

Developments

THE VOICE OF THE VACATION OWNERSHIP INDUSTRY

CONFERENCE YEARBOOK 2023

POWER in PASSION

Taking timeshare
to the next level—
and beyond

- 
- ▶ **The Greatness of Timeshare**
 - ▶ **ARDA Marcom: Forging Ahead**
 - ▶ **Innovation for Even Livelier Events**

A man and a young girl are smiling and looking towards the camera in a swimming pool. The man is wearing sunglasses and has a goatee. The girl is wearing white sunglasses and a pink top. To their left is a large, pink inflatable ring with a white and red pattern. The background shows a blurred view of a pool deck and other people. Several yellow starburst graphics are scattered throughout the image.

The Greatness of Timeshare

BY JUDY KENNINGER, RRP



Judy Kenninger, RRP, has been covering the shared-ownership real estate industry for two decades.

Why we love our industry

There are formal statements of purpose we make in our business, such as: “The timeshare industry was founded to create opportunities for owners to access highly-sought-after destinations and stay in world-class accommodations.” And those statements are true. But what it really comes down to for those of us in the industry — what we all passionately know in our hearts to be true — is that vacation ownership is the best way to vacation. Period.

Industry data backs that up. *The U.S. Shared Vacation Ownership Owners Report: 2022 Edition*, published and sponsored by ARDA International Foundation (AIF), found that 90% of timeshare owners are happy with their overall ownership experience. Additionally, 84% of owners would purchase a timeshare product again.

Recently, I spoke with Arlene Wasserman, a retired teacher from East Brunswick, New Jersey. She doesn't just like timeshare. She loves it! So much so that she was thrilled to tell me about some of her many, many timeshare vacations, including the time she and her husband

spent several hours on a beach in Mexico watching a sea turtle lay egg after egg under the moonlight.

This Interval International member has “traveled all over the place: Phuket, Bangkok, Aruba, Hawaii, Spain, Marbella, Malta,” she said. “I get to go to all these places I wouldn't have gone to, and it's more affordable. Plus, when my husband goes to bed earlier than I do, I have space to move around and do my own thing.”

More affordable vacations. More spacious accommodations. More memories to treasure. With timeshare, there's just more to love. For the past few years, we've asked our owners to post their stories, using the hashtag #LoveMyTimeshare. Now, we're giving industry leaders the opportunity to comment about why they love the timeshare industry.





lives,” he said. “Despite the pandemic-related shutdowns, leisure travel made a strong recovery from the first shocks of COVID-19 and has continued to boom. The vacation ownership industry is incredibly resilient, and we believe our business is perfectly positioned for continued growth.”

And as we look to possible economic challenges ahead, expect nothing less. “I am enthusiastic about a number of items within the timeshare space,” said outgoing ARDA Chair Michael D. Brown, president and CEO of Travel + Leisure Co. “First and foremost, our industry is on the right side of travel macrotrends, and we are well-positioned to grow our addressable market. Timeshares offer larger accommodations at a time when ‘work from anywhere’ is the new norm. In a period of rising inflation, our owners enjoy the increasing value of their ownership against other accommodation types. And more than ever, leisure travel is not a discretionary purchase or decision, but a necessity in our everyday lives.”

Resilience Under Pressure

Owners’ love of timeshare has been clear in the quarterly pulse survey conducted by AIF, which provides a quick glance at timeshare sales and a few other metrics for the same group of respondents over time. At press time, we did not have data for all of 2022, but comparing the first six months of 2022 with the same period in 2019 reveals that we are rapidly approaching pre-COVID sales numbers.

Anyone who watched our industry weather the aftermath of 9/11 or the financial crisis of 2007-09 could have predicted this display of resiliency. “During the early days of COVID, when

you really couldn’t fly safely, our occupancy levels were huge,” said Steve Krohn, chief operating officer of Massanutten Resort, which is celebrating its 40th year serving timeshare owners in Massanutten, Virginia. “Even in a pandemic, timeshare owners wanted to travel. We managed that beautifully [and] safely for both staff and guests. In the most frightening time for our generation, that they wanted to be at our resort really underscores how much vacations mean to our owners.”

John Geller, president and CEO of Marriott Vacations Worldwide Corp., agrees. “Over the last few years, we’ve learned just how vital a role vacations play in people’s

More Flexibility

Anyone who thinks a timeshare vacation still has to take place at the same resort on the same week every year hasn’t been paying attention for some time.

“I think one of the greatest attributes of the timeshare industry is the way it’s been able to adapt to the changing personalities and trends,” said Jeff Zotara, chief marketing officer, Arrivia. “When I think about what’s transpired, especially in the last few years, flexibility is probably one of the core behavior drivers for not



“In a period of rising inflation, our owners enjoy the increasing value of their ownership against other accommodation types. And, more than ever, leisure travel is not a discretionary purchase or decision, but a necessity in our everyday lives.”

— Michael D. Brown, president and CEO, Travel + Leisure Co., and ARDA chair



Photo courtesy of Arlene Wasserman.

Interval members the Wassermans take full advantage of their timeshare ownership, exploring destinations all over the world such as Aruba, Spain, Malta, and, here, Thailand.

only timeshare owners or prospects, but travelers in general. And at Arrivia, we've seen this — whether it's booking a hotel or cruise, or purchasing a timeshare, flexibility is the most critical component of the decision-making process. At Arrivia, our focus is on helping timeshare property developers become more flexible by offering or by facilitating better products for them to offer to their members."

Those better products have a whole new set of bells and whistles. "The vacation ownership industry has a history of introducing new programs and services to meet the needs of its owners and members," said Mark Wang, president and CEO of Hilton Grand Vacations. For example, "HGV just introduced HGV Max, which offers our new and existing customers more resorts in more destinations. The response has been great, and it offers outstanding flexibility through a points-based program.

"In addition to HGV's spirit of service, we have a spirit of experiences," he added. "We know what members care most about today — in addition to quality, value, and flexibility — is experiences. We offer over 4,000 experiences a year to our owners through our HGV Ultimate Access program. This can be private concerts, chef's tables, sporting events like our HGV Tournament of Champions with the LPGA, and more."

These enhancements are also happening at the resorts themselves. "What owners really want is a full resort experience," said Jared Saft, chief business officer, Westgate Resorts, and ARDA treasurer. "Beyond just the four walls of their condo, they want dynamic restaurant concepts, unique amenities like expansive water parks, and all sorts of one-of-a-kind experiences. And I believe that's what the large development companies are able to create. These experiences and amenities



are where Westgate has chosen to plant our flag for the future.”

The flexibility provided by points also means flexibility over a lifetime of ownership. “The beauty of how our

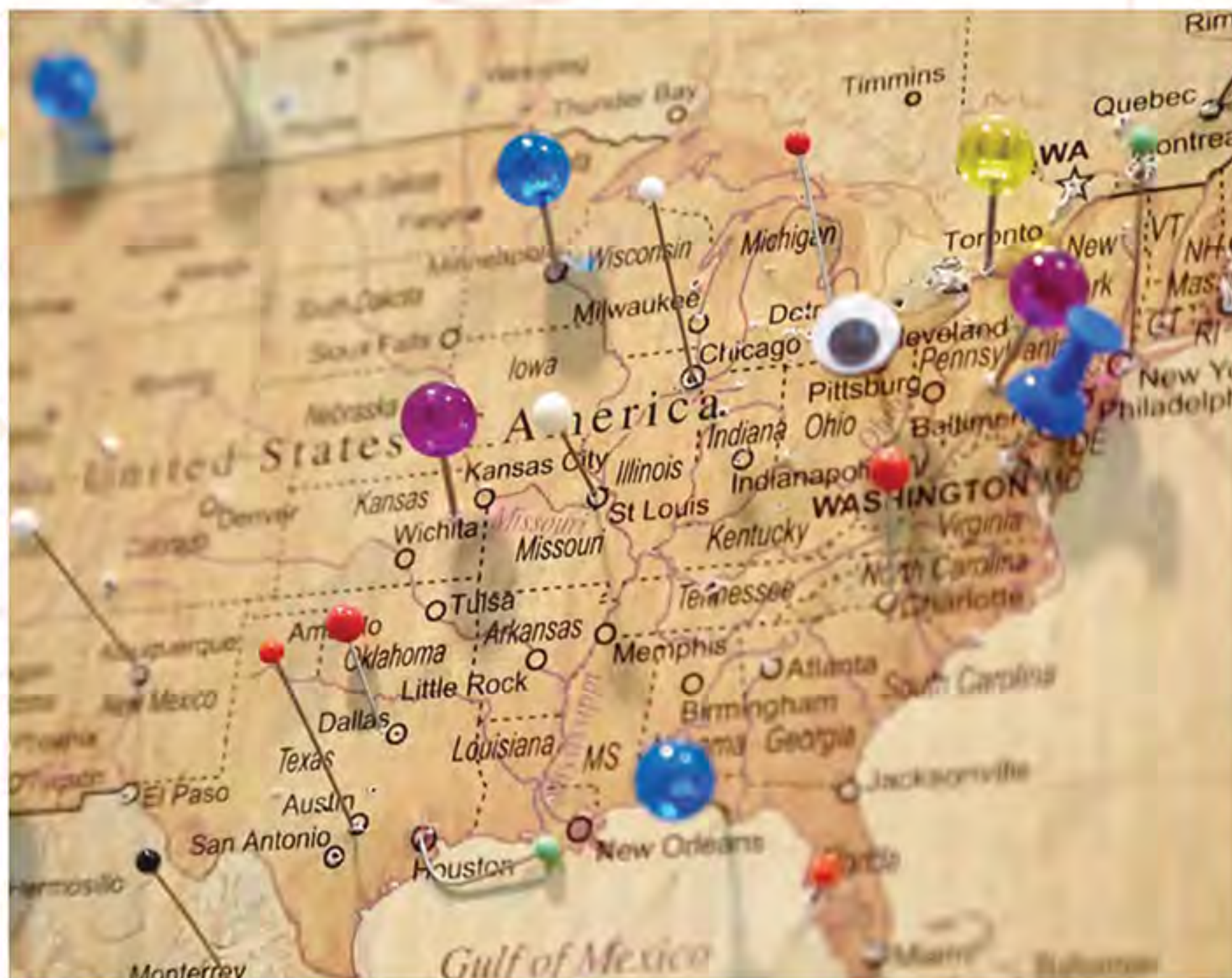
company and our industry have evolved is that there is a timeshare product for everyone,” Brown said. “For the most part, we have great success with middle-class families that are looking for a way to

enjoy vacations every year. What our owners find, once they buy with us, is that they can, and do, buy more points to expand their ownership, allowing them to have vacations in higher-end properties as their circumstances change. Of course, we also have the Presidential Reserve product that appeals to a more affluent customer, so we can provide nearly every type of vacation people want.”

Ahead of the Pack

With the booming popularity of Airbnb and Vrbo, more travelers are learning about the benefits of condominium-style accommodations. Should it concern timeshare developers that elements of their product are available elsewhere? “It comes down to what kind of experience I’m getting,” Zotara said. “I think the timeshare industry can help people experience more and create better memories, through the properties and through the interactions that they’re having with the other owners.”

“I like to think that we sell the best of both worlds,” Saft added, “which is the space and convenience of condos and



Selling Greatness

For many timeshare buyers, their first introduction to the world of timeshare came when they were walking around Orlando and someone offered them free tickets to a theme park. And while nearly 90% of timeshare owners are happy with their overall ownership experience, the percentage that were happy with their purchase experience is, well, not as high.

Driven by rising sales and marketing costs, today’s sales process requires that sales, marketing, resort operations, and owner service teams work as one. According to Jamie Kluetz, vice president of brand experience and design at Holiday Inn Club Vacations, sales experience design must consider the journey across marketing, the physical sales space, virtual sales, and owner support to amplify and bring more value to the face-to-face sales format used by our industry for over 50 years. “How we identify and nurture our customers before, during and after the sale (or nonsale) is a hyperfocus at Holiday Inn Club Vacations,” he said. “Our brand serves one of the largest and broadest mid-market customer segments. This requires

us to build our product distribution model with all life stages in mind. In order to optimize every marketing and sales dollar, we need a new set of KPIs (key performance indicators) that consider why, when, and what a customer purchases. This approach helps HICV identify new revenue streams that keep our originating marketing dollars working until the time is right for ownership — in other words, building customer lifetime value. Through our massive data and systems overhaul, we’re enhancing our ability to incubate and nurture relationships. In the near future, our sales centers will become much more than a sales conversion point; they’ll become an entry point to our entire ecosystem.”

Using the data gathered during that onboarding experience also can power customer satisfaction over the lifetime of the product.

“Every company has different offerings, so it’s important to know your customer,” said John Geller, president and CEO of Marriott Vacations Worldwide Corp. “For example, MWW’s online transactions have nearly tripled in the past five years, so our digital strategy is focused on



vacation homes but wrapped with the amenities of a full-service resort. We're the perfect combination, and it's pretty rare to find someone who has stayed with their family in a timeshare that said, 'No, I didn't enjoy that full-service resort experience.'"

Timeshares, after all, started it all. "Timeshares originally brought shared ownership into the mainstream," Wang said. "We believe we still set ourselves apart in the shared-economy space by offering brand quality, service, consistency, and safety."

The trend toward "bleisure," or combining business and leisure in the same trip, makes the certainty provided by timeshare accommodations all the more in demand (after all, you know someone will come when the sink backs up). "In fact, a recent survey of 2,000

leveraging data and advanced analytics to power the customer experience. We are enabling growth, driving efficiency, and increasing loyalty through an integrated digital experience. A new digital booking engine is also using artificial intelligence to reduce marketing costs and improve campaign effectiveness, freeing associates to focus on enhanced service and personalized buyer and owner experiences."

Kluetz agrees. "We're investing heavily in taking the information gained during the sales process to power customer satisfaction," he said. "We see ourselves as a multidimensional hospitality company, backed by data, informed by technology, and driven by our mission to be the most loved brand in family travel."

Another big change is how consumers are entering the sales process. "What's even more improved than the sales process is the marketing process," said Travis Bary RRP, chief operating officer at Capital Vacations. "Over the years, it's become a much more targeted and friendly marketing process. We are leveraging relationships with other national brands to reach clients who are interested in travel and

willing to attend a presentation. In addition, this 'warm' marketing approach has generated clients with some knowledge of our industry, leading to a higher new owner conversion percentage. Finally, our marketing travel packages are much improved so prospective buyers receive a great deal on a quality vacation."

"We're experimenting with ways to reduce tour times by supporting guests with mobile solutions that solicit pre-arrival information," Kluetz said. "We are automating the qualification process so we can double down on other key moments like meet-and-greet, discovery, and more. In addition, our salespeople have better tools so they are able to convey the product benefits in a more compelling and accurate way."

Still, it comes down to forging a relationship between someone who believes in the product and someone who is interested in the product," Bary said. "I think the best thing companies can do is allow employees to own and use the product at affordable rates, which will make believers out of them. These employees are then passionately conveying information about a product they love, which makes a profound difference."



"I like to think that we sell the best of both worlds, which is the space and convenience of condos and vacation homes but wrapped with the amenities of a full-service resort."

— Jared Saft, chief business officer, Westgate Resorts, and ARDA treasurer

remote and remote-flexible workers we commissioned with OnePoll shows 80% would consider working remotely from a vacation destination as a way to extend the length of their trip," Geller said. "Vacation rentals offer accommodations, but vacation ownership offers a home away from home."

More Pride

What could be more fun than helping people create memories they will cherish for the rest of their lives? For those of us working in the timeshare industry, that can be why we get up and go to work every day.

"The best memories I have as a child and with my own children, almost all involve vacations," Saft said. "I grew up with a timeshare in St. Maarten. We went every Christmas, and it was something we looked forward to all year. And the idea that I can be a part of creating those memories for thousands of families — and be part of an industry that creates millions of memories for families, is very rewarding. Because when you look back on your life, I genuinely believe that the

moments you remember are the ones that you are on vacation, because that's when you were happiest."

"I love knowing that we are creating fantastic, one-of-a-kind memories and experiences for our valued owners and guests," Wang said. "The rewarding feeling of making someone's vacation dreams come true motivates our teams to continue creating the best hospitality experiences possible."

"I've had the unique honor to be the ARDA industry chair these past two years," Brown added. "The role has given me a much greater appreciation for ARDA and its member companies. I've also witnessed firsthand how we were resilient and innovative during one of the most challenging times in history. Collectively we continued to provide a valuable service to our customers when they needed us most, and that makes me proud."

Wasserman, the retired New Jersey teacher, has nearly 25 years of vacation memories. One is from a trip she didn't even take. "I sent my son and his wife to the Grand Luxe for their anniversary," she recalled. "They had two babies and needed to get it away. They liked it so much that they bought their own week!" Now the whole family can continue to build memories together. ■

