





'All at Sea'

e-Cruising Transformation & Implications



Prof. Dr. Alexis Papathanassis
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Nautical Metaphors: The Cruise Business is About Control of the Guest Experience

"When we talk about being 'all at sea', we do not literally mean that we are out in the ocean, but rather that we are unsure about what to do, as though we were drifting on the water without the reassurance of firm ground beneath our feet."*

Information Search Cruise Selection

Reservation Onboard Fulfilment

Itinerary Fulfilment

Reminiscence

- Identifying the need for a Cruise
- Obtaining information about Cruise possibilities / options and details
- Comparing alternatives on the basis of own and cotravellers requirements
- Booking and financing the cruise holiday
- Consuming the services of a Cruise.:
- Accommodation
- Catering
- Entertainment
- Wellness / Sport Activities
- Shopping

- Consuming the services at the ports of call:
 - Pre / Post cruise programme
- Excursions
- Entertainment / Shopping
- Events

 Remembering and sharing holiday experiences with others.

'Holiday Cocoons' or 'Content Monopolies at Sea' Cruises as a Closed System

"Sales Content & Booking Control"

"Guest Spending Control"

"Communication Control"

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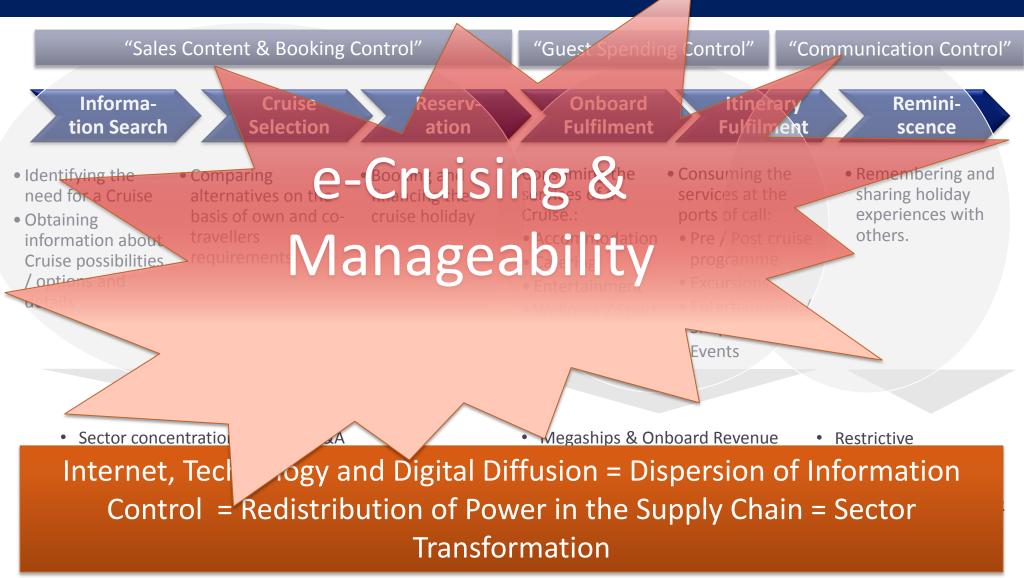
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- Remembering and sharing holiday experiences with others.

- Sector concentration through M&A
- Information-intensity of the cruise product
- Reservation Monopolisation (Direct Bookings)
- Customer Data Control, Repeaters, Loyalty programmes

- Megaships & Onboard Revenue
- Vertical Integration (Cruiseterminals, own islands, incoming agents)
- Itinerary control as supply chain power
- Restrictive communication / access to information
- Coordinated-sector PR
- Policy of buying the silence of critics

'Holiday Cocoons' or 'Content Monopolies at Sea' Cruises as a Closed System



CRUISE SALES CONTENT & BOOKING CONTROL

The 'Irrelevant' Cruise Operator Website

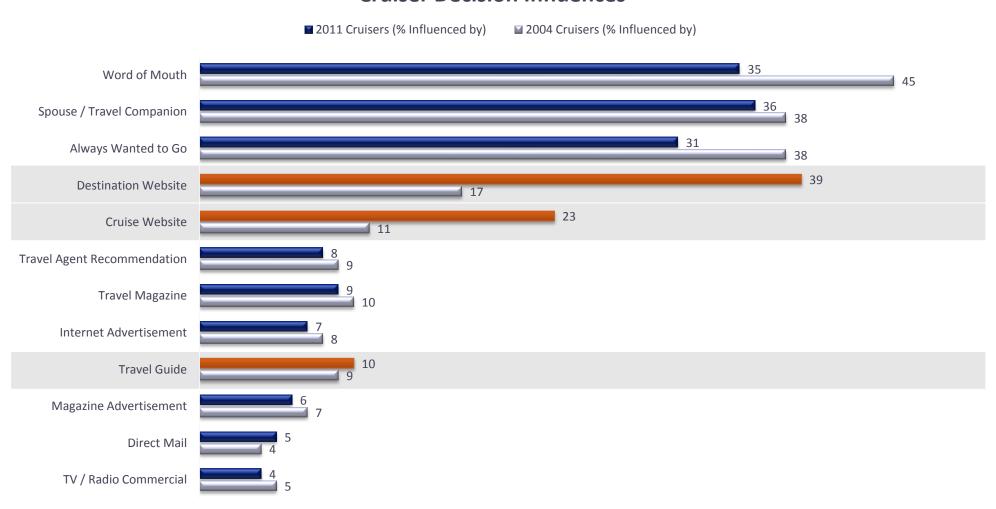
Typical Online Traveller Profile = Cruiser Profile 2008: A study of 2.559 active online users



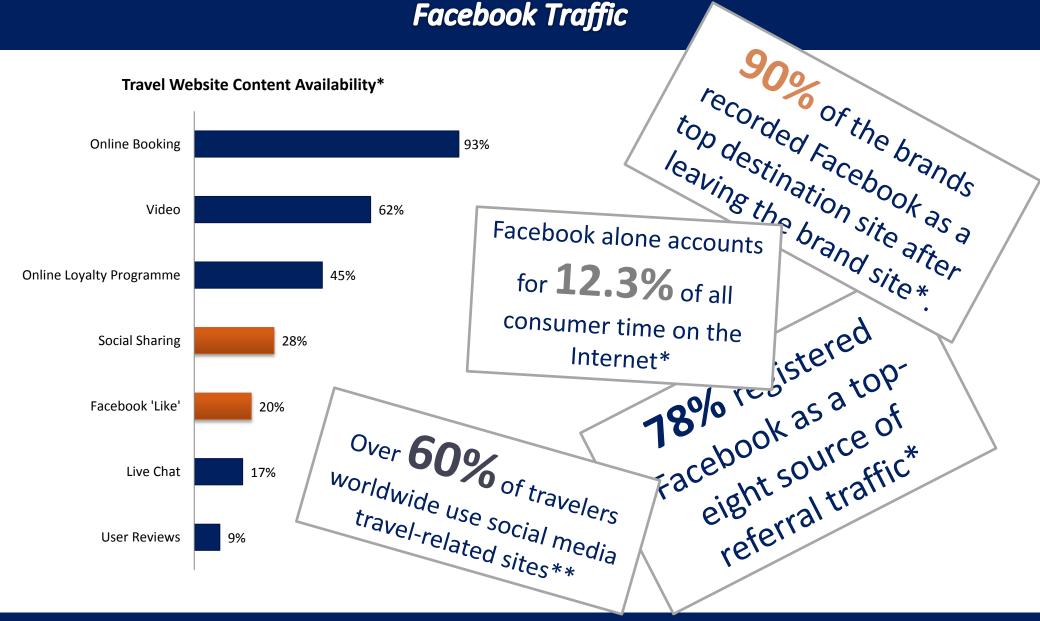
© Alexis Papathanassis * Source: PhoCusWright , 2008

Online Cruise Content is Gaining Importance From 'Cruise Promotion' to 'Guest Consulting'

Cruiser Decision Influences*



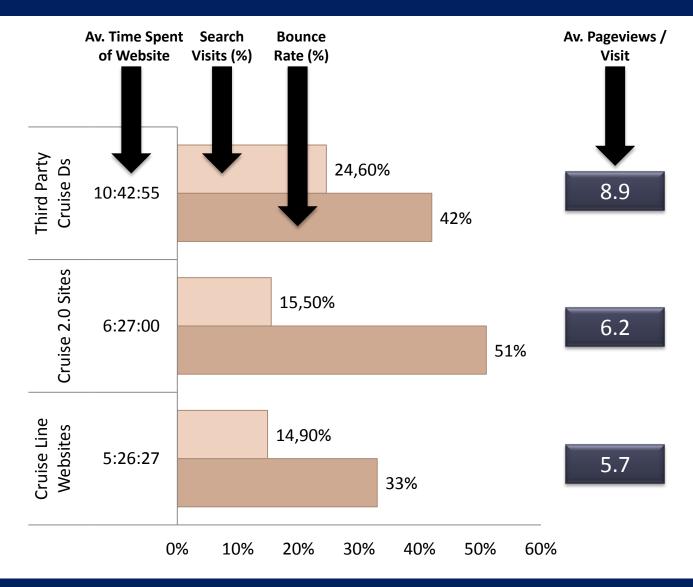
Understanding the e-Cruiser's Cyber-Itinerary



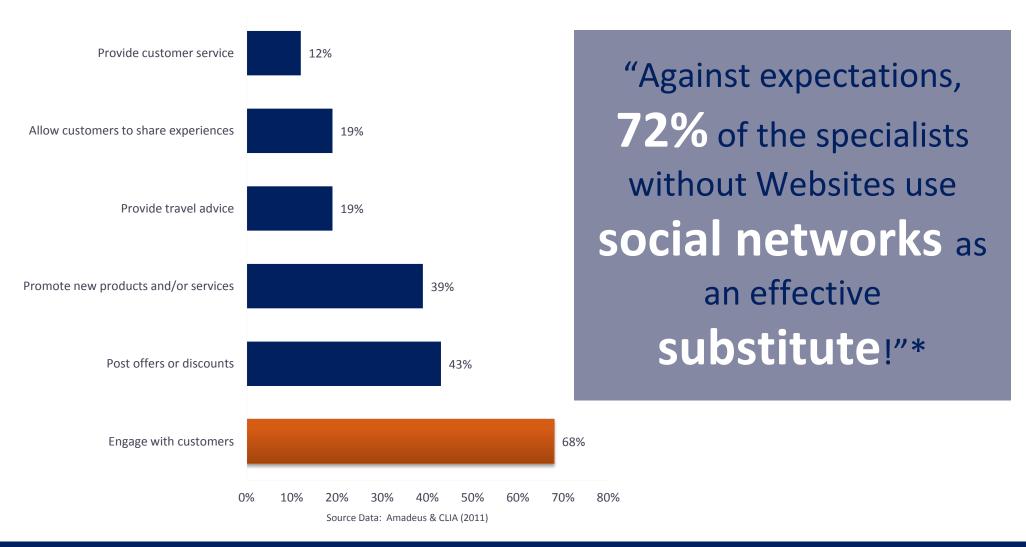
^{*} Galloway, S. (2011). L2 Digital IQ Index: Travel. Available Online: http://www.l2thinktank.com/research/travel-2011. Access Date: 12.06.2011

** Amadeus & CLIA (2011). From 'Likes' to 'Leads': Cruise Agents, Social Media & the Impact of Emerging Technologies. Available Online: http://cruising
Org/Sites/Default/Files/Misc/Amadeus NA Case Study v5.pdf (p.01). Access Date: 12.06.2012

Key e-Competence Indicators:Cruise-Related Websites*



Cruise Specialists & Social Networks...



Brand Promotion Possibilities?!

263 comments, 744 people 'Likes'... since yesterday!



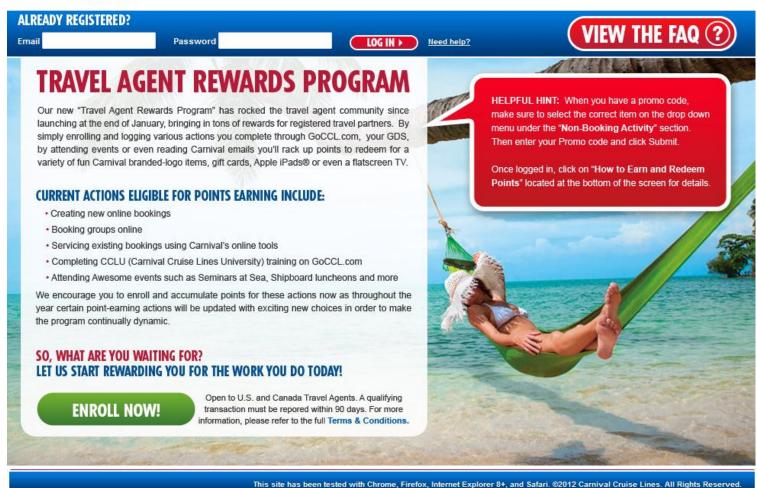
A big 'ol tip of the hat to Captain Greybeard for revealing the hull design for Norwegian Cruise Line's Breakway. Painted by Peter Max. Love it or hate it? http://bit.ly/OMY5aa



What the Cruise Companies Do... Carnival Cruises: "Travel Agent Reward Programme"



BEGIN ENTERING YOUR ONLINE BOOKINGS TODAY.



While managers are managing the technology, the democratisation of information is generating more 'expert' guests and 'guest' experts...

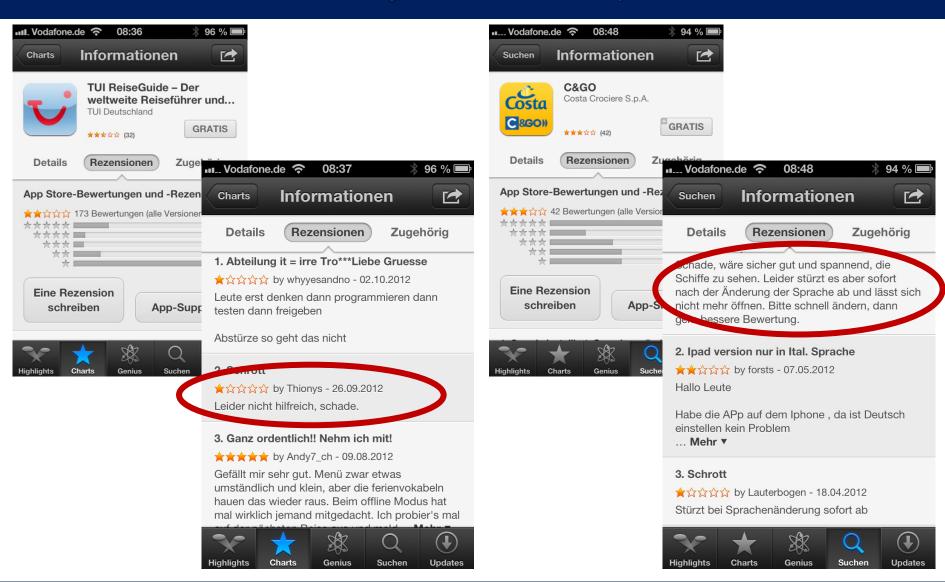
Cruise Online / Mobile Presence represents the Brand It needs to work!







... It must add value for the guest! Usefulness & Usability



Costa Cruises... Human Touch?







Costa Click Academy... On Second Life!







JULY 2007. A MILLION CUSTOMERS IN ONE YEAR

We would like to take this opportunity to thank all the Travel Agencies who have contributed towards this landmark.

Click here for more details

Costa Cruises, proud to be the first shipping company in the world to obtain the Best4 certification.

Certification Best4 attests respect of the highest international standards in Quality, Safety, Environment and Social Accountability.

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|-----------------------|-------|
| Username | |
| Password | |
| Forgot your password? | Enter |

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→ Our fleet

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→ Help Desk

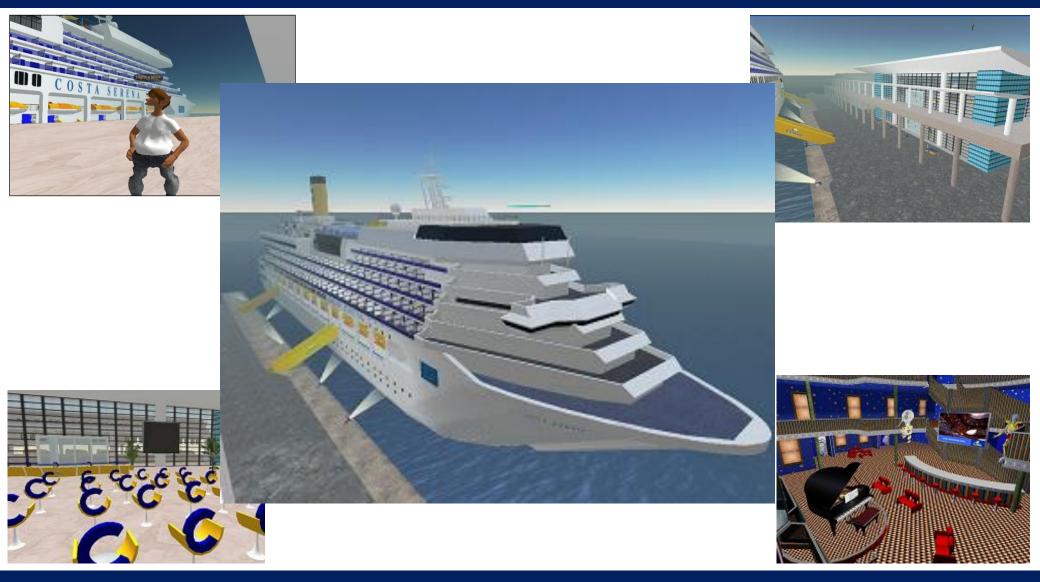
If you're a travel agent and you'd like more information... Continue



Activate Costa Click



Costa & Second Life.... A game?



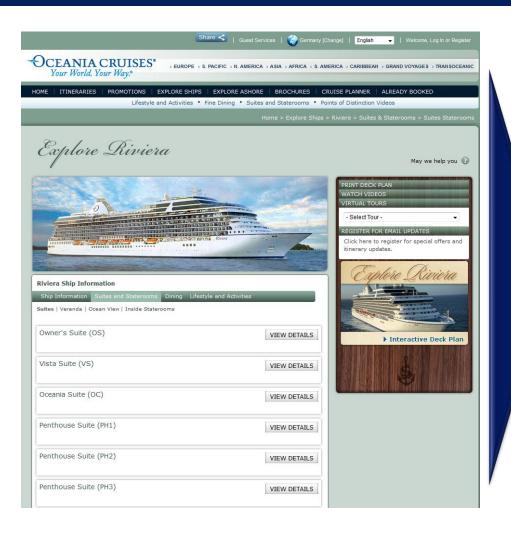


There is a need to re-define the purpose, scope, content and interfacing of the Corporate Website

GUEST-SPENDING CONTROL

Beyond Internet Access on Board

What the Cruise Companies Do... Oceania Cruises: "A Laptop with WiFi for every Cabin"



Suite Amenities

- Exclusive Access to Executive Lounge Staffed by a Concierge
- Prestige Tranquility Bed, an Oceania Cruises Exclusive, with 1,000-Thread-Count Linens
- 24-Hour Butler Service
- Private Veranda
- Welcome Bottle of Champagne
- Refrigerated Mini-Bar with Free and Unlimited Soft Drinks and Bottled Water Replenished Daily
- Full-Size Jacuzzi Tub
- Priority Check-In and Early Embarkation
- Priority Luggage Delivery
- Priority Restaurant Reservations in Toscana, Polo Grill, Jacques and Red Ginger
- Laptop Computer with Wireless Internet Access++
- Complimentary and Extensive 24-Hour Room Service
- Bvlgari Toiletries
- Thick Cotton Robes and Slippers
- Cashmere Lap Blanket
- LCD Flat-Screen Television
- CD/DVD Player with an Extensive Media Library
- Grohe Handheld Shower Heads
- Security Safe
- Handheld Hair Dryer
- Direct Dial Satellite Phone and Cellular Service
- 110/220 Volt Outlets

++Internet usage charges apply.

What the Cruisers Want.... 'Ultramodern Facilities & Entertainment' = Laptop!?

Survey by CruiseCompare.com

2,000 cruisers & their technology*

- Findings (Usage on Board):
 - 83% have used some form of technology when on a cruise holiday
 - 76% web / Internet
 - 69% MP3 players
 - 52% mobile phones (perhaps too expensive)
 - 31% Kindle-type devices
 - 23% personal laptops
 - 14% gaming consoles
 - 9% tablets

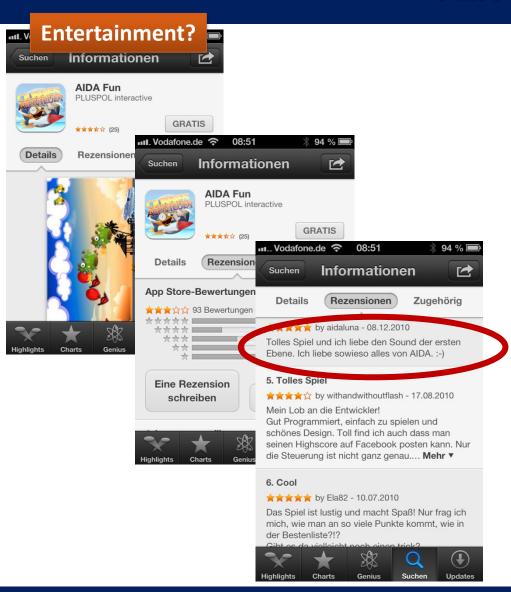
Online Access Revenue?

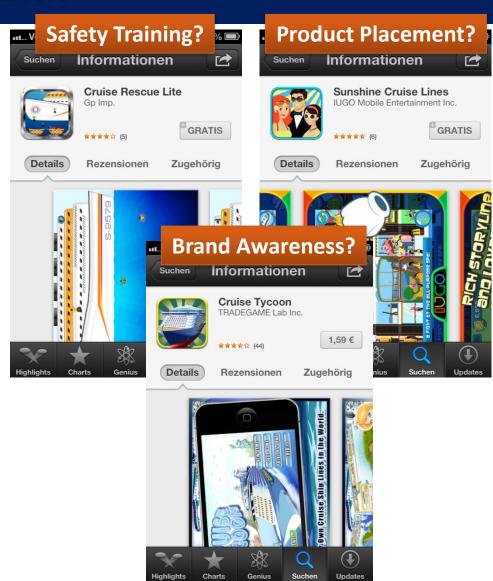
- Findings (Reasons for Usage):
 - 35% "out of habit"
 - 31% Entertainment
 - 29% Keeping in contact with home
 - 27% Work
 - 12% Researching ports and destinations
 - 6% Boredom
 - 2% Shopping

Online Services Revenue?

Technology usage and free internet access on Board are neither Amenities nor Exciters; They are Satisfiers...

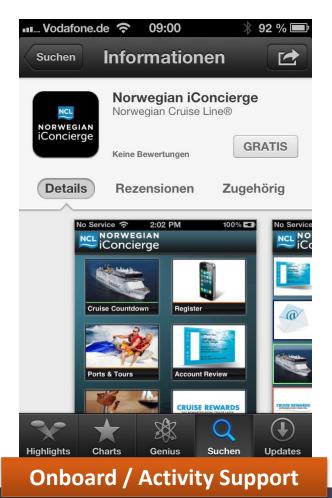
Beyond the online / mobile brochure Fun Factor!





Some other App examples



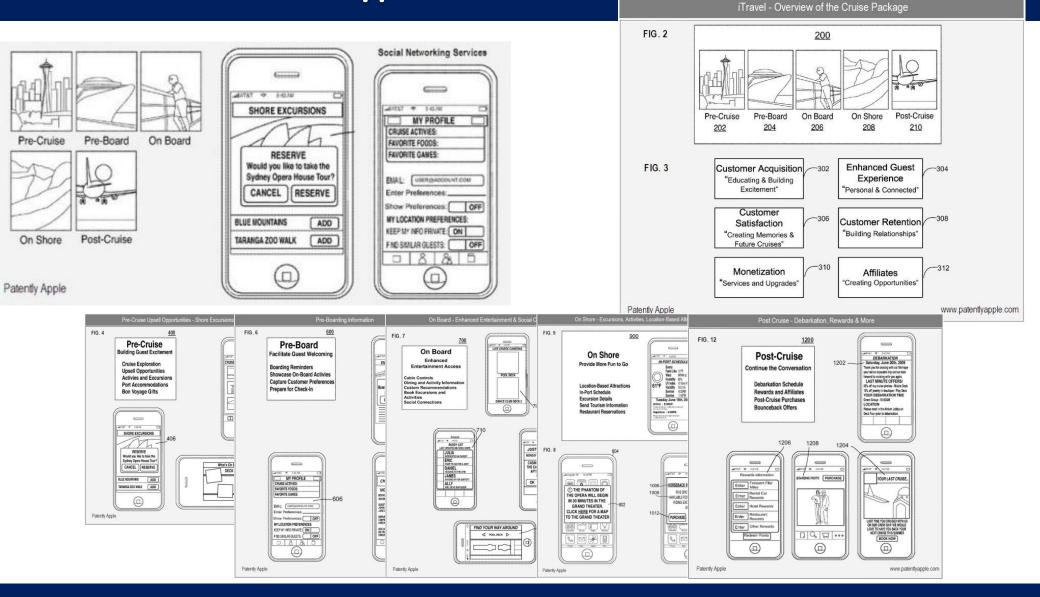




Usefulness!?

New Players...

Apple iTravel Cruise Patent



COMMUNICATION CONTROL

'Big Brother is being Watched'

Guest Cruise Reviews Guest Empowerment & Multiplication Effects



• Cruise ship and port reviews from professionals and cruisers like you!

We have been on 5 cruises prior to this cruise. We would not ever consider cruising on Costa again nor would we recommend it to friends or family. Of all our prior cruises we never had a... read more

73 users found this review helpful.

Worst cruise out of the 13 I've been on. The most rude pepole I have ever encountered on land or sea. Cost has cut back to the bare bones and it shows everywhere. The crew seems unhappy as well... read more

29 users found this review helpful.

We chose this cruiseline for the initial reason of the price. It also helped that they offer a kids sail free program and in this economy, who can't say that's a welcome treat. We had an excellent... read more

58 users found this review helpful.

1 cruise, 3 dissatisfied guests, 160 readers!

Reputation 2.0

"Cruise Leaks" - Big Brother is being watched!

Critics & Interest Groups

- Tax avoidance Flags of convenience
- Environmental Externalities (Friends of the Earth Scorecard)

Suppliers

- Economic Impacts at Source Markets
- Destination limitations (Seasonal, infrastructural)

Customers

- Mass Cruising
- Overcrowding
- Safety
- Criminality on board (Balancing security with recreation)

Employees

- Image issue ('Sweatships')
 - Intl Transport Workers' Federation (ITF)
 - International Labour Organisation (ILO)
- Crew living & employment conditions



The age of online transparency has arrived...What happens at sea does not stay at sea anymore!

E-CRUISING STRATEGY

Managing the Extended System Landscape

Cruise e-Strategy Dimensions (EBC Model) Touching the customer... virtually & humanly!

| | Mass - Budget | Mid - Standard | Niche - Luxury |
|----------------------------------|---|--|--|
| Company Website | Exposure & efficiency Online brand development (Pull) Search-engine optimisation Content-width Structure & visitor workflow | Enrichment Website promotion (Push) Content mgt & control structures Content-depth Navigation efficiency Price transparency | Experience Content multimediality & interactivity GUI customisability Incorporation of user-generated content |
| Virtual Landscape | Blockade Online brand protection (Legal) Content protection (Screen-scraping) | Backup – partnership 3rd party content integration Online co-branding Mergers & alliances | Best-partnership Social networking support Online-rating integration & optimisation |
| Stationary Channels | Co-opetitionPrice advantageMarketplace /portal character | Co-existence Price parity Structural guarantees Anti-cannibalisation measures & incentives | Co-evolution Exclusive access to content & offers Incentives for cross-referral (online-offline) |

Some Relevant Research... "The Ship is still Sailing"

Online Data Mining:

"Are Onboard Questionnaires necessary?"

"Guests use the internet to gather information... Do you?"

Online Presence:

"Is the website useful for you... or for the guest?"

Social Network Management:

"Do you trust your guests and do you believe in your services?"

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Automated approaches:

- •Quantitative Approaches: Counting and summarising positive / negative responses (Ref. i)
- •Qualitative Approaches: Extracting topics / issues, clustering and prioritising them (Ref. j, e)
- But can also be done manually need for a methodology / systematic approach
- Correlation between website e-quality and guest satisfaction / loyalty (Ref. a)
- Usefulness above aesthetics (Ref. b, c)
- Users prefer 3rd party websites (comparison and choice render them more useful) (Ref. b)
- Source market cultural fit in website design
- Guests are sophisticated and efficient when assessing online reviews and content is dominant (Ref. d)
- Online reviews regardless positive or negative increase guest consideration and it does not really matter if the reviewer is an expert (Ref. g):
- Reviews have a significant impact on online bookings (Ref. H): 10% increase of reviews = 5% increase in sales)

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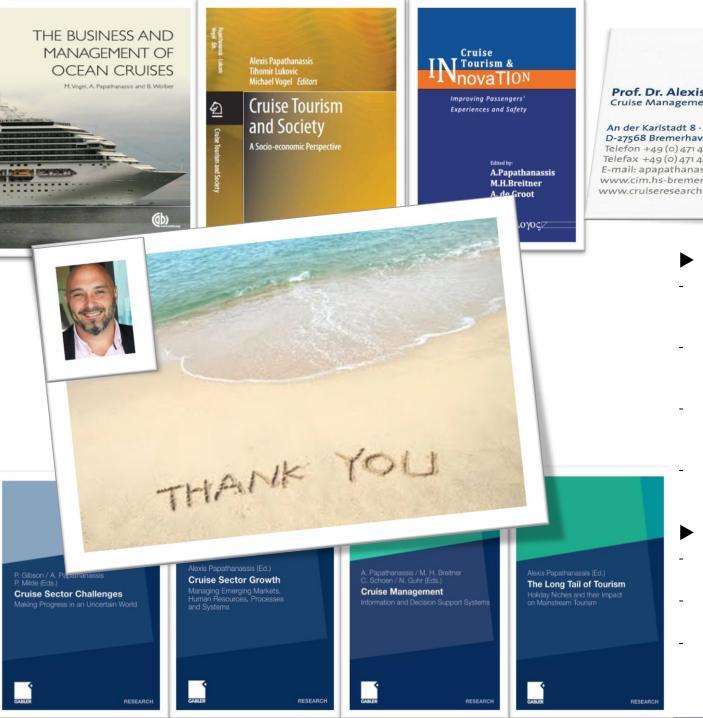
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Hochschule Bremerhaven _____ Prof. Dr. Alexis Papathanassis Cruise Management & e-Tourism An der Karlstadt 8 · Raum S 5.33 Privat: D-27568 Bremerhaven Lohmannstraße 16 Telefon +49 (0) 471 48 23-532 D-27568 Bremerhaven Telefax +49 (o) 471 48 23-285 Telefon +49(0)1736132565 E-mail: apapathanassis@hs-bremerhaven.de Telefax +49 (0) 721151528170 www.cim.hs-bremerhaven.de E-mail: alexis@papathanassis.com www.cruiseresearchsocietv.com www.papathanassis.com

Research Functions:

- Founder & Chairman of the Cruise Research
 Society
 (http://www.cruiseresearchsociety.com)
- Co-Director of the Institute for Maritime Tourism (IMT) (http://www.imt.hs-bremerhaven.de/)
- Editorial Board Member of the Journal of the European Journal of Tourism, Hospitality and Recreation (EJTHR) (http://www.ejthr.com/)
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► Administrative Functions:

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