

and is treated the same. One class of service and variable pricing levels mean the cruise lines depend on high occupancy levels. Cruise prices are based on the style and location of the stateroom or cabin. Prices will be higher for outside cabins and those cabins located on upper level decks as well as for larger staterooms and those with balconies. Prices may also vary depending on when the cruise is booked, with lower rates being offered well in advance of the cruise date and just before the ship is set to sail.

Cruise lines depend on generating additional high-margin revenues to achieve profitability. Some of these profit centers include spas, beauty salons, gaming, alcoholic beverage service, shopping, photo galleries, and shore excursions, plus pre- and postcruise packages. Other activities such as excursions to company-owned islands help to control the destination concept of the cruise and generate additional revenues.³³ None of these goods and services is included in the all-inclusive pricing structure and they all add up, increasing revenue per cabin and contributing around 20% of each ship's revenue.³⁴

Trends in cruise-line operations include the building of new ships of all sizes from yacht-like vessels to superliners, new programs and itineraries, and new onboard facilities. Yet, even with all of this growth, it is still estimated that less than 10% of the adult population in the United States has cruised, leaving plenty of room for growth. However, the largest potential for cruise-line growth can be found in China which is expected to triple in the number of passengers by 2020. Cruise-line companies are purchasing or leasing private islands for the exclusive use of their passengers, and the addition of free-style dining options will entice even more cruisers onboard. In addition, new cruise itineraries will bring back seasoned cruisers. Consider this developing route. "The Great Lakes have all the ingredients needed for successful cruising: magnificent scenery, waterfront cities with well developed tourism facilities, and a rich mix of cultural and historical institutions" (p. 13).³⁵

Casino Resorts

Casino resorts constitute a large and growing segment of the tourism industry. Travelers who participate in gaming activities are demanding more when they visit these resort destinations. They are no longer satisfied with finding gaming and lodging at their destination; they want a total entertainment experience. And their demands have been met, first with a wide array of dining and entertainment alternatives and then with a menu of activities that range all the way from golf to theme and water parks.

As you learned in Chapter 9, gaming locations continue to spread across the United States, Canada, and the world. What visitors will find at any one location is limited only by the imaginations and financial resources of the developers. Casino resorts located in Nevada provide some excellent examples of the diversity that can be found in successful casino resorts that have broadened their appeal to attract the family market.

At [megaresort](#) theme park/casinos such as Wynn and Encore, Bellagio, Mandalay Bay, the Cosmopolitan, and the Venetian located in Las Vegas (an urban tourism destination

FYI WHAT IS NOT INCLUDED IN CRUISE PRICES?

- Transportation between the passenger's home and port of embarkation, although it is included in some package prices.
- Port taxes and personal expenditures, including medical expenses, casino play, some sports activities, use of special services such as beauty salons and spas, beverages (soft drinks and alcoholic beverages), specialty restaurants, Internet access, and shore excursions.
- Tips (gratuities). The amounts will vary. On some ships there is "no tipping" (tips are built into the package price). On others, the tips are automatically added for services. Still other ships may post guidelines in cruise-line brochures and have them explained by cruise directors. As a matter of professional respect, it is important to remember to tip only **hotel personnel**, never **ship personnel**.

Note: Purchases for goods and services not included in the cruise price can be charged while onboard and then settled with the purser at the end of the cruise by using a credit or debit card.