

2023.04

YANOLJA
RESEARCH

**MONTHLY
BRIEF**

yanolja research

CONTENTS

Issue	Short Report on the Airbnb Market in South Korea	03
Appendix	Key Economic Indicators	08

Issue

Short Report on the Airbnb Market in South Korea

Key Findings

- As of February 2023, there are 73,297 Airbnb listings in South Korea. The top 3 regions are Seoul at 19.9%, Jeju at 18.2%, and Gyeongsang region (Gyeongsang-do/ Daegu/ Ulsan) at 13.1%.
- Monthly average Airbnb listings have recorded a continuous growth rate of 27.9% per year, except for 2020, which was in the midst of the COVID-19 pandemic.
- As of February 2023, apartments/houses are the most commonly offered type of lodging, accounting for 51.0% of all listings. This is followed by pensions at 29.8% and guesthouses at 9.8%.
- The average daily rate in 2022 was 139,559 KRW (108.02 USD), the occupancy rate 51.8%, and the revenue per available room 69,137 KRW (53.51 USD).
- By the end of 2022, there were over 16.06 million cumulative bookings, with 4.66 million bookings made in 2022, the highest ever recorded.
- The cumulative transaction amount is 3.52 trillion KRW (2.72 billion USD) by December 2022, with 1.13 trillion KRW (873.76 million USD) recorded in 2022, also the highest ever amount.

Data Source & Cleaning

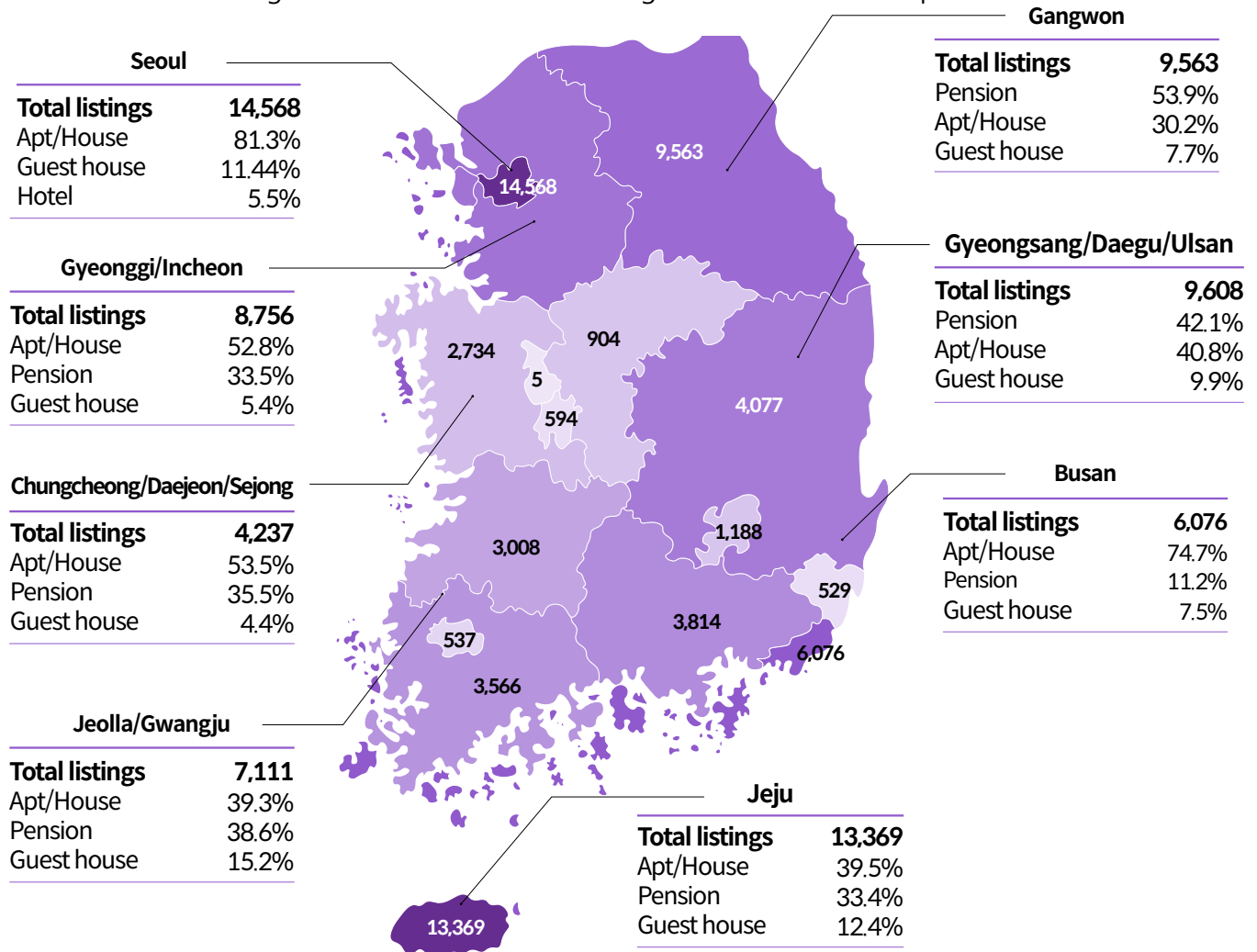
- Monthly performance data of Airbnb listings in South Korea from AirDNA
- Data collection period: June 2014 – February 2023
- Only active listings registered on the Airbnb website with at least one reservation day or one available day in the corresponding month are included in the analysis.
- Listings with average daily rates less than 10,000 KRW or greater than or equal to 3 million KRW are excluded when calculating transaction amount, average daily rate (ADR), and revenue per available room (RevPAR).
- This study applied the average mid-market rate of the year.¹

2014	2015	2016	2017	2018	2019	2020	2021	2022
1,053.22	1,131.49	1,097.49	1,130.84	1,100.30	1,165.65	1,180.05	1,144.42	1,291.95

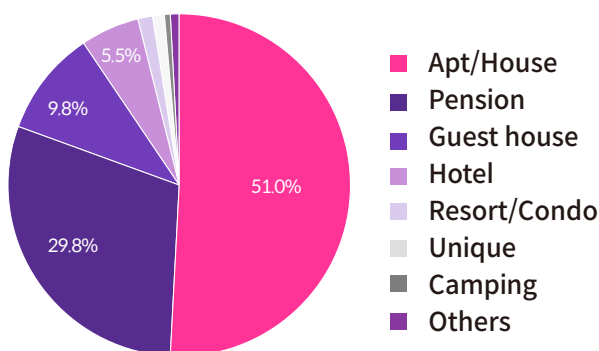
1. <https://www.ibk.co.kr/fxtr/yearavgdList.ibk>

1.Snapshot of Airbnb Market in South Korea (as of February 2023)

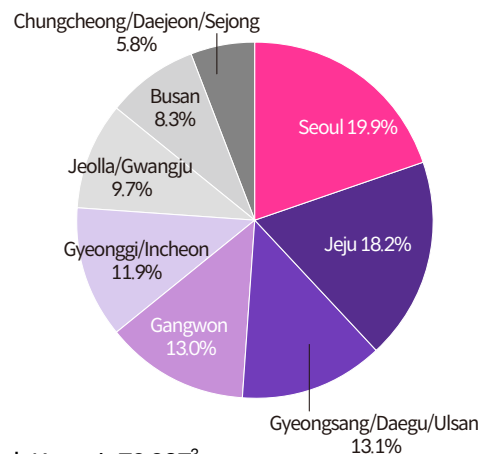
Regional Distribution of Airbnb Listings in South Korea as of April 2023



Listings by Property Type



Listings by Region



- As of February 2023, the number of active listings² on Airbnb in South Korea is 73,297³.
- The largest category is apartments/houses, accounting for 51.0% of the total listings, followed by pensions at 29.8% and guesthouses at 9.8%.
- In terms of regional distribution, listings are rather evenly distributed across most regions except for Chungcheong region (Chungcheong-do/Daejeon/Sejong), Busan, and Jeolla region (Jeolla/Gwangju). Seoul has the most Airbnb listings with 14,568, accounting for 19.9% of the total listings, followed by Jeju with 13,369 (18.2%), Gyeongsang region (Gyeongsang-do/Daegu/Ulsan) with 9,608 (13.1%), and Gangwon with 9,563 (13.0%).

2. Active listings are the accommodations with at least one reservation day or one available day in the corresponding month.

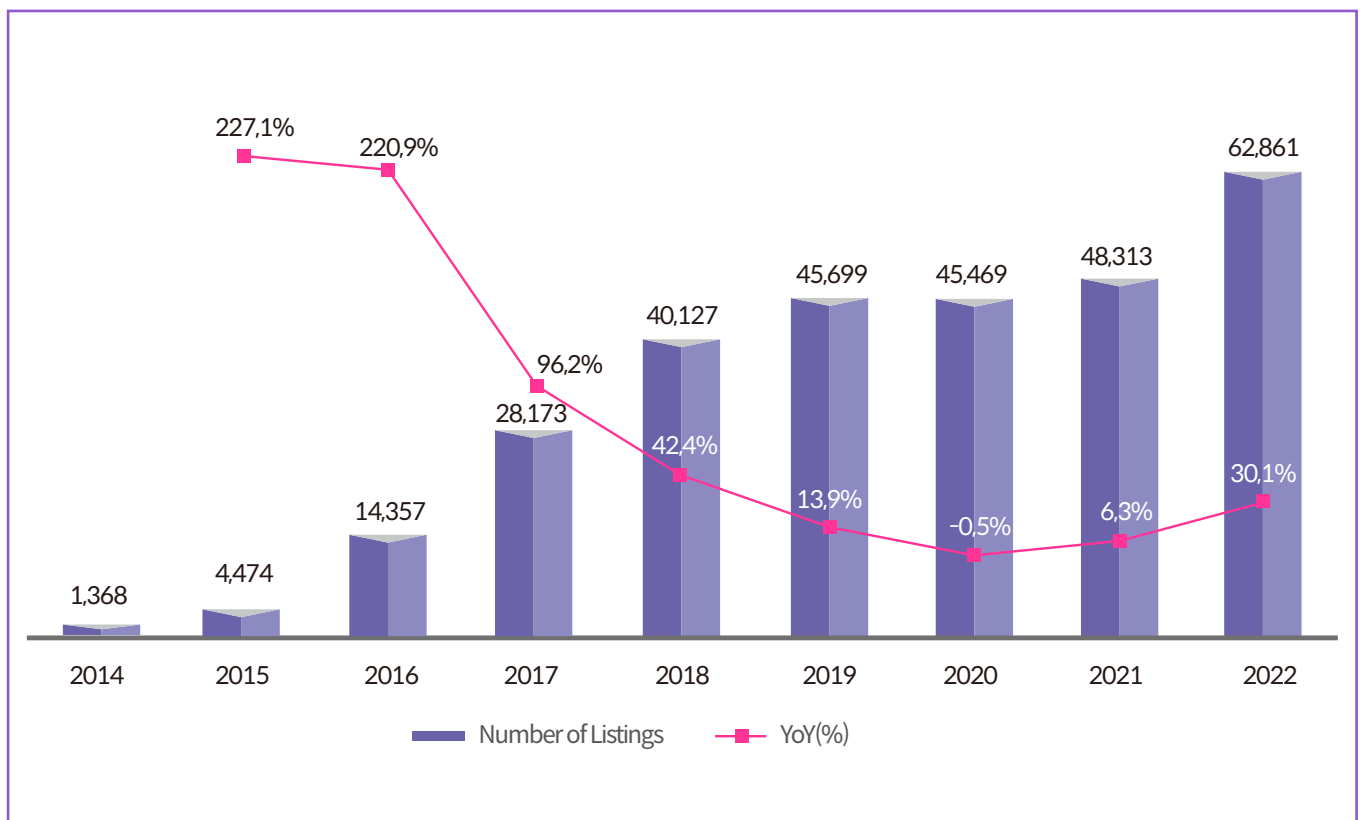
3. Out of 73,297 listings, nine were regionally unclassified.

2. Airbnb Market Trends in South Korea

2.1 Monthly Average Number of Airbnb Listings

- The monthly average number of Airbnb listings has steadily grown throughout the entire period, except for 2020.
- The monthly average number of listings increased from 14,357 in 2016 to 62,861 in 2022, with a CAGR⁴ of 27.9%.
- The total number of listings rose from 48,313 in 2021 to 62,861 in 2022, a 30.1% year-over-year increase, as the impact of the COVID-19 decreased.
- The total number of Airbnb listings⁵ in 2022 was 754,329.

The Monthly Average Number of Airbnb Listings



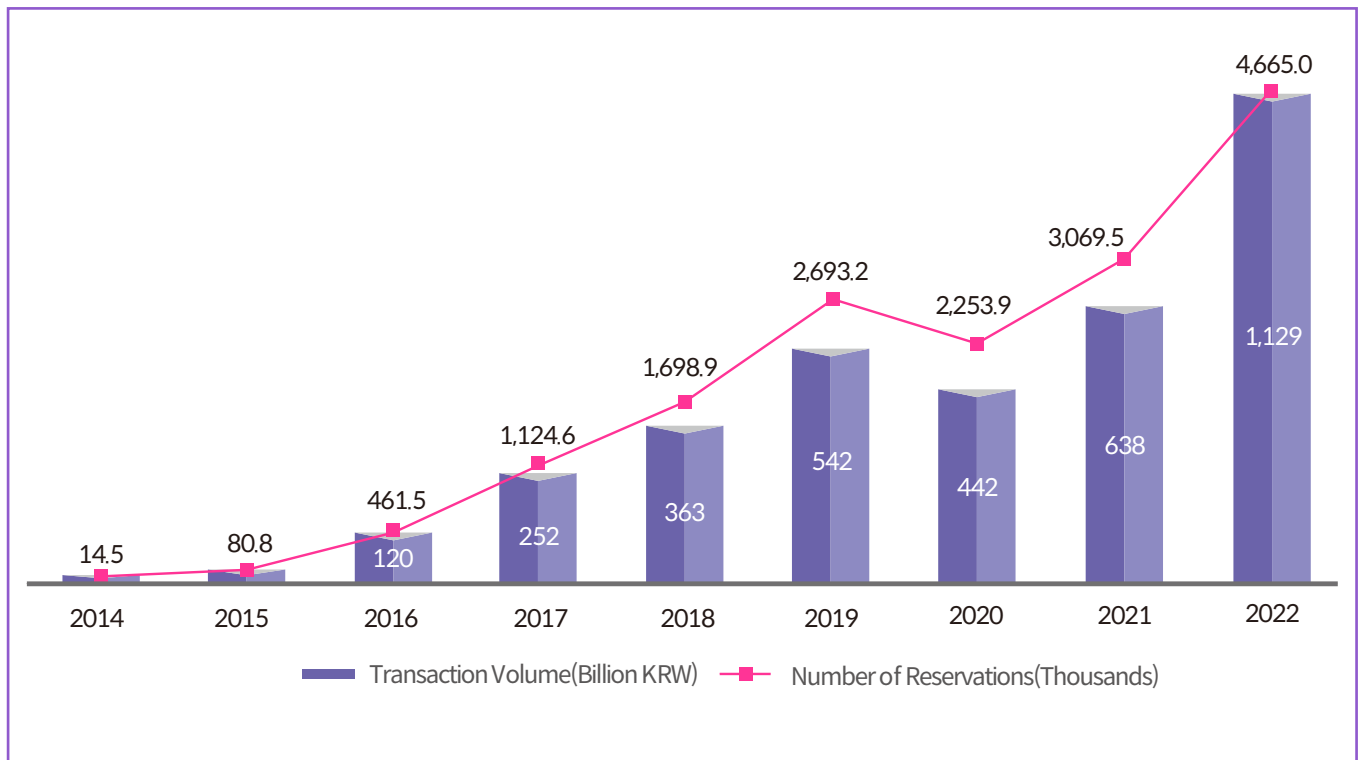
4. Compound Annual Growth Rate

5. The sum of active listings in the corresponding year. For example, if Listing A has been active for 3 months and Listing B for a month in 2022, the total number of active listings in 2022 would be 4.

2.2 Number of Reservations and Transaction Volume

- With the exception of 2020, the number of Airbnb bookings and the annual transaction volume have steadily increased.
- The annual transaction volume has grown at a CAGR of 45.2%, from 120.38 billion KRW (109.69 million USD) in 2016 to 1.13 trillion KRW (873.76 million USD) in 2022.
- The total number of annual bookings has increased from 461,476 in 2016 to 4,664,963 in 2022, with a CAGR of 47.0%.
- Due to the COVID-19 pandemic, the annual transaction volume in 2020 decreased by 18.5% compared to the previous year, but it rebounded in 2022 and reached an all-time high.
- Likewise, the number of bookings in 2020 witnessed a 16.2% year-over-year decrease, but in 2022, it rebounded to reach the highest number of bookings ever recorded.

Number of Reservations and Transaction Volume

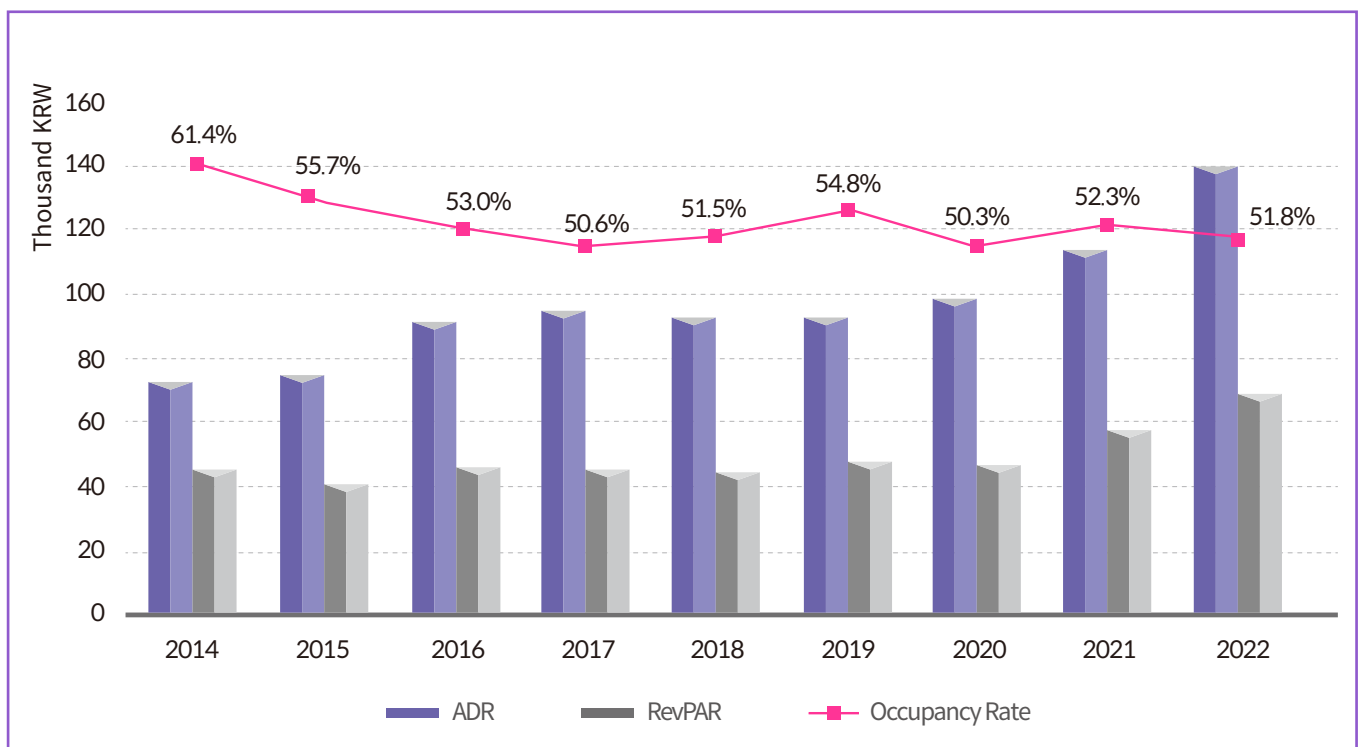


3. ADR/ Occupancy Rate/ RevPAR

3.1 Monthly Average ADR/ Occupancy Rate/ RevPAR

- Overall, there is an inverse relationship between the average daily rate and occupancy rate.
- The average daily rate per month has grown at a CAGR of 7.3%, from 91,240 KRW (83.14 USD) in 2016 to 139,559 KRW (108.02 USD) in 2022.
- The monthly average occupancy rate has steadily declined from 2014 to 2017 due to a rapid increase in the number of listings but appeared to recover in 2018 and 2019 with an increase in inbound tourists, only to decline by 4.5%P due to the outbreak of COVID-19.
- The monthly average revenue per room has stayed in the 40,000 KRW range until 2020 but has since sharply increased to 57,857 KRW (50.56 USD) in 2021 and 69,137 KRW (53.51 USD) in 2022.

Average ADR/Occupancy Rate/RevPAR



Average ADR/Occupancy Rate/RevPAR

	2014	2015	2016	2017	2018	2019	2020	2021	2022
ADR(KRW)	73,022	75,216	91,240	94,520	92,810	92,464	98,203	113,350	139,559
Occupancy Rate	61.4%	55.7%	53.0%	50.6%	51.5%	54.8%	50.3%	52.3%	51.8%
RevPAR (KRW)	45,317	41,047	45,981	45,662	44,896	48,152	47,108	57,857	69,137

Appendix

Key Economic Indicators

Indicator	Statistics	Measure	2018	2019	2020	2021	2022	22.03	22.04	22.05	22.06	22.07	22.08	22.09	22.10	22.11	22.12	23.01	23.02	23.03
General Economics	GDP Growth Rate ¹	Real GDP Growth(%)	29	22	-07	4.1	26				07(Q2)			03(Q3)			-04(Q4)			03(Q1)
		Private Consumption Growth(%)	32	21	-48	37	43				29(Q2)			17(Q3)			-06(Q4)			05(Q1)
	Composite Indexes of Business Indicators ²	Leading Indicator	942*	960*	1000*	1062*	1087*	107.7	108.0	108.5	108.9	109.0	109.1	109.3	109.5	109.6	109.4	109.4	109.4	
		Coincident Indicator	983*	997*	1000*	1038*	1083*	107.7	107.6	107.8	108.0	108.5	109.1	109.3	109.3	108.9	108.4	108.3	108.9	
		Lagging Indicator	950*	978*	1000*	103.7*	109.5*	107.7	108.1	108.5	109.0	109.7	110.3	110.8	111.3	111.8	112.4	112.7	112.9	
Business Trends	Business Survey Index ³	Total	94.1*	90.8*	81.5*	101.4*	94.0*	102.1	99.1	97.2	96.3	92.6	86.9	95.8	89.6	86.7	85.4	88.5	83.1	93.5
		Non-manufacturing	96.9*	93.6*	84.2*	100.6*	96.1*	99.3	104.6	102.0	99.3	95.1	91.4	94.8	91.1	89.7	87.3	90.3	85.1	95.7
		Leisure/Hospitality	-	-	-	99.5*	89.7*	66.7	114.3	111.1	87.5	100.0	90.0	66.7	111.1	88.9	90.0	85.7	77.8	88.9
	Business Survey Index by Industry ⁴	Total	78*	73*	65*	84*	82*	88	83	86	87	82	79	82	79	76	74	70	68	71
		Accommodation	78*	70*	30*	48*	85*	67	70	84	95	110	102	95	102	91	98	78	71	68
	SME Business Outlook Survey ⁵	Total	87.8*	83.6*	70.7*	77.8*	82.7*	84.9	84.7	87.6	86.1	81.5	78.5	83.2	85.1	82.3	81.7	77.7		
		Food/Accommodation	87.7*	82.0*	60.7*	57.8*	80.9*	63.5	76.8	95.0	94.1	96.7	84.7	80.5	86.2	90.0	95.9	80.1		
	Consumer Survey Index ⁶	Consumer Confidence Index	104*	99*	88*	103*	96*	104	104	103	97	86	89	92	89	87	90	91	90	92
		Consumer Expenditure Outlook	108*	108*	97*	108*	111*	114	114	116	114	112	110	109	110	107	108	110	112	110
		Travel Expenditure Outlook	91*	91*	80*	89*	92*	93	95	97	94	93	91	93	92	89	92	91	91	92
		Entertainment Expenditure Outlook	94*	90*	71*	86*	93*	93	101	104	99	92	87	91	91	89	90	90	91	94
		F&B Expenditure Outlook	93*	91*	83*	92*	94*	96	98	100	96	91	92	92	91	89	91	90	90	91
	Production Index of Service Sector ⁷	Total	100.6	102.0	100.0	105.0	112.0	110.8	110.7	112.8	114.2	112.1	112.1	113.2	113.5	113.4	126.8	109.8	106.9	
		Accommodation	150.2	149.7	100.0	111.3	139.1	103.3	128.7	142.8	151.5	159.2	159.4	143.1	161.3	144.0	148.4	127.2	131.0	
		Food & Beverage	120.7	119.4	100.0	100.7	116.7	101.5	116.1	127.9	122.0	128.9	125.4	116.4	123.6	117.2	127.7	112.1	110.2	
	Production Index by Industry ⁸	All Services	100.63*	101.93*	100.00*	105.09*	112.24*	109.60	111.80	112.20	112.30	113.20	114.10	114.50	114.10	113.30	115.00	115.10	114.80	
		F&B/Accommodation	124.37*	122.94*	100.01*	101.78*	119.31*	105.51	120.62	123.19	123.71	125.93	125.18	125.23	124.37	122.81	120.56	120.81	129.98	

*This index should be interpreted with caution because the value is calculated by averaging monthly or quarterly indices in Yanolja Research.

1) The bank of Korea, QoQ(%)

2) KOSTAT; 2020 = 100

3) The Federation of Korean Industries; If the index is above(below) 100, more(less) companies expect the next month's business conditions to improve than those that do not; "Leisure/Accommodation and Food Services" sector was not surveyed before 2021.

4) The Bank of Korea; Index range = 0~200; If the index is above 100, the number of companies with a positive outlook is greater than that with a negative outlook.

5) Ministry of SMEs and Startups; If the index is above(below) 100, more(less) companies expect the next month's business con

6) The bank of Korea; Index range = 0~200; If the index is above(below) 100, consumers sense that overall economic situation is better(worse) than average.

7) KOSTAT; 2020 = 100; Constant

8) KOSTAT; 2015 = 100

Indicator	Statistics	Measure	2018	2019	2020	2021	2022	22.03	22.04	22.05	22.06	22.07	22.08	22.09	22.10	22.11	22.12	23.01	23.02	23.03
Prices	Consumer Price Index ⁹	Total	99.09	99.47	100.00	102.50	107.71	106.06	106.85	107.56	108.22	108.74	108.62	108.93	109.21	109.10	109.28	110.10	110.38	110.56
		Hotel	108.91	106.51	100.00	99.82	108.71	95.24	100.61	105.40	103.62	120.62	123.54	110.38	115.68	113.33	116.34	113.51	107.30	108.27
		Motel	101.28	101.43	100.00	98.39	101.64	99.94	99.84	100.11	100.80	101.97	102.85	102.75	104.46	104.16	104.67	104.58	104.86	104.98
		Resort	101.21	102.29	100.00	99.86	102.43	92.96	93.79	95.25	93.23	106.88	131.22	100.03	98.83	94.02	106.67	115.30	101.64	98.88
		Recreational Facilities	81.99	84.36	100.00	102.65	108.58	98.35	99.35	102.82	105.79	126.96	133.59	110.99	108.09	104.94	108.70	108.77	107.16	105.95
	Producer Price Index ¹⁰	Total	103.48	103.50	103.03	109.60	118.78	116.70	118.59	119.43	120.10	120.44	119.98	120.06	120.68	120.29	119.79	120.25	120.46	120.58
		Accommodation service	105.32	104.41	100.25	99.80	105.91	96.82	99.73	102.56	101.53	112.96	118.58	106.77	109.92	107.84	111.55	111.40	106.08	106.20
		Hotel	104.00	101.82	95.59	95.59	104.09	91.20	96.33	100.92	99.21	115.49	118.29	105.69	110.76	108.51	111.40	108.69	102.74	103.67
		Motel	99.60	99.76	98.35	96.87	100.14	98.46	98.36	98.63	99.31	100.46	101.33	101.23	102.92	102.62	103.12	103.03	103.31	103.43
		Resort	114.96	116.04	113.44	113.83	117.12	106.29	107.24	108.91	106.60	122.20	150.04	114.37	113.00	107.51	121.97	131.84	116.21	113.07
Labor	Economically Active Population Survey ¹¹	Unemployment Rate(%)	3.8	3.8	4.0	3.7	2.9	3.0	3.0	3.0	3.0	2.9	2.1	2.4	2.4	2.3	3.0	3.6	3.1	2.9
		Employment Rate(%)	60.7	60.9	60.1	60.5	62.1	61.4	62.1	63	62.9	62.9	62.8	62.7	62.7	62.7	61.3	60.3	61.1	62.2
Tourism	Tourism Balance ¹²	Total Tourism Balance(\$M)	-13066.10	-8,515.60	-3,175.30	-4,328.60	-5,297.30	-287.60	-382.00	-431.20	-489.40	-594.60	-556.00	-301.60	-335.20	-588.3	-837.9	-1,158.30	-856.5	
		Total Tourism Income(\$M)	18,461.80	20,744.90	10,181.10	10,622.50	11,781.40	933.50	875.10	970.60	973.40	818.40	1,088.90	1,127.50	1,306.70	1,125.1	1,089.8	865.50	955.30	
		Total Tourism Expenditure(\$M)	31,527.90	29,260.50	13,356.40	14,951.10	17,078.70	1,221.10	1,257.10	1,401.80	1,462.80	1,413.00	1,644.90	1,429.10	1,641.90	1,713.4	1,927.7	2,023.80	1,811.8	
	Immigration ¹³	Number of Outbound Travelers(K)	28,695.98	28,714.25	4,276.01	1,222.54	6,554.03	145.50	215.25	315.95	412.80	674.02	702.15	619.95	773.48	1,041.43	1,393.34	1,782.31	1,724.88	
		Number of Inbound Travelers(K)	15,346.88	17,502.76	2,519.12	967.00	3,198.02	96.77	127.92	175.92	227.71	263.99	310.95	337.64	476.10	459.91	539.27	434.43	479.25	
Currency	Exchange Rate ¹⁴	USD	1,100.30	1,165.65	1,180.05	1,144.42	1,291.95	1,221.03	1,232.34	1,269.88	1,277.35	1,307.40	1,318.44	1,391.59	1,426.66	1,364.1	1,296.22	1,247.25	1,270.74	1,305.73
		EUR	1,298.63	1,304.81	1,345.99	1,352.79	1,357.38	1,345.33	1,334.08	1,342.43	1,348.96	1,332.91	1,334.53	1,377.09	1,404.83	1,388.29	1,371.13	1,342.37	1,361.65	1,398.5
		JPY	996.27	1,069.75	1,105.07	1,041.45	983.44	1,028.59	977.38	985.49	951.34	955.93	975.17	973.2	969.36	956.51	959.12	956.76	956.68	977.31
		CNY	166.4	168.58	170.88	177.43	191.57	192.16	191.82	188.78	190.68	194.13	193.75	198.19	198.37	189.53	185.47	183.16	185.97	189.1

9) KOSTAT; 2020 = 100

10) KOSTAT; 2015 = 100

11) KOSTAT; Surveys the unemployment rate(%) and employment rate(%) among the economically active population aged 15 and over.

12) The Bank of Korea

13) Korea Tourism Organization DataLab

14) Hana Bank; Based on the sales base rate



Date of Publication: April 30, 2023 | Publisher : Yanolja Research

Address : 17th Floor, Dongil Tower, 38, Teheran-ro 114-gil, Gangnam-gu, Seoul, South Korea

Email : yanoljaresearch@yanolja.com | Website : yanolja-research.com

Disclaimer: This report is intended to provide general information and does not constitute advice on individual cases or reflect Yanolja's official position or business strategy. The Monthly Brief report is protected by copyright laws, and any reproduction, distribution, or modification requires express written permission. Proper citation and attribution must be given when referencing the report, and any unauthorized usage may result in legal action. The Monthly Brief report is provided "as is" without any warranty of accuracy, completeness, or reliability. Yanolja Research bears no responsibility for any damages or loss suffered from the unauthorized use of the report.