

The 7 Steps - November



1. CONTEXT

Mindmap anything you know about the topic, including vocabulary. Do some research online to help.



Airbnb

2. QUESTIONS

Read the listening questions to check your understanding. Look up any new vocabulary.

Listening Questions 1

- How does Airbnb's business work?
_____.
- How did the founders come up with the idea for their business?
_____.
- How many listings did Airbnb have in 2017? And in how many cities?
_____.
- Which age bracket uses this service the most? What percentage of total customers are in this bracket?
_____.
- What are 2 ways Airbnb develop trust in their business from both sides?
_____.

3. LISTEN

Listen and answer the questions using full sentences. Circle the number of times and % you understood.

Listening Questions 2

- What are 3 unique listings that Airbnb offer?
_____.
- What 2 other services do Airbnb offer besides matching accommodation?
_____.
- What benefits have there been for both the tourism industry and hosts?
_____.
- What are some of the criticisms associated with Airbnb?
_____.
- What does the law passed by the Japanese Government in 2017 allow for?
_____.

Listening 1				
1	2	3	4	5
%	%	%	%	%

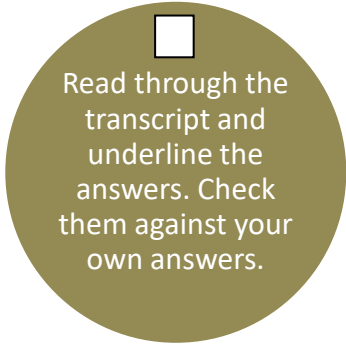
Listening 2				
1	2	3	4	5
%	%	%	%	%

Discussion Questions

- Would you be willing to stay at an Airbnb listing when travelling? What risks are involved in using this service?
- Do you think Airbnb's business may cause problems for the real estate market in Japan?

TRANSCRIPT 1

4. CHECK ANSWERS

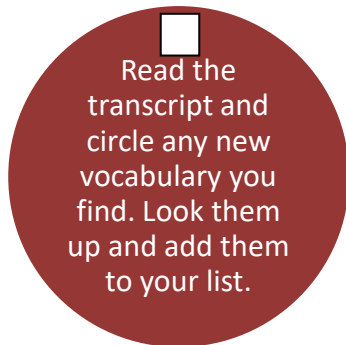


How do you search for accommodation overseas? Looking for hotels is no longer the only option thanks to one of the most successful tech startups in recent history, Airbnb. This is an online marketplace that was founded in 2008 to match travelers looking for a place to stay with those willing to rent out their accommodation. The founders of the company, Brian Chesky and Joe Gebbia, came up with the idea of charging people to stay on an air mattress in the living room of their apartment in San Francisco as they couldn't afford the rent. They were able to **tap into** a new market accessible to anyone, as **leasing** out private rooms to strangers was rare.

The company has had huge success, with the broker advertizing over 3 million listings in more than 65 000 cities around the world as of 2017. After welcoming over 200 million guests in their dwellings, Airbnb started to make a profit in the second half of 2016, and had an 80% increase in revenue in 2016 alone, partly due to a lack of competition in this market. They make their revenue from charging guests a 6-12% service fee of the price determined by the host, and a 3-5% hosting commission. Looking at the age breakdown of guests, 69% of all guests in 2016 were in the 18-34 year old age bracket, making the service popular for the younger generation.

Despite the dangers involved in this business, they have been able to build trust from both sides through strategies such as using photographers to certify the quality of listings, requiring official identification from guests, offering a maximum US\$1million in insurance against vandalism and theft, and facilitating a rating system where both sides review each other and give a score.

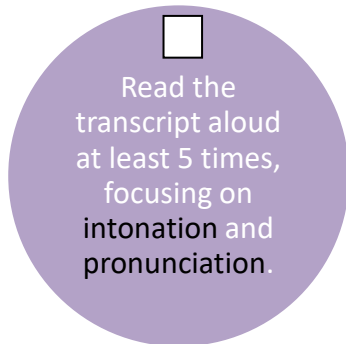
5. CHECK VOCABULARY



MATCH THE ANTONYMS BY DRAWING LINES BELOW:

Allure	Complete
Tap into	Full
Vacancy	Sell
Affordability	Withdraw
Lease	Repulsion
Commence	Costly

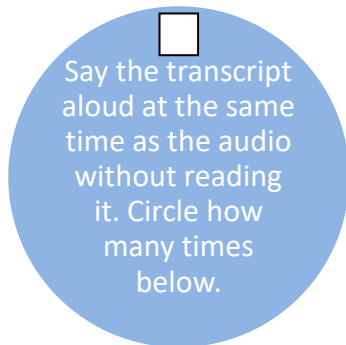
6. READ ALOUD



1	2	3	4	5
1	2	3	4	5

TRANSCRIPT 2

7. SHADOWING



Why have Airbnb had such outstanding success? They offer unique places to stay for travelers who are tired of regular hotels, ranging from tree houses, tipis and igloos to private islands and castles. By offering the **allure** of making friends and travelling with local hosts, Airbnb has diversified its business to compete with online travel agents such as Skyscanner and Trip Advisor. At the end of 2016, they **commenced** advertizing 'experiences' where tourists can appreciate local nature and culture, as well as a 'places' tab which are essentially travel guides for the biggest cities in the world. Some unique Tokyo 'experiences' include preparing for Earthquakes, kayaking down Sumida River and Sumie ink painting.

Airbnb has also solved the problem of hotel room shortages in bigger cities, as well as providing more **affordability**. As a result, tourism has had a positive impact with the influx of tourists. For hosts, it offers an extra stream of revenue to help pay off mortgages and makes use of unused space freed up with children moving out of home. On the other hand, local Governments in cities such as Barcelona, Toronto, and Sydney have criticized Airbnb for contributing to housing affordability and **vacancy** crises. Many real estate owners have taken their listings off the long-term rent market to make a bigger profit from Airbnb, thus local residents find it hard to find and afford a place to live. In Japan, people would somewhat illegally buy or rent apartments and then offer it on Airbnb. However, in June 2017, the Japanese Government passed a law where people could rent out rooms for up to 180 days per year, considerably more than other cities around the world.

1	2	3	4	5
1	2	3	4	5