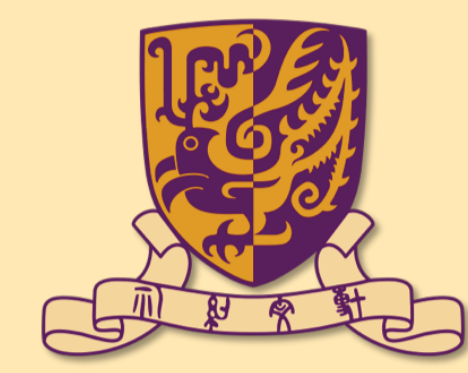


Why Is Airbnb NOT Popular In HK



Current Situation

- Occupancy Rate

City	HK	Taipei	New York
Hotel	90%	64%	87%
Airbnb	22%	34%	30%

1. Regulations
2. Price difference
3. Purpose of visitor

- ### - Comparing cities
1. Taipei
 2. New York City



Contributing Factors

Regulations

	HK	Taipei	NYC
Lending days	> 28 consecutive days	any	any
License	✓ *complicated and long waiting time eg. 467 days	✓ *online application and rather simple	✗ *owner living together/ < 2 tenant families
Penalty	1. HKD200,000 fines 2. 2 years imprisonment 3. permanent criminal record	1. ~ HKD77,000 fines 2. ✗ imprisonment 3. ✗ criminal record	/ *no precedents of homestays is sentenced as illegal
Remarks	HK government proposes an increase in fines of illegal homestays to HKD300,000 and imprisonment period to 3 years. Fines will be charged not only to proprietors but also tenants.		

Flat Owner



I don't want to be fined and be in jail TT

Tourist



I don't want to take risk!

Price Difference

600 accommodation choices are chosen under same criteria.

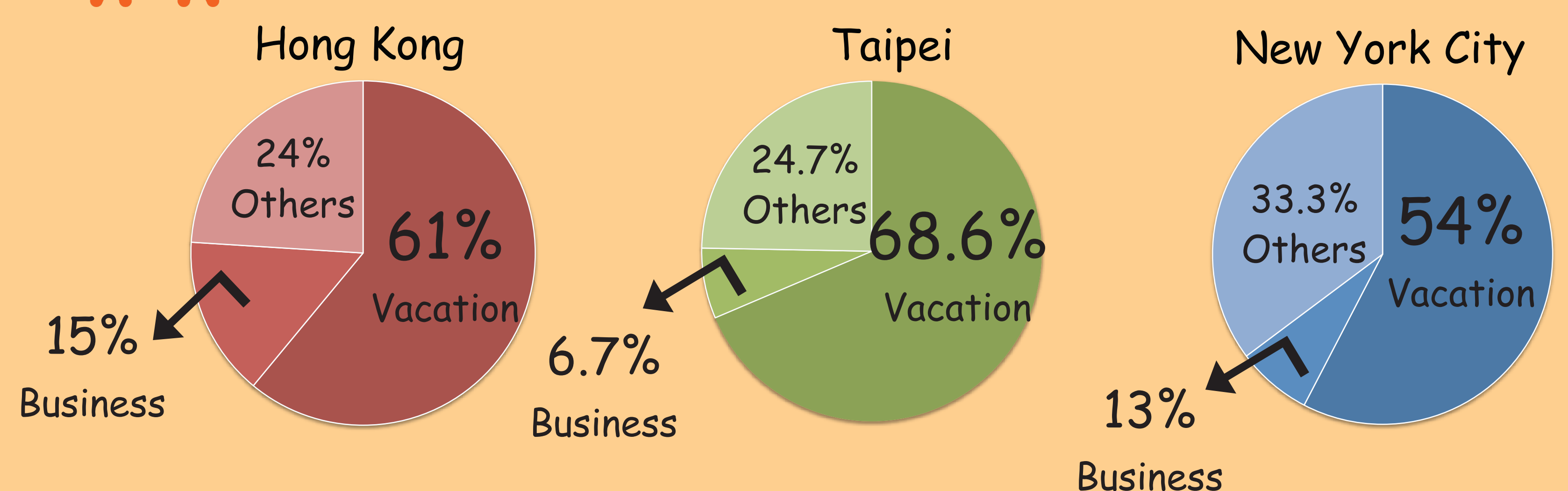
	HK	Taipei	NYC
Hotel	\$856	\$674	\$2238.6
Airbnb	\$678	\$310	\$1287
Difference	1.26 times	2.1 times	1.74 times

*All expressed in HKD

Visitors' average length of stay:

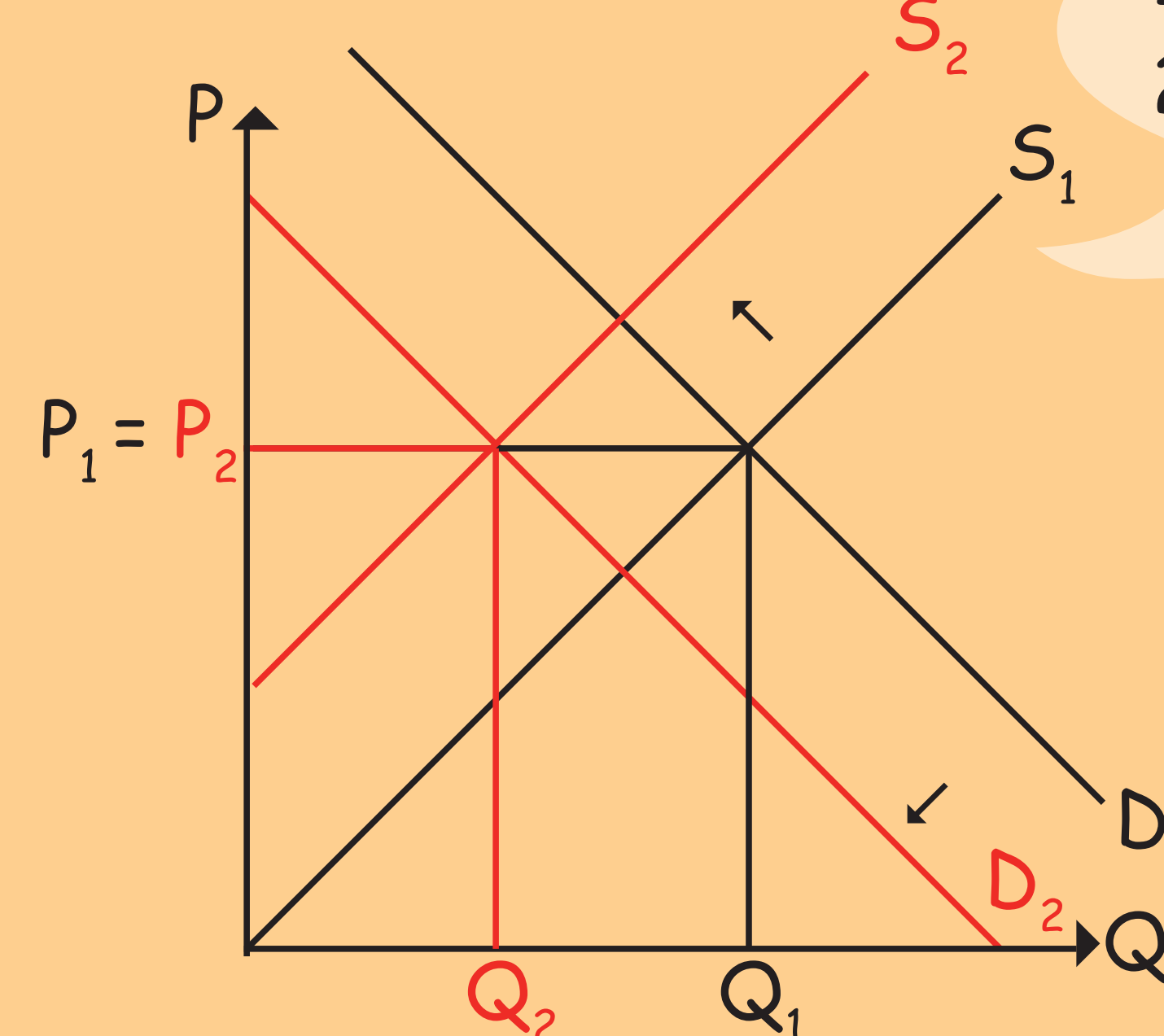
HK : 3.3 days Taipei : 6.6 days New York : 9.0 days

Purpose of Visiting



Hotel price is **NOT** a concern of businessman because the expenses can be claimed!

HK airbnb market



1. Strict regulations
2. Small size of flats

1. Risk of being sued
2. Small price difference between hotel & Airbnb
3. Short trip
4. Businessman
5. Crowded flats

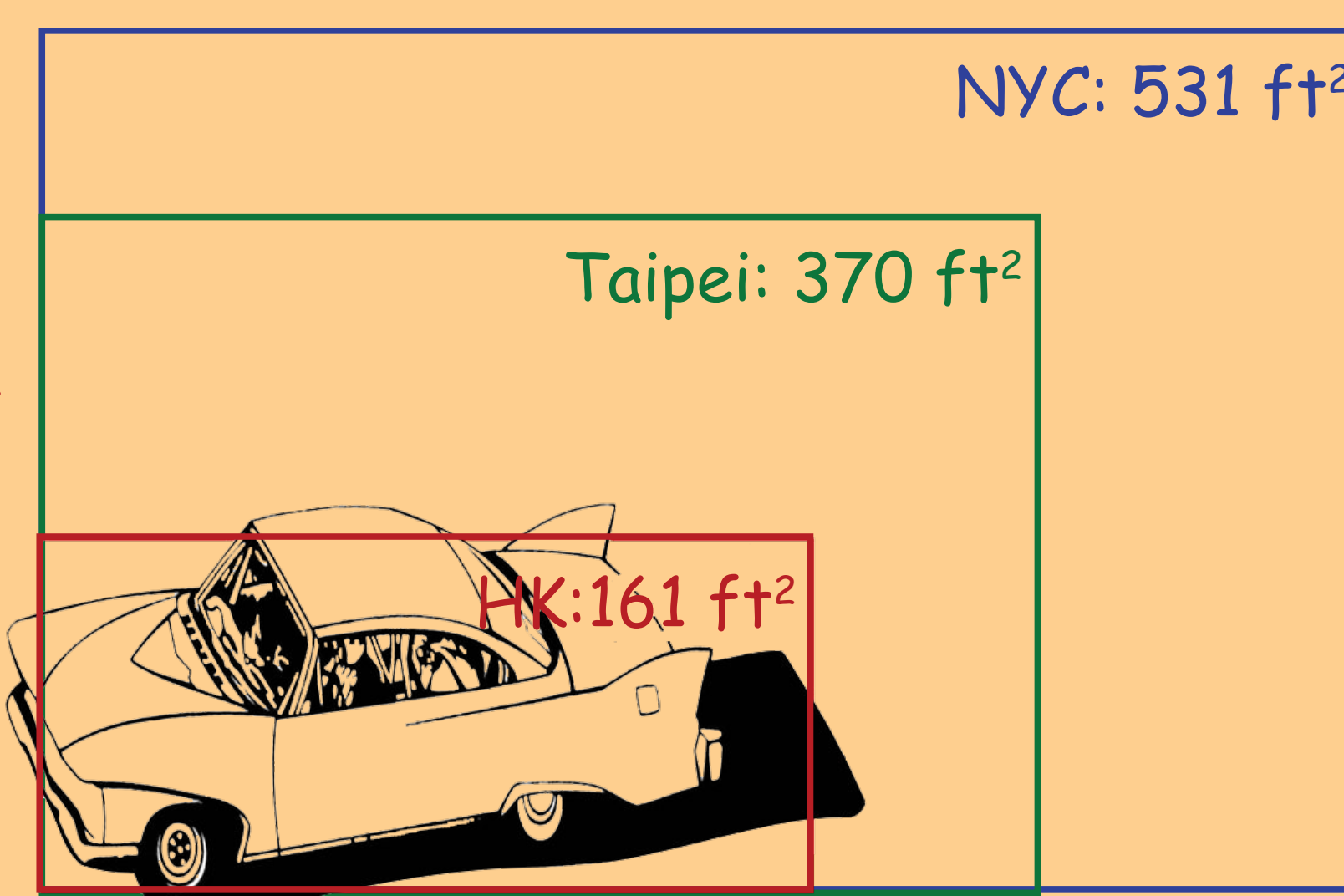
Size of Flat

Living area per capita (in 2016):

HK : 161 ft² (standard parking area of private car = 135 ft²)

Taipei : 370 ft²

New York : 531 ft²



Supply: Low average residential area per capita
→ HK hosts not capable of renting out houses
→ supply of homestays in HK ↓ (S_2)

Demand: size of all-inclusive hotel room (~price) > living area per capita
→ visitors prefer hotel rooms
→ demand of homestays in HK ↓ (D_2)

Prospect

Countries' economy can be benefited in several aspects:

1. Fully utilize vacant housing
 2. Collect hostel tax → ↑ capital for infrastructure
 3. Rental fee is captured by flat owners
 4. More meaningful usage of the saved money
- } Stimulate economy of local community

Keep pace with the ever-changing society
Benefit from the shared economy!