Owner's Report

2014

SHARED VACATION OWNERSHIP

2014 EDITION
PREPARED BY HSR ASSOCIATES

AIF

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Established in 1975, HSR Associates (HSR) is a privately-held, full-service market research firm based in Lawrenceville, NJ. HSR supports a range of verticals, with particular expertise in the management consulting, hospitality, real estate development and financial services industries. Offering the thought-leadership and capabilities people might expect from a large organization with the hands-on attention associated with those of a small firm. Clients select HSR to assist with their most difficult business and marketing challenges due to their tailored research solutions, engaging thought partnership approach and collaborative situational problem-solving, even in the face of aggressive timelines and challenging needs.

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Introduction

The 2014 ARDA International Foundation (AIF) *Shared Vacation Ownership Study* marks the third study in the AIF Owner Series. This study, like the preceding editions, is designed to capture the essence of the owner experience within a snapshot in time and highlight opportunities and areas of interest that may exist for ARDA members and the industry as a whole. This report is different from the previous reports due to the following reasons.

First, the economic landscape has dramatically shifted. The shared vacation ownership industry is flourishing again. In fact, the industry may have never been stronger. It is not just that sales are up…it's more about *why* sales are up. Previous analyses had reported that the majority of sales were being driven by existing owners. The current study reports that, while existing owners continue to enjoy the lifestyle and purchase additional timeshare, new owners are responsible for the majority of qualified new sales with emerging market and Millennial segments fueling much of the market expansion.

These new owners represent a base of the population that the industry has been targeting over the past several years: African Americans, Hispanics, and Millennials. This report concludes that these markets fuel much of the recent new owner acquisition.

Sales fueled through new customer acquisition is certainly cause for optimism. The news becomes even more exciting when we delve further into new customer sales. First, values of interests purchased by new customers are approaching $20,000. Next, many new owners are also making additional purchases soon after their initial purchase. Like more established owners, these new owners are showing their loyalty to a timeshare lifestyle through both their voice and their wallet as they make additional timeshare purchases!

In addition, this report differs from earlier editions because of the impact of product innovations, like the ability to convert timeshare vacations to other types of vacations, such as cruises or hotel stays. This represents significant motivation to purchase among many new owners. In order to measure the impact of these new innovations, a sizable number of revisions have been made to the survey, itself. One important change is the introduction of new owner segments which looks at demographics, behaviors, vacation patterns and attitudes. The new segmentation approach provides greater insights than the previous segmentation approach and makes it easier for members to assign their owners to a segment. Many thanks go out to the members of AIF's research committee and other industry professionals who have invested a tremendous amount of their time to ensure the survey identifies the latest industry trends and enables member organizations to successfully plan for years to come.

Research design

This research was conducted by HSR Associates under the direction of Rob Kaplan-Sherman, Senior Vice President at the request of the ARDA International Foundation. This research was conducted in two phases to better understand timeshare owners and identify differences that exist within the timeshare community. For all research phases, "timeshare owners" are defined as U.S. households currently owning one or more timeshares in North America including the Caribbean.

A "timeshare" may refer to any method of use or shared ownership of vacation real estate, such as week, points, fractional or Private Residence Club (PRC). This report may also use the phrases "vacation ownership" or "shared ownership" synonymously with "timeshare ownership". This report, however, differentiates across the four different types of product ownership. For example, PRC owners specifically refer to respondents who indicated they are currently owners of a PRC. In instances where product types (or owners) are grouped together, the phrase "traditional timeshare owners" refers to owners of week or points products, while that of fractional/PRC owners refers to those owning either of these products.

Two study phases are described as follows:

- A Timeshare Market Sizing Study was conducted. This study was conducted among a nationally projectable telephone omnibus of 4,000 U.S. households. Both landlines and mobile phone numbers were included in the study. The purpose of this research was to capture the incidence estimates and demographic profiles of timeshare owners, in general, as well as by specific product types.
- An online survey among 1,722 owners was also conducted. The approach in this phase was similar to the previous methodology: the sample was drawn from a number of online panel providers to increase the breadth of owners included in this study. In addition, the design also included a state-of-the art "digital fingerprinting" option to prevent the same respondent from being represented in the sample more than once. The margin of error for the entire sample and key sub-groups at the 95% confidence interval appears below:

	n	Margin of error at 95% (+/-)
All owners	1,722	2.4
Weeks	1,128	2.9
Points	853	3.4
Recent purchasers (any)	523	4.3
New owners	237	6.4
Under 35 (Millennials)	195	7.0
35-49 (Gen X'ers)	306	5.6

Glossary

This report makes frequent use of the following terms:

Base

The number of respondents corresponding to a specific question or subgroup.

Owners

Applies to people that own weeks, points, fractional and Private Residence Club (PRC), including recent purchasers or timeshare owners who purchased many years ago.

Conversion (or monetization)

The process by which a week or points primarily intended to be used for a vacation at a timeshare resort is exchanged for a non-timeshare purchase, such as a vacation to a non-timeshare destination (e.g., hotel or cruise) or the purchase of a product or service. Conversions can be "internal" or "external" in nature. Internal conversions signify that the lodging destination occurs within the same brand (e.g., from a Hilton Grand Vacation to a Hilton Hotel). All other types of conversions are considered external conversions.

Exchange

A process whereby the purchaser of an interest in vacation accommodations may relinquish the use of what he or she owns for a period of time in return for the use of vacation accommodations at another time and/or timeshare resort. There are two types of exchanges.

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

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

Fractional/PRC:

A phrase used to describe fractional or PRC products.

Fractional: A type of vacation property where multiple parties can own a share of time at the resort in a year. Typically, people can own between three weeks to three months.

Private Residence Club's (PRC): A high-end fractional resort, with lengths of ownership typically ranging from three weeks to three months. Members have access to privileged luxurious amenities/lodging.

Gen X'ers

Adults age 35-49

Millennials

Adults under the age of 35

New owner

Someone whose initial timeshare purchase was made within the past three years.

Organic owner

Someone who has owned at least one timeshare interest for longer than three years but has made a qualified new purchase within the past three years.

Qualified new purchase

A transaction in which the purchase reflects an expansion of the number of unique interests owned, excluding a reload and an upgrade, within the past three years.

Reload

A transaction whereby an existing points owner purchases additional points from a developer with whom they already own a points product. These points are added to those already owned.

Right sizing

A process where an owner engages in multiple transactions (e.g., buying and selling) to align his or her product portfolio to current needs.

Segments

The manner in which owners are classified based on the similarity of their attitudes, behaviors and product ownership characteristics.

Traditional timeshare

Refers to properties that are "traditional weeks" or "points".

Points: A product that provides more flexible scheduling. Purchasers buy resort inventory generally backed by a titled deed, which converts, into points. Consumers may use their points for accommodations or other leisure travel related products. Typically, resort accommodations are assigned a point value based upon unit size, length of stay, location, and seasonality.

Week: A product that provides a week's accommodation at a resort, which may be exchanged on a like for like basis.

Upgrades

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.

Executive Summary

CHAPTER TWO

The industry has clearly returned to a growth mode — and with a strong platform to continue this trajectory. Existing owners are adding to their timeshares more through upgrades, reloads and expansions of their portfolios. The industry has reached new owners, and lots of them. Despite the owners that may have left the industry during The Great Recession, there appears to be a net increase of U.S. households indicating they own a timeshare: from 7.2% in 2012 to 7.9% today. These are also the right types of owners to move the industry forward: lovers of vacations who are younger, have higher incomes than current owners and represent a more culturally diverse cross-section of U.S. households.

The historic timeshare value proposition centers on the location of the timeshare. While there are clearly some new owners making their purchase decision based on this criteria, many are getting into the relationship based on a value proposition of flexibility and access. This includes the roughly 30% of Millennials comprising the new owner base. As noted numerous times by AIF and other organizations seeking to understand Millennials, this is a cohort that values maximum flexibility, transparency and low cost while also seeking to minimize risk and commitment. While the benefits of timeshare clearly align with this age group, there has been some concern about how well other aspects of timeshare might be received. While this report will not end such discussions, the composition of Millennials amongst new owners — and the level of commitment the new owners have made in the lifestyle in such a short time — clearly suggest that there are Millennials being drawn towards the lifestyle in such a way that it meets or exceeds their lofty expectations.

Many new owners, though clearly not all, place significant importance on timeshare's flexibility and access to a range of destinations. Central to these core benefits are the ability to exchange (either internal or external) or convert timeshare to another type of vacation, especially hotel stays and cruises. This does not mean that access to timeshare resorts is unimportant to new owners. In fact, new owners are more likely to stay at a timeshare resort than convert their timeshare to another type of vacation. Where conversions seem to hold a significant opportunity lies in their ability to acquire the 47% of owners who took a 2013 vacation that was not supported by timeshare in any way. While this represents a significant opportunity for the industry, it is also worth noting that opportunities exist even for those enjoying their vacation at a timeshare resort. Owners are reporting that vacations involving a timeshare resort often extend beyond a week and that accommodations involving other types of lodging, especially hotels, are frequently used.

The manner in which timeshare is evaluated, and thus sold, may be incorporating a more rational component. New owners, likely influenced by Millennials' traits, appear to have conducted a significant amount of research prior to making their purchase decision and appear well-armed with information necessary when the time comes to make their final decision. Common information sources include a variety of sites on the internet (including developers, third party timeshare organizations and non-industry information sources), previous stays at a timeshare resort (especially the resort where the purchase was made) and, for about half of new owners, repeated sales presentations that extend beyond traditional accepted industry standards. While this shift may have several implications, new owners, nevertheless, feel more than adequately prepared for their purchase. As such, they report very high levels of satisfaction with the purchase process.

Sales

This report as well as others covering the industry finds that the purchase price has increased to an average of nearly $20,000 ($19,725) overall. About one-quarter are buying products under $5,000 with one-in-three spending $20,000 or more. Overall, Millennials are spending less for their purchase ($18,600) than are Gen X'ers ($23,500). The price difference can largely be attributed to a higher proportion of purchases under $5,000 for Millennials than their Gen X counterparts (39% vs. 18%) and Gen X'ers being more likely than Millennials to make a purchase in the $20,000<$50,000 range (38% vs. 22%, respectively). Perhaps influenced by the level of research and preparation, a single payment represents the most frequent transaction method (47%) and cash, either exclusively or combined with a credit card, is the primary payment method. The most likely source of cash is savings (57%) although tapping into home equity (24%) and gifts (17%) were also frequently mentioned.

Overall, new owners report the same types of purchase barriers that have been frequently reported by owners, in general. Namely, the primary concerns center around finances, especially regarding maintenance fees. Interestingly, Millennials report fewer concerns regarding their purchase, which can certainly be attributed, at least in part, to the significant level of research preceding the purchase.

Owner segments

New owners are clearly engaging with their product(s) in a manner that is systematically different than organic owners. This represents a clear signal that, perhaps, AIF's original segmentation needed to be revisited. This decision was met positively among a steering committee provided that the new segmentation was constructed in a more broadly defined manner, i.e., incorporating behaviors, intentions and vacation patterns with attitudes of timeshare. There was also a preference to develop segments that enabled ARDA members to assign all of their respective owners and/or members to a segment through the internal data possessed by each organization. AIF was able to successfully meet these recommendations and have developed new segments that members can use to assist a variety of business objectives, such as: product development, marketing and communications. Each new segment is summarized below:

- **Enthusiasts** represent an incredibly loyal group of owners who tend to value more traditional timeshare. Their universal advocacy is driven by the positive experiences at timeshare resorts. Over the years, they have cultivated a personal product portfolio that works very well for them and have little interest in modifying it, either by selling or buying any interests. Growth opportunities should focus on acquiring a share of non-timeshare vacations by educating members on timeshare conversions as a value-oriented alternative to the former.
- Another highly loyal group of advocates, **Explorers** value ownership due to the high level of flexibility provided by their products. They represent the youngest and most culturally diverse of the six segments (33% Millennials, 35% African-American/Hispanic). While their advocacy is very strong, they tend to be most critical of features surrounding home resorts. In addition to higher levels of exchanging, Explorers represent one of the segments most likely to convert their timeshare to another type of vacation option, such as hotel stays and/or cruises. This segment conducts frequent transactions, both buying and selling. Of all segments, Explorers' annual vacations are most likely to revolve around timeshare, as they are the least likely segment to take a non-timeshare vacation. Going forward, emphasis should be given to looking at timeshare conversions as an alternative to non-timeshare vacations instead of trying to convert timeshare resort vacations. This will result in the capture of additional revenue rather than the re-allocation of revenue from a timeshare resort vacation.
- Like Explorers, **Rookies** capture a set of loyal, active timeshare users who emphasize flexibility and access. All members(100%) have made a recent timeshare purchase. As this is the least tenured segment, it captures an even stronger representation of points owners, although a week product may often serve as their entry-level purchase. There is a strong emphasis placed on flexibility and, like Explorers, this segment makes frequent use of vacations in which timeshare is converted to another type of vacation. Many members of this segment have made multiple transactions in a very short period of time. In their attempts to create an optimal product portfolio, they can appear somewhat frustrated and impatient, which can hinder their efforts and work against the industry. The result of this are advocacy levels that fall below the other segments profiled. There may be a critical need to provide owner education to empower them to maximize their use of the products currently owned.

- **Nostalgics**, the smallest of the six segments, comprises a more established group of timeshare owners. This group strongly advocates for timeshare more for "what it was" than "what it is". While they support the lifestyle and would re-purchase in hindsight, their evaluations of current timeshare experiences are average. Recent levels of purchase are very low and about half used their timeshare in some way during 2013. In fact, this segment is just as likely to take a non-timeshare vacation as they are to use their timeshare. Their decision to reduce their use of timeshare has more to do with a perceived lack of utility than it does the cost of ownership. Future efforts should focus on re-positioning timeshare beyond the traditional family vacation (i.e., multi-generational, friends and/or couples retreat), emphasizing its cost effectiveness compared to non-timeshare vacations.
- **Conventionalists** represent one of the more challenging segments: while this segment ranks near the top for timeshare use, especially staying at timeshare resorts, they are highly critical of the lifestyle. In other words, they take their vacation at a timeshare resort because failing to do so is considered a waste of money. It appears that many owners purchased a points product in addition to their week product but this did not appear to deliver the appropriate return on their decision. Nearly all question their purchase decision and there is a stronger inclination towards selling than buying. The fact that Conventionalists stay at timeshare resorts provides an opportunity to re-engage. If they are willing to meet with representatives, they would seem to be most attentive focusing on ways to better use their existing product without requiring additional fund (i.e., exchange and/or conversions, if the capability already exists). At the present times, they would not be receptive to additional sales opportunities.
- The most tenured segment, **Critics** are most likely to be experiencing financial difficulties in their personal life. While this inhibits their product use and taking vacations in general, it does not alleviate them from their financial commitments. The result seems to be a rather critical view of timeshare. The level of recent purchase or future purchase intent is almost non-existent and 42% indicate an intention to sell at least one of their timeshare interests within the next two years. There is some positive news with this segment. The vast majority of Critics intend to take a 2014 vacation and vacationing at timeshare resorts, particularly those within 500 miles (i.e., drivable resorts), seems a likely destination for many. This provides an opportunity to positively re-engage members, enabling them to re-discover the benefits of a timeshare lifestyle, thereby re-establishing the relationship.

Vacations

Today's owners continue to build their vacations largely around timeshare. More than four-in-five owners used their timeshare in 2013, with most having vacationed at a timeshare resort (owned, exchanged or rented). A smaller but sizable minority converted their timeshare to another type of vacation. Nearly half (47%) reported taking a vacation that did not involve timeshare in any way.

While there are clearly a series of vacation profiles regarding the duration, distance between home and destination, party size, season and number of units, there does not appear to be a dominant profile, even the "seven night" vacation appears to be somewhat atypical among owners. While a one-week vacation among those vacationing at a timeshare resort is most common, it only corresponds to one-third of owners taking a vacation at a timeshare resort. Owners are just as likely to spend more than seven days as they are less at timeshare resorts. Those vacationing at timeshare resorts report engaging in a broader mix of activities than other vacation types with an average spending of nearly $1,966, driven by activities that pump significant revenue into the local economies. As would be expected from the segment profiles, more tenured segments allocate more of their vacation time to staying at a timeshare resort while those segments with a heavier composition of newer owners tend to spend fewer nights at a timeshare resort, either due to shorter vacations and/or staying at different lodging options.

The typical converted vacation is slightly shorter than a timeshare vacation, 6.7 nights. About 64% vacation for less than a week while one-in-four vacation longer than a week. Hotel stays, particularly internal conversions, were most common, followed by cruises and external conversions. Owners taking a converted vacation leave a strong economic footprint on their final destination. The average owner engages in 3.3 activities at their vacation destination with shopping representing the dominant activity. Sightseeing, gaming, theater and golf represent the other activities for which there is significant engagement. Only Explorers and Rookies can be profiled for converted vacations. Explorers place greater emphasis on internal conversions and obtaining non-travel related products and services. Their destinations appear to be further away than among Rookies, especially between 200-500 miles away (particularly in the South). Rookies place greater emphasis on external conversions that are closer to home, particularly within 200 miles of home, notably in the West.

Acquiring a larger share of non-timeshare vacations represents a significant opportunity for existing owners. To do this, the industry may need to adjust its positioning to shorter durations geared for "couples". Part of this positioning is to model vacations outside family resorts, especially Florida. Non-timeshare vacations have a more limited range of activities and a shorter duration. Shopping and sightseeing represent the most common activities and aquatics lagging a rather distant third. No other activity was mentioned by more than 20% of vacationers.

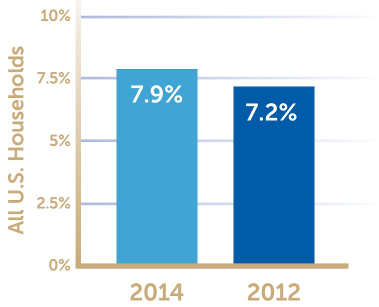
Given the exceptional experience and anticipated improving economic conditions, the future for timeshare vacations appears brighter than the present. There is a shift towards spending more time and money in future vacations and the timeshare industry will be the recipients of much of this increase. Timeshare remains an integral component of the owners annual vacation planning. Nearly nine-in-ten (86%) intend their next vacation to be in 2014. In all, more than three-in-four (79%) owners plan to vacation at a timeshare resort in 2014 and 28% express a likelihood to take a converted vacation. When comparing recent vs. intended use among those who vacationed in 2013 and/or expressed an intention for their 2014 vacation, there seems to be an increasing shift towards converted vacations driven by a slight reduction in the incidence of timeshare vacations and a reduction in the rate of non-timeshare vacations. While evaluating expectations can provide rich insights on the mindset of owners, bear in mind that vacation intentions can change as owners' needs, expectations and/or plans change. While this may signal an opportunity for some within the industry, it may also serve as notice of potential cannibalization to others. Segments with greater representation of Millennials, Explorers and Rookies, are most likely to report an increase in vacation expenditures, particularly Explorers. Enthusiasts and Critics are most likely to report holding vacation expenditures constant. While Nostalgics and Critics are more likely to indicate an increase in spending over a reduction, these segments remain somewhat uncommitted, as the level of the uncertainty of 2014 vacation spending is significantly greater than found in the other segments.

General Profile

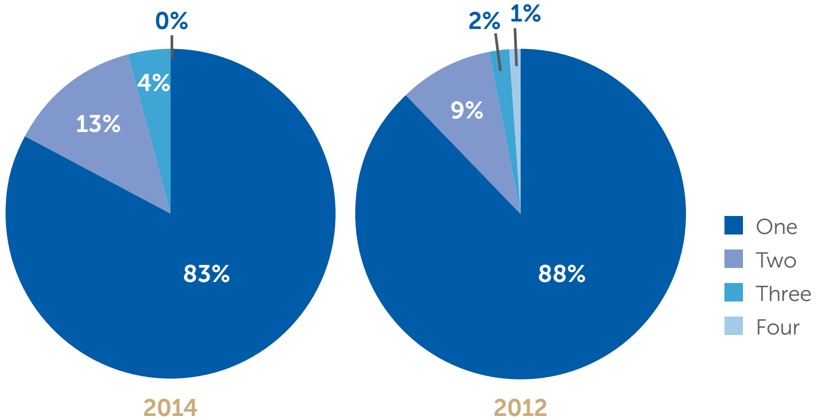
CHAPTER THREE

- According to previous research conducted by AIF in 2012, 7.2% of all U.S. households owned at least one timeshare product. Using the same methodology in 2014, 7.9% of all U.S. households (9,102,917)* are reported to be timeshare owners.
- The majority of timeshare owners continue to own one type of product.
- Continuing the trend first discovered in 2012, more owners own points products than week products in 2014, demonstrating the growing popularity of points products.

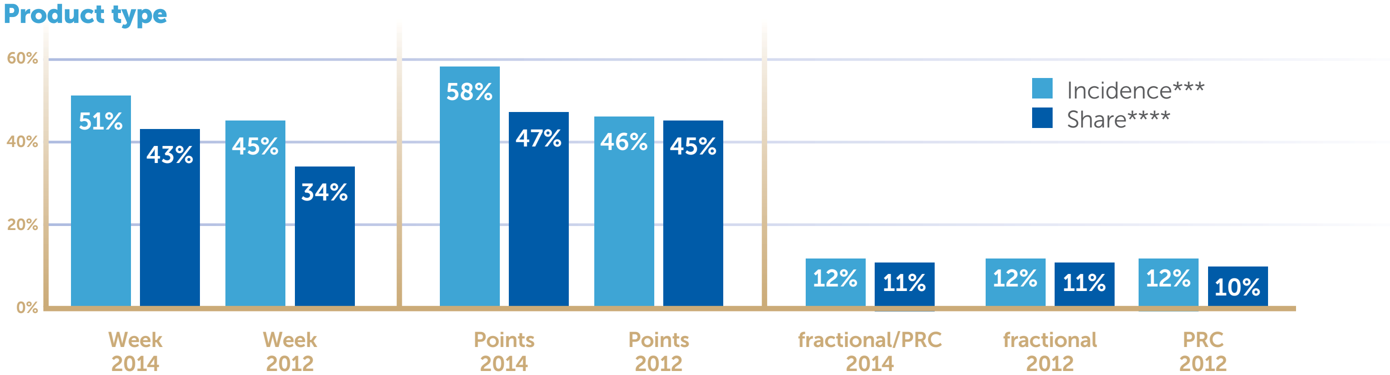
Incidence of ownership**



Number of product types owned



Product type



BASE
2014 (n=1,722)
2012 (n=1,002)

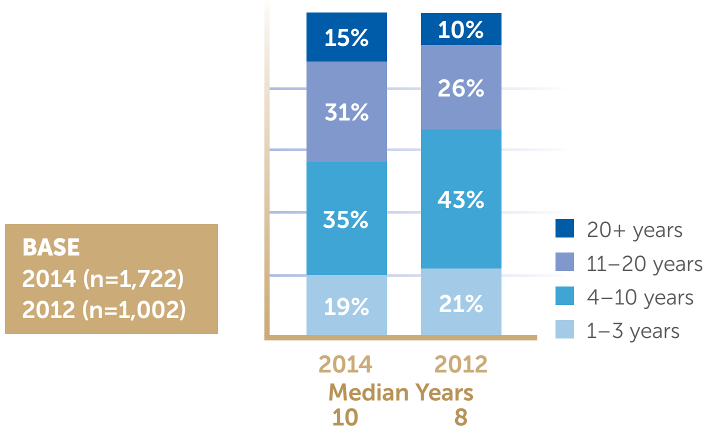
******Source: U.S. Census Bureau USA Quick Facts (2013).*

*******Within the "Incidence of ownership" chart, the numbers represent the overall percentage of timeshare ownership among the population of households within the U.S.*

********Within the "Product type" chart, incidence of timeshare ownership is the percentage of the timeshare owner population that owns one or more contracts of a given product type. Individual owners can own contracts across multiple product types, so incidence percentages by product type will sum to more than 100%.*

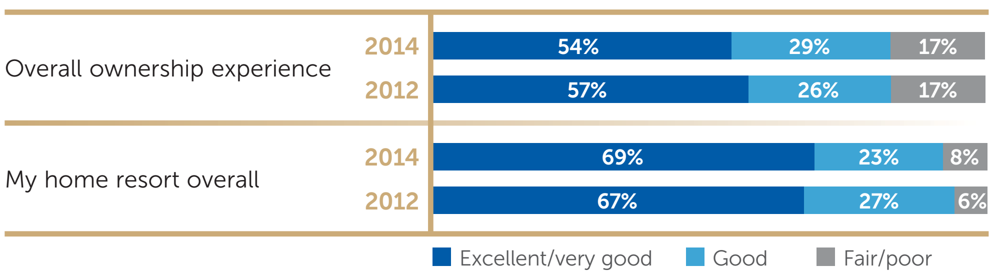
*********Share of timeshare ownership refers to the percentage of all contracts that each product type represents. The sum of shares for each product type will equal 100%, however the percentage shares featured may not sum exactly due to rounding.*

Tenure

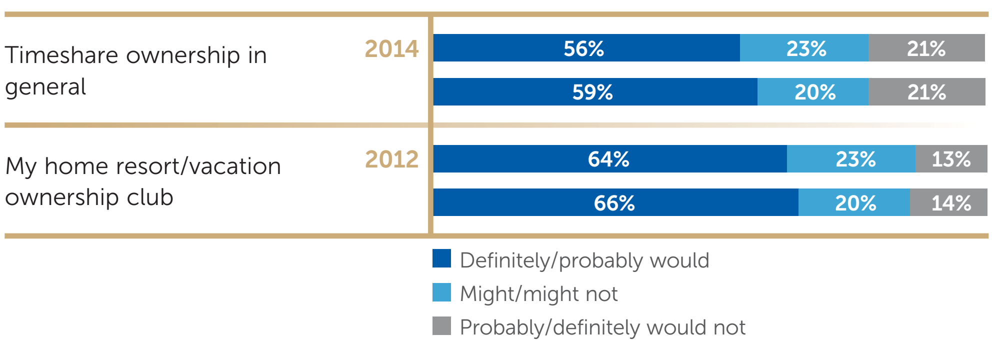


Performance on key timeshare metrics has remained consistent with 2012.

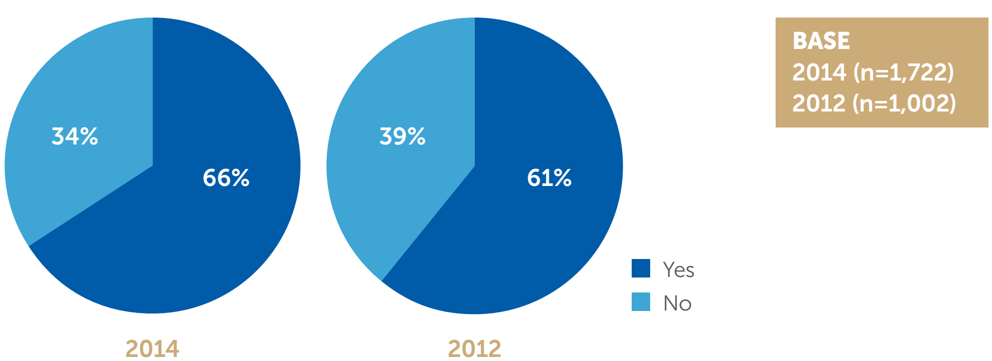
Timeshare evaluation



Advocacy – likelihood to recommend

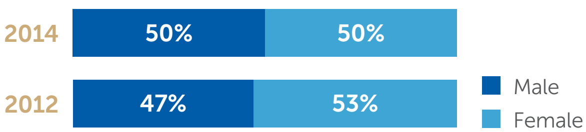


Would purchase timeshare again

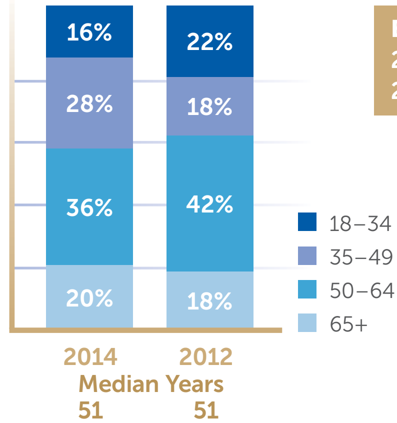


Owner demographics

Gender



Median age



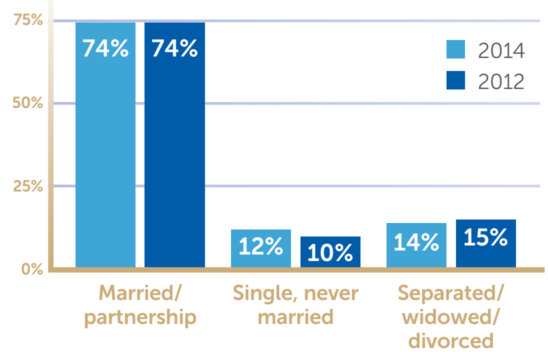
BASE
2014 (n=1,722)
2012 (n=1,002)

Household

Demographic	2014	2012
Median household income	$89,500	$74,000
Own primary residence	90%	89%
Do NOT have children at home	66%	64%
Median household size	4	3

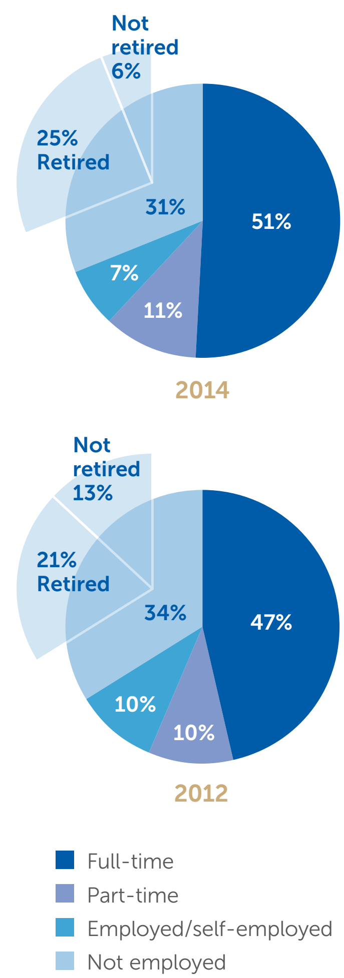
The median household income of timeshare owners is $89,500.

Marital status

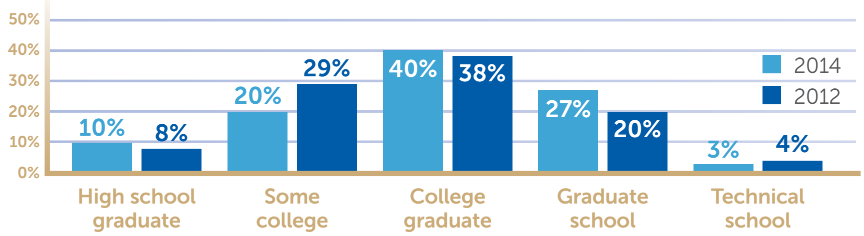


BASE
2014 (n=1,722)
2012 (n=1,002)

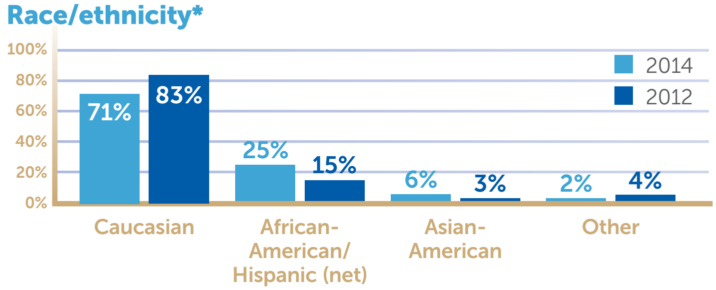
Employment status



Education level



Race/ethnicity*



Percentages may not sum to 100% due to rounding

**Multiple responses are allowed; percentages will sum to more than 100%.*

The Acquisition Evolution

CHAPTER FOUR

Throughout "the Great Recession", many timeshare companies have focused on selling to existing owners due to significant restrictions on outbound business development, the credit crunch and a bleak economic outlook. The strategy may have been less than ideal but, for some, the focus was on surviving.

There were ongoing discussions regarding how to best grow the industry and two targets were frequently mentioned: emerging markets and Millennials.

Given their growth, increased buying power and desirable vacation profiles, particularly larger than average travel parties, emerging markets represented an increasingly attractive segment of the U.S. population. According to U.S. Census estimates, the African American and Hispanic sub-populations are growing at a rate much faster than other U.S. populations. Beyond their population growth, emerging markets are growing in buying power, as the contribution of total household income (in 2009 dollars) has also increased.

Population size of emerging markets in the U.S.

Population estimates (in mil)	2000	2012 (est)	Change
Total	281.4	313.9	32.5
African Americans	34.6 (12.3%)	41.1 (13.1%)	6.5 (20.0%)
Hispanics	35.2 (12.5%)	53.0 (16.9%)	17.8 (54.8%)

Emerging markets contribution of total household income

Share of total household income	2000	2009*
Income contribution	15.9%	16.8%

Millennials were also identified as another sub-population with significant potential value to the industry. There has been considerable research on this cohort, both within and outside the timeshare industry. A litany of research studies has identified the importance — and the associated spending this cohort has placed on travel. Recent research conducted by AIF has noted that Millennials consistently indicated the superiority of timeshare lodging units and the impact these units could have on cost savings, improved social environments and increased flexibility and control of dining options. These reasons provide opportunities for the industry to cultivate relationships with Millennials.

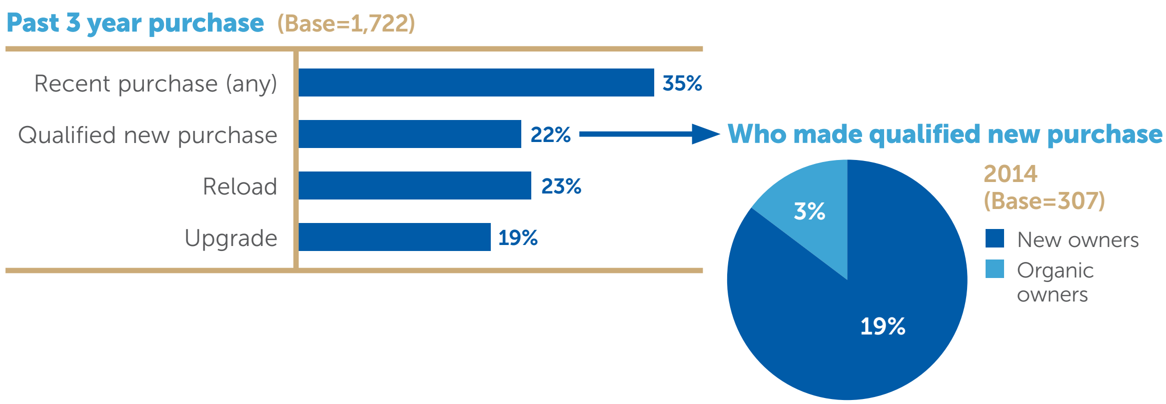
**Most recent estimates from 2010 Census*

Who are recent timeshare buyers?

The timeshare industry seems to have experienced recent positive growth.

Within the past three years, 35% of all timeshare owners have made a purchase, either qualified or non-qualified (including reload and upgrade). For this report, our focus centers on qualified purchases. Since the vast majority of qualified purchases have been made by new owners (i.e., are entering timeshare for the first time), this chapter will devote most of its attention to them.

Roughly one-in-four owners surveyed, 22%, have made a qualified new purchase over the past 3 years, of which 19% of all owners are new owners, making their first timeshare purchase within this timeframe. The majority of new owners, 54%, made their purchase within the past year. The remaining qualified recent purchasers would be considered "organic" owners, meaning they were timeshare owners prior to making their most recent qualified purchase.

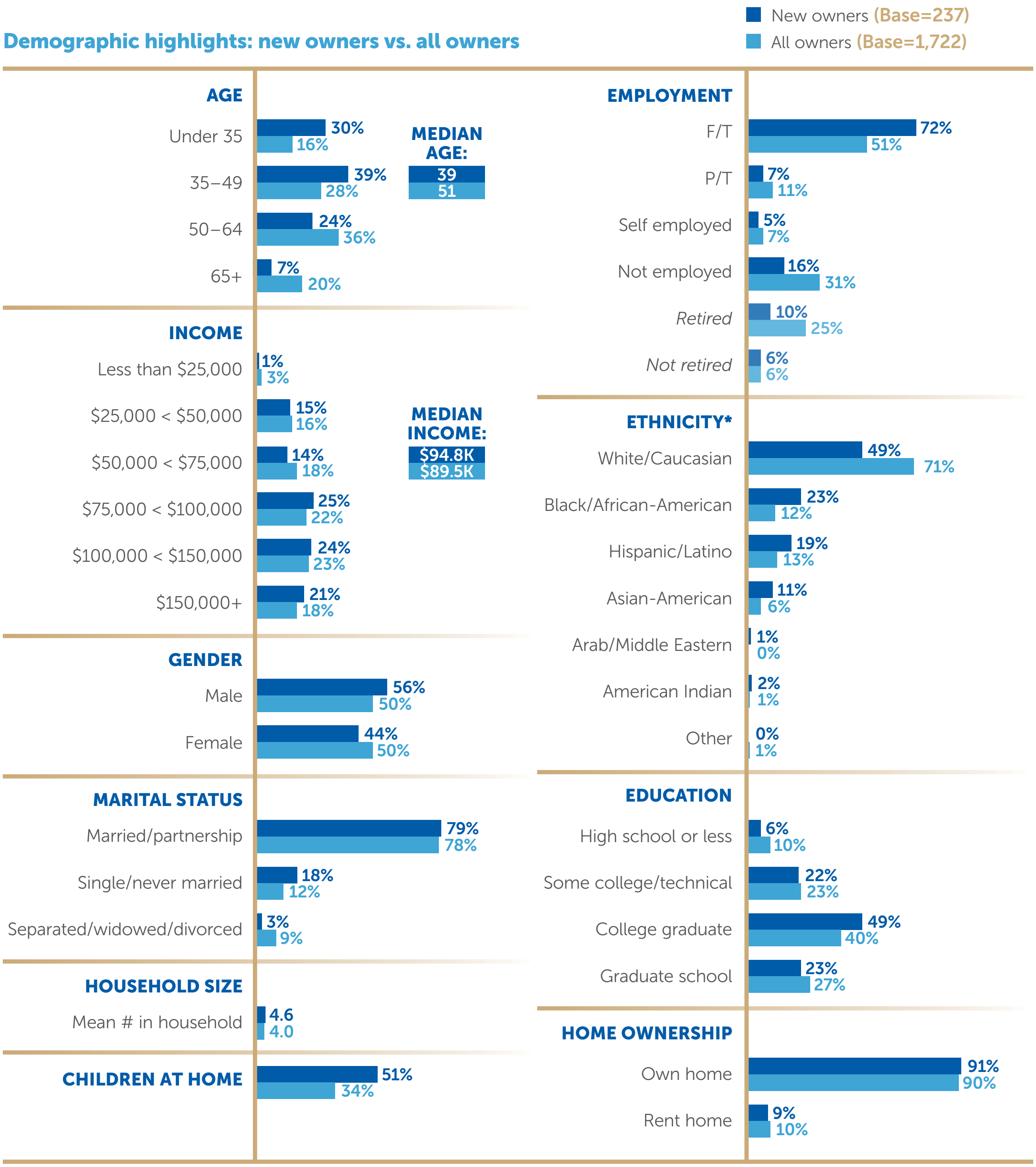


NEW OWNER DEMOGRAPHICS

New owners are different from the typical timeshare owners. This "different" market is highly desirable, as it represents more diversified U.S. sub-populations, including the successful engagement of the two desired acquisition targets: emerging markets and Millennials. Compared to all owners, the new owners are:

- More than ten years younger than the average of all existing owners, in general, capturing a share of Gen X'ers (39%) and Millennials (30%) far outpacing the current levels of all owners. As they are younger, they are also more likely to:
  - Be employed full-time, which is expected given a higher representation of younger owners. Nearly three-in-four new owners (72%) are employed full-time.
  - Be affluent, with a median HH income of $94,800 (compared to $89,500 among all owners).
  - Have children under the age of 18 residing at home (51%)
- More ethnically diverse, better reflecting the current mix of U.S. population. New owners were more likely to self-identify as African American (23%) and/or Hispanic (19%)

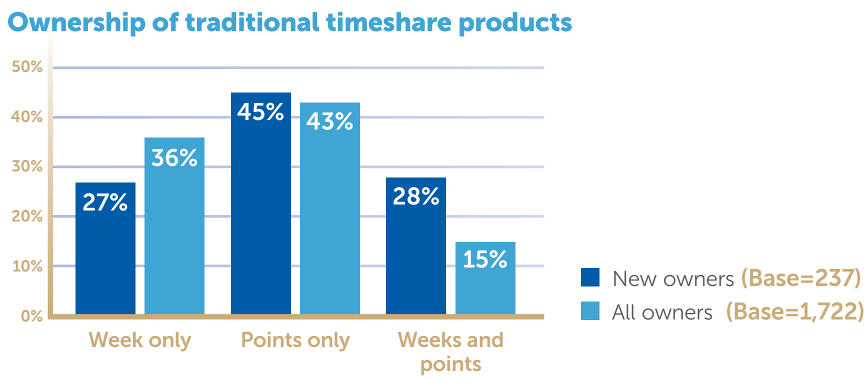
Demographic highlights: new owners vs. all owners



*Multiple responses are allowed.

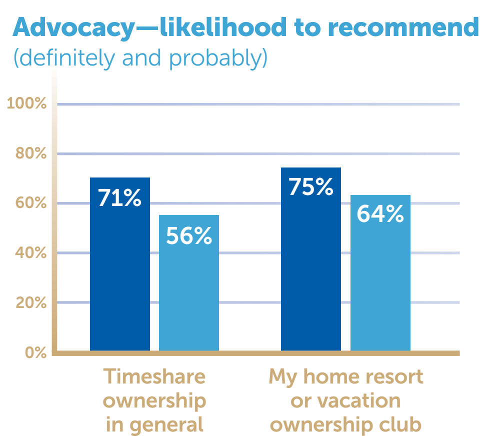
PRODUCTS OWNED

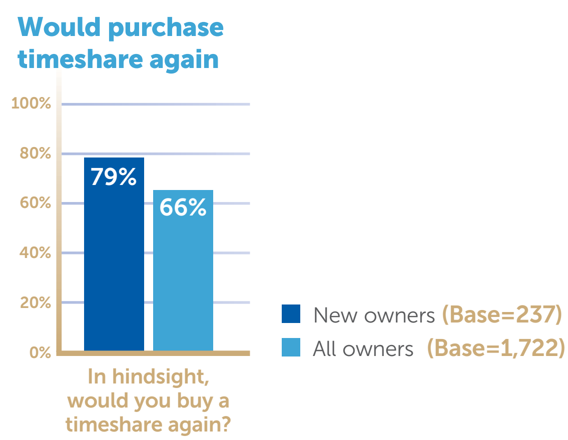
One of the fundamental issues that need to be better understood among new owners is which type of product is typically purchased. The actual answer is...both. A majority of new owners own weeks and points at comparable levels as all owners. However, while the reach of each product type mirrors the overall marketplace, new owners are nearly twice as likely as owners, in general, to own both a week and a points product (28% vs. 15%).



LIKELIHOOD TO RECOMMEND

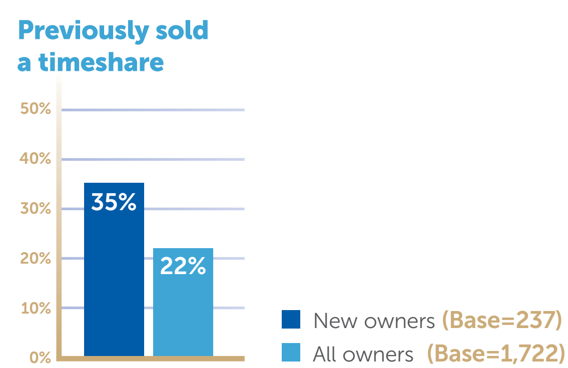
As has been reported throughout the years, those who are new to the lifestyle strongly advocate for it. This new crop of owners, while maintaining a different profile in many respects, continues to be very similar in this regard.





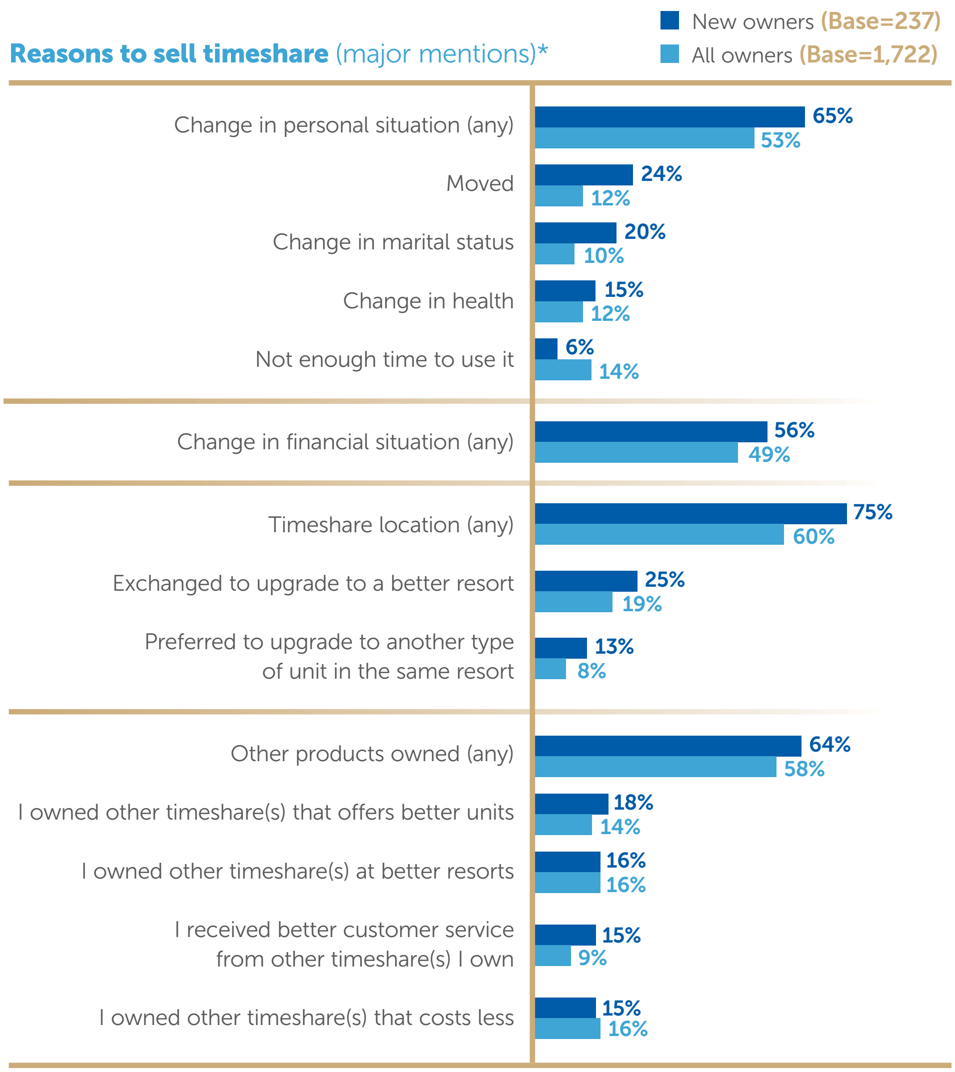
SALES EXPERIENCE

New owners move quickly to optimize their experience. There appears to be a short window in which new owners make quick decisions. In fact, new owners report a higher incidence of sales than owners as a whole. About one-in-three new owners report having sold at least one of their timeshares.



The motivations behind selling a timeshare can be somewhat unique among new owners. Given their younger ages, it is not surprising that they are greatly influenced by a more unique set of changes in their personal situation, such as marital status and moving. New owners also report that what seems to motivate their decision to sell lies in the timeshare(s) owned. In particular, new owners desire to obtain timeshare interest(s) that better serve their needs, whether those needs are best served by upgrading to a better unit/season or a belief that other products are more optimal.

Reasons to sell timeshare (major mentions)*

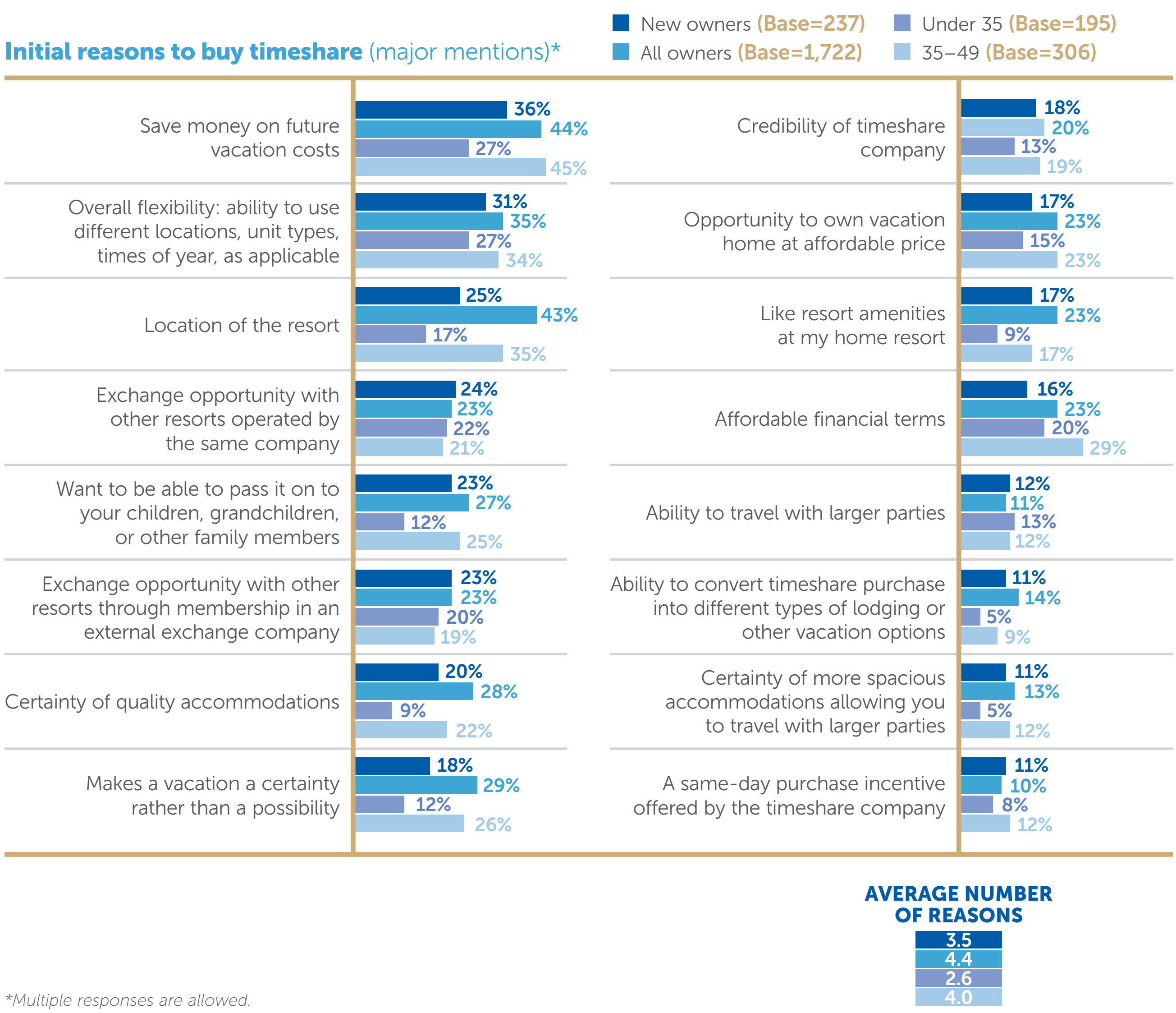


Multiple responses are allowed.

Motivations for buying today's timeshare

Owners were asked to share their primary reasons for buying as well as continuing to own their timeshare.

- Different owners stress different priorities in their decision to buy and continue owning a timeshare. Owners, overall, cite an average of 4.4 reasons to purchase a timeshare. These reasons range from saving money on future vacations (44%), resort location (43%), overall flexibility (35%), the certainty of vacations (29%), and certainty of quality accommodations (28%) to passing the timeshare onto heirs (27%).
- Millennials and Gen X'ers have similar motivations to make their initial purchase. Both cohorts place a premium on overall cost savings, flexibility and resort location, although given recent studies* regarding the importance of a central location and the premium placed on choice, "resort location" may speak more to the footprint of resorts rather than the location of any single resort, especially among Millennials. Gen X'ers value a broader set of benefits including on-resort features and long-term benefits.
- New owners' purchase motivations lie somewhere in between all owners and Millennials. The average new owner cites 3.5 purchase reasons. Top reasons include: saving money on future vacations (36%), flexibility (overall flexibility, 31%; internal exchange, 24%; external exchange, 23%), resort location (25%) and passing onto heirs (23%).

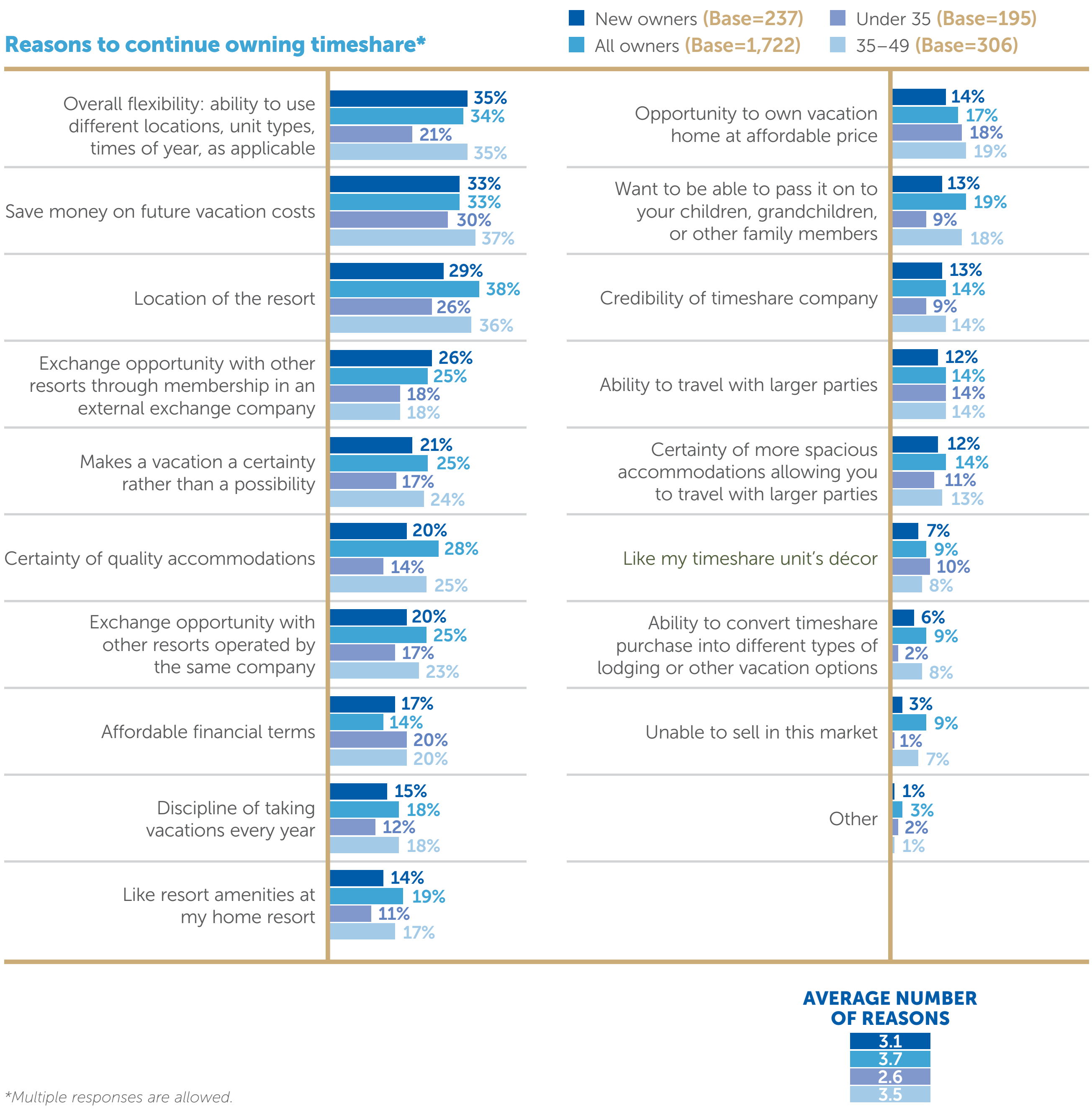


*Multiple responses are allowed.

As owners go deeper into their ownership, they report a reduced set of reasons to continue to own. Additionally, their reasons continue to affirm a pro-timeshare lifestyle, as nearly all (91%) owners cite positive benefits (conversely only 9% of all owners indicate they continue to own because they cannot sell their timeshare). There appears to be far more confluence across populations regarding the continued reasons to own timeshare. At 3.7 and 3.1 reasons, respectively, all- and new owners mention fewer reasons to continue to own their timeshare. Millennials remain remarkably consistent regarding the number of reasons why they purchase vis-à-vis own, citing an average of 2.6 reasons for each decision.

There seems to be more consensus found within the decisions to maintain ownership than those reported for initial purchase motivations. All owners overlap on the most common set of reasons, which focus on a broad set of benefits promoting a holistic timeshare lifestyle: location, flexibility, saving money, certainty of vacations and internal exchanges.

Reasons to continue owning timeshare*



*Multiple responses are allowed.

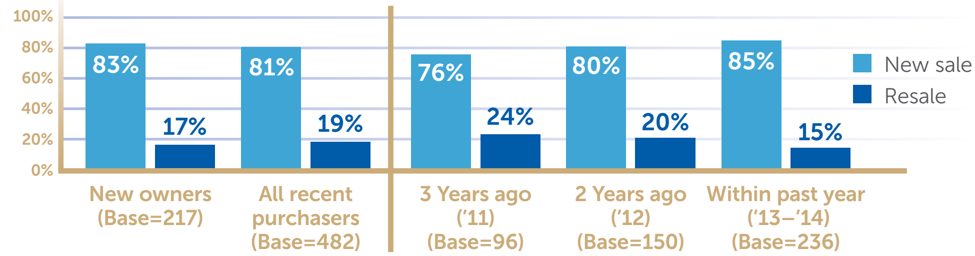
The purchase experience

New owners were asked to share their thoughts about their purchase experience and the purchase process as well as some particulars regarding price and payments.

PURCHASE CHANNELS

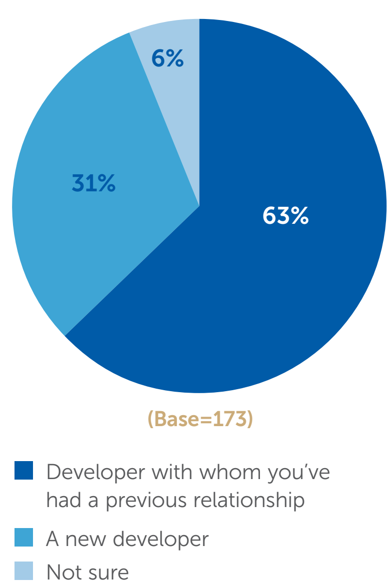
One of the enhancements made in the 2012 Owners Study was a better understanding of the sales channels used for recent purchases. Overall, about one-in-five (19%) of recent purchases were reported made through a resale channel, ranging from a high of 24% three years ago (when the U.S. economy was still suffering from high unemployment and slow growth) to 15% among those who made their purchase in the past year.

Most recent sales channel used

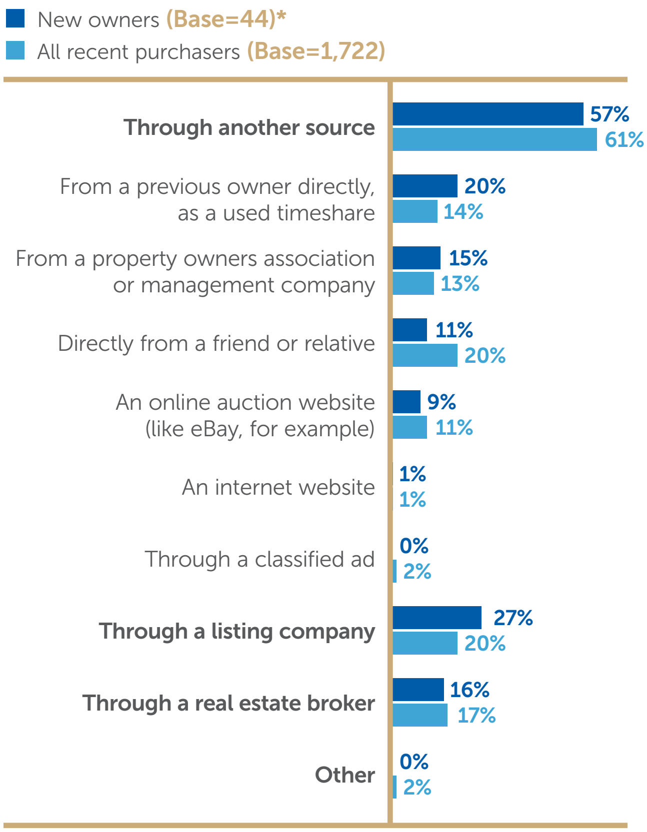


Among those making their purchase as a new sale, the strong majority purchased from a developer with whom they had a previous relationship (please note that this may also include those who may have purchased from a major brand with hotel chains in their product portfolio). Those making their purchase via a resale channel list several different purchase sources with the most common sources being: private purchase from a friend or relative (20%), a listing company (20%), a real estate broker (17%), from a previous owner with whom there was no prior relationship (14%), and from a property management company or HOA (13%).

Developer relationship among new owners



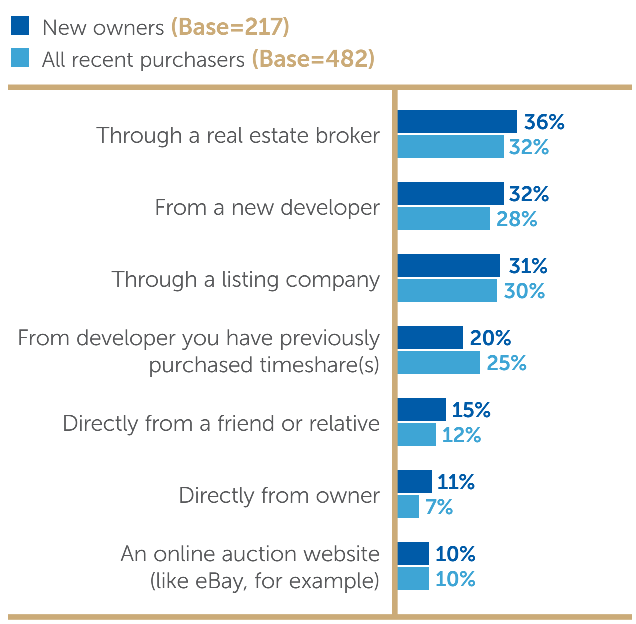
Resale channels used when acquiring a timeshare



New owners report that they have conducted research across a range of information channels. This could suggest that owners are entering the sales phase fairly knowledgeable and, to some extent, making the process as rational (and therefore, less emotional) as possible. New owners appear to research their purchases over a range of channels that are controlled by one of three central information sources.

Non-developer real-estate sources were most frequently mentioned, particularly real estate brokers (36%) and listing services (31%). New developers (32%) and developers the new owners have purchased from previously (20%) were often used, as well. Lastly, private sources outside of timeshare and/or real estate were consulted but at somewhat lower levels than recorded among developers. The most common of these sources were friends and relatives (15%) directly from private sales (11%) and online auctions (10%).

Channels used when shopping for a timeshare**

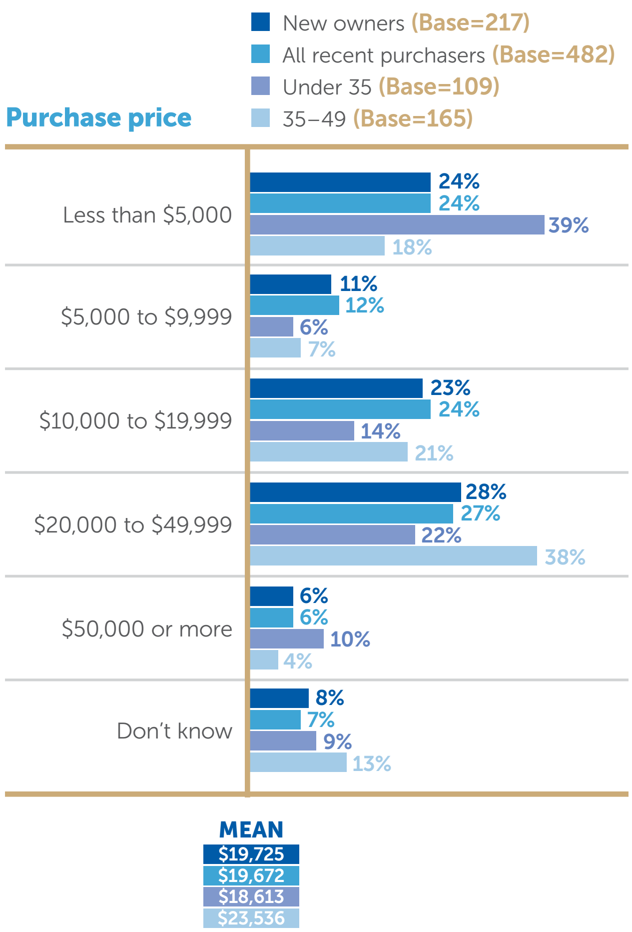


*Please note the small sample size.

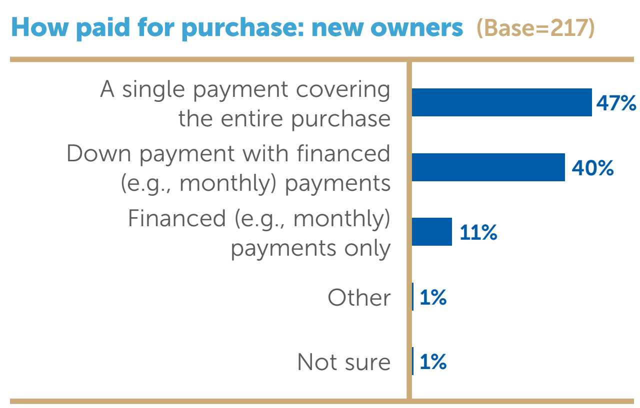
**Multiple responses are allowed.

PURCHASE PRICE AND PAYMENT METHOD

On average, new owners are spending nearly $20,000 per timeshare purchase with considerable variability across price points. The most common price point is between $20,000<$50,000 (28%), followed by under $5,000 (24%) and $10,000<$20,000 (23%). It is unclear if the $5,000<$10,000 price point remains less popular due to the limited inventory and/or conditions that make this inventory comparably less attractive. Given their emphasis on "value", often a euphemism for the lowest price, it comes as no surprise that the lowest price point is more common among Millennials (39%) followed by the price point of $20,000<$50,000. There seems to be significant variability on the driving force behind the Millennials' definition of "value": while many interpret that to mean "lowest cost", others value — and are willing to pay for — offerings they consider to better aligned to their travel needs, which in most instances, seems to center around flexibility of use.

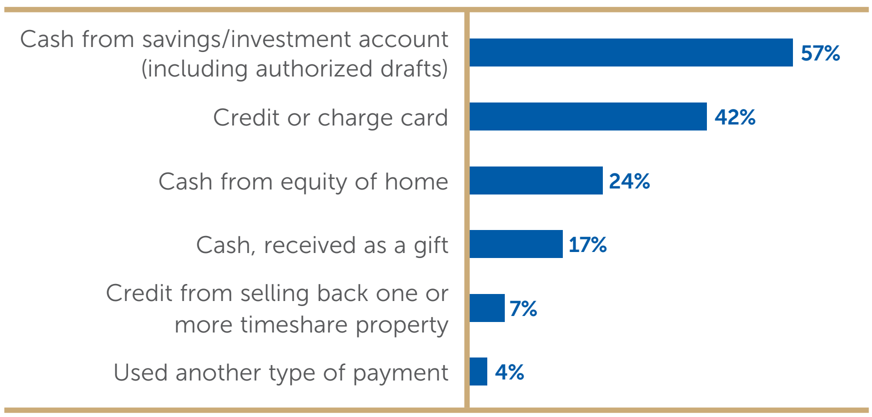


Another indicator that new owners are better prepared to purchase timeshare lies in their payment methods. Nearly half of new owners, 47%, indicate that the transaction is completed as a single purchase. Another two-in-five (40%) make a down payment with an installment loan. Only about one-in-ten (11%) completely finance their purchase.



Among those making a payment at closing (either a single payment or a down payment), most report using cash, with most (57%) using their savings. Other common payment sources include cash from home equity (24%) or cash as a gift (17%). Fewer than half (42%) report using their credit or charge card as a form of payment.

Payment source(s) among new owners* (Base=217)



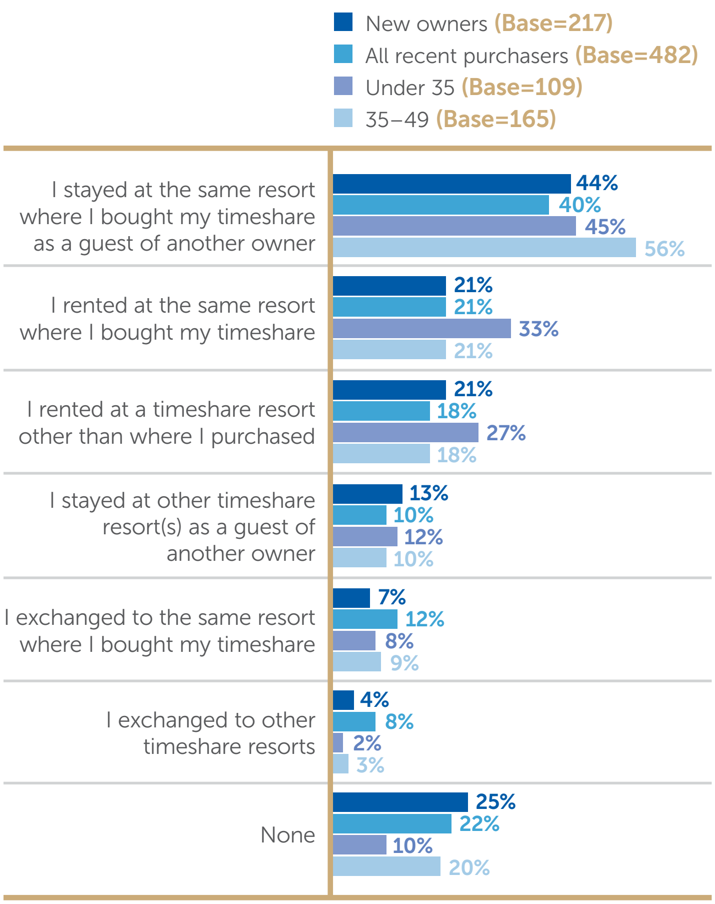
As mentioned earlier in this section, many new owners appear to have consulted several different information and/or sales channels prior to making their purchase. Their research did not exist solely within the confines of the internet but rather often focused on on-site visits and frequent attendance at sales presentations.

Prior to purchasing, three-in-four new owners had some contact with a timeshare resort, particularly the resort at which new owners made their purchase. Nearly half (44%) of new owners reported staying at the same resort where they purchased as a guest of another owner and more than one-in-five (21%) indicated they rented at the resort where they eventually purchased. For many new owners, recurring attendance at sales presentations appears to be part of the research process, as well. The average new owner reported attending 3.4 sales presentations, although nearly two-thirds (65%) reported no more than one sales presentation for the developer at which they made their purchase (13% did not attend any sales presentation while 52% reported attending one presentation).

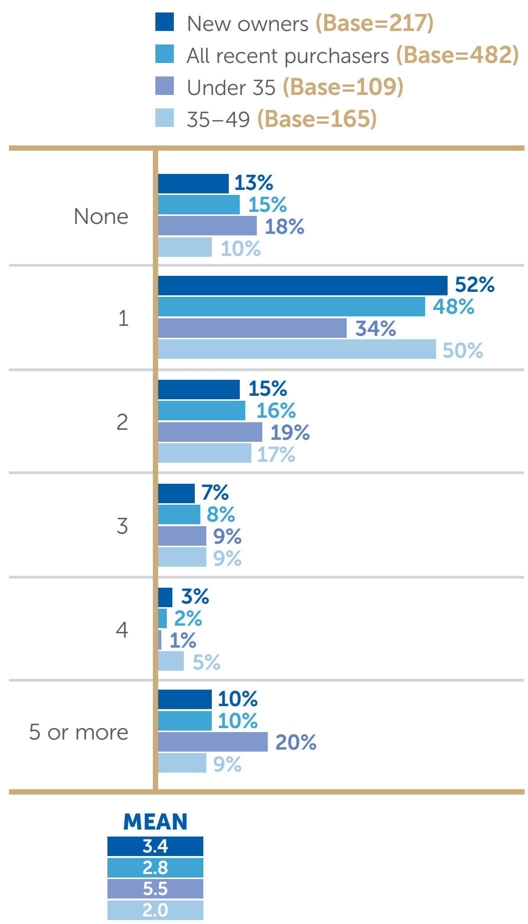
**Multiple responses are allowed.*

These experiences are reported at greater levels among Millennials. Nine-in-ten (90%) had some form of interaction with a timeshare resort prior to making their purchase. Staying at the timeshare where they purchased as a guest of an owner (45%) or through a rental (33%) were the most frequent mentions. About half of all Millennials (52%) report that they attended no more than one sales presentation at the developer from whom they purchased (18% reported not attending any presentation while 34% indicated they attended a single presentation). However, more than 20% stated they attended five or more presentations. In all, the average Millennial participated in 5.5 sales presentations, a level that would be considered out-of-bounds for many developers.

Engagement with timeshare prior to purchase*



Number of sales presentations attended with developer prior to purchase



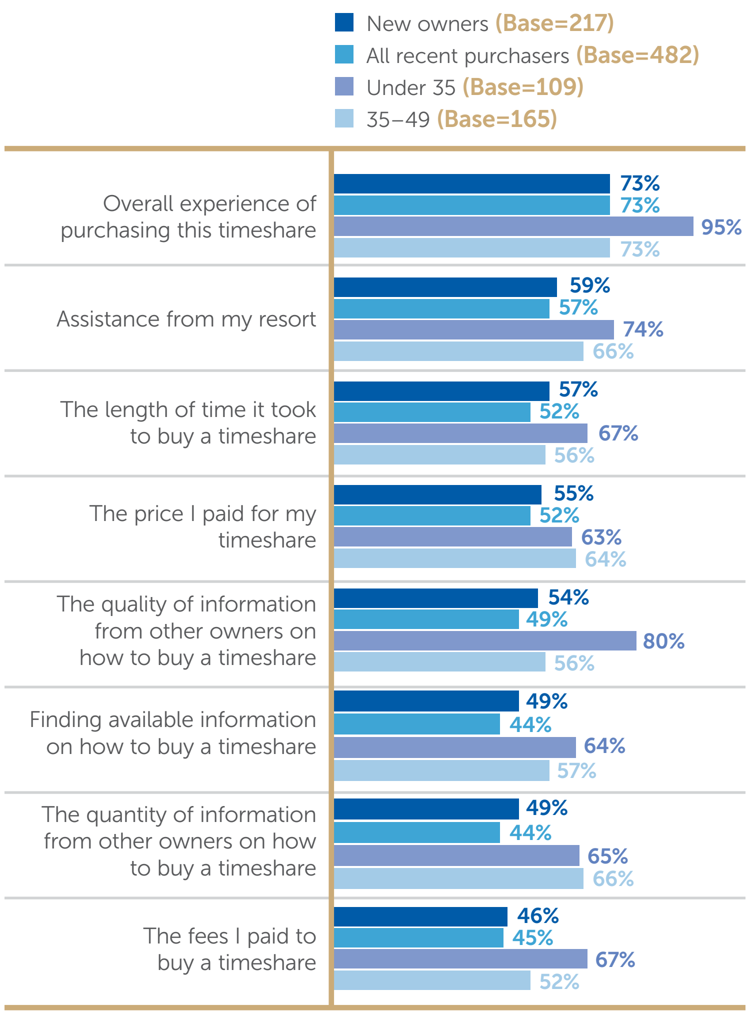
*Multiple responses are allowed.

EVALUATION OF THE PURCHASE PROCESS

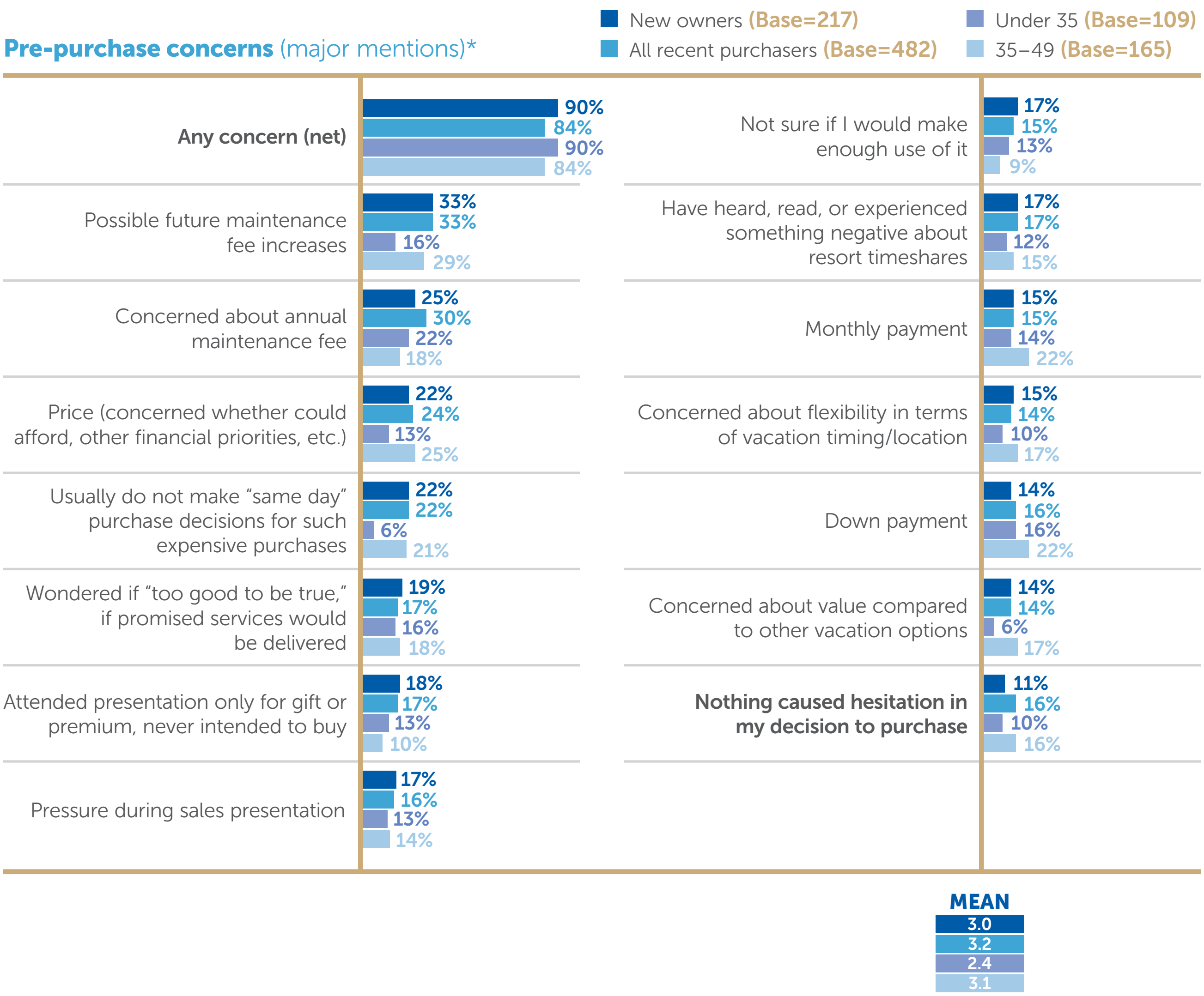
Most new owners reported exceptional experiences around the purchase process. Compared to all owners who made a recent purchase (in addition to their original purchase) new owners report a very comparable experience. Nearly three-in-four of all and new owners (73%) were extremely or very satisfied with the overall purchase experience. All aspects of the purchase experience generated high levels of satisfaction by a near- or complete majority.

With a possible acknowledgement to their research and preparation, Millennials voiced an even higher level of satisfaction with the purchase process. In fact, 95% indicated they were extremely or very satisfied with their overall experience of purchasing their timeshare and all aspects of the purchase process delivered a high level of satisfaction to the vast majority of those within this cohort. The aspect of the purchase process that Millennials were most satisfied with was the quality of information from other owners on how to buy a timeshare (80%).

Satisfaction with purchase process: percent extremely or very satisfied



Most new owners report having some concerns prior to making their purchase. Both the type of concerns and their relative magnitude are consistent with those reported by all recent purchasers. Most concerns center around financial matters, particularly maintenance fees. Price and the timeline associated with making "same day" purchases are also frequently mentioned concerns among both new owners and owners as a whole. Millennials appear to exhibit less apprehension than do the other groups profiled, as the number of reported concerns (2.4) are fewer than those reported among all recent purchasers (3.2) or new owners (3.0). Like the other groups profiled, Millennials' greatest apprehensions center on financial matters, especially maintenance fees. Other top mentions include concerns about the down payment and the cost of traveling to their destination. What is interesting is that while both all recent purchasers and new owners in particular report concern with making a same day purchase (22% for both groups), Millennials do not appear to have that concern, as it was mentioned by a scant 6% of those making a recent purchase.



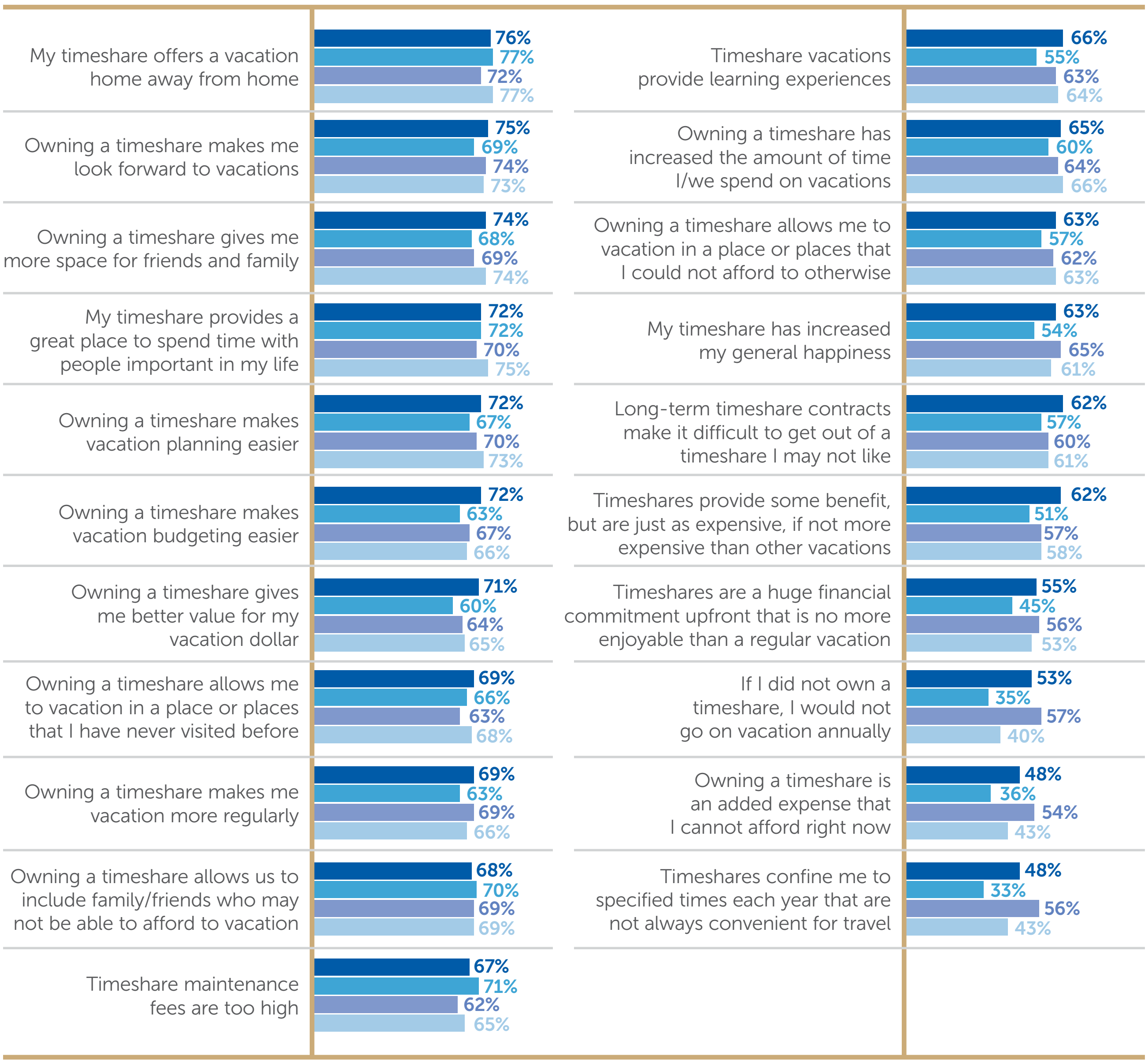
*Multiple responses are allowed.

Timeshare attitudes

Owners were asked to express their level of agreement regarding a series of timeshare statements that encompass a broad array of themes. Some of these statements promote the benefits of a timeshare lifestyle while others are more critical of it. Owners, whether new or more established had very similar opinions around timeshare. The overwhelming majority of statements garnering the strongest consensus speak to different benefits associated with timeshare living. The image most owners associate with timeshare is that it is their “home away from home”. The other statements capturing the high levels of agreement address other timeshare benefits, such as offering a “great place to spend time with important people in my life”, including “family and friends who may not be able to afford to vacation”, giving me “more space for family and friends”, the ability to “look forward to vacations” and “access to new destinations”. The only critical attitude expressed by a strong majority of owners was that maintenance fees are too high. Most of these statements were viewed at comparable levels among all owners, new owners and Millennials. New owners, however, are also more likely to praise timeshare for making vacation budgeting easier and providing a better value for the vacation dollar. Millennials are interesting as they are less likely to agree that maintenance fees are too high and that ownership gives them access to new destinations. Given the importance Millennials place on this benefit and the very high level of satisfaction and engagement the cohort has with timeshare, it is most likely that the lower level of agreement is associated more with the range of destinations accessed prior to ownership than a limited choice of vacation destinations.

Agreement with timeshare attitudes
(completely and somewhat agree)

New owners (Base=237)
All owners (Base=1,722)
Under 35 (Base=195)
35–49 (Base=306)



Understanding Today's Owners

CHAPTER FIVE

In 2010, AIF introduced its first proprietary segmentation. Each of the six segments represented a unique constituency of owners, ranging from highly engaged, active owners to the disengaged, passive owners. In the midst of turbulent economic times, these segments were designed to provide unique, value-added insights to help industry organizations better understand each group in their quest to design products, services and solutions to meet their needs with increased efficiency. The feedback provided by the industry was very positive, as the segments enabled organizations to relate to their owners in new ways as it pertained to communications, product development, process improvements and vacationing, in general.

As this study was in development, AIF reached out to several organizations, both large and small, to identify ways to improve the segmentation. While many praised the usefulness of the original segmentation, the survey team was challenged to take the segmentation program to the "next level". In particular, reviewers asked that the segmentation incorporate the following:

- An ability to classify all owners without requiring all owners to complete a survey. Migrating the segmentation from more theoretical "research space" into more practical applications, like strategic planning, marketing, product development and communications.
- To view owners more holistically by expanding the criteria used to assign owners to segments to include vacation patterns (both timeshare and non-timeshare), intentions and behaviors.
- Build segments within the current economic and industry environment.

These comments were taken to heart and this report introduces an upgraded series of owner segments. Like the previous program, there are six owner segments. The remainder of this section profiles each segment in terms of demographics, timeshare engagement and attitudes.

One of the goals of the 2014 survey is to better understand how attitudes have changed over time (since the previous 2012 survey). To that end, an index was created.

- Indices over 100 indicate statements with higher agreement over time.
- Indices below 100 indicate statements with lower agreement over time.

Enthusiasts (Base=323)

16% of all owners and 18% of all discretionary vacation spending (average spending=$1,706)

Enthusiasts	Explorers	Rookies	Nostalgics	Conventionalists	Critics
16%	20%	29%	11%	12%	12%

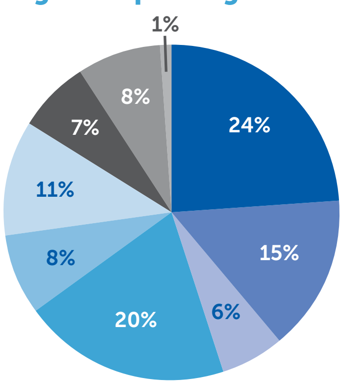
OVERVIEW

Enthusiasts are very strong, loyal timeshare advocates. While all would re-purchase their timeshare, they believe they already have an optimal product portfolio: they have not made a recent purchase nor do they plan to transact in the near future.

Relationship opportunity

Education efforts that link converted timeshare as a value-oriented replacement to non-timeshare vacations should be considered.

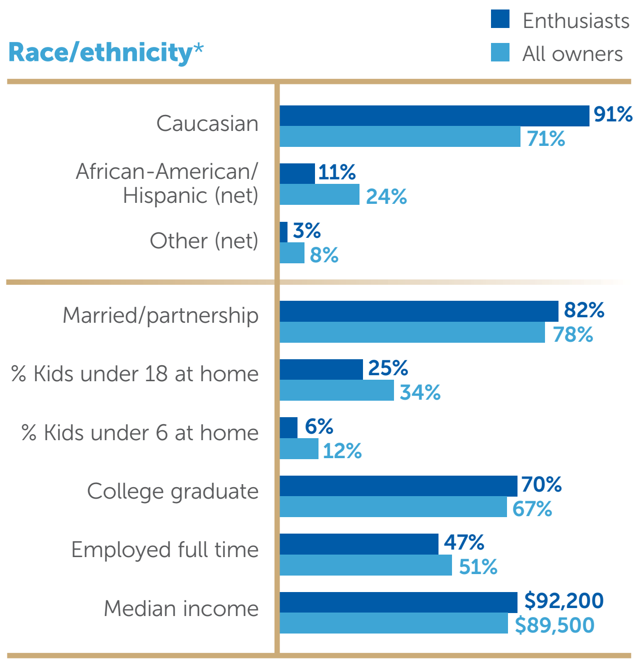
Segment spending



- Air transportation services
- Entertainment & recreation
- Lodging
- Restaurant, bar, drinking places
- Clothing
- Groceries
- Ground transit
- Gasoline stations
- Misc

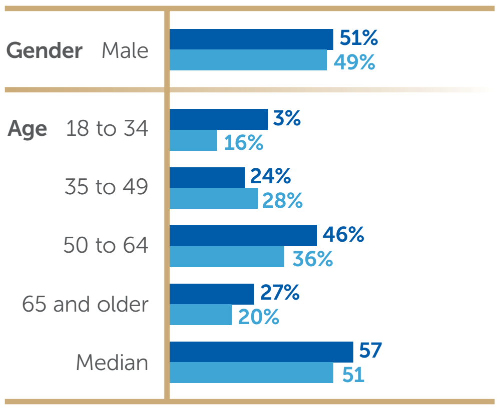
- This is an older, heavily Caucasian segment that is more likely than all owners to be retired. Consistent with their age is the fact that fewer members have children under the age of 18 residing at home (25%), especially children under six (6%). The median income is higher than average ($92,200).
- Enthusiasts represent, one of, timeshare's longest and most loyal allies. Across nearly all key advocacy and satisfaction measures, Enthusiasts report much higher levels of favor than owners as a whole.
- The average member of Enthusiasts has owned a timeshare for about 15 years (14.7). They are extremely satisfied with their personal portfolio: all would re-purchase if given the opportunity. This confidence is so strong that none (0%) have purchased recently nor do any plan to transact (buy or sell) in the next two years.
- All members of Enthusiasts, 100%, took at least one vacation at a timeshare resort in 2013. Only a handful, 6%, converted their timeshare to another type of vacation or purchase. The reported spending for 2013 is lower than average ($1,706). As you might expect with this segment, allocation to lodging was lower than average (6%).
- Compared to all owners, nearly all Enthusiasts report higher levels of agreement on the rational and emotional imagery of timeshare ownership, most notably "timeshare offers a vacation home away from home" (92%), "owning timeshare makes me look forward to vacations" (89%), "timeshare provides me with a great place to spend time with people important in my life" (89%), and "timeshare makes vacation planning easier" (86%). What is particularly noteworthy is that Enthusiasts have much lower levels of agreement with questions concerning the financial commitment associated with timeshare.

Race/ethnicity*



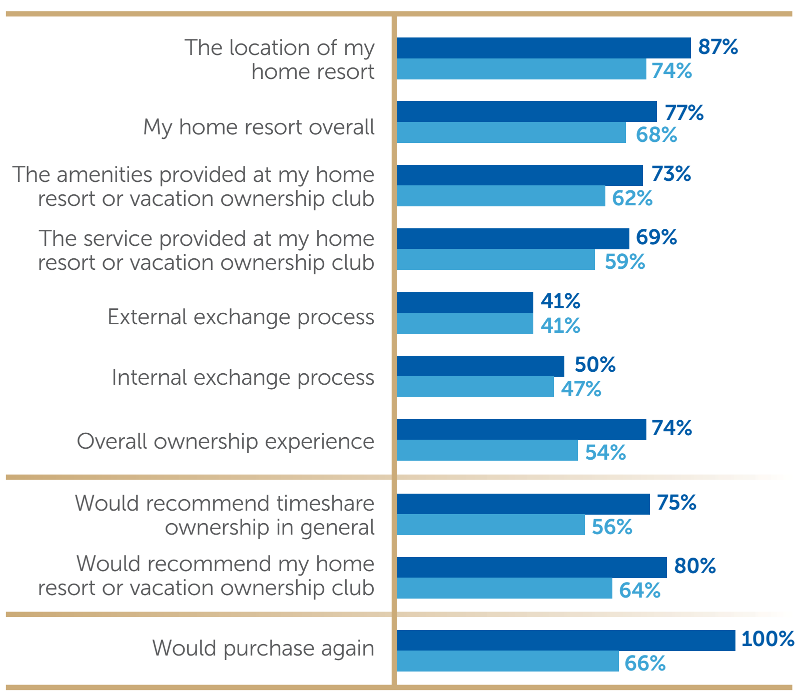
DEMOGRAPHICS

Demographics



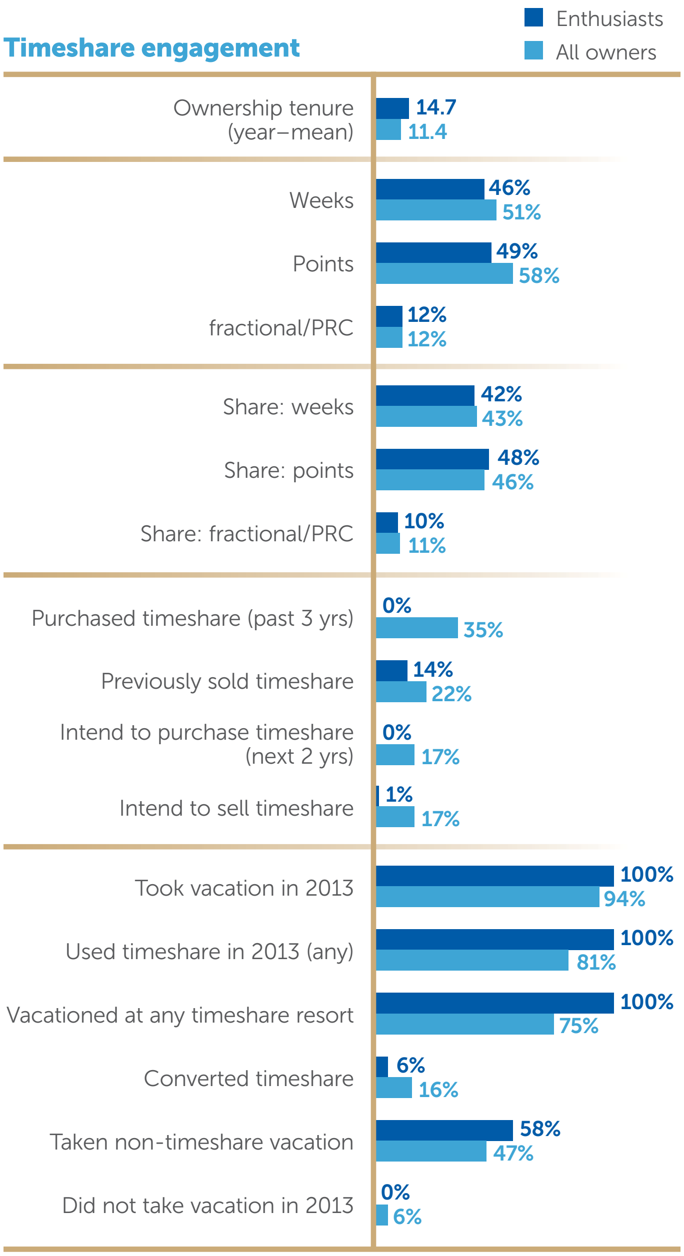
OUTCOMES

Timeshare ownership experience (excellent/very good)



*Multiple responses are allowed.

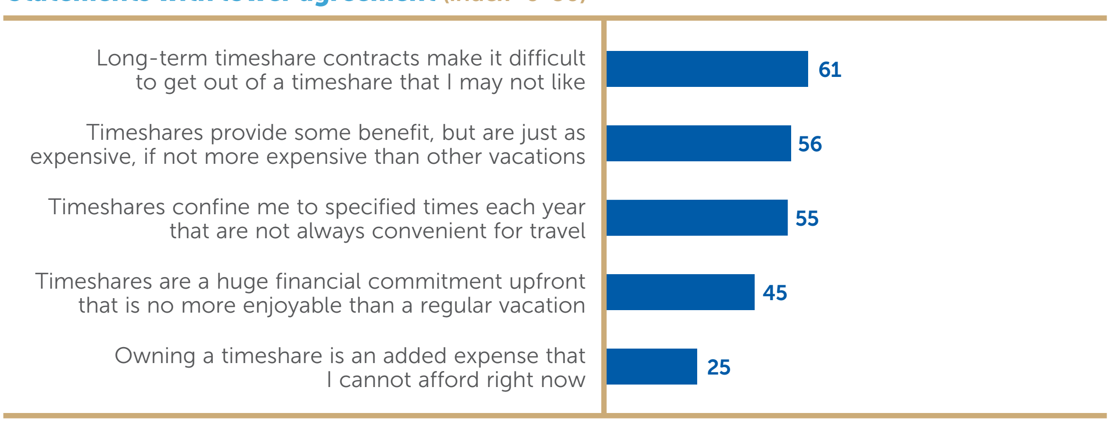
TIMESHARE ENGAGEMENT



Spending allocation	All owners	Enthusiasts
Air transportation services	$466	$401
Entertainment & recreation	$336	$272
Lodging	$223	$99
Restaurant, bar, drinking places	$297	$338
Clothing	$198	$144
Groceries	$171	$195
Ground transit	$130	$117
Gasoline stations	$122	$130
Misc.	$23	$10
Total	**$1,966**	**$1,706**

Statements with higher agreement (index=120+)

Statements with lower agreement (index=0-80)



Explorers (Base=304)

20% of all owners and 31% of all discretionary vacation spending (average spending=$2,698)

Enthusiasts	Explorers	Rookies	Nostalgics	Conventionalists	Critics
16%	20%	29%	11%	12%	12%

OVERVIEW

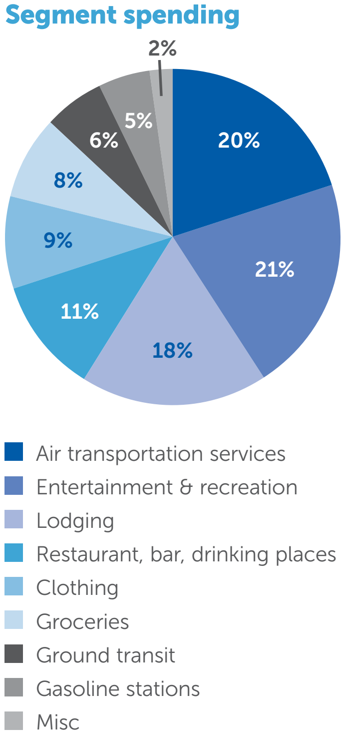
Like Enthusiasts, Explorers are heavy timeshare users with very strong, positive connections to the lifestyle. That said, they actually have very little else in common with Enthusiasts. This segment represents the next generation of loyal owners, whose purchased products, behaviors, attitudes and intentions are geared towards increased flexibility. By most accounts they are most reliant on their timeshare for their household's vacations.

Relationship opportunity

Growth opportunities for Explorers will likely center on leveraging the relationship and the long term value/benefits. As right-sizing may become a prominent issue to many Explorers, loyal relationships can be developed through upgrades/reloads rather than targeting new purchases.

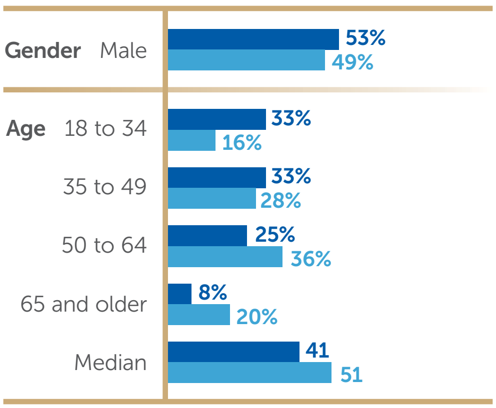
- This is the youngest (median age=41), most culturally diverse of all the segments (35% are African American and/or Hispanic). One third of all members are Millennials and another third (33%) are Gen Xers. As expected given their age, we find a higher concentration of full-time employees (64%) and children residing at home (54%). Their annual income is average (median income of $87,200).
- Explorers consistently report higher than average advocacy and satisfaction with most key attitudes with an over-index on their satisfaction with both internal and external exchanges (63% each). Explorers are more critical of their home resort, reporting at average levels.
- Average tenure for Explorers is 10.9 years. Given the emphasis on flexibility and the relative concern about home resorts, it is not surprising that the majority of traditional products owned are points. The strong majority (83%) indicate they would re-purchase if given the opportunity. Explorers are comfortable modifying their personal portfolio: more than one-in-four (26%) have made a recent timeshare purchase and about one-in-three (35%) have previously sold a timeshare. Their personal portfolio continues to be fluid as within the next two years, almost half (49%) intend to buy another traditional timeshare and 13% intend to sell.
- Nearly all members of Explorers (94%) used their timeshare for vacationing in 2013. More than four-in-five (84%) stayed at a timeshare resort while more than one-in-four (27%) converted their timeshare to another type of vacation. Explorers are the least likely of all segments to take a non-timeshare vacation, as fewer than one-in-three (32%) did so in 2013. With an average of $2,698 of spending, the level of spending among Explorers exceeded all other segments, with a heavier allocation in lodging (18%) and lighter allocations to transportation (31%) and shopping and dining (28%).
- Like Enthusiasts, Explorers report strong agreement on the rational and emotional benefits of timeshare ownership. Included in this is their strong belief that timeshare delivers better value for the vacation dollar (71%). This does not mean that Explorers do not report feeling some limitations to ownership, especially as an added expense that I cannot afford right now (44%) and that timeshares can confine owners to specific times that are not convenient for travel (47%).

Segment spending

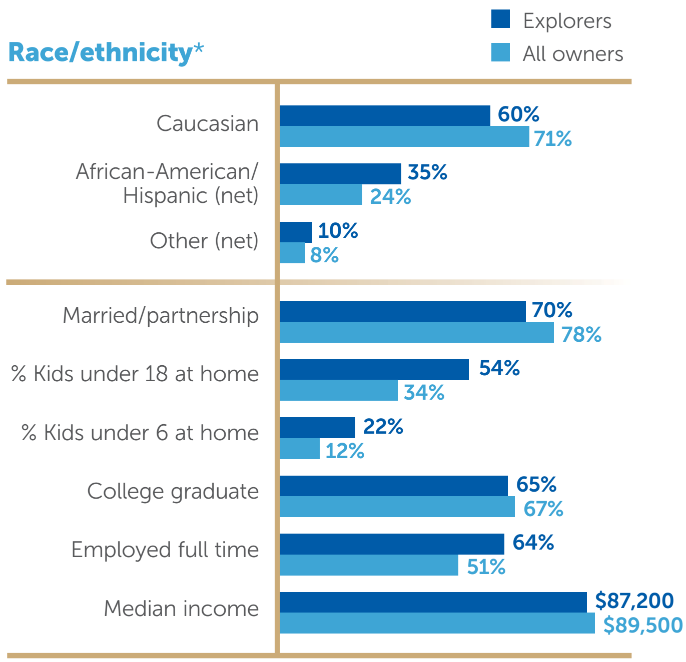


DEMOGRAPHICS

Demographics

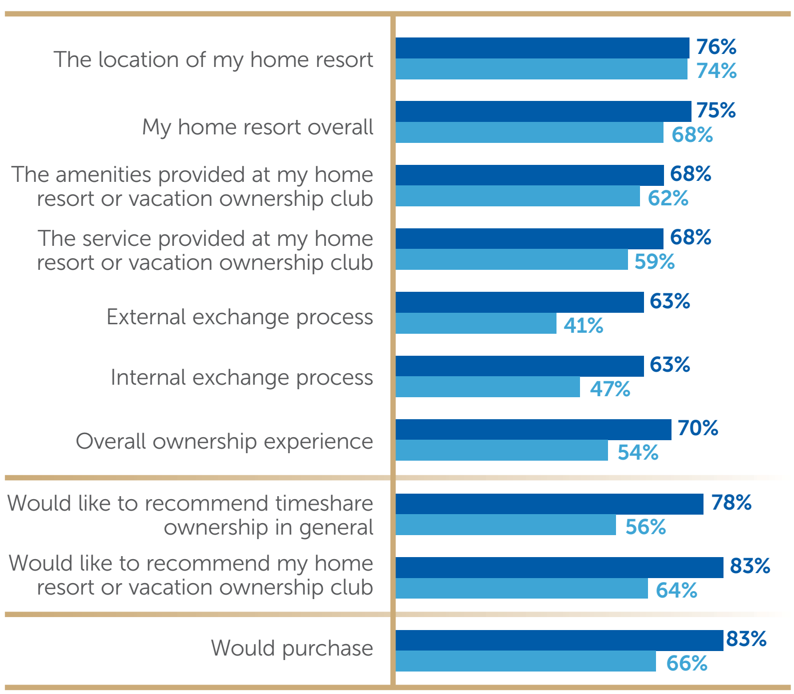


Race/ethnicity*



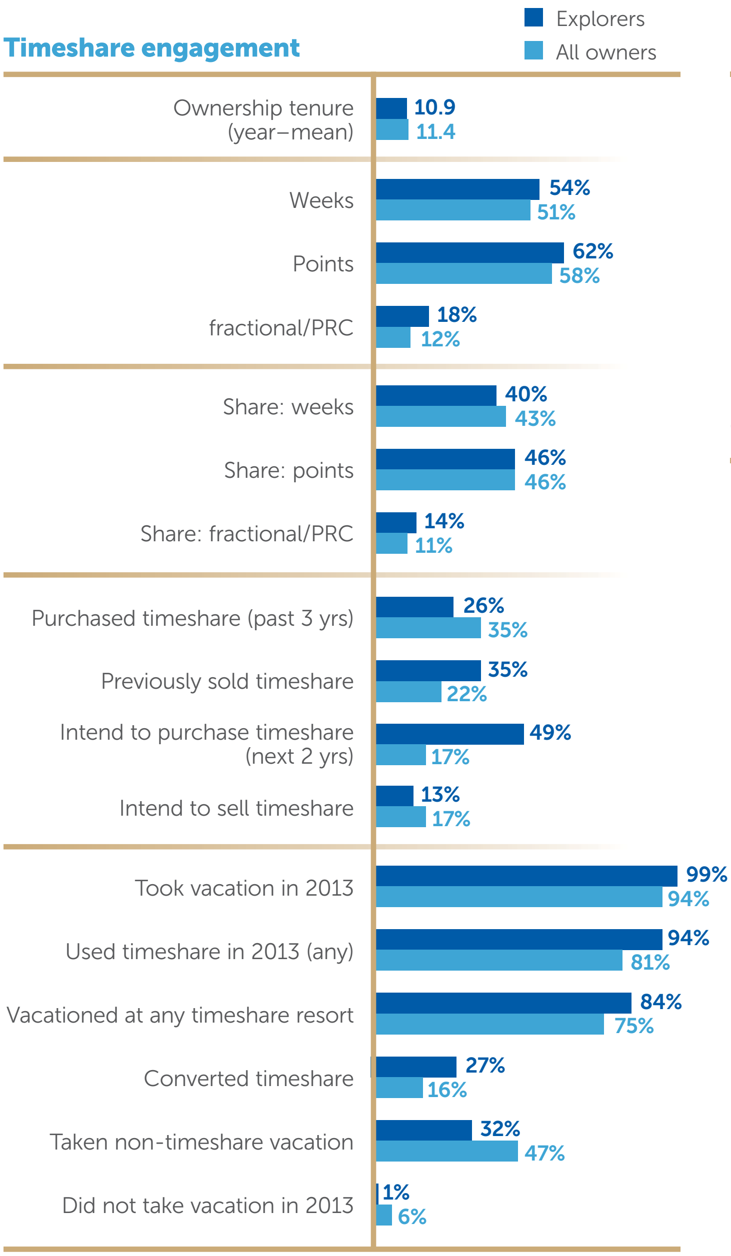
OUTCOMES

Timeshare ownership experience (excellent/very good)



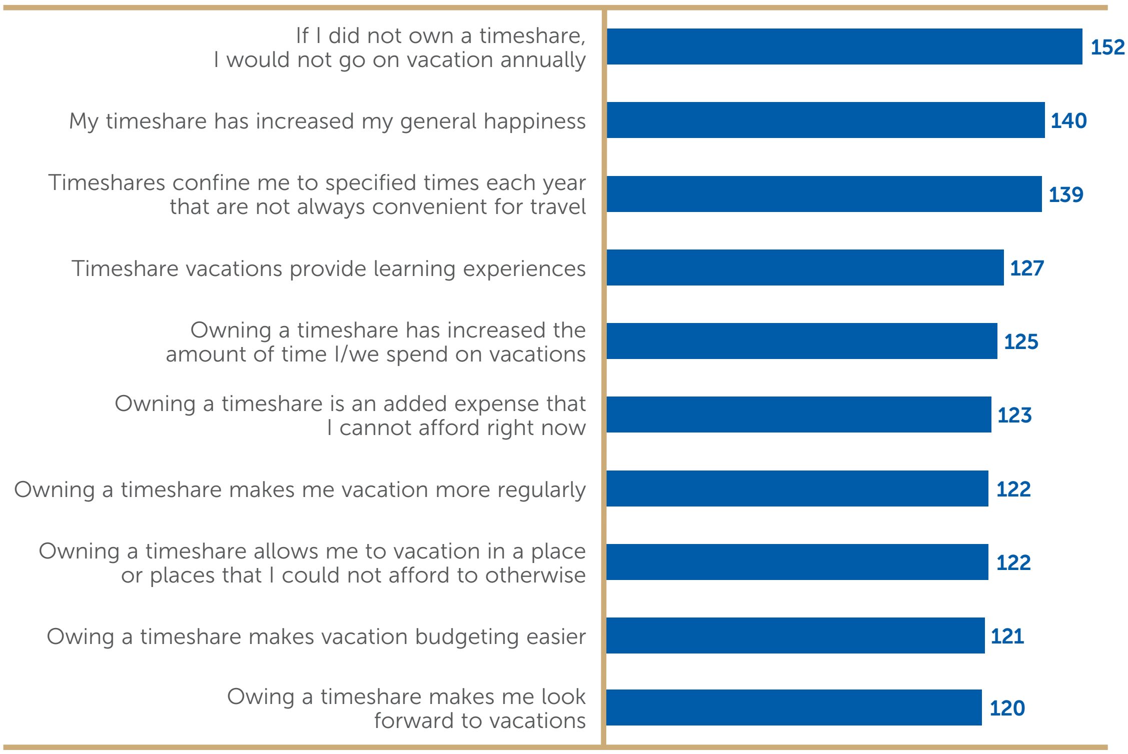
Multiple responses are allowed.

TIMESHARE ENGAGEMENT



Spending allocation	All owners	Explorers
Air transportation services	$466	$532
Entertainment & recreation	$336	$576
Lodging	$223	$482
Restaurant, bar, drinking places	$297	$305
Clothing	$198	$246
Groceries	$171	$205
Ground transit	$130	$175
Gasoline stations	$122	$133
Misc.	$23	$44
Total	**$1,966**	**$2,698**

Statements with higher agreement (index=120+)



Statements with lower agreement (index=0-80)

No attitude has a level of agreement with an index at 80 or lower.

Rookies (Base=444)

29% of all owners and 32% of all discretionary vacation spending (average spending=$2,039)

Enthusiasts	Explorers	Rookies	Nostalgics	Conventionalists	Critics
16%	20%	29%	11%	12%	12%

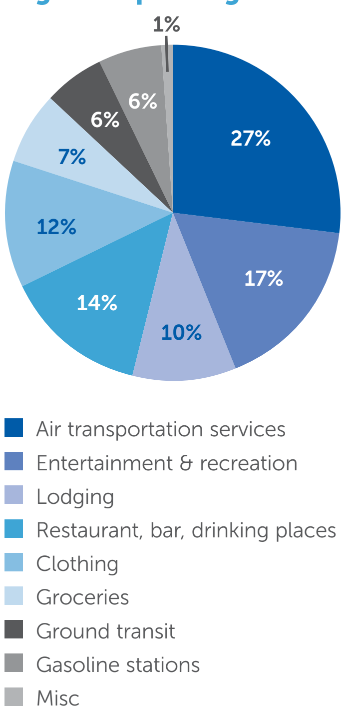
OVERVIEW

Rookies contain a disproportionate number of more recent owners. They are also more likely to own points. While they describe their experience as positive, there appears to be clear indications that their use of timeshare is more limited in scope and that is impacting key attitudes and intentions.

Relationship opportunity

In their attempts to create an optimal product portfolio, they can appear somewhat frustrated and impatient, which can hinder their efforts and work against the industry. Owner education appears to be critical in unleashing their tremendous upside.

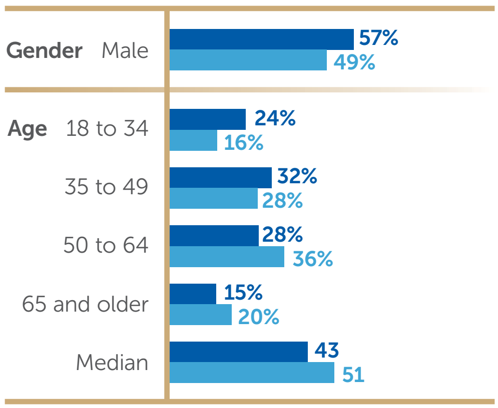
Segment spending



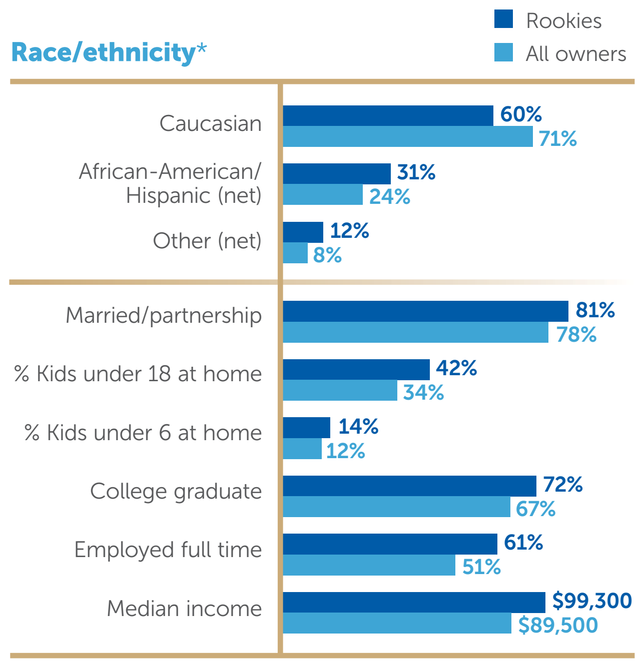
- A segment that represents "tomorrow's timeshare owner", this segment is younger (median age=43), culturally diverse (31% identify themselves as African American or Hispanic) and more stable in their relationships (81% are married/partnership) than the owners as a whole. Given their youth, they are more likely than most segments (except for Explorers) to have children residing at home (42%). They have the highest income (median income of $99,300), quite possibly driven by the level of college graduates (72%), which exceeds all other segments.
- Rookies are less likely than Enthusiasts and Explorers to recommend timeshare ownership in general and their home resort in particular (67% and 73% respectively). Where Rookies appear to express relatively strong satisfaction compared to all owners is their experience with internal exchanges (56%).
- Perhaps some of their apprehension is due to the breadth of products owned, the frequency of their transactions and the recency of their tenure: a majority of Rookies own both a week (51%) and a points (66%) product, and their average tenure is 5.8 years. While the strong majority of Rookies would buy a timeshare again (78%), there is some concern that nearly one quarter of this segment may question this decision. This segment, more than any other, seems to engage in right-sizing: all members (100%) have made a purchase over the past three years and nearly one-third (31%) have also previously sold a timeshare. Nearly one quarter (23%) plan on buying a timeshare within the next two years and 14% intend on selling at least one of their timeshare interests.
- Rookies' 2013 vacation patterns appear quite similar to those of Explorers. More than nine-in-ten Rookies (92%) used their timeshare for a 2013 vacation, and more than eight-in-ten (83%) vacationed at a timeshare resort. More than one-in-four (26%) also reported converting their timeshare to another type of vacation. However, more than two-in-five (42%) also reported taking a non-timeshare vacation in 2013. On average, Rookies spend about $2,000 ($2,039) on vacations.
- Overall, most of Rookies' attitudes towards timeshare ownership are consistent with all owners. While they are more apt to give timeshare credit for causing them to go on vacation (42% vs. 35%), they are more likely to find that timeshare planning can confine them to specified times that are not preferable (47% vs. 33%).

DEMOGRAPHICS

Demographics

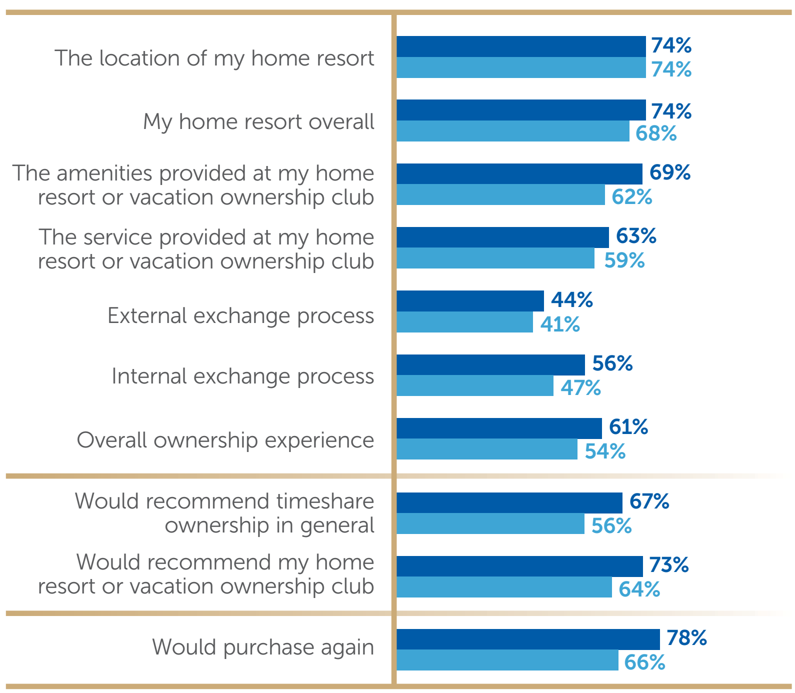


Race/ethnicity*



OUTCOMES

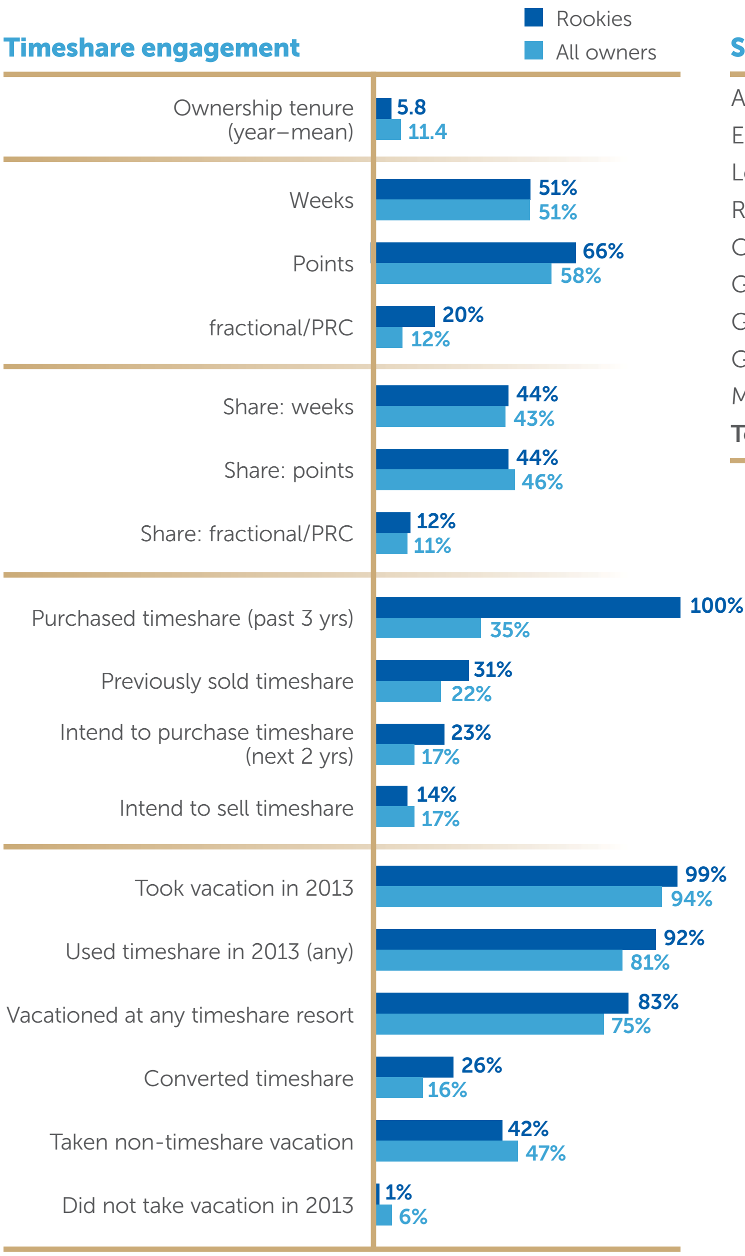
Timeshare ownership experience (excellent/very good)



*Multiple responses are allowed.

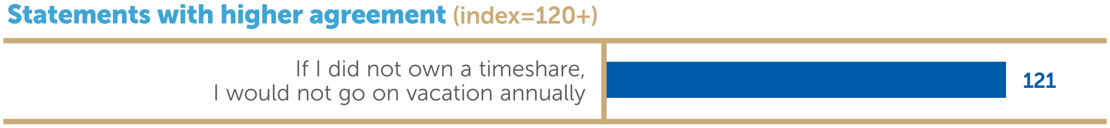
TIMESHARE ENGAGEMENT

Timeshare engagement



Spending allocation	All owners	Rookies
Air transportation services	$466	$547
Entertainment & recreation	$336	$341
Lodging	$223	$211
Restaurant, bar, drinking places	$297	$280
Clothing	$198	$252
Groceries	$171	$151
Ground transit	$130	$125
Gasoline stations	$122	$111
Misc.	$23	$21
Total	**$1,966**	**$2,039**

Statements with higher agreement (index=120+)



Statements with lower agreement (index=0-80)

No attitude has a level of agreement with an index at 80 or lower.

Nostalgics (Base=196)

11% of all owners and 5% of all discretionary vacation spending (average spending=$1,441)

Enthusiasts	Explorers	Rookies	Nostalgics	Conventionalists	Critics
16%	20%	29%	11%	12%	12%

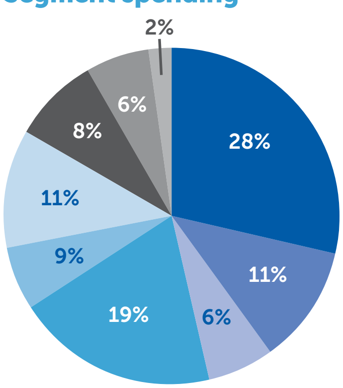
OVERVIEW

One of the more tenured and older segments, Nostalgics are strong advocates of timeshare, more for their previous experiences with it rather than their current or future timeshare plans. Nostalgics' use of timeshare could be considered sporadic. For some, the best days of timeshare have passed and, while nearly all indicate they would re-purchase if they had the opportunity to do it again, there is a greater push to sell rather than to buy.

Relationship opportunity

Future efforts should focus on re-positioning timeshare beyond the traditional family vacation (i.e., multi-generational, friends and/or couples retreat), emphasizing its cost effectiveness compared to non-timeshare vacations.

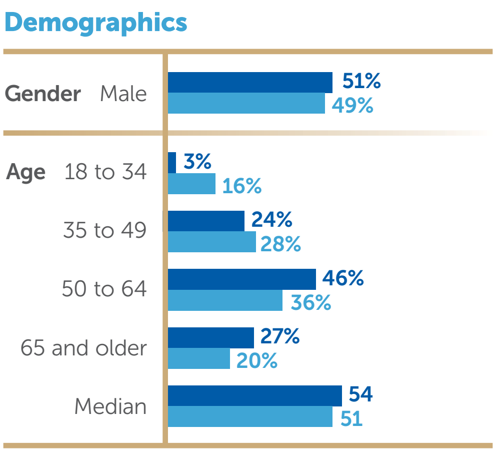
Segment spending

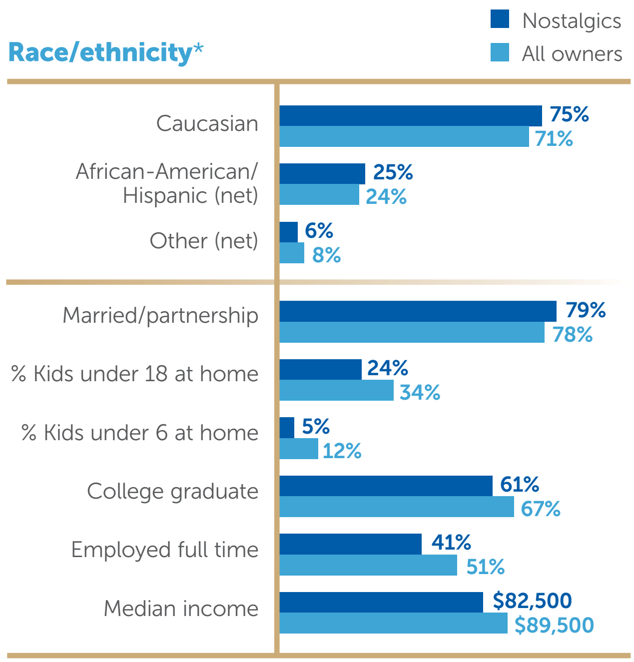


- Air transportation services
- Entertainment & recreation
- Lodging
- Restaurant, bar, drinking places
- Clothing
- Groceries
- Ground transit
- Gasoline stations
- Misc

- Nostalgics rank among the older segments. As such, they are less likely to have a full-time job and, consequently, have a lower-than-average median income ($82,500) and are less likely to have children under age 18 residing at home (24%).
- While they are strong advocates for timeshare ownership in general (68%) and their home resort/vacation ownership club in particular (75%), their level of satisfaction with specific elements of timeshare are average.
- The average member of Nostalgics has owned a timeshare for 14.9 years and owned more weeks than points. Only a small handful (2%) have recently made a purchase and they have a lower incidence of ever selling a timeshare (11%) than owners as a whole. While less than 1% indicate an interest in buying over the next two years, nearly one-in-four (23%) express an intent to sell one or more of their interests.
- Most (85%) Nostalgics took a vacation in 2013. Only about half (53%) used their timeshare in some way, with most of this sub-group indicating they vacationed at a timeshare resort (47%). Unlike the other segments profiled, Nostalgics are equally likely to take a timeshare vacation and a non-timeshare vacation (54%). Their vacation expenditures ($1,441) are below average with a somewhat higher allocations on transportation and shopping and dining and lower allocations on lodging (6%).
- While their income is more limited than other segments, their movement away from timeshare has more to do with a perceived lack of utility than the level of financial commitment. Nostalgics were less likely to agree with most statements concerning financial commitment than all owners.

DEMOGRAPHICS



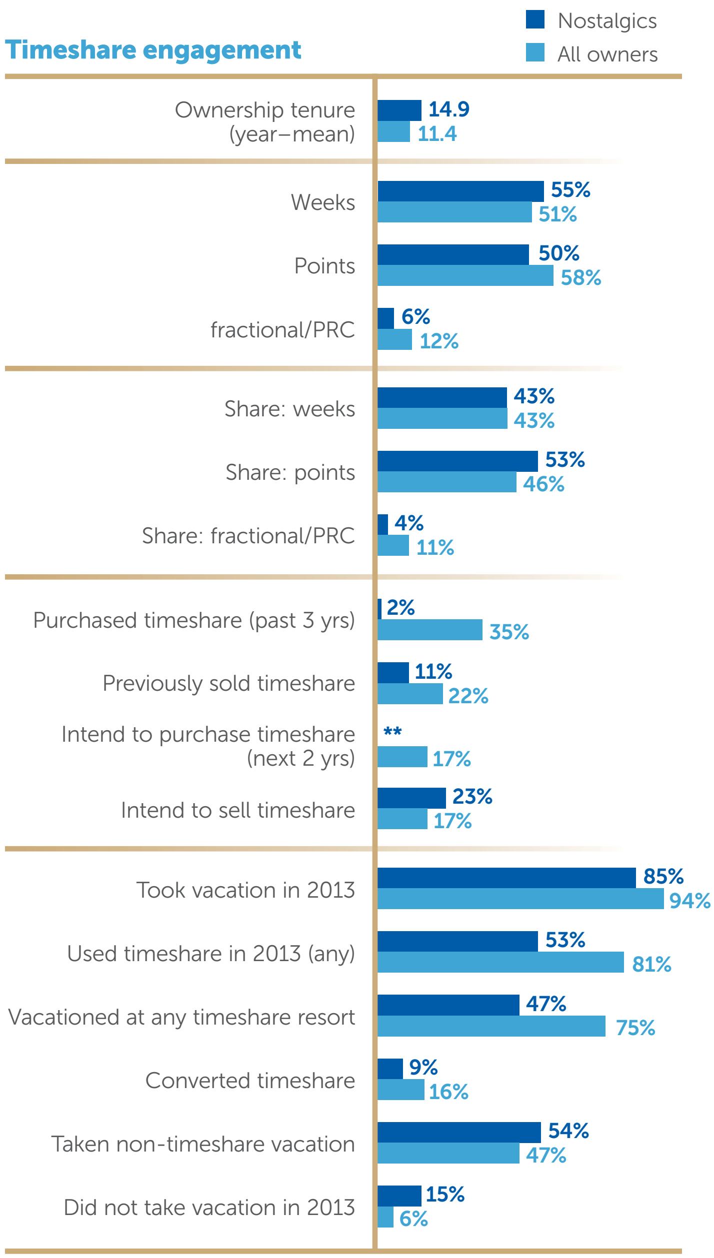


OUTCOMES

Multiple responses are allowed.

TIMESHARE ENGAGEMENT

Timeshare engagement



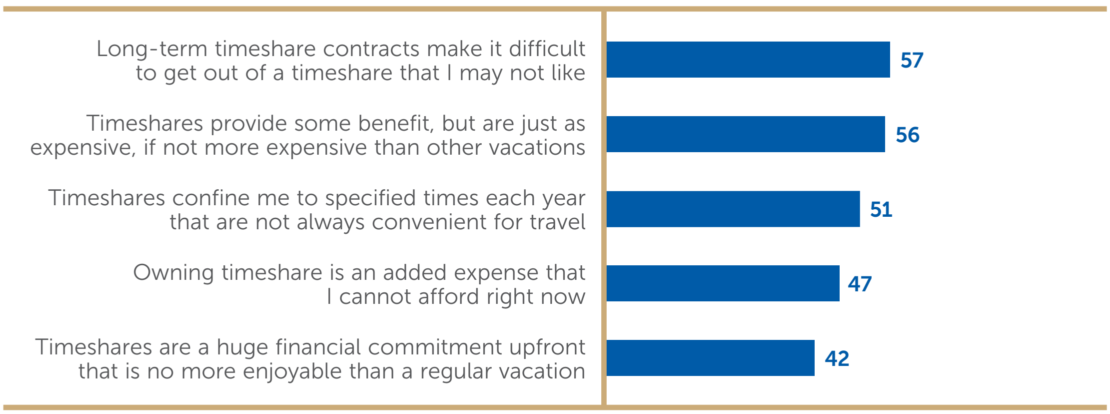
Spending allocation	All owners	Nostalgics
Air transportation services	$466	$413
Entertainment & recreation	$336	$154
Lodging	$223	$83
Restaurant, bar, drinking places	$297	$269
Clothing	$198	$125
Groceries	$171	$161
Ground transit	$130	$113
Gasoline stations	$122	$90
Misc.	$23	$33
Total	**$1,966**	**$1,441**

*** Less than 0.5%*

Statements with higher agreement (index=120+)

No attitude has a level of agreement with an index at 120 or higher.

Statements with lower agreement (index=0-80)



Conventionalists (Base=253)

12% of all owners and 13% of all discretionary vacation spending (average spending=$1,510)

Enthusiasts	Explorers	Rookies	Nostalgics	Conventionalists	Critics
16%	20%	29%	11%	12%	12%

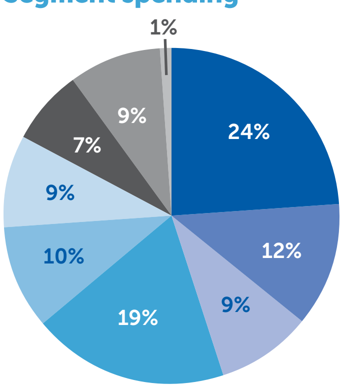
OVERVIEW

The oldest and most tenured, this segment actively uses their timeshare but does so because they are owners. While they made the choice to be owners and currently vacation at a timeshare resort, they are not advocates. While connected to the location of their home resort they are critical of all other aspects of timeshare. More conventionalists own points than weeks (59% vs. 40%). Few, if any, would buy timeshare again. Given this, future intentions to sell greatly outweigh purchase intention.

Relationship opportunity

The fact that Conventionalists stay at timeshare resorts provides an opportunity to re-engage. It would seem they would be most likely to be attentive by engaging them on ways to better use their existing product without requiring them to spend more. This could include discussions around timeshare conversions (for those with this capability) and/or exchange opportunities (especially for those that do not have conversion capabilities). As they may be less trusting, it is important to understand the products in their portfolio and engage them on what is possible based on what they currently own.

Segment spending

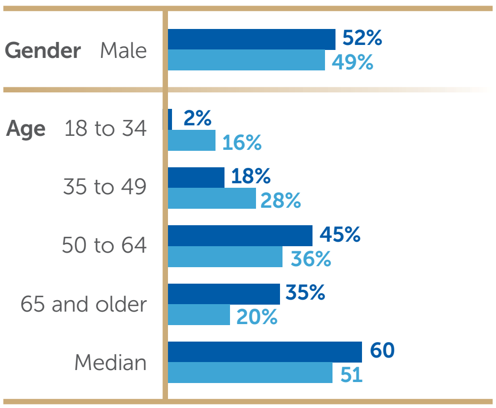


- Air transportation services
- Entertainment & recreation
- Lodging
- Restaurant, bar, drinking places
- Clothing
- Groceries
- Ground transit
- Gasoline stations
- Misc

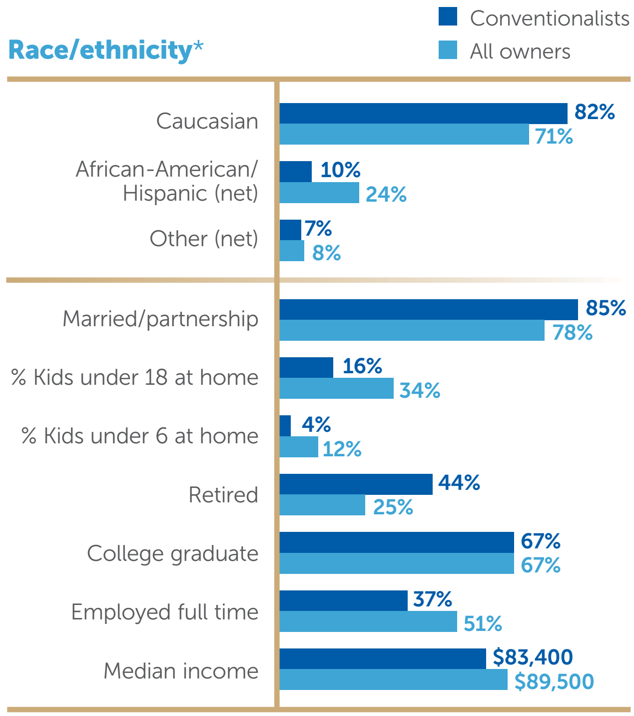
- Across all segments, Conventionalists are the oldest (median age: 60) and one of the more tenured (14.9). They are most likely to be married (85%) and retired (44%). Given their age, they are least likely to have children residing at home (16%). Their median income is less than the typical timeshare owner ($83,400).
- Few Conventionalists advocate for timeshare ownership in general (12%) or their home resort/vacation ownership club, in particular (28%). With the exception of satisfaction with their home resort location (72%), their level of satisfaction falls below the recorded level for all of the previous segments profiled.
- While they rank among the more established segments, most have purchased a points product (62%) and nearly half (43%) own a week product. Nearly all (99%) Conventionalists currently question their decision to purchase timeshare and their future plans are much more likely to involve selling (21%) than buying (4%).
- However, for all of the concern expressed by this segment, only 15% have previously sold a timeshare. Additionally, this segment universally used their timeshare in 2013, with 97% of them reporting that they vacationed at a timeshare resort. Only a small handful (5%) converted their timeshare to another type of vacation. Half (50%) took a non-timeshare vacation in 2013.
- Conventionalists find average levels of agreement on a handful of timeshare characteristics, often centered around the location or more social aspects of vacation ownership but are more critical on other matters, including sensitivity to financial commitments, especially maintenance fees.

DEMOGRAPHICS

Demographics

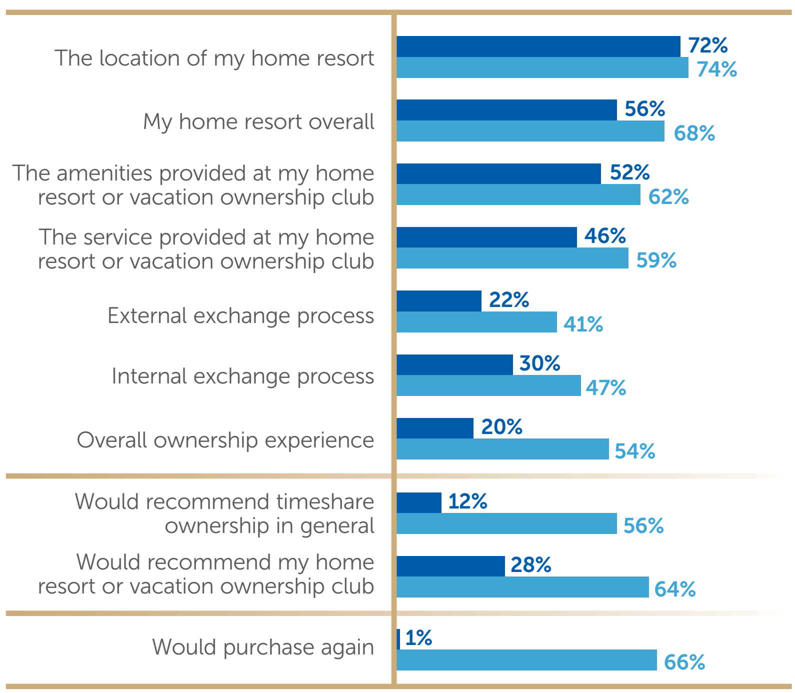


Race/ethnicity*



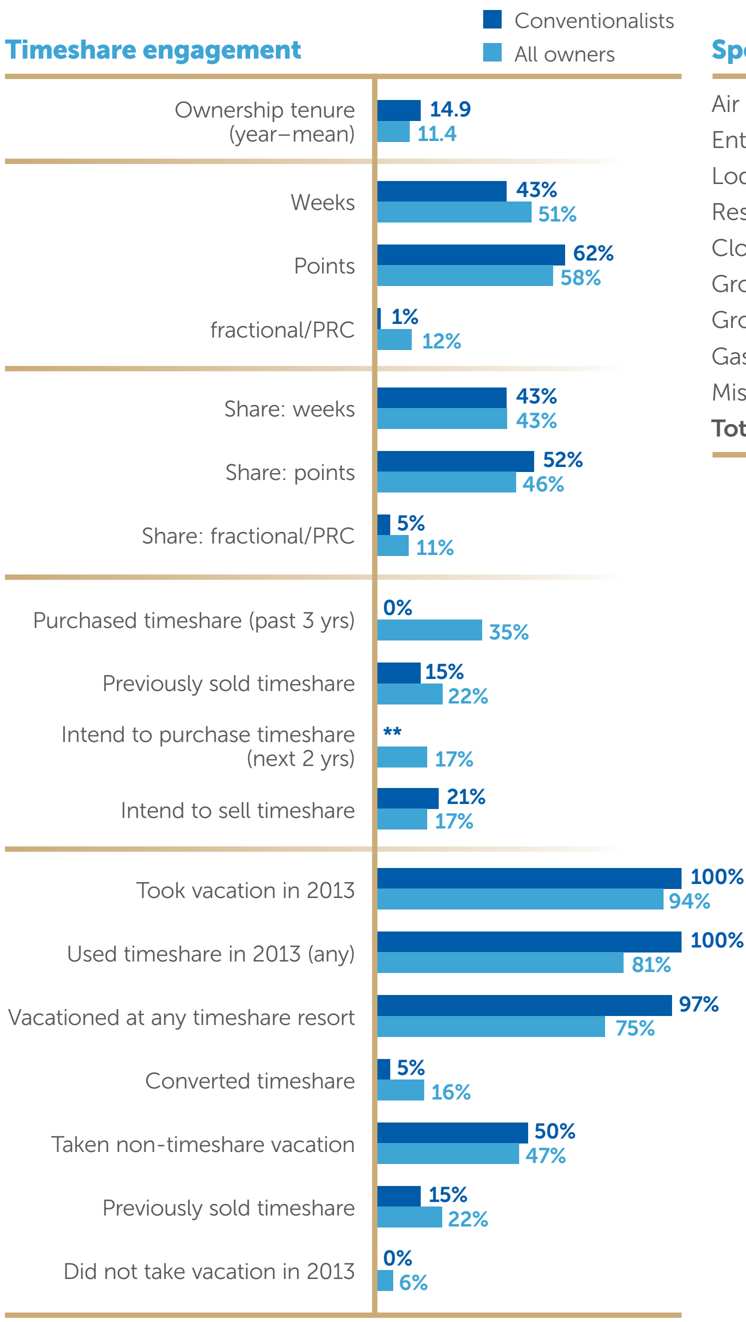
OUTCOMES

Timeshare ownership experience (excellent/very good)



*Multiple responses are allowed.

TIMESHARE ENGAGEMENT

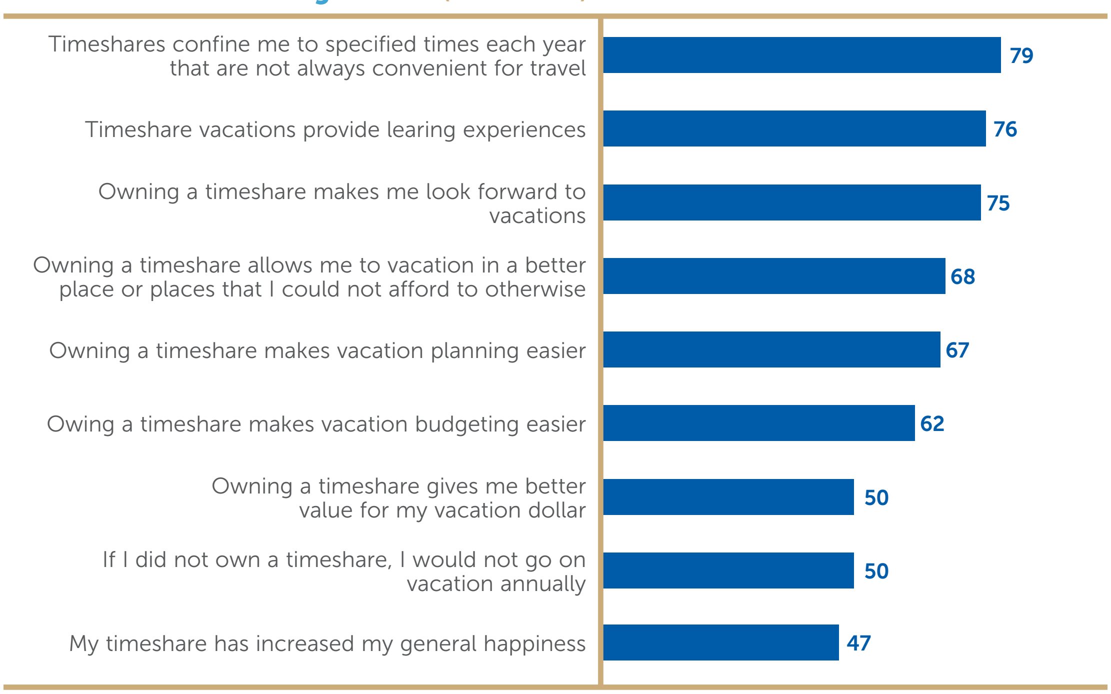


Spending allocation	All owners	Conventionalists
Air transportation services	$466	$364
Entertainment & recreation	$336	$186
Lodging	$223	$128
Restaurant, bar, drinking places	$297	$292
Clothing	$198	$148
Groceries	$171	$142
Ground transit	$130	$101
Gasoline stations	$122	$136
Misc.	$23	$13
Total	**$1,966**	**$1,510**

*** Less than 0.5%*

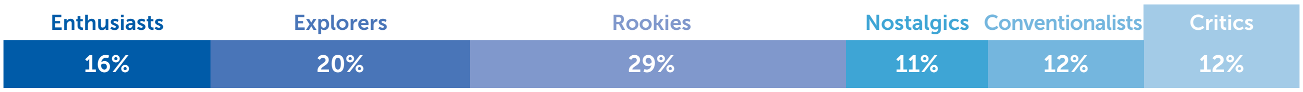
Statements with higher agreement (index=120+)

Statements with lower agreement (index=0-80)



Critics (Base=202)

12% of all owners and 1% of all discretionary vacation spending (average spending=$830)



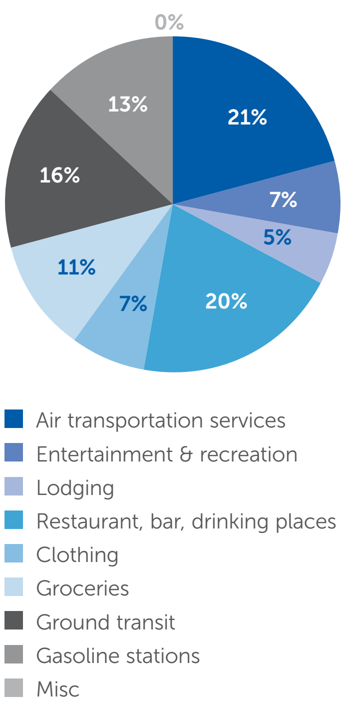
OVERVIEW

An older (though not the oldest) and most tenured segment, Critics are currently experiencing some financially challenging times and have recently been placed in the position to greatly modify their vacations or forego them entirely. While their reasons for not engaging in timeshare appear external to their experience, they nevertheless express critical views of timeshare, which is not surprising since they must honor a financial commitment for something with minimal use. Though still a minority, more Critics indicate they are likely to vacation in 2014 and much of this increase appears to be allocated towards vacationing at a timeshare resort. Given their current experience, many express clear preference to sell one or more of their interests.

Relationship opportunity

For those returning to timeshare, either to the home resort or through an exchange, the exceptional experience may serve to re-engage them and allow them to re-discover the benefits of a timeshare lifestyle.

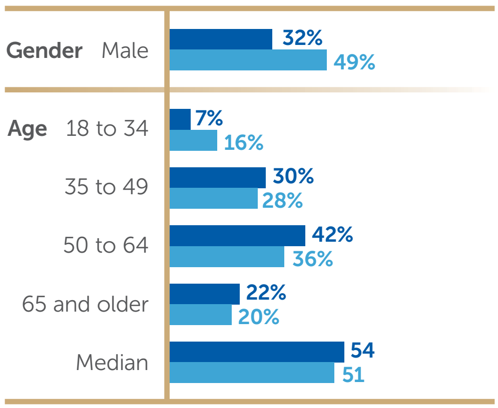
Segment spending



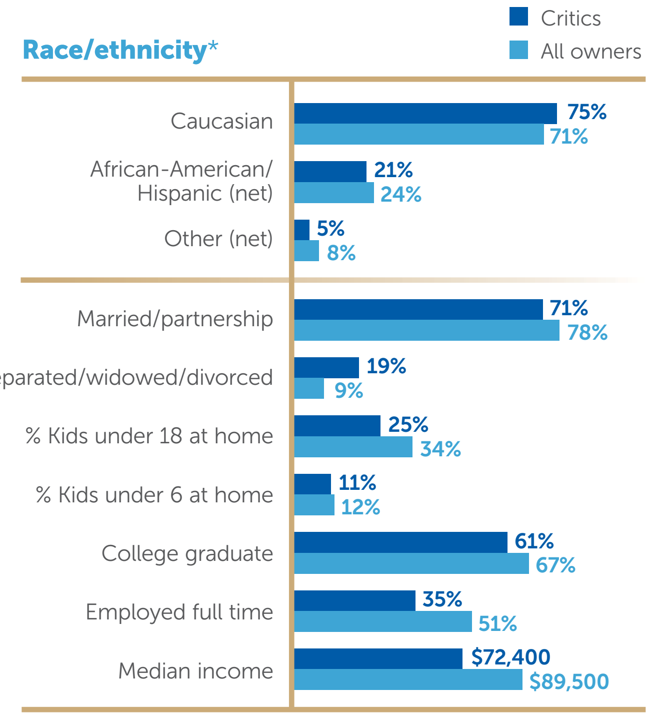
- At 15.1 years, Critics are the most tenured of the six segments. This segment has a lower incidence of marriage (71%). About one-in-five (19%) are separated, widowed or divorced. They are the segment least likely to be employed full-time (34%). Given these challenges, their median income significantly lags behind the other segments ($72,400).
- Critics are critical of timeshare on all key attitudes, consistently reporting the lowest levels of advocacy and satisfaction.
- Weeks is the more common product owned by this segment (56%) but was seldom used in 2013. Fewer than two-thirds of all Critics took a vacation in 2013 (64%), with only 12% using their timeshare in some way. Nearly six-in-ten (58%) took a non-timeshare vacation but given the average level of vacation spending ($830), these were most likely staycations or involved staying with a friend or family member for a relatively short duration.
- Given their current situation and experiences, timeshare represents a significant commitment with minimal use. As such, it is not an experience that is currently looked upon fondly. Consequently, 100% of this segment would not buy timeshare again. The level of recent purchase or future purchase intent is almost non-existent and 42% indicate an intention to sell at least one of their timeshare interests within the next two years.
- As expected, this segment expresses the most critical attitudes towards the benefits of timeshare ownership.

DEMOGRAPHICS

Demographics

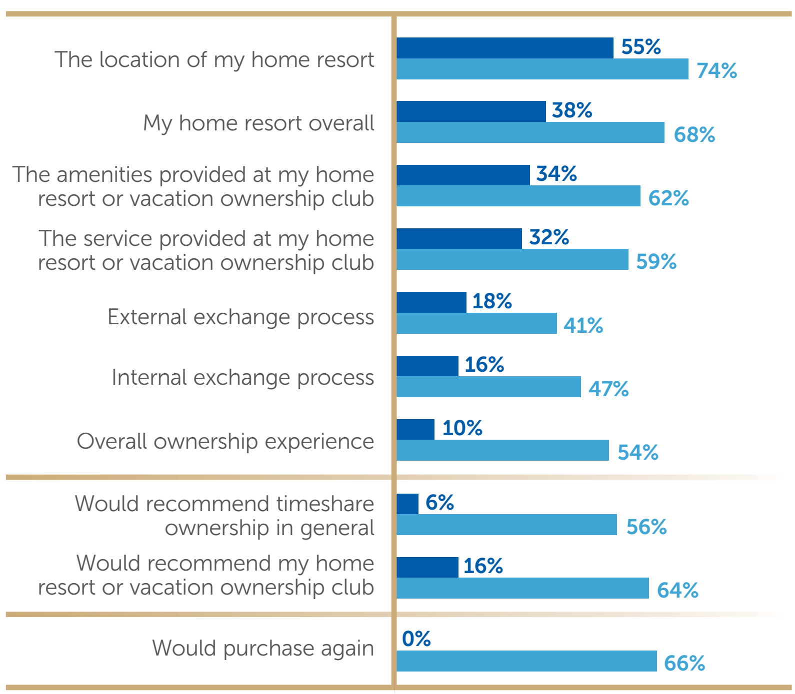


Race/ethnicity*



OUTCOMES

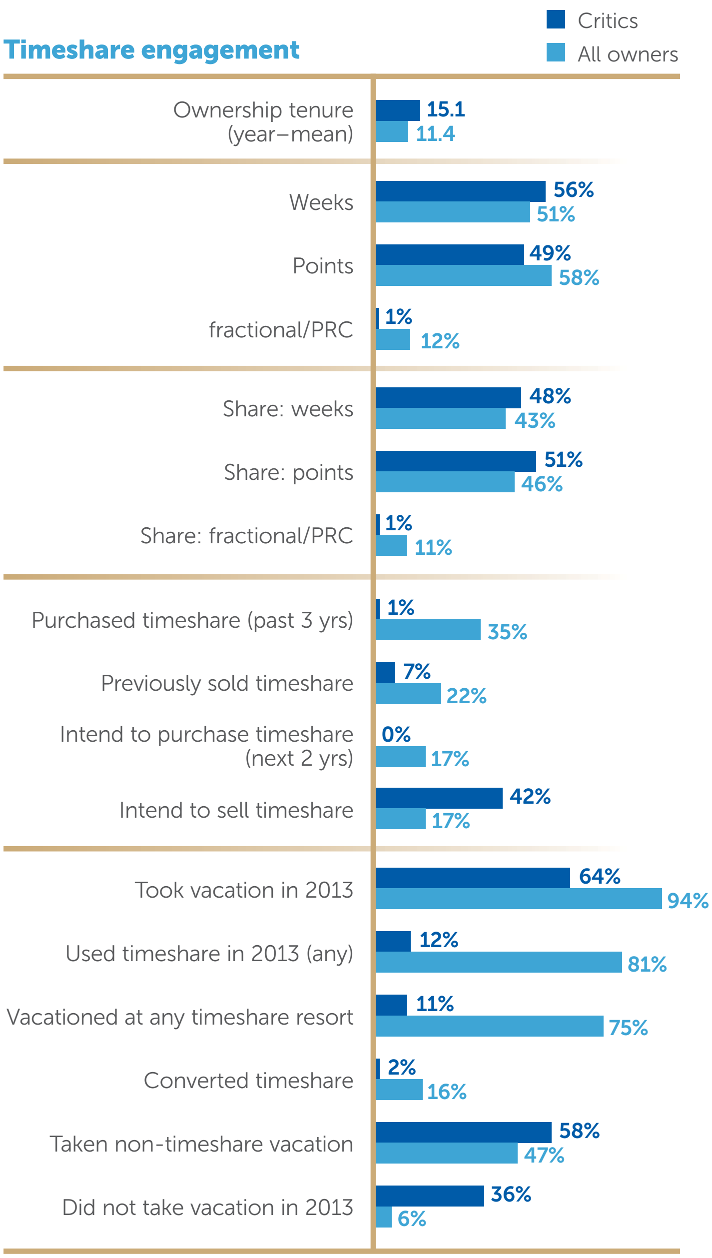
Timeshare ownership experience (excellent/very good)



Multiple responses are allowed.

TIMESHARE ENGAGEMENT

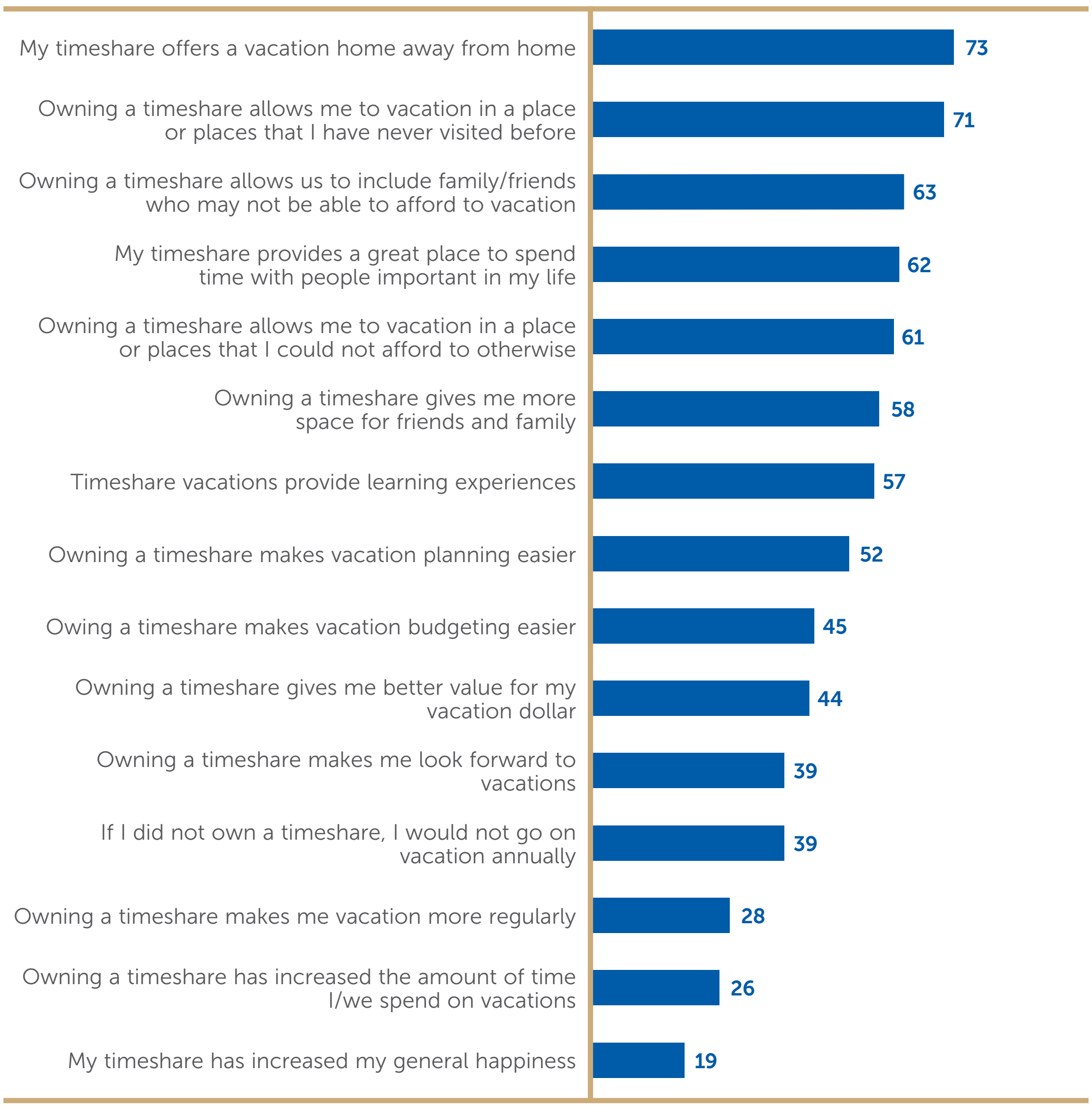
Timeshare engagement



Spending allocation	All owners	Critics
Air transportation services	$466	$172
Entertainment & recreation	$336	$56
Lodging	$223	$44
Restaurant, bar, drinking places	$297	$167
Clothing	$198	$54
Groceries	$171	$92
Ground transit	$130	$136
Gasoline stations	$122	$107
Misc.	$23	$2
Total	**$1,966**	**$830**

Statements with higher agreement (index=120+)

Statements with lower agreement (index=0-80)



Understanding Recent Vacations

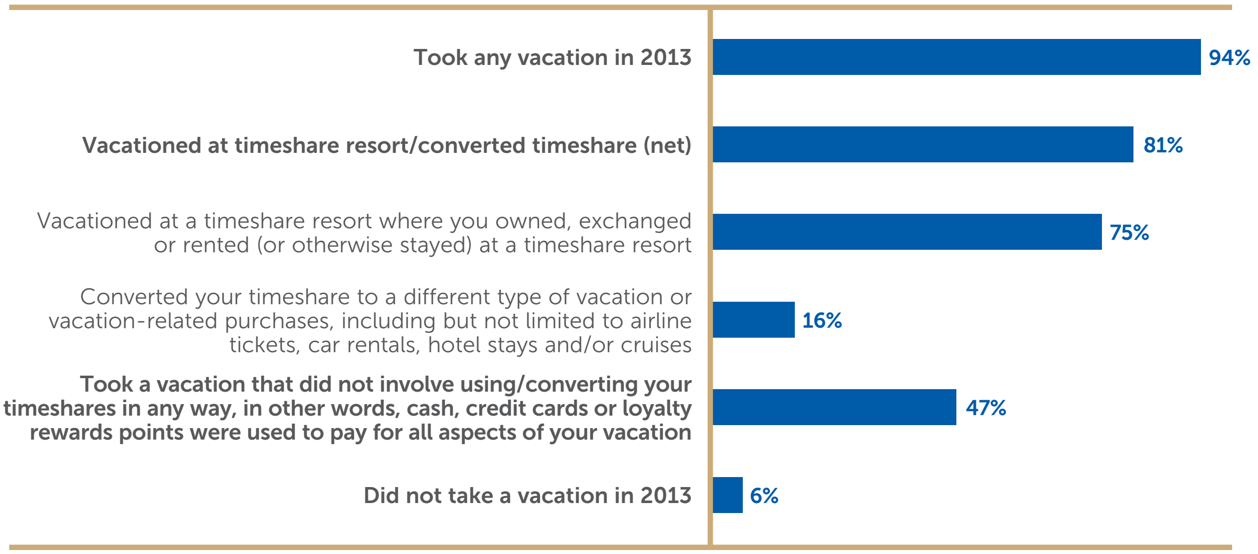
CHAPTER SIX

One of the new survey additions focuses on better understanding owners' vacation patterns beyond traditional timeshare.

The report examines three different types of vacations: timeshare as a vacation destination, monetizing timeshare to other types of vacations (i.e., "conversion"), such as hotels or cruises and vacations where timeshare has no role (i.e., vacationing to a non-timeshare resort in which a timeshare interest is not monetized). By obtaining a broader sense of owners' vacation patterns, the industry can continue to develop solutions, including creating new products and engaging in optimal product positioning, to better meet the needs of the existing owner base and, therefore, acquire a greater share of their vacation dollar.

Owners are devout vacationers and most rely on timeshare ownership to fulfill at least part of their household's annual vacationing needs. Nearly all owners took a vacation in 2013 and more than four-in-five (81%) used their timeshare in some capacity. A strong majority (75%) vacationed at a timeshare resort (through direct ownership, exchanging and/or rentals). A smaller number of owners, 16%, converted their timeshare to another type of vacation or purchase. Still about half of all owners (47% took a vacation where timeshare was not used in any capacity. Capturing a share of these vacations delivers two core benefits: it serves as a key sales tool and deepens owners' emotional relationship with the lifestyle.

2013 Vacation profile among all owners* (Base=1,722)



As shown in the remainder of this section, all three types of vacations have relatively unique profiles. In other words, a timeshare vacation looks different from a converted vacation, which looks different from a non-timeshare vacation. That said, the most diversified vacations are converted vacations. This means that ***the infrastructure used for converted vacations appears sufficient to meet the needs currently achieved through non-timeshare vacations***. The challenge to acquire these vacations within timeshare appears to have more to do with product positioning and sales training than it does with product development or delivery.

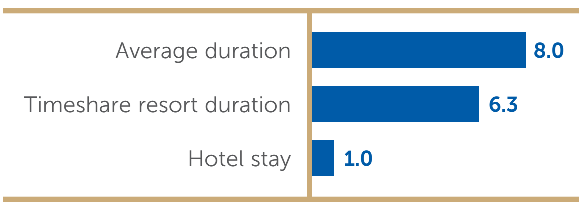
*Multiple responses are allowed.

Timeshare as a destination

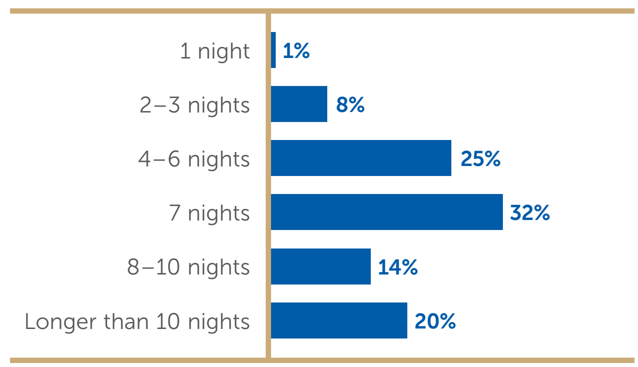
Even with the advent of points, designed to deliver an increasingly flexible experience, timeshare vacation continues to be disproportionately used as family vacations. Those taking a timeshare vacation report an average local spending of $1,966.

- While timeshare's roots lie in a week-long vacation, even those taking a traditional timeshare vacation are unlikely to vacation for one week. The average length of a timeshare vacation is 8.0 nights. While a one-week vacation represents the most common duration, it represents a fraction of vacation durations. Owners are about equally likely to vacation more than (34%) – or less than (34%) – a week. At 6.3 nights, timeshare captures the largest share of accommodations but for many additional accommodations are necessary. Hotel/motel represents the most common supplemental accommodation (1.0 nights).

Average length of timeshare vacation by lodging (nights) (Base=1,334)

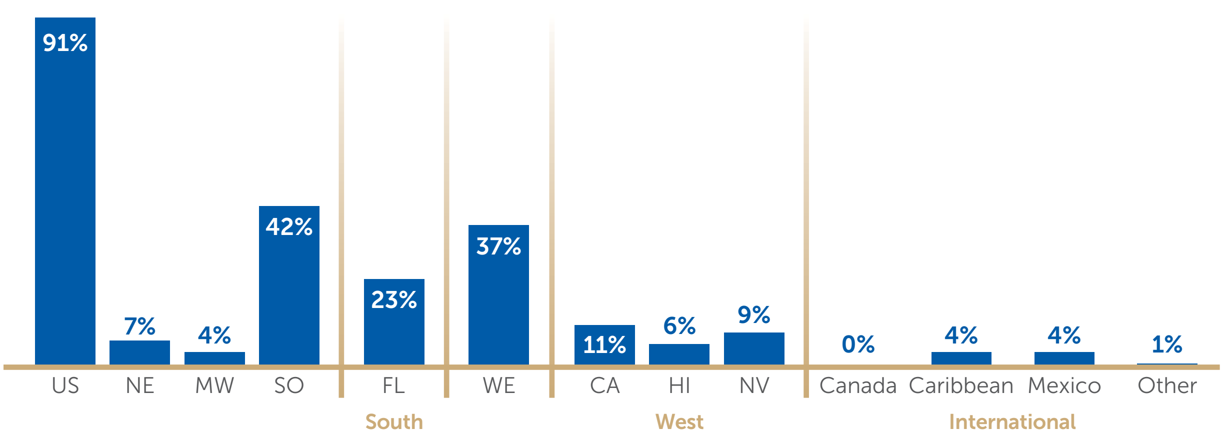


Breakdown of timeshare vacation length (Base=1,334)



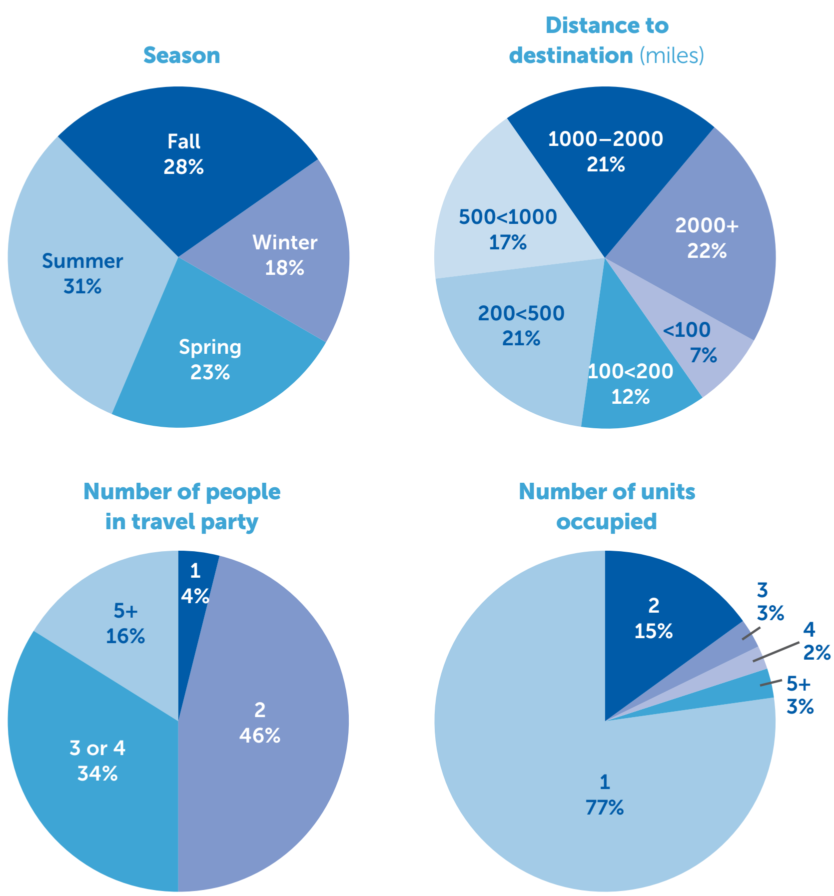
- The vast majority of owners (91%) took their timeshare vacation within the United States. As found in earlier reports, fueled by Florida destinations, the South continues to dominate the destination landscape, followed by the Western destinations driven by California, Nevada and Hawaii.

Location of most recent timeshare vacation (Base=1,334)



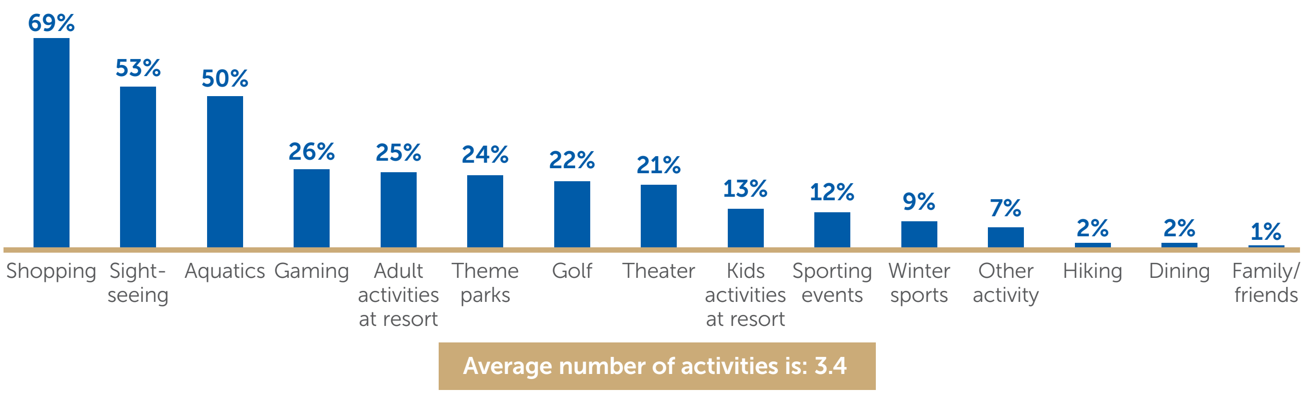
- Owners report that their timeshare vacations are generally well-spread across three seasons, with Summer (31%) representing the most common season followed by Fall (28%) and Spring (23%). Fewer than one-in-five (18%) took their timeshare vacation during the Winter.
- The distance between home and the final destination tends to be somewhat polarized. Owners are nearly as likely to travel under 500 miles to their destination (40%) as they are to travel 1,000 miles or more (43%). About one-in-six (17%) travel between 500-1,000 miles.
- Half of all travel parties had more than two members and about one-in-seven (16%) travel parties consisted of five or more members. Given the size of the travel party, it is expected that the vast majority of owners use no more than two units, with 77% using a single unit and another 15% using two units.

Timeshare vacation profile (n=1,334)



- Once timeshare owners arrive at their destination, they engage in a wide variety of activities that generate a strong impact on the local economy. The average travel party engages in 3.4 activities while on their timeshare vacation with most of the activity occurring away from the timeshare resort. Shopping (69%) stands heads-and-shoulders above all activities as the most popular activity. Sightseeing (53%) and aquatic activities (50%) represent the other activities in which at least half of owners engage in while on a timeshare vacation. The economic impact to the local economy extends far beyond shopping and sightseeing, as gaming, theme parks, golfing and theater are activities for which at least 20% of owners participate while on a timeshare vacation.

Timeshare resort vacation activities* (Base=1,334)



HOW DO TIMESHARE VACATIONS VARY BY SEGMENTS?

As would be expected, different segments have different timeshare vacation patterns.

— The number of Critics that vacation at a timeshare resort is so small that they need to be excluded from this part of the analysis.

— There are substantial differences regarding the length of a timeshare vacation as well as the distribution across lodging options.

- Enthusiasts' timeshare vacation lasts an average of 8.5 nights and spends more time at the timeshare resort than any other segment. Nearly all members of Enthusiasts (93%) use a single unit. Enthusiasts' level of activity would be considered "average" although they place lighter emphasis on sightseeing, and sporting events.
- At 8.7 nights, the average duration of Explorers timeshare vacation is the longest. However, the duration at the timeshare resort, itself, is below average (6.0 nights). This gap is primarily filled with hotel/motel stays, although they are also more likely to stay with friends and/or at B&B's. Explorers use more units than any other segment, as 44% of all travel parties occupy at least two units. Explorers are more active than the other segments, participating in more family activities: theme parks, sporting events, children's activities and golf.
- The typical timeshare vacation for Rookies is 7.5 nights, of which 5.6 nights are spent at a timeshare resort. This segment is more likely than all owners to use multiple units, as 31% of all travel parties use two or more units. They have higher engagement in more adult activities, such as golf, gaming and theater.
- Nostalgics have the shortest overall timeshare vacation (7.4 nights), of which 6.4 nights are spent at timeshare resorts. Nearly nine-in-ten (88%) use a single unit for all members of their travel party. Nostalgics also engage in fewer than average activities. While they are just as likely to engage in shopping, sightseeing and aquatics, they tend to stay away from organized activities at the resort and sports-related activities.
- At 7.8 nights, Conventionalists' vacation is slightly shorter than average, of which an average of 6.5 nights are spent at timeshare resorts. The balance of nights is primarily filled by hotel/motel stays. Similar to Enthusiasts, nearly all members (93%) use a single unit for their travel party. On average, Conventionalists engage in fewer activities than any of their counterparts, with shopping, sightseeing and aquatics representing their most common activities.

*Multiple responses are allowed.

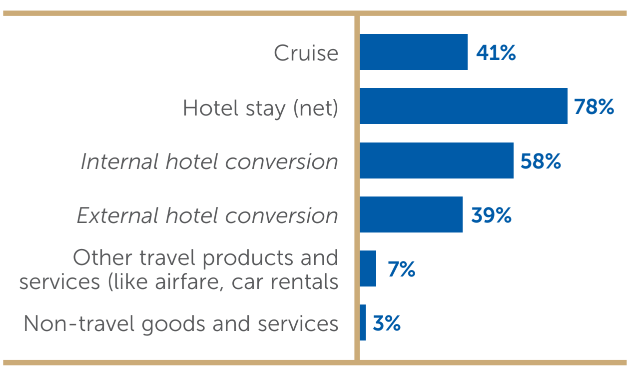
	All owners (Base=1,334)	Enthusiasts (Base=323)	Explorers (Base=263)	Rookies (Base=379)	Nostalgics (Base=100)	Conventionalists (Base=246)
Number of units occupied						
1	77%	93%	56%	69%	88%	93%
2	15%	6%	27%	18%	11%	7%
3	3%	0%	7%	5%	1%	0%
4	2%	1%	3%	4%	0%	0%
5 or more	3%	0%	7%	4%	0%	0%
Average duration (nights)						
Duration	8.0	8.5	8.7	7.5	7.4	7.8
Timeshare resort	6.3	7.4	6.0	5.6	6.4	6.5
Activities while on timeshare vacation*						
Shopping	69%	68%	75%	66%	67%	69%
Sightseeing/ tours	53%	48%	56%	53%	53%	58%
Swimming/ watersports/ sunbathing	50%	56%	54%	45%	51%	48%
Gaming/ gambling	26%	24%	30%	30%	27%	16%
Organized adult activities at resort	25%	23%	34%	27%	17%	15%
Theme parks	24%	23%	40%	22%	12%	15%
Golf	22%	14%	32%	26%	13%	14%
Theater	21%	16%	29%	23%	15%	14%
Average number of activities is:	3.4	3.1	4.2	3.4	2.9	2.8

Multiple responses are allowed.

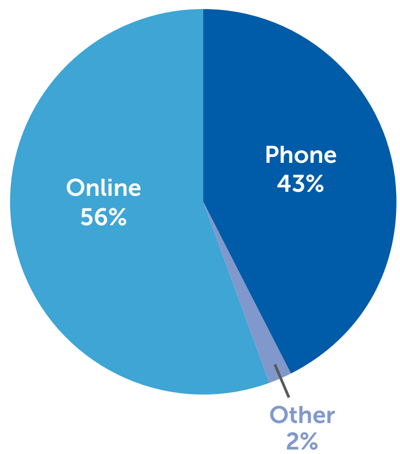
Understanding timeshare conversions

As mentioned earlier in the report, timeshare conversions represent an additional way to create flexibility in timeshare ownership. In fact, those who converted their timeshare in 2013, indicated it was converted into 1.5 different vacation elements (e.g., hotel and cruise). Of the different types of conversions available, hotel and cruise conversions were, by far, the most popular. More than three-in-four (78%) converted their timeshare to a hotel stay, with most (58%) conducting an internal conversion and a slightly smaller group (39%) engaging in an external conversion. Cruises (41%) also captured a significant share of conversions. One-in-ten converted their timeshare to other travel products (e.g., airfare, 7%) or to non-travel goods and service (3%). Those converting their timeshare to another type of vacation product were asked to identify the channel used to conduct the conversion. Both online and phone were frequently mentioned, although the former was mentioned more frequently.

Timeshare conversion activity* (Base=224)

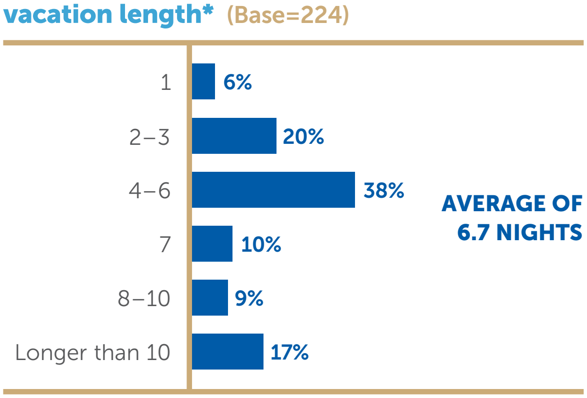


Timeshare conversion reservation channel (Base=224)



The typical converted vacation, on average, is slightly shorter than a timeshare vacation, 6.7 nights. Nearly two-thirds (64%) of converted vacation are shorter than a week in duration, with four to six nights the most common length (38%). A weeklong vacation is rather rare (10%), while about one-in-four owners converted vacations lasting longer than one week.

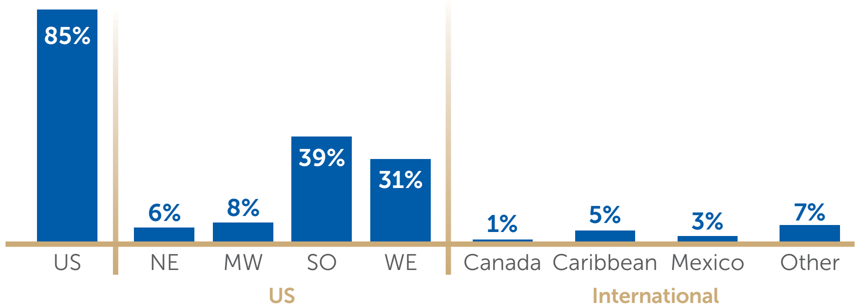
Breakdown of converted vacation length* (Base=224)



Multiple responses are allowed.

- If there exists a limitation in conversions as a means to support vacations currently being fulfilled outside of timeshare, it lies in the destinations served. The destinations for converted vacations seem to mimic the destinations reported among those vacationing at a timeshare resort, i.e., a disproportionate emphasis on family vacations. The South, particularly Florida, and the West, most notably California, represent the most common converted destinations.

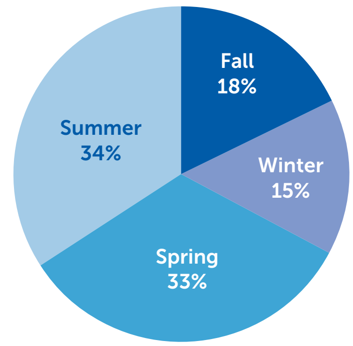
Location of most recent converted vacation (Base=224)



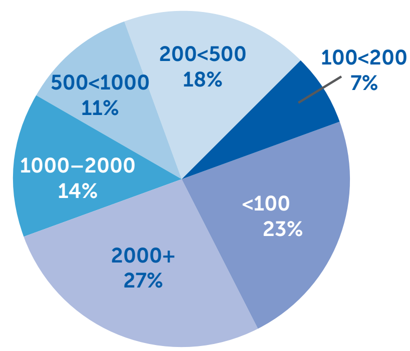
- Summer (34%) was the most common season for a converted vacation with Spring vacations (33%) nearly as common. There were fewer conversions in Fall (18%) or Winter (15%).
- While shorter in duration, converted vacations reach a broader set of distances. There is no "typical" distance traveled: people are just as likely to travel less than 100 miles as they are to travel 2000+ miles.
- One of the trade-offs made among people converting their timeshare to other vacation types is that the travel party occupied more units than found among owners taking a timeshare vacation. About two-in-five (39%) of those taking a converted vacation occupy at least two units. Given that timeshare units tend to be substantially larger than other types of accommodations and these owners have enjoyed the benefits of more space within the lodging unit, this makes sense.

Converted vacation profile
(n=224)

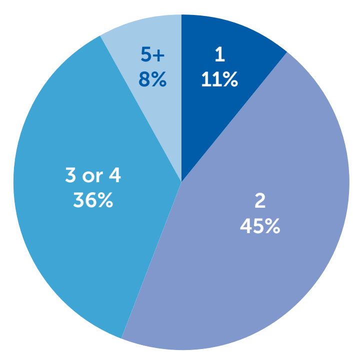
Season



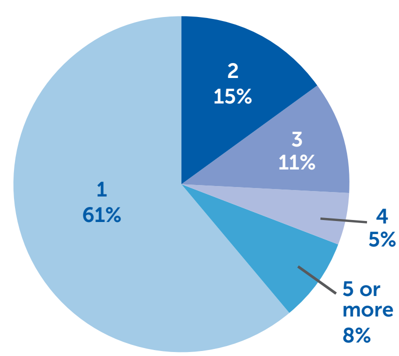
Distance to destination (miles)



Number of people in travel party

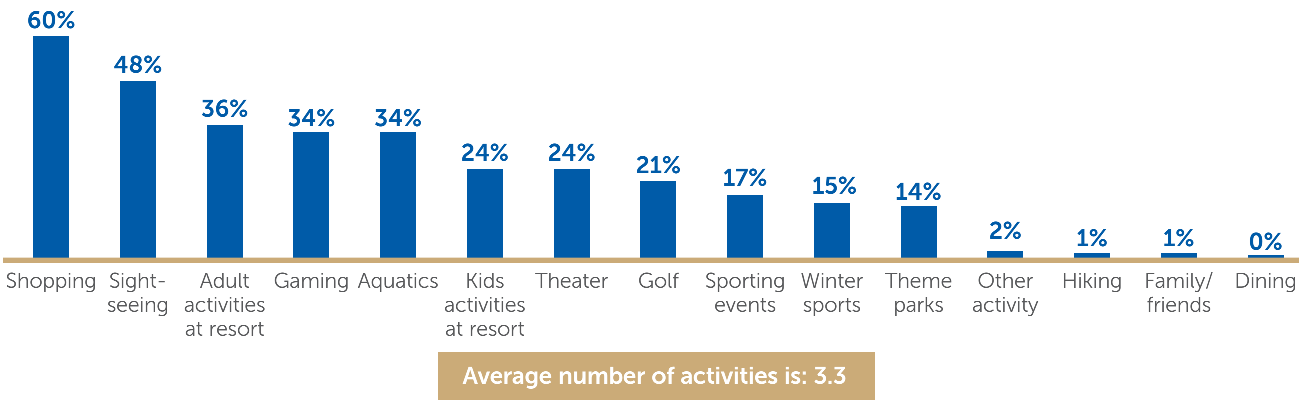


Number of units occupied



- Much like those on a traditional timeshare vacation, owners taking a converted vacation leave a strong economic footprint on their final destination. The average owner engages in 3.3 activities while on their converted timeshare vacation. Shopping (60%) stands heads-and-shoulders above all activities, as it is the only activity expressed by at least 50% of converted vacationers. Sightseeing (48%) continues to rank second and distances itself from all remaining activities. Gaming (34%), theater (24%) and golf (21%) round out the top off-resort activities engaged in by at least 20% of all converted vacationers. Compared to traditional timeshare vacationers, converted vacationers de-emphasize aquatic activities in lieu of gaming (34%) and organized adult (36%) and/or children's (24%) activities.

Converted vacation activities* (Base=224)



Multiple responses are allowed.

HOW DO CONVERTED VACATIONS VARY BY SEGMENT?

Given the current, limited scope of converted vacations, there are only two segments with enough representation to profile, Explorers and Rookies.

- Explorers place greater emphasis on internal conversions and obtaining non-travel related products and services. Their destinations appear to be further away than those of Rookies, with 200-500 miles being the most common distance traveled between home and their final destination (particularly in the South).
- Rookies place greater emphasis on external conversions that are closer to home, particularly within 200 miles of home, notably in the West and Midwest.

Segment profiles for conversion activities

	All owners (Base=224)	Explorers (Base=79)	Rookies (Base=98)
Timeshare conversions*			
Cruise	41%	45%	48%
Hotel stay (net)	78%	81%	80%
Internal hotel conversion	58%	73%	52%
External hotel conversion	39%	35%	48%
Other travel products and services (like airfare, car rentals)	7%	8%	3%
Non-travel goods and services	3%	5%	0%
Distance (miles) between home and final destination			
Less than 100	23%	23%	31%
100 to less than 200	7%	5%	11%
200 to less than 500	18%	28%	13%
500 to less than 1000	11%	13%	10%
1000 to less than 2000	14%	13%	13%
2000 or more	27%	18%	22%
Converted vacation destination			
United States (net)	85%	82%	90%
Northwest	6%	7%	6%
Midwest	8%	4%	13%
South	39%	48%	37%
West	31%	23%	34%
Canada	1%	3%	0%
Caribbean	5%	6%	3%
Mexico	3%	1%	3%
Other	7%	7%	4%

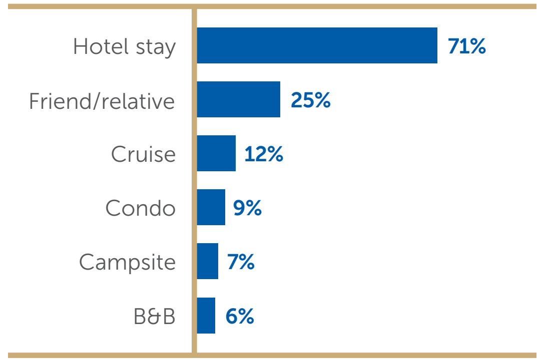
*Multiple responses are allowed.

Non-timeshare vacations: an opportunity to grow timeshare vacations

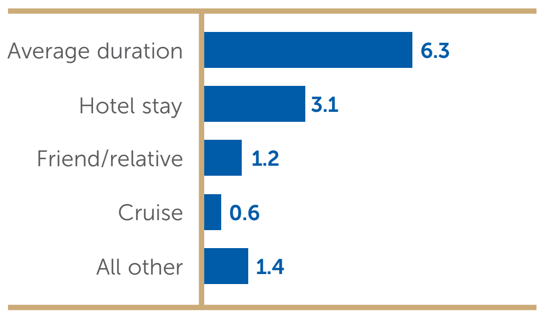
The ability to fulfill vacations currently outside the scope of timeshare provides a major opportunity to acquire additional business and expand the relationship with current owners. These vacations differ in many ways to those previously profiled but many of these differences actually represent a reduced scope, suggesting that the current infrastructure, particularly within conversions, could support this type of vacation planning. Where the industry may need to adjust lies more in the positioning of these vacations, away from those designed for the "family" or a "group" and towards those geared for "couples". Similarly, there appears to be a need to migrate from "family" destinations, such as Florida, to more urban and/or exotic destinations, especially in the Northeast.

- With an average of 6.3 nights, non-timeshare vacations may be better described as "get aways" than "vacations". More than half (55%) of all non-timeshare vacations are for less than seven nights, with four to six nights representing the most common duration (33%).
- Hotel/motels represent the primary accommodations. More than seven-in-ten owners (71%) who take a non-timeshare vacation stay in a hotel , capturing 3.1 nights. Friends and relatives comprise the next most common lodging, 25% with an average of 1.2 nights, followed by cruises with an average of 0.6 nights.

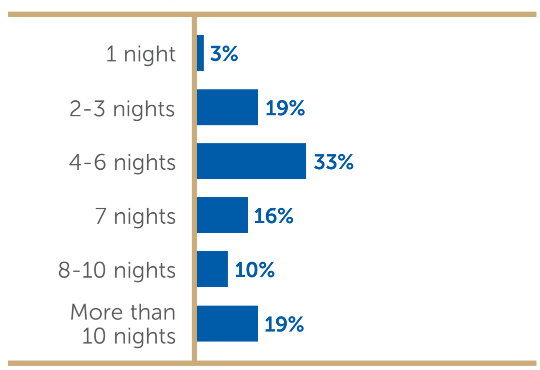
Non-timeshare vacation lodging incidence* (Base=883)



Average length of non-timeshare vacation by lodging (nights) (Base=883)



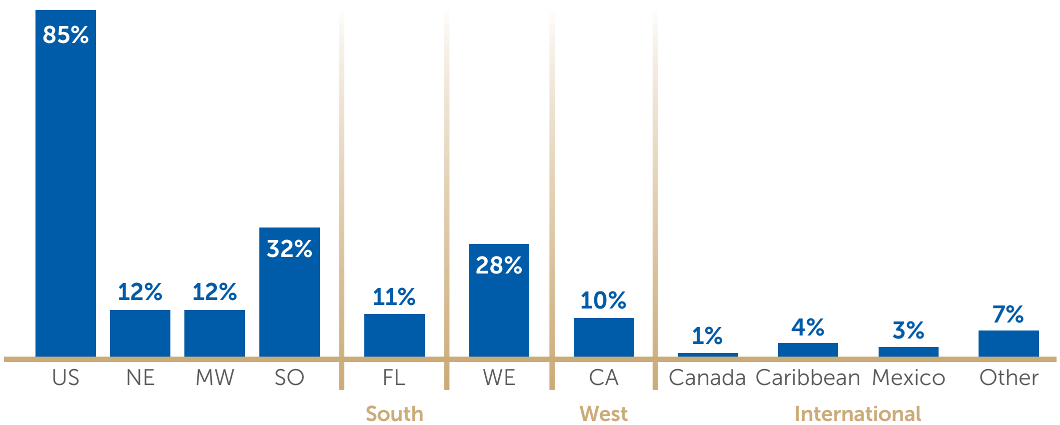
Breakdown of non-timeshare vacation length (Base=883)



**Multiple responses are allowed.*

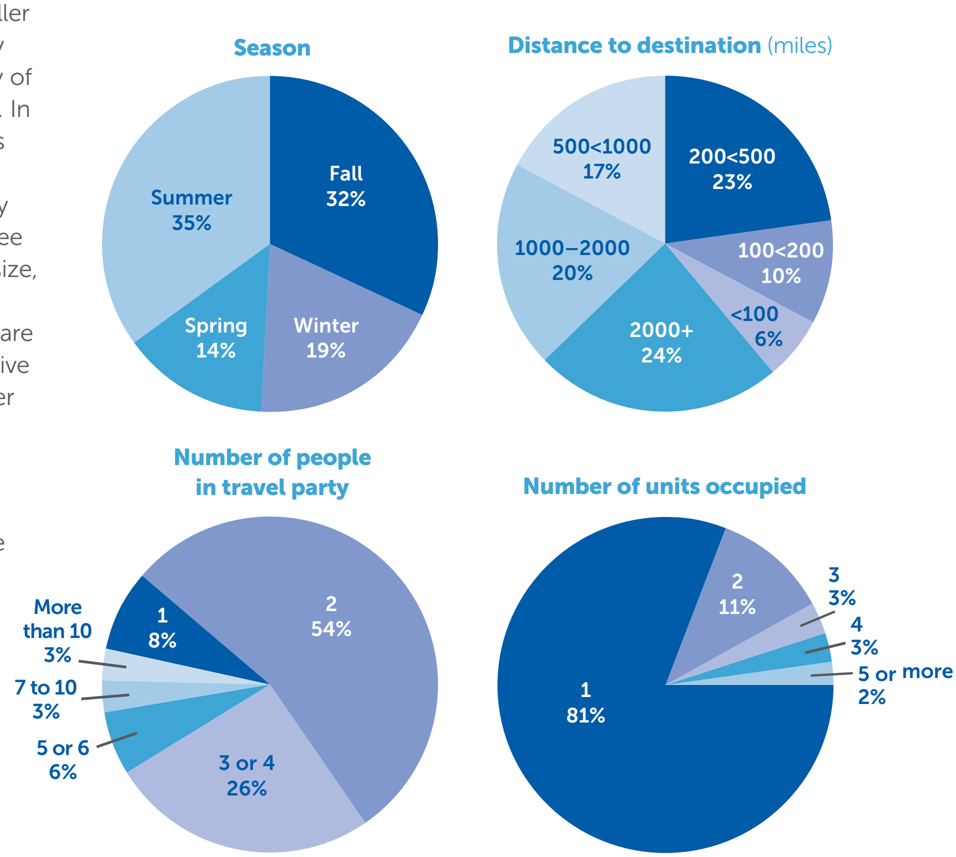
- One of the noticeable differences between non-timeshare vacations and those described previously lies in the destination. While timeshare vacations have strong representation in Florida, the rate of travel to Florida is significantly curtailed (11%) in the non-timeshare vacations. Vacations to the Northeast, Midwest and "other" destinations, which represents vacations outside of North America appear to register at higher levels than found within the previous profiles. This represents a key indicator that non-timeshare vacations may be less about "family resort" vacations.

Location of most recent non-timeshare vacation destination (Base=883)



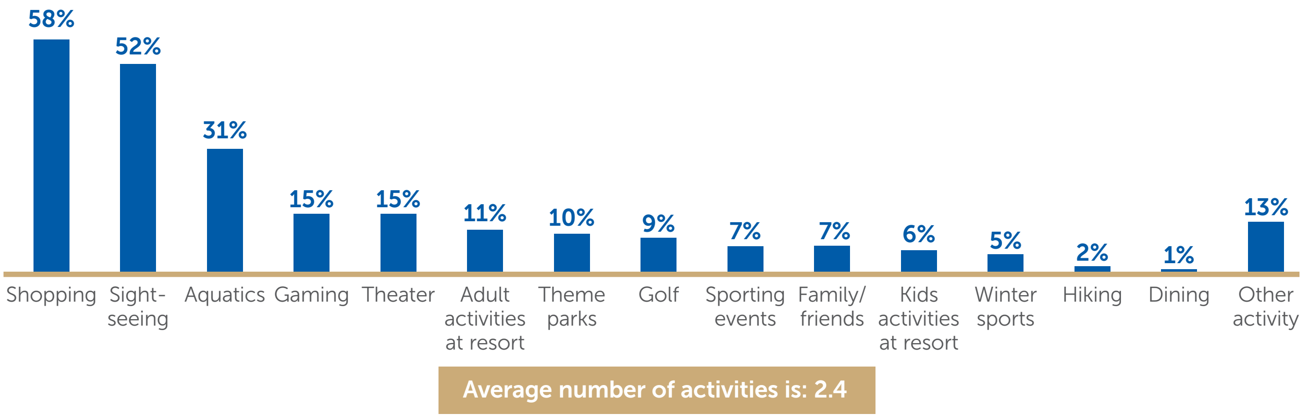
- Of the three vacation types profiled, non-timeshare vacations have smaller travel parties. In fact, this is the only type of vacation where the majority of travel parties consist of two people. In all, 62% of non-timeshare vacations have no more than two members in the party. The balance is primarily comprised of travel parties with three or four members (26%). Given the size, it is not surprising that single units represent the norm for non-timeshare vacations, with more than four-in-five (81%) using a single unit and another 11% using two units.
- The distance traveled for non-timeshare vacations strongly resembles the pattern for timeshare vacations, as a near-equal number travel fewer than 500 miles (39%) as travel 1,000 miles or more (44%).

Non-timeshare vacation profile (n=883)



- Another major differentiator found in non-timeshare vacations is the more limited range of activities compared to the other types of timeshare vacations profiled. Given the shorter duration, it is not surprising that the travel party participated in fewer activities (2.4) than found in timeshare or converted vacations. Similar to the other types of vacations, shopping (58%) and sightseeing (52%) represent the most common activities and swimming with aquatics (31%) lagging a rather distant third. No other activity was mentioned by more than 20% of vacationers.

Non-timeshare vacation activities* (Base=883)



HOW DO NON-TIMESHARE VACATIONS VARY BY SEGMENT?

- Enthusiasts are among the most likely segments to have taken a non-timeshare vacation (58%). During their non-timeshare vacations, they are more likely to stick to the more popular accommodations – hotels and friend's/relative's homes. At 5.7 nights, their non-timeshare vacations run shorter than the typical non-timeshare vacation, especially vacations no longer than three nights. They are disproportionately likely to have two members in their travel party and, thus, also more likely to occupy a single unit.
- Across all segments, Explorers are the least likely to take a non-timeshare vacation, as fewer than one-third (32%) did so during 2013. Among those who did, the description of their non-timeshare vacations are particularly varied. They make wider use of different types of accommodations. While they are just as likely to stay at a hotel, they have higher levels of cruises, B&B's and condos. They are the segment most likely to have a vacation party of three or more and, consequently use more units than other segments. The duration of their non-timeshare vacations veers away from four to six night vacation, as they are both more likely to have a weekend vacation as well as a week-long vacation.
- Rookies' non-timeshare vacation profiles look nearly identical to the general profile of non-timeshare vacations. With the exception of a slightly longer average duration (6.8 nights), their non-timeshare vacation profile reflects the general profile.
- About half (54%) of Nostalgics took a non-timeshare vacation in 2013. Their vacations are more likely to gravitate away from friends and relatives. They are heavier vacationers in the Fall and are more likely than other segments to vacation between 500<1000 miles from home. Their primary activity is shopping (67%), a level higher than reported across all other segments.
- Like Rookies, Conventionalists' non-timeshare vacation profile very much resembles the profiles of all owners. They are more likely to vacation in the Summer and have their travel party occupy a single unit. They are more likely to vacation at least 1,000 miles from home. Conventionalists are more likely to travel in couples.
- Given their limited use of timeshare, it is not surprising that Critics' use of non-timeshare vacations runs much higher than average. While average duration of a non-timeshare vacation remained consistent with other segments, the distribution of lodging varied. In particular, there was a greater emphasis on staying with friends and family at the expense of staying at a hotel. This is expected, given their more limited financial resources. They also tend to travel longer distances. While they have larger travel parties, they are equally likely as all owners taking a non-timeshare vacation to stay in a single unit. Activities that require significant spending are not high on their list, as the only activity they are more likely than all owners to engage in is visiting family and friends.

*Multiple responses are allowed.

	All owners (Base=883)	Enthusiasts (Base=188)	Explorers (Base=113)	Rookies (Base=211)	Nostalgics (Base=115)	Conventionalists (Base=131)	Critics (Base=125)
Incidence of non-timeshare vacation							
Incidence of non-timeshare vacation	47%	58%	32%	42%	54%	50%	58%
Incidence of lodging*							
Hotel	71%	73%	73%	75%	70%	71%	60%
Friend/relative	25%	24%	21%	27%	18%	22%	33%
Cruise	12%	6%	18%	16%	11%	10%	8%
Condo	9%	4%	14%	12%	7%	6%	8%
Campsite	7%	5%	9%	10%	4%	1%	7%
B&B	6%	5%	15%	9%	3%	3%	3%
Average vacation (nights)							
Average duration	6.3	5.7	6.4	6.8	6.0	6.5	6.4
Hotel stay	3.1	3.0	3.3	3.3	3.2	3.3	2.7
Friend/relative	1.2	1.2	0.8	1.3	0.9	1.0	1.6
Cruise	0.6	0.5	0.8	0.7	0.7	0.7	0.5
Number of vacation nights							
1 night	3%	7%	0%	3%	3%	3%	2%
2-3 nights	19%	24%	25%	16%	20%	19%	15%
4-6 nights	33%	30%	24%	35%	36%	35%	35%
7 nights	16%	15%	21%	13%	15%	16%	16%
8-10 nights	10%	9%	15%	8%	12%	8%	11%
11+ nights	19%	15%	15%	25%	14%	19%	21%

*Multiple responses are allowed.

	All owners (Base=883)	Enthusiasts (Base=188)	Explorers (Base=113)	Rookies (Base=211)	Nostalgics (Base=115)	Conventionalists (Base=131)	Critics (Base=125)
Travel party							
1	8%	5%	9%	9%	5%	10%	13%
2	54%	64%	40%	57%	61%	57%	41%
3 or 4	26%	22%	37%	22%	23%	24%	30%
5 or 6	6%	6%	7%	5%	6%	6%	9%
7 to 10	3%	1%	5%	5%	4%	0%	2%
More than 10	3%	2%	3%	2%	1%	3%	5%
Mean size of travel party	**3.1**	**2.8**	**3.5**	**3.2**	**3.0**	**3.0**	**3.4**
Vacation season							
Spring	14%	12%	17%	16%	8%	15%	12%
Summer	35%	36%	38%	35%	34%	35%	33%
Fall	32%	35%	25%	31%	41%	33%	30%
Winter	19%	17%	20%	18%	17%	17%	25%
Distance to destination (miles)							
<100	6%	3%	9%	8%	2%	7%	4%
100<200	10%	13%	9%	12%	7%	10%	9%
200<500	23%	26%	25%	26%	24%	17%	16%
500<1000	17%	20%	14%	15%	23%	16%	16%
1000<2000	20%	16%	23%	17%	17%	23%	26%
2000+	24%	22%	20%	22%	28%	27%	29%
Number of units							
1	81%	91%	65%	79%	82%	89%	81%
2	11%	7%	17%	10%	15%	7%	11%
3	3%	2%	5%	3%	2%	0%	4%
4	3%	0%	12%	3%	0%	2%	1%
5 or more	2%	1%	1%	5%	1%	2%	3%

	All owners (Base=883)	Enthusiasts (Base=188)	Explorers (Base=113)	Rookies (Base=211)	Nostalgics (Base=115)	Conventionalists (Base=131)	Critics (Base=125)
Activities*							
Shopping	58%	59%	60%	58%	67%	62%	45%
Sightseeing	52%	55%	52%	51%	53%	57%	43%
Aquatics	31%	27%	35%	30%	27%	33%	35%
Gaming	15%	17%	20%	15%	20%	9%	10%
Theater	15%	14%	25%	16%	14%	13%	8%
Adult activities at resort	11%	7%	24%	13%	7%	11%	3%
Theme parks	10%	4%	20%	14%	9%	2%	11%
Golf	9%	10%	15%	9%	6%	11%	3%
Sporting events	7%	8%	11%	6%	5%	8%	7%
Family and friends	7%	3%	2%	6%	6%	11%	14%
Kids activities at resort	6%	2%	17%	9%	4%	4%	1%
Winter sports	5%	1%	13%	5%	6%	1%	4%
Hiking	2%	4%	1%	1%	1%	6%	1%
Dining	1%	2%	1%	2%	1%	1%	3%
Average # of activities	**2.4**	**2.3**	**3.1**	**2.5**	**2.4**	**2.4**	**2.0**

*Multiple responses are allowed.

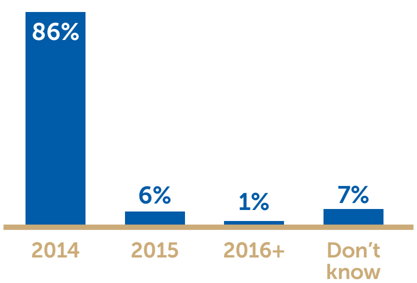
Planning Tomorrow's Vacation

CHAPTER SEVEN

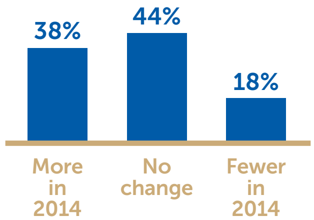
While reflecting on previous vacations helps us understand the mindset of owners, ultimately, there needs to be an emphasis on owners' future vacation plans. As a population, owners have clearly expressed that the future looks even brighter than the recent past.

- For most owners, the future is now, as nearly nine-in-ten (86%) intend their next vacation to be in 2014. Coupled with vacationing in the near-term, most owners plan to take at least as many vacation days as they did in 2013 and spend at comparable or greater levels.
- The most frequently expressed reason why owners will increase their vacation expenditures is a planned increase in the number of vacations taken (59%). Other frequently mentioned reasons include traveling to further destinations (40%), flying instead of driving to the intended destination (29%), using the timeshare instead of banking (23%), taking a "once-in-a-lifetime" vacation (17%) and vacationing during peak season (16%). About one-in-five (21%) indicate they intend to reduce their vacation expenditures in the coming year. Reduced vacation expenditures most typically took one of three forms: reducing the number of vacations taken (45%), vacationing closer to home (34%) and driving instead of flying to the vacation destination (27%).

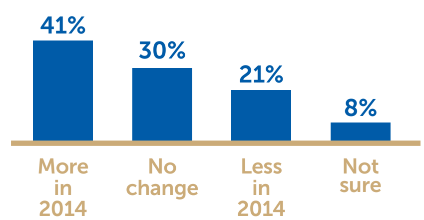
When plan to take next vacation?
(Base=1,722)



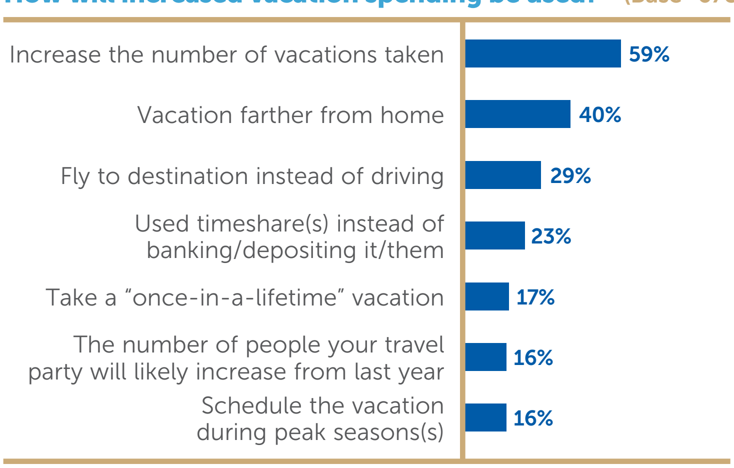
2013 vs. 2014 vacation days
(Base=1,722)



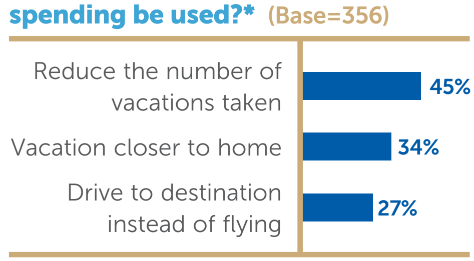
2013 vs. 2014 anticipated vacation spending
(Base=1,722)



How will increased vacation spending be used?* (Base=678)



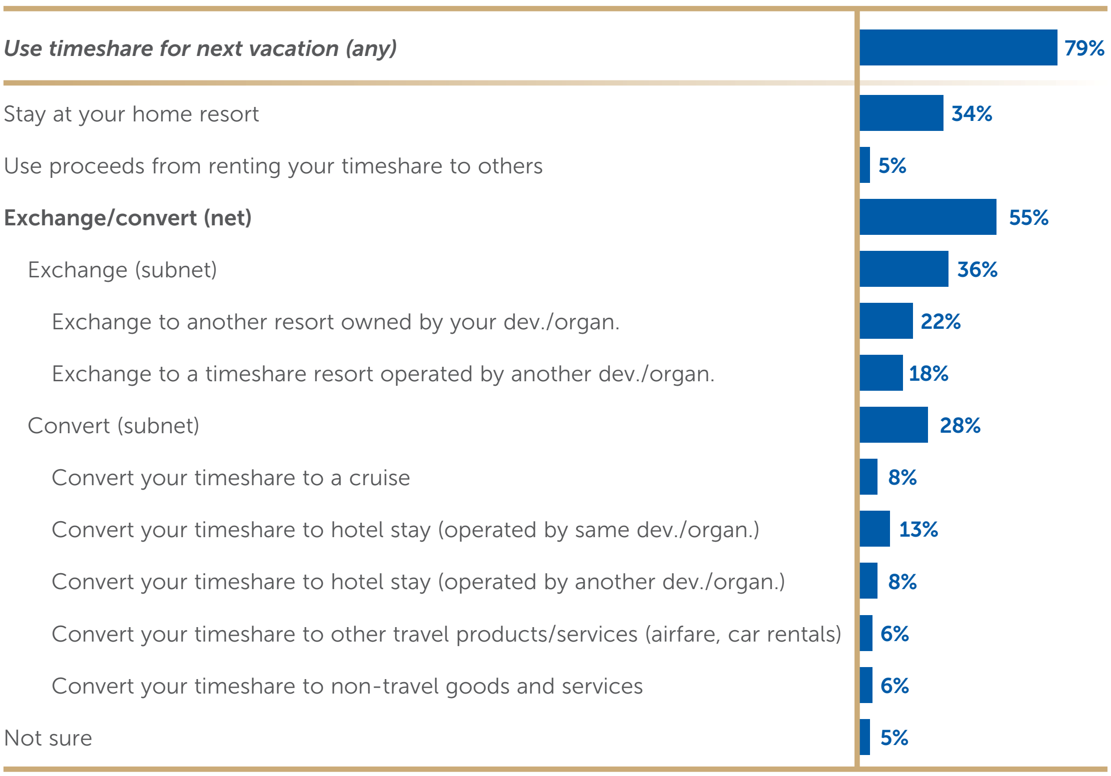
How will decreased vacation spending be used?* (Base=356)



Multiple responses are allowed.

- In all, more than three-in-four (79%) owners plan to vacation at a timeshare resort in 2014. When asked how their timeshare would likely be used for their next vacation, most owners indicate they will likely stay at a resort owned or operated by their developer: 34% anticipate staying at their home resort while 22% indicate a likelihood of conducting an internal exchange. About one-in-five (18%) express a desire to engage in an external exchange. About one-in-four (28%) owners plan to convert their timeshare to another type of vacation, in particular an internal hotel conversion (13%). External conversions and cruises are being considered by 8% of all owners who anticipate using their timeshare for their next vacation.

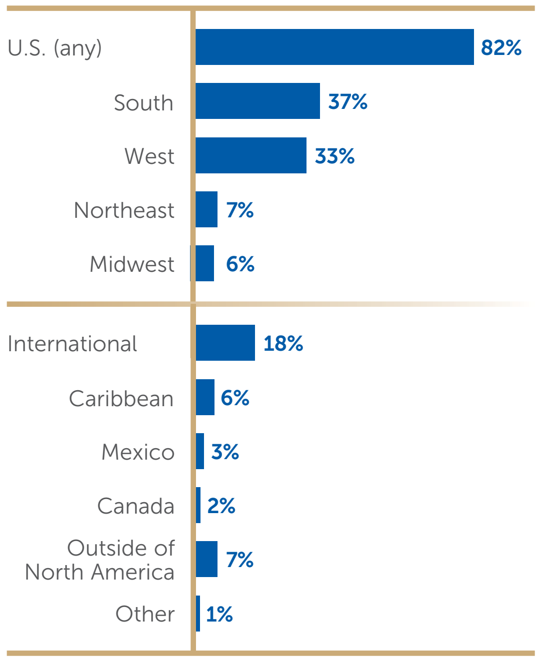
Anticipated timeshare use for next vacation* (Base=1,396)



*Multiple responses are allowed.

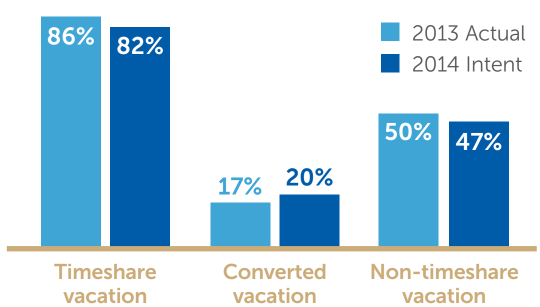
- Overall, given the exceptional experience reported by owners and their improving economics, owners are very high on their future use of vacationing, in general, and timeshare, in particular. The Southern (37%) and Western (33%) United States continue to represent the most likely intended destinations, with about one-in-five indicating a preference to vacation elsewhere in 2014.

Anticipated destinations for next 2014 vacation (Base=1,587)



When comparing recent vs. intended use among those who vacationed in 2013 and/or expressed an intention for their 2014 vacation, there seems to be an increasing shift towards converted vacations. This increase appears to be derived from both a slight reduction in the incidence of traditional timeshare vacations and a reduction in the rate of non-timeshare vacations. While evaluating expectations can provide rich insights on the mindset of owners, bear in mind that vacation intentions can change as owners' needs, expectations and/or plans change.

Comparing 2013 actual vs. anticipated 2014 use among all owners* (Base=1,722)



*Multiple responses are allowed.

Segment discussion

- All segments, including Critics, report a net increase on the number of intended vacations planned in 2014. Segments with greater representation of Millennials, Explorers and Rookies, are most likely to report an increase in vacation expenditures, particularly Explorers, where nearly three-in-five (57%) intend to spend more on vacations. Nearly half of Rookies (45%) express a comparable intention. Enthusiasts are most likely to report holding vacation expenditures constant. While Nostalgics and Critics are more likely to indicate an increase in spending, these segments remain somewhat uncommitted, as the level of the uncertainty of 2014 vacation spending is significantly greater than found in the other segments.
- For all segments, except Critics, timeshare resorts will continue to represent a central part of household's vacation plans. Enthusiasts and Conventionalists will continue to access timeshare resorts at near-universal levels. Compared to 2013 levels shown in the segment profile section, Nostalgics and Critics report a significant increase in the likelihood of vacationing at a timeshare resort. Of particular note in this regard are Critics, who envision a level of financial stability that is expected to generate an increase in timeshare resort access by almost 300% compared to 2013. While timeshare resorts will continue to reach the majority of Explorers, these owners do intend to visit timeshare resorts at levels lower than reported in 2013.
- The lower levels of timeshare resort vacations found within Explorers do not signal a level of disengagement with the lifestyle but rather an increased preference to convert their timeshare vacation. Given the results shown in the Explorers segment profile, an increased level of conversion can also be found among Critics and Conventionalists.
- The migration between actual vs. intended use varies considerably by segment. Explorers, a heavy user of converted vacations, intend to increase this type of vacation. However, this increase is likely driven by reduced use of timeshare resorts (although nearly four-in-five Explorers plan to access a timeshare resort in the coming year). Given the significant composition of Millennials who favor vacation flexibility, including accessing the broadest possible range of vacation options and destinations, this comes as no surprise. Based on the comparison between their recent vacation activity shown in the segment profile and their intended future activities:
  - Rookies plan on maintaining the same types of vacationing in the coming year as they did in 2013.
  - Enthusiasts' current intentions are to maintain their level of timeshare and converted vacations while reducing the incidence of non-timeshare vacations in 2014.
  - Conventionalists express the intention of re-allocating some timeshare vacations in favor of converted and non-timeshare vacations.
  - The only intended change for Nostalgics is an increase in the number of owners intending to vacation at a timeshare resort.
  - Perhaps the greatest change lies within Critics, as there are significant increases in timeshare and converted vacations coinciding with significant reductions in the number of non-timeshare vacations.

The manner in which timeshare will likely be used vary consistently across segments. Compared to the other segments, Enthusiasts and Nostalgics, two of the more established segments, report higher levels of staying at their home resort. Segments that have a disproportionate level of newer owners, stand out from the rest due to their higher levels of reported conversion. Explorers also express a stronger preference to engage in an internal conversion.

	All owners (Base=1,722)	Enthusiasts (Base=323)	Explorers (Base=304)	Rookies (Base=444)	Nostalgics (Base=196)	Conventionalists (Base=253)	Critics (Base=202)
When next vacation will occur							
During 2014	86%	99%	87%	83%	81%	96%	70%
During 2015	6%	1%	11%	10%	3%	1%	4%
After 2015	1%	0%	0%	2%	0%	0%	1%
Don't know	7%	0%	2%	5%	16%	3%	25%
Number of 2014 vacation days compared to 2013							
More vacation days in 2014	38%	24%	54%	42%	32%	23%	40%
Fewer vacation days in 2014	18%	13%	15%	19%	14%	26%	20%
Same number of vacation days	44%	63%	31%	39%	54%	51%	41%
Comparing 2014 and 2013 spending							
Yes, will likely spend more on vacations in 2014	41%	31%	57%	45%	34%	29%	34%
Yes, will likely spend less on vacations in 2014	21%	16%	22%	21%	20%	30%	22%
No, will likely spend the same amount as spent in 2013	30%	45%	20%	27%	33%	35%	27%
Not sure	8%	8%	2%	7%	13%	6%	17%

How will spend more in 2014*

	All owners (Base=678)	Enthusiasts (Base=114)	Explorers (Base=162)	Rookies (Base=192)	Nostalgics (Base=67)	Conventionalists (Base=80)	Critics (Base=63)
Increase the number of vacations taken	59%	63%	55%	58%	73%	52%	66%
Vacation farther from home	40%	44%	35%	37%	52%	43%	43%
Fly to destination instead of driving	29%	39%	27%	27%	33%	33%	20%
Use timeshare(s) instead of banking/depositing it/them	23%	31%	19%	26%	25%	31%	10%
Take a "once-in-a-lifetime" vacation	17%	20%	18%	17%	16%	22%	11%
Schedule the vacation during peak season(s)	16%	13%	20%	22%	7%	7%	3%
The number of people in your travel party will likely increase from last year	16%	26%	10%	14%	14%	16%	28%

How will spend less in 2014*

	All owners (Base=356)	Enthusiasts (Base=56)	Explorers (Base=61)	Rookies (Base=90)	Nostalgics (Base=39)	Conventionalists (Base=62)	Critics (Base=48)
Reduce the number of vacations taken/take more stay-cations (net)	53%	55%	49%	48%	55%	63%	56%
Reduce the number of vacations taken	45%	45%	39%	40%	43%	54%	54%
Vacation closer to home	34%	30%	24%	33%	42%	43%	36%
Drive to destination instead of flying	27%	33%	21%	24%	37%	34%	19%

*Multiple responses are allowed.

	All owners (Base=1,396)	Enthusiasts (Base=318)	Explorers (Base=277)	Rookies (Base=396)	Nostalgics (Base=114)	Conventionalists (Base=228)	Critics (Base=63)
How will use timeshare for next vacation*							
Stay at your home resort	34%	38%	30%	35%	40%	28%	30%
Use proceeds from renting your timeshare to others	5%	1%	9%	9%	2%	2%	0%
Exchange/ convert (net)	55%	38%	71%	56%	49%	59%	46%
Exchange (subnet)	36%	30%	36%	35%	37%	47%	40%
Exchange to another resort owned by your dev./organ.	22%	18%	23%	21%	20%	28%	28%
Exchange to another resort owned by another dev./organ.	18%	14%	18%	18%	22%	24%	20%
Convert (subnet)	28%	10%	49%	32%	19%	16%	9%
Convert your timeshare to a cruise	8%	1%	16%	10%	5%	2%	1%
Convert your timeshare to hotel stay (operated by same dev./organ.)	13%	7%	21%	15%	9%	7%	4%
Convert your timeshare to hotel stay (operated by another dev./organ.)	8%	2%	15%	9%	2%	5%	3%
Convert your timeshare to other travel products/ services (airfare, car rentals)	6%	1%	14%	7%	3%	4%	2%
Convert your timeshare to non-travel goods and services	6%	0%	14%	7%	3%	1%	0%
Not sure	5%	6%	4%	4%	6%	4%	12%

*Multiple responses are allowed.

2014 Intended vacation destination

	All owners (Base=1,587)	Enthusiasts (Base=322)	Explorers (Base=294)	Rookies (Base=414)	Nostalgics (Base=170)	Conventionalists (Base=246)	Critics (Base=141)
Northeast	7%	6%	10%	8%	3%	5%	6%
Midwest	6%	6%	6%	6%	4%	4%	8%
South	37%	36%	34%	35%	41%	47%	36%
West	33%	34%	35%	33%	32%	27%	36%
Canada	2%	1%	2%	1%	2%	3%	2%
Caribbean	6%	7%	4%	7%	9%	5%	4%
Mexico	3%	2%	2%	5%	1%	2%	4%
Outside of North America	6%	6%	6%	5%	7%	7%	3%
Other	1%	1%	0%	1%	1%	0%	2%

SURVEY

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Screener

Are you...? *Select one only.*

☐ Male ☐ Female

Please enter your current age in the space below. This is just for classification purposes only.

Age: ______________________

Please indicate the state in which your primary home is located. ______________________

When it comes to vacation planning for your household, do you consider yourself a primary decision maker? *Select one only.*

☐ Yes ☐ No (thank and terminate) ☐ Not sure (thank and terminate)

Do you, yourself, currently own a timeshare? A timeshare refers to any type of shared ownership vacation real estate where purchasers acquire an allocation of time (often one week) in a condominium or other type of vacation accommodation. A timeshare can also be called vacation ownership, shared ownership, vacation club, fractional ownership, and Private Residence Club. *Select all that apply.*

☐ Yes, I own a timeshare by myself
☐ Yes, I co-own a timeshare with another person *in* my household
☐ Yes, I co-own a timeshare with another person *outside* of my household
☐ I do not own a timeshare but someone else in my household does (thank and terminate)
☐ Neither I nor any other adult in my household own a timeshare (thank and terminate)

Where is your household's timeshare property (or properties) located? *Select one only.*

☐ Within North America (including the U.S., Canada, Mexico or Caribbean) **only**
☐ Outside of North America **only** (thank and terminate)
☐ Both within **and** outside of North America
☐ Don't know/not sure (thank and terminate)

What type or types of timeshare do you currently own within North America? If you're not sure about the type(s) of timeshare you own, you can click on each type of timeshare to review a more detailed definition. *Select all that apply.*

☐ A ☐ B ☐ C ☐ D (thank and terminate)

Below is a list of the different type or types of timeshare(s) you currently own within North America. **For each type of timeshare, please indicate the number of individual contracts/packages you currently own with different timeshare organizations.**
Please enter a whole number.

A ____ B ____ C ____ D

In what year did you make your first timeshare purchase?
Please think only about the timeshare(s) you currently own.

____

In what year did you make your most recent timeshare purchase?

____

Was this purchase an "upgrade"? It would be an "upgrade" if you exchanged an existing timeshare for a larger unit type (i.e. trade a studio for a one bedroom) or for a timeshare in a higher-demand season (i.e., from a low season to a high or swing season) with the same organization (like Home Owners Association) or developer which originally sold you that timeshare. *Select one only.*

☐ Yes – it was an upgrade to a bigger unit
☐ Yes – it was an upgrade to a higher season
☐ Yes – it was an upgrade to both a bigger unit and a higher season
☐ No – it was not an upgrade

Was this upgrade at the same property/club or a different property/club? *Select one only.*

☐ Same property/club ☐ Different property/club

Was the upgrade at the same geographic location or a different geographic location? *Select one only.*

☐ Same geographic location ☐ Different geographic location

Does this purchase represent an "add-on"? It would be considered an add-on if you purchased an additional timeshare from the same organization or developer without returning an existing timeshare.
Select one only.

☐ Yes – it was an add-on for a property/club where I am currently an owner
☐ Yes – it was an add-on for a new property/club located in an area where I am currently an owner
☐ Yes – it was an add-on for a property/club located in a new region
☐ No – it was not an add-on

Is this the first time you have ever purchased a timeshare?

☐ Yes ☐ No

Have you ever sold one or more of your timeshare(s)?

☐ Yes ☐ No

A. A week at a **timeshare resort** or with a timeshare company

B. Vacation **points** at a timeshare resort or with a timeshare company

C. A share at a **fractional resort/ Private Residence Club**, where a share is typically 3 or more weeks a year

D. Don't know/refused

Definitions

What is a timeshare resort?

A timeshare resort is a vacation property where multiple parties can own a week's stay during the year. Some timeshare companies offer 'points' which can equate to a week at a given location. A week at a timeshare resort typically sells for $20,100.

What is a fractional resort?

A fractional resort is a vacation property where multiple parties can own a share of time at the resort in a year. Typically, people can own between three weeks to three months with an average price per share ranging from $55,400 for a one-bedroom to $233,300 for a four bedroom.

What is a private residence club?

A private residence club is a high-end fractional resort. People can own between three weeks- three months with an average price per share ranging from $99,600 for a studio to $557,200 for a four bedroom. Members usually pay maintenance fees for privileged amenities/lodging access.

Why did you sell your timeshare in the past?
Select all that apply.

Change in personal situation
- ☐ Marital status
- ☐ Employment status
- ☐ Family composition
- ☐ Health
- ☐ Not enough time to use it
- ☐ Moved to a different location, making it too difficult/ unnecessary to use my timeshare

Change in finances
- ☐ Couldn't afford monthly loan payment
- ☐ Couldn't afford annual maintenance fees
- ☐ Couldn't afford the transportation costs
- ☐ No longer wanted to make monthly loan payment
- ☐ No longer wanted to pay annual maintenance fees
- ☐ No longer wanted to pay transportation costs

Location
- ☐ Did not like destination
- ☐ Did not like resort property
- ☐ Property not well-maintained
- ☐ Amenities not well-maintained
- ☐ Units needed refurbishment
- ☐ Preferred to upgrade to another type of unit in the same resort
- ☐ Exchanged to upgrade to a better resort
- ☐ Did not get desired exchange

Ownership of other products
- ☐ I owned other timeshare(s) that offer greater flexibility
- ☐ I owned other timeshare(s) that cost less
- ☐ I owned other timeshare(s) at better resorts
- ☐ I owned other timeshare(s) that offers better units
- ☐ I received better customer service from other timeshare(s) I own
- ☐ I owned timeshare(s) that allowed me to vacation during times I preferred
- ☐ Other timeshare(s) better converted to different types of exchanges or vacation offerings
- ☐ Other (Please specify:____________________)
- ☐ Not Sure

Have you ever purchased a timeshare on the resale market, that is, you purchased directly from a previous owner, agent or organization other than the timeshare developer? *Select one only.*

☐ Yes ☐ No ☐ Not sure

I. Past year vacations

The next set of questions is about different vacations you have recently taken. Please read each question carefully and then indicate which option best corresponds to your answer. **For our purposes, we're defining a vacation as a leisure trip you have taken to a destination at least 75 miles from your home that involved at least one overnight stay**.

How many vacations did you take in 2013? Please enter number in the space below. Please do ***not*** include any vacation days you may have taken in 2014.

Number of vacations: ____________________

Which of the following types of vacation did you take in 2013? Again, please do ***not*** include any vacations taken so far in 2014. *Select all that apply.*

- ☐ Vacation at a timeshare resort where you owned, exchanged or rented (or otherwise stayed at a timeshare resort)
- ☐ Convert your timeshare to a different type of vacation or vacation-related purchases, including but not limited to airline tickets, car rentals, hotel stays and or cruises
- ☐ A vacation that did not involve using or converting your timeshares in any way in other words, cash, credit cards or loyalty rewards points were used to pay for all aspects of your vacation

How many days did you spend on vacation in 2013 for each of the following?

___ Vacation at a timeshare resort where you owned, exchanged or rented (or otherwise stayed at a timeshare resort)

___ Convert your timeshare to a different type of vacation or vacation-related purchases, including but not limited to airline tickets, car rentals, hotel stays and or cruises

___ A vacation that did not involve using or converting your timeshares in any way in other words, cash, credit cards or loyalty rewards points were used to pay for all aspects of your vacation

Please think of the **most recent timeshare** vacation that you took in 2013 and complete the profile questions shown below.

When did your vacation start? *Select one only.*

- ☐ January, 2013
- ☐ February, 2013
- ☐ March, 2013
- ☐ April, 2013
- ☐ May, 2013
- ☐ June, 2013
- ☐ July, 2013
- ☐ August, 2013
- ☐ September, 2013
- ☐ October, 2013
- ☐ November, 2013
- ☐ December, 2013

Please indicate the estimated number of miles between home and your final destination in the space below.

______________________ # of miles

Where did you vacation? *Select one only.*

- ☐ United States (specify state:_______)
- ☐ Canada
- ☐ Caribbean
- ☐ Mexico
- ☐ Other (specify:_______)

Including yourself, how many people were in your travel party?

______________________ # of people

How many nights did your party spend in the resort area, in the following types of accommodations? Please include time spent in resort area before, during or after your timeshare stay.

Timeshare resort	______ # of nights
Hotel/motel	______ # of nights
Bed & Breakfast/inn	______ # of nights
Condominium	______ # of nights
Campsite, RV site	______ # of nights
At friend's/relative's home	______ # of nights
Other accommodations (Please specify:________)	______ # of nights

How many units did your party occupy?

______________________ # of units

In which types of activities did you and your travel party participate? *Select all that apply.*

- ☐ Gaming/gambling
- ☐ Golf
- ☐ Organized adult activities at resort
- ☐ Organized children's activities at resort
- ☐ Shopping
- ☐ Sightseeing/tours
- ☐ Skiing/winter sports
- ☐ Swimming/watersports/sunbathing
- ☐ Sporting events
- ☐ Theater
- ☐ Theme parks
- ☐ Other activity (Please specify:_____________)

Considering only the time you spent **in your vacation destination** on your most recent **timeshare** vacation, please estimate the total expenditures of your **entire visitor party** for each of the following items below.

Please enter the expenditures you incurred **onsite** at the timeshare resort. *Enter a zero if nothing was spent in a category.*

Please enter the expenditures you incurred **offsite** at the timeshare resort. *Enter a zero if nothing was spent in a category.*

	Expenditures incurred ***onsite***	Expenditures incurred ***offsite***
Transportation		
Airfares between your home and main destination	n/a	$_______
Other airfares (excluding expenditures entered for the preceding item)	n/a	$_______
Rental car/moped	n/a	$_______
Gasoline and parking	n/a	$_______
Other transportation (taxis, buses, trolleys, etc.)	n/a	$_______
Lodging		
Lodging in the resort area before use of your timeshare	$_______	$_______
Lodging in the resort area after use of your timeshare	$_______	$_______
Lodging in the resort area during use of your timeshare	$_______	$_______
Shopping/dining		
Groceries, sundries, liquor bought in stores	$_______	$_______
Shopping for items other than food, sundries, or liquor (clothes, leather goods, souvenirs, art, jewelry, cosmetics/perfumes, handicrafts, etc.)	$_______	$_______
Restaurant meals, take-out food, dinner shows, drinks in bars	$_______	$_______
Recreation		
Attractions, tours or other entertainment (theme parks, museums, theater, concerts, etc.)	$_______	$_______
Downhill or cross-country skiing	$_______	$_______
Golf	$_______	$_______
Tennis	$_______	$_______
Exercise facilities	$_______	$_______
Health spa/or related	$_______	$_______
Boating/fishing	$_______	$_______
Water sports (snorkeling, scuba diving, windsurfing, etc.)	$_______	$_______
Net gambling winnings or losses		
Enter net gambling *winnings* here	$_______	$_______
Enter net gambling *losses* here	$_______	$_______
Other		
Other expenses and services incurred in the resort area (not including occupancy or maintenance fees charged by the timeshare resort (Please specify:_____)	$_______	$_______

Please think of the **most recent** vacation that you took in 2013 in which you **converted your timeshare for another type of vacation** and complete the profile questions shown below.

Which, if any, of the following did you convert your timeshares to? *Select all that apply.*

- ☐ A cruise
- ☐ Hotel stay (operated by same developer/organization)
- ☐ Hotel stay (operated by another develop/organization)
- ☐ Other travel products and services (like airfare, car rentals) (Please specify:_____________)
- ☐ Non-travel goods and services (Please specify:_____________)

How did you execute the conversion(s) shown below?
Select one response per statement.

Converted timeshare(s) to…	***Online***	***Phone***	***Another way***
A cruise	☐	☐	☐
Hotel stay (operated by same developer/organization)	☐	☐	☐
Hotel stay (operated by another develop/organization)	☐	☐	☐
Other travel products and services (like airfare, car rentals) (Please specify:_____________)	☐	☐	☐
Non-travel goods and services (Please specify:_____________)	☐	☐	☐

When did your vacation start? *Select one only.*

☐ January, 2013	☐ July, 2013
☐ February, 2013	☐ August, 2013
☐ March, 2013	☐ September, 2013
☐ April, 2013	☐ October, 2013
☐ May, 2013	☐ November, 2013
☐ June, 2013	☐ December, 2013

Please indicate the estimated number of miles between home and your final destination in the space below.

_____________________ # of miles

Where did you vacation? *Select one only.*

- ☐ United States (specify state:_______)
- ☐ Canada
- ☐ Caribbean
- ☐ Mexico
- ☐ Other (specify:_______)

Including yourself, how many people were in your travel party?

_____________________ # of people

How many nights did your party spend in the resort area, in the following types of accommodations, if applicable?

Hotel/motel	______ # of nights
Bed & Breakfast/inn	______ # of nights
Condominium	______ # of nights
Campsite, RV site	______ # of nights
At friend's/relative's home	______ # of nights
Other accommodations (Please specify:________)	______ # of nights

How many units did your party occupy?

______________________ # of units

In which types of activities did you and your travel party participate? *Select all that apply.*

- ☐ Gaming/gambling
- ☐ Golf
- ☐ Organized adult activities at resort
- ☐ Organized children's activities at resort
- ☐ Shopping
- ☐ Sightseeing/tours
- ☐ Skiing/winter sports
- ☐ Swimming/watersports/sunbathing
- ☐ Sporting events
- ☐ Theater
- ☐ Theme parks
- ☐ Other activity (Please specify:_____________)

Now, still considering the **vacation you took using your converted timeshares**, please estimate the **total expenditures** of your entire visitor party for each of the following items below.

Transportation	***Total expenditures***
Airfares between your home and main destination	$_______
Other airfares (excluding expenditures entered for the preceding item)	$_______
Rental car/moped	$_______
Gasoline and parking	$_______
Other transportation (taxis, buses, trolleys, etc.)	$_______
Lodging	
Lodging	$_______
Shopping/dining	
Groceries, sundries, liquor bough in stores	$_______
Shopping for items other than food, sundries, or liquor (clothes, leather goods, souvenirs, art, jewelry, cosmetics/ perfumes, handicrafts, etc.)	$_______
Restaurant meals, take-out food, dinner shows, drinks in bars	$_______
Recreation	
Attractions, tours or other entertainment (theme parks, museums, theater, concerts, etc.)	$_______
Downhill or cross-country skiing	$_______
Golf	$_______
Tennis	$_______
Exercise facilities	$_______
Health spa/or related	$_______
Boating/fishing	$_______
Water sports (snorkeling, scuba diving, windsurfing, etc.)	$_______
Net gambling winnings or losses	
Enter net gambling *winnings* here	$_______
Enter net gambling *losses* here	$_______
Other	
Other expenses and services incurred (Please specify:_____)	$_______

Please think of the most recent vacation that you took in 2013 **that did not involve your timeshare(s)** in any way and complete the profile questions shown below.

When did your vacation start? *Select one only.*

- ☐ January, 2013
- ☐ February, 2013
- ☐ March, 2013
- ☐ April, 2013
- ☐ May, 2013
- ☐ June, 2013
- ☐ July, 2013
- ☐ August, 2013
- ☐ September, 2013
- ☐ October, 2013
- ☐ November, 2013
- ☐ December, 2013

Please indicate the estimated number of miles between home and your final destination in the space below.

______________________ # of miles

Where did you vacation? *Select one only.*

- ☐ United States (specify state:_______)
- ☐ Canada
- ☐ Caribbean
- ☐ Mexico
- ☐ Other (specify:_______)

Including yourself, how many people were in your travel party?

______________________ # of people

How many nights did your party spend on vacation, in the following types of accommodations?

Hotel/motel	______ # of nights
Bed & Breakfast/inn	______ # of nights
Cruise	______ # of nights
Condominium	______ # of nights
Campsite, RV site	______ # of nights
At friend's/relative's home	______ # of nights
Other accommodations (Please specify:________)	______ # of nights

How many units did your party occupy?

______________________ # of units

In which types of activities did you and your travel party participate? *Select all that apply.*

- ☐ Gaming/gambling
- ☐ Golf
- ☐ Organized adult activities at resort
- ☐ Organized children's activities at resort
- ☐ Shopping
- ☐ Sightseeing/tours
- ☐ Skiing/winter sports
- ☐ Swimming/watersports/sunbathing
- ☐ Sporting events
- ☐ Theater
- ☐ Theme parks
- ☐ Other activity (Please specify:_____________)

How did the total number of days you spent on vacation in 2013 compare to the total number of days spent on vacation in 2012? *Select one only.*

- ☐ More vacation days in 2013
- ☐ Fewer vacation days in 2013
- ☐ Same number of vacation days

How have your household finances changed how you vacationed in 2013 compared to how you vacationed in 2012? *Select one only.*

- ☐ Spent more in 2013
- ☐ Spent less in 2013
- ☐ Spent same amount

Please indicate how your 2013 vacation plans compared to your 2012 vacation plans?
Select all that apply.

- ☐ Increased the number of vacations taken
- ☐ Reduced the number of vacations taken
- ☐ Scheduled the vacation during peak season(s)
- ☐ Scheduled the vacation to a more off-peak season(s)
- ☐ Vacationed farther from home
- ☐ Vacationed closer to home
- ☐ Obtained a larger unit
- ☐ Used a smaller unit
- ☐ Obtained more units
- ☐ Used fewer units
- ☐ The number of people in your travel party increased from last year
- ☐ The number of people in your travel party decreased from last year
- ☐ Took a "once-in-a-lifetime" vacation
- ☐ Took more stay-cations, fewer vacations
- ☐ Flew to destination instead of driving
- ☐ Drove to destination instead of flying
- ☐ Used timeshare(s) instead of banking/depositing it/them
- ☐ Used timeshare(s) instead of renting it/them
- ☐ Cancelled vacation (PN: EXCLUSIVE PUNCH)
- ☐ Rented timeshare unit
- ☐ Other (Please specify:______________)

II. Timeshare ownership and most recent purchase

For the remainder of the survey you will be asked questions about the timeshare(s) you own. **Please base all of your answers on the timeshare(s) you own within North America – that is, the United States, Canada, Mexico or the Caribbean**.

The next questions concern the points-based timeshare(s) you currently own.

Points-based timeshares often provide owners with a home resort. **Which statement below best describes the type of points-based timeshare(s) you own?** Again, please base your answer on the timeshare products you own within North America. *Select one only.*

- ☐ Points-based with home resort only (even if you have never stayed at your home resort)
- ☐ Points-based without home resort only
- ☐ At least one of your points-based timeshares has a home resort **and** at least one of your points-based timeshares does not
- ☐ Don't know/not sure

Again thinking of the points-based timeshare(s) you own, please indicate the length of stay for which you typically redeem your points. If you own points from more than one resort or development company. *Please select all that apply.*

- ☐ Nightly stay - one night at a time
- ☐ 2-4 consecutive nights
- ☐ 5-7 consecutive nights
- ☐ A traditional one week stay – seven consecutive nights
- ☐ More than one week stay (please specify how many nights)
- ☐ Other services such as hotel, air, etc.

We would like to better understand your experience with your timeshare purchased most recently.

What type of product is this? *Select one only.*

- ☐ Week at a timeshare resort
- ☐ Vacation points at a timeshare resort
- ☐ Share at a fractional resort/Private Residence Club

When you first purchased this timeshare, how many miles was this from your primary residence? For points owners, please base your answer on the home resort, if applicable. *Select one only.*

- ☐ Less than 100 miles
- ☐ 100-199
- ☐ 200-499
- ☐ 500-999
- ☐ 1000-2000
- ☐ Over 2000 miles
- ☐ Not applicable – there is no home resort
- ☐ Don't know

Is this week a fixed week or a floating week?
Select one only.

- ☐ Fixed week(s): you stay at the same time every year
- ☐ Floating time: when you stay can vary but you must use a particular type of unit (e.g. one bedroom, two bedrooms etc.)
- ☐ Not sure

What type(s) of unit does this timeshare allow you to use? *Select all that apply.*

- ☐ Studio
- ☐ 1 bedroom
- ☐ 2 bedrooms
- ☐ 3 or more bedrooms

Where is this timeshare located? *Select one only.*

- ☐ United States (specify state:_______)
- ☐ Canada
- ☐ Caribbean
- ☐ Mexico
- ☐ Other (specify:_______)

Please indicate which of the following best describes your type of ownership for this fractional resort/ Private Residence Club? *Select one only.*

- ☐ 1/17 share
- ☐ 1/13 share
- ☐ 1/12 share
- ☐ 1/10 share
- ☐ 1/9 share
- ☐ 1/8 share
- ☐ 1/7 share
- ☐ 1/6 share
- ☐ 1/5 share
- ☐ 1/4 share
- ☐ Other
- ☐ Not sure

Is this fractional resort/Private Residence Club located in a specific location or is it with a vacation club/other organization that does not provide you with a specific location? *Select one only.*

- ☐ Located in a specific location
- ☐ Purchased into a club or program that offers multiple resort locations

Which of the following best describes the type of use provided by this fractional resort/Private Residence Club? *Select one only.*

- ☐ Set calendar
- ☐ Rotating calendar or season
- ☐ Rotating priority calendar
- ☐ Hybrid
- ☐ Other (Please specify:___________)

Had you owned a vacation home/condominium prior to purchasing this fractional resort/ Private Residence Club? *Select one only.*

- ☐ Yes
- ☐ No

What timeshare products, if any, did you own prior to purchasing this fractional resort/ Private Residence Club? *Select all that apply.*

- ☐ Traditional week(s)
- ☐ Biennial (every other year use)
- ☐ Triennial (every third year use)
- ☐ Points
- ☐ None of the above

What other vacation ownership options, if any, did you consider prior to purchasing this fractional resort/ Private Residence Club? *Select all that apply.*

- ☐ A fully-owned vacation home
- ☐ A fully-owned vacation condominium
- ☐ A timeshare week or points
- ☐ A destination club
- ☐ A vacation club
- ☐ Another type of vacation ownership program
- ☐ Did not consider any other type of purchase

What are the most attractive characteristics of the area where this timeshare is located? If you purchased points, please indicate the characteristics that most attracted you. *Select all that apply.*

Geographic Location

- ☐ Beachfront/coastal
- ☐ City/urban areas
- ☐ Desert
- ☐ Lake
- ☐ Mountains
- ☐ Rural
- ☐ Tropical island
- ☐ Other geographic location (Please specify: _______)

Activities

- ☐ Gaming/gambling
- ☐ Golf
- ☐ Organized adult activities at resort
- ☐ Organized children's activities at resort
- ☐ Shopping
- ☐ Sightseeing/tours
- ☐ Skiing/winter sports
- ☐ Swimming/watersports/sunbathing
- ☐ Sporting events
- ☐ Theater
- ☐ Theme parks
- ☐ Other activity (Please specify: _______)
- ☐ None of the above

In 2013, how did you use this timeshare?
Select all that apply.

- ☐ Used personally by your household
- ☐ Rented to others
- ☐ Banked/deposited for future use
- ☐ Exchanged to another resort operated by your developer/ organization
- ☐ Exchanged to a timeshare resort operated by another developer/organization
- ☐ Converted timeshare to a cruise
- ☐ Converted timeshare to hotel stay (operated by same developer/organization)
- ☐ Converted timeshare to hotel stay (operated by another developer/organization)
- ☐ Converted timeshare to other travel products and services (like airfare, car rentals)
- ☐ Converted timeshare to non-travel goods and services
- ☐ Gave away to others
- ☐ Had rights to use timeshare but did not use in any way
- ☐ Did not have right to use timeshare
- ☐ Could not use because delinquent on maintenance fees or payments
- ☐ Other (Please specify: _______)

III. New purchase

In this section we would like to ask you about your **most recent timeshare purchase experience**.

Did you buy this timeshare as a new sale (i.e. from a developer or resort) **or was it bought on the resale marke**t (i.e. from other sources)**?** *Select one only.*

- ☐ New sale
- ☐ Resale

From whom did you make this purchase?
Select one only.

- ☐ Developer with whom you've had a previous relationship
- ☐ A new developer
- ☐ Not sure

Where did you acquire this timeshare?
Select one only.

Through a real estate broker
- ☐ A real estate broker that is under contract with your resort or development company
- ☐ A real estate broker that specializes in timeshare but is not affiliated to your resort or development company
- ☐ A real estate broker who does not specialize in timeshare

Through a listing company
- ☐ An online timeshare resale listing company
- ☐ An offline timeshare resale listing company

Through another source
- ☐ From a property owners association or management company
- ☐ From a previous owner directly, as a used timeshare
- ☐ Directly from a friend or relative
- ☐ Via an internet website (not an online listing service or company) (like Craig's List)
- ☐ An online auction website (like eBay, for example)
- ☐ A classified ad in a periodical, such as a newspaper, magazine, or website
- ☐ Other (Please specify:______)

Where did you search or shop for your timeshare purchase? *Select one only.*

Through a real estate broker
- ☐ A real estate broker that is under contract with your resort or development company
- ☐ A real estate broker that specializes in timeshare but is not affiliated to your resort or development company
- ☐ A real estate broker who does not specialize in timeshare

Through a listing company
- ☐ An online timeshare resale listing company
- ☐ An offline timeshare resale listing company

Through another source
- ☐ From a property owners association or management company
- ☐ From a previous owner directly, as a used timeshare
- ☐ Directly from a friend or relative for little to no money
- ☐ Via an internet website (not an online listing service or company) (like Craig's List)
- ☐ An online auction website (like eBay, for example)
- ☐ A classified ad in a periodical, such as a newspaper, magazine, or website
- ☐ ***Directly from a timeshare developer***
- ☐ Other (Please specify:______)

Where did you first learn about this timeshare?
Select one only..

- ☐ Mail sent to your home or business
- ☐ Advertisement in magazine or newspaper
- ☐ Telephone call to your home or business
- ☐ Word of mouth from friend, relative, or co-worker
- ☐ Booth or advertisement seen at a shopping center, sporting event, home show, fair, or other event
- ☐ Noticed resort while in area
- ☐ Timeshare website listing timeshares for sale
- ☐ Developer or timeshare company website listing timeshares for sale
- ☐ An online auction website
- ☐ Real estate broker website listing timeshares for sale
- ☐ Timeshare resale broker
- ☐ Contacted by someone on street or in booth in the resort area
- ☐ While staying at the resort
- ☐ Visitors Center or Information Center in the resort area
- ☐ Other (Please specify:______)

How did you pay for this purchase?
Select one only..

- ☐ A single payment covering the entire purchase
- ☐ Down payment with financed (e.g. monthly) payments
- ☐ Financed (e.g., monthly) payments only
- ☐ Other (Please specify:________)
- ☐ Not sure

How did/do you make the payment(s) shown below?
Select all that apply in each column.

	Single payment	Down payment	Financed payments
Cash from savings/investment account (including authorized drafts)	☐	☐	☐
Cash from equity of home	☐	☐	☐
Cash, received as a gift	☐	☐	☐
Credit or charge card	☐	☐	☐
Credit from selling back one or more timeshare property	☐	☐	☐
Used another type of payment	☐	☐	☐

What was the final purchase price? This should be the total contract price. Please enter a whole number. If the purchase was made outside the U.S., please convert it to U.S. Dollars. If you do not know the exact amount, your best estimate is fine.

$___________ Final purchase price

How many sales presentations did you attend, regardless of location, before you purchased this timeshare? Please enter a number for each. If none, enter "0". Please enter a whole number.

___ Number of presentations given by the resort/company where you now own.

___ Number of presentations given by other resorts or timeshare companies

Before you purchased this timeshare, which of the following had you also done? *Select all that apply..*

- ☐ I stayed at the same resort where I bought my timeshare as a guest of another owner.
- ☐ I rented at the same resort where I bought my timeshare
- ☐ I rented at a timeshare resort other than where I purchased
- ☐ I stayed at other timeshare resort(s) as a guest of another owner.
- ☐ I exchanged to the same resort where I bought my timeshare.
- ☐ I exchanged to other timeshare resorts.
- ☐ None

How would you rate the experience of purchasing this timeshare? *Select one only.*

- ☐ Excellent
- ☐ Very good
- ☐ Good
- ☐ Fair
- ☐ Poor

Next, we'd like to ask you about important characteristics of **buying a timeshare**.

Based on your most recent purchase experience, please rate each characteristic using the scale below. For those characteristics that do not apply, select 'not applicable'. *Select one for response for each statement.*

1—Excellent
2—Very good
3—Good
4—Fair
5—Poor
6—Not applicable

___ Finding available information on how to buy a timeshare
___ The quantity of information from other owners on how to buy a timeshare
___ The quality of information from other owners on how to buy a timeshare
___ The length of time it took to buy a timeshare
___ The price I paid for my timeshare
___ The fees I paid to buy a timeshare
___ Assistance from my resort

Which of the following, if anything, caused hesitation about purchasing this timeshare? *Select all that apply.*

- ☐ Concerned about flexibility in terms of vacation timing/location
- ☐ Not sure if I would make enough use of it
- ☐ Wondered if "too good to be true," if promised services would be delivered
- ☐ Exchange option with other resorts was unclear or seemed uncertain
- ☐ Price (concerned whether could afford, other financial priorities, etc.)
- ☐ Concerned about annual maintenance fee
- ☐ Concerned about value compared to other vacation options
- ☐ Possible future maintenance fee increases
- ☐ Down payment
- ☐ Monthly payment
- ☐ Interest rate
- ☐ Expense convenience of travel to resort(s)
- ☐ Geographic location(s) of the resort(s)
- ☐ Have heard, read, or experienced something negative about resort timeshares
- ☐ Attended presentation only for gift or premium, never intended to buy
- ☐ Usually do not make "same day" purchase decisions for such expensive purchases
- ☐ Method of invitation to attend sales presentation
- ☐ Pressure during sales presentation
- ☐ Personality or appearance of salesperson
- ☐ Nothing caused hesitation in my decision to purchase
- ☐ Other (Please specify:______)

In exchange for attending the presentation at which you purchased your timeshare, were you provided free or reduced-price accommodations at or nearby the resort or sales center? *Select one only.*

- ☐ Yes
- ☐ No
- ☐ Not applicable (did not attend a presentation)

IV. Exchange experience

In this section we would like to ask you about your **most recent timeshare exchange experience**.

In 2013, which, if any, of the following did you do? Please think of all of the timeshare products you currently own. *Select all that apply.*

- ☐ Used personally by your household
- ☐ Rented timeshare(s) to others
- ☐ Banked/deposited timeshare(s) for future use
- ☐ Exchanged to another timeshare resort operated by your developer/organization
- ☐ Exchanged to a timeshare resort operated by another developer/organization
- ☐ Converted timeshare(s) to a cruise
- ☐ Converted timeshare(s) to hotel stay (operated by same developer/organization)
- ☐ Converted timeshare(s) to hotel stay (operated by another developer/organization)
- ☐ Converted timeshare(s) to other travel products and services (like airfare, car rentals)
- ☐ Converted timeshare(s) to non-travel goods and services
- ☐ Gave away to others
- ☐ Other (Please specify:______)
- ☐ Did not use my timeshare(s)

Which, if any, of the following have you ever done? Again, please think of all of the timeshare products you currently own. *Select all that apply.*

- ☐ Used personally by your household
- ☐ Rented timeshare(s) to others
- ☐ Banked/deposited timeshare(s) for future use
- ☐ Exchanged to another timeshare resort operated by your developer/organization
- ☐ Exchanged to a timeshare resort operated by another developer/organization
- ☐ Converted timeshare(s) to a cruise
- ☐ Converted timeshare(s) to hotel stay (operated by same developer/organization)
- ☐ Converted timeshare(s) to hotel stay (operated by another developer/organization)
- ☐ Converted timeshare(s) to other travel products and services (like airfare, car rentals)
- ☐ Converted timeshare(s) to non-travel goods and services
- ☐ Gave away to others
- ☐ Other (Please specify:______)
- ☐ Did not use my timeshare(s)

Do you have access to an internal exchange service offered by your resort developer? *Select one only.*

- ☐ Yes
- ☐ No

To the best of your knowledge, which, if any, of the following can you convert your timeshare(s) into the products or services shown below? *Select all that apply.*

- ☐ Exchange timeshare(s) to another resort operated by your developer/organization
- ☐ Exchange timeshare(s) to a timeshare resort operated by another developer/organization
- ☐ Convert timeshare(s) to a cruise
- ☐ Convert timeshare(s) to hotel stay (operated by same developer/organization)
- ☐ Convert timeshare(s) to hotel stay (operated by another developer/organization)
- ☐ Convert timeshare(s) to other travel products and services (like airfare, car rentals)
- ☐ Convert timeshare(s) to non-travel goods and services
- ☐ None of these

Assuming you could convert your timeshare to the products or services shown below, **how interested would you be in learning more about that option?**
Select one response per statement.

1—Extremely interested
2—Very interested
3—Somewhat interested
4—Not too interested
5—Not at all interested
6—Not sure

___ Exchange timeshare(s) to another resort operated by your developer/organization
___ Exchange timeshare(s) to a timeshare resort operated by another developer/organization
___ Convert timeshare(s) to a cruise
___ Convert timeshare(s) to hotel stay (operated by same developer/organization)
___ Convert timeshare(s) to hotel stay (operated by another developer/organization)
___ Convert timeshare(s) to other travel products and services (like airfare, car rentals)
___ Convert timeshare(s) to non-travel goods and services
___ None of these

Please indicate where you have ever exchanged.
Select all that apply.

- ☐ Within the U.S.
- ☐ Canada, Mexico or the Caribbean
- ☐ Outside of North America

V. Future timeshare vacations

Our next few questions are about **future vacations you plan to take**.

How do you expect your total number of days you may spend in 2014 compare to your total number of days you spent on vacation in 2013? *Select one only.*

- ☐ More vacation days in 2014
- ☐ Fewer vacation days in 2014
- ☐ Same number of vacation days

Do you expect your household finances to change how you vacation in 2014 compared to how you vacationed in 2013? *Select one only.*

- ☐ Yes, will likely spend more on vacations in 2014
- ☐ Yes, will likely spend less on vacations in 2014
- ☐ No, will likely spend the same amount as spent in 2013
- ☐ Not sure

Please indicate how your 2014 vacation plans will likely differ from your 2013 vacation plans?
Select all that apply.

- ☐ Increase the number of vacations taken
- ☐ Reduce the number of vacations taken
- ☐ Schedule the vacation during peak season(s)
- ☐ Schedule the vacation to a more off-peak season(s)
- ☐ Vacation farther from home
- ☐ Vacation closer to home
- ☐ Obtain a larger unit
- ☐ Use a smaller unit
- ☐ Obtain more units
- ☐ Use fewer units
- ☐ The number of people in your travel party will likely increase from last year
- ☐ The number of people in your travel party will likely decrease from last year
- ☐ Take a "once-in-a-lifetime" vacation
- ☐ Take more stay-cations, fewer vacations
- ☐ Fly to destination instead of driving
- ☐ Drive to destination instead of flying
- ☐ Use timeshare(s) instead of banking/depositing it/them
- ☐ Used timeshare(s) instead of renting it/them
- ☐ Cancel vacation
- ☐ Rent timeshare unit
- ☐ Other (Please specify:_____)

When do you plan to take your next vacation?
Select one only.

- ☐ During 2014
- ☐ During 2015
- ☐ After 2015
- ☐ Don't know

How many vacations do you plan to take?
Please enter number in the space below..

_____________________ Number of vacations

☐ Don't know

Which of the following types of vacation do you plan to take? *Select all that apply.*

☐ Vacation at a timeshare resort where you own, exchange, rent, or otherwise stay at a timeshare resort
☐ Convert your timeshare to a different type of vacation or vacation-related products including but not limited to airline tickets, car rentals, hotel stays and/or cruises
☐ A vacation that will not involve using or converting your timeshares in any way; in other words, cash, credit cards or loyalty rewards points will be used to pay for all aspects of your vacation
☐ Don't know

Please think of the **next** vacation that you plan to take and complete the profile questions shown below.

Where will you likely vacation? *Select one only.*

☐ United States
☐ Canada
☐ Caribbean
☐ Mexico
☐ Outside of North America
☐ Other (Please specify:______)

How, if at all, do you anticipate using your timeshare for your next vacation? *Select as many as apply.*

☐ Stay at your home resort
☐ Use proceeds from renting your timeshare to others
☐ Exchange to another resort owned by your developer/organization
☐ Exchange to a timeshare resort operated by another developer/organization
☐ Convert your timeshare to a cruise
☐ Convert your timeshare to hotel stay (operated by same developer/organization)
☐ Convert your timeshare to hotel stay (operated by another developer/organization)
☐ Convert your timeshare to other travel products and services (like airfare, car rentals)
☐ Convert your timeshare to non-travel goods and services
☐ Other (Please specify:______)
☐ Not sure

Which of the following do you plan to do within the next two years? *Select all that apply.*

☐ Upgrade to a different unit type or a higher season at the same resort or with the same company as one of your current timeshares
☐ Buy more time at the same resort or with the same company
☐ Buy more time with a different company or at a different resort
☐ Buy more points at the same resort or with the same company
☐ Buy more points with a different company or at a different resort
☐ Convert timeshare week to a points program
☐ Buy a share at a fractional resort
☐ Buy a share at a Private Residence Club
☐ Sell one or more of my timeshares
☐ None of the above

Please select all of the following reasons why you plan to sell your timeshare within the next two years.
Select all that apply.

Change in personal situation
- ☐ Marital status
- ☐ Employment status
- ☐ Family composition
- ☐ Health
- ☐ Not enough time to use it
- ☐ Moved to a different location, making it too difficult/ unnecessary to use my timeshare

Change in finances
- ☐ Can't afford monthly loan payment
- ☐ Can't afford annual maintenance fees
- ☐ Can't afford the transportation costs
- ☐ No longer want to make monthly loan payment
- ☐ No longer want to pay annual maintenance fees
- ☐ No longer want to pay transportation costs

Location
- ☐ Do not like destination
- ☐ Do not like resort property
- ☐ Property not well-maintained
- ☐ Amenities not well-maintained
- ☐ Units need refurbishment
- ☐ Prefer to upgrade to another type of unit in the same resort
- ☐ Can trade it in to upgrade to a better resort
- ☐ Cannot get desired exchange

Ownership of other products
- ☐ I own other timeshare(s) offer greater flexibility
- ☐ I own other timeshare(s)that cost less
- ☐ I own other timeshare(s) at better resorts
- ☐ I own other timeshare(s) that offers better units
- ☐ I received better customer service from other timeshare(s) I own
- ☐ I own timeshare(s) that allow me to vacation during times I prefer
- ☐ Other timeshare(s) better convert to different types of exchanges or vacation offerings
- ☐ Other (Please specify:______)
- ☐ Not sure

If you were to buy another timeshare, where would you most likely buy? *Select one only.*
- ☐ United States
- ☐ Canada
- ☐ Caribbean
- ☐ Mexico
- ☐ Outside of North America

If you were to buy another fractional/PRC, where would you most likely buy? *Select one only.*
- ☐ United States
- ☐ Canada
- ☐ Caribbean
- ☐ Mexico
- ☐ Outside of North America

How would you most likely purchase it?
Select all that apply.

Through a real estate broker
- ☐ A real estate broker that is under contract with your resort or development company
- ☐ A real estate broker that specializes in timeshare but is not affiliated to your resort or development company.
- ☐ A real estate broker who does not specialize in timeshare.

Through a listing company
- ☐ An online timeshare resales listing company
- ☐ An offline timeshare resales listing company

Through another source
- ☐ From a new developer, as a new timeshare
- ☐ From a developer I have previously purchased other timeshare(s)
- ☐ From a property owners association or management company
- ☐ From a previous owner directly, as a used timeshare
- ☐ Directly from a friend or relative for little to no money
- ☐ Via an internet website (not an online listing service or company) (Like Craig's List)
- ☐ An online auction website (like eBay, for example)
- ☐ A classified ad in a periodical, such as a newspaper, magazine, or website.
- ☐ Other (Please specify:______)

VI. Timeshare ownership attitudes

The next few questions are about your **attitudes towards timeshare** ownership.

Why did you initially purchase a timeshare?
Select all that apply.

- ☐ Exchange opportunity with other resorts operated by the same company
- ☐ Exchange opportunity with other resorts through membership in an external exchange company
- ☐ Overall flexibility: ability to use different locations, unit types, times of year, as applicable
- ☐ Affordable financial terms
- ☐ Save money on future vacation costs
- ☐ Opportunity to own vacation home at affordable price
- ☐ Certainty of quality accommodations
- ☐ Certainty of more spacious accommodations allowing you to travel with larger parties
- ☐ Location of the resort
- ☐ Like resort amenities at my home resort
- ☐ Like my timeshare unit's decor
- ☐ Method, politeness of invitation to attend sales presentation
- ☐ Treatment during sales presentation and/or quality of presentation
- ☐ Credibility of timeshare company
- ☐ A same-day purchase incentive offered by the timeshare company
- ☐ Ability to travel with larger parties
- ☐ Discipline of taking vacations every year
- ☐ Makes a vacation a certainty rather than a possibility
- ☐ Want to be able to pass it on to your children, grandchildren, or other family members
- ☐ Ability to convert timeshare purchase into different types of lodging or other vacation options
- ☐ Other (Please specify:_______)

What was the most important reason to buy a timeshare? *Select one response only.*

- ☐ Exchange opportunity with other resorts operated by the same company
- ☐ Exchange opportunity with other resorts through membership in an external exchange company
- ☐ Overall flexibility: ability to use different locations, unit types, times of year, as applicable
- ☐ Affordable financial terms
- ☐ Save money on future vacation costs
- ☐ Opportunity to own vacation home at affordable price
- ☐ Certainty of quality accommodations
- ☐ Certainty of more spacious accommodations allowing you to travel with larger parties
- ☐ Location of the resort
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- ☐ Discipline of taking vacations every year
- ☐ Makes a vacation a certainty rather than a possibility
- ☐ Want to be able to pass it on to your children, grandchildren, or other family members
- ☐ Ability to convert timeshare purchase into different types of lodging or other vacation options
- ☐ Other (Please specify:_______)

Why do you continue to own a timeshare?
Select all that apply.

- ☐ Exchange opportunity with other resorts operated by the same company
- ☐ Exchange opportunity with other resorts through membership in an external exchange company
- ☐ Overall flexibility: ability to use different locations, unit types, times of year, as applicable
- ☐ Affordable financial terms
- ☐ Save money on future vacation costs
- ☐ Opportunity to own vacation home at affordable price
- ☐ Certainty of quality accommodations
- ☐ Certainty of more spacious accommodations allowing you to travel with larger parties
- ☐ Location of the resort
- ☐ Like resort amenities at my home resort
- ☐ Like my timeshare unit's decor
- ☐ Credibility of timeshare company
- ☐ Ability to travel with larger parties
- ☐ Discipline of taking vacations every year
- ☐ Makes a vacation a certainty rather than a possibility
- ☐ Want to be able to pass it on to your children, grandchildren, or other family members
- ☐ Ability to convert timeshare purchase into different types of lodging or other vacation options
- ☐ Other (Please specify:_______)

What is the most important reason you continue to own a timeshare? *Select one response only.*

- ☐ Exchange opportunity with other resorts operated by the same company
- ☐ Exchange opportunity with other resorts through membership in an external exchange company
- ☐ Overall flexibility: ability to use different locations, unit types, times of year, as applicable
- ☐ Affordable financial terms
- ☐ Save money on future vacation costs
- ☐ Opportunity to own vacation home at affordable price
- ☐ Certainty of quality accommodations
- ☐ Certainty of more spacious accommodations allowing you to travel with larger parties
- ☐ Location of the resort
- ☐ Like resort amenities at my home resort
- ☐ Like my timeshare unit's decor
- ☐ Credibility of timeshare company
- ☐ Ability to travel with larger parties
- ☐ Discipline of taking vacations every year
- ☐ Makes a vacation a certainty rather than a possibility
- ☐ Want to be able to pass it on to your children, grandchildren, or other family members
- ☐ Ability to convert timeshare purchase into different types of lodging or other vacation options
- ☐ Other (Please specify:_______)

Please indicate your level of agreement with the statements shown below. *Select one response per statement.*

1—Completely agree
2—Somewhat agree
3—Neither agree nor disagree
4—Somewhat agree
5—Completely disagree
6—Not sure

___ Owning a timeshare allows me to vacation in a place or places that I could not afford to otherwise
___ Owning a timeshare makes me look forward to vacations
___ My timeshare provides a great place to spend time with people important in my life
___ Timeshare vacations provide learning experiences
___ My timeshare has increased my general happiness
___ Owning a timeshare makes vacation budgeting easier
___ Owning a timeshare has increased the amount of time I/we spend on vacations
___ My timeshare offers a vacation home away from home
___ Owning a timeshare allows me to vacation in a place or places that I have never visited before
___ If I did not own a timeshare, I would not go on vacation annually
___ Owning a timeshare makes me vacation more regularly
___ Owning a timeshare makes vacation planning easier
___ Owning a timeshare gives me better value for my vacation dollar
___ Owning a timeshare gives me more space for friends and family
___ Owning a timeshare allows us to include family/friends who may not be able to afford to vacation
___ Owning a timeshare is an added expense that I cannot afford right now
___ Timeshares provide some benefit, but are just as expensive, if not more expensive than other vacations
___ Timeshares confine me to specified times each year that are not always convenient for travel
___ Timeshare maintenance fees are too high
___ Long-term timeshare contracts make it difficult to get out of a timeshare I may not like
___ Timeshares are a huge financial commitment upfront that is no more enjoyable than a regular vacation

Thinking about your experience owning a timeshare, in general, please rate each of the following. *Select one response per statement..*

1—Poor
2—Fair
3—Good
4—Very good
5—Excellent
6—Don't know

___ Overall ownership experience
___ My home resort overall
___ The service provided at my home resort or vacation ownership club
___ The amenities provided at my home resort or vacation ownership club
___ The activities provided at my home resort or vacation ownership club
___ The external timeshare exchange process, if applicable
___ The internal timeshare exchange process, if applicable
___ The location of my home resort

Thinking about your experience with timeshare, how likely are you to recommend each of the following to a friend, relative, or colleague?
Select one response per statement.

1—Definitely would not recommend
2—Probably would not recommend
3—Might or might not recommend
4—Probably would recommend
5—Definitely would recommend

___ Timeshare ownership in general
___ My home resort or vacation ownership club

In hindsight, would you purchase a timeshare again, if you knew at the time of purchase what you know now?

☐ Yes ☐ No

VII. Demographics

We're almost done. The next few questions are for **statistical purposes only**.

Do you own or rent your place of primary residence? *Select one only.*

- ☐ Own
- ☐ Rent

What is your current marital status? *Select one only.*

- ☐ Married
- ☐ Domestic partnership
- ☐ Single, never married
- ☐ Separated
- ☐ Widowed
- ☐ Divorced
- ☐ Prefer not to answer

Are you currently employed? *Select one only.*

- ☐ Yes – full time
- ☐ Yes – part time
- ☐ Yes – self employed
- ☐ No – not currently employed

Are you retired? *Select one only.*

- ☐ Yes
- ☐ No
- ☐ Don't know/refused

What is the last grade in school you completed? *Select one only.*

- ☐ Grade school
- ☐ Some high school
- ☐ High school graduate
- ☐ Some college
- ☐ College graduate
- ☐ Graduate school
- ☐ Technical school

Which of the following describes your ethnic or racial background or heritage? *Select all that apply.*

- ☐ White, Caucasian, European, European-American
- ☐ Black, African-American, Caribbean, African, Caribbean-American
- ☐ Hispanic, Latino, Latin American
- ☐ Asian-American, Asian, Pacific Islander
- ☐ Arab, Middle Eastern
- ☐ American Indian, Native American
- ☐ Other (Please specify:_______)

Do you have any children under the age of 18 living with you? *Select one only.*

- ☐ Yes
- ☐ No

Please indicate the number of children currently living with you that fall into the following age groups. *Please enter a whole number below.*

___ Under 6 years old
___ 6–11 years old
___ 12–17 years old

Please indicate the number of adults currently living with you that fall into each of the following groups. *Please enter a whole number below.*

___ Adult head of household
___ Parents of an adult head of household
___ Children of an adult head of household
___ All other adults in the household

Which of the following categories best represents your total family income? *Select one only.*

- ☐ Less than $25,000
- ☐ $25,000 – $34,999
- ☐ $35,000 – $49,999
- ☐ $50,000 – $74,999
- ☐ $75,000 – $99,999
- ☐ $100,000 – $149,999
- ☐ $150,000 – $199,999
- ☐ $200,000 – $249,999
- ☐ $250,000 or more

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