

INTERNET TECHNOLOGY FOR CREATING COMPETITIVE ADVANTAGE ON VACATION RENTAL MARKET

M. Kryzhanovska, O. Uholkova
Lviv Polytechnic National University, Lviv

In the modern world, technologies are used in almost all spheres of life. Especially, it relates to the development of Internet Technology. Vacation rental market is not an exception, where the Internet is used. This work will explore a phenomenon of sharing economy online platform Airbnb at vacation rental market. The growing consumer preference for instant orders is the last trend that is gaining momentum in the vacation rental market. The growth of the tourism industry, which is provided by the increase in the number of domestic and foreign travellers positively influence the demand for vacation rental properties. The rapid growth of Airbnb proves there is an enormous market for travel products outside of mainstream offerings (Deloitte, 2017).

Revenue in the Vacation Rentals segment amounts to US \$47 billions in 2018 (Statista, 2018). The market has traditionally been tremendously fragmented, but in the recent years has undergone major consolidation and begun to evolve into online globalised industry with a number of large-scale branded players.

Airbnb is one of the sharing economy platforms and provides an opportunity for buyers and sellers to have direct relationship with their services in the Internet (Abdar and Yen, 2018). Since its launching in 2008, Airbnb has expanded into over 34 000 cities across 191 countries. Unusual for a sharing economy company, Airbnb transitioned into profitability in 2016, demonstrating proof for the validity of home-sharing within the global market (Stone, Zaleski, 2017). Airbnb has helped to stimulate the growth in the this market worldwide, having rapid expansion of inventory, huge brand recognition and high media profile. The price has the biggest impact on consumer an approach to avoiding the trend of studying a web page and the probability of a lease in this context, and then facial expressions and customer ratings.

Convenience and ease of use is a platform advantage on the market. Both the landlords and tenants pay fee for the service, but at the same time the landlords receive a profit, and the tenants have a good service for an adequate price.

To conclude, right usage of the Technology helps to create successful online platform Airbnb. Unlikely for the sharing economy platform it is profitable and has helped boost the growth of the vacation rental market.

References:

1. Deloitte (2017). *2017 travel and hospitality industry outlook*. URL: <https://www.deloitte.com/content/dam/Deloitte/us/Documents/consumerbusiness/us-cb-2017-travel-hospitality-industry-outlook.pdf>
2. Statista. (2018). *Vacation Rentals - worldwide | Statista Market Forecast*. URL: <https://www.statista.com/outlook/268/100/vacation-rentals/worldwide#market-globalRevenue>
4. Abdar, M. and Yen, N. (2018). *Analysis of user preference and expectation on shared economy platform: An examination of correlation between points of interest on Airbnb*. URL: <https://www.sciencedirect-com.ezproxy.kingston.ac.uk/science/article/pii/S0747563218304801>
5. Stone, B. and Zaleski, O. (2017). *Airbnb Enters the Land of Profitability*. URL: <https://www.bloomberg.com/news/articles/2017-01-26/airbnb-enters-the-land-of-profitability>