

Brian Ferdinand (YouRent): Short-term rental market is still in its infancy stages and somewhat fragmented

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TravelDailyNews: You saw an underserved industry demand for short-term lodging. How strong do you believe this demand is and in which markets; (geographically speaking)?

Brian Ferdinand: There has been a serious proliferation of short-term vacation rental companies that have garnered tremendous success, such as Airbnb and Vacasa. Simultaneously, there is major consolidation taking place in this space. By example, Expedia recently acquired HomeAway.

It is irrefutable that there is much pent up demand in the market for short-term lodging providers. Further proof is the fact that our occupancy rates across YouRent's portfolio is consistently close to 90 percent.

Overall, the short-term rental market is still in its infancy stages and somewhat fragmented. I believe we will continue to see more consolidation and then will grow into a more efficient marketplace. At YouRent, we are continuing to focus on acquiring units in urban core areas with high density, demand and traffic. Our future plans would only include metro areas such as London, Paris and Frankfurt, where financial hubs, major traffic and tourist attractions are typically found.

TDN: How does the "bleasure" trend affect short-term lodging; If it has an affect, that is...

BF: As you know, business travelers most often have a limited amount of time in the city where they are visiting. If they choose to turn their business trip into a hybrid or pleasure, ("bleasure" trend -combination of business/pleasure traveler) they typically want to localize their experience when they bring their family members to join. YouRent travelers pay the same nightly rate as a hotel stay (or less), yet have the comfort of relaxing in a significantly- more spacious room with a kitchen (and other added features). Plus, with the in-unit kitchen amenity, our guests can save on food costs and other hotel-related charges in order to allot travel dollars for other activities.

TDN: Which are the factors that are driving this marketplace to rapidly develop?

BF: This marketplace has ultimately created a viable alternative to the hotel industry that is a better product, offers significantly more space, and is of far better value. Additionally, guests have access to amenities built for residential communities such as fitness centers and pools, thereby, getting the full local experience.

Companies such as Airbnb opened up this space for short-term vacation rental because people desired that experience - to feel like a local, to come and go as they please, and the privacy/security feature. With the growth of more companies in this industry, it has become widely accepted and people are more open to the idea. In the past, there was almost a stigma attached to this marketplace, but not any longer. Quality control checks were once not in place, units were not professionally managed, etc. People now feel secure and comfortable with the short-term residential product. YouRent operates like a hotel and provides guests with the same level of services.

TDN: Both Corporate and Vacation travelers are more demanding, highly-sophisticated and with greater choices and access to information. What are their demands on short-term rental in terms of technology and human interaction (services)?

BF: People are definitely more savvy and educated. The point of booking and sales is much more technologically-driven and happens in an instance. Guests read about our services, can instantly click, secure a unit, and know exactly what product they are selecting. Next, they receive an email or phone call with an introduction to our concierge services, fully accessible on their phone.

Guests can then enjoy wandering around the city knowing that any questions or services are at their fingertips. Travelers today have evolved to a level of sophistication where they are no longer using their

hotel as a source of information in a new city. The bulk of what they need is accessible on their phones and the rest is taken care of through our around-the-clock concierge services.

TDN: Where does the YouRent model differ from other short-term rental companies?

BF: We focus on high-density urban core areas that are very well-populated and surrounded by many hotels. Where YouRent differs from other companies is that our platform is built on accumulating and managing our own inventory of units, primarily in ‘Class A,’ multi-family properties, through long-term and master lease agreements. This allows us to offer a product that is more standardized in quality and design, similar to that of a hotel.

Our goal is to provide the best possible customer experience, and to do so, we need to operate in close proximity to a city’s core. This gives us access to our cleaning team, emergency services, if needed, concierge services and maintenance. The outcome is a far more reliable product that mirrors a hotel and delivers a similar guest experience. We are growing, currently scaling rapidly through property acquisitions and partnering with large property management firms and institutional investors.

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