Perspectives on timeshare ownership: An exploratory study of markets in China

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PERSPECTIVES ON TIMESHARE OWNERSHIP: AN EXPLORATORY STUDY OF MARKETS IN CHINA

by

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**December 2009**
ABSTRACT

Perspectives on Timeshare Ownership: An Exploratory Study of Markets in China

by

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This study aims to explore the attitudes of prospective customers in China about timeshares, and to identify potential marketing opportunities for timeshare companies targeting China. This exploratory study is the first of its kind and it intends to provide valuable information about the consumer potential for the timeshare industry in China. The findings indicate that consumer acceptance of timeshares in China is high. Six socio-demographic variables were identified as keys in predicting those with statistically significant likelihood of purchasing a timeshare within the next three years: age, occupation, marital status, annual household income, vacation frequency, and attendance at a previous timeshare sales presentation. Managerial recommendations for timeshare marketing tactics are discussed.
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CHAPTER 1
INTRODUCTION

Purpose of the Study

China, the world’s most populous country, with growing middle classes and emerging economy outlook provide tremendous opportunities for business to develop and expand customer base. The hospitality industry in China is growing at a much more rapid rate than everywhere in the word (Lu, 2005). Liu, Pryer and Roberts (2001) suggested that the development and expansion of a Chinese timeshare industry has great potential. As people in China gain more gaining power, these wealthy middle class population will be more interested in investing in timeshare products in the future (Hickman, 2008).

Although most of the international timeshare companies show great interests in entering the Chinese market, the overall opinions of the Chinese consumers, especially rich middle class, remain unknown. It is important for the international timeshare companies to know the Chinese prospective consumers’ opinions and attitudes toward timeshares before they enter the market in China. To the best of my knowledge, there has no attempt made to identify the opinions and attitudes toward Chinese consumers on the timeshare issue.

Thus, the purpose of this study is to investigate opinions and attitudes toward timeshares via survey among groups with different social and demographic backgrounds in China. Furthermore, it attempts to identify do Chinese consumers’ attitudes and purchase intentions toward timeshares differ in their demographics. Suggestions regarding marketing strategies for timeshare companies targeting or already investing in China are provided based on the findings.
Justification of the Study

Among the United States hospitality and resort industries, timeshare resorts are the fastest-growing segment, with a double-digit growth rate since 1995 (Nabawanuka & Lee, 2009; Stringam, 2008; Upchurch & Gruber 2002; Woods, 2001). The resort timesharing industry in the United States grew dramatically from $1.9 billion in 1995 to $10.6 billion in 2007; nearly 538,000 timeshare units were sold in 2007 (American Resort Development Association [ARDA], 2008b).

![U.S. Timeshare Sales Volume](chart)

*Figure 1. U.S. Timeshare sales volume.*

Timeshare, also known as vacation ownership, is a real estate product that allows buyers to purchase an increment of time or vacation points in a condominium, villa or apartment type of furnished vacation accommodation (ARDA 2005; Upchurch & Rompf, 2006). The ownership of timeshare is split among individuals on the basis of time, which
commonly in weekly intervals. This means that each room unit within a given resort the consumers bought is shared with other purchasers throughout the year (Upchurch, 2002). This prepaid vacation product guarantees accommodations for future vacation at today’s price.

Timeshare resorts have become a preferred travel choice for many travelers worldwide (Hahm, Lasten, Upchurch, & Peterson, 2007; Haylock, 1994; Upchurch, 2002; Upchurch & Gruber 2002). According to ARDA (Ragatz, 2006b), there were over 5,400 timeshare resorts in more than 100 countries and a total of 6.7 million timeshare owners worldwide. Majority of the timeshare resorts were located in the United States (31%), followed by Europe (25%), Latin America (16%), Asia (14%) and Africa (6%) (RCI, 2003b). Although Asia only represented 14% of timeshare market in the number of the resorts, however, the timeshare market in Asia has the potential to become a huge market, especially in China and India (Gale, 2006; Hickman, 2008).

The world’s most populous country, China, is currently one of the top five world destination countries, and it is expected to become the world’s largest inbound and outbound travel destination by 2020 (Lu, 2005). According to the China National Tourism Administration [CNTA], inbound visitor numbers rose 20%, to 130 million in 2006. The Chinese outbound market was also growing rapidly. The visitor numbers jumped from 4.5 million to 28.9 million from 1995 to 2004, representing a growth of more than 20% per year (Tse, 2006). According to the United Nations World Tourism Organization forecast, the outbound market size of China will rank it number four globally for total outbound trips nearly 100 million trips in 2020, following by Germany, Japan, and the United States (Tse, 2006). It is estimated that these Chinese travelers have
a potential to generate $24.3 billion worth of international travel spending in 2020 (Powers, 2008).

The concept of resort timesharing is still relatively new in China. Yet the growing, wealthy Chinese middle class, a positive political response to the tourism industry, a high level of tourism flow, and a strong economic outlook, suggest that the development and expansion of a Chinese timeshare industry has great potential (Hickman, 2008; Liu et al., 2001; Rushmore, 2007).

The timeshare industry has an opportunity to capture the emerging Chinese market. However, there is no much knowledge about these potential timeshare owners in China, including their demographics, wants, needs, behavior and attitudes toward timeshare products. No studies have been conducted to investigated Chinese Consumers’ opinions and attitudes toward timeshares. This exploratory study is the first of its kind and it intends to provide valuable information about the consumer potential for the timeshare industry in China. The findings of this study will enable decision makers in the timeshare industry to gain an understanding of the potential for timeshare market in China.

**Importance of the Study**

**Academic Significance**

Despite the growing body of literature dealing with timeshare marketing, previous research has focused on Western customers rather than upon China, the world’s largest emerging tourism market. Furthermore, Existing literature has discussed a lot about who are the timeshare buyers and why they buy timeshares (Boesch & Wells, 2006; Ragatz, 2006; Rezak, 2002; Sparks, Butcher, & Bradley, 2007; Sparks, Butcher, & Pan, 2008),
but very few have investigated non-buyers’ perception of timeshare and why they do not consider buying a timeshare. Thus, this study makes new contributions to the literature in two ways. First, this exploratory study seeks out Chinese consumers’ opinions about timeshare products. Second, this study attempt to identify the deterring factors for not considering buying a timeshare for Chinese consumers.

**Practical Significance**

International timeshare companies have been considering in entering market in China. This study may help the decision makers of the timeshare companies better understand the potential of timeshare market in China, how prospective customers in China feel toward timeshare, the likelihood of purchasing timeshare products, and the deterring factors for not considering buying a timeshare.

If the timeshare companies determine that the timeshare market in China has potential and intend to enter the market, how should international timeshare companies adjust their product development, sales, and marketing strategies to meet the needs of Chinese customers? This study may assist decision makers to identifying what categories of consumers are most likely to purchase a timeshare. This study may also help the decision makers to overcome barriers and market timeshare more effectively.

**Research Questions**

China’s growing middle class, emerging economy, and the rich tourism resources have caught the attention of many international timeshare companies looking for the next growth opportunity. However, are vacation ownership models flexible enough to appeal Chinese consumers? How do customers in China think about vacation ownership? What
is the likelihood of purchasing a timeshare for Chinese customers? This study intends to explore the attitudes of prospective customers in China about timeshare products in order to evaluate their opinions and motivations in considering the purchase of resort timesharing. Further, the purpose of this research is to identify potential marketing challenges and opportunities for international timeshare companies targeting or already investing in China.

Specifically, the study is organized around the following questions:

**The First Question**

The first question investigated was whether there was a potential market for selling timeshares in China? This research question was designed to find out the perception and purchase intention of prospective customers in China toward timeshares.

**The Second Question**

The second question investigated was whether there was a significant difference among different socio-demographic groups in Chinese respondents’ overall feelings toward timeshares. This question was designed to find out how different groups of people differed in their attitudes toward timeshares.

**The Third Question**

The third question investigated was whether there was a significant difference among different socio-demographic groups in Chinese respondents’ likelihood of purchasing a timeshares within the next three years. This question was designed to find out how different groups of people differed in their purchase intention toward timeshares.
The Fourth Question

The fourth question investigated was to identify the factors affect Chinese consumers’ intention not to buy a timeshare in the next three years. The question was designed to find out what were the hesitation reasons for Chinese consumers for buying a timeshare.

Limitations

First, the results cannot be generalized to all Chinese customers, because the sample is limited in its nature. The respondents were selected on the basis of having disposable income allowing them to travel abroad over the last two years at the selected travel agents in Shanghai. Although the surveys were collected mostly from Shanghai consumers, it may be possible that the sample contains responses from customers who were from other areas of China. It is not nationwide data, and the survey may not represent the whole population of China.

The second limitation is that the survey was distributed through email. Those who can’t access to internet and email might be excluded by this study.

Another limitation is the study period. Because the study was a one-shot only study, people may change their perceptions and attitudes over time, particularly the period after branded timeshare companies enter timeshare market in China.

Definitions of Terms

The following are definitions of some of the terms used in this study:

Timeshare: timeshare, also known as vacation ownership, is a real estate product that allows buyers to purchase an increment of time or vacation points in a condominium,
villa or apartment type of furnished vacation accommodation (ARDA 2005; Upchurch & Rompf, 2006).

Middle class in China: the middle class in China consisted of about 15% of the Chinese population. There were around 50 million middle class families in Mainland China with an average annual household income of $9,375 (CASS, 2004).

Attitudes toward timeshare: The attitudes toward timeshare in this study refer to respondents’ overall feelings toward timeshare. Respondents gave a score (1 = very negative; 2 = somewhat negative; 3 = neutral; 4 = somewhat positive; 5 = very positive) to demonstrate their perception toward timeshare.

Intention to purchase a timeshare: The intention to purchase a timeshare in this study refer to respondents’ likelihood to purchase a timeshare within the next three years (1 = zero, no chance, 2 = less than 50%, 3 = about 50%, 4 = better than 50%, 5 = 100% certain).


Direct Mail: “Promotional literature sent by means of the postal service, designed to induce people to buy something as a direct response to the printed appeal. In the vacation ownership industry, a more common use of direct mail is lead generation for sales tours.” (ARDA, 2005, p. 238).

Exchange Company: “This type of company enables the owner at an affiliated resort to exchange their timeshare interest for the use of timeshare interest at other affiliated resorts.” (ARDA, 2005, p. 240).
**Fixed-Week:** “A type of fractional ownership in which the owner knows the specific weeks within a given year that he will have access to the accommodation year after.” (ARDA, 2005, p. 240).

**Floating-Week:** “A timeshare schedule arrangement in which owners reserve each year’s vacation time on a first-come, first-served basis.” (ARDA, 2005, p. 240).

**Fractional Ownership:** “A timeshare product in which no more than 13 owners can own a unit. In other words, on average, each owner has access to the unit for 4 weeks.” (ARDA, 2005, p.154).

**Internet Marketing:** “The process of reaching out to an intended consuming audience via the World Wide Web.” (ARDA, 2005, p. 244).

**Off-Premise Contact (OPC):** “A marketing term used to describe a marketing representative who works within a booth in a shopping center, hotel lobby, or other public place, offering an inducement to visit the project or sales center and participate in a sales presentation.” (ARDA, 2005, p. 247).

**Points:** “Purchasers buy points based upon their estimated vacation needs, then use those points as they desire in any given year. Resort accommodations are assigned a point value based upon unit size, length of stay, location, and seasonality.” (ARDA, 2005, p. 248).

**Telemarketing:** “Contacting people by telephone for some marketing or sales purpose.” (ARDA, 2005, p. 253).

**Independent-samples T Test:** “Tests the null hypothesis that the population mean of a variable is the same for two groups of cases.” (Norusis, 2004, p. 288).
One-Way ANOVA Test: “Test the null hypothesis that the population mean of a variable is the same in several groups of cases.” (Norusis, 2004, p. 316).
CHAPTER 2
LITERATURE REVIEW

The dramatic growth in the timeshare industry has attracted more researchers attempting to gain a better understanding of the timeshare products. Several studies have focused on demographics of timeshare owners, purchase motivations (Boesch & Wells, 2006; Marsan, 2002; Ragatz, 2006; Rezak, 2002; Scoviak, 2005; Sparks, Butcher, & Bradley, 2008; Sparks, Butcher, & Pan, 2007). Other research has discussed on the characteristics of the timeshare products, the nature of timeshare, and the evolution of the timeshare concept (Elson & Muller, 2002; Ladki, Mikdashi, Fahed, & Abbas, 2002; Upchurch, 2002; Upchurch & Gruber, 2002). Several literatures concentrate on post purchase behavior and satisfaction of timeshare owners (Lawton, Weaver, & Faulkner, 1998; Upchurch & Rompf, 2006). Woods (2001) provided highlights of the major challenges for timeshare industry. Some studies have addressed specific consumer markets and preferences in timeshare products (Kaufman & Scantlebury, 2007; Kaufman & Upchurch, 2007; Kaufman, Upchurch, & Severt, 2006; Upchurch, Rompf, & Stevert, 2006). Other research has focused on training issues on timeshare salespersons (Hicks & Walker, 2006; McCain, Hu, & Woods, 2005). Other studies in timeshare ownership have examined the economic analysis of timeshare industry (Powanga & Powanga, 2007; PricewaterhouseCoopers, 2008; Pryce, 2002), impacts of timeshare operation on U.S. hotels’ firm value, risk and accounting performance (Nabawanuka & Lee, 2009).

Many industry managers and researchers acknowledge the potential market of timeshare in China, but limit attention is devoted to empirical research. As Liu et al. mentioned “the overall environmental conditions for timeshare development in China are
positive and potential; however, the consumer demand for timeshare still ambiguous” (Liu, Pryer, & Roberts, 2001, p. 90). Therefore, this pilot study seeks to contribute to closing this gap.

**Brief History of the Timeshare Industry**

Timeshare first appeared in Europe in 1960’s. The original purpose of the timeshare program was to give the owners a guaranteed opportunity to come and ski in the French Alps. Each owner bought an individual room unit for a specified period of time of the year (Baiman & Forbes, 1992; RCI, 2003a). Not very long after the concept had taken hold in Europe the idea was quickly adopted in the United States. In 1970’s, innovative developers in United States started to sell their vacation properties in this creative way. Instead of selling the whole properties, which may include condos, apartments, resorts, hotels and more, timeshare developers built and sold an individual unit (often referred to one room) 51 or 52 weeks out of a year to multiple owners. Huge profits attracted more developers to enter the timeshare industry, and in the process developed negative stereotypes because of high pressure and misleading sales tactics (Crotts & Ragatz, 2002). “Those timeshare developers too frequently promoted the timeshare purchase as a can not miss investment – a way to make money on the purchase of a week’s use of a resort. The high-pressure sales tactics caught the attention of state legislators, and promoting timeshare as an investment is illegal in most states today” (Woods, 2001, p. 72).

Nowadays, the entrance of many reputable international branded hotel groups such as Marriott, Hilton, Starwood, and Disney contributed greatly to the consumers’ view that the timeshare is a credible vacation product (Upchurch, 2002). In 2008, there are more than 1600 timeshare resorts operating in the United States (Ernst & Young, 2008).
**Timeshare Products**

Imagine someone who wishes to buy a vacation home at a certain travel destination such as lakeside or beachfront for annual vacation. Instead of buying the whole vacation home which he might only stay several weeks out of the year, the vacationer may decide to buy a timeshare ownership product to split the cost of the vacation home, annual property tax, insurance, and maintenance fee with other timeshare owners. The concept of timeshare ownership allows the vacationer to spend only a portion of the cost of whole vacation home as well as maintenance fees and enjoy the same quality of annual vacation.

The timeshare product comes in either a deeded property ownership or the right to use ownership (non-deeded). Deeded timeshare product is a title-based property ownership similar to a home ownership (Powanga & Powanga, 2007). Deeded timeshare ownership gives the owner the right to sell, transfer, exchange or rent the room unit. Non-deeded timeshare, also known as the right-to-use contract, means the purchaser holds no claim to the ownership of the property, and usually can only use the property for a specific number of years.

Timeshare is sold in either weeks or points option. The former gives the purchaser an ownership of timeshare in weekly intervals which can be fixed week or float week. For example, under the fixed week system, the owner of a two-bedroom unit week 13 entitles him to stay at a two-bedroom unit at week 13 every year. On the other hand, under the float week timeshare ownership, the owner can stay at the timeshare resort for one week anytime out of the year, usually at a first come first serve basis. Under the points system, the consumer purchases amount of vacation points to satisfy their annual vacation needs. The owners of the points system can also exchange their timeshare points to rental cars,
airline tickets, or cruises. In general, the points system gives the timeshare owners more flexibility to use their timeshare.

One of the attributes that make timeshare so attractive is the exchange system. Timeshare owners can trade their timeshare weeks at their home resort with other timeshare owners at another resort in different location through exchange program. The two largest exchange companies are Resort Condominium International [RCI] and Interval International. RCI affiliated with 6,035 timeshare resorts worldwide while II has more than 2,500 affiliated timeshare resort properties in more than 75 countries. Timeshare developers usually affiliate to either RCI or Interval International.

**Timeshare Owners**

Substantial industry studies have focused on the demographic characteristics of timeshare owners and the purchase motivations. According to Ragatz (2006b) study, the typical timeshare owner is an upper-middle-income, well-educated couple and without children under age 18 living at home. The survey showed 69.7% of timeshare buyers are older than 50; the average timeshare owner was 56 years old. The median household income of timeshare owners was $81,000, versus $44,685 for all households in the United States. 67.5% of timeshare households have an annual income of $50,000 or more. The study also revealed that majority timeshares owners are either married or have a domestic partner (84.3%), followed by single female (11.3%). In addition, 24.9 percent of timeshare owners have children under age 18 living at home.

When analysis the profile of recent timeshare buyers, those who purchased timeshares within the last 12 months, we find the proportion of single females has increased from
11.3% of all owners to 12.7% of recent buyers (as cited in Ragatz, 2006b). Single females become more likely to purchase timeshares than to stay at hotel because they perceived timeshare properties to be safer, because most vacationers in the timeshare resorts are timeshare owners. In addition, 18.5% of recent timeshare owners are younger than 40 years old, compared to only 9.3% of all owners who are under age 40. The results showed resort timesharing gained acceptance among single female group and young group.

**Motivation for Purchasing Timeshare Ownership**

The empirical research has focused on the reasons behind purchasing timeshare product in the United States (Crotts & Ragatz, 2002). The Ragatz study (2006b) revealed top five motivations for purchase timeshares are overall flexibility (88%) including ability to use different locations, unit sizes, times of year; certainty of quality accommodations (82%), credibility of timeshare company (74%), external exchange opportunity (73%), and internal exchange opportunities (73%). External exchange opportunity enables timeshare owners to exchange their timeshare weeks to other timeshare resort around the world through the exchange network such as RCI or Interval International. Internal exchange opportunity means timeshare owners can exchange their home resort weeks to other resort in the same company. For example, a timeshare owner can exchange his week at Marriott Grand Chateau Las Vegas to Marriott timeshare resort at Hawaii.

Leong (2001) conducted a timeshare survey in Singapore and found that timeshare owners were motivated to purchase timeshare based on exchange opportunities (42%) and the ability to save money on future vacation costs (39%). Another study conducted
by Sparks et al. (2007) provided more insights into this issue. Sparks et al. conducted a group interview with timeshares owners in Australia to identify the dimensions of customer value in timeshares. Twelve dimensions of value emerged from the study, which were: convenience, location, relaxation, social, fun and enjoyment, financial, flexibility, gift, luxury, new experience, ownership pride, and reward. Boesch and Wells (2006) revealed that timeshare’s spacious floor plans and home-like amenities were very attractive to timeshare owners. Flexibility of the product, unlimited locations to choose from when making vacation plans, commitment to vacationing, certainty of quality accommodations were also reasons for timeshare purchasing.

**Hesitation for Timeshare Purchases**

The cost of sales and marketing timeshare ownership product averages about 45 to 55 percent of the total cost. Therefore, to lower the high sales and marketing costs, it is important for timeshare developers to understand the reasons why people purchase timeshare product as well as why people have not bought timeshare ownership. Ragatz study (2006b) indicated that the top three prime motivations for hesitation for timeshare purchases were usually do not make same day purchase decision, possible future maintenance fee increase, and timeshare price. The pressure to make same-day purchase decisions ranked as the number one hesitation for timeshare purchases (62.1%). In a typical timeshare tour, the potential customer attend sales presentation while on vacation in exchange for gifts such as show tickets, dinners, gift cards or free hotel stay. During the 90 minutes to two hours sales presentation, sales persons usually offer one-time only discounts to push customers to make purchase at the day. Another survey conducted by RCI (2003) showed that 59% of timeshare buyers cited the pressure to make same-day
purchase decisions and annual maintenance fee increases as the main motivation for hesitation for timeshare purchases.

Leong’s study (2001) revealed that three biggest deterring factors for not purchasing timeshare were product attributes, followed by the image of timeshare, and price. Half of respondents in Singapore reported product attributes as the major reason for not purchasing timeshare. That included timeshare concept incompatible with their travel pattern; the possibility of going back to the same resort every year; the difficulties of exchanging to another property at the desired time and location; and timeshare concept incompatible with their travel needs. In addition, 35% of the respondents cited the image of timeshare as a second deterring factor for not purchasing timeshare because of the high pressure sales tactics in Singapore.

Research by Sparks et al. (2007) identified six detractors to timeshare ownership derived value. They were disappointment with the facilities at some resorts, disappointment over the poor availability of timeshare resorts in specific locations, not being guaranteed to reserve a particular unit when booking (for instance, a ocean view or an in-room spa), when timeshare product was perceived to have little or no resale vale, value was diminished when personal life cycle stages prevented optimal use, and negative industry reputation.
Demographic Research

Several studies focus on the demographic variables and timeshare ownership. Rezak (2002) revealed that marital status, age and income were important when marketing a timeshare resort. Existing research suggested that there were differences based on age and travel preference. Kaufman and Upchurch (2006) segment the timeshare market based on age and found that there were significant differences based on the age of the timeshare owner concerning their timeshare consumption patterns. For example, younger timeshare owners (under 50 years old) were more inclined to use timeshare exchange opportunities and more likely to purchase an additional timeshare product at another company’s resort. In contrast, older timeshare owners were more likely to utilizing products and services provided by their home resorts. NFO Plog Research (2001) found that senior travelers, between the ages of 45 and 64, had increased opportunities to travel and spent more on leisure travel. Kaufman and Upchurch (2007) also found that significant differences based on gender existed relative to satisfaction with the timeshare ownership experience. Single females were commonly more satisfied with their vacation ownership experience than single males or couples. Also, single females were more satisfied with the timeshare exchange company than single males or couples.

Tourism Development in China

With the phenomenon growth of China’s economy, the tourism has developed rapidly since the open market policy was adopted in 1978 (Wu, Zhu, & Xu, 2000). According to Lu’s study (2005), China will lead world tourism growth in four ways: (a) inbound tourism, (b) outbound tourism, (c) domestic tourism, and (d) new investments in hotels,
airlines, and transportation. According to the China National Tourism Administration (CNTA), inbound visitor numbers rose 20%, to 130 million in 2006. Outbound visitor numbers jumped from 4.5 million to 28.9 million from 1995 to 2004, representing a growth of more than 20% per year (Tse, 2006). According to the World Tourism Organization forecast, by year 2020 China will generate 100 million outbound arrivals and will be the world’s largest inbound and outbound travel destination. Moreover, the growth of domestic tourism in China is notable. There were nearly 1.2 billion domestic travelers in 2004. According to prediction, the number of domestic travelers in China will be three times its population by year 2020 (CNTA, 1998).

Strong economic outlook and growing wealthy middle class are attracting international luxury hotel groups such as J.W. Marriott, Hyatt, and St. Regis entered market in China (Malcolm, 2003). Hotel industry analysts have predicted that more than one thirds of future hotel projects and investments around the world will be in China (Lu, 2005). U.S. and other Western hotel companies are building more hotels in China than in any other foreign country (USA Today, 2005). For example, Shanghai is the city outside of the United States with the largest number of Marriott hotel chain represented (Mathews, 2003). At the end of 2005, there were 32 Marriott hotels in China; it is expected that the number will grow to 100 in five years (Michels, 2005).

**Timeshare Industry in China**

With its robust economic growth in the past two decades, China now is a shining star in the world economy. Although timeshare industry is still in infancy in China, it is believed that the timeshare industry is about to start a cycle of long-term sustainable growth (Gale, 2006; Hickman, 2008). RCI, the largest timeshare exchange company,
entered the Chinese market in 1999. There are 19 RCI affiliated timeshare resorts in China; most timeshare resorts are located in Beijing, Hainan (China’s Hawaii), and Guangdong Province. Another major timeshare exchange company, Interval International, currently has six timeshare resorts in China, available for international timeshare owners to exchange. There are about 3000 timeshare owners in Mainland China; the price of timeshare periods range from $2000 to $8000 (Hickman, 2008).

The Travel Industry Association [TIA] conducted a survey on Chinese consumers’ intention to travel to the United States (Powers, 2008). The results indicated that the timeshare industry has great opportunities to capture the emerging Chinese travel market either by developing timeshare resorts in China or host Chinese travelers to existing timeshare resorts around the world. The findings also showed that a Chinese visitor on average spends $6000 per trip in the United States, and a trip last an average of 11 nights. Another research on suburban tourism behavior characteristics of Beijing (Huimin & Kavanaugh, 2005) indicated that income is the major decisive factor influencing Chinese people’s travel decisions.

However, As Liu et al. (2001) mentioned, current laws and regulations in China have lagged behind the timeshare development. There are not specific laws in China to regulate timeshare sales process and to provide the necessary consumer protections. For example, most of the timeshare developers in China affiliated with local sales companies to market and sale timeshare products. Hard sales tactics caused many sales problems and negative reputation. Therefore, it will be critical for timeshare developers to work with the China government to develop a well-regulated environment for timeshare growth in China (Hickman, 2008).
CHAPTER 3

RESEARCH METHODOLOGY

Several industry reports have been done on consumers’ perception and attitudes toward timeshare around the world. However, to the best of my knowledge, studies based on survey of Chinese consumers’ perception and attitudes toward timeshares in China cannot be found. Given that, this study attempts to broaden the understanding of the attitudes of potential customers in China on timeshare via a survey questionnaire method to explore the market potential in China.

Sampling

Primary data about Chinese consumers’ attitudes and demographics was collected via an e-mail survey. The target population of this study was adults residents 18 years and older from any region of mainland China who had traveled abroad over the last two years. The reason for using e-mail survey was that resort timesharing is still a high end product in China, and the prospective timeshare customer population in China is relatively small. Thus, it is very difficult to reach the target potential timeshare buyers on the street by in-person interview. Also, there is much telephone fraud in China; so many Chinese people distrust telephone surveys. Furthermore, there is a low response rate for mail surveys.

The sample population was selected by using a convenience sampling method of randomly selecting people from members list from Oriental Travel Agent in Shanghai, China.

The reason for choosing this Travel Agent was because Oriental Travel Agent is one of the major outbound travel agents in China and focuses on luxury outbound travel tours.
The researcher sought the assistance of Oriental Travel Agent travels agents to distribute the questionnaires through email to their members who traveled abroad in the past two years.

**Data Collection**

The e-mail survey was employed to collect primary data from the members list of Oriental Travel Agent in Shanghai, China. The sample consists of 850 potential timeshare customers that traveled abroad over the last two years. These potential timeshare customers were randomly selected for the pilot study out of 8,000 members from Oriental Travel Agent. In each e-mail, the researcher explained research purpose and survey intent. To ensure confidentiality, each surveyed respondent then e-mail his/her anonymous responses directly to the researcher between September 6th of 2007 and September 15th of 2007. Of the 850 e-mail invitations sent out, 775 were successfully delivered, 185 responded resulting in a response rate of 23.9 percent (185/775).

**Survey Instrument**

A structured questionnaire consisting of two parts was used to collect information about the attitudes of prospective resort timesharing customers in China. The questionnaire was based on Leong’s (2001) research study on timeshare customers in Singapore and three major timeshare industry reports (Ragatz, 2004; Ragatz, 2006a; Ragatz, 2006b). The questions were designed to inquire about the respondents’ familiarity with the timeshare concept, their perceptions of the image of the timeshare industry, as well as their personal experiences with participation in timeshare sales.
presentations, the likelihood of purchasing timeshare, deterring factors for not purchasing timeshare, and the respondents’ demographic data.

The questionnaire that shows in APPENDIX B contains two sections that focus on respondents’ perception and attitudes toward timeshare. In the first part of the survey, respondents were first asked if they had heard of timeshares, and indicated from a list of media where they obtained knowledge of timeshares (e.g., telemarketing, direct mail, print media, electronic media, internet, word of mouth, sales presentation, travel fair, OPC contact etc.). In addition, the respondents were asked whether they had attended a timeshare sales presentation. Another question asked for their overall feelings toward timeshare on a five-point Likert-type scale (1 = very negative; 2 = somewhat negative; 3 = neutral; 4 = somewhat positive; 5 = very positive). The remaining questions inquired about the likelihood of respondents purchasing a timeshare within the next three years on a five-point Likert-type scale (1 = zero, no chance, 2 = less than 50%, 3 = about 50%, 4 = better than 50%, 5 = 100% certain), and the reasons why respondents would not purchase a timeshare from a list of 20 possible deterring factors (e.g., timeshare concept was unfamiliar, risky investment, do not trust the timeshare companies, worried about the quality of the facilities, dislike idea of annual maintenance fee, cost too much, timeshare concept incompatible with your travel habits etc.). The second part of the survey solicited information on respondents’ demographic characteristics, such as gender, age, marital status, occupation, education level, number of children, home ownership, and annual household income range.

The questionnaire was originally written in English and then translated into Chinese by the researcher from the People’s Republic of China. The questionnaire was
subsequently retranslated from Chinese back into English by a Chinese faculty member and the translation was adjusted to correct any unclear statement. Pre-testing will also be conducted to survey 30 UNLV Chinese students.

Method of Data Analysis

In the data analysis process of this research, the original date from survey questionnaires were input into an SPSS 14.0 database. Then data was filtered to fit the research. The filtering process was used to eliminate surveys with missing data; only surveys with complete data were selected.

After the data was filtered, a descriptive analysis of demographic data of respondents was conducted. Simple frequencies were generated to display the distribution of respondents’ social and demographic profiles, awareness and feeling toward timeshares, source of knowledge of timeshare, and their likelihood of purchasing a timeshare within the next three years. Then, the independent-samples t test and the One-Way ANOVA test were used to examine the three main research questions. The first step of the independent-samples t test and the One-Way ANOVA analysis were to access any significant differences in Chinese respondents’ overall feelings toward timeshares among different socio-demographic groups. The second step in the independent-samples t test and the One-Way ANOVA analysis were to find any significant differences in Chinese respondents’ likelihood of purchasing a timeshare within the next three years among different socio-demographic groups. The final step in the independent-samples t test and the One-Way ANOVA analysis were to investigate any significant differences in Chinese respondents’ overall feelings toward timeshares and their likelihood of purchasing a
timeshare within the next three years associate with the factors affect Chinese consumers’ intention not to buy a timeshare.
CHAPTER 4

FINDINGS AND ANALYSIS

Findings from the Survey

Demographic Profile of Respondents

The demographic profile of Chinese respondents was shown in Table 1. Among the 185 respondents of the potential customers surveyed, over half were males and 48.6% were females. The respondents’ relationship status was distributed as follows: 45.4% were single and 54.6% were married. 53% had no child and 43.8% had one child. In addition, 29.2% of respondents were in managerial positions, 28.1% were clerical or secretarial workers. Professionals comprised 24.9% of all respondents, and 12.4% were self-employed. The respondents’ ages were distributed as follows: 48.6% were 35 to 44 years old; 28.1% were less than 35; 14.6% were between ages 45 and 54; and 8.6% were 55 or older. This study also revealed that over 80% of the respondents were homeowners. Three-quarters of respondents had an annual household income over $25,000. With regard to education levels, two-thirds of respondents had attended some college or achieved a bachelor’s degree, and 29.2% had earned a graduate degree.
<table>
<thead>
<tr>
<th>Group by social and demographic backgrounds</th>
<th>Frequent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>95</td>
</tr>
<tr>
<td>Male</td>
<td>90</td>
</tr>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>Less than 34</td>
<td>52</td>
</tr>
<tr>
<td>35-44</td>
<td>90</td>
</tr>
<tr>
<td>45-54</td>
<td>27</td>
</tr>
<tr>
<td>Above 55</td>
<td>16</td>
</tr>
<tr>
<td>Marital status</td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>84</td>
</tr>
<tr>
<td>Married</td>
<td>101</td>
</tr>
<tr>
<td>Occupation</td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>46</td>
</tr>
<tr>
<td>Managerial</td>
<td>54</td>
</tr>
<tr>
<td>Clerical</td>
<td>52</td>
</tr>
<tr>
<td>Self employed</td>
<td>23</td>
</tr>
<tr>
<td>Blue collar</td>
<td>5</td>
</tr>
<tr>
<td>Others</td>
<td>5</td>
</tr>
<tr>
<td>Own a house</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>155</td>
</tr>
<tr>
<td>No</td>
<td>30</td>
</tr>
<tr>
<td>Education</td>
<td></td>
</tr>
<tr>
<td>High school degree</td>
<td>6</td>
</tr>
<tr>
<td>Associate or bachelor degree</td>
<td>125</td>
</tr>
<tr>
<td>Graduate degree or higher</td>
<td>54</td>
</tr>
<tr>
<td>Group by social and demographic backgrounds</td>
<td>Frequent</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>Annual household income</td>
<td></td>
</tr>
<tr>
<td>Less than $14,999</td>
<td>19</td>
</tr>
<tr>
<td>$15,000-$24,999</td>
<td>26</td>
</tr>
<tr>
<td>$25,000-$34,999</td>
<td>53</td>
</tr>
<tr>
<td>$35,000-$49,999</td>
<td>45</td>
</tr>
<tr>
<td>$50,000-$74,999</td>
<td>29</td>
</tr>
<tr>
<td>$75,000-$99,999</td>
<td>4</td>
</tr>
<tr>
<td>$100,000-$124,999</td>
<td>3</td>
</tr>
<tr>
<td>More than $125,000</td>
<td>6</td>
</tr>
<tr>
<td>Number of children</td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>98</td>
</tr>
<tr>
<td>1</td>
<td>81</td>
</tr>
<tr>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Vacation Frequency</td>
<td></td>
</tr>
<tr>
<td>Once a year</td>
<td>80</td>
</tr>
<tr>
<td>2 times a year</td>
<td>50</td>
</tr>
<tr>
<td>3-4 times a year</td>
<td>36</td>
</tr>
<tr>
<td>5-6 times a year</td>
<td>11</td>
</tr>
<tr>
<td>More than 7 times a year</td>
<td>8</td>
</tr>
</tbody>
</table>

*Note.* Total respondents N=185.
Findings about Awareness and Attitudes toward Timeshares

The respondents were first asked, “Have you heard of Resort Timesharing? Resort timesharing is a product that typically allows you to own a week or more of time in a vacation condominium, which you can use each year.” The results for the awareness and attitudes toward Timeshares were displayed in Table 2. The results indicated that awareness of timeshares among potential customers in China was high: about three-quarters of respondents had heard of timeshares before.

Table 2
Awareness and Attitudes toward Timeshares in China

<table>
<thead>
<tr>
<th></th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heard of Timeshares</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>74.6</td>
</tr>
<tr>
<td>No</td>
<td>25.4</td>
</tr>
<tr>
<td>Overall feelings toward Timeshares</td>
<td></td>
</tr>
<tr>
<td>Very positive</td>
<td>5.6</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>7.3</td>
</tr>
<tr>
<td>Neutral</td>
<td>59.6</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>22.5</td>
</tr>
<tr>
<td>Very negative</td>
<td>5.1</td>
</tr>
<tr>
<td>Likelihood of purchasing a Timeshare</td>
<td></td>
</tr>
<tr>
<td>within next three Years</td>
<td></td>
</tr>
<tr>
<td>100%</td>
<td>0.0</td>
</tr>
<tr>
<td>Better than 50-50</td>
<td>7.9</td>
</tr>
<tr>
<td>About 50-50</td>
<td>36.5</td>
</tr>
<tr>
<td>Less than 50-50</td>
<td>38.2</td>
</tr>
<tr>
<td>Zero, no chance</td>
<td>17.4</td>
</tr>
</tbody>
</table>
Table 2 also indicated that the majority (59.6%) of the respondents held neutral feelings toward timeshares, 22.5% reported somewhat negative opinions, 7.3% showed somewhat positive, 5.6% reported very positive, and 5.1% had very negative feelings toward timeshares.

Respondents also were asked to indicate their likelihood of purchasing a timeshare within the next three years. The results showed 7.9% of respondents reported better than a 50% chance of purchasing timeshares, and 36.5% showed a “50-50” chance of purchasing. In other words, 44.4% of the potential customers in China showed about a “50-50”, or higher chance of purchasing timeshares within the next three years.

Although it is difficult to compare the figures due to differences in survey methodology, according to the report of the Public Image of resort Timesharing (Ragatz, 2004), Chinese consumers were less likely heard of timeshare products in compare to residents in the USA (Table 3). However, Chinese consumers reported a higher awareness about the timeshare concept than consumers in other countries (e.g., UK, Australia, and Canada) where timeshares have a much longer history.

Table 3 also showed respondents in China were more likely to hold neutral impressions toward timeshares than U.S. consumers and were less likely to show positive or negative opinions toward timeshares than people in other countries. Most important of all, Chinese respondents reported that they were far more likely to make a timeshare purchase within the next 3 years, in comparison to other countries, where the timeshare vacation concept is more established. The results indicated that there is a potential market for selling timeshares in China.
Table 3  
*Comparison of Awareness and Attitudes toward Timeshares among China and Other Countries*

<table>
<thead>
<tr>
<th></th>
<th>China</th>
<th>USA</th>
<th>UK</th>
<th>Australia</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Heard of Timeshares</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>74.6</td>
<td>86</td>
<td>61</td>
<td>65</td>
<td>58</td>
</tr>
<tr>
<td><strong>Overall feelings toward Timeshare</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very or somewhat positive</td>
<td>12.9</td>
<td>20</td>
<td>15</td>
<td>27</td>
<td>21</td>
</tr>
<tr>
<td>Neutral</td>
<td>59.6</td>
<td>45</td>
<td>35</td>
<td>41</td>
<td>41</td>
</tr>
<tr>
<td>Very or somewhat negative</td>
<td>27.6</td>
<td>35</td>
<td>50</td>
<td>32</td>
<td>38</td>
</tr>
<tr>
<td><strong>Likelihood of purchasing a Timeshare within next three Years</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>About 50-50 or higher</td>
<td>44.4</td>
<td>6</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Less than 50-50</td>
<td>38.2</td>
<td>17</td>
<td>15</td>
<td>15</td>
<td>19</td>
</tr>
<tr>
<td>Zero, no chance</td>
<td>17.4</td>
<td>77</td>
<td>78</td>
<td>79</td>
<td>74</td>
</tr>
</tbody>
</table>
Source of Knowledge of Timeshare

Respondents who had heard of timeshares were asked to indicate where they had obtained their knowledge of timeshare. This study showed that the most common sources of information were: word of mouth (33.8%), electronic media (31.7%), print media (30.2%), Internet or email (18.7%), travel fair (15.1%), mail (14.4%), a telephone call (9.4%), staying at a timeshare resort (6.5%), a sales presentation (6.5%), by a person in a booth, store, or walking around- a so-called off premises contact [OPC] (5.8%), and school (2.2%).

An Independent-Sample T Test was conducted in order to examine the differences between sources of knowledge of timeshares and respondents’ feelings toward timeshares and the likelihood to purchase a timeshare within the next three years (Table 4).

The findings showed that only two sources of information had shown significant differences in attitudes toward timeshares: word of mouth (mean = 2.98) and a telephone call (mean = 2.23). Respondents who learned of timeshares from their friends or relatives had more positive attitudes towards timeshares. On the other hand, those who heard about timeshares over the telephone held more negative opinions.

Next, we discussed the significant differences between sources of knowledge of timeshares and the likelihood to purchase a timeshare within the next three years. The following items internet or email, travel fair, and telephone call were statistically significant sources of information. Respondents who heard of timeshares from internet or email (mean = 2.69) were most likely to purchase timeshares, in contrast to those who learned about timeshares from a telephone call (mean = 1.85) who were least likely to
purchase. The negative perception of telemarketing might be the result of frequent fraudulent activities experienced by Chinese customers in form of telephone sales.

Table 4

T-Test Regarding Sources of Information for Respondents’ Overall Feelings toward Timeshares and Likelihood of Purchasing a Timeshare within the Next Three Years

<table>
<thead>
<tr>
<th>Information source</th>
<th>N</th>
<th>%</th>
<th>Mean score of feelings toward Timeshare</th>
<th>P value</th>
<th>Mean score of likelihood of purchasing a Timeshare</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Word of mouth</td>
<td>Yes</td>
<td>47</td>
<td>3.38</td>
<td>0.009 **</td>
<td>2.34</td>
<td>0.770</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>92</td>
<td>2.73</td>
<td></td>
<td>2.29</td>
<td></td>
</tr>
<tr>
<td>Internet or email</td>
<td>Yes</td>
<td>26</td>
<td>1.87</td>
<td>0.323</td>
<td>2.69</td>
<td>0.015 *</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>113</td>
<td>2.78</td>
<td></td>
<td>2.22</td>
<td></td>
</tr>
<tr>
<td>Travel fair</td>
<td>Yes</td>
<td>21</td>
<td>1.51</td>
<td>0.592</td>
<td>2.67</td>
<td>0.046 *</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>118</td>
<td>2.80</td>
<td></td>
<td>2.25</td>
<td></td>
</tr>
<tr>
<td>Telephone call</td>
<td>Yes</td>
<td>13</td>
<td>2.23</td>
<td>0.009 **</td>
<td>1.85</td>
<td>0.049 *</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>126</td>
<td>2.87</td>
<td></td>
<td>2.36</td>
<td></td>
</tr>
<tr>
<td>Electronic media</td>
<td>Yes</td>
<td>44</td>
<td>2.80</td>
<td>0.869</td>
<td>2.34</td>
<td>0.778</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>2.82</td>
<td>2.29</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information source</td>
<td>N</td>
<td>Mean score of feelings toward Timeshare</td>
<td>Mean score of likelihood of purchasing a Timeshare</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------</td>
<td>-----</td>
<td>----------------------------------------</td>
<td>-----------------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Print media</td>
<td>Yes</td>
<td>42</td>
<td>30.2</td>
<td>2.74</td>
<td>0.495</td>
<td>2.21</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td></td>
<td></td>
<td>2.85</td>
<td></td>
<td>2.35</td>
</tr>
<tr>
<td>Mail</td>
<td>Yes</td>
<td>20</td>
<td>14.4</td>
<td>2.80</td>
<td>0.941</td>
<td>2.35</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td></td>
<td></td>
<td>2.82</td>
<td></td>
<td>2.30</td>
</tr>
<tr>
<td>Sales</td>
<td>Yes</td>
<td>9</td>
<td>6.5</td>
<td>2.67</td>
<td>0.594</td>
<td>1.89</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td></td>
<td></td>
<td>2.82</td>
<td></td>
<td>2.34</td>
</tr>
<tr>
<td>Presentation</td>
<td>Yes</td>
<td>9</td>
<td>6.5</td>
<td>2.44</td>
<td>0.178</td>
<td>2.00</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td></td>
<td></td>
<td>2.84</td>
<td></td>
<td>2.33</td>
</tr>
<tr>
<td>Staying at timeshare resort</td>
<td>Yes</td>
<td>3</td>
<td>2.2</td>
<td>3.33</td>
<td>0.284</td>
<td>2.67</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td></td>
<td></td>
<td>2.80</td>
<td></td>
<td>2.30</td>
</tr>
</tbody>
</table>

*Note.* Respondents were allowed to choose more than 1 out of 10 options provided in the questionnaire; 1 = very negative; 2 = somewhat negative; 3 = neutral; 4 = somewhat positive; 5 = very positive (Scale used for the item feelings toward Timeshares); 1 = zero, no chance; 2 = less than 50%; 3 = about 50%; 4 = better than 50%; 5 = 100% certain (Scale used for the item likelihood of purchasing a Timeshare);

*p < .05. **p < .01. ***p < .001
Show Different Overall Feelings toward Timeshare

An Independent-Samples T Test and One-Way ANOVA Test were performed for the data collected in China in order to identify the existence of significant differences among different demographic variables in relation to overall feelings toward timeshare. A Post Hoc Test (Tukey) was also applied. Only groups that had shown significant differences were displayed.

Table 5

ANOVA Test for Respondents’ Overall Feelings toward Timeshares by Socio-demographic Groups

<table>
<thead>
<tr>
<th>Group by social-demographic backgrounds</th>
<th>N</th>
<th>Mean score of feelings toward Timeshares</th>
<th>Mean</th>
<th>F Value</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacation Frequency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Once a year</td>
<td>77</td>
<td>2.70*</td>
<td>2.93</td>
<td>0.022*</td>
<td></td>
</tr>
<tr>
<td>2 times a year</td>
<td>50</td>
<td>2.84</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-4 times a year</td>
<td>35</td>
<td>2.97</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5-6 times a year</td>
<td>9</td>
<td>3.33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 7 times a year</td>
<td>7</td>
<td>3.57*</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. 1 = very negative; 2 = somewhat negative; 3 = neutral; 4 = somewhat positive; 5 = very positive (Scale used for the item “feelings toward Timeshares”);

*p < .05. **p < .01. ***p < .001
The results for the second research question were displayed in Table 5 and Table 6. According to the results, only two socio-demographic groups showed significant differences in their feelings toward timeshares in this study: the group divided by marital status, and the group divided by vacation frequency. Table 5 showed that respondents who take seven or more vacations per year (mean = 3.57) were more likely to have positive opinions than those who usually take one vacation per year (mean = 2.70).

Table 6 shows that single respondents (mean = 3.00) reported more positive attitudes toward timeshares, whereas married individuals (mean = 2.74) showed slightly negative attitudes.

Table 6

*T-Tests for Respondents’ Overall Feelings toward Timeshares by Socio-demographic Groups*

<table>
<thead>
<tr>
<th>Group by social-demographic backgrounds</th>
<th>N</th>
<th>Mean score of feelings toward Timeshares</th>
<th>Mean</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marital status</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>81</td>
<td>3.00</td>
<td></td>
<td>0.042*</td>
</tr>
<tr>
<td>Married</td>
<td>97</td>
<td>2.74</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note.* 1 = very negative; 2 = somewhat negative; 3 = neutral; 4 = somewhat positive; 5 = very positive (Scale used for the item “feelings toward Timeshares”);

*p < .05. **p < .01. ***p < .001
**Show Different Likelihood of Purchasing a Timeshare**

An Independent-Samples T Test and One-Way ANOVA Test were performed for the data collected in China in order to identify the existence of significant differences among different demographic variables in relation to the likelihood of respondents purchasing a timeshare within the next three years. A Post Hoc Test (Tukey) was also applied. Only groups that had shown significant differences were displayed.

**Table 7**

*T Tests for Respondents’ Likelihood of Purchasing a Timeshare within the Next Three Years by Socio-demographic Groups*

<table>
<thead>
<tr>
<th>Group by social-demographic backgrounds</th>
<th>Mean score of likelihood of purchasing a Timeshare within the next three years</th>
<th>Mean</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marital status</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>81</td>
<td>2.49</td>
<td>0.038*</td>
</tr>
<tr>
<td>Married</td>
<td>97</td>
<td>2.23</td>
<td></td>
</tr>
<tr>
<td>Attended a Timeshare sales presentation before</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>20</td>
<td>1.95</td>
<td>0.027*</td>
</tr>
<tr>
<td>No</td>
<td>158</td>
<td>2.40</td>
<td></td>
</tr>
</tbody>
</table>

*Note.* 1 = zero, no chance; 2 = less than 50%; 3 = about 50%; 4 = better than 50%; 5 = 100% certain (Scale used for the item “likelihood of purchasing a Timeshare”);

*p < .05. **p < .01. ***p < .001*
According to the results of the Independent-Samples T Test and One-Way ANOVA Test, six socio-demographic variables were identified as holding a statistically significant likelihood of purchasing a timeshare within the next three years. These were: age; occupation; marital status; annual household income; vacation frequency; and attendance at a previous sales presentation. The results were displayed in Tables 7 and 8:

Table 8

ANOVA Test for Respondents’ Likelihood of Purchasing a Timeshare within the Next Three Years by Socio-demographic Groups

<table>
<thead>
<tr>
<th>Group by social-demographic backgrounds</th>
<th>Mean score of likelihood of purchasing a Timeshare within the next three years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>Less than 34</td>
<td>50</td>
</tr>
<tr>
<td>35-44</td>
<td>88</td>
</tr>
<tr>
<td>45-54</td>
<td>26</td>
</tr>
<tr>
<td>Above 55</td>
<td>14</td>
</tr>
<tr>
<td>Occupation</td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>43</td>
</tr>
<tr>
<td>Managerial</td>
<td>53</td>
</tr>
<tr>
<td>Clerical</td>
<td>49</td>
</tr>
<tr>
<td>Self Employed</td>
<td>23</td>
</tr>
<tr>
<td>Blue collar</td>
<td>5</td>
</tr>
<tr>
<td>Group by social-demographic backgrounds</td>
<td>Mean score of likelihood of purchasing a Timeshare within the next three years</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>Others</td>
<td>5</td>
</tr>
<tr>
<td>Annual Household Income</td>
<td></td>
</tr>
<tr>
<td>Less than $14,999</td>
<td>16</td>
</tr>
<tr>
<td>$15,000-$24,999</td>
<td>25</td>
</tr>
<tr>
<td>$25,000-$34,999</td>
<td>51</td>
</tr>
<tr>
<td>$35,000-$49,999</td>
<td>44</td>
</tr>
<tr>
<td>$50,000-$74,999</td>
<td>29</td>
</tr>
<tr>
<td>$75,000-$99,999</td>
<td>4</td>
</tr>
<tr>
<td>$100,000-$124,999</td>
<td>3</td>
</tr>
<tr>
<td>More than $125,000</td>
<td>6</td>
</tr>
<tr>
<td>Vacation Frequency</td>
<td></td>
</tr>
<tr>
<td>Once a year</td>
<td>77</td>
</tr>
<tr>
<td>2 times a year</td>
<td>50</td>
</tr>
<tr>
<td>3-4 times a year</td>
<td>35</td>
</tr>
<tr>
<td>5-6 times a year</td>
<td>9</td>
</tr>
<tr>
<td>More than 7 times a year</td>
<td>7</td>
</tr>
</tbody>
</table>

*Note.* 1 = zero, no chance; 2 = less than 50%; 3 = about 50%; 4 = better than 50%; 5 = 100% certain (Scale used for the item “likelihood of purchasing a Timeshare”); *p < .05. **p < .01. ***p < .001
Age: Respondents less than 34 years old showed a significant different attitude toward timeshare purchase. These respondents reported the highest likelihood of purchasing a timeshare within the next three years (mean = 2.62).

Occupation: Respondents who were managers and self-employed, as well as a group specified as others, showed significant different attitudes toward timeshare purchasing. Self-employed respondents reported the highest likelihood of purchasing a timeshare within the next three years (mean = 2.78).

Marital Status: Single respondents (mean = 2.49) portrayed a significant different attitude towards the willingness of purchasing a timeshare in comparison to the married group (mean = 2.23).

Annual Household Income: Respondents with incomes less than $14,999 (mean = 2.94) and people who earned between $50,000 and $74,999 (mean = 2.14), showed a significant different attitude toward timeshare purchasing than all other income groups.

Vacation frequency: Respondents who traveled once a year, and 5-6 times a year, as well as those who traveled more than 7 times a year, all showed significant different attitudes towards timeshare purchasing. The group that indicated that they traveled about 5-6 times a year (mean = 2.80) showed the most favorable attitude towards timeshare purchasing.

Had attended a sales presentation before: The results showed a significant difference between respondents who had attended a timeshare sales presentation before (mean = 1.95) and those who never had that experience (mean = 2.4). The group who did not experience a timeshare sales presentation showed a more favorable attitude towards the possibility of a timeshare purchase.
Deterring Factors to Timeshare Purchasing

In order to learn about the most important reasons that would prevent respondents from purchasing timeshares, the following question was asked: “why would you not consider buying a Resort Timesharing product?” Respondents had a list of twenty possible deterring factors to choose from.

The top three reasons for not purchasing timeshares among potential customers in China included, concerned with flexibility problem (50%), had heard or read something negative about timeshares (37%), and risky investment (33%).

Next, an Independent-Samples T Test was performed for the data collected in China in order to investigate the existence of significant differences between deterring factors to timeshare purchasing, and respondents’ overall feelings toward timeshares, and the likelihood that respondents purchase a timeshare within the next three years.

The results (Table 9), revealed five deterring factors that showed significant differences with regard to respondents feelings toward timeshares: concerned with flexibility problem (mean = 2.73), had heard or read something negative about timeshares (mean = 2.54), do not trust timeshare companies (mean = 2.61), timeshare concept incompatible with your travel habits (mean =2.67), and no interest in Timeshares (mean = 2.59). Respondents who reported these reasons as important had statistically significant negative feelings toward timeshares.

In addition, eight deterring factors (Table 9) were identified as having significant differences in attitudes with regard to the likelihood of purchasing a timeshare within the next three years: had heard or read something negative about timeshares (mean = 2.03), risky investment (mean = 2.07), wondered if too good to be true- if promised services
would be delivered (mean = 2.12), do not trust timeshare companies (mean = 1.94),
concerned about the reservation issues (mean = 2.13), Timeshare concept incompatible
with your travel habits (mean = 2.05), no interest in Timeshares (mean = 1.78), and
Timeshares concept was new or unfamiliar (mean = 2.56).

Table 9

*T Test Regarding Deterring Factors for Not Purchasing a Timeshare*

<table>
<thead>
<tr>
<th>Deterring factors</th>
<th>N</th>
<th>Mean</th>
<th>P Value</th>
<th>Mean</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Flexibility problem</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>91</td>
<td>50</td>
<td>0.031*</td>
<td>2.25</td>
<td>0.160</td>
</tr>
<tr>
<td>No</td>
<td>85</td>
<td>3.00</td>
<td></td>
<td>2.44</td>
<td></td>
</tr>
<tr>
<td><strong>Heard something negative about</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>67</td>
<td>37</td>
<td>0.000***</td>
<td>2.03</td>
<td>0.000***</td>
</tr>
<tr>
<td>No</td>
<td>109</td>
<td>3.01</td>
<td></td>
<td>2.53</td>
<td></td>
</tr>
<tr>
<td><strong>Risky investment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>60</td>
<td>33</td>
<td>0.929</td>
<td>2.07</td>
<td>0.002**</td>
</tr>
<tr>
<td>No</td>
<td>116</td>
<td>2.86</td>
<td></td>
<td>2.48</td>
<td></td>
</tr>
<tr>
<td><strong>If too good to be true</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>57</td>
<td>31</td>
<td>0.190</td>
<td>2.12</td>
<td>0.020*</td>
</tr>
<tr>
<td>No</td>
<td>119</td>
<td>2.92</td>
<td></td>
<td>2.44</td>
<td></td>
</tr>
<tr>
<td>Deterring factors</td>
<td>N</td>
<td>%</td>
<td>Mean</td>
<td>P Value</td>
<td>Mean</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>---</td>
<td>----</td>
<td>------</td>
<td>---------</td>
<td>------</td>
</tr>
<tr>
<td>Timeshare concept was unfamiliar</td>
<td></td>
<td>54</td>
<td>30</td>
<td>2.89</td>
<td>0.754</td>
</tr>
<tr>
<td>Do not trust the timeshare companies</td>
<td></td>
<td>122</td>
<td>2.85</td>
<td>2.25</td>
<td></td>
</tr>
<tr>
<td>Reservation issues</td>
<td></td>
<td>48</td>
<td>26</td>
<td>2.77</td>
<td>0.405</td>
</tr>
<tr>
<td>Incompatible with your travel habit</td>
<td></td>
<td>134</td>
<td>2.92</td>
<td>2.43</td>
<td></td>
</tr>
<tr>
<td>No interest in timeshare</td>
<td></td>
<td>37</td>
<td>20</td>
<td>2.59</td>
<td>0.033*</td>
</tr>
</tbody>
</table>

*Note. Respondents were allowed to choose more than 1 out of 21 options provided in the questionnaire; only groups that have shown significant differences are listed;

1 = very negative; 2 = somewhat negative; 3 = neutral; 4 = somewhat positive; 5 = very positive (Scale used for the item feelings toward Timeshares);

1 = zero, no chance; 2 = less than 50%; 3 = about 50%; 4 = better than 50%; 5 = 100% certain (Scale used for the item likelihood of purchasing a Timeshare);

*p < .05. **p < .01. ***p < .001
Analysis of the Findings

Analysis of Awareness toward Timeshare

According to the Independent-Sample T Test, respondents who learned of timeshares from their friends or relatives (word of mouth) had more positive attitudes towards timeshares. The results of this study support the Ragatz’s (2004) study that showed friends, relatives, and co-workers represent the primary sources shaping respondents opinion toward timeshares. The findings of this study also are consistent with a well-known marketing tactics in timeshare industry that owner-generated leads are significantly more cost-effective than other marketing tools (Baumann, 2000).

In addition, based on the survey results, respondents who learned about timeshares over the telephone held significant negative opinions toward timeshares and showed less likely to purchase a timeshare within the next three years. The finding supported the Leong (2001) study that indicated respondents heard of timeshares from telemarketing hold negative opinion of timeshares. The possible reasons were likely due to there was much telephone fraud in Asia and most telemarketers would keep calling an individual repeatedly until he or she agreed to attend a sales presentation.

Next, the results of the survey indicated that Respondents who heard of timeshares from internet or email were most likely to purchase timeshares within the next three years. There was no academic study showed any relationship between internet marketing and the likelihood to purchase a timeshare. However, several reports indicated that using internet tool in timeshare marketing could reduce sales and marketing cost and create great opportunities for lead generation, rental inventory, re-sales, and purchasing online (Blank, 2000; Gaudrud, Brown, & Biondi, 2000; Lodging Hospitality, 2007b). As China
became the world’s second-biggest population of Internet users after US (News24, 2003). Kim, Ma, and Kim (2006) suggested that successfully adopting a more effective channel (the Internet/website) has become matters of survival for hospitality business in China.

**Analysis of Attitudes toward Timeshare**

As discussed earlier, this study has found two socio-demographic groups showed significant differences in their feelings toward timeshares in this study: the group divided by marital status, and the group divided by vacation frequency. In addition, six socio-demographic groups divided by age, occupation, marital status, annual household income, vacation frequency, and experience in attending a previous sales presentation have significant differences in their likelihood of purchasing a timeshare within the next three years. The following sections discussed each socio-demographic group regarding its attitudes toward timeshares.

**Group set up by marital status.**

Findings from this study showed that single respondents reported more positive attitudes toward timeshares, whereas married individuals showed slightly negative attitudes (Table 6). Also, Table 7 showed single respondents portrayed a significant different attitude towards the willingness of purchasing a timeshare in comparison to the married group. Single respondents in China were more likely to purchase a timeshare within the next three years than married couple. The results did not support a well-known marketing tactics applied by many brand name timeshare companies in USA such as Marriott Vacation Club International, Wyndham Vacation Club that only couple could attend timeshare sales presentation. However, the results supported another emerging
phenomenon that single people expressed more interest in purchasing timeshare during the next two years (Lodging Hospitality, 2007a).

**Group set up by age.**

Findings from this study indicated that respondents less than 34 years old showed the highest likelihood of purchasing a timeshare within the next three years. The results of the study supported the Rezak (2002) study that reported younger Americans had more positive opinions about timesharing than did older Americans. In Rezak’s study, 37% of respondents under the age of 40 had positive opinions about timesharing, compared with 25% of respondents in the 40-54 age group and just 17% of respondents over 55 years old group. The results also supported the findings of Scoviak (2005) that Echo Boomers (ages 18-27) and Generation X (ages 28-41) showed interest in purchasing timeshare units (Lodging Hospitality, 2007a; Hotel Business, 2007).

**Group set up by vacation frequency.**

The results noted that respondents traveled about 5-6 times a year showed the most favorable attitude towards timeshare purchasing. The findings supported the ARDA study (2008a) that timeshare owners were more likely than others to take their vacation time; the average timeshare owner spent 8.6 nights per vacation.

**Group set up by annual household income.**

Respondents with incomes less than $14,999 reported the highest likelihood of purchasing a timeshare within the next three years. The results of this study did not support Ragatz’s (2006b) study that showed the median household income of timeshare owners in the United States was $81,000. However, several studies indicated that the household which makes over $10,000 in China can be considered a rich family. Also,
Chinese people tend to under report all their household income to avoid tax from government.

**Group set up by different experience in attending a timeshare presentation.**

According to the Independent-Sample T Test, respondents who had not attended a timeshare sales presentation before showed a more favorable attitude towards the possibility of a timeshare purchase than those who had that experience. This result was in contrast to findings in the USA (Ragatz, 2004), which indicated attending a timeshare sales presentation increased the chances of purchasing. The main reasons for this negative perception among Chinese respondents included undesirable sales tactics at sales presentation and negative reputation of timeshare companies in China.

**Analysis of Deterring Factors to Timeshare Purchasing**

As discussed earlier (Table 9), this study has found concerned with flexibility problem was the most commonly chosen deterring factor for not purchasing timeshares among potential customers in China. The results also identified other deterring factors as having significant differences in attitudes with regard to the likelihood of purchasing a timeshare within the next three years included: had heard or read something negative about timeshares, do not trust timeshare companies, wondered if too good to be true- if promised services would be delivered, risky investment, concerned about the reservation issues, Timeshare concept incompatible with your travel habits, no interest in Timeshares, and Timeshares concept was new or unfamiliar. The results supported Leong’s (2001) study, which stated that the most commonly deterring factor for not purchasing timeshare was product attributes, which included flexibility issues inherent in the timeshare product, timeshare concept incompatible with their travel habit, and timeshare product inadequate...
for their travel needs. Findings from this study also confirmed Leong’s study that stated that image of timeshare was a major deterring factor. The results indicated the image of the timeshare industry was tarnished by hard sale and unethical tactics in Singapore and China. In addition, the results supported those of Spark, Butcher, & Pan (2007) that stated that negative timeshare image and poor investment were the detractors to value of owning timeshare product. The results also supported the research conducted by Woods (2001) that the negative reputation of the timeshare industry was ranked as the number one challenge by the timeshare executives.

However, prospective customers of resort timesharing in China and the USA had different perceptions of flexibility toward timeshares. For example, item such as overall flexibility; ability to use different locations, unit sizes, times of year, was ranked the most important reason for purchasing timeshares among the US timeshare owners (Ragatz, 2006b). However, for Chinese respondents, the item, concerned with flexibility problem was the most frequently checked important reason for not considering the purchase of a timeshare. A possible reason that respondents in China considered timeshare product lack of flexibility was likely due to the fact that there were only a limited timeshare resorts in China and the quality of these timeshare resorts were not better than regular hotels.
CHAPTER 5

CONCLUSION

Timeshare Industry Implications

The potential for timeshare development in China is phenomenal. The huge population size, the quickly growing middle class, the lessened visa restrictions for Chinese outbound travel, and the three week-long festivals: Chinese New Year; May Labor Day; and October Golden Week; provide exceptional opportunities for timeshare expansion in China. The interest in timeshares will even further increase as people in China will gain more earning power (Blank, 2006). As indicated in Table 2, 44% of Chinese respondents expressed interest in purchasing timeshares within the next three years. This result also revealed that the likelihood of Chinese customers purchasing timeshares in the future was much higher than in other countries where the timeshare vacation concept was more established.

Before entering the Chinese market, international timeshare companies must be prepared to serve the different needs of Chinese customers. The results of this study allowed for the following considerations:

First, companies should increase the flexibility of timeshare products. For Chinese respondents, the item, concerned with flexibility problem was the most frequently checked important reason for not considering the purchase of a timeshare. Therefore, introducing more flexible timeshare products such as the points system or split the interval into 2-2-3 day vacations would be desirable for a Chinese customer. To some extent, the development of additional timeshare resorts will lessen this problem, as owners will have more opportunities to trade and vacation elsewhere.
Second, timeshare firms need to build positive image. Negative reputation toward timeshare was ranked second on the list of deterring factors for not purchasing timeshares. In China, timeshare has been notorious for undesirable sales tactics and overblown media coverage about some fraudulent activities from local timeshare developers. Therefore, celebrity marketing and press releases would be helpful to build positive images toward timeshares in China.

Third, firms may consider selling memberships, instead of timeshares. One-third of Chinese respondents expressed negative opinions toward timeshares, but on the other hand, the general public held more positive impressions toward a luxury, resort club-type product. Thus, it could be a better way to avoid the word timeshare when entering the Chinese market. Instead, stress more on selling members only vacation clubs.

Fourth, timeshare companies should offer better investment choices. One-third of Chinese respondents reported risky investment as an important factor when considering not buying a timeshare. This might be because Chinese people traditionally show great interest in real estate investment—they prefer investment over consumption. Therefore, timeshare products with potential rental income will be more attractive to Chinese people than those with simply vacation functions. The findings might also indicate that there is a potential market for fractional condo hotels and residential clubs in China.

Fifth, firms may want to target markets of single and younger people. The results suggest that resort timeshares are attractive to singles, and those aged less than 34 years old. Therefore, international timeshare companies may have to adjust to targeting different market segments in China. Traditionally, these companies target the married and older group in the U.S. and other countries.
Finally, companies may intensify the use of Internet marketing. Chinese respondents who heard of timeshares from internet or email sources, were more likely to purchase timeshares within the next three years. These findings indicate that companies should reach their markets first via the internet and email, initiating the chance of creating positive word of mouth, which was ranked to be the information source about timeshare products that customers trust the most.

Recommendations for Future Research

First, the results cannot be generalized to all Chinese customers, because the sample was not nationwide data, and the survey may not represent the whole population of China. Thus, future research should cover wider regions in China. In addition, because this study was a one-shot only study, people may change their perceptions and attitudes over time, particularly the period after international branded timeshare companies enter market in China. Future research can focus on how consumers’ perceptions change over time. Also, future research could include interviews of current timeshare owners in China to determine why Chinese customers choose to buy a timeshare and to investigate their satisfaction levels. Finally, it would be interesting to investigate the profitability of current timeshare companies in China.
NOTICE TO ALL RESEARCHERS:
Please be aware that a protocol violation (e.g., failure to submit a modification for any change) of an IRB approved protocol may result in mandatory remedial education, additional audits, re-consenting subjects, researcher probation suspension of any research protocol at issue, suspension of additional existing research protocols, invalidation of all research conducted under the research protocol at issue, and further appropriate consequences as determined by the IRB and the Institutional Officer.

DATE: September 4, 2007
TO: Dr. Robert Woods, Hotel Management
FROM: Office for the Protection of Research Subjects
RE: Notification of IRB Action by Dr. Paul Jones, Co-Chair
Protocol Title: A Comparison Study of Perspectives on Resort Timesharing: China vs. the USA
Protocol #: 0707-2417

This memorandum is notification that the project referenced above has been reviewed by the UNLV Social/Behavioral Institutional Review Board (IRB) as indicated in Federal regulatory statutes 45 CFR 46. The protocol has been reviewed and approved.

The protocol is approved for a period of one year from the date of IRB approval. The expiration date of this protocol is August 28, 2008. Work on the project may begin as soon as you receive written notification from the Office for the Protection of Research Subjects (OPRS).

PLEASE NOTE:
Attached to this approval notice is the official Informed Consent/Assent (IC/IA) Form for this study. The IC/IA contains an official approval stamp. Only copies of this official IC/IA form may be used when obtaining consent. Please keep the original for your records.

Should there be any change to the protocol, it will be necessary to submit a Modification Form through OPRS. No changes may be made to the existing protocol until modifications have been approved by the IRB.
Should the use of human subjects described in this protocol continue beyond August 28, 2008, it would be necessary to submit a **Continuing Review Request Form** 60 days before the expiration date.

If you have questions or require any assistance, please contact the Office for the Protection of Research Subjects at OPRSHumanSubjects@unlv.edu or call 895-2794.
APPENDIX B
SURVEY QUESTIONNAIRE

Survey Question

1) Have you heard of Resort Timesharing?
   (Resort timesharing is a product that typically allows you to own a week or more of
time in a vacation condominium, which you can use each year.)
   □ Yes
   □ No

2) Where did you hear of Resort Timesharing? (you may choose more than one option)
   □ Mail
   □ Telephone call
   □ Electronic media, such as television, radio, or movies
   □ Print media, such as newspapers or magazines
   □ Information on internet or email
   □ Travel fair
   □ Word of mouth from friends or relatives
   □ By a person in a booth, store, or walking around
   □ Your personal experiences staying at a timeshare resort
   □ Attending sales presentations
   □ School
   □ Other: 

3) Which of the following best describes your overall feelings toward the Resort
   Timesharing concept?
   □ 1. Very negative
   □ 2. Somewhat negative
   □ 3. Neutral
   □ 4. Somewhat positive
   □ 5. Very positive

4) Did you attend a Timeshare sales presentation before?
   □ Yes
   □ No

5) Which of the following best describes your likelihood of purchasing a Resort
   Timesharing product during the next three years? (I want to reassure you that you will
not be contacted about purchasing anything.)
   □ 1. Zero, no chance
   □ 2. Less than 50 – 50
   □ 3. About 50 – 50
   □ 4. Better than 50 – 50
   □ 5. 100% certain

6) Why would you not consider buying a Resort Timesharing product?
   (Please check all that apply.)
- Timeshare concept was new or unfamiliar
- No interest in timeshare
- No interest in that area, location, or resort
- Had heard or read something negative about timesharing
- Cost too much
- Dislike idea of annual maintenance fee
- Possible future maintenance fee increase
- Concerned with flexibility problem
- Concerned about the difficulties of exchange to another property at the time and location desired
- Timeshare concept incompatible with your travel habits
- Will not go back to the same resort year after year
- Concerned about value compared to other options
- Travel to timeshare resort is too expensive or inconvenient
- Feel pressure from sales presentations or promotion tactics
- Do not make same day choice
- Wondered if “too good to be true,” if promised services would be delivered
- Risky investment
- Do not trust the timeshare companies
- Worried about the quality of the facilities
- Concerned about the reservation issues
- Other reason: .

7) Your age: .

8) Do you own a home?
   - Yes
   - No

9) Gender
   - Female
   - Male

10) Occupation
    - Professional (doctor, lawyer, teacher)
    - Managerial
    - Clerical or secretarial
    - Self-employed
    - Blue collar
    - Unemployed
    - Retired
    - Student
    - Other: .

11) Education
    - Less than High school degree
    - High school degree
    - Bachelor degree
    - Graduate degree or higher
    - Other
12) Marital status
   ☐ Single
   ☐ Married
   ☐ Divorced
   ☐ Separated
   ☐ Widowed
   ☐ In a committed relationship

13) Number of children:                       .

14) Ages of children (can choose more than one option)
   ☐ 2 or under
   ☐ 3 to 4
   ☐ 5 to 12
   ☐ 13 to 17
   ☐ 18 or more

15) Your total household income, before taxes, in 2006?
   ☐ Less than $ 14,999
   ☐ $ 15,000 - $ 24,999
   ☐ $ 25,000 - $ 34,999
   ☐ $35,000 - $ 49,999
   ☐ $ 50,000 - $ 74,999
   ☐ $75,000 - $ 99,999
   ☐ $ 100,000 - $ 124,999
   ☐ More than $ 125,000

16) Please estimate how often do you take a vacation (more than 3 days)?
   ☐ Never
   ☐ Once a year
   ☐ 2 times a year
   ☐ 3-4 times a year
   ☐ 5-6 times a year
   ☐ More than 7 times a year
REFERENCES


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