The Vacation Ownership Sentiment Index: SEPTEMBER 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:

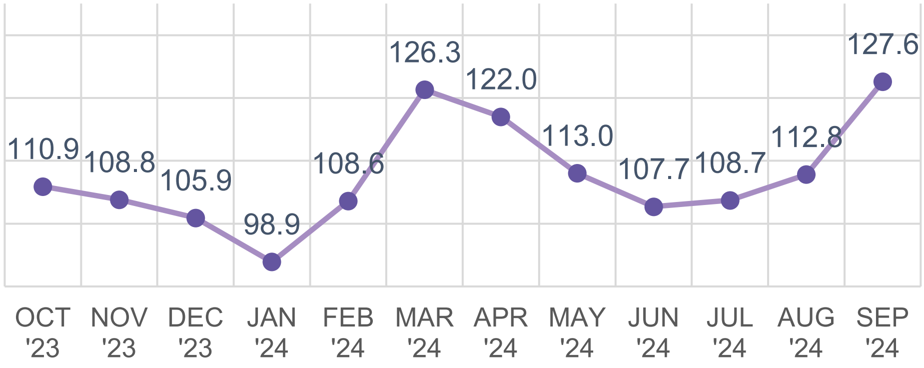
- Online, monthly survey with nationally representative equal samples of 500 U.S. based leisure timeshare owners and augment representative sample of 500 leisure travelers to facilitate comparisons and trend analysis.
  - 10-15 question online survey
  - All respondents to have actively traveled a minimum 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 rocketed +15 points to 127.6 in September, to register its second highest score ever since inception (133.5 in August of 2023). The index is up for a third consecutive month and has seen eight straight months over 100. Indices over 100 indicate positive sentiment. Timeshare owners saw a meaningful (+ 3 point) month over month increase in perceptions that their most recent vacation was an exceptional experience. Helping overall September results was a +16 point improvement to 46% of timeshare owners who strongly agreed that U.S. economic conditions were better than a month ago. This is the best showing for this metric since August of ’23. Timeshare owners also saw significant increases in recent (past six month) travel as well as expectations for future travel.
- Those who strongly agree that owning a timeshare is an exceptional value climbed +8 points. September saw a +6 point increase in those who strongly expect that their level of satisfaction on their next timeshare vacation will exceed their expectations and a +8 point jump in those who would highly recommend timeshare to friends who enjoy vacation travel.
- 37% reported taking a timeshare vacation in the past month, the highest we’ve seen in the past twelve months. All Index component measures saw month over month and year over year increases.
- Timeshare owners continue to exhibit more positive attitudes and behaviors than the parallel sample of overall U.S. travelers. 65% of timeshare owners have made a reservation for their next vacation, double that of travelers in general. They are 92% more likely to plan to spend more money and 90% more likely to spend more time on vacations over the next six months. Timeshare owners remain more active travelers, and are 50% more likely to strongly agree that nothing is going to stop them from taking a vacation. 59% of timeshare owners are planning their next timeshare vacation within the next four months
- 83% of timeshare owners plan to upgrade their current timeshare or purchase additional timeshare product in the next two years, up significantly from August (52%) and a seventh consecutive month of majority positive sentiment.

OVERALL

Vacation Ownership Sentiment Index



KEY FACTORS

that moved the Sentiment Index this month

- The Vacation Ownership Sentiment Index improved +15 points to 127.6 in September, the second best showing on record, and it's eighth consecutive month over 100. The index has shown three straight months of improvement. 81% of timeshare owners strongly agreed that their most recent vacation was significantly better than their typical vacation, +6 points better than those who felt the same one year ago and in August.
- 63% strongly expect the overall satisfaction on their next timeshare vacation to exceed expectations, a +6 point lift from August.
- 65% of timeshare owners have made a reservation for their next vacation; double the incidence of overall travelers.
- 63% of timeshare owners strongly agree that nothing is going to stop them from taking a vacation, +3 points from last month.
- 83% of timeshare owners plan to upgrade their current timeshare or purchase additional timeshare product in the next two years, a seventh consecutive month of 50%+ positive sentiment and a significant +31point improvement from August.
- 46% of timeshare owners strongly agreed that U.S. economic conditions were better than a month ago, a +18 point improvement from August, and +188% higher than that observed among travelers in general.

KEY COMPARISONS OF TIMESHARE OWNERS VS. TRAVELERS IN GENERAL

for SEPTEMBER of 2024 (arrows reflect meaningful month over month movement)

	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	↑ 48%	↓ 17%	+182%
ARE MORE PASSIONATE ABOUT TRAVEL			
Have made a reservation for their next planned vacation	↓ 65%	↓ 32%	+103%
Took a commercial flight in the past month	↑ 38%	18%	+111%
NOT LETTING ANYTHING GET IN THE WAY OF VACATIONS			
Strongly agree that *"Nothing is going to stop me from taking a vacation"*	↑ 63%	↓ 42%	+50%
Plan to spend significantly **more time** on vacation over the next six months	↑ 57%	↓ 30%	+90%
Plan to spend significantly **more money** on vacation over the next six months	↑ 50%	↓ 26%	+92%

VACATION OWNERSHIP INDEX FOR SEPTEMBER 2024

OVERALL VACATION OWNERSHIP SENTIMENT INDEX