EXECUTIVE SUMMARY

2024

Economic Impact

of the Timeshare Industry on the U.S. Economy

2024 EDITION
PREPARED BY EY

ARDA Research & Insights

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EXECUTIVE SUMMARY

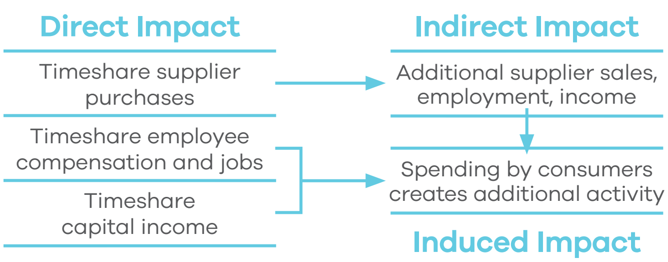
Introduction

The impact of the timeshare industry on the U.S. economy extends beyond the timeshare resorts with which customers are most familiar. The total economic contribution of the industry also includes the economic impacts of sales and marketing offices, corporate operations, the construction of new resorts and the renovation of existing resorts, and the significant impact of expenditures of vacationers during timeshare stays. This study estimates the comprehensive private- and public-sector benefits generated by the timeshare industry.

In addition to private-sector benefits, including jobs and income, the significant tax contributions of the industry are a source of revenue for federal, state, and local governments. The estimates described below show that the timeshare industry produces significant amounts of individual income tax and employment tax at the federal level, and contributes significantly to property tax, sales tax, and occupancy tax revenue for state and local governments in the states in which timeshare resorts are located.

The following results highlight the key economic and fiscal (tax) contributions of the timeshare industry. The results are summarized in terms of direct and indirect economic and fiscal impacts and presented for resort operations, sales and marketing, corporate operations, consumer spending, and construction. The direct impacts are generated through spending by the timeshare industry and its employees. The indirect impacts are from increased activity among suppliers and higher spending by employees due to increased incomes.

OVERVIEW OF THE TIMESHARE INDUSTRY OPERATIONS' ECONOMIC IMPACT



Total Impact

In total, the U.S. timeshare industry generated approximately $85.7 billion of economic output, 423,713 full- and part-time jobs, $28.9 billion in labor income and $10.8 billion in total taxes in 2023.

ECONOMIC CONTRIBUTIONS OF THE U.S. TIMESHARE INDUSTRY, 2023

Billions of dollars; number of part- and full-time jobs

Impact	Direct	Indirect & Induced	2023 Total
Employment	197,188	226,524	423,713
Labor Income	$13.5	$15.4	$28.9
Output	$35.7	$50.0	$85.7
Taxes	$6.1	$4.7	$10.8

Note: Includes economic contributions related to resort operations, corporate office operations, sales office operations, consumer expenditures, and capital expenditures in 2023.

Source: *2024 U.S. State of the Vacation Timeshare Industry and Economic Impact Survey* and EY analysis using the IMPLAN input-output model.

- **Employment:** The timeshare industry directly supported employment of 197,188 people in 2023. This direct employment supported indirect and induced employment at suppliers and other businesses totaling 226,524 jobs. Combining direct and indirect and induced employment, the total employment contribution of the timeshare industry nationwide is estimated to be 423,713 jobs. For each direct job, an additional 1.15 jobs are supported in other industries due to the U.S. timeshare industry.

- **Labor Income:** The total income contribution of the timeshare industry is estimated to be $28.9 billion in 2023, including an estimated direct income impact of $13.5 billion and an indirect and induced impact of $15.4 billion. Labor income includes employee compensation (wages plus benefits) and income to proprietors. The total impact of the U.S. timeshare industry on labor income was $2.14 for each dollar of direct income.

- **Economic Output:** The timeshare industry's direct impact on U.S. economic output (measured by revenues) was $35.7 billion in 2023. The indirect and induced output supported by the timeshare industry was $50.0 billion, resulting in a total economic output contribution of $85.7 billion. The total impact on U.S. economic output is $2.40 for each dollar of direct output.

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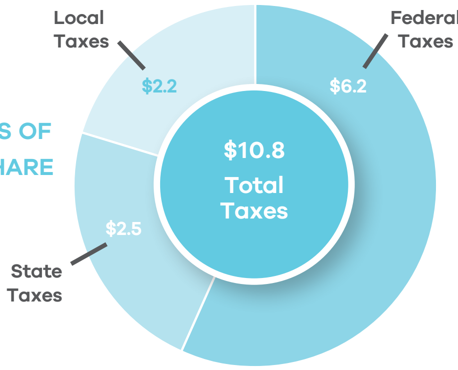
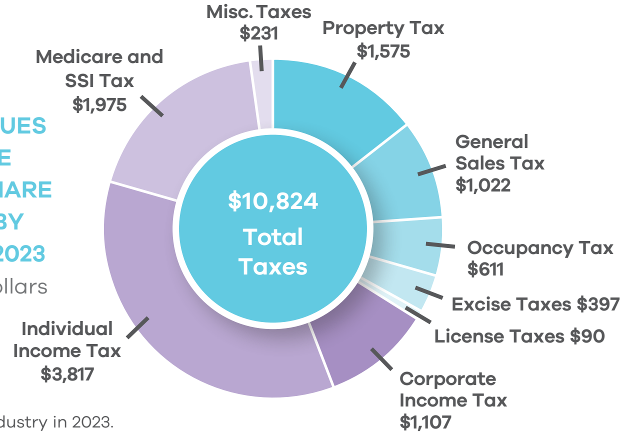
TOTAL TAX CONTRIBUTIONS OF THE U.S. TIMESHARE INDUSTRY, 2023

Billions of dollars



TAX REVENUES PAID BY THE U.S. TIMESHARE INDUSTRY BY TAX TYPE, 2023

Millions of dollars



Note: Includes estimated direct, indirect, and induced taxes paid as a result of the U.S. timeshare industry in 2023.

Source: *2024 U.S. State of the Vacation Timeshare Industry and Economic Impact Survey*, IRS Income Statistics, BEA, and EY analysis.

- **Taxes:** The U.S. timeshare industry generated $10.8 billion in total taxes. Figure above shows the breakdown of total tax impact by level of government. In 2023, the timeshare industry generated an estimated $6.2 billion in federal taxes, $2.5 billion in state taxes, and $2.2 billion in local taxes.

The economic contribution of the timeshare industry for 2023 expanded as compared to 2021, the data year covered by the previous version of this report, as the hospitality industry recovers from the COVID-19 pandemic. The direct economic impacts of timeshare construction, operations, and related vacationer spending have increased, but the employment and labor income impacts in supporting (indirect and induced) industries have decreased, resulting in the overall employment decrease described in this report. This is due to operational changes in both resorts and supporting industries during the pandemic. Resorts spent less on some industries, such as transit and ground transportation and laundry services, reducing total employment, labor income, and economic output supported by the timeshare industry. Additionally, some supporting industries have shifted to have higher output with fewer workers, such as restaurants and advertising agencies, resulting in lower indirect employment and labor income, but indirect output remains elevated.

Timeshare Vacation Spending

Spending by timeshare owners and guests during timeshare stays was estimated at $11.6 billion in 2023, up 89.6% from 2021. In nominal terms, vacationer spending has passed pre-COVID levels, though when accounting for inflation, real vacationer spending is still down 14% from 2019, reflecting the 14% fewer traveling parties in 2023. Approximately $3.0 billion was spent on-site at resorts, while $8.6 billion was spent off-site in the communities where the timeshare resorts are located. On average, each traveling party spent $4,261 per vacation. Based on an average travel party size of 3.7 people, the average total spending per person is $1,152. Only the off-site expenditures are included in the estimates of the economic impact of vacation expenditures because spending by timeshare owners and visitors at timeshare resorts on-site is captured separately in the impact of timeshare resort operations.

DETAILED VACATION EXPENDITURE SPENDING DATA[1]

Vacation Spending Data	Average per Party			Total Off-site Spending ($ Billion)
	On-site Spending	Off-site Spending	Total Spending	
Air transportation services	—	$812	$812	$2.55
Entertainment and recreation	$209	$199	$408	$0.63
Hotels and motel services, inc. casino hotels[2]	$556	$505	$1,061	$1.59
Restaurant, bar, and drinking place services	$159	$193	$353	$0.61
Clothing and clothing accessories	$119	$143	$262	$0.45
Groceries	$138	$155	$293	$0.49
Ground transit	—	$66	$66	$0.21
Gasoline stations	—	$123	$123	$0.39
Miscellaneous	$55	$47	$101	$0.15
Rental cars	—	$157	$157	$0.49
Theme parks & museums	$115	$145	$259	$0.45
Fitness & sports	$175	$191	$366	$0.60
Total	**$1,525**	**$2,736**	**$4,261**	**$8.59**
Average Spending Per Person[3]	**$412**	**$740**	**$1,152**	

1 Does not include gambling wins and losses.

2 Hotel and motel on-site expenditures are captured by the *2024 U.S. State of the Vacation Timeshare Industry and Economic Impact Survey* as rental revenue and are not included in "on-site spending" referenced throughout the text.

3 Average travel party size is 3.7 people.

Source: *2024 U.S. Shared Vacation Ownership Owners Survey*, prepared by Sports and Leisure for ARDA Research & Insights.

DETAILED ECONOMIC IMPACTS OF THE TIMESHARE INDUSTRY, BY FUNCTION, 2023

Billions of dollars; number of part- and full-time jobs

Output	Direct	Indirect & Induced	Total
Industry Operations	$28.6	$39.9	$68.5
Resorts	$16.7	$19.6	$36.3
Corporate	$6.7	$11.8	$18.5
Sales and Marketing	$5.2	$8.5	$13.7
Vacation Expenditures	$6.7	$9.2	$15.9
Capital Expenditures	$0.5	$0.8	$1.3
Total	**$35.7**	**$50.0**	**$85.7**

Employment	Direct	Indirect & Induced	Total
Industry Operations	147,097	182,074	329,171
Resorts	79,647	90,003	169,650
Corporate	36,741	52,198	88,939
Sales and Marketing	30,710	39,873	70,583
Vacation Expenditures	47,824	40,930	88,754
Capital Expenditures	2,268	3,520	5,788
Total	**197,188**	**226,524**	**423,713**

Labor Income	Direct	Indirect & Induced	Total
Industry Operations	$11.1	$12.4	$23.5
Resorts	$4.6	$6.0	$10.6
Corporate	$2.9	$3.8	$6.7
Sales and Marketing	$3.5	$2.6	$6.1
Vacation Expenditures	$2.3	$2.8	$5.1
Capital Expenditures	$0.2	$0.2	$0.4
Total	**$13.5**	**$15.4**	**$28.9**

Source: *2024 U.S. State of the Vacation Timeshare Industry* and *Economic Impact Survey* and EY analysis using the IMPLAN input-output model.

Methodology

Ernst & Young's detailed analysis of economic impacts, and the success of the study overall, was made possible by the active cooperation of timeshare enterprises, resorts, exchange companies, and a sample of the timeshare travelers in the U.S. during 2023. The response base included 607 of the 1,524 timeshare resorts identified in the U.S. and survey responses from over 2,500 U.S. households. Ernst & Young analyzed the detailed survey information in a customized economic impact model to quantify the industry's economic contributions.

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