



Haiti Aftershocks For Royal?

Will the mainstream media's sometimes negative coverage of Royal Caribbean's controversial decision to keep calling at its private island in Haiti in the immediate aftermath of the earthquake earlier this month negatively impact Royal Caribbean and, perhaps, even the industry?

Royal Caribbean has amped up its aid to Haiti this week with *Freedom of the Seas* arriving in Labadee on Tuesday carrying over 100,000 pounds of food, clothing, and linens. And a letter to Crown & Anchor members clearly aimed at damage control notes: "Government officials, representatives of the United Nations and even taxi drivers asked us to seriously consider maintaining our visits to Labadee to ensure the economic stability of this unaffected area of the island."

The Psychology of Mourning

In North America, the most inflammatory story was arguably The New York Post, with its headline: "Ship of Ghouls," followed by, "Cruisers frolic 60 miles from rotting bodies." That caused CLIA Marketing Committee Chairman Richard Sasso of MSC Cruises to angrily hit back: "For anybody to portray it as ghoulish; it makes me sick....What they did was correct [to call on Haiti]."

Yet apparently even some Royal passengers disagreed with him. The Toronto Globe and Mail reports half of the passengers on *Independence of the Seas* calling at Labadee on Jan. 15 stayed on the ship in protest.

Other North American newspapers tried to be more objective. For instance, The Boston Globe focused on a Harvard Law professor's viewpoint ("The people of Haiti are suffering whether you take your beach vacation in the Dominican Republic or in Hawaii," he pointed out).

The Toronto Globe and Mail had not one but two doctorate holders. A University of Virginia professor pointed out: "There is a whole psychology of sacredness and solemnity. Issues of death especially tend to bring that out. There's also a psychology of hedonism and degradation....But to have them thrust together, like it has been in Haiti, is deeply disturbing."

This theory also helps to explain the public's fascination with murder, suicides, illnesses, etc., on cruise ships.

A University of Chicago doctor quoted in the article noted that to escape the horror of things like the earthquake, people tend to help, ignore, or reappraise: "That's what people do on the cruise. They reappraise: 'I bring money, I bring jobs there,' they say, 'so it's okay.'"

Travel agents can use such psychology to their advantage. Either they can ignore the situation in Haiti by avoiding mention of it in the sales process, or if the issue is bought up, actually point out how ship calls help Haiti economically over the long-term, if that is how they feel about this matter. We've already run across several Facebook postings from agents supporting Royal's ac-

tion.

It's not just inside the business where support is growing. As one example, former President Bill Clinton, said Haiti benefits from any steady flow of commerce, as well as donations, and lauded Royal's actions.

PR Experts Blast Royal Caribbean

Some of the harshest critics of Royal have been public relations professionals from outside the cruise business. They say the company poorly explained its motivations at the start, which let others define the issue. That put Royal in defensive mode.

The Ad Age subheadline summed up the view: "Despite Generous Relief Efforts, PR Pros Say Cruise Line Has Damaged Reputation With Its Response." It's argument is the cruise line never should have tried to mix commerce and humanitarian efforts when telling its side of the story: "This strikes a nerve with people, and the brand will take a hit," said Paul Gallagher, managing director of WPP's Burson Marsteller's issues and advocacy practice. "The symbolism and optics of a big white ship sitting right off the beach and people playing were very damaging to the brand, and they have to be prepared for medium to longer-term damage."

The Bigger Picture: Cruises & the Caribbean

Whether there will be any impact from the affair is not yet known, but it brings up the bigger issue of whether big cruise lines exploit the Caribbean communities they visit. Obviously, the money pumped into local economies is tremendous, but that receives scant attention.

Take Jamaica, for example. According to local newspapers, Royal Caribbean recently invested \$102 million for a cruise terminal in Falmouth near Montego Bay. When researching this topic, we saw story after story about the terrible state of unemployment in that country, and this project was one of the few bright spots.

The Jamaican Finance Minister reported that the pier will create 500 new construction jobs, 900 permanent jobs, and passenger port fees for years to come. But we haven't heard anything from Royal about this investment. Usually, studies about the positive impacts of cruise lines on Caribbean locations are buried in financial journals.

Clearly, it's a tough task to elucidate the benefits the industry brings to the Caribbean, but the laissez-faire approach cruise lines sometimes take until a PR disaster develops may well be what turns off some of that 82% of people who haven't yet tried a cruise vacation.

Epic: Going Solo And Getting Slimed

Norwegian Cruise Line has a history of boldly going where no cruise line has gone before. For instance, a decade ago, NCL opened up Seattle for a full season of Alaska cruising. At the time, the decision was greeted with skepticism by some; but now Seattle is the leading port for Alaska departures. NCL didn't have as much luck



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with developing all-American crews for inter-island Hawaii cruising, but it was a bold move that other lines watched closely.

And now with ship design, NCL is revealing new concept after new concept for the upcoming *Norwegian Epic*. At the first *Epic* reveal in April '08, they announced the New Wave staterooms; next, there was the nightlife event (Chapter 2) in Las Vegas, which announced the Ice Bar; the dining program was revealed at Cruise360, etc. NCL is now at Chapter 8 of the reveals, and, clearly, *Epic* is going to be no ordinary ship.

Though the vast majority of agents have welcomed ideas such as The Blue Man Group entertainment, we've heard some skepticism, particularly about *Epic's* studio staterooms. Spread across Decks 11 and 12, there are 128 of them, about 100 square feet each. Even though the studios share a 1200-square-foot lounge, we've heard knocks from agents about the studio size, the bathroom sinks in the living space of the room, and the windows opening to the corridor, etc.

But the Chapter 8 announcement that these studios would become staterooms for solo travelers--priced with no single supplements--has won over some skeptics.

Says NCL Exec VP Andy Stuart, "As the industry has not done a good job of attracting single travelers, we have the potential to create a new segment. A number of the studios also connect, which will be a nice feature for some guests staying in these rooms."

Nick at Nite (and Day)

A far different market than the single traveler is also addressed in the latest reveal--namely kids; NCL signed a partnership with Nickelodeon to feature the brand on two ships--*Epic* and *Norwegian Jewel*.

"We're going to include things like characters, meet and greets, interactive game shows, and, of course, the opportunity to get slimed," says Stuart. "This will launch on *Norwegian Jewel* when it repositions in April and on *Norwegian Epic* when it comes out of the French shipyard shortly thereafter."

The big picture is NCL is rounding out *Epic* very nicely. With the first reveals of things like the Ice Bar and tons of restaurants, it looked like this ship was being groomed for hipper customers. But a subsequent reveal was Las Vegas' Legends in Concert onboard, which is clearly aimed at baby boomers, as it features tribute artists for Elvis, Marilyn Monroe, Cher, etc. And now with Nickelodeon, the family market is getting some attention.

Is this the final Chapter? NCL says there are still some important announcements to come, though they won't say how many. In the meantime, on Tuesday they

announced *Epic* will be sailing in Europe for the summer of 2011, seven day roundtrips ex-Barcelona.

Silversea Now Largest On High End

Silversea's newest ship, *Silver Spirit*, was christened last week at Port Everglades. *Cruise Week Florida Correspondent*, Art Sbarsky, attended the celebration.

With the inclusion of its new flagship vessel, *Silver Spirit*, to its fleet, Silversea, with six ships and 2,042 lower berths, now has the most ships and lower berths of any of the luxury cruise lines. Here are the numbers to compare: Crystal--two ships, 1,992 lower beds; Regent--three ships, 1,905 lower beds; Seabourn--five ships (as of this June), 1,526 lower beds.

While the total numbers are still small compared to the larger premium and contemporary lines, the size of the Silversea fleet, with both traditional luxury cruising as well as expedition cruising with *Prince Albert II*, gives the line a wide range of opportunities. In addition, since there are three different sizes of ships, it gives Silversea flexibility in itinerary planning and in pleasing guests.

At 36,000 gross tons, *Silver Spirit* is about 27% larger than the line's largest ship, and it carries 540 guests, about 41% more. This reduces the space ratio a bit to 67, but this is still in the top echelon of the cruise industry. The crew of 376, equating to a guest/crew ratio of 1.4, is also at the very top of the numerical pyramid.

With quality furnishings and fabrics throughout the public areas, the overall sense is of a luxurious hotel. The decor ranges from art deco to traditional (maybe with a touch of Victorian thrown in), and there's modern furniture around the pool area.

During my one night onboard, I was in a Midship Veranda Suite, which measures 376 square feet, including the 65-square-foot veranda. That's larger than the equivalent room on *Silver Whisper/Shadow* by 31 square feet, but the design is narrower and longer. While I did hear some past guests commenting the room was too narrow for their taste, I liked it, since the effect is of a large sitting area next to the veranda.

There should be enough closet and luggage space the ship's longer itineraries; it's currently on a 91-day circumnavigation of South American and next year will offer a 119-day World Cruise.

Much has been made of the "hidden" TVs in the suites. I admit, I was a skeptic, but having seen the two TVs behind the mirrors become virtually invisible when shut off, I became a convert.

At the christening ceremony, the line's chairman, Manfredi Lefebvre, said *Silver Spirit* was just the first of a new class of ship for Silversea, but no specific plans were announced for future ships.