



Airbnb & APEC

Closing tourism gaps with healthy travel





Overview

Airbnb's people-to-people platform enables places and populations that have not benefited from tourism in the past to benefit from rising interest in it now and going forward. Travel and tourism today account for 10 percent of global GDP and one in every 10 jobs.¹ With travel to advanced economies projected to grow at a pace of 2.2 percent per year, and travel to emerging economies projected to grow even faster at 4.4 percent per year,² Airbnb can drive both more individual economic empowerment and more widespread economic inclusiveness.

Airbnb offers more than 4 million listings in 191 countries around the world—more listings than the top five hotel chains combined have rooms, because we offer travelers the authenticity, affordability and amenities they are looking for. On our platform, hosts of Experiences, activities handcrafted by locals who share their passions and hobbies with guests, set their own excursion prices and keep 80 percent. After launching Experiences in 2016, Airbnb now offers 3,000 of them in cities around the world.

Home hosts set their own listing prices and keep up to 97 percent. Approximately three-quarters of our Homes are located beyond traditional hotel and tourist districts, and up to 50 percent of guests' spending occurs in the neighborhoods in which they stay. At Airbnb, we believe

that through authentic, affordable people-to-people travel, anyone can belong anywhere, and everyone can win.

Among the Asian member economies of Asia-Pacific Economic Cooperation (APEC) in particular, increasing global inbound, intra-APEC, and domestic tourism has long been a top organizational priority for driving sustainable, inclusive growth.³ Many APEC member economies face wide disparities between their levels of outbound and inbound tourism, and closing these gaps has become a shared goal: APEC has set a target of bringing 800 million inbound international tourist arrivals to its member economies by 2025.⁴

At Airbnb, we are committed to helping APEC meet this goal and close its outbound-over-inbound "tourism gap" through healthy travel—authentic, affordable experiences that distribute the economic benefits to more people and more places, and that occur through use of the existing resources of people and their homes. Around the world and in some APEC member economies, Airbnb Experiences, destination marketing partnerships, support for major events, and research and tax agreements already are providing governments with strategies and tools to boost inbound travel and ensure that more people benefit.

¹ World Travel & Tourism Council.

² UNWTO.

³ This report includes Airbnb data for all 21 APEC member economies: Australia, Brunei, Canada, Chile, China, Chinese Taipei, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, The Philippines, Russia, Singapore, South Korea, Thailand, the US and Vietnam. However, individual write-ups are not included for the countries of Brunei, Papua New Guinea, the Philippines and Russia due to the very small size of their Airbnb communities.

⁴ APEC, June 17, 2017.

Airbnb also shares APEC's support for the UN's Sustainable Development Goal to promote sustainable, inclusive economic growth, full and productive employment and decent work for all, and we are proud sponsors of the UN's year-long campaign to help accomplish this through tourism. Within APEC, we are making real progress:

55 million

Inbound guest arrivals

\$28 billion

Economic output supported by Airbnb across 116 APEC cities in 2016

About \$8 billion

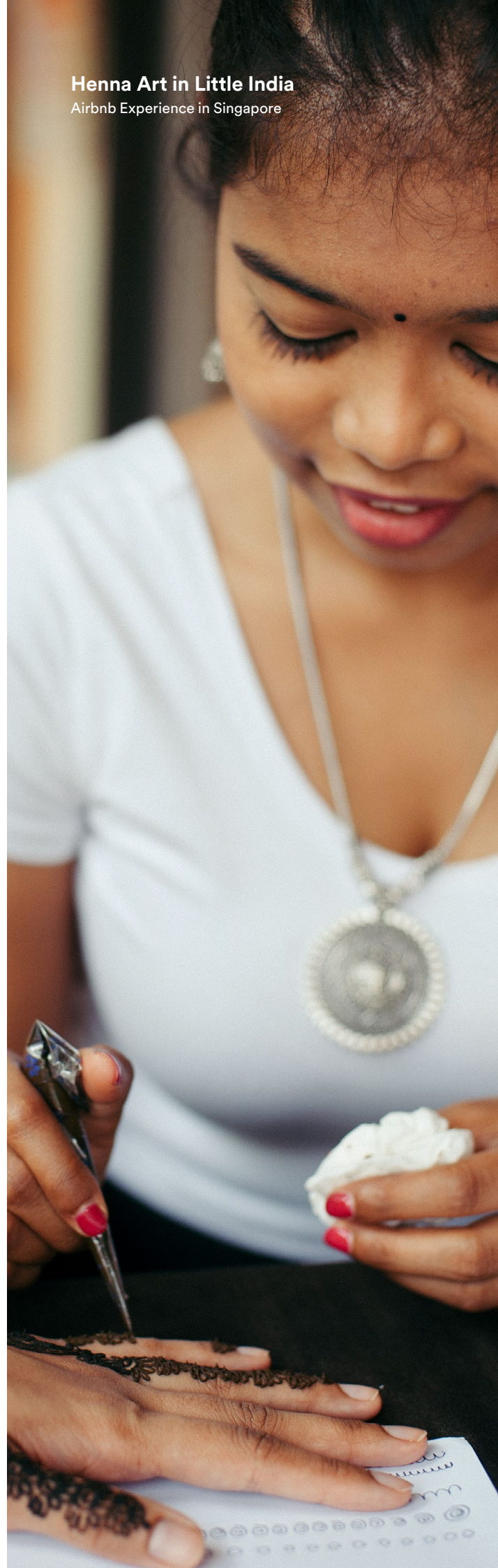
Airbnb host income in APEC member economies within the past year

APEC member economies that have seen at least 100-percent year-over-year growth in inbound guest arrivals on Airbnb include: Korea (104 percent), Papua New Guinea (110 percent), the Philippines (133 percent), 2017 APEC Leaders' Summit host Vietnam (154 percent), Brunei (170 percent), Mexico (175 percent), Malaysia (179 percent), 2019 APEC Leaders' Summit host Chile (195 percent), and China (268 percent).

Across the most traveled corridors on Airbnb for each of the 21 member economies, the US—specifically, New York City—is by far the most common destination among the 21 routes, as the most popular destination on Airbnb for six other APEC economies. However, Osaka, Singapore and Tokyo are also the most popular APEC destinations on Airbnb for three other economies.

Henna Art in Little India

Airbnb Experience in Singapore



Global inbound

Looking more closely at individual APEC member economies, a comparison of Airbnb guest arrivals in 2016 to overall Euromonitor-calculated arrivals that year shows Airbnb already accounting for significant percentages of international arrivals in a number of APEC economies. In terms of international travelers in 2016, Airbnb accounted for at least 5 percent of all arrivals at six APEC member economies:

5%

US

6%

Canada

8%

Chinese Taipei

11%

Australia

14%

New Zealand

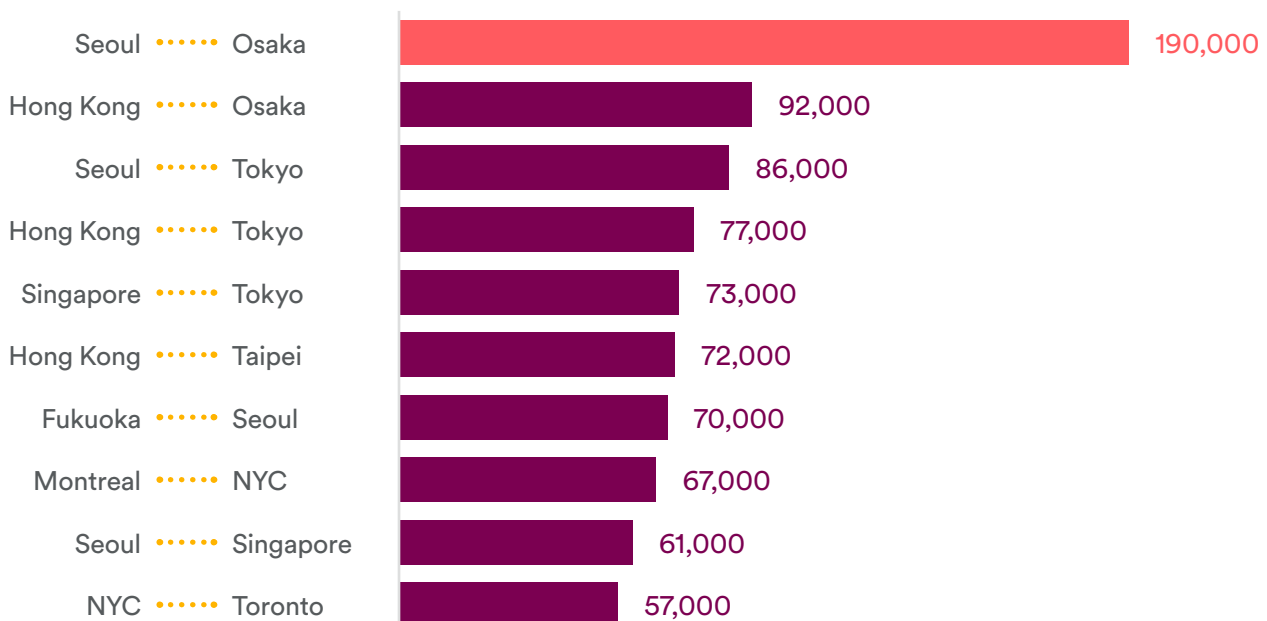
15%

Japan

Intra-APEC

Looking at the most popular travel routes between APEC member economies spotlights how Airbnb is facilitating travel amongst the organization's Asia cohort. For example, the five most-traveled intra-APEC routes on Airbnb all include Japanese destinations, while Seoul figures in four of the top 10 and Hong Kong in three.

Top 10 Airbnb international travel corridors including APEC member economies:⁵



⁵ Airbnb data, all trips since our founding in 2008.

Supporting local economies

Airbnb is growing the hospitality and travel sectors of the economy. Our guest surveys regularly find that without Airbnb, many would cut their travel short or would not travel at all. And by giving millions of guests the chance to experience communities and cultures they might miss by staying in a hotel, Airbnb disproportionately brings economics to neighborhoods that have not typically benefited from tourism. This increase and broader distribution of economic activity has the effect of supporting local jobs. According to a third-party study conducted with Airbnb data, the Airbnb community supported about 730,000 jobs globally in 2016.



369,300

Jobs supported by Airbnb across 116 APEC cities in 2016⁶

About three-quarters of Airbnb listings are located beyond traditional tourist neighborhoods. When travelers live like locals, as Airbnb helps them do, they bring economic benefits to communities typically ignored by the hospitality industry. These gains extend beyond Airbnb hosts to shops and restaurants in the neighborhoods guests visit, generating economic activity for local businesses and supporting local jobs.

\$1 billion

Spent by Airbnb guests at restaurants in five APEC markets in the past year⁷

No businesses benefit more than restaurants. From September 2016 through September 2017, Airbnb guests spent an estimated \$6.5 billion in restaurants in 44 cities around the world, including \$1 billion in just five APEC markets: Hong Kong (\$61 million), Osaka (\$340 million), Singapore (\$66 million), Sydney (\$115 million) and Tokyo (\$468 million).

Home sharing itself and the economic benefits it brings to hosts, guests and locals alike, while our core offering, is just one of the many strategies we can offer to local governments aspiring to increase and better leverage inbound tourism. We welcome conversations with APEC's member economies about how we can apply these strategies and tailor their implementation to help officials achieve these aims.

⁶ NERA Economic Consulting, March 2017.

⁷ Airbnb: Generating \$6.5 billion for restaurants around the world, September 2017.

Airbnb and big events

Airbnb provides local governments with a way to take better economic advantage of one-off spikes in visitors for major events by using existing resources: hosts and their homes. Net benefits include reducing the amount of materials used in construction, their associated emissions, and the ongoing burdens of permanent structures which often become underutilized once an event is over. As the UNWTO observes in a recent report, “With such expansion comes the challenge of meeting changing traveler demands in effective and sustainable ways.”⁸

Since our founding in 2008, Airbnb has worked with local policymakers and event organizers to help cities scale up accommodations for the FIFA World Cup, Pope Francis’ visit to Philadelphia in 2015, and the 2016 Summer Games in Rio de Janeiro, among countless other events.

Airbnb European hosts regularly show their ability to mobilize quickly in order to accommodate extra visitors during culturally important events. During the 2016 European football championship in France, which took place over a month’s time across 10 different cities, the Airbnb community accommodated 340,000 visitors. In the city of Marseille alone, where six games (including two playoff games) occurred, 57,000 guests stayed at Airbnb listings during the matches.

The 2016 Summer Games in Rio de Janeiro marked the first time Airbnb officially brought home sharing to the world’s greatest sporting event as the “official alternative accommodations supplier.” A study by the World Economic Forum and the Massachusetts Institute of Technology, using Airbnb data, showed that over the course of the Rio Games, 48,000 Airbnb listings housed 85,000 of the city’s estimated 500,000 visitors. Many of these listings were created in the run-up to the Games.

Airbnb is excited to be partnering with Korea’s Gangwon Province to boost tourism as the state prepares for the upcoming Games in PyeongChang. Already, since formalizing our agreement with Gangwon-do in January 2017, the growing Airbnb host community in the province has welcomed nearly 70,000 guests.

⁸ UNWTO/GTERC, *Asia Tourism Trends*, 2017 Edition.

49%

Percentage of US hosts who hosted guests for the first time during the solar eclipse⁹

In August 2017, Airbnb was able to offer unique housing opportunities for tens of thousands of people from across the globe who traveled to the US to see the once-in-a-lifetime total solar eclipse. Travelers flocked to cities and towns within the 70 mile-wide “path of totality.” More than 52,000 guests used Airbnb in order to catch the event, bringing hosts about \$11 million in extra income.

⁹ Airbnb, August 21, 2017.



257

Number of hotels Rio would have had to build to accommodate the number of Games attendees who instead used Airbnb¹⁰

¹⁰ World Economic Forum, *Understanding the Sharing Economy*, 2016.



Vietnam

181%

Year-over-year
growth in hosts

154%

Year-over-year growth
in guest arrivals



It was in Vietnam, in June 2017, that APEC tourism ministers and senior representatives met to discuss "promoting sustainable tourism for an inclusive and interconnected Asia-Pacific." Recognized by the UNWTO as a top performer in increased inbound tourist arrivals,¹¹ as APEC's 2017 host, Vietnam encapsulates the organization's overall mission of increasing and diversifying inbound tourism.

Yet Vietnam has an added challenge in that while tourism is increasingly important to its economy, the country's destination marketing budget remains quite small compared to the budgets of its neighbors. Through Airbnb's platform, we can help elevate Vietnam's profile for a global audience and provide authentic experiences that draw international guests.

The Airbnb Homes community in Vietnam is small but growing quickly. Our host community has shown year-over-year growth of 181 percent; year-over-year

growth in listings has been 143 percent. This growth in our host community has supported growth in international guest arrivals of 154 percent. Median income for Vietnamese hosts in the past year is \$1,000, with total host earnings of \$16.3 million.

Airbnb Experiences, activities designed by Airbnb hosts to give guests the chance to immerse themselves in local culture, are now live in Vietnam. Among the 13 Experiences offered today, travelers can learn to cook Vietnamese food, sample Vietnamese tea and gain insight into the role tea plays in the country's history and culture, and learn about Vietnamese ceramics and make their own. Combined with Airbnb Homes, Experiences provide cities and countries with a strategy to draw tourists to previously undiscovered areas by offering them not only places to stay but things to do, helping to spread the benefits of tourism to people and places that have not benefited from tourism before.

Australia

11%

of all 2016 international
inbound travelers arrived
through Airbnb

\$628.3M

Host earnings
in the past year



Tourism's significance to the Australian economy continues to rise: The sector is growing at three times the rate of the rest of the economy, directly contributes more than \$52.9 billion to the country's GDP, and employs one in 20 Australians.¹²

Airbnb in particular is an increasingly significant contributor to the local tourism industry. Eleven percent of all international travelers arriving in Australia in the past year have done so through Airbnb, triggering a jobs boom. Deloitte Access Economics found that Airbnb contributed \$1.6 billion to Australia's GDP and supported more than 14,000 local jobs from 2015 to 2016. The report also found that Airbnb guests spent more than \$2 billion, including more than \$550 million in local restaurants and cafes.¹³

In the face of Australia's slow-growing wages and high cost of living, Airbnb also is providing critical extra income for hosts. Median host income over the past year was \$4,400 and total host earnings were

\$628.3 million. Importantly, while Sydney continues to be one of Airbnb's largest markets anywhere, the Australian countryside is now home to roughly half of our community overall. Without the cost or delay of having to build any new infrastructure or attractions, Airbnb is making it easier and more affordable for tourists to explore regional communities, a priority for the Commonwealth Government, whose latest survey finds that regional Australia has seen a 29 percent increase in international tourist arrivals and spending over the past three years.

Beyond the immediate economic benefits of home sharing across the country, Airbnb is helping Australia future-proof its tourism industry, positioning the country to benefit from growing interest in travel, and providing millennials around the world with an affordable, authentic way to do so. Our work with local communities and governments also is helping to weave together a fair, modern framework for short-term rentals that will ensure Australian tourism continues to grow.

¹² Australian Bureau of Statistics, *Tourism Satellite Accounts 2015-16*.

¹³ Deloitte Access Economics, *Economic effects of Airbnb in Australia, South Australia, 2017*.

Canada

4.2M

Inbound guest arrivals
in the past year

\$536M

Host earnings
in the past year



Airbnb is helping the world's second largest country¹⁴ welcome more travelers and use travel to diversify and stabilize economic opportunity, particularly in Canada's vast rural areas that otherwise depend mainly upon agriculture and mining. The average age of Airbnb's rural Canadian hosts is 48 and most rural hosts are women. Nationwide, Canadian host earnings for the past year totaled \$536 million; median host income was \$3,500 annually.

Airbnb likewise is helping more travelers experience what can be an expensive country to tour due to its size. The platform accounted for 6 percent of all international inbound guests to Canada in 2016, a percentage only exceeded among APEC member economies by Chinese Taipei, Australia, New Zealand and Japan. As the destination for 4.2 million guest arrivals in the past year, Canada ranks third among APEC economies after the US and Japan.

Airbnb is not only helping Canadians welcome more travelers from abroad—we help strengthen domestic

travel by offering a more diverse range of price points and locations than the traditional hospitality industry. For the annual Canada Day celebration in the nation's capital of Ottawa in 2017, nearly 6,000 guests were projected to arrive at Airbnb listings, an increase of 130 percent over Canada Day 2016, with 2017 guests yielding \$1.13 million in host income, an increase of 145 percent over 2016. Celebrants who traveled on Airbnb this year hailed from across the country and paid a typical nightly price of \$93.

Airbnb is gratified to have recently signed a tax agreement with the province of Quebec, our first such agreement in the country, whereby we are proactively collecting and remitting Quebec's lodging tax on behalf of Airbnb hosts. The revenue represents a new funding stream for the Quebecois government collected at no cost to them, a significant development given the importance of Montreal as one end of the highly popular Airbnb travel corridor between Canada and the US (New York City being the other).

¹⁴ By land mass.

Chile

195%

Year-over-year growth in guest arrivals

147%

Year-over-year growth in hosts



Airbnb was pleased to partner with Chile on our first agreement in South America to support study of the impacts of the collaborative economy. Together with Chile's National Productivity Commission (CNP), we will examine the effect of current regulations on the growth of the collaborative economy and develop proposals that enable platforms such as ours to further boost economic opportunity across Chile.

According to a poll we commissioned last year, 77 percent of Chilean adults believe Airbnb is helping people by providing extra income for hosts and more affordable options for travelers. In the past year, guest arrivals in Chile on Airbnb have grown by 195 percent, the second-highest rate of growth of any APEC member

country after China. The average trip length of 4.3 nights is the longest of any APEC member economy.

Also in the past year, the Airbnb host community in Chile has grown by 147 percent. Median host income was \$1,700, with total host earnings of \$41.4 million. Roughly half of Airbnb hosts in Chile tell us they use the extra income to stay in their homes and pay their household bills; about one in 10 hosts reinvests the income in improving their home.

We look forward to showcasing our further progress in helping Chile expand and diversify its tourism base when it hosts APEC in 2019.

Miyoko Kanai

Host in Japan and guest from Mexico

Miyoko is a 68 year-old superhost in Tokyo. She is a Japanese traditional texture artist and loves creating all sorts of things. In addition to hosting, she teaches kimono wearing, Japanese cuisine, traditional tea ceremony, and the Japanese language, among providing other experiences for her guests.

A female solo traveller from Mexico stayed at Miyoko's home for 30 days. Since childhood, the guest was deeply interested in Eastern culture, particularly Japanese culture, and always wanted to visit and live like a local in Japan. Her first 15 days with Miyoko were spent truly living like a local: she slept well, read books at home, took long walks to the river, mastered green tea making, learned Japanese, and shared laughs, cooked, and ate many meals with Miyoko. During her last 15 days, she visited several shrines in and around Tokyo.

Miyoko recalls that her guest, during check-out, told her that she strongly felt that she had dived into Japan culture within 30 days time because Airbnb enabled her to meet a real local like Miyoko and gain a genuine appreciation for Japanese culture.



China

268%

Year-over-year growth in guest arrivals

8.6M

Outbound guest arrivals since 2008



China's recent embrace of both international tourism and the sharing economy make hosting an exceptionally promising economic opportunity for its people. China already is the world's most dynamic country for travel. While travel has been mainly domestic, China's growing cohort of middle-income families¹⁵ and 400 million millennials are starting to drive a historic outbound tourism boom. Indeed, China recently passed the US and Germany as the largest outbound market, with its APEC neighbors well positioned to benefit.

All told, China is Airbnb's fastest growing domestic market ever as well as our second fastest growing outbound travel market ever. Overall, 9 million outbound Chinese guests have arrived at Airbnb listings around the world since our founding in 2008. Today, 80 percent of our user base in China is under age 35, and 62 percent of all outbound Chinese tourists will be age 15-34 by 2019. Our outbound Chinese travelers also include an increasing number of families who appreciate the child-friendly amenities that many Airbnb listings provide and most hotels do not.¹⁶

China has a unique predilection toward sharing, and hosting is one logical solution for the country's 70 million otherwise empty homes.¹⁷ A recent survey¹⁸ shows that 94 percent of Chinese adults would be happy to use products or services shared by others. According to the

China Sharing Economy Report 2017, China's sharing economy is projected to account for more than 10 percent of the country's GDP by 2020 and as much as 20 percent by 2025.¹⁹

Airbnb has been a proud supporter of that report and other efforts to study the growth and economic promise of the sharing economy in China, including through our partnerships with a number of prominent universities. We also have partnered with leaders in the cities of Chengdu, Chongqing, Shanghai, Shenzhen, and Guangzhou, and recently launched an initiative to promote rural tourism in Guilin. In meeting recently with the China National Tourism Administration, we discussed ways we can further support inclusive tourism in China. Just prior to the release of this report, we announced that Airbnb Co-Founder and Chief Strategy Officer Nathan Blecharczyk is taking the role of Chairman of Airbnb China.

From October 2016 through September 2017, 2.5 million inbound guests have arrived at Airbnb listings in China, with inbound year-over-year growth of 268 percent. While we are just getting started in a number of Chinese destinations, nevertheless, it is striking that the cities of Hangzhou, Chongqing and Wuhan showed the highest levels of year-over-year growth in guest arrivals of any destinations anywhere around the world for Airbnb.

¹⁵ *China Daily*, October 2, 2017.

¹⁶ *Airbnb Chinese Family Travel Report*, September 2017.

¹⁷ *Airbnb and China Tourism Academy, Trend Report on China Home Sharing Consumption 2017*.

¹⁸ *Forbes*, May 31, 2017.

¹⁹ *China Sharing Economy Report 2017*.

Chinese Taipei

8%

of all 2016 international inbound travelers arrived through Airbnb

\$67.8M

Host earnings over the past year



Tourism has been a top priority for Chinese Taipei for the past decade, during which total inbound guests have tripled from 3.5 million in 2006 to 10.7 million in 2016. While the primary driver has been visitors from mainland China, Chinese Taipei also has seen robust growth in guest arrivals from Korea, Hong Kong, Macau, Malaysia and Singapore.²⁰ To further diversify tourist arrivals, the government has loosened visa requirements for some ASEAN, Latin American and Caribbean countries.

While total number of tourists from mainland China began to decrease in 2016 and the trend continues in 2017, Airbnb is seeing healthy growth for Chinese Taipei in guest arrivals from mainland China, where our platform appeals to millennials and families with growing disposable income. Beyond Asia, popular points of origin for Airbnb guests in Chinese Taipei include the US and Australia. In 2016, Airbnb accounted for 8 percent of all international tourist arrivals here.

To help spread the benefits of tourism more broadly, Airbnb is working with local officials to transform Chinese Taipei's eastern coast into an international tourism destination and provide more economic opportunity for locals, especially young people. Beyond Chinese Taipei's cities in less urban areas, the average age of Airbnb hosts is a comparably young 38. The Chairman of the Travel Association of Hualien, one of two coastal communities on which we are focusing our efforts, recently commended our efforts to drive travel there: "The majority of online travel agencies usually asked (sic) hotels and minsu in Hualien to lower the price or inform minsu they are going to increase commission. Airbnb is totally different and has a vision."²¹

Across Chinese Taipei, median income for Airbnb hosts over the past year was \$1,900; hosts altogether earned \$67.8 million through the platform. In Taipei, Airbnb supported an estimated 4,600 jobs and an economic impact of \$330 million in 2016.

²⁰ Taiwan Tourism Bureau.

²¹ www.ksnews.com, October 4, 2016.

Hong Kong (HKSAR)

\$61M

spent by guests
on restaurants
in the past year

\$49.9M

Host earnings
in the past year



Diversifying its inbound tourism base beyond Asia is a top priority for Hong Kong's government. Among its leading sources of inbound guests, the US tends to be the only one outside the region, and the territory is particularly vulnerable to slowdowns in visitors from mainland China, as it has now seen for two consecutive years.²² To achieve its goal of more broad-based guest arrivals, Hong Kong officials have laid out strategies including greater development of cultural tourism, creative tourism and environmentally sustainable and eco-tourism, along with investment in "smart tourism" through better deployment of WiFi and smart technology.²³

Airbnb is well positioned to support the government in achieving these goals. Whereas hotels are concentrated in highly touristed areas, roughly three-quarters of Airbnb listings tend to be located beyond traditional tourist districts in parts of cities that are home to smaller

cultural institutions and art galleries. Local restaurants also benefit from more distributed guest traffic, and Hong Kong restaurants overall have seen year-over-year growth in Airbnb guest spending of \$22 million, from \$39 million to \$61 million.²⁴

A strong majority of Airbnb guests—72 percent—also say the environmental benefits of home sharing were important in their choice of Airbnb. Airbnb listings typically offer a wider array of amenities than standard hotel rooms provide, at least at no charge, often including WiFi and smart-home technologies. (Our research shows that the range of amenities also appeals strongly to traveling Chinese families.)

Median Airbnb host income in Hong Kong for the past year was \$3,500, with total host earnings of just under \$50 million.

²² Hong Kong Tourism Board, 2016.

²³ Chief Executive Carrie Lam, 2017 policy address.

²⁴ Airbnb: Generating \$6.5 billion for restaurants around the world, September 2017.

Indonesia

48,100

Jobs supported in 2016*

**Across three destinations*

\$84.6M

Host earnings
in the past year



While Bali is a popular destination for travelers from all over the world, Indonesia's government has set a goal of diversifying inbound tourists' destinations beyond Bali as it aims to attract 20 million travelers annually by 2019. A recent dip in bookings to Bali due to the Mount Agung volcano raises the stakes for increasing global awareness of other Indonesian destinations.²⁵

Airbnb has worked with local governments, tourism bureaus and destination marketing agencies around the

world to help places spread the economic returns and other benefits of tourism well beyond the popular tourist spots, and we look forward to working with Indonesian officials to scale up Airbnb offerings beyond Bali to help achieve these aims. Already, Airbnb supported an estimated 48,100 jobs across three Indonesian destinations in 2016—the highest number of jobs supported in any APEC member country except for the US. In the past year, a typical host in Indonesia earned \$2,100, with total host earnings of \$84.6 million.

Lulu

Host in Chinese Taipei and guest from mainland China

Lulu is a superhost based in Jiaoshi New Village. She lives near Fung Jia night market, a popular tourist destination, particularly among guests from Hong Kong and mainland China. Jiaoshi New Village is home to several school teachers and administrators, and her husband's father was a school principal there.

Lulu opened a cafe in Taipei before moving to Taichung with her husband and listing her cabin on Airbnb. After opening up her home, she hosted a family from Beijing that came to Chinese Taipei over the Chinese New Year in order to find a lost relative. One of the family guests, an 80 year-old grandmother, told Lulu the backstory: "... I lost connection with my cousin, over 10 years ago. I don't know whether he is still alive or dead. Here is his phone number, would you mind helping me find him? I don't expect I can find him, but I still want to try before I go back."

Lulu knew this was important to the family, and successfully contacted him, explaining why she called. After the call, Lulu immediately arranged for a car rental, so the family could see their 90 year-old relative for the first time in over a decade. Describing why she did it, Lulu said, "I feel like this is a really beautiful moment to make [the grandmother's] dream come true. If she didn't meet him, they might never be able to see each other again due to their age. Hosting people means connecting all the touching moments for me."



Japan

15%

of all 2016 international inbound travelers arrived through Airbnb

46,200

Jobs supported in 2016*

*Across five major cities



Japan aspires to welcome 40 million inbound travelers per year by 2020, a significant increase from the 24 million it welcomed in 2016. For a country facing the prospect of 20 million empty homes within two decades,²⁶ home sharing and short-term rentals can provide critical support in scaling and diversifying Japan's available accommodations to meet tourists' varying needs. Already, the five most-traveled intra-APEC routes on Airbnb all include Japanese destinations, but there is more we can do to help the country fulfill its tourism goals, including its goal of using tourism to revitalize areas beyond Japan's cities.

Airbnb already accounted for 15 percent of all international tourist arrivals to Japan in 2016 before the Japanese Diet, in early 2017, cleared a path for us to work locally with prefectures and cities to establish fair, clear rules for home sharing. This new law will let the short-term rental industry flourish across Japan, continuing the country's progress in turning around its tourism deficit,²⁷ and will enable us to officially introduce healthy tourism that benefits hosts, guests and local communities alike. In the past year, 5.4 million inbound guests arrived at Airbnb listings across all 47 prefectures.

Median host income was \$9,900, and total host earnings were more than half a billion dollars: \$556.3 million. Also in the past year, Airbnb guests spent \$808 million in restaurants in just two Japanese cities: Osaka (\$340 million) and Tokyo (\$468 million). Across five of Japan's major cities, we supported an estimated 46,200 jobs last year.

Japan is home to some of our most innovative partnerships to help revitalize areas beyond cities. We currently are helping the former industrial hub of Kamaishi City recover from the devastation wrought by the Great East Japan Earthquake of 2011. This work has included introducing prospective local hosts to experienced hosts from other prefectures to learn about best practices, especially for home sharing on farms. We are now helping Kamaishi scale up its accommodations for the 2019 Rugby World Cup.

Another Airbnb effort to support revitalization of Japan's countryside, our Yoshino Cedar House was constructed in collaboration with respected architect Go Hasegawa and is managed by the Yoshino community, with proceeds supporting the community.

26 Bloomberg, September 20, 2015.

27 Financial Times, May 11, 2017.

Korea

70,000

Guests welcomed by
Gangwon-do hosts in 2017*

*Location of the 2018 Winter Games

\$108M

Host earnings in Korea
in the past year



While Seoul continues to be a leading destination for travelers on Airbnb, as it is for the entire hospitality sector, Airbnb's growing framework of agreements in Korea demonstrate the breadth of ways in which we can help local governments cultivate diversified, sustainable tourism.

Our agreement with Gangwon-do commits us to helping the province scale up its available accommodations, including accommodations outside its cities in more rural areas, as officials prepare to host the PyeongChang 2018 Winter Games. Since formalizing our agreement with Gangwon-do in January 2017, more than 800 hosts at 1,800 listings have welcomed nearly 70,000 guests. The partnership is the latest of many collaborations between Airbnb and local governments facing the prospect of hosting major events for which they don't have enough places for visitors to stay. Local officials have said they expect 400,000 foreign visitors to attend the 2018 Winter Games.

The agreement builds off our previous work with Chungcheongnam-do to scale up accommodations

for Korea's 97th National Sports Festival, a partnership which included cultivating new hosts in the countryside and promoting the local culture. For that work, Airbnb became the first non-Korean company to receive the Chungnam Governor's Award for Appreciation and Excellence in early 2017.

Other Airbnb partnerships to help Korean officials diversify tourism beyond the country's metropolitan areas include our work with the state Chamber of Commerce and Ministry of Agriculture, which oversees non-urban home sharing and bed-and-breakfasts, to generally increase hospitality options and revitalize the rural economy.

Within Korea's major metropolitan areas, Airbnb had an economic impact of \$550 million in 2016 and supported an estimated 8,700 local jobs. Median Airbnb host income in Korea was \$3,300 over the past year. Altogether, hosts in Korea earned \$108.1 million during that time, and year-over-year guest arrivals grew by 104 percent.

Malaysia

179%

Year-over-year growth
in guest arrivals

4,300

Jobs supported in
Kuala Lumpur in 2016



Malaysia is the third most popular destination in Asia,²⁸ and Airbnb is already helping the government spread the economic benefits of tourism beyond the popular destinations of Kuala Lumpur and Penang. While our communities in places such as Lamut, Cameron Highlands, Ipoh and Port Dickson remain small, they are growing exponentially year over year.

Within Kuala Lumpur, Airbnb also is encouraging tourism beyond the hotel districts. Newly popular neighborhoods for Airbnb guests include Brickfields and Taman Desa. In

2016, Airbnb supported an estimated 4,300 jobs in Kuala Lumpur and had an economic impact of \$150 million.

Over the past year, Airbnb's host community in Malaysia has grown by 109 percent while inbound guest arrivals have grown by 179 percent. Median host income was \$1,200 with total host earnings of \$42 million. Malaysia recently enacted a tourism tax, and we appreciate the progress we are making with national tax officials toward collecting and remitting the tax on our hosts' behalf.

Myunghee Kim

Host in Korea and guest from China

Myunghee has a natural inclination for kids. She was a teacher until she moved to Gangneung, Korea because of her husband's work. After moving to Gangneung, she realized she missed her students and meeting new people, so she and her husband decided to start hosting on Airbnb to provide a place for guests from all over the world to rest.

She has wonderful memories of her guests, but there was one guest she particularly remembers: Syao Dan from China. In the summer of 2016, Syao Dan came to her house with her 4 year-old daughter. When they arrived, communication was a bit difficult because the guests did not speak any English. After the guests came back from the beach on the first day, Syao Dan messaged the host that she needed her help.

Having felt the urgency of the message, she went to their room and found out that Syao Dan's daughter was feeling very sick. To alleviate her fever, Myunghee brought towels soaked in cold water and made Jook (Korean porridge soup) for the child—a traditional cure in Korea. Syao Dan appreciated the host's warm hospitality and for the remaining days, the mother and child went downstairs to Myunghee's residence to cook together and share Korean dishes. They did not understand each other's language, but in Myunghee's words, "Airbnb taught me that heart-to-heart communication is actually possible." Even today, they stay in contact and Myunghee has even started learning Mandarin Chinese. She hopes to meet Syao Dan again to try out some of the words she's learned.



Mexico

175%

Year-over-year growth
in guest arrivals

\$198.9M

Host earnings over
the past year



Top Airbnb APEC corridor

Mexico City

New York City

As the Airbnb community in Mexico quickly grows, we are pleased that Mexico City and Quintana Roo recently began allowing us to collect and remit lodging taxes on behalf of our hosts, providing these local governments with new revenue streams they can spend on their particular policy needs. A new report from the World Travel & Tourism Council shows that of 65 cities across North and Central America, Quintana Roo's Cancun "is most dependent upon tourism as a revenue source," with 49 percent of its GDP coming from tourism, and Mexico City accounts for 25 percent of tourism's total contribution to the country's GDP.²⁹

In the past year, inbound guest arrivals to Mexico on Airbnb have increased by 175 percent and our host community has grown by 114 percent. Median host income was \$2,600 with total host earnings of \$198.9 million. In addition to opening up new economic

opportunities for hosts, Airbnb also has brought more revenue to local restaurants. According to a recent study, Mexico City restaurants have seen year-over-year growth in Airbnb guest spending of \$23 million, rising from \$13 million to \$36 million.³⁰

While the top travel route between Mexico and a fellow APEC member economy is Mexico City <-> New York City, Mexico's largest airline recently debuted new direct flights between Mexico City and Seoul, Shanghai and Tokyo. The routes are a reflection of growing trade between Mexico and Asia, but also reflect Mexico's hopes for increased inbound Asian travelers.³¹ We ourselves are looking forward to opening our new Airbnb office in Mexico City as a show of our commitment to this market. In 2016, across five Mexican cities, Airbnb supported an estimated 26,500 jobs and drove an economic impact of \$410 million.

²⁹ World Travel & Tourism Council, October 2017.

³⁰ Airbnb: Generating \$6.5 billion for restaurants around the world, September 2017.

³¹ AeroMexico release, January 2017.

New Zealand

14%

of all 2016 international inbound travelers arrived through Airbnb

152%

Year-over-year growth in guest arrivals



New Zealand's Tourism 2025 initiative outlines goals of more diversified tourism across the country and across the year,³² drawing tourists to the islands during off-peak travel times and bringing them to less discovered parts of the islands. At Airbnb, we are eager to build on our contributions to this effort to date, leveraging our ability to promote destinations; spread the returns of tourism to communities that have not enjoyed them in the past; and help hosts, guests and local economies benefit from a blurring of the lines of the traditional "travel season."

Thanks to Airbnb's vibrant community in New Zealand, we accounted for 14 percent of all international tourist arrivals to the country in 2016—a higher percentage of total arrivals than for any other APEC member country except Japan (15 percent). Between Auckland and the

resort area of Queenstown, we supported an estimated 2,700 jobs and had \$300 million in economic impact. Our overall New Zealand host community and number of listings doubled over the past year. Median host income was \$3,300, with total host earnings of \$122.9 million.

Airbnb was proud to partner with the Auckland Government to provide accommodations for the 2017 World Masters Games. As a source of sustainable lodging that can help communities take greater economic advantage of the opportunity to host major events, we also were proud to sponsor the NZI Sustainable Business Network Awards in 2016, helping to recognize and support innovative sustainability initiatives across the country.

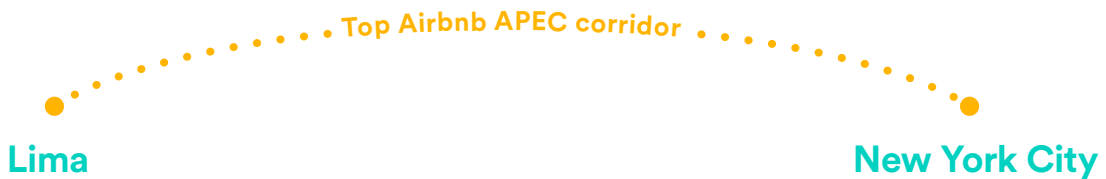
Peru

94%

Year-over-year growth
in guest arrivals

79%

believe Airbnb helps by
providing extra income,
affordable travel options



Tourism currently accounts for 3.9 percent of Peru GDP and 1.3 million jobs, and the government expects to roughly double its number of inbound tourists from 3.7 million to 7 million by 2021.³³ Airbnb supported an estimated 2,400 jobs in Lima alone in 2016. According to a survey commissioned by Airbnb last year, 79 percent of Peru's adults believe Airbnb is helping people by providing extra income and more affordable options for travelers. Median income for Airbnb hosts in Peru over the past year was \$1,400, with total host earnings of \$15.8 million. Inbound guest arrivals on Airbnb in the past year increased by 94 percent.

Peru's large Chinese and Japanese communities, together with the range of ingredients available across its richly varied topography, have combined to make its cuisine a potentially global attraction alongside its iconic Machu Picchu and other Incan ruins, coastal Peru's appeal to surfing enthusiasts, and the draw of the Peruvian Amazon. Overall, Latin America is Airbnb's fastest-growing market, in part because of the kind of eco-tourism and agricultural tourism opportunities available across the region. We look forward to partnering with the Peruvian government to promote these sorts of opportunities.

Carmina Ruiz Carlos

Host in Mexico and guest from Korea

When Carmina's father passed away, he left a house for Carmina and her brothers. Carmina has always been a world traveler, which made the decision to list the home on Airbnb an easy one. She receives travelers from all over the world.

One of Carmina's most memorable experiences was with a Korean guest named Yun. Yun wanted to see everything in Mexico, but didn't speak any English or Spanish.

Carmina's listing has more than one room, which grants her the opportunity to host several guests at once. That night was no exception, and one of the guests decided to play the guitar, while everyone else started to sing. Even though he didn't understand the songs, Yun was relaxed, having fun, and even joined in on the singing. At one point, he tried to make up for his lack of understanding of English and Spanish by communicating via Google Translate, which made everyone laugh. Carmina and her guests came up with creative ways to communicate with him, instead using drawings, songs, gestures, expressions, and movements. Carmina was impressed by how relaxed he seemed, despite the language barrier.

"... We learned that stressing out when solving problems does not help. I treasure Yun in my heart, he showed me that I sometimes live a very stressed life and I need to relax more and enjoy every bit. With my Asian guests, I learned Tai Chi and meditation. I am thankful because Airbnb gives me the opportunity to meet new amazing people, I open my house and heart to people that have truly changed my life."



Singapore

4.1

nights Average length
of stay on Airbnb

\$66M

spent by guests
on restaurants
in the past year



While restrictions on home sharing have held down Airbnb's growth in Singapore, we are encouraged by the government's willingness to undertake a public consultation amid evidence of our potential to support Singapore's economy and diversify tourism to the country. Singaporeans already are prolific users of Airbnb for outbound travel. In 2016, one-third (30 percent) of all Singapore travelers visiting Australia stayed in an Airbnb, and more than half (54 percent) of all Singapore travelers visiting Japan stayed in an Airbnb.

More than three quarters of Airbnb listings in Singapore are located beyond traditional hotel districts, allowing more communities to benefit from tourist spending. No type of business benefits more from our distributed tourism than local restaurants, and Singapore restaurants and cafes saw year-over-year growth in Airbnb guest spending of \$21 million, increasing from \$45 million

to \$66 million.³⁴ Overall in 2016, Airbnb supported an estimated 2,200 jobs in Singapore and had an economic impact of \$250 million.

Among all APEC member economies, Singapore is also one of the destinations at which Airbnb guests stay the longest: 4.1 nights. This is in stark contrast to the typical tourist visiting Singapore, who stays for 3.4 nights on average, while many tourists decline to overnight in Singapore at all, being bound for cruise ships after they arrive.³⁵ Airbnb host earnings here for the past year were \$51.2 million.

As a sign of our commitment to helping more local residents benefit from tourism and providing guests with opportunities to experience underappreciated aspects of Singapore, diversifying its sources of inbound travelers, Airbnb has launched 20 Experiences here.

³⁴ Airbnb: Generating \$6.5 billion for restaurants around the world, September 2017.

³⁵ Bloomberg, October 11, 2017.

Thailand

\$97.7M

Host earnings over
the past year

\$360M

Economic impact



Tourism is a major engine of the Thai economy, technically comprising 11 percent of national GDP, but in reality driving an even larger share than that. For 2016, factoring in ripple effects from investment, the supply chain and related but broader economic activity, the percentage reached 20.6 percent of GDP, and is expected to grow to 21.9 percent in 2017.³⁶

Airbnb is excited to work with Thai officials on strategies that will distribute the economic benefits of tourism to people and places that traditionally have not benefited from it before. We recently met with Thailand's Prime Minister to share an agreement to work together toward promoting sustainable tourism across the country, as well as toward new rules through which Airbnb can pay our fair share of taxes on behalf of our Thai community. In 2016, Airbnb supported an estimated 21,600 jobs between the two destinations of Bangkok and Ko Samui, and \$360 million in economic impact.

One strategy we are discussing is the driving of international tourists to Thailand's less explored destinations, both underappreciated parts of Bangkok and areas beyond Thai cities. Many rural communities in Asia have had little investment by corporate hotel chains, and home sharing can provide these communities with a means of sustainably joining the tourism economy. Other less discovered destinations are vacation spots known only to locals.

In addition, in March 2017, Airbnb launched our Experiences offer in Bangkok. Guests may now choose from 25 unique activities developed and led by local hosts. Airbnb Experiences draw travelers to underappreciated areas or communities; Airbnb Homes then provide travelers with a place to stay. Both strategies help more Thai people benefit from growing interest in travel and from the digital economy. While our Bangkok Experiences are all quite new, Airbnb hosts in Thailand earned nearly \$100 million (\$97.7 million) in the past year, with median host income of \$2,100.



US

72.2M

Outbound guest arrivals since 2008

\$4.9B

Host earnings over the past year



Of course, the US is an outlier among APEC member economies when it comes to travel in general and on Airbnb, due to its size and—in comparison to China, the only other similarly large APEC member market—Airbnb’s nearly 10-year-old presence in the country. Airbnb host earnings for the past year in the US, for example, was \$4.9 billion; Australia comes closest at \$628.3 million, or one-eighth that amount. US median host income, at \$6,600, was exceeded only by Japan at \$9,900; again, Australia comes closest at \$4,400.

At the same time, because of a extremely well-developed hospitality industry in the US, Airbnb accounted for only 5 percent of inbound travelers to the country in 2016,

with five other APEC member economies seeing higher percentages of inbound guests visiting them via Airbnb.

Cumulatively, 72.2 million US-based guests have traveled on Airbnb (yet again, Australia comes closest at 11.9 million, followed by Canada at 10.4 million). Airbnb is committed to partnering with APEC and the local governments of its other member economies to unlock the potential of US outbound travel, leveraging our innovative promotional tools and our unmatched array of authentic, affordable and well-equipped listings to help APEC achieve its mission of increasing and diversifying its inbound travel.

Data

Country	Unique hosts 2017	Median host earnings	Host Payout	Inbound guest arrivals 2017	Average guest stay length
Australia	79,800	\$4,400	\$628,323,600	4,277,600	3.5
Brunei	60	\$870	\$82,110	1,730	2.4
Canada	77,300	\$3,500	\$536,014,400	4,200,800	3.5
Chile	14,100	\$1,700	\$41,351,300	428,900	4.3
China	61,100	\$600	\$137,002,800	2,521,400	2.3
Hong Kong	5,100	\$3,500	\$49,931,900	403,400	3.5
Indonesia	11,200	\$2,100	\$84,591,000	812,100	3.7
Japan	26,300	\$9,900	\$556,275,000	5,388,400	3.3
Korea, Republic of	13,400	\$3,300	\$108,103,500	1,584,400	2.6
Mexico	36,000	\$2,600	\$198,949,500	1,931,200	3.8
Malaysia	11,700	\$1,200	\$42,030,600	1,157,800	2.3
New Zealand	22,500	\$3,300	\$122,913,700	1,196,900	2.6
Peru	4,700	\$1,400	\$15,778,900	207,400	3.8
Papua New Guinea	20	\$410	\$36,830	210	4.1
Philippines	11,200	\$1,700	\$39,178,600	756,500	2.9
Russian Federation	16,600	\$800	\$39,563,400	475,700	4.1
Singapore	4,100	\$3,900	\$51,249,500	324,600	4.1
Thailand	14,200	\$2,100	\$97,660,300	1,030,500	4.1
Chinese Taipei	12,200	\$1,900	\$67,849,500	1,187,900	2.4
United States	411,800	\$6,600	\$4,893,741,000	26,869,700	3.5
Vietnam	5,900	\$1,000	\$16,252,000	300,200	3



Methodology

Information on Airbnb guests and hosts is based on internal Airbnb data. Figures for this report represents one of three timeframes: 1) September 1, 2016 through September 1, 2017; 2) September 1, 2015 through September 1, 2016; or 3) since 2008. Definitions of the data are provided below.

All estimates of Airbnb's economic output and the numbers of jobs supported come from the report, "Airbnb's Global Support to Local Economies: Output and Employment," by NERA Economic Consulting. The NERA authors estimate the output and employment supported based on the volume of visitors and host earnings in 200 cities across the world, as well as results from an internal Airbnb survey of host and guest spending. Using the IMPLAN model, the authors estimate the total direct and indirect economic output associated with Airbnb travel in each local economy. Estimates at the country and regional level are based on aggregations of the city-level figures.

Key definitions

Average length of stay:	The average length of stay per guest, rather than per trip.
Guest:	Airbnb community members who stay in Airbnb listings.
Host:	Airbnb community members who rent space on Airbnb.
Guest arrivals:	All guests visiting a particular location. Inbound guests includes guests who live in the same location they may have stayed in.
Listing (active):	A property listed on Airbnb. Listings may include entire homes or apartments, private rooms or shared spaces. Active Listings are all listings that appear on the website during a search. Active listings do not necessarily have availability on a particular date or at all.
Outbound guest:	All guests from a particular location who booked an Airbnb listing, regardless of where the listing is. There may be some overlap between Inbound Guests and Outbound Guests. All guests associated with a particular reservation are attributed to the location of the booking guest.
Typical host:	The median host for all hosts who had at least one active listing as of the start of the study period and at least one booking during the study period. Typical host definitions are used to calculate Annual Earnings and Nights Hosted. Presenting the median value for all hosts who were active as of the start of the study period provides the most representative values for the Airbnb host community.