

1

Contemporary Cruise Operations

Learning Objectives

By the end of the chapter the reader should be able to:

- Define the elements of cruising
- Be aware of the history of cruising
- Critically reflect on the image of cruising and consider different types of cruises
- Understand the scale and scope of the cruise market

The cruise industry has grown and continues to grow enormously in scale. It is frequently regarded as a small but significant sector of the tourism industry (Page, 2002), but this description is insufficient in recognizing inherent qualities and attributes that support the claim that cruising is an industry in its own right. In many respects it is helpful to consider some evidence regarding this claim within this introduction, but readers will be able to make a more informed judgment having read the whole book.

According to Ward (2001), the cruise industry has a \$15 billion turnover. It employs over 100,000 shipboard officers and crew as well as approximately 15,000 employees ashore. Indirectly, the industry provides employment for food suppliers, engineering services, manufacturers, port agents and authorities, transport companies, tourist companies, hotels, destination companies, and car-hire and employment agencies. Ebersold (2004) draws attention to the growth of the industry in marketing terms, which has seen systematic and sustained expansion over 7 years, with approximately 64 million bed-days sold in 2002 compared with 35 million bed-days sold in 1997. Construction of new vessels for the industry continues to be strong, and at the beginning of 2004 there were some 19 new cruise ships under construction, catering to a total of approximately 48,000 passengers (Bond, 2004). The Cruise Lines International Association (CLIA, 2005b), an organization that represents 19 of the world's major cruise companies, announced that 10.5 million passengers chose to cruise in 2004. The changing demographic profile of cruising, in terms of the market segment, social status, and age, is significant (Douglas and Douglas, 2004). One example of these changes is the estimate made by Carnival Cruises that they would carry some 500,000 children as passengers in 2004: an increase of 400% over 10 years (Carnival, 2005).

In 2005, 11.1 million passengers are expected to take a cruise with one or more of the CLIA's member companies (Anon, 2005a), a projected 4.6% increase over 2004 figures. In 2004, 12 new ships were introduced, accounting for a 6.9% increase in capacity. The CLIA predicts that cruise fares will increase, that the age of those cruising will continue to reflect a multigenerational mix, and that all segments of the cruise market will become even more focused on providing unique products and services (Anon, 2005a).

The Elements of Cruising

It could be argued that our planet Earth is, in one significant sense, misnamed. This is because 71% of the surface is covered by water (Lutgens, 1992). Air travel has been cited as a major influence on changing leisure activities, yet even a novice can recognize the opportunities for sea and water based vacations using ships as floating resorts. According to Day and McRae (2001), a cruise ship provides easy access to some of the world's most popular destinations, and this simple statement holds the key to the current successes that the industry enjoys. This can be exemplified by examining Table 1.1 and completing the task that is described.

For many tourists, the cruise experience embodies a series of powerful motivators: it is often perceived to be safe, social, customer friendly, and service oriented (Cartwright & Baird, 1999). The ship provides a mobile, consistent, and easily accessible location to act as a home away from home while the tourist samples the port of call. The tourist adapts to shipboard life and learns to relax into a vacation routine (Gibson, 2003): a routine that can be interspersed with a choreographed range of ship or land activities.

As travel expert Douglas Ward says, "Over 10 million people can't be wrong (that's how many people took a cruise last year)! Cruising is popular today because it takes you away from the pressures and strains of contemporary life by offering an escape from reality. Cruise ships are really self-contained resorts, without the crime, which can take you to several destinations in the space of just a few days" (Ward, 2001).

However, the notion of "cruising" also generates negative perceptions (Table 1.2). Dickinson and Vladimir (1997) conducted interviews with people who either had not considered or did not want to go on a cruise. They revealed five specific factors that demotivated the potential tourist: Ward (2001) counters this list by highlighting emerging patterns. Cruising is presented as being both cost effective and high in value. The range of cruise types has expanded to include opportunities for all sorts of people. In this way, cruising can be both socially inclusive and exclusive: families can be catered to as a specialty market, as can single tourists, conference delegates, older travelers, active tourists, groups, etc.—the list is endless. Ward recognizes that this type of vacation is appealing to older customers but also notes that the average age of first time cruisers is now well under 40.

Table 1.1: Tourists' favorite overseas city

Using the Observer/Guardian's travel Awards list tourists' "favourite overseas city" (Anon, 2003a), identify those that can, in theory, be visited by a cruise ship.

1. Sydney	18. Singapore	35. Reykjavik
2. Melbourne	19. Barcelona	36. Munich
3. Tokyo	20. Rome	37. Verona
4. Cape Town	21. Kuala Lumpur	38. Seville
5. Vancouver	22. San Francisco	39. Copenhagen
6. Rio De Janeiro	23. Las Vegas	40. Sienna
7. Chicago	24. Auckland	41. Havana
8. Dubai	25. Vienna	42. Bangkok
9. Oslo	26. Stockholm	43. Salzburg
10. Orlando	27. Beijing	44. Bilbao
11. New York	28. Budapest	45. Madrid
12. Perth	29. Toronto	46. Marrakech
13. Venice	30. Bruges	47. Granada
14. Hong Kong	31. Florence	48. Washington
15. Berlin	32. Helsinki	49. Boston
16. Prague	33. Lisbon	50. Funchal
17. Bologna	34. Istanbul	

Table 1.2: Factors that demotivate potential cruisers (adapted from Dickinson and Vladimir (1997))

<i>Factor</i>	<i>Reason</i>
Cost:	cruising is perceived to be expensive
Exclusivity:	cruising thought to be a domain for the wealthy and elitist in terms of social groupings
Family prohibitive:	cruising not felt to be for people with children but rather oriented toward older couples
Claustrophobic:	the ship is thought of as a constraint and quiet space a premium
Seasickness:	concerns about coping with seasickness influence decision-making

A History of Cruising

Much can be gained in charting the history of cruising to identify not only where and how the concept of cruising arose, but also to try and predict where it is going. Table 1.3 (sources: Dickinson and Vladimir [1997], Knotes [2003], Michaelides [2003], Dawson [2000], Cartwright and Baird [1999], Day and McRae [2001], Showker and Sehlinger [2002] and Ward [2001]) is not intended to be inclusive but rather to chart significant moments over the last 200 years.

Much is said about the size of contemporary super-cruisers. The example in Table 1.3 of the introduction of “Eagle” class cruise ships, leading up to the launch of the *Queen Mary 2* (*QM2*) is a case in point. The ship as a destination with sophisticated on-board facilities and a much-enhanced product is linked to economies of scale achieved through the construction of larger vessels (Kontes, 2003). This aspect of cruising has captured the public’s attention, and the implications are important in terms of political, economic, social, technological, legal and environmental issues. These aspects will be examined later in this book. However, even in basic terms, the sizes of cruise ships provide an interesting comparison (Figure 1.1).

Currently, the largest vessels can carry around 4,000 customers and the smallest fewer than 100 customers. The Cunard Line’s *Queen Elizabeth 2* measures 70,327 GRT (Gross Registered Tonnage) and the *Queen Mary 2*, which started cruising in January 2004, is 150,000 GRT. Princess Cruises’ *Grand Princess*, weighs in at 108,806 GRT, while Hebridean Island Cruises’ *Hebridean Princess* is 2,112 GRT. Royal Caribbean’s *Freedom of the Sea* (158,000 GRT) is due to embark on her inaugural cruise in April 2006. Scale varies depending on purpose. Large vessels, such as the Eagle-class ships that were discussed previously, accommodate larger numbers and can provide opportunities for greater diversity on board. Smaller vessels can be more intimate and provide access to ports that larger ships cannot visit because of the depth of the ship’s keel, the length of the vessel, or the constraints of maneuverability at the destination. Certain ratios (crew to customers, customer space per customer, and size of cabin to public areas) all play a part depending on the type of cruise tourist. The passenger/space ratio is calculated by dividing GRT by the maximum number of passengers to provide a number that defines cubic space per passenger. Currently the *QM2* has one of the highest ratios of space to passengers at just over 57 (150,000 GRT divided by 2,620 passengers). At the other end of the scale, budget vessels might be as low as 28. Ratios of crew to passengers tend to reflect a 2:1 ratio for premium lines and 1.5:1 for luxury vessels.

The Image of Cruising

The industry is diverse, and it appears that this is indicative of the future direction for cruise developments. The following case studies present four contrasting cruise experiences. The cases are preceded by Table 1.4 that provides an easy comparison between basic features. The flag of registration is important because it refers to the legal status of the ship (see Chapter 3 for more information).

Table 1.3: A history of cruising (various sources)

Year	Event
1801	The tug ' <i>Charlotte Dundas</i> ' goes into service and becomes the first practical steam-driven vessel.
1818	Black Ball Line introduces the ' <i>Savannah</i> ' 424 GRT or Gross Registered Tonnage (GRT — see Figure 1.1 for an explanation of this term), carrying 8 customers and this ship becomes the first to cross the Atlantic from New York to Liverpool. The journey took 28 days.
1835	First advertised cruise around Shetland and Orkneys. This was a cruise that never occurred and it wasn't until 1886 that the North of Scotland and Orkney and Shetland Shipping Company operated short break cruises.
1837	Peninsular Steam Navigation company founded (later to become the Peninsular and Oriental, Steam and Navigation Company and the familiar name of P&O Cruises).
1840	Sam Cunard establishes the first transatlantic steamship.
1843	Isambard Kingdom Brunel's ship the ' <i>Great Britain</i> ', 3270 GRT, is launched. This ship is the first iron hulled, propeller driven customer vessel.
1844	P&O cruises from London to Vigo, Lisbon, Malta, Istanbul, and Alexandria aboard the ' <i>SS Iberia</i> '.
1858	Customers pay to join the ' <i>Ceylon</i> ', a P&O vessel, for what is considered the first cruise.
1867	Author Mark Twain features a P&O voyage from London to the Black Sea in his novel ' <i>The innocents abroad</i> '.
1881	The ' <i>Ceylon</i> ' is refitted to become a purpose built customer ship.
1910	White Star introduces the ' <i>Olympic</i> ' 46,329 GRT and, the year after, the <i>Titanic</i> , which sank having collided with an iceberg on 12 April 1912.
1911	' <i>Victoria Louise</i> ' becomes the first vessel to be built exclusively for cruising.
1912	Cunard introduces the ' <i>Laconia</i> ' and ' <i>Franconia</i> ' as custom built cruise and line voyagers.
1920–33	In the USA during prohibition, 'booze cruises' from US ports allows customers to drink and gamble while visiting ports such as Cuba, Bermuda and the Bahamas.
1922	Cunard's ' <i>Laconia</i> ' sails on a world cruise. This ship was relatively small, 20,000 GRT and 2,000 customers in three class accommodation.
1929	P&O's ' <i>Viceroy of India</i> ' introduced. It was the most impressive ship of the time featuring the first use of turbo-electric-power and the first onboard swimming pool. It was a dual-purpose liner (UK to India) and luxury cruiser.
1930s	Union Castle offers holiday tours to South Africa at highly competitive rates of £30 third class, £60 second class and £90 first class.
1934	The luxury cruise liner ' <i>RMS Queen Mary</i> ' is launched. With 1,174 officers and crew and 2,000 customers, the ratio is less than 2:1.
1934	United States lines builds the ' <i>SS America</i> ', an oil fired liner capable of speeds up to 25 knots. This vessel is commissioned as a troop carrier in 1941.
1938	' <i>SS Normandie</i> ' 83,000 GRT undertakes a 21 day cruise: New York-Rio de Janeiro-New York. Cost per customer from \$395 to \$8,600.
1939	World war two is declared. Cruise ships such as ' <i>Queen Mary</i> ' and ' <i>Queen Elizabeth</i> ' are converted as troop carriers.
1958	First transatlantic commercial jet-aircraft crossing leading to the demise of the liner market and the down-turn of business for many cruise companies.
1966	Cruise industry recovers — mainly centered on the UK.
1970s	New cruise companies established — 1% of holidaymakers take cruise holidays. Cruise companies work closely with airlines to develop combined products — fly-cruise.
1986	' <i>Windstar</i> ' a vessel with computerized sails is introduced marrying the romance of sail with modern comforts.
1990s	Consolidation and globalization: leading to mergers and acquisitions.
1999	'Eagle' type vessels such as ' <i>Voyager of the Sea</i> ' and ' <i>Grand Princess</i> ' are introduced bringing higher levels of sophistication, economy of scale and the concept of the vessel as a destination.
2000s	Segmentation and Lifestyle cruising. Sustained growth for the North American market (8% annually) from 1980 to 2000.
2000	Royal Caribbean International's (RCI) ' <i>Explorer of the Sea</i> ' is introduced (137,308 GRT)
2002	There are an estimated 700 million tourists worldwide of whom 10.3 million are cruise tourists. 2.4% of US population, 1.3% of UK population and less than 1% of Europe's population cruise annually
2003	Cunard's ' <i>Queen Mary 2</i> ' launched (150,000 GRT).
2003	Carnival Corporation becomes the largest cruise operator when they merged with P&O Princess Cruises.

How do you measure the size of a ship?

Ships can be described by referring to capacity, dimensions or tonnage.

Capacity

A cruise ship's capacity is expressed in terms of the total numbers of officers, crew and customers. Cruise companies frequently plan using lower berth capacity (referring to the number of beds in a cabin), implying that capacity for some ships could be increased if capacity included upper berths (some cabins can have bunk-beds or two tier bedding arrangements).

Dimensions

The length is measured from the bows or forward end (fore) to the stern or after end (aft)—fore and aft are commonly used terms.

The beam is the width at the widest point (amidships).

The draft or draught of a ship measures the depth of a ship as the vessel sits in the water.

Tonnage

Ships tend to be described and compared in terms of gross registered tonnage (GRT).

According to Branch (1996). GRT is calculated by dividing the volume in cubic feet of a vessel's closed-in spaces by 100. A vessel ton is 100ft³. Tonnage is frequently made use of by port authorities when calculating charges when a ship requires a pilot and for harbor fees. The word 'tonnage' is derived from 'tun' a medieval term meaning barrel.

Speed

Speed is measured in knots. 1 Knot equates to 1 nautical mile per hour. A nautical mile is the equivalent to 1,852 meters or 1.15 land miles.

Figure 1.1: Ship measurements

Windstar

The "Windstar" concept was introduced in 1986 (Figure 1.2). The aim was to combine the luxury of a vacation with the freedom of sailing to create a unique product. The company describes the concept as being "the ultimate getaway for tired executives, adventure seekers and self-described escapists" (Windstar 2003). The vessel '*Windstar*' shares her name with the company. She is one of three of the company's ships designed to cruise a range of destinations including the Lesser Antilles, Virgin Islands, Florida Keys and Bahamas in the Caribbean, and Western and Eastern Europe, the Mediterranean, the Greek and Turkish Isles, the Baltic and Northern Europe. Customers are described as having an average age of 51 for past guests and 50 for new guests, with an average annual income of \$120,000 and over. Windstar customers are said by the company to be "active and adventurous, sophisticated travelers ranging from their 20s to 80s" (Windstar, 2003). Typically, Windstar customers may be business owners, executives, retirees, honeymooners, stockbrokers, lawyers, engineers, entrepreneurs, artists, authors, researchers, doctors, or educators.

According to Ward (2001), the ship's age creates both a luxury ambience through its use of materials and overall decor and, in the cabins, a more traditional appearance. The overall cruising experience is reported on positively. The experience is said to be relaxing, informal, and stress free. A range of activities, including wind surfing, skiing, scuba, and snorkeling, is available. The ship boasts a casino, a library, a small swimming pool (described by Ward as a "dip pool"), a shop, an infirmary, a piano bar, and a "chic and elegant" restaurant (called "the Restaurant"). Cabins are fitted out with television, videocassette and CD players, personal safe, refrigerator, mini-bar, and international direct-dial phones, as well as private bathrooms with shower toiletries, hair dryer, vanity, and plush robes.

The crew is described as being "international." The Captain and nautical staff are European. Hotel senior staff members are American and European. Stewards and service personnel are Filipino and

Table 1.4: Comparison chart

<i>Vessel</i>	<i>Windstar</i>	<i>World of ResidenSea</i>	<i>Grand Princess</i>	<i>Ocean Village</i>	<i>Queen Mary 2</i>
Operating company	Windstar Cruises	ResidenSea Ltd	Carnival	Carnival	Carnival
Built	1986	2002	1998	1989 (formerly Arcadia)	2003
GRT	5,350	43,524	109,000	63,500	150,000
Draft	4.1 meters	6.7 meters	8 meters	8.2 meters	10.09
Length	134 meters	196.35 meters	292 meters	247 meters	348 meters
Beam	15.8 meters	29.8 meters	36 meters	32 meters	45.4 meters
Speed	14 knots	18.5 knots	24 knots	21.5 knots	26 knots
Method of propulsion	Diesel electric (3) and sail (6)	Diesel electric	Diesel electric	Diesel electric	Gas turbine Diesel electric
Customer space ratio	36 cubic feet per pax	66 cubic feet per pax	42 cubic foot per pax	37.5 cubic feet per pax	56.25 cubic feet per pax
Customer cabins	74	110 apartments & 88 studios	1,300	801	1,310
Number customers	148 (based on double occupancy)	656 (average is expected to be 320)	2,600	1,692	2,620
Number crew	90	320	1,100	514	1,253
Marketing slogan	'180 degrees from ordinary'	'When you live to travel'	'Personal choice cruising'	'For people who don't do cruises'	'The world's largest, longest, tallest, grandest ocean liner ever'
Flag—country of registration	Bahamas	Bahamas	Liberia	United Kingdom	United Kingdom

Indonesian. In total, the design is intended to create an environment that is intimate, contemporary, and luxurious. The company emphasizes that the size of the ship, coupled with the facilities and service, easily achieves this aim.

The World

The World of ResidenSea (40,000 GRT) is a novel concept (Showker and Sehlinger, 2002). This vessel was built by the Fosen yard in Norway to continuously circumnavigate the world and to provide “the world’s first ship to be designed as an ocean-going residence for full time occupancy . . . The ‘World’ provides spacious residences—fully furnished and equipped—and guest suites for family, friends, business associates, or personal staff” (Synnove Bye, 2003).

This ambitious project has dual occupancy options. The ship has 110 private apartments, each with a fully equipped kitchen (galley) that can be either privately owned or rented. In addition, the ‘World’ has 88 guest suites that can be booked by the general public. Guests are expected to be 40 percent from the United States, 40 percent European, and 20 percent from the rest of the world. The target market for ownership is homeowners with two or three residences, average age 55, who are wealthy “self made” entrepreneurs. A typical profile would describe such a person as active, with a love of the sea or sailing and a desire to guard his or her privacy (ResidenSea, 2003).

The facilities include four distinctive restaurants, a night club, a casino, theatre, an art gallery, a spa and fitness center, two pools, a full-size tennis court, a golf center (including a real grass putting green), and a retractable marina. The ship also possesses three emergency hospital wards (Figure 1.3).



Figure 1.2: Windstar



Figure 1.3: The World of ResidenSea

The itinerary in a typical year includes 140 ports in 40 countries. The ship targets prestigious events, including sporting occasions such as the British Open, the Grand Prix in Monaco, and the Cannes Film Festival. The staff on board is international. The cost of purchasing an apartment begins at US \$2,255,000. Vacations can be booked for as long as an individual wants, starting with a minimum of 3 days.

According to one of the company's own publications:

The World of ResidenSea, as the first mixed-use resort ship continuously navigating the globe, set a new industry standard when it scored a perfect 100 points on its very first United States Public Health (USPH) inspection and received an excellent rating on its Certificate of Compliance from the United States Coast Guard. These reports echo international acclaim from Bahamian Authorities and Det Norske Veritas for the ship's health, safety, operational and construction standards, including comments that The World is "well-maintained and operated in a very professional manner".

Contributing to the success of The World's recent ratings is its unique Scandinavian wastewater cleaning system, whereby wastes are filtered by a flotation system. Solid wastes are dried and incinerated, and the ash is properly disposed of on land. The remaining liquid waste goes through an ultraviolet filtration process, and the resulting water is as pure as technical water. The World also burns marine diesel, a departure from heavy fuels traditionally used in ships of its size and enables The World to enter more of the world's most fascinating ports (ResidenSea, 2003).

Grand Princess

The Grand Princess is part of a modern fleet of ships operated by Princess Cruises. Princess Cruises entered the market in 1965 with a single ship cruising to Mexico. Today, its fleet carries more than 800,000 customers each year. Ships include *Coral Princess* (2003), *Dawn Princess* (1997), *Island Princess* (2003), *Pacific Princess* (1999), *Regal Princess* (1991), *Royal Princess* (1984), *Golden Princess* (2001), *Grand Princess* (1998), *Star Princess* (2002), *Sun Princess* (1995), and *Tahitian Princess* (1999). Four additional new ships will join the Princess fleet by 2006 (Princess Cruises, 2003).

In 1977, the *Pacific Princess* was cast in a starring role on a new television show called *The Love Boat*. According to Princess Cruises, the weekly series, which introduced millions of viewers to the still-new concept of a sea-going vacation, was an instant hit, and both the company name and its "sea witch" logo (Figure 1.4) have remained synonymous with cruising ever since.

The Grand Princess was regarded in 2003 by Princess Cruises as being the "flagship of Personal Choice Cruising." This concept seeks to empower customers so that they could create their own selection of activities from a broad choice of facilities, amenities, and services. In this way the vacation could then be perceived as being personally customized. Keynote provision centers on multiple dining options, flexible and varied entertainment selections, and a full complement of on-board activities ranging from shuffleboard to scuba certification. Furthermore, the experience is presented using marketing slogans, such as "affordable luxury" and "big ship choice with small ship feel," to focus on the unique orientation of the vessel within the marketplace.

The ship is one of the largest in the world (although not the largest). Its great size enables the operator to include diversity and provide choice. Seven hundred and ten cabins (80 percent of all outside staterooms) have a balcony. Butler service is provided in suites and minisuites. The ship's facilities include a chapel, a virtual reality center, a casino, three dining rooms and three show lounges, five swimming pools (one is a swim-against-the-current lap pool), a children's center and a teenager center, 28 wheelchair accessible cabins, a sports bar, an art gallery, a nine-hole putting course and golf simulator, a sports court and jogging track, and a wide variety of bars and lounges, including a wine and caviar bar and the "skywalkers nightclub" and observation lounge suspended 150 feet above the water. As Showker and Sehlinger (2002) comment, size matters for this type of ship, with its 2,600 customers and 1,100 crew. Not only does the scale of the vessel support the scale of activities and facilities on offer, the ship travels well, providing a smooth ride.



Figure 1.4: Grand Princess

The Grand Princess offers voyages on a range of cruises including circular routes around the Caribbean. Smaller resorts are accessed by ship's tenders (the small launches that are carried by cruise vessels for both practical and safety reasons). Princess Cruises has ownership of a Caribbean island, "Princess Cays," which is accessed by tender. The ship anchors offshore and ferries passengers from ship to shore using ships' tenders. Princess Cruises is part of Carnival Corporation, one of the largest vacation companies in the world (Ward, 2001).

Ocean Village

Ocean Village is a relatively new brand introduced in 2003 by P&O Princess Cruises. Their target market is "middle youth," which is explained by Nick Lighton, managing director of Ocean Village, who states that "Ocean Village holidaymakers are much younger than traditional cruisers—our average booking age is 40—and our research shows they are looking for activity as well as relaxation."

Nick Lighton explains the thinking behind Ocean Village: "We researched exactly what 'middle-youth'—that is, 35–55 year olds with active modern lifestyles—were after in a holiday, and feedback showed they seek stimulating experiences as well as the chance to unwind. So Ocean Village cruises offer 'chill and challenge' holidays—not only can people take it easy in the usual sense but they can also return home having enjoyed a wealth of exciting experiences, be that mountain biking across

Barbadian beaches, exploring Antigua off the beaten track by jeep, or hiking through Dominica's rain-forests. . . . Ocean Village has ripped up the cruising rule book, letting customers eat when they want and with whomever they want, giving formal dress codes their marching orders and throwing traditional entertainment overboard" (Ocean Village, 2003).

Ocean Village is based in Palma, Majorca, for summer cruising in the Mediterranean and in Bridgetown, Barbados, for winter cruising in the Caribbean. From each port the ship embarks on two alternating itineraries that are designed to appeal to a target group. From Palma, the itineraries are called "Palaces and Paella" or "Piazas and Pasta" and from Barbados the itineraries are referred to as "Sugar and Spice" or "Calypso and Coconuts." These holidays are designed to appeal to the target demographic. These itineraries are based around 7-day cruises to include one full day at sea and 6 days at a various resorts or ports.

The company emphasizes the notion of "cruises for people who don't do cruises" (Ocean Village, 2003), by presenting a ship with an informal style: no Captain's cocktail party, no dress code, and no need to eat at specific times. Leisure and entertainment activities are given a contemporary twist, with opportunities for "guests" to be as active or as inactive as they wish when onboard or ashore. Facilities onboard include a gym, two pools, four hot tubs, a spa, a jogging track, mountain bikes (to take ashore), a nightclub, a cinema, a circus and cabaret, a celebrity chef restaurant (extra charge), a kids' center, and eight bars.

In 2003 the company offered seven-night Mediterranean cruises from £499, while seven-night Caribbean cruises starting at £649. Customers paid extra for superior cabins, drinks, dining in the bistro or the deck cafe, shore activities, and some optional onboard activities such as Internet usage. The crew of 514, which comprises international hotel service staff and British officers and managers, provides a three-customer-to-crew member ratio. The success of this venture is underlined by the introduction of a second ship (Figure 1.5).



Figure 1.5: Ocean Village (courtesy of Graham Busby)

Queen Mary 2

The *QM2* entered service as a Cunard liner in January 2003 (Figure 1.6). She represented the epitome of scale and grandeur at sea by being the world's largest, longest, tallest, and grandest ocean liner. The ship's voluminous public areas, grand ballroom, staircases, and foyer areas and 360-degree promenade deck add credence to the claims for quality, luxury, image, and space. Three-quarters of the ship's staterooms have balconies. Apart from staterooms, the options for accommodation are wide, with alternatives including suites, junior suites, royal suites, penthouses, and duplexes. The two-story duplexes even have their own private exercise equipment. Accommodation on the *QM2* is linked to the type of dining experience. Guests who book a duplex, suite, or similarly graded accommodation have access to the exclusive Queens or Princess Grills, while guests who reserve staterooms may dine in the Britannia restaurant. The *QM2* restaurants, reflecting the Cunard attention to excellence, are classified as being of 5 star quality by the 2005 Berlitz Guide to cruising.

The ship has 14 decks containing sports facilities, shops, bars, lounges, five pools, and no fewer than 10 restaurants. There is a unique spa club, a casino, a planetarium, a bookstore, and a college-at-sea. As befits a ship of this scale, the options are very wide, providing cultural and artistic diversions during the day and theater productions, dancing, entertainment, a night club, a casino, and even karaoke by night. The ship is destined to take over from the *Queen Elizabeth 2 (QE2)* to provide a luxury "line voyage" between New York and Southampton and to act as the flagship for Cunard's fleet. Scale may well play a significant part for the *QM2* in terms of the grandeur and opulence inferred by the ship's size and awe-inspiring statistics, but the other part of this equation concerns the ship's ability to access ports. According to Cruisemates.com (2005), about 50% of ports are likely to be "boat ports," where the ship will operate tenders to transport passengers from ship to shore.

The Cruise Market

The cruise industry in the twenty-first century is characterized by diversity and positive growth (Dingle, 2003). Traditional cruises exist, and indeed this market is strong (Michaelides, 2003), yet growth in customer demand is predicted to continue in less traditional markets.



Figure 1.6: The *QM2*

Table 1.6: Examples of mergers and acquisitions adapted from Bjornsen (2003)

<i>Consolidation by merger or acquisition</i>							
<i>Year</i>							
	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>
Carnival		Buys Costa (in part)	Buys Cunard	Buys Seabourne	Buys Costa (100%)		Merger P&O Princess
RCCL		Merger Celebrity					
P&O Princess					Buys Aida		Merger with Carnival
Kloster	Renamed NCL			Buys Orient Line	Bought by Star Cruises		
Cunard			Bought by Carnival				
Chandris/Celebrity		Merger RCCI					
Costa		Bought by Carnival					
Epirotiki		Forms Royal Olympic with Sun Cruises	Majority bought by Louis Cruises				

Cruise Brands

Cruise company brands, such as Costa Cruises, Orient Lines, Celebrity Cruises, Princess Cruises, Saga Cruises, and Norwegian Cruise Lines, guard their reputations with great care. As Moutinho (2000) states, branding for tourism organizations is perceived to present significant strategic advantages. Thus, a brand name can hold connotations about a corporation or a company or a cruise ship. The brand may be more

Table 1.7: North American cruise by 10 brands (Anon, 2003b)

<i>Cruise Customer Statistics (market share second quarter 2003)</i>		
<i>Cruise Line</i>	<i>Customers (in 000s)</i>	<i>% of total customers</i>
Carnival Cruise Line	723	36.2
Royal Caribbean International	510	25.5
Norwegian Cruise Line	186	9.3
Princess Cruises	156	7.8
Celebrity Cruises	153	7.6
Holland America Line	141	7.0
Disney Cruise Line	101	5.1
Cunard Line	13	0.6
Costa Cruises	8	0.4
Crystal Cruises	7	0.3
Total	1,998	100

than a name in that a design or symbol can also be selected to represent the brand values: P&O Cruises uses a familiar nautical flag. In addition, historical events add a recognition factor to some “famous” names. Examples include the “White Star” brand that is utilized by Cunard to identify their training provision on board the “White Star Academy” (see Chapter 10 for more information).

Cruise ships lend themselves very well to the process of branding. Passengers engage with the “product,” or the cruise, in a series of complex ways that enhance the opportunity to develop brand loyalty. This process extends throughout the cruise experience, from considering the glossy images on a cruise brochure and booking a cruise to the point of embarkation, when the customer first experiences the scale and impressiveness of the ship in port, through to consideration of life on board and then to departure and disembarkation. This form of vacation creates a unique relationship between passenger and ship, passenger and cruise, and passenger and brand.

Branding is important for targeting new markets, engendering repeat business, highlighting brand recognition, defining a firm’s strategic approach to marketing and operations, and critically, establishing loyalty (Moutinho, 2000). Laws (1997) identifies the advantages that accrue to the major corporations, in terms of resources and marketing strength, which means they can afford to underpin brand development with impactful brand awareness campaigns, focusing in turn on the specific market segment that is deemed to be the target market for specific brand identities.

Summary and Conclusion

The cruise industry is both potent and portentous. In many ways the industry reflects strengths that have emerged as a result of the relentless growth connected with globalization. Powerful corporations exist within the industry, and they have the resources to keep pace with the constant demands that are required when investing in new ships. Countries that benefit from globalization become wealthier, and as a result large swathes of their populations are better able to purchase cruise vacations. Increasingly, sustained growth means there is greater confidence and that in turn there is increased innovation in developing cruise products. Demand coupled with positive publicity appears to create greater demand as the potential cruising population develops more of a taste for this type of vacation. The industry also benefits from repeat business and a high degree of customer loyalty.

This chapter has examined the elements of cruising to highlight critical factors connected to its current status as a significant and growing part of the tourism and leisure field. Historic trends in cruising have been reflected upon in order to examine the way that changes have occurred over time and to understand why these changes have come about. A number of cruise brands are considered so as to contrast services and styles in order to reveal different types of cruises. This allows further discussion to be developed about the cruise brands themselves so as to encourage an understanding of the nature of this complex market.

Glossary

Cruise: A vacation involving a voyage by sea, on a lake, or on a river.

Destination: Point of arrival for a traveler or tourist.

Galley: Name for a kitchen at sea.

GRT—Gross Registered Tonnage: Relates to the size of the ship.

Keel: Lowest point of a ship’s structure. This is often a beam (or plates) that extends from one end of the ship to the other and forms the shape of the underside of the vessel.

Line voyage: Origin of the term “liner,” indicating the line travelled in a journey between two specific points such as Southampton to New York.

Port agent: A professional individual or company offering local management services in ports of call for visiting vessels.

Refit: Updating of a ship's technical equipment, changes to the external or internal appearance or replacement of worn out furnishings and fittings. This is often undertaken in a dry dock facility, where the ship can be fully inspected and repairs made, if necessary.

Tug: A high-powered workhorse of a ship used to tow vessels.

Chapter Review Questions

1. Which famous cruise brand is identified as being the first to start cruise holidays?
2. Which corporation is the largest cruise operator in the world?
3. What does the acronym GRT stand for?
4. How do you calculate space ratios for passengers?
5. What parts do brand and brand image play for cruise companies?
6. What are the brand images connected to Princess Cruises and P&O Cruises?

Additional Reading

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- ICCL—International Council of Cruise Liners: <http://www.iccl.org/whoware/index.cfm>
- IMO—The International Maritime Organization: <http://www.imo.org/index.htm>
- PSA—Passenger Shipping Association (UK): <http://www.the-psa.co.uk/>

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