

AIRBNB SALES COLLAPSE WORLDWIDE



In France, Germany and Italy, the turnover of Airbnb has been cut dramatically. In several European countries, the Airbnb sales collapsed by about half between mid-February and mid-March, according to data from the analytics company Airdna.

The turnover in Germany within one week in mid-February was 31 million euros; recently it was only 16 million euros. In France, the most important market for Airbnb in Europe, the turnover dropped from 120 to 65 million euros, according to the report. In Italy, the turnover fell from 58 to 31 million euros and in Spain from 59 to 33 million euros. **The globally successful rental platform also suffered considerable losses in the USA.**

However, private small-scale providers, who are often dependent on income to finance their apartments and houses, are particularly hard hit. Airbnb itself earns its income primarily from the service fee that the company charges to the holiday home providers. The company is currently giving guests the opportunity to cancel their bookings free of charge because of the Corona pandemic.

The company wants to prevent tourists from feeling obliged to travel despite the pandemic, according to its own website. Providers, however, reacted furiously to the suspension of individual cancellation policies. So far they have no possibility to compensate for the losses.

Airbnb also froze any hiring and suspended its marketing. The company's founders will also be taking on no salary and its executives will take a 50% salary reduction for the next six months.

In order to specifically support the providers in the USA, Airbnb already addressed the leaders of the House of Representatives, Nanci Pelosi and Kevin McCarthy, with **a letter calling for a number of tax breaks and loan facilities for Airbnb vendors.**

"We are primarily concerned about the people who depend on travel and tourism for their livelihoods," said Chris Lehane, Airbnb's Director of Policy and Communications.

It is a dramatic turn of events for Airbnb, which was poised to be the hottest tech IPO (or direct listing) of the year until the COVID-19 crisis struck the U.S. last month.

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