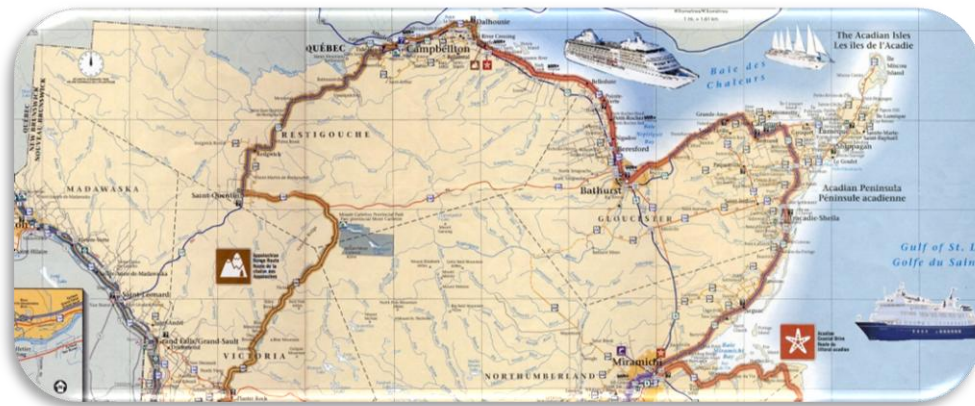


**LET'S CRUISE!**

**A Winning Cruise Strategy  
for Northern New Brunswick**



Submitted to:

**Province of New Brunswick  
Tourism, Heritage and Culture**

by

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## Executive Summary

Cruise is a growing industry, both globally and within the local cruise region of Canada New England. Ports in the southern part of New Brunswick are seeing visitation from cruise, with significant volumes of calls from a wide variety of ships on the Port of Saint John, and more recently a growth in calls from the niche market on the Port of St. Andrews. The time is right to explore whether there is opportunity within the cruise industry for the ports in Northern New Brunswick, and Aquila was the independent firm contracted to explore the opportunity and recommend a cruise strategy for the Northern New Brunswick region.

Our approach was to lead Northern New Brunswick cruise stakeholders through a process that would provide a realistic understanding of the needs of this market and result in an achievable sustainable strategic cruise plan – a process that does not end with just a written report, but one that moves on to implementation and results.

The greatest opportunity within the cruise industry for the Northern New Brunswick region is in the niche market. The region is perfectly suited to meet the needs and expectations of this segment of the cruise industry, including luxury and specialty ships, adventure and expedition vessels, and small ships of less than 500 passengers. The niche market is growing, both globally and in our region. This market has a strong focus on the destination and the experiences found there, and tend to have passengers who want to be immersed in the local culture.

It is important to have a clear picture of what success looks like for a small port. Our research indicates that it takes 3-5 years to see a cruise ship, once a champion is leading the charge, armed with a strategic plan and a budget to pursue the cruise market. Further, a very successful season might be 8-12 ships a year, after several years of cruise growth.

Also, while visiting cruise ships have many benefits, these small ships do not generate a lot of revenues for the ports they call on. The returns are felt in the communities they visit. There are some modest revenues generated directly for the port, but the bulk of the direct economic impact is made by guests taking excursions and spending money ashore. Further, the destination benefits from additional economic impacts, such as promotions by the cruise lines, media coverage, increased pride of residents, and potential opportunity for return visits by land.

### Key Recommendations for the Northern New Brunswick Ports

A thorough evaluation of the Northern New Brunswick Region led to the identification of three potential cruise destinations: the Acadian Peninsula, Miramichi, and Dalhousie. These three destinations are all at vastly different levels of cruise market readiness; therefore, a unique strategic plan has been developed for each.

There are two key recommendations that we would make for each of these regions in their pursuit of the cruise market.

1. Each region is responsible for its own success in the cruise market. A strategy has been developed for each region, and it belongs to the region. It is up to the region and its cruise champions to take

the strategy and its recommendations, determine how it wants to move forward based on the guidance provided, and run with it.

2. The role of the New Brunswick Department of Tourism, Heritage and Culture in this strategy is largely one of support. The cruise lines want to see the region where the ship will be hosted leading the charge and being their point of contact; however, they like to see support for their calls from the governing bodies such as the Province.

## **Acadian Peninsula**

The Acadian Peninsula has already begun to see success in the cruise market. In 2012, Travel Dynamics' ship, the Yorktown, made two calls on the Port of Caraquet. They were so pleased by their guests' experience and the level of service they received, they plan to return with four calls in 2013. This region is off to a great start in the cruise market, with a momentum that is building.

The appeal of the Acadian Culture, and the remarkable tourism products and experiences found throughout the Acadian Peninsula is what has brought these first cruise visits to the region. To date, the Port of Caraquet has been the only port to see cruise ship calls, and they are market-ready for the cruise industry, with proper security protocols, ISPS compliance, and so on.

Of the entire Northern New Brunswick region, it is the Acadian Peninsula that has the most opportunity and the most potential to see immediate and significant growth in the cruise market. It has a prime location, close to where ships are currently sailing in the Canada New England region, and it offers a distinct culture and unique experiences.

The Acadian Peninsula has a wealth of market-ready tourism products and experiences that could be packaged into solid shore excursions, and they are authentic experiences that offer the opportunity for guests to really engage with the unique Acadian culture. This perfectly meets the needs of the niche market cruise industry.

## **Miramichi**

Miramichi's interest in the cruise market is not new, and they have made some commendable efforts in pursuing the cruise market. In 2009, the City of Miramichi held a port readiness workshop with stakeholders in the community, after which followed some encouraging cruise activity, such as membership in the ACCA, attendance at the Canada New England Cruise Symposium, and fam trips for two niche market cruise lines.

One of the changes that has occurred since the port readiness workshop in 2009 is that now, none of the ports in Miramichi are owned or controlled by the city of Miramichi, nor are any of them being used for typical port use. The prime location that was identified for cruise ship business, the Newcastle Wharf, is now privately owned and not being operated as a port. While the property owners have expressed that they are always open to new business opportunities, their current business plans do not include using their facility as a port or pursuing business that would involve using the facility as a port, and they have no experience in port operations.

Additionally, commercial marine traffic of any sort into Miramichi has slowed. The concern with sailing into Miramichi involves the changing depths of the channel due to silt, season by season. Dredging no longer occurs on the River, and no one has plans for dredging. Pilotage is compulsory in Miramichi, but

through our research, several authorities expressed concern about recommending commercial traffic of any sizable vessel, including small cruise ships, sailing into the Miramichi River without continual dredging.

We recommend that Miramichi not pursue the cruise market until these two issues are resolved. Further, there may need to be potential for other commercial marine activity for Miramichi in addition to cruise potential to warrant the investment. However, should these two issues be resolved, we would whole-heartedly recommend that Miramichi pursue the cruise market, as the product and experience of the Miramichi region is well-suited to the needs of the niche cruise market.

## Dalhousie

The community of Dalhousie has long been interested in the cruise market, and their Cruise Committee has been meeting for a number of years. This is a dedicated group that has a solid vision for cruise ships calling on the port of Dalhousie. There has been one cruise ship visit to Dalhousie from the Deutschland, who made an unscheduled call in 2005 when seeking safe harbour from a storm. The community pulled together to host the ship; however, there may have been challenges with buses and tour delivery.

Dalhousie is currently in the midst of an economic transformation, and finds itself with the interesting opportunity of needing to reinvent itself to overcome economic adversity. Presently, Dalhousie is struggling as a community with its current economic situation. Much of the downtown has boarded-up storefronts, the waterfront area is not aesthetically pleasing, and there is little to see or do on a stroll around town.

The Port of Dalhousie is aggressively pursuing year-round commercial traffic to boost the economy and create jobs. They are very open to accommodating cruise ships, but their efforts are currently focused on growing commercial business.

Available tourism product that suits the cruise ship market is limited in the Restigouche region. There are some market-ready products that are solid products and enjoyable experiences; however, few currently meet the expectations of the cruise industry. The cruise lines are looking to offer experiences that are unique and compelling, and that can't be found anywhere else.

Our recommendation for Dalhousie is to hold off on pursuing the cruise market until they have successfully navigated the economic transformation that they are currently experiencing and reinvented themselves to be a vibrant destination once again. At that takes place, it is likely that Dalhousie will be able to identify its unique position in the marketplace, more tourism products will emerge, and the significant gap that currently exists between the current situation and the expectations of the cruise lines will narrow.

## Conclusion

The Northern New Brunswick region has an excellent opportunity to grow the cruise industry in the region, especially within the niche cruise market. The projected growth in this market is positive, and the experiences in the region are well-suited to what the niche market cruise lines and their guests are seeking. Of the three potential cruise destinations in the Northern New Brunswick region, the Acadian Peninsula is in the best positioned to see immediate and considerable return from this market. Both Miramichi and Dalhousie have challenges to overcome before they are well-positioned to pursue the cruise market, but they both have strengths that will serve the market well when that time comes.

## 1. Introduction

With the growth of the cruise industry in the Canada / New England region over the last 15 years, the time is right to explore opportunities within the cruise industry for the ports in Northern New Brunswick. This study looks at the current situation in the Northern New Brunswick region as it relates to cruise, explores the potential opportunities, and offers a strategy for developing the cruise market for the Northern New Brunswick region.

### 1.1. Background Information

Cruise has been a growing industry in the Canada / New England region, with significant growth seen over the past 15 years. All of the mass market cruise lines have a solid presence in our region, and the specialty niche market is beginning to follow. Major ports in our region, including Saint John, have been seeing significant volumes of cruise calls, and smaller ports in our region, including St. Andrews, have more recently begun to see results from the cruise market. For New Brunswick, the next logical step was to determine whether ports in the northern part of the province would have an opportunity with the cruise industry, and if so, what they would need to do to seize those opportunities.

Aquila was awarded the bid to lead the development of a cruise strategy for Northern New Brunswick in January 2013. Over the past 20 years, Aquila has been active in the cruise industry, operating shore excursions in New Brunswick, building relationships with cruise executives and a network of other key industry contacts, and gathering a vast body of industry knowledge, experience, and expertise. It is our reputation for service excellence and our understanding of the cruise industry that prompted cruise executives to uphold us as a model for the industry and ask us to provide training to tour operators, ports and destinations around the world, therefore, launching Aquila's Center for Cruise Excellence in 2007. We were thrilled to have this opportunity to share our knowledge with interested stakeholders from throughout Northern New Brunswick, to develop a sustainable cruise strategy that will guide the region to success in the cruise market long into the future, and to ensure that the ports in Northern New Brunswick know what is required of them to be ready for the cruise market.

### 1.2. Objectives & Key Considerations

The purpose of this project was to develop a winning cruise strategy for Northern New Brunswick, and the specific objectives of the strategy were to:

1. Identify the strengths and weaknesses of the region as it relates to cruise;
2. Identify and assess the ports of call in Northern New Brunswick to determine which ones have the capability and capacity to service the cruise market;
3. Identify which segments of the cruise market best fit each port and the region;
4. Assess the tourism product offering experiences and determine what would be required to develop or enhance the product for the cruise guests;
5. Provide information and education to the industry in Northern New Brunswick on how the cruise industry works, what are the expectations and requirements to be active in this industry; and

6. Provide mentoring to identified ports and industry on an “as needed” basis while implementing the strategy.

Additionally, when developing a cruise strategy for a region or destination, there are several key considerations to take into account. One consideration is that the cruise market can require large investments in both time and money, and it can often take years to develop any significant volume. This means that stakeholder expectations must be managed and any recommendations must consider the implications of these realities.

Another consideration is in the remarkable differences in developing strategies for the specialty niche markets, including small ship and expedition-style cruises which better fit regions like Northern New Brunswick, versus the mass market like those of Saint John and Halifax. From port operations and infrastructure, to tourism products and shore excursions, to sales and marketing approaches, the needs of the niche market are significantly different than the mass market, and that must be reflected for a successful, sustainable strategy.

It was also a noted challenge that it will not be feasible for every port in the Northern New Brunswick region to become a cruise port of call. Achieving buy-in from stakeholders in Northern New Brunswick for a strategy that includes the development of just a few cruise ports of call and involves others as partners in the greater destination sell was a key consideration and challenge for this project.

### 1.3. Methodology

Our approach was to lead Northern New Brunswick cruise stakeholders through a process that would provide a realistic understanding of the needs of this market, resulting in an achievable, sustainable, strategic cruise plan – a process that does not end with just a written report, but one that moves on to implementation and results. Through this process, there were several key questions that needed to be answered, including:

- Which ports could accept ships, and which ports and/or communities could partner to be part of the destination experience?
- What generally needs to happen to attract ships to the ports of Northern New Brunswick?
- What specifically needs to be done in terms of product development, marketing, infrastructure development, strategic partnerships, etc?
- What do cruise stakeholders in these ports need and/or want? What will it take to get their “buy-in”?
- Which are the best cruise markets to target? What sales and marketing approach should be taken to attract these markets?
- Who will be the champions to lead this strategy? What are the steps that must be taken to ensure success?

Our approach involved four phases:

#### ***Phase 1: Situation Analysis & General Cruise Education***

This phase explored the current situation in the ports in the Northern New Brunswick region and began to educate the stakeholders, which are key first steps. Interviews were conducted with various



stakeholders, including those in each potential port, both to provide some general education on the cruise market and to explore the current situation. Additionally, we conducted extensive research into cruise line expectations, industry trends, best practices and lessons learned from other small ports, regulations for safety and security, and more. At the conclusion of this phase, the potential cruise ports were identified.

***Phase 2: Port Readiness Examination & Education***

This phase focused on the identified ports of call with regards to their current level of port readiness and identifying the gaps between the current situation and what needs to be done to become fully “port ready” for the cruise market. During this phase, workshops were held with key stakeholders in each of the identified ports of call for the purpose of education on cruise market readiness as well as gathering additional information.

***Phase 3: Cruise Strategy***

During this phase, the cruise strategy was developed, with additional research, interviews and discussions to complete the strategy.

***Phase 4: Implementation Support & Strategy Education***

After this strategy has been presented, Aquila will offer opportunities to discuss the strategy with stakeholders from each of the identified ports of call, and provide coaching and mentoring to move the cruise strategy from a report into a working action plan.

***Steering Committee***

Throughout this process, Aquila was guided by a steering committee that included representation from throughout the Northern New Brunswick region and from New Brunswick Tourism, Heritage and Culture. A list of steering committee members can be found in Appendix A.

## 1.4. Port Selection Process

As part of phase 1, Aquila conducted a careful analysis of the ports of Northern New Brunswick to determine which key ports in Northern New Brunswick should be pursued as a port of call for the cruise market, and which communities should be part of the destination sell for that port of call. This is a general overview of that process.

1. Conducted preliminary research to determine potential ports located between Miramichi and Dalhousie.

**Outcome:** Identified 6 potential ports – Bathurst, Belledune, Dalhousie, Miramichi, Caraquet & Shippagan.

2. Conducted interviews with all 6 potential ports.

### Outcomes:

**Bathurst:** Cannot accommodate cruise ships, but is interested in being part of the destination sell for the region and has tourism product that can feed into the small ports in the region, especially Dalhousie and Miramichi.

**Belledune:** It was a decision of their board 5 years ago to focus on its commercial business and Belledune is not interested in pursuing the cruise market. They would rather support Dalhousie in this initiative.

**Dalhousie:** Expressed interest in the cruise market and meets the criteria for receiving cruise ships based on the answers provided in the interview process.

**Miramichi:** Expressed interest in the cruise market and meets the criteria for receiving cruise ships based on the answers provided in the interview process.

**Caraquet:** Welcomed two cruise ships in 2012, with great success, leading to four calls scheduled for 2013. Very interested in continuing their investment in the cruise market and meets the criteria for receiving cruise ships.

**Shippagan:** Unsure about making a decision without enough information to answer interview questions individually. Unlike the other ports, Shippagan did not have clarity around their position with respect to cruise and had never been through a port readiness exercise. Therefore, a more comprehensive education/interview process was done in person with a group of several stakeholders from the community. By the end of that process, they expressed interest in the cruise market and based on answers provided, met the criteria for receiving ships.

3. Based on the above outcomes, we identified three regional cruise destinations with whom the process would continue, as follows:

**Acadian Peninsula (ports of Caraquet & Shippagan)**

**Miramichi region (port of Miramichi)**

## Restigouche region (port of Dalhousie)

Workshops proceeded in these three destinations, and this report is based on those three distinct regions. These workshops were interactive, and allowed us to gather much more information for the analysis of each port region, all of which is reflected in this strategy. Also, following the workshops, additional interviews with shipping agencies, pilotage authorities, marine charting services and others were conducted to provide us with additional information on each of the port regions in order to conclude our findings and recommendations. A workshop agenda and list of participants from each workshop can be found in Appendices B and C.

This report contains key recommendations, action plans and next steps for these three identified port regions, as they are all at various stages of readiness for cruise and all have diverse challenges and opportunities. It is meant to be a working document for use by port stakeholders for years to come.

### 1.5. Key Terms

In the cruise industry, the words “port”, “destination” and “region” are often used interchangeably to refer to the destination that cruise passengers are visiting. The word “port” is also used to refer to the actual location where the ship is docked. In this strategy, efforts were made to refer to the destination as “destination” or “region”, and the “port” to mean the facility where the ship would dock.

Additionally, the cruise industry uses the term “small port” to refer to a) ports/destinations that are either smaller locations, as reflected either geographically and/or in terms of infrastructure and tourism products; and/or b) ports/destinations that can only accommodate small ships. All of the potential cruise destinations in Northern New Brunswick would be considered “small ports”; cruise destinations such as Halifax or Saint John would be considered “large ports”.

Finally, the cruise industry has historically referred to the market of cruise lines that are not mass market as the “small ship market”. As this market segment is growing and encompassing more diverse experiences, including luxury or expedition-style cruising, it has become known as the “niche cruise market” or increasingly, the “specialty cruise market”.

Additional key terms and industry lingo is defined in Appendix D.

## 2. Key Findings for Success in the Cruise Market

### 2.1. Critical Keys to Success in the Cruise Market

It is clear that for a cruise destination, the following are critical keys to success in the cruise market:

1. A port, destination and community that wants the cruise business.
2. A strong, strategic plan to pursue the cruise business with action items and measurable goals.
3. A passionate champion who will lead the charge and really work the plan. Further, it must be part of that person's job to do so, not a volunteer. He or she must actively pursue the market, have a proactive sales and marketing approach, and be available for the long-term as this is a relationship market.
4. A budget to pursue the cruise market, with an investment that can be made annually for the long haul. Investing for a year or two is not sufficient as it can take up to 5 or more years to see results. Small ports with success have annual marketing budgets of at least \$10,000 – \$15,000.

These are not the only elements that are key to success in this market, but each successful destination has these four critical components in place.

### 2.2. What Success Looks Like for Small Ports in the Cruise Market

It is important to have a clear picture of what success looks like for a small port. Our research indicates that it will likely take 3-5 years from beginning with the above criteria before a port sees a cruise ship. Further, a very successful season might be 8-12 ships a year, after several years of cruise growth.

It is also very important to note that while visiting cruise ships have many benefits, these small ships do not generate a lot of revenues for the ports they call on. The returns are felt in the communities they visit. There are some modest revenues generated directly for the port, but the bulk of the direct economic impact is made by guests taking excursions and spending money ashore. Further, the destination benefits from additional economic impacts, such as promotions by the cruise lines, media coverage, increased pride of residents, and return visits from cruise guests by land.

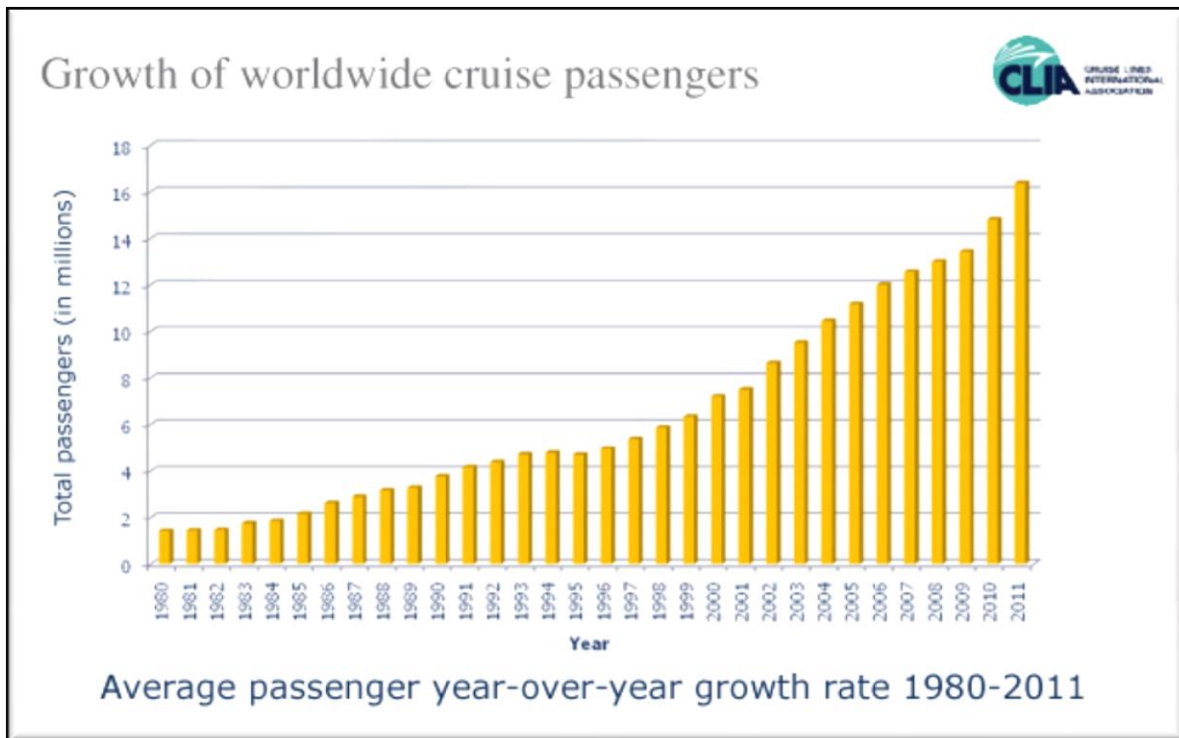
### 2.3. Other Critical Considerations Regarding the Cruise Market

- Like all good business cases, investment in the cruise market needs to be weighed against the potential return. Often, communities who invest in cruise infrastructure and “hardware” costs do so when the investments also benefit other aspects of community well-being, whether tourism related or otherwise.
- Purpose-built infrastructure is not necessary for this market. Ports do not need purpose-built cruise terminals to attract visiting cruise ships. Temporary structures such as tents can be used for inclement weather. More important to the lines would be a welcome, with the opportunity for guests to meet local people who could provide them with visitor information, for instance.
- The investment in cruise is less about the “hardware” and more about the “software” – investments in marketing activities, product development and packaging, and training to front-line staff, including tour guides and interpreters, to deliver service excellence to the cruise guests.

### 3. Global Scan of the Cruise Sector

#### 3.1 Projections for Growth in the Cruise Industry

The cruise industry is strong and growing. In fact, the cruise industry is the fastest growing category in the leisure travel market. Since 1980, the industry has experienced an average annual passenger growth rate of between 6-8% per year. The industry forecasts 20.97 million passengers to cruise globally in 2013 with 17.6 million of these guests predicted to sail from North America, a 2.5% increase over 2012.



Source: CLIA 2012 Cruise Industry Overview

It is estimated that only 24% of the total US population has cruised. Overall, the cruise product delivers unparalleled customer satisfaction, and repeat cruisers are common. However, cruisers are not exclusively cruisers; they are frequent vacationers that cruise as part of their vacation mix. The majority of cruise passengers think that cruising is an important vehicle for sampling destination areas, and many intend to return to a cruise destination for a land based vacation.

The 2012 Industry Update from the Cruise Lines International Association (CLIA) reported that from 1980 to 2011, the cruise lines' annual average passenger growth was 7.5% and they expect this to continue through 2017. Also, since 2000, the growth in the fleet of CLIA member cruise lines has included 143 new ships. The history of the North American cruise industry has been one of expansion to all parts of the world as cruise lines have sought to attract loyal as well as first-time cruisers by developing new geographic markets and offering new cruise experiences. In the last five years, the "globalization" of cruising has been one of the dominant themes in the industry, with particularly strong growth in Europe.



Source: Cruise Market Watch 2012

### 3.2 Cruise Market Segments

There are several different types of cruising, but generally, cruising can be broken down into four key market segments:

1. **Mass Market**, with mega-ships that appeal to a mass market audience;
2. **Small-ship**, with ships of generally less than 1000 passengers that call on both popular ports and more “off the beaten path” destinations that may be inaccessible to the mass market ships;
3. **Luxury**, with smaller ships and superior levels of service looking for both popular ports and “off the beaten path” destinations; and
4. **Adventure / Expedition**, which offer very exclusive experiences geared around learning and adventure, often to destinations that are more remote on very small ships (often less than 500 passengers).

Increasingly, the small-ship, luxury and adventure/expedition segments are becoming to be known together as *Niche Cruising* or *Specialty Cruising*. And although it is not technically part of the cruise market, Super Yachts are also an opportunity for many ports of call that cater to the niche cruise sector.

New growth in the niche cruise sector (small-ship, luxury, and adventure / expedition cruising) presents an emerging market with strong growth opportunity. The niche cruising market is forecasted to grow at 18%-20% vs. 6%-8% for the larger vessels worldwide. The consumer demand for Niche Cruising is driven by several factors. Two of the most significant factors include growing consumer interest in more enriching, experiential travel and, with the growth of cruising in general, customers moving up from mainstream or premium lines into the niche sector as they seek higher service levels and new destinations.

Niche cruising has some specific differences from mass market cruising that are important to note:

- A strong focus on the destination and the experiences found there, and less of a focus on the vessel itself.
- Passengers who tend to be more sophisticated travellers and who want to be immersed in the local culture and the communities they visit.
- More likely to stay longer and even overnight in port, and are looking for a strong welcome and support from the communities they call on.

### 3.3 Cruise Lines Expectations & Decision Making

The people who determine where the ships will sail are of paramount importance to ports and destinations, and these key decision makers at each cruise line are found in each of the following departments: Sales & Marketing; Itinerary Planning; Operations; and Shore Excursions. With the niche cruise sector, it could be 1 or 2 people covering the roles of all these departments.

All of these departments are asking the same questions around two key themes, and they are:

- Can we sell it? Is the itinerary appealing? Does it have a marquee port to draw guests in? Are there other viable ports to call on that will offer great options for the guests?
- Can we attain the necessary yields? Can we get a good cabin fare? Is it a good fit for the top revenue generators? Cruise lines make their money different ways, but generally the top revenue generators are shore excursions, bars, and casinos.

It is important to cruise lines to have diversity within their itineraries, as itinerary diversity is critical to attracting first time cruisers and motivating repeat cruisers. Most of all, however, the itinerary must maximize profit. Some of the ways this is done is by optimizing demand for the itinerary and shore excursion options, minimizing port expenses and fuel consumption, and maximizing onboard revenue generation. Fuel consumption is a significant consideration, and therefore required sailing speeds and sailing with or against the current are also factors that are considered. These considerations are often what most affect decisions such as length of stay (arrival and departure time in port) and port sequence, in addition to simply which ports to call on.

When considering a destination and its port, the cruise line will consider the following:

- **Location** – The port of call must be strategically located within the itinerary, and be reached overnight from another port.
- **Appeal** – The port of call must have an appeal to the cruise line’s target market. The cruise line will consider whether or not the destination is well marketed, if it represents a strong “brand”, and if it has developed a favorable consumer perception.
- **Ease of Navigating the Port** – The cruise line will consider if the port is able to accommodate its ships, the depth of the harbour, channel constraints and approach, and dock availability (passenger or cargo).
- **Infrastructure** – The expectations in this category do vary depending on the cruise line, but generally speaking, cruise lines are looking for quality transportation (coaches, taxis), qualified shore excursion providers, port agents, welcome area at the port, reasonable prices, and good language skills.

- **Security** – The cruise line will consider safety issues, risk management, insurance, ISPS compliance (International Ship & Port Facility Code) and other regulations.
- **Port Amenities and Attractions** – What there is to see and do in a port influences guest satisfaction ratings of the cruise as well as shore excursion revenue.
- **Guest Welcome** – Cruise lines do expect that their guests will receive a warm and genuine welcome in the ports they visit. Increasingly, they expect visitor information, especially maps, to be available pierside, and volunteers to answer questions can be a valuable addition.
- **Port Experiences** – Cruise lines are looking for tourism products that fit their demographics, can be exclusive, and provide well-themed experiences, ideally with a good variety of excursions to showcase the destination.

Overall, when considering a port of call, the cruise line will base its decision on all factors, including operations (both logistical and ship operations), shoreside experience variety, infrastructure availability, security, salability of the itinerary and profitability of the itinerary.



## 4. Cruise in the Canada / New England Region

### 4.1 Cruise Context for the Canada / New England Region

Specific to cruising in our part of the world, our cruising region is most often referred to as Canada / New England. The Canada / New England cruise region covers the area from New York to Montreal, including all of Atlantic Canada.

Cruise ships have been calling regularly on ports in Atlantic Canada since the late 1980's. Recent years have seen phenomenal growth in the cruise industry in Atlantic Canada, with less than 40,000 cruisers in 1996 to over 600,000 today. The US continues to be the main source of cruise visitors, but ships from the European markets are beginning to increase.



| Year | Ship Calls | Passengers | Crew    |
|------|------------|------------|---------|
| 2000 | 276        | 284,859    | 125,397 |
| 2005 | 385        | 376,535    | 147,981 |
| 2010 | 425        | 632,613    | 260,756 |
| 2012 | 395        | 647,782    | 252,166 |

*Source: Cruise Atlantic Canada 2013*

In Atlantic Canada, we currently see ships from every market segment in the cruise industry. The mainstream or mass-market cruises continue to bring the most calls to our region, but the niche market - small-ships, luxury lines, and adventure/expedition cruising - is growing.

The economic impact of cruise in our region is significant. Cruise lines, passengers and crew spent \$86 million in Atlantic Canada during 2012. Because the ports of Atlantic Canada are primarily transit ports that are dependent upon onshore spending by passengers and crew, their spending accounted for 53% of total direct spending in the region versus the national share of 42% (2012 BREA Survey). It is worth noting that various reports calculate spending in a variety of ways, and therefore there are several different figures circulating pertaining to spending. This figure, and those outlined in the study below, all reflect research that examined all major ports with the same criteria.

While there have been no studies conducted of the economic impact of cruise on the individual small ports in our region, the Acadian Peninsula estimates that the economic impact of a call of the 120-passenger Yorktown was \$8,000-\$10,000 for their region.

**Highlight: Cruise Passenger Traffic in Canada by Region, 2012**

The Atlantic Canada ports, led by Halifax, accounted for 31% of the Canadian passenger traffic in 2012 with a throughput of just over 643,000 cruise passengers. These ports are primarily destinations on Canada / New England cruise itineraries that originate in the northeastern United States but calls are also made by expedition ships and ships cruising on transatlantic itineraries. Finally, the St. Lawrence ports, including Montreal, Saguenay, Quebec and several smaller ports, accounted for the remaining 12% of Canadian passenger traffic with a throughput of just over 230,000 cruise passengers. Again, these are mix of homeport and transit calls, with embarkations and disembarkations accounting for 38% of the cruise traffic and transit passengers accounting for the remaining 62%.

Finally, over 587,000 cruise passengers visited the ports of Atlantic Canada spending an average of \$63 per visit and generating total expenditures of \$36.8 million. The average passenger expenditure ranged from \$68 in Halifax to \$43 in St. John's. There were an estimated 161,000 crew visits at the Atlantic Canada ports during 2012 that generated total crew spending of \$7.3 million in the region, for an average of \$45 per visit. Average crew expenditures ranged from nearly \$50 per visit in the Nova Scotia ports to \$31 in the NL ports.

The demographic data extracted from the passenger surveys at all Canada ports indicated that U.S. residents accounted for 79% of the passengers visiting the seven Canadian cruise ports and that UK and Canadian residents accounted for 7% and 9% of passenger visits, respectively. The average age of the respondents was 61 years with approximately half of the respondents being 65 years of age or older. Passengers that cruised to Canada had an average household income of \$103,600 with 20 percent of the passengers reporting household income over \$150,000.

*Source: 2012 BRE A Survey of Canadian Cruise Ports*

Also contributing to the economic impact of cruise for our region is the marketing that the cruise lines do to promote their cruises in our region, from their brochures and websites to print ads in newspapers and promotions to travel trade. This is worth millions to destinations. Additionally, return visits from cruise passengers by land have an additional economic impact, and while these have yet to be measured, they are estimated in our region to be in the vicinity of 5%-7%. (MacKellar Cunningham & Associates, 2008.)

## 4.2 Expectations for Future Industry Performance

As has been previously discussed, and is further evidenced here, the cruise industry is projected to continue with solid growth patterns.

### **Highlight: *Growth of the Cruise Line Industry***

Worldwide, the cruise industry has an annual passenger compound annual growth rate of 7% from 1990 – 2017. Growth strategies to date have been driven by larger capacity new builds and ship diversification, more local ports, more destinations and new on-board/on-shore activities that match demands of consumers. The industry is also expanding rapidly internationally. These activities help increase penetration in a core North American market that still has growth potential. Only 53% of the target North American market (or 24% of the whole U.S. population) have ever taken an ocean cruise. All the cruise ships in the entire world filled at capacity all year long still only amount to less than half of the total number of visitors to Las Vegas.

### **Shipbuilding Summary**

A total of 6 new ships were added in 2013 with a total passenger capacity of 14,074. From 2014 to 2015, a net of 13 more new cruise ships will come online adding 39,297 lower berths, or 8.7% to passenger capacity. The ships from 2014 to 2015 will add \$3.2 billion in annual revenue to the cruise industry.

By 2017, 23.7 million cruise passengers are expected to be carried worldwide of which 59.1% will originate from North America and 27.4% Europe.

*Source: Cruise Market Watch 2012*

It is important to note that this growth is occurring in a new global market, with new and enticing cruise destinations emerging regularly, especially highly-anticipated destinations such as Australia, Russia, and Asia. This new global market does increase the competition for Canada / New England, as there are more options for where cruise lines can position their ships around the world, and many of these options have higher destination awareness and higher market demand than the Canada / New England region.

However, the investment in new builds and the growth of the number of ships is a positive factor, as is the fact that North Americans are projected to continue to be the largest source market for cruisers, and a significant percentage of the North American population have yet to cruise. The Canada / New England region is in a prime position, with a location close to major embarkation ports in the North American source market, primarily Boston and New York, and also Quebec and Montreal.

Additionally, stakeholders throughout Canada / New England continue to make significant investments in the cruise market. Port authorities, federal and provincial governments, and private sector stakeholders have invested millions of dollars in recent years, both in hardware, such as cruise terminals and other infrastructure, and software, such as new excursion development and tour guide training – and these significant investments continue, with current projects in our region ranging from homeport strategies to shore power. The region also continues to build consumer awareness, with particularly focused efforts on educating travel agents and the travel trade. And increasingly, stakeholders from throughout the region are working together to continue to grow the cruise industry in Canada / New

England. All of this contributes to strengthening our position in the increasingly competitive marketplace.

Currently, Canada / New England remains among the Top 10 Cruise Destinations for which guests are booking cruises in 2013.

**Highlight : 2013 Top Cruise Destinations**

1. Caribbean
2. Europe
3. Alaska
4. Bermuda
5. Hawaii
6. Panama Canal
6. Trans-Atlantic
8. South Pacific (Including Australia)
9. South America
10. Canada & New England



*Source: Cruise Holidays Survey Dec 2012*

And while growth is expected to continue for our region, it is important to note that the industry is currently working to minimize any impacts that may be felt with the implementation of the next phase of the Emission Control Area (ECA). On August 1, 2012, a 200-nautical mile North American Emission Control Area (ECA) went into place around the U.S. and Canadian coasts, with the exception of the Aleutian Islands and certain other outlying areas. Ships operating within this area are required to use fuel containing no more than 1.0% sulfur. By January 1, 2015, ships within this area will be required to use fuel containing no more than 0.1% sulfur.

The fundamental goal of the ECA is to reduce the human health and welfare impact of shipping on coastal areas — and every ship operating within the ECA must comply with all of its associated requirements. These requirements do translate to significant challenges for cruise ships and the industry has been in active discussions with the Environmental Protection Agency and Transport Canada to determine how the industry can work within the framework of the existing regulations. While similar regulations are expected to be in place worldwide by 2020, there could be an impact on the Canada / New England region in the interim. (See Additional Information on ECA in Appendix E).

### 4.3 Relevant Cruise Market Trends

In CLIA's 2013 Travel Agent survey results, CLIA reported that 77.2% of travel agents say Specialty Cruising is a growing sales opportunity. Factors driving consumer interest in Specialty Cruising include: destination/itineraries, ship size (small), a slower pace of vacationing, and ability to visit smaller ports/destinations.

Tauck, one of the largest cruise Tour Operators in the United States reported robust growth in pre-season bookings for its 2013 small ship ocean cruises. Sales for the coming year's cruise departures are running 50% ahead of last year, and a whopping 120% ahead of two years ago, according to Tauck CEO Dan Mahar. Other niche or specialty market lines have reported similar results in the past year.

Additionally, CLIA's Market Profile (2011) reveals that it is their "Destination Cruisers" that are most interested in niche market cruising. When surveyed where "Destination Cruisers" wanted to visit, Canada / New England (27%) was their second choice, following Alaska (32%). Caribbean/Eastern Mexico and Baltic/Scandinavia tied for third place, while Africa and China/Japan tied for fourth place.

**Highlight: *Niche and Specialty Cruises***

A July 2012 survey of CLIA-member travel agents affirmed the importance and value of providing branding and marketing support for the specialty cruise segment of the industry. According to respondents, this category of cruising already represents 5 to 45 percent of agent business and almost 60 percent of respondents described it as a growing sales opportunity.

Among the factors that drive consumer interest in specialty cruising are, in order:

- Social interaction and friendships made with fellow passengers
- Price
- Appeal to all age groups
- Specialized culinary experiences onboard and shoreside
- Value
- Interesting shore activities and sightseeing
- Perception of greater degree of specialized and personal services

While older and more affluent consumers are prime customers for specialty cruising, agents responding to the survey also indicated growing appeal for all ages of travelers, first-time cruisers, family and multigenerational groups and younger and less affluent travelers. Looking ahead, agents predicted the specialty cruise segment would be characterized by increasing globalization of itineraries around the world, more shipboard amenities and activities, greater focus on cultural activities, more luxury and purpose-built ships for coastal, river and adventure travel, even larger "boutique" ships.

*Source: CLIA 2012 survey*

Canada / New England is in an excellent position to respond to this growing trend toward Specialty or Niche Cruises. There are several small ports in the region that are "off-the-beaten-path" ports of call and that offer opportunities to engage with a unique culture or a remarkable experience. Several of these ports have been through cruise market readiness exercises and are beginning to make efforts in selling and marketing to the niche market cruise lines. Additionally, the Port of Halifax has a homeport strategy to encourage niche market cruise lines to sail on itineraries throughout the Canada / New England region that originate and end in Halifax. Increasingly, Canada / New England is providing the niche market cruise lines with opportunities for more options for itineraries and more compelling reasons to position their ships in the Canada / New England region.

## 5. Cruise in New Brunswick

### 5.1 The Current Context for New Brunswick

- Cruise in New Brunswick has grown steadily and represents over \$30 million in revenue to the province each year. In 2012, 15 cruise lines visited New Brunswick, with over 80 cruise ship calls. It is expected that growth in this market will continue over the long-term.
- Currently, the vast majority of these calls are in southern New Brunswick. Saint John receives most of these calls with mass market ships, but 2012 saw significant growth in the port of St. Andrews and Caraquet with cruise lines from the niche market.
- While Saint John is the only port in New Brunswick that can currently accommodate the mass market ships, the niche market is growing in our region, and there is opportunity in that market for smaller New Brunswick ports such as St. Andrews and those in Northern New Brunswick. The trend is for the niche market ships to follow into a cruise destination once the mass market has established a presence there, and we are beginning to see that happen here in New Brunswick and throughout the Canada / New England region.
- In 2012, one cruise ship called on a port in Northern New Brunswick. Travel Dynamics brought their ship, the Yorktown, to the Port of Caraquet. They enjoyed two very successful calls, and have plans to return in 2013 with four scheduled calls.
- There are significant opportunities to grow the cruise market in Northern New Brunswick and the region is well-positioned to capture ships from the niche market. They are the type of “off the beaten path” destinations that niche cruise lines are looking for to make their itineraries unique and differentiate them from the mass market. And as the niche markets grow and build itineraries based on homeports in places like Halifax, they are spending more time and looking for more ports in the Atlantic Canada region.
- The Northern New Brunswick region also features unique tourism products and experiences that lend themselves well to the cruise market, from a rich Acadian culture to breathtaking natural experiences. In particular, the niche market looks for authentic experiences and strong community support. Based on our experiences in Northern New Brunswick, the region has significant strengths in these areas.
- Increasingly, the ports in Northern New Brunswick are becoming well-positioned geographically, considering the significant investments being made in the cruise market by Quebec. As Quebec spends millions of dollars to attract cruise ships to their ports, those same ships will be looking for other ports to include on their itineraries, and there may be opportunities for Northern New Brunswick in this realm.
- Growing the cruise market in Northern New Brunswick will not be without its challenges, however. There are numerous small ports in Atlantic Canada that are working hard to grow the cruise market and vying for the same business. It can take several years of working to attract ships before any will call. And most importantly, it takes a champion in the port of call to commit to growing the cruise market and leading the charge to make it happen.

## 5.2 Cruise in Northern New Brunswick – a SWOT Analysis

| STRENGTHS   | WEAKNESSES   |
|---|--|
| <ul style="list-style-type: none"> <li>• A new destination for the cruise market, and cruise lines are always looking for new ways to keep their itineraries fresh and motivate repeat cruisers.</li> <li>• The region offers the types of “off the beaten path” locations and small port experiences the niche cruise market is looking for.</li> <li>• There are viable port options in the region for cruise ships to call on.</li> <li>• Unique tourism products, authentic experiences, and strong community engagement – all critical factors for the niche cruise market.</li> </ul>   | <ul style="list-style-type: none"> <li>• Ports in the Northern New Brunswick region are all at vastly different stages in terms of being ready for cruise and therefore will not be able to market together until they are all at the same point.</li> <li>• There is limited destination awareness for the Northern New Brunswick region, both among cruise executives and cruise passengers.</li> <li>• Seasonality of available tourism product means that available experiences are fairly limited in peak cruise months, especially in September and October, but June also.</li> </ul>     |
| OPPORTUNITIES   | THREATS  |
| <ul style="list-style-type: none"> <li>• Growth in niche cruise market in the Canada / New England region, as that is the market with which the Northern New Brunswick region has the greatest opportunity.</li> <li>• Investment in areas around this region, particularly in Quebec and their ports in the St. Lawrence, demonstrates a commitment from others in the region to growing the cruise market.</li> <li>• Halifax and potentially Saint John Homeport Strategies are opportunities, as they could increase the interest from niche market cruise lines in the region.</li> <li>• The region has an excellent location in the Canada / New England region, between source markets and in close proximity to where ships are currently sailing on itineraries.</li> </ul> | <ul style="list-style-type: none"> <li>• Global growth could mean less demand for the region, especially where destination awareness in emerging markets is higher than Canada / New England.</li> <li>• Several small ports in the Canada / New England region have gone through cruise market readiness exercises and are pursuing this market, which is both an opportunity and a threat.</li> <li>• ECA (Emission Control Area) will have an impact on cruise in our industry, if only in the short term, as expectations are that similar regulations will be worldwide by 2020.</li> </ul> |

## 5.3 Cruise Opportunity for Northern New Brunswick

The greatest opportunity within the cruise industry for the Northern New Brunswick region is in the niche market. The region is perfectly suited to meet the needs and expectations of this segment of the cruise industry, including luxury and specialty ships, adventure and expedition vessels, and small ships of less than 500 passengers. The niche market is growing, both globally and in our region, in particular, and they are looking for the types of experiences that can be found in Northern New Brunswick.

## 6. Target Cruise Market

**Key Recommendation:**

*Our recommendation for the Northern New Brunswick region is to target cruise lines from the niche market, particularly those with ships of 500 passengers or less. There is a growing consumer interest in more enriching, experiential travel and, with the growth of cruising in general, customers moving up from mainstream or premium lines into the niche sector as they seek higher service levels and new destinations.*

Niche or “Specialty” cruising as CLIA calls it today, has a strong focus on the destination and the experiences found there, and tend to have passengers who want to be immersed in the local culture and the communities they visit. They may be luxury and specialty ships, adventure or expedition vessels, or small cruise ships of less than 500 passengers, and the Northern New Brunswick region is well-positioned to accommodate all of them.

It is possible that the mass market could be an opportunity, to a limited degree, for the Northern New Brunswick region in the future. Currently, some mass market lines, such as Holland America, are calling on some fairly small ports in our region. However, these calls are not without significant challenges, as the ship is required to tender and has significant needs, from high-volume excursions to significant infrastructure. Efforts should be focused on building the niche market first, gaining experience and growing from there.

A list of potential cruise lines to target is found in Appendix F. Also, a list of the current cruise activity from several of these potential cruise lines in Canada / New England is found in Appendix G.



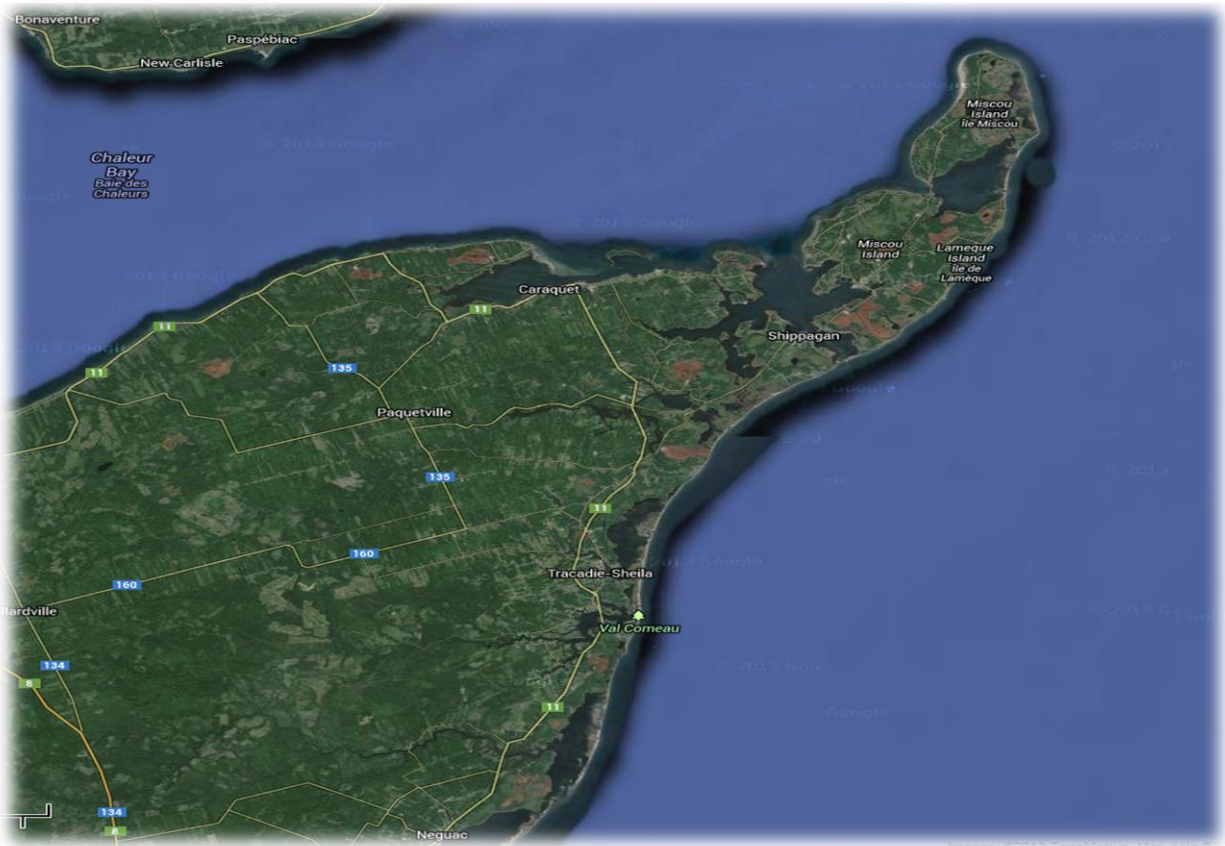
## 7. Two Key Recommendations for the Northern New Brunswick Ports

The identified ports in the Northern New Brunswick region are all at vastly different levels of cruise market readiness. Therefore, a unique strategic plan has been developed for each – the Acadian Peninsula, Miramichi, and Dalhousie.

However, there are two key recommendations that we would make for each of these regions in their pursuit of the cruise market.

1. Each region is responsible for its own success in the cruise market. A strategy has been developed for each region, and it belongs to the region. It is up to the region and its cruise champions to take the strategy and its recommendations, determine how it wants to move forward based on the guidance provided, and run with it. There are opportunities for coaching and mentoring through this process, but in the end, it is up to each region to move the strategy forward.
2. The role of the New Brunswick Department of Tourism, Heritage and Culture in this strategy is largely one of support. The cruise lines want to see the region where the ship will be hosted leading the charge and being their point of contact; however, they like to see support for their calls from the governing bodies such as the Province. Ideas for ways that the New Brunswick Department of Tourism, Heritage and Culture could support the activities in this strategy include:
  - Assisting with coaching and mentoring through the implementation phase of the strategy
  - Joint marketing agreements for a specific marketing activity to the cruise lines
  - Support for familiarization visits for cruise executives
  - Leverage presence of Department Staff where niche market cruise lines are based, such as UK and France
  - Ensure Product Development Officers continue to seek out and grow product opportunities, especially those that suit the cruise market and can be packaged into compelling excursions

## 8. Strategic Plan for Cruise Development for the Acadian Peninsula



**Acadian Peninsula, North-eastern New Brunswick**  
(Source: Google Maps 2013)

### 8.1 Current Situation

The Acadian Peninsula has already begun to see success in the cruise market, and it is critical to note that in this region, it is the Acadian Culture that holds appeal for the cruise industry. There are remarkable tourism products and experiences found throughout the Acadian Peninsula that allow guests to understand and engage with the culture, and the port itself is of lesser importance than what the region has to offer and what the guests are coming to experience. There is opportunity to entice the cruise lines to come, but the sell is the whole destination – the Acadian Peninsula.

Stakeholders from the Acadian Peninsula have been active in pursuing the cruise market and serving the cruise ship calls to date, especially the Town of Caraquet, the Port of Caraquet, and Entreprise Péninsule, among others. Marketing activities have included membership in the Atlantic Canada Cruise Association (held by the Port of Caraquet), attendance at Canada / New England Cruise Symposiums, and the organization of a Port Readiness workshop arranged by the Town and Port of Caraquet in 2010.

In 2012, Travel Dynamics' ship, the Yorktown, made two calls on the Port of Caraquet. They discovered the destination when they had a scout in the area looking for new destinations for their ships to visit, and were intrigued by the Acadian Peninsula and the Port of Caraquet. Travel Dynamics was so pleased by the experience of their guests and the level of service they received by the stakeholders in the

community, they plan to return with four calls in 2013. This region is off to a great start in the cruise market, with a momentum that is building.

To date, the Port of Caraquet has been the only port to see cruise ship calls, and they also provide service to a variety of other diverse marine traffic. The Port of Caraquet is market-ready for the cruise industry, with proper security protocols, ISPS compliance, and so on. The approach to Caraquet, in terms of channel width and depth, also provide no impediments for small ships.

The Port of Shippagan, a second port on the Acadian Peninsula, to date has primarily been focused on fishing. They have shown interest in being part of the strategy for cruise in Northern New Brunswick; however, Shippagan does not have a history of larger ships calling on the port and it was difficult to obtain necessary marine information during our research. The approach to Shippagan appears to have adequate depth, and, although the channel does narrow significantly, acceptable width to be viable for cruise visits.

Again, for the cruise market, the destination is the Acadian Peninsula, no matter what port the ship calls on. The Acadian Peninsula has a wealth of market-ready tourism products and experiences that could be packaged into solid shore excursions, and they are authentic experiences that offer the opportunity for guests to really engage with the unique Acadian culture. This perfectly meets the needs of the niche market cruise industry. Further, the Acadian Peninsula has a clear, unique position in the marketplace, with the Acadian culture and joie de vivre that is so distinctive.

## **8.2 The Acadian Peninsula’s Cruise Market Readiness – SWOT Analysis**

### *Strengths:*

1. Acadian culture, pride and “joie de vivre” – product that is currently not available on any cruise itinerary.
2. Authentic, market-ready experiences that offer guests the opportunity to engage with this unique culture, and they can easily be packaged into solid excursions.
3. Visitor services and shopping in close proximity to the pier, as well as shore excursion options that can be accessed with minimal travel time.
4. French Acadian culture, with ability to deliver all of the experiences to guests in English (the main language of cruise ship visitors).
5. Demonstrated ability to accommodate cruise ship visitors and exceed their expectations with a warm welcome, excellent experiences, and high degree of participation and interest from the community. The Acadian Peninsula’s reputation is growing and momentum is building.
6. A cruise committee that is working together to pursue the cruise market and ensure cruise ship visitors have remarkable experiences.
7. Port of Caraquet is market-ready, having made all necessary investments including port readiness workshops, best practices, ISPS compliance, etc. Further, pilotage is not compulsory for the Port of Caraquet.

### *Weaknesses:*

1. Seasonality, with attractions and key experiences closed and unavailable during the peak season for cruise ships (June, September & October).
2. Availability of transportation for guests, from buses to taxis.
3. No tour operator in the region. Stakeholders will need to work together to provide that service.

4. Demand for the region – guests may have it, but cruise line decision makers lack awareness of the region.
5. Perception that the work done so far is only for Caraquet and not the Acadian Peninsula as a whole. The Acadian Peninsula has the greatest opportunity in this market, and working together will be imperative in order for it to succeed.
6. Ability for all stakeholders in the region to work together for the greater good over the long-term is a concern. All stakeholders seem very focused on protecting their own piece of the pie, instead of working toward growing a bigger pie, so that everyone can get a bigger piece.

*Opportunities:*

1. Access to a new market, with a new source of visitors who can spread the word about the region.
2. Additional revenues and economic benefits for the region.
3. Lengthening the season, which could benefit other markets including leisure travelers.
4. Location in close proximity to where ships are currently sailing in the Canada / New England region and to other small ports that could make very nice itineraries - especially with the St. Lawrence, where significant investments are being made.
5. Forecasted industry growth over the long-term, especially in the niche cruise market.
6. Proximity to other small ports in the region that are pursuing the cruise market, as well as the Port of Halifax, with their Homeport Strategy to attract small ships to sail from Halifax on itineraries in the Canada / New England region.

*Threats:*

1. High winds in the fall may impact the ship’s ability to call on the port as scheduled and/or cause them to miss the call.
2. Competition from other small ports in the Canada / New England region.
3. Competition for our region from other emerging regions around the world.
4. Niche Market Cruise Lines often have fewer vessels in their fleets, so they may move vessels around more, returning to a region every 2-3 years instead of every year.
5. ECA, the Emissions Control Area, that is coming into effect in 2015 has the potential to impact the cruise industry and its growth throughout the entire Canada / New England region.

### 8.3 Key Recommendations

Of the entire Northern New Brunswick region, it is the Acadian Peninsula that has the most opportunity and the most potential to see immediate and significant growth in the cruise market. It has a prime location, close to where ships are currently sailing in the Canada / New England region, and it offers a distinct culture and unique experiences that can’t be found anywhere else, not to mention a joie de vivre and warmth from the community that is so valued, especially by the niche cruise market.

***Key Recommendation:***

*We recommend that the Acadian Peninsula actively pursue the cruise market, with the message of its unique Acadian culture and the remarkable experiences that allow guests to engage with this culture.*

However, there are two significant issues that need to be resolved before moving forward with a strategy.

**i. Ports**



**Port of Caraquet, NB**



**Port of Shippagan, NB**

*(Source: Fisheries and Oceans Canada 2009)*

Through this process, it became clear that both the Port of Caraquet and the Port of Shippagan were very interested in the cruise market, and extensive research was done to determine the best model for success for the Acadian Peninsula in the cruise market.

The Port of Caraquet is ready for cruise ship calls and is very well positioned to meet their needs with minimal additional investment. They are market-ready for the cruise industry, with proper security protocols, ISPS compliance, and so on. This is also the port that has already taken steps and begun to build a name for itself in the cruise market, and it would be of the greatest benefit to the region to continue to build on this momentum.

The Port of Shippagan is very interested in the cruise market, and at first glance, looks like it could also be a viable option for cruise ship calls. It has a welcoming waterfront with an attractive boardwalk, and services within walking distance for guests. However, it was difficult to get relevant marine information on Shippagan to determine the viability of the port for the cruise market. Extensive research eventually revealed that the channel on the approach from the north is narrow and quite shallow, although it does appear to be right around the minimum general guidelines for the small ships in the niche cruise market, and other approaches are either not viable or not charted. For cruise lines looking at the region and its ports, they would look to the same authorities we did for information, and the fact that information was not immediately available would be a deterrent for the cruise line.

Our research also revealed that both ports were looked at by at least two cruise lines, and in both instances, Caraquet was chosen as the port of call. The cruise lines we interviewed were not able to pinpoint one specific or compelling reason, but indicated that Caraquet “felt” better, appeared to have more experience with larger vessels, had more of the services they wanted on the waterfront, and presented itself as the better option for their guests.

Considering the region has an excellent, viable option with the Port of Caraquet, we recommend that the Port of Caraquet be the port that the cruise ships call on to access the Acadian Peninsula. The Port of Shippagan does have potential to develop into a more solid option for cruise ship calls, although significant investment would be required, and therefore we did explore models where one destination has more than one port option for berthing. However, we do not recommend a model like this for the Acadian Peninsula. When one destination is promoting more than one berthing option in different communities, often the destination pulls apart more than it works together – and working together is critical for success in this industry. Further, it requires twice the funds in investments to become market-ready and maintain those levels of readiness, funds that could be much better invested in marketing the region to get more ships for the benefit of the region as a whole.

**Key Recommendation:**

*We recommend for the region to build on the current momentum, and to grow the cruise market with the port of call being Caraquet. In the future, if the growth is significant enough to warrant additional investment and a second port option is needed to continue to grow the market, then discussions could ensue at that time to explore where the investment should be made, such as investment in the port of Shippagan to become a secondary cruise port or investment to develop a second cruise berth in Caraquet.*

It is important to note that although Caraquet is the port facility where the ship docks, from the cruise lines' perspective, it is the entire Acadian Peninsula that is the destination, and it is the entire destination that benefits from cruise. The economic benefits of cruise do not lie in the fees associated with the port, for although cruise ship visits do generate revenues for the port, the profit margins for the port itself are marginal. The primary economic benefit is spread throughout the region, in terms of shore excursions, admissions to attractions and experiences, shopping, and so on – and the entire region has the opportunity to benefit from cruise.

The Acadian Peninsula is the destination sell, so everyone wins, no matter where the ship is docked. And different areas within the region can work together to maximize the opportunities that these visiting cruise ships bring. Taking Shippagan for example, it is very likely that guests from cruise ships will come to Shippagan to visit the Aquarium and Marine Center, one of the region's key attractions. The stakeholders in Shippagan could do things to further maximize the benefits of those guests visiting the town, such as: set up a small market with vendors selling local wares along the boardwalk by the Center; invite media to cover the story of what the guest experience in Shippagan, and so on.

**ii. Champion**

Because this region has the greatest opportunity and the greatest momentum, it is critical that the entire region continue to work closely together, as that is perhaps the most critical element in ensuring success in this market. Additionally, it is of vital importance for a cruise destination to have a great champion, and this region is blessed with two such champions and a strong cruise committee who have already been active in the market and have begun forging relationships and building a name for the region.

When considering champions, it is important to consider which organization should lead the charge, for as we have identified, success points to having a champion whose job it is to grow the market – not a volunteer. But additionally, it is critical to consider the personality and skills of the champion, for they

must be passionate and keen to actively work the plan and build the relationships over the long-term that are critical to success in this market.

When considering all of the factors for the Acadian Peninsula, we recommend that L'office du tourisme de la Péninsule acadienne (OTPA) lead the file, if this organization has cruise as a priority in its mandate and if it can work closely with the Town of Caraquet / Port of Caraquet, with whom there would need to be a formal partnership. The champions of the cruise file would ideally be one from the OTPA and one from the Town of Caraquet and/or Port of Caraquet. The roles of the champions would need to be clearly outlined in the formal partnership agreement. Presently filling the lead roles are Réaldine Robichaud (OTPA) and Daniel Landry (Town of Caraquet), with support from Daniel Landry (Port of Caraquet). These individuals perfectly fit the criteria for Cruise Champions, and they already have relationships established with stakeholders in the industry and with cruise lines. With the strong support from an active cruise committee, these champions can continue to forge the path toward continued and growing success in the cruise market.

Additionally, the current cruise committee needs to continue in its role, led by the OTPA and expanded to include stakeholders from throughout the region as a whole. It should include representation from the key attractions and the key communities from throughout the Acadian Peninsula, as this market will benefit the whole region and both investment and participation from the whole region, not just the Port and Town of Caraquet, is required for it to be successful.

## **8.4 Four Critical Keys to Success in the Cruise Market – Acadian Peninsula Analysis**

1. A port-destination that wants the cruise business.

It is clear that the various stakeholders from throughout the Acadian Peninsula are keenly interested in the growth of the cruise business. However, the critical component of working together to achieve success remains to be seen.

2. A strong, strategic plan to pursue the cruise business with action items and measurable goals.

The Acadian Peninsula is currently market-ready enough to sell to the cruise lines, and there is some work to be done to have a plan in place for servicing the cruise ship calls. This document is the first step in a comprehensive strategic plan, which the champion and cruise committee should further develop with implementation steps and measurable goals.

3. A passionate champion whose job it is to lead the charge and really work the plan to get the cruise bookings.

A cruise champion needs to have the passion and the drive to make cruise happen for the Acadian Peninsula. It is important that it is not a volunteer, but someone whose job it is to lead the charge and achieve results. They must actively pursue the market, not just be an order-taker, with active sales and marketing activities, and be in it for the long-term, as this is a relationship market. As is noted previously, to date the Acadian Peninsula has been blessed with two strong champions and an excellent cruise committee. Moving forward, we recommend:

- The OTPA have cruise as a top priority in its mandate and lead the file, in close collaboration with the Town of Caraquet / Port of Caraquet.

- The Champions be one from the OTPA, and one from the Town of Caraquet and/or the Port of Caraquet, building on the relationships they have already established.
  - The Cruise Committee continue in its role, and expand to include stakeholders from the key attractions and communities from throughout the Acadian Peninsula.
  - Investment and participation needs to come from across the Acadian Peninsula, as it is the entire Acadian Peninsula who will benefit from cruise.
  - A written partnership agreement among the stakeholders, which also includes the formalization of the cruise committee, the mandate of the champion(s), and the roles and responsibilities of all stakeholders.
4. A budget to use for sales & marketing activities to pursue the cruise market.

It is critical for success that a budget is designated to pursue the cruise market, and it needs to be available annually and for the long-haul. It takes from 3-5+ years to achieve results, and after results are achieved, the activities need to continue to keep and grow the business. Investing only for a year or two is, quite simply, a waste of money. Further, the investment is significant. Our research indicates that small ports that are seeing success have sales & marketing budgets of at least \$10,000-\$15,000 annually and they work hard to squeeze the most value out of every dollar. Those with bigger budgets, of course, can do more and have the potential to achieve results faster.

To date, the Port of Caraquet, the Town of Caraquet, and Entreprise Péninsule have all made financial investments in the marketing activities that have taken place in pursuit of cruise. We recommend that a model of participation is implemented that involves contribution to an OTPA-driven marketing budget, ensuring the investment is spread around the whole Acadian Peninsula, as the economic benefits of the cruise business will be.

## **8.5 Action Items to Become Market Ready and Pursue the Cruise Market**

For the Acadian Peninsula to continue to have success in the pursuit of the cruise market, this is a list of action items that would be required:

### **Action Items:**

- A. Finalize the cruise committee and the cruise champion(s). Draw up a partnership agreement among the stakeholders, and formalize the cruise committee, as well as the mandate of the champion(s) and the roles and responsibilities of all stakeholders.
- B. Determine a budget and where money will come from to fund the various cruise-related activities, especially the sales and marketing tactics.
- C. Educate the decision makers at the cruise lines about l'Acadie. It is believed that there is destination awareness from potential guests, but perhaps not the cruise executives. Both education about the destination and the fact that their guests have an awareness of the destination will be important.
- D. Finalize the product inventory with list of key products and experiences that would suit the cruise guests and develop them into solid excursions. The tours and available experiences in the destination are key selling features when convincing a cruise line to call on your port. Some examples of key products and sample excursions are included below.



- E. Develop a process for shore excursion development. This includes keeping up-to-date on possible shore excursion ideas, as cruise lines will want to know “what’s new”, even after only one year. It is very important to keep excursion offerings fresh and new. This process should include keeping in contact with the Product Development Officer in the region to stay current with new product opportunities, and to support new product development that would be a good fit for the cruise market, especially if it is product that showcases the Acadian culture and heritage. This process may also include developing new product, as cruise is a very different market, and product that can be developed for cruise can be “one-off” types of experiences.
- F. Determine how tours would operate and who will play the role of the tour operator. This is a key component and the question would need to be answered in order to sell the port. Currently there is no local tour operator, so the entity tasked with organizing and delivering the tours would need to ensure they have proper insurance, etc.
- G. For the Port of Caraquet, ensure continued compliance with ISPS for visiting cruise ships, as well as security, insurance, risk management, and other requirements for successful cruise ship visits. Additionally, stay current with Canada Border Services Agency on changes to regulations surrounding cruise ships, in the rare event that Caraquet is a ship’s first point of entry into Canada.
- H. There is no port infrastructure development that is immediately necessary for the Port of Caraquet. There is ample space for guests to disembark, with a welcome area and space for transportation nearby, although consideration may want to be given to a tent for a welcome area in case of inclement weather. In the future, as growth warrants it, an enclosed space for a terminal is nice and definitely demonstrates to the cruise industry a commitment to the market; however, it is not necessary, and definitely not before there are significant numbers to warrant such an investment. Further, we would only recommend this investment if there was a solid business case to support a multi-use facility that the community could benefit from year-round.
- I. As the cruise industry grows, transportation for independent guests, such as taxis, will need to be addressed. With ships such as the Yorktown, who offer the same excursion to all guests onboard, transportation for independent guests is not necessary, but this could become more important for other potential lines, and solutions should be sourced.
- J. All of the different cruise lines in the niche market operate their shore excursion programs differently. The region and its stakeholders need to be prepared for those differences, and work with each line to give them what they each require. Although many of the small ships include the shore excursions as part of the cruise cost as did the Yorktown, there are just as many cruise lines that offer shore excursions for sale to guests both prior to sailing and onboard, and that means giving the lines more options to choose from, as well as being prepared for more guests who may choose to walk off and explore on their own.
- K. Establish a “standard” welcome program that can be delivered to all ships, and start as you mean to go on. If word gets out that you do a mini “tintamarre” for arriving ships, make sure you are ready to do it for each ship, and for always. It will be part of your reputation and what guests and cruise lines will expect, and cruise lines are not impressed when those types of things are discontinued.
- L. Develop a map of the area to hand to visiting cruise guests that highlights what there is to see and do in the area, especially including what is within walking distance. The map does not need to be an expensive piece – it is the functionality that is of paramount importance. We’ve seen nice colour photocopies of a good map work just fine. Also evaluate the signage in the area and determine if additional signage is needed.

- M. Develop an inventory of Tour Guides, Transportation Providers, and other contacts for services and excursions. Consider training for Tour Guides to ensure they are delivering exceptional service and can meet the unique needs of cruise visitors.
- N. Address seasonality of attractions and key experiences – both for excursions and for the destination sell. It is very important when developing excursions to ensure that cruise lines can be assured of the same level of experience for their guests whether they are calling in May, July or October, and whether on a Wednesday, Saturday, Sunday or holiday.
- O. Develop and implement a sales and marketing plan. Some of the key components and tactics to consider in a sales and marketing plan for the cruise market are outlined in the following pages.
- P. Develop and implement a communication plan. Some of the key component and tactics to consider in a communications plan for the cruise market are outlined in the following pages.

## **8.6 Sales & Marketing to the Cruise Industry**

The stakeholders of the Acadian Peninsula have already begun some of the specific tactics outlined here. Nonetheless, these are some of key activities and tactics that should be part of a sales and marketing strategy for the cruise lines.

### **A. A cruise specific marketing message**

It is critical when marketing to the cruise lines that a destination’s marketing message showcase what is unique and different about the destination, ideally, what already has destination awareness among the cruise line’s potential guests. It is important to remember that everyone marketing to the cruise lines has breathtaking scenery, beautiful coastline, and friendly people. To be successful, a destination’s marketing message needs to showcase what is unique to them.

For the Acadian Peninsula, we would recommend that the marketing message for cruise be built around l’Acadie and the Acadian Culture. There already exists a certain level of awareness around l’Acadie and the Acadian Culture, which can be built on for cruise guests and communicated to cruise executives. And there are key experiences that enable guests to engage with l’Acadie and the Culture, providing an excellent combination for a destination sell to the cruise lines.

### **B. Identification of key experiences and shore excursions**

It is the key experiences and shore excursions in a destination that will be integral to selling the cruise line on your destination. The Acadian Peninsula has a significant amount of excellent, market-ready products and experiences that are authentic and showcase the unique Acadian culture. Some of the top ones that we would recommend including in your destination sell include the following potential shore excursions:

#### **1. Acadian Village**

Step into the world of the early Acadians at the award-winning Acadian Historical Village. A historical reconstruction that portrays the way of life of Acadians between 1770 and 1949, interpreters in period dress bring ancestral customs and traditional trades to life. They go about their daily chores in more than 40 authentic heritage buildings, and they work in fields and farmyards that are stocked with animals that the early Acadians raised to support themselves.

Among the attractions is Château Albert, a replica of a turn-of-the century hotel that once existed in Caraquet. Enjoy a guided tour of some of the buildings, including the opportunity to hear traditional Acadian music, have a traditional Acadian meal at the Château Albert, and celebrate Acadian-style!

## 2. New Brunswick Aquarium & Marine Centre

An excursion to this remarkable centre will introduce you to more than 100 species from the nearby waters. Embark on a guided tour with an interpreter to explore this amazing site, where experts have created special microhabitats in different aquariums to make each of the more than 50 families and more than 100 species feel right at home. You'll also have an opportunity to chat with a Captain to learn all about fishing in the region, and he'll even let you take the controls in his indoor wheelhouse! With a fascinating touchtank, an opportunity to visit with the seals, and exclusive access to behind the scenes reserve and research tanks, this is an experience you won't soon forget!

## 3. Treasures of the Sea in L'Acadie

Ideal for a small group, this experience would include opportunities to learn about the various fishing industries on the Acadian Peninsula, including fishing demonstrations and chats with local fishermen. Including components on lobster fishing, oyster fishing (including a visit to the Oyster Economuseum), and more, this is a local experience that guests will remember. And of course, no tour of the Treasure of the Sea in l'Acadie would be complete without a seafood lunch!

## 4. Lameque Eco-Park Nature Experience

Join a naturalist interpreter for an in-depth exploration of the unique ecosystems that thrive on the Acadian Peninsula. Start at the Interpretation Centre, where you'll be introduced to the fragile nature of the unique ecosystems that surround you. Then make your way outside, where a naturalist will guide you along trails, a footbridge, and a boardwalk, which stretches across an estuary and into the forest. Watch for a wide variety of birds and other wildlife, as you learn about the remarkable eco-systems that co-exist here on the Acadian Peninsula.

## 5. Join the "Tintamarre"!

*Joie-de-vivre* is at the heart of Acadian culture, and why not join the party! Craft your own costume and make some noise during the music and merriment of the Tintamarre. Tintamarre is translated as 'clangour' or 'din,' when Acadians take to the streets and make as much noise as they can to celebrate! Join a local artist to learn about this unique cultural celebration, and craft a traditional costume, mask and noise-maker. Create your own special Acadian tokens of celebration, and let the music and merriment begin!

*Note:* We recognize that this program is not available regularly, but if it could be arranged for small groups of cruise ship guests, it would be an excellent experience. Perhaps the community would even hold a Mini-Tintamarre at the end of the day, and the guests from this excursion could join in with their costumes, masks and noisemakers, or the group could have a mini-Tintamarre at the end of the experience.

### Important Notes on Key Experiences & Shore Excursions:

- The shore excursions listed here are only samples, and could be further developed or packaged together in numerous ways or with the addition of various elements to create different excursions.
- One or two new shore excursion ideas should be developed every year, as cruise lines always want to know “what’s new” to keep the destination enticing, especially for their repeat cruisers.
- Shore excursion development for the cruise industry can include products that may not be suitable for other markets. Because the dates are known in advance and in limited number, shore excursions can be created for delivery only to the cruise market, almost like a small event of its own. This is an excellent opportunity.
- There are a wide variety of other market-ready products that could be packaged into solid shore excursions that would appeal to the cruise lines. However, these are some that fit with the recommended destination sell, fit the niche market, and showcase the variety of ways guests can engage with the Acadian culture.

### C. Specific recommended marketing tactics

Marketing the Acadian Peninsula to the cruise industry is integral to the success of cruise in the region. The fact that the region hosted two ships in 2012, with four more scheduled in 2013, is a giant step in the door and a message that should be included with other key marketing messages. Cruise lines tend to shy away from being first in a destination, and one of their first questions is often around which other cruise lines have visited the port. The calls from the Yorktown enable the Acadian Peninsula to demonstrate that they have experience and success in the niche market with small ships, and cruise lines will look on this favourably. Testimonials from passengers and from the cruise line would be excellent to include with the destination messaging.

Identifying which cruise lines are opportunities and reaching the cruise lines with the message that the Acadian Peninsula is ready for cruise business is the next step and key to the growth of the cruise industry for the region. The Acadian Peninsula’s primary market is the specialty niche market, and a list of the cruise lines from the specialty niche market that are currently sailing in the Canada / New England region is found in Appendix F.

There is a wide variety of marketing tactics that could be considered for a strategic sales and marketing plan for the cruise industry. However, based on our experience and research, these are some of the most valuable and effective.

- **Visuals.** It is likely that the cruise executives who make the decisions about which ports to include in an itinerary have never been to those ports, so being able to provide them with visuals is extremely important. Your web presence should include visuals (see more on web presence, below). You should also have visuals that you could show executives during face-to-face meetings, whether an iPad with a brief presentation and pictures or a binder of pictures and specs that highlight the port, the waterfront area, and the main attractions. However, a high volume of glossy brochures are not necessary.
- **Web Presence.** Ideally, your destination will use its strong web presence to feature sections that speaks to cruise, from photos to port specs. The OTPA, the Port of Caraquet, and the Town of Caraquet should all have a strong cruise message on their websites, with information both for

cruise executives and potential cruise visitors. Other partners should feature the main cruise messages about the destination being open for cruise business and welcoming cruise visitors on their websites also. It is also very important to keep the websites up-to-date. For example, the Caraquet website needs updating, as it still says that the Yorktown is coming in June 2012. There is the opportunity to include the story of how successful the 2012 calls were, list the schedule for 2013, feature photos of the port and destination, a list of potential experiences for cruise visitors, and so on. Also, ensure that the port specs and messaging on the ACCA remain current and consistent with information on other key websites in the region.

- **Sample Itineraries.** Although not necessary, sample itineraries can be helpful in demonstrating to the cruise lines how you can fit in itineraries with other ports. You should also have a map that shows where you are located, and where other ports (small and large) in the region are located.
- **Strategic Partnerships.** Determine who your strategic partners are and develop opportunities to work together. For instance, we would recommend your strategic partners would include other small ports in the region with whom you could be on the same itinerary; the Port of Halifax with their Homeport Strategy; etc. Think strategically as you explore partnership opportunities and how best to work together to benefit all. Perhaps it is through a joint marketing campaign to reach the cruise lines, the development of sample itineraries, or other strategic activities that would allow you to leverage resources. While some of your partners may be members of organizations such as ACCA or the St. Lawrence Cruise Association, others may not be. Some examples that come to mind of potential strategic partners include Cheticamp for the Acadian theme, St Pierre & Miquelon, Tadoussac, and les Iles de la Madeleine.
- **Atlantic Canada Cruise Association (ACCA) Membership.** The ACCA is primarily a marketing organization that works to attract cruise lines and grow the cruise business to the Atlantic Canada region. They have a membership category for Associate Ports, with a wide variety of great membership benefits, and we do recommend that the Acadian Peninsula continue this membership in the Associate Ports category and feature the Port of Caraquet. However, the true value of membership comes from working it. Maximize your membership by taking advantage of the expertise and experience around the table, getting involved with the network of other Associate Ports and encourage activity with them, and get engaged with the ACCA's activities and opportunities, which include funds designated for Joint Marketing Activities with cruise lines from the specialty/niche market to benefit the Associate Ports.
- **Canada / New England Cruise Symposium.** The regional conference for the cruise industry, the Canada / New England Cruise Symposium is held annually in June, and rotates throughout the region. In 2013, it is being held in Boston, and in 2014 in Corner Brook. Partners from Caraquet attended this conference in 2012, and we recommend that attendance at this event continue. This conference focuses on issues that are more specific to Canada / New England, and participants include executives from cruise lines as well as ports, destinations, and cruise suppliers from the Canada / New England region. Again, however, attendance at the conference alone is not enough; work the opportunity. Also, this event usually includes a roundtable for the Associate Ports to meet Cruise Executives during a speed-networking style event. Be ready with your visuals, port specs and testimonials, and be prepared with your 30-second pitch.
- **Direct Contact with Cruise Lines.** This is a critical component to a destination's sales and marketing plan. You must reach out directly to the cruise lines to achieve the bookings, and you need to be sure you are talking to the right people. Direct sales can be done in various ways, and a strong sales and marketing plan will include a variety of the following:

- Direct phone calls and emails to cruise executives. Without harassing them, it is important to ensure that your destination stays top of mind with cruise executives. Always make sure, however, that your messages are reaching the right decision makers at the cruise lines. The Food & Beverage Manager has no influence over a ship calling on a destination, but the Itinerary Planner has significant say.
- Direct mail campaigns can also be effective, and allows you the opportunity to get a visual image in front of the cruise executive. An inexpensive postcard campaign – say a series of 5 beautiful postcards with the one of the Top 5 reasons their cruise guests will love your destination handwritten on each, mailed a week apart – can be a very effective way to get noticed.
- Sales Missions – Actually going to meet with the cruise lines face-to-face can be an effective way to present your port for their consideration, and it can also be very helpful to building relationships with key cruise executives, which is important in this market.
- However you blend these activities in your pursuit of the cruise market, don't try to put too much into one piece. One time include a testimonial, another time a key experience, another time a great fact about the port. Smaller bits of information more often is more effective.
- **Familiarization Tours (FAMS).** Hosting a potential cruise client in your destination is an incredible opportunity. First and foremost, it gives you the opportunity to showcase your destination and its key experiences, and to sell the cruise line on your destination. Additionally, it allows you the opportunity to gain valuable feedback on what you are doing well as a destination and where you can improve to be successful with the cruise line. Jump on any opportunity to host a FAM for a cruise executive in your region, and invite executives to come and visit, either on your own or with other partners. Often, before or after a cruise symposium is a good time to encourage a FAM visit for executives who are already in the region.
- **Other Networking Events.** Other opportunities for networking with cruise executives also come up. For instance, members of the ACCA can participate in some events that the ACCA holds in various locations (i.e. New York, Miami) to promote the region to Cruise Executives.
- **Cruise Shipping Miami.** Cruise Shipping Miami is the main cruise industry conference, which is held annually in March in Miami, Florida. Representatives from almost all cruise lines are in attendance, as are suppliers for all aspects of the cruise industry, from ports and destinations from around the world to suppliers of ship necessities such as bathroom fixtures and soda machines. It is an expensive show to attend, although members of ACCA have the benefit of joining as exhibitors in their booth space as part of their membership benefits.

## 8.7 Communication within the Cruise Industry

To achieve success in the cruise market, communication is key. A communication plan that addresses all stakeholders in a cruise destination is one of the top priorities when pursuing the cruise market, and an ongoing communication plan should start right away.

An effective communication plan in the cruise market includes:

- a. internal communication among the stakeholders in the region
- b. external communication to the cruise industry, both in the Canada / New England region and globally

### ***Internal Communication Plan***

Communication among the key partners in the Acadian Peninsula will be critical to the growth of the cruise market, and this communication needs to be streamlined and clear, both among members of the Acadian Peninsula Cruise Committee, as well as its partners. Formalizing the committee will assist in this regard, but a clear internal communication plan is also critical.

Although many key partners will be included in the Cruise Committee, there are other partnerships that should also be considered. To have success in the cruise market, it is necessary for the port and destination to have strong partnerships and community support for cruise. Some of the partnerships that the region would want to pursue include:

- Partnerships with all communities in the region for support
- Partnerships between experience providers for packages
- Partnerships within the community to market and service the cruise industry

The internal communication plan should include:

- Identifying the various stakeholder groups that need communication, including the port, tourism organizations, town or city departments, tourism experience providers, key attractions, etc.
- Ensure the cruise committee has regular meetings and updates on progress. Other communications may also be employed, but face-to-face meetings must be part of the plan.
- Determine how best to communicate and engage the greater community. Because community support is integral to a successful cruise visit, it is critical to get community buy-in for cruise and to manage expectations. Work should be done to ensure that there is support for the cruise industry and willingness to work to meet the expectations of the cruise lines, especially from the municipality, the retail sector, and any other key stakeholders. The importance of the whole community being welcoming to the cruise industry, and especially the niche cruise market, cannot be stressed enough. Perhaps consider community engagement sessions or “town hall” style meetings.
- Hand in hand with attaining community support is managing expectations. It is important to have effective communication with the community to increase the awareness and value of cruise, while at the same time, being realistic about the benefits of cruise and the time it can take to see cruise growth. Ensure the community understands the needs of the cruise industry, such as being open while the ship is in port, being flexible to accommodate guests, and so on.
- Continue communication with various stakeholder groups when a cruise ship call is confirmed. Groups such as retailers, other front-line staff, and the community at large all require specific communication to ensure the call is a success. Also provide an opportunity for the community to debrief the cruise visit after it has occurred, discussing what went well and what improvements should be made before the next visit.

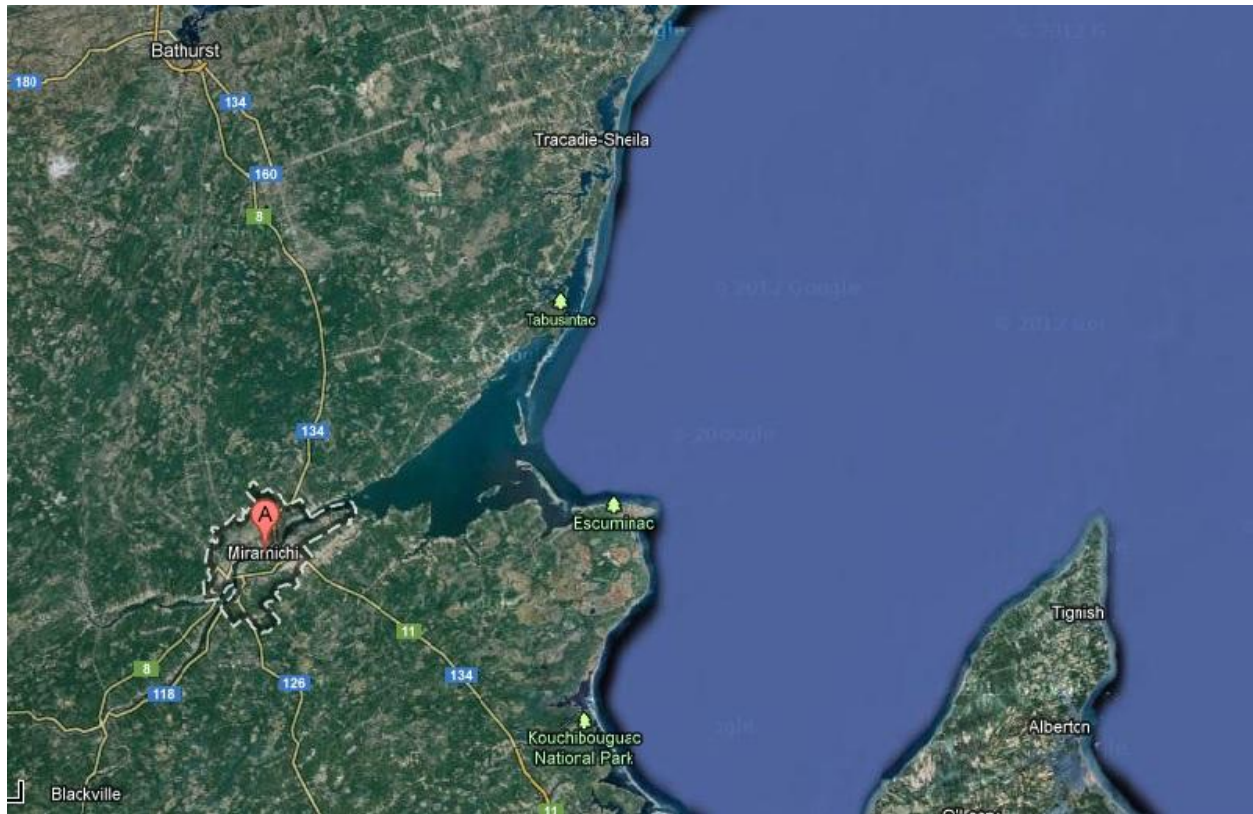
### ***External Communication Plan***

The external communication plan should include:

- Identification of key groups that need communication, including potential strategic partners (i.e. other small ports both in New Brunswick and throughout the region, the Port of Halifax with regards to their Homeport Strategy, other members of ACCA if the destination is a member) and cruise lines.
- Ensure regular communication and meetings with strategic port partners to explore synergies and how best to work together, and to keep communication lines open. Ideally, these strategic partnerships will enable the Acadian Peninsula to maximize resources, leverage support, learn from each other, and create a unified voice for small niche ports within the industry.
- Engage with ACCA membership to reach cruise stakeholders in the region and participate in their activities, especially those that are relevant to communicating key messages, such as providing stories for their newsletter and participating in their AGM and Annual Strategic Planning Sessions.
- Directly communicate with cruise lines, whether through attendance at networking events, one-on-one phone calls or emails, direct mail campaigns, etc. Ensure that communication channels are most effective for them, and ensure that visuals are part of the plan in some form.



## 9. Strategic Plan for Cruise Development for Miramichi



**Miramichi, New Brunswick**  
(Source: Google Maps 2013)

### 9.1 Current Situation

Miramichi's interest in the cruise market is not new, and they have made some commendable efforts in pursuing the cruise market. In 2009, the City of Miramichi held a port readiness workshop with stakeholders in the community, after which followed some encouraging cruise activity, such as membership in the ACCA, attendance at the Canada / New England Cruise Symposium, and fam trips for two cruise lines (Blount Small Ship Cruises and the now-defunct Canadian Sailing Expeditions). Some of the action items identified in the workshop that would be required to become fully port ready were also undertaken, including a thorough analysis of the various options for where a cruise ship could call, determining that the Newcastle Wharf was the best option, with which Transport Canada concurred.

Since that time, however, many changes have occurred, and Miramichi had more recently taken a step back from cruise. They discontinued their membership in ACCA and stopped any activity related to pursuing the cruise market. But upon learning that a strategy for cruise in the region was being developed, their interest was renewed.

One of the changes that has occurred since the port readiness workshop in 2009 is that now, none of the ports in Miramichi are owned or controlled by the city of Miramichi, nor are any of them being used for typical port use. They are now all privately-owned, and several are multi-use facilities, whether marinas, storage areas, or other industrial uses that are not related to port use. The prime location that

was identified for cruise ship business, the Newcastle Wharf, is now privately owned and not being operated as a port. While the property owners have expressed that they are always open to new business opportunities, their current business plans do not include using their facility as a port or pursuing business that would involve using the facility as a port, and they have no experience in port operations.

Additionally, commercial marine traffic of any sort into Miramichi has slowed to virtually a standstill, with the exception of the ships into Ultramar, which only require a light draft. The concern with sailing into Miramichi involves the changing depths of the channel due to silt, season by season. Dredging no longer occurs on the River, and no one has plans for dredging. Pilotage is compulsory in Miramichi, but through our research, several authorities expressed concern about recommending commercial traffic of any sizable vessel, including small cruise ships, sailing into the Miramichi River without continual dredging.

The potential shore experiences for cruise guests in the Miramichi region, however, are excellent. Miramichi has a wealth of tourism products that are market ready and could easily be packaged into shore excursions, and there are many unique, authentic experiences that would appeal to the niche market cruisers. With the Miramichi River, they also have an identity and a destination awareness that would allow them a unique position in the marketplace.

## **9.2 Miramichi’s Cruise Market Readiness – SWOT Analysis**

### *Strengths:*

- Destination Awareness of the Miramichi River. One of the things cruise lines look for from their ports of call is good awareness of the destination, and with the renowned Miramichi River and its reputation for salmon fishing, Miramichi has this level of destination awareness.
- Unique culture and authentic experiences. Miramichi’s blend of cultures is unique, and there are many opportunities to offer guests engaging experiences that showcase this unique culture.
- Excellent products, with enough diversity to offer a wide range of experiences, all of which are market-ready and easily packaged into solid shore excursions.
- Great community support for festivals & events, which would lend itself well to a welcome program and delivery of experiences for guests.

### *Weaknesses:*

- All port options are privately owned, putting the city in a precarious position for pursuing cruise as a long-term strategy, unless there is a long-term agreement. Further, currently all of the wharves are either not viable for cruise ships or not being used as port facilities. In particular, the property owners of the Newcastle Wharf, which has been identified as the best option for meeting the needs of the cruise market, have no plans to operate the facility as a port and no experience in this regard.
- Channel depth is questionable and is changing from season to season, becoming more shallow. This is rendering the charts inaccurate and posing increasing risk for ships interested in sailing into the Miramichi.
- Need for a passionate champion to lead the charge and develop long-term relationships within the industry. To date, the City of Miramichi has led the pursuit of the cruise market, and as the Director of Tourism, the bulk of the responsibility has fallen to Peter Murphy. However, Peter is admittedly nearing retirement, and the cruise industry is a relationship market that requires

long-term relationship building and commitment. A champion would need to be identified that has the passion and the drive to make cruise happen for the Miramichi.

- Lack of tour operator, transportation, tour guides, interpreters, etc. While there are some of these key services in the region, the area doesn't currently have enough to service the cruise market. Further, the lack of a tour operator means an entity would need to be identified to organize and deliver the tours for the cruise line, which would include carrying the relevant insurance.

*Opportunities:*

- Forecasted industry growth over the long-term, especially in the niche cruise market.
- The 3- to 4-hour sail into Miramichi gives opportunity for a tour guide to get onboard and interpret the sail into the River, turning the threat into part of the experience.
- Proximity to other small ports in the region that are pursuing the cruise market.
- Halifax's Homeport Strategy, in which the Port of Halifax is seeking opportunities with small ships to homeport in Halifax and sail on itineraries in the region, round-trip from Halifax. This is an excellent opportunity for small ports in our region.

*Threats:*

- River depth and air draft are threats for ships sailing into Miramichi, although air draft in Miramichi is not an impediment for the small ship segment of the niche market.
- Funding sources and lack of dollars for marketing and investing in the cruise market.
- Location requires a 3- to 4-hour sail from open water. Pilotage is compulsory, which means Pilots must be engaged to sail into Miramichi. With the current volume of traffic and the length of sail, this translates to substantial fees for visiting cruise ships. Further, pilotage requires the sail must be made during daylight hours. This restricts the options for a cruise line considering the port of call for a one-day visit, in terms of length of call and how the port can fit in an itinerary.
- ECA, the Emissions Control Area, which is coming into effect in 2015, has the potential to impact the cruise industry and its growth throughout the entire Canada / New England region.

### 9.3 Key Recommendations

There are some significant concerns with recommending Miramichi pursue and invest in the cruise market, especially considering that the potential return on investment to resolve these issues is low and the risk is high. Namely, the top challenges are:

***i. River Approach***

The river approach to Miramichi poses significant challenges. With silt affecting the channel depth from season to season, charts are inaccurate, and the depths are getting shallower each year. There is no dredging being done, but that is understandable considering the significant costs for dredging and the lack of commercial traffic to warrant it. Pilotage is compulsory, which adds significant expense to ships calling on Miramichi, but even with pilotage, authorities are reluctant to recommend any sizable commercial vessel sailing up the river. In order for a cruise line to consider calling on Miramichi, this would need to be resolved. There would need to be regular dredging, ensuring reliable charts and confidence that the ship could make a safe, smooth approach to the port of call.

**ii. Port**

All port options are privately owned, which does put the city in a precarious position for investing in and pursuing cruise as a long-term strategy, unless there is a long-term agreement in place. Currently, the facilities that are being used as commercial ports do not meet most of the other expectations of the cruise industry, such as a location that is within walking distance to shops and attractions, have a safe area for guests to disembark and dispatch tours, and more. Those that do, of which the Newcastle Wharf is the best option, are not being used as commercial ports currently, and the property owners do not have any current plans to use their facility as a port or pursue business that would involve using the facility as a port, nor do they have any experience in port operations. In order to recommend that Miramichi pursue the cruise market, there would need to be a long-term, comprehensive agreement between the City of Miramichi and the property owners to ensure that the significant investment that is required to pursue the cruise market is not lost. This agreement would need to include comprehensive details on a variety of topics including (but not limited to) port maintenance, ISPS compliance, insurance, security, and more.

**Key Recommendation:**

*We recommend that Miramichi not pursue the cruise market until the time that the two significant concerns regarding port facilities and the river approach are resolved.*

Further, the potential for return from the cruise industry alone on the investment that would be required to resolve these issues may not make a solid business case; however, if there was the potential for other commercial marine activity for Miramichi that would warrant the investment in resolving these two issues, then cruise would make the case even stronger. If these issues were resolved, then we would whole-heartedly recommend that Miramichi pursue the cruise market, as the product and experience of the Miramichi region is well-suited to the needs of the niche cruise market.

If these issues were to be resolved, the actions outlined in the detailed Miramichi strategy are the type of work that would need to be done to become fully cruise market ready, and to sell and market the region to the cruise lines.

## 9.4 Four Critical Keys to Success in the Cruise Market – Miramichi Analysis

1. A port-destination that wants the cruise business.

Miramichi as a community does indeed want cruise business, but the significant challenges around port facilities and approach would need to be resolved before it could be pursued.

2. A strong, strategic plan to pursue the cruise business with action items and measurable goals.

For Miramichi, we would recommend that first, they must resolve the issues around the port facilities and the approach. Then, a strong strategy should be developed to pursue the cruise market. Essentially, with the two challenges resolved, Miramichi would be market-ready enough to start selling to the cruise lines, and a cruise strategy should include the following components:

- a. Selling the destination to the cruise market, using the destination awareness of the Miramichi River and the key experiences as its destination sell.

- b. Conducting targeted sales and marketing activities to attract the cruise lines (general marketing and communication tactics outlined below).
  - c. Once a ship has committed to coming to the region, complete the action items for market readiness and prepare to deliver an excellent service.
3. A passionate champion whose job it is to lead the charge and really work the plan to get the cruise bookings.

As is noted above, the Director of Tourism with the City of Miramichi has led the cruise file to date, and that may be the right position to champion the cruise file in the future, as well. However, it is important to note that the cruise industry is a relationship market that requires long-term relationship building and commitment. The Champion of the cruise file in a community needs to have the passion and the drive to make cruise happen, and it should not be a volunteer, but someone whose job it is to lead the charge and achieve results. They must actively pursue the market, not just be an order-taker, with active sales and marketing activities. It could be a consultant that is hired to achieve this; however, it must be a long-term person as this is a relationship market.

4. A budget to use for sales & marketing activities to pursue the cruise market.

It is critical for success that a budget is designated to pursue the cruise market, and it needs to be available annually and for the long-haul. It takes from 3-5+ years to achieve results, and after results are achieved, the activities needs to be kept up to keep and grow the business. Investing only for a year or two is, quite simply, a waste of money. Further, the investment is significant. Our research indicates that small ports that are seeing success have sales & marketing budgets of at least \$10,000-\$15,000 annually and they work hard to squeeze the most value out of every dollar. Those with bigger budgets, of course, can do more and have the potential to achieve results faster. During our consultations with Miramichi stakeholders, when the conversations turned to budgets, the refrain that was repeated was “there is no money”.

## **9.5 Action Items to Become Market Ready and Pursue the Cruise Market**

For Miramichi to become market ready and pursue the cruise market, this is a list of action items that would be required:

- A. Develop a long-term agreement with the property owners of the port facility that addresses meeting the needs of the cruise industry. It would need to include (but not be limited to) regular upkeep and maintenance of the port facilities and infrastructure, ISPS compliance, security, etc.
- B. Ensure investment in dredging and regular updates of the depth of channel. The current situation is a significant deterrent to the cruise lines.
- C. Determine a champion. As outlined above, the champion needs to be a leader who is passionate about seeing success in cruise, who will actively work the plan over the long-term, and whose job it is to achieve results (not a volunteer).
- D. Establish a cruise committee, comprised of key cruise stakeholders in the region. The committee would be led by the champion but all play a role in the pursuit of the cruise market and the delivery of successful cruise calls.
- E. Determine a budget, and where the funds will come from to make the investment that is required in sales and marketing activities to attract the cruise lines. As mentioned above,

successful small ports have a budget of at least \$10,000-\$15,000 and they squeeze the value out of every dollar. Those with larger budgets can do more.

- F. Determine how tours would operate and who could play the role of the tour operator. This is a key component and the question would need to be answered in order to sell the port. Currently there is no local tour operator, so the entity tasked with organizing and delivering the tours would need to ensure they have proper insurance, etc.
- G. Finalize the list of key products and experiences that would suit the cruise guests and develop them into solid excursions. The tours and available experiences in the destination are key selling features when convincing a cruise line to call on your port. Some examples of key products and sample excursions are included below.
- H. Develop and implement a sales and marketing plan. Some of the key components and tactics to consider in a sales and marketing plan for the cruise market are outlined in the following pages.
- I. Develop and implement a communication plan. Some of the key component and tactics to consider in a communications plan for the cruise market are outlined in the following pages.
- J. Once a ship is committed to calling on Miramichi, more work would need to be done to prepare for their call. This would include (but not limited to) a welcome plan, inventory of necessary service providers (i.e. tour guides, transportation), maps and signage, etc.

## **9.6 Sales & Marketing to the Cruise Industry**

Should the time come that Miramichi is cruise market ready and intends to pursue the cruise market, a comprehensive sales and marketing plan should be developed and implemented. However, these are some key activities and tactics that should be considered when developing a sales and marketing strategy for the cruise lines.

### **A. A cruise specific marketing message**

It is critical when marketing to the cruise lines that a destination's marketing message showcase what is unique and different about the destination. Ideally, it will showcase what already has destination awareness among the cruise line's potential guests. It is important to remember that everyone marketing to the cruise lines has breathtaking scenery, beautiful coastline, and friendly people. To be successful, a destination's marketing message needs to showcase what is unique to them.

For Miramichi, we would recommend that the marketing message for cruise be built around the Miramichi River and the blend of cultures on the Miramichi, from Native to Irish, from Scottish to Acadian. There already exists a certain level of awareness around the Miramichi River and salmon fishing on the Miramichi. It is the River and the Culture that sets the region apart. And there are key experiences that enable guests to engage with the River and the Culture, providing an excellent combination for a destination sell to the cruise lines.

### **B. Identification of key experiences and shore excursions**

It is the key experiences and shore excursions in a destination that will be integral to selling the cruise line on your destination. Miramichi has a significant amount of excellent, market-ready products and experiences that are authentic and showcase the Miramichi River and the region's unique culture. Some

of the top ones that we would recommend including in your destination sell include the following potential shore excursions:

**1. Salmon Fishing on the Miramichi**

Step into the salmon pools with your guide and cast your fly in anticipation of catching a beautiful salmon on this world renowned River. After your fishing adventure, enjoy a mouth-watering salmon meal.

**2. Miramichi Culture: Beaubears Island, Metepenagiag and Middle Island**

This tour introduces you to all of the cultures that have blended to give Miramichi its unique culture today – Acadian, Native, Scottish and Irish. Explore Beaubears Island with heritage interpreters, travelling with them by pontoon boat to Wilson’s point. Then journey on to Metepenagiag Heritage Park to experience the Native culture, and conclude your tour at Middle Island and a performance by the Miramichi Heritage Players.

**3. Mi'kmaq Canoe & Clambake at Kouchibouguac**

At Kouchibouguac National Park, canoe through shallow waters to the spot where you’ll dig for clams. After your buckets are full, canoe on to the beach for a delicious clambake. You’ll also meet a Native Park Interpreter who will teach you about the traditional way of baking bread in the sand.

**4. Miramichi Riverboat Tours**

Your captain will regale you with captivating and funny stories of local lumberjacks, shipbuilders, and fishers as you cruise this mighty river in style, getting a taste of the scenery and unique culture all at the same time.

**5. Miramichi Celebrates!**

Miramichi is a city of festivals, and with our blend of culture comes a unique blend of music, performed by some unique local characters! Whether you’d like to join in a Miramichi Kitchen Party, grab a seat at the Miramichi Opry, or take in a performance of the Miramichi Heritage Players, we can ensure a performance is ready for you.

It is important to note that there is a long list of other market-ready products that could be packaged into solid shore excursions that would appeal to the cruise lines. However, these are some that fit with the recommended destination sell, showcase a variety of experience types (from moderately active to sightseeing), and showcase the variety of ways guests can engage with the culture of Miramichi.

**C. Specific recommended marketing tactics**

There are a wide variety of marketing tactics that could be considered for a strategic sales and marketing plan for the cruise industry. However, based on our experience and research, these are some of the most valuable and effective.

- **Visuals.** It is likely that the cruise executives who make the decisions about which ports to include in an itinerary have never been to those ports, so being able to provide them with visuals is extremely important. Ideally, your destination will have a web presence that is kept up to date, and that features a section that speaks to cruise, from photos to port specs. You should

also have visuals that you could show executives during face-to-face meetings, whether an iPad with a brief presentation and pictures or a binder of pictures and specs that highlight the port, the waterfront area, and the main attractions. However, a high volume of glossy brochures are not necessary.

- **Sample Itineraries.** Although not necessary, Sample Itineraries can be helpful in demonstrating to the cruise lines how you can fit in itineraries with other ports. You should also have a map that shows where you are located, and where other ports (small and large) in the region are located.
- **Strategic Partnerships.** Determine who your strategic partners are and develop opportunities to work together. For instance, we would recommend your strategic partners would include other small ports in the region with whom you could be on the same itinerary; the Port of Halifax with their Homeport Strategy; etc. Explore partnership opportunities and how best to work together to benefit all. Perhaps it is through a joint marketing campaign to reach the cruise lines, the development of sample itineraries, or other strategic activities.
- **Atlantic Canada Cruise Association (ACCA) Membership.** The ACCA is primarily a marketing organization that works to attract cruise lines and grow the cruise business to the Atlantic Canada region. They have a membership category for Associate Ports, with a wide variety of great membership benefits, and we do recommend membership for small ports who are serious about the cruise industry. However, the true value of membership comes from working it. Take advantage of expertise around the table, work the network of other Associate Ports, and get engaged with their activities and opportunities.
- **Canada / New England Cruise Symposium.** The regional conference for the cruise industry, the Canada / New England Cruise Symposium is held annually in June, and rotates throughout the region. In 2013, it is being held in Boston, and in 2014 in Corner Brook. This conference focuses on issues that are more specific to Canada / New England, and participants include executives from cruise lines as well as ports, destinations, and cruise suppliers from the Canada / New England region. Again, however, attendance at the conference alone is not enough; work the opportunity. Also, this event usually includes a roundtable for the Associate Ports to meet Cruise Executives during a speed-networking style event. Be ready with your visuals, port specs and testimonials, and be prepared with your 30-second pitch.
- **Direct Contact with Cruise Lines.** This is a critical component to a destination's sales and marketing plan. You must reach out directly to the cruise lines to achieve the bookings. This can be done in various ways, and a strong sales and marketing plan will include a variety of the following:
  - Direct phone calls and emails to cruise executives. Without harassing them, it is important to ensure that your destination stays top of mind with cruise executives. Always make sure, however, that your messages are reaching the right decision makers at the cruise lines. The Food & Beverage Manager has no influence over a ship calling on a destination, but the Itinerary Planner has significant say.
  - Direct mail campaigns can also be effective, and allows you the opportunity to get a visual image in front of the cruise executive. An inexpensive postcard campaign – say a series of 5 beautiful postcards with the one of the Top 5 reasons their cruise guests will love your destination handwritten on each, mailed a week apart – can be a very effective way to get noticed.



- Sales Missions – Actually going to meet with the cruise lines face-to-face can be an effective way to present your port for their consideration, and it can also be very helpful to building relationships with key cruise executives, which is important in this market.
- **Familiarization Tours (FAMS).** Hosting a potential cruise client in your destination is an incredible opportunity. First and foremost, it gives you the opportunity to showcase your destination and its key experiences, and to sell the cruise line on your destination. Additionally, it allows you the opportunity to gain valuable feedback on what you are doing well as a destination and where you can improve to be successful with the cruise line.
- **Other Networking Events.** Other opportunities for networking with cruise executives do also come up. For instance, members of the ACCA can participate in some events that the ACCA holds in various locations (i.e. New York, Miami) to promote the region to Cruise Executives.
- **Cruise Shipping Miami.** Cruise Shipping Miami is the main cruise industry conference, which is held annually in March in Miami, Florida. Representatives from almost all cruise lines are in attendance, as are suppliers for all aspects of the cruise industry, from ports and destinations from around the world to suppliers of ship necessities such as bathroom fixtures and soda machines. It is an expensive show to attend, although members of ACCA have the benefit of joining as exhibitors in their booth space as part of their membership benefits.

## 9.7 Communication within the Cruise Industry

To achieve success in the cruise market, communication is key. A communication plan that addresses all stakeholders in a cruise destination is one of the top priorities when pursuing the cruise market, and an ongoing communication plan should start right away when a decision is made to enter this market.

An effective communication plan in the cruise market includes:

- a. internal communication among the stakeholders in the region
- b. external communication to the cruise industry, both in the Canada / New England region and globally

### ***Internal Communication Plan***

The internal communication plan should include:

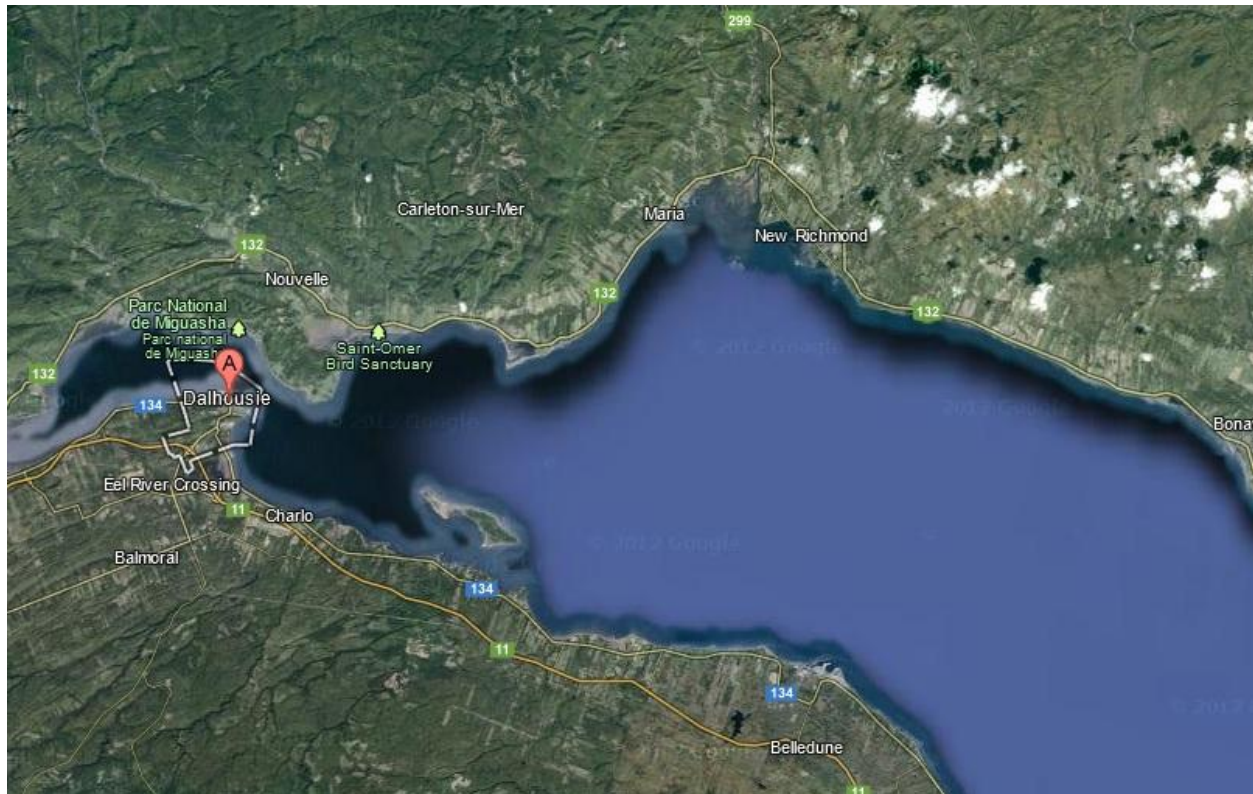
- Identifying the various stakeholder groups that need communication, including the port, tourism organizations, town or city departments, tourism experience providers, key attractions, etc.
- Establish a cruise committee with regular meetings and updates on progress. Ideally, this cruise committee will include representation to encompass the above stakeholder groups. Other communications may also be employed, but face-to-face meetings must be part of the plan.
- Determine how best to communicate and engage the greater community. It is critical to manage expectations within the community with regards to cruise, and to educate them on the cruise industry. Consider community engagement sessions or “town hall” style meetings.
- Continue communication, perhaps again through community engagement sessions, with various stakeholder groups when a cruise ship call is confirmed. Groups such as retailers, other front-line staff, and the community at large all require specific communication to ensure the call is a success.

### ***External Communication Plan***

The external communication plan should include:

- Identification of key groups that need communication, including potential strategic partners (i.e. other small ports both in New Brunswick and throughout the region, the Port of Halifax with regards to their Homeport Strategy, other members of ACCA if the destination is a member) and cruise lines.
- Ensure regular communication and meetings with strategic port partners to explore synergies and how best to work together, and to keep communication lines open.
- If a member of ACCA, engage with ACCA membership to reach cruise stakeholders in the region and participate in their activities, especially those that are relevant to communicating key messages.
- Directly communicate with cruise lines, whether through attendance at networking events, one-on-one phone calls or emails, direct mail campaigns, etc. Ensure that communication channels are most effective for them, and ensure that visuals are part of the plan in some form.

## 10. Strategic Plan for Cruise Development for Dalhousie



**Dalhousie, New Brunswick**

*(Source: Google Maps 2013)*

### 10.1 Current Situation

The community of Dalhousie has long been interested in the cruise market, and their Cruise Committee has been meeting for a number of years. This is a dedicated group, made up largely of retirees, who have a solid vision for cruise ships calling on the port of Dalhousie and is committed to making any potential visits successful. They have been meeting regularly about the cruise market, and in 2010, commissioned a Port Readiness Assessment from Pye Management Services, which has been guiding their activities to date.

There has been one cruise ship visit to Dalhousie. The Deutschland made an unscheduled call in 2005, seeking safe harbour from a storm. The community pulled together to host the ship; however, there may have been challenges with buses and tour delivery. It appears that there was no follow-up with the Deutschland after the call to get feedback or encourage them to call again. When our team spoke to the company, they indicated that the port did not leave a compelling memory that would cause them to want to return.

Dalhousie is currently in the midst of an economic transformation, and finds itself with the interesting opportunity of needing to reinvent itself to overcome economic adversity. It is clear that the community recognizes this remarkable challenge and along with it, the opportunities it can bring. In fact, in 2010, Dalhousie won the National Municipal Award for Innovation, which was awarded to them for significant changes in governance to reflect this need to reinvent themselves. Clearly, the community has strong, visionary leaders to guide them through this necessary revitalization.

It is clear that presently, Dalhousie is struggling as a community with its current economic situation. Much of the downtown has boarded-up storefronts, the waterfront area is not aesthetically pleasing, there is very little to see or do on a stroll around town, and it does not have a vibrant or enticing feel.

The Port of Dalhousie is aggressively pursuing year-round commercial traffic to boost the economy and create jobs, for which there is a great need, especially given the current economic realities in the region. The Port of Dalhousie is very open to accommodating cruise ships, but their efforts are currently focused on growing commercial business. There has been the perception with the town and cruise committee that the port is against the cruise market; however, the reality is that a focus on attracting cruise ships is not yet a priority for the Port of Dalhousie, but they have confirmed their commitment once the destination is market-ready to pursue cruise.

Available tourism product that suits the cruise ship market is limited in the Restigouche region. Two main tourism products are on the Quebec side of the border, with Miguasha National Park and Battle of the Restigouche National Historic Site. There are some other market-ready products that are solid products and enjoyable experiences; however, few currently meet the expectations of the cruise industry or can be packaged into well-themed excursions.

The Restigouche region has beautiful vistas and a stunning river, and is situated on the Chaleur Bay, which is one of only two Bays in Canada that are part of the Most Beautiful Bays in the World Organisation, the other being Tadoussac, Quebec. This is certainly a wonderful distinction that should be capitalized upon. However, beautiful scenery abounds on itineraries in the Canada / New England cruise market. The cruise lines are looking for ports that offer something compelling and unique that can't be found anywhere else. And for a cruise line to invest in both the fuel and time to venture 5-6 hours off a straight itinerary, as they would need to do to travel into the Bay to Dalhousie, what's waiting at the end of the journey needs to be remarkably compelling indeed.

## 10.2 Dalhousie's Cruise Market Readiness – SWOT Analysis

### *Strengths:*

- Cruise Committee, dedicated to their vision of cruise ships calling on the port of Dalhousie and making those potential visits successful.
- Port facility that can accommodate cruise ships with all necessary security, certification, etc
- Port facility is well set-up for disembarkation of passengers, area for tour dispatch and transportation, etc.
- Port facility is within walking distance of the downtown area.
- Entrepreneurs with some tour operator experience in the region.
- Provincial Tourism Product Officer in the region who can assist with product development and product readiness.
- Location on the Restigouche River and the Chaleur Bay, which have some destination awareness.

### *Weaknesses:*

- Cruise committee needs to expand to include representation from the Port of Dalhousie and main attractions in the region.

- Limited appeal to the downtown area, with not much for guests on foot to see or explore on a stroll around.
- No defined differentiating factor from other ports, and no unique, compelling reason to call on the port.
- Limited tour experiences or available product that could be packaged into solid shore excursions.
- Very limited shopping, restaurants, etc.
- Limited taxis, motorcoaches and tour guides in the area.

*Opportunities:*

- There are indications of a plan for a Downtown Revitalization Strategy. If it is comprehensive and addresses critical downtown and waterfront issues, it could have a very positive impact on future cruise opportunities.
- Baie de Chaleurs is part of the “Most Beautiful Bays in the World” organization, which is becoming known in Europe (where several niche market lines are based). There is opportunity to capitalize on this designation.
- Region is going through a STEP program that could increase the availability of experiential product in the region.
- Forecasted cruise industry growth over the long-term, especially in the niche cruise market.
- Proximity to other small ports in the region that are pursuing the cruise market.
- Halifax’s Homeport Strategy, in which the Port of Halifax is seeking opportunities with small ships to homeport in Halifax and sail on itineraries in the region, round-trip from Halifax. This is an excellent opportunity for small ports in our region.

*Threats:*

- The current economic situation in Dalhousie is its biggest threat, and there is a lot of work to be done in the region before it will be ready to market to cruise lines.
- Port of Dalhousie has been designated as a port where pilotage is compulsory, which means Pilots must be engaged to sail into the Port of Dalhousie. With the current volume of traffic and the length of sail into the Bay, this translates to substantial fees for visiting cruise ships.
- It is a 5- to 6-hour sail from open waters up the Bay to call on Dalhousie. Considering the cost of fuel and factors such as ECA, cruise lines tend to look at more direct routes, unless there are remarkable, compelling experiences that make it worth the cost of travelling far off the beaten path.
- ECA, the Emissions Control Area, which is coming into effect in 2015, has the potential to impact the cruise industry and its growth throughout the entire Canada / New England region.

### 10.3 Key Recommendations

The Cruise Committee in Dalhousie is to be commended for their dedication to their vision of having cruise ships call on Dalhousie and they are a valuable team. However, it quickly became clear during the market readiness workshop in Dalhousie that the committee held the belief that bringing cruise ships to the region would be an economic driver to create jobs, spur on new tourism product, and help in the revitalization of the community. As difficult as it was to deliver the message, the exact opposite is true. In order to attract cruise lines, Dalhousie needs to be market-ready with a vibrant destination, clarity on what their unique position is in the marketplace, and strong tourism products that can be packaged into solid excursions.

**Key Recommendation:**

*Our recommendation for Dalhousie is to hold off on pursuing the cruise market until they have successfully navigated the economic transformation that they are currently experiencing and reinvented themselves to be a vibrant destination once again.*

The community needs to be built back up before it will be attractive to the cruise market, and this transformation needs to include a Revitalization Plan for its downtown, including its waterfront areas. This Revitalization Plan must be comprehensive and address critical downtown and waterfront issues. It should address such things as developing pedestrian and bicycle trails; protecting sensitive waterfront resources, open space and scenic resources; preservation of historic properties; and designating opportunities for entrepreneurial development of underutilized commercial properties on the waterfront. Identifying long-term uses along the waterfront and implementing specific projects along William Street could significantly increase the community's ability to attract new development activities to best showcase the unique cultural and natural characteristics of the region.

This economic transformation should also include an overall tourism strategy, focused on growing tourism in the region as a whole, not just specifically the cruise market. This tourism strategy should include identifying the region's unique position in the tourism marketplace, including the compelling reason for which visitors would want to come to the region. It should also include a strategy for developing tourism product that allows visitors to experience, explore and engage with that compelling draw to the region. Cruise could tie in nicely with an overall tourism strategy for the region, but it could not stand alone.

As a downtown revitalization and an economic transformation takes place, and an overall cruise strategy is developed and executed, it is likely that Dalhousie will be better positioned to identify its unique position in the marketplace, more tourism products will emerge, and the significant gap that currently exists between the current situation and the expectations of the cruise industry will begin to narrow. At that point, an evaluation should take place to identify what expectations of the cruise industry still need to be met and how to meet them, and then a sales and marketing plan should developed and implemented. A general guideline for what this should include (but not be limited to) is outlined in the following pages.

## **10.4 Four Critical Keys to Success in the Cruise Market – Dalhousie Analysis**

1. A port-destination that wants the cruise business.

Dalhousie as a community does indeed want cruise business, but they first must undergo the economic transformation that is taking place and invest in downtown revitalization before the destination will be appealing to cruise lines.

2. A strong, strategic plan to pursue the cruise business with action items and measurable goals.

When Dalhousie's transformation has taken place, an overall tourism strategy is in place, and they have clearly identified a unique position in the cruise marketplace, a strong strategy should be developed to pursue the cruise market. Essentially, next steps would include:

- a. Determine what else would need to be done to close the gap to cruise market readiness at that time.

- b. Sell the destination to the cruise market, using the identified unique position in the marketplace as part of the destination sell.
  - c. Conduct targeted sales and marketing activities to attract the cruise lines (ideas for general marketing and communication tactics outlined below).
  - d. Once a ship has committed to coming to the region, complete the action items for market readiness and prepare to deliver an excellent service.
3. A passionate champion whose job it is to lead the charge and really work the plan to get the cruise bookings.

When the time comes, a champion would need to be identified that has the passion and the drive to make cruise happen for Dalhousie. It is important that it is not a volunteer, but someone whose job it is to lead the charge and achieve results. They must actively pursue the market, not just be an order-taker, with active sales and marketing activities. It could be a consultant that is hired to achieve this; however, it must be a long-term person, as this is a relationship market that requires long-term relationship building and commitment.

4. A budget to use for sales & marketing activities to pursue the cruise market.

It is critical for success that a budget be available to pursue the cruise market, and it needs to be available annually and for the long-haul. It takes from 3-5+ years to achieve results, and after results are achieved, the activities needs to be kept up to keep and grow the business. Investing only for a year or two is, quite simply, a waste of money. Further, the investment is significant. Our research indicates that small ports who are seeing success have sales & marketing budgets of at least \$10,000-\$15,000 annually and they work hard to squeeze the most value out of every dollar. Those with bigger budgets, of course, can do more and have the potential to achieve results faster.

## **10.5 Action Items to Become Market Ready and Pursue the Cruise Market**

For Dalhousie to become market ready and pursue the cruise market, this is a list of action items that would be required:

- A. Continue and complete the economic transformation for the Dalhousie region that is underway, including a downtown revitalization and an overall tourism strategy.
- B. Identify Dalhousie’s unique position in the cruise marketplace. Cruise lines look to call on ports that offer unique experiences that can’t be found anywhere else, and that are different from any other ports.
- C. Undergo a Cruise Market Readiness exercise to determine where, at that point, actions need to be taken to bridge the gaps and meet the expectations of the cruise industry.
- D. Determine a budget, and where the funds will come from to make the investment that is required in sales and marketing activities to attract the cruise lines. As mentioned above, successful small ports currently have budgets of at least \$10,000-\$15,000 annually.
- E. Determine which key products and experiences would suit the cruise guests and develop them into solid excursions. The tours and available experiences in the destination are key selling features for a cruise line considering a call on a port. Also determine how tours would operate and who the tour operator(s) would be.

- F. Develop and implement a sales and marketing plan. Some of the key components and tactics to consider in a sales and marketing plan for the cruise market are outlined in the following pages.
- G. Develop and implement a communication plan. Some of the key component and tactics to consider in a communications plan for the cruise market are outlined in the following pages.
- H. Once a ship is committed to calling on Dalhousie, more work would be needed to prepare for their call. This would include (but not limited to) a welcome plan, inventory of necessary service providers (i.e. tour guides, transportation), maps and signage, etc.

## **10.6 Sales & Marketing to the Cruise Industry**

Should the time come that Dalhousie is cruise market ready and begins to pursue the cruise market, a comprehensive sales and marketing plan should be developed and implemented. However, these are some key activities and tactics that should be considered when developing a sales and marketing strategy for the cruise lines.

### **A. A cruise specific marketing message**

It is critical when marketing to the cruise lines that a destination’s marketing message showcase what is unique and different about the destination. Ideally, it will showcase what already has destination awareness among the cruise line’s potential guests. It is important to remember that everyone marketing to the cruise lines has breathtaking scenery, beautiful coastline, and friendly people. To be successful, a destination’s marketing message needs to showcase what is unique to them. Dalhousie would need to find this unique differentiating factor from other ports, and feature that factor in its cruise marketing message.

### **B. Identification of key experiences and shore excursions**

It is the key experiences and shore excursions in a destination that will be integral to selling the cruise line on your destination. The Restigouche Region does have some solid product and several ideas for new products; however, none of what is currently available provides a compelling case for a cruise line to call on the port. The products that are currently available could be packaged and used to round out a shore excursion program for a cruise line. However, to appeal to the cruise market, compelling product would need to be developed, with some key products aligned with the unique differentiating factor of the destination. These products would then need to be packaged into solid, well-themed shore excursions.

Some of the current products that could be explored as excursions to round out a shore excursion program include:

- Clam Digging Experience on Heron Island
- Honey Bee Farm in Charlo
- Mountain Biking at Sugarloaf
- Jacquet River Salmon Conservation Barrier
- Daly Point Nature Reserve
- Restigouche Regional Museum



- Two Cultures, Shared History Experience with Village of Eel River Crossing & Eel River Bar First Nation
- Mackerel Fishing with L'Acadien Sea Adventures

### C. Specific recommended marketing tactics

There are a wide variety of marketing tactics that could be considered for a strategic sales and marketing plan for the cruise industry. However, based on our experience and research, these are some of the most valuable and effective.

- **Visuals.** It is likely that the cruise executives who make the decisions about which ports to include in an itinerary have never been to those ports, so being able to provide them with visuals is extremely important. Both a web presence and brief presentation with pictures (whether on an iPad or in a printed format) are excellent ideas. A high volume of glossy brochures is not necessary.
- **Sample Itineraries.** Sample Itineraries can be helpful in demonstrating to the cruise lines how you can fit in itineraries with other ports. You should also have a map that shows where you are located, and where other ports (small and large) in the region are located.
- **Strategic Partnerships.** Determine who your strategic partners are and develop opportunities to work together. For instance, other small ports are good examples of strategic partners. Explore partnership opportunities and how best to work together to benefit all.
- **Atlantic Canada Cruise Association (ACCA) Membership.** The ACCA is primarily a marketing organization that works to attract cruise lines and grow the cruise business to the Atlantic Canada region. They have a membership category for Associate Ports, with a wide variety of great membership benefits, and we do recommend membership for small ports who are serious about the cruise industry. However, the true value of membership comes from working it. Take advantage of expertise around the table, work the network of other Associate Ports, and get engaged with their activities and opportunities.
- **Canada / New England Cruise Symposium.** The regional conference for the cruise industry, the Canada / New England Cruise Symposium is held annually in June, and rotates throughout the region. This conference focuses on issues that are more specific to Canada / New England, and participants include executives from cruise lines as well as ports, destinations, and cruise suppliers from the region. Again, however, attendance at the conference alone is not enough; work the opportunity. Also, this event usually includes a roundtable for the Associate Ports to meet Cruise Executives during a speed-networking style event. Be ready with your visuals, port specs and testimonials, and be prepared with your 30-second pitch.
- **Direct Contact with Cruise Lines.** This is a critical component to a destination's sales and marketing plan. Direct phone calls and emails to cruise executives is effective; however, always make sure that your messages are reaching the right decision makers at the cruise line. Direct mail campaigns can also be effective, and allows you the opportunity to get a visual image in front of the cruise executive. And actually going to meet with the cruise lines face-to-face on sales missions can be an effective way to present your port for their consideration, and it can also be very helpful to building relationships with key cruise executives, which is important in this market.
- **Familiarization Tours (FAMS).** Hosting a potential cruise client in your destination is an incredible opportunity. First and foremost, it gives you the opportunity to showcase your

destination and its key experiences, and to sell the cruise line on your destination. Additionally, it allows you the opportunity to gain valuable feedback on what you are doing well as a destination and where you can improve to be successful with the cruise line.

- **Other Networking Events.** Other opportunities for networking with cruise executives do also come up. For instance, members of the ACCA can participate in some events that the ACCA holds in various locations (i.e. New York, Miami) to promote the region to Cruise Executives.
- **Cruise Shipping Miami.** Cruise Shipping Miami is the main cruise industry conference, which is held annually in March in Miami, Florida. Representatives from almost all cruise lines are in attendance, as are suppliers for all aspects of the cruise industry, from ports and destinations from around the world to suppliers of ship necessities such as bathroom fixtures and soda machines. It is an expensive show to attend, although members of ACCA have the benefit of joining as exhibitors in their booth space as part of their membership benefits.

## 10.7 Communication within the Cruise Industry

To achieve success in the cruise market, communication is key. A communication plan that addresses all stakeholders in a cruise destination is one of the top priorities when pursuing the cruise market, and an ongoing communication plan should start right away when a decision is made to enter this market.

An effective communication plan in the cruise market includes:

- a. internal communication among the stakeholders in the region
- b. external communication to the cruise industry, both in the Canada / New England region and globally

### *Internal Communication Plan*

The internal communication plan should include:

- Identifying the various stakeholder groups that need communication, including the port, tourism organizations, town or city departments, tourism experience providers, key attractions, etc.
- Establish a cruise committee with regular meetings and updates on progress. Ideally, this cruise committee will include representation to encompass the above stakeholder groups. Other communications may also be employed, but face-to-face meetings must be part of the plan.
- Determine how best to communicate and engage the greater community. It is critical to manage expectations within the community with regards to cruise, and to educate them on the cruise industry. Consider community engagement sessions or “town hall” style meetings.
- Continue communication, perhaps again through community engagement sessions, with various stakeholder groups when a cruise ship call is confirmed. Groups such as retailers, other front-line staff, and the community at large all require specific communication to ensure the call is a success.

### ***External Communication Plan***

The external communication plan should include:

- Identification of key groups that need communication, including potential strategic partners (i.e. other small ports both in New Brunswick and throughout the region, the Port of Halifax with regards to their Homeport Strategy, other members of ACCA if the destination is a member) and cruise lines.
- Ensure regular communication and meetings with strategic port partners to explore synergies and how best to work together, and to keep communication lines open.
- If a member of ACCA, engage with ACCA membership to reach cruise stakeholders in the region and participate in their activities, especially those that are relevant to communicating key messages.
- Directly communicate with cruise lines, whether through attendance at networking events, one-on-one phone calls or emails, direct mail campaigns, etc. Ensure that communication channels are most effective for them, and ensure that visuals are part of the plan in some form.

## 11. Key Deliverables & Conclusion

Aquila has been thrilled to have this opportunity to work with New Brunswick Tourism, Heritage and Culture, as well as the stakeholders from throughout Northern New Brunswick, to develop a sustainable cruise strategy that will guide the region to success in the cruise market long into the future.

In summary, the key outcomes from this strategy are:

- A critical assessment of the Northern New Brunswick Region, with particular focus on the three identified potential cruise destinations in Northern New Brunswick and their strengths, weaknesses, and cruise market readiness.
- Analysis of relevant cruise market projections and trends, and implications for the Northern New Brunswick region.
- Identification of key target cruise markets, as well as a list of cruise lines with potential opportunity.
- Detailed next steps for each potential cruise destination to ensure cruise market readiness to meet the expectations of these key target cruise markets, as well as recommendations for marketing and communication tactics.
- Educated stakeholders who have an understanding of the cruise industry and what must be done to be ready for the cruise market.

In conclusion, Northern New Brunswick has an excellent opportunity to grow the cruise industry, especially within the niche cruise market. The projected growth in this market is positive, and the experiences in the region are well-suited to what the niche market cruise lines and their guests are seeking. Of the three potential cruise destinations in the Northern New Brunswick region, the Acadian Peninsula is in the best position to see immediate and considerable return from this market. Both Miramichi and Dalhousie have challenges to overcome before they are well-positioned to pursue the cruise market, but they both have strengths that will serve the market well when that time comes. We look forward to working with the stakeholders in the identified communities in the implementation phase of this strategy.

## Appendix A - Acknowledgements

Aquila would like to thank all of the members of the steering committee for their active participation throughout the development of the strategy.

### Steering Committee Members

Melanie Britton, New Brunswick Tourism, Culture & Heritage  
Meredith Caissie, City of Bathurst  
Daniel Landry, Town of Caraquet  
Bruno LaPlante, New Brunswick Tourism, Culture & Heritage  
Patrice Michaud, Town of Dalhousie  
Peter Murphy, City of Miramichi  
Réaldine Robichaud, Entreprise Péninsule

We would also like to thank the various stakeholders from the Acadian Peninsula, Miramichi, and Dalhousie who engaged with the process through our workshops, and stakeholders from throughout the Northern New Brunswick region and beyond who were so gracious in answering our questions.

And finally, we would like to thank our amazing team at Aquila for all the time devoted to assisting and supporting us through the development of this strategy.

Thanks from the Aquila Project Team:

Melanie Colpitts  
Beth Kelly Hatt  
Danielle Timmons

## Appendix B - Market Readiness Workshop Agenda with Key Topics

Part of the work of developing a cruise strategy for Northern New Brunswick included a one-day workshop for stakeholder in each of the port regions. The list of attendees for each of these workshops is found in Appendix C.

The workshop was delivered in English in Dalhousie and Miramichi and in French in the Acadian Peninsula. Although customized to address the needs in each region, the general content of each workshop is below:

### Cruise Market Readiness Workshop

One day in each of Dalhousie, Miramichi & Caraquet  
Week of Feb 25 – 28, 2013

#### Education on the Cruise Industry, including:

- An overview of the cruise industry, with a focus the Canada New England region
- How the industry operates and who's who
- Cruise market segments, cruise lines in those markets, and who is sailing in our region
- Roles of ports, destinations, tour operators, and other key players
- Expectations of the cruise lines for each market segment, including but not limited to: port operations, guest experiences, shore excursions, security, etc.

#### A SWOT analysis of the port, including:

- Examining the cruise lines' expectations for each market segment
- Determining if the port can meet those expectations with the current situation

#### Product Readiness

- Education on the importance of the guest experience in the port of call and the importance of shore excursions to the cruise lines.
- Education on the various models for how shore excursions work (i.e. through a tour operator or directly with product providers).
- Education on how to ensure a product is market-ready, how the cruise industry wants products packaged into excursions, and provide value-added experiences to the cruise guest.
- Discussion about current tourism products and experiences in the port of call.

## Appendix C – Participant Lists from Each Workshop

### **Caraquet**

1. Daniel Landry, du comité du port de Caraquet
2. Aldrice Comeau, du comité du port de Caraquet
3. Daniel Landry, ville de Caraquet
4. Éric Normandeau, du Super 8 / ATGC
5. Réaldine Robichaud, CTACA
6. Mylène Dugas, du Village Historique Acadien
7. Antoinette Basque Doiron, du Village Historique Acadien
8. Laurent Robichaud, du Centre Marin
9. Mona Laundry, CCNB Péninsule acadienne
10. Marie-Soleil Landry, conseillère municipale de Caraquet
11. Tilmon Mallet, maire de Shippagan
12. Camille André Mallet, directeur du port de Shippagan
13. Renald Paquet, CA du comité du port de Shippagan
14. Jean Marc Mallet, CA du comité du port de Shippagan
15. Robert Mallet, CA comité du port de Shippagan
16. Marcel Brideau, Ville de Tracadie-Sheila, OTPA
17. Rufin Doiron, du comité du port de Caraquet (retired)

### **Miramichi**

1. Councillor Peggy McLean
2. Brooke Hamilton, Miramichi Chamber of Commerce
3. Henrietta Hache, Miramichi Port Facility
4. Elsa, Miramichi Port Facility
5. Camilla Vautour, Kouchibouguac National Park
6. Terry Power, NB Tourism, Heritage & Culture
7. Debbie Norton, Upper Oxbow Outdoor Adventures
8. Shawn Boisvert, Goodie Shop Restaurant
9. Peter Murphy, Director of Community Development & Tourism
10. Dawn Waye, Tourism Administrator, City of Miramichi
11. Cindy Trevors, MRTA
12. Sara MacInnis, MRTA
13. Rick Hayward, School District
14. Charline d'Entremont, City of Bathurst

### **Dalhousie**

1. Gerard Comeau (Cruise Committee - CC)
2. Reid McPherson (CC)
3. Mario Carrier (CC)
4. Eileen Walsh (CC)
5. James Blanchard (CC)
6. Gary Archibald (CC)
7. Robert Stewart (CC)
8. Patrice Michaud (CC)
9. Rheal Savoie, Port of Dalhousie
10. Brian Hyslop, Port of Dalhousie
11. Monique Brown, Restigouche Arts & Craft Council
12. Irvine Johnson, Restigouche Arts & Craft Council
13. Bill Clarke, Tourism Operator (Museum, GPS Walk & Ghost Walk)
14. Joyce Somers, Ville de Saint-Quentin
15. Denise Boudreau, NB Tourism, Heritage & Culture

## Appendix C (continued)

### Cruise Information Session in Shippagan

1. Réaldine Robichaud
2. Camille André Mallet, directeur du port
3. Ronald Paquet, CA du comité port
4. Jules Desylva, OTPA
5. Nathalie Robichaud, Ville Shippagan
6. Kassim Doumbia, conseiller Ville Shippagan



## Appendix D - Definitions and Key Terms

**ACCA** – Atlantic Canada Cruise Association, the principal cruise marketing organization for Atlantic Canada. Also known as their brand name “Cruise Atlantic Canada.”

**CLIA** – Cruise Lines International Association

**CNE** – Canada New England

**Draft** – Distance from the ship’s waterline to the bottom of its keel.

**DMO** – Destination Marketing Organization. An entity responsible for marketing a destination to travelers, such as city, regional or provincial tourism departments

**Homeport or Turnaround Port** – A port of embarkation/debarkation.

**Inaugural Call** – The first official call of a ship on a port.

**Itinerary** – A ship's schedule of port stops and days at sea.

**Marquee Port** – A port on the itinerary that has immediate recognition for guests and that will compel guests to take the cruise.

**Onboard Revenue** – Revenue generated onboard the ship. The three main onboard revenue generators are liquor sales, the casino, and shore excursions.

**Pierside** – At the pier, beside the ship.

**Port Agent** – An agent at the port who looks after the needs of the cruise ship, such as assistance with customs and immigration, embarking or disembarking crew members, etc.

**Port of Call** - A destination (city, town, island, etc) a cruise ship visits.

**Repositioning Cruise** - Typically, a one-time itinerary when a vessel moves from one seasonal cruise area to another i.e. from Alaska in the summer to the Caribbean in the winter.

**Cruise Shipping Miami** (formerly Seatrade) – The largest cruise shipping conference, which is held annually in March in Miami, Florida.

**Shore Excursion** (Shore Ex) - Shoreside tours operated by independent tour companies specifically for cruise passengers.

**Tender** – A smaller vessel used to move passengers between the ship and shore when the ship is at anchor. Some cruise ports, due either to limited docking facilities or harbor depths, require ships to anchor offshore, necessitating the use of tenders to transport passengers ashore.

## Appendix E – Emissions Control Area (ECA): The CLIA Position

### Excerpts of August 2012 CLIA Position on North American ECA

CLIA supports the goals and principles of the North American Emission Control Area (ECA). Our industry is committed to protecting coastal air quality not only because it is the responsible thing to do, but also because the very nature of our business depends on a healthy natural environment. We are proud of the environmental stewardship of our member lines and their proactive response to applicable international and Federal air emissions requirements wherever their ships operate.

#### Background

On August 1, 2012, a 200-nautical mile North American Emission Control Area (ECA) went into place around the U.S. and Canadian coasts, with the exception of the Aleutian Islands and certain other outlying areas. Ships operating within this area are required to use fuel containing no more than 1.0% sulfur. By January 1, 2015, ships within this area will be required to use fuel containing no more than 0.1% sulfur.

#### Industry Support of ECA

The fundamental goal of the ECA is to reduce the human health and welfare impact of shipping on coastal areas — and every single CLIA member ship operating within the ECA must comply with all of its associated requirements. In fact, CLIA and its member lines have had numerous and extensive meetings with the EPA and Transport Canada to determine how the industry can work within the framework of the existing regulations to minimize the impacts on human health and welfare.

#### Regulatory Perspective

EPA is presently mandating a one-size-fits-all approach that effectively requires the use of low sulfur fuel throughout the 200-mile ECA, as the only current compliance option. Cruise lines are evaluating a range of approaches designed to provide more benefits to more people. Additionally, there are significant concerns about the current and future availability of ECA-compliant fuel in certain ports.

#### The Industry’s Perspective

The International Maritime Organization (IMO), the United Nations agency that created the North American ECA at the request of the United States and Canada, specifically endorses the deployment of alternative strategies that are “at least as effective in terms of emission reductions.” The IMO supports the ECA concept and in developing this global legislation recognizes the need for variation based on regional needs. The EPA should allow cruise lines to deliver equal or better human health and welfare benefits while minimizing the economic impact on coastal communities.

#### The Industry’s Proposal — Achieving a Better Outcome

The industry supports a variety of flexible approaches that can be utilized to achieve equal or better health benefits, including averaging based on air quality, innovative exhaust scrubbers, using alternative energy sources such as shore power in port, and adjusting ship speeds.

#### Concluding Thoughts

The cruise industry supports the environmental and public health goals of the ECA. The cruise industry proposes that EPA and Transport Canada allow cruise lines to fully embrace the range of compliance options under the IMO’s regulations. Further, they should facilitate and support all innovative approaches that are being developed to deliver equal or better human health benefits while minimizing the economic impact upon the North American ECA on coastal communities.

For full report: <http://www.cruising.org/regulatory/pressroom-research/july-2012-clia-eca-position-statement>

## Appendix F – Target Cruise Lines

### Adventure Canada

Number of Ships: 4  
Head Office: Port Credit, ON  
Website: [www.adventurecanada.com](http://www.adventurecanada.com)  
Facebook Page: [www.facebook.com/adventurecanada](http://www.facebook.com/adventurecanada)

### AIDA Cruises

Number of Ships: 10  
Head Office: Germany  
Website: [www.aida.de](http://www.aida.de)  
Facebook Page: [www.facebook.com/AIDA](http://www.facebook.com/AIDA)

### Blount Small Ship Cruises

Number of Ships: 2  
Head Office: Warren, Rhode Island  
Website: <http://blountsmallshipadventures.com>  
Facebook Page: [www.facebook.com/blountsmallshipadventures](http://www.facebook.com/blountsmallshipadventures)

### Compagnie de Ponant

Number of ships: 4  
Head Office: Marseille, France  
Website: <http://en.ponant.com>  
Facebook Page: [www.facebook.com/ponant.uk](http://www.facebook.com/ponant.uk)

### Cruise North Expeditions (sister company of Adventure Canada)

Number of Ships: 1  
Head Office: 1-647-729-3568  
Website: [www.cruisenorthexpeditions.com](http://www.cruisenorthexpeditions.com)  
Facebook Page: [www.facebook.com/pages/Cruise-North-Expeditions](http://www.facebook.com/pages/Cruise-North-Expeditions)

### Crystal Cruises

Number of Ships: 2  
Head Office: Los Angeles, CA  
Website: [www.crystalcruises.com](http://www.crystalcruises.com)  
Facebook Page: [www.facebook.com/crystalcruises](http://www.facebook.com/crystalcruises)

### Fred Olsen Cruises

Number of Ships: 4  
Head Office: Ipswich, United Kingdom  
Website: [www.fredolsencruises.com](http://www.fredolsencruises.com)  
Facebook Page: [www.facebook.com/fredolsencruiselines](http://www.facebook.com/fredolsencruiselines)

### Hapag Lloyd Cruises

Number of Ships: 5  
Head Office: Hamburg, Germany  
Website: [www.hl-cruises.com](http://www.hl-cruises.com)

## Appendix F (continued)

### Holland America

Number of Ships: 15  
Head Office: Seattle, WA  
Website: [www.hollandamerica.com](http://www.hollandamerica.com)  
Facebook Page: [www.facebook.com/HALCruises](http://www.facebook.com/HALCruises)

### Hurtigruten

Number of Ships: 12  
Head Office: Sunrise, FL (local) and Norway (corporate)  
Website: [www.hurtigruten.us](http://www.hurtigruten.us)  
Facebook Page: [www.facebook.com/UKHurtigruten](http://www.facebook.com/UKHurtigruten)

### Lindblad Expeditions – National Geographic

Number of Ships: 10  
Head Office: New York, NY  
Website: [www.expeditions.com](http://www.expeditions.com)  
Facebook Page: [www.facebook.com/LindbladExpeditions](http://www.facebook.com/LindbladExpeditions)

### Oceania Cruises (operated by Prestige Cruise Holdings)

Number of Ships: 5  
Head Office: Miami, FL  
Website: [www.oceaniacruises.com](http://www.oceaniacruises.com)  
Facebook Page: [www.facebook.com/OceaniaCruises](http://www.facebook.com/OceaniaCruises)

### One Ocean Expeditions

Number of Ships: 2  
Head Office: Vancouver, BC  
Email: [voyages@oneoceanexpeditions.com](mailto:voyages@oneoceanexpeditions.com)  
Website: [www.oneoceanexpeditions.com](http://www.oneoceanexpeditions.com)

### Pearl Seas

Number of Ships: Currently building 2 new ships  
Head Office: Guilford, CT  
Website: [www.pearlseascruises.com](http://www.pearlseascruises.com)

### Peter Deillman Cruises

Number of Ships: 1  
Head Office: Germany  
Website: [www.msdeutschland.de](http://www.msdeutschland.de)

### Phoenix Reisen

Number of ships: 3  
Head Office: Bonn, Germany  
Website: [www.phoenixreisen.com](http://www.phoenixreisen.com)

## Appendix F (continued)

### Polar Star Expeditions

Number of Ships: 1  
Head Office: Halifax, NS  
Website: [www.polarstarexpeditions.com](http://www.polarstarexpeditions.com)  
Facebook Page: [www.facebook.com/groups/170156439672110](https://www.facebook.com/groups/170156439672110)

### Regent Seven Seas (operated by Prestige Cruise Holdings)

Number of Ships: 3  
Head Office: Miami, FL  
Website: [www.rssc.com](http://www.rssc.com)  
Facebook Page: [www.facebook.com/regentsevenseascruises](https://www.facebook.com/regentsevenseascruises)

### Saga Cruises

Number of Ships: 4  
Head Office: United Kingdom  
Website: <http://travel.saga.co.uk/holidays/ocean-cruises.aspx>  
Facebook Page: [www.facebook.com/SagaHolidays](https://www.facebook.com/SagaHolidays)

### Seabourn (owned by Carnival Corporation, operated by Holland America Line)

Number of Ships: 6  
Head Office: Seattle, WA  
Website: [www.seabourn.com](http://www.seabourn.com)  
Facebook Page: [www.facebook.com/Seabourn](https://www.facebook.com/Seabourn)

### Silversea Cruises

Number of Ships: 7  
Head Office: Fort Lauderdale, FL  
Website: [www.silversea.com](http://www.silversea.com)  
Facebook Page: [www.facebook.com/SilverseaCruises](https://www.facebook.com/SilverseaCruises)

### The World Residences at Sea

Number of Ships: 1  
Head Office: Miramar, FL  
Website: <http://aboardtheworld.com>

### Transocean

Number of Ships: 1  
Head Office: Germany  
Website: [www.transocean.de/en](http://www.transocean.de/en)  
Facebook Page: [www.facebook.com/TransOcean](https://www.facebook.com/TransOcean)

### Travel Dynamics International

Number of Ships: 4  
Head Office: New York, NY  
Website: [www.traveldynamicsinternational.com](http://www.traveldynamicsinternational.com)  
Facebook Page: [www.facebook.com/TravelDynamicsIntl](https://www.facebook.com/TravelDynamicsIntl)

## Appendix F (continued)

### Wanderbird Expedition Cruises

Number of Ships: 1

Head Office: Belfast, Maine

Website: [www.wanderbirdcruises.com](http://www.wanderbirdcruises.com)

Facebook Page: [www.facebook.com/Wanderbird](https://www.facebook.com/Wanderbird)

## Appendix G – Cruise Lines in our Region with Samples of Current 2013-2014 Canada / New England Itineraries

### Compagnie de Ponant

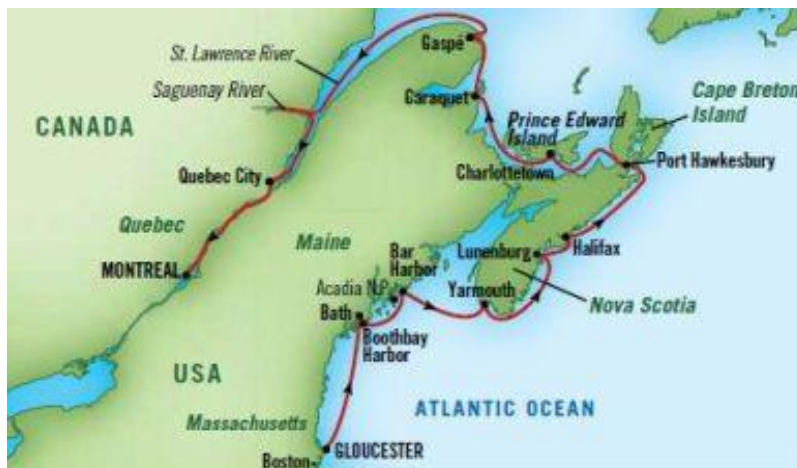
**Le Boreal** – Sept 2013 - 11day Quebec to Boston including:

- Saguenay
- Tadoussac
- Havre St. Pierre
- Perce (Gaspé)
- Cap aux Meules (Iles de Madeleine)

### Travel Dynamics International

**Yorktown** – June & Sept 2013 – 12 day Boston to Montreal (also offered in reverse) including:

- Caraquet
- Gaspé
- Saguenay
- Caraquet
- Charlottetown



### One Ocean Expeditions

**Akedemik Ioffe** – July 2013 – 10 day Cape Breton to St. Pierre & Miquelon including:

- Cap aux Meules
- Gaspé
- Anticosti Island
- Gros Morne
- St. Pierre & Miquelon

### Blount Small Ship Cruises

**Grande Caribe** – Sept & Oct 2013 – 13 day New York to Montreal including:

- Saguenay

## Appendix G (continued)

### Lindblad Expeditions

**National Geographic Explorer** – Sept 2013 – 7 day St. John’s round trip including:

- St. Pierre & Miquelon
- Cap aux Meules
- Gros Morne



### Adventure Canada

**Sea Adventurer** – Sept 2013 – 10 day St. John’s round trip including:

- Gros Morne
- Corner Brook
- L’Anse aux Meadows
- St. Pierre & Miquelon

### Transocean

**Astor** – Aug 2013 – 47 day Greenland/Canada including:

- Sept Iles
- Saguenay
- Gaspé
- Cap aux Meules
- Corner Brook
- St Pierre & Miquelon

### Phoenix Reisen

**Amadea** – Aug 2013 – 25 day Canada & Greenland return from Germany including:

- Corner Brook
- St. Pierre & Miquelon
- Charlottetown



## Appendix G (continued)

### Oceania

**Regatta** – Sept 2014 – 12 day New York to Montreal including:  
- Corner Brook / Charlottetown

**Regatta** – Oct 2014 – 10 day New York to Montreal including:  
- Saguenay

**Marina** – May 2014 - 16 day New York to London Viking Passage including:  
- St. Lawrence cruising  
- Corner Brook  
- L'Anse aux Meadows

### Crystal Cruises

**Serenity** – Sept 2014 – 10 day Boston to Quebec City including:  
- Cap aux Meules  
- Havre St. Pierre  
- Baie Comeau

**Serenity** – Oct 2014 – 7 day round trip from Quebec City including:  
- Sept Iles  
- Cap aux Meules  
- St. Pierre & Miquelon

**Serenity** – Oct – Nov 2014 – 10 day Quebec to New York including:  
- Sept Iles  
- Cap aux Meules

### Regent Seven Seas

**Navigator** - Oct 2013 – 15 day Montreal to Miami including:  
- Saguenay  
- Charlottetown

**Navigator** – Sept 2014 – 10 day New York to Montreal including:  
- Saguenay



## Appendix G (continued)

### Holland America

**Maasdam** – May 2013 – 15 day Fort Lauderdale to Montreal including:

- Gaspé
- Sept Iles
- Saguenay
- Charlottetown

**Maasdam** – Oct 2013 – 13 day Montreal to Fort Lauderdale including:

- Saguenay
- Baie Comeau
- Gaspé
- Charlottetown

**Eurodam** – Sept 2013 – 10 day New York to Quebec including:

- Saguenay
- Charlottetown

**Eurodam** – Oct 2013 – 15 day Quebec to Fort Lauderdale including:

- Saguenay
- Baie Comeau
- Charlottetown

### Seabourn

**Sojourn** – Sept 2013 & Oct 2013 – 10 day Montreal to Boston including:

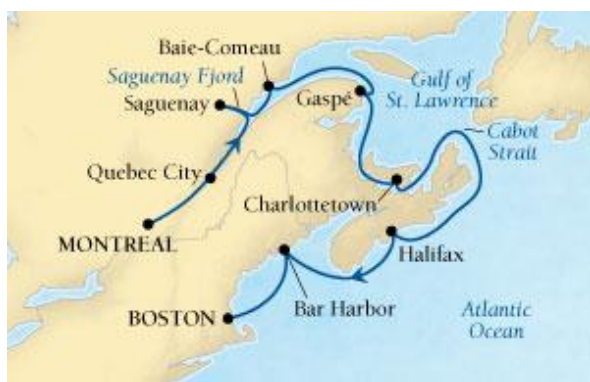
- Saguenay
- Baie Comeau
- Gaspé
- Charlottetown

**Sojourn** – Oct 2013 – 14 day Montreal to Fort Lauderdale including:

- Gaspé
- Cap aux Meule

**Quest** – Aug 2014 – 24 day Route of the Vikings (Dover, UK to Montreal) including:

- Bonne Bay
- Saguenay



## Appendix G (continued)

### SilverSea Cruises

**Whisper** – Sept 2014 & Oct 2014 – 10 day Montreal to Boston including:

- Saguenay
- Baie Comeau
- Sept Iles
- Gaspé
- Cap aux Meules

**Whisper** – Oct 2014 – 11 day Montreal to New York including:

- Saguenay

**Explorer** – Sept 2013 – 17 day Greenland to Halifax including:

- l'Anse aux Meadows
- Gros Morne
- Havre St. Pierre
- Gaspé
- Cap aux Meules

### Norwegian Cruise Line

**Dawn** – Sept 2013 & Sept 2014 – 7 day Boston to Quebec including

- Gaspé
- Saguenay
- Charlottetown

**Dawn** – Oct 2013 – 7 day Quebec to Boston including:

- Corner Brook

**Dawn** – Sept 2014 – 14 day Boston to Bermuda to Quebec including:

- Gaspé
- Saguenay

**Dawn** – Sept 2014 – 14 day Quebec Round Trip

- Gaspé - Saguenay

## Appendix H – Relevant Cruise Associations & Organizations

### **Cruise Lines International Association**

Cruise Lines International Association is the world's largest cruise association and is dedicated to the promotion and growth of the cruise industry.

**Phone:** 754-224-2200

**Email:** [info@cruising.org](mailto:info@cruising.org)

**Web:** [www.cruising.org](http://www.cruising.org)

### **Atlantic Canada Cruise Association**

Atlantic Canada Cruise Association is a regional partnership leading growth and development of the cruise industry to enhance Atlantic Canada's market position.

**Phone:** (902) 273-3330

**Email:** [info@atlanticcanadacruise.com](mailto:info@atlanticcanadacruise.com)

**Web:** [www.atlanticcanadacruise.com](http://www.atlanticcanadacruise.com)

### **Association of Canadian Port Authorities**

The ACPA was founded in 1958 and groups together ports and harbours and related marine interests into one national association.

**Phone:** (613) 232-2036

**Email:** [wzatylny@acpa-ports.net](mailto:wzatylny@acpa-ports.net)

**Web:** [www.acpa-ports.net](http://www.acpa-ports.net)

### **Florida-Caribbean Cruise Association**

The Florida-Caribbean Cruise Association (FCCA) is a not-for-profit trade organization composed of 15 Member Cruise Lines operating more than 100 vessels in Floridian, Caribbean and Latin American waters. Created in 1972, the FCCA's mandate is to provide a forum for discussion on tourism development, ports, tour operations, safety, security and other cruise industry issues.

**Phone:** (954) 441-8881

**Email:** [info@f-cca.com](mailto:info@f-cca.com)

**Web:** [www.f-cca.com](http://www.f-cca.com)

### **St. Lawrence Cruise Association**

The main mandate of Cruise the Saint Lawrence is to position Destination Saint Lawrence clearly with cruise companies by defining and coordinating development efforts and partner/port of call attributes, the aim being to build a genuine Cruise the Saint Lawrence brand.

**Phone:** (418) 725-0135

**E-mail:** [info@cruisesaintlawrence.com](mailto:info@cruisesaintlawrence.com)

**Website:** [www.cruisesaintlawrence.com](http://www.cruisesaintlawrence.com)

## Appendix H (continued)

### Cruise Newfoundland and Labrador (CANAL)

Cruise Newfoundland & Labrador leads strategic cruise initiatives in cooperation with government and industry partners through marketing, port development, and advocacy.

**Phone:** 709 738 7530

**E-mail:** [info@CruiseTheEdge.com](mailto:info@CruiseTheEdge.com)

**Website:** [www.cruisetheedge.com](http://www.cruisetheedge.com)

### Northwest and Canada Cruise Association (NWCCA)

The North West & Canada Cruise Association (NWCCA) is a non-profit association representing the major cruise lines operating in the Pacific Northwest – British Columbia, Washington State, Alaska & Hawaii; and in Atlantic Canada and Quebec.

**Phone:** (604) 681-9515

**Web:** [www.nwcruiseship.org](http://www.nwcruiseship.org)

### Cruise Maine

CruiseMaineUSA was formed in 2002 as an effort to promote the State of Maine as a whole to the cruise ship industry.

**Phone:** (207) 310-0998

**Email:** [Director@CruiseMaineUSA.com](mailto:Director@CruiseMaineUSA.com)

**Web:** [www.cruisemaineusa.com](http://www.cruisemaineusa.com)

### Canadian Tourism Commission

As Canada's national tourism marketer, the CTC introduces the authentic and the exotic to world travellers.

**Phone:** 604-638-8300

**Web:** <http://caen.canada.travel>

### Cruise Shipping Miami

For nearly 30 years, Cruise Shipping Miami has been the leading international exhibition and conference serving the cruise industry by bringing together buyers and suppliers for a week of networking, sourcing, and education.

**Phone:** 609-759-4700

**Email:** [info@cruiseshippingmiami.com](mailto:info@cruiseshippingmiami.com)

**Web:** [www.cruiseshippingevents.com](http://www.cruiseshippingevents.com)

### Canada New England Cruise Symposium (2013)

May 21 - 23, 2013 in Boston, MA

The Symposium brings together cruise industry leaders from Canada and New England, promoting the region as an international cruise destination. European industry leaders also attend, reflecting the importance of transatlantic planning and partnerships.

**Web:** [www.cruisecanadanewengland.com](http://www.cruisecanadanewengland.com)

## Appendix I – Samples of Small Ship Specifications

### Seabourn Quest

- Passengers: 450 passengers
  - Draft: 6.40 meters
  - Length: 198.00 meters
  - Beam: 25.60 meters
  - Speed: 22.3 knots (maximum)
  - Cruising Speed: 21.6 knots
- 

### Compagnie Du Ponant

- Passengers: 64
  - Draft: 13ft (4m)
  - Length: 290ft (88m)
  - Gross Tonnage: 1,443
  - Max Beam (width): 39ft (12m)
  - Cruising Speed: 12 knots (22km/h)
- 

### M/V Silver Explorer (formerly M/V Prince Albert II)

- Passengers: 132
- Draft: 14 ft / 4.3m
- Length: 354 ft. / 108 m
- Weight: 6,072 tons
- Width: 52 ft. / 15.85m

## Appendix J – Research & Information Sources

Atlantic Canada Cruise Association (ACCA)

Caraquet Port Readiness Report 2010 – Aquila

Cruise Lines International Association (CLIA) - 2013 Industry Update

Cruise Lines International Association (CLIA) - 2013 State of the Industry presentation

Cunningham McKellar Return to New Brunswick study, 2008

Dalhousie Port Readiness Assessment 2010 Report – Pye Management Services

Florida Caribbean Cruise Association (FCCA) 2013 Cruise Industry Overview

Miramichi Port Readiness Report 2009 - Aquila Tours

New Brunswick 2010-2013 Tourism Strategy

New Brunswick: An Action Plan to Self-Sufficiency in Northern New Brunswick

Small Ship / Expedition session at Cruise Shipping Miami 2013

State of the Industry at Cruise Shipping Miami 2013 - CEOs from all major cruise lines

Shore Excursion session at Cruise Shipping Miami 2013

The Economic Contribution of the International Cruise Industry in Canada 2012, BREA Study March 2013

### Useful links:

- Tourism New Brunswick [www.tourismnewbrunswick.ca](http://www.tourismnewbrunswick.ca)
- Canadian Coast Guard [www.ccg-gcc.gc.ca/](http://www.ccg-gcc.gc.ca/)
- Fisheries and Oceans Canada [www.dfo-mpo.gc.ca/index-eng.htm](http://www.dfo-mpo.gc.ca/index-eng.htm)
- Canadian Hydrographic Services [www.charts.gc.ca/index-eng.asp](http://www.charts.gc.ca/index-eng.asp)
- Transport Canada [www.tc.gc.ca/](http://www.tc.gc.ca/)
- Atlantic Pilotage Authority [www.atlanticpilotage.com/eng/index.html](http://www.atlanticpilotage.com/eng/index.html)
- Canada Border Services Agency [www.cbsa-asfc.gc.ca/](http://www.cbsa-asfc.gc.ca/)

### Specialized cruise magazines:

- Avid Cruiser Magazine [www.avidcruiser.com](http://www.avidcruiser.com)
- Cruise Business Review [www.cruisebusiness.com](http://www.cruisebusiness.com)
- Cruise Industry News [www.cruiseindustrynews.com](http://www.cruiseindustrynews.com)
- Cruise Insight Magazine [www.ashcroftanddassociates.com](http://www.ashcroftanddassociates.com)
- Porthole Cruise Magazine [www.porthole.com](http://www.porthole.com)
- Seatrade Cruise Review [www.seatrade-global.com](http://www.seatrade-global.com)

## Appendix K – Interview List

Temujin Nana  
Travel Dynamics, New York (Yorktown)

Tim Moore  
Consultant, TJ Shipping  
Formerly Fred Olsen Cruises

Atlantic Pilotage Authority, Halifax  
Anthony McInnis

Atlantic Pilotage Authority, Saint John  
Pat Quinn

Canadian Hydrographic Services – Halifax  
Bruce Anderson

City of Bathurst  
Meredith Caissie

Town of Dalhousie  
Patrice Michaud

Port of Dalhousie  
Brian Hyslop

Port of Dalhousie  
Rhéal Savoie

Town of Caraquet  
Daniel Landry

Entreprise Péninsule/ OPA  
Réaldine Robichaud

Port de Caraquet  
Daniel Landry

Town of Miramichi  
Peter Murphy

Miramichi River Tourism Association  
Cindy Trevors

Canadian Coast Guard – Atlantic Region  
Stephen Bornais

Port of Belledune  
Rayburn Doucett

Atlantic Canada Cruise Association (ACCA)  
Brian Webb

NB Tourism, Heritage & Culture  
Product Development Miramichi Region  
Terry Power

NB Tourism, Heritage & Culture  
Product Development Restigouche Region  
Denise Boudreau

St Lawrence Cruise Association  
René Trépanier

Charlotte County Tourism Association  
Vaughn McIntyre, Cruise Consultant

Port of Miramichi (property owners)  
Henrietta Haché

FK Warren Halifax (Shipping agency)  
Colin Conrad

Fundy Shipping Dalhousie  
Nicole Boudreau

Cruise Association of Newfoundland & Labrador  
Nora Fever

Cruise Association of Newfoundland & Labrador  
Vanessa George

Port of Halifax (Homeport Strategy)  
Cathy McGrail

Nova Scotia Department of Tourism  
Linda Murphy (NS Small ports)

The Most Beautiful Bays in the World  
Michel Bujold



## Appendix L – Aquila – Company Background

Aquila Tours is a Canadian tour operator based in Saint John, New Brunswick, with 30 years of experience in the travel industry and 20 years of providing shore excellence to cruise lines and their passengers. Since opening its doors in 1982, Aquila Tours has been on an incredible journey that has involved a wide variety of aspects of the travel trade in Atlantic Canada and beyond.

Today, Aquila’s area of excellence is delivering shore excursions to cruise lines when they anchor in the Bay of Fundy. Aquila provides their cruise line clients with a wide array of fantastic excursions for cruise guests that are filled with the region’s most popular sights and the off-the-beaten-path experiences. Aquila has eight full-time team members and over 50 seasonal tour guides, trolley drivers and pierside team members.

With award-winning shore excursions and tour guides who were named best in the world by Dream World Cruise Destination magazine over the past five years, Aquila is highly respected within the cruise industry and is often named as one of the best tour operators in the world by cruise executives.

At the encouragement of several top executives at major cruise lines, in 2007, Aquila began offering coaching and training programs to help tour operators and cruise destinations around the world achieve this same level of excellence in their businesses and ports.

Aquila’s recent endeavours include an online Tour Guide Excellence training program providing International Certification to Tour Guides worldwide, with the goal of establishing a standard for Tour Guides in the Cruise industry, as well as a Tour Operator Designation designed to establish standards for tour operators in the industry. For more details, see [www.tourguideexcellence.com](http://www.tourguideexcellence.com) and [www.cruiseexcellence.com](http://www.cruiseexcellence.com).

Locally, Aquila has offered seminars and workshops over the years throughout Atlantic Canada, and delivered consultative Port Readiness programs in Shelburne, Lunenburg, Baddeck, Louisbourg, and Cheticamp, Nova Scotia, as well as Miramichi, Caraquet and St Andrews, New Brunswick.

### Knowledge of Cruise Industry

Aquila has been a member of ACCA (Atlantic Canada Cruise Association) since its inception, is an Executive Partner of CLIA (Cruise Lines International Association), and is a Platinum Member of FCCA (Florida-Caribbean Cruise Association), Aquila sits on the PAMAC (Platinum Associate Member Advisory Council) with the executives of all the major cruise lines and is able to gain up-to-the-minute information on changes and opportunities affecting the industry.

Aquila has been sought after as speakers on a variety of cruise-related topics, including recent presentations for the CLIA conference in Ft Lauderdale, the FCCA conference in Curacao, AAPA (American Association of Port Authorities), Cruise Europe annual meetings in Norway and at numerous Canada New England Cruise Symposiums.

## **Appendix L (continued)**

### **International Recognition**

Aquila has won recognition and respect within the cruise industry and from cruise lines, and is often named as one of the best tour operators in the world by cruise executives.

Aquila’s Tour Guides have been repeatedly named best in the world by Dream World Cruise Destination magazine: “Destination where the quality and professionalism of guides is considered outstanding.”

Aquila was also named as the best Tour Operator to work with in the world in 2010 by the same magazine: “Companies recognized for outstanding service to passengers, crew or ship.”

Aquila’s Center for Cruise Excellence and Sustainable Travel International have an agreement to share the goals of promoting environmentally and socially responsible tourism practices and standards.

### ***Tour Guide Excellence International Certification & Aquila’s Center for Cruise Excellence***

Aquila developed an Online International Training and Certification that teaches Tour Guides what makes an excellent tour guide and the skills to turn that knowledge into a practical reality when guiding shore excursions. Guides trained include those who work for tour operators in Panama, Mexico, Guadeloupe, Europe, South Polynesia, Belize, St Maarten and many more. This program is endorsed by the FCCA and promoted by the major cruise lines.

Aquila has presented workshops on Shore Excellence in 2012 in Guatemala, Aruba and Puerto Rico. Endorsed by the FCCA, these workshops enable destinations to understand the roles of ports, destinations and tour operators in the success of a destination’s cruise industry; examine the cruise lines’ expectations; learn how shore excursions work and their importance for the cruise industry; and provide the best ways to provide excellent customer service.

### **Aquila – Looking Ahead**

Through work on the regional, national and international level, Aquila has not only demonstrated its commitment to cruise, but also its vision for growth and regional cooperation in the areas of port and stakeholder development. As a tour operator with close ties to executives in the major cruise lines which call on the Atlantic region, Aquila is uniquely positioned to act as an advisor and guide to enable ports, stakeholders, tour operators and other interested parties to become involved in cruise.

## Appendix M – Aquila Team Bios

### Melanie Colpitts, Partner & Vice President, Aquila’s Center for Cruise Excellence



**Melanie Colpitts** has been with the Aquila Team since she went looking for her first summer job in 1992. She spent her summers with us and worked part-time until the completion of her degree from UNB in 1997, at which point she joined the team full-time. Over the past 20 years, Melanie has been involved in every aspect of Aquila, from the motorcoach and travel learn markets to Aquila’s initiatives in the cruise market. In fact, Melanie was our “original” cruise manager, and in that role, she developed many of the processes that we still follow today for shore excursion delivery.

In the years that have followed, Melanie has been a leader in Aquila’s initiatives in the cruise market, and she has been instrumental in the development of Aquila’s successful operational and sales strategies that have resulted in significant growth for Aquila. She developed Aquila’s innovative Tour Guide training program, which has resulted in their guides being named best in the world by Dream World Cruise Destination magazine on five occasions. It was also the model from which Aquila’s online Tour Guide Excellence training program was developed, and Melanie played an integral role in the development of that program, which is now training guides from around the world.

Today, in her role as Vice President of Aquila’s Center for Cruise Excellence, Melanie continues to put her vast knowledge and expertise of the cruise industry to work to develop training programs for clients, as well as designing and leading workshops and consultations with ports and destinations around the world, from Miramichi to Mexico. She also makes frequent trips to Florida to meet with cruise executives and the FCCA as Aquila’s Center for Cruise Excellence continues to work to establish standards for Tour Operators and Tour Guides in the cruise industry around the world. Her relationships with cruise executives in departments from itinerary planning to sales and marketing to shore excursions has led to a very thorough understanding of all aspects of what cruise lines are looking for from their ports of call, from operations to shore excursions.

As a partner with Aquila, Melanie is actively involved with financial management, strategic planning, and human resources, and she is also still involved with the Shore Excursions side of Aquila’s business in product development and Tour Guide training.

Melanie is also actively involved in the tourism industry in our region. She represents the Cruise Sector on the board of TIANB (Tourism Industry Association of New Brunswick), is on the Board of the 2014 Global GeoParks Conference, and has just been asked to represent TIANB on the ACTP Marketing Committee. She has also been a speaker at cruise and tourism events, such as the Canada New England Cruise Symposium and TradeSmart.

Melanie regularly develops training programs for tour operators and tour guides, and provides consultative workshops on port readiness to new and emerging ports. Melanie was one of the two lead facilitators in Port Readiness programs in Lunenburg, Shelburne, Baddeck, Cheticamp, Louisbourg, St Andrews and Miramichi. Melanie is proficient in French, having followed French Immersion throughout her schooling.

## Appendix M (continued)

### Beth Kelly Hatt, Owner & President



**Beth Kelly Hatt (née Giroux)** established Aquila Tours in Saint John, New Brunswick in 1982 as a seasonal company offering city tours to visitors. The company grew quickly, and soon it required full-time management, at which point Beth stopped working as a sales person for a local hotel and began operating Aquila full-time. Aquila joined the National Tour Association in 1988, and Beth was the first from Atlantic Canada to receive her Certified Tour Professional (CTP) designation in 1991 from the National Tour Association. That same year, Beth received the region's Women Entrepreneurship Award, and in the years that have followed, Beth has been recognized with numerous awards and accolades, including being named one of 25 People to Watch in Atlantic Canada (Progress Magazine, 2006), one of the Top 100 Most Powerful Women in Canada (Woman's Executive Network and the Richard Ivey School of Business, 2003), an Atlantic Region Finalist for the Ernst & Young Entrepreneur of the Year Award (2002), and one of the Top 50 CEO's in Atlantic Canada (Atlantic Business Magazine, 2002).

Beth has a proven ability to see and respond to travel trends, and over the past 30 years, the company has provided a wide range of tourism services including inbound motorcoach tours of Atlantic Canada; outbound group tours from Atlantic Canada to destinations around the world; conference management and event planning; shore excursions for the cruise lines who call on Saint John; and much more. However, several years ago, Beth led her team through a dynamic strategic process that changed the company's focus to be solely on the cruise industry.

Since then, Aquila's solid reputation as a Tour Operator providing excellence in shore excursions for the cruise lines has grown steadily. In 2007, at the encouragement of several cruise line executives, Beth and her team founded Aquila's Center for Cruise Excellence, which offers coaching and training programs to help tour operators and cruise destinations around the world achieve this same level of excellence in their businesses and ports.

A key factor in Aquila's incredible growth in all of their markets has been Beth's ability to see opportunities and form strategic partnerships. Beth has been the visionary behind such successful partnerships as the Bay of Fundy Cruise Partnership, Atlantic Coast Alliance, and CanadaQuest, all of which directly contributed to significant growth of their respective markets. She is sought after to share her strategies for success as both a mentor and an innovator, and is a frequent speaker, panel presenter and workshop facilitator.

An active visionary not just for her business, Beth is a leader in both the tourism industry and the local business community. She has held Director positions on a wide variety of boards locally and nationally, including being the founding chairperson of Avantage Saint John Advantage, an organization whose strategies were directed to communicate the economic benefits and necessity of supporting a healthy, culturally enriching environment for our growing bilingual population. She is also an active volunteer, having worked with organizations such as Big Brothers Big Sisters and Romero House.

Born in Charlo, New Brunswick, Beth's first language is French, and as recently as earlier this month presented a Profitable Partnerships workshop in Caraquet and was speaker at le conseil économique du Nouveau-Brunswick on company growth strategies.

## Appendix M (continued)

### Danielle Timmons, Partner & Vice President, Aquila's Shore Excursions



**Danielle Timmons**, a partner with Aquila, as well as Vice President of Aquila's Shore Excursions, has been involved with Aquila for 20 years. Danielle started working with the company during her school years, and worked on and off for several years around other adventures, such as extensive travels through Europe. She spent 5 years in Calgary with Garth Toombs Associates, one of Canada's largest providers of career transition services, in roles that ranged from marketing to customer event management to workshop facilitator. We were delighted when she came back to New Brunswick full-time in 2004 to join Aquila's management team.

In her role as Vice President of Aquila's Shore Excursions, Danielle oversees all aspects of the Shore Excursion side of the business, from strategic planning to sales and marketing. She makes frequent trips to Florida to meet with our cruise line clients and attend conferences such as CLIA and Cruise Shipping Miami, which has led to strong relationships with cruise executives and a comprehensive understanding of what cruise lines are looking for from their ports and shore excursions. She also plays an active day-to-day role with shore excursion delivery as one of the Cruise Managers for the ships that call on Saint John each year, and she trains all of Aquila's Cruise Managers on how to manage all of the many details that are integral to the success of a cruise day.

As a partner, Danielle's responsibilities also include financial management, strategic planning, and human resources. She is also frequently involved in program delivery, project management and marketing for Aquila's Center for Cruise Excellence.

Danielle is actively involved in the business community in Saint John, as an Executive member of the Board of Directors for Enterprise Saint John, as well as the Administrator for the Board of Directors of the Saint John Hotel Association.

Danielle is fully bilingual, and was one of two lead facilitators for the initial Port Readiness program in French in Caraquet, as well as the initial workshop in Miramichi in English. She was the lead facilitator at the Parks Canada Product Readiness workshop in PEI, and the lead presenter of Aquila's shore excursions for the various departments on board Carnival's ships.