# State of the Visitor Industry

Assembly COW

April 3, 2023

# Destination Lifecycle
## Community Sentiment Impact
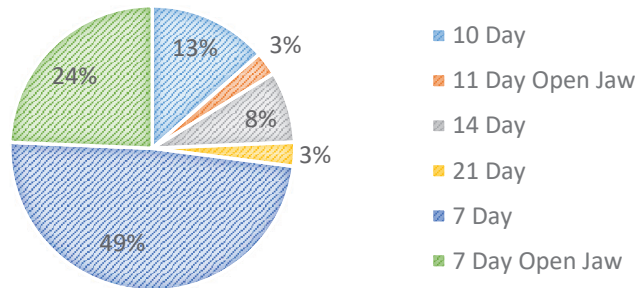
Discovery | Development | Expansion | Rejuvenation / Stagnation / Decline

Community Carrying Capacity of Tourism

+ 
Benefits

Rejuvenation

We are here

Neutral

Stagnation

Inflection Point

Decline

Costs

–

Time

Community Sentiment

Todd Montgomery 2023
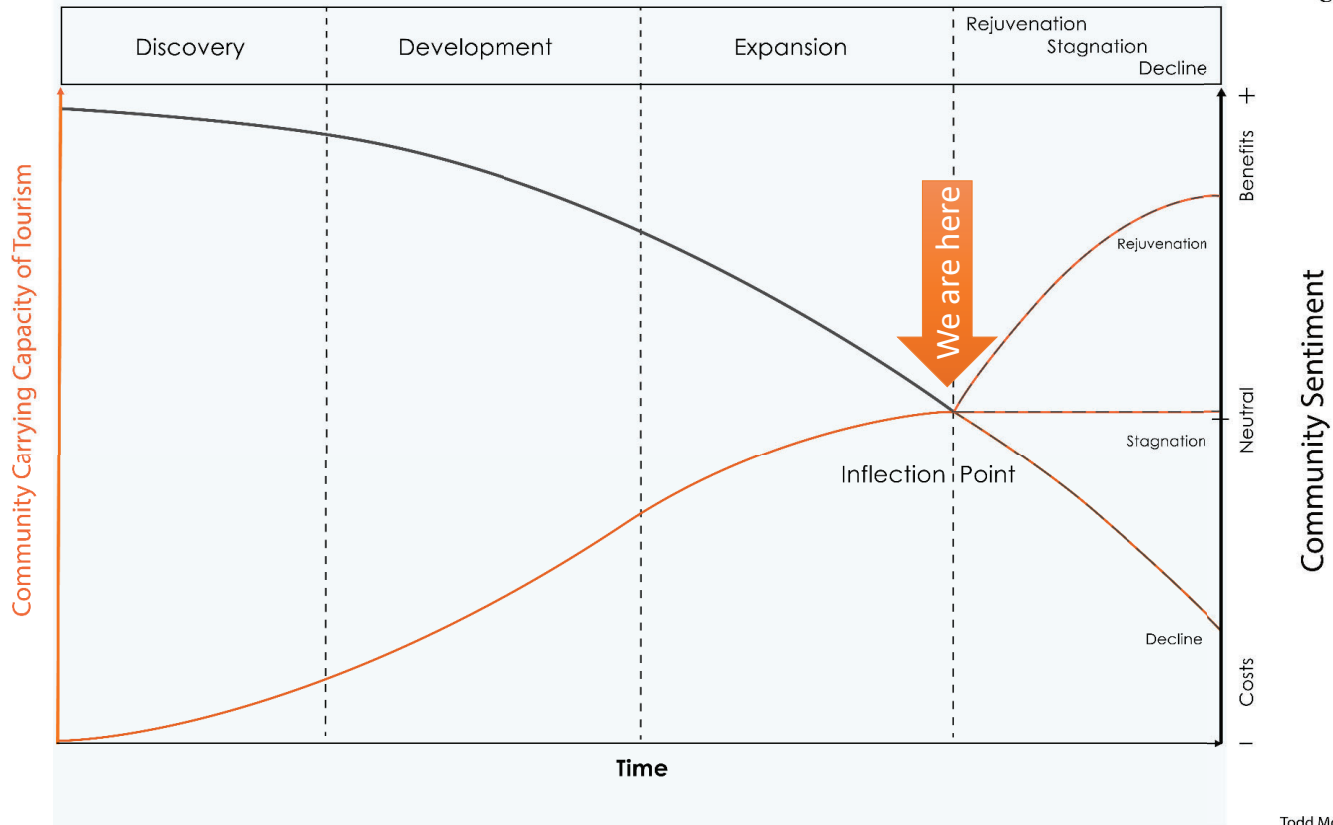
Oregon State University

Follow the money!
Hint: it's all the same money...

```
Individual Passenger
    │
    ├── Cruise passenger ticket
    │       │
    │       ├── Shoreside services: things that ships pay for in port
    │       │       │
    │       │       ├── Passenger fees: MPF, PDF, State CPV ──┐
    │       │       │                                          ├── Shoreside infrastructure: public and private docks and support facilities
    │       │       ├── Dockage fees: fees for using private or public docks ──┘
    │       │       │
    │       │       └── Port agent services: CLAA services in Juneau (longshoring, provisioning, other support)
    │       │
    │       ├── Onboard services: cost of operating the ship
    │       │
    │       └── Cruise line overhead and profit
    │
    └── Extras: onboard purchases, shore excursions
            │
            └── Tour operator
                    │
                    ├── Sales tax
                    │
                    ├── Commodities and services
                    │
                    └── Employees (sometimes housing)
```

# Itineraries

## ITINERARY TYPES



- 10 Day
- 11 Day Open Jaw
- 14 Day
- 21 Day
- 7 Day
- 7 Day Open Jaw

13%  3%
24%  8%
3%
49%

## HOMEPORT



- SAN FRAN - 3 berths
- SEATTLE - 3 berths
- VANCOUVER - 3 berths

5%
35%
60%
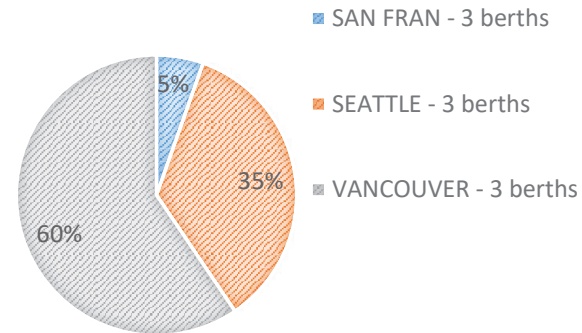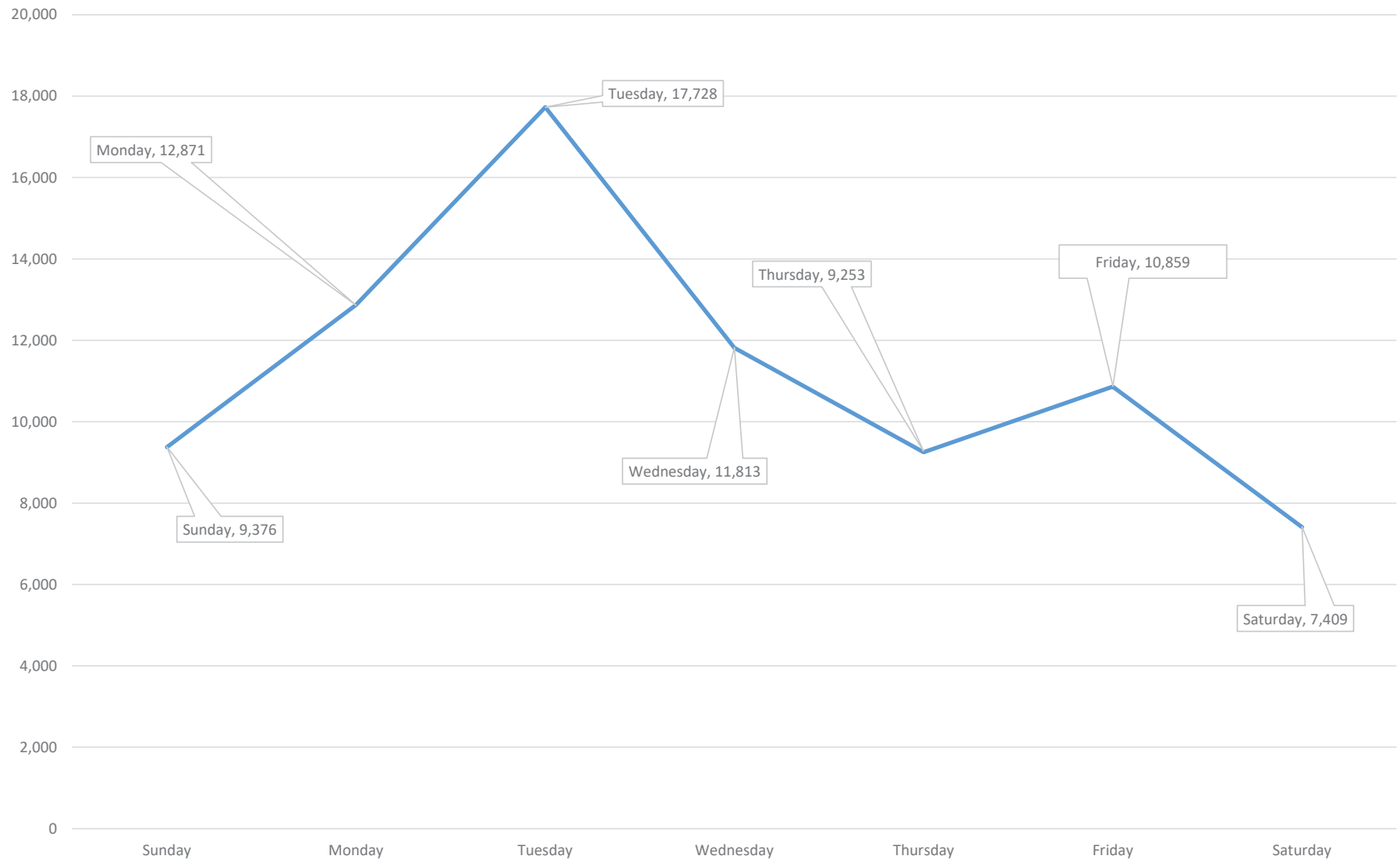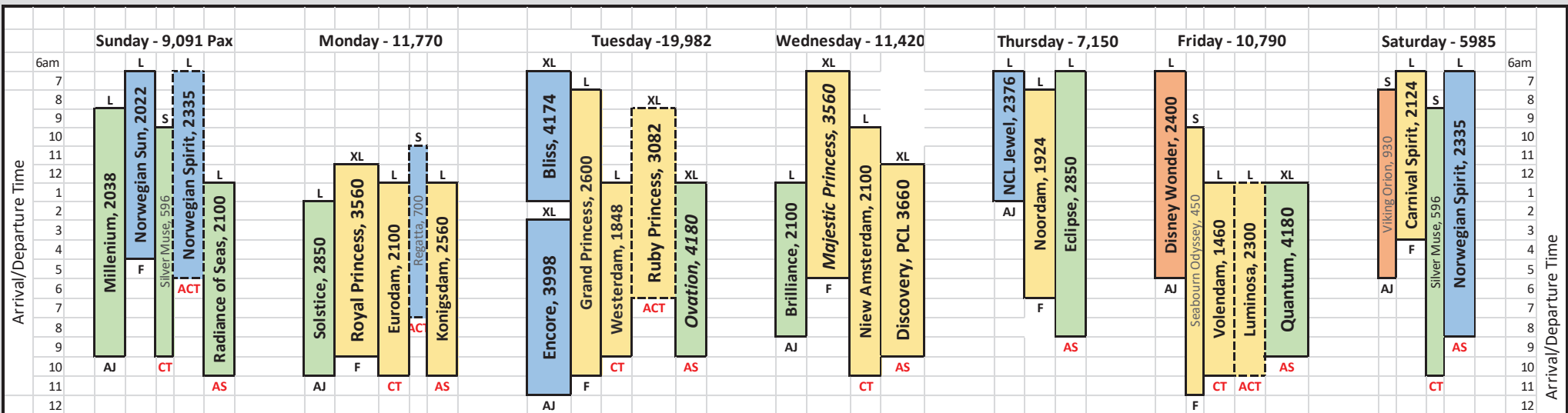
- Traditional Itinerary: 7 days round trip, Vancouver or Seattle
- Open Jaw Itinerary: 7 days point to point, Seward or Whittier, typically includes an interior tour
- Outlier Itineraries: Queen Elizabeth – rotates between 7/10/12 day itineraries, Majestic Princess – rotates between 7 day open jaw and 14 day round trip, Viking Orion – sails 11 day open jaw and spends 3 days in Seward

Average Cruise Ship Passengers/Day of the Week
Port of Juneau
June 2023

Monday, 12,871

Tuesday, 17,728

Thursday, 9,253

Friday, 10,859

Sunday, 9,376

Wednesday, 11,813

Saturday, 7,409

Sunday   Monday   Tuesday   Wednesday   Thursday   Friday   Saturday

# Weekly Snapshot, June 2023

## Port of Juneau Cruise Ship Schedule for the Week of June 18-24, 2023

**Sunday - 9,091 Pax** | **Monday - 11,770** | **Tuesday -19,982** | **Wednesday - 11,420** | **Thursday - 7,150** | **Friday - 10,790** | **Saturday - 5985**

Arrival/Departure Time (6am – 12)

### Sunday - 9,091 Pax
- Millenium, 2038 (L) — AJ
- Norwegian Sun, 2022 (L) — F
- Silver Muse, 596 (S)
- Norwegian Spirit, 2335 (L) — ACT
- Radiance of Seas, 2100 (L) — AS

### Monday - 11,770
- Solstice, 2850 (L) — AJ
- Royal Princess, 3560 (XL) — F
- Eurodam, 2100 (L) — ACT
- Regatta, 700 (S) — CT
- Konigsdam, 2560 (L) — AS

### Tuesday -19,982
- Bliss, 4174 (XL)
- Encore, 3998 (XL) — AJ
- Grand Princess, 2600 (L) — F
- Westerdam, 1848 (L) — CT
- Ruby Princess, 3082 (XL) — ACT
- Ovation, 4180 (XL) — AS

### Wednesday - 11,420
- Brilliance, 2100 (L) — AJ
- Majestic Princess, 3560 (XL) — F
- Niew Amsterdam, 2100 (L) — CT
- Discovery, PCL 3660 (XL) — AS

### Thursday - 7,150
- NCL Jewel, 2376 (L) — AJ
- Noordam, 1924 (L) — F
- Eclipse, 2850 (L) — AS

### Friday - 10,790
- Disney Wonder, 2400 (L) — AJ
- Seabourn Odyssey, 450 (S)
- Volendam, 1460 (L) — CT
- Luminosa, 2300 (L) — ACT
- Quantum, 4180 (XL) — AS

### Saturday - 5985
- Viking Orion, 930 (S) — AJ
- Carnival Spirit, 2124 (L) — F
- Silver Muse, 596 — CT
- Norwegian Spirit, 2335 (L) — AS

### Visitation by Company - 6/18-24

| | At Dock | Anchor/HB |
|---|---|---|
| Carnival Group (Carnival, Holland, Princess, Seabourn) | 33,328 | 5,382 |
| Royal Carribean Group (RCI, Celebrity, Silversea) | 21,490 | 0 |
| NCLH (Norwegian, Oceania, Regent) | 17,940 | 7,033 |
| Other Cruise Lines | 3,300 | 0 |

### Ship Size by Company

| S | L | XL |
|---|---|---|
| 1 | 9 | 4 |
| 2 | 5 | 2 |
| 1 | 4 | 2 |
| 1 | 1 | |

### 6/18-24 Capacity Visitation : 76,088

| | | |
|---|---|---|
| 20,866 | A | AJ Dock |
| 16,868 | | AJ Dock w/o Hot Berthing |
| 16,240 | F | Franklin Dock |
| 8,700 | CT | Cruise Ship Terminal |
| 8,417 | ACT | Anchor |
| 21,865 | AS | Alaska Steamship |
| 4 | | Schedule Vacancies |

Port of Juneau, Cruise Visitation Trends/Passengers per Month – 2019 vs 2023

2019 values: April 3,100; May 201,495; June 285,892; July 310,044; August 281,319; September 187,270; October 4,621

2023 values: April 44,320; May 295,617; June 318,813; July 368,219; August 346,861; September 272,499; October 40,272
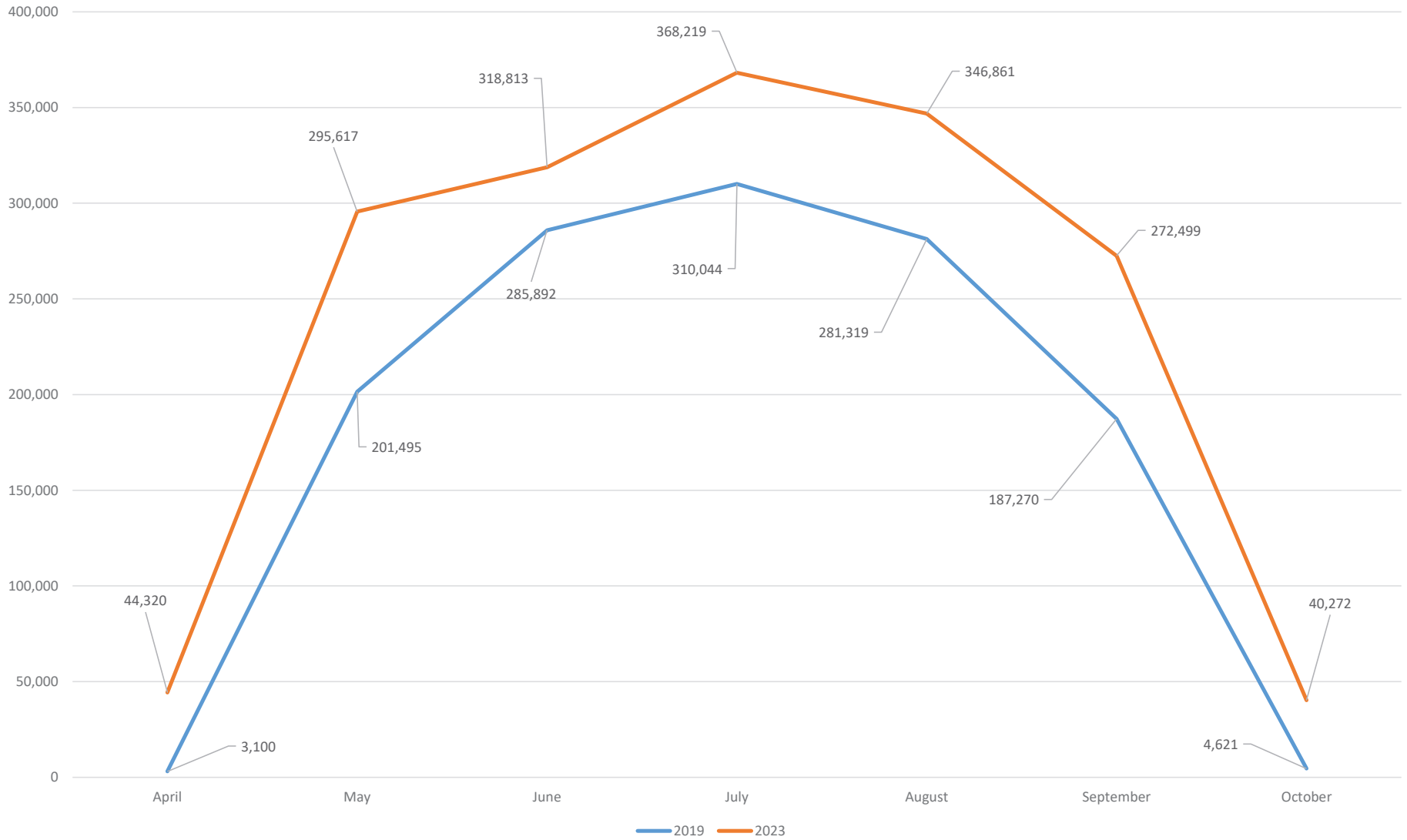
# Theoretical Maximum Visitation

**Current Capacity**

| Dock/Ship Type | Passengers | Spring Season Pax | Peak Season Pax | Fall Season Pax | Total |
|---|---|---|---|---|---|
| XL | 4000 | 90,000 | 550,440 | 45,000 | 685,440 |
| XL | 3000 | 67,500 | 412,830 | 33,750 | 514,080 |
| L | 2500 | 56,250 | 344,025 | 28,125 | 428,400 |
| S | 700 | 15,750 | 96,327 | 7,875 | 119,952 |
| L (lightered) | 2000 | 45,000 | 275,220 | 22,500 | 342,720 |
| | | | | | 0 |
| | | 274,500 | 1,678,842 | 137,250 | 2,090,592 |

**Adjusted for Additional Dock**

| Dock/Ship Type | Passengers | Spring Season Pax | Peak Season Pax | Fall Season Pax | Total |
|---|---|---|---|---|---|
| XL | 4000 | 90,000 | 550,440 | 45,000 | 685,440 |
| XL | 3000 | 67,500 | 412,830 | 33,750 | 514,080 |
| L | 2500 | 56,250 | 344,025 | 28,125 | 428,400 |
| S | 1000 | 22,500 | 137,610 | 11,250 | 171,360 |
| XL (docked) | 3500 | 78,750 | 481,635 | 39,375 | 599,760 |
| S | 700 | 15,750 | 96,327 | 7,875 | 119,952 |
| | | 330,750 | 2,022,867 | 165,375 | 2,518,992 |

- This represents how we get to 2 million passengers at our current capacity and how we get to 2.5 million with a new dock

- Many assumptions are made in this table – the port is full every day, we will see a 4000 passenger ship every day, etc. but it shows the path for growth.

- Data is based on current ship sizes and on trends in ship building.
  - New builds trend toward the small luxury market (<1000 pax) and the large mass market (>3000 pax)

Proposed Subport Dock
Aak'w Landing (HTC)
14+ Bus Spaces

AJ Dock
18+ Bus Spaces

Steamship Wharf (CBJ)
12 Bus Spaces

Cruise Ship Terminal (CBJ)
12+ Bus Spaces

Franklin (aka Princess)
15+ Bus Spaces

Peratrovich Plaza
12 Small Bus/Van Spaces

# Alaska: current and future business

| Coming to Alaska | Planning to Come to Alaska |
|---|---|
| Carnival – Holland America, Princess, Carnival, Cunard, Seabourn, etc. (90 ships, 8 ordered, 42% of pax 2021) | MSC – MSC, Explora (19 ships, 3 ordered, 10% of pax 2021), other business: shipping (560 ships) |
| Royal Caribbean – Royal Caribbean, Celebrity, Silversea (60 ships, 4 ordered, 24% of pax 2021) | Virgin (2 ships, 2 ordered, 1% of pax 2021), other business: airlines, media, etc. |
| Norwegian Cruise Line – Norwegian, Regent, Oceania (18 ships, 5 ordered, 10% of pax, 2021) | |
| Disney (5 ships, 3 ordered, 2% of pax 2021), other business: theme parks, media, merchandise, etc. | |
| Viking (82 ships, 9 ordered, 1% of pax 2021), mostly river cruise ships, all new builds are ocean ships | |

# Quick Stats

- Current Stats
  - 447 ships worldwide
  - 680,573 cruise berths carrying 31.16 million passengers
  - 90+ cruise brands
- Future Stats
  - 66 new cruise ships worldwide by 2028
  - 499 total cruise ships worldwide by 2028
  - 37.4 million passenger capacity by 2027
- Alaska is 6% of global cruise business
- Cruise lines look at desirability, revenues, and past experience when choosing itineraries. For better or worse, Juneau has all three

# Shoreside Activities



Top Visitor Activities in Juneau, All Visitors
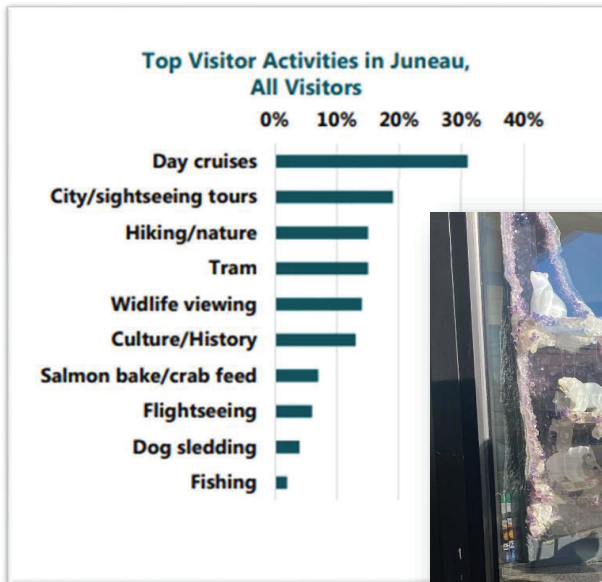
McDowell Group, 2016



- Local economic benefits of tourism are derived from the activities passengers do on shore
  - Tours, shopping, dining out, ancillary benefits
- The goal of any destination is to maximize local economic benefits while minimizing negative impacts
- A near-term public process on shore excursion disbursement and longer-term regional strategy should focus on several key principles:
  - Minimizing resident impacts
  - Recognizing that all tourism management decisions are interconnected
  - Articulating community goals and priorities (starting with the VITF recommendations)
  - Promoting a managed and sustainable industry locally and regionally
  - Maximizing local employment, business ownership, and economic activity
  - Industry-buy in and incentives to reward "good neighbor" operators

# Commercial Use, Shore Excursions, Public Experience



Toe Cartoon, Juneau Empire, 2002