



Center for Responsible Travel

Transforming the Way the World Travels

Stanford University & Washington, DC

www.responsibletravel.org

Project Fact Sheet: Cruise Tourism

The Center for Responsible Travel (CREST) began its research on coastal tourism with two 2006 studies of cruise tourism's effects on Central American nations. The growth in the cruise industry and number of disembarking passengers over the first half of the 00's spawned port development and increased coastal tourism, with little accompanying research as to their sustainability and impact. The industry claimed potent economic benefits but there was little verification of the effects on local populations, and concerns were growing about the ecological and socio-cultural impacts. With an eye towards facilitating change, CREST undertook a careful review of the situation through primary and secondary research. Our studies uncovered a variety of challenges, and we constructed a core set of recommendations for decision makers to maximize the positive benefits of cruise tourism and minimize the negative impacts.

Studies

Cruise Tourism Impacts in Costa Rica and Honduras: Policy Recommendations for Decision Makers

In early 2005, CREST took a close look at cruise tourism in Costa Rica and Honduras in partnership with INCAE Business School of Costa Rica, and with support from the Inter-American Development Bank. Through thousands of cruise passenger surveys and dozens of interviews with those directly involved in the tourism industry, CREST collected data on cruise tourism's economic, social, and environmental impacts. Careful analysis of firsthand views, combined with detailed review of the industry's economic data, indicate a real need for improvements to the way cruise tourism is typically handled throughout the region.

Cruise Tourism in Belize: Perceptions of Economic, Social and Environmental Impacts

This study of perceived impacts of cruise tourism was made possible through a partnership between CREST, the INCAE Business School of Costa Rica, the Belize Tourism Board (BTB), and Belize's Protected Areas Conservation Trust (PACT). The study examines the terrestrial impacts of cruise tourism as they are viewed in Belize. It is based on field research, carried out in 2005 using Stanford academic protocols, involving over 600 surveys with cruise passengers and over 100 interviews with a range of stakeholders in Belize. Through analysis of cruise passenger and exit surveys, the study compares spending patterns, activities, perceptions and preferences of cruise and stayover visitors. It also examines the history, policy making, and public debate around cruise tourism and ecotourism, while comparing the employment, and public revenue generated by each.

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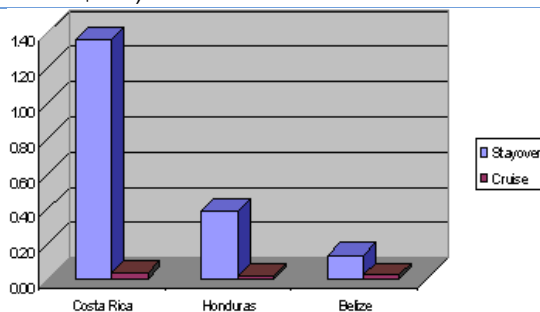
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Conclusions and findings

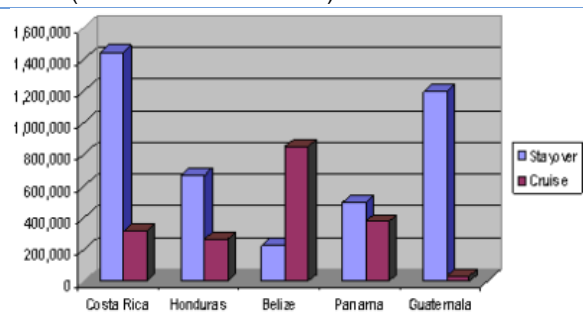
Cruise Tourism Impacts in Costa Rica and Honduras: Policy Recommendations for Decision Makers

- Cruise line activities negatively affect overall port development.
 - The Costa Rican state's focus on facilitating cruise industry expansion jeopardizes the local economy's export industry's access to ports.
 - Development of cruise port infrastructure by the government in Costa Rica disproportionately benefits cruise lines at the cost of diversification.
 - Increasing cruise ship fees to fair levels will help underwrite port improvements.
- Strengthening urban port attractions would generate socioeconomic benefits that are currently being lost to onwards destinations and controlled attractions.
 - Fostering tourist businesses at ports will increase cruise tourist expenditures, rather than the current trend for cruise tourist expenditures to largely bypass the local economy.
 - Strengthening security, creating more city beautification projects, and supporting local goods and services specialization will promote cruise tourism in urban areas.

Central American Visitor Expenditures for 2004 (billions of \$US)



Stayover vs. Cruise Passengers in 2004 in Central America (Number of Arrivals)



Note the disparity between the volume of cruise arrivals and their relative expenditures.

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- The disparity in behavior between cruise and stayover tourists requires changes to policy.
 - Stayover tourists inject multiple times more money into local economies.
 - Stayovers tend to be more sensitive to environmental and cultural aspects. Stayovers are also more likely to recommend the destination to a larger circle of people.
- Cruise line business is not as beneficial as stayover tourism.
 - Policies such as number passengers permitted to disembark per day are waived in order to aid cruise tourism, often to the detriment of ecological and archeological attractions.
 - The vertical integration of cruise line operations, often including land-side attractions, minimizes community benefits and involvement.
 - Many taxes and fees are not reinvested in the community; large portions go towards private organizations.
- Preservation of Belize's international tourism reputation is important to preserve the critical stayover market.
 - Differentiating attractions between the two types of tourists can mitigate negative effects of mass cruise tours.

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