1. Brian Chesky & Airbnb: The Startup That Nearly Failed

The origin of Airbnb sounds almost too convenient to be true: two broke designers, three airbeds and a sold-out conference. Yet the basic story is well documented — and the less glamorous details are arguably what make it interesting.

In October 2007, Brian Chesky moved to San Francisco to live with his former Rhode Island School of Design classmate Joe Gebbia. Chesky has recalled arriving with about $1,000 in the bank while his share of the rent was $1,150. At the same time, an international design conference was coming to the city and its recommended hotels were sold out. Gebbia had three airbeds. The pair inflated them, built a simple website and offered visitors an alternative place to stay under the name 'Air Bed & Breakfast'.

Three guests accepted. The accommodation was basic, and Chesky later confirmed that breakfast involved Pop-Tarts, but something unexpected happened: the hosts and guests spent time together and became friends. The experience challenged the assumption that ordinary people would never pay to stay in the home of a stranger.

Finding three customers, however, was very different from building a sustainable company. The founders tried launching the service again during major events. Airbnb's own timeline records that its March 2008 launch at SXSW produced only two bookings. A later push around the Democratic National Convention in Denver generated 80 bookings, but the business still struggled. Investors repeatedly rejected the concept. Chesky later recalled cycling through credit cards until the debt reached about $40,000.

Their most famous survival tactic came from the 2008 presidential election. Chesky and Gebbia designed collectible cereal boxes called Obama O's and Cap'n McCain's. Around 1,000 boxes were produced, and the limited editions sold for roughly $40 each. The stunt generated publicity and about $30,000 — money that helped keep the company alive.

It also became part of Airbnb's turning point. When the founders interviewed for Y Combinator, co-founder Paul Graham was doubtful about the idea of strangers staying together. But the cereal story demonstrated persistence and creativity. Airbnb entered Y Combinator in January 2009.

There, another important principle emerged: 'do things that don't scale'. Rather than sitting in San Francisco analysing charts, Chesky and Gebbia went to New York, where many of their early hosts were based. They visited homes, talked directly to users and took better photographs of listings themselves. It was slow, manual work, but it revealed practical problems that data alone had not shown.

The company eventually scaled far beyond those first apartments. Airbnb reported in May 2026 that it had over 5.5 million hosts, more than 9 million active listings in over 150,000 cities and towns, and more than 2.5 billion guest arrivals.

Airbnb's early history is often presented as proof that one clever idea can change an industry. A more useful interpretation is that the original idea repeatedly failed to take off. Survival forced the founders to stay close to users, solve small problems by hand and learn what people valued before trying to scale and automate everything.