

Racial Discrimination in the Sharing Economy: Evidence from a Field Experiment

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Svirsky

The internet in 1993



The internet in 2015

"On Facebook, 273 people know I'm a dog.
The rest can only see my limited profile."



Booking at Marriott

Courtyard New Haven at Yale

Like 0 Share 0 Tweet 0



OVERVIEW PHOTOS AMENITIES ROOM TYPES

At Yale University in historic York Square, the Courtyard by Marriott at Yale is located at 30 Whalley Avenue, in the heart of downtown New Haven, Connecticut. Close to the Yale Bookstore, Payne Whitney Gym, Yale Bowl, Toad's Place, and Chapel Street.

[View Hotel Website](#)

Key Amenities

- High-speed Internet
- Free high-speed Internet
- Fitness center
- Business center
- Restaurant on-site
- New Lobby
- Parking
- Meeting/event space

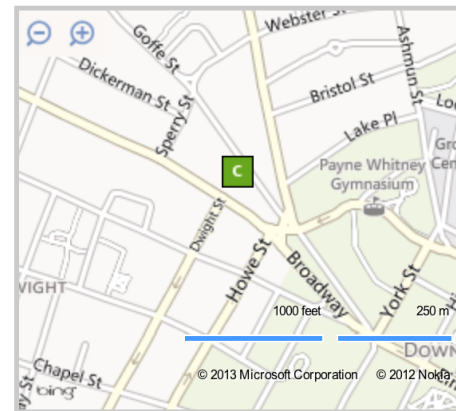
About Courtyard Hotels

Courtyard provides all of the essential services and amenities you need to be successful on your trip. And we are evolving our product every day to meet the changing needs of today's travelers. From new lobby spaces, to enhanced food and beverage options, Courtyard wants you to make the most of your stay. (Amenities may vary by location.)

From **139** (USD) per night

[View Rates](#)

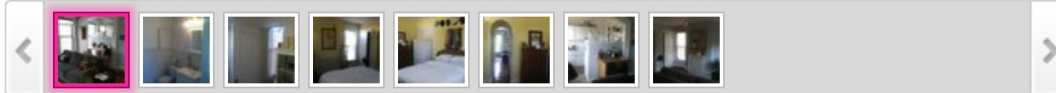
[Return to search results](#)



30 Whalley Ave
New Haven, CT 06511, USA
1 203-777-6221



Booking at Airbnb



Description

Amenities

Located between downtown and the charming East Rock

\$145

Check in

mm/dd/yyyy

Check out

mm/dd/yyyy

Guests

1

CONTACT ME



SAVE TO WISH LIST

Saved 24 times



Matthew

[More about the host](#) ▶

Searching on Airbnb

airbnb BROWSE SIGN UP LOG IN HELP LIST YOUR SPACE


new york, ny 05/10/2013 05/12/2013 1 Guest SEARCH LIST PHOTO MAP

Going to New York? Visit the Airbnb Neighborhood Guide to New York!

1000+ results with 135 popular on Wish Lists SHARE

Filters: Room Type

☐ Redo search in map



Room type

- ☒ Entire home/apt 1000+
- ☐ Private room 1000+
- ☐ Shared room 250

Show More...

Price

\$10 \$1000+

Neighborhood

- ☐ Manhattan 1000+

1 Entire home/apt — Bronx > Baychester \$125 Per night 45 reviews 21 other reviews INSTANT BOOK

2 Entire home/apt — New York > Times Square/Theatre District \$230 Per night 3 reviews 20 other reviews

3 Entire home/apt — New York > Washington Heights \$110 Per night 45 reviews 12 other reviews

4 Entire home/apt — Brooklyn > Flatbush \$115 Per night 36 reviews 99+ other reviews

5 Entire home/apt — Brooklyn > Crown Heights \$150 Per night

Motivation



Ces Écrous @Oga_DoctorBlue · Apr 26

Didnt eem know [#AirbnbWhileBlack](#) was a thing...but after sending 5 requests in 1 day and getting "denied" each time for a random reason...



1



5



Brianna Lee Bates @BriannaLeeBates · Apr 26

Airbnb and diversity/racism: npr.org/2016/04/26/475... [#Airbnb](#)
[#AirbnbWhileBlack](#) [#diversity](#)



1



2



ClassicBeatz @IamClassicBeatz · Apr 26

[#AirbnbWhileBlack](#) is real



1



Danny Acosta @AcostalsLegend · Apr 26

[#AirbnbWhileBlack](#) issue needs light. I have family that never gets calls back b/c 'Jose.' Change to Joe? Calls back. npr.org/2016/04/26/475...



3

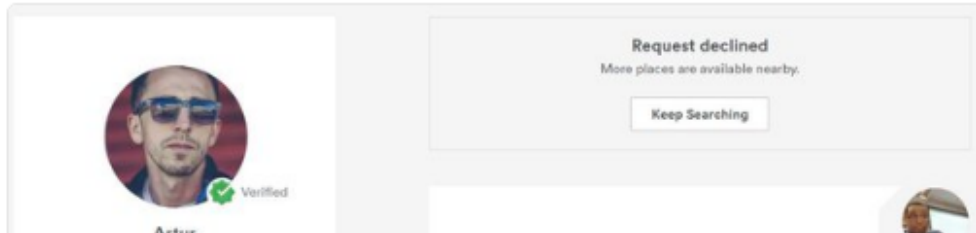


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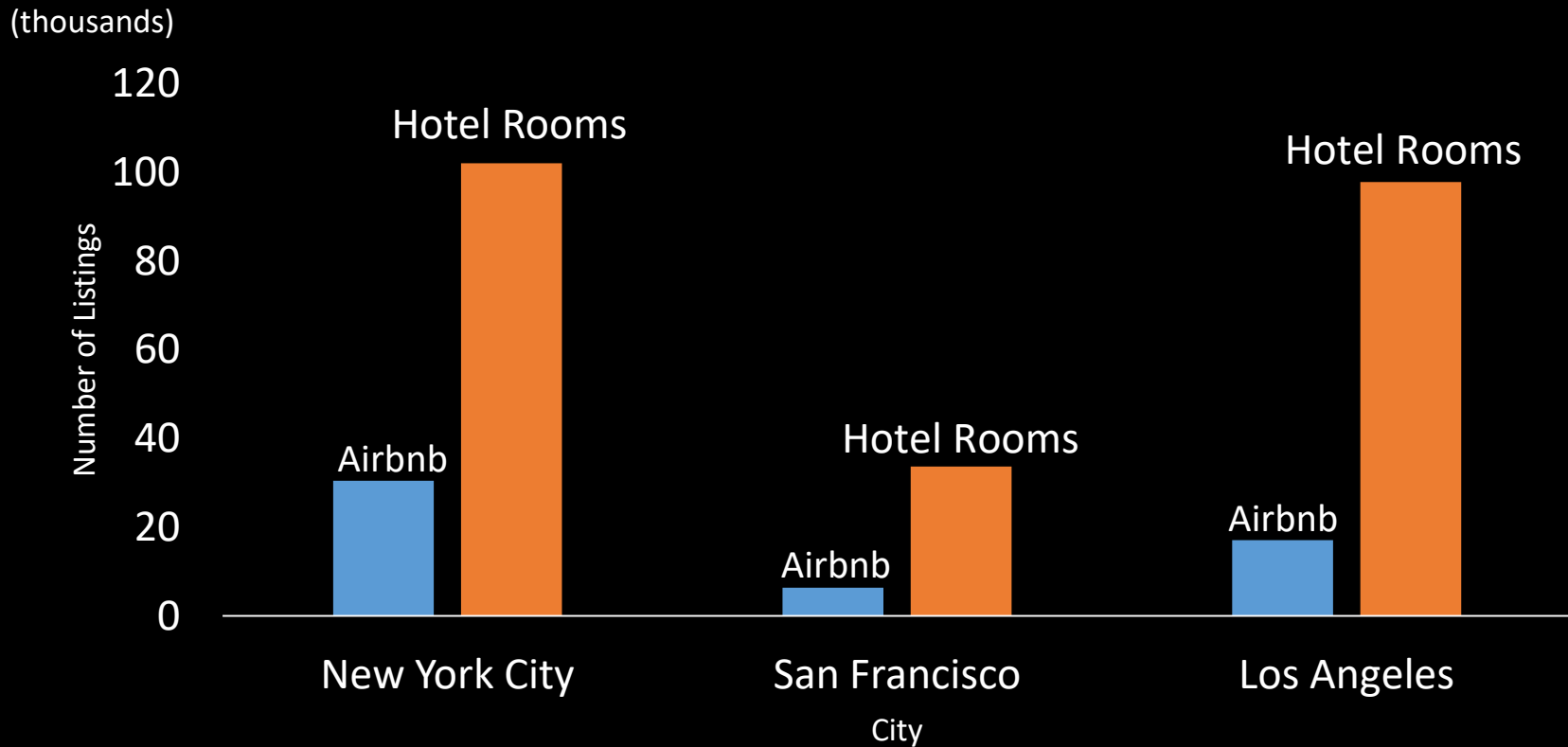
Brenton Poke @BrentonPoke · Apr 26

This is actually common for me; being declined without reason.
[#AirbnbWhileBlack](#)



But the plural
of anecdote
isn't data...

Motivation part two...



Airbnb NYC info from <http://insideairbnb.com/san-francisco/>.

New York City hotel rooms number from <http://nypost.com/2015/01/15/nyc-adds-thousands-of-hotel-rooms-for-gotham-wide-guest-surge/>

San Francisco hotel rooms number from <http://www.sanfrancisco.travel/san-francisco-visitor-industry-statistics>

Los Angeles hotel rooms number from <http://www.discoverlosangeles.com/press-releases/facts-about-los-angeles>

Research Question

- Is there racial discrimination on Airbnb?
- Important given Airbnb's...
 - Size
 - Regulatory status
 - Displacement of traditional hotels and real estate markets

Testing for discrimination on Airbnb

- Field experiment:
 - Send out roughly 6,400 requests for availability.
 - Vary name of guest. Hold all else constant.
- Cities:
 - LA
 - Washington, DC
 - St Louis
 - Dallas
 - Baltimore
- Draw 6,400 properties with availability one month out.
- Randomly assign each host to get a message from either an African-American guest or a White guest
- Send message inquiring about availability. Vary only guest's name.

Quick Aside on Ethics

- Are hosts hurt?
- Did we violate the Terms of Use?
- Did we commit a crime?
- Computer Fraud and Abuse Act, 18 U.S.C. 1030
 - “Whoever... intentionally accesses a computer without authorization or exceeds authorized access, and thereby obtains... information from any protected computer”
- (Our experiment was pre-approved by IRB)

Guest names

White Names	
Allison Sullivan	Brad Walsh
Anne Murphy	Brent Baker
Kristen Sullivan	Brett Walsh
Laurie Ryan	Greg O'Brien
Meredith O'Brien	Todd McCarthy
African-American Names	
Lakisha Jones	Darnell Jackson
Latonya Robinson	Jamal Jones
Latoya Williams	Jermaine Jones
Tamika Williams	Rasheed Jackson
Tanisha Jackson	Tyrone Robinson

What a host sees...

Respond to **Laurie** by replying directly to this email.



Laurie has sent you an inquiry about Cozy, clean house near Boston. Reply, pre-approve or decline by 8:44 AM EDT on Jul 26. Based on your rate of \$100 per night along with associated fees, your potential payout for this reservation is \$149.

Pre-approve / Decline

Reply

Hi, how are you? I am interested in renting your place for a weekend: from 9/20 (Friday at night) through 9/22 (Sunday afternoon). Is there availability? Thank you!

-Laurie Ryan

Airbnb Tip: Read our guide for keeping your Airbnb account secure.



Laurie

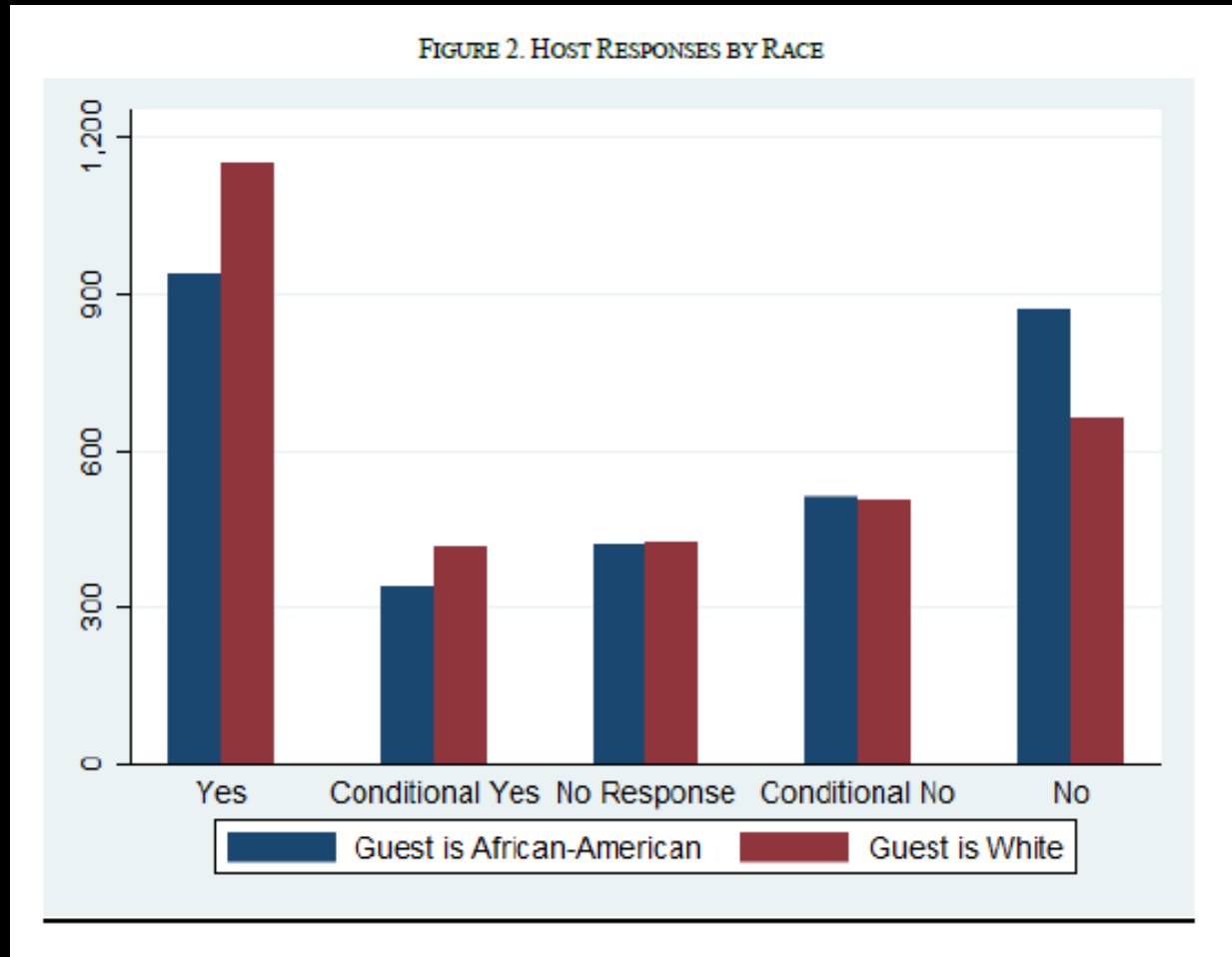


4 Verifications

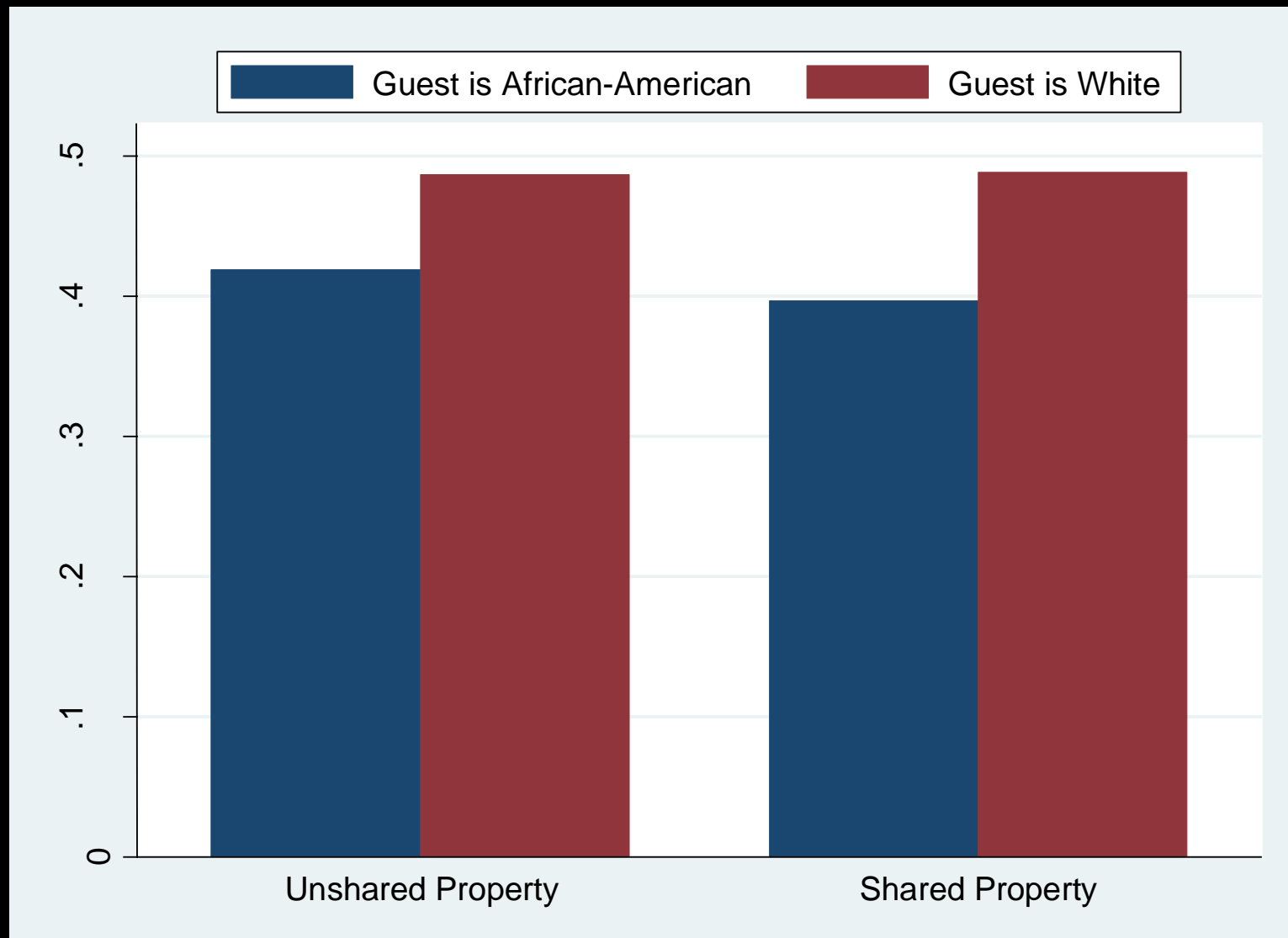
Main results

- Guests with distinctively white names got a Yes response 50% of the time.
- Guests with distinctively African-American got a Yes response 42% of the time.
- Sample size is large enough that we have a reasonably precise sense of the true numbers...
- Difference is persistent across:
 - Cities
 - Race of host
 - Price of property
 - Whether host lives at the property

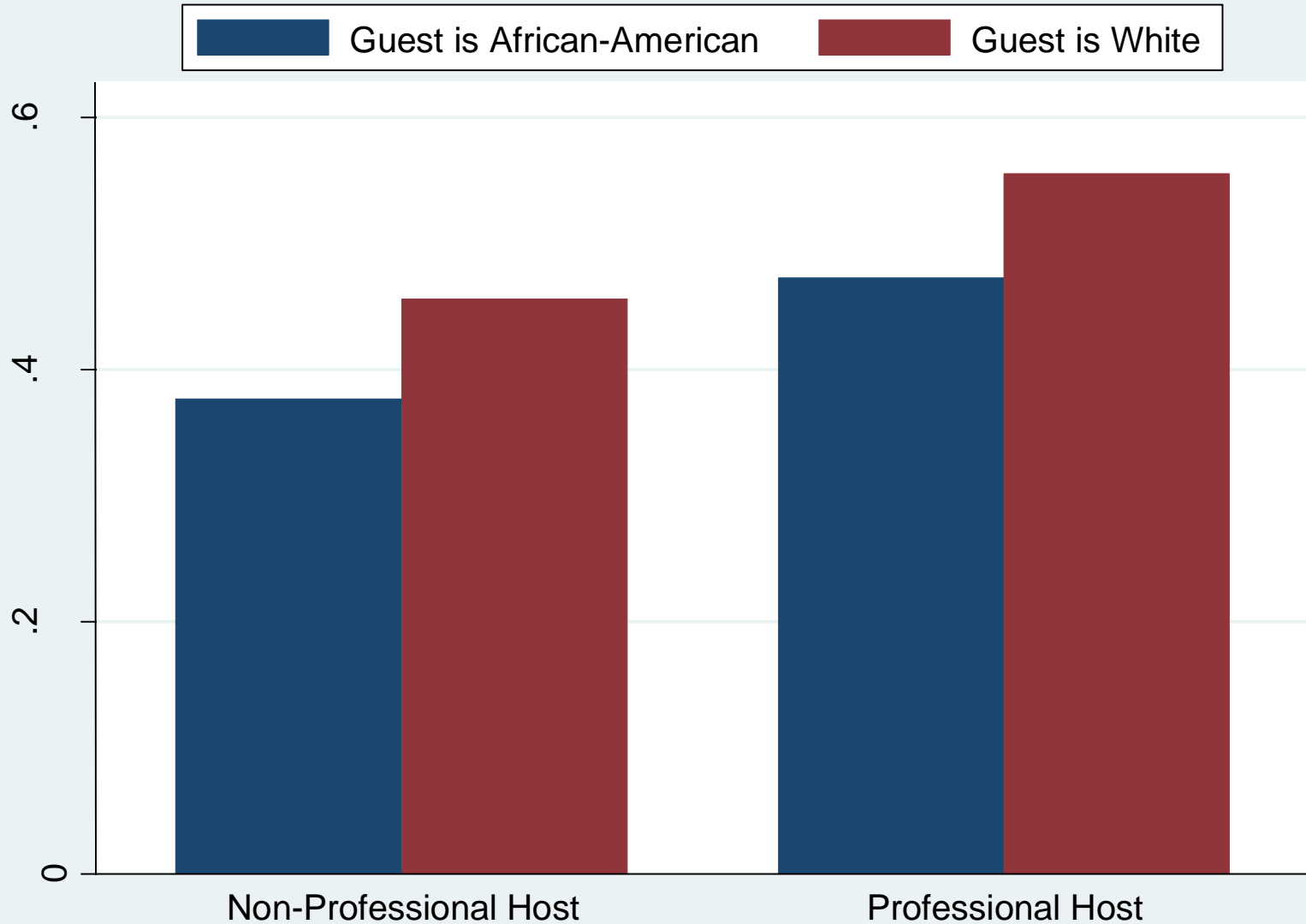
Types of Responses



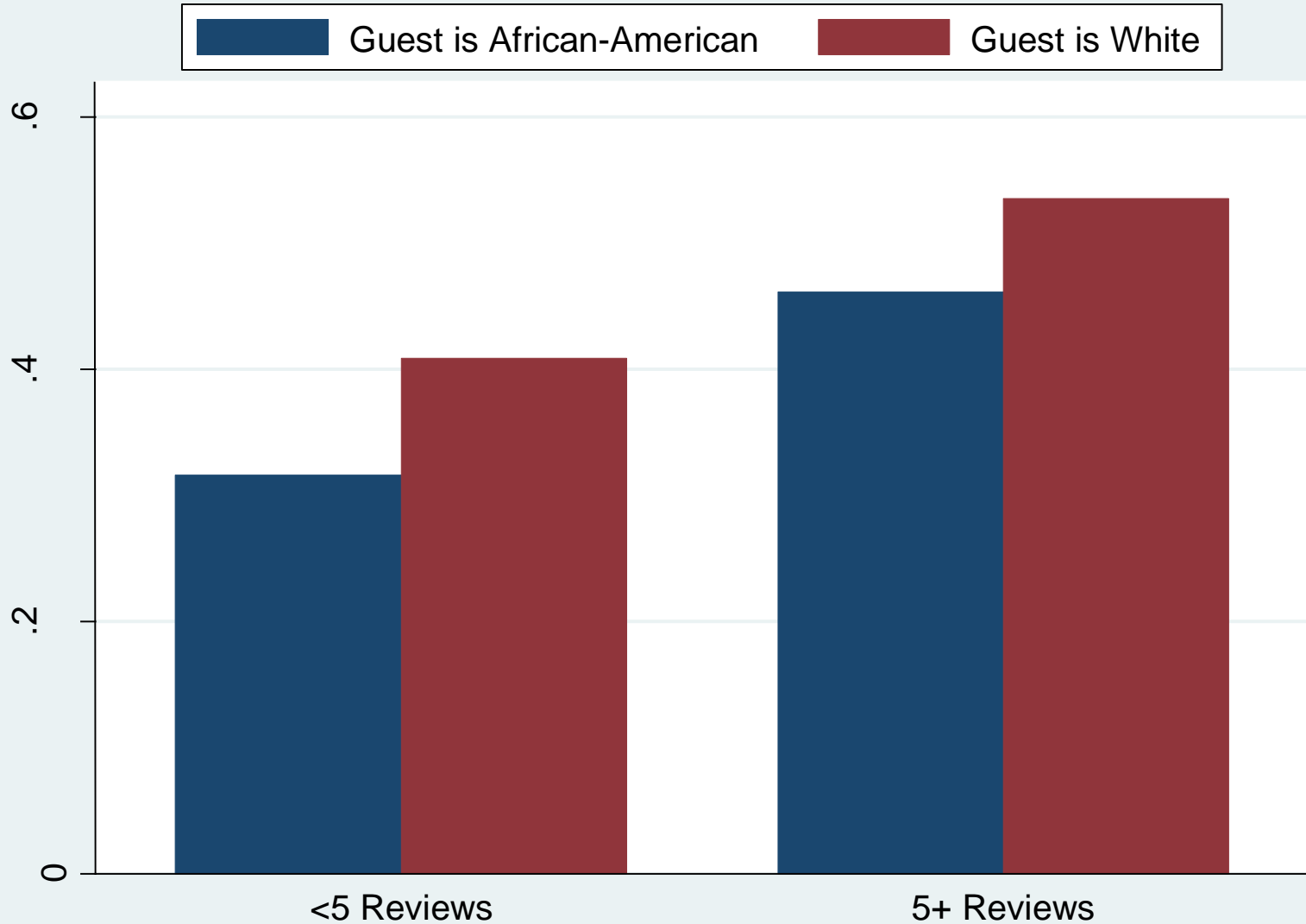
Are shared properties different?



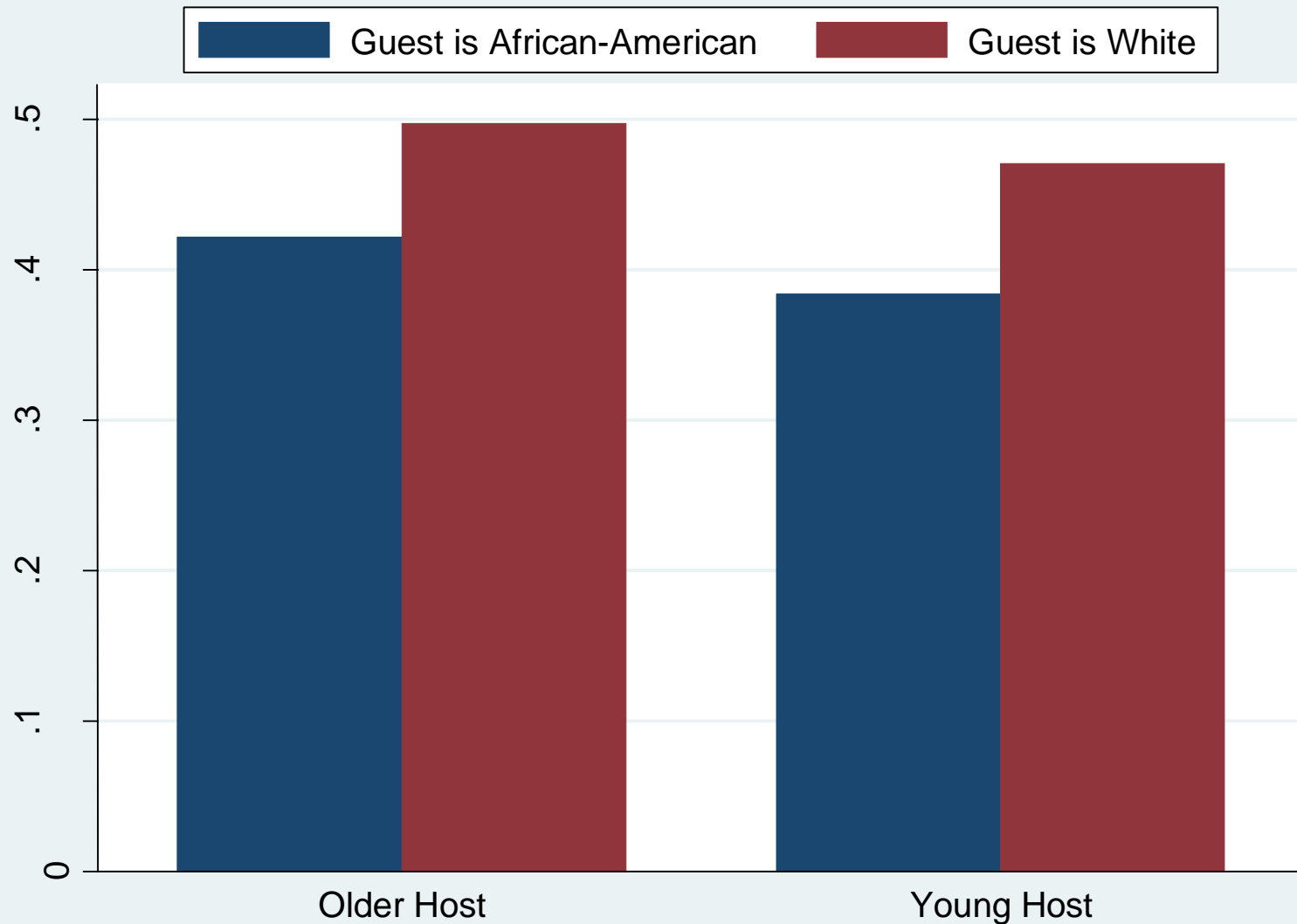
Are professional hosts different?



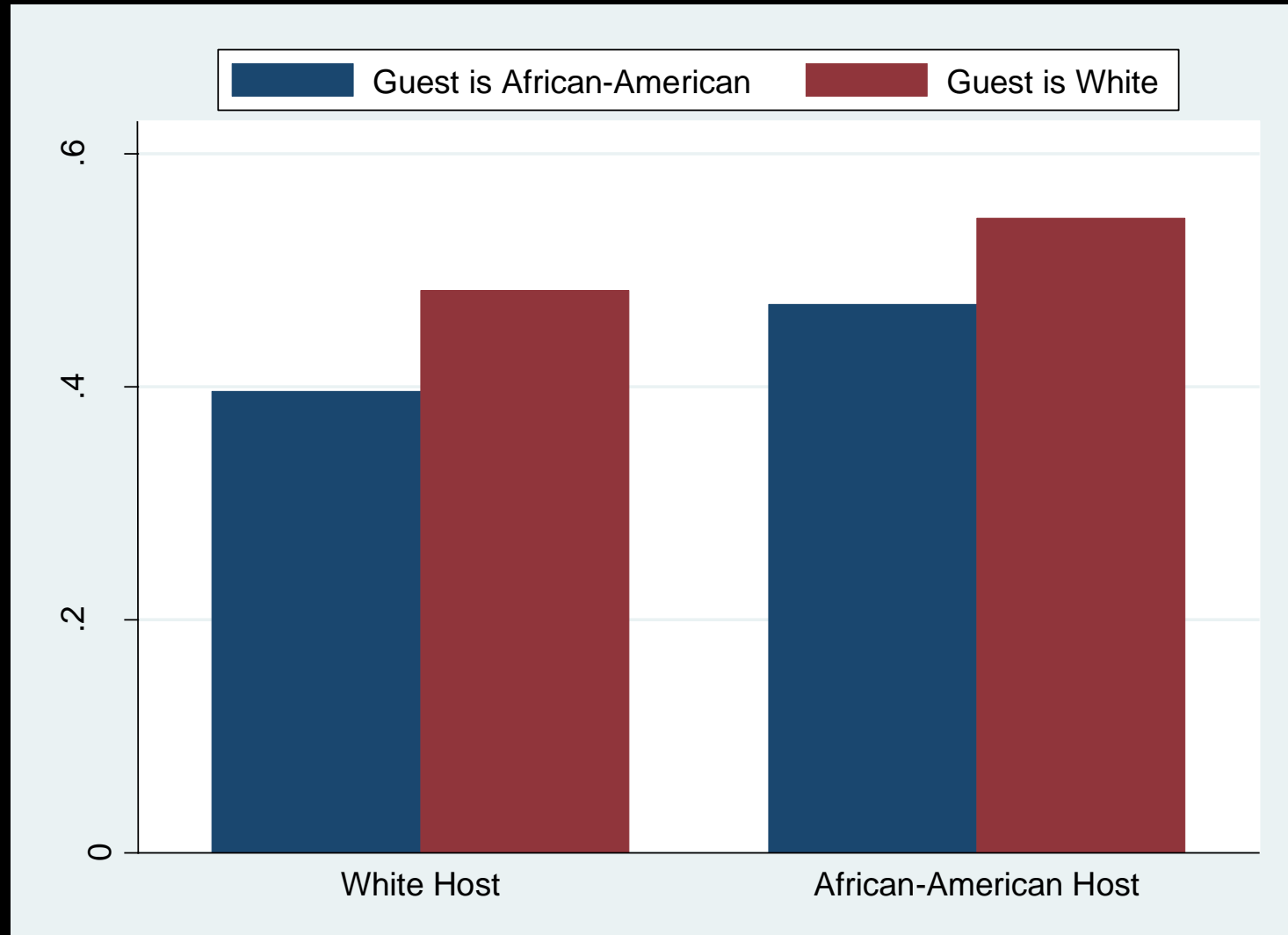
Are active hosts different?



Are young hosts different?



Are African-American hosts different?



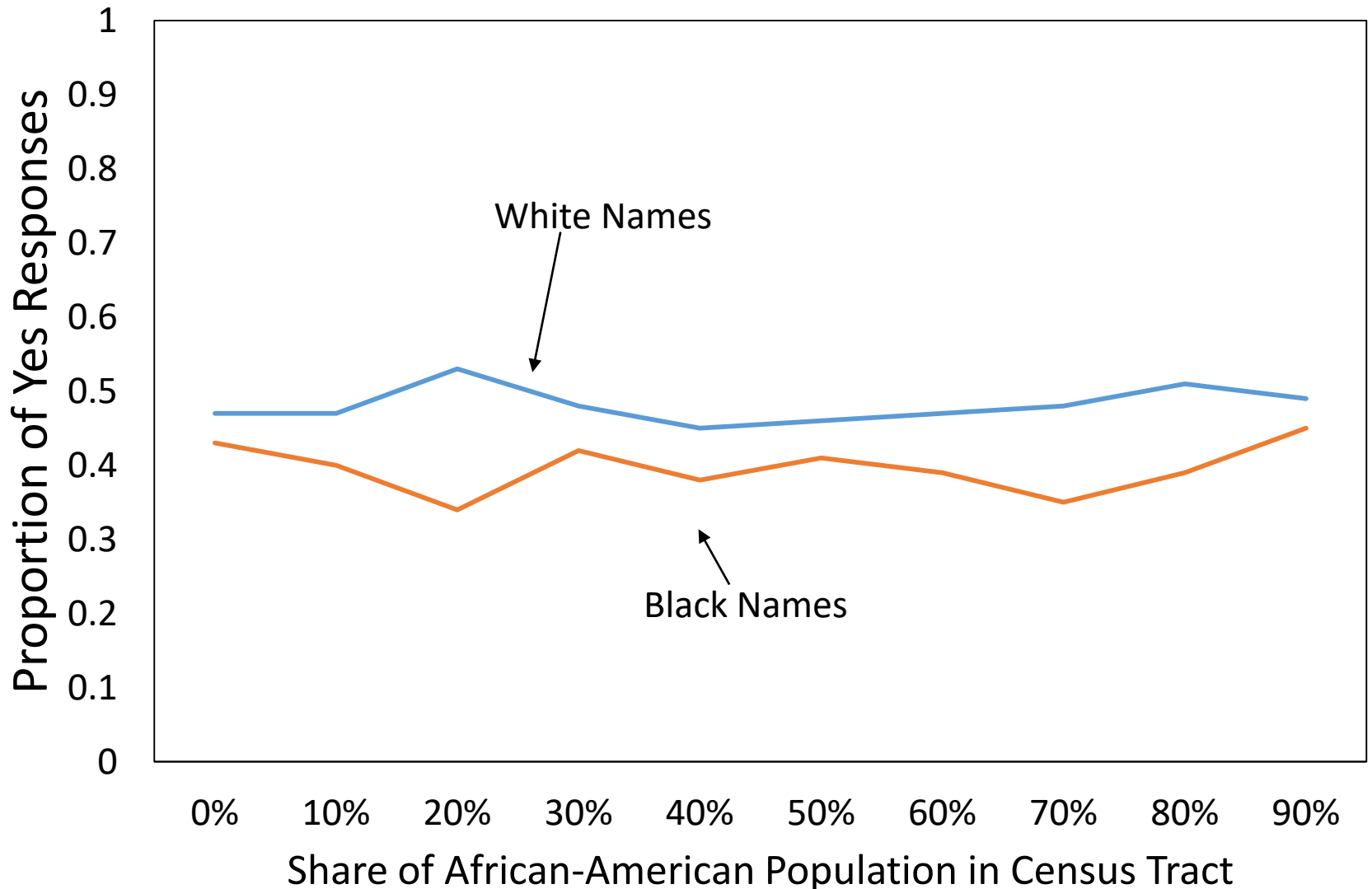
A note on race and gender...

% of Yes Responses for...	White Male Guests	African-American Male Guests	White Female Guests	African-American Female Guests
White Male Host	0.42	0.35	0.49	0.32
African-American Male Host	0.64	0.40	0.59	0.43
White Female Host	0.46	0.35	0.49	0.44
African-American Female Host	0.43	0.38	0.53	0.59

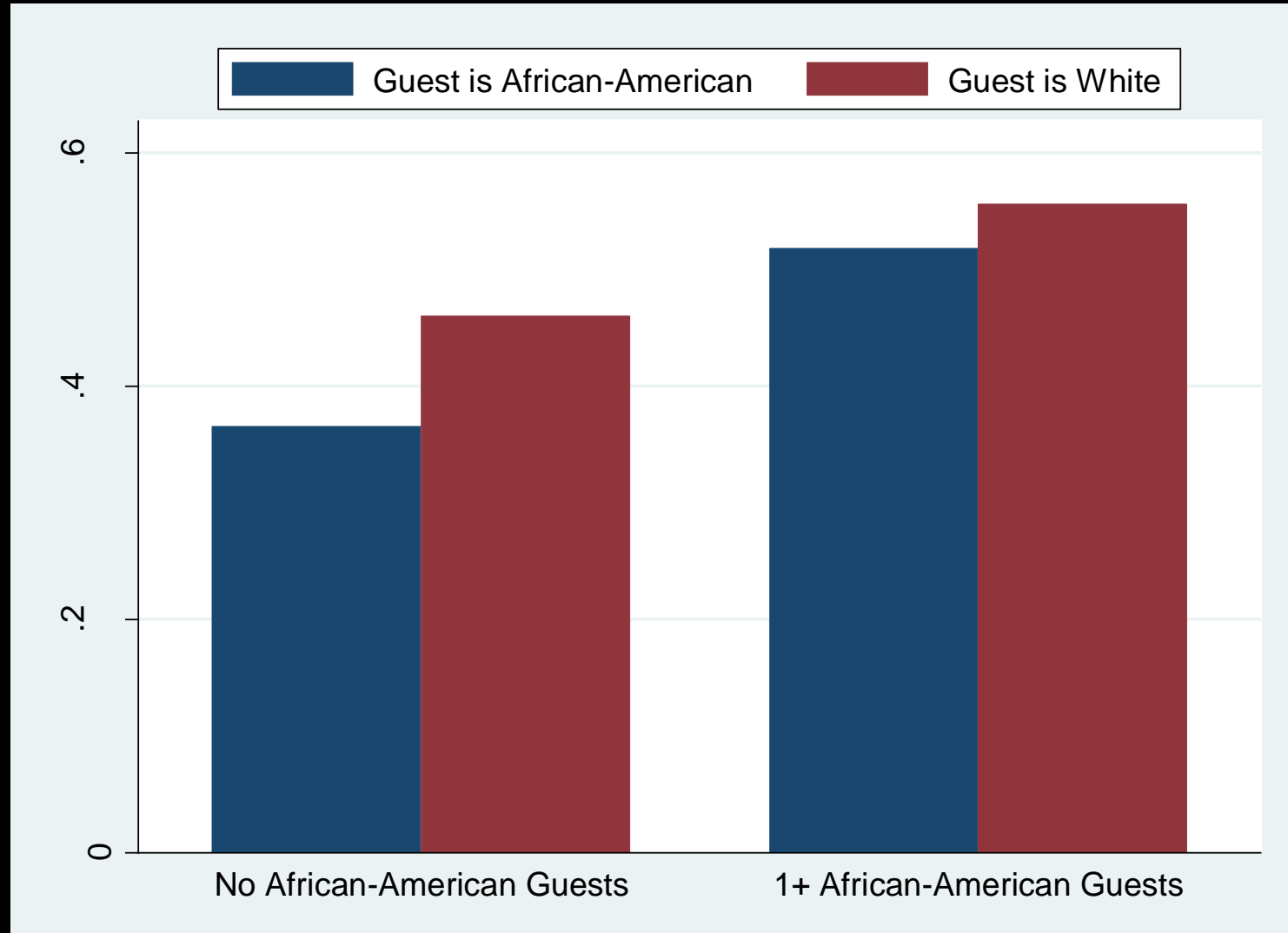
Role of property price



Role of neighborhood demographics



Does a history of African-American guests make a difference?



Hosts pay a price to discriminate...

- Hosts in our data listed their properties at a median price of \$163 (and a mean price of \$295)
- Eight weeks after our inquiries, only 37.9% of listings were filled or unavailable
 - [Probability of not finding a replacement] * Listing Price = \$98.19

What our experiment doesn't address

- Why is this happening?
 - Race vs SES
 - Pure animus? Statistical guesses about the guests?
- Do more complete profiles matter?
- Does the choice of city matter?

Airbnb's response

- Increase Instant Book Listings to 1 Million
- Experiment with Reducing Prominence of Guest Photos
- More detailed nondiscrimination policy
 - “By joining this community, you commit to treat all fellow members of this community, regardless of race, religion, national origin, disability, sex, gender identity, sexual orientation or age, with respect, and without judgment or bias”
- Prevent a host from telling one guest that a property is unavailable, then later accepting another guest's request for the same nights

Academic and Legal Developments Since Our Paper...

- Academic research
 - The new policies may not have worked
 - Not just a problem for guests
 - Not just a race problem
- Lawsuits
 - DC (arbitration clause upheld)
 - Oregon
- More enforcement
 - California Department of Fair Employment and Housing
 - Registration requirements in SF and Denver
 - NYC (\$1.2 million lawsuit pending)
 - Toronto

Thank you!