

# Navigating the Future of Timeshare

Trends, Opportunities, and Insights for the Vacation Ownership Industry



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# Executive Letter

The world of vacation ownership, which includes the timeshare industry, has transformed the way travelers explore new destinations. In recent years, the timeshare industry has evolved to meet the needs of modern travelers, resulting in nearly 10 million U.S. households owning one or more timeshare products today.

As the \$35.7 billion industry continues to grow, I sat down with industry leaders to ask: What's next? What product innovations, shifting customer demographics, and other future developments will shape the industry over the next three to five years?

As you'll discover in this report, the answers covered a wide range of topics, but one thing is clear: The future of timeshare promises to be even brighter than the present moment. Strategic partnerships, technological innovation, and a focus on experiential travel demonstrate that this industry will continue to be built on customer-centricity and relationships, not simply transactions.

Technological innovations, including advancements in the field of artificial intelligence, promise to streamline operations and improve customer personalization. International expansion in regions such as Latin America and Asia Pacific is being fueled by favorable economic conditions and rising middle-class populations, and independent resorts are finding new resources and developing innovative programs to overcome challenges and thrive.

Moreover, with younger generations becoming the majority of timeshare owners, the industry has an incredible opportunity to ensure long-term growth and relevance by catering to their preferences for flexibility and unique experiences.

Looking ahead, there's a place for every type of owner in this industry.

Join me and the industry's leading voices as we navigate the future of timeshare together.



**Jason Gamel**  
President & CEO, ARDA



## Partnerships: *Fueling Growth and Elevating the Owner Experience*

From partnerships with consumer-facing lifestyle brands to exclusive owner experiences like concerts and sporting events, timeshare resorts are expanding their appeal to owners and offering more than a place to stay while on vacation. A growing emphasis on lifestyle and exclusivity is shaping the future of timeshare, making it a key strategy for attracting and retaining customers.

According to [Skift Research](#), day tours and experiences are rated as important or very important in trip planning, underscoring the need for travel suppliers to make in-demand experiences available to increase bookings and customer satisfaction.

From a business perspective, engaging in strategic partnerships with recognizable brands is a cost-effective way to tap into

this consumer demand. These partnerships serve as effective marketing channels, generating leads and driving sales.

As these efforts create deeper emotional connections and enhance guest loyalty, industry leaders recognize that offering unique, curated experiences is essential for differentiation and long-term success in an increasingly competitive market.

### **How Partnerships Drive Industry Growth**

Travel + Leisure Co.'s recent partnership with [Sports Illustrated](#) and its ongoing partnership with [Margaritaville](#) are two great examples of how today's vacation ownership companies are leveraging partnerships to enhance the owner experience, drive growth, and change the narrative of how the leisure industry views the timeshare product of today.



“There’s a growing attraction to brand affiliations that align with a person’s lifestyle,” said Michael Brown, CEO at Travel + Leisure Co. “Ten or 15 years ago, the idea of Margaritaville becoming a hospitality brand seemed improbable. Hospitality has traditionally focused on rooms and loyalty programs. Now, it’s about integrating personal lifestyle into a state of mind associated with the brand, like Margaritaville, which evokes thoughts of sand, beaches, and fun music.”

Whether it’s a multigenerational brand like Margaritaville or a brand that appeals to athletic and active lifestyle enthusiasts such as Sports Illustrated, people are drawn to products for which they have an affinity. These brands evoke unique passions, and combining hospitality with these passions creates a winning formula.

“Our first Sports Illustrated Resorts location will be at the University of Alabama, tapping into the passion for college sports and the broader lifestyle associated with it,” Brown said. “Our goal is to provide something that aligns with this passion, offering unique experiences tied to sports and college life.”

People want vacations that create lasting memories, whether it’s tailgating at a college football game, enjoying an in-room culinary experience, or attending a NASCAR event. By incorporating these elements, the vacation ownership industry elevates the value of its properties and inspires continuous improvement and innovation. “With over 80 percent of timeshare sales now attributed to branded hospitality customers, we can expect this trend to continue, with partnerships that extend beyond traditional hospitality names, offering new avenues for growth — the sky’s the limit,” Brown said.

*“Over the past 20 years, vacationing has shifted from a privilege to a right, and now experiences have become the privilege. We have a unique connection with our members, who see their ownership as a valuable credit towards these activities.”*

—Gordon Gurnik, Chief Operating Officer,  
Hilton Grand Vacations

## EXECUTIVE INSIGHT

**Jason Gamel: How do you evaluate potential partnerships, and how do you measure success?**

**Michael Brown:** First, you need to understand your consumers and choose partnerships that elevate their experience. The right cultural fit is also crucial. We seek partners who are quick decision-makers, collaborative, and looking for win-win situations. Success is ultimately measured by growth. For example, since I joined in 2017, we’ve grown from two to six Margaritaville resorts, even with the development lull during the pandemic. Our goal is to continue expanding these brands by leveraging complementary competencies that drive growth.

### How Partnerships Enhance the Owner Experience

Gordon Gurnik, senior executive vice president and chief operating officer at Hilton Grand Vacations (HGV), highlighted similar benefits from HGV’s partnership with Bass Pro Shops, which provides exclusive sports experiences and outdoor activities for HGV owners.

“Partnerships with brands like Bass Pro Shops and Great Wolf Lodge allow us to provide unique experiences that boost owner satisfaction,” Gurnik said. “It’s about leveraging these partnerships to offer great resort spaces and unique experiences our members can’t easily find on their own.”

According to Gurnik, some owners say these experiences are as, if not more, important than the actual resort ownership product. As he explained, “Over the past 20 years, vacationing has shifted from a privilege to a right, and now experiences have become the privilege. We have a unique connection with our members, who see their ownership as a valuable credit towards these activities.”

**72%** of HGV Max Members are "satisfied" or "very satisfied" with their HGV Ultimate Access experience.

As members look to the value of their ownership over time, it's essential to offer experiences that exceed their expectations. The thoughtfulness behind the experience and the perceived value are more important than the actual cost.

In a recent survey of HGV Max Members, 72 percent of respondents were either satisfied or very satisfied with their HGV Ultimate Access experience. This program, offered by Hilton Grand Vacations, includes VIP access to special events, concerts, culinary experiences, sports events, and other lifestyle-focused activities.

“A simple ukelele concert in Hawaii can provide a unique local experience,” Gurnik said. “It’s about bringing the location to life through these experiences. For example, a history wall at Hilton Hawaiian Village has received great feedback for helping guests connect with the location’s past. In addition to cultural experiences, we find our HGV Ultimate Access events like the HGV Tournament of Champions and Formula 1 Heineken Silver Las Vegas Grand Prix also have a positive impact on guest satisfaction.”

As the industry evolves to meet the generational shift towards experience-centric vacations, partnerships will continue to function as a cost-effective way to offer unique experiences that align with members' lifestyles.

“Members need to see that what we offer has a higher perceived value than the actual cost,” Gurnik said. “Scale and partnerships are key to achieving this.”

## EXECUTIVE INSIGHT

**Jason Gamel:** Are exchange benefits through third parties still important, or do most experiential offerings come directly from the developers?

**Gordon Gurnik:** They can come from both. Developers can leverage their scale and network, and exchange companies are opening up more experiences. Nowadays, with points-based systems, members can use their points for various experiences, from resort stays to cruises. It's important for both developers and exchange companies to offer flexibility and cater to the evolving needs of members throughout their life stages.



Margaritaville Vacation Club - St. Thomas



Margaritaville Vacation Club - Rio Mar





# AI and Other Innovations: *Reimagining the Owner Experience*

The ever-evolving world of technology is constantly changing the way we live, work, and play — and it promises to change the way we plan and take vacations. From enhancing the owner experience and encouraging employee engagement to streamlining operations and fine-tuning marketing strategies, new technology, like AI integration, is poised to change several aspects of the timeshare industry, including sales, marketing, and resort operations.

**\$2–4  
trillion**

annual potential value unlocked  
by generative AI across industries,  
according to McKinsey research.

According to a [report from Skift and McKinsey & Company](#) AI, including generative AI, has the potential to unlock between \$2 trillion and \$4 trillion in annual value across industries.

But before the industry can improve efficiency and boost profitability with AI and other technologies, it must first develop a realistic road map to transition away from legacy technology systems toward modern solutions.

After facing technological hurdles and headwinds for many years, the timeshare industry is catching up.

## **It's Time to Level Up**

Innovation in the vacation ownership industry involves not only changes to the product itself but also how customers

interact with it. To keep pace with a growing expectation for seamless experiences, the industry needs technology that enables customers to choose between self-service options and direct interactions with representatives.

“Unlike modern travel companies that focus on empowering customers to handle their own needs digitally, timeshares were historically designed to require face-to-face interactions for sales,” said John Staten, president and CEO at Holiday Inn Club Vacations. “Now, consumers expect the same great experiences they find in other industries and are putting pressure on our industry to evolve.”

### Developing Stronger Data Systems

One of the industry's biggest challenges is data collection, storage, and usage. The industry has access to a significant amount of customer data given its financial relationship with its customers, not to mention sometimes decades of travel-related information. However, many companies face the challenge of structuring their data correctly so they can fully embrace AI and other technological advancements.

*“You need to value relationship-building and understand that not everyone buys on their first visit. Educating teams on the importance of data in customer engagement is crucial.”*

—John Staten, President & CEO,  
Holiday Inn Club Vacations

“The foundation of technology is clean, actionable data,” Staten said. “In a perfect world, with the right data, AI could unlock many opportunities. However, our industry is still in the data-cleanup phase. While you don’t necessarily need a perfect 360-degree view, you can start by focusing on sales and marketing data and refining those areas.”

Staten also noted that companies can make progress toward digital transformation by fostering an internal culture that values data and technology, with leadership consistently pushing the change agenda.

“If you focus solely on transactions, you’ll never change,” Staten said. “You need to value relationship-building and understand that not everyone buys on their first visit. Educating teams on the importance of data in customer engagement is crucial.”

## EXECUTIVE INSIGHT

**Jason Gamel:** How do you see technology impacting the vacation ownership industry in the next three to five years?

**John Staten:** I expect better data management and investment in demand generation and performance marketing. CRM systems like Salesforce will become more important, driven by operational efficiency and consumer benefit. However, foundational cleanup that involves moving away from legacy systems is still needed over the next few years. It’s often better to build new systems and transition to them rather than trying to fix the old ones. It’s all solvable, but companies that don’t embrace new technology and focus on improving customer experience may not survive the next decade.

### The Promise of Artificial Intelligence

A majority of travelers surveyed by [Skift Research](#) expressed a strong preference for personalized travel recommendations generated by AI systems, showcasing a collective desire for tailored experiences that enhance the overall travel journey.

“While AI is often marketed as a solution to every problem, the reality is that meaningful AI-enabled solutions require well-correlated data,” said Onkar Birk, senior vice president and chief technology officer at Hilton Grand Vacations. “People often overlook the complexity and cost of achieving this integration.”

It’s easy to sell the dream of AI, but the challenge lies in its implementation, particularly in our constantly evolving industry. Birk cited customer care as a good entry point for vacation ownership brands to invest in AI, as it often involves standard, binary responses.





“The real challenge arises when customers ask more complex questions that require data from multiple sources,” Birk said. “This is where AI can truly elevate the customer experience by delivering more personalized and relevant responses. On the operational side, AI can greatly enhance efficiency, particularly in call centers, by handling more inquiries and providing quicker responses.”

In addition, AI has the potential to revolutionize the sales process by matching the right salesperson with the right customer based on data analysis.

“This isn't just about putting the best salesperson forward,” Birk said. “It's about aligning personalities and preferences to build stronger relationships, which is vital in an industry focused on lifelong investments.”

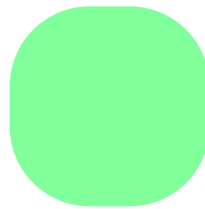
## EXECUTIVE INSIGHT

**Jason Gamel:** How does having the right data infrastructure impact the personalization of the customer experience?

**Onkar Birk:** Personalization is at the core of enhancing the customer experience. With the right data, we can tailor the customer journey from the pre-planning stage onward. We gather information about your preferences — some directly from you, some from your digital footprint — and use that to offer personalized vacation recommendations. For instance, if you mention that you like coffee, we can recommend nearby coffee shops when you're at a resort. The goal is to create a virtual vacation experience that resonates with your personal preferences, whether it's showing you a video of a resort that aligns with your interests or using augmented reality to immerse you in that environment.

### How Innovation Unlocks Growth Opportunities

In today's rapidly evolving digital landscape, the way consumers interact with technology has transformed significantly, creating both challenges and opportunities for industries like timeshare.



“Consumers have a larger digital presence than ever before,” said Dan Cherian, chief transformation officer at Capital Vacations. “This shift, driven by increased digital literacy across all age groups, requires companies to adapt their strategies to meet the expectations of a more informed and selective consumer base.”

The key to unlocking growth in this new landscape lies in tech-enabled personalization and long-term relationship building. With the vast amount of data available, companies have the opportunity to tailor their marketing efforts and customer experiences.

“With AI and big data, we can create highly personalized experiences that cater to different segments of our customer base,” Cherian said. “This approach not only enhances customer engagement but also builds stronger, more lasting relationships.”

By recognizing the value of these relationships and leveraging data more effectively, vacation ownership companies can unlock new revenue streams and create a more loyal customer base.

“We have a unique business model with long-term relationships, but we treat it too transactionally,” Cherian said. “Looking ahead, the industry will need to embrace these changes.”

## Dedicated App or Integrated Website?

Many hospitality companies have dedicated apps that feature simple booking processes and allow for seamless planning. However, developing such user-friendly apps for reserving timeshare accommodations is much more challenging due to the complexities around the rules and privileges that apply to various ownership levels.

“An app is essential, not just for booking transactions but for engaging with customers throughout their journey, offering travel tips, deals, and other relevant content,” Cherian said. “Our industry needs to mature beyond just improving booking experiences — we should be creating apps that enhance the overall customer experience.”

Staten believes that addressing customer needs can be achieved in other ways: “You don’t necessarily need an app, but it is crucial to offer self-service options to manage their needs efficiently, whether that be via your website or on your smartphone. The focus should be on enabling self-service capabilities with seamless functionality that works well on both your website and mobile devices. While the term ‘app’ is commonly overused, the real goal is to provide a robust service model that empowers the customer to decide how they want to be marketed, sold, and serviced.”







## Expansion: *Exploring New Frontiers of International Growth*

With over 1,500 timeshare resorts in the U.S., the domestic market will continue to influence the overall health of the industry. However, more U.S. travelers are seeking international options. [Skift Research](#) reports that in 2023, approximately 22 million Americans applied for passports, indicating a high intent for international travel. In addition, increased interest from travelers in international destinations — specifically in Mexico, the Caribbean, Latin America, and the Far East — points to incredible growth opportunities ahead.

Favorable economic conditions, rising middle-class populations, and investments in tourism infrastructure are key drivers of this growth. Additionally, the allure of exotic locales and unique cultural experiences attract a global clientele, making international expansion a strategic priority for timeshare developers.

As these factors persist, they will likely sustain and even accelerate the trend of international growth in the timeshare industry.

### **Ongoing Growth in Mexico and Latin America**

According to Juan Ignacio Rodriguez, managing director at RCI, the global timeshare industry is worth about \$21 billion, with \$10.5 billion in the U.S., \$6.2 billion in Mexico, and \$2 billion in Brazil.

Unlike in the U.S., timeshare products in Mexico and Latin America are not rooted in property ownership. However, this hasn't deterred U.S. consumers from purchasing vacation ownership products that are different than what they see in the U.S. According to industry sources, about 75 percent of timeshare owners and vacation ownership members in Mexico are from



the U.S. or other countries, with limited sales to local markets. In contrast, most buyers in Brazil are native to the country.

“Many of the sales in Mexico and other parts of Latin America come from hoteliers, who are developing products that focus on loyalty and discounts,” Rodriguez said. “This model attracts North Americans as it complements their existing timeshare arrangements in the U.S. or Brazil, where the market is split between deeded property and right-to-use models.”

### The Need for Flexibility

A popular business model within many international markets focuses on club memberships that provide its members with discounted stays, along with other benefits, in all-inclusive accommodations. The higher the membership level, the greater the discount and associated benefits. One key difference from the traditional timeshare model is that members do not pay annual maintenance fees, and only pay when they use the accommodations. This approach complements traditional timeshare products, which are still strong in markets like Brazil and Mexico, where right-to-use and real property ownership models prevail. These models align more closely with the U.S. timeshare model and often include maintenance fees, but the all-inclusive resorts offer a different business model and growth avenue.

“There's a need for both traditional timeshare products and more flexible options, like those without maintenance fees, which operate on a pay-per-use basis,” Rodriguez said. “This flexibility, along with the ability to accelerate usage and seasonal pricing, is driving market growth. It's not about one model being better than the other — both have their place.”

### Demographic Factors in Mexico and Latin America

Market growth in Mexico and Latin America can also be attributed to demographic factors, including a large population of young owners with families and the rise of the middle class.

“When Gen Z and Millennials have families, they often find timeshare appealing,” Rodriguez said. “That's why countries with large families, like Brazil, see continued growth. In countries south of Mexico, birth rates are higher compared to Europe, where there's a population decline. Countries with a substantial population in the 20 to 40 age group will continue to see a need for timeshare.”

In addition, the rise of the middle class is creating a growing market for vacation ownership.

“There is definitely a rise in the middle class in Mexico and Brazil,” Rodriguez said. “For example, Brazil has a population of 215 million — so a 5- to 10-percent increase in the middle class can mean 20 million new potential customers overnight. Globally, countries like South Africa and India are also experiencing middle-class growth. In India, even a 10- to 20-percent rise in the middle class could mean 100 to 200 million new consumers.”

## EXECUTIVE INSIGHT

**Jason Gamel:** Are there any key points you'd like to emphasize about international growth and vacation ownership opportunities in the next three to five years?

**Juan Ignacio Rodriguez:** As the world becomes more interconnected, there's an opportunity to develop diverse products for different market segments. Today, we have multiple generations with distinct needs and preferences, so product development must reflect that. Additionally, understanding potential consumers is key. Many Americans are now living and working remotely in Mexico City, creating a new market segment. Lastly, maintain what's working well because timeshare is a fantastic product with great potential.

### New Opportunities in Asia Pacific and Middle East

The industry is also optimistic about growth prospects in Asia Pacific and the Middle East, particularly in China, India, Vietnam, and Dubai.

“The opportunity in Asia Pacific and the Middle East is vast, and the market is rapidly changing in terms of the target demographic, infrastructure, tourism growth, and affordability,” said Barry Robinson, president and managing director of international operations for Travel + Leisure Co.

The rise of India's middle class presents a significant opportunity. [A report by Booking.com and McKinsey](#) projected that

Indians could become the fourth-largest global travel spenders by 2030. It projected that travel spending for Indians would rise from \$150 billion in 2019 to \$410 billion by 2030.

Robinson noted that the market in Asia Pacific and the Middle East is relatively untapped compared to the United States: “These regions make up three-quarters of the world’s population—about 4.5 billion people — and their middle class grows at over 20 percent annually,” he said. “All of the vacation ownership companies combined might be doing \$800 million. Compare that to the 335 million people in the United States, where the industry generates around \$10 billion in sales annually.”

### Challenges of Developing Abroad

Despite these apparent opportunities for expansion, operating in a region such as Asia requires a specialized understanding of various cultures, languages, and unique regulatory environments. This requires either overcoming regulatory hurdles or spearheading effective new regulations. By contrast, the U.S. is relatively straightforward — one country, one language.

Even with these challenges, Robinson noted Travel + Leisure Co. is making headway in China: “We started lobbying for the industry in China a year ago, and the growth there has exceeded our expectations, with 150 percent year-on-year growth,” he said. “This process involves working closely with each country’s government and adapting to cultural differences.”

Additionally, infrastructure plays a major role in determining where developers will go next. While places like the United Arab Emirates, Qatar, and Saudi Arabia have developed cutting-edge airports, luxurious hotels, and more, other regions in Asia and the Middle East have a long way to go before timeshare developers are ready to enter the market.

*“People’s expectations have changed. You can’t just sell a larger unit than a hotel room because there are many condo-style accommodations. People want unique experiences, so we’re focusing on the club concept with activities and amenities.”*

—Barry Robinson, President and Managing Director of International Operations, Travel + Leisure Co.

### A Focus on Unique Experiences

As with other parts of the world, consumers in Asia Pacific and the Middle East want more than a place to stay.

“People’s expectations have changed,” Robinson said. “You can’t just sell a larger unit than a hotel room because there are many condo-style accommodations. People want unique experiences, so we’re focusing on the club concept with activities and amenities. For example, we offer properties with farm components, free electric scooters, surfboards, and electric cars for club members.”

According to Robinson, Travel + Leisure Co. has 20 properties in Japan, including all-inclusive experiences with upscale ryokan-style accommodations that include traditional and Western elements, appealing to both local and international guests.

## EXECUTIVE INSIGHT

**Jason Gamel:** What support does the industry need for continued growth in international markets?

**Barry Robinson:** We need to educate governments and implement workable legislation. Unregulated operators can cause issues, and even major players need to stay focused. Some companies fear change, but it’s better to address issues proactively and not reactively. Global companies rely on the U.S. market, and if it stalls, they’re vulnerable. We need to accelerate international growth to spread risk. It’s important to build long-term relationships in these markets. You need to be in it for the long haul, not just for quick gains.





Red Wolf Lodge at Olympic Valley

# Independent Resorts: *Addressing the Challenges and Opportunities*

While major hotel and hospitality brands tend to dominate the headlines, about two-thirds of the timeshare resorts in the U.S. are not affiliated with those brands. Instead, they represent a vibrant and diverse community of independent resorts that face unique challenges in today's hospitality environment.

“Independent resorts offer a sense of community, creating lasting bonds and connections between owners, staff, and the property,” said David Brown, co-president of Grand Pacific Resorts.

Independent owners are often very passionate about their ownership given how long they have owned and the relationships they have built vacationing at their resorts.

“Many of these resorts have deep-rooted family traditions, with

multiple generations returning year after year,” said Caroline Shin, CEO and co-founder of Vacatia, a hospitality company that offers management services and an online booking platform for vacation properties. “It’s the only real estate asset, besides your own home, that carries such a personal and emotional attachment. The challenge is to modernize these resorts without losing that special sense of community that defines them.”

Other challenges include maintaining competitive marketing efforts, delivering reliable service, and navigating financial sustainability without the backing of large corporate entities. Consistently providing a great experience and meeting evolving customer expectations across generations is key to overcoming these challenges.



“Independent resorts can stay relevant and successful by engaging with timeshare owners and sharing exciting updates about the resort,” Brown said. “Offering hi-touch service and constantly implementing new amenities like family-friendly activities can enhance the guest experience and cater to different generations’ preferences.”

Consolidation and other industry forces are also driving positive change.

### **Consolidation: Leveraging Economies of Scale**

Timeshare consolidation is reshaping the independent resort landscape as smaller resorts merge or partner with larger networks and management companies consolidate, altering competitive pressures and market opportunities.

“Some resorts are in such bad shape that they can’t afford to continue, and they need assistance with consolidation,” Shin said. “We’re helping some resorts merge with nearby associations to create healthier, more sustainable communities.”

Large branded hospitality players typically have a single management company overseeing their resorts indefinitely. By contrast, many independent resorts are generally run by a board of directors that either hires a management company or they might decide to manage them independently.

“These resorts were developed by entrepreneurial real estate developers, and over time, they’ve served their owners well,” Shin said. “But now, many need modernization. Unlike the big brands, they typically lack active sales teams and don’t have access to the same resources.”

Resorts managed by companies like Vacatia and Grand Pacific Resorts benefit from comprehensive services that drive owner engagement, improve cash flow, and attract new members.

### **Providing Long-Term Vision to Unlock Innovation**

Management companies can help independent resorts supercharge innovation and move from neutral to first, second, or third gear, enabling them to offer diverse options that ensure long-term viability. They can also help independent resorts upgrade their technology systems.

“On the tech side, we’re investing heavily in systems that allow us to customize our approach for each property, whether they

## **EXECUTIVE INSIGHT**

**Jason Gamel:** How do you modernize independent resorts without losing that special sense of community that defines them?

**Caroline Shin:** First and foremost, many of these resorts need a facelift. Some require minimal updates because their owners have maintained them well, but others need significant work. Without modernization, these resorts won’t survive. We’re working on providing loans to help resorts with these updates. This also re-energizes the younger generation that inherited their timeshare from their parents. They have fond memories of these places but want to stay in a renovated resort.

*“Many of these resorts have deep-rooted family traditions, with multiple generations returning year after year. It’s the only real estate asset, besides your own home, that carries such a personal and emotional attachment.”*

—Caroline Shin, CEO & Co-Founder, Vacatia



Carlsbad Inn Beach Resort

need sales, rentals, or management support,” Shin said. “The challenge is balancing how much tech we push down to the property level versus keeping it centralized. We’re taking a different approach from others in the industry, focusing on scalable, modern technology.”

Ultimately, one of the greatest benefits a management company can provide is a long-term vision for the resort. This foresight provides boards with a better understanding of how to make decisions that will positively impact the resorts — and owners — in the long run.

### Managing Inventory

One thing Vacatia and Grand Pacific Resorts excel at is helping resorts manage inventory, especially when owners can no longer use their timeshares or want to transfer them. When considering solutions for unsold or delinquent inventory, it’s essential to recognize that these resorts depend on maintenance fees, with rental as a secondary revenue source.

“For independent resorts, it’s not about mimicking the brands,” Shin said. “A healthy resort should have a mix of happy owners and rental income. Rentals help keep maintenance fees reasonable and support full-time staff, which in turn improves service quality.”

### Time to Unwind?

Though many independent resorts are prized for their uniqueness, some may become less desirable over time due to changes in demand for the location or a significant decline in the resort’s physical condition. When that happens, it may be time to unwind. Unwinding a timeshare property refers to the process of terminating or dissolving the timeshare regime, effectively separating the timeshare plan from the property itself, allowing it to be sold or otherwise used for another purpose, such as a hotel or a whole ownership condominium.

Understanding and addressing the challenges of independent resorts will be crucial in shaping the future landscape of the timeshare industry. This could potentially lead to a more resilient market, drive innovation, and enhance the diversity of vacation experiences available to owners.

## EXECUTIVE INSIGHT

**Jason Gamel:** What positive market factors will help independent resorts thrive over the next three to five years?

**David Brown:** Positive market factors, such as a growing trend in commitment to vacations, lower interest rates, and technological advancements, are set to support the thriving success of independent resorts in the next few years. The strategic location of these resorts in high-demand areas and the increasing price of residential homes offer stability and value, enhancing the appeal and sustainability for owners. By leveraging these factors and aligning with industry trends, independent resorts are poised to evolve and thrive, ensuring continued success and growth.

## Supporting Independent Resorts

ARDA recognizes the challenges many independent vacation ownership resorts face and through the ARDA Resort Owners Coalition (ROC), whose mission is to represent the interest of timeshare owners through advocacy and education, has partnered with the Timeshare Board Members Association (TBMA), which supports board members and resort managers of legacy timeshare resorts through educational meeting series, to help further enhance the educational and networking experiences offered at these meetings.







## Owner Engagement: *Appealing to the Next Generation*

According to [Skift Research](#), travel remains a top priority for Gen Z and Millennials, who plan to increase their travel spending in the next year despite economic uncertainties. Both generations exhibit a high frequency of travel, with 82 percent of Millennials and 75 percent of Gen Z taking two or more trips per year.

The good news for the industry is that this generation of passionate travelers is actively pursuing timeshare options. According to ARDA's new owner report, the average age of today's timeshare owner is 45, while the average age of recent timeshare purchasers is 39. In addition, 57 percent of timeshare owners are either Gen Z or Millennials, and that same population represents a majority of first-time owners.

**39**

average age of recent timeshare purchasers

**45**

average age of today's timeshare owner

**57%**

of all timeshare owners are Gen Z or Millennial

But what must the industry do to attract these younger generations? By proactively appealing to their preferences and values — including a desire for flexibility, ease of use, and unique experiences — vacation ownership companies can create more effective offerings and marketing strategies tailored to their unique lifestyles and expectations.





### Members of an Exclusive Club

Understanding how to sustain demand among younger travelers starts by examining what’s already resonating with them.

“Brand loyalty and consistency are compelling aspects of our product offering, especially compared to the inconsistent experiences in traditional vacation rentals,” said Lori Gustafson, chief membership and commercial services officer at Marriott Vacations Worldwide. “With over 90 properties, Marriott Vacations Worldwide offers family-friendly accommodations that fit various lifestyles and life stages.”

This flexibility helps foster a sense of belonging, making vacation ownership feel like being part of a club rather than just owning an interest in a property. Beyond the accommodations themselves, it’s about the social aspect of travel, whether returning to the same place year after year or exploring new destinations.

“There’s a resurgence in country clubs because people value the social and communal aspects,” Gustafson said. “The same goes for timeshare, where the social experience is crucial. This club-like feeling creates community moments that are hard to quantify during a sales pitch but are significant for guests. It offers more than a transient vacation rental or hotel stay — it fosters connections and ownership, creating natural opportunities to connect with others from different places.”

Creating a club-like atmosphere is essential for attracting the next generation of buyers and is essential for families, offering more meaningful connections, not to mention more space and amenities.

### Ease of Use and Flexibility

Today’s developers and resorts must also prioritize ease of use and flexibility to maximize appeal and meet the next generation of owners on their own terms.

“Whether branded or independent, consumers expect the same experience they get when booking other travel-related services,” Gustafson said. “The timeshare product — with its many use options, destinations to explore, experiences to choose from and more — creates the need for more intentional and deliberate digital and web development to power the user experience. The complexity of our product has made development in this area a little slower, but with this top of mind, we have been accelerating our efforts to ensure we invest in what’s needed



Sheraton Vistana Villages Resort Villas  
I-Drive/Orlando

to create a digital experience that is seamless, from online booking to on-site experiences. We must inspire owners to live a fulfilling life with us, ensuring they have access to great destinations, flexible accommodations, and trusted brands.”

Gustafson also noted that location is as important as any of these other considerations: “We regularly survey our owners to determine top destinations, and it’s crucial for them to know there are new resorts to visit and diverse experiences available,” she said. “Being destination experts is vital, ensuring we offer everything from popular urban locales to favored beach destinations.”

### Unique Experiences

Younger generations also prefer experiences over possessions, reflecting a broader industry trend toward facilitating memorable experiences versus simply providing a place to stay. They’re looking for adventures that bring personal growth and connection, pushing hospitality businesses to get creative with the experiences and activities they offer.

“Another reason our current owners remain loyal and continue to buy more is our innovative vacation currency, which allows owners to use their timeshare points for cruises, world tours, or exclusive events like the Masters Golf Tournament,” Gustafson said.

According to [Skift Research](#), adventure travel is the most popular activity among younger travelers, with 81 percent of

Millennials and 72 percent of Gen Z showing interest. Culinary experiences are also important, with younger travelers showing a strong preference for diverse and authentic dining options. Wellness is another priority, with 49 percent of Millennials and 42 percent of Gen Z including wellness activities in their itineraries.

### Rental Options and Trial Memberships

For younger travelers who may not be ready for traditional vacation ownership, which often involves long-term commitments and significant financial investments, rentals and trial memberships are attractive options that may become more popular over the next three to five years.

Renting a timeshare allows these younger travelers to enjoy the benefits of a resort vacation without the responsibility of ownership. This rental option provides access to premium amenities, spacious accommodations, and prime locations at a fraction of the cost, making it an attractive alternative to hotel stays.

Providing the opportunity to experience a timeshare property on a trial basis is a great way to introduce the concept to would-be owners.

“For the Marriott Vacation Ownership and Hyatt Vacation Ownership sides of the business, we are continuing to explore the amount of customization it takes for new customers to become comfortable with how our branded vacation ownership will



Holiday Inn Club Vacations Fox River Resort at Sheridan



support their future needs,” Gustafson said. “For travelers who were referrals from owners and brand loyalists visiting a resort for the first time, those type of individuals may only need one introduction to the product before deciding to join. For others, they may need multiple experiences over a longer period of time to see how all of the features of our product work for them.”

Gustafson continued: “It’s clear that introduction services are popular globally, and we’re learning from them to expand our appeal to the next generation. Growth involves broadening our appeal and finding innovative ways to bring in new buyers, ensuring they can experience timeshare benefits firsthand. To do that, we know we need to be flexible and learn as we go.”

Perhaps in the future, we’ll see these trial subscriptions automatically transition into full ownership after a certain period.

“We’re exploring those ideas and considering alternative membership offerings to meet the needs of the next generation buyer, focusing on making the product appealing for their future needs,” Gustafson said. “Technology and digital transformation are crucial for meeting expectations and making it easy to do business with us. We must demystify the complexities of the product and focus on delivering vacations.”



## EXECUTIVE INSIGHT

**Jason Gamel:** What will attract the younger generation to future timeshare products?

**Lori Gustafson:** Trial options, great destinations, incredible accommodations, and exceptional service are key. Making sure timeshares are considered a lifestyle product rather than a financial obligation is crucial. Offering international destinations is a growth area, providing opportunities for owners to travel globally. We must appeal to the next generation while advancing our technology to serve long-term owners. Creating a club-like atmosphere, offering new ways to use our products, and enhancing the digital experience are essential.





# Concluding Thoughts from Jason Gamel

The next three to five years will be a transformative period for the timeshare industry as it navigates a landscape defined by technological innovation, strategic expansion, and evolving consumer expectations. The conversations highlighted in this report collectively point toward a future where timeshare companies must embrace change, prioritize personalization, and forge meaningful partnerships to remain competitive.

Strategic brand collaborations will become increasingly vital as companies strive to align with the passions and lifestyles of a new generation of travelers. The integration of AI and data-driven strategies will not only enhance operational efficiency but also enable a deeper understanding of customer preferences, leading to more personalized and seamless experiences. Meanwhile, international market expansion offers a significant

growth avenue, provided companies can navigate the regulatory and cultural complexities of these regions.

For independent resorts, the trend toward consolidation and the adoption of innovative management practices will be crucial for sustaining financial health and enhancing the owner experience.

Ultimately, these conversations with industry leaders echo my own sentiments regarding the next chapter of the timeshare industry. Our future will be shaped by the industry's ability to adapt to these trends while staying true to its core value: delivering exceptional, memorable vacation experiences. Those who succeed will not only thrive but will also set new standards for vacation ownership.



*Elara, a Hilton Club*





The Westin Lagunamar Ocean Resort Villas & Spa, Cancun

## About ARDA

ARDA is a nonprofit, nonpartisan, Washington, DC-based trade association for the vacation ownership and timeshare industries, representing more than 350 privately held and publicly traded companies. ARDA's members include developers, exchange companies, vacation clubs, timeshare resale and rental companies, timeshare owner associations (HOAs), resort management companies, industry vendors, consultants, and legal and regulatory experts.

Through its advocacy arm, ARDA-ROC, ARDA advocates on behalf of U.S. resort developers and timeshare owners, both on Capitol Hill and in statehouses across the country.

As the global leader for the vacation ownership industry, ARDA also regularly works with established and emerging associations and markets worldwide to help advocate for the interests of its members and the industry.



The Quin, a Hilton Club