

History and the State of the Art of Japanese Cruise Industry

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Abstract

In the present paper the history of Japanese cruise industry is briefly introduced at first. In 1906 the 1st cruise in Japan was carried out by using a passenger ship, 'Rossetta Maru'. Full-fledged cruise business in Japan started in 1972 by non-Japanese cruise ship 'Coral Princess' and Japanese cruise ship 'Nippon Maru'. As Japanese cruise market was very small, they developed new Charter-Cruise-Market for training and education. The market grew up in 1972-1989, and many cruise ships appeared. In 1989 two cruise ships were built in Japan for leisure purpose and following them many cruise ships appeared in 1989-2013. As most of them are in luxury class, only rich people could enjoy the cruises. Then Japanese cruise market did not grow up and the cruise-population kept about 200k persons for 20 years from 1989 to 2011. The introduction of American-style modern cruises by using modern large ships to Japan started in 2010. The Japanese cruise-population rapidly increased from 2013 when Princess Cruises started Japan based regular cruises. Following Princess, Costa and MSC started Japan-based cruises. They developed Japanese cruise market.

After COVID-19 pandemic calmed down, Japanese cruise operators started expansion of their luxury fleets, and Mitsui Ocean Fuji and Asuka III appeared. Non-Japanese operators like Princess, Costa and MSC reopened regular Japan-based cruises. They have been developing premium and casual markets in Japan. It should be noted that 'Cruises around Japan' are booming now. Many inbound fly & cruise passengers as well as Japanese passengers enjoy the cruises.

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In Japan, many organizations are working for promoting Japanese cruise industries and market. Some of activities are introduced in the present paper, too.

Keywords

Japanese cruise industry; history; American-style modern cruise; promotion

1. Introduction

In the present paper the history of Japanese cruise industry is briefly introduced at first. After ending of passenger liner services over oceans in 1972, some cruise ships carried out irregular cruises based in Japanese ports, and developed Education Cruise Market for training and education onboard. In 1989, two Japanese cruise ships were built in Japan for leisure purpose. Following them, nine cruise ships joined Japanese market. Only three ships, however, remained after 10 years because almost all ships were in luxury class. Since American-styled modern cruises were introduced in 2010, Japanese cruise market has been developing gradually to reach about 350k passengers in 2019. After COVID-19 pandemic has calm down, Japanese cruise operators started their fleet expansion in luxury and ultra luxury segment, and some foreign operators restarted regular cruises based in Japan by using larger premium or casual ships. For promoting Japanese cruise industry, Japanese government set a goal that 'Make Japanese cruise population one million by 2030' in this year.

2. Brief history of Japanese Cruise Industry [1]

The first international cruise in Japan was a cruise for Korea and China in 1906. It was an irregular cruise by chartering a passenger ship Rosetta Maru.

In 1972, a cruise ship Coral Princess in Hong Kong flag and a Japanese cruise ship Nippon Maru started Japan-based cruises. The two ships developed Japanese cruise market. At that time, however, Japanese cruise market was very small. Therefore, the two ships

developed a charter cruise market for Japanese Government, local governments, various public organizations and private companies for training or educating people on board. This charter market became larger and larger, and many Japanese cruise ships joined in this market.

In 1989, two new cruise ships were built in Japan, and tried to develop Japanese leisure cruise market. Therefore, 1989 was called the first year of a New Era of Japanese Cruise Industries, or Cruise Gannen in Japanese.

Following the two ships, eight cruise ships appeared in Japanese cruise market, but 10 years later, only three ships remained. The reason was because almost all ships are smaller than standard modern cruise ships all over the world, and are also luxury-class ships. Only rich and old people could enjoy the cruises offered by these ships.

3. Japanese cruise passenger number (Japanese Cruise population)

Figure 1 shows the trend of Japanese cruise population, that means annual cruise

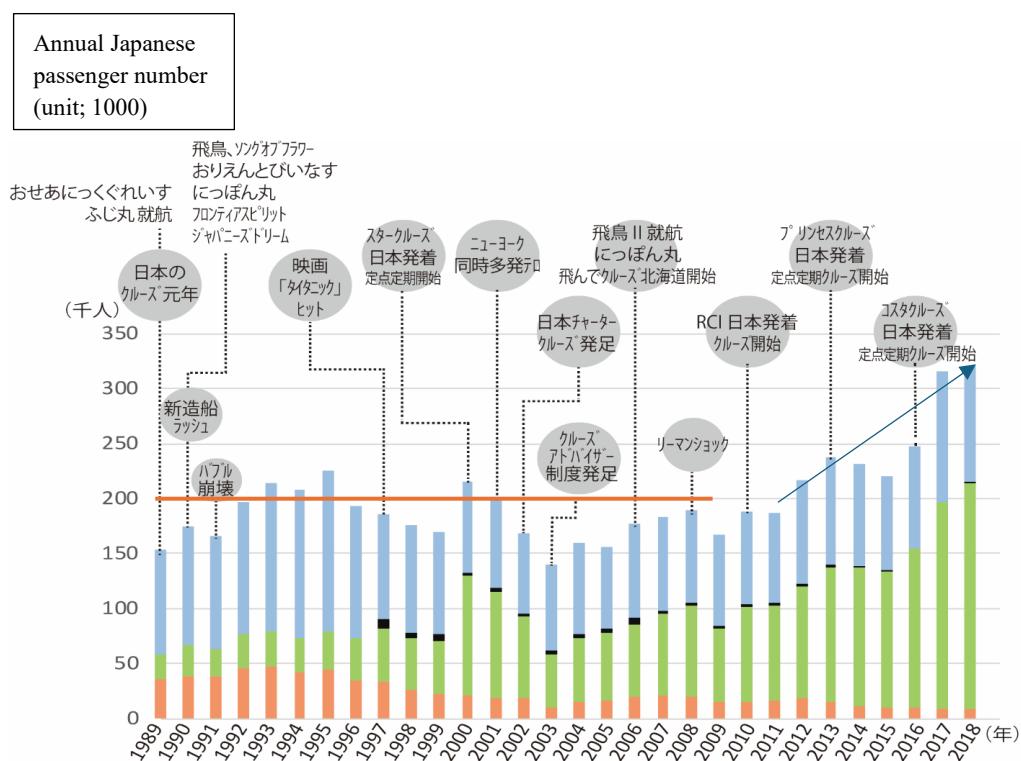


Figure 1 Trend of Japanese cruise population (unit: 1000 passengers) [2]

passenger number in Japan from 1989 to 2018 [2]. The blue part in this figure shows the number of cruise-population of domestic cruises by Japanese ships, the green part shows international cruises by non-Japanese cruise ships and the orange part shows international cruises by Japanese ships. Since 1989 when the new era of Japanese cruise began, the population in total were almost constant around 200,000 persons for twenty years as shown by an orange horizontal line in the figure. From 2012, however, the number gradually increased as you can see in the figure.

4. Japanese Cruise Passengers on non-Japanese ships

Figure 2 shows the number of Japanese cruise-passengers who went onboard non-Japanese cruise ships. After American-style modern cruises were introduced into Japan in 2013 by Princess cruises, a rapid increase of the passenger number can be seen. After COVID-19 pandemic has calmed down, the increasing trend begun again.

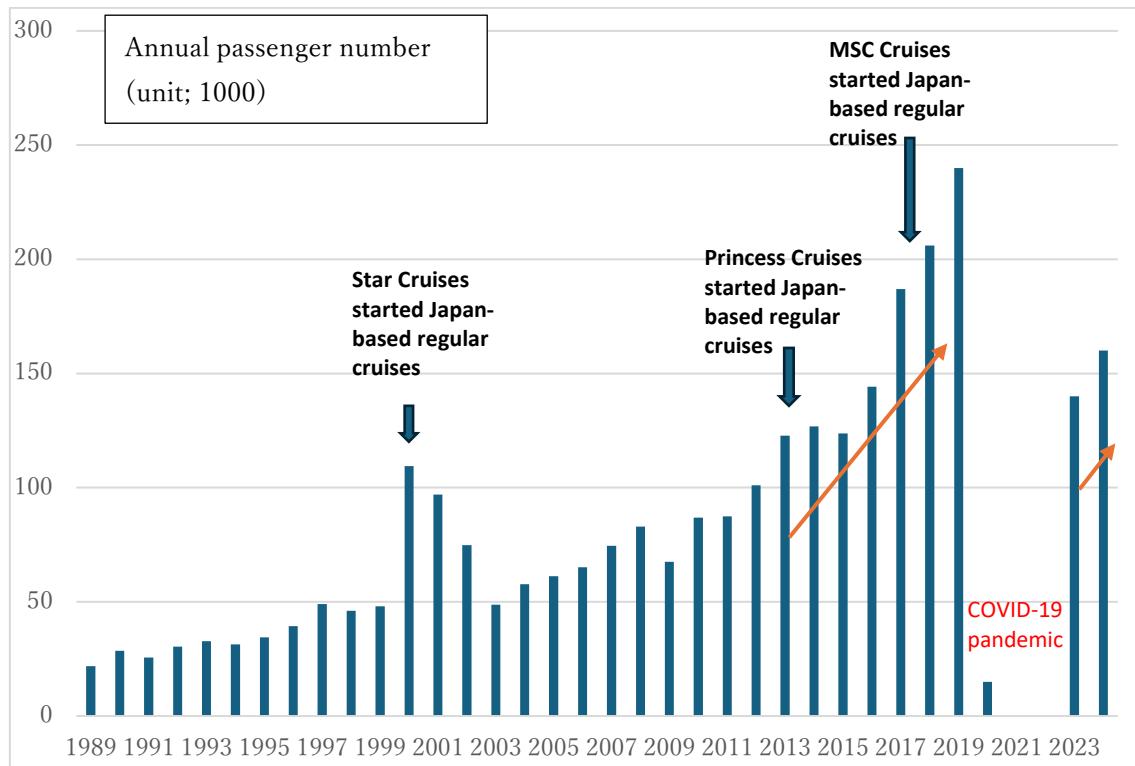


Figure 2 Passenger number of non-Japanese cruise ships (unit; 1000 passengers) [2]

5. Effects of introduction of American-style modern cruises on cruise population of countries in Europe and Japan

Figure 3 shows that developments of cruise populations of each country in Europe from 1980 to 2015 [1]. The blue arrows in the figure show the year when the American-style modern cruises were introduced into each country. It is clearly demonstrated that cruise passengers of UK, Australia, Germany and Italy rapidly grew up after American-style modern cruises were introduced into each country. The same tendency can be seen in Japanese cruise market, too.

NOTES:

American-style modern cruises were born as Caribbean cruises based in Miami port in the 1960s. In the 1970s and 1980s, the industry rapidly developed in North America. Since 1990, the business model has been spreading all over the world. Factors of success of the business model can be pointed out as follows, [3]

- high quality and reasonable price
- freedom of choice onboard (food, entertainment and etc.)
- short (around 1 week) and comfort voyage in beautiful seas
- based in a fixed port and regular sails
- fly and cruise (to make a travel short and make cruise market wide)
- raise local travel agency with care and education for them
- utilization of economic of scale → bigger ships and larger fleet

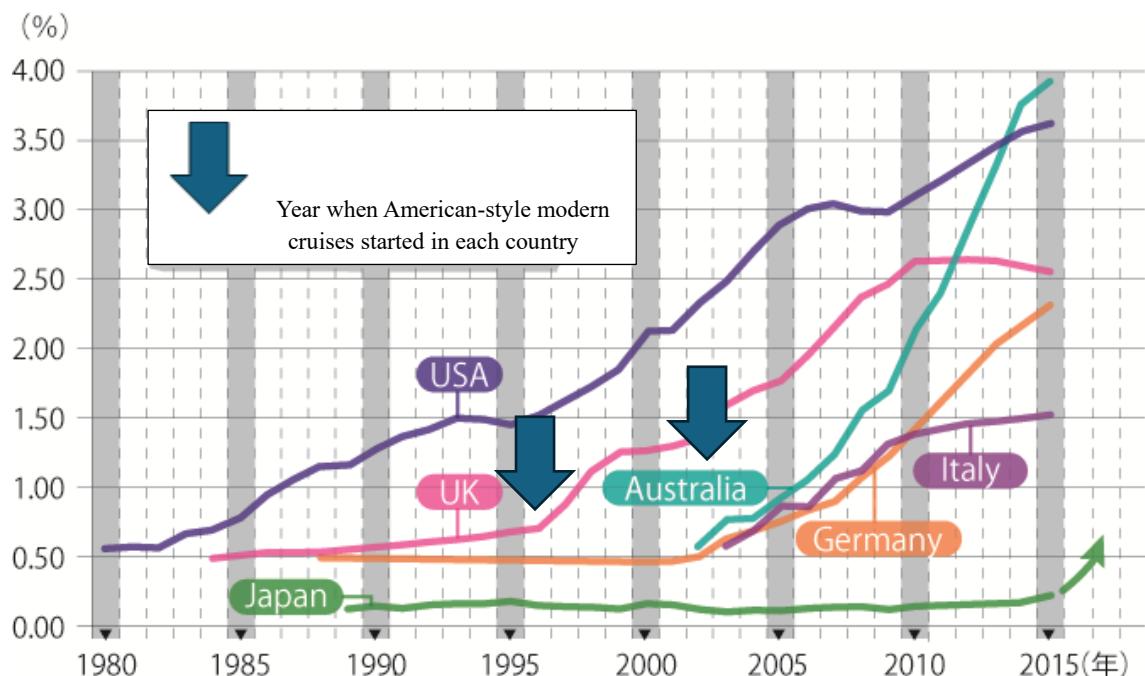


Figure 3 Penetration rate of cruise population in population of each country (unit; %) [1]

6. Introduction of American-style Modern Cruises into Japan

The history of introduction of American-style modern cruises into Japan is as followed.

- In 2010 Royal Caribbean International tried a Japan-based irregular cruise by using Legend of the Seas.
- In 2013 Princess Cruises started Japan-based regular cruises by using Sun Princess and Diamond Princess.
- Following them, Costa Cruises and MSC Cruises also started Japan-based regular cruises.
- Another trend may be increase of Around-Japan Cruises mainly by Japanese and non-Japanese cruise ships. In 2025, more than 46 Around-Japan Cruises were carried out. Many fly and cruise passengers from foreign countries as well as Japanese passengers enjoyed Japanese cruises visiting many ports as shown in Figure 4 [4].



Figure 4 An example of Around-Japan Cruises based in Yokohama port [4]

7. New Japanese Cruise Ships in Recent years

After COVID-19 pandemic has calmed down, Japanese cruise operators started an active fleet expansion. NYK built ASUKA III in 2025, and operates various cruises with ASUKA II. MOL also introduced MITSUI OCEAN FUJI in last year and will introduce MITSUI OCEAN SAKURA in next year. More two ships will appear in near future. All

ships operated by these Japanese operators are luxury or ultra luxury ships for rich people in Japan. Official language on these ships is Japanese.

Oriental Land, who is an operator of Tokyo Disney Land and Sea will build a large cruise ship in Japanese flag and will start regular short cruises based in Tokyo port in 2028. All other Japanese-flag cruise ships are in rather small size, but this ship of Oriental Land will be 140,000 gross tonnage and be the first premium/casual ship in Japanese flag.

8. Bodies for promoting cruises in Japan

Activities for promoting cruise Industry and Market in Japan is explained in this section. As well as cruise operators and travel agencies, Japanese government, local governments, private and academic organizations are working for developing Japanese cruise industries and market.

Maritime Bureau in Japanese government is working for promoting Japanese cruise operators and developing Japanese cruise market. The bureau supported for establishing Japan Oceangoing Passenger Ship Association in 1990, and the association has been working for developing Japanese cruise industries and market. For examples, the association has the Cruise Adviser Certification System, the Award of Cruise of the Year and etc.

The Ports and Harbors Bureau is working for developing port facilities for cruise ships and inviting cruise ships to Japanese ports. The bureau established the Cruise Research Center, Tokyo, and the Japan Cruise Port Association in which 151 local Governments join.

9. Targets for Developing Japanese Cruise

Some targets for developing Japanese cruise industries and market were set by Japanese bureaus in Government.

The Maritime bureau made a target in 2025, which is '**Make Japanese Cruise Passenger Number one million by 2030**'. This number is about five times of the present one. Various measures will be taken by the bureau and relevant organizations.

The Ports and Harbors Bureau made three targets as follows; the first one is ‘**Make inbound cruise passengers 2.5 million**’, the second one is ‘**Make visits of cruise ships to Japanese ports 2000**’, and the third one is ‘**Make number of ports which accept cruise ships in Japan 100**’. All goals were set in 2025.

The Academic Society for Cruise and Ferry, Japan will make a workshop for developing **a new maritime cluster for cruise industries in Japan**. Now, no Japanese shipyard builds large cruise ships, but the author hopes in near future some Japanese shipyards will build large cruise ships again. Because cruise ships are the most advanced and also expensive merchant ship.

10. Conclusions

Although the history of Japanese cruise business started 120 years ago, the present cruise market of Japan is still small. Only luxury cruise industries in traditional style are very active now in Japan. Premium and casual markets of Japan have been developed by American and European cruise operators. Fortunately cruise markets in north-east area of Asia are rapidly developing, many cruise ships visits Japanese ports. Large numbers of inbound tourists are contributing to Japanese local economy. In next stage, development of Japanese cruise market may contribute to the economy of North-East Asian countries, too.

Finally, it should be noted that as well as economic aspect, international cruising may encourage cross-cultural interaction or friendships for solving issues among neighboring countries in Asia and may keep a peace by interactions and mutual understanding.

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