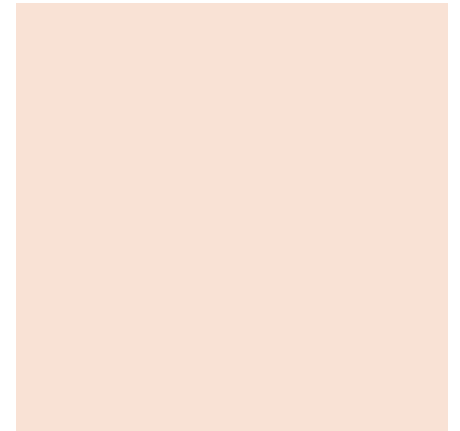


**Collaborative
economy**

**HOTREC
perspective**



ESSC, Prague, 22 November 2018

HOTREC at a glance

- **Umbrella Association of Hotels, Restaurants and Cafes in Europe**
- **44 National Associations, among which AHRCR**
- **30 European countries, including Czech Republic**
- **The voice of the hospitality industry at EU level**



Content

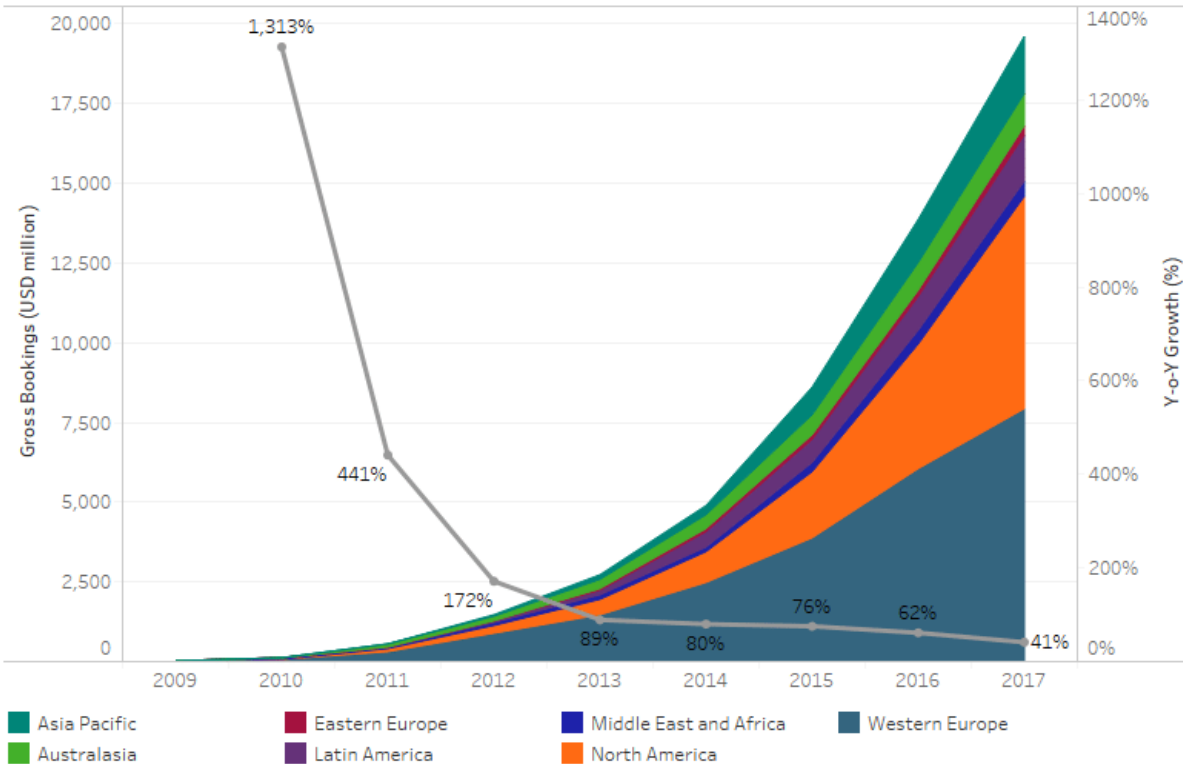
1. A few figures
2. EU COM action against Airbnb
3. Developments
4. Outlook



1. A few figures

Year over Year growth of the value of Airbnb's gross bookings has never been lower than +40%

Airbnb Estimated Gross Bookings by Region 2009-2017



Source: Euromonitor International

ESSC, Prague, 22 November 2018

1. A few figures

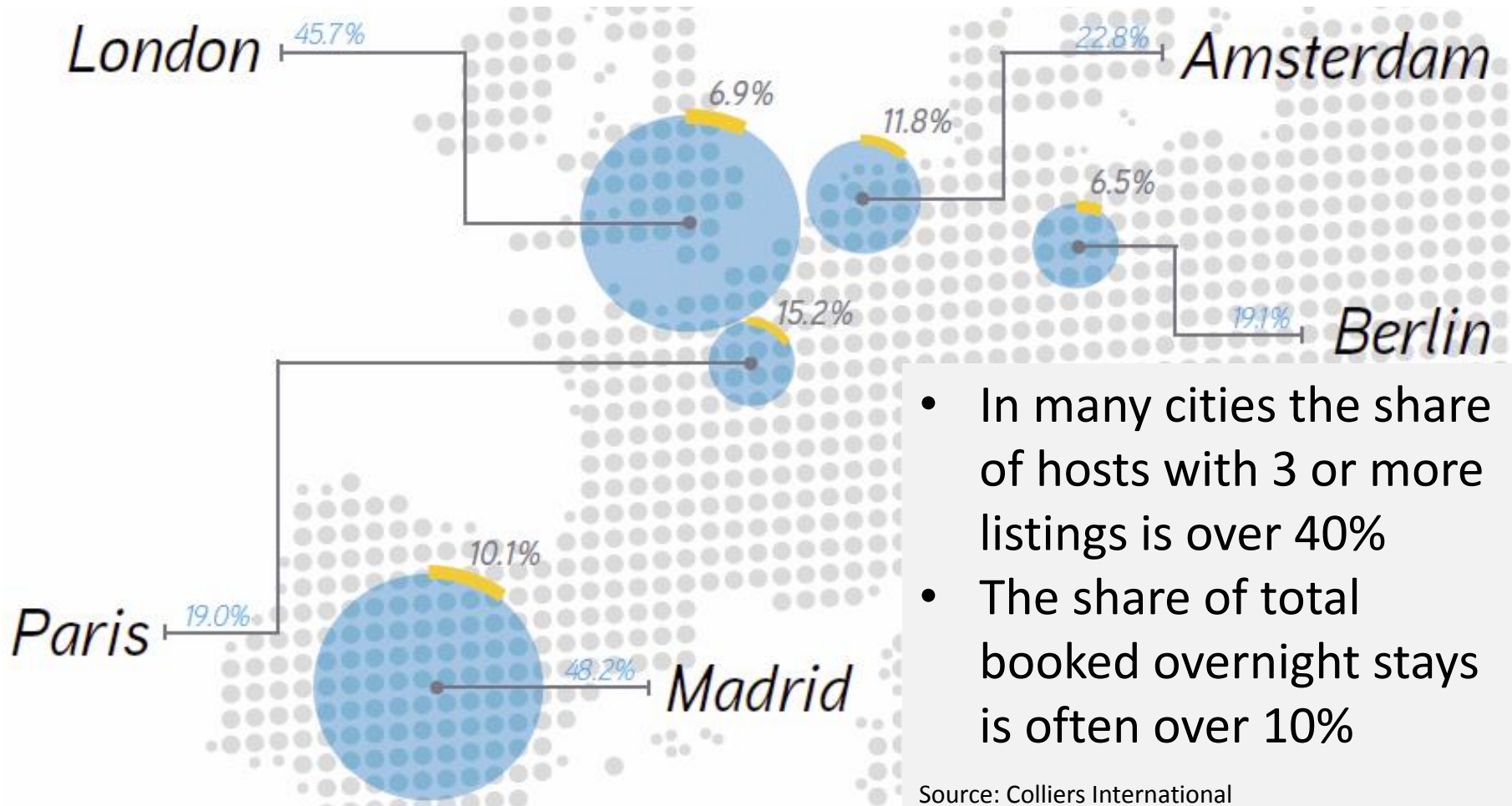
More Listings Than Top 5 Hotel Brands

AIRBNB BETTER ALIGNED WITH WHAT CONSUMERS ARE LOOKING FOR, PROVIDES MORE CHOICES



Source: Hotel News Now

1. A few figures



- In many cities the share of hosts with 3 or more listings is over 40%
- The share of total booked overnight stays is often over 10%

Source: Colliers International

○ % of hosts offering >3 Airbnbs
◌ Airbnb % share of total booked overnight stays per city*
*includes hotel and Airbnb accommodation

But, not only Airbnb!

- Booking.com
- TripAdvisor,
- Expedia,
- Etc.

Booking.com



are also offering hundreds of thousands
of apartments / holiday homes

Competition and market increasing!

Are statistics always reliable?

- European Holiday Home Association
 - 20 million beds claimed by the industry already in 2015 in for Europe
- Official statistics (Eurostat - 2017)
 - 7,9 million in short stay accommodation (excl. hotels, campsites, etc.)
 - 13,9 million beds in hotels and similar



Source: kdnuggets.com

2. EU COM action against Airbnb

Investigation by the CPC (Consumer Protection Cooperation):

- Detailed list and explanation of shortcomings
- Non-compliance with several EU legislation identified:
 - Unfair Commercial Practice Directive
 - Unfair Contract Terms Directive



Source: European Parliament

2. COM action against Airbnb

July 16: COM sets ultimatum to Airbnb

Unfair commercial practices:

- Pricing
- Identification of traders
- Dispute resolution

Unfair Contract Terms:

- Unilateral modification of contract
- Damage claims
- Waiver of host liability



Source: Opcao turismo

2. COM action against Airbnb

Pricing problems:

- Proper indication of additional charges and taxes as soon as possible
- Clear and prominent indication of possible additional charges

Airbnb committments:

- Present total price including extra fees, or
- Clear information that extra fees apply

The screenshot shows an Airbnb booking interface. At the top, the price is listed as '\$185 per night' with a 5-star rating and 286 reviews. Below this, the check-in and check-out dates are 02/01/2018 and 02/02/2018, and the number of guests is 1. A price breakdown table is shown below:

\$185 x 1 night	\$185
Cleaning fee ?	\$100
Service fee ?	\$38
Total	\$323

A red 'Book' button is visible at the bottom, with the text 'You won't be charged yet' underneath it. A blue line highlights the \$185 per night price and points to the total price of \$323.

Source: Airbnb Price Per Night Correcter

2. COM action against Airbnb

Identification of traders - problem:

- No distinction between trader and peer
- Unfair competition by not identified traders vs. regular businesses
- Consumers are misled and deceived

Airbnb commitments:

- Clear identification whether offer is made by a private or a professional

Similar rules to similar activities!



Source: [Independent](#)

2. COM action against Airbnb

Airbnb obligation:

- Finalise proposals to COM
Implementation in the EEA by end of
2018

If non-compliance:

- Consumer authorities may launch
enforcement measures



Source: newsvideo.su

3. Developments - Registration

- Registration of activity is already mandatory inter alia, at least partially in: Austria, Belgium, France, Germany, Greece, Spain, the Netherlands, etc.

- In preparation in several countries



3. Developments - Thresholds

Thresholds also applicable e.g. in:

- France: 120 days
- London: 90 days
- Amsterdam: 30 days



3. Developments – increasing fines

- France: Further enforcement measures including heavy penalties for both hosts and platforms
- Netherlands: Mandatory registration decided across the country, including heavy fines



Source: eskay-eskay.blogspot.com

3. Developments – STR sector commitments

- Exchange on statistics
- Sharing best practices
- Informing hosts on rules
- Tools to hosts help compliance with rules
- Tools to identify traders
- Take-off illegal listings
- Cooperation on tax compliance



European
Holiday Home
Association



ETTSA

EUROPEAN TECHNOLOGY & TRAVEL SERVICES ASSOCIATION

**Roadmap for the
short-term rental
sector**

**Towards a more
sustainable future**

4. Outlook for 2019 and beyond

- Implementation of Airbnb commitments
- Follow up by consumer authorities
- Further regulation at national/local level



**Thank you for
your kind attention !**

www.hotrec.eu

