

Hochschule
Bremerhaven

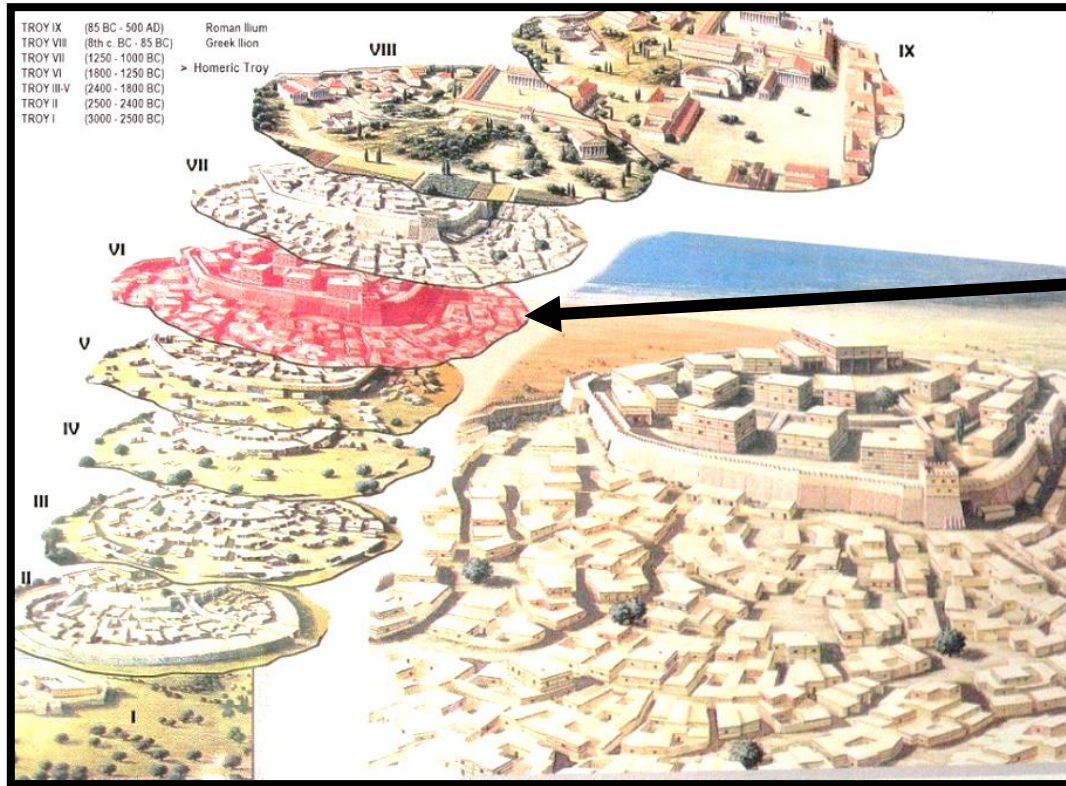
Prof.Dr.Dr._{hc} Alexis Papathanassis

Cruise Tourism Horizons 2050: Learning from 'Laomedon's Curse' and 'Cassandra's Fate'

(KMUTNB Guest Lecture - 21 February 2024)



Homer's Iliad - The Tale of a City lost... Repeatedly!



"There is no one single Troy; there are at least 10, lying in layers on top of each other"

[Gert Jan van Wijngaarden (2013). Troy: City, Homer and Turkey, W Books)



A story of the past to learn from... and not repeat in the future!

Troy was a thriving and commercially prosperous ancient city – protected by sun (Apollo) and sea (Poseidon)

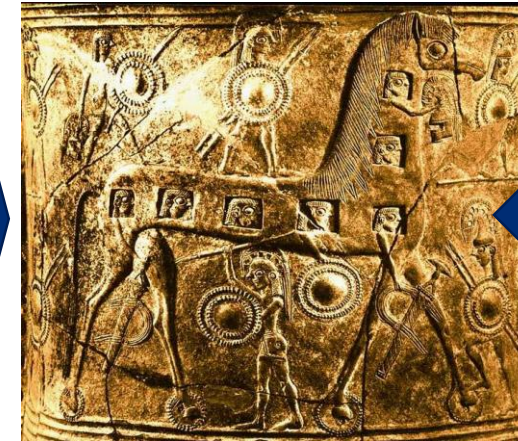


King Laodemon (Spirit of the Volk) did not honour his promises to the Gods and they send a plague and a sea monster as punishment



Hercules (the strongman of Greek antiquity) offered to solve the problem in exchange for horses (Symbol of nobility)

Hercules threatened war... And war came!
Troy was lost to warriors in a hidden horse (Trojan horse)



Once again Laodemon did not honour his commitment

Cassandra was always issuing warnings... but nobody wanted to hear her



... She faced a horrible end because of her curse (truth-irrelevance)



Laomedon's Curse:

Focus on short-term on profitability without corporate social responsibility is destructive!



Poseidon was the god of the sea and earthquakes.

- Bad temper and stormy emotions, violent, vindictive, destructive and dangerous
- When Poseidon and Apollo conspired against Zeus, he sent them to serve King Laomedon of Troy as punishment



Laomedon of Troy:

- The two deities were assigned to build huge walls around the city. But when they had finished, the Laomedon refused to pay them the reward he promised
- In vengeance, Apollo spread a Pest and Poseidon released a sea monster which snatched away the people of the plain. The oracles advised Laomedon to give his daughter Hesione as sacrifice to the sea monster to end this curse.



Hercules comes to the rescue:

- Hercules promised to save princess Hesione in exchange for the horses of Laomedon
- Laomedon agreed, Heracles killed the monster and rescued Hesione at the last minute. Laomedon refused to hold the agreement and Hercules left promising to return and bring war

.... despite
the help of
the Gods
and
protected
by great
walls, Troy
still fell!



Cassandra's Fate:

Ability to point out and foresee problems does not necessarily solve them!



Greek mythology:

- Cassandra was a daughter of Priam, the King of Troy.
- Struck by her beauty, Apollo (God of the light, truth and prophecy) provided her with the gift of prophecy, but when Cassandra refused Apollo's romantic advances, he placed a curse ensuring that nobody would believe her warnings.
- Cassandra was left with the knowledge of future events, but could neither alter these events nor convince others of the validity of her predictions.



Metaphors:

- Apollo (the Archetypical Intellectual): Archetype for order, reason, moderation, harmoniousness, and unemotional perfection
- Cassandra (the archetypical conscience): Represents human moral conscience which warns of consequences

.... Had the
Trojans
listened to
Cassandra,
Troy would
have
survived!



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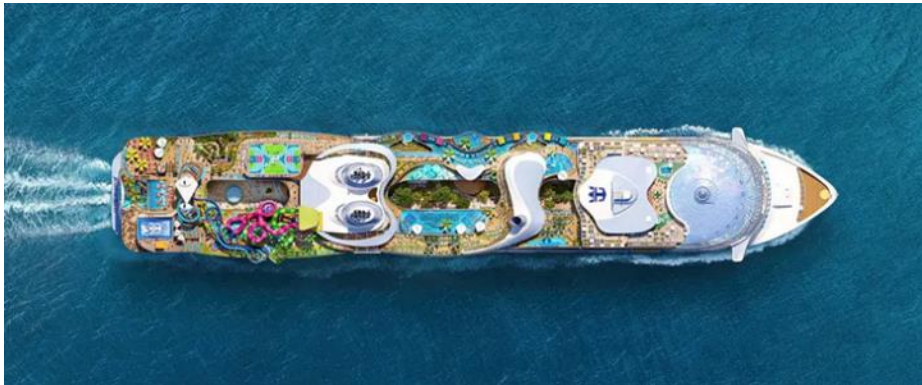
Cruise Business Model - The 'Walls of Troy'



Increasing ship sizes and
captive pricing fuel the cruise
sector's growth and
competitiveness

RCL's Icon of the Seas – Polarisation trend in cruising

Floating Destination: 20 decks, 8 neighbourhoods, 10.000 pax and crew



Tonnage:
250,800 GRT

Length: 365 m

Passenger
Capacity:
7600

Crew: 2350

Fuel: LNG

Sail start:
28 January
2024

28 Cabin
Categories

8 Neighbour-
hoods/
Districts



Thrill Island

Slide waterpark (6
waterslides)



Chill Island

Pool area (7 pools) ft
largest pool at sea



Surfside

For young families, with
places to eat, drink, and
play



Hideaway

Look and feel of a beach
club, multilevel terrace,
infinity pool



Aqua Dome

Theater, Tallest waterfall
at sea



Central Park

Park with real plants,
boutiques, live
entertainment and
restaurants



Royal Promenade

Ice arena, shops, catering
venues



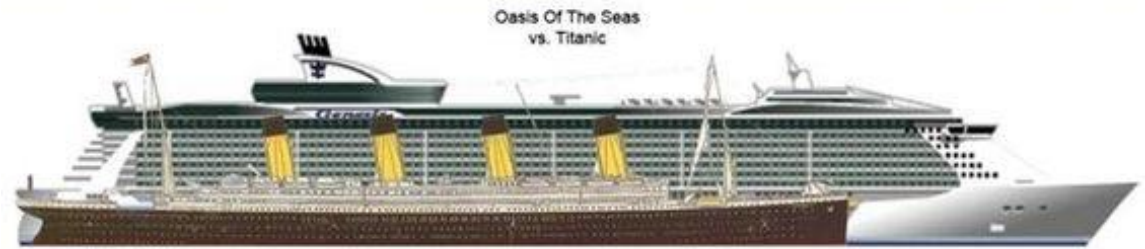
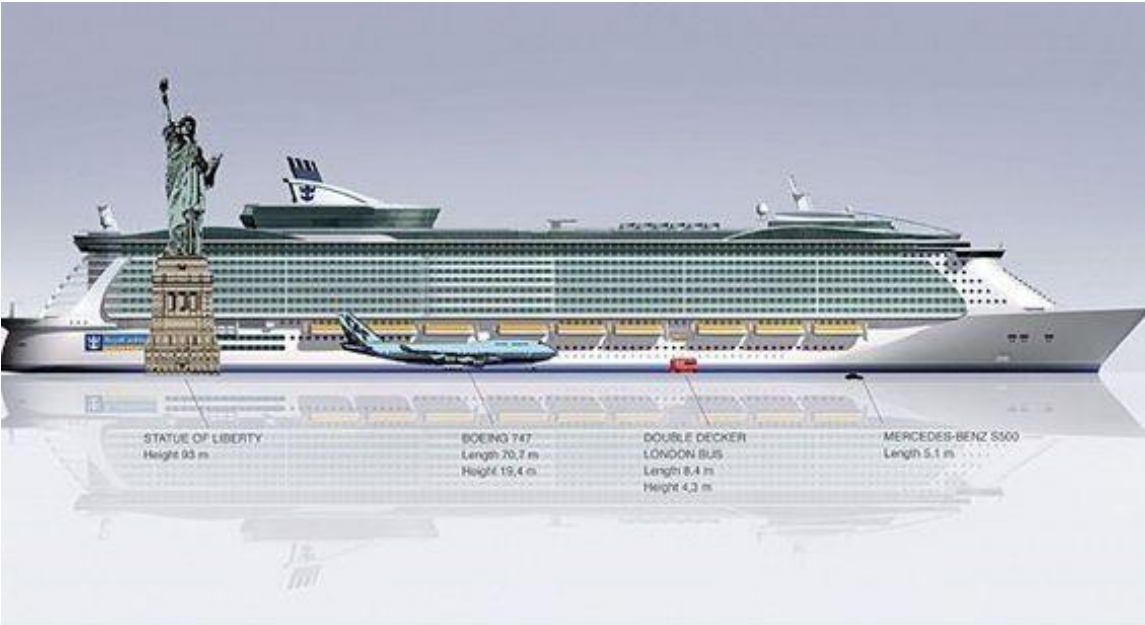
Suite Neighbourhood

Restaurant, sun deck,
restaurants, pools



RCL's Icon of the Seas vs. Titanic

Mega Space for Passengers, Less Crew Attention!



	Titanic	Icon of the Seas
Gross Tonnage (GT)	46328	250800
Guests	2435	7600
GT/Guest (Space)	19	33
Crew	892	2,350
GT/Pax (Space)	14	25
Guest/Crew (Service)	2,7	3,2

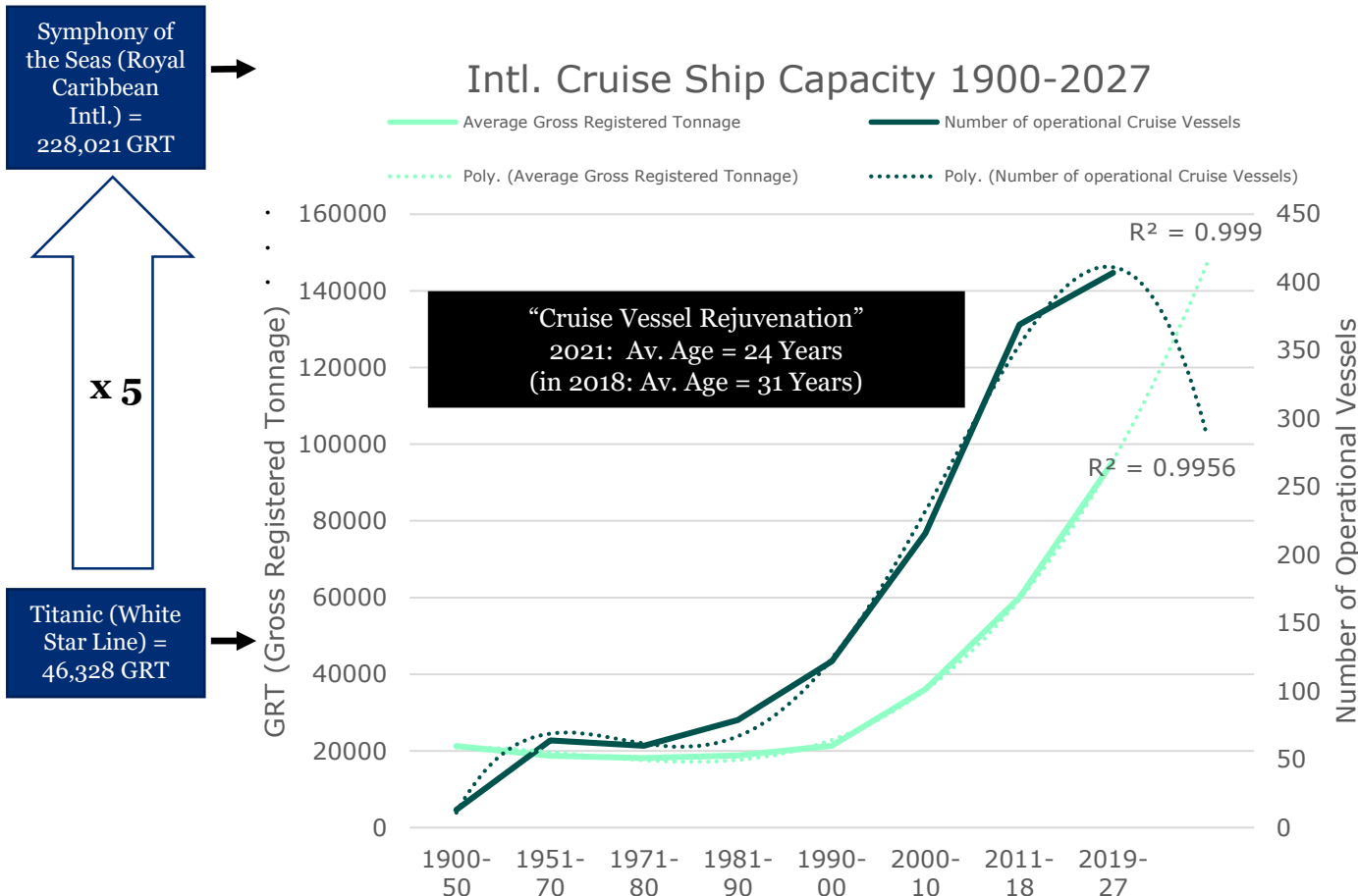


<https://www.pinterest.de/pin/704954147903160223/>



A Short History of Cruising: Size Matters!

A history of resilience and technology-enabled transformation



Sources: Papathanassis, A. (2019). The growth and development of the cruise sector: A perspective article. *Tourism Review*. <https://doi.org/10.1108/TR-02-2019-0037>, https://en.wikipedia.org/wiki/List_of_cruise_ships, <https://www.cruiseindustrynews.com/cruise-news/cruise-ship-orderbook.html>

1960-70s: Crisis in passenger shipping

- Early 20th Century, mainly focused on Transatlantic crossings
- Crisis through the commercialisation of jet-engine flight transportation

1980s: Transformation of a cruiseline voyage to a cruise holiday

- Amenities and facilities on board
- Increasing vessel size – floating resorts, enabled by ship-building technological advances

1990s: Capacity investments and modernisation

- New-builds and capacity investments
- Gradual reduction of prices / ‘democratisation of cruising’

2000s: Consolidation

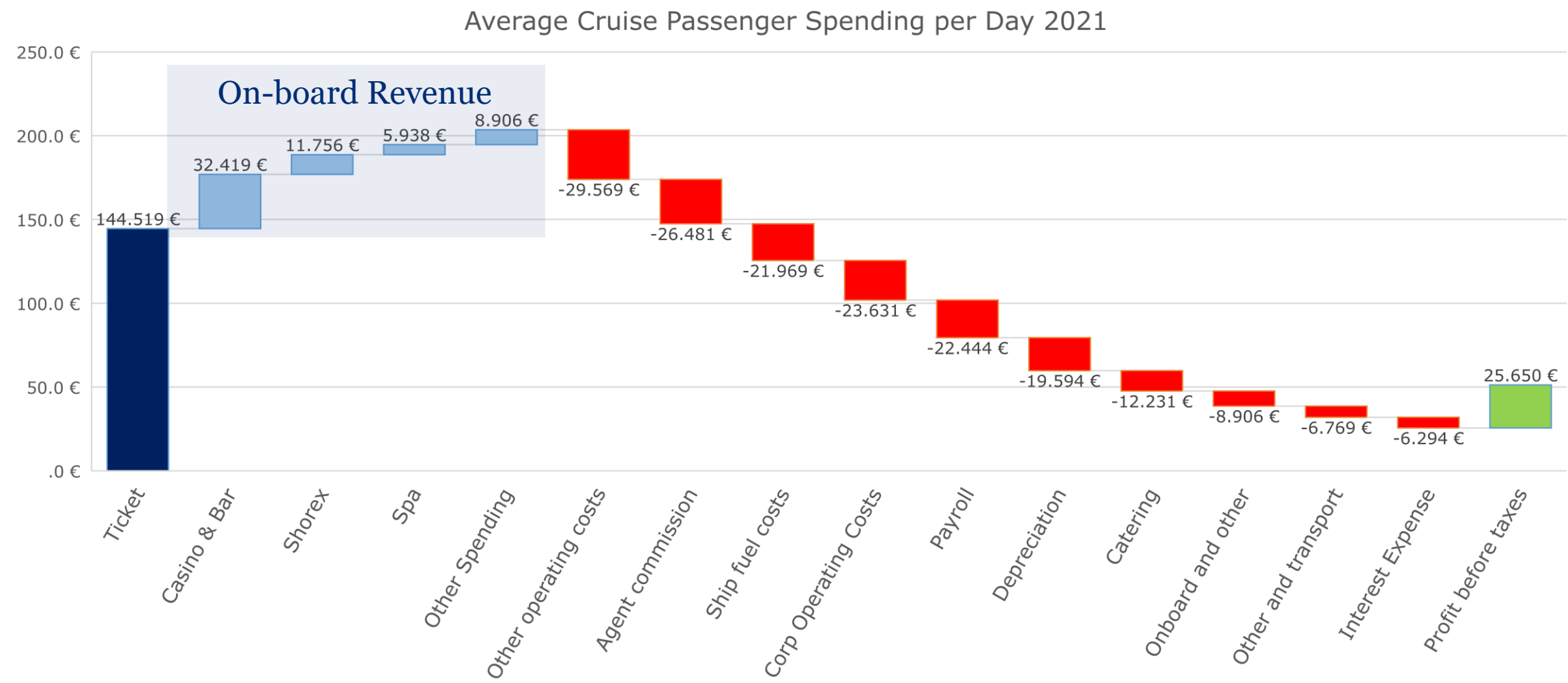
- Horizontal M&A resulting to high concentration

2010-Today: Crisis in Cruise Tourism’s Supply Chain

- Maturity in main source markets
- Sustainability-, Health and Safety Regulations
- Overcrowding / Port infrastructure / Destination Carrying Capacities



In 2021, the Average Cruise Passenger spent €204 ... and cost €178 per Day.

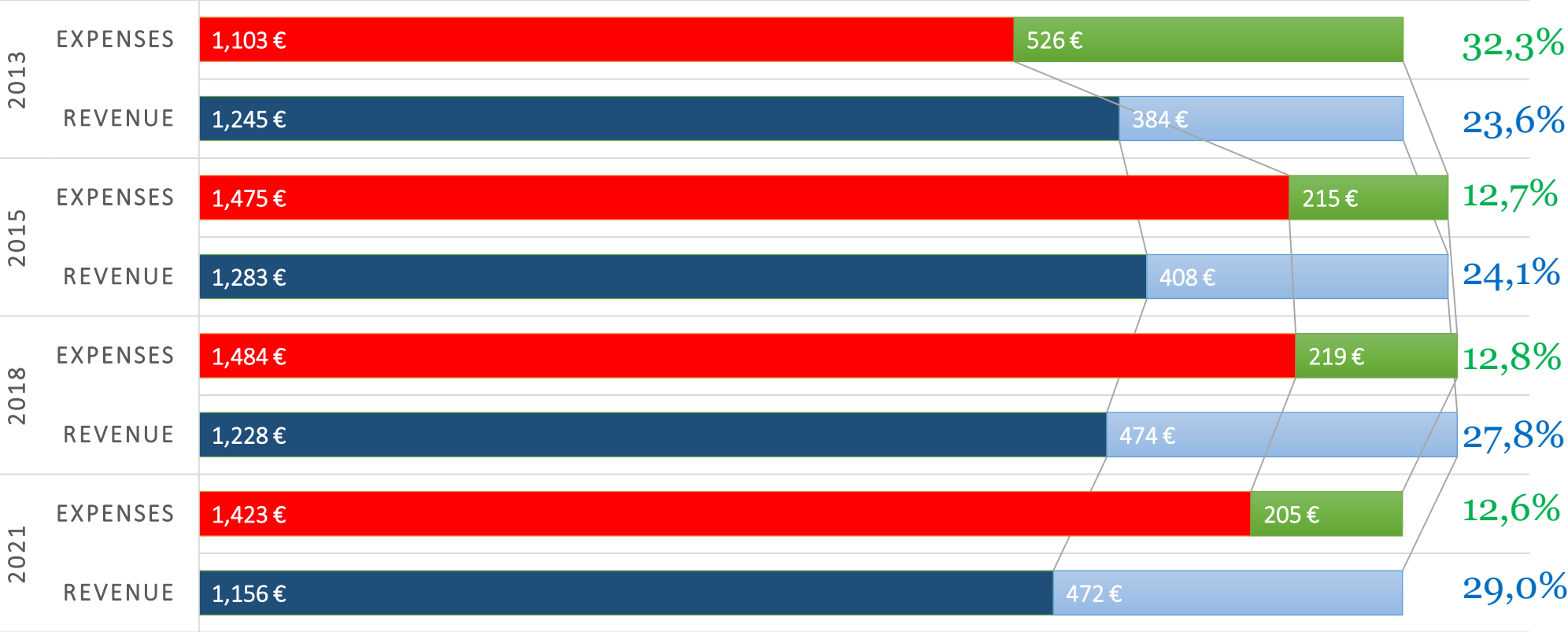


Onboard Revenue and Captive Pricing

A Driver of Ship-Size and Competition for Port-Economies?

AVERAGE CRUISER FINANCIAL BREAKDOWN 2013-2021

■ Ticket Revenue ■ OnBoard Revenue ■ Total Expenses ■ Profit before Tax



In real current prices (1 Dollar = 0.95 Euro)

The **Competition on Land and Monopolies on Board** create the premises for **Captive Pricing**. On Board Revenue is vital for **economic survival** and profitability



The Promise of Cruise Tourism:

“As an industry, the cruise sector is focused on a clear vision for the future – one that is prosperous, productive, sustainable and able to deliver positive results as it connects communities around the world.”

*Joel Katz
Managing Director Australia & Asia
Cruise Lines International Association (CLIA)**

*<https://tourism.gov.in/sites/default/files/articlesofg20/Making%20Cruise%20Tourism%20a%20Model%20for%20Sustainable%20and%20Responsible%20Travel%20APEC%2024.8%20Joel%20Katz.pdf>

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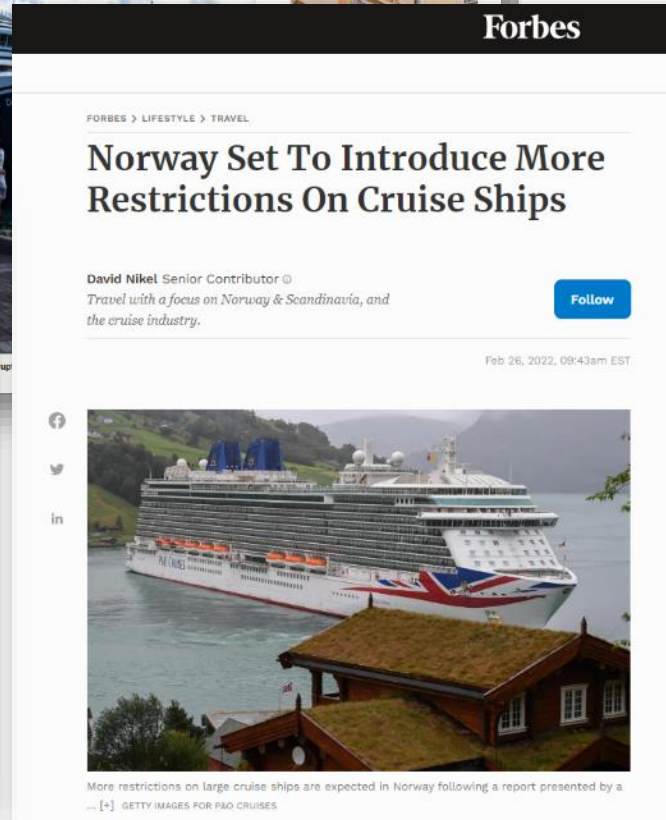
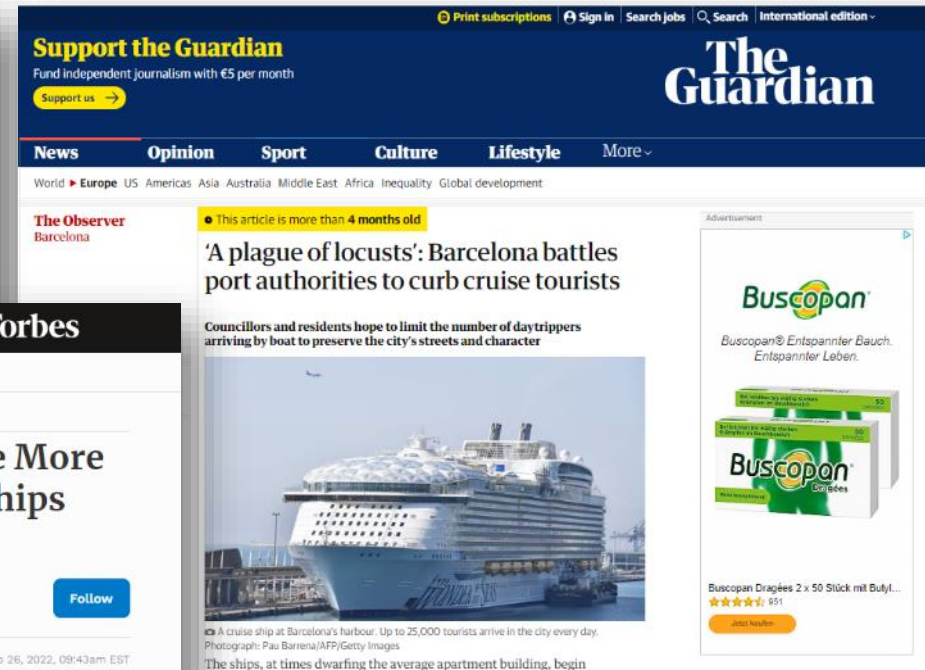
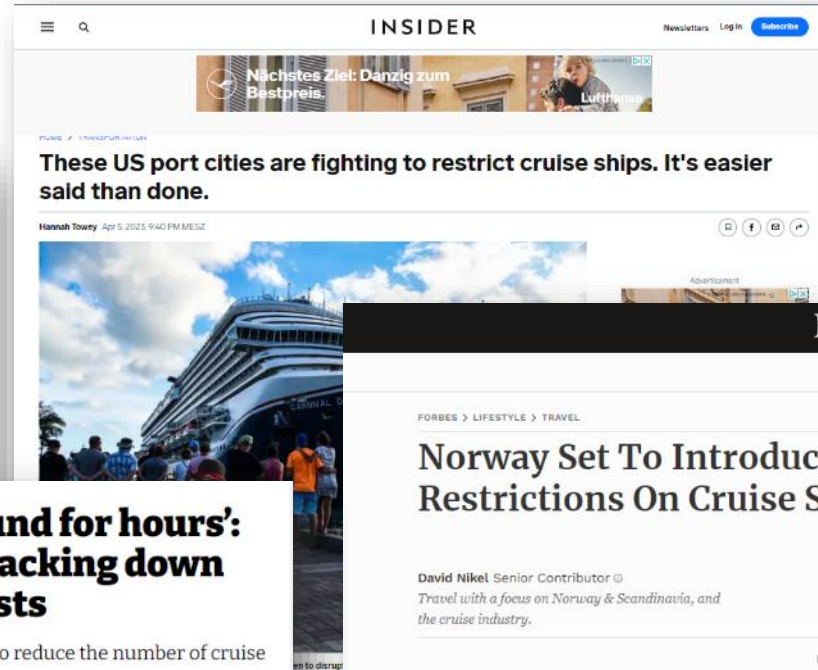
Anti-cruising Sentiment – Poseidon's 'Sea Monster'



... Failure to deliver
prosperity and sustainability
has fuelled anti-cruise
sentiment!

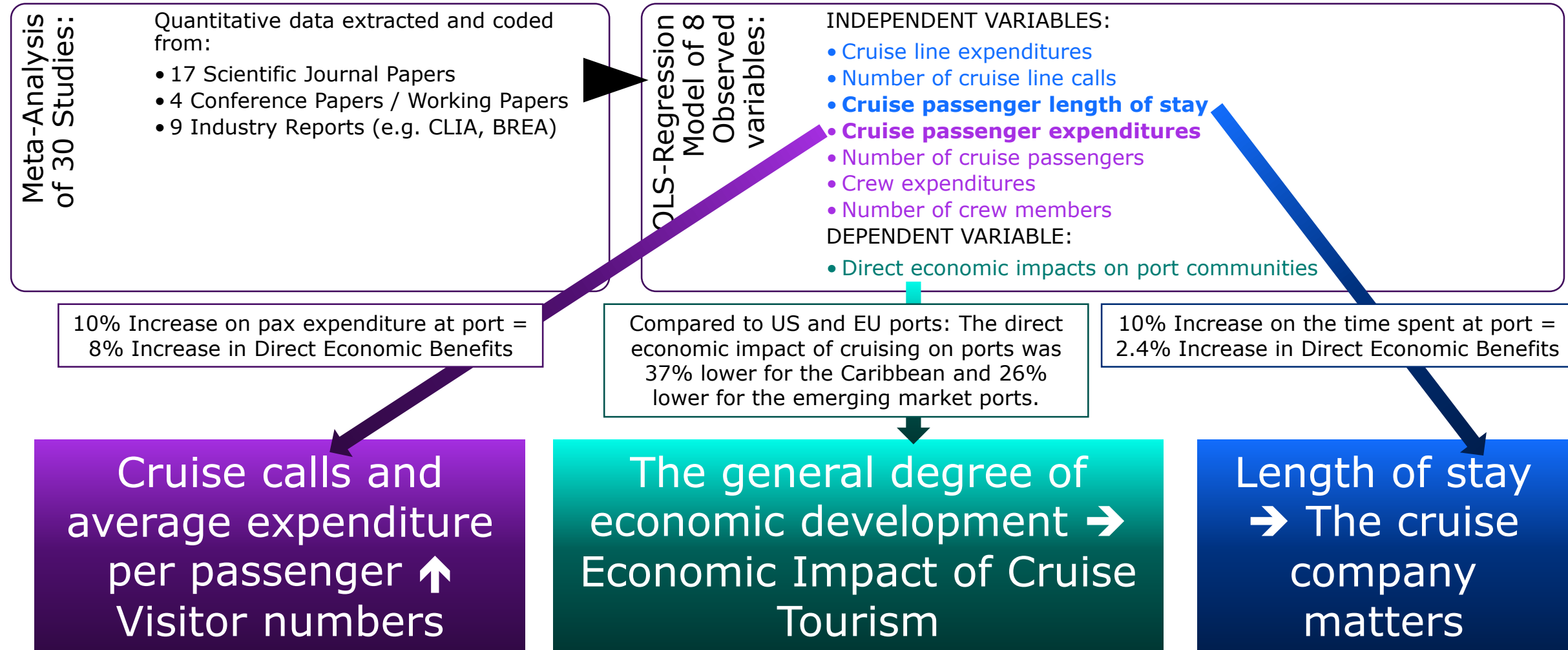
The Ports...

Destinations and their residents are questioning the actual value-added contribution of cruise tourism: Is it worth the hassle?



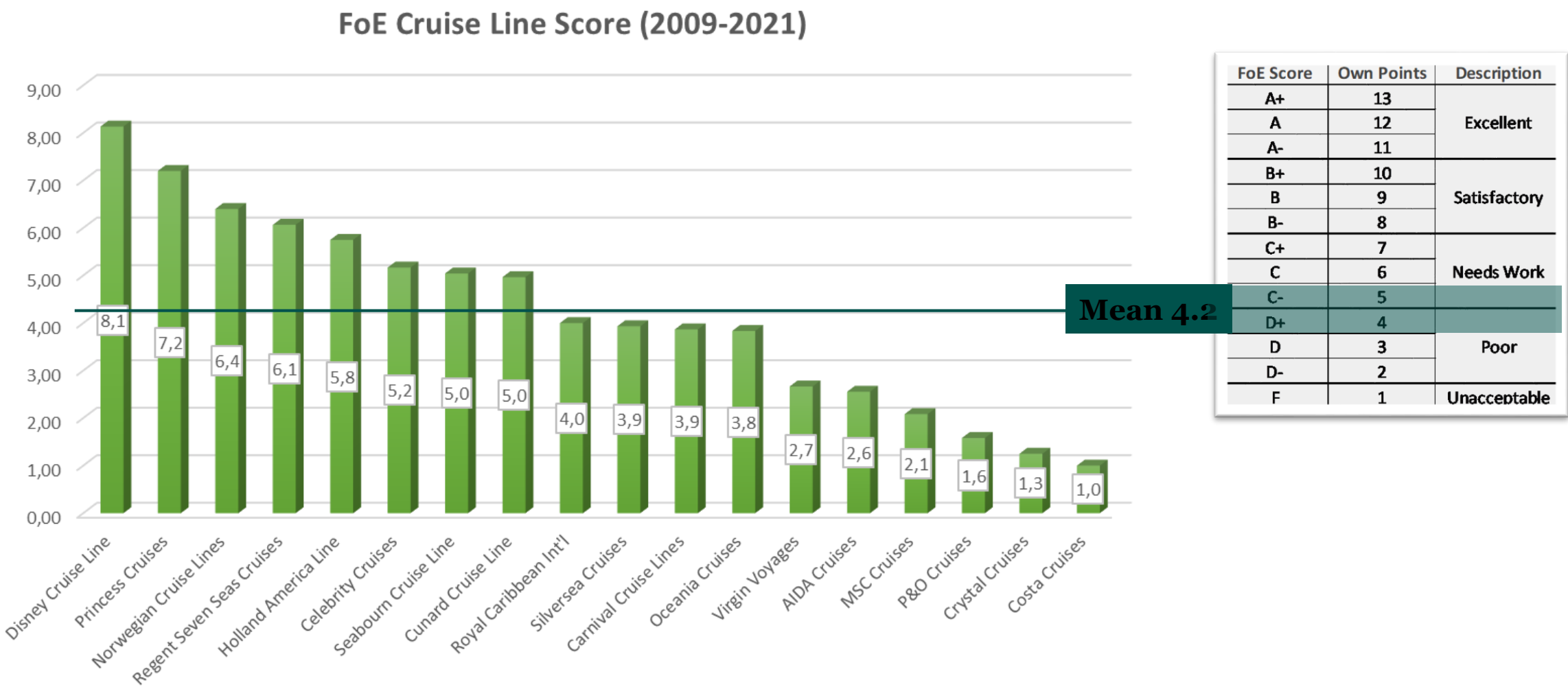
The Ports...

A Meta analysis of the economic impact of cruises on destinations



The Critics...

Environmental Sustainability - FoE Scorecard 2009-2021 (Average)



The Regulators

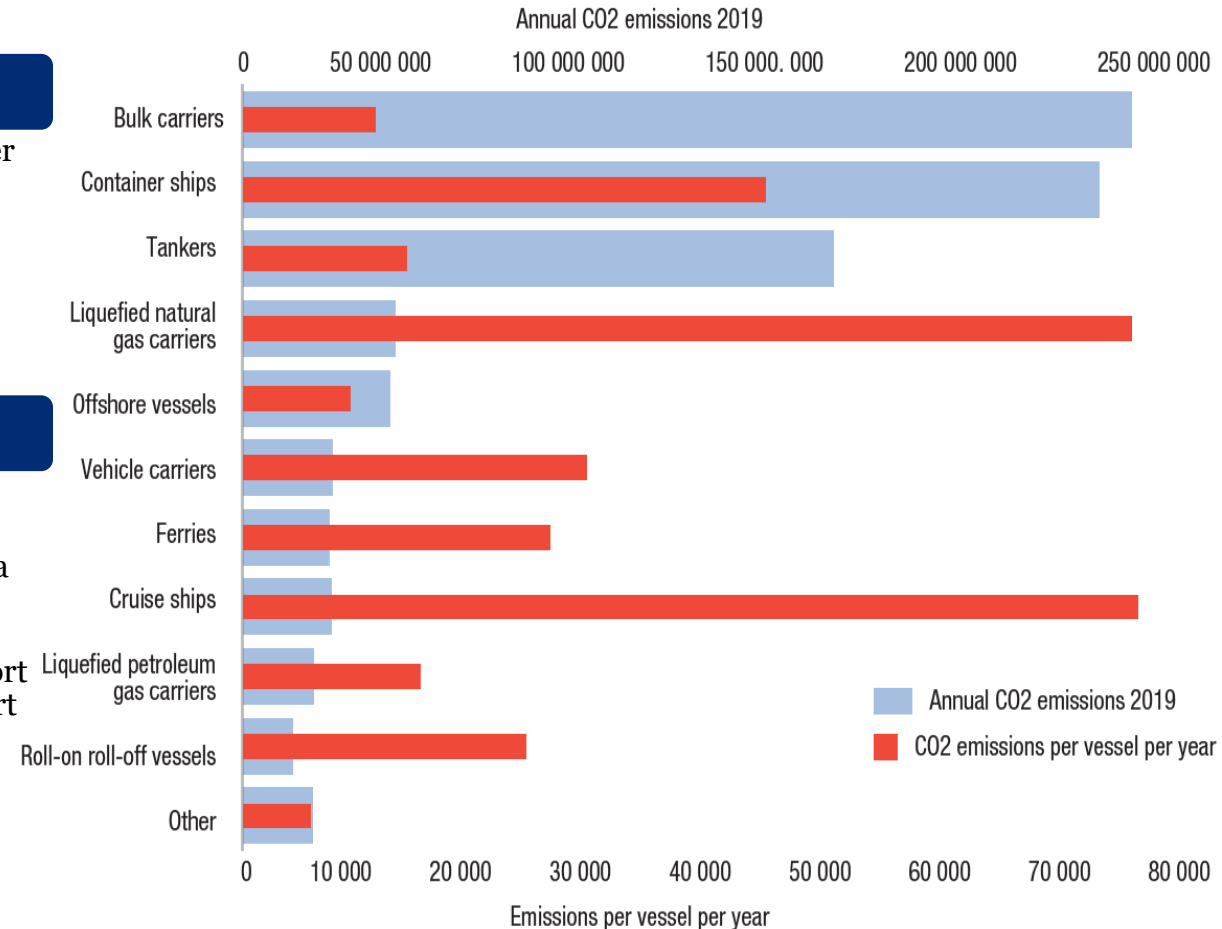
*Cruise ships have the largest '**CO₂ foot**' but a relatively small '**CO₂ footprint**'.*

EU Emissions Trading System (ETS)*:

- In January 2024, the EU Emissions Trading Scheme (EU ETS) will be extended to cover CO₂ emissions from **all large ships** (of 5000 gross tonnage and above) calling at EU ports, **regardless of which flag** they fly. The scheme covers:
 - 50% of emissions from journeys starting or ending outside the EU
 - 100% of emissions occurring between two EU ports and when ships are in EU ports.
 - The EU ETS covers emissions of CO₂ (carbon dioxide), CH₄ (methane) and N₂O (nitrous oxide), but the latter two only from 2026.

IMO's EEXI and CII Reporting**:

- From 2023, shipping companies will have to submit two sets of data to the IMO each year:
 - **Energy Efficiency eXisting Ship Index (EEXI)**: This is the energy efficiency of a ship (CO₂ emissions per tonne and nautical mile) compared to a baseline based on ship design (installed engine power, transport capacity and ship speed).
 - **Carbon intensity indicator (CII)**: This measures the efficiency of a ship's transport of goods or passengers (i.e. a ship's CO₂ emissions per unit of nominal transport effort - the product of a ship's capacity and the total distance travelled in nautical miles).
- From 2024, the IMO will give ships CII ratings (A-E, where A is best / least carbon intensive). The level of performance will be recorded in a "**compliance statement**" **which will** be included in the ship's Ship Energy Efficiency Management Plan (SEEMP).
 - Rating E -> plan with corrective measures to achieve a C or better
 - Rating D -> 2 more years time and plan with corrective measures
 - Rating C, B or A -> Efforts to achieve consistent A

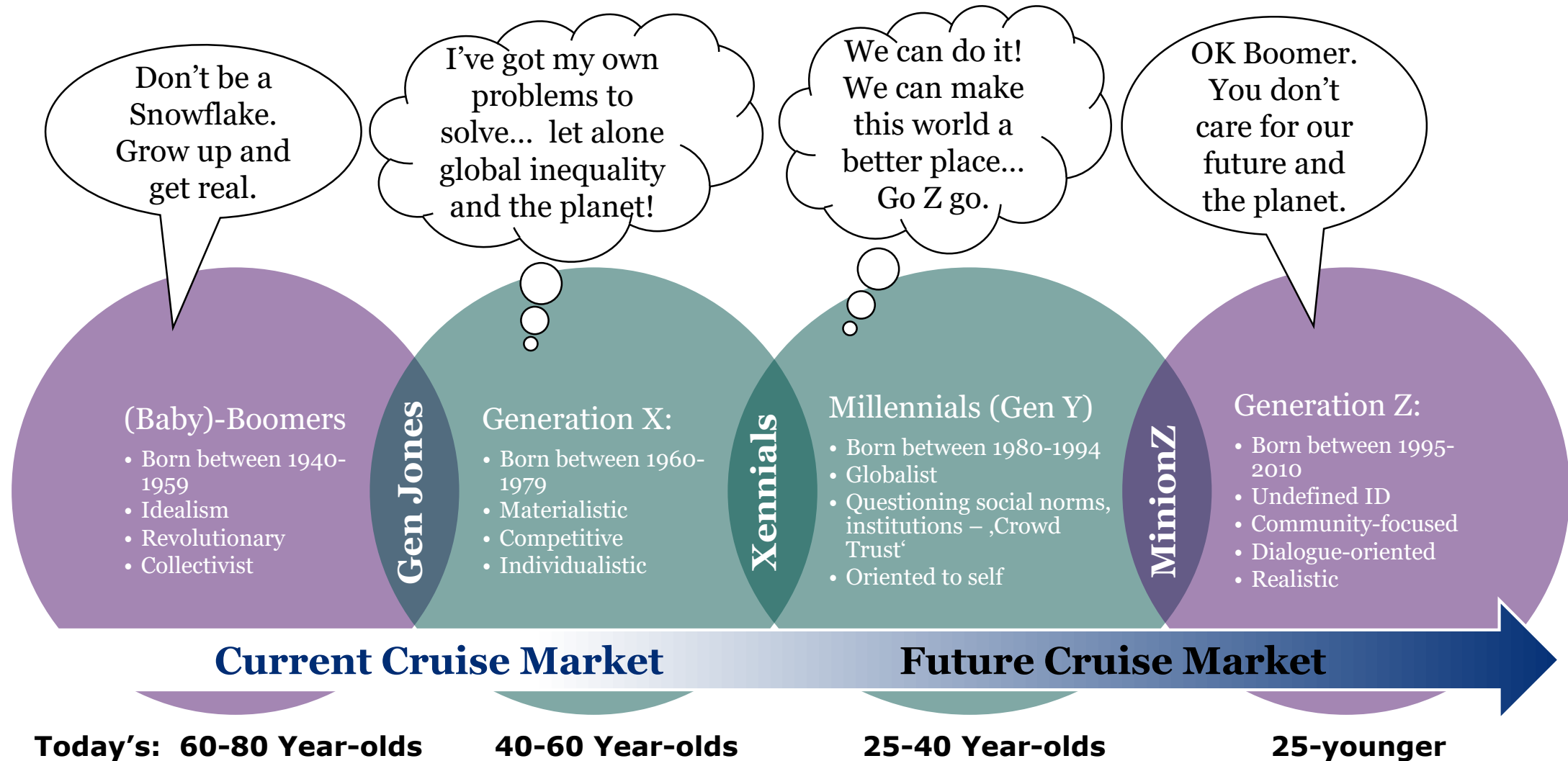


Source: UNCTAD calculations, based on data provided by Marine Benchmark.
<https://unctad.org/news/covid-19-cuts-global-maritime-trade-transforms-industry>



The Customers...

Generational conflict and cruises as a symbol for 'Intergenerational Inequity'

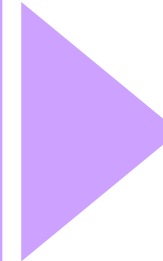


'Hedonism' is losing appeal: "Tell me how you travel and I will tell you who you are"

Modern (Cruise) Tourists distance themselves from Consumerism!

Bujarski, L. (n.d.). *The Supertraveler Manifesto*. Retrieved 10 June 2022, from <http://www.skift.com/supertraveler-manifesto>

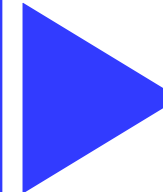
- Maxims of the Supertraveller Mindset:
 - "We want genuine brands that actually care about us and the communities that they impact."
 - "We want to come back to our ordinary worlds feeling transformed and inspired."
 - "We want the human element back in an otherwise commoditized and impersonal experience."



Story-Telling of a
Transformational
Experience

Robledo, M. A., & Batle, J. (2017). Transformational tourism as a hero's journey. *Current Issues in Tourism*, 20(16), 1736–1748. <https://doi.org/10.1080/13683500.2015.1054270>

- "The full potential of tourism lies in providing experiences that transform and give meaning to the lives of the people." (p.146)
- "Reviews of marketing material would help analyse how the industry markets its products in terms of their transformative power." (p.146)



Transformational
experiences give
meaning to the lives of
people

Cave, J., & Dredge, D. (2020). Regenerative tourism needs diverse economic practices. *Tourism Geographies*, 22(3), 503–513. <https://doi.org/10.1080/14616688.2020.1768434>

- "Rising concerns about climate change, overtourism, declining employment and labour conditions and resource degradation have all highlighted the inadequacy of the current capitalist system in addressing the failures of mass tourism. Now, under COVID-19, there are calls for tourism to move beyond 'business as usual' and to find a pathway to regenerative tourism." (p. 504)



"New Sustainability" is
more than
Conservation... It is
also Regeneration!

Bellato, L., Frantzeskaki, N., & Nygaard, C. A. (2022). Regenerative tourism: A conceptual framework leveraging theory and practice. *Tourism Geographies*, 1–21. <https://doi.org/10.1080/14616688.2022.2044376>

- "Regenerative tourism focuses its interventions on building the capacity of whole systems for regeneration, rather than managing social-ecological impacts whilst ultimately pursuing infinite economic growth." (p.10)



Adding socio-ecological
value locally!



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COVID19 – Apollo's 'Pest'



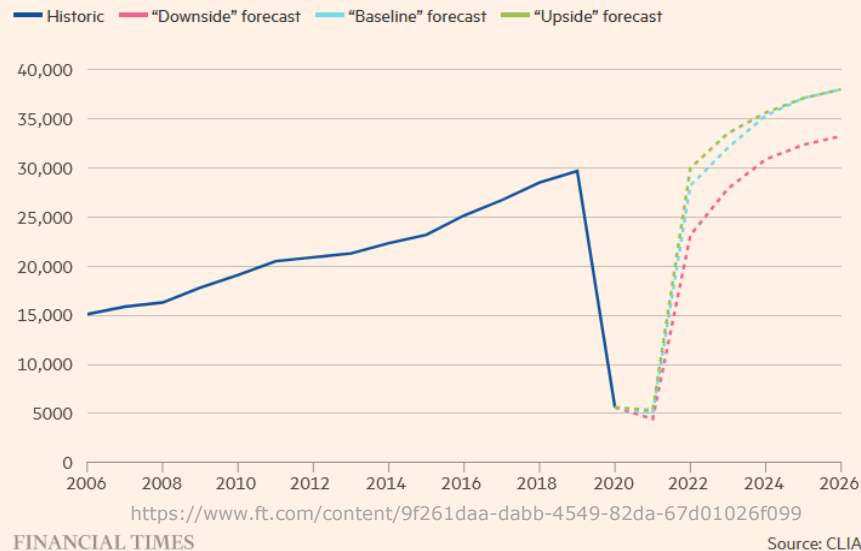
... The pandemic left the
cruise sector with large debts
and the challenge of getting
people back on board!

“Like the tides, We will return”... This time cleaner!

We can survive anything!

Cruise passenger numbers are expected to resume their long-term growth trajectory after the pandemic dip

Global cruise passengers, actual and forecast



Supply Impact*:

- 2019: Total fleet capacity = 581 K Pax
- 2020-21: Los of 8% = 532 K Pax
- 2021-22: Recovery of 6% = 566 K Pax

Demand Impact*:

- 2019: 27.5 million Pax
- 2020-21: Decrease of 74% = 7.05 million Pax
- 2021-22: Recovery of 25% = 13.9 million Pax

Revenue and Spending Impact*:

- 2019: \$27.4 B
- 2020: Decrease of 88% = \$ 3.3 B
- 2021: Recovery = \$ 6.6 B = - 76% compared to 2019
- 2021 Average Pax Revenue = \$ 247 / Day = 9% less than 2019
- 2021 Average Pax Onboard Revenue = \$71 / Day = 5% less than 2019

Financial Impact (Top 3 Cruise Operators):

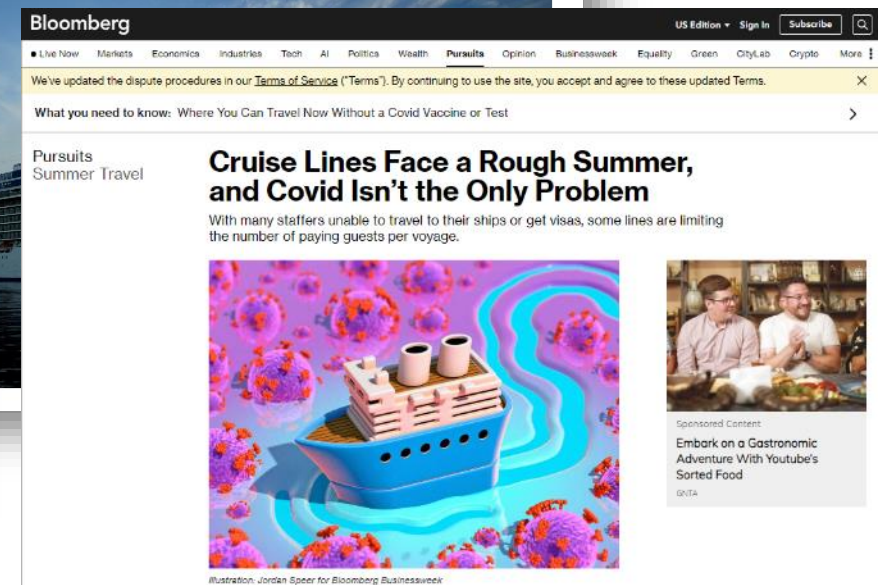
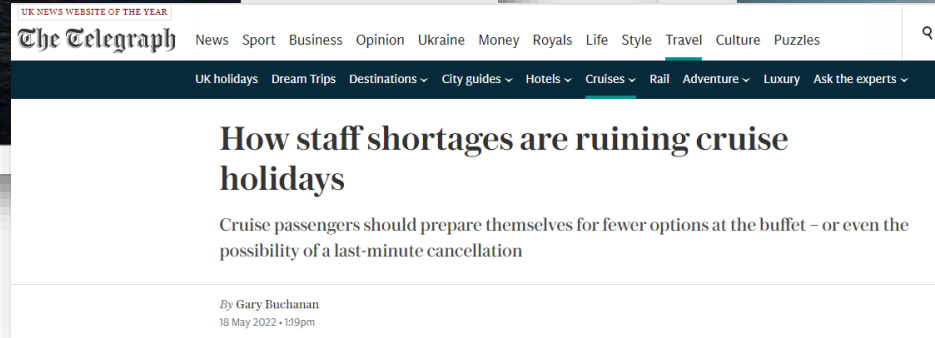
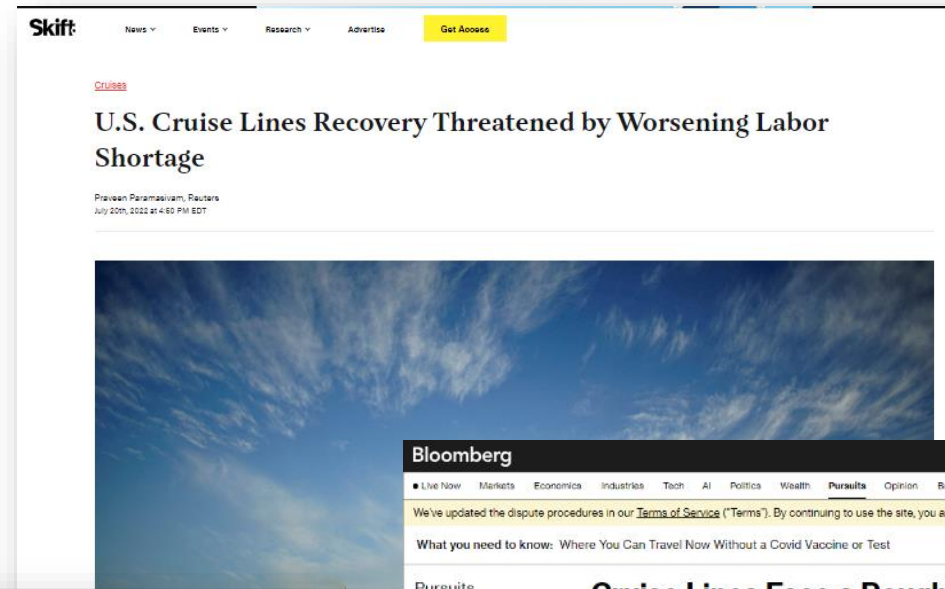
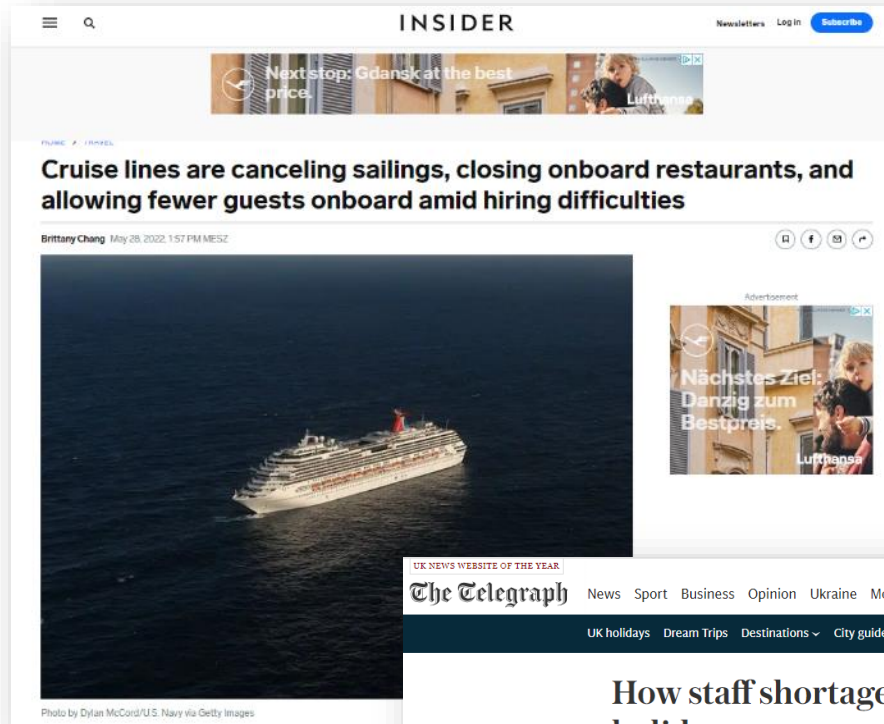
- 2019: Profit ≈ \$ 0,5 B / Month***
- 2020-21: ‘No Sail Cash-Burn’ ≈ \$1 B / Month**
- 2020-21: New Debt and Equity Capital ≈ \$12 Billion ***

Recovery
Potential

Recovery
Risk

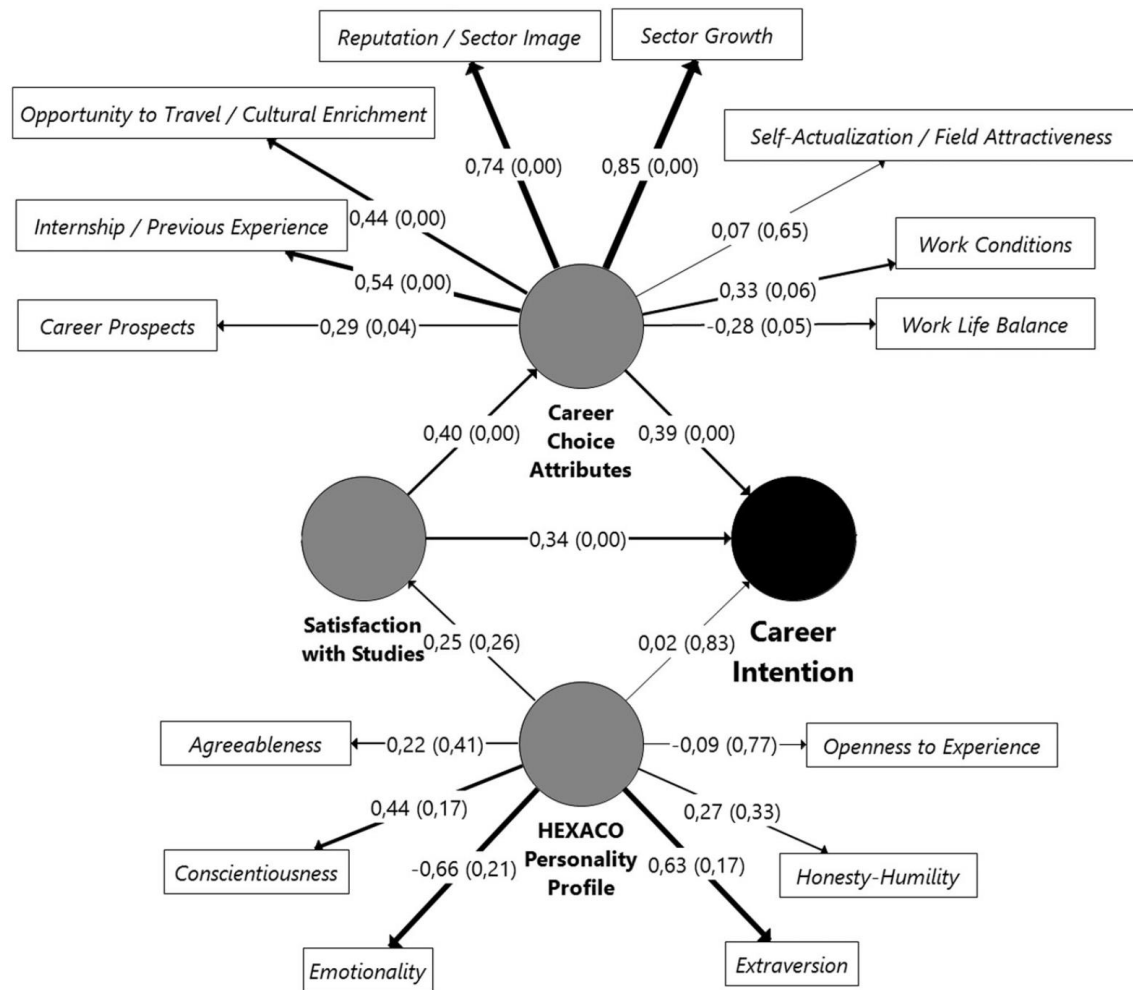


Staff shortages and COVID19 as triggers in the competition for talent...



Career Choice Attributes and Career Intention:

"Being paid to travel the world and getting stripes along the way" Story is insufficient!



"Coming to the rest, non-personality-related factors, our findings do not support the career expectation stereotypes of the younger hospitality-student generation. **Rather than focusing their decision on short term employment-focused aspects** such as: 'work conditions', 'work-life balance' and 'career-prospects', **they place particular emphasis on longer-term and somewhat idealistic considerations.** 'reputation / sector image', 'sector growth' and 'opportunity to travel / cultural enrichment' emerged as the most important aspects predicting an intention to pursue a career in cruise tourism. This has considerable implications for the cruise sector, as the sector's current recruitment narrative may prove insufficient to compensate for the negative publicity regarding sustainability and corporate social responsibility: **'Being paid to travel the world and getting stripes along the way' may not be enough to attract – not mentioning retain – young talents in the near future.**" (p.2038-2039)

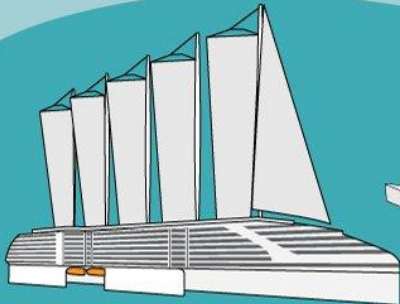


Dealing with the challenges: ‘Technology-Hercules’ comes to the rescue!

TRANSPORT

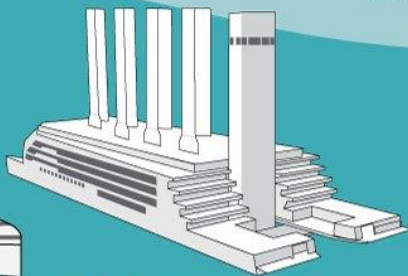
Future ship shapes

When it comes to transport, the seas are not always the first port of call. But with advances in technology it looks likely that they will continue to play a vital role. Their ability to transport huge cargo and thousands of passengers in just one trip makes them an attractive option. The industry is moving to use cleaner oil-based fuels and alternative energy – such as solar, wind power and fuel cells (electrochemical cells that convert the chemical energy from fuel into electricity) – is another innovation of these future ships.



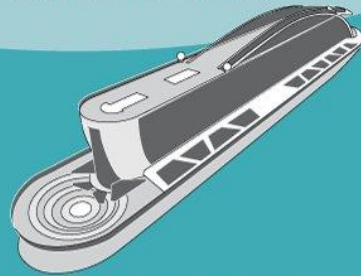
Eoseas Concept Cruise Ship

Capacity: 3,311 passengers
Crew: 1,089
Length: 305 metres
Features: four dual-fuel LNG (liquid natural gas) diesel electric generators; innovative sail concept for added wind energy propulsion



Zero Emission Activity Cruise Vessel

Capacity: 540 passengers
Length: 160 metres
Power source: fuel cells, solar and winds energy
Features: Swat (Small Waterplane Area Twin) hull; four fully automatic wing sails



“World Class” Cruise Ship

Capacity: 5,400 passengers
Features: 2,700 staterooms; all season sailing capability; LNG-fueled

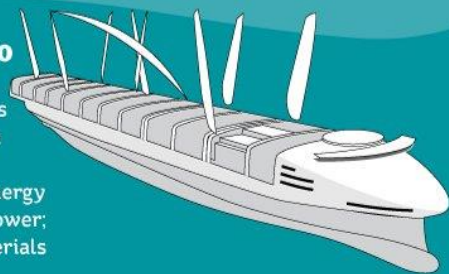


Vindskip

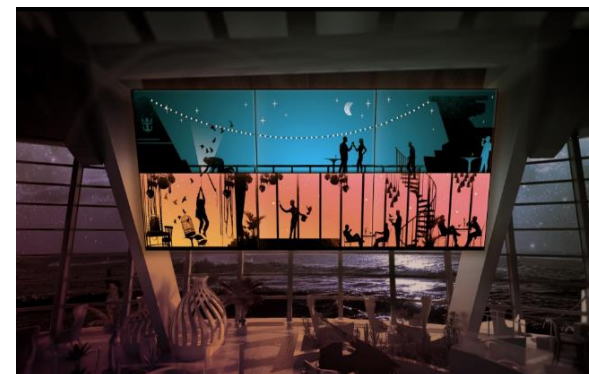
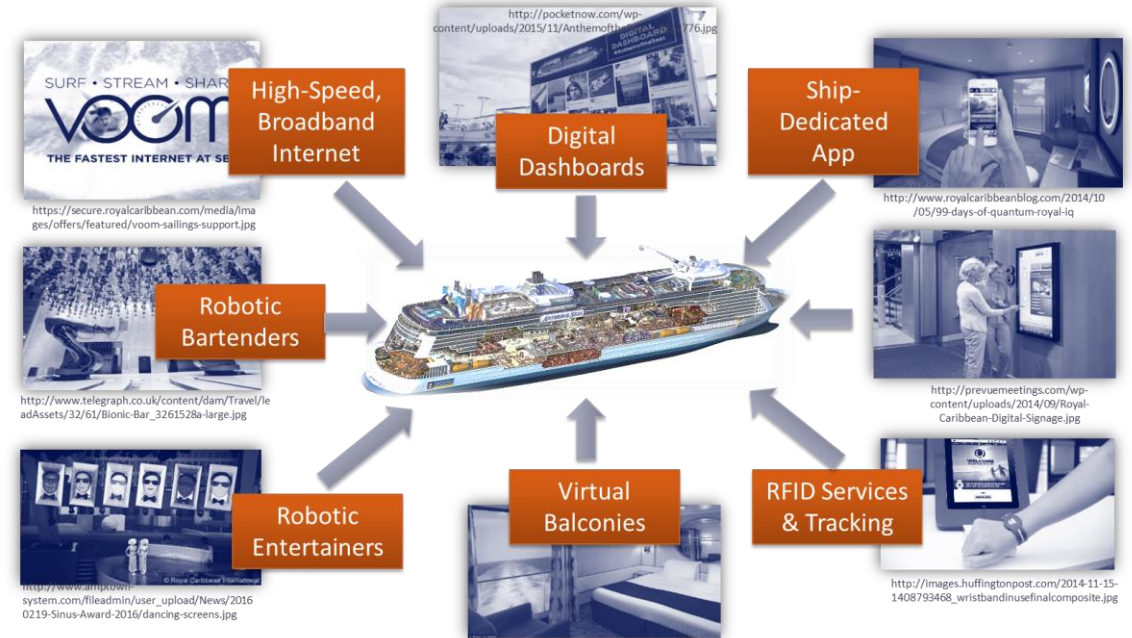
Features: symmetrical aerofoil-shaped hull designed to harness wind propulsion in tandem with LNG; fuel savings of 60 per cent and reduced carbon emissions by 80 per cent compared with conventional shipping

Super Eco Ship 2030

Length: 353 metres
Power source: fuel cells using LNG as hydrogen source
Features: additional energy from solar and wind power; friction-resistant materials



SOURCE: FUTURISM @INEWSGRAPHICS



Business ‘Nobility’ and ‘truth’ are the keys to the long-term success of cruise tourism. As the sector evolves it needs to embrace **Corporate Social Responsibility (CSR)** and **New Sustainability (SDGs)** to remain competitive. In the age of **digital transparency** and ‘**awake**’ consumers, what happens at sea, does not stay at sea!



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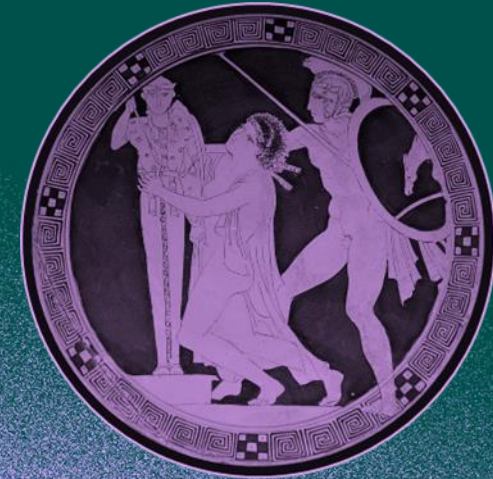
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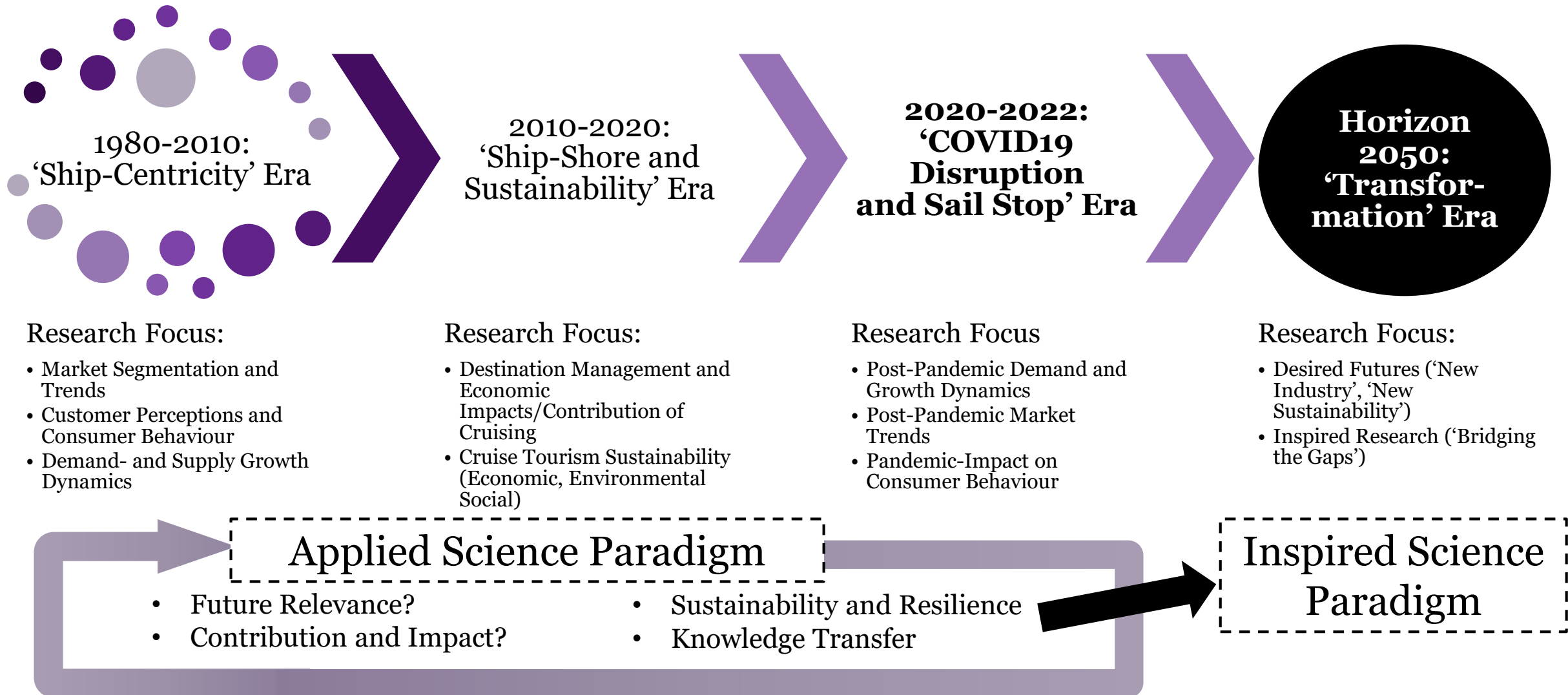
Horizon 2050 and the Role of Scholarship – ‘Beyond Apollo’



*Towards a paradigm of
inspired science and the
inclusion of
transformation impact*

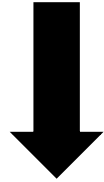
Cruise Scholars as Modern Cassandras:

Evolution of Cruise Research 1980-2022



Cruise Tourism Research

‘Then and Now’



Research Monotony:

- Pre-Pandemic Research Era: 1980s-2020
- Pandemic and Recovery Phase Research: 2021-2024

Thematic Retrospectivity

- Descriptive, As-Is (or As-Was) focus
- Limited practical relevance and impact

Weak ‘Research Front’

- Limited collaboration
- Lack of a dedicated publication landscape

Research Opportunism

- ‘Self-serving’ research motivation
- Facilitation of research-fragmentation

Ephemeral Impact

- Lack of transformational potential



Active Stance and Desired-Future Focus

- Normative-accent in scientific inquiry
- ‘Future-perfect’ research theming
- ‘Disciplined imagination’ and ‘speculative rigour’



‘Third Mission’ Objectives Integration

- Knowledge transfer through education: Problem- and Research-Based-Learning
- Bridging the academia-practice divide: Dual (Work-Study) degree programmes further / continuing education



Methodological Diversity

- **Action Research:** Consulting, Citizen Science
- **Design-Science Research:** Service / Product creation, co-branding and Prototyping

Inspired Research Paradigm

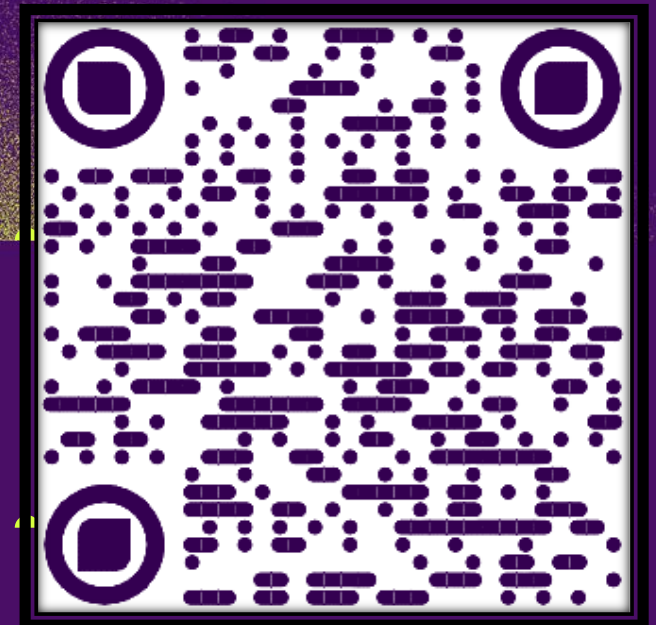


Cruise Futures – Horizon 2050



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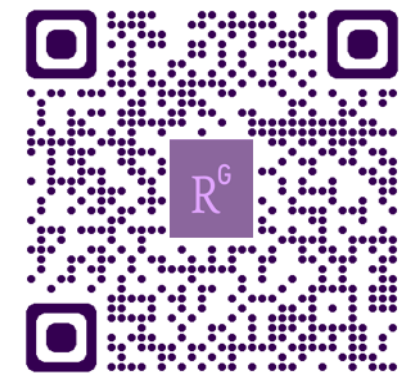
Social Media Profiles



ORCID/ Web of
Science Profile



Google Scholar
Profile



Research Gate
Profile