

EUROPE CHALLENGES NORTH AMERICAN CRUISE MARKET



The traditional cruise market (Northern America and the Caribbean) with its classic itineraries remains popular because of being an all-year-round sailing region and there is no doubt that Alaska and the Caribbean still rank as the top two favourite cruise destinations. But there is a new focus in the global cruise industry which is shifting away from the classic market. As the traditional cruise market seems to be saturated for the moment, Europe gains in popularity and Asia might be next. Passengers always seek to discover new parts of the earth and so it is no surprise: passengers from the US and Canada are becoming a bit more adventuresome, starting to explore ports of call further from home.

Surveys showed that currently Europe is on top of many passengers' wish list and the Mediterranean cruise industry is booming. While AIDA is shipping to the US, Royal Caribbean and Carnival are sending their ships to the European ports where currently ships are sailing a longer season. The Mediterranean region now has a 22 per cent market share.

The increasing popularity also presents challenges to the European ports. Small ports struggle to accommodate the supersize-ships and larger, famous ports like Venice need good management to schedule all the vessels wanting to call there.

But not only the Mediterranean Sea is increasing its popularity. The cruise industry in the Baltic Sea Region is growing steadily and counts as one of the fastest growing destinations over the past five years. During the last 7 years the number of passengers travelling to the Baltic cities has increased by an average of twelve per cent per year.

Currently the Baltic destinations have a market share of 50% in Northern Europe. In 2007 there were 6,000-12,000 jobs generated in the Baltic Sea Region based on the revenue generated in the cruise sector. This outstanding success may refer to the organisation "Cruise Baltic". Cruise Baltic is a cruise network consisting of 10 countries and 26 destinations. The aim of Cruise Baltic is a long term cooperation which ensures a stronger position for the Baltic region in the global cruise industry. Exchanging knowledge helps to improve quality and to work on general improvements continuously.

The most popular ports of call in the Baltic region are St. Petersburg, Tallinn, Stockholm and Helsinki which all have a reputation for high service, health and safety standards. Cruise networks like Cruise Baltic play an important role in Europe as they help smaller destinations to cooperate and build a stronger competitive destination.

Development and quality improvements on a steady basis are important and can make the slight difference to be competitive with the strong classic market in the Caribbean and as trends move on, Asia might be next to attract the majority of passengers.

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