

**BREA**

BUSINESS RESEARCH &  
ECONOMIC ADVISORS

**BREA**  
PO Box 955  
Exton, PA 19341

Phone: (610) 524-5973  
Fax: (610) 363-9273  
Website: [www.breanet.com](http://www.breanet.com)

# **ECONOMIC CONTRIBUTION OF CRUISE TOURISM TO THE DESTINATION ECONOMIES**

*A Survey-based Analysis of the Impacts of  
Passenger, Crew and Cruise Line Spending*

## **VOLUME II DESTINATION REPORTS**



*Prepared for*

**Florida-Caribbean Cruise Association  
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# **CRUISE DESTINATIONS OF THE EASTERN CARIBBEAN**

## Antigua and Barbuda

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>1</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>1</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Antigua and Barbuda Tourism Authority, 593,528 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>2</sup> Of these, an estimated 527,646 passengers (89 percent) disembarked and visited Antigua. Utilizing additional data provided by the tourism authority and visiting cruise lines, 236,553 crew were aboard the cruise ships and 36 percent, or 84,762 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$43.9** million (\$US) in cruise tourism expenditures in Antigua during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 796 surveys completed by passengers during the survey period. As shown in **Antigua Chart 1**, each passenger cruise party spent an average of \$126.51. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 43 percent of the survey respondents reported spending an average of \$21.90 for food and beverages. Spread over the cruise parties that visited Antigua, this represented an average of \$9.39 per party. On a per passenger basis, the average total expenditure was \$64.88. This represents the sum of per party expenditures, \$126.51, divided by the average size of a cruise party in Antigua, 1.95 passengers.

Cruise passenger expenditures in Antigua were concentrated in four categories which accounted for 77 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

Just over half (55%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$85 per party but when the full

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<sup>2</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$120 per party for their tours.

**Antigua Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>3</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 85.00	55.4%	\$47.06
F&B at Restaurants & Bars	\$ 21.90	42.9%	\$ 9.39
Taxis/Ground Transportation	\$ 32.20	18.3%	\$ 5.91
Watches & Jewelry	\$176.90	13.5%	\$23.95
Clothing	\$ 38.20	42.9%	\$16.39
Entertainment/Night Clubs/Casinos	\$ 43.20	0.8%	\$ 0.36
Other Purchases	\$ 40.70	21.7%	\$ 8.81
Perfumes & Cosmetics	\$ 73.50	4.8%	\$ 3.52
Local Crafts & Souvenirs	\$ 23.40	41.5%	\$ 9.71
Retail Purchases of Liquor	\$ 20.10	5.6%	\$ 1.13
Electronics	\$ 86.40	0.2%	\$ 0.18
Telephone & Internet	\$ 24.00	0.4%	\$ 0.10
<b>Total Spend per Cruise Party</b>			<b>\$126.51</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$64.88</b>
<b>Cruise Passenger Onshore Visits</b>			<b>527,646</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$34,233,099</b>

For the entire 2014/2015 cruise year, the estimated 527,646 cruise passengers who visited Antigua spent a total of **\$34.2 million** (\$US) in Antigua.

Per crew spending estimates were derived from 450 surveys completed by crew members during the survey period. As shown in **Antigua Chart 2**, each crew member spent an average of \$54.17 in Antigua. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 87 percent of the survey respondents reported spending an average of \$24.70 for food and beverages. Spread over all the crew members that reported that they visited Antigua; this represents an average of \$21.59 per crew member.

Expenditures by crew in Antigua were concentrated in three categories which accounted for 71 percent of their onshore expenditures: food and beverages, clothing, and other (unspecified) purchases. Combined, crew spent an average of \$38.58 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 87 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 84,762 crew who visited Antigua spent an estimated total of **\$4.6 million** (\$US).

<sup>3</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**Antigua Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$24.70	87.4%	\$21.59
Taxis/Ground Transportation	\$11.30	19.5%	\$ 2.20
Watches & Jewelry	\$ 9.60	2.3%	\$ 0.22
Clothing	\$21.80	29.9%	\$ 6.51
Entertainment/Night Clubs/Casinos	\$ 7.50	3.4%	\$ 0.26
Other Purchases	\$60.80	17.2%	\$10.48
Shore Excursions	\$13.60	3.4%	\$ 0.47
Perfumes & Cosmetics	\$67.00	8.0%	\$ 5.39
Local Crafts & Souvenirs	\$12.40	23.0%	\$ 2.84
Retail Purchases of Liquor	\$ 7.80	4.6%	\$ 0.36
Electronics	\$36.30	3.4%	\$ 1.25
Telephone & Internet	\$22.60	11.5%	\$ 2.60
<b>Total Spend per Crew</b>			<b>\$54.17</b>
<b>Crew Visits</b>			84,762
<b>Total Crew Expenditures</b>			<b>\$4,591,568</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$5.1 million** (\$US) in Antigua during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

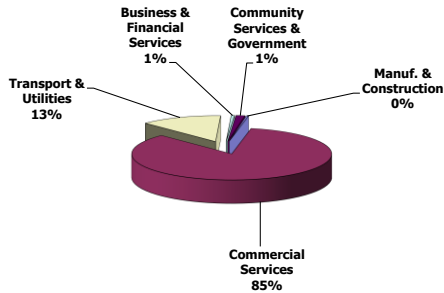
As shown in **Antigua Chart 3**, the \$43.9 million in total cruise tourism expenditures in Antigua generated direct employment of 740 residents of Antigua paying \$6.9 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 1,170 jobs and \$11.1 million in wage income in Antigua during the 2014/2015 cruise year.

**Antigua Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

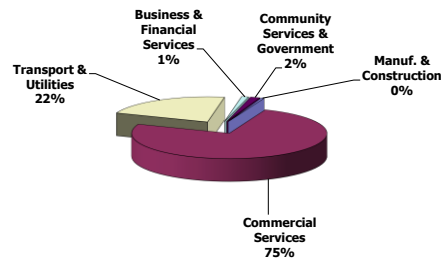
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	740	\$ 6.90
<b>Total Economic Contribution</b>	1,170	\$11.10

As shown in **Charts Antigua 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for nearly 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 22 percent of the wage impacts but only 13 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Antigua Chart 4 – Total Employment Impacts by Sector**



**Antigua Chart 5 – Total Wage Impacts by Sector**





## Passenger Surveys

A total of 796 passenger surveys were completed and returned for tabulation. **Antigua Chart 6** shows the major attributes of passenger visits to Antigua as derived from the passenger surveys.

- Of the 796 cruise parties that completed the surveys 62% stated that this had been their first visit to Antigua.
- Ninety-six percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Antigua.
- Of the cruise parties that went ashore, 63% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.95) and spent an average of 4.1 hours ashore.
- The responding cruise parties reported spending an average of \$79.45 while ashore (excludes shore excursions).

**Antigua Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	796	
<b>Number Making First Visit</b>	494	62%
<b>Number Ashore</b>	762	96%
<b>Number Making Onshore Purchases:</b>	480	63%
<b>Average Hours Ashore</b>	4.11	
<b>Average Size of Expenditure Party (Persons)</b>	1.95	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$79.45	
<b>Purchased a Shore Excursion (Tour)</b>	422	55%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	295	70%
<b>Onshore from Tour Operator</b>	80	19%
<b>Travel Agent</b>	47	11%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	253	60%
<b>Marine-based</b>	97	23%
<b>Land-Based</b>	34	8%
<b>Center City</b>	4	1%
<b>Other</b>	55	13%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$120.72	
<b>Toured On Own/Did not Tour</b>	340	45%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- More than half (55%) of the passengers that went ashore purchased a shore excursion. Seventy percent (70%) of passengers who purchased a tour did so through their cruise line, 19% purchased their tour onshore and 11 percent purchased their tour through their travel agent.
- The typical cruise party that purchased a shore excursion spent \$121 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Antigua Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their overall visit to Antigua with a mean score of 7.8, and in terms of the “visit met expectations” (7.2).
- “Guided Tours” (or Shore Excursions) received the highest score of all visit attributes with a mean score of 8.6. “Historic sites and museums” received a mean score of 7.5, thus, cruise passengers were ‘very satisfied’ with their shore excursions.

**Antigua Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.8
Visit Met Expectations	7.2
Likelihood of a Return Visit	4.6
Likelihood of Recommending	5.6
Initial Shoreside Welcome	7.5
Guided Tour	8.6
Historic Sites/Museums	7.5
Variety of Things to See and Do	7.0
Friendliness of Residents	8.0
Overall Shopping Experience	7.0
Courtesy of Employees	8.1
Variety of Shops	6.9
Overall Prices	6.6
Taxis/Local Transportation	7.4

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

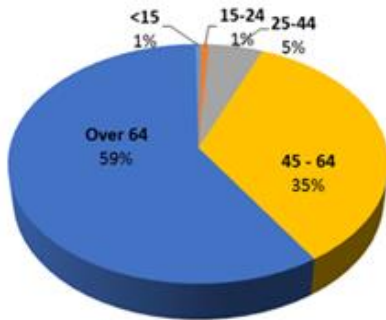
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.0) and “courtesy of employees” (8.1) were high.
- Passengers were ‘very satisfied’ with a “variety of things to see and do” (7.0) and the “overall shopping experience” (7.0). They recorded slightly lower satisfaction for “variety of shops” (6.9) and “overall prices” (6.6). Thus, while passengers thought shop employees were very courteous, the overall score for their shopping experience was brought down by these lower perceptions.

- Categories scoring the lowest include “likelihood of returning for a land based visit” (4.6), and “likelihood of recommending” (5.6).

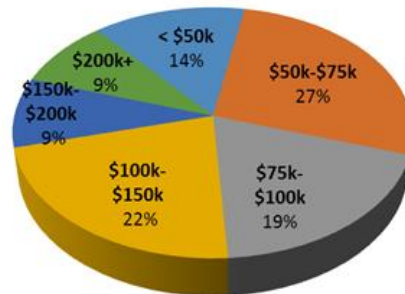
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 92 percent of the responding passengers. The average age of the respondents was 63 years with 59 percent of the respondents being 65 years of age or older. Antigua passengers had an average household income of about \$103,500 with 40 percent having over \$100,000 in household income.

**Antigua Chart 8 – Passenger Age Cohorts**



**Antigua Chart 9 – Passenger Household Income**



## Bahamas

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>4</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>4</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Bahamas Tourism Authority, 3.5 million cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>5</sup> Of these, an estimated 2.94 million passengers (84 percent) disembarked and visited Bahamas. Utilizing additional data provided by the tourism authority and visiting cruise lines, 2.4 million crew were aboard the cruise ships and 42 percent, or 994,900, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$373.1** million (\$US) in cruise tourism expenditures in Bahamas during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 556 surveys completed by passengers during the survey period. As shown in **Bahamas Chart 1**, each passenger cruise party spent an average of \$185.54. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 58 percent of the survey respondents reported spending an average of \$44.50 for food and beverages. Spread over the cruise parties that visited Bahamas, this represented an average of \$25.97 per party. On a per passenger basis, the average total expenditure was \$82.83. This represents the sum of per party expenditures, \$185.54, divided by the average size of a cruise party in Bahamas, 2.24 passengers.

Cruise passenger expenditures in Bahamas were concentrated in four categories which accounted for 74 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry and clothing. Nearly 50 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing and local crafts.

Just over half (53%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$112.70 per party but when the

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<sup>5</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$210 per party for their tours.

**Bahamas Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>6</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$112.70	53.1%	\$59.90
F&B at Restaurants & Bars	\$44.50	58.4%	\$25.97
Taxis/Ground Transportation	\$31.50	29.8%	\$ 9.40
Watches & Jewelry	\$124.30	20.1%	\$24.93
Clothing	\$47.60	54.1%	\$25.77
Entertainment/Night Clubs/Casinos	\$79.10	2.8%	\$ 2.18
Other Purchases	\$103.80	14.5%	\$15.09
Perfumes & Cosmetics	\$60.80	3.0%	\$ 1.83
Local Crafts & Souvenirs	\$35.90	48.4%	\$17.36
Retail Purchases of Liquor	\$39.50	7.0%	\$ 2.77
Electronics	\$20.00	0.3%	\$ 0.05
Telephone & Internet	\$19.30	1.5%	\$ 0.29
<b>Total Spend per Cruise Party</b>			<b>\$185.54</b>
<b>Average Size of a Cruise Party</b>			<b>2.2</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$82.83</b>
<b>Cruise Passenger Onshore Visits</b>			<b>2,940,000</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$243,518,906</b>

For the entire 2014/2015 cruise year, the estimated 2.94 million cruise passengers who visited Bahamas spent a total of **\$243.5 million** (\$US) in Bahamas.

Per crew spending estimates were derived from 1,264 surveys completed by crew members during the survey period. As shown in **Bahamas Chart 2**, each crew member spent an average of \$54.17 in Bahamas. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 79 percent of the survey respondents reported spending an average of \$33.00 for food and beverages. Spread over all the crew members that reported that they visited Bahamas; this represents an average of \$25.99 per crew member.

Expenditures by crew in Bahamas were concentrated in three categories which accounted for 64 percent of their onshore expenditures: food and beverages, perfumes and cosmetics, and other (unspecified) purchases. Combined, crew spent an average of \$38.224 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 79 percent of the crew reporting the purchase of food and beverages.

<sup>6</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 994,900 crew who visited Bahamas spent an estimated total of **\$59.7 million** (\$US).

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$69.9 million** (\$US) in Bahamas during the 2014/2015 cruise year. About 90 percent these expenditures were payments for port fees and taxes and navigation services. The remaining 10 percent were spent for provisions and other supplies.

**Bahamas Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$33.00	78.8%	\$25.99
Taxis/Ground Transportation	\$11.30	16.0%	\$1.81
Watches & Jewelry	\$88.20	5.1%	\$4.51
Clothing	\$31.70	13.0%	\$4.14
Entertainment/Night Clubs/Casinos	\$80.90	4.5%	\$3.62
Other Purchases	\$55.90	12.5%	\$7.00
Shore Excursions	\$26.70	7.4%	\$1.98
Perfumes & Cosmetics	\$53.30	9.8%	\$5.25
Local Crafts & Souvenirs	\$15.50	8.6%	\$1.33
Retail Purchases of Liquor	\$14.50	3.5%	\$0.50
Electronics	\$51.60	1.9%	\$0.99
Telephone & Internet	\$22.50	12.8%	\$2.88
<b>Total Spend per Crew</b>			<b>\$60.00</b>
<b>Crew Visits</b>			994,934
<b>Total Crew Expenditures</b>			<b>\$59,696,063</b>

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Bahamas Chart 3**, the \$373.1 million in total cruise tourism expenditures in Bahamas generated direct employment of 4,568 residents of Bahamas paying \$81 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the

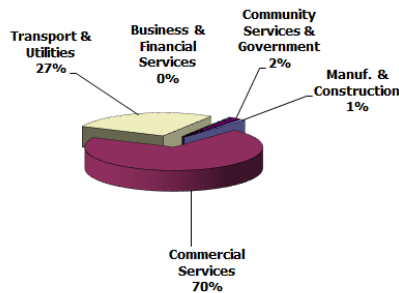
direct cruise tourism expenditures generated a total employment contribution of 7,954 jobs and \$138.5 million in wage income in Bahamas during the 2014/2015 cruise year.

**Bahamas Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

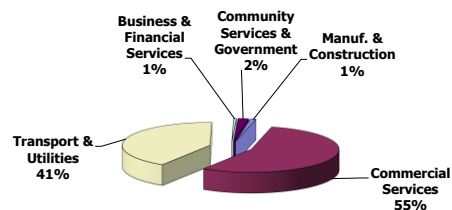
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	4,568	\$ 81.00
<b>Total Economic Contribution</b>	7,954	\$138.50

As shown in **Charts Bahamas 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 97 percent of the total impacts. This is not surprising since the direct impacts account for nearly 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 41 percent of the wage impacts but only 27 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Bahamas Chart 4 – Total Employment Impacts by Sector**



**Bahamas Chart 5 – Total Wage Impacts by Sector**





## Passenger Surveys

A total of 556 passenger surveys were completed and returned for tabulation. **Bahamas Chart 6** shows the major attributes of passenger visits to Bahamas as derived from the passenger surveys.

- Of the 556 cruise parties that completed the surveys, half (49%) stated that this had been their first visit to Bahamas.
- Ninety-two percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Bahamas.
- Of the cruise parties that went ashore, 78% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.24) and spent an average of 4.7 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$125.64 while ashore.

### Bahamas Chart 6 – Major Attributes of Passenger Surveys

	Number	Percent
<b>Total Respondents</b>	556	
<b>Number Making First Visit</b>	272	49%
<b>Number Ashore</b>	512	92%
<b>Number Making Onshore Purchases:</b>	399	78%
<b>Average Hours Ashore</b>	4.72	
<b>Average Size of Expenditure Party (Persons)</b>	2.24	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	125.64	
<b>Purchased a Shore Excursion (Tour)</b>	272	53%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	220	81%
<b>Onshore from Tour Operator</b>	30	11%
<b>Travel Agent</b>	22	8%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	73	27%
<b>Marine-based</b>	120	44%
<b>Land-Based</b>	65	24%
<b>Center City</b>	8	3%
<b>Other</b>	27	10%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	214.27	
<b>Toured On Own/Did not Tour</b>	240	47%

<sup>①</sup> Excludes shore excursion expenditures

<sup>②</sup> Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- More than half (53%) of the passengers that went ashore purchased a shore excursion. Four in five (81%) of passengers who purchased a tour did so through their cruise line, 11% purchased their tour onshore and 8 percent purchased their tour through their travel agent.

- Most (44%) of the tours purchased were “marine based activities”, while about a quarter each were to visit “historical or cultural sites” (27%) or “land based activities” (24%).
- The typical cruise party that purchased a shore excursion spent \$214 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Bahamas Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to Bahamas (7.9), and felt their “visit met expectations” (7.2).
- “Guided tours” (or shore excursions) received the highest score of all visit attributes with a mean score of 8.6. Thus, cruise passengers were very satisfied with their shore excursions.

**Bahamas Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.9
Visit Met Expectations	7.2
Likelihood of a Return Visit	5.7
Likelihood of Recommending	6.2
Initial Shoreside Welcome	7.7
Guided Tour	8.6
Historic Sites/Museums	7.3
Variety of Things to See and Do	6.9
Friendliness of Residents	8.2
Overall Shopping Experience	7.2
Courtesy of Employees	8.1
Variety of Shops	6.9
Overall Prices	6.9
Taxis/Local Transportation	7.5

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.2) and “courtesy of employees” (8.1) were both in the ‘very satisfied’ range.
- Passengers were also ‘very satisfied’ with the “initial shoreside welcome” (7.7), “taxi and local transportation” (7.5), “historic sites and museums” (7.3) and the

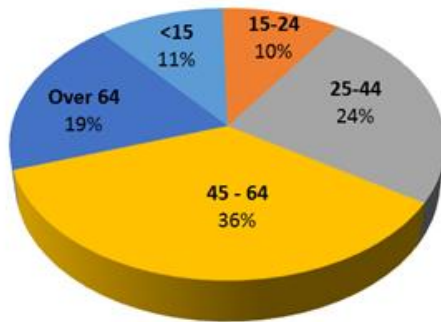
“overall shopping experience” (7.2). They recorded slightly lower satisfaction for “variety of shops” (6.9), “overall prices” (6.9), and “variety of things to see and do” (6.9).

- Categories scoring the lowest were “likelihood of returning for a land based visit” (5.7), and “likelihood of recommending” (6.2), however, both categories still fell into the ‘somewhat likely’ category.

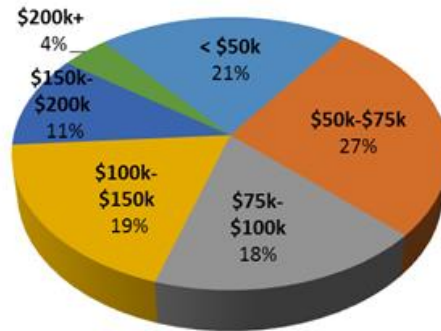
### Passenger Demographics

Residents of the United States alone accounted for 93 percent of the responding passengers. The average age of the respondents was 44 years with only 19 percent being 65 years of age or older. Bahamas passengers had an average household income of about \$94,500 with 34 percent having over \$100,000 in annual household income.

**Bahamas Chart 8 – Passenger Age Cohorts**



**Bahamas Chart 9 – Passenger Household Income**



## British Virgin Islands

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>7</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>7</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data published by the Caribbean Tourism Organization, an estimated 346,200 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>8</sup> Of these, an estimated 307,772 passengers (89 percent) disembarked and visited the British Virgin Islands. Utilizing additional data provided by the visiting cruise lines, we have estimated that 133,800 crew were aboard the cruise ships and that 35 percent, or 46,678 crew, disembarked and visited the British Virgin Islands.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$21.4 million** (\$US) in cruise tourism expenditures in the British Virgin Islands during the 2014/15 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 470 surveys completed by passengers during the survey period. As shown in **BVI Chart 1**, each passenger cruise party spent an average of \$136.78. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 49 percent of the survey respondents reported spending an average of \$20.40 for food and beverages. Spread over the cruise parties that visited BVI, this represented an average of \$9.97 per party. On a per passenger basis, the average total expenditure was \$69.43. This represents the sum of per party expenditures, \$136.78, divided by the average size of a cruise party in BVI, 1.97 passengers.

Cruise passenger expenditures in BVI were concentrated in three categories which accounted for 75 percent of their onshore expenditures: shore excursions, watches and jewelry and clothing. Over 30 percent of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages, clothing, and local crafts.

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<sup>8</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

**BVI Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>9</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 84.30	54.6%	\$46.02
F&B at Restaurants & Bars	\$ 20.40	48.9%	\$ 9.97
Local Crafts & Souvenirs	\$ 33.40	20.1%	\$ 6.73
Clothing	\$484.20	7.9%	\$38.32
Taxis/Ground Transportation	\$ 54.80	34.5%	\$18.92
Other Purchases	---	---	---
Watches & Jewelry	\$ 37.40	18.0%	\$ 6.72
Retail Purchases of Liquor	\$ 19.50	0.7%	\$ 0.14
Perfumes & Cosmetics	\$ 29.40	30.9%	\$ 9.09
Entertainment/Night Clubs/Casinos	\$ 15.10	5.0%	\$ 0.76
Telephone & Internet	---	---	---
Electronics	\$ 7.60	1.4%	\$ 0.11
<b>Total Spend per Cruise Party</b>			<b>\$136.78</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$69.43</b>
<b>Cruise Passenger Visits</b>			<b>307,772</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$21,369,229</b>

Just over half (55%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$84.30 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$127 per party for their tours.

For the entire 2014/2015 cruise year, the estimated 307,772 cruise passengers who visited BVI spent a total of **\$21.4 million** (\$US) in BVI.

Per crew spending estimates were derived from 796 surveys completed by crew members during the survey period. As shown in **BVI Chart 2**, each crew member spent an average of \$44.90 in BVI. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 94 percent of the survey respondents reported spending an average of \$28.20 for food and beverages. Spread over all the crew members that reported that they visited BVI; this represents an average of \$26.39 per crew member.

Expenditures by crew in BVI were concentrated in three categories which accounted for 81 percent of their onshore expenditures: food and beverages, local crafts, and other (unspecified) purchases. Combined, crew spent an average of \$36.17 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 94 percent of the crew reporting the purchase of food and beverages.

<sup>9</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

**BVI Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$28.20	93.5%	\$26.39
Taxis/Ground Transportation	\$14.30	8.7%	\$ 1.24
Watches & Jewelry	\$27.60	4.3%	\$ 1.20
Clothing	\$27.50	8.7%	\$ 2.39
Entertainment/Night Clubs/Casinos	---	---	---
Other Purchases	\$31.70	10.9%	\$ 3.45
Shore Excursions	---	---	---
Perfumes & Cosmetics	\$59.80	2.2%	\$ 1.30
Local Crafts & Souvenirs	\$19.40	32.6%	\$ 6.33
Retail Purchases of Liquor	\$19.80	2.2%	\$ 0.43
Electronics	\$99.80	2.2%	\$ 2.17
Telephone & Internet	---	---	---
<b>Total Spend per Crew</b>			<b>\$44.90</b>
<b>Crew Visits</b>			46,678
<b>Total Crew Expenditures</b>			<b>\$2,095,826</b>

For the entire 2014/2015 cruise year, the estimated 46,678 crew who visited BVI spent an estimated total of **\$2.1 million** (\$US).

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$2.8 million** (\$US) in BVI during the 2014/2015 cruise year. Nearly all of these expenditures, more than 95 percent, were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **BVI Chart 3**, the \$26.2 million in total cruise tourism expenditures in BVI generated direct employment of 289 residents of BVI paying \$5.0 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise

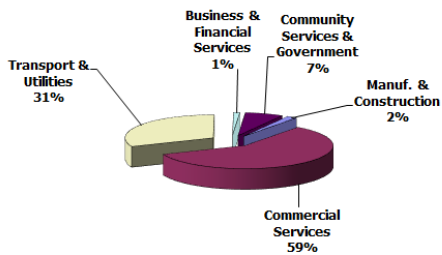
tourism expenditures generated a total employment contribution of 465 jobs and \$8.7 million in wage income in BVI during the 2014/2015 cruise year.

**BVI Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

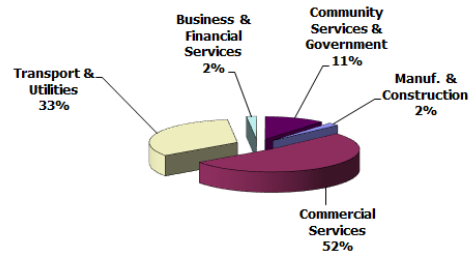
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	289	\$ 5.00
<b>Total Economic Contribution</b>	465	\$ 8.70

As shown in **Charts BVI 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for 90 percent of the total impacts. This is not surprising since the direct impacts account for over 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively lower wages in the commercial sector compared to the other sectors of the economy, the commercial sector accounts for 52 percent of the wage impacts but 59 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**BVI Chart 4 – Total Employment Impacts by Sector**



**BVI Chart 5 – Total Wage Impacts by Sector**





## Passenger Surveys

A total of 470 passenger surveys were completed and returned for tabulation. **BVI Chart 6** shows the major attributes of passenger visits to BVI as derived from the passenger surveys.

- Of the 470 cruise parties that completed the surveys 64% stated that this had been their first visit to BVI.
- Ninety-seven percent of the cruise parties that completed the surveys disembarked their cruise ship to visit BVI.
- Of the cruise parties that went ashore, 61% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.97) and spent an average of 4.1 hours ashore.
- The responding cruise parties reported spending an average of \$90.76 while ashore (excludes shore excursions).

A total of 470 passenger surveys were completed and returned for tabulation. BVI Chart 6 shows the major attributes of passenger visits to BVI as derived from the passenger surveys.

### BVI Chart 6 – Major Attributes of Passenger Surveys

	Number	Percent
<b>Total Respondents</b>	470	
<b>Number Making First Visit</b>	301	64%
<b>Number Ashore</b>	456	97%
<b>Number Making Onshore Purchases:</b>	278	61%
<b>Average Hours Ashore</b>	4.08	
<b>Average Size of Expenditure Party (Persons)</b>	1.97	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$90.76	
<b>Purchased a Shore Excursion (Tour)</b>	249	55%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	187	75%
<b>Onshore from Tour Operator</b>	42	17%
<b>Travel Agent</b>	20	8%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	125	50%
<b>Marine-based</b>	60	24%
<b>Land-Based</b>	22	9%
<b>Center City</b>	7	3%
<b>Other</b>	57	23%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$127.71	
<b>Toured On Own/Did not Tour</b>	207	45%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Of the 470 cruise parties that completed the surveys 64% stated that this had been their first visit to BVI.
- Ninety-seven percent of the cruise parties that completed the surveys disembarked their cruise ship to visit BVI.

- Of the cruise parties that went ashore, 61% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.97) and spent an average of 4.1 hours ashore.
- The responding cruise parties reported spending an average of \$90.76 while ashore (excludes shore excursions).
- More than half (55%) of the passengers that went ashore purchased a shore excursion. Three-quarters (75%) of passengers who purchased a tour did so through their cruise line, 17% purchased their tour onshore and 8 percent purchased their tour through their travel agent.
- Half (50%) of the tours purchased were to visit "historical or cultural sites", while about a quarter (24%) were "marine based activity" tours.
- The typical cruise party that purchased a shore excursion spent \$128 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **BVI Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/ likely.

**BVI Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
<b>Overall Visit</b>	7.4
<b>Visit Met Expectations</b>	6.7
<b>Likelihood of a Return Visit</b>	4.7
<b>Likelihood of Recommending</b>	5.5
<b>Initial Shoreside Welcome</b>	7.6
<b>Guided Tour</b>	8.0
<b>Historic Sites/Museums</b>	6.3
<b>Variety of Things to See and Do</b>	5.9
<b>Friendliness of Residents</b>	8.2
<b>Overall Shopping Experience</b>	5.9
<b>Courtesy of Employees</b>	8.0
<b>Variety of Shops</b>	5.3
<b>Overall Prices</b>	6.3
<b>Taxis/Local Transportation</b>	7.7

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/ Likely: 8-7; Somewhat Satisfied/ Likely: 6-5; Not Too Satisfied/ Likely: 4-3; Not At All Satisfied/ Likely: 2-1.

- Cruise passengers were 'very satisfied' with their "overall visit" to BVI with a mean score of 7.4. However, the visit did not score as high in terms of meeting expectations; as the mean score for "visit met expectations" was lower at 6.7.

- Passenger interactions with residents and store employees were very positive as the mean scores for "friendliness of residents" (8.2) and "courtesy of employees" (8.0) were the highest among all ratings.

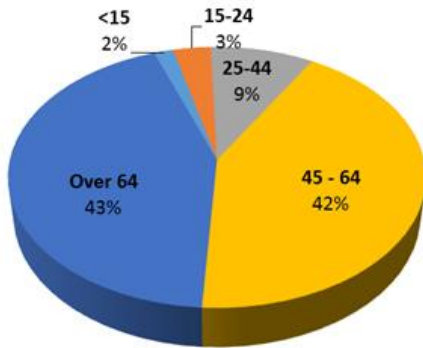
Among other key conclusions concerning visit satisfaction were the following:

- "Guided tours" (or shore excursions) also received a high mean satisfaction rating (8.0), indicating cruise passengers were very satisfied with their shore excursions.
- Passengers were also 'very satisfied' with a "taxi /local transportation" (7.7) and the "initial shoreside welcome (7.6).
- While passengers thought shop employees were very courteous, the overall score for their "overall shopping experience" (5.9) was brought down by lower perceptions on the "variety of shops" (5.3) and "overall prices" (6.3).
- Categories scoring the low end of the scale include "likelihood of returning for a land based visit" (4.7), and "likelihood of recommending" (5.5).

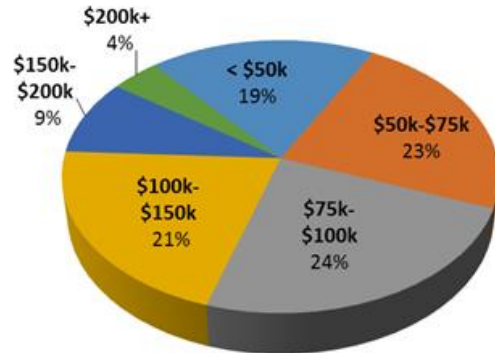
### Passenger Demographics

Residents of the United States, UK and Canada accounted for 94 percent of the responding passengers in BVI. The average age of the respondents was 58 years with 43 percent of the respondents being 65 years of age or older. BVI passengers had an average household income of \$94,700 with about a third (34%) having over \$100,000 in household income.

**BVI Chart 8 – Passenger Age Cohorts**



**BVI Chart 9 – Passenger Household Income**



## Dominican Republic

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>10</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>10</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which tend to be concentrated in shore excursions and retail purchases of clothing, jewelry and local crafts and souvenirs;
- onshore expenditures by crew which are generally concentrated in purchases of food and beverages, local transportation and retail purchases of clothing and electronics;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other stores, by the cruise lines from local businesses.

According to data provided by the cruise ports in the Dominican Republic, a total of 577,365 cruise passengers arrived in the Dominican Republic during the 2014/2015 cruise year.<sup>11</sup> These included 503,837 transit passengers and 73,258 passengers embarking on their cruises in the Dominican Republic. Of the transit passengers, an estimated 407,100 passengers (81 percent) disembarked and visited the Dominican Republic. Utilizing additional data provided by the ports and visiting cruise lines, we have estimated that 197,700 crew were aboard the cruise ships that sailed to and from the Dominican Republic and that 25 percent, or 49,426 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$61.0 million** (\$US) in cruise tourism expenditures in the Dominican Republic during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Passenger expenditures were estimated separately for transit and homeport passengers. Per passenger spending estimates for transit passengers were derived from 1,180 surveys completed by passengers during the survey period. As shown in **Dominican Republic Chart 1**, each transit passenger cruise party spent an average of \$125.14 in the Dominican Republic. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 40 percent of the survey respondents reported spending an average of \$21.10 at local restaurants and/or bars. Spread over the cruise parties that visited the Dominican Republic, this represents an average of \$8.34 per party. On a per passenger basis, the average total expenditure was \$62.88. This represents the sum of per party expenditures, \$125.14, divided by the average size of a cruise party in the Dominican Republic, 1.99 passengers.

Transit cruise passenger expenditures in the Dominican Republic were concentrated in four categories which accounted for 72 percent of their onshore expenditures: shore excursions,

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<sup>11</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

ground transportation, watches and jewelry and local crafts. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages, ground transportation and local crafts.

Forty-five percent (45%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$95.70 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$175 per party for their tours.

**Dominican Republic Chart 1 – Estimated Transit Passenger Spending (\$US), 2014/2015 Cruise Year<sup>12</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 95.70	45.2%	\$43.23
F&B at Restaurants & Bars	\$ 21.10	39.5%	\$ 8.34
Taxis/Ground Transportation	\$ 28.30	38.1%	\$10.78
Watches & Jewelry	\$ 88.50	17.5%	\$15.52
Clothing	\$ 31.70	17.3%	\$ 5.50
Entertainment/Night Clubs/Casinos	\$100.90	0.6%	\$ 0.61
Other Purchases	\$ 72.00	23.0%	\$16.55
Perfumes & Cosmetics	\$ 71.90	2.0%	\$ 1.45
Local Crafts & Souvenirs	\$ 42.00	49.8%	\$20.92
Retail Purchases of Liquor	\$ 34.50	5.2%	\$ 1.81
Electronics	\$ 24.80	0.4%	\$ 0.10
Telephone & Internet	\$ 23.40	1.4%	\$ 0.33
<b>Total Spend per Cruise Party</b>			<b>\$125.14</b>
<b>Average Size of a Cruise Party</b>			2.0
<b>Total Spend per Cruise Passenger</b>			<b>\$62.88</b>
<b>Cruise Passenger Onshore Visits</b>			407,100
<b>Total Cruise Passenger Expenditures</b>			<b>\$25,600,176</b>

For the entire 2014/2015 cruise year, the estimated 407,100 transit cruise passengers who visited the Dominican Republic spent a total of **\$25.6 million** (\$US) in the country.

As noted above another 73,528 cruise passengers arrived in the Dominican Republic to begin their Caribbean cruise. Based upon homeport passenger surveys conducted at Caribbean destinations, passenger expenditures were estimated for passengers embarking on their cruises from the Dominican Republic. As shown in **Dominican Republic Chart 2**, each passenger cruise party spent an estimated average of \$160.89 in the Dominican Republic. The calculation of this figure is identical to that calculated for transit passengers as discussed above. On a per passenger basis, the average total expenditure was \$85.94.

<sup>12</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

Homeport cruise passenger expenditures were concentrated in three categories which accounted for 77 percent of their onshore expenditures: lodging, shore excursions and ground transportation. In total, homeport passengers spent nearly \$124 for goods and services in these three categories. Twenty percent (20%) or more of the homeport passengers made purchases in the following categories: shore excursions, food and beverages, ground transportation and local crafts.

For the entire 2014/2015 cruise year, the estimated 73,528 homeport cruise passengers who visited the Dominican Republic spent a total of **\$6.3 million** (\$US) on the island.

**Dominican Republic Chart 2 – Estimated Homeport Passenger Spending (\$US), 2014/2015 Cruise Year<sup>13</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Lodging	\$322.60	12.8%	\$41.13
Shore Excursions	\$163.70	41.0%	\$67.06
F&B at Restaurants & Bars	\$ 27.70	23.8%	\$ 6.58
Taxis/Ground Transportation	\$ 79.40	19.6%	\$15.59
Watches & Jewelry	\$ 89.90	6.3%	\$ 5.67
Clothing	\$ 40.70	15.6%	\$ 6.36
Entertainment/Night Clubs/Casinos	\$ 7.00	0.1%	\$ 0.01
Other Purchases	\$ 52.70	16.9%	\$ 8.91
Perfumes & Cosmetics	\$ 17.80	1.3%	\$ 0.23
Local Crafts & Souvenirs	\$ 25.80	20.9%	\$ 5.39
Retail Purchases of Liquor	\$ 29.10	10.9%	\$ 3.17
Electronics	---	---	---
Telephone & Internet	\$ 55.10	1.4%	\$ 0.79
<b>Total Spend per Cruise Party</b>			<b>\$160.89</b>
<b>Average Size of a Cruise Party</b>			<b>1.9</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$85.94</b>
<b>Cruise Passenger Visits</b>			<b>73,528</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$6,319,245</b>

Per crew spending estimates were derived from surveys completed by 630 crew members during the survey period. As shown in **Dominican Republic Chart 3**, each crew member spent an average of \$42.38 in the Dominican Republic. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 83 percent of the survey respondents reported spending an average of \$26.40 for food and beverages. Spread over all crew members that reported visiting the Dominican Republic, this represents an average of \$21.95 per crew member.

<sup>13</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

Expenditures by crew in the Dominican Republic were concentrated in two categories which accounted for two-thirds (67%) of their onshore expenditures: food and beverages and other (unspecified) purchases. Combined, crew spent an average of \$28.21 for goods in these two categories. Purchases of food and beverages were the most popular expenditure item with 83 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 49,426 crew who visited the Dominican Republic spent an estimated total of **\$2.1 million** (\$US).

### Dominican Republic Chart 3 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Visits	Weighted Average Spend per Crew
<b>F&amp;B at Restaurants &amp; Bars</b>	\$26.40	83.1%	\$21.95
<b>Taxis/Ground Transportation</b>	\$13.20	19.4%	\$ 2.57
<b>Watches &amp; Jewelry</b>	\$47.50	5.0%	\$ 2.38
<b>Clothing</b>	\$35.30	8.5%	\$ 2.99
<b>Entertainment/Night Clubs/Casinos</b>	\$25.50	0.6%	\$ 0.16
<b>Other Purchases</b>	\$48.70	12.9%	\$ 6.26
<b>Shore Excursions</b>	\$30.30	0.6%	\$ 0.19
<b>Perfumes &amp; Cosmetics</b>	\$44.90	5.0%	\$ 2.25
<b>Local Crafts &amp; Souvenirs</b>	\$21.10	12.2%	\$ 2.58
<b>Retail Purchases of Liquor</b>	\$27.60	1.9%	\$ 0.52
<b>Electronics</b>	\$65.40	0.6%	\$ 0.41
<b>Telephone &amp; Internet</b>	\$ 6.40	1.9%	\$ 0.12
<b>Total Spend per Crew</b>			<b>\$42.38</b>
<b>Crew Visits</b>			49,426
<b>Total Crew Expenditures</b>			<b>\$2,094,662</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$27 million** (\$US) in the Dominican Republic during the 2014/2015 cruise year. Approximately 40 percent of these expenditures were payments for port fees and navigation services while the remaining 60 percent consisted of payments for ship supplies, primarily by cruise ship's homeporting in the Dominican Republic.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of



each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

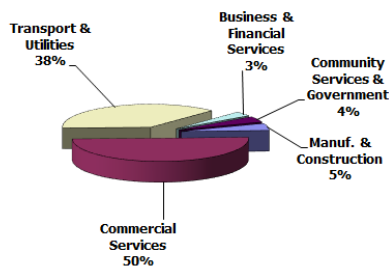
As shown in **Dominican Republic Chart 4**, the \$61.0 million in total cruise tourism expenditures generated direct employment of 1,211 residents of the Dominican Republic paying \$5.4 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 1,914 jobs and \$8.0 million in wage income in the Dominican Republic during the 2014/2015 cruise year.

**Dominican Republic Chart 4 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

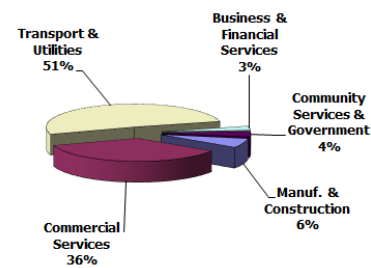
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	1,211	\$5.4
<b>Total Economic Contribution</b>	1,914	\$8.0

As shown in **Charts Dominican Republic 5 and 6**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 88 percent of the total impacts. This is not surprising since the direct impacts account for nearly 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 51 percent of the wage impacts but only 38 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Dominican Republic Chart 5 – Total Employment Impacts by Sector**



**Dominican Republic Chart 6 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,180 passenger surveys were completed and returned for tabulation. **Dominican Republic Chart 7** shows the major attributes of passenger visits to Dominican Republic as derived from the passenger surveys.

- Of the 1,180 cruise parties that completed the surveys, about 2 in 3 (68%) stated that this had been their first visit to Dominican Republic.
- Eighty-four percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Dominican Republic.
- Of the cruise parties that went ashore, 50 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.99) and spent an average of 3.8 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$81.91 while ashore.

**Dominican Republic Chart 7 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,180	
<b>Number Making First Visit</b>	802	68%
<b>Number Ashore</b>	992	84%
<b>Number Making Onshore Purchases:</b>	496	50%
<b>Average Hours Ashore</b>	3.75	
<b>Average Size of Expenditure Party (Persons)</b>	1.99	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$81.91	
<b>Purchased a Shore Excursion (Tour)</b>	448	45%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	394	88%
<b>Onshore from Tour Operator</b>	13	3%
<b>Travel Agent</b>	41	9%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	193	43%
<b>Marine-based</b>	116	26%
<b>Land-Based</b>	76	17%
<b>Center City</b>	22	5%
<b>Other</b>	85	19%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$172.49	
<b>Toured On Own/Did not Tour</b>	544	55%

<sup>①</sup> Excludes shore excursion expenditures

<sup>②</sup> Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- About half (45%) of the passengers that went ashore purchased a shore excursion. Most (88%) of passengers who purchased a tour did so through their cruise line, 3% purchased their tour onshore and 9 percent purchased their tour through their travel agent.

- Most tours (43%) were to visit “historical or cultural sites”. Another 26 percent were “marine based activities”.
- The typical cruise party that purchased a shore excursion spent \$172 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Dominican Republic Chart 8**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were somewhat satisfied with their “overall visit” to Dominican Republic, giving a mean rating of 6.0, and in feeling their “visit met expectations” (5.4).
- The “initial onshore welcome” received the highest score of all visit attributes with a mean score of 7.8. The cruise passengers were also ‘very satisfied’ with the “guided tours” (7.4).

**Dominican Republic Chart 8 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	6.0
Visit Met Expectations	5.4
Likelihood of a Return Visit	3.8
Likelihood of Recommending	4.4
Initial Shoreside Welcome	7.8
Guided Tour	7.4
Historic Sites/Museums	6.2
Variety of Things to See and Do	5.0
Friendliness of Residents	7.1
Overall Shopping Experience	4.4
Courtesy of Employees	6.8
Variety of Shops	4.3
Overall Prices	5.0
Taxis/Local Transportation	6.5

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

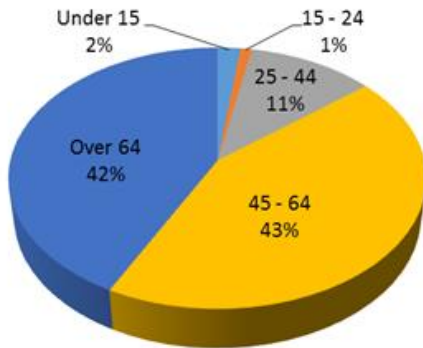
- Passenger interactions with residents and store employees were positive as the mean scores for “friendliness of residents” (7.1) and “courtesy of employees” (6.8) were both in, or approaching the ‘very satisfied’ range.

- Passengers were 'somewhat satisfied' with the "historic sights and museums" (6.2), "taxis and local transportation" (6.5), the "overall prices" (5.0), and there being a "variety of things to see and do" (5.0).
- Categories scoring the lowest include "likelihood of returning for a land based visit (3.8), and "likelihood of recommending" (4.4).

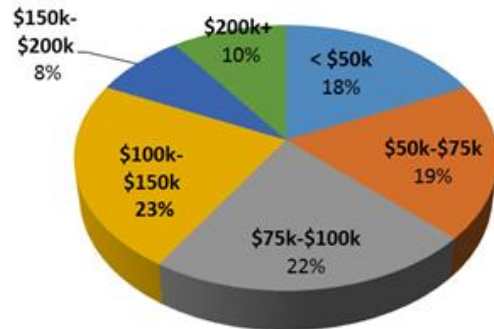
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 82 percent of the responding passengers. The average age of the respondents was 58 years with 42 percent being 65 years of age or older. Dominican Republic passengers had an average household income of about \$103,000 with 41 percent having over \$100,000 in annual household income.

**Dominican Republic Chart 9 – Passenger Age Cohorts**



**Dominican Republic Chart 10 – Passenger Household Income**



## Guadeloupe

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>14</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>14</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which tend to be concentrated in shore excursions and retail purchases of clothing, jewelry and local crafts and souvenirs;
- onshore expenditures by crew which are generally concentrated in purchases of food and beverages, local transportation and retail purchases of clothing and electronics;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other stores, by the cruise lines from local businesses.

According to data provided by the Guadeloupe Islands Tourism Board, a total of 321,316 cruise passengers arrived in Guadeloupe during the 2014/2015 cruise year.<sup>15</sup> These included 131,618 transit passengers and 189,698 passengers embarking on their cruises in Guadeloupe. Of the transit passengers, an estimated 118,456 passengers (90 percent) disembarked and visited Guadeloupe. Utilizing additional data provided by the Tourism Board and visiting cruise lines, we have estimated that 110,400 crew were aboard the cruise ships that sailed to and from Guadeloupe and that 41 percent, or 45,064 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$38.2 million** (\$US) in cruise tourism expenditures in Guadeloupe during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Passenger expenditures were estimated separately for transit and homeport passengers. Per passenger spending estimates for transit passengers were derived from 1,046 surveys completed by passengers during the survey period. As shown in **Guadeloupe Chart 1**, each transit passenger cruise party spent an average of \$187.49 in Guadeloupe. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 37 percent of the survey respondents reported spending an average of \$27.80 at local restaurants and/or bars. Spread over the cruise parties that visited Guadeloupe, this represents an average of \$10.18 per party. On a per passenger basis, the average total expenditure was \$96.65. This represents the sum of per party expenditures, \$187.49, divided by the average size of a cruise party in Guadeloupe, 1.94 passengers.

Transit cruise passenger expenditures in Guadeloupe were concentrated in four categories which accounted for 76 percent of their onshore expenditures: shore excursions, ground transportation, clothing and local crafts. About 35 percent or more of the passengers that went

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<sup>15</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

ashore made purchases in the following categories: shore excursions, food and beverages and local crafts.

Sixty-six percent (66%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$155.20 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$235 per party for their tours.

**Guadeloupe Chart 1 – Estimated Transit Passenger Spending (\$US), 2014/2015 Cruise Year<sup>16</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$155.20	66.2%	\$102.69
F&B at Restaurants & Bars	\$ 27.80	36.7%	\$ 10.18
Taxis/Ground Transportation	\$ 64.10	23.0%	\$ 14.76
Watches & Jewelry	\$ 97.80	7.2%	\$ 7.07
Clothing	\$ 55.00	27.6%	\$ 15.16
Entertainment/Night Clubs/Casinos	\$ 7.50	0.3%	\$ 0.02
Other Purchases	\$113.80	18.7%	\$ 21.32
Perfumes & Cosmetics	\$ 54.90	3.5%	\$ 1.91
Local Crafts & Souvenirs	\$ 30.40	35.3%	\$ 10.76
Retail Purchases of Liquor	\$ 30.70	11.0%	\$ 3.37
Electronics	---	---	---
Telephone & Internet	\$ 15.60	1.6%	\$ 0.25
<b>Total Spend per Cruise Party</b>			<b>\$187.49</b>
<b>Average Size of a Cruise Party</b>			1.9
<b>Total Spend per Cruise Passenger</b>			<b>\$96.65</b>
<b>Cruise Passenger Onshore Visits</b>			118,456
<b>Total Cruise Passenger Expenditures</b>			<b>\$11,448,247</b>

For the entire 2014/2015 cruise year, the estimated 118,456 transit cruise passengers who visited Guadeloupe spent a total of **\$11.4 million** (\$US) in the country.

As noted above another 189,698 cruise passengers arrived in Guadeloupe to begin their Caribbean cruise. Based upon homeport passenger surveys conducted at Caribbean destinations, passenger expenditures were estimated for passengers embarking on their cruises from Guadeloupe. As shown in **Guadeloupe Chart 2**, each passenger cruise party spent an estimated average of \$160.89 in Guadeloupe. The calculation of this figure is identical to that calculated for transit passengers as discussed above. On a per passenger basis, the average total expenditure was \$85.94.

<sup>16</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

Homeport cruise passenger expenditures were concentrated in three categories which accounted for 77 percent of their onshore expenditures: lodging, shore excursions and ground transportation. In total, homeport passengers spent nearly \$124 for goods and services in these three categories. Twenty percent (20%) or more of the homeport passengers made purchases in the following categories: shore excursions, food and beverages, ground transportation and local crafts.

For the entire 2014/2015 cruise year, the estimated 189,698 homeport cruise passengers who visited Guadeloupe spent a total of **\$16.3 million** (\$US) on the island.

**Guadeloupe Chart 2 – Estimated Homeport Passenger Spending (\$US), 2014/2015 Cruise Year<sup>17</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Lodging	\$322.60	12.8%	\$41.13
Shore Excursions	\$163.70	41.0%	\$67.06
F&B at Restaurants & Bars	\$ 27.70	23.8%	\$ 6.58
Taxis/Ground Transportation	\$ 79.40	19.6%	\$15.59
Watches & Jewelry	\$ 89.90	6.3%	\$ 5.67
Clothing	\$ 40.70	15.6%	\$ 6.36
Entertainment/Night Clubs/Casinos	\$ 7.00	0.1%	\$ 0.01
Other Purchases	\$ 52.70	16.9%	\$ 8.91
Perfumes & Cosmetics	\$ 17.80	1.3%	\$ 0.23
Local Crafts & Souvenirs	\$ 25.80	20.9%	\$ 5.39
Retail Purchases of Liquor	\$ 29.10	10.9%	\$ 3.17
Electronics	---	---	---
Telephone & Internet	\$ 55.10	1.4%	\$ 0.79
<b>Total Spend per Cruise Party</b>			<b>\$160.89</b>
<b>Average Size of a Cruise Party</b>			1.9
<b>Total Spend per Cruise Passenger</b>			<b>\$85.94</b>
<b>Cruise Passenger Visits</b>			189,698
<b>Total Cruise Passenger Expenditures</b>			<b>\$16,303,287</b>

Per crew spending estimates were derived from surveys completed by 228 crew members during the survey period. As shown in **Guadeloupe Chart 3**, each crew member spent an average of \$45.04 in Guadeloupe. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 67 percent of the survey respondents reported spending an average of \$22.60 for food and beverages. Spread over all crew members that reported visiting Guadeloupe, this represents an average of \$12.47 per crew member.

Expenditures by crew in Guadeloupe were concentrated in two categories which accounted for 55 percent of their onshore expenditures: food and beverages and other (unspecified)

<sup>17</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.



purchases. Combined, crew spent an average of \$24.80 for goods in these two categories. Purchases of food and beverages were the most popular expenditure item with 67 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 45,064 crew who visited Guadeloupe spent an estimated total of **\$2.0 million** (\$US).

**Guadeloupe Chart 3 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Visits	Weighted Average Spend per Crew
<b>F&amp;B at Restaurants &amp; Bars</b>	\$22.60	67.3%	\$12.47
<b>Taxis/Ground Transportation</b>	\$17.00	14.3%	\$2.51
<b>Watches &amp; Jewelry</b>	\$86.90	1.0%	\$0.20
<b>Clothing</b>	\$34.30	21.4%	\$8.41
<b>Entertainment/Night Clubs/Casinos</b>	\$53.30	1.0%	\$1.07
<b>Other Purchases</b>	\$26.90	22.4%	\$12.33
<b>Shore Excursions</b>	\$62.90	3.1%	\$1.06
<b>Perfumes &amp; Cosmetics</b>	\$48.50	6.1%	\$2.48
<b>Local Crafts &amp; Souvenirs</b>	\$20.90	21.4%	\$2.80
<b>Retail Purchases of Liquor</b>	\$24.00	2.0%	\$0.21
<b>Electronics</b>	\$0.00	3.1%	\$0.48
<b>Telephone &amp; Internet</b>	\$8.90	6.1%	\$1.02
<b>Total Spend per Crew</b>			<b>\$45.04</b>
<b>Crew Visits</b>			45,064
<b>Total Crew Expenditures</b>			<b>\$2,029,683</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$8.4 million** (\$US) in Guadeloupe during the 2014/2015 cruise year. Approximately 70 percent of these expenditures were payments for port fees and navigation services while the remaining 30 percent consisted of payments for ship supplies, primarily by cruise ship's homeporting in Guadeloupe.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

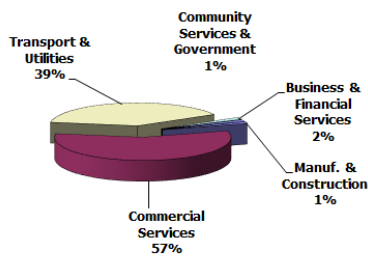
As shown in **Guadeloupe Chart 4**, the \$38.2 million in total cruise tourism expenditures generated direct employment of 465 residents of Guadeloupe paying \$4.0 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 724 jobs and \$6.1 million in wage income in Guadeloupe during the 2014/2015 cruise year.

**Guadeloupe Chart 4 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

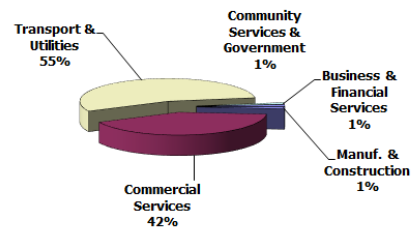
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	465	\$4.0
<b>Total Economic Contribution</b>	724	\$6.1

As shown in **Charts Guadeloupe 5 and 6**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for over 95 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 55 percent of the wage impacts but only 39 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Guadeloupe Chart 5 – Total Employment Impacts by Sector**



**Guadeloupe Chart 6 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,046 passenger surveys were completed and returned for tabulation. **Guadeloupe Chart 7** shows the major attributes of passenger visits to Guadeloupe as derived from the passenger surveys.

- Of the 1,046 cruise parties that completed the surveys, 4 in 5 (78%) stated that this had been their first visit to Guadeloupe.
- Ninety-five percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Guadeloupe.
- Of the cruise parties that went ashore, 75% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.94) and spent an average of 5.2 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$84.80 while ashore.

### Guadeloupe Chart 7 – Major Attributes of Passenger Surveys

	Number	Percent
<b>Total Respondents</b>	1,046	
<b>Number Making First Visit</b>	816	78%
<b>Number Ashore</b>	996	95%
<b>Number Making Onshore Purchases:</b>	747	75%
<b>Average Hours Ashore</b>	5.2	
<b>Average Size of Expenditure Party (Persons)</b>	1.94	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$84.80	
<b>Purchased a Shore Excursion (Tour)</b>	659	66%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	501	76%
<b>Onshore from Tour Operator</b>	40	6%
<b>Travel Agent</b>	118	18%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	283	43%
<b>Marine-based</b>	125	19%
<b>Land-Based</b>	138	21%
<b>Center City</b>	36	6%
<b>Other</b>	152	23%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$234.31	
<b>Toured On Own/Did not Tour</b>	337	34%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Two-thirds (66%) of the passengers that went ashore purchased a shore excursion. Seventy-six percent of passengers who purchased a tour did so through their cruise line, 6% purchased their tour onshore and 18 percent purchased their tour through their travel agent.

- Most (43%) of the tours purchased were to visit “historical or cultural sites”. About 1 in 5 purchased tours which were either “marine based activities” (19%), or “land based activities” (21%).
- The typical cruise party that purchased a shore excursion spent \$234 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Guadeloupe Chart 8**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were ‘very satisfied’ with their overall visit to Guadeloupe, as the mean scores were 7.1. Passengers also felt their “visit met expectations” (6.5).
- “Guided tours” (or shore excursions) received the highest score of all visit attributes with a mean score of 7.7. Thus, cruise passengers were very satisfied with their shore excursions.

**Guadeloupe Chart 8 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.1
Visit Met Expectations	6.5
Likelihood of a Return Visit	3.1
Likelihood of Recommending	4.9
Initial Shoreside Welcome	6.9
Guided Tour	7.7
Historic Sites/Museums	6.4
Variety of Things to See and Do	6.4
Friendliness of Residents	7.3
Overall Shopping Experience	6.4
Courtesy of Employees	7.3
Variety of Shops	6.2
Overall Prices	5.7
Taxis/Local Transportation	6.3

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

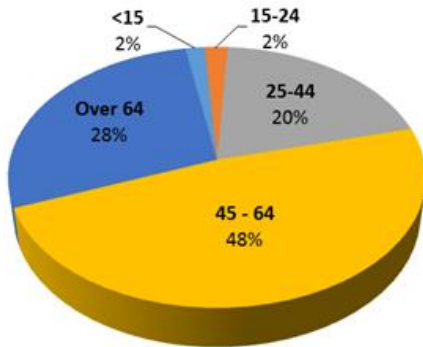
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” and “courtesy of employees” were both 7.3.

- Passengers were 'somewhat satisfied' with the "initial shoreside welcome" (6.9), "taxi and local transportation" (6.3), "historic sites and museums" (6.4) and the "overall shopping experience" (6.4).
- The two categories scoring the lowest were "likelihood of returning for a land based visit (3.1), and "likelihood of recommending" (4.9), both falling into the 'not too likely' range.

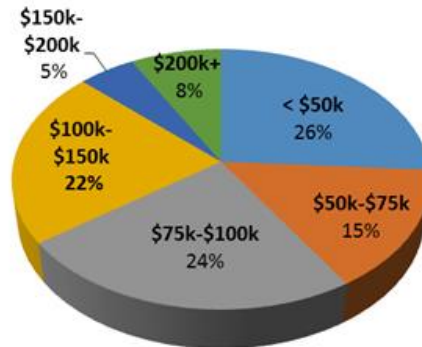
## Passenger Demographics

Residents of Germany accounted for 38 percent of the responding passengers, while the US, UK and Canada made up a combined 22 percent of passengers. The average age of the respondents was 54 years with a quarter (28%) being 65 years of age or older. Guadeloupe passengers had an average household income of about \$93,500 with 35 percent having over \$100,000 in annual household income.

**Guadeloupe Chart 9 – Passenger Age Cohorts**



**Guadeloupe Chart 10 – Passenger Household Income**



## Puerto Rico

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>18</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>18</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which tend to be concentrated in shore excursions and retail purchases of clothing, jewelry and local crafts and souvenirs;
- onshore expenditures by crew which are generally concentrated in purchases of food and beverages, local transportation and retail purchases of clothing and electronics;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other stores, by the cruise lines from local businesses.

According to data provided by the Puerto Rico Tourism Company, a total of 1.49 million cruise passengers arrived in Puerto Rico during the 2014/2015 cruise year.<sup>19</sup> These included 1.04 million transit passengers and 454,099 passengers embarking on their cruises in Puerto Rico. Of the transit passengers, an estimated 939,822 passengers (91 percent) disembarked and visited Puerto Rico. Utilizing additional data provided by the Tourism Company and visiting cruise lines, we have estimated that 589,180 crew were aboard the cruise ships that sailed to and from Puerto Rico and that 39 percent, or 234,437 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$198.2 million** (\$US) in cruise tourism expenditures in Puerto Rico during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Passenger expenditures were estimated separately for transit and homeport passengers. Per passenger spending estimates for transit passengers were derived from 2,388 surveys completed by passengers during the survey period. As shown in **Puerto Rico Chart 1**, each transit passenger cruise party spent an average of \$150.60 in Puerto Rico. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 54 percent of the survey respondents reported spending an average of \$40.00 at local restaurants and/or bars. Spread over the cruise parties that visited Puerto Rico, this represents an average of \$21.72 per party. On a per passenger basis, the average total expenditure was \$71.37. This represents the sum of per party expenditures, \$150.60, divided by the average size of a cruise party in Puerto Rico, 2.11 passengers.

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<sup>19</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Transit cruise passenger expenditures in Puerto Rico were concentrated in four categories which accounted for 65 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry and clothing. About 35 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages and local crafts.

Twenty-five percent (25%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$87.10 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$165 per party for their tours.

**Puerto Rico Chart 1 – Estimated Transit Passenger Spending (\$US), 2014/2015 Cruise Year<sup>20</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 87.10	24.8%	\$21.61
F&B at Restaurants & Bars	\$ 40.00	54.2%	\$21.72
Taxis/Ground Transportation	\$ 39.30	14.8%	\$ 5.82
Watches & Jewelry	\$232.00	15.2%	\$35.25
Clothing	\$ 48.30	40.8%	\$19.69
Entertainment/Night Clubs/Casinos	\$ 48.80	3.0%	\$ 1.47
Other Purchases	\$ 80.30	28.8%	\$23.10
Perfumes & Cosmetics	\$ 42.20	2.9%	\$ 1.22
Local Crafts & Souvenirs	\$ 34.10	46.3%	\$15.81
Retail Purchases of Liquor	\$ 44.50	9.8%	\$ 4.36
Electronics	\$ 55.80	0.6%	\$ 0.35
Telephone & Internet	\$ 26.60	0.8%	\$ 0.20
<b>Total Spend per Cruise Party</b>			<b>\$150.60</b>
<b>Average Size of a Cruise Party</b>			2.1
<b>Total Spend per Cruise Passenger</b>			<b>\$71.37</b>
<b>Cruise Passenger Onshore Visits</b>			939,822
<b>Total Cruise Passenger Expenditures</b>			<b>\$67,078,639</b>

For the entire 2014/2015 cruise year, the estimated 939,822 transit cruise passengers who visited Puerto Rico spent a total of **\$67.1 million** (\$US) in Puerto Rico.

As noted above another 454,099 cruise passengers arrived in Puerto Rico to begin their Caribbean cruise. Based upon homeport passenger surveys conducted at Caribbean destinations, passenger expenditures were estimated for passengers embarking on their cruises from Puerto Rico. As shown in **Puerto Rico Chart 2**, each passenger cruise party spent an estimated average of \$255.65 in Puerto Rico. The calculation of this figure is identical to that calculated

<sup>20</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.



for transit passengers as discussed above. On a per passenger basis, the average total expenditure was \$125.32.

Homeport cruise passenger expenditures were concentrated in three categories which accounted for 80 percent of their onshore expenditures: lodging, shore excursions and food and beverages. In total, homeport passengers spent \$204 for goods and services in these three categories. Thirty percent (30%) or more of the homeport passengers made purchases in the following categories: lodging, food and beverages and ground transportation.

For the entire 2014/2015 cruise year, the estimated 454,099 homeport cruise passengers who visited Puerto Rico spent a total of **\$56.9 million** (\$US) on the island.

**Puerto Rico Chart 2 – Estimated Homeport Passenger Spending (\$US), 2014/2015 Cruise Year<sup>21</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Lodging	\$289.20	44.8%	\$129.57
Shore Excursions	\$129.80	20.0%	\$ 43.75
F&B at Restaurants & Bars	\$ 87.40	35.4%	\$ 30.92
Taxis/Ground Transportation	\$ 50.90	31.8%	\$ 16.21
Watches & Jewelry	\$177.10	2.6%	\$ 4.60
Clothing	\$ 58.20	16.2%	\$ 9.44
Entertainment/Night Clubs/Casinos	\$ 73.90	3.9%	\$ 2.88
Other Purchases	\$ 86.90	12.0%	\$ 10.44
Perfumes & Cosmetics	\$ 16.80	3.6%	\$ 0.60
Local Crafts & Souvenirs	\$ 29.90	11.7%	\$ 3.50
Retail Purchases of Liquor	\$ 39.70	6.8%	\$ 2.71
Electronics	\$ 32.00	1.6%	\$ 0.52
Telephone & Internet	\$ 31.40	1.6%	\$ 0.51
<b>Total Spend per Cruise Party</b>			<b>\$255.65</b>
<b>Average Size of a Cruise Party</b>			2.0
<b>Total Spend per Cruise Passenger</b>			<b>\$125.32</b>
<b>Cruise Passenger Visits</b>			454,099
<b>Total Cruise Passenger Expenditures</b>			<b>\$56,906,929</b>

Per crew spending estimates were derived from surveys completed by 1,058 crew members during the survey period. As shown in **Puerto Rico Chart 3**, each crew member spent an average of \$149.44 in Puerto Rico. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 60 percent of the survey respondents reported spending an average of \$33.70 for food and beverages. Spread over all crew members that reported visiting Puerto Rico, this represents an average of \$20.03 per crew member.

<sup>21</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

Expenditures by crew in Puerto Rico were concentrated in three categories which accounted for 62 percent of their onshore expenditures: food and beverages, clothing and other (unspecified) purchases. Combined, crew spent an average of \$92.17 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 60 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 234,437 crew who visited Puerto Rico spent an estimated total of **\$35.0 million** (\$US).

### Puerto Rico Chart 3 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Visits	Weighted Average Spend per Crew
<b>F&amp;B at Restaurants &amp; Bars</b>	\$ 33.70	59.5%	\$20.03
<b>Taxis/Ground Transportation</b>	\$ 17.80	57.0%	\$10.16
<b>Watches &amp; Jewelry</b>	\$154.80	7.7%	\$11.89
<b>Clothing</b>	\$ 93.90	44.5%	\$41.77
<b>Entertainment/Night Clubs/Casinos</b>	\$117.70	2.9%	\$ 3.39
<b>Other Purchases</b>	\$156.90	19.4%	\$30.37
<b>Shore Excursions</b>	\$ 21.20	2.1%	\$ 0.44
<b>Perfumes &amp; Cosmetics</b>	\$ 60.80	14.4%	\$ 8.76
<b>Local Crafts &amp; Souvenirs</b>	\$ 21.90	8.0%	\$ 1.75
<b>Retail Purchases of Liquor</b>	\$339.60	1.0%	\$ 3.26
<b>Electronics</b>	\$205.00	7.0%	\$14.43
<b>Telephone &amp; Internet</b>	\$ 47.50	6.7%	\$ 3.19
<b>Total Spend per Crew</b>			<b>\$149.44</b>
<b>Crew Visits</b>			234,437
<b>Total Crew Expenditures</b>			<b>\$35,034,255</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$39.2 million** (\$US) in Puerto Rico during the 2014/2015 cruise year. Approximately 60 percent of these expenditures were payments for port fees and navigation services while the remaining 40 percent consisted of payments for ship supplies, primarily by cruise ship's homeporting in Puerto Rico.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

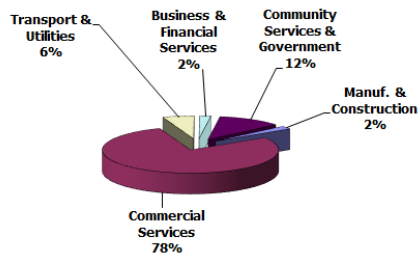
As shown in **Puerto Rico Chart 4**, the \$198.2 million in total cruise tourism expenditures generated direct employment of 2,814 residents of Puerto Rico paying \$38.7 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 5,209 jobs and \$75.0 million in wage income in Puerto Rico during the 2014/2015 cruise year.

**Puerto Rico Chart 4 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

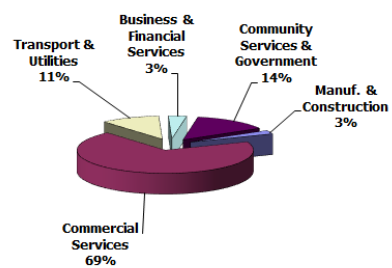
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	2,814	\$38.7
<b>Total Economic Contribution</b>	5,209	\$75.0

As shown in **Charts Puerto Rico 5 and 6**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 80 percent of the total impacts. This is not surprising since the direct impacts account for about 55 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively lower wages in the commercial sector compared to the other sectors of the economy, the commercial sector accounts for 78 percent of the employment impacts but only 69 percent of the wage impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Puerto Rico Chart 5 – Total Employment Impacts by Sector**



**Puerto Rico Chart 6– Total Wage Impacts by Sector**



## Passenger Surveys

A total of 2,388 passenger surveys were completed and returned for tabulation. **Puerto Rico Chart 7** shows the major attributes of passenger visits to Puerto Rico as derived from the passenger surveys.

- Of the 2,388 cruise parties that completed the surveys, half (51%) stated that this had been their first visit to Puerto Rico.
- Ninety-three percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Puerto Rico.
- Of the cruise parties that went ashore, three-quarters (72%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.11) and spent an average of 4.3 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$128.99 while ashore.

**Puerto Rico Chart 7 –Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	2,388	
<b>Number Making First Visit</b>	1,218	51%
<b>Number Ashore</b>	2,212	93%
<b>Number Making Onshore Purchases:</b>	1,593	72%
<b>Average Hours Ashore</b>	4.33	
<b>Average Size of Expenditure Party (Persons)</b>	2.11	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$128.99	
<b>Purchased a Shore Excursion (Tour)</b>	549	25%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	439	80%
<b>Onshore from Tour Operator</b>	44	8%
<b>Travel Agent</b>	66	12%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	346	63%
<b>Marine-based</b>	27	5%
<b>Land-Based</b>	99	18%
<b>Center City</b>	38	7%
<b>Other</b>	71	13%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$163.59	
<b>Toured On Own/Did not Tour</b>	1,663	75%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Only a quarter (25%) of the passengers that went ashore purchased a shore excursion. The majority (80%) of passengers who purchased a tour did so through their cruise line, 8% purchased their tour onshore and 12 percent purchased their tour through their travel agent.

- About two-thirds (63%) of the tours purchased were to visit “historical or cultural sites”. Another 18 percent purchased a tour based on “land based activities”.
- The typical cruise party that purchased a shore excursion spent \$164 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Puerto Rico Chart 8**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to Puerto Rico (7.9), and felt their “visit met expectations” (7.3).
- “Guided tours” (or shore excursions) and “historic sites and museums” received the highest scores of all visit attributes, each with a mean score of 8.5. Thus, cruise passengers were very satisfied with their shore excursions.

**Puerto Rico Chart 8 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.9
Visit Met Expectations	7.3
Likelihood of a Return Visit	5.2
Likelihood of Recommending	6.0
Initial Shoreside Welcome	7.8
Guided Tour	8.5
Historic Sites/Museums	8.5
Variety of Things to See and Do	7.7
Friendliness of Residents	8.0
Overall Shopping Experience	7.4
Courtesy of Employees	8.0
Variety of Shops	7.4
Overall Prices	7.1
Taxis/Local Transportation	7.9

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

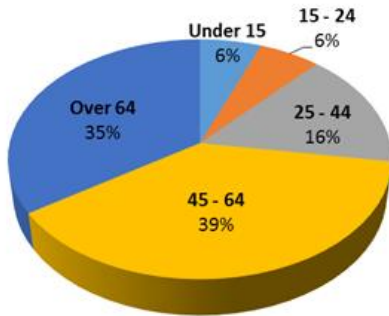
- Passenger interactions with residents and store employees were very positive, as the mean scores for “friendliness of residents” (8.0) and “courtesy of employees” (8.0) were both in the ‘very satisfied’ range.
- Passengers were ‘very satisfied’ with the “initial shoreside welcome” (7.8), and “taxi and local transportation” (7.9).

- Passengers were also 'very satisfied' with their "overall shopping experience" (7.4); and were 'very satisfied' with the "variety of shops" (7.4) and "overall prices" (7.1) in Puerto Rico.
- The two lowest scoring categories, "likelihood of returning for a land based visit" (5.2), and "likelihood of recommending" (6.0), still fell into the 'somewhat likely' range.

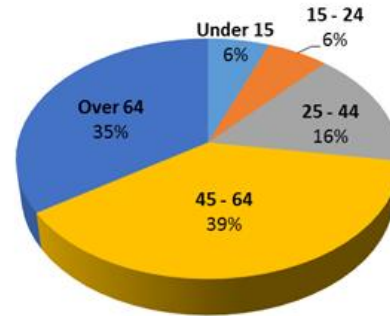
## Passenger Demographics

Residents of the United States, Canada and the UK accounted for 99 percent of the responding passengers. The average age of the respondents was 53 years with a third (35%) being 65 years of age or older. Puerto Rico passengers had an average household income of about \$98,400 with 38 percent having over \$100,000 in annual household income.

**Puerto Rico Chart 9 – Passenger Age Cohorts**



**Puerto Rico Chart 10 – Passenger Household Income**



## St. Kitts and Nevis

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>22</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>22</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the St. Kitts Tourism Authority, 758,420 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>23</sup> Of these, an estimated 676,511 passengers (89 percent) disembarked and visited St. Kitts. Utilizing additional data provided by the tourism authority and visiting cruise lines, 290,608 crew were aboard the cruise ships and 32 percent, or 94,279 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$84.3** million (\$US) in cruise tourism expenditures in St. Kitts during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,712 surveys completed by passengers during the survey period. As shown in **St. Kitts Chart 1**, each passenger cruise party spent an average of \$225.94. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 39 percent of the survey respondents reported spending an average of \$23.60 for food and beverages. Spread over the cruise parties that visited St. Kitts, this represented an average of \$9.21 per party. On a per passenger basis, the average total expenditure was \$111.30. This represents the sum of per party expenditures, \$225.94, divided by the average size of a cruise party in St. Kitts, 2.03 passengers.

Cruise passenger expenditures in St. Kitts were concentrated in four categories which accounted for 87 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

Eighty percent (80%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$108.10 per party but when the

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<sup>23</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.



full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$140 per party for their tours.

**St. Kitts Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>24</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$108.10	79.0%	\$85.41
F&B at Restaurants & Bars	\$ 23.60	39.0%	\$ 9.21
Taxis/Ground Transportation	\$ 34.70	16.6%	\$ 5.76
Watches & Jewelry	\$329.40	22.6%	\$74.38
Clothing	\$ 47.70	55.5%	\$26.48
Entertainment/Night Clubs/Casinos	\$ 72.60	2.0%	\$ 1.45
Other Purchases	\$ 60.10	14.0%	\$ 8.40
Perfumes & Cosmetics	\$ 78.10	1.0%	\$ 0.78
Local Crafts & Souvenirs	\$ 30.40	36.0%	\$10.95
Retail Purchases of Liquor	\$ 37.10	7.8%	\$ 2.89
Electronics	---	---	---
Telephone & Internet	\$ 23.00	1.0%	\$ 0.23
<b>Total Spend per Cruise Party</b>			<b>\$225.94</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$111.30</b>
<b>Cruise Passenger Onshore Visits</b>			<b>676,511</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$75,295,105</b>

For the entire 2014/2015 cruise year, the estimated 676,511 cruise passengers who visited St. Kitts spent a total of **\$75.3 million** (\$US) in St. Kitts.

Per crew spending estimates were derived from 375 surveys completed by crew members during the survey period. As shown in **St. Kitts Chart 2**, each crew member spent an average of \$41.55 in St. Kitts. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 75 percent of the survey respondents reported spending an average of \$27.20 for food and beverages. Spread over all the crew members that reported that they visited St. Kitts; this represents an average of \$20.38 per crew member.

Expenditures by crew in St. Kitts were concentrated in three categories which accounted for 75 percent of their onshore expenditures: food and beverages, watches and jewelry, and other (unspecified) purchases. Combined, crew spent an average of \$31.01 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 75 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 94,279 crew who visited St. Kitts spent an estimated total of **\$3.9 million** (\$US).

<sup>24</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**St. Kitts Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$27.20	74.9%	\$20.38
Taxis/Ground Transportation	\$11.00	22.5%	\$ 2.47
Watches & Jewelry	\$72.40	6.8%	\$ 4.93
Clothing	\$30.70	8.4%	\$ 2.57
Entertainment/Night Clubs/Casinos	\$36.60	3.1%	\$ 1.15
Other Purchases	\$51.80	11.0%	\$ 5.70
Shore Excursions	\$11.50	2.6%	\$ 0.30
Perfumes & Cosmetics	\$50.10	2.1%	\$ 1.05
Local Crafts & Souvenirs	\$17.40	4.2%	\$ 0.73
Retail Purchases of Liquor	\$16.40	3.7%	\$ 0.60
Electronics	\$26.10	3.1%	\$ 0.82
Telephone & Internet	\$16.20	5.2%	\$ 0.85
<b>Total Spend per Crew</b>			<b>\$41.55</b>
<b>Crew Visits</b>			94,279
<b>Total Crew Expenditures</b>			<b>\$3,917,282</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$5.1 million** (\$US) in St. Kitts during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

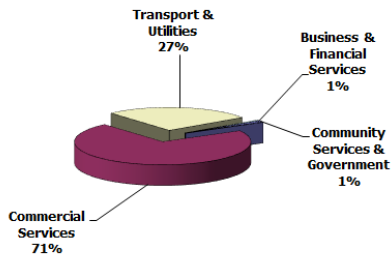
As shown in **St. Kitts Chart 3**, the \$84.3 million in total cruise tourism expenditures in St. Kitts generated direct employment of 838 residents of St. Kitts paying \$7.3 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 1,293 jobs and \$11.2 million in wage income in St. Kitts during the 2014/2015 cruise year.

**St. Kitts Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

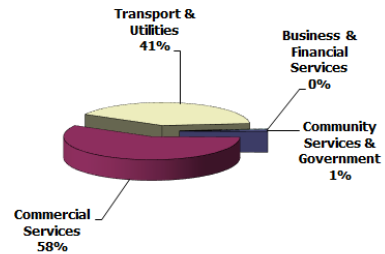
	Employment	Wage Income (\$US Millions)
Direct Economic Contribution	838	\$ 7.3
<b>Total Economic Contribution</b>	<b>1,293</b>	<b>\$11.2</b>

As shown in **Charts St. Kitts 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 41 percent of the wage impacts but only 27 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**St. Kitts Chart 4 – Total Employment Impacts by Sector**



**St. Kitts Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,712 passenger surveys were completed and returned for tabulation. **St. Kitts Chart 6** shows the major attributes of passenger visits to St. Kitts as derived from the passenger surveys.

- Of the 1,712 cruise parties that completed the surveys, 7 in 10 (68%) stated that this had been their first visit to St. Kitts.
- Seventy-six percent of the cruise parties that completed the surveys disembarked their cruise ship to visit St. Kitts.
- Of the cruise parties that went ashore, 77% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.03) and spent an average of 4.5 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$140.53 while ashore.

**St. Kitts Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,712	
<b>Number Making First Visit</b>	1,164	68%
<b>Number Ashore</b>	1,300	76%
<b>Number Making Onshore Purchases:</b>	1,001	77%
<b>Average Hours Ashore</b>	4.46	
<b>Average Size of Expenditure Party (Persons)</b>	2.03	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$140.53	
<b>Purchased a Shore Excursion (Tour)</b>	1,027	79%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	688	68%
<b>Onshore from Tour Operator</b>	266	22%
<b>Travel Agent</b>	113	11%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	657	64%
<b>Marine-based</b>	113	11%
<b>Land-Based</b>	123	12%
<b>Center City</b>	21	2%
<b>Other</b>	175	17%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$139.08	
<b>Toured On Own/Did not Tour</b>	273	21%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Four in five (79%) of the passengers that went ashore purchased a shore excursion. Sixty-seven percent of passengers who purchased a tour did so through their cruise line, 22% purchased their tour onshore and 11 percent purchased their tour through their travel agent.

- The majority (64%) of the tours purchased were to visit “historical or cultural sites”. About 1 in 10 purchased tours which were either “marine based activities” (11%), or “land based activities” (12%).
- The typical cruise party that purchased a shore excursion spent \$139 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **St. Kitts Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their overall visit to St. Kitts, as the mean scores were 8.2. Passengers also felt their “visit met expectations” (7.6).
- “Guided tours” (or shore excursions) received the highest score of all visit attributes with a mean score of 8.4, and “Historic sights and museums” rated an 8.0. Thus, cruise passengers were very satisfied with their shore excursions.

**St. Kitts Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	8.2
Visit Met Expectations	7.6
Likelihood of a Return Visit	5.0
Likelihood of Recommending	5.9
Initial Shoreside Welcome	7.9
Guided Tour	8.4
Historic Sites/Museums	8.0
Variety of Things to See and Do	7.4
Friendliness of Residents	8.4
Overall Shopping Experience	7.7
Courtesy of Employees	8.2
Variety of Shops	7.6
Overall Prices	7.3
Taxis/Local Transportation	7.8

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

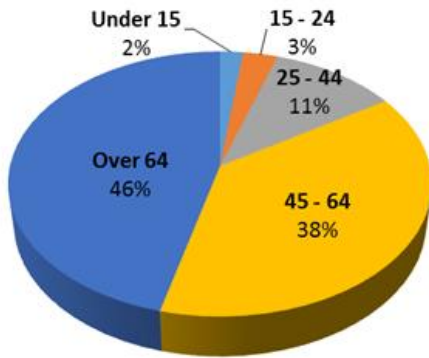
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” and “courtesy of employees” were 8.4 and 8.2, respectively.

- Passengers were 'somewhat satisfied' or 'somewhat likely' all other measures, except for "likelihood of returning for a land based visit (5.0), and "likelihood of recommending" (5.9), both falling into the 'somewhat likely' range.

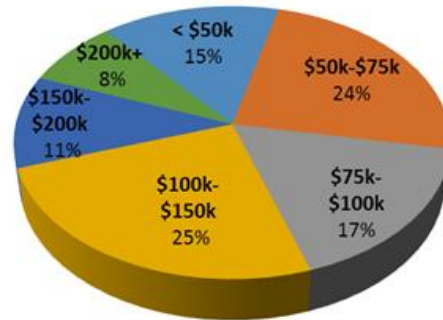
## Passenger Demographics

Residents of the US, UK and Canada accounted for 96 percent of the responding passengers to St. Kitts. The average age of the respondents was 58 years with nearly half (46%) being 65 years of age or older. St. Kitts passengers had an average household income of about \$105,500 with 44 percent having over \$100,000 in annual household income.

**St. Kitts Chart 8 – Passenger Age Cohorts**



**St. Kitts Chart 9 – Passenger Household Income**



## St. Maarten

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>25</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>25</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Port St. Maarten Group of Companies, 2.05 million cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>26</sup> Of these, an estimated 1.85 million passengers (90 percent) disembarked and visited St. Maarten. Utilizing additional data provided by the Group and visiting cruise lines, 776,302 crew were aboard the cruise ships and 49 percent, or 377,390, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$422.9** million (\$US) in cruise tourism expenditures in St. Maarten during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,389 surveys completed by passengers during the survey period. As shown in **St. Maarten Chart 1**, each passenger cruise party spent an average of \$397.82. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 59 percent of the survey respondents reported spending an average of \$30.20 for food and beverages. Spread over the cruise parties that visited St. Maarten, this represented an average of \$17.93 per party. On a per passenger basis, the average total expenditure was \$191.26. This represents the sum of per party expenditures, \$397.82, divided by the average size of a cruise party in St. Maarten, 2.08 passengers.

Cruise passenger expenditures in St. Maarten were concentrated in four categories which accounted for 83 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and clothing. Nearly 50 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and ground transportation.

Just over half (52%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$85.5 per party but when the full

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<sup>26</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.



price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$145 per party for their tours.

**St. Maarten Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>27</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 85.50	52.2%	\$ 44.61
F&B at Restaurants & Bars	\$ 30.20	59.4%	\$ 17.93
Taxis/Ground Transportation	\$ 28.50	44.5%	\$ 12.66
Watches & Jewelry	\$861.20	27.8%	\$239.54
Clothing	\$ 53.40	52.4%	\$ 27.97
Entertainment/Night Clubs/Casinos	\$ 46.50	1.8%	\$ 0.85
Other Purchases	\$116.70	22.2%	\$ 25.95
Perfumes & Cosmetics	\$ 64.60	5.2%	\$ 3.36
Local Crafts & Souvenirs	\$ 32.80	36.4%	\$ 11.95
Retail Purchases of Liquor	\$ 49.20	14.1%	\$ 6.96
Electronics	\$279.40	1.8%	\$ 5.11
Telephone & Internet	\$ 60.40	1.5%	\$ 0.93
<b>Total Spend per Cruise Party</b>			<b>\$397.82</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$191.26</b>
<b>Cruise Passenger Onshore Visits</b>			<b>1,854,361</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$354,666,150</b>

For the entire 2014/2015 cruise year, the estimated 1.85 million cruise passengers who visited St. Maarten spent a total of **\$354.7 million** (\$US) in St. Maarten.

Per crew spending estimates were derived from 1,324 surveys completed by crew members during the survey period. As shown in **St. Maarten Chart 2**, each crew member spent an average of \$119.13 in St. Maarten. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 75 percent of the survey respondents reported spending an average of \$35.60 for food and beverages. Spread over all the crew members that reported that they visited St. Maarten; this represents an average of \$26.72 per crew member.

Expenditures by crew in St. Maarten were concentrated in three categories which accounted for 60 percent of their onshore expenditures: food and beverages, watches and jewelry, and electronics. Combined, crew spent an average of \$71.79 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 75 percent of the crew reporting the purchase of food and beverages.

<sup>27</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**St. Maarten Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$ 35.60	75.1%	\$26.72
Taxis/Ground Transportation	\$ 11.00	40.0%	\$ 4.39
Watches & Jewelry	\$148.60	10.0%	\$14.89
Clothing	\$ 65.60	18.4%	\$12.07
Entertainment/Night Clubs/Casinos	\$101.10	7.1%	\$ 7.13
Other Purchases	\$ 83.90	13.0%	\$10.89
Shore Excursions	\$ 12.90	4.2%	\$ 0.54
Perfumes & Cosmetics	\$ 64.90	10.9%	\$ 7.10
Local Crafts & Souvenirs	\$ 24.60	7.6%	\$ 1.86
Retail Purchases of Liquor	\$ 42.70	2.2%	\$ 0.96
Electronics	\$265.90	11.3%	\$30.18
Telephone & Internet	\$ 19.20	12.5%	\$ 2.40
<b>Total Spend per Crew</b>			<b>\$119.13</b>
<b>Crew Visits</b>			377,390
<b>Total Crew Expenditures</b>			<b>\$44,958,512</b>

For the entire 2014/2015 cruise year, the estimated 377,390 crew who visited St. Maarten spent an estimated total of **\$45.0 million** (\$US).

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$23.3 million** (\$US) in St. Maarten during the 2014/2015 cruise year. Nearly all of these expenditures, 95 percent, were payments for port fees and taxes and navigation services.

### **Economic Contribution of Cruise Tourism Expenditures**

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

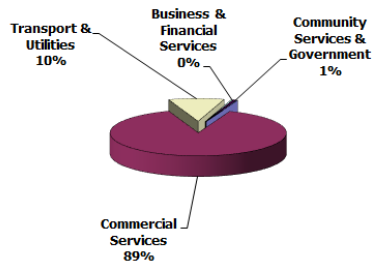
As shown in **St. Maarten Chart 3**, the \$422.9 million in total cruise tourism expenditures in St. Maarten generated direct employment of 4,897 residents of St. Maarten paying \$101.6 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 9,259 jobs and \$189.1 million in wage income in St. Maarten during the 2014/2015 cruise year.

**St. Maarten Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

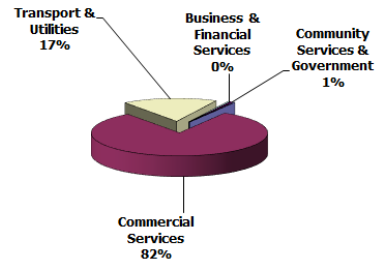
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	4,897	\$101.6
<b>Total Economic Contribution</b>	9,259	\$189.1

As shown in **Charts St. Maarten 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for nearly 55 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 17 percent of the wage impacts but only 10 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**St. Maarten Chart 4 – Total Employment Impacts by Sector**



**St. Maarten Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,389 passenger surveys were completed and returned for tabulation. **St. Maarten Chart 6** shows the major attributes of passenger visits to St. Maarten as derived from the passenger surveys.

- Of the 1,389 cruise parties that completed the surveys, less than half (42%) stated that this had been their first visit to St. Maarten.
- Virtually all (96%) of the cruise parties that completed the surveys disembarked their cruise ship to visit St. Maarten.
- Of the cruise parties that went ashore, 78% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.08) and spent an average of 4.7 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$353.21 while ashore.

### St. Maarten Chart 6 – Major Attributes of Passenger Surveys

	Number	Percent
<b>Total Respondents</b>	1,389	
<b>Number Making First Visit</b>	583	42%
<b>Number Ashore</b>	1,332	96%
<b>Number Making Onshore Purchases:</b>	1,039	78%
<b>Average Hours Ashore</b>	4.68	
<b>Average Size of Expenditure Party (Persons)</b>	2.08	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$353.21	
<b>Purchased a Shore Excursion (Tour)</b>	695	52%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	500	72%
<b>Onshore from Tour Operator</b>	104	15%
<b>Travel Agent</b>	91	13%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	341	49%
<b>Marine-based</b>	201	29%
<b>Land-Based</b>	97	14%
<b>Center City</b>	21	3%
<b>Other</b>	111	16%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$142.92	
<b>Toured On Own/Did not Tour</b>	637	48%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Half (52%) of the passengers that went ashore purchased a shore excursion. Seventy-two percent of passengers who purchased a tour did so through their cruise line, 15% purchased their tour onshore and 13 percent purchased their tour through their travel agent.

- A plurality (49%) of the tours purchased were to visit “historical or cultural sites”. About a third purchased tours which were “marine based activities” (29%), and 14 percent purchased a tour that was “land based activities”.
- The typical cruise party that purchased a shore excursion spent \$143 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **St. Maarten Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to St. Maarten, as the mean scores were 8.2, and the ratings for “visit met expectations” (7.6) were high.
- “Guided tours” (or shore excursions) received the highest score of all visit attributes with a mean score of 8.4, and “historic sights and museums” rated a 7.2. Thus, cruise passengers were very satisfied with their shore excursions.

### St. Maarten Chart 7 – Passenger Visit Satisfaction\*

Visit Attributes	Mean Score
Overall Visit	8.2
Visit Met Expectations	7.6
Likelihood of a Return Visit	5.4
Likelihood of Recommending	6.2
Initial Shoreside Welcome	8.0
Guided Tour	8.4
Historic Sites/Museums	7.2
Variety of Things to See and Do	7.6
Friendliness of Residents	8.2
Overall Shopping Experience	7.8
Courtesy of Employees	8.2
Variety of Shops	7.3
Overall Prices	8.2
Taxis/Local Transportation	8.2

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

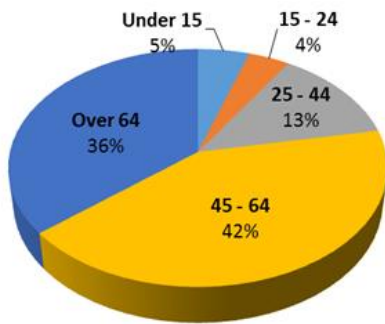
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” and “courtesy of employees” were each rated 8.2. The “overall shopping experience” also received a ‘very satisfied’ rating of 7.8.

- Passengers provided 'very satisfied' or 'very likely' ratings on all other measures, except for "likelihood of returning for a land based visit (5.4), and "likelihood of recommending" (6.2), both falling into the 'somewhat likely' range.

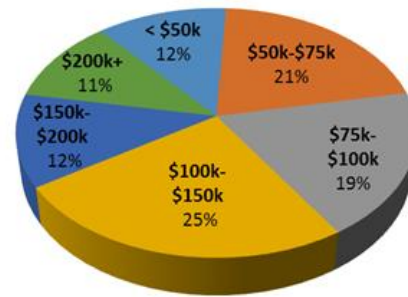
## Passenger Demographics

Residents of the United States, Canada and UK accounted for 95 percent of the responding passengers. The average age of the respondents was 54 years with about a third (36%) being 65 years of age or older. St. Maarten passengers had an average household income of \$112,350 with half (48%) having over \$100,000 in annual household income.

**St. Maarten Chart 8 – Passenger Age Cohorts**



**St. Maarten Chart 9 – Passenger Household Income**



## Turks & Caicos

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>28</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>28</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Ministry of Tourism, 976,693 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>29</sup> Of these, an estimated 879,024 passengers (90 percent) disembarked and visited the Turks & Caicos. Utilizing additional data provided by the ministry and visiting cruise lines, 352,342 crew were aboard the cruise ships and 40 percent, or 140,943 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$95.0** million (\$US) in cruise tourism expenditures in the Turks & Caicos during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,475 surveys completed by passengers during the survey period. As shown in **Turks & Caicos Chart 1**, each passenger cruise party spent an average of \$182.83. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 59 percent of the survey respondents reported spending an average of \$39.40 for food and beverages. Spread over the cruise parties that visited the Turks & Caicos, this represented an average of \$23.28 per party. On a per passenger basis, the average total expenditure was \$88.75. This represents the sum of per party expenditures, \$182.83, divided by the average size of a cruise party in the Turks & Caicos, 2.06 passengers.

Cruise passenger expenditures in the Turks & Caicos were concentrated in four categories which accounted for 84 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and clothing. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

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<sup>29</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.



Forty-three percent (43%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$77.50 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$135 per party for their tours.

**Turks & Caicos Chart 1– Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>30</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 77.50	42.9%	\$33.27
F&B at Restaurants & Bars	\$ 39.40	59.1%	\$23.28
Taxis/Ground Transportation	\$ 26.90	8.9%	\$ 2.39
Watches & Jewelry	\$501.20	15.7%	\$78.61
Clothing	\$ 48.70	38.8%	\$18.88
Entertainment/Night Clubs/Casinos	\$ 20.00	0.1%	\$ 0.02
Other Purchases	\$ 60.30	15.0%	\$ 9.04
Perfumes & Cosmetics	\$ 23.40	2.4%	\$ 0.56
Local Crafts & Souvenirs	\$ 30.60	39.8%	\$12.17
Retail Purchases of Liquor	\$ 41.80	10.8%	\$ 4.51
Electronics	\$ 30.00	0.1%	\$ 0.03
Telephone & Internet	\$ 14.00	0.5%	\$ 0.07
<b>Total Spend per Cruise Party</b>			<b>\$182.83</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$88.75</b>
<b>Cruise Passenger Onshore Visits</b>			<b>879,024</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$78,013,740</b>

For the entire 2014/2015 cruise year, the estimated 879,024 cruise passengers who visited Turks & Caicos spent a total of **\$78.0 million** (\$US) in the Turks & Caicos.

Per crew spending estimates were derived from 987 surveys completed by crew members during the survey period. As shown in **Turks & Caicos Chart 2**, each crew member spent an average of \$50.41 in the Turks & Caicos. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 73 percent of the survey respondents reported spending an average of \$28.60 for food and beverages. Spread over all the crew members that reported that they visited Turks & Caicos; this represents an average of \$20.93 per crew member.

Expenditures by crew in the Turks & Caicos were concentrated in three categories which accounted for 66 percent of their onshore expenditures: food and beverages, watches and jewelry, and other (unspecified) purchases. Combined, crew spent an average of \$33.24 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 73 percent of the crew reporting the purchase of food and beverages.

<sup>30</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**Turks & Caicos Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$ 28.60	73.1%	\$20.93
Taxis/Ground Transportation	\$ 12.60	13.5%	\$ 1.70
Watches & Jewelry	\$ 96.10	5.8%	\$ 5.59
Clothing	\$ 41.50	9.8%	\$ 4.07
Entertainment/Night Clubs/Casinos	\$ 28.90	2.2%	\$ 0.63
Other Purchases	\$ 28.00	24.0%	\$ 6.72
Shore Excursions	\$ 21.30	7.6%	\$ 1.63
Perfumes & Cosmetics	\$ 55.00	7.3%	\$ 4.00
Local Crafts & Souvenirs	\$ 33.00	6.9%	\$ 2.28
Retail Purchases of Liquor	\$ 28.30	3.6%	\$ 1.03
Electronics	\$165.00	0.7%	\$ 1.20
Telephone & Internet	\$ 9.10	6.9%	\$ 0.63
<b>Total Spend per Crew</b>			<b>\$50.41</b>
<b>Crew Visits</b>			140,943
<b>Total Crew Expenditures</b>			<b>\$7,104,938</b>

For the entire 2014/2015 cruise year, the estimated 140,943 crew who visited the Turks & Caicos spent an estimated total of **\$7.1 million** (\$US).

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$9.9 million** (\$US) in the Turks & Caicos during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

### **Economic Contribution of Cruise Tourism Expenditures**

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Turks & Caicos Chart 3**, the \$95.0 million in total cruise tourism expenditures in Turks & Caicos generated direct employment of 1,064 residents of the Turks & Caicos paying \$18.6 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution

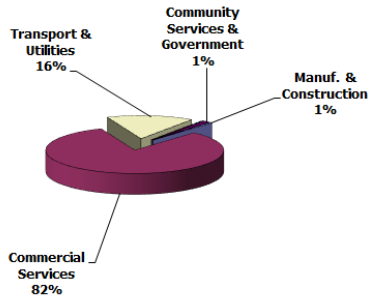
of 1,654 jobs and \$29.1 million in wage income in the Turks & Caicos during the 2014/2015 cruise year.

**Turks & Caicos Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

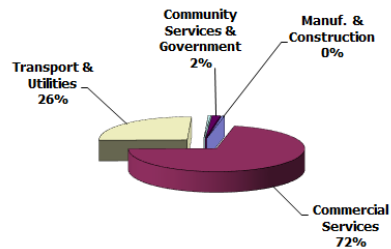
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	1,064	\$18.6
<b>Total Economic Contribution</b>	1,654	\$29.1

As shown in **Charts Turks & Caicos 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 26 percent of the wage impacts but only 16 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Turks & Caicos Chart 4 – Total Employment Impacts by Sector**



**Turks & Caicos Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,475 passenger surveys were completed and returned for tabulation. **Turks & Caicos Chart 6** shows the major attributes of passenger visits to the Turks & Caicos as derived from the passenger surveys.

- Of the 1,475 cruise parties that completed the surveys, 7 in 10 (71%) stated that this had been their first visit to the Turks & Caicos.
- Virtually all (96%) of the cruise parties that completed the surveys disembarked their cruise ship to visit the Turks & Caicos.
- Of the cruise parties that went ashore, 71% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.06) and spent an average of 4.0 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$149.56 while ashore.

**Turks & Caicos Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,475	
<b>Number Making First Visit</b>	1,047	71%
<b>Number Ashore</b>	1,410	96%
<b>Number Making Onshore Purchases:</b>	1,001	71%
<b>Average Hours Ashore</b>	4.00	
<b>Average Size of Expenditure Party (Persons)</b>	2.06	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$149.56	
<b>Purchased a Shore Excursion (Tour)</b>	605	43%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	496	82%
<b>Onshore from Tour Operator</b>	73	12%
<b>Travel Agent</b>	36	6%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	278	46%
<b>Marine-based</b>	194	32%
<b>Land-Based</b>	85	14%
<b>Center City</b>	2	2%
<b>Other</b>	79	13%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$132.21	
<b>Toured On Own/Did not Tour</b>	805	57%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Two in five (43%) of the passengers that went ashore purchased a shore excursion. The majority (82%) of passengers who purchased a tour did so through their cruise line, 12% purchased their tour onshore and 6 percent purchased their tour through their travel agent.

- Most (46%) of the tours purchased were to visit “historical or cultural sites”. A third (32%) purchased a “marine based activity” tour, while 14 percent purchased a tour based on “land based activities”.
- The typical cruise party that purchased a shore excursion spent \$132 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Turks & Caicos Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their overall visit to the Turks & Caicos, as the mean scores were 8.0. Passengers also felt their “visit met expectations” (7.4).
- “Guided tours” (or shore excursions) received the highest score of all visit attributes with a mean score of 8.6, and “historic sights and museums” rated a 7.2. Thus, cruise passengers were very satisfied with their shore excursions.

**Turks & Caicos Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	8.0
Visit Met Expectations	7.4
Likelihood of a Return Visit	5.2
Likelihood of Recommending	5.8
Initial Shoreside Welcome	7.9
Guided Tour	8.6
Historic Sites/Museums	7.2
Variety of Things to See and Do	6.7
Friendliness of Residents	8.3
Overall Shopping Experience	7.3
Courtesy of Employees	8.1
Variety of Shops	7.0
Overall Prices	6.5
Taxis/Local Transportation	7.3

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

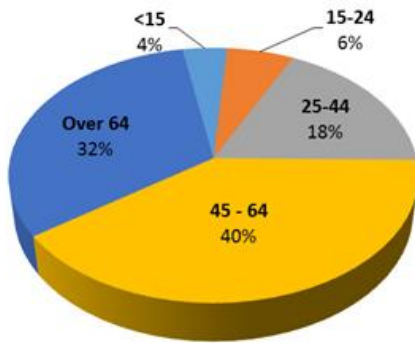
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” and “courtesy of employees” were 8.3 and 8.1, respectively.

- Passengers were 'very satisfied' with the "initial onshore welcome" (7.9), "overall shopping experience" (7.3), and "taxi/transportation" (7.3).
- Passengers rated "likelihood of returning for a land based visit" (5.2), and "likelihood of recommending" (5.8) the lowest of all measures.

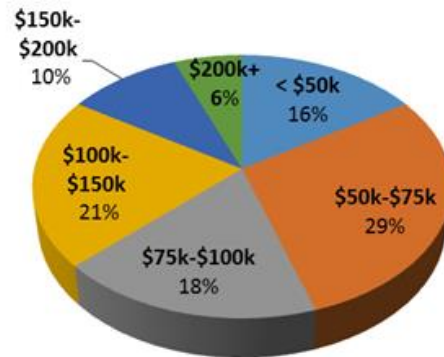
## Passenger Demographics

Residents of the United States, Canada and the UK accounted for 96 percent of the responding passengers. The average age of the respondents was 52 years with a third (32%) being 65 years of age or older. Turks & Caicos passengers had an average household income of \$99,000 with 37 percent having over \$100,000 in annual household income.

**Turks & Caicos Chart 8 – Passenger Age Groups**



**Turks & Caicos Chart 9 – Passenger Household Income**



## U.S. Virgin Islands

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>31</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>31</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Caribbean Tourism Organization, 2.1 million cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>32</sup> Of these, an estimated 1.84 million passengers (90 percent) disembarked and visited the USVI. Utilizing additional data provided by the visiting cruise lines, 790,200 crew were aboard the cruise ships and 44 percent, or 351,070 crew, disembarked and visited the destination.

Per passenger spending estimates were derived from 1,285 surveys completed by passengers during the survey period. As shown in **USVI Chart 1**, each passenger cruise party spent an average of \$304.92. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 47 percent of the survey respondents reported spending an average of \$28.90 for food and beverages. Spread over the cruise parties that visited the USVI, this represented an average of \$13.66 per party. On a per passenger basis, the average total expenditure was \$150.21. This represents the sum of per party expenditures, \$304.92, divided by the average size of a cruise party in USVI, 2.03 passengers.

Cruise passenger expenditures in the USVI were concentrated in four categories which accounted for 80 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and clothing. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and ground transportation.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$344.3** million (\$US) in cruise tourism expenditures in the USVI during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

More than half (59%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$73.70 per party but when the

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<sup>32</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.



full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$140 per party for their tours.

**USVI Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>33</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 73.70	58.9%	\$ 43.45
F&B at Restaurants & Bars	\$ 28.90	47.3%	\$ 13.66
Taxis/Ground Transportation	\$ 28.20	43.4%	\$ 12.24
Watches & Jewelry	\$505.40	31.5%	\$159.29
Clothing	\$ 57.60	48.4%	\$ 27.88
Entertainment/Night Clubs/Casinos	\$100.00	1.2%	\$ 1.20
Other Purchases	\$126.50	19.7%	\$ 24.97
Perfumes & Cosmetics	\$ 71.50	4.4%	\$ 3.12
Local Crafts & Souvenirs	\$ 32.00	31.1%	\$ 9.94
Retail Purchases of Liquor	\$ 50.60	11.7%	\$ 5.91
Electronics	\$184.70	1.5%	\$ 2.82
Telephone & Internet	\$ 20.20	2.2%	\$ 0.44
<b>Total Spend per Cruise Party</b>			<b>\$304.92</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$150.21</b>
<b>Cruise Passenger Onshore Visits</b>			<b>1,839,719</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$276,338,473</b>

For the entire 2014/2015 cruise year, the estimated 1.84 million cruise passengers who visited USVI spent a total of **\$276.3 million** (\$US) in the USVI.

Per crew spending estimates were derived from 740 surveys completed by crew members during the survey period. As shown in **USVI Chart 2**, each crew member spent an average of \$110.27 in the USVI. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 73 percent of the survey respondents reported spending an average of \$37.40 for food and beverages. Spread over all the crew members that reported that they visited the USVI; this represents an average of \$27.41 per crew member.

Expenditures by crew in the USVI were concentrated in four categories which accounted for 78 percent of their onshore expenditures: food and beverages, watches and jewelry, clothing, and other (unspecified) purchases. Combined, crew spent an average of \$86.32 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 73 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 351,070 crew who visited the USVI spent an estimated total of **\$38.7 million** (\$US).

<sup>33</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**USVI Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$ 37.40	73.3%	\$27.41
Taxis/Ground Transportation	\$ 13.50	26.1%	\$ 3.54
Watches & Jewelry	\$205.00	8.8%	\$18.00
Clothing	\$ 57.00	24.2%	\$13.77
Entertainment/Night Clubs/Casinos	\$ 56.80	3.0%	\$ 1.70
Other Purchases	\$137.30	19.8%	\$27.14
Shore Excursions	\$ 32.30	5.4%	\$ 1.74
Perfumes & Cosmetics	\$ 56.60	8.8%	\$ 4.97
Local Crafts & Souvenirs	\$ 25.30	8.8%	\$ 2.22
Retail Purchases of Liquor	\$ 40.10	1.4%	\$ 0.56
Electronics	\$120.40	5.8%	\$ 6.97
Telephone & Internet	\$ 15.70	14.4%	\$ 2.25
<b>Total Spend per Crew</b>			<b>\$110.27</b>
<b>Crew Visits</b>			351,070
<b>Total Crew Expenditures</b>			<b>\$38,712,537</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$29.2 million** (\$US) in the USVI during the 2014/2015 cruise year. Seventy percent (70%) all of these expenditures were payments for port fees and taxes and navigation services while the remaining 30% were payments for provisions and supplies.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

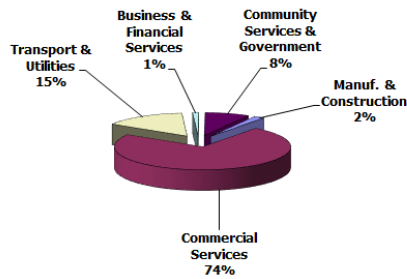
As shown in **USVI Chart 3**, the \$344.3 million in total cruise tourism expenditures in USVI generated direct employment of 3,396 residents of USVI paying \$75.0 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 6,397 jobs and \$141 million in wage income in USVI during the 2014/2015 cruise year.

**USVI Chart 3 –Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

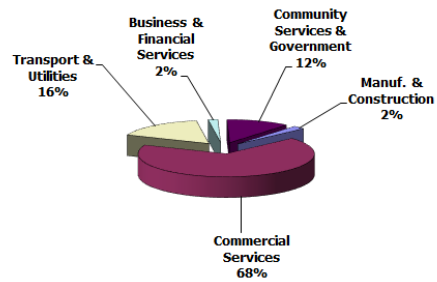
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	3,396	\$ 75.0
<b>Total Economic Contribution</b>	6,397	\$141.0

As shown in **Charts USVI 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 90 percent of the total impacts. This is not surprising since the direct impacts account for nearly 55 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively lower wages in the commercial sector compared to the other sectors of the economy, the commercial sector accounts for 74 percent of the employment impacts but only 68 percent of the wage impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**USVI Chart 4 – Total Employment Impacts by Sector**



**USVI Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,285 passenger surveys were completed and returned for tabulation. **USVI Chart 6** shows the major attributes of passenger visits to the USVI as derived from the passenger surveys.

- Of the 1,285 cruise parties that completed the surveys, about 2 in 5 (37%) stated that this had been their first visit to the USVI.
- Ninety-five percent of the cruise parties that completed the surveys disembarked their cruise ship to visit the USVI.
- Of the cruise parties that went ashore, 75% made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.03) and spent an average of 4.3 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$261.47 while ashore.

**USVI Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,285	
<b>Number Making First Visit</b>	475	37%
<b>Number Ashore</b>	1,222	95%
<b>Number Making Onshore Purchases:</b>	917	75%
<b>Average Hours Ashore</b>	4.31	
<b>Average Size of Expenditure Party (Persons)</b>	2.03	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$261.47	
<b>Purchased a Shore Excursion (Tour)</b>	720	59%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	554	77%
<b>Onshore from Tour Operator</b>	94	13%
<b>Travel Agent</b>	72	10%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	338	47%
<b>Marine-based</b>	230	32%
<b>Land-Based</b>	72	10%
<b>Center City</b>	22	3%
<b>Other</b>	108	15%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$139.29	
<b>Toured On Own/Did not Tour</b>	502	41%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- More than half (59%) of the passengers that went ashore purchased a shore excursion. Nearly 4 in 5 (77%) of passengers who purchased a tour did so through their cruise line, 13% purchased their tour onshore and 10 percent purchased their tour through their travel agent.

- About half (47%) of the tours purchased were to visit “historical or cultural sites”; a third (32%) were “marine based activities”, and 10 percent were “land based activities”.
- The typical cruise party that purchased a shore excursion spent \$139 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **USVI Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to the USVI (7.9), and felt their “visit met expectations” (7.4).
- “Guided tours” (or shore excursions) and “historic sights and museum” had mean scores of 8.0 and 7.0, respectively. Thus, cruise passengers were very satisfied with their shore excursions.

**USVI Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.9
Visit Met Expectations	7.4
Likelihood of a Return Visit	5.4
Likelihood of Recommending	6.0
Initial Shoreside Welcome	7.6
Guided Tour	8.0
Historic Sites/Museums	7.0
Variety of Things to See and Do	7.4
Friendliness of Residents	8.1
Overall Shopping Experience	7.5
Courtesy of Employees	8.2
Variety of Shops	7.3
Overall Prices	7.0
Taxis/Local Transportation	7.5

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

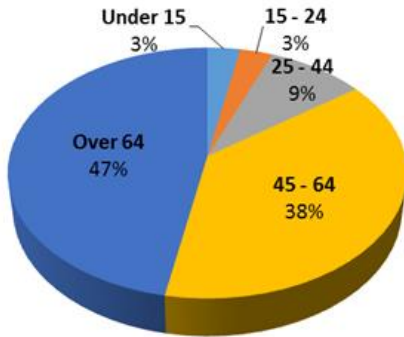
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.1) and “courtesy of employees” (8.2) were both in the ‘very satisfied’ range.
- Passengers were also ‘very satisfied’ with the “initial shoreside welcome” (7.6), “taxis and local transportation” (7.5), and the “overall shopping experience” (7.5).

- Passengers also gave 'very satisfied' ratings to "variety of things to see and do" (7.4), "variety of shops" (7.3), and "overall prices" (7.0).
- Categories scoring the lowest were "likelihood of returning for a land based visit" (5.4), and "likelihood of recommending" (6.0), however, both categories still fell into the 'somewhat likely' category.

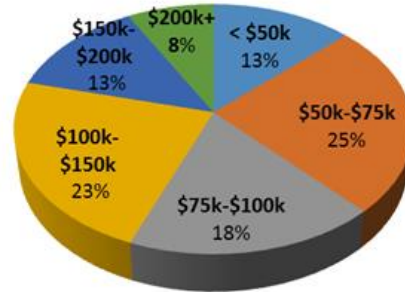
## Passenger Demographics

Residents of the United States, Canada and the UK accounted for 93 percent of the responding passengers. The average age of the respondents was 59 years with half (47%) being 65 years of age or older. USVI passengers had an average household income of about \$106,200 with 44 percent having over \$100,000 in annual household income.

**USVI Chart 8 – Passenger Age Cohorts**



**USVI Chart 9 – Passenger Household Income**



# **Cruise Destinations of the Western Caribbean**

## Belize

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>34</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>34</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.



## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Belize Tourism Board, 973,713 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>35</sup> Of these, an estimated 867,578 passengers (89 percent) disembarked and visited Belize. Utilizing additional data provided by the Tourism Board and visiting cruise lines, 361,242 crew were aboard the cruise ships and 24 percent, or 88,117 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$86.3** million (\$US) in cruise tourism expenditures in Belize during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,074 surveys completed by passengers during the survey period. As shown in **Belize Chart 1**, each passenger cruise party spent an average of \$163.52. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 66 percent of the survey respondents reported spending an average of \$24.10 for food and beverages. Spread over the cruise parties that visited Belize, this represented an average of \$15.77 per party. On a per passenger basis, the average total expenditure was \$77.87. This represents the sum of per party expenditures, \$163.52, divided by the average size of a cruise party in Belize, 2.10 passengers.

Cruise passenger expenditures in Belize were concentrated in four categories which accounted for 77 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and clothing. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages, clothing and local crafts.

More than two-thirds (69%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$102.60 per party but

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<sup>35</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$155 per party for their tours.

**Belize Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>36</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$102.60	68.7%	\$70.49
F&B at Restaurants & Bars	\$ 24.10	65.6%	\$15.77
Taxis/Ground Transportation	\$ 42.60	5.3%	\$ 2.25
Watches & Jewelry	\$228.70	8.7%	\$19.93
Clothing	\$ 44.30	43.4%	\$19.22
Entertainment/Night Clubs/Casinos	\$294.00	0.4%	\$ 1.26
Other Purchases	\$ 74.10	21.4%	\$15.87
Perfumes & Cosmetics	\$ 41.50	4.3%	\$ 1.78
Local Crafts & Souvenirs	\$ 29.80	50.3%	\$14.98
Retail Purchases of Liquor	\$ 27.30	6.9%	\$ 1.87
Electronics	---	---	---
Telephone & Internet	\$ 23.30	0.4%	\$ 0.10
<b>Total Spend per Cruise Party</b>			<b>\$163.52</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$77.87</b>
<b>Cruise Passenger Onshore Visits</b>			<b>867,578</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$67,554,111</b>

For the entire 2014/2015 cruise year, the estimated 867,578 cruise passengers who visited Belize spent a total of **\$67.6 million** (\$US) in Belize.

Per crew spending estimates were derived from 233 surveys completed by crew members during the survey period. As shown in **Belize Chart 2**, each crew member spent an average of \$52.34 in Belize. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 82 percent of the survey respondents reported spending an average of \$24.60 for food and beverages. Spread over all the crew members that reported that they visited Belize; this represents an average of \$20.10 per crew member.

Expenditures by crew in Belize were concentrated in four categories which accounted for 79 percent of their onshore expenditures: food and beverages, clothing, entertainment and other (unspecified) purchases. Combined, crew spent an average of \$41.46 for goods and services in these four categories. Purchases of food and beverages were the most popular expenditure item with 82 percent of the crew reporting the purchase of food and beverages.

<sup>36</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 88,117 crew who visited Belize spent an estimated total of **\$4.6 million** (\$US).

**Belize Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$24.60	81.7%	\$20.10
Taxis/Ground Transportation	\$11.40	15.0%	\$1.71
Watches & Jewelry	\$22.30	8.3%	\$1.86
Clothing	\$32.50	20.0%	\$6.50
Entertainment/Night Clubs/Casinos	\$151.90	4.2%	\$6.33
Other Purchases	\$51.20	16.7%	\$8.53
Shore Excursions	\$38.40	2.5%	\$0.96
Perfumes & Cosmetics	\$41.10	7.5%	\$3.08
Local Crafts & Souvenirs	\$22.50	11.7%	\$2.62
Retail Purchases of Liquor	\$27.60	1.7%	\$0.46
Electronics	\$9.60	0.8%	\$0.08
Telephone & Internet	\$4.40	2.5%	\$0.11
<b>Total Spend per Crew</b>			<b>\$52.34</b>
<b>Crew Visits</b>			<b>88,117</b>
<b>Total Crew Expenditures</b>			<b>\$4,612,054</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$14.1 million** (\$US) in Belize during the 2014/2015 cruise year. Approximately 85% of these expenditures were payments for port fees and taxes and navigation services with the remainder spent for provisions and supplies.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Belize Chart 3**, the \$86.3 million in total cruise tourism expenditures in Belize generated direct employment of 1,666 residents of Belize paying \$17.7 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise

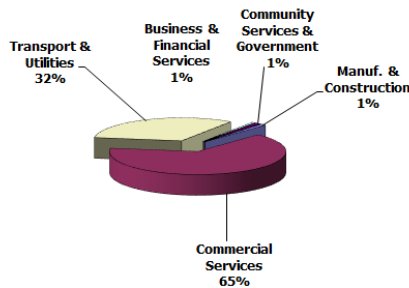
tourism expenditures generated a total employment contribution of 2,492 jobs and \$26.5 million in wage income in Belize during the 2014/2015 cruise year.

**Belize Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

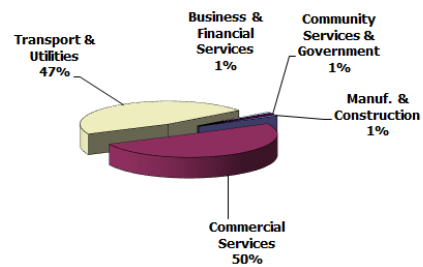
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	1,666	\$17.7
<b>Total Economic Contribution</b>	2,492	\$26.5

As shown in **Charts Belize 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for 97 percent of the total impacts. This is not surprising since the direct impacts account for nearly 67 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 47 percent of the wage impacts but only 32 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Belize Chart 4 – Total Employment Impacts by Sector**



**Belize Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,074 passenger surveys were completed and returned for tabulation. **Belize Chart 6** shows the major attributes of passenger visits to Belize as derived from the passenger surveys.

- Of the 1,074 cruise parties that completed the surveys 71 percent stated that this had been their first visit to Belize.
- Ninety-three percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Belize.
- Of the cruise parties that went ashore, 70 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.1) and spent an average of 4.6 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$93.03 while ashore.

**Belize Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,074	
<b>Number Making First Visit</b>	752	71%
<b>Number Ashore</b>	1,000	93%
<b>Number Making Onshore Purchases:</b>	700	70%
<b>Average Hours Ashore</b>	4.60	
<b>Average Size of Expenditure Party (Persons)</b>	2.10	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$93.03	
<b>Purchased a Shore Excursion (Tour)</b>	687	69%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	495	72%
<b>Onshore from Tour Operator</b>	117	17%
<b>Travel Agent</b>	75	11%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	275	40%
<b>Marine-based</b>	185	27%
<b>Land-Based</b>	117	17%
<b>Center City</b>	96	14%
<b>Other</b>	110	16%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$155.28	
<b>Toured On Own/Did not Tour</b>	313	31%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Seven in 10 (69%) of the passengers that went ashore purchased a shore excursion. Seventy-two percent of passengers who purchased a tour did so through their cruise line, 17% purchased their tour onshore and 11 percent purchased their tour through their travel agent.
- Most (40%) of the tours purchased were visits to “historical or cultural sites”, while better than 1 in 4 (27%) were “marine based activities”.

- The typical cruise party that purchased a shore excursion spent \$155.28 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Belize Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were satisfied with their overall visit to Belize (7.5) and in terms of the visit “meeting expectations” (6.9).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.8, the highest of all satisfaction attributes. “Historical sites and museums” received a score of 7.8, meaning visitors to Belize were very satisfied with their onshore excursions.

**Belize Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	7.5
Visit Met Expectations	6.9
Likelihood of a Return Visit	4.8
Likelihood of Recommending	5.3
Initial Shoreside Welcome	7.9
Guided Tour	8.8
Historic Sites/Museums	7.8
Variety of Things to See and Do	6.6
Friendliness of Residents	8.3
Overall Shopping Experience	6.7
Courtesy of Employees	8.1
Variety of Shops	6.6
Overall Prices	6.5
Taxis/Local Transportation	7.4

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

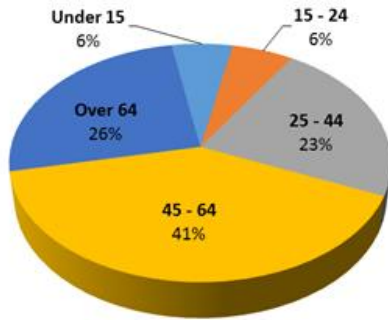
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.3) and “courtesy of employees” (8.1) were among the highest of all ratings.
- Passengers were also very satisfied with the “initial shoreside welcome” (7.9) and the “taxis and local transportation” (7.4).

- Belize also scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (4.8), and their “likelihood of recommending to a friend” (5.3).

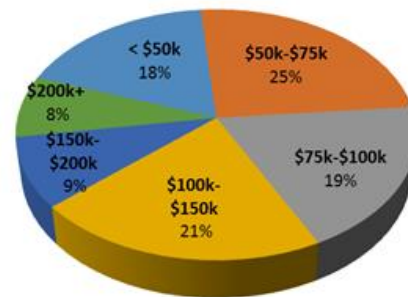
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 93 percent of the responding passengers. The average age of the respondents was 50 years with only a quarter (26%) of the respondents being 65 years of age or older. Belize passengers had an average household income of about \$97,600 with 38 percent having over \$100,000 in household income.

**Belize Chart 8 – Passenger Age Cohorts**



**Belize Chart 9 – Passenger Household Income**



## Cayman Islands

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>37</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>37</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.



## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Cayman Islands Department of Tourism, 1.61 million cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>38</sup> Of these, an estimated 1.45 million passengers (90 percent) disembarked and visited Cayman Islands. Utilizing additional data provided by the Department of Tourism and visiting cruise lines, 609,100 crew were aboard the cruise ships and 37 percent, or 224,590 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$207.6** million (\$US) in cruise tourism expenditures in Cayman Islands during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,321 surveys completed by passengers during the survey period. As shown in **Cayman Islands Chart 1**, each passenger cruise party spent an average of \$234.66. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 55 percent of the survey respondents reported spending an average of \$37.00 for food and beverages. Spread over the cruise parties that visited Cayman Islands, this represented an average of \$20.29 per party. On a per passenger basis, the average total expenditure was \$115.60. This represents the sum of per party expenditures, \$234.66, divided by the average size of a cruise party in Cayman Islands, 2.03 passengers.

Cruise passenger expenditures in Cayman Islands were concentrated in four categories which accounted for 82 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and other (unspecified) purchases. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages, clothing, and local crafts.

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<sup>38</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Over half (57%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$66.40 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$110 per party for their tours.

**Cayman Islands Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>39</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 66.40	56.6%	\$ 37.59
F&B at Restaurants & Bars	\$ 37.00	54.8%	\$ 20.29
Taxis/Ground Transportation	\$ 22.50	15.9%	\$ 3.59
Watches & Jewelry	\$575.70	18.1%	\$104.26
Clothing	\$ 47.30	39.6%	\$ 18.74
Entertainment/Night Clubs/Casinos	\$ 25.10	0.8%	\$ 0.20
Other Purchases	\$137.20	22.2%	\$ 30.48
Perfumes & Cosmetics	\$ 81.50	3.2%	\$ 2.60
Local Crafts & Souvenirs	\$ 30.50	40.8%	\$ 12.45
Retail Purchases of Liquor	\$ 36.50	11.7%	\$ 4.28
Electronics	\$ 38.00	0.3%	\$ 0.13
Telephone & Internet	\$ 8.80	0.6%	\$ 0.05
<b>Total Spend per Cruise Party</b>			<b>\$234.66</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$115.60</b>
<b>Cruise Passenger Onshore Visits</b>			<b>1,446,319</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$167,187,914</b>

For the entire 2014/2015 cruise year, the estimated 1.45 million cruise passengers who visited Cayman Islands spent a total of **\$167.2 million** (\$US) in Cayman Islands.

Per crew spending estimates were derived from 348 surveys completed by crew members during the survey period. As shown in **Cayman Islands Chart 2**, each crew member spent an average of \$47.94 in Cayman Islands. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 79 percent of the survey respondents reported spending an average of \$33.50 for food and beverages. Spread over all the crew members that reported that they visited Cayman Islands; this represents an average of \$26.36 per crew member.

Expenditures by crew in Cayman Islands were concentrated in four categories which accounted for 81 percent of their onshore expenditures: food and beverages, entertainment, shore excursions and other (unspecified) purchases. Combined, crew spent an average of \$38.72 for

<sup>39</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

goods in these four categories. Purchases of food and beverages were the most popular expenditure item with 79 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 224,590 crew who visited Cayman Islands spent an estimated total of **\$10.8 million** (\$US).

#### Cayman Islands Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$33.50	78.7%	\$26.36
Taxis/Ground Transportation	\$11.70	16.9%	\$1.97
Watches & Jewelry	\$61.70	3.4%	\$2.08
Clothing	\$29.60	10.1%	\$2.99
Entertainment/Night Clubs/Casinos	\$14.20	0.6%	\$0.08
Other Purchases	\$62.00	9.0%	\$5.57
Shore Excursions	\$65.30	5.6%	\$3.67
Perfumes & Cosmetics	\$50.70	3.4%	\$1.71
Local Crafts & Souvenirs	\$23.10	13.5%	\$3.12
Retail Purchases of Liquor	\$19.60	1.1%	\$0.22
Electronics	#DIV/0!	0.0%	\$0.00
Telephone & Internet	\$7.60	2.2%	\$0.17
<b>Total Spend per Crew</b>			<b>\$47.94</b>
<b>Crew Visits</b>			224,590
<b>Total Crew Expenditures</b>			<b>\$10,766,848</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$29.6 million** (\$US) in Cayman Islands during the 2014/2015 cruise year. About 90 percent of these expenditures were payments for port fees and taxes and navigation services with the remainder spent on provisions and supplies.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

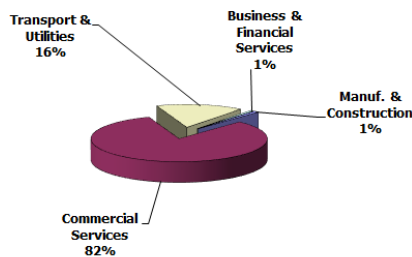
As shown in **Cayman Islands Chart 3**, the \$207.6 million in total cruise tourism expenditures in Cayman Islands generated direct employment of 2,453 residents of Cayman Islands paying \$47.4 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 4,454 jobs and \$87 million in wage income in Cayman Islands during the 2014/2015 cruise year.

**Cayman Islands Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

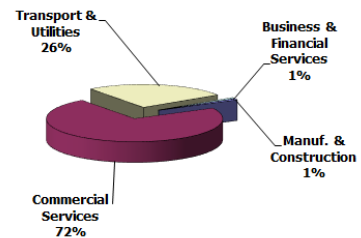
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	2,453	\$47.4
<b>Total Economic Contribution</b>	4,454	\$87.0

As shown in **Charts Cayman Islands 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 97 percent of the total impacts. This is not surprising since the direct impacts account for nearly 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 16 percent of the wage impacts but only 10 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Cayman Islands Chart 4 – Total Employment Impacts by Sector**



**Cayman Islands Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,321 passenger surveys were completed and returned for tabulation. **Cayman Islands Chart 6** shows the major attributes of passenger visits to Cayman Islands as derived from the passenger surveys.

- Of the 1,321 cruise parties that completed the surveys half (50%) stated that this had been their first visit to the Cayman Islands.
- Ninety-four percent of the cruise parties that completed the surveys disembarked their cruise ship to visit the Cayman Islands.
- Of the cruise parties that went ashore, 71 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.0) and spent an average of 4 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$197.07 while ashore.

### Cayman Islands Chart 6 – Major Attributes of Passenger Surveys

	Number	Percent
<b>Total Respondents</b>	1,321	
<b>Number Making First Visit</b>	661	50%
<b>Number Ashore</b>	1,236	94%
<b>Number Making Onshore Purchases:</b>	878	71%
<b>Average Hours Ashore</b>	4.0	
<b>Average Size of Expenditure Party (Persons)</b>	2.03	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$197.07	
<b>Purchased a Shore Excursion (Tour)</b>	700	57%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	532	76%
<b>Onshore from Tour Operator</b>	112	16%
<b>Travel Agent</b>	56	8%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	224	32%
<b>Marine-based</b>	280	40%
<b>Land-Based</b>	105	15%
<b>Center City</b>	35	5%
<b>Other</b>	133	19%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$111.03	
<b>Toured On Own/Did not Tour</b>	536	43%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Just over half (57%) of the passengers that went ashore purchased a shore excursion. Seventy-six percent of passengers who purchased a tour did so through their cruise line, 16% purchased their tour onshore and 8 percent purchased their tour through their travel agent.

- Most (40%) of the tours purchased were “marine based activities”, while an additional third (32%) purchased visits to “historical or cultural sites”.
- The typical cruise party that purchased a shore excursion spent \$111.03 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Cayman Islands Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their overall visit to Cayman Islands (7.7) and in terms of the visit “meeting expectations” (7.1).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.2, the highest of all satisfaction attributes. “Historical sites and museums” received a score of 7.0, meaning visitors to Cayman Islands were very satisfied with their onshore excursions.

**Cayman Islands Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	7.7
Visit Met Expectations	7.1
Likelihood of a Return Visit	4.9
Likelihood of Recommending	5.7
Initial Shoreside Welcome	7.4
Guided Tour	8.2
Historic Sites/Museums	7.0
Variety of Things to See and Do	7.1
Friendliness of Residents	8.1
Overall Shopping Experience	7.3
Courtesy of Employees	8.1
Variety of Shops	7.3
Overall Prices	6.5
Taxis/Local Transportation	7.5

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

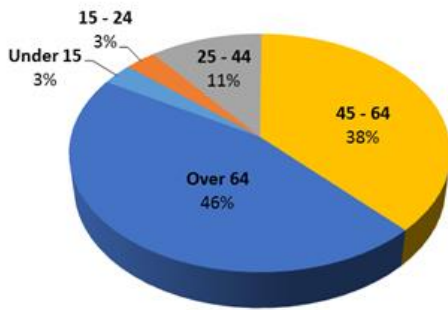
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.1) and “courtesy of employees” (8.1) were among the highest of all ratings.

- Passengers were also very satisfied with the “overall shopping experience” (7.3) and the “variety of shops” (7.3). They rated the “overall prices” somewhat less favorably (6.5).
- Cayman Islands received the lowest ratings on passengers saying they are “likely to return for a land based visit (4.9), and their “likelihood of recommending to a friend” (5.7).

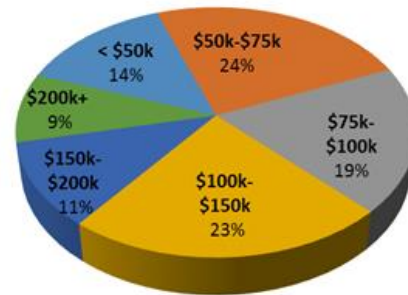
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 96 percent of the responding passengers. The average age of the respondents was 58 years with nearly half (46%) of the respondents being 65 years of age or older. Cayman Islands passengers had an average household income of about \$105,600 with 43 percent having over \$100,000 in household income.

**Cayman Islands Chart 8 – Passenger Age Cohorts**



**Cayman Islands Chart 9 – Passenger Household Income**



## Colombia

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>40</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>40</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.



## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which tend to be concentrated in shore excursions and retail purchases of clothing, jewelry and local crafts and souvenirs;
- onshore expenditures by crew which are generally concentrated in purchases of food and beverages, local transportation and retail purchases of clothing and electronics;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other stores, by the cruise lines from local businesses.

According to data provided by the Sociedad Portuaria Regional de Cartagena, a total of 337,387 cruise passengers arrived in Colombia during the 2014/2015 cruise year.<sup>41</sup> These included 277,684 transit passengers and 59,703 passengers embarking on their cruises in Colombia. Of the transit passengers, an estimated 246,861 passengers (89 percent) disembarked and visited Colombia. Utilizing additional data provided by the port and visiting cruise lines, we have estimated that 138,300 crew were aboard the cruise ships that sailed to and from Colombia and that 26 percent, or 35,621 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$48.4 million** (\$US) in cruise tourism expenditures in Colombia during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Passenger expenditures were estimated separately for transit and homeport passengers. Per passenger spending estimates for transit passengers were derived from 1,206 surveys completed by passengers during the survey period. As shown in **Colombia Chart 1**, each transit passenger cruise party spent an average of \$260.00 in Colombia. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 24 percent of the survey respondents reported spending an average of \$15.30 at local restaurants and/or bars. Spread over the cruise parties that visited Colombia, this represents an average of \$3.68 per party. On a per passenger basis, the average total expenditure was \$118.18. This represents the sum of per party expenditures, \$260, divided by the average size of a cruise party in Colombia, 2.0 passengers.

Transit cruise passenger expenditures in Colombia were concentrated in four categories which accounted for 87 percent of their onshore expenditures: shore excursions, watches and jewelry,

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<sup>41</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

clothing and local crafts. About 35 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing and local crafts.

Seventy-nine percent (79%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$93.30 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$110 per party for their tours.

**Colombia Chart 1 – Estimated Transit Passenger Spending (\$US), 2014/2015 Cruise Year<sup>42</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 93.30	78.9%	\$ 73.60
F&B at Restaurants & Bars	\$ 15.30	24.0%	\$ 3.68
Taxis/Ground Transportation	\$ 49.50	14.9%	\$ 7.36
Watches & Jewelry	\$479.00	23.8%	\$114.15
Clothing	\$ 43.80	36.8%	\$ 16.09
Entertainment/Night Clubs/Casinos	\$ 40.40	0.7%	\$ 0.28
Other Purchases	\$ 66.70	24.2%	\$ 16.18
Perfumes & Cosmetics	\$332.90	1.4%	\$ 4.59
Local Crafts & Souvenirs	\$ 40.60	54.8%	\$ 22.24
Retail Purchases of Liquor	\$ 24.60	2.1%	\$ 0.51
Electronics	\$382.10	0.3%	\$ 1.05
Telephone & Internet	\$ 6.70	4.1%	\$ 0.28
<b>Total Spend per Cruise Party</b>			<b>\$260.00</b>
<b>Average Size of a Cruise Party</b>			2.2
<b>Total Spend per Cruise Passenger</b>			<b>\$118.18</b>
<b>Cruise Passenger Onshore Visits</b>			246,861
<b>Total Cruise Passenger Expenditures</b>			<b>\$29,174,022</b>

For the entire 2014/2015 cruise year, the estimated 246,861 transit cruise passengers who visited Colombia spent a total of **\$29.2 million** (\$US) in the country.

As noted above another 59,703 cruise passengers arrived in Colombia to begin their Caribbean cruise. Based upon homeport passenger surveys conducted at Cartagena, passenger expenditures were estimated for passengers embarking on their cruises from Colombia. As shown in **Colombia Chart 2**, each passenger cruise party spent an estimated average of \$292.43 in Colombia. The calculation of this figure is identical to that calculated for transit passengers as discussed above. On a per passenger basis, the average total expenditure was \$131.13.

<sup>42</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

Homeport cruise passenger expenditures were concentrated in three categories which accounted for 76 percent of their onshore expenditures: lodging, shore excursions, and food and beverages. In total, homeport passengers spent nearly \$223 per party for goods and services in these three categories. Nearly 20 percent or more of the homeport passengers made purchases in the following categories: lodging, shore excursions, food and beverages, and clothing.

**Colombia Chart 2 – Estimated Homeport Passenger Spending (\$US), 2014/2015 Cruise Year<sup>43</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Lodging	\$420.00	34.0%	\$142.64
Shore Excursions	\$133.10	47.0%	\$ 62.58
F&B at Restaurants & Bars	\$ 93.80	18.9%	\$ 17.70
Taxis/Ground Transportation	\$ 46.40	13.2%	\$ 6.13
Watches & Jewelry	\$134.60	3.8%	\$ 5.08
Clothing	\$ 67.50	15.1%	\$ 10.19
Entertainment/Night Clubs/Casinos	---	---	---
Other Purchases	\$344.90	11.3%	\$ 39.04
Perfumes & Cosmetics	---	---	---
Local Crafts & Souvenirs	\$ 48.50	13.2%	\$ 6.41
Retail Purchases of Liquor	\$ 43.30	5.7%	\$ 2.45
Electronics	---	---	---
Telephone & Internet	\$ 5.60	3.8%	\$ 0.21
<b>Total Spend per Cruise Party</b>			<b>\$292.43</b>
<b>Average Size of a Cruise Party</b>			<b>2.2</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$131.13</b>
<b>Cruise Passenger Visits</b>			<b>59,703</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$7,829,122</b>

For the entire 2014/2015 cruise year, the estimated 59,703 homeport cruise passengers who visited Colombia spent a total of **\$7.8 million** (\$US) in Colombia.

Per crew spending estimates were derived from surveys completed by 1,032 crew members during the survey period. As shown in **Colombia Chart 3**, each crew member spent an average of \$59.35 in Colombia. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 59 percent of the survey respondents reported spending an average of \$22.90 for food and beverages. Spread over all crew members that reported visiting Colombia, this represents an average of \$13.56 per crew member.

Expenditures by crew in Colombia were concentrated in three categories which accounted for 66 percent of their onshore expenditures: food and beverages, ground transportation and other (unspecified) purchases. Combined, crew spent an average of \$39.18 for goods and services in

<sup>43</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

these three categories. Purchases of food and beverages were the most popular expenditure item with 59 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 35,621 crew who visited Colombia spent an estimated total of **\$2.1 million** (\$US).

### Colombia Chart 3 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Visits	Weighted Average Spend per Crew
<b>F&amp;B at Restaurants &amp; Bars</b>	\$ 22.90	59.3%	\$13.56
<b>Taxis/Ground Transportation</b>	\$ 22.90	37.1%	\$ 8.49
<b>Watches &amp; Jewelry</b>	\$ 84.30	7.0%	\$ 5.89
<b>Clothing</b>	\$ 31.20	11.6%	\$ 3.61
<b>Entertainment/Night Clubs/Casinos</b>	\$ 72.50	4.1%	\$ 2.97
<b>Other Purchases</b>	\$ 62.40	27.5%	\$17.13
<b>Shore Excursions</b>	\$ 8.00	6.5%	\$ 0.52
<b>Perfumes &amp; Cosmetics</b>	\$ 18.70	2.4%	\$ 0.45
<b>Local Crafts &amp; Souvenirs</b>	\$ 23.40	16.9%	\$ 3.94
<b>Retail Purchases of Liquor</b>	\$ 17.80	2.4%	\$ 0.43
<b>Electronics</b>	\$101.70	1.0%	\$ 0.98
<b>Telephone &amp; Internet</b>	\$ 9.20	14.9%	\$ 1.38
<b>Total Spend per Crew</b>			<b>\$59.35</b>
<b>Crew Visits</b>			35,621
<b>Total Crew Expenditures</b>			<b>\$2,114,098</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$9.3 million** (\$US) in Colombia during the 2014/2015 cruise year. Approximately 60 percent of these expenditures were payments for port fees and navigation services while the remaining 40 percent consisted of payments for ship supplies, primarily by cruise ship's homeporting in Colombia.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

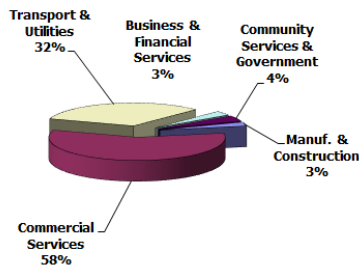
As shown in **Colombia Chart 4**, the \$48.4 million in total cruise tourism expenditures generated direct employment of 686 residents of Colombia paying \$4.5 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 1,089 jobs and \$6.9 million in wage income in Colombia during the 2014/2015 cruise year.

**Colombia Chart 4 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

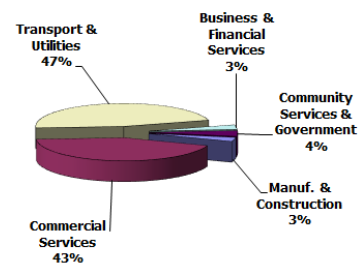
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	686	\$4.5
<b>Total Economic Contribution</b>	1,089	\$6.9

As shown in **Charts Colombia 5 and 6**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 90 percent of the total impacts. This is not surprising since the direct impacts account for over 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 47 percent of the wage impacts but only 32 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Colombia Chart 5 – Total Employment Impacts by Sector**



**Colombia Chart 6 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,206 passenger surveys were completed and returned for tabulation. **Colombia Chart 6** shows the major attributes of passenger visits to Colombia as derived from the passenger surveys.

- Of the 1,206 cruise parties that completed the surveys most (84%) stated that this had been their first visit to Colombia.
- Ninety-one percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Colombia.
- Of the cruise parties that went ashore, two-thirds (66%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.0) and spent an average of 4 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$154.05 while ashore.

**Colombia Chart 7– Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,206	
<b>Number Making First Visit</b>	1,013	84%
<b>Number Ashore</b>	1,100	91%
<b>Number Making Onshore Purchases:</b>	726	66%
<b>Average Hours Ashore</b>		
<b>Average Size of Expenditure Party (Persons)</b>		
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$154.05	
<b>Purchased a Shore Excursion (Tour)</b>	868	79%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	660	76%
<b>Onshore from Tour Operator</b>	95	11%
<b>Travel Agent</b>	113	13%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	556	64%
<b>Marine-based</b>	9	1%
<b>Land-Based</b>	35	4%
<b>Center City</b>	278	32%
<b>Other</b>	78	9%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$109.34	
<b>Toured On Own/Did not Tour</b>	232	21%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Nearly 4 in 5 (79%) of the passengers that went ashore purchased a shore excursion. Three-quarters (76%) of passengers who purchased a tour did so through their cruise line, 11% purchased their tour onshore and 13 percent purchased their tour through their travel agent.
- Most (64%) of the tours purchased were visits to “historical or cultural sites”, while 1 in 3 (32%) were “center city” tours.

- The typical cruise party that purchased a shore excursion spent \$109.34 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Colombia Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were satisfied with their overall visit to Colombia (7.3) and in terms of the visit “meeting expectations” (6.8).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 7.9, while “historic sites and museums” received a 7.7 rating. Thus, passengers to Colombia were very satisfied with their onshore excursions.

### Colombia Chart 8 – Passenger Visit Satisfaction\*

Visit Attributes	Mean Scores
Overall Visit	7.3
Visit Met Expectations	6.8
Likelihood of a Return Visit	3.7
Likelihood of Recommending	4.7
Initial Shoreside Welcome	7.6
Guided Tour	7.9
Historic Sites/Museums	7.7
Variety of Things to See and Do	7.2
Friendliness of Residents	7.7
Overall Shopping Experience	6.5
Courtesy of Employees	8.0
Variety of Shops	6.5
Overall Prices	6.6
Taxis/Local Transportation	7.3

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (7.7) and “courtesy of employees” (8.0) were high.
- Passengers were also very satisfied with the “initial shoreside welcome” (7.6), the “taxi and transportation” (7.3), and a “variety of things to see and do” (7.2).
- Despite the high satisfaction ratings for store employees, passengers only gave a mean rating of 6.5 for their “overall shopping experience”. Passengers recorded

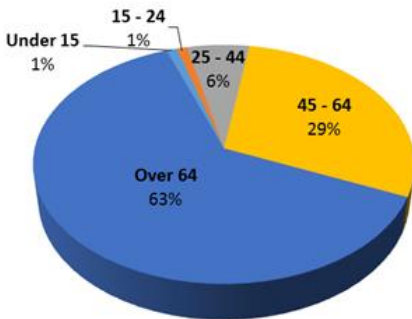
similar satisfaction ratings for “variety of shops” (6.5) and satisfaction with the “overall prices” (6.6), which likely influenced their overall experience.

- Colombia scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (3.7), and their “likelihood of recommending to a friend” (4.7), both falling into the ‘not too likely’ category.

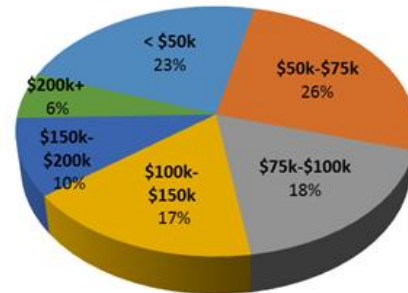
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 79 percent of the responding passengers. The average age of the respondents was 64 years with 63 percent of the respondents being 65 years of age or older. Colombia passengers had an average household income of approximately \$95,000 with a third (33%) having over \$100,000 in household income.

**Colombia Chart 9 – Passenger Age Cohorts**



**Colombia Chart 10 – Passenger Household Income**





## Costa Rica

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>44</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>44</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Instituto Costarricense de Turismo, 216,767 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>45</sup> Of these, an estimated 187,720 passengers (87 percent) disembarked and visited Costa Rica. Utilizing additional data provided by the Institute and visiting cruise lines, 111,732 crew were aboard the cruise ships and 36 percent, or 39,992 crew, disembarked and visited the country.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$20.0** million (\$US) in cruise tourism expenditures in Costa Rica during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,755 surveys completed by passengers during the survey period. As shown in **Costa Rica Chart 1**, each passenger cruise party spent an average of \$163.20. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 28 percent of the survey respondents reported spending an average of \$20.50 for food and beverages. Spread over the cruise parties that visited Costa Rica, this represented an average of \$5.75 per party. On a per passenger basis, the average total expenditure was \$82.84. This represents the sum of per party expenditures, \$163.20, divided by the average size of a cruise party in Costa Rica, 1.97 passengers.

Cruise passenger expenditures in Costa Rica were concentrated in four categories which accounted for 92 percent of their onshore expenditures: shore excursions, clothing, local crafts and other (unspecified) purchases. Nearly 30 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages, clothing and local crafts. In fact, about 70 percent of cruise passenger purchased shore excursions and local crafts.

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<sup>45</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Just over three-fourths (787%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$113.90 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$270 per party for their tours.

**Costa Rica Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>46</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$113.90	77.6%	\$88.33
F&B at Restaurants & Bars	\$ 20.50	28.0%	\$ 5.75
Taxis/Ground Transportation	\$ 93.80	2.7%	\$ 2.53
Watches & Jewelry	\$ 41.50	6.3%	\$ 2.61
Clothing	\$ 35.90	27.5%	\$ 9.87
Entertainment/Night Clubs/Casinos	\$ 48.90	0.2%	\$ 0.08
Other Purchases	\$ 58.20	28.0%	\$16.31
Perfumes & Cosmetics	\$ 40.30	1.4%	\$ 0.56
Local Crafts & Souvenirs	\$ 53.30	67.0%	\$35.69
Retail Purchases of Liquor	\$ 31.70	3.6%	\$ 1.14
Electronics	\$ 55.00	0.2%	\$ 0.09
Telephone & Internet	\$ 10.50	2.3%	\$ 0.24
<b>Total Spend per Cruise Party</b>			<b>\$163.20</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$82.84</b>
<b>Cruise Passenger Onshore Visits</b>			<b>187,720</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$15,550,841</b>

For the entire 2014/2015 cruise year, the estimated 187,720 cruise passengers who visited Costa Rica spent a total of **\$15.6 million** (\$US) in Costa Rica.

Per crew spending estimates were derived from 894 surveys completed by crew members during the survey period. As shown in **Costa Rica Chart 2**, each crew member spent an average of \$36.21 in Costa Rica. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 81 percent of the survey respondents reported spending an average of \$22.00 for food and beverages. Spread over all the crew members that reported that they visited Costa Rica; this represents an average of \$17.81 per crew member.

Expenditures by crew in Costa Rica were concentrated in three categories which accounted for 77 percent of their onshore expenditures: food and beverages, local crafts, and other (unspecified) purchases. Combined, crew spent an average of \$27.73 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 81 percent of the crew reporting the purchase of food and beverages.

<sup>46</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 39,992 crew who visited Costa Rica spent an estimated total of **\$1.4 million** (\$US).

#### Costa Rica Chart 2 – Estimated Crew Spending (\$US) 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
<b>F&amp;B at Restaurants &amp; Bars</b>	\$ 22.00	80.9%	\$17.81
<b>Taxis/Ground Transportation</b>	\$ 16.30	8.6%	\$ 1.40
<b>Watches &amp; Jewelry</b>	\$ 28.50	3.1%	\$ 0.89
<b>Clothing</b>	\$ 25.90	9.7%	\$ 2.52
<b>Entertainment/Night Clubs/Casinos</b>	\$ 47.60	3.5%	\$ 1.67
<b>Other Purchases</b>	\$ 43.00	13.6%	\$ 5.87
<b>Shore Excursions</b>	\$ 16.40	1.9%	\$ 0.32
<b>Perfumes &amp; Cosmetics</b>	\$ 24.80	2.3%	\$ 0.58
<b>Local Crafts &amp; Souvenirs</b>	\$ 18.60	21.8%	\$ 4.05
<b>Retail Purchases of Liquor</b>	\$ 16.10	1.4%	\$ 0.22
<b>Electronics</b>	\$128.30	0.4%	\$ 0.50
<b>Telephone &amp; Internet</b>	\$ 6.70	5.7%	\$ 0.38
<b>Total Spend per Crew</b>			<b>\$36.21</b>
<b>Crew Visits</b>			39,992
<b>Total Crew Expenditures</b>			<b>\$1,448,093</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$3.0 million** (\$US) in Costa Rica during the 2014/2015 cruise year. Approximately half of these expenditures were payments for port fees and taxes and navigation services with the remaining half consisting of purchases of provisions and supplies.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Costa Rica Chart 3**, the \$20 million in total cruise tourism expenditures in Costa Rica generated direct employment of 397 residents of Costa Rica paying \$2.3 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise

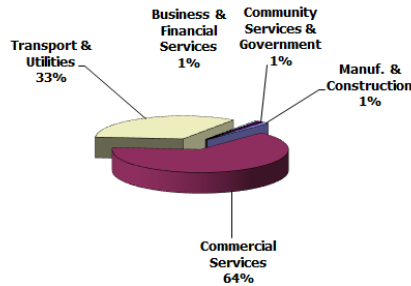
tourism expenditures generated a total employment contribution of 557 jobs and \$3.2 million in wage income in Costa Rica during the 2014/2015 cruise year.

**Costa Rica Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

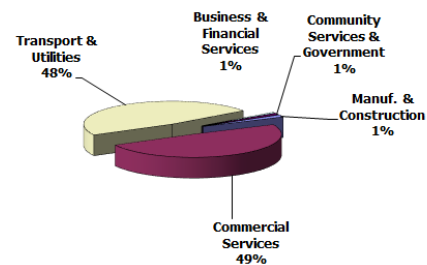
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	397	\$ 2.30
<b>Total Economic Contribution</b>	557	\$ 3.20

As shown in **Charts Costa Rica 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 97 percent of the total impacts. This is not surprising since the direct impacts account for about 70 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 48 percent of the wage impacts but only 33 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Costa Rica Chart 4 – Total Employment Impacts by Sector**



**Costa Rica Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,755 passenger surveys were completed and returned for tabulation. **Costa Rica Chart 6** shows the major attributes of passenger visits to Costa Rica as derived from the passenger surveys.

- Of the 1,755 cruise parties that completed the surveys two-thirds (66%) stated that this had been their first visit to Costa Rica.
- Ninety-five percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Costa Rica.
- Of the cruise parties that went ashore, three-quarters (73%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.97) and spent an average of 5.6 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$74.87 while ashore.

**Costa Rica Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,755	
<b>Number Making First Visit</b>	1,158	66%
<b>Number Ashore</b>	1,675	95%
<b>Number Making Onshore Purchases:</b>	1,223	73%
<b>Average Hours Ashore</b>	5.56	
<b>Average Size of Expenditure Party (Persons)</b>	1.97	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$74.87	
<b>Purchased a Shore Excursion (Tour)</b>	1,299	77%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	1,091	84%
<b>Onshore from Tour Operator</b>	91	7%
<b>Travel Agent</b>	117	9%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	481	37%
<b>Marine-based</b>	143	11%
<b>Land-Based</b>	455	35%
<b>Center City</b>	39	3%
<b>Other</b>	351	27%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$269.69	
<b>Toured On Own/Did not Tour</b>	376	22%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- More than three-quarters (78%) of the passengers that went ashore purchased a shore excursion. The majority (84%) of passengers who purchased a tour did so through their cruise line, 7% purchased their tour onshore and 9 percent purchased their tour through their travel agent.
- An equal percent of the tours purchased were visits to “historical or cultural sites” (37%) or “land based activities” (35%).

- The typical cruise party that purchased a shore excursion spent \$269.69 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Costa Rica Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their overall visit to Costa Rica (8.3) and in terms of the visit “meeting expectations” (7.6).
- “Guided Tours” (or Shore Excursions) received a mean score of 9.0; the highest of all attribute ratings, indicating that passengers were ‘extremely satisfied’ with their onshore excursions. Additionally, “historical sights and museums” received a 7.6 rating.

**Costa Rica Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	8.3
Visit Met Expectations	7.6
Likelihood of a Return Visit	4.7
Likelihood of Recommending	6.2
Initial Shoreside Welcome	8.1
Guided Tour	9.0
Historic Sites/Museums	7.6
Variety of Things to See and Do	7.7
Friendliness of Residents	8.6
Overall Shopping Experience	7.3
Courtesy of Employees	8.6
Variety of Shops	6.8
Overall Prices	7.3
Taxis/Local Transportation	7.6

Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

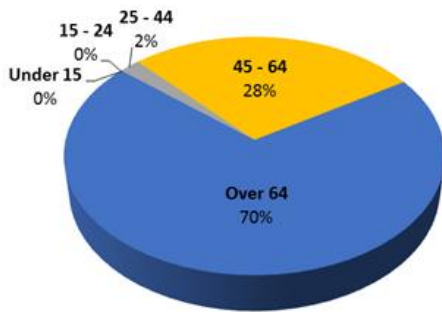
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” and “courtesy of employees” were each an 8.6.
- Passengers were also very satisfied with a “variety of things to see and do” (7.7) and the “overall shopping experience” (7.3). They recorded similar ratings for the “overall prices” (7.3), but were slightly less satisfied with the “variety of shops” (6.8).

- Costa Rica scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (4.7), and their “likelihood of recommending to a friend” (6.2).

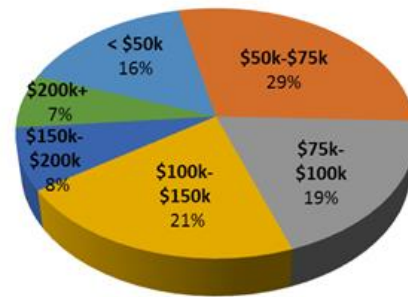
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 91 percent of the responding passengers. The average age of the respondents was 66 years with 70 percent of the respondents being 65 years of age or older. Costa Rica passengers had an average household income of about \$98,000 with a third (36%) having over \$100,000 in household income.

**Costa Rica Chart 8 – Passenger Age Cohorts**



**Costa Rica Chart 9 – Passenger Household Income**





## Guatemala

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>47</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>47</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Instituto Guatemalteco de Turismo, 86,395 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>48</sup> Of these, an estimated 73,436 passengers (85 percent) disembarked and visited Guatemala. Utilizing additional data provided by the Institute and visiting cruise lines, 42,666 crew were aboard the cruise ships and 30 percent, or 12,800, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$5.6** million (\$US) in cruise tourism expenditures in Guatemala during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,439 surveys completed by passengers during the survey period. As shown in **Guatemala Chart 1**, each passenger cruise party spent an average of \$133.60. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 38 percent of the survey respondents reported spending an average of \$13.30 for food and beverages. Spread over the cruise parties that visited Guatemala, this represented an average of \$5.21 per party. On a per passenger basis, the average total expenditure was \$63.62. This represents the sum of per party expenditures, \$133.60, divided by the average size of a cruise party in Guatemala, 2.1 passengers.

Cruise passenger expenditures in Guatemala were concentrated in three categories which accounted for 83 percent of their onshore expenditures: shore excursions, clothing and local crafts. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts. In fact, more than 70 percent of passengers purchased shore excursions and local crafts.

Seventy-one percent (71%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$87.54 per party but when

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<sup>48</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

the full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$150 per party for their tours.

**Guatemala Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>49</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$87.54	71.3%	\$62.42
F&B at Restaurants & Bars	\$13.30	37.7%	\$ 5.21
Taxis/Ground Transportation	\$40.10	6.8%	\$ 1.22
Watches & Jewelry	\$59.00	25.1%	\$23.30
Clothing	\$28.10	35.0%	\$ 7.95
Entertainment/Night Clubs/Casinos	\$15.50	0.5%	\$ 0.39
Other Purchases	\$51.72	14.0%	\$ 7.24
Perfumes & Cosmetics	\$41.40	0.2%	\$ 0.08
Local Crafts & Souvenirs	\$44.50	70.6%	\$25.47
Retail Purchases of Liquor	\$17.60	1.8%	\$ 0.23
Electronics	\$11.50	0.1%	\$ 0.00
Telephone & Internet	\$ 7.10	2.4%	\$ 0.09
<b>Total Spend per Cruise Party</b>			<b>\$133.60</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$63.62</b>
<b>Cruise Passenger Onshore Visits</b>			<b>73,436</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$4,671,767</b>

For the entire 2014/2015 cruise year, the estimated 73,436 cruise passengers who visited Guatemala spent a total of **\$4.7 million** (\$US) in Guatemala.

Per crew spending estimates were derived from 177 surveys completed by crew members during the survey period. As shown in **Guatemala Chart 2**, each crew member spent an average of \$29.01 in Guatemala. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 71 percent of the survey respondents reported spending an average of \$16.40 for food and beverages. Spread over all the crew members that reported that they visited Guatemala; this represents an average of \$11.61 per crew member.

Expenditures by crew in Guatemala were concentrated in three categories which accounted for 72 percent of their onshore expenditures: food and beverages, local crafts, and other (unspecified) purchases. Combined, crew spent an average of \$20.83 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 71 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 12,800 crew who visited Guatemala spent an estimated total of **\$371,322** (\$US).

<sup>49</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**Guatemala Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$16.40	70.9%	\$11.61
Taxis/Ground Transportation	\$11.00	9.1%	\$ 1.00
Watches & Jewelry	\$24.90	5.5%	\$ 1.36
Clothing	\$21.60	10.9%	\$ 2.36
Entertainment/Night Clubs/Casinos	\$45.10	1.8%	\$ 0.82
Other Purchases	\$43.80	10.9%	\$ 4.78
Shore Excursions	\$52.50	3.6%	\$ 1.91
Perfumes & Cosmetics	---	---	---
Local Crafts & Souvenirs	\$17.40	25.5%	\$ 4.44
Retail Purchases of Liquor	\$ 9.90	1.8%	\$ 0.18
Electronics	---	---	---
Telephone & Internet	\$ 5.00	10.9%	\$ 0.55
<b>Total Spend per Crew</b>			<b>\$29.01</b>
<b>Crew Visits</b>			<b>12,800</b>
<b>Total Crew Expenditures</b>			<b>\$371,322</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$0.6 million** (\$US) in Guatemala during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

### **Economic Contribution of Cruise Tourism Expenditures**

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

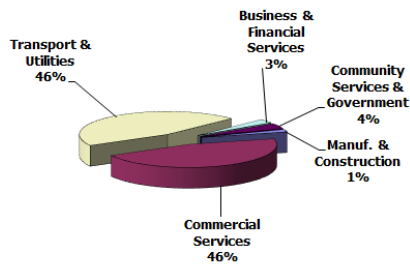
As shown in **Guatemala Chart 3**, the \$5.6 million in total cruise tourism expenditures in Guatemala generated direct employment of 124 residents of Guatemala paying \$0.6 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 183 jobs and \$0.8 million in wage income in Guatemala during the 2014/2015 cruise year.

**Guatemala Chart 3 –Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

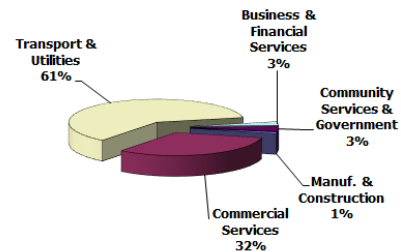
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	124	\$ 0.60
<b>Total Economic Contribution</b>	183	\$ 0.80

As shown in **Charts Guatemala 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 92 percent of the total impacts. This is not surprising since the direct impacts account for nearly 70 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 61 percent of the wage impacts but only 46 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Guatemala Chart 4 – Total Employment Impacts by Sector**



**Guatemala Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,439 passenger surveys were completed and returned for tabulation. **Guatemala Chart 6** shows the major attributes of passenger visits to Guatemala as derived from the passenger surveys.

- Of the 1,439 cruise parties that completed the surveys three-quarters (77%) stated that this had been their first visit to Guatemala.
- Ninety-two percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Guatemala.
- Of the cruise parties that went ashore, 74 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.98) and spent an average of 4.7 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$71.18 while ashore.

**Guatemala Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,439	
<b>Number Making First Visit</b>	1,108	77%
<b>Number Ashore</b>	1,325	92%
<b>Number Making Onshore Purchases:</b>	981	74%
<b>Average Hours Ashore</b>	4.72	
<b>Average Size of Expenditure Party (Persons)</b>	2.10	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$71.18	
<b>Purchased a Shore Excursion (Tour)</b>	907	69%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	780	86%
<b>Onshore from Tour Operator</b>	54	6%
<b>Travel Agent</b>	73	8%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	490	54%
<b>Marine-based</b>	45	5%
<b>Land-Based</b>	109	12%
<b>Center City</b>	175	19%
<b>Other</b>	136	15%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$154.53	
<b>Toured On Own/Did not Tour</b>	418	32%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Seven in 10 (69%) of the passengers that went ashore purchased a shore excursion. The vast majority (86%) of passengers who purchased a tour did so through their cruise line, 6% purchased their tour onshore and 8 percent purchased their tour through their travel agent.
- The majority (54%) of the tours purchased were visits to “historical or cultural sites”, while 1 in 5 (19%) were “center city” tours.

- The typical cruise party that purchased a shore excursion spent \$154.53 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Guatemala Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their overall visit to Guatemala (7.7) and in terms of the visit “meeting expectations” (7.1).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.6, the highest of all satisfaction attributes. Passengers were also ‘very satisfied’ with “historic sites and museums” (8.1); meaning visitors to Guatemala were very satisfied with their onshore excursions.

### Guatemala Chart 7 – Passenger Visit Satisfaction\*

Visit Attributes	Mean Scores
Overall Visit	7.7
Visit Met Expectations	7.1
Likelihood of a Return Visit	3.5
Likelihood of Recommending	4.7
Initial Shoreside Welcome	8.1
Guided Tour	8.6
Historic Sites/Museums	8.1
Variety of Things to See and Do	6.9
Friendliness of Residents	8.4
Overall Shopping Experience	7.1
Courtesy of Employees	8.2
Variety of Shops	6.8
Overall Prices	7.3
Taxis/Local Transportation	7.1

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

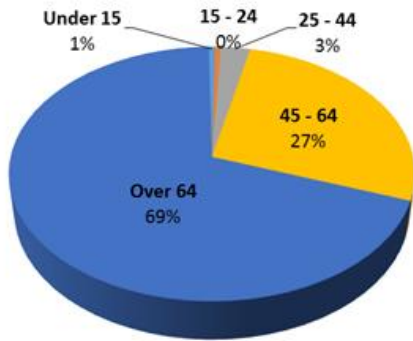
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.4) and “courtesy of employees” (8.2) were among the highest of all ratings.
- Passengers were also very satisfied with the “initial shoreside welcome” (8.1), their “overall shopping experience” (7.1), the “overall prices” (7.3), and the “taxi and local transportation” (7.1).

- Guatemala scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (3.5), and their “likelihood of recommending to a friend” (4.7).

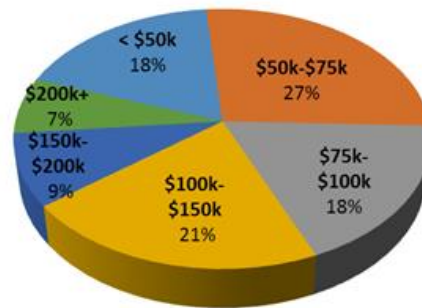
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 94 percent of the responding passengers. The average age of the respondents was 66 years with 7 in 10 (69%) of the respondents being 65 years of age or older. Guatemala passengers had an average household income of about \$98,200 with 37 percent having over \$100,000 in household income.

**Guatemala Chart 8 – Passenger Age Cohorts**



**Guatemala Chart 9 – Passenger Household Income**





## Honduras

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>50</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>50</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from cruise schedules and visiting cruise lines, it was estimated that 868,300 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>51</sup> Of these, an estimated 738,055 passengers (85 percent) disembarked and visited Honduras. Utilizing additional data provided by the visiting cruise lines, 333,100 crew were aboard the cruise ships and 25 percent, or 82,278 crew, disembarked and visited Honduras.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$73.0** million (\$US) in cruise tourism expenditures in Honduras during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,305 surveys completed by passengers during the survey period. As shown in **Honduras Chart 1**, each passenger cruise party spent an average of \$175.62. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 47 percent of the survey respondents reported spending an average of \$28.00 for food and beverages. Spread over the cruise parties that visited Honduras, this represented an average of \$13.12 per party. On a per passenger basis, the average total expenditure was \$86.51. This represents the sum of per party expenditures, \$175.62, divided by the average size of a cruise party in Honduras, 2.03 passengers.

Cruise passenger expenditures in Honduras were concentrated in four categories which accounted for 81 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

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<sup>51</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Nearly 60 percent (59.8%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$78.90 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$130 per party for their tours.

**Honduras Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>52</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 78.90	59.8%	\$47.17
F&B at Restaurants & Bars	\$ 28.00	46.9%	\$13.12
Taxis/Ground Transportation	\$ 48.80	9.1%	\$ 4.46
Watches & Jewelry	\$444.70	13.1%	\$58.25
Clothing	\$ 43.40	38.7%	\$16.80
Entertainment/Night Clubs/Casinos	\$ 28.90	0.8%	\$ 0.24
Other Purchases	\$ 55.40	20.7%	\$11.47
Perfumes & Cosmetics	\$ 37.80	3.0%	\$ 1.14
Local Crafts & Souvenirs	\$ 36.20	55.2%	\$20.00
Retail Purchases of Liquor	\$ 32.70	8.0%	\$ 2.62
Electronics	\$ 16.00	0.3%	\$ 0.05
Telephone & Internet	\$ 10.30	2.9%	\$ 0.30
<b>Total Spend per Cruise Party</b>			<b>\$175.62</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$86.51</b>
<b>Cruise Passenger Onshore Visits</b>			<b>738,055</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$63,849,426</b>

For the entire 2014/2015 cruise year, the estimated 738,055 cruise passengers who visited Honduras spent a total of **\$63.8 million** (\$US) in Honduras.

Per crew spending estimates were derived from 442 surveys completed by crew members during the survey period. As shown in **Honduras Chart 2**, each crew member spent an average of \$32.37 in Honduras. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 76 percent of the survey respondents reported spending an average of \$21.80 for food and beverages. Spread over all the crew members that reported that they visited Honduras; this represents an average of \$16.61 per crew member.

Expenditures by crew in Honduras were concentrated in three categories which accounted for 79 percent of their onshore expenditures: food and beverages, local crafts, and other (unspecified) purchases. Combined, crew spent an average of \$25.56 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 76 percent of the crew reporting the purchase of food and beverages.

<sup>52</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 83,278 crew who visited Honduras spent an estimated total of **\$2.7 million** (\$US).

**Honduras Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$21.80	76.3%	\$16.61
Taxis/Ground Transportation	\$12.00	10.6%	\$ 1.27
Watches & Jewelry	\$43.30	2.4%	\$ 1.06
Clothing	\$30.70	4.5%	\$ 1.38
Entertainment/Night Clubs/Casinos	\$46.60	2.9%	\$ 1.33
Other Purchases	\$42.90	16.7%	\$ 7.18
Shore Excursions	\$11.70	3.7%	\$ 0.43
Perfumes & Cosmetics	\$14.70	2.0%	\$ 0.30
Local Crafts & Souvenirs	\$25.50	6.9%	\$ 1.77
Retail Purchases of Liquor	\$21.10	2.0%	\$ 0.43
Electronics	---	---	---
Telephone & Internet	\$6.80	9.0%	\$ 0.61
<b>Total Spend per Crew</b>			<b>\$32.37</b>
<b>Crew Visits</b>			<b>83,278</b>
<b>Total Crew Expenditures</b>			<b>\$2,695,704</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$6.4 million** (\$US) in Honduras during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Honduras Chart 3**, the \$73 million in total cruise tourism expenditures in Honduras generated direct employment of 1,101 residents of Honduras paying \$5.4 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the

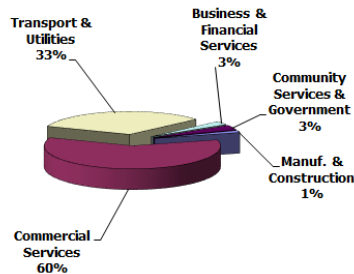
direct cruise tourism expenditures generated a total employment contribution of 1,585 jobs and \$7.8 million in wage income in Honduras during the 2014/2015 cruise year.

**Honduras Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

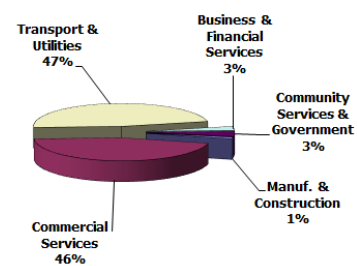
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	1,101	\$ 5.40
<b>Total Economic Contribution</b>	1,585	\$ 7.80

As shown in **Charts Honduras 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 92 percent of the total impacts. This is not surprising since the direct impacts account for nearly 70 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 47 percent of the wage impacts but only 33 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Honduras Chart 4 – Total Employment Impacts by Sector**



**Honduras Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,305 passenger surveys were completed and returned for tabulation. **Honduras Chart 6** shows the major attributes of passenger visits to Honduras as derived from the passenger surveys.

- Of the 1,305 cruise parties that completed the surveys 70 percent stated that this had been their first visit to Honduras.
- Ninety-seven percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Honduras.
- Of the cruise parties that went ashore, 76 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.0) and spent an average of 4.4 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$128.45 while ashore.

**Honduras Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,305	
<b>Number Making First Visit</b>	914	70%
<b>Number Ashore</b>	1,266	97%
<b>Number Making Onshore Purchases:</b>	962	76%
<b>Average Hours Ashore</b>	4.40	
<b>Average Size of Expenditure Party (Persons)</b>	2.03	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$128.45	
<b>Purchased a Shore Excursion (Tour)</b>	757	60%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	590	78%
<b>Onshore from Tour Operator</b>	83	11%
<b>Travel Agent</b>	84	11%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	288	38%
<b>Marine-based</b>	174	23%
<b>Land-Based</b>	182	24%
<b>Center City</b>	15	2%
<b>Other</b>	159	21%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$128.33	
<b>Toured On Own/Did not Tour</b>	509	40%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Sixty percent of the passengers that went ashore purchased a shore excursion. Seventy-eight percent of passengers who purchased a tour did so through their cruise line, 11% purchased their tour onshore and 11 percent purchased their tour through their travel agent.

- A plurality (38%) of the tours purchased were visits to “historical or cultural sites”, while about 1 in 4 were either “land based” (24%) or “marine based activities” (23%).
- The typical cruise party that purchased a shore excursion spent \$128.33 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Honduras Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their overall visit to Honduras (7.9) and in terms of the visit “meeting expectations” (7.3).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.5, the highest of all satisfaction attributes. “Historical sites and museums” also received a ‘very satisfied’ rating of 7.0, meaning visitors to Honduras were very satisfied with their onshore excursions.

**Honduras Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	7.9
Visit Met Expectations	7.3
Likelihood of a Return Visit	4.6
Likelihood of Recommending	5.3
Initial Shoreside Welcome	8.3
Guided Tour	8.5
Historic Sites/Museums	7.0
Variety of Things to See and Do	7.1
Friendliness of Residents	8.4
Overall Shopping Experience	7.4
Courtesy of Employees	8.3
Variety of Shops	7.1
Overall Prices	6.8
Taxis/Local Transportation	7.3

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

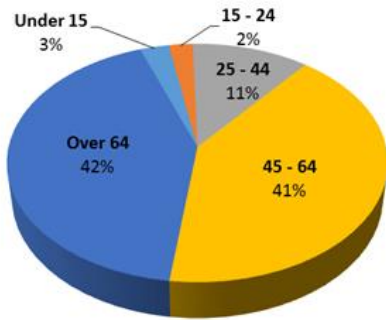
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.4) and “courtesy of employees” (8.3) were among the highest of all ratings.

- Passengers were also very satisfied with the “overall shopping experience” (7.4) and the “variety of shops” (7.1). They were somewhat less satisfied with the “overall prices” (6.8).
- Honduras scored lowest in passengers saying they are “likely to return for a land based visit (4.6), and their “likelihood of recommending to a friend” (5.3).

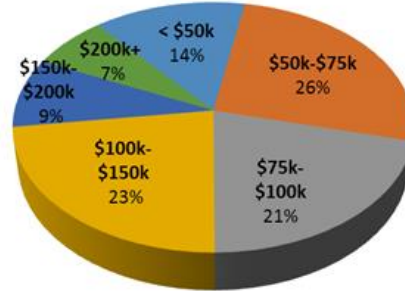
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (99%) of the responding passengers. The average age of the respondents was 57 years with 42 percent of the respondents being 65 years of age or older. Honduras passengers had an average household income of about \$101,000 with 39 percent having over \$100,000 in household income.

**Honduras Chart 8 – Passenger Age Cohorts**



**Honduras Chart 9 – Passenger Household Income**





## Jamaica

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>53</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>53</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data published by the Caribbean Tourism Organization, 1.5 million cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>54</sup> Of these, an estimated 1.35 million passengers (90 percent) disembarked and visited Jamaica. Utilizing additional data provided by the visiting cruise lines, 567,600 crew were aboard the cruise ships and 41 percent, or 244,273 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$198.6** million (\$US) in cruise tourism expenditures in Jamaica during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,017 surveys completed by passengers during the survey period. As shown in **Jamaica Chart 1**, each passenger cruise party spent an average of \$251.71. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 46 percent of the survey respondents reported spending an average of \$33.80 for food and beverages. Spread over the cruise parties that visited Jamaica, this represented an average of \$15.54 per party. On a per passenger basis, the average total expenditure was \$119.29. This represents the sum of per party expenditures, \$251.71, divided by the average size of a cruise party in Jamaica, 2.11 passengers.

Cruise passenger expenditures in Jamaica were concentrated in four categories which accounted for 82 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Nearly 50 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

Just over half (56%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$95.90 per party but when the

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<sup>54</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$160 per party for their tours.

**Jamaica Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>55</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 95.90	55.8%	\$ 53.52
F&B at Restaurants & Bars	\$ 33.80	45.9%	\$ 15.54
Taxis/Ground Transportation	\$ 46.20	12.0%	\$ 5.54
Watches & Jewelry	\$721.00	15.3%	\$110.02
Clothing	\$ 50.90	46.6%	\$ 23.70
Entertainment/Night Clubs/Casinos	\$135.10	0.7%	\$ 0.92
Other Purchases	\$ 78.70	22.6%	\$ 17.80
Perfumes & Cosmetics	\$ 46.50	1.6%	\$ 0.76
Local Crafts & Souvenirs	\$ 35.30	51.0%	\$ 18.01
Retail Purchases of Liquor	\$ 33.40	15.5%	\$ 5.19
Electronics	\$102.80	0.4%	\$ 0.42
Telephone & Internet	\$ 21.30	1.4%	\$ 0.29
<b>Total Spend per Cruise Party</b>			<b>\$251.71</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$119.29</b>
<b>Cruise Passenger Onshore Visits</b>			<b>1,349,127</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$160,943,078</b>

For the entire 2014/2015 cruise year, the estimated 1.35 million cruise passengers who visited Jamaica spent a total of **\$160.9 million** (\$US) in Jamaica.

Per crew spending estimates were derived from 982 surveys completed by crew members during the survey period. As shown in **Jamaica Chart 2**, each crew member spent an average of \$50.58 in Jamaica. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 67 percent of the survey respondents reported spending an average of \$26.60 for food and beverages. Spread over all the crew members that reported that they visited Jamaica; this represents an average of \$17.91 per crew member.

Expenditures by crew in Jamaica were concentrated in three categories which accounted for 77 percent of their onshore expenditures: food and beverages, clothing, and other (unspecified) purchases. Combined, crew spent an average of \$38.86 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 67 percent of the crew reporting the purchase of food and beverages.

<sup>55</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 244,273 crew who visited Jamaica spent an estimated total of **\$12.4 million** (\$US).

**Jamaica Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$ 26.60	67.2%	\$17.91
Taxis/Ground Transportation	\$ 14.80	14.6%	\$ 2.15
Watches & Jewelry	\$147.30	2.4%	\$ 3.47
Clothing	\$ 61.60	10.7%	\$ 6.59
Entertainment/Night Clubs/Casinos	\$ 30.70	1.5%	\$ 0.46
Other Purchases	\$ 69.10	20.8%	\$14.36
Shore Excursions	\$ 24.90	4.5%	\$ 1.12
Perfumes & Cosmetics	\$ 49.00	2.1%	\$ 1.05
Local Crafts & Souvenirs	\$ 16.30	9.0%	\$ 1.47
Retail Purchases of Liquor	\$ 24.50	0.9%	\$ 0.21
Electronics	\$ 78.20	0.9%	\$ 0.67
Telephone & Internet	\$ 13.40	8.4%	\$ 1.12
<b>Total Spend per Crew</b>			<b>\$50.58</b>
<b>Crew Visits</b>			244,273
<b>Total Crew Expenditures</b>			<b>\$12,355,344</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$25.3 million** (\$US) in Jamaica during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Jamaica Chart 3**, the \$198.6 million in total cruise tourism expenditures in Jamaica generated direct employment of 4,494 residents of Jamaica paying \$29.3 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the

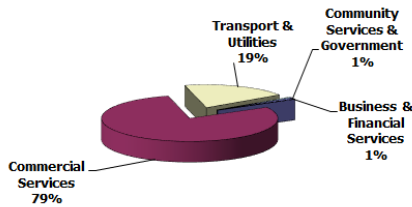
direct cruise tourism expenditures generated a total employment contribution of 7,067 jobs and \$46.1 million in wage income in Jamaica during the 2014/2015 cruise year.

**Jamaica Chart 3 –Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

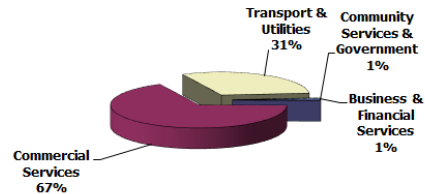
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	4,494	\$29.3
<b>Total Economic Contribution</b>	7,067	\$46.1

As shown in **Charts Jamaica 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 95 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 31 percent of the wage impacts but only 19 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Jamaica Chart 4 – Total Employment Impacts by Sector**



**Jamaica Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,017 passenger surveys were completed and returned for tabulation. **Jamaica Chart 6** shows the major attributes of passenger visits to Jamaica as derived from the passenger surveys.

- Of the 1,017 cruise parties that completed the surveys just over half (53%) stated that this had been their first visit to Jamaica.
- Ninety-five percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Jamaica.
- Of the cruise parties that went ashore, 76 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.1) and spent an average of 4.3 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$198.19 while ashore.

**Jamaica Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,017	
<b>Number Making First Visit</b>	539	53%
<b>Number Ashore</b>	966	95%
<b>Number Making Onshore Purchases:</b>	734	76%
<b>Average Hours Ashore</b>	4.32	
<b>Average Size of Expenditure Party (Persons)</b>		
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$198.19	
<b>Purchased a Shore Excursion (Tour)</b>	539	56%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	377	70%
<b>Onshore from Tour Operator</b>	86	16%
<b>Travel Agent</b>	76	14%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	205	38%
<b>Marine-based</b>	70	13%
<b>Land-Based</b>	162	30%
<b>Center City</b>	22	4%
<b>Other</b>	124	23%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$159.47	
<b>Toured On Own/Did not Tour</b>	427	44%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Fifty-six percent of the passengers that went ashore purchased a shore excursion. Seventy percent of passengers who purchased a tour did so through their cruise line, 16% purchased their tour onshore and 14 percent purchased their tour through their travel agent.

- Most (38%) of the tours purchased were visits to “historical or cultural sites”, or “land based activities” (30%).
- The typical cruise party that purchased a shore excursion spent \$159.47 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Jamaica Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were satisfied with their overall visit to Jamaica (6.9) and in terms of the visit “meeting expectations” (6.3).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.0, the highest of all satisfaction attributes; meaning visitors to Jamaica were very satisfied with their onshore excursions.

**Jamaica Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	6.9
Visit Met Expectations	6.3
Likelihood of a Return Visit	4.4
Likelihood of Recommending	5.0
Initial Shoreside Welcome	7.1
Guided Tour	8.0
Historic Sites/Museums	6.7
Variety of Things to See and Do	6.6
Friendliness of Residents	7.5
Overall Shopping Experience	6.7
Courtesy of Employees	7.7
Variety of Shops	6.7
Overall Prices	6.3
Taxis/Local Transportation	6.6

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

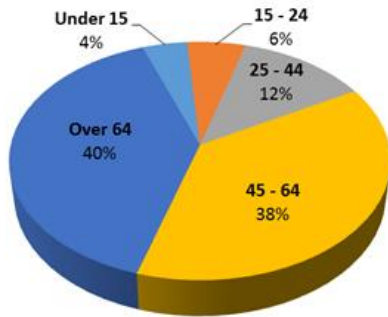
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (7.5) and “courtesy of employees” (7.7) were among the highest of all ratings.

- Passengers were only 'somewhat satisfied' with their "overall shopping experience" (6.7); which could have been negatively impacted by the ratings of the "variety of shops" (6.7) and "overall prices" (6.3).
- Jamaica scored lowest on passengers saying they are "likely to return for a land based visit (4.4), and their "likelihood of recommending to a friend" (5.0).

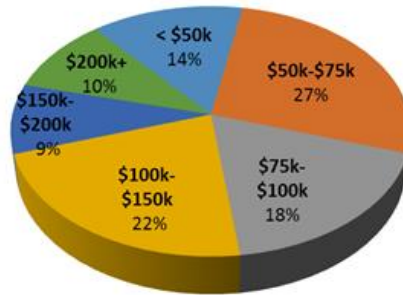
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 96 percent of the responding passengers. The average age of the respondents was 55 years with 2 in 5 (40%) of the respondents being 65 years of age or older. Jamaica passengers had an average household income of about \$106,300 with 41 percent having over \$100,000 in household income.

**Jamaica Chart 8 – Passenger Age Cohorts**



**Jamaica Chart 9 – Passenger Household Income**





## Nicaragua

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>56</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>56</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Nicaragua Tourism Board, 47,740 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>57</sup> Of these, an estimated 42,996 passengers (90 percent) disembarked and visited Nicaragua. Utilizing additional data provided by the Tourism Board and visiting cruise lines, 19,700 crew were aboard the cruise ships and 33 percent, or 6,402 crew, disembarked and visited Nicaragua.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$2.9** million (\$US) in cruise tourism expenditures in Nicaragua during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,346 surveys completed by passengers during the survey period. As shown in **Nicaragua Chart 1**, each passenger cruise party spent an average of \$107.68. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 41 percent of the survey respondents reported spending an average of \$13.30 for food and beverages. Spread over the cruise parties that visited Nicaragua, this represented an average of \$5.42 per party. On a per passenger basis, the average total expenditure was \$54.94. This represents the sum of per party expenditures, \$107.68, divided by the average size of a cruise party in Nicaragua, 1.96 passengers.

Cruise passenger expenditures in Nicaragua were concentrated in four categories which accounted for 87 percent of their onshore expenditures: shore excursions, food and beverages, clothing and local crafts. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages and local crafts.

Nearly three-fourths (72%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$100.90 per party but when the

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<sup>57</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$140 per party for their tours.

**Nicaragua Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>58</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$100.90	71.7%	\$72.33
F&B at Restaurants & Bars	\$ 13.30	40.6%	\$ 5.42
Taxis/Ground Transportation	\$ 20.00	11.6%	\$ 2.33
Watches & Jewelry	\$ 32.50	3.0%	\$ 0.98
Clothing	\$ 17.80	20.5%	\$ 3.65
Entertainment/Night Clubs/Casinos	\$ 3.50	0.6%	\$ 0.02
Other Purchases	\$ 53.10	16.4%	\$ 8.68
Perfumes & Cosmetics	\$ 5.20	0.6%	\$ 0.03
Local Crafts & Souvenirs	\$ 21.80	57.0%	\$12.44
Retail Purchases of Liquor	\$ 21.40	7.7%	\$ 1.66
Electronics	\$ 27.90	0.1%	\$ 0.04
Telephone & Internet	\$ 3.70	2.7%	\$ 0.10
<b>Total Spend per Cruise Party</b>			<b>\$107.68</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$54.94</b>
<b>Cruise Passenger Onshore Visits</b>			<b>42,966</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$2,360,535</b>

For the entire 2014/2015 cruise year, the estimated 42,966 cruise passengers who visited Nicaragua spent a total of **\$2.4 million** (\$US) in Nicaragua.

Per crew spending estimates were derived from 536 surveys completed by crew members during the survey period. As shown in **Nicaragua Chart 2**, each crew member spent an average of \$24.15 in Nicaragua. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 60 percent of the survey respondents reported spending an average of \$14.70 for food and beverages. Spread over all the crew members that reported that they visited Nicaragua; this represents an average of \$8.85 per crew member.

Expenditures by crew in Nicaragua were concentrated in four categories which accounted for 74 percent of their onshore expenditures: food and beverages, clothing, local crafts and other (unspecified) purchases. Combined, crew spent an average of \$17.88 for goods in these four categories. Purchases of food and beverages were the most popular expenditure item with 60 percent of the crew reporting the purchase of food and beverages.

<sup>58</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 6,402 crew who visited Nicaragua spent an estimated total of **\$154,599** (\$US).

**Nicaragua Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$14.70	60.1%	\$8.85
Taxis/Ground Transportation	\$ 9.10	20.3%	\$1.85
Watches & Jewelry	\$39.30	2.9%	\$1.14
Clothing	\$18.10	11.6%	\$2.10
Entertainment/Night Clubs/Casinos	\$34.50	2.2%	\$0.75
Other Purchases	\$30.70	13.0%	\$4.00
Shore Excursions	\$ 4.40	3.6%	\$0.16
Perfumes & Cosmetics	\$35.00	2.2%	\$0.76
Local Crafts & Souvenirs	\$11.60	25.4%	\$2.93
Retail Purchases of Liquor	\$ 6.20	1.4%	\$0.09
Electronics	\$40.00	1.4%	\$0.58
Telephone & Internet	\$ 5.00	18.8%	\$0.94
<b>Total Spend per Crew</b>			<b>\$24.15</b>
<b>Crew Visits</b>			<b>6,402</b>
<b>Total Crew Expenditures</b>			<b>\$154,599</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$0.4 million** (\$US) in Nicaragua during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Nicaragua Chart 3**, the \$2.9 million in total cruise tourism expenditures in Nicaragua generated direct employment of 109 residents of Nicaragua paying \$0.3 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the

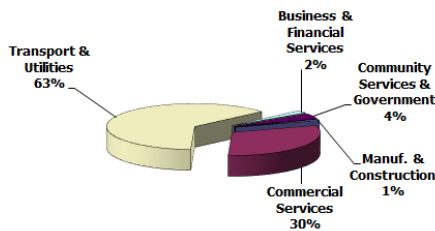
direct cruise tourism expenditures generated a total employment contribution of 141 jobs and \$0.4 million in wage income in Nicaragua during the 2014/2015 cruise year.

**Nicaragua Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

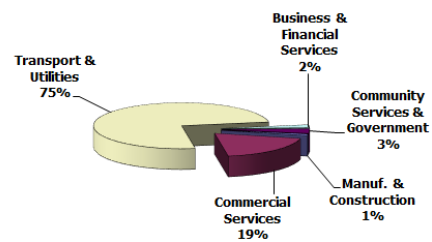
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	109	\$0.30
<b>Total Economic Contribution</b>	141	\$0.40

As shown in **Charts Nicaragua 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 93 percent of the total impacts. This is not surprising since the direct impacts account for nearly 80 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 75 percent of the wage impacts but only 63 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Nicaragua Chart 4 – Total Employment Impacts by Sector**



**Nicaragua Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,346 passenger surveys were completed and returned for tabulation. **Nicaragua Chart 6** shows the major attributes of passenger visits to Nicaragua as derived from the passenger surveys.

- Of the 1,346 cruise parties that completed the surveys the vast majority (90%) stated that this had been their first visit to Nicaragua.
- Eighty-nine percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Nicaragua.
- Of the cruise parties that went ashore, only 58 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.96) and spent an average of 4.9 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$35.35 while ashore.

**Nicaragua Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,346	
<b>Number Making First Visit</b>	1,211	90%
<b>Number Ashore</b>	1,201	89%
<b>Number Making Onshore Purchases:</b>	697	58%
<b>Average Hours Ashore</b>	4.9	
<b>Average Size of Expenditure Party (Persons)</b>	1.96	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$35.35	
<b>Purchased a Shore Excursion (Tour)</b>	861	72%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	740	86%
<b>Onshore from Tour Operator</b>	26	3%
<b>Travel Agent</b>	95	11%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	817	68%
<b>Marine-based</b>	36	3%
<b>Land-Based</b>	168	14%
<b>Center City</b>	168	14%
<b>Other</b>	108	9%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$143.63	
<b>Toured On Own/Did not Tour</b>	340	28%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Seven in 10 (72%) of the passengers that went ashore purchased a shore excursion. Most (86%) who purchased a tour did so through their cruise line, 3% purchased their tour onshore and 11 percent purchased their tour through their travel agent.

- The majority (68%) of the tours purchased were visits to “historical or cultural sites”, while an equal percent purchased tours that were either “marine based activities” (14%) or “land based activities” (14%).
- The typical cruise party that purchased a shore excursion spent \$143.63 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Nicaragua Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were satisfied with their overall visit to Nicaragua (7.2), but somewhat less satisfied in terms of the visit “meeting expectations” (6.6).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.1; meaning visitors to Nicaragua were very satisfied with their onshore excursions.
- The “initial onshore welcome” (8.2) was the highest rated of all satisfaction attributes.

**Nicaragua Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	7.2
Visit Met Expectations	6.6
Likelihood of a Return Visit	3.1
Likelihood of Recommending	4.2
Initial Shoreside Welcome	8.2
Guided Tour	8.1
Historic Sites/Museums	7.1
Variety of Things to See and Do	6.3
Friendliness of Residents	8.0
Overall Shopping Experience	6.0
Courtesy of Employees	8.0
Variety of Shops	5.6
Overall Prices	6.9
Taxis/Local Transportation	6.9

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

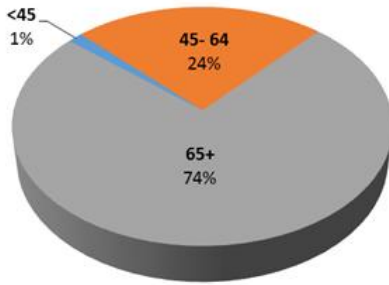
Among other key conclusions concerning visit satisfaction were the following:

- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.0) and “courtesy of employees” (8.0) were among the highest of all ratings.
- Passengers were also very satisfied with the “historic sites and museums” (7.1).
- Passengers were only somewhat satisfied with their “overall shopping experience” (6.0); which could have been negatively impacted by the ratings of the “variety of shops” (5.6).
- Nicaragua scored lowest on passengers saying they are “likely to return for a land based visit (3.1), and their “likelihood of recommending to a friend” (4.2).

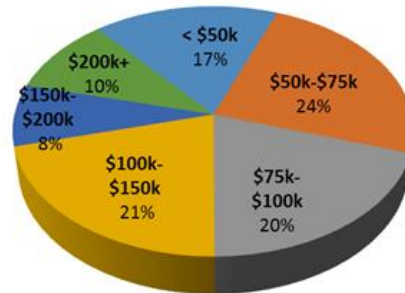
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 95 percent of the responding passengers. The average age of the respondents was 67 years with three-quarters (74%) of the respondents being 65 years of age or older. Nicaragua passengers had an average household income of about \$101,500 with 39 percent having over \$100,000 in household income.

**Nicaragua Chart 8 – Passenger Age Cohorts**



**Nicaragua Chart 9 – Passenger Household Income**





# **Cruise Destinations of the Southern Caribbean**

## Aruba

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>59</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>59</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Aruba Ports Authority, 614,107 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>60</sup> Of these, an estimated 546,555 passengers (89 percent) disembarked and visited Aruba. Utilizing additional data provided by the Ports Authority and visiting cruise lines, 239,157 crew were aboard the cruise ships and 35 percent, or 93,211 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$71.9** million (\$US) in cruise tourism expenditures in Aruba during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,406 surveys completed by passengers during the survey period. As shown in **Aruba Chart 1**, each passenger cruise party spent an average of \$219.71. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 44 percent of the survey respondents reported spending an average of \$25.00 for food and beverages. Spread over the cruise parties that visited Aruba, this represented an average of \$10.99 per party. On a per passenger basis, the average total expenditure was \$112.10. This represents the sum of per party expenditures, \$219.71, divided by the average size of a cruise party in Aruba, 1.96 passengers.

Cruise passenger expenditures in Aruba were concentrated in four categories which accounted for 82 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

Just over half (54%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$75.30 per party but when the

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<sup>60</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$115 per party for their tours.

**Aruba Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>61</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 75.30	54.5%	\$ 40.99
F&B at Restaurants & Bars	\$ 25.00	43.9%	\$ 10.99
Taxis/Ground Transportation	\$ 30.30	14.1%	\$ 4.28
Watches & Jewelry	\$602.50	17.2%	\$103.60
Clothing	\$ 46.60	52.1%	\$ 24.25
Entertainment/Night Clubs/Casinos	\$ 70.30	4.0%	\$ 2.78
Other Purchases	\$102.40	14.7%	\$ 15.07
Perfumes & Cosmetics	\$ 66.60	6.4%	\$ 4.28
Local Crafts & Souvenirs	\$ 27.80	44.7%	\$ 12.42
Retail Purchases of Liquor	\$ 16.10	2.7%	\$ 0.43
Electronics	\$ 36.10	0.7%	\$ 0.25
Telephone & Internet	\$ 17.00	2.2%	\$ 0.37
<b>Total Spend per Cruise Party</b>			<b>\$219.71</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$112.10</b>
<b>Cruise Passenger Onshore Visits</b>			<b>546,555</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$61,266,953</b>

For the entire 2014/2015 cruise year, the estimated 546,555 cruise passengers who visited Aruba spent a total of **\$61.3 million** (\$US) in Aruba.

Per crew spending estimates were derived from 394 surveys completed by crew members during the survey period. As shown in **Aruba Chart 2**, each crew member spent an average of \$71.99 in Aruba. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 80 percent of the survey respondents reported spending an average of \$35.60 for food and beverages. Spread over all the crew members that reported that they visited Aruba; this represents an average of \$28.46 per crew member.

Expenditures by crew in Aruba were concentrated in three categories which accounted for 74 percent of their onshore expenditures: food and beverages, entertainment, and other (unspecified) purchases. Combined, crew spent an average of \$53.24 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 80 percent of the crew reporting the purchase of food and beverages.

<sup>61</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 83,211 crew who visited Aruba spent an estimated total of **\$6.0 million** (\$US).

**Aruba Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$ 35.60	80.0%	\$28.46
Taxis/Ground Transportation	\$ 20.90	15.3%	\$ 3.19
Watches & Jewelry	\$131.60	2.5%	\$ 3.35
Clothing	\$ 57.10	12.0%	\$ 6.85
Entertainment/Night Clubs/Casinos	\$251.20	4.4%	\$10.96
Other Purchases	\$ 97.40	14.2%	\$13.82
Shore Excursions	\$ 24.80	0.4%	\$ 0.09
Perfumes & Cosmetics	\$ 64.40	3.6%	\$ 2.34
Local Crafts & Souvenirs	\$ 14.00	16.0%	\$ 2.24
Retail Purchases of Liquor	\$ 20.60	0.7%	\$ 0.15
Electronics	\$ 49.50	0.4%	\$ 0.18
Telephone & Internet	\$ 12.40	2.9%	\$ 0.36
<b>Total Spend per Crew</b>			<b>\$71.99</b>
<b>Crew Visits</b>			83,211
<b>Total Crew Expenditures</b>			<b>\$5,990,395</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$4.6 million** (\$US) in Aruba during the 2014/2015 cruise year. Approximately 80 percent of these expenditures were payments for port fees and taxes and navigation services with the remainder spent for provisions and supplies.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Aruba Chart 3**, the \$71.9 million in total cruise tourism expenditures in Aruba generated direct employment of 917 residents of Aruba paying \$16.0 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise

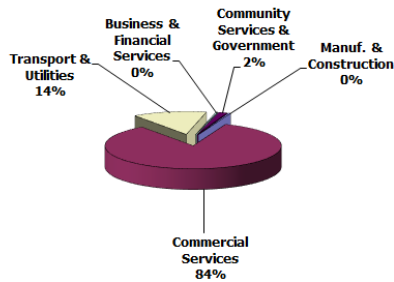
tourism expenditures generated a total employment contribution of 1,716 jobs and \$29.2 million in wage income in Aruba during the 2014/2015 cruise year.

**Aruba Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

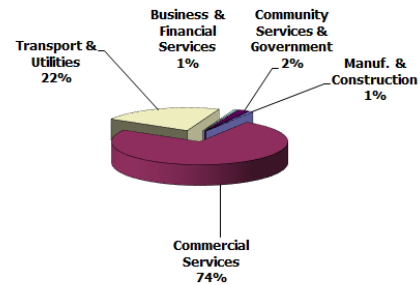
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	917	\$16.0
<b>Total Economic Contribution</b>	1,716	\$29.2

As shown in **Charts Aruba 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 97 percent of the total impacts. This is not surprising since the direct impacts account for nearly 55 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 22 percent of the wage impacts but only 14 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Aruba Chart 4 – Total Employment Impacts by Sector**



**Aruba Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,406 passenger surveys were completed and returned for tabulation. **Aruba Chart 6** shows the major attributes of passenger visits to Aruba as derived from the passenger surveys.

- Of the 1,406 cruise parties that completed the surveys just over half (57%) stated that this had been their first visit to Aruba.
- Ninety-seven percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Aruba.
- Of the cruise parties that went ashore, three-quarters (74%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.96) and spent an average of 4.6 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$178.72 while ashore.

**Aruba Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,406	
<b>Number Making First Visit</b>	801	57%
<b>Number Ashore</b>	1,368	97%
<b>Number Making Onshore Purchases:</b>	1,012	74%
<b>Average Hours Ashore</b>	4.57	
<b>Average Size of Expenditure Party (Persons)</b>	1.96	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$178.72	
<b>Purchased a Shore Excursion (Tour)</b>	745	55%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	529	71%
<b>Onshore from Tour Operator</b>	142	19%
<b>Travel Agent</b>	74	10%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	477	64%
<b>Marine-based</b>	156	21%
<b>Land-Based</b>	67	9%
<b>Center City</b>	22	3%
<b>Other</b>	97	13%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$116.94	
<b>Toured On Own/Did not Tour</b>	623	46%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- More than half (55%) of the passengers that went ashore purchased a shore excursion. Seventy percent (71%) of passengers who purchased a tour did so through their cruise line, 19% purchased their tour onshore and 10 percent purchased their tour through their travel agent.
- Most (64%) of the tours purchased were visits to “historical or cultural sites”, while 1 in 5 (21%) were “marine based activities”.

- The typical cruise party that purchased a shore excursion spent \$116.94 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Aruba Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their "overall visit" to Aruba (8.2) and terms of the visit "meeting expectations" (7.5).
- "Guided Tours" (or Shore Excursions) received the highest rating of all satisfaction attributes with a mean score of 8.8.

### Aruba Chart 7 – Passenger Visit Satisfaction\*

Visit Attributes	Mean Scores
Overall Visit	8.2
Visit Met Expectations	7.5
Likelihood of a Return Visit	4.9
Likelihood of Recommending	6.2
Initial Shoreside Welcome	7.9
Guided Tour	8.8
Historic Sites/Museums	7.8
Variety of Things to See and Do	7.6
Friendliness of Residents	8.4
Overall Shopping Experience	7.6
Courtesy of Employees	8.4
Variety of Shops	7.7
Overall Prices	7.3
Taxis/Local Transportation	7.9

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
Extremely Satisfied: 10-9; Very Satisfied: 8-7; Somewhat Satisfied: 6-5; Not Too Satisfied: 4-3;  
Not At All Satisfied: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

- Passenger interactions with residents and store employees were very positive as the mean scores for "friendliness of residents" (8.4) and "courtesy of employees" (8.4) were high.
- Passengers were also very satisfied with a "variety of things to see and do" (7.6) and the "overall shopping experience" (7.6). They recorded similar satisfaction ratings for "variety of shops" (7.7) and satisfaction with the "overall prices" (7.3).

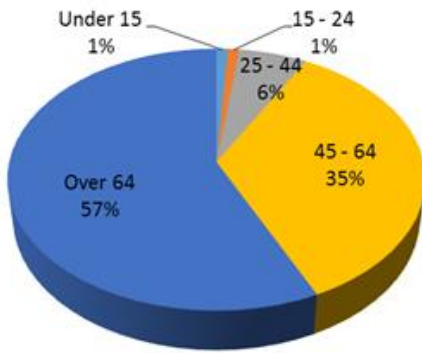


- Aruba scored lowest passengers saying they are “likely to return for a land based visit” (4.9), and their “likelihood of recommending to a friend” (6.2).

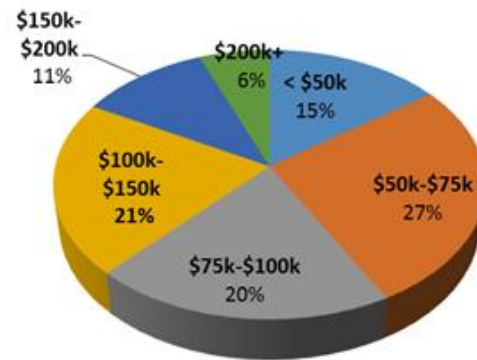
### Passenger Demographics

Residents of the United States, UK and Canada accounted for 94 percent of the responding passengers. The average age of the respondents was 63 years with 57 percent of the respondents being 65 years of age or older. Aruba passengers had an average household income of about \$100,600 with 38 percent having over \$100,000 in household income.

**Aruba Chart 8 – Passenger Age Cohorts**



**Aruba Chart 9 – Passenger Household Income**



## Barbados

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>62</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>62</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Barbados Port Inc., a total of 833,372 cruise passengers arrived in Barbados during the 2014/2015 cruise year.<sup>63</sup> These included 562,253 transit passengers and 119,760 passengers embarking on their cruises in Barbados. Of the transit passengers, an estimated 434,622 passengers (77 percent) disembarked and visited Barbados. Utilizing additional data provided by the port and visiting cruise lines, we have estimated that 271,119 crew were aboard the cruise ships that sailed to and from Barbados and that 41 percent, or 110,535 crew, disembarked and visited the destination. These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$57.3 million** (\$US) in cruise tourism expenditures in Barbados during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Passenger expenditures were estimated separately for transit and homeport passengers. Per passenger spending estimates for transit passengers were derived from 1,173 surveys completed by passengers during the survey period. As shown in **Barbados Chart 1**, each transit passenger cruise party spent an average of \$149.42 in Barbados. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 37 percent of the survey respondents reported spending an average of \$25.20 at local restaurants and/or bars. Spread over the cruise parties that visited Barbados, this represents an average of \$9.31 per party. On a per passenger basis, the average total expenditure was \$75.85. This represents the sum of per party expenditures, \$149.42, divided by the average size of a cruise party in Barbados, 1.97 passengers.

Transit cruise passenger expenditures in Barbados were concentrated in four categories which accounted for 72 percent of their onshore expenditures: shore excursions, watches & jewelry, clothing and local crafts. About 35 percent or more of the passengers that went ashore made

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<sup>63</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

purchases in the following categories: shore excursions, food and beverages, ground transportation, clothing and local crafts.

Forty-six percent (46%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$89.30 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of \$145 per party for their tours.

**Barbados Chart 1 – Estimated Transit Passenger Spending (\$US), 2014/2015 Cruise Year<sup>64</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 89.30	46.1%	\$41.15
F&B at Restaurants & Bars	\$ 25.20	37.0%	\$ 9.31
Taxis/Ground Transportation	\$ 29.50	32.8%	\$ 9.68
Watches & Jewelry	\$455.30	7.2%	\$32.58
Clothing	\$ 55.70	36.1%	\$20.11
Entertainment/Night Clubs/Casinos	\$ 35.10	1.4%	\$ 0.49
Other Purchases	\$ 68.80	23.4%	\$16.09
Perfumes & Cosmetics	\$ 60.90	2.8%	\$ 1.70
Local Crafts & Souvenirs	\$ 31.40	44.7%	\$14.05
Retail Purchases of Liquor	\$ 29.80	12.2%	\$ 3.64
Electronics	\$107.00	0.5%	\$ 0.56
Telephone & Internet	\$ 8.60	0.7%	\$ 0.06
<b>Total Spend per Cruise Party</b>			<b>\$149.42</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$75.85</b>
<b>Cruise Passenger Onshore Visits</b>			<b>434,622</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$32,965,196</b>

For the entire 2014/2015 cruise year, the estimated 434,622 transit passengers who visited Barbados spent a total of **\$33.0 million** (\$US) in Barbados.

As noted above another 119,760 cruise passengers arrived in Barbados to begin their Caribbean cruise. Based upon homeport passenger surveys conducted at Caribbean destinations, passenger expenditures were estimated for passengers embarking on their cruises from Barbados. As shown in **Barbados Chart 2**, each passenger cruise party spent an estimated average of \$160.89 in Barbados. The calculation of this figure is identical to that calculated for transit passengers as discussed above. On a per passenger basis, the average total expenditure was \$85.94.

<sup>64</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

Homeport cruise passenger expenditures were concentrated in three categories which accounted for 77 percent of their onshore expenditures: lodging, shore excursions and ground transportation. In total, homeport passengers spent nearly \$124 for goods and services in these three categories. Twenty percent (20%) or more of the homeport passengers made purchases in the following categories: shore excursions, food and beverages, ground transportation and local crafts.

For the entire 2014/2015 cruise year, the estimated 189,698 homeport cruise passengers who visited Barbados spent a total of **\$10.3 million** (\$US) on the island

**Barbados Chart 2 – Estimated Homeport Passenger Spending (\$US), 2014/2015 Cruise Year<sup>65</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Lodging	\$322.60	12.8%	\$41.13
Shore Excursions	\$163.70	41.0%	\$67.06
F&B at Restaurants & Bars	\$ 27.70	23.8%	\$ 6.58
Taxis/Ground Transportation	\$ 79.40	19.6%	\$15.59
Watches & Jewelry	\$ 89.90	6.3%	\$ 5.67
Clothing	\$ 40.70	15.6%	\$ 6.36
Entertainment/Night Clubs/Casinos	\$ 7.00	0.1%	\$ 0.01
Other Purchases	\$ 52.70	16.9%	\$ 8.91
Perfumes & Cosmetics	\$ 17.80	1.3%	\$ 0.23
Local Crafts & Souvenirs	\$ 25.80	20.9%	\$ 5.39
Retail Purchases of Liquor	\$ 29.10	10.9%	\$ 3.17
Electronics	---	---	---
Telephone & Internet	\$ 55.10	1.4%	\$ 0.79
<b>Total Spend per Cruise Party</b>			<b>\$160.89</b>
<b>Average Size of a Cruise Party</b>			1.9
<b>Total Spend per Cruise Passenger</b>			<b>\$85.94</b>
<b>Cruise Passenger Visits</b>			119,760
<b>Total Cruise Passenger Expenditures</b>			<b>\$10,292,579</b>

Per crew spending estimates were derived from 321 surveys completed by crew members during the survey period. As shown in **Barbados Chart 3**, each crew member spent an average of \$40.35 in Barbados. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 71 percent of the survey respondents reported spending an average of \$27.10 for food and beverages. Spread over all the crew members that reported that they visited Barbados; this represents an average of \$19.20 per crew member.

Expenditures by crew in Barbados were concentrated in two categories which accounted for 73 percent of their onshore expenditures: food and beverages, and other (unspecified) purchases.

<sup>65</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

Combined, crew spent an average of \$29.63 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 71 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 110,535 crew who visited Barbados spent an estimated total of **\$4.5 million** (\$US).

### Barbados Chart 3 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$27.10	70.9%	\$19.20
Taxis/Ground Transportation	\$12.50	23.3%	\$ 2.91
Watches & Jewelry	\$30.40	1.7%	\$ 0.53
Clothing	\$32.90	8.7%	\$ 2.87
Entertainment/Night Clubs/Casinos	\$18.30	1.7%	\$ 0.32
Other Purchases	\$39.90	26.2%	\$10.43
Shore Excursions	\$28.70	3.5%	\$ 1.00
Perfumes & Cosmetics	\$49.90	2.3%	\$ 1.16
Local Crafts & Souvenirs	\$13.30	9.3%	\$ 1.24
Retail Purchases of Liquor	\$12.90	2.3%	\$ 0.30
Electronics	\$22.40	1.2%	\$ 0.26
Telephone & Internet	\$ 7.50	1.7%	\$ 0.13
<b>Total Spend per Crew</b>			<b>\$40.35</b>
<b>Crew Visits</b>			110,535
<b>Total Crew Expenditures</b>			<b>\$4,460,100</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$9.6 million** (\$US) in Barbados during the 2014/2015 cruise year. Approximately 75 percent of these expenditures were payments for port fees and taxes and navigation services with the remaining 25 percent spent on provisions and supplies.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

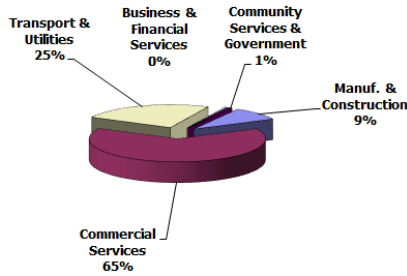
As shown in **Barbados Chart 4**, the \$57.3 million in total cruise tourism expenditures in Barbados generated direct employment of 985 residents of Barbados paying \$10.9 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 1,845 jobs and \$19.5 million in wage income in Barbados during the 2014/2015 cruise year.

**Barbados Chart 4 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

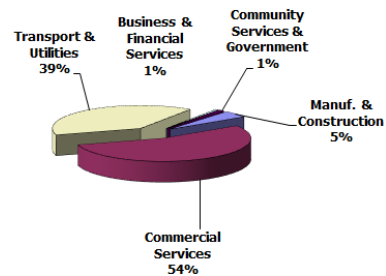
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	985	\$10.9
<b>Total Economic Contribution</b>	1,845	\$19.5

As shown in **Charts Barbados 5 and 6**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 93 percent of the total impacts. This is not surprising since the direct impacts account for nearly 55 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 39 percent of the wage impacts but only 25 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Barbados Chart 5 – Total Employment Impacts by Sector**



**Barbados Chart 6 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 990 passenger surveys were completed and returned for tabulation. **Barbados Chart 7** shows the major attributes of passenger visits to Barbados as derived from the passenger surveys.

- Of the 990 cruise parties that completed the surveys, half (50%) stated that this had been their first visit to Barbados.
- Ninety-three percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Barbados.
- Of the cruise parties that went ashore, 62 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.97) and spent an average of 4.3 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$108.27 while ashore.

**Barbados Chart 7 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	990	
<b>Number Making First Visit</b>	495	50%
<b>Number Ashore</b>	924	93%
<b>Number Making Onshore Purchases:</b>	573	62%
<b>Average Hours Ashore</b>	4.32	
<b>Average Size of Expenditure Party (Persons)</b>	1.97	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$108.27	
<b>Purchased a Shore Excursion (Tour)</b>	426	46%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	358	84%
<b>Onshore from Tour Operator</b>	13	3%
<b>Travel Agent</b>	55	13%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	200	47%
<b>Marine-based</b>	124	29%
<b>Land-Based</b>	51	12%
<b>Center City</b>	0	0%
<b>Other</b>	60	14%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$145.41	
<b>Toured On Own/Did not Tour</b>	498	54%

<sup>①</sup> Excludes shore excursion expenditures

<sup>②</sup> Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- About half (46%) of the passengers that went ashore purchased a shore excursion. Most (84%) of passengers who purchased a tour did so through their cruise line, 3% purchased their tour onshore and 13 percent purchased their tour through their travel agent.



- About half (47%) of the tours purchased were to visit “historical or cultural sites”. Another 29 percent were “marine based activities”, while only 1 in 10 (12%) were “land based activities”.
- The typical cruise party that purchased a shore excursion spent \$145 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Barbados Chart 8**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to Barbados, giving a mean rating of 7.8, and in feeling their “visit met expectations” (7.2).
- The cruise passengers were most satisfied with the “guided tours” (8.3) and “historic sites and museums” (8.0), indicating they were very satisfied with their onshore excursions.

**Barbados Chart 8 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.8
Visit Met Expectations	7.2
Likelihood of a Return Visit	4.6
Likelihood of Recommending	5.4
Initial Shoreside Welcome	7.8
Guided Tour	8.3
Historic Sites/Museums	8.0
Variety of Things to See and Do	7.3
Friendliness of Residents	8.1
Overall Shopping Experience	7.0
Courtesy of Employees	7.9
Variety of Shops	7.0
Overall Prices	6.6
Taxis/Local Transportation	7.8

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

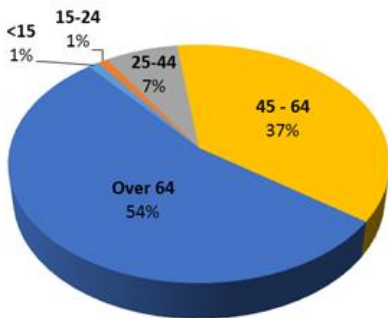
- Passenger interactions with residents and store employees were positive as the mean scores for “friendliness of residents” (8.1) and “courtesy of employees” (7.9) were both among the highest of all attribute ratings.

- Passengers were very satisfied with their “overall shopping experience” (7.0), as well as the “variety of shops” (7.0). They were somewhat less satisfied with the “overall prices (6.6).
- Passengers were also very satisfied with the “initial onshore welcome” (7.8), “taxis and local transportation” (7.8), and there being a “variety of things to see and do” (7.3).
- Categories scoring the lowest include “likelihood of returning for a land based visit” (4.6), and “likelihood of recommending” (5.4).

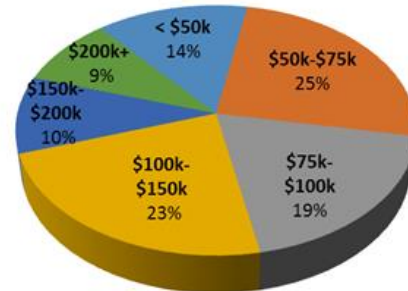
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 95 percent of the responding passengers. The average age of the respondents was 62 years with 54 percent being 65 years of age or older. Barbados passengers had an average household income of about \$104,700 with 42 percent having over \$100,000 in annual household income.

**Barbados Chart 9 – Passenger Age Cohorts**



**Barbados Chart 10 – Passenger Household Income**



## Bonaire

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>66</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>66</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Tourism Corporation of Bonaire, 181,830 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>67</sup> Of these, an estimated 146,737 passengers (81 percent) disembarked and visited Bonaire. Utilizing additional data provided by the Tourism Corporation and visiting cruise lines, 47,275 crew were aboard the cruise ships and 37 percent, or 17,511 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$9.4** million (\$US) in cruise tourism expenditures in Bonaire during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,464 surveys completed by passengers during the survey period. As shown in **Bonaire Chart 1**, each passenger cruise party spent an average of \$107.36. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 61 percent of the survey respondents reported spending an average of \$16.50 for food and beverages. Spread over the cruise parties that visited Bonaire, this represented an average of \$9.97 per party. On a per passenger basis, the average total expenditure was \$54.22. This represents the sum of per party expenditures, \$107.36, divided by the average size of a cruise party in Bonaire, 1.98 passengers.

Cruise passenger expenditures in Bonaire were concentrated in four categories which accounted for 79 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Over 50 percent of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages and local crafts.

Just over half (57%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$60.70 per party but when the

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<sup>67</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$95 per party for their tours.

**Bonaire Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>68</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 60.70	56.7%	\$34.39
F&B at Restaurants & Bars	\$ 16.50	60.5%	\$ 9.97
Taxis/Ground Transportation	\$ 24.40	10.7%	\$ 2.62
Watches & Jewelry	\$171.80	14.1%	\$24.20
Clothing	\$ 34.40	31.3%	\$10.77
Entertainment/Night Clubs/Casinos	\$245.40	0.3%	\$ 0.85
Other Purchases	\$ 43.80	17.9%	\$ 7.84
Perfumes & Cosmetics	\$ 21.30	1.5%	\$ 0.32
Local Crafts & Souvenirs	\$ 25.00	59.9%	\$15.01
Retail Purchases of Liquor	\$ 20.50	5.9%	\$ 1.21
Electronics	\$ 28.10	0.5%	\$ 0.13
Telephone & Internet	\$ 5.40	0.9%	\$ 0.05
<b>Total Spend per Cruise Party</b>			<b>\$107.36</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$54.22</b>
<b>Cruise Passenger Onshore Visits</b>			<b>146,737</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$7,956,134</b>

For the entire 2014/2015 cruise year, the estimated 146,737 cruise passengers who visited Bonaire spent a total of **\$8.0 million** (\$US) in Bonaire.

Per crew spending estimates were derived from 550 surveys completed by crew members during the survey period. As shown in **Bonaire Chart 2**, each crew member spent an average of \$30.40 in Bonaire. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 78 percent of the survey respondents reported spending an average of \$20.30 for food and beverages. Spread over all the crew members that reported that they visited Bonaire; this represents an average of \$15.84 per crew member.

Expenditures by crew in Bonaire were concentrated in four categories which accounted for 86 percent of their onshore expenditures: food and beverages, clothing, local crafts and other (unspecified) purchases. Combined, crew spent an average of \$26.16 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 78 percent of the crew reporting the purchase of food and beverages.

<sup>68</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 17,511 crew who visited Bonaire spent an estimated total of **\$523,323** (\$US).

**Bonaire Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$20.30	78.1%	\$15.84
Taxis/Ground Transportation	\$14.40	12.3%	\$ 1.78
Watches & Jewelry	\$44.80	3.0%	\$ 1.35
Clothing	\$23.60	13.2%	\$ 3.11
Entertainment/Night Clubs/Casinos	\$25.60	0.5%	\$ 0.14
Other Purchases	\$51.90	7.7%	\$ 3.98
Shore Excursions	\$18.30	2.7%	\$ 0.50
Perfumes & Cosmetics	\$14.60	0.8%	\$ 0.12
Local Crafts & Souvenirs	\$12.40	26.0%	\$ 3.23
Retail Purchases of Liquor	\$12.00	1.9%	\$ 0.23
Electronics	---	---	---
Telephone & Internet	\$ 6.30	1.9%	\$ 0.12
<b>Total Spend per Crew</b>			<b>\$30.40</b>
<b>Crew Visits</b>			17,511
<b>Total Crew Expenditures</b>			<b>\$532,323</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$0.9 million** (\$US) in Bonaire during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Bonaire Chart 3**, the \$9.4 million in total cruise tourism expenditures in Bonaire generated direct employment of 116 residents of Bonaire paying \$1.9 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise

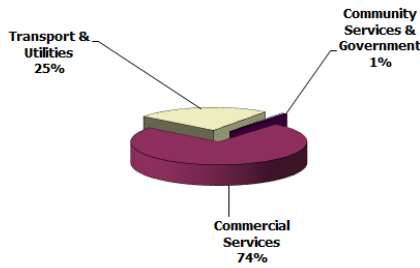
tourism expenditures generated a total employment contribution of 191 jobs and \$3.2 million in wage income in Bonaire during the 2014/2015 cruise year.

**Bonaire Chart 3 –Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

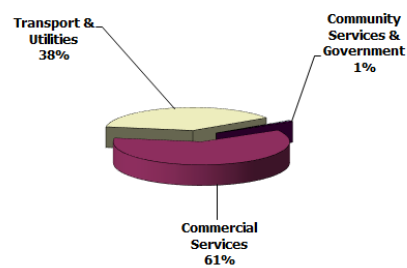
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	116	\$1.90
<b>Total Economic Contribution</b>	191	\$3.20

As shown in **Charts Bonaire 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 99 percent of the total impacts. This is not surprising since the direct impacts account for about 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 38 percent of the wage impacts but only 25 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Bonaire Chart 4 – Total Employment Impacts by Sector**



**Bonaire Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,464 passenger surveys were completed and returned for tabulation. **Bonaire Chart 6** shows the major attributes of passenger visits to Bonaire as derived from the passenger surveys.

- Of the 1,464 cruise parties that completed the surveys, about 3 in 4 (74%) stated that this had been their first visit to Bonaire.
- Ninety-five percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Bonaire.
- Of the cruise parties that went ashore, 62 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.98) and spent an average of 3.8 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$72.97 while ashore.

**Bonaire Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,464	
<b>Number Making First Visit</b>	1,086	74%
<b>Number Ashore</b>	1,396	95%
<b>Number Making Onshore Purchases:</b>	866	62%
<b>Average Hours Ashore</b>	3.84	
<b>Average Size of Expenditure Party (Persons)</b>	1.98	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$72.97	
<b>Purchased a Shore Excursion (Tour)</b>	791	57%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	490	62%
<b>Onshore from Tour Operator</b>	221	28%
<b>Travel Agent</b>	80	10%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	443	56%
<b>Marine-based</b>	237	30%
<b>Land-Based</b>	40	5%
<b>Center City</b>	24	3%
<b>Other</b>	79	10%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$93.61	
<b>Toured On Own/Did not Tour</b>	605	43%

<sup>①</sup> Excludes shore excursion expenditures

<sup>②</sup> Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Just over half (57%) of the passengers that went ashore purchased a shore excursion. Most (62%) of passengers who purchased a tour did so through their cruise line, 28% purchased their tour onshore and 10 percent purchased their tour through their travel agent.



- Most tours (56%) were to visit “historical or cultural sites”. Another 30 percent were “marine based activities”.
- The typical cruise party that purchased a shore excursion spent \$93.61 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Bonaire Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to Bonaire, giving a mean rating of 7.6, and in feeling their “visit met expectations” (7.0).
- The “guided tours” received the highest score of all visit attributes with a mean score of 8.4. This indicates passengers were very satisfied with their onshore excursions in Bonaire.
- The cruise passengers were also very satisfied with the “initial onshore welcome” (7.6) and “taxis and local transportation” (7.4).

**Bonaire Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.6
Visit Met Expectations	7.0
Likelihood of a Return Visit	3.9
Likelihood of Recommending	4.8
Initial Shoreside Welcome	7.6
Guided Tour	8.4
Historic Sites/Museums	6.8
Variety of Things to See and Do	6.3
Friendliness of Residents	8.3
Overall Shopping Experience	7.0
Courtesy of Employees	8.1
Variety of Shops	6.4
Overall Prices	6.8
Taxis/Local Transportation	7.4

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

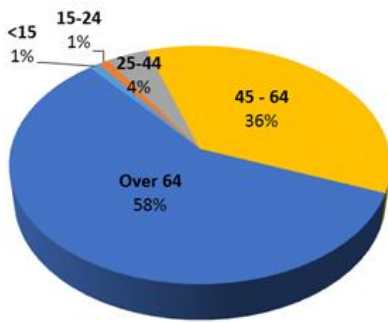
Among other key conclusions concerning visit satisfaction were the following:

- Passenger interactions with residents and store employees were positive as the mean scores for "friendliness of residents" (8.3) and "courtesy of employees" (8.1) were both in the 'very satisfied' range.
- Passengers were very satisfied with their "overall shopping experience" (7.0), but they were somewhat less satisfied with the "variety of shops" (6.4) and the "overall prices" (6.8).
- Categories scoring the lowest include "likelihood of returning for a land based visit" (3.9), and "likelihood of recommending" (4.8).

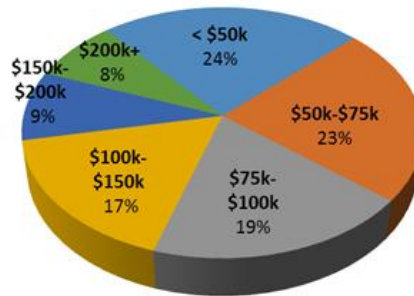
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (97%) of the responding passengers. The average age of the respondents was 63 years with 58 percent being 65 years of age or older. Bonaire passengers had an average household income of about \$95,500 with 34 percent having over \$100,000 in annual household income.

**Bonaire Chart 8 – Passenger Age Cohorts**



**Bonaire Chart 9 – Passenger Household Income**



## Curacao

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>69</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>69</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Curacao Ports Authority, 546,681 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>70</sup> Of these, an estimated 476,706 passengers (87 percent) disembarked and visited Curacao. Utilizing additional data provided by the port authority and visiting cruise lines, 196,182 crew were aboard the cruise ships and 42 percent, or 82,080 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$51.0** million (\$US) in cruise tourism expenditures in Curacao during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,656 surveys completed by passengers during the survey period. As shown in **Curacao Chart 1**, each passenger cruise party spent an average of \$155.88. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 58 percent of the survey respondents reported spending an average of \$21.20 for food and beverages. Spread over the cruise parties that visited Curacao, this represented an average of \$12.21 per party. On a per passenger basis, the average total expenditure was \$77.55. This represents the sum of per party expenditures, \$155.88, divided by the average size of a cruise party in Curacao, 2.01 passengers.

Cruise passenger expenditures in Curacao were concentrated in four categories which accounted for 75 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

Just over half (51%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$81.00 per party but when the

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<sup>70</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of \$105 per party for their tours.

**Curacao Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>71</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 81.00	50.7%	\$41.06
F&B at Restaurants & Bars	\$ 21.20	57.6%	\$12.21
Taxis/Ground Transportation	\$ 27.40	12.8%	\$ 3.50
Watches & Jewelry	\$276.50	16.5%	\$45.71
Clothing	\$ 45.00	41.6%	\$18.73
Entertainment/Night Clubs/Casinos	\$ 53.30	3.8%	\$ 2.05
Other Purchases	\$ 64.70	19.7%	\$12.78
Perfumes & Cosmetics	\$ 50.70	5.7%	\$ 2.90
Local Crafts & Souvenirs	\$ 24.00	45.1%	\$10.84
Retail Purchases of Liquor	\$ 30.20	19.0%	\$ 5.74
Electronics	\$ 29.50	1.0%	\$ 0.29
Telephone & Internet	\$ 11.20	0.6%	\$ 0.07
<b>Total Spend per Cruise Party</b>			<b>\$155.88</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$77.55</b>
<b>Cruise Passenger Onshore Visits</b>			<b>476,706</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$36,970,367</b>

For the entire 2014/2015 cruise year, the estimated 476,706 cruise passengers who visited Curacao spent a total of **\$37.0 million** (\$US) in Curacao.

Per crew spending estimates were derived from 786 surveys completed by crew members during the survey period. As shown in **Curacao Chart 2**, each crew member spent an average of \$70.15 in Curacao. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 73 percent of the survey respondents reported spending an average of \$32.20 for food and beverages. Spread over all the crew members that reported that they visited Curacao; this represents an average of \$23.40 per crew member.

Expenditures by crew in Curacao were concentrated in five categories which accounted for 72 percent of their onshore expenditures: food and beverages, watches & jewelry, clothing, entertainment and other (unspecified) purchases. Combined, crew spent an average of \$50.70 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 87 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 82,080 crew who visited Curacao spent an estimated total of **\$5.8 million** (\$US).

<sup>71</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**Curacao Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$ 32.20	72.7%	\$23.40
Taxis/Ground Transportation	\$ 17.80	9.4%	\$ 1.68
Watches & Jewelry	\$ 86.70	6.1%	\$ 5.27
Clothing	\$ 51.10	18.2%	\$ 9.32
Entertainment/Night Clubs/Casinos	\$118.10	6.3%	\$ 7.43
Other Purchases	\$ 87.00	10.7%	\$ 9.30
Shore Excursions	\$ 14.80	1.9%	\$ 0.28
Perfumes & Cosmetics	\$ 57.20	9.2%	\$ 5.28
Local Crafts & Souvenirs	\$ 17.30	13.4%	\$ 2.32
Retail Purchases of Liquor	\$ 45.60	1.9%	\$ 0.86
Electronics	\$ 74.50	1.7%	\$ 1.25
Telephone & Internet	\$ 74.70	5.0%	\$ 3.76
<b>Total Spend per Crew</b>			<b>\$70.15</b>
<b>Crew Visits</b>			82,080
<b>Total Crew Expenditures</b>			<b>\$5,757,943</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$8.3 million** (\$US) in Curacao during the 2014/2015 cruise year. Approximately half of these expenditures were payments for port fees and taxes and navigation services while the other half was spent for provisions and supplies.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

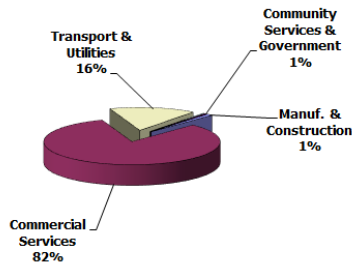
As shown in **Curacao Chart 3**, the \$51.0 million in total cruise tourism expenditures in Curacao generated direct employment of 520 residents of Curacao paying \$9.6 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 903 jobs and \$16.7 million in wage income in Curacao during the 2014/2015 cruise year.

**Curacao Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

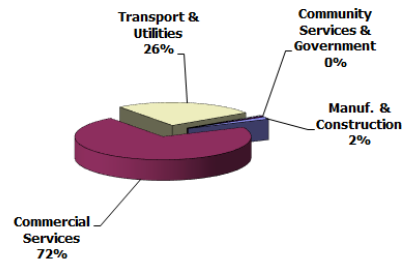
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	520	\$ 9.6
<b>Total Economic Contribution</b>	903	\$16.7

As shown in **Charts Curacao 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for nearly 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 26 percent of the wage impacts but only 16 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Curacao Chart 4 – Total Employment Impacts by Sector**



**Curacao Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,656 passenger surveys were completed and returned for tabulation. **Curacao Chart 6** shows the major attributes of passenger visits to Curacao as derived from the passenger surveys.

- Of the 1,656 cruise parties that completed the surveys, about 2 in 3 (64%) stated that this had been their first visit to Curacao.
- Ninety-seven percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Curacao.
- Of the cruise parties that went ashore, 70 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.01) and spent an average of 4.3 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$114.82 while ashore.

### Curacao Chart 6 – Major Attributes of Passenger Surveys

	Number	Percent
<b>Total Respondents</b>	1,656	
<b>Number Making First Visit</b>	1,060	64%
<b>Number Ashore</b>	1,599	97%
<b>Number Making Onshore Purchases:</b>	1,119	70%
<b>Average Hours Ashore</b>	4.27	
<b>Average Size of Expenditure Party (Persons)</b>	2.01	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$114.82	
<b>Purchased a Shore Excursion (Tour)</b>	811	51%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	478	59%
<b>Onshore from Tour Operator</b>	251	31%
<b>Travel Agent</b>	82	10%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	560	69%
<b>Marine-based</b>	65	8%
<b>Land-Based</b>	49	6%
<b>Center City</b>	97	12%
<b>Other</b>	114	14%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$105.69	
<b>Toured On Own/Did not Tour</b>	788	49%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Half (51%) of all passengers that went ashore purchased a shore excursion. Most (59%) of passengers who purchased a tour did so through their cruise line, a third (31%) purchased their tour onshore and 10 percent purchased their tour through their travel agent.
- Most tours (69%) were to visit "historical or cultural sites". Fewer tours were "center city" (12%), "marine based activities" (8%) or "land based activities" (6%).



- The typical cruise party that purchased a shore excursion spent \$106 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Curacao Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to Curacao, giving a mean rating of 8.3, and in feeling their “visit met expectations” (7.7).
- The “guided tours” received the highest score of all visit attributes with a mean score of 8.6. This, and the high score on “historic sites and museums” (7.9) indicate passengers to Curacao were very satisfied with their onshore excursions.

### Curacao Chart 7 – Passenger Visit Satisfaction\*

Visit Attributes	Mean Score
Overall Visit	8.3
Visit Met Expectations	7.7
Likelihood of a Return Visit	4.7
Likelihood of Recommending	5.8
Initial Shoreside Welcome	8.0
Guided Tour	8.6
Historic Sites/Museums	7.9
Variety of Things to See and Do	7.6
Friendliness of Residents	8.3
Overall Shopping Experience	7.7
Courtesy of Employees	8.3
Variety of Shops	7.8
Overall Prices	7.0
Taxis/Local Transportation	7.7

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

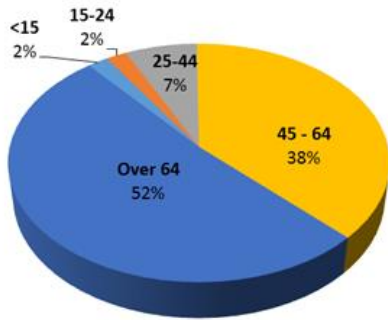
Among other key conclusions concerning visit satisfaction were the following:

- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” and “courtesy of employees” were both 8.3; in the ‘very satisfied’ range.
- Passengers were very satisfied with their “overall shopping experience” (7.7), as well as the “variety of shops” (7.8), and the “overall prices” (7.0) in Curacao.
- Categories scoring the lowest include “likelihood of returning for a land based visit (4.7), and “likelihood of recommending” (5.8).

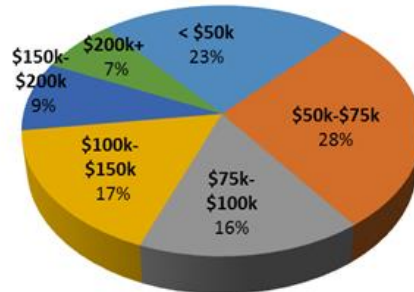
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (97%) of the responding passengers. The average age of the respondents was 61 years with more than half (52%) being 65 years of age or older. Curacao passengers had an average household income of about \$94,100 with a third (33%) having over \$100,000 in annual household income.

**Curacao Chart 8 – Passenger Age Cohorts**



**Curacao Chart 9 – Passenger Household Income**



## Dominica

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>72</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>72</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Dominica Air and Seaports Authority, 259,450 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>73</sup> Of these, an estimated 225,981 passengers (87 percent) disembarked and visited Dominica. Utilizing additional data provided by the port authority and visiting cruise lines, 93,100 crew were aboard the cruise ships and 34 percent, or 31,548 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$14.2** million (\$US) in cruise tourism expenditures in Dominica during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,296 surveys completed by passengers during the survey period. As shown in **Dominica Chart 1**, each passenger cruise party spent an average of \$101.62. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 36 percent of the survey respondents reported spending an average of \$16.30 for food and beverages. Spread over the cruise parties that visited Dominica, this represented an average of \$5.91 per party. On a per passenger basis, the average total expenditure was \$50.81. This represents the sum of per party expenditures, \$101.62, divided by the average size of a cruise party in Dominica, 2.0 passengers.

Cruise passenger expenditures in Dominica were concentrated in three categories which accounted for 79 percent of their onshore expenditures: shore excursions, watches and jewelry, and local crafts. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages, and local crafts.

Over 60 percent (63%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$85.50 per party but when the

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<sup>73</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$120 per party for their tours.

**Dominica Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>74</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 85.50	62.8%	\$53.73
F&B at Restaurants & Bars	\$ 16.30	36.3%	\$ 5.91
Taxis/Ground Transportation	\$ 21.90	16.8%	\$ 3.68
Watches & Jewelry	\$102.20	10.9%	\$11.18
Clothing	\$ 21.40	24.9%	\$ 5.33
Entertainment/Night Clubs/Casinos	---	---	---
Other Purchases	\$ 29.90	16.3%	\$ 4.87
Perfumes & Cosmetics	\$ 20.80	2.7%	\$ 0.57
Local Crafts & Souvenirs	\$ 27.60	55.8%	\$15.38
Retail Purchases of Liquor	\$ 13.60	6.7%	\$ 0.91
Electronics	\$ 14.60	0.3%	\$ 0.04
Telephone & Internet	\$ 1.80	1.1%	\$ 0.02
<b>Total Spend per Cruise Party</b>			<b>\$101.62</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$50.81</b>
<b>Cruise Passenger Onshore Visits</b>			<b>225,981</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$11,481,760</b>

For the entire 2014/2015 cruise year, the estimated 225,981 cruise passengers who visited Dominica spent a total of **\$11.5 million** (\$US) in Dominica.

Per crew spending estimates were derived from 553 surveys completed by crew members during the survey period. As shown in **Dominica Chart 2**, each crew member spent an average of \$34.21 in Dominica. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 69 percent of the survey respondents reported spending an average of \$20.00 for food and beverages. Spread over all the crew members that reported that they visited Dominica; this represents an average of \$13.72 per crew member.

Expenditures by crew in Dominica were concentrated in three categories which accounted for 67 percent of their onshore expenditures: food and beverages, local crafts, and other (unspecified) purchases. Combined, crew spent an average of \$22.79 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 69 percent of the crew reporting the purchase of food and beverages.

<sup>74</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 31,548 crew who visited Dominica spent an estimated total of **\$1.1 million** (\$US).

**Dominica Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$20.00	68.5%	\$13.72
Taxis/Ground Transportation	\$19.90	12.7%	\$ 2.53
Watches & Jewelry	\$63.00	2.5%	\$ 1.60
Clothing	\$49.10	5.1%	\$ 2.49
Entertainment/Night Clubs/Casinos	\$30.50	4.1%	\$ 1.24
Other Purchases	\$32.00	18.3%	\$ 5.85
Shore Excursions	\$24.20	6.6%	\$ 1.60
Perfumes & Cosmetics	\$22.40	4.1%	\$ 0.91
Local Crafts & Souvenirs	\$18.70	17.3%	\$ 3.22
Retail Purchases of Liquor	\$10.50	1.5%	\$ 0.16
Electronics	---	---	---
Telephone & Internet	\$11.00	8.1%	\$ 0.89
<b>Total Spend per Crew</b>			<b>\$34.21</b>
<b>Crew Visits</b>			<b>31,548</b>
<b>Total Crew Expenditures</b>			<b>\$1,079,241</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$1.6 million** (\$US) in Dominica during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Dominica Chart 3**, the \$14.2 million in total cruise tourism expenditures in Dominica generated direct employment of 236 residents of Dominica paying \$1.9 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the

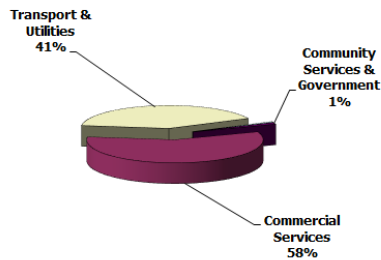
direct cruise tourism expenditures generated a total employment contribution of 373 jobs and \$2.9 million in wage income in Dominica during the 2014/2015 cruise year.

**Dominica Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

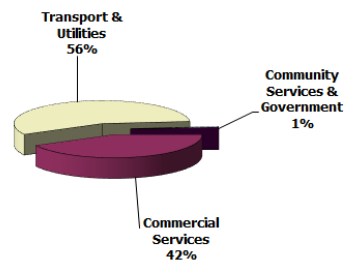
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	236	\$1.90
<b>Total Economic Contribution</b>	373	\$2.90

As shown in **Charts Dominica 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 99 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 56 percent of the wage impacts but only 41 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Dominica Chart 4 – Total Employment Impacts by Sector**



**Dominica Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,296 passenger surveys were completed and returned for tabulation. **Dominica Chart 6** shows the major attributes of passenger visits to Dominica as derived from the passenger surveys.

- Of the 1,296 cruise parties that completed the surveys, about 3 in 5 (63%) stated that this had been their first visit to Dominica.
- Ninety-four percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Dominica.
- Of the cruise parties that went ashore, 60 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.00) and spent an average of 3.7 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$47.89 while ashore.

**Dominica Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,296	
<b>Number Making First Visit</b>	816	63%
<b>Number Ashore</b>	1,218	94%
<b>Number Making Onshore Purchases:</b>	731	60%
<b>Average Hours Ashore</b>	3.73	
<b>Average Size of Expenditure Party (Persons)</b>	2.00	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$47.89	
<b>Purchased a Shore Excursion (Tour)</b>	765	63%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	513	67%
<b>Onshore from Tour Operator</b>	161	21%
<b>Travel Agent</b>	91	12%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	459	60%
<b>Marine-based</b>	115	15%
<b>Land-Based</b>	115	15%
<b>Center City</b>	23	3%
<b>Other</b>		11%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$121.23	
<b>Toured On Own/Did not Tour</b>	453	37%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- About two-thirds (63%) of the passengers that went ashore purchased a shore excursion. Most (67%) of passengers who purchased a tour did so through their cruise line, 21% purchased their tour onshore and 12 percent purchased their tour through their travel agent.



- Most tours (60%) were to visit “historical or cultural sites”. An equal percent were either “marine based” (15%) or “land based” (15%) activities.
- The typical cruise party that purchased a shore excursion spent \$121 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Dominica Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were somewhat satisfied with their “overall visit” to Dominica, giving a mean rating of 6.8, and in feeling their “visit met expectations” (6.2).
- The “guided tours” received the highest score of all visit attributes with a mean score of 8.6; indicating passengers to Dominica were very satisfied with their on shore excursions.

**Dominica Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	6.8
Visit Met Expectations	6.2
Likelihood of a Return Visit	3.3
Likelihood of Recommending	3.9
Initial Shoreside Welcome	6.8
Guided Tour	8.6
Historic Sites/Museums	6.8
Variety of Things to See and Do	6.1
Friendliness of Residents	7.8
Overall Shopping Experience	5.5
Courtesy of Employees	7.6
Variety of Shops	5.0
Overall Prices	6.3
Taxis/Local Transportation	6.9

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

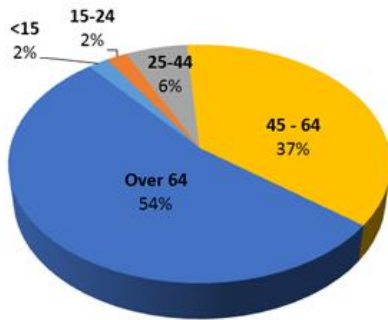
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (7.8) and “courtesy of employees” (7.6) were both in the ‘very satisfied’ range.
- Passengers were somewhat satisfied with the “historic sights and museums” (6.8), “taxis and local transportation” (6.9), and the “initial onshore welcome” (6.8).

- Passengers were also somewhat satisfied with their “overall shopping experience”, giving it a mean rating of 5.5. This rating was likely influenced by the ratings for “overall prices (6.3) and the “variety of shops” (5.0).
- Categories scoring the lowest include “likelihood of returning for a land based visit (3.3), and “likelihood of recommending” (3.9).

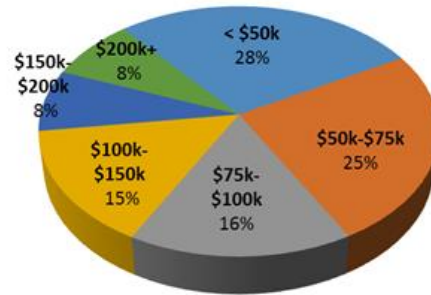
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 94 percent of the responding passengers. The average age of the respondents was 61 years with half (54%) being 65 years of age or older. Dominica passengers had an average household income of about \$91,000 with 31 percent having over \$100,000 in annual household income.

**Dominica Chart 8 – Passenger Age Cohorts**



**Dominica Chart 9 – Passenger Household Income**



## Grenada

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>75</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>75</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Grenada Tourism Authority, 235,140 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>76</sup> Of these, an estimated 201,515 passengers (86 percent) disembarked and visited Grenada. Utilizing additional data provided by the tourism authority and visiting cruise lines, 100,100 crew were aboard the cruise ships and 35 percent, or 34,587 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$12.2** million (\$US) in cruise tourism expenditures in Grenada during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,441 surveys completed by passengers during the survey period. As shown in **Grenada Chart 1**, each passenger cruise party spent an average of \$92.17. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 31 percent of the survey respondents reported spending an average of \$19.80 for food and beverages. Spread over the cruise parties that visited Grenada, this represented an average of \$6.18 per party. On a per passenger basis, the average total expenditure was \$46.55. This represents the sum of per party expenditures, \$92.17, divided by the average size of a cruise party in Grenada, 1.98 passengers.

Cruise passenger expenditures in Grenada were concentrated in three categories which accounted for 62 percent of their onshore expenditures: shore excursions, clothing and local crafts. Over 50 percent of the passengers that went ashore made purchases in the following categories: shore excursions and local crafts.

Just over half (57%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$59.80 per party but when the

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<sup>76</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$105 per party for their tours.

**Grenada Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>77</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 59.80	57.3%	\$34.26
F&B at Restaurants & Bars	\$ 19.80	31.3%	\$6.18
Taxis/Ground Transportation	\$ 33.50	19.7%	\$6.59
Watches & Jewelry	\$165.60	4.1%	\$6.80
Clothing	\$ 34.90	26.2%	\$9.16
Entertainment/Night Clubs/Casinos	\$ 12.70	0.3%	\$0.04
Other Purchases	\$ 42.90	28.2%	\$12.11
Perfumes & Cosmetics	\$ 43.80	2.4%	\$1.06
Local Crafts & Souvenirs	\$ 24.70	56.8%	\$14.02
Retail Purchases of Liquor	\$ 18.30	9.8%	\$1.79
Electronics	\$ 19.00	0.3%	\$0.06
Telephone & Internet	\$ 5.00	2.0%	\$0.10
<b>Total Spend per Cruise Party</b>			<b>\$92.17</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$46.55</b>
<b>Cruise Passenger Onshore Visits</b>			<b>201,515</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$9,380,926</b>

For the entire 2014/2015 cruise year, the estimated 201,515 cruise passengers who visited Grenada spent a total of **\$9.4 million** (\$US) in Grenada.

Per crew spending estimates were derived from 531 surveys completed by crew members during the survey period. As shown in **Grenada Chart 2**, each crew member spent an average of \$47.18 in Grenada. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 64 percent of the survey respondents reported spending an average of \$19.30 for food and beverages. Spread over all the crew members that reported that they visited Grenada; this represents an average of \$12.42 per crew member.

Expenditures by crew in Grenada were concentrated in three categories which accounted for 72 percent of their onshore expenditures: food and beverages, ground transportation, clothing, and other (unspecified) purchases. Combined, crew spent an average of \$34.13 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 64 percent of the crew reporting the purchase of food and beverages.

<sup>77</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 34,587 crew who visited Grenada spent an estimated total of **\$1.6 million** (\$US).

#### Grenada Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$19.30	64.2%	\$12.42
Taxis/Ground Transportation	\$33.50	21.4%	\$ 7.17
Watches & Jewelry	\$52.50	5.9%	\$ 3.10
Clothing	\$42.80	15.5%	\$ 6.64
Entertainment/Night Clubs/Casinos	\$70.80	3.0%	\$ 2.09
Other Purchases	\$36.90	21.4%	\$ 7.90
Shore Excursions	\$ 5.40	3.7%	\$ 0.20
Perfumes & Cosmetics	\$56.00	8.5%	\$ 4.75
Local Crafts & Souvenirs	\$13.80	12.9%	\$ 1.78
Retail Purchases of Liquor	\$17.60	0.7%	\$ 0.13
Electronics	\$14.90	0.7%	\$ 0.11
Telephone & Internet	\$ 9.60	9.2%	\$ 0.89
<b>Total Spend per Crew</b>			<b>\$47.18</b>
<b>Crew Visits</b>			<b>34,587</b>
<b>Total Crew Expenditures</b>			<b>\$1,631,823</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$1.2 million** (\$US) in Grenada during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Grenada Chart 3**, the \$12.2 million in total cruise tourism expenditures in Grenada generated direct employment of 213 residents of Grenada paying \$1.5 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise

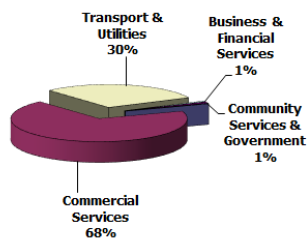
tourism expenditures generated a total employment contribution of 342 jobs and \$2.3 million in wage income in Grenada during the 2014/2015 cruise year.

**Grenada Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

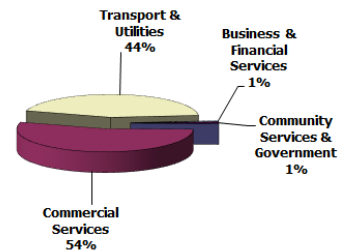
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	213	\$1.50
<b>Total Economic Contribution</b>	342	\$2.30

As shown in **Charts Grenada 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for over 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 44 percent of the wage impacts but only 30 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Grenada Chart 4 – Total Employment Impacts by Sector**



**Grenada Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,441 passenger surveys were completed and returned for tabulation. **Grenada Chart 6** shows the major attributes of passenger visits to Grenada as derived from the passenger surveys.

- Of the 1,441 cruise parties that completed the surveys, 2 in 3 (67%) stated that this had been their first visit to Grenada.
- Ninety-four percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Grenada.
- Of the cruise parties that went ashore, 70 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.98) and spent an average of 4.1 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$57.91 while ashore.

**Grenada Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,441	
<b>Number Making First Visit</b>	965	67%
<b>Number Ashore</b>	1,357	94%
<b>Number Making Onshore Purchases:</b>	950	70%
<b>Average Hours Ashore</b>	4.07	
<b>Average Size of Expenditure Party (Persons)</b>	1.98	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$57.91	
<b>Purchased a Shore Excursion (Tour)</b>	778	57%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	537	69%
<b>Onshore from Tour Operator</b>	148	19%
<b>Travel Agent</b>	93	12%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	537	69%
<b>Marine-based</b>	124	16%
<b>Land-Based</b>	62	8%
<b>Center City</b>	23	3%
<b>Other</b>	70	9%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$106.76	
<b>Toured On Own/Did not Tour</b>	579	43%

<sup>①</sup> Excludes shore excursion expenditures

<sup>②</sup> Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- More than half (57%) of the passengers that went ashore purchased a shore excursion. Most (69%) of passengers who purchased a tour did so through their cruise line, 19% purchased their tour onshore and 12 percent purchased their tour through their travel agent.



- Most tours (69%) were to visit “historical or cultural sites”. Another 16 percent were “marine based activities”, while fewer were “land based activities” (8%) or “center city” tours (3%).
- The typical cruise party that purchased a shore excursion spent \$107 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Grenada Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were satisfied with their “overall visit” to Grenada, giving a mean rating of 7.4, and in feeling their “visit met expectations” (6.8).
- The “guided tour” received the highest score of all visit attributes with a mean score of 8.1, indicating passengers to Grenada were very satisfied with their onshore excursions.

**Grenada Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.4
Visit Met Expectations	6.8
Likelihood of a Return Visit	3.9
Likelihood of Recommending	4.8
Initial Shoreside Welcome	7.5
Guided Tour	8.1
Historic Sites/Museums	6.8
Variety of Things to See and Do	6.7
Friendliness of Residents	7.9
Overall Shopping Experience	6.6
Courtesy of Employees	7.9
Variety of Shops	6.4
Overall Prices	6.5
Taxis/Local Transportation	7.5

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

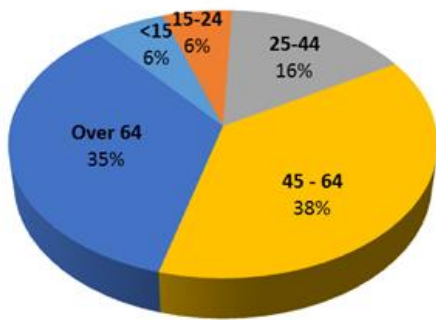
- Passenger interactions with residents and store employees were positive as the mean scores for “friendliness of residents” (7.9) and “courtesy of employees” (7.9); both in the ‘very satisfied’ range.

- “Taxis and local transportation” (7.5) and the “initial onshore welcome (7.5) also earned very satisfied ratings.
- Despite the high ratings on employee courtesy, passengers were only somewhat satisfied with their “overall shopping experience” (6.6). It appears the overall rating was influenced by the “overall prices” (6.5) and the “variety of shops” (6.4).
- Categories scoring the lowest include “likelihood of returning for a land based visit (3.9), and “likelihood of recommending” (4.8).

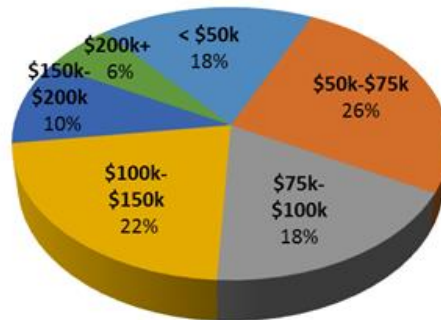
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (99%) of the responding passengers to Grenada. The average age of the respondents was 53 years with 35 percent being 65 years of age or older. Grenada passengers had an average household income of about \$98,400 with 38 percent having over \$100,000 in annual household income.

**Grenada Chart 8 – Passenger Age Cohorts**



**Grenada Chart 9 – Passenger Household Income**



## Martinique

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>78</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>78</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Martinique Tourism Authority, a total of 294,918 cruise passengers arrived in Martinique during the 2014/2015 cruise year.<sup>79</sup> These included 234,918 transit passengers and 60,000 passengers embarking on their cruises in Martinique. Of the transit passengers, an estimated 203,674 passengers (87 percent) disembarked and visited Martinique. Utilizing additional data provided by the port and visiting cruise lines, we have estimated that 101,985 crew were aboard the cruise ships that sailed to and from Martinique and that 37 percent, or 37,907 crew, disembarked and visited the destination. These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$22.7 million** (\$US) in cruise tourism expenditures in Martinique during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Passenger expenditures were estimated separately for transit and homeport passengers. Per passenger spending estimates for transit passengers were derived from 1,503 surveys completed by passengers during the survey period. As shown in **Martinique Chart 1**, each transit passenger cruise party spent an average of \$128.00 in Martinique. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 41 percent of the survey respondents reported spending an average of \$19.60 at local restaurants and/or bars. Spread over the cruise parties that visited Martinique, this represents an average of \$7.99 per party. On a per passenger basis, the average total expenditure was \$64.00. This represents the sum of per party expenditures, \$128.00, divided by the average size of a cruise party in Martinique, 2.0 passengers.

Transit cruise passenger expenditures in Martinique were concentrated in three categories which accounted for 65 percent of their onshore expenditures: shore excursions, clothing and local crafts. About 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages, clothing and local crafts.

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<sup>79</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Just over half (51%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$101.10 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$145 per party for their tours

**Martinique Chart 1 – Estimated Transit Passenger Spending (\$US), 2014/2015 Cruise Year<sup>80</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$101.10	50.7%	\$51.25
F&B at Restaurants & Bars	\$ 19.60	40.8%	\$ 7.99
Taxis/Ground Transportation	\$ 40.10	18.5%	\$ 7.44
Watches & Jewelry	\$ 61.30	7.9%	\$ 4.86
Clothing	\$ 59.10	37.3%	\$22.08
Entertainment/Night Clubs/Casinos	\$ 19.60	0.5%	\$ 0.10
Other Purchases	\$ 69.90	23.4%	\$16.35
Perfumes & Cosmetics	\$ 45.90	4.0%	\$ 1.82
Local Crafts & Souvenirs	\$ 27.50	37.3%	\$10.27
Retail Purchases of Liquor	\$ 40.40	13.9%	\$ 5.63
Electronics	\$ 23.50	0.6%	\$ 0.15
Telephone & Internet	\$ 7.80	0.8%	\$ 0.06
<b>Total Spend per Cruise Party</b>			<b>\$128.00</b>
<b>Average Size of a Cruise Party</b>			2.0
<b>Total Spend per Cruise Passenger</b>			<b>\$64.00</b>
<b>Cruise Passenger Onshore Visits</b>			203,674
<b>Total Cruise Passenger Expenditures</b>			<b>\$13,034,785</b>

For the entire 2014/2015 cruise year, the estimated 203,674 transit passengers who visited Martinique spent a total of **\$13.0 million** (\$US) in Martinique.

As noted above another 60,000 cruise passengers arrived in Martinique to begin their Caribbean cruise. Based upon homeport passenger surveys conducted at Caribbean destinations, passenger expenditures were estimated for passengers embarking on their cruises from Martinique. As shown in **Martinique Chart 2**, each passenger cruise party spent an estimated average of \$160.89 in Martinique. The calculation of this figure is identical to that calculated for transit passengers as discussed above. On a per passenger basis, the average total expenditure was \$85.94.

Homeport cruise passenger expenditures were concentrated in three categories which accounted for 77 percent of their onshore expenditures: lodging, shore excursions and ground transportation. In total, homeport passengers spent nearly \$124 for goods and services in these three categories. Twenty percent (20%) or more of the homeport passengers made purchases in

<sup>80</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

the following categories: shore excursions, food and beverages, ground transportation and local crafts.

For the entire 2014/2015 cruise year, the estimated 60,000 homeport cruise passengers who visited Martinique spent a total of **\$5.2 million** (\$US) on the island

**Martinique Chart 2 – Estimated Homeport Passenger Spending (\$US), 2014/2015 Cruise Year<sup>81</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Lodging	\$322.60	12.8%	\$41.13
Shore Excursions	\$163.70	41.0%	\$67.06
F&B at Restaurants & Bars	\$ 27.70	23.8%	\$ 6.58
Taxis/Ground Transportation	\$ 79.40	19.6%	\$15.59
Watches & Jewelry	\$ 89.90	6.3%	\$ 5.67
Clothing	\$ 40.70	15.6%	\$ 6.36
Entertainment/Night Clubs/Casinos	\$ 7.00	0.1%	\$ 0.01
Other Purchases	\$ 52.70	16.9%	\$ 8.91
Perfumes & Cosmetics	\$ 17.80	1.3%	\$ 0.23
Local Crafts & Souvenirs	\$ 25.80	20.9%	\$ 5.39
Retail Purchases of Liquor	\$ 29.10	10.9%	\$ 3.17
Electronics	---	---	---
Telephone & Internet	\$ 55.10	1.4%	\$ 0.79
<b>Total Spend per Cruise Party</b>			<b>\$160.89</b>
<b>Average Size of a Cruise Party</b>			1.9
<b>Total Spend per Cruise Passenger</b>			<b>\$85.94</b>
<b>Cruise Passenger Visits</b>			60,000
<b>Total Cruise Passenger Expenditures</b>			<b>\$5,156,603</b>

Per crew spending estimates were derived from 409 surveys completed by crew members during the survey period. As shown in **Martinique Chart 3**, each crew member spent an average of \$46.45 in Martinique. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 66 percent of the survey respondents reported spending an average of \$22.60 for food and beverages. Spread over all the crew members that reported that they visited Martinique; this represents an average of \$13.28 per crew member.

Expenditures by crew in Martinique were concentrated in four categories which accounted for 73 percent of their onshore expenditures: food and beverages, ground transportation, clothing, and other (unspecified) purchases. Combined, crew spent an average of \$33.76 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 66 percent of the crew reporting the purchase of food and beverages.

<sup>81</sup> The average shore excursion expenditure is a weighted average of the onshore and Internet purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 37,907 crew who visited Martinique spent an estimated total of **\$1.8 million** (\$US).

**Martinique Chart 3 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$22.60	66.2%	\$13.28
Taxis/Ground Transportation	\$17.00	20.0%	\$5.98
Watches & Jewelry	\$86.90	5.4%	\$2.36
Clothing	\$34.30	21.5%	\$5.97
Entertainment/Night Clubs/Casinos	\$53.30	2.3%	\$0.38
Other Purchases	\$26.90	22.3%	\$8.53
Shore Excursions	\$62.90	6.2%	\$2.65
Perfumes & Cosmetics	\$48.50	6.2%	\$3.05
Local Crafts & Souvenirs	\$20.90	16.2%	\$2.57
Retail Purchases of Liquor	\$24.00	1.5%	\$0.27
Electronics	\$0.00	1.5%	\$0.50
Telephone & Internet	\$8.90	9.2%	\$0.91
<b>Total Spend per Crew</b>			<b>\$46.45</b>
<b>Crew Visits</b>			37,907
<b>Total Crew Expenditures</b>			<b>\$1,760,775</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$2.7 million** (\$US) in Martinique during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Martinique Chart 4**, the \$22.7 million in total cruise tourism expenditures in Martinique generated direct employment of 292 residents of Martinique paying \$2.4 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the

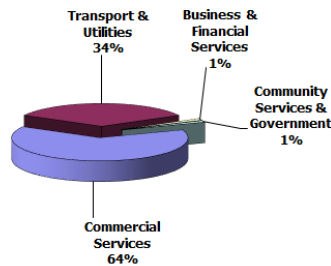
direct cruise tourism expenditures generated a total employment contribution of 453 jobs and \$3.7 million in wage income in Martinique during the 2014/2015 cruise year.

**Martinique Chart 4 –Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

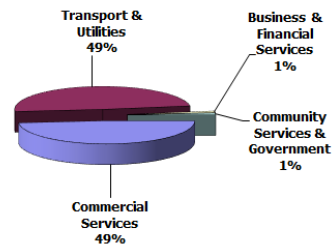
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	292	\$2.40
<b>Total Economic Contribution</b>	453	\$3.70

As shown in **Charts Martinique 5 and 6**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 49 percent of the wage impacts but only 34 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Martinique Chart 5 – Total Employment Impacts by Sector**



**Martinique Chart 6 – Total Wage Impacts by Sector**





## Passenger Surveys

A total of 1,503 passenger surveys were completed and returned for tabulation. **Martinique Chart 7** shows the major attributes of passenger visits to Martinique as derived from the passenger surveys.

- Of the 1,503 cruise parties that completed the surveys, about 4 in 5 (79%) stated that this had been their first visit to Martinique.
- Ninety-five percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Martinique.
- Of the cruise parties that went ashore, 55 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.00) and spent an average of 4.3 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$76.75 while ashore.

**Martinique Chart 7 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,503	
<b>Number Making First Visit</b>	1,187	79%
<b>Number Ashore</b>	1,422	95%
<b>Number Making Onshore Purchases:</b>	782	55%
<b>Average Hours Ashore</b>	4.27	
<b>Average Size of Expenditure Party (Persons)</b>	2.00	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$76.75	
<b>Purchased a Shore Excursion (Tour)</b>	721	51%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	505	70%
<b>Onshore from Tour Operator</b>	72	10%
<b>Travel Agent</b>	144	20%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	461	64%
<b>Marine-based</b>	375	52%
<b>Land-Based</b>	87	12%
<b>Center City</b>	101	14%
<b>Other</b>	65	9%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$143.28	
<b>Toured On Own/Did not Tour</b>	701	49%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Half (51%) of the passengers that went ashore purchased a shore excursion. Most (70%) of passengers who purchased a tour did so through their cruise line, 10% purchased their tour onshore, while 20 percent purchased their tour through their travel agent.

- Most tours (64%) were either to visit “historical or cultural sites”, or for “marine based activities” (52%).
- The typical cruise party that purchased a shore excursion spent \$143 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Martinique Chart 8**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were somewhat satisfied with their “overall visit” to Martinique, giving a mean rating of 6.8, and in feeling their “visit met expectations” (6.5).
- The “initial onshore welcome” received the highest score of all visit attributes with a mean score of 8.3. The cruise passengers provided a mean rating of 7.8 for the “guided tours”, meaning passengers were very satisfied with the onshore excursions.

**Martinique Chart 8 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	6.8
Visit Met Expectations	6.5
Likelihood of a Return Visit	4.3
Likelihood of Recommending	4.2
Initial Shoreside Welcome	8.3
Guided Tour	7.8
Historic Sites/Museums	6.6
Variety of Things to See and Do	6.2
Friendliness of Residents	7.2
Overall Shopping Experience	5.8
Courtesy of Employees	7.2
Variety of Shops	5.9
Overall Prices	5.6
Taxis/Local Transportation	6.0

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

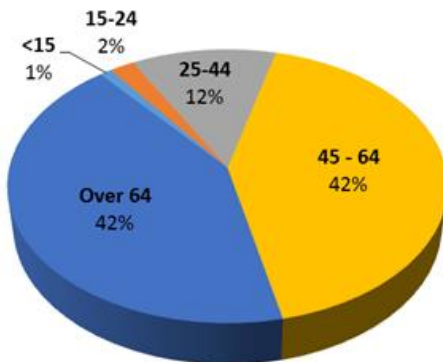
- Passenger interactions with residents and store employees were positive as the mean scores for both the “friendliness of residents” and “courtesy of employees” were a 7.2.

- Passengers were somewhat satisfied with the “historic sights and museums” (6.6), “taxi and local transportation” (6.0), and there being a “variety of things to see and do” (6.2).
- Despite the positive ratings for the courtesy of employees, passengers were only somewhat satisfied with their “overall shopping experience” in Martinique (5.8). The mean ratings of “variety of shops” (5.9) and “overall prices” (5.6) received similar mean satisfaction ratings.
- Categories scoring the lowest include “likelihood of returning for a land based visit” (4.3), and “likelihood of recommending” (4.2).

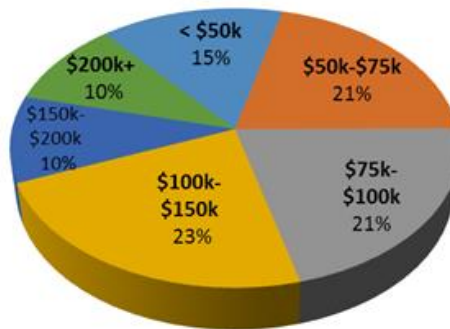
## Passenger Demographics

Residents of the United States, UK and Canada accounted for only 55 percent of the responding passengers, with residents of Germany making up 37 percent of the base. The average age of the respondents was 58 years with 42 percent being 65 years of age or older. Martinique passengers had an average household income of about \$107,000 with 43 percent having over \$100,000 in annual household income.

**Martinique Chart 9 – Passenger Age Cohorts**



**Martinique Chart 10 – Passenger Household Income**



## St. Lucia

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>82</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>82</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the St. Lucia Ministry of Tourism, 670,196 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>83</sup> Of these, an estimated 603,176 passengers (90 percent) disembarked and visited St. Lucia. Utilizing additional data provided by the tourism ministry and visiting cruise lines, 266,301 crew were aboard the cruise ships and 40 percent, or 107,441 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$57.2** million (\$US) in cruise tourism expenditures in St. Lucia during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,167 surveys completed by during the survey period. As shown in **St. Lucia Chart 1**, each passenger cruise party spent an average of \$156.87. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 36 percent of the survey respondents reported spending an average of \$19.90 for food and beverages. Spread over the cruise parties that visited St. Lucia, this represented an average of \$7.19 per party. On a per passenger basis, the average total expenditure was \$78.44. This represents the sum of per party expenditures, \$156.87, divided by the average size of a cruise party in St. Lucia, 2.0 passengers.

Cruise passenger expenditures in St. Lucia were concentrated in four categories which accounted for 83 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

Two-thirds (67%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$88.40 per party but when the

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<sup>83</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$140 per party for their tours.

**St. Lucia Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>84</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 88.40	67.1%	\$59.33
F&B at Restaurants & Bars	\$ 19.90	36.1%	\$ 7.19
Taxis/Ground Transportation	\$ 44.50	13.5%	\$ 6.03
Watches & Jewelry	\$285.20	14.9%	\$42.42
Clothing	\$ 39.00	41.4%	\$16.13
Entertainment/Night Clubs/Casinos	\$ 13.60	0.1%	\$ 0.02
Other Purchases	\$ 54.20	18.4%	\$ 9.98
Perfumes & Cosmetics	\$ 52.50	2.8%	\$ 1.47
Local Crafts & Souvenirs	\$ 24.20	51.0%	\$12.35
Retail Purchases of Liquor	\$ 24.40	7.2%	\$ 1.76
Electronics	\$ 17.00	0.3%	\$ 0.05
Telephone & Internet	\$ 11.90	1.2%	\$ 0.14
<b>Total Spend per Cruise Party</b>			<b>\$156.87</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$78.44</b>
<b>Cruise Passenger Onshore Visits</b>			<b>603,176</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$47,310,314</b>

For the entire 2014/2015 cruise year, the estimated 603,176 cruise passengers who visited St. Lucia spent a total of **\$47.3 million** (\$US) in St. Lucia.

Per crew spending estimates were derived from 289 surveys completed by crew members during the survey period. As shown in **St. Lucia Chart 2**, each crew member spent an average of \$44.89 in St. Lucia. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 57 percent of the survey respondents reported spending an average of \$26.80 for food and beverages. Spread over all the crew members that reported that they visited St. Lucia; this represents an average of \$15.20 per crew member.

Expenditures by crew in St. Lucia were concentrated in three categories which accounted for 67 percent of their onshore expenditures: food and beverages, clothing, and other (unspecified) purchases. Combined, crew spent an average of \$30.01 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 57 percent of the crew reporting the purchase of food and beverages.

<sup>84</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 107,441 crew who visited St. Lucia spent an estimated total of **\$4.8 million** (\$US).

### St. Lucia Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$ 26.80	56.7%	\$15.20
Taxis/Ground Transportation	\$ 16.40	21.7%	\$ 3.56
Watches & Jewelry	\$ 51.80	1.9%	\$ 0.99
Clothing	\$ 39.00	12.1%	\$ 4.72
Entertainment/Night Clubs/Casinos	\$206.70	1.9%	\$ 3.95
Other Purchases	\$158.40	6.4%	\$10.09
Shore Excursions	\$ 11.30	3.2%	\$ 0.36
Perfumes & Cosmetics	\$ 14.90	1.3%	\$ 0.19
Local Crafts & Souvenirs	\$ 20.80	17.8%	\$ 3.71
Retail Purchases of Liquor	\$ 41.60	3.8%	\$ 1.59
Electronics	\$ 20.40	0.6%	\$ 0.13
Telephone & Internet	\$ 7.90	5.1%	\$ 0.40
<b>Total Spend per Crew</b>			<b>\$44.89</b>
<b>Crew Visits</b>			107,441
<b>Total Crew Expenditures</b>			<b>\$4,823,023</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$5.1 million** (\$US) in St. Lucia during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

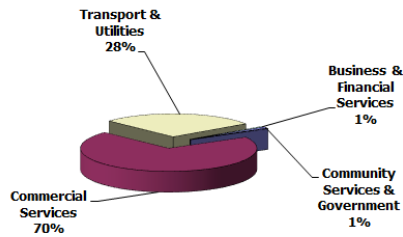
As shown in **St. Lucia Chart 3**, the \$57.2 million in total cruise tourism expenditures in St. Lucia generated direct employment of 942 residents of St. Lucia paying \$7.7 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 1,422 jobs and \$11.7 million in wage income in St. Lucia during the 2014/2015 cruise year.

**St. Lucia Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

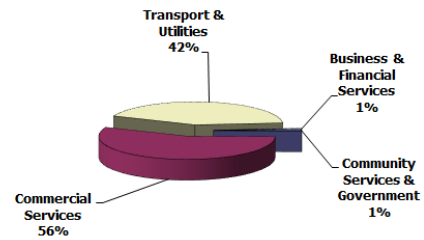
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	942	\$ 7.7
<b>Total Economic Contribution</b>	1,422	\$11.7

As shown in **Charts St. Lucia 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for about 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 42 percent of the wage impacts but only 28 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**St. Lucia Chart 4 – Total Employment Impacts by Sector**



**St. Lucia Chart 5 – Total Wage Impacts by Sector**





## Passenger Surveys

A total of 1,167 passenger surveys were completed and returned for tabulation. **St. Lucia Chart 6** shows the major attributes of passenger visits to St. Lucia as derived from the passenger surveys.

- Of the 1,167 cruise parties that completed the surveys, about 2 in 3 (64%) stated that this had been their first visit to St. Lucia.
- Ninety-five percent of the cruise parties that completed the surveys disembarked their cruise ship to visit St. Lucia.
- Of the cruise parties that went ashore, 61 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.0) and spent an average of 4.5 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$97.54 while ashore.

**St. Lucia Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,167	
<b>Number Making First Visit</b>	747	64%
<b>Number Ashore</b>	1,113	95%
<b>Number Making Onshore Purchases:</b>	679	61%
<b>Average Hours Ashore</b>	4.46	
<b>Average Size of Expenditure Party (Persons)</b>	2.00	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$97.54	
<b>Purchased a Shore Excursion (Tour)</b>	747	67%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	493	66%
<b>Onshore from Tour Operator</b>	164	22%
<b>Travel Agent</b>	90	12%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	418	56%
<b>Marine-based</b>	179	24%
<b>Land-Based</b>	134	18%
<b>Center City</b>	7	1%
<b>Other</b>	90	12%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$142.86	
<b>Toured On Own/Did not Tour</b>	366	33%

<sup>①</sup> Excludes shore excursion expenditures

<sup>②</sup> Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- About two-thirds (67%) of the passengers that went ashore purchased a shore excursion. Most (66%) of passengers who purchased a tour did so through their cruise line, a quarter (22%) purchased their tour onshore and 12 percent purchased their tour through their travel agent.
- Most tours (56%) were to visit “historical or cultural sites”. Another 24 percent were “marine based activities” and 18 percent were “land based activities”.

- The typical cruise party that purchased a shore excursion spent \$143 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **St. Lucia Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to St. Lucia, giving a mean rating of 7.5. They were slightly less satisfied in feeling their “visit met expectations” (6.9).
- The “guided tour” received the highest score of all visit attributes with a mean score of 8.2. The cruise passengers were also very satisfied with the “historic sites and museums” (7.2), indicating passengers were very satisfied with their onshore excursions.

**St. Lucia Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.5
Visit Met Expectations	6.9
Likelihood of a Return Visit	4.5
Likelihood of Recommending	5.5
Initial Shoreside Welcome	7.3
Guided Tour	8.2
Historic Sites/Museums	7.2
Variety of Things to See and Do	7.0
Friendliness of Residents	7.9
Overall Shopping Experience	6.5
Courtesy of Employees	7.8
Variety of Shops	6.5
Overall Prices	6.4
Taxis/Local Transportation	7.2

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

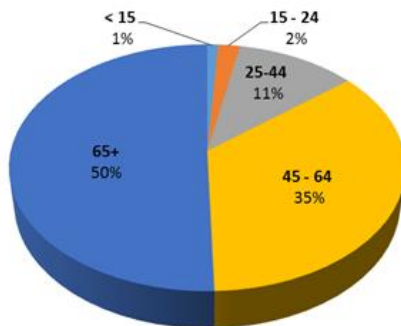
- Passenger interactions with residents and store employees were positive as the mean scores for “friendliness of residents” (7.9) and “courtesy of employees” (7.8) were both in the ‘very satisfied’ range.
- Passengers were also very satisfied with the “initial onshore welcome” (7.3), the “taxi and local transportation” (7.2), and there being a “variety of things to see and do” (7.0).

- Despite the positive ratings for store employees, passengers to St. Lucia were only somewhat satisfied with their “overall shopping experience”, giving it a mean rating of 6.5. The ratings for “variety of shops” (6.5) and “overall pricing” (6.4) likely influenced the overall shopping experience.
- Categories scoring the lowest include “likelihood of returning for a land based visit” (4.5), and “likelihood of recommending” (5.5).

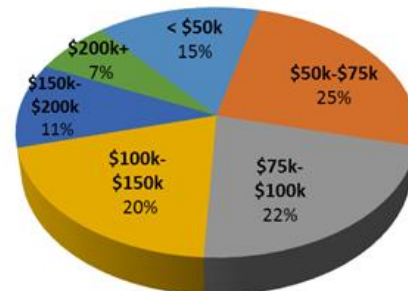
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (97%) of the responding passengers to St. Lucia. The average age of the respondents was 60 years with half (50%) being 65 years of age or older. St. Lucia passengers had an average household income of about \$102,700 with 38 percent having over \$100,000 in annual household income.

**St. Lucia Chart 8 – Passenger Age Cohorts**



**St. Lucia Chart 9 – Passenger Household Income**



## Tobago

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>85</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>85</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from cruise schedules and visiting cruise lines, an estimated 36,400 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>86</sup> Of these, an estimated 30,940 passengers (85 percent) disembarked and visited Tobago. Utilizing additional data provided by the visiting cruise lines, 13,300 crew were aboard the cruise ships and 45 percent, or 5,985 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$2.7** million (\$US) in cruise tourism expenditures in Tobago during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 910 surveys completed by passengers during the survey period. As shown in **Tobago Chart 1**, each passenger cruise party spent an average of \$153.56. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 36 percent of the survey respondents reported spending an average of \$20.90 for food and beverages. Spread over the cruise parties that visited Tobago, this represented an average of \$7.49 per party. On a per passenger basis, the average total expenditure was \$74.18. This represents the sum of per party expenditures, \$153.56, divided by the average size of a cruise party in Tobago, 2.07 passengers.

Cruise passenger expenditures in Tobago were concentrated in four categories which accounted for 86 percent of their onshore expenditures: shore excursions, ground transportation, clothing and other (unspecified) purchases. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages, and local crafts.

Over eighty percent (82%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$116.50 per party but when the

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<sup>86</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of \$150 per party for their tours.

**Tobago Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>87</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$116.50	81.8%	\$95.33
F&B at Restaurants & Bars	\$ 20.90	35.9%	\$ 7.49
Taxis/Ground Transportation	\$ 49.50	28.9%	\$14.31
Watches & Jewelry	\$ 59.30	1.9%	\$ 1.13
Clothing	\$ 36.80	22.9%	\$ 8.41
Entertainment/Night Clubs/Casinos	\$ 73.20	1.3%	\$ 0.93
Other Purchases	\$ 50.20	27.0%	\$13.55
Perfumes & Cosmetics	\$ 15.80	1.0%	\$ 0.15
Local Crafts & Souvenirs	\$ 22.10	37.1%	\$ 8.19
Retail Purchases of Liquor	\$ 34.70	6.7%	\$ 2.31
Electronics	\$113.40	1.3%	\$ 1.44
Telephone & Internet	\$ 16.80	1.9%	\$ 0.32
<b>Total Spend per Cruise Party</b>			<b>\$153.56</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$74.18</b>
<b>Cruise Passenger Onshore Visits</b>			<b>30,940</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$2,295,281</b>

For the entire 2014/2015 cruise year, the estimated 30,940 cruise passengers who visited Tobago spent a total of **\$2.3 million** (\$US) in Tobago.

Per crew spending estimates were derived from 358 surveys completed by crew members during the survey period. As shown in **Tobago Chart 2**, each crew member spent an average of \$24.79 in Tobago. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 70 percent of the survey respondents reported spending an average of \$12.10 for food and beverages. Spread over all the crew members that reported that they visited Tobago; this represents an average of \$8.47 per crew member.

Expenditures by crew in Tobago were concentrated in three categories which accounted for 69 percent of their onshore expenditures: food and beverages, ground transportation and local crafts. Combined, crew spent an average of \$17.18 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 70 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 5,985 crew who visited Tobago spent an estimated total of **\$148,361** (\$US).

<sup>87</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**Tobago Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$12.10	69.9%	\$8.47
Taxis/Ground Transportation	\$19.50	30.9%	\$6.02
Watches & Jewelry	\$89.80	1.6%	\$1.46
Clothing	\$21.00	8.1%	\$1.71
Entertainment/Night Clubs/Casinos	\$10.10	3.3%	\$0.33
Other Purchases	\$24.70	10.6%	\$2.61
Shore Excursions	\$ 7.40	1.6%	\$0.12
Perfumes & Cosmetics	\$60.30	1.6%	\$0.98
Local Crafts & Souvenirs	\$11.80	22.8%	\$2.69
Retail Purchases of Liquor	\$ 8.60	0.8%	\$0.07
Electronics	---	---	---
Telephone & Internet	\$ 8.10	4.1%	\$0.33
<b>Total Spend per Crew</b>			<b>\$24.79</b>
<b>Crew Visits</b>			<b>5,985</b>
<b>Total Crew Expenditures</b>			<b>\$148,361</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$300,000** (\$US) in Tobago during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

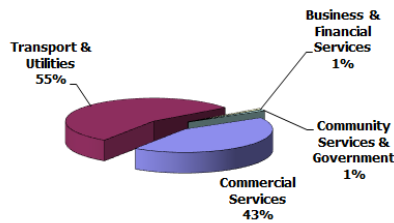
As shown in **Tobago Chart 3**, the \$2.7 million in total cruise tourism expenditures in Tobago generated direct employment of 80 residents of Tobago paying \$1.0 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 124 jobs and \$1.5 million in wage income in Tobago during the 2014/2015 cruise year.

**Tobago Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

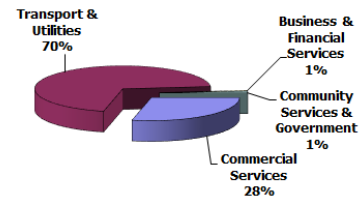
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	80	\$1.00
<b>Total Economic Contribution</b>	124	\$1.50

As shown in **Charts Tobago 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 70 percent of the wage impacts but only 55 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Tobago Chart 4 – Total Employment Impacts by Sector**



**Tobago Chart 5 – Total Wage Impacts by Sector**





## Passenger Surveys

A total of 910 passenger surveys were completed and returned for tabulation. **Tobago Chart 6** shows the major attributes of passenger visits to Tobago as derived from the passenger surveys.

- Of the 910 cruise parties that completed the surveys, virtually all (95%) stated that this had been their first visit to Tobago.
- Ninety-nine percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Tobago.
- Of the cruise parties that went ashore, only 35 percent made any purchases while ashore. The typical cruise party consisted of two passengers (Average: 2.1) and spent an average of 4.8 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$58.33 while ashore.

**Tobago Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	910	
<b>Number Making First Visit</b>	865	95%
<b>Number Ashore</b>	901	99%
<b>Number Making Onshore Purchases:</b>	315	35%
<b>Average Hours Ashore</b>	4.77	
<b>Average Size of Expenditure Party (Persons)</b>	2.07	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$58.23	
<b>Purchased a Shore Excursion (Tour)</b>	737	82%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	509	69%
<b>Onshore from Tour Operator</b>	66	9%
<b>Travel Agent</b>	162	22%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	251	34%
<b>Marine-based</b>	118	16%
<b>Land-Based</b>	170	23%
<b>Center City</b>	22	3%
<b>Other</b>	243	33%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$150.01	
<b>Toured On Own/Did not Tour</b>	164	18%

<sup>①</sup> Excludes shore excursion expenditures

<sup>②</sup> Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- The vast majority (82%) of the passengers that went ashore purchased a shore excursion. Most (69%) of passengers who purchased a tour did so through their cruise line, 9% purchased their tour onshore and nearly a quarter (22%) purchased their tour through their travel agent.

- Most tours (34%) were to visit “historical or cultural sites”. Another 23 percent were “land based activities” and 16 percent were “marine-based activities”.
- The typical cruise party that purchased a shore excursion spent \$150 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Tobago Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to Tobago, giving a mean rating of 7.3. They were slightly less satisfied in feeling their “visit met expectations” (6.5).
- The cruise passengers provided a mean rating of 7.4 for their “guided tours”, indicating they were very satisfied with their onshore excursions.

**Tobago Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.3
Visit Met Expectations	6.5
Likelihood of a Return Visit	3.3
Likelihood of Recommending	5.0
Initial Shoreside Welcome	7.3
Guided Tour	7.4
Historic Sites/Museums	6.6
Variety of Things to See and Do	6.6
Friendliness of Residents	8.0
Overall Shopping Experience	5.4
Courtesy of Employees	7.8
Variety of Shops	4.6
Overall Prices	6.0
Taxis/Local Transportation	7.7

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:

Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

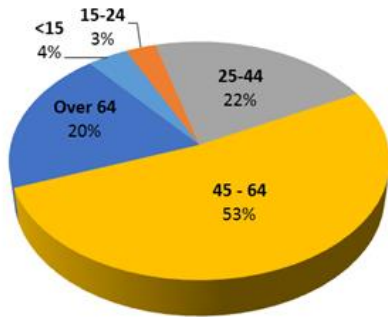
- Passenger interactions with residents and store employees were positive as the mean scores for “friendliness of residents” (8.0) and “courtesy of employees” (7.8) were the two highest rated of all satisfaction attributes.
- Passengers were also very satisfied with the “initial onshore welcome” (7.3) and the “taxi and local transportation” (7.7).

- Despite the high ratings for employees, passengers were somewhat satisfied with their “overall shopping experience” (5.4). This score was likely influenced by the ratings of the “variety of shops” (4.6) and “overall prices” (6.0).
- Categories scoring the lowest include “likelihood of returning for a land based visit” (3.3), and “likelihood of recommending” (5.0).

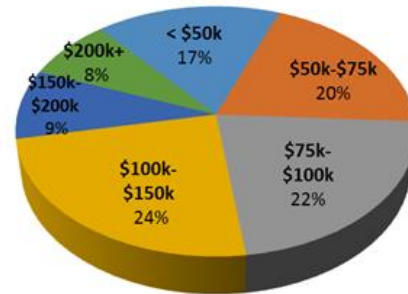
## Passenger Demographics

Residents Germany accounted for 90 percent of the responding passengers. The average age of the respondents was 51 years with only 20 percent being 65 years of age or older. Tobago passengers had an average household income of about \$101,800 with 41 percent having over \$100,000 in annual household income.

**Tobago Chart 8 – Passenger Age Cohorts**



**Tobago Chart 9 – Passenger Household Income**



## Trinidad

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>88</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>88</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the Trinidad Tourism Development Company (TDC), 12,680 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>89</sup> Of these, an estimated 10,778 passengers (85 percent) disembarked and visited Trinidad. Utilizing additional data provided by the TDC and visiting cruise lines, 7,185 crew were aboard the cruise ships and 35 percent, or 2,515 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$668,450** (\$US) in cruise tourism expenditures in Trinidad during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 751 surveys completed by passengers during the survey period. As shown in **Trinidad Chart 1**, each passenger cruise party spent an average of \$85.16. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 29 percent of the survey respondents reported spending an average of \$10.20 for food and beverages. Spread over the cruise parties that visited Trinidad, this represented an average of \$2.96 per party. On a per passenger basis, the average total expenditure was \$42.58. This represents the sum of per party expenditures, \$85.16, divided by the average size of a cruise party in Trinidad, 2.0 passengers.

Cruise passenger expenditures in Trinidad were concentrated in three categories which accounted for 82 percent of their onshore expenditures: shore excursions, local crafts and other (unspecified) purchases. Over 50 percent of the passengers that went ashore made purchases in the following categories: shore excursions and local crafts.

Sixty percent (60%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$77.10 per party but when the

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<sup>89</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$125 per party for their tours.

**Trinidad Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>90</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
<b>Shore Excursions</b>	\$77.10	60.2%	\$46.45
<b>F&amp;B at Restaurants &amp; Bars</b>	\$10.20	29.0%	\$ 2.96
<b>Taxis/Ground Transportation</b>	\$30.10	10.9%	\$ 3.28
<b>Watches &amp; Jewelry</b>	\$23.20	6.5%	\$ 1.50
<b>Clothing</b>	\$23.10	26.3%	\$ 6.08
<b>Entertainment/Night Clubs/Casinos</b>	\$50.50	0.9%	\$ 0.45
<b>Other Purchases</b>	\$56.30	20.9%	\$11.79
<b>Perfumes &amp; Cosmetics</b>	\$16.50	1.3%	\$ 0.22
<b>Local Crafts &amp; Souvenirs</b>	\$20.50	54.8%	\$11.22
<b>Retail Purchases of Liquor</b>	\$16.80	6.7%	\$ 1.12
<b>Electronics</b>	---	---	---
<b>Telephone &amp; Internet</b>	\$40.40	0.2%	\$ 0.09
<b>Total Spend per Cruise Party</b>			<b>\$85.16</b>
<b>Average Size of a Cruise Party</b>			2.0
<b>Total Spend per Cruise Passenger</b>			<b>\$42.58</b>
<b>Cruise Passenger Onshore Visits</b>			10,778
<b>Total Cruise Passenger Expenditures</b>			<b>\$458,941</b>

For the entire 2014/2015 cruise year, the estimated 10,778 cruise passengers who visited Trinidad spent a total of **\$458,941** (\$US) in Trinidad.

Per crew spending estimates were derived from 374 surveys completed by crew members during the survey period. As shown in **Trinidad Chart 2**, each crew member spent an average of \$21.50 in Trinidad. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 68 percent of the survey respondents reported spending an average of \$16.30 for food and beverages. Spread over all the crew members that reported that they visited Trinidad; this represents an average of \$11.13 per crew member.

Expenditures by crew in Trinidad were concentrated in four categories which accounted for 84 percent of their onshore expenditures: food and beverages, ground transportation, local crafts, and other (unspecified) purchases. Combined, crew spent an average of \$18.13 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 68 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 2,515 crew who visited Trinidad spent an estimated total of **\$54,067** (\$US).

<sup>90</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**Trinidad Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
<b>F&amp;B at Restaurants &amp; Bars</b>	\$16.30	68.2%	\$11.13
<b>Taxis/Ground Transportation</b>	\$15.30	14.7%	\$ 2.26
<b>Watches &amp; Jewelry</b>	---	---	---
<b>Clothing</b>	\$16.50	7.8%	\$ 1.28
<b>Entertainment/Night Clubs/Casinos</b>	\$26.10	3.1%	\$ 0.81
<b>Other Purchases</b>	\$23.00	10.9%	\$ 2.50
<b>Shore Excursions</b>	\$10.30	1.6%	\$ 0.16
<b>Perfumes &amp; Cosmetics</b>	\$40.00	2.3%	\$ 0.93
<b>Local Crafts &amp; Souvenirs</b>	\$ 9.60	23.3%	\$ 2.24
<b>Retail Purchases of Liquor</b>	\$24.50	0.8%	\$ 0.19
<b>Electronics</b>	---	---	---
<b>Telephone &amp; Internet</b>	---	---	---
<b>Total Spend per Crew</b>			<b>\$21.50</b>
<b>Crew Visits</b>			2,515
<b>Total Crew Expenditures</b>			<b>\$54,067</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$100,000** (\$US) in Trinidad during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

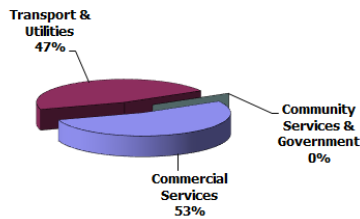
As shown in **Trinidad Chart 3**, the \$644,300 in total cruise tourism expenditures in Trinidad generated direct employment of 20 residents of Trinidad paying \$239,000 in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 30 jobs and \$370,000 million in wage income in Trinidad during the 2014/2015 cruise year.

**Trinidad Chart 3 –Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

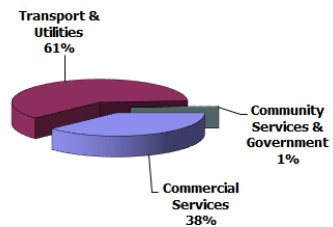
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	740	\$ 6.90
<b>Total Economic Contribution</b>	1,171	\$11.10

As shown in **Charts Trinidad 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 98 percent of the total impacts. This is not surprising since the direct impacts account for 67 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 61percent of the wage impacts but only 47 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Trinidad Chart 4 – Total Employment Impacts by Sector**



**Trinidad Chart 5 – Total Wage Impacts by Sector**





## Passenger Surveys

A total of 751 passenger surveys were completed and returned for tabulation. **Trinidad Chart 6** shows the major attributes of passenger visits to Trinidad as derived from the passenger surveys.

- Of the 751 cruise parties that completed the surveys, the majority (82%) stated that this had been their first visit to Trinidad.
- Ninety-six percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Trinidad.
- Of the cruise parties that went ashore, 62 percent made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 1.9) and spent an average of 4.0 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$38.71 while ashore.

**Trinidad Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	751	
<b>Number Making First Visit</b>	616	82%
<b>Number Ashore</b>	724	96%
<b>Number Making Onshore Purchases:</b>	449	62%
<b>Average Hours Ashore</b>	3.99	
<b>Average Size of Expenditure Party (Persons)</b>	1.90	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$38.71	
<b>Purchased a Shore Excursion (Tour)</b>	436	60%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	327	75%
<b>Onshore from Tour Operator</b>	52	12%
<b>Travel Agent</b>	57	13%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	262	60%
<b>Marine-based</b>	22	5%
<b>Land-Based</b>	35	8%
<b>Center City</b>	39	19%
<b>Other</b>	92	21%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$128.55	
<b>Toured On Own/Did not Tour</b>	288	40%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Three in five (60%) of the passengers that went ashore purchased a shore excursion. Most (75%) of passengers who purchased a tour did so through their cruise line, 12% purchased their tour onshore and 13 percent purchased their tour through their travel agent.
- Most tours (60%) were to visit “historical or cultural sites”. Another 19 percent were “center city” tours.

- The typical cruise party that purchased a shore excursion spent \$129 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Trinidad Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied/likely, and 1 being the lowest score, i.e., not at all satisfied/likely.

- Cruise passengers were very satisfied with their “overall visit” to Trinidad, giving a mean rating of 7.3. Passengers were slightly less satisfied in feeling their “visit met expectations” (6.7).
- The “initial onshore welcome” received the highest score of all visit attributes with a mean score of 8.5. The cruise passengers were also very satisfied with the “guided tours” (7.3) and the “taxis and local transportation” (7.1).

**Trinidad Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Score
Overall Visit	7.3
Visit Met Expectations	6.7
Likelihood of a Return Visit	3.5
Likelihood of Recommending	4.5
Initial Shoreside Welcome	8.5
Guided Tour	7.3
Historic Sites/Museums	6.8
Variety of Things to See and Do	6.4
Friendliness of Residents	8.4
Overall Shopping Experience	6.7
Courtesy of Employees	8.4
Variety of Shops	6.4
Overall Prices	7.1
Taxis/Local Transportation	7.1

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows: Extremely Satisfied/Likely: 10-9; Very Satisfied/Likely: 8-7; Somewhat Satisfied/Likely: 6-5; Not Too Satisfied/Likely: 4-3; Not At All Satisfied/Likely: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

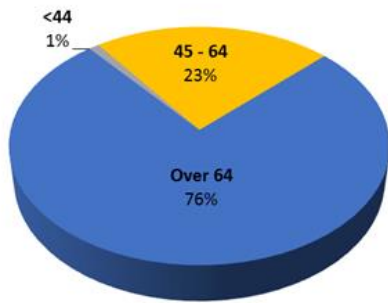
- Passenger interactions with residents and store employees were positive as the mean scores for “friendliness of residents” (8.4) and “courtesy of employees” (8.4) were both in the ‘very satisfied’ range.
- Passengers were somewhat satisfied with their “overall shopping experience” (6.7). While the “overall prices” received a mean score of 7.1, the “variety of shops” only received a 6.4 mean rating.

- Categories scoring the lowest include “likelihood of returning for a land based visit (3.5), and “likelihood of recommending” (4.5).

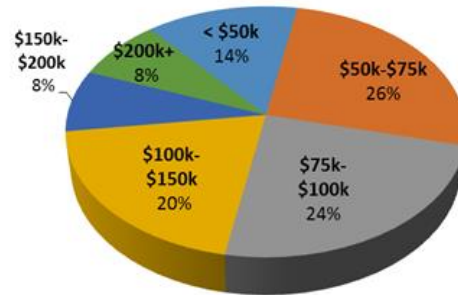
### Passenger Demographics

Residents of the United States, UK and Canada accounted for 81 percent of the responding passengers. The average age of the respondents was 68 years with two-thirds (76%) being 65 years of age or older. Trinidad passengers had an average household income of about \$99,000 with 36 percent having over \$100,000 in annual household income.

**Trinidad Chart 8 – Passenger Age Cohorts**



**Trinidad Chart 9 – Passenger Household Income**



## **Cruise Destinations of Mexico**

## Cabo San Lucas

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>91</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>91</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from API de Cabo San Lucas, 234,900 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>92</sup> Of these, an estimated 211,410 passengers (90 percent) disembarked and visited Cabo San Lucas. Utilizing additional data provided by the port administration and visiting cruise lines, 123,700 crew were aboard the cruise ships and 33 percent, or 41,100 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$22.4** million (\$US) in cruise tourism expenditures in Cabo San Lucas during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,302 surveys completed by passengers during the survey period. As shown in **Cabo San Lucas Chart 1**, each passenger cruise party spent an average of \$174.54. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 59 percent of the survey respondents reported spending an average of \$28.70 for food and beverages. Spread over the cruise parties that visited Cabo San Lucas, this represented an average of \$17.00 per party. On a per passenger basis, the average total expenditure was \$85.98. This represents the sum of per party expenditures, \$174.54, divided by the average size of a cruise party in Cabo San Lucas, 2.03 passengers.

Cruise passenger expenditures in Cabo San Lucas were concentrated in four categories which accounted for 80 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and clothing. Nearly 40 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

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<sup>92</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Just under half (4%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$107.80 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$150 per party for their tours.

**Cabo San Lucas Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>93</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$107.80	45.1%	\$48.63
F&B at Restaurants & Bars	\$ 28.70	59.3%	\$17.00
Taxis/Ground Transportation	\$ 20.40	13.4%	\$ 2.73
Watches & Jewelry	\$357.50	17.1%	\$61.20
Clothing	\$ 32.30	40.5%	\$13.11
Entertainment/Night Clubs/Casinos	\$ 69.90	0.9%	\$ 0.63
Other Purchases	\$ 64.40	21.0%	\$13.50
Perfumes & Cosmetics	\$ 33.70	1.5%	\$ 0.52
Local Crafts & Souvenirs	\$ 32.90	38.9%	\$12.79
Retail Purchases of Liquor	\$ 35.60	6.8%	\$ 2.43
Electronics	\$334.10	0.5%	\$ 1.72
Telephone & Internet	\$ 21.80	1.3%	\$ 0.28
<b>Total Spend per Cruise Party</b>			<b>\$174.54</b>
<b>Average Size of a Cruise Party</b>			2.0
<b>Total Spend per Cruise Passenger</b>			<b>\$85.98</b>
<b>Cruise Passenger Onshore Visits</b>			211,410
<b>Total Cruise Passenger Expenditures</b>			<b>\$18,177,440</b>

For the entire 2014/2015 cruise year, the estimated 211,410 cruise passengers who visited Cabo San Lucas spent a total of **\$18.2 million** (\$US) in Cabo San Lucas.

Per crew spending estimates were derived from 769 surveys completed by crew members during the survey period. As shown in **Cabo San Lucas Chart 2**, each crew member spent an average of \$49.42 in Cabo San Lucas. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 84 percent of the survey respondents reported spending an average of \$34.90 for food and beverages. Spread over all the crew members that reported that they visited Cabo San Lucas; this represents an average of \$29.17 per crew member.

Expenditures by crew in Cabo San Lucas were concentrated in three categories which accounted for 75 percent of their onshore expenditures: food and beverages, local crafts, and other (unspecified) purchases. Combined, crew spent an average of \$36.88 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 84 percent of the crew reporting the purchase of food and beverages.

<sup>93</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 41,100 crew who visited Cabo San Lucas spent an estimated total of **\$2.0 million** (\$US).

**Cabo San Lucas Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$34.90	83.5%	\$29.17
Taxis/Ground Transportation	\$12.60	24.1%	\$ 3.03
Watches & Jewelry	\$36.70	2.5%	\$ 0.93
Clothing	\$18.60	16.5%	\$ 3.06
Entertainment/Night Clubs/Casinos	\$ 9.50	0.6%	\$ 0.06
Other Purchases	\$48.60	7.3%	\$ 3.54
Shore Excursions	\$24.40	9.8%	\$ 2.39
Perfumes & Cosmetics	\$48.50	2.8%	\$ 1.38
Local Crafts & Souvenirs	\$17.60	23.7%	\$ 4.17
Retail Purchases of Liquor	\$14.20	4.4%	\$ 0.63
Electronics	\$ 9.50	0.9%	\$ 0.09
Telephone & Internet	\$12.30	7.9%	\$ 0.97
<b>Total Spend per Crew</b>			<b>\$49.42</b>
<b>Crew Visits</b>			<b>41,100</b>
<b>Total Crew Expenditures</b>			<b>\$2,031,313</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$2.2 million** (\$US) in Cabo San Lucas during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Cabo San Lucas Chart 3**, the \$22.4 million in total cruise tourism expenditures in Cabo San Lucas generated direct employment of 373 residents of Cabo San Lucas paying \$2.5 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 587 jobs and \$3.9 million in wage income in Cabo San Lucas during the 2014/2015 cruise year.

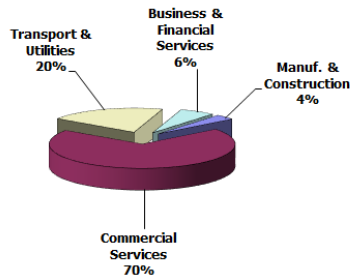


**Cabo San Lucas Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

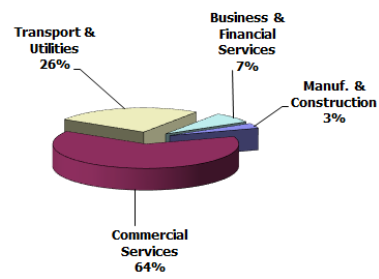
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	373	\$2.50
<b>Total Economic Contribution</b>	587	\$3.90

As shown in **Charts Cabo San Lucas 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 90 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 26 percent of the wage impacts but only 20 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Cabo San Lucas Chart 4 – Total Employment Impacts by Sector**



**Cabo San Lucas Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,302 passenger surveys were completed and returned for tabulation. **Cabo San Lucas Chart 6** shows the major attributes of passenger visits to Cabo San Lucas as derived from the passenger surveys.

- Of the 1,302 cruise parties that completed the surveys only a third (34%) stated that this had been their first visit to Cabo San Lucas.
- Eighty-seven percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Cabo San Lucas.
- Of the cruise parties that went ashore, 7 in 10 (69%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.03) and spent an average of 4.2 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$125.91 while ashore.

**Cabo San Lucas Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,302	
<b>Number Making First Visit</b>	443	34%
<b>Number Ashore</b>	1,126	87%
<b>Number Making Onshore Purchases:</b>	777	69%
<b>Average Hours Ashore</b>	4.19	
<b>Average Size of Expenditure Party (Persons)</b>	2.03	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$125.91	
<b>Purchased a Shore Excursion (Tour)</b>	508	45%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	351	69%
<b>Onshore from Tour Operator</b>	107	21%
<b>Travel Agent</b>	50	10%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	293	26%
<b>Marine-based</b>	586	52%
<b>Land-Based</b>	169	15%
<b>Center City</b>	56	5%
<b>Other</b>	135	12%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$153.79	
<b>Toured On Own/Did not Tour</b>	618	55%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Fewer than half (45%) of the passengers that went ashore purchased a shore excursion. Seventy percent (69%) of passengers who purchased a tour did so through their cruise line, 21% purchased their tour onshore and 10 percent purchased their tour through their travel agent.
- The majority (52%) of the tours purchased were “marine based activities”. Visits to “historical or cultural sites” accounted for 26 percent of all tours purchased.

- The typical cruise party that purchased a shore excursion spent \$153.79 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Cabo San Lucas Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their overall visit to Cabo San Lucas (7.7) and terms of the visit “meeting expectations” (7.1).
- “Guided Tours” (or Shore Excursions) received the highest score of all measures, with a mean score of 8.2.

### Cabo San Lucas Chart 7 – Passenger Visit Satisfaction\*

Visit Attributes	Mean Scores
Overall Visit	7.7
Visit Met Expectations	7.1
Likelihood of a Return Visit	5.3
Likelihood of Recommending	5.9
Initial Shoreside Welcome	7.9
Guided Tour	8.2
Historic Sites/Museums	6.3
Variety of Things to See and Do	7.1
Friendliness of Residents	7.9
Overall Shopping Experience	7.1
Courtesy of Employees	8.1
Variety of Shops	7.2
Overall Prices	6.8
Taxis/Local Transportation	7.0

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied: 10-9; Very Satisfied: 8-7; Somewhat Satisfied: 6-5; Not Too Satisfied: 4-3;  
 Not At All Satisfied: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

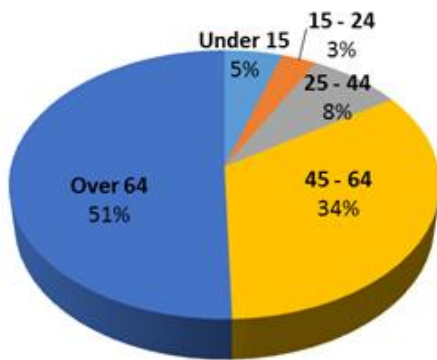
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (7.9) and “courtesy of employees” (8.1) were among the highest of all scores.
- Passengers were very satisfied with a “variety of things to see and do” (7.1) and the “taxis and local transportation” (7.0).
- Passengers also had positive experiences with their “overall shopping experience” (7.1). They recorded similar satisfaction ratings for “variety of shops” (7.2) and satisfaction with the “overall prices” (6.8).

- Cabo San Lucas also scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (5.3), and their “likelihood of recommending to a friend” (5.9).

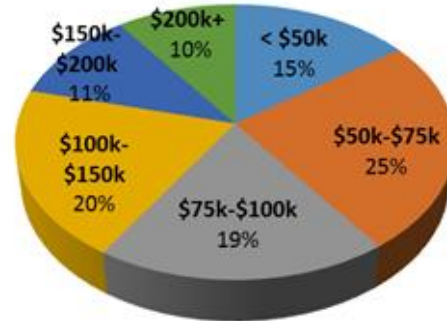
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (98%) of the responding passengers. The average age of the respondents was 59 years with half (51%) of the respondents being 65 years of age or older. Cabo San Lucas passengers had an average household income of \$104,500 with 41 percent having over \$100,000 in household income.

**Cabo San Lucas Chart 8 – Passenger Age Cohorts**



**Cabo San Lucas Chart 9 – Passenger Household Income**



## Costa Maya

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>94</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>94</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from cruise schedules and visiting cruise lines, 401,900 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>95</sup> Of these, an estimated 361,710 passengers (90 percent) disembarked and visited Costa Maya. Utilizing additional data provided by the visiting cruise lines, 155,300 crew were aboard the cruise ships and 50 percent, or 77,500 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$27.6** million (\$US) in cruise tourism expenditures in Costa Maya during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 856 surveys completed by passengers during the survey period. As shown in **Costa Maya Chart 1**, each passenger cruise party spent an average of \$126.02. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 47 percent of the survey respondents reported spending an average of \$29.50 for food and beverages. Spread over the cruise parties that visited Costa Maya, this represented an average of \$13.96 per party. On a per passenger basis, the average total expenditure was \$61.47. This represents the sum of per party expenditures, \$126.02, divided by the average size of a cruise party in Costa Maya, 2.05 passengers.

Cruise passenger expenditures in Costa Maya were concentrated in four categories which accounted for 77 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Nearly 50 percent or more of the passengers that went ashore made purchases in the following categories: food and beverages and local crafts.

Approximately one-third (33%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$71.20 per party but when

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<sup>95</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

the full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$180 per party for their tours.

**Costa Maya Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>96</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 71.20	32.5%	\$23.15
F&B at Restaurants & Bars	\$ 29.50	47.3%	\$13.96
Taxis/Ground Transportation	\$ 18.50	20.0%	\$ 3.71
Watches & Jewelry	\$130.20	20.0%	\$26.09
Clothing	\$ 60.00	39.7%	\$23.85
Entertainment/Night Clubs/Casinos	\$ 6.20	0.3%	\$ 0.02
Other Purchases	\$ 66.00	16.0%	\$10.55
Perfumes & Cosmetics	\$ 32.70	1.1%	\$ 0.37
Local Crafts & Souvenirs	\$ 39.50	60.1%	\$23.76
Retail Purchases of Liquor	\$ 28.90	1.9%	\$ 0.56
Electronics	---	---	---
Telephone & Internet	---	---	---
<b>Total Spend per Cruise Party</b>			<b>\$126.02</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$61.47</b>
<b>Cruise Passenger Onshore Visits</b>			<b>361,710</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$22,235,157</b>

For the entire 2014/2015 cruise year, the estimated 361,710 cruise passengers who visited Costa Maya spent a total of **\$22.2 million** (\$US) in Costa Maya.

Per crew spending estimates were derived from 151 surveys completed by crew members during the survey period. As shown in **Costa Maya Chart 2**, each crew member spent an average of \$44.35 in Costa Maya. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 81 percent of the survey respondents reported spending an average of \$26.20 for food and beverages. Spread over all the crew members that reported that they visited Costa Maya; this represents an average of \$21.24 per crew member.

Expenditures by crew in Costa Maya were concentrated in three categories which accounted for 71 percent of their onshore expenditures: food and beverages, ground transportation and other (unspecified) purchases. Combined, crew spent an average of \$31.33 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 81 percent of the crew reporting the purchase of food and beverages.

<sup>96</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 77,500 crew who visited Costa Maya spent an estimated total of **\$3.4 million** (\$US).

**Costa Maya Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$26.20	81.0%	\$21.24
Taxis/Ground Transportation	\$10.40	48.9%	\$ 5.06
Watches & Jewelry	\$30.00	2.3%	\$ 0.69
Clothing	\$27.80	16.7%	\$ 4.63
Entertainment/Night Clubs/Casinos	\$24.80	2.3%	\$ 0.57
Other Purchases	\$35.00	14.4%	\$ 5.03
Shore Excursions	\$26.80	2.9%	\$ 0.77
Perfumes & Cosmetics	\$39.90	6.9%	\$ 2.75
Local Crafts & Souvenirs	\$17.80	15.5%	\$ 2.76
Retail Purchases of Liquor	\$ 9.40	2.9%	\$ 0.27
Electronics	\$19.10	0.6%	\$ 0.11
Telephone & Internet	\$ 9.10	5.2%	\$ 0.47
<b>Total Spend per Crew</b>			<b>\$44.35</b>
<b>Crew Visits</b>			<b>77,500</b>
<b>Total Crew Expenditures</b>			<b>\$3,437,125</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$2.0 million** (\$US) in Costa Maya during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Costa Maya Chart 3**, the \$27.6 million in total cruise tourism expenditures in Costa Maya generated direct employment of 461 residents of Costa Maya paying \$2.8 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the



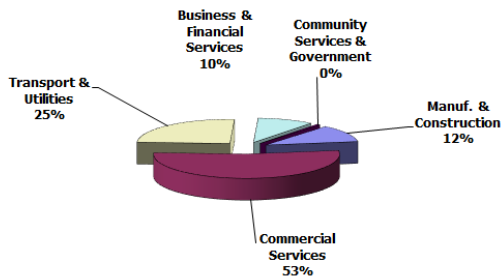
direct cruise tourism expenditures generated a total employment contribution of 726 jobs and \$4.5 million in wage income in Costa Maya during the 2014/2015 cruise year.

**Costa Maya Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

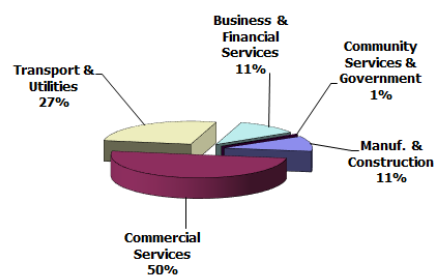
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	461	\$2.80
<b>Total Economic Contribution</b>	726	\$4.50

As shown in **Charts Costa Maya 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 77 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors.

**Costa Maya Chart 4 – Total Employment Impacts by Sector**



**Costa Maya Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 856 passenger surveys were completed and returned for tabulation. **Costa Maya Chart 6** shows the major attributes of passenger visits to Costa Maya as derived from the passenger surveys.

- Of the 856 cruise parties that completed the surveys two-thirds (76%) stated that this had been their first visit to Costa Maya.
- Ninety-five percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Costa Maya.
- Of the cruise parties that went ashore, three-quarters (76%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.05) and spent an average of 3.8 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$102.87 while ashore.

### Costa Maya Chart 6 – Major Attributes of Passenger Surveys

	Number	Percent
<b>Total Respondents</b>	856	
<b>Number Making First Visit</b>	651	76%
<b>Number Ashore</b>	816	95%
<b>Number Making Onshore Purchases:</b>	619	76%
<b>Average Hours Ashore</b>	3.75	
<b>Average Size of Expenditure Party (Persons)</b>	2.05	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$102.87	
<b>Purchased a Shore Excursion (Tour)</b>	265	33%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	212	80%
<b>Onshore from Tour Operator</b>	19	7%
<b>Travel Agent</b>	34	13%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	140	53%
<b>Marine-based</b>	53	20%
<b>Land-Based</b>	42	16%
<b>Center City</b>	5	2%
<b>Other</b>	37	14%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$182.20	
<b>Toured On Own/Did not Tour</b>	550	68%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Only a third (33%) of the passengers that went ashore purchased a shore excursion. The majority (80%) of passengers who purchased a tour did so through their cruise line, 7% purchased their tour onshore and 13 percent purchased their tour through their travel agent.

- Most (53%) of the tours purchased were visits to “historical or cultural sites”, while 1 in 5 (20%) were “marine based activities” or “land based activities” (16%).
- The typical cruise party that purchased a shore excursion spent \$182.20 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Costa Maya Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- While cruise passengers were very satisfied with their overall visit to Costa Maya (7.0) they were slightly less satisfied terms of the visit “meeting expectations” (6.4).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.6, and “historical sites and museums” rated high with a 7.9, thus passengers were very satisfied with their on-shore tours.

**Costa Maya Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	7.0
Visit Met Expectations	6.4
Likelihood of a Return Visit	4.1
Likelihood of Recommending	4.6
Initial Shoreside Welcome	7.6
Guided Tour	8.6
Historic Sites/Museums	7.9
Variety of Things to See and Do	6.0
Friendliness of Residents	7.9
Overall Shopping Experience	6.6
Courtesy of Employees	7.5
Variety of Shops	6.6
Overall Prices	6.1
Taxis/Local Transportation	7.5

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied: 10-9; Very Satisfied: 8-7; Somewhat Satisfied: 6-5; Not Too Satisfied: 4-3;  
 Not At All Satisfied: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

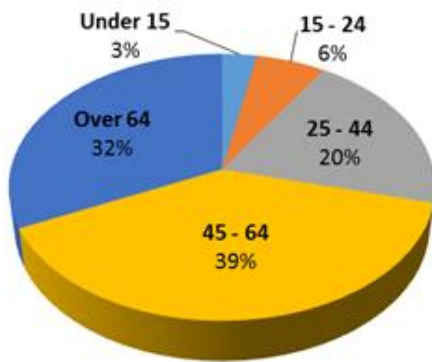
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.4) and “courtesy of employees” (8.4) were high.

- Passengers were also very satisfied with a “taxis and local transportation” (7.5)
- Passengers were somewhat satisfied with their “overall shopping experience” (6.6). They recorded similar satisfaction ratings for “variety of shops” (6.6) and satisfaction with the “overall prices” (6.1).
- Costa Maya also scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (4.1), and their “likelihood of recommending to a friend” (4.6).

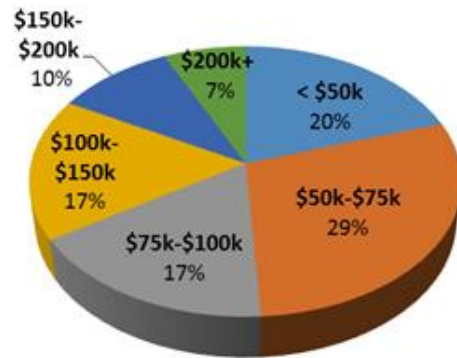
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 93 percent of the responding passengers. The average age of the respondents was 52 years with a third (32%) of the respondents being 65 years of age or older. Costa Maya passengers had an average household income of \$93,600 with 34 percent having over \$100,000 in household income.

**Costa Maya Chart 8 – Passenger Age Cohorts**



**Costa Maya Chart 9 – Passenger Household Income**



## Cozumel

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>97</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>97</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data published by the Caribbean Tourism Organization and cruise ship schedules, we have estimated that 2.97 million cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>98</sup> Of these, an estimated 2.54 million passengers (85 percent) disembarked and visited Cozumel. Utilizing additional data provided by the visiting cruise lines, 1.22 million crew were aboard the cruise ships and 44 percent, or 533,381, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$365.5** million (\$US) in cruise tourism expenditures in Cozumel during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,110 surveys completed by passengers during the survey period. As shown in **Cozumel Chart 1**, each passenger cruise party spent an average of \$240.98. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 56 percent of the survey respondents reported spending an average of \$34.60 for food and beverages. Spread over the cruise parties that visited Cozumel, this represented an average of \$19.30 per party. On a per passenger basis, the average total expenditure was \$119.89. This represents the sum of per party expenditures, \$240.98, divided by the average size of a cruise party in Cozumel, 2.01 passengers.

Cruise passenger expenditures in Cozumel were concentrated in four categories which accounted for 74 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and clothing. Nearly 50 percent or more of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

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<sup>98</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Just over half (51%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$83.50 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of nearly \$160 per party for their tours.

**Cozumel Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>99</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 83.50	51.0%	\$42.60
F&B at Restaurants & Bars	\$ 34.60	55.7%	\$19.30
Taxis/Ground Transportation	\$ 30.30	26.9%	\$ 8.13
Watches & Jewelry	\$264.30	35.1%	\$92.79
Clothing	\$ 49.40	48.4%	\$23.90
Entertainment/Night Clubs/Casinos	\$ 67.00	1.5%	\$ 0.98
Other Purchases	\$ 72.70	27.8%	\$20.21
Perfumes & Cosmetics	\$ 84.00	4.7%	\$ 3.91
Local Crafts & Souvenirs	\$ 35.90	49.9%	\$17.89
Retail Purchases of Liquor	\$ 59.50	18.4%	\$10.91
Electronics	\$ 15.00	0.3%	\$ 0.04
Telephone & Internet	\$ 20.10	1.6%	\$ 0.32
<b>Total Spend per Cruise Party</b>			<b>\$240.98</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$119.89</b>
<b>Cruise Passenger Onshore Visits</b>			<b>2,538,088</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$304,292,752</b>

For the entire 2014/2015 cruise year, the estimated 2.54 million cruise passengers who visited Cozumel spent a total of **\$304.3 million** (\$US) in Cozumel.

Per crew spending estimates were derived from 776 surveys completed by crew members during the survey period. As shown in **Cozumel Chart 2**, each crew member spent an average of \$52.02 in Cozumel. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 84 percent of the survey respondents reported spending an average of \$30.00 for food and beverages. Spread over all the crew members that reported that they visited Cozumel; this represents an average of \$25.18 per crew member.

Expenditures by crew in Cozumel were concentrated in three categories which accounted for 67 percent of their onshore expenditures: food and beverages, ground transportation, and other (unspecified) purchases. Combined, crew spent an average of \$40.80 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 78 percent of the crew reporting the purchase of food and beverages.

<sup>99</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 533,381 crew who visited Cozumel spent an estimated total of **\$27.7 million** (\$US).

#### Cozumel Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$30.00	83.9%	\$25.18
Taxis/Ground Transportation	\$13.10	32.6%	\$ 4.28
Watches & Jewelry	\$50.40	4.2%	\$ 2.13
Clothing	\$26.20	11.0%	\$ 2.88
Entertainment/Night Clubs/Casinos	\$39.40	2.6%	\$ 1.01
Other Purchases	\$67.70	16.7%	\$11.34
Shore Excursions	\$28.60	2.4%	\$ 0.69
Perfumes & Cosmetics	\$37.10	5.3%	\$ 1.96
Local Crafts & Souvenirs	\$17.50	8.0%	\$ 1.40
Retail Purchases of Liquor	\$18.20	2.4%	\$ 0.44
Electronics	\$15.50	0.9%	\$ 0.14
Telephone & Internet	\$11.80	4.8%	\$ 0.57
<b>Total Spend per Crew</b>			<b>\$52.02</b>
<b>Crew Visits</b>			533,381
<b>Total Crew Expenditures</b>			<b>\$27,746,470</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$33.5 million** (\$US) in Cozumel during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

### Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Cozumel Chart 3**, the \$365.5 million in total cruise tourism expenditures in Cozumel generated direct employment of 6,114 residents of Cozumel paying \$37.9 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the



direct cruise tourism expenditures generated a total employment contribution of 9,727 jobs and \$61.0 million in wage income in Cozumel during the 2014/2015 cruise year.

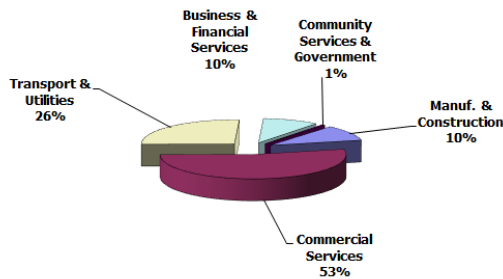
**Cozumel Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	6,114	\$37.9
<b>Total Economic Contribution</b>	9,727	\$61.0

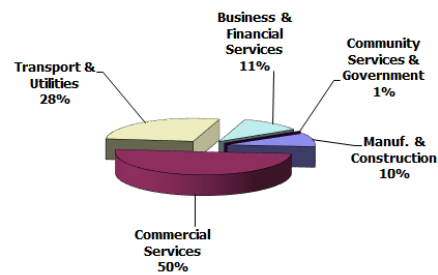
As shown in **Charts Cozumel 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 80 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors.

As shown in **Charts Cozumel 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 80 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors.

**Cozumel Chart 4 – Total Employment Impacts by Sector**



**Cozumel Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,110 passenger surveys were completed and returned for tabulation. **Cozumel Chart 6** shows the major attributes of passenger visits to Cozumel as derived from the passenger surveys.

- Of the 1,110 cruise parties that completed the surveys 2 in 5 half (40%) stated that this had been their first visit to Cozumel.
- Ninety-4 percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Cozumel.
- Of the cruise parties that went ashore, about three-quarters (72%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.0) and spent an average of 4.8 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$198.38.72 while ashore.

### Cozumel Chart 6 – Major Attributes of Passenger Surveys

	Number	Percent
<b>Total Respondents</b>	1,110	
<b>Number Making First Visit</b>	444	40%
<b>Number Ashore</b>	1,045	94%
<b>Number Making Onshore Purchases:</b>	752	72%
<b>Average Hours Ashore</b>	4.77	
<b>Average Size of Expenditure Party (Persons)</b>	2.01	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$198.38	
<b>Purchased a Shore Excursion (Tour)</b>	533	51%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	437	82%
<b>Onshore from Tour Operator</b>	37	7%
<b>Travel Agent</b>	59	11%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	229	43%
<b>Marine-based</b>	155	29%
<b>Land-Based</b>	85	16%
<b>Center City</b>	16	3%
<b>Other</b>	85	16%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$159.96	
<b>Toured On Own/Did not Tour</b>	512	49%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Half (51%) of the passengers that went ashore purchased a shore excursion. Four in five (82%) of passengers who purchased a tour did so through their cruise line, 7% purchased their tour onshore and 11 percent purchased their tour through their travel agent.
- Most (43%) of the tours purchased were visits to “historical or cultural sites”, while nearly a third (29%) were “marine based activities”.

- The typical cruise party that purchased a shore excursion spent \$159.96 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Cozumel Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their overall visit to Cozumel (8.1) and in terms of the visit “meeting expectations” (7.5).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.8, the highest of all attributes rates, while ‘historic sites and museums’ was rated among the highest with an 8.1 rating. Thus, visitors were very satisfied with their on-shore tours.

**Cozumel Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	8.1
Visit Met Expectations	7.5
Likelihood of a Return Visit	5.1
Likelihood of Recommending	5.9
Initial Shoreside Welcome	8.0
Guided Tour	8.8
Historic Sites/Museums	8.1
Variety of Things to See and Do	7.6
Friendliness of Residents	8.3
Overall Shopping Experience	7.4
Courtesy of Employees	8.2
Variety of Shops	7.5
Overall Prices	7.0
Taxis/Local Transportation	7.8

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied: 10-9; Very Satisfied: 8-7; Somewhat Satisfied: 6-5; Not Too Satisfied: 4-3;  
 Not At All Satisfied: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

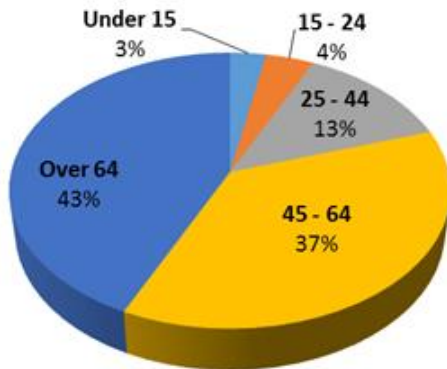
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.3) and “courtesy of employees” (8.2) were high.
- Passengers were also very satisfied with their “initial onshore welcome” (8.0), a “variety of things to see and do” (7.6) and “taxis and local transportation” (7.8).

- Passengers were also very satisfied with all aspects of their shopping in Cozumel. Ratings for the “overall shopping experience” (7.4), a “variety of shops” (7.5) and satisfaction with the “overall prices” (7.0) were all in the ‘very satisfied’ range.
- Cozumel also scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (5.1), and their “likelihood of recommending to a friend” (5.9), however both of these mean scores were in the ‘somewhat likely’ range.

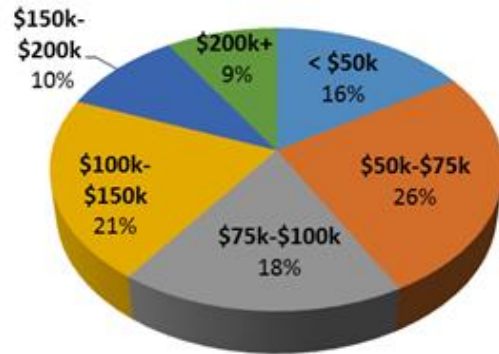
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (96%) of the responding passengers. The average age of the respondents was 57 years with 43 percent of the respondents being 65 years of age or older. Cozumel passengers had an average household income of \$103,300 with 40 percent having over \$100,000 in household income.

**Cozumel Chart 8 – Passenger Age Cohorts**



**Cozumel Chart 9 – Passenger Household Income**



## Ensenada

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>100</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>100</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the API de Ensenada, 678,563 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>101</sup> Of these, an estimated 610,707 passengers (90 percent) disembarked and visited Ensenada. Utilizing additional data provided by the port administration and visiting cruise lines, 254,465 crew were aboard the cruise ships and 37 percent, or 95,100, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$52.7** million (\$US) in cruise tourism expenditures in Ensenada during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 741 surveys completed by passengers during the survey period. As shown in **Ensenada Chart 1**, each passenger cruise party spent an average of \$141.93. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 53 percent of the survey respondents reported spending an average of \$38.10 for food and beverages. Spread over the cruise parties that visited Ensenada, this represented an average of \$20.14 per party. On a per passenger basis, the average total expenditure was \$65.10. This represents the sum of per party expenditures, \$141.93, divided by the average size of a cruise party in Ensenada, 2.18 passengers.

Cruise passenger expenditures in Ensenada were concentrated in four categories which accounted for 65 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and local crafts. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, food and beverages and local crafts.

Just under half (47%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$71.40 per party but when the

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<sup>101</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$115 per party for their tours.

**Ensenada Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>102</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 71.40	47.3%	\$33.76
F&B at Restaurants & Bars	\$ 38.10	52.8%	\$20.14
Taxis/Ground Transportation	\$ 15.70	29.7%	\$ 4.68
Watches & Jewelry	\$ 99.90	20.9%	\$20.88
Clothing	\$ 38.60	33.2%	\$12.82
Entertainment/Night Clubs/Casinos	\$114.20	2.8%	\$ 3.20
Other Purchases	\$ 71.40	20.0%	\$14.31
Perfumes & Cosmetics	\$ 48.70	5.6%	\$ 2.73
Local Crafts & Souvenirs	\$ 36.30	51.5%	\$18.70
Retail Purchases of Liquor	\$ 42.10	20.9%	\$ 8.81
Electronics	\$181.00	0.9%	\$ 1.56
Telephone & Internet	\$ 17.50	1.9%	\$ 0.34
<b>Total Spend per Cruise Party</b>			<b>\$141.93</b>
<b>Average Size of a Cruise Party</b>			<b>2.2</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$65.10</b>
<b>Cruise Passenger Onshore Visits</b>			<b>610,707</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$39,759,033</b>

For the entire 2014/2015 cruise year, the estimated 610,707 cruise passengers who visited Ensenada spent a total of **\$39.8 million** (\$US) in Ensenada.

Per crew spending estimates were derived from 685 surveys completed by crew members during the survey period. As shown in **Ensenada Chart 2**, each crew member spent an average of \$40.37 in Ensenada. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 84 percent of the survey respondents reported spending an average of \$19.40 for food and beverages. Spread over all the crew members that reported that they visited Ensenada; this represents an average of \$16.23 per crew member.

Expenditures by crew in Ensenada were concentrated in three categories which accounted for 65 percent of their onshore expenditures: food and beverages, clothing, and other (unspecified) purchases. Combined, crew spent an average of \$26.12 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 84 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 95,100 crew who visited Ensenada spent an estimated total of **\$3.8 million** (\$US).

<sup>102</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**Ensenada Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
<b>F&amp;B at Restaurants &amp; Bars</b>	\$19.40	83.9%	\$16.23
<b>Taxis/Ground Transportation</b>	\$ 6.60	36.8%	\$ 2.43
<b>Watches &amp; Jewelry</b>	\$53.80	4.3%	\$ 2.32
<b>Clothing</b>	\$35.50	12.0%	\$ 4.26
<b>Entertainment/Night Clubs/Casinos</b>	\$54.40	2.6%	\$ 1.43
<b>Other Purchases</b>	\$50.90	11.1%	\$ 5.63
<b>Shore Excursions</b>	\$12.70	8.8%	\$ 1.12
<b>Perfumes &amp; Cosmetics</b>	\$37.60	6.9%	\$ 2.61
<b>Local Crafts &amp; Souvenirs</b>	\$22.80	7.3%	\$ 1.67
<b>Retail Purchases of Liquor</b>	\$21.80	4.5%	\$ 0.98
<b>Electronics</b>	\$26.70	1.1%	\$ 0.30
<b>Telephone &amp; Internet</b>	\$ 9.10	15.2%	\$ 1.39
<b>Total Spend per Crew</b>			<b>\$40.37</b>
<b>Crew Visits</b>			95,100
<b>Total Crew Expenditures</b>			<b>\$3,839,187</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$9.1 million** (\$US) in Ensenada during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## **Economic Contribution of Cruise Tourism Expenditures**

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Ensenada Chart 3**, the \$52.7 million in total cruise tourism expenditures in Ensenada generated direct employment of 855 residents of Ensenada paying \$5.8 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 1,370 jobs and \$9.5 million in wage income in Ensenada during the 2014/2015 cruise year.

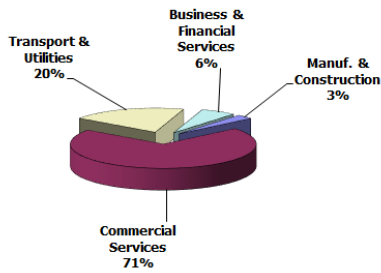


**Ensenada Chart 3 –Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

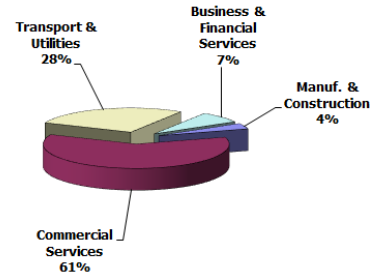
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	855	\$5.80
<b>Total Economic Contribution</b>	1,370	\$9.50

As shown in **Charts Ensenada 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 90 percent of the total impacts. This is not surprising since the direct impacts account for nearly 65 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 28 percent of the wage impacts but only 20 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Ensenada Chart 4 – Total Employment Impacts by Sector**



**Ensenada Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 741 passenger surveys were completed and returned for tabulation. **Ensenada Chart 6** shows the major attributes of passenger visits to Ensenada as derived from the passenger surveys.

- Of the 741 cruise parties that completed the surveys just over half (54%) stated that this had been their first visit to Ensenada.
- Eighty-three percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Ensenada.
- Of the cruise parties that went ashore, three-quarters (76%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.2) and spent an average of 3.8 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$108.17 while ashore.

**Ensenada Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	741	
<b>Number Making First Visit</b>	400	54%
<b>Number Ashore</b>	611	83%
<b>Number Making Onshore Purchases:</b>	464	76%
<b>Average Hours Ashore</b>	3.8	
<b>Average Size of Expenditure Party (Persons)</b>	2.2	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$108.17	
<b>Purchased a Shore Excursion (Tour)</b>	289	47%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	188	65%
<b>Onshore from Tour Operator</b>	69	24%
<b>Travel Agent</b>	32	11%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	226	37%
<b>Marine-based</b>	24	4%
<b>Land-Based</b>	202	33%
<b>Center City</b>	98	16%
<b>Other</b>	104	17%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$116.47	
<b>Toured On Own/Did not Tour</b>	322	57%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- About half (47%) of the passengers that went ashore purchased a shore excursion. Most (65%) of passengers who purchased a tour did so through their cruise line, a quarter (24%) purchased their tour onshore and 11 percent purchased their tour through their travel agent.

- An equal percent of the tours purchased were visits to “historical or cultural sites” (37%) or “land based activities” (33%). Fewer purchased “marine based activities” (4%) or “center city tours” (16%).
- The typical cruise party that purchased a shore excursion spent \$116.47 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Ensenada Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their overall visit to Ensenada (7.6) and terms of the visit “meeting expectations” (7.1).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.3.

**Ensenada Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	7.6
Visit Met Expectations	7.1
Likelihood of a Return Visit	5.1
Likelihood of Recommending	5.3
Initial Shoreside Welcome	7.9
Guided Tour	8.3
Historic Sites/Museums	7.3
Variety of Things to See and Do	6.8
Friendliness of Residents	7.9
Overall Shopping Experience	7.4
Courtesy of Employees	8.1
Variety of Shops	7.3
Overall Prices	7.3
Taxis/Local Transportation	7.9

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied: 10-9; Very Satisfied: 8-7; Somewhat Satisfied: 6-5; Not Too Satisfied: 4-3;  
 Not At All Satisfied: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (7.9) and “courtesy of employees” (8.1) were high.
- Passengers were also very satisfied with their shopping experience, as the “overall shopping experience” had a mean rating of (7.4). In addition, passengers recorded

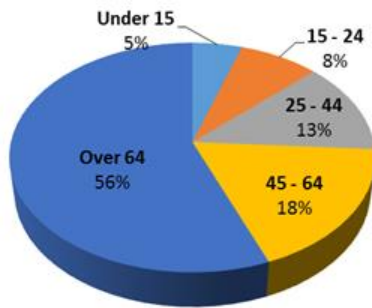
similar satisfaction ratings for “variety of shops” (7.3) and satisfaction with the “overall prices” (7.3).

- Ensenada scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (5.1), and their “likelihood of recommending to a friend” (5.3).

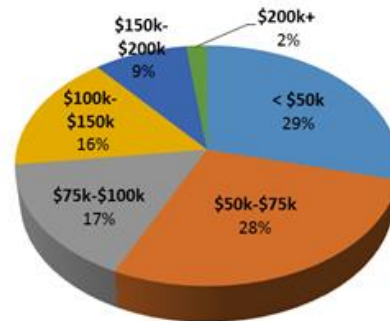
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (97%) of the responding passengers. The average age of the respondents was 56 years with 56 percent of the respondents being 65 years of age or older. Ensenada passengers had an average household income of \$89,750 with 27 percent having over \$100,000 in household income.

**Ensenada Chart 8 – Passenger Age Cohorts**



**Ensenada Chart 9 – Passenger Household Income Cohorts**



## Mazatlan

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>103</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>103</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the API de Mazatlan, 121,549 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>104</sup> Of these, an estimated 109,394 passengers (90 percent) disembarked and visited Mazatlan. Utilizing additional data provided by the port administration and visiting cruise lines, 46,693 crew were aboard the cruise ships and 37 percent, or 17,500 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$9.4** million (\$US) in cruise tourism expenditures in Mazatlan during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,389 surveys completed by passengers during the survey period. As shown in **Mazatlan Chart 1**, each passenger cruise party spent an average of \$134.24. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 56 percent of the survey respondents reported spending an average of \$27.50 for food and beverages. Spread over the cruise parties that visited Mazatlan, this represented an average of \$15.42 per party. On a per passenger basis, the average total expenditure was \$64.85. This represents the sum of per party expenditures, \$134.24, divided by the average size of a cruise party in Mazatlan, 2.07 passengers.

Cruise passenger expenditures in Mazatlan were concentrated in four categories which accounted for 69 percent of their onshore expenditures: shore excursions, food and beverages, watches and jewelry, and local crafts. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

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<sup>104</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Just over half (54%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$71.70 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$120 per party for their tours.

**Mazatlan Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>105</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 71.70	53.7%	\$38.52
F&B at Restaurants & Bars	\$ 27.50	56.2%	\$15.42
Taxis/Ground Transportation	\$ 24.40	33.0%	\$ 8.04
Watches & Jewelry	\$105.60	19.9%	\$21.00
Clothing	\$ 32.10	41.3%	\$13.25
Entertainment/Night Clubs/Casinos	\$ 30.30	1.0%	\$ 0.29
Other Purchases	\$ 89.90	17.8%	\$15.97
Perfumes & Cosmetics	\$ 27.20	2.0%	\$ 0.55
Local Crafts & Souvenirs	\$ 33.80	53.8%	\$18.21
Retail Purchases of Liquor	\$ 35.80	8.2%	\$ 2.93
Electronics	---	---	---
Telephone & Internet	\$ 6.30	1.0%	\$ 0.06
<b>Total Spend per Cruise Party</b>			<b>\$134.24</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$64.85</b>
<b>Cruise Passenger Onshore Visits</b>			<b>109,394</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$7,094,171</b>

For the entire 2014/2015 cruise year, the estimated 109,394 cruise passengers who visited Mazatlan spent a total of **\$7.1 million** (\$US) in Mazatlan.

Per crew spending estimates were derived from 245 surveys completed by crew members during the survey period. As shown in **Mazatlan Chart 2**, each crew member spent an average of \$42.70 in Mazatlan. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 76 percent of the survey respondents reported spending an average of \$26.60 for food and beverages. Spread over all the crew members that reported that they visited Mazatlan; this represents an average of \$20.25 per crew member.

Expenditures by crew in Mazatlan were concentrated in three categories which accounted for 69 percent of their onshore expenditures: food and beverages, ground transportation and clothing. Combined, crew spent an average of \$29.46 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 76 percent of the crew reporting the purchase of food and beverages.

<sup>105</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

For the entire 2014/2015 cruise year, the estimated 17,500 crew who visited Mazatlan spent an estimated total of **\$0.7 million** (\$US).

**Mazatlan Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$26.60	76.2%	\$20.25
Taxis/Ground Transportation	\$10.30	46.7%	\$ 4.79
Watches & Jewelry	\$29.90	3.8%	\$ 1.14
Clothing	\$33.20	13.3%	\$ 4.42
Entertainment/Night Clubs/Casinos	\$26.60	2.9%	\$ 0.76
Other Purchases	\$30.80	16.2%	\$ 4.98
Shore Excursions	\$ 3.70	1.9%	\$ 0.07
Perfumes & Cosmetics	\$50.60	6.7%	\$ 3.37
Local Crafts & Souvenirs	\$16.60	14.3%	\$ 2.37
Retail Purchases of Liquor	\$ 5.30	1.0%	\$ 0.05
Electronics	\$20.00	1.0%	\$ 0.19
Telephone & Internet	\$ 8.10	3.8%	\$ 0.31
<b>Total Spend per Crew</b>			<b>\$42.70</b>
<b>Crew Visits</b>			<b>17,500</b>
<b>Total Crew Expenditures</b>			<b>\$747,250</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$1.6 million** (\$US) in Mazatlan during the 2014/2015 cruise year. Nearly all of these expenditures were payments for port fees and taxes and navigation services.

## Economic Contribution of Cruise Tourism Expenditures

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Mazatlan Chart 3**, the \$9.4 million in total cruise tourism expenditures in Mazatlan generated direct employment of 181 residents of Mazatlan paying \$1.0 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the



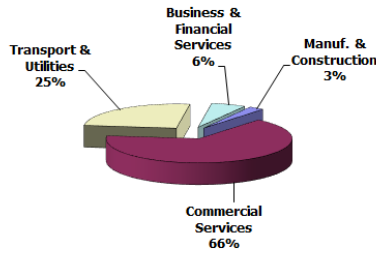
direct cruise tourism expenditures generated a total employment contribution of 268 jobs and \$1.5 million in wage income in Mazatlan during the 2014/2015 cruise year.

**Mazatlan Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

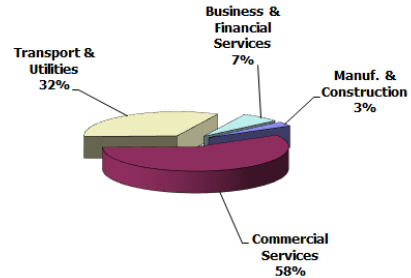
	Employment	Wage Income (\$US Millions)
Direct Economic Contribution	181	\$1.00
Total Economic Contribution	268	\$1.50

As shown in **Charts Mazatlan 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 90 percent of the total impacts. This is not surprising since the direct impacts account for nearly 70 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 32 percent of the wage impacts but only 25 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Mazatlan Chart 4 – Total Employment Impacts by Sector**



**Mazatlan Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,389 passenger surveys were completed and returned for tabulation. **Mazatlan Chart 6** shows the major attributes of passenger visits to Mazatlan as derived from the passenger surveys.

- Of the 1,389 cruise parties that completed the surveys 3 in 5 (54%) stated that this had been their first visit to Mazatlan.
- Eighty-eight percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Mazatlan.
- Of the cruise parties that went ashore, three-quarters (77%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.1) and spent an average of 3.5 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$95.72 while ashore.

**Mazatlan Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,389	
<b>Number Making First Visit</b>	750	54%
<b>Number Ashore</b>	1,221	88%
<b>Number Making Onshore Purchases:</b>	940	77%
<b>Average Hours Ashore</b>	3.50	
<b>Average Size of Expenditure Party (Persons)</b>	2.07	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$95.72	
<b>Purchased a Shore Excursion (Tour)</b>	656	54%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	466	71%
<b>Onshore from Tour Operator</b>	112	17%
<b>Travel Agent</b>	78	12%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	574	47%
<b>Marine-based</b>	98	8%
<b>Land-Based</b>	171	14%
<b>Center City</b>	354	29%
<b>Other</b>		15%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$114.36	
<b>Toured On Own/Did not Tour</b>	565	46%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- More than half (54%) of the passengers that went ashore purchased a shore excursion. Seven in ten (71%) of passengers who purchased a tour did so through their cruise line, 17 percent purchased their tour onshore and 12 percent purchased their tour through their travel agent.
- Most (47%) of the tours purchased were visits to “historical or cultural sites”, while nearly a third (29%) were “center city” tours.

- The typical cruise party that purchased a shore excursion spent \$114.36 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Mazatlan Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their “overall visit” to Mazatlan (8.1) and terms of the visit “meeting expectations” (7.6).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.5, while “historic sites and museums” received a mean rating of 8.0. Thus, passengers were very satisfied with their onshore tours.

**Mazatlan Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	8.1
Visit Met Expectations	7.6
Likelihood of a Return Visit	4.9
Likelihood of Recommending	5.7
Initial Shoreside Welcome	8.4
Guided Tour	8.5
Historic Sites/Museums	8.0
Variety of Things to See and Do	7.6
Friendliness of Residents	8.6
Overall Shopping Experience	7.6
Courtesy of Employees	8.4
Variety of Shops	7.5
Overall Prices	7.7
Taxis/Local Transportation	8.2

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied: 10-9; Very Satisfied: 8-7; Somewhat Satisfied: 6-5; Not Too Satisfied: 4-3;  
 Not At All Satisfied: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

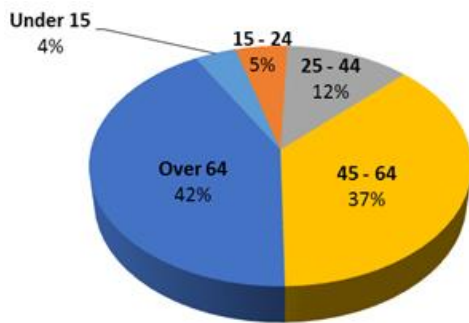
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.6) and “courtesy of employees” (8.4) were each among the highest of all attribute ratings in Mazatlan.
- Passengers were also very satisfied with a “variety of things to see and do” (7.6) and the “overall shopping experience” (7.6). Passengers recorded similar satisfaction ratings for “variety of shops” (7.5) and satisfaction with the “overall prices” (7.7).

- Mazatlan also scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (4.9), and their “likelihood of recommending to a friend” (5.7).

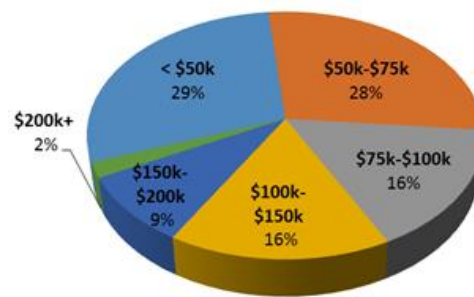
## Passenger Demographics

Residents of the United States, UK and Canada accounted for virtually all (98%) of the responding passengers in Mazatlan. The average age of the respondents was 56 years with 42 percent of the respondents being 65 years of age or older. Mazatlan passengers had an average household income of \$107,200 with 41 percent having over \$100,000 in household income.

**Mazatlan Chart 8 – Passenger Age Cohorts**



**Mazatlan Chart 9 – Passenger Household Income**



## Progreso

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>106</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>106</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the API de Progreso, 321,575 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>107</sup> Of these, an estimated 289,418 passengers (90 percent) disembarked and visited Progreso. Utilizing additional data provided by the port administration and visiting cruise lines, 113,600 crew were aboard the cruise ships and 35 percent, or 40,200 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$23.9** million (\$US) in cruise tourism expenditures in Progreso during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,402 surveys completed by passengers during the survey period. As shown in **Progreso Chart 1**, each passenger cruise party spent an average of \$121.54. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 50 percent of the survey respondents reported spending an average of \$23.70 for food and beverages. Spread over the cruise parties that visited Progreso, this represented an average of \$11.96 per party. On a per passenger basis, the average total expenditure was \$64.88. This represents the sum of per party expenditures, \$121.54, divided by the average size of a cruise party in Progreso, 2.1 passengers.

Cruise passenger expenditures in Progreso were concentrated in four categories which accounted for 72 percent of their onshore expenditures: shore excursions, food and beverages, clothing and local crafts. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, clothing, food and beverages and local crafts.

Just over half (54%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$66.40 per party but when the

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<sup>107</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$120 per party for their tours.

**Progreso Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>108</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 66.40	54.4%	\$36.16
F&B at Restaurants & Bars	\$ 23.70	50.4%	\$11.96
Taxis/Ground Transportation	\$ 22.80	8.3%	\$ 1.90
Watches & Jewelry	\$ 59.50	17.2%	\$10.23
Clothing	\$ 35.50	46.1%	\$16.37
Entertainment/Night Clubs/Casinos	\$ 76.40	0.6%	\$ 0.45
Other Purchases	\$ 80.50	20.2%	\$16.28
Perfumes & Cosmetics	\$ 67.10	2.7%	\$ 1.78
Local Crafts & Souvenirs	\$ 38.60	58.6%	\$22.64
Retail Purchases of Liquor	\$ 32.80	10.8%	\$ 3.54
Electronics	\$132.30	0.1%	\$ 0.13
Telephone & Internet	\$ 33.90	0.3%	\$ 0.10
<b>Total Spend per Cruise Party</b>			<b>\$121.54</b>
<b>Average Size of a Cruise Party</b>			<b>2.1</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$57.88</b>
<b>Cruise Passenger Onshore Visits</b>			<b>289,418</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$16,751,002</b>

For the entire 2014/2015 cruise year, the estimated 289,418 cruise passengers who visited Progreso spent a total of **\$16.8 million** (\$US) in Progreso.

Per crew spending estimates were derived from 100 surveys completed by crew members during the survey period. As shown in **Progreso Chart 2**, each crew member spent an average of \$44.35 in Progreso. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 81 percent of the survey respondents reported spending an average of \$26.20 for food and beverages. Spread over all the crew members that reported that they visited Progreso; this represents an average of \$21.24 per crew member.

Expenditures by crew in Progreso were concentrated in three categories which accounted for 71 percent of their onshore expenditures: food and beverages, ground transportation, and other (unspecified) purchases. Combined, crew spent an average of \$31.33 for goods in these three categories. Purchases of food and beverages were the most popular expenditure item with 81 percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 40,200 crew who visited Progreso spent an estimated total of **\$1.8 million** (\$US).

<sup>108</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

**Progreso Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
F&B at Restaurants & Bars	\$26.20	81.0%	\$21.24
Taxis/Ground Transportation	\$10.40	48.9%	\$ 5.06
Watches & Jewelry	\$30.00	2.3%	\$ 0.69
Clothing	\$27.80	16.7%	\$ 4.63
Entertainment/Night Clubs/Casinos	\$24.80	2.3%	\$ 0.57
Other Purchases	\$35.00	14.4%	\$ 5.03
Shore Excursions	\$26.80	2.9%	\$ 0.77
Perfumes & Cosmetics	\$39.90	6.9%	\$ 2.75
Local Crafts & Souvenirs	\$17.80	15.5%	\$ 2.76
Retail Purchases of Liquor	\$ 9.40	2.9%	\$ 0.27
Electronics	\$19.10	0.6%	\$ 0.11
Telephone & Internet	\$ 9.10	5.2%	\$ 0.47
<b>Total Spend per Crew</b>			<b>\$44.35</b>
<b>Crew Visits</b>			40,200
<b>Total Crew Expenditures</b>			<b>\$1,782,870</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$5.4 million** (\$US) in Progreso during the 2014/2015 cruise year. Approximately 85 percent of these expenditures were payments for port fees and taxes and navigation services with the remaining 15% spent on provisions and supplies.

### **Economic Contribution of Cruise Tourism Expenditures**

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.

As shown in **Progreso Chart 3**, the \$23.9 million in total cruise tourism expenditures in Progreso generated direct employment of 438 residents of Progreso paying \$2.6 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 609 jobs and \$3.6 million in wage income in Progreso during the 2014/2015 cruise year.

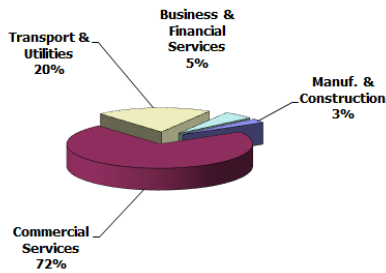


**Progreso Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

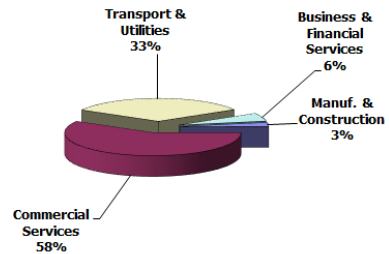
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	438	\$2.60
<b>Total Economic Contribution</b>	609	\$3.60

As shown in **Charts Progreso 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 90 percent of the total impacts. This is not surprising since the direct impacts account for over 70 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 33 percent of the wage impacts but only 20 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Progreso Chart 4 – Total Employment Impacts by Sector**



**Progreso Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,402 passenger surveys were completed and returned for tabulation. **Progreso Chart 6** shows the major attributes of passenger visits to Progreso as derived from the passenger surveys.

- Of the 1,402 cruise parties that completed the surveys two-thirds (67%) stated that this had been their first visit to Progreso.
- Ninety-two percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Progreso.
- Of the cruise parties that went ashore, 4 in 5 (79%) made at least one onshore purchase. The typical cruise party consisted of two passengers (Average: 2.1) and spent an average of 3 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$85.38 while ashore.

**Progreso Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,402	
<b>Number Making First Visit</b>	939	67%
<b>Number Ashore</b>	1,228	92%
<b>Number Making Onshore Purchases:</b>	1,018	79%
<b>Average Hours Ashore</b>	3.00	
<b>Average Size of Expenditure Party (Persons)</b>	2.10	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$85.38	
<b>Purchased a Shore Excursion (Tour)</b>	701	54%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	505	72%
<b>Onshore from Tour Operator</b>	147	21%
<b>Travel Agent</b>	49	7%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>	786	64%
<b>Marine-based</b>	49	4%
<b>Land-Based</b>	184	15%
<b>Center City</b>	111	9%
<b>Other</b>	184	15%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$121.22	
<b>Toured On Own/Did not Tour</b>	587	46%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- More than half (54%) of the passengers that went ashore purchased a shore excursion. Seventy-two percent of passengers who purchased a tour did so through their cruise line, 21% purchased their tour onshore and 7 percent purchased their tour through their travel agent.
- Most (64%) of the tours purchased were visits to “historical or cultural sites”, while 15 percent were “land based activities”.

- The typical cruise party that purchased a shore excursion spent \$121.22 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Progreso Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were satisfied with their overall visit to Progreso (7.1) and in terms of the visit “meeting expectations” (6.6).
- “Guided Tours” (or Shore Excursions) received a ‘very satisfied’ mean score of 8.6, the highest of all attribute ratings in Progreso.

### Progreso Chart 7 – Passenger Visit Satisfaction\*

Visit Attributes	Mean Scores
Overall Visit	7.1
Visit Met Expectations	6.6
Likelihood of a Return Visit	4.5
Likelihood of Recommending	4.8
Initial Shoreside Welcome	7.5
Guided Tour	8.6
Historic Sites/Museums	8.3
Variety of Things to See and Do	6.2
Friendliness of Residents	7.7
Overall Shopping Experience	6.7
Courtesy of Employees	7.6
Variety of Shops	6.6
Overall Prices	6.9
Taxis/Local Transportation	7.6

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied: 10-9; Very Satisfied: 8-7; Somewhat Satisfied: 6-5; Not Too Satisfied: 4-3;  
 Not At All Satisfied: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

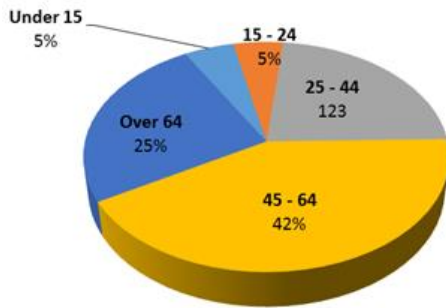
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (7.7) and “courtesy of employees” (7.6) were among the highest of all attribute ratings.
- Despite the high ratings for the employees, passengers were only somewhat satisfied with their “overall shopping experience” (6.7). It is likely this score was influenced by the ratings of “variety of shops” (6.6) and satisfaction with the “overall prices” (6.9).

- Progreso received the lowest scores on “likely to return for a land based visit (4.5), and their “likelihood of recommending to a friend” (4.8).

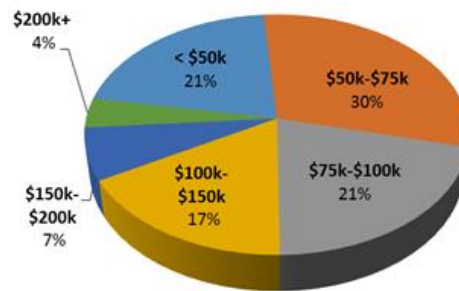
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 98 percent of the responding passengers to Progreso. The average age of the respondents was 50 years with only a quarter (26%) being 65 years of age or older. Progreso passengers had an average household income of \$88,800 with 28 percent having over \$100,000 in household income.

**Progreso Chart 8 – Passenger Age Cohorts**



**Progreso Chart 9 – Passenger Household Income**



## Puerto Vallarta

At the core of the analysis of the economic contribution of cruise tourism were a set of passenger and crew surveys that were conducted onboard ships of the FCCA member cruise lines.<sup>109</sup> The surveys were undertaken during the eight-month period beginning in October 2014 and ending in May 2015. The survey schedule was designed so that surveys were conducted by FCCA member cruise lines that called at each destination and that the distribution of passenger and crew surveys would reflect the distribution of passenger and crew arrivals by cruise line at each destination. On any given cruise itinerary, passenger and crew surveys were placed in all passenger cabins and crew quarters following a single destination call. The surveys were completed by the passengers and crew in the privacy of their quarters and returned to a designated office on the cruise ship. Thus, passengers and crew were only surveyed once during a cruise itinerary and for a single destination. On a subsequent itinerary, passengers were surveyed following a call at a different destination.

The passenger and crew surveys were designed to collect data for onshore spending and visit satisfaction by both passengers and crew. While the crew survey was slightly shorter than the passenger survey, both surveys were designed to collect the following information:

- hours spent ashore;
- expenditures by category, including shore tours, food & beverages, clothing, etc.;
- visit satisfaction, including shore tour, friendliness of residents, prices, shopping, etc.;
- likelihood of returning for a land-based vacation; and
- demographic characteristics, including country of residence, age group, income, etc.

Combining the expenditure data collected from the passenger and crew surveys with data on expenditures by cruise lines for port fees and services, payments to local tour operators for passenger shore excursions purchased onboard the cruise ships, and other provisions purchased locally by the cruise lines, estimates of total cruise tourism expenditures were developed for each participating destination.

Given the direct spending estimates, the economic contribution of these expenditures, as measured by employment and wage income were then estimated for each destination. This process began with the collection of economic data for each destination from a combination of local, regional and international sources. Utilizing all of these data a set of economic impact models were developed for each destination to estimate the direct and total employment and wage impacts. A more detailed description of these models is provided in the **Data and Methods** section of Volume I.

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<sup>109</sup> Surveys were conducted on the ships of the following cruise lines: Aida, Carnival Cruise Lines, Celebrity Cruises, Costa Cruises, Disney Cruise Line, Holland America Line, Norwegian Cruise Line, Princess Cruises, P&O Cruises, Royal Caribbean International and TUI Cruises.

## Cruise Tourism Expenditures

Cruise tourism expenditures in destination ports are composed of a broad range of spending including:

- onshore expenditures by passengers which are concentrated in shore excursions and retail purchases of clothing and jewelry and purchases of food and beverages;
- onshore expenditures by crew which are concentrated in purchases of food and beverages in restaurants and retail purchases of jewelry and clothing;
- expenditures by cruise lines for port services, such as dockage fees and linesmen, utilities, such as water and power and navigation services; and
- purchases of supplies, such as food and other supplies, by the cruise lines from local businesses.

Based on data collected from the API de Puerto Vallarta, 248,700 cruise passengers arrived aboard cruise ships during the 2014/2015 cruise year.<sup>110</sup> Of these, an estimated 223,830 passengers (90 percent) disembarked and visited Puerto Vallarta. Utilizing additional data provided by the port administration and visiting cruise lines, 87,900 crew were aboard the cruise ships and 35 percent, or 31,100 crew, disembarked and visited the destination.

These passenger and crew visits along with additional expenditures by the cruise lines generated a total of **\$27.1** million (\$US) in cruise tourism expenditures in Puerto Vallarta during the 2014/2015 cruise year. The contribution of expenditures by passengers, crew and cruise lines to this total is discussed below.

Per passenger spending estimates were derived from 1,325 surveys completed by passengers during the survey period. As shown in **Puerto Vallarta Chart 1**, each passenger cruise party spent an average of \$192.78. The average spend per cruise party is the sum of the weighted spending in each of the twelve categories. For example, 59 percent of the survey respondents reported spending an average of \$31.20 for food and beverages. Spread over the cruise parties that visited Puerto Vallarta, this represented an average of \$18.37 per party. On a per passenger basis, the average total expenditure was \$95.43. This represents the sum of per party expenditures, \$192.78, divided by the average size of a cruise party in Puerto Vallarta, 2.02 passengers.

Cruise passenger expenditures in Puerto Vallarta were concentrated in four categories which accounted for 68 percent of their onshore expenditures: shore excursions, watches and jewelry, clothing and local crafts. Over 40 percent of the passengers that went ashore made purchases in the following categories: shore excursions, ground transportation, clothing, food and beverages, and local crafts.

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<sup>110</sup> The 2014/2015 cruise year includes the twelve months beginning in May, 2014 and ending in April, 2015.

Nearly half (49%) of the passengers reported that their cruise party purchased a shore excursion. The effective local price of the shore excursion was \$81.00 per party but when the full price of the purchase from cruise lines and travel agents is included passengers spent an average of just over \$155 per party for their tours.

**Puerto Vallarta Chart 1 – Estimated Passenger Spending (\$US), 2014/2015 Cruise Year<sup>111</sup>**

Purchase Categories	Average Spend per Party	Share of All Onshore Visits	Weighted Average Spend per Party
Shore Excursions	\$ 81.00	49.2%	\$39.87
F&B at Restaurants & Bars	\$ 31.20	59.0%	\$18.37
Taxis/Ground Transportation	\$ 26.20	42.6%	\$11.16
Watches & Jewelry	\$255.50	21.0%	\$53.56
Clothing	\$ 39.00	45.6%	\$17.79
Entertainment/Night Clubs/Casinos	\$ 66.20	2.1%	\$ 1.41
Other Purchases	\$ 68.70	24.1%	\$16.57
Perfumes & Cosmetics	\$ 41.90	2.9%	\$ 1.22
Local Crafts & Souvenirs	\$ 43.90	47.0%	\$20.60
Retail Purchases of Liquor	\$ 76.60	15.5%	\$11.85
Electronics	\$ 22.30	0.7%	\$ 0.15
Telephone & Internet	\$ 8.90	2.6%	\$ 0.23
<b>Total Spend per Cruise Party</b>			<b>\$192.78</b>
<b>Average Size of a Cruise Party</b>			<b>2.0</b>
<b>Total Spend per Cruise Passenger</b>			<b>\$95.43</b>
<b>Cruise Passenger Onshore Visits</b>			<b>223,830</b>
<b>Total Cruise Passenger Expenditures</b>			<b>\$21,361,009</b>

For the entire 2014/2015 cruise year, the estimated 223,830 cruise passengers who visited Puerto Vallarta spent a total of **\$21.4 million** (\$US) in Puerto Vallarta.

Per crew spending estimates were derived from 316 surveys completed by crew members during the survey period. As shown in **Puerto Vallarta Chart 2**, each crew member spent an average of \$51.46 in Puerto Vallarta. The average spend per crew member is the sum of the weighted spending in each of the twelve categories. For example, 71 percent of the survey respondents reported spending an average of \$24.60 for food and beverages. Spread over all the crew members that reported that they visited Puerto Vallarta; this represents an average of \$17.45 per crew member.

Expenditures by crew in Puerto Vallarta were concentrated in three categories which accounted for 71 percent of their onshore expenditures: food and beverages, clothing, and other (unspecified) purchases. Combined, crew spent an average of \$36.41 for goods in these three

<sup>111</sup> The average shore excursion expenditure is a weighted average of the onshore and travel agent/other purchases and the portion of the onboard purchases paid to local tour operators.

categories. Purchases of food and beverages were the most popular expenditure item with 71% percent of the crew reporting the purchase of food and beverages.

For the entire 2014/2015 cruise year, the estimated 31,100 crew who visited Puerto Vallarta spent an estimated total of **\$1.6 million** (\$US).

**Puerto Vallarta Chart 2 – Estimated Crew Spending (\$US), 2014/2015 Cruise Year**

Purchase Categories	Average Spend per Crew	Share of All Onshore Crew Visits	Weighted Average Spend per Crew
<b>F&amp;B at Restaurants &amp; Bars</b>	\$24.60	70.8%	\$17.45
<b>Taxis/Ground Transportation</b>	\$12.10	30.0%	\$ 3.62
<b>Watches &amp; Jewelry</b>	\$55.90	3.1%	\$ 1.74
<b>Clothing</b>	\$40.80	15.2%	\$ 6.19
<b>Entertainment/Night Clubs/Casinos</b>	\$40.30	7.4%	\$ 2.98
<b>Other Purchases</b>	\$57.60	22.2%	\$12.77
<b>Shore Excursions</b>	\$ 9.80	6.2%	\$ 0.61
<b>Perfumes &amp; Cosmetics</b>	\$22.60	7.4%	\$ 1.67
<b>Local Crafts &amp; Souvenirs</b>	\$14.40	8.6%	\$ 1.23
<b>Retail Purchases of Liquor</b>	\$42.40	2.3%	\$ 0.99
<b>Electronics</b>	\$16.10	1.6%	\$ 0.25
<b>Telephone &amp; Internet</b>	\$14.00	14.0%	\$ 1.96
<b>Total Spend per Cruise Party</b>			<b>\$51.46</b>
<b>Crew Visits</b>			31,100
<b>Total Cruise Passenger Expenditures</b>			<b>\$1,600,406</b>

Cruise lines made payments to local businesses for a variety of goods and services. Net payments to local vendors for shore excursions have been included with passenger expenditures. However, cruise lines made other local expenditures, including payments for port fees and taxes, navigation services, utilities and other supplies. Based upon data provided by the FCCA member cruise lines, we estimated that all cruise lines spent **\$4.1 million** (\$US) in Puerto Vallarta during the 2014/2015 cruise year. About 85 percent of these expenditures were payments for port fees and taxes and navigation services with the remainder spent on provisions and supplies.

## **Economic Contribution of Cruise Tourism Expenditures**

As noted in the **Data and Methods** section of the full report, a set of economic impact models were developed for each destination to produce estimates of the economic contribution of cruise tourism. Data for these models were collected from a broad range of local, regional and international sources. The impact models were designed to reflect the economic structure of each destination, including the industrial composition of Gross Domestic Product (GDP), the wage share of GDP by industry and average employee wages by industry.



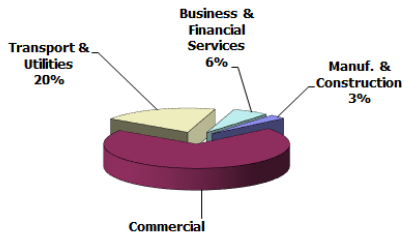
As shown in **Puerto Vallarta Chart 3**, the \$27.1 million in total cruise tourism expenditures in Puerto Vallarta generated direct employment of 471 residents of Puerto Vallarta paying \$3.0 million in annual wages. Adding the indirect contribution that results from the spending of those local businesses that are the direct recipients of passenger, crew and cruise line expenditures, the direct cruise tourism expenditures generated a total employment contribution of 757 jobs and \$4.9 million in wage income in Puerto Vallarta during the 2014/2015 cruise year.

**Puerto Vallarta Chart 3 – Total Economic Contribution of Cruise Tourism, 2014/2015 Cruise Year**

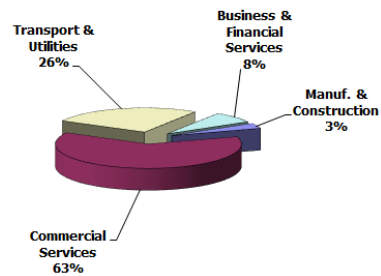
	Employment	Wage Income (\$US Millions)
<b>Direct Economic Contribution</b>	471	\$3.00
<b>Total Economic Contribution</b>	757	\$4.90

As shown in **Charts Puerto Vallarta 4 and 5**, the total employment and wage impacts of cruise tourism are concentrated in the commercial and transport sectors which account for about 90 percent of the total impacts. This is not surprising since the direct impacts account for over 60 percent of the total employment impacts and that virtually all of the cruise tourism expenditures are made with businesses in these sectors. Because of the relatively higher wages in the transport sector compared to the other sectors of the economy, the transport sector accounts for 26 percent of the wage impacts but only 20 percent of the employment impacts. The remainder of the total employment and wage impacts was generated by the indirect spending in the other sectors of the economy.

**Puerto Vallarta Chart 4 – Total Employment Impacts by Sector**



**Puerto Vallarta Chart 5 – Total Wage Impacts by Sector**



## Passenger Surveys

A total of 1,325 passenger surveys were completed and returned for tabulation. **Puerto Vallarta Chart 6** shows the major attributes of passenger visits to Puerto Vallarta as derived from the passenger surveys.

- Of the 1,325 cruise parties that completed the surveys only 2 in 5 (40%) stated that this had been their first visit to Puerto Vallarta.
- Ninety-four percent of the cruise parties that completed the surveys disembarked their cruise ship to visit Puerto Vallarta.
- Of the cruise parties that went ashore, three-quarters (72%) made at least one purchase while ashore. The typical cruise party consisted of two passengers (Average: 2.0) and spent an average of 3.8 hours ashore.
- Excluding shore excursions, the responding cruise parties reported spending an average of \$152.91 while ashore.

**Puerto Vallarta Chart 6 – Major Attributes of Passenger Surveys**

	Number	Percent
<b>Total Respondents</b>	1,325	
<b>Number Making First Visit</b>	530	40%
<b>Number Ashore</b>	1,239	94%
<b>Number Making Onshore Purchases:</b>	892	72%
<b>Average Hours Ashore</b>	3.83	
<b>Average Size of Expenditure Party (Persons)</b>	2.02	
<b>Average Onshore Expenditure per Party<sup>①</sup></b>	\$152.91	
<b>Purchased a Shore Excursion (Tour)</b>	610	49%
<b>Purchased Onshore Tour from:</b>		
<b>Cruise Line</b>	476	78%
<b>Onshore from Tour Operator</b>	73	12%
<b>Travel Agent</b>	61	10%
<b>Tour Type:</b>		
<b>Historical/Cultural</b>		42%
<b>Marine-based</b>		21%
<b>Land-Based</b>		19%
<b>Center City</b>		17%
<b>Other</b>		17%
<b>Average Cost of Shore Excursion per Party<sup>②</sup></b>	\$156.00	
<b>Toured On Own/Did not Tour</b>	629	51%

① Excludes shore excursion expenditures

② Unadjusted average per party purchase cost of a shore excursion by passengers who purchased a shore excursion.

- Half (49%) of the passengers that went ashore purchased a shore excursion. Eight in ten (78%) of passengers who purchased a tour did so through their cruise line, 12% purchased their tour onshore and 10 percent purchased their tour through their travel agent.

- A plurality (42%) of the tours purchased were visits to “historical or cultural sites”, while similar numbers purchased “marine based activities” (21%), “land based activities” (19%) or “center city” tours (17%).
- The typical cruise party that purchased a shore excursion spent \$156 for their tour.

## Passenger Satisfaction

The passenger survey also asked the passengers to rate their satisfaction with their destination visit along a number of parameters, as shown in **Puerto Vallarta Chart 7**. A 10-point scale was used with 10 being the highest score, i.e., extremely satisfied, and 1 being the lowest score, i.e., not at all satisfied.

- Cruise passengers were very satisfied with their “overall visit” to Puerto Vallarta (8.3), including the visit “meeting expectations” (7.7).
- “Guided Tours” (or Shore Excursions) received the highest attribute mean score (8.7). “Historic sites and museum” (7.9) and “variety of things to see and do” (7.9) also received high scores, indicating passengers were very satisfied with their onshore excursions.

**Puerto Vallarta Chart 7 – Passenger Visit Satisfaction\***

Visit Attributes	Mean Scores
Overall Visit	8.3
Visit Met Expectations	7.7
Likelihood of a Return Visit	5.6
Likelihood of Recommending	6.5
Initial Shoreside Welcome	8.4
Guided Tour	8.7
Historic Sites/Museums	7.9
Variety of Things to See and Do	7.9
Friendliness of Residents	8.5
Overall Shopping Experience	7.6
Courtesy of Employees	8.4
Variety of Shops	7.6
Overall Prices	7.3
Taxis/Local Transportation	8.0

\* Scale is 1 to 10 with 10 being the highest score. The mean scores can be interpreted as follows:  
 Extremely Satisfied: 10-9; Very Satisfied: 8-7; Somewhat Satisfied: 6-5; Not Too Satisfied: 4-3;  
 Not At All Satisfied: 2-1.

Among other key conclusions concerning visit satisfaction were the following:

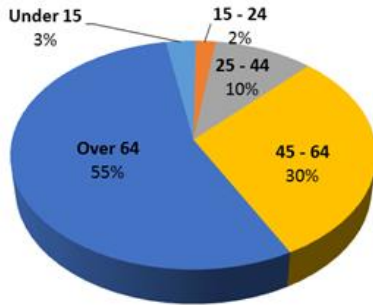
- Passenger interactions with residents and store employees were very positive as the mean scores for “friendliness of residents” (8.5) and “courtesy of employees” (8.4) were high.

- Passengers were also very satisfied with their “overall shopping experience” (7.6). They recorded similar satisfaction ratings for “variety of shops” (7.6) and satisfaction with the “overall prices” (7.3).
- Puerto Vallarta scored lowest in the likelihood passengers to say they are “likely to return for a land based visit (5.6), and their “likelihood of recommending to a friend” (6.5), however, both of these ratings fell into the somewhat likely category.

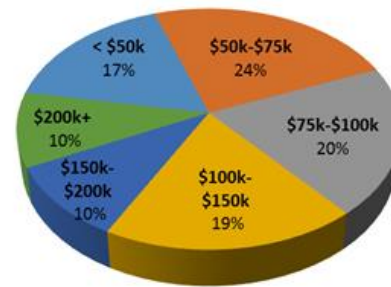
## Passenger Demographics

Residents of the United States, UK and Canada accounted for 97 percent of the responding passengers to Puerto Vallarta. The average age of the respondents was 60 years with half (55%) of the respondents being 65 years of age or older. Puerto Vallarta passengers had an average household income of \$103,275 with 39 percent having over \$100,000 in household income.

**Puerto Vallarta Chart 8 – Passenger Age Cohorts**



**Puerto Vallarta Chart 9 – Passenger Household Income**





BREA specializes in custom market analyses for clients throughout the private and public sectors. These unique market analyses integrate economic, financial, and demographic trends with primary market research, proprietary client data, and advanced statistical and modeling techniques. This approach results in comprehensive and actionable analysis, databases and models, designed to support planning, sales and marketing, and education within client organizations.

Dr. Moody, President of BREA, has more than twenty-five years of experience in consulting and forecasting with a wide range of international product and service companies, including consumer products, leisure, retailing, gaming, business services, telecommunications, and utility and financial services. Typical consulting assignments provide critical analysis and insight into market dynamics, product demand, economic trends, consumer behavior and public policy.

BREA has provided specialized consulting support, including market research, economic impact studies and demand analyses, to the cruise lines, port service providers and industry associations. Among BREA's recent clients are: Port of Philadelphia and Camden, Tampa Port Authority, Port of San Diego, Royal Caribbean Cruises Ltd., Carnival Corp., P&O Ports of North America, and the International Council of Cruise Lines. Since studies are designed to meet the specific needs of each client, they can incorporate many dimensions of the market and include a variety of ancillary services.

BREA provides the following services:

*Market Research:* design and implementation of primary market research instruments using telephone, mail, and intercept surveys. Test instruments are designed to collect information on product demand, attributes of consumers and users, perceived product attributes, and customer satisfaction.

*Economic Impact Studies:* thorough analysis of industries and consumption behavior and their contribution to or impact on national and regional (state, metropolitan areas, counties, etc.) economies.

*Statistical and Econometric Modeling:* developing quantitative models relating market and product demand to key economic factors and demographic market/consumer attributes. Models can be used for forecasting, trend analysis and divergence/convergence analysis.

*Market Studies and Trend Analyses:* detailed descriptions of markets (defined as products, regions, industries, consumer segments, etc.) and comprehensive analyses of underlying market forces (such as economic and financial conditions, competitive environment, technology, etc.).