MARKET RESEARCH CONSULTANTS

RV Substitutability

Summary of Findings

THE KLEIN PARTNERSHIP

Date: 26 May 2022
TKP Ref: 5542

Background and Objectives

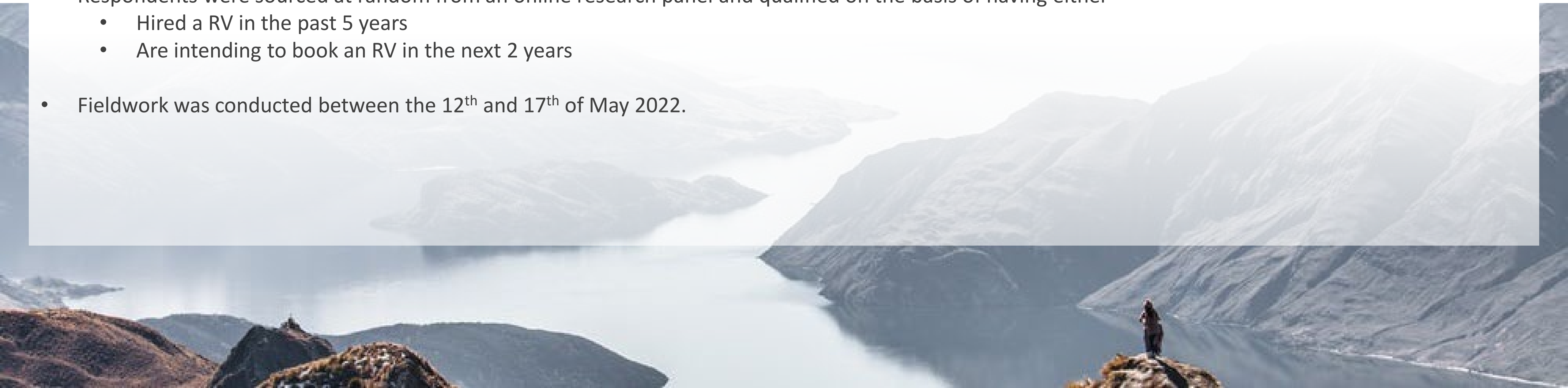
TKP was commissioned by thl to undertake independent consumer research to quantify:

- Substitutability between Self-drive Holiday product types
- Propensity to book via a P2P operator or traditional operator
- Other customer preferences
- How these varied by customer with a focus on understanding Motorhome customers, premium customers, international travellers and visitors to ANZ

- The study comprised a 10 minute online survey with a cross-section of 609 respondents.
    - A sample of 609 gives us 95% confidence that the population result falls within +/- 4% of the survey result.

- Respondents were sourced at random from an online research panel and qualified on the basis of having either
    - Hired a RV in the past 5 years
    - Are intending to book an RV in the next 2 years

- Fieldwork was conducted between the 12th and 17th of May 2022.

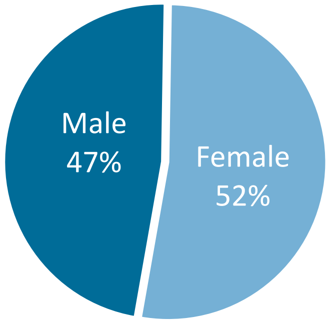


Sample Characteristics

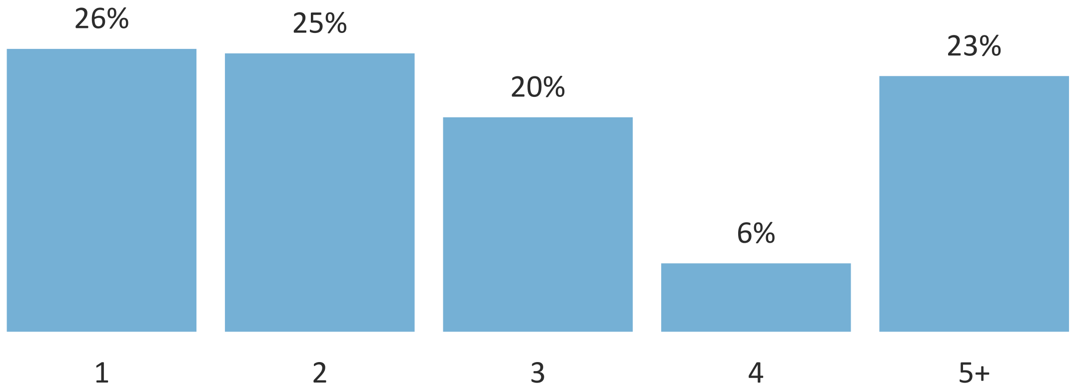
Age

	%
18 to 24	9%
25 to 34	20%
35 to 44	24%
45 to 54	15%
55 to 64	17%
65+	16%

Gender



Number of Times Hired a Motorised RV (If Hired in Last 5 Years)



Country of Residence and Where Travelled

Total %	Local	Domestic	International	Total
Australia	11%	11%	1%	**24%**
New Zealand	8%	7%	1%	**16%**
USA	8%	4%	1%	**13%**
UK	12%	8%	4%	**24%**
Germany	10%	5%	7%	**23%**
Total	**49%**	**36%**	**14%**	**100%**

Type of RV Chosen

Total %	Have Hired (“Done”)	Intend to Hire (“Intender”)	Total
Converted Car / Van	6%	9%	**15%**
Campervan 5m	8%	14%	**22%**
Campervan 7m	7%	16%	**23%**
Motorhome	19%	21%	**40%**
Total	**40%**	**60%**	**100%**

International RV travel was much less common than local or domestic, with 15% having gone (or intending to go) overseas on their RV holiday.

The sample comprised only 11 international visitors to Australia and 11 international visitors to NZ.

Base: Total n=609; S2.Your age? S1. What is your gender? Q29 - How many times have you hired an RV, Campervan or Motorhome? Where <IF INTENDER ‘do you intend’ IF DONE ‘did you’> travel on your <IF INTENDER ‘upcoming’ IF DONE ‘last’> RV/Campervan/Motorhome holiday? Q3. If you were to choose an RV, what type of RV would you likely book? S7a. Which of the following types of vehicles most closely resembles what you booked on your last RV holiday?

Sample Characteristics

Key Sub-Groups of Interest

		%	n	Margin of Error
	Total	100%	609	+/-4.0%
Type of RV selected	Motorhome Hirers	40%	244	+/-6.3%
	Other RV	60%	365	+/-5.1%
Quality preferences	Less Quality Focused	51%	309	+/-5.6%
	More Quality Focused^	49%	300	+/-5.7%
Where travelled?	Local / Domestic Travellers	86%	523	+/-4.3%
	International Travellers	14%	86	+/-10.6%
Country travelled in?	Travelled in ANZ*	57%	349	+/-5.2%
	Travelled other region	43%	260	+/-6.1%

^ Respondents who preferred to hire a newer RV less than 4 years old
**Includes Australians & New Zealanders who travelled domestically*

For the purpose of reporting, tests for statistical significance at a 95% confidence level have been conducted on particular subgroups of interest in this survey.

In tables and charts, results highlighted in green indicate a result that is significantly higher and red significantly lower.

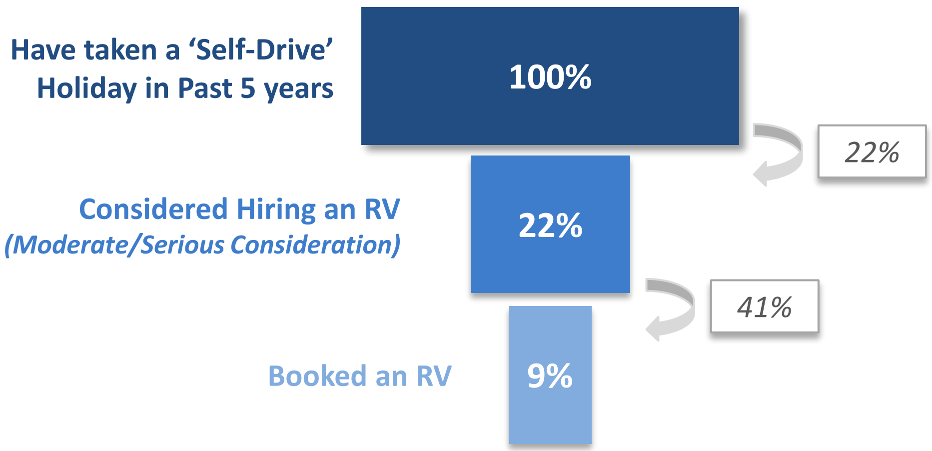
If no statistical significance has been highlighted, there are none associated with these subgroups.

If there is a statistically significant difference, we can be confident that this difference has not occurred by chance i.e. it reflects a genuine difference for that group compared to the population.

Research Findings

Consideration of RV Holidays

Consideration Funnel

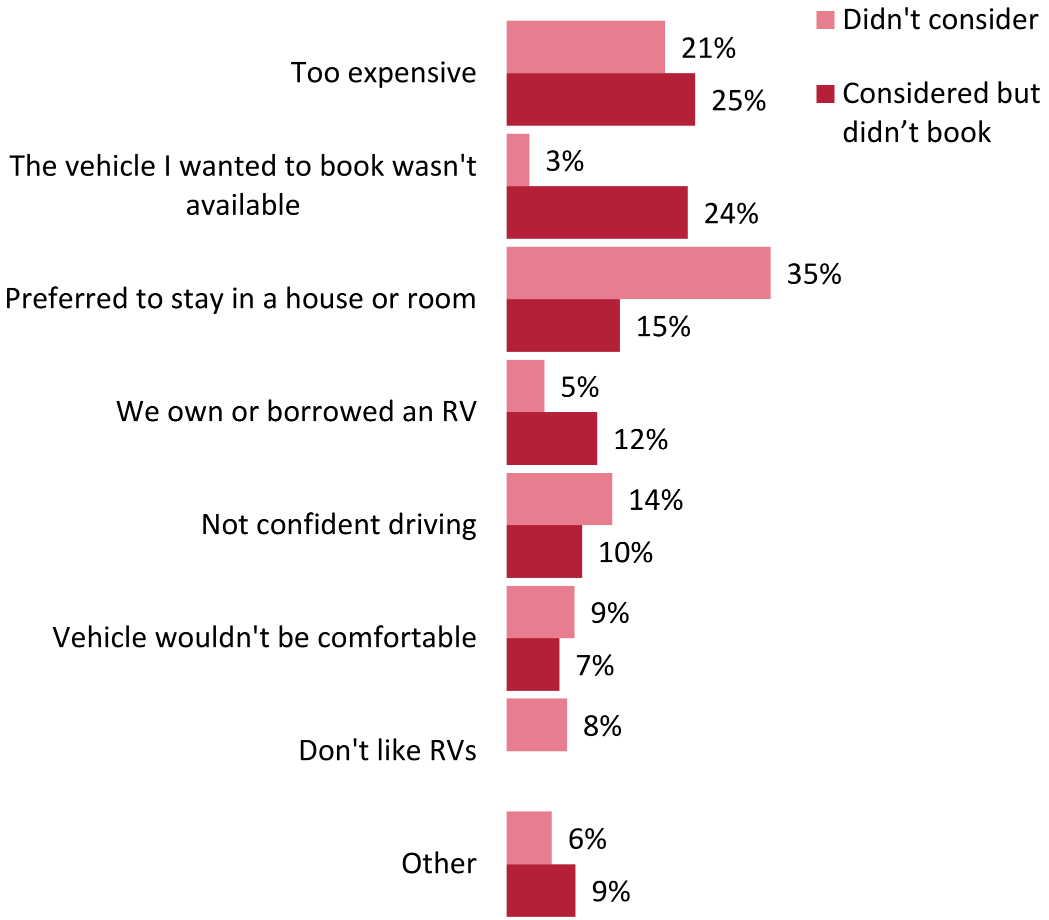


22% of people who had taken an Self-Drive Holiday in the last 5 years gave moderate to serious consideration to hiring an RV; 41% of those who considered an RV, booked an RV.

The major barriers to booking amongst those who considered were the cost (25%) and vehicle availability (24%).

Amongst those who wouldn't consider RV Hire, the key barriers were preference for a house or room (35%) and cost (21%).

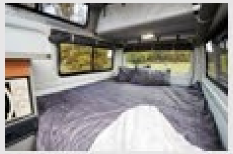
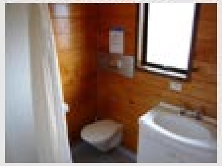
Why Not Considered/Booked?



Base: Total n=609; SX1b. In planning any of these holidays, how seriously or not did you consider booking each of the following?SX1a. Did any of your holidays in the last 5 years involve booking…Considered but did not book RV n=200;Sx1c - You mentioned that you considered booking an RV/Campervan/Motorhome for a recent holiday, but did not go ahead and book it. Why not? Did NOT consider an RV n=1,660; S8. Why wouldn't you consider an RV/Campervan/Motorhome for a self-drive holiday?

Stimulus - Types of SD Holiday

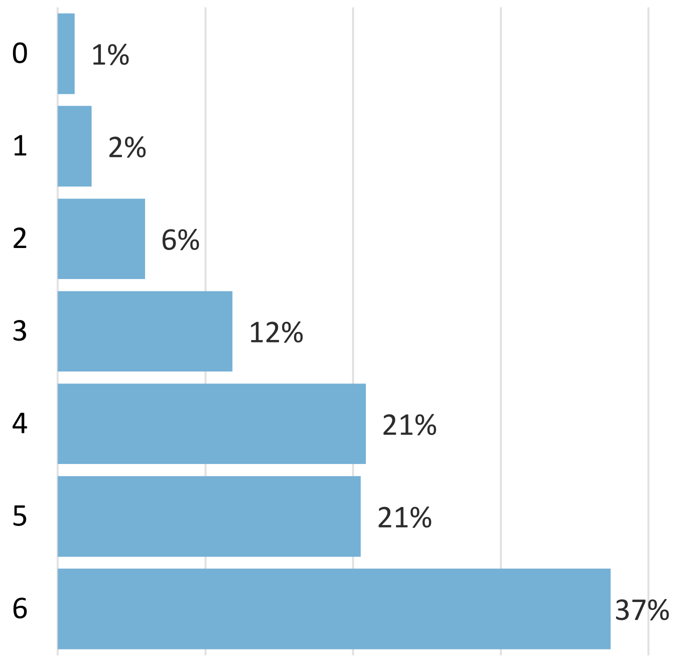
Respondents were shown the following stimulus and asked to rate their consideration of each on their last / upcoming RV Holiday. They were then asked which RV option most closely resembles what they booked (or would book) on their RV Holiday. Respondents cycled through each self-drive holiday, one at a time.

	Converted Car / Van	Campervan (5 Metre)	Campervan (7 Metre)	Motorhome	Car and Hotel / Motel Room (incl Air BnB)	Car and Cabin in a Holiday Park
Driving Experience	Similar to a standard car or van 	Taller than a typical van 	Longer than a typical van 	Different shape to a car or van 	Standard car 	Standard car 
Living Areas	Internal seating swabs 	Internal seating with table 	Internal seating with table 	Taller than a typical van 	Dedicated living area 	Dedicated living area 
Sleeping Facilities	Living converts to a bed 	Living converts to bed(s) 	Living converts to bed(s) 	Living converts to bed(s), roof bed 	Dedicated beds 	Dedicated beds 
Kitchen Facilities	Slide-out fridge and cooking space 	Private Full-Service Kitchen 	Private Full-Service Kitchen 	Private Full-Service Kitchen 	Private Full-Service Kitchen 	Communal Kitchen 
Bathroom Facilities	No shower, Porta-potti if needed, can use public / Holiday Park facilities 	No shower, Porta-potti if needed, can use public / Holiday Park facilities 	In-built bathroom 	In-built bathroom 	In-built bathroom 	Communal Bathroom 

Substitutability Between Self-Drive Holiday Options

Substitutability Between Self-Drive Holiday Options

of Alternatives Considered



On average respondents considered (or would consider) 4.6 self-drive options, with 91% considering 3 or more.

The number of Self-Drive RV options considered did not differ by whether they had recently booked a trip or were intending to book.

Motorhome hirers considered less options (4.3 Self Drive options).

Average	Total Sample	Motorhome Hirers	Other RV	Less Quality Focused	More Quality Focused	Local / Domestic Travellers	International Travellers	Travelled in ANZ	Travelled other region
# of Self-Drive Holiday Options considered	4.6	4.3	4.8	4.6	4.6	4.6	4.8	4.6	4.6

Base: Total n=609; S7. Which of the following <IF INTENDER 'would' IF DONE 'did'> you consider as suitable options for <IF INTENDER 'your next' IF DONE 'last'> RV holiday?

Substitutability Between Self-Drive Holiday Options

Self-Drive Options Considered

Self- Drive Options Considered

Type of RV Selected	Row %	Converted Car / Van	Campervan (5 Metre)	Campervan (7 Metre)	Motorhome	Car and Hotel / Motel Room (including Air BnB)	Car and Cabin in a Holiday Park	*Row n*
	Converted Car / Van	100%	79%	78%	73%	81%	80%	*90*
	Campervan 5m	70%	100%	77%	82%	76%	75%	*135*
	Campervan 7m	61%	76%	100%	86%	84%	77%	*140*
	Motorhome	43%	62%	73%	100%	78%	72%	*244*
	Total	61%	75%	81%	88%	79%	75%	*609*

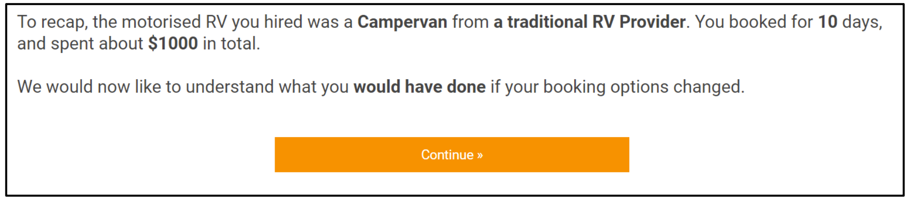
Given 72% of respondents considered 3 or more types of RV, it should not surprise that there was very high consideration of alternatives to the type of RV they booked. To illustrate, 73% of those who hired a Motorhome considered a 7m Campervan.

Base: Total n=as above; S7a/Q3. TYPE OF VEHICLE HIRED / WILL HIRE, S7.Which of the following did/would you consider as suitable options for self-drive holiday?

Scenario Modelling

Description of Methodology

- Respondents were asked:
  - Which RV they booked or would be most likely to book
  - How many days they had or would book the RV for
  - The cost per day for the RV they had or would book for



To recap, the motorised RV you hired was a **Campervan** from **a traditional RV Provider**. You booked for **10** days, and spent about **$1000** in total.

We would now like to understand what you **would have done** if your booking options changed.

Continue »

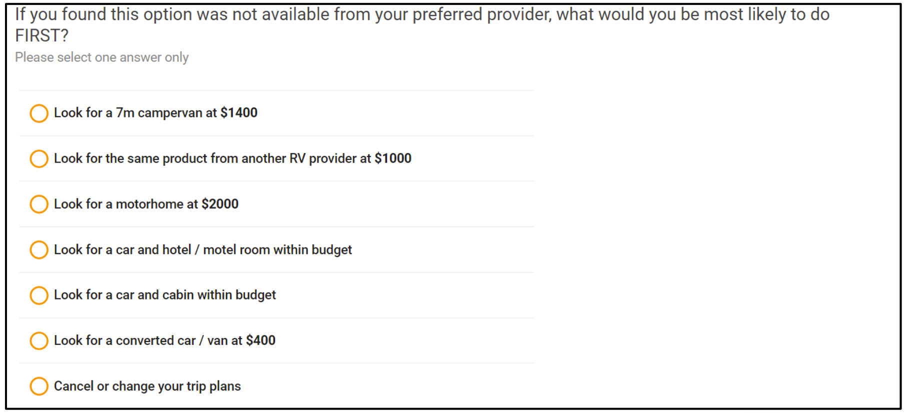
- Based on these inputs, respondents were asked what their most likely action (and next 4 most likely)would have been if this booking…
  1. Was not available
  2. Was 5% more expensive
  3. Was 10% more expensive

- Respondents were shown alternative RVs at price points reflective of the price differentiation between the alternative classes of RV. Relative prices were provided by thl.

– A motorhome	100%	<@ ‘100%’>
– A 7m campervan	70% of the cost of a Motorhome	<@ ‘70%’>
– A 5m campervan	50% of the cost of a Motorhome	<@ ‘50%’>
– A converted car / van	20% of the cost of a Motorhome	<@ '20%’>

To Illustrate, a respondent who booked a 5m campervan for $1,000 would be shown the following alternatives

- A motorhome for $2,000
- A 7m campervan for $1,400
- A converted car / van for $400



If you found this option was not available from your preferred provider, what would you be most likely to do FIRST?

Please select one answer only

- Look for a 7m campervan at $1400
- Look for the same product from another RV provider at $1000
- Look for a motorhome at $2000
- Look for a car and hotel / motel room within budget
- Look for a car and cabin within budget
- Look for a converted car / van at $400
- Cancel or change your trip plans

Substitutability Between Self-Drive Holiday Options

What Would You Do if Your Preferred Option Was Not Available?

Column %	First Choice	Second Choice	Third Choice	Fourth Choice	Fifth Choice
Look for the same product from another RV provider at <BUDGET>	36%	17%	12%	9%	5%
Look for an alternative RV (NET)*	29%	39%	33%	34%	31%
Look for a car and hotel / motel room within budget	16%	17%	19%	16%	9%
Look for a car and cabin within budget	13%	16%	17%	14%	13%
Cancel or change your trip plans	6%	11%	18%	28%	42%

When presented with the scenario where their booked (or preferred) option was not available, 36% chose to switch provider to stay with the same vehicle. 29% would switch vehicles.

**Respondents were provided with specific options of other RV's. For example, Motorhome hirers were shown options for a converted car/van, 5m campervan and 7m campervan. Each option was provided at a budget, which was scaled up or down relative to the RV they chose for their holiday.*

Base: Total n=609; Q21 - If you found this option was not available from your preferred provider, what would you be most likely to do FIRST? Q22.What would be your next preferred option?

Substitutability Between Self-Drive Holiday Options

If Preferred Option Not Available – First Choice by Key Segments

Column %	Total Sample	Motorhome Hirers	Other RV	Less Quality Focused	More Quality Focused	Local / Domestic Travellers	International Travellers	Travelled in ANZ	Travelled other region
Look for the same product from another RV provider at <BUDGET>	36%	43%	32%	37%	35%	36%	37%	37%	35%
Look for an alternative RV (NET)*	29%	24%	32%	27%	31%	27%	41%	25%	34%
Look for a converted car / van @ '20%'	*5%*	*3%*	*7%*	*4%*	*6%*	*4%*	*9%*	*5%*	*6%*
Look for a 5m campervan @ '50%'	*9%*	*9%*	*9%*	*10%*	*8%*	*8%*	*13%*	*7%*	*10%*
Look for a 7m campervan @ '70%'	*8%*	*13%*	*5%*	*7%*	*10%*	*8%*	*10%*	*7%*	*10%*
Look for a motorhome @ '100%'	*7%*	-	*11%*	*6%*	*7%*	*6%*	*8%*	*6%*	*8%*
Look for a car and hotel / motel room within budget	16%	13%	18%	16%	17%	17%	9%	19%	12%
Look for a car and cabin within budget	13%	14%	13%	16%	11%	14%	9%	13%	14%
Cancel or change your trip plans	6%	6%	6%	5%	7%	7%	3%	7%	5%
Column n	609	244	365	309	300	523	86	349	260

57% of Motorhome hirers choose to look for an alternative or cancel/change their trip if their preferred Motorhome was no longer available.

Base: Total n=as above; Q21 - If you found this option was not available from your preferred provider, what would you be most likely to do FIRST?

Substitutability Between Self-Drive Holiday Options

What Would You Do If Your Preferred Option Increased by 5%?

Column %	First Choice	Second Choice	Third Choice	Fourth Choice	Fifth Choice
Pay the extra amount	45%	11%	5%	6%	6%
Look for the same product from another RV provider at <BUDGET>	15%	30%	15%	12%	6%
Look for an alternative RV (NET)*	17%	27%	37%	30%	27%
Look for a car and hotel / motel room within budget	11%	11%	16%	14%	14%
Look for a car and cabin within budget	9%	12%	13%	17%	14%
Cancel or change your trip plans	4%	10%	14%	22%	33%

Almost half of respondents would pay the extra if the cost of their preferred option increased by 5%. 17% would look for an alternative type of RV.

4% would cancel or change their plans.

**Respondents were provided with specific options of other RV's. For example, Motorhome hirers were shown options for a converted car/van, 5m campervan and 7m campervan. Each option was provided at a budget, which was scaled up or down relative to the RV they chose for their holiday.*

Base: Total n=609; Q23. What would you most likely <IF DONE "have done">/<IF INTEND "do">?

Substitutability Between Self-Drive Holiday Options

If Preferred Option Increased by 5% – First Choice by Key Segments

Column %	Total Sample	Motorhome Hirers	Other RV	Less Quality Focused	More Quality Focused	Local / Domestic Travellers	International Travellers	Travelled in ANZ	Travelled other region
Pay the extra amount	45%	50%	42%	44%	46%	46%	41%	47%	43%
Look for the same product from another RV provider at <BUDGET>	15%	13%	16%	17%	12%	14%	17%	13%	17%
Look for an alternative RV (NET)*	17%	14%	19%	16%	18%	16%	23%	16%	18%
Look for a converted car / van @ '20%'	*2%*	*1%*	*3%*	*2%*	*3%*	*2%*	*5%*	*2%*	*3%*
Look for a 5m campervan @ '50%'	*5%*	*5%*	*5%*	*5%*	*5%*	*5%*	*7%*	*5%*	*5%*
Look for a 7m campervan @ '70%'	*7%*	*9%*	*5%*	*5%*	*8%*	*7%*	*6%*	*6%*	*7%*
Look for a motorhome @ '100%'	*3%*	-	*5%*	*3%*	*3%*	*3%*	*6%*	*3%*	*3%*
Look for a car and hotel / motel room within budget	11%	10%	11%	10%	11%	11%	8%	11%	10%
Look for a car and cabin within budget	9%	8%	9%	7%	10%	9%	9%	9%	9%
Cancel or change your trip plans	4%	5%	3%	6%	2%	4%	1%	4%	3%
Column n	609	244	365	309	300	523	86	349	260

50% of Motorhome hirers would seek an alternative or cancel/change their trip if the price of their Motorhome increased by 5%.

Substitutability Between Self-Drive Holiday Options

What Would You Do If Your Preferred Option Increased by 10%?

Column %	First Choice	Second Choice	Third Choice	Fourth Choice	Fifth Choice
Pay the extra amount	35%	9%	7%	5%	7%
Look for the same product from another RV provider at <BUDGET>	19%	23%	14%	11%	6%
Look for an alternative RV (NET)*	18%	32%	28%	28%	26%
Look for a car and hotel / motel room within budget	10%	12%	16%	16%	10%
Look for a car and cabin within budget	9%	12%	15%	14%	13%
Cancel or change your trip plans	10%	13%	20%	27%	37%

35% would be willing to pay 10% more for their preferred RV option before making any other compromises.

**Respondents were provided with specific options of other RV's. For example, Motorhome hirers were shown options for a converted car/van, 5m campervan and 7m campervan. Each option was provided at a price, which was scaled up or down relative to the RV they chose for their holiday.*

*Base: Total n=609; Q24. If you found this booking had increased from <Q8Q9TOTALBUDGET> to <Q8Q9TOTALBUDGET*1.1>, what would you be most likely to do? Q24], what would you be most likely to do?*

Substitutability Between Self-Drive Holiday Options

If Preferred Option Increased by 10% – First Choice by Key Segments

Column %	Total Sample	Motorhome Hirers	Other RV	Less Quality Focused	More Quality Focused	Local / Domestic Travellers	International Travellers	Travelled in ANZ	Travelled other region
Pay the extra amount	35%	32%	37%	39%	31%	34%	38%	32%	38%
Look for the same product from another RV provider at <BUDGET>	19%	21%	18%	19%	18%	19%	16%	21%	16%
Look for an alternative RV (NET)*	18%	15%	20%	16%	20%	18%	20%	19%	17%
Look for a converted car / van @ '20%'	*4%*	*2%*	*5%*	*3%*	*5%*	*3%*	*9%*	*3%*	*5%*
Look for a 5m campervan @ '50%'	*6%*	*5%*	*6%*	*5%*	*6%*	*5%*	*7%*	*6%*	*5%*
Look for a 7m campervan @ '70%'	*6%*	*8%*	*5%*	*6%*	*7%*	*7%*	*2%*	*7%*	*5%*
Look for a motorhome @ '100%'	*2%*	-	*4%*	*3%*	*2%*	*2%*	*1%*	*2%*	*2%*
Look for a car and hotel / motel room within budget	10%	10%	9%	10%	9%	10%	9%	8%	12%
Look for a car and cabin within budget	9%	8%	10%	6%	13%	9%	12%	9%	9%
Cancel or change your trip plans	10%	15%	6%	10%	10%	11%	5%	11%	8%
Column n	609	244	365	309	300	523	86	349	260

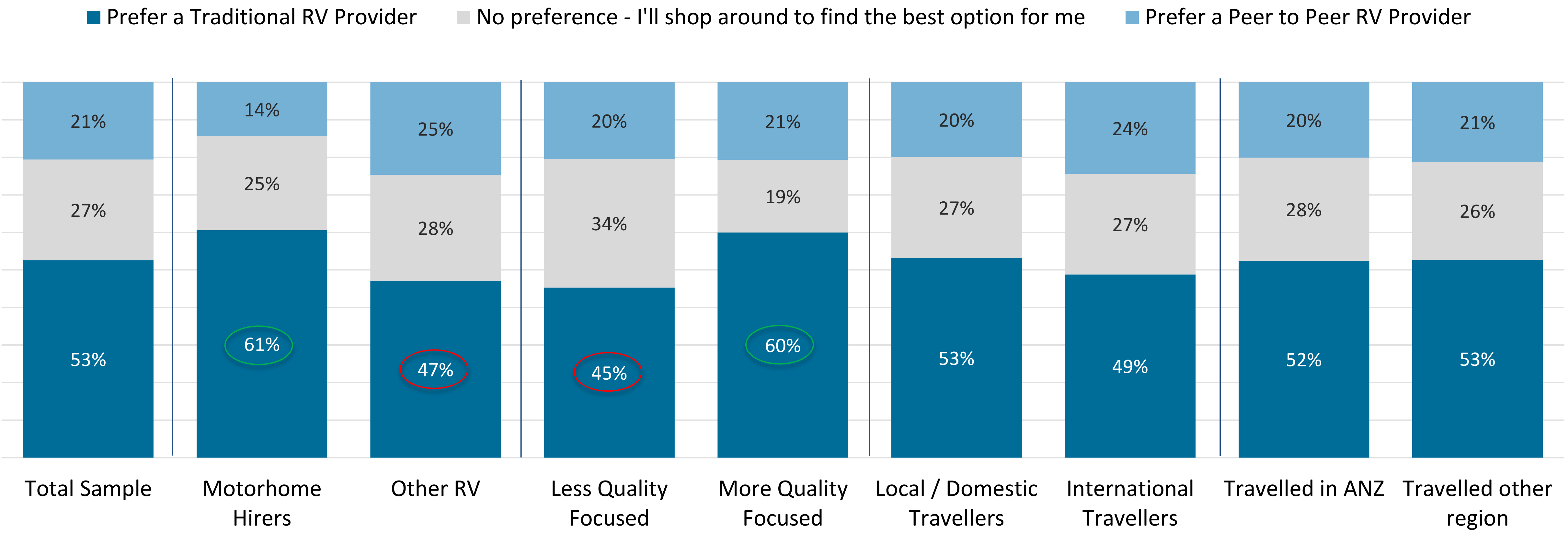
Respondents who preferred an older RV (and therefore were less quality focused) were also less willing to increase their budget by 10%, instead choosing to compromise on another aspect of their booking. Specifically, they would be most likely to either change their vehicle type or change their RV provider.

*Base: Total n=as above; Q24. If you found this booking had increased from <Q8Q9TOTALBUDGET> to <Q8Q9TOTALBUDGET*1.1>, what would you be most likely to do?*

Peer-to-Peer vs Commercial RV Providers

Peer-to-Peer vs Commercial RV Providers

Preferences



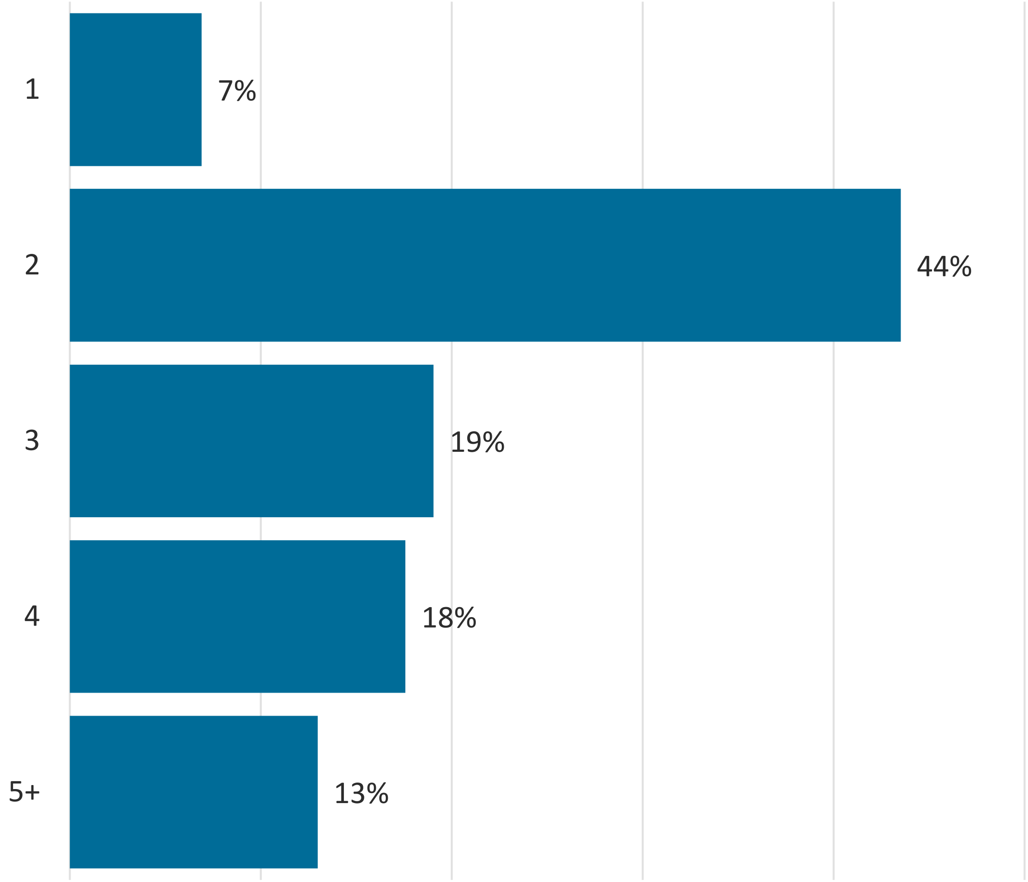
In a study of a similar audience conducted in 2018, we found that 46% preferred a Traditional provider and 15% preferred P2P. The longer term trend indicates that P2P providers are gaining traction (21% preference vs 15% in 2018). There appears to be less people who had no preference versus 4 years ago.

Base: Total n=previous; Q14. Would you prefer to book from a traditional RV provider or peer-to-peer RV provider?

Additional Areas of Interest

Additional Areas of Interest

How Many People Are In Your Travel Group?



2 party travel groups were the most common with the average being 3.0 people.

There was no difference by key segments of interest.

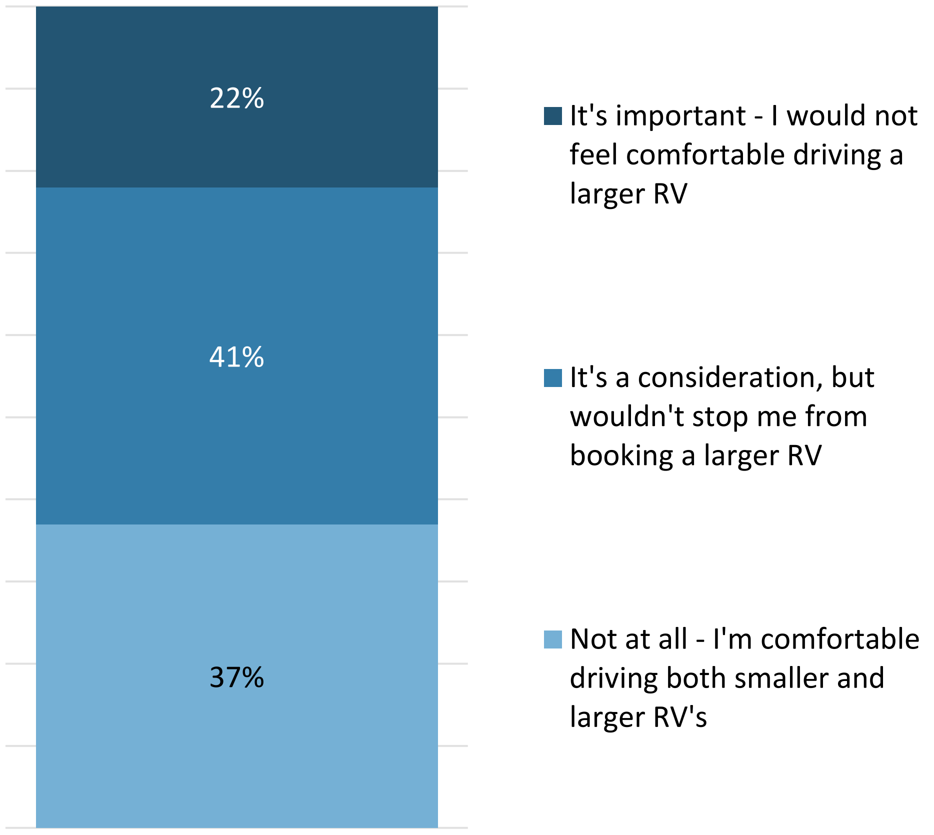
Base: Total n=609; Q4 - How many people – including yourself - in your travel group?

Additional Areas of Interest

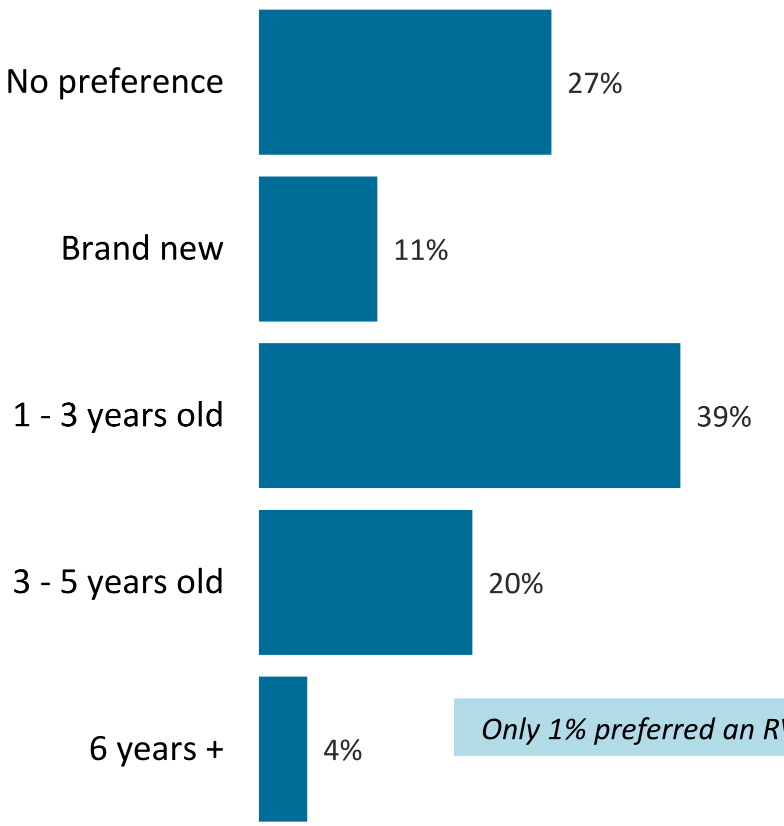
Driving Confidence and Preferred Age

Motorhome hirers were less likely to consider RV size as a barrier (42%)

How Does Driving Confidence Influence What Size RV You Choose?



Preferred Age of Vehicle

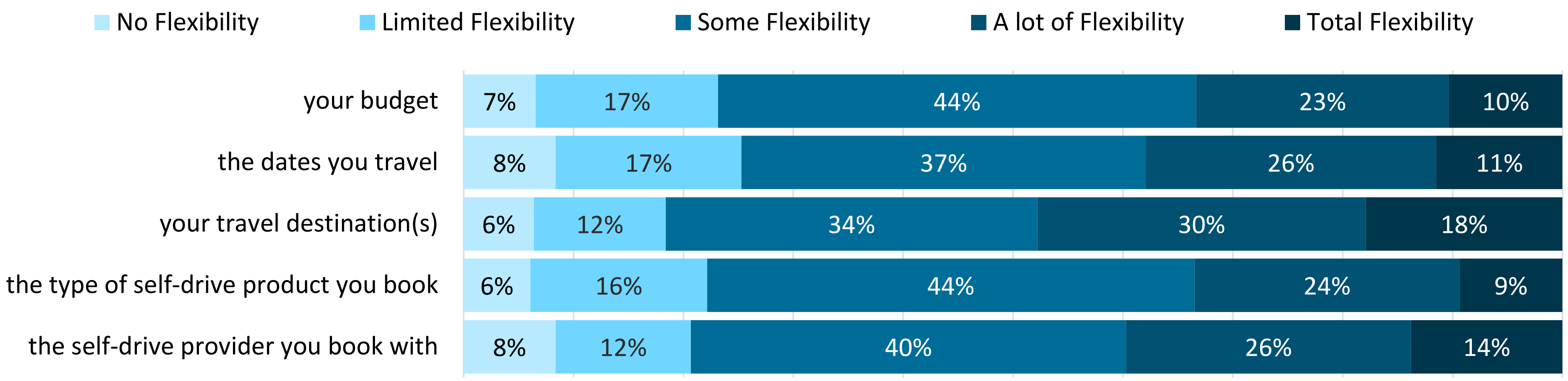


Only 1% preferred an RV aged over 11 years.

Base: Total n=609; Q16.To what extent would your driving confidence influence what size of RV you would book?Q5a. What age of vehicle would you prefer?

Additional Areas of Interest

Level of Flexibility in Regards To....



RV Holidays tended to have at least some flexibility with regards to their trip in terms of budget, dates, destination, and what and who they book from.

Flexibility by Key Segment (% Limited / No Flexibility)

% No / Limited Flexibility	Total Sample	Motorhome Hirers	Other RV	Less Quality Focused	More Quality Focused	Local / Domestic Travellers	International Travellers	Travelled in ANZ	Other regions
your budget	23%	24%	22%	27%	20%	24%	21%	22%	24%
the dates you travel	25%	27%	24%	28%	23%	25%	29%	24%	27%
your travel destination(s)	18%	20%	18%	19%	17%	18%	23%	19%	18%
the type of self-drive product you book	22%	27%	19%	21%	24%	22%	24%	23%	20%
the self-drive provider you book with	21%	23%	19%	19%	22%	21%	19%	25%	15%
Column n	609	244	365	309	300	523	86	349	260

Base: Total n=as above; Q11. Thinking of your booking, how much flexibility <IF INTENDER 'would' IF DONE 'did'> you have with regards to….

Additional Areas of Interest

Channel Preference – Where Would You Prefer To Hire an RV?

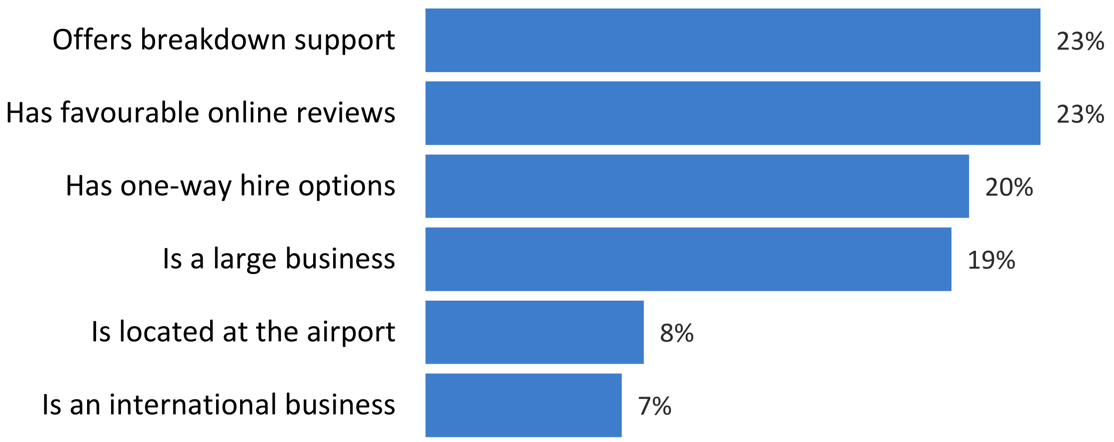
Column %	Total Sample	Motorhome Hirers	Other RV	Less Quality Focused	More Quality Focused	Local / Domestic Travellers	International Travellers	Travelled in ANZ	Travelled other region
Directly with the RV Provider	37%	41%	33%	31%	41%	37%	33%	34%	40%
Through an online site that allows me to compare prices and options between operators	37%	37%	38%	37%	38%	37%	39%	42%	30%
Through a travel agent that can prepare a package for me	10%	3%	15%	10%	9%	10%	9%	12%	6%
No preference – I'll shop around to find the best option for me	17%	19%	14%	22%	12%	16%	18%	12%	24%
Column n	241	116	125	113	128	208	33	144	97

Channel Preference did not differ between those who had booked and those who are intending to book. (NOT CHARTED)
37% of all respondents had a preference for aggregators, which was equivalent to its booking incidence.
37% of Motorhome bookers preferred to book via an aggregator, whilst only 3% preferred travel agents.
Travellers in ANZ were also less likely to have a preferred channel, however those that did tended to prefer an aggregator.

Base: Total n=as above; Q13. Where would you prefer to hire an RV?

Additional Areas of Interest

Choosing an RV Provider – Relative Factors of Importance, #1 Ranked



When assessing the relative importance of the 6 factors presented, respondents were less likely to select 'being an international business' or 'located at the airport' as the #1 factor in their decision which provider to book with.

81% considered something other than a large business as the most important aspect.

Motorhome hirers were less likely to select these factors and instead placed slightly more weight on breakdown support and online reviews.

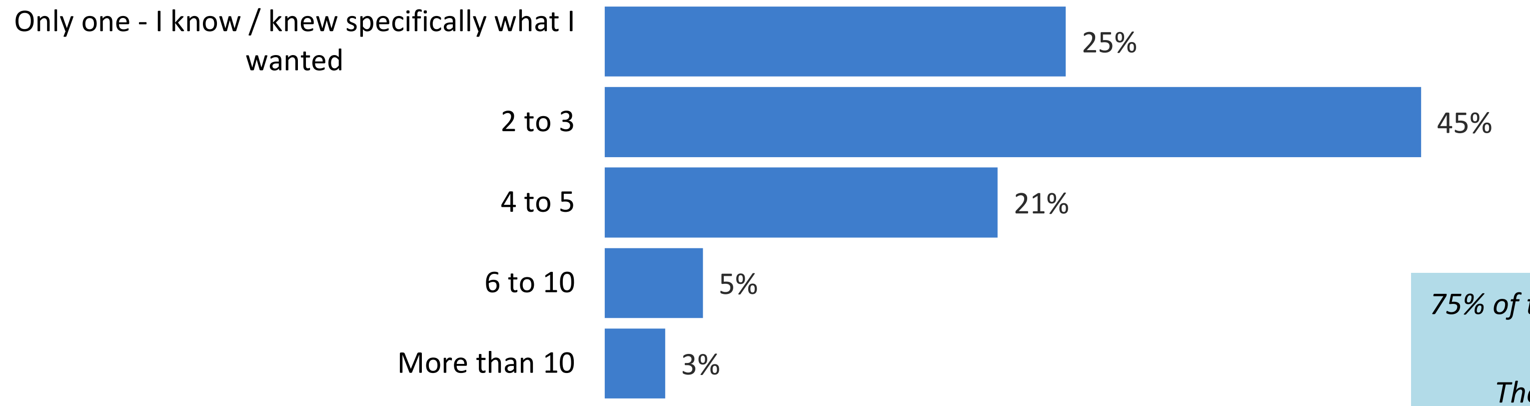
% Ranked #1

Column %	Total Sample	Motorhome Hirers	Other RV	Less Quality Focused	More Quality Focused	Local / Domestic Travellers	International Travellers	Travelled in ANZ	Other regions
Offers breakdown support	23%	26%	20%	28%	17%	23%	20%	21%	25%
Has favourable online reviews	23%	27%	20%	27%	18%	24%	15%	20%	26%
Has one-way hire options	20%	20%	20%	19%	21%	20%	19%	21%	18%
Is a large business	19%	19%	19%	14%	25%	19%	22%	21%	17%
Is located at the airport	8%	4%	11%	7%	9%	8%	9%	10%	6%
Is an international business	7%	4%	9%	6%	9%	6%	15%	6%	9%
Column n	609	244	365	309	300	523	86	349	260

Base: Total n=as above; 57; Q19. How important <IF INTENDER 'would the following be' IF DONE 'were the following'> in your decision about which RV Provider to book with? Please rank the following aspects in order, from MOST to LEAST important. (RANKED 1 to 6)

Additional Areas of Interest

Number of Websites Visited if Had Booked



75% of those who had booked visited 2 or more websites before they booked.
The number of websites visited did not differ by sub-group.

Column %	Total Sample	Motorhome Hirers	Other RV	Less Quality Focused	More Quality Focused	Local / Domestic Travel	International Travel	ANZ Travellers	Other regions
Only one - I know / knew specifically what I wanted	25%	27%	23%	25%	26%	25%	24%	26%	24%
2 to 3	45%	47%	42%	43%	46%	45%	42%	41%	50%
4 to 5	21%	21%	22%	24%	19%	22%	21%	26%	15%
6 to 10	5%	2%	9%	5%	5%	5%	6%	6%	5%
More than 10	3%	3%	3%	3%	4%	3%	6%	2%	5%
Column n	242	117	125	113	129	209	33	144	98

Base: DONE n=as above; Q12. How many different websites did you visit before you booked an RV?

MARKET RESEARCH CONSULTANTS

THE KLEIN PARTNERSHIP

1/19 Grey Street, St Kilda
VIC 3182, Australia

T. 03 9536 8333. F. 03 9534 6417

www.tkp.com.au