



Tomorrow's boat owners
Findings from landmark research
on first-time boat buyers

Introduction

The future of our industry depends on our ability to bring more people into boating and reduce the attrition rate of current boat owners. Today, our primary driver of growth is people who are in the market to purchase their second, third, or even their fourth boat. This group of people is highly passionate and committed to boating, and they'll keep coming back with little effort on the part of the boating industry.

But repeat buyers were once first-time boat buyers. And we've discovered a particularly disturbing trend among first-time boat buyers—there are fewer and fewer of them.

In 2000, first-time boat buyers represented 42% of all boat buyers. In 2015, they represented only 33% of all boat buyers. That equates to an overall decline of 37%.

Boats Sold To First-Time Buyers

Year	New Boats	Pre-Owned Boats	Total	% of All Boat Buyers
2000	175,000	458,000	633,000	42%
2005	149,000	415,000	564,000	40%
2010	55,000	364,000	419,000	37%
2015	69,000	328,000	397,000	33%

Source: Info-Link Technologies, Inc. 2016

Our industry is at a crossroads. We can choose the easy path: continue to hope that repeat buyers will come to us. Or we can choose the road that secures our future: We can invest in the first-time boat buyer.

We all support growth for the marine industry. But after the release of this data, we understand there's a more important imperative, and by working together, we can help reverse this trend. Over the summer of 2016 and with the support of our stakeholders, Discover Boating set out to learn all we could about the first-time boat buyer and understand how we, as an industry, can bring them into boating. From the moment they start dreaming about ownership to actually experiencing ownership, we wanted to know it all.

What we found is that we, the boating industry as a whole, often gets in our own way. The appetite for the first-time boat purchase is there, and it's perhaps stronger and more widespread than ever before. But converting these dreamers into owners will require us, as an industry, to put ourselves in their shoes. We need to adapt to the way people want to shop and purchase boats—not how we want them to do so. And the responsibility doesn't fall on just one group. Discover Boating, boat brands and dealers must work together if we're to be successful.

The following report outlines the results and implications of this landmark research initiative on first-time boat buyers. We'll share who they

are, how they live their lives, what motivates them to own a boat, and ultimately, how they want to go about buying one. We'll also share which barriers they encounter along the way, as well as what we all can do to help them more easily—and quickly—become first-time boat owners.



For a webinar that presents a summary of this data, along with short video vignettes of our first-time boat buyer segments, please visit:

<https://www.growboating.org/first-time-boat-buyer-research.aspx>

About Discover Boating

The purpose of Discover Boating is to introduce new people to boating and to advance their exploration of ownership. We're the industry's national boating awareness campaign developed by the North American recreational boating industry to help get people on the water. Discover Boating programs focus on the boating experience and building interest in recreational boating by providing a resource for Americans to explore the benefits, accessibility and fun of the boating lifestyle. To find out more, visit

DiscoverBoating.com.

About Grow Boating

The purpose of Grow Boating is to identify growth opportunities within the marine industry, and champion those opportunities through consumer communications, targeted programs, and by developing industry education and resources.

The Discover Boating program is one of several of Grow Boating's areas of focus. To find out more, visit GrowBoating.org.

Key Findings

Overall, this is the most comprehensive research to date on the first-time boat buyer. Our goal with this work was to understand the first-time boat buyer, identify how they move from “boating” to “owning,” and understand how we, as an industry, can support them.

- The boating industry is at a crossroads. On the surface, we’ve recovered from the recession. But every year, fewer people enter boating for the first time and make it through the buying process. In fact, 400,000 fewer people entered the boating category for the first time between 2010 and 2015 than from 2005 to 2010. This offsets the gain we made in owner retention: 300,000 fewer people exited the category between 2010 and 2015 than 2005 to 2010.
- There are six different kinds of first-time boat buyers. They all have different motivations for getting out on the water. Some seek escape from stressful lives. Others like to show off to their friends and family. Boating is a longstanding family tradition for one group, whereas another is just beginning their own tradition. While one group simply enjoys tagging along on boating adventures, another group loves engines, horsepower and speed. The journey to ownership for the first-time boat buyer is different than for someone who is looking to buy their second or third boat.

From beginning to end, they move through five important stages. And these stages are highly emotional, filled with excitement but also anxiety and disappointment.

- Participation is the single greatest trigger of the first-time boat buyer’s desire to own. Nearly all can point to a specific trip when they decided they wanted to own. It’s crucial that the industry supports participation efforts, because it truly is the gateway to wanting to own a boat.
- Once they decide to own a boat, they don’t immediately start shopping. In fact, they start dreaming. How will they use the boat? Where will they go? Who will they go with? What will life on the water look like for them? And the more detail they add to this dream, the more ready they become to actually start shopping.
- Getting advice from other people—either friends, marina staff or dealers—is crucial to their purchase process, according to recent, first-time owners. But we found the majority of first-time boat buyers do not have people in their lives that they trust to give them advice on buying and owning a boat.
- The way people shop has changed. Traditional leads will soon be extinct. In our study, two-thirds of first-time boat buyers said they’d

only give out personal information at the point of purchase. That means you won't get any traditional leads for two-thirds of first-time buyers. But that doesn't mean they aren't there: They are shopping and collecting information on what dealers have to offer—but they're doing it on their own terms, not yours.

- The boating industry has an opportunity to better meet first-time boat shoppers' unique needs when it comes to purchasing. Today, many expect upon entering a dealership that they need to prepare for battle, arming themselves with information or even friends who are boat experts. And unfortunately, these expectations are sometimes fulfilled. In fact, 66% of people who stopped shopping for their first boat said they did not have a helpful experience at the dealership. This is where retail salespeople have an opportunity to set themselves apart and ultimately turn around these perceptions. By understanding the first-time boat buyer's needs and better meeting them, they can convert a higher percentage of these buyers and make the purchase experience a pleasant one, thus increasing customer loyalty.
- First-time buyers are prepared to take on the investment of buying a boat. But it's what they see as "hidden" costs that can derail their purchase. They often don't learn about expenses like registration fees and maintenance costs until the last minute. This

erodes the trust they have with the dealer, but also makes them question boat ownership altogether. Dealers have an opportunity to increase buyers' trust and close more deals by educating them about the ins and outs of owning a boat earlier in the sales process and by offering purchase options that make boat ownership easy.

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Chapter 1:

Key terminology

There are a few terms you'll see frequently throughout this report. Here's the definition of each.

First-time boat buyer (also referred to as first-time buyers):

These are people who are interested in buying their first boat (new or used), but haven't yet. This includes people who haven't started shopping yet, as well as people who are actively shopping in a dealer.

Recent, first-time boat owner (also referred to as "recent owner"):

These are people who purchased their first boat (new or used) within the last two years.

Lapsed, first-time boat shopper (also referred to as "lapsed shopper"):

These are first-time boat buyers who were seriously shopping for their first boat (new or used), but stopped just short of purchasing.

Journey to ownership:

Think of the journey to ownership as a purchase funnel, but from the first-time boat buyer's perspective (not our own). It refers to the key stages people go through as they move from first thinking about owning a boat to actually buying one.



Chapter : 2

The research approach

The research approach

Between May and September of 2016, we coupled quantitative research with qualitative methods that focused on enhancing our understanding of this group as real people—not just by their demographics or boat-buying behaviors. We infused our approach with ethnographic techniques developed within the field of anthropology. This rigor was essential to paint the full picture of who these people are and what makes them tick.

1. As part of our segmentation of first-time boat buyers, we surveyed 2,000 people interested in buying their first boat (which we defined as a powerboat, sailboat or a personal watercraft).
 - We surveyed people:
 - Interested in boat ownership
 - Who have influence on household purchase decisions
 - Are 24 and older
 - Who have never personally purchased, nor owned a boat before
 - Who lived near saltwater and/or freshwater markets
 - We modeled the survey's results in 2015's MRI Doublebase—the largest syndicated research database in the U.S. This unlocked a wealth of additional data on people's behaviors, values and activities

that we didn't have time to ask in the survey itself. This database annually surveys 25,000 people.

2. Then, we conducted in-depth interviews of 20 people interested in buying their first boat, across four markets (FL, NJ, PA and MN).
 - Rather than interviewing people in a research facility, we visited them in their own homes to see how they really lived their lives. After all, you can get a better picture of a person and their values from the photos on their refrigerator, the car in their driveway and the toys in their living room.
3. To understand how different people go about purchasing their first boat, we also conducted real-time mobile journaling with 75 participants over the course of two weeks. This included a mix of people interested in buying their first boat, as well as recent first-time boat owners.
 - Through a special app, participants could answer questions, take selfie videos or post photos from their experiences over those two weeks. This allowed us to understand what people were doing and how they felt as they shopped for a boat or went boating in real time.

4. We also surveyed 550 people who recently bought their first boat (within the last two years).
 - This included new and used boat purchases, as well as people in saltwater and/or freshwater regions. Boats owned included powerboats, personal watercraft or sailboats.

5. Finally, we wanted to understand why people stop shopping for their first boat, so we surveyed 250 lapsed shoppers. These people were first-time boat buyers who were seriously shopping for their first boat, but stopped just short of purchase.



Chapter 3:

The six different types of first-time boat buyers

The six different types of first-time boat buyers

To identify the different types of first-time boat buyers, we looked at the data in several different ways. We found demographic information, like how old someone is, or how much money they make, or even what generation they are, is not an accurate predictor of whether or not they will become first-time boat owners. People from all generations and all income levels are interested in buying their first boat. The same is true by boat type or activity, as first-time boat buyers buy all different kinds of boats (including personal watercraft and sailboats).

A much more differentiating—and compelling—way to categorize first-time boat buyers was by their mindset. This means exploring factors like their motivations for owning, how they spend their free time, how they plan trips with family and friends, whether they are socially oriented or soloists, etc.

As it turns out, there are six distinct mindsets among first-time boat buyers that transcend generation, incomes, boat types and even geography. These mindset differences are

driven by things like social orientation, personal history with boating, motivations to go boating in general, and finally, by their approach to planning experiences.

Gear Guys

17%

of first-time boat buyers

Summary:

They're young men and women motivated by hobbies with specialized equipment. The Gear Guys are intrigued by the tech and the specs. They crave details, so when they're ready to buy a boat, they want to talk to the experts. For the Gear Guys, it's not about being on the water—it's about the boat.



To watch a short video on this segment, visit:

<https://www.youtube.com/watch?v=BzFyS-wWMTg&list=PLE-bo2m1jc3tR9GGMGEq5JQCSt-hRr-b2oM&index=3>

Key Demographics

- Population: 14.6 Million
- 72% Male, 28% Female
- 107 Millennial Index*
- \$65.5K HHI
- 92 Kids at Home Index
- 80% Caucasian
- 68% Employed, 10% Retired
- 50% Married 93 Index

In their own words:

"It's more about the boat than the water. My ego wants the coolest toy. It's about having the coolest thing. It's the toy." – Male, 38, first-time boat buyer, Gear Guy

"I'd need to get a bigger vehicle to carry the boat around." – Male, 45, first-time boat buyer, Gear Guy

"If we bought it [jet ski] new, I wouldn't do the maintenance. If we buy it used, I'll probably do it. I can find someone to help me if I need to, and the parts are things I can get anywhere." – Male, 25, first-time boat buyer, Gear Guy

*An index shows how this segment compares to the other segments. The higher the index is over 100, the more likely this segment is to have this trait. The lower the index is below 100, the more likely this segment is to NOT have this trait.

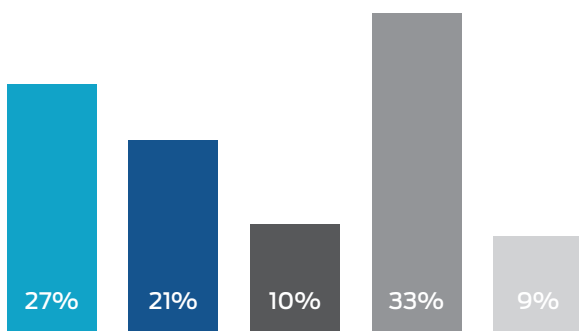
Leisure Time and Activities

Though this group has the least leisure time of all the segments, they are relatively content with the amount they do get. They tend to prioritize work over leisure time, relative to other segments.

Leisure activity participation in the last three months, or high index:

- Fishing 33%
- Camping 19%
- Biking (Motorcycle) 10% / 168 index
- Hunting 5% / 164 index

Weekly Leisure Time



- 10 hrs or less
- 21-30 hrs
- More than 40 hrs
- 11-20 hrs
- 31-40 hrs

Big Ticket Purchases: What they buy



Automotive

They likely own automobiles that are heavy-duty utility vehicles and sport performance types.

- Dodge Ram Pickup 226 index
- Subaru Impreza WRX 385 index
- Chevrolet Camaro 250 index



Travel

They are the lightest travelers of all segments. They tend to stay in mid-/low-scale hotels and motels.

- Travel Spend 83 index
- Econolodge 174 index
- Motel 6 156 index
- La Quinta Inns & Suites 132 index



Consumer Electronics

They spend an average amount on television purchases and are keen to have a nice home theater.

- TV Spend 98 index
- Home Theater System 105 index
- Sony 118 index
- Philips 124 index

Here's how we can help them

Gear Guys really care most about the gear: It's about the machine, its inner workings and performance. We can certainly help feed their passion. Whether it's a factory tour or workshops on maintenance, we can give them hands-on experience with the boat they want to buy, as they'll definitely appreciate some time "under the hood."

They'll want to talk to people who actually own the boat they want to buy, from experts to other owners. They have a high respect for this type of opinion and beyond that, will really enjoy the discussion. We can offer them independent viewpoints by connecting them with owner forums or ambassador programs to help them get the pro perspective.

Finally, they'll drive a hard bargain. This isn't their first rodeo: They have experience buying big-ticket leisure items, so be prepared for someone who knows how to negotiate.

Merry Mates

16%

of first-time boat buyers

Summary:

Family is at the core of everything they do—especially their activities. When it comes to boating, Merry Mates rarely plan events, but they love coming along for the ride. Merry Mates are tagalong boaters. They live in boating communities, have friends with access to a boat, and have people in their lives that know a lot about boating. They're more likely being invited out on a weekend boating outing than planning one by themselves. For them, boating is a way to hang out with friends and family. They spend time on the water to have fun and enjoy the company of their loved ones.



To watch a short video on this segment, visit:

<http://www.youtube.com/watch?v=BzFyS-wWMTg&t=2m36s>

Key Demographics

- Population: 13.7 Million
- 50% Male, 50% Female
- 107 Millennial Index*
- \$70K HHI
- 112 Kids at Home Index
- 87% Caucasian
- 66% Employed, 10% Retired
- 53% Married 100 Index

In their own words:

"[When I'm on the boat I] Just go with the flow, I'm not very aggressive, we'll just go out, laid back, care free, whatever!" – Female, 42, first-time boat buyer, Merry Mate

"My cousin has a boat in Palm Harbor, so we'll go with them." – Female, 34, first-time boat buyer, Merry Mate

*An index shows how this segment compares to the other segments. The higher the index is over 100, the more likely this segment is to have this trait. The lower the index is below 100, the more likely this segment is to NOT have this trait.

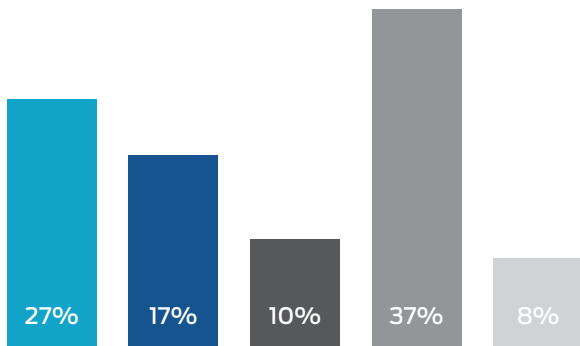
Time and Activities

Leisure time is a big priority for Merry Mates, though they have an average amount of it. Spending time with friends/family is a big priority.

Leisure activity participation in the last three months, or high index:

- Hiking 38%
- Fishing 33%
- Jet Skiing or Other PWC 6%
- Scrapbooking index 131
- Zumba index 129

Weekly Leisure Time



- 10 hrs or less
- 21-30 hrs
- More than 40 hrs
- 11-20 hrs
- 31-40 hrs

Big Ticket Purchases: What they buy



Automotive

They own family-friendly vehicles such as minivans. Their vehicle models are multipurpose and able to handle both passengers and belongings.

- Dodge Caravan 167 index
- GMC Sierra 310 index
- Chevrolet Tahoe 234 index



Travel

They are light, domestic travelers who prefer mid-scale, comfortable accommodations.

- Travel Spend 97 index
- Bed & Breakfast 163 index
- Double Tree 212 index
- Extended Stay America 228 index



Consumer Electronics

They are average spenders when it comes to televisions and they lean toward mid-/low-range brands.

- TV Spend 104 index
- JVC 120 index
- Philips 111 index
- Vizio 110 index

Here's how we can help them

Merry Mates are excited about the boat, but there's likely someone else in the house driving the purchase. They will most likely tag along with a partner or a spouse when they walk into a dealer. However, this doesn't mean they aren't an integral part of the decision-making.

They're excited about starting a new family tradition. Get them excited about the memories they'll make on the water—perhaps include a discounted waterproof camera with purchase or free kids' boat toys.

They'll also care more about the practical side of ownership—from the boat registrations to the insurance to quite possibly where to store the boat they want to buy. Help simplify these considerations with checklists, or help them make all of these purchases in one place.

And because they will have a bit more of a pragmatic approach to owning the boat, they are going to have a better handle on the financials. Help them understand that it can actually fit into their monthly budget—be willing to work with them to make it happen.

Luxurious Leisurers

18%

of first-time boat buyers

Summary:

The Luxurious Leisurers are image-conscious and surround themselves with the finer things. They are always up for trying a new hobby or activity, and for them, boating is a way to try something new. The primary benefit of owning a boat is the achievement, which gives them a boost in status. A boat means they've made it in life.



To watch a short video on this segment, visit:

<https://www.youtube.com/watch?v=r9nHbvIO3gw&list=PLE-bo2m1jc3tR9GGMGEq5JQCSt-hRr-b2oM&index=4>

Key Demographics

- Population: 15.1 Million
- 68% Male, 32% Female
- 75 Millennial Index*
- \$79.4K HH
- 89 Kids at Home Index
- 70% Caucasian
- 68% Employed, 13% Retired
- 56% Married 105 Index

In their own words:

“When I get a boat, everybody will want to be my friend.” – Male, 38, first-time boat buyer, Luxurious Leisurer

“It may sound silly, owning a boat is almost a dream—it’s not something everyone can afford or take care of. But when he said that could be us, we could be on the boat hanging out. You’re serious? We can really do that? Absolutely. Since then, we talk about it at least once a week, we always say it. He’s going to help make that dream come true, we haven’t stopped talking about it.” – Female, 33, first-time boat buyer, Luxurious Leisurer

“There is something about being on the water that makes you feel like you are king of the world.”
– Male, 52, first-time boat buyer, Luxurious Leisurer

*An index shows how this segment compares to the other segments. The higher the index is over 100, the more likely this segment is to have this trait. The lower the index is below 100, the more likely this segment is to NOT have this trait.

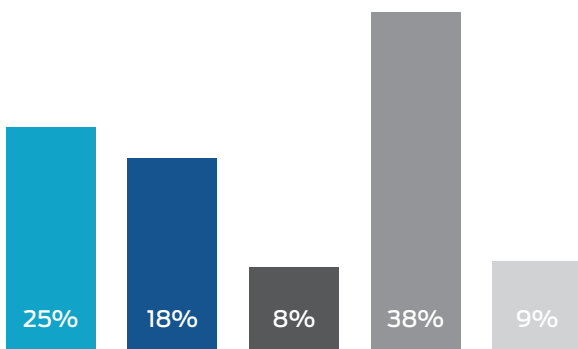
Time and Activities

This segment often prioritizes work over their leisure time. They get an average amount of leisure time, and tend to exercise in their down time more so than other segments.

Leisure activity participation in the last three months, or high index:

- Camping 19%
- Golfing 15%
- Boating (With a Motor) 14%
- Biking (Motorcycle) 6%
- Art Gallery index 110
- Cross-Country Skiing index 182

Weekly Leisure Time



- 10 hrs or less
- 21-30 hrs
- More than 40 hrs
- 11-20 hrs
- 31-40 hrs

Big Ticket Purchases: What they buy



Automotive

They own vehicles that make a statement with powerful and bold characteristics.

- Ford Mustang 206 index
- Lexus RX 358 index
- Dodge Magnum 567 index



Travel

They are domestic and foreign travelers who stay in nicer mid-scale chain hotels: This is likely because they're traveling for work.

- Travel Spend 110 index
- Crowne Plaza 170 index
- Clarion 200 index
- Fairfield Inn by Marriott 175 index



Consumer Electronics

They spend the most on televisions than any other group and are likely to invest in a quality sound system.

- TV Spend 106 index
- Sanyo 134 index
- Toshiba 124 index
- Surround Sound 110 index

Here's how we can help them

Before they even open their mouths, you'll be able to see a Luxurious Leisurer coming from the car they are driving and how they are dressed. They're going to have a statement vehicle and they might have the nice watch or fancy handbag to go along with it. They've dressed up, for this is a moment they've been dreaming about for a long time, so be sure to celebrate with them. Their dream is finally coming true—owning a boat is a sign that they've “made it” in life—so recognize the specialness of this moment for them.

They're not going to know a lot about the boat they want to buy. These people are all about the dream. So educate, but don't overwhelm them. Focus on the big picture: how they can show the boat off, what will help them entertain, and what is most critical to know about operating it. In other words, keep it simple and relevant.

Their expectations tend to be a bit inflated. This doesn't mean that they are less likely to buy a boat, or that they'll buy an inexpensive one. No matter the price range, their eyes are a little larger than their wallets. So focus on affordability and simplicity during the buying process.

Water Weekenders

23%

of first-time boat buyers

Summary:

These people enjoy being by or on the water. While they love the water, they didn't grow up boating: Their love of it was discovered relatively recently. They participate in many different on-the-water activities like tubing, cruising, fishing and water-skiing, in part because they live nearby and have plenty of friends with access. They're planners who love to organize boating outings with friends and family. They treat boating like an event, rather than an everyday activity. For Water Weekenders, owning a boat is driven by their desire to host friends and family.



To watch a short video on this segment, visit:

<http://www.youtube.com/watch?v=r9nHbvIO3gw&t=3m46s>

Key Demographics

- Population: 19.2 Million
- 56% Male, 44% Female
- 86 Millennial Index*
- \$88.3K HHI
- 105 Kids at Home Index
- 80% Caucasian
- 69% Employed, 9% Retired
- 57% Married 108 Index

In their own words:

"I don't remember as a kid going out on somebody that I knew's boat like a parent or a relative. I don't remember doing that as a kid."

— Male, 43, first-time boat buyer, Water Weekender

"We started renting boats three years ago.

It was my idea!" — Female, 55, first-time boat buyer, Water Weekender

"I like going to the beach, spending time on boats, relaxing, taking the boat out for the day, taking some drinks, fishing ..." — Male, 32, first-time boat buyer, Water Weekender

*An index shows how this segment compares to the other segments. The higher the index is over 100, the more likely this segment is to have this trait. The lower the index is below 100, the more likely this segment is to NOT have this trait.

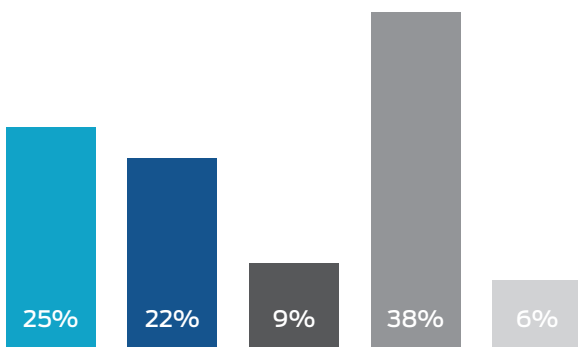
Time and Activities

Water Weekenders have a moderate amount of leisure time, and they spend it in many different ways. They try to make the most of it and wish they had more free time.

Leisure activity participation in the last three months, or high index:

- Hiking 38%
- Boating (With a Motor) 15%
- Canoe/Kayak/Rowing 11%
- Jet Skiing/Other PWC 5%
- Biking index 116
- Host a Party index 106

Weekly Leisure Time



- 10 hrs or less
- 21-30 hrs
- More than 40 hrs
- 11-20 hrs
- 31-40 hrs

Big Ticket Purchases: What they buy



Automotive

They are likely to own luxury vehicles, but may not be the showiest in the lot. They tend to own vehicles that are mid-size and multipurpose.

- Cadillac CTS V 466 index
- Honda Pilot 281 index
- Toyota Tundra 224 index



Travel

They are heavy travelers, especially to foreign destinations, and they stay in upscale hotels.

- Foreign Travel Spend 131 index
- Four Seasons 191 index
- Wingate 150 index
- Sheraton 140 index



Consumer Electronics

They spend an average amount on television purchases and are more likely to own a Smart TV.

- TV Spend 102 index
- Sharp 124 index
- Sony 106 index
- Smart TV 106 index

Here's how we can help them

It's more likely that the Water Weekenders are relatively recent boaters. They didn't grow up boating, but that doesn't diminish their love of it.

For them, this is the beginning of a new tradition. So involve their family in the buying process, or help them name the boat; be sure to really mark this occasion for them.

They are more interested in the classic boating activities than the boat itself. So we can help them do more of what they love: tubing, fishing, cruising, watersports. From highlighting all the activities they can do on their boat, to actually teaching them how to hook up a tube or water skier, dealers have the power to help Water Weekenders make the most of their boats.

And they frequently experience boating via renting. Show them the benefits of owning versus renting. They might not realize that as frequently as they are going, buying can be a legitimately better option for them.

Seclusion Seekers

12%

of first-time boat buyers

Summary:

Seclusion Seekers are nature lovers. Their daily life is stressful and full of obligations. Seclusion Seekers escape to the great outdoors through activities like hunting, hiking, camping or kayaking. For them, boating is about getting away from the daily grind and connecting with nature on the water. And they're into more "active" boating experiences, ones that give them a bit of a workout.



To watch a short video on this segment, visit:

https://www.youtube.com/watch?v=DJ7VSfS2_pc&list=PLE-bo2mljc3tR9GGMGEGq5JQCSt-hRr-b2oM&index=5

Key Demographics

- Population: 10.6 Million
- 75% Male, 25% Female
- 115 Millennial Index*
- \$74.5K HHI
- 94 Kids at Home Index
- 82% Caucasian
- 74% Employed, 9% Retired
- 50% Married 94 Index

In their own words:

"My favorite thing about the boat is the unsullied access to nature ... To be out there and surrounded by it." – Female, 36, first-time boat buyer, Seclusion Seeker

"[I like] Fishing. Connecting with nature, just like hunting. You aren't just out there to kill or eat something, you're out in the woods on the water, the peacefulness, it just feels good. People have to experience it for themselves." – Male, 32, first-time boat buyer, Seclusion Seeker

"I'm a nature guy. I grew up in the country. The suburbs are okay, but city—where's my fresh air? I do feel more alive in nature. This just seems right, more relaxed, no stress, not a million people going around, it's just simple ... Something about being out on the lake in the sun." – Male, 29, first-time boat buyer, Seclusion Seeker

*An index shows how this segment compares to the other segments. The higher the index is over 100, the more likely this segment is to have this trait. The lower the index is below 100, the more likely this segment is to NOT have this trait.

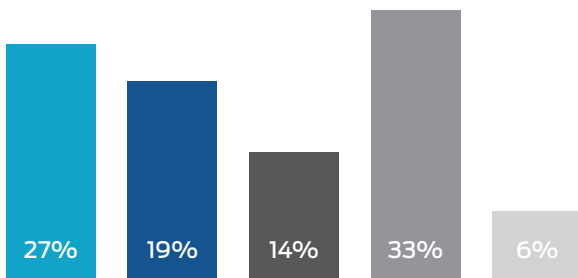
Time and Activities

Seclusion seekers have a lot of leisure time, getting 40+ weekly hours more than any other segment. They prefer more solo, active activities, and to just do nothing and relax.

Leisure activity participation in the last three months, or high index:

- Biking/Cycling 32%
- Camping 19%
- Canoe/Kayak/Rowing 11%
- Marathons index 119
- Backpacking index 106

Weekly Leisure Time



- 10 hrs or less
- 21-30 hrs
- More than 40 hrs
- 11-20 hrs
- 31-40 hrs

Big Ticket Purchases: What they buy



Automotive

They own basic and practical vehicles. They tend to own vehicle types that are compact and functional, such as sedans and pickup trucks.

- Honda Accord 164 index
- Toyota Tacoma Pickup 294 index
- Chevrolet Monte Carlo 488 index



Travel

They are light, mainly domestic travelers who stay in mid-scale, chain properties.

- Travel Spend 84 index
- Embassy Suites 124 index
- Hilton Garden Inn 200 index
- Comfort Inns 119 index



Consumer Electronics

Out of all groups, they spend the lowest amount on televisions and may not even own a TV.

- TV Spend 96 index
- RCA 120 index
- Panasonic 105 index
- Do Not Own TV 113 index

Here's how we can help them

They're passionate about outdoor activities like hiking, hunting, fishing, camping and, of course, boating. We can help them better escape to the great outdoors on a boat. Discounts on outdoor experiences, partnerships with outdoor brands, and area boating guides to the quietest destination on the lake will get them really excited about boating's possibilities.

Additionally, they're not going to have big demands for the boat they want to buy. For Seclusion Seekers, the boat is a means to an end: connecting with nature. Because they won't necessarily have thoroughly sophisticated desires, don't bore them with all of the details. They just really want a boat that's going to get them outside.

Finally, they are unlikely to understand fully what ownership entails. It's probably not something they've spent time thinking about. You have the power to help them be great boat owners: give them an ownership guide, featuring checklists or recommended local maintenance locations.

Nautical Natives

14%

of first-time boat buyers

Summary:

For Nautical Natives, boating is more than just a part of their everyday lives; it's a family tradition, as they grew up boating. For them, boating is an inclusive activity and they are driven by the new memories they make on the water, and the nostalgia they have for boating itself. They see themselves as true boating experts. Nautical Natives are true believers of boating and everything it has to offer.



To watch a short video on this segment, visit:

http://www.youtube.com/watch?v=DJ7VSfS2_pc&t=3m18s

Key Demographics

- 11.9 Million
- 57% Male, 43% Female
- 112 Millennial Index*
- \$72.4K HHI
- 108 Kids at Home Index
- 83% Caucasian
- 67% Employed, 12% Retired
- 53% Married 100 Index

In their own words:

"I have a lot of memories of boating. My wife and I have been talking about those a lot. We had nice experiences growing up. We want to give him [our son] similar or better experiences and go out on the water whenever we want." – Male, 30, first-time boat buyer, Nautical Native

"I want a fast boat—a speed boat—that type. I love tubing. It's something I did every summer as a kid in Wisconsin." – Female, 45, first-time boat buyer, Nautical Native

"We have a friend, when we want to go on the boat, we just call him. He's not the 'boater.' I keep him in check." – Male, 37, first-time boat buyer, Nautical Native

*An index shows how this segment compares to the other segments. The higher the index is over 100, the more likely this segment is to have this trait. The lower the index is below 100, the more likely this segment is to NOT have this trait.

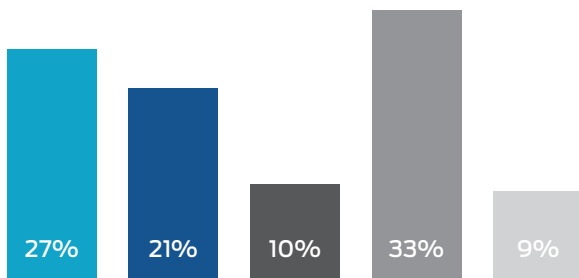
Time and Activities

This group is the most satisfied with the amount of leisure time they get in their lives. This group is also very scheduled, preferring to schedule their leisure time in advance.

Leisure activity participation in the last three months, or high index:

- Fishing 33%
- Camping 19%
- Boating (With a Motor) 15%
- Watersports/Tubing 4%
- Bowling 118 index

Weekly Leisure Time



- 10 hrs or less
- 21-30 hrs
- More than 40 hrs
- 11-20 hrs
- 31-40 hrs

Big Ticket Purchases: What they buy



Automotive

They are likely to own imported cars that are mid-priced and dependable.

- Toyota Rav4 276 index
- Honda Civic 164 index
- Toyota Camry 145 index



Travel

They are mid to heavy travelers domestically and stay in high-scale hotels.

- Domestic Travel Spend 114 index
- Westin 163 index
- Fairmont 278 index
- Renaissance 167 index



Consumer Electronics

They spend an average amount on televisions with a focus on quality and budget brands.

- TV Spend 99 index
- LG 119 index
- Hitachi 130 index
- 3D TV 119 index

Here's how we can help them

Nautical Natives go boating frequently because for them, it's in their DNA. They want to be on the water as much as possible. Fuel their passion for boating by getting them out on the water because it's where they love to be. From test drives to partnership programs to rental discounts, do whatever you can to fan the flame.

Nautical Natives are going to talk about their childhood boating experience. This is the group that's most likely to have grown up with a boat, and possibly have generations of boaters within their family. Celebrate this next chapter of their boating tradition. After all, this could be the second or third generation boater. For them, becoming a boat owner is a rite of passage.

Finally, they know the ins and outs of boating, and that can be a good thing; you may not have to spend a lot of time teaching them. Or it can be a bad thing; they might want to test your knowledge! Regardless, honor their expertise, but realize you have the opportunity to expand it. They might think that they know it all, but then again, maybe they don't.

The six segments of first-time boat buyers: how they compare

Gear Guys

The Gear Guys are young men motivated by hobbies with specialized equipment. They are intrigued by the tech and the specs. They crave details, so when they're ready to buy a boat, they want to talk to the experts. For the Gear Guys, it's not about being on the water—it's about the boat.

Merry Mates

For Merry Mates, family is at the core of everything they do—especially their activities. When it comes to boating, Merry Mates rarely plan events, but they love coming along for the ride. Merry Mates are tagalong boaters. They live in boating communities, have friends with access to a boat, and have people in their lives that know a lot about boating. They're more likely being invited out on a weekend boating outing than planning one by themselves. For them, boating is a way to hang out with friends and family. They spend time on the water to have fun and enjoy the company of their loved ones.

Luxurious Leisurers

The Luxurious Leisurers are image-conscious and surround themselves with the finer things. They are always up for trying a new hobby or activity, and for them, boating is a way to try something new. The primary benefit of owning a boat is the achievement, which gives them a boost in status. A boat means they've made it in life.

Water Weekenders

Water Weekenders enjoy being by or on the water. While they love the water, they didn't grow up boating: Their love of it was discovered relatively recently. They participate in many different on-the-water activities like tubing, cruising, fishing and water-skiing, in part because they live nearby and have plenty of friends with access. They're planners who love to organize boating outings with friends and family. They treat boating like an event, rather than an everyday activity. For Water Weekenders, owning a boat is driven by their desire to host friends and family.

Seclusion Seekers

Seclusion Seekers are nature lovers. Their daily life is stressful and full of obligations. Seclusion Seekers escape to the great outdoors through activities like hunting, hiking, camping or kayaking. For them, boating is about getting away from the daily grind and connecting with nature on the water. And they're into more "active" boating experiences, ones that give them a bit of a workout.

Nautical Natives

For Nautical Natives, boating is more than just a part of their everyday lives; it's a family tradition, as they grew up boating. For them, boating is an inclusive activity and they are driven by the new memories they make on the water, and the nostalgia they have for boating itself. They see themselves as true boating experts. Nautical Natives are true believers of boating and everything it has to offer.

	Size of First-Time Buyer Group	Male:Female	Married	Kids Index	Millennial Index	Average HHI
Gear Guys	17%	72:28	50%	92	107	\$65.5K
Merry Mates	16%	50:50	53%	112	107	\$70K
Luxurious Leisurers	18%	68:32	56%	89	75	\$79.4K
Water Weekenders	23%	56:44	57%	105	86	\$88.3K
Seclusion Seekers	12%	75:25	50%	94	115	\$74.5K
Nautical Natives	14%	57:43	53%	108	112	\$72.4K



Chapter 4:

The first-time boat buyer's journey to ownership

Now that we understand “the who,” let’s look at “the how.”

In addition to identifying the six different types of first-time boat buyers, we also identified how they become first-time boat owners. Their journey to ownership is different than it is for someone who is looking to buy their second or third boat. No matter the segment, they move through five important stages. These stages are highly emotional, filled with excitement, but also anxiety and disappointment.

1

Develop

Life experiences form an affinity for boating.

2

Desire

A spark ignites the desire for boat ownership.

3

Dream

They start to imagine their life on the water.

4

Decide

They navigate the realities of buying and owning.

5

Do

They experience the joy of ownership.

1 Develop

Life experiences form an affinity for boating.

This is where it all begins; Develop is the very first stage that people go through on their journey to boat ownership. It's also a passive stage, where people haven't decided that they want to own a boat. They are not actively looking for information on boat ownership. In fact, this stage can last anywhere from a few months to a few decades. It's different for each person, and it's difficult to predict how long it will actually take.

That said, there are four types of experiences that first-time buyers and owners have in their backgrounds. These experiences can be great predictors of someone who may one day become a boat owner. We call them the “gateways to boat ownership,” because it's through these experiences they develop an affinity for boating.

1. People who went boating in their childhood

Childhood boating is very prevalent among first-time buyers, and not just for the Nautical Natives. It tells us that these positive experiences of growing up boating are a powerful motivator for buying a boat in adulthood.

- 48% of people interested in buying their first boat grew up with relatives who had access to a boat
- 51% of recent, first-time owners grew up in a household with access to a boat



2. People who have friends that go boating

People who have friends that have access to boats were also more likely to end up considering buying one.

- 41% of people interested in buying their first boat have friends who had access to a boat
- 50% of recent, first-time owners had friends who had access to a boat

3. People who participate in outdoor activities or water-related activities

Both first-time buyers and first-time owners participate in outdoor activities or non-boating/water-related activities. Getting outside and getting out on the water—even without a boat—helped motivate people to eventually buy. It's important for people to develop personal values around outdoor time, or on-the-water time, as it's one of boating's core benefits. Non-boating water activities include canoeing, kayaking, paddle boarding and fishing.

- 71% of people interested in buying their

first boat participated in outdoor activities like camping, hiking and/or biking in the last year

- 55% of people interested in buying their first boat participated in non-boating, water-related activities in the last year

4. People who have on-the-water experiences while on vacations

From Caribbean cruises to fishing charters to dinner cruises, first-time buyers and owners had lots of on-the-water time while on vacation. What's surprising is they didn't need to be on a recreational boat or on a boat that they could eventually buy to propel their excitement for being on the water. Rather, it was different types of on-the-water adventures that ignited their passion.

- 42% of people interested in buying their first boat have gone on vacations where boating was a major part of the trip.
- 35% of recent, first-time boat owners had gone on vacations where boating was a major part of the trip.

What we didn't hear about was also surprising.

- There was very little overlap between first-time boat owners and boat club members, indicating that this may not be a gateway to first-time ownership—yet. Very few first-time buyers and owners had, at any point in their lives, been a member of a boat club. Only 4% of recent owners were a boat club member at one point.
- When surveying lapsed, first-time boat shoppers, we found that none decided to join a boat club rather than buy a boat.
- There is still much to be learned about the relationship of boat clubs to the first-time buyers as their popularity and accessibility grow. While we don't see a significant link to first-time buyers, we expect this may change as the penetration of boat clubs across the country increases.

2 Desire

A spark ignites the desire for boat ownership.

The Desire phase is what shifts their “desire” to own into high gear. It’s in this stage where they move from a passive state to actively desiring a boat for themselves. This stage is crucial, as it’s the one where they decide they want to own a boat—it’s the first moment they realize boat ownership can be something they can attain.

What flips this switch for people? A boating moment, a singular trip—it’s while on a boat they decide they want to own. Most first-time buyers we interviewed could point to a specific trip that triggered this desire to own a boat. Thus, participation is the most important factor in triggering one’s decision to own.


- 86% of recent, first-time owners said the feeling they get from boating is what drove them to buy a boat
- At this point, 70% of recent, first-time owners took less than a year to move from the Desire stage to the Do stage

And when we asked first-time owners in our survey what first made them start thinking about owning a boat, we found that their responses were most often tied to participation or participatory experiences. In sum, 62% of first-time owners mentioned a participatory driver as their primary trigger in their decision to buy a boat.



62%

of first-time owners mentioned a participatory driver as their primary trigger in their decision to buy a boat.



“It all started with an idea ... we were out on that sunset cruise, just out with the family ... that was the time I realized this is something I could do whenever I wanted to.”

— Male, 30, first-time boat buyer

When thinking about going boating generally, they have a fair amount of knowledge around how they'd spend their time. But when it comes to actually accessing a boat, they need some help. Only 2 in 5 know where to rent a boat, and about 1 in 5 have friends who would loan them a boat. Even less than that know how to charter a boat. Finally, there's very low familiarity with boat clubs.

Participation:

What they know today

Percent of first-time buyers who agreed with statement

I have a good idea of how I'd spend time on a boat (e.g., watersports, fishing, hanging out with friends)	67%
I have a good idea of where I'd go boating	65%
I know who I'd invite to go boating with me	63%
I know where the nearest marina is	51%
I know where to rent a boat	39%
I know people who would "loan" me their boat(s)	19%
I know how to arrange a charter boat trip	17%
I'm familiar with boat clubs	8%
None of these	6%

There's also a broad group of occasions in which they would think to go boating, generally. Vacations and holidays are popular boating triggers, as is free time on the weekends. Taking advantage of warm weather is another thing that prompts thoughts of going boating for first-time boat buyers.

When do you think about going boating?	Percent of first-time buyers who agreed with statement
When I'm on vacation	63%
When I want to take advantage of warm weather	55%
When I have free time on the weekend	53%
When I'm planning for free time on the weekend	49%
When I'm planning for a holiday (e.g., Memorial Day weekend, the Fourth of July)	49%
When I want to go fishing	48%
When I'm planning for friends and/or family to get together	47%
When I am really stressed and need to relax	40%
When I visit a vacation home (e.g., lake house, cabin, beach house)	35%
If I hadn't been on the water in a while and need to get back out	35%
When I want to entertain people	29%
If I'm planning for a special occasion (e.g., birthday, party)	28%
When I want to do watersports	27%
Other	1%

However, while it's on a boat that they decide to own, there are a few factors that can help them decide "when" and on which trip that decision might occur. These key influencers didn't necessarily influence their decision to buy a boat over something else, but influenced the timing of their purchase. And they are often tied to one stage in life, too.

What influenced your decision to buy a boat?

Percent of first-time owners who agreed with statement

I felt like I needed something new and different in my life	38%
I had more disposable income (e.g., received a raise, finished paying off a loan)	35%
My friends and/or family started going boating more often	33%
I had more free time (e.g., children left home, I retired)	30%
I was renting or borrowing boats enough that it made more financial sense to own one	19%
I moved to a community where lots of people go boating	19%
I had children	16%
I wanted to celebrate a major milestone (e.g., birthday, retirement)	13%
I moved to a community where the weather was nicer	12%
I purchased a vacation home on/near a body of water where I wanted to go boating	10%
I felt professional pressure to buy one (e.g., entertain clients, entertain employees)	8%
I purchased an RV	5%
Other	3%
None of the above	3%

The spark of desire for boat ownership tends to be lit during a few key life stages.

We also found that this trigger moment in Desire often happens during a “lift-off” moment in life: when people were gearing up for their next life stage, and in the midst of planning for it. For example: An engagement or first marriage sparks conversation about the life a couple wants to live together and, often, a boat is part of that discussion. And 38% of recent owners bought their boat because they felt they needed something new in their life. Here are a few key life stages that came up during the qualitative interviews:

- Engagement
- Recently married
- Having young children (creating a tradition, weekend activity, etc.)
- Graduating from pre-school (learning how to swim, able to form memories, etc.)
- Starting fresh with a new/second marriage
- Older kids (self-sufficient)
- Buying a vacation home
- Kids in college/empty nesters (more disposable income, more free time, etc.)
- Retirement (entertaining the grandkids, more free time, more disposable income, etc.)

The role of life stage in the purchase process

70% of people take less than a year to move

between Desire and Do. But when people enter the desire stage, we found that their life stage often plays a role in how quickly they envision buying a boat. Below are some qualitative findings from our ethnographic interviews.

- Boaters who plan to purchase a boat in conjunction with buying a lake house or cabin have a much more defined and stable length of purchase journey. In these cases, the main goal is the cabin or a shore home and a boat is a necessary addition. Generally speaking, if this triggered the boat purchase, then we can expect it to last one to two years.

“We got the idea we wanted a boat on the lake ... The cabin comes first. We know we want a pontoon.” – Male, 32, first-time buyer

- Gear Guys and others who have made big-ticket leisure purchases in the past have a much shorter purchase cycle (one month to one year). They tend to be more impulsive about their newfound passions and work to obtain the toys they want as quickly as possible. Their cycle lasts one year or less as long as the finances are in place.

“The process starts with the notion I want it. If I see something and I think it’s fun, or someone invites me to do it and I don’t want to rent and borrow. I want it.” – Male, 38, first-time buyer

- Individuals who are financially secure and close to retirement have a shorter purchase

cycle because they have overcome financial burdens earlier in life. (six months to two years)

“This is a good phase in life. The house is paid off, we’re secure in our jobs. Don’t have a lot of financial issues right now.”

– Male, 59, first-time buyer

- Couples who are currently engaged note that a boat purchase will happen after the wedding and purchase of a first home. They have to consider other important milestones before they can invest in a high-ticket leisure item. These couples express a high level of interest in purchasing a boat soon after the marriage because they want to have it as part of their family traditions and weekend activities. (three to five years)

“Our wedding is my priority. I want to do that first. Then the house. Then the boat. It’s probably two to three years down the line.”

– Female, 45, first-time buyer

“It would have to be toward the end of next year. Probably around after the baby’s born. When I get my boat body back. He wants one. We’re always at the beach. We’re going to do it.”

– Female, 33, first-time buyer

- Parents who have small children have a long purchase cycle. They want to be able to establish traditions and have more activities they can do with their families. However, they

have to wait until they feel safe bringing their children on board the boat. (three to five years)

“I would be definitely interested in it, as they’re getting older, I’m trying to find other activities that they can do. Once they have the ability to swim, it’s only a two-week lesson.”

–Male, 43, first-time buyer



Barriers they encounter

Lack of access to boating.

A boating experience is necessary to trigger the desire to own a boat. It doesn’t matter what brand, model or type of boat it is, either. Rather, it’s simply an on-the-water experience that inspires them to decide to own a boat. Thus, lack of access to boating is the primary barrier.



How the boating industry can help

Inspire people to get on the water.

While there’s no magic number of trips required for desire to happen (for some, it happened the first time they tried a jet ski; for others, they had boated all their lives), there are things we can do to increase the odds that a trigger moment will occur. Motivating people to get on the water more frequently is critical to growing the industry.

Educate them on all the different ways to get on the water.

From improving access to introducing people in this stage to different types of boating.

3 Dream

They start to imagine their life on the water.

Once they decide to own a boat, they don't immediately start shopping. In fact, they start dreaming. How will they use the boat? Where will they go? Who will they go with? What will life on the water look like for them?

This dream isn't all about the boat, either. Rather, it's about the things they'll do, the waters they'll explore, the people that they'll invite along for the ride. This is a very emotional and romantic stage as they start to picture this new life they will lead. And the clearer their picture of life on the water, the closer they are to purchase. The boat is only a part of this dream and is a means to an end.



In their own words:

"I'm planning to docking right off Delaware Avenue ... Sometimes [I] might want to host a party, have a guys night, poker night, or cig night on the boat ..."



– Male, 38, first-time buyer

"It's going to be like a little getaway from the land ... riding out on the water and maybe seeing dolphins ..."

– Female, 30, first-time buyer

"[I'd invite] my sister, her husband, and their kids, my mom and her husband, friends. As many people can get on there ..."

– Female, 43, first-time buyer



“It’s going to be magical.
Snorkeling does it for me.
It’s just a different world.
And you see the corals, and
you see a lobster ... Just
being out there, in the coral
reefs. It’s calming. I’m at
home under the water.”

— Male, 37, first-time boat buyer

To help make this dream clearer, they participate in lots of different activities.

Top activities during the Dream stage	Percent of first-time owners who agreed with statement
Researched online websites and/or forums and/or message boards	63%
Visited a boat dealer(s)	54%
Sought advice from friends and/or family	50%
Researched costs of different boats	35%
Attended a boat show	32%
Visited bait shop/fishing retailers	25%
Explored boating conversations in social media	22%
Sought advice from marina staff/dock masters	18%
Arranged a viewing of a boat for sale through a private entity (e.g., Craigslist, driveway sale)	18%
Gave away my contact information	9%
Other	1%
None of the above	1%

Researching online

Going online was often the first place people went as they tried to bring clarity to their on-the-water dream. Of those that went online during this stage, the majority turned to search. They also looked at dealer and boat brand websites—even though they weren't ready to buy, they were trying to learn about different types of boats. And there was no one source that they overwhelmingly used. Rather, it was a mix of different perspectives.

Where did you go to research online?	Percent of first-time buyers owners who went online	Percent of first-time owners overall
Search	63%	40%
A boat dealer's website	57%	36%
A boat brand's website	50%	32%
Online forums	41%	26%
Boating forums/review websites	35%	22%
General classifieds	26%	16%
Boat-specific classifieds	19%	12%
An independent boating website	10%	6%
Other	0%	0%
None of these	0%	0%

In their own words:

“What I did for the initial search, was to simply google “how to buy a sailboat.”

–Male, 42, first-time boat buyer

“On my iPhone, I’ve pulled up a website by just googling pontoon boats. I clicked on [the boat brand’s website], there are a variety of pictures regarding lifestyle, construction, performance, gear, etc.”

– Female, 42, first-time boat buyer

“So I started my search on Craigslist. To my surprise, there were many boats that I think I might be interested in. Plus, these people [who] want to sell their boats actually know their boats personally.”

– Female, 47, first-time boat buyer

“Searching Craigslist for boats, called about this clean [boat I found].”

–Male, 30, first-time boat buyer

“This website [boat classified website] is great because it provides pictures and videos of the boats with contact seller information ... I learned that the more descriptive people are in their ads the more interested I am.”

–Female, 33, first-time boat buyer

“Definitely the forum. I got so much great info about basic stuff like marine carpet and what kind of body filler to use and how much to expect to spend on maintenance.”

– Female, 42, first-time boat buyer

“[Boat dealer] had everything I need to know about my boat and it was somewhere local where if I had any more questions I could easily go there and have someone help me.”

– Female, 33, first-time boat buyer

“The first thing I did when researching for buying a boat was to look online. I think that’s always a great place to start for any major purchase. After all, if I started my research process by going to a boat dealer, I would—I can’t help but unintentionally come up with aquatic metaphors—be a fish out of water ... I decided to look online first ... It brought up a number of articles, including one from [independent boating website].”

–Male, 42, first-time boat buyer

“Doing research online was confusing. Not really knowing boats, you don’t know what you are really looking for.”

– Female, 37, first-time boat buyer

“Shopping online seemed more difficult than it should have [been]. Like the industry is behind the times. There is a large amount of information out there but not a lot of places that have everything one needs. Lots of diligence is needed to find what you want.”

–Male, 27, first-time boat buyer

Visiting the dealer

As part of this process, many visit the dealer—even though they aren't quite ready to buy. They want to see the boats up close to help inform their on-the-water dream. They want to see which boat type is going to be the perfect fit for them.

In their own words:

"I loved being able to go on to the pontoon boat and experience it first-hand. It gave it a nice touch and made me want a boat more than ever!"

– Female, 39, first-time boat buyer

"We enjoyed the laid-back atmosphere as opposed to other boat dealers that we felt pressured us to make a deal that day or that we were wasting their time since we weren't in the market for a cabin cruiser ... It was non-pressured, informative and interesting, by not being pressured to make a deal 'today,' I almost feel a sense of obligation to make a deal with [boat dealer] when we make our final decision."

– Female, 49, first-time boat buyer

"I went in like I knew nothing about boats and he spent about two hours going over everything and showing differences between boats. It really made a difference. I didn't feel pressured or anything. I went in for this project only but left really considering a [boat brand and make]."

– Female, 37, first-time boat buyer

"I did learn several things from the boat dealer staff, including choosing the right-size boat and

model that would best suit my needs. They played an integral role in my overall decision process for choosing the boat I purchased."

– Recent first-time owner

"It was an informal visit. [I wasn't] yet interested in purchasing anything."

– Female, 32, recent owner

But for those evaluating their boat type in the dream stage, these first-time buyers often found their interaction with the dealer left something to be desired. Here's what they wished the dealer could have helped them with:

"They should give proper information about their product regardless of if customer is buying or just finding information."

– Recent first-time owner

"Comparing different brands/styles of boats, not just pushing for the newest/nicest one."

– Recent first-time owner

"They treated me like I was not a serious buyer."

– Recent first-time owner

"Would have felt more comfortable if they hadn't tried to pressure me to buy right away."

– Recent first-time owner

"Most were all very anxious to make the sale, not as anxious to satisfy my questions."

– Lapsed shopper

"Give out more suggestions as to which boat fits you most."

– Lapsed shopper

"Any information other than trying to get a sale would have been useful."

– Lapsed shopper

Seeking advice from friends and family, and/or dockmasters/marina staff

Getting advice from other people—either friends, marina staff or dealers—is crucial to their purchase process, according to recent first-time owners. In total, 61% of first-time owners sought advice from other people during this stage. And 72% of recent owners said that hearing about other people’s experiences was moderately to very influential on their process. But we also identified a major problem: 70% of first-time boat shoppers do not have people in their lives they trust to give them advice on buying and owning a boat.

In their own words:

“I just want to say that just coming out to marinas for a couple hours and talking to boaters is the greatest experience you can gather. Most people will give you all the information you need on boats. And then ... more!” – Male, 61, first-time boat buyer

“Older guys at the yacht club bar. Nothing came even close to that. Also a marine solar panel sales guy who has seen a lot.” – Male, 53, recent owner

They will not give out their personal information during this time, no matter how much dealers and brands want them to.

During this time, first-time boat buyers are

unwilling to give out their contact details to anyone. They are extremely hesitant to provide information that may qualify them as a lead.

- 66% of first-time buyers would only give out contact details at the point of purchase
- 49% of first-time buyers wouldn’t give out their contact details online when browsing
- 49% of first-time buyers felt very uncomfortable about giving out their contact details at any point during the boat buying process

In fact, only 9% of first-time boat owners gave away their contact information in this stage. And here’s why: Consumers these days are smarter than ever. They’ve wised up because they’ve likely been burned by aggressive sales people from other industries in the past. When sharing why they don’t want to give away their contact information, here’s what they had to say:

“Because I’m still researching and comparing options, I didn’t want to give personal information.”
– Male, 29, recent owner

“They call too much and I want control of that.”
– Male, 54, recent owner

“I’m not ready to buy just yet. When I am, I will leave my contact information. I do not want to be hounded by sales people until I’m ready to purchase.” – Female, 44, first-time boat buyer



Barriers They Encounter

An overwhelming amount of information.

First-time boat buyers are novices: This is the moment they realize how many different options they have, and it's difficult to understand what's the right choice for them. There are so many different choices they must make, and new factors to consider (Should they buy new or used? What make and model? What's the right horsepower? Etc.).

A lack of comprehensive resources.

42% of recent, first-time owners said there was no one place that told them everything they needed to know.

They don't have people to turn to.

70% of people within a year of buying their first boat don't have people they trust to give them advice on how to buy.



How the boating industry can help

Make it simple for them to connect their dreams to reality.

Help them shape this dream—that's the best way to introduce them to a boat, through the life they are looking to live on the water. They don't decide to own a boat and then begin shopping for it.

Rather, they first decide what they want to do on the water and the purpose of the boat itself before they even begin to think about shopping for one. We can help open their eyes to all the different things they can do on the water, and help them understand what boat type is the perfect fit for them.

Introduce them to helpful resources.

Beyond providing clear and comprehensive information in one place, we can introduce first-time boat buyers to experts to help them along the way. From ambassador programs to specialty forums, we have the power to connect them to the resources and information they're looking for.

Take a page from a similar playbook.

Our first-time boat buyer, like most modern consumers, is trained to expect simplicity, transparency, and clarity when shopping for a boat. This is because of innovations in the real estate industry (Zillow, Trulia, etc.), automotive (Kelly Blue Book, Consumer Reports, etc.) and even retail shopping experiences like Amazon. Like it or not, today's boat buyers expect this kind of experience, and the boating industry must step up to meet these high expectations.

4 Decide

They navigate the realities of buying and owning a boat

Once they've established the purpose of their boat and have a general sense of what boat they'd like to buy, they enter the "decide" phase. And 79% of recent owners entered this stage within six months of purchase. It's here they actually buy their boat—that is, if that can overcome some pretty big barriers.



To watch a short video on this phase of the journey to purchase, visit:

<http://www.youtube.com/watch?v=81eE5Qpry8&t=0m6s>

"As soon as the dealers find out you don't want to spend a lot of money, they seem to dismiss you and move on to customers who have more money to spend." – Recent owner



"I wish the dealer had been able to give me more of a personalized help and assistance without making me seem dumb for not knowing some basic terminology that I was unfamiliar with."

– Lapsed shopper

"I have come to understand there's a lot more to ownership than just having a pontoon on a river somewhere. There's upkeep and storage, there's licensing, etc." – First-time buyer

"Remember that there are some hidden costs to worry about—insurance, storage, maintenance, etc."

– Lapsed shopper

Let's take a deeper look at what they are doing during this stage. Alongside expected shopping activities, they are still reaching out for help. From talking to their family and friends, to attending boat shows, to researching the costs of different boats, they are still working hard to inform themselves as they navigate the realities of buying, and owning, a boat.

Top activities during the Decide stage

Percent of first-time owners who agreed with statement

Visited a boat dealer(s)	65%
Sought advice from friends and/or family	34%
Researched costs of different boats	27%
Arranged a viewing of a boat for sale through a private entity (e.g., Craigslist, driveway sale)	23%
Attended a boat show	23%
Visited bait shop/fishing retailers	19%
Sought advice from marina staff/dock masters	13%
Gave away my contact information	12%
Other	2%
None of the above	1%
Researched online websites and/or forums and/or message boards	0%
Explored boating conversations in social media	0%

The reality of buying a boat.

When it comes to actually buying the boat, this group doesn't expect to have a pleasant experience. And, for recent owners reflecting on their first boat purchase, it was a lot more difficult than they expected.

"The process of buying a boat was more difficult than I thought it was going to be"

Percent who agreed with statement

- 36% recent owners
- 40% lapsed shoppers

For those who want to buy a boat from a dealer (we estimate about two-thirds of them do), they feel the need to arm themselves with information to do battle at purchase. They aren't expecting to have a pleasant experience.

"That's one of the reasons I cannot bring myself to a dealer. They are so boring, and they have only one thing in mind, sell." – Recent owner

"Some people are going to try and drag you over the coals, and get every last dime out of you."

– first-time boat buyer

"Listen to my needs and communicate better with transparency." – Recent owner

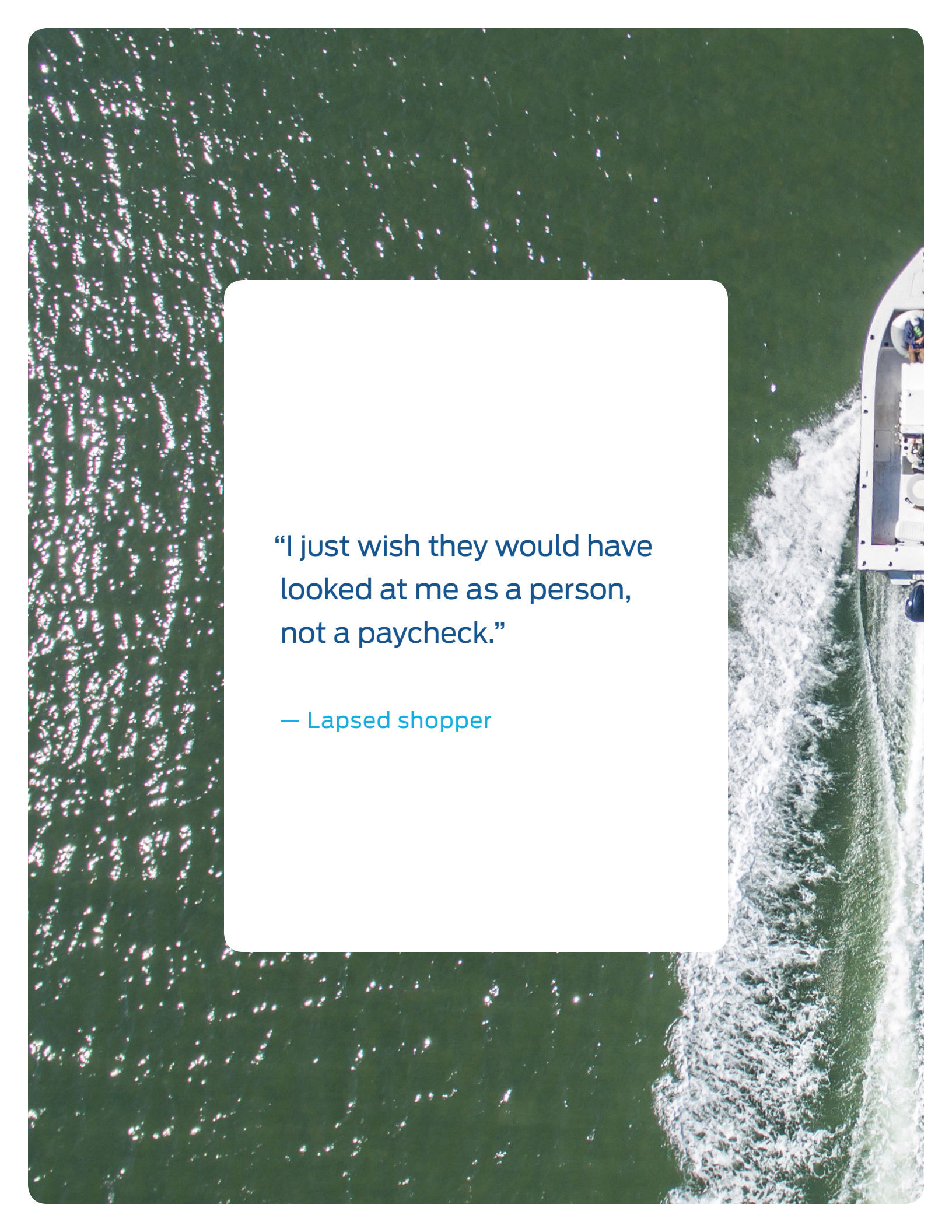
"I wish the boat dealer was more straightforward with the entire process." – Recent owner

"I felt like I needed to do a lot of research before I visited my first dealership"

Percent who agreed with statement

- 57% recent owners
- 60% lapsed shoppers

In fact, the number one piece of advice people who have been through this process have to give? 60% recommended doing lots of research before buying. Overall, 66% of lapsed first-time boat shoppers said they didn't have a helpful experience at the dealership. And 7% of lapsed first-time shoppers said an intimidating dealer was their primary barrier to buying a boat.

An aerial photograph of a boat moving across dark green water, leaving a white, foamy wake. The boat's white hull and part of its deck are visible on the right side of the frame. The water's surface is covered in numerous small, bright reflections of light.

“I just wish they would have
looked at me as a person,
not a paycheck.”

— Lapsed shopper

The reality of owning.

On top of all that, they begin to realize that there's a lot more to owning than previously thought.

64% of first-time boat buyers aren't confident that they know enough about boats to buy one just yet. Imagine if you wanted to buy a car, and you don't know how to drive; That would be an impediment to buying a car.

- 64% of people looking to purchase their first boat said that they didn't know enough about boat ownership to buy one.
- 21% of lapsed, first-time boat shoppers said their biggest barrier to buying a boat was that they felt like they didn't know enough about boat ownership.
- 39% of recent, first-time boat owners wished there were more resources to help them during their journey to purchase. 52% of lapsed, first-time boat shoppers said the same thing.

Here's what they wished the dealer would have helped them with:

"They didn't go over the basics of owning a boat."

– Recent owner

"Places to go for good upkeep of my boat and what to do when something goes wrong."

– Recent owner

Barriers to Boat Ownership

Percent of lapsed shoppers who agreed with statement

Surprise costs that I didn't anticipate when I initially set out to buy a boat	42%
I couldn't find a boat in my price range	35%
An event, or series of events, in my life that made me re-evaluate my priorities	33%
I felt like I didn't know enough about boat ownership to own one	21%
A close family member/ friend purchased a boat that I could use frequently	12%
Learning about how to buy a boat was too overwhelming	10%
I was intimidated by the boat dealer(s)	7%
The shopping process was too difficult	5%
I moved to a place where it wasn't easy to go boating/ store a boat	4%
I decided to purchase another vehicle for recreational use instead (e.g., an RV, a snowmobile, an ATV)	3%
I signed up for a boat club instead	0%
Other	13%

Hidden costs of ownership derail them at the dealership.

As they navigate the realities of buying and owning a boat, it's in this stage where they find out about what they perceive as hidden costs. While these hidden costs were a big issue for recent owners, they were even more challenging for the lapsed shoppers.

"There were lots of hidden costs I wasn't aware of."

Percent who agreed with statement

- 38% recent owners
- 49% lapsed shoppers

What's interesting is that the cost of the boat wasn't the primary deterrent (though finding a boat within their price range was also a significant barrier). People entering this stage fully intended on making the investment to buy. Rather, it's the fact that these costs are unanticipated. A whopping 42% of lapsed first-time boat shoppers said hidden costs were the biggest barrier to buying a boat.

When it comes to hidden costs, here's what they wish the dealer would have told them about.

"I would have liked to have heard more about the cost of maintaining a boat." – Recent owner

"How much an average boat slip costs."
– Recent owner

"Any hidden fees and costs that would come with each brand or model." – Recent owner

"Some of the hidden expenses." – Recent owner

"I wish he had told me about insurance."
– Lapsed shopper

"All the small details. What insurance is the best. What docking space costs the least, etc."
– Lapsed shopper

"Long-term costs." – Lapsed shopper

"Long-term costs and insurance options."
– Lapsed shopper

"Same as the other answer: more detail regarding insurance coverage and liability." – Lapsed shopper

"All of the hidden costs." – Lapsed shopper

Note that the costs they are looking for more transparency around aren't related to MSRP or the dealer's cut. Rather, they are related to ownership. Things like service costs, insurance, taxes and storage are top concerns for these people, and they don't anticipate them (or even consider them) when they think about boat ownership. In addition to bringing transparency to these costs, dealers also have the opportunity to help them navigate these unexpected expenses.



Barriers they encounter

They feel intimidated and unprepared to go into dealerships.

They feel like they have to “school up” and get ready to go in and meet that experience.

They discover hidden costs along the way that they weren't expecting when they were dreaming about being boat owners.



Here's what we can do to help

Start by understanding their original dream of ownership.

Help them keep their eyes of the prize. To them, it's not just another purchase: It's extremely emotional and they're anxious about all the different components of the process. Each one of our segments had a different vision for what they wanted to do on the water. That's what dealers have the power to do: make this dream come true.

Balance the need to serve with the need to sell.

First-time buyers feel vulnerable and susceptible to being taken advantage of. They're coming in with their guard up. Help make this process easier for them and understand that while they might not buy the most expensive boat, this is an opportunity to build a relationship with this buyer that may yield more boats down the road.

Finally, be transparent about the total cost and responsibilities.

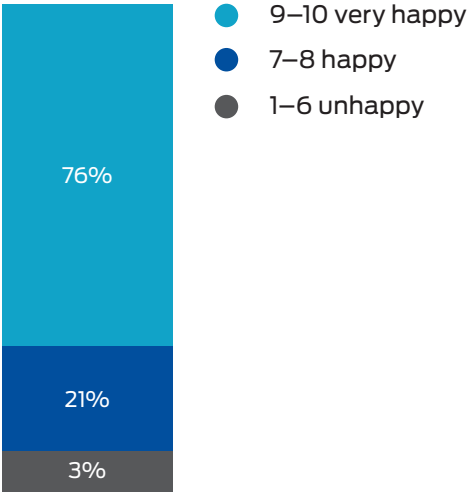
Hidden costs are a hurdle that first-time buyers need help overcoming. Beyond just being transparent about the costs of ownership, help them do it. From budgeting, to unique financing options, to special packages, to simple contact lists of suggested maintenance or storage options in your area: your sale is dependent on them overcoming these issues. It's in your best interest to help them do just that.

5 Do

They experience the joy of ownership.

This is where they experience the joys of ownership. After they've made it through all of the ups and downs of their journey to purchase, they finally own. And overall, there are high levels of enthusiasm for boating during their first year. People don't regret their decision to buy, and we see high satisfaction rates across the board. Boating lives up to or often exceeds their expectations.

Now that you own your boat, to what extent are you happy with your purchase?



Owners



Here's what we can do to help

Fuel their passion for boating and inspire them to use their boats more.

After all, the only way they'll feel their investment was worth it is by actually taking the boat out on the water.

Additionally, help them through the first year of ownership.

This is the time when they are developing boating rituals and relationships that will last for the duration of their ownership years. From who will service their boat to where they'll dock it, help them establish great relationships that will serve them for years to come.

Simplify. Simplify. Simplify.

But beyond that, we can hold their hand. We can remind them of importance maintenance dates, or help them keep track of all of their warranty documents. Simplifying ownership will make them happier owners.



Chapter 5:

Conclusion

Conclusion

The shrinking first-time boat buyer represents a significant challenge for the industry. But, with the support of the dealers and manufacturers, we now have a strategic roadmap for taking this crisis head-on. It certainly won't be easy: No one group can be held solely responsible for reversing this trend. This is partially a marketing problem, partially a sales problem and partially a product problem. Thus, a deep and integrated partnership between boat dealers, manufacturers and Discover Boating is the best way to solve it.

Fortunately, we finally have the answers we need to get moving.

We know more about first-time boat buyers than ever before. We've identified six segments, each which may present a unique opportunity to your business. We've given you insight into how to recognize and help these people when they engage with your brands or dealers.

We've also identified how they plan to buy a boat. From the moment the spark of desire for ownership is lit, to the moment they take the boat off of the lot, we know the activities they're doing and the question's they are asking.

We also know that the journey to ownership is paved with lots of emotional highs and lows for those moving through it. Dreaming about everything that a boat can offer certainly is fun

and exciting, but the buying process is a daunting one. It's overwhelming, complicated, and at times, stressful. It's no surprise that today, only the extremely passionate are making it all the way through the journey to ownership.

If you take nothing else away from this report, please remember the following:

- First-time boat buyers are generation-agnostic. They come from all different ages, backgrounds and income levels. Instead, their differences are driven by their mindsets and motivations.
- Getting people on the water, no matter the boat type, is the single most important thing we can do if we want more people to consider ownership. It's the number-one trigger. So supporting participation initiatives at any level in any form is within the industry's best interest.
- First-time buyers don't immediately move from deciding they want to own a boat to shopping at a dealership. They begin dreaming about the life they want to live on the water— all of the activities and experiences a boat will bring them. This is an important part of the process, because it helps them understand what boat type is right for them.
- We need to let first-time boat buyers come to us, first. This is a group that wants to be left alone until they get to the shopping process in the Decide phase. Hounding them with calls

from sales staff will only serve to turn off this group of people.

- In Decide, the journey begins to get difficult. Put yourself in their shoes. It's a complex process they're about to begin, so think of yourself as a guide first, salesperson second.
- The worst thing we can do is try to obscure the cost of boat ownership. It's the hidden costs—not the cost of the boat itself—that derail first-time buyer boat purchases. We need to help them better anticipate these fees and help make the costs of ownership more manageable and digestible.

Today, we're better positioned than ever to help first-time boat buyers. Together, we have the power to make this process easier. After all, we're the experts: We have the knowledge and know-how to help these people make their dream of boat ownership come true.

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