

Airbnb Group Pay: Market Requirements Document (MRD)

Status: Concept, final draft · **Target:** Q3 2026, US pilot · **PM:** Guy Amar

Goal: Reduce abandonment on group bookings and turn invisible group members into registered users.

Concept project created during a product management course. Not affiliated with Airbnb. Companion document: Group Pay PRD.

Background

Group trips are planned by groups but paid for by one person. That person fronts the full cost, chases everyone for their share, and carries the risk alone. We call this the organizer tax.

Airbnb already holds guest money in escrow before paying hosts. The payment rails for group splitting exist. The product does not.

The problem

1. **Organizer burden.** One traveler takes on 100% of the cost of an expensive booking. In our survey (n=37), 67.6% of group travelers said they paid the full amount on their own card.
2. **The coordination gap.** Groups spend hours or days collecting money over Venmo and WhatsApp. While they coordinate, the listing stays open and can be lost to another booking.
3. **Data darkness.** Airbnb only sees the organizer. The other guests in the home never touch the platform, so Airbnb cannot market to them or convert them.

The survey also showed how the risk lands: 62.2% of respondents said price does not stop them from booking because “the group will pay me back.” The organizer absorbs the risk so the platform does not have to.

Market snapshot

Company	Position
Airbnb	Global leader, roughly 44% of short-term rental revenue (Skift)
Booking.com	Large OTA with a significant rentals business
Expedia / Vrbo	Strong in North America, family and group oriented
Trip.com	Strong in Asia-Pacific
Vacasa, niche players	Managed and curated rental platforms

None of the major platforms offer a native group payment at checkout. Splitting happens off-platform today.

Opportunity

Directional model, not a forecast:

- An estimated \$2.1B in bookings is abandoned or downgraded each year because one person has to front the cost.
- A group payment option is modeled to lift conversion on group-sized bookings by 8.5%.
- A typical group booking includes 2 to 4 guests who are invisible to Airbnb today. Asking them to create an account at payment turns every group trip into an acquisition channel, with a target of 1.5 new verified users per booking.

Who this is for

- **Steve, the organizer.** Books for the group, then spends his week chasing payments while his own card is maxed.
- **Leo, the contributor.** Happy to pay his share. Does not want to join the planning.
- **Rachel, the host.** Afraid of groups that hold her calendar and then fail to pay, costing her a prime weekend.

Timing constraint (host risk)

Groups book early. Average lead time for group stays is 83 days. The closer a failed booking is to check-in, the harder it is for the host to re-sell the dates. Risk climbs sharply inside 30 days and becomes severe inside 14.

Product constraint: Group Pay runs only on bookings made 30 or more days before check-in.

Market requirements

1. Split the payment at checkout, before the charge.
 2. Show clearly who has paid and who has not.
 3. Let the organizer choose the number of equal splits.
 4. Support cancellation with a separate refund for each member.
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Appendix: lead time data

Group stays book earlier than solo and couple stays. Average group lead time is 83 days, against roughly 30 for the platform overall. This gap is what makes a 12-hour hold affordable at 30+ days out and expensive close to check-in, and it is the basis for the pilot's eligibility rule.