



**TOURISM
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Harnessing the Short-Term Rental Advantage in Europe

**An Economic Assessment of the STR
Segment in the EU and the Impact of
Regulation**



2024



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December 2024

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Executive Summary



Key Findings

Short-term rentals (STRs) have become a popular accommodation alternative for European travellers, as they opt for the convenience and affordability that STRs offer both at home and abroad.

Economic Benefits Provided by STRs



STRs also offer a range of unique benefits that extend beyond their economic contribution:

They play a crucial role in facilitating travel for families.

STR-supported tourism is tourism made in Europe - primarily supporting European travellers and hosts across the EU.

97% of STR earnings are transferred to hosts who reside within the EU, totalling €26.5 billion in income for European residents.

STRs support rural areas and less visited urban neighbourhoods across the EU.

One of the standout features of STRs is their flexibility in scaling up to accommodate one-off events.

STRs contribute to local investment and the revitalisation of areas.

STRs exert a downward pressure on tourism accommodation prices.

It is essential to approach STR regulation with balance and consideration to retain these benefits.

1.0 Executive Summary

Short-term rentals (STRs) have become a popular accommodation alternative for European travellers, as they opt for the convenience and affordability that STRs offer both at home and abroad.

Of all nights spent in STRs within the EU, 38% of guests are from within the same country, and international visitors typically originate from elsewhere in the EU. These guests increasingly stay in non-urban and less visited neighbourhoods, spreading economic benefits across the region.

In 2023, these STR guests spent nearly **€128 billion** in the EU, with host earnings constituting **€27 billion** (21%) of this spend. This spending contributed **€149 billion** to EU GDP, supporting **2.1 million jobs** and **€74 billion in wages**, generating almost **€40 billion** in tax revenue.

By offering an affordable alternative to traditional tourism accommodations, short-term rentals have also strengthened the competitiveness of tourism as one of the key economic sectors of the EU.

STRs also offer a range of unique benefits that extend beyond their economic contribution:

They play a crucial role in facilitating travel for families, with nearly 80% of guests on Airbnb across the EU travelling with their partner or significant other, and 39% travelling with children. This makes STRs an attractive option for family vacations, providing the comfort and convenience that traditional accommodations might lack.

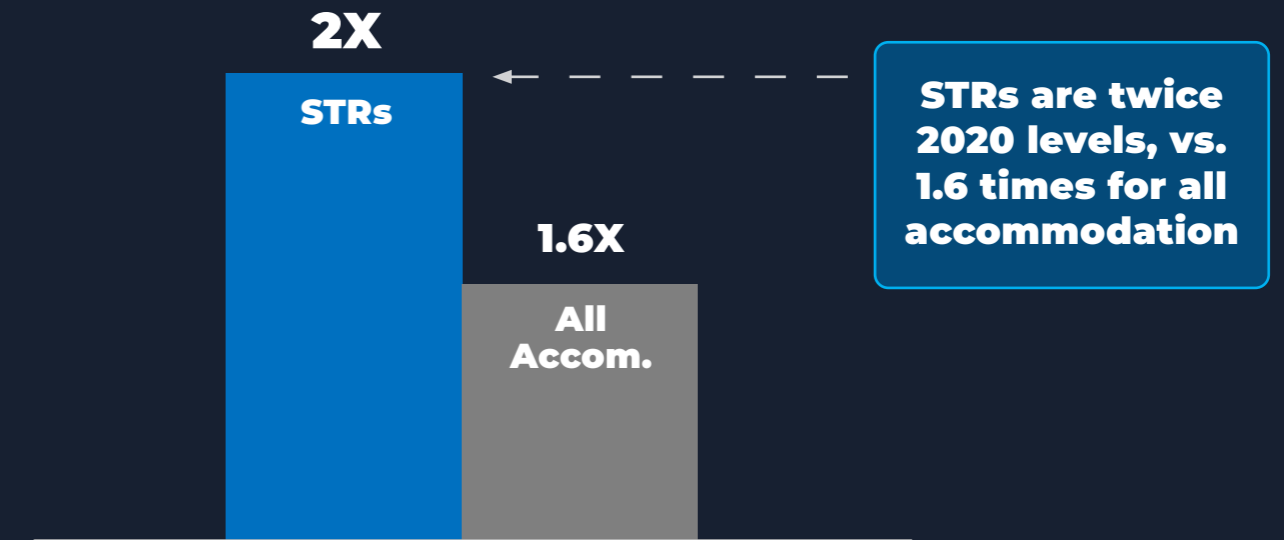
STR-supported tourism is tourism made in Europe - primarily supporting European travellers and hosts across the EU.

European travellers accounted for 62% of international STR guest nights in 2023, whilst 4 in 10 (38%) of all guest nights stayed in STRs are by domestic tourists.

Figure 1: Economic Benefits Provided by STRs



Figure 2: STR Nights in Rural Locations Have More than Doubled since 2020



Source: Tourism Economics, based on Eurostat Tourism data.

97% of STR earnings are transferred to hosts who reside within the EU, totalling €26.5 billion in income for European residents.

These earnings are often spent by hosts in the local area, helping to revitalise communities and support local businesses.

STRs support rural areas and diverse urban neighbourhoods across the EU.

The majority of STR nights (55%) are spent in non-urban locations—with the number of STR nights spent in predominantly rural areas more than doubling since 2020. Additionally, half of guests staying in listings on Airbnb in key EU cities visit neighbourhoods they might not have otherwise explored (44%), thereby spreading the economic benefits of tourism more widely beyond city centres. In regions like Portugal's Douro, where incomes are 26% below the national average, STRs supported over 200,000 guest nights in 2023, boosting jobs, local industries, and living standards.

One of the standout features of STRs is their flexibility in scaling up to support one-off events.

In numerous instances, STR nights and listings have temporarily increased to support recent events across Europe, avoiding the need for permanent increases in accommodation capacity. During the 2024 Paris Olympic and Paralympic Games, for example, demand for STRs surged by 90% year-over-year, easing accommodation shortages and stabilising prices. Moreover, this adaptability ensures that cities can host large events without the long-term burden of excess accommodation infrastructure, which helps to keep accommodation prices low—STRs saved travellers £28 per night during the Eurovision Song Contest in Liverpool in 2023.

STRs contribute to local investment and the revitalisation of areas.

Increased tourism revenues from STR activities have been shown to support residential investment and rejuvenate local communities. In the US, research shows that a 1% increase in listings on Airbnb led to a 0.77% increase in residential building permits. With housing shortages afflicting many European cities, fostering residential investment through STRs has the potential to improve housing supply and alleviate price pressures in the long term.

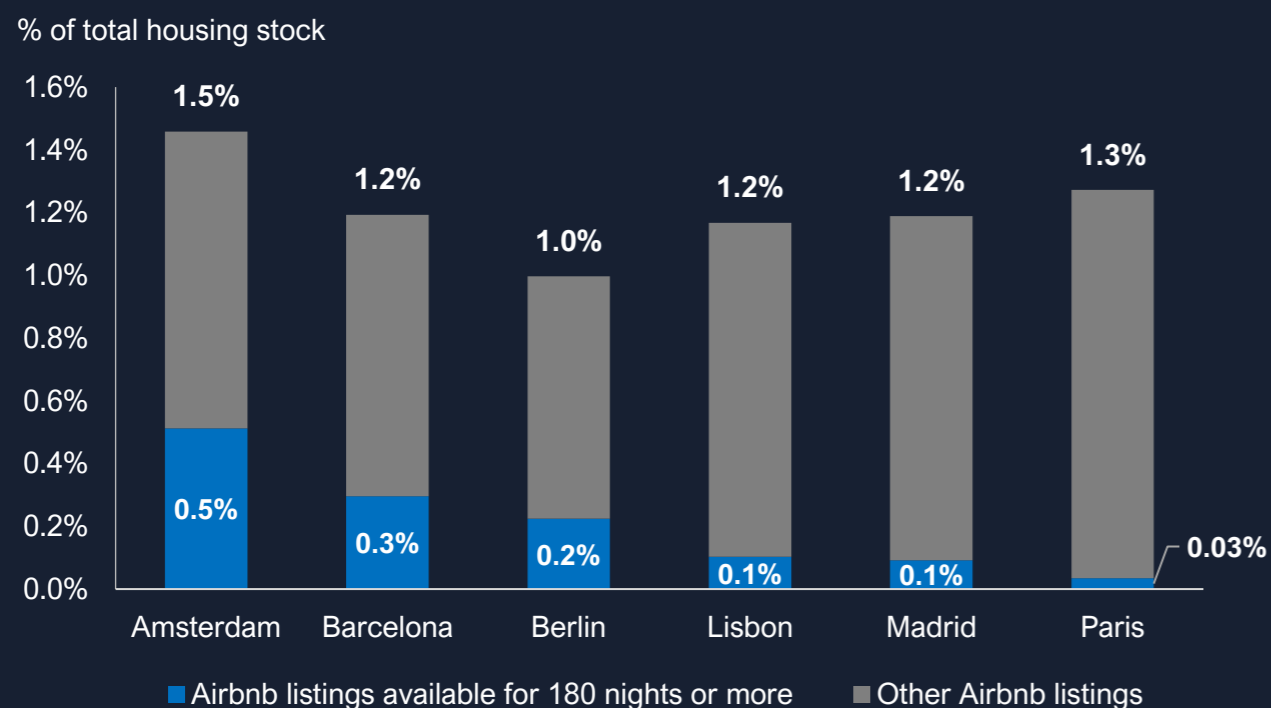
STRs exert a downward pressure on tourism accommodation prices.

Listings on Airbnb have helped reduce travel accommodation prices for all travellers by an estimated €7 per night on average in key European destinations, with more substantial impacts expected during peak demand periods such as major events.

It is essential to approach STR regulation with balance and consideration to retain these benefits while avoiding unintended negative consequences.

Overall, STRs constitute a small portion of housing stock in major cities. Overly restrictive STR regulations can inadvertently shift activity to other forms of accommodation, increasing accommodation prices and sacrificing a significant portion of local host earnings. Disproportionate regulation can also be costly, ineffective in achieving their intended aim, and foster a stronger informal sector for STRs listed via non-transactional platforms, which are even harder for authorities to monitor.

Figure 3: Listings on Airbnb Make Up a Small Part of the Overall Housing Stock



Source: Airbnb listings data, Eurostat data on conventional dwellings



Short-term rentals (STRs) provide **significant economic benefits** across the EU and offer **a range of unique benefits** that extend beyond their economic contribution.

The Unique Economic and Local Contribution of STRs

Overview

€128B Direct Tourism Spend

STRs guests spent €128 billion in the EU in 2023, with almost €27 billion going directly to EU-based local hosts.

€149B Gross Domestic Product

This spending made a notable economic contribution, supporting €149 billion in GDP and constituting 23% of tourism activity across the EU. The economic benefits were distributed across member states.

Additional Benefits

The nature of STRs provides additional benefits, such as supporting families with better amenities and more accessible spaces, dispersing tourism to lesser-known and rural locations, supporting investment in local areas, and reducing accommodation prices for travellers. The STR segment can also scale up rapidly to support one-off events across Europe.

Recent Growth

Recent growth in the STR segment has supported the tourism recovery, while the rest of the accommodation sector remained below pre-Covid-19 levels as of 2023.

STR Guests Visit Their Own Country

A significant portion of STR nights is spent within the guests' own country (38%), and most international nights from STRs are from guests elsewhere in the EU (62%).



2.0 The Unique Economic and Local Contribution of STRs

This report considers the impact of the short-term rentals (“STR”) segment on the EU. It quantifies the economic impact of the segment using recent data collected by Eurostat and Airbnb. STRs bookings are comprised of single rooms and entire apartments listed on online platforms, including Airbnb, Booking.com, Expedia, and Tripadvisor.

In 2023, STRs accounted for approximately 22% of total nights stayed across the EU. This segment provides substantial benefits as part of the broader accommodation market. The STR segment directly boosts incomes and tourism spending by connecting hosts with travellers. This is particularly vital in rural and dispersed areas where demand for STRs has more than doubled since 2020—generating tax revenue, creating jobs, and contributing to revitalisation and investment in local areas across the EU. The unique features of STRs also cater to specific needs for family travel and provide extra, flexible accommodation capacity that supports travel to one-off events across Europe.

2.1 Short Term Rentals Provide Significant Economic Benefits to the EU

2.1.1 STRs guests spent €128 billion in local economies, with almost €27 billion going directly to local hosts within the EU

Figure 4: Direct STR-Linked Tourism Spend in the EU



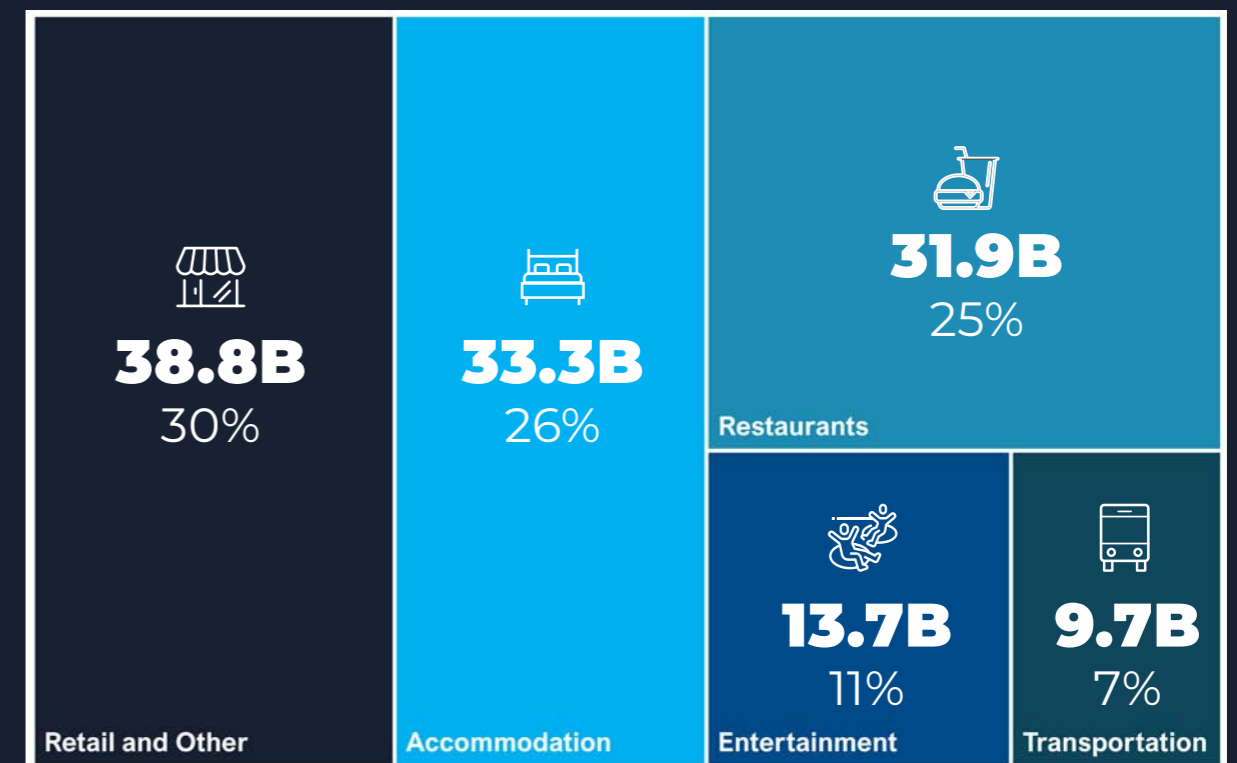
Figure 5: Host Earnings Supported Within the EU



In 2023, guests staying in STRs spent almost **€128 billion in local economies, with €26.5 billion going directly to hosts in the EU.** This direct spending figure includes spending on STRs and in the wider local economy, facilitated both by STR bookings themselves and by spending at local businesses (e.g., restaurants, theatres).

A key difference between STRs and more traditional accommodation solutions is that 21% of direct tourism spending is passed onto local communities through host revenues. Hosts can rely on these earnings to cover daily expenses such as housing, food, and utilities, or they can invest in their properties, creating a broader economic stimulus that enriches the local community.

Figure 6: STR-Linked Tourism Spending by Category



Source: Tourism Economics calculation based on AirBnB and Eurostat data on spending and guest nights, respectively

Note: Retail and Other includes spending on shopping, groceries and tourism connected products.

As shown in Figure 6, the largest proportion of tourism-related spending is attributed to retail and other spending, accounting for almost **€39 billion (30%)** of direct spending in 2023. This is followed by spending on accommodation in STRs, which accounts for **€33 billion (26%)** of direct spending. The next largest spending categories are restaurants at **€32 billion (25%)**, entertainment at **€14 billion (11%)**, and transport at **€10 billion (8%)**.

2.1.2 In total, STRs support €149 billion in GDP – 23% of tourism activity in the EU

Direct spending by guests and hosts creates additional activity as businesses make purchases from the supply chain (indirect effects), and employees in businesses that service guests directly (e.g., restaurants) and support via the supply chain (e.g., food manufacturers) spend their wages in the economy (induced effects). Due to strong trade linkages, some of these supply chain and wage purchases also stimulate activity elsewhere in the EU (international trade effects). These effects constitute the total economic impact presented.

In total, STR-supported economic activity provides €149 billion in GDP and amounts to 23% of the tourism sector in the EU. The economic activity linked to STRs supports €40 billion in tax revenues, more than 2 million jobs and €74 billion in wages.

2.1.3 This economic activity is spread across the EU

As might be expected, larger economies (based on GDP) such as Germany, France, Italy, and Spain contribute more to the total GDP supported by STRs in the EU. The largest contribution was from France at €37 billion, just under 25% of the total value added. Spain and Italy are also amongst the most significant contributors, with STR-linked GDP worth €30 billion in Spain and €23 billion in Italy, 20% and 15% of the EU total, respectively.

Figure 7: Economic Impact Graphics, 2023



\$149B

Total Value Added (GDP)



\$40B

Total Tax Generated



2.1M

Total Jobs Supported



\$74B

Total Wages

Figure 8: Country-Level Contributions to Total Value Added (GDP) Generated by STRs

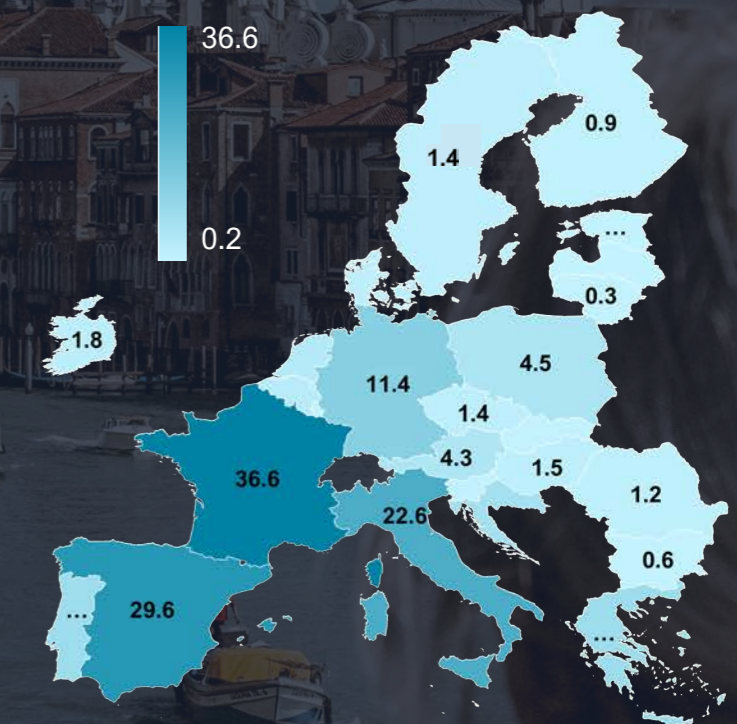


€149B

Total Contribution to Gross Domestic Product (GDP)

STR GDP by Country, € Billions

France	36.6	Sweden	1.4
Spain	29.6	Denmark	1.3
Italy	22.6	Romania	1.2
Germany	11.4	Rest of EU*,	
Greece	7.3	< €1B each	5.1
Portugal	7.3		
Croatia	5.9		
Poland	4.5		
Australia	4.3		
Netherlands	3.2		
Belgium	2.3		
Ireland	1.8		
Hungary	1.5		
Czechia	1.4		



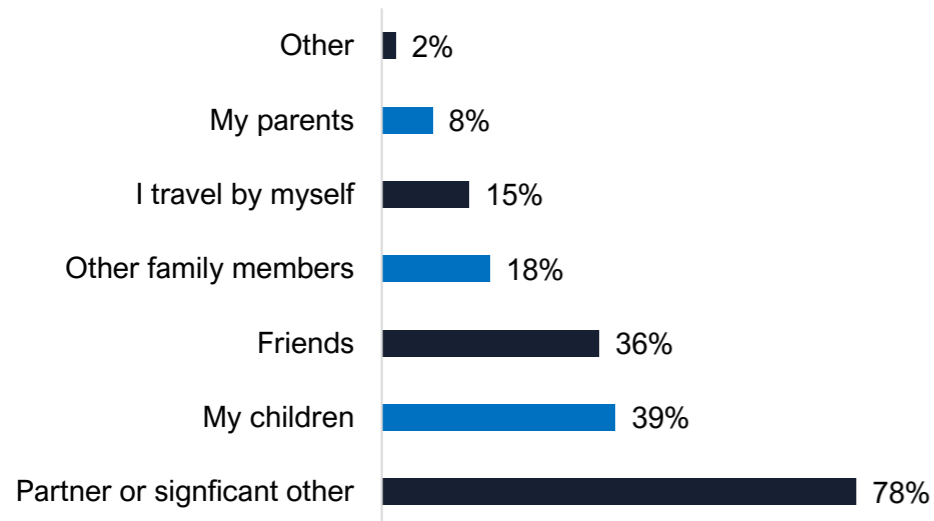
Source: Tourism Economics

2.2 The Unique Nature of STRs Provide Additional Benefits to the EU and Its Residents

2.2.1 STRs facilitate travel for families

STRs are particularly well-suited to families due to the space, cost-effectiveness, and home-like amenities they provide, as evidenced by Airbnb survey data. The increasing popularity of STRs among families is reflected in the changes in the average party size of renters on Airbnb. Over the past decade, the average number of people staying in properties listed on Airbnb has increased from 2.3 in 2013 to 2.7 in 2023 (or roughly 18%). This trend is echoed by external commentators, who note that STRs are particularly suited for families given the unique layouts, room sizes, and competitive pricing the STRs offer. Recent survey data from Airbnb suggests that almost 80% of guests of listings on Airbnb across the EU visited with their partner or significant other, 39% travelled with their children, and 18% travelled with other members of their family.

Figure 9: Who do you Travel With? EU Airbnb survey results (2021)



Source: Airbnb guest survey, 2021. 22,752 respondents.

2.2.2 STRs support visits to a wide range of locations

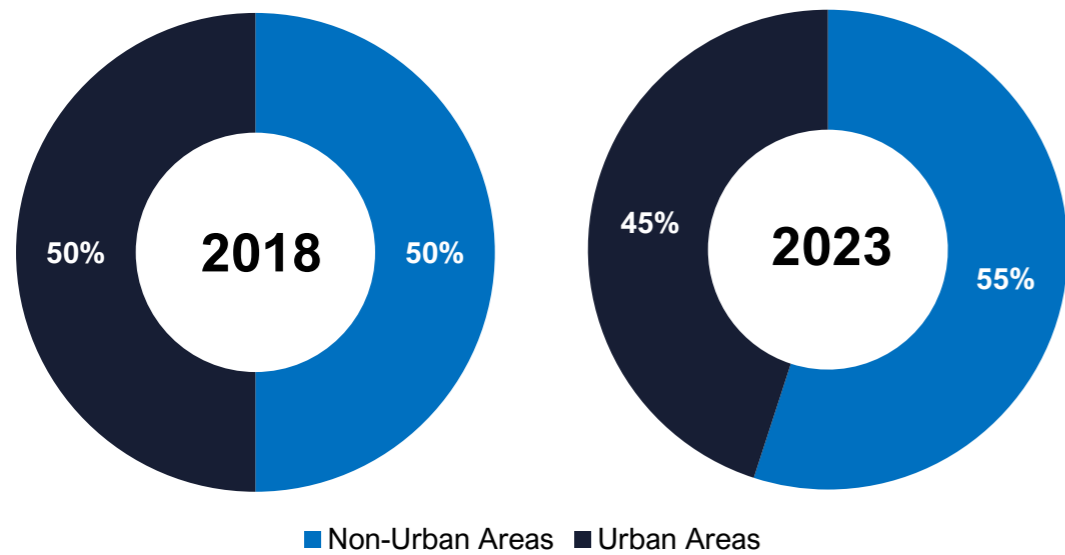
In 2023, more than half of all STR guest nights were spent in non-urban areas (55%)—and this share has increased overall since 2018.

The flexible nature of STRs allows them to cover the needs of different tourism markets more extensively than traditional accommodation offerings, bringing travellers to a wider array of destinations. As highlighted in a recent report, in the less populated communes of Île-de-France (which is the most populated region of France), 50% of postal codes are not served by hotels, compared to just 1% for STRs listed on Airbnb.



In 2023, more than half of all STR guest nights were spent in non-urban areas (55%) – and this share has increased overall since 2018.

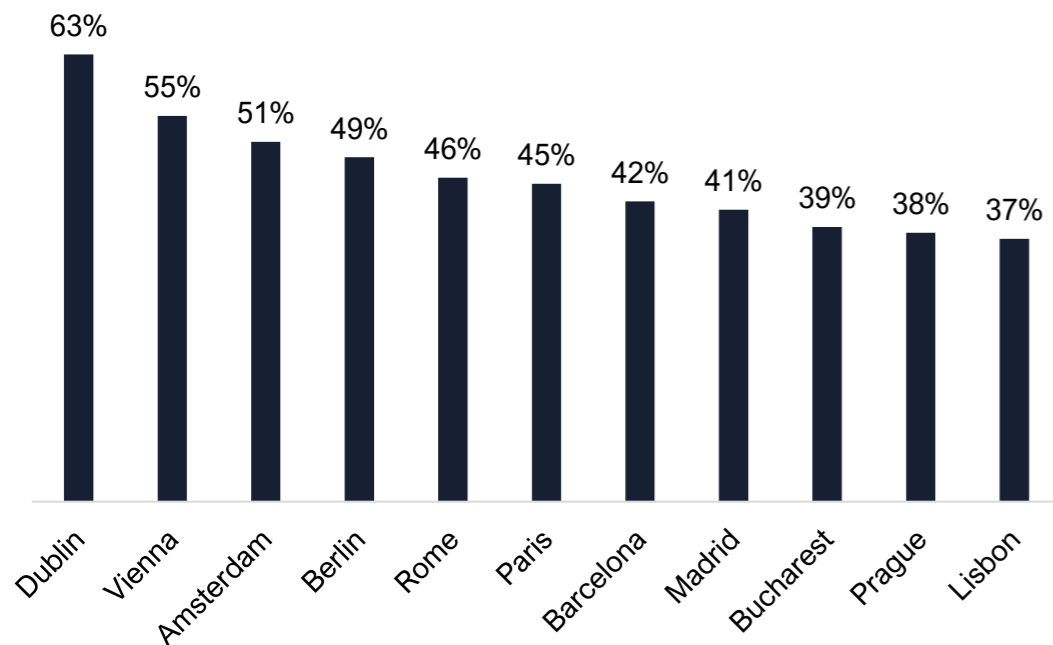
Figure 10: The Share of STR Guest Nights in Urban Areas has Decreased Since 2018



Source: Eurostat 'Accommodation offered by online collaborative economy platforms'
 Note: Non-urban areas are made up of 'predominantly rural' and 'intermediate' NUTS3 areas as defined by Eurostat.

Even within urban areas, Airbnb survey results show that STR guests stay and spend in areas they would not have visited otherwise. As shown in Figure 11, Airbnb survey evidence demonstrates that in key EU cities, between 37% and 63% of people who stay at STR listings would not have visited the neighbourhood where the listing is located if not for the STR. This equates to just under half (44%) of all survey respondents in these cities.

Figure 11: Percentage Likely Who Wouldn't Have Visited the Neighbourhood if They Didn't Stay in STR Listing



Source: Airbnb survey respondents, 2023

Figure 12: STRs Support Economic Activity in Rural Areas Across Europe



In Spain, STR guest nights spent in predominantly rural areas have increased 125% since 2018, to more than 2.6 million in 2023. This provides economic benefits and allows for travellers to experience local culture. With 70% of bookings on Airbnb taking place in non-urban or low-density urban areas, the platform helps uncover hidden gems. For example, Spain's olive oil tourism industry generated over €120 million in local commerce in 2023 from the increase in rural tourism activity.



In Portugal, data highlight that STRs have been essential in revitalising local economies, supporting jobs, and diversifying the country's tourism offering. In the Douro region in Portugal, where incomes are approximately 26% below the national level, STRs accommodated over 200,000 guest nights in 2023—supporting jobs, the local industry, and helping to improve living standards.



In Germany, only 30% of visitors are hosted in large cities. The majority of STR visitors are hosted in either medium sized and small cities (30%) or in predominantly rural areas (40%).



In the Republic of Ireland, over three-quarters (77%) of Airbnb activity occurred outside Dublin, with 71% of this in predominantly rural areas and 6% in intermediate regions. The economic impact of Airbnb-linked stays alone was around €107 million in Kerry and Cork, the rural counties of Ireland.



In Croatia, more than half (52%) of nights spent in STRs were in predominantly rural areas. This has allowed easy access for tourists to the wine industry and important wine routes, such as the Istrian, Pelješac, and Ilok wine roads. Across these regions, STRs hosted almost 9.7 million guest nights in total.

Notes: See Appendix A: Country-Specific Impacts for sources and further information.

STRs have been shown to reduce accommodation, benefitting all travellers, not just guests in this accommodation type.

2.2.3 STRs reduce accommodation prices for all travellers

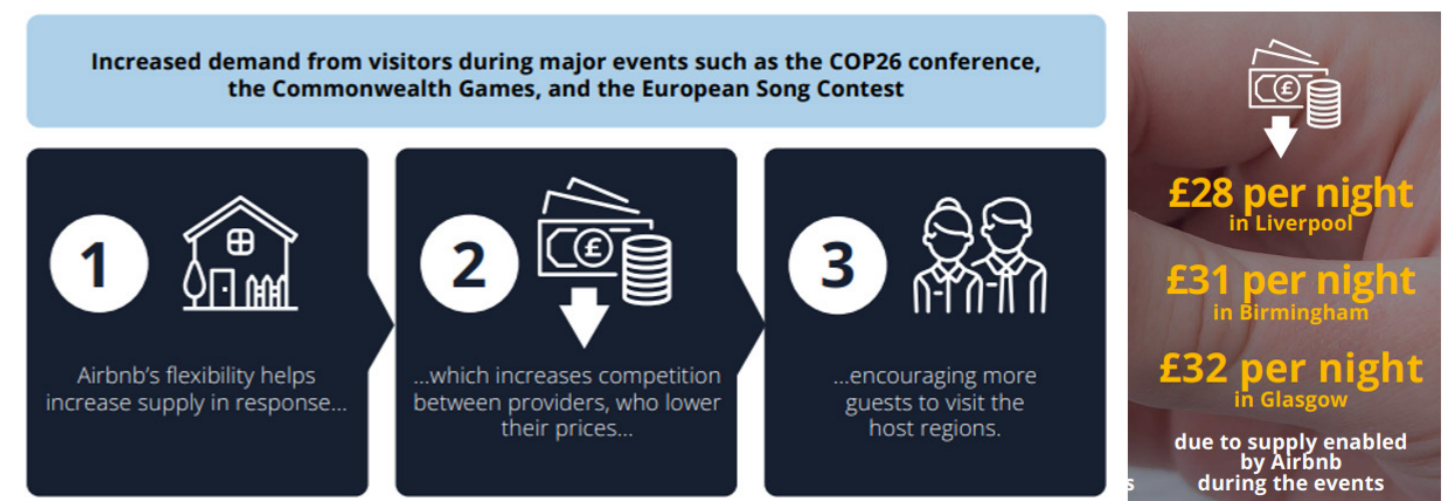
STRs have been shown to reduce accommodation prices, benefitting all travellers, not just guests in this accommodation type. Our analysis suggests that listings on Airbnb helped reduce accommodation rates by around €7 per night across 10 key European destinations in 2023.

Figure 13: Reduction in Accommodation Prices



A major advantage of STRs is their flexibility to scale up supply during peak demand events, like music festivals, easing pricing pressures (e.g., SXSW). In a previous study, we estimated that STR listings helped lower accommodation costs by £28 (€32) per night during the European Song Contest in Liverpool, £31 (€37) per night during the Commonwealth Games in the Birmingham area, and £32 (€37) per night during COP26 in Glasgow.

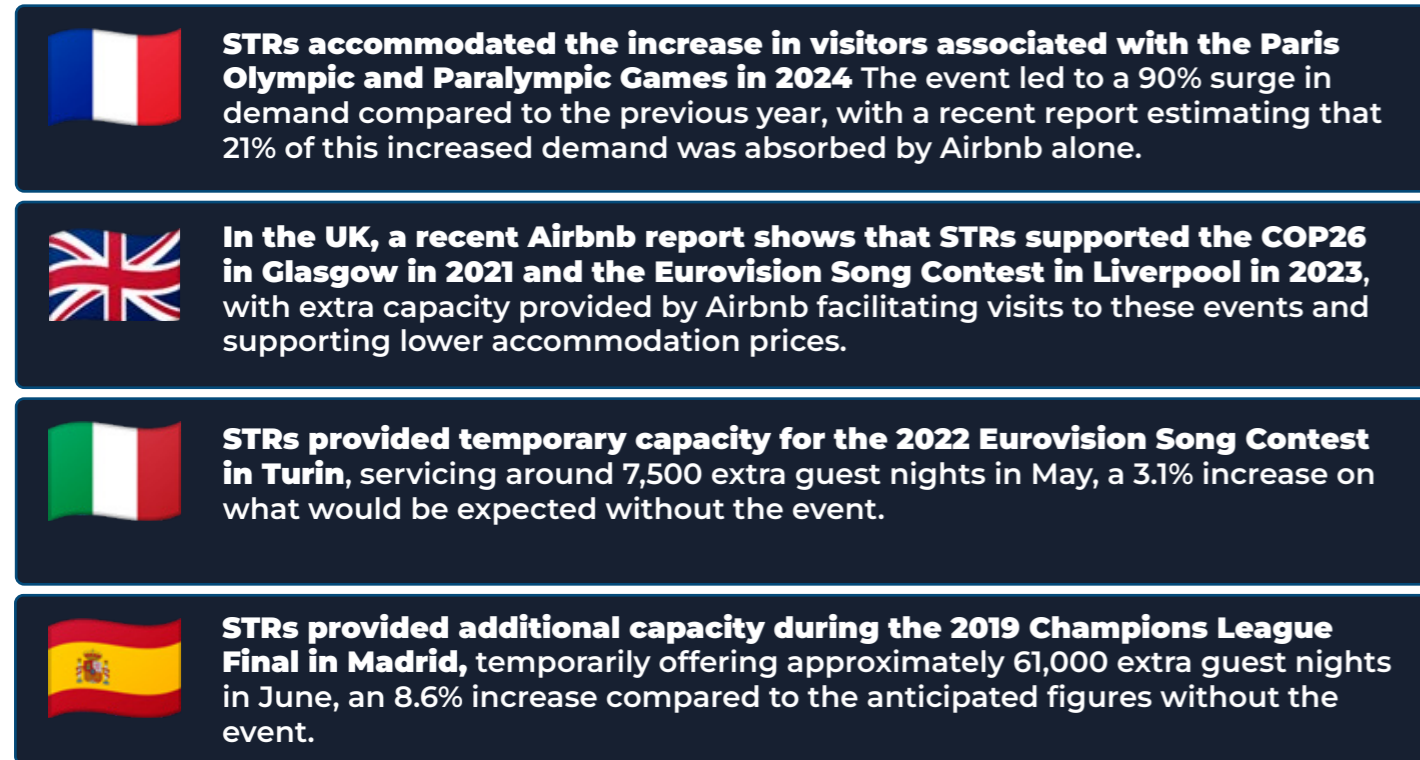
Figure 14: Impact of Airbnb in Accommodation Prices During EU Events



2.2.4 STRs can scale-up at pace, supporting one-off events across Europe

The presence of STRs within the wider accommodation sector helps to support surges in demand from one-off events without a permanent increase in capacity. The wider geographical distribution of STRs and the flexibility in hosting provide extra capacity to respond to strong upticks in demand, as hosts can offer private rooms and temporarily unoccupied properties.

Figure 15: STRs Have Provided Flexible and Temporary Accommodation for One-Off Events



Source: Tourism Economic analysis based on Eurostat STR data. See Appendix A for more information.

2.2.5 STRs support investment and help to revitalise local areas

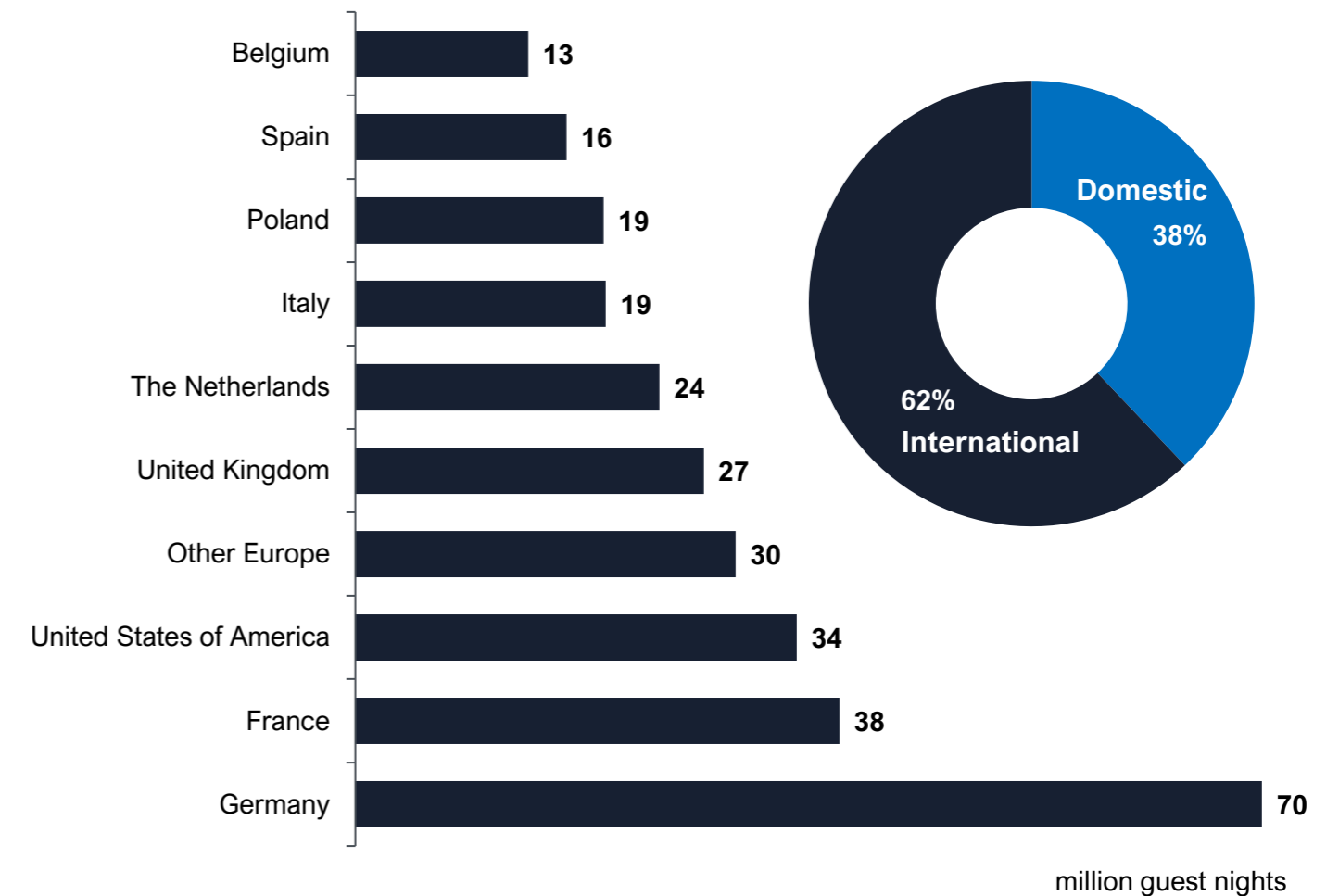
The STR segment contributes to urban revitalisation by supporting economic demand, stimulating investment, and prompting public infrastructure improvements. STRs bring additional value and revenue to property owners, as all housing capacity can be utilised. As such, investing in property becomes more profitable and attractive for developers. In the US, research shows that a 1% increase in listings on Airbnb led to a 0.77% increase in residential building permits. Local businesses also react to tourists who demand goods and services. In fact, a recent study shows that a 1% increase in listings on Airbnb raised retail renovation investment by 3.69% in the following quarter in the US. This increased retail and residential investment can benefit the entire local community, particularly given the housing shortages affecting countries across Europe.

These trends are not confined to larger cities. Local leaders across the EU, such as mayors in Porto, Portugal, as well as in Le Portel and Avranches, France, have expressed support for STR platforms as drivers of economic growth, investment, and urban revitalisation. In many cases, STRs have unlocked tourism potential in smaller towns lacking traditional accommodation infrastructure, allowing tourists to discover hidden gems across Europe. This expansion of tourism has revitalised local economies, spurred investment, and generated revenue for local businesses.

2.2.6 STRs provide strong support to tourists and local communities within Europe

Most STR guests are domestic or from elsewhere in the EU. Of international guest nights, 62% are from visitors that reside within the EU, while 38% of total guest nights are from domestic visitors. Figure 16 examines the top origin markets for STR guests across the EU and the share of domestic (within the host country) and international (outside of the host country) guest nights spent. Despite a strong contribution from the US, most of the top 10 markets are from within Europe.

Figure 16: Top Ten Origin Markets of Nights Spent by STR Guests Outside of the Host Country in the EU



Source: Eurostat 'Accommodation offered by online collaborative economy platforms', 2024.

Note: Unclassified countries in Europe ('Other Europe') are excluded from the top ten as this includes a set of countries – but this group provides around 30 million international guest nights. See Eurostat for more information.



In 2023, **719 million guest nights** were spent in STRs across the EU (**+63% since 2018**) – with STR platforms taking around an estimated **one-in-five of total guest nights** spent in all accommodation.

2.3 The STR Segment Has Experienced Healthy Growth in Recent Years

In 2023, 719 million guest nights were spent in STRs across the EU (+63% since 2018), with STR platforms taking around an estimated one-in-five of total guest nights spent in all accommodation.

Recent growth is partially explained by a strong recovery since Covid-19, with guest nights across all EU nations now above pre-pandemic levels. However, strong growth in the STR segment also reflects wider factors. This includes broader shifts in global consumer travel preferences as modern travellers increasingly seek unique and varied forms of accommodation, as well as the convenience and price competitiveness of STR platforms—particularly following a recent period of high inflation and restricted budgets.

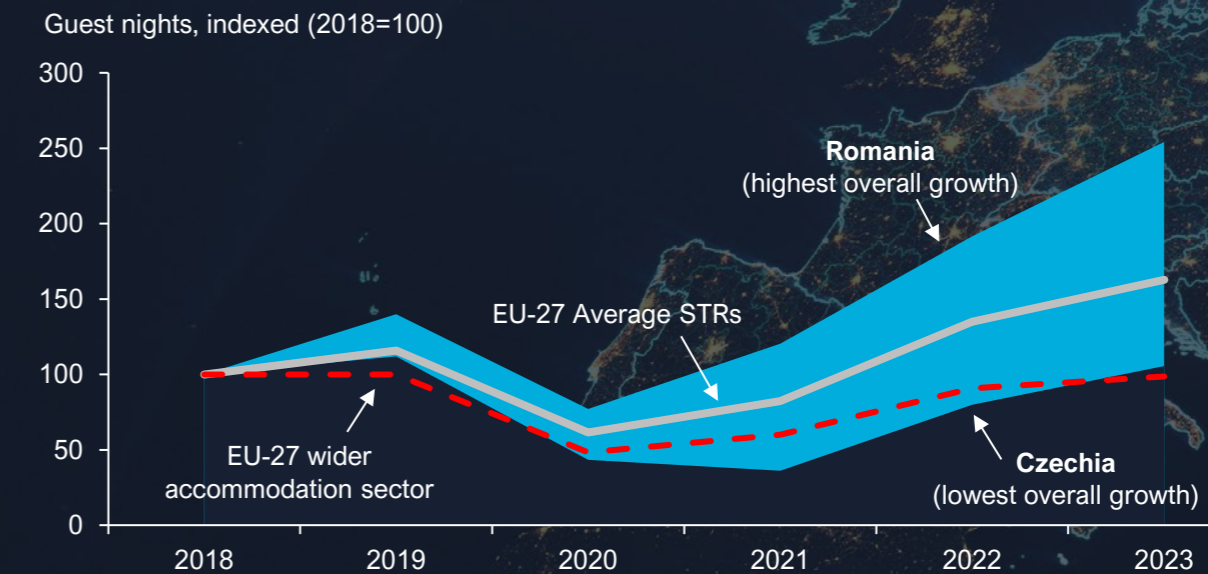
2.3.1 This growth has provided important support for the tourism recovery post-pandemic

Figure 17 shows how the number of guest nights across the EU has grown since 2018, with the highest and lowest overall growth across the EU highlighted. This trend is compared to the wider paid accommodation across the EU (excluding STRs).

In 2020, guest nights in STRs experienced a significant decline of 47% compared to 2019, due to the disruptions caused by Covid-19. The wider paid accommodation sector faced an even steeper decline during the same period, with a decrease of 52%. However, since that decline, the STR segment has shown a strong recovery, with guest nights increasing at an average annual rate of 38%. In contrast, all other types of paid accommodation have seen a lower average annual growth rate of 28% over the same time frame.

As a result of this sharper decline and slower growth after that, **wider paid accommodation only recovered to 2018 levels in 2023 (1% higher), compared to 63% higher STR guest nights.** This emphasises the resilience of the STR sector, which has been instrumental in supporting the recovery of tourism visits. The recovery since 2020 has been led by countries such as Malta (67%), Greece (63%), and Slovenia (58%), highlighting the changing preferences of travellers and the support STR provides for a wide range of destinations.

Figure 17: Estimated STR Guest Nights Across the EU, 2018-2023



Source: Eurostat "Accommodation offered by online collaborative economy platforms", 2024 and Oxford Economics' Global Travel Service data.

3

The Impact of Regulation on the STR Segment



Overview

As described in the previous section, STRs support €149 billion in GDP within the national economies across the EU and provide numerous unique benefits. Balanced, evidence-based rules can ensure communities continue to reap the benefits of home-sharing.

However, disproportionate regulation can lead to unintended consequences for communities and guests. These risks include:

Other Forms of Accommodation

Tourists might move to other forms of accommodation, failing to meet the aim of regulation in reducing footfall, as well as sacrificing host earnings and other unique benefits of the STR market.

Public Backlash

Public backlash and a stronger informal sector due to high compliance costs for hosts and tourists, as the high fees, fines, and administrative requirements can lead to public backlash, pushing tourists to unregulated STR options, where oversight is more challenging.

Limited Impact on Availability & Prices

Limited to no impact on housing availability and prices, with STR listings making up a small share of the total housing stock and unlikely to impact housing supply. Illustrative analysis shows that returning Airbnb listings to the housing market would have a negligible impact on prices.

This section will explore the impact of local regulations on STRs and tourism.



3.0 The Impact of Regulation on the STR Segment

3.1 The Impact of STR Regulations on Tourism

STRs offered by STR platforms contributed €149 billion in GDP to the national economies of EU nations in 2023. As detailed, STRs provide numerous benefits and a unique offering for travellers —servicing more dispersed rural locations, providing flexibility and affordability for families, reducing accommodation prices for travellers, and allowing local areas to facilitate one-off events. Compared to more traditional accommodation offerings, STRs provide hosts across the EU with revenue that can be invested into the local economy.

In recent years, some commentators have argued that the rapid growth of STRs and online platforms has aggravated housing shortages by reducing housing supply and affordability and disrupted neighbourhoods by turning residential areas into transient tourist hubs. The influx of short-term guests has also led to concerns about noise, overcrowding, and a diminished sense of community. In response, many cities have implemented stricter regulations to curb the impact of STRs, often on a reactive or ad hoc basis, aiming to strike a balance between supporting tourism and preserving affordable, long-term housing for local residents.

However, regulatory actions that are not balanced and targeted can be harmful to local areas, potentially restricting tourism growth, removing vital economic activity for local economies, and limiting earnings for local hosts. In this section, we examine the design, impact, and consequences of recent STR regulations with case studies around various cities in Europe and beyond—drawing conclusions on the importance of balanced, proportionate, and evidence-based regulation across the EU.

Case Study: Amsterdam regulation risks shifting tourists to other forms of accommodation

3.1.1 Overly restrictive regulation risks shifting tourists to other forms of accommodation

Several STR regulations have been introduced in Amsterdam over the past few years as part of a wider strategy aimed at reducing overall tourism numbers in hotspots and restoring liveability for residents in the city—with the Dutch Tourism Board (NBTC) aiming to disperse visitors to lesser-known but equally attractive towns.

In 2019, the city replaced the previous 60-night limit with a stricter 30-night limit on the number of days a primary residence could be rented out to tourists on a short-term basis. Under these regulations, both primary residences and home-sharing arrangements are allowed to accommodate a maximum of four guests at a time. Additionally, hosts are required to notify local authorities about each rental occurrence.

An outright ban on STR listings in specific areas was implemented in 2020 but was overturned by local courts the following year. In 2021, new regulations mandated hosts to register their properties and obtain an annual permit costing €71.

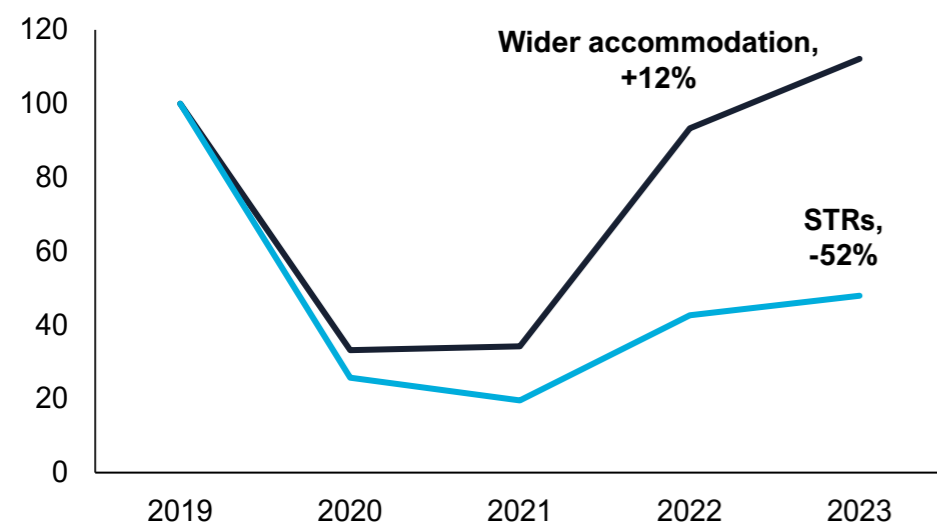
Figure 18: Key Metrics Since STR Regulation was Introduced in Amsterdam



Despite this regulation, and a decrease in STR guest nights in the city since 2019, the overall number of tourists has increased by 12% from 2019 to 2023. The chart below shows the increase in guest nights in the wider accommodation sector and the STR sector: total guest nights grew by 12% from 2019 to 2023, whereas STR guest nights decreased by 52% over the same period. As traditional forms of accommodation represent over 90% of the market in Amsterdam, placing restrictions on STRs has not effectively achieved the city's aim of reducing overall tourism.

Figure 19: Guest Nights in Amsterdam in STRs and Wider Accommodation

Guest Nights, Indexed 2019=100



Source: Eurostat 'Accommodation offered by online collaborative economy platforms', 2024.

With growth in other accommodation sectors, Amsterdam has sacrificed the unique benefits of STRs without a strong impact on overall tourism. In Amsterdam, approximately 22% of properties on Airbnb are listed explicitly as a private room within an existing property, without including whole properties that can be let when residents are temporarily away. Additionally, 97% of the revenue STR hosts receive remains in local communities within the EU. This compares to large hotel chains, which are often built and owned by large multinational corporations and more likely to transfer profits outside of Europe—although it is important to recognise the local employment opportunities and supply chain benefits supported by these hotels.

This contrasts with less restrictive regulation introduced in Rotterdam, which enforces a 60-day cap, does not require hosts to purchase a permit, and did not introduce an outright ban. Overall tourism growth was higher in Rotterdam compared to Amsterdam (21% vs. 7% 2019-2023). In Rotterdam, **this increase was supported by a wider range of accommodation options, including a smaller contribution of STRs** (10% of total guest nights over the period 2019-2023).

The contribution of STRs to the wider accommodation supply resulted in an estimated €11.4 million in host earnings in 2023.

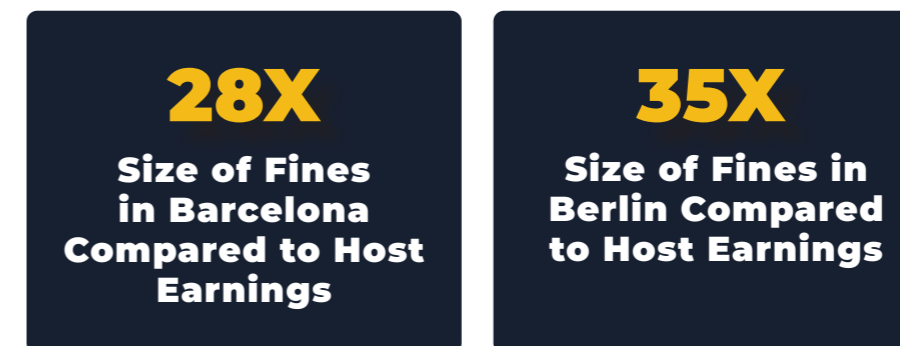


Case Study: Barcelona and Berlin: Disproportionate regulation risks public backlash & stronger informal sector

3.1.2 Disproportionate regulation risks public backlash and stronger informal sector

In Barcelona, highly restrictive rules have been introduced—starting with a complete suspension of new STR registrations in 2014, an increase in administrative requirements, and plans for an outright STR ban by 2028. **Fines of up to €600,000 can be issued in some cases if these rules are broken, roughly 28 times the average earnings that an STR host in Spain makes in a year.**

Figure 20: Proportion of Fines in Barcelona and Berlin



In Berlin, a de facto ban on entire-home STRs was introduced in 2016. While this restriction was later reversed in 2018 provided a permit was obtained, this application process remains burdensome and restrictive for hosts. Applying for a permit is particularly onerous, requiring a paper-based application and is enforced from day one, even for individuals looking to rent out their primary residence on a temporary basis. For entire homes that are secondary residences, there is an additional limit of 90 days per year when the property can be rented. Any failure to comply with these regulations can result in a **fine of up to €500,000, roughly 35 times the average earnings that an STR host in Germany makes in a year.**

These disproportionate regulations can push STRs into the informal sector, outside of any regulated or established platforms. This results in a lack of data and no way to enforce compliance with rules or regulations. Local authorities also face significant difficulty in overseeing activity in the informal sector. After facing excessive regulations in New York, STRs are being advertised in the informal sector via social media platforms and classified advertisement websites.

Whilst these regulations are often introduced to combat STR speculators, individuals looking to rent out their primary home to supplement their income also suffer. Blanket bans are, therefore, a blunt instrument—causing harm to individuals rather than targeting STR speculators—and in some cases this can lead to significant backlash. **In Barcelona, residents have formed multiple different associations to protest these regulations.**

3.1.3 Limited evidence of an impact of STRs on housing costs as other factors at play

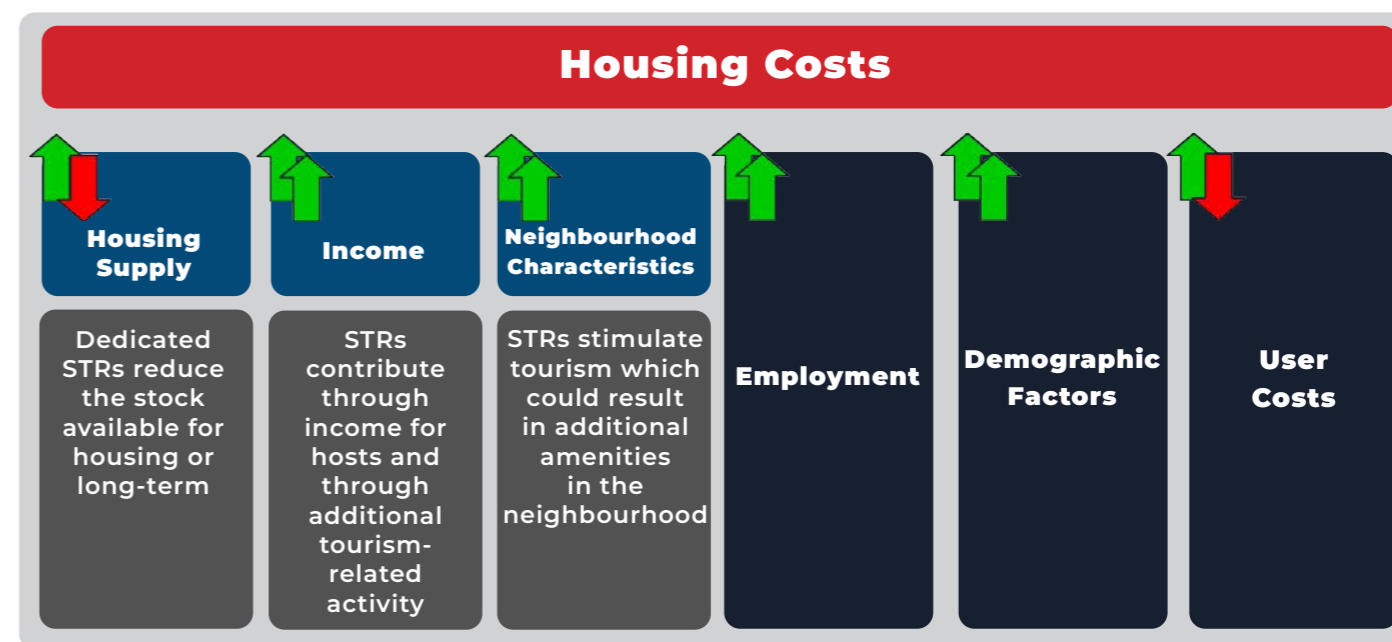
Housing costs are primarily determined by factors that affect housing demand and housing stock availability. House prices and rents tend to rise with increases in disposable income, employment levels, and population. Conversely, these costs tend to decline when housing supply increases and homeownership costs decrease.

STRs can affect housing costs by reducing the supply of available housing. Further, STRs can also stimulate local housing demand and increase specific areas' desirability. Tourism stimulated by STRs boosts disposable income, directly for hosts and indirectly through guests' spending, while attracting new amenities that make neighbourhoods more appealing to residents and visitors.

Whilst these regulations are often introduced to combat STR speculators, individuals looking to rent out their primary home to supplement their income also suffer.



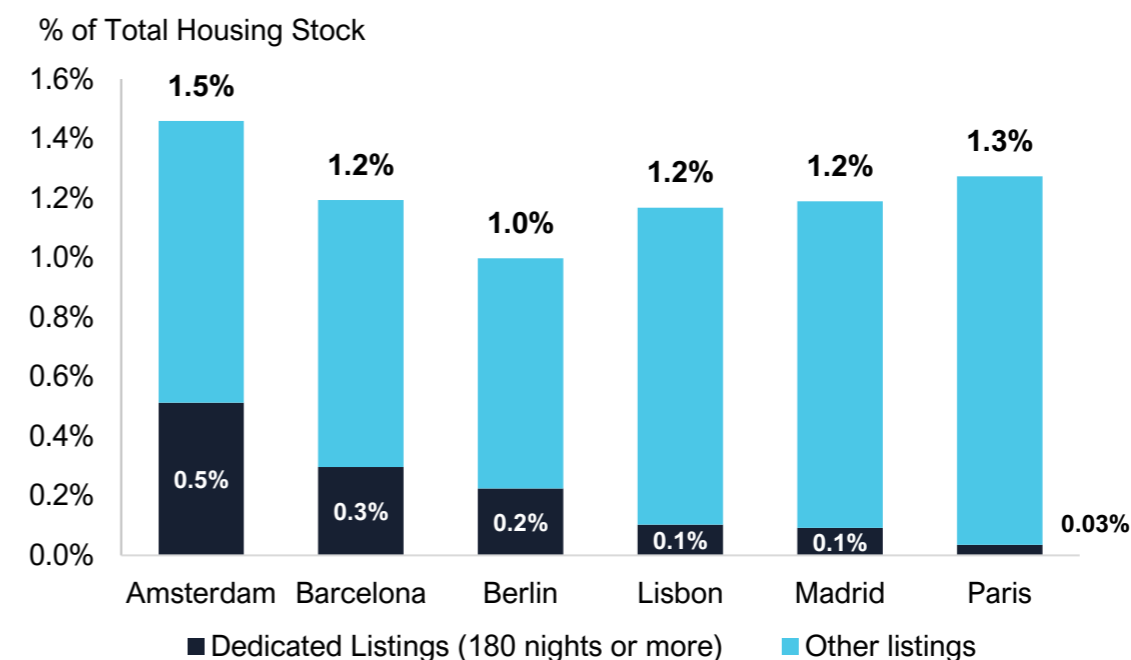
Figure 21: Factors Related to STRs and Housing Costs



However, it is important to disaggregate the magnitude of each factor's influence on housing costs to accurately understand their respective impacts.

The STR share of the overall housing stock is typically low across major cities, limiting their potential impact on house prices. In the six cities for which housing stock data were available on Eurostat, active listings on Airbnb make up less than 2% of the total housing stock. Even where STR concentration is higher, as is the case with some city-centre locations, **many of these listings are used only occasionally**, with typical hosts renting out their homes for just a few days per month—indicating that most hosts do not keep their homes available on the platform year-round and may be using these properties as their primary residence. For entire-home listings available for 180 days or more—**“dedicated rentals”**—the share falls to 0.5% or less of the housing stock, as shown in Figure 22.

Figure 22: Proportion of Housing Stock Listed on Airbnb, 2021/2022



Source: Airbnb listings data, Eurostat data on conventional dwellings

The small share of dedicated rentals on Airbnb suggests they are unlikely to significantly impact housing availability in the five cities in Figure 22. However, in certain neighbourhoods popular with tourists where STRs make up a large share of the housing stock, the impact on housing costs could be relatively higher. In these instances, targeted and considered regulation can be helpful.

3.1.4 STRs have small national impact on housing prices, significant local impacts

A number of studies have considered the impact of STRs specifically on house prices at the national level but have found limited effects. For example, a study commissioned by Airbnb on UK housing affordability from 2015 to 2022 found that over 95% of changes in rents and house prices were driven by factors unrelated to the growth of short-term lets, primarily reflecting income growth and inflation. The modelling indicated that STRs contributed 0.6% to total rental payments and 1.1% to house prices in 2022. On average, Airbnb's impact on housing costs was estimated at £8 per month per household. However, economic benefits enabled by Airbnb, measured by its contribution to gross value added (GVA), was more than double any effect at £17 per household, outweighing its effects on housing affordability across all regions and local authorities, according to the same study. Another study commissioned by Airbnb, examining the rental market in Stuttgart, concluded that each additional listing on Airbnb led to a €0.004 per square metre increase in rental prices.

While the national impact of STRs on housing costs is generally small, several studies suggest they can influence housing prices at the neighbourhood or community level. This indicates that policy responses to limit STRs influence on housing costs should be **targeted and evidence based**. Local authorities should be empowered to implement proportionate and gradual measures **tailored to the specific needs of municipalities**—or even individual neighbourhoods. Under the new EU STR Regulation, cities would gain access to the data necessary to craft tailored policy measures to address their concerns, and, if necessary, to discourage real estate speculation and ensure that dedicated STR accommodations do not compete unfairly with long-term housing.

Figure 23: Key Message - Impact of STRs on House Prices is Limited

The overall impact of STR regulation on housing prices is often limited because STRs represent a small fraction of the housing stock in major cities.

The overall impact of STR regulation on housing prices is often limited because STRs represent a small fraction of the housing stock in major cities.



3.1.5 Targeted regulation mitigates housing costs and retains broader benefits of STRs

Various European cities have implemented more targeted regulations to protect local housing markets, whilst maintaining the broader benefits that STRs provide. For example, in Berlin (for secondary homes) and Vienna, there are 90-night annual caps on STRs. Paris currently allows rentals for up to 120 nights per year, and the French Parliament has passed legislation reducing tax incentives for tourist properties and the number of days STRs can be listed as part of efforts to curb short-term rentals and address shortages of affordable housing. Porto uses a strategy of "territorial dispersion" to encourage rentals in less popular areas to aid local rejuvenation. In Lyon, renting a primary home as a short-term rental requires only a simple, free online registration, while renting a secondary home is heavily restricted, requiring a licence that is granted only under strict criteria related to the apartment's location, size, and ownership type.

These regulatory measures reflect a broader effort to balance the benefits of STRs with the need to protect local housing markets. However, the evidence on the effectiveness of these measures in reducing housing costs is mixed.

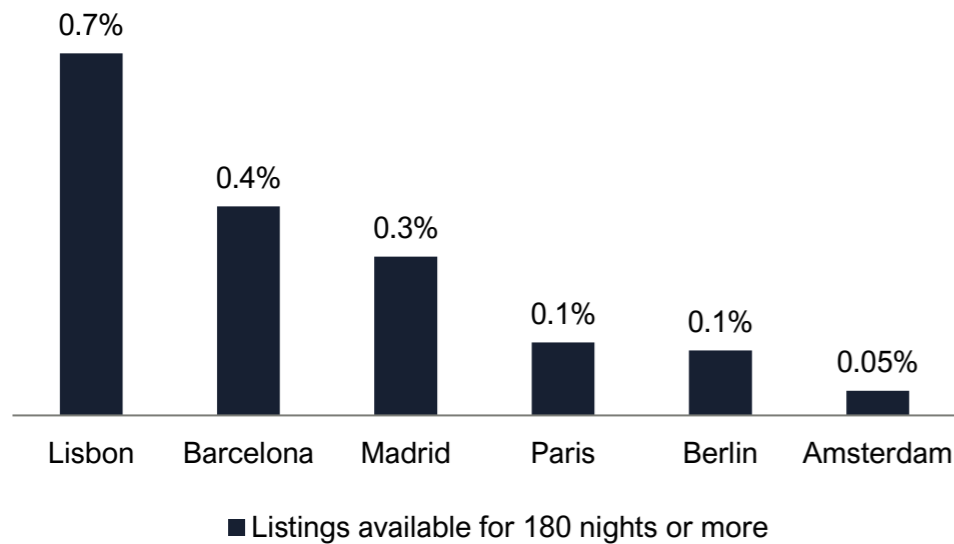
By contrast, overly restrictive or ill-conceived regulations significantly reduce STR activity but have limited success in reducing housing costs. For example, in September 2023, the Local Law 18 (LL18) restrictions introduced in New York to increase housing inventory and reduce housing costs did not have the intended effect. Before the implementation of the LL18 restrictions, entire home or apartment listings represented only 1% of all housing stock. In cities such as New York, Edinburgh, and Paris, costs have continued strong growth even after STR restrictions have come into place, as wider macroeconomic conditions drive market dynamics.

However, while such restrictive regulations (e.g., blanket bans) can sometimes offer a limited solution, they often lead to significant negative externalities, including reduced housing affordability for hosts and nearby workers who depend on income generated by short-term rentals and the associated tourism they stimulate. Further, such a significant decline in accommodation listings associated with restrictions on STRs will increase hotel prices, reducing visitor numbers and the associated economic activity. The LL18 restrictions on STRs introduced in New York City in 2023 were found to have inadvertently boosted the hotel industry, by limiting the accommodation choices available to visitors and increasing hotel prices. In response, additional legislation has recently been introduced in New York to roll back the overly restrictive measures introduced in LL18.

Overly restrictive or ill-conceived regulations significantly reduce STR activity but have limited success in reducing housing costs.

To illustrate the effect of restricting STRs on housing costs in European cities, we analysed the share of listings on Airbnb in the housing stock alongside house-price elasticity relative to supply. Our model—intended as an illustrative exercise, not a causal prediction—indicates that if all listings on Airbnb were returned to the residential market, house prices would fall by a modest 0.05% to 0.7%, as shown in Figure 24.

Figure 24: Proportion of Housing Stock Listed on Airbnb, 2021/2022

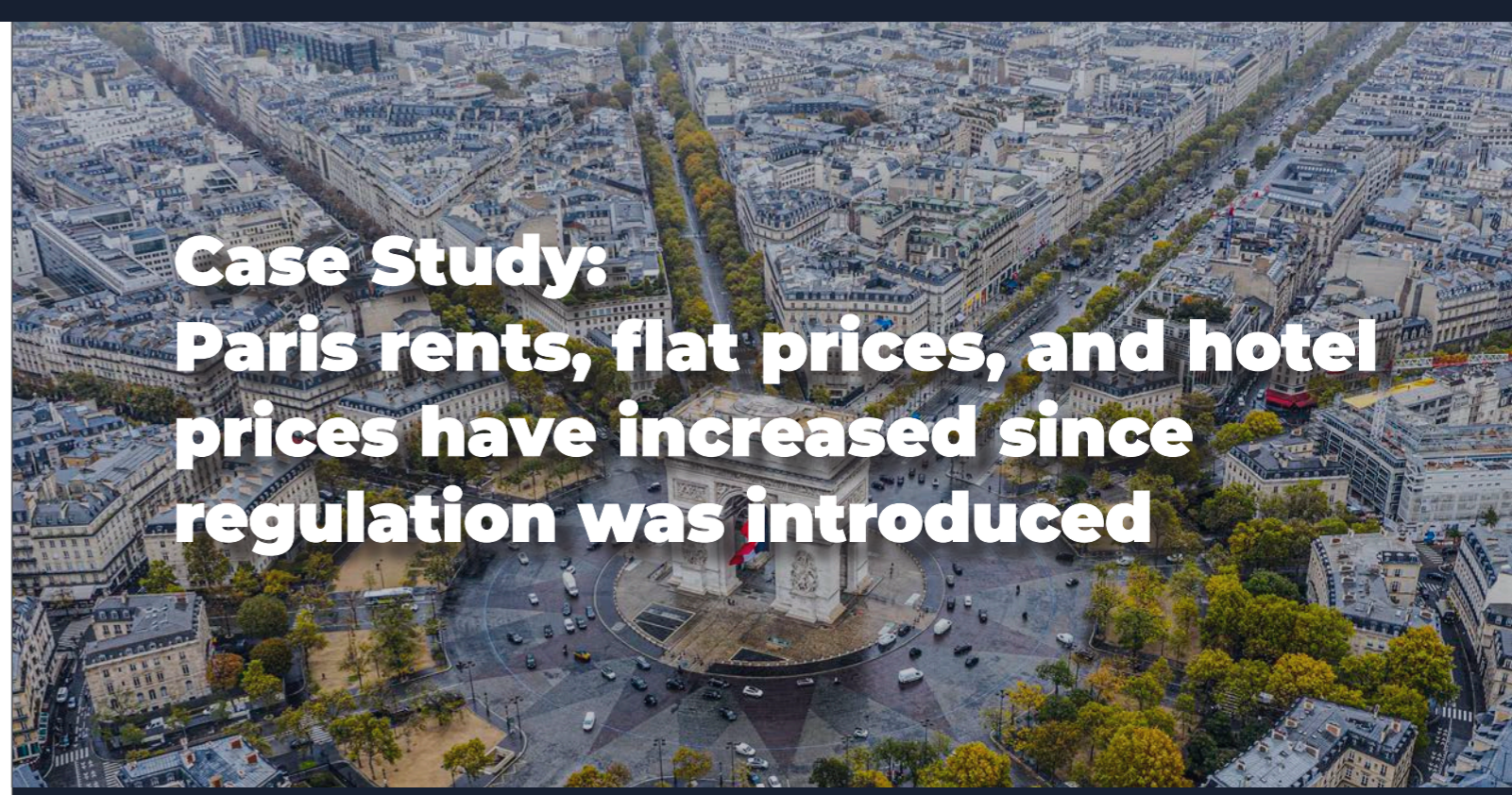


Source: Tourism Economics calculations

It is unrealistic that restrictions on STRs could result in all listings on Airbnb being returned to the housing market. Therefore, the results in Figure 24 serve as a conservative estimate, as it includes units available for short-term rentals but not necessarily as housing stock for long-term rentals or sales. Notably, these listings may include non-residential units—such as vacation homes, resorts, and campsites—where availability does not necessarily mean they are vacant throughout the year or available for housing. This implies that the impact of restrictions on STRs on house prices could be much lower than shown in Figure 24.



It is unrealistic that restrictions on STRs could result in all listings on Airbnb being returned to the housing market.



Case Study: Paris rents, flat prices, and hotel prices have increased since regulation was introduced

STR restrictions in Paris were implemented in 2017, starting with mandatory registration and followed by strict rules on renting out any secondary homes and a 120-day cap on the number of days that a primary residence can be rented out, with significant fines for any breaches. **The primary aim of the legislation was to control the growth of STRs, hoping to address a low housing stock and higher prices for residents.**

However, rent, flat, and hotel prices have all increased significantly since the regulation was introduced. Prices of buying a flat and renting a property in Paris are up 15% and 21%, respectively, since 2017, when the regulation was introduced. The lack of a noticeable impact of these regulations on rental prices and house prices is unsurprising given listings on Airbnb only make up 1.2% of the total housing stock in Paris. **Given almost one in five housing units in Paris is vacant, regulation aimed at tackling unoccupied housing would likely be more effective in reducing prices and creating additional properties for residents.**

Figure 25: Key Figures Relating to STR Regulation in Paris



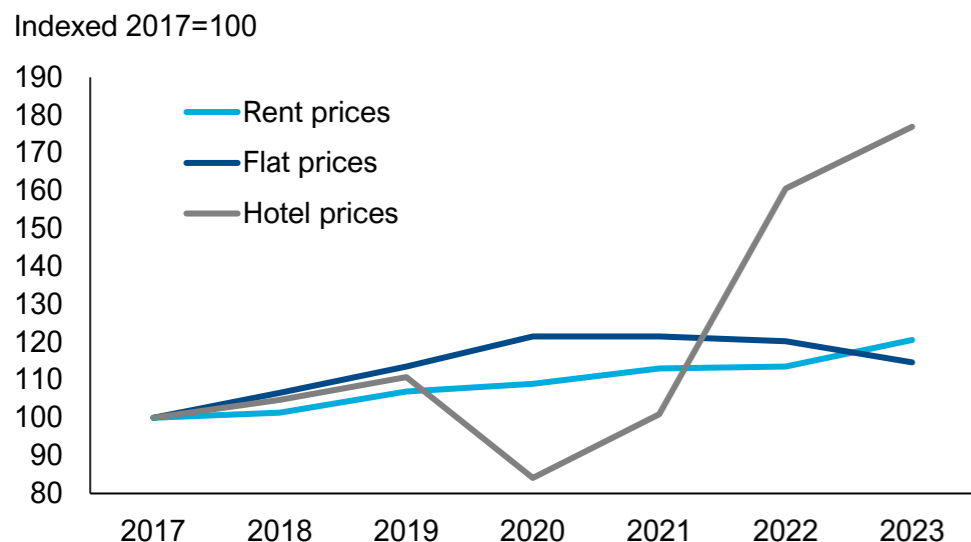
In addition to rising prices, Paris has seen an increase of nearly **4,000 hotel rooms** since the introduction of STR regulations, which amounts to a **5% rise**.



In addition to rising prices, Paris has seen an increase of nearly 4,000 hotel rooms since the introduction of STR regulations, which amounts to a 5% rise. This is in-line with a 5% increase in visitors to Paris over the same period, indicating that increased tourism in Paris has been serviced by the traditional accommodation sector rather than STR, sacrificing the unique benefits of the STR sector discussed in the previous section.

Similar impacts have been observed in New York, following the regulation implemented in 2023, also aimed at cooling house and rental prices. Hotel room prices in New York have reached record highs since regulation was introduced, up nearly 50% in 2024 compared to a year earlier. There seems to be no evidence of an increase in rental prices or inventory since the regulation was introduced, with Airbnb listings making up less than 1% of the total housing stock in New York.

Figure 26: Prices of Renting, Purchasing a Flat, and Staying in a Hotel in Paris since 2017



Source: Oxford Economics, INSEE (France Statistics Authority), Costar. Data based on nominal prices, EUR.

3.2 The Importance of Balanced, Evidence-Based, and Considered Regulation

Disproportionate STR regulation can adversely impact cities and local economies throughout the EU, whilst failing to address the public policy challenges they have been introduced to solve.

As demonstrated in this report, this type of regulation can have unintended consequences:

1. **Move tourist activity to other forms of accommodation, sacrificing income for occasional hosts:** this increases prices for tourists and sacrifices host earnings that can stimulate local economies and provide an important source of income.
2. **Strengthen the informal sector and prompt public backlash:** disproportionate regulations such as heavy fines and burdensome and costly registration processes can lead to public backlash and move STR activity outside of established platforms and into the informal sector. This makes it harder for authorities to monitor activity and introduce further regulation as required.
3. **Reduce the capacity of local areas in hosting one-off events:** STRs contribute to lower prices for visitors attending major events, as well as scaling-up to provide vital capacity.
4. **Have unclear or limited effects on house prices or rental prices:** there are some local areas where STR listings have a relatively high concentration, and a targeted local approach to regulation may be effective. However, overall STRs take a small proportion of the total housing stock in EU cities and often other macroeconomic drivers are more significant—with limited evidence explicitly linking STRs to house price growth.

The extent and pervasiveness of the adverse impacts of disproportionate or reactive regulation motivate the need for a balanced, proportionate, and targeted regulation. A balanced approach includes careful consideration of the concerns against STRs' benefits. Regulation should also be holistic in its approach, considering wider factors such as other segments of the accommodation sector alongside STRs, as well as the wider economic drivers of house and rental prices.

A more balanced approach is also supported by STR providers themselves: Airbnb and other STR platforms have supported new EU rules for STRs and are committed to their effective implementation over the coming months and years. The EU STR Regulation aims to protect the interests of the STR segment while equipping authorities with the data and tools they need to manage STRs effectively. Additionally, Airbnb has committed to leveraging its expertise in sharing best practices, collaborating on crafting local regulations, addressing housing affordability challenges, and promoting sustainable tourism to help ensure a balanced and prosperous future of travel in Europe.

Appendix A: Country-Specific Economic Impacts

4.1 Croatia

4.1.1 Economic impact of STRs

In 2023, 34.5 million guest nights were spent in STRs in Croatia, with these guests spending over €5.5 billion directly on accommodation and in the local economy. Of the total direct tourism spending, guests spent €1.5 billion (28%) on accommodation, of which total STR host earnings were around €1.3 billion. This activity contributed €5.5 billion in total to the Croatian national GDP in 2023, supporting just under 167,000 jobs. These figures underscore the significant economic impact of STRs in supporting growth and employment opportunities across the country.

Of the 34.5 million guest nights spent in STR listings in Croatia, domestic travellers accounted for only 5%. The largest shares were accounted for by travellers from Germany (21%), Poland (11%), Austria (6%), and Czechia (6%). The remaining 51% of guest nights came from a diverse array of markets. Of the €5.5 billion in direct spending in STRs, international visitors accounted for 97%.

4.1.2 Local travel trend: rural and heritage travel in Croatia

According to data from Eurostat, more than half (52%) of nights spent in STRs in Croatia are in “predominantly rural” areas, as classified by NUTS3. Only one in 25 STR nights in Croatia is spent in a predominantly urban area (exclusively Grad Zagreb).

Figure 27: Summary Impacts of STRs in Croatia, 2023



34.5M

**Total
Nights
Spent
in STR
Listings**



€5,515M

**Direct
Tourism
Spending**



1,287M

**Total Host
Earnings
Within
Croatia**



€5,919M

**GDP
Impact**

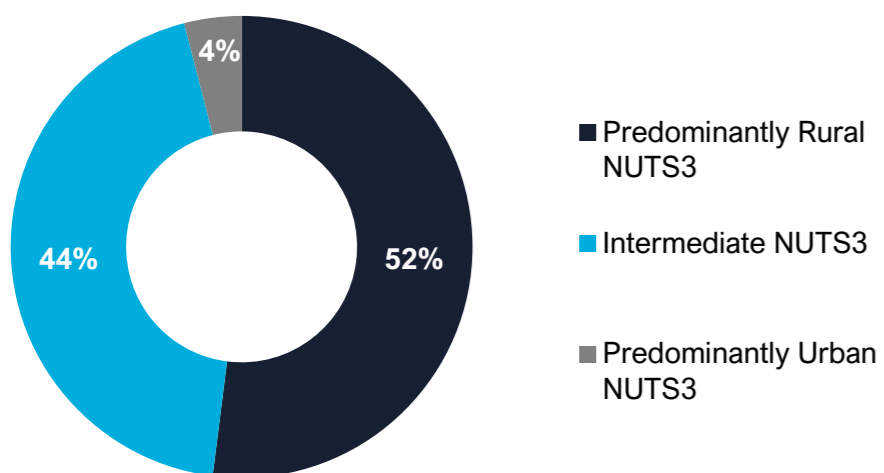


166,592

**Total
Jobs
Supported**

Traditionally, much of Croatia's tourism activity supported by traditional forms of accommodation has been centred upon urban areas, especially Dubrovnik and Zagreb. Whilst 37% of the bed places provided by hotels are situated in rural areas, 90% of Croatia's land area is rural, with eight national parks and 12 natural parks. In comparison, the flexibility and ease of setting up STRs compared to other, more traditional forms of tourism accommodation has allowed tourists access to rural areas and helped distribute tourism activity across the country.

Figure 28: Nights Spent in Collaborative Short-Term Rentals by Urban / Rural Typolog, 2023



Source: Tourism Economics, based on Eurostat STR data

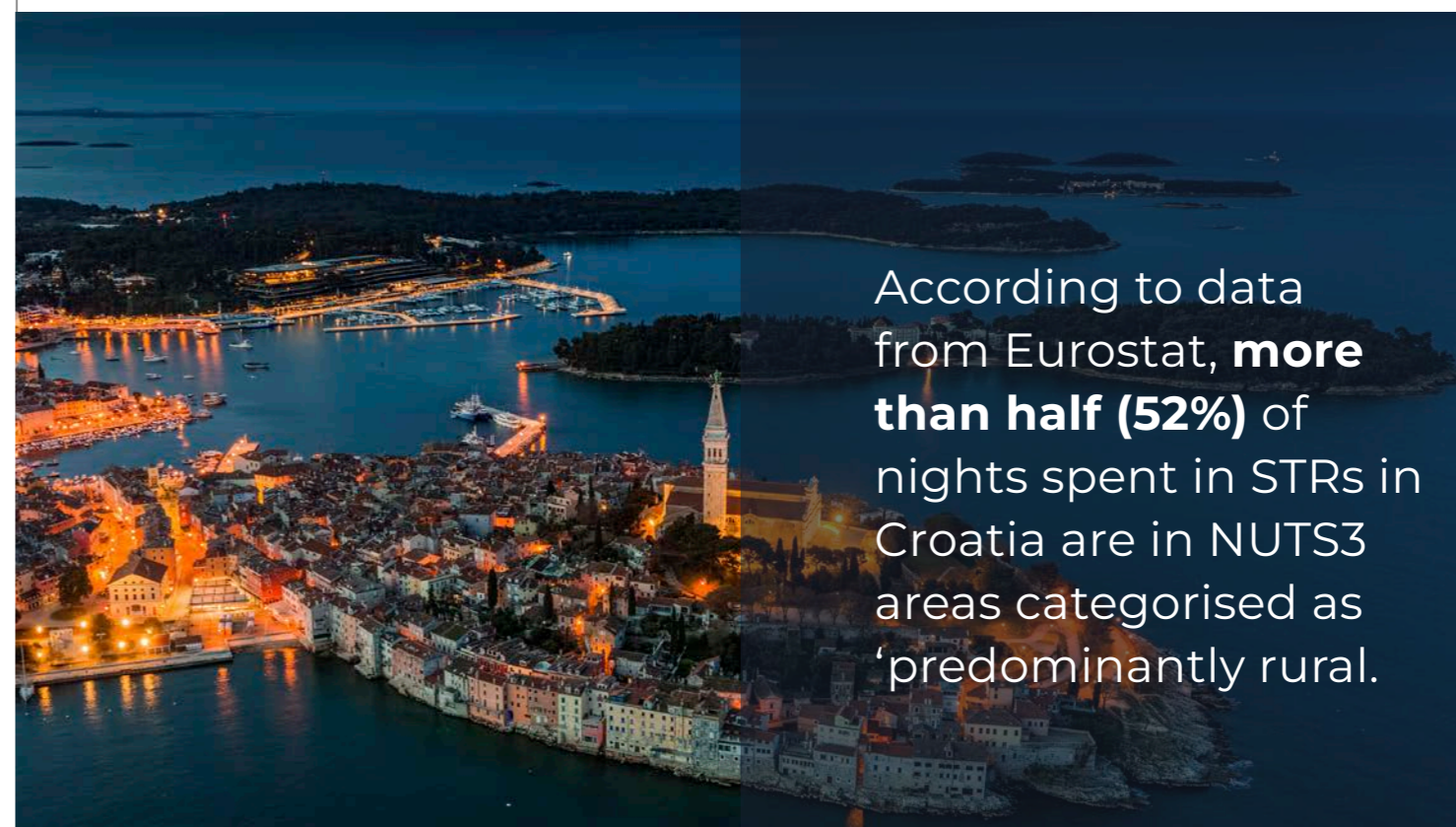
Rural Croatia is responsible for the country's output of quality local food and wine. STRs in rural areas of the country have facilitated access to important wine routes, such as the Istrian Wine Road, Pelješac Wine Road, and the Ilok Wine Road in Slavonia. Along these designated wine roads, there are cellars and restaurants where visitors can indulge in regional wines alongside specialty cuisine such as home-cured meats. Across these regions, STRs supported almost 9.7 million guest nights in total, 28% of all nights spent in STRs. This highlights the importance of STRs in supporting tourism activity at key cultural and gastronomic sites in rural Croatia.

STR's unique positioning in rural Croatia also allows for convenient access to the Eurovelo routes that traverse the country—a project of the European Cyclists' Federation (ECF), aiming at connecting 40 countries via 19 unique routes across the European continent. This helps to showcase Croatia's areas of outstanding natural beauty such as Kopački Rit in Slavonia and Medvednica in central Croatia.

At certain times of year, additional, flexible tourism bedspace capacity is required—particularly to facilitate demand for some of Croatia's unique cultural events and offerings. This flexible supply is uniquely met by STRs: private rooms can be offered with short notice and for specific periods of time (where this might not otherwise be profitable for traditional forms of accommodation).

Events such as Ultra Europe in Split, an electronic music festival were attended by as many as 160,000 people from over 140 countries in 2024. A more street-based event also takes place in Varaždin every year, the Špancirfest or Spanish Festival. During its 10-day duration in 2023, Varaždin saw nearly 3,000 arrivals and more than 6,000 overnight stays. Finally, the Alkar race—a traditional UNESCO-protected equestrian competition—was visited by over 14,000 guests in 2023. Not only are STRs more prominent in these rural areas, but the number of STR guest nights in these regions are able to scale up at pace to meet the demand for these events. Through this, the STR segment facilitates tourist spending for these events, providing a vital economic injection to local businesses and earnings for local hosts, as well as providing tax revenues to local authorities. Combined, this supports the continued operation of key cultural and heritage offerings across the country.

Above and beyond tax revenues, economic activity, and earnings for hosts, many STRs also choose to support heritage and conservation financially and through outreach programmes. As an example, Airbnb financially supports the Croatian Conservation-Restoration Association (HDR) to organise conservation and restoration workshops as part of Museum Night 2024—educating and increasing awareness on the preservation of cultural and heritage assets.



According to data from Eurostat, **more than half (52%)** of nights spent in STRs in Croatia are in NUTS3 areas categorised as 'predominantly rural.'

4.2 Ireland

4.2.1 Economic impact of STRs

In 2023, 6.5 million guest nights were spent in STRs in Ireland, with guests spending almost €1.7 billion directly on accommodation and in the local economy. Of this, almost €320 million (19%) was provided directly to STRs hosts within Ireland. This activity contributed over €1.8 billion to Ireland's national GDP in 2023, supporting just under 16,500 jobs. These figures underscore the significant economic impact of STRs in supporting growth and employment opportunities across the country.

Of the 6.5 million guest nights spent in STRs in Ireland, domestic travellers accounted for 27%. Among international travellers, the largest share was accounted for by visitors from the United States (17%). This was followed by European markets, led by the United Kingdom (14%), France (8%), and Germany (7%). The remaining 27% of guest nights came from a diverse array of markets. Similarly, international visitors accounted for 77% of direct spending in STRs. This distribution underscores the essential role of international tourism in driving the STR economy in Ireland, with domestic travel playing a supportive but significant role.

4.2.2 Local travel trends: STRs encourage stays in rural areas and support Ireland's heritage

In Ireland, STRs have supported heritage tourism and rural revitalisation by offering travellers unique accommodations in historic homes. These rentals encourage visitors to explore and appreciate the cultural heritage of remote and rural areas, stimulating local economies and preserving historically significant sites.

In recent years, Airbnb has seen a notable rise in bookings outside major cities, with rural destinations becoming increasingly popular among travellers. North American visitors are particularly drawn to less commercialised areas like Connemara. Recent Airbnb data reveal that over three-quarters (77%) of Airbnb activity occurred outside Dublin, with 71% in predominantly rural areas and 6% in intermediate regions.

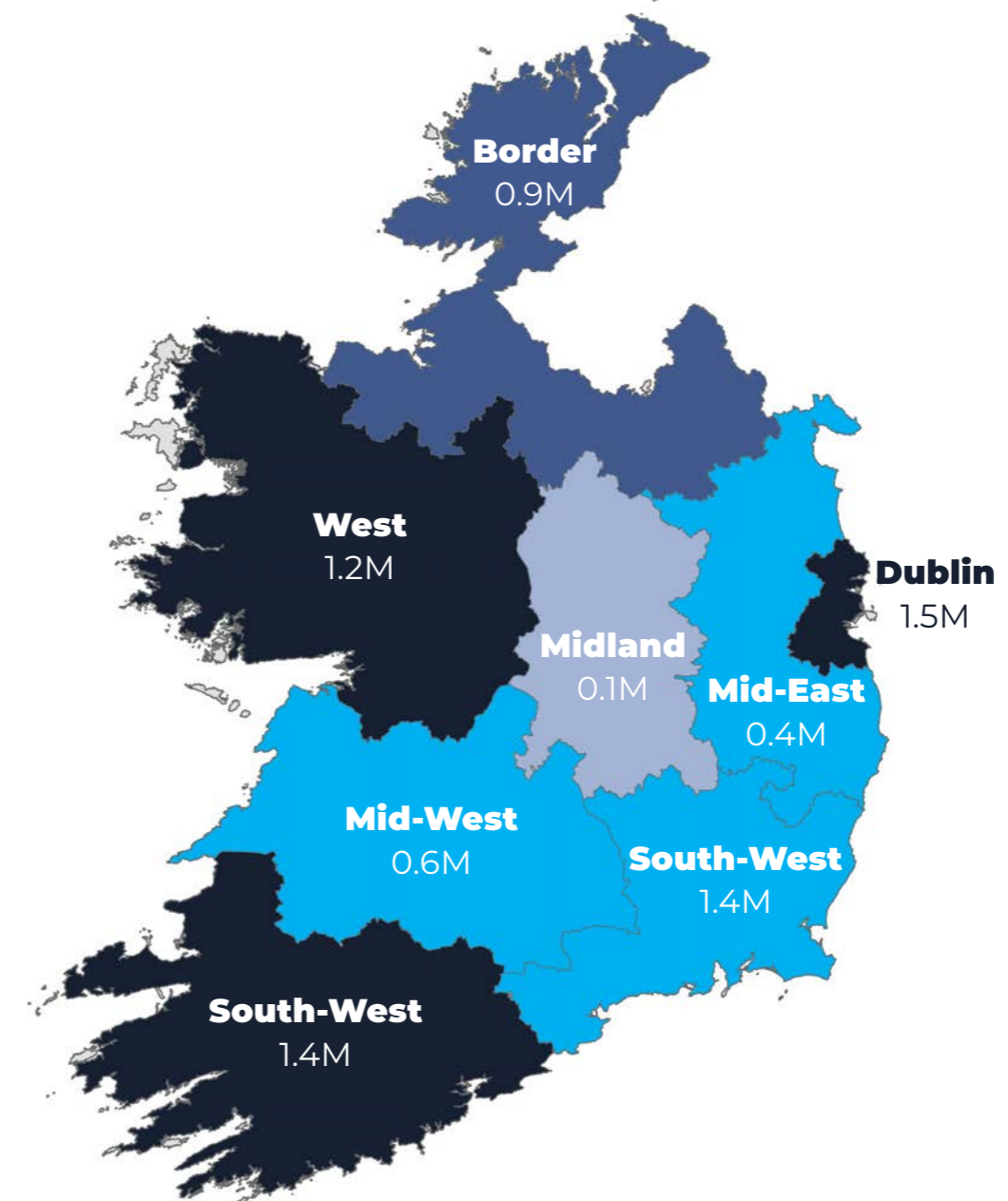
Figure 29: Summary Impacts of STRs in Ireland, 2023



Airbnb data from 2022 highlights the economic impact of STR-related activity in rural Ireland, with stays in STRs listed on Airbnb generating €107 million in counties like Kerry and Cork. The number of nights stayed in the South-West rivalled those in Dublin, with the West also close behind. This can be seen in Figure 30, with significant activity recorded in the West (1.2 million) and South-West (1.4 million) regions of Ireland. This shows how STRs help distribute tourism's economic benefits more evenly across the country, reaching beyond urban centres.

Through the "Capacity Awards" programme, created in partnership with Historic Houses of Ireland, Airbnb provides funding to maintain and restore heritage properties, enabling them to host visitors and bring added attention to Ireland's built heritages. This initiative aligns with Airbnb's broader commitment to conserving cultural heritage across Europe. Award recipients also benefit from expert-led workshops and guidance to enhance the visibility of their properties, many of which are situated in rural areas that depend on tourism to sustain local businesses like restaurants, shops, and local services.

Figure 30: Nights Spent in Short-Term Rentals by NUTS3 Regions in Ireland, 2023



Source: Tourism Economics, based on Eurostat STR data

4.3 Spain

4.3.1 Economic impact of STRs

In 2023, 141 million guest nights were spent in STRs in Spain, with STR guests spending almost €24.8 billion directly on accommodation and in the local economy. Of this, just under €5.4 billion (22%) was provided directly to STRs hosts within Spain. This activity contributed almost €29.6 billion to Spain's national GDP in 2023, supporting just over 407,100 jobs. These figures underscore the significant economic impact of STRs in supporting growth and employment opportunities across the country.

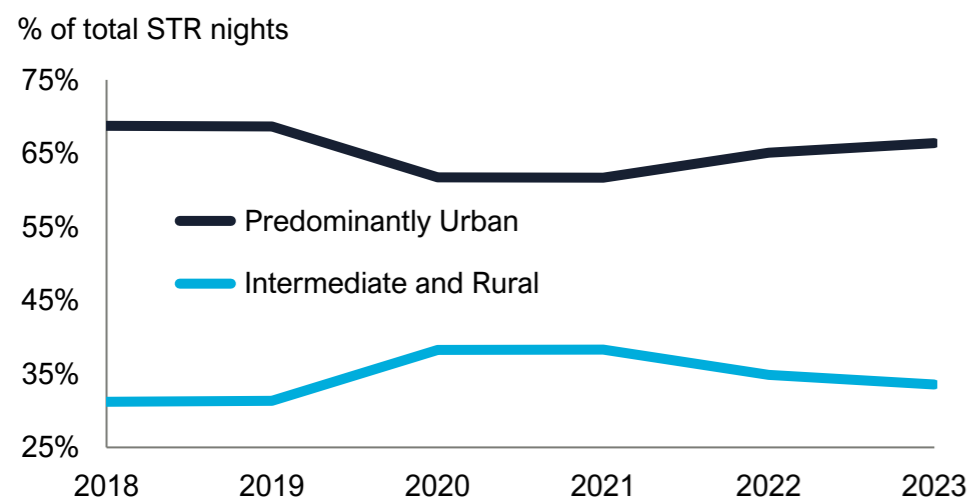
Of the 141 million guest nights spent in STRs in Spain, domestic travellers accounted for 37% of the total. European markets were the leading source for international guest nights in STRs, with travellers from France (9%), Germany (7%), the United Kingdom (5%), and Italy (4%) staying the most nights. The remaining 37% of guest nights came from a diverse array of source markets. Travellers from international markets accounted for an even higher share of spending, at 74% of total STR-linked spending in Spain.

4.3.2 Local travel trends: STRs impact on tourism dispersal in Spain

Recent data from Eurostat indicate a notable trend in the distribution of STRs in Spain, highlighting a shift away from traditional tourist hotspots towards smaller, less-visited regions. By encouraging travellers to explore less visited urban areas, STRs can reduce the environmental impact of tourism and stimulate local economies in lesser-known regions, whilst alleviating congestion in traditionally more popular locations.

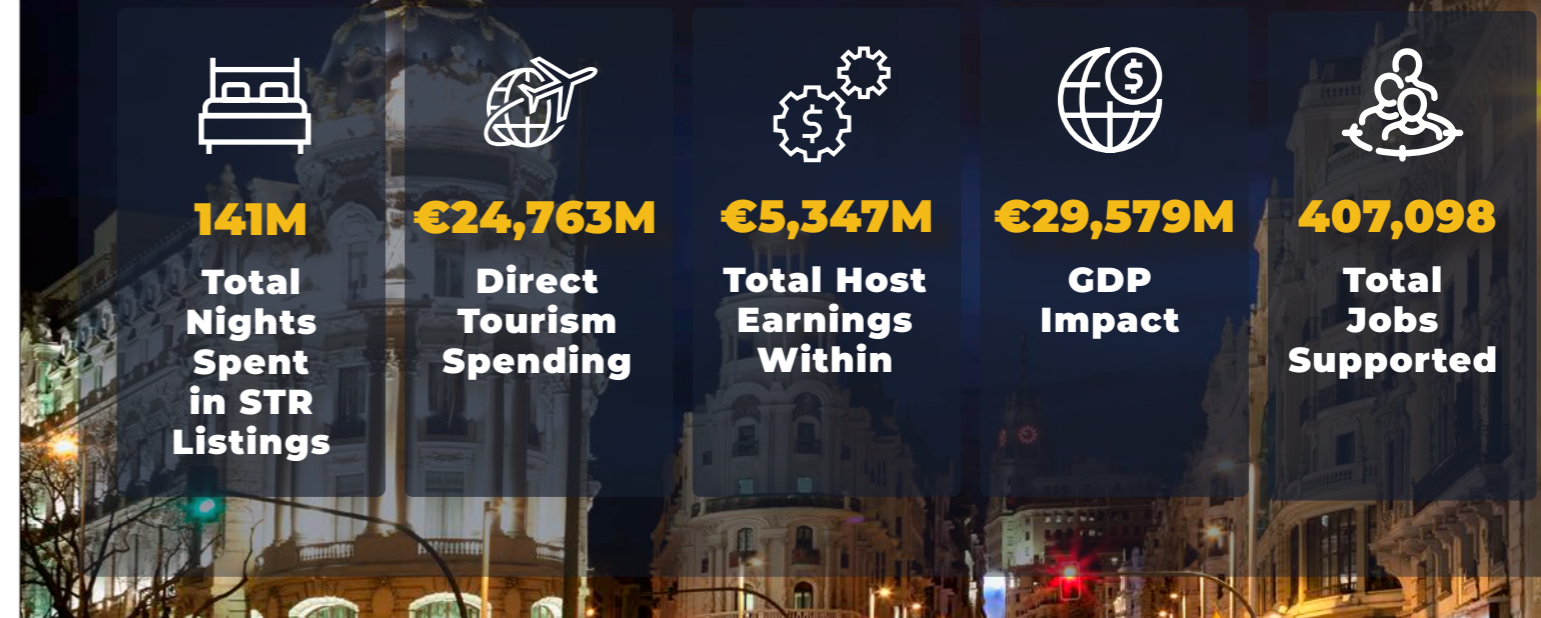
The share of STR guest nights in areas classified as intermediate or predominantly rural has increased notably from 31.2% in 2018 to 33.6% in 2023 (+2.3 pts), reflecting an increase of 17.6 million guest nights. In 2018, predominantly urban areas in Spain accounted for 70% of the total guest nights in STRs, while the intermediate regions and predominantly rural areas accounted for 30% and 1.2%, respectively. By 2023, this landscape has evolved, with the share of guest nights in STRs in predominantly urban areas falling to 66%. Conversely, the intermediate regions have seen their share increase to 31.8%, while the predominantly rural areas have grown to 1.8%. In the eight predominantly rural areas, STR guest nights have increased 125% since 2018, from over 1.1 million to above 2.6 million.

Figure 31: Share of Guest Nights in STRs in Spain by Type of Region (NUTS3)



Source: Tourism Economics, based on Eurostat STR data

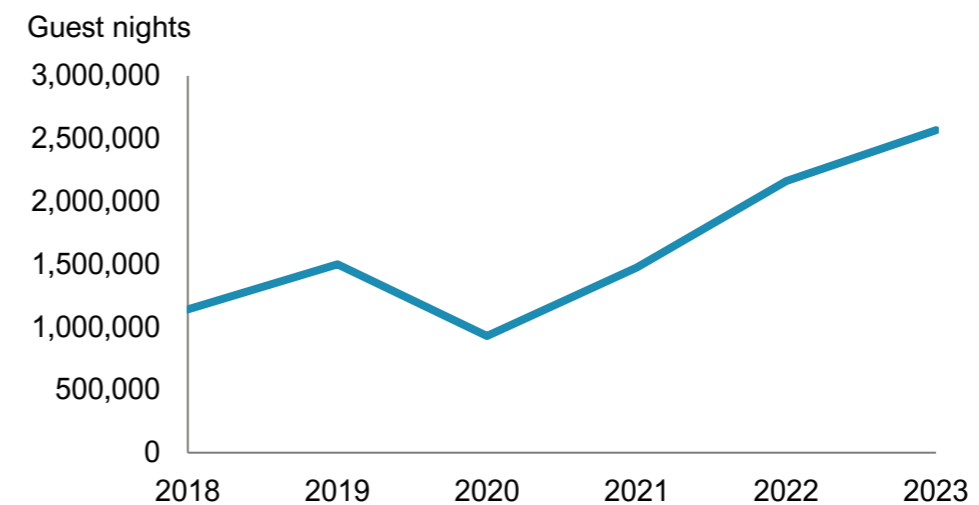
Figure 32: Summary Impacts of STRs in Spain, 2023



Facilitated by the STR segment, dispersal of tourism activity towards more rural and intermediate areas has numerous benefits. This includes a more equitable distribution of economic benefits among communities, preservation of cultural and natural resources in over-visited areas, and the opportunity for travellers to experience authentic local culture and hospitality. Retaining economic activity to more rural areas in Spain contributes to job creation and allows for the retention of services in these areas, helping to prevent depopulation.

As part of the STR segment, Airbnb has played an important role in reshaping tourism in Spain by guiding travellers towards lesser-known destinations, away from crowded tourist hotspots. With 70% of bookings on Airbnb taking place in non-urban or low-density urban areas, the platform promotes travel diversity and uncovers hidden gems.

Figure 33: STR Guest Nights in Predominantly Rural Areas (NUTS 3)



Source: Tourism Economics, based on Eurostat STR data

An example of this is the impact that Airbnb has had on Spain's olive oil tourism. In 2023, STRs listed on Airbnb in towns and areas close to Protected Designation of Origin (PDO) areas for olive oil generated almost €24 million in host income, an increase of more than 50% as compared to 2019, and over €120 million in spending in local commerce. The growth in the number of travellers has been very similar and in 2023 nearly 260,000 people stayed in STRs listed on Airbnb and located in a Spanish PDO for olive oil, which represents an increase of 15% compared to 2022 and 40% compared to 2019.

Around 150 small towns and municipalities (99% of them located in rural areas) welcomed their first guest in 2023, and more than 5,000 localities are now represented on Airbnb through a host from that area. Airbnb's role in promoting these rural experiences enhances the appeal of these destinations, empowers local communities, and encourages sustainable tourism practices. By providing economic activity in destinations that might otherwise be at risk from depopulation, STRs support local economies, helping to raise living standards and maintain key services.

4.4 Portugal

4.4.1 Economic impact of STRs

In 2023, 39.5 million guest nights were spent in STRs in Portugal, with these guests spending just under €6.4 billion in the local economy. Of this, 23% (€1.5 billion) was paid directly to STR hosts. Overall, STR activity contributed almost €7.3 billion to Portugal's national GDP in 2023, supporting just under 120,500 jobs. These figures underscore STR's vital role in sustaining economic growth and employment within Portugal's local economy.

Of the 39.5 million guest nights spent in STRs in Portugal, domestic travellers accounted for 13% in 2023. Other key source markets included Spain, contributing 11%, and Germany which accounted for 9%. Travellers from the United States made up 8% of total guest nights, while 46% came from a range of other European and international markets. Similarly, international guests accounted for 91% of total STR-linked spending. This highlights the strong appeal of STRs for European and international tourists alike.

4.4.2 Local travel trends: tourism dispersal and its impact on local communities in Portugal

The STR segment consolidated its presence throughout the Portuguese territory, with considerable economic benefits for local communities, particularly in rural and sparsely populated areas. STRs provide an effective way to spread tourism across the country, ensuring that regions outside of major cities like Lisbon and Porto also benefit from tourism spending. Data from Portugal's National Statistics Institute highlight that STRs have been essential in revitalising local economies, in creating jobs, and in diversifying the country's tourism offering. In small towns along the world-famous Camino de Santiago, STRs listed on Airbnb supported €19.2 million in revenue to hosts located in the small villages and towns along the route.

One of the key drivers behind the growth of STRs in Portugal has been the unique STR offer: the Douro Valley and Alentejo are rural areas with rich cultural heritage, natural beauty, and a vibrant vineyard market. STRs located in these areas provide sustainable and local accommodation solutions and unique experiences: stays near vineyards on Airbnb for instance grew by 16% in Portugal during the summer of 2023, compared to the same period the previous year. These regions, traditionally less frequented by international tourists, have seen an increase in bookings, which has in turn spurred local economic activities.

Figure 34: Summary Impacts of STRs in Portugal, 2023



Studies show that STRs not only provide direct income to homeowners but also stimulate demand for nearby restaurants, shops, and services, contributing to the overall growth of local economies. This support for the local economy is crucial, particularly in remote areas that are not as prosperous as larger cities. The Douro region is one of the poorest regions in Portugal, with incomes are approximately 26% below the national level. STRs supported over 200,000 guest nights in the Douro region in 2023—supporting jobs, local industry, and helping to drive living standards.

The STR segment actively engages with local communities to ensure that the benefits of tourism are widely shared and preserve Portugal's legacy. Airbnb has partnered with Associação Aldeias Históricas, promoting historic villages through dedicated pages and showcases on the platform, 70% of which are located in rural areas of Portugal. The STR segment in Portugal provides crucial revenue streams to hosts and local communities that can prove vital for the renovation and rejuvenation of these areas.

4.5 Germany

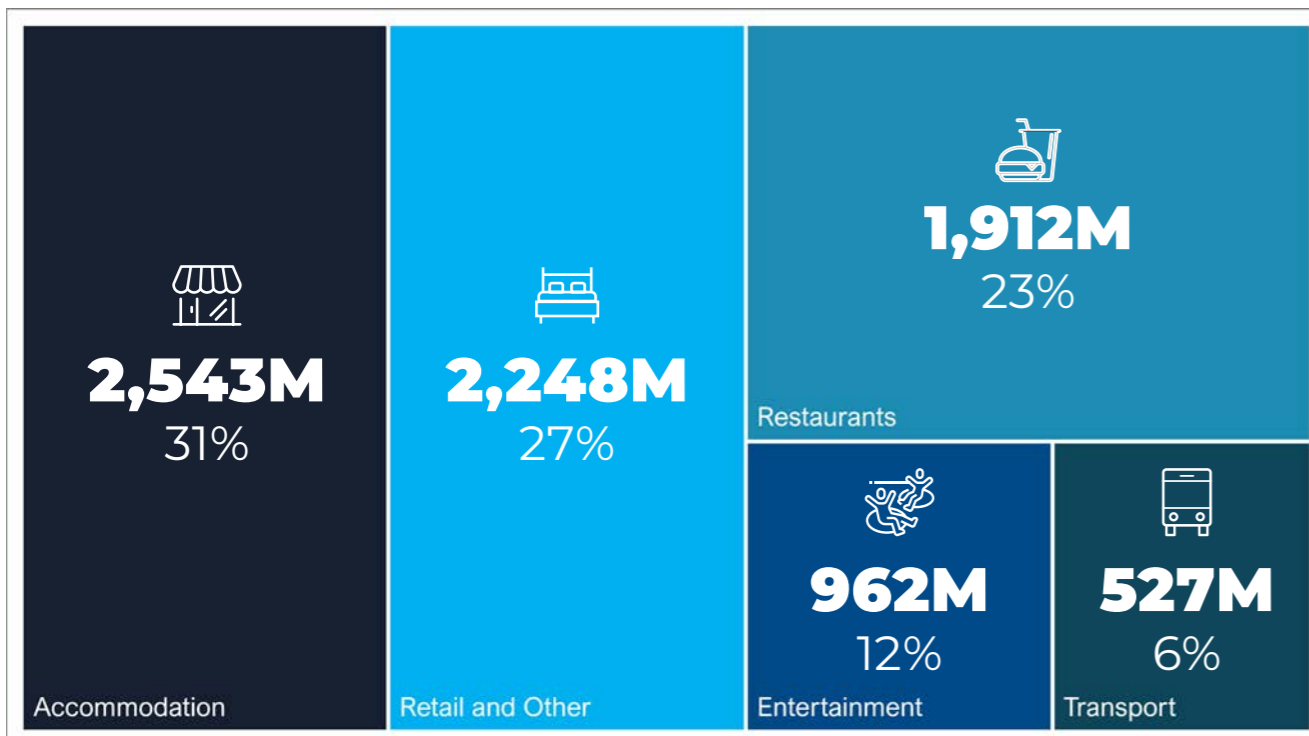
4.5.1 Economic impact of STRs

In 2023, 49.3 million guest nights were spent in STRs in Germany, with these guests spending almost €8.2 billion directly on accommodation and in the local economy. Of this, almost €1.9 billion (23%) was provided directly to STRs hosts. This activity contributed almost €11.4 billion in total to national GDP in 2023, supporting over 130,600 jobs. These figures underscore the significant economic impact of STRs in supporting growth and employment opportunities across the country.

Of the 49.3 million guest nights spent, domestic travellers accounted for the vast majority (69%), highlighting the appeal of STRs for local travellers and families in Germany. Among international visitors, the largest shares were accounted for by travellers from the Netherlands (4%), followed by Portugal (3%), the United States (2%) and France (2%). Similarly, domestic guests account for most direct spending related to STRs (57%).

As shown in Figure 35, a third of the direct spending by STR guests is on accommodation (27%) and another third on retail and other spending (31%), a total of €4.8 billion. Just under a quarter (23%) of the total is spent on restaurants, with the remainder accounted for by entertainment and transport (18%).

Figure 35: STR-linked Tourism Spending by Category



Source: Tourism Economics

Figure 36: Summary Impacts of STRs in Germany, 2023



4.5.2 STRs promote sustainable and dispersed tourism development in Germany

Compared to traditional forms of accommodation, STRs are private properties and, as such, are subject to more stringent requirements when it comes to environmental sustainability, a key objective for both the European Union and the German Government. The European Union has launched the Energy Performance of Buildings Directive, which sets a binding target for member states to decrease the average energy performance of the national residential building stock by 16% by 2030. Germany has since pushed forward a national agenda to promote investments in properties to make them more energy efficient.

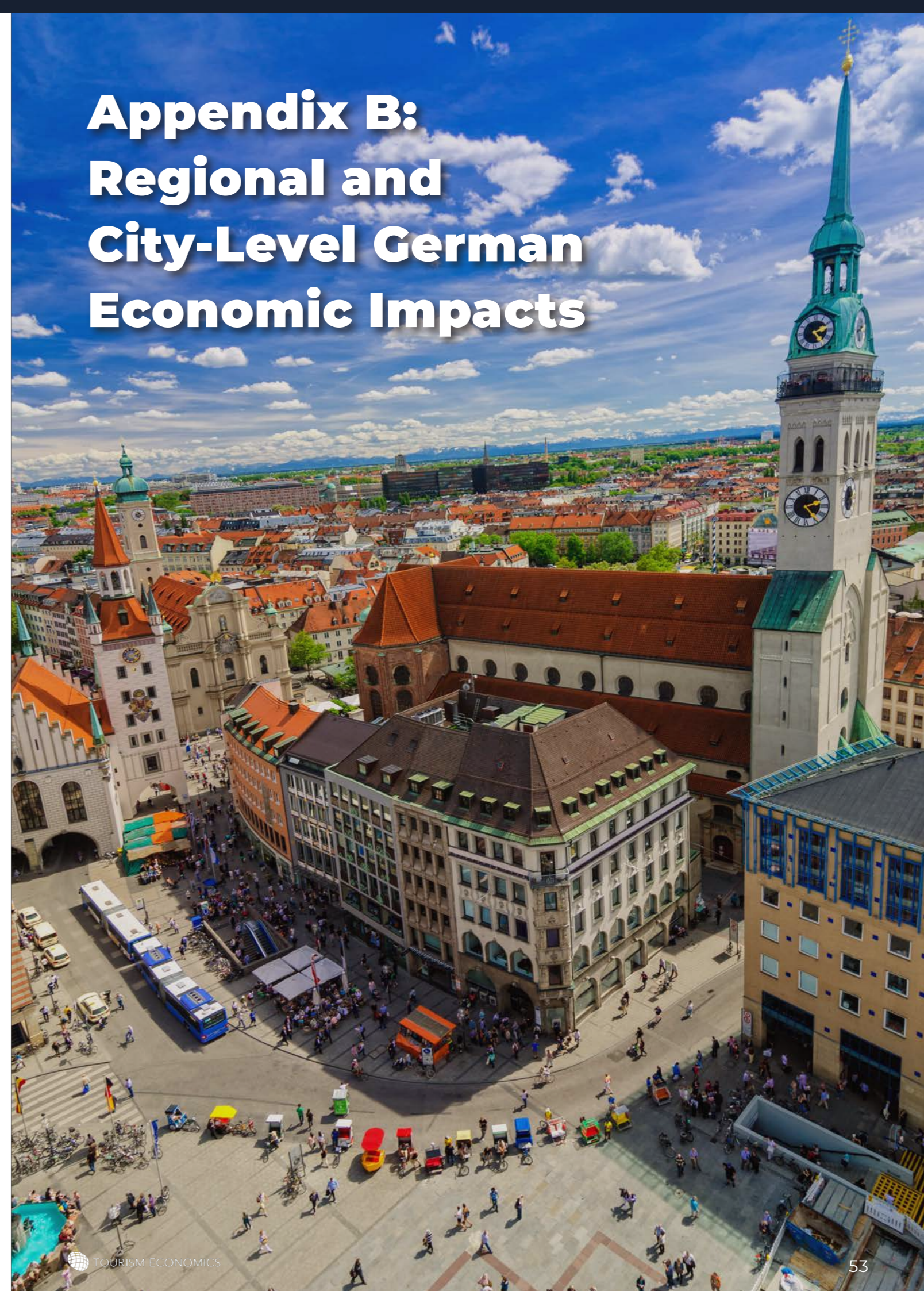
STRs indirectly contribute to this aim by bringing income to property owners, with host revenues in Germany amounting to just over €1.3 billion in 2023. Hosts can use this revenue to fund investments that make properties more energy efficient, with a direct impact on residential areas. To further contribute to this aim, online STR platforms are directly involved in schemes and partnerships that promote sustainability. Airbnb for instance became a member of the sustainability initiative Futouris e.V. to promote responsible and sustainable travel and hosting in Germany. Hosts are supported with tailored energy saving guides by Futouris' experts. To further meet the growing demand for sustainable travel, STR platforms have started offering options to reduce the carbon footprint of travel. Airbnb for instance, allows guests at checkout to check their carbon footprint and gives the option to contribute to local climate projects.

In 2023, Airbnb also promoted the Climate Protection initiative of the Nebenan.de Foundation. The initiative attracted hundreds of applications and awarded funding for 20 project ideas for climate protection selected by over 15,000 online votes. These initiatives foster environmental sustainability and empower local communities to take action for a friendlier and more sustainable environment. On World Cleanup Day in 2023, Airbnb organised a joint clean-up action in Berlin to raise awareness on waste pollution, engaging both local communities and visitors.

When major events take place, STRs are well suited to accommodate surges in demand due to their elastic supply. This is however short from limiting the environmental effects of major events. For this reason, climate investments are increasingly popular for event organisers and STR platforms that provide accommodations for these events. In June 2024, 10 cities in Germany hosted the 2024 European Football Championship, one of the most prestigious football tournaments in the world. An event of this scale brings noteworthy surges in demand in cities with average lower volumes of tourists: Stuttgart for instance saw a +104% increase in bookings compared to two weeks prior to the event. As part of the 2024 European Football Championship in Germany, Airbnb invested €250,000 in local conservation and climate projects aiming at reducing greenhouse gases through the preservation and restoration of nature.

STRs also enable the benefits of tourism spending to be widely shared throughout Germany instead of being concentrated in a few cities. STR guests that travel to cities are a minority of total visitors (30%). The remaining 70% are hosted in smaller cities in intermediate areas (30%) and predominantly rural areas (40%). These STR guests spend less than 30% on accommodation, with the rest of their travel budget is spent in local shops and restaurants, stimulating the local economies.

Appendix B: Regional and City-Level German Economic Impacts

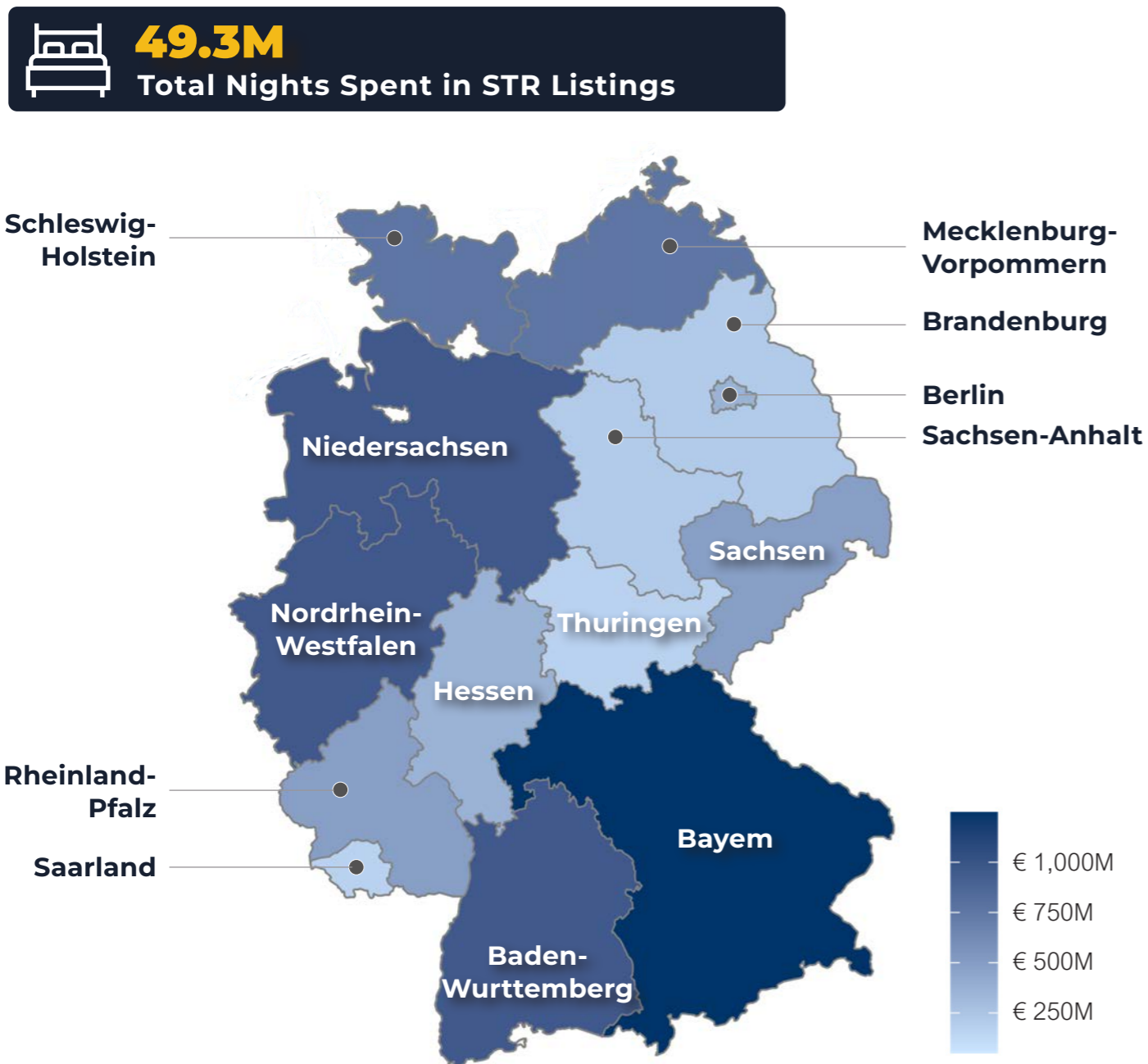


5.1 Impact of STRs in Germany at Regional and City Level

5.1.1 STR guest nights at the Federal State level

The 49.3 million STR guest nights in Germany are evenly spread throughout the German territory. Some federal states however host more than 10% of the total guest nights. Bayern for instance, located in southeast Germany, hosted just over 7.4 million guest nights in 2023, accounting for 15% of total guest nights across Germany. Baden-Württemberg ranks second for number of guest nights with just under 6 million guest nights (12% of the national total).

Figure 37: STR Guest Nights in Federal States



Source: Tourism Economics, based on Eurostat STR data

5.1.2 The impact of STRs in urban, intermediate and rural districts

Within federal states, the majority of visitors are hosted in medium sized and small cities (30%) and in predominantly rural areas (40%). Only 30% of visitors are hosted in large cities.

STR guests that travel to predominantly rural or intermediate locations have a slightly lower but similar spending profile compared to STR guests that visit cities. Average spend per night is €162 in predominantly urban areas, €160 in intermediate locations and €159 in rural areas. Spending in intermediate locations is higher in the Oberbayern region and Schleswig-Holstein. In Lübeck, for instance, located in Schleswig-Holstein, the average spend per night is €193, only €10 less compared to Köln (€203) and €2 more compared to Berlin (€191).

Of the total 49.3 million STR guest nights in Germany, 12% are in seven major cities. Berlin is the most visited city with 3 million guest nights (6% of the total). Cologne, Düsseldorf, Frankfurt, and Stuttgart make up 3% of the total guest nights for a total of 1.3 million guest nights.

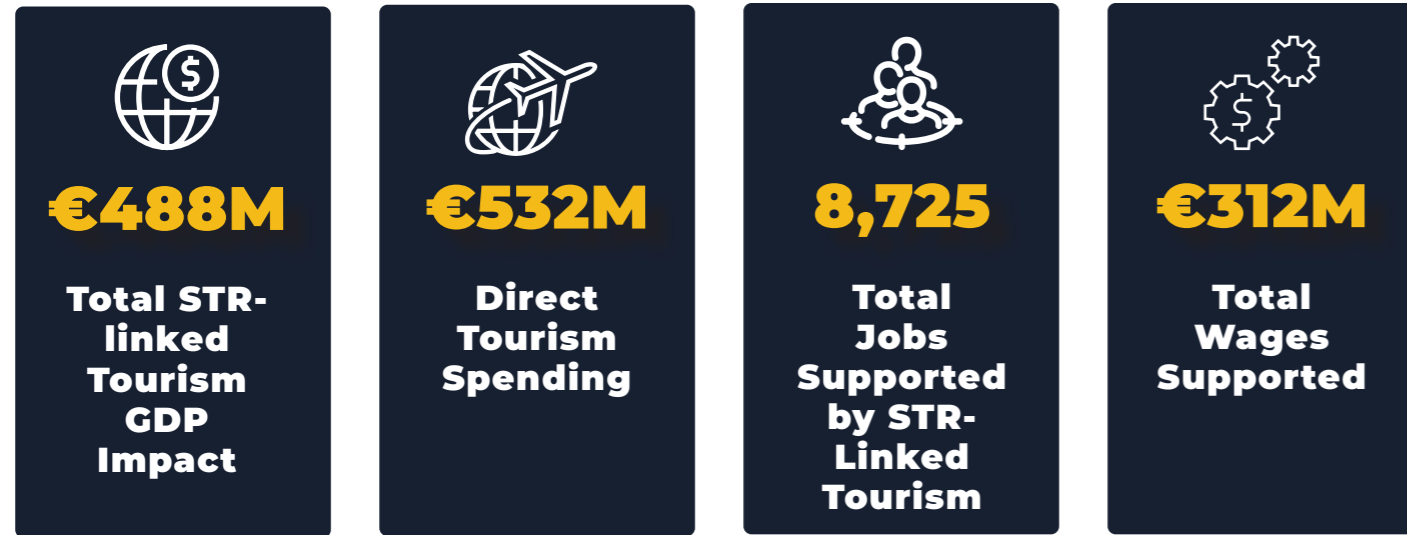
Figure 38: STR Guest Nights in Major Cities in Germany, 2023



Berlin

The total of 3 million guest nights in Berlin resulted in over €530 million in direct STR-tourism spending. The total value added (GDP) generated by STR-linked activity within Berlin amounts to just under €488 million in 2023. STR activities in Berlin support just under 8,730 jobs and €312 million in linked wages.

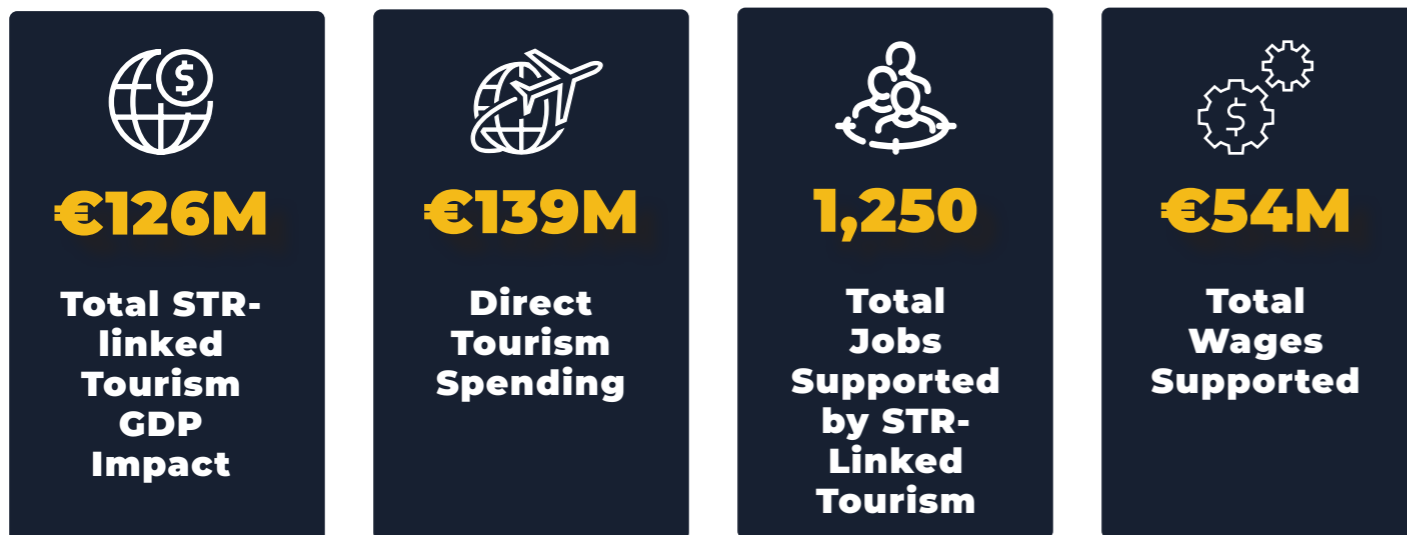
Figure 39: Economic Impact Summary, Berlin



Munich

The total 0.8 million guest nights in Hamburg resulted in over €137 million in direct STR-tourism spending. The total value added (GDP) generated by STR-linked activity within Hamburg amounts to just under €126 million in 2023. STR activities in Hamburg support just under 1,467 jobs and €58 million in linked wages.

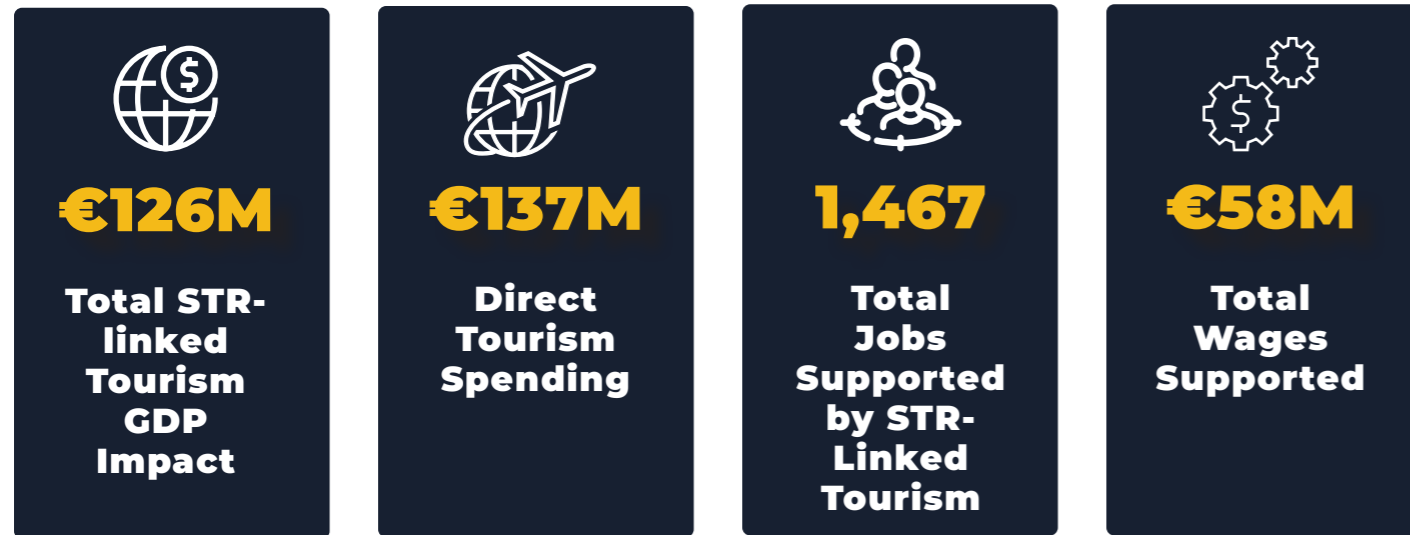
Figure 40: Economic Impact Summary, Munich



Hamburg

The total 0.8 million guest nights in Hamburg resulted in over €137 million in direct STR-tourism spending. The total value added (GDP) generated by STR-linked activity within Hamburg amounts to just under €126 million in 2023. STR activities in Hamburg support just under 1,467 jobs and €58 million in linked wages.

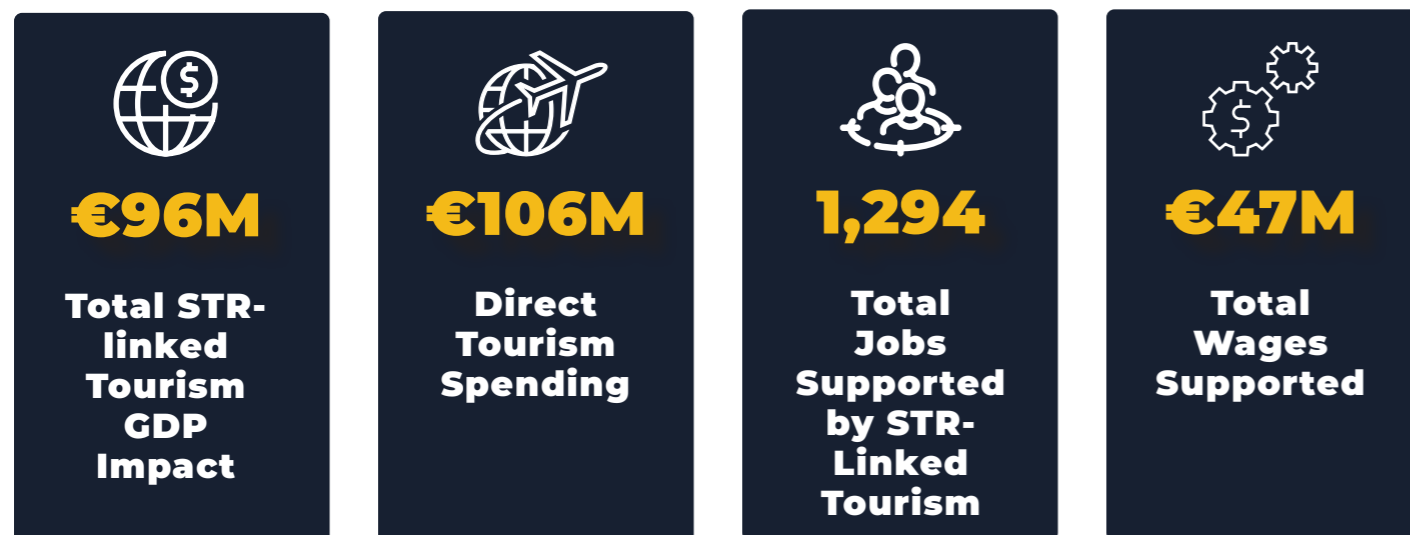
Figure 41: Economic Impact Summary, Hamburg



Cologne

The total 0.6 million guest nights in Cologne resulted in over €106 million in direct STR-tourism spending. The total value added (GDP) generated by STR-linked activity within Cologne amounts to €96 million in 2023. STR activities in Cologne support just under 1,294 jobs and €47 million in linked wages.

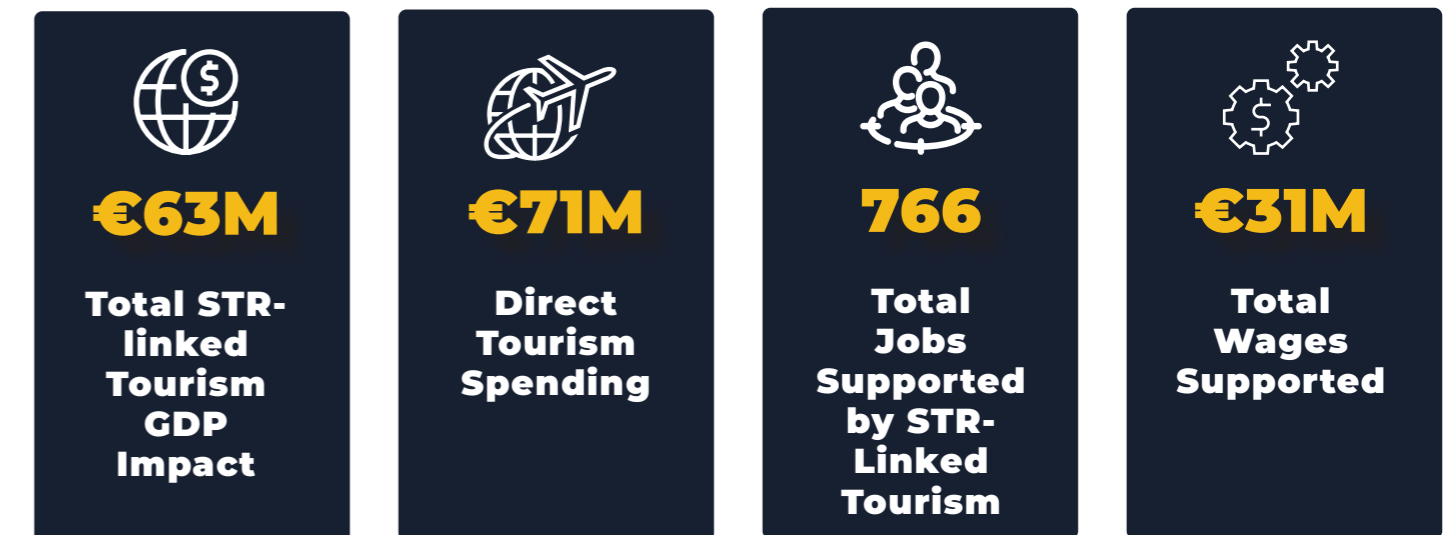
Figure 42: Economic Impact Summary, Cologne



Düsseldorf

The total 0.4 million guest nights in Düsseldorf resulted in over €71 million in direct STR-tourism spending. The total value added (GDP) generated by STR-linked activity within Düsseldorf amounts to €63 million in 2023. STR activities in Düsseldorf support just under 766 jobs and €31 million in linked wages.

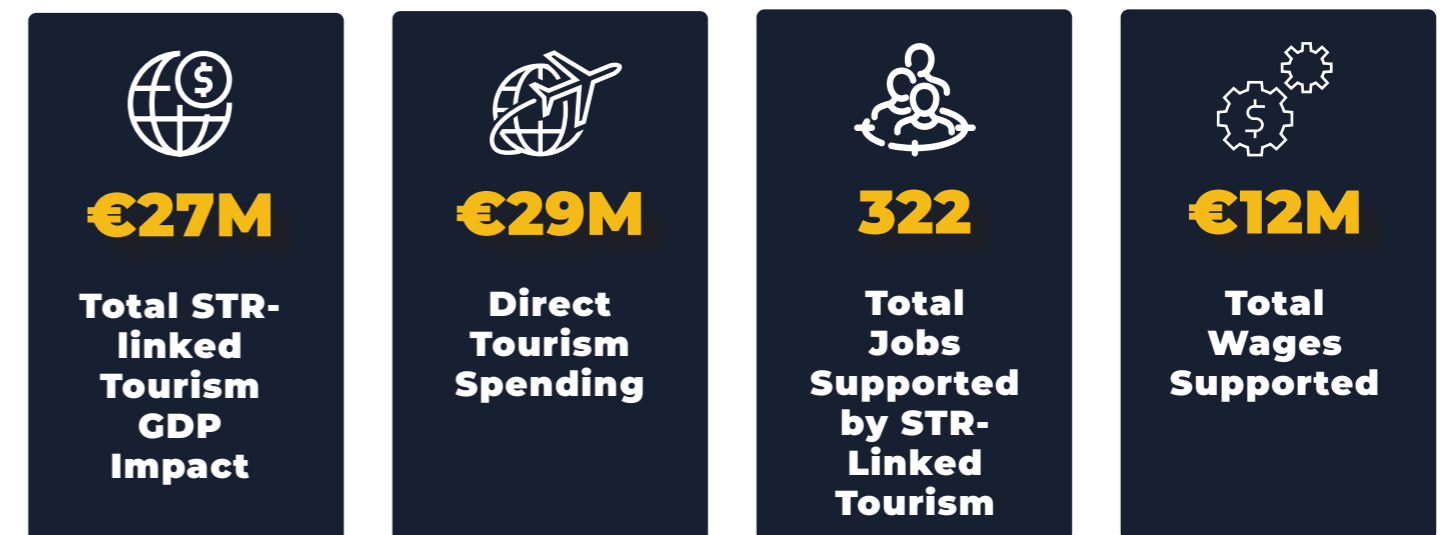
Figure 43: Economic Impact Summary, Düsseldorf



Stuttgart

The total 0.2 million guest nights in Stuttgart resulted in over €29 million in direct STR-tourism spending. The total value added (GDP) generated by STR-linked activity within Stuttgart amounts to €27 million in 2023. STR activities in Stuttgart support just under 322 jobs and €12 million in linked wages.

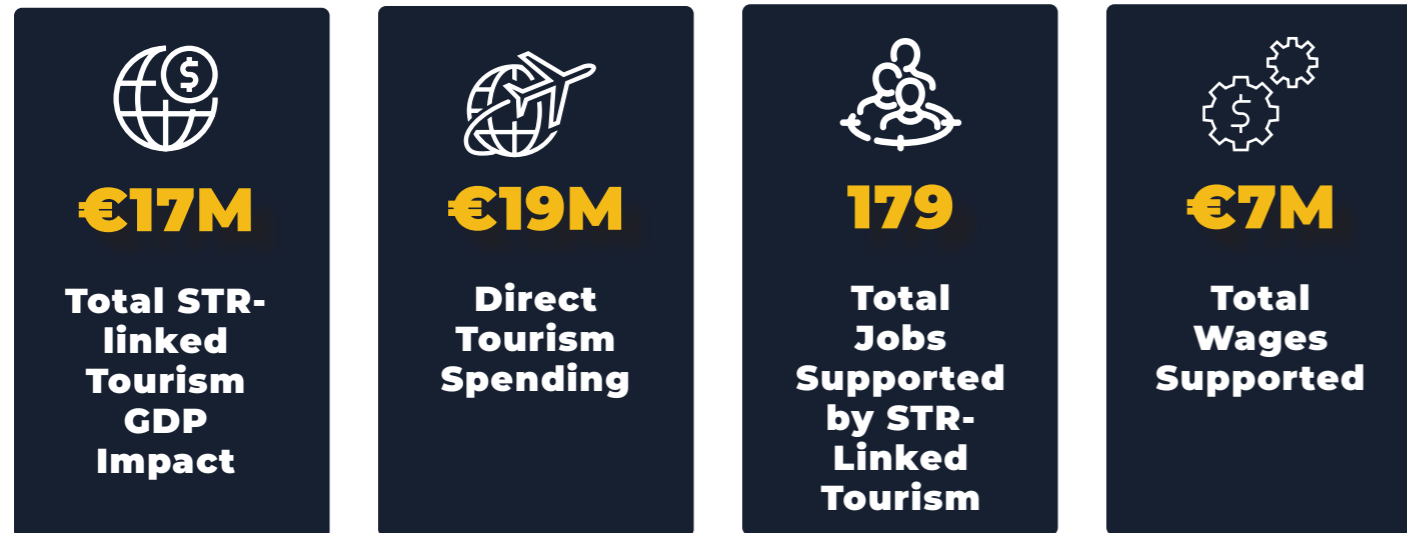
Figure 44: Economic Impact Summary, Stuttgart



Frankfurt

The total 0.1 million guest nights in Frankfurt resulted in over €19 million in direct STR-tourism spending. The total value added (GDP) generated by STR-linked activity within Frankfurt amounts to €17 million in 2023. STR activities in Frankfurt support just under 179 jobs and €7 million in linked wages

Figure 45: Economic Impact Summary, Frankfurt

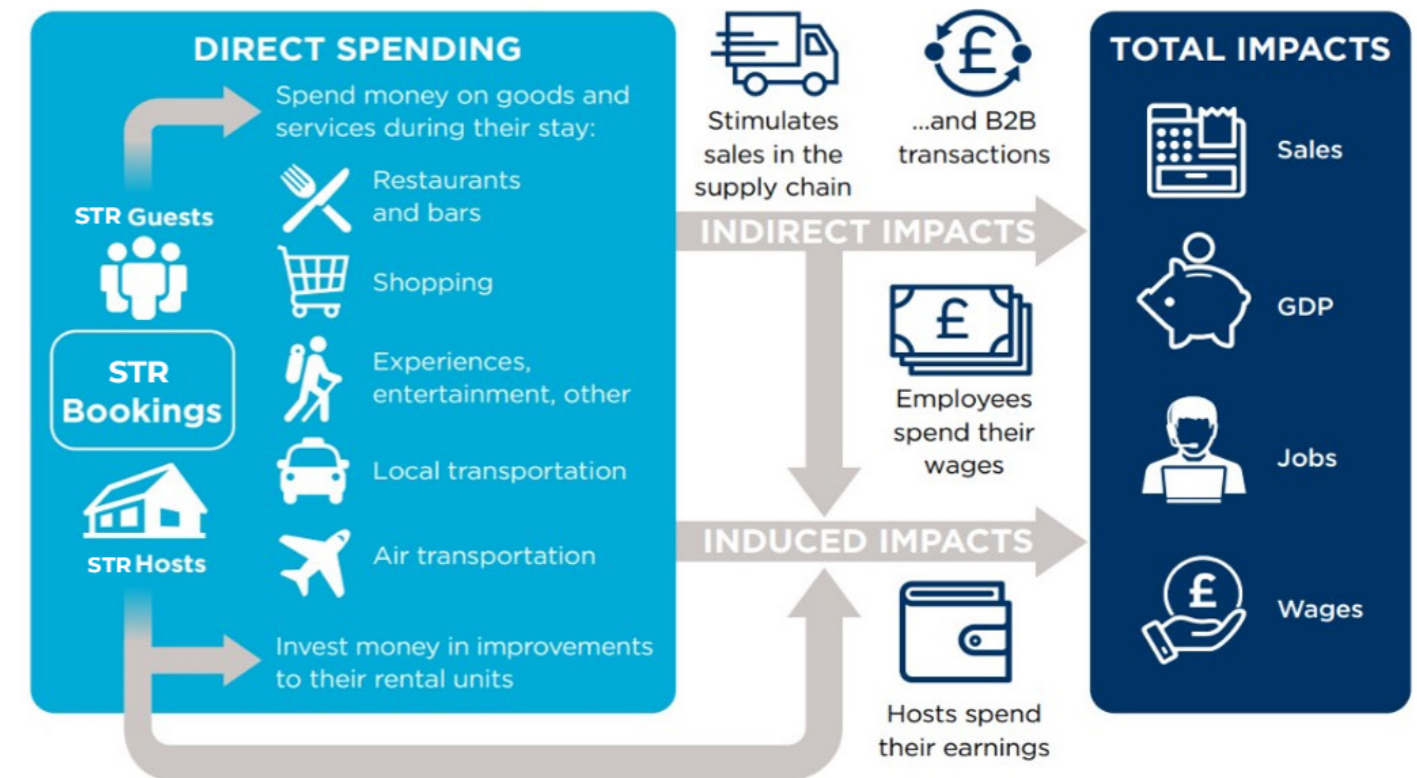


Appendix C: Economic Impacts by Channel

6.1 Indirect, Induced, and Trade Impacts of STRs

This section details the downstream effects of STRs on the European economy through the supply chain (indirect effects) and the induced effects as wages are spent in the economy. This analysis relies on an Input-Output (“IO”) model that traces the full extent of the STR segment as euros flow through the local economy.

Figure 46: Direct, Indirect, and Induced Channels of Spending for STRs



The **indirect effect** refers to the economic production stimulated along the supply chain through STR hosts’ purchases of goods and services, which are used as inputs to their operation. Purchases are made from food wholesalers, linen suppliers, and utilities. As activity increases from them so will business-to-business (B2B) spending across business along the supply chain.

The value added by STRs as they engage along the supply chain and in B2B transactions amounts to **€35 billion in GDP and €10 billion in tax revenue. The indirect channel supported under 500,000 workers, resulting in €17 billion in wages in 2023.**

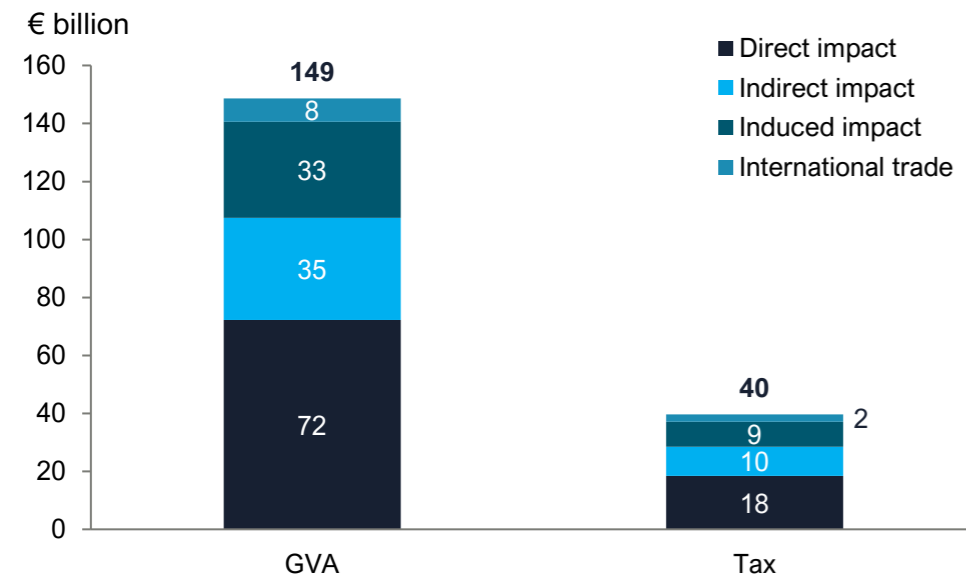
The **induced effect** captures wider economic benefits that arise from the spending of income and wages of operators and employees in the STR segment. These are STR hosts and their contractors whose wages are paid by businesses across the supply chain. Income for these groups re-enters the economy through other sectors and contributes towards GDP.

Total induced value-added generated from the spending of hosts and employees involved in the supply chain totals **€33 billion in GDP, just under a quarter of the total €149 billion. The total induced taxes amount to €9 billion. The induced jobs totalled 409,000 and generated €15 billion worth of wages.**

The **international trade effect** associated with STR captures the impact of the STR segment in one EU country on another EU country—for instance, an STR guest may spend on a restaurant in Germany, which in turn imports food products from Spain. Similarly, an employee in a German restaurant can spend their wage on a product imported from a different European country.

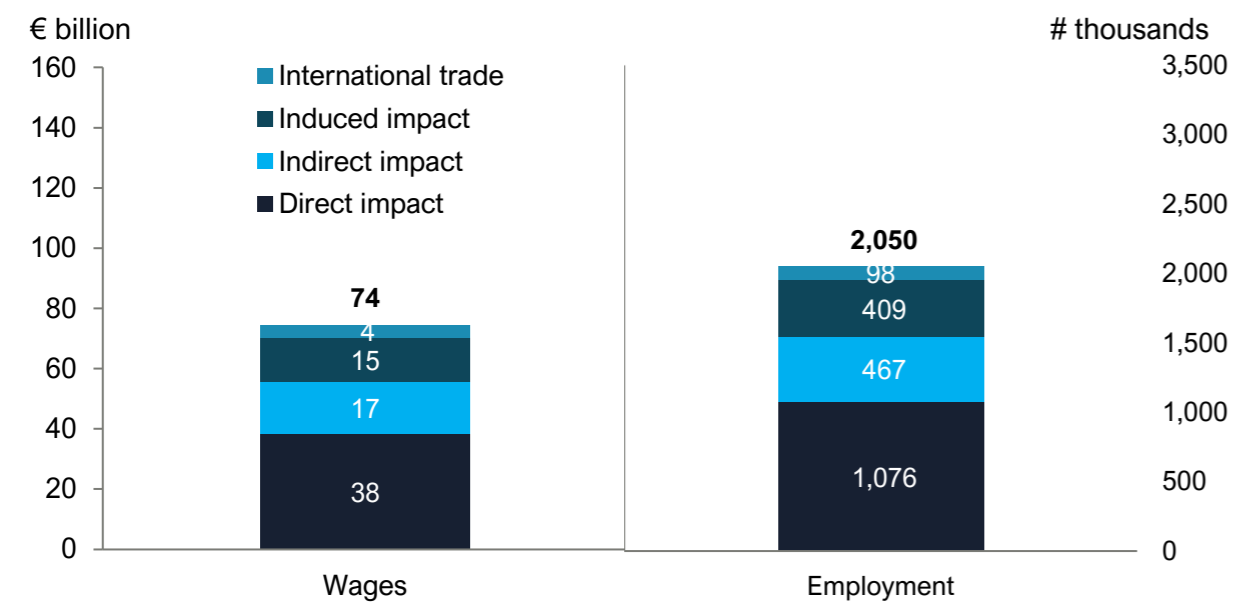
Trade-generated value-added amounts to **€8 billion in GDP, just over 5% of the total €149 billion. Taxes linked to international trade amount to €2 billion. The total jobs related to international trade activities amount to 98,000 and generated €4 billion worth of wages.**

Figure 47: Economic Impacts, GVA, Output, and Tax, EU 27



Source: data from Client, Tourism Economics' Economic Impact analysis.

Figure 48: Employment Impact, EU 27



Source: data from Client, Tourism Economics' Economic Impact analysis.

Appendix D: Literature Review Summary

Figure 49: Table with Studies Showing STR Impact on the Housing Market

Coverage	Study/Source	Location	Key Findings on STR's Impact
National	Barron et al. (2020)	United States	1% increase in Airbnb listings leads to 0.018% increase in rents and 0.026% increase in home values; no impact on overall housing stock, but reduction in long-term rentals.
	Oxford Economics (2019)	United States	STRs contributed minimally to rent and house price growth (2014-2018); rent would have been \$2 lower and annual mortgage payments \$105 cheaper in 2018 if STR density stayed at 2014 levels.
City-Specific	Sheppard and Udell (2018)	New York City	6-11% increase in property values with doubling of Airbnb accommodations.
	New York City Comptroller's Office	Astoria and Long Island (New York)	9.2% of rent increases (2009-2016) attributable to Airbnb.
	Horn and Merante (2017)	Boston (2015-2016)	1 standard deviation increase in Airbnb listings linked to 0.4% rise in asking rents; 5.9% reduction in available rental units.
	Garcia-Lopez, et al. (2020)	Barcelona	1.9% increase in rents and 3.7% increase in house prices due to Airbnb activity.
	Rodriguez-Perez de Arenaza (2019)	Andalusia (Coastal Areas)	Airbnb contributed almost 14% to residential rental prices.
	Duso, et al. (2020)	Berlin	Areas with lower Airbnb density experience larger rent increases per square meter; the impact is higher if STRs are available for a longer part of the year.
Welfare and Distributional Effects	Calder Wang (2021)	New York City	Welfare losses to renters due to STRs outweigh the benefits to residents from hosting.
	Almagro and Domingues-Lino (2024)	Amsterdam	Welfare impact depends on resident preferences: younger residents benefit from tourist-aligned amenities, while families experience welfare losses.

Figure 50: Table with Studies on the Impact of STR Regulation on the Housing Market

Study/Source	Location	Key Findings on STR Regulation
Gauss, et al. (2023)	Multiple	Day caps reduce Airbnb activity but do not significantly affect long-term rents or redirect properties.
Wessel, et al. (2024)	Multiple	Licensing and day caps reduce commercial STR listings more than private ones, with taxation also reducing activity.
Koster, et al. (2019)	Los Angeles	Home Sharing Ordinances reduced listings on Airbnb by 50% and housing prices by 2%.
Valentin (2020)	New Orleans	STR ban reduced house prices by 30%, but STR activity shifted to nearby unregulated areas (spillover effect).

Appendix D: Economic Footprint Modelling

8.1 Key Definitions

- Short-Term Rentals: accommodations rented out for brief periods, typically ranging from one night to a few weeks. These rentals are usually managed by individuals or property owners rather than large hotel chains and include various types of lodging, such as apartments, houses, and rooms within private homes. Technically, this includes accommodation facilities that file under NACE 55.2 "holiday and other short-stay accommodation", excluding in particular any activity relating to hotels and campsites.
- As presented in this report, we align short-term rentals to Eurostat data on "accommodation provided by collaborative economy platforms", which is based on booking data from Airbnb, Booking, Expedia, and Tripadvisor.
- STR nights / Guest nights / Nights: the number of STR guests on a trip times the number of nights stayed.
- STR Hosts / Hosts: are individuals or businesses that list at least one property, accommodation unit, whether a private or shared space, for rent on collaborative online platforms.
- STR guests / Guests: are individuals who stay at least one night in an STR accommodation.

8.2 STR-Linked Spending

Collaborative economy platforms attract tourists with spending power to a local area, who then go on to stimulate economic activity through their purchases of goods and services. To understand the channels through which STRs contribute to the European economy, our starting point is the spending that takes place in the travel destination.

This guest spending includes:

- **Spending on rentals:** based on Eurostat experimental statistics on "Short-stay accommodation offered via online collaborative economy platforms". For the years 2018-2023, we apply guest spending profiles from Airbnb survey data to total STR guest nights from Eurostat to calculate total expenditure on rental accommodation made by guests across Europe for the available period.
- **Ancillary tourism spending:** in addition to rental expenditure, STR guests typically spend money to arrive at their destination, and then (for example) to get around the host city or region, to dine out and entertain themselves, and to go shopping and engage in other tourism activities. Guest spending profiles from Airbnb survey data is applied to Eurostat guest nights data to calculate total expenditure on rental accommodation made by guests across Europe in 2018-2023. Note: this study focuses on in-destination spending, therefore guest spending on air transportation has been excluded from our analysis.

8.3 Calculating the Total Economic Impact of STRs

An economic impact analysis includes a quantification of total expenditure made by STR guests in a destination economy and an estimation of the economic activity it stimulates. The total economic impact is summarized in three channels:

- **Direct impact** relates to the value added from guest activity including: (1) STR Hosts facilitating stays of STR guests; and (2) tourism businesses facilitating other spending by guests within the destination, including on food & beverage, retail etc.
- **Indirect impact** is the economic activity and employment stimulated along the supply chain that supports those front-line businesses.
- **Induced impact** comprises the wider economic benefits that arise from the payments of wages to the employees of businesses serving STR guests, and other businesses in their supply chain. It also includes the share of the income of STR Hosts that is spent in the local economy. In our analysis, we also include the economic activity stimulated in the supply chains of these retail, leisure, and other outlets.

Given STR's unique position in the accommodation sector—providing host earnings, with individuals rather than businesses renting their properties—we make bespoke adjustments to the way in which STR activity feeds into the input/output model. STR activity that is more likely to be private individuals rather than businesses is treated similarly to that in the real estate sector, rather than in the hotel and accommodation sector.

The sum of these channels captures the total economic impact of the STR segment. The results are presented on a gross basis. They therefore ignore any displacement of activity from STRs' competitors as well as what the second most productive use of those resources would have been. STRs' economic contribution is measured using two metrics:

- GDP—or more specifically, the gross value added (GVA) contribution to GDP. This is defined as the value of the output produced, minus the expenditure on inputs of bought-in goods and services used up in the production of that output, along with taxes and wages.
- Employment measured on a headcount basis—measuring full-time equivalent jobs supported by the STRs.

8.4 Countries Included

The modelling presented in this report includes activity from EU countries and relevant overseas territories:

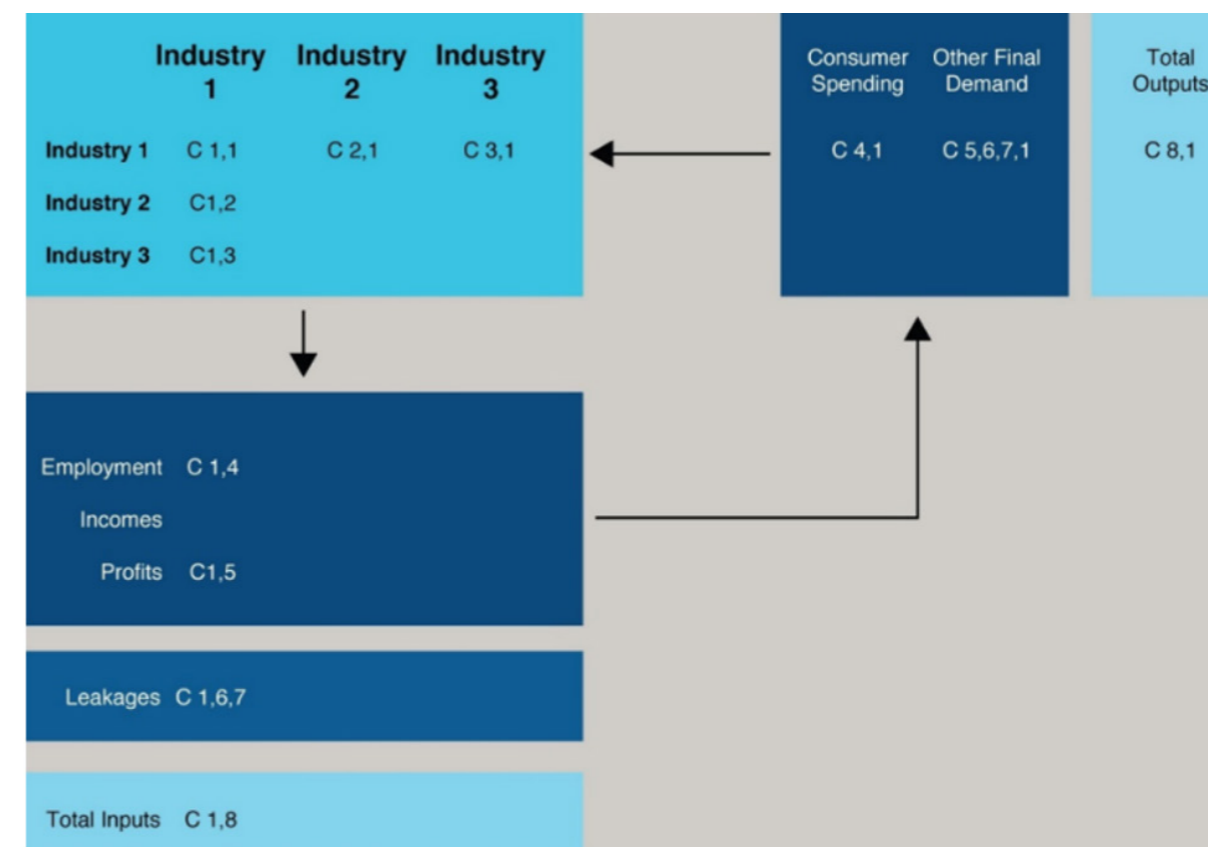
- Countries include: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden.
- Overseas territories include: French Guiana, French Polynesia, French Southern Territories, Guadeloupe, Martinique, Mayotte, New Caledonia, Reunion, Saint Barthelemy, Saint Marin (French), Saint Pierre and Miquelon, Wallis and Futuna, Aruba, Bonaire, Sint Eustatius and Saba, Curacao, and Sint Maarten (Dutch).

8.5 Overview of Input-Output Modelling Approach

Indirect and induced impacts are estimated using an “input-output” model. This type of model sets out the goods and services that national industries purchase from one another to produce their output (as well as their purchases from abroad). These tables also provide detail on the spending patterns of households, and indicate whether this demand is met by production, or imported products. In essence, the tables show who buys what from whom. The diagram below demonstrates a stylised input-output model.

Using details of these linkages from Supply and Use tables, Oxford Economics constructed a bespoke impact model which traces the intermediate consumption impact attributable to STR-linked visitor activity (this is known as the Leontief manipulation). This impact model quantifies all rounds of subsequent purchases along the supply chain. These transactions are translated into GDP contributions, using each country's specific ratios of gross value added (GVA) to gross output, sourced from the national input-output tables. Once we have obtained results for output and GVA, we estimate employment using productivity estimates. The calculation of the induced impacts is a discrete element of the model and incorporates the impact of STR visitor spending on purchases, labour costs, and final household consumption.

Figure 51: A Simplified Input-Output Model



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.

This study was conducted by the Tourism Economics group within Oxford Economics. Tourism Economics combines an understanding of traveler dynamics with rigorous economics in order to answer the most important questions facing destinations, investors, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, forecasting models, policy analysis, and economic impact studies.

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