

Airbnb's Pricing Is About to Look a Lot Different

The Federal Trade Commission's (FTC) "junk fees" ruling, which was passed in December 2024, goes into effect on May 12. The new law requires businesses selling tickets and short-term lodging to "clearly" show all fees (like service and cleaning fees) at the time of purchase.

On Monday, Airbnb announced in a statement that it is getting started early.

All Airbnb guests globally will now automatically see the complete cost of their proposed stay, including all fees (before taxes), when looking at search result listings.

Related: 'I Can't Get Everyone to Move Here': Why Airbnb's CEO Is Sticking With a Once-a-Month Hybrid Schedule

"With the global rollout of total price display, we're making it easier for guests to better understand the price they'll pay, and for hosts to succeed in a more transparent marketplace," the company said. "We believe these improvements will continue to create positive guest experiences from search to stay while also supporting the growth of the Airbnb community around the world."

Parts of Europe, Canada, Korea, and Australia have already had total pricing transparency since 2019, following those countries' individual regulations.

The total price feature has been optional in the U.S. for two years, Airbnb notes, and 17 million guests have opted to use the feature. Meanwhile, the option for full price disclosure actually helped lower cleaning fees imposed by hosts.

In its Q4-2023 and full-year financial results, Airbnb noted that after enabling the feature, nearly 300,000 listings removed or lowered cleaning fees, while 40% of active listings eliminated it completely.

“Guests everywhere will now see the total cost of their reservation, including all fees before taxes,” the statement reads. “We know that clear, upfront pricing improves the Airbnb experience for both guests and hosts.”

Related: Airbnb’s New ‘Icons’ Cost Less Than \$100 Per Night, Including the House from ‘Up’ and Prince’s ‘Purple Rain’

<https://www.entrepreneur.com/business-news/airbnb-to-show-full-pricing-with-cleaning-added-fees/490340>