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Characteristics of the International Cruise Tourism Market and Prospects for China

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Abstract: This paper systematically analyzes the development characteristics of the international cruise tourism market and its implications for the Chinese market. This paper mainly discusses the mature operation system, regional distribution pattern and diversified product characteristics of the international cruise market, and then analyzes the current development status and challenges of the Chinese cruise market. Development paths and strategic suggestions are put forward for the research content. This research provides a theoretical reference for the transformation and upgrading of China's cruise industry and has significant guiding significance for exploring a cruise tourism development model with Chinese characteristics.

Keywords: Cruise tourism Market characteristics Outlook for China

Introduction

Cruise tourism, as an important component of modern tourism, has maintained a steady growth worldwide in recent years. This kind of tourism mode that integrates transportation, accommodation, catering and entertainment is increasingly favored by consumers. After decades of development, the international cruise market has formed a relatively mature operation system, while China, as an emerging market, is in a stage of rapid development. Studying the characteristics of the international cruise market has important reference value for the development of China's cruise industry. By analyzing the experiences of mature international markets, useful references can be provided for China's cruise industry, helping it avoid potential risks in the development process and achieve higher-quality growth.

1. The main characteristics of the international cruise tourism market

1.1 Current Situation of the International Cruise Tourism Market

International cruise tourism, as a high-end leisure travel mode, has formed a mature industrial system after more than half a century of development. According to the "2023 State of the Cruise Industry Report" released by the International Cruise Association (CLIA), the global cruise tourism industry has fully returned to the pre-pandemic level. In 2023, the number of global cruise passengers reached 31.5 million, slightly exceeding 29.7 million in 2019.

1.2 Market Pattern and Regional Distribution

From the perspective of geographical distribution, the cruise tourism market shows a distinct regional concentration feature. CLIA data shows that the North American market has long held a dominant position, contributing 56% of global cruise passengers in 2023. The Caribbean region remains the most popular cruise destination, accounting for 35% of global routes. The European market is dominated by Mediterranean and Nordic routes, accounting for approximately 28%. In recent years, the Asia-Pacific region has seen significant growth, with its market share rising to 9.2%. Among them, the recovery of the Chinese market is particularly crucial.

In terms of the market pattern, the international cruise industry has formed a situation dominated by several major operators. These large cruise companies cover different market segments through multi-brand strategies, with layouts ranging from high-end luxury to the mass market. The three major cruise groups - Carnival Group, Royal Caribbean Group and Novogene Group - together control 82% of the global market share (CLIA, 2023). These giants cover different market segments through multi-brand strategies. For instance, Carnival owns nine brands including Princess Cruises and Homme Cruises, serving a wide range of customers from high-end to mass. This centralized market structure is conducive to the exertion of the scale effect, but it also constitutes a relatively high market barrier for new entrants.

Cruise products are showing a diversified development trend. In addition to traditional sea cruises, special products such as theme cruises (such as music and food-themed ones) and adventure cruises are becoming increasingly diverse. According to Cruise Market Watch, a cruise market analysis agency, the total revenue of the global cruise industry recovered to approximately 36 billion US dollars in 2023, among which

the contribution rate of featured cruise products exceeded 25%.

In terms of sustainable development, the international cruise industry is actively promoting environmental protection measures. CLIA member cruise companies have committed to achieving carbon neutrality by 2050. Currently, over 50% of newly built cruise ships are powered by LNG or equipped with exhaust gas cleaning systems (CLIA Sustainability Report, 2023).

1.3 Product and Service Features

Modern cruise tourism products show a diversified development trend. In addition to traditional sea cruises, special products such as theme cruises and adventure cruises are becoming increasingly diverse. Cruise companies constantly introduce innovative services, such as distinctive dining, entertainment performances and shore excursor programs, to meet the needs of different customer groups.

In terms of service standards, the international cruise industry has formed a relatively complete quality system. From cabin facilities to service quality, from safety standards to environmental protection requirements, there are corresponding industry norms and standards. This standardized service system guarantees the quality of cruise tourism.

2. The current development status of China's cruise tourism market

2.1 Market Development Stage

The cruise market in China started relatively late, but has developed rapidly. After experiencing an initial period of rapid growth, it is now entering a more rational and mature stage of development. Market participants have gradually realized that relying solely on price competition is unsustainable and a shift towards quality and service improvement is needed.

From the perspective of geographical distribution, China's cruise market is mainly concentrated in the eastern coastal areas, with port cities such as Shanghai, Tianjin and Guangzhou as the main departure ports. These regions have developed economies and strong residents' consumption capacity, providing a good market foundation for the development of cruise tourism.

2.2 Challenges Faced

The cruise market in China faces several challenges in its development process. First of all, domestic cruise brands are still in the cultivation stage and there is a certain gap compared with international leading enterprises. Secondly, cruise tourism culture has not yet been fully popularized, and consumers' awareness of cruise products needs to be improved. In addition, the relevant supporting policies and service systems also need to be further improved. Another important challenge is the shortage of professional talents. Cruise operation involves multiple professional fields and requires a large number of talents with professional knowledge and an international perspective. At present, the relevant talent cultivation system in China is still not perfect, which to some extent restricts the development of the industry.

3. Development Outlook of China's Cruise Tourism Market

3.1 Market Potential and Development Opportunities

China has a huge population base and a rapidly growing middle class, which provides a broad market space for the development of cruise tourism. With the increase in residents' income levels and the change in consumption concepts, cruise tourism is gradually becoming an important choice for leisure and vacation. The policy environment is also constantly improving. In recent years, the government departments have introduced a series of policies and measures to support the development of the cruise industry, including simplifying customs clearance procedures and improving port facilities. These policy benefits have created a favorable environment for the development of the industry.

As an emerging market, China has huge development potential. In 2024, the cruise market was bustling with activity. This year, the first domestically-built large cruise ship was officially put into commercial operation, and it was also the first year for international cruise ships to return to the Chinese market. The 2024 China and Asia Cruise Economic Sentiment Index shows that the China and Asia Cruise economic Sentiment indices in 2024 were 102.13 and 102.16 respectively, steadily improving on the basis of 2023. Data from China's Ministry of Transport shows that the number of cruise passengers in China was approximately 500,000 in 2023, and it is expected to exceed 1 million by 2025. This also marks that China's cruise economy has entered a period of resilient recovery and stabilization from a period of accumulation and development.

3.2 Development Path and Strategy Suggestions

Based on international experience and domestic reality, China's cruise industry can consider the following development paths: Firstly, strengthen cooperation with leading international enterprises and learn advanced experience; Secondly, cultivate domestic cruise brands and enhance the capacity for independent development; Secondly, improve the relevant supporting policies and service system. In terms of product development, emphasis should be placed on integrating Chinese characteristic cultural elements to develop cruise products suitable for

Chinese consumers. Meanwhile, it is necessary to strengthen market cultivation and consumer education to enhance the public's awareness and acceptance of cruise tourism.

4. Conclusion

To sum up, the development experience of the international cruise market provides important references for China. Although China's cruise industry started relatively late, it is expected to achieve rapid development thanks to its huge market potential and policy support. In the future, the Chinese cruise market needs to draw on international experience and combine local characteristics to forge a development path with Chinese characteristics. To achieve this goal, the joint efforts of the government, enterprises and relevant institutions are needed. The government should continue to improve the policy environment, enterprises should enhance innovation and service improvement, and relevant institutions need to do a good job in talent cultivation and market nurturing. Through multi-party collaboration, China's cruise industry is bound to embrace a brighter development prospect.

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