

RCC UPBEAT ON MALAYSIAN MARKET

US-based Royal Caribbean Cruises looks forward to cruise port development in country

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WITH Malaysia being an important part of the Southeast Asian cruise product, the Royal Caribbean Cruises Ltd (RCC) is looking forward to the country's cruise port development in the coming years.

This will also contribute to the development of better itineraries for the region as a whole.

Malaysia has been a strong performer for the American global cruise company's business in recent years.

"Malaysia is now the fastest growing market for Southeast Asia, doubling between 2015 and 2016, and we expect a similar performance this year,"

said RCC managing director for Asia Pacific Sean Treacy.

Earlier this year, RCC entered a joint venture with Penang Port Sdn Bhd to upgrade and improve Swettenham Pier Cruise Terminal in Georgetown, Penang, to accommodate berthing of larger cruise ships at its facilities.

Plans for the facilities include extension of the existing berths to 688m, from 400m now, which will enable the terminal to berth two mega cruise liners carrying over 4,900 passengers each at any one time.

"In addition, due partly to our

longer Southeast Asian deployment this year and next, our calls to Malaysia have jumped from 66 last year to over 80 for these two years," said Treacy.

Furthermore, on the Malaysian cruise market, he said the strong growth was driven by its deployment of more ships, and newer and larger ones such as Ovation of the Seas and Voyager Class ships like Voyager of the Seas and Mariner of the Seas, which come with innovative, unique features that are attracting a growing number of travellers in

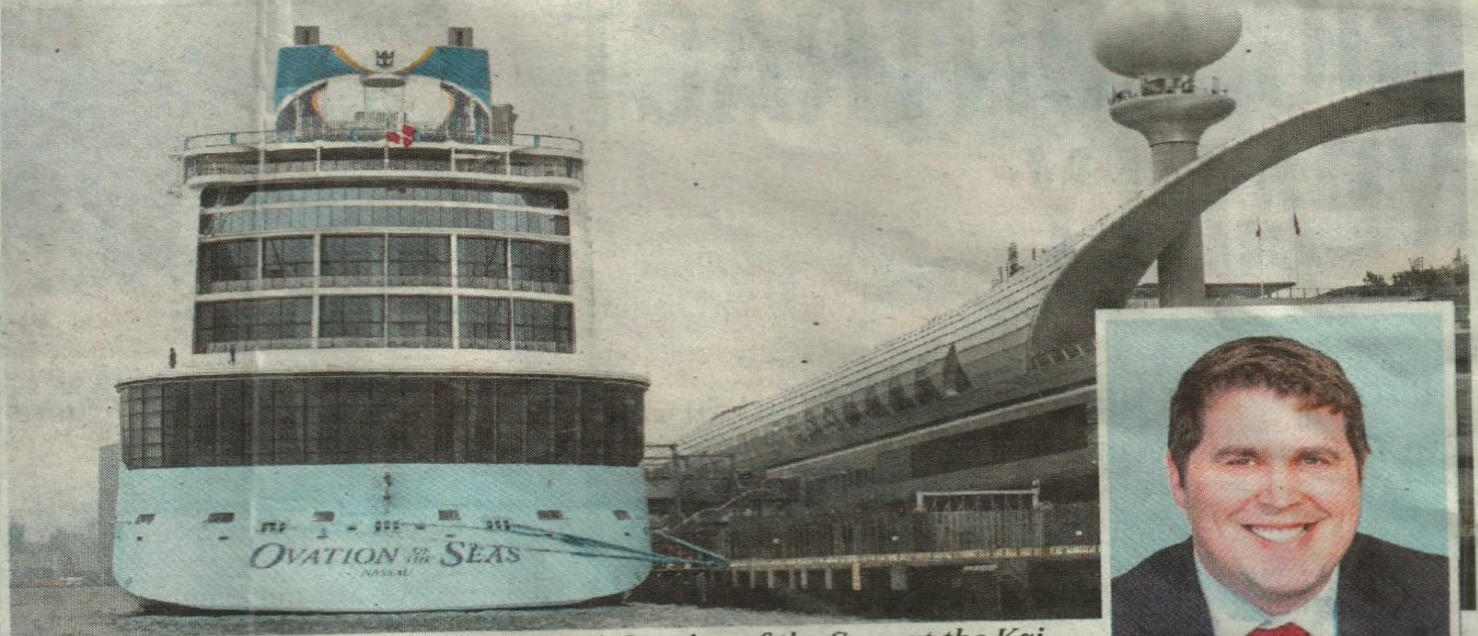
Malaysia.

Zooming in on how RCC would be increasing its routes to cover more Malaysian destinations, Treacy said the cruise operators were working on

growing its distribution network in Malaysia,

improving agent training, driving more marketing campaigns and publicity, and participating in more travel fairs and roadshows to create greater market awareness of cruising among consumers and agents alike.

"On the other hand, Malaysia as a destination has a natural advantage when it comes to cruise tourism. With a long coastline, a large number of islands surrounding the country and attractive destinations, there is plenty of potential for new cruise destinations and itineraries," he said.



The Royal Caribbean Cruises Ltd's (RCC) Ovation of the Seas at the Kai Tak Cruise Terminal in Hong Kong. RCC managing director for Asia Pacific Sean Treacy (inset) says Malaysia is now the company's fastest growing market in Southeast Asia. BLOOMBERG PIC



According to the 2017 Asia, this year, 66 cruise ships are being deployed in the Asian waters.

Five of these mega ships, with more than 3,500 passenger capacity, 13 large ships, with 2,000 to 3,500 passengers, 26 mid-sized ships and 17 seasonal small upscale ships will be active in the Asian region.

To a question if Asian waters were getting crowded based on this report, Sean said there were one or two new ships entering Asia every year on the average, and they were getting bigger and bigger in size – at 100,000 gross register tonnage (GRT) at the minimum.

"For instance, our Asia's

largest Quantum Class ships, which are 168,666 GRT, can call at over 30 North Asian ports, but at only seven in Southeast Asia currently.

"In addition, the cruise port infrastructure in many parts of Southeast Asia is not adequate to accommodate more ships. This leads bunching and even berthing problems at container ports.

"Hence, they need to be upgraded urgently in order to accommodate more ships, larger ships and greater passenger loads," he said.

Despite this, Treacy said, in Asia, the top markets for its Southeast Asian sailings were

Malaysia, Singapore, India and Indonesia, besides China.

"In fact, Malaysia is now our fastest-growing market in this region, doubling between 2015 and 2016, and we have seen encouraging performance this year. We expect it to match last year's strong growth.

"Other neighbouring countries have also shown great potential for growth, such as Indonesia," he said.

Other emerging markets that were just starting to cruise more, like Thailand and Vietnam, demonstrated that the whole of Asia presented a wealth of opportunities for the cruising industry, added Treacy.