

AIF Next Generation Research 2015



Market Intelligence | Career Advancement



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Leger

THE RESEARCH INTELLIGENCE GROUP

Presentation Outline



- ✓ **Study Methodology**
- ✓ **Questionnaire Content**
- ✓ **Results**
 - ✓ **Media habits**
 - ✓ **Timeshare perception/advocacy**
 - ✓ **Future purchase intent**
 - ✓ **Vacation planning**
 - ✓ **Messaging**
- ✓ **Moving forward**
- ✓ **Final thoughts**

Methodology – 3 Stages



1. Qualitative Focus Groups (late 2013)
2. In-Depth Interviews (late 2014)
3. Online Survey
 - 2,438 respondents (Feb 27th - March 11th) 32 minutes, among the following groups of respondents:

	Age	Owners	Non-Owners
Millennials	(22-33)	n=302	n=607
Younger Generation X	(34-44)	n=251	n=512
Older Generation X	(45-54)	n=256	n=510

Demographics (Total Respondents)



Millennial Younger Gen X Older Gen X

Married	52%	63%	58%
Single	37%	19%	15%
Divorced/Widowed	2%	8%	15%



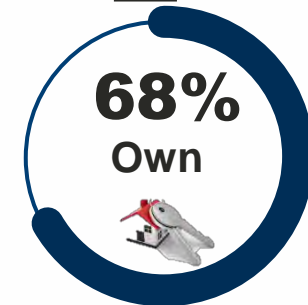
Children in H/Hold %	52%	70%	40%
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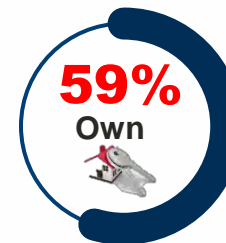
Average Income \$	\$73k	\$86k	\$81k
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Residence

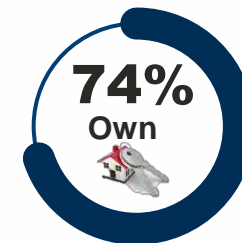
Total



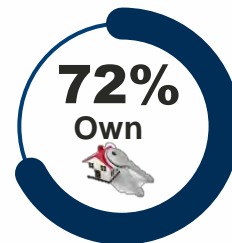
Millennial



Younger Gen X



Older Gen X



Media Usage (1): Non Owners



Arrows show significant difference at 95% confidence

Daily Internet Access

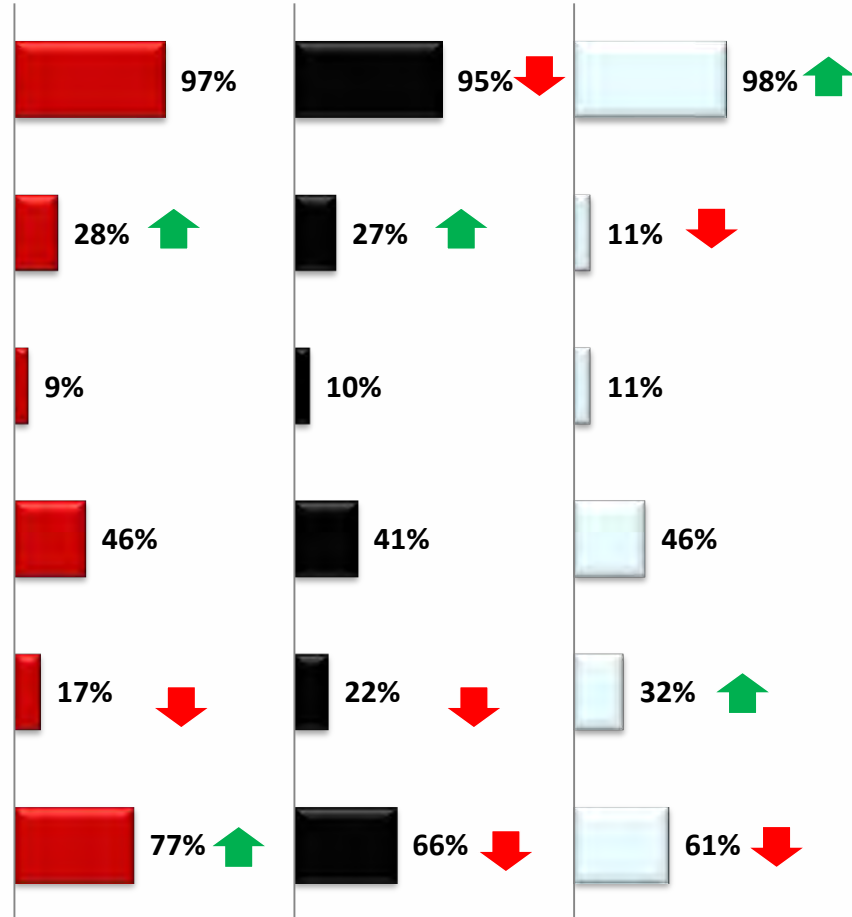
Primary method of accessing internet



Millennial
(n=607)

Younger Gen-X
(n=512)

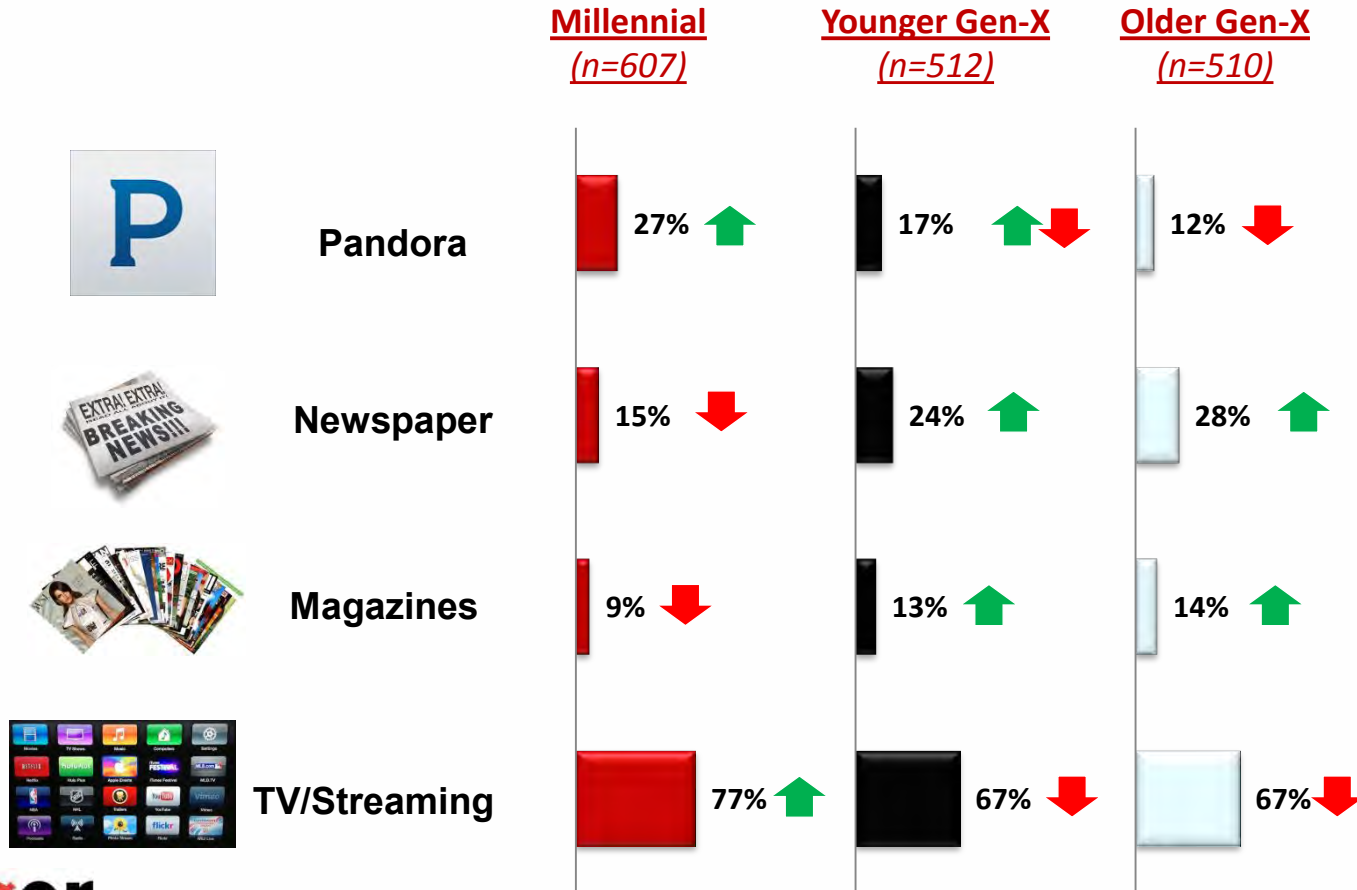
Older Gen-X
(n=510)



Media Usage (2): Non Owners



Arrows show significant difference at 95% confidence



Internet Usage

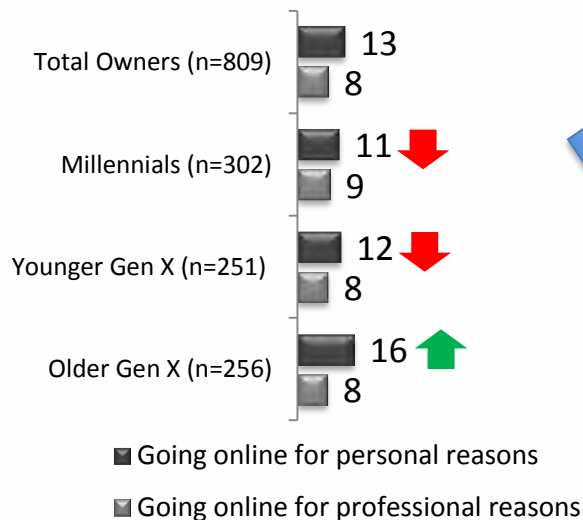


Arrows show significant difference at 95% confidence

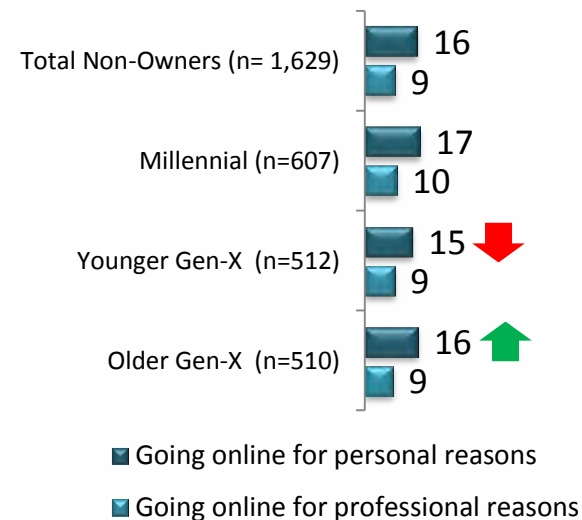


Hours Spent Online in a Typical Week: Personal Use and Professional Use (Mean)

Owners



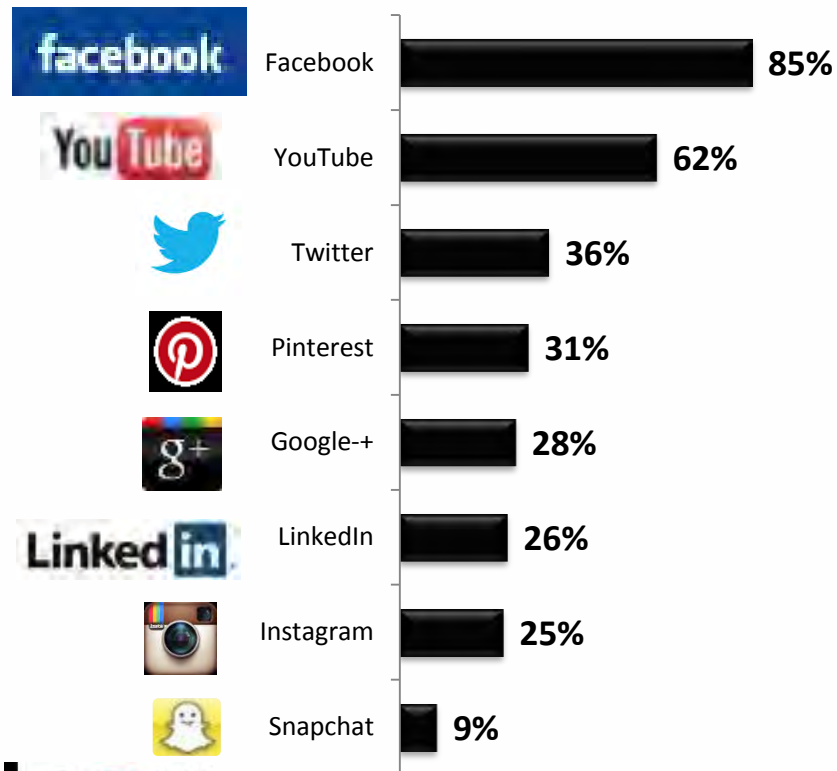
Non – Owners



49% Personal
28% Professional
23% Social Media/Apps

Social Media Usage

Non - Owners



Millennial *(n=607)*

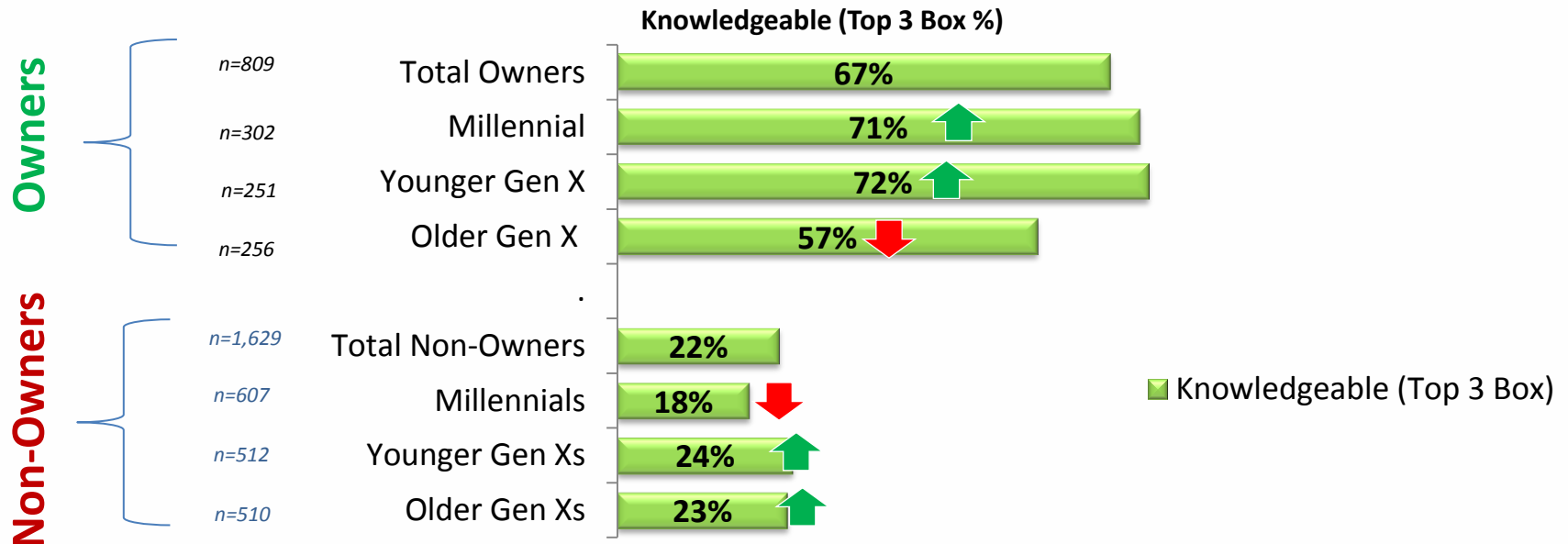
Younger Gen-X *(n=512)*

Older Gen-X *(n=510)*

90% ↑	85% ↓	78% ↓
68% ↑	61% ↓	55% ↓
38% ↑	38% ↑	31% ↓
39% ↑	27% ↓	25% ↓
26%	31%	29%
22% ↓	27% ↑	30% ↑
36% ↑	22% ↓	16% ↓
17% ↑	5% ↓	4% ↓

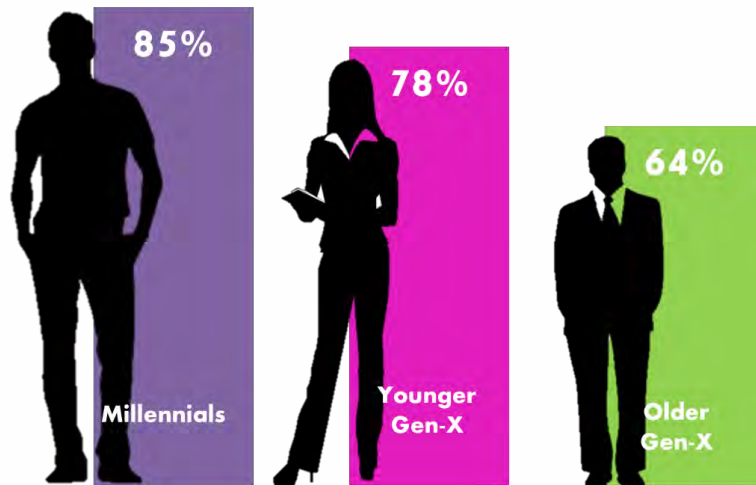
Knowledge of Timeshare

- **Millennial** and **Younger Gen X Owners** claim to be the most knowledgeable about Timeshare, significantly higher than the **Older Gen X'ers**.
- However, **Non-Owning Millennials** are currently behind the curve.



Timeshare Perception (1)

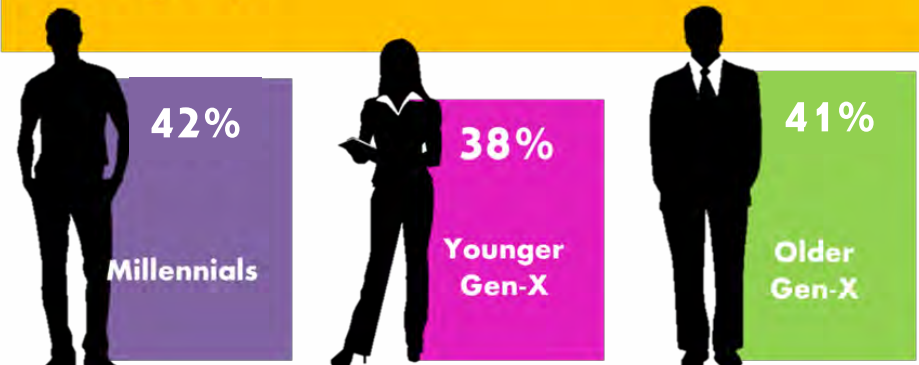
Among Owners, Younger Timeshare owners have a significantly more positive perception of the Timeshare industry than both Older Gen X'ers.



OWNERS

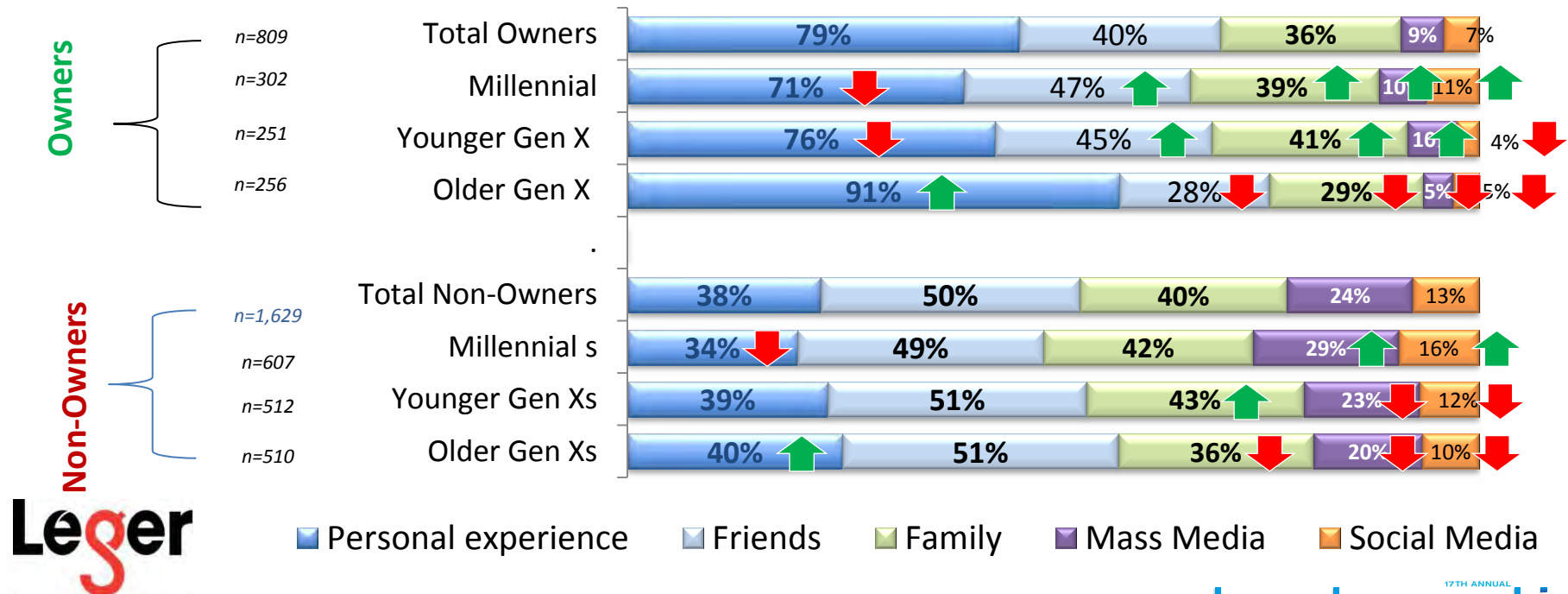
NON-OWNERS

Among Non-Owners, perception is relatively flat and universally lower than for the corresponding owner groups.



Timeshare Perception Basis

- More than 9/10 **Older Gen X Owners** form their Timeshare opinions based upon personal experience.
- Younger **Owners** are guided much more by their peer groups – friends and family!
- **Non-Owners** are more likely to have views based upon friends and family, with ‘mass media’s’ influence still at 24%.



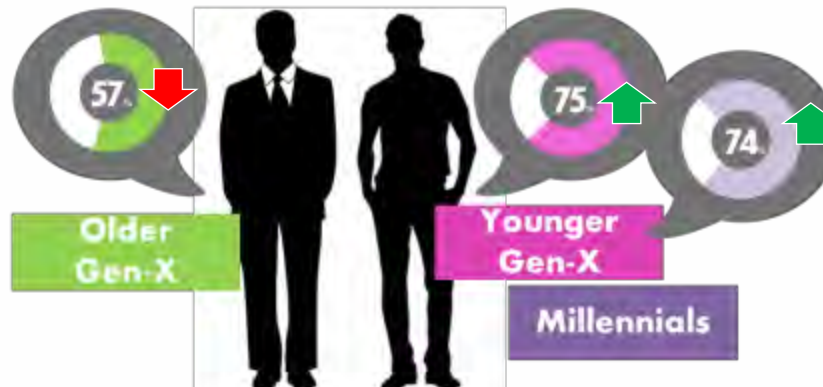
Timeshare owners are significantly more likely to recommend timeshare than non-owners...



Non- Owners advocacy

Older Gen-X are also less likely to be advocates than Millennials and Younger Gen-X, although the differences are minimal...

Among owners, Older Gen-X owners are less likely to be advocates than Millennials and Younger Gen-X



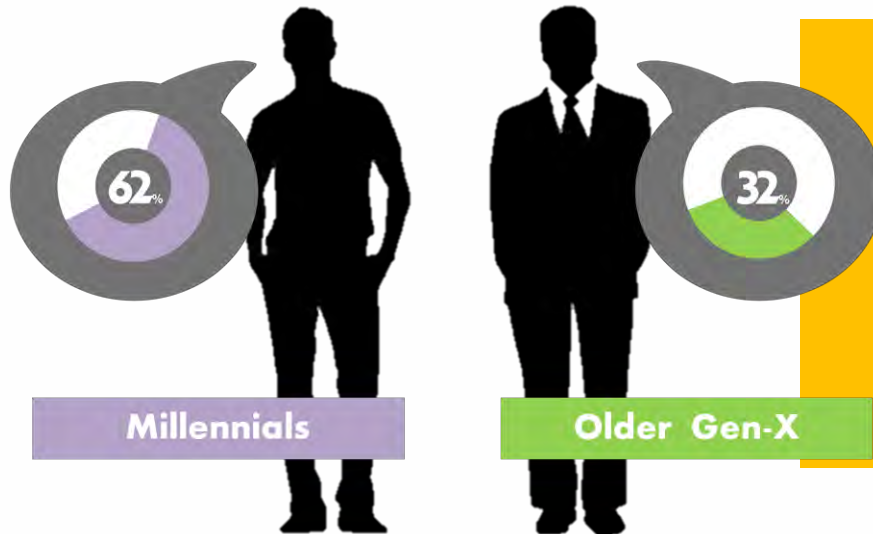
Current **Older Gen X Owners** are not the ideal advocates.

However, **Millennial** and **Younger Gen X Owners** need to be the flag bearers for the Timeshares they own and love!

OWNERS

Future Timeshare Purchase

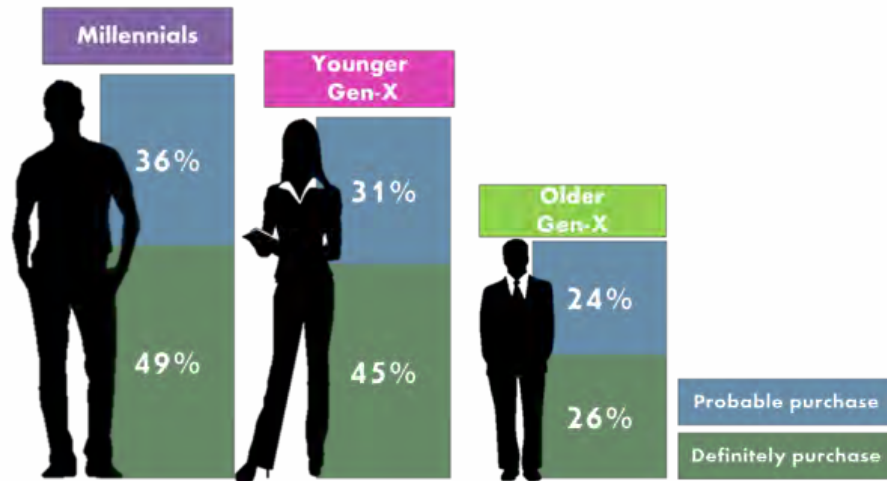
Millennials are more open to buying another Timeshare in the future.



...but Older Gen-X Owners ARE significantly less likely to consider purchasing a timeshare than Millennials and Younger Gen-X.

Owners / Non-Owners Future Purchase Intent

Among Owners, not only are Millennials most likely to buy a timeshare in the future, they are also more definite in their likelihood when compared to other owner groups.



OWNERS

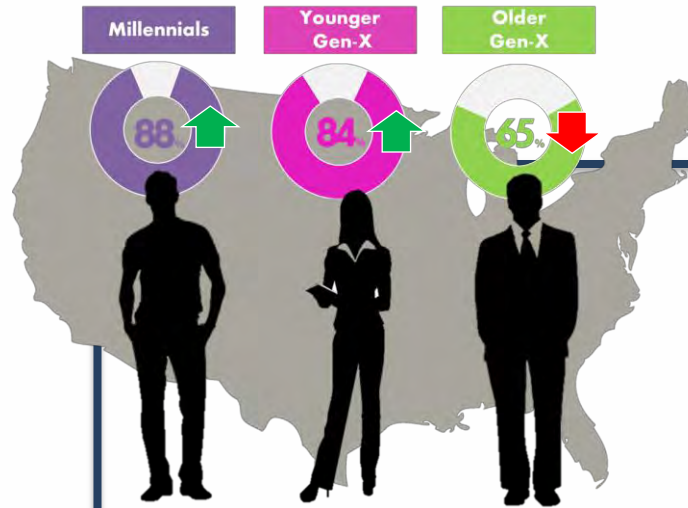
NON-OWNERS

Among Non-Owners, only one in ten Millennials/younger Gen-Xers have a definitive intent to purchase a timeshare in the future.



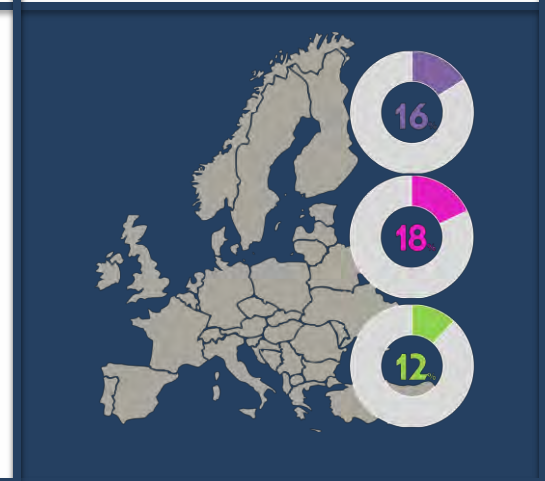
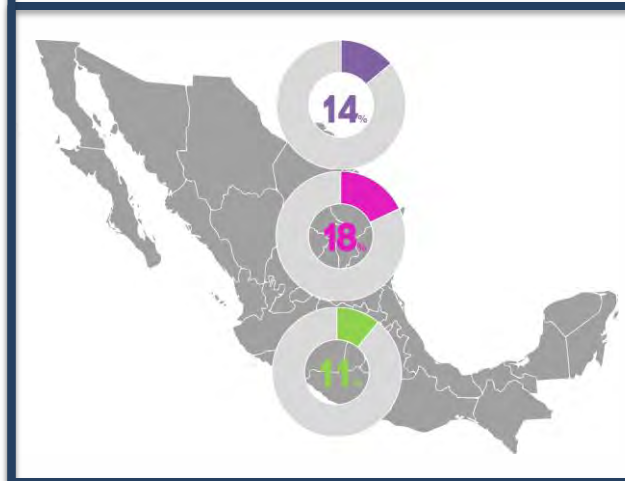
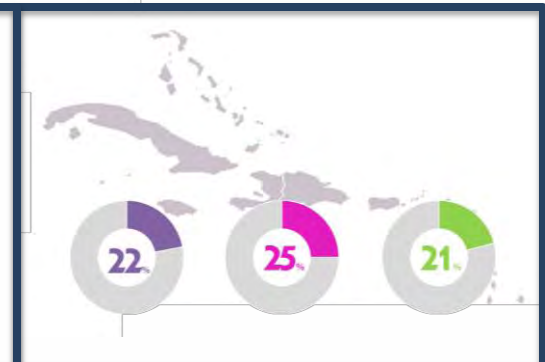
Owners

Where will they buy Timeshare?



Among **Owners**, the **United States** is the most preferred location for future timeshare, followed by the **Caribbean, Mexico** and **Europe**.

However, **Millennials** and **Older Gen X'ers** prefer Europe to Central America!



Future Vacation Plans:

Future Timeshares? (Among those interested)



- **Current Older Gen X Owners** are significantly less likely to look for domestic Timeshare purchases.
- Outside the US, the Caribbean leads the way for a potential future purchase of a timeshare.
- Similar to Owners, among **Millennial Non-Owners**, there is a higher interest to purchase a unit in **Europe** than a location in Mexico.

Location of Future Timeshare

(Among those who are definitely/probably/somewhat likely to purchase a timeshare in the future)

	Total Owners	Millennial	Younger Gen. X	Older Gen. X	Total Non-Owners	Millennial	Younger Gen X	Older Gen X
n=	720	295	237	188	1,446	561	449	436
United States	79%	88% ↑	84% ↑	65% ↓	83%	85% ↑	81% ↓	81% ↓
Caribbean	23%	22% ↑	25% ↑	21% ↓	28%	29% ↑	29%	24% ↓
Mexico	14%	14%	18% ↑	11% ↓	12%	12%	14% ↑	10% ↓
Europe	15%	16%	18%	12%	18%	22% ↑	16% ↓	14% ↓
Asia	6%	6%	6%	5%	5%	8% ↑	5%	3% ↓

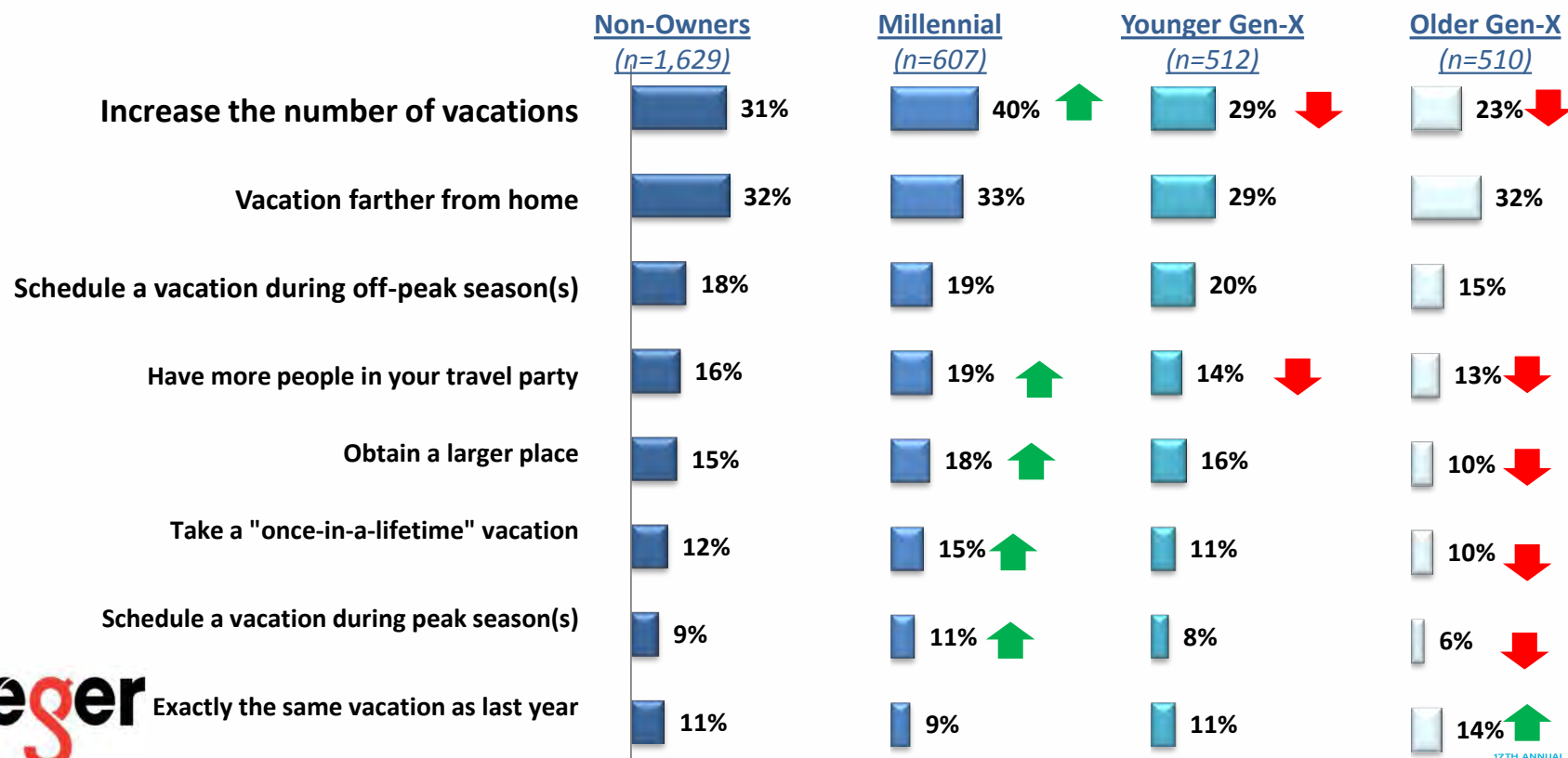
Non-Owners Future Vacation Plans:

How do travel plans differ from 2014?



- Millennials are significantly more likely to expand vacationing in 2015!
- They are also significantly more likely to want to travel in larger parties, and obtain larger accommodation!




How will 2015 Vacation Plan Differ from 2014

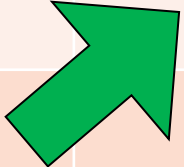


Non-Owners Future Vacation Plans: Number of trips?



- **Millennial Non-Owners** are planning on more vacations than Gen X'ers!

2015 Vacation Planning	Mean # Vacations Planned	Planning To Visit Florida	Planning To Visit California
Total Non-Owners (n=1,629)	2.7	18%	11%
Millennials (n=607)	3.0 	18%	12%
Younger Gen-X (n=512)	2.5 	16%	12%
Older Gen-X (n=510)	2.4 	19%	9%

A large green arrow points from the 'Younger Gen-X' row to the 'Millennials' row, highlighting the comparison between these two groups.

Non-Owners Future Vacation Plans: How will they book?



Direct
(through resort/airline)

Millennials



Online travel site

63% ↑



37% ↓

Younger Gen Xers



57% ↑ ↓

Booking.com

37% ↓

Older Gen Xers



49% ↓



44% ↑

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17TH ANNUAL
shared ownership
INVESTMENT CONFERENCE

Non-Owners Future Vacation Plans: Research/Reviews



Millennials



Younger Gen Xer



Older Gen Xers



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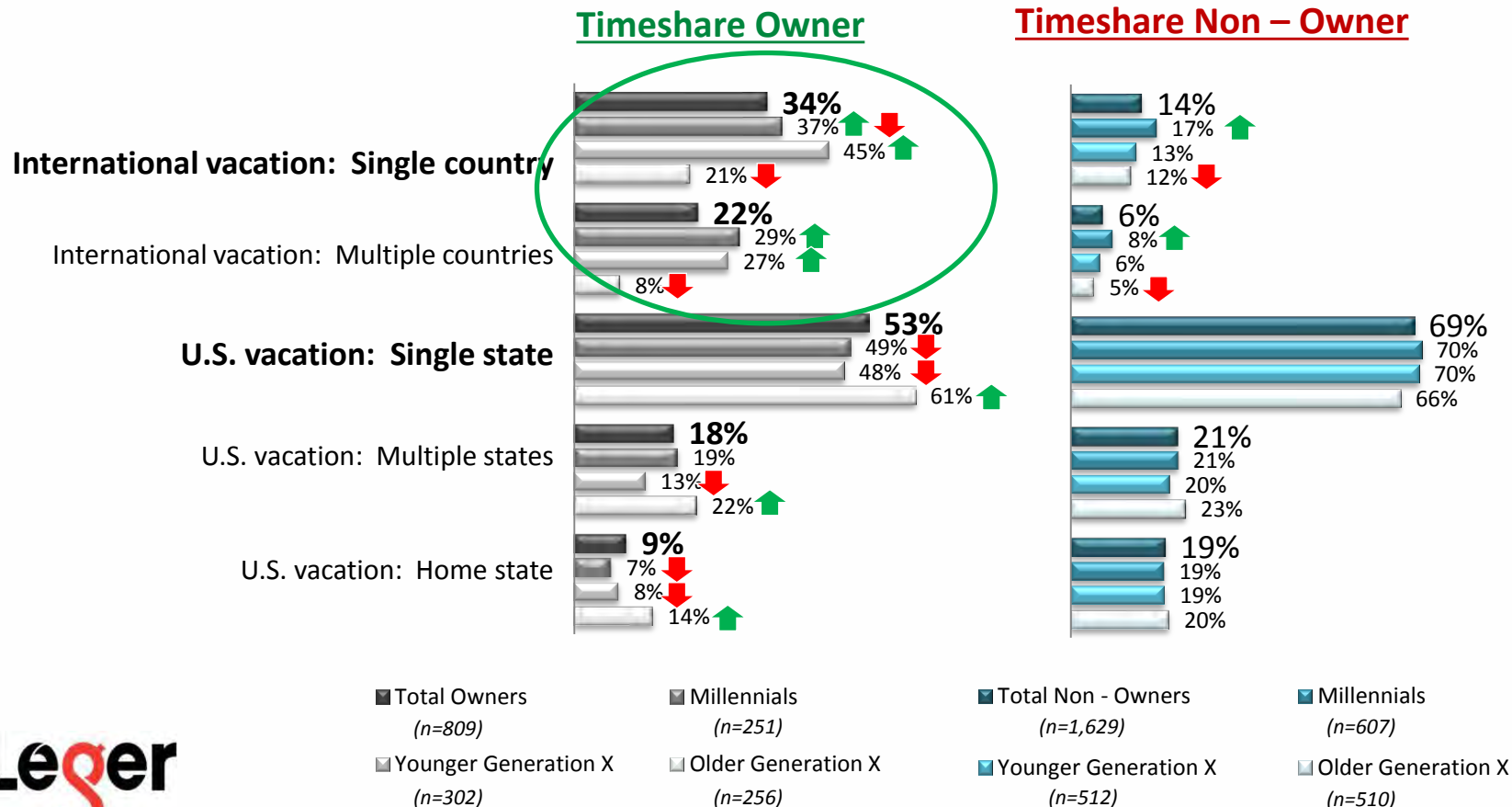


75%

Future Vacation Plans: Destination in 2015?



More than half of Timeshare Owners still want a 'single state' vacation, however...
Owners want to go abroad...with Millennials/Younger Gen X headed to multiple countries.



Non-Owners - Communication:

How should you contact them? – Most preferred



Millennials



55% ↑

20% ↓

6% ↑

Younger Gen Xers



50%

28% ↑

4% ↑

Older Gen Xers



48% ↓

33% ↑

2% ↓

Non-Owners - Communication:

Messaging – QUIZ TIME!



- A. “You can stay at a quality resort anywhere you choose.”**
- B. “You can save money on future vacations by owning a Timeshare.”**
- C. “Owning a Timeshare will encourage you to vacation more regularly.”**
- D. “Timeshare is your home away from home.”**

Non-Owners - Communication:

Messaging – **Top 5** messages



1

You can stay at a **quality resort**, anywhere you choose

2

You can stay at a **luxurious resort**, anywhere you choose

3

Timeshare resorts offer **flexible vacationing** in a **variety of locales** around the **United States and all over the world**

4

You can **save money** on **future vacations** by **owning a Timeshare**

5

Through an **exchange program**, you can go on **different types of vacations** every year, including cruises

...and amazingly, there was no difference between Millennials and Gen X'ers!

Non-Owners - Communication:

Messaging – **Bottom 3 messages**



1

Timeshare is your home away from home!

2

Owning a Timeshare will encourage you to vacation more regularly

3

Through an exchange program, you can stay at a different resort within the same resort family

...and again, there was no difference between Millennials and Gen X'ers!

Future Timeshare - Conjoint



CRITICAL

VITAL

NECESSARY

BASE



Destination



Annual fees



Ability to exchange



Type of Timeshare

5

Number of years



Cost to own/buy the Timeshare

TOUR

Purchase Option –
Tour / Online



Timeshare Brand
Awareness

4.99%

Interest rate

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Sleeping capacity



Exit strategy

Moving forward...



1. Millennial and Younger Gen X Owners are very similar, so treat them that way!
2. These two groups are the Timeshare industry's **biggest advocates**.
3. Millennial **Non-Owners** are their own segment, and they are ready to consider buying Timeshare.
4. The Next Generation are a visual generation.
5. Millennials want to travel the world.
6. Ensure that messaging is on point for the FUTURE market of potential Timeshare owners. Quality. Value. Choice.
7. Guarantee that booking is easy for **Non-Owners**. Website.
8. Mobile is gaining in importance. Mobile site.
9. Everyone is still looking for a vacation deal...
10. ...so develop Timeshare products that are going to appeal to either sides of the generation gap.
11. Contact ARDA's Darla Zanini and Lan Wang to find out more about this exciting and important AIF research, before it's too late!