

CRUISE GATEWAY NEWS

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KEY MESSAGES EMERGE FROM MID-TERM CONFERENCE

The North Sea Region offers a very wide variety of cruise destinations, often with remarkably short distances between them – and yet the region needs to work hard to create a clear identity and image.



Sebastian Doderer, Cruise Gateway project leader (centre), with George Kieffer and David Ralph, chairman and chief executive of the Haven Gateway

That was the central message to emerge from speakers and delegates at the Mid-Term Conference of the Cruise Gateway North Sea Region project.

The conference, hosted by the Haven Gateway and held at Firstsite in Colchester in the East of England, took time to consider the progress of the Cruise Gateway project so far, and also included a fact-finding tour of Harwich International Port and its cruise terminal.

Cruise Gateway partners were joined by other representatives of ports and cities across Europe and the conference was also supported by Fred. Olsen Cruise Lines, Thomson Cruises, Harwich International Port, Seatrade and Readers Offers.

The conference presentations were extremely varied; they included the findings of a major study commissioned by Cruise Gateway and carried out by Hamburg-based consultancy SeaConsult, focusing on 'Decision Criteria for Cruise Port Selection in the North Sea'.

Other speakers were James Berresford, chief executive of Visit England; George Kieffer, chairman of the Haven Gateway; Sebastian Doderer, head of project development at Port of Hamburg Marketing, Cruise Gateway's lead partner; and Nathan Philpot, of Fred. Olsen Cruise Lines.

Important messages to emerge from the presentations and discussions were:

- The North Sea Region offers enormous variety in terms of history, culture, landscapes and cuisine – there is huge potential for growing the cruising sector based on North Sea itineraries.

- However, the North Sea Region lacks a clear identity as a cruise destination in its own right.
- There's often a significant difference between the priorities and perceptions of cruise lines and the ports that serve them.
- Cruise lines want to be treated as customers.

Setting out the agenda for the conference, David Ralph, chief executive of the Haven Gateway Partnership, said: "We want to celebrate the North Sea. There are so many conversations about growth right now and it is really important, if you have a plan for growth, that you work with the cultures and behaviours of the area.

"One thing that really impresses on me is that the Haven Gateway is steeped in the ability to trade. If our plan for growth is to export, then there have to be real opportunities within the Haven Gateway to take that forward.

"Part of that is our connection with universities and companies based in the area with the knowledge base and know-how to get this done. And if we are talking about international trade and the sea and maritime – then we must talk cruise."

Cruise Gateway partners need to consider the North Sea's competitive advantage, David Ralph emphasised. "What are the unique things? What attracts you about the North Sea? We are trying to highlight the opportunities that the North Sea presents in terms of its destinations and attractions – for example, how accessible the ports are."

CRUISE GATEWAY: THE PROJECT EXPLAINED

Cruise Gateway North Sea, an EU Interreg IVB North Sea Region Programme project, was set up to consider ways of encouraging and promoting much more cruise activity in the NSR.

In a programme of research, workshops and best practice visits, the project partners are considering a broad range of topics linked to cruise and cruise potential, including joint lobbying and marketing, the creation of a regional maritime identity and innovative ideas for passenger excursions, as they seek ways to develop the NSR as a cruise destination in its own right.

The common thread through all of this is sustainability – including the promotion of environmental awareness and eco-friendly transport structures, and avoiding congestion.

MID-TERM CONFERENCE SPEAKERS

The cruise sector presents a conundrum, because cruises are about 'outgoing as well as incoming' – but there is money to be had from both, said **James Berresford, chief executive of Visit England**.

"We are never going to compete with the Mediterranean or the Caribbean but still cruise has the potential to grow," he said. **Continued on page 2...**



...continued from page 1

A key problem experienced by port towns and their surrounding area is that people tend to 'burst through' en route for other parts of the country. "There is a danger that visitors will completely miss the local tourism attractions," he said, and that is a particular challenge.

■ **Sebastian Doderer, head of project development, Port of Hamburg Marketing,** outlined the work of the Cruise Gateway project so far and explained its aspirations to build the NSR into a beacon of sustainable cruise.

He also reported the findings of a survey into whether passengers would be willing to pay more for their cruise if they knew that the cruise line supported sustainability efforts.

Some 35% said they would pay €50 more, 15% said they would pay €100, and 15% said they would pay more than €100, he said. "What was surprising for us was that they were willing to pay at all."

■ **Nathan Philpot, sales and marketing director of Fred. Olsen Cruise Lines,** discussed the benefits to the local area when a cruise ship comes into port – including the direct benefits, such as employment for check-in staff and baggage handlers, the indirect beneficiaries,



David Ralph, chief executive, Haven Gateway, opens the Mid-Term Conference

such as hotels and shops used by cruise passengers and crew, and the spin-off benefits for taxi firms and the suppliers of food and a whole range of services and goods to ship, crew and passengers.

There is a £1.5 million economic impact on the local area from every ship call, he said.

■ The closing of the formal conference was followed by a visit to Harwich International Port, where Cruise Gateway partners were given a tour of the cruise terminal and wider port, and enjoyed lunch on board the *Thomson Spirit*.

SEACONSULT REPORT SHOWS SOME TELLING DIFFERENCES

What do cruise lines look for when they are choosing which ports to include in their itineraries? And what do the ports themselves consider to be the priorities? Interestingly, the answers do not always make a good match.

A report commissioned by Cruise Gateway North Sea Region project has revealed some telling differences when it comes to the priorities named by cruise lines and the ports that handle cruise business.

The report, 'Decision Criteria for Cruise Port Selection in the North Sea', was compiled on behalf of Cruise Gateway by Hamburg consultancy firm SeaConsult, whose managing director, Helge Grammerstorf, presented and discussed the findings at the project's Mid-Term Conference.

The importance of a clean and safe berth, sufficient luggage handling space and parking

areas were priorities named by both cruise lines and ports. However, while cruise lines rated factors such as gangways, an efficient cruise terminal and simple port procedures as vital requirements at turnaround ports, the ports questioned rated these far lower in importance.

Ports, meanwhile, rated services such as bunkering facilities, crew areas and tourist information far more importantly than cruise lines did.

But perhaps even more revealing were the findings around communication and relationships.

"Cruise lines' executives used the opportunity of being asked for their personal views to express a few basic wishes," says Helge Grammerstorf in his foreword to the report. "The desire to be treated as ports' 'customers' was evident, as well as a 'don't call us, we call you' mentality in some cases."

When it came to the appreciation of printed brochures, SeaConsult was surprised by the findings, he says. The research showed that while more than 80% of ports considered printed brochures to be important, cruise lines do not perceive printed brochures as the best source of port/destination information, preferring contact at conferences or trade shows, with personal visits and email contact coming in as the second and third preferred options.

The report also highlights the lack of a clear identity for the North Sea Region, particularly relevant to the Cruise Gateway project. However, he says: "This identity could be built up in the future."

Something more difficult to tackle will be the impact – still unclear – of the new Emission Control Area (ECA) regulations which will force ships in the North Sea Region to use low-sulphur fuel from 2015. Cruise lines faced with higher fuel costs are likely to put pressure on ports to reduce their rates, warned Helge Grammerstorf. "Remote ports may have to reduce their port costs to compensate for rising fuel costs, if they are to stay attractive."

Sustainability, one of the central themes of Cruise Gateway, is a good marketing argument, he says, because public opinion demands sustainable cruise tourism.

Continued on page 3...



The SeaConsult report asked cruise lines about their priorities

SEARCHING FOR USPS

The 'Decision Criteria' study focused on two dominating research questions: What are the unique selling propositions (USPs) of the North Sea Region (NSR)? What are cruise lines' important criteria for cruise port selection?

The study was based on in-depth interviews with top-level managers of market-leading cruise companies, and the responses highlighted some interesting facts about cruise lines' perception of the North Sea Region. These included:

- The NSR lacks a clear identity. Many cruise lines were not able to think of any specific USP propositions for the NSR.
- The NSR is considered a high-content area with attractive landscape, culture and heritage.
- Cruise lines tend not to perceive the NSR as a cruise region on its own, but rather as a connection between multiple attractive (smaller) cruise regions such as the UK, Norway and the Baltic.

"Research findings demonstrate that cruise lines have quite varying detailed requirements when it comes to cruise port selection, but also have mutual minimum requirements," said the report. This included:

- Minimum requirements for transit ports are a clean and safe quay or pier and/or a safe anchorage and tender spot.
- All participating cruise companies required a minimum of luggage handling space, gangways and parking area for turnaround ports. Other requirements included airlift, efficient cruise terminal or simple waiting facilities, safety/customs area, ISPS zone, loading and working zone, infrastructure, simple port procedures, clean and safe quay/pier/berthing, security checks, check-in facilities and public toilet facilities.

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However, those questioned for the study said there were too many co-existent sustainability initiatives which set their own standards.

The report lists a number of recommendations to ports. First, it says: "If ports/destinations consider approaching a cruise line, then they should already check if the vessel(s) of the target cruise line fits into their port and is able to access the area. Otherwise, cruise lines seem to rate the port/destination as incompetent. Moreover, cruise lines expect individualised marketing and knowledge of the port/destination about their cruise products, such as passenger structure and special requirements. Cruise lines furthermore stated, that they wish to be treated as customers."

The report recommends that ports form an association to create joint offerings and to fully utilise infrastructure and services. "In order to attract passengers and cruise lines to the NSR, ports/destinations should see themselves as part of this region and act and communicate accordingly with, for example, group marketing efforts."

Cruise lines are very interested in new destinations to enrich their cruise product, says the report. Therefore, the authors recommended ports/destinations should identify themselves within their respective cruise region and 'literally put themselves on a map' with established cruise destinations and other interesting ports within their own cruise region.

PLANS FOR MIAMI

The Cruise Gateway North Sea Region project and its partners will be well represented at Cruise Shipping Miami. This annual international conference and trade show event brings together buyers and suppliers of the global cruise shipping industry.

During the convention, which takes place on 11-14 March this year, Cruise Gateway will sponsor a conference session.

As part of Cruise Gateway's sponsorship agreement, a flyer will be included in the delegate bags, so that all those attending Cruise Shipping Miami can learn about the project's aims and activities. In addition, many of the Cruise Gateway partners will be participating with their own stands at the show.

Later in the year, Cruise Gateway will participate at Seatrade Europe, which takes place in Hamburg on 24-26 September.



BUSY SCHEDULE FOR 2013

A series of workshops, best practice tours and conferences will add up to a busy schedule for Cruise Gateway partners in the next few months. More details will be available nearer to the dates of each event, at www.cruisegateway.eu

28 February-1 March: Antwerp workshop.

11-14 March: Miami: Cruise Shipping Miami conference and trade show.

10-11 April: Esbjerg: Workshop on 'White spots service development and marketing', identifying actions for boosting calls in a sustainable manner, especially for smaller ports.

26-28 May: Aberdeen: 'Cruise and accessibility' best practice tour.

17-19 June: Hardangerfjord: 'Hinterland soft tourism' workshop, focusing on the tourism potential of the NSR.

12-13 September: Rotterdam: Cruise Gateway closing conference.

24-26 September: Hamburg: Seatrade Europe.



GREEN INSPIRATION IN GOTHENBURG

The port and city of Gothenburg provided a green agenda and green inspiration for a best practice tour focusing on 'Inspiration for a Sustainable Destination and the Port of Gothenburg's work on Sustainability'.



The Port of Gothenburg is working actively and long-term to minimise the environmental impact of shipping and to contribute to sustainable transport. Climate and emission issues have been at the top of the agenda for many years and the port has already implemented a whole series of measures that have contributed to a better environment.

It has a range of quays equipped for cold ironing (onshore power supply) and more than 30% of all ships calling in the port use OSP.

Environmental considerations were an important part of recent terminal concession negotiations, and the port also offers reduced tariffs for ships using low-sulphur fuel. There are plans to build an LNG terminal at the port by 2015; and, by that year, Gothenburg Port Authority is expected to be a carbon-neutral company.

It was against this positive background that Cruise Gateway partners took part in some in-depth discussions and visited the port's ferry and cruise terminals as well as other environmentally friendly facilities in the city.

This was a highly relevant workshop for the Cruise Gateway project, which is looking to promote and expand cruising in the North Sea Region but in a sustainable and environmentally friendly way.

The partners visited:

- The West Sweden Tourist Board, to hear about the board's integrated quality scheme with its holistic sustainable approach for the whole nation;

- The energy-efficient Gothia Tower, a hotel, exhibition and conference facility being extended, with the whole building to be certified in accordance with the international environmental standard, BREEAM;
- The 'climate smart' Gothenburg Landvetter Airport, which has the highest level of a European programme that assesses the climate work of airports.

Among the speakers during the best practice tour was Anders Carlberg, head of maritime strategy and marine development at Region Västra Götaland, who talked about sustainability and marine environmental issues in the region.

"The best practice tour focused on inspiration for a sustainable destination and the port's work on sustainability," said Anna Cognell, representing City of Gothenburg on the Gothenburg Environmental Administration.

"The lessons we learned from the event will be taken forward in the Cruise Gateway project, tying in with further work on sustainability. Later in the project we will consider and bring together best practice examples and consider their application across the North Sea Region.

"These two days of visits and presentations looked at doing more than what the law requires. You can comply with the law – that is OK. But you can go ahead and do more, and the aim here was to demonstrate how that can work."

Lead Partner:



Partners:

- Port of Kiel (Germany)
- Columbus Cruise Center Bremerhaven (Germany)
- Bremen Senate Department for Economy and Ports (Germany)
- Cruise Destination Hardangerfjord (Norway)
- City of Gothenburg (Sweden)
- Copenhagen Malmö Port AB (Denmark / Sweden)
- Port of Esbjerg (Denmark)
- City of Antwerp / Tourism (Belgium)
- Cruise Port Rotterdam (Netherlands)
- Haven Gateway Partnership (England)
- Aberdeenshire Council (Scotland)

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www.cruisegateway.eu

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ON FILM

The first films on the North Sea as a cruise destination and the Cruise Gateway partner ports are now available on the project website: www.cruisegateway.eu