

EDITION 2

BOAT MARKET WATCH

BUYER PERSONA
ANALYSIS

LEAD ANALYSIS

TOP 10 MAKES BY
ENQUIRY



SUMMER SUN SHINES ON SALES

Buyer-friendly weather and new offerings push market higher

SPECIAL
REPORT

GLOBALISATION GATHERS KNOTS
New tech and investment flows into
Australia

boatsales

Edition 2 at a glance

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Catch up with the latest sales, licence and show trends in the Australian boating industry.

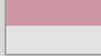
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COVER: The Australian-made Riviera 5400 and 4800 Sport Yacht models are proving a big hit on the global market. Turn to P16 to read why.

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boatsales

Introduction

Welcome to the second edition of Boat Market Watch. Firstly, thank you for the tremendous response and feedback to the first edition. We're delighted that our content struck a chord with the industry.

There's no doubt that market conditions over the past few months have been kind to boat dealers and OEMs. The weather has been sales-friendly, economic conditions in Australia remain relatively sound and advancement in new technology is filtering down to a new generation of boats that are capturing greater buyer attention and enquiry.

This perfect storm of factors has buoyed buyers and resulted in an increase in traffic to boatsales. Amongst a number of key trends, there has been a distinct uplift in buyer enquiries on Brand New in Stock (BNIS) models. Fascinatingly, international buyers browsing boatsales have also been on the rise. Make sure to check out our [Boat Market Landscape infographic](#) for the latest actionable stats - it certainly makes for compelling reading.

With the flow to mobile and digital seemingly showing no signs of slowing down, now is the time to invest in your online presence. With expertise ranging from Search Engine Marketing

(SEM) to Dynamic Remarketing, boatsales is well placed as your digital partner to help you capitalise on this huge opportunity. Contact your Account Manager for more information in this area.

I would also encourage you to join the boatsales family on our various social media platforms - [Facebook](#), [Twitter](#), [Instagram](#) and [YouTube](#). As buyers speak very candidly on social media, it pays dividends to track their opinion and sentiment alone!

As always, we would love for you to get involved and help shape future editions of Boat Market Watch. [Drop us a line here](#) if you have any ideas or topics that you would like our expert team to investigate.

Happy boating,



Craig Fraser

National Sales Director
carsales.com Ltd

The worlds of auto and boating collide! Check out the impressive new Bugatti Niniette 66 sports yacht - featuring *twin 1000hp MANs, water jets, Jacuzzi, champagne bar, even a fire pit.*

[Find out more ↗](#)



Summer sun shines on sales

Buyer-friendly weather over peak season and fresh new offerings grow industry sales, optimism and investment.

By David Lockwood, *Marine Editor, boatsales.com.au and boatpoint.com.au*

Boating is by its very nature seasonal. When the sun shines, the phone rings. When the rain sets in, it dampens enthusiasm. Little wonder the best summer for many years—it was the hottest on record—provided a shot in the arm for boat sales.

Agreeable weather was partly responsible for the positive industry sentiment as this second edition of Boat Market Watch went to press. In fact, some long-time industry stalwarts were so upbeat they told us it was the best boating season since 2007's Global Financial Crisis.

But there's more to it than just the weather. Successful retail business models have changed. Diversification is the key to maximising your return from the recreational boating industry today.

The pro-active dealers are now taking on more brands to cater for the divergent market.

Take Brett Thurley on the Gold Coast, an industry stalwart now offering everything from a purpose-built 20ft wakesurfing bowrider—he is the new Queensland Cobalt dealer with an impressive showroom—to a French-made Jeanneau cabin

cruiser, a Clipper cruiser from 36-62ft, a Marlow 53 motor yacht (in stock), to a Pacific pontoon party boat with outboard engine.

Also on the Gold Coast, the biggest Sea-Doo dealer in the world, JSW Powersports, sells Sea Fox centre console sportfishers and is now a new dealer for Malibu watersports boats.

In Sydney, Blakes Marine recently opened the biggest undercover showroom in the state selling Stacer tinnies, Bar Crusher fishing boats, Chaparral bowriders and now MasterCraft towsports boats.

JV Marine World, the biggest dealer in Melbourne, has Quintrex, Four Winns, Haines Signature, Yellowfin and a truck-load of the latest Kawasaki stand-up Jet Skis, which are the most powerful production stand-ups ever to hit the market.

So if you're looking for a way to increase your custom then why not offer something complementary and non-competing to your established brand of boat? That's the great thing about the marine industry—there is a boat for everyone and everyone for a boat.





Stacer 449 Nomad



Boston Whaler 230 Outrage



Boat licence trends

Maritime Safety Queensland is always a source of reliable boating statistics in that state. Its latest figures pertaining to boating licences and boat registrations have been released for December 2016.

Queensland boating licence holders have increased from 668,342 in 2014 to 680,710 in 2015 to 691,794 as of December 2016. So that's about 12,000 new licence holders each year.

The big reveal in the stats, however, is how many of these people hold both the general boating licence and the PWC licence. Dual licence holders have risen from 134,648 in 2014 to 148,226 in 2015 to 163,239 by December 2016.

This again tells you something about the boating market: more people on the water want to drive different craft. So perhaps your customers will buy a jet ski for the Riviera or a MasterCraft and a Sea-Doo for the waterfront. Why don't you offer them both?

Queensland trailerboats

The latest boat registration figures from Queensland paint a steady-as-she-goes picture of the market. As of 31 December 2016, there were 259,354 registered boats in the state. The increase was roughly 1,350 boats compared to 31 December 2015.

The 5.01m to 6.0m length category saw the biggest growth. That's pretty much as we called it in our last Boat Market Watch. That is, the family trailerboat and affordable fishing market is back.

There's been some exciting new development in this area by way of new outboard engines, crossover boat designs and there's still value comparable to a new car. A 5.0-6.0m trailerboat still has a lot of relevance for Australian boaters.

Boat show season begins

The boat show season is upon us. The first new show, the Gold Coast International Boat Show and Marine Expo, opened in mid-March 2017. It's a great dealer show, now with Boating Industry Association (BIA) backing, and with plenty of those affordable trailerboats that drive the Queensland boat market.

Then comes Sanctuary Cove International Boat Show in late May, which is more of a high-end event and with interstate patronage, before we head to Melbourne Boat Show in June where trailerable fishing and watersports boats reign supreme. The Adelaide Boat Show from June 30 is rebuilding.

The 50th Sydney International Boat Show opening August 3 at remodelled Darling Harbour will be huge, with the marina and halls back together, and a big overseas contingency of boats, brands and VIPs expected.

Brisbane Boat Show is a fixture in August. Mandurah Boat Show isn't being run this year, instead, the Perth International Boat Show opens on September 22 with local BIA backing and

ambitions to be the go-to annual show in WA.

The official weather forecast is for increased likelihood of a drier than average El Nino this winter. This should be good for the boating industry. If you're missing out on the action consider diversifying and offering more to your prospective customers, including a range of boat styles, applications and most definitely affordable rigs at the boat shows.



boatsales was present at the 2017 Gold Coast International Boat Show and Marine Expo





Editorial audience builds

Editorially, our boatsales and boatpoint visitors increased more than 21 per cent in January 2017. It has jumped from 107,115 visitors in January 2016 to 129,266 in January this year, marking a monthly increase versus the average of more than 58 per cent in visitors.¹

Back in January 2015, visitor traffic was 75,206, so our sites and the editorial relevance have improved markedly over the last two years. Editorial page impressions have run from 278,127 to 310,605 YOY for January 2016 versus 2017.¹ In other words, there are more people looking at more online boating pages.

Of course, January is a key month for going boating and reading about it in our leisure time. It is also peak season for buying and selling boats while the weather is agreeable. We mentioned the weather gods were smiling this season.

But our monthly traffic has been steadily increasing throughout the year, signalling increased activity around boating and those

researching their future purchase.

Increasing traffic and leads

This increased activity was also underscored by broader indices. Overall visits to boatsales grew over the past 12 months with January being our peak month, resulting in a record high of 1,891,607 visits across desktop, mobile and apps.²

Stock listed for sale by dealers over summer (December, January and February) was at similar levels to last year, but enquiry through to dealers was up 8 per cent³, indicating strong market condition with more buyers willing to take the plunge a buy a boat.

Now for the boat show season. We're confident momentum will increase in 2017 as the economy bubbles along, housing hits a high, employment is steady, and interest rates remain low, even despite the odd half-a-per-cent increase. We can't see any dark clouds for the domestic boat market.

Source: ¹ boatsales internal data (includes editorial pages on boatsales and boatpoint), Webtrends, January 2015–January 2017.

² boatsales internal data, Webtrends, January 2016–January 2017.

³ boatsales internal data (includes leads submitted via boatsales and boatpoint), December 2015–February 2017.



C.H.Smith moves with the times

One of Australia's long-serving marine, boat accessories and electronic's dealers opened a new super showroom in Fairfield, Victoria, last month. Eye catching in bright blue livery, C.H. Smith Marine's new showroom is a one-stop shop.

Dating back to 1884, the business has been owned by one family for four generations, with three staff recently celebrating more than 30 years of service. This business has learned to adapt.

Today, C.H.Smith are Australian authorised retailers for Clarion, Eagle, Furuno, Garmin, GME, Humminbird, Lowrance, Magellan, Minn Kota, Navman, Northstar, Raymarine, Simrad, Pains Wessex, C-Map, Navionics, and Seiwa products.

Managing director Rod Smith said the emphasis is on providing a customer experience that is engaging, interactive and informative. "The idea was to create an aspirational destination to give our customers a reason to come back again and again."

Customers can use their smartphone in-store to scan a product's shelf label or QR code to access further detailed information on the item, without having to return to the sales counter.

There are also plans to host a series of information sessions at the new facility, on topics encompassing all things boating and fishing, regularly throughout the year.

The new showroom carries an expanded range of marine electronics, electric trolling motors, boating and fishing equipment. This chandlery model could very easily integrate with more marine dealerships and boating businesses.

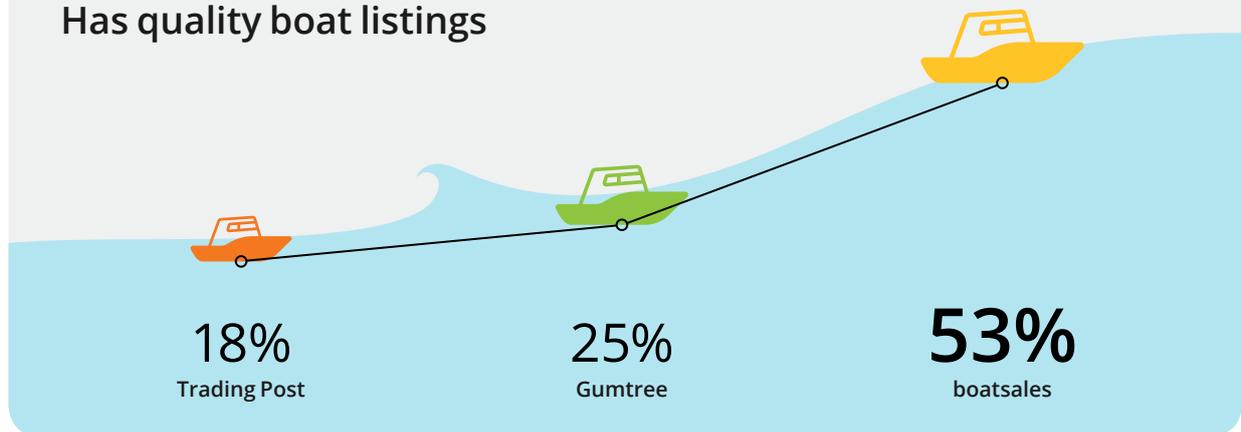
C.H. Smith's new one-stop shop



Consumer sentiment for online boat classified sites

We asked Australian consumers a few questions about where they like to shop for their next purchase. When it comes to the key brand perception statements below, it's clear consumers prefer boatsales.

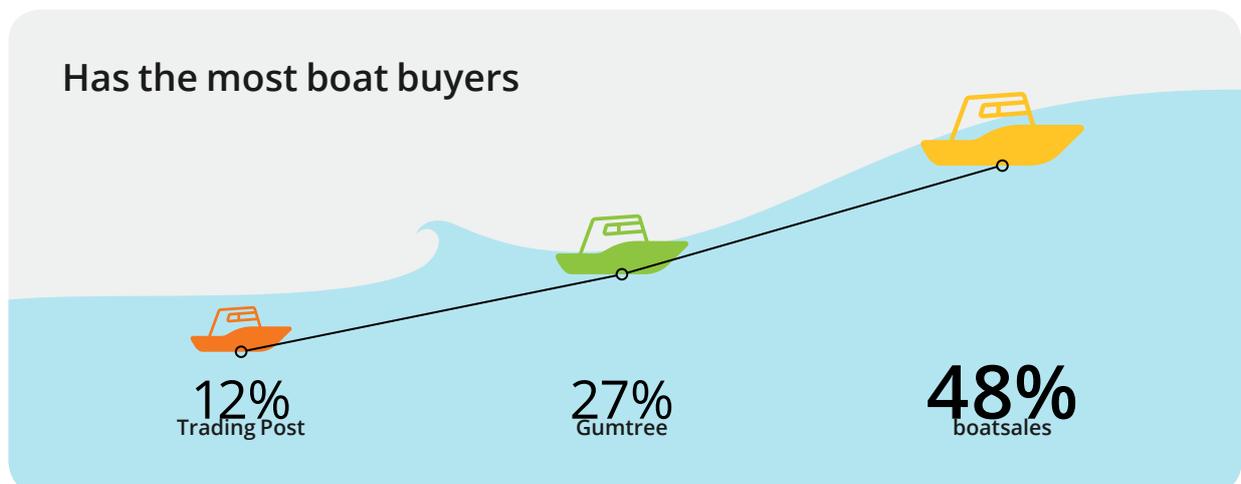
Has quality boat listings



Has the most boats for sale



Has the most boat buyers



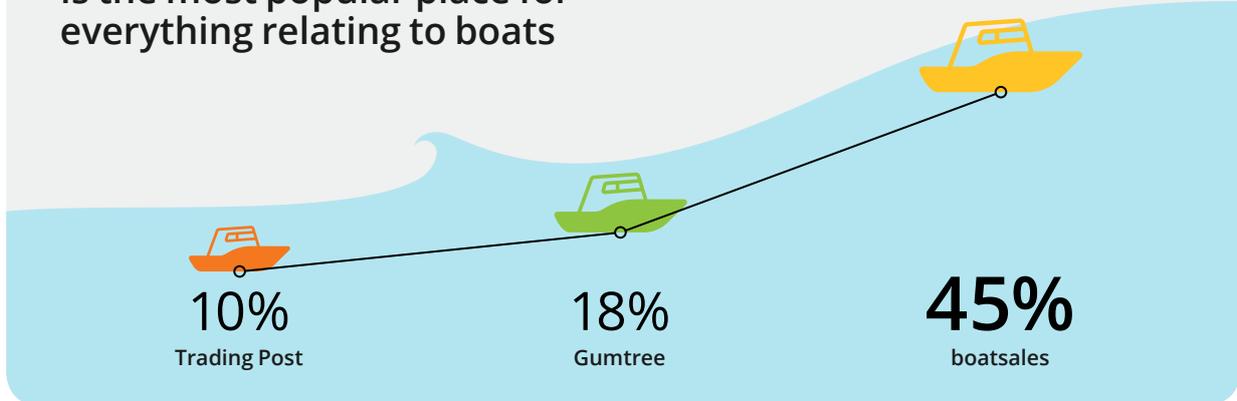
Source: Data2Decisions, Brand Perception - Select which brands apply to each of the statements shown? July 2016 (N=511).

boatsales.com.au

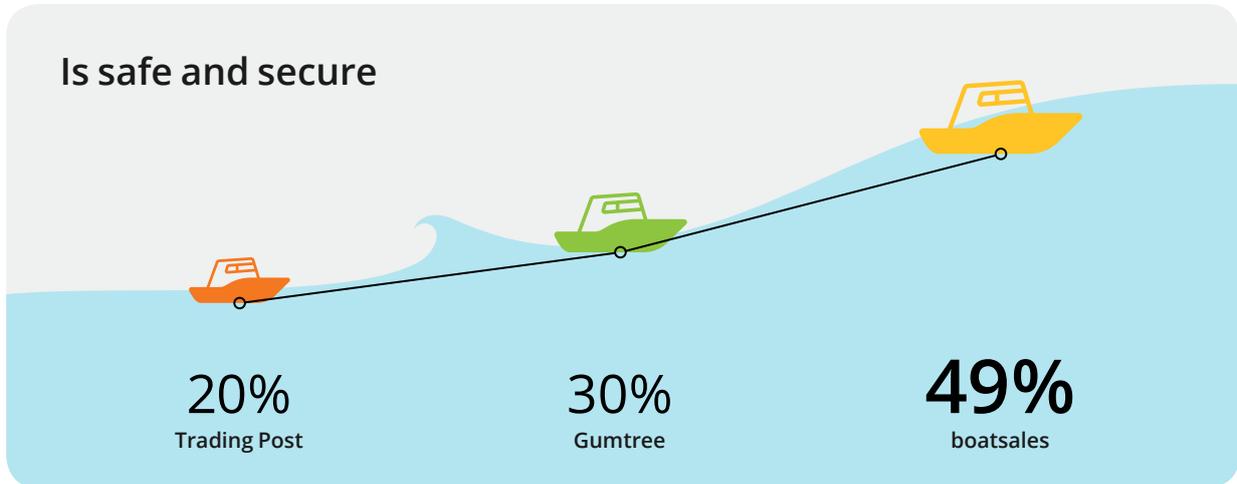
Has the best tools for buying and selling



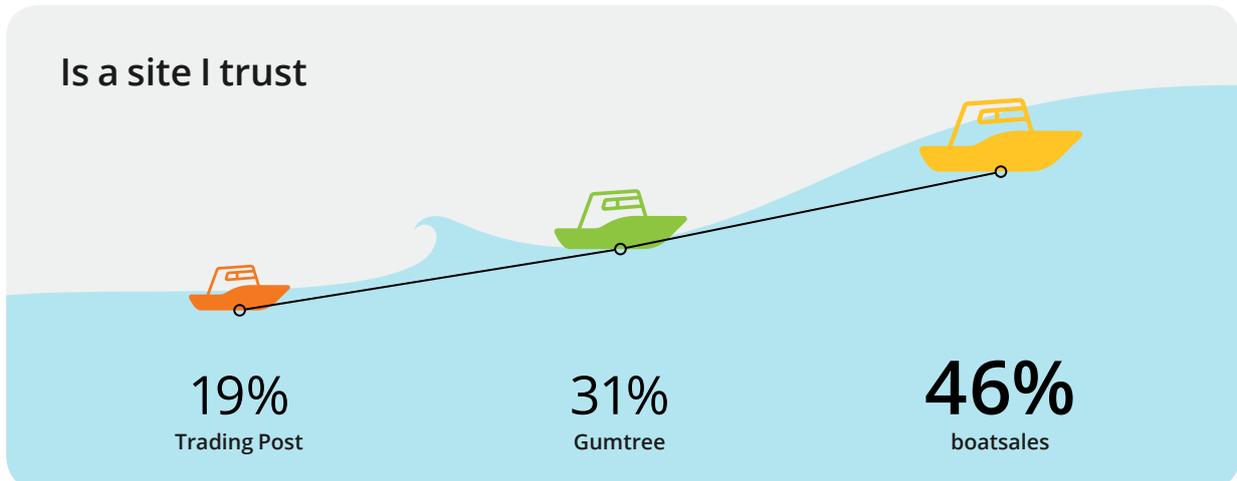
Is the most popular place for everything relating to boats



Is safe and secure



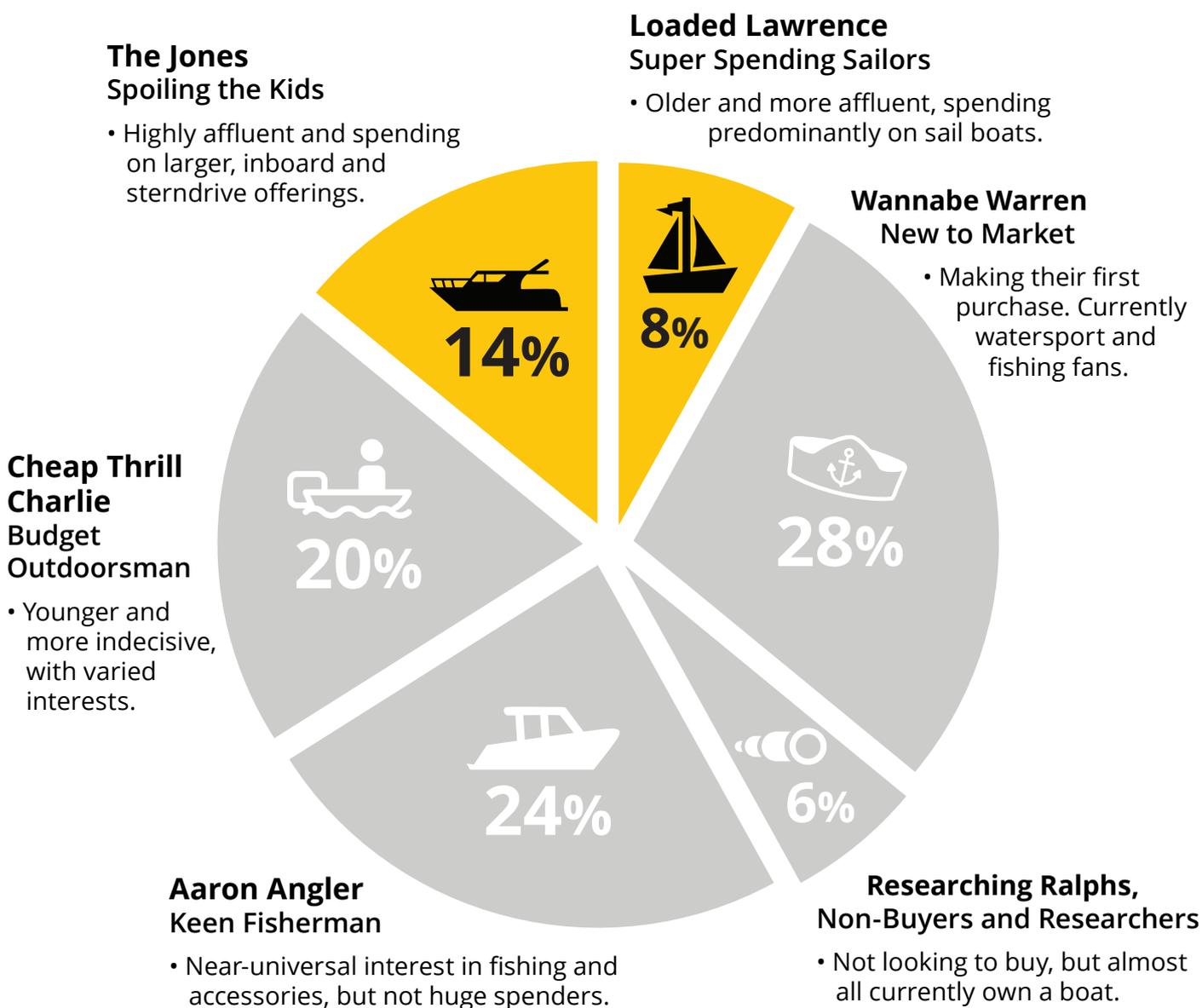
Is a site I trust



Meet the boatsales buying family

Get a deeper understanding of the different buyer personas in the market and how they behave online.

How boatsales consumers are split by personas:



To find out about the entire family, speak to your Account Manager.

Meet The Jones'

The spoiling the kids segment



14%

of site visitors

2nd

in median spend out of all personas

26%

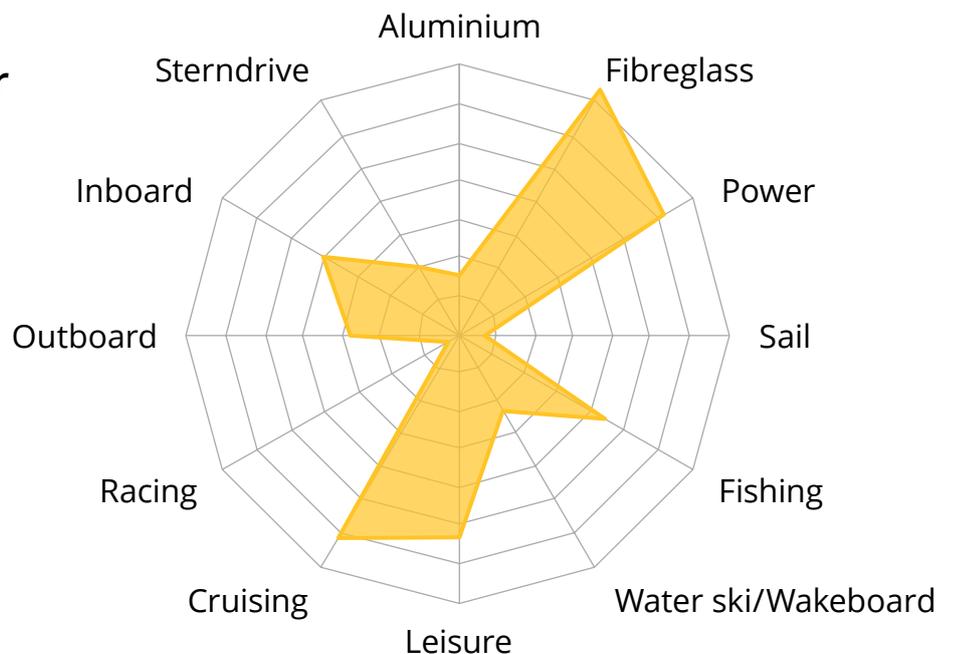
of this segment left leads

1st

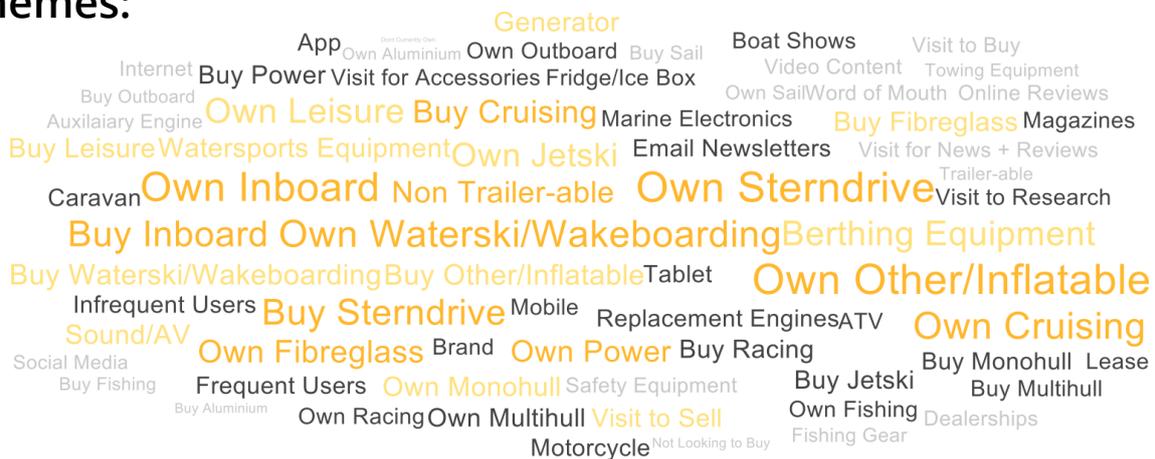
in most leads per person out of all personas

Affluent families with an appetite to spend big on the outdoors. A high proportion are looking at inboard or sterndrive offerings, as well as purchasing jetskis and accessories. Their priority is family and they are very interested in watersports. They're also highly likely to own in adjacent categories such as bikes or caravans.

Types of boats that The Jones' will consider purchasing:



Key themes:



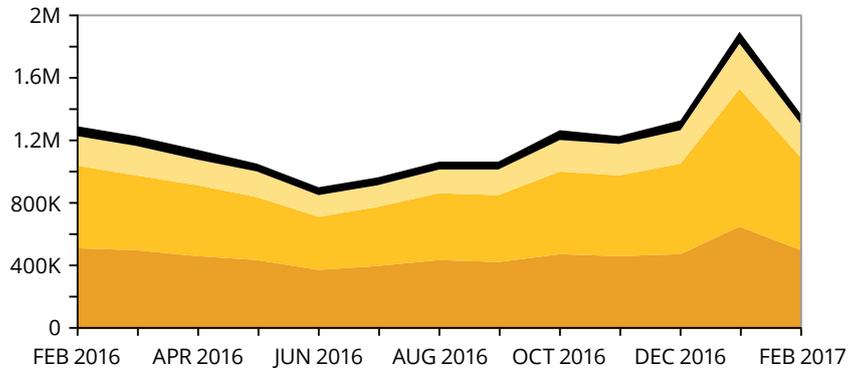
Source: boatsales Consumer Survey, December 2014–January 2015. n=2199 and carsales network internal data, Business Intelligence 2014–2016.

THE BOAT MARKET LANDSCAPE

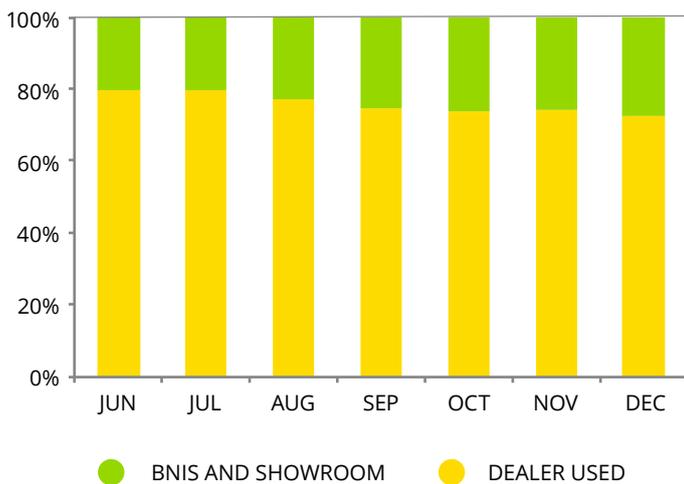
Actionable insights to make better decisions that drive better results.

TOTAL BOATSALES VISITS¹

Visits to boatsales has increased over the second half of 2016 and into early 2017, as sales-friendly weather and favourable economic conditions deliver more active buyers.



BUYER ENQUIRIES BY STOCK TYPE²



Over the second half of 2016, buyers browsing boatsales increased enquiries on Brand New In Stock (BNIS) and Showroom stock types, as compared to Dealer Used items.

Given this trend, listing more BNIS items on boatsales could lead to an increase in buyer enquiries for some OEMs.

BNIS and Showroom buyer enquiries

increased by 36%

in the second half of 2016.³

BOATSALES INTERNATIONAL IMPRESSIONS⁴

The boatsales audience is increasing global and diverse, with stock listings attracting thousands of impressions from buyers located beyond Australian shores.

 **AUS**
126,593,516

 **NZL**
830,143

 **GBR**
148,743

 **THA**
90,014

 **USA**
577,098

 **JPN**
136,326

 **IDN**
76,168

 **SGP**
171,262

 **CAN**
105,179

 **PNG**
67,866

AUSTRALIA'S INSATIABLE APPETITE FOR MOBILE⁵

1hr 36mins

average time spent by
Australians using the
internet via mobile phone

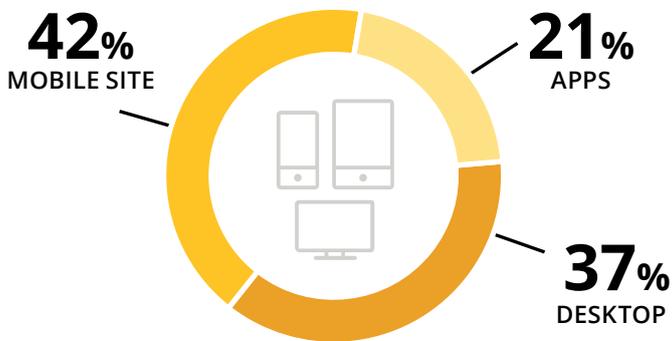
60%

Australians bought
something online
in the past month

40%

year-on-year growth
of Australians buying
online via their mobile

BOATSALES TRAFFIC BY DEVICE⁶



Consumer preference for mobile shows no signs of slowing down, with more buyers accessing boatsales listings by mobile than desktop in January 2017.

BOATSALES IPHONE APP IS INCREASINGLY POPULAR⁷

The iPhone boatsales app experienced strong traffic and download growth during the February 2016 - February 2017 period.



Customer Ratings⁷

Current version:



36 ratings

All versions:



265 ratings

334,000

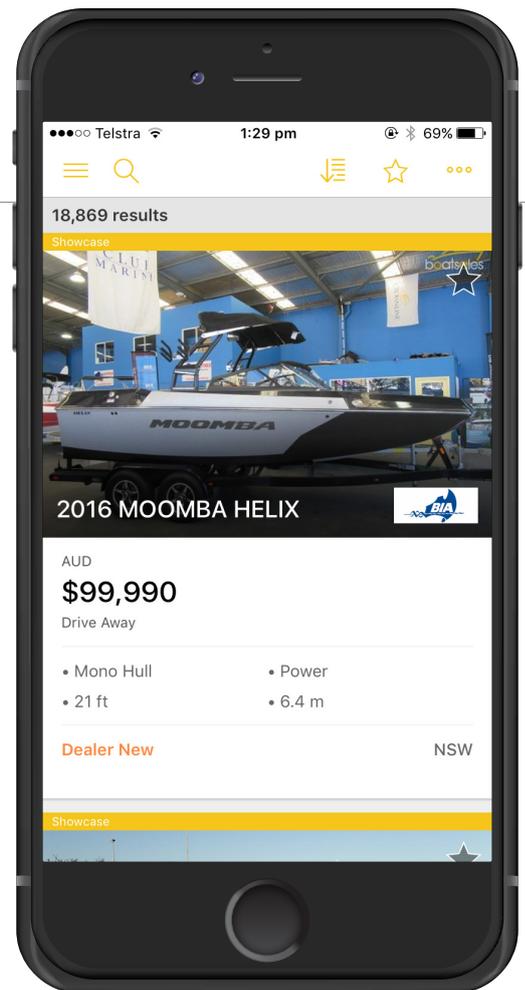
total app
downloads⁷

16%

increase in app
traffic year-on-year⁸

10%

increase in
app downloads
year-on-year⁸



5. We Are Social, Digital in 2017 Global Overview, January 2017. 6. boatsales internal data, Webtrends report, January 2017. 7. iTunes store, March 2017. 8. boatsales internal data, Webtrends, February 2016–February 2017.

The world's biggest boat builders are out to obsolete the old and provide compelling reasons to buy new again. New dealer opportunities follow...

GLOBALISATION GATHERS KNOTS





Those in the big-boat market will tell you the second-hand market is their **biggest competitor today**.

The globalisation of the boating industry is nothing new. Pre-GFC, at the 2006 Sanctuary Cove International Boat Show, there were so many American boats, brands, bosses and boating wares you could be forgiven for thinking you were at Miami.

Fast forward and what we now have is a lot of second-hand stock that's 10 years or more old. This represents considerably good value in the boat-buying market, especially when it comes to bigger ticket cruisers where they are little changed.

Those in the big-boat market will tell you the second-hand market is their biggest competitor today. So they are investing in new product development and R&D in order to obsolete the old and provide a compelling reason to buy new.

Riviera embraces technology

Exporting more than half its production overseas, our very own Riviera considers itself a technology company these days. Riviera uses Volvo Penta's pod drives almost exclusively, along with the

Swedish engine maker's integrated electronics, joystick for docking, and other smarts.

Though refined, Riviervas aren't breaking the mould with layouts or finishes. But on the technical side of their engineering, drives and electronics, the boats have hitherto new levels of connectivity and sophistication to the point just about anyone can jump in and run a 50-footer.

Gold Coast boatbuilder Maritimo is doing something it would have considered unheard of 10 years ago, that is, building bespoke luxury motor yachts with abundant customisations to keep custom. It's even fitted a Steinway piano to a flying bridge to keep an American happy.

Sea Ray advances

In America, marine giant Sea Ray has been actively re-inventing itself and its line-up in the last few years. We headed to America late last year to test the latest luxury line-up and talk with the bosses about where the banner brand of multinational Brunswick Marine is headed these days.

The good news is that Americans are back buying luxury production cruisers, not at pre-GFC volumes, and they probably never will be, but for an enhanced on-water boating experience using the latest technology.

To this end, Sea Rays are getting bigger, physically and in sticker size, with more complete inventories and equipment lists. Quality and usability are selling over price. Buyers are going big with options.

In the US, Sea Ray has the leading market share in 40-65ft cruiser segment. All the models in its Sport Yachts and L Class ranges in that size bracket are now less than four years old. In the smaller market segments, Sea Ray is said to have 20 per cent share but is clawing back ground lost in the post-GFC new-product slump.

We were told the idea is to obsolete the old and re-imagine the new, to continue pushing ahead with more day-boating platforms, with outboard power variants, and to head onwards and upwards with bigger luxury cruisers.

Value-added high-end boats

The high-volume/low-margin production model no longer exists. Instead, it's all about quality, value adding, improving the boating experience through the adaption of new technology—like Joystick docking, gyro stabilisers, and digital switching with intuitive user interfaces—and it's about those outboard engines, too.

Sea Ray is not alone with its resurrection and reaffirmation in the global boating market. There are now more US brands back in Australia and more 2017 US-manufactured boats listed on boatsales.com.au than we have seen in the past five years. The \$AUD at 70-75 cents hasn't stopped distribution.

The good news is that Americans are back buying **luxury production cruisers.**

At the same time those French juggernauts, the Beneteau Group, with their eponymous powerboat and yacht brand, and sister company Jeanneau, are grabbing more and more of the global boating market. Their model is one of style, substance and value. It would be difficult to compete with their automated assembly lines on price with a hand-built, stick-built boat.

While the Australian-made tinnie is untouchable, and there are always specialised boats built for specific markets, the increasing globalisation of the boating industry and fresh investment from the multinationals means we can expect to see more imported boats and more exported boats in the near future.

Overseas brands are looking for good dealerships again. Elsewhere we talked about diversification being a key to driving custom. There will be more opportunities to represent reinvigorated production-boat brands in Australia following fresh investment, a new global marketing push and the inability of smaller yards to increase production to meet demand.

Overseas brands are looking for **good dealerships again.**

Sea-Ray 320 Sundancer



10 NEW SEA RAY TRENDS

1. Bigger bowriders to 42ft and a greater emphasis on day-boating
2. Wider use of outboard power in multi-engine installations
3. Joysticks in everything for complete docking ease
4. Digital switching with customised Sea Ray interface
5. Dedicated foredeck seating areas with tables and shade tops
6. Enlarged flying bridges and gyros for stable up top entertaining
7. Maximised interior volume and light-filled living spaces
8. Personalised factory-direct support in the high end (L-Class) boats
9. Bigger standard inventories and equipment lists
10. Quality over quantity



Big price tags and big buyer interest

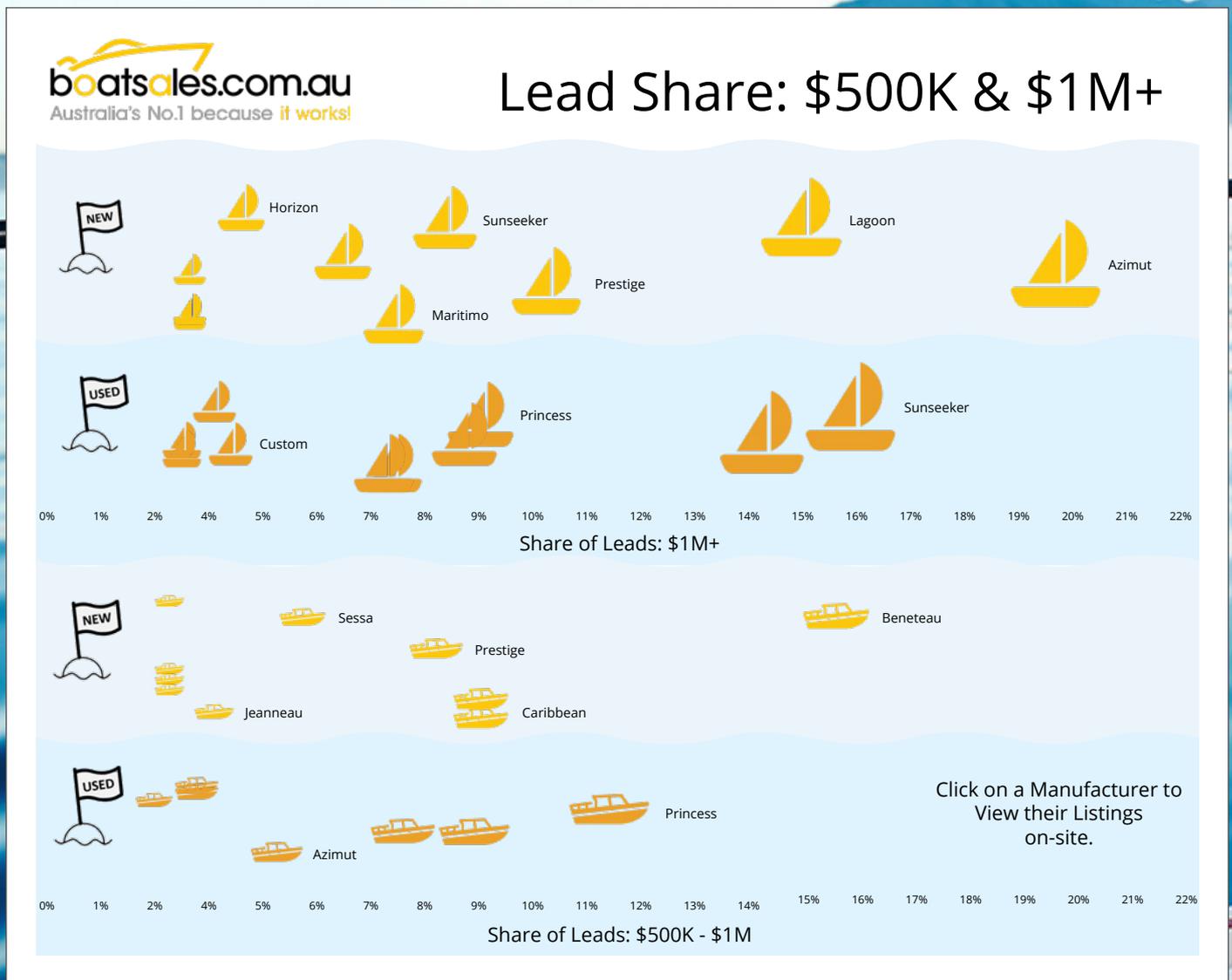
Discover which makes are capturing the greatest share of buyer leads in two key price bands on boatsales.

In the hotly contested \$1 million-plus and \$500,000–\$1 million price bands, boat manufacturers Azimut and Beneteau are capturing the greatest share of Brand New in Stock (BNIS) leads on boatsales.

[Given the trend towards more buyer enquiries on BNIS items](#), manufacturers may be able to capture a greater share of leads by simply listing more brand new models.

When it comes to used listings, Sunseeker and Princess netted the most buyer leads in the two categories respectively. Riviera trailed Sunseeker in the \$1 million-plus category by only 1 per cent.

↓ Dive into the data. Click the data visualisation below:





Top 10 makes by enquiry

Which makes are winning the most buyer enquiries across Brand New, Used and Demo stock types?

New Boats

- 1 Quintrex
- 2 Sea-Doo
- 3 Stacer
- 4 Yamaha
- 5 Stessco
- 6 Formosa
- 7 Sea Ray
- 8 Bar Crusher
- 9 Kawasaki
- 10 Extreme

47%
of all
new leads

Used Boats

- 1 Sea Ray
- 2 Riviera
- 3 Quintrex
- 4 Mustang
- 5 Bayliner
- 6 Four Winns
- 7 Sea-Doo
- 8 Haines Hunter
- 9 Beneteau
- 10 Stacer

36%
of all
used leads

Demo Boats

- 1 Sea-Doo
- 2 Regal
- 3 Haines Hunter
- 4 Sea Ray
- 5 Bayliner
- 6 Quintrex
- 7 Mako
- 8 Surtees
- 9 Yamaha
- 10 Haines Signature

68%
of all
demo leads



Top 10 articles

Discover the most popular articles on boatsales.com.au between September 2016 and February 2017.

Click on an image to read the story.



1

New 2017 Evinrude E-TEC line-up from BRP →



2

All the latest Sea Ray and Boston Whaler releases →



3

2017 Sea-Doo watercraft reviews, news and overview →



4

Yamaha's new F25 is the lightest and it has fuel injection →



5

2017 Yamaha Waverunner line-up →



6

Warning against stockpiling old two-stroke outboards →



7

20 big trends from the year in boating →



8

The top 10 catamaran makes and new models →



9

Budget Boating: Tinnies for \$10k-\$35k →



10

First ever Riviera 68 Sports Motor Yacht in build →

Tips, tricks and advice

Strengthen relationships with your current and prospective customers by sharing these key boating tips, tricks and advice.

For more, head to boatsales.com.au.

Click on an image to read the tip.



10 tips for solo trailerboat fishing →



Weather tips for safe boating and fishing →



Buying a timber boat? →



How to stay safe in your kayak →





How to maintain an exhaust system →



Five safe boating and rescue tips →



How to stop theft on your boat →



Be prepared when boating at night →



How to use circle hooks →



Sterndrive maintenance →





Industry Market Watches

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