American Association of Port Authorities

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Princess Cruises®

- 17 Ships
- 1.3+ million passengers
- 400 different ports
- 100 different itineraries
- Part of the Carnival Group
Shore Operations

- Shore Operations
  - Port Operations
  - Shore Excursions
  - Passenger Logistics

- Organized into Three Regions
  - Alaska – Charlie Ball
  - Caribbean & Atlantic – Steve Nielsen
  - Europe & Exotics – Bruce Krumrine

- 300 ports
Presentation Topics

- Itinerary Planning Factors
- Becoming a Top Cruise Destination
Itinerary Planning Factors
Factor 1: MARKET DEMAND

- We take our passengers to where they tell us they want to go
- On every cruise we ask our passengers –
  - Rate how important each port was in their purchase decision to buy the cruise
  - Tell us where you have already cruised to
  - Tell us where you would like to cruise to next
Itinerary Planning Factors

**Factor 2: PRODUCT DELIVERY**

- We take our passengers where they have had the most satisfying experiences
- On every cruise we ask our passengers –
  - Rate your cruise itinerary
  - Rate each port on your cruise
  - Rate each shore excursion you participated in
- The better the passenger experience, the more likely we will return
Sample Port Ratings

Marquee Port: How did passengers rate their visit to Venice?

- Reason for Booking Cruise: 91%
- Port Rating after visit: 93%

Non Marquee Port: How did passengers rate their visit to La Rochelle?

- Reason for Booking Cruise: 66%
- Port Rating after visit: 85%
Factor 3: YIELD

- We deploy our ships where can we achieve the best financial return

Yield =
- cruise fare + onboard revenue
- less
- operating costs + overhead costs

Critical that ports and service providers remain affordable
Itinerary Planning Factors

Factor 4: GEOGRAPHIC PROXIMITY

- Port location is critical in relation to other key cruise ports and itineraries.
- Sailing speed another key consideration given the increase in fuel prices.
- Cruising offers both quality and quantity and itineraries with more ports generally sell better.
Itinerary Planning Factors

Factor 5: PORT INFRASTRUCTURE

- Facilities
- Safety
- Security
- Services
- Tourist Attractions
ITINERARY PLANNING FACTORS SUMMARY

Market Demand: Are you a marquee port? How do you create greater positive name recognition?

Product Delivery: Do you deliver a great product?

Yield: Are you affordable?

Geographic Proximity: Do all of the ports in your cruise region meet these factors?

Operational Requirements: Do you have the right hardware?
Becoming a Top Cruise Destination
Princess Cruises®

Becoming a Top Cruise Destination

Key Point: Port Authorities can and do play a critical role in the success of not only the port but of the greater cruise destination.
Becoming a Top Cruise Destination

Leading Ports Have A Shared Vision

- Maximize port synergies
- Galvanize shareholder commitment, cooperation and coordination
- Shareholders include ports, government authorities, tourism authorities, and service providers
Becoming a Top Cruise Destination

Leading Ports Are Customer-Driven

- Developing products and services based on the needs and expectations of their customers
- Port customers include cruise lines, cruise passengers, suppliers, authorities, etc
Becoming a Top Cruise Destination

Leading Ports Deliver Seamless Experiences

- Focused on all aspects of the passenger experience from arrival to departure
- Ensuring that the tourism infrastructure supports the needs of the one day cruise visitor
**Becoming a Top Cruise Destination**

**Leading Ports Understand Regional Interdependence**

- Regional ports are interdependent
- Work cooperatively to improve the quality of all ports in the region
- You may only be as strong as your weakest link
Leading Ports Understand Regional Dependence

- Regional ports are dependent on the home and marquee ports in their region
- Decisions made by the home and marquee ports impact cruise tourism in the region
Becoming a Top Cruise Destination

Leading Ports Have a Long-Term Plan

- Fully appreciate the economic benefits of cruise tourism
- Investing in their future
- Develop long-term plans to grow their business while remaining affordable
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Leading Ports Take Full Advantage of What They Already Have

- Identify the essential experiences that speak to your history, culture, and national identity
- Develop products and services to showcase them
Becoming a Top Cruise Destination

Leading Ports Differentiate Themselves From Other Ports in the Region

- Identify and develop passenger experiences that differentiate your port from others in the region
- Create an identity that is easy to communicate
Becoming a Top Cruise Destination

Leading Ports Protect and Preserve the Best of Their Past

Your history is your future
Becoming a Top Cruise Destination

Leading Ports Summary

- Shared vision
- Customer-driven
- Seamless experiences
- Regional interdependence
- Regional dependence
- Long-term planning
- Taking full advantage of your resources
- Product differentiation
- Preserving your past
Thank You