PhD in Management, Production and Design

Research Title:

Sharing economy and incumbents: The impact of online platforms in the hospitality industry

Funded by	DIGEP/DIST/FULL

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| Context of the research activity | Recently, with the advent of digital and multi-sided markets, many industries have seen changes of their competitive dynamics. Under this context, the rise of sharing economy has changed the way people make use of under-utilized goods and the competition dynamics between incumbents and new players.

One sector that has been more revolutionized by the sharing economy is the tourism industry, given the rise of many new intermediaries and new players, and given new mechanisms of intermediation over the Internet that are marginalising the role of traditional 'bricks-and-mortar' travel agencies, and are changing the way travellers' experiences are created and shared. Among them, Airbnb, an online marketplace that enable people to list, find and book rooms around the world through an online portal, has very quickly changed the rule of competition of the hospitality industry. Having a strong position in the tourism sector, Airbnb has become a new competitor of hotels that need to understand how reacting and competing against it.

Previous research has already studied the impact of Airbnb on the hotel industry, but contradictory evidences emerged. On the one hand, some studies demonstrated that a 1% increase in Airbnb supply decreases hotel revenue by 0.04%, instead other studies did not find any negative impact of Airbnb supply on hotel performance. According to this contradictory findings, further investigations are needed to understand the impact of Airbnb in the hospitality industry. Furthermore, since trust is crucial in online transactions, another important field of study is related to the impact of trust on hosts' |
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	ability to rent their accommodations and on customers' acceptance rate. Indeed, reputation systems are essential for Airbnb since peers usually do not know each other so they have the double goal to introduce both sides and ensure that their conduct will be fair. For instance, studies demonstrated that trust is positively correlated with price since superhost badge pushes up price. This research activity fits FULL-The Future Urban Legacy Lab, based at Polito, since FULL aims at providing knowledge and action in the field of relevant global urban challenges and to support local decision-making processes. The acronym FULL welds legacy and future, which are intended as the socio-technical products of layering processes in space and time. The shared interest of FULL and the PhD program in Management, Production and Design is to highlight an interdisciplinary approach to urban and regional studies integrating social sciences to technical ones. Accordingly, this research activity will support FULL in understanding the challenges related to the tourism sector and to provide support locally to decision-making processes in the tourism sector. The candidate will join this interdisciplinary team of experts and collaborate daily with them. In order to perform his/her research activities, the candidate will use the database that FULL will make at his/her disposal which contains all information of Airbnb in Europe. It is composed by three sources of information: properties, monthly and daily transactions.

Objectives	PhD research work will be threefold: • Study the business model of online platforms. • Investigate the impacts of Airbnb in the accommodation industry. • Provide advice for locally decision-making processes by assessing specific scenarios according to different kind of cities (cities with mass tourism vs niche cities). Econometrics and statistical methods will be used by the candidate to handle data and achieve these goals.

Skills and competencies for the development of the activity	We welcome candidates with a strong independent and critical thinking; competences in the field of urban studies; skills in the use of the various sources of urban research. The PhD candidate is requested to work in a multidisciplinary team. The candidate should also have good knowledge of econometrics and statistical methods. Knowledge of another European language and previous international experiences will be appreciated.