



airbnb

Group 14
Group Name: Bridge

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Introduction



Source: Graphic Springs
<https://graphicdesigns.com/blog/new/airbnb-logo/>



Source: Brandings
<https://brandings.net/airbnb-logo-symbol-vector-10026.html>



Source: Airbnb
<https://www.airbnb.co.uk/design>

Airbnb has emerged as a transformative force in the global travel and hospitality landscape. Since its inception, the platform has facilitated over 1.5 billion guest arrivals (Search Logistics, 2024), indicative of its profound impact on how people access and experience accommodation worldwide. The economic scale of its operations is equally significant, with guests spending nearly \$25 billion on the platform in the first quarter of 2025 alone (Airbnb, Inc., 2025a; Airbnb, Inc., 2025b). This substantial volume of activity underscores Airbnb's evolution from a novel, niche concept—initially offering airbeds to conference attendees (Hostaway, n.d.; Pivot, 2024)—to a mainstream pillar of the global tourism infrastructure. The company's rapid international expansion (History Timelines, 2024) and its demonstrable effect on traditional hotel revenues (Mody, Suess and Lehto, 2018; Bach, 2018) further illustrate this transition, signifying a fundamental shift in consumer travel behaviour and industry dynamics.

At its core, Airbnb operates an extensive online marketplace that connects individuals offering unique accommodations and, more recently, curated experiences, with travellers seeking authentic and diverse lodging options (Pivot, 2024; History Timelines, 2024). The company's guiding mission, "to create a world where anyone can belong anywhere" (Pivot, 2024), extends beyond a mere marketing slogan. This philosophy is a strategic driver influencing platform design, community engagement, and service expansion. The emphasis on belonging, community, and inclusivity differentiates Airbnb from purely transactional booking websites. Co-founders Brian Chesky and Joe Gebbia, both with backgrounds in design (Hostaway, n.d.), embedded this community-centric and design-driven approach from the company's early days. This ethos has been crucial in fostering the trust necessary for a peer-to-peer model, where strangers open their homes to one another (Hostaway, n.d.).



Source: Airbnb
<https://www.airbnb.co.uk/travelers/hosting/homes/where-airbnb-categories-work/561>

The genesis of Airbnb is a notable tale of entrepreneurial ingenuity. Officially founded in August 2008 by Brian Chesky, Joe Gebbia, and Nathan Blecharczyk (History Timelines, 2024; Hostaway, n.d.), the concept originated from a practical solution to a personal financial challenge. Chesky and Gebbia, then roommates in San Francisco, decided to rent out three airbeds in their apartment to attendees of a local design conference, as hotel accommodation in the city was fully booked (Hostaway, n.d.; Pivot, 2024). This modest beginning, where each guest paid \$80 per night (Hostaway, n.d.), planted the seeds for the global enterprise. The founders' design backgrounds (Hostaway, n.d.) were instrumental; they approached the problem with a user-centric and experiential mindset, offering not just a sleeping space but a hosted interaction. This early focus on design thinking and community became deeply embedded in Airbnb's corporate culture and operational strategy (Hostaway, n.d.).

Team Members



Ariana

Hi, I'm Ariana from China. I've always been fascinated by how brands connect with people visually, emotionally, and culturally. My academic and project experience has focused on understanding user behavior, identifying brand positioning, and crafting campaigns that align with audience values.

Course: Design and branding.



Ankita Nalawade

Hello, I'm Ankita, a Product and Experience Designer, currently pursuing Design Innovation Management. I thrive on solving complex challenges and crafting meaningful user experiences. Whether it's designing innovative solutions or embarking on an unexpected adventure, I'm always ready for the challenge!

Course: Design Innovation Management



Eklavya

Hi guys, I'm Eklavya, from India. I did my undergrad in footwear designing. I'm good with brainstorming ideas and solutions.

Course: Design Innovation Management



Shea

Hi, I'm from China.

Course: Design Innovation



Puyuan

Hi I'm Puyuan

Course: Design and Branding

Process followed

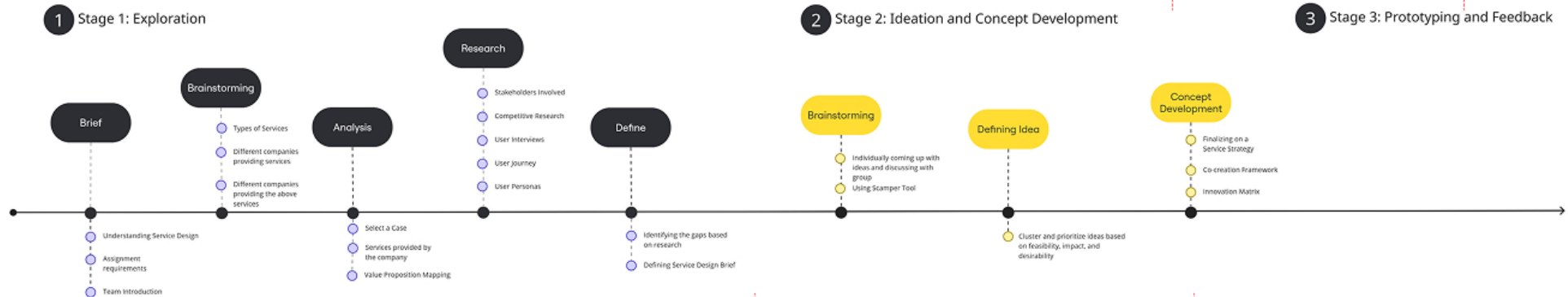
The below flow outlines a three-stage Service Design process followed by us in this project.

Starting with Stage 1:

Exploration. This phase focused on understanding the context, stakeholders, and existing services. It began with reviewing the brief and learning about service design. The team then brainstormed various service types and companies offering them, followed by in-depth research involving stakeholder mapping, user interviews, competitive analysis, and journey mapping. The findings helped define key gaps and form a focused service design brief.

Stage 3:

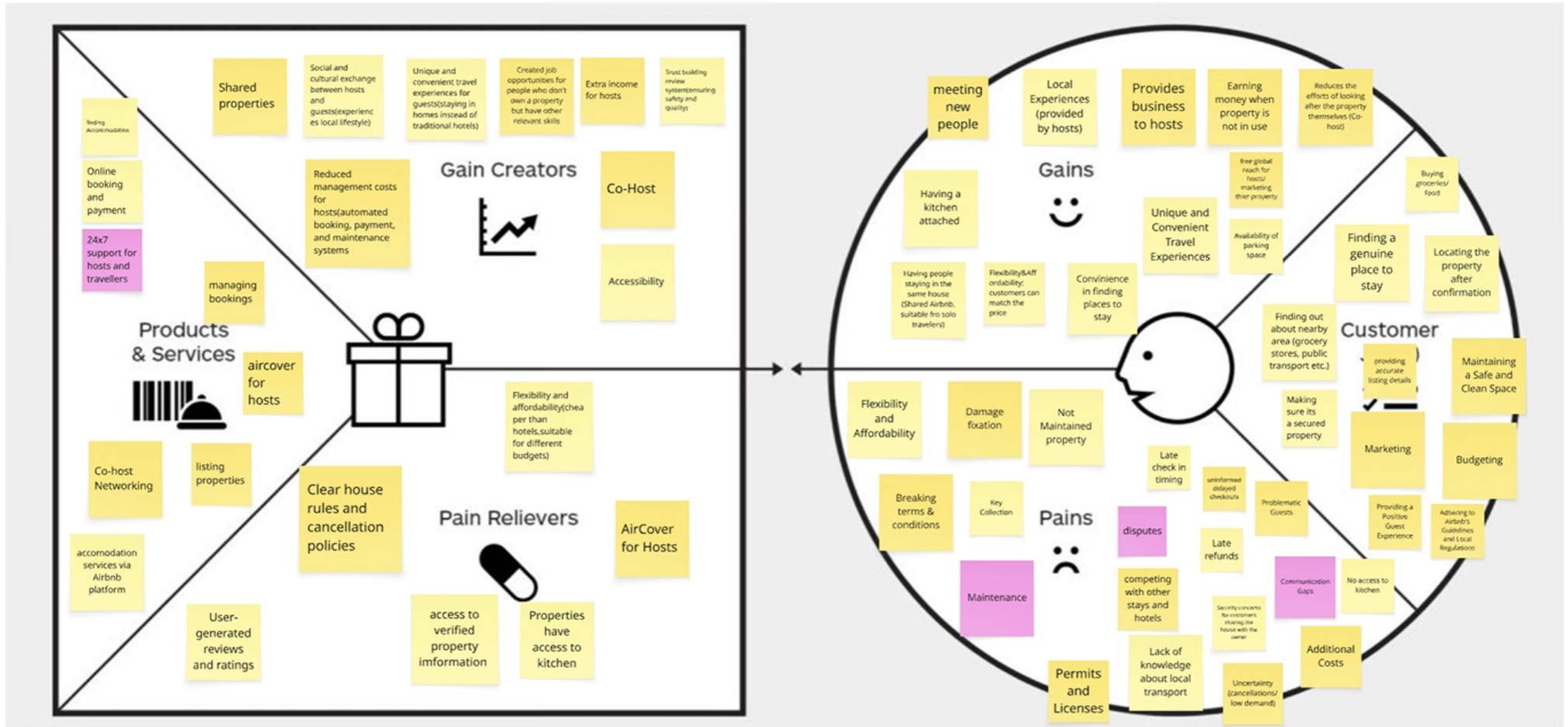
Prototyping and Feedback (the final phase) will involve developing tangible prototypes based on the selected service concept. These will be tested and refined through feedback to ensure the solution aligns with user needs and expectations, preparing it for further development or implementation.



Stage 2:

Ideation and Concept Development transformed insights into creative solutions. It began with idea generation using individual and group brainstorming, and tools like SCAMPER. These ideas were then clustered and prioritized based on feasibility, impact, and desirability. In the concept development phase, the team finalized a service strategy using co-creation method and innovation frameworks to shape a strong, user-centric solution.

Value Proposition Map



Value Proposition Map

Customer Profile		Value Map (Airbnb)	
Customer Jobs	<ul style="list-style-type: none"> - Find affordable, comfortable lodging - Book securely and easily - Have unique, local experiences - Travel for leisure or work 	Products & Services	<ul style="list-style-type: none"> - Airbnb platform (website/app) - Booking system - Reviews/ratings - Host & guest support - Local Experiences section
Pains	<ul style="list-style-type: none"> - High hotel prices - Lack of authenticity - Safety/cleanliness concerns - Limited amenities 	Pain Relievers	<ul style="list-style-type: none"> - Affordable and diverse options - Host verification, reviews - 24/7 support - Better amenities (kitchen, laundry)
Gains	<ul style="list-style-type: none"> - Personalized, immersive stays - Transparency - Flexibility - Local insights 	Gain Creators	<ul style="list-style-type: none"> - Unique accommodations - Direct host contact - Personalized suggestions - Community-based experiences

About the company



Company Overview

- Founded: 2008
- Headquarters: San Francisco, California, USA
- Founders: Brian Chesky, Joe Gebbia, Nathan Blecharczyk
- IPO: December 2020 (NASDAQ: ABNB)
- Core Business: Global platform for booking homes, apartments, and unique stays- Offers
- Experiences: local tours, cultural activities, etc.
- Global Reach available in over 220 countries and regions- Covers more than 1 million cities.
- Business Model Charges service fees to hosts and guests facilitates peer-to-peer short-term rentals.
- Core Philosophy: "Belong anywhere — feel at home anywhere in the world"; "Connecting people and places to create a sense of belonging"

Services Provides



Services Provided by Airbnb



Accommodation Booking

- Access to millions of listings worldwide: homes, apartments, villas, cabins, and more.
- Filter options for price, location, amenities, and property type.



Airbnb Experiences

- Unique, local activities hosted by experts (e.g., cooking classes, guided tours, virtual events).
- Designed to immerse travelers in the culture of their destination.



Host Services

- Tools and support for property owners to list and manage their spaces.
- Pricing suggestions, calendar management, guest screening, and messaging tools.



Trust and Safety Features

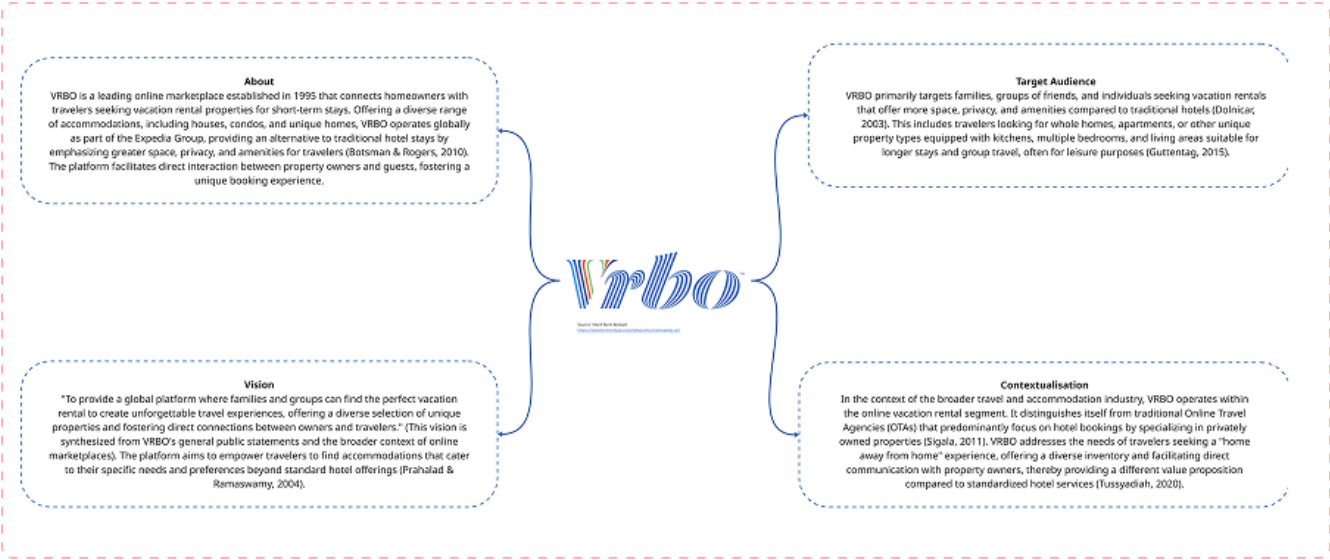
- Verified profiles and secure payments.
- 24/7 customer support and a global community support team.
- Host Guarantee and Guest Refund Policies.



Business Travel Services (Airbnb for Work)

- Solutions tailored for business travelers: work-ready homes, team booking tools, and invoicing.
- Partnered with companies for business lodging solutions.

Sector Review



Competitive Analysis

Competitive Analysis of Airbnb

Competitor	Key Strengths	Weaknesses Compared to Airbnb
Booking.com	Extensive global hotel inventory; strong SEO; flexible booking	Less focused on peer-to-peer home sharing; weaker host tools
Vrbo (Expedia)	Entire-home rentals only; strong presence in North America	Smaller international footprint; limited experiences offering
Hotels.com	Strong loyalty program; hotel-centric	No peer-to-peer rentals or unique stays
Trip.com	Strong presence in Asia; diversified travel services	Limited home-sharing offerings
Local Platforms	Region-specific strengths (e.g., Tujia in China, OYO in India)	Less brand recognition; limited international reach



Airbnb operates in a highly competitive landscape that includes both global giants and local platforms. While competitors like Booking.com and Hotels.com dominate the traditional hotel booking space, Airbnb sets itself apart with its peer-to-peer home sharing model and unique experience offerings. Vrbo focuses on entire-home rentals, especially in North America, but lacks Airbnb's international reach and experiential services. Local platforms such as Tujia and OYO hold regional strengths but struggle with global brand recognition. Understanding these differences enables Airbnb to refine its strategy and reinforce its leadership in alternative accommodations.

Questions to gain insights: Host

One of our team members is an active Airbnb host, while another has experience using the platform as a guest. By documenting and reflecting on their firsthand experiences, we were able to uncover valuable insights that highlighted key service gaps and informed our subsequent research and strategy development.

Goal: To understand their motivations, challenges, workflows, and interactions within the Airbnb ecosystem.

Questions

- What inspired you or what was your motive to list your property on Airbnb?
- Can you tell us experience when you first listed your property on Airbnb and the process you had to go through?
- Looking back at your journey, what are the few things you wish you knew before you began hosting?
- Can you walk me through your typical hosting process from listing until the check-out?
- How do you usually prepare your property for the guests? Do you add your own personal touches?
- How do you manage things like pricing, calendar availability and guest communication? (Include 90 days policy)
- How do you typically connect with your guests before and during their stay?
- What part of hosting do you enjoy the most?
- What are some of the challenges you've faced as a host, both from Airbnb's side as well as the customer's side?
- What helps you feel secure when letting someone stay in your space? (Only for those who let their own houses)
- Have you ever needed help from Airbnb? How was the experience?
- Have you used Airbnb's support services? If yes, how was your experience?
- How do you handle guest feedback or complaints?
- How has being a host impacted your relationship with your local community?
- How do you handle guest feedback or complaints?
- Do you also list your property on other platforms? Why or why not?
- What improvements would you like to have to make hosting easier or more effective?

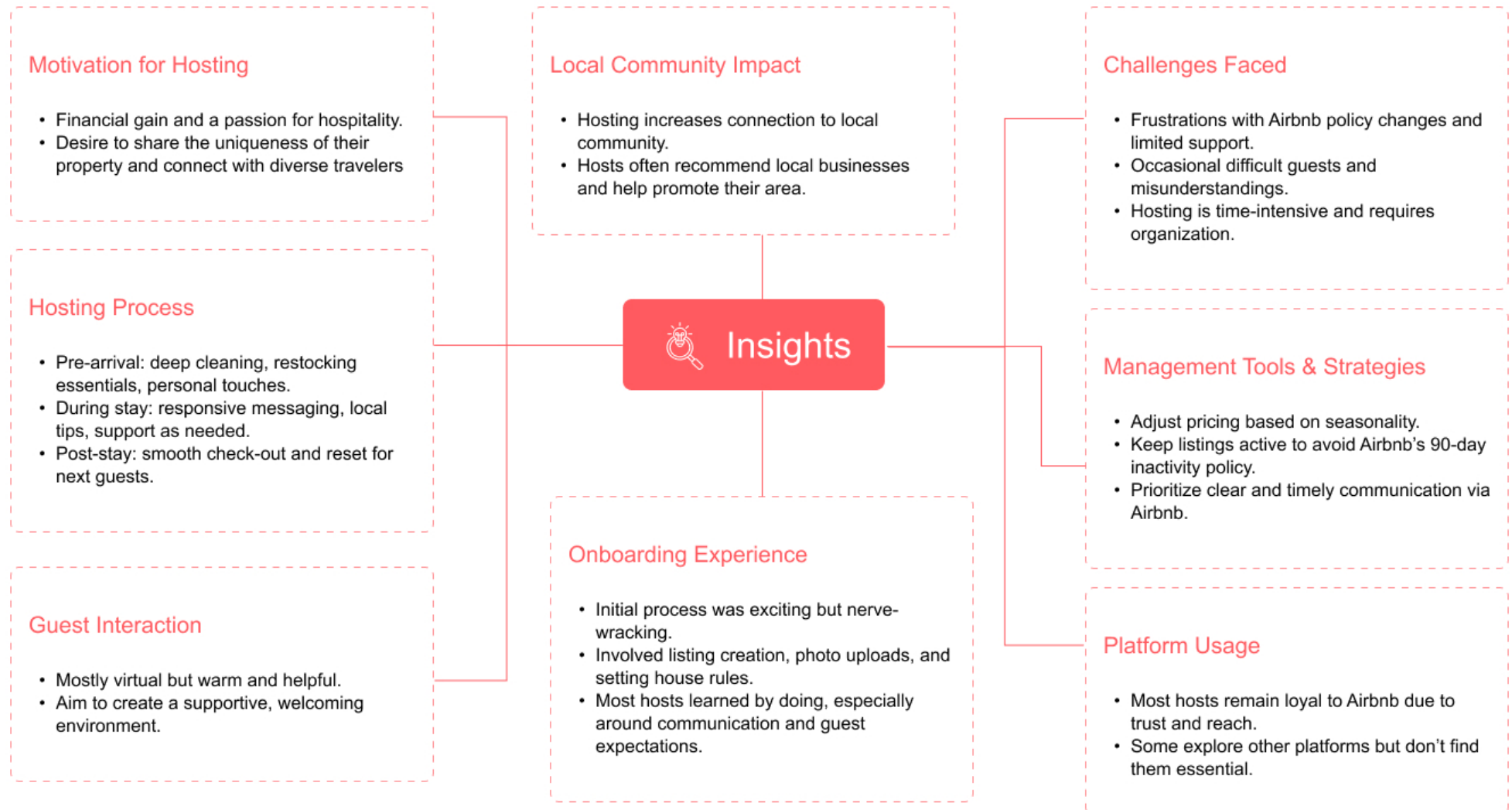
Summary of answers

I listed my property on Airbnb to share its unique charm with travelers while earning extra income. The opportunity to meet people from different places and offer a welcoming space made hosting especially appealing. When I first got started, the process—creating a listing, uploading photos, setting rules—was exciting but also nerve-wracking. Over time, I learned the importance of clear communication, setting boundaries early, and making small upgrades that enhance the guest experience. My hosting routine involves regularly updating the listing, adjusting pricing based on seasonality, and keeping the calendar active to avoid Airbnb's 90-day inactivity policy. Before each stay, I prepare the space with a deep clean, fresh essentials, and personal touches like welcome notes or snacks. I connect with guests mainly through Airbnb's messaging platform, providing check-in details, local tips, and staying responsive throughout their stay. What I enjoy most is creating a comfortable, memorable experience and receiving positive feedback. While there have been challenges—like sudden Airbnb policy changes, occasional guest issues, and time-intensive management—I've learned to stay organized, set expectations clearly, and use tools like smart locks and Airbnb's Host Guarantee to feel secure. Hosting has been both rewarding and educational, blending hospitality with practical skills.



Insights: Host

Goal: To understand their motivations, challenges, workflows, and interactions within the Airbnb ecosystem.



Questions to gain insights: Guest

One of our team members is an active Airbnb host, while another has experience using the platform as a guest. By documenting and reflecting on their firsthand experiences, we were able to uncover valuable insights that highlighted key service gaps and informed our subsequent research and strategy development.

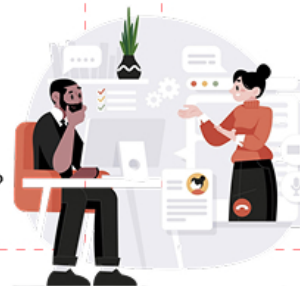
Goal: Learn about their expectations, service touchpoints, pain points, and their journey through the platform.

Questions

- Can you walk me through the process of booking a trip?
- When you're planning a trip, what usually makes you choose an Airbnb over a hotel or other platforms?
- How do you typically search for and select a listing on Airbnb?
- What are the things that are deal-breakers or must-haves for you while looking for a property? (e.g., price, reviews, amenities, location)?
- Can you walk me through your most recent experience using Airbnb—from booking to check-out?
- What's the check-in process usually like for you? Easy? Confusing?
- How do you find the communication process with hosts?
- What's one thing you loved about your last Airbnb stay?
- And one thing that could've been better?
- Have you ever had a memorable or helpful host? What made them stand out?
- Have you ever needed any kind of support during a stay, either from the host or Airbnb? If yes, how did it go?
- Have you encountered any issues during a stay? How were they resolved?
- Do you use any additional Airbnb services, such as Experiences or suggestion from hosts?
- Do you feel safe and taken care of when staying in an Airbnb? (Both scenarios, staying with the host or independent property)
- Have you tried Airbnb's long-term stays? What was that like?
- How important is it for you that your stay supports local communities?
- Have you ever interacted with Airbnb customer support? How was the experience?
- What changes or improvements would enhance your Airbnb experience?
- Would you recommend Airbnb to a friend? Why or why not?

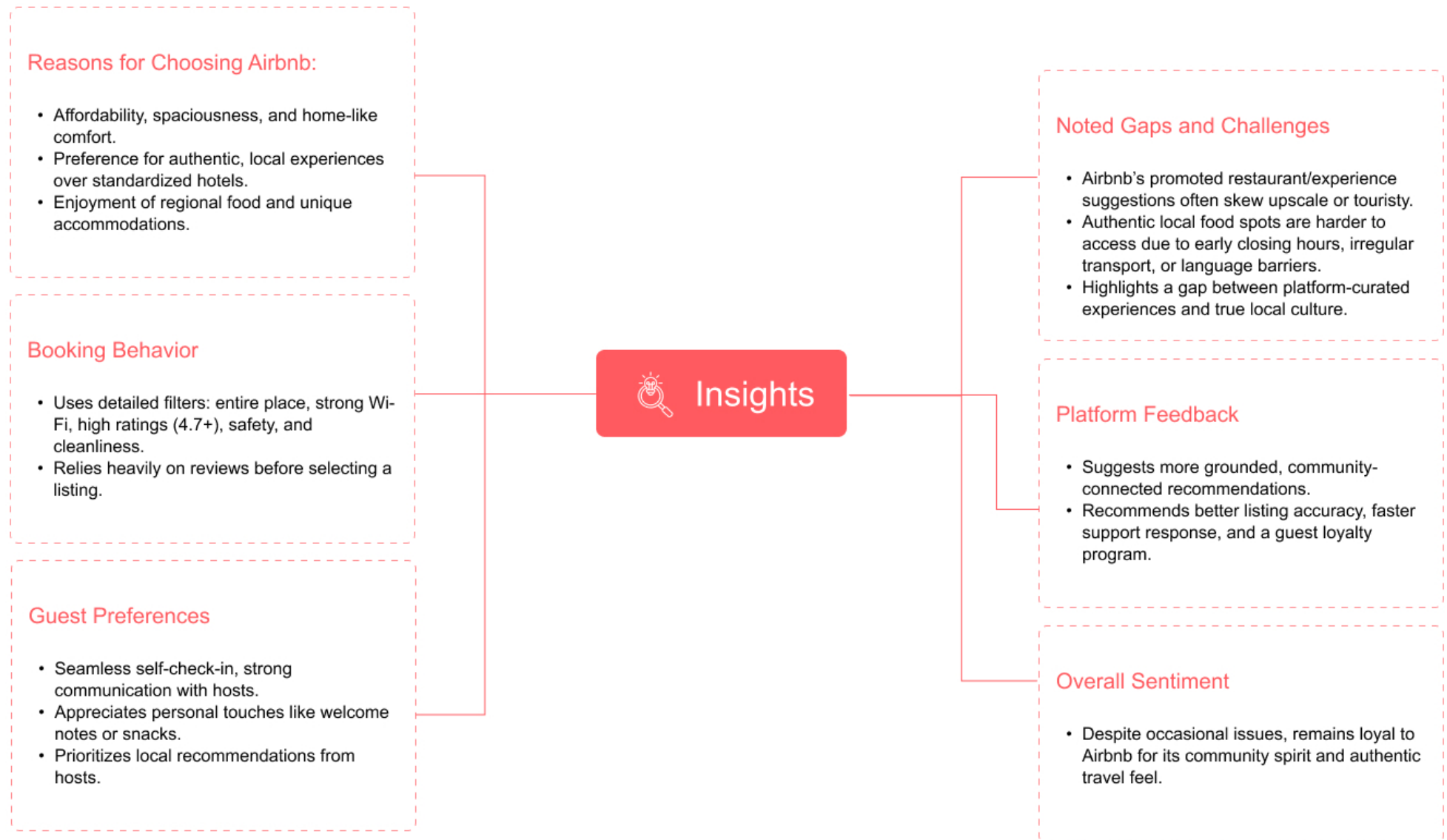
Summary of answers

As a 26-year-old masters student, I travel frequently—both solo and with friends—and I usually choose Airbnb around 4–5 times a year for domestic and international trips because it offers a more personal, spacious, and local experience compared to hotels, which often feel impersonal and overpriced. When booking, I start by setting my travel dates and using filters like entire place, Wi-Fi, price range, and location, and I only consider listings with ratings above 4.7 stars. Strong Wi-Fi, cleanliness, safety, flexible check-in, and clear cancellation policies are must-haves for me, and I always read reviews thoroughly. My recent stay in Dorset was seamless, with a responsive host, self-check-in via smart lock, and a property that matched the photos. I love when hosts add personal touches like welcome notes or local snacks—it really enhances the experience. One of my most memorable stays was in Vietnam, where the host went out of her way to provide local recommendations and checked in regularly. While most of my stays have been smooth, I've occasionally dealt with issues like misleading descriptions, noise, or delayed host responses. In such cases, I've contacted Airbnb—sometimes the resolution was quick and helpful, other times it took too long, like during a hot water issue in Goa. I've also tried Airbnb Experiences, like a pasta-making class in Italy and a walking tour in York, which were both excellent. I usually feel safe staying in Airbnbs, especially with digital locks or in buildings with security, though I'm more cautious with shared properties. During COVID, I even stayed long-term in Goa for a month, which was budget-friendly and felt like home. I strongly prefer supporting local hosts and businesses, which is a big reason I choose Airbnb. While improvements like better quality checks, more accurate listings, and a guest loyalty program would enhance the platform, I still recommend it to friends for its affordability, authenticity, and the chance to travel like a local.



Insights: Guest

Goal: Learn about their expectations, service touchpoints, pain points, and their journey through the platform.



Persona



Ankita Nalawade

About

Age: 26

Occupation: Masters Student

Location: United Kingdom

Bio

Ankita is a curious and adventurous Product & Experience Designer currently exploring the world of Design Innovation Management. She's passionate about turning complex problems into simple, delightful solutions—and just as passionate about catching the next flight, meeting new people, and chasing hiking trails. Whether designing or diving into a new experience, she brings energy, creativity, and a love for the unexpected to everything she does.

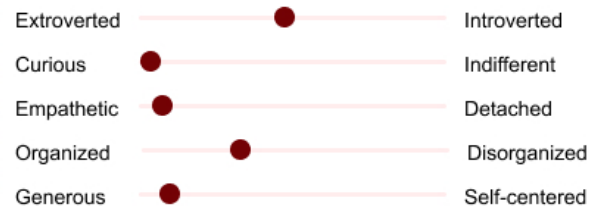
Goals

- Plan a vacation with friends and family.
- Finding a genuine homestay which is safe and as close to nature as possible.
- Figuring out different activities to do around that place, most importantly finding good local food places.
- Getting information about local transport to travel from place A to place B in her travel itinerary.

Frustrations

- Finding a place to stay.
- Figuring out good local places to have authentic local food.
- Planning the entire itinerary and travels.
- Irregular local transport schedule and getting access to them.
- Accuracy of pricing and description.

Personality



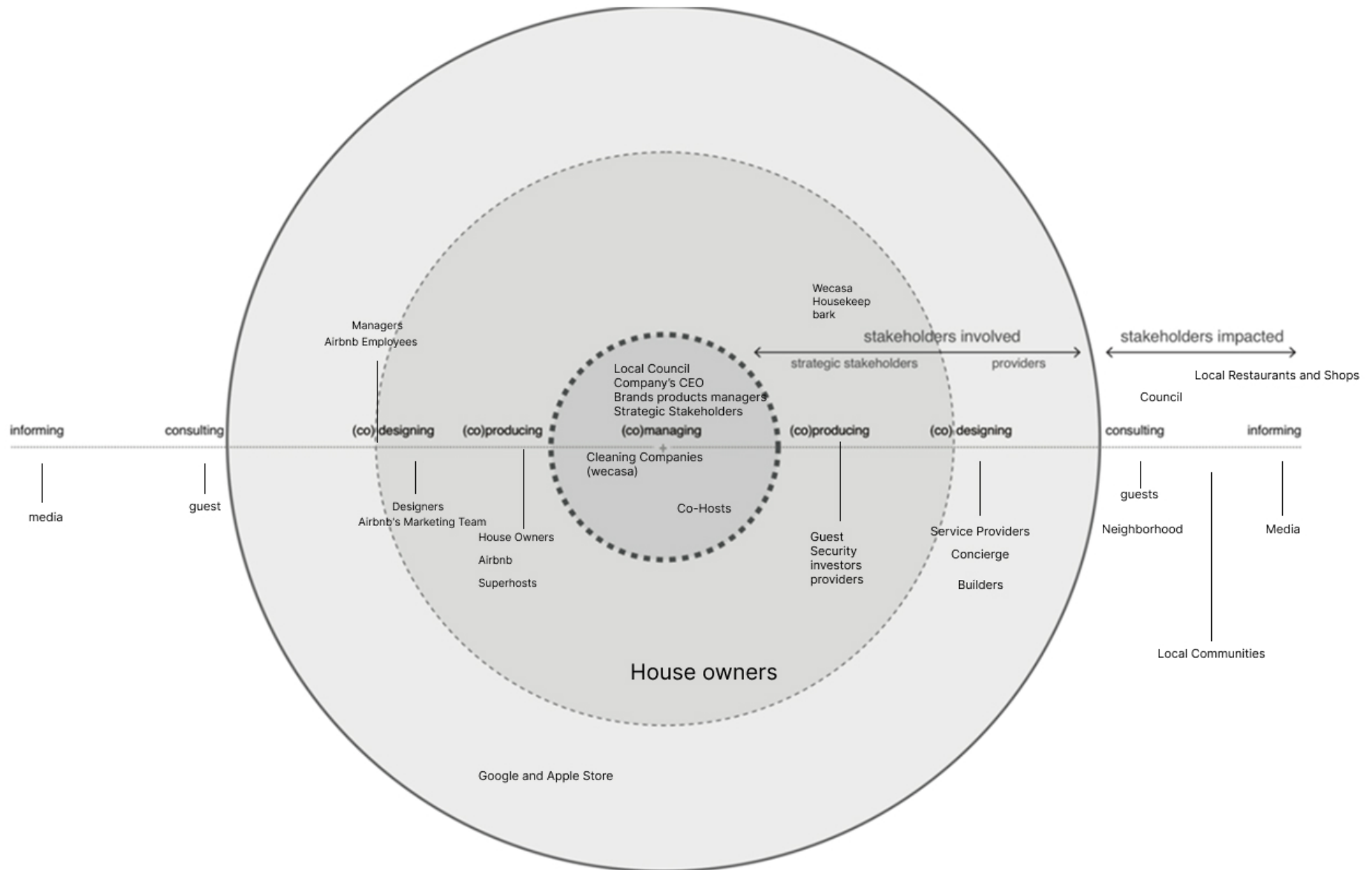
Favorite Activities



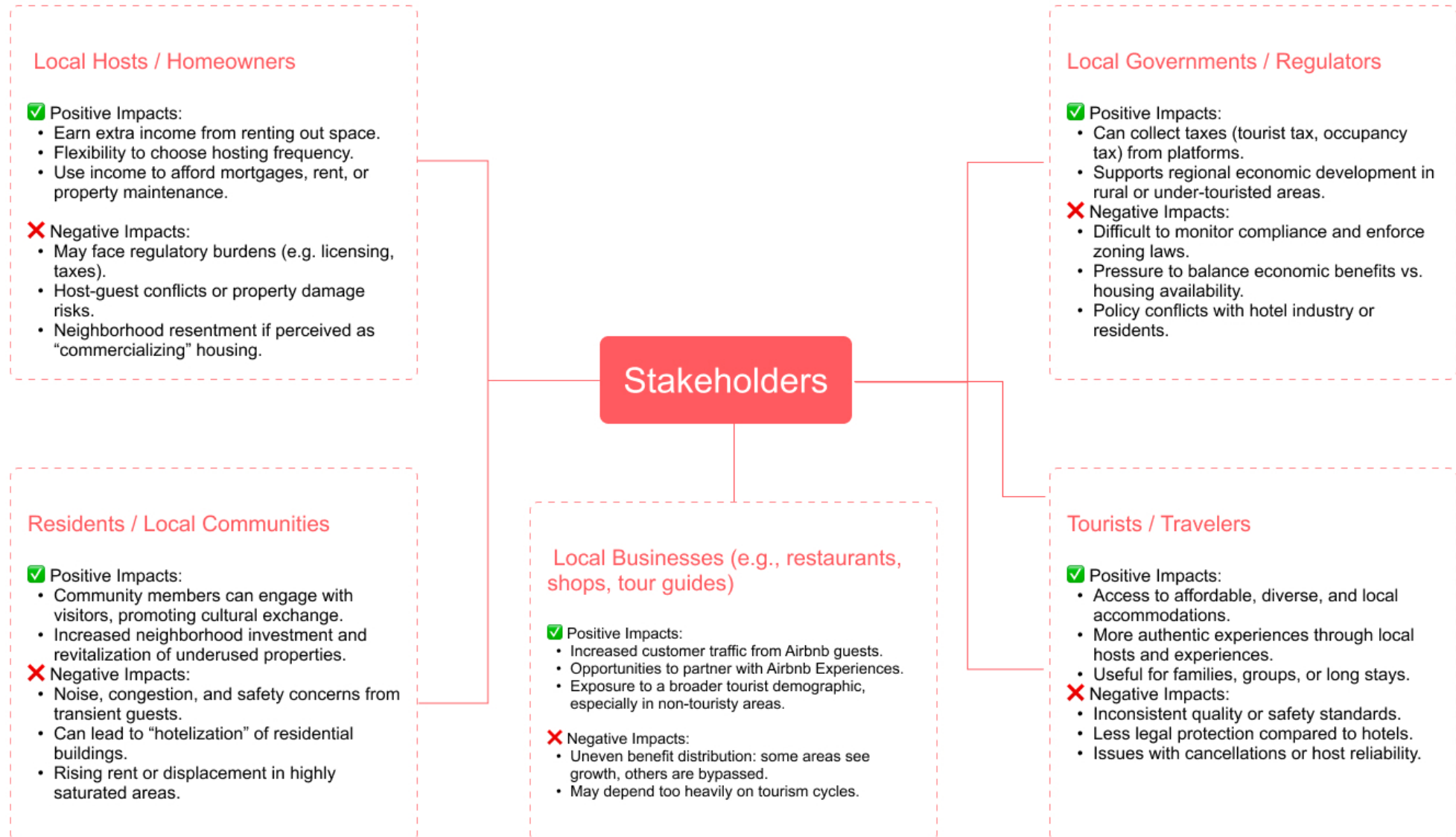
Favorite Brands



Stakeholder Map



How are the above Stakeholders affected by Airbnb?



Our take on Stakeholder Map

Airbnb Stakeholder Map Analysis: A Service Design and Co- Co-development Perspective

The stakeholder map created for Airbnb, which visually categorises the players involved in or impacted by its platform-based service model, is the focus of this analysis. The map's use of a circular structure and a vertical engagement axis is based on co-creation and service design principles. It shows how various groups interact with the Airbnb ecosystem at various levels of effect, presence, and proximity. This analysis draws on well-known frameworks for service innovation (Meroni & Sangiorgi, 2011), open innovation (Chesbrough, 2012), stakeholder theory (Freeman, 1984), and co-creation (Prahalad & Ramaswamy, 2004), and how the map was created.

Mapping Roles and Stakeholder Roles

The Stakeholder Map is organised into three concentric areas, from central management and decision-making to quiet impact and impact. A vertical line encircling these jewels displays the degree of engagement, from consulting to co-designing, co-producing, and ultimately co-managing.

The most important and engaged partners are at the centre of the image. This includes the CEO of Airbnb, co-hosts, regional councils, and partners like Wecasa, which provides cleaning services. These players coordinate program co-management, control the guidelines, maintain quality, and control local integration. Their location is consistent with Payne et al.'s key players in the (2008) value co-creation model, which collaborate to shape the service infrastructure and the desired outcomes.

House users, superhosts, Airbnb staff, software designers, and additional software facilitators like Google and Apple Stores are among those who support co-design and co-production. These parties have an impact on the user experience and service quality. Their position exemplifies Sanders and Stappers ' (2008) theory of participatory design, in which non-executive actors contribute to developing service delivery at the operational level.

Guests, neighbours, local eateries, media, and other members of the Airbnb-affiliated area make up the outer ring. Although they are usually informed or consulted, these stakeholders have little structural influence over the platform's design. However, according to Freeman (1984), their urgency and legitimacy are important because Airbnb cannot continue to exist without considering their voices.

What kinds of engagements are there?

Stakeholders are categorised according to their style of cooperation on the map's vertical axis. Celebrities who are informed but unconcerned include residents and media outlets. Local governments and friends who may be polled or engaged in feedback loops are also included in the consultation process. Co-designing includes roles like Airbnb's item designers and superhosts, who influence the visitor's knowledge. Visitors and cleaning personnel who co-produce solutions are included in the co-producing process. Co-managing, in essence, refers to people with shared tactical responsibilities, such as professionals and provincial authorities.

This three-tiered model follows Prahalad and Ramaswamy (2004)'s co-creation continuum, in which interaction emerges rather than just delivery. Additionally, it complies with Penin's (2018) philosophy of "designing the invisible" and acknowledges the underdeveloped infrastructure that supports user-facing services.

Positive and Negative Stakeholder Affect

Through their relations with Airbnb, parties experience both advantages and disadvantages.

Airbnb enables co-visitors, home proprietors, and cleaning services to generate income and get autonomy. Local governments may gain from tourist spending and tax partnerships, while customers benefit from cheap, localised apartments. Additionally, Airbnb provides visibility and demand for small businesses (Guttentag, 2015). Residents of the neighbourhood are negatively impacted by rising rents, safety concerns, and noise (Wachsmuth & Weisler, 2018). Regulatory bodies struggle with enforcement due to data asymmetry (Edelman & Geradin, 2015), while guests may experience uneven service quality. These tensions are typical of platform economies, where value and responsibility are frequently distributed inequitably (Doherty, Haugh & Lyon, 2014).

Analytical methodology

Utilising both stakeholder analysis and service design tracking, this map was created. The participants could identify them through their participation in the functional, pattern, or regulatory processes of Airbnb. Then, they were placed according to their engagement (horizontal axis) and influence (inner to outer rings). Stickdorn et al. follow this strategy. (2018) to visualise service ecosystem user touchpoints and backstage procedures.

The analysis acknowledges Airbnb's reliance on partnerships and external knowledge using open innovation logic (Chesbrough, 2012). It acknowledges the product's obligation to consider its externalities on less powerful participants simultaneously.

Conclusion

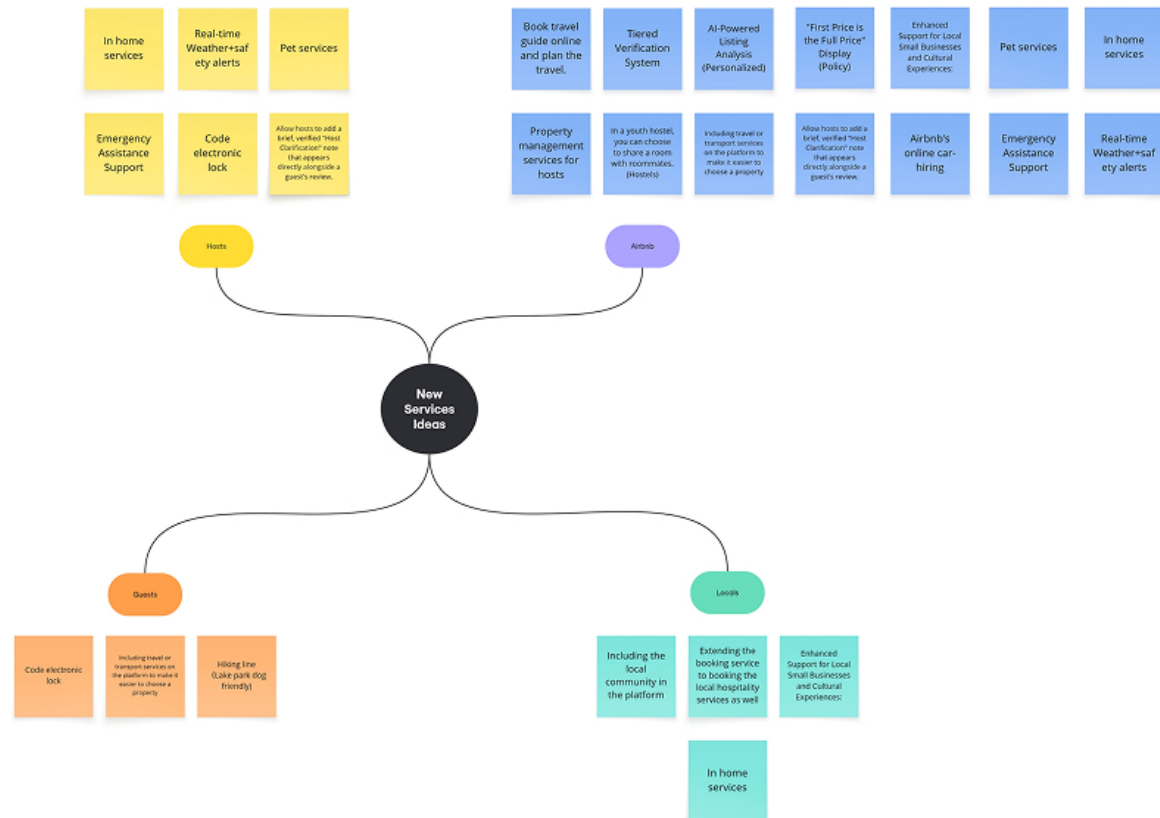
A useful diagnostic tool for realising Airbnb's company ecosystem is the Stakeholder Map. It clarifies where co-creation is most successful and where co-creation may be missing by showing how energy and cooperation are distributed. The chart recommends how Airbnb can improve participation, target stakeholder gaps, and create a more socially sustainable program using a service design and innovation perspective. According to Manzini (2015), true innovation in service design involves creating environments where everyone can contribute to change, not just those at the centre.

Ideation: Brainstorming Ideas

We began by individually brainstorming key strategies that we believed could make Airbnb's service more inclusive and improve the overall experience.



- This mind map was developed as a collaborative ideation tool to explore new service ideas for Airbnb by mapping out innovations across four key stakeholder groups: Hosts, Guests, Locals, and Airbnb itself.
- Through this exercise, the team identified several overlapping needs—such as in-home services, pet services, emergency support, and real-time safety alerts—which were purposefully repeated across multiple stakeholders to emphasize their multi-dimensional impact. For instance, in-home services benefit both hosts and locals by easing maintenance and creating job opportunities, while electronic locks enhance both guest convenience and host security.
- **Similarly, features like local cultural experiences and transport integration were positioned under both Airbnb and locals/guests to reflect their role in bridging the gap between the platform's offerings and authentic local engagement.**
- This tool helped us visualize the interconnectedness of strategies and prioritize those with broad stakeholder value.



Service Design Strategy

Proposed Service Design Strategy: Empowering Local Communities through Platform Inclusion

Our proposed service design strategy aims to transform Airbnb into a more **inclusive, community-centered** platform by integrating local entrepreneurs, small businesses, and cultural contributors directly into the Airbnb ecosystem. The central idea is to **open up the platform to local service providers—beyond just property hosts**—enabling them to list and offer authentic, location-specific services to guests.

Key Components of the Strategy

1

Local Business & Service Listings

Local restaurants, artisans, tour guides, and service providers (e.g., laundry, home-cooked meals, bike rentals) can create verified profiles and list their services on Airbnb, making them visible and bookable for travelers. This directly addresses a key insight from our primary research: many genuine local businesses were absent from the curated recommendations hosts provided.

2

Cultural Tours & Experiences by Locals

Residents with deep cultural and historical knowledge of their area can offer guided tours, storytelling walks, or workshops. These experiences enrich the guest's stay by exposing them to the heritage, traditions, and lesser-known stories of the place—moving beyond the generic tourist experience.

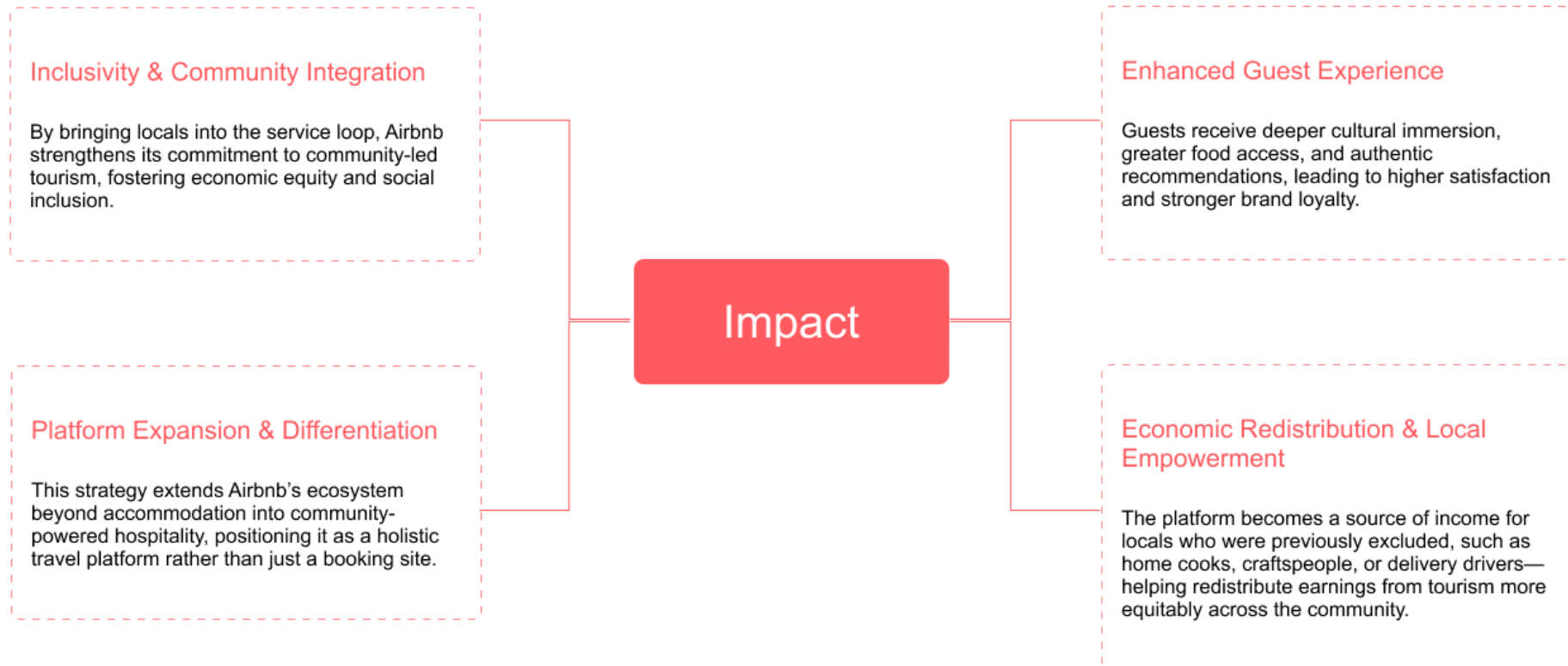
3

Post-Hours Food Delivery from Local Restaurants

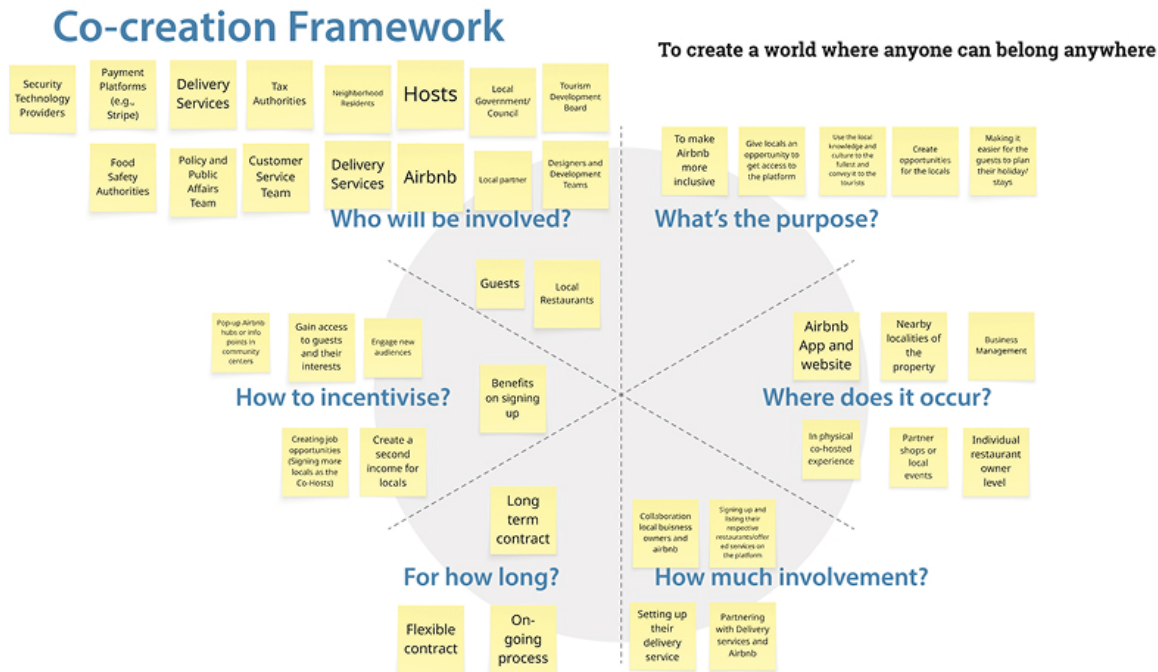
To tackle the issue of early restaurant closures and lack of food availability at night—as experienced during our fieldwork in Dorset—we propose a partnership model where local eateries can offer after-hours delivery to nearby Airbnb accommodations. Community members with vehicles can also be engaged to create a grassroots delivery network, creating new micro-employment opportunities.

Strategic Impact on Airbnb

This service design strategy ultimately transforms Airbnb into a more sustainable and socially responsible platform, enriching guest experiences while supporting the livelihoods of a broader range of stakeholders within the travel economy.



Co-creation Framework



The 'Co-creation Framework' helps us assess and align the co-creation project portfolio with the company strategy. In practice, we can use these six diagnostic questions to help us design our distinct approach to co-creation/co-innovation based on involving different stakeholders into the value chain.

The Co-creation Framework illustrates how Airbnb collaborates with various stakeholders such as hosts, local governments, and delivery services to make the platform more inclusive and locally relevant. It explores who is involved, why they engage, where collaboration happens, how they are incentivized, the duration of involvement, and the level of commitment required. This approach helps Airbnb build a more integrated and community driven experience for both guests and locals.

Airbnb Co-creation Framework Potential Identified Co-creators:

1. Local Community

1a. Hosts

1b. Guests

1c. Neighborhood Residents

2. Local Government

2a. City Hall\Local council

2b. Urban Planning and Housing Department

2c. Tourism Development Board

2d. Tax Authorities

3. Airbnb Internal Teams

3a. User Experience Design Team

3b. Data Science & Analytics Team

3c. Customer Service Team

3d. Policy and Public Affairs Team

4. Third-party Platforms & Service Providers

4a. Cleaning and Property Management Companies

4b. Payment Platforms (e.g., Stripe)

4c. Safety and Security Technology Providers

5. Global Partners & Advocacy Organizations

5a. United Nations World Tourism Organization (UNWTO)

5b. Sustainability-focused NGOs

5c. Educational and Vocational Training Institutions

6. Investors & Business Partners

6a. Venture Capital Firms

6b. Partner Brands (e.g., Home Goods, Travel Accessories)

6c. Cooperative catering company

Out take on Co-creation Framework

This co-creation model analyzes strategic partnerships within the Airbnb platform with the aim of making the service more locally embedded and inclusive. It enhances the understanding of how different stakeholders interact in a service ecosystem to co-create value. Through stakeholder mapping, visual modeling, and reflective analysis, the framework supports the development of sustainable and user-centered service innovation (Prahalad & Ramaswamy, 2004).

Our study applied the Value Co-creation Framework as a method to deconstruct the complexity of Airbnb's ecosystem and examine how the inclusion of multiple stakeholders enhances service delivery and innovation. We began by identifying and categorizing the stakeholders involved, both internal and external. This included internal Airbnb teams such as UX designers and platform engineers, and external actors such as hosts, guests, local authorities, community partners, and operational service providers like customer support and logistics. Each of these groups contributes to the service value, but in distinct and interdependent ways (Ranjan & Read, 2016). The framework helped us define six key dimensions for analysis: stakeholder identity, value proposition, co-creation location, incentives and motivations, duration of engagement, and level of involvement. Mapping these dimensions visually allowed us to identify gaps, power imbalances, and potential for innovation. For example, we noticed that while hosts and guests are deeply embedded in the value chain, local governments and community actors are often under-leveraged as partners. This insight allowed us to imagine new collaborative strategies that could improve Airbnb's integration within local contexts (Jaakkola & Hakanen, 2013).

By using this framework, we were also able to enhance our design thinking process. Specifically, the co-creation lens encouraged us to move beyond user-centered design toward a more stakeholder-centered approach. While user needs remain central, this broader approach acknowledges that long-term innovation requires a systemic perspective, incorporating the needs and constraints of all actors involved (Grönroos, 2011). This shift allowed us to frame design challenges more holistically and consider how interventions affect not just the end-user but the entire service network.

The visual mapping tool associated with the framework was particularly valuable in making abstract relationships visible and comparable. We created a stakeholder matrix that aligned each actor with their respective motivations and roles in the service process. For instance, we observed that local restaurants partnering with Airbnb experiences are motivated not only by income but also by visibility and cultural pride. Meanwhile, municipal stakeholders are more focused on issues like taxation, regulation, and neighborhood impact. Understanding these differences helped us identify shared goals and areas where value could be co-created rather than extracted (Prahalad & Ramaswamy, 2004).

In practice, the framework helped guide idea generation during group workshops. When considering how Airbnb could better serve both travelers and host communities, we used the framework to assess what value propositions were missing or underserved. This led to concepts such as co-hosting programs that involve local non-profits or tax-sharing schemes that benefit local infrastructure directly. These design outcomes were made stronger by the framework's demand for alignment between stakeholder motivation and value delivery (Ranjan & Read, 2016).

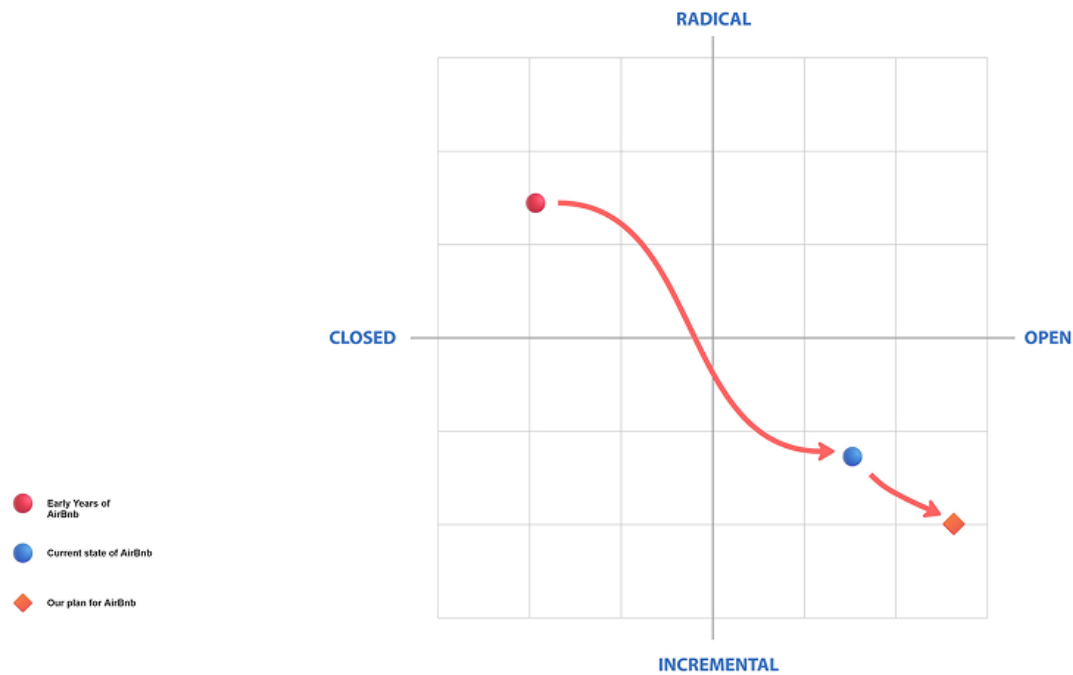
Moreover, the framework introduced a useful temporal lens by making us think about the duration and depth of engagement. Some stakeholders, such as guests, engage for short-term stays, while others like local governments or long-term hosts participate over years. This distinction is important in planning sustainable innovation strategies. For instance, initiatives aimed at long-term actors must build trust, offer consistent value, and allow for ongoing feedback, whereas short-term actors may need onboarding tools and immediate benefits (Vargo & Lusch, 2008).

Perhaps most importantly, the co-creation framework shifted our view from static service design to living systems thinking. Instead of viewing Airbnb as a finished platform offering fixed services, we began to see it as an evolving ecosystem where each actor's participation actively shapes the service experience. This understanding fostered a mindset of adaptability and iteration, both critical to design innovation (Grönroos, 2011; Vargo & Lusch, 2008).

Ultimately, this co-creation framework helped structure our innovation efforts by grounding them in stakeholder realities. It guided our mapping process, sharpened our ideation strategies, and ensured that our design solutions were inclusive, relevant, and collaborative. By using it not just as a theoretical model but as a practical framework for service design, we were able to analyze Airbnb's service more comprehensively and propose thoughtful, systems-oriented innovations.

Innovation Matrix

Innovation Matrix



The 'Innovation Matrix' is a tool that can be used to distinguish incremental, radical, open and closed innovation. Considering these aspects helps us to strategically assess and position new ventures based on novel products, services and business models.

Our take on Innovation Matrix

The strategic evolution of a firm can be effectively mapped using frameworks such as the innovation matrix, which distinguishes innovation efforts based on their degree of novelty (incremental versus radical) and their origin (closed versus open) (Chesbrough, 2003; Tidd and Bessant, 2018). The trajectory illustrated for Airbnb, showing a progression from a 'Closed' and 'Radical' inception towards an 'Open' and 'Incremental' position, represents an insightful pattern often observed in disruptive digital platform companies. This report analyses the rationale behind Airbnb's positioning during these distinct phases. Furthermore, it evaluates the proposed future strategy aiming to intensify the commitment to open and incremental innovation, giving particular consideration to the integration of social innovation principles.

Airbnb's emergence fundamentally disrupted the traditional hospitality sector, marking it as a quintessential example of radical innovation (Steenhuis and De Bruijn, 2025; Zach, Nicolau and Sharma, 2020). The founders introduced a novel peer-to-peer (P2P) business model for short-term accommodation, effectively creating a new market by leveraging underutilised private assets and connecting hosts and guests via a digital platform (Guttentag, 2015). The radical nature of this innovation lay not just in its technological application but in its fundamental redefinition of market structures and value creation processes within the accommodation industry (Schumpeter, 1934).

Consistent with the matrix, this initial phase was characterised by a predominantly 'Closed' innovation approach. The core concept, the development of the initial platform, and early market-entry strategies were largely formulated and executed internally by the founding team (Gallagher, 2017; Reinhold and Dolnicar, 2021). Such an internal focus is typical for early-stage ventures pursuing disruptive concepts, where maintaining a clear vision and exercising tight control over development are crucial for navigating uncertainty (Christensen, 1997). This 'closed' methodology facilitated rapid learning cycles and allowed the founders to maintain control over the platform's foundational architecture and evolving user experience during its critical nascent stage.

As Airbnb achieved significant growth and market presence, its innovation strategy underwent a discernible shift towards a more 'Open' and 'Incremental' model, as illustrated in the matrix. This strategic adaptation is frequently observed in firms that have successfully navigated their initial radical innovation phase and are entering a period of maturation and market consolidation (Tidd and Bessant, 2018).

The transition towards 'Open Innovation'—defined as the purposeful utilisation of inflows and outflows of knowledge to accelerate internal innovation and expand markets for external use of innovation, respectively (Chesbrough, 2003)—is evident in multiple facets of Airbnb's operations. Firstly, the platform inherently relies on user co-creation; hosts provide the core inventory and shape guest experiences, while guest reviews and data are vital inputs for platform intelligence and trust mechanisms (Reinhold and Dolnicar, 2021; Prahalad and Ramaswamy, 2004). Secondly, Airbnb has actively pursued 'outside-in' open innovation through strategic acquisitions, such as the AI company GamePlanner.AI, to rapidly integrate external technologies and expertise (Airbnb News, 2023). Thirdly, collaborations with entities like tourism boards and corporate travel platforms exemplify a 'coupled' open innovation approach, merging internal and external capabilities to create shared value (Chesbrough and Bogers, 2014).

Simultaneously, there has been a heightened focus on 'Incremental Innovation', involving smaller-scale, continuous enhancements to existing products and processes (Norman and Verganti, 2004). Examples include ongoing refinements to the platform's user interface, search algorithms, trust and safety protocols, tools for hosts, and the introduction of differentiated service tiers like 'Experiences' (Alaei et al., 2023). These incremental changes are crucial for optimising the core service offering, responding effectively to evolving user expectations, improving operational efficiency, and defending market position (Tidd and Bessant, 2018).

The proposed strategic direction to further embed Airbnb within the 'Open' and 'Incremental' quadrant represents a logical step for a platform of its scale and maturity. This strategy offers several potential benefits, including enhanced responsiveness through access to a wider ecosystem of ideas (West and Bogers, 2014), continuous value refinement via ongoing optimisation (Lin, Chen and Wang, 2022), reduced risk compared to radical ventures, and the potential for richer ecosystem development involving third-party contributions (Tidd and Bessant, 2018).

This future strategy also presents significant opportunities to integrate social innovation principles—developing novel solutions to social problems that are more effective, efficient, or just (Phills Jr, Deiglmeier and Miller, 2008; Pol and Ville, 2009). Greater 'openness' can facilitate collaboration with communities, local authorities, and social enterprises to co-design solutions addressing socio-economic impacts like housing affordability or responsible tourism (Moulaert et al., 2005). 'Incremental' innovations can be purposefully directed towards enhancing social value, such as improving accessibility features, promoting sustainable travel options, or increasing transparency around community impacts (Edelman and Geradin, 2016).

Meeting Minutes

#1

Meeting minutes

Date: 25 March, 2025

Time: 2 pm- 5pm

Members: Ankita, Ariana and Ekshaya

Location: University (In person)

ACTION POINTS

- Introduction
- Member about different versions
- Established a list of people
- Goals
- Agenda items
- Setting of the group
- Meeting


AGENDA

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

PLANS

- Analysis of the situation
- 2024 report and looking for the future
- Establish a common goal

PICTURES



#2

Meeting minutes

Date: 26 March, 2025

Time: 2 pm-5pm

Members: Ankita, Ariana, Ekshaya and Shea

Location: University (In person)

ACTION POINTS

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks


AGENDA

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

PLANS

- Analysis of the situation
- 2024 report and looking for the future
- Establish a common goal

PICTURES



#3

Meeting minutes

Date: 22 April, 2025

Time: 2 pm-5pm

Members: Ankita, Ariana and Shea

Location: Microsoft Teams (Online)

ACTION POINTS

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

AGENDA

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

PLANS

- Analysis of the situation
- 2024 report and looking for the future
- Establish a common goal

PICTURES



#4

Meeting minutes

Date: 1 May, 2025

Time: 4:30pm - 5pm

Members: Ankita and Ekshaya

Location: University (In person)

ACTION POINTS

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks


AGENDA

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

PLANS

- Analysis of the situation
- 2024 report and looking for the future
- Establish a common goal

PICTURES



#5

Meeting minutes

Date: 2 May, 2025

Time: 2 pm- 5 pm

Members: Ankita, Ariana, Shea and Xiao

Location: University (In person)

ACTION POINTS

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks


AGENDA

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

PLANS

- Analysis of the situation
- 2024 report and looking for the future
- Establish a common goal

PICTURES



#6

Meeting minutes

Date: 6 May, 2025

Time: 2 pm- 5 pm

Members: Ankita, Ariana, Ekshaya, Shea and Xiao

Location: University (In person)

ACTION POINTS

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

AGENDA

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

PLANS

- Analysis of the situation
- 2024 report and looking for the future
- Establish a common goal

PICTURES



#7

Meeting minutes

Date: 7 May, 2025

Time: 2 pm- 5 pm

Members: Ankita, Ariana, Ekshaya, Shea and Xiao

Location: University (In person)

ACTION POINTS

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

AGENDA

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

PLANS

- Analysis of the situation
- 2024 report and looking for the future
- Establish a common goal

PICTURES



#8

Meeting minutes

Date: 9 May, 2025

Time: 4 pm- 5 pm

Members: Ankita, Ariana and Shea

Location: University (In person)

ACTION POINTS

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks


AGENDA

- Introduction of the group
- Define a common name
- Define a common goal
- Define a common timeline
- Follow up the tasks

PLANS

- Analysis of the situation
- 2024 report and looking for the future
- Establish a common goal

PICTURES



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