

Wednesday, 2 May 2018

Melbourne way ahead of Sydney as ‘Airbnb hub’

Australians are increasingly choosing to stay in rented houses or rented serviced apartments when they travel. Some 10.4% of travelers stayed in this type of accommodation on their last trip according to Roy Morgan travel research conducted in the year to March 2018. This is substantially higher than a decade ago when only 7.1% stayed in rented accommodation.

Melbourne is Australia’s favoured destination with Airbnb travelers. 11.6% of people who visited Victoria’s capital city on their last trip stayed in either rented houses or rented serviced apartments on that trip, up 3% on a decade ago.

In comparison only 8.5% of people who visited New South Wales capital Sydney on their last trip stayed in either rented houses or rented serviced apartments on that trip, up 1.3% on ten years ago.

Queensland capital city Brisbane has also seen strong growth in this type of accommodation being utilised with 11.4% of people who visited Brisbane on their last trip stayed in either rented houses or rented serviced apartments on that trip compared to 7.2% in 2008.

In post mining boom Perth the trend is reversed now only 4.2% of people who visited the WA capital on their last trip stayed in rented houses or rented serviced apartments on that trip, less than half the levels of a decade ago when the mining boom was in full swing.

Australian travelers who stayed in rented houses or rented serviced apartments on last trip

	12m to March 2008	12m to March 2018	% change	change ('000s)
Melbourne	8.6% (66,000)	11.6% (104,000)	+3.0%	+38
Sydney	7.2% (45,000)	8.5% (66,000)	+1.3%	+21
Brisbane	7.2% (34,000)	11.4% (56,000)	+4.2%	+22
Perth	8.8% (22,000)	4.2% (10,000)	-4.6%	-12
Adelaide	5.6% (14,000)	12.6% (37,000)	+7.0%	+23

Source: Roy Morgan Single Source (Australia), April 2007 – March 2008, n=14,599. April 2017 – March 2018, n=9,893. **Base:** Australians who have been on a trip in the last 12 months.

Gary Morgan, Executive Chairman Roy Morgan and candidate for Melbourne Lord Mayor says the increasing prevalence of short-term Airbnb type accommodation proliferating is a huge problem for Australia’s capital cities:

“Airbnb was founded in mid-2008 and over the last decade has been a spectacularly successful business for its investors and for travelers worldwide looking for cheap accommodation.

“Unfortunately, there is a price to pay for this cut-rate accommodation and it is being paid for by apartment buyers and developers who are suffering from a reduction in apartment values caused by short-term travelers.

“Melbourne has seen a huge surge in apartments being used for Airbnb short-term accommodation over the last decade and this has cut the value of apartments. These apartments weren’t originally bought or sold on the understanding they would be used as a revolving door by travelers from both Australia and overseas.

“It is vital that the Lord Mayor of Melbourne pushes for legislative action from the State Government to ensure that people renting such apartments stay for a minimum of one month

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which forces the traveler to invest in the maintenance of the apartment and surrounding amenities.

“As Lord Mayor I will ask (forcefully) for the State Government to prevent apartments being used (and vandalised) by short-term visitors that downgrades the value of apartments and leads to a poorer overall amenity for the city and for residents in Melbourne.”

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About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 70 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

