



**INTERNATIONAL SOCIETY OF  
HOSPITALITY CONSULTANTS**



# Cruise Industry Update



**Margaret Murphy SVP, Marketing  
Cruise Lines International Association**

# CLIA

- World's largest cruise industry organization, representing 26 member cruise lines
- Non-governmental consultative organization to the International Maritime Organization (IMO)
- Participates in regulatory and policy development
- Engaged in travel agent training, research and marketing communications with 11,000 travel agency members

 AMA WATERWAYS™

  
AMERICAN  
CRUISE LINES

  
AVALON  
WATERWAYS®  
*Legendary river cruises. Inspired design.™*

  
AZAMARA  
CLUB CRUISES™  
*You'll love where we take you™*

  
Carnival®

Celebrity **X** Cruises®

  
Costa  
CRUISING ITALIAN STYLE™

  
CRYSTAL  
CRUISES

**CUNARD**® 

  
Disney  
CRUISE LINE

  
Holland America Line  
*A Signature of Excellence*

  
HURTIGRUTEN

  
LOUIS  
CRUISES

  
MSC  
CRUISES  
*The most modern fleet in the world.*

  
NCL  
NORWEGIAN  
CRUISE LINE®

  
OCEANIA CRUISES®  
*Your World. Your Way.®*

  
Paul Gauguin  
CRUISES  
*TO THE SOUL OF THE SOUTH SEAS*

  
PEARL SEAS  
CRUISES™

  
PRINCESS CRUISES  
*escape completely™*

  
Regent  
SEVEN SEAS CRUISES

  
Royal Caribbean  
INTERNATIONAL®

  
SEABOURN™

  
SEADREAM  
YACHT CLUB®

  
SILVERSEA®

  
UNIWORLD®  
BOUTIQUE RIVER CRUISE COLLECTION™

  
WINDSTAR  
CRUISES  
*180° FROM ORDINARY™*




# Cruise Industry Update



# Cruise Industry Update

## Growth and Economic Impact

A photograph of a cruise ship deck. In the foreground, there is a lounge area with several beige wicker-style armchairs and ottomans, some with red and patterned cushions. The deck is made of polished wood. In the background, the ship's railing is visible, and a life preserver is hanging on it. The ocean is blue with whitecaps, and the sky is filled with white and grey clouds. A blue rectangular text box is overlaid on the right side of the image.

\$40 billion  
industry  
\$88 billion impact



Direct spending      \$1.12 billion  
Total jobs:              16,500  
Total wages:           \$642 million

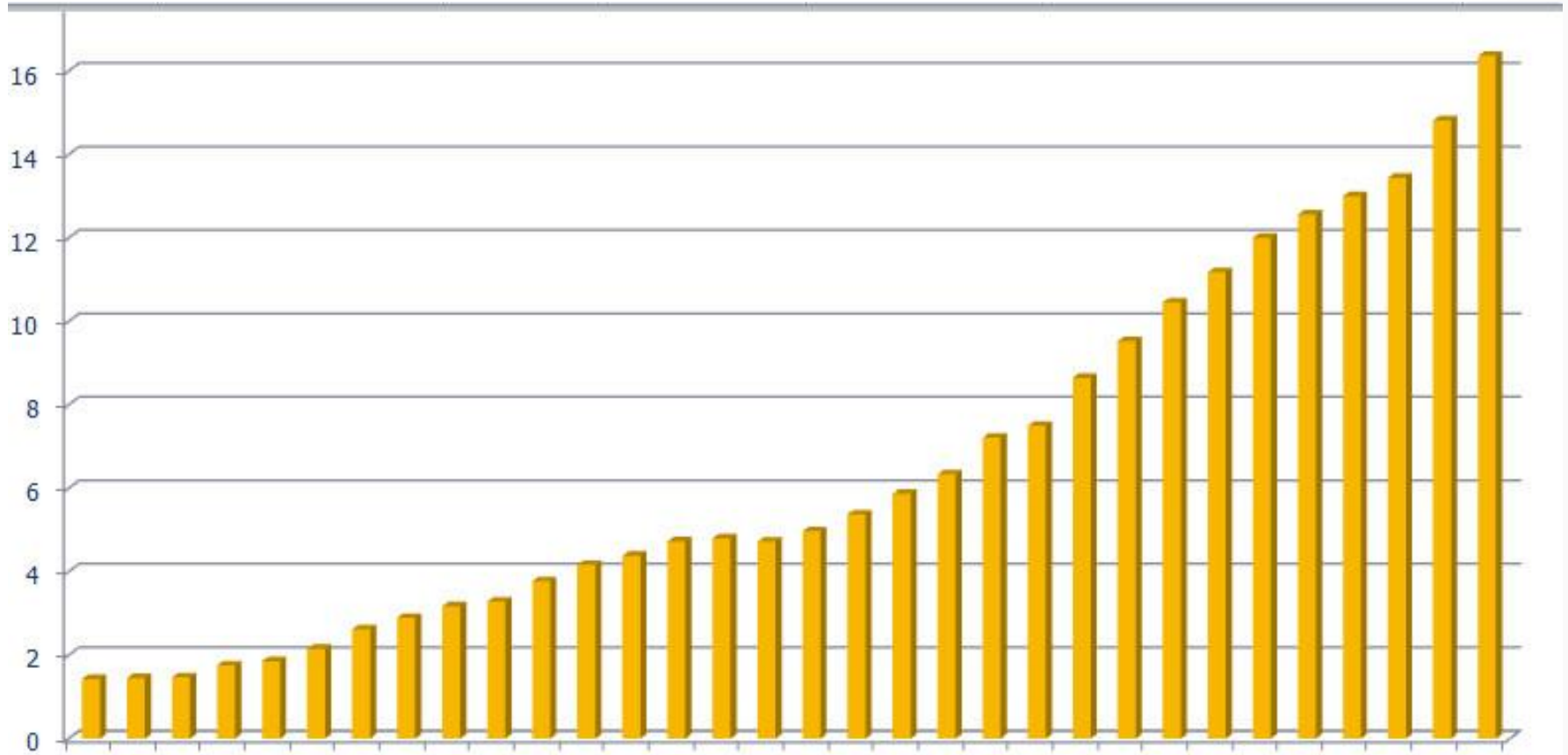


Direct spending      \$18 billion  
Total jobs:              330,000  
Total wages:           \$15.3 billion

# Passenger Onshore Spending

- **\$330,500** in passenger and crew onshore spending in the embarkation port
- **38%** of passengers stay one or more nights at a port city pre- or post-cruise. On average, each overnight cruise visitor spends **\$256** per stay.

# CRUISE PASSENGER GROWTH 1980 - 2011



Average Passenger Year-over-Year Growth Rate +7.5%

# 16.32 million passengers in 2011

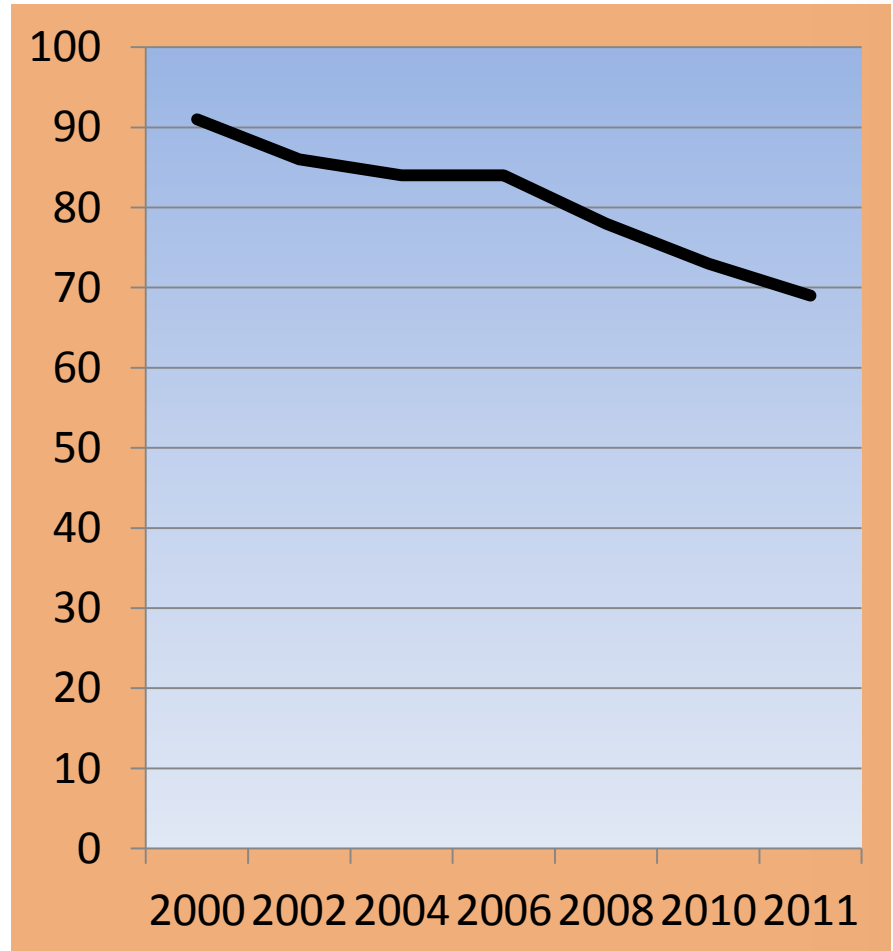
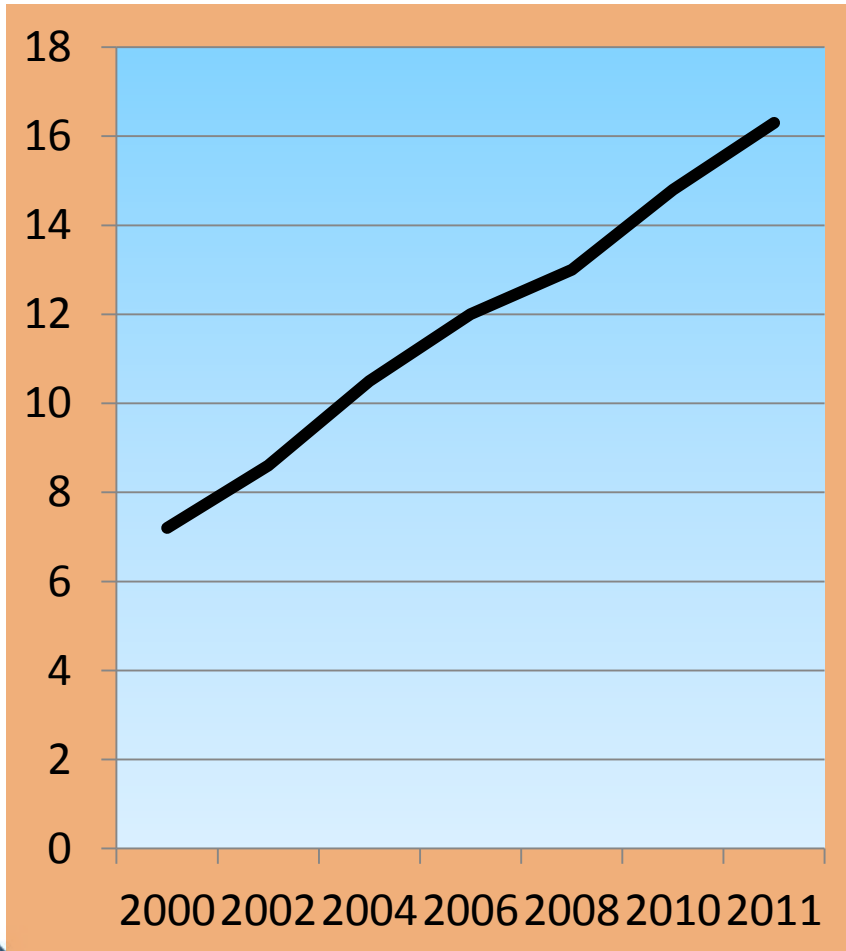


North America

# 2000 - 2011

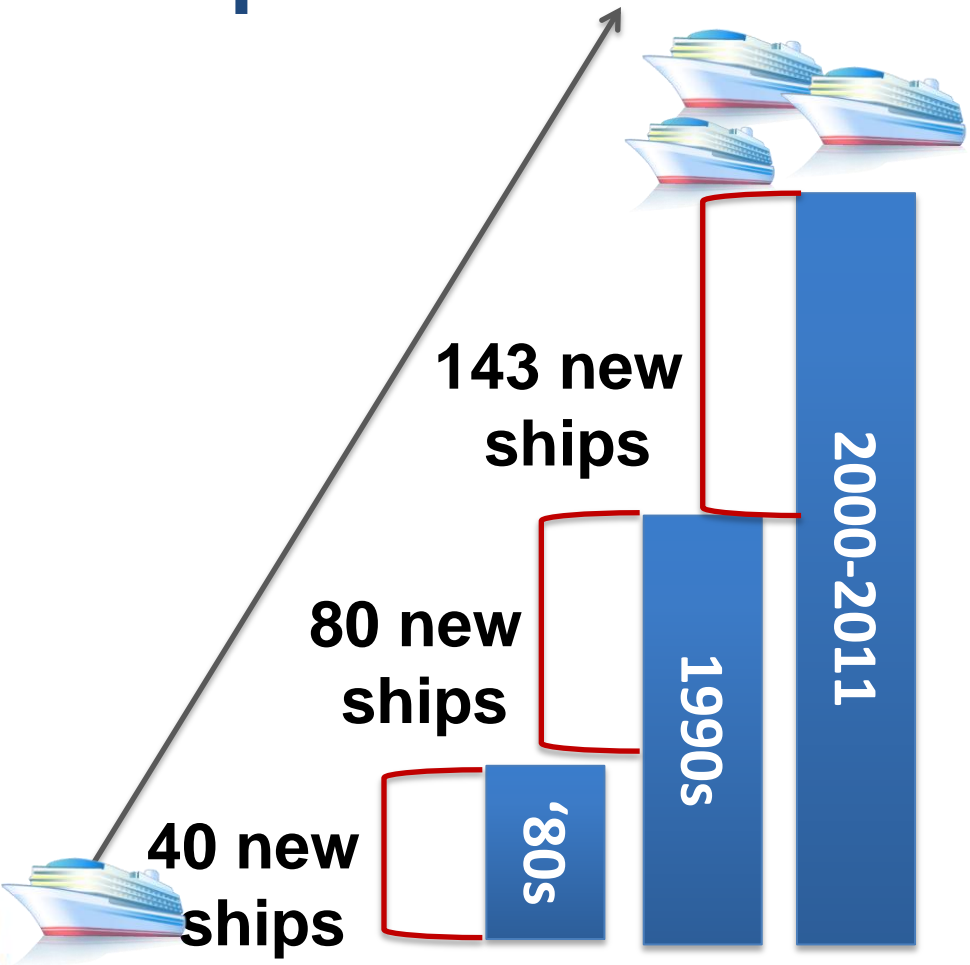
# passengers (millions)

% from North America



DESTINATION	2011 SHARE	5 YEAR CHANGE
CARRIBBEAN	33.7%	+13%
MEDITERANEAN	20.4%	+49%
EUROPE	7.9%	+25%
ALASKA	6.2%	-4.0%
BAHAMAS	6.0%	+40%
MEXICO (WEST)	3.3%	-41%
TRANS-ATLANTIC	2.9%	+40%
AUSTRALIA – S. PAC	2.7%	+188%
TRANS-CANAL	2.5%	+1%
SOUTH AMERICA	2.4%	+23%

# Ship Growth



**2012**



**13 new ships**

# 2013



**Princess Cruises: Royal Princess**  
**Norwegian Cruise Line: Breakaway**  
**Avalon: Artistry II**  
**Avalon: Expression**  
**AmaWaterways: AmaPrima**  
**AmaWaterways: AmaVida**  
**American Cruise Line: TBD**  
**MSC: Preziosa**  
**Uniwold: River Orchid**







# Cruise Industry Update

## Focus Areas

**SAFETY**



**GLOBALIZATION**



**REPUTATION**




**Cruise Industry Taskforce Established**

**Effort Aligned and Supported by IMO, EU**

**Independent Panel of Experts**

**Keeping Members Informed**



## Since the January 2012 launch of Operational Safety Review:

- ✓ Proactively identified and implemented best safety practices
- ✓ 6 new policies announced

# Broad Coverage of New Policies



“Holding muster drills before leaving port goes beyond the existing legal requirement that passengers participate in the safety drills within 24 hours of embarking.”

“CLIA has asked the IMO to emphasize the timely reporting of marine casualties.”



**Cruise industry introduces new safety measures**

**CLIA appoints panel to evaluate new safety recommendations**



**The Miami Herald**

**New cruise safety policies announced for industry**



“More adult life jackets will be carried aboard cruise ships as part of a trio of new cruise line policies that took effect this week, the outcome of an ongoing industry safety review.”



**Australia / New Zealand**  
**Europe**  
**South American**  
**Scandinavia**

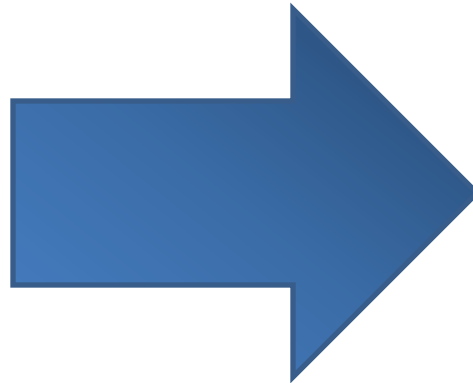
**Japan**  
**China and SE Asia**

**globalization**

# International Arrivals in China



**62**  
(2012)



**150**  
(2013)



# Singapore's Marina Bay Cruise Centre

- Doubles capacity
- Home port for Royal Caribbean's *Voyager of the Seas*
- 1.3 million passengers in 2013

## What it *is not*

- National advertising campaign
- A tag line for industry
- Marketing campaign for new passengers
- Direct response advertising

## What it *is*

- Communications that focus on common, industry-wide issues
- Demonstrates how we, as an industry, benefit society
- Engages key audiences
- Builds an inspirational, emotional relationship

**reputation**

- CLIA CEO blog and Twitter account

- Global websites created and new websites in development

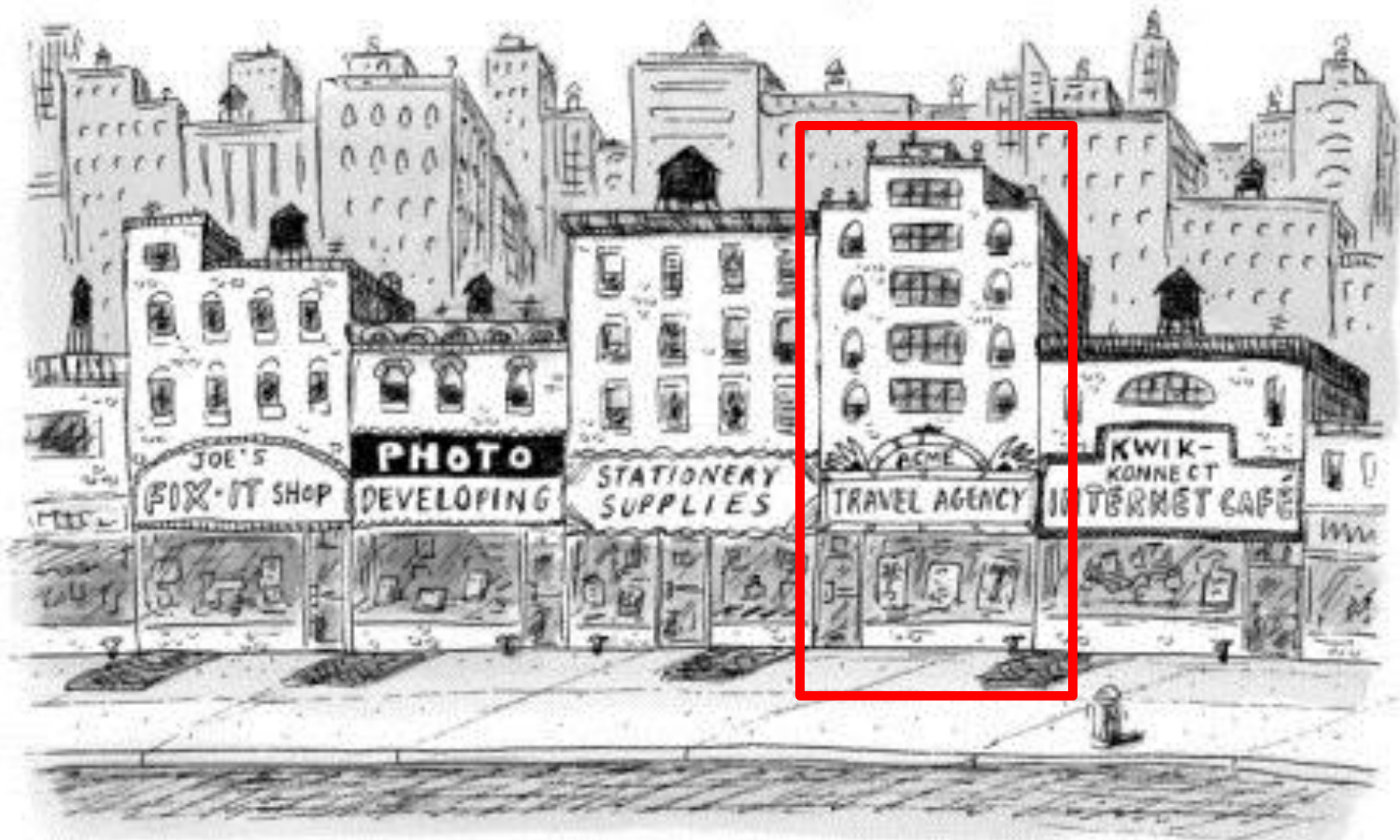
The screenshot displays the CLIA website's 'The CEO's Corner' blog section. At the top left is the CLIA logo and the text 'The CEO's Corner'. A search bar and social media links for 'VINE CRUISE.ORG' and 'CLIA' are visible. The main content area features three blog posts, each with a title, date, author, image, and a short text excerpt. The first post is titled 'Lorem ipsum dolor sit amet, consectetur adipiscing elit' (June 6, 2012), the second 'Praesent blandit sodales quam in placerat' (June 5, 2012), and the third is another 'Lorem ipsum dolor sit amet, consectetur adipiscing elit' (June 4, 2012). The right sidebar includes sections for 'About the Blog' (featuring a profile for Christine Duffy), 'Stay Informed' (with an email sign-up and RSS feeds), 'Topics' (listing categories like Alpha, Beta, Gamma, Delta), 'Contributors' (listing Georgie Farmer and Ron Dileo), 'Archives' (listing months like June 2012 and May 2012), and 'Twitter Feed' (showing tweets from @CLICEO). A footer at the bottom contains a privacy policy, terms of use, and copyright information for 2012.



# Cruise Industry Update

## Product and Consumer

IN THE NOSTALGIA DISTRICT



R. O. S.

2013: \$100 billion

2010: \$90 billion



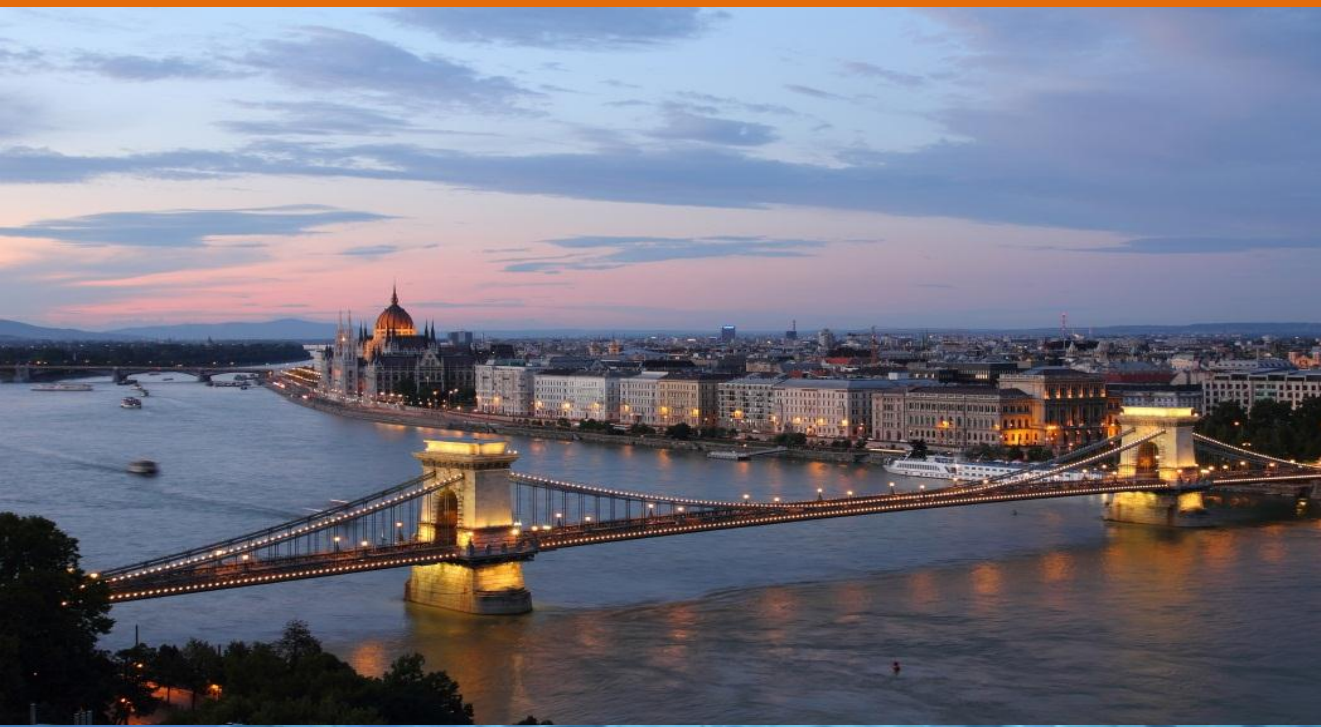




Luxury







# RIVER CRUISES

# SHORTER CRUISES





# Suites

# Family- friendly





**More  
shopping**



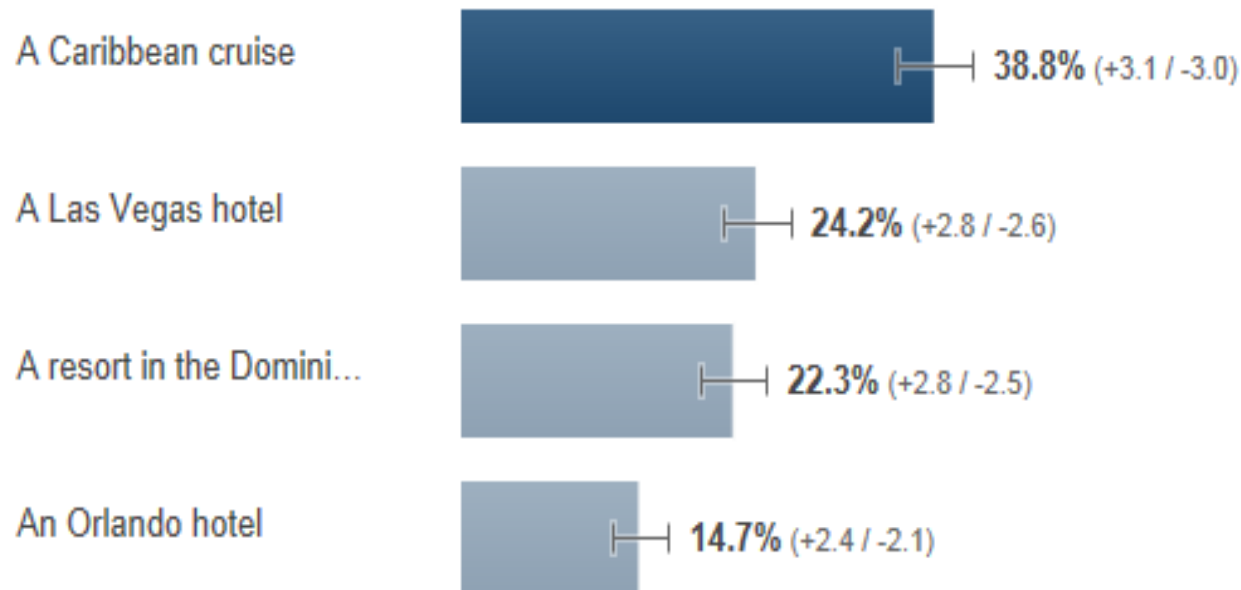
**Michelin  
starred chefs**


SINGLE ANSWER

If you and your co-workers could win a great 4 night trip by reaching a challenging goal, what travel experience would motivate you the most?

Results for US. Weighted by Age, Gender, Region. (1040 responses) ?

Winner statistically significant. ?



 Google consumer surveys



**MEETING AND  
INCENTIVE**

**CUISINE AND CULTURE  
DANCE  
LITERARY**

**FITNESS  
FAMILY REUNION  
GIRLFRIEND GETAWAY**



