

# THINKING OUT LOUD

## STARTING AN AIRBNB: A SMART MOVE?

IN THE EVER-EVOLVING landscape of the sharing economy, Airbnb has emerged as an ideal opportunity for property owners looking to capitalize on the burgeoning demand for short-term rentals. But is diving into the world of Airbnb hosting a smart move? Airbnb “experts” frankly share contradictory advice. Some experts advise that Airbnb rentals have hit a popularity peak. They say that an oversaturation in short-term-rentals (STR) has hurt profitability and makes starting an Airbnb an unwise play into today’s market. Other experts recommend diving headfirst into Airbnb rentals to make money and build equity. So, what are the key considerations, secrets to an excellent setup, and lessons learned by those who have ventured into this realm? Let’s delve into the intricacies of starting an Airbnb venture.

The decision to start an Airbnb depends on various factors, including location, property type, market demand, and personal preferences. For those with spare rooms, vacation homes, or investment properties in tourist-friendly locales, Airbnb can offer a lucrative source of supplemental income. However, potential hosts must also weigh the associated costs, time commitment, regulatory constraints, and potential risks, such as property damage or unruly guests. Basically, are the risks worth the potential rewards?



### THINGS TO CONSIDER

Before listing your property on Airbnb, thorough research and planning are essential. Consider the following:

**LEGAL AND REGULATORY COMPLIANCE:** Familiarize yourself with local zoning laws, homeowner association regulations, and tax implications related to short-term rentals.

**MARKET ANALYSIS:** Assess the demand for short-term rentals in your area, analyze competitor listings,



and determine optimal pricing strategies to maximize occupancy and revenue.

**PROPERTY PREPARATION:** Invest in amenities and furnishings that enhance guest comfort and satisfaction. Ensure the property is clean, well-maintained, and equipped with essentials such as toiletries, linens, and kitchenware.

**GUEST EXPERIENCE:** Strive to create a memorable guest experience by offering personalized touches, timely communication, and local recommendations. Positive reviews and word-of-mouth referrals are invaluable assets in building a successful Airbnb business.

**SECRETS TO AN EXCELLENT SETUP**  
**The key to a thriving Airbnb venture lies in attention to detail and a commitment to excellence.** Consider these secrets to elevate your Airbnb setup:

**PHOTOGRAPHY:** High-quality photos are your property’s first impression. Invest in professional photography to showcase your space in the best possible light and entice potential guests.

**UNIQUE SELLING POINTS:** Highlight the distinctive features of your property, whether it’s a breathtaking view, proximity to attractions, or unique decor elements. Identify what sets your listing apart from the competition.

**CLEAR COMMUNICATION:** Establish clear house rules, check-in instructions, and expectations to ensure

a smooth guest experience. Promptly respond to inquiries and address any issues or concerns that arise during the stay.

**CONTINUAL IMPROVEMENT:** Solicit feedback from guests to identify areas for improvement and refine your hosting practices. Stay abreast of industry trends and incorporate upgrades or enhancements to stay competitive.

Personally, I have set up two Airbnb house rentals — one in a college town (Norman, OK); and the other in a vacation destination (San Antonio, TX). These are some lessons learned:

**FLEXIBILITY IS KEY:** Be prepared to adapt to fluctuating demand, seasonal trends, and unforeseen challenges. Flexibility and agility are essential traits for successful Airbnb hosts.

**INVEST IN GUEST SATISFACTION:** Prioritize guest satisfaction above all else. Happy guests are more likely to leave positive reviews, return for future stays, and recommend your property to others. Set up automatic replies, respond to guests inquiries promptly, provide a guest book with information about the Airbnb, location and community are just a few examples.

**STAY ORGANIZED:** Efficient management of bookings, cleaning schedules, and maintenance tasks is crucial for smooth operations. Utilize technology and organizational tools to streamline processes and stay organized. Platforms such as Turno for cleaners can be very beneficial.

In conclusion, starting an Airbnb can indeed be a smart move for property owners seeking to capitalize on the sharing economy. However, success hinges on careful consideration of various factors, meticulous preparation, and a dedication to providing exceptional guest experiences. By adhering to best practices, learning from the experiences of others, and continuously refining your approach, you can unlock the full potential of your Airbnb venture. ■

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