

CHAPTER VIII CONCLUSION:

8.1 Introduction:

The purpose of the study was to examine legends in hospitality and tourism, specifically those in passenger shipping. The problem was to determine which combination of factors created a legendary ship and how this is applicable to the present cruise industry. This chapter examines the initial propositions in light of the results of the Delphi Method and General Survey, reconfirms the propositions, and presents the revised model for legendary passenger ships. The lack of cruise ships in the legendary ship population is discussed in view of its implications for the cruise industry. The chapter concludes with a discussion of the study's contribution to knowledge and areas for further study.

8.2 Restatement of Initial Propositions:

The following six propositions emerged from the literature review as discussed in Chapter III:

Proposition 1: Legendary ships substantially exceed the minimum competitive bundle/core competencies. This competitive bundle consists of attractiveness, power, and hospitality factors.

Proposition 2: The competitive bundle may vary, on a temporal and spatial basis, in the level of influence of the factors. While the competitive bundle may vary on the level of influence, it does not vary in its components.

Proposition 3: Legendary ships exist in three system states, the Ocean Liner Era, the Cruise Ship Era, and Post-Service. The strength of the ship's legendary status may vary according to the system state.

Proposition 4: Legendary ships exist on the local, regional, national, and international levels. The strength of the ship's legendary status in one level may result in her becoming a legend in the next level.

Proposition 5: The probability of becoming a legendary ship varies directly with the economic importance of the ship's operational environment.

Proposition 6: In the Cruise Ship Era, the high level of the minimum competitive bundle/core competencies makes an instant legend extremely difficult and expensive to achieve.

8.3 Discussion and Reconfirmation of Propositions:

Proposition 1: Legendary ships substantially exceed the minimum competitive bundle/core competencies. This competitive bundle consists of attractiveness, power, and hospitality factors.

The temporal boundaries, stated in Chapter III, of 1837, the year the *Great Western* entered service, and 2006 held. The General Survey instructions listed these dates as boundaries for the ships being named. Respondents complied with this. The following spatial boundaries, listed in Chapter III, also held:

1. The ships are mechanically propelled, pulled or pushed through the water by paddle wheels or some form of screws.
2. The ships are ocean going, capable of operation in the deep ocean beyond the continental shelf.
3. The voyages are overnight, therefore, the ships are equipped with sleeping and dining facilities.
4. The carriage of passengers is a major, if not primary, goal of the ship's business plan.
5. The passengers pay for their passage.
6. The passengers are traveling of their own free will.

Though the ships named in the General Survey contained a number of ferries and riverboats, all of these ships complied with the six spatial boundaries, with the exception of the riverboats which did not comply with boundary number 2.

The ships that appeared in the Grand Legend, Legend, and Demi Legend classifications from the Delphi Method were among the premier ships on their routes when they entered service. The same can be said of those classifications from the General Survey. The General Survey was more stringent in assigning ships to these categories, selecting 26 versus 30 from the Delphi Method. Sixteen ships appeared in the same classification

under both the Delphi Method and the General Survey. Only *Norway*, *Oriana*, and *Oceanic* were not in the top three classifications while *America* and *Independence* were not listed by Delphi Panel members. However, these five ships can still be considered premier ships for their routes and times. Based on the ships appearing in the top classifications, the first sentence of Proposition 1 held.

The second sentence did not hold as written. When factor analysis was run on the General Survey results, four factors were extracted. These factors were designated Attractiveness, Significance, Power, and Competitive Advantage. Therefore, Proposition 1 should be rewritten, as follows, to reflect the results of the General Survey.

Revised Proposition 1: Legendary ships substantially exceed the minimum competitive bundle/core competencies. This competitive bundle consists of attractiveness, significance, power, and competitive advantage factors.

Proposition 2: The competitive bundle may vary, on a temporal and spatial basis, in the level of influence of the factors. While the competitive bundle may vary on the level of influence, it does not vary in its components.

Based on the factor analysis of the General Survey results, all the properties of the factors played a role in determining if a ship was a legend. When the lists of ships were reviewed, it appeared that ships were judged within their time periods and against their contemporaries. Proposition 2 held as written.

Proposition 3: Legendary ships exist in three system states, the Ocean Liner Era, the Cruise Ship Era, and Post-Service. The strength of the ship's legendary status may vary according to the system state.

This proposition did not hold. As stated above, it appeared that the ships were judged within their time frames and against their contemporaries. Therefore a ship either was or was not a legend within her own time. Her legendary status might have been due to inherent characteristics, such as beauty in the case of *Cristoforo Colombo* or *Leonardo da Vinci*, or deeds, as in the case of *Jervis Bay*, or disaster, in the case of *Morro Castle*, or a combination thereof. Based on the General Survey results, ships were viewed as either ocean liners or cruise ships, with the exception of a small number of ferries or riverboats. These ferries and riverboats were selected according to the same criteria applied to the ocean liners and cruise ships. Legendary status did not appear to vary because a ship was in the Ocean Liner Era, in the Cruise Ship Era, or was out of service. However, legendary status did vary between ocean liners and cruise ships. Ocean liners were more favorably viewed than cruise ships. A ship's status as a legend appeared to depend more on its physical nature, as an ocean liner or a cruise ship, than on its temporal, system state, nature.

Proposition 4: Legendary ships exist on the local, regional, national, and international levels. The strength of the ship's legendary status in one level may result in her becoming a legend in the next level.

Based on an examination of the ships named in the Delphi Method and General Survey, this proposition holds in principle that there are different levels of legends. However, the designation of levels as local, regional, national, and international does not hold. An examination of the ships named in the Personal/Local Legend classification which were not discussed in Chapter II, showed a variety of possible reasons why those ships were named. In some cases, there was a deep local connection as in the case of *Princess Victoria*. In other cases, the respondents may have sailed on the ships, or the ships were of national maritime significance. Within the Personal/Local Legend classification there was a very wide variety of possible reasons for naming these ships, as discussed in Chapter VII. The ships in the next classification level, Demi Legend, were all North Atlantic ocean liners with the exception of *Oriana* and *Oceanic*. The same can be said of the Legend classification. The only exceptions were *Canberra* and *Norway*. *Norway* could still be considered a North Atlantic liner because of her legacy as the former *France*. *Queen Mary 2*, which also appeared in this classification, was built as and is viewed in the public's mind as an ocean liner, specifically, as the last one to make scheduled transatlantic crossings. The seven ships in the Grand Legend classification are the most famous ocean liners ever built, *Queen Mary*, *United States*, *Normandie*, *Queen Elizabeth 2*, *Titanic*, *France*, and *Queen Elizabeth*. As the number of respondents is increased the high scoring ships continue to be named, thereby, tending to maintain the ships' relative positions. Some movement into the next classification may be possible

with a strong response from a specific country. However, in general, the ships in the three classifications other than Personal/Local Legend vary in degrees of legend and not on a geographic basis. Therefore, Proposition 4 can be rewritten as follows.

Revised Proposition 4: Legendary ships exist on the Personal/Local Legend, Demi Legend, Legend, and Grand Legend levels. The strength of the ship's legendary status in one level may result in her becoming a legend on another level, but only for a one level change.

Proposition 5: The probability of becoming a legendary ship varies directly with the economic importance of the ship's operational environment.

Proposition 5 held as written. All the ships in the Demi Legend, Legend, and Grand Legend classifications came from the North Atlantic with the exception of *Canberra*, *Oriana*, and *Oceanic*. *Canberra* and *Oriana* were the premier ships on the U.K.-Australia/New Zealand run in the 1960s and 1970s. In terms of the number and size of ships, the Europe-Australia/New Zealand run was the most important passenger route after the North Atlantic in that time frame. *Oceanic* was originally planned for North Atlantic Canadian service and entered service in the New York cruise market, the leading cruise market before the rise of Miami.

Proposition 6: In the Cruise Ship Era, the high level of the minimum competitive bundle/core competencies makes an instant legend extremely difficult and expensive to achieve.

This proposition held in principle. Cruise ships were conspicuously absent in the Demi Legend, Legend, and Grand Legend classifications. As discussed in Chapter VII, they also made up relatively few of the Personal/Local Legends. The high level of obligatory amenities in the current cruise market makes it difficult for ships to stand out. Whereas in the past the population of ships was shaped like a pyramid, today it is shaped more like a flattened football. Antecedents for legends in the economic environment were discussed in Chapters II and III. While the conditions of commerce exist and prosper in the cruise industry, the second condition, the existence of an elite, may not exist on a large enough scale to generate cruise ship legends. The cruise industry primarily advertises to the mass market and the first-time cruiser. This contemporary market accounted for 64.3% of the total market in 2004. The premium market accounted for another 25.2%. Luxury and niche markets, which may include some luxury products, accounted for just 2.1% and 2.8%, respectively (Cruise Industry News, 2004). It is the luxury market that would appeal to the elite, however, the cruise industry positions itself as luxury for all. In addition, the tendency towards class buildings and standardization in design has led to a sameness and difficulty in distinguishing one ship from another. It was difficult enough to distinguish the subtle differences between *Lusitania* and *Mauretania*, or *Bremen* and *Europa*, or *Andrea Doria* and *Cristoforo Colombo*, but nearly impossible to sort out the eight members of the *Fantasy* class or the five members of the *Voyager* class. *Queen Mary 2* has proven to be the exception. Built as and positioned as an ocean liner, she has

been able to stand out from the pack. Proposition 6 can be rewritten as follows.

Revised Proposition 6: The high level of the minimum competitive bundle/core competencies makes an instant cruise ship legend extremely difficult and expensive to achieve.

8.4 Definition of a Legendary Passenger Ship:

The study's initial definition of a legendary passenger ship was modified in consideration of the Delphi Method and General Survey results. Therefore, a legendary passenger ship is a passenger ship so notable, in comparison with other ships in its operational environment, that it captures the public imagination on, as a minimum, the personal or local level so that stories told about it are handed down from generation to generation by segments of the interested public. In order to move beyond the personal/local level such a ship must be superior in the categories of Attractiveness, Significance, Power, and Competitive Advantage; the greater the superiority, the higher the level of legend. This definition is reflected in the revised legendary passenger ship model, presented in the next paragraph.

8.5 Presentation of the Revised Legendary Passenger Ship Model:

The General Legendary Passenger Ship Model as shown in Figure 51, can be modified to reflect the revised definition and the Delphi Method and General Survey results.

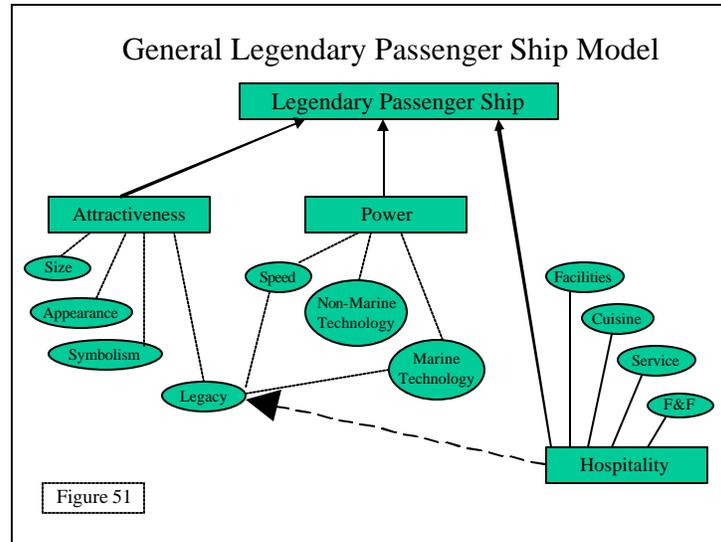


Figure 51

The revised model is presented in Figure 52.

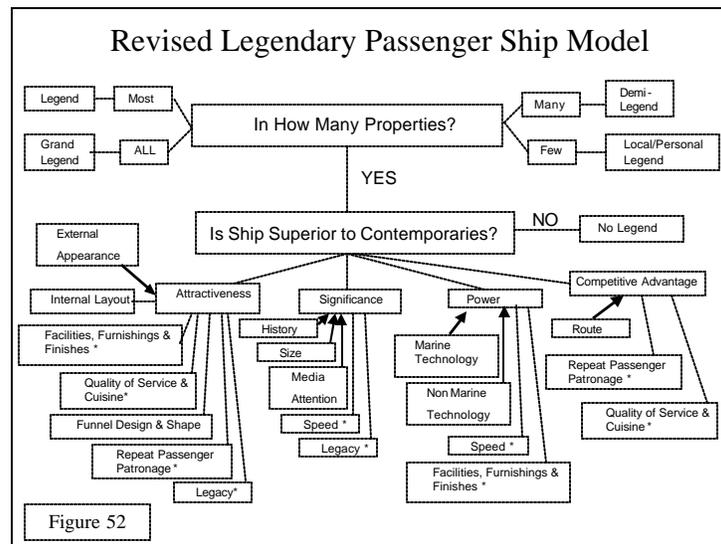


Figure 52

A ship's legendary status was decided by how superior they were in the ten properties that significantly loaded on the Attractiveness and Significance categories. These ten properties were External Appearance, Internal Layout, Service & Cuisine Quality, Funnel Shape & Design, Facilities, Furnishings, & Finishes, History, Media Attention, Size, Legacy, and Speed.

8.6 The Future of Legendary Cruise Ships:

In Chapter I, the research question asked, “In a world where a substantial majority of new ships have been in the 70,000+ ton range since the mid-1990s and most of those after 2000 have been in the 90,000 ton or 100,000+ ton range; how does a company make its ships stand out?” It was anticipated that the General Survey results would contain a large number of cruise ships since the respondents would be familiar with them. The tonnage figures stated above, alone, would have placed an ocean liner in the elite class. The results did not bear this out. As discussed in Chapter VII, only 34 of the 100 plus cruise ships, placed in service between 1988 and 2007, were named by General Survey respondents. Of these only 5 were listed by three or more respondents. These ships, *Voyager of the Seas*, *Sovereign of the Seas*, *Royal Viking Sun*, *Oriana*, and *Carnival Destiny*, and their attributes were discussed in Chapter VII. Another 7 ships were listed by two respondents. These ships were *Europa*, *Explorer of the Seas*, *Amsterdam*, *Millennium*, *Norwegian Dawn*, *The World*, and *Royal Viking Queen/Seabourn Legend*. *Europa* and *Royal Viking Queen* are known for luxury. *The World* is known for both luxury and her unique concept of apartment ownership. *Explorer of the Seas* is the second ship of the *Voyager* class and one of the largest ships in the world. At 90,228 tons, *Millennium* is a large luxurious ship. She is also the lead ship of her class and was the first cruise ship in the world to be powered by gas turbine engines. *Amsterdam* was the first Holland America Line ship to be fitted with azimuthing podded propulsion. *Norwegian Dawn* is technologically advanced and at 24 knots, fast. She is also large at 91,000 tons and has ten dining venues. Her garden villa suites are among the largest afloat. In 2003 she reestablished year round regular cruise service from New York City. Size, luxury, unique

concepts, advanced technology, and speed all help to make these ships notable. Yet they were not judged superior enough to be named as legends by more than a few respondents.

A look at *Oriana*, *Rotterdam*, and *Queen Mary 2*, may provide some insight. All three were named after illustrious predecessors.

Figure 53 *Oriana* Courtesy of ShipPax Information



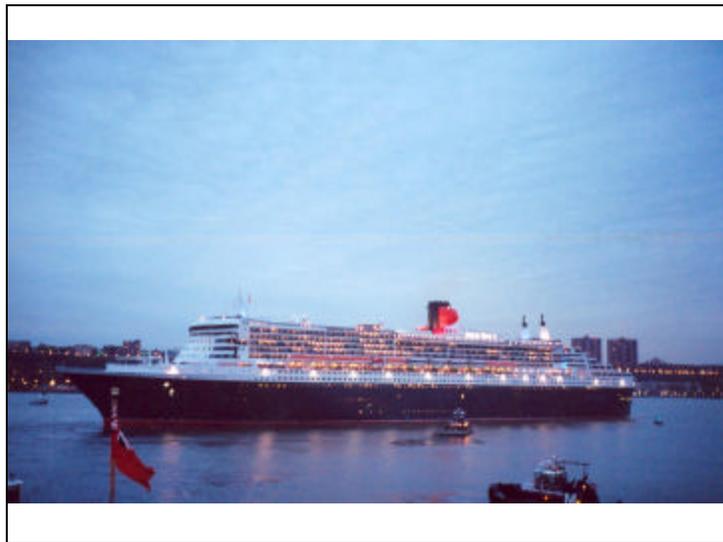
Oriana entered service in the U.K. market in 1995. She was notable as the largest cruise ship ever built for the British market and as the first cruise ship built for P&O in twenty five years. *Oriana* was named by 5 respondents. Her running mate, *Aurora*, which entered service in 2000 was named by only 1 respondent. By the time *Aurora* was sailing, she was one of 14 new cruise ships worldwide to enter service that year. Being ten percent larger but very similar in design to *Oriana*, *Aurora* was no longer special.

Figure 54 *Rotterdam* Courtesy of ShipPax Information

Rotterdam entered service in 1997 as the flagship of Holland America Line, one of seven new cruise ships. She was preceded in 1993-1996 by four ships of the 55,451 ton *Statendam* class. She was superseded by the larger *Volendam* and *Zaandam* in 1999 and 2000. Also in 2000, she was joined by her slightly larger running mate, *Amsterdam*. Between 2002 and 2006, *Rotterdam* was also joined by the four ships of the 85,000 ton Vista class, *Zuiderdam*, *Oosterdam*, *Westerdam*, and *Noordam*. Even though she's distinguished by her funnel design, *Rotterdam* may be viewed as an extension of the *Statendam* class. In both size and luxury, she is surpassed by the Vista class ships.

Figure 55 Vista Class *Zuiderdam* Courtesy of ShipPax Information

Other than her designation as flagship and high speed, the 59,652 ton *Rotterdam* doesn't stand out. She was not named by any respondents while her namesake predecessor ranked in the Legend classification. However, her running mate, *Amsterdam*, Holland America Line's first ship with podded propulsion, was named by two respondents. *Rotterdam*'s legendary status will depend on her reputation for service and cuisine and her history over time.

Figure 56 *Queen Mary 2*

Queen Mary 2 was designed and built as an ocean liner capable of crossing the North Atlantic throughout the year. The complexity and speed of her construction made headlines. She was the largest passenger ship in the world when built and one of the most luxurious. She is pleasing to the eye and fast at 28.5 knots service speed. Striking in appearance with a black hull and red and black funnel, she stands out in the harbor. In her first year of service she has already established a base of repeat passengers. She placed in the Legend classification among both Delphi Panel members and General Survey respondents. With almost 10 new ships a year since 1997, it is difficult for a cruise ship to stand out and even more difficult to be so superior to her contemporaries that she is propelled into the Demi Legend or higher classification (Cruise Industry News, 2004). Only an exceptional ship like *Queen Mary 2* can achieve this. With *Queen Mary 2* setting the standard for a legendary passenger ship, it will be difficult for the 160,000 ton Ultra-*Voyager* or Carnival's 180,000 ton "Pinnacle" project to become instant legends. The Royal Viking Line cruise ships from the General Survey may provide insight to the future of legends in the cruise industry.

As discussed in Chapter VII, the Royal Viking Line ships were named by two to six General Survey respondents. The three oldest ships, *Royal Viking Star* (Figure 57), *Royal Viking Sea*, and *Royal Viking Sky* were on 6, 5, and 5 lists respectively. These ships had established a reputation for excellence over a period of twenty years. This reputation was continued by *Royal Viking Sun* and *Royal Viking Queen*, which appeared on 5 and 2 lists.

Figure 57 *Black Watch*, ex-*Royal Viking Star* Courtesy of ShipPax Information



For contemporary cruise ships, their legendary status may be decided by how well they perform over time versus their comparative attributes as in the case of ocean liners, unless they are true ocean liners and are viewed by the public as such. Resembling an ocean liner doesn't count. *Disney Magic* (Figure 58), slightly larger than *Queen Elizabeth* in tonnage, a foot longer than *Queen Elizabeth 2*, and faster than most at 24 knots, was only named by one respondent.

Figure 58 *Disney Magic* Courtesy of ShipPax Information



There appears to be a hidden dimension in the making of an instant legend that cruise ships lack. Maybe it's that combination of dispatch and deluxe described by John Maxtone Graham (1972); the same elements captured by book jacket pictures of the *Twentieth Century Limited* speeding along the Hudson (Zimmermann, 2002) or *Cap Arcona* passing a windjammer in the South Atlantic on a starlit night (Bathe, 1973). To be built to undertake a cross ocean voyage at a constant 80-90% of maximum power on a regular scheduled basis and to arrive on time regardless of weather appears to matter. Ocean liners do this as a matter of course, cruise ships do not. Both types have deluxe, but ocean liners can become instant legends, cruise ships cannot. Cruise ships must work at it through years of superlative service, like the Royal Viking Line ships or *Pacific Princess*, to win the hearts and minds of the public.

8.7 Postscript:

The Grounded Theory Approach is an iterative process in which the hypotheses are constantly checked against the data (Daymon & Holloway, 2002). The Constant Comparative Method, inherent in this approach, requires a continuous review of the data. The form of the final product is only reached at the end (Glaser & Strauss, 1967). Questions were raised at the Final Defense, on October 22, 2004, about intangibles. This section addresses those issues and other marketing implications. Keeping with the principles of the Grounded Theory Approach and in order to provide a more comprehensive research product, the General Survey responses received between August 20 and November 13 are also discussed.

Importance of Intangibles:

The importance of intangibles has received increased attention in the business press in recent years. Blair & Wallman (2001, v) wrote, “When historians look back at the turn of the century, they will note one of the most profound economic shifts of the era: The rise of the Intangible Economy....The world economy and financial system is increasingly driven not by traditional hard assets-plants, warehouses, and the like-but by intangibles.” Lev (2001) addressed issues of valuation with regards to intangibles. He wrote, “In a challenging business environment with unforgiving capital markets, it is now time to move on from low-hanging fruit, such as patent licensing, to the full incorporation of intangible capital in managerial strategic and control processes and the full recognition of the role of key intangibles in corporate value creation (2001, 133).”

Other writings have concentrated on intangible aspects of brand creation and management. Vincent (2002) wrote on the power of storytelling in brand strength. Story generation is inherent in the very definition of legend. Using various brands as examples, he illustrated the creation of brand mythology that was ascribed to and passed from consumer to consumer. Bedbury (2002) also promoted the importance of communication in brand strength. Schmitt (1999) wrote on the use of experiences to establish brand strength. With regard to transportation, he wrote (1999, 34), “Transportation vehicles like cars, trains, and airplanes are complex products that offer numerous opportunities to appeal to customer experiences. Relative to many other products, vehicles occupy tremendous space. Moreover, transportation (moving from one place to another)

constitutes a consumption situation that extends over time, and it often occurs in the presence of others. Not surprisingly, customers treat transportation vehicles as objects of beauty, passion, and desire. They use transportation vehicles to say something about themselves as well as impress others. Finally, transportation vehicles epitomize a society's tastes, values, and aesthetic preferences." Gobé (2001, 2002) expanded the experience concept to include emotional bonding with the consumer. Pine & Gilmore (1999) related these concepts to design, going beyond just providing an environment to creating a stage that fosters and encourages unique experiences. From storytelling to providing experiences, intangibles are critical to creating, maintaining, and enhancing brands. Cruise Industry News' newsletter (Branding, 2004) wrote on the importance of branding in the cruise industry.

The Properties and Intangibles:

Blair & Wallman (2001, 3) defined, "intangibles as nonphysical factors that contribute to or are used in producing goods or providing services, or that are expected to generate future productive benefits for the individuals or firms that control the use of those factors." Using this definition, the fourteen properties could be divided into five tangible properties and nine intangible properties. The five tangible properties were Size, Speed, Marine Technology, Non Marine Technology, and Facilities, Furnishings, & Finishes. The intangible properties were External Aesthetic Appeal, Aesthetic Appeal of Internal Layout, History, Legacy, Route/Cruising Area, Quality of Service & Cuisine, Repeat Passenger Patronage, Funnel Shape/Design, and Media Attention. Based on the 309 General Survey Responses, received as of August 20, 2004, Principal Component Factor Analysis

resulted in four factors, Attractiveness, Significance, Power, and Competitive Advantage. These four factors explained 62.338% of the variance, which is satisfactory for the social sciences (Hair, Anderson, Tatham, & Black, 1998). The Attractiveness Factor contained six intangibles, External Appearance, Internal Layout, Quality of Service & Cuisine, Funnel Design & Shape, Repeat Passenger Patronage, and Legacy; and one tangible, Facilities, Furnishings, & Finishes. The Significance Factor contained three intangibles, History, Media Attention, and Legacy; and two tangibles, Size and Speed. The Power Factor consisted of four tangibles, Speed, Marine Technology, Non Marine Technology, and Facilities, Furnishings, & Finishes. The Competitive Advantage Factor consisted of three intangibles, Route, Repeat Passenger Patronage, and Quality of Service & Cuisine. The strongest factors were those with a combination of intangibles and tangibles; the higher the percentage of intangibles the stronger the factor when both types were present. In view of their constituent properties, the factors/categories can also be divided into tangible and intangible. Power is the only tangible factor/category, while the others, even though they may contain some tangible properties, are essentially intangible in nature.

Factor Analysis and November 13 Data

By November 13, 2004, 424 General Survey responses had been received, of which, there were 412 useable responses including 352 complete sets. Tables 40 through 42 show the results Principal Component Factor Analysis of these data. Hair, Anderson, Tatham, & Black (1998) suggested a minimum of 350 responses for a significant factor loading of .300. Therefore, .300 is used as the lowest significant loading in Tables 40 through 44. Significant loadings are in bold.

Table 40: Rotated Component Matrix from Principal Component Factor Analysis with Varimax with Kaiser Normalization Rotation Eigenvalue = 1.0

Property	Factor		
	1	2	3
Service & Cuisine Quality	.740	.170	.145
Facilities, Furnishings, & Finishes	.712	.111	.164
Internal Layout	.694	-.065	.194
Repeat Passenger Patronage	.624	.243	.079
Non Marine Technology	.580	.419	-.156
Speed	.120	.730	.229
Route	.207	.643	-.133
Size	-.093	.630	.354
Media Attention	.062	.568	.444
Marine Technology	.431	.550	.060
History	-.065	.238	.733
Legacy	.240	.226	.665
External Appearance	.512	-.106	.634
Funnel Design & Shape	.402	-.028	.496

Factor 1 explained 21.442% of variance. Factor 2 explained 16.908% of variance. Factor 3 explained 15.290% of variance for a cumulative total of 53.640%.

The explained variance was noticeably lower than the previous factor analysis of the 308 responses from the August 20 data with the same eigenvalue cutoff of 1.00. This

indicated that the eigenvalue cutoff was too high. Therefore, factor analysis was rerun on the 412 responses with an eigenvalue cutoff of .900. The results are shown in Table 41.

Table 41: Rotated Component Matrix from Principal Component Factor Analysis with Varimax with Kaiser Normalization Rotation Eigenvalue = .9

Property	Factor				
	1	2	3	4	5
History	.779	.109	.090	.019	-.413
Media Attention	.693	.195	.069	.092	.201
Size	.646	-.048	.054	.142	.319
Speed	.548	-.009	.051	.520	.259
Legacy	.540	.193	.484	.028	-.003
Service & Cuisine Quality	.139	.835	.156	.165	.044
Repeat Passenger Patronage	.148	.773	.117	.032	.274
Facilities, Furnishings, & Finishes	.071	.590	.222	.445	-.206
Funnel Shape & Design	.089	.050	.840	.041	.190
External Appearance	.208	.245	.729	.162	-.250
Internal Layout	-.101	.466	.520	.216	.015
Marine Technology	.206	.064	.178	.813	.098
Non Marine Technology	-.005	.313	.032	.754	.075
Route	.204	.193	.026	.168	.788

Factor 1 explained 31.478% of variance. Factor 2 explained 12.116% of variance. Factor 3 explained 10.046% of variance. Factor 4 explained 7.125% of variance. Factor 5 explained 6.468% of variance for a cumulative total of 67.233%

The lower eigenvalue cutoff resulted in an improved explanation of variance of 67.233%. This was above the 62.338% explained variance for the August 20 data. Factor Analysis with an eigenvalue cutoff of .700 was run to see if the explained variance could be substantially improved and some insight provided on the possible hidden dimension that was discussed earlier. The results are shown in Table 42.

Table 42: Rotated Component Matrix from Principal Component Factor Analysis with Varimax with Kaiser Normalization Rotation Eigenvalue = 0.7

Property	Factor						
	1	2	3	4	5	6	7
Facilities, Furnishings, & Finishes	.793	.167	.108	.113	.206	.050	-.051
Internal layout	.623	.001	.059	-.066	.181	.393	.133
Non Marine Technology	.578	.562	-.105	.040	.072	-.061	.137
Marine Technology	.210	.869	.101	.031	.082	.135	.049
Speed	-.054	.682	.226	.359	.115	.057	.190
Legacy	.068	.152	.792	-.005	.174	.275	.261
History	.083	.090	.762	.407	.028	-.085	-.205
Media Attention	-.009	.204	.105	.813	.288	.170	-.011
Size	.165	.061	.199	.702	-.208	.008	.446
Repeat Passenger Patronage	.173	.133	.067	.075	.863	.135	.132
Service & Cuisine Quality	.530	.070	.155	.083	.666	.051	.089
Funnel Design & Shape	.089	.109	.056	.136	.121	.896	.019
External Appearance	.476	.054	.446	.028	.017	.551	-.078
Route	.044	.185	.000	.127	.192	.008	.877

Factor 1 explained 14.179% of variance. Factor 2 explained 12.236% of variance. Factor 3 explained 11.262% of variance. Factor 4 explained 10.822% of variance. Factor 5

explained 10.696% of variance. Factor 6 explained 10.154% of variance. Factor 7 explained 8.481% of variance for a cumulative total of 77.830%

The reduced eigenvalue cutoff of .700 resulted in a substantial improvement of explained variance to 77.830%. Also this factor analysis has a more even distribution of the explained variance across the factors from 14.179% for Factor 1 to 8.481% for Factor 7. Maximum likelihood factor analysis was also run with the same eigenvalue cutoff. The results are shown in Table 43.

Table 43: Pattern Matrix from Maximum Likelihood Extraction with Oblimin with Kaiser Normalization Rotation Eigenvalue = 0.7

Property	Factor						
	1	2	3	4	5	6	7
Marine Technology	1.020	.032	.011	-.021	-.073	.049	.041
Speed	.402	-.006	.158	-.004	.218	-.017	-.206
Repeat Passenger Patronage	.050	.870	.027	-.008	.023	.002	-.078
History	.031	.001	.750	.053	-.132	-.106	-.184
Legacy	.058	.117	.561	-.064	.204	.244	.125
Facilities, Furnishings, & Finishes	.018	.022	.037	.757	-.016	.052	-.031
Service & Cuisine Quality	-.061	.434	.085	.468	.074	.015	-.019
Non Marine Technology	.340	.027	-.101	.401	.111	-.049	-.025
Internal Layout	.038	.125	-.017	.326	.029	.317	.076
Route	.012	.075	-.074	.005	.771	-.022	.014
Size	.005	-.143	.184	.060	.355	.023	-.295
Funnel Design & Shape	.027	.035	-.061	-.044	.010	.702	-.122
External Appearance	.032	-.066	.264	.273	-.082	.558	.073
Media Attention	.029	.122	.040	.004	.014	.124	-.770

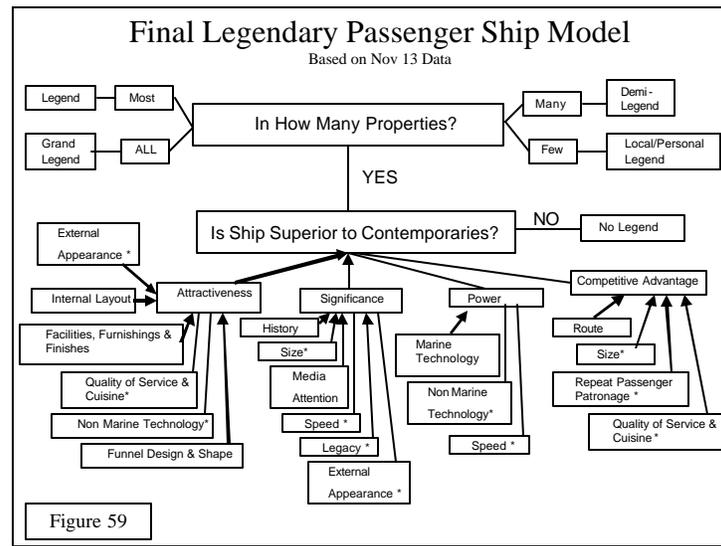
The extracted sums of squares loadings were 15.962% for Factor 1, 18.425% for Factor 2, 8.490% for Factor 3, 6.943% for Factor 4, 3.908% for Factor 5, 3.489% for Factor 6, and

2.525% for Factor 7. The total was 59.743%. Goodness-of-fit Test Chi-Square was 21.933 with 14 degrees of freedom and with a significance of .080

This was an improvement over the maximum likelihood factor analysis of the August 20 data in which the route property failed to load on any factor and explained variance was 48.447% (Table 35). The Chi-Square Goodness-of-fit test was also an improvement over the August 20 data; 21.933 with 14 degrees of freedom and a significance of .080 versus 120.679 with 41 degrees of freedom and a significance of .000. In addition, the significant loadings provide an insight into how the properties work together in the legendary ship model.

The Rotated Component Matrix from Principal Component Factor Analysis with Varimax with Kaiser Normalization Rotation and eigenvalue = 0.7 is repeated in Table 44 with only the significant loadings and their category shown.

Only Factor 2, Power, which explained 12.236% of the variance consisted solely of tangible properties. All the others consisted of intangibles only or a majority of intangibles. The Legendary Passenger Ship Model can be slightly modified to reflect the November 13 data, but in principle the model remains unchanged. The final model reflecting the November 13 data is presented in Figure 59.



Cluster Analysis and November 13 Data:

The 412 responses, as of November 13, generated a total of 282 ships, of which, 17 were not discussed in Chapter II or VII. These ships were Cunard Line's 7,392 ton, 515 foot, 16 knot *Servia* of 1881; French Line's 8,893 ton, 520 foot, 19 knot *La Touraine* of 1890; the 8,357 ton, 524 foot, 22 knot *Great Northern/H.F. Alexander* of 1921; Norwegian-American's 12,977 ton, 553 foot, 16 knot *Stavangerfjord* of 1917; White Star Line's 34,351 ton, 774 foot, 19 knot *Homeric*, ex-North German Lloyd *Columbus* of 1922; *Awatea*'s running mate 10,852 ton, 519 foot, 18 knot *Monowai* of 1926; *Delta Queen*'s

3,360 ton, 285 foot, 10 knot sistership *Delta King*; Turkish Maritime Lines' 6,178 ton, 409 foot, 18 knot *Ankara* of 1948, ex-*Iroquois* of 1927, ex-USS *Solace* AH5 of World War II; Holland Africa-Line' s 10,5444 ton, 527 foot, 17 knot *Oranjefontein* of 1939; California Maritime Academy' s 7,997 ton, 465 foot, 17 knot training ship *Golden Bear* of 1940, ex-USS *Crescent City* AP40/APA21 of World War II; Canadian Pacific Railway Company' s 5,911 ton, 524 foot, 22 knot *Princess Marguerite* of 1949; Elder Dempster Lines' 14,083 ton, 537 foot, 16 knot *Aureol* of 1951; the 13,007 ton, 501 foot, 17 knot *Dolphin IV* of 1978, Zim Lines' ex-*Zion* of 1956; the 5,500 ton, 347 foot, 15 knot *Stella Oceanis* of 1967, ex-*Aphrodite* of 1965; Commodore Cruise Line' s 10,328 ton, 441 foot, 20 knot *Boheme* of 1968; P&O' s 17,370 ton, 535 foot, 20 knot *Spirit of London* of 1972; and Norwegian Cruise Line' s 50,760 ton, 754 foot, 20.3 knot *Norwegian Wind*, ex-*Windward* of 1993. For the sake of brevity, their histories are discussed here. All of them have unique histories and special places in their countries and /or companies. Further information is available in Latimer (2002), Jordan (1999), Miller (1995), and at <http://www.history.navy.mil/photos>.

Cluster analysis was also run on the November 13 data. The result was four clusters. Cluster 1 consisted of *Queen Mary* (229 responses), *United States* (213), *Normandie* (202) and *Queen Elizabeth 2* (177). Cluster 2 included *Titanic* (144), *France* [1962] (141), *Queen Elizabeth* (117) and *Rotterdam* [1959] (105). Cluster 3 was comprised of *Mauretania* [1907] (81), *Norway* (81), *Ile de France* (76), *Canberra* (76), *Queen Mary 2* (68), *Rex* (55), *America/Australis* (52), *Nieuw Amsterdam* [1938] (52), *Bremen* [1929] (50), *Andrea Doria* (47), *Lusitania* (43), *Aquitania* (43), and *Olympic* (40). Cluster 4 included all the remaining ships.

There were three relevant groupings of notable ships, receiving multiple responses, within Cluster 4. The first group consisted of *Oriana* [1960] (31), *Oceanic* [1965] (31), *Europa* [1930] (31), *Imperator/Berengaria* (28), *Independence* (24), *Southern Cross* (22), *Empress of Britain* [1931] (21), *Michelangelo* (21), *Caronia* [1948] (20), *Leonardo da Vinci* (18), *Pacific Princess ex-Sea Venture* (18), and *Britanis ex-Monterey* (17). The second group included *Windsor Castle* [1960] (15), *Constitution* (14), *Raffaello* (14), *Lurline* (14), *Empress of Canada* (13), *Vistafjord* (13), *Great Eastern* (13), *Conte di Savoia* (13), and *Olympia* (12). *Sovereign of the Seas* (10), *Voyager of the Seas* (10), *Achille Lauro ex-Willem Ruys* (10), *Vaterland/Leviathan* (9), *Sagafjord* (9), *Gripsholm* [1957] (8), *Sea Princess ex-Kungsholm* [1965] (8), *Angelina Lauro ex-Oranje* (8), *Cristoforo Colombo*, *Brasil* (7), *France* [1912] (7), *Mauretania* [1939] (7), *Dominion Monarch* (7), and *Victoria ex Dunnottar Castle*.

Cluster analysis provides an objective basis for dividing the ships into legend categories. However, as stated earlier, the division should also reflect the intent of the respondents and the literature. Clusters 1 and 2 can be combined into a Grand Legend classification. The revised membership includes the members from the August 20 data, *Queen Mary*, *United States*, *Normandie*, *Queen Elizabeth 2*, *Titanic*, and *France*; plus *Queen Elizabeth* and *Rotterdam*, which moved up from their previous Legend classification. Cluster 3 forms the revised Legend classification. The membership includes earlier members *Norway*, *Mauretania*, *Ile de France*, *Queen Mary 2*, and *Canberra*, and new members, *Rex*, *America/Australis*, *Nieuw Amsterdam*, *Bremen*, *Andrea Doria*, *Lusitania*, *Aquitania*, and *Olympic*; which moved up from their earlier Demi Legend classification. The revised

Demi Legend classification includes earlier members *Oriana*, *Oceanic*, *Europa*, *Imperator/Berengaria*, and *Independence*; and new ships from the first grouping of Cluster 4 members, *Southern Cross*, *Empress of Britain*, *Michelangelo*, *Caronia*, *Leonardo da Vinci*, *Pacific Princess*, and *Britanis*. Groups 2 and 3 provide a pool of possible candidates for the Demi Legend classification as respondent numbers increase. However, an increase in respondents benefits all ship. Therefore, as stated earlier, the expected movement between classifications is no more than one. Looking at it from a percentage point of view; the Grand Legend classification can be expected to contain ships appearing on approximately 25%-50+% of responses; the Legend classification, those on approximately 10%-20%; the Demi Legend classification, those on approximately 4%-8%; and those for possible movement into the Demi Legend classification with increased respondents on approximately 1.5%-3.5%.

Even with the increased numbers of the November 13 data, newer cruise ships failed to place in the Demi Legend or higher classifications. *Pacific Princess* was the only one of these 33 ships which did not have ocean liner roots. When the 56 ships, discussed above, are examined a number of them had very long and successful lives as cruise ships, however, *Sovereign of the Seas* and *Voyager of the Seas* were the only purpose built recent cruise ships to be named in the group.

Ocean Liners, Cruise Ships, and Marketing Implications:

Ardman (1985, 427) wrote, "So, ships there are, but not transatlantic liners. Those are long gone, all of them." Maybe, Ardman was not completely correct. *Queen Elizabeth 2*

carried on the tradition for nineteen years after he wrote, and *Queen Mary 2* continues the tradition today. However, the public appears to view cruise ships and ocean liners as separate entities, as evidenced by the General Survey results. Ward (2004, 8) asked, “What exactly is a cruise?” To which he replied, “A cruise is a vacation. It is an antidote to (and escape from) the stress and strain of life ashore. It offers you a chance to relax and unwind in comfortable surroundings, with attentive service, good food, and a ship that changes the scenery for you. It is virtually a hassle-free, and more importantly, a crime-free vacation....” Cartwright & Baird (1999, 56-57) confirm Ward’s statement, “As part of the research for this book we asked a large number of cruisers (over 100) over a period of time, ‘what is it that makes a cruise different from other holidays?’ i.e., what is the product? After all, these people could have purchased a variety of types of answer. We found out first what the product was not, it was not an ocean voyage. The fact that the ship sailed the seas was almost incidental to the experience....Put together, the picture frequently painted was of a safe, luxurious, anxiety-free way to see the world with everything there at your fingertips within your comfort zone....” The cruise industry views land-based vacations as its main competition (Dickinson & Vladimir, 1997). As such the vacation aspects versus the nautical aspects are emphasized in its marketing. CLIA (1999) divided recent cruisers into six segments. Three segments, Restless Baby Boomers, Enthusiastic Baby Boomers, and Consummate Shoppers, comprised 33%, 20%, and 16% of the recent cruiser market (had cruised within the past five years) and 17%, 15%, and 20% of total cruising days, respectively. Marketing messages to these segments, 69% of the recent cruiser market and 52% of the total cruise days, need to focus on cruising’s affordability and superiority over other vacations for Restless Baby Boomers; on cruising’s fun, excitement, and escape factor for Enthusiastic Baby Boomers; and on

cruising's high value for the money and occasional promotions with special rates for Consummate Shoppers (CLIA, 1999). The first two segments also had the highest proportions of first-timers, 59% and 46%, respectively.

The results of this study are most relevant to CLIA's three remaining segments, Luxury Seekers, Explorers, and Ship Buffs. Marketing messages to these segments, 31% of the recent cruiser market and 47% of the total cruise days, need to focus on the desire for luxury, extravagance, and recognition of achievement for Luxury Seekers; on new destinations, learning experiences, and self-actualization for Explorers; and on the ship experience for Ship Buffs.

Kennedy (1980, Introduction) wrote, "train travel, being constricted in both time and space, magnifies character, intensifies relationships, unites the disparate. Ordinary people become extra-ordinary, larger than life; and in the knowledge that they will not meet again, expansive, confiding, intimate." The same can be said of ship travel, however, the magnification and intensification is even stronger due to an increase in journey length and the compression of the passenger's world to that of the ship once land has dropped below the horizon. A ship is a self-contained physical and social environment. It creates its own experiences, causing customers, as Schmitt (1999, 34), wrote to, "treat transportation vehicles as objects of beauty, passion, and desire." It is the five tangible properties of Facilities, Furnishings, & Finishes; Size; Marine Technology; Non Marine Technology; and Speed that make the ship a transportation vehicle. The term ocean liner captures these in the public imagination while the term cruise ship does not. It is the nine intangible properties of External Appearance, Quality of Service & Cuisine; Legacy; History;

Internal Layout; Funnel Design & Shape; Media Attention; Repeat Passenger Patronage; and Route that make an ocean liner the “object of beauty, passion, and desire.” The combination of the tangible and intangible creates the ocean liner in the public imagination. The question for the marketer is “What combination is most effective?” With *Queen Mary 2* it is clearly the combination of Size; Speed; Facilities, Fittings, & Furnishings; Marine Technology, Non Marine Technology; Legacy; Funnel Shape & Design; and External Appearance. Based on a recent press release emphasizing accommodations and public rooms (Cunard, 2004), her future running mate, *Queen Victoria* is counting on the combination of Facilities, Fittings, & Furnishings and Legacy to identify her as an ocean liner in the public imagination.

Being an ocean liner comes at a cost. *Queen Mary 2* cost \$800 million US (Ward, 2004) and *Queen Victoria* is expected to cost in excess of \$500 million US. However, differentiating oneself as an ocean liner can provide unique value and competitive advantage (Porter, 1985). Based on discussions with fellow passengers on *Queen Elizabeth 2*'s April 25, 2004 voyage and numerous articles in The Weekly “E-News” Supplement to Ocean & Cruise News (Miller, 2004) during 2004, *Queen Mary 2* has established a strong base of repeat passengers in less than a year of service. Her accolades and technical achievements have made her a ship that people want to sail on. Such a ship meets the esteem needs and self-actualization needs of the Luxury Seekers', Explorers', and Ship Buffs' recent cruisers segments. These segments are 14%, 11%, and 6% of the recent cruiser market but account for 18%, 18%, and 11%, respectively, of total cruising days (CLIA, 1999). These needs are the highest orders of Maslow's Hierarchy of Needs (Steers, 1991). These segments are also the most lucrative of the six segments, possessing

the means, the time, and proven strong desire to cruise. As with the August 20 responses, the majority of the November 13 respondents were experienced cruisers; 28% having taken 1-5 cruises; 17% 6-10 cruises; 5% 11-14 cruises; and 40% more than 14 cruises. These respondents correspond most closely to CLIA's (1999) Ship Buffs segment of recent cruisers. If the cruise lines can convert other segments to Ship Buffs they will reap good returns. This segment takes cruises for cruising's unique nautical/sea travel aspects versus just the vacation aspects, discussed in Cartwright & Baird (1999).

Branding Implications:

The Cunard brand plays a strong role in the success of *Queen Mary 2*. The role of branding is captured in the Legacy and History properties. When the results of the General Survey are examined, Cunard is the strongest brand in terms of ships named. Every Cunard flagship since 1907 is in the Demi Legend or higher classification. If one includes White Star Lines' *Titanic*, Cunard has half the ships in the Grand Legend classification. Every major Cunard or White Star passenger ship since 1911 was named at least once with the exception of White Star's 27,469 ton, 712 foot, 18 knot *Georgic* of 1932 and Cunard's passenger cargo 13,362 ton, 534 foot, 18 knot *Parthia* of 1948, 14,151 ton, 484 foot, 19 knot *Cunard Adventurer* of 1971, and 14,155 ton, 489 foot, 19 knot *Cunard Ambassador* of 1972. The next strongest brand was Compagnie Générale Transatlantique, French Line, with *Normandie* and *France* (1962) in the Grand Legend classification; *Ile de France* in the Legend classification; *France* (1912) and *Paris* with 7 and 6 responses, respectively, and *Flandre* with 1. French Line was followed by Italian Line, with *Rex*, *Andrea Doria*, *Michelangelo*, *Leonardo da Vinci* in the revised Demi

Legend or higher classification; *Raffaello*, Conte di Savoia and *Cristoforo Colombo*, with 14, 13 and 7 responses; and *Vulcania* and *Saturnia* mentioned at least once. Italian Line ceased operations in 1977. That year French Line, Compagnie Générale Transatlantique was combined with Compagnie des Messageries Maritimes to form Compagnie Générale Maritime, CGM. In 1999 CGM merged with Compagnie Maritime d'Affrètement to form CMA-CGM (<http://www.cma-cgm.com>).

When contemporary cruise brands are considered; with responses for *Norway*, *Sovereign of the Seas*, *Voyager of the Seas*, *Pacific Princess* and *Island Princess* removed; the strongest brand is Carnival Cruise Line. Twelve of its ships were named at least once. The next strongest brand is Celebrity Cruises with *Millennium* named four times, *Century* named twice, and *Horizon* and *Zenith* named once. When the responses for the removed ships are added back in Norwegian Cruise Line becomes the strongest brand with 88 responses, followed by Princess Cruises with 31, Royal Caribbean International with 28, Royal Viking Line with 22, Carnival Cruise Line with 14, Celebrity Cruises with 9, P&O Cruises with 7, and Holland America Line with 6. Carnival Cruise Line had the best brand awareness across their fleet while Norwegian Cruise Line, Royal Caribbean International, and Princess Cruises drew their strength from a small number of specific ships. If one considers Carnival Cruise Line's profitability, then broad brand awareness across one's fleet is probably best. However, high awareness of particular ships is not undesirable since the awareness can spread from the ship to the brand, provided brand consistency is maintained throughout the fleet.

Postscript Conclusion:

The additional analysis, based on the November 13 data, supported the findings from the August 20 data. Minor modifications were made to the model (Figure 59), but the propositions were reconfirmed. The additional responses between August 20 and November 13 resulted in an improvement in explained variance. The additional responses also resulted in an increase in the number of ships in the top three legend classifications from 26 to 33 ships

8.8 Contribution to Knowledge:

The study has made several contributions to the field of passenger shipping. First, the study discovered that ocean liners and cruise ships are viewed differently by the public. It was expected that the General Survey responses would contain a large number of cruise ships and that a number would score in the higher legend classifications. That did not happen. The indication was that ocean liners and cruise ships are two separate entities in the public mind.

Based on the Delphi Method Exercise and the General Survey results, it appeared that a combination of properties determined a ship's legendary status. Exceptional strength in just one or two properties was not sufficient to move the ship out of the Local/Personal Legend classification into the higher classifications, superiority across the range of properties was required.

This was the first study of its kind to attempt to combine passenger shipping historical and empirical research to provide a means of answering a contemporary business problem. The high scores for *United States* and *Queen Mary 2* showed that ocean liners can still capture the public imagination. This bodes well for *Queen Mary 2*'s continued success and helps to justify Carnival Corporation's investment. The *United States*' place, as second only to the *Queen Mary*, bodes well for Norwegian Cruise Lines' plans to reactivate her in 2008. The fact that she scored so well indicates that she will sell herself, provided NCL gets the service and cuisine right. This study also raises some questions for Cunard Line on the positioning of their new *Queen Victoria*, due to enter service in 2007. As evidenced by the results for the Disney ships and *Rotterdam VI*, the mere appearance as an ocean liner or superiority in the intangible properties alone does not an ocean liner make. She will have to include some of the tangible properties that the public associates with ocean liners.

The combination of historical, marketing, and aesthetic aspects of passenger ships, addressed in this study can serve as the basis for further serious study of passenger ships across a range of disciplines, such as psychology, sociology, design, and economics.

The reference list also provides a comprehensive snapshot of the ocean liner literature in 2003. This can also serve as a starting point for further study.

In the field of methodology, this study was unique in that the Delphi Method results were tested against the results of an empirical survey. Most Delphi Method studies end with the Delphi Method results. This technique could be applied to studies of other hospitality and

tourism legends, along with branding and marketing studies.

8.9 Areas for Future Study:

The divide between ocean liners and cruise ships raises the possibility that a separate set of propositions and properties may apply to cruise ships. The areas discussed in the additional analysis section of Chapter IV may serve as a basis for the development of these propositions and properties. Given the lack of perceived diversity among cruise ships, this study would need to be done 5 to 10 years in the future when the current group of cruise ships will have firmly established their reputations, personalities, and histories. In the interim, studies on how cruise ships are perceived and differentiated by the public would make a valuable contribution to the fields of design and marketing.

Further studies could also be done on the nature of passenger loyalty, specifically, how much is ship specific and how much is brand specific and the relationship between the two. Also the General Survey could be rerun with Nostalgia as a separate property to see the effect of Ardman's statement, "And once something has been gone long enough, we tend to romanticize it. Even those of us who never really knew or experienced the thing delight in its memory (1985, 427)." Though the effect of Nostalgia is, most likely, embedded in the Legacy and History properties, breaking it out as a separate property would allow better measurement of its influence and interaction with Legacy and History.

In light of the November 13 data, the relationship between the properties could be further explored through structural equation modeling. This would explore the strength of the

relationships between the properties.

An additional area for future study would be to run the survey in German, French, and Italian. These countries have produced a number of legendary ships. By translating the survey into the languages a wider audience could be reached. If the Dutch respondents can be used as a guide, the results should contain more national ships but at the same time contain many of the top legendary ships.

8.10 Conclusion:

This study was the first to attempt to look at legendary passenger ships and identify why they were legendary. Through a combination of historical and empirical research a model was developed and tested. The results showed that ships are judged on a variety of factors, often in combination. The top legendary ships, those in the Demi Legend or higher classification, were all ocean liners. *Queen Mary 2* was included in this group. Designed and built to cross the North Atlantic year-round, she is perceived by the public as an ocean liner, even though she has all the amenities of a modern cruise ship. The results were surprising in view of the marketing money spent by the cruise industry over the past twenty years. Cruise ships and their industry remain subjects for further study.

Figure 60: The future of the concept of legend in the passenger shipping industry.

Queen Mary 2 and *Queen Elizabeth 2* in New York April 25, 2004

Courtesy of Lauren Kirk

