Farming Icebergs
Cruise Destination Marketing in the Northern Atlantic

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CRUISE DESTINATION DEVELOPMENT

Tomatoes or Asparagus?
Should we farm tomatoes or asparagus?

**ARE:**
- Seasonally consumed
- An acquired taste
- Form the main input for selected dishes

**AND:**
- Their roots exude a chemical that kills many of the nematodes that either feed of tomato roots or carry diseases to the plant

**ARE:**
- Consumed more extensively
- Form an input for a variety of dishes

**AND:**
- They repel the asparagus beetle
Developing Competitive Cruise Destinations

Cluster Theory & the 6As*

- **Core Resources & Attractions**
  - Local Authorities
  - Educational Organisations (e.g. Universities)
  - Attractions (Natural & created)
  - Activities (Special events, festivals, entertainment, shopping)
  - Amenities (Accommodation, Catering, Tourist Info)

- **Complementary Conditions**
  - Port / Destination Management
  - Ancillary Services (Telecommunications, Banks, Medical services)
  - Accessibility (Transportation system, Travel infrastructure)
  - Availability (Marketing the destination supporting domestic demand)

- **DMOs (Destination Management Organisation – e.g. Atlantic Alliance)**
  - Activity Cluster

- **TNCs (Transnational Corporations / Cruise Operators)**
  - Local Tourism Companies & Suppliers

* Adapted from Kim & Wicks (2010) and complemented from Buhalis (2000)
Developing Regional Cruise Destinations

X-Clustering Challenge

Cruise Port

Cruise Port

Cruise Port

Cruise Tourism

Cruise Tourism

Cruise Tourism

Conventional Tourism

Conventional Tourism

Conventional Tourism

Infrastructure

Infrastructure

Infrastructure

Economy

Economy

Economy

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ROLE OF REGIONAL DMOS

No mono-cultures... and in every case organic!
Cruise Destination Positioning and Development Strategy

PORT-Folio Matrix

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

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

Destination Life-Cycle
- Growth
- Maturity
- Decline

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

* Papathanassi (2011)
** Life Cycle Concept originally discussed by Butler (1980)
Implications for Regional DMOs

*Destination Awareness & Image Campaigns are the Tip of the Iceberg*

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<th>Destination Promotion</th>
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<td>- End customers (pull) - Web-presence, Media campaigns, Trade fairs</td>
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<td>- Tour / Cruise Operators (push) - Key account management</td>
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<td>- ‘Alternative’ PR initiatives (e.g. destination ‘film’ placement)</td>
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<th>Destination Positioning &amp; Image</th>
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<td>- Destination branding</td>
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<td>- Marketing research &amp; reporting</td>
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<td>- Crisis management (Communication / PR level)</td>
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<th>Destination Development Strategy</th>
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<td>- Life cycle management &amp; regional capacity control</td>
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<tr>
<td>- Pluralistic objective definition (i.e. sustainability, multi-stakeholder interests)</td>
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<td>- Neutrality assurance and stakeholder commitment</td>
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<th>Co-opetition Infrastructure</th>
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<td>- Enable and support PORT-folio balance</td>
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<td>- Facilitating PPP (Public Private Partnerships)</td>
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<td>- Synergy identification and syndication</td>
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IN A NUTSHELL...
## Summary & Key Points

**A destination is not a product... It is a complex value-chain / socio-economical system**
- Interplay of environmental, social, economical and infrastructural factors
- Multiple stakeholders with various interests – coordination challenge

**Cruise tourism requires ‘tourism’ and ‘tourism’ can benefit from Cruising**
- Seasonality and concentration in cruise tourism (and tourism in general)

**A cruise itinerary requires different types of cruise destinations**
- Strategic positioning
- Balanced PORT-folio
- Co-opetition

**A regional cruise DMO is more than a PR agency**
- Cooperation architecture
- Network management imperative
Thank You for your Attention

Research Functions:
- Founder & Chairman of the Cruise Research Society ([http://www.cruiseresearchsociety.com](http://www.cruiseresearchsociety.com))
- Co-Director of the Institute for Maritime Tourism (IMT) ([http://www.imt.hs-bremerhaven.de/](http://www.imt.hs-bremerhaven.de/))

Administrative Functions:
- Dean of Studies – Faculty of Business & Economics
- Chairman of the CIM Examinations Committee
- Member of the CIM Study Affairs Committee
APPENDIX

• Regional Capacity Control Through De-marketing

• References
De-marketing is **the discouragement of certain market segments from visiting the destination during certain periods**, through a range of prohibitive measures or by charging premium prices.

- **Examples include:**
  - **“Theme-ing”**:
    - Theme Parks: Using leading story / attraction to divert people from congested attractions to less busy ones
  - **“Infrastructure constraints”**
    - Cambridge: Aims at attracting overnight stays only by controlling parking processes & facilities
    - Mauritius: Aiming at providing high-quality resort accommodation, does not allow charter flights - promoting high expenditure tourism
  - **“Pricing”**
    - Venice: Premium for all services offered + negative advertisement to reduce mass-tourism

*Buhalis (2000)*
References