INDUSTRY

The Utilisation Problem

The yachting industry sells hulls. The asset that matters is time.

August 2026 | 6 min read | Morii Group AG

An industry optimised for the transaction

Look at how the industry is built and the incentives are unmistakable. Brokers are paid on the sale. Yards are paid on delivery. Marketing is organised around boat shows, which are transaction events. Very little of the commercial architecture is paid for what the yacht does after the handshake.

The result is a market that is extremely good at selling boats and comparatively weak at keeping them working. Owners are handed a complex operating asset and left to discover the running costs empirically, which is a polite way of saying the hard way.

Utilisation is the number nobody publishes

Everyone in this industry knows the approximate purchase price of every yacht in a given class. Almost nobody publishes how many weeks a year those yachts actually move. The number is uncomfortable, because for privately owned yachts it is generally low, and because it is the number that determines whether ownership feels like a pleasure or a liability.

A yacht used four weeks a year carries roughly thirteen weeks of standing cost for every week aboard. The same yacht used twenty weeks a year, across owners and charter, carries less than three. Nothing about the hull changed. Only the calendar did.

Why fractional models keep failing, and what fixes them

Shared ownership is not a new idea, and its history includes plenty of failures. The recurring causes are worth naming.

First, allocation. Programs that give every owner an equal claim on the same peak weeks generate conflict by design, and conflict is what kills them. Second, undercapitalised reserves. A program without a funded refit reserve is solvent right up until the first significant technical event. Third, no exit. Owners who cannot sell out become resentful owners, and resentful co-owners degrade the experience for everyone. Fourth, misaligned operators, where the manager earns whether or not the yacht works.

The fixes are structural rather than clever: price flexibility properly so the calendar sorts itself, fund reserves as a cost rather than a hope, define an exit route and a fallback before anyone signs, and put the operator in a position where its income depends on the yacht actually working.

The dealer question

There is a version of this argument that the dealer network reads as a threat. We think that is backwards. A dealer who can only sell full ownership loses every prospect for whom full ownership is the wrong answer, and that group is larger than the industry likes to admit. It includes people who can afford the boat but not the calendar to justify it.

Fractional structures do not take a sale away from a dealer. They convert a conversation that was going to end in nothing. The commercial question is simply how that is shared, and that is a contract question rather than a philosophical one.

What we think happens next

Three things, in our view. Owners will keep asking harder questions about total cost of ownership rather than purchase price, because the information is now available to them. Programs that publish their mechanics will beat programs that publish their photography. And utilisation will slowly become something the industry reports rather than avoids.

We would rather be early to that than defend the alternative. It is also why we publish our own model in detail, including the parts that are not flattering: flexibility is rewarded because peak weeks are expensive, savings are not guaranteed, and the asset still depreciates.

This paper reflects the view of Morii Group AG and is provided for information only. It is not investment, tax or legal advice, and it does not form part of any offer. Figures and structures described elsewhere in our material are subject to the terms of the individual yacht offer.