Airbnb's Customer Experience

Analysis and recommendations

Jonathan Steiman

March 2015

Hi, I'm Jonathan

Power Host

	2014	2015P
Trips Hosted	75	200
Value to Airbnb	$5,400	$15,500

"This was the first time I ever used AirBnB, and after this experience I will absolutely use it again."

Uniquely positioned to deliver meaningful improvements to the host experience, which will improve guest satisfaction and increase revenue.

CX Expert

Built TalkTo's Service

- o 100+ home-based agents
- o Designed front- & back-end systems
- o Acquired by Path and managed integration

TNW Apps of the Year
THE NEXT WEB

"The first time you use it {Path Talk}, you'll feel like you just invoked some sort of magic"

I've built a best-in-class customer service operation, using only home-based agents. On the side, I host 200 Airbnb guests a year. Now, I want to help make the best company in the world even better.

Host Relationship Management: Current State

Current State

Super Host Program

Benefits

- Simple, 4-metrics that are visible
- Extra customer support
- Signals "quality", "approval" to guests

Shortfalls

- Does not recognize volume & trends
- Host Lifetime Value is ignored
- Are the metrics right?

Volume: One cancellation disqualifies you. But is 1/10 cancellations the same as 1/200? The program favors low-volume hosts when it should be adapted for both low- and high-volume.

Trends: Admission is reviewed every quarter but requirements are based on a lifetime data. As a result, positive and negative trends are not revealed quickly.

Who is more valuable to Airbnb? Host A hosts 10 guests in his basement for $50/night. Host B rents her Tuscan Villa twice per year for $15,000.

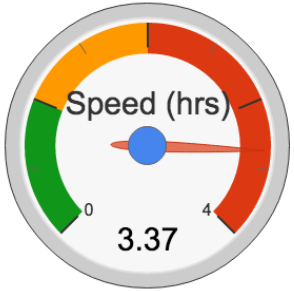
By making decision based on Host Lifetime Value (LTV), Airbnb can deploy the appropriate resources.

Hosts interact with 1.25-2 guest for every 1 booking. The interactions that do not result in bookings are vital to the ecosystem. Hosts are ambassadors, explaining how the system works and guiding guests to the perfect location.

Response time fails to capture this. Even worse, it mis-aligns incentives. Hosts weigh speed over Ambassadorship.

CX Delivery: Current State

Response Times



Based on a study of my interactions over 30 days (n 7), response times average 3: 22:00.The minimum was 1:15:00. An email marked “URGENT” took 3:44:00.

Anecdotally, a Mar-5 group post was lamenting about slow response times.

In conclusion, response times are on the slow side and in need of improvement.

Quality

Personally speaking, I give Airbnb service quality a C+/B-. On the positive side, service has been proactive; for example, I had an issue with a payment which an agent found and corrected. Also, I trust agents do as promised; for example, if they say they’ll reach out to a guest, they do.

Often times, though, they don’t clearly comprehend the issue and are thus unable to provide fast and delightful resolutions.

Cost

Based on job postings and Indeed reviews, I assume that email/chat is delivered from physical center(s) in Ireland and phone support is an FCR contract. I estimate that support costs $15 - $24 / hour.

Other options, namely The Philippines and home-based, are more cost effective. For example, equal quality chat/email delivered by home-based agents in the Philippines is $6 to $12 / hr.

How I can help

1. Augment service delivery with home-based agents. Within one week, I could establish a dedicated service team based in the Philippines capable of delivering the same level of service, if not better, for $8/hour average. The goal would be reduced wait times and lower costs.

2. Review the agent life cycle (recruit, onboard, train, supervise, evaluate, develop, offboard); make recommendations; implement the necessary changes. The goal is to improve quality by ensuring Airbnb finds, trains, supports and develops the best talent.

3. Continuously improve Airbnb's Host Relationship Management program. The goal is to ensure that public recognition and support resources meet the needs of the various host types (low v high volume, low v high earning).

Background

Jonathan built TalkTo's service team, which consists of home-based agents residing in 7 countries. TalkTo, which was backed by Matrix Partners, was acquired by Path. As Director of Operations, Jonathan led the the integration of TalkTo's service into Path's products and expanded the service to all Commonwealth Countries.

Prior to TalkTo/Path, Jonathan was a Director of Planning & Analysis at Teach For America. He holds an MBA from New York University and a BS in Finance from Northeastern University. He is the board treasurer of Cambridge Community Services and a frequent contributor to Inc. Magazine.

Thank you

Jonathan Steiman

jonsteiman@gmail.com

617-699-5946