

# Hosting Bags Instead of People

Interview with Jacob Wedderburn-Day, CEO and Co-Founder of Stasher –  
The World's First Luggage Storage Network

For many travelers, the problem is familiar: You check out from Airbnb and your flight is not till later. So you have time to still enjoy a city, but you're stuck with your luggage, which stops you from really taking advantage of it. At this point, Stasher comes in. Stasher is the world's first international luggage storage network. Customers in many cities, mainly in the UK and Europe but also in North America, can now easily and inexpensively book short-term storage for their luggage 24/7 on the platform via the app. What's more, they can do this locally, and not only near a train station or airport, with the chance for a nice chat plus insider advice on the area.



**Giana** × *Your company is fairly young and the Stasher brand is not yet established globally. Can you tell us a little bit more about your platform?*

**Jacob** × Absolutely. Stasher is a start-up that I co-founded five years ago with Anthony Collias, a friend of mine from university. Today, we're live in 250 cities, have stored over half a million bags, and are looking at expanding further and increasing coverage in all the places where we operate today. Anthony used to live very centrally in London and he often had people leaving stuff at his home. So, we started thinking about some kind of Airbnb or a platform for storage.

**Obviously, you found investors that shared your enthusiasm?**

Back in December 2016, when it was me and Anthony not even full-time working on the idea, we cold-emailed the CEO of the Big Yellow Storage Company, really just asking for his advice as a guy who knows the industry well. These

conversations progressed to him becoming our first investor, which was awesome. With this funding, we expanded the business around the UK and attracted more venture investment from a couple of seed funds and venture friends. This took us to the beginning of this year when we raised another \$2.5 million to further grow the business.

**Who are the hosts you are partnering with?**

We started out building a really basic website to provide storage in peoples' homes. But soon after, we started to sign up professional partners. Mostly they are hotels, businesses, or shops with extra storage space, reliable opening hours, and often security features like CCTV, things that make people feel comfortable and safe. No one is really concerned about leaving luggage in a hotel because it's common practice anyway. Many businesses were indeed very keen to earn ancillary revenues because of the rising pressure of e-commerce or the threat of Airbnb, in the case of hotels. Our offer was received very well: a win-win proposal.

### ***And who are your customers and why do they use Stasher?***

People using our service are mostly travelers and tourists, particularly the Airbnb generation. While hotels will mostly be able to accommodate your luggage, Airbnbs will not, and their customers are quite likely to encounter the problem of checking out and not having anywhere easy to keep their luggage. That's where we come in. Our network provides really cheap storage – normally half the price of lockers – and it's more convenient too because we have locations all around the city. Plus, there is another, very local aspect: If you leave your luggage with a local shop or hotel, they can give you friendly advice on the area, and this also sort of creates a community sense that matches well with the Airbnb spirit.

### ***Your concept is unique and embodies the original promise of the sharing economy: using underutilized resources in an efficient way that fills a genuine need in the marketplace. How do your customers find out about you?***

Basically, we use three channels for customer acquisition. The first and biggest, is organic and paid Google search: We work on ranking highly for relevant keywords. So, "luggage storage London" would be the most obvious one if you're looking to drop luggage in London. The second biggest, very promising approach is around referral partnerships. We make a lot of effort with local Airbnb hosts and other travel companies that might have travelers with this problem. So, Airbnb guests will probably ask their host for luggage advice, and it's great when a host is able to say, "I can't keep your luggage because I need to clean the room, but I have a deal with Stasher". Either the customer can have a small discount or the host gets a commission. The third opportunity we see is around Google Maps, fitting our service and ratings into geo-search. This strategy has been quite experimental, but the channel should work really well. Making the product fit Google Maps is quite a challenge, but I think we're starting to make some real progress here.

### ***Do ratings play a role in establishing trust between hosts and clients? How does Stasher use ratings?***

I'd say ratings play a massive role. We use Feefo, a verified review system with no risk of fake reviews. All of the reviewing customers have definitely used the service, and we're quite proud of that fact and publish it. We see bad reviews as being as important as good reviews to improve the service and to demonstrate our commitment to customer support. In terms of bad reviews, it's a great way for us to police our network because we can't oversee every host. We can collect useful and reliable customer data on hosts that are performing well and hosts that aren't. The great thing is that most of them are really diligent, and I think that's really important for a sharing economy service. Reviews are an extremely relevant indicator of trust.



#### **ABOUT JACOB WEDDERBURN-DAY**

Jacob Wedderburn-Day (right) is the founder of Stasher – a travel tech start-up that connects travelers looking to store luggage with shops and hotels that provide storage space. Jacob and Anthony Collias (left), friends from their time studying economics at Oxford, co-founded the business in 2015. They have grown it from the initial idea back when they were students to a venture-backed company, valued at over \$12 million, present in 250 cities worldwide. They were both recognized this year on Forbes's "30 under 30 Europe" list

#### **ABOUT STASHER**

Stasher is a start-up founded in 2015 in London. It is the world's first luggage storage network and connects travelers and tourists with hotels and stores that can keep their luggage safe while they enjoy their time in a city. The platform cooperates with large partners, like Accor Hotels and Premier Inn, but also local businesses in 250 cities worldwide. Headquartered in London, a team of 20 highly motivated employees is constantly working on improving the service and expanding its reach to more cities on all continents.

<https://www.stasher.com>



#### **THE INTERVIEWER**

The interview was conducted by Professor Giana Eckhardt in May 2020.

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**For sure. So how do both hosts and the customers use the ratings?**

If you're choosing between quite close alternatives, you may be tipped in favor of the higher ratings. You can look just at the star score, which is very visible on the map. You can also dig deeper into the detailed reviews and read more in-depth feedback about customers' experiences. Hosts take pride in their review score and we feel it's a great motivator for them to perform well. Our review system is only one-way, though. We don't have hosts review the customers, it's just customers reviewing the hosts.

**I see. And have you found that customers won't leave their bags unless a place has a five-star review, or are four stars okay? What is the barometer?**

I think there is definitely a four-star threshold. We have noticed that if a host slips below four stars, that's really a problem and it does put off future bookings. Probably because the average is really high across our network – it's 4.8. So, above 4.5 is great and most customers would see that as a real badge of trust.

**It's amazing to hear that your average is 4.8. How important do you think the qualitative part is, beyond just the star rating?**

I think the star score will affect every booking because it's very visible in the customer flow. The reviews are easily available but have less of an impact on a typical booking than the star score. But it's worth diving into the details for us and for customers. One of our first hosts on the platform was a barber shop in Paddington. Charlie constantly gets good feedback from people saying how friendly he was, how he gave them great lunch recommendations, etc. For us, this is a really nice validator of how the model is working, and that might be the kind of thing that tips you over the edge as a prospective customer. For us as the platform, it's a good way to collect more information.

**Great. And is Stasher itself, as a platform, rated anywhere, for example, on Tripadvisor?**

We bundle the Feefo rating into one service score and use that to reflect on the platform as a whole. Stasher is also reviewed on Trustpilot, on Tripadvisor, on Google Maps, and I believe on Yelp as well, but we only set that up quite recently. We monitor those as well. They have the disadvantage of being unverified, but you can pretty comfortably tell when it's a genuine review. It's nice to see good reviews popping up unprompted by us in Trustpilot and Tripadvisor, as both have quite big traffic and big audiences.

**For sure. And is there anything that you do to actively manage these ratings, or do you just monitor them, as you said?**

We haven't actively set up or paid for accounts with any other services. So we have less control over it, other than being able to flag reviews that seem problematic, but we've never really had to do that either. So it's mostly monitoring that we do, and it's just nice to see when stuff comes through. When we started launching the Google Maps campaign we were able to connect Feefo to that, but I suspect Feefo won't introduce anything like that for Trustpilot any time soon.

**Given the success that you've had in the past few years, have any competitors entered the marketplace?**

Too many actually but this is a good thing! It's flattering to see the model copied and to see so much market need that the market can currently sustain as many competitors as there are. Still, I suspect we'll see a big change at the end of this year. We are one of the better-funded companies in that space, and some others have similar levels of venture funding as we have, but for a few smaller ones, it's going to be very challenging.

**We are recording this during the Coronavirus pandemic, which has hit the travel industry hard. How resilient is Stasher?**

I'd certainly be worried about our prospects if we hadn't been lucky enough to close our round of funding in January (talk about timing!). We know that we will be okay to survive this and we hope that it won't be too long before people start traveling again, ultimately also needing our service. But yes, strange times that we're living in right now.

***I'm glad to hear that Stasher will be making it through. You might not only lose some of your competitors but also some hosts, though?***

Right now, a lot of the places that we operate are closed and we're waiting to see the impact of the pandemic on how many of our hosts will still be in business after the dust has settled. The good thing is that a lot of vacation rental managers have time on their hands now to think about the way they will manage their operations in the future. So, it's a good time to make contacts, for example, to build referral partnerships. This channel was going really well prior to the pandemic, and I think there will be a lot of opportunity again.

***Do you have plans to expand your business globally despite Corona?***

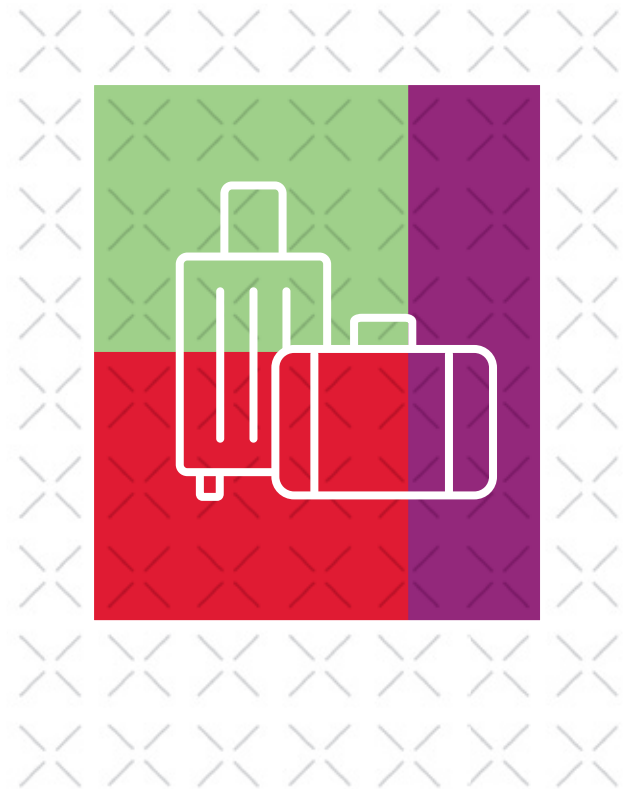
The financing round of January was designed to set us up for meaningful international scaling. We know we can do a lot more in America and Australia, and potentially in Asia too. We have operational presence there, but it's time to go for depth and try and win this market really as soon as life is back to normal.

***Before we finish up, let's cycle back to ratings and what the future might bring in this field. Are there any innovations that you would like to see?***

I already mentioned the integration with Google Maps and I'd love to see more integrations like that. They would allow you to manage your reputation cross-platform. It's cool being able to have some kind of sync between maps and Feefo, and it would be great if the Feefo profile were reflected in Tripadvisor, the "go-to" place for tourists as well. Tripadvisor is still very much geared around hotels and restaurants and it's tricky for other, more novel travel-related services to set up there.

***How might ratings and reputation systems evolve in the future?***

I hope that the fact that our reviews are verified really matters to customers. It's hard to guarantee that it does, and I wonder how discerning customers are between the difference, but we've always valued it on principle. I think that Google should have a policy of only permitting verified review stars to display



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in its results, whether paid or organic. At the moment, whether or not ratings are verified, you can have them appear against your links. I think in an effort to crack down on fake reviews, it should be policy that only verified reviews are appropriate. So that's something I'd love to see, but that's for Google to decide.

***These are excellent points and I am sure a lot of other companies would agree with them. Thank you so much, Jacob, for taking the time to speak with me. Your insights were really fascinating. We wish you all the best to jumpstart your business when travelling picks up again. Hopefully soon!*** ✕