Cruise Lines International Association (CLIA), the world’s largest cruise industry trade association, has released the 2020 State of the Cruise Industry Outlook.

The report offers a look at the research, analytics and trends driving the cruise industry forward in the coming year and beyond.
OUTLOOK SNAPSHOT

MESSAGE FROM THE PRESIDENT AND CEO

INDUSTRY TRENDS

2020 CRUISE OUTLOOK

GLOBAL ECONOMIC IMPACT

ABOUT CRUISE LINES INTERNATIONAL ASSOCIATION
As demonstrated in 2019, the cruise industry has cemented its role as a mainstream vacation choice with more than 30 million guests expected to sail this year. While demand for cruising has reached new heights, the cruise industry is accelerating our efforts to be a leader in responsible tourism.

Our members are at the forefront of best practices designed to protect the sanctity of the destinations we visit and enhance the experiences of travelers and residents alike. In 2019, we embraced new collaborations with local governments and communities, and we look forward to continuing this work in 2020 and beyond.

Moreover, environmental sustainability is central to responsible tourism and another example of where the cruise industry is leading the way. Our members have committed over $22 billion in new, energy-efficient ships and technologies to minimize our environmental impact and make progress towards our goal of reducing the rate of carbon emissions by 40% by 2030 as compared to 2008.

The 2020 State of the Cruise Industry report takes an in-depth look at the impact of cruising and the trends we are witnessing across the industry, including environmental sustainability, responsible tourism and unique passenger offerings.

On behalf of our members, we look forward to continuing to innovate and reach new milestones to ensure that cruising remains the best way to experience the world for generations to come.

Kelly Craighead – President and CEO, Cruise Lines International Association
The development and identification of new technologies and cleaner fuels is a top priority for the cruise industry, which continues to make substantial investments in reducing its environmental impact.

**TREND #1**

**ENVIRONMENTAL SUSTAINABILITY**

- **$22 BILLION**
  - Invested in new energy efficiency technologies and cleaner fuels

- **40% TARGET**
  - Reduction in rate of carbon emissions by 2030 (compared to 2008)

- **14.1 YEARS**
  - Average age of fleet vs. 14.6 years in 2018
INNOVATION

While cruise ships comprise less than 1% of the global maritime community, the entire shipping industry benefits from the early adoption of new technologies and practices that did not exist just five to ten years ago.

Liquified Natural Gas (LNG)
Virtually zero sulfur emissions, a 95% to 100% reduction in particulate emissions, and 85% reduction in nitrogen oxide emissions and up to a 20% reduction in greenhouse gas emissions.

Exhaust Gas Cleaning Systems (ECGS)
98% reduction in sulfur oxide levels, 50% reduction of total particulate matter and 12% reduction of nitrogen oxides.

Advanced Wastewater Treatment Systems
Advanced waste treatment systems that exceed international requirements and are often superior to shoreside treatment plants.

Shore-side Power
Cruise ships are increasingly equipped with the ability to turn off the engines and receive shore-side electricity while in port where clean energy is available.
CLIA’s most recent Environmental Technologies and Practice Report shows significant progress towards the adoption of new and innovative practices, while the industry continues to explore new ways to increase efficiencies.

- **LNG** – 44% of new build capacity will rely on LNG fuel for primary propulsion
- **ECGS** – 68% of global capacity currently utilizes EGCS, while 75% of non-LNG new-builds will have EGCS
- **Advanced Wastewater Treatment Systems** – 100% of new builds will have these systems in place
- **Shore-side Power** – 88% of new build capacity will have or be configured to add this ability

Additional Areas of Exploration:
- Battery Propulsion
- Advanced Recycling
- Reduced Plastics
- Efficient Lighting
- Solar Energy
- Fuel Cell Technology

TREND #2

DESTINATION STEWARDSHIP

With increased demand and growth in the cruise industry comes responsibility to foster respect and cooperation with the places we visit. In collaboration with local communities, the cruise industry is exploring new and creative ways to manage the flow of visitors and implement the highest standards of responsible tourism.

- PARTNERSHIPS WITH LOCAL GOVERNMENTS
- STAGGERED ARRIVALS AND DEPARTURES
- EXCURSION DIVERSIFICATION
- SHORESIDE POWER
- LOCAL PASSENGER SPENDING
ADDITIONAL 2020 TRENDS

**CRUISE AND STAY**
65% of cruise passengers spend a few extra days at embarkation or debarkation ports.

**THE PLASTIC-FREE PASSENGER**
More than eight of ten cruise passengers recycle (82%) and reduce using single-use plastics (80%) while traveling. Seven out of ten cruisers forego plastic straws.

**GENERATION CRUISE POSITIVE**
More than 66% of Generation X and 71% of Millennials have a more positive attitude about cruising compared to two years ago.

**LONE CRUISERS**
Cruise lines are responding to a shift in passenger demographics by offering studio cabins, single-friendly activities, eliminating single supplements and solo-lounges.

**MICRO TRAVEL**
Many cruise lines offer bite-sized cruises over a three-to-five-day period offering incredible itineraries and travel to exciting destinations.
2020 PASSENGER CAPACITY SNAPSHOT

2020 = 32 MILLION PASSENGERS EXPECTED TO CRUISE

CLIA Global Ocean Cruise Passengers (In Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Passengers (Millions)</th>
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<tbody>
<tr>
<td>2009</td>
<td>17.8</td>
</tr>
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<tr>
<td>2012</td>
<td>20.9</td>
</tr>
<tr>
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<td>21.3</td>
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<tr>
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<td>23.06</td>
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<tr>
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</tr>
<tr>
<td>2019p</td>
<td>30</td>
</tr>
<tr>
<td>2020p</td>
<td>32</td>
</tr>
</tbody>
</table>

p = projection
CLIA OCEAN CRUISE LINE SHIPS

278
PROJECTED IN OPERATION IN 2020

19
SCHEDULED TO DEBUT IN 2020
# NEW SHIPS DEBUTING IN 2020

## CLIA OCEAN CRUISE LINES REPRESENTED

<table>
<thead>
<tr>
<th>CRUISE LINE</th>
<th>SHIP</th>
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</thead>
<tbody>
<tr>
<td>Carnival</td>
<td>Mardi Gras</td>
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<td>Le Jacques Cartier</td>
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<tr>
<td>Princess</td>
<td>Enchanted Princess</td>
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<tr>
<td>Regent Seven Seas Cruises</td>
<td>Seven Seas Splendor</td>
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<tr>
<td>Royal Caribbean</td>
<td>Odyssey of the Seas</td>
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<tr>
<td>Saga Cruises</td>
<td>Spirit of Adventure</td>
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<td>Scenic</td>
<td>Scenic Eclipse II</td>
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<tr>
<td>Silversea</td>
<td>Silver Moon</td>
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<tr>
<td>Silversea</td>
<td>Silver Origin</td>
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<tr>
<td>Virgin Voyages</td>
<td>Scarlet Lady</td>
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</tbody>
</table>
DEPLOYMENT

2020 CRUISE LINE DEPLOYMENT BY REGION – % ALBD

- Caribbean: 32%
- Mediterranean: 17%
- All Other: 17%
- Europe w/o Med: 11%
- China: 5%
- Australia/NZ/Pacific: 5%
- Alaska: 5%
- Asia w/o China: 5%
- South America: 2%

Percent of Share
Data 08/21/2019
Source: CLIA 2019 Internal Deployment Report
## WHERE ARE PASSENGERS COMING FROM?

1. **North America** / 14,240,000
2. **Western Europe** / 6,731,000
3. **Asia** / 4,240,000
4. **Australasia/New Zealand/Pacific** / 1,460,000
5. **South America** / 883,000
6. **Scandinavia/Iceland** / 225,000
7. **Eastern Europe** / 213,000
8. **Africa** / 154,000
9. **Middle East/Arabia** / 111,000
10. **Caribbean** / 56,000
11. **Central America** / 47,000

Passengers in Millions 2018

Source: CLIA ONE reSource
REPEAT CRUISING

82% OF CRUISERS LIKELY TO BOOK A CRUISE AS THEIR NEXT VACATION

* Based on vacationer surveys in 9 countries - Summer 2019
Source: CLIA Consumer Survey Spring 2019-8 Countries
GLOBAL ECONOMIC IMPACT
2018 GLOBAL ECONOMIC IMPACT

THE CLIA 2018 GLOBAL ECONOMIC IMPACT IS AN INDEPENDENT STUDY COMMISSIONED BY CLIA AND CONDUCTED BY BUSINESS RESEARCH AND ECONOMIC ADVISORS (BREA).

28.5 MILLION
Passengers

1,177,000
JOBS
FT Equivalent Employees

$50.24 BILLION
Wages and Salaries

$150 BILLION
Total Output Worldwide

Source: CLIA 2018 Global Economic Impact Study
GLOBAL PASSENGER SPENDING

$376
PASSENGER SPENDING IN PORT BEFORE BOARDING A CRUISE

$101
PASSENGER SPENDING IN PORT WHILE VISITING DURING A CRUISE.

Source: CLIA 2018 Global Economic Impact Study
ABOUT CLIA
Cruise Lines International Association (CLIA) provides a unified voice for the global cruise community and its commitment to maritime best practices and responsible tourism. On behalf of the industry, CLIA supports policies and practices that foster a safe, secure, healthy and sustainable cruise ship environment, as well as promote positive travel experiences for the more than 30 million passengers who cruise annually.

The organization’s global headquarters are located in Washington, DC, with regional offices located in North and South America, Europe, Asia and Australasia.
CLIA COMMUNITY

55
CRUISE LINES
Ocean, river and specialty cruise lines, representing more than 95% of global cruise capacity

400
EXECUTIVE PARTNERS
Key suppliers and cruise line partners, including ports & destinations and ship development, suppliers and business services

15,000
TRAVEL AGENCIES
Includes the largest agencies, hosts, franchises and consortia

53,000
TRAVEL AGENT MEMBERS WORLDWIDE
GLOBAL VOICE

15 OFFICES AROUND THE WORLD

Brasil / Alaska / Australasia / Belgium & Luxembourg / Europe / France / Germany / Italy / Netherlands / North America / North Asia / North West & Canada / Southeast Asia / Spain / UK & Ireland
THANK YOU

For more information, please visit cruising.org/research and follow us on social media.