

Industry Insight



2015 Asia/Pacific Membership Profile



Summary of Key Findings

Interval International's 2015 Asia/Pacific Membership Profile was prepared to assist Interval International in developing benefits, products and services for its Asia/Pacific membership. The findings and observations detailed in this report are also presented to aid new vacation resort developers and experienced timeshare industry participants in targeting potential resort locations and developing insightful sales and marketing strategies based upon travel preferences and certain demographics of present vacation owners. This report further illustrates that these vacation owners are highly satisfied with their timeshare purchases.



Demography:

Interval International's average Asia-resident member is married and lives in a household of at least two people. About 90 per cent of Interval's Asia-resident members are married, and 35 per cent of the members live in a household of two people. About five per cent of respondents live in a one-person household, approximately 24 per cent live in a household containing three people and 36 per cent live in a household containing four or more people.

Interval International's largest Asia-resident member age group is between 54 and 64 years of age, accounting for 36 per cent of all members. Members age 65 and above account for 18 per cent of all members, with the age group of 43 – 53 accounting for another 29 per cent. About 17 per cent of Interval International's members are below the age of 43. This is a younger age profile than other Interval member bases.

Real Estate Ownership:

Approximately 53 per cent of Interval International's Asia-resident members own a second home, with 21 per cent reporting ownership of a vacation home, and around 32 per cent owning an investment property.

Timeshare Ownership and Satisfaction:

Interval International's Asia-resident members report high levels of satisfaction with their timeshare resort ownership. Around 75 per cent of members report that they are satisfied, with one-third (33 per cent) reporting that they are either "extremely" or "very" satisfied with their timeshare resort ownership. More than one third (37 per cent) of Interval's Asia-resident members own more than one week (or one-week equivalent). About a half (49 per cent) of respondents own intervals of the traditional weekly variety (floating season or fixed weeks); approximately 35 per cent own some form of points-based product; and roughly nine per cent of respondents own biennials, triennials or quadrennials. Some members own more than one type.

Future Timeshare Purchase Interest:

Approximately 33 per cent of Interval International Asia-resident members indicate that they are somewhat, very or extremely likely to purchase additional vacation time in the future. Amongst survey participants expressing an interest in purchase additional vacation time, more than half of the respondents (55 per cent) indicated a preference for purchasing a two-bedroom unit. The purchase price and amenities at the resort represent the two most influential factors in the timeshare purchase decision process. Around a quarter (24 per cent) of Interval International's members who expressed interest in purchasing additional vacation time are interested in purchasing in the US and Canada.





Leisure Travel Nights:

During the last 12 months, Interval International's Asia-resident members averaged approximately 28 leisure nights away from home. Approximately 51 per cent of the total annual leisure nights consisted of domestic travel (14.6 nights), with international travel comprising the remaining 49 per cent (13.8 nights). The average length of stay was seven and 11 nights for domestic and international travel, respectively.

Preferred Destinations:

Europe, the US, Australia and the Asia region generally were cited as the most popular international vacation destinations, with most Asia-resident members planning to vacation in these regions during the next two years.

Vacation Activities and Planning:

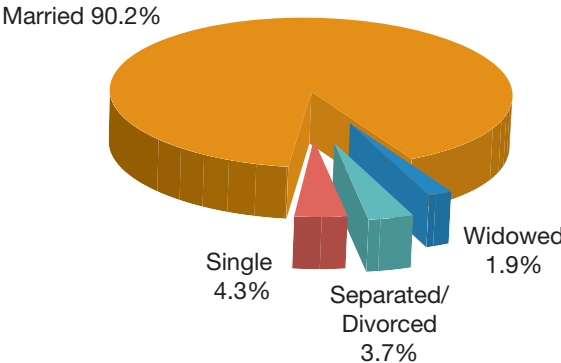
Interval International's Asia-resident members enjoy a variety of activities while on vacation. These preferences range from more passive activities such as shopping and sightseeing to more active pursuits such as water sports, hiking, exercising and golf.

Demographic Highlights

Marital Status:

Approximately 90 per cent of Interval International's Asia-resident members are married; about four per cent are separated or divorced; approximately two per cent are widowed; and four per cent of respondents are single (never married). The high ratio of married couples amongst members is consistent with the industry as a whole and is largely attributable to the value proposition of the timeshare product for family vacations.

MARITAL STATUS

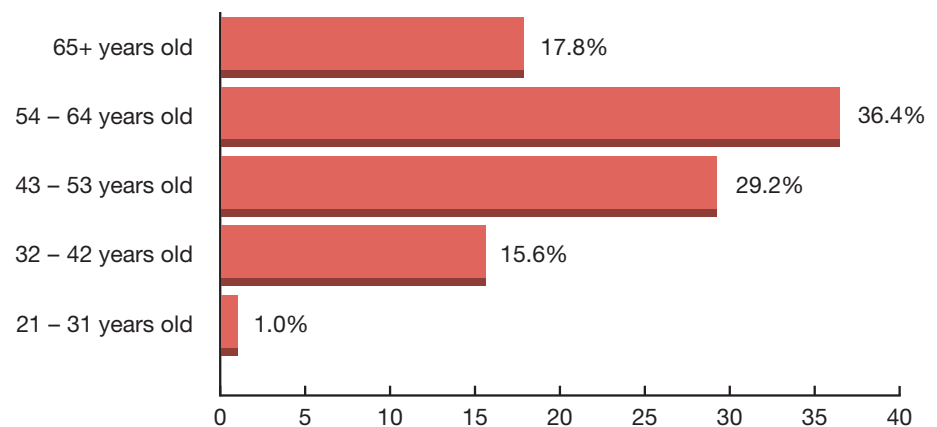




Age:

The largest age group for Interval International's Asia-resident members is between 54 and 64 years of age, accounting for 36 per cent of all members. Eighteen per cent of members are over the age of 65, and another 29 per cent of members fall between 43 and 53 years of age. Members under the age of 43 account for about 17 per cent of all members, which makes for a younger age profile when compared with other Interval member bases. For example, in the UK and Australia/New Zealand, those aged under 43 each account for just four per cent, while those over 65 account for at least 30 per cent.

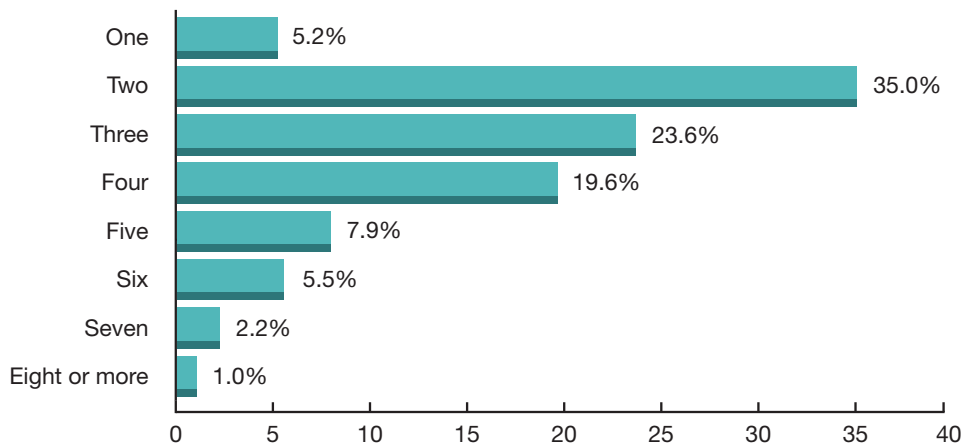
AGE



Household Size:

The most common household size cited by survey respondents was two people (35 per cent), which is a lower proportion than other member bases. Only around five per cent of respondents live in a one-person household; while approximately 60 per cent live in a household containing three or more people. Again, this is markedly different to other member bases, doubtless linked to the age profile, and may have implications for preferred unit sizes. The table below illustrates the distribution of the membership household size.

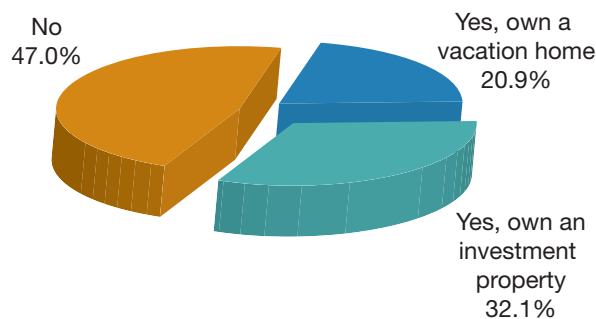
HOUSEHOLD SIZE



Real Estate Ownership:

More than half (53 per cent) of Interval International Asia-resident members own a second home: 21 per cent own a vacation home, and 32 per cent report ownership of an investment property.

SECOND-HOME OWNERSHIP



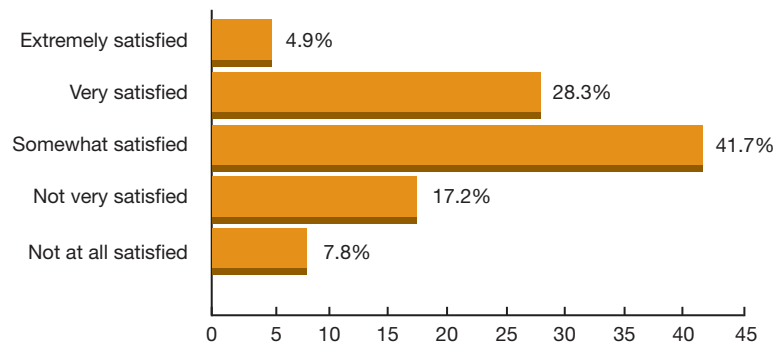


Timeshare Ownership and Satisfaction

Satisfaction:

Interval International's Asia-resident members report high levels of satisfaction with their timeshare resort ownership. Approximately 75 per cent of members report that they are satisfied, with one-third (33 per cent) reporting that they are either "extremely" or "very" satisfied with their timeshare resort ownership. The following table illustrates the Asia/Pacific membership satisfaction levels.

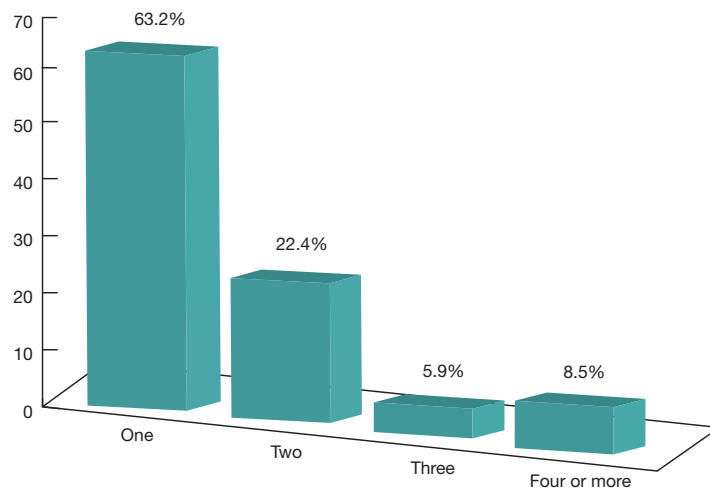
SATISFACTION WITH TIMESHARE RESORT OWNERSHIP



Vacation Weeks Owned:

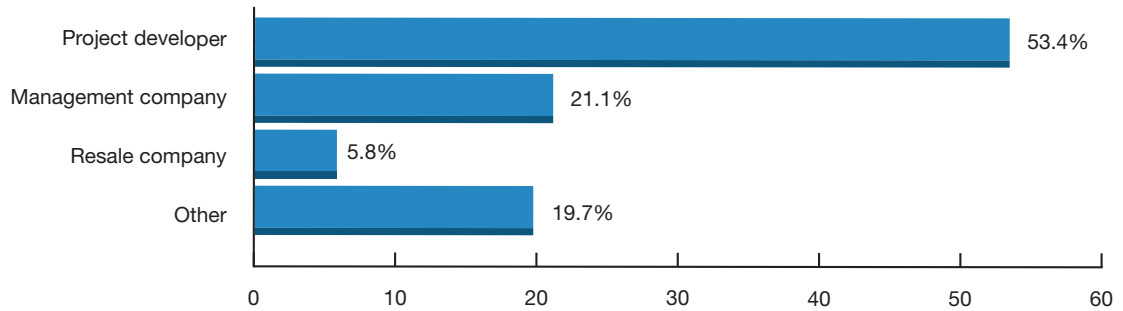
Just under two-thirds (63 per cent) of Interval International's Asia-resident members own one week (or one-week equivalent). The remaining 37 per cent own multiple weeks (or week equivalents) as indicated in the chart below.

NUMBER OF TIMESHARE WEEKS OR THEIR EQUIVALENTS OWNED



Almost three out of four (74 per cent) of Interval International's Asia-resident members acquired their vacation weeks from resort project developers or management companies. Third-party resale companies accounted for only six per cent of acquisition sources.

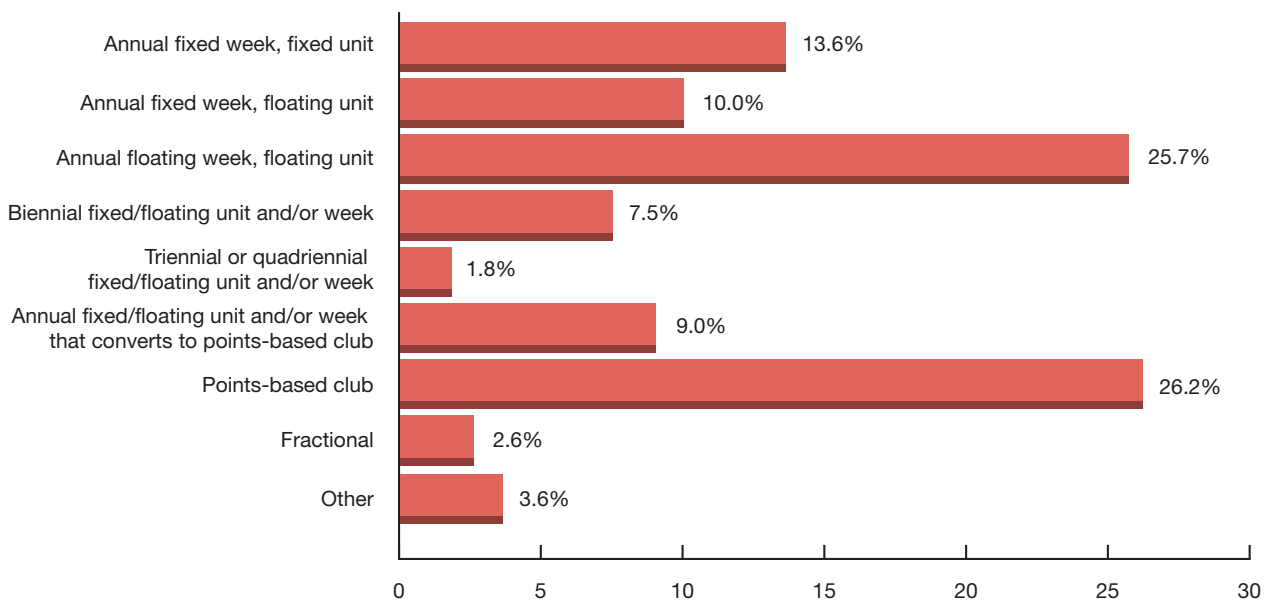
SOURCES UTILIZED TO ACQUIRE TIMESHARE OWNERSHIP



Use Plans:

The vacation ownership industry features a wide range of use plans and ownership interests. Just under half (49 per cent) of respondents own intervals of the traditional weekly variety (floating season or fixed weeks); and roughly nine per cent of respondents own biennial, triennial or quadriennial interests. Around 35 per cent own a points-based product, which is consistent with the growing popularity of those products in the region.

DISTRIBUTION OF USE PLANS



Future Timeshare Purchase Interest

Interest in Timeshare Purchase:

Intervals International's Asia-resident members were asked, "How likely are you to purchase additional vacation time in the future"? The chart below shows that one-third (33 per cent) of members expressed an interest in purchasing additional vacation time in the future. This is a higher proportion than is found in some other Interval membership bases worldwide, and is an indication of the potential that exists in this key region.

INTEREST IN VACATION TIMESHARE PURCHASE

Likelihood of Purchasing Additional Vacation Time	(Percentages)
Extremely likely	1.5%
Very likely	5.7%
Somewhat likely	26.0%
Not very likely	44.2%
Not at all likely	22.6%

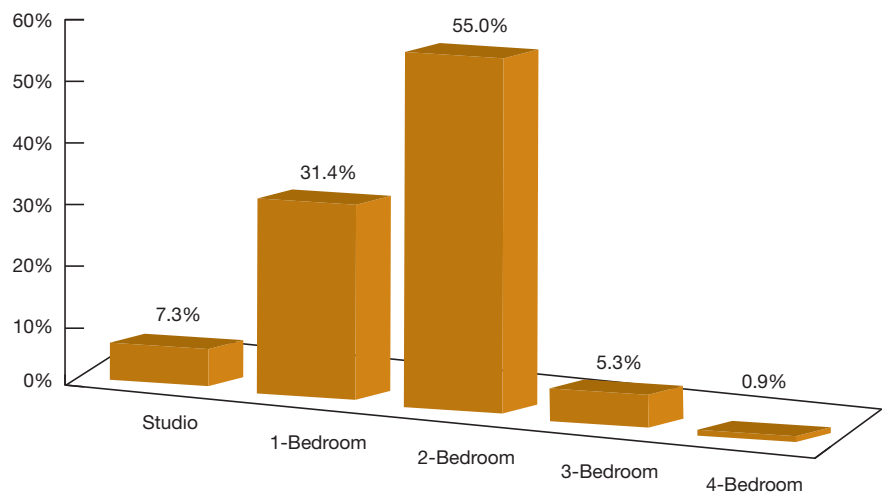




Unit Type:

Interval International's Asia-resident members were asked, "If you were to purchase additional vacation time, what would be your preferred unit size"? As indicated in the following chart, more than half of the respondents (55 per cent) indicated a preference for purchasing a two-bedroom unit. One-bedroom units are the second-most preferred unit size, as reported by approximately 31 per cent of respondents. Three-bedroom units, studios and four-bedroom units are preferred by five per cent, seven per cent and one per cent, respectively, of Interval International's Asia-resident members.

PREFERRED UNIT SIZE

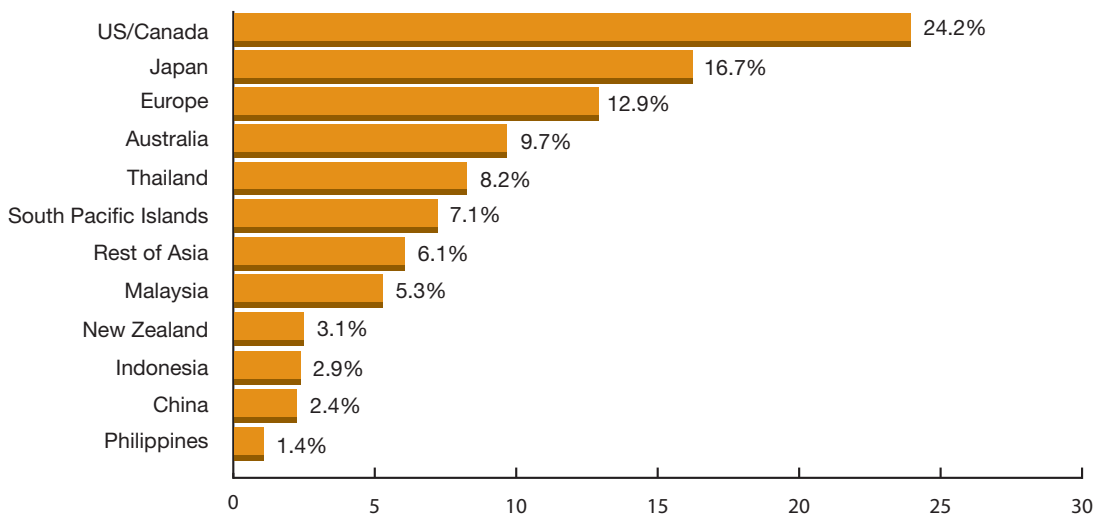




Most Popular Destination for Future Timeshare Purchase:

Interval International's Asia-resident members were asked, "Where would you be most interested in purchasing timeshare"? Approximately one-quarter of respondents (24 per cent) indicated that they would be most interested in purchasing timeshares in the US and Canada. Just under half expressed an interest in purchasing in the wider Asia/Pacific region, spread across several destinations as illustrated in the following table. Australia/New Zealand and Europe both attracted interest from 13 per cent of members responding.

MOST POPULAR DESTINATIONS FOR FUTURE TIMESHARE INTEREST PURCHASE



Factors That Influence Timeshare Purchase Decision:

Understanding the physical product and desired resort location sought by timeshare owners is vitally important, but other factors also influence the consumer's purchase decision. The following table details, in rank order of importance, the factors that respondents report have the most influence on their purchase decision.

FACTORS THAT INFLUENCE TIMESHARE PURCHASE DECISION

Rank	Factor
1	Purchase price
2	Amenities at the resort
3	Luxuriousness of the unit
4	Annual maintenance fee
5	Ownership duration (eg, deeded interest, term for years deeded, right-to-use)
6	All-inclusive resort plan



Travel Habits and Preferences

Interval International's Asia-resident members are avid travellers who seek a wide range of vacation activities and destinations when travelling for leisure purposes.

Leisure Nights Away From Home:

During the last 12 months, Interval International's Asia members averaged approximately 28 leisure nights away from home. Approximately 51 per cent of the total annual leisure nights consisted of domestic travel (14.6 nights), with international travel comprising the remaining 49 per cent (13.8 nights). The average length of stay was 6.8 and 10.5 nights for domestic and international travel, respectively.

TOTAL NUMBER OF NIGHTS SPENT AWAY FROM HOME DURING THE LAST 12 MONTHS AND AVERAGE LENGTH OF STAY

Domestic Leisure Travel

Average number of leisure nights (past 12 months)	14.6
Average length of stay	6.8

International Leisure Travel

Average number of leisure nights (past 12 months)	13.8
Average length of stay	10.5

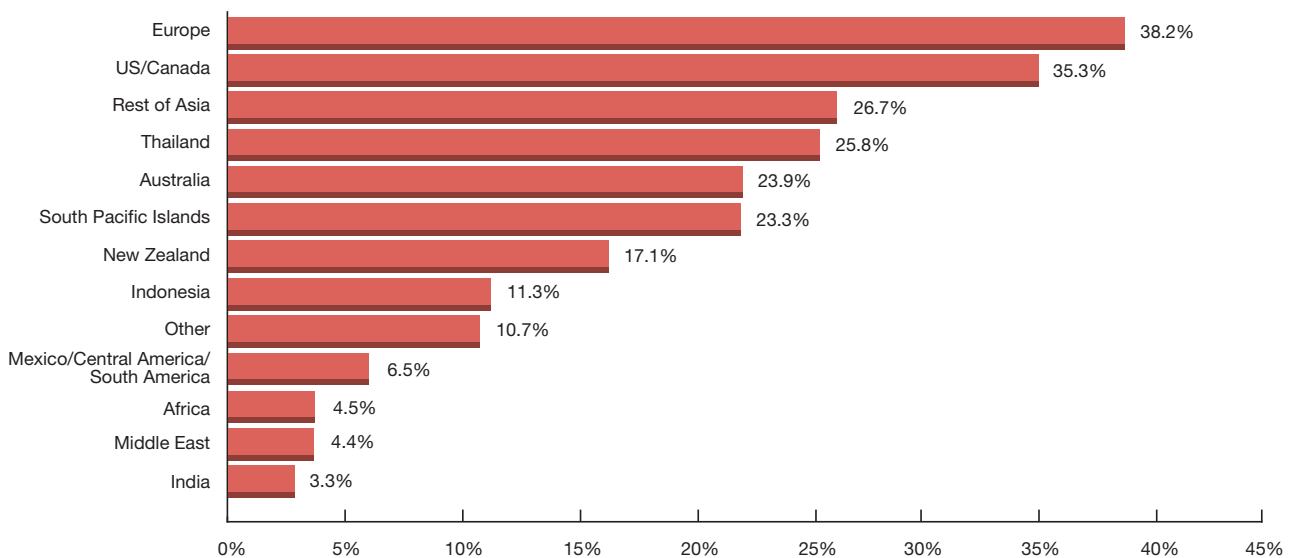




Preferred Destinations:

As previously illustrated, Interval International's Asia-resident members demonstrate a strong interest for leisure travel. The following table illustrates the areas to which members plan to travel within the next two years. There is a strong desire to travel within the region, but also to Australia/New Zealand, Europe and the US/Canada.

PREFERRED DESTINATIONS TO TRAVEL TO IN THE NEXT TWO YEARS*

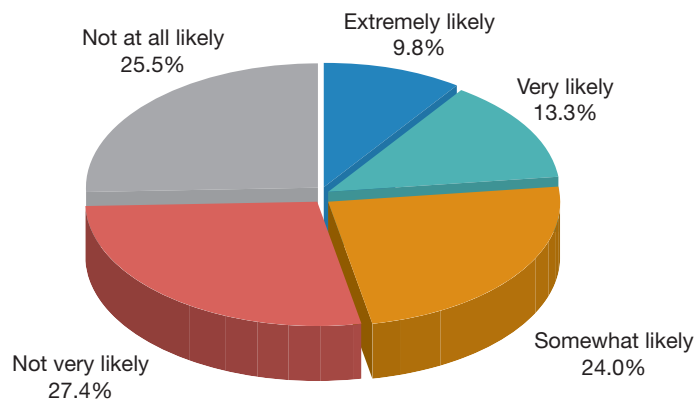


*Multiple responses permitted

Alternative Vacation Interests

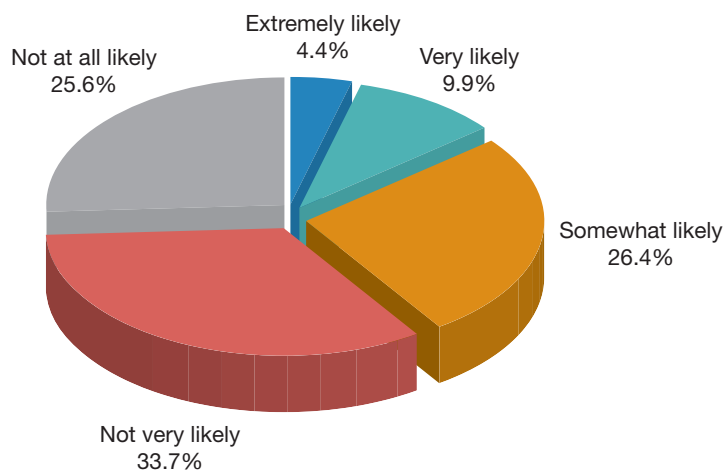
Beyond traditional timeshare, other forms of vacation interests noted by Interval members include cruise and all-inclusive vacations. As such, almost half (47 per cent) of the Asia-resident members surveyed expressed some positive level of interest in taking a cruise during the next two years.

INTEREST IN TAKING A CRUISE IN THE NEXT TWO YEARS



Interval International's Asia-resident members also exhibit some interest and support of the all-inclusive vacation concept (such as a vacation package that combines lodging with meals, beverages and activities into a single overall price). In fact, around two-fifths (40 per cent) of survey respondents indicate that they are likely to purchase an all-inclusive vacation package during the next two years.

INTEREST IN PURCHASING AN ALL-INCLUSIVE VACATION PACKAGE IN THE NEXT TWO YEARS





Interval International's Asia-resident members enjoy a variety of activities while on vacation. These preferences range from more passive activities such as shopping and sightseeing to more active pursuits such as water sports, hiking, exercising and golf as illustrated in the following table.

PREFERRED VACATION ACTIVITIES*

Sightseeing	68.0%
Shopping	67.7%
Swimming	41.2%
Going to a spa	29.6%
Golfing	28.8%
Snorkelling	25.2%
Attending plays/concerts/public performances	24.0%
Hiking	19.8%
Exercising/working out	18.2%
Watching movies	13.5%
Biking/cycling	12.8%
Scuba diving	11.8%
Snow skiing/snowboarding	11.7%
Going to a casino	9.8%
Canoeing/kayaking	8.7%
Fishing	7.9%
Playing tennis	6.9%
Sailing/boating	6.5%
Horse riding	6.0%
Other	3.7%
Water skiing	2.2%
Hunting	0.5%

**Multiple responses permitted*

Methodology and Response Rate

Interval International conducted an online survey of its Asia/Pacific membership base for the purpose of developing a profile of members' demographic characteristics, timeshare ownership and satisfaction, future timeshare purchase interest and travel habits and activities as a basis to develop benefits and services offered to its consumer members. The data accumulated as a result of this study may also be useful to resort developers and prospective industry entrants in developing their own marketing and promotion strategies.

Study respondents were selected at random and invited to participate by email. The fielding period was 2014.

The survey was completed by Interval members residing in China (including the Hong Kong Special Administrative Region), India, Indonesia, Japan, Malaysia, Philippines, Singapore, Taiwan, Thailand and Vietnam.

A total of 815 respondents completed the survey. Accordingly, it is estimated that the overall sampling error associated with this study is +3.2 per cent at a 95 per cent confidence level.

"No answers" and partial-response data to survey questions were excluded from the base used for calculating percentages.





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