

# MARKETING INFLUENCE OF TOURISTIC AIRBNB APPLICATION ON VACATION RENTAL MARKET IN LONDON, PARIS, BERLIN, ROME AND AMSTERDAM

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**Abstract:** *The research aimed to inspect the hypotheses that there is an influence of the Airbnb application on the vacation rental property market and covered the analysing of the hypotheses that there is a significant impact of the Airbnb application on the market of real estate rentals covering the analysis of renting properties in some of the most attractive touristic destinations in Europe- London, Paris, Berlin, Rome and Amsterdam. Conducted research led to a conclusion that the Airbnb application contributed to tourism growth in a bit remote and neglected parts of reviewed cities, enhanced entrepreneurial spirit of the locals together with their migration from urban centres towards further, more serene city dwellings. The base hypothesis that the Airbnb application has a significant effect on the real estate market shift affecting price formation of short-term rentals whether private or hotel accommodation, along with longer term tenancy is conclusive.*

**Keywords:** *Airbnb Application, Marketing Influence, Real Estate Market, Property Rentals, European Cities.*

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## 1. INTRODUCTION

Development of the Airbnb platform is unquestionably one of the most significant innovations in the tourism industry around the world. Although the platform has been in use since 2008, for barely 10 years, it has largely succeeded in altering traditional practice in Tourism. In the modern business world, it is almost impossible to communicate effectively without the use of contemporary ICT (Radnović, 2019), Most tourism organizations, providers of tourism services, both small and large, rely on marketing to provoke consumer interest. This involves the creation of promotional campaigns based on media mix, having in mind the special role of digital media (Radnović, 2019).

The company launched the idea that came to life and developed to a larger extent than it was even possible to anticipate (Guttentag, 2015). As a result, the Airbnb company has flourished and not only influencing and altering traditional ways of tourism industry (Zervas, 2017), but also enhancing entrepreneur spirit thus positioning such form of renting accommodation to tourists in the cities worldwide as preference when it comes to making reservations (Guttentag,

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2017). The fact is that the Airbnb is not the only company in this line of business, however, it is by far the most popular and renewed compared to other ones of similar type. In the one of the latest published works (Guttentag, 2019), was shown a detailed overview of the scientific research in connection to the Airbnb Company up to present. The very fact that the company is in the focus of scientific research, speaks of its contribution and relevance. Online platforms are results of marketing research. Marketing research is very important for customers satisfaction in everyone's services (Radnović, 2015).

Basically, the Airbnb is an online platform that enables hiring or letting a property as a tourist accommodation. Properties can be rented as an entire place, a private room within a flat or a house which is occupied by an owner. Apart from common accommodation, the Airbnb offers some more exotic loggings such as: a castle, an igloo, a tree house and some such. The very booking process does not differ much from a typical way of making a reservation of a hotel room through an agency or some other web sites, except for an option to directly contact an owner of a property. Advertising vacancy for a real estate on this platform is fairly straightforward process, it takes just few steps: upload photographs of the property and write a detailed description on your account.

Travelers can view properties listed at official website or through the mobile application to make a search based on different types of accommodation - entire place, private room or shared room- based on date, location and price per night. Prior to booking, it is necessary to create an account with personal and payment information. Some of the Airbnb hosts insist on some kind of validation e.g. scanned and uploaded ID before accepting the reservation.

Description of a property covers information on capacity, that is, the number of guests that can be accommodated in it, type of the accommodation, rules that are set by the owner regarding the use of the property as well as the detailed description of the premises. Price per night can be set by an owner, yet, what is most interesting is that the Airbnb platform uses certain algorithms that offer optimized price for the given period of time, surrounding properties listed or available capacity. Nonetheless, there is an interesting question in what way the Airbnb makes profit. The answer is simple, the Airbnb charges the service to the owner of the rented property and to the guest as well. Extremely important aspect of the whole process is sharing the experience publicly of the both-host and guest-which are highly informative and contribute to building up trust (Jøsang, 2008).

In the aspect of trust, security and protection, the company offers various ways of verification, insurance during stay, including a refund if the reservation is cancelled in a given time defined by the regulations.

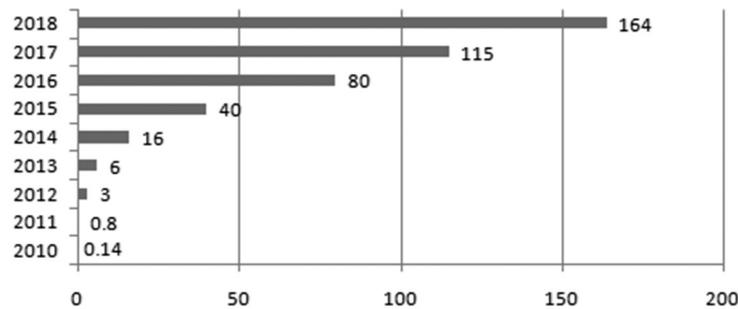
Considering constant development of the application, new services such as Instant Booking are added - it allows instant confirmation of the booking without prior approval of the host. After the instant booking takes place, there is a 24h period that enables both parties to agree and confirm the reservation.

Also, there is an incentive offered by the company in the form of a Superhost badge that sets apart certain properties distinguishing them as the ones that accomplished a sufficient rate of bookings to be regarded as the most popular ones and at the same time recognized as role models.

Furthermore, the Airbnb Company made arrangements with several tourist companies that are focusing at organizing corporate travel (Griswold, 2016), and recently even signed an agreement

on cooperation with investors dealing with building of residential property, a real estate complex designed especially for the Airbnb rentals (Quackenbush, 2018).

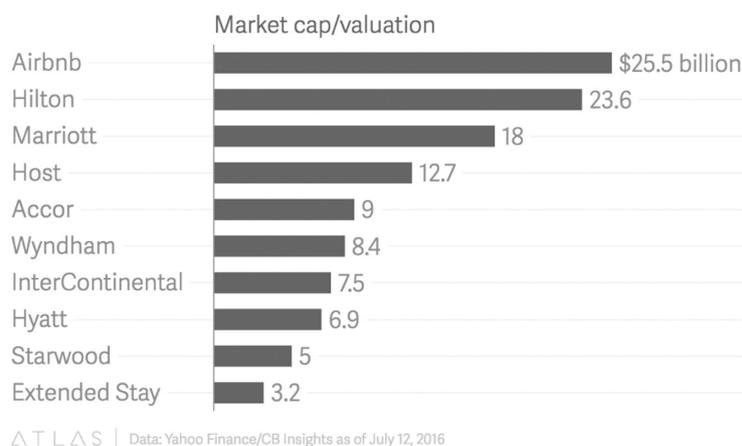
Apart from accommodation, this application enables booking restaurants or even activities that include excursions, guided tours with local guides, attending courses, gaining certain skills and knowledge through various educational courses such as painting, cooking and similar. Data from 20<sup>th</sup> June, 2019, shows that the Airbnb had 140.000 realized reservations in 2010. There was 800.000 in 2011, 3 million in 2012, 6 million in 2013, 16 million in 2014, 40 million in 2015, 80 million in 2016, 115 million in 2017 and 164 million in 2018 (Molla, 2017; Team, 2018).



**Figure 1.** Number of realized reservations in millions in a period 2010-2018

**Source:** Guttentag, 2019

In order to host all these guests, data from 2018 (see Figure 1), show that the Airbnb's base had over 5 million accommodation units (Airbnb, 2018), which exceeds top 5 companies best ranked in hotel business compared to total capacity worldwide (Hartmans, 2017) (see Figure 2.).



**Figure 2.** Comparison of the Airbnb Company with major hotel chains

**Source:** Griswold, 2016

Current data available on official Airbnb website (Airbnb, 2019) states that the Airbnb has at its disposal more than 7 million accommodation units, in more than 100.000 cities around world in over 190 countries. More than 500 million people booked accommodation via Airbnb. Every night, Airbnb hosts offer hospitality to over 2 million tourists.

The bit that is still being shaped are activities that currently count 40.000, in over 1.000 cities. The latest published assessment is that the Airbnb capital reached 60 billion American dollars. The thing that might threaten such successful innovation in the world of tourism are hotel companies that are

most affected by such platforms (illustrated in graph no. 2). In order to overcome different conditioning and obstacles, the Airbnb started developing parts of the cities that previously were not attractive, turning them into appealing tourist locations.

As the Airbnb became increasingly interesting topic to wider public, number of scientific works started to grow. The work of Daniel Guttentag (Guttentag, 2019), has been the first that gives detailed overview of so far published works referring to the Airbnb.

## **2. METHODOLOGICAL BASIS OF THE CONDUCTED RESEARCH**

In this work, by applying desk research method and using random sampling for analysing data, are selected some of the largest European cities: London, Paris, Berlin, Rome and Amsterdam. Purposely, the sample includes, apart from 4 European Capitals – London, Paris, Berlin and Rome, 1 city that is not a Capital, yet, it is one of the major European tourist centres - Amsterdam. The aim was to compare and contrast some of the fundamental tourism indicators: number of listings, average daily rate, average occupancy, average occupancy in days, average monthly earnings in EUR, etc.; and additionally, to analyse impact of the Airbnb application on the real estate markets of the given cities.

The initial hypothesis that was a starting point for this research said: there is marketing influence of the Airbnb application on real estate market in the analysed cities: London, Paris, Berlin, Rome and Amsterdam.

Time frame for conducting the research was from July till October 2019.

## **3. ILLUSTRATING DATA AND ANALYZING FINDINGS**

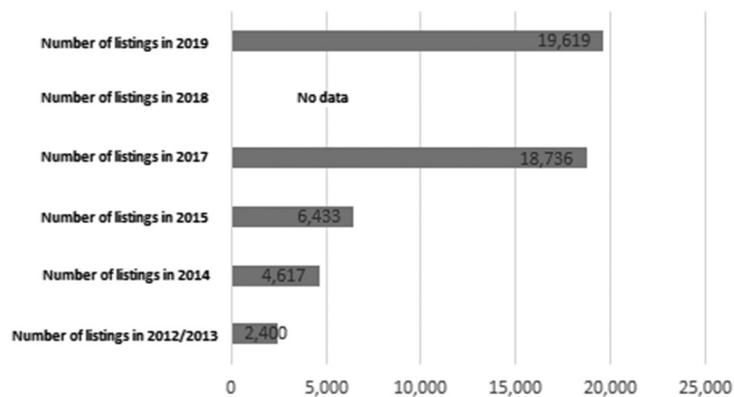
The Airbnb platform within its core activities, conducts investigations in connection with monitoring influence of the Airbnb on economy, marketing and tourism of cities in Europe as well as worldwide, in order which they published a number of reports on their official website. The first report of the kind was made public in 2012 by the Airbnb, referring to a city that is not in Europe but in the United States- San Francisco. These reports are comprised of surveys that were carried out among the platform users along with gathering comments and experience assessments of the Airbnb hosts and guests which led to conclusions regarding average earnings and the ways they were spent, difference between an Airbnb tourist and traditional one, etc. The goal of publishing these reports was to enhance understanding of the positive aspects the Airbnb derives through turning less appealing and neglected parts of cities that were of no interest for tourism, into environment far more attractive to tourists, but also to those who look for long term accommodation and who did not take into consideration those areas for living beforehand, according to available data from official published Airbnb blog (Economic Impact Airbnb, 2019).

### **3.1. Amsterdam**

In June 2013, the Airbnb platform published study on economic influence of the platform in Amsterdam. The Study revealed that large majority of local population rents their property from time to time, which provides them additional income that is for instance used for paying bills, as investment into renovation or enabling them to start their own business.

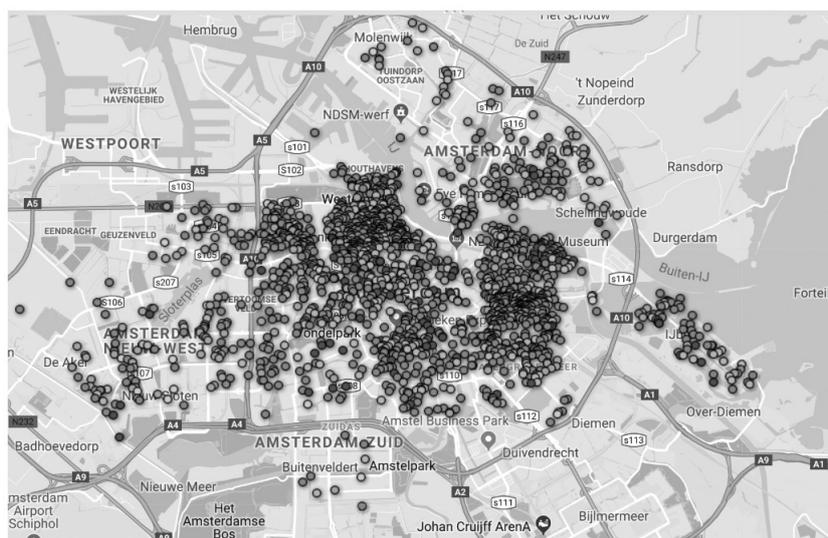
A huge advantage of the Airbnb application is to make it possible for tourists to gain real life experience of the living in a city they are visiting, through the way of life of the locals.

The study also disclosed that Airbnb tourists are likely to spend more compared to traditional tourists. The most significant conclusions of this study are that 87% owners let property that they live in. While 36% Airbnb hosts claim that this extra profit makes it easier to cover for cost of living, additional 30% use the profit as deposits for founding and starting their own businesses. Airbnb guests stay on average 3.9 nights and spend circa €792 during their stay in Amsterdam as a contrast to tourists that book their accommodation in hotels that stay on average 1.9 nights and spend about €521. In a period of a year in 2012/2013, 2.400 Amsterdam hosts put up over 62.000 Airbnb guests.

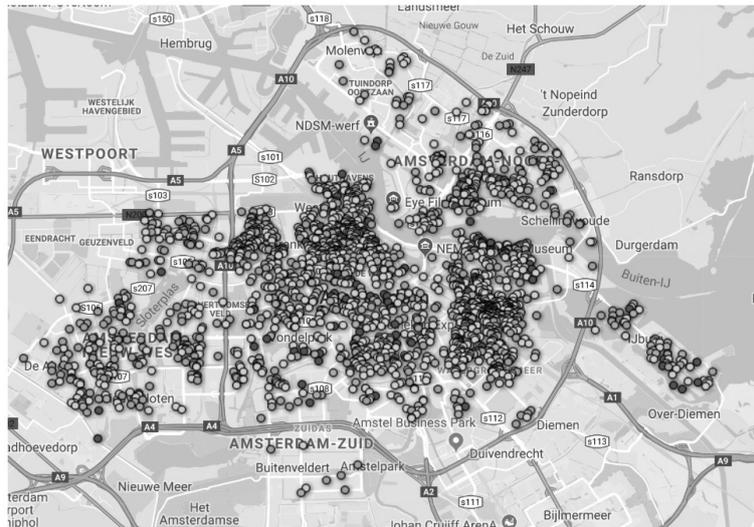


**Figure 3.** Number of accommodation units/ listings in a period 2012-2019  
Source of data: Inside Airbnb Amsterdam

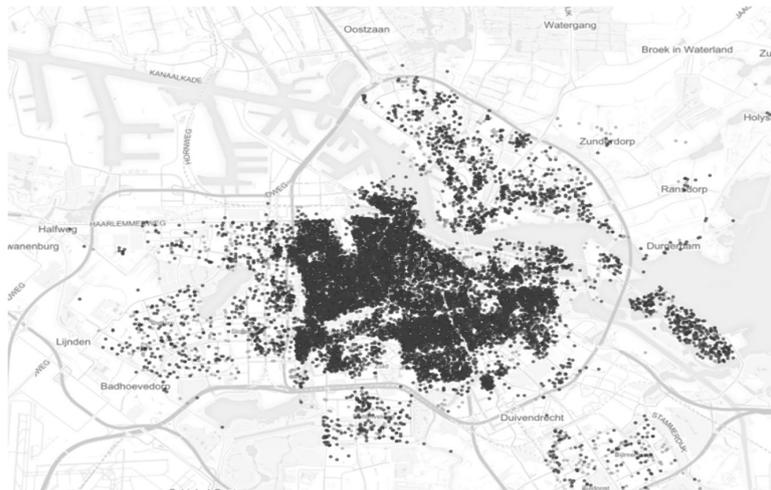
On the Figure 3, it has shown that Amsterdam in 2019 has multiplied the initial number of listings from 2012/2013 eight times.



**Figure 4.** Spatial representation of accommodation unit distribution in the city area of Amsterdam in 2014  
Source: Fusion Tables Google, 2019



**Figure 5.** Spatial representation of accommodation unit distribution in the city area of Amsterdam in 2016  
**Source:** Fusion Tables Google, 2019



**Figure 6.** Spatial representation of accommodation unit distribution in the city area of Amsterdam in 2019  
**Source:** Inside Airbnb Amsterdam, 2019

On the figures 4, 5 and 6 it has visualized the number of listing over time from 2014 to 2019, as spatial representation of accommodation unit distribution.

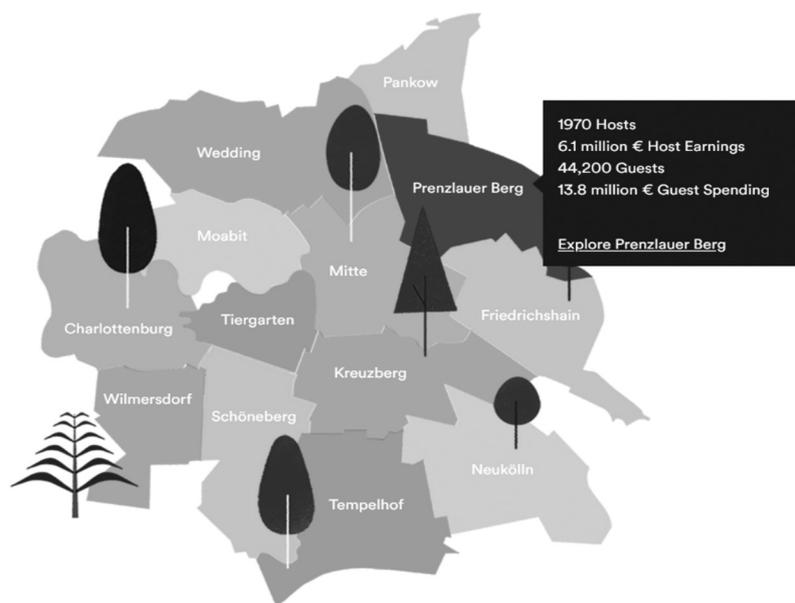
Amsterdam is the first city that enacted law and legislation on renting through the Airbnb platform. The law was passed in 2014 within newly made category of renting property/apartments called „Particuliere Vakantieverhuur”, which means private renting of the property to tourists, and allows short term letting to tourists under following conditions: only registered owner of the property can let it (in most cases subletting is forbidden, that is to say, long term renter is not allowed to let the same property short term to anyone), property cannot be rented more than two months in a year and cannot be occupied by more than four persons at the time. Apart from law and legislation, the Airbnb platform sends e-mails to landlords twice a year as a reminder of legislation in order to keep them aware of the current laws that they need to comply with.

According to available data from December 2017, there have been 6.183 flats/apartments that are completely offered for renting, which makes 33% of all accommodation units listed on the platform. These units have been assessed that are booked more than 60 nights per year, which is opposed to enacted law. To add, 1.299 accommodation units have been adjusted to accommodate more than 4 persons, which could lead to conclusion that it is breach of law, yet, it is possible to present one property as several accommodation units in the category of private rooms, thus such breach can be met with reservation.

A model that is used to analyse data encloses: assessment of availability of listed accommodation units (occupancy rate), income per month and number of booked nights per year. According to source (Inside Airbnb Amsterdam, 2019) that covers latest data from 08.08.2019., there are 19.619 accommodation units in Amsterdam (see Figure 3).

### 3.2. Berlin

In 2012/2013, it has been noted that owing to the Airbnb platform, people that let accommodation in Berlin acquired about €100 million from 77% accommodation units that are away from the hotel districts. Such spatial distribution as well as improvement of conditions of the surrounding districts and also their inclusion into Berlin's tourist attractions, revealed that three districts: Neukölln, Kreuzberg and Wedding had significant increase of visiting tourists.



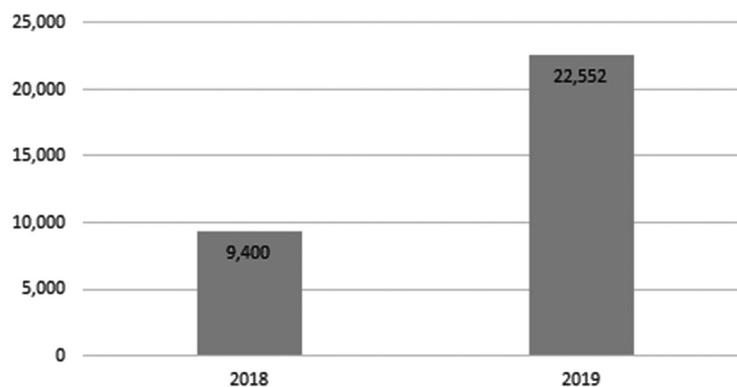
**Figure 7.** Illustration of Berlin district map and example of one isolated district

**Source:** Inside Airbnb Berlin, 2019

Figure 7 has illustrated the district map of Berlin, with one isolated district showing the number of hosts, host earnings, guests and guests spending in that particular area.

In a given period of time, there are 5.600 Airbnb hosts registered. Some 48% spend their earnings on daily expenses and cost of rent. Almost half of the Airbnb hosts earns between €1.650 and €2170 per month. The Airbnb guests stay on average 6.3 nights and spend €845 during their stay, while hotel guest on average book 2.3 nights and spend mean €471.

What is more, 77% of the Airbnb accommodation units are away from hotel districts of Berlin. During given period of time, the Airbnb hosts in Berlin put up more than 63.000 tourists (Airbnb, Berlin Economic Impact, 2019). Berlin is visited by 245.000 Airbnb tourists in 2018, and 80% of them are foreigners. To note that 80% of accommodation units are away of hotel districts. It is marked that 86% of visitors prefer to have kitchen and appliances during their stay, which are not most often available in hotel rooms. In this period, it is registered 9.400 Airbnb hosts in total. Taking in consideration that Berlin is a city of art and culture, 32% out of total number of the Airbnb visitors are into art or working in department of culture. About 31% of the Airbnb hosts use their profit made by renting for starting their own business. An average Airbnb host that lets their apartment 4 nights per month, makes €210 monthly. On 11.07.2019., there are 22.552 accommodation units in Berlin among which are 47% of apartments that are rented in full with average price per night of €83, while average price per night in any type of accommodation unit is €67 (see Figure 8.).



**Figure 8.** Illustration of increased number of listings in a period 2018-2019

**Source:** Berlin Economic Impact, 2019

### 3.3. London

The Airbnb published the first study on economic impact in The United Kingdom in 2014, as specially extracted data on London and Edinburgh. In 2013, the Airbnb turned \$824 million on the UK territory, by using this platform in the fields of activities and bookings, which led to employment of 11.600 people at various jobs related to short term renting of real estate to tourists. The study also indicated that 80% of Airbnb hosts let accommodation in which they actually live in order to increase their income and improve quality of life. Like in all other places, Airbnb tourists spend more and stay longer compared to others. Major points of the study concerning London are that about 80% Airbnb hosts let property they live in and earn \$4600 yearly, renting on average 3 nights per month. 63% of the hosts state that in this way they cope with living expenditure much easier, which would be difficult to do otherwise. This way of renting property supports entrepreneurial spirit and non-traditional forms of doing business. Circa 42% Airbnb hosts are people that run their own business, freelancing or do part time jobs. To such people, extra earnings mean a lot. Airbnb tourists on average stay 4.6 nights, compared to 3.1 of other visitors. Moreover, Airbnb tourists spend twice as much money, \$1.496, in comparison to circa \$713 spent by others. In London, 72% Airbnb accommodation units are away from the main hotel districts, yet, 41% of visitors spend their time within the same district where they booked accommodation. Data from June 2016 indicate that 41% of all accommodation units listed on the platform were rented more than 90 nights per year, even up to 198 nights per year. Many of them are considered to be illegal since they do not comply with regulation of the new laws

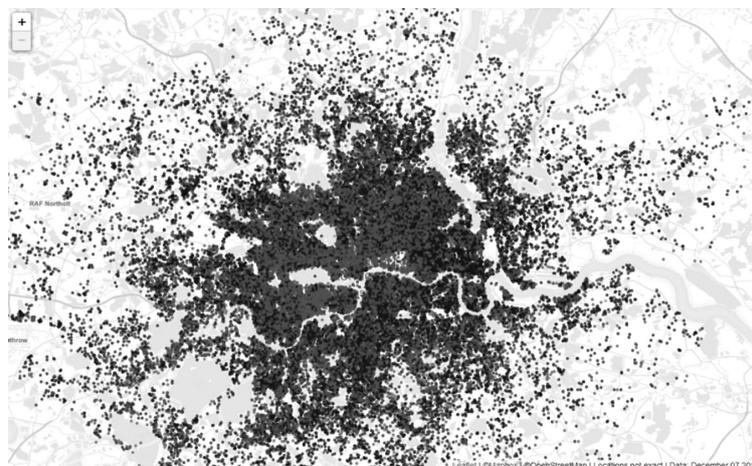
that were passed on the United Kingdom territory. Introducing restrictions through legislative regulations regarding allowed length of time for letting property protects long term renting, that is to say, protection is meant for renters of accommodation units that have no property of their own but are forced to hire a place for living. What is also notable is a fact that 42% of registered accounts on the Airbnb platform possess more than one accommodation unit.

Laws regarding letting accommodation in the United Kingdom date from 1973, and are revised in 1983; and regulates required permits for such mode of renting property, furthermore, forbid letting any property in a shorter time frame, that is temporary 90-days accommodation. Breaking the law is fined with £20 000. A law on deregulation was passed in both houses of the UK Parliament, and the royal assent of Her Majesty became a law in 2015 says (extracted relevant parts): The law is to be applied to 32 London districts and the city, provides as follows:

1. primary protection of the existing real estate market for permanent residents,
2. short term renting is allowed but under certain conditions,
3. number of booked days cannot exceed 90 during one calendar year,
4. imposed profit tax.

Problems that Governments face also refer to finding adequate ways to discern who oversteps the limit of booked 90 nights per year thus breaking the law, as well as discerning liabilities of platforms such as the Airbnb that promote, facilitate and enable presenting and displaying living space like premises for accommodating tourists. The Government elicited districts' standpoints, which in return were given by 15 out of 32 London districts. It turned out that 8 held negative standpoint due protection of the existing real estate market for permanent residents. One of the districts even urged shortening regulated length of renting from 3 to 1 month in order to prevent turning central London area into "set of overpriced accommodation units". During the phase of analysing and consultation of the bill, a research was carried out on the earlier implementation of the law in practice, which led to conclusion that 80% of accommodation units that were listed or noted to breach the law in a certain way were still advertised as available accommodation units and in addition 19% of total number of apartments in residential buildings were rented short term to tourists.

Figure 9 represented spatial distribution of accommodation unit in the city area of London.



**Figure 9.** Spatial representation of accommodation unit distribution in the city area of London together with all respective regions in 2019

**Source:** Inside Airbnb London

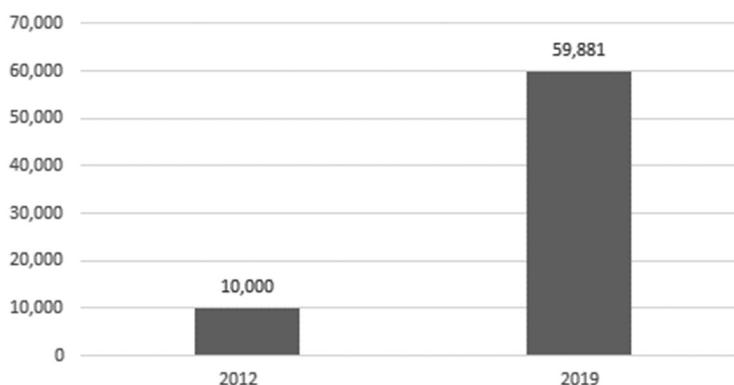
On 10.07.2019., were registered 77.096 accommodation units in London. Out of which 55.5% were apartments or houses that were rented as entire places, 43.6% were rooms within flats that were rented to larger number of persons or were part of a flat/house in which owners resided. Total average price per night was £112, approximately €125. On average, total occupancy was 23.6%, which made 86 nights per year, and average earnings were £683, or €770 per month (Inside Airbnb London, 2019).

### 3.4. Paris

In June 2013, the Airbnb published official results of the study on evaluation of economic influence of the Airbnb platform on tourists and hosts in Paris. One-year analyses showed that the Airbnb made 185 million euros. In a period 2012/2013, 10.000 Airbnb hosts put up more than 223.000 tourists, primary letting houses they resided in. 50% Airbnb hosts used the income to cater for cost of living while circa 20% invested in their own businesses. Airbnb tourists stay 2.9 nights longer than traditional ones on, average, and spent €426 more than tourists staying in hotels. 70% accommodation units were located away from hotel districts, causing increase in hotel occupancy and price of stay per day, in order to meet the growth that the Airbnb caused. Paris is a city with the largest number of accommodation units compared to any other city in the world- slightly more than 52.000 accommodation units, out of which 86% have been rented as entire places to tourists. Since the Airbnb platform have come to this city, more than 20.000 apartments vanished from the market of traditional renting.

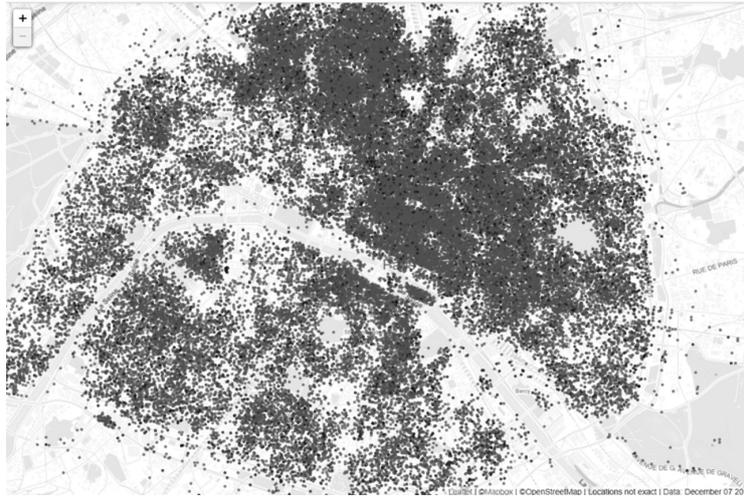
In Paris, a law was passed in March 2014, which allows letting of private property for longer than 4 months a year only if the same property is occupied by the residing owner. As for properties that are not used for living by the owner, it is illegal to rent it for less than a period of one year, except if it is registered as commercial property. It is estimated that around half of the real estate that is listed on the Airbnb platform, are not primary residences, furthermore, only small number of owners operates legally, register their property as commercial. To those who are caught in renting a property without a licence or let secondary property, or themselves hire properties for longer than four months, official sanction is €25.000.

On 09.07.2019., has been registered 59.881 accommodation units, averaging at €111 per night. Average occupancy has been 25.3%, which is about 92 nights per year, monthly earnings are €793 (Inside Airbnb Paris, 2019) (see Figure 10. and Figure 11.).



**Figure 10.** Illustration of increased number of listings in a period 2012-2019

**Source:** Inside Airbnb Paris



**Figure 11.** Spatial representation of accommodation unit distribution in the city area of Paris in 2019

**Source:** Inside Airbnb Paris

### 3.5. Rome

What separates Rome from other cities is that more than 50% of accommodation units registered on the Airbnb platform are in the city centre, not in surrounding districts. Also, more than one half are real estates that are rented as entire places to visitors, in addition, more than half of advertisers have more than one listed property. Since there is growth in the number of properties that are rented short term to tourists, local population is forced to move to suburban areas. More than half of registered listings refer to the area of the first municipality, that is, the richest district and central part of the city.

Besides, there is an interesting fact that not only local people do this kind of job for extra profit but also newly formed agencies set for this purpose as well as trained specialists that have more than one listing registered on the platform. What affects other European cities as well, yet is first time mentioned in connection with Rome is that this kind of short time letting pays off better than long term renting, which causes price increase of long-term renting. Since these properties are increasingly scarce, it contributes to constant relocation of local population toward suburbs. In Rome, 20% of people live in rented accommodation. Some 69% live in their own properties, and 9.6% cover for other types of accommodation such as trailers, tents, etc.

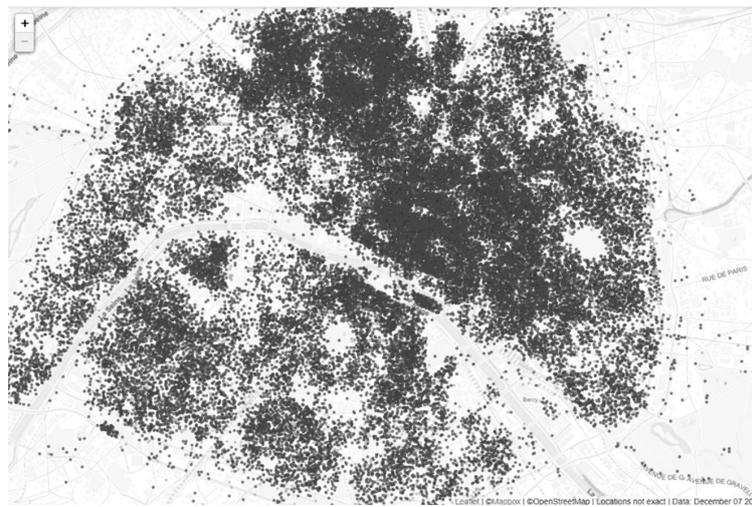
The Airbnb platform evidently affects the changes in traditional hotel industry. In 2016, growth of tourism sector related only to medium-high range of property, as a consequence of a model of renting private accommodation to tourists, which potentially put at risk numerous jobs related to this industry. There was a deficit of work force in service business together with a lack of investment, in spite of a steady growth of number of people visiting Rome. The city hosted over 38 million of visitors yearly and had the largest tourist tax in the country. In 2016, the Ministry of tourism confirmed that solely from tourist tax, city of Rome cashed in more than €100 million.

The latest changes and amendments to law and regulations in the region of Lazio where Rome is located, aims at introducing registration numbers of each accommodation unit, thus forming a data base. Recent regulations that are introduced all over Italy, comprise obligation of a mul-

tinational company to pay 21% Tax on rental income. Nonetheless, what imposes a problem is that the Airbnb Company has no official seat in Italy, so it is legally impossible to be prosecuted for tax collection.

The Airbnb platform is considered to be socially destructive doing more harm than good to the city, for that very reason a group is formed and a new platform launched called FairBnb, which is run by local people as a network of hosts, guests, local businesses and citizens.

According to data on 12.07.2019., on the Airbnb platform is registered 29.436 accommodation units, with average price per night of €98 and average occupancy of 24.4%, or 89 days per year (Inside Airbnb Rome, 2019) (See Figure 12.).



**Figure 12.** Spatial representation of accommodation unit distribution in the city area of Rome in 2019

**Source:** Inside Airbnb Rome, 2019

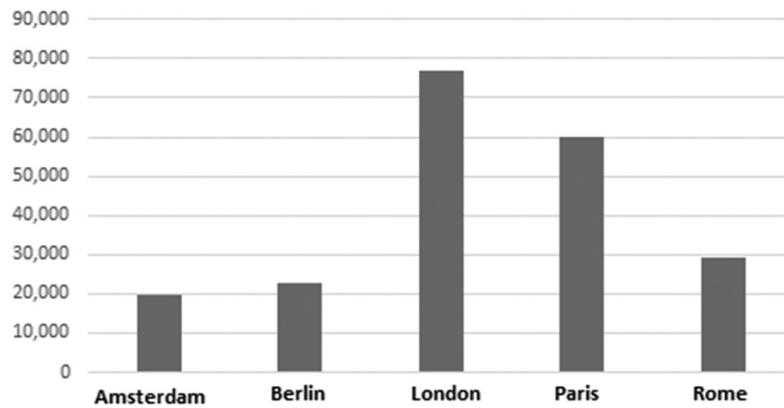
#### 4. CONCLUSION

After selective analysis of received data relating to the Airbnb platform and renting real estate in some of the major cities in Europe (Inside Airbnb, 2019): Amsterdam, Berlin, London, Paris and Rome, a cross display is applied as well as cross analysis of the received data, which is illustrated in a table no. 1 and in figure no. 12. In the table and in the figure interesting data is observed, which give a new base for further development to marketing experts of the Airbnb application and above all clearly indicate that usage of the application is justified.

**Table 1.** Available data of the Airbnb platform on July, 2019.

City	Number of listings	Average price per night in EUR	Average occupancy (%)	Average occupancy in days	Average monthly income in EUR
Amsterdam	19.619	156	19,72%	72	865
Berlin	22.552	67	27,94%	102	550
London	77.096	125	23.56%	86	770
Paris	59.881	111	25.20%	92	793
Rome	29.436	98	24,38%	89	614

**Source:** Inside Airbnb, 2019



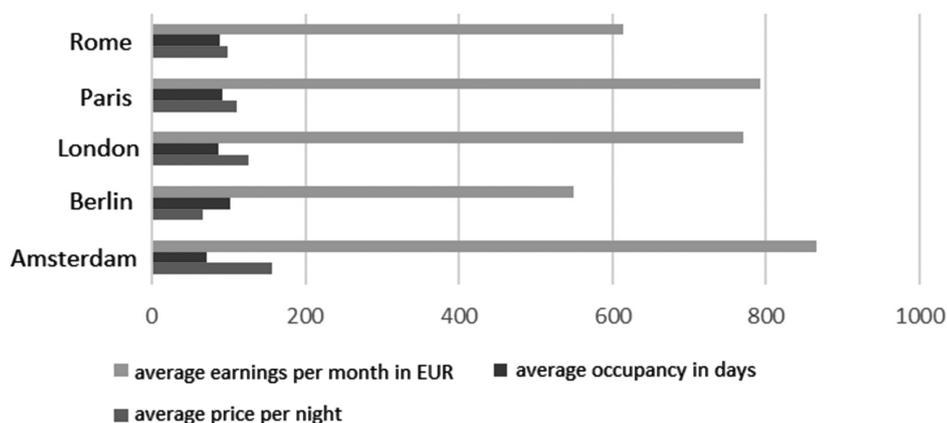
**Figure 13.** Illustration of increased number of listings in 2019.

**Source:** Inside Airbnb, 2019

The biggest number of listings has convincingly London (77.096), what is to be expected, especially considering that all districts and municipalities of the city are included in the analysis.

Likewise, next to London according the number of listings is unsurprisingly Paris (59.881), far less listings have Rome (29.436), Berlin (22.552) and Amsterdam (19.619). London and Paris are distinguished as the cities with the largest number of registered accommodation units on the Airbnb platform.

Apart from registered accommodation units, in this work is analysed monthly income that is derived from property renting via this platform, in consideration is also taken an average price per night as well as average occupancy in days.



**Figure 14.** Analysis of average monthly earnings per a city

**Source:** Inside Airbnb, 2019

As for average price per night, it is intriguing that although among European cities covered in the analysis is just one that is not the capital city-Amsterdam, it has the biggest average price per night -circa €159, while the smallest price per night has Berlin - €67, which is to the certain point to be expected considering the real estate market and their distribution (mostly outskirts) that are offered on the Airbnb application.

Whether due to average price of stay per night or because of overall tourist offer of the city, Amsterdam has the least average occupancy (the most frequent is in Berlin- 102 days or 27.94%)

from 19.8% taken in relative, 72 days seen in absolute units. However, excluding this, Amsterdam hosts that let property via The Airbnb platform generate the highest monthly earnings in euros-on average €865. Airbnb hosts in Paris and London monthly earn €793 and €770, respectively.

As an overall conclusion of the conducted research, the starting hypothesis is forced upon us regarding marketing influence of the Airbnb application on the real estate renting in analysed cities: London, Paris, Berlins, Rome and Amsterdam. Advantage of the Airbnb platform and its usage from the viewpoint of the local population that let property is reflected through possibility of acquiring additional income, enhancing entrepreneur spirit and starting new work posts. In addition, the Airbnb application contributed to tourism development of the districts that were not of the tourist interest beforehand (suburban districts of the Capital cities except for Rome). The Airbnb platform is also enabled to send instructions to its users on improvement of current business activities, such as, how to increase visibility and a number of bookings in a way that helps to set a price according to a season, demand and neighbouring accommodation units and not a fixed sum, in order to increase profit.

The thing that is noted as a drawback of this application are poorly regulated common legislations that would allow legalisation of this aspect of renting in a way that it does not affect nor impair long term real estate renting market.

Our future work will be directed towards expanding research database and geographically spatial research area to China, Middle East and Gulf Countries. Additional work on improving statistical approach is necessary. That would allow us to understand better and realize the global impact of the usage of Airbnb application on the real estate renting. Finally, there is certainly space for including some unforeseen circumstances, such as economic crisis, civil wars, epidemics and pandemics or natural disasters that could affect Tourism, and also the usage of Airbnb application, and contribute to the forming a realistic image of the impact of the usage of Airbnb application on the real estate renting.

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