(Mis)Understanding Overtourism and the Cruise Business ‘The Zen of Cruise Management’

Prof. Dr. Dr. Alexis Papathanassis

9th Kreuzfahrtkongress
Hamburg (Germany) – 18th November 2019
It feels like cruiseships are the poster-child of everything that is wrong with tourism... But... Compared to shipping and to tourism, cruises are small!
### Global Capacity

<table>
<thead>
<tr>
<th>2017</th>
<th>Number of Units</th>
<th>Cruise Fleet / Sector as a % of...</th>
<th>Data Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cruiseships</td>
<td>369</td>
<td>1.51%</td>
<td>Statista (2018a)</td>
</tr>
<tr>
<td>Airplanes</td>
<td>24,400</td>
<td>0.71%</td>
<td>Statista (2018b)</td>
</tr>
<tr>
<td>Merchant Ships</td>
<td>52,000</td>
<td></td>
<td>STR (2018)</td>
</tr>
<tr>
<td>Hotels</td>
<td>184,449</td>
<td>0.20%</td>
<td></td>
</tr>
</tbody>
</table>

### Global Economic Contribution

<table>
<thead>
<tr>
<th>2017</th>
<th>Direct Contribution (mil USD)</th>
<th>Data Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cruise Sector</td>
<td>$61,020,000</td>
<td>CLIA (2018)</td>
</tr>
<tr>
<td>Tourism Sector</td>
<td>$2,036,000,000</td>
<td>WTTC (2017)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2017</th>
<th>Employment (Jobs /FTEs)</th>
<th>Data Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cruise Sector</td>
<td>1,100,000</td>
<td>CLIA (2018)</td>
</tr>
<tr>
<td>Tourism Sector</td>
<td>118,454,000</td>
<td>WTTC (2017)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2017</th>
<th>Direct Contribution per Arrival / Port Visit</th>
<th>Data Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cruise Sector</td>
<td>$445.82</td>
<td>CLIA (2018)</td>
</tr>
<tr>
<td>Tourism Sector</td>
<td>$1,538.93</td>
<td>WTTC (2017)</td>
</tr>
</tbody>
</table>

"Venice alone attracts 24 million tourists annually, nearly the same number of people the entire cruise industry carried in 2017. So I mean we are quite small" 
(Carnival Corp. CEO Arnold Donald)

‘If you were to close the cruise industry tomorrow, it would make zero difference to overtourism issues.’
(David Dingle, Carnival U.K.**)

"The cruise industry goes to about 1,000 places. The vast majority want more tourists from us, not less."
(Adam Goldstein, vice chairman of Royal Caribbean Cruises Ltd)**

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** https://www.travelweekly.com/Travel-News/Government/Overtourism-Roundtable
THE ‘OVERTOURISM SURPRISE’

Did we Over-Sleep Tourism Development?
In September 2017, I was invited as a keynote and asked if I could speak about ‘Overtourism’.

My initial thought was that the organisers were referring to ‘Overcrowding’ in the Cruise Context.

In my preparation, as usual, I started doing my scientific literature research on ‘Overtourism’...

The more I read, the more I was unable to clearly scope / define ‘Overtourism’

It seemed that ‘overtourism’ meant many things, for many researchers, in many contexts.
### Overtourism Research:
- Search String: ("Overtourism") in title, abstract and keywords
- Nothing before 2018
- Currently, only 6 Publications

### Overcrowding Research:
- Search String: (Tourism" AND "carrying capacity") in title, abstract and keywords
- Since 1973 (1 paper that year)
- Currently, 96 Publications

### Tourism Sustainability Research:
- Search String: ("Tourism" AND "Sustainability") in title, abstract and keywords
- Since 1996 (25 papers that year)
- Currently, 1955 Publications

### Tourism Social Responsibility:
- Search String: ("Tourism" AND "Social Responsibility") in title, abstract and keywords
- Since 1996 (222 papers that year)
- Currently, 17495 Publications

### Cruise Overtourism Research:
- Search String: ("Overtourism") in title, abstract and keywords
- Nothing before 2019
- Currently, only 1 Publication

### Cruise Overcrowding Research:
- Search String: ("Cruise" AND "Carrying Capacity") in title, abstract and keywords
- Since 2002 (1 paper that year)
- Currently, 8 Publications

### Cruise Sustainability Research:
- Search String: ("Cruise" AND "Sustainability") in title, abstract and keywords
- Since 1996 (5 papers that year)
- Currently, 166 Publications

### Cruises & Social Responsibility:
- Search String: ("Cruise" AND "Social Responsibility") in title, abstract and keywords
- Since 2004 (1 paper that year)
- Currently, 4 Publications
Overtourism has been a concern since the mid-70s!
*Evolution of Tourism-related Sentiment and Overtourism Dimensions*

**Doxey’s (1975) ‘Irridex’**

<table>
<thead>
<tr>
<th>EUPHORIA</th>
<th>APATHY</th>
<th>ANNOYANCE</th>
<th>ANTAGONISM</th>
<th>ACCEPTANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial phase of development</td>
<td>Visitors taken for granted</td>
<td>Saturation points approach</td>
<td>Irritation openly expressed</td>
<td>People have forgotten what they cherished in the first place and what it was that attracted the tourists in the first place.</td>
</tr>
<tr>
<td>Visitors and investors welcome</td>
<td>Host and guest contact formalized</td>
<td>Residents have misgivings</td>
<td>Visitors seen as cause of the problem</td>
<td>They must now learn to live with the fact that their ecosystem will never be the same.</td>
</tr>
<tr>
<td>Little planning or control</td>
<td>Commercialization prominent</td>
<td>Policy to increase infrastructure rather than limited growth</td>
<td>Deteriorating reputation</td>
<td>“Over-Crowding” (Physical / Geographical Space)</td>
</tr>
<tr>
<td></td>
<td>Planning concerned with marketing</td>
<td></td>
<td></td>
<td>“Gentrification” (Socio-Cultural Space)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>“Neo-colonialism” (Env. and Econ. Space)</td>
</tr>
</tbody>
</table>

**Urban/ Spatial Planning Failure**

**Destination Management Failure**

**Tourism Strategy Failure**

**Coping Mechanisms****

**Seasonality**

**Geographical & Cultural proximity / Compatibility***

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The issues described by ‘overtourism’ have been around for decades... Well-researched and documented!

The terms “overtourism” and “tourismphobia” became the **buzzwords** of 2017 and have since evolved from what could be viewed as a **sensationalist** and oversimplified media narrative criticizing the impacts of tourism not always objectively addressing the **real drivers** of the phenomenon (Milano et al, 2019)
Globalisation at Sea: Cruise Sector Growth and Its Externalities

Prof. Dr. Alexis Papathanasssis
Kreuzfahrt Kongress 2011 – Hamburg - 10th November 2011

Table of Contents
- Cruise Sector Dynamics & Structural Trends
  - Growth forecasts
  - Capacity Developments
  - Concentration
- Globalisation at Sea?
  - Externalities: Overcrowding, Environmental Pollution, Employment Conditions

Cruise Sector Challenges & Externalities
"Globalisation at Sea?"

- Image issue (‘From Paper to Practice’)
  - Friends of the Earth Scorecard
  - Cruise Operators’ sustainability reports
  - Integration of new technologies on existing fleets
- Environment

- Overcrowding & Itineraries
  - Customer satisfaction deterioration
  - Relationship between locals & tourists (Antagonism)
  - Destination limitations (Seasonal, infrastructural)

- Social Responsibility
  - Intl. Transport Workers’ Federation (ITF)
  - International Labour Organisation (ILO)
  - Crew living & employment conditions
  - Criminality on board (Balancing security with recreation)

- Cost Pressures & Competition
  - Rising fuel prices
  - Safety & security regulations
  - Personnel costs
  - Fusion packaged tourism – cruise tourism (extended competitive scope)

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THE ‘BAMBOO PHENOMENON’

Power Laws and Escalation
Did ‘Overtourism’ really become a problem in 2016?!

*What happened during this period?*

'Overtourism' in the News - Crude Analysis of Google Hits
(Search String "Overtourism" and 'News' Filter)

Since the science-direct did not help me with “overtourism” I decided to consult the database of global experts... **Google...** to see what tourism science missed!
We observe this everywhere and have many names for it:

- Emergence
- ‘Butterfly-effect’
- Compounding
- Complexity – Chaos Theory
- Paretto Principle
- Creeping Crisis

And every time it occurs... we are surprisingly, surprised!

“The greatest shortcoming of the human race is our inability to understand the exponential function.” Albert Allen Bartlett (Physics Professor)

The Chinese Bamboo Tree seeds need 4 years before the first stems emerge from the soil. In the 5th year they break the ground and grow up to 28 meters within 6 weeks. During the 4 years, and given fertile soil, the bamboo was developing its root system capable of supporting a resilient 28 meter tree.
The origins of the term ‘Overtourism’: A ‘Journalistic Strike’ on the 14th of June 2016

We came up with “overtourism,” a simple portmanteau to appeal to people’s baser instincts with an element of alarm and fear in it. That is the biggest reason why the term and its exploration by everyone has caught on.

— Rafat Ali

The industry organizations like UNWTO and WTTC and other such stasis-by-consensus bodies had been using it forever to be brought out in conferences and annual corporate social responsibility (read PR) efforts when needed. If this was the case for the industry insiders, imagine what happened when you threw around sustainability to the travel consumers: everyone’s eyes would glaze over. In other words, no one would give a shit.

Thus was also born the mini-economy around the “experts” attempting to define overtourism — nevermind our first definition of it.

The hashtag #overtourism was born and dozens of tourism consultants, consultancies and wannabe gurus jumped on it. Tourism professors and academics finally had something new to talk about since BRICS became a term. Dozens of papers have been public in academic journals and PhDs are in progress around overtourism.

Also born were dozens of panels at tourism and development conferences around the world, and even the glacially active UNWTO started talking about it at their conferences. WTTC, that old boys corporate club of travel sector, even commissioned McKinsey (McKinsey!) to come out with what they billed as the first definitive study on overtourism. 18 months after we had coined the term and explored in dozens of stories since. Tourism ministers around the world starting talking about it in their policy effort. It even created a sub-genre of derivative documentaries exploring overtourism.

There was also an ongoing parallel conversation happening at Skift amongst our editorial team on sustainable travel and our role in covering it. We had stayed away from the phrase “sustainability” since the start, because it was a phrase that had been in usage in travel for 20 years with little or no resonance in the larger travel industry.
"Once the Bamboo sprouts, its deep rooting renders it highly resilient!"

The tourism business is facing the escalation of known issues it has failed to address for decades.

"Fertile Soil – Bamboo-Rooting"
CRUISES AND THE ‘FERTILE SOIL’

OK Boomer... Have a Nice Cruise!
Hey Boomer... Have a nice Cruise!

**Generational Conflict and Cruises as a Symbol for ‘Intergenerational Inequity’**

- **Don’t be a Snowflake. Grow up and get real.**
- **I’ve got my own problems to solve... let alone global inequality and the planet!**
- **We can do it! We can make this world a better place... Go Z go.**
- **OK Boomer. You don’t care for our future and the planet.**

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- **(Baby)-Boomers**
  - Born between 1940-1959
  - Idealism
  - Revolutionary
  - Collectivist

- **Generation X:**
  - Born between 1960-1979
  - Materialistic
  - Competitive
  - Individualistic

- **Millennials (Gen Y):**
  - Born between 1980-1994
  - Globalist
  - Questioning social norms, institutions – 'Crowd Trust'
  - Oriented to self

- **Generation Z:**
  - Born between 1995-2010
  - Undenied ID
  - Community-focused
  - Dialogue-oriented
  - Realistic

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**Current Cruise Market**

- Today’s: 60-80 Year-olds
- 40-60 Year-olds

**Future Cruise Market**

- 25-40 Year-olds
- 25-younger
Google search:

- “Cruise Boom” (Filter: News) resulted to 228,000 hits
  — “Tourism Boom”: 7,500,000 hits (‘Cruise Boom’ Hits -> 3%)
- “Cruise Growth” (Filter: News) resulted to 4,450,000 hits
  — “Tourism Growth”: 38,900,000 Hits (‘Cruise Growth’ -> 11%)
- “Sustainable Cruises (Filter: News) resulted to 76,000 hits
  — “Sustainable Tourism”: 5,960,000 hits (‘Sustainable Cruises’ -> 1%)
- “Cruise Overtourism” (Filter: News) resulted to 27,000 hits
  — “Overtourism” 107,000 (‘cruise overtourism’ -> 25%)

Implicit message:

“We are big on growth, but small in sustainability!”
‘Stickiness Factor’: Scandals and Reactive PR: Dealing with the Criticisms vs. Solving the Problems!

Carnival Cruise Line earns its worst-ever CDC inspection score with the Fantasy ship

Cruise Ships Dump 1 Billion Litres Of Sewage Into BC Waters Every Year Causing Dead Zones

Crime wave: Gang rape among hidden cruise horrors

The cruise industry exceeds international regulations by not discharging untreated sewage into the oceans during normal operations.*

The cruise industry recycles 60% more waste per person than the average person does on land in the U.S.

The cruise industry will reduce its fleet-wide rate of CO2 emissions by 40% by 2030* 

The cruise industry is building reefs, collecting critical ocean data, restoring fisheries and helping develop best practices for coastal communities.

The cruise industry continues to make a positive impact on communities around the globe by sustaining 1,108,676 jobs equaling $45.6 billion in wages and salaries and $134 billion total output worldwide in 2017.

93% of the cruise industry has eliminated plastic drinking straws or only provides them on demand. Many of have vowed to dramatically reduce or eliminate single use plastics too.

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A 'Younger' Generation the Cruise Business Cannot ignore...

Implications for Cruise Consumption and Ports

Figure 5.1 Most and Least Used Cruise Class by Generation

Figure 9 Likelihood of Booking a Cruise for Next Vacation Per Generation
A ‘Younger’ Generation the Cruise Business Cannot ignore…

Implications for Cruise Consumption and Ports

More than half (57%) of cruisers extend their vacations in port cities, with a high 68% in the Millennial group who stay after their trips are over. Just over half of the older generations extend their stay, with 53% of GenXers and Boomers and 56% of traditionalists remaining in port cities for a few extra days.

THE WAY FORWARD...

Zen Cruise Management... Be the Bamboo!
“Finally, consumers increasingly expect brands to “take a stand.” The point is not to have a politically correct position on a broad range of topics. It is to choose the specific topics (or causes) that make sense for a brand and its consumers and to have something clear to say about those particular issues.” (p.9)
Narrative coherence

- E.g. “The industry is too small to make a difference in over-tourism” vs. “We go to over 100 places and most of them want more tourists (who we bring, making thus a difference)”

Transparency and sincerity

- Letting critics and criticisms ‘on-board’
- More engagement with science and academia

“Members of this generation therefore tend to believe that change must come from dialogue: 57 percent of millennials, Gen Xers, and baby boomers think they would have to break with the system to change the world, compared with 49 percent of Gen Zers. Gen Z is also more willing to accommodate the failings of companies.” (p.06)
“Our study based on the survey reveals **four core Gen Z behaviors**, all anchored in one element: this generation’s search for truth. Gen Zers value **individual expression** and avoid labels. They **mobilize themselves** for a variety of causes.

They believe profoundly in the **efficacy of dialogue** to solve conflicts and improve the world. Finally, they make decisions and relate to institutions in a highly **analytical and pragmatic** way. That is why, for us, Gen Z is “True Gen.” (p.2)
Hochschule Bremerhaven

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