

Airb2b Media Plan - Airbnb

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Situation Analysis

“Make Every Work Trip Unforgettable”

“Work trips don't have to be boring--make them extraordinary with Airbnb.”

Airbnb is a premium online marketplace offering quality getaways for rent, ownership or leasing ventures. The company began in 2008 by two innovators, Joe Gebbia and Brian Chesky, who saw an opportunity to profit from creating a comfortable bed and breakfast experience. Although this popular digital housing site is known for its presence during leisure trips, let us consider the financially impactful state of business traveling, and how Airbnb can benefit from it. According to Global Business Travel and Facts, “Travel and tourism is a huge industry, contributing more than 10 trillion U.S. dollars to the global economy in 2015. Business travel is a large part of this industry, making a total global economic contribution of 1.11 trillion U.S. dollars during the same year.” Through the lens of 40 to 65-year-old college-educated business executives, we will establish the profitable relationship between Airbnb and our target audience. The aforementioned insight led to the essence of our media plan, which will focus on the intricacies, benefits, and opportunistic theory of how B2B services work well with the overarching goal of “unforgettable traveling” during business trips.

Current B2B Marketing Background

There is a priority in establishing Airbnb's current B2B marketing tactics. Tim Rathschmidt, the company spokesperson states, “Airbnb's platform doesn't just appeal to small and midsized business as an affordable option, but also to larger companies as a way to keep up with how employees — often millennials — want to travel.” Rathschmidt confirms that there is a promising opportunity in B2B positioning for Airbnb.

It is important to shed light on Airbnb's current practices for attracting business travel. To date, it is using convenient corporate-oriented measures to gain the attention of business travelers. According to Business Travel Pushes Airbnb to Next Level of Growth, the company is taking strategic steps to appeal to the college-educated, business executive target audience. The article states: “Airbnb is making it easier to book business trips through its site with a new search function that filters professional travel listings - ones that guarantee amenities such as WiFi, a designated work space, an iron, hangers and other features that work-related guests

have become accustomed to.” Although B2B marketing is not foreign to Airbnb, it should become a more focused initiative. Taking the spotlight off of the millennial traveler will not only welcome a unique angle in the market segment but it will also encourage growth for the company as a whole.

Target Audience Analysis

Examining Airbnb’s current customer base, younger generations are more likely to use Airbnb than its competitors. Airbnb retains higher usage rates among millennials and Gen Zers, wherein GenXers are 15 percent less likely to use Airbnb and 10 percent more likely to use Homeaway. Homeaway continues to be the more popular company across the older generations. However, adults with college and post graduate education are 93 percent more likely and 109 percent more likely to visit an Airbnb, respectively. Geographically, Airbnb users are 30 percent more likely to live in the Northeast, 46 percent more likely to live in the West, and 19 percent less likely to live in the South. The Midwest shows little favoritism toward any home-sharing services.

These findings result in an interesting insight for Airbnb’s strategic direction. While Airbnb is more popular among younger generations, it is strongly favored among those with advanced college degrees, which translates to a strong favorability among those working in corporate America. The business niche of Airbnb alone already receives more customers than Homeaway’s standard service. This strength is surprising, as Airbnb’s business focus is a relatively new service with many of its features rolling out in Spring 2017, whereas Homeaway has been in service three years longer than Airbnb.

Through this media plan, Airbnb will focus efforts on a primary target audience of highly-educated corporate executives between the ages of 40-65. Its secondary target audience will include lower-level corporate employees who are also highly educated, but fall into the millennial and Gen Z generations (ages 20-39). To reach these primary and secondary audiences, Airbnb’s media plan will target large corporate cities in a three-phased approach. First, the plan will target Western cities like Los Angeles and Seattle, where Airbnb already has a strong presence. Next, the media plan will target Northeastern cities like New York, Boston, and Washington D.C. where Airbnb has its next largest customer base. The third phase of growth will target Midwestern cities like Chicago, Cincinnati, and Kansas City where neither Airbnb nor its competitors currently have a strong presence.

Objectives

Airbnb is currently one of the top companies in the home share market. However, this year, the company is looking to grow across new markets using targeted media and tactics to increase share in the corporate hospitality market by 20 percent in FY18. With focus on a new target audience, the company will use targeted media and advertising efforts to increase consideration over competitors, specifically hotels.

In order to increase consideration, the media objectives will center around increased frequency and targeted reach. Due to the large audience that the campaign will target, Airbnb has a high objective to reach 70 percent of the primary audience. Although the campaign has high reach goals, as the company works to establish itself as an industry leader among the targeted audience in the corporate hospitality segment, frequency will be the primary focus. In an effort to successfully expose the campaign's effort without over-exposing the audience, the targeted frequency is eight exposures per quarter. A hyper-frequent campaign will help to gain faster recognition and drown out competitor messaging.

Strategies

Paid Media

Print

Our strategy for print is through publications focusing on current news, business, and some lifestyle topics. We decided to choose global brands like The Wall Street Journal and The New York Times which cater to our specific target market, because these publications have high readership among corporate business leaders. In addition to these major publications, we also found it necessary to create advertisements specifically for magazines. Forbes felt like the appropriate media channel due to its nontraditional approach to business news that is focused on travel and leisure. We also plan to create content in The Wall Street Journal's weekend edition magazine.

Our aim is to showcase Airbnb's ability to provide stress-free lodging for business-oriented trips. In many cases, a business trip is associated with a generic hotel room that does not reflect the city in which it is located. Airbnb hopes to change that attitude by giving its patrons something most big brand hotel chains cannot provide. A hotel room is a bed and a shower, but an Airbnb is the energy and spirit of the city. Applying this insight into our print campaign will be a positive approach for business clientele.

Out of Home

With our out-of-home strategy, we will target airports in large cities, through the use of billboards and installations. We can receive maximum exposure from business executives, which frequently travel by plane.

Billboards will be placed near executive clubs where many business travelers wait for flights. We will also use taxi toppers on cabs working around the airports. Many executives have personal cars or drivers, but many still travel by taxi. We will also use interactive installations that will be open for viewing and interaction in airport terminals. We want to showcase Airbnb, specifically to business executives, and make them more comfortable with the platform. By setting these up we can show what it is like to stay at an Airbnb business lodging and why it is different than a hotel, while also sharing the company's story.

We chose the airport strategy because executives fly often. Airports are high-traffic areas, with hundreds of thousands of business-minded visitors each day. Many of them spend their days in airport terminals waiting for flights, and when they finally reach their destinations, they will need places to stay. Airbnb is becoming a larger platform that not only caters to vacationers, but is available for business travelers as well. Airbnb lodgings are for work, not just play.

Earned Media

Social Media: LinkedIn & Twitter

We will use LinkedIn and Twitter to drive the conversation about Airbnb's business tools and programs. This will stem from our owned and paid strategies, which highlight the business end of the platform. We found that executives are using LinkedIn and Twitter more than ever to engage in conversations surrounding their businesses. Both platforms encourage conversation among industry professionals and across corporations to effectively hit Airbnb's B2B target audience.

Public Relations

Our public relations effort will focus on the news and discussions stemming from the advertising campaign and Airbnb for Business. We want to be in control of the conversation and keep it positive, while sharing Airbnb's business initiatives with our target market.

Word of Mouth

Word of mouth can be difficult to anticipate, but we plan to have representatives at all airport installations to answer questions and promote Airbnb's business lodgings. We will also use owned media to carry the conversation forward. We want everyone who is interested in Airbnb's business tools to receive all the information they need. Word of mouth will be the most successful channel for us when promoting these programs, and we want to ensure the best messages are passed along.

Owned Media

Airbnb for Business – Business Travel Ready

Creating a business program is our primary form of owned media. Similar to many corporate plans found within the hotel industry, Airbnb aims to provide high-frequency business travelers with added benefits that will create a more customized experience for work-related travel. For single business travelers, they will have business-ready lodgings designed with work in mind. For corporations, department-wide business trips won't be so stressful. For example, travel receipts are sent directly to accounting to increase ease and efficiency.

Airbnb has started opening Business Travel Ready (BTR) lodgings, which are dwellings specifically designed with work in mind. In order to qualify as a BTR lodging, a dwelling must include a desk, Wi-Fi, self check-in through a doorman or digital lock, as well as standard amenities, like free shampoo, a hairdryer and an iron. Airbnb for Business will work in tandem with BTR to match business travelers with the right lodgings. In order to promote this new program, Airbnb will create a dedicated web page for desktop and mobile. This page will breakdown the added benefits available to people using Airbnb for business trips.

In addition to the business program, it is important to shed light on the dual presence of owned media and social media. While LinkedIn and Twitter are two different platforms, both give Airbnb the opportunity to establish who it is as a business travel expert. Both social platforms are welcoming to 2018 business executives who are dedicated to staying connected to the latest and greatest. While LinkedIn will be a great opportunity to set the tone for Airbnb's business program, Twitter will be the best place to create and maintain a controlled and succinct message to our target audience.

Media Plan

Media frequency will increase quarterly due to the three-phased approach, as the program spreads across additional corporate-focused cities over the first three quarters. Q4 will experience the largest media presence as all cities will be introduced to the platform by this time. The Q4 media results will then be evaluated and optimized to maintain similar media presence between Q4 2018 and Q1 2019.

Airbnb will allocate an overall \$20 million budget across the aforementioned paid, earned and owned media. Overall, paid media will envelop a majority of the cost at approximately \$12 million with the remaining \$8 million focused on owned media development along with earned media amplifications. 30 percent of the \$8 million will be used to amplify earned media efforts while the remaining 70 percent will focus on owned media efforts. Across the multiple mediums, Airbnb will successfully reach its defined corporate target audience and marketing, advertising and media objectives.

Paid

In 2018, Airbnb will spend 60 percent of its media budget on paid media in the form of print and out-of-home advertisements. Of the allocated 60 percent, \$5 million will be budgeted for print and \$7 million will be used for out-of-home.

Paid efforts will be split equally across newspaper and magazine platforms with \$2.5 million spent in both mediums. Newspaper ads running in The New York Times and The Wall Street Journal will be dispersed evenly throughout the year, as business travel never faces extended declines. The Wall Street Journal weekend magazine ads will run primarily in Q1 and Q3 with occasional inclusion across Q2 and Q3. Forbes magazine will run a half-page and a quarter-page ad in each issue over the course of the year, with the request to run near relevant content.

In addition to print advertising, the strategy will focus on airport billboards and installations in key cities across the country amounting to \$7 million. The installations will run year round with greater focus on Q2 and Q3 when travel frequency increases. Interactive out-of-home media will be covered by 40 percent of the allocated out-of-home budget, while the remaining 60 percent covers billboards and signage throughout the airport and their surrounding areas.

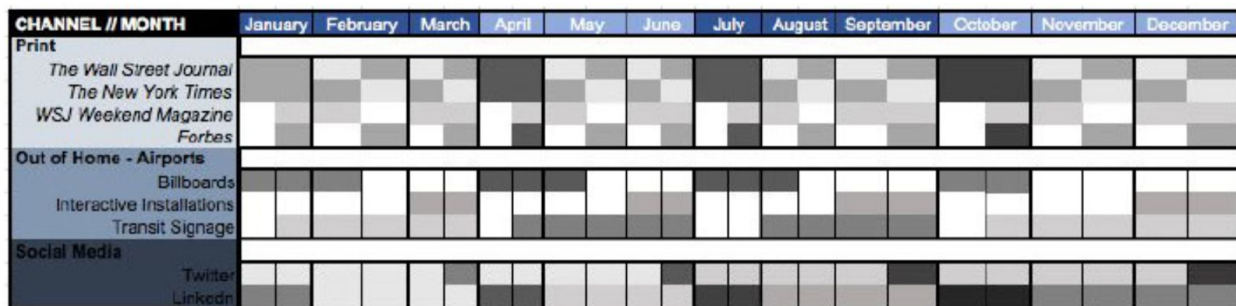
Earned

The earned money will be allocated toward cultivating influencer initiatives, participating in relevant conversations and engaging advocates who are already using Airbnb services for business travel. Due to the three-phased approach, earned media expenses will be highest at the beginning of each quarter due to the inclusion of new cities across the country. Specifically \$800,000 will be designated to each of the following three initiatives: influencer relations, media relations and social media monitoring.

Owned

In 2018, Airbnb will allocate \$5.6 million to create desktop and mobile-friendly interfaces for its new Business Travel Ready (BTR) lodgings. This new site will provide a positive user experience for the corporate-minded traveler, making the process to book lodging convenient and hassle-free. In addition, Airbnb’s owned social channels - LinkedIn and Twitter - will produce original content relevant to the corporate traveler, including group dinner recommendations and how to make the most out of a quick business trip.

Flowchart



2018 Media Flowchart

*Darker colors indicate higher frequency in the time period

In conclusion, through strategic communication, this media plan, describes how Airbnb will move its positioning in the marketplace from the weekend-getaway platform of younger generations, to a reliable travel partner for the serious business-savvy professional. This new positioning will launch Airbnb into the corporate hospitality sector and ultimately redefine the experiences of the corporate traveler.