The Vacation Ownership Sentiment Index: JULY 2024

ARDA Research & Insights

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 saw a nominal increase to 108.7 in July, enjoying its sixth consecutive month over 100. Indices over 100 indicate positive sentiment. Timeshare owners saw month over month increases in satisfaction with their most recent vacation across both perceptions that their most recent vacation was significantly better than the typical vacation and that their most recent vacation was an exceptional experience. 28% took a timeshare vacation over the previous month, the same as reported in June, and a +1 point improvement over a year ago. Helping overall July results was a +5 point improvement to 54% of timeshare owners who strongly expect that the level of service on their next timeshare vacation will exceed their expectations. This is 69% higher than that observed for overall travelers.

- Timeshare owners continue to exhibit more positive attitudes and behaviors than the parallel sample of overall U.S. travelers.   70% of timeshare owners have made a reservation for their next vacation, a +2 point improvement over June and double that of travelers in general. They are 41% more likely to plan to spend more money and 62% more likely to spend more time on vacations over the next six months, a widening of the gap across both metrics. Timeshare owners remain more active travelers, and are 53% more likely to strongly agree that nothing is going to stop them from taking a vacation.

- 61% of timeshare owners are planning their next timeshare vacation within the next four months; up significantly from the 52% who planned to do so, in June.

- 52% of timeshare owners plan to upgrade their current timeshare or purchase additional timeshare product in the next two years, a fifth consecutive month of majority positive sentiment.

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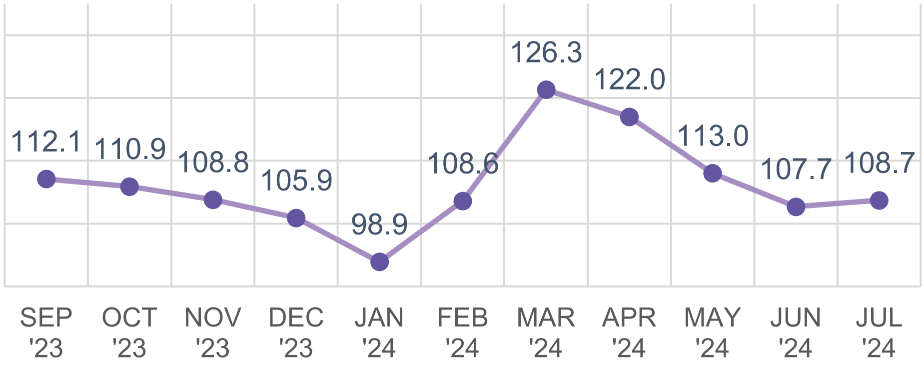
OVERALL

Vacation Ownership Sentiment Index



KEY FACTORS

that moved the Sentiment Index this month

- The Vacation Ownership sentiment Index improved to 108.7 in July, it's sixth consecutive month over 100. 77% of timeshare owners strongly agreed that their most recent vacation was significantly better than their typical vacation, on par with those who felt the same one year ago and up nominally from June.
- 53% strongly expect the overall satisfaction on their next timeshare vacation to exceed expectations.
- 70% of timeshare owners have made a reservation for their next vacation; double the incidence of overall travelers.
- Less than 30% of timeshare owners perceive that the cost of travel is making it difficult to justify a trip at this time, a nominal improvement over both last month and a year ago.
- 52% of timeshare owners plan to upgrade their current timeshare or purchase additional timeshare product in the next two years, a fifth consecutive month of 50%+ positive sentiment.
- Only 27% of timeshare owners strongly agree that economic conditions in the U.S. are negatively impacting their travel planning this year, a significant improvement from both last month and a year ago.

KEY COMPARISONS OF TIMESHARE OWNERS VS. TRAVELERS IN GENERAL

for JULY of 2024

	Timeshare Owners	Total Travelers	Timeshare Advantage
SHOW GREATER RECENCY OF TRAVEL			
Took a vacation that included travel of 50 miles or more and 1+ nights in a hotel or other paid lodging	41%	26%	**+58%**
ARE MORE PASSIONATE ABOUT TRAVEL			
Have made a reservation for their next planned vacation	70%	35%	**+100%**
Took a commercial flight in the past month	35%	21%	**+67%**
NOT LETTING ANYTHING GET IN THE WAY OF VACATIONS			
Strongly agree that *"Nothing is going to stop me from taking a vacation"*	55%	36%	**+53%**
Plan to spend significantly **more time** on vacation over the next six months	47%	29%	**+62%**
Plan to spend significantly **more money** on vacation over the next six months	38%	27%	**+41%**

VACATION OWNERSHIP INDEX FOR JULY 2024

OVERALL VACATION OWNERSHIP SENTIMENT INDEX