



Joining Forces to Deliver Outstanding Vacation Services

COOPERATIVE ASSOCIATION OF RESORT EXCHANGERS, INC.

STRATEGIC PLAN

January 2016

C.A.R.E.'s Vision and Mission

The vision of C.A.R.E. is to be recognized in the global vacation industry as the premier trade association that provides its membership with the tools, education, networking opportunities and structure to achieve professional success while remaining committed to the highest standards and ethics required to offer outstanding vacation experiences and services.

The mission of C.A.R.E. is to promote ethical and outstanding vacation services by providing education and networking opportunities.

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INTRODUCTION

Strategic planning is important to the continued growth of C.A.R.E. From a macro viewpoint, it is a process whereby the Board of Directors determines where C.A.R.E. is now, where it wants to be, and how it intends to get there. In a micro sense, the goal of the process is to strategically define C.A.R.E.'s goals and objectives while keeping its mission in mind.

Factors such as the global economy, demographics of the vacation industry, social and competitive trends and issues, as well as sources of inventory are researched and then summarized. With C.A.R.E.'s mission statement in mind, goals, objectives and strategies are subsequently identified. An action plan with specific timetables for completion and responsible party assignments is then established to achieve the goals and objectives.

PURPOSE

The purpose of this plan is to guide the organization by establishing goals and objectives designed to promote C.A.R.E. as a premiere industry trade association by providing networking and educational opportunities, professional development, and encouraging ethical and good business practices among its members. It will further set forth the strengths, weaknesses, opportunities and threats confronting C.A.R.E. in its efforts to accomplish the goals and objectives thereby sustaining its vision and mission.

EXECUTIVE SUMMARY

The purpose of this summary is to provide, annually, a general overview of how C.A.R.E. is currently positioned, determine its objectives, and what directives it needs to initiate to reach those objectives.

C.A.R.E.'s Strategic Plan for 2016 details the factors and industry trends which drives an Action Plan. The Action Plan drives "actionable" initiatives to insure progress is made in the areas identified by C.A.R.E.'s Strategic Planning Committee.

The plan is not intended as a commentary on any individual C.A.R.E. member company, whose practices and performance may vary from the information included herein. It is designed specifically to keep C.A.R.E. focused and steadfast to its mission stay to true to supporting the highest standards in service in the industry and grow.

Factors for C.A.R.E. to remain strong and measure growth, include but are not limited to, increasing membership, expanding its exposure and maintaining its identity.

Global Economic Factors

Because C.A.R.E.'s member base is made up of resort developers, travel clubs and a host of service related providers, the same economic challenges that face them, can affect the ability to maintain membership in C.A.R.E. Therefore, accordingly while there are some positive signs, as our economy continues its slow but steady recovery; economic conditions continue to present unique and challenging opportunities for growth for C.A.R.E. and its members.

Demographics and Social Trends

In the last several years, the Strategic Planning Committee has focused on revising the plan's mission to only collect and review data related to our members' business, such as, who buys into timeshare interests, or travel clubs. It was decided that it is C.A.R.E.'s best interest to collect and analyze the makeup of C.A.R.E. member companies themselves; that is who are our members, how many of them control inventory, how many represent travel clubs, or how many provide services related to the industry.

The good news for 2016 according to a number of reports is that interest in travel in general is still on the rise; which certainly should help C.A.R.E. in its initiative to grow; not only in maintaining its existing member base, but also to help find new prospects for C.A.R.E. membership. Therefore, it is extremely important to continually educate ourselves and our members on changing trends in the industry. The health of our members is directly connected to propensity to increase C.A.R.E. member base.

Industry Issues and Competition

Because new products, services, even legislature are continuously evolving and changing in our industry, there are often new challenges or even challengers for both C.A.R.E. and its members.

Social media and the opportunity the internet offers today is a double edged sword, and it is paramount to master, if expected to succeed in today's business world. Offering consumers more choices, more flexibility, more ease to communicate, the way they want to communicate, is parallel with C.A.R.E.'s need to concern itself with serving its members, and providing them a platform that continues to be valuable.

Goals, Objectives and Strategies

Fundamentally the goal of C.A.R.E. is to offer its members the tools to provide outstanding vacation services and practice effective yield management through information, education, and networking opportunities while remaining committed to the highest standards and ethics.

To achieve its goal C.A.R.E.'s Strategic Planning Committee has established an Action Plan for the purpose of: enhancing exposure within the vacation industry, expanding the use of technology and awareness of C.A.R.E., providing and enhancing members-only benefits, raising awareness of the need to protect proprietary information, providing education on industry changes and regulatory issues.

GLOBAL ECONOMIC FACTORS

According to The Conference Board (www.conference-board.org/data/globaloutlook), “in the past few years the global economy has lacked a positive dynamic, exemplified by the uneasy combination of plenty of technological opportunities, slow investment growth—which is exacerbated by lackluster business and consumer confidence—weak productivity, and a range of lingering policy and business challenges. This puts the global economy in a holding pattern in which positive and negative forces offset each other, at least for the immediate future.

This characterization of the global economy is unlikely to change in the next 12 to 24 months. After adjusting our outlook for China’s overstated official growth rate, we project a very modest improvement in the growth rate for the global economy to 2.8 percent in 2016, up from 2.5 percent in 2015.”

Travel alerts issued by the Center for Disease Control can often affect global economic factors. During the drafting of this plan, the “Zika Virus” was established as a level two travel alert (out of three), meaning the CDC advises travelers to “practice enhanced precautions” – in this case, protecting themselves from mosquito bites. An article titled “What to Know About Zika Virus” published by www.theatlantic.com, quoted a piece from The New England Journal of Medicine, Anthony Fauci and David Morens of the National Institute for Allergy and Infectious Diseases note that Zika is the fourth mosquito-borne illness to creep across the Western Hemisphere over the past 20 years, following dengue, West Nile, and most recently, chikungunya. As with these other diseases, there is no currently available vaccine or treatment for Zika—you just have to wait it out.

There may be a pattern here, in which relatively unknown, uncommon viruses that were fairly geographically restricted suddenly spread, far and fast. “Zika is still a pandemic in progress,” they write, “yet it has already reinforced one important lesson: In our human-dominated world, urban crowding, constant international travel, and other human behaviors combined with human-caused micro-perturbations in ecologic balance can cause innumerable slumbering infectious agents to emerge unexpectedly.”

Statista.com indicates that in 2015 average crude oil prices were nearly cut in half from \$96.29 per barrel in 2014 to \$50.95 in 2015. This, however, could be a double-edged sword for travel. While it may prove positive for travel-related transportation costs, it could negatively affect both countries and their residents that are dependent on oil revenues for internal and personal growth in both leisure and business travel. Other than lower oil prices for at least part of 2016, air travel is sure to continue being plagued with airlines finding new “ancillary” income resulting in additional costs to the traveler.

In industry overview written August 2015, Alex Hadwick, Head of Research with Eye For Travel mentions that “Travel looks set for a strong year all-round, as most of the major economies continue to post solid results. Consumers in major developed economies are finally seeing increases to their wage packets after several lean years and intra-Asian travel

continues to increase exponentially. However, travel executives can't afford to sit back and enjoy this relatively healthy short-term outlook. The travel market remains a volatile one, as travel flows can rapidly change, such as in Greece and South Korea thus far this year, and the penetration of the online market creates cut-throat competition. This latter factor is squeezing margins across the board, even for the largest OTAs, and means that almost every company looking for market share must be both global and local at the same time. Even the poster-boys for change, Uber and Airbnb, are not free from troubles despite their meteoric growth patterns. Questions are being raised about their business models and a profusion of lawsuits have been raised by individuals and public bodies across many of their key markets. Therefore, business leaders need to get the bigger picture and this report aims to be a one-stop shop that looks across sectors and continents for the key data that shows how our industry is being transformed. “

On a more positive side of travel statistics, at least for the United States, www.statista.com indicates a steady increase in domestic spending in the U.S. through 2020. These statistics cover a twenty year period from 2000 to 2020 and show the pit of spending in 2002 at \$478 billion with the peak projected in 2020 at \$1,026 trillion and the most recent peak reaching \$802 billion in 2015. Statistics tell us that domestic travel spending in the U.S. has increased nearly 25% in the last five years and more than 40% in the last ten years. Obviously unknown Global Economic Factors could easily cause these future predictions to increase or decrease depending on the level of threat they bring to families in the U.S.

DEMOGRAPHICS

ARDA International Foundation reports (2015 State of the Vacation Timeshare Industry) that “there were 1,555 timeshare resorts in the United States in 2014, representing about 198,490 units for an average resort size of 128 units. There were 8.7 million intervals owned. Among these intervals, 90% were owned by resort owners (timeshare consumers). Approximately 9% were still owned by resort developers and 1% were owned by homeowner's associations.

2014 Demographic Statistics are still fairly relevant and accurate:

- New owners are **10 years younger** than traditional timeshare owners
- 39% are GenXers and 30% are Millennials: **median age is 39**
- 42% of new owners are African American or Hispanic
- 79% are married or are in a committed relationship
- 51% have children under the age of 18
- 72% are college graduates
- 23% have graduate degrees
- 94,800 is the median household income
- 72% are employed full time
- 91% own their own home

In the 2015 plan we advised that Baby Boomers, according to a study released by www.timeshare-info.org, are still a viable sources of timeshare buyers simply because they

like to travel and have the money to do so. Not only do they have disposable income as a result of their strong work ethic and “live to work reputation”, some 49% of boomers are still in the work force and don’t plan to retire until age 66 or older. They favor luxury and comfort and the “home away from home atmosphere is attractive because convenience, comfort and added space for family is important.” Boomers also want flexibility and choice in their travel and the vacation options of timeshare are attractive to them. According to Phil Goodman, co-author of Boomer Marketing Revolution “Boomers will always try to act younger than their chronological age. As a result, they want to fulfill the dreams they had when they were 25 even if their bodies aren’t willing.”

We also advised in the 2015 plan that Generation X & Y who are timeshare purchasers consider price to be the most important factor when making a purchase according to Access Development. Most, according to the report, won’t purchase until they understand “What’s in it for them or some type of ROI. Since the typical millennial is held back by an average of \$20K in debt they’re extremely cautious, and not likely to go into significant debt for timeshare and are adverse to long-term commitments” unless they have thoroughly investigated their purchase. Millennials typically consult four or more services (social media, mobile friendly websites) before making a purchase.” Look to page 10, Social Trends, for more Millennial travel behaviors.

C.A.R.E.’s membership as of January 1, 2016: 120 Total = 97 General Members (own or control inventory) and 23 Associate Members (service providers.) Also refer to page 15, Source of Members, for further breakdown of C.A.R.E. memberships.

SOCIAL TRENDS

Social trends continue to drive the vacation industry. They impact the leisure industry in the method by which households spend their leisure time. The challenge lies in that while many trends remain, there are often new ones that we must be prepared for, and embrace. For the purpose of this plan, social travel trends should be considered for the focus of C.A.R.E. and the success of its members. This is more true now than then as social media is only growing and mobile activity is everywhere on the rise. Hotels and resorts that do not have a social presence and websites that are optimized for all phones, iPads and computers and free high-speed Wi-Fi are out of touch with guest expectations. Individual hotel apps, while popular at one time are now considered “so 2015!”

The year 2016 presents new trends to consider. The way travelers use social media, the tools they use, and the areas they wish to travel to, all contribute to the trends we must consider. Those that adapt to these trends will likely have the greatest success as we move forward.

Using Social Media

There is a great struggle among social travel sites to gain attention of would be travelers. In fact there is much data that supports that travel-specific social media just isn’t doing much to drive bottom line in revenues for travel companies. In fact, despite research showing that

over 80% of online travelers use social media, the net result is less than a measurable 4 % increase in actual bookings.

Further analysis shows that more than half of these online travelers access the internet with some kind of mobile device when they are travelling. However, they are far more likely to post something about their trip while they are on their trip, rather than when they return.

The 5 biggest social media sites that online travelers frequent are Facebook, Twitter, Airbnb and TripAdvisor with growing numbers on Pinterest and Instagram. Specific apps are less and less frequently used in favor of direct internet access.

Things to Look for in 2016

- Lower fuel prices and improved consumer confidence in the economy mean more families will opt to drive or fly on vacation if airfares remain stable. However while gas prices are falling to below \$2.00 a gallon, 3 major airlines raised prices the first week of 2016.
- Airports will be 7% more crowded; fuller flights unless prices continue to rise.
- More revenue generating “options” like “seat selection” and “carry-on bags.”
- While TSA continued to innovate new ways to make travel easier and safer in 2015, the recent terror incidents in both Europe and the U.S. have set back some streamlining and in fact they are installing more full-body scanners. “TSA Pre” usage is spreading. Look for passport kiosks, more advanced online pre-check initiatives.
- Hotels continue to up their high-tech conveniences – from using your mobile phone as your room key, checking in by text, even arranging room dining to sleep centric enhancements using lighting and improve furniture design, the “internet of things” has arrived to the hotel industry.
- Fear will dictate a large part of the travel industry limiting travel to close-to-home and “safe” destinations.

Among the leading travel trends to continue to watch for in 2016 are:

- **The Impact of Millennials** – Millennials, 18- to 30-year-olds, are of obvious and growing importance to the travel industry. Millennials are a much more ethnically diverse group than other generations and are more interested in international travel.
- Other characteristics of Millennials:
 - They’re more interested in urban than resort destinations.
 - They’re more likely to travel in pursuit of favorite interests or activities.
 - They’re more likely to travel with friends in organized groups.

- **Seniors are unstoppable** and are estimated to comprise 1.3 billion - 1.6 billion people worldwide. Customer service is crucial to this group, and they show higher levels of frustration that result in zero tolerance for poor service.

By 2030, those 55 and older will control 70% of the disposable income in the U.S. likely making seniors not only the world's wealthiest group, but also the most demanding of travelers.

This group travels primarily for rest and relaxation on either short- or long-stay trips, and they favor quieter, less congested destinations.

- **Rise of conspicuous leisure** - another key trend is what has been called "conspicuous leisure, which is defined as the signaling of social status through consumption of experience rather than through consumer goods. Unique experiences are social currency. The preponderance of social media and the widespread sharing of vacation photos with friends, families and colleagues have fostered the trend.

Top Travel Interests for 2016

1. U.S. National Parks 100th Anniversary of National Parks Service
2. International:
 - a. Cruises—still big and getting more expansive, inclusive, connected and luxurious
 - b. Cuba
 - c. Caribbean
 - d. Europe

Charmed Adventure shared a *Fortune* released an article revealing four travel trends to watch in 2016. The article, written by Brian Havig, listed findings from a travel industry session where marketing experts from TripAdvisor, Hawaiian Air and Celebrity Cruises shared their projections. It revealed some interesting points.

- **The rise of "Bleisure" travel:** Mixing business and pleasure has never been more popular. Technological advances have provided a vehicle for people looking to attain a better work-life balance; because what's the point in typing on a laptop in an office when you could be doing it on a beach?
- **Travel is getting more mobile:** Although there are instances when travelers want nothing more than to escape technology, for the most part staying connected is imperative to keeping travelers happy. Everything from flight details and city maps to Uber access and social media sharing requires some form of internet connection. To avoid leaving your clients in the lurch it's wise to thoroughly research destinations so you can inform your clients about spots with patchy signal.

- **Experiential travel marketing is exploding:** Marketers are realizing that to entice their target market they need to give travelers a taste of an experience that they want (or hadn't yet realized they wanted).
- **It's all seamless:** The entire travel experience can be planned in advance. Each stage of the journey can be immaculately organized – flights, cars, restaurants, shows, meetings with locals, unmissable viewing points, unique experiences – so people who feel like 'time is money' won't waste one moment on mediocrity."

INDUSTRY HEALTH

Since 2012 the vacation industry has been steadily rebounding in the wake of the most recent economic downturn. As reported in the ARDA AIF State of the Vacation Timeshare Industry: US Study, 2014 Edition (AIF Study) resorts sold approximately 371,000 intervals yielding a total sales volume of more than \$7.6 billion, a \$700 million increase from the prior year. Fifty-one % of timeshare sales were from new owners; which indicates an increasing social acceptance of vacation ownership. The remainder of new sales was from among existing owners which indicates a high satisfaction level. Resort occupancy remains strong at just under 77%, the same as the prior year, versus hotel occupancy which averaged 61%.

Average annual maintenance fees range from \$540 for a studio unit week to \$670 for a 1-bedroom unit and \$935 for a 2-bedroom plus unit, the overall average being \$845.

Capital markets continue to expand and interest rates remain low which contributes to stabilization and new resort development. According to the AIF Study, an uptick in planned new resort developments for 2014 represents a 29% increase from 7 new resort developments the year before to 9 new resort developments which represents a 41% increase in new units.

The number of resorts and intervals available have increased by approximately 4% and 3% respectively over the past 3 years. As noted above maintenance fees currently average \$845 which may cause more affordable vacation ownership programs such as the travel clubs more appealing to consumers. Vacation ownership represents only a 6% market penetration which presents an opportunity for growth for C.A.R.E. member companies. Although regulatory and taxation issues continue to be a challenge, the fundamental strength of the industry remains in place.

Although the timeshare industry itself is becoming healthier overall at the new developer level, there are macro level trends manifesting themselves within the timeshare industry itself and the broader travel industry which are having a direct impact to C.A.R.E. Members and their guests. The extent to which these trends are impacting C.A.R.E. Members needs to be assessed over the course of the next year as data is not readily available to quantify more specifically its net effect.

1. **Consolidation of the timeshare industry.** The overall timeshare industry is in a consolidation phase of its evolution where hotel brands are spinning off timeshare divisions (Marriott, Starwood, and Hilton) and timeshare systems such as Wyndham Vacation Resorts and Diamond Resorts are acquiring smaller timeshare developments

to create mega resort groups. Even the smaller timeshare resort groups such as Bluegreen are adding resorts into their systems by incorporating new properties into their programs. There are no new mega developers or points systems coming into the market as the timeshare business model has proven to be extremely lucrative, but fraught with very high barriers to entry. As a result the big players are getting bigger and the smaller players are fading away.

2. **Mega Resort Developer Rental Programs.** These new timeshare mega resort groups and the timeshare exchange companies have built and evolved very broadly advertised rental programs which are linked directly into Online Travel Agencies. This has resulted in a very efficient placement of guests into non-owner occupied units. This inventory, once plentiful immediately after the 2008 financial market crash, has been much less available to third party providers once a big source of new members to C.A.R.E.
3. **Commercial use restrictions by Resort Developers.** Resort developers are starting to implement much stricter and acceptable use policies to prevent owners from commercially renting their ownerships to the general public at the same time they increase their own rental programs. This has a direct impact to C.A.R.E. Members as it is becoming much more difficult to aggregate inventory to move through C.A.R.E.
4. **The Emergence of AirBnB, Vacation Home Rentals (by Trip Advisor) and the purchase of VRBO by Expedia is rapidly moving the Vacation Condo and Rental Home market to the masses.** Timeshares and rental properties are being offered through these mainstream websites and linking these websites to the Online Travel Agencies is making the need for real time inventory available to book immediately online imperative. Many C.A.R.E. Members have been moving into the direction of real time inventory management. Real time inventory is becoming a key feature to play in the broader Travel Market which is experiencing much more explosive growth than the timeshare industry.
5. **Increased rates affecting value proposition of Travel Clubs.** The combination of reduced supply and more effective venues for renting inventory has led to the dramatic increase of the average rate of a timeshare week. This is putting pressure on the Travel Club value proposition which is sold on the basis of “discount” inventory. With less inventory that can be acquired at below market rates, Travel Clubs are having a difficult time expanding and/or renewing members.

INDUSTRY COMPETITION

Other trade associations and conferences in the industry are the “competition” for C.A.R.E. as an association insofar as they may equally or better enhance the membership of the current and potential individual C.A.R.E. member companies. There is only so much time and so many resources for companies in this area and that is what we are competing for the time and money of industry companies.

The current associations and conferences that could be considered competition are ARDA, AMDETUR, CRDA, VRBO, RDO, GNEX and TATOC. No individual association or conference can do everything for everyone and, in fact, in many cases they are not competition but actually complement each other.

Of course these other options to C.A.R.E. must be able to offer something which C.A.R.E. does not. To maintain its place in the industry, C.A.R.E. must be able to offer opportunities in inventory exchanging, procurement and sales, as well as in the areas of ethics, education and networking that the “competition” does not.

Since C.A.R.E. is historically a trade association focused on exchanging, buying and selling inventory. This should be taken into account when considering membership, and cooperation with the competition in the industry and as well as what both can bring to C.A.R.E. as a trade association and the individual C.A.R.E. member companies.

In addition, with the consolidation of the timeshare industry and the reduced number of participants in it, C.A.R.E. needs to view the market it serves differently to expand its reach into a much larger and growing market. It can do so by establishing relationships with inventory suppliers and vacation property consumers in the much broader Vacation Property industry that includes both timeshare resorts and vacation properties typically advertised through venues such as VRBO, Vacation Home Rentals and AirBnB. In essence, the value that C.A.R.E. offers to these companies is another venue to advertising and move their properties. C.A.R.E. is poised to support such properties because bulk leases are provided by many current C.A.R.E. Members and products, systems and services provided by C.A.R.E. Associate Members could also be provided to such potential new members. This calls for outreach to new segments of the broader vacation home market. In addition, with the high rates charged by Online Travel Agencies of between 10-30% of rent, there should be plenty of margin to support a wholesale network that expands owner reach.

SOURCES OF INVENTORY

Resorts, club-type structures, points-based systems and exchange companies will always have excess or non-reserved inventory which will go dark (burn) unless some action is taken to utilize it. Also consider the amount of timeshare, fractional and wholly-owned condominium inventory available for use by individuals and property/home owner associations and what is apparent is both an unsatisfied need and an opportunity.

Although forecasts for 2016 continue to be optimistic for the travel industry in general than in previous years, no longer does the consumer have to belong to a club or own a product to experience travel opportunities to resorts. No longer is it necessary to belong to a trade association to locate inventory for fulfillment or to locate those companies or clubs in need of inventory. All types of lodging, (i.e. hotels, condominiums, cruises, RV's, etc.), are available online or through affinity and boutique groups. Even the resorts themselves now offer discounted rates with minimal or no membership fees, and timeshare ownership is available online at an extremely low cost.

Profitable utilization of excess timeshare and wholly-owned condominium inventory by way of exchange, wholesale or rental should be viewed as positive. Without such utilization of excess inventory, marketing and operating costs increase and a surplus of unused timeshare

inventory will emerge impacting consumer value, maintenance costs, and consumer satisfaction.

These factors may be seen as potential growth opportunities for the vacation industry. Buying, selling and exchanging even more available inventory through a forum such as C.A.R.E. and networking opportunities at conferences could be a benefit to more and more companies who find that they have available inventory, unpaid or past due owner maintenance fees and lower occupancy rates.

SOURCES OF MEMBERS

C.A.R.E.'s membership is comprised of resorts, developers, HOA's, travel clubs, wholesalers, management and exchange companies as well as service providers.

Many new members are referrals of existing C.A.R.E. members. Other new members are recruited at industry trade shows as well as advertising in industry publications.

2015 C.A.R.E. Membership Categories (Top 5)

Travel Club 27% / 23% General / 4% Associate

Wholesaler 20%

Management 13%

Developer 10%

Resale/Rental 9%

Other 21% (All other categories combined with less than 5% stake in membership)

STRENGTHS

The underlying strengths of C.A.R.E are:

- Number, quality, and locations of members' resort properties and the ability to locate inventory in highly demanded areas.
- The C.A.R.E. membership represents over 1,000,000 vacation ownerships that afford C.A.R.E. an important voice within the industry.
- The membership has knowledge of the varieties of resorts and vacation programs giving the organization's members insight into the vacation industry as a whole.
- Strong network of member companies
- Presence and commitment in and to other industry trade associations such as ARDA (American Resort Development Association), CRDA (Canadian Resort Development Association), TATOC (The Association of Timeshare Owner Committees), ARDA-WIN Advantage (Women in the Industry), GNEX (Perspective Magazine) and AMDETUR (Mexican Association of Tourist Development).
- Strong Media Sponsor Exposure with Perspective Magazine and Resort Trades.
- Reputation for requiring a commitment to honesty and ethical practices from its members with enforcement and support thereof.

- The core membership in the C.A.R.E. organization is very experienced and knowledgeable about the vacation industry.
- The membership understands the importance of keeping owners and members satisfied with their purchase, encouraging and facilitating vacation travel and accommodations for the owners/members.
- The membership is willing to share their knowledge with other C.A.R.E. members.
- C.A.R.E. Members are willing to assist with owner/member needs and “in crisis” situations.
- C.A.R.E. has been in existence since 1985.
- Commitment by C.A.R.E. to remain abreast of industry trends and issues and adapt to change thereof.
- C.A.R.E. is not only present on the worldwide web, but has Spanish and English versions of the website.
- Professional speakers, workshops, education and networking opportunities offered at semi-annual conferences.
- Informative semi-annual, digitally produced, magazines shared with industry partners/prospects as well as provides updates for C.A.R.E. Members (especially those that are unable to attend conferences) regarding speakers, seminars and the general business aspects of C.A.R.E.
- New member programs (i.e. Ambassador) at conferences designated to mentor new members in adapting to conference agenda and educational seminars.
- Accreditation program that encourages the education of member representatives and rewards participation.
- Strong dedication and commitment by C.A.R.E. individuals and companies that consistently support conference sponsorships and allow member representatives to donate time as volunteers.
- C.A.R.E. provides an online platform to communicate with each other.
- Active Board, committee and member participation that support the operations that stimulate the growth of C.A.R.E. while evaluating and strengthening the position C.A.R.E. within the industry.
- Encouragement of industry green practices
- Willingness to volunteer and give back to the community during semi-annual conferences.
- Innovative Member Marketing Programs to include Media Marketplace and Exhibitor Marketplace options.
- Self- managed website capable of numerous informative venues.
- Posting career opportunities on the website under “C.A.R.E.ERS
- C.A.R.E. Directory

WEAKNESSES

The following points have been identified and evaluated as weaknesses within the operations of C.A.R.E.:

- The purpose of the organization and the value of a membership in C.A.R.E. are not fully recognized or understood by all resort developers, management companies, and other entities offering vacation programs or services within the vacation industry.
- Some existing C.A.R.E. members are protective of their relationship with non-member companies/clients and are not receptive to introducing them to C.A.R.E.
- C.A.R.E. must continue to improve its efforts to inform, train, and educate its membership on the “nuts and bolts” of inventory exchange, inventory management, industry trends and legislation that affect member operations, and other facets of the industry.
- While C.A.R.E. is promoted through various marketing initiatives, the association continues to rely heavily on current members for new member recruitment.
- Poor conference survey participation poses a challenge to the C.A.R.E. Board in terms of meeting and fulfilling member expectations.
- Lack of reporting of unethical practices.
- Annual attrition is higher than desired.
- Difficulty in retrieving historical and statistical information.

OPPORTUNITIES

In summary, the principle opportunities to C.A.R.E. and its members are as follows:

1. Attendance and participation on panels at trade conferences including GNEX, TATOC, AMDETUR, CRDA, ARDA World, and smaller, regional ARDA conferences provides recruitment opportunities for new C.A.R.E. members, as well as to maintain current alliances.
2. C.A.R.E.’s relationships with industry leaders including ARDA, Perspective, and Resort Trades lend credibility to C.A.R.E.
3. C.A.R.E. continues to be a leader in providing industry updates, education, and networking opportunities in the Vacation Industry.
4. C.A.R.E.’s awards program recognizes companies and individuals for their contribution to the vacation industry.

THREATS

The more significant challenges facing C.A.R.E. are as follows:

- Membership attrition and lack of growth.
- Low attendance at conferences.
- Although the issue of annual vs semiannual conferences has been voted on and decided among the members the conference schedule continues to be an issue for some members.
- Competition with other industry associations and organizations that provide trade shows and conferences poses a challenge to C.A.R.E. for attendance at its conferences.
- C.A.R.E.'s relevance for senior level executives to attend conferences is low.
- Economic issues that affect C.A.R.E. member companies.
- Reluctance of C.A.R.E. members to embrace technological resources such as the C.A.R.E. Directory.
- Negative effects of unethical business practices and unfulfilled obligations.

ACTION PLAN

- I. **Objective:** To increase industry recognition as the premier trade association for direct exchange, wholesale rentals, resales and ancillary products and services of the vacation industry.

Action: Actively participate in ARDA, CRDA, GNEX, ARDA-WIN Advantage, TATOC, and AMDETUR as a member and/or exhibitor.

- a. ARDA
 - a. President to attend ARDA World 2016.
 - b. President to investigate participation on ARDA committees.
 - c. President investigate the possibility to serve on panels at ARDA World.
 - d. President investigate the possibility of reciprocal benefits with ARDA.
 - e. Participate in ARDA regional conferences when feasible.
- b. CRDA
 - a. President to attend 2016 conference.
 - b. President investigate the possibility of reciprocal benefits with CRDA.
- c. AMDETUR – Send one delegate to 2016 conference.
- d. GNEX – President to attend the 2016 annual conference.
- e. ARDA-WIN Advantage – President to attend 2016 WIN annual meeting.
- f. TATOC –
 - a. No attendance at the 2016 conference.
 - b. President investigate the possibility of stronger reciprocal benefits with TATOC.
 - c. Work with TATOC to schedule the C.A.R.E. President to attend the 2017 conference.

- d. Work with TATOC to have TATOC C.E.O. attend at least one C.A.R.E. Conference in 2016.

II. **Objective:** Enhance membership growth, retention and conference participation.

Action:

- a) The Administrator, along with the delegate that attends the event, (ARDA, WIN, TATOC, AMDETUR and GNEX) will follow up with letters, phone calls, copies of *Connections* and invitations to future conferences within 30 days of respective shows. The goal is to recruit three new members from each trade show.
- b) The Administrator will communicate via e-blasts and inserts that members will receive \$100.00 for member recruitment with New Member e-blasts, new member packets and at trade shows.
- c) The Administrator distributes monthly press releases.
- d) The Ambassador Committee will follow-up with new member representatives pursuant to committee schedule and will report to the Board.
- e) Continue to promote existing benefits of the C.A.R.E. membership and search for new ones.
- f) Re-introduce one conference versus two in a town hall discussion at the 2016 Spring C.A.R.E. Conference.
- g) Board to investigate hosting an Executive Leadership Breakfast at either the Spring or Fall 2016 C.A.R.E. Conference and invite member company executives to attend and participate.
- h) Membership Co-Chair to survey 3-5 member companies from each of the top five categories outlined in the "Source of Members" section of the Strategic Plan to determine the value of C.A.R.E. to their organization in effort to ascertain how to gain new members in the respective categories. Results to be shared with the Board at the Spring 2016 Conference.
- i) Membership Co-Chair to contact up to five non-traditional timeshare resorts and/or outside property management companies (whole ownership properties) for possible membership recruitment opportunities. Results to be shared with the Board at the Spring 2016 Conference.
- j) Effective with 2016 conferences, C.A.R.E. to decrease non-member conference registration fees from \$850 to \$500 on an early bird basis and/or \$650 thereafter.
- k) Effective with 2016 membership renewals, both membership types (general and associate) will carry the same annual fee in the amount of \$500.00.
- l) Administrator to create mailing to all non-member RCI/II resorts within 200 mile radius of upcoming conferences and extend an invitation to attend one-time at current member registration rate.

III. **Objective:** Continue to expand C.A.R.E.'s use of technology to raise awareness of the organization and to efficiently facilitate the needs of the membership.

Action: To Promote awareness and use of new technology at Spring and Fall C.A.R.E. conference.

- a) Promote C.A.R.E.'s online conference registration

- b) Promote C.A.R.E.'s online membership renewal
- c) Educate members to use the Directory at the conference
- d) Promote social media at every conference
- e) Educate how to use "email blasts" through C.A.R.E. site.
- f) Administrator to advertise and offer training sessions on learning and maximizing the benefits of the C.A.R.E. website.

IV. **Objective:** Continue to enhance and develop membership and "member-only" benefits that would be lost upon non-renewal.

Action: Actively promote all C.A.R.E. member benefits.

- a) Promote accreditation levels at the beginning of the conference.
- b) Increase opportunities to receive discounted attendance at other industry conventions and expositions.
- c) Member Benefits Committee to provide overview of benefits on website.
- d) Administrator to E-Blast membership benefits quarterly.
- e) Include member benefit content in the Connections Magazine

V. **Objective:** Raise awareness of the need for protecting and updating proprietary information.

Action: Educate the members as to the need to protect the proprietary information.

- a) Administrator to add warning on website to prohibit sharing of proprietary information.
- b) The Administrator will send e-blast quarterly reminding of importance of protecting proprietary information.
- c) Provide information regarding the importance of keeping information updated on the landing page of the directory.
- d) Effective with 2016 C.A.R.E. Conferences, the attendee/company information will not be included in the attendee booklet at each conference.

VI. **Objective:** Monitor and record C.A.R.E. historical information.

Action: To collect and store C.A.R.E. historical information.

a) Administrator to explore and learn options available to store historical data on the back end of the C.A.R.E. website (via yourmembership.com).

VII. **Objective:** To provide education on industry changes and regulatory issues to the membership.

Action: Communicate changes and updates in the industry.

- a) Conference – Speaker Committee will coordinate industry updates at Spring and Fall Conferences when available.
- b) Administrator will provide communication of industry update via

e-blasts when available and/or as directed by the President.

c) Communications committee will publish articles in Connections when available.

d) Comment periodically and as needed on infractions.

VIII. Objective: To monitor and manage completion of all objectives presented in this Action Plan.

Action: Board Secretary will prompt responsible parties of actions and deadlines.