

Sharing economy: shared accommodation

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Abstract: *The sharing economy has been constantly evolving and changing over the years. Development concerns existing as well as new areas. It has already developed into many forms. Its regulation is constantly being addressed in specific cases. Within the issues addressed by the paper, it is possible to highlight, for example, the newly introduced accommodation fee. Shared accommodation is one of the most well-known forms of sharing economy. The paper pays attention to specifically shared accommodation provided through Airbnb in Prague, to create an overview of its development and share in total capacity. Shared accommodation can act as a competition in terms of collective accommodation establishments, but due to the growing interest in tourism, even in the case of Prague, it can provide the lack of capacity for which there is growing interest. The data obtained provide an overview and discussion of the capacities that this particular form due to the growing interest in the tourism sharing economy provides. Data on collective accommodation establishments are given first, followed by data on the accommodation provided via Airbnb. In both situations, the development over the years is emphasized, also due to the attention to the growth of these forms of accommodation and the growth of interest in tourism. Based on findings, shared accommodation provided via Airbnb can be considered an essential part of the total accommodation capacity. An overview of accommodation development is an important part of further research such as the specific impacts of Airbnb's development on the development of collective accommodation establishments.*

Keywords: *sharing economy, sharing accommodation, sharing, development.*

JEL Classification: *M13, O18*

Introduction

Many publications deal with the issue of the sharing economy. Specifically, often solved problems are taxation, regulation, or the impacts of the sharing economy. This paper focuses on creating an up-to-date overview and introducing the issue of a shared economy as it currently is. The sharing economy is constantly evolving and changing, both in terms of development in existing and new sectors and terms of regulation in individual countries. The most well-known and, so to speak, the most developed areas of the sharing economy are accommodation and transport.

The paper focuses on the area of shared accommodation, whose representative, Airbnb, is often discussed. It provides an overview of the development of this particular area and mentions the current effects and impacts that accompany it. The rationale for this focus of the paper is the topicality of this area of sharing economy, for example, due to the introduction of an accommodation fee, which brings some changes, either in terms of revenue to public budgets or in terms of impact on this form of sharing economy.

Thus, there is an introduction to the issue of shared accommodation and then a presentation of its current development. The overview will specifically focus on the accommodation provided through Airbnb in Prague. The overview can be used for further research, which may concern, for example, the effects of shared accommodation on hotels and other accommodation establishments. Papers in this area deal with the impacts of shared accommodation on cities, on collective accommodation establishments, on long term rentals, real estate prices, etc.

The paper first contains a theoretical background to introduce the issue. The theoretical background is focused directly on shared accommodation. The Research Methodology follows, where the aim of the paper and the method of its processing are highlighted. Through the obtained data, the share of accommodation units provided via Airbnb is determined. Specifically, the Research Results section deals with this, which first states the number of beds in collective accommodation establishments, then the number of beds within Airbnb, and then states the share of Airbnb in the total capacity. Subsequently, the issue of new capacities brought by shared accommodation specifically shared accommodation within Airbnb in Prague is discussed.

1. Shared accommodation

The article will now focus on accommodation, specifically Airbnb. The purpose is that individuals who have free space in their home or own unused property provide accommodation. Within the capital city of Prague, the area of short-term accommodation capacities has developed in recent years. Of course, several offering entities can be found in the area of shared accommodation, but Airbnb can be considered the most used and widespread (Novotná and Hasoňová, 2020; Office of the Government of the Czech Republic, 2017).

Living space is a well-known form of sharing economy. This paper focuses on the aforementioned best-known platform for short-term sharing, Airbnb. Through Airbnb, property owners gain the opportunity to earn additional income. The development of Airbnb accommodation is affecting local people. The reason is certain connections between residents and real estate, specifically the mix of tourist and residential functions in residential areas (Marek, et al., 2017; Marianovská and Němec, 2018).

According to Colliers International (2018), Prague is considered a popular tourist destination, which also affects the accommodation market. Airbnb can potentially be considered a competition from collective accommodation establishments. In the case of Prague, rather than as a supplement, it partially creates a new market. Hotel complexes can be expected to retain their customers, but it can be assumed that shared accommodation in terms of tourism will affect small hotels (Novotná and Hasoňová, 2020).

Hotels, guesthouses, etc. can be imagined under collective accommodation establishments. Until the expansion of short-term accommodation platforms, they were the only choice for passengers. Accommodation platforms bring new capacities that were previously only available in the residential market (Deloitte, 2019).

Kvitkova (2016) states that hoteliers do not have very positive opinions on the development of shared accommodation (Airbnb) in the Czech Republic. Given that a significant number of tourists use shared accommodation, shared accommodation can be considered as a competition threatening hotels. She also mentions the importance of Airbnb on the Prague market. The issue can be viewed from two perspectives, namely that Airbnb provides the missing capacity or that it competes.

Shared accommodation also focuses on specific areas. Kruliš and Rezková (2016) mention that shared accommodation focused on cottages is being developed in the Czech Republic. Based on this, it can be said that shared accommodation also focuses on the specific demand in this case of cottages. In this case, a specific demand can be understood as a focus on the domestic market.

Airbnb has been providing accommodation since 2008. Accommodation provided by people through Airbnb can be provided, as already mentioned, as an alternative to accommodation provided by collective accommodation establishments. Accommodation units provided through Airbnb are mostly located in historic city centers, where hotel construction may be limited (Novotná and Hasoňová, 2020).

2. Research Methodology

The paper aims to provide an overview of the current development of the specific form of sharing economy. Specifically, it is one of its most famous areas, namely shared accommodation. First, there is an introduction to the issue of shared accommodation, specifically to the issue addressed in the paper. It is, as already mentioned, the creation of an overview of the development of shared accommodation provided through Airbnb. The development of the shared accommodation market is monitored through data. Subsequently, the share of accommodation units provided through Airbnb in the total capacity of accommodation units is determined. The paper discusses the issue of new capacities that shared accommodation brings and their impact on collective accommodation establishments. Furthermore, the use of new capacities due to the growing interest in tourism. Based on the findings, conclusions are drawn.

3. Research Results

The Research Results compares the development of collective accommodation establishments and Airbnb as a representative of a shared economy, specifically shared accommodation. Due to the ever-growing interest in tourism, there is a change in demand. Prague is one of the cities that shows signs of growing tourism. The reason for such a development is affordability and interest in travel, which is just simplified by technology. Currently, it is, for example, possible to travel without a travel agency. Table 1 shows the number of beds in collective accommodation establishments in the years 2016–2019. The data can be seen in the growth in the number of beds over the years (Deloitte, 2019).

In the following part of the paper, the fact mentioned by Novotná and Hasoňová (2020) will be pointed out, namely that the growing number of overnight stays of guests is not accompanied by the growing number of collective accommodation establishments. This increases the interest in accommodation units provided by Airbnb.

Tab.1: Number of beds in collective accommodation establishments in Prague

Accommodation	2016	2017	2018	2019
Collective accommodation establishments	91 887	90 891	93 169	94 444
Growth	-	-996	2 278	1 275

Source: own (2020) based on the Czech Statistical Office, 2020.

Table 2 shows the number of beds that are offered through Airbnb in the years 2016–2018. Based on this, growth can be observed again over the years. In 2017, the number of beds increased by 30 886 compared to 2016. In 2018, the increase was no longer as significant as in the previous case.

Tab.2: Number of beds within Airbnb in Prague

Accommodation	2016	2017	2018
Airbnb	17 913	48 799	52 378
Growth	-	30 886	3 579

Source: own (2020) based on Marianovská and Němec, 2018.

Based on the above data, it is possible to calculate what part of the total bed capacity in Prague is represented by Airbnb accommodation units. From the data provided by the tables above, the total bed capacity is determined. Subsequently, as already mentioned, it is found out how Airbnb contributes to the total capacity.

Tab.3: Part of the total bed capacity represented by Airbnb

Accommodation	2016	2017	2018
Collective accommodation establishments	91 887	90 891	93 169
Airbnb	17 913	48 799	52 378
Total bed capacity	109 800	139 690	145 547
Part of total bed capacity	16 %	35 %	36 %

Source: own (2020) based on the Czech Statistical Office, 2020; Marianovská and Němec, 2018.

According to a study by Deloitte (2019), the influx of tourists to Prague is increasing by an average of 300 000 a year. However, only a slight increase can be observed in bed capacities. Table 2 above shows that there is more significant growth in the capacity offered through Airbnb. Based on the above, it can be deduced that accommodation platforms tend to profit from the growing interest in tourism. It would be possible to respond by directing shared accommodation. With the arrival of 2020, a new accommodation fee was introduced. A new offer of hotels could also be a response.

Marianovská and Němec (2018) state that the service provided through Airbnb has partially moved to the commercial zone, in the case of renting entire apartments or houses. In these cases, residents do not share their accommodation. Effects on the inhabitants of the cities in which the service is provided have already been mentioned. In short, there is a higher tourist attendance, residential apartments are used commercially. Thus, the areas of tourism are expanding.

From the above, it is clear that the growing influx of tourists creates space for expanding the capacity of hotels or for other forms. In this case, for accommodation units provided through Airbnb. For a better idea, the paper presents data showing the number of guests in collective accommodation establishments. As can be seen in the table below, there is indeed annual growth. If we consider the average growth in the number of guests based on table 4, we get to about 300 000.

Tab.4: Total number of guests in collective accommodation establishments in Prague

Collective accommodation establishments	2016	2017	2018	2019
Total number of guests	7 127 558	7 652 761	7 892 184	8 044 324
Growth	-	525 203	239 423	152 140

Source: own (2020) based on the Czech Statistical Office, 2020.

However, it is important to consider the current situation. According to the Czech Statistical Office (2020), in the 1st quarter of 2020, 1 100 000 guests were accommodated in collective accommodation establishments located in Prague, which is a decrease of almost 30 percent compared to the previous period. The reason is the current epidemiological situation, which is accompanied by certain restrictions affecting accommodation services.

According to the Chorá, Nevyhoštěný, and Chripák (2020), the epidemiological situation of course also affected Airbnb, which loses sales thanks to it. Since the beginning of 2020, there has been

a decline in new reservations. Based on data from AirDNA, the largest drop that occurred in the week beginning April 20 is identified. The latest data from mid-June still show a big drop compared to the beginning of the year. Apart from the above, there is a decrease in the number of providers using Airbnb. To get an idea, for example, in the case of providers offering one apartment, their number was 2 800 in May 2020, which is 509 less than in May 2019. In this situation, homeowners who provide short-term stays through Airbnb have been inclined to sell their apartments or use them for long-term rental, but long-term rent does not generate such income. Individuals who financed them through a mortgage and are now unable to cover their expenses were able to sell their apartments. In the case of individuals who bought apartments for their money, it can be expected that they will solve the situation with medium-term rentals. Airbnb also favors revenue compensation, for example in the form of online experiences.

Conclusions

The paper pays attention to the accommodation provided through Airbnb. It pays attention to the share of this form of sharing economy in the total bed capacity within Prague. Due to the growing influx of tourists, it is clear from the Research Results that there is only a slight increase in capacity in terms of collective accommodation establishments, which creates space for accommodation platforms.

The provision of accommodation via Airbnb can be considered as competition. As already mentioned, impacts can be expected mainly in small hotels. However, given the growing interest in tourism, it can be seen from a second perspective that Airbnb provides a lack of capacity. Travelers may prefer this form to hotels, for example, because of the price.

The paper also mentioned the impacts on life in the cities and possible impacts on collective accommodation establishments, either in the form of competition or in the form of the provision of missing capacities. Further research could examine the specific impacts of the development of accommodation units provided through Airbnb on collective accommodation establishments, using the overview provided and other data.

Despite the above in the paper, the question remains how the epidemiological situation will develop. It can be assumed that the interest in tourism will grow due to the current restrictions. In the case of Airbnb, providers may have so far used the possibility of a long-term or medium-term rental to obtain at least some income from their properties. In this case, these are providers who already anticipate that they will not simply return to the previous situation. A drop in accommodation providers via Airbnb can be expected, but most can be expected to return to their original state. It can be expected that the reduction will precisely those providers who will be forced to sell the property, but for providers who only switch to another form of rental, a return to this form can be expected.

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