

Cruise Pulse™ Travel Agent Panel Survey

Fourth Quarter 2010



Contents

- Survey Methodology
- Demographic Overview
- Travel Agent Feedback
- Cruise Booking Trends
- Cruise Pricing Trends
 - Vs. Previous Year
 - Trends 2011
 - Census of Cruise Pricing with Worldwide Departures
- Want to Learn More?

Survey Methodology

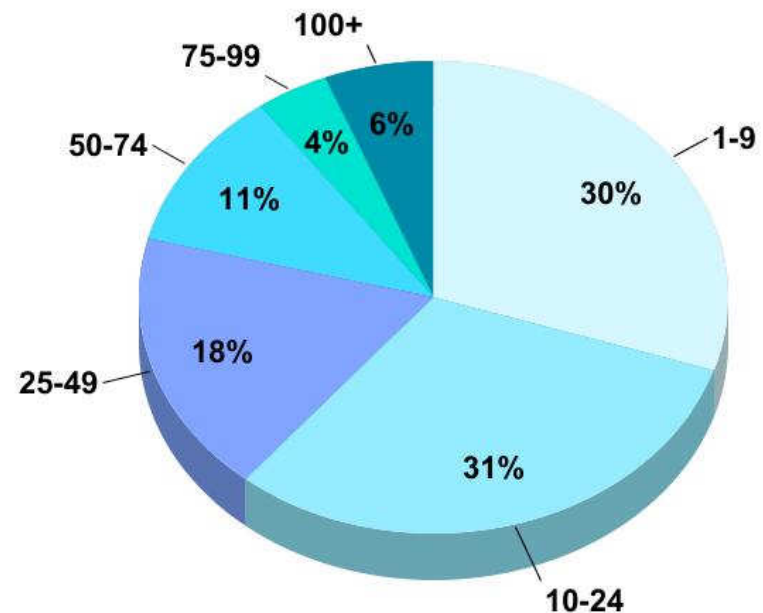
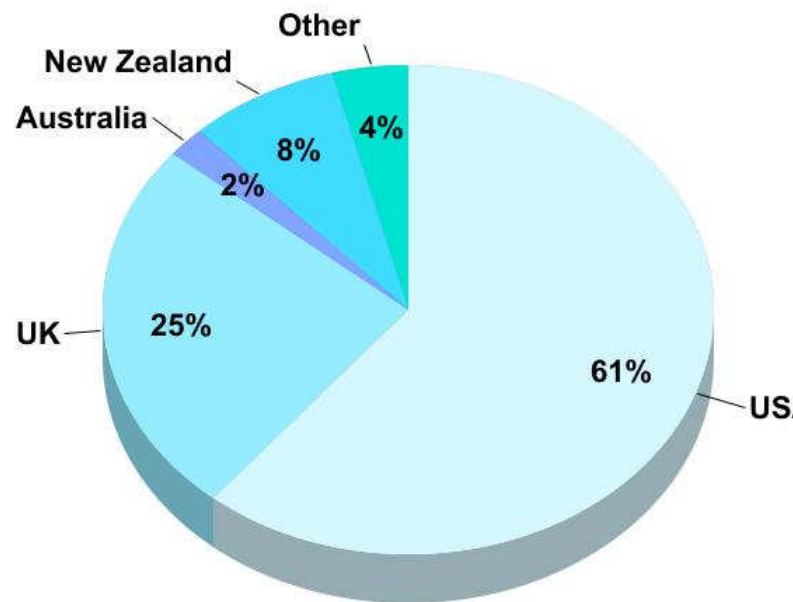
- **Why the Cruise Pulse™ Survey?** Travel agents are the front line in the cruise sales channel – accounting for up to 87% of all cruises booked.* Their input makes it possible to "take the pulse" of what is occurring in the marketplace.
 - **The results?** If you need to know:
 - Cruise price trends
 - Cruise booking trends
 - Travel agent opinions
 - This is the 8th edition of the Cruise Pulse panel surveys. Surveys are conducted quarterly to spot emerging trends and changes in consumer behavior.
 - Survey data is weighted to accurately represent cruise bookings by geography and agents monthly cruise volume.
1. **Wave Season Kick-off edition**
Data gathered January 24 to January 30, 2009. 330 travel agents responded. Margin of error +/- 5.3%.
 2. **Wave Season February Follow-up edition**
Data gathered February 22 to March 3, 2009. 254 travel agents responded. Margin of error +/- 6.1%.
 3. **Wave Season April International edition**
Data gathered April 15 to April 22, 2009. 228 travel agents responded. Margin of error +/- 6.4%.
 4. **Third Quarter 2009 edition**
Data gathered Aug 25 to September 8, 2009. 349 travel agents responded. Margin of error +/- 5.2%.
 5. **Fourth Quarter 2009 edition**
Data gathered December 1 to 11, 2009. 223 travel agents responded. Margin of error +/- 6.5%
 6. **Second Quarter 2010 edition**
Data gathered March 14 to June 2, 2010. 208 travel agents responded. Margin of error +/- 6.8%
 7. **Third Quarter 2010 edition**
Data gathered August 25 to September 3, 2010. 224 travel agents responded. Margin of error +/- 6.5%
 - **Fourth Quarter 2010 edition**
Data gathered December 1 to December 15, 2010. 205 travel agents responded. Margin of error +/- 6.8%

*American Society of Travel Agents

Demographic Overview

Top Line: Respondents represented travel agents from North America and the rest of the world as well as a variety of agency sizes.

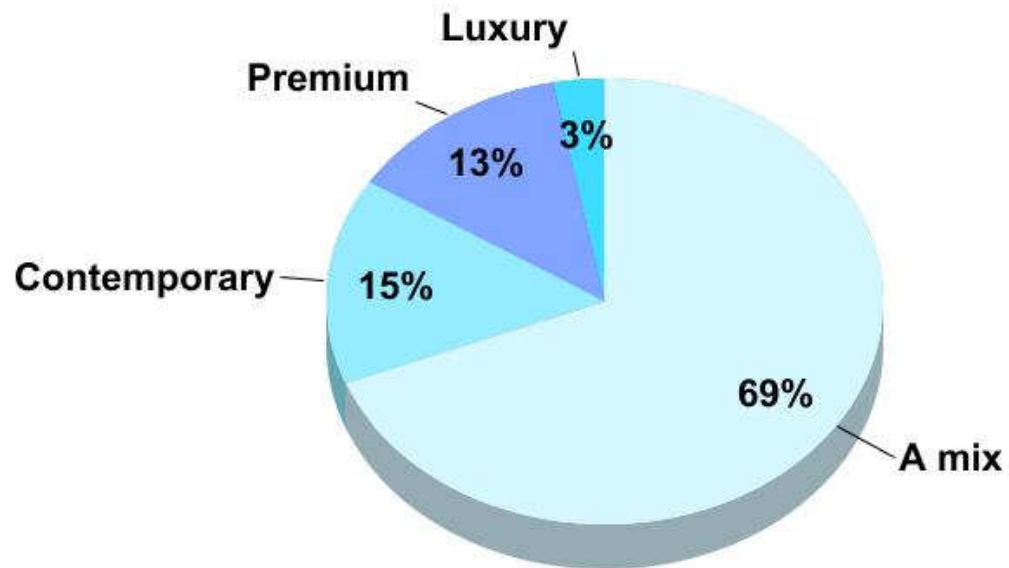
- In order to evaluate geographic representation of the results, please provide your country of primary residence.
- In a typical month, what is the total number of cruise tickets you book?



Demographic Overview

Top Line: Respondents represented a variety of cruise segments.

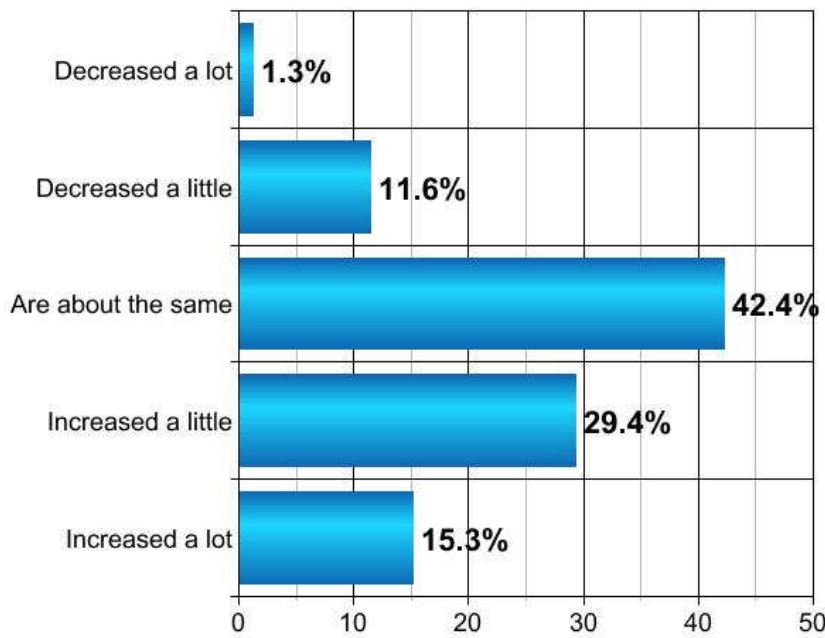
- Do you primarily book:



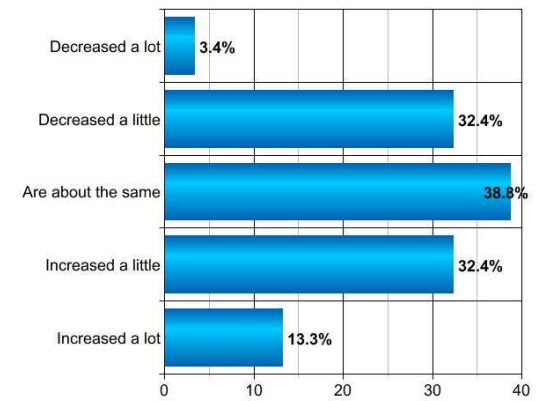
Travel Agent Feedback

Top Line: In agent's opinion, direct to cruise line bookings are increasing. About one third of agents (29%) indicated they believe direct to cruise line bookings have increased a little, stable from the previous surveys.

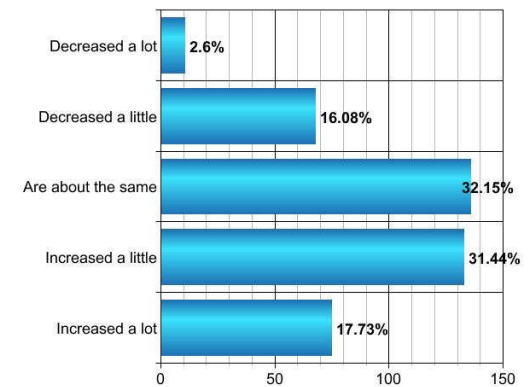
- Direct to cruise line bookings compared to agent bookings?



4th Qtr. 2010



3rd Qtr. 2010

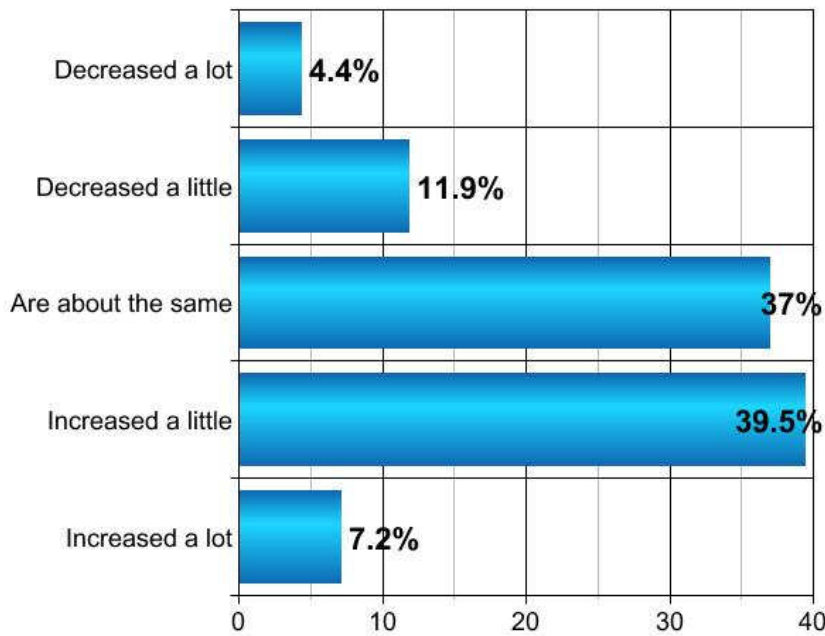


2nd Qtr. 2010

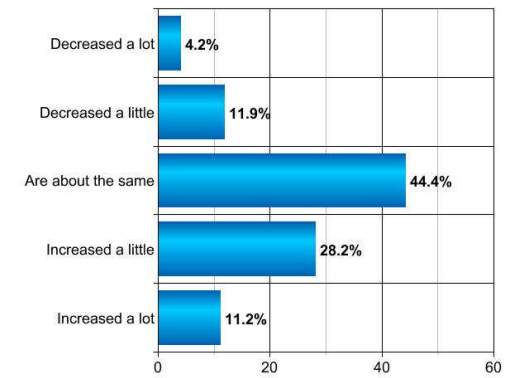
Travel Agent Feedback

Top Line: Agents indicate they feel online bookings compared to in-store are increasing, with 46.7% saying they have increased a little or a lot – also consistent with last quarter’s survey. This is up from prior surveys.

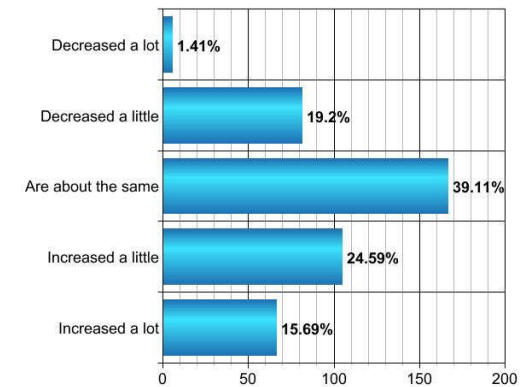
- Online bookings compared to "in-store"?



4th Qtr. 2010



3rd Qtr. 2010

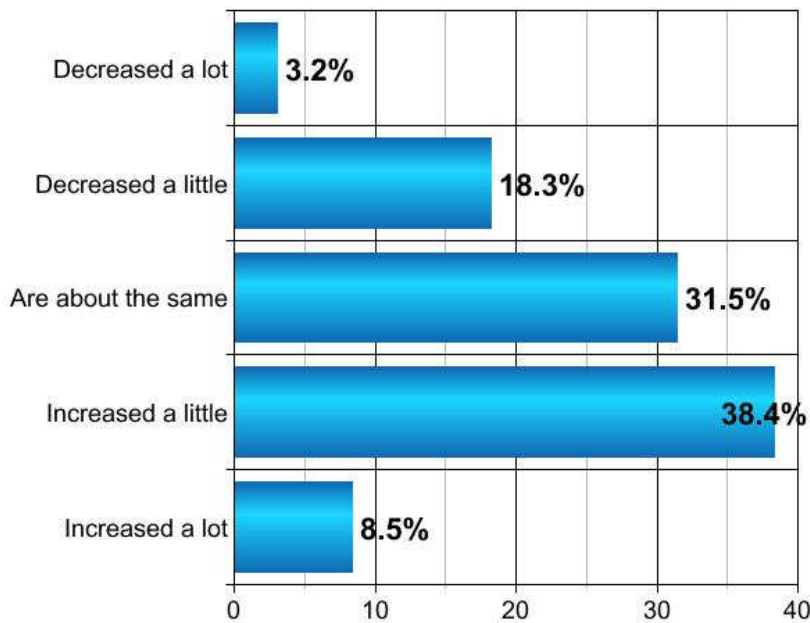


2nd Qtr. 2010

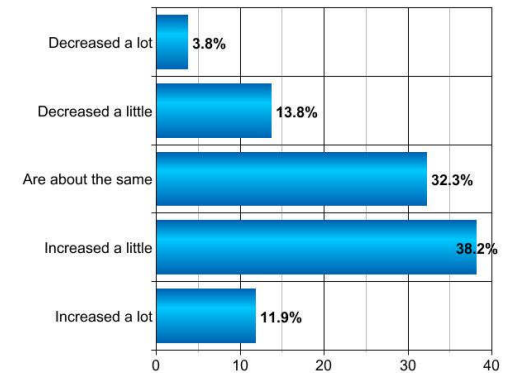
Cruise Booking Trends

Top Line: Close-in booking remain consistent with last quarter, both a significant increase over the beginning of 2010. On average close-in bookings make up approximately 27% of an agent's accounts.

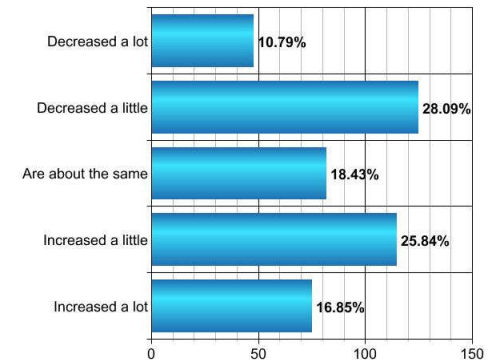
- Over the last 30 days, have close in cruise bookings (those for departure in the next 3 months) increased or decreased compared to the previous year:



4th Qtr. 2010



3rd Qtr. 2010



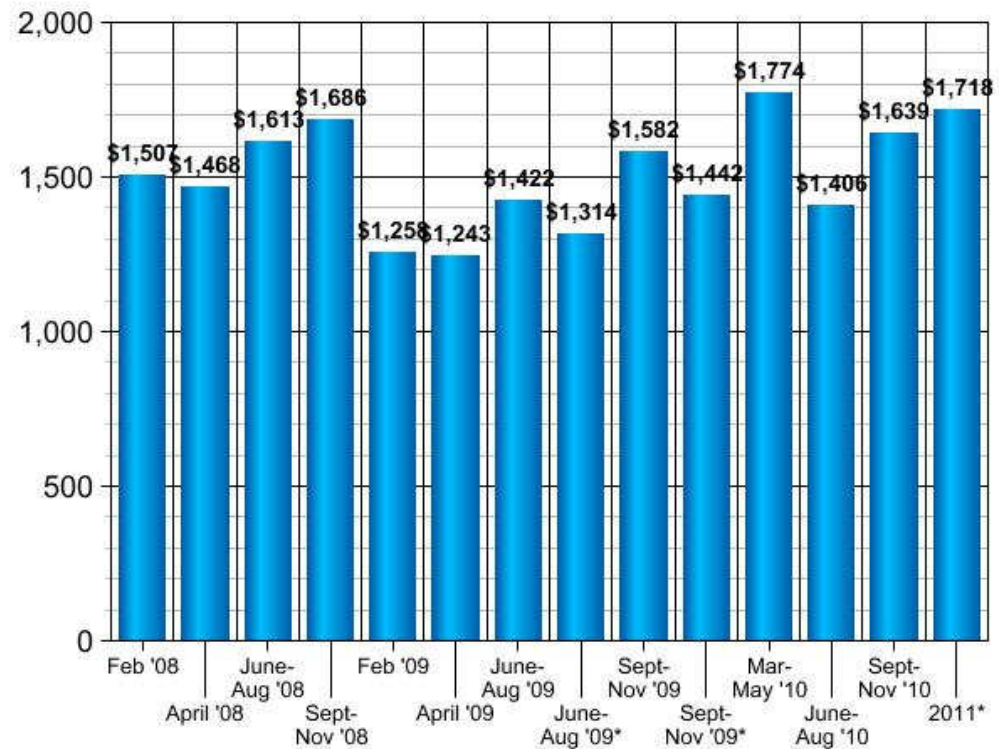
2nd Qtr. 2010

Cruise Pricing Trends

Top Line: Agents reported average pricing **14%** higher (\$1,639) than in the previous quarter (\$1,406). Compared to the same quarter the year prior (\$1,582), pricing is 3.5% higher. Agents state cruises booked so far 2011 are averaging \$1,718, a 4.8% increase over current quarter pricing.

- What was your average cruise price per booking (per person) (\$USD)

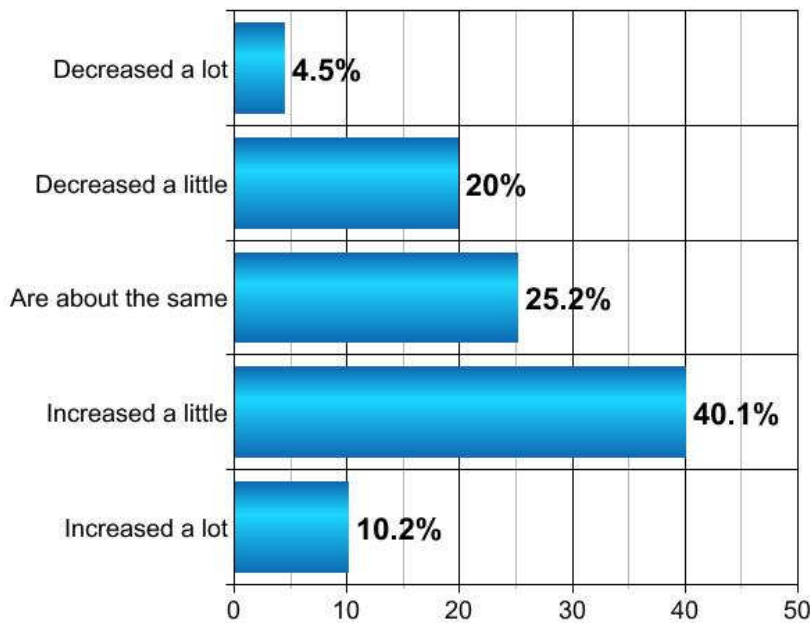
* June-Aug 09 asked in 2009 vs. June-Aug 09 asked in 2010 as "last year."
 * Sept-Nov 09 asked in 2009 vs. Sept-Nov 09 asked in 2010 as "last year."
 * Pricing for cruises booked so far for 2011.



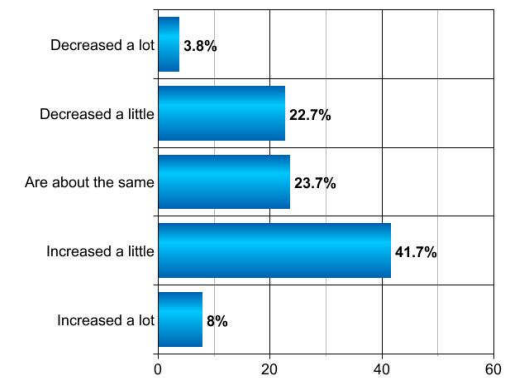
Cruise Pricing Trends - Previous Year

Top Line: A total of 40.1% of agents indicated pricing has increased a little compared to the year prior. The graphs on the right are the results of the same question the prior two quarters. Note a higher percentage of agents have said prices increased a little the second half of 2010.

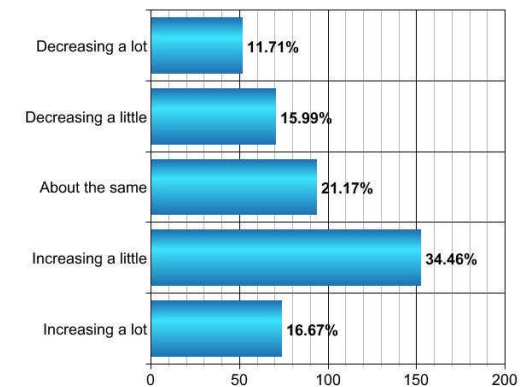
- Did the average price per booking (per person) for cruises increase or decrease compared to last year (June through August)?



Sept-Nov 2010



June-August 2010

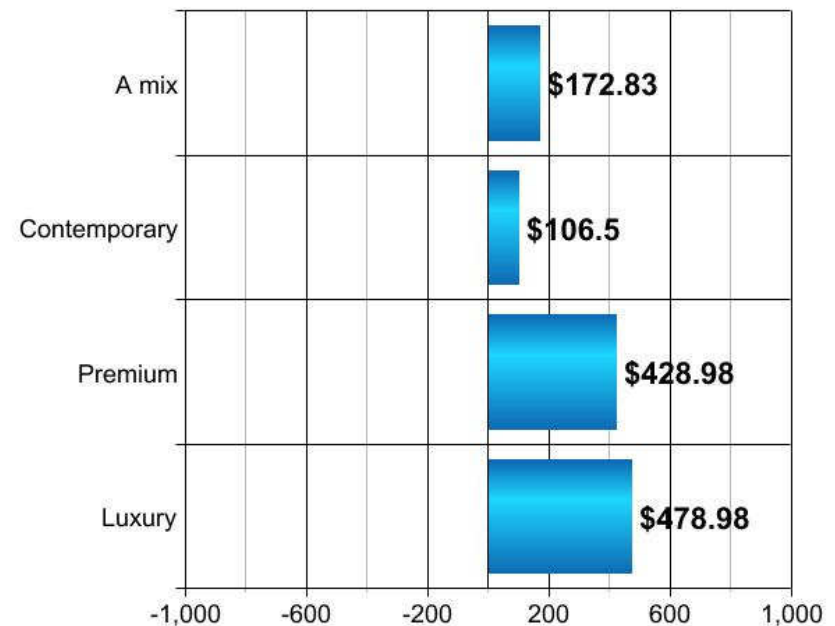
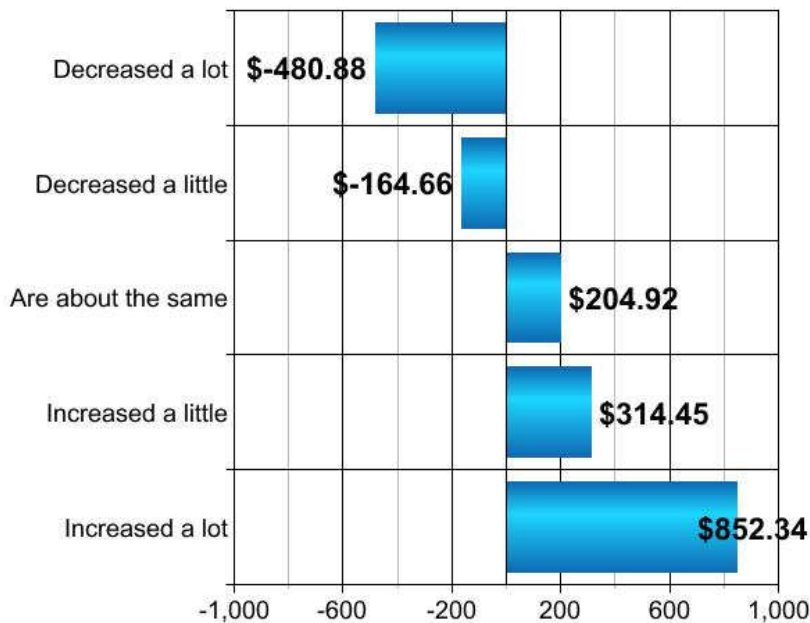


March-May 2010

Cruise Pricing Trends - Previous Year

Top Line: The graph below indicates the average difference in price for an average ticket in Sept-Nov 2010 vs. the same period 2009. Price changes are broken down based on if the agent stated prices are decreasing or increasing and by type of cruises the agents typically book. While rates for all cruise types have increased, the premium and luxury line rates have a higher net increase, albeit percentage wise may be about the same.

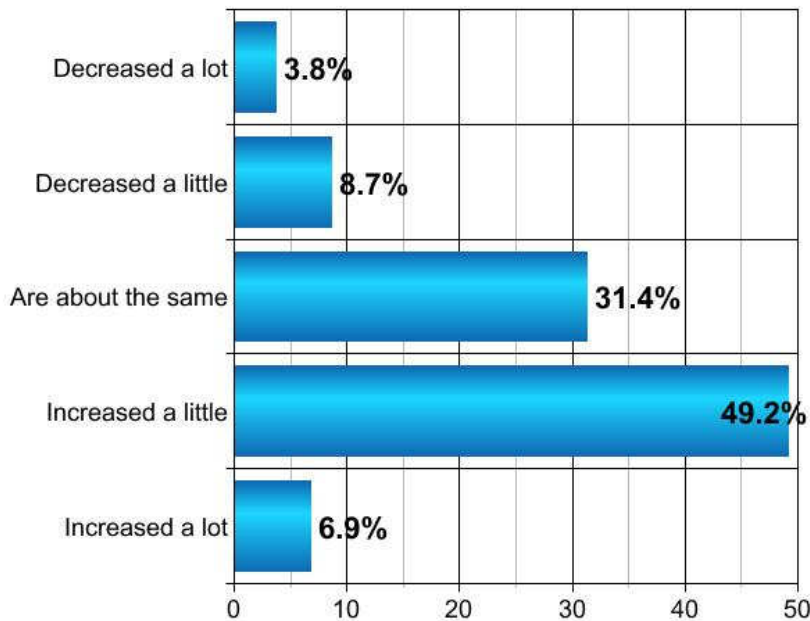
- Year over Year Change



Cruise Pricing Trends –2011

Top Line: A total of 56.1% of agents stated pricing has increased a little or a lot for cruises booked so far 2011. This may be typical for pricing of cruises further out than the close in booking period.

- Are prices for sailings for 2011...



2011

Cruise Pricing Trends

Top Line: Beginning in August 2010, a database of **all sailings** worldwide has been compiled. The table to the right illustrates the average price per day offered each month (PriceMonth) for sailing departures in a given month (SailMonth). For example, one can see pricing of sailings increase in December, decline during Jan-May and rising again in Jun-Aug.

On average, pricing booked in November and December 2010 for any sailing were at a higher rate than August-October.

A complete file of data by cruise line and cabin type can be access here:
http://www.cruisemarketwatch.com/blog1/wp-content/uploads/2010/12/WORLDWIDE_AVG_PERDAY_BY_LINE.HTM

Ship level data available on request.

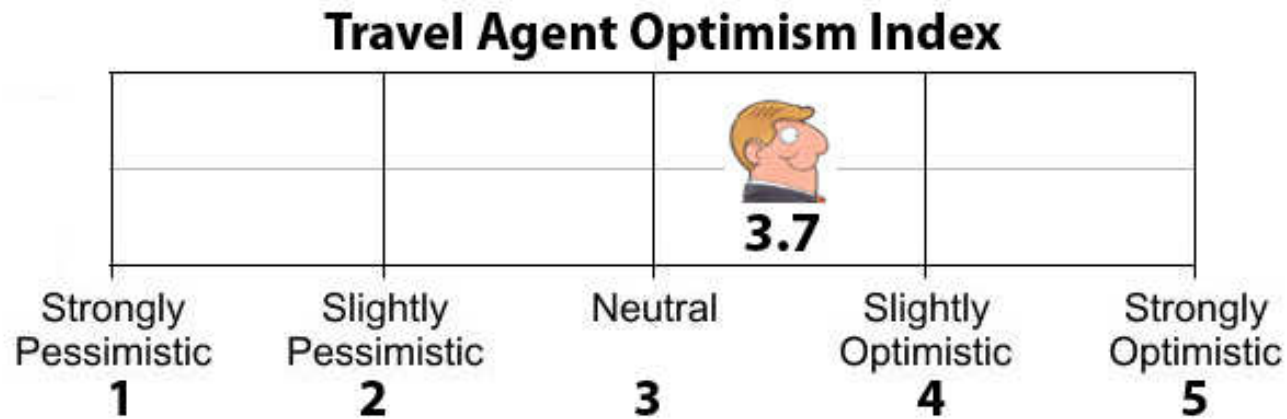
- Daily average of advertised prices during each month based on all departures worldwide, by cabin category. Dollar amounts represents the average cruise price per person per day.

| | | PriceMonth | | | | |
|-----------|--------|--------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | August 2010 Avg. Price Offered | Sept 2010 Avg. Price Offered | Oct 2010 Avg. Price Offered | Nov 2010 Avg. Price Offered | Dec 2010 Avg. Price Offered |
| | | Total1 | Total1 | Total1 | Total1 | Total1 |
| | | Mean | Mean | Mean | Mean | Mean |
| SailMonth | JUL 10 | . | . | . | . | . |
| | AUG 10 | \$163 | . | . | . | . |
| | SEP 10 | \$142 | \$137 | . | . | . |
| | OCT 10 | \$140 | \$140 | \$136 | . | . |
| | NOV 10 | \$128 | \$131 | \$131 | \$139 | . |
| | DEC 10 | \$146 | \$150 | \$150 | \$155 | \$186 |
| | JAN 11 | \$117 | \$120 | \$123 | \$129 | \$130 |
| | FEB 11 | \$127 | \$127 | \$131 | \$135 | \$137 |
| | MAR 11 | \$129 | \$130 | \$133 | \$136 | \$137 |
| | APR 11 | \$143 | \$145 | \$145 | \$147 | \$149 |
| | MAY 11 | \$154 | \$154 | \$156 | \$155 | \$155 |
| | JUN 11 | \$181 | \$182 | \$184 | \$185 | \$186 |
| | JUL 11 | \$194 | \$196 | \$197 | \$195 | \$196 |
| | AUG 11 | \$180 | \$182 | \$183 | \$183 | \$184 |
| | SEP 11 | \$149 | \$150 | \$151 | \$150 | \$150 |
| | OCT 11 | \$134 | \$135 | \$135 | \$133 | \$133 |
| | NOV 11 | \$125 | \$126 | \$126 | \$125 | \$124 |
| | DEC 11 | \$150 | \$152 | \$151 | \$151 | \$151 |
| | JAN 12 | \$116 | \$119 | \$119 | \$119 | \$119 |
| | FEB 12 | \$126 | \$127 | \$127 | \$127 | \$128 |
| | MAR 12 | \$133 | \$135 | \$134 | \$134 | \$134 |
| | APR 12 | \$126 | \$126 | \$126 | \$126 | \$126 |
| | MAY 12 | \$133 | \$133 | \$146 | \$151 | \$151 |

Travel Agent Optimism Index

Top Line: On average, travel agents remain optimistic. Looking ahead to next year, 66% are “slightly” or “strongly” optimistic. The 3.7 average statistically remained consistent since April 2009.

- Looking out 12 months from now, are you optimistic or pessimistic cruise bookings will increase compared to how they are now?



Want to Learn More?

For more information or to discuss this research and find out about adding questions of your own contact:

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