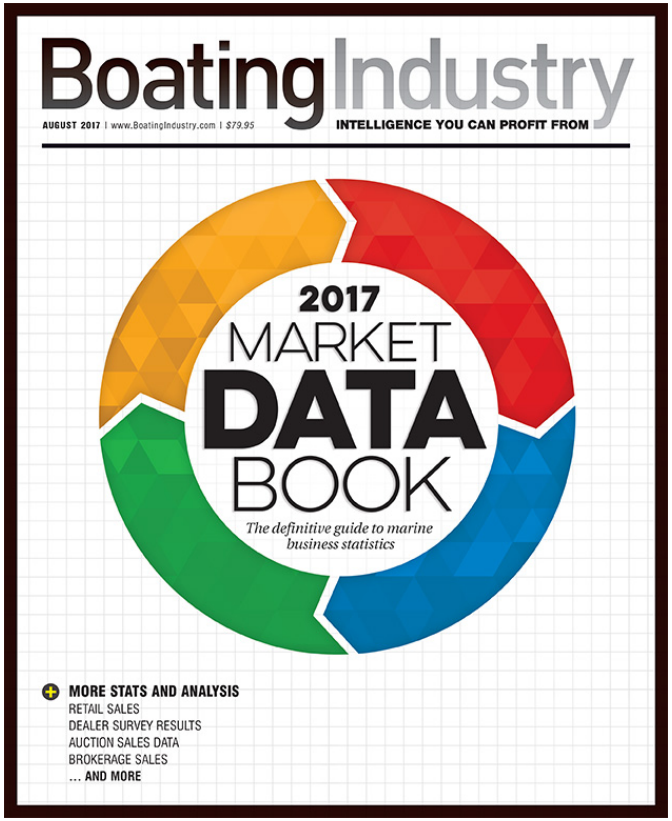
State of the Industry 2017

Our panelists today

* Peter Houseworth, Info-Link
* Noel Lais, Spader Business Management
* John Burnham, Boats Group

2017 Market Data Book



Available at BoatingIndustry.com/market-data/digital-downloads

BoatingIndustry

Boating Industry
State of the Industry 2017

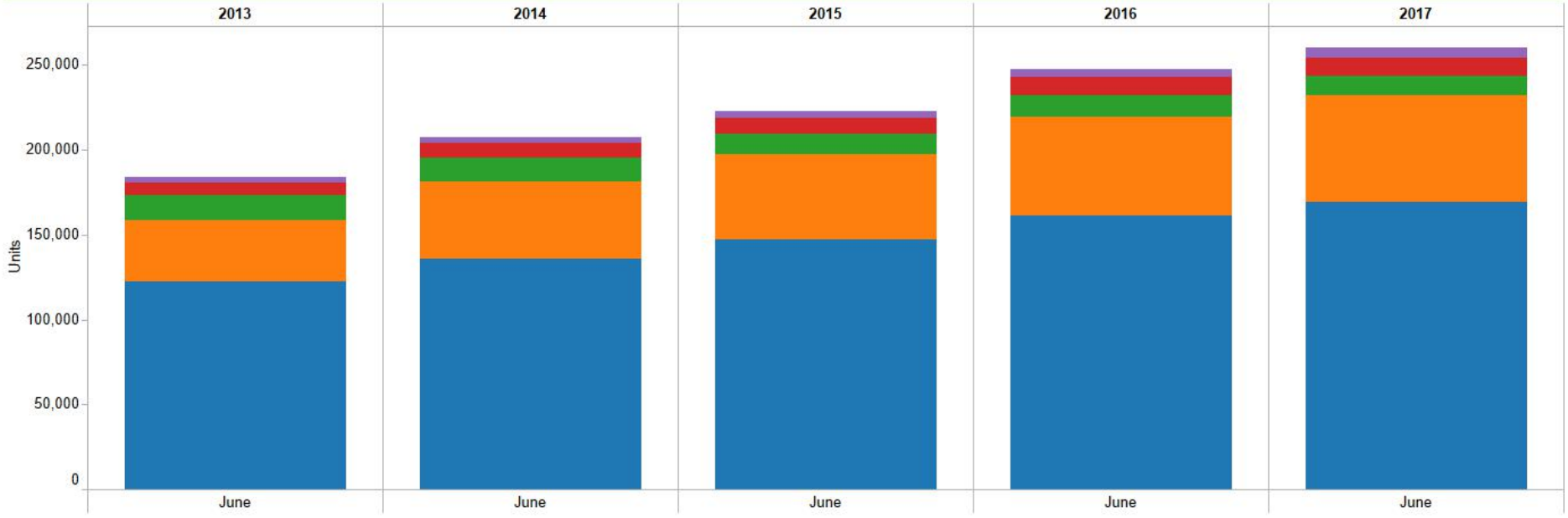
August 16, 2017

Status quo…. Overall market continued single digit growth

National Powerboat Summary
12 Month Rolling Through **June**

	2013		2014		2015		2016		2017	
Propulsion	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY
Outboard	122,172	5.5%	135,687	11.1%	147,133	8.4%	161,094	9.5%	169,026	4.9%
PWC	36,378	-2.6%	45,867	26.1%	50,062	9.1%	58,670	17.2%	62,845	7.1%
Stern	14,705	-10.1%	13,905	-5.4%	12,365	-11.1%	12,400	0.3%	11,600	-6.5%
Inboard	7,216	5.3%	8,486	17.6%	9,282	9.4%	10,465	12.7%	11,053	5.6%
Jet	3,619	-15.3%	3,577	-1.2%	4,147	15.9%	4,937	19.0%	5,473	10.9%
Grand Total	184,090	1.9%	207,522	12.7%	222,989	7.5%	247,566	11.0%	259,996	5.0%

Unit Sales by Propulsion
12 Month Rolling Through **June**



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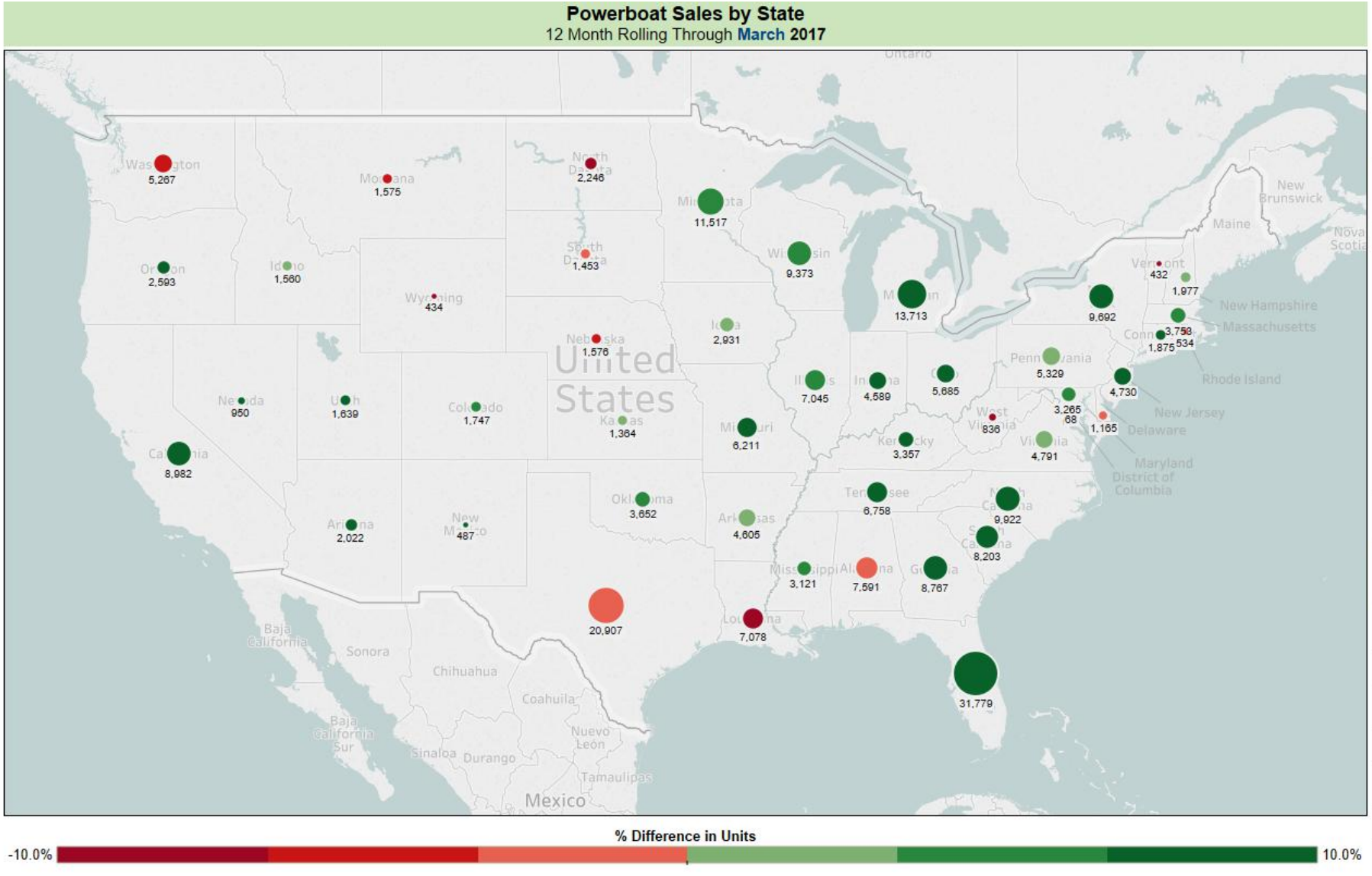
A little stronger in the Eastern US



Same old suspects are driving growth… Pontoon and Saltwater Fish

Pontoon

National Powerboat Summary
12 Month Rolling Through **June**

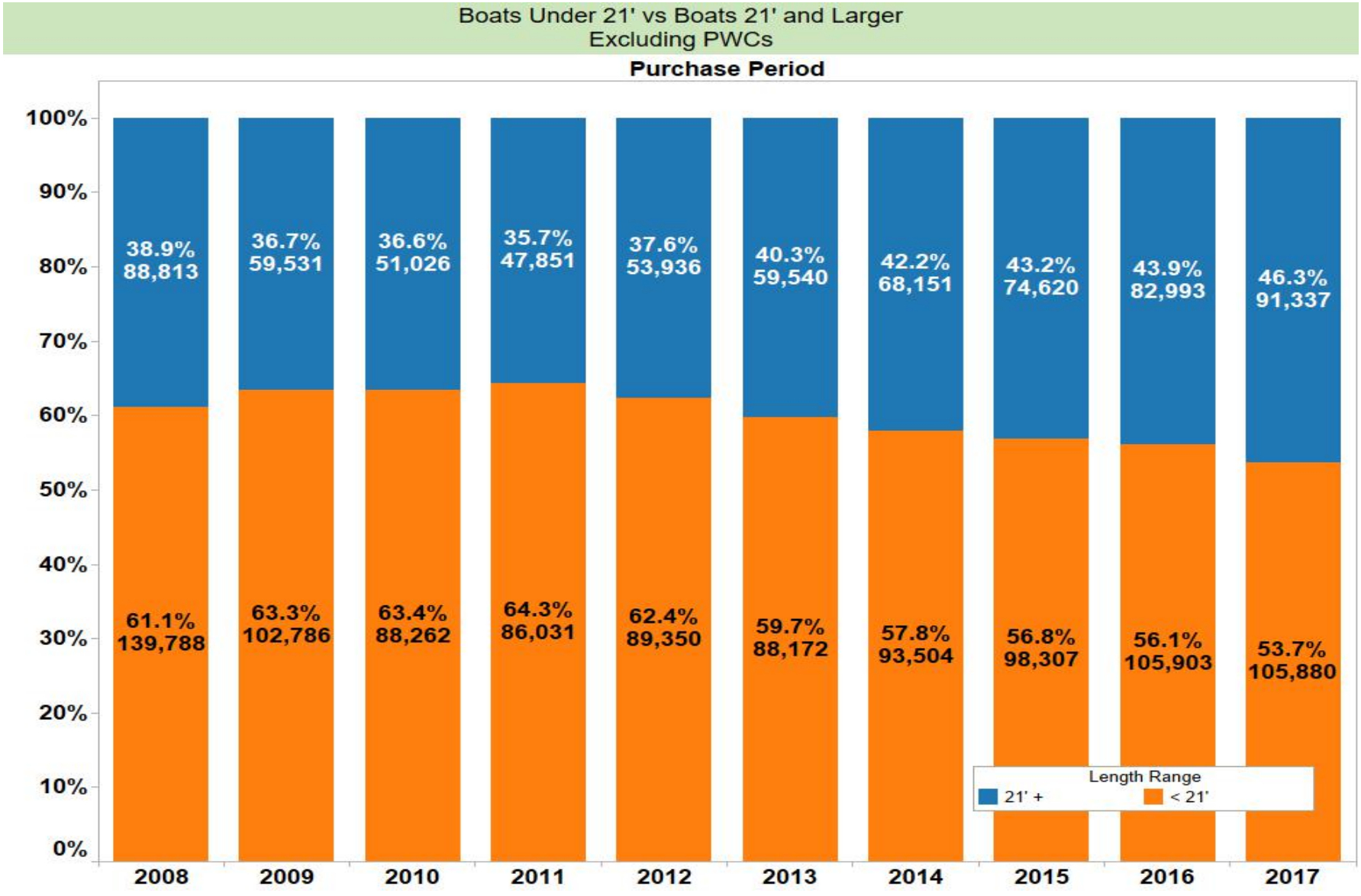
	2013		2014		2015		2016		2017	
Propulsion	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY
Outboard	36,535	10.4%	40,914	12.0%	43,945	7.4%	49,765	13.2%	53,725	8.0%
Stern	290	-3.7%	272	-6.2%	260	-4.4%	256	-1.5%	183	-28.5%
Grand Total	36,825	10.3%	41,186	11.8%	44,205	7.3%	50,021	13.2%	53,908	7.8%

Saltwater Fish

National Powerboat Summary
12 Month Rolling Through **June**

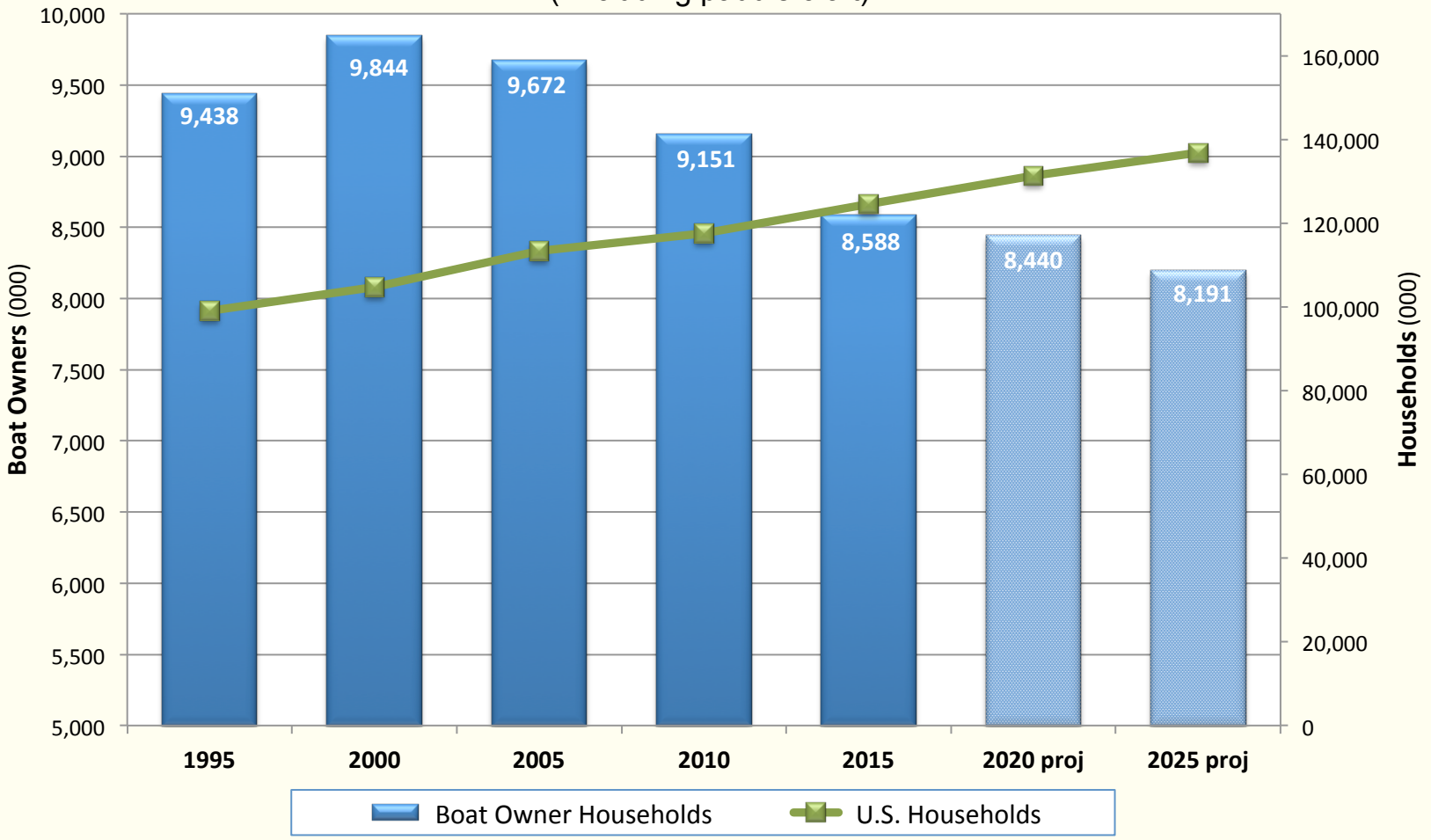
	2013		2014		2015		2016		2017	
Propulsion	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY	Units	% Chg YOY
Outboard	18,713	14.1%	21,800	16.5%	24,362	11.8%	27,336	12.2%	29,695	8.6%
Grand Total	18,713	14.1%	21,800	16.5%	24,362	11.8%	27,336	12.2%	29,695	8.6%

The market is being buoyed by sales of larger boats

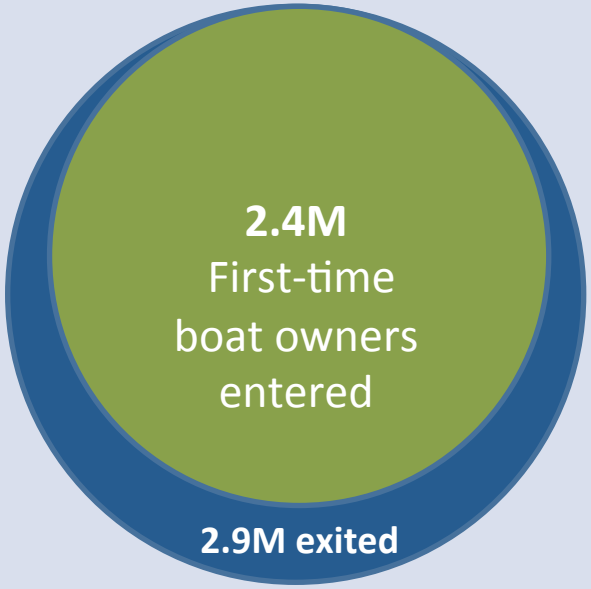
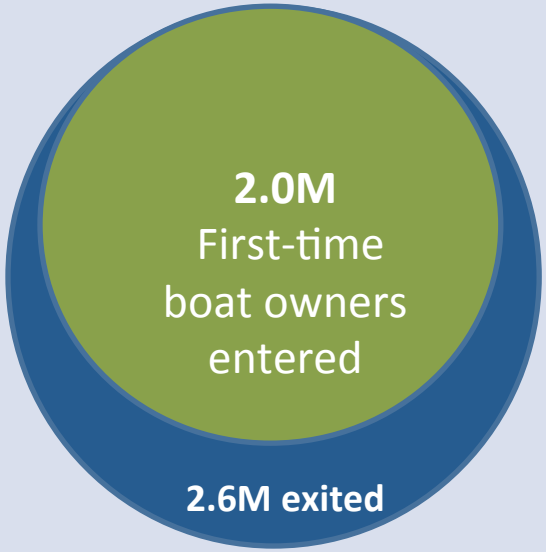


U.S. Recreational Boat Owners

(Excluding paddle craft)



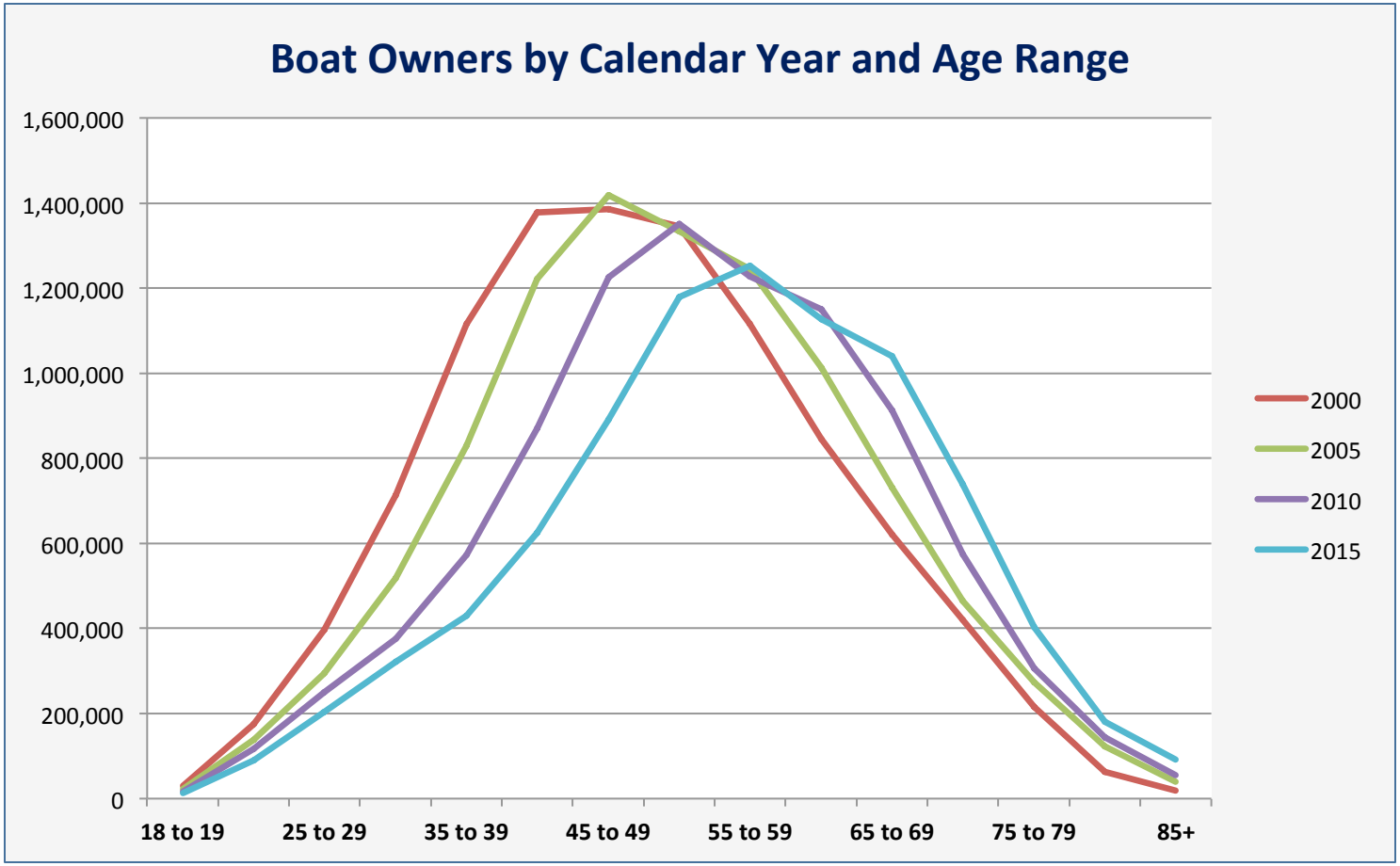
We have not been replacing boaters as quickly as we lose them

Between 2005 and 2010	Between 2010 and 2015
	
Net loss of 520,000 boat owners	Net loss of 564,000 boat owners

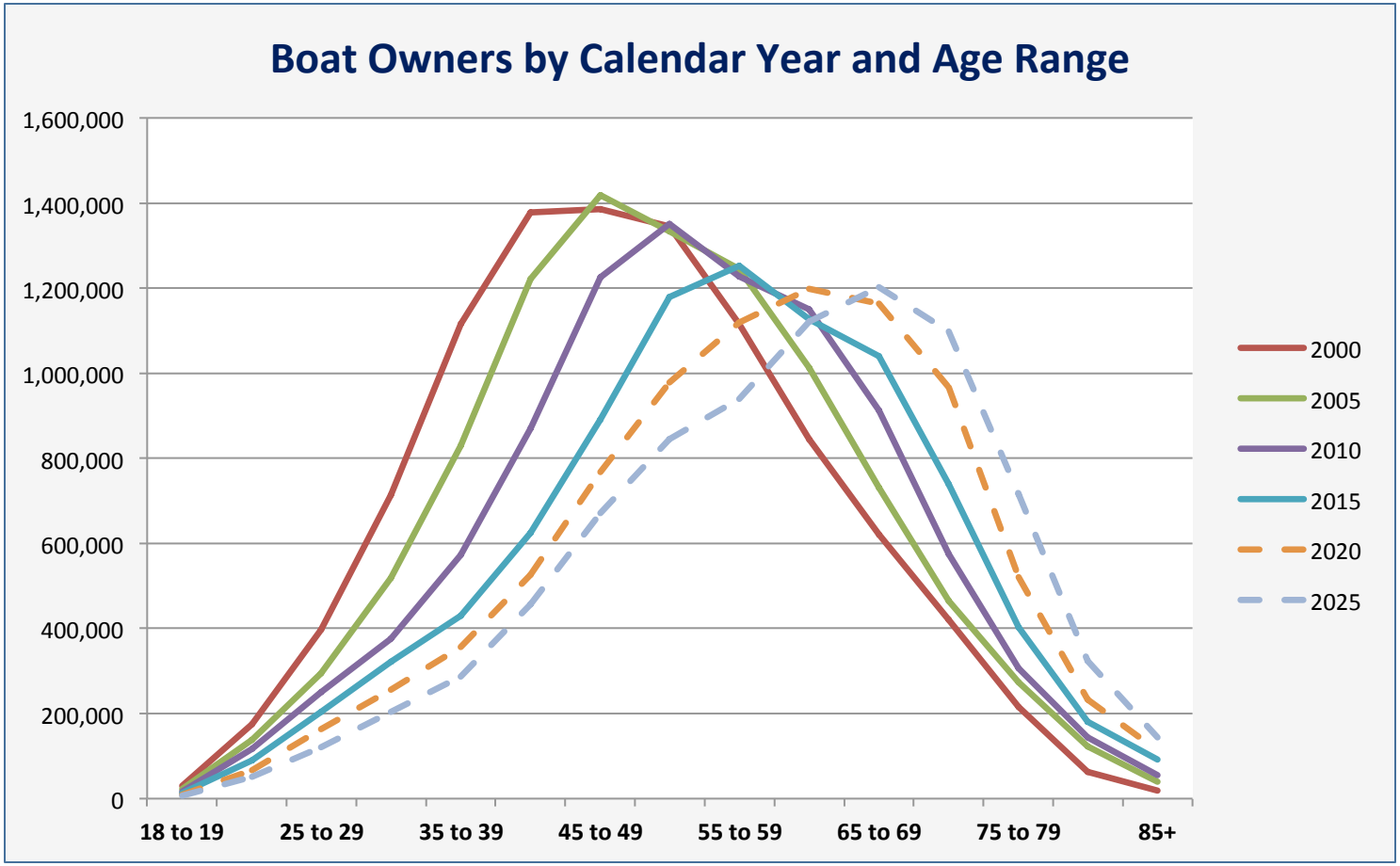
In order to grow we must attract more first-time boaters

	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%**

Boaters have tended to get older over time but core customers will own and buy boats as long as they are able



This buys us time but the clock is ticking



Retention and Defection

2005 Buyers Current Ownership Status by Buyer Type		
Buyer Type	Still Own	Sold
First Time Buyer	29%	71%
Repeat Buyer	33%	67%
Grand Total	31%	69%

2005 Buyers Retention Rate - First Time vs Repeat Buyers		
Buyer Type	Purch Another boat	Left Boating
First Time Buyer	27%	73%
Repeat Buyer	49%	51%
Grand Total	38%	62%

2005 First Time Boat Buyers Retention Rate by Boat Type		
BOAT_TYPE	Purch Another Boat	Left Boating
Cruiser	27%	73%
Freshwater Fish	29%	71%
Pontoon	28%	72%
PWC	26%	74%
Runabout	26%	74%
Sail	23%	77%
Saltwater Fish	27%	73%
Tow Boat	26%	74%
Yacht	28%	72%
Other	29%	71%
Grand Total	27%	73%

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State of the Marine Industry

Noel Lais, Vice President of Operations

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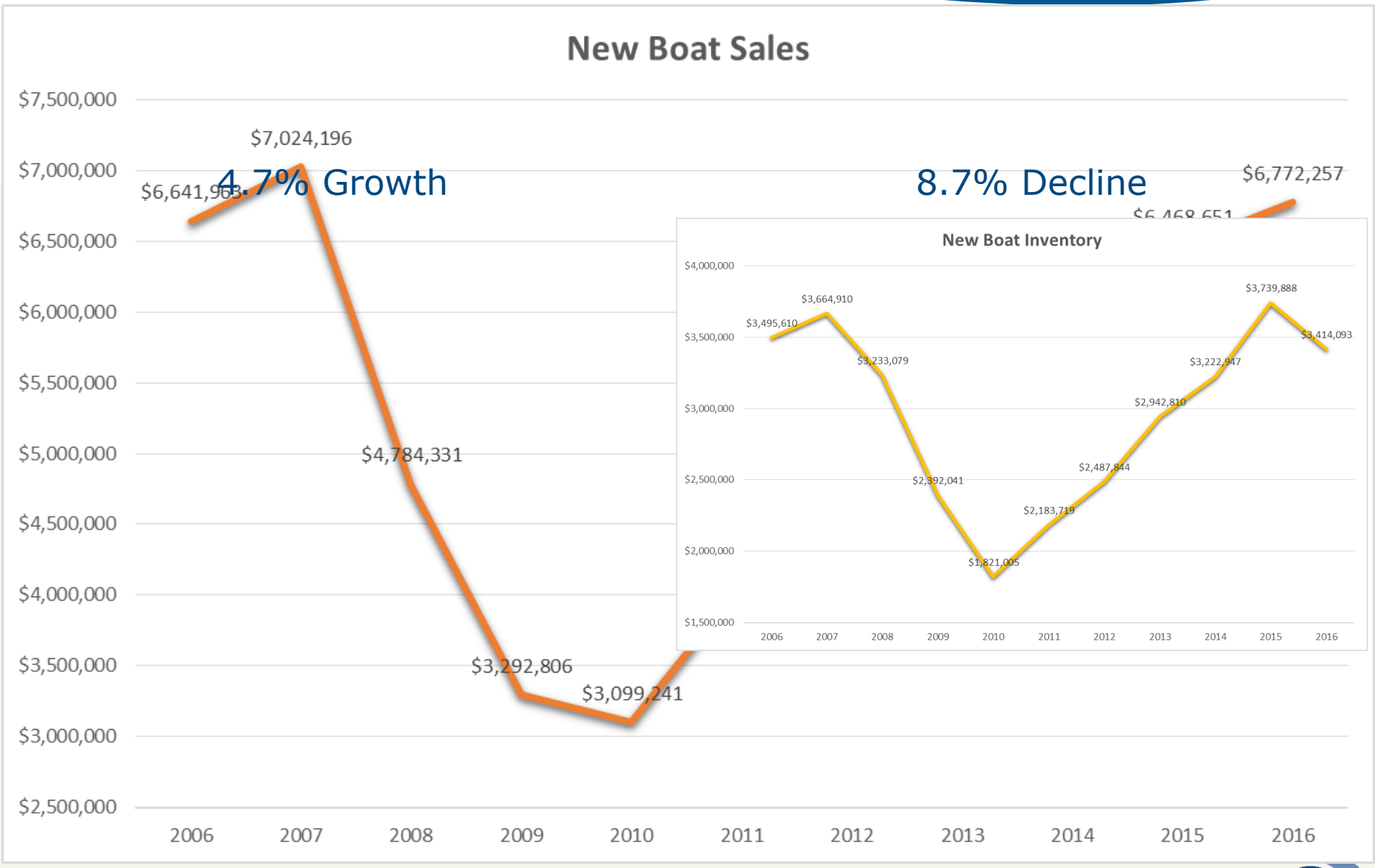

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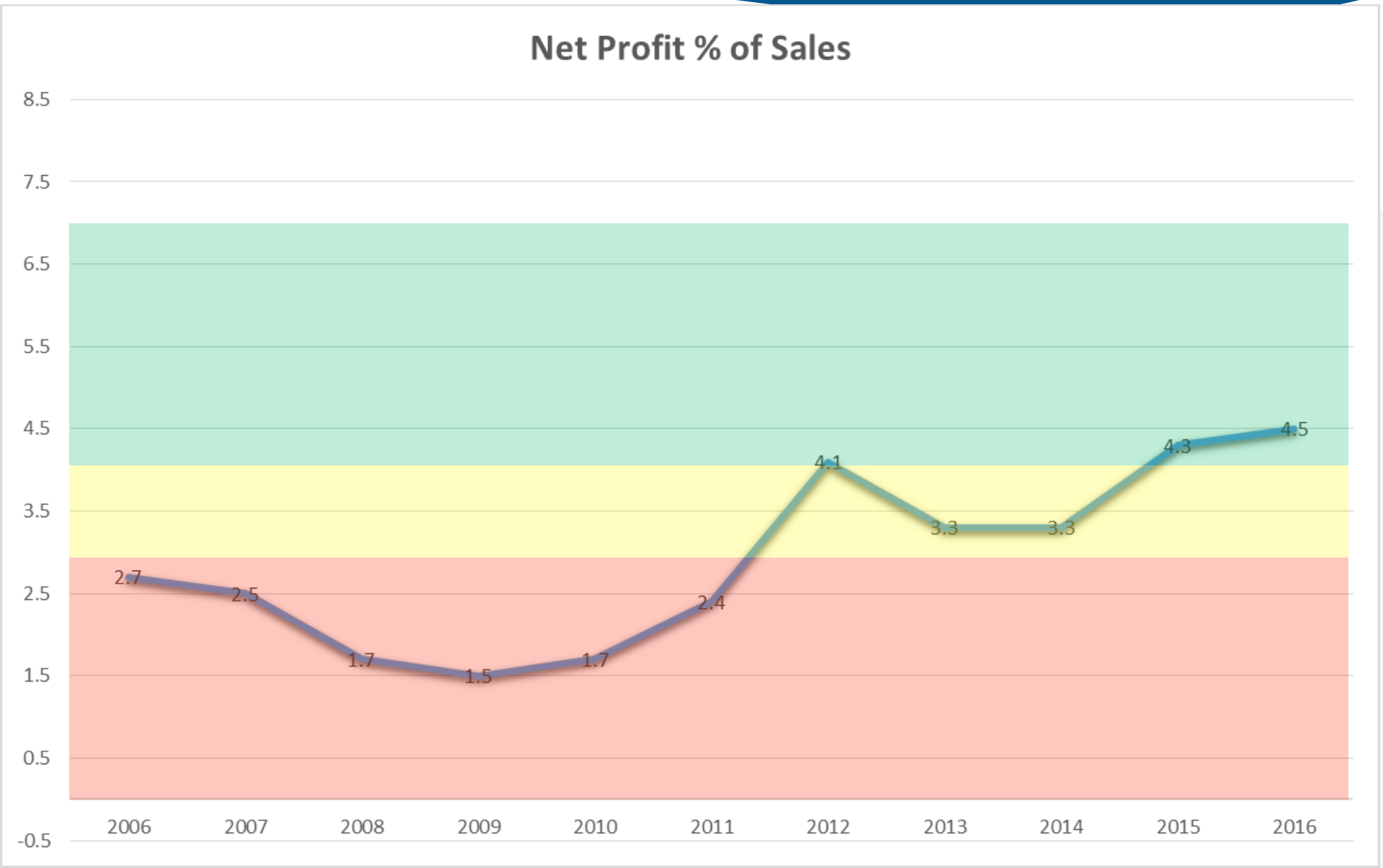

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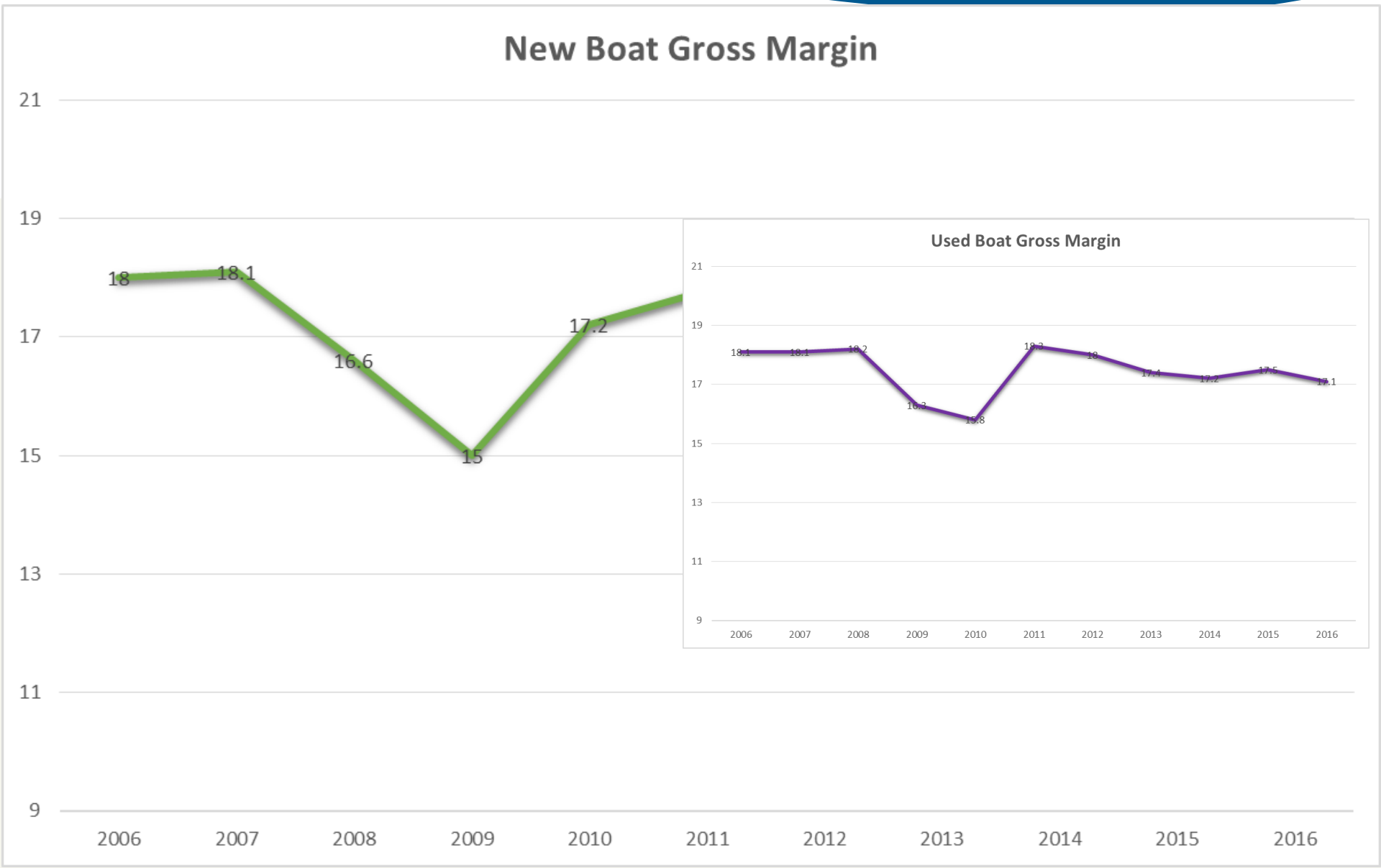

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Return on Average Inventory

Year	ROAI
2014	42.3%
2015	42.6%
2016	43.9%

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Average A.I. (Gross Profit) per Employee

Year	Average A.I. per Employee	Change
2013-2014	$126,468	
2014-2015	$121,367	-4.0%
2015-2016	$130,417	+7.5%
2016-2017	$145,070	+11.2%

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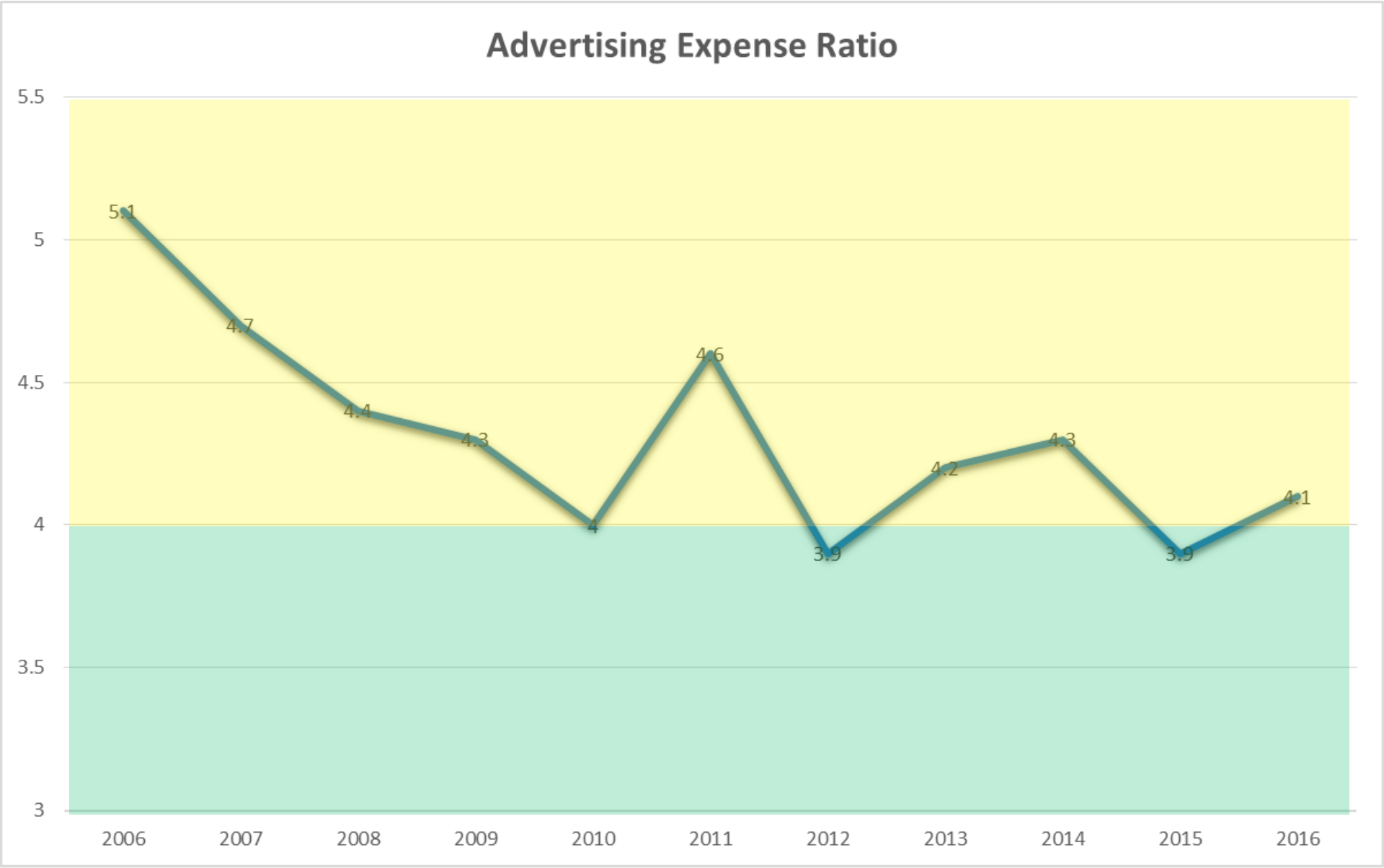

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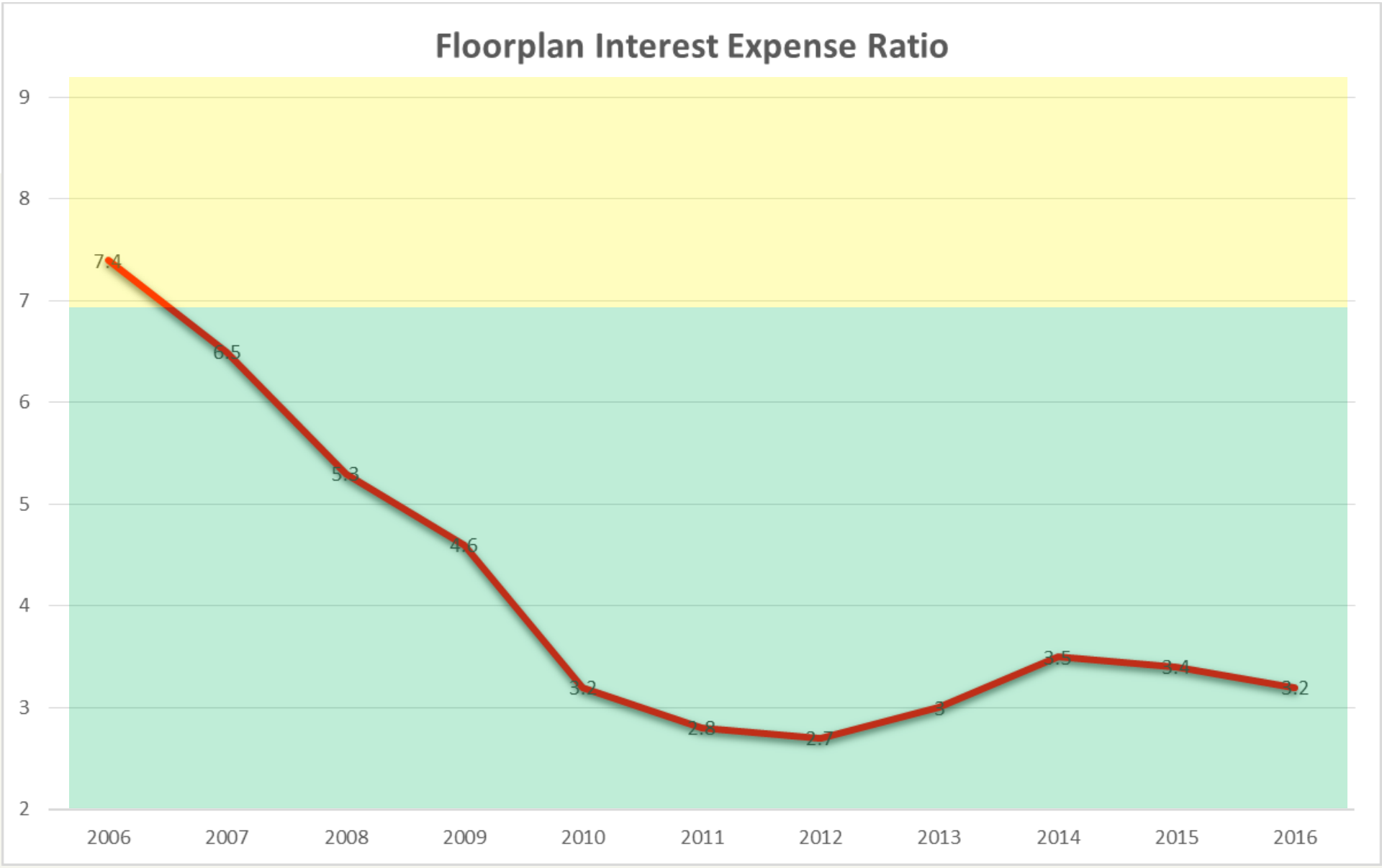

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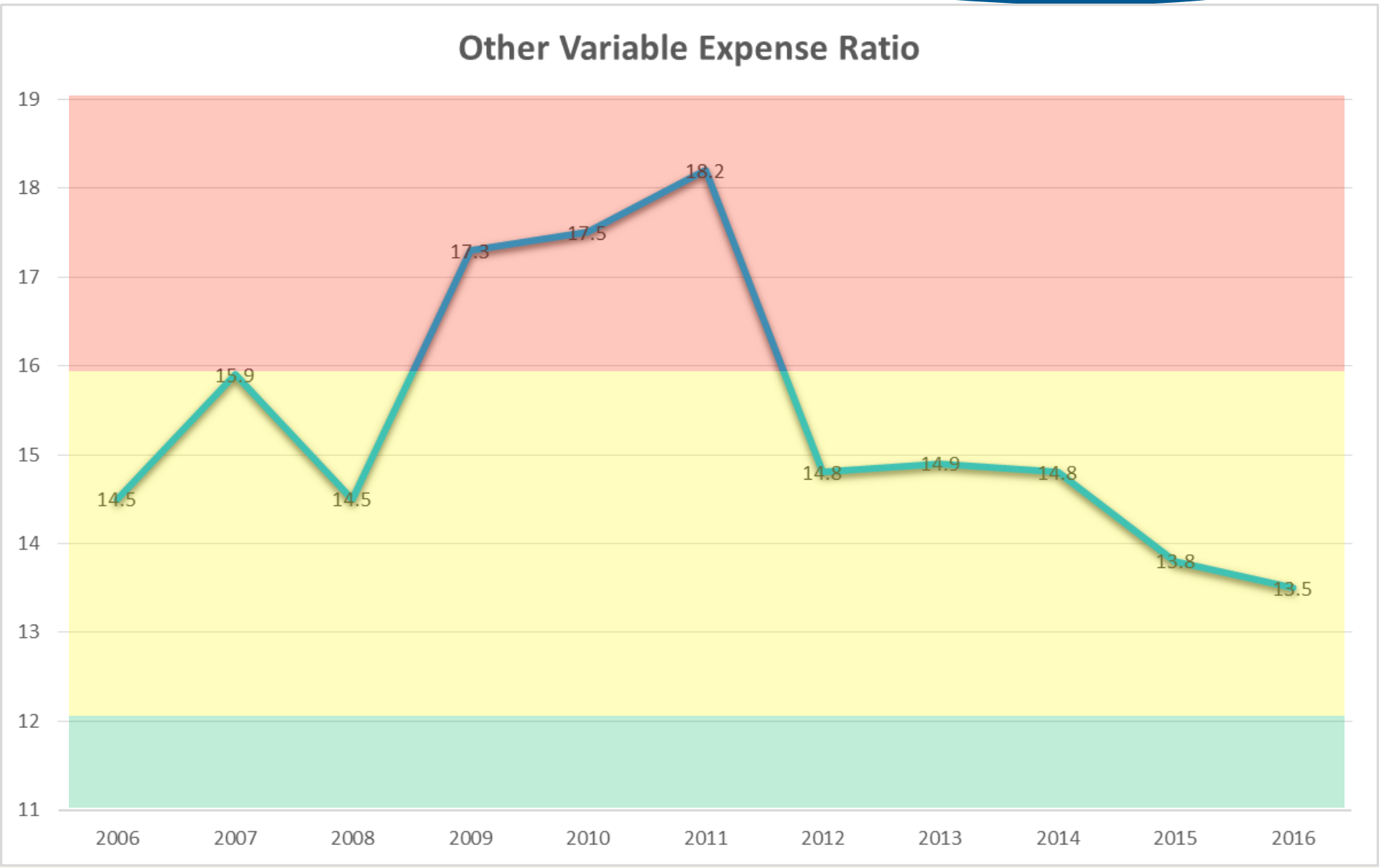

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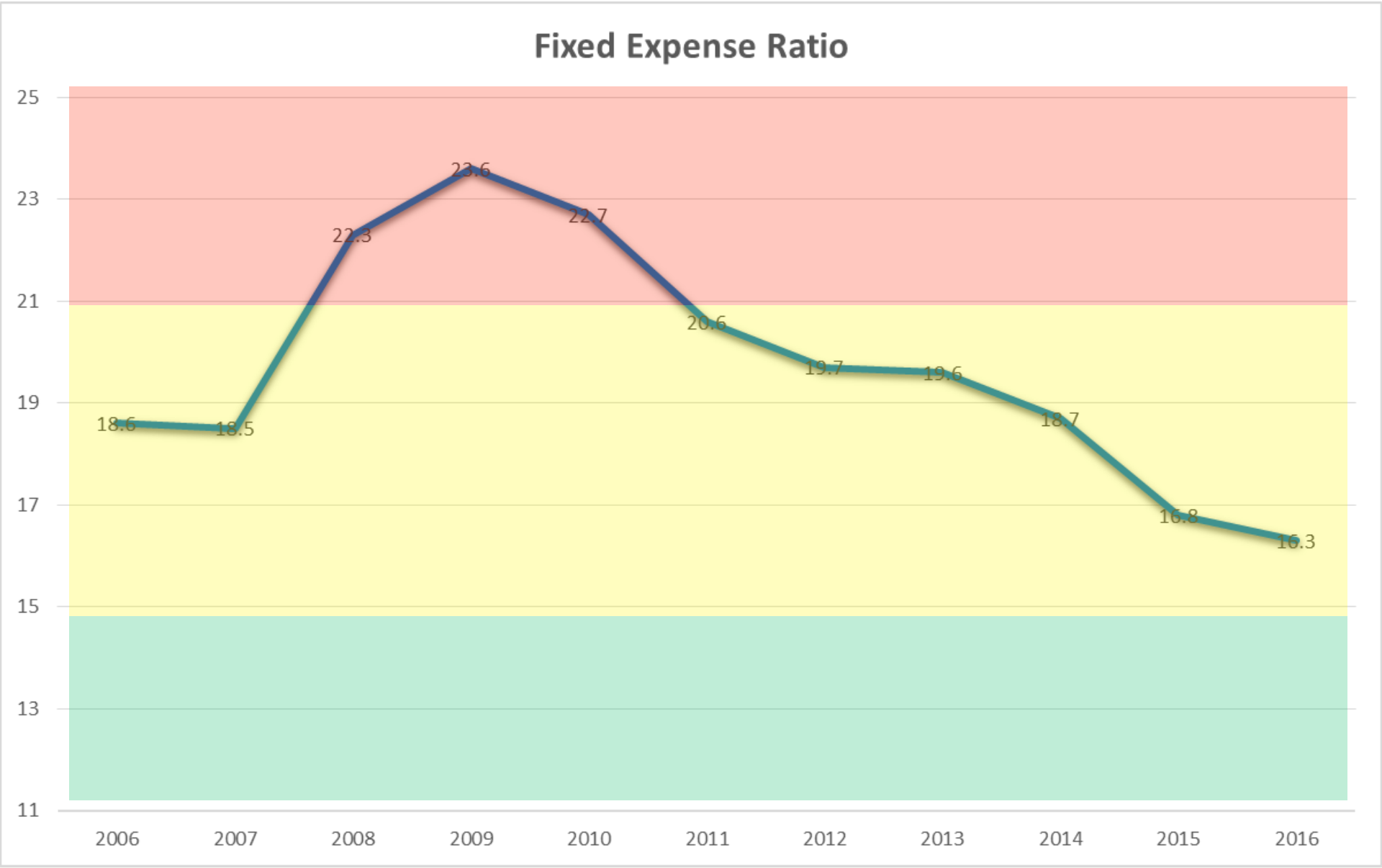

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Marine YTD Averages: Change from 2016

	June 2016 to June 2017
New Boat Sales	+12.9%
Used Boat Sales	+3.2%
Service Sales	+4.6%
P&A Sales	+2.4%
Total Expenses	+5.9%
Net Profit	+8.1%

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BOATS GROUP

Market Data Report

1. Brokerage sales update
2. Boat listings views
3. Measuring engagement through “Connections”

Brokerage Sales Update

SoldBoats is the database in which YachtWorld members share reports of their sales.

Brokerage Sales

Twelve Month Sales Ending May 31

Overall Sales

Period	2016	2017	YoY % Change
Boats Sold	29,907	29,170	-2%
Value of Boats Sold - USD	$ 3,643,285,219	$ 3,902,121,544	7%
Avg Days to Sale	263	253	-4%

Sales by Boat Type

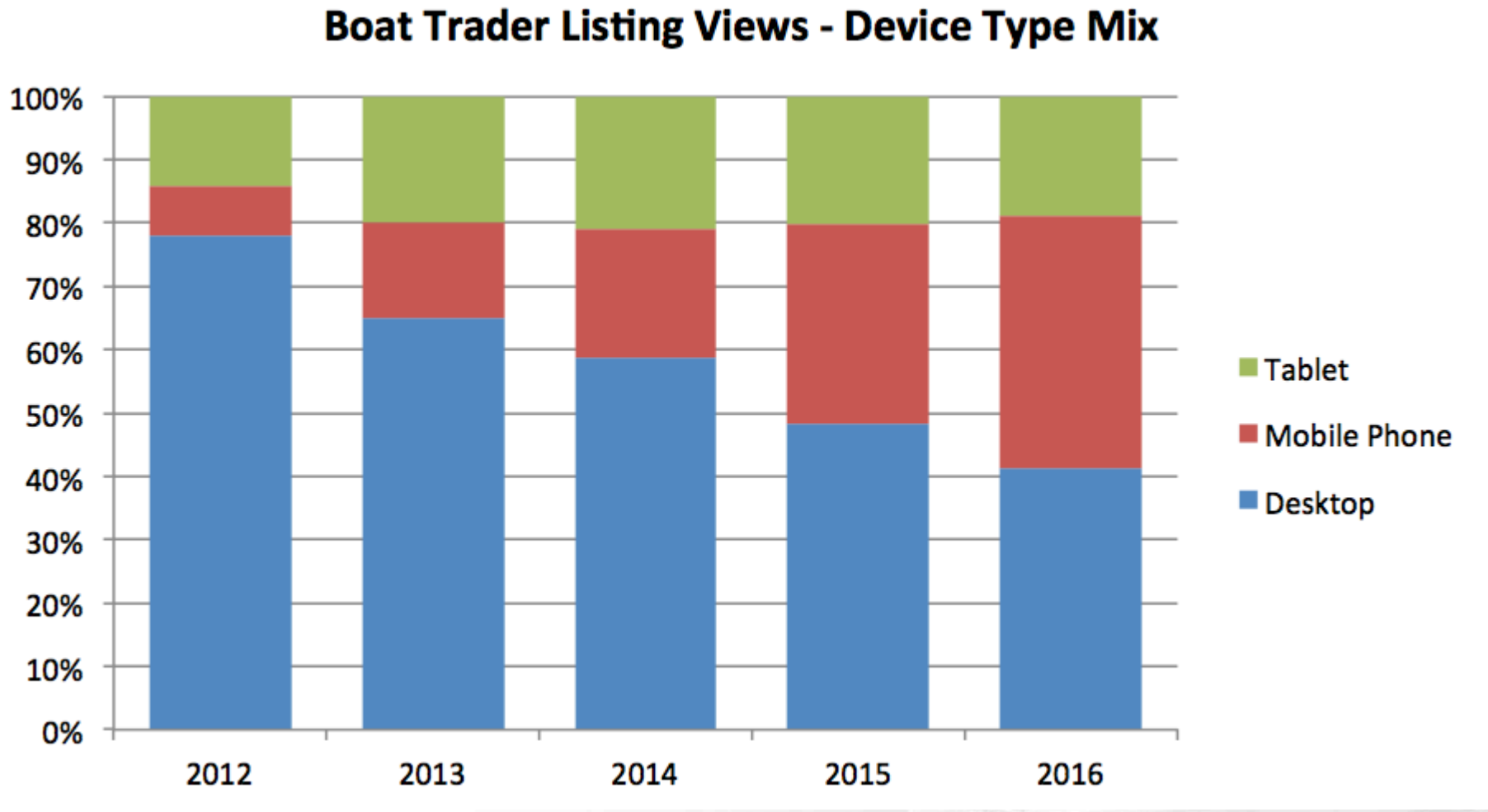
Period	2016	2017	YoY % Change
Power			
Boats Sold	24,548	23,918	-3%
Value of Boats Sold - USD	$ 3,231,237,479	$ 3,466,131,545	7%
Avg Days to Sale	251	243	-3%
Sail			
Boats Sold	5,359	5,252	-2%
Value of Boats Sold - USD	$ 412,047,740	$ 435,989,999	6%
Avg Days to Sale	313	300	-4%

Volume end of the brokerage market

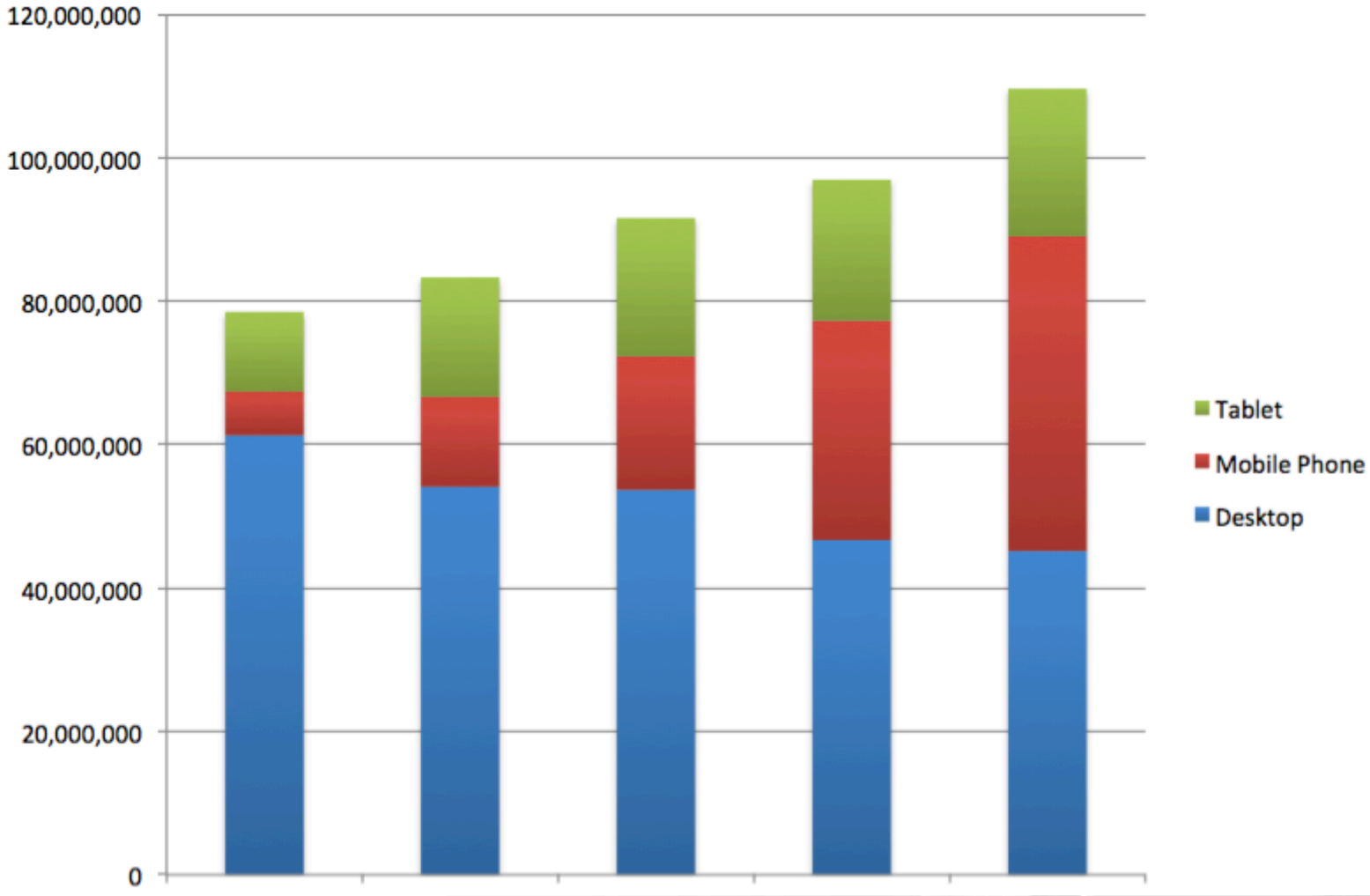
Sales by Boat Length			
Period	2016	2017	YoY % Change
< 26'			
Boats Sold	8,938	8,465	-5%
Value of Boats Sold - USD	$ 223,404,990	$ 230,512,099	3%
Avg Days to Sale	165	164	-1%
26' to 35'			
Boats Sold	11,438	11,115	-3%
Value of Boats Sold - USD	$ 684,339,378	$ 718,120,517	5%
Avg Days to Sale	271	255	-6%
36' to 45'			
Boats Sold	6,724	6,797	1%
Value of Boats Sold - USD	$ 915,657,442	$ 980,945,335	7%
Avg Days to Sale	322	310	-4%

Top end of brokerage market

Sales by Boat Length			
Period	**2016**	**2017**	**YoY % Change**
46' to 55'			
Boats Sold	1,802	1,849	3%
Value of Boats Sold - USD	$ 550,552,661	$ 562,318,153	2%
Avg Days to Sale	360	358	-1%
56' to 79'			
Boats Sold	816	747	-8%
Value of Boats Sold - USD	$ 607,578,093	$ 580,970,180	-4%
Avg Days to Sale	435	391	-10%
80' +			
Boats Sold	189	197	4%
Value of Boats Sold - USD	$ 661,752,655	$ 829,255,260	25%
Avg Days to Sale	567	483	-15%

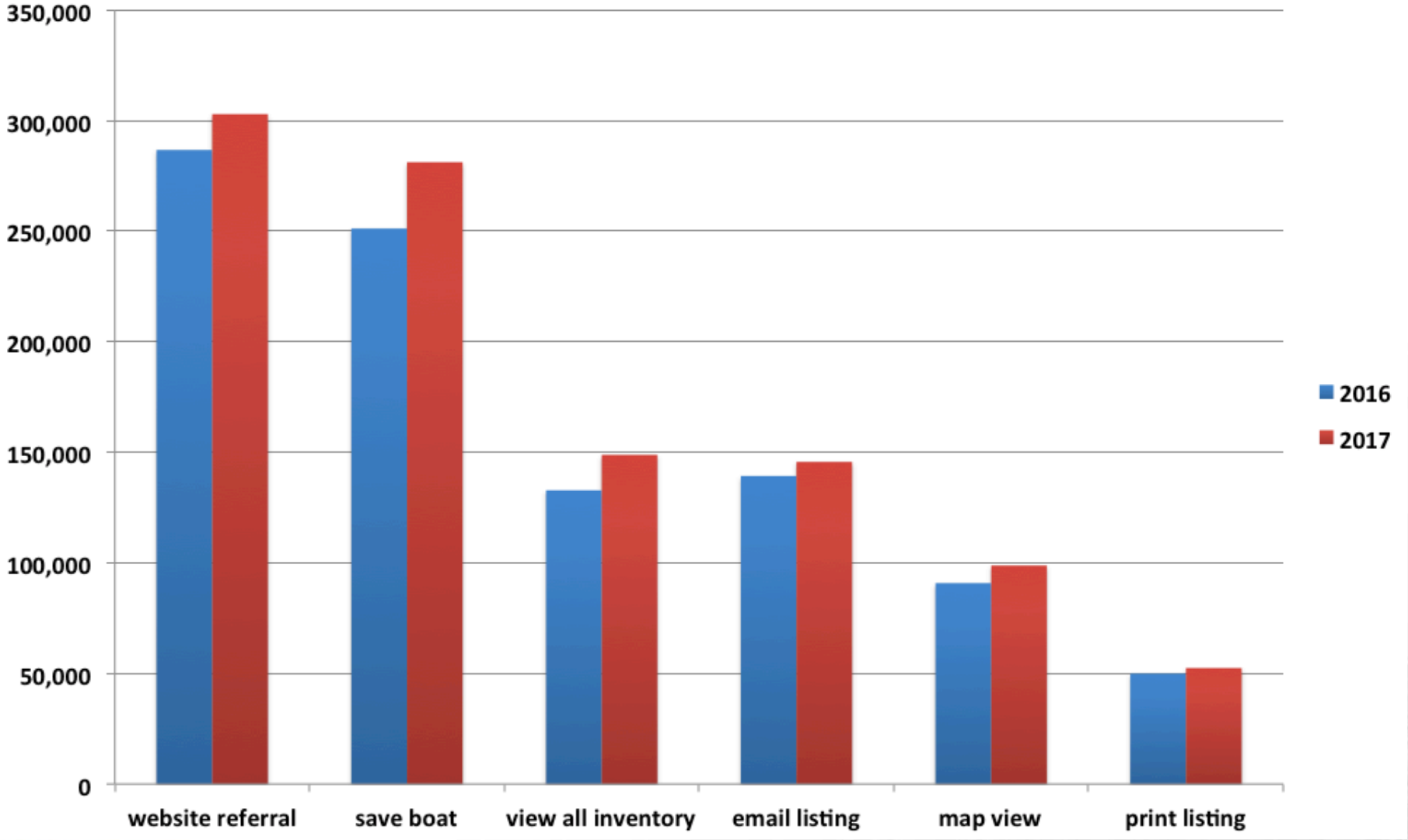

Boat Trader Listing Views - Device Type Mix
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
2012
2013
2014
2015
2016
Tablet
Mobile Phone
Desktop

Boat Trader Listing Views



Connections

newer metrics to map shifting boat-search landscape



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