



Team 4

Team Introduction



Jake Scheffner



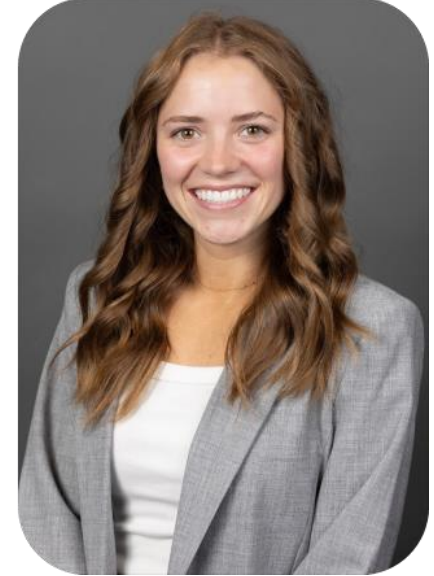
Luke Christensen



Chance Larsen



Lyssa Hendrickson

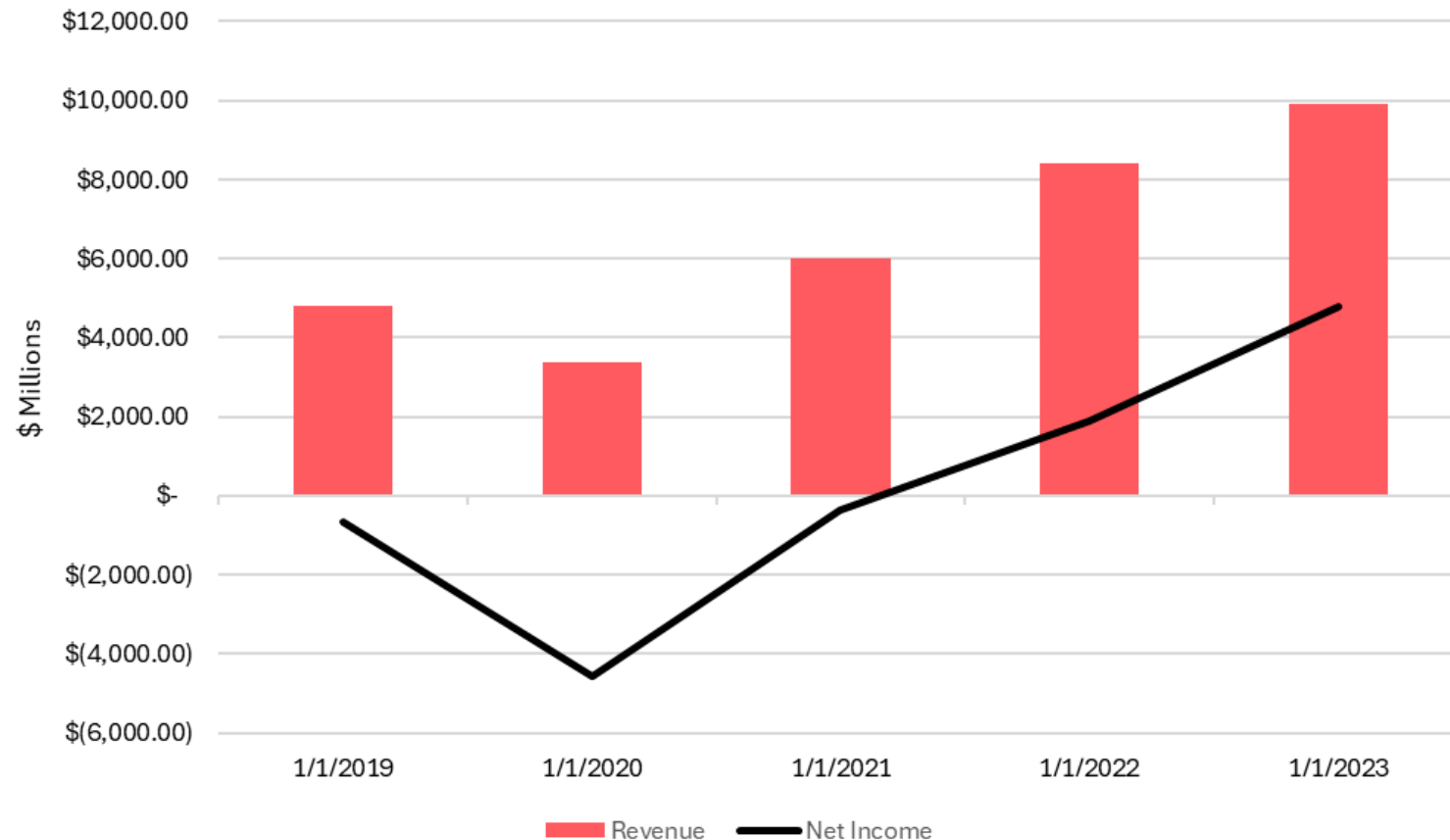


Alyssa Stratton



Airbnb has rapidly scaled into a highly profitable rental platform

Airbnb Revenue and Net Income 2019-2023



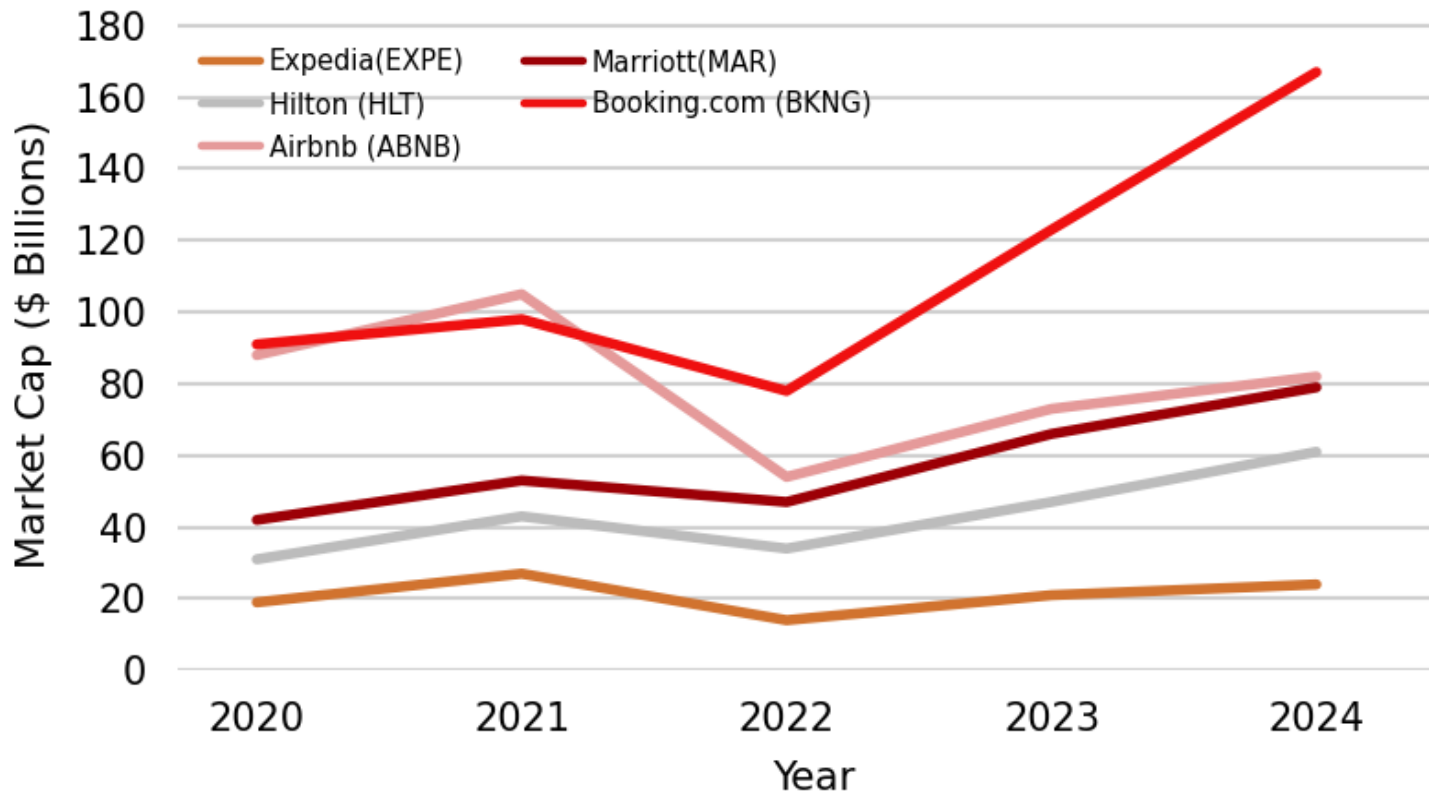
Key Takeaways

- Airbnb's revenue more than **doubled from 2019 to 2023**, while net income improved from **losses to roughly \$4.8 billion**, showing that the core platform scaled efficiently
- By 2024, Airbnb generated \$11.1 billion of revenue, \$4.0 billion of Adjusted EBITDA, and \$4.5 billion of free cash flow, confirming that **the business is highly profitable and cash generative**
- Despite profitable growth, Airbnb's question is **how to create the next leg of growth** beyond a maturing lodging marketplace



Airbnb's strength in lodging alone is no longer enough to win the broader travel platform race

Market Cap in Billions (2020 - 2024)



Key Takeaways

- Airbnb's operating performance remains strong, but its market value has lagged peers, suggesting **investors want a clearer path to growth beyond lodging**
- Owning only the stay **limits Airbnb's ability to capture a larger share** of total trip spend and compete with broader travel ecosystems
- Airbnb needs an **adjacency that is large, frequent, complementary to the stay, and still consistent** with its asset-light model
- The next phase of value creation must come from **owning more of the trip**, not just more nights
- Investor pressure reflects a strategic question: **Can Airbnb expand beyond lodging and capture more of total trip spend?**



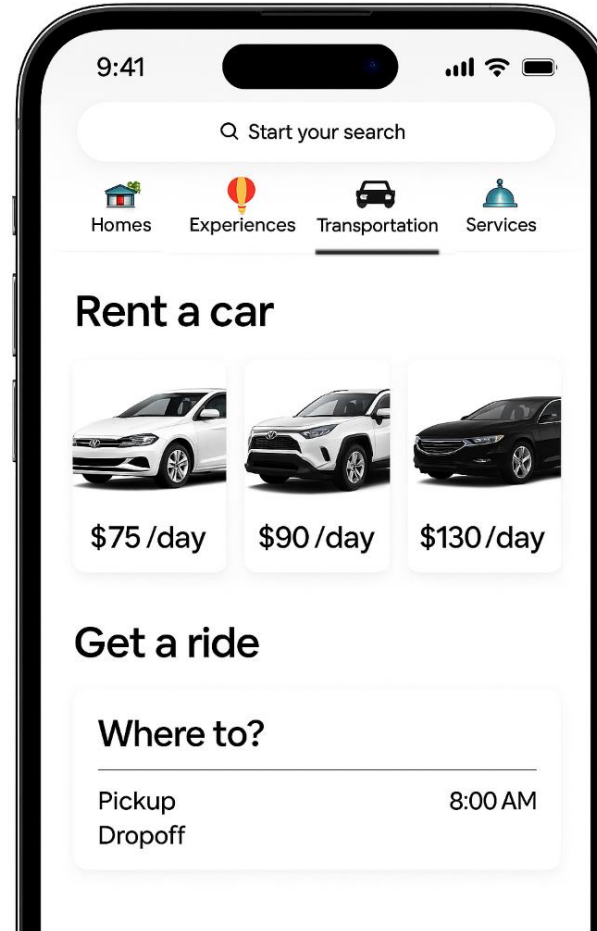
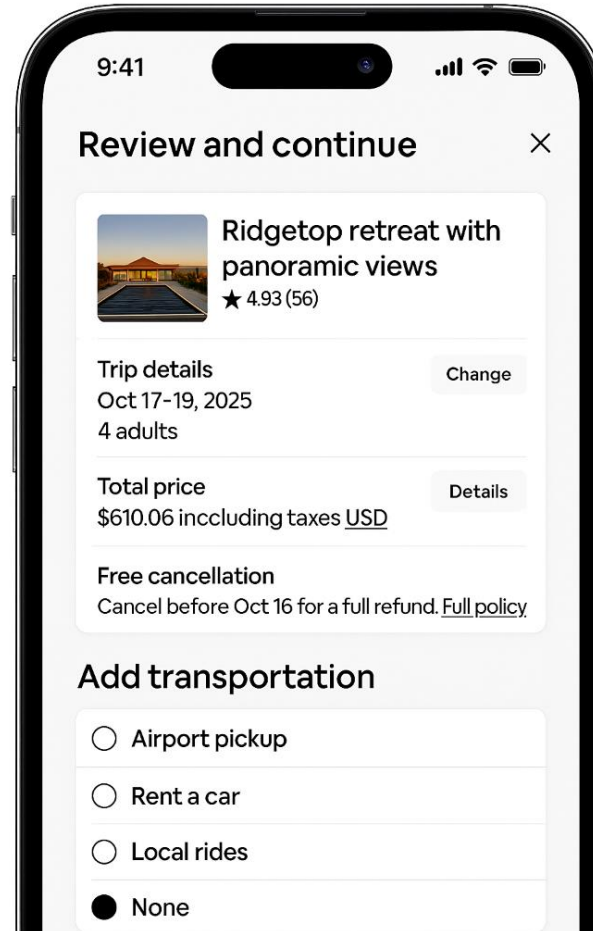
To extend beyond lodging and capture more of the trip, Airbnb should go from “stay” to “journey” by partnering with Uber

Why

- Core lodging growth is slowing under competitive pressure
- Transportation is a natural complement to lodging
- Partnerships scale faster and with less complexity than ownership

How

- Integrate airport pickup and local rides into Airbnb through a partnership with Uber
- Let guests book stays and transportation in one flow
- Keep operations with Uber while Airbnb owns the customer experience layer

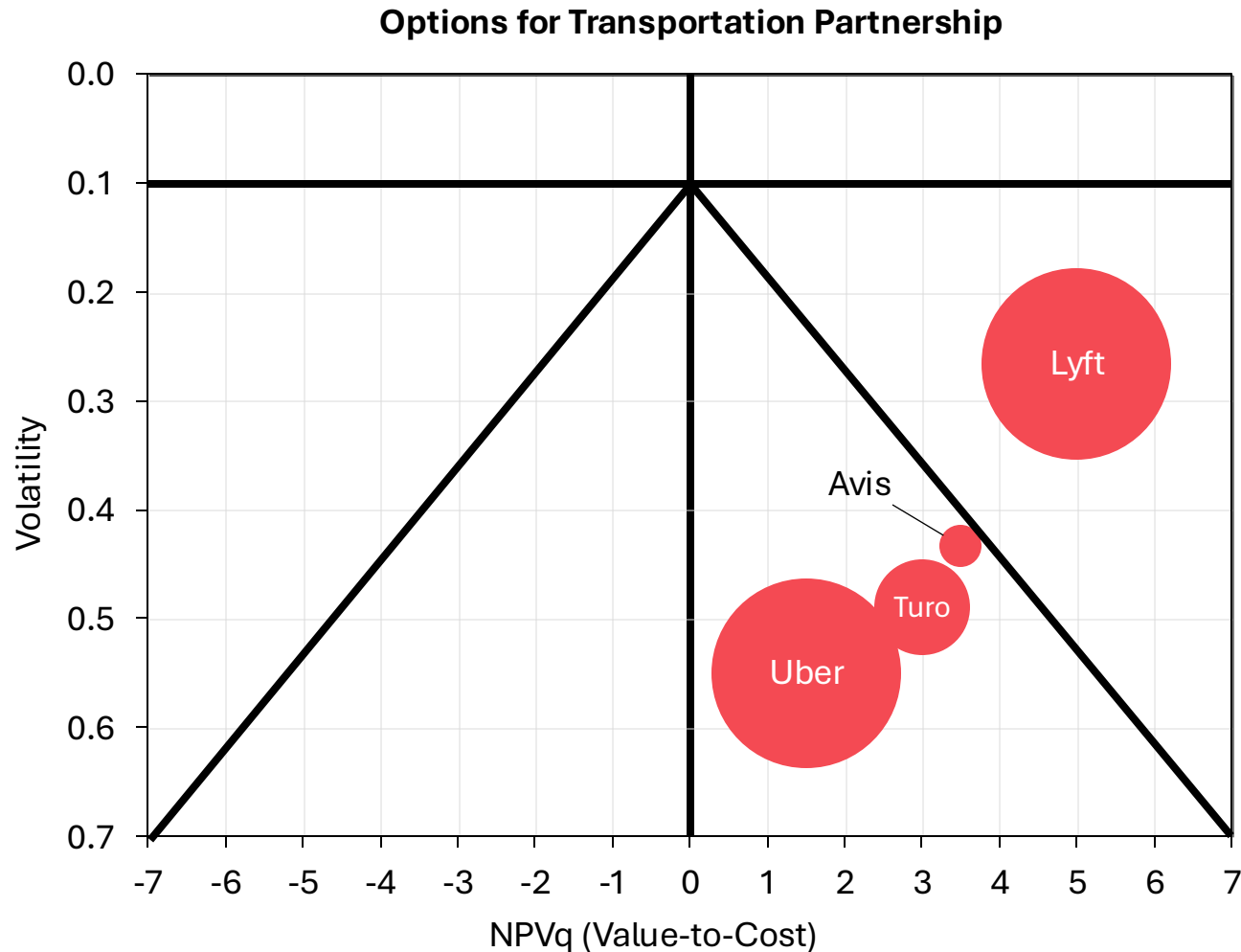


Impact

- Increase booking conversion by reducing trip friction
- Capture transportation-related spend Airbnb currently does not monetize
- Expand platform relevance without breaking Airbnb's asset-light model
- Deepen retention through a more complete travel journey



Uber's volatility increases upside potential, while its capital-efficient model makes it a strong, low-risk strategic fit for Airbnb



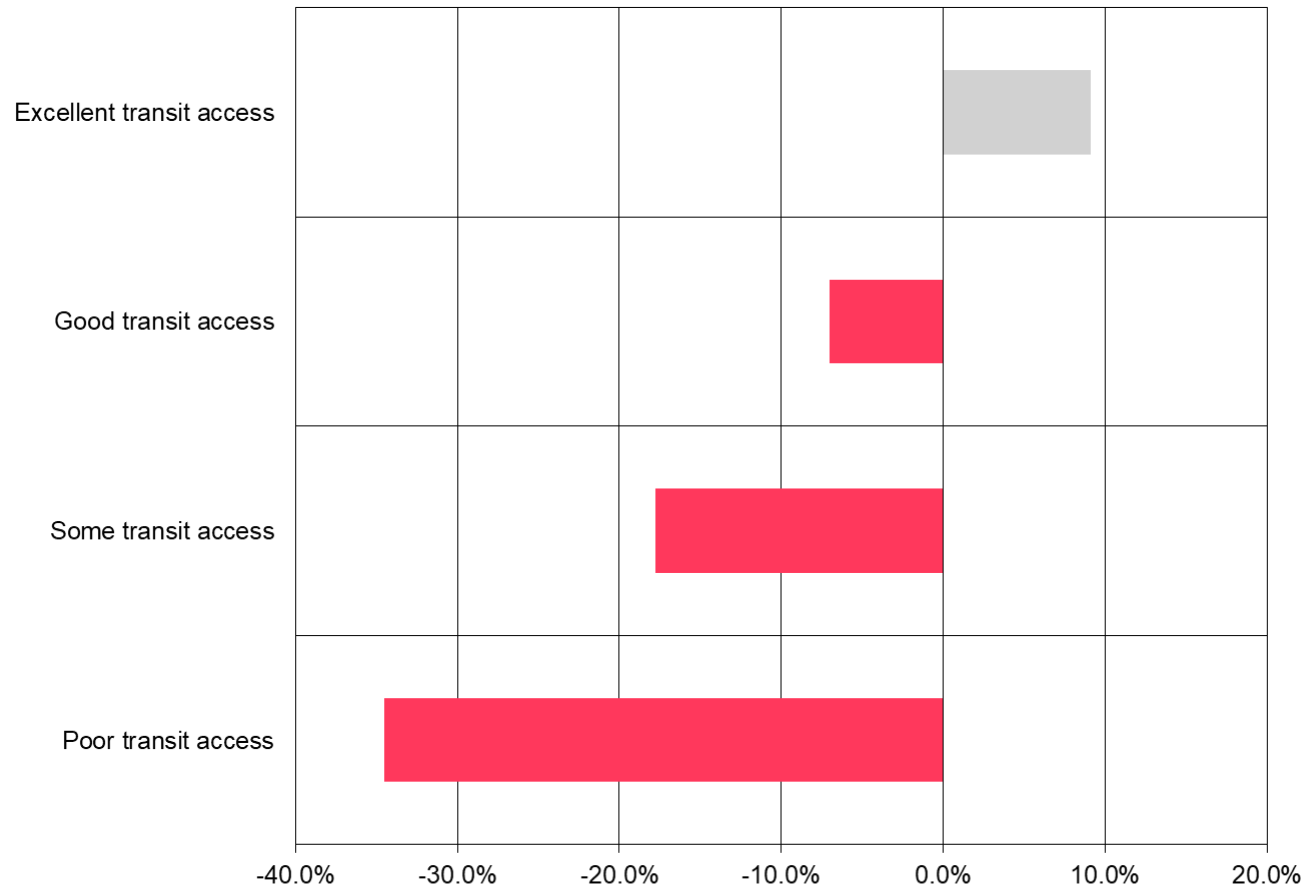
Key Takeaways

- Uber is attractive because **its value exceeds its cost**, indicating the investment generates positive returns
- The uncertainty in its performance can increase upside potential, and its strong value-to-cost ratio helps ease concerns about volatility
- Uber is also a strong option because it is a trusted global brand with established **infrastructure for car rentals and ride-hailing**, both of which are widely used by travelers



Guests already rely on ride-hailing during Airbnb trips

% Change in Austin Airbnb Occupancy after Uber/Lyft exit, by transit access

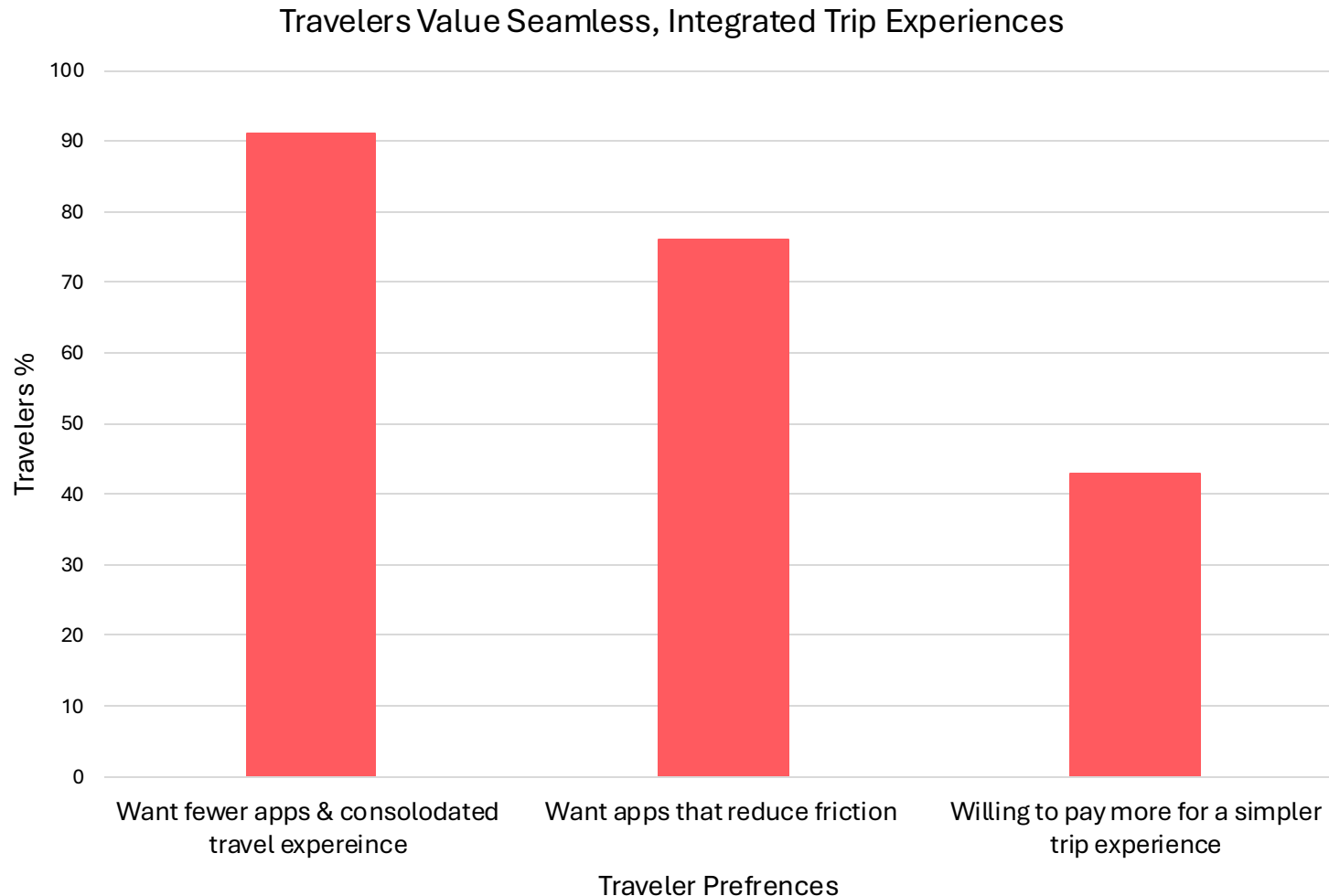


Key Takeaways

- In a natural experiment in Austin, losing Uber/Lyft **reduced Airbnb occupancy by about 14%**, lowered nightly rates by about \$9.30, and cut supply by roughly 4.5%, showing that rideshare access can materially affect Airbnb demand
- The decline was largest in low-transit neighborhoods, indicating that **ride-hailing is most important** where public transportation is weakest and helps make more Airbnb stays viable
- At Airbnb's scale, **transportation is part of the booking journey**, making seamless trip interactions increasingly important to guests



Travelers value seamless interactions when booking trips



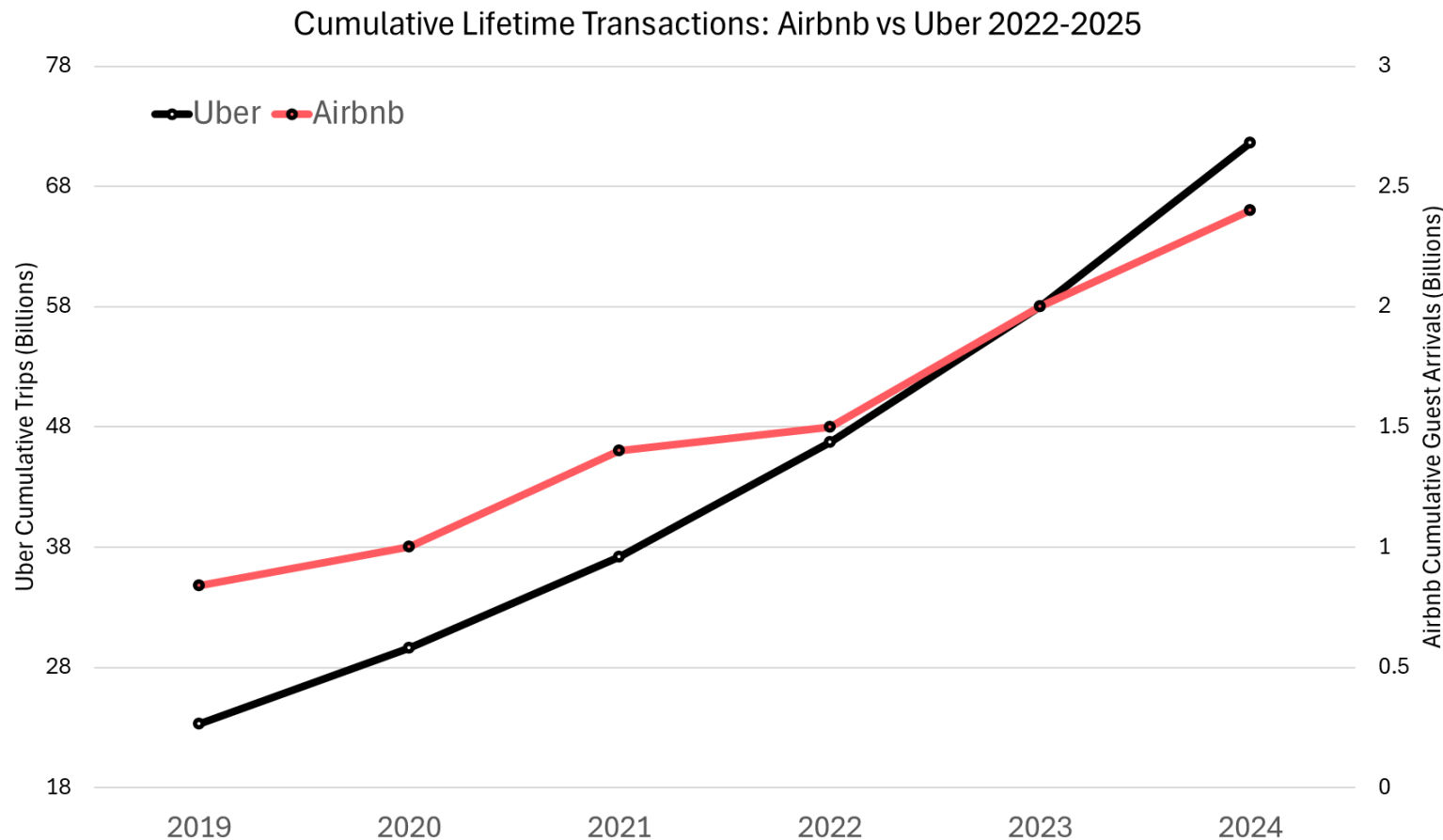
Key Takeaways

- Travelers want **simpler trip planning**: many use multiple apps per trip, and most want a more consolidated experience
- **Reducing friction now matters economically, not just experientially**, because many travelers are willing to pay more for a simpler booking journey
- That creates a natural role for Uber within the Airbnb trip, and as Airbnb stays and Uber trips both grow, **linking stays to rides would help Uber capture more of that expanding trip volume**

Sources: Travelport Digital Traveler Survey; Hilton & Ipsos 2024 Travel Trends Report; Perk Online Travel Booking Statistics; Grab Super-App Case Study; Ruby Home & Radical Storage Airbnb Statistics



Airbnb stays and Uber trips have grown rapidly, so linking Airbnb's stays to Uber's rides would let Uber capture more of that growing trip volume



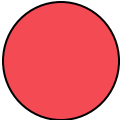
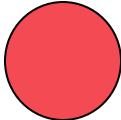
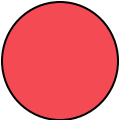

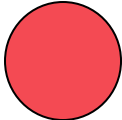
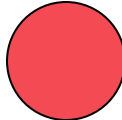
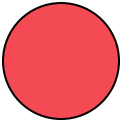
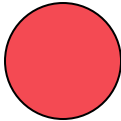
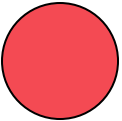
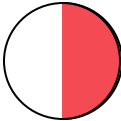
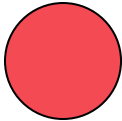
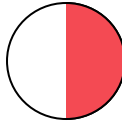
Key Takeaways




- Uber processes far more, lower-value transactions, while Airbnb has fewer but higher-value stays, **so a partnership lets Uber monetize many small rides around each Airbnb trip**
- Both platforms show growing cumulative activity through 2025, so even a modest number of **Uber rides per Airbnb stay would create meaningful incremental volume**
- Airbnb generates high-intent travel demand, and Uber's transportation network is positioned to **capture the mobility needs that surround those stays**

Source: Airbnb, Inc. Form S-1/A (2020), Q4 2020–2022 Shareholder Letters and Earnings Releases; Uber Technologies, Inc. Form 8-K Q4 2020 Earnings Release and Q4 2022–2024 Earnings Releases; supplemented by third-party statistical summaries (Statista; ExpandedRamblings.com; SearchLogistics.com; iPropertyManagement.com).



Airbnb can add transportation to its existing infrastructure without breaking its asset-light model

	Existing Marketplace Complexity	Adjacent Service Experience	Asset-Light Model	Trust/Verification	Partner Coordination	Incremental Complexity Added
Airbnb w/Uber (Separate)						
Airbnb + Uber Partnership						

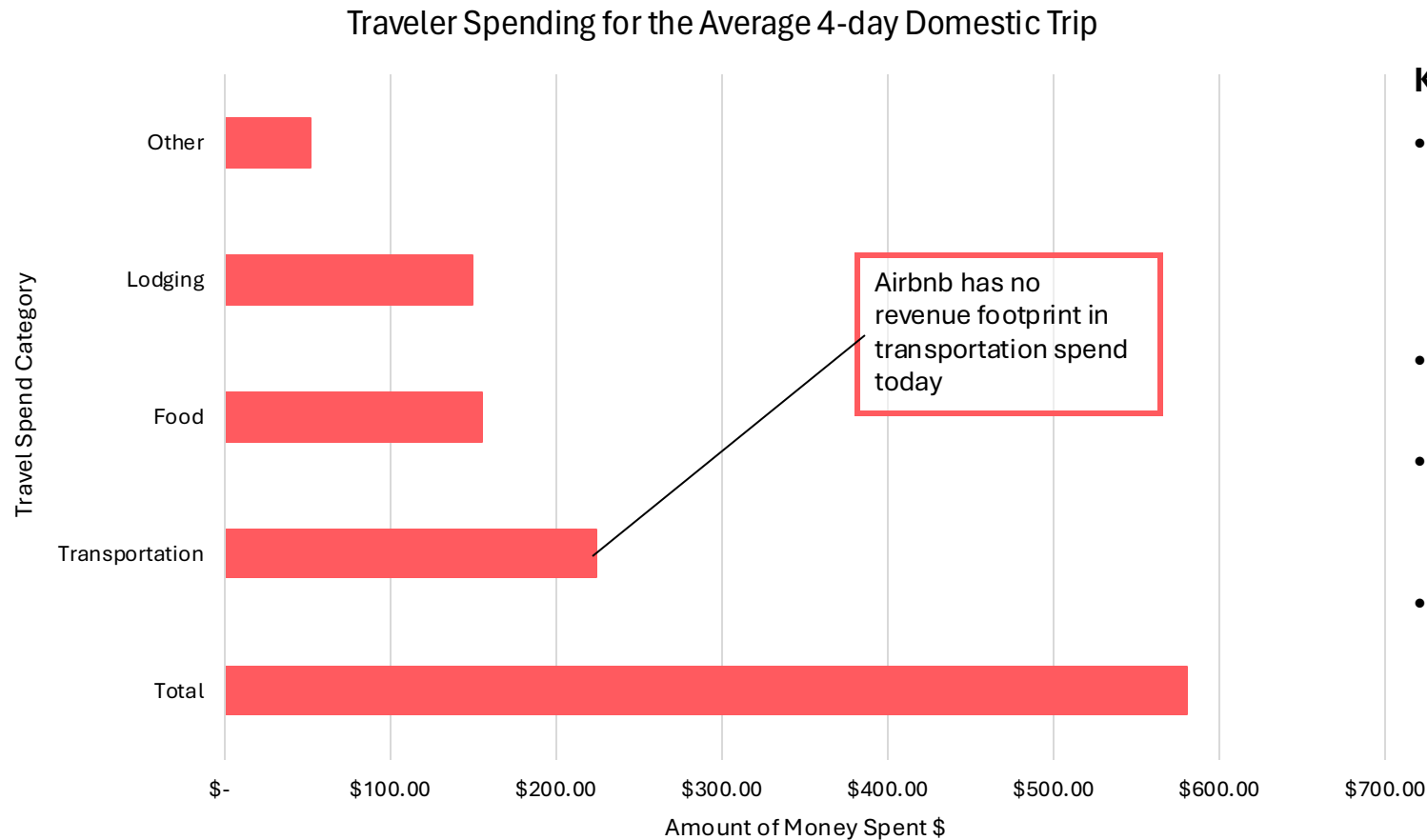
 Strong
  Partial
  Weak

Key Takeaways

- Airbnb already operates a complex global marketplace, so coordinating transportation is **an extension of capabilities** it already uses in bookings, payments, and platform matching
- Airbnb already has experience extending into adjacent travel offerings including Rooms and HotelTonight, in pursuit of a broader end-to-end travel platform proving Airbnb can expand into adjacent travel services **without abandoning its asset-light model**
- The Uber partnership adds some complexity, but most of the operational burden stays with Uber, making the added complexity **incremental rather than transformational** for Airbnb



Transportation is a large travel spend category that Airbnb does not monetize on



Key Takeaways

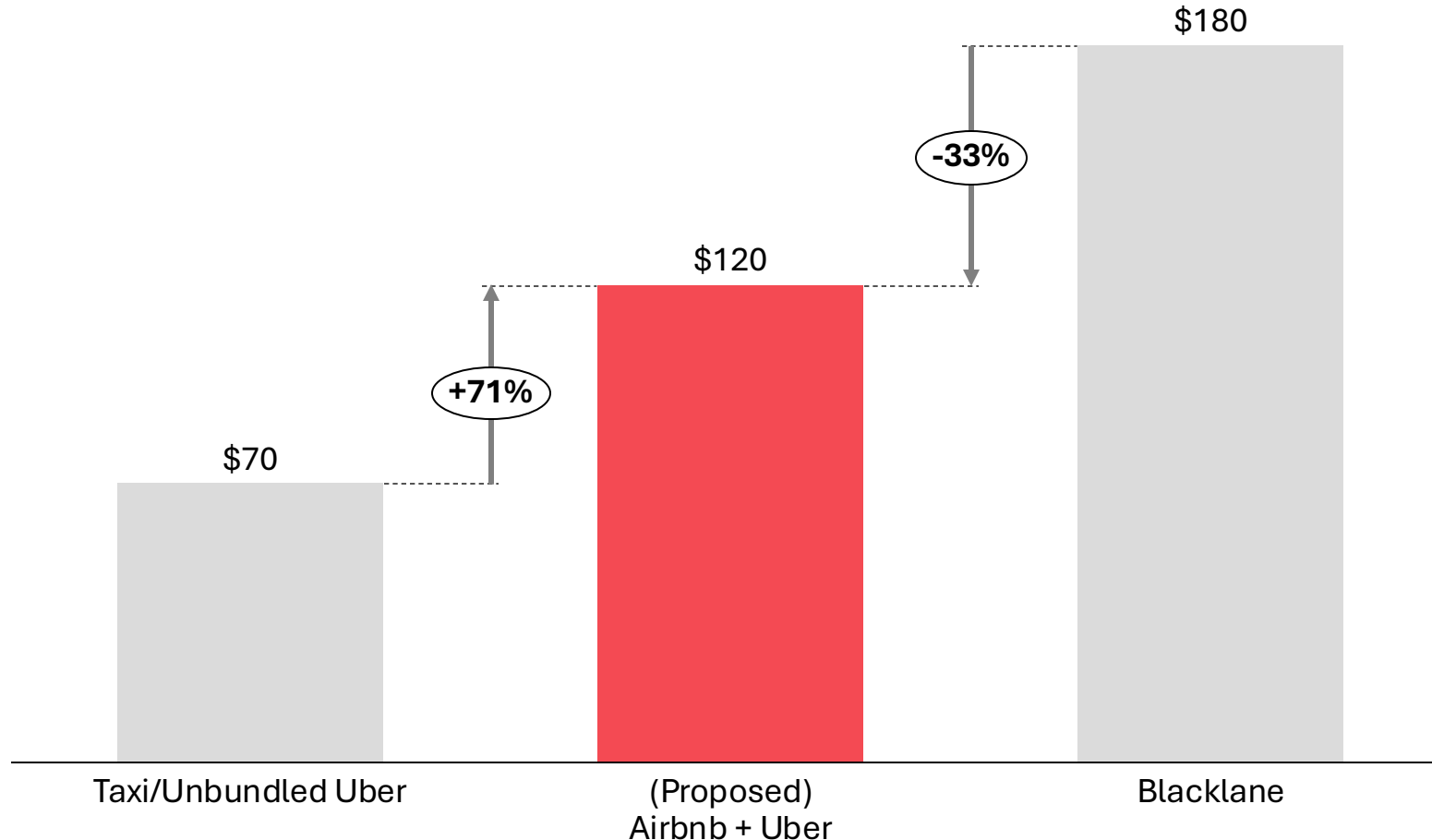
- Consumer trip budgets consistently show **transportation as one of the largest components of travel spending** making up 38% of the trip, often exceeding lodging by 13% on the average 4-day domestic trip
- Airbnb currently captures value from the stay, but **none from the transportation** spend that surrounds it
- Transportation is a daily, recurring expense, **creating multiple opportunities** to monetize on each trip, unlike one-time lodging bookings
- A partnership with Uber enables Airbnb to **immediately participate in the largest travel spend category** without building or maintaining transportation infrastructure

Sources: ValuePenguin Average Vacation Spending Survey, valuepenguin.com/average-cost-vacation



Bundled transportation unlocks a premium customers will pay - not for convenience alone, but for the certainty of an end-to-end journey

Customer Willingness to Pay (JFK – Times Square)



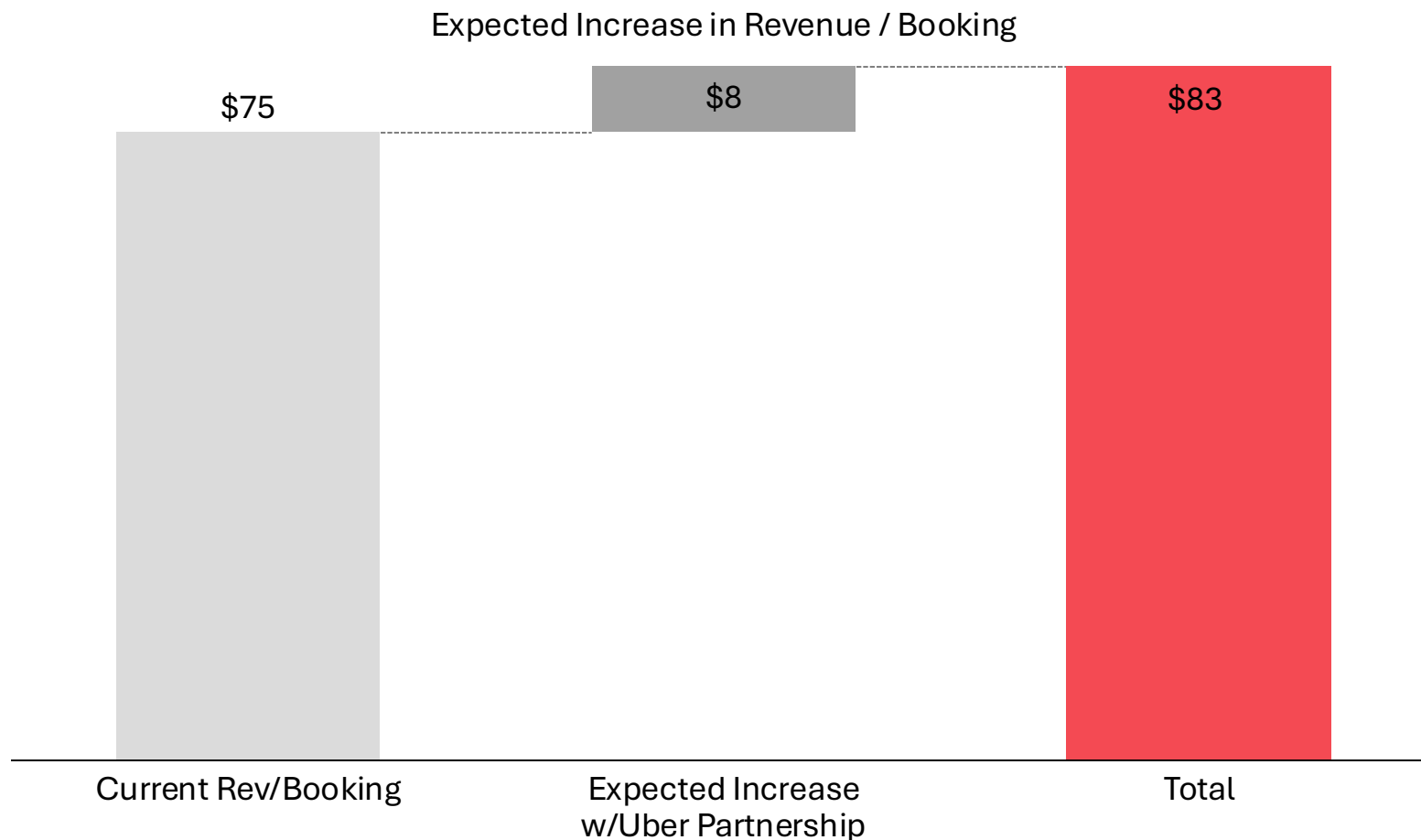
Key Takeaways

- Travelers pay **50%+ premiums for pre-booked private transfers** to eliminate the uncertainty of ride-hailing
- An Airbnb bundle provides the same price-certainty and peace of mind at a **massive discount**
- Locked-in price and seamless arrival experiences at the time of booking suggest **high adoption rates** compared to users gambling on real-time rideshares

Sources: <https://www.jfkairport.com/transportation/taxi-service>, <https://www.blacklane.com/en/city-to-city/>



Airbnb can boost revenue by capturing a 10% transportation commission per booking without taking on the operational costs of a transportation network



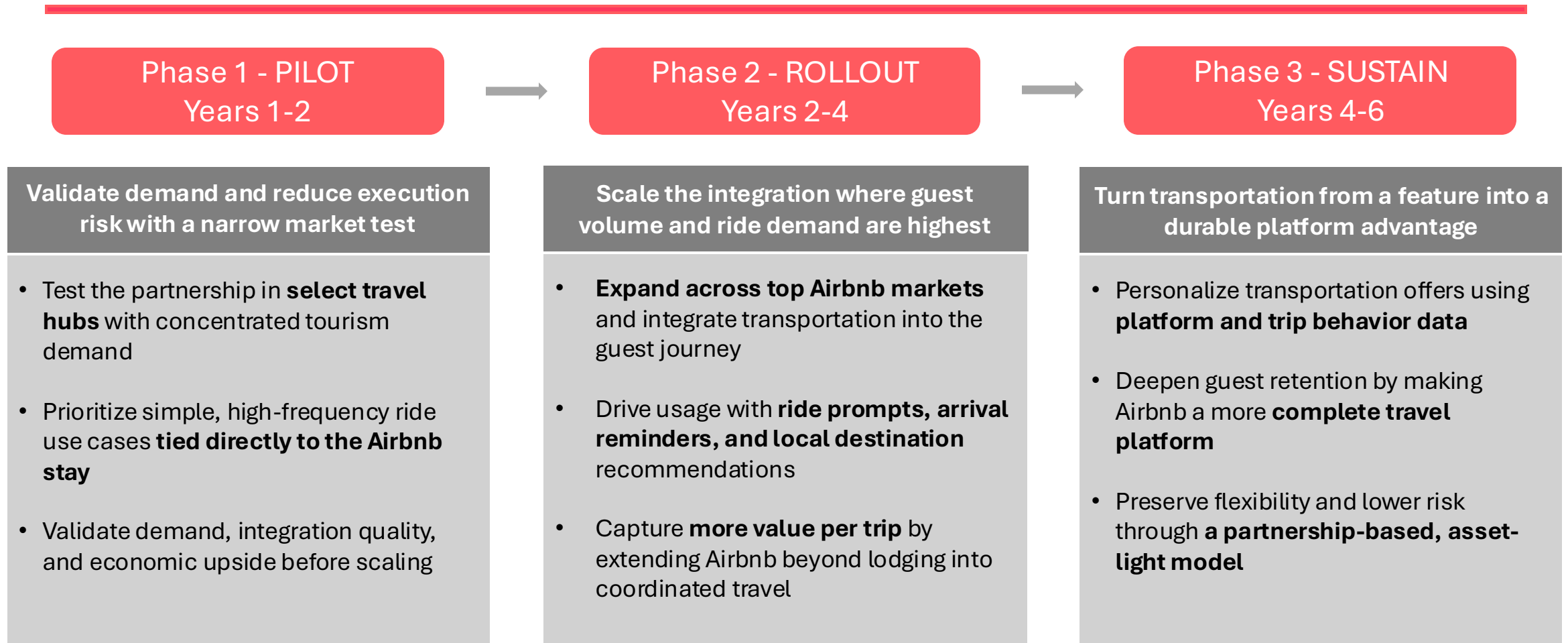
Key Takeaways

- Transportation monetization is **high-margin** because an \$8 increase per booking doesn't require Airbnb to own vehicles or add new operating costs
- A partnership with Uber **enables revenue growth from existing bookings**, increasing value per trip without relying on higher prices or new customer acquisition
- Small per-booking gains scale meaningfully, with about an \$8 uplift translating into **substantial annual revenue** across Airbnb's current booking volume

Sources: Estimates – 15% take rate x \$500 stay = \$75 revenue; \$80 airport-to-lodging round trip x 10% commission rate = \$8 revenue



A three-phase rollout lets Airbnb validate economics before scaling globally



Airbnb x Uber partnership could lift revenue from \$13.3B up to \$17.5B by 2029, unlocking billions in high-margin growth with zero capital investment



Key Takeaways

- A 10% commission on one \$80 round-trip ride per booking adds ~\$8/trip, applied across 100M eligible bookings, **that is \$800M in pure incremental annual revenue**
- Removing the “how do I get there?” friction at checkout is projected to **reduce booking drop-off**, directly increasing nights booked and overall gross merchandise value
- Guests who use Airbnb for **both lodging and transport report a more complete, satisfying trip experience**, increasing repeat booking rates
- Success with **Uber creates a repeatable template** for adding restaurant reservations, local Experiences, and car rentals, turning Airbnb into a full trip platform



Risk & Mitigations

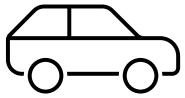
Risks	Mitigation
<ul style="list-style-type: none">Operational complexity could pull focus away from Airbnb's core lodging business	<ul style="list-style-type: none">Pilot in a few travel-heavy markets before broader expansion
<ul style="list-style-type: none">Transportation failures could create added trust and safety concerns for guests	<ul style="list-style-type: none">Keep the solution partnership-based and asset-light
<ul style="list-style-type: none">Regulatory pressures and dependence on Uber could limit long-term control	<ul style="list-style-type: none">Establish clear service standards and customer support responsibilities



Conclusion



Airbnb has proven its asset-light lodging model, now it needs to **grow beyond lodging**



Transportation is the logical next step, guests already rely on ride-hailing during trips and want a seamless, single-app journey



Partnering with Uber lets Airbnb add transportation instantly, with **zero capital investment or operational burden**



This unlocks **high-margin revenue, improves conversion and retention**, and moves Airbnb toward a full end to end travel platform



Appendix

Q4 2020

Q1 2021

Q2 2023

Q1 2024

Q3 2025



Strongest growth was
<50 miles;
50-300 miles also strong

Domestic travel was
~80% of nights;
<50 miles strongest

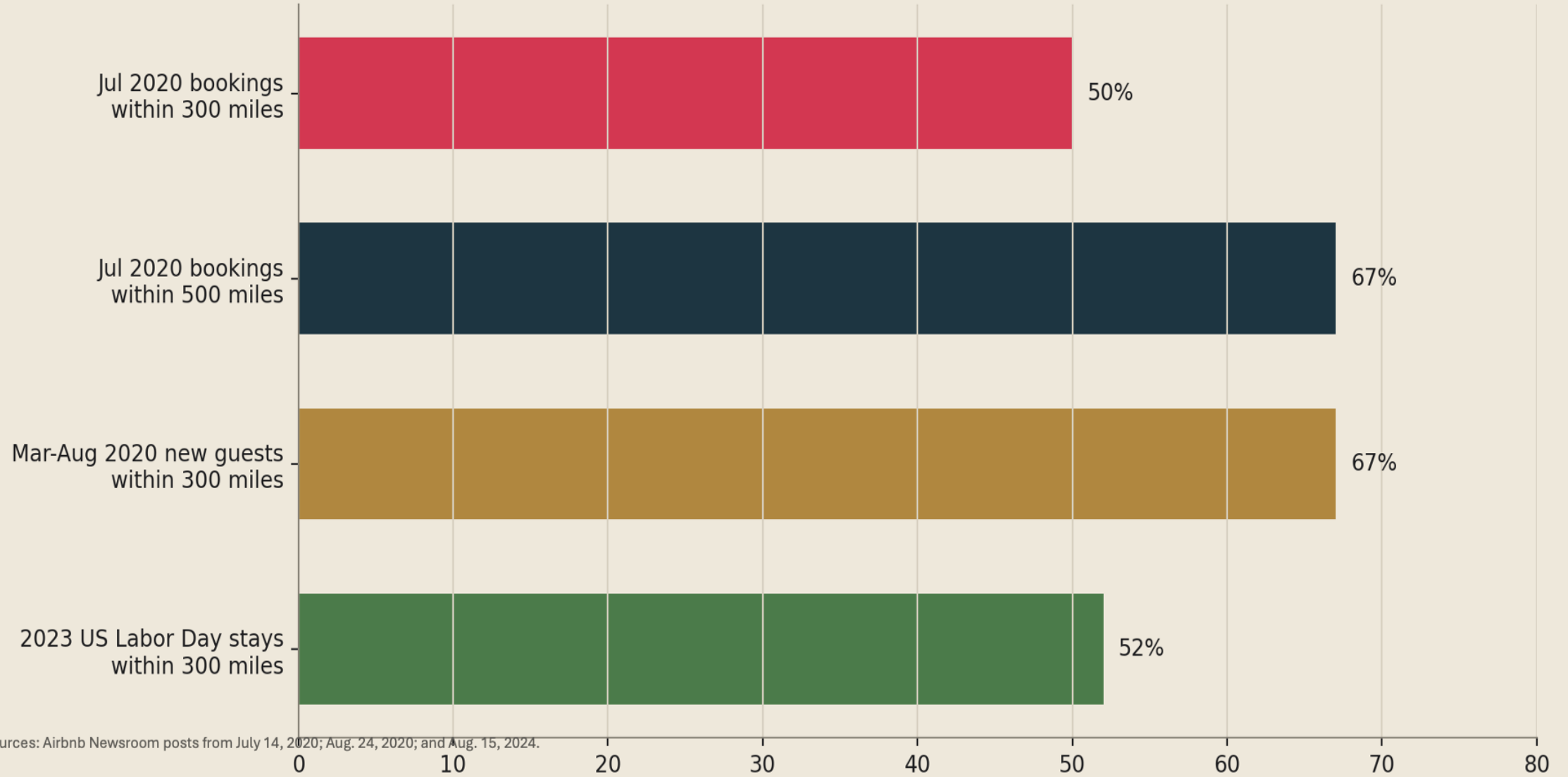
Guests 'traveling farther';
cross-border nights
+16% YoY

Cross-border reached
46% of gross nights,
but domestic still largest

Travel corridor behavior
relatively consistent YoY;
strong domestic travel in NA

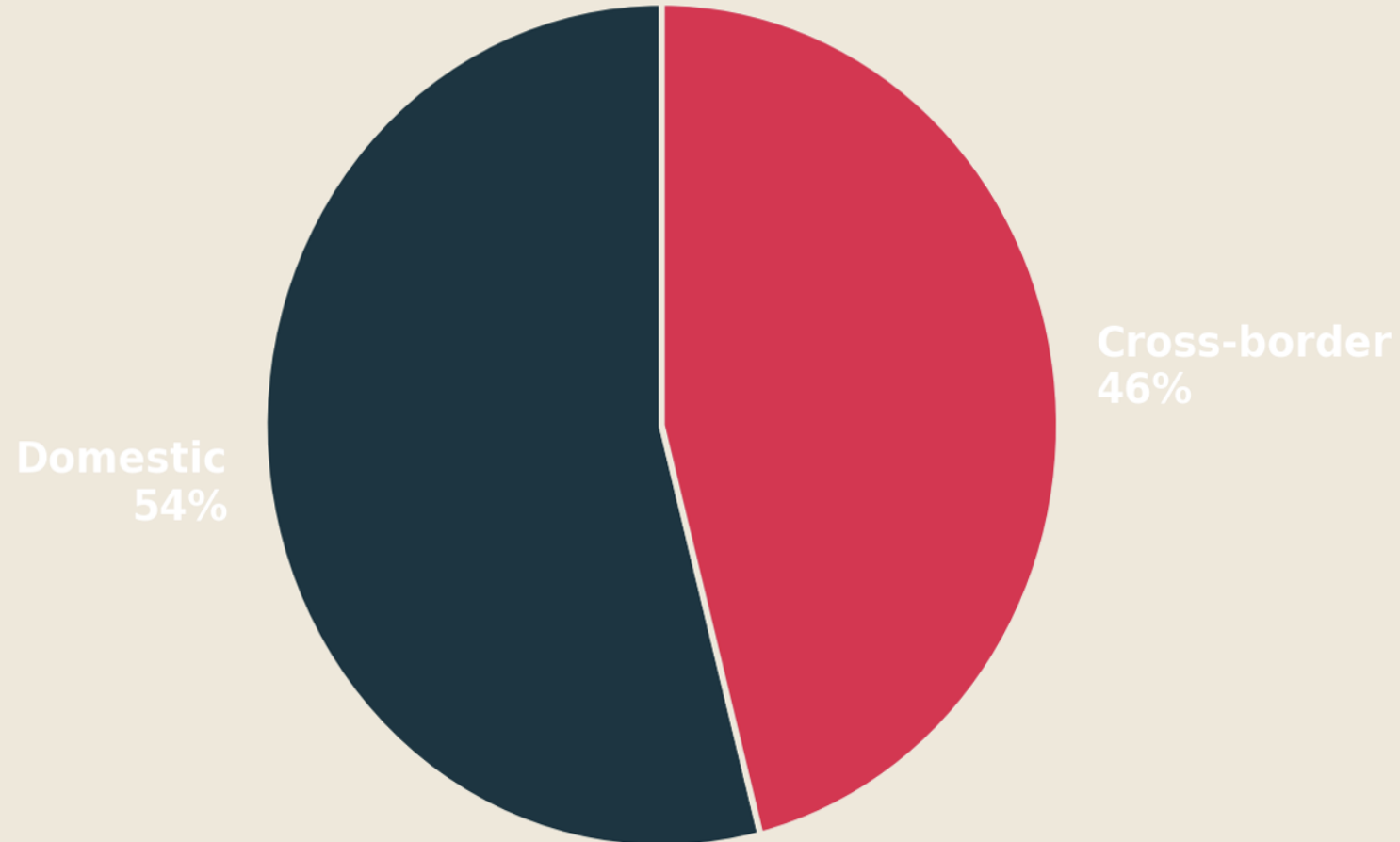
Note: >50% for Labor Day is shown as 52% for visualization only; the source states 'more than half.'

Airbnb's Public Distance Signals Repeatedly Cluster Around Drive-to Travel



Sources: Airbnb Newsroom posts from July 14, 2020; Aug. 24, 2020; and Aug. 15, 2024.

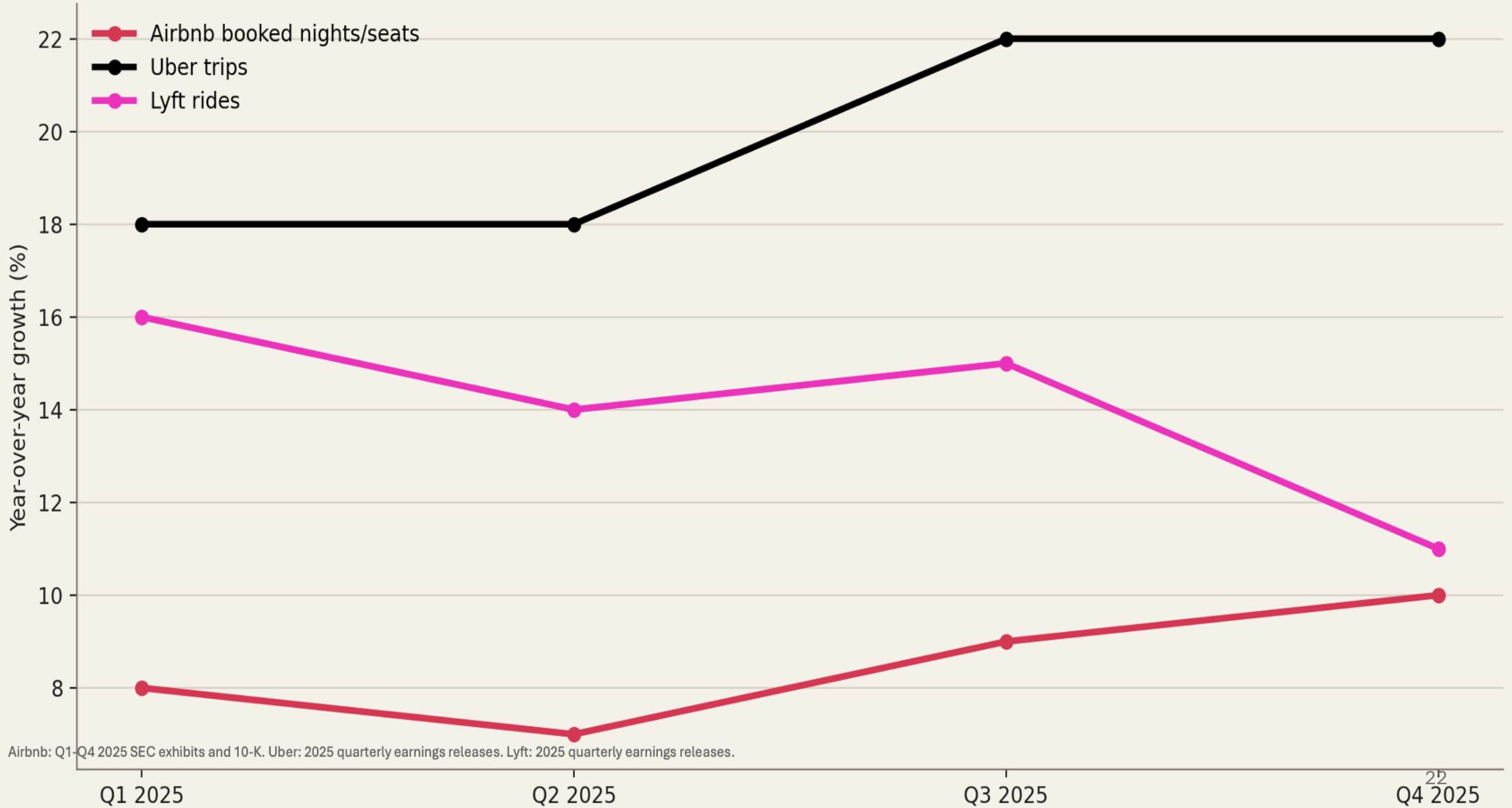
Q1 2024 Travel Corridor Mix Domestic Was Still the Largest Corridor



Q1 2024 is the clearest formal corridor snapshot in the approved source set.

Domestic still led the business even after international travel had materially recovered.

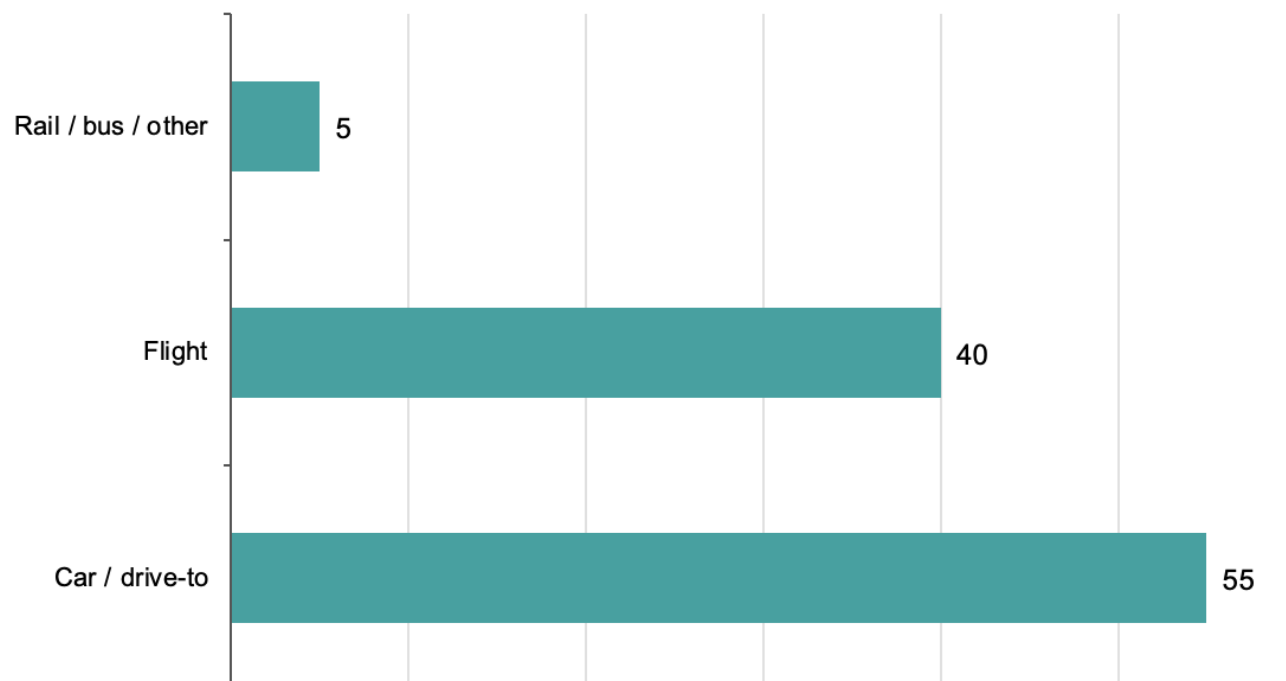
2025 Quarterly Growth Rates Moved in the Same General Direction, But Not Enough to Prove Customer Overlap



Public data suggests Airbnb trips skew heavily toward drive-to travel, with flights the second-most common way guests reach a stay

Airbnb does not publish transaction-level transportation mode by booking, so the chart below is a U.S.-focused proxy built from Airbnb distance/corridor disclosures plus U.S. DOT trip-mode data.

Estimated share of Airbnb stay trips



Car / drive-to: 55% proxy

Inferred from Airbnb's disclosure that more than half of U.S. Labor Day 2023 stays were within driving distance.

Flight: 40% proxy

Residual estimate consistent with Airbnb's large cross-border booking mix and the lower share of long-haul trips made by car.

Rail / bus / other: 5% proxy

Anchored to U.S. DOT data showing bus and train remain low-single-digit shares of long-distance leisure trips.

Important: 55% / 40% / 5% is an inferred directional split for U.S.-oriented Airbnb stay trips, not Airbnb-reported transaction data. It is suitable for strategic discussion, not for audited market sizing.

Revenue Forecast: Assumptions & Calculations Behind Each Scenario

No Partnership (Organic)

Base Revenue 2024
\$11.1B

Airbnb FY2024 annual report

Organic Growth Rate
~6% / yr

5-yr avg CAGR, ex-pandemic

Partnership Revenue
\$0

No Uber integration

2025E
\$11.8B

\$11.1B x 1.06

2026E
\$12.4B

\$11.8B x 1.05

2027E
\$12.9B

Growth rate decelerating

2028E
\$13.2B

Maturing core market

2029E
\$13.3B

~4% growth by Year 5

Base Case (20% Adoption)

Base Revenue 2024
\$11.1B

Airbnb FY2024 annual report

Eligible Bookings
492M nights

FY2024 nights booked

Ride Adoption Rate
20% = 98M rides

Conservative Year 1 uptake

Avg Ride Value
\$80 round trip

Airport transfer benchmark

Commission Rate
10%

Standard platform take

Revenue per Ride
\$8.00

\$80 x 10%

Partnership Rev Y1
+\$0.8B

98M rides x \$8.00

2029E Total
\$15.4B

Organic + \$2.2B partnership Y5

Best Case (40% Adoption)

Base Revenue 2024
\$11.1B

Airbnb FY2024 annual report

Eligible Bookings
492M nights

FY2024 nights booked

Ride Adoption Rate
40% = 197M rides

High uptake + active marketing

Avg Ride Value
\$85 round trip

Premium for bundled booking

Commission Rate
10%

Standard platform take

Revenue per Ride
\$8.50

\$85 x 10%

Partnership Rev Y1
+\$1.7B

197M rides x \$8.50

2029E Total
\$17.5B

Organic + \$4.6B partnership Y5

Prices for Blacklane and Taxis (JFK – Times Square/Manhattan)

Taxi fares between JFK Airport and Manhattan

For your convenience, taxis from JFK to Manhattan have a flat rate of \$70, plus tolls, tip, and \$2.75-\$8.50 in additional fees which vary by time of day and destinations. The meter and receipt will show this fixed price.

Flat Fare Policy: If passengers ask the driver to stop at more than one stop within Manhattan, the flat fare policy applies to the first stop. After that, the meter will start a new trip, which will incur additional costs above the \$70 and fees. There are no extra charges for these trips for peak times or night.

<https://www.jfkairport.com/transportation/taxi-service>




Sun, Apr 12, 2026 at 10:45 PM (EDT)

John F. Kennedy International Airport Ne... → Broadway & 7th Avenue

Estimated arrival at 11:29 PM (EDT) • 29.7 km

Select a vehicle class

All prices include estimated VAT, fees, and tolls

	Business Class 3 passengers 2 luggage Mercedes-Benz EQE or similar	US\$180.00 ▾
	Business Van/SUV 5 passengers 5 luggage Cadillac Escalade, Mercedes-Benz V-Class, or similar	US\$200.00 ▾
	First Class 3 passengers 2 luggage Mercedes-Benz S-Class or similar	US\$320.00 ▾



Sources

Ride-Hailing Data

- <https://tgmresearch.com/unexpected-insights-from-global-ride-hailing-data.html#contact>
- <http://caee.webhost.utexas.edu/prof/Bhat/ABSTRACTS/RideHailing.pdf>
- <https://www.lyft.com/blog/posts/the-year-in-data-how-when-and-where-we-got-around-in-2022>
- <https://www.cnbc.com/2015/10/14/the-business-travel-taxi-market-getting-dominated-by-uber-lyft-and-airbnb.html>

Some other sources (Slide 17 and 18)

- <https://news.airbnb.com/airbnb-signs-agreement-to-acquire-hoteltontight/>
- <https://news.airbnb.com/2023-summer-release/>
- <https://news.airbnb.com/hoteltontight-and-airbnb-finalize-acquisition/>
- <https://matadornetwork.com/read/airbnb-welcome-pickup-partnership/>

Impact slide source

- <https://www.sec.gov/ix?doc=/Archives/edgar/data/1559720/000155972025000010/abnb-20241231.htm>

Seamless travel user experience

- <https://scholarworks.umass.edu/server/api/core/bitstreams/fce0e57d-8bf1-4a2c-8154-7bc8668d7a27/content>
- <https://www.forbes.com/councils/forbesbusinesscouncil/2025/02/21/the-increasing-role-of-consumer-choice-in-travel-bookings/>

