

Hotel Executive Voices: How should the hotel industry respond to the rise of Airbnb?

By *Jessica Festa* July 17, 2015 12:00 pm



NYC Airbnb listing. Photo courtesy of Jessica Festa.

There's no doubt [Airbnb](#) is a successful company. Offering truly local experiences with everything from a small [€1 per night apartment in Berlin](#) to [awesome properties for savvy business travelers](#), the company has captured the hearts of travelers wanting a more local, often budget-friendly experience.

But what does this mean for the competition? Five hotel CEOs respond:

1. David Hart, President & CEO of [Hart Hotels](#):

“Airbnb has certainly gained a foothold in the industry and is a growing segment of lodging inventory. We’re reacting to its growth as we do with any other competitor in keeping our standards, service, cleanliness and product quality razor-sharp. Our hotels were developed based on a specific price point and we work very hard to maintain and gradually increase that price point over time by creating a great price/value proposition.”

2. Larry Korman, President of [AKA](#):

“With the current hotel boom in places like New York City, some are saying that [the future of hospitality is extended stay](#) – the revenues of a hotel with the limited-service low costs of a residence. According to researcher Mark Skinner of The Highland Group, in London, there has been a major growth in serviced residences and they now comprise over 40% of the market.”

3. Mike DeFrino, CEO of [Kimpton Hotels & Restaurants](#):

“Both Kimpton and Airbnb guests share a similar sense of adventure: they’re seeking out the local, the authentic, and shun anything that’s formulaic. And it’s not just the buildings themselves; our employees know what’s unique and off the beaten path and share these tips with guests to create truly personalized local experiences. We expect to coexist and compete with Airbnb into the future.”

4. David Berg, CEO of [Carlson Hospitality Group](#):

“The desire for an authentic ‘local’ experience is a growing trend among all traveler segments but tends to have an elevated importance among millennials who are estimated to represent 50% of all business travelers by 2020. The success of Airbnb can be credited in part to this desired experience. But where hotels still have the advantage is being able to provide that holistic guest experience that comes with great service and amenities.”

5. Radha Arora, President of [Rosewood Hotels & Resorts](#):

“While Airbnb is undoubtedly a very successful company, it does not present as much of a challenge to ultra-luxury hotel brands as it perhaps does to other sectors of the hospitality industry. Checking into a 5-star hotel is a completely different experience from staying at an Airbnb property. Luxury hotel brands, such as Rosewood, are equipped to offer a level and style of service that Airbnb simply cannot match.”

Jessica Festa is the founder on the solo and offbeat travel blog, [Jessie on a Journey](#), and the online responsible tourism and culture magazine, [Epicure & Culture](#). She’s constantly searching for local experiences beyond the guidebook. You can follow her travels on [Facebook](#), [Twitter](#) and [Instagram](#).