

AIRBNB REALLY IS DIFFERENT NOW

At this point, the company hardly seems part of the gig economy at all.

SEPTEMBER 18, 2023

The morning after a wedding in Vermont this summer, my friends were recovering in a hot tub while I battled a garbage disposal. And scrubbed the kitchen counter. And stripped the bed. And took out the recycling. Everyone was blissed-out at a hotel before braving the six-hour drive back to New York—except my boyfriend and I, who made the mistake of staying at an Airbnb. Despite the \$95 cleaning fee, we were stuck completing a baffling list of pre-checkout chores.

Something feels a bit off with Airbnb these days. Those searching for a quaint and homey place to stay now often have to brave high prices, inconsistent fees, laborious checkout demands, and untrustworthy photos and descriptions. You risk ending up, like I did in Vermont, in one of multiple cookie-cutter units listed by the same host, units that lean less “cozy ski lodge” and more “IKEA display room that has never known human touch.” Not only are customers mad, expressing [their outrage](#) across [social media](#), but cities have also been cracking down. Earlier this month, New York City instituted a drastic new law that effectively bans most short-term rentals, resulting in the [disappearance of 15,000 Airbnb listings](#).

The company’s woes are tied to just how big it has become. Airbnb was launched in 2008, a year after beginning as three air mattresses on the floor of its founders’ living room, but it is no longer a scrappy, community-minded platform powered by the gig economy. It’s an industry in itself, full of endless hosts and large property companies that manage dozens or hundreds of listings at a time. The relentless increase in quantity has stretched the quality thin. Like any tech company, Airbnb has pursued growth. Along the way, it may have gotten more than it bargained for.

The promise of Airbnb seems so simple and obvious now, but it was at first a revelation: What if you could make money off that guest room no one uses, or the empty apartment sitting over your garage? In turn, travelers could get a [cheap stay](#) with an on-call host who could provide a uniquely personalized travel experience. That’s not to say a one-night stay on a stranger’s couch was ever what dominated Airbnb; entire homes instead of shared units have made up the

majority of listings since the year it was founded, an Airbnb spokesperson told me. But that Airbnb felt more casual than a hotel was always part of the draw. By 2011, an app first headquartered in the founders' apartment had reached [1 million nights booked](#).

Soon, Airbnb got so big that everyone wanted in. At first, people with vacation homes in coveted areas such as Lake Tahoe and the Hudson Valley noticed Airbnb's success and saw an opening, says Jamie Lane, a senior economist at [AirDNA](#), a data-analytics firm that specializes in Airbnb and other short-term-rental platforms. Hosts renting out vacation homes or properties they don't themselves inhabit means, however, that unlike in Airbnb's original concept, the hosts aren't one room away to give recommendations, or just around the corner if something goes wrong with check-in. Instead, the keys go in a lockbox, and the recommendations are typed up and put in a binder that sits on a kitchen table. It's now very common for Airbnb hosts to never see or interact with their guests at all.

The moment people began buying new properties for the express purpose of turning them into Airbnbs, it was clear: Airbnb had turned corporate. Since 2015, the number of Airbnb listings in the United States has jumped from roughly 150,000 to almost 1.5 million, Lane told me. There are now Airbnbs that have been precisely engineered for specific kinds of travelers. "You have properties that are fully dedicated to bachelorette parties," says Neal Carpenter, who runs a Nashville-based rental-property-management and consulting service called The Air Butler. "It's like, 'Here's the 12 chairs and the full-length mirror where all your friends can get ready together. Here's the neon cowboy hat and the greenery wall in the living room for your Instagram posts.'" There are multiple *Lord of the Rings*-style hobbit-house Airbnbs, a spaceship Airbnb, and an Airbnb located inside a freestanding harbor crane.

In other words, the difference between Airbnb and hotels has become smaller and smaller. The standard Airbnb host still has an average of just 1.5 listings, Lane said, but "mega-hosts"—larger companies or wealthy individuals with 21 or more properties that throw their significantly more substantial resources behind them—now make up [30 percent of active listings](#). Some hotels even took a if-you-can't-beat-them-join-them attitude in 2018, when Airbnb [began allowing](#) boutique hotels and B&Bs to list their rooms on the platform. The mere existence

of a company like AirDNA is another indicator of Airbnb's dominance—as are the Airbnb consultants who make a living helping hosts maintain their properties, and the number of online ads from these consultants about how to earn my first \$100,000 on Airbnb that have followed me since I first started reporting this article.

At this point, Airbnb hardly looks like the gig economy at all. Carpenter is currently in charge of 18 different properties, including one of his own, and handles tasks such as photographing and building the listings on Airbnb, stocking the houses, and communicating with guests during their stay. Then there's stocking the fridge, working with cleaning companies, managing the finances to make sure payments are properly dispersed, and on and on: The work that running a competitive listing can require is no longer a side hustle, but a full-time job.

These mega-hosts with major resources and hosts attempting to bring in extra cash with their vacation home are left to battle it out on the same platform, one that's still set up for the gig economy it no longer really embodies. Take those much-hated cleaning fees. Each host is in charge of setting their own cleaning fee, but the numbers seem to vary wildly from listing to listing, and can tack on an extra \$100 or more to what previously seemed like an affordable daily rate—one that itself has [surged 36 percent](#) in recent years. For hosts, however, these cleaning fees can feel necessary for reasons that have nothing to do with the upkeep of the unit. When potential guests search for an Airbnb, many toggle the search criteria to return a certain daily rate—which does not include cleaning fees.

To show up higher in the search results, some hosts have taken to lowering the listing's daily rate and increasing the cleaning fee to cover the difference. "One of the homeowners described it to me as a race to the bottom," Sally French, a travel expert at NerdWallet, told me. "It's not really a great experience, but that's the only way they said they feel they can get booked."

That's how you end up with situations like what happened to the software engineer Tracy Chou, who said that she and her friends paid \$160 in cleaning fees for a recent Airbnb in Vaucluse, France, only to be angrily confronted by the host over WhatsApp for not showing a "bare minimum of respect" when they left garbage bags and empty wine bottles in the kitchen—things, Chou says, the host had never provided clear instructions for. She felt betrayed by the listing's reviews,

which had her expecting a five-star experience. Sharing your true thoughts in a negative review can feel tough, she said, if hosts seem like people just getting by, rather than extensions of a management company.

Airbnb's boom has resulted in not just disputes between hosts and guests, but also broader regulatory challenges. Airbnbs are now functionally more similar to hotels, but they are not subject to the same licensing and legal requirements that dictate everything from cleanliness to coffee machines. Apart from New York City's crackdown, Washington, D.C., implemented [its own restrictions](#) last year, requiring a short-term rental license and forbidding licenses for second homes. Los Angeles and San Francisco also require registration, and other cities have imposed other kinds of restrictions, such as prohibiting hosts from [listing multiple properties](#) or [limiting the number of days per year](#) a property can be rented. "We feel good about where we stand with cities and jurisdictions around the world," the Airbnb spokesperson said, adding that New York City's rules "are an outlier and a contrast to the approach [taken by] other cities around the country." Airbnb is not *broken*. You can still find a spot that's cheaper and better than a hotel room—especially for families and larger groups. The average Airbnb costs \$60 a person, French said, compared with \$89 a person for a hotel. But the company does seem to understand that something has changed. In May, Airbnb introduced a toggle that allows users to set their search to show a listing's total price, including fees before taxes, so they can get a clearer picture. And it has also launched [Airbnb Rooms](#), an update to the original "rent a room" model that emphasizes affordability and relationships with hosts. "We're focused on building out new tools that ensure our platform offers competitively priced stays," the spokesperson said.

What happened between where Airbnb started and where it might land is a familiar story. It's the same one that prompted Etsy sellers [to go on strike last year](#) and Uber drivers to [do so in January](#). "Whenever there's a sector that is potentially profitable, any entity with bigger resources can say, 'Aha, I can capitalize on this,'" Erin Hatton, a sociologist at the University at Buffalo who has studied the gig economy, told me. These events are all signs of a gig economy that might just be falling apart, not because of any one CEO decision but because companies that find success by framing themselves as a DIY alternative to an established industry can only grow in the same direction as the very thing they wanted to replace. The original sin, it seems, is when they try to be both.