

South Australian

CRUISE SHIP STRATEGY 2020

South Australian
Tourism Commission



Celebrity Century, Port Adelaide Passenger Terminal, Adelaide





Ovation of the Seas, Port Adelaide Passenger Terminal, Adelaide

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South Australia is a highly desirable cruise ship destination, with the State experiencing record cruise ship visits year-on-year. Visiting cruise ships play an important role in South Australia's tourism industry, bringing many passengers and crew to our shores. These passengers undertake tours and travel to our beautiful regions, spending valuable tourism dollars and ultimately contributing to growing our visitor economy.

South Australia boasts a wealth of tourism assets that distinguish us from other destinations and ports around the world. We offer premium food and wine experiences state-wide, such as unique nature-based tourism offerings on Kangaroo Island, shark cage diving at Port Lincoln and world-class events in Adelaide.

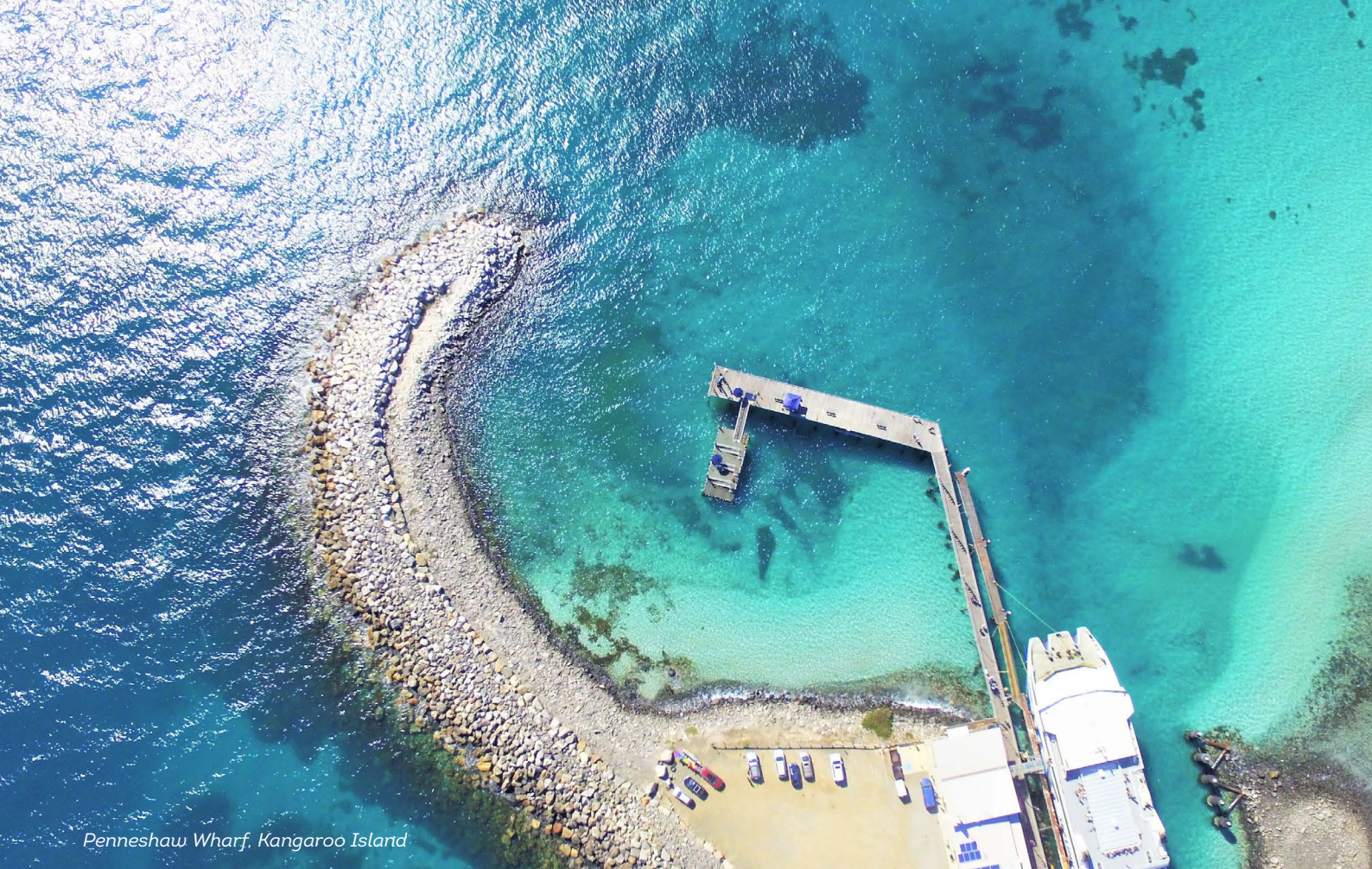
As the Minister for Trade, Tourism and Investment, I recognise the importance of the cruise industry to our economy and the dedicated work of the South Australian Tourism Commission in positioning the State as a destination of choice for visiting cruise lines. We are proud to deliver our South Australian Cruise Ship Strategy 2020 which has been developed to build on our past successes, as we strive towards our goal of an \$8 billion visitor economy by 2020.

Our strategy focuses on maximising the economic opportunities this industry can provide for the State through encouraging investment in infrastructure, enhancing our visitor experiences and increasing regional dispersal. Through the delivery of this strategy we will showcase the best of South Australia and continue to develop important industry and investment partnerships.

I look forward to collaboratively working with you to build a strong visitor economy for South Australia.

Hon David Ridgway MLC

Minister for Trade, Tourism and Investment



Penneshaw Wharf, Kangaroo Island

INTRODUCTION

Tourism is a key driver of the South Australian economy and is vital to the continued success and future growth of our state.

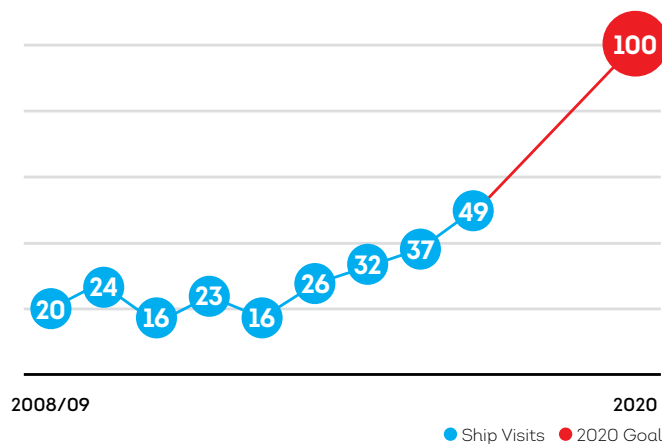
The South Australian Tourism Plan 2020 identifies the State Government's ambition for an \$8 billion tourism industry by year 2020. Five key priority action areas will support the state to reach its expenditure potential:

- ▶ Driving demand
- ▶ Working better together
- ▶ Supporting what we have
- ▶ Increasing the recognition of the value of tourism
- ▶ Using events to grow visitation

Through considering these key drivers, the South Australian Tourism Commission (SATC) will continue to grow cruise ship visits and passenger expenditure for South Australia.

The SATC's 2020 goal for the cruise ship industry is to attract 100 ship visits with a value of \$200 million for the state economy.

The cruise industry is the fastest growing tourism sector in Australia and South Australia, contributing significantly to the state's economy over the past decade. Last year the 2016/17 season contributed \$98.5 million in economic value to South Australia, with 26% growth in passenger numbers on the previous year.





Meet and Greet Volunteer, Adelaide

The South Australian Cruise Ship Strategy 2020 has been developed by SATC to ensure our state continues to be a national leader and destination of choice by cruise lines visiting Australia. For the state to reach our cruise ship industry target, the focus must be on the following objectives:

- ▶ Continue to attract more cruise lines to South Australian ports and anchorages;
- ▶ Ensure quality service, products and experiences are provided to visiting cruise lines and passengers;
- ▶ Encourage investment in new products, experiences and destination infrastructure;
- ▶ Maximise opportunities for cruise lines and passengers to spend money in South Australia;
- ▶ Increase regional dispersal from cruise lines and passengers when they visit our state.

This strategy provides the South Australian Government, key industry stakeholders and regional partners with clear direction by identifying priority action areas that will assist us in reaching our growth potential in the cruise industry.

TARGET



100
CRUISE
SHIP VISITS
by 2020

to South
Australian
ports and
anchorages



\$200M
CONTRIBUTION
to the state
economy

THE GLOBAL CRUISE INDUSTRY

The outlook for the global cruise industry continues to be strong.

Natural disasters, environmental factors and international relations continue to provide challenges for deployment of cruise ships around the world; however the industry remains innovative and reactive to these events, with over a decade of double digit percentage growth in passenger numbers projected to continue over the next five years.

**FAST
FACTS
2018**

The Global Cruise Industry

- ▶ 27.2 million passengers around the world are expected to undertake a cruise in 2018.
- ▶ Projections indicate year-on-year for the next decade, another 1 million passengers will take a cruise.
- ▶ 448 ocean cruising ships were operating in 2016, with 26 new ships commencing operations in 2017. Another 17 ships are due to be built by 2018, 22 more in 2019 and 32 between 2020 and 2026.
- ▶ The global target for 2027 is to have 74 new ships enter the industry, with over 60% of them being between 100,000 – 200,000 Gross Tonnage. This will enable a total of 38 million passengers to travel on 522 ships around the world.
- ▶ Consumer demand for cruising has increased 62% over the past decade (2005-2015).
- ▶ The Caribbean/Bahamas continues to be the world's most popular cruising destination with 38% market share, followed by the Mediterranean 16%, Asia/Pacific 13% and Australia 4%.
- ▶ There is a greater deployment of new ships in Asia, influenced by the growth in China. It is predicted that over 2 million Chinese passengers will be cruising by the end of 2018.
- ▶ Asia is the fastest emerging cruise destination and now has over 200 ports across 17 countries.

Source: Cruise Line Industry Association

Global Trends

Traditionally, a cruise holiday meant a round-the-world trip or a holiday exceeding 20 days visiting many international destinations in one voyage. Target markets were generally senior travellers (60+ years of age) who had more time and money to enjoy the luxuries of cruising.

With more cruise ships competing in an already competitive market, cruise lines are now customising their itineraries, offering shorter durations and developing appeal for all markets and demographics.

This trend has also been responsible for the introduction of specialty or themed cruising, creating an opportunity to appeal to niche markets. Included in this is the growth of volunteer cruising, where passengers can work in a community or for a charity on their cruise.

There is now a cruise for every market, including specialist niche interests.

Key Global Trends in 2018:

1. Younger passengers (Gen Y & Millennials) are embracing cruise holidays.
2. Shorter experiential itineraries are growing in popularity.
3. There is a growing trend towards reverting to traditional methods of booking itineraries, with 25,000 cruise specialist travel agent members worldwide – a number which continues to grow year-on-year.
4. Demand for river cruising is growing, with 187 river ships deployed in 2017 and 13 new ships on order.
5. There is an increased demand for island destinations and smaller exclusive ports to be included on itineraries.
6. Interest and demand is growing for first time cruisers.
7. Convenience by the way of access to services and affordable infrastructure at ports remains highly appealing to cruise lines.
8. There is a growing demand for expedition cruising, themed cruises and exclusive activities which cater for special interest groups.

Source: Cruise Line Industry Association

EXPEDITION VESSELS



10,000
TONNES

10-50
PASSENGERS

- Intimate experiences with adventurous itineraries (e.g. Antarctica, Africa and Asia).

BOUTIQUE SHIPS



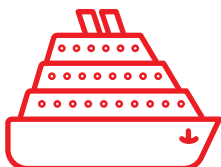
10,000-32,000
TONNES



50-600
PASSENGERS

- Predominantly luxury to premium market specialising in unique experiences and itineraries.

CRUISE SHIPS



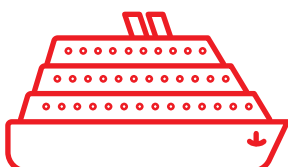
32,000-92,000
TONNES



600-2,700
PASSENGERS

- A broad market catering for mainstream itineraries/ports.

MEGA LINERS



92,000-220,000
TONNES



2,700-6,300
PASSENGERS

- Maximising economy of scale, these ships have limited itineraries and port options in Australia.



**1 EQUAL
1K CRUISE
PASSENGERS**

*Crew are not factored into this classification



Azamara Journey, Port Adelaide Passenger Terminal, Adelaide

THE AUSTRALIAN CRUISE INDUSTRY

The cruise industry continues to be the fastest growing sector of Australian tourism, with double digit percentage growth year-on-year over the past decade, and no signs of slowing.

International cruise lines are continuing to deploy more vessels to Australia and are extending their length of time in the region. The 2016/17 Australian cruise industry contribution to the national economy grew 16% from the previous year to \$5.3 billion in 2017, also creating an estimated 21,260 Full Time Employees.

Source: Cruise Line Industry Association

Cruise Lines International Association Australasia (CLIA) reported that Australian cruise passenger numbers in 2016/17 surged by 21%, reaching 1.28 million ocean cruise passengers. 75% of passenger visit days were generated by domestic passengers, however international passengers accounted for 72% of total passenger day growth.

Australia's growth rate of 21% from the previous year was only surpassed by the emerging market of China at 89%, and then New Zealand at 36.3% which can be attributed to the large increase in ship capacity into the region last year.

Australia continues to have the highest penetration rate in the world, with the equivalent of 5.3% of Australians taking an ocean cruise in 2016, up from 4.5% on the previous year. Australia remains the only country in the world to have achieved a penetration rate of over 4%, and is also the fifth largest cruise market in the world at present accounting for 5.2% of the world's passengers. We have seen significant growth in cruise ship deployment (ships repositioning to Australia for the summer period) with many international cruise lines home porting out of Sydney, Melbourne, Brisbane, Cairns, Darwin, Adelaide and Fremantle for several months at a time.

New ships from all major cruise lines around the world have entered the region over the past 12 months including Royal Caribbean's *Ovation of the Seas*, Princess Cruises' *Emerald Princess*, the new *Encore* ship from Seabourn, Azamara Club Cruises' *Azamara Journey*, both the *Norwegian Star* and *Norwegian Jewel* from Norwegian Cruise Lines and more...



Crew Member Processes Boarding Passengers, Adelaide

Australia's largest challenge and number one priority to continue growing this sector is infrastructure. With this we need to remain competitive on port pricing and improve berth availability in major capital city ports.

With the current growth rate in passenger numbers and the increase in size of visiting cruise ships, there has been considerable strain on port infrastructure resulting in urgent upgrades to existing structures to cope with demand. The focus for investment needs to be on capital city ports that act as feeders for regional destinations as well as host home port itineraries with large passenger exchange. Whilst this should remain priority, it is also critical that all ports and anchorage destinations in Australia invest in port infrastructure to enable attractive itinerary options and the continued growth of the cruise industry.

Australian Cruise Association (ACA)

The Australian Cruise Association (ACA) is the peak cruise industry association with the aim of growing and developing the Australia and South Pacific region as one of the world's leading cruise destinations.

ACA is a non-profit incorporated association formed in 1998. It is a membership organisation comprising of Australian ports, tourism agencies, cruise lines, shipping agents, inbound tour operators and companies associated with the cruise shipping industry in Australia and the South Pacific. The SATC is a member of the ACA.

Cruise Line Industry Association (CLIA)

Cruise Lines International Association (CLIA) is the world's largest cruise industry trade association, providing a unified voice and leading authority of the global cruise community. CLIA supports policies and practices that foster a safe, secure, healthy and sustainable cruise ship environment and is dedicated to promoting the cruise travel experience. The organisation was established in 1975 and has over 50 cruise line members ranging from ocean liners to specialty ships and represents over 95% of the global cruise capacity. There are 15,000 global travel agencies and 25,000 travel agent members across the organisation's 15 worldwide offices.

Ports Australia

Ports Australia is the peak body representing the interests of port and marine authorities in Australia. Ports Australia provides advocacy and public outreach on a wide range of policy and regulatory issues and has the ability to influence agendas, ensuring that members' interests are protected. Ports Australia is well recognised as an effective and responsible contributor to debates on issues at the federal level in Australia, as well as at an international level through their active participation in the International Association of Ports and Harbors. Through a coordinated and considered approach to common issues amongst their members.



Cleland Wildlife Park, Adelaide Hills

THE SOUTH AUSTRALIAN CRUISE INDUSTRY

The SATC has been the leading body for developing the cruise industry in South Australia and managing cruise ship visits for over two decades. In the year 2000 South Australia welcomed 6 cruise ship visits with 8,200 passengers and crew. The 2018/19 season is scheduled to welcome 87 cruise ship visits with a capacity of over 185,000 passenger and crew.

Through ongoing commitment from the SATC, the cruise industry in South Australia continues to grow from strength to strength. Benefits are seen at each of our key ports and anchorages, with \$98.5 million injected into the South Australian economy in 2016/17.

Source: Cruise Line Industry Association

Over the years the SATC has continued to lead South Australia, representing the South Australian Government and working with a wide range of industry partners to develop, manage and grow the cruise industry. This is achieved not only through encouraging new investment into South Australia's port infrastructure, service delivery and new product development but also playing an active role in contributing to and providing leadership for national initiatives.

With access to destination marketing materials and wide distribution channels, the SATC is best placed to leverage marketing campaigns in a way that reinforces the state's position as an appealing cruise destination. The SATC also represents South Australia at national and international industry trade events, and is able to facilitate and influence itinerary planning with domestic and international cruise lines.

South Australia's geographic location, positioned between two key critical source market ports, being Fremantle and Sydney, provides both opportunities and challenges. The SATC markets Adelaide and other South Australian regional ports as a destination with quality tourism products and experiences for passengers accessible through shore excursion programs.



Jacob's Creek, Barossa



Volunteers Welcoming Passengers, Adelaide



EweCalyptus Bush Band, Adelaide

These are desirable elements for cruise lines in building unique itineraries, with the added benefit of supporting regional dispersal, as many of South Australia's key tourism experiences are located within a day trip from the respective port or anchorage. Increasingly, Adelaide is growing as a destination offering segmentation and partial turnarounds on itineraries, in addition to acting as a short-term home-port destination for several cruise lines. A growing number of itineraries are being offered from Adelaide, not only from domestic cruise line P&O Australia, but also a number of international branded cruise lines such as Royal Caribbean Cruise Line, Holland America Line, Cruise & Maritime Voyages and others.

The SATC works with cruise lines to address product gaps in itineraries and provides a role in educating industry partners and tourism operators, assisting them to engage with and work in the cruise industry.

The Meet and Greet Welcome Program at the Port Adelaide Passenger Terminal is a professionally managed program with over 80 trained volunteers servicing our visitors. Domestic and international cruise lines that visit our state acknowledge South Australia's Meet and Greet Program as one of the best in Australia, with high levels of satisfaction reported by passengers when they arrive in any of our ports or anchorages.

South Australia is the only destination in Australia to provide a professionally contracted Meet and Greet Program with consistency in service delivery across all ports and anchorages.

Adelaide's reputation as a destination capable of hosting large passenger turnarounds and transit visits while delivering quality service and exceptional experiences continues to grow. As we increase the number of visiting cruise ships and the ships get larger it becomes more challenging to meet operational and logistical requirements with our current infrastructure. In addition to managing the continued growth of visiting cruise ships and increased amount of passengers, South Australia's biggest opportunities over the coming years will be to increase the number of home porting itineraries from Adelaide, increase pre and post touring packages with segmented cruise itineraries, and continue the development of new regional ports as key cruise destinations while investing in existing infrastructure, particularly in Adelaide.

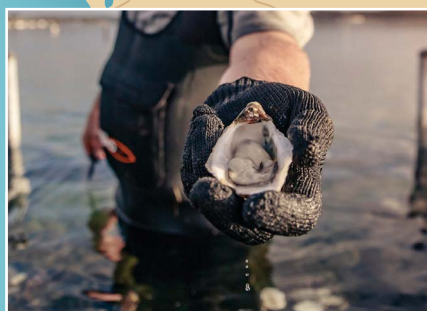
It is imperative for the SATC to provide ongoing guidance and leadership to all state and local government bodies, as well as industry partners in Adelaide and regional South Australia to meet expectations and maximise economic benefits of the growing cruise industry.

SOUTH AUSTRALIAN PORTS AND ANCHORAGES

Potential Destinations

South Australia has other port options at Wallaroo, Ceduna and Whyalla, as well as anchorages at Robe, Victor Harbor and the islands around Eyre Peninsula that are currently being investigated for future opportunities.

CEDUNA



PORT LINCOLN

WHYALLA

WALLAROO

PORT LINCOLN



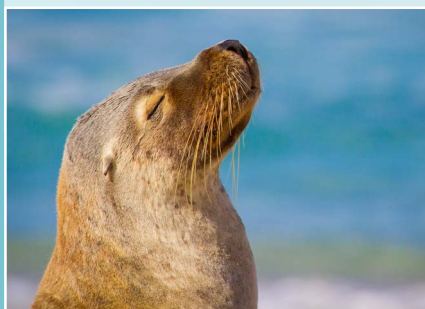
ADELAIDE

ADELAIDE

VICTOR HARBOR

PENNESHAW

PENNESHAW



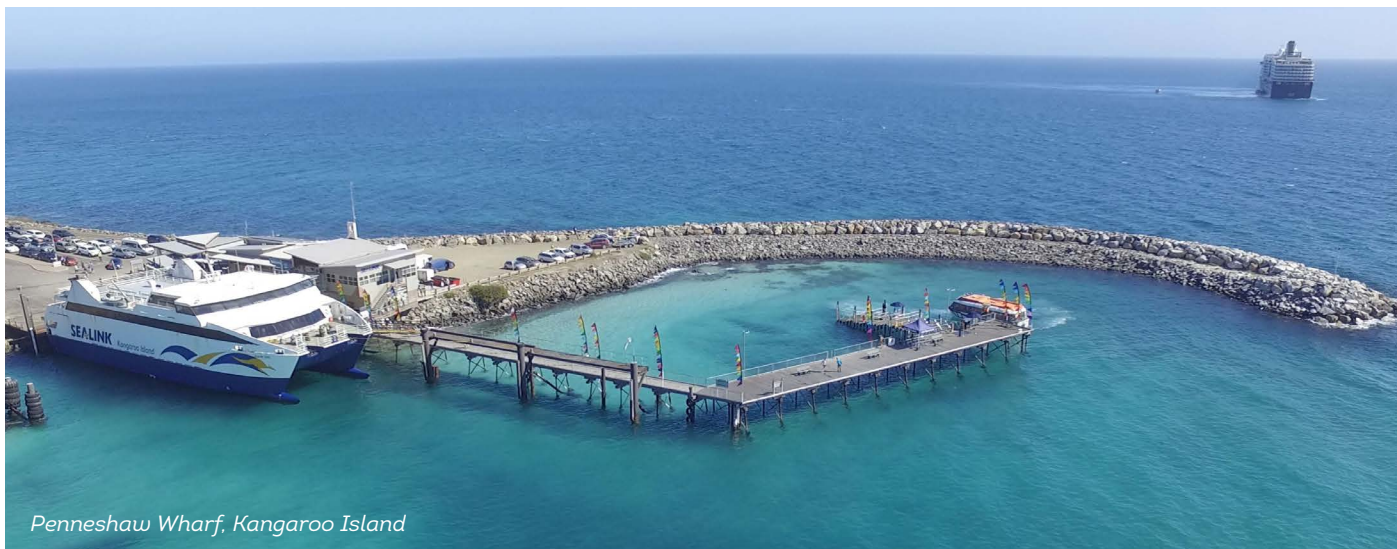
ROBE



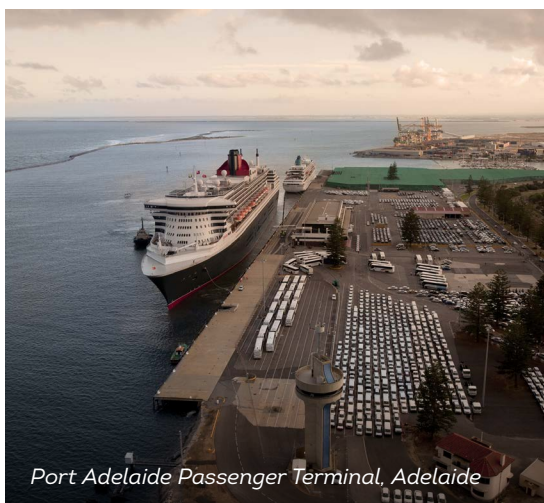
0 50 100
kms

● Active cruise ports and anchorages

● Potential destinations



Penneshaw Wharf, Kangaroo Island



Port Adelaide Passenger Terminal, Adelaide



Port Lincoln Wharf, Eyre Peninsula

Port Adelaide Passenger Terminal, Adelaide

Adelaide's capital city port is located at Outer Harbor. The Port Adelaide Passenger Terminal which is a great asset when attracting new cruise lines to the state and allows for growth in cruise itineraries to/from Adelaide with home port itineraries. The facility offers a deep-water channel and wide swing basin, making it one of very few ports nationally that can cater for the largest cruise ships currently visiting Australia. Features include a purpose-built passenger terminal building, with a safe and secure berth, as well as 24-hour security providing flexible access in and out of the secured area. Cruise lines offer the opportunity for passengers to embark or disembark from this facility, allowing ships to break longer voyages or home port from South Australia.

Port Lincoln, Eyre Peninsula

Port Lincoln provides full services for ships of all sizes. As one of the deepest ports in Australia, it allows for easy navigation and has great opportunities to attract large cruise vessels to the region. Located within walking distance to the city of Port Lincoln, passengers have complete flexibility to enjoy the area at their own pace. Port Lincoln has seen consistent cruise ship visits since 2008.

Penneshaw, Kangaroo Island

Kangaroo Island is a well-established and appealing cruise destination with great touring options. The Penneshaw Wharf offers a close anchorage, with a custom-built double pontoon landing structure where cruise ships tender passengers ashore. Cruise ships have been visiting Kangaroo Island for over a decade and the combined outcome of recent SATC investment into new facilities and the development of new tourism products has seen a significant growth in cruise ship visits scheduled for the coming years. The SeaLink Passenger Terminal located at Penneshaw opened in 2014 and is a significant asset for visiting cruise ship passengers.

Cruise ships have been visiting South Australia for over two decades, but it has been the last ten years that South Australia has seen significant growth in both the number of cruise ships visiting our state as well as the size and passenger capacity.

In 2006/07 the state welcomed 8 cruise ship visits and 6209 passengers and crew. Since then, numbers have grown exponentially with the 2017/18 season set to welcome 65 cruise ship visits and a total capacity of 155,859 passengers and crew.

The economic contribution of the cruise industry to the South Australian economy was \$98.5 million in 2016/17, up 93.1% on the previous year.

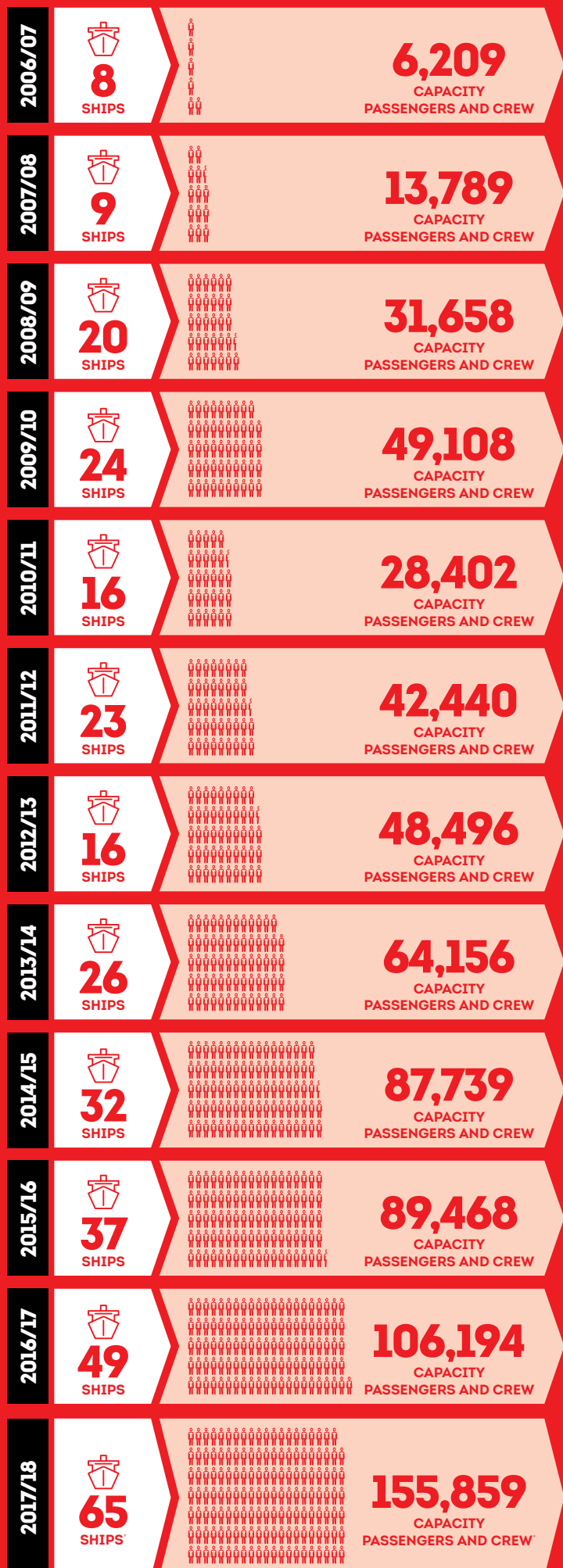
Source: Cruise Line Industry Association

South Australia is scheduled on many of the world's leading domestic and international cruise line itineraries, demonstrating that our destination is an attractive option for ships visiting Australia. Cruise lines currently visiting South Australia include:

- ▶ Carnival Corporation
- ▶ P&O World
- ▶ P&O Australia
- ▶ Princess Cruises
- ▶ Holland America Line
- ▶ Cunard
- ▶ Royal Caribbean Cruise Lines
- ▶ Seabourn
- ▶ Azamara Club Cruises Line
- ▶ Celebrity X Cruises
- ▶ Norwegian Cruise Line
- ▶ Oceania Cruise
- ▶ Cruise & Maritime Voyages
- ▶ Regent Seven Seas
- ▶ Viking Cruises
- ▶ Silverseas
- ▶ Hapag-Lloyd
- ▶ Fred Olsen Cruise Line
- ▶ Residences at Sea (The World)
- ▶ Saga Cruise Line
- ▶ Ponant, Crystal Cruises
- ▶ Japan Cruise Line
- ▶ True North

Cruise Growth

1 EQUAL
1K CRUISE
PASSENGERS



*As of February 2018; subject to completion of season end



Passengers Boarding, Adelaide

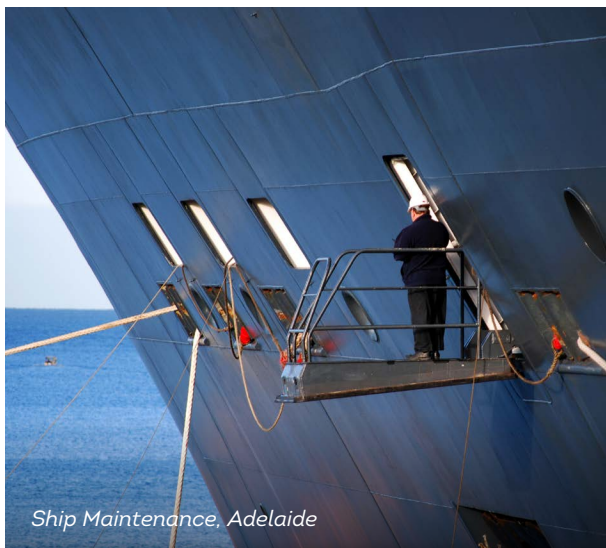


Flinders Ports, Adelaide

Industry Partners

Flinders Ports

In the year 2000, all seven of South Australian commercial shipping ports were privatised and are now operated by Flinders Ports Pty Ltd. The privately-owned ports that are currently being used by cruise ships are Port Adelaide (Outer Harbor) and Port Lincoln, with Wallaroo currently being considered as a future option. By working in partnership with Flinders Ports, the SATC ensures that South Australia remains competitive and provides a high level of service to our visiting cruise lines and passengers.



Ship Maintenance, Adelaide

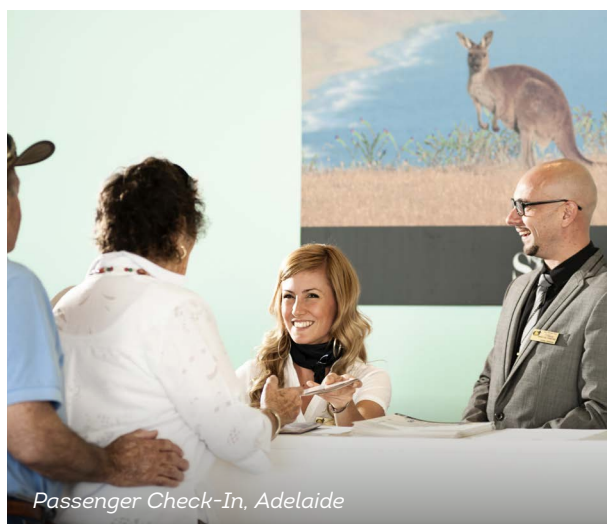
South Australian Tourism Commission (SATC)

The SATC is the lead agency within the State Government for developing, managing and growing the cruise industry, and is responsible for:

- ▶ Managing the passenger 'Meet and Greet Welcome Program' – a visitor information service provided by volunteers for passengers when a ship berths at the Port Adelaide Passenger Terminal.
- ▶ Providing support and guidance for regional meet and greet services.
- ▶ Attracting cruise lines to South Australia through the development of South Australian itineraries, and focusing on regional dispersal.
- ▶ Representing South Australia at national and international industry trade events.
- ▶ Facilitating elements of itinerary planning, product relationships and operational management for cruise lines, inbound tour operators and shipping agents.
- ▶ Providing guidance and leadership to State and Local Government to ensure the delivery of services and experiences to maximise economic returns for the region.
- ▶ Leveraging national marketing campaigns and national leadership for growth in the Australian cruise industry.
- ▶ Educating industry partners and tourism operators, allowing them to engage with and work in the cruise industry.
- ▶ Contributing to collaborative initiatives at a national level.
- ▶ Encouraging new investment and development of South Australia's port infrastructure.



Shore Excursion Coaches, Adelaide



Passenger Check-In, Adelaide



Port Adelaide Passenger Terminal, Adelaide

Department of Planning, Transport and Infrastructure (DPTI)

DPTI are responsible for non-commercial anchorages and port infrastructure in South Australia. They are also a critical partner in supporting independent passenger movement from the Port Adelaide Passenger Terminal via the public train service.

Local Councils and Regional Tourism Authorities

Local Councils and/or Regional Tourism Authorities operationally manage the meet and greet services for cruise ship visits at regional ports with support provided by the SATC. The respective party is responsible for chairing regional cruise committees that comprise of local government representatives, visitor services, tour operators and businesses.

Shipping Agents

There are a number of different shipping agents that assist with managing the operational needs for a cruise line when they berth or anchor at a port or destination. Shipping agents coordinate all shoreside support that a cruise line may require, including rubbish removal, fresh water, clearance with local authorities and any necessary welfare appointments for crew. They are the liaison between the cruise line, the ship staff and all other stakeholders when a ship is in port.

Inbound Tour Operators (ITO's)

These companies book products and experiences on behalf of the cruise line. The nature of cruise tour bookings means that they can be booked as late as 12-hours in advance on board cruise ships. ITO's need a variety of products to offer, as they often work with many different cruise lines and a wide array of target markets.



Port Adelaide Passenger Terminal, Adelaide



Black Watch, Adelaide

ACHIEVEMENTS

Over the past decade, South Australia has capitalised significantly on the opportunities arising from a growing cruise market in Australia:

1. 'Team South Australia' was successfully established, combining State Government and private resourcing to implement a cruise ship management program in Adelaide and regional port destinations.
2. Adelaide was the first Australian port to implement a professional 'Meet and Greet Welcome Program', including a consistency in service delivery at all South Australian ports and anchorages for visiting cruise lines.
3. Investment into the Port Adelaide Passenger Terminal has ensured South Australia's capital city port remains a vibrant, exciting and welcoming place for passengers and crew. Upgrades resulted in significantly improved access to and within the facility, new gangways, fender infrastructure and baggage cradles for home porting ships.
4. The development, modification and continued implementation of strategies has supported growth in visitation to the Port Adelaide Passenger Terminal, Port Lincoln and Kangaroo Island, with many cruise lines choosing to visit multiple South Australian ports and/or anchorages on the same itinerary.
5. Regional cruise visits continue to grow, with Kangaroo Island scheduled to receive 29 visits in the 2018/19 season (up from 1 cruise ship visit in 2007/08) and Port Lincoln attracting 15 scheduled visits.
6. The first double tender-vessel landing structure in Australia's southern waters, funded by SATC, was built at Penneshaw (Kangaroo Island), enabling a more efficient and safe passage ashore for passengers.
7. Both P&O Cruises Australia and Cruise & Maritime Voyages have introduced home porting itineraries with many other cruise lines introducing itinerary options to and from Adelaide. In 2018 Princess Cruises was the first cruise line to offer an international itinerary from Adelaide return.
8. Dozens of international and domestic cruise line famils have been held which focused on regional products and services. This resulted in successfully attracting new cruise lines, and also showcased opportunities for new itineraries within South Australia. These famils provide ongoing potential for the development of new South Australian itineraries which are expected to be in demand over the coming years.

SITUATIONAL ANALYSIS

To sustain growth potential and achieve our 2020 target of 100 cruise ship visits with an estimated \$200 million economic contribution to the state economy, South Australia must build on its strengths, meet new challenges, pursue opportunities and acknowledge threats.

STRENGTHS	CHALLENGES
<p>Destination Appeal</p> <ul style="list-style-type: none"> ▶ An appealing tourism destination for international and domestic visitors. Key international markets include North America, UK/Europe, NZ and the emerging markets of China, SE Asia/India and Brazil. ▶ A range of appealing products and experiences for all markets (nature & wildlife, food & wine, cultural & Aboriginal tourism, and luxury). ▶ Several ports/anchorage options within the state, providing an appealing itinerary and packaging opportunities for cruise lines. ▶ International air connectivity to over 150 capital cities around the world including Europe, China and North America. ▶ South Australia is the national rail capital and the home of Great Southern Rail (GSR). Journeys are available to and from Adelaide to Sydney, Perth, Melbourne, Brisbane and Darwin. ▶ Diverse and quality experiences on offer for shore excursions from Adelaide and regional ports. ▶ Australia's top pre and post touring products on offer (i.e. Southern Ocean Lodge, The Ghan). <p>Infrastructure and Port Facilities</p> <ul style="list-style-type: none"> ▶ The Port Adelaide Passenger Terminal at Outer Harbor is a deep-water port with three cruise ship berths and a large swing basin. ▶ Port Lincoln is one of deepest sea ports in regional Australia. ▶ Penneshaw, Kangaroo Island offers a custom-built tender landing structure and passenger terminal to enable visitation growth. <p>Service and Delivery</p> <ul style="list-style-type: none"> ▶ A nationally recognised professional 'Meet and Greet Welcome Program' for passengers has been consistently implemented across all cruise destinations in South Australia. ▶ The 'Team South Australia' approach combining government and private input toward building strong relationships with cruise lines and offering flexibility in services to cater for all types of vessels. 	<p>The following challenges should be acknowledged or addressed:</p> <ul style="list-style-type: none"> ▶ Funding and investment in new and enhanced infrastructure at the Port Adelaide Passenger Terminal and regional destinations. ▶ Awareness of South Australia as a tourism destination in key source markets. ▶ Perceived distance between the Port Adelaide Passenger Terminal and the Adelaide CBD. ▶ Continued ability to cater for ever increasing cruise ship sizes, particularly baggage handling/layout space and passenger movement pathways. ▶ Resourcing and management capability of cruise ship visits within regional communities.





Orion, Victor Harbor, Fleurieu Peninsula

OPPORTUNITIES

- ▶ New product offerings to support the continued growth of cruise ship visits and regional dispersal of passengers.
- ▶ Capitalising on other Australian being congested with forward bookings..
- ▶ Fostering partnerships with Australian Cruise Association, Cruise Line Industry Association and Tourism Australia to ensure South Australia is a top consideration for cruise itineraries.
- ▶ Leveraging the global trend towards the increasing popularity of cruise holidays.
- ▶ Increase homeport itineraries from South Australia including the growth of itineraries ex Adelaide.
- ▶ Increase opportunities for travel agents to offer segmentation on cruise itineraries through South Australia.
- ▶ Working with industry partners to increase the number and variation of pre and post touring packages.
- ▶ New destinations will have economic benefits for regions. Potential destinations include anchorage opportunities at Limestone Coast, Eyre Peninsula and Victor Harbor, as well as berth opportunities at Wallaroo and Ceduna.
- ▶ Expedition cruising along South Australia's regional coastlines.

THREATS

The following threats may halt South Australia's bid to secure more cruise ship arrivals in the future:

- ▶ Geographic location – a non-essential service port with and lack of fuel available for cruise lines.
- ▶ Competition from other emerging Australian and international ports.
- ▶ Additional availability of berths in Sydney (the primary entry point to Australia).
- ▶ Increasing fuel prices and taxes on cruise lines visiting Australia.
- ▶ International terrorism threats impacting on the consumer's choice to travel.
- ▶ Natural disasters.
- ▶ Multi-purpose passenger terminals and wharf areas with multiple industries competing for usage.

STRATEGIC OBJECTIVES

Five key objectives have been identified to reach our 2020 cruise industry target of 100 ships to South Australia ports and anchorages generating \$200 million to our state economy:



Action Plan

OBJECTIVE	ACTION
1 Attract more cruise lines to South Australian ports and anchorages <ul style="list-style-type: none"> ▶ Increase the number of ships visiting Adelaide as part of a larger itinerary ▶ Increase regional cruise ship visitation ▶ Increase number of cruise ships using Adelaide as a 'home port' Target: 100 ships & \$200 million by 2020	<ul style="list-style-type: none"> ▶ Develop and deliver presentations to existing and targeted cruise lines, showcasing South Australian products, services and infrastructure. ▶ Ensure regular engagement with cruise lines to build and maintain long-term relationships. ▶ Attend trade shows, events and industry functions to promote South Australia as an appealing cruise destination. ▶ Develop new and innovative opportunities for cruise line itinerary planners and inbound tour operators for shore excursion programs. ▶ Develop new products and experiences that will assist to drive demand and attract new itineraries to South Australia. ▶ Provide leadership and work with cruise lines and industry partners to facilitate itinerary development. ▶ Continue membership of Australian Cruise Association and maximise marketing and publicity opportunities. ▶ Ensure product and marketing alignment with Tourism Australia.
2 Ensure quality service, new product and experiences are provided to visiting cruise lines and cruise passengers	<ul style="list-style-type: none"> ▶ Provide a professional Meet and Greet Program to welcome cruise passengers across all South Australian cruise destinations. ▶ Develop and maintain strong relationships with all state industry stakeholders to ensure mutually beneficial outcomes. ▶ Provide resources, advice and leadership to local government and regional tourism operators, ensuring quality delivery of services and experiences in regional ports and anchorages. ▶ Educate industry partners and regional communities on cruise line expectations and required delivery of services. ▶ Mentor and support Local Government and Regional Tourism Authorities to manage operations of regional cruise ship visits. ▶ Partner with Flinders Ports to successfully plan, develop and manage cruise ship visits at Port Lincoln and Outer Harbor. ▶ Maintain existing local government partners and investigate opportunities for additional support and sponsorship for cruise ship visits. ▶ Work with cruise lines and inbound tour operators to ensure the best products and experiences are included in shore excursion programs and are being offered to passengers.

	OBJECTIVE	ACTION
3	Encourage investment in port and destination infrastructure	<ul style="list-style-type: none"> ▶ Provide insights into growth opportunities and future infrastructure requirements to key partners and industry stakeholders. ▶ Encourage investment into new and existing infrastructure by government and the private sector. ▶ Communicate data and research to South Australian industry partners (e.g. ports, agents, state government agencies, local government, operators) to demonstrate the benefits of the cruise industry to the state economy through returns on investment. ▶ Review South Australia's existing port infrastructure and identify future regional investment requirements. ▶ Work with DPTI to ensure cruise industry requirements are represented and captured in the 50 Year Port Strategy development. ▶ Identify new destinations and required infrastructure to facilitate cruise ship visits. ▶ Contribute to collaborative initiatives at a national level.
4	Maximise expenditure opportunities from cruise lines and passengers visiting our state	<ul style="list-style-type: none"> ▶ Promote South Australia as a pre and post touring option for cruise itineraries with Inbound Tour Operators and cruise lines. ▶ Encourage partnerships between South Australian travel wholesalers to promote rail and sail packages. ▶ Provide guidance and leadership to industry partners, regional tourism bodies and operators to ensure they are working in partnership and delivering on expectations from cruise lines. ▶ Provide resources, tools and opportunities for tourism operators to participate in and engage with the cruise industry and visiting cruise passengers.
5	Increase regional dispersal from cruise lines and cruise passengers in South Australia	<ul style="list-style-type: none"> ▶ Collate and distribute resources and data to industry partners on touring cruise passengers and regional dispersal. ▶ Promote South Australian day touring products to ITOs and cruise lines. ▶ Provide guidance and advice to regional cruise committees, ensuring operators maximise potential economic returns for the respective region. ▶ Increase the number of regional products involved in for shore excursion programs for cruise lines. ▶ Work with regions to acknowledge and capitalise on creating a unique point of difference to increase their appeal on itineraries. ▶ Develop new ports and destinations for future itineraries (e.g. Wallaroo, Victor Harbor). ▶ Foster cross border relationships and investigate opportunities to leverage interstate cruise ship visits.

South Australian Tourism Commission

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