

BEING CRUISE READY BUSINESS OPPORTUNITIES GUIDE





Photo credit Sandiephotos.com

WELCOME

The Deep Water Terminal in Stornoway will be able to accommodate the majority of the world’s cruising fleet, providing a fantastic opportunity for the area to capitalise on this high spend, growth market.

To make the most of the market opportunity, we need to provide high-quality onshore visitor experiences that make Lewis and Harris stand out as a ‘must see, must visit’ destination in Northern Europe. Importantly, we need to combine this with world-class customer service once visitors arrive in port.

This guide aims to help businesses and communities appreciate the scope and potential of the cruise market for Lewis and Harris and to understand how they can develop and package their offer to attract cruise operators and provide the best possible service to cruise passengers when they come onshore.

Contents

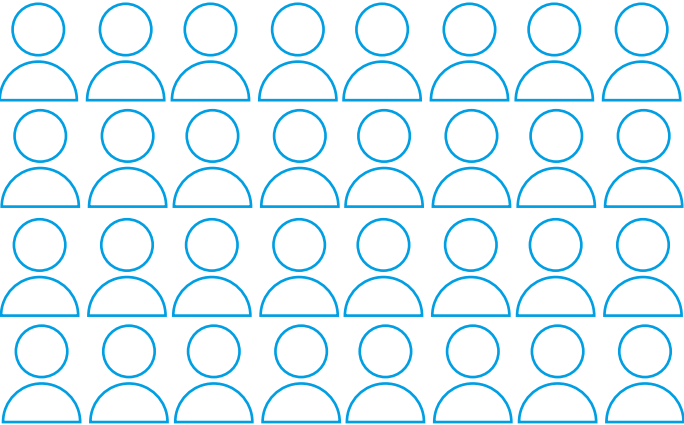
Welcome	2	What cruise passengers are looking for	10
The cruise ship industry	3	The business opportunity for Lewis and Harris.....	11
Types of cruise ships	4	Creating a world-class visitor experience	12
Why do people take cruises?	5	Making your business ‘cruise-friendly’	13
Origins of cruise passengers	6	Building your offer	14
The cruise sector in Scotland.....	7	The next steps for your business	15
Who does what in the cruise ship sector? - the key players	8	Further information and support	16
Co-ordinating the offer	9		

THE CRUISE SHIP INDUSTRY

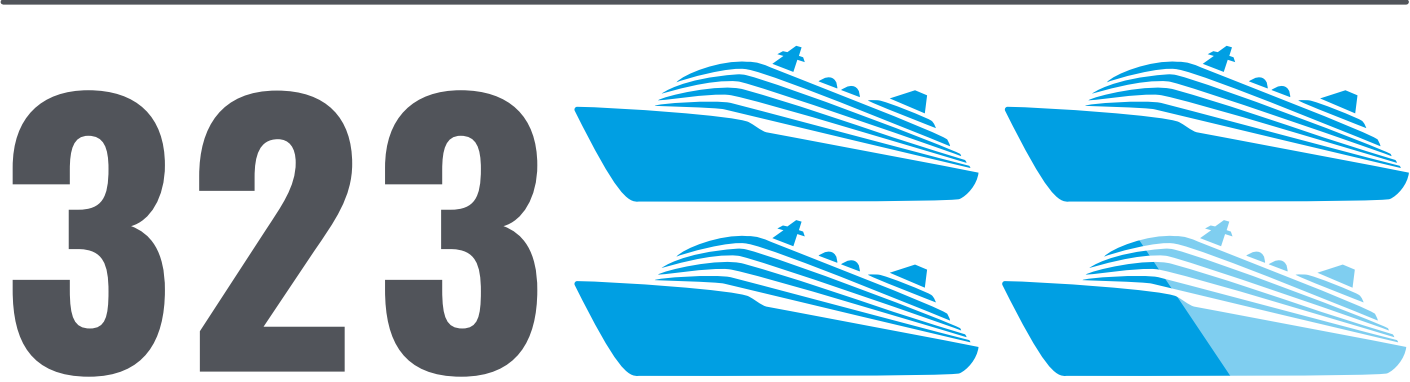
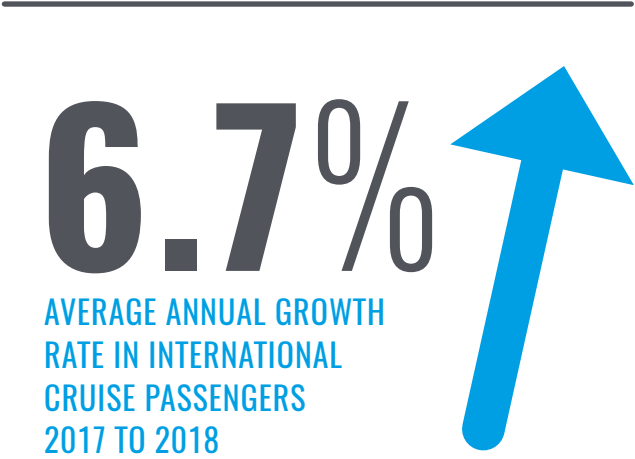
A cruise ship is a passenger ship used for pleasure voyages, where the voyage and ship's amenities are an integral part of the experience, as well as the different destinations along the way.

THE **BIG** PICTURE

28.5 MILLION



GLOBAL NUMBER OF CRUISE TRIP PASSENGERS IN 2018



CRUISE SHIPS IN SERVICE AROUND THE WORLD IN 2022

TYPES OF CRUISE SHIPS

Cruise ships tend to fall into three categories, irrespective of their size:

ULTRA-LUXURY CRUISE SHIPS

Top of the range vessels for discerning travellers who want and expect the very best in service, food and staterooms. From all-suite ships to champagne on tap and butler service, the on-board experience offers the ultimate in style and sophistication. Examples include Silversea Cruises, Oceania, Cunard and Hebridean Princess.



Photo credit Sandiephotos.com

LUXURY CRUISE SHIPS

Luxury cruise ships are often family oriented and offer outstanding service with itineraries covering some of the world's best known and sought after destinations. Examples include the Carnival Group, P&O, Holland America, Fred. Olsen, Cunard and Royal Caribbean.



Photo credit Angela Horne

EXPEDITION AND ADVENTURE SHIPS


In contrast with others, adventure or expedition cruises are very much about the destination, not necessarily the ship itself. The ships are generally smaller than other types and tend to carry passengers with more specialist interests. Many go to inhospitable climates and may involve land-based activities which can be strenuous. Operators include Voyages of Discovery, Noble Caledonia and Swan Hellenic.



Photo credit sandiephotos.com

WHY DO PEOPLE TAKE CRUISES?

The global cruise industry is booming, with experts predicting strong and sustained future market growth. Cruise comparison website 'Cruise Critic' lists ten key reasons why cruising is the number one choice for many of today's holidaymakers:



A cruise offers great value for money, with food, accommodation, entertainment and transport between destinations all included.

Passengers can see multiple destinations, but unpack only once!



Cruise ships are family friendly and fun for all ages.



Cruise ships come in all shapes and sizes, so there's something to suit everybody.



Ships offer a variety of onboard activities.



Because cruise holidays package everything together, they're very easy to plan.



Cruise ships have everything on-board that passengers could possibly want.



A cruise is one of the best ways to see the most exotic and foreign destinations in the world in a safe and easy way.



Cruising is romantic!



Cruising is social and a great way to meet new friends.

A CHANGING MARKET

The age profile of the cruising market has lowered in recent years. A new generation – the Millennials and Generation X – are taking to cruising in increasing numbers.

The latest Cruise Line International Association research also shows that **48% of non-cruisers** have expressed an interest in cruising.

Responding to this rapidly changing market, cruise line companies have adapted their offers to meet the needs and expectations of today's increasingly sophisticated passengers.

THE KEY TRENDS

- Passengers expect online connectivity on board ships.
- There is rising demand for luxury travel on cruise ships.
- Cruise ships themselves are increasingly the passenger destination as their range of on-board amenities and experiences expands.
- Overnight stays at ports of call are increasing.
- Inter-generational cruising is increasing as on-board amenities cater for all age groups.
- More cruises are offering passengers volunteering opportunities.
- Cruise ships are increasingly being designed to appeal to the cultures of their main passenger groups.

Over 80% of passengers think that a cruise is a good way to sample a destination they may want to visit again on a subsequent landbased holiday



ORIGINS OF CRUISE PASSENGERS

Countries generating cruise passengers / Number of residents booking cruises per annum



USA
11.21m



Germany
1.77m



UK and Ireland
1.61m



Australia
1.00m



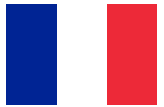
Italy
0.84m



Canada
0.80m



China
0.70m



France
0.59m



Spain
0.45m



Norway
0.18m

North America generates the greatest number of cruise passengers, followed by Europe.

Source: Cruise Line International Association



The value of passenger and crew spend to Scotland was estimated to be
£40.6 MILLION
 in 2019



THE CRUISE SECTOR IN SCOTLAND

SCOTLAND ATTRACTS CRUISE SHIPS AND PASSENGERS FROM AROUND THE WORLD AND IS HIGH ON THE LIST OF ‘MUST SEE, MUST EXPERIENCE’ DESTINATIONS.

CRUISE SHIP ARRIVALS AND PASSENGERS IN SCOTLAND

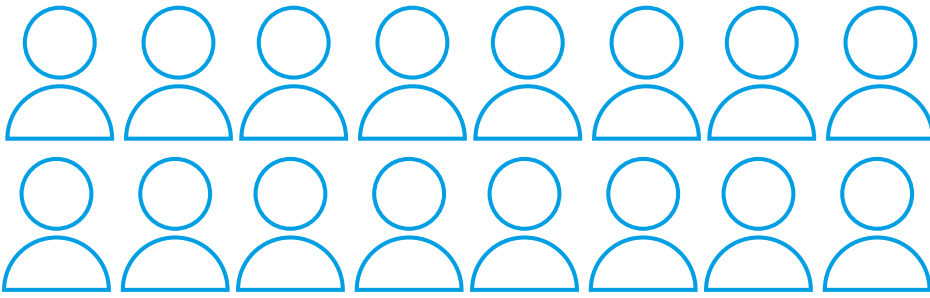
YEAR	SHIPS	PASSENGERS
2005	305	166,401
2010	342	268,481
2015	463	455,081
2019	862	772,879
% change 2005 – 2010	12%	61%
% change 2010 – 2019	152%	187%

Source: Cruise Scotland, TTC International and Roger Tym & Partners

Pre-pandemic, the cruise tourism industry was growing rapidly in Scotland, with almost 900 cruise ship calls and over 800,000 cruise passengers visiting Scotland in 2019; the forecast for 2020 had been for over 1,000 cruise ship calls and one million cruise passengers.

Cruise tourism has enjoyed **SIGNIFICANT GROWTH** in Scotland, with port calls, passenger numbers and economic value more than doubling. Most forecasts are expecting cruise numbers to return to pre-pandemic levels by the end of 2023 and resume growth to grow steadily, with both tour operators and destinations continuing to invest heavily in the market.

The average cruiser is 47 years old and cruises for an average of 7 days



WHO DOES WHAT IN THE CRUISE SHIP SECTOR?

THE KEY PLAYERS

There are many different types of organisations involved in the cruise ship sector.

CRUISE SHIP OPERATORS / TRAVEL AGENTS

The cruise journey starts at home, with passengers researching itineraries and prices via web portals or agencies including: travel agencies; cruise ship company websites; or cruise 'consolidators', where different cruise options can be compared via a central web portal.

When passengers book with a cruise ship company they can purchase from a range of shore excursions. These trips and experiences can also be booked on-board at the ship's excursion desk, or online before departing on the cruise.

PORT AUTHORITIES

Port authorities are the official organisations that control and manage activities in a port. They are responsible for safely handling ship arrivals and departures.

SHIPPING AGENTS

Shipping agents are licensed agents in a port who transact a ship's business, such as insurance or documentation, on behalf of the owners. They also arrange provisions and fuel.

GROUND HANDLERS

Ground handlers work on contract to the cruise ship companies. Their role is to develop, organise and sell shore excursion itineraries to cruise ship companies, who then sell these on to passengers.

INDEPENDENT EXCURSION PROVIDERS

Independent from the cruise lines, these companies offer shore excursions directly to passengers who may have researched excursion opportunities at individual ports of call.

CRUISE AMBASSADORS

In many successful ports, 'welcome teams' - often made up of volunteers from the local community - coordinate cruise activities to ensure that the welcome, information service and visitor experience for arriving passengers is exceptional.

TOUR GUIDES

At most cruise ports, tour guides are an essential part of the overall visitor experience, providing a guide service to passengers via shore excursion or cruise ship companies, or offering their own tours via the ground handlers or independently.

LOCAL ORGANISATIONS

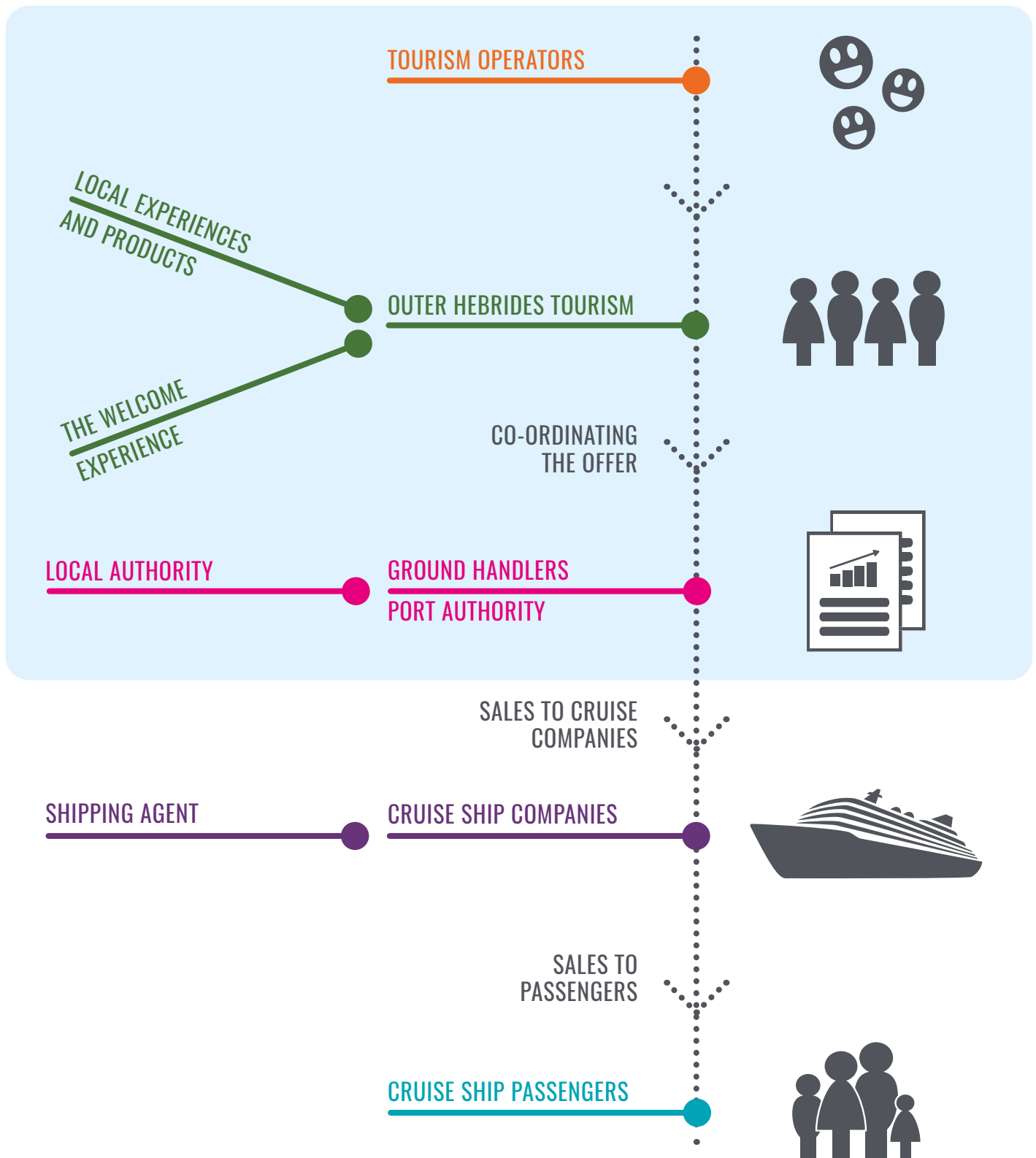
At every port of call, local businesses including visitor attractions, activity providers, shops, cafes, bars and restaurants combine to provide memorable onshore visitor experiences.

DESTINATION GROUPS

Destination groups have a crucial role to play in marketing a port and co-ordinating / consolidating the onshore visitor offer and experience. In the Outer Hebrides, the destination group is known as Outer Hebrides Tourism.

CO-ORDINATING THE OFFER

A broad range of partners are working together as Outer Hebrides Cruise Forum to co-ordinate the offer for cruise visitors.





WHAT CRUISE PASSENGERS ARE LOOKING FOR

These days, there is no such thing as a generic 'cruise passenger' and passengers will have a range of different needs with regard to their onshore activities.

Broadly, passengers fall into three categories:

1. Those who have no pre-booked itinerary but who may come ashore to visit the destination out of interest and may make impulse purchases within the port and destination.
2. Those who have pre-booked their shore excursions via the cruise company or independently. Often they may pre-book a half day tour, leaving time for independent exploration.
3. Those who will remain on board to make use of the on-board services.

Those who come onshore are increasingly seeking unique experiences which allow them to get 'under the skin' of the places they visit and feel immersed in the local culture and environment.

The cruise companies have responded to this trend by offering a more diverse range of active experiences. As a result, cruise ship passengers may interact with many different types of organisations during their stay, including transport operators, visitor attractions, activity and experience providers, tour guides and retail and catering outlets.



THE BUSINESS OPPORTUNITY FOR LEWIS AND HARRIS

THE CURRENT PICTURE

Sixty-four cruise ships called at Stornoway Port in 2022, carrying a total of c.22,000 passengers. Restrictions on ship size at the port, pre the completion of the Deep Water Terminal, mean that most of these existing arrivals are smaller 'expedition' type cruise ships.

Due to the size limitations on the current piers larger vessels berth outside of the harbour and tender their passengers ashore, reducing the number of willing/ able passengers coming ashore. Despite the restrictions on berthing options larger vessels are showing an increasing interest calling into Stornoway, in 2022 three ships with c.2000 passengers called into Stornoway.

FUTURE DEVELOPMENTS

A £49 million development at Stornoway Port, scheduled to be operational by 2024, will see the port expand into and establish Stornoway as the only port in the north-west of Scotland where large ships can get alongside.

The new facilities will provide a berth for vessels up to 360m, with a water depth of up to 10.5 metres, revolutionising the port's capacities and opening the door to the majority of the world's cruise ship fleet.

THE BUSINESS OPPORTUNITY

In welcoming a potentially large number of cruise ships, passengers and crew from 2024, we have a superb opportunity to showcase Lewis and Harris attractions to high earning, high spending visitors from across the world.

The rewards are potentially huge, but we need to be prepared. Our challenge will be to collectively and individually deliver a world-class cruise port with the distinctive and exceptional range of shore excursions and services required by today's highly competitive cruise market.



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CREATING A WORLD-CLASS VISITOR EXPERIENCE

“For cruise passengers, it’s all about learning and experiencing and being part of the local community for the day. Businesses need to think creatively about how they can broaden their offer to give these visitors a real flavour of the local area.”

RUPERT WOODARD, EXCURSIONS LTD

Everyone – from the transport provider to the restaurant waiter – is part of the memories a cruise guest will create while visiting the destination.

READ ON FOR OUR TOP TIPS TO CREATING A WORLD-CLASS VISITOR EXPERIENCE.



CREATING UNIQUE EXPERIENCES

- Think about how you can create offers that will ‘immerse’ cruise visitors in local culture, such as traditional music sessions or food and drink tastings.
- Tap into the trend for more active onshore experiences by offering pursuits such as cycle hire, guided walks or wildlife watching.
- Consider whether working in partnership with other like-minded businesses could add unique or distinctive elements to your offer and help bring the ‘wow’ factor.
- Remember that cruise ship passengers only have a limited amount of time in port, so onshore experiences need to be tailored accordingly.
- Passengers have varying requirements and budgets, so your offer needs to be flexible.
- Cruise companies and ground handlers are looking for seamless, hassle-free experiences so your offer must be accessible, safe and well organised.
- Think about how passengers will reach you, and whether you will need to provide transport from the port.
- Consider who your offer is aimed at and how you will reach them. For more advice on getting into sales channels see the ‘Building Your Offer’ section.

MAKING YOUR BUSINESS

'CRUISE-FRIENDLY'

- Retailers, catering outlets and visitor attractions are the customer face of Lewis and Harris and what you do will shape passengers' perceptions of us as a destination for evermore!
- Familiarise yourself with which ships are arriving when. Details are available on the Stornoway Port Authority website.
- Consider promoting incentivised offers to passengers, redeemed on production of a ship's cruise card.
- Display a 'welcome' message for passengers at the entry to your premises to make them feel valued and special.
- Offer cruise passengers a taste of the local area by providing a menu based around local produce or the chance to sample local food and drink.



CONSIDER WORKING WITH WELCOME TEAMS OR THE PORT AUTHORITY TO SPONSOR A SHUTTLE BUS

WELCOMING ISLANDS

- The arrival experience sets the tone for the remainder of the ship's visit. Let's make it memorable for all the right reasons!
- Most successful cruise destinations take a 'welcome team' approach to hosting cruise ships, with members of local community groups acting as unpaid ambassadors. Could your group take on this ambassadorial role?
- Think about providing a 'showcase' to provide local information to passengers. Laying on local food, music or dance will also make passengers feel they have arrived at a vibrant and exciting destination.
- Stornoway Port Authority will offer complementary shuttlebuses from the port to the town centre

LOOKING AFTER THE CREWS

- Don't forget about the crew! The ratio of crew to passengers is very high, normally about 3:1 but it can be higher.
- Studies suggest that around 30% of crew will go ashore for rest and recreation and to stock up at any port of call. They tend not to be interested in 'touristy' items but are looking for provisions in supermarkets, food outlets and clothing shops.
- Crew members may be unfamiliar with a destination if it's the first time they have visited. The type of arrival information they are likely to need is very similar to passengers.
- If you're a retailer or catering outlet, think about offering a similar range of incentives to crew members as to passengers.

BUILDING YOUR OFFER

The first step is to consider which type of passengers you wish to attract:

- Those who have booked organised excursions via the cruise companies.
- Those who have researched and booked their own onshore excursions and experiences.
- Those with no fixed excursion plans, but who may come onshore to explore at their own pace.

For cruise companies and ground handlers, tour sales are a critical revenue source which can mean the difference between a port being viable or not.

When cruise passengers book directly with a provider, the cruise company loses revenue. As a result, the port call becomes less viable and may even be excluded from future itineraries.

This does not preclude independent sales, of course, but there is a need to ensure that profitability of the call, visitor experience and value for money are maximised.

GETTING YOUR OFFER INTO THE SALES CHANNELS

EXCURSION COMPANIES

Excursion companies are key partners in each port and are always looking for unique, high quality visitor experiences which they can sell via the cruise ship companies to passengers.

Excursion companies are happy to speak to local businesses and providers direct.

If you are planning a new offer aimed at the cruise market, you may wish to run it by the Outer Hebrides Cruise Forum Manager, who can act as a sounding board.

INDEPENDENTS

Increasingly, passengers are researching experiences and offers online in advance of their trip and booking direct with the relevant shore excursion companies or activity/experience providers.


The best way of reaching these independent explorers will be via your website.


WALK-OFFS


'Walk-offs' may be influenced by special offers and promotions within the port or destination, however placards on the quayside are not normally welcomed by cruise ship companies. If you want to attract 'walk off' business, contact the Outer Hebrides Cruise Forum Manager to discuss the best way to promote your offer via the official welcome/information channels.


WHICHEVER SALES CHANNEL YOU DECIDE TO USE, REMEMBER THAT YOUR OFFER NEEDS TO BE EASILY ACCESSIBLE IN TERMS OF TIME AND DISTANCE FROM THE PORT, AND TAILORED TO A WIDE VARIETY OF PASSENGERS AND POCKETS.


THE NEXT STEPS FOR YOUR BUSINESS

- 

Assess if your offer is appropriate for the cruise ship market – is it of the right quality? Is it unique or readily adaptable for cruise ship passengers? What partners do you need, such as activity operators and tour guides? How can you ensure that it meets the quality levels expected by cruise ship passengers?
- 

Consider if you need to join up with other operators to enhance the overall experience, such as a coach company to bring passengers to your premises or other attractions to add to the itinerary.
- 

Consider how you can add value to it, perhaps by linking your activity with a high quality and cruise-friendly catering outlet.
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Determine what the offer price might be – remember there may be commission added onto it by a sales agent and the cruise company.
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Provide the Outer Hebrides Cruise Forum Manager with details of your offer, so they can assess its suitability for the cruise market and include it in a co-ordinated approach.

Remember that there could be a long lead-in time between agreement to sell your offer and the first visitors.

Most of all, keep it friendly and make it unique.



FURTHER INFORMATION AND SUPPORT

The Outer Hebrides Cruise Forum is working with the ports and cruise companies to make Lewis and Harris an attractive and unique destination for cruise passengers.

If you'd like to keep up to date with opportunities to welcome cruise ship passengers, please contact the Outer Hebrides Cruise Forum Manager at enquiries@outerhebridestourism.org.

“The rewards are potentially huge, but we need to be prepared. Our challenge will be to collectively and individually deliver a world-class cruise port with the distinctive and exceptional range of shore excursions and services required by today's highly competitive cruise market.”

Outer Hebrides Cruise Forum



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Iomairt na Gàidhealtachd 's nan Eilean