



Power in the context of cruise destination stakeholders' interrelationships



Wendy R. London^a, Gui Lohmann^b

^a Griffith Institute for Tourism - GIFT, Griffith University, Nathan Campus, Brisbane QLD 4111, Australia

^b Griffith Institute for Tourism (GIFT) & Urban Research Program (URP), Griffith University, Nathan Campus, Brisbane QLD 4111, Australia

ARTICLE INFO

Article history:

Received 28 February 2014

Received in revised form 11 November 2014

Accepted 12 November 2014

Available online 27 November 2014

Keywords:

Cruise destinations

Cruise tourism

Power

Stakeholders

ABSTRACT

The growth of cruise tourism worldwide presents cruise destinations with many challenges, including the need for substantial investment in cruise infrastructure. This paper reviews the role and manifestations of power among a wide range of cruise destination stakeholders and the cruise lines with respect to the commercial and political negotiations that arise in relation to this investment. The framework for this review considers (a) type of port (e.g. home/turnaround port or port-of-call); (b) the stakeholders who have an interest in cruise destinations or are impacted by the activities related to them; (c) the cruise destination's stage of development (i.e. proposed, mature or declining); (d) port characteristics and (e) a determination of whether it is the cruise line or the cruise destination who initiates the proposal for cruise infrastructure development. This review makes evident that power is a complex factor, which can be exercised or received, by any of the stakeholders and that power is influenced by a variety of factors and interests.

© 2014 Elsevier Ltd. All rights reserved.

1. Introduction

Cruise tourism continues to grow worldwide, not only in the number of passengers, but also in the number of cruise ships deployed, the size of ships being constructed and the number of new destinations being introduced. For example, the number of passengers grew from 3.7 million in 1990 (Cruise Market Watch, 2014) to 21.4 million in 2013 (Florida-Caribbean Cruise Association (F-CCA), 2013). In the past decade alone, there has been a 77 per cent increase in the demand for cruising from 12 million passengers to 21.3 million (Cruise Line International Association (CLIA) (CLIA), 2014). Translated into economic terms, this growth represents a US\$117 billion contribution to the global economy and 890,000 full-time jobs (CLIA, 2014). In order to support this growing demand, the North American fleet alone will grow by 26 new ships through 2016 (F-CCA, 2013). This growth presents cruise destinations wishing to attract cruise ships with several challenges as well as risks, especially given the large investments required for infrastructure development for both new and mature destinations. Thus, the stakes are high, with destinations seeking to take more of the cruise tourism pie and cruise lines seeking more destinations to refresh their itineraries. There are other benefits as well. For example, the decision to invest in cruise-related structures such as cruise terminals can foster the development or re-development of brownfield sites and promote urban redevelopment. In a similar vein, incorporating cruise terminals into multi-purpose waterfront developments can be a desirable

addition for investors and developers who seek to diversify their investment in and usage of those facilities. Commercial ports can benefit from the introduction of cruise shipping as an added revenue stream, although the investment in cruise infrastructure can be costly and the presence of cruise ships may result in the displacement or loss of commercial shipping traffic. Local communities may view cruise tourism as economically beneficial and treat the presence of cruise ships with a fair degree of pride, despite the negative effects, which can occur (e.g. air and water pollution, crowd congestion etc.).

However, in many destinations, the development of cruise tourism does not always follow a clear path. Often, this can be attributed to a lack of coordination on the government or policy level (London, 2010) whilst in others; it can be attributed to a lack of collaboration or understanding at the community level. In both cases, weaknesses in cruise tourism planning can be attributed to a wide variety of reasons ranging from the excitement generated by a single ship calling into a port which had never received cruise ships to one or more stakeholders exercising their asymmetric power to achieve their unilateral objectives such as securing a casino licence (Skene, 2014). While a substantial amount of literature about stakeholder relationships can be found in the general tourism literature (see e.g. Jamal & Getz, 1995; Sautter & Leisen, 1999), little can be found relating to cruise tourism generally (see e.g. Lester & Weeden, 2004; Stewart & Draper, 2006) and even less about proposals for cruise infrastructure development (see e.g. Johnson & Lyons, 2011) and cruise destination stakeholders' relationships with the cruise lines. More specifically, little is known about how cruise destination stakeholders assert power in anticipation of and in response to the cruise lines' power, how those stakeholders

E-mail addresses: wendy.london@griffithuni.edu.au (W.R. London), g.lohmann@griffith.edu.au (G. Lohmann).

interact within the destination and how the assertion of that power impacts those stakeholders in the context of attracting and accommodating cruise ships. Instead, existing literature focuses on the cruise lines' corporate power such as their oligopolistic power (Wie, 2005), the mobility of their assets (i.e. their ships) (Chin, 2008) and the deterritorialized regulatory environment in which they operate (Wood, 2004).

This paper partially addresses these shortcomings by providing a theoretical contribution in respect of how power operates between cruise destination stakeholders and the cruise lines and amongst those destination stakeholders. In particular, this paper seeks to analyse who exercises power, identifying the factors which may affect the stakeholders' perception and exercise of power and which events trigger the use of power. Accordingly, we suggest a framework which incorporates many of the factors, which appear to be relevant to a determination of how power is exercised and received by stakeholders who have an interest in cruise infrastructure development. The motivation for creating such a framework can be found in the reported cases presented in this paper. Each of these cases represents a different balance of the factors found in our suggested framework, thereby leading to different reasons for the development of cruise infrastructure and ultimately, a different result. Thus, the purpose of this paper is to outline some of the increasingly significant issues facing cruise destinations with respect to proposals or plans for cruise infrastructure development, and through the application of our framework, to begin to develop an understanding of those issues with a particular focus on how the exercise and receipt of power impacts the manifestation and balance of those factors.

2. Power in the context of cruise destinations

2.1. Theories of power

The literature on power is broad and complex. Foucault adopts a decidedly social approach, based on an assumption that power is shared and inherently "present in all relations" (Wearing & McDonald, 2002, p 196). In contrast, Lukes (1974) exposition of power reveals three fundamentally different views, i.e. one-, two- and three-dimensional power, each with its own proponents and each turning on a range of factors which includes (a) the behavior of the dominant and submissive actors; (b) the existence (or not) of decision-making capability; (c) the presence (or not) of observable conflict; and (d) the quality or nature of the interests or preferences involved. According to Lukes (1974), one-dimensional power (the pluralist view) is present when one actor, Actor A, has actual power over Actor B and can force B to do something that B would otherwise not do.

Perhaps even more relevant is Lukes' concept of two-dimensional power in which he characterises decisions as "a choice among alternative modes of action" (1974, p 39). It is in fact choice, and more specifically the choices that both the cruise lines and the destination stakeholders make with respect to cruise destinations, which form the basis of this paper. For example, cruise lines can choose whether to consider, visit, avoid, abandon, re-visit or substitute a port while cruise destinations can choose whether or not to accommodate cruise ships. In the case of the cruise lines and the choice of ports, this choice can be manifested in several ways. For example, an otherwise desirable or popular port may be dropped because of an increase in fuel prices or a requirement that lighter fuel, which is more costly, be used making it more expensive for ships to reach that port. Well-publicised examples include Antarctica and Svalbard (Eijgelaar, Thaper, & Peeters, 2010). Other ports may be avoided or cancelled for one or more scheduled port calls because of poor weather (particularly during the start or end of a cruise season); security threats (e.g. Egypt and Israel); mechanical difficulties affecting the ship (e.g. a broken engine propeller or stabiliser); widespread illness aboard the ship, resulting in delays and cancelled ports as the ship is thoroughly cleaned; or an inability to refuel or re-

provision as originally planned. Other ports may be abandoned and then re-visited. Examples include Alaska when a US\$46 per passenger tax was imposed (Mak, 2008), resulting in a significant reduction of cruise traffic as the cruise lines sought less burdensome markets. Once the tax was reduced (Bohrer, 2010), the State experienced an increase in cruise traffic. Conversely, a cruise line may consider a port (e.g. Gisborne, New Zealand) by making one or two preliminary port calls, and then adding that port on a more regular basis (Gisborneherald.co.nz, 2013). Lukes (1974) also argues that the two-dimensional view of power introduces the question of control. Control is a core element of the market position of dominant firms, the position deemed to be occupied by the cruise lines and other stakeholders described in this paper (e.g. developers and governments). Lukes (1974) premise that actual power is required can therefore be distinguished from Foucault's social approach.

In the context of cruise destinations, it seems appropriate to frame this research within the parameters of organisations and agencies that are the repositories of power (Clegg, 1989). Specifically, this research focuses on the interrelationships of several pertinent cruise destination stakeholders with respect to the control, trust, commercial relationships, transactions, ownership and management of physical assets as exercised by those organisations and agencies.

2.2. Tourism-specific theories of power

As the focus of this research is on cruise destinations, it is appropriate to consider tourism-specific theories of power. Tourism-specific theories can be found in the literature although they are usually cast in terms of tourism consumption and the operation of tourism within the greater political, cultural and social context (Coles & Church, 2007). Some of these theories include a Foucauldian view of destinations, hosts and agencies (Cheong & Miller, 2000); a participatory development approach involving community-based tourism (Wearing & McDonald, 2002); a demonstration of the link between power, tourism and the environment; a feminist approach; and the role of power in the context of sexuality and tourism (Coles & Church, 2007). In other words, most of the literature to date dealing with the power and tourism nexus appears to mention power as it applies to the empowerment of destinations and actors rather than to the power or control exerted by stakeholders who have an interest in the tourism industry. It is only relatively recently that a view of economic power in tourism has begun to evolve (Clancy, 2008; Tejada, Santos, & Guzmán, 2011). The emergence of this literature is significant because it provides a basis for analysing how oligopolistic enterprises and destination stakeholders exercise power as part of their commercial negotiations. More significantly, it provides a means for testing whether the success (or failure) of these negotiations is likely to be determinative of the cruise lines' choice of ports and whether there is any difference in situations where the cruise line approaches the cruise destination or *vice-versa*.

2.3. The power of cruise lines, shore-side enterprises and the community

Within the context of cruise destinations, the ultimate focus of relevant theories of power is economic power. This power may manifest on several levels including the economic power which cruise lines assert in their relationships with the ports and the economic power which cruise destinations assert with respect to constructing cruise facilities and attracting cruise ships.

A fundamental manifestation of cruise line power is evident in how cruise lines choose the ports they visit. Klein argues that cruise lines "play ports off one another" (2005, p. 266), implying that the cruise lines wield their power to secure the best possible commercial gain or more specifically, the best possible use of or access to a destination's cruise terminal. Klein's (2005) comments raise important questions because ultimately, the discussion about choice of destinations is a financial one based on whether cruise lines make or lose money for their

Download English Version:

<https://daneshyari.com/en/article/7410474>

Download Persian Version:

<https://daneshyari.com/article/7410474>

[Daneshyari.com](https://daneshyari.com)