

Prepare for the Northern Invasion – they're here and they're hungry!



Nowhere is your pool of suspects and prospects experiencing more growth than with Canadian consumers. Are you ready to deal with their growing numbers and appetite for vacation ownership?

While consumer adoption trends have lagged American consumer rates, Canadians are catching up fast! Canadians are ideal Vacation Ownership candidates. The old stereo type of the bashful, stay at home Canadian has eclipsed. Long cold and wet winters drive flocks of middle to high income Canadian consumers to American resorts for both summer and winter recreation. They appreciate the amenities and services offered. Approximately 5% of the market for vacation ownership is Canadians, representing over half a billion dollars in potential vacation ownership sales. Current and projected future economic factors continue to dramatically boost this number annually.

The resources, climate, proximity and variety offered by American based Vacation Ownership properties are rich and highly desirable to Canadians. As with their American counterparts, Canadian adoption of vacation ownership is significantly buoyed by lifestyle choices made by Boomers and Echo Boomers. This demographic values leisure time and 'living for today'. This customer is most likely a couple with household income exceeding \$150,000. They are familiar with and comfortable with a monthly payment lifestyle too. They pay for their housing, transportation, recreation memberships and other lifestyle choices within a fixed monthly payment mind-set.

One factor that remains key to the Canadian psyche is value. They are more likely to "comparison shop" for information on the internet. More than 67% of the Canadian population are internet users. Ensuring marketing programs are available online will maximize your success with Canadian buyers.

We know that consumer lending at point of sale provided by marketing savvy developers and their sales and marketing teams has contributed to industry growth in recent years. It makes the job of your sales team of your vacation ownership product easier, attracts more business, closes more sales, and increases the return on the marketing investment. It simply makes the investment decision easy and more affordable. Buyers welcome a means to pay for their vacation on a monthly basis in anticipation of planned vacation periods.

Consumer lending at point of sale is a real benefit to developers and operators. It delivers predictable monthly cash flow and/or accelerated cash flow, if you elect to monetization the consumer notes receivables through securitization, hypothecation, or outright receivable sales.

From the Canadian client perspective, however, a key component of their buying habits is their caution. Forming contractual obligations outside their own country can be a very real stumbling block. Your goal should be to provide an attractive financing package for Canadians in their own currency while eliminating as much as possible any unclear implications for lending outside Canadian law. Make their membership decision as easy, transparent and affordable as possible. The consumer finance option is best and most successful when offered within the client's comfort zone in terms of language, legal environment and currency.

If your core competency and most effective use of your time are in sales and marketing, then aim for a loan application and adjudication system that requires minimal information input, ideally a web-based application that quickly generates the consumer loan agreement in easy to understand terms. Minimize other handwritten forms as much as possible to eliminate errors and delays.

In order for you to enjoy the benefits of higher closing ratios from Canadians, you also require a reliable means to ensure ongoing loan administration, servicing and collection of the debt in compliance with Canadian law. A competent, knowledgeable finance partner specializing in Canadian consumer finance will protect your best interests, ensure adherence to Canadian law, and deliver the highest and most consistent returns. For Canadian consumer contracts, explore the qualifications and experience of potential outsourced partners before you proceed. Ensure that your owners can have payments deducted directly from their bank account back in their home country, in their own currency, by an organization they know and can trust. Multilingual English/French capability for Canadians is also mandatory.

The trend for Canadian ownership of vacation ownership is predicted to increase dramatically both in terms of unit sales and dollar value of sales. Developers and Marketers of American properties that are prepared for the Canadian buyer will be in position to capture, grow, cross-sell and capitalize on this segment of hungry buyers.

Wherever you are in the world, if a Canadian is your customer, Travelers can make the contract connection.

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