Greater Lincolnshire Airbnb study

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Introduction and context

Home sharing – where rooms, apartments, or whole homes are rented on a short stay basis directly from the owner, is not new. Its origins lie with student digs and social care services matching the exchange of housing for help in the home. For large scale events like the Wimbledon Tennis Championship it is common and lucrative for local people to rent their properties to players, their entourage or spectators looking for a home from home experience, while the owners absent themselves from the crowds and traffic chaos.

However, the growth of the modern home sharing phenomenon is credited to late 2007, when two flat mates struggled to pay their rent in San Francisco. With a large convention due to take place in a city where hotel occupancy and rates were always high, they rented out floor space in their home with air mattresses and breakfast provided to earn extra income. They also gave their guests the option of guided tours from a local perspective, and so the early incarnation of Air Bed and Breakfast was launched.

This original concept, for guests to experience a location from a local perspective, while enabling hosts to earn additional income from a spare space, embodies the sharing economy and the growth of peer to peer services. Supported by an App that made finding, vetting and booking properties easy, simple to use, and based on trust in the host/guest review system, Airbnb grew more rapidly than competitors and is the world’s biggest.

By January 2020, the Airbnb platform offered listings in more than 220 countries and regions worldwide, including over 2,700 British cities, towns and villages. Alongside the original listings of owner-occupier spare rooms, the platform now increasingly includes whole properties and around 11,000 traditional hospitality businesses such as B&Bs.

In February 2020, a report commissioned by The Guardian newspaper revealed that the number of Airbnb active listings across the UK between April 2016 and May 2019 tripled, from about 76,000 to more than 225,000. Since then, the number has increased by a further 14%, reaching 257,000 in January 2020.

The research identified the UK hotspots in terms of the ratio of active listings to homes are Edinburgh (Old Town 29/100), the Island of Skye (25/100), the north Devon coast (23/100) and parts of the Lake District (19/100). Central London has the largest number of listings overall and the most concentrated areas there have a ratio of 15/100. In contrast the ratios for Greater Lincolnshire range from 0 - 4 active listings per 100 homes.

The 2018 Airbnb UK Insights Report released by the company revealed the East Midlands as the second fastest growing UK destination for guests using Airbnb, with a record 189,000 guests between July 2017 and June 2018, a rise of 80% on the previous year, and contributing £66 million to the local economy.

In 2019, 58% of users and hosts were millennials. However, the fastest growing segment with a 120% increase since 2017 is senior hosts over 60. Overall, 88% of reservations are for 2 to 4 people and 7% are single people.

It isn’t possible to be completely accurate about the number of homes and rooms actively promoted in the home sharing sector in Greater Lincolnshire as there is no statutory requirement for hosts to register with local authorities or inspection regimes with which they must comply. We estimate that in 2019 there were 2414 homes and rooms promoted on Airbnb and Vrbo. There may be more on other platforms such as Spare Room, HomeStay and Booking.com to add to this total and there is almost certainly duplication, with some properties on many platforms.

To better understand home-sharing in the region, this study focuses on those properties that appeared on Airbnb and Vrbo between January and December 2019 and analyses data provided by Airdna, Airbnb Traveller and Vrbo.

For the purposes of meaningful analysis, we have structured the report into sections.

Section 1: Greater Lincolnshire.
Here we present top level findings and statistics for the region with some more in depth analysis on five destination types in Greater Lincolnshire where we have clustered together local authority areas with strong similarities in their tourism offer and where the data suggests they have much in common. These are: Coast & Wolds (East Lindsey District Council and North East Lincolnshire Council), The Wash (Boston and South Holland District Councils), City (Lincoln District Council), Countryside (West Lindsey, North Kesteven and South Kesteven District Councils) and the Urban North (North Lincolnshire Council).

Section 2: Local Authority areas.
Here we present more detailed findings for each of the 9 local authority areas in Greater Lincolnshire where it is useful to compare and contrast.

Section 3: Wider impacts.
Here we look at the impact of home-sharing on the tourism industry, on communities, on housing stock and at some of the measures being taken elsewhere to regulate and control home-stay provision.

Section 4: Data sources and references.

This report is supplemented with 3 case studies on approaches to regulation, short term lets vs long term tenancies from a property owner perspective and short-term rental and major events, and 3 guidance notes on health and safety, operating and Airbnb business and hosting top tips.

Section 1: Greater Lincolnshire

1.1 Size and shape

In 2019 around 2414 properties in Greater Lincolnshire actively rented through two of the main home sharing/short let platforms Airbnb and Vrbo. Numbers of rentals fluctuate across the year, for example comparing April and March 2020, notwithstanding the impact of Coronovirus on travel, there was an increase of 56 rentals. The figure of 2414 properties for the region is the number promoted on the Airbnb and Vrbo platforms in August 2019, probably the month with the highest number of properties being rented, but it is an estimate and is used in this study as a guide to the overall size of the market.

Destination type	Active rentals March 2020	Active rentals April 2020
Coast & Wolds	1006	1138
Countryside	621	578
City	258	245
Urban North	146	126
Spalding & the Wash	130	130
Regional total	**2161**	**2217**

Table 1

A more accurate measure of the size of the market in 2019 is the number of listed nights for which we have more accurate figures. The total was 346,557. Seventy seven percent of these were homes.

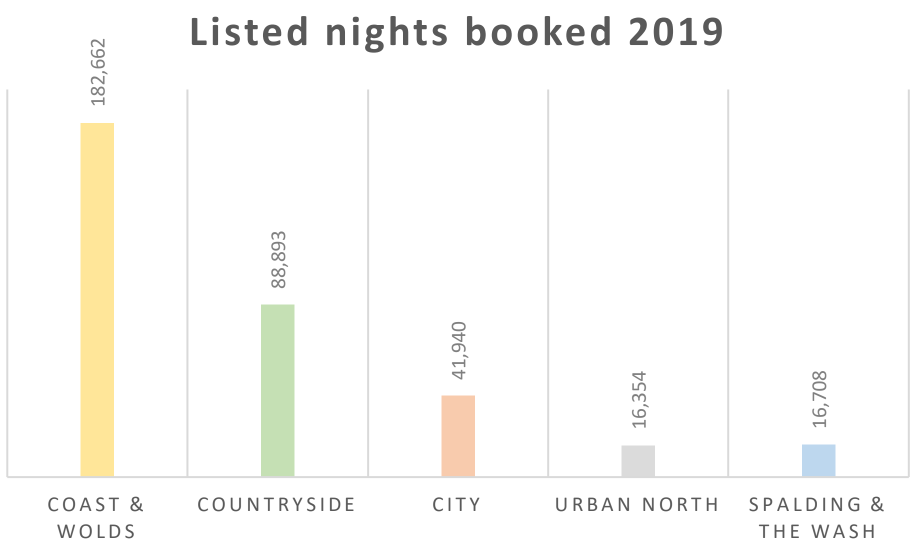
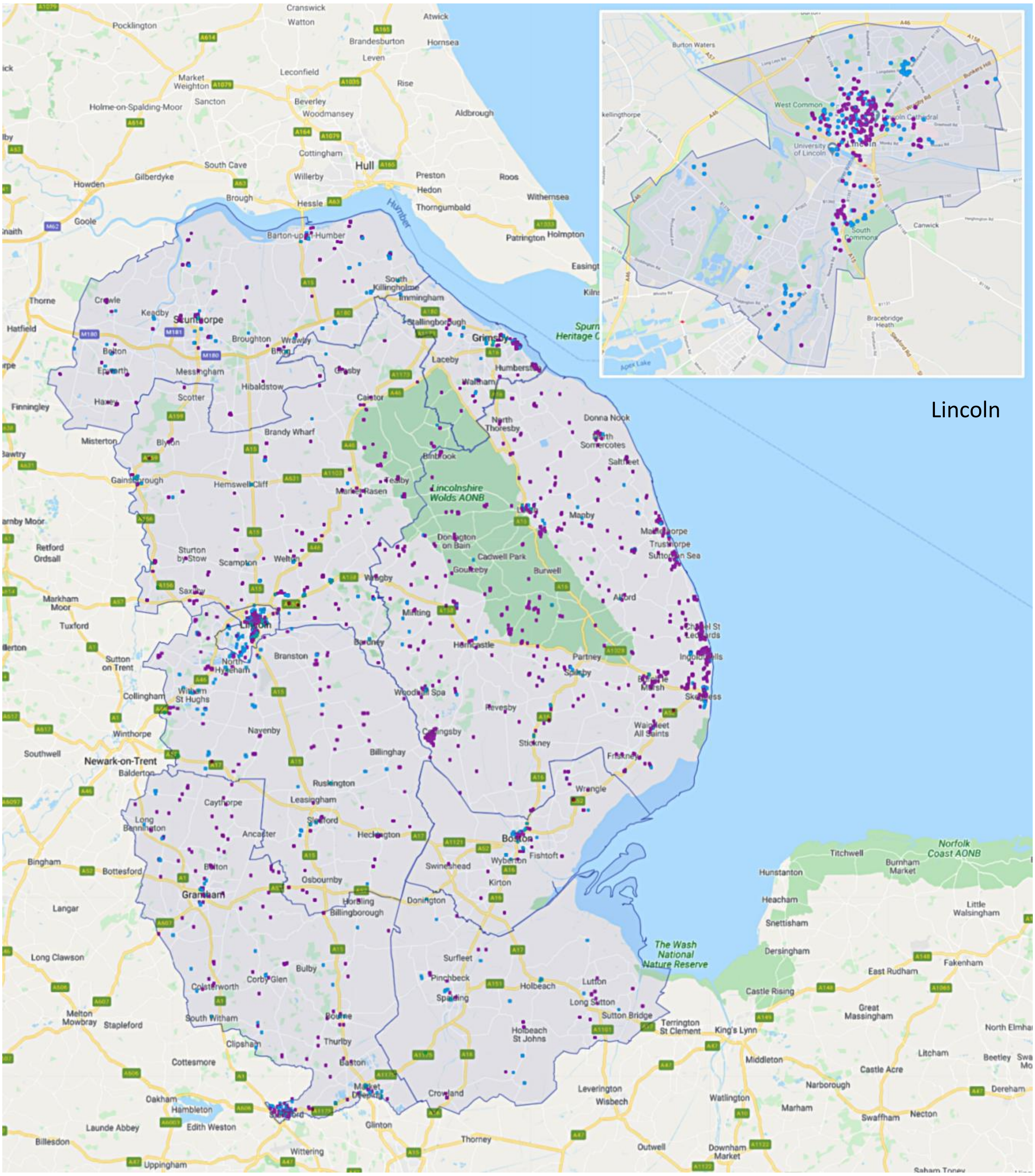


Chart 1

The largest clusters of active rentals are in the main coastal resort clusters of Mablethorpe/Sutton on Sea/Carlingsby, Skegness/Ingoldmells/Chapel St Leonards, and the in Lincoln and the main towns to the south of Countryside, particularly Grantham and Stamford, with other notable clusters in Grimsby, Conningsby, Boston and Louth. The Coast & Wolds has 4 times the number of active rentals compared to Lincoln and over double the number in Countryside. Spalding & The Wash and the Urban North are the most sparsely populated areas with similar numbers of rentals.

For comparison, the coastal area of Yorkshire from Flamborough up to Staithes has over 2500 active rentals, and the total is nearer 3300 when parts of the inland area equivalent in size to the Lincolnshire Wolds is added. York has 1661 active rentals compared to Lincoln's 288. Another comparable historic city, Chester, has 470 active rentals. Kingston upon Hull, just across the Humber from Greater Lincolnshire's Urban North, has 301 active rentals

Map 1. Greater Lincolnshire. Purple squares indicate home rentals, blue squares room rentals.



Rentals are promoted through the two principle home sharing platforms in the UK, Airbnb and Vrbo[1]. Airbnb is the main promotional and booking platform with a lesser number promoted on Vrbo. Vrbo is more popular with operators in the coastal resorts where there are greater numbers of holiday and caravan parks.

1.2 Value

The total revenue generated for hosts through Airbnb and Vrbo in 2019 was £35m. £32.9m was generated by renting homes with the remaining £2.1m generated by renting rooms. This total doesn't take in to account the additional spend of Airbnb and Vrbo guests in the local economy during their stay. There is negligible shared room provision across the region, so little that it isn't commented on in this report.

August sees the highest amount of revenue region wide at a total of £4.56m with the second highest figure earned in July at £3.8m. September almost matches July with total revenue of £3.7m. February sees the lowest amount of revenue at £1.38m. It is possible to see a clear seasonal pattern with the peak in late summer and the dip at the beginning of the calendar year. There is very little variation in this seasonal pattern across destination types.

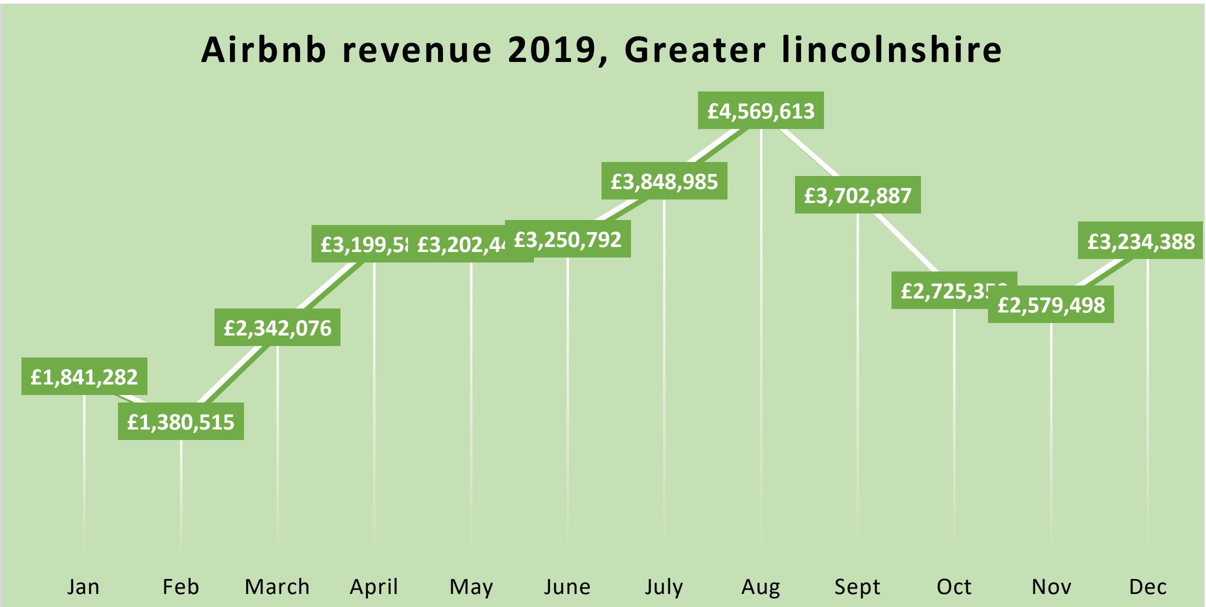


Chart 2

Daily rates

The average daily rental rate for a home in 2019 is £85 and for a room £42. Average daily rates are fairly consistent across the region with small differences noted including the Urban North, which has slightly lower averages and Countryside which has slightly higher averages, for both homes and rooms.

There is a small but clearly discernible uplift in daily rates at weekends. On average charges are £7 higher but there is significant variation across the region, ranging from £1-£22 more charged for Friday and Saturday nights. The highest weekend increases are in Countryside and City and the lowest in Spalding & The Wash.

[1] Vrbo is a platform often used by owners of static caravan and holiday parks. It is owned by Expedia.

Host income
The presence of very different portfolios and business models, ranging from one room in a family home rented for a few weeks during the Burghley Trials to a professional Airbnb business with tens of rental units available year-round makes stating how much income a host earns almost impossible. Even if it is assumed that all hosts are true to the original home-sharing principle and have a single home or room to rent there are several other factors that determine annual income: type of property rented, property location, when it is rented and the total number of nights that are booked across the year. The presence of so many determining factors makes it difficult, and arguably unhelpful, to draw too many conclusions or try to be definitive on income as there will be higher and lower earners in all destination types.

Airbnb's own estimate is that the global average annual income per host is £3100. We can get a general idea of host income in Greater Lincolnshire from the data and it suggests that the average annual income is much higher than the global average. For example, average monthly income for homes in the City, despite significant fluctuations month on month, delivers an average annual income of between £16500 and £23,900 per property. For rooms the average annual income is between £5400 and £8000.

To get some idea of the range across the region, we can compare the lowest average monthly income for homes in each type of destination which suggests that the Urban North has the lowest figure at circa £12,000 per annum per property, Coast & Wolds is averaging £14,000, then Lincoln at £16500, followed by Spalding & the Wash and Countryside which are on a par at over £17,000. There are hosts that earn considerably less and considerably more. For example, in 2019 the lowest monthly income for a home was £455 (North East Lincolnshire, January) and the highest £3331 (North Kesteven, July), while the lowest monthly income for a room was £157 ((Boston, February) and the highest £1415 (South Kesteven, August).

What can be concluded is that there is money to be made from Airbnb style hosting in the region.

Overall the most profitable month for hosts is August. Other months where hosts have higher earnings are July, September, April, May and December. The lowest earning month overall is January. Other months where hosts have lower earnings are February, October, November and, in one instance April. Unsurprisingly the seasonal pattern for monthly earnings per host closely matches the pattern of total revenue earned, with peaks in high season and dips in low season. Neither is it a surprise that this seasonal pattern follows the traditional tourism seasonality patterns observed in many locations across the UK, particularly those with a strong coast and countryside offer.

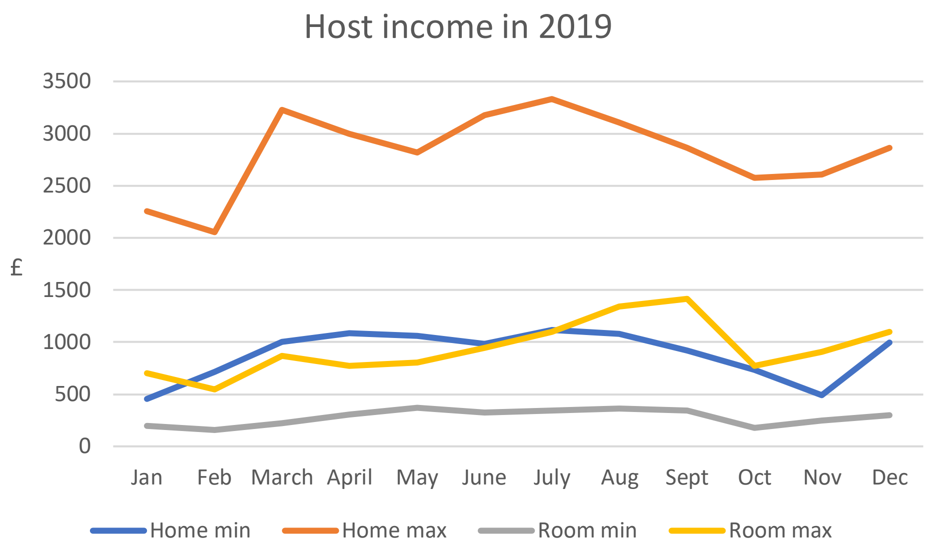


Chart 3

1.3 Supply

The percentage of active listings is growing significantly across the region. Between Q1 2017 and Q1 2019 there was growth in all local authority areas ranging from 194% to 679% to reach an estimated total of 2225 active rentals in 2019. The highest percentage increase has been in Coast & Wolds where the main resort clusters are found. The lowest increase is in the Urban North.

Of the 2225 estimated active rentals in 2019, 64% were homes and 46% rooms. There is a lot of commonality across the region with just a few notable differences: the main coastal resorts towards the south of Coast & Wolds area and the Wolds themselves have a much higher percentage of entire home rentals at 89%, probably because of their popularity for family summer holidays. The Lincolnshire Coast and Wolds has a similar percentage to a comparable area of Yorkshire where 91% are homes. West Lindsey, part of Countryside, also has a higher percentage of homes for rent at 73%.

Seasonality

There is a clear seasonal pattern to the supply of active rentals. Overall there are 758 more entire home active rentals in August 2019 compared to February 2019 and 61 more rooms. For homes, supply increases occur across all destination types. Coast & Wolds has the highest seasonal increase, over nine times more than the City, Urban North and Spalding and the Wash and eight times more than Countryside.

For rooms the pattern is similar except for Urban North which sees a decrease in number of active rentals between February and August. There are modest increases in supply of rooms in Coast & Wolds and Countryside and very small increases in Spalding & the Wash.

Destination type	Homes Feb 19	Homes Aug 19	Rooms Feb 19	Rooms Aug 19
Coast & Wolds	547	1118	115	137
City	114	163	117	125
Countryside	338	411	183	212
Urban North	50	88	48	43
Spalding & The Wash	52	79	31	38
Regional total	**1101**	**1859**	**494**	**555**

Table 2

Not all properties are available year-round. The regional average is 57% of properties[2]. The Urban North has slightly lower year-round availability than the average and the City, the main coastal resort clusters and parts of Countryside slightly higher. It is worth noting that there are legal restrictions on the number of days that some properties are permitted to rent, for example static caravans, and that this may exacerbate seasonality issues in coastal locations.

Availability
By far the most plentiful type of home rentals in both the City and on the Coast & Wolds are two-bed. One-bed properties are also available in these areas but in much lower numbers. In Countryside and Urban North the most plentiful type of home property is 1-bed, but there are almost as many 2-bed properties. There is a smattering of different property types across the region from studios to 5-room properties with more studios in the Urban North and more 3-room plus rentals in the coastal resort clusters.

When it comes to the number of nights guests can book, 59% of active rentals are available to book for a minimum of one night. However, the regional average masks significant differences between destination types. The area with the lowest supply of rentals, Spalding & The Wash, has the highest percentage of properties that can be booked for a minimum of one night at 75% while the area with the highest number of properties, Coast & Wolds, has a much lower percentage in this category at 33.5 percent. For the City and Urban North, with the same relatively high percentage of properties that can be booked for a minimum 1-night, the explanation may be because of the university with its visiting friends and relations market and the City and Urban North's business visits and events market. The lower percentage in Countryside may be because, like Coast & Wolds it has a stronger holiday market.

Destination type	No. active rentals	% allowing 1-night stays
Spalding & the Wash	117	75
Urban North	131	63
City	288	63
Countryside	623	55
Coast & Wolds	1255	33.5
Regional total/average	**2414**	**57.9**

Table 3

When it comes to minimum stays of longer duration, 3 nights, the Urban North and the Coast & Wolds have higher percentages of properties in this category with all the rest having under 10% of their stock requiring longer minimum stays.

1.4 Demand

The main forecasting sources give each local authority area a relative demand score out of 100, based on a calculation that includes annual occupancy and the growth of listings. The scores compare Greater Lincolnshire against the top 2000 global Airbnb markets.

Overall, demand across the region looks relatively strong with an average score of 74 out of 100. There are differences between the destination types. Demand is highest in Spalding and The Wash, the area with the lowest supply, and also Coast & Wolds where the main coastal resorts and holiday areas are found. Demand is lowest in the Countryside areas of Greater Lincolnshire where there is

[2] Whole year availability is based on a property being available for rent more than 188 days a year.

the second highest supply of rentals but less demand for holiday accommodation. This may indicate that there is adequate or even over supply of Airbnb properties in the Countryside area.

For comparison, the demand score for the Yorkshire coast is 78, similar to Coast & Wolds in Greater Lincolnshire. The demand score for York is 70 and for Chester 69, showing that Lincoln is as much in demand as similar historic cities in England. Comparing Kingston Upon Hull with the Urban North the demand in Greater Lincolnshire is higher with a score of 62 compared to 50. This is partly explained by the greater supply in Hull, 301 compared to 146 for Greater Lincolnshire's Urban North.

Destination type	Demand score[3]	No. listed nights booked
Spalding & The Wash	86	16708
Coast & Wolds	81	182662
City	71	41940
Urban North	62	16554
Countryside	68	88893
Regional average/total	**74**	**346,757**

Table 4

Looking at demand in relation to nights booked the pattern is similar to the demand scores. It may be worth noting that Spalding & The Wash is an area that has been particularly active in preparing for the Mayflower 400 international celebrations, welcoming people from all over the country and the world as part of their promotion and planning. This may have contributed to the relatively high demand score and number of nights booked, compared for example to Urban North with a lower demand score despite having a similar number of rentals and booked nights.

Average occupancy throughout the region is 65%. As for much of the data, there are differences between destination types, but they are less marked and for other measures with just ten percentage points separating the highest and lowest scoring destinations.

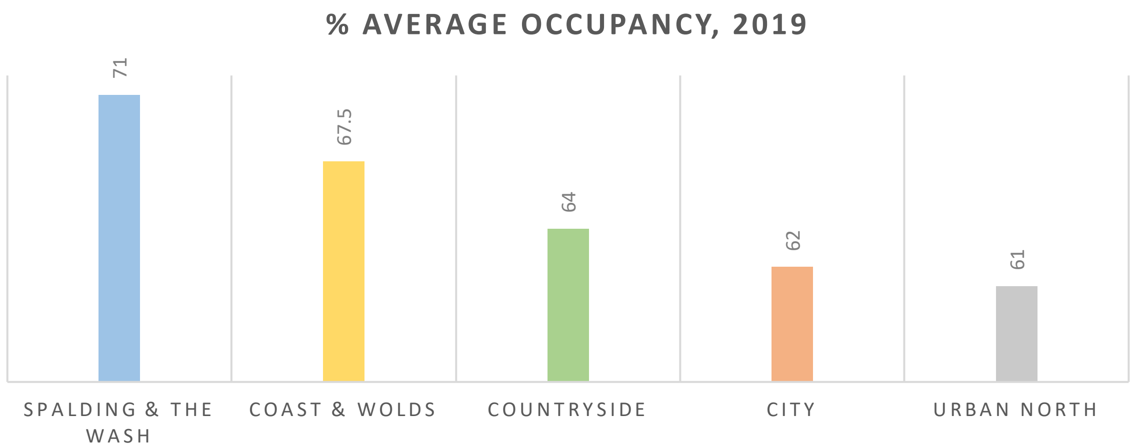


Chart 4

[3] Airdna score in March 2020, averaged for destination types that comprise more than one local authority area.

Seasonality
Of more significance is the seasonal pattern of booking and visitation (see also under Value px). Scores are arrived at by looking at the minimum and maximum monthly RevPar across 2019. A high score indicates low seasonality. The regional average is 70.

The most seasonal part of Greater Lincolnshire, by some margin, is Spalding & The Wash and the least seasonal is the Urban North.

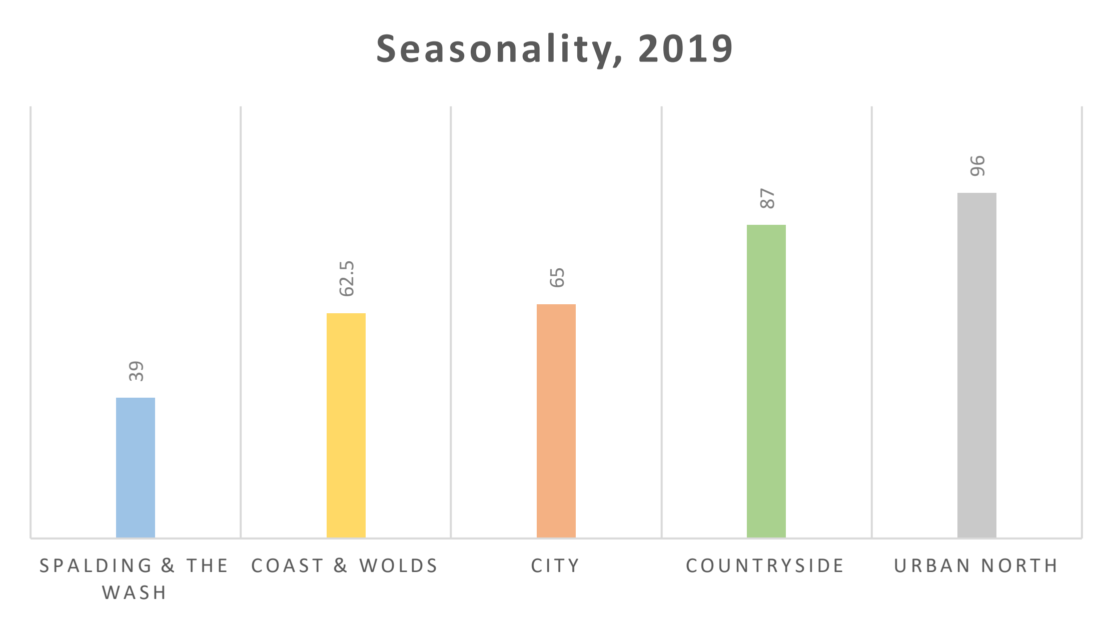


Chart 5

More context can be provided by looking at seasonality in terms of the most favoured months for both domestic and international visitors. Domestic visitors to Spalding & The Wash visit in greatest number in September while international visitors favour July and August showing a clear focus on main season.

As might be expected Coast & Wolds has its domestic peak in April and August coinciding with the Easter and Summer school holidays though the northern section of the coast also has domestic peaks in February and November. International visitors prefer to visit the Coast & Wolds in April (Easter) and September. The City has its domestic peaks in May and August and its international peak in July. Countryside is in demand from May to September but has a more focused international peak in July and August. It is fair to say, therefore that Greater Lincolnshire has a seasonal pattern of guests staying in home-share accommodation broadly in line with the general visitor economy with nuances that reflect the university calendar and the likelihood of more business visits to the Urban North and the City.

1.5 Guests

Domestic
Almost all Domestic guests originate from England rather than other home nations. London is by far the most likely origin of an Airbnb guest to Greater Lincolnshire. It outstrips the rest of the UK by a large margin, probably because of its relative proximity, large population and easy transport links by road and rail. London aside, home-sharing guests are more likely to originate from the larger cities in the North West, East Midlands, Yorkshire and Nottinghamshire and less likely to originate from East Anglia, the West Midlands, the South East and South West.

The presence of so many large cities in the top ten lists for each local authority area indicates that Greater Lincolnshire is popular with Airbnb city dwellers, perhaps for its coast and countryside offer which is somewhere different from home. This is supported by London, Manchester, Sheffield, Leeds and Nottingham being ranked in the top five more times than any other locations. The population size of the cities will also be a factor in the numbers visiting from these locations as well as the popularity of Airbnb as an accommodation choice for Millennials.

Guest origin, domestic

1. London
2. Manchester
3. Nottinghamshire, and specifically Nottingham
4. Sheffield
5. Leeds
6. Leicestershire, and specifically Leicester
7. South East England
8. Birmingham
9. Northampton
10. Hull

Proximity is a factor when looking at the origin of guests. London, Manchester, Leeds, Sheffield and Nottingham all appear in the top ten for the Urban North perhaps reflecting easy access via the fast motorway routes. For Coast & Wolds the top five are very similar with the rest of the top ten in surrounding counties. For Spalding & The Wash the top five origins are in the East Midlands or the South East while Countryside draws its guests from a wider area including Scotland, the North West, Yorkshire, the West Midlands the South East perhaps reflecting its size, its north/south orientation and its location to the west of the county, closer to the A/M1 and with well-developed road links to the national motorway network . For Lincoln the top five are London, Manchester, Lincoln itself, Peterborough and Nottingham. Lincoln also appears in the top ten for the Urban North.

International

Turning to international visitors, the most frequently named countries of origin are the US and Australia, outstripping European short haul markets by some margin. Guests are most likely to originate from the US East Coast and US mid-west and Melbourne and Sydney. All four appear in the top five most frequently and the US West coast, US East Coast and US mid-west appear most frequently in the top ten lists.

The most frequently named short haul countries of origin are the Netherlands and France, with Belgium and Ireland (Dublin) also appearing more than twice in the top ten lists. From the rest of the world, the following countries appear in the top ten lists of guest origin: South Africa, UAE and Canada, all with the same frequency, followed by New Zealand.

Guest origin, International

1	US	US
2	AU	Australia
3=	NL	Netherlands
3=	FR	France
3=	AE	UAE
3=	ZA	South Africa
3=	CA	Canada
8	BE	Belgium
8=	NZ	New Zealand
10	IE	Ireland

Given that Europe is such an important visitor market for the UK it might be expected that European countries would be top of the table. Their appearance below long-haul markets of Australia and US might be explained by well-established patterns of travel after arriving at main UK gateways. Those arriving by the Dover ferry route tend to stay the South East or head for the South West. If heading north visitors can easily bypass Greater Lincolnshire on the A/M1. Those arriving in Hull generally head north on their way to Scotland while those arriving in Harwich are most likely to stay in East Anglia or head west to link up with the motorway network. East Midlands Airport is an important European gateway for Greater Lincolnshire. Its frequent direct routes to European destinations closely match the destinations that features in the top European countries of origin.

It would be interesting to compare the guest profiles of those choosing home-stay properties with the general visitor profile of Greater Lincolnshire and investigate further why American and Australian guests are so prominent The presence of air force bases in the region plus the Mayflower 400 connection may explain the number of US visitors using Airbnb style accommodation.

Party size
A large majority of people staying in home stay in Greater Lincolnshire stay in groups of four. The party size is slightly larger in Coast & Wolds and Countryside and slightly smaller in the City and Spalding & The Wash. This reflects supply with more homes for rent than rooms which can accommodate family size groups.

1.6 Hosts and properties

There are several ways to view hosts and properties. Of most interest is quality, customer service and factors that contribute towards operating successfully.

How guests rate a stay is a clear indicator of the quality of the property and the services and facilities that are provided for guests. On the Airbnb rating system, guests score six factors, Accuracy, Check-in, Cleanliness, Communication, Location and Value using a scale from 1-5 (5 being the top score). Guests are able to give more nuanced scores against each category, 4.1, 4.2, 4.3 etc. The scores for each category are combined to arrive at an overall score.

In Greater Lincolnshire the scores are good across the board with all areas scoring above 4.3. Coast & Wolds and Spalding & The Wash is marginally lower with an average score of 4.5 while the City and Countryside are slightly higher, scoring on average 4.7. The Urban North scores best in the region with an average score of 4.82.

Comparison with Yorkshire shows very similar overall ratings for comparable types of destinations. The Yorkshire coast rating is 4.4, the more inland Countryside areas and York are on average 4.7. Kingston upon Hull and surrounding area have an average rating of 4.5, slightly lower than for Greater Lincolnshire's Urban North.

Destination Type	% of properties rated over 4.5	Average overall score guest ratings
Spalding & The Wash	74	4.3
Coast & Wolds	83	4.5
City	89	4.7
Urban North	92	4.8
Countryside	94	4.7

Table 5

Another way to look at quality is the percentage of properties overall that are rated 4.5 or above for each destination type. The destination types are ranked in a similar order for both percentage of properties scoring over 4.5 rating and average overall guest scores, with Spalding & The Wash at the bottom of the table and Urban North and Countryside at the top of the table. Table 5 shows a clear correlation between the % of properties scoring over 4.5 and the overall average guest rating.

Customer service

A recognised mark of good customer service is Airbnb's Superhost status which is given to hosts that consistently score over 4.8 in guest ratings, over a three-month period, and respond to messages within 12-hours 90% of the time. Guests can also give compliments on different aspects of the property and service selecting from for example Sparkling clean, Outstanding hospitality, Quick response, Stylish space, Local tips.

Not all guest feedback is publicly available. It is only possible, therefore, to gain a general sense of how many Superhosts there are across Greater Lincolnshire from the Airbnb traveller platform. We selected the most common party size for Airbnb visitors to the region, 4 persons, and a 3-night stay to capture the largest number of suitable properties the results list, over 400. Of this total 194 had Superhost status. Almost half of our sample have therefore been hosting for three months or longer and been providing a service that is consistently rates at 4.8 or above.

Two measures give further insight into the behaviour of hosts: adherence to regulation and cancellation policies.

Identifying any adherence to regulation is difficult due to the relatively unregulated nature of all visitor accommodation. The Airdna analysis platform indicates the likelihood of adherence of hosts to some sort of regulation by awarding a score out of 100 which is derived from host and property behaviour to detect signs of regulation. A high score means that there is probably low adherence to regulation. The average score given to Greater Lincolnshire is 55 and most areas are within 10 percentage points of this average. The only outlier is West Lindsey district which has a score of 72 and is therefore less likely to have properties adhering to any regulations.

Cancellation policies on Airbnb range from flexible through to super strict. Not all policy levels are available to all hosts with the strictest available by invitation only. The majority of rentals in Greater Lincolnshire have a flexible cancellation policy over 80% in all areas except for Countryside where there is a marked tendency for policies to be moderate or strict which means that refunds either partial or whole are provided for cancellations that are made 5 days or 7 days more before arrival. The Countryside areas have almost 50 percent of rentals in these more stringent categories.

Properties

A very wide range of property types are promoted on home-sharing and short term let platforms in Greater Lincolnshire including lodges, bungalows, cabins, townhouses, modern apartments, hotel rooms, static caravans, manor houses, chalets, cottages, beach houses, barn conversions, converted chapels and railway carriages, glamping pods and yurts.

The main ways that top properties are identified by third party data sites are those that earn the most and those that receive the best reviews. We have looked in more depth at homes that make the top 12 and the rooms that make the top six on the Airbnb and Vrbo platforms to see if there are any common factors such as property type, facilities offered, the way they are promoted as well as levels of revenue they generate.

Top properties across Greater Lincolnshire are promoted using predominantly rural images, details of period interiors and where there is access to a pool or spa or a waterside or sea view, they tend to be the main promotional image.

Homes that earn the most are those more obviously suited to short breaks or longer holidays rather than business visits. Except for the City, many of the most successful homes and rooms have a countryside location, a river or sea view, and are described as cottages, barns (converted), farmhouses and manor houses. In Spalding and The Wash there is an overlap between homes that earn the most and those that appear in the top 12 review lists and the same is true of rooms. Across the rest of the region there is very little commonality between the highest earning properties and those that get the best reviews.

The revenue range for top properties is very wide. For homes the lowest annual income is £8k in South Holland and the highest is £171k in South Kesteven. For top rooms the lowest annual income is £5k in South Holland and £19k in the City.

Those properties that can accommodate larger numbers of guests naturally earn the most. Coast & Wolds and Countryside top properties have a slightly higher capacity overall than those in the City, Spalding & The Wash and the Urban North. There is some clustering of top earning properties around main towns, but this isn't consistent across the region with some of the highest earning properties located in Countryside locations. In terms of reviews, top properties are less clustered and more spread across the region.

A few differences in top properties between destination types, both homes and rooms, are worth noting. Top properties towards the north of Coast & Wolds are more likely to have sea views or close proximity to the beach, offer parking and accept dogs while further south they are likely to be away from the coast to the western edge of the Wolds. For Spalding & The Wash the top earning properties of both types are much more likely to be located near the Cambridgeshire and Norfolk borders than further into Greater Lincolnshire. Top properties in the rooms category for Countryside have more unusual properties such as yurts and converted chapels. Homes in Countryside are more likely to have pool and hot tub facilities and for both homes and rooms the hosts are more likely to name nearby attractions and local towns in their descriptions. As might be expected, the top earning and reviewed properties in the City, both homes and rooms, are clustered around the Cathedral Quarter and the waterside. For the Urban North nearly all the top earning and reviewed homes show slight clustering in Brigg, Scunthorpe and Barton upon Humber. Top rooms are spread across the area.

Section 2: Local authority areas

Airdna dissects the county into 9 local authority areas providing in depth data for each, while Airbnb organises the region into Lincolnshire (7 local authority areas) plus North East Lincolnshire and North Lincolnshire individually. In section 1 we combined local authority areas to create destination types where it made sense and the data suggested it was useful to do so. In this section we look at the 9 local authority areas individually.

2.1 Size and shape

In August 2019, East Lindsey had over four times more rentals than Lincoln, which had the second largest number, though South Kesteven is a close third place. This corresponds quite closely to the most popular short break and holiday areas in the region.

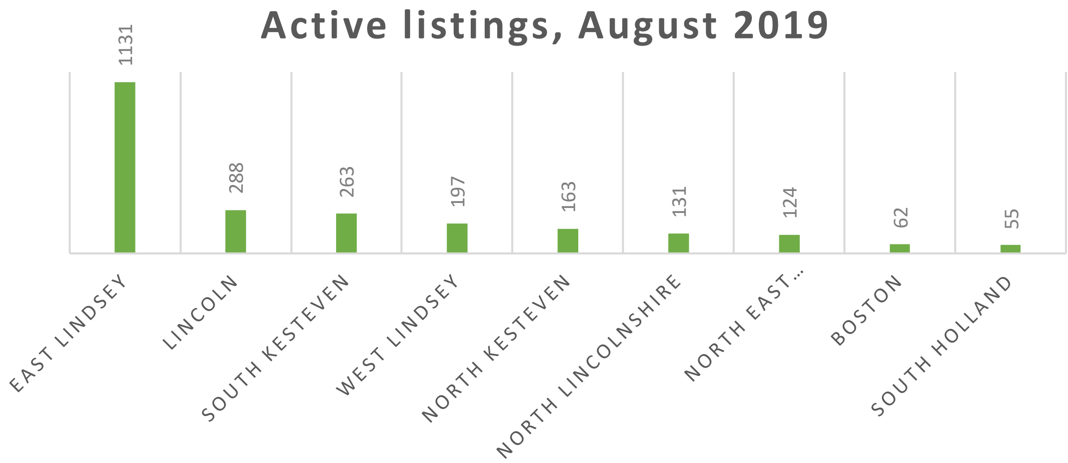


Chart 6

A large number of rentals in East Lindsey are on the coast around the three main resort clusters with the largest number around Skegness/Ingoldmells/Chapel St Leonards. There are also smaller clusters in Louth, Conningsby, reflecting the presence of the RAF base, Burgh le Marsh and parts of the Wolds. In North East Lincolnshire the largest cluster is in Grimsby followed by Humberston and Stallingborough, with some scattered between the coast the Wolds

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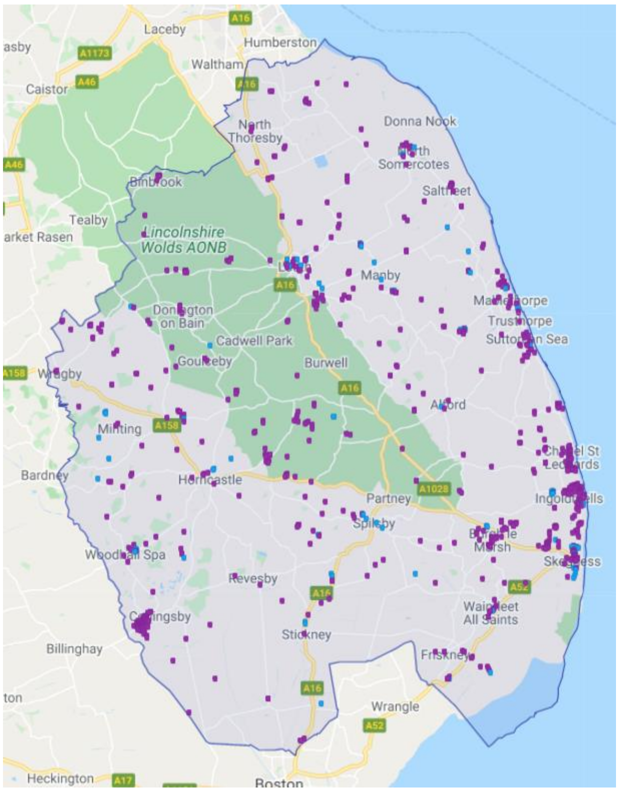
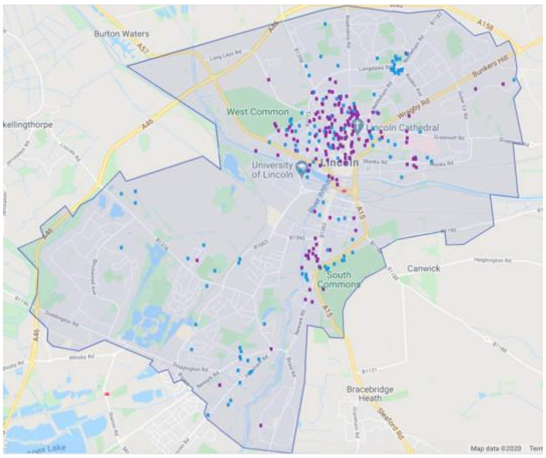


Map 2. East Lindsey

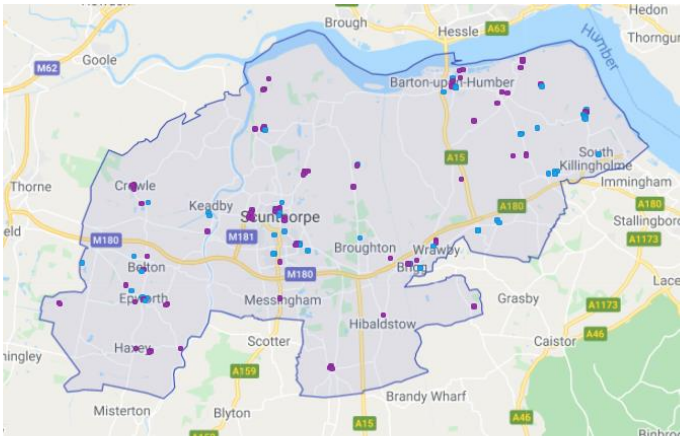
Map 3. North East Lincolnshire

In Lincoln the majority of rentals are found in the city centre with some clusters of rooms to the North East along Nettleham Road and a cluster of homes and rooms around the International Bomber Command Centre to the south. There are more rooms than homes outside the city centre.

North Lincolnshire has two clusters around Scunthorpe and Barton upon Humber with a line of rooms either side of the A180 toward Humberside Airport and the coast.

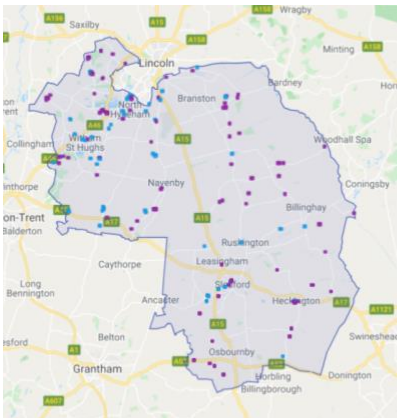


Map 4. Lincoln



Map 5. North Lincolnshire

North Kesteven show a more distributed pattern for both homes and rooms with small clusters around Sleaford and Heckington as well as North Hykeham and Witham St Hughes, both close to Lincoln, but also a good number in Countryside locations. West Lindsey has the second highest percentage of homes of all local authority areas and they are found towards the Wolds in particular Market Rasen and Tealby and between the Wolds and Lincoln following the route of the A46. In South Kesteven there is a large cluster of homes and private rentals around Stamford and smaller clusters in Market Deeping and Grantham with a scattering of rentals in Countryside locations.

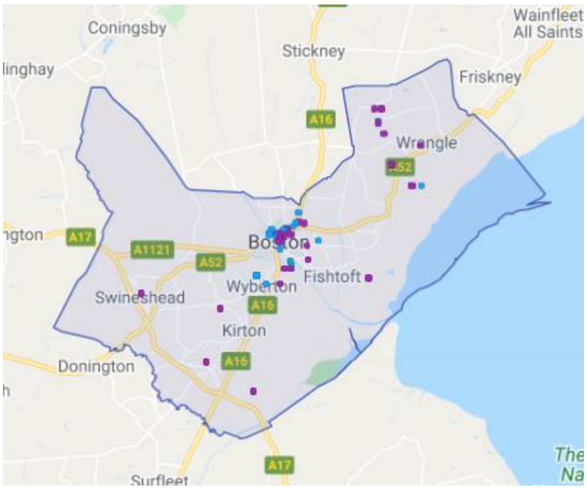


Map 6. South Kesteven

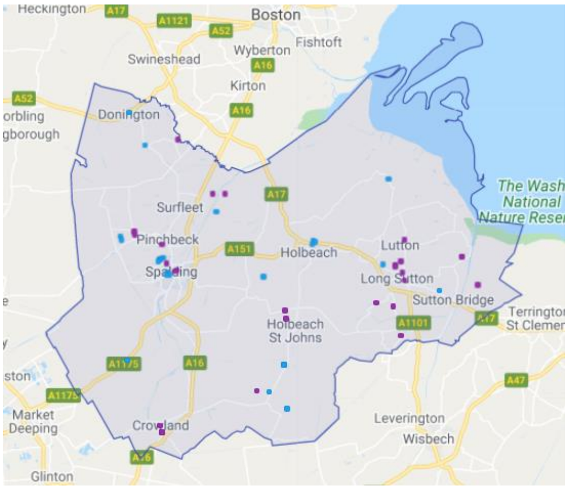
Map 7. North Kesteven

Map 8. West Lindsey

Boston and South Holland, with under a hundred rentals each shows a large cluster around Boston and smaller clusters around Spalding and Long Sutton. It follows a similar pattern for the region with properties most frequently found in towns and villages and a smattering in the more Countryside areas.



Map 9. Boston



Map 10. South Holland

2.2 Value

The highest revenue is generated in East Lindsey, in line with the significantly higher number of rentals available in that district. Lincoln, South Kesteven, North Kesteven and West Lindsey are all in the top five for total revenue, again reflecting the number of rentals in each of the areas, though Lincoln, with the second highest number of rentals has dropped to fourth position in the total revenue table. This may be explained by seasonality affecting Lincoln more than the countryside areas.

South Kesteven is generating higher revenue out of a similar number of home rentals as Lincoln despite having an overall lower occupancy rate. This might be explained by a higher average daily rate for both homes and rooms.

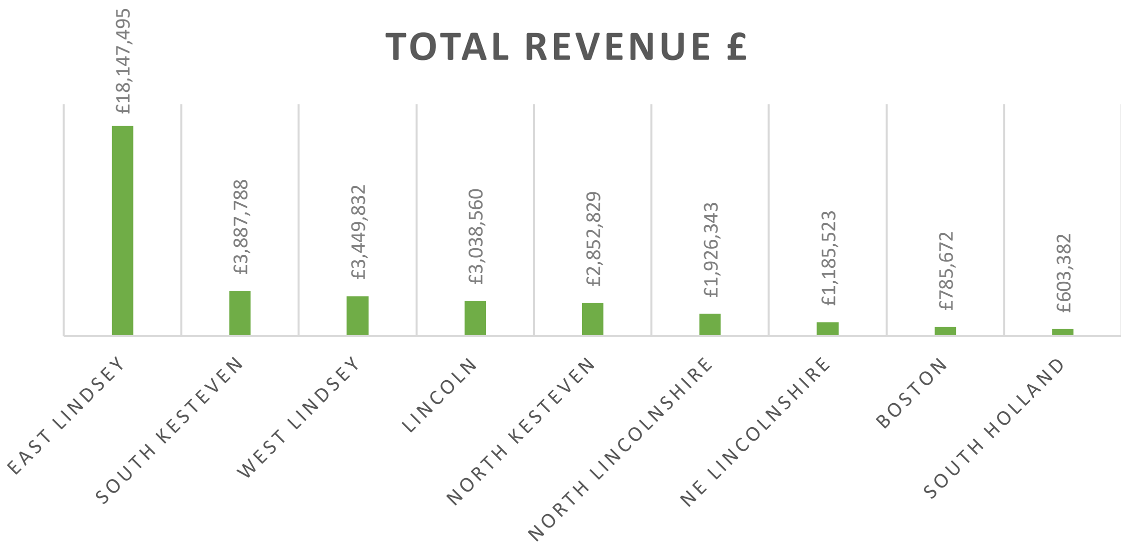


Chart 7

In terms of revenue by rental type, homes generate over £2m a year for five of Greater Lincolnshire's local authority areas with East Lindsey generating by far the most at £17.6m. Boston and South Holland generates around £.5m a year each in line with the considerably lower number of rentals in those districts. When it comes to rooms the revenue is measured in hundreds of thousands due to a much smaller stock overall and a lower average room rate. Lincoln and South Kesteven have the highest revenue from rooms with East Lindsey a close third. West Lindsey has a lower overall volume of rooms which means it generates the least revenue of the Countryside areas.

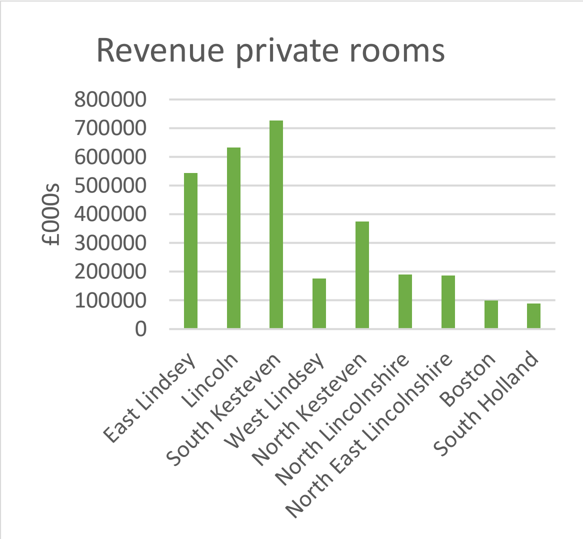


Chart 8

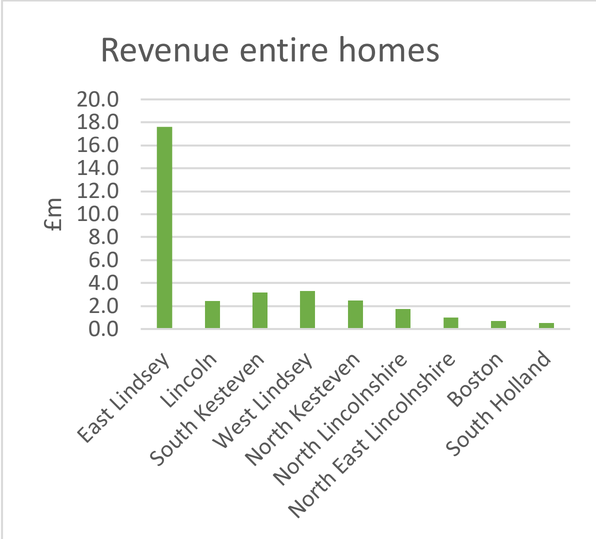


Chart 9

At the top of the daily rates table the countryside local authority areas of South Kesteven, West Lindsey and North Kesteven have the highest rates for homes. At the bottom of the scale North East Lincolnshire and North Lincolnshire have the lowest rates for both homes and rooms. In between it is worth noting that Lincoln has a relatively high entire home rate and the lowest private room rate while East Lindsey commands the second highest private room rate. Boston and South Holland have closely matching rates for both categories of rental.

A comparison of daily rates and the % of rentals that are homes together with the quantity of overall stock explains why East Lindsey has a revenue figure of over £17m while South Holland's is only just over £603k.

LA area	Average daily rate homes £	Average daily rate rooms £	% of short term lets that are homes
South Kesteven	102	52	60
West Lindsey	91	55	73
North Kesteven	89	42	62
Lincoln	89	32	60
East Lindsey	87	53	89
Boston	86	39	64
South Holland	84	33	55
NE Lincolnshire	73	34	58
North Lincolnshire	67	32	57

Table 6

2.3 Supply

All local authority areas saw an increase in the number of active rentals between 2017 and 2019. The highest percentage increase was in East Lindsey at 679% and the lowest in North Lincolnshire at 194%. Boston had the second highest percentage growth at 377%.

In terms of the type of rentals on offer there are seasonal differences. East Lindsey has the highest percentage of homes rentals in February and August 2019 with the number doubling from low to high season almost certainly to accommodate the main holiday season. These rentals seem to start appearing from Easter onwards based on the changes observed between March and April 2020. It is possible to see North East Lincolnshire increasing its provision in time for the main season with similar numbers of homes and rooms in February but more homes and less rooms in the summer. Lincoln, South Holland and North East Lincolnshire all saw increases of around 50 additional homes for the summer season with more modest increases in the countryside areas and Boston.

LA area	Homes Feb 19	Homes Aug 19	Change
East Lindsey	504	1024	+520
West Lindsey	127	151	+24
South Kesteven	120	153	+33
Lincoln	114	163	+49
North Kesteven	91	107	+16
North Lincolnshire	50	88	+38
NE Lincolnshire	43	94	+51
Boston	39	44	+5
South Holland	13	35	+48

Table 7

For rooms, the seasonal change in number of rentals is not as significant which reflects Greater Lincolnshire's overall higher profile as a holiday and short break destination than a place for business visits and events. North East Lincolnshire reduces it supply of rooms for the summer season and increases its provision of homes as noted above.

LA area	Rooms Feb 19	Rooms Aug 19	Change
Lincoln	117	125	+8
South Kesteven	85	110	+25
East Lindsey	64	107	+43
North Kesteven	57	56	-1
NE Lincolnshire	51	30	-21
North Lincolnshire	48	43	-5
West Lindsey	41	46	+5
Boston	17	18	+1
South Holland	14	20	+6

Table 8

Minimum night bookings vary widely from 80% of rentals offering minimum 1-night stays in Boston to only 33% in South Kesteven. The highest percentages of minimum 3-night stays are East Lindsey and North East Lincolnshire where the main coastal resorts are found, probably linked to the longer main season stays that they are well equipped to accommodate. The lowest is in Boston which has no rentals in this category.

LA area	% allowing 1 min night stays	% allowing min 3-night stays
Boston	80	0
North Kesteven	72	2
South Holland	70	6
Lincoln	63	9
North Lincolnshire	63	11
West Lindsey	61	7
East Lindsey	34	24
South Kesteven	33	8
North East Lincolnshire	33	14

Table 9

The most plentiful type of property overall is 2 bed properties that can accommodate four or more guests. This relates to the average party size across the region of 4.6. Both East Lindsey and the other coastal area North East Lincolnshire have more 3 bed and above properties than the other areas in addition to high numbers of 2 bed properties. Lincoln and North Lincolnshire have the same percentage of properties that can be booked for a minimum 1-night, the explanation may be because the university's visiting friends and relations market and more business visits and events in both locations.

2.4 Demand

South Holland has the highest demand score which is partly attributed to it having the lowest number of rentals. There is room for most hosting in this area. There is also strong demand in East Lindsey and North East Lincolnshire which reflects the coast and Wold's popularity for main holidays. Demand is lower in West Lindsey which has the second highest percentage of homes and low in South Kesteven perhaps indicating that there is an oversupply of properties in these areas. Despite North Lincolnshire's relatively small number of rentals it has one of the lowest demand scores, possibly because it is less popular for holidays and short breaks.

LA area	Demand score	% Average occupancy	Nights booked homes	Nights booked rooms
South Holland	97	78	5622	2728
East Lindsey	83	71	155,733	9772
NE Lincolnshire	79	64	11,894	5263
North Kesteven	77	71	19,804	7344
Boston	75	65	6226	2132
Lincoln	71	62	24,417	17,523
West Lindsey	68	68	24,188	3265
North Lincolnshire	62	61	11,132	522
South Kesteven	60	55	22,078	12,214

Table 10

The number of nights booked in homes follows a similar pattern to many other data tables with East Lindsey having many more nights booked in line with the larger number of available rentals. Both Lincoln and South Kesteven have many more room nights booked than other local authority areas. This may be because they have a good supply of properties overall and a wider choice, with a 40/60 split between rooms and homes, plus popular locations such as Stamford for one-night stays. Lincoln has the highest number of rooms booked which may reflect the university calendar with friends and relations visiting for one night to attend main events in the academic calendar.

Average occupancy figures roughly track the demand scores for each area. High demand is reflected in higher occupancy and this is exaggerated when there is a small supply of properties, for example in South Holland. Lower demand is reflected in lower occupancy for example in South Kesteven.

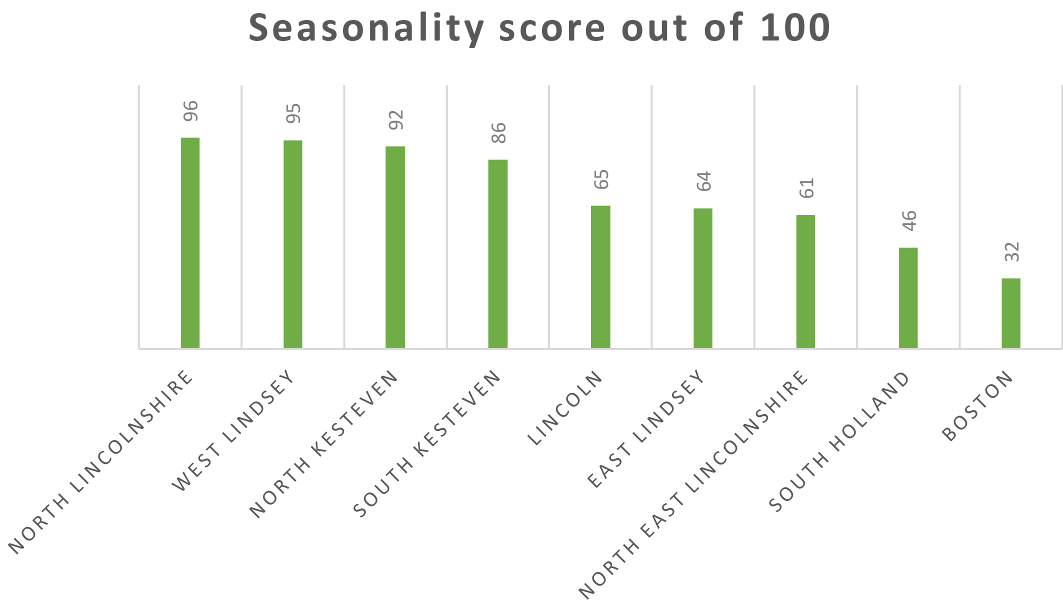


Chart10

The seasonality score for each area shows why it is useful to group some data into destination types (see section 1). The local authority areas group quite naturally into Urban North, Countryside, City, Coast and Wolds and Spalding and the Wash with very similar scores for local authority areas that make up each destination type. Seasonality is high in countryside and coastal areas that are most closely associated with holidays and much lower where there are larger towns and where countryside areas adjoin urban areas or are closer to the main road network, making access easy for people who are using Airbnb year-round. The only exception is Lincoln which is surprisingly seasonal for a city, though its historic product, small size and location just off the main north/south road and rail network may make it more of a short break and holiday destination than some of its larger counterparts in England.

Home sharing and short lets show an overall seasonal pattern with more visits in late spring and summer which probably matches the wider pattern of tourists visiting the region. The two northern areas, North Lincolnshire and North East Lincolnshire show peaks in the winter and there is a peak in Lincoln, West Lindsey and South Kesteven in May. The popularity of June in West Lindsey could be explained by visitors attending the Lincolnshire Show while the popularity of August in North Kesteven and Lincoln could be explained by events such as Lost Village and the Steam Punk Festival. International visitors' favourite month to stay in Airbnb accommodation is April closely followed by July. Table 11 shows the top two months for domestic visitors for each local authority area and the top month for International visits in 2019.

LA area	Domestic peak months	International peak month
North Lincolnshire	January, July	April
West Lindsey	May, June	July
North Kesteven	June, August	August
South Kesteven	May, July	July
Lincoln	May, August	July
East Lindsey	June, July	April
North East Lincolnshire	February, August	April
Boston	April, September	April
South Holland	June, August	June

Table 11

2.5 Guests

Guests are looked at in detail in Section 1 (from pp10-12) and organised by destination type because there is a strong correlation between where guests originate and which part of Greater Lincolnshire they visit. The origins of international visitors from Europe also have a proximity relationship to points of entry and main road and rail routes. For example top of the table for international visitors to North Lincolnshire is Utrecht probably because of the ferry routes between the Netherlands and Hull. There are more European visitors in the areas towards the south of the region where access is easier via airports such as East Midlands and Stansted and also via the main road networks.

The top markets in terms of visitor origin for those staying in Airbnb style accommodation are the US and Australia. They feature in the top 10 lists for all local authority areas but are more present in North East Lincolnshire and East Lindsey, Lincolnshire's coast and Wolds, and in Lincoln.

The most common party size staying in Airbnb style accommodation is 4 guests. Two areas, East Lindsey and South Kesteven, have on average over 5 guests staying in their properties.

2.6 Hosts and properties

The quality of home share and short let property can be assessed by looking at ratings, both % of properties scoring highly and the average overall score from guests. As expected, there is a clear relationship between the average guest ratings and the percentage of rentals scoring over 4.5. The local authority areas are clearly grouped according to the type of destination they represent for example the countryside areas are bunched at the top of the table, the Coast and Wolds and Wash areas towards the bottom with Lincoln in the middle. The only exception is South Holland which has a higher percentage of properties rated over 4.5 than its near neighbour Boston.

Destination Type	% of properties scoring over 4.5	Average overall score, guest ratings
North Kesteven	97	4.8
South Kesteven	94	4.8
North Lincolnshire	92	4.8
West Lindsey	91	4.7
Lincoln	89	4.7
East Lindsey	81	4.5
North East Lincolnshire	85	4.6
Boston	68	4.4
South Holland	80	4.3

Table 12

Superhost status, adherence to regulation and cancellation policies are dealt with more fully in section 1. It is difficult to identify how many Superhosts there are in local authority areas because of the way that Airbnb organise the county for search purposes. As noted earlier, on average around half of properties on Airbnb or Vrbo are likely to adhere to regulation while West Lindsey is a clear outlier with a lower propensity towards regulation indicated by its higher score. The tables are provided here for the sake of completeness.

	% cancellation policies flexible
North Lincolnshire	94
Lincoln	89
Boston	86
South Holland	86
North East Lincolnshire	85
East Lindsey	81
West Lindsey	55
South Kesteven	52
North Kesteven	47

Table 13

	Regulation score out of 100
West Lindsey	72
Lincoln	64
East Lindsey	57
North Kesteven	54
North Lincolnshire	56
South Kesteven	54
Boston	55
North East Lincolnshire	44
South Holland	44

Table 14

Top properties

The two main ways to identify top properties are those that earn the most and those that receive the best reviews. The top earning home is in South Kesteven where a high capacity property earns £171,000 per annum, the second highest is in East Lindsey where a large property earns £158,000 while third is a property in North Lincolnshire that can accommodate medium size groups earns £101,000. These higher earners aren't typical. Average earnings for homes is much less at £68,500. For rooms the highest earning is in Lincoln at £19,000 per annum, with the second spot a room in West Lindsey early £15,000. The average earning for top rooms in the region is £13,000.

In Boston there is a range of top property types from lake view lodges to period family homes, bungalows to cabins. The top 12 homes for annual revenue are very likely to receive the best reviews. There is a similar pattern for the top rooms both in terms of earning and reviews. The top properties are clustered around Boston.

South Holland's top properties are mainly farms, cottages and period family homes. There is almost a complete overlap between those homes earning the most and those with the best reviews. In terms of rooms there is less overlap. All top rooms offer 1 bed, 1 bath and some are for single guests. The top 12 earning homes and those that have the best reviews are spread across the district but are more likely to be close to the Cambridgeshire/Norfolk border while rooms are clustered in Spalding and Holbeach.

East Lindsey has a very wide range of top property types, from country cottages to lakeside lodges, townhouses, country mansions and manor houses to more unusual properties such as railway cabins as well as static caravans located in gardens and holiday parks. There is no overlap between homes that earn the most and those with the best reviews but those in the top 6 of both categories tend to be in Countryside locations rather than on the coast. There are some large properties in the top 12 earning homes sleeping 10 and 16 people. Rooms follow a similar pattern. The highest earning are most likely to be located in the Wolds while those with the best reviews are scattered across the district.

North East Lincolnshire's top properties are a mix of chalets and cottages as well as beach houses and properties with sea views. They are more likely to mention that they are dog friendly than elsewhere in the region. The majority of the top earning homes sleep 6 or more people. The majority of top earning homes and rooms are split between Grimsby and Humberston while top reviewed homes and rooms are more likely to be in Humberston.

Lincoln's top accommodation is most likely to be in historic properties or modern apartments. Proximity to Cathedral is important and is mentioned in the majority of descriptions. A Cathedral location clearly has a positive effect on earning power with the top earning homes clustered in this part of the city though top earning rooms tend to be north and south of the Cathedral quarter. Properties with the best reviews are spread around the city. One university room makes it into the top 12 rooms.

North Kesteven has barns and coach houses and cottages in its top property list and they are more likely to have pools and hot tubs which they feature in their main picture. There are some special high earning homes, for example one with a private spa. The district has a wider range of room types than other areas including pub rooms, family homes, wings of larger houses and unique spaces such as a converted chapel. The top earning homes are spread across the area with the top earning rooms are clustered toward the west. Top reviewed rooms are scattered across the district.

Farmhouses, manor houses, cottages and period apartments feature in the top homes and rooms in South Kesteven. Hosts are more likely to mention local attractions and towns including Burghley and Stamford. The best reviewed homes generally have a smaller capacity accommodating 2-5 guests. Rooms are mostly offering 1 bed and 1 bath and there are several in townhouses. The top earning homes are clustered towards the south of the district, there are none in the north, and the top earning rooms are clustered in Stamford and Grantham. The best reviewed properties are towards the north of the district with a couple in Stamford.

West Lindsey mainly has barns and cottages in its top property list plus a yurt in its top reviewed properties. The majority of the images focus on the countryside location and mention being in the countryside. Like North Kesteven they are more likely to have pools and hot tubs, and several have waterside locations. The top rooms are more likely to be in hotels using Airbnb to promote some of their stock and nearly all show a picture of the room rather than the location or building exterior. The top earning and best reviewed homes and rooms are clustered towards the outskirts of Lincoln with a small cluster of high earning homes around Scampton.

North Lincolnshire's top Airbnb style properties are coach houses, cottages and private annexes to country houses. The majority of top homes and rooms are in the countryside rather than the towns and there is one glamping pod in the top 12. The top revenue earning homes and rooms are spread across the district while more of those with the best reviews are located towards the Humber.

3. Wider impacts

The initial ambition to gain qualitative information via a tourism industry questionnaire distributed by SurveyMonkey was impacted by the Covid-19 situation; understandably at this time most businesses have other priorities. We have therefore drawn from existing research and media reports regarding Airbnb, to extract the most likely areas of commonality, then added local perspective from the received business responses, interviews with destination managers and letting agents.

3.1 Impact on tourism industry

Home-sharing platforms provide a robust alternative to hotels and other forms of serviced and non-serviced accommodation. Hosts cite the ability to earn additional income from a fixed asset, relatively low overheads and a desire to meet new people. Guests cite the opportunity for authentic experiences, to embrace living like a local and the wide choice of unique accommodations. However their overriding reason is to save money.

With saving money being a key rationale for most people (70%), it follows that if the listings weren't there, people would stay in other available accommodation. Only 2-4% (depending on the study) wouldn't travel to the location at all.

Both serviced and non-serviced accommodation must comply with increasing amounts of regulation and legislation, which requires regular oversight and inspection. These include health & safety, fire prevention, minimum wages, equalities, business rates, liability insurance, VAT and consumer protection measures. Some of these are suggested, though not a requirement, for listing a homestay property. The voluntary quality standards accommodation assessment covering cleanliness, provision of facilities and warmth of welcome is a paid for professional and objective service, in comparison to the trust-based review system (prevalent on most online service platforms) which may or may not be accurate. Currently Northern Ireland is the only part of the UK to require quality assessment certification for all types of short-term accommodation – though it is evident from the number of court cases that many hosts continue to ignore this.

In general, the hospitality industry faces acute staff shortages e.g. cleaners, with a smaller pool of people choosing to work in what is characterised as a low skilled industry. Recruitment and training add to the overheads faced by traditional hospitality businesses; Airbnb hosts operate with lower costs and can charge less.

Most consumer research where users indicated a preference for Airbnb over hotels focuses on perceived failings of larger corporate brands – impersonal service, homogenous decor etc. These are not the traits of independent hotels, guest houses or B&Bs, which by their very nature offer a more personal and individual service. It may be explained by the majority of the user research taking place in major US and European capital cities.

While we have not determined any comparable impact for Greater Lincolnshire, *More B&B? Short-term Lets in London's Housing Crisis* (Report Jan 2018) commissioned by the London Mayor's office states that, "The comparison with private sector rents obscures the competitive rates home-sharing in Inner London provides to tourists. While their visits remain of benefit to many tourist sectors, these competitive accommodation rates result from a huge asymmetry of taxation and regulatory costs with the commercial sector, much of which is small scale and often family run."

3.2 Impact on communities

A significant amount of academic research looks at (mainly US) cities and shows that an increase in short term rentals of homes leads to a decrease in long term housing rentals. Evidence from the cities studied suggests a 10% increase in Airbnb listings led to a 0.42% increase in rents and a 0.76% increase in house prices. They corroborate a belief that platforms like Airbnb, (and third-party advisors promoting how to be commercially successful with Airbnb), are persuading large numbers of second homeowners and absentee landlords to switch their properties into the short-term rental market with claims of 30% higher rates and yields than long term lets.

Major European cities like London, Barcelona, Berlin and Amsterdam, have a significant number of 'hosts' who are actually commercial brokers or agencies, with multiple, often hundreds of listings. They can cause considerable community friction related to housing shortages and crowded areas, leading to demands for regulation from the relevant authorities to deal with over tourism. Studies for US cities have an additional challenge in the frequent violation of strict zoning laws which define where accommodation for tourists can be situated. This tends to be the focus for much of the existing or planned restrictions being considered.

Some studies reference damage to the sense of community or loss of community identity when there are large numbers of tourists moving around predominantly residential neighbourhoods, leading to fears of gentrification. Loss of identity and gentrification has been publicly commented on by residents and elected councillors in Leith, an area outside Edinburgh's city centre, who are keen to maintain the character of the area and look at the city's Old Town as an example of how Airbnb has pushed local people out and fear the same happening in their neighbourhood. This also impacts the community sense of security, with 'strangers' able to access otherwise secure residential buildings via communal passcodes, requiring frequent updates. In one study this impact was mentioned twice as often as affordability or the effect on property values.

Wider amenity issues to consider include increased wear and tear on facilities, additional rubbish for disposal and collection and increased noise, especially in instances where anti-social activity takes place such as house parties.

More positively, the presence of Airbnb can provide extra custom for local businesses in non-traditional visitor areas, particularly hospitality businesses, helping them to become more resilient and sustainable. It can also lead to the creation of new services and facilities driven by demand from visitors but equally enjoyed by residents. Accommodation choice may be limited in rural areas. The ability of platforms such as Airbnb to increase availability can be a real asset and benefit for local people.

The city of Denver (Colorado) has applied a light-touch while instigating compulsory online registration of all listed properties. To mitigate nuisance in the neighbourhood, it requires all hosts to provide their guests with contact and emergency information, as well as information about parking, noise restrictions, and rubbish collection.

3.3 Other impacts

With multiple sources showing that most revenue generated through Airbnb accrues not to single private tenants but to the more commercial, multiple unit operators, the original concept of facilitating meetings between hosts and guests while earning some extra income fails, making the channel simply another promoter of short term rentals, especially in urban areas. (Guttentag, 2013 ; Gant, 2016).

Local authority consultations to date raise the issue that the permanent short-term letting of a property amounts to a change of use, effectively removing housing stock from either the rental or sales market and should require planning permission.

MoreBnB? Short-term Lets in London's Housing Crisis (Report Jan 2018) recommends "that home-sharing platforms should consider creating an ombudsman paid for by the industry to prevent home-sharing fraud, help with enforcement, solve resolution disputes, investigate complaints, and help redistribute the responsibility for enforcement away from cash-strapped councils."

In September 2019, Airbnb announced plans to work together with UK cities on a clear and simple host registration system, similar to that which already exists in London and Denver, to ensure the platform works for everyone and strengthens communities as originally conceived, rather than becoming problematic.

3.4 The local perspective

Destination managers and letting agents report that the provision of more accommodation, and associated income generation, especially in rural areas, is a positive benefit for Greater Lincolnshire. To date there is no discernible impact on either the availability of long-term rental properties or rental rates.

Most businesses that responded to the survey are using Airbnb, a few are listed with Vrbo/HomeAway and one is with Home Exchange. Their main reasons for doing so mirror our overall findings; the global reach the platforms provide coupled with the ease of booking and payment services. Unsurprisingly at this current time there is a large increase in VFR customers and some increase in business/corporate customers. While 37% felt positive about the impact, 46% were negative or slightly negative (most respondents being self-catering). The negative views reflect mainly undercutting traditional businesses with no requirement for similar regulation.

Both business and letting agent feedback suggests the increased accommodation is especially important for attracting more people in business/corporate lets (rather than leisure) for example to service the hospital and the RAF base. Changing the business model of a traditional 7-night self-catering week into a 3-night leisure weekend and a 4-night midweek corporate booking has significantly increased income, though requires greater time commitment.

As far as Airbnb impact on the destination overall, the majority of responses were neutral (40%) or positive (37%). The availability of additional accommodation to support large events e.g. Burghley Horse Trials, and family events like weddings and funerals, ensures more income is retained in the locality.

3.5 Future considerations

Weighing the impact of a dominant and disruptive player in the market requires a balance between on the one hand enabling people to benefit from the extra income to be gained from short term room or home rental, with the need to protect the local housing supply and community cohesion. It is possible for both to co-exist.

Both models are the result of an increasingly diverse marketplace. Traditional hospitality providers and home-share properties offered on platforms like Airbnb are intrinsically different, both in terms of their experience and the markets they serve. At different times and in different circumstances, the same person could favour a hotel, or an Airbnb rental, depending on the purpose and priority for their stay. As with any industry facing a disruptor, the hospitality sector should reassess its strengths and evolve or change. However, for a more level playing field the disruptor should also face some form of regulation.

4. Data sources and references

Publisher / Title/ Website	Year
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Interviews, conversations and survey responses

Bairstow Eves Lettings
Newton Fallowell (estate and letting agents)
Lighthouse Property Services
Visit Lincoln
Discover South Kesteven

A short survey distributed via local destination managers to visitor accommodation operators produced 28 responses mainly from the district of South Kesteven. One respondent was a hotelier and the remainder were split between bed and breakfast and self-catering operators.

Main home-sharing platforms in use in Greater Lincolnshire

Airbnb
The largest and best known of the short stay listing platforms with over 7m listings in 220 countries and regions worldwide. The online marketplace lets people rent out whole properties or spare rooms to guests and operates on a peer review system.

Vrbo / HomeAway
Vrbo and HomeAway are both part of Expedia Group. The platform only lists whole properties that guests will have to themselves, rather than sharing with the homeowner or other guests. In 2019, Expedia announced its intention to rebrand HomeAway as VRBO.

Home Exchange
Started in 1992 as a printed book, HomeExchange was the first organised online home swap service to enable like-minded travellers to list their houses and arrange to stay wherever they are going in the world for free. There are over 65,000 listings.