Big Picture*

Airbnb is a marketplace to connect people who are looking to stay at someone's property with someone who has said property and is looking to have people stay there. It's a community for both guests and host to connect with one another. Airbnb provides the front-end and back-end tools to easily and effectively connect the dots.

These sections clarify a few ideas behind Airbnb a bit more, including what a

sharing economy is, what short-term rentals are, and what you need to start hosting.

## ***The sharing economy — putting underutilized resources to use***

A *sharing economy* is defined as an economic system in which assets or services are shared between private individuals. This system can be free or require a fee and typically occurs over the Internet. These transactions are effectively consumer-to-consumer rather than the more traditional business-to-consumer. It's a whole economy run by consumers rather than big corporations.

In other words, individuals connect with one another to share (either for free or for a fee) different assets or services. Individuals typically already have these assets and services at their disposal.

### **PAVING THE WAY: THE ORIGINAL SHARING ECONOMY**

Although Uber and Airbnb were arguably the first companies to popularize the sharing economy, several other companies came before them in the sharing economy space.

In 2008, there was Taxi Magic. Taxi Magic was Uber before Uber was Uber. However where Uber gained widespread success and was adopted nearly worldwide, Taxi Magic was a failure.

Many other companies tried to make the sharing economy happen and operated in that space. Back before Uber and Airbnb became successful, the idea of getting into a stranger's car so he could drive you somewhere or staying in a stranger's house was crazy. It was a scary and ridiculous idea.

Today, you likely don't think twice about requesting an Uber and getting into a stranger's car. Most people are completely open to booking an Airbnb and staying with a stranger. Uber and Airbnb paved the way and normalized the idea of the sharing economy among the masses.

Examples of this sharing economy have become widespread today. Uber and its main competitor Lyft are prime examples. People take advantage of an asset they possess (their car) and a service they can offer (the driving of that car). One individual is providing that asset and service and another individual is benefitting. It exists entirely between two private individuals. Uber or Lyft provide the marketplace for those interactions and transactions.

Airbnb acts the same in bringing together homeownership individuals (or anyone with a spare space) with other individuals who are looking for that asset (an accommodation) and service (a night to stay and someone to host them).

Consider two strangers trying to find one another in the world and all the circumstances that would need to line up for them to successfully do that. Instead, Airbnb acts as the marketplace that allows these individuals to find and connect with one another. It makes facilitating that transaction quite easy.

## ***Understanding what short-term rentals are***

Airbnb is an online platform that allows hosts to make their space available to guests who are seeking short-term rental accommodations. *Short-term rentals* are accommodations that meet the following:

- » **Furnished:** The space must be furnished with the basics that guests would need and expect when staying overnight somewhere. Guests will need a place to sleep, not just a barren room. Refer to [Chapter 4](#) where we discuss what necessities to include.
- » **Transient occupancy:** Under most regulations a short-term rental is defined as a stay that lasts for less than 28 or 30 days. This definition may change slightly depending on the location, but essentially it's any stay that lasts for less than one month.

In other words, a short-term rental is when guests are staying for a short, fixed time period and for a specific purpose. They're visiting your city and want to stay at a property for a couple days or weeks to see the city, attend a conference or event, conduct business, or visit family and friends.

## ***Knowing what you need to host***

In order to host on Airbnb, you need the following:

- » **A space:** The first and most important aspect to hosting is having a space. This space can range from an air mattress in your living room to a tree house or an entire property. Essentially, it's anywhere someone can sleep that you can post on Airbnb. You need to be able to define your space so people don't come to your mattress expecting a castle. However, you can truly list any spare space on Airbnb. [Chapter 4](#) covers everything you

need to know about getting your space setup for Airbnb. [Chapter 5](#) discusses how to word your Airbnb listing so that guests arrive with the right expectations.

- » **A listing:** Before you can host, you need to create a listing for that space on Airbnb. This listing tells guest what to expect and highlights the space. [Chapter 5](#) gives you tips for making your listing stand out. In addition, your listing sets the rates so people can book the space for the time period they want and for a specific price. Just as important, your listing includes photos of your space. Including photos that capture the essence of your space is important. Check out [Chapter 6](#) for in-depth advice about what you need to do to ensure your photos stand out and get prospective guests' attention.
- » **The right tools:** Having the right tools make hosting on Airbnb much easier. In [Chapter 9](#) we discuss several different tools, both hardware and software, that will make tasks like messaging guests, pricing your listing, and checking guests into your space much less time consuming.
- » **The right methods and strategies:** You need an actual system that contains different methods and strategies to best perform as a host. With this base knowledge you continue discovering what hosting entails. Consider learning how to drive. In order to drive, you first need to have a car, but you also need to know how to drive that car. Similarly with Airbnb, if you have a space and a listing, you also need to know how to combine the two and make them work together. In other words, you need to know how to continually operate your listing to the best of your abilities with no issues. Throughout the rest of this book, our goal is to show you those strategies so that you can host successfully without needing to learn through trial and error.

## *Recognizing the Benefits of Airbnb as a Platform Compared to Its Competition*

Airbnb has several benefits compared to the many of the other short-term rental platforms. Keep these in mind if you're considering hosting on Airbnb:

- » **Airbnb is an established and recognized brand name.** When people think of vacation rentals or home sharing, it's usually synonymous with Airbnb. That means that millions of people go to Airbnb to book their stays. By listing on Airbnb you're getting exposure to the greatest number potential guests looking at your property.
- » **Airbnb protects you and your guests by offering a \$1 million insurance policy.** This means that any damage a guest causes in your space when booking through Airbnb should be covered up to \$1 million. In [Chapter 4](#) we discuss insurance in more detail.
- » **Airbnb's platform is user friendly.** The platform helps you organize and set up your listing for bookings with its easy-to-use profile and helpful back end that allows you to track all your important metrics. [Chapter 5](#) walks you through how to use Airbnb's platform to create the perfect listing.
- » **Airbnb has built-in communication and booking features that simplify communication and reservations between you as a host and all your potential guests.** Guests can both book and pay directly through the platform and Airbnb processes all payments and holds the security deposits. By releasing you from worrying about or tending to those responsibilities, you can focus on hosting.
- » **Airbnb has low fees for hosts.** Airbnb charges relatively low fees when compared to other similar platforms, and most of the fees are charged to guests. This means that most of what you charge to guests will end up in your pocket. We discuss how to set the right price for your listing in [Chapter 7](#).

## AIRBNB — THEN VERSUS NOW

In the early days of Airbnb the company hosted guests with air mattresses in apartment living rooms. Today, Airbnb has more than six million listings worldwide, ranging from luxury mansions to tree houses and apartment living rooms. The platform gained traction during the recession in 2009 with the company name coming from the idea of an "air bed and breakfast" — a play on the traditional bed and breakfast by including an air mattress.

Founders Brian Chesky, Joe Gebbia, and Nathan Blecharczyk rented out an air mattress set up in their living room for \$80 per night. They realized there was a need for affordable accommodations apart from hotels or budget motels. They also found that most people have extra space in their homes that could easily house a guest.

It was a need with a clear solution, and both groups stood to gain. The traveling guest would pay an affordable rate for a place that wasn't being utilized and the host could utilize and capitalize on that spare space while deriving an income from it.

- » **Airbnb allows for almost any type of listing.** Got a yurt in the backyard? A spare bedroom? An entire villa? Unlike a lot of other platforms, Airbnb allows you to list just about any space you have and not just an entire home or apartment. In [Chapter 4](#) we cover how to set your space up for Airbnb, and in [Chapter 16](#) we discuss nontraditional listings.
- » **Airbnb hosts look out for each other.** Whether through real life meetups or through online forums, Airbnb hosts from all around the world share their hosting triumphs and tribulations with each other. Complete strangers are eager to help new hosts troubleshoot and otherwise get them on better footing. By becoming an Airbnb host, you're joining a welcoming global community.

## *Answering Common Questions That You as a Potential Host May Have*

Whether you're curious about the types of guests and how to properly screen or have a fear of letting a stranger into your home, this section provides answers to your most pressing questions. Many now-passionate hosts at one point would have never considered renting out their personal apartments or vacation homes. Oftentimes after they realized how the Airbnb systems create a safe, enjoyable, and successful experience, they were eager to commit to and later enjoy hosting. As an aspiring host, you may have been wondering about a lot of the answers to these questions. Keep reading to see.

### *Why would I allow strangers into my house?*

The best reasons to let strangers into your house is that they're willing to pay to stay in your unused space and you can meet cool people:

- » **Generate additional income.** Making more money is the main reason most people start hosting. By taking a spare space in your home and offering it to your guests, you can bring in more money. Even better, the additional income you can make is disproportionate to the time you'll



spend on hosting responsibilities. You're leveraging a little of your time for tasks like cleaning or guest communication, but mainly you're leveraging an asset that otherwise is unutilized. In [Chapter 3](#) we show you how to determine your listing's profit potential.

## HOW AIRBNB ALMOST NEVER GOT OFF THE GROUND

When Airbnb began, it didn't immediately experience widespread acceptance because the idea seemed so crazy that nobody thought it would work. The concept of strangers staying in other strangers' homes was weird and scary. The founders didn't have a seamless launch; they were maxing out credit cards by the dozen to keep the idea afloat.

At one point, they had completely run out of cash and were desperate to sustain their company. They brainstormed some ideas to use at the 2008 Democratic National Convention to raise some funds for their scrappy start-up. They started packaging and selling "Obama O's" and "Cap'n McCain" cereal at the convention.

They'd run around to stores buying cereal, repackaging it in their own Obama O and Cap'n McCain containers and quickly selling it. The campaign went viral and gained more success than Airbnb at the time. The \$30,000 profit sustained them so that they didn't run out of money again before finding success.

While pitching Airbnb, the founders were laughed out of the room more than once. Today it's hard to believe that Airbnb was initially widely criticized and misunderstood.

» **Meet interesting people from all around the world.** By hosting strangers you can meet interesting people, many who are from a different background or walk of life. They're coming from a different part of the world and have their own set of experiences. You can share part of your neighborhood and world, offering them tips of what to see and do. You can even build long-lasting relationships. In [Chapter 11](#) we discuss what it means to be a great host, not the least of which is caring about the relationships you establish with each guest.

### *Is it safe to host on Airbnb?*

There are some common misconceptions about Airbnb, most prominently of which is the nightmare guest. Stories of nightmare guest experiences can be a huge deterrent to hosting guests in your space. However, these stories serve as the exception rather than the rule.

Many people have the idea that if they host on Airbnb their property will get absolutely trashed. They believe the guests will be awful and there's a huge risk of parties where people will burn your house to the ground.

However, that's the exception and an anomaly. Recently, Airbnb welcomed its 500 millionth guest. It's understandable that among half of one billion guests there would be some stays that didn't go as planned. Yet when you look at the percentage of terrible stays, they make up the tiniest of amounts. Barely a fraction of 1 percent of all stays result in any kind of major issue or damage — far from the norm. And, you can prevent these rare incidents from happening.

Airbnb has developed several safety features to ensure that hosting is safe and secure. Here are some of these features you can take:

- » **Hosts and guests never exchange money.** All money is exchanged directly through the platform. Because Airbnb acts as an intermediary, there's no way to get scammed as either a guest or a host.
- » **Hosts can see prospective guests' profiles and require that guests show a government-issued photo ID.** A government-issued photo ID can include a passport or a driver's license. Guests also can offer other verifications, such as a personal email address, a work email address, a phone number, a Facebook account, and a photo. You can reach out to guests who make reservations and ask questions such as who they are and why they're staying in your area. If guests haven't provided these verifications, you can ask them to do so, making it safer depending on your level of comfort.
- » **Hosts can set their own booking preferences.** As a host, you can set your own pricing and minimum stay requirements so that you attract the right types of guests into your space. We discuss this more in [Chapter 7](#).
- » **Hosts can make their own rules.** As a host, you can create House Rules that make it clear to guests what is and isn't allowed. In addition, you can set your own security deposit so that guests have a financial stake in following the rules. We cover House Rules and security deposit specifics in [Chapter 5](#).

## *Is my property suited for Airbnb?*

In general, the answer is overwhelmingly yes. You can list almost any property on Airbnb. Here are two considerations for listing your property on Airbnb:

- » **An accurate listing:** You need to make sure you're listing your space accurately on Airbnb. You don't want guests showing up to your air mattress when they were expecting a castle. You must start by setting up the expectation with an accurate description for your property.
- » **The bed and the space:** You must have something considered to be a bed and it must be in a private or common space. A private space can range from a private bedroom to an entire house or apartment. On the other hand, a common space can be any room in a space that is shared with other people. For example, the minimum listing is an air mattress in a common space, such as a living room. However, consider that how well the listing performs is up to you and up for question. Success varies wildly from place to place and depends on the guest you're trying to attract. You may want to add amenities to your property to make it better suited for success on Airbnb.

## *Is it legal to host?*

Legally hosting on Airbnb depends entirely on where you're hosting. Each municipality has its own set of regulations, so check with your jurisdiction to ensure you're compliant with the law. If it's legal to host, then an area typically has no regulations so you can do whatever you want. However, certain areas may make hosting on Airbnb outright illegal. Other jurisdictions have different criteria that make hosting legal as long as you follow certain requirements, such as the number of days per year you can host.



**TIP** Do your research for your specific municipality. The best place to start is to search online for “regulations on short-term rentals and Airbnb hosting” in your area.

## *Am I suited to host on Airbnb?*

If you're ready to take on the commitment and responsibility of hosting and you have the space for it, you're suited to host on Airbnb.

Go into this experience with your eyes wide open to the reality of hosting and welcoming guests into your home. Here are some important factors to consider:

- » **Your property cleaning and upkeep:** When your guests make a reservation to stay in your listing, they expect a clean and well-maintained property. [Chapter 14](#) discusses the importance of maintaining and cleaning your property.
- » **Your personal bandwidth:** Decide how much you're willing to communicate with guests and answer their questions. Guests expect you to answer their questions and be relatively quick to respond, so you need to be ready for that. Depending on your property, expectations may also be quite different. For instance, guests booking an air mattress for \$10 per night more than likely have much lower expectations than guests booking a private villa for \$800 per night. [Chapter 9](#) discusses a few ways to ease the burden of communicating with guests.
- » **Your lifestyle, including noise levels:** If you're hosting guests in the space where you live, consider how often you'll be around and available for guests. Also consider how much noise you typically make in your home. Guests expect at a minimum that you won't disturb their sleep, so if you plan on having friends over every weekend, you may need to reconsider. We discuss all the key elements to a perfect guest stay in [Chapters 11–13](#).

## *What if a guest gets hurt?*

If you provide a well-maintained property, the likelihood of your guests getting hurt is low. Nevertheless, you want to make sure you have the proper insurance to protect you whether a guest suffers an injury or your property is damaged. Airbnb's \$1 million liability insurance policy protects you as the host in the event of any damages or any issues.



**TIP** Don't depend solely on Airbnb's policy. Research Airbnb's liability insurance policy and find out what it does and doesn't cover. Speak with your local insurance agent and make sure you have all the protection you

need for your specific situation. We walk through the specifics on getting proper insurance in [Chapter 4](#).

## ***What is the difference between couch surfing and Airbnb?***

The main difference between Airbnb and couch surfing is money. On Airbnb you're charging money for your space while on the Couch Surfing platform, you aren't charging money. The adage "you get what you pay for" accurately explains the difference between the two.

Because the guest isn't paying for anything when couch surfing, the guest can't have any real expectations for the space the host has provided. The guest can't expect the space will be clean. The guest can't expect washed sheets or soap. Oftentimes the host has those things, but nothing is guaranteed. There's also no guarantee that the host will message the guest back on Couch Surfing because the platform runs that way. Airbnb is completely the opposite. A guest on Airbnb is looking for more stability, more guarantees, and an overall more organized experience. This guest is open to paying money to get those additional benefits.

Couch Surfing is for a specific type of host and guest. If you're a host who doesn't care about making money and wants the least amount of commitment while still meeting cool people, then Couch Surfing may work for you. If you're a host who wants additional income and desires more organization with your planning, then Airbnb is a better option.

## Chapter 2

# Hosting on Airbnb: What It Really Means

---

### IN THIS CHAPTER

- » Understanding the importance of a hosting mind-set
  - » Contemplating different factors before hosting on Airbnb
  - » Figuring out if you're ready to host
- 

Becoming an Airbnb host isn't for everyone, and even though you may want to start immediately, holding off for a bit may be in your best interest. Having the right type of hosting mind-set is important if you want to host successfully on Airbnb. In this chapter we walk you through some important things to consider prior to hosting and help you to determine whether or not you're currently ready to start hosting on Airbnb.

## *Having a Hospitality Mind-Set — What It Takes to Be a Host*

An Airbnb host and a landlord are two different positions. Many people think nothing will change when switching from acting as the landlord of a long-term rental property to the host of a short-term Airbnb rental. You may think that the only changes will concern money and overall operations. However, when you decide to host on Airbnb, you're signing up for a much different experience.

As an Airbnb host, you're inviting someone into your home and space. You're actually in the hospitality industry rather than the real estate industry. With this change comes a new way of thinking. After all, you're opening your home and welcoming guests into it. Hosting family or friends is a more similar experience to what hosting on Airbnb entails rather than renting a