

*Seatrade Istanbul*

Mediterranean Shoulder Season

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Royal Caribbean

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# *Mediterranean Deployment*

## *Stretching the Season*

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### Traditional Summer Market in Europe

- Baltic: June 1-August 31
- Mediterranean: May 1- October 31

### Current Summer & Shoulder Seasons in Europe

- Baltic- added May & September
- Med- added March, April, November...December?

### Stretching into Winter

- Canaries from Barcelona; Alexandria from Venice

# *Shoulder Season Issues*

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- **Sea Conditions- big waves, periodically and unpredictably in some parts of Med.**
- **Weather Conditions- could be sunny & nice, or miserably rainy...**

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- Weather Conditions- could be sunny & nice, or miserably rainy...
- **Shoreside Conditions: are they expecting tourists?**  
**Duration of cruise itineraries: 7-14 days**
- **Marquee Destinations- different definition**
- **Shorex revenue vs on-board spending- very different than summer; merely trying to fill ships for max price**

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- Marquee Destinations- different definition
- Shorex revenue vs on-board spending- very different than summer; merely trying to fill ships for max price
- **Why should someone take this “off-season” vacation?**

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- Move to Caribbean: Lose money on one-way trans-Atlantic- two weeks in each direction. Shorter Primary Caribbean season doesn't really start until mid-December; ends early April. Caribbean price competition grows every year. Not every brand works in Caribbean.



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- **Move to Dubai or Red Sea. Works well for European-sourced brands; but currently very slack demand..**

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- Move to Dubai or Red Sea. Works well for European-sourced brands; but currently very slack demand..
- **Move to Asia-Australia. Alaska summer ships already moving there; logical brands already well-represented.**
- **Move to Brazil: growing local market; good sales but high expenses...Short season Dec-March**

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## Same Driving Business Case:

Where can cruise lines base the ships to earn the highest returns, on a daily, weekly, monthly and annual basis?

## Choices for Shoulder Seasons

- **Stay in Med: lower pricing but no repositioning cost; less competition; close to Source Markets of Customers**

## *Med Shoulder Source Markets: USA & Europeans*

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Shoulders Customers probably same proportions as summer season:

- USA/NA customers 25%
- UK customers 15%
- Germany 12 %
- Italy 12%
- Spain 10%
- Everybody else 24%

## *Med Shoulder Source Markets: USA & Europeans*

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Shoulders Customers compared to prime summer season:

- Older demographic
- Few families
- Lower cost cruises attract somewhat lower household income demographic
- Bargain hunters & first time cruisers
- Less spending on tour product & shopping
- Ships may be less than 100% full

# *Shoulder Season Deployment Considerations*


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- Tender Ports: Rougher Seas & Rain make unpleasant tenders... Santorini, Mykonos, Capri don't work
- Rainy Destinations with Indoor Attractions: Museums, Cathedrals, Palaces: Istanbul, Livorno/Florence, Malta,
- Southern Destinations with better chance of no rain: Crete, Rhodes, Cyprus, Alanya, Kusadasi, Tunis, Catania, Malaga, Cagliari
- Pure summer destinations don't work so well: Santorini, Bodrum, Mallorca...there is no one there!

## *Med Weather Shoulder Seasons*

### Average Day High Temp Celsius

	Oct	Nov	Dec	March	April
Herkalion	23	18	16	16	19
Rhodes	23	18	16	16	19
Antalya	26	20	15	17	21
Kusadasi	23	18	15	16	19
Malta	23	19	16	16	18
Catania	24	19	16	17	20
Nice	20	16	13	14	16



## *Med Weather Shoulder Seasons*

### Average Precipitation (Rain) per month mm

	Oct	Nov	Dec	March	April
Herkalion	50	60	80	40	20
Rhodes	55	70	100	70	30
Antalya	60	110	250	90	40
Kusadasi	42	92	150	88	48
Malta	70	90	100	40	20
Catania	90	90	100	50	30
Nice	110	110	80	70	60



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# Med Drive-to & Train-to *Homeports*



# Med Drive-to & Train-to *Homeports* & Major Intl Airports



# Mediterranean Popular Ports & *Homeports*



# Popular Ports & *Homeports*: *Weather dividing line*



# “Southern Route” Mediterranean Ports & Homeports

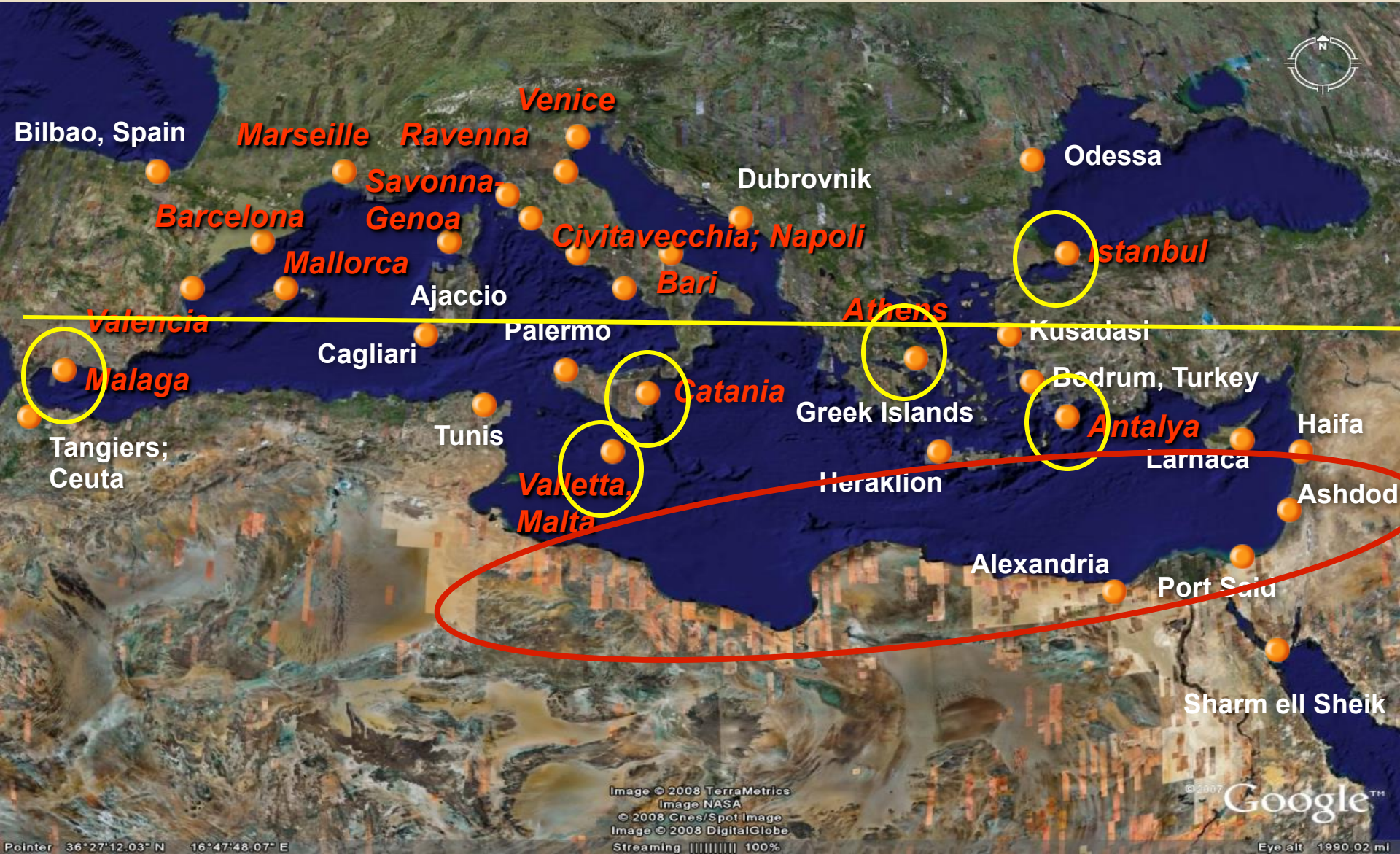


# *European Primary Homeports for Med Shoulder Seasons*

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- Americans- Southampton, Dover, Barcelona, **Venice**, Civitavecchia
- Brits- **Southampton**; Dover, Malaga, Mallorca, **Malta**
- Germans-Kiel, Hamburg, Mallorca, **Antalya, Crete**
- Italians-Savona, Genoa, Civita, Napoli, **Catania, Venice, Bari**
- Spaniards-Barcelona, Valencia, **Malaga**
- French- Marseille **NOPE**
- **THE BEST WINTER HOMEPORTS ARE ALL “FLY-IN”**

# “Southern Route” Mediterranean Ports & Homeports & 2011 “No Fly” Zone...





# *Istanbul Galata Cruise Port Today*



# *Istanbul, Turkey*

## *New SeaPort Cruise Port Site*



# *Istanbul SeaPort*

*Site Adjacent to Highway*



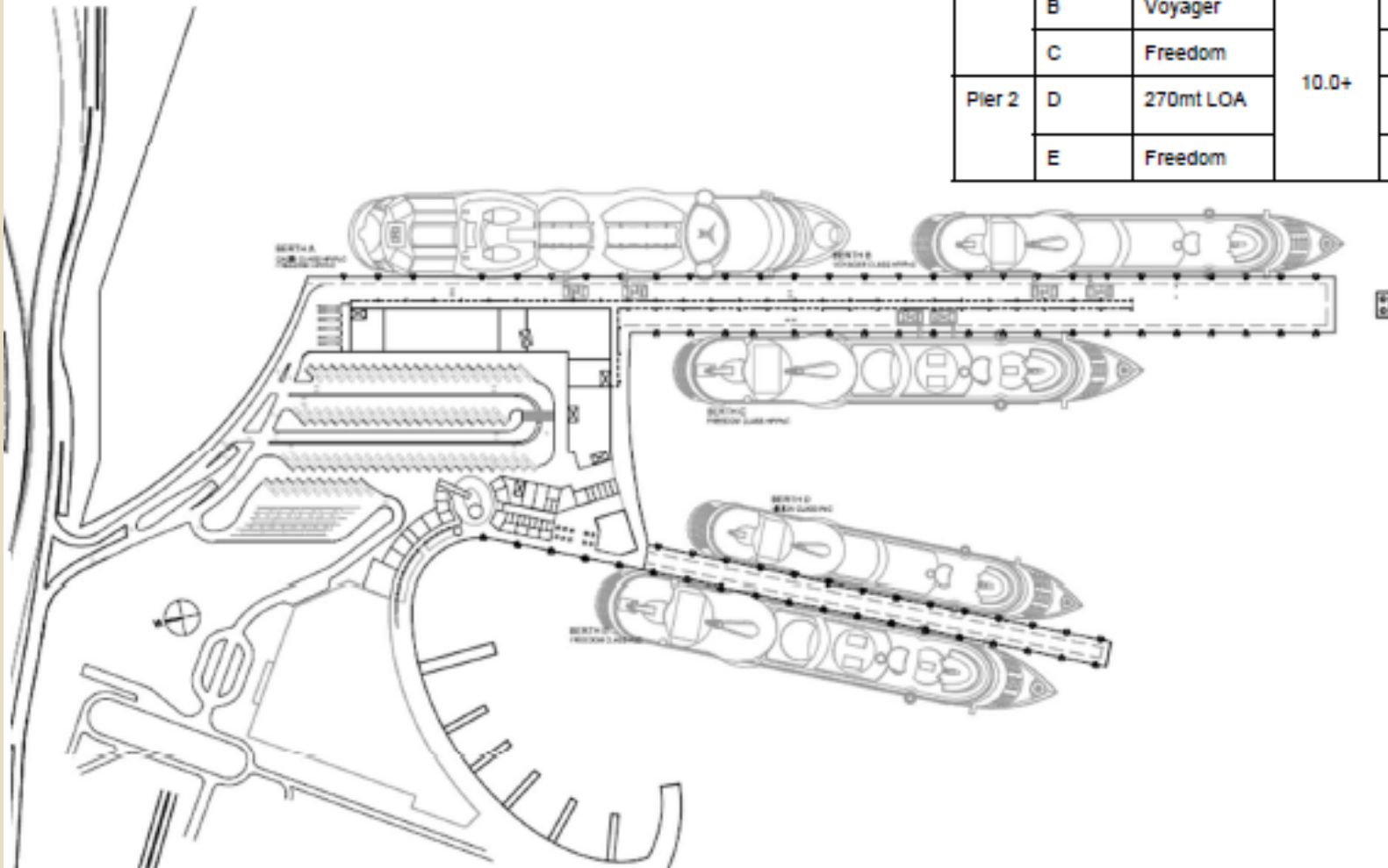
# *Istanbul SeaPort Cruise Port Concept*



# Istanbul SeaPort Cruise Port Concept

## 3/ Port Design – Overall Concept

Pier	Berth	Size/Class	Draught (mt)	Function
Pier 1	A	Freedom	10.0	Home, Port of call
	B	Voyager	10.0+	Home, Port of call
	C	Freedom		Home, Port of call
Pier 2	D	270mt LOA	10.0+	Port of call
	E	Freedom		Port of call



# *Istanbul SeaPort Cruise Port Concept*



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## Shoulder Season Challenges

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