

Introduction

Case studies tend to present either a situation that has some new and unusual elements, or, provide a tool for learning about academic theory in relation to practice. In this case study, there is an unusual aspect to the case in that it focuses on a relatively new leisure product combining two growing areas: cruise tourism and music festivals. However, the main intention of this case is to present an opportunity to learn how various elements of marketing theory can be applied in practice. The case that follows this section is written in a narrative style to engage students and allow their interpretation of the material and application to a range of marketing concepts. Quite deliberately, for example, slang language has been tolerated when quoting blogs as this use of language sits in context with the case and the intended reader. Further information within the case is derived from a number of published sources, internet chatrooms and an interview with a customer. The case builds from some general background to provide a rich picture of an innovative niche product in an emerging growth market. In the final section, students are encouraged to consider the future direction of the product with a few questions posed for their consideration. However, the case can be used by tutors in a number of learning situations for example, relating to market development, segmentation, targeting and marketing communications.

Background

When the BBC News announces that the potential next president of Russia has flown in Tina Turner and Deep Purple for a concert marking the 15th anniversary of the Gazprom state natural gas monopoly, you just know that the 'baby boomer' generation is in charge of the world. Dmitry Medvedev, the Chairman of Gazprom and President Putin's successor, can now add to his vinyl record collection a picture of himself posing with Deep Purple at The Kremlin before their performance. Referring to Soviet-era ideologies banning the sale of Western rock music, Medvedev expressed shock that he was being photographed with musical heroes whose music was forbidden when he originally listened to them at the age 13 or 14 (USA Today, 2008).

But its not just Russian oil billionaires who like to throw their money at musical entertainment, how about those filling the cheap seats, at £475 each, to see The Eagles? In late 2007, The Eagles arrived in London to play an exclusive show at The O2 Arena where top priced tickets were approaching £1000. A figure that was only surpassed by Barbara Streisand who charged £1200 for a ticket to her Millennium Eve show (Cockroft, 2007). Universal Records were using The Eagles show as an album launch and the ticket did include 'some' hospitality. However, it is still quite a coup to have sold all the tickets without any publicity or a need to involve the general public. Corporate clients, record company executives, the press and competition prizes ensured that they were all snapped up in no time. However, it's not just the involvement of large corporations that has altered the willingness to spend considerable sums of money on concert tickets. There is now a generation brought up with live music as a central part of their life that has significant disposable income to spend on entertainment.

Cruising takes on a whole new meaning

These consumers might equally well spend the equivalent money for that Barbara Streisand ticket on a well earned holiday. For example, the notion of taking a cruise as a holiday is an established means of seeing various parts of the world via a

relaxed mode of travelling. Whether that's Scandinavian fjords, Mediterranean ports or remote polar regions; passengers sit back and relax, pamper themselves, enjoy the cabaret style entertainment or just eat their way through the meals on offer between stops. Depending on their route, cruises depart from various ports such as Miami in the USA or Southampton in the UK and their clientele arrives from around the world to take advantage of the trip on offer. Traditionally, these cruises have been offered to wealthier, often older, customers who are looking for a stress free but somewhat exotic trip. There is also the potential for additional benefits with, for example, some specialist cruises offering the opportunity to hear onboard expert lectures on historical or geographical points of interest.

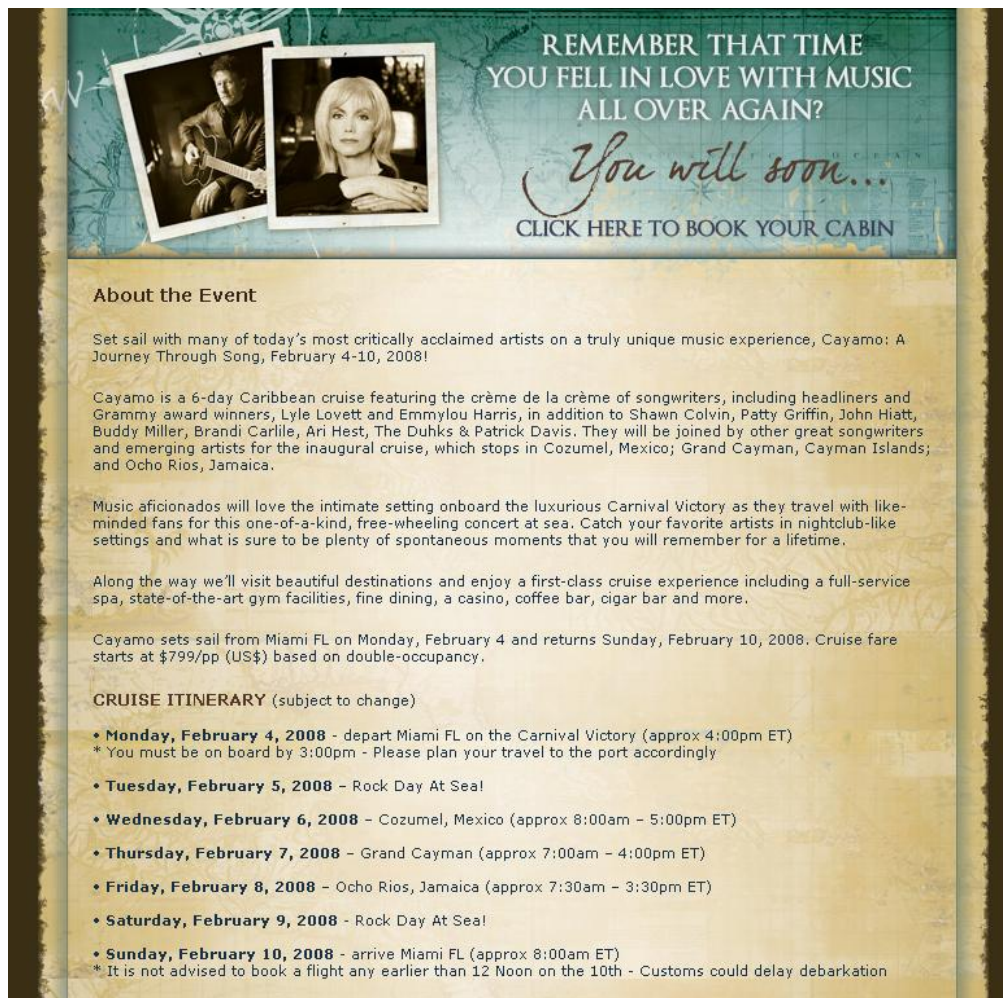
In recent years, these specialist markets have begun to expand into areas hitherto unconsidered. For example, in 2007, Olivia, a community set up for lesbians announced that they would celebrate their 35th anniversary with a Caribbean cruise which included entertainment headed by K.D Lang who admitted that her initial shock and cynicism was replaced by appreciation when she discovered how much fun the audience proved to be and how the well organised event turned out to be a very good experience (Hecht, 2008).

These are not such niche marketed trips that small cruise ships are involved. It's definitely no three men in a boat idea! Indeed, Sixthman, another operator of music themed cruises, hire ships that typically carry close to 3,000 passengers departing from Miami. They use a cruise company called Carnival who are more than delighted for someone else to hire their boat and take the financial risk of selling the tickets. For Sixthman, the cruises are like music festivals travelling across water with the benefits of lots of sea and sun as well as the music. Despite the luxury on offer at festivals today (Croughton, 2008), the habitual tales of rain and mud at Glastonbury Festival look rather dreary and depressing when compared with similar festivals in southern Europe where, for example, such as Benicassim sits next to the beaches of Costa Del Sol. So, Sixthman just take that idea a step further and put the music on a boat. Often themed around legendary acts such as Lynyrd Skynyrd, they have found a successful formula for those who like to party till they drop in an environment of music, food, drink and casinos.

Cayamo Songwriters Cruise

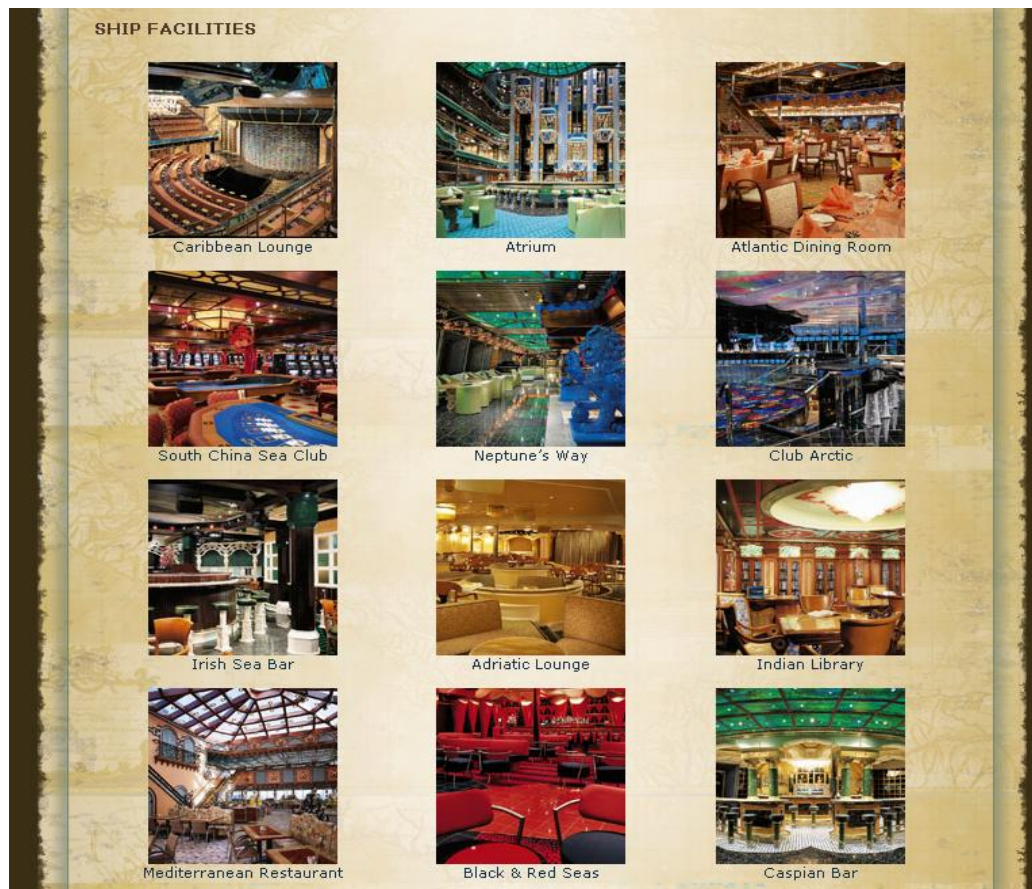
In 2008, Sixthman decided to take the plunge with a new cruise focused on songwriters. You can see the main features in Figure One. Songwriters are well recognised as the lifeblood of the music business whether you look back at the days of those who worked as staff members of record companies or more recent times when the songwriters are more likely to be artists in their own right. However, it was a risk for Sixthman as they knew their audience wasn't necessarily the party animals that they'd been used to. In fact, as you'll see below, the songwriter's subject matter could be quite serious and thoughtful.

Figure One: Cayamo Songwriters Cruise

The image is a promotional banner for the Cayamo Songwriters Cruise. At the top, there are two Polaroid-style photographs: one of a man playing an acoustic guitar and another of a woman with blonde hair. To the right of these photos, the text reads "REMEMBER THAT TIME YOU FELL IN LOVE WITH MUSIC ALL OVER AGAIN?" followed by "You will soon..." in a cursive font, and "CLICK HERE TO BOOK YOUR CABIN" in a smaller font. Below this banner, the text is organized into sections: "About the Event", a paragraph describing the cruise as a 6-day Caribbean experience with critically acclaimed artists, a paragraph about the intimate setting on the Carnival Victory, a paragraph about the cruise itinerary including a full-service spa and casino, and a "CRUISE ITINERARY" section with a list of dates and times for each day of the cruise, including departure and arrival details for Miami, FL.

Sixthman concentrated on artists known for their country music leanings. Most recognised of these was Emmylou Harris who came to the fore in the 1970s, establishing a stellar, major label solo career as well as making numerous recordings with the iconic singer, Gram Parsons. They also selected Lyle Lovett, one time husband of film star Julia Roberts, whose career began to impress his bank manager when he emerged from the push for 'new country' that also launched Steve Earle and Nanci Griffith in the 1980s. Their music is not the schmaltzy Nashville country that is all Stetson hats and spangles but it does reflect the idea that country music is the 'white man's blues music'. In other words, expect tales of drink, drugs, divorce and death with slices of optimism added here and there. Despite this, or perhaps because of it, the cruise sold out and 2,700 revellers departed from Miami in early 2008 for a Caribbean cruise with some of their musical heroes. See some of the features of the ship that passengers can enjoy in Figure Two.

Figure Two: The ship



Sixthman's experience with Cayamo

With the cruise now completed, it's interesting to observe the customers that were attracted to this event and their reaction to it. Let's start with some comments that the organisers themselves have added to their blog.

Here are Melissa's comments made during the cruise (Melissa, 2008):

'Cayamo is the cruise for me that I was the least familiar with on the artist side. I have heard their hits and have seen their records in my parents' collection, but was never too confident to say I was really familiar with them or their fan bases. Knowing that the majority of passengers onboard Cayamo are longtime-loyal-dedicated fans of Emmy Lou, Patty, Lyle, Shawn, Buddy (etc) got me to thinking about how much this experience is helping them interact with these artists who have for so long inspired them musically and personally.

The past four cruises were amazing and the musicianship was unlimited from the artists, but I already knew that before we set sail. On this cruise I am seeing a different side of these events. For the first time during these five cruises I feel like I am the one discovering these legendary musicians through their shows and through the guests. Rather than having a guest ask me about a band playing on the lido deck, I have been the one learning about these acts through our guests.

On stage tonight Patty Griffin brought out tour mate and friend Emmy Lou Harris for a song. Watching the excited reaction from the fans was so inspiring to me, I saw what

I felt on my first Rock Boat when two of my favorite artists were on the same stage. I have never felt limited musically and would like to say I give all music a fair chance. Seeing what I saw onstage tonight encourages me to keep open eyes for these amazing groups of musicians and fans who I have yet to encounter. I feel that connection is what encourages us at Sixthman to put on these events. Gotta run, hope to catch the encore....'

Earlier, Ape, another Sixthman staff member said this (Ape, 2008):

'So... as with Mayer's cruise, we really didn't know what to expect with the Cayamo crowd. I was imagining an older Rock Boat crowd, with a little more life experience, and a little less 6am-jam tendencies. Well, we haven't hit a six-am slot yet... so I'll update you on that at a later time. Through talking to numerous guests and artists (and even our crew), the people on this boat have the most intense appreciation for music I've seen yet... and it's only been 6 hours. Every show is packed, every artist leaves their shows feeling warm, every song ends with an enormous applause, every mention of 'Cayamo' causes chills, and every thought of tomorrow leaves people wondering how it can get better. These people really get it. I am confident that between the discovery of new music, and the intrigue and amazement of the music we know so well, these people will go to bed hungry for more. Lucky for them, this is only day 1.'

This comment from Steve highlights the pleasant surprise that Sixthman had with the success of Cayamo (Steve, 2008):

'My favorite moments of Cayamo thus far have been overhearing the conversations of people walking out of the Lyle Lovett and John Hiatt shows. "That one show was worth the price of admission" (I quickly got this man's name and told Andy we should charge him full price per show next year), "I can't believe what I just saw," "I've never been happier," and "THAT was [expletive] awesome!"

A personal experience of Cayamo

The Sixthman staff are a youthful bunch that were clearly surprised by the audience reaction to Cayamo but back home in Ramsbottom, Lancashire, an unsurprised Martin is recovering from an infection that he blames on the trip from the UK to the US. Nevertheless, this seems to pale into insignificance compared to his enthusiasm for the trip – he says he'll be there next year.

Martin is in his 50s, trained as a Civil Engineer and, though not yet able to retire, finds himself in a comfortable position. The children have left home, there's been some inheritance come his way and he's seen enough about inheritance tax and how ill health can limit you as you get older to think that he might just 'ski' for a while –and spend the kids' inheritance. From an early age, he's been a big music fan and will proudly show you his Deering banjo whilst talking of previous trips to Merlefest in the US. Sadly, like many more sensible wives, Pat thinks that camping in the cold and damp is not a good idea and has chosen to miss out on his three trips to this festival. She's tried to tempt Martin with the idea of the type of bone-warming cruise her parents like but, for Martin, this just conjured up images of tacky cabaret music. It was never going to work - but then, one day Martin received an email from some Virginian friends that he'd met at Merlefest. You can imagine the scene. Martin is quickly talking to Pat telling her that he's really up for a cruise, the dollar exchange

rate makes it a bargain and it'll be sea and sun around the Caribbean. Thankfully for Martin, his wife is of similar age and a music fan. So, the Cayamo compromise deal was done.

Following their return, when asked about his fellow passengers, Martin says the overriding factor is that many had never been on a cruise before. Yes, most are American but probably five per cent or so are from outside of the US. There weren't many young people or children and they all seemed to be big music fans. This makes for a very sociable experience starting with a day either taking in the sun or stopping off at Cozumel, Grand Cayman and Jamaica for a bit of sightseeing. When late afternoon arrives, you have the choice of the early or late show in a concert space to seat 1400 or so and the chance to eat in the opposing time slot followed by music going on until the early hours across a number of stages. Martin can talk to you for hours about the acts that he saw and the different combinations that got together and how he stumbled into artists just wandering around the boat. There were some minor complaints like poor distribution of tickets leaving couples sat apart in the theatre shows but, generally, it's worked out well for Martin and Pat. These hiccups are minor and ones that Sixthman should find easy enough to resolve for the next year and encourage more spending of the kid's inheritance.

What the researchers say

Mintel (2007) are well known for their work in researching markets and have already noted that themed cruises like Cayamo may be lucrative areas for the cruise industry. Their 'What's Hot' feature states the following:

From God to Heffner


The cruise market is increasingly ploughing capital into funding themed trips in order to encourage people with similar interests to embark on a journey celebrating the passion in question. This could be anything from Christian cruises, which involve hymn-singing and daily sermons (and have so far proven exceedingly popular) to cruises centred around a certain genre of music, such as the well-loved jazz cruises organised by Playboy.

Common ground not to be underestimated

Mintel's research for the Cruises report found that 14% of all adults would be enticed to take a cruise if they were organised for specific groups with particular interests. Companies could use various themes to get their customers to bond, thereby reinforcing their brand and creating strong emotional ties and brand loyalty. Potential targets could be people from the same social networking sites, people who play/support certain sports, or perhaps even collaborations with other established and trendy brands, for example Apple's mobileme.

Within their UK based research, Mintel (2007) have identified a range of different attitudes to cruising that are espoused about the holiday cruise option. These are summarised in Figure Three and can be contrasted against the personal experiences discussed in the earlier sections.

Figure Three: UK consumer attitudes to cruises (adapted from Mintel, 2007)

Attitudes to cruises	Increasingly common attitude
They are a good way of visiting destinations	
They are too expensive	
They are a good place to meet new people	
They are luxurious with a high standard of food/drink	
Not ideal for children	
You are cooped up with other people	
There is good on board entertainment and gambling	
There is good on board sports/health facilities	
You get a lot for your money	
They are boring	
They are only for old people	
I'm scared of catching an infection/illness onboard	

Looking at this in more detail, it's been noted that lower prices and an 'all inclusive' option covering food is providing a value for money aspect for the customer. Cruisers also see that they can sample various countries with an eye to future holidays though some still think that stepping off a cruise ship doesn't offer the real culture of the area - just a chance to be pestered by all manner of hawker selling their wares. For those 'baby boomers' free of mortgages and children, it starts to become an attractive holiday when they see they can indulge themselves with one of their passions such as music though the increasing popularity and lack of capacity to meet demand is frustrating some 'would be' cruisers. There's also the added bonus for the cruiser of not needing to take a flight if cruising out of their home country whilst, in contrast, others see a cruise as being trapped – worse still, fearing this may be with older people or couples! These differing views are pulled in Figure Four and highlighted as positive or negative factors.

Figure Four: Cruise Market (adapted from Mintel, 2007)

Positive Factors	Negative Factors
Seen as value for money	Fixed capacity limits opportunity
Can visit multiple countries	Perceived to be for old people
Differentiated on specific theme	Touring route inflexible
Suits baby boomers with spare cash	Limited experience of destinations
May not involve flight	Couple oriented

Sailing into the distance

So, Sixthman's first venture into cruising based on the appeal of songwriters has been a roaring success with a sell out cruise and a bunch of contented customers. So much so, that plans for the 2009 cruise are already in hand. Most of the 2008 artists enjoyed it so much that they immediately signed up for the next year and, already, Joe Ely, Tift Merritt and Darrell Scott have jumped onboard to add to the musical mix. Noticeably, in Figure Five, the style of the website has been changed and they are making significant efforts to develop their community with MySpace and Facebook pages up and running as well as a number of videos available to view on

You Tube. Of course, we might ask ourselves if these communication methods are effective when targeting their music loving audience and, whilst Sixthman bask in their success, will the audience return to see many of the same artists or will they look for something new? Indeed, with the 'credit crunch' of early 2009 providing a financial challenge for many, will Sixthman be able to repeat its success with Cayamo?

Figure Five: Website for Cayamo 2009



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