

The Market Effect and Value-Added Research about Cruise Tourism Industry

Ling Qiu

PhD Candidate
Donghua University
Associate professor
School of management
Shanghai University of Engineering Science
Shanghai, China

Changchun, GAO

Professor
School of management
Donghua University
Shanghai, China

Tingting, Dai

School of management
Shanghai University of Engineering Science
Shanghai, China

Abstract

In our country, Cruise tourism is an emerging, high-advanced tourism product. In this article, through review briefly the development of cruise industry, analyzes the market dynamics about the currently cruise tourism industry. using the potter five model to analyze the value generation about the cruise industry, reveals the cruise company and home port as the main body of the tourism industry chain of value-added process, finally from the perspective of industrial chain theory are put forward for the development of China's future cruises.

Keywords: cruise tourism, five models, Cruise industry, the value chain

1. Introduction

In recent years, with the rapid development of global economic integration and the continuing escalation of residents' consumption structure, cruise tourism is called offshore floating resort has become one of the most active industries of modern tourism. According to the Cruise Line International Association statistics, since the 1980s, the number of the global cruise tourism annual growth rate of 7.5%, the visitors soared to 4 million from 8 million in the 90 s, to the current global Cruise tourism market passengers 80 million ^[1].Cruise tourism market in China is also developing rapidly, statistics show that ^[2],in mainland China in 2012, the year received 285 international cruise ships, up 8.8% from a year earlier, cruise travel visitors 660000, up 31.9% from a year earlier. Considering China as the world's second-largest economy at present, the whole is facing economic and social transformation, the residents' consumption level rising, more and more people spare time chardonnay, belonging to the high-end elite cruise tourism not only cater to the growing middle class consumption desire, and because the cruise tourism has the dual nature of tourism and service industry, and its related industries and the surrounding areas of port city economy pull effect is very obvious, therefore, how to vigorously promote the development of cruise tourism industry, expand the effect of value-added about the cruise tourism industry .more and more researchers will get the attention to it.

1. Overview about Cruise Tourism Industry Development

Cruise was originally born in the middle of the 19th century, its primary meaning refers to the route-fixed and time-fixed large passenger ships on the ocean, and its initial value lies in transoceanic transport of personnel, cargo and mail.

After the second world war, with the development of the aviation industry, the traditional transatlantic cruises gradually withdraw from the historical stage because of the limited speed and carrying capacity, but this rapid, economic and comfortable way of sea travel has become an industry form to be preserved and developed. To the 1960s, the former, which is mainly composed of pleasure cruise evolved into the passenger ocean-going ships, the ship is equipped with the complete life, all kinds of facilities, entertainment, leisure and vacation make the cruise tourism industry chain gradually expand, cruise tourism market began to be mature and the value of cruise tourism began to be shown. In order to cater to the growing of cruise tourism consumption market, in 1969, the Norwegian was founded in the United States the world's first modern cruise lines - the royal Caribbean cruise lines, to the 1980 s, the structure of the cruise market in north American and European gradually formed, and the emerging middle class replaced the upper class to become the main consumer of cruise tourism. Until today, Carnival, Royal Caribbean and Norwegian cruise line group have become the representative cruise tourism companies in the international community.

Different from ordinary traveling, cruises (Cruise tourism) is not only a kind of traffic tools, but also is a kind of tourism destination ^[3]. Specifically, the cruise tourism is the main form of marine parade, along with the port of land destination and transition, which is a set of transport, tourism, recreation, accommodation and catering, experience fitness in an integrated tourism product. From the industry perspective, the cruise tourism set transport, tourism, and leisure industry in the whole industry chain, including cruise tourism, cruise arrived, cruise docked, a range of products and services triggering transaction activity ^[4], as "the Floating Five-Star Hotel". The cruise tourism promotes and forms a series of economic activities, which are the cruise ship building, home port construction, port management and business services as the core of the cruise tourism operation, not only drives the related industrial development and promotes industrial upgrading, and can accelerate the industry gathering and promoting economic growth. Therefore, the cruise tourism industry has recently become every country's in the world strategic emerging industry to improve economic and social development and promote industry transformation.

2. Cruise Tourism Market Effect Analysis

Cruise tourism, as a new industrial form in recent years, own a huge market development space, has a large market development potential, especially with the development of global economic integration and the recovery of the global economy, the huge industry value will be excavated and released. In order to deepen the understanding of the value of the cruise industry, this part will analyze the effect of the cruise tourism industry market.

2.1 The Cruise Market Driving Force

For tourism, the cruise tourism can be seen as a branch of tourism, the development of cruise tourism market and people's consumption ability are closely related to the charm of tourism resources. As a high-advanced crowd of tourism products, the elites of cruise tourism market group mainly locate successful businessman, such groups although the base of the market is small, high consumption ability, especially pay attention to the word of mouth marketing. From the point of tourism resource market, cruise tourism plays a tourism destination and tourism tool of the dual role, people called it the "sea resort", to provide sightseeing cruises, bars, restaurants, all recreational facilities, such as swimming pool, gym and coast resort, is an internal liner supply monopoly market, in order to constantly meet the discerning taste of high-end consumers, cruise lines according to the freedom of be fond of consumer characteristics and provide different class and quality of service product portfolio, novelty and uniqueness of the tourist products are increasingly important, therefore, for cruise lines, focus of market competition is no longer the cost of the product and price, but how to improve the quality of customer service experience, such as the early launch of "sea golf", "open kitchen", "water park", "deck cinema" and a series of a wide array of entertainment projects, greatly stimulated the tourist consumption desire and experience.

2.2 Cyclical about the Cruise Tourism Market

Although cruise tourism has lines and ocean cruise around the world, the total is not much, in order to avoid the Marine disasters caused by climate change, the cruise itineraries take seasonal deployment strategies, tend to choose excellent geographical environment sea areas to parade, waters such as southeast Asia, south Pacific, Alaska, the Mediterranean and other regions, and in accordance with the change of the four seasons of regular traffic to change its originating home port and the cruise line.

So far the largest market for North America, the Caribbean cruise tourism region, Europe's Mediterranean area is developing rapidly in recent years, the two market capacity of more than 70% of the global cruise tourism^[5], and the two big areas complement each other in the market cycle, the former of the tourist season for the winter, the latter's gold consumption period for the summer, the number of visitors per month is between 800000 and 1 million for the north American, 90% Caribbean tourists choose to travel in winter^[6]. In addition, there are a few not obvious seasonal tourist routes, such as the Bahamas airline, cruise lines built the respective port on the island for exclusive use, specifically for cruise to provide sufficient security maintenance and maintenance.

2.3 Oligopolistic Structure of the Cruise Tourism Market

Because of its high cost and operation cost for the cruise tourism industry, need a huge sums of money, manpower and technology support, it presents the obvious characteristics of oligopoly market, four of the world's largest cruise companies, royal Caribbean carnival, Norwegian cruise line and the Mediterranean cruise monopolized the market share of 96% of the world^[7], the horizontal integration of the internal market consolidation degree is very high. Under the oligopoly market structure, cruise group control most of the tourism market suppliers, cruise lines for different market segment, using tickets and ship, the price elasticity of travel service products, adopt the pricing strategy of two charges, lower ticket prices on the one hand, on the other hand, cruise lines, which is the core of the industrial chain, firmly control the price and quantity of the suppliers in cruise. Both promoted the popularization of the cruise tourism market, but also can provide diversified leisure entertainment services, to meet different tourists travel demand and consumption experience. At the same time corresponding oligopoly market structure is improved by the entry barriers of the cruise tourism industry, including the existing enterprise brand effect, ticket distribution system barriers, the cooperation with tourism product combination barriers, cruise terminal control barriers, such as space supply barriers.^[8]

2.4 Cruise Tourism Market of Network Node of the Economy

Compared to ordinary way of travel, cruises tourism has line double characteristics of travel and tourism destination. In terms of travel routes, cruise travel tourism is a global network industry, it is to connect the seven continents Tours as operating platform, relying on the mainland coastline terminals, forming a huge network travel all over the world. Whether long-term or short-term tourism, cruise tourism every dock port or terminal, it can improve the local tourism, visitors to stimulate local catering, accommodation, travel, shopping, and the development of relevant industries. To attract tanker stops, and the local must also actively improve the infrastructure construction, strengthen the development of local tourism resources, and actively by local travel agent to establish global or regional marketing network. Visible, cruises and port, wharf construction of economic interests is not a competition, not only are mutually dependent relations of cooperation. In terms of destination tourism, cruise as a giant in the high-advanced tourism tool, it is completely separate about manufacturing and operations, the shipbuilding industry research and development, design and construction of the whole production chain all over the world, cruise manufacturing mainly concentrated in Norway, Finland, Italy, England and other European powers in the shipbuilding industry, traditional and cruise ship management personnel, mostly from the United States, France, Spain, South Korea and other developed countries tourism. In addition, the cruise every dock port or terminal maintenance regularly, for cruise supplies, maintenance, repair and other related industries has opened up a cruise terminal centered industrial agglomeration area, dock and port which constitutes the cruise tourism network node, cruise economy has become the corresponding market network nodes of the economy.

3. Competitive Advantage Analysis about Cruise Tourism Industry

Cruise tourism as a relatively mature industry in the world, It has been vigorously supported strategic emerging industries in recent years in our country. As a developed country in the world in recent years, in order to promote the strategic emerging industries, cruise tourism industry with other industries and traditional industries competitive advantage. According to the porter five competition models, we need to analyze the cruise tourism industry competitive advantage.

3.1 The Buyers Bargaining Power

The cruise terminal buyers are tourists, elements that affect tourists bargaining power include: whether the buyer of the total number and scale, industry product has differentiation, switching costs of the buyer. With China's middle class continues to expand, tourism market demand more and more strong, the tourism industry will be further refined, cruise travel in the future market will be increasingly broad.

Cruise as a special tourism product, at present in our country, the market localization is not fixed, domestic tourism, business meeting, honeymoon travel is evident in the customer base, including high-advanced elite customers more. Although such customers' consumption ability is strong, price sensitivity is not stronger than ordinary tourists, but considering the customer's identity and grade, their service requirements of the cruise are relatively strict, cruise lines must be provided its own brand products and human services to meet the personality needs of customers. In terms of industry products, cruise tourism as a new tourism market, industry product segmentation is not enough rich, tourism product homogeneity is obvious, products' substitutability is stronger, so the customer switching cost is relatively low.

3.2 The Supplier Bargaining Power

Cruise tourism market suppliers include cruise lines, hotels, catering business, travel agencies, resorts and all travel service providers and entertainment projects. Supplier's bargaining power depends on the supplier for the development of scale, and the size of the cost of conversion, after the integration ability, provide the quality of products and services, and other factors, such as whether there are different. In the suppliers, and port facilities is cruise tour of two pillars, one agent is cruise tour is the marketing main body, the port is not only the realization of tourism activities relying on is also a tourist destination, both in the cruise tourism industry chain has dual property. In terms of travel agency, in a foreign country, cruise lines generally adopts the direct method, and in domestic at present most of the cruise line by the travel agent on a commission basis, due to the cruise and geographical lines, the product involves the cruise ship model and each ship's facilities and meals are not the same, travel agents tend to lack the proficient personnel. Although have the letter CITS, Huayuan CITS and cyts Tours and other large travel agency sales cruise tourism products, the new line speed is relatively slow, only mostly as a characteristic product small batch operation. In terms of port facilities, cruise ship docked needs not only to provide cruise port operation services, also includes passenger services, shipping service and port area around the leisure business infrastructure projects and environmental construction, tourism theme park and large commercial complex affiliated project development, etc., from the point of practice, at present our country's port city infrastructure still cannot meet the needs of the international cruise especially major cruise, port orientation stays in terms of freight loading and unloading, the lack of corresponding cruise tourism facilities around. Visible, cruise travel suppliers need to improve service quality and level.

3.3 The Threat of New Entrants

Cruise tourism industry has the characteristics of oligopoly market structure, not only because of the cruise is expensive, asset specificity is strong, high operation cost, investment payback period is long, its industry covers a wide range of factors of production, economic activity is complex, the process of value chain include the capital operation, marketing, human management, maintenance, ship manufacturing, etc., the diversified industry association, to some extent improve the threshold of the industry. Cruise tourism, on the other hand, as a kind of high-advanced consumer goods, the whole development of industry has certain periodicity, a country even the global economic development trends and geopolitical factors can have a huge impact on the industry, which includes tourism consumers' willingness to spend and consumer behavior, also has the risk of industry market itself and instability, such as political turmoil, meteorological disasters, economic crisis and a series of external risk, which are new market entrants factors must be considered. Concrete in our country, the cruise also depends on the promotion and growth of the travel agency, the public has yet not mature to understand the cruise tourism; At the same time, considering that our country there is no science to improve the infrastructure of the cruise tourism, system design and planning, the external market environment and own high threshold condition are the threat of new entrants in the market.

3.4 Substitute Threat

In general, alternative tourism is refers to the tourism industry chain of each product or service provided by the supplier in the replacement. Cruise tourism as a new tourism product, is not only the transportation, but also travel tourism destination, give the visitors a new travel experience, pleasure and consumption, from the whole tourism market product substitution threat is not big. From cruise tourism, however, due to the obvious industry monopoly characteristics, product homogeneity serious competition, under the condition of low switching cost, consumers are easy to change the original consumption idea and behavior, choose other cruise tourism products of the company.

To reduce industry substitution threat, therefore, must according to the characteristics of different subdivided market groups, on the basis of providing diversified services, according to its own brand positioning, grasp the tourist demand change, develop and adjust the travel service and product, shows the unique characteristic of the service and brand culture, to foster customer loyalty to the product. At the same time, because the cruise tourism are between mass tourism and the luxury sector, when tourists did not acquire enough pleasure in the cruise tourism, luxury consumption is likely to dominate the industry, and finally form a substitute for cruise tourism services.

3.5 The Competition Threat

The competition degree of competition generally depends on the discretion of the barriers, the number of competitors, market development stage and the user's switching costs. For cruise tour of European and American markets, the oligopoly market structure characteristics significantly, involving industry wide, high investment threshold, tourism product demand growth is slow, although the current market is divided by several large cruise groups, with the market continues to expand, and the customer's switching cost is lower, competition will be increasingly fierce. The cruise tourism industry development in our country, on the other hand, is not mature enough, lack of accurate market position, the policy environment is unclear, although cruise companies pay attention to develop the Chinese market, but the existing cruise travel service products and services is not rich enough, cruise products is relatively low, the lack of services for Chinese customers tailor-made characteristics. At the same time, countries in order to develop tourism, the government will actively support the development of domestic passenger liner, such as the global cruise company in Xiamen, China cruise co., LTD and tourism cruise yacht management co., LTD has successively set up, which makes the cruise tourism market competition more fierce, cruise tourism market needs to integrate resources, in this case, the cruise lines should vigorously carry out marketing for ordinary consumers, and actively implement the strategy of differentiated products to win the initiative in the market.

4. Cruise Tourism Industry Value-Added Analysis Based on Value Chain

Cruise tourism economic activities involved in the industry is wide, much more market main body, long industrial chain, the economic activities in the relevant industry chain relationship are complex, embodied in ties between the upstream and downstream. Cruise tourism industry chain internal value activities determines the inner dynamics of the development of the industry, reflects the industrial value-added process of the internal economies. Cruise tourism industry chain, therefore, not only reveals the internal industry value-added process, but also can explain the cruise economy behind the industrial connection between the related industries.

4.1 Analysis of Industrial Value Chain Based on Cruise Lines

Observe from the perspective of cruise market main body, complex economic activity associated with cruise lines formed between an internal value chain, namely the cruise business operations of enterprise value chain (as shown in figure 1). The value chain involve manufacturing and maintenance about cruise, product research and development design about cruise, product line sales letter cruise operation and passenger service and other economic activities. In the value chain, each node enterprise exert its own core competitive ability, work in parallel, make product design, development, services and coordination under the participation of enterprises finish in the end.

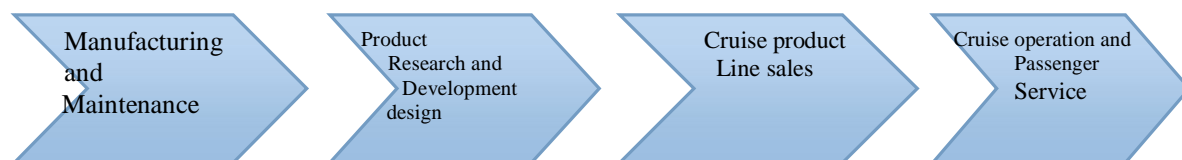


Figure1: The Cruise Business Operations of Enterprise Value Chain

Cruise lines business value chain of the first part is the cruise ship of design and construction. In this condition, the shipyard is responsible for ship design and construction technology, port and dock to meet the needs of the major cruise docked infrastructure and auxiliary facilities for the necessary maintenance and repair, equipment and equipment suppliers network resources is to nurture and cruise construction is the key to maintain business core competitiveness. For the development of business value chain about cruise lines, the second part is the cruise product design.

Cruise tourism products provide a similar but even resort experience, so in view of the cruise product research and development design must be based on the geographical condition is superior, the understanding of the port city of tourism culture resources are rich, cruise lines should be regularly adjust the cruise line and service, to adapt to the ever-changing market demand, coordination and routes through the port of call in advance and the relationship between the destination port, not only ensure cruise's own supplies, and visitors to the port after all aspects of requirements are met. Cruise company business value chain of the third part is the cruise product line sales. Different from European and American markets in China, cruise travel product sales is not continuously by cruise lines, but by the partner travel agent for the sale. Cruise lines is typically determined by investigating and tendering travel agency to sell its products, choose the best travel agents, travel agents act as a guide and the role of advisor in the process, on the one hand, the travel agency for the cruise company to promote cruise travel marketing and promotion, on the other hand will give full play a role of the tour consultant, on the premise of understanding the market demand for the tourism circuit design of cruise lines. The fourth link is cruise business value chain operations and services. This link is a central part of the cruise tourism experience, is a core part of the whole value chain value-added. Of tourists and consumers spend most of their time at this link, the cruise provides services which including accommodation, catering, leisure, entertainment and sightseeing in many aspects, In order to arouse the enthusiasm for tourists, cruise companies must improve the quality of food and lodging services, at the same time, develop all kinds of all kinds of entertainment products. In terms of management, support all these travel service is a maritime operations, hotel management, project management and onshore project planning, etc. the enterprise business. In general, the cruise tourism value chain of each link closely with need, tourism product design, marketing and experience the whole process of a series of service to cooperate with the tacit understanding, the cruise company should strengthen cooperation with all the suppliers, agents, to ensure that the industry value chain of each link of the service in place.

4.2 Based on the Cruise Home Port Service Value Chain Analysis

From the point of view of cruise home port, the value chain link of cruise home port mainly includes the cruise and their passengers provide a large number of service, so cruise home port of the value chain includes five types of value function (as shown in figure 2): port image creation; Passenger service; Port operation service; Shipping services; Port for the cruise, cruise passengers and intermediate products to provide all kinds of related services, etc. Among them, the passenger service and terminal service is the most basic functions in the five kinds of cruise home port of value chain.

Cruise home port service value chain of the first link is to home port image creation. A steady stream of passenger flow is the premise condition of cruise tourism value chain continued appreciation, in order to maintain and improve traffic, cruise home port to the team to constantly increase marketing efforts, in view of the city historical background and cultural characteristics, vigorously dig the home port of tourism resources, foreign exchange with the world famous port city and cruise lines, learning, and on this basis in promoting a positive image to build home port, dock to attract the world's major cruise lines. Home port service value chain of the second link is passenger service. For the realization of the liner and the surrounding commercial circle "seamless" cohesion, must develop the cruise home port passenger transport services, create rich and convenient transportation, strengthen the ties between port and city, for the development of cruise home port of tourism economy to create favorable conditions. Home port service value chain of the third link is service for port operation. Cruise port as a professional reception and service, their own home port in a clear positioning and services under the premise of the target market, develop and reserve enough, eligible cruise terminal, supporting facilities, and supply facilities, to meet the cruise tourists in port terminals, load, fuel oil, add all kinds of supplies and provide cruise need maintenance and repair services, etc. Home port service value chain of the fourth link is shipping services. Home port shall be provided as far as possible to meet its major cruise docked need some necessary facilities. For example, should be enough water depth of channel, enough tonnage berths and necessary navigation facilities, to provide good conditions for cruise port; At the same time establish a supporting system of trash disposal to process timely, in order to maintain the port environment clean. Home port service value chain of the fifth links is other related services, including the basic port service management, the diversification of port management, port environment construction as well as the basis of port construction aspects of commercial atmosphere around do agglomeration of a variety of forms, such as financial institutions, emergency processing mechanism, information organization and other auxiliary facilities are also essential.



Figure 2: Five Types of Value Function

5. The Conclusion

Cruise tourism research is a relatively new research field in tourism and represents a trend of tourism development in the future. From the perspective of the analysis of porter five models, although the cruise by the rapid development of tourism in China, it is still in the early stage of market penetration, market subdivision is not clear, the bargaining power of different buyers is different, and the travel service providers due to the lack of management experience and related management personnel, the service level is far from compared with European counterparts. As a high-advanced services, cruise tourism market entry barriers is higher, it is difficult to generate new entrants, the existing monopoly market also is difficult to give new entrants enough development opportunities, with the enlargement of the market, the future market will be increasingly fierce competition in the industry.

From the perspective of the analysis of industry value chain, cruise lines and cruise home port service constitute the main part of the whole industry value chain, the first with cruise lines as the core market main body, the industrial chain to cruise in the design and construction of the upstream, downstream for cruise tourism service product design and marketing; The latter to home port as the main body, core connection cruise lines with various suppliers, focus on developing port operation and hard and soft facilities, cruise tourism economy to the surrounding radiation. Thus, cruise lines and the home port service is closely related to two industrial chain, linked together, it is composed of multiple industry a symbiotic relationship, on the basis of how to turn in a certain area of cruise, cruise travel companies, cruise port services integrated into a common framework within the joint marketing, how to get the knowledge, technology, capital and talents and other factors of production together, cruise tourism product design conforms to the Chinese consumers, which will be the future cruise tourism development must face .

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