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AS Malaysians await the announcement and tabling of Budget 2024 tomorrow, some stakeholders in the tourism industry have already prepared their own lists of what they hope to see next year.

Digital platform Airbnb's "wishlist" mainly focuses on the potential of the home-sharing business module in the hospitality sector in Malaysia. In a statement, the company says that short-term rental accommodations or STRA are set to play an important role in the travel industry as it continues to rebound and recover.

According to the statement, "... as travel rebounds, hosting on Airbnb helps many Malaysians generate an extra source of income". Airbnb also says that it hopes the federal government supports and endorses the national STRA Guidelines that are currently being developed by relevant authorities, with feedback from various tourism stakeholders.

Set to be the first of its kind in South-East Asia, the guidelines demonstrate Malaysia's commitment in embracing technology and innovation in tourism.

The company also hopes that STRA hosts are included in all incentive allocations given to traditional tourism players.

"To ensure that all tourism accommodation players can benefit from government incentives, Airbnb calls for several key incentives – currently dedicated only to traditional players in the tourism sector – to be extended to STRA hosts (both individuals and SMEs)," says the statement, which is attributed to Mich Goh, Airbnb's head of public policy for South-East Asia, India, Hong Kong and Taiwan.

The company also "encourages" the government to "... leverage STRA activities as an additional income generator and set up special initiatives in partnership with participating financial institutions.

These initiatives could offer low interest financing schemes to support young Malaysians in

## Home-sharing potential



FRIM in KL is a popular attraction among both domestic and foreign tourists. – FAIHAN GHANI/The Star

purchasing their first property."

In a separate statement, the company cited its contributions to the Malaysian GDP for 2022. According to a report conducted by Oxford Economics (commissioned by Airbnb), the platform contributed around RM7bil to the Malaysian GDP – 4.9% of the tourism industry's total contribution to the GDP – and supported around 57,000 jobs last year. (This report presented results for a 12-month period up to and including March 2023.)

Based on the report, Airbnb guests spent over six times more on non-accommodation activities like shopping, dining, transportation, than they did on accommodation.

Meanwhile, domestic travellers made up 81% of the company's guests, up from 63% in 2019. Domestic guest spending in 2022 also totalled nearly RM4bil, which is 58% of the total Airbnb guest spend in Malaysia.

In 2019, domestic guest spending was only 35% of the total.

The top Malaysian five states and territories that benefitted the most from the platform's activities were Kuala Lumpur, Selangor, Johor, Penang and Sabah. In Selangor, especially,

Airbnb guest spending was RM1bil, up 85% from 2019.

Amanpreet Bajaj, Airbnb's general manager of South-East Asia, India, Hong Kong and Taiwan said: "Domestic travellers have been crucial to the tourism sector's resilience over the past three years, as Malaysian guests saw opportunities in domestic travel as a substitute for international holidays. Self-drive and regional trips grew in popularity, which led to a wider dispersion of tourism spending outside traditional hotspots in Malaysia.

"The economic contribution to the GDP and jobs driven by travel on Airbnb in Malaysia has created powerful economic ripple effects that have enabled the growth of local businesses, such as shops, restaurants, bars, and cafes – which are often central to how travellers experience a destination – and created job opportunities for the locals."

The report also explores two profound changes in travel behaviour since the pandemic – the dispersal of tourism away from urban areas, and long-term stays driven by the emergence of flexible work arrangements, according to the statement.