



OXFORD
ECONOMICS

Economic impacts of Airbnb in Latin America and the Caribbean (LAC)



2022



CONTENTS

Key Findings

Summary impacts

04

Airbnb Hosts

Background on Airbnb Hosts

06

Importance of Tourism

Tourism's role in the overall economy

07

Airbnb Guest Spending

Detailed Airbnb guest spending by industry

08

Research Methods & Glossary

Research background and glossary of terms

10

KEY FINDINGS

DIRECT IMPACTS

The direct impact of spending by Airbnb guests in Latin America and the Caribbean was \$16.4 US billion, equivalent to 4.9% of all direct tourism activity.

Oxford Economics was commissioned by Airbnb to explore the economic significance of Airbnb’s expanding footprint in Latin America and the Caribbean.

The analysis found that in 2021, Airbnb guest spending (excluding host earnings) directly supported \$8.9 US billion of GDP (gross domestic product), 416,000 jobs in Latin America and the Caribbean, generating \$4.5 US billion of wages, salaries and other labor income across a range of sectors. Spending by Airbnb guests totaled \$16.4 US billion in 2021, equivalent to 4.9% of all direct tourism activity.

This economic activity benefits each of the 48 countries and territories analyzed, stimulating jobs and incomes across communities and industry sectors. Most Airbnb guest spending occurs across a range of non-accommodation sectors, including restaurants, stores, and transportation providers – and all types of business categories, from sole-proprietors to not-for-profit cultural institutions and large business.

The research summarizes not only activity generated by the diverse Airbnb community – more than half of the Hosts on Airbnb in Latin America and the Caribbean who self-reported their gender are female (53.2%) - but also tourism’s increasingly important economic role. Oxford Economics’ latest forecast anticipates a renewed boost to household incomes in Latin America and the Caribbean as the tourism sector rebuilds from pandemic impacts and visitor spending approaches \$500 US billion by 2025.

SUMMARY ECONOMIC IMPACTS OF AIRBNB IN LAC

Airbnb guests in Latin American and the Caribbean spent a total of \$16.4 US billion in 2021, equivalent to 4.9% of total direct tourism activity in 2021.



\$16.4B

total spending
by Airbnb guests in Latin
America & the Caribbean



4.9%

Airbnb guest spending's
share of direct tourism
activity

DIRECT IMPACTS OF AIRBNB IN LAC

The \$16.4 US billion in Airbnb guest spending in 2021 directly supported \$8.9 US billion of GDP, 416,000 jobs in Latin America and the Caribbean, generating \$4.5 US billion of wages, salaries and other labor income across a range of sectors.



\$8.9B

GDP directly
supported by Airbnb
guest spending



\$4.5B

wages, salaries
and other
income



416,000

jobs supported by
Airbnb guest
spending

AIRBNB DEMOGRAPHICS

In 2021, more than half of Airbnb hosts in Latin America and the Caribbean were female. In addition, spending by international Airbnb guests represented nearly 57% of total Airbnb guest spending.



53.2%

share of hosts
self-reported as
being female



56.7%

international guests'
share of total Airbnb
guest spending

NEW GROWTH SINCE 2019

Airbnb has experienced steady growth since 2019, generating an additional 4.3 million Airbnb guest check-ins, approximately 152,000 additional direct jobs, and \$2.8 US billion in additional contribution to GDP.



4.3M

additional
Airbnb guest
stays since 2019



152,000

additional
direct jobs
since 2019



\$2.8B

additional direct
contribution to
GDP since 2019



AIRBNB HOSTS

Women are not only pioneers of home sharing, but they are also masters of hospitality and amazing experiences. In Latin America and the Caribbean, 53.2% of Airbnb Hosts are female.

This positive economic impact is fostered by millions of Airbnb Hosts who are welcoming guests in destinations across Latin America, and through promoting a kind of travel, and tourism that are good for Hosts, guests, and local communities:

Women are not only pioneers of home sharing, but they are also masters of hospitality and amazing experiences. In Latin America and the Caribbean, 53.2% of Hosts on Airbnb who self-report their gender report being female.

Airbnb Hosts keep up to 97 percent of what they charge for their listing, and unlike many big hotels, Hosts keep the money they earn in the community.

Airbnb listings are located in a wide range of neighborhoods, including neighborhoods that do not typically benefit from tourism.

When guests arrive at their listing, they often receive recommendations from their Host on local businesses to visit, many of which are in the neighborhood where they stay. This type of hosted travel helps guests live like locals and has a significant positive economic impact as guests spend time and money in local restaurants and businesses.

IMPORTANCE OF TOURISM

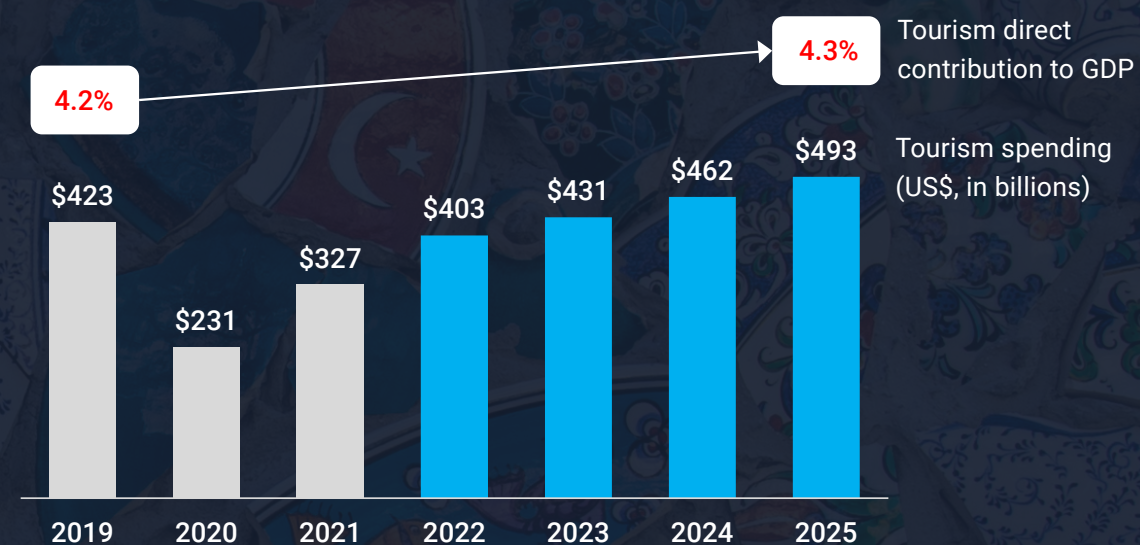
Tourism is an increasingly important part of the economy of the Latin America and the Caribbean economy. Tourism directly supported 8.5 million jobs and contributed \$182.7 US billion to GDP across the region in 2021. The sector is rebuilding from pandemic impacts and Oxford Economics' forecast anticipates visitor spending in Latin America and the Caribbean will approach \$500 US billion in 2025, 16.4% above its pre-pandemic level.

Economic activity directly stimulated by Airbnb guests has rebounded quickly, helping support the recovery of Latin American and Caribbean tourism overall. Spending by Airbnb guests increased by an estimated \$8.1 US billion in 2021, reaching a level more than one-third higher than 2019 (41.9% above), even as broader tourism spending in the region was still one-fifth lower than in 2019 (22.7% below).

With 4.3 million more Airbnb guest stays than in 2019, the Airbnb community directly supports 152,000 more jobs and \$2.8 billion US greater GDP than it did in 2019.

International guests still account for slightly more than half of Airbnb guest spending (56.7%) but spending

Tourism spending and contribution to GDP - Latin America and the Caribbean, direct
2019-2025 (US\$, in billions and percentage)



Source: Oxford Economics (March 2022 forecast)



AIRBNB GUEST SPENDING

NON-ACCOMMODATIONS GUEST SPENDING

The research shows that spending on restaurants, shopping, transportation and other activities represents the majority of Airbnb guest spending. For each \$10 US spent on accommodations, Airbnb guests spend an additional \$45 US at other businesses during their trip.



\$10

guest spending on accommodations



\$45

additional spending on restaurants, shopping, activities, and transportation

IMPACTS PER 1,000 AIRBNB GUESTS

Guest spending associated with 1,000 check-ins made by guests booking through Airbnb during a year directly supports 15 jobs in Latin America and the Caribbean with wages, salaries and other income totaling \$158,000 US (excluding host earnings). These jobs occur in a range of sectors, such as at restaurants, stores, transportation providers, and other services and attractions.



1,000

additional guest stays



15

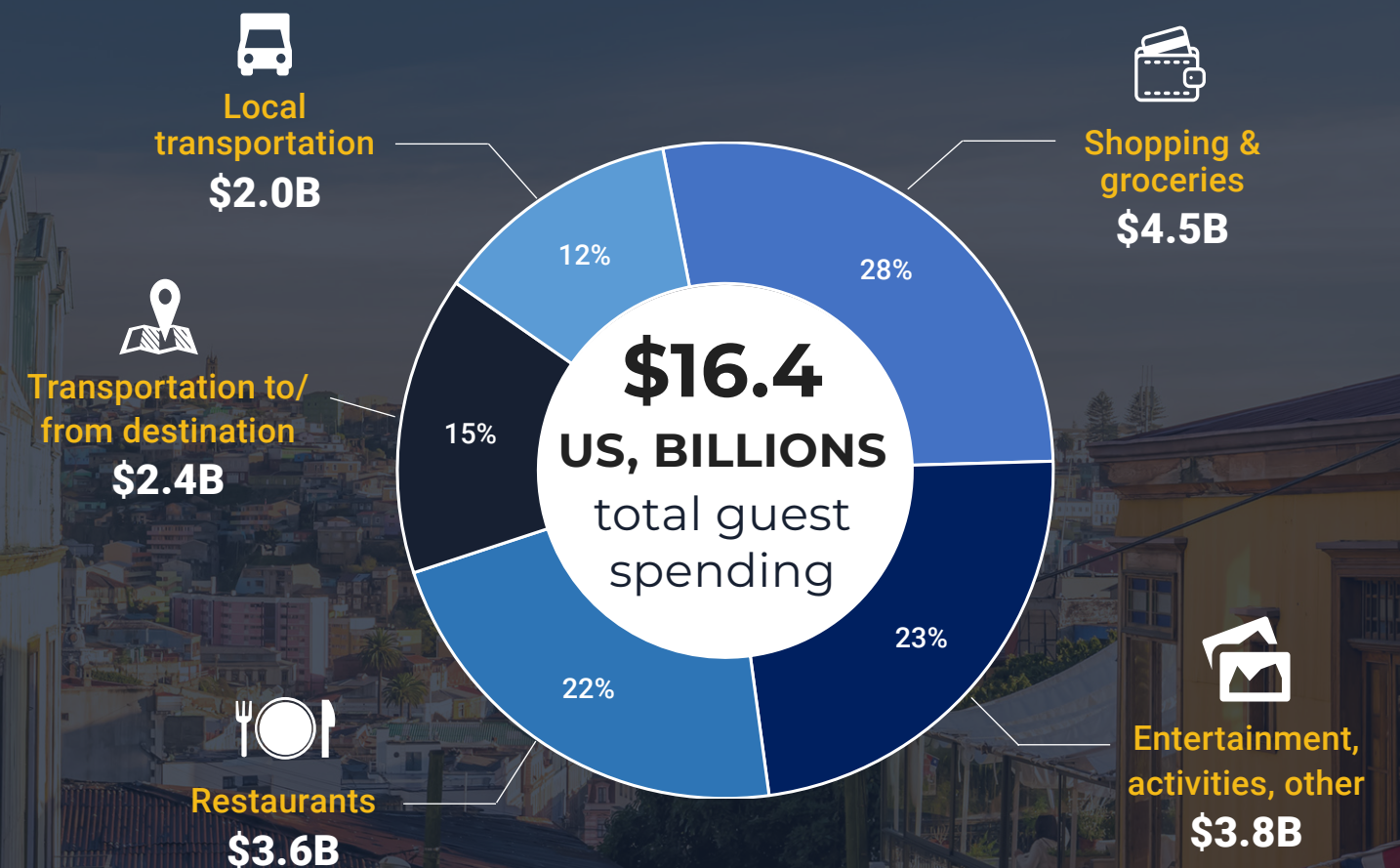
direct jobs



\$158,000

direct wages, salaries, and other income

TOTAL AIRBNB GUEST SPENDING, 2021



RESEARCH METHODS

Oxford Economics analyzed the economic impact of the Airbnb community in Latin America and the Caribbean.

For the purpose of this analysis, Airbnb guest spending refers to all trip spending except accommodations, also referred to as host earnings. It includes daytime spending in the destination, such as restaurants, shopping and entertainment, as well as local transportation and transportation to and from the destination.

The Latin America and the Caribbean region analyzed consists of 48 countries and territories from Mexico to Chile, including the Caribbean.

The analysis is based on a combination of guest activity and guest survey data provided by Airbnb and Oxford Economics’ estimates of the direct economic impact of tourism, in terms of GDP, jobs and income in each country and territory.

Oxford Economics prepared model-based estimates to normalize and extend guest spending estimates, for example to include transportation spending to and from the destination and calculated key impact ratios based on previously estimated country-level relationships between tourism and economic activity.

The analysis focuses on direct impacts, which consist of guest spending (excluding accommodations or host earnings) and the GDP, jobs and income directly supported by that spending. The direct impacts quantified in this analysis exclude important multiplier effects, such as indirect supply-chain impacts that occur as businesses directly serving visitors purchase inputs from other businesses.

GLOSSARY

Airbnb guest: An individual who stays at least one night in an Airbnb unit.

Airbnb guest check-in: A stay by one or more Airbnb guests.

Airbnb host: An individual or business that lists and offers an accommodation unit, whether a private or shared space, on the Airbnb platform.

Airbnb guest spending: For this analysis, Airbnb guest spending refers to all trip spending except accommodations, also referred to as host earnings. It includes daytime spending in the destination, such as restaurants, shopping, and entertainment, as well as local transportation and transportation to and from the destination.

Direct impact: Impacts (business sales, jobs, income) created directly from spending by visitors to a destination within a discrete group of tourism-related sectors (e.g., restaurants, stores, recreation, transportation). Direct impacts exclude multiplier effects, such as indirect supply-chain impacts that occur as businesses directly serving visitors purchase inputs from other businesses.

Domestic guests: Originate within the country in which the Airbnb stay occurs.

GDP: Gross domestic product the standard measure of the value added created through the production of goods and services in a country during a certain period.

Host earnings: The portion of guest spending on the booking of a space listed on Airbnb that is received by the host (individual or business booking the space).

Income: Wages, salaries, and other income, including tips and benefits.

International guests: Originate outside the country in which the Airbnb stay occurs.

Jobs: Employment measured as headcount (includes part-time and seasonal jobs, and sole proprietors).

Latin America and the Caribbean region: In this study, we assess the impact of Airbnb across the entire LAC region, consisting of 48 countries and territories from Mexico to Chile, including the Caribbean.

Total tourism spending: Spending within a country or region on travel and tourism by residents and nonresidents for business and leisure purposes.

ABOUT THE RESEARCH TEAM



Oxford Economics was founded in 1981 as a commercial venture with Oxford University’s business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, we have become one of the world’s foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact.

Oxford Economics is an adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base comprises over 2,000 international organizations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

Oxford Economics employs 400 full-time staff, including 250 professional economists and analysts. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC.

June 2022

All data shown in tables and charts are Oxford Economics’ own data, except where otherwise stated and cited in footnotes, and are copyright © Oxford Economics Ltd.

This report is confidential to Airbnb and may not be published or distributed without its prior written permission.





OXFORD
ECONOMICS