

AIRBNB'S REVENUE AND PROFITS SOAR AFTER RECORD SUMMER



Airbnb closed a record third quarter of revenue and profit. In the middle of the high season, Airbnb's revenue soared by 18% to 3,397 million dollars (just over 3,200 million euros at the current exchange rate). Profit multiplied to \$4.374 billion due to an extraordinary tax credit of \$2.769 billion, but even without that, the company's net income increased by 31% to \$1.605 billion. The company faces restrictions imposed in New York, its main market, with enviable operational and financial health.

Those restrictions went into effect in September and have barely affected the results for the summer quarter. In the letter to shareholders to explain the accounts, the company refers to the new measures, which prevent companies from operating buildings for rent on the platform and require individuals to be present if they want to host guests. **It also indicates that approximately 80% of its top 200 markets by revenue already have some form of regulation, a message with which it tries to chase away the specter of regulatory risk.**

Airbnb has reported a 19% increase in active listings in the third quarter of 2023 compared to the same period in 2022. The company has expanded its offerings and aims to make hosting as popular as traveling with Airbnb. Airbnb hosts brought in more than \$19 billion in the third quarter alone, and the company plans to raise awareness of its accommodation options, facilitate the first steps for hosts, and improve the overall experience for all.

Airbnb invests in growing markets with low penetration, including Germany, Brazil, and South Korea. Long-haul and international tourist travel is recovering strongly after the pandemic. In Q3 of 2023, guests traveling more than 3,000 miles increased by 18% compared to Q3 of 2022, and cross-border flights accounted for 45% of total gross nights booked.

Airbnb has reported that large cities are becoming popular tourist destinations again after a period when people were looking for less densely populated areas. In the third quarter of 2023, gross overnight stays booked in high-density urban areas accounted for 49% of total bookings, up from 48% in the third quarter of 2022 but still down from 58% in the third quarter of 2019.

The average price has risen by 3% to \$161 per night, with two points attributed to the exchange rate effect. The third quarter saw record revenues and profits, with cumulative figures for the first nine months of the year also beating records. Airbnb's revenue increased by 18.5% to \$7.699 billion, while profit tripled to \$5.141 billion.

Analysts and investors closely examined the forecasts for the fourth quarter, but they were not convinced. **According to the report, Airbnb's revenue for Q4 2023 is expected to fall between \$2.130 billion and \$2.170 billion.** This will reflect a year-on-year growth rate of 12-14%, which is relatively stable compared to the third quarter of 2023, excluding the impact of exchange rates.

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