# Brian Chesky reveals how economic crises shaped Airbnb’s rise and entrepreneurship today



Brian Chesky, co-founder of Airbnb, recently shared his insights on navigating business challenges during difficult economic times in a discussion with Michelle Obama and Craig Robinson. Reflecting on the inception of Airbnb during the 2008 financial crisis, Chesky articulated that tough economic conditions foster a unique discipline among entrepreneurs. He believes that while a thriving economy may allow for less stringent business strategies, the pressure of a recession compels entrepreneurs to exhibit resourcefulness and meticulous planning.

Chesky highlighted that the current economic landscape has similarly influenced investor behaviour, which tends to skew towards caution amidst uncertainty. Many investors are reportedly pausing their funding activities, a trend that echoes the hesitance seen in the wake of the last major financial downturn. According to data from the IndexBox platform, this environment of uncertainty may prolong limited fundraising opportunities, placing additional strain on emerging businesses. Yet, despite these daunting conditions, Chesky expresses optimism for the resilience and creativity of entrepreneurs, noting that substantial companies, such as Uber, WhatsApp, Venmo, and Square, emerged triumphant during the Great Recession. Cary Carbonaro, a certified financial planner, echoes this sentiment, suggesting that adversity can often fuel innovation and lead to business success.

The genesis of Airbnb itself is a testament to this principle. Founded in the heart of the 2008 financial crisis, the platform arose from a simple yet innovative concept: renting out air mattresses in their San Francisco apartment to conference attendees. This resourceful approach, which transformed into the broader concept of sharing economy, not only met a pressing need for affordable lodging during peak events but also laid the groundwork for what would become a pivotal player in the global accommodation market. By 2019, Airbnb had listings in over 81,000 cities worldwide, demonstrating its immense growth and cultural impact, including significant influence on housing markets and community dynamics.

As Airbnb flourished, it not only catered to travellers but also prompted discussions around its implications on local economies and social policies. The company’s rapid expansion has raised concerns about its effects on affordability and availability of housing, sparking debates in cities worldwide about regulatory approaches to the sharing economy model. This evolution reflects a broader trend of economic shifts driven by innovation, often born from necessity.

Airbnb’s growth trajectory has been remarkable; in 2013, the platform hosted over 10 million travellers, showcasing an exponential increase in its user base. By 2018, it surpassed $1 billion in revenue during its third quarter, underlining its transformation from a startup to a significant player in the hospitality industry. As the company prepares for its anticipated IPO, its journey encapsulates the transformative power of leveraging adversity to create opportunities.

Chesky's insights serve as a beacon for aspiring entrepreneurs, highlighting the importance of adaptability and ingenuity in the face of economic adversity. As historical precedents have shown, successful businesses can rise from challenging circumstances, and with the right mindset, today's innovators may well carve out tomorrow's success stories.

### Reference Map

1. Paragraph 1: [[1]](https://www.indexbox.io/blog/brian-chesky-on-launching-a-business-in-tough-economic-times/), [[2]](https://www.indexbox.io/blog/brian-chesky-on-launching-a-business-in-tough-economic-times/)
2. Paragraph 2: [[1]](https://www.indexbox.io/blog/brian-chesky-on-launching-a-business-in-tough-economic-times/), [[2]](https://www.indexbox.io/blog/brian-chesky-on-launching-a-business-in-tough-economic-times/)
3. Paragraph 3: [[3]](https://www.forbes.com/sites/tomiogeron/2013/01/23/airbnb-and-the-unstoppable-rise-of-the-share-economy/), [[4]](https://www.theguardian.com/technology/2019/may/05/airbnb-homelessness-renting-housing-accommodation-social-policy-cities-travel-leisure), [[7]](https://en.wikipedia.org/wiki/Airbnb)
4. Paragraph 4: [[5]](https://www.lemonde.fr/pixels/article/2013/12/20/airbnb-franchit-la-barre-des-10-millions-de-voyageurs_6002956_4408996.html), [[6]](https://www.axios.com/2018/11/16/airbnb-rakes-in-1-billion-revenue-third-quarter)
5. Paragraph 5: [[1]](https://www.indexbox.io/blog/brian-chesky-on-launching-a-business-in-tough-economic-times/), [[2]](https://www.indexbox.io/blog/brian-chesky-on-launching-a-business-in-tough-economic-times/),[[4]](https://www.theguardian.com/technology/2019/may/05/airbnb-homelessness-renting-housing-accommodation-social-policy-cities-travel-leisure), [[6]](https://www.axios.com/2018/11/16/airbnb-rakes-in-1-billion-revenue-third-quarter)

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## Bibliography

1. <https://www.indexbox.io/blog/brian-chesky-on-launching-a-business-in-tough-economic-times/> - Please view link - unable to able to access data
2. <https://www.indexbox.io/blog/brian-chesky-on-launching-a-business-in-tough-economic-times/> - In a recent discussion with Michelle Obama and Craig Robinson, Brian Chesky, co-founder of Airbnb, shared insights on launching and growing a business during challenging economic times. Reflecting on establishing Airbnb amidst the 2008 financial crisis, Chesky emphasized that tough economic conditions instill a unique discipline in entrepreneurs. He noted that while a robust economy might provide a cushion for less disciplined strategies, a recession demands resourcefulness and careful planning. Chesky highlighted that investors tend to avoid uncertainty, leading to a prolonged period of limited fundraising opportunities. Despite these challenges, he remains optimistic about the resilience and ingenuity of entrepreneurs, pointing out that several successful companies, including Uber, WhatsApp, Venmo, and Square, emerged from the Great Recession, underscoring the potential for innovation during economic downturns. Certified financial planner Cary Carbonaro also supports this view, suggesting that adversity often fuels invention and business success.
3. <https://www.forbes.com/sites/tomiogeron/2013/01/23/airbnb-and-the-unstoppable-rise-of-the-share-economy/> - In 2013, Forbes highlighted Airbnb's rapid growth and its role in the rise of the share economy. The article detailed how co-founders Brian Chesky and Joe Gebbia, after moving to San Francisco in 2008, rented out air mattresses in their apartment to attendees of an industrial design conference. This innovative approach led to the creation of Airbedandbreakfast.com, which later became Airbnb. The platform's success was attributed to its ability to provide affordable lodging alternatives during events when hotels were fully booked, showcasing the potential of the share economy model.
4. <https://www.theguardian.com/technology/2019/may/05/airbnb-homelessness-renting-housing-accommodation-social-policy-cities-travel-leisure> - In 2019, The Guardian explored Airbnb's evolution and its impact on the global accommodation industry. The article traced the company's origins to 2008 when co-founders Joe Gebbia and Brian Chesky rented out air mattresses in their San Francisco apartment to conference attendees. This initiative led to the establishment of Airbnb, which by 2019 had listings in over 81,000 cities worldwide. The piece also discussed the broader implications of Airbnb on housing markets, community dynamics, and the challenges posed by its rapid growth.
5. <https://www.lemonde.fr/pixels/article/2013/12/20/airbnb-franchit-la-barre-des-10-millions-de-voyageurs_6002956_4408996.html> - In 2013, Le Monde reported that Airbnb had surpassed 10 million travelers hosted since its inception. The article highlighted the platform's exponential growth, noting that in 2013 alone, 6 million people from 175 countries used Airbnb, doubling the figures from 2012. It also discussed the challenges Airbnb faced, including legal and regulatory issues, and its impact on the traditional hotel industry.
6. <https://www.axios.com/2018/11/16/airbnb-rakes-in-1-billion-revenue-third-quarter> - In 2018, Axios reported that Airbnb achieved over $1 billion in revenue during the third quarter, marking the company's strongest quarter since its founding in 2008. This disclosure was significant as it was the first time Airbnb publicly shared its revenue figures, coinciding with preparations for its anticipated IPO the following year.
7. <https://en.wikipedia.org/wiki/Airbnb> - The Wikipedia page on Airbnb provides a comprehensive overview of the company's history, services, and impact. Founded in 2008 by Brian Chesky, Joe Gebbia, and Nathan Blecharczyk, Airbnb operates an online marketplace for short-term housing rentals. The page details the company's growth, funding history, and the challenges it has faced, including legal and regulatory issues in various jurisdictions.