The Vacation Ownership Sentiment Index:

JANUARY 2024

PREPARED BY:

SPORTS & LEISURE RESEARCH GROUP

The Vacation Ownership Sentiment Index: Our Mission

- Inform industry stakeholders with a regular monthly pulsing of timeshare owner sentiment and forward looking anticipated behaviors relative to the broader traveler market
- Track, trend and report out an aggregate and singular consumer driven industry sentiment index metric, alongside other related and trendable component measures including
  - Planned travel and expenditure levels
  - Willingness to travel and make reservations
  - Widening or narrowing of booking windows
  - Recent and anticipated guest experience service delivery and satisfaction
  - General sentiment and perceptions of key category engagement drivers
  - Relative variances in travel engagement levels and behaviors between timeshare owners and the broader travel market
- Provide a simple and dynamic scorecard or dashboard on consumer travel sentiment

Study Methodology:

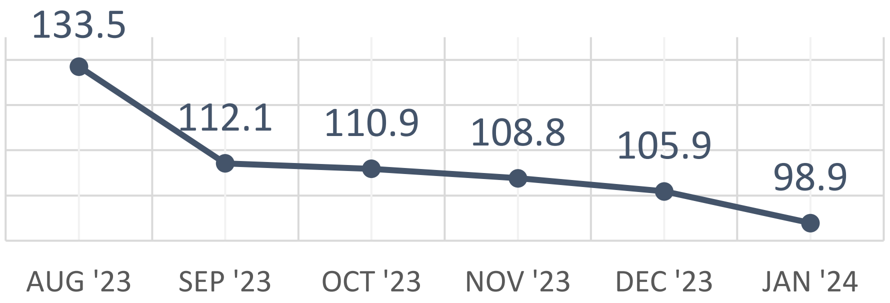
- Online, monthly survey with nationally representative equal samples of 500 U.S. based leisure timeshare owners and augment representative sample of 500 leisure travelers to facilitate comparisons and trend analysis.
  - 10-15 question online survey
  - All respondents to have actively traveled a minimum of 50 miles from home for vacation within the past year
  - All respondents rigorously screened for timeshare ownership through multi-part validation process
  - Conduct significance testing to draw out meaningful response variances across a variety of demographic, attitudinal and behavioral attributes
- Correlation Analysis performed against each individual survey measure against a logical dependent variables tied to propensity to spend time and money on travel, to determine and isolate those measures that comprise the Index and from which to compare and trend timeshare owner sentiment over time.

Two Minute Take-Aways

- The overall Vacation Ownership sentiment Index has dipped just below 100, marking a fourth consecutive month of easing, in January. The index registered at 98.9, its lowest since inception of our research. Indices over 100 indicate positive sentiment. This 98.9 aggregate is statistically on par with a 100 reading. Driving January results is a significant drop in perceptions about the U.S. economy, with just 22% strongly agreeing that economic conditions are better than they were a month ago. This is a 12 month low and off from 49% as recently as August. These economic concerns are coupled with a significant drop in those with greater leisure time available than they had a year ago. Yet despite these external pressures, timeshare owners are less likely to see economic conditions negatively impacting their travel plans this year and a majority still strongly agree that "nothing is going to stop me from taking a vacation."
- Timeshare owners continue to exhibit demonstrably more positive attitudes and behaviors than the parallel sample of overall U.S. travelers. Among the highlights, was a significantly positive gap in those who strongly agree that it's more important now to book a vacation further out than it was six months ago. Timeshare owners are 93% more likely to have already made a reservation for their next vacation and they are 48% more likely to expect the level of service on their next vacation to exceed expectations. Timeshare owners remain more active travelers, have more leisure time and plan to spend significantly more time on vacation over the next six months.
- For the eighth straight month, more than 70% of timeshare owners strongly felt that their most recent vacation was significantly better than the typical vacation.
- 50% of timeshare owners are planning their next timeshare vacation within the next four months.
- 33% of timeshare owners plan to upgrade their current timeshare or purchase additional timeshare product in the next two years, while the 17% looking to sell their timeshare is the lowest in four months.

OVERALL

Vacation Ownership Sentiment Index



KEY FACTORS

that moved the Sentiment Index this month

- The January Index slipped to 98.9 as a 12-month low of 22% strongly believe that economic conditions in the U.S. are better than last month, off **-27 points**, from 49% in August. This was accompanied by a drop **(-8 points)** in those perceiving less leisure time available.
- Despite these pressures, January saw a five month high in those timeshare owners strongly agreeing that nothing is going to stop them from taking a vacation. Further, January saw an **-4 point** drop in those strongly agreeing that *"Economic conditions in the U.S. are negatively impacting my travel plans."* The latter is at its lowest level in five months.
- Those who strongly agree that they expect their overall satisfaction with their next timeshare vacation to exceed their expectations remains over **50%**, for the twelfth straight month of measurement.
- Contributing to the overall index movement were some easing in sentiments towards value of ownership, and willingness to recommend timeshare as well as a slight widening of booking windows.
- For the eighth straight month, more than 70% of timeshare owners strongly felt that their most recent vacation was significantly better than the typical vacation.

KEY COMPARISONS OF TIMESHARE OWNERS VS. TRAVELERS IN GENERAL

for JANUARY of 2024

	Timeshare Owners	Total Travelers	Timeshare Advantage
SHOW GREATER RECENCY OF TRAVEL			
Taken a commercial flight within the past month	↓ 25%	↓ 19%	+32%
Took a vacation that included travel of 50 miles or more and 1+ nights in a hotel or other paid lodging	↓ 27%	17%	+59%
ARE MORE PASSIONATE ABOUT TRAVEL			
Have made a reservation for their next planned vacation	58%	30%	+93%
Strongly believe that nothing is going to stop me from taking a vacation	↑ 57%	35%	+63%
PLAN TO SPEND MORE TIME AND MONEY ON VACATION OVER THE NEXT SIX MONTHS			
Plan to spend significantly **more time** on vacation over the next six months	↓ 36%	↓ 27%	+33%

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VACATION OWNERSHIP INDEX FOR JANUARY 2024

OVERALL VACATION OWNERSHIP SENTIMENT INDEX