limehome

DESIGNED TO STAY

Q&A

THE COMPANY

When was limehome founded?

limehome was founded in 2018.

Who founded limehome?

Lars Stäbe and Dr. Josef Vollmayr founded limehome.

Who runs the company and what are the responsibilities?

As Managing Director, Dr Josef Vollmayr is responsible for the strategic direction of the company, business development and the areas of operations and marketing. Since the end of 2020, Cesar de Sousa Freitas has strengthened the management as CFO and is responsible for the digital product, finance and people segments. In particular, he is also responsible for investor relations.

How was the idea for limehome born?

Both founders travelled a lot as management consultants. After Vollmayr spent more than 500 nights in various hotels worldwide during his time as a management consultant at McKinsey, he couldn't let go of the idea of developing a concept that eliminates waiting times, combines modern design with a feeling of home and at the same time promises the standards of an established hotel brand.

Which investors are behind limehome?

HV Holtzbrinck Ventures, Lakestar, Picus Capital and Global Growth Capital.

How many properties does limehome operate?

limehome currently has over 70 locations. About 40 more will be added in the next 12 months (of which 30 are already in the development phase).

In which cities is limehome represented?

Aachen, Augsburg, Bamberg, Berlin, Bremen, Chemnitz, Darmstadt, Dortmund, Dresden, Erfurt, Essen, Flensburg, Frankfurt am Main, Garching, Granada, Ingolstadt, Kassel, Koblenz, Leipzig, Linz, Madrid, Magdeburg, Mainz, Mönchengladbach, Montabaur, Munich, Passau, Potsdam, Seville, Trier, Ulm, Villach, Vienna, Wolfsburg, Zwickau.

How many flats does limehome have?

limehome currently offers over 750 bookable flats. More than 1600 are contractually agreed. limehome achieves an occupancy rate of 60-85% despite the lockdown.

In which countries is limehome represented?

In Germany, Austria and Spain.

THE CONCEPT

What problem does limehome solve?

B2C

limehome makes the lives of business and city travellers easier and more convenient by eliminating unnecessary waiting time through technology and making premium design accommodation in central city locations affordable.

B2B

limehome increases space efficiency in real estate uses of all asset classes through efficient planning methods and brings the innovative operator model of digital serviced flats to classic A to B as well as C and D cities in Germany, increasing returns.

How does the limehome business model work?

limehome manages commercial spaces in central city locations - also in B and C cities in Germany with design flats for short and long-term rent. The spaces are developed by renowned architects, redesigned and equipped in the shortest possible time on the basis of the design concept and finally offered and operated via the limehome technology platform using the usual booking platforms.

Guests of limehome experience a completely digital, contactless service, from booking, room allocation, check-in and round-the-clock customer service to check-out, automated electronic billing and room service control. The internal processes are also almost completely automated. In addition to their own yield management solution, a digital access solution, automatic room service control and maintenance solutions enable efficient operation of the locations. Limehome has also developed its own digital and data-driven solutions in the selection, design and development of the locations.

How does the dynamic pricing of the flats work?

The prices of the rooms are calculated automatically for 365 days in advance according to demand, the respective market price and the current occupancy rate at the locations. On days with high demand, such as trade fairs or major events, the price automatically increases accordingly. The algorithm makes use of machine learning methods by historically checking which capacity utilisation is achieved at the respective price and demand. Based on this, the parameters are continuously adjusted.

How does the fully digital customer journey work?

The users of limehome experience a completely digital service that works contactless, from the dynamic pricing of the flats, to the booking, room allocation, check-in and customer care that is available around the clock, to check-out, automated, electronic invoicing and control of room service.

What is different from the traditional hotel/Airbnb visit?

Unlike the traditional hotel visit, limehome has no reception and no restaurant, spa or similar. The focus of limehome is on stays in high-quality design flats. The customer journey is also completely digital, which simplifies the check-in, check-out and billing process. In contrast to Airbnb, limehome is a standardised and quality-checked hotel concept and not a collection of different, primarily private offers.

THE INDUSTRY

What challenges do traditional hotels face?

Traditional, large hotels face the challenge that their business is primarily analogue and they therefore have a lot of catching up to do in terms of digitalisation. In addition, they have very high personnel costs, approx. 40-50%, on the one hand, and on the other hand, they only have a floor space productivity (the ratio of turnover to floor space used) of approx. 65%.

In addition, today's travellers want to be flexible, also visit B and C cities and feel at home when travelling. However, large hotels usually focus on A-cities and, due to the aforementioned cost factors, cannot meet the same standards as smaller alternatives in a similar price segment.

What does the future hold? How much potential is there still in the industry?

The market is currently highly fragmented and has a hotel market penetration of only 10%. However, in Germany, 99% of profits are currently still generated by traditional, non-tech players. This naturally holds great opportunities for tech-driven hotel concepts to further expand their market share. On the real estate side, there are also opportunities to find properties for rapid growth, even within a few weeks, while large hotels have to search for new properties for up to 20 years, as the search here is much more difficult than for smaller properties.