2012
EXECUTIVE SUMMARY

Shared Vacation Ownership
OWNERS REPORT

Prepared by: TRiG The Research Intelligence Group

2012 EDITION

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Incidence

Seven percent of US households own one or more types of a shared vacation ownership product – timeshare weeks, points, fractional and/or Private Residence Club.

Both traditional, fractional and PRC owners say that attractions/entertainment, beaches, and shopping are the most attractive resort characteristics.

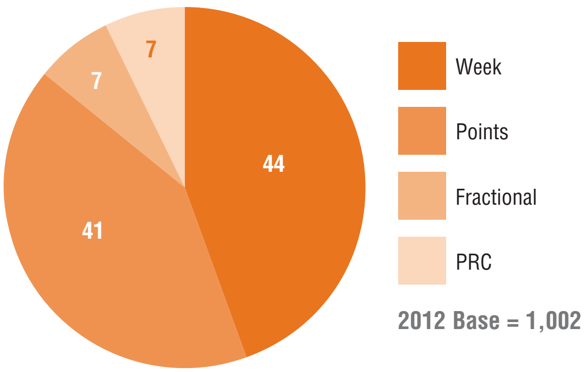
Owner Profile

- Seventy-four percent of owners are married or in a committed relationship.
- Sixty-four percent do not have children under the age of 18 residing at home.
- The median household size is 3 persons.
- Eighty-nine percent own their primary residence.
- The majority of owners reside in a suburban setting (53 percent). An additional 25 percent reside in an urban area. Only 23 percent of owners reside in a rural environment.
- Timeshare owners are more highly educated than the general U.S. population with well over half of timeshare owners having at least a college degree (58 percent).
- The median household income for all owners is $74,000.
- Sixty-seven percent of owners are employed full-/part-time with 21 percent of owners reporting they are retired.

Product Ownership

- Average length of ownership is 8 years.
- Forty-five percent of all owners own multiple interests.
- Seventy-nine percent of all interests owned are either weeks or points products.
- Both traditional, fractional and PRC owners say that attractions/entertainment, beaches, and shopping are the most attractive resort characteristics.
- Two-bedroom unit is the most popular among owners.

Single Contract Owners (%)



2012 Base = 1,002

Segmentation

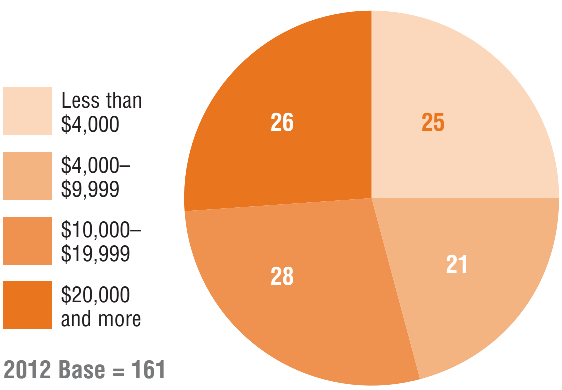
In an effort to better understand the owner experience, shared vacation ownership owners have been classified or segmented based on the attitudes they hold toward their ownership. The six unique owner segments are:

	Owner Segment	Description
Active Segments	Fans	Embrace the wide range of opportunities and benefits offered through timeshare ownership
	Vacationists	Value their timeshare ownership because it promotes regular vacationing
	Togetherers	Prefer to vacation in larger parties, most notably with friends and other family members
	Experiencers	Seek the benefits and opportunities offered through timeshare ownership, especially the ability to exchange
Inactive Segments	Strugglers	Advocates of timeshare ownership but are vulnerable to attrition due to external circumstances
	Attritors	Those who seek to leave the timeshare industry

Attitudes and Opinions about Ownership

- Eighty-three percent of all owners rate their ownership experience as excellent/very good/good.
- Sixty-six percent of all owners would recommend their own resort or vacation club to others.

Timeshare Price (%)



2012 Base = 161

Purchase Experience

- Roughly 2-in-3 new purchases were from a developer or resort (68 percent).
- Consistent with previous research, the resale market is growing as an entry channel, representing roughly one in three sales.
- Seventy-nine percent of purchasers attended at least one sales presentation before buying.
- Two-in-five purchasers experienced the product through rental before making a purchase (40 percent).
- Resort location and saving money on future vacations are the two most suggested reasons for making the initial timeshare purchase.
- Hesitations about purchasing are mainly caused by financial concerns (regarding overall price, future maintenance fees increases, down payment, and monthly payment) and the concern associated with "same day" purchase and lack of use.
- A majority of purchasers rated their purchase experience as excellent or very good (68 percent).

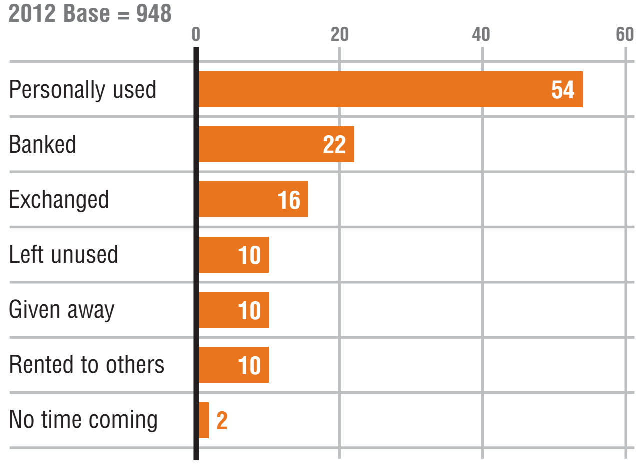
Eighty-seven percent of timeshare vacations were taken at resorts located within the United States with Orlando being the most popular vacation location (20 percent).

Timeshare Vacation Habits

- Owners spent an average of 14 days on leisure travel in 2011.
- An average of 7 days was spent at their shared ownership property.
- Eighty-seven percent of timeshare vacations were taken at resorts located within the United States with Orlando being the most popular vacation location (20 percent).
- Owners traveled an average of 871 miles to their vacation destination.
- The average timeshare vacation party was 3.4 people.

Traditional Timeshare Owners Use of Product (%)

2012 Base = 948



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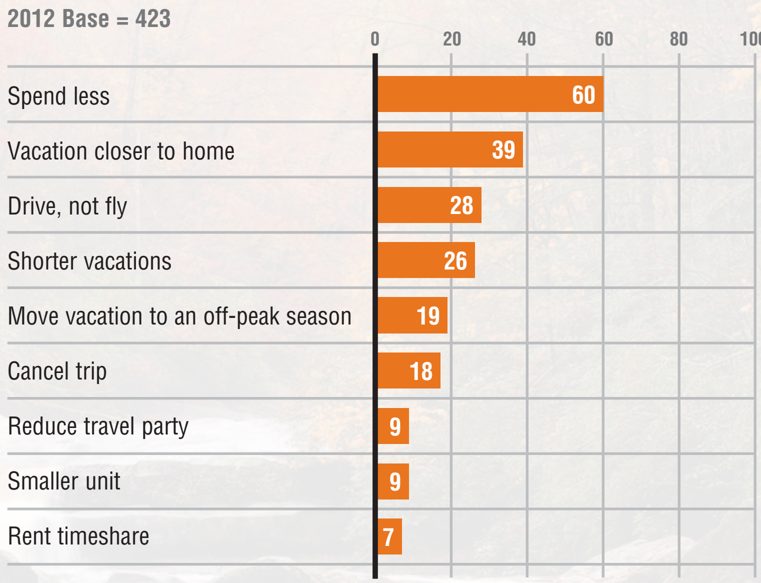
Economic Impact

While the economy is having less of an impact on vacation plans, many owners are still making adjustments to their vacations in order to mitigate costs. The most often named changes are:

Changes to Upcoming Vacation (%)



Methodology

This research was sponsored by the ARDA International Foundation and conducted by The Research Intelligence Group (TRiG), a full-service research consultancy based out of Ft. Washington, PA. Interviews were conducted among a national sample of timeshare owners in March 2012. The report is based on analysis of 1,002 shared vacation ownership owners and an augment of 484 fractional, PRC or recent purchasers. Recent purchasers are defined as owners who made a purchase in the United States in the past three years. 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.

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