Extraordinary Growth in River Cruise Market

The verdict is out and the news is as good as it gets. River cruising is growing in popularity at a rapid-fire pace. Major river cruise lines are reporting extraordinary growth, both in number of guests and ships. And, the untapped potential for the river cruise market is formidable.

New River Cruising Vessels

Catering to the increased demand, between 2010 and 2012, at least 20 new vessels entered the market or were scheduled to be added, with more likely on order.

2010
• AmaWaterways: ms AmaKaterina
• American Cruise Lines: Independence
• Avalon Waterways: Felicity and Luminary

2011
• AmaWaterways: ms AmaBella, ms AmaVerde, ms AmaLotus
• Avalon Waterways: Panorama
• Uniworld Grand River Cruises: River Antoinette
• Pearl Cruises: PearlMist
• Viking River Cruises: Viking Prestige
• Tauck: ms Treasure

2012
• Avalon Waterways: Visionary, Vista
• AmaWaterways: AmaCerto
• American Cruise Lines: Queen of the Mississippi
• Viking River Cruises: Viking Freya, Viking Idun, Viking Njord, Viking Odin

*Listing subject to change, visit the individual cruise line websites for the latest information.

Untapped potential

Currently, only 17.5 percent of agents sell river cruises with regularity (64.4 percent have done so occasionally). Typically, agents report river cruise sales account for 10 percent or less of total cruise
“River boat cruising is a travel style that receives high customer satisfaction levels and allows agents to earn high levels of commission.” - Patricia Clark, managing director, Avalon Waterways

“Agents can earn more than $1,100 per couple – we have no non-commissionable fees.” – Richard Marnell, senior vice president for North America, Viking River Cruises

RIVER CRUISING VERSUS OTHER TYPES OF TRAVEL

Why the growth in popularity?
• Rising demand for new experiences and exotic destinations around the world
• Many passengers have been on a big ship cruise and are now looking for a more intimate style of cruising with fewer passengers
• River cruising offers the benefits of big-ship ease coupled with the enrichment of touring
• River cruise vessels are able to travel into the heart of the countries they sail through
• River cruises allow passengers to enjoy a more in-depth, authentic experience in multiple destinations, smaller towns and villages
• River cruises allow passengers to enjoy as much, or as little, autonomy as they desire
• River cruises offer more value for money and time – the advantages of ocean cruises, combined with the best of what land tours have to offer

Hottest destinations
• Europe
• China
• Russia
• Europe and the Mediterranean

* July 2010 CLIA travel agent survey

Top motivators for river cruisers
• Destination and Itinerary
• Authentic Experiences in Small Towns and Destinations
• Smaller Ships and Intimate Ambience
• Incorporated Land Programs and Sightseeing
• Shipboard Service and Lifestyle
• All-Inclusivity of the Product and Perceived Value
• Convenience

*July 2010 CLIA travel agent survey

ADVICE FROM THE EXPERTS: TARGET MARKETING
Clients Aged 50 to 70

Typically:
• Experienced travelers
• Educated

The core demographic for river cruisers is travelers between the ages of 50 to 70. These travelers are typically experienced, educated travelers, many of whom have college degrees. – Patricia Clark, managing director, Avalon Waterways

Trend Towards Younger Travelers

• Increasing popularity of multigenerational and family cruises
• Marketing aimed at more active, “participative” travelers

While the primary market for luxury and river cruises is and will continue to be experienced travelers, CLIA-member lines report increased numbers of younger guests, in one case a drop in the median passenger age from 60 to 45 in the last 10 years. Among the reasons, according to CLIA members, are the increasing popularity of multigenerational and family cruises and marketing aimed at more active, “participative” travelers by both luxury and river cruise lines. – July 2010 CLIA travel agent survey

You’re making a mistake if you think the target market is just late 50s plus; many younger clients are so stressed right now that the idea of floating down the river appeals to them. – Marilyn Lechner, owner of Vacation Playgrounds, Erie, Pa.

I was in my early 40s when my daughter graduated from university. When families start to have disposable income, that’s when I target them. – Bob Kleppick, owner of Global Pathfinders Travel, Spring, Tex.

ADVICE FROM THE EXPERTS: TARGET MARKETING

Traditional Cruisers

• Ocean cruisers are ready-made prospects
• Most river cruisers have taken a traditional cruise
• Recognizing all-inclusive nature of river cruising

If you have a cruise database you have ready-made prospects. Increasingly, traditional cruisers are seeing the true all-inclusive nature of the river cruise product. – Patricia Clark, managing director, Avalon Waterways

Approximately 70 percent of agents say their river cruise customers have taken, and continue to take, cruises on larger ships as well. – July 2010 CLIA travel agent survey
Packaged Tour Travelers and FITs
• Will respond to convenience of unpacking once, combined with seeing more of the countries visited

Sell them on the convenience of unpacking once, while at the same time seeing more of the countries visited. This is the way to do it, without taking a motor coach tour or a self-drive vacation. When a client requests such cities as Prague and Budapest, and they don’t want to drive – or may be looking for an upscale tour, I immediately suggest river boat cruises as an option. The river boat’s the answer, period. – Peter Friedman, travel specialist, Unique Travel, Delray Beach, Fla.

Clients Looking for Experiential Vacations
• Focus on what they’ll see and do

Although river cruises offer high levels of service and luxury, those elements are not always the key reason that will convince clients to opt for riverboat cruises. They’re not necessarily looking for luxury for luxury’s sake; they’re going for the experience. Agents can tell their clients that they’ll actually be at the destinations: Amsterdam, Vienna and Budapest, and all the small European villages. – Richard Marnell, senior vice president for North America, Viking River Cruises

The Recently Retired
• Focus on the history/culture experiences

Sell riverboat vacations to recent retirees who are interested in history and culture, such as teachers. I have 50 people booked on a France riverboat group and six of them are retired teaches, women traveling alone. Some of them have never traveled outside the U.S., and none have traveled on a river cruise before. – Marilyn Lechner, owner, Vacation Playgrounds, Erie, Pa.

Multi-Generational Families
• Grandparents
• Parents
• Children 12 and up

Multi-generational family groups are excellent marketing prospects, but you need to target appropriate grandparents, parents and children – 12 and up – who will appreciate the experience. River cruising provides families with a chance to explore parts of the world their ancestors came from, and also offers convenient, immediate immersion into a variety of destinations. – Mary Smith, travel consultant, Regency Travel, Memphis, Tenn.
Groups
• Target affinity groups in your neighborhood

There are so many affinity group agents can generate. Many agents are working toward a goal to reach 10 or 20 passengers in a group. We offer a tenth birth free for nine paying passengers in a group.– Kristin Karst, executive vice president and co-owner, AmaWaterways.

They’re so lucrative. Cull groups that have affiliations, be it a bridge club, garden club or country club. – Marilyn Lechner, owner, Vacation Playgrounds, Erie, Pa.

MARKETING IDEAS AND BASICS

Know the Products
• Take advantage of river cruise company training programs
• Take advantage of FAM trips

Many riverboat companies offer extensive and extremely comprehensive training programs that detail their product lines and how to sell them. These companies also offer familiarization trips, enabling agents to see for themselves the myriad benefits that river cruising offers their clients.

Explain the Products in Detail
• Explain the advantage of river cruising
• Detail the current products/features available

Although river cruising is a rapidly-growing segment of the travel industry – Uniworld Boutique River Cruise Collection has grown approximately 50 percent in the last five years – there is still a need to explain and detail exactly what the product is. – Janice Tully, senior vice president of sales, Uniworld Boutique River Cruise Collection

Seek Out Pied Pipers for Groups
• Well-liked
• Well-traveled
• Charismatic

Having a group leader is key to group sales. I often call on a local Monsignor to draw prospective travelers to join a river cruise. The well-traveled, charismatic cleric is a big draw with Catholics and non-Catholics alike. – Marilyn Lechner, owner, Vacation Playgrounds, Erie, Pa.

Utilize Direct Mail, E-Marketing, Cruise Nights and Consumer Presentations
• Let clients know what river cruising is all about
• Inform them about the special offers and itineraries available
• A picture is worth a thousand words

The best form of marketing would be a direct mail piece stating what river cruising is all about. Then, follow up with an e-marketing piece to remind clients of the special offers and itineraries available to them. Cruise Nights and consumer presentations also are excellent ways in which to promote and sell river cruises. They show images of what the client will experience. A picture speaks a thousand words. – Janice Tully, senior vice president of sales, Uniworld Boutique River Cruise Collection

Use Third-Party Endorsements
• Assemble/use one-page testimonials

Travelers may be reluctant to try river cruising because it's still relatively new and largely unknown to them. Assemble one-page testimonials from your personal riverboat experiences or from those of your clients and share them with prospective customers. – Tom Armstrong, Corporate Communications Manager, Tauck

Promote the latest special offers*
• All prospects will be more responsive to a “deal”

Whatever their economic status, river cruise enthusiasts respond to “deals”: 85.7 percent of agents say river cruise clients are somewhat or much more apt to make a purchase with a special offer. – July 2010 CLIA travel agent survey

Keep in mind longer lead time for river cruise bookings*

Approximately 50 percent of agents report that river cruise customers book farther out, an average of 7.68 months. – July 2010 CLIA travel agent survey

Don’t forget to promote pre- and post-cruise programs
• More than 70% likely to add a land stay

Pre- and post-cruise packages are especially popular with river cruisers. More than 70 percent are most likely to add a land stay to their river voyage. – July 2010 CLIA travel agent survey

In some cases, pre- and post-stays are built into the fare, check with the individual river cruise companies for the latest package information.

ADVICE FROM THE EXPERTS: BEST SALES PITCHES

Stress:
• Value
• All-Inclusive Nature
• Exclusivity
An excellent selling strategy for converting ocean cruisers to river cruisers is to point out the exclusivity and true all-inclusive nature of river cruising. Past ocean cruisers know all too well how quickly and dramatically onboard expenses add to the total price of a cruise. The better river cruises are virtually all-inclusive, so clients have the assurance of knowing that practically everything is paid for before they leave home. And, all these included expenses contribute to agents’ commissions. – Tom Armstrong, corporate communications manager, Tauck.

**Emphasize the Cultural Immersion**
The best of land and cruise vacations, coupled with amazing destinations

River cruising is the most immersive cultural experience your clients can have. It combines the best of land and cruise, coupled with amazing destinations. – Kristin Karst, executive vice president and co-owner, AmaWaterways.

River cruising takes your clients to the heart of destinations like no other mode of transportation. – Richard Marnell, senior vice president for North America, Viking River Cruises

**Ensure That Clients Know the Difference Between Canal Barge Cruises and River Cruises**
Barge companies, whose vessels tend to carry 10 to 15 passengers, offer travelers an entirely different vacation than river cruises, which carry approximately 100 passengers and up. It’s a completely different feel of a vacation. – Derek Banks, chairman, European Waterways

**Take Advantage of Word-of-Mouth Advertising**
Encourage your river cruising clients to share their experience (and your contact information) with friends, family, colleagues.

I know a lot of people who will book with me based on other clients who I was working with. Their word-of-mouth advertising was excellent. – Marilyn Lechner, owner, Vacation Playgrounds, Erie, Pa.

**Cultivate Sales Leads from Community Clubs/Organizations**
Find out what’s going on in your community and how it can tie-in to a river cruise vacation. – Bob Kleppick, owner of Global Pathfinders Travel, Spring, Tex.

Couples and affinity or social groups are growing markets for river cruises. – July 2010 CLIA travel agent survey

**Stress the Relaxing Nature of River Cruising**
Following a river cruise, you come home feeling better educated and relaxed – Mary Smith, travel consultant, Regency Travel, Memphis, Tenn.

**Promote the Exclusivity and Flexibility of the Riverboat Cruise Experience**
With river cruising you’re one of an intimate group. You’re on and off the vessel in seconds, instead of lining up like sheep. – Richard Marnell, senior vice president for North America, Viking River Cruises
Make Sure Clients Know They Won’t Suffer from Seasickness
Your clients won’t get seasick on river cruises. These vessels provide travelers with no motion, and engine and mechanical sounds are minimal, at worst. – Patricia Clark, managing director, Avalon Waterways