

# United States Owners Report

2018

SHARED VACATION OWNERSHIP

CONSOLIDATED REPORT



2018 EDITION  
PREPARED BY **Leger**  
THE RESEARCH INTELLIGENCE GROUP



Market Intelligence | Career Advancement

# 2018 SPONSORS

The ARDA International Foundation gratefully acknowledges the sponsors whose financial contributions made this study possible.



Market Intelligence  
Career Advancement

## Platinum



## Gold

Meridian Financial Services, Inc

Trading Places International

VRI Americas

Wyndham Destinations

## GIVEAIF

### Corporate



### Gold Star

Stuart M. Bloch

### Bronze Star

Bryan Ten Broek ARP

### Copper Star

Becky Arnett

Gaetan J. Babin RRP

Salvatore Esposito, Jr.

James Forte

Andrew Jarmusz

### Contributor

Bill Barber

### Lifetime

Michael D. Brown

Harold J. Derrah

Rebecca A. Foster

Jonathan P. Fredricks RRP

Gordon Gurnik RRP

Franz S. Hanning RRP

Don L. Harrill RRP

Robert A. Miller RRP

Thomas R. Nelson

Howard C. Nusbaum RRP

David B. Waller Esq.

Mark Wang

Robert J. Webb Esq. RRP

Stephen P. Weisz RRP

# United States Owners Report

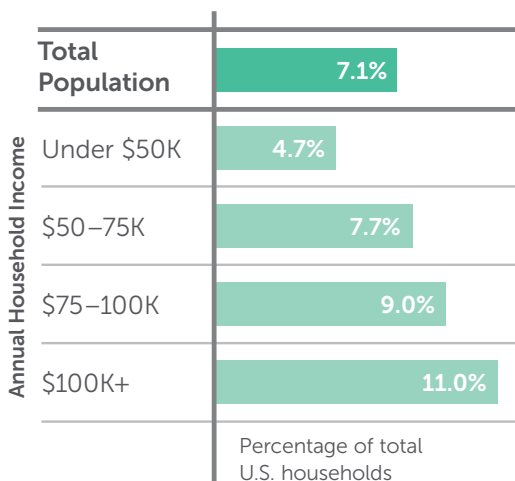
UNITED STATES STUDY 2018 EDITION

CONSOLIDATED REPORT

## Market Sizing

Approximately 7.1% of U.S. households (over 9.6 million)<sup>1</sup> own one or more timeshare ownership products including timeshare weeks, points, fractional and/or Private Residence Club. Timeshare ownership generally increases with household income peaking among owners with \$100k or more (11.0%).

### Market Sizing by Income Groups



## Owner Demographic Profile

- Timeshare owners in the U.S. are ethnically diverse. More than two-thirds (67%) of owners overall are White, followed by African-American (18%), Asian-American (10%), and Hispanic (7%).
- The average age of timeshare owners overall is 44.4 years old.
- The majority of timeshare owners are married (64%), while one in five are single and have never been married (20%).
- Close to three in five timeshare owners are employed full-time (56%), with one in five working part time or self-employed (20%).
- More than half of timeshare owners have either graduated college or graduate school (54%), with another one in four having attended some college (25%).
- The median household income is over \$71K which is much higher than the median household income of \$58K for the U.S.<sup>2</sup>

Demographic Summaries		Total Owners (n=1,604)
<b>Male</b>		58%
<b>Female</b>		42%
<b>Age</b>	Mean	44.4
<b>Race and Ethnicity*</b>	White	67%
	African-American	18%
	Asian-American	10%
	Hispanic	7%
	American Indian	3%
	Middle Eastern	2%
	Other	<1%
<b>Household Income</b>	Mean	\$86,054
	Median	\$71,262
<b>Marital Status</b>	Married	64%
	Single, never married	20%
	Domestic partnership	7%
	Divorced	6%
	Widowed	3%
	Separated	1%
	Prefer not to answer	<1%
<b>Education</b>	High school or less	17%
	Some college	25%
	College graduate	35%
	Graduate school	19%
	Technical school	4%
<b>Employment Status</b>	Full time	56%
	Part time	13%
	Self employed	7%
	Not employed – retired	17%
	Not employed – not retired	7%
	Prefer not to answer	<1%

\*Owners could be multiple race/ethnicity, notably White and Hispanic.

<sup>1</sup> Source: USA QuickFacts from US Census Bureau, July 2016.

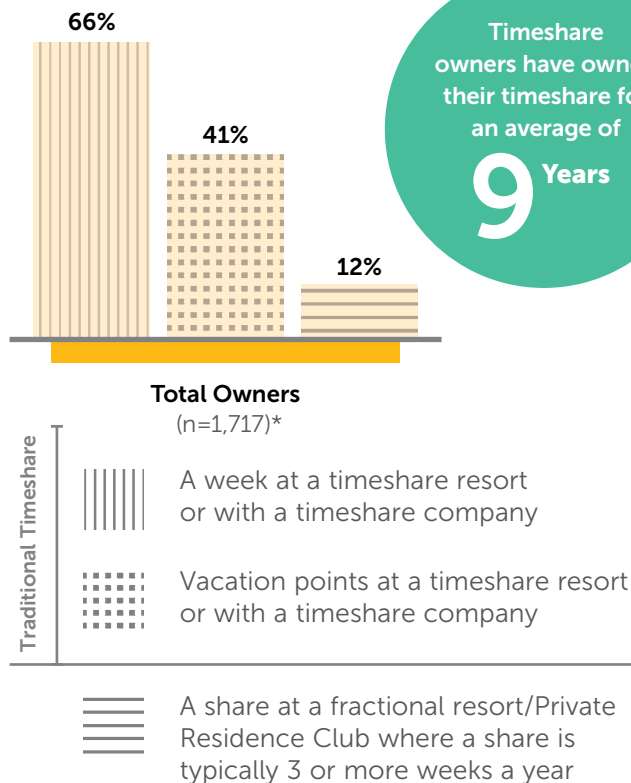
<sup>2</sup> Source: U.S. Census Bureau, September 2017. Latest estimate from Census ACS Survey reports estimated median income was \$57,617 in 2016.

### Timeshare Ownership in General

- About two in three timeshare owners own a week at a timeshare resort or with a timeshare company (66%), and approximately two in five own vacation points (41%).
- Points owners own an average of 3.6 contracts/packages while weeks owners own an average of 2.4 contracts/packages.
- Among weeks owners, more than two-thirds of timeshare owners reported owning two or more weeks (67%). Three quarters of points owners typically stay between five to seven consecutive nights (75%).
- Approximately one in six timeshare owners are considered “second generation” owners who acquired their timeshare as a gift or through an inheritance (17%). Among the “second generation” owners, more than half are likely to purchase more or upgrade their timeshare (54%).



### % Type of Timeshare Owned



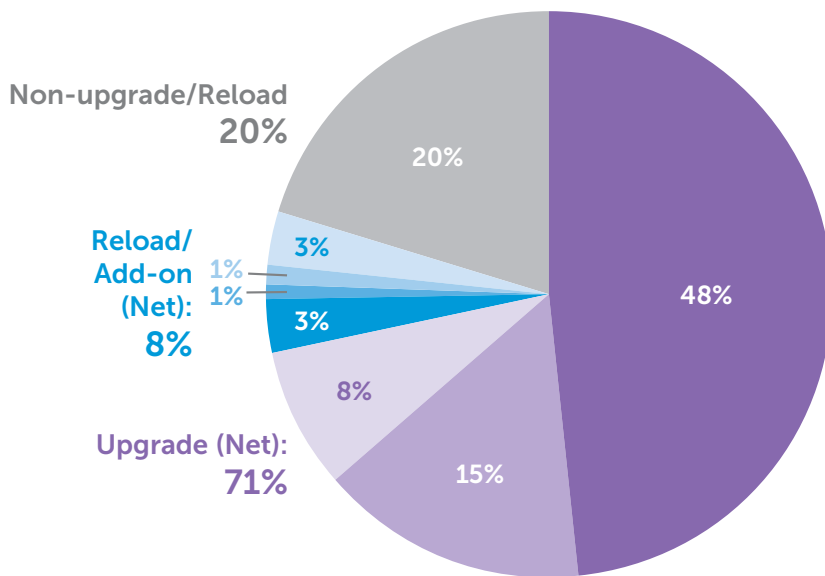
Multiple Answers Allowed: May add up to >100%.  
 \*Includes n=113 who terminated by having fractional/PRC only.

### Timeshare Owners by Generation

- Millennial/Gen Z owners tend to be more diverse than older generations, especially when compared with the Boomer+ group.
- Millennial/Gen Z owners are significantly more likely than their older owner counterparts to want help with booking, arranging transportation from the airport, and grocery shopping.
- Millennial/Gen Z owners also plan to spend more time and money on vacation this year than older owners.
- Millennial/Gen Z and Younger Gen Xers are more likely to recommend ownership (as well as their home resort) than older owners.
- More than half of Millennial/Gen Z owners (and nearly half of Younger Gen X owners) reported visiting their resort area MORE since acquiring their timeshare.
- Millennial/Gen Z and Younger Gen X owners travel with a higher average party size than older owners.
- More than 90% of Millennial/Gen Z owners book their timeshare vacation less than six months in advance.

### Type of Most Recent Timeshare Purchase

(Among Recent Purchasers)



- Upgrade:** To a bigger unit
- Upgrade:** To a higher season
- Upgrade:** To both a bigger unit and a higher season
- Reload/Add on:** For a property/club where I am currently an owner
- Reload/Add on:** For a new property/club where I am currently an owner
- Reload/Add on:** For a property/club located in a new region
- Reload/Add on:** Purchased additional points
- Neither Upgrade, Reload, or Add on**

BASE: Recent Purchaser (n=750).  
Numbers may not add to 100% due to rounding.

### Product Profile

- Seven in ten recent timeshare purchasers (purchased in 2015 or later) did so in the form of an upgrade<sup>3</sup> (71%) while less than one in ten recent purchasers did so through a reload<sup>4</sup> or add-on (8%). Approximately one in five recent purchases are neither an upgrade nor a reload/add-on (20%).
- Timeshare owners indicate an average distance of over 800 miles from home to their timeshare. With an estimated average of just over 1,000 miles, owners residing in the Northeast region of the United States have the greatest distance between their home and their timeshare.
- Overall, nearly half of owners are visiting the resort area MORE frequently since their timeshare purchase (47%).
- More than half of timeshare owners have access to two bedrooms (52%), while two in five owners have access to one bedroom (40%) with the timeshare they purchased most recently.

The ability for others to sleep in a separate room drives multiple room preference, with the top two reasons being 'children can sleep in another room', and 'friends can sleep in another room'.

<sup>3</sup> Upgrade: an upgrade sale is a transaction whereby a customer relinquishes the right to a currently held timeshare interval and obtains a higher-priced timeshare interval from the same seller.

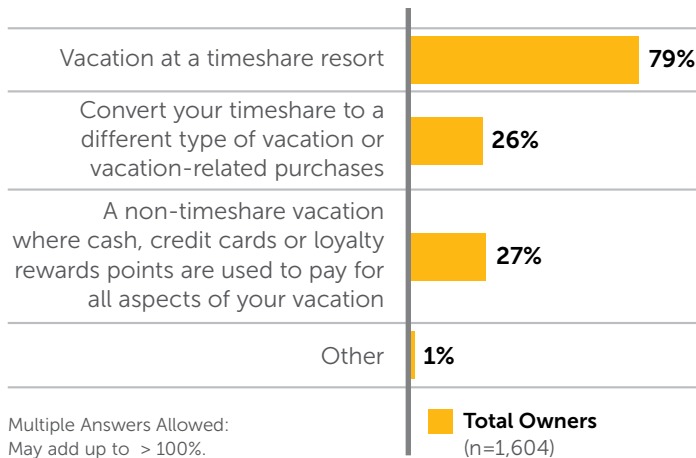
<sup>4</sup> Reload: a reload sale is a transaction whereby an existing timeshare owner makes a new timeshare purchase from the same developer that sold their previous timeshare property, without trading in the existing timeshare contract. It is most commonly associated with 'points' purchases, when buyers 'reload' with additional points, on top of the 'points' they already own.

**Vacation Profile**

- Owners are devout vacationers and most rely on timeshare ownership to fulfill at least part of their household’s annual vacationing needs. On average, timeshare owners took more than three vacations in 2017. The majority of owners took a vacation in 2017 at a timeshare resort (79%).
- On average, timeshare owners took 24 vacation days in total in 2017 including eight days at a timeshare resort, six days on a converted timeshare vacation and 10 days on a non-timeshare vacation.



**Types of Vacations Taken in 2017**

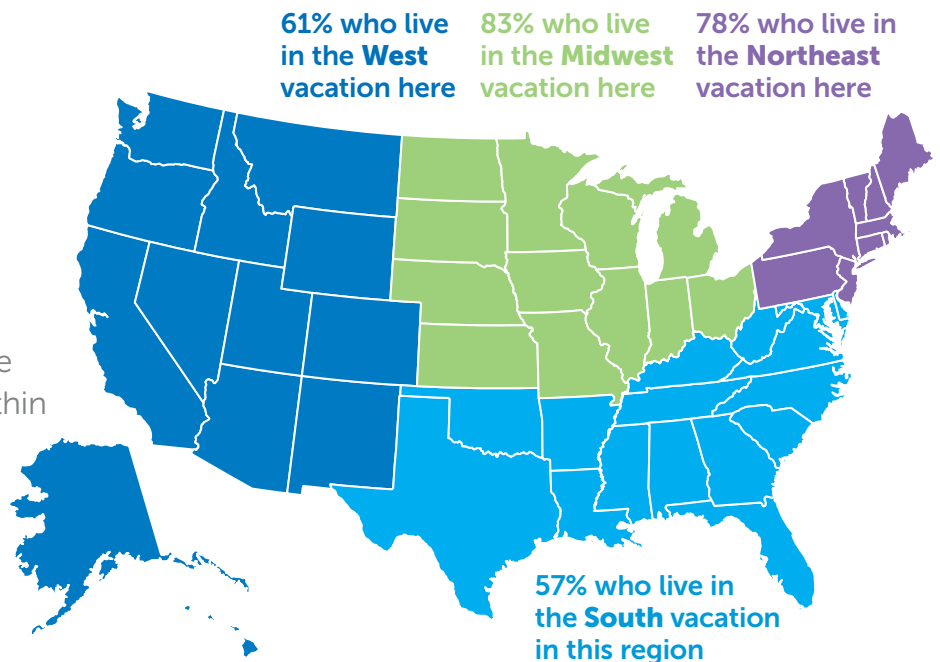


- Overall, more than one-third (36%) of owners required an additional room or extended stay during their timeshare vacation.
- Overall, more than three-quarters (77%) of owners booked their timeshare vacation less than six months in advance.

- The percentage of timeshare owners who used peer-to-peer vacation/rental services in 2017 remains low overall (Airbnb 3%, VRBO 2% and HomeAway 1%).
- On average, timeshare owners traveled more than 1,600 miles (mean distance) between their home and their final vacation destination in 2017.

A majority of timeshare owners vacationed within their region in 2017.

**U.S. Vacation by Region**

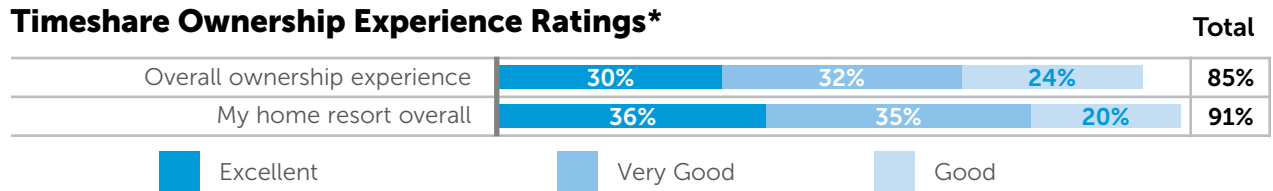


BASE: Owners who took a timeshare vacation in 2017 (n=1,122)

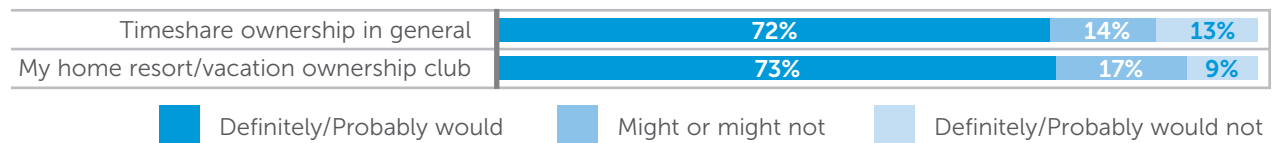
### Attitudes and Opinions about Ownership

- More than five in six owners (85%) rated their overall ownership experience as excellent/very good/good.
- More than nine in ten owners (91%) rated their home resort overall as excellent/very good/good.
- More than seven in ten owners overall would definitely or probably recommend timeshare ownership in general (72%). Nearly three-quarters of all timeshare owners would recommend their home resort or vacation ownership club, based upon their experience (73%).
- More than seven in ten timeshare owners (71%) would purchase a timeshare again.

#### Timeshare Ownership Experience Ratings\*



#### Advocacy – Likelihood to Recommend

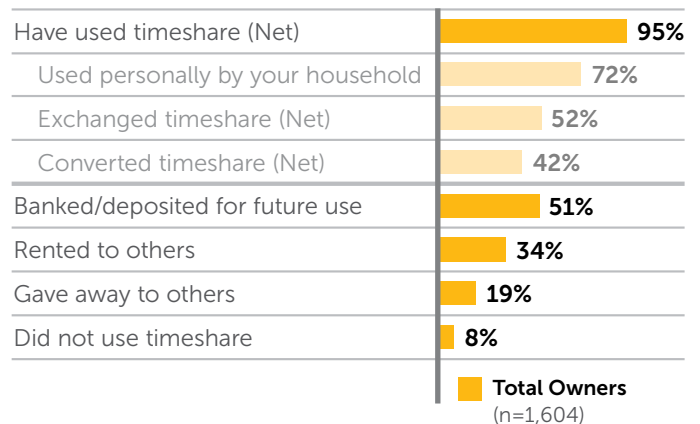


\*Note: Excellent, Very Good & Good may not add to total due to rounding

### Timeshare Use, Exchange and Rental

- Almost all timeshare owners (95%) have used their timeshare at some point during their ownership. Among them, 72% of owners have personally used their timeshare while over half of owners (52%) have exchanged their timeshare. More than two in five owners (42%) have converted their timeshare to either hotel stays, cruises or other products or services in the past.
- Close to two-thirds (65%) of all owners have access to an internal exchange<sup>5</sup> service offered by their resort developer or management company while three in four (75%) of all owners indicate they are affiliated with an external exchange<sup>6</sup> organization.
- A vast majority of timeshare owners who have exchanged did so within the U.S. (87%), while close to one in four (24%) have exchanged to Canada, Mexico or the Caribbean.
- Among those who have rented out their timeshare, half (50%) have used Airbnb to do so.

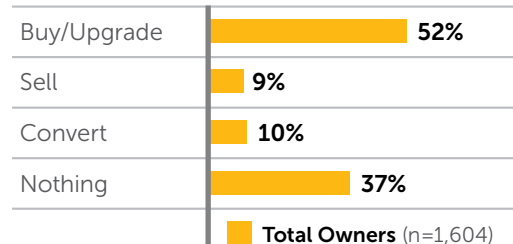
#### Use of Timeshare



### Future Timeshare Plans

- More than half of owners plan to buy or upgrade a timeshare over the next two years (52%) while one in ten owners plan to convert to a points program (10%).
- If respondents were in the market to purchase another timeshare, U.S. (81%) would be the most popular location, followed by the Caribbean (6%), Canada (6%) and Mexico (6%).

#### Two-Year Plan for Timeshare



5 Internal: An exchange in which an owner exchanges a week(s) at his or her home resort for another at the same resort, or at a different resort developed and/or managed by the same company.

6 External: An exchange in which an owner gives up his or her week(s) for a week(s) at a resort that is not a part of his or her family of resorts.



1201 15th Street NW, Suite 400  
Washington, DC 20005  
(202) 371-6700  
(202) 289-8544 fax

**State Government Affairs Office**

Landmark Center Two  
225 E. Robinson Street, Suite 545  
Orlando, FL 32801  
(407) 245-7601  
(407) 872-0771 fax

[www.arda.org](http://www.arda.org)



MEMBER \$100 | NON-MEMBER \$200