

DYNAMIC DEVELOPMENT OF CRUISE TOURISM. PRINCESS CRUISES CELEBRATED THE 50TH ANNIVERSARY

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Cruise Tourism – the concept, its specificity and development

Cruising (cruise tourism) denotes travelling by water craft from place to place for pleasure; in the majority of cases, in Poland, such cruises take place on board of cruise ships. The latter ensure to passengers both accommodation and meals at the highest possible level as well as recreational or cultural activities and a facultative tourist sightseeing program both during the cruise as well as during the stopovers in various ports. The chief principle behind these type of voyages is that the journey is an end in itself; it is a pleasure and a way of spending one's free time; in many cases, the destination itself is of secondary importance; what is really important that next to it, there is an airport where the passengers of cruise ships can arrive or else take off from.

It is being prognosticated¹¹ that in the near future, up until the year 2020, cruise tourism will play an increasingly significant role in international tourism, next to such forms as cultural, ecological, spa and adventure tourism.

The process of a gradual transformation of passenger sea voyages into tourist cruises which included stopovers in various ports for sightseeing purposes, had already been initiated after the Second World War, as the passenger shipping lines were beginning to lose out to the rapidly developing air transport system. The process of a gradual increase in the number of tourist cruises became accelerated in the 80's and 90's of the previous century, and in the last decade of the 21st century, it was characterized by a genuinely dynamic growth (Cartwright, Baird, 1999; Chomka, 2000; Ptaszycka-Jackowska, 2012). An observation of the above phenomena as well as of their sheer scale, allows one to conclude that a new branch of tourist industry, associated with tourist cruises, has been born (Dwyer, Forsyth, 1998).

Numerous companies specializing in this type of tourism have originated. They have at their disposal a number of large

capacity ocean cruisers and are able to organize individual cruises for up to 5 thousand passengers on board a single vessel. The scale of the phenomenon of ocean cruises in the world is best illustrated by a few key figures: more than 300 large tourist cruisers, capable of carrying 486 thousand passengers, are currently sailing across the world's seas and oceans; the annual financial turnover of ship owners, associated with the organization of cruises for 22.2 million passengers amounted to 36 billion USD in the year 2014¹². The number of people who are employed in this sector of the tourist industry amounts to 250 thousand. The biggest cruise ship to date is currently MS Allure of the Seas which sails under the flag of the Royal Caribbean International.

Among the organizers of tourist cruises, there are companies that operate on different economic principles; many of them are joint-stock companies. A company that is in possession of a fleet of passenger vessels usually employs vast numbers of both land-based and water-borne personnel. In the latter case, the ratio between the number of passengers and vessel staff is usually 3:1. For economic reasons, the contemporary cruise ships usually take on board between 2 and 5 thousand passengers. Luxury cruise ships, which take on board between 100 and 800 passengers, make it possible to visit small ports, where there are no conditions for giant vessels to moor. Large vessels offer a huge variety of facilities and amenities which serve to satisfy the passengers' cravings; they offer a vast public space for recreational and cultural activities as well as for commercial purchases.

Cruising is the domain of the third age population; as much as 48% of cruise ships' passengers have turned 50 years of age and every fourth one belongs to the 60+ age bracket. In an attempt to alter this age structure, many cruise companies have been trying to focus in their activity on couples between 20 and 40 years of age; others try to lure the younger generation by offering a truly varied entertainment program. For fami-

¹¹ Tourism 2020 Vision. A New Forecast. UN WTO Madrid 1999

¹² <http://www.cruisemarketwatch.com/market-share>, accessed on 30.08.2015)

lies with children, the companies offer a special program with well-equipped children's play areas and an animation program aimed at the youngest passengers. Some cruises are geared specially to the third age population, particularly during the period of the vessel's repositioning which takes up a lot of time. It is only the retired senior citizens, liberated from the obligation of work and school, who can afford to spend such a long time at sea. Travelling by cruise ships is most popular among the residents of North America, and the number of passengers who come from this continent is twice as big as the number of passengers coming from Europe and 5 times as big as the corresponding number of passengers from other regions of the world.

The oldest shipping companies which set up the first tourist cruises, many of which continue to operate until the present, were the European companies. The first ones had operated already in the middle of the 19th century. Among them, one finds the English 'Cunard' shipping line which was set up in 1840; it was the luxury cruises which played and still continue to play the dominant role in the activity of this company. The Cunard company used to own such famous liners as Queen Elizabeth I and II, Queen Mary I and currently it is the proprietor of Queen Mary II and of its latest vessel Queen Victoria.

A special role had been played by the Holland America Line which was set up in 1873 as a Dutch-American (currently American) company which specialized in the transport of migrants from Europe to North America. In 1895, the Holland America Line had organized the first ever holiday cruise and in the year 1910, the first cruise from New York to the Holy Land. The Italian Costa Crociere line which was set up in 1948, initially as a commercial transport company, only to be subsequently transformed into a tourist sea cruise company, is also distinguished by a long-standing tradition¹³.

A few of the currently biggest cruise lines came into existence in the 60's of the 20th century (e.g. the British-American 'Princess Cruises' which was set up in 1965, or NCL which came into existence in 1966) and then in the 70's and 80's – e.g. the American Carnival Cruises set up in 1973, the Italian MSC in 1988 and the American Celebrity in 1989. Among the youngest cruise lines, one finds the Crystal Cruises based in Los Angeles and the Spanish Iberocruceiros created in 2007.

At present, it is the *Carnival Corporation* comprising such cruise lines as: *Carnival Cruise Lines*, *Princess Cruises*, *Holland America*, *Cunard Lines*, *Costa Cruises* and *Seabourne Cruises*, that constitutes the world biggest cruise mogul. Another big corporation is the Royal Caribbean International; the latter one includes such lines as *Celebrity Cruises*, *Azamara Cruises*, *Oceania Cruises* and *P&O* which operates chiefly on the British market; it also includes the *Norwegian Cruise Lines* that cater mainly to the passengers from the eastern coast of the USA who sail each year from New York or Miami.

Worldwide, the cruise industry has an annual passenger compound annual growth rate of 6.55% from 1990–2015. Growth strategies to date have been driven by larger capacity

new builds and ship diversification, more local ports, more destinations and new on-board/on-shore activities that match the demands of consumers. The industry is also expanding rapidly internationally¹⁴.

Princess Cruises Celebrated the 50th Anniversary

Princess Cruises is an American shipping company whose head office is in Santa Clarita, California in the USA; the company registers its vessels under the Bermuda flag. Previously it had been associated with P & O. At present, Princess Cruises is one of ten cruise vessel brands which belong to the Carnival Corporation & plc. It produces around 20% of the total income of the above corporation.

In 1962, during the World's Fair in Seattle, there was a shortage of accommodation for visitors. It was then that a local Seattle businessman, Stanley B. McDonald decided to charter cruise ships; the latter ones brought passengers to the fair from San Francisco or Victoria, British Columbia, and offered them accommodation on board the ship in Seattle. McDonald is reported to have observed then that "people love to cruise".

The history of Princess Cruises began precisely 50 years ago, in 1965 when the founder of the company, Stanley B. McDonald had chartered a cruise vessel Princess Patricia from the Canadian Pacific Railway and organized a cruise from Los Angeles to Mexico. Yet, due to a lack of air-conditioning, the vessel was not suitable to take up regular sailings to the tropics. Therefore it was decided that a more comfortable ship, named Princess Italia, should be built; the latter one undertook regular sailings between San Francisco to Alaska. What constituted a powerful promotion campaign for the cruise ships and the entire Princess cruise line, was the emission of a TV serial entitled "The Love Boat" in 1977; the action of the serial took place on board of Island Princess and Princess Pacific – the two vessels belonging to the "Princess Cruise" lines.

Princess Cruises also invested in on-shore infrastructure; in 1986 the company built a Princess Tours center which offered on-shore hotel accommodation to its tourists on the circumference of the Denali National Park; it also purchased luxury Alaska Railroad carriages, ensuring every possible comfort to tourists travelling in this region. Princess Cruises also purchased an island in the Caribbean (Princess Cays, Eleuthera in the Bahamas archipelago), where during cruises across the Caribbean Sea, passengers of cruise vessels could come ashore and make use of the beaches, restaurants as well as of the local recreational facilities and infrastructure.

At present Princess Cruises have at their disposal as many as 18 cruise ships which are capable of carrying the total of 41 thousand passengers. The company's most recently acquired vessels - the Royal Princess and Regal Princess – launched in 2013 and 2014, respectively, as well as the Sky Princess which is still under construction – are capable of taking on board as many as 3 560 passengers each. In the year 2014, almost 1.75 million passengers travelled on board of Princess Cruises' ships (7.9% of the entire number of cruise ship passenger figure in

¹³ The tragedy of Costa Concordia which ran aground smashing against the rocks of Isole le Giglio on the Tyrrhenian Sea in January 2012 had severely frayed the prestige of this shipping company.

¹⁴ <http://www.cruisemarketwatch.com/market-share>, accessed on 30.08.2015.

the world), whereas the revenue of this cruise ship company has reached the value of 3.4 billion USD¹⁵.

Princess' more than 150 different itineraries offer travellers the opportunity to literally cover the globe, with sailings to six continents that call at more than 300 ports and destinations around the world. Destinations include the Caribbean, Alaska, Panama Canal, Europe, Mexico, South America, Australia/New Zealand, South Pacific, Hawaii, Tahiti/French Polynesia, Asia, India, Africa, Canada/New England and world cruises. Princess' passengers can enhance their cruise experience with a wide array of in-port excursions worldwide, and the company's cruise tour offerings enable passengers to combine their cruise with

a full land tour¹⁶.

Princess Cruises owe their immense popularity to various marketing activities, as well as to cooperation with a network of tourism organizers and agents. They also make an effort to remain in touch with the tourists who had at one time or another decided to take advantage of their services. Through a special loyalty program, based on a system of golden, platinum and elite cards issued to regular customers, the company offers its most faithful clients, various additional services (among others, free internet access while at sea). The most faithful passengers can prove that they have spent a thousand days on board the Princess Cruises ships¹⁷.



Photography 1. Royal Princess in the Port of Toulon, France.

Source: own photograph



Photography 2. Seawitch Logo Princess Cruises.

Source: Seawitch Princess Cruises website

¹⁵ <http://www.cruisemarketwatch.com/market-share>, accessed on 30.08.2015.

¹⁶ <http://www.princess.com/aboutus/home/index.jsp>, accessed on 30.08.2015

¹⁷ The author of the above note has spent only 120 days on board PC cruise ships, having taken part in 10 different cruises; the most spectacular of them being the cruise to the Antarctic on board Princess Star, the cruise to Alaska on board Princess Coral and the cruise across the Pacific Ocean, from Sydney to Hawaii and back through French Polynesia, Samoa, Fiji and New Caledonia on board Princess Sun.



Photography 3. Coral Princes in the Galcier Bay, Alaska.

Source: own photograph

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