"The Future of Cruising in Asia & Australasia"
New build customization for the China market

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A look into China Demographics

This type of pyramid is more common for highly developed countries with low birth and death rates.

China continues to have a population explosion…..
….of old people.

The number of its citizens age 65 or older is growing 4% a year`

«Each generation is a new society coming to life».

Individuals born from about 1928 to 1945 (Traditionalists)

This was a time of conflict and confusion as traditional ways of life were challenged in pursuit of modernization.
Hard physical work and poverty was a fact of life for many.

Individuals born from about 1946 to 1960/1964 (Boomers)

1960's and 1970's were the years of the Cultural Revolution. Under Mao's socialist orthodoxy.
Without any formal education, many of its members are ill prepared to participate in the modern world.

Generation X – Individuals born from about 1961/1965 to 1979

Growing up in the post-Mao 70's and 80's, years, they grew up during the period of Economic Reforms and Openness.
Economic opportunity, including a growing consumer market, was available for those who studied and worked hard.

Generation Y – Individuals born from 1980 to 1995

Around the world, Generation Y teens shared many common experiences.
China's one child policy, introduced in 1979, means that most members of this generation are only children, in many instances reared as the sole focus of two parents and four doting grandparents.

2016 China announce the Change of the One Child Policy

Generational Changes in China accelerated in the past 50 years.

The retirement age in China currently is **60** for men and **50** for female workers

Generation X is entering retirement age in China and they will play a very important role for the future of the cruise industry in the next 10/20 years

Current Consumer Behavior

- Shorter Cruises
- Percentage of return guest is very low
- More Female than Male guest currently cruising
- Guest Move On/Off the ship in large groups with define Peak Times
- Clearly defined cruising Seasons by Generation
- Average Cruising Age older than Western Markets
- Dining Time preferences for Early seating
- Low Preference for Sun Exposure
- Design in general with Light colors and brighter lighting
- Shopping is an important part of the Cruise Experience
- Bar consumption is low.
- Spa conventional treatments are not seen as Value for money.
  - Focus on Beauty treatments, Spa Retail, Health Clinic and Japanese medicine.
- Preference for family interactive activities and Entertainment
  - Dance, Music, Singing
  - Arts & Crafts

Possible Consumer Preference Changes

- **Shorter Cruises**
- **Percentage of return guest is very low**
- More Female than Male guest currently cruising
- Guest Move On/Off the ship in large groups with define Peak Times
- **Clearly defined cruising Seasons by Generation**
- **Average Cruising Age is older than on the Western Market**
- Dining Time preferences for Early seating
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- Design in general with Light colors and brighter lighting
- Shopping is an important part of the Cruise Experience
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Dining Design Considerations

"People in China really know how to eat. From the delicate knife work to the balance of flavors, everything seems so well designed, both for health and pleasure. The greenery and the meat. The spicy and the sweet. The ginger and the garlic. Yin and yang."

- Food is one of the most important element of their cruise experience.
- **Dining Times preference for Early seating -> High Volume at Peak times**
- **Design with larger Dining seating capacity**
- Large Buffet areas with increased seating capacity
  - Critical to accommodate peak times
- Consider Design of Main Dining Room to accommodate Buffet style serving
  - Flexibility to handle peak times based on itinerary
  - Lunch buffet for sea days
- USPH Regulations not always facilitate Traditional Chinese Cooking methods.
- Galley equipment design to support Chinese food offering
  - Chinese Woks
  - Steamers, Hot water units, Milk warmers
  - Alto Shams in Buffet areas
  - Induction heaters at the Buffet counters
  - Soup Boilers for Soup and Sauce stations

"I Just love Chinese Food. My favorite dish is number 27"

Other considerations

- Need ships with high speed.
  - Asia and Australasia have long distances between ports.
- Lower deck gangway height from water level is very important
  - Berth Heights in Asia are higher than the Caribbean. Large Tides
  - Gangways at multiple levels with proper space for security control.
- Pool Deck with larger shade areas.
  - Asian Market has a low interest for sun exposure
  - Outdoor eating areas under the shade
- Growing Trend for Guest Segregation in Larger ships
  - Special areas for Suite Guest and High value guest.
- Technology and connectivity are very important
  - This is valid for every market, very important in China
- There is a growing market for Corporate Charters.
  - Opportunity for Ships of 70,000 to 100,000 GRT
- As Generation X start retirement, Luxury Market has great potential.
  - Opportunity for new smaller ships on the Luxury segment.
  - Authentic experiences and exciting destinations.
  - River Cruises
- Close attention to Stateroom berth mix for Revenue Management
  - Stateroom demand: Mix 4 beds vs 3 Bed could change in the near future.

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谢谢