Cruise Destination Development: “A Dwarf Challenging Giants” - The Case of Bremerhaven

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BREMEHAVEN CITY

From Ship-Building and Fisheries... To Tourism!
Bremerhaven... A History of Transformation

- 1827: City founded (Sold to Joahann Schmidt from King Georg of Hannover)
- 1832: Shipping route to the US – Mass Emigration to the ‘New World’ (7 Mil Pax)
- 1896: ‘Fischerei Hafen’ was built. Development of Fishing and Shipbuilding
- 1960: Economic crisis (US Bases close, shipbuilding suffers), industrialisation of fish production
- 1970-Today:
  - Severe unemployment & social problems
  - Economic transformation hopes based on container business, wind-energy and tourism
Bremerhaven Location
Logistically-Optimal and Near Many Attractive Tourist Locations

Amsterdam
Hannover
Bremen
Hamburg
Berlin
Centralised Tourism Attractions
Havenwelten

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Mediterraneo...
A Shopping Mall with Mediterranean Flair
Sail... An Event with Sail Ships
North Sea Tradition & Maritime Culture
“Fishtown!”

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Tourism Attraction Visitors
“Yo-Yo Effect”

Bremen Tourism:
- 2013: 1.7 Mil Overnight Stays
- Day Visitors – Av. €33.70 / Day
- Overnight Guests – Av. €186.10 / Day
- 80% of Tourists come from Germany
- 70% of Visitors are Business Travellers

Bremerhaven Hotel overnight stays:
- 2012: 359,623
- 2013: 352,410

Bremrhaven Attraction Visitors

Year

** Data Source: https://www.bremen-tourismus.de/action/download?id=ad3619ea-3520-1579-6594-33259be9cc06
Bremerhaven Tourism Issues

Destination Image:
- Bremerhaven’s city image within Germany / German media focus on social problems

Regional Competition:
- Regional tourism competition (Hamburg, Cuxhaven, Bremen, Rostock)
- Politics with the city of Bremen

Tourism Income & Benefits:
- Visitor numbers declining vs. Costs of maintaining attractions (Climate House and Emigration Center)
- Leisure visitors are mostly day-tourists and highly seasonal (only summer) – Limited benefits for local retail
- Hotel overnight stays also seasonal depending on events (e.g. Ship repairs, new ship inauguration)
BREMEHAVEN PORT

The Columbus Cruise Terminal
### Some Facts on the Bremerhaven Cruise Terminal

<table>
<thead>
<tr>
<th>Location:</th>
<th>Terminal Facilities:</th>
<th>Public Transport Options:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• City centre: 2 kilometres</td>
<td>• Parking spaces for approx. 380 cars directly at the terminal and approx. 500 parking spaces within 1.000 meters</td>
<td>• Public bus stop directly in front of the terminal</td>
</tr>
<tr>
<td>• Airport (regional): 15 minutes to Bremerhaven</td>
<td>• Covered bus terminal with parking space for 20 buses and a digital guidance system</td>
<td>• A dedicated railway connection</td>
</tr>
<tr>
<td>• Airport (international): 25 minutes to Nordholz, 45 minutes to Bremen</td>
<td>• Weather-protected gangways of different length</td>
<td>• Taxi rank in front of the building</td>
</tr>
<tr>
<td>• Railway station: direct at the cruise terminal</td>
<td>• Three waiting-rooms on different levels for approx. 4,000 passengers</td>
<td></td>
</tr>
<tr>
<td>• Bremerhaven main station 10 minutes</td>
<td>• internet café</td>
<td></td>
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<tr>
<td></td>
<td>• café with a view of the cruise vessels and the Weser</td>
<td></td>
</tr>
</tbody>
</table>
Some Impressions...
Some Impressions...
Also Available for MICE....
Passenger-shipping represents a minimal proportion of the port’s activities.

In 2013, Bremerhaven Port handled 6,916 arrivals / departures in total. Of those:

- Most were from Container Ships: 3,456
- Those from passenger Ships (Cruise Vessels) were only 104

Source Data: http://www.bremenports.de/standort/statistiken/bremische-haefen-in-zahlen
Bremerhaven Cruise Port Issues

Capacity Utilisation:
- Declining number of cruise passengers embarking & disembarking
- Dependence on mainly German cruise operators (Phoenix) targeting German ‘silver-agers’, travelling to routes in the North Sea and / or Baltic Sea
- Efforts to develop alternative uses for the terminal during off-season

Interface to Tourist Attractions:
- There are good public transport possibility to the city centre
- Industrial atmosphere when exiting the terminal
- Too far to reach the city on foot

Regional Competition:
- Many cruise operators favour Hamburg and Warnemünde (Berlin) as ports of call
- German tour operators have their homeports in other nearby cities (e.g. AIDA in Rostock, TUI Cruises in Hamburg)
TOURISM & CRUISES LEADING TO ECONOMIC SUCCESS... HOPELESS?!
Some Key Questions

The Importance of ‘Tourism Software’

Destination Image / USPs

• Have you ever heard of Bremerhaven or any of its attractions?
• Would you visit Bremerhaven?
• Complete the sentence: “Tourism-wise Bremerhaven stands for...”

Competition

• How is Bremerhaven to regionally position and market itself against Hamburg and Berlin?
• How is Bremerhaven to internationally position itself as a cruise destination?

Tourism Income & Benefits

• How can a city like Bremerhaven benefit from tourism in general?
• What does this case tell us about tourism development (transition from industrial economy to an incoming tourism economy)?

‘Hardware’ (Cruise Port & Museums)

• What could be done to improve the utilisation of the cruise terminal?
• Under what conditions can the attractions maintain visitors (sustainability)?
UNDERSTANDING CRUISE DESTINATION DEVELOPMENT

Cluster Theory & PORTfolio Matrix
Developing Competitive Cruise Destinations
Cluster Theory & the 6As*

- Attractions (Natural & created)
- Activities (Special events, festivals, entertainment, shopping)
- Amenities (Accommodation, Catering, Tourist Info)
- Ancillary Services (Telecommunications, Banks, Medical services)
- Accessibility (Transportation system, Travel infrastructure)
- Availability (Marketing the destination supporting domestic demand)
- Core Resources & Attractions
- Port / Destination Management
- Local Authorities
- Demand Conditions
- Local Tourism Companies & Suppliers
- DMOs (Destination Management Organisation – e.g. Atlantic Alliance)
- TNCs (Transnational Corporations / Cruise Operators)
- Complementary Conditions
- Educational Organisations (e.g. Universities)

Cruise Destination Positioning and Development Strategy

*PORT-Folio Matrix*

**Destination Life-Cycle**

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**Exclusive Cruise Destination**
- Competitive focus: Differentiation
- Critical resources: Unique POIs
- Strategic focus: Market penetration, strategic investment
- Risks: Antagonism (locals -> guests)

**Established Cruise Destination**
- Competitive focus: Reputation
- Critical resources: Image / Brand
- Strategic focus: Loyalty & Sustainability (Economic, Social, cultural Environmental)
- Risks: Exploitation (locals -> guests), Overcrowding

**Authentic Cruise Destination**
- Competitive focus: Cost leadership
- Critical resources: Gov. funding, Educ. facilities
- Strategic focus: Innovation, social investment
- Risks: Guest safety & security

**Gateway Cruise Destination**
- Competitive focus: Revenue maximisation
- Critical resources: Local economy
- Strategic focus: Public Private Partnerships (PPP), network-creation
- Risks: Apathy (locals -> guests), Overcrowding

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**Tourism Development**

- Attractions (Natural & created)
- Activities (Special events, festivals, entertainment, shopping)
- Amenities (Accommodation, Catering, Tourist Info)

**Infrastructure Development**

- Accessibility (Transportation system, Travel infrastructure)
- Ancillary Services (Telecommunications, Banks, Medical services)
- Availability (Marketing the destination supporting domestic demand)

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*Papathanassis (2011)*

Developing Regional Cruise Destinations

X-Clustering Challenge

Cruise Port
Cruise Tourism
Conventional Tourism
Infrastructure
Economy

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Implications for Regional DMOs

Destination Awareness & Image Campaigns are the Tip of the Iceberg

- **Destination Promotion**
  - End customers (pull) - Web-presence, Media campaigns, Trade fairs
  - Tour / Cruise Operators (push) - Key account man/t
  - ‘Alternative’ PR initiatives (e.g. destination ‘film’ placement)

- **Destination Positioning & Image**
  - Destination branding
  - Marketing research & reporting
  - Crisis management (Communication / PR level)

- **Destination Development Strategy**
  - Life cycle management & regional capacity control
  - Pluralistic objective definition (i.e. sustainability, multi-stakeholder interests)
  - Neutrality assurance and stakeholder commitment

- **Co-opetition Infrastructure**
  - Enable and support PORT-folio balance
  - Facilitating PPP (Public Private Partnerships)
  - Synergy identification and syndication

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Cruise-port Alliances traditionally focus on promotion and forum facilitation... But this is just the tip of the iceberg!
Thank You for your Attention

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/)
- Reviewer of the Tourism Management Journal (http://journals.elsevier.com/02615177/tourism-management/)

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