CRUISING TOURISM: DIFFERENTIATION THROUGH THE CHARACTERISTICS OF CRUISING ROUTE

Key Words: cruising, value, perception

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About the paper

- The problem of the research: evaluate the impact properties of cruising routes to its differentiation (resolving dilemma for prices).
- The subject of the research: evaluating determinants of the cruising route’s characteristics (functional, social, and emotional).
- The main objectives of the research: determining the direction of the effects of the individual cruising route characteristics on service value’s perception, and providing an evaluation model of the route’s characteristics, explaining the cruising product value’s perception, and indicating significance variables of attraction.
- Fact: cruising product is no longer selected primarily for the cruising service, but for the content of cruising route.
- The authors have determined the affirmative characteristics that contribute the perception of cruising route.
- Questions:
  1. What factors of cruising tourism are determining the value’s perception for a guest in the selection of cruising route;
  2. What are the determinants of cruising routes that prospective customers consider when assessing its value;
  3. How does each of the identified determinants affect the overall perceived value of the cruise route;
  4. How the overall perceived value of the cruise route affects customer behavior intentions.
1. Introduction

- Defining characteristics and relationship variables of cruising routes as an integrated tourist product for better differentiation.
- Identify important features of cruising routes, which determine its choice, or the skepticism by potential cruise guests.
- Preliminary research (Šerić, Luković, 2010): tourist destinations provided by cruising route present variable of great importance. Managing these variables can result in positive or negative repercussions in the guest’s selection.
- To recognize factors that determine the perceived value of cruising routes for designing a new model among important variables (perceptual value of the cruising product through ship, services, destinations on the route, partial tourist products during the cruise, ecc.)

2. Perceived value when selecting a service provider

- Consumer behavior in cruising segment result in decisions and actions related to a defined price, selection and reselection of cruising company (Cannot, Brink and Brijball, 2006).
- Mudi and Pirrie (2006): there are two concepts related to the consumption of services, expectations and perceptions ("what will happen", structured as a pre-experience of the future).
- An effective starting point for developing appropriate marketing strategies (Cravens & Piercy, 2003).
- Imperative for any cruising company should be required to consistently differentiate, or distinguish itself from its competitors by offering higher value to their customers (Cannot et al. 2006).
- Gallarza and Saura (2006): consumer behavior can be understood better if analyzed through the perspective of perceived value.
- Understanding of perceived value may have practical advantages for cruising companies - evaluate the perceived value throw the position of the cruising customer in the focus of selected marketing strategies: creating the value for clients in order to gain competitive advantage.
Cruising companies are no passive observers trying to discover the intentions and desires of their clients. Collaboration with the cruise guests as co-creators of the value of offered route. Lush & Vargo, 2006: Prediction of guest perceptions, analyzing their expectations and guiding their behavior to directly influence the decision-making processes. Cruising market nowadays: imperfect and asymmetric informations about the routes, and the quality from the experiential aspect of perception. What does the cruising customer really expects of its overall shopping experience? Which offered attributes of cruising routes are the most important in perceptual evaluation of cruise offer? Luković, Šerić 2010: The value perception of cruising routes is often related to the attractiveness of destinations and partial destination products that routes include.

3. Term of value in evaluation of cruising routes

1. Value is what presents a true value in terms of welfare and life of the individual and society as a whole.
2. Value refers to what society in general is considered as significant actually contribute to the betterment.
3. The value can be related to what the individual is considered worthy to own.
4. Value refers to the degree or amount of properties that buyers consider essential for the specific object of observation that want to maximize the pleasure of purchasing.
5. The value is derived from the purchase.
• In making strategic business decisions: analyze whether these values are based on subjective assessments, or object-oriented, take into account whether the value is measured in terms of market characteristics, or customer sacrifices.
• The internal value of cruising routes is based on an objective assessment of the route value (number of destinations in the route, destinations attractiveness, diversity of partial tourist attractions of those destinations etc).
• The exchange value of cruising routes are based on the objective characteristics and influenced by the market conditions.
• Use value of cruising routes is based on the subjective experience.
• The utilitarian value is also subjective-oriented (money and time). But Woodall (2003): the utilitarian approach is based on balancing the positive and negative sides.
• Tourists are leaded by human values (quality of life, origin) in their decisions.
• Types of values illustrate the differences in the meaning of value and difficulties in developing the concept of value.

4. Research: perceived value of cruising routes

• Specialist sample (40 women and 40 men who were at least 5 times the visitors of different cruising routes) of reputable cruise company:
  • The value of cruising route presents its content that attracts me (25 responses);
  • The value of cruising route is the amount of new experiences and adventures (15 responses);
  • The value of cruising route is its originality (14 responses);
  • The value of cruising route is covered by the attractiveness of the covered destinations (12 responses);
  • The value of cruising route is the quality of accommodation and experience for its price (6 responses);
  • The value of cruising route is a lower price with more destinations covered (4 responses);
  • The value of cruising route is the quality of accommodation and meals on boat (2 responses)
  • The values of cruising route are the facilities for the passengers on board (1 response);
  • The values of cruising routes are the facilities for the passengers on board and on land (1 response).
4.1. From these insights

1. The perceived value of cruising routes can be defined as an overall assessment of its benefits through the all new experiences and costs.
2. Important to emphasize the importance of a destination as a partial variable that significantly determines the perceived value of cruising routes.
3. The cruising customers evaluate a combination of perceptions about cruising route quality with the perception of prices for what it offers.
4. Perceived value of cruising routes thus, greatly depends on the attractiveness of destinations and facilities that cruising route includes.

Research: perceived value of cruising routes

- The distrust that the promised facilities of the route would be completely satisfactorily realized (26 responses);
- Insufficient communication and responses to the customer queries about the route (18 responses);
- A small number of route destinations and additional contents considering the price (16 responses);
- Selecting a cruising route from a new cruising company for the first time (8 responses);
- Fear that the planned destinations tour and its facilities would be physically exhausting (6 responses);
- Various risks associated with cruising route (navigation conditions, bad weather, etc.) (6 answers).
4.2. From these insights

- Destination is a very significant variable.
- The most common response to the argument of not accepting a certain cruising offer is that the cruise program seems as inconclusive due to overly destinations that the route provides.
- Inadequate information in the communication about the route is stated that they did not receive concrete answers to questions regarding the route of the destination.
- Respondents emphasize a fear that the route would be exhausting due to a number of planned destinations.

5. Evaluation model of cruising routes differentiation

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<th>Platform of benefits for the cruising customer</th>
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<td>Emotional benefits of cruising route</td>
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<td>Learning benefits of cruising route</td>
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<td>Economic benefits of cruising route</td>
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<td>Social benefits of cruising route</td>
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<th>Platform of costs for the cruising customer</th>
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<td>Price of cruising arrangements</td>
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<td>Duration of cruising route vs destinations on the route</td>
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Source: Author’s analyses, 2013.
• Emotional benefits - new experiences and adventures, attractive destinations, attractive partial destination products;
• Educational benefits - new and unknown destinations, local customs and cultural heritage;
• Economic benefits of cruising routes - the total cost of the destinations tour on the route compared with the experience achieved from a different form of tourist travel and stay;
• Social benefits of cruising routes - the benefits associated with the recommendations of acquaintances to select route, tourism trends and fads, meeting new people with similar values and attitudes.

Cost platform associated with the customer perceived value of cruising routes in the proposed model includes:
• The cost of the perceived cruising route price - the perception of potential cruise guest whether the price is higher than expected for the presented content;
• The cost of the perceived duration of the cruising route compared with the destinations and facilities that the route assumes.
• Perceived physical strain of a tour for the planned destination and destination content on the route - in accordance with the age of a target customer;
• The perception about different risks on the cruising route - internal and external;
• Perception about the lack of confidence in cruising route offer - confidence in the cruise company, lack of confidence in the quality of content implementation that the route provides.

6. Conclusion
• Influence of the cruising routes characteristics certainly affects its differentiation and competitiveness in their selection.
• These features are closely related to the perception of what is offered.
• Cruising route is primarily perceived through the total experience of all components.
• Attractiveness and a number of destinations that the route includes have a particularly significant role in the selection.
• Cruising turist is cognitively balancing between personal perceptions of the quality and the perceptions of costs.
• Customer’s decision depends on the marketing communication of route’s benefits.
• Different combinations can be used to increase the perceived value.
• The most desirable is the one that involves increasing the perceived benefits at the lowest level of perceived cost.
• Increasing the quality is the surest way to create superior value of cruising routes.
• The increase in quality should be implemented in the content of cruising routes.
• Careful in order to avoid the complex and too rich content that could be rejected from certain segments.
• Benefits and costs are two mutually dependent elements in cruising tourism - the perceived increase in benefits means reducing the perceived cost for the customer to a certain extent.
• Make an evaluation of cruising route differentiation according to the proposed model.
• Human mind perceives what it wants to look for, and decisions are usually made on perceptions rather than facts.
• Evaluation of the target clientele perceptions is of crucial importance to the efficiency of operations.
• Diversity of expectations can explain variations in perceptions among the target customers.
• Clients need to compare the offered alternative options.
• One of the most significant variables that influence the differentiation and competitiveness of cruising route are the number and specificity of destinations involved in the route.

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