



V E E V E

AT HOME IN LONDON

# CREATING NEW DIGITAL MARKETPLACES – THE SHARING ECONOMY

TRAVEL TECHNOLOGY INITIATIVE - SEPTEMBER 2016



# LONDON HOME RENTAL SPECIALISTS

Characterful homes. Dedicated service. Memorable stays.

Since we founded Veeve (as Vive Unique) in 2011, we've been matching thousands of visitors to London with hundreds of real London homes.

We have around 1,100 characterful homes, a dedicated Veeve service and - if the mood takes you - extra home comforts (airport pick-up, fridge fill and laundry to name a few).

For travelling professionals, it's the effortless alternative to hotel accommodation.

[VEEVE.COM](https://veeve.com)

# LOCATION

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- Zones 1-4
- Close proximity to transport links
- Size and standard of property
- Affluent, desirable boroughs

## HIGH INTEREST AREAS

- Kensington
- Notting Hill
- Chelsea and Fulham
- Marylebone & Regent's Park
- Knightsbridge
- City of London
- Canary Wharf



# PROPERTIES

VEEVE HAS HAND-PICKED AROUND 1,100 LONDON HOMES



## SPRAWLING TOWNHOUSES

Beautifully large homes for ten or more, situated in the heart of London



## STUDIO APARTMENTS

Ranging from minimalist one-beds to feature-filled mansion apartments



## LUXURY PENTHOUSES

From Shoreditch to London Bridge, wake up to exceptional views of the city



## FAMILY HOMES

Impressive properties curated for families and perfect for longer stays



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# VEEVE DIFFERS FROM PURE PORTALS



PROFESSIONAL  
HOUSEKEEPING



LINEN, TOWELS  
& TOILETRIES



MEET &  
GREET



IN-HOUSE SERVICES  
AVAILABLE

- Veeve selects and audits each home before it is accepted
- Homeowner assigned a personal Account Manager
- Guests are pre-screened, met on arrival, given an introduction to their home and supported during their stay (24/7 customer service, including dedicated maintenance team)
- There is no interaction between guest and homeowner: it is all about being hassle-free
- Veeve also works with corporates looking for a more personalised living experience for their travelling staff (e.g. relocations, longer projects)



The background of the slide is a black and white floral pattern. It features various types of flowers, including what look like morning glories and other climbing plants, with detailed leaves and stems. The pattern is dense and covers the entire slide area.

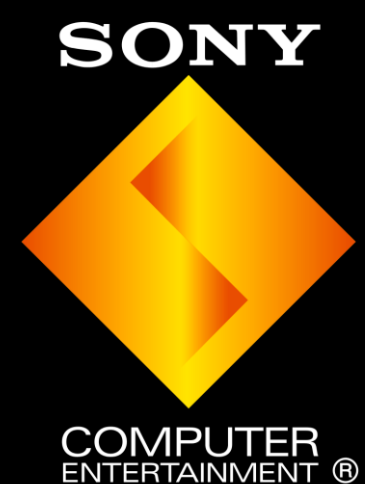
## VEEVE'S VALUE PROPOSITION

When compared with London Hotels and Serviced Apartments, our rates are between 30-50% lower. This is before you even consider the additional space – typically double the floor area – plus the flexibility we provide



The apartment was amazing. It was in a great location (15 mins walk from the studio) and was spacious, tidy and clean. We were also met by a greeter who was very friendly and helpful.

We'll definitely be using Veeve again.



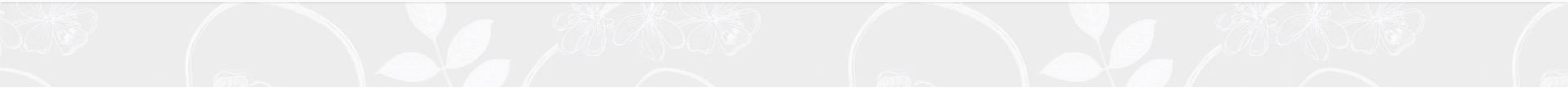
# VEEVE ADDED SERVICES

VEEVE OFFERS AN ADDITIONAL SELECTION OF IN-HOME AND CONCIERGE SERVICES THAT CAN BE REQUESTED BEFORE OR IN STAY.

AS STANDARD	EXTRA SERVICES UPON REQUEST
<ul style="list-style-type: none"><li>• A full meet &amp; greet check-in</li><li>• White Egyptian cotton linens</li><li>• Slippers, towels and bath mats</li><li>• High quality toiletries</li><li>• Guest welcome pack (coffee / tea, hot chocolate, milk, sugar, washing up liquid and dishwasher tablets)</li><li>• 24/7 customer care</li></ul>	<ul style="list-style-type: none"><li>• Airport Pick-up</li><li>• Private Chef</li><li>• Fridge Fill</li><li>• Flowers</li><li>• Maid Service</li></ul>



# WHY IS THIS MODEL FLOURISHING AGAINST TRADITIONAL HOTEL OPERATORS?



Rising awareness	Changing consumer perceptions	Execution issues with new brands	Gap in the market	Time and cost to market
Airbnb* has dramatically changed the accommodation landscape – previous C2C models were lower monetary value and/or had much lower emotional ‘risk’ (e.g. buying and selling items on Ebay).	Led by Generation X and Y, there is less interest in being marketed and sold a hard product, more interest in an experience that can be shared via social media.	Research can guide, but there is always a risk that by the time the new accommodation brand emerges, tastes have moved on. Increasingly hard to internally segment brands	Family groups and longer stays are not well catered for by traditional hotels. Veeve average stay is 8 days with average group size of 5 (but 28% of stays have 6 or more)	Need a large number of units to justify the initial design costs, plus any roll-out can take many years and often involve retrofitting design changes

\* Airbnb prompted awareness is 56% for business travellers and 43% for leisure, with about 17% and 9% recently using them (Source BDRC)

## KEY REASONS FOR USING HOMESTAYS

- Location was given as the main reason by 48% of all travellers and 55% of leisure travellers
- For business travellers, long stay was cited by 43%
- For Gen Y (18-35 year olds) costs were the main factor (63%)
- For Baby boomers (50+) 58% wanted the comfort of a home



# DIFFERENCES OF THE VEEVE MODEL AGAINST TRADITIONAL HOTEL OPERATORS

1. **Distributed operation:** Veeve is effectively running 1,100 'micro hotels' across London, so more complex logistics to manage check-ins, cleaning and maintenance.
2. **Heterogeneity of product:** Veeve doesn't have just a few room types, every location is different. So need for rich content (photos, videos) with detailed customer reviews and local area insights.
3. **Easy to flex:** Adding capacity via new sign-ups in areas where demand is shifting (e.g. Twickenham during the Rugby World Cup), as well as deleting properties that don't meet the standard. Large and growing pool of potential homeowners looking to monetize their key asset – also driven by record low interest rates
4. **Investment:** Minimal for Veeve, aside from website and logistics systems.



## FIGHT BACK OR ACCEPT THE NEW REALITY?

“It would be absolutely foolish and irresponsible to fight against any new concept, offer, or services like this, let alone fighting against the sharing economy. This is where the world is leading us. You need to embrace it.”

Sebastien Bazin, CEO, Accor

In April 2016, Accor announce €148m acquisition of Onefinestay, with further €64m to scale the business from its current 2,600 properties across 5 cities



# CONCLUSIONS

- Unclear if this is really about the sharing economy – it's more about creating a technology enabled platform to facilitate peer-to-peer (C2C) transactions.
- As social norms change, renting out your home is considered acceptable. Indeed why wouldn't you make your main asset 'work' for you?
- Hotels, vacation rental players and serviced accommodation providers may need to see urban operators like Veeve as brand extensions, to which they can leverage customer insight, multi-channel distribution power, yield and property management expertise and local operational capabilities
- At the end of the day, it's the customer who decides.



# Many thanks



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