



MedCruise targets growing Asia market

MedCruise is engaged in activities aimed at generating source markets for cruising the Med, says Thanos Pallis



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Thanos Pallis was appointed as Secretary General of MedCruise, the association representing cruise ports in the Mediterranean and its adjoining seas, in 2013. He is a maritime economist specialised in port economics, management and policy'

The Mediterranean and its adjoining seas is a region that has benefited enormously from the growth of cruising, experiencing 83% growth over the last decade. In 2014, MedCruise members welcomed 25.8 million cruise passenger movements and almost 14,000 cruise calls.

Today, the renewed interest of cruise companies to expand in the Asian market provides new opportunities. As the recent OECD report on cruise and cruise port structures detailed, Asia is increasingly appearing in the strategies of cruise lines, both as a deployment region and as a source market. Forecasts detailed in this report suggest that the number of Asian passengers could grow from 1.3 million in 2012 to almost four million in 2020. The deployment of increased capacity, combined with the opening of sales offices by many cruise lines in China, Hong Kong, Korea, Singapore and Taiwan, has quickly progressed the Asia region to fourth in passenger capacity deployment, tied with Australasia.

It is time for the Med to explore the advantages of this new source market, making the growth experienced sustainable.

The effective work by regional stakeholders (including ports, destinations and others) has satisfactorily served the growth of the region. CLIA member cruise lines are scheduled to debut 22 new cruise ships in the Mediterranean Sea in 2015, many of them with concepts suitable for the European market (i.e. drive and cruise). In addition, due to the levels of yields that the region offers, along with the presence of several cruise ports that offer operational alternatives (even when considering a single destination), the Med is expected to sustain its performance as a major cruise regional market.

Yet the Mediterranean area also has the potential to become a popular cruise destination for Asian tourists, in the medium and long term.

Given its size, China stands today as a potential source market for cruise passengers in the Mediterranean and its adjoining seas. The growth is mostly based on the number of Chinese cruise

passengers, which from 2012 to 2014 jumped by 79% to 697,000 pax, making it nearly as big as all other Asian markets combined. China appears to be a market of great strategic importance for the global cruise industry. Since the mid-2000s, several major cruise companies have opened offices in the region, irrespective of whether they operate in the region or not, in order to promote the concept of cruising and market their product in a potential source market.

In order to achieve this potential, MedCruise's 73 port members decided to turn the 'reaching of Asia' into a key target. Missions to Hong Kong and Singapore, talks with travel agents, and participation in the educational programmes of travel agents in the Far East started in 2013 and will be repeated in the coming months and years.

Recently, MedCruise embarked on a major project to establish known and preferred cruise destinations for cruise tourists and visitors from China.

In particular we are working to create and disseminate for MedCruise, and each of our members, a corporate image promoting the Mediterranean and its adjoining seas as a benchmark destination for Chinese tourism and cruising.

We emphasise the region's history, nature, culture and gastronomy, which are very much appreciated by Chinese tourists in general, thus creating a competitive advantage for those ports that are part of MedCruise.

We are pretty confident that we will not be alone in these efforts. Our recent strategic partnership with CLIA Europe targets the creation of educated travel agents promoting intensively the attractions of the Med. We are also collaborating with other stakeholders such as destinations to develop relevant marketing campaigns and, not least, with the European Commission and other European port associations.

In this way we will generate a positive image and Asian cruise tourists will realise the excellent product and attractions offered by the Med ports sooner rather than later. **C&F**