



Taking the cruise industry's potential **on board**

Over the past decade, Northern Europe has been one of the fastest expanding cruising grounds in the world, averaging a growth of 10.5% per annum. The region continues to offer significant opportunities for cruise operators and, in turn, the destinations within it. As part of the Northern Europe circuit, Scotland is well placed to contribute to the attractiveness of the region and to benefit from an increased share of the global cruise market.

In the last 10 years, Scotland's cruise industry has grown from approximately 45,000 cruise passengers in 2000 to more than 240,000 in 2010. A study commissioned by Cruise Scotland highlights significant potential to continue to increase the share of the world's cruise market. It examines various scenarios, including the potential to develop and market an entire new cruising ground on the West coast for larger vessels and a 'Cruising to the Sun' option from Scotland.

The rewards could be significant - the report suggests that, with the right investment in marketing and cruise facilities, Scotland could quadruple visitor numbers to almost 1.1 million by 2029.

Cruise Scotland Chairman, Richard Alexander, said: "The cruise sector has tremendous potential to create jobs, make a much bigger contribution to the economy and to help Scotland meet its growth targets for tourism.

"There is a valuable share of opportunities to be secured through increased marketing and the continuation of the improvement in services and facilities which has taken place in recent years with some success.

"Realising the full potential will require investment over the long term. We need to take the challenges and opportunities on board and work together to make the most of our ports, large and small, and the multitude of first-class attractions in an expanding international market."

"A major **opportunity...**"

Cruise Scotland, aided by Scottish Enterprise, and in partnership with Scottish Development International, Visit Scotland and Highlands & Islands Enterprise, commissioned consultants, GP Wild International, to identify the scale of opportunity in cruise tourism and any gaps in the infrastructure needed to cater for future demand, and to make recommendations.

Wild concluded: "This is a major prospective opportunity for Scotland. It will need considerable effort and co-ordination at national and local level to achieve success, with careful attention to the many aspects of market development.

"In particular, it will require a sustained and focused marketing effort, careful strategic investments and full co-operation by all interested parties within the country. Given this, the consultants are of the view, assuming normal market conditions, that the projections contained in this report are realisable and may well be exceeded with the right application of effort in Scotland".

*A summary of the study is available from gordon.ireland@highland.gov.uk

UK Market **Leader**

Scotland is already the market leader in the UK for inbound cruise tourism, attracting around 38% of all calls and 59 of the 101 vessels operating on the Northern European circuit. The 2010 season broke all previous records, with 362 cruise ship calls and 242,719 passengers arriving at the 13 Cruise Scotland ports, generating an estimated £32 million-plus.

The ports serve a wide range of itineraries, from North-west Europe, North Atlantic and trans-Atlantic, to round-Britain and niche markets, such as golf and bird and marine life watchers. The majority of visitors are from North America – 44.9%, followed by the UK (35.5%) and Germany (17.1%).

Scotland is in a strong position, with two complementary deepwater ports, one on the West coast (Greenock), one on the East coast (Invergordon), and a host of other ports which combined are attracting the larger cruise vessels and smaller expedition type ships. The East coast welcomes almost half of the total cruise calls annually, followed by the West coast, and then the Northern Isles (Kirkwall and Lerwick).

Taking the **opportunities**

The study states that, relative to Europe, Scotland is underperforming in attracting cruise operators and in maximising revenue generation from cruise passengers. It highlights a number of opportunities for Cruise Scotland and member ports to consider, including:

- **Targeting the 42 (out of 101) ships operating in Northern Europe not currently including the British Isles/Scotland on itineraries**
- **Targeting the two leading Northern European operators who currently have a very limited presence in Scotland and the British Isles**
- **Securing more operators serving the newer Southern European passenger source markets, i.e. Spain, France and Italy**
- **Developing the overall shore excursion offering and visitor experience at the principal ports, including coach provision and access to foreign language guides**
- **Increasing Scotland's share of UK outbound cruise tourism**

Marketing Scotland **internationally**

Cruise Scotland's ongoing marketing programme will include returning to the industry's leading event, the Cruise Shipping Miami Exhibition and Conference from 15-17 March 2011 and the Seatrade Europe Exhibition in Hamburg, from 27-29 September.

Getting the priorities right - **the way forward**

Successfully exploiting the opportunities depends on appropriate investment. A range of requirements have been identified, including investment in key ports and cruise handling facilities, in marketing and guide training, and continued investment in the development of the visitor experience and shore excursion offering.

Progress is seen over three phases:

- **Short-term - building on existing strengths in the US, UK, and German markets and develop expedition cruising**
- **Medium-term - develop a new West coast cruising ground and target emerging passenger source markets, i.e. Italy, Spain and Canada**
- **Long-term - increase share of mainstream cruising, utilising larger and very large vessels (dependant on investment in cruise and port facilities)**

In moving forward, Cruise Scotland priorities are to:

- **Continue to resource and deliver a range of market development activity**
- **Facilitate the development of local cruise committees**
- **Encourage local cruise committees to work collaboratively to improve the visitor experience**
- **Increase understanding of benefits of cruise tourism at a local level**
- **Work with public sector partners to further explore funding solutions to support regional investments**

www.cruisescotland.com



Who we are

Cruise Scotland was formed in December 2008 with support from Highlands & Islands Enterprise, Scottish Enterprise, Scottish Development International and VisitScotland. It is a collaboration of Scotland's key cruise ports and cruise tourism specialists, with the aspiration to inform and facilitate the growth of Scotland's cruise sector.

Members include: **Aberdeen Harbour Board; Argyll & Bute Council (Oban); Clydeport Operations Ltd (Greenock); Cruise Highlands Ltd (Invergordon); Cruise Edinburgh; Excursions Ltd (Edinburgh); ClydeBoyd Fort William Ltd (Fort William); Highland Council (Portree); Lerwick Port Authority; Morrison Tours (Leith); Orkney Cruise Services; Orkney Harbours; Peterhead Port Authority; Scrabster Harbour Trust; Stornoway Port Authority; and Ullapool Harbour Trust.**

For further information, including how to become a member of **Cruise Scotland**, please access www.cruisescotland.com or contact: **Gordon Ireland, Cruise Scotland Market Development Manager, c/o Highland Council.**
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