

# THE SHORT-TERM RENTAL GUEST: 2025 TRENDS, INSIGHTS & RESEARCH

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Written by:  
**Cathy Walsh**





# About the report

## **The short-term rental guest: 2025 trends, insights and research**

A PhocusWire Report sponsored by Expedia Group

Author: Cathy Walsh

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# Introduction

## Understand traveller expectations, optimise your holiday rental business and attract more bookings

Short-term rental guests represent a desirable and lucrative consumer segment. Travellers who book holiday rentals spend more and take longer trips compared to other travellers, and they are more likely to seek out new travel experiences. While the short-term rental market provides a popular alternative to traditional accommodation, the market's mainstream status brings with it rising expectations from travellers.

Guests increasingly expect a higher standard of quality and service from holiday rentals. Understanding traveller shopping behaviours and preferences can help hosts optimise their listings and deliver a satisfying guest experience. This white paper provides data and insights on the short-term rental guest based in the United States and highlights best practices to help hosts attract high-value travellers and grow their business.



# Methodology

The article is based in part on findings from a study of the US short-term rental market conducted by Phocuswright, in partnership with Expedia Group and other travel leaders.

## Guests survey

Phocuswright fielded an online survey between 26 August and 11 September 2024—through a Dynata consumer panel—targeting US travellers who stayed in paid short-term rentals at least once in the past year for leisure travel purposes. Phocuswright received 907 qualified responses and the respondent pool can be projected with confidence to the US short-term rental traveller population with internet access. The error interval for analysis is  $\pm 3.3\%$  at a 95% confidence level.

## Hosts survey

Phocuswright fielded an online survey between 20 August and 21 September 2024, through a Dynata consumer panel, targeting US hosts of a property that they rent out on a short-term basis. Phocuswright received 483 qualified responses.

## Property managers

Phocuswright conducted N=13 in-depth interviews (IDIs) with professionals working in the property management industry. These companies represent a range of portfolio sizes, business models and geographic locations.



# Key terms

**Short-term rental (STR):** properties available for rental increments of under 30 days.

**STR guests:** leisure travellers with at least 1 short-term rental stay within the past 12 months.

**Non-STR guests:** leisure travellers who did not have a short-term rental stay in the past 12 months.

**Upmarket/luxury STR guests:** STR guests who described the short-term rental property they most recently stayed in as a 4 or 5 on a scale of 1 to 5, where 1 is budget/economy and 5 is luxury.

**Hosts:** short-term rental owners or managers of up to 10 properties involved in the day-to-day oversight of a property or oversight of a professionalised property manager. Hosts may or may not own the property itself. They do not own property management firms or manage the properties as a hired property manager.

**Property managers (PMs):** owners or employees of professional short-term rental management firms.





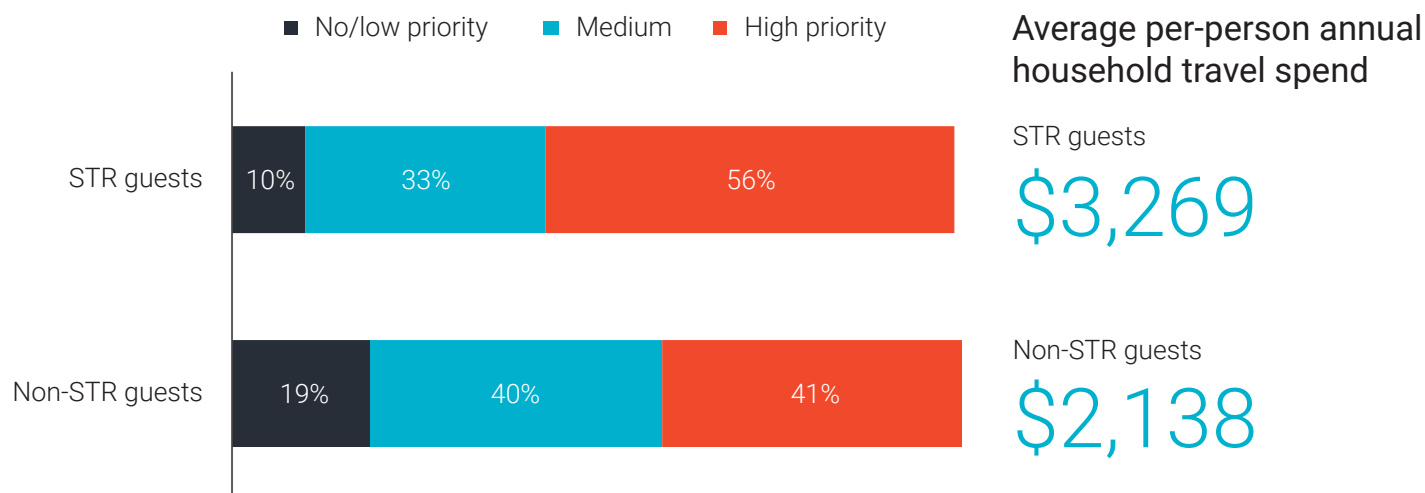
# The short-term rental guest

Short-term rental (STR) guests are an attractive segment of the US travel market. Understanding the trends and preferences driving guest behaviour can help hosts better attract high-value bookings. Read on to learn how.

STR guests are more likely to prioritise trip spend and spend more per person compared to non-STR guests (see Figure 1). When deciding how to spend discretionary income, 56% of STR guests place a high priority on travel and tourism, compared to 41% of non-STR guests. Travel is a top priority for STR guests and this group spends more money on trips throughout the year, with an average per-person annual household travel spend of \$3,269, compared to \$2,138 for non-STR guests.



**Figure 1: travel and tourism spend priority and average spend**



**Question:** Travel and tourism: when deciding how to spend your discretionary income (after covering everyday living expenses), how much of a priority do you place on the following goods or services? What was the total amount your household spent for your [] leisure trips?

**Base:** STR guests (N=907); Non-STR guests (N=1,619)

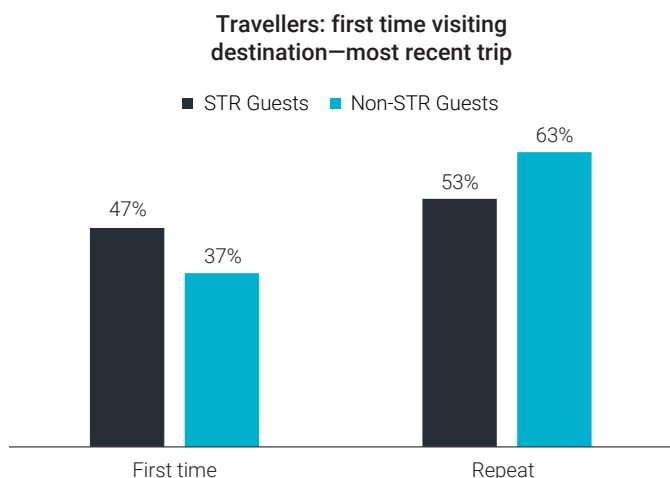
**Source:** Phocuswright's US short-term rentals 2024

STR guests are also relatively adventurous, with a desire for new experiences. Fifty-seven percent of STR guests prefer to seek out new destinations rather than return to places they have visited before, compared to 43% of non-STR guests (see Figure 2). This stronger desire for exploration is evident in travel behaviour: 47% of STR guests were first-time visitors to their chosen destination during their last holiday, compared to only 37% of non-STR guests.

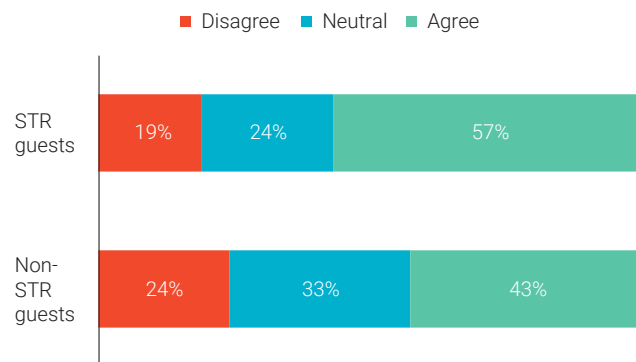
More first-time visitors mean hosts have a great opportunity to offer extras, like activity bookings or local partnerships. They can also improve the guest experience by sharing recommendations for restaurants and things to do nearby.

STR guests' wanderlust also leads them to explore countries outside their own borders. International travel incidence is higher among STR guests, with 44% travelling internationally in the past year, compared to 29% of non-STR guests.

**Figure 2: interest in visiting new destinations**



**'I generally prefer to seek out new destinations rather than return to places I've been to before'**



**Question:** Was this your first time visiting the destination? If you visited multiple destinations, please answer about the destination where you stayed the most nights. 'I generally prefer to seek out new destinations rather than return to places I've been to before': to what extent do you agree or disagree with the following statements about travelling in the future?

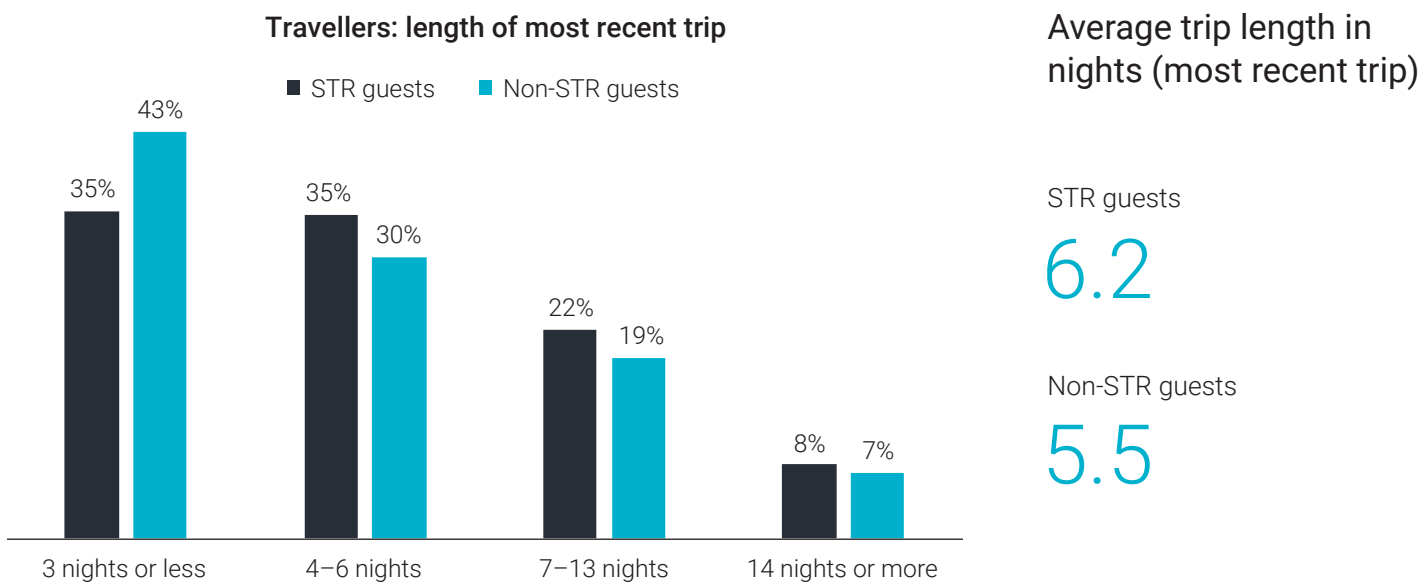
**Base:** STR guests (N=907); Non-STR guests (N=1,619)

**Source:** Phocuswright's *US short-term rentals 2024*

Given their desire for travel, it is not surprising that STR guests tend to plan longer trips (see Figure 3). For the most recent trip, trip length averaged 6.2 nights for STR guests compared to 5.5 nights for non-STR guests. These longer trips may increase the need for larger, more equipped accommodation, as well as space for remote

work. Roughly six in 10 (61%) STR guests took a leisure trip where someone worked remotely in the past 12 months, compared to 48% for non-STR guests. While remote work allowances may have tightened post-COVID, hosts could still benefit from highlighting spaces or amenities that support remote work in their listings.

Figure 3: trip length



**Question:** Travel and tourism: how many nights was your leisure trip? If it was a leisure extension of business trip, limit your answer to the leisure portion only.

**Base:** STR guests (N=907); Non-STR guests (N=1,619)

**Source:** Phocuswright's US short-term rentals 2024

## Activate through Vrbo

While holiday rental travellers are high value overall, Vrbo guests<sup>1</sup> are even more likely to spend more and stay longer. In fact, Vrbo travellers are 63% more likely to be willing to [splurge on their holidays](#). Compared to travellers that use other online travel agencies (OTAs), Vrbo travellers spend 58% more on their holiday rental booking overall and 47% more on holiday rental bookings per night.

Vrbo travellers also remain in holiday rentals 14% longer—an additional day—compared to other OTA travellers. Hosts can connect with these high-quality guests by listing their property on Vrbo. Learn more about listing your property [here](#).

<sup>1</sup> Vrbo travellers represent respondents who booked on Vrbo in the past three to six months and indicated a preference for booking on Vrbo.





# The lodging decision: how travellers compare hotels and holiday rentals

**Short-term rentals offer travellers a range of benefits that they may not get in a hotel. However, STR guests do not only book rentals. When choosing where to stay, it is common for STR guests to also consider other lodging options. Nearly seven in 10 (68%) STR guests also had a hotel stay in the past 12 months and 82% of STR guests compared STR and hotel options for leisure travel over the same period.**

The good news? Many travellers who didn't stay in holiday rentals in the past 12 months are considering them. Nearly four in 10 (38%) non-STR guests compared STR and hotel options for leisure travel. Hosts should keep in mind that hotel guests are also looking at short-term rentals while shopping for travel, so it is important to make your business and listings competitive.

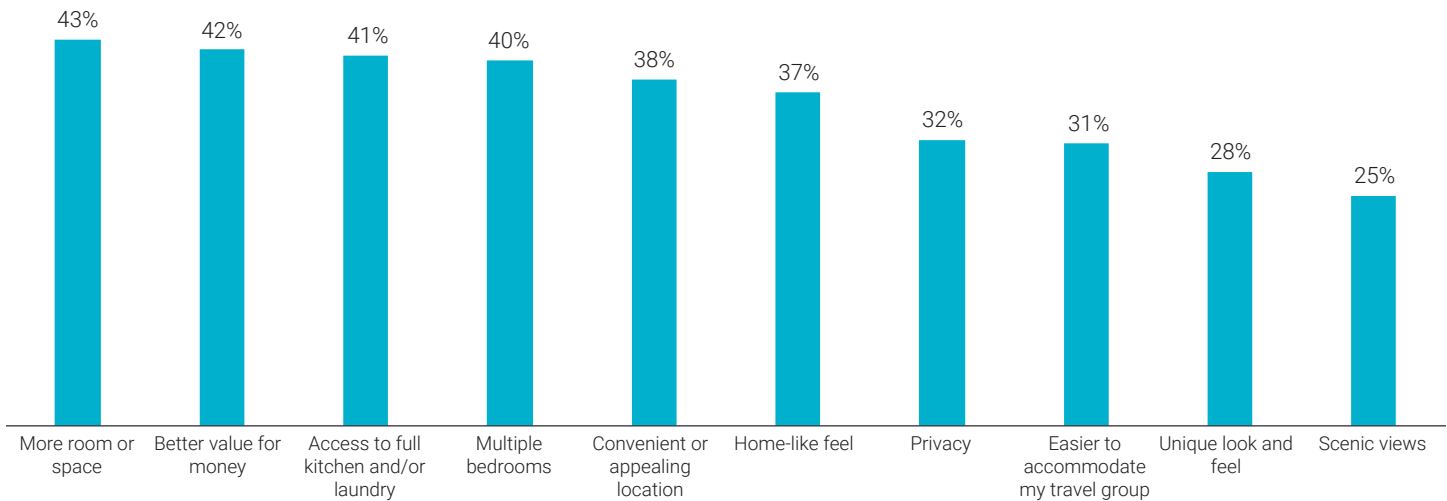
## Where the short-term rental wins

For travellers who do book a short-term rental, there are several key factors that commonly drive the decision (see Figure 4). The top reasons for choosing the STR category for a recent stay are additional space (43%), enhanced value (42%), access to kitchen and laundry facilities (41%), multiple bedrooms (40%) and a convenient location (38%). Other reasons include a home-like feel, a desire for privacy and the ability to accommodate a group.

Reasons for booking an STR can vary based on the property tier that STR guests described for the property they most recently stayed in. For example, value is more important for mid-tier guests, while luxury and upmarket guests enjoy a unique look and feel, as well as scenic views.



**82% of STR guests compared STR and hotel options for leisure travel over the same period.**

**Figure 4: top reasons for booking recent STR stays**

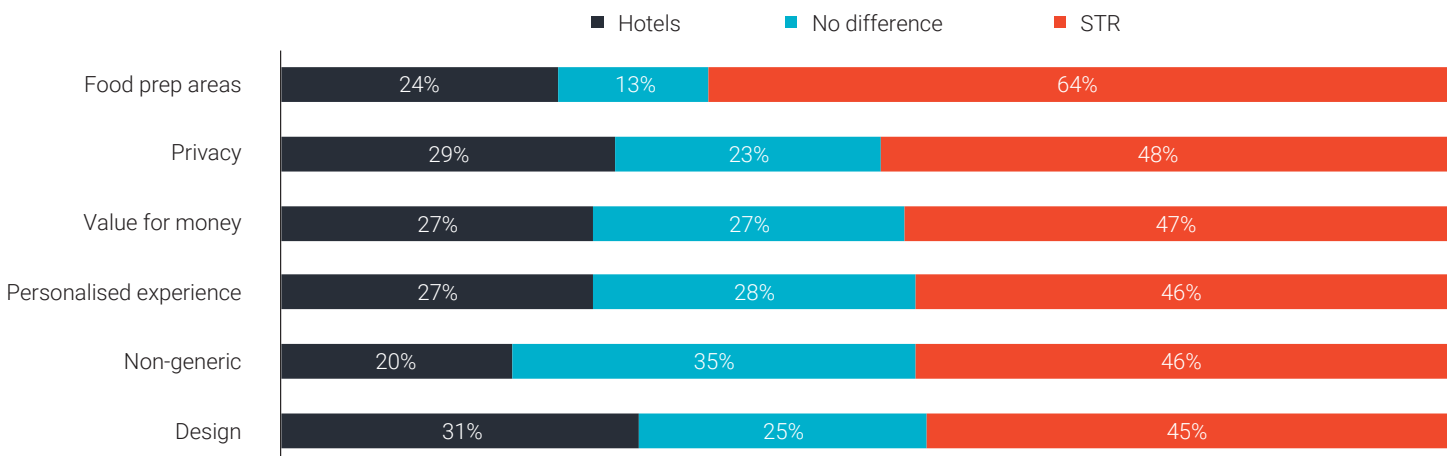
**Question:** Why did you choose to stay in a short-term rental for this that trip? Please select all that apply.

**Base:** STR guests (N=907)

**Source:** Phocuswright's US short-term rentals 2024

STR guests who also stayed in a hotel recently shared what they like best about rentals compared to hotels. Guests consider STRs to be better for food prep areas, privacy, value

for money, personalised experience, non-generic feel and design (see Figure 5). Holiday rental hosts should highlight these elements in their listing via photos and amenities.

**Figure 5: aspects where STRs are considered more advantageous, based on personal experience**

**Question:** Based on your personal experiences, which type of accommodation does the best job in each of the following aspects of the guest experience?

**Base:** STR guests with recent hotel experience (N=617)

**Source:** Phocuswright's US short-term rentals 2024



## Where the hotel wins

Traveller expectations for the rental experience have increased in recent years, particularly as guests compare rentals alongside hotel offerings. For hosts who understand these changing expectations, there is a significant opportunity to stand out and attract more high-quality bookings.

Hotels are widely viewed as offering superior customer service, with 72% of STR guests and 85% of non-STR guests giving hotels the edge (see Figure 6). To compete with hotels and stand out among STR competitors, hosts should prioritise clear communication and attentiveness with guests to provide a high-quality experience.

**Figure 6: traveller perceptions of customer service**

### Describes me somewhat/well:

*'I feel hotels offer superior customer service compared to home and apartment/flat rentals'*



**Question:** Please indicate how well each of the following statements describe your personal approach to booking travel accommodation.

**Base:** STR guests (N=907); Non-STR guests (N=1,619)

**Source:** Phocuswright's US short-term rentals 2024

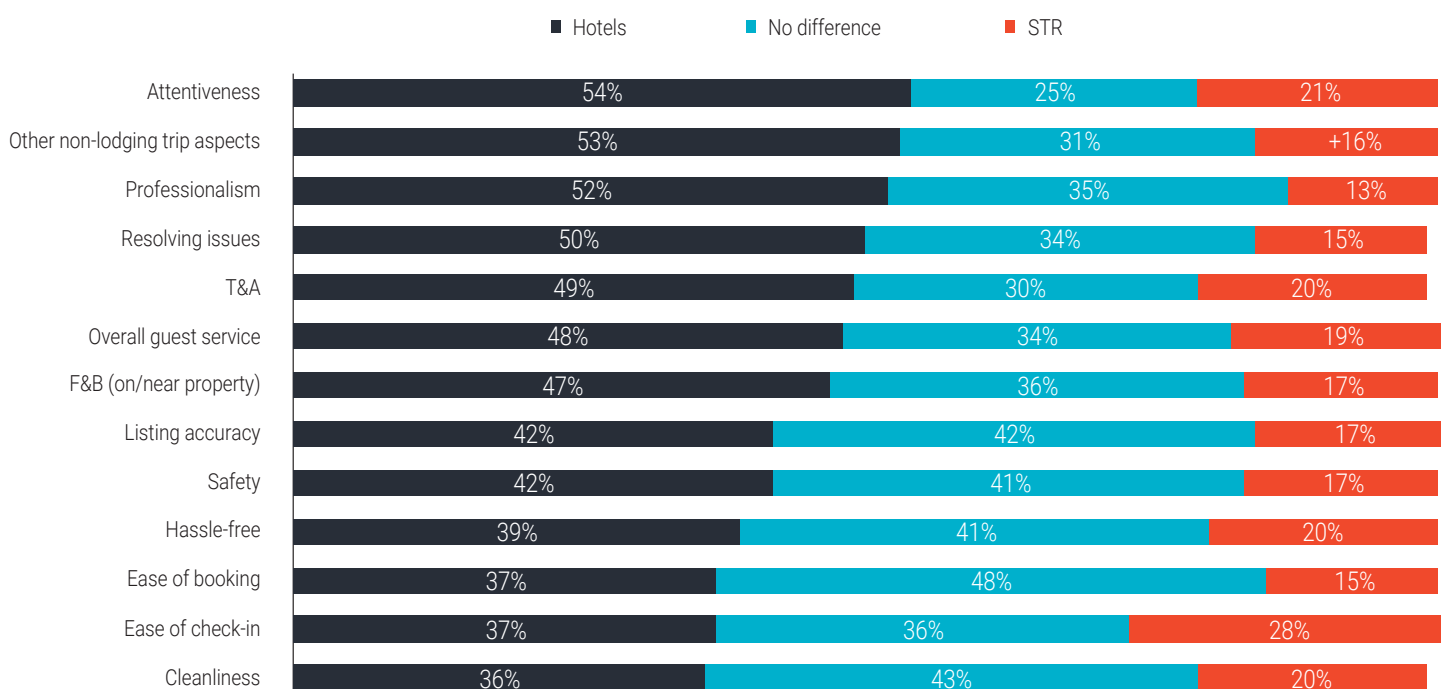
Other areas where hotels get high marks, according to the personal experience of STR guests, include attentiveness, professionalism and resolving issues (see Figure 7). At least half of STR guests with recent hotel experience view hotels

as having the edge in these areas, creating opportunities for hosts to appeal to travellers by prioritising these customer service features.





**Figure 7: aspects where hotels are considered more advantageous, based on personal experience**



**Question:** Based on your personal experiences, which type of accommodation does the best job in each of the following aspects of the guest experience?

**Base:** STR guests with recent hotel experience (N=617)

**Source:** Phocuswright's US short-term rentals 2024

## Activate through Vrbo

For travellers seeking social proof of quality host services, [Vrbo's Premier Host](#) designation offers reassurance. Attaining Premier Host status shows guests that they can rely on the host to deliver consistently excellent customer service and booking experiences.

The benefits of attaining Premier Host status include listing-level badge designation, improved search position, increased visibility in filtered searches, priority host support and exclusive co-marketing opportunities.



# Changing traveller perceptions and standards for short-term rentals

**For hosts aiming to optimise their business and boost bookings, it is crucial to understand guest needs and perspectives. Property managers have noticed a clear rise in guest expectations and standards, as reported in multiple in-depth interviews. This change reflects a broader trend towards better service and amenities.**

Guests now expect higher standards of communication and prompt responses to any issues that may arise, comparable to the service level typically associated with hotels. STR guests increasingly reference hotel standards—particularly in terms of features and amenities—indicating a desire for a consistent and predictable experience. However, STR guests say that rental listings can sometimes be vague or inaccurate, leaving guests unsure about what to expect from any individual STR experience. Four in 10 (42%) of STR guests believe that hotels have better listing accuracy, compared to 17% who say STRs do.



**Four in 10 (42%) of STR guests believe that hotels have better listing accuracy, compared to 17% who say STRs do.**

## Activate through Vrbo

Given these shifting perceptions, Vrbo recommends that hosts take proactive steps to [appeal to travellers](#) and provide a consistently great customer experience. Hosts should [optimise rental listings](#) to ensure that all details are accurate, up to date and clearly communicated to travellers.

- Update your listing with accurate, recent and high-quality photos and ensure that your listing's headline and property description capture attention and highlight your property's most appealing features and amenities.
- Include cleaning and safety practices to show guests you are a responsible host. Vrbo provides tools to help hosts establish and post clear [house rules](#) so travellers know what to expect. Additionally, Vrbo hosts receive tips on creating [welcome guides](#) to ensure that guests have all the information needed ahead of check-in so they have the best possible experience.
- Consider including a virtual tour to bring your property to life.

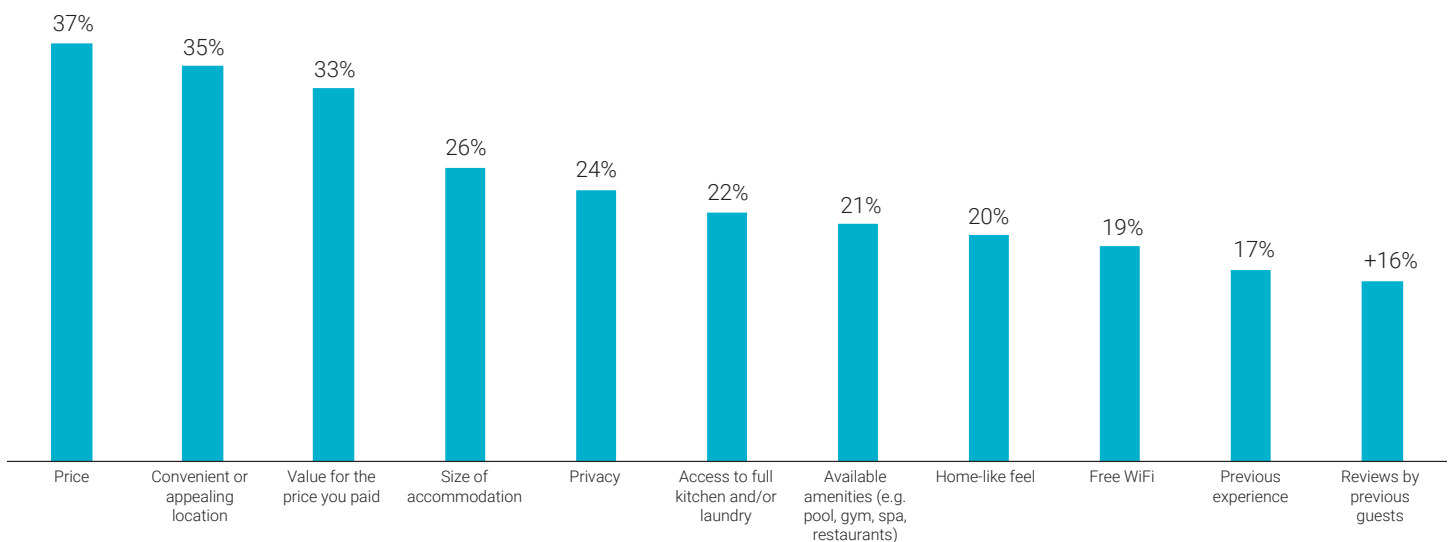
Beyond the property listing itself, hosts should focus on establishing a high standard of service. Best practices include accepting and honouring bookings, as well as maintaining consistent, swift communication with travellers before, during and after their stay. These customer service practices show guests that your business provides the same reliability as hotels. In turn, improving guest perceptions of STRs can result in more satisfied customers and increased bookings.

# How guests choose among short-term rentals

When travellers choose their accommodation, their decision can be influenced by a variety of factors, both practical and aspirational. The top three reasons STR guests chose the specific lodging for their last trip include price (37%),

location (35%) and value (33%)—all fundamental aspects of a rental that drive decision-making (see Figure 8). Travellers are also influenced by factors like amenities (21%) or a home-like feel (20%).

**Figure 8: top reasons why STR guests chose accommodation (last trip)**



**Question:** What factors most influenced your decision on the type of lodging you stayed in? Select up to 5 options.

**Base:** STR guests (N=907)

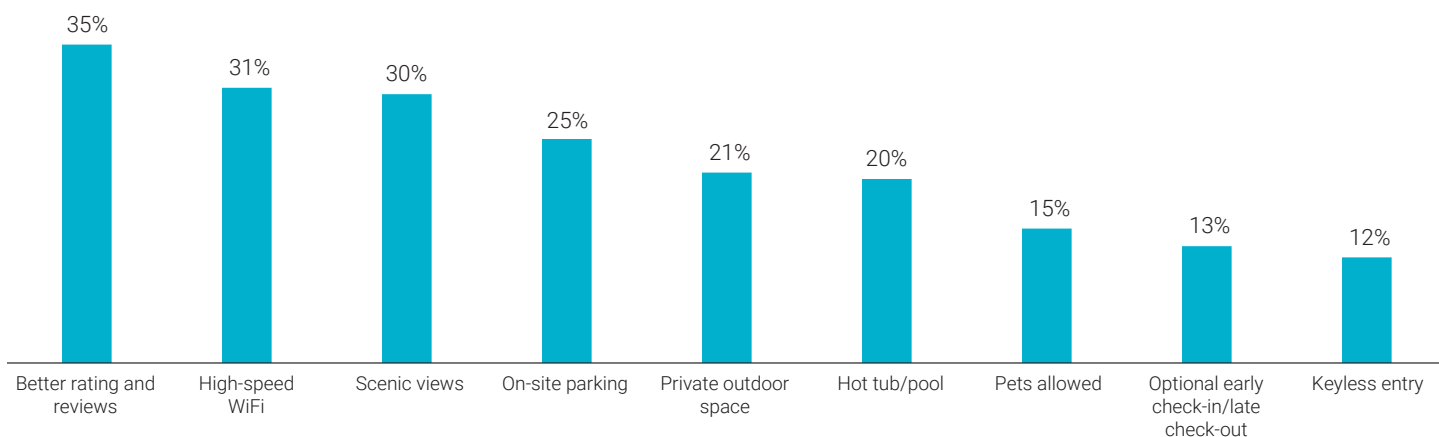
**Source:** Phocuswright's US short-term rentals 2024

To understand which services and amenities make a property more competitive, Phocuswright asked STR guests which features would influence their decision to book one property versus another (see Figure 9). Strong reviews, high-speed WiFi and scenic views are the features most likely to give your property an edge. Amenities such

as on-site parking, private outdoor space or a hot tub/pool can also be an advantage. While not every property has access to scenic views or outdoor space, all hosts can strive to improve the customer experience to garner strong reviews—the most significant factor when choosing among similar short-term rental properties.



**Figure 9: most competitive features for STRs of comparable size, comfort and cost**



**Question:** When choosing between two short-term rental properties of similar size, comfort and cost, which of the following services and amenities would influence your decision to book one vs the other? Select up to 3.

**Base:** STR guests (N=907)

**Source:** Phocuswright's *US short-term rentals 2024*

## Leaning in on look and feel

Beyond service, hosts should consider the importance of their property's look and feel. Travellers overwhelmingly agree that STRs are more likely than hotels to have character or interesting histories, with 85% of STR guests—as well as 60% of non-STR guests—saying the sentiment describes them somewhat/well. Additionally, 89% of STR guests say it describes them somewhat/well that they prefer travel accommodation with an interesting look and feel. Among upmarket and luxury guests, the share seeking unique accommodation is even higher.

When STR guests compare rentals to hotels, 46% feel that STRs provide a less generic experience, compared to 20% for hotels. STR guests are also more likely to say that STRs have better interior design (45% versus 31%). While travellers would like to see more consistent levels of service when staying at a short-term rental, many appreciate the qualities and design unique to each property.

## Make your holiday rental more competitive

Now that you better understand what travellers are looking for in a holiday rental, consider implementing the ideas below to make your rental more competitive:

**Implement a competitive pricing strategy:** communicate clear, transparent pricing and ensure that any fees are well explained and necessary. Establish a straightforward fee structure and make sure to balance your pricing strategy with discounts. [Learn more](#) about how to create a pricing strategy.

**Leverage traveller preferences:** enhance your property with popular amenities and ensure they are featured prominently in your property description.

**Offer superior customer service:** provide a level of service that meets or exceeds what is provided in a hotel. Many guests welcome the opportunity to have a unique experience, so consider including unexpected perks such as a welcome gift or note. Encourage guests to leave a review and mention great customer service experiences, since reviews can be a key differentiator for guests choosing amongst multiple STRs.

**Show off your property's assets:** highlight cleanliness and safety features and consider investing in your property's design and decor. Eight in 10 hosts agree/strongly agree that STR listings that look unique get more attention from perspective guests; however, only 19% report look and feel as top competitive features. Highlighting your property's special features can help it stand out to the nine in 10 STR guests who prefer accommodation with a unique look and feel.

## Conclusion

Rising guest expectations are driving higher standards of quality and service in the short-term rental market. Hosts can leverage the insights gleaned in this white paper to better serve and target high-value short-term rental guests. By providing a superior experience for travellers, hosts earn positive reviews, attract more guests and inspire the next rental booking.

[Learn more about partnering with Vrbo](#)







## About PhocusWire

PhocusWire is a comprehensive daily news companion for the industry powered by Northstar, the leading global provider of trusted information and experiences for the audiences that drive the travel industry.

Technology and distribution form the backbone of travel, tourism and hospitality—the planet’s largest industry. The PhocusWire team, and our colleagues at Phocuswright, have been immersed in travel technology and the ongoing digitisation of the industry for decades.

PhocusWire’s daily content keeps our readers up to date on breaking news while also providing broad coverage of every sector of the global travel industry, including data, expert analysis and a strategic focus on innovation and start-ups, all supported by Phocuswright’s deep, research-driven assets.

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