

Study on the revitalization of cruising in Okinawa

[Abstract]

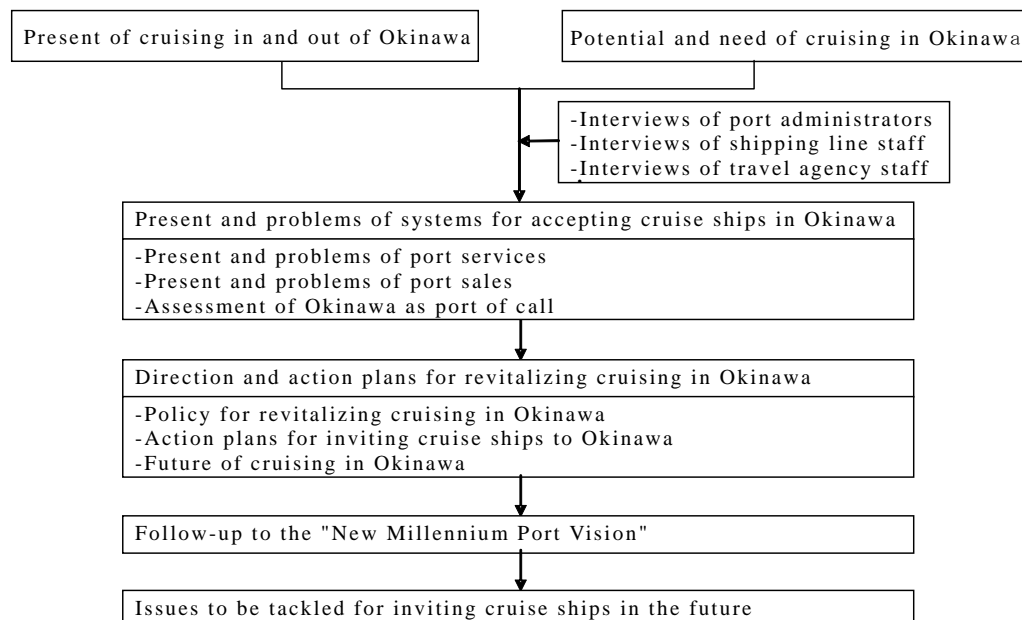
In Okinawa, the tourism industry has been positioned as a leading industry, and it is hoped greatly that cruising will promote tourism. It is required that the ports in Okinawa will improve structures such as cruise terminals and that non-structural measures will be reinforced through effective port marketing using a combination of nature, history and culture, which are the attractions of Okinawa.

This study was conducted to interview those involved in cruising in and out of Okinawa to identify the need for cruising in Okinawa, and to develop action plans for inviting cruise ships to Okinawa using diverse attractiveness of Okinawa through the partnership of ports and partnership with tourist sites in the prefecture.

Proposed were twelve regional development action plans through the vitalization of cruising-based tourism in Okinawa by increasing the frequency of cruise ships port calls and the duration of stay by cruise passengers. The issues expected in the implementation of the plans were identified.

1 Study items

A flowchart of study steps is shown below.



2 Method of study

(i) Literature surveys

The trend and advanced examples of cruising were identified based on the literature and

websites concerning cruising in and out of Japan to understand the present of cruising in and out of Okinawa and Japan

(ii) Interviews

In order to identify the approaches to port services and port sales, port administrators and tourism-related administrative staff were interviewed. In order to identify the port services and port sales required by businesses, the staff of domestic cruise businesses and travel agencies in Okinawa and other areas of Japan were interviewed.

(iii) Advanced examples

Administrative staff were interviewed and field surveys were conducted in Kobe and Nagasaki Ports as advanced examples of cruise ports.

(iv) Holding of committee meetings

A committee staffed with intellectuals and administrative officials was organized under Professor Tetsu Kohama of Meio University as chairperson. The committee provided general guidance in the study.

3.Results of study

3-1 Present of cruising in and out of Okinawa and Japan

(1) Development of passenger terminal in Okinawa

No Okinawa ports that large cruise ships currently use are equipped with a quay dedicated to cruise ships. Several problems have been pointed out. Use of ports is adjusted among cruise ships and liners carrying both cargoes and passengers. Cruise passengers walk on the quay where cargoes are being transported. In order to solve the problems, passenger terminals are being constructed for cruise ships in Naha (service is scheduled to be started in 2009 on a temporary basis), Ishigaki and Motobu Ports. Similar projects are also scheduled to be implemented based on port planning in Hirara and Nakagusukuwan Ports.



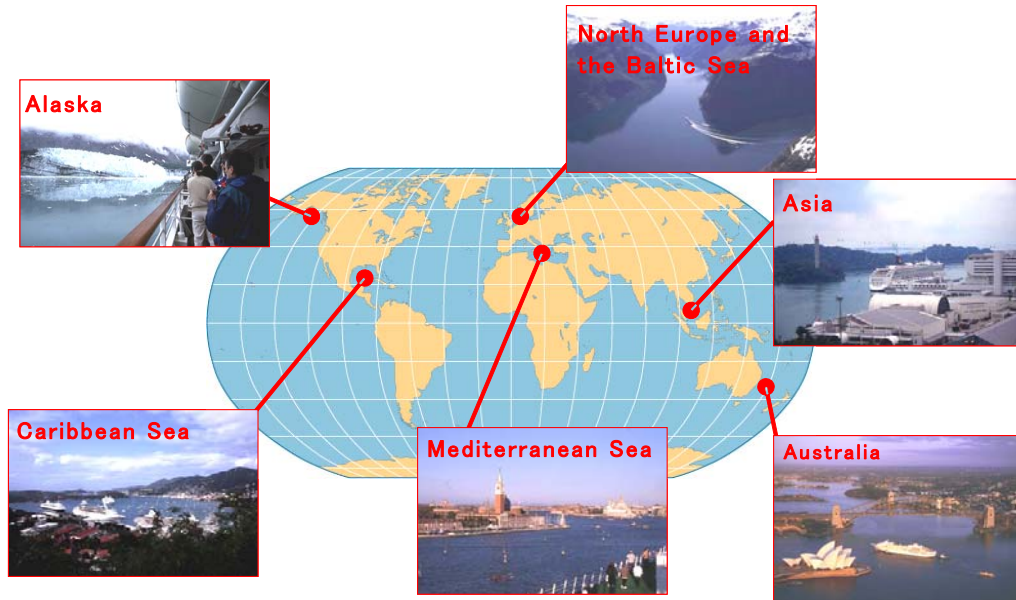
Cruise ship and cargoes in Naha Port



Image of passenger pier in Naha Port

(2) Present of cruising in other countries

Cruising has been thriving more off the Caribbean coast than in any other region. It has also been popular in Alaska, the Mediterranean, the Aegean Sea, North Europe, the Baltic Sea, Asia, Australia and the sea off Japan. There are 76 cruise liners in the world (2006). Most are under three major cruising groups, Carnival Cruise Lines, Royal Caribbean Cruises and Star Cruises.



Cruise areas in the world

(3) Present of cruising in Japan

There are four cruise ships in Japan: Asuka II (49,400 gross tons), Pacific Venus (26,518 gross tons), Nippon-maru (21,903 gross tons) and Fuji-maru (23,340 gross tons). Fuji-maru is exclusively for travel agencies or other organizations to charter.



Cruise ships that carry the Japanese flag

Mean annual frequency of port calls by domestic cruise ships (except foreign ships) is listed by departure and arrival ports.

The mean annual frequency of port calls is high in major metropolitan areas: 95 times for Tokyo Port, 80 for Yokohama, 42 for Nagoya, 29 for Osaka and 69 for Kobe. Among other ports, cruise ships made a call at Miyanoura Port 19 times a year, more frequently than at other ports, followed by Hakata Port with a frequency of port calls of 18 times, Shimizu Port with 11 and Naha Port with 10.

(in times)

Prefecture	Port	1998	1999	2000	2001	2002	2003	2004	2005	Average
Hokkaido	Hakodate	9	8	11	7	6	7	10	8	8.3
	Otaru	9	3	4	4	4	5	7	4	5.0
	Kushiro	7	6	7	8	6	4	4	7	6.1
Aomori	Aomori	11	8	6	8	11	7	4	5	7.5
Akita	Akitafunakawa	10	5	3	7	6	7	10	5	6.6
Miyagi	Sendaishiogama	17	17	12	3	6	4	10	5	9.3
Tokyo	Tokyo	183	146	125	117	76	70	25	19	95.1
	Futami (Chichijima)	7	4	7	7	4	4	7	4	5.5
Kanagawa	Yokohama	57	55	56	50	65	83	133	141	80.0
Niigata	Niigata	10	10	8	5	8	5	8	5	7.4
Ishikawa	Kanazawa	7	6	6	4	4	2	11	3	5.4
Shizuoka	Shimizu	15	14	12	11	12	6	14	4	11.0
Aichi	Nagoya	54	67	43	30	28	30	36	51	42.4
Osaka	Osaka	23	26	23	45	23	20	50	22	29.0
Hyogo	Kobe	61	78	81	64	61	64	66	79	69.3
Hiroshima	Hiroshima	9	10	8	11	13	12	6	8	9.6
Kagawa	Takamatsu	10	8	9	6	15	15	9	3	9.4
Fukuoka	Kitakyushu	13	9	3	3	3	3	12	1	5.9
	Hakata	22	21	15	18	19	11	20	14	17.5
Nagasaki	Nagasaki	6	6	5	9	6	4	8	8	6.5
Oita	Oita	7	10	4	6	4	3	8	5	5.9
Kagoshima	Miyanoura	5	10	16	20	21	26	28	27	19.1
Okinawa	Naha	13	13	16	13	9	8	6	5	10.4
	Ishigaki	2	4	6	4	3	5	4	4	4.0

Source: Japan Oceangoing Passenger Ship Association

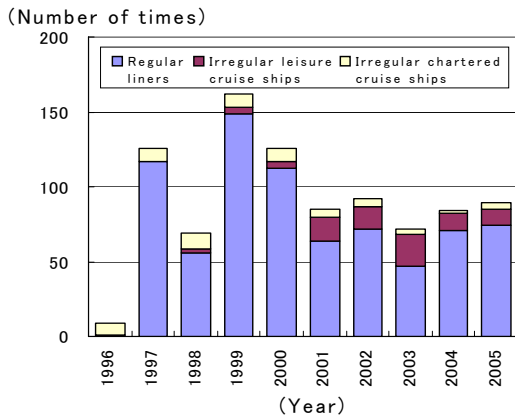
Note: Ports with a frequency of port calls of five times or more are listed (except Ishigaki Port).

Mean annual frequency of port calls by domestic cruise ships by port

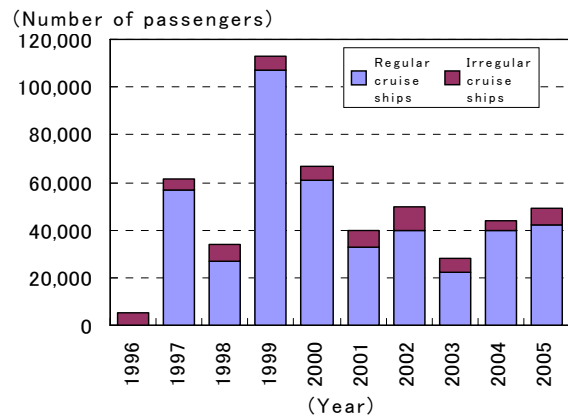
(4) Present of cruising in Okinawa

In the past decade, the frequency of calls at Okinawa ports was highest at 162 times per year in 1999 when Star Cruises operated the largest number of cruise liners. Subsequently, the frequency has been around 90 despite the reductions due to the effects of SARS (Severe Acute Respiratory Syndrome) in 2003. The number of cruise passengers reached approximately 110,000 per year in 1999 but has been 30,000 to 70,000 per year since then.

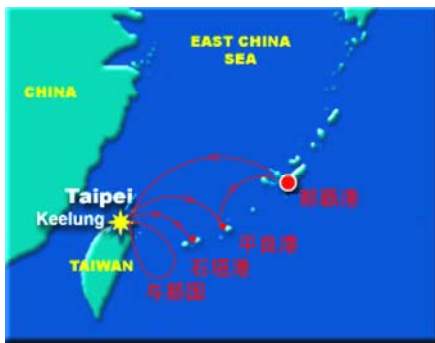
Star Cruises started regular cruises in 1997 with Keelung as home port and liners made a call at Naha, Hirara, Ishigaki, Nakagusuku and Motobu Ports. The service was discontinued in October 2005 because (i) the 19,000-GT cruise ships were small and vulnerable to typhoons and costs were likely to rise for compensating for cancelled reservations and because (ii) cruise ships were lacking because of deployment problems in different areas serviced by the cruise line group.



Change in frequency of calls at Okinawa ports



Change in number of passengers in Okinawa



Cruise liner route in 2005



Cruise ship

3-2 Potential and need of cruising in Okinawa

(1) Potential of cruising in Okinawa

Okinawa Prefecture is located in the subtropical region and endowed with excellent natural environment and unique culture attracting numerous tourists every year. In cruising as well as in other aspects of tourism, resources such as the natural environment and unique culture provide a high potential.

Okinawa, located at the southern most point of Japan, is between Taiwan and China, and between Southeast Asia and the Honshu, mainland of Japan. Okinawa therefore has a considerably high potential as a port of call for cruise ships in the East Asian region.



Location and potential of Okinawa

(2) Need of cruising in Okinawa

Questionnaires and interviews have revealed that cruise passengers visiting Okinawa have varying need from nationality to nationality.

Many of the Japanese visitors are elderly people with much time and money and are highly interested in and eager to learn about the culture, traditional artifacts and performing arts, and food. They want the provision of unique performing arts and food, and hospitality.

Visitors from China and Taiwan are relatively young and use low-cost popular cruises. Interviews confirmed that they have a great need for purchasing electronic appliances or cheap quality goods in addition to enjoying sight-seeing.

3-3 Direction and action plans for revitalizing cruising in Okinawa

With the increase of cruises oriented toward the East Asian region, Okinawa has a high potential as a port of call owing to its location relative to China, Korea and Taiwan. In the future, efforts will be required to establish a hub of cruising in Japan by solving the problems identified, developing a system for accepting cruise ships and thereby actively encouraging both domestic and overseas cruise ships to make a call at Okinawa ports. In this study, a goal has been defined for "building a gateway for cruises in the East Asian region (promotion of tourism in Okinawa by sea).

Action plans have also been developed for revitalizing cruising in Okinawa by increasing the frequency of cruise ships port calls and the duration of stay by cruise passengers.

The action plans cannot be implemented solely by the Okinawa General Bureau. It has been suggested that the diverse stakeholders such as administrative agencies including port administrators, Prefectural Liaison Council for Cruise Promotion of Okinawa, port organizations for accepting cruise ships and the Immigration Office, and private sector organizations such as shipping agencies, local chambers of commerce and industry and shopping malls should share information and establish close cooperation by conducting regular liaison meetings.

◆ Action plans for inviting cruise ships to Okinawa(1/2)

Policy for revitalizing cruising in Okinawa		Action plans for inviting cruise ships	Implemented by				Duration of implementation			
			Okinawa General Bureau	Port administrators	Prefectural Liaison Council for Cruise Promotion of Okinawa	Port organizations accepting cruise ships	Short period of time	Long period of time		
Developing a system for accepting cruise ships	(3.1) Development of piers for passenger liners and other facilities	Development of passenger liner piers and related facilities	-Commencing services early at the passenger liner pier for which the project implantation has started (Naha, Ishigaki and Motobu Ports) -Commencing the implementation of the planned passenger liner pier project (Hirara and Nakagusuku Ports)	◎	○			○		
		Development of passenger terminals	-Conducting deliberations on the methods for improving, managing and operating the passenger terminal (Naha and Ishigaki Ports) -Creating the unique characteristics of Okinawa including appurtenant port facilities such as the building facade and fences		◎			○		
	(3.2) Enhancement of port services	Acceleration of immigration check procedure	-Conducting continuous deliberations on the methods for accelerating immigration check procedure (Naha port) -Requesting shipping companies to ensure that passengers appropriately attach immigration cards and visas (Naha and Ishigaki) -Requesting the immigration Office to continuously conduct overseas on-board inspection and offshore on-board inspection (each port)						○	
		Enhancement of access to port	-Proposing that bus companies should offer bus service between the passenger liner pier to a monorail line (Naha and Ishigaki Ports) -Selling circular monorail tickets to cruise passengers at the passenger terminal (Naha port)		○	○	◎		○	
			-Selling tickets of bus or ships to remote islands (Ishigaki port)				◎		○	
		Enhancement of currency exchange and postal services	-Offering currency exchange services by organizations accepting cruise ships (each port) -Selling stamps and providing postal delivery services (each port)				◎		○	
		Enhancement of interpretation services	-Strengthening systems for recruiting volunteer interpreters (each port) -Developing interpreters who can guide tourists (each port)			◎	◎		○	
		Enhancement of tourist information services	-Continuously providing tourist information services and disseminating information to meet the needs of tourists (each port) -Providing tourist guide and information services on board domestic ships (each port) -Making arrangement to distribute to tourists pamphlets prepared in foreign languages on board foreign ships (each port) -Requesting the organizations concerned to install adequate tourist information bulletin boards in built-up areas and shopping malls (each port) -Developing guides to meet the needs of tourists (each port)		○	○	◎		○	
			-Disseminating information on locally planned tours, events in shopping malls and other matters (each port) -Providing tourist guide on board foreign ships that make the initial call at the port (each port) -Providing the opportunity for local shopping malls and mass merchandisers to disseminate sales information (each port)		○	○	◎		○	
			Enhancement of welcome events	-Holding welcome attraction when the ship leaves the port (each port) -Increasing the variations of welcome attraction (each port) -Encouraging the public to participate in the farewell event for the ship including visitors to the port (each port) -Selling specialty goods that meet the passengers needs (each port)		○	○	◎		○
		-Planning welcome attraction with plot for the Nansei islands cruises through mutual cooperation of Ports (each port)			○	◎	○			○
		Enhancement of cruises	-Planning and implementing locally originated tours and tours accompanied by volunteer guides (each port) -Planning tie-up cruises with local events such as the Okinawa tug of war and Naha Hari (Naha port) -Refining sight-seeing on surrounding islands involving an overnight call by the cruise ship (Naha and Ishigaki Ports) -Selling to cruise lines a plan to land at Motobu port, make a tour of northern area and board the ship again at Naha port (Motobu and Naha Ports)		○	○	◎		○	

◆ Action plans for inviting cruise ships to Okinawa(2/2)

Policy for revitalizing cruising in Okinawa		Action plans for inviting cruise ships		Implemented by				Duration of implementation	
				Okinawa General Bureau	Port administrators	Prefectural Liaison Council for Cruise Promotion of Okinawa	Port organizations accepting cruise ships	Short period of time	Long period of time
Developing a system for accepting cruise ships	(3.3) Coordination with tourist sites on land		-Requesting tourist sites and shopping malls to prepare parking space (each port) -Requesting the chamber of commerce and industry to enable tourists to make shopping in the dollar (each port) -Notifying shopping malls in advance of the port call by the cruise ship (each port) -Requesting shopping malls to hold events for exchange at the time of port call by the cruise ship (each port)		○	◎	◎	○	
			-Requesting the organizations concerned to enable cruise passengers to use duty-free shops (DFS) (Naha port) -Selling circular tickets and providing shuttle bus service to encourage passengers to visit tourist sites and shopping malls along the monorail route (Naha port)		○	◎	◎	○	
	(3.4) Promotion of cruises	Dissemination of information on port calls by cruise ships	Disseminating information on port calls by cruise ships via the website and other media (each port)		◎	◎	○	○	
		Enhancement of hospitality of residents of Okinawa Prefecture	-Implementing events for residents to sell cruising (each port) -Operating civic cruises and improving systems for accepting cruise ships (each port) -Inviting travel journalists to sell cruising in Okinawa (each port)		○	◎	○		○
Encouraging domestic and overseas cruise ships to make a call at an Okinawa port	(3.5) Active invitation of cruise ships	Port sales to domestic shipping companies	-Increasing the frequency of visits at domestic shipping companies -Actively participating in sales promotion programs and symposiums in which shipping companies participate -Inviting Planning personnel of shipping companies -Providing information on tourist sites and explaining locally originated tours		○	◎	○	○	
			-Selling refined port services -Having consultations to reduce the towing service fee -Having consultations and discussions for introducing weather -Requesting businesses to plan charter cruises in Okinawa as an incentive for employees		◎	◎	○		○
		Port sales to overseas shipping companies	-Participating in business meetings and conventions on cruising -Visiting agencies for foreign shipping companies -Inviting personnel of foreign shipping companies -Requesting foreign shipping companies to plan regular cruises		○	◎		○	
			-Inviting foreign cruise ships to make a call at an Okinawa port as the gateway to East Asian cruises in cooperation with other Ports of call such as Kobe, Nagasaki and Kagoshima Ports -Requesting the organizations concerned to enable passengers to use		○	◎	○		○
	(3.6) Sale to neighboring countries on the attractiveness of Okinawa to tourists		-Selling the cruising in Okinawa when OCVB (Okinawa Convention and Visitors Bureau) promotes the sales of Okinawa in Shanghai.		○	◎		○	
	(3.7) Proposal of Okinawa-style cruises	Okinawa-style island hopping	-Encouraging domestic shipping companies and travel agencies to plan Okinawa island hopping in charter cruises in Okinawa as an incentive for employees -Encouraging travel agencies to plan Okinawa island hopping in charter cruises that they organize in Okinawa on their initiative		○	◎		○	

*The port administrators are the Naha Port Authority at Naha Port (Naha City and Urasoe City, Okinawa Prefecture), Miyakojima City government at Hirara Port, Ishigaki City government at Ishigaki Port and Okinawa prefectural government at Nakagusuku and Motobu Ports.

*The organizations accepting cruise ships at Okinawa ports include the Naha Cruise Promotion Liaison Council of Naha Port (Naha City Tourist Association Office), Cruise Liners Liaison Conference of Hirara Port (Miyako Tourist Association Office), Ishigaki City Tourism Division at Ishigaki Port and Motobucho Industrial Development Division at Motobu Port.