

CRUISE
TOURISM *in*
SRI LANKA:
THE WAY
FORWARD

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Preamble

Cruise tourism is characterized by bringing large numbers of guests to concentrated areas of destinations for a brief period, using water as the medium of transport thus multiplying and concentrating the impact. Cruise development may lead to loss of precious biodiversity and destruction of cultural heritage if infrastructure and itinerary development outpace monitoring and evaluation of environmental and cultural resources and fragility. The impact, challenges

and implications of cruise tourism development are representative of our planet's overall challenges in approaching economic development.

This article examines a case for the development of Sri Lanka's Cruise Tourism strategies and seek to spread awareness of sustainable development in cruise tourism, by making a collaboration across the region and stimulating the strategic implementation of best practices and innovation to make cruise tourism as a more effective sector in the tourism industry.

Coastal tourism / Cruise tourism

In recent years, the new form of coastal tourism / Cruise tourism has earned a well-deserved reputation in Sri Lanka. The cruise tourism has delivered enormous economic, social, and environmental advantages to the island. Cruise tourism has the potential to bring more economic benefits to destination, but it also generates the negative impacts, that can severely affect the environment and the host



Figure 01: A cruise ship on anchorage in Le Havre- France

communities. Tourism’s growth into a large-scale, global industry was its predominant success in the 20th century. Controlling the cruise demand and mitigating the negative impact of cruise tourism will be the challenge in the 21st century.

The premise of sustainable tourism strategy is that the unique natural and cultural heritage offered by a destination is what generates its brand reputation, its values, and what drives tourists’ demand. It is of utmost importance to manage the growth to preserve the natural and cultural heritage assets of a destination and to sustain tourism’s long-term economic sustainability.

The envisaged sustainable tourism strategies that can drive the new paradigm shift are as follows:

1. Approach island cruise tourism development by focusing efforts on controlling demand (Identifying the actual demand of cruise passenger)

2. Assess the development needs (Infrastructural, Technological, Human Development) across the entire value chain and develop a mechanism.
3. Quantify the value of natural and cultural heritage conservation to cruise tourism.
4. Optimize the value of the destination’s natural and cultural heritage through appropriate pricing models
5. Drafting a cruise tourism promotion policy which is required to be linked through the other tourism policies and stakeholders.
6. Stimulate innovation and island interest in improving quality standards of cruise tourism
7. Integrate a peer to conduct training and research development to develop data base and monitor their performances for future enhancement of the industry.

Key stakeholders and their responsibilities

A person, group, or organization that has direct or indirect interest towards to an entity or a venture in an organization, are called stakeholders. Hence stakeholders’ actions decision, views and directions can severely affect the cruise market or to the entire tourism industry. Collaborative efforts of stakeholders ensure that marketing strategy is more sustainable and balanced because it is the key to attract more cruise passengers. Therefore, more cruise ships are necessary to be attracted to the Colombo port, Galle Port and to the Magampura Port (Hambathota Port, is just 10 nautical miles away from main East-West sea route) by implementing collaborative marketing strategy which will deliver a long term sustainable growth to the

Table 01: Relative Importance of Different Modes of Transport - Percentage Distribution of Arrivals - 2006 to 2016

Carrier	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Air	99.9	99.9	99.9	99.9	99.9	99.8	99.7	98	98.3	98.6	98.2
Passenger Ships	0.1	0.1	0.1	0.1	0.1	0.2	0.3	2	1.7	1.4	1.8
Total Percent	100	100	100	100	100	100	100	100	100	100	100

Source: SLTDA Statistical Report-2016

Despite having much tourist arrivals comparing to the recent years, tourist arrivals have been crossed over 2.3 million benchmarks in 2018.

cruise industry. It is also required to attract the ships to the other sub ports as well, Trincomalee harbor (which is the second-best natural harbors in the world), KKS Port, Oluvil Port are among of them.

Expected Outcomes

Various studies at different levels of cruise industry show that the cruise industry is both supply and demand driven. The above-mentioned strategies will create a new era and it will be a dynamic approach for the developments of the islands cruise tourism market and certainly it will lift the entire tourism industry into a better position. This will also create a dialogue among the industry veterans and as well as beyond the country to make more cruise ship calls to Sri Lanka, which will be eased to setup up a collective marketing plan with the attraction of new cruise lines. Not only that, this will outline various valued propositions of different destination's marketing strategies from which Sri Lanka could learn a lesson.

While developing the cruise tourism in the island, there will be distribution of income of the individuals and households. Specially some rural areas of the country will certainly be

developed with the integration and promotion of niche market. Establish partnerships with key global players (Royal Caribbean and Carnival Cruise Lines) with different agents and destinations will certainly be an added benefit to develop the tourism infrastructure layer of the country. Understanding the strategic advantage of the location open the door to create a solid network with the global giants (Such as Royal Caribbean and Carnival Cruise Lines etc.) in the global cruise tourism market and attracting new passengers will give host of benefits to the industry as well as to the country.

Despite having much tourist arrivals comparing to the recent years (2010 to 2018), tourist arrivals have been crossed over 2.3 million benchmarks in 2018. Although there is an upward trend in the tourism market, Table 01 and Table 02 illustrates that there is a decline in the cruise ship arrivals from 2011 to 2015. According to market information, Sri Lanka gets

approximately 25000 cruise passengers for a year; 2016 it was recorded as 24609. Entire country handles approximately half of a century ships per year which is a paradox considering its strategic position in South Asia, exposure to China's Belt and Road Initiative, the ability to reach Europe and the Middle East faster, and deep-water ports.

Tourism Education

Another main point is tourism education. Sri Lanka is currently lacking enough quality tourist guides, trained chauffeurs and skillful forerunners who make business decisions on cruise tourism. It also evident that, there is a large knowledge gap between the academic and the industry practitioners. Also, there aren't many researchers available in the country to conduct research on cruise tourism. Therefore, universities and

Table 02: Passenger Ship Arrivals - From 2007 TO 2016

Name/Location of Port	2014		2015		2016		2017		2018		2019	
	All	PS	All	PS	All	PS	All	PS	All	PS	All	PS
Colombo	3742	36	4197	37	4405	43	4329	44	4331	55	4198	53
Trincomalee	127	2	164	3	216	4	233	5	189	4	142	7
Galle	60	2	72	6	96	6	87	4	84	5	43	1
Kankasanthurei, Myliddy, Point Pedro, Karainagar	34	0	32	0	25	0	63	0	59	0	11	0
Hambanthota	335	3	295	8	281	6	230	5	270	10	214	6
All ports in Sri Lanka	4298	43	4760	54	5023	59	4942	58	4933	74	4608	67
Passenger ships as a percentage of Total ships		1.0		1.1		1.2		1.2		1.5		1.5

Source: Sri Lanka Ports Authority



respective academic institutions such as the government entities, private universities, hotel schools in Sri Lanka should open the doors to promote quality and skillful professionals to meet the international recognized professionals. CINEC Campus commenced a BMgt. (Hons) in Tourism and Hospitality Management Degree specializing Cruise tourism three years ago. The first cohort is expected to be graduated next year. BMgt. (Hons) in Tourism and Hospitality Management degree is a program which students can obtain an honors degree of 4 years duration with specialization in the field of Cruise Tourism Management or Travel and Event Management. Travel and Tourism generated US\$7.2 Trillion in 2015, accounting for 9.8%

of global gross domestic product, and 1 in 11 jobs worldwide were in the Travel and Tourism sector. Tourism and Hospitality is one of the fastest growing industries, so those who obtain this qualification will have a great demand in both local and international job market. During the specialization year these undergraduates will gain a comprehensive knowledge on (i) Managing Cruise Market; (ii) Managing Cruise Products; (iii) Cruise Operations Management; (iv) Cruise line Operations; and (v) Cruise Ship Facilities before they obtain the six month industry training. Similarly, there are other higher education institutes in Sri Lanka conduct similar programs which is an encouraging factor.

Logistics Competence

Logistics is an area that has been grossly neglected in Sri Lanka. Although, it is fundamental to develop transportation plans on a strong logistics platform we hardly see it is happening. Logistics and transport are the two sides of a coin. While shipping is considered a “service” industry under the context of Marketing, cruise tourism is even more sensitive in its service characteristics. On the other hand, unlike the cargo transport by sea, passenger ships are not prescribed under “derived demand”, in the context of economics. Therefore, this area

Table 03: International LPI results: 2012, 2014, 2016, and 2018 (Selected components)

Indicator	Rank				
	(out of 155 countries)		(out of 160 countries)		
	2010	2012	2014	2016	2018
Logistics Performance Indicator	137	81	89	Sri Lanka was not considered for LPI Ranking	94
Infrastructure	138	89	126		85
Logistics Quality and Competence	142	68	66		109
Customs	143	71	84		79

(Source: Connecting to compete 2018, The World Bank)

Our country does not have enough logistics and supply chain facilities to cater the tourist's demand.

should be handled delicately, and professionals and academics need to provide the synergy the industry needs. the quality of logistics a country provides strength and it really matters for cruise tourism under these realities.

The Way Forward

Promote cruise tourism in Sri Lanka is a need of the hour. We need to develop a state policy or state promotion plan to promote cruise tourism in Sri Lanka. State intervention is highly required to promote the cruise tourism because many adjacent areas need to be developed to create a positive environment. It may be timely that Ministry of Tourism and shipping authorities draft a cruise tourism strategic promotion plan to put forward the cruise market and bring it in to the global heights.

Another crucial point is the availability of infrastructure facilities at the main ports, it is required to provide the basic infrastructure facilities to promote cruise tourism, such as to provide Infrastructure facilities, ICT facility (Wifi Area), Whisper radio technology, toilet facility and basic sanitary facilities, Bathroom facility, restaurant facility,

Smoking room, Conference room, are some of them to bring more ships in to the country. At the same time, we ought to enhance the peer facilities to berth passenger ships into the country (Specially Colombo Port) rather than operating them at cargo docking berths. It is to be noted in the figure 01 that other countries create a homely environment at the port premises for passenger arrival and departure.

Another main point is the ground handling facilities in Sri Lanka. Our country does not have enough logistics and supply chain facilities to cater the tourist's demand. Such as they do not have luxurious buses, ICT facilities, proper radio facilities, quality tourist guides, chauffeurs, language translators and many more. Therefore, industry partitioners and competent authorities of government need to take immediate measures to meet the industry requirements by giving them a proper training or providing those required facilities.

About Authors



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Professor Lalith Edirisinghe commenced his career as a Cadet Officer in Merchant Navy in 1981. He counts 40 years work experience in the corporate sector including Board of Investment of Sri Lanka. He is an Expert- Consultant in Transport and Logistics appointed by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). Prof. Edirisinghe holds a PhD, in Transportation planning and Logistics Management. He is a Chartered Logistician and Chartered Marketer. He is the author of two textbooks on Logistics and Shipping in Sinhala language for the first time in Sri Lanka. Prof. Edirisinghe was a student and a prefect of Ananda college and at present, is the Dean of Faculty of Management and Social Sciences and the Head of Higher Education Society Linkage Cell.



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Sampath is a Senior Lecturer at the Department of Logistics, Faculty of Management and Social Sciences, CINEC Campus, Malabe. He is currently following his doctoral studies in the stream of Economics at the University of Colombo. He holds a Master's degree in Business Management and Bachelor's degree with a 02nd class upper division at the same university. He has been in the Logistics and Shipping field over a decade and has done many researches and publications in national and international level related to Cruise Tourism, Transport, Logistics and in the stream of Economics. He is the president of Tourism Research Academic Circle, Department of Economics, University of Colombo and, he is a research council member of research collaboration of Belt Road Initiative Sri Lanka and China.