

ATTACHMENT B

CASE STUDIES FROM DOMESTIC & INTERNATIONAL CRUISE DESTINATIONS

Case Study – Eden NSW

Current Situation

Eden, a coastal town known as the hidden jewel of the Sapphire Coast of NSW, has experienced a significant surge in cruise ship arrivals, growing from 18 ships in 2019, to 34 ships this season and 41 ship visits scheduled for this cruise season. The success of Eden has been supported by the Cruise Development Manager role funded 100% by PANSW. As the number of cruise ships visiting Eden continues to grow, the PANSW has proposed expanding the port to accommodate even larger ships. The destination has had significant investment with a \$44 million investment in the wharf and a \$7 million investment into the welcome centre located at the pier. Despite these very significant NSW Government investments, limited on-going human resources and budget constraints hinder the ability to operate cruise visits professionally.

Insights

The operation of cruise days has primarily relied on a casual resource, a not-for-profit organisation (Eden Tourism) and volunteers which becomes unsustainable as the cruise ship volumes continue to grow. While Eden recognises the importance of cruise tourism to the town, the wider Bega Valley region, do not see cruise tourism as a high priority. Currently, there is no local strategic cruise plan, insufficient budget to fund a 4 day per week cruise co-ordinator, volunteer uniforms and other necessary passenger experience expenses. PANSW believe their responsibilities conclude at the port and Eden is already stretched with the contribution they are making on the increasing demands of this growth sector. As cruise tourism continues to grow, determining the optimal level of resources required to handle the increasing number of cruise ships and passengers is essential to provide a seamless experience and ensure minimal disruption to the town community. Scheduling of cruise ship arrivals may also require blackout periods during peak holiday seasons to prevent overwhelming the town's hospitality services, transportation and tour availability.

Aspirations for Growth and Human Resource Management

Eden, along with PANSW, aspires for further cruise tourism growth. However managing the ongoing strain of funding the operations is challenging. Stakeholders believe it is crucial to involve the NSW Government in supporting the formulation of a cruise strategy and contributing to the funding of the cruise sector in Eden. Accurately determining the true economic value of cruise tourism in Eden requires passenger surveys and a comprehensive economic study. Currently, assumptions and economic modelling related to shore-side spending are generic and rely on more basic industry standards as opposed to actual robust cruise passenger spend and satisfaction data. Varying views exist regarding the value of the cruise industry, necessitating an accurate and independent understanding. To garner support and future resources, it is crucial to develop a solid business case that highlights the economic benefits for Eden as a cruise destination.

Case Study – Cruise Eden Manager (i.e. the key Eden based cruise co-ordinator role)

The Role

The Cruise Eden Manager role is essential for the success of the cruise program and the overall growth of the destination. The role focuses on stakeholder communication and information sharing, fostering improved co-ordination, collaboration and alignment among all involved stakeholders. Enhancing the passenger experience is a key goal, which is accomplished through the implementation of streamlined shoreside operations, a well-managed volunteer welcome program, and the planning and co-ordination of engaging events such as Taste of Eden Festivals and cruise markets with various stall holders. Optimising shuttle bus services and shore excursions is also a priority, aiming to ensure seamless logistics and increased passenger satisfaction. Additionally, the Cruise Eden Manager should also be able to develop the local cruise strategy to prioritise long-term growth and viability.

Insights

The lack of sustainable funding for this role poses a significant challenge for the Cruise Eden program. To ensure its long-term success, securing permanent funding for the Cruise Eden Manager role is crucial. Insufficient human resourcing significantly hinders the program's operation and ability to meet cruise line and passenger expectations as the volume of ship visits increase. Negative attitudes and misconceptions within the local community towards the cruise industry also create challenges and requires greater communication and stakeholder engagement. The casual nature of the role limits the capacity to fully engage in stakeholder engagement, PR and communications, new tourism product and community development.

Outcomes and Results

The limited and uncertain funding situation for Cruise Eden is a significant concern for the cruise eco-system and local business community. There is a pressing need to address the human resourcing funding challenges to ensure the success of the upcoming cruise season which will be the biggest thus far. The previous season was managed with great difficulty and as such, there is considerable apprehension about being able replicate the same feat this year. This cruise season sees a substantial 21% increase in cruise ship visits, with 41 ships scheduled compared to last year's 34. The passenger count is expected to be more than 60,000, resulting in a potential significant economic return of over \$18m for the Eden and the surrounding region.

Case Study – South Australia Tourism Commission

The Role

The Executive Director of the South Australian Tourism Commission (SATC) holds a crucial position responsible for overseeing the operations and development of the cruise sector in South Australia. With a focus on cruise, aviation and access, the Executive Director reports to an Executive level position within SATC and leads a team of two. Time spent on cruise tourism accounts for 50% of their roles. SATC manages and executes a state-wide Cruise Welcome Program, collaborating closely with ports and contracting LGA's to attract volunteers and run the welcome program. Please note however that SATC directly manages the cruise ship welcome program in Adelaide and is on the ground for every cruise ship visit arriving in Adelaide. SATC also funds on the ground marketing initiatives including signage, uniforms for volunteers and shuttle buses that transport passengers from the port to the city.

Insights

As the lead State Government body for the cruise industry in South Australia, SATC actively engages with various aspects of cruise ship visits in ports and anchorages across the State. Their hands-on approach involves close co-ordination with transport providers and other stakeholders to ensure the smooth execution of cruise ship visit operations. The SATC team attend pre-ship arrival briefings and assign a cruise co-ordinator to be present on the ground for every cruise ship visit in Adelaide as well as some other anchorages. Over the past decade, SATC has fostered partnerships with key cruise industry stakeholders to develop, manage and expand South Australia's cruise industry. This includes encouraging investment into port infrastructure, enhancing service delivery and promoting new tourism product development. Additionally, SATC actively contributes to national cruise initiatives and represents South Australia at global trade events, allowing them to influence itinerary planning and attract international cruise lines. The budget for cruise operations is significant and is in addition to the salaries dedicated to cruise operations and expenses to rent the Flinders terminal on cruise ship days.

Outcomes and Results

Under the guidance of SATC, the cruise industry in South Australia has experienced significant growth and economic contributions. The number of cruise ship visits has grown from 16 ships in 2012-13 to an impressive 104 cruise ship visits in 2022/23 (note because of weather SA can only receive ships for 6 months of the year) and this contributes more than \$150 million to the State's visitor economy.

Case Study – Tourism Western Australia

The Role

The Tourism Western Australia (TWA) Cruise Tourism Manager reports directly to the Executive Director Destination Development. The prime function of this position is to oversee and manage Western Australia's cruise tourism program. This includes a diverse range of responsibilities, such as cruise line attraction, shore-excursion development and industry capacity building initiatives. The primary objective is to boost Western Australia's market share within the Australian cruise tourism sector by implementing strategies that attract more cruise visits to the region and enhance the overall visitor experience. The primary role responsibilities are project management, strategy planning and reporting, partnerships and relationships and handling other ministerial requests. This role is supported by a part time coordinator.

Insights

TWA has achieved widespread recognition as benchmark for developing highly conducive working relationships among cruise lines, destinations and ports. Their success is underpinned by a range of well-executed initiatives that bolster these relationships and support the growth of the cruise tourism sector. TWA strategically invests in various initiatives to strengthen the cruise tourism sector. Some of these include famils for cruise line deployment teams, hosting the Annual Cruise Exchange, organising cruise-ready workshops, funding cruise co-ordinator roles in select destinations and providing support for cruise passenger welcoming processes. One of the key areas of focus for TWA is the passenger shoreside experience. TWA work closely with local cruise committees to develop welcome plans that ensure a warm and welcoming experience for cruise passengers. To strengthen the knowledge of local operators on cruise delivery and product development, TWA also conducts cruise ready workshops. The Annual Cruise Exchange is renowned as the gold standard for cruise collaboration and industry development, providing a premier platform that brings cruise lines, ports, destinations and local operators together to showcase WA's untapped potential and secure new business opportunities in the cruise tourism sector each year.

Outcomes and Results

Before the COVID-19 cruise ban, Western Australia's cruise tourism sector saw significant growth, with cruise ship visits increasing from 56 in 2012-13 to 130 ships in 2018-19. The economic output reached \$228.9 million, supporting nearly 850 jobs and showcasing the region as an appealing cruise destination. Additionally, 61 small expedition ship visits added further diversity to the destination.

Case Study – Cruise Broome

The Role

The cruise co-ordinator position in Broome reports to the Chair of Cruise Broome and is dedicated to delivering first class services in shore excursions, extended land programs and turnaround services for the cruise industry. This full-time role (30 hours per week all year round) is funded equally by TWA, the Chamber of Commerce and the local council. The cruise co-ordinator works from home and is provided with laptop and mobile phone and has no travel requirements.

Insights

Cruise Broome operates as a non-profit board with a maximum of nine influential decision-makers and representatives serving as the vital link between the cruise industry and local stakeholders. The key to developing the cruise sector lies in fostering collaboration among all stakeholders involved. Successful cruise growth relies on passionate individuals committed to delivering exceptional passenger experiences during each cruise ship visit, along with extensive knowledge of the sector. The destination's ability to consistently provide a positive experience contributes significantly to repeat cruise visits. Cruise Broome's mission is to remove obstacles for cruise ships coming to Broome and ensure passengers receive a first-class destination experience. The Chair of Cruise Broome highlights the pivotal role played by the cruise co-ordinator and the positive impact in growing cruise to the region. Additionally, Cruise Broome has developed a comprehensive website containing all relevant information about the destination, shore excursions, ship arrivals, cruise industry and travel agent resources, port and terminal details and a community section offering guidance on attracting cruise ships to your business, becoming a volunteer. etc.

Outcomes and Results

The growth of Broome, along with the rising demand for the Kimberley region, has exceeded pre-COVID-19 levels, leading to the development of a floating wharf. Construction is underway and expected to be completed in 2024, enabling ships to dock directly alongside the wharf. This investment demonstrates the region's commitment to accommodating the increasing number of cruise ships and further enhancing the cruise experience for passengers visiting Broome. The estimated economic impact to the Kimberley region in 2023 is \$40.5 million Gross Regional Product (GRP) and 135 ship visits, which is 65% of the calls to Western Australia (according to ACIL Allen report commissioned by TWA in 2023).

Case Study – City of Greater Geraldton

The Role

The Geraldton cruise co-ordinator position is jointly funded by the City of Greater Geraldton and the Mid West Ports Authority, with each party contributing 50% of the funding. The primary responsibility of the role is to oversee the development and implementation of cruise ship operations. It is a year-round position, with an emphasis on delivering a positive passenger experience during the cruise season and engaging in business development activities in the off season. The role was based for the most part at the Visitor Centre, but later was relocated to the port. The position was classified under the Level 5 salary band and included a travel budget for attending key events such as the TWA Cruise Exchange, ACA Annual Conference and participating in family trips with cruise lines. During cruise ship days, a Level 3 staff member from the Visitor Centre is also seconded to provide assistance and support across cruise visit operations.

The role was allocated an average of \$2,000 per cruise ship visit to cover expenses related to signage, brochures and the provision of additional amenities such as extra toilets. It is important to note that the cruise co-ordinator was required to work long hours and weekends during the cruise season. Compensation for this additional work was provided in the form of overtime pay or time off in lieu. Additionally, the role involved overseeing a team of dedicated volunteers who reported directly to the cruise co-ordinator.

Insights

The insight from having the cruise co-ordinator based at both the port and the visitor centre, revealed the visitor centre was the ideal hub offering distinct advantages such as community engagement and access to new products/tour operators. A key focus is on collaboration with all stakeholders to deliver positive ship visits. The key to this was running pre-arrival briefings for all relevant parties, including transport operators, security, parks, pilot, ground handler, shipping agent, the business chamber and the visitor centre. Post visit evaluations were conducted after each ship visit to identify areas of improvement. The success of the role lies in effectively leveraging the synergies between the visitor centre and the port and facilitating the seamless collaboration among all the stakeholders. Community engagement is also a key focus for this role, fostering local involvement with volunteers and business community to enhance the overall visitor experience and the social and economic value to the community.

Outcomes and Results

The success of this role was measured on passenger experience, growth in cruise ship visits, and an increase in on-shore spending. Over the span of eight years, Geraldton experienced growth in ship visits increasing from 8 to 20 ships per season. This growth contributes \$82 million to the local economy and an additional \$44 million in economic activity across the Mid-West Region.

Case Study – Cruise the Saint Lawrence, Canada

The Role

Rene Trepanier created Cruise Saint Lawrence (CSL) in 2005 where the focus was on destination development and cruise ship growth for nine ports across New England and Quebec. CSL is a sectoral organisation which groups together the nine ports of call located along the shores of the Saint Lawrence River. The mission of the organisation is to grow cruise tourism by focusing on representation and promotion to the cruise lines and market activities and development services to the members. CSL enjoys the support of partners Tourism Quebec, Quebec Tourism Industry Alliance as well as industry, Science and Economic Development Canada. Development initially focused on three ports and then six new ports were added. Destinations supported and contributed to the funding of CSL.

Insights

CSL focuses on co-ordinating development efforts and honouring the distinctive attributes of each of the individual port of call as well as a focus on marketing the destination to cruise lines by attending cruise trade shows, operating family tours with cruise line representatives, sales missions, promotion through websites and advertising, establishment of a welcome cruise policy, joint projects with ports of call including online training and representation for major issues including environmental, security, customs and regulatory affairs. In each port they also have a cruise champion (English translation The Chief of the Call) who is linked to the tourism bureau. In his experience, ports need a full-time person with reasonably size cruise ship volume to maintain stakeholder relationships and keep the cruise story alive in the community. Many of these regional ports are set up as not-for-profit organisations and are funded by the tourism bureau (provincial and local) and passenger fees, \$10 per person for anchorage, docking fee of \$15 per person and in turnaround ports they are paid \$30 per person. Shoreside operations needs human resourcing and depending on the volume some ports have a cruise leader plus support staff.

Outcomes and Results

The success of CSL grew from a zero base in 2005, to 150,000 passengers in 2008 to over 460,000 pax forecast for 2023 and over 300 port visits.

Case Study – Port Otago, New Zealand

The Role

The Sustainability and Cruise Manager at Port Otago is responsible for overseeing and facilitating the efficient functioning of cruise ship visit activities at port. The role is to ensure the smooth operation of cruise ship activity with a focus on ensuring the city has the capacity to deliver a positive passenger experience. For example, the port avoids overbooking of cruise ships on any given day, and refrains from accepting bookings that conflicts with major city events. This position reports to Head of Commercial, the manager leads a team consisting of a Cruise Operations Lead and Cruise Coordinator. The support team are not full-time, which means that during the off season these roles move to other departments.

Insights

To ensure the Otago region's continued cruise tourism success, the Sustainability and Cruise Manager resurrected the Cruise Action Group. The group focuses on three key KPI's: maintaining disembarkation rate of an average of 90% per ship, achieving a passenger satisfaction rating of 90% or higher (measured by the annual Cruise NZ survey) and increasing the average daily spend per passenger (KPI's are currently being reviewed with a new cruise action plan to be released in October 2023). The establishment of the Cruise Action Group has fostered improved communication and collaboration among all key stakeholders, effectively bringing together the community and all relevant parties involved. Additionally, the Cruise Manager created a National Ports Committee, bringing together representatives from all cruise ports in New Zealand to discuss and improve cruise operations through regular online meetings. Visitor Centres from all regions also convene annually to address challenges and identify opportunities related to welcoming cruise passengers.

Outcomes and Results

The impact of cruise tourism on the region's economy is substantial contributing NZD\$60 million per cruise season. Over the last five years, disregarding the impact of COVID-19, ship visits have grown, increasing from 80 ship visits per year to 130 booked ships for the current cruise season.

Case Study – Christchurch City Champions

Introduction

Christchurch faced a 12-year break in its cruise industry due to the earthquake that necessitated the rebuilding of the terminal. The city resumed cruising last season with over 100,000 passengers. To enhance the visitor experience and showcase their revitalised city, Christchurch introduced a City Champions volunteer program.

About the Program

- **Engaging the Community:** Christchurch took pride in its reconstructed city and wanted to share its vibrant culture and attractions with cruise visitors. The City Champions program allowed enthusiastic locals to play an essential role.
- **Recruitment Campaign:** To build interest and commitment to volunteering, the tourism board launched a local advertising campaign through all channels including newspaper, radio and digital media. The advertisements called for “City Champions” a rebranding that resonated well with potential volunteers.
- **Incentives and Benefits:** To reward and motivate volunteers, the tourism board partnered with local businesses to create a loyalty program. The volunteers received a “City Champion Card” that offered free passes on various attractions, and they could bring a plus one at a 50% discount. The board actively engaged retailers to support the program and offered free car parking for volunteers on cruise ship days, ensuring a seamless and positive experience for them.
- **Training and Famils:** Volunteers were equipped with a comprehensive training booklet which included details about products featured in the official cruise map. Additionally, the volunteers were offered a famils program, allowing them to experience select attractions and products before the cruise season began.
- **Community Support:** The volunteers’ dedication was further reinforced through a creation of a dedicated Facebook group, “Christchurch Cruise Volunteers” (CUG). This online community became a key platform for active engagement and support among the volunteers themselves.

Impact and Success

The City Champions program exceeded expectations with a significant number of volunteers showing interest and being placed on a waitlist, with 88 ships visits booked for next season. This City Champions program has a training guide, sign-up dashboard, rostering platform, and loyalty program. By engaging with the community and creating a sense of pride, the program demonstrated the power of dedicated volunteers in promoting tourism and fostering a strong local identity.