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2024 Hospitality trends in the vacation rental industry

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Foreword

We're excited to present the 2024 report on hospitality trends in the vacation rental industry. As always, the insights provided by vacation rental operators and industry experts have been invaluable in compiling this year's findings. Thank you to all of our survey respondents who made this report possible.

Overall, this year's findings paint a picture of a market adjusting to broader economic headwinds. Operators are facing challenges from multiple fronts: rising interest rates, tight real estate conditions, and shrinking household budgets. Reduced disposable income seems to be translating into lighter travel demand—insights corroborated by our data showing a slowdown in revenue growth. Given fewer bookings this year, managers report an increase in their employed marketing strategies, while simultaneously expressing marketing to be a larger challenge. These issues highlight the increasing complexity required to stand out and secure bookings, especially during a competitive and morphing market. Despite 2024's market challenges, overall, operators are seeing business growth, with mid- to large-sized companies reporting the highest revenue boosts.

Additionally, technology is playing an increasingly key role in helping operators adapt. Artificial intelligence (AI) is proving transformative, with the strongest impact observed in guest communications.

Property managers express an eagerness to integrate AI more deeply into their operations, especially as they seek ways to optimize their businesses and maintain a competitive edge. Automating guest communications, in particular, has become a focus area, signaling operators recognize its merit not just for efficiency but also for enhancing the guest experience and helping to drive revenue.

We hope that this year's report offers valuable insights and practical takeaways as we all navigate the evolving vacation rental landscape. While economic challenges may test the resilience of operators, we anticipate that the strategic adoption of technology, particularly AI, will play a critical role in helping businesses remain competitive and provide exceptional hospitality in the year ahead.

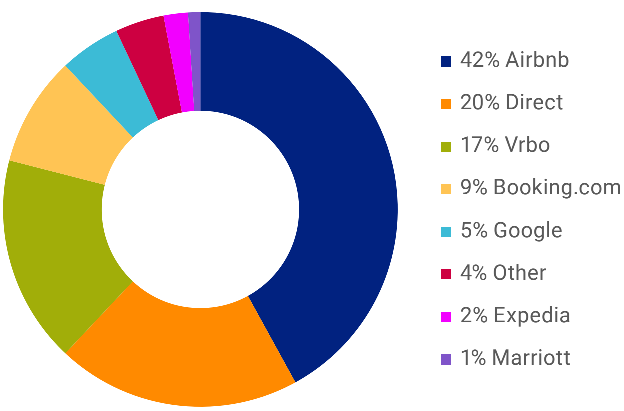
Hostfully Yours,

Margot, David, and Steph
Hostfully Founders

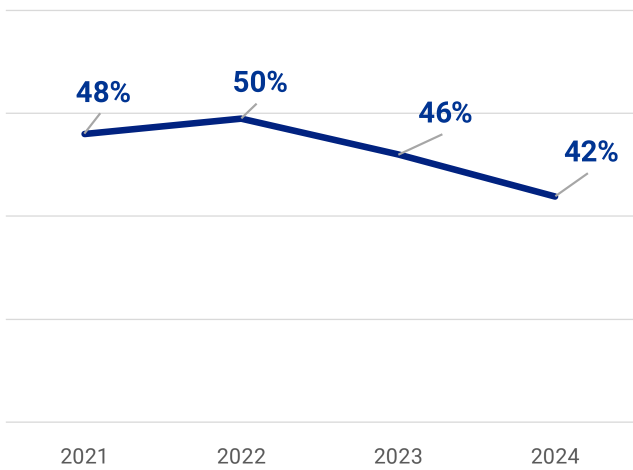
Market
Bookings

Overall, based on the vacation rental property managers who participated in 2024's survey, the channels driving bookings are consistent with last year's report. *Airbnb* remains in the lead, with *Direct bookings* following in second place.

What portion of your bookings come from the following sources?



Airbnb as a primary booking source over the years



That said, while *Airbnb* remains the top booking source, we've observed a small but steady decline over the years. Since 2022, *Airbnb* has dropped by 8% (4% per year).

What's the reason? We suspect this dip is due to a combination of factors.

Since the pandemic, operators have been expanding into *Direct bookings* to avoid third-party OTA fees. It's also become commonplace for managers to use property management software, which makes multi-channel distribution far easier, thereby increasing diversification.

The one striking change in channel distribution in 2024 is the prevalence of *Google*. At 5% of bookings, *Google* outbooks *Other sources*, and inches ahead of *Expedia* (2%) and *Homes and Villas by Marriott Bonvoy* (1%).

Market
Bookings

Interestingly, our addition of *Google* this year may have led to respondents' various interpretations of this mighty, yet fragmented source:

- As companies scale, their budgets allow for paid ads and *Google* SEO. This tracks with our data: larger companies get more bookings via *Google*.
- When operators use the Google Travel integration through a PMS, it enables their listings to appear in the Google Travel widget.
- Managers receive feedback from guests or are able to track organic traffic via *Google*.
- Direct booking site operators may view *Google* as their lead source, thus selecting it over *Direct bookings*.

Proportion of booking sources by number of listings

	Direct	Airbnb	Vrbo	Booking	Expedia	HVMB	Google	Other
1	18%	50%	17%	6%	1%	0%	3%	5%
2-4	17%	47%	19%	8%	1%	0%	3%	5%
5-9	18%	44%	19%	9%	3%	0%	4%	3%
10-24	20%	40%	16%	11%	2%	1%	5%	5%
25-49	21%	40%	18%	8%	3%	1%	5%	4%
50-99	26%	33%	12%	10%	3%	4%	6%	6%
100+	39%	22%	9%	8%	3%	2%	11%	6%

It's fascinating to note that property managers with 100+ properties get roughly 50% of their bookings commission-free (via *Direct bookings* and *Google*). We also can see that as a portfolio grows, so does its diversification.

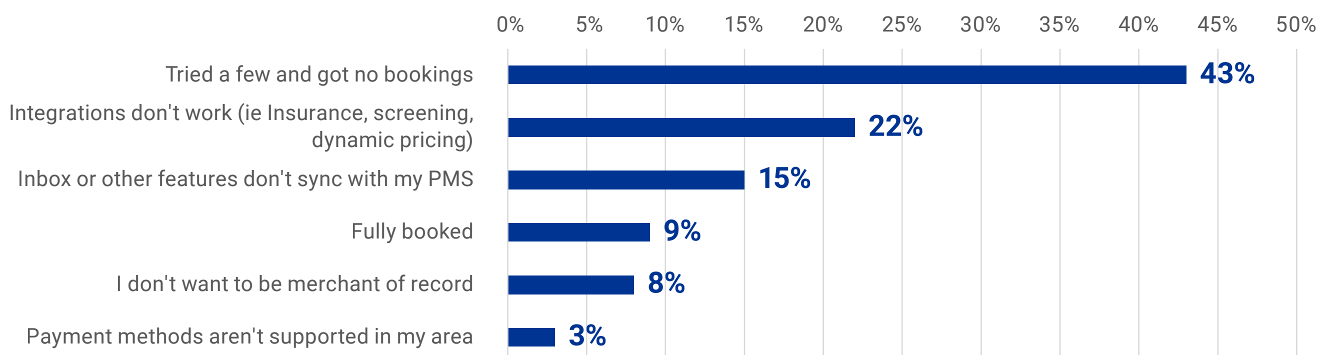
Market
Expanded distribution

Besides *Direct bookings* and the major STR sites, vacation rental operators reported bookings from 29 other sources, comprising 4% of 2024's bookings. While it's somewhat surprising that single property hosts have relatively sophisticated diversification across multiple sources, we suspect this is largely due to the incorporation of property management software and channel managers. These tools offer unification and automation across channels, leveling the diversification field across portfolio sizes.

Bayut	Homads	Oasis Collections	The Lee List	WeChalet
Furnished Finder	HomeToGo	Plum Guide	Travel Chapter	Whimstay
Glamping Hub	Hopper	Property Finder	TravelGround	Local Tourist Office
Golightly	LekkeSlaap	RedAwning	TravelStaytion	Travel Agents
Hipcamp	MisterB&B	Ski.com	Tripadvisor	Zillow (for MTR/STR hybrid)
Holidu	NYRBO	Sykes Cottages	VacayMyWay	

Consistent with last year, operators reported the leading reason they stick to the large listing sites and OTAs was that they *Tried a few [other channels] and didn't get any bookings.*

What is the primary reason you don't list on more sites and OTAs?



Meanwhile, despite a challenging year, managers reported a reason for not expanding distribution channels was due to being *Fully booked*, which increased from 5% in 2023 to 9% in 2024.

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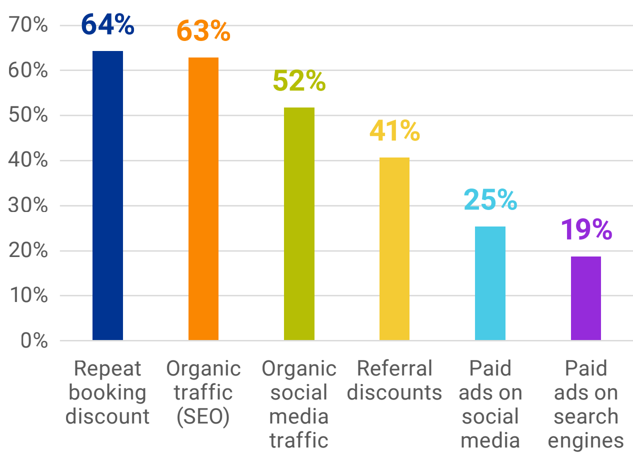
Market
Direct Bookings

What tactic(s) do you use to attract new guests through your direct booking site?



When it comes to Direct bookings, *Repeat booking discounts* appear to be a popular tactic that the majority (64%) of operators use. *Organic traffic (SEO)* is a primary driver as well, coming in at 63%. Consistent with previous years, the number of tactics deployed increased proportionally to portfolio size, with 1 - 4 listing managers using 1.8 tactics, and 50+ using 2.8. From year to year we also see that *Paid ads on search engines* consistently remain the least popular tactic across the industry—even with large operators that oversee 100+ properties, and who might have the staff capacity to manage this complicated and expensive method.

Booking tactic preferences as a function of size

	Most popular					**Least popular**
1	Repeat booking discount	Organic social media traffic	Organic traffic (SEO)	Referral discounts	Paid ads on social media	Paid ads on search engines
2-4	Repeat booking discount	Organic traffic (SEO)	Organic social media traffic	Referral discounts	Paid ads on social media	Paid ads on search engines
5-9	Repeat booking discount	Organic traffic (SEO)	Organic social media traffic	Referral discounts	Paid ads on search engines	Paid ads on social media
10-24	Repeat booking discount	Organic traffic (SEO)	Referral discounts	Organic social media traffic	Paid ads on social media	Paid ads on search engines
25-49	Organic traffic (SEO)	Organic social media traffic	Repeat booking discount	Referral discounts	Paid ads on social media	Paid ads on search engines
50-99	Organic traffic (SEO)	Organic social media traffic	Repeat booking discount	Paid ads on social media	Referral discounts	Paid ads on search engines
100+	Organic traffic (SEO)	Repeat booking discount	Organic social media traffic	Paid ads on social media	Referral discounts	Paid ads on search engines

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Insiders weigh in

Wil Slickers
Founder, Hospitality.FM

“As we head into 2025, hospitality professionals find themselves at a pivotal moment. With an influx of low-quality listings and aggressive price-cutting strategies flooding the market, the challenge is clear: stand out and convert attention into bookings while maintaining above-market average daily rates. Fortunately, time-tested strategies remain as effective as ever. High-quality photography, a complete set of amenities that your ideal traveler persona looks for in a rental, and compelling listing descriptions can drive more views and attract higher-value bookings. Don’t compete with those racing to the bottom—make your listings shine and stand out from the rest!”

Colleen Prochaska
COO, Thanks for Visiting

"Social media can be a game-changer for driving direct bookings, but only if approached with a consistent strategy. Aim for at least a 90-day posting schedule, keeping your content fresh, valuable, and relevant to your target audience. This consistency builds momentum, familiarity, and trust, all key elements in attracting direct bookings. After the 90 days, analyze what worked and what didn’t, and use those insights to refine your strategy. Social media requires time and a proactive approach to be effective, but with dedication, the rewards are worth it."

Top Tips from Tech Stack / Software Experts

Francois Gouelo
Co-Founder and CEO, Enso Connect

“As we step into 2025, profitability becomes the north star of the STR industry. It’s the driving force reshaping strategies in hospitality. The focus has shifted: it's not about more listings, it's about doing more with what you have! This change goes hand in hand with elevating the guest experience: Upsells are becoming central to revenue growth. Even former skeptics are embracing upsells, seeing 35-50% revenue increases per guest without expanding property portfolios. Upsells are evolving beyond basic services like early check-ins. They're now about enhancing stays with personalized experiences. AI is empowering teams to work more efficiently, allowing businesses to scale without a proportional increase in headcount. This innovation boosts efficiency, allowing managers to run leaner teams while maintaining a top-notch guest experience.”

Danny Bradford
CEO, ResortCleaning

“We are beginning to see cleaning service providers in the Vacation Rental industry take on larger roles. They are now wearing more hats: cleaning, lawn care, hot tub cleaning, maintenance and much more.”

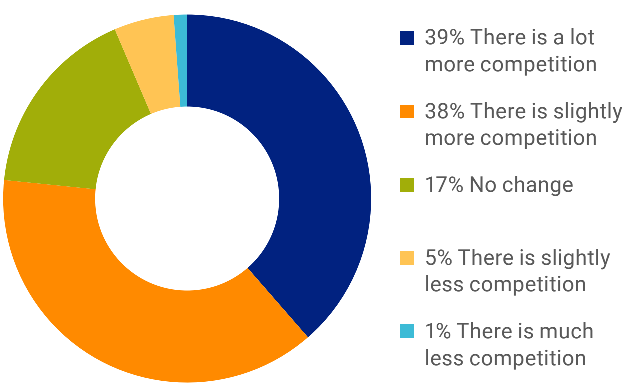
Eric Broughton
CEO, OK2Charge

"As the vacation rental industry continues to evolve, integrating seamless tech solutions seamlessly will be critical to staying competitive in 2025. With the rise of eco-conscious travelers, offering sustainable amenities like EV charging stations is no longer a ‘nice-to-have’ but a necessity as part of your portfolio. Vacation rental operators should look at tech not just as a tool, but as an experience enhancer. By embracing automation and sustainable technology, operators can attract a growing demographic of green-conscious guests, reduce operational friction, and ultimately boost revenue through premium service offerings."

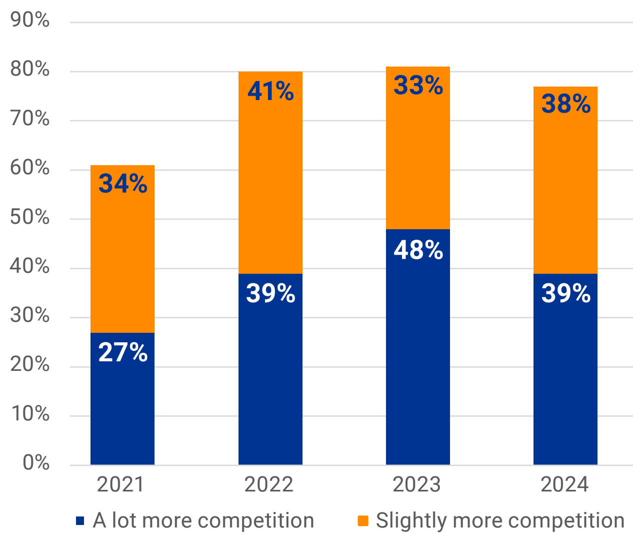
Market
Competition

Since the pandemic, our respondents have reported a hotter market. However, in 2023, the perception of competition hit a plateau. Now in 2024, we actually see a slight decline in the *There is a lot more competition* category, which dropped from 48% down to 39% from last year. On the other hand, the *Slightly more competition* category increased a bit from 33% in 2023 up to 38% in 2024. Seemingly, the rate of increase has slowed, but not disappeared.

Over the past year in your region, did you notice an increase or decrease in competition?



Perception of competition over the years (Responses since 2021)



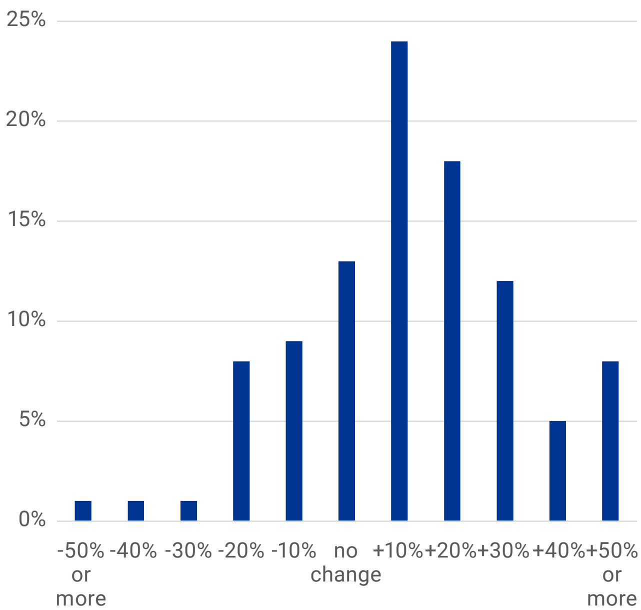
If we look at perception by company size, the smaller the company, the less likely the perception of competition dropping (or any movement). We suspect that companies with 100+ properties are more likely to invest in big data analytics tools and keep an eye on larger market trends.

Respondents who perceived less competition in their markets

1	2-4	5-9	10-24	25-49	50-99	100+
2%	7%	6%	9%	0%	3%	29%

Market
Revenue

What do you expect to be the percentage of total revenue change from 2023 to 2024?

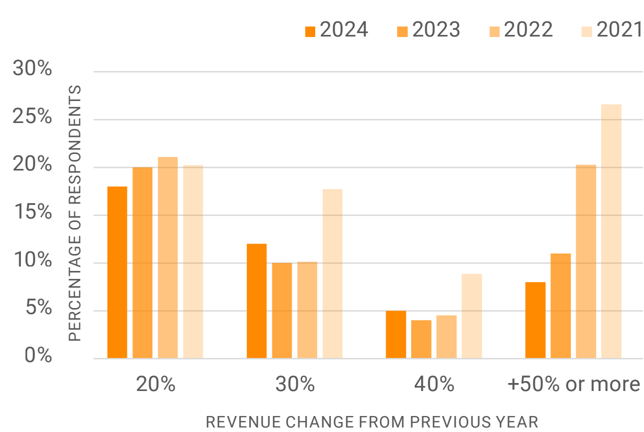


The majority of respondents reported expecting an increase in revenue, as is consistent since the post-pandemic recovery wave. Looking at revenue change by listing count, we found that those managing 25 to 99 properties overall experienced revenue growth at a higher rate and were less likely to experience revenue decline. We suspect this is because these mid- to large-sized companies have some wiggle room to try out new tools and strategies, or find easier cost savings compared to their 100+ listing peers. For the past three years, we've seen fewer respondents with *Significant gains* (50% or more) from year to year. On the other hand, this year operators reported rises in both the 30% and 40% revenue gains categories. This steady, upward shift from not just 2023, but also surpassing 2022, is encouraging.

Revenue change by listing count

	-50% to -10%	No change	+10% to +50%
1	14%	23%	63%
2-4	21%	18%	61%
5-9	22%	8%	70%
10-24	24%	11%	65%
25-49	14%	5%	81%
50-99	17%	11%	72%
100+	36%	14%	50%

Trends in significant gains, 2021-24



Insiders weigh in

Nick Halverson

Principal, Osa Property Management

“During the first quarter of 2024, which is our high season, we were very diligent about keeping track of Owner interactions with our team. After the first quarter we decided to drop some homes for Owners that didn't fit our expectations. We realized our staff was spending a considerable amount of time (approximately 5%) with Owners that were challenging and treating our staff poorly. We made our company slightly smaller on purpose and the results have been amazing. Our occupancy is up over 50% year-over-year, our revenue is up 40%+ and in the last quarter of 2024, we have increased the number of homes we manage by over 15%. Not only have we grown measured by house count, but the new properties we have picked up are of very high quality and will generate significant revenue to both the Owners and to us.”

Michael Sjogren

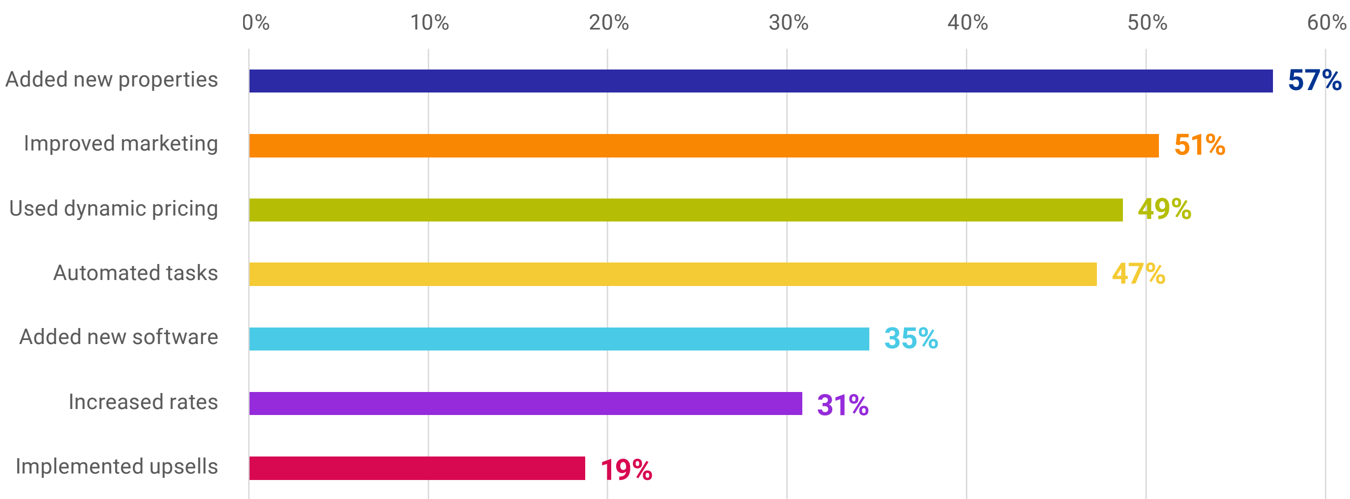
Founder, Short Term Rental Secrets

“2025 will be a year of tremendous opportunity for the boutique STR host, as large property management companies face challenges, losing property contracts amid shifting market dynamics. Since 2020, the supply of active Airbnb listings in the U.S. has surged by 62%, largely from new investors who entered during the pandemic-driven demand boom. However, many of these properties have seen declines in Average Daily Rate (ADR), occupancy, and revenue, revealing the challenges of increased supply and elevated guest expectations in a professionalizing industry. As high interest rates stalled property sales in 2024, there is a tremendous opportunity for boutique hosts and management companies to accelerate their growth and help many owners boost performance and navigate the competitive post-pandemic landscape.”

Growth
Past strategies

As with previous years, portfolio growth *(Added new properties)* remains the most popular business growth strategy. This year, we see a bit of *Improved marketing* growth, likely due to market conditions. Most other growth strategies are in decline.

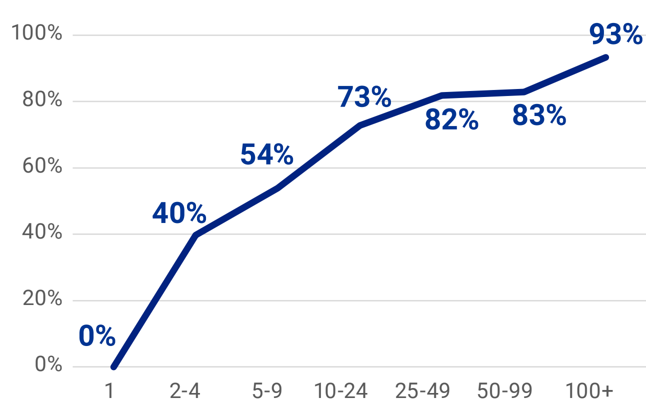
How did you grow your business in 2024?



We wanted to further explore portfolio expansion by listing size. For respondents that added new properties, the effects of size and economies of scale are well at play in the vacation rental industry.

The most striking change in terms of portfolio growth occurred among managers with 2-4 listings. In 2023, 78% reported adding new properties, but this year, that number dropped to 40%. Larger companies, despite not seeing the biggest revenue growth, majoritively added new properties to their portfolios.

Respondents who grew their portfolio in 2024 by listing count



Growth
Past strategies

This year, we compared growth tactics by company size. Aside from *Added new properties*—which was most common for operators with 10 or properties, there was a strong focus on marketing initiatives. This is reminiscent of the months immediately after Covid restrictions, where travel had halted and operators focused on proactive measures to secure bookings.

Growth strategies for 2024 based on property count

1	Used dynamic pricing	Improved marketing	Increased rates	Implemented upsells	Automated tasks	Added new software	
2-4	Used dynamic pricing	Improved marketing	Automated tasks	Added new properties	Increased rates	Added new software	Implemented upsells
5-9	Automated tasks	Added new properties	Used dynamic pricing	Added new software	Improved marketing	Increased rates	Implemented upsells
10-24	Added new properties	Improved marketing	Automated tasks	Improved marketing	Used dynamic pricing	Added new software	Implemented upsells
25-49	Added new properties	Improved marketing	Automated tasks	Used dynamic pricing	Added new software	Increased rates	Implemented upsells
50-99	Added new properties	Improved marketing	Added new software	Used dynamic pricing	Automated tasks	Increased rates	Implemented upsells
100+	Added new properties	Improved marketing	Automated tasks	Used dynamic pricing	Added new software	Increased rates	Implemented upsells

Given the rise in *Improved marketing strategies*, we saw *Automated tasks* drop this year. However, it still remains a popular tactic. Understandably, operators seeking ways to reduce overhead costs tend to invest in automation tools and processes, thereby boosting efficiency.

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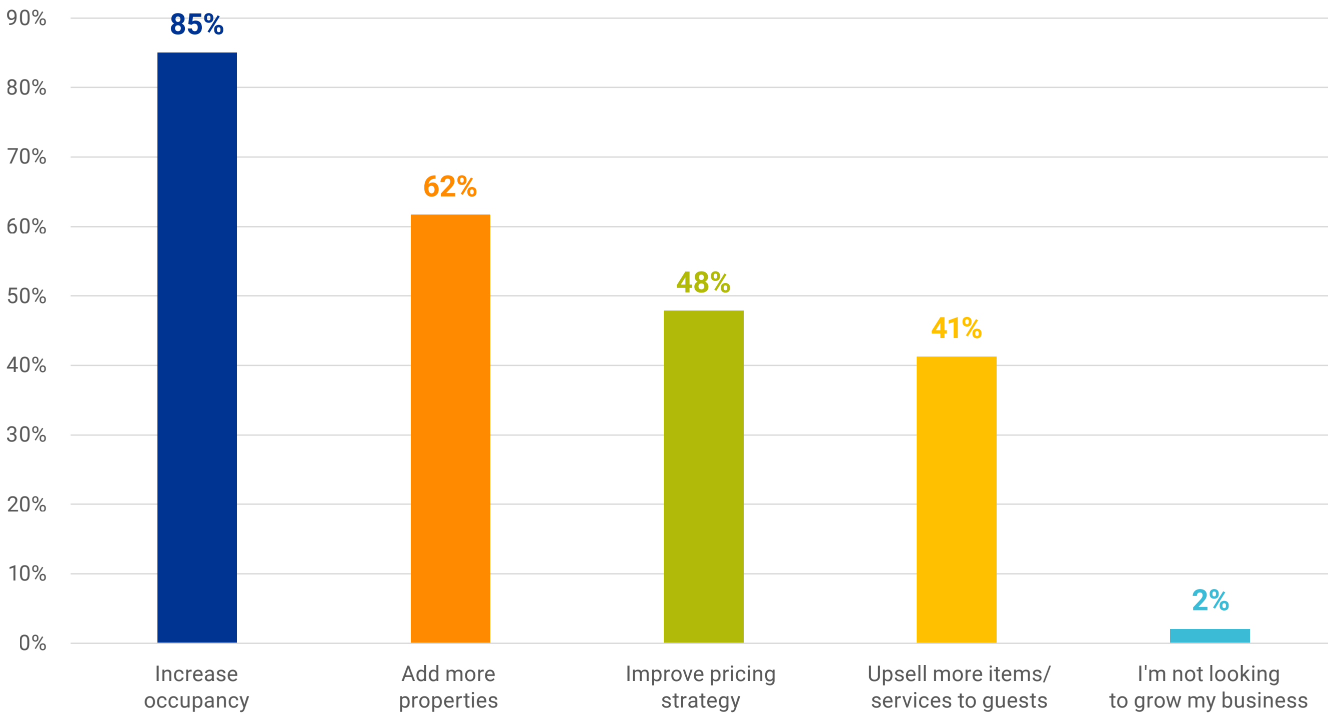
Growth
Future strategies

Similar to last year, in 2024 operators are still focusing on booking stays *(Increase occupancy)*, while also adding more properties.

In what areas would you like to grow your business in 2025?



It's worth noting that *Upsells* as a future growth strategy has declined from 49% in 2023 to 41% in 2024. This drop may indicate that either the tactic was implemented already, or that operators have lost interest in implementing it. As we discuss further in the *Hospitality* section of this report, in 2024 we don't see increases in upsells offered, indicating that operators are shifting their focus away from upsells.

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Insiders weigh in

Madeleine Raiford Holland

Founder, MHM Luxury Properties

“I’m thrilled to see 51% of hosts increasing their marketing activities in 2024. A well-rounded multi-channel marketing strategy, along with direct bookings and dynamic pricing, can drive profitability to new heights. We always teach our coaching clients the importance of marketing their own brand and truly owning their book of business. Think of it this way: the OTA’s job is to bring a guest the first time, but it’s the host’s job to bring that guest back for ten more direct bookings. When hosts have a clear marketing strategy and a system to collect guest contact information, owning their own book of business becomes entirely achievable. Once hosts reach this level, they can tap into one of my favorite strategies—making their property shoppable through affiliate marketing. Letting guests purchase items like sheets and furnishings directly through my booking website adds tens of thousands to my bottom line every year."

Matt Landau

Founder, HereGoesNothin.com

”The vacation rental industry as we knew it died. This may sound like an exaggeration, but the longer it takes you to accept this truth the longer you'll feel stuck in a mindset squeeze hoping patiently, helplessly for better times ahead. But here's the honest truth: a confluence of factors led to market saturation and a separate confluence of threats made the already thin margins of an operationally complex business untenable. This is not a time for minor tweaks and marginal improvements, you're only prolonging the inevitable. It's a time for radical new business models starting with the single biggest area for growth: guest experience. To get ahead, consider yourself an entertainment business: the art and science of creating guest experiences is the path to unlocking new demand.”

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Obstacles
Pain points

Every year we ask respondents, “If you could wave a magic wand and make your job instantly easier, what would change?” Consistent with previous years, *Technology* remains the biggest challenge by a landslide. In fact, it grew from 38% to 45%.

Why? We suspect that *Technology* is viewed as an umbrella category, encompassing a number of pain points. The range of responses support this assumption, with operators mentioning everything from automatic reporting to more accurate pricing software to adjusting pricing on channels that are not directly integrated with their PMS. Or, as one operator wishes: “Have an All-In-One system that handles all aspects of running STRs & MTRs.”

If you could wave a magic wand and make your job instantly easier, what would you change?

Additionally, within the *Technology* category, many respondents weighed in on the desire for improved guest communications:

“Canned responses, AI generated responses without me hitting the send button.”
- Francy Joy Galvez, Stay With Me (19 properties)

“Streamline guest communication as much as possible.”
- Will Tomer, Wydaho Property Management (64 properties)

“Have a chatbot converse with guests on easy to answer questions. This would buy back a significant amount of time.”
- Anonymous PM (2 properties)

With advancements in AI technology, we’re hopeful that 2025 will deliver some much requested magic.

Obstacles
Pain points

An inside look at challenges: Cleaning and Turnover

32% of managers explained the need for more cleaning staff *Availability* in their area

"Find and hire an experienced cleaner who is always available last minute for turnovers."
- Brett Crawford, Rooftop Retreat (1 property)

22% of operators expressed wanting more *Reliability* among their cleaning staff

"If I could know that my cleaners did exactly what they were supposed to."
- Matt Davis, Blue Barn Properties (12 properties)

17% of respondents mentioned wanting more *Quality control* from their cleaners

"Ensuring that cleanings are detailed and complete without having to look at a ton of pics."
- Anonymous PM (26 properties)

An inside look at challenges: Hiring and Staffing

39% of respondents mentioned the need for *Assistants* or *Virtual assistants*

"Hire a VA to answer all guest-related questions because it gets hard being available 24/7 — and the constant phone calls."
- Anonymous PM (22 properties)

34% of managers highlighted the need for *Additional general staffing*

"More employees."
- Anonymous PM (300 properties)

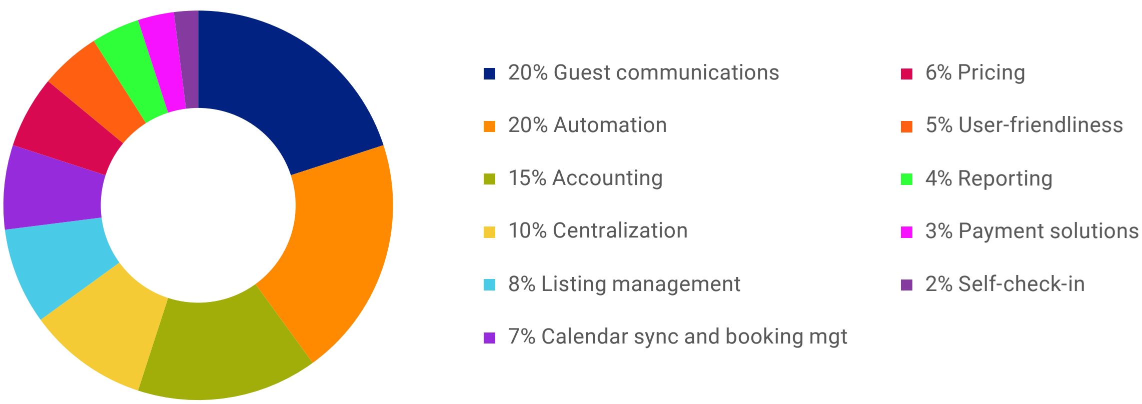
20% of respondents expressed wanting *Management-level support* to handle strategic or supervisory tasks

"Add an extra member of staff to help with sales, admin, SEO, and revenue management!"
- David Gidet, Aravis International (80 properties)

Obstacles
Technology challenges

In 2024, rental property managers cited *Automation* as the primary technology challenge, increasing from 13% to 20%. Last year *Guest communications* (19%) held the top spot, and this year, it's maintained its position (20%). This is surprising given the offering of new AI guest messaging tools among the top-tier property management software providers over the past year.

Technology challenges by category



We continue to see a rise in *Accounting* as a major technological sticking point, especially for companies with 25 and fewer properties. Given that *Accounting* solutions tend to require a fair amount of customization, this is to be expected. And while there isn't a one-size-fits-all solution at the moment, some software providers show promise in this area for the future. It's worth nothing that not a single category comes in above 20%, denoting diversity in company structures and technological challenges across the market.

GUEST COMMUNICATIONS
"Create an AI system that integrates with our PMS, that can also handle all guest communications."
- Anne Severson, AirSimplicity (70 listings)

AUTOMATION
"Fully automated communication, access codes, cleaning tasks, guests screening, auto pricing, and AI answers for inquires."
- Luis Amaya, iHaus Properties (12 listings)

ACCOUNTING
"Bookkeeping! We don't manage enough properties to hire a bookkeeper and it's difficult to get the reporting for all the platforms to report consistently."
- Robert Frazier, Village Collective (2 listings)

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Insiders weigh in

Jasper Ribbers
Lead Revenue Manager, Freewyld Foundry

“Revenue management isn’t a ‘set it and forget it’ game—it needs daily attention. In today’s competitive short-term rental scene, you’ve got to stay sharp to keep those bookings coming, especially during the slow season. Regularly tracking booking windows and pacing data is key. This helps you spot when bookings are likely to roll in so you can adjust your prices and strategy before it’s too late. And don’t forget to stay flexible with your minimum night stays. If you’re too strict, you might scare off potential guests and miss out on bookings. Plan ahead, stay adaptable, and watch your calendar fill up without last-minute stress. Smart, active management makes all the difference in boosting your occupancy and profits.”

Eric Moeller
Founder & CEO, Freewyld

“To create a memorable short-term rental brand, focus on every detail with the guest experience in mind. Think about how each choice—whether it’s a couch, the lighting, or the check-in process—will affect your guests. This means intentionally designing each element to welcome, inspire, and create seamless experiences. The first impression is crucial; those initial 15 minutes set the tone for the whole stay. Prioritize comfort, ease, and unique touches that reflect your brand’s personality. Remember, it’s not just about heads in beds, but creating an experience that leaves guests saying, ‘Wow, I want to come back!’ Thoughtful design and attention to guests’ needs build a brand people remember and recommend.”

Top Tips from Tech Stack / Software Experts

Caitlin Cassady
VP of Marketing, Beyond

"To stay competitive and optimize revenue in 2025, hosts and property managers need to create unforgettable stays, which means directly catering to guest desires for a unique experience. And in fact, a recent consumer travel survey from Beyond highlighted the growing demand for personalized amenities, eco-friendly options, and privacy considerations. By leveraging real-time data and automations, hosts and property managers can deliver unique experiences that modern travelers crave, at scale."

Thomas Tewolde
Founder and CEO, ChargeAutomation

"As the short-term rental industry evolves, the demand for seamless digital guest experiences and unified payment solutions continues to rise. In 2025, operators must prioritize integrated guest portals that offer streamlined payment collection and personalized upselling opportunities to stay competitive. Embracing automation and leveraging data insights to tailor guest services can enhance both operational efficiency and guest satisfaction. By adopting advanced tech solutions, rental operators can meet the growing expectations of modern travelers while boosting profitability and improving workflow efficiency."

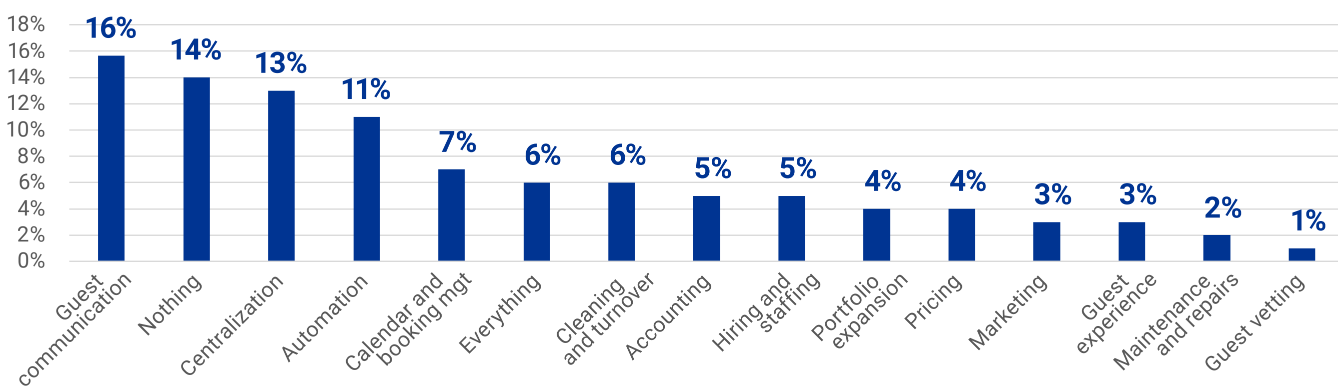
Giacomo Atzori
Head of Revenue Operations and Partnerships, TurboSuite

"Revenue management is evolving, and in 2025, PMs will need more precise tools to stay competitive. As demand forecasting becomes increasingly complex, software will empower property managers to maximize revenue, reduce operational inefficiencies, and make informed pricing decisions that adapt to shifting market conditions. In a world where margins are thin, having the right revenue management tool can be the difference between growth and stagnation."

Obstacles
Improvements + Challenges

When we explore what areas have become easier for rental property managers (namely *Guest Communications* and *Centralization*), we continue to see a mix of responses, with no overwhelming dominator. These results reflect the distinctiveness and diversity across the industry.

In 2024, what's become easier in your business?



Nonetheless, to gain a clearer picture, we broke down this data by listing count. Those with only one property experienced divergent challenges from their larger counterparts. Interestingly, respondents with 25+ listings reported that *Hiring and Staffing* grew easier, and yet, as we already covered, that same category remains a major pain point.

Top 3 areas that got easier by listing count

1	Nothing	Automation	Pricing
2-4	Guest communications	Centralization	Automation
5-9	Guest communications	Centralization	Automation
10-24	Guest communications	Centralization	Automation
25-49	Hiring and Staffing	Guest communications	Nothing
50-99	Accounting	Hiring and Staffing	Nothing
100+	Accounting	Accounting	Nothing

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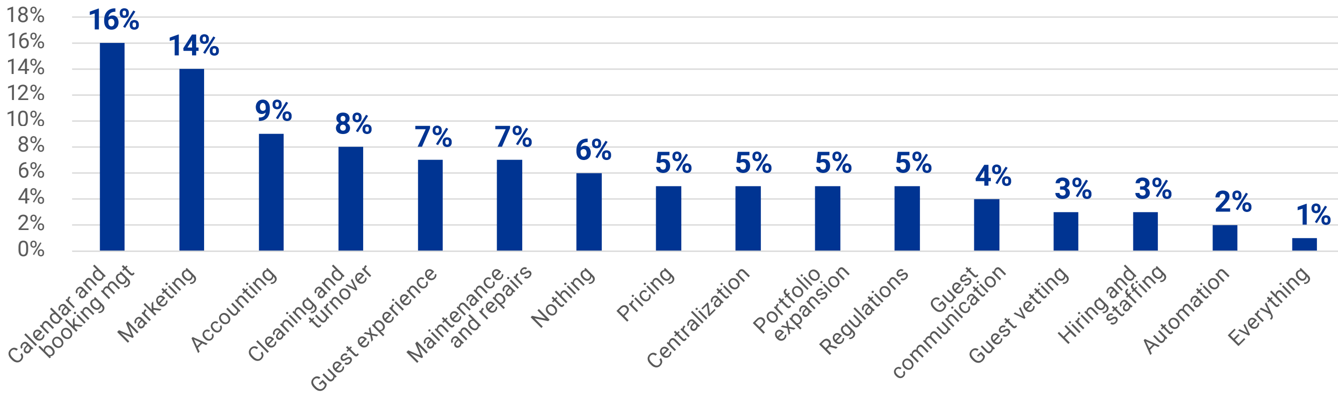
Obstacles
Improvements + Challenges

Last year, *Accounting* and *Pricing* tied for top obstacle at 13%, while this year they both took a backseat. *Accounting* has dipped slightly (9%) and *Pricing* (6%) has made a radical move to 7th place.

Meanwhile, *Calendar and booking management* has become a leading obstacle for vacation rental managers, rising from 10% to 16% in the past year. Additionally, *Marketing* has become a primary challenge, as well—growing from 8% to 14%.

In 2024, what's become harder in your business?



Overall, these shifts reflect 2024's macro-economic environment. This may seem contradictory to some of our findings, however operators simultaneously managed to see revenue boosts, albeit not as strong as post-pandemic as they have struggled to fill their inventory as fewer travelers are spending money. Fewer bookings mean operators experience a growing need for new, effective marketing strategies—a pivot from the post-pandemic recovery boom between 2021 and 2023. The impact has a ripple effect. As one respondent said of 2024's biggest challenge: "The economic market. The market is down and that is sometimes hard for the owner to understand."

Finally, it's worth considering that both last year and this year property managers reported that *Nothing* became easier. It's clear that there's further room for improvement and a continued desire for innovation within the industry.

Obstacles
Improvements + Challenges

Top 3 areas that got harder by listing count

1	Calendar and booking mgt	Nothing	Marketing
2-4	Marketing	Calendar and booking mgt	Accounting
5-9	Calendar and booking mgt	Cleaning and turnover	Maintenance and repairs
10-24	Accounting	Marketing	Cleaning and turnover
25-49	Calendar and booking mgt	Guest experience	Marketing
50-99	Marketing	Calendar and booking mgt	Portfolio expansion
100+	Calendar and booking mgt	Marketing	Accounting

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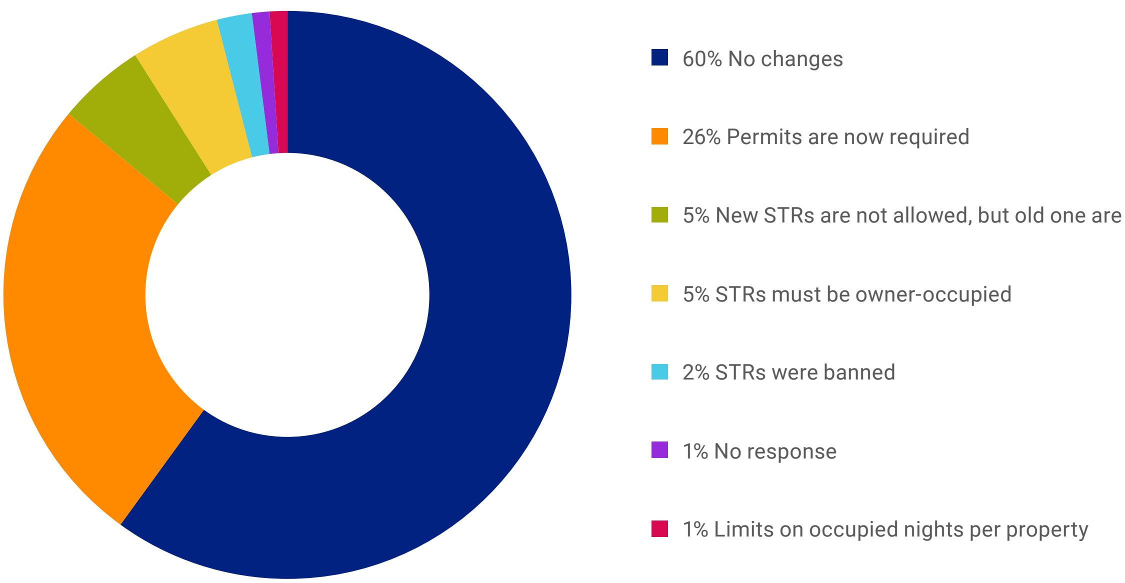
Obstacles
Regulations

How have regulations impacted managers in 2024? While the majority reported no changes, 40% of survey respondents did experience some restrictions or requirements imposed on them.

This category tends to inspire market-wide frustrations, however, it should be noted, that not everyone responds to regulations negatively. One manager commented that imposed regulations helped limit the supply of lower value rentals, while another respondent told us that the new bylaws helped improve the safety of short-term rentals in their area.

Have there been any changes in the short-term regulations in your market?



For respondents who noted regulations became harder for their business this year, 56% had permit requirements imposed, 12% now have owner-occupancy bylaws, and 6% experienced new short-term rental limits, but with grandfather clauses.

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Insiders weigh in

John An

Founder & CEO, TechTape

“Automation emerging as the primary technology challenge reaffirms that in the short-term rental industry, technology aims to simplify operations but often adds complexity due to the vast array of specialized tools. Many different automation solutions can overwhelm property managers, especially those lacking technical expertise. A one-size-fits-all approach rarely suits every company, so tailored solutions are essential. We encourage property managers to start with a clear focus when implementing automation: identify a recurring business problem (if the same happens 3+ times, it’s ripe for automation), understand the triggers that lead to that problem, and then seek or create an automation to address the specific business challenge.”

Ray Vargas

Co-Founder, Sweet Home Hudson

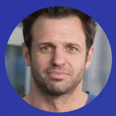
“As the vacation rental market matures, smaller companies like mine, managing fewer than 50 properties, are returning to what I consider the foundational values of the industry: a strong desire to share each home’s unique charm and the local experiences that make it special. In 2024, with competition intensifying and market dynamics shifting, we should be doubling down on what truly differentiates us: personalized house aesthetics, tailored itineraries, and dedicated guest communication. Though this back-to-basics approach—with more human, less industry-like interactions—may seem at odds with professionalizing our operations, I believe robust, efficient operations are essential to delivering a top-tier experience. Building a business model that’s as efficient as it is inviting is key to thriving in today’s market.”

Top Tips from Tech Stack / Software Experts

Mike Mears

COO, VacayMyWay

"How your fees are presented on the checkout cart can make or break traveler conversion. Really pay attention to what your marketing partners charge and flex to that. Some charge nothing. The result can surprise you! Every item past 4 booking quote lines results in 30% attrition. Don't lose out!"



Alex Alioto

Co-Founder/Head of Growth, Whimstay

"To outperform in 2025, Property Management Companies (PMCs) need to capitalize on two key trends: shrinking booking windows and an increase in bookings from Gen Z and Millennials. Over half of all bookings year-to-date were made within the last 30 days (Source: AirDNA). By diversifying, implementing a last-minute strategy, and maximizing occupancy across all booking windows, PMCs can generate the incremental revenue necessary to hedge against seasonality and fluctuating demand. Coupled with a robust strategy to engage, delight, and retain Gen Z/Millennial travelers, PMCs will be well-positioned for success in 2025 and beyond."

John deRoulet

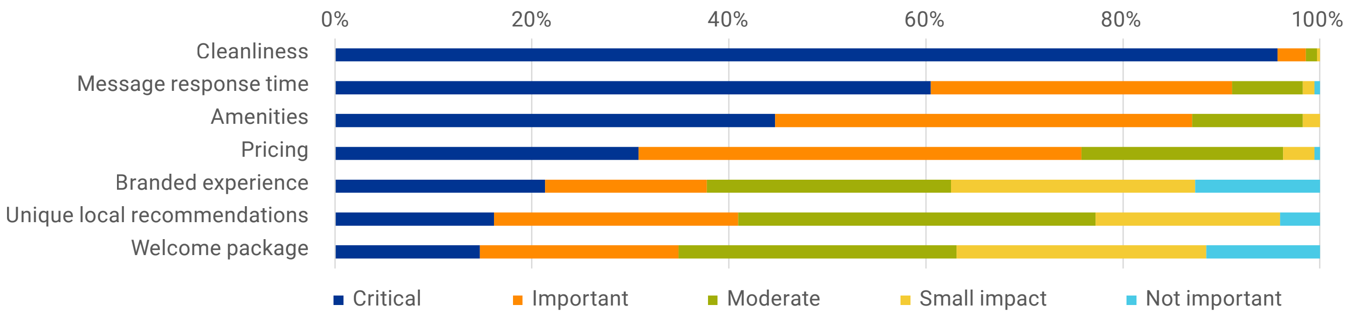
Sr. Director of Revenue Management, Wheelhouse

"Adopting Dynamic Pricing in 2024 is no longer a strategic advantage. It is keeping up with the status quo. The savviest organizations are going beyond dynamic pricing to develop dynamic revenue strategies which can adapt to changing market conditions. Succeeding among this competition requires viewing one's company as a revenue organization as much as a hospitality provider. Companies should begin investing and prioritizing their revenue strategy, lest they be left behind."

Hospitality
5-star reviews

When asked what matters most for securing 5-star reviews, operators reported similar factors as previous years.

How important are the following to getting consistent 5-star reviews?



Curious about how listing size influences perceptions of 5-star reviews, we analyzed responses by company size. Smaller companies emphasized the importance of the *Welcome package*—ranging from branded toiletries to next-morning essentials at the property. For mid-sized operators, the perceived impact of the *Welcome package* declined. However, among larger operators (100+ properties), the importance of the *Welcome package* surged as a key factor for earning 5-star reviews.

How operators of different sizes perceive what's important for 5-star reviews

	Cleanliness	Message response time	Amenities	Pricing	Branded experience	Unique local recommendations	Welcome package
1	98%	85%	85%	88%	46%	49%	46%
2-4	100%	93%	90%	77%	30%	47%	39%
5-9	100%	100%	79%	77%	38%	38%	27%
10-24	96%	86%	87%	69%	45%	38%	35%
25-49	98%	93%	91%	77%	20%	34%	20%
50-99	100%	91%	89%	74%	34%	34%	29%
100+	100%	87%	87%	67%	73%	47%	67%

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Hospitality
Guest check-in

As with past years, *Smart locks with Unique (PIN) codes* wins the check-in method by a landslide (52%). The prevalence of smart locks is unsurprising given that our respondents are comprised of professional vacation rental operators. And when we combine unique and static codes, it's clear that electronic locks are an increasingly standardized amenity, accounting for 70% of check-ins.

How do you check in guests?

The biggest shift we see this year is the decline of *In-person greetings*. In 2023, *In-person greetings* took second place (24%), while this year, it dipped down to just 14%, dropping below both electronic door lock categories and *Lock boxes*, as well.

It's worth noting that because we're interested in reporting on primary check-in methods, we limit this question to one answer per respondent. Therefore, it's possible operators use a combination of methods, not necessarily reflected here.

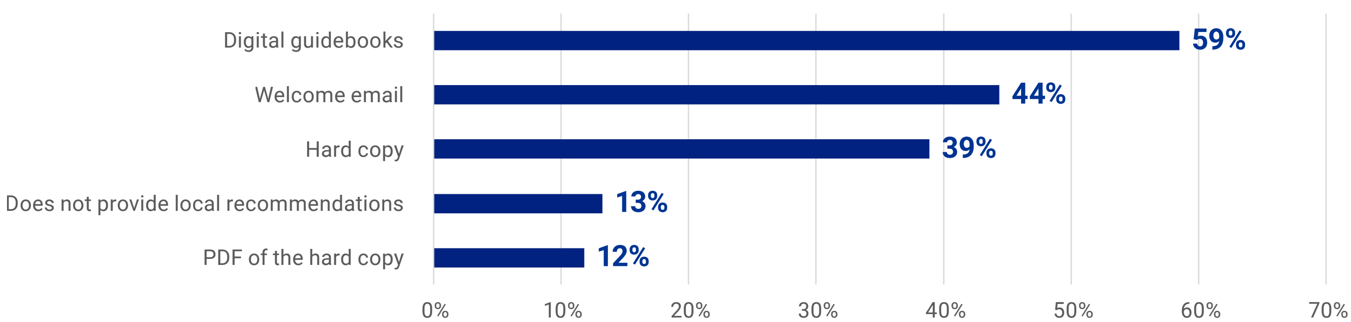
Guest check-in methods by number of listings

	1	2-4	5-9	10-24	25-49	50-99	100+
PIN code (unique to each reservation)	51%	65%	47%	53%	52%	31%	50%
PIN code (doesn't change between reservations)	17%	13%	24%	21%	16%	20%	7%
Lock box	10%	11%	18%	14%	20%	29%	7%
In-person greeting	22%	10%	8%	12%	11%	20%	36%
Leave property unlocked	0%	1%	4%	0%	0%	0%	0%

Hospitality
Information sharing

In 2024, operators report using *Digital guidebooks* as their primary method for sharing local recommendations and property information. On average, people use 1.7 methods, while half of all operators surveyed use more than one means of information sharing.

How do you provide local recommendations and property information to your guests?



This year, the most notable shift is in the drop off of *Hard copy guidebooks*. In 2021 respondents reported 48% physical guidebook use, whereas in 2024, physical guidebook use has dipped to the lowest we've seen post-pandemic at just 39%.

And in fact, 57% of all surveyed operators provide property information and local recommendations 100% digitally, meaning they have abandoned *Hard copy guidebooks* altogether.

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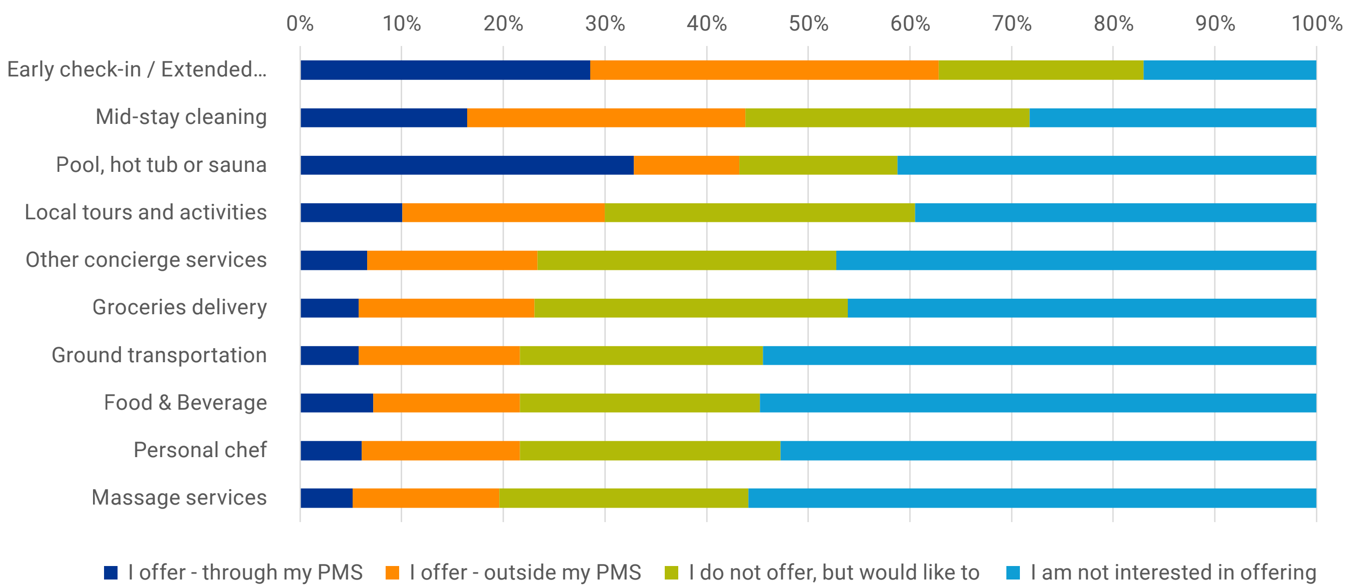
Hospitality
Upsells

In 2024, by far, the most popular upsell continues to be *Early check-ins* and *Extended check-outs*. As opposed to larger resource investments, check-ins and check-outs are low hanging—but desirable!—fruits. They're incredibly easy to employ, especially with a property management software (PMS) and a payment processing system in place, making them lucrative and popular add-ons.

Do you currently offer any of the following for an additional fee?



This year, our data on *Upsells* remains consistent with 2023's results. Operators have yet to make inroads in more complex upsells that require a third-party vendor or staffing. Categories like *Grocery delivery, Food and beverage*, and *Personal chefs* are still lagging in adoption.

Insiders weigh in

Robin Craigen
Co-Founder/CEO/President, Moving Mountains

“As highlighted in *Unreasonable Hospitality* by Will Guidara, my business book of the decade, true hospitality is about crafting unforgettable experiences, often through small, thoughtful touches. For many guests, the dream of a perfect getaway includes more than just a place to stay; it’s about fully immersing in the destination. Yet, without insider knowledge or advance planning, they may miss out on essentials that make the trip remarkable. This is where curated upsells—like pre-stocking groceries, arranging hard-to-get activity reservations, or sharing those ‘local secrets’ travelers crave—transform the experience. These services allow guests to settle in seamlessly without the hassle of last-minute logistics or the frustration of fully booked attractions.

For property managers, these upsells are the essential ‘low-hanging fruit’ that unlock an opportunity to enhance guest satisfaction and create a pathway to sustainable revenue. By partnering with trusted local vendors on a commission basis, managers can both elevate the guest experience and bring in income to offset staffing costs, making this level of service sustainable. When done right, these enhancements build guest loyalty and drive repeat bookings, fostering a relationship where guests feel deeply connected to the place and the people who made their stay extraordinary. In this way, hospitality becomes an art that rewards both guest and host.”

Allison Bayley
Owner, Bayley Vacation Rentals

“Guest satisfaction starts far before the guest check in! You immediately want the guest to feel empowered in their purchase and get them excited about their next getaway. Providing your guests with a detailed digital guidebook is the centralized place where you can achieve personal touch, automation, upsells, location information, and more. By educating your guests on what your services include, what to expect in the destination and how you can enhance their stay you are presenting yourself as the trusted resource they can always call on. This allows large opportunity for your company to generate more revenue and increase your direct bookings.”

Top Tips from Tech Stack / Software Experts

Barclay Friesen

SVP of Partner Sales, RemoteLock

"Automated guest access systems have become increasingly popular and considered to be a must-have in efficiently and effectively managing today's vacation rental properties, offering numerous benefits to property owners, managers, service teams, and guests alike."

Liam Carolan

Head Coach, Boostly

"In 2025, if you want to get more direct bookings, you need to own your audience and become a go-to name in your local area. I've seen the impact myself—by growing my email list, setting up Facebook groups, and staying active in local community groups, I've become the person people recommend for short-term rentals. This kind of trust-building reduces your reliance on OTAs and keeps costs down. Start building those connections now, and you'll see the difference."

Assaf Karmon

Co-Founder and CEO, Turno

"Staying ahead in a competitive market requires improving your operational processes and eliminating inefficiencies. For short-term rental hosts and property managers, turnover management is a critical business function—scheduling, managing, paying, and finding quality cleaners and other service professionals. By leveraging technology to simplify and automate these processes, you save valuable time, ensure consistency, and reduce hassles. Better operations lead to better guest experiences and improved profitability, setting your business up for long-term success."

Artificial intelligence
Adoption

In 2023, we introduced new questions about the adoption of AI. This year we wanted to dig deeper into respondents' use of AI tools. We broke down our questions into two categories: operators' use both outside of and within their vacation rental software.

So what percentage of managers use AI tools *outside* of their vacation rental software (for example: ChatGPT, Midjourney, Claude, etc.)? A whopping 73%!

However, only 43% of respondents reported that they use AI tools built into their vacation rental software.

43%

Used AI features built into their vacation rental software

73%

Used AI tools external to their vacation rental software

So which operators have higher adoption rates of *Internal AI* (AI tools built into vacation rental software)? The managers of 10 - 99 properties. It appears that smaller operators either don't have access to AI tools within their software (perhaps because they're less likely to use property management software), or they haven't seen the value in doing so.

Artificial intelligence
Impact

How do *AI tools built into vacation rental software impact* revenue? At the surface level, respondents who use AI tools built into their vacation rental software are slightly more likely to see a revenue gain than non-users, and less likely to see a drastic revenue drop compared to 2023.

Use of AI tools in vacation rental software and impact on revenue growth

	-20 to -50% or less	-10%, no change, or +10%	+20 to +50% or more
Non-AI users	70%	64%	46%
AI users	30%	36%	54%

However, likely a multitude of reasons account for revenue growth beyond adoption of AI tools built into vacation rental software. Based on survey responses, it appears revenue growth was also linked to other areas of increased activity. For example:

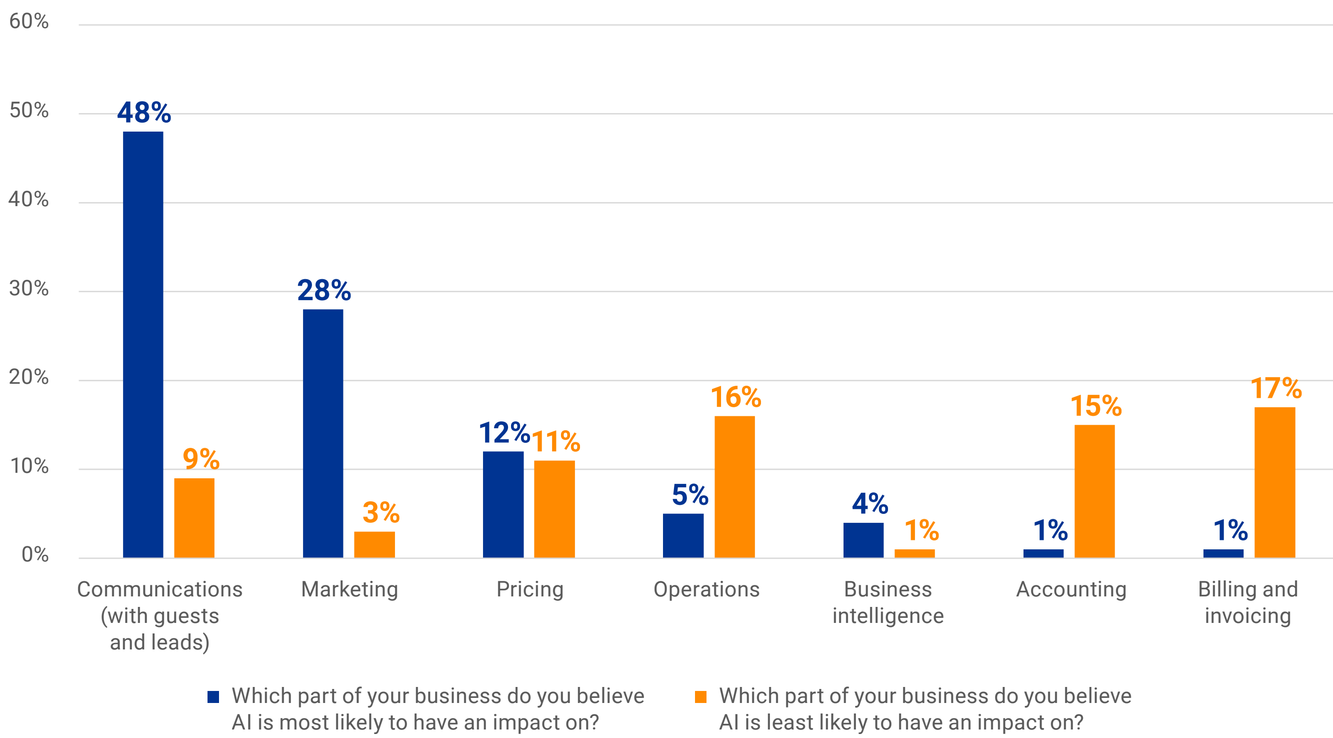
	AI users who also reported revenue change of 20%+	Non-AI users who did not report growth
Growth strategies used in 2024	3.2	1.8
Booking sources	4.5	2.7
Direct booking strategies	3.3	2.8

What we're observing with AI and revenue growth reflects the mindset of operators who continuously experiment and actively seek new ways to tackle challenges in their businesses.

Artificial intelligence
Perceptions

This year, we asked respondents where they see AI tools having the most and least impact on their businesses in the future.

Areas of your business AI is most or least likely to impact



It's not too surprising that *Guest communications* and *Marketing* are the two biggest areas managers anticipate AI impacting. Why? For now at least, most public-facing AI tools are large language models, which are well-suited for such tasks.

Insiders weigh in

James Varley

Founder, Holiday Cottage Handbook

“Over the past year, I've had the privilege of interviewing more than 50 leaders in the short-term rental industry for the Holiday Cottage Handbook Podcast. One topic that consistently stands out is the transformative impact of AI…From property management systems to dynamic pricing, content creation, guest communication, and beyond, AI-powered solutions are emerging across every corner of the industry…In the near term, property managers face the challenge of identifying which AI tools can truly elevate their business and optimize their bottom line. Meanwhile, tech providers have the opportunity – and perhaps the responsibility – to harness AI in creating comprehensive, unified platforms that meet all of a property manager’s needs. Our industry is evolving at an unprecedented rate, yet remains somewhat fragmented. With the right advancements in AI, the future could bring a seamless, all-in-one solution that empowers property managers worldwide to thrive in a complex, fast-paced environment.”

Zach Busekrus

Head of the Journey Alliance, Host of the Behind the Stays Podcast

“Hospitality entrepreneurs must wholeheartedly embrace AI as a daily practice. Personalized emails, texts, and websites have become mere commodities; to truly stand out, we need to harness AI to deeply understand our guests—their communication styles, preferred channels, and unique preferences—and seamlessly blend these insights with our brand's authentic voice. By mastering AI tools and cultivating relationships with agents like ChatGPT, we can offload busy work, reduce costs, and reclaim the freedom to focus on what truly matters: surprising and delighting our guests. Let's challenge ourselves to integrate AI into our operations daily—perhaps by using AI analytics to personalize guest recommendations or automating routine communications. Be inspired by the liberation these tools provide, enabling us to return to our passion: crafting amazing experiences for our guests and amplifying the uniqueness of our brands and propelling us into a new era of hospitality excellence."

Top Tips from Tech Stack / Software Experts

Benjamin Elbaz

CEO, Clearing

"As the Short-Term Rental industry continues to evolve, 2025 will be marked by the increasing need for automation and financial accuracy, especially when it comes to trust accounting. Property managers must leverage technology to streamline trust accounting, expense management, and financial reporting. Simplifying workflows with integrated systems will be crucial in reducing manual errors, and staying compliant with local financial regulations. By embracing tools that automate financial processes, property managers can enhance operational efficiency and focus on providing a superior guest experience."

Barbara Kendrick

VP of Business Development, RedAwning

"As we move into 2025, leveraging AI and tech solutions is becoming essential for property managers looking to stay ahead. Automating tasks like pricing, guest communication, and property management allows PMs to focus on what truly matters—growing their portfolios and spending more time with loved ones. By adopting smarter, data-driven strategies, property managers can enhance efficiency, improve guest experiences, and scale their operations without the constant grind, giving them more freedom to focus on the big picture."

Andrew Bate

CEO, Safely

“Your homeowners demand accountability and efficiency when their homes are damaged by guests. But you also want to avoid bad reviews and disputes. To pay for guest damages across all booking channels and without interrupting your daily operations, easy-to-file claims are key. Get your claims paid quickly so your team can get back to what really matters and what they do best—hospitality.”

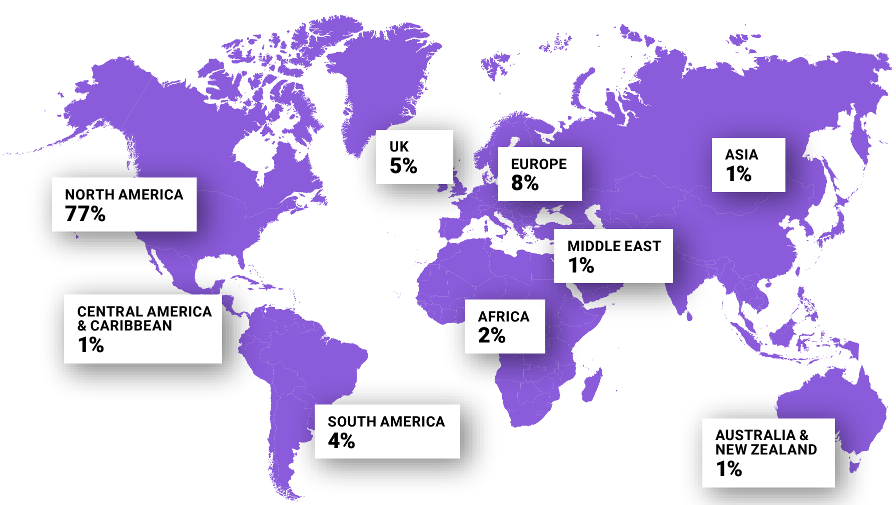
About this report

This report would not be possible without the contribution and responses of 347 vacation rental operators, ranging from single property hosts to large vacation rental management companies. We would like to express our gratitude to our respondents.

Most questions are structured to allow respondents to select more than one response. Some questions allow respondents to leave freeform answers, which we process and sort into categories.

To gain an understanding of our industry over time, the questions touching on general challenges, technology use, and operations remain the same each year. However, if a new trend surfaces, we develop a new category to reflect any impact.

Respondent's property locations



34%
of respondents manage properties in more than one setting. The mosts popular setting was 'Beach' followed by 'Mountain/ski' .

5%
of our respondents indicated managing properties in two or more countries.

Survey respondent property count

1	2-4	5-9	10-24	25-49	50-99	100+
12%	24%	15%	22%	13%	10%	4%

About Hostfully

We believe the best travel experiences are when people get closer to locals and local experiences. When that happens, people learn to cross cultural divides, gain an appreciation for their own lives, and bridge connections with those they never would have otherwise. This makes the world a better place.

We're starting with vacation rental travel. Our software products give property managers the tools they need to automate their business, reach more customers, and deliver a 5-star guest experience.

Hostfully is a complete, end-to-end property management platform that helps vacation rental property managers increase bookings and boost revenues. By streamlining the workflow and simplifying daily operational needs of vacation rental businesses, Hostfully empowers property managers to provide 5-star hospitality at scale in an affordable, easy-to-use solution.

Achievements

VRMB KEYSTONE AWARDS 2019

VRMB KEYSTONE AWARDS 2021

The SHORTYZ 2023

Software Advice FRONT RUNNERS 2024

GetApp CATEGORY LEADERS 2024

Capterra SHORTLIST 2024

G2 High Performer SPRING 2024

Certified preferred partners status

airbnb Preferred + Software Partner 2024

Booking.com 2023 Premier partner

2024 Elite Partner

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