Fact sheet 1: Passenger transport market
1. INTRODUCTION AND PRELIMINARY REMARKS

In very general terms, passenger navigation comprises day trips (also referred to as passenger traffic or excursion traffic) and river cruises (or cabin navigation). Day trips comprise scheduled and occasional traffic. A river cruise is the term given to a river trip involving an overnight stay in cabins on board. A distinction can be drawn here between the smaller hotel ships with a maximum of 50 beds and the larger ones with more than 50 beds. The hiring of ships and sports boats also has to be included in river tourism, playing a major role especially in France.

Inland waterway navigation also includes excursion traffic on lakes which is important for example in Switzerland, Austria and parts of Germany but which is not investigated in this current study. An additional category is (short haul) public passenger transport on rivers involving ships and ferries. While it is theoretically possible to distinguish this from tourist traffic, in practice such a distinction is virtually impossible from a statistical perspective. As far as day trips are concerned there is a degree of overlap between tourism and public passenger transport. These areas of overlap are more pronounced in individual countries, such as Hungary or the Netherlands for example, than in other countries. These areas of overlap are not relevant to river cruises as they are of a distinctly tourist nature.

As far as the factors influencing passenger numbers are concerned, what we can note in general terms is that passenger navigation demand is not entirely independent of economic and cyclical trends but does not respond as sensitively to economic fluctuations as freight transport. What are more important are long-term factors such as demographics or consumer habits which sometimes also depend on culture. For example, river cruises were previously rather unusual in France whereas in Germany they have a very long tradition.

The demographic factor is significant in two respects: Firstly, because the target group’s average age is currently relatively high. The situation in Germany is that ap-

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1 France was home to 68 companies and 127 rental locations in 2007. The fleet comprised 1838 ships. 159,000 passengers were carried in 2007, primarily in Languedoc-Roussillon, Burgundy and Lorraine.
proximately two thirds of river cruise passengers are currently at least 58 years old. For demographic reasons this target group will grow by roughly 20% over the next ten years. To some extent - assuming travel habits remain constant - this reflects the anticipated market potential.

Secondly, demographics also play a role because recently other age groups as well have been attracted. This has been achieved for example by adapting the on-board musical programme to younger customers. This therefore is a case of expanding the potential market by adding an additional (demographically separable) target group which is distinct from the growth of an existing target group described above.

Day trips or excursions are dominated primarily by medium-sized companies with relatively local operations. As a rule therefore the company’s locations coincide very largely with the ships’ areas of operation. This also facilitates the statistical measurability of this economic sector. Day trips are therefore presented according to travel areas in individual countries (France, Germany, Switzerland, Austria, Hungary, Slovakia). Where the statistics permit the trend in supply and demand is compared over time. But this is only possible for France as a result of the data situation. For Germany the only figures available are for the trend in supply whereas for Austria, Slovakia and Hungary it is only possible to show the trend in demand.

The river cruise sector on the other hand is characterised by international, typically larger companies. Complex international intercompany ties make it more difficult to measure this economic sector in statistical terms. This is especially so for the supply side of the market. The demand side can be better captured in terms of national customer groups. This present study looks at the demand side for the French and German markets. To some extent Germany is a classic country for river trips because the Rhine alone is one of the world’s most important cruise rivers. The more in-depth treatment of France is explained by the fact that French travel areas, and in this case especially the Rhone, have attracted significantly greater interest among international customers in recent years.
2. DAY TRIPS

The following tables provide an overview of the fleet, capacity and annual passenger numbers for European day trip navigation. The French and Austrian data also include foreign providers operating in these two countries whereas the remaining countries feature only the national fleet.

The ships specified in the table are generally used only for day excursions. But for Germany the statistics do not permit a clear split between ships for day excursions and ships with overnight cabins. That is why the table for Germany only features the ships that are clearly used for excursion traffic. The figures thus represent the lower end of the minimum number of ships and capacity, while in reality probably being higher.

The chart is broken down into Western European and Central and Eastern European countries, with the rivers Rhine and Danube being selected as reference points. The German fleet has hence been divided up and the ships belonging to the German Danube shown separately.

Table 1: Daytrip boats, capacity and passengers: Rhine/Western Europe

<table>
<thead>
<tr>
<th>Number</th>
<th>Germany</th>
<th>France</th>
<th>Netherlands</th>
<th>Belgium</th>
<th>Switzerland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ships</td>
<td>642*</td>
<td>378</td>
<td>713</td>
<td>26</td>
<td>7</td>
</tr>
<tr>
<td>Places</td>
<td>148,709</td>
<td>47,268</td>
<td>177,000</td>
<td>approximately 3,000**</td>
<td>1,627</td>
</tr>
<tr>
<td>Passengers</td>
<td>No info</td>
<td>10,700,000</td>
<td>No info</td>
<td>No info</td>
<td>94,601</td>
</tr>
</tbody>
</table>

Sources: Germany: Wasserschiffahrtssdirektion Südwest (Southwest Waterways Directorate); France: Voies Navigables de France; Netherlands: Inspectie Verkeer en Waterstaat; Belgium: Service Public Federal Mobilite et Transport; Switzerland: Bundesamt für Statistik; Schweizerische Rheinhäfen; * excluding ships on the Danube, daily excursion boats only; ** partly estimated
Table 2: Daytrip boats, capacity and passengers: Danube/Central and Eastern Europe

<table>
<thead>
<tr>
<th></th>
<th>Austria</th>
<th>Hungary</th>
<th>Germany</th>
<th>Slovakia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ships</strong></td>
<td>56</td>
<td>74</td>
<td>23**</td>
<td>15</td>
</tr>
<tr>
<td><strong>Places</strong></td>
<td>16,300</td>
<td>11,628</td>
<td>9,249</td>
<td>1,421</td>
</tr>
<tr>
<td><strong>Passengers</strong></td>
<td>850,000*</td>
<td>No info</td>
<td>No info</td>
<td>122,000</td>
</tr>
</tbody>
</table>

Sources: Germany: Wasserschifffahrtsdirektion Südwest (Southwest Waterways Directorate); Austria: Via Donau; Slovakia: National Statistical Office; Danube Commission; Hungary: Danube Commission. * incl. foreign providers ** daily excursion boats only

94,601 people were carried on routes in Switzerland in 2009 compared with 100,100 in 2008 (-5.5%). Scheduled services have a 67.6% share of excursion traffic, namely two thirds. A further 13.5% are accounted for by entertainment trips and approximately 19% by charter trips. The seven ships belonging to Swiss shipping companies are based in Basle and the surrounding area. The routes range from Rheinfelden via Kaiseraugst, Basle, Weil am Rhein to Huningen in France.

With approximately 10.3 million passengers transported (2007) France is an important market. Just less than 73% of all excursion ship passengers in France are carried in Paris and the Ile-de-France. This is followed in second place by Alsace, other regions are of almost no significance (see following chart).
Excursion demand in recent years has exhibited a positive trend. Paris and the environs (Ile-de-France) recorded growth of 36% between 2002 and 2008, at 24% the rate of increase in the other regions was somewhat less. For France as a whole this resulted in an increase of 33%. In 2008 Alsace was the fastest growing region, also attributable to the building of a fast train link (TGV) between Paris and Strasbourg in 2007.
By contrast, the transport capacity (in terms of the number of available passenger places) in the same period rose only slightly, increasing by only 5% nationwide. In 2008 the French day excursion industry (boats for hire are not included!) numbered 378 ships with a total of 47,268 places. For a number of years the share of the national transport capacity accounted for by the Ile-de-France has been somewhat more than 50%. The ships used in Paris are on average considerably larger than those in other French regions. The average capacity of a boat used in the Ile-de-France is approximately 300 places compared with 136 places per boat in the other parts of the country.

In summary we can say that in Paris and its environs the increase in demand between 2002 and 2008 significantly outstripped supply (+36% compared with...
+2%). In France’s other regions demand growth also outstripped supply but the difference here was not so great (+24% in the case of demand, +8.5% for supply).

For some time now a new trend has been apparent in Germany, which could be dubbed “home country vacationing”. River day trips also stand to benefit. Unfortunately however there are no official figures available for the number of river day trip passengers, only information on ship capacity broken down by individual rivers. If one ignores a special statistical effect explained below in greater detail, the Rhine is the most important river in terms of passenger capacity. The middle Rhine valley between Mainz and Coblenz, which is a UNESCO world cultural heritage site, is one of the world’s most famous river trip routes. The numerous castles and ruined castles were behind the notion of the romantic Rhine.

In Germany day trips on the river are dominated by small companies (private owner operators) with between one and two vessels. A larger company is the Koeln-Duesseldorf Deutsche Rheinschiffahrt, which is also Germany’s oldest public company. With a fleet of 15 ships it is the market leader for day excursions on the Rhine. According to company information, in the past year the economic crisis has primarily impacted the charter business, many companies having cut out boat excursions in light of the depressed economic situation. This has been partly offset by the rise in the number of private travellers. This scenario can be taken as typical for 2009 and was also observed on other rivers, such as the Elbe.

In 2009 the company transferred ten of its ships to a foreign subsidiary. Accordinally these ships no longer appeared in German statistics although in reality they continue to ply their route on the Rhine between Duesseldorf and Mainz. This is the reason why since 2009 the Rhine officially no longer heads the passenger capacity rankings, having been overtaken by the Elbe. But even without this special effect the Elbe was ahead of the Rhine on two other capacity indicators, namely the number of ships and the number of shipping companies. The attraction of navigation on the

2 These ships’ destination country was Malta. Source: Central inland waterway master file of WSD Southwest and article in the Cologne Rundschau, “KD under Maltese flag" dated 08.04.2009.
Elbe is certainly to do with the cultural centre of Dresden and the Elbe Sandstone Mountains and probably also with the Hanseatic City of Hamburg.

The figures below indicate the overall trend in capacity broken down by the seven most important travel areas. The decline in 2009 is partly attributable to the special effect referred to above.

**Figure 3: Number of passenger places in the German daytrip sector**

![Bar chart showing capacity (1,000s of people) from 2002 to 2009.](image)

*Source: Wasserschifffahrtsdirektion Suedwest. Figures in 1,000s of people*
The German stretch of the Danube, at least as far as Passau, is at a disadvantage for day trips as a result of the low height of the bridges. That is why the bulk of the daytrip business doesn’t begin until Passau, heading down the Danube towards Austria. Next to Vienna, Passau is the most important departure location for trips on the German and Austrian Danube. With 11 ships, the Passau company Wurm

3 Over a distance of roughly 25 km downstream from Passau, the Danube is the river border between Germany and Austria.
und Köck is the most important shipping company in the day excursion sector. Since 1995 river day trips have extended as far as Vienna. Approximately 150 km downstream from the German-Austrian border town of Jochenstein begins the famous Wachau countryside, the stretch of the river between Melk and Krems, 80 kilometres west of Vienna. Here are to be found, similar to the Middle Rhine, numerous castles and historic towns within a relatively short distance. In just the same way as the Middle Rhine valley, Wachau is a UNESCO world cultural heritage site.

As in Germany, so too in Austria no figures are collected by the national statistical office on passenger navigation demand. The state navigation agency Via Donau uses questionnaires to collate relevant figures but which also contain estimates. This process also involves polling companies that are not headquartered in Austria but which operate on the Danube. According to these polls approximately 700,000 passengers were carried on scheduled services in Austria in 2008 and around 150,000 occasional traffic passengers.

Hungary possesses the largest national fleet on the Danube. In recent years however Hungarian passenger shipping companies have been characterised by a downward trend.

The largest Hungarian shipping company in the passenger navigation arena is the formerly state-owned company Mahart Passnave. The company operates more than 30 ships (20 excursion ships and 10 Russian-made hydrofoils). Excursion ship traffic has declined in recent years. 115,670 passengers were transported in 2009

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4 This relates to the German shipping company Wurm & Koeck, which operates scheduled services between Linz-Schloegen-Linz and Linz-Vienna-Linz. For eastern operations we are talking about the ships and hydrofoils of the Slovakian provider SPaP-LOD (on the Bratislava-Vienna-Bratislava stretch) and the Hungarian company Mahart PassNave (Budapest-Vienna-Budapest).

5 According to information from the Hungarian statistical bureau, specific figures are not allowed to be published but indicate a steep downward trend, especially in 2007 and 2008.
compared with 152,000 in 2005. Passenger volumes have risen only for the faster hydrofoils, numbering approximately 16,000 passengers in 2009.

This decline, which is typical for the country as a whole, is related to a number of structural and cyclical factors. For example it was and remains the case that passenger navigation in Hungary is used to a considerable degree not for tourism but for public transport purposes (as an alternative to bus or railway). This primarily concerns scheduled services between Budapest and towns on the Danube in northern Hungary such as Szentendre or Visegrád.

Mahart Passnave has estimated that approximately 25% of passengers on scheduled services in and around Budapest are using these services for public transport and 75% are tourist activities within the proper meaning of the term. The rise in car ownership since the fall of the Iron Curtain provoked a decline in these means of transport starting in the mid-1990s and increasingly so from 2000 onwards. This is one reason for the decline in passenger numbers. An additional reason is to be seen in increased fares as a result of higher fuel costs. Fares per passenger kilometre are approximately eight times higher than the price of rail travel for the same distance.\(^6\)

Thirdly, customers are increasingly demanding shorter travel times which can more easily be achieved by the modern hydrofoils, of which there are relatively few, than by excursion ships most of which were built in the 1960s. It should also not be forgotten that in recent years Hungary has had to content with severe economic problems that have adversely affected income growth.

In Slovakia in 2008 a total of 121,509 passengers were transported by domestic passenger navigation companies. Accounting for 90,586 people, national transport dominated international transport with 30,923 people. The Danube is far and away the most important river for freight and passenger navigation. Its share of the country’s entire passenger navigation is approximately 92%. That means that transport movements on the two other rivers (Waag, Bodrog) account for 8.5% of total passenger navigation in Slovakia.

\(^6\) Information provided by the Hungarian National statistical office.
The National Statistical Office captures passenger navigation companies by means of company statistics. There are currently 15 ships registered, 12 of which operate on the Danube. The remaining three ships operate on the 400 km long River Waag, which rises close to the Polish border and flows southwards to the Danube, and also on the Bodrog, which flows in the east of the country.

With the exception of 2003 and 2004 the number of people carried on domestic waterways has hardly changed. The anomaly seen in 2003 and 2004 is attributable to the fact that during this time a shipping company from Kosice established a scheduled service between Devin near Bratislava in Slovakia and Hainburg in Austria. But this scheduled service was discontinued in later years.

### 3. RIVER CRUISING

In addition to the Danube and the Rhine, other important rivers in the European cruise market are the Moselle and the Main, then the Elbe and also the Rhone, Seine and Saone. Of the 209 river cruise ships operating in Europe in 2009 approximately 96 percent are to be found on these rivers. The remaining 4 percent operate on rivers in Spain and Portugal (Douro, Guadiana), also in Sweden and Poland, and a single ship operates on the Po in Italy. To some extent the positive trend in the demand for river cruises can also be seen in conjunction with the boom in ocean cruises. Between 1999 and 2008 cruise companies operating on the German market saw passenger numbers increasing by 210 % for ocean cruising and by 186 % for river cruising.\(^7\) The growth in river trips was frequently at the expense of the market share accounted for by coach travel.

Approximately three quarters of river trips are of one-week duration. That means for example that the Passau-Budapest-Passau route can be tackled in one week, including sightseeing and excursions ashore. Also of one-week’s duration is a river trip on the Rhine between Basle and Amsterdam. Yet another one-week trip is from Dresden to Prague and back. A river cruise lasting two weeks might take you, for example, from Passau to Constanza via Vienna, Budapest and Belgrade.

\(^7\) German Travel Association (DRV)
The building of the Rhine-Main-Danube Canal was of great importance for the European industry. This created a unified river system enabling most ships to sail from the Rhine via the canal to the Danube and back. This linked Europe’s two most important rivers for cruising. There are however a number of ships that are too large for the locks on the Rhine-Main-Danube Canal so that to be strictly accurate we need to talk about a partial fragmentation of the market.

As regards customer structure it should be noted that US American tourists play a more important role in the cruising business than they do for day trips. In a number of submarkets, such as small hotel ships in France, they account for approximately two thirds of total passenger volumes. For larger ships their share is currently one third. Generally speaking however their importance is increasing such that industry experts anticipate that US American customers will in future take a 50% share. Isolated events such as 11th of September 2001 resulted only in a one year stagnation in visits by US American customers but were unable to halt long-term growth.

Each year on average approximately ten new ships arrive on the European market, most of them for the rivers Rhine, Danube, Elbe, Moselle and Main (see following table). Numerous Dutch shipyards and two German shipyards dominate when it comes to shipbuilding yards.

**Table 3: New construction on the European river cruise market**

<table>
<thead>
<tr>
<th>Cruise area</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central system*</td>
<td>9</td>
<td>9</td>
<td>7</td>
<td>11</td>
<td>8</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>Danube only</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rhone</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Douro</td>
<td>2</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Algarve</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13</td>
<td>10</td>
<td>12</td>
<td>12</td>
<td>8</td>
<td>7</td>
<td>11</td>
</tr>
</tbody>
</table>

Sources: Hader & Hader; River Advice. * Rhine, Main, Moselle, Elbe, Danube.
Building a cruise ship is a major investment which can only be amortised if there is sufficiently high market demand. The investment volumes are frequently five times higher than for freight ships. An additional factor is that the cruise ship season is mainly limited to the period between March and October whereas freight ships operate throughout the entire year (with the exception of particular winter periods or in the event of extreme water levels). Whereas the water level is very important for freight ships typically this is not the case for passenger ships. Low bridges can however be a problem here.

Because of the high initial investment, a limited season and labour intensive ship operations high revenues have to be generated within a relatively short period. The ships are also becoming ever larger partly in order better to absorb the high fixed costs. For a long time the average capacity of a river cruise ship was between approximately 120 and 130 beds. In recent years it has increased and since 2005 has been approximately 160 beds.

There are various possible business model scenarios. We can fundamentally differentiate three tiers:  

1) Ship ownership 
2) Ship operation 
   a) Navigation/technology 
   b) Hotel operations/gastronomy 
3) Ship marketing 

Tiers 1) and 2a) are frequently both in the hands of a shipping company. The hotel and gastronomy (2b) sides on the other are often handed over to professional hotel and catering firms as these are not shipping companies’ traditional areas of responsibility. In Europe there are currently roughly three such hotel and catering companies who share the market. International river shipping companies often charter their ships under contract for several years to national river trip organisers. Longer-term contracts with one and the same tour operator have the advantage of triggering so-

8 Information provided by River Advice
called ‘repeater effects’ among customers who having once encountered a ship’s crew enjoy renewing their acquaintance the following year.

When it comes to travel marketing (tier 3) the customers’ country of origin is very important. That is why shipping companies with international operations frequently retain general agencies for individual countries where they are responsible for organising sales. But there are also cases in which the aforementioned tiers 1) to 3) are controlled by one party meaning therefore the shipping companies simultaneously operate their ships and manage the marketing themselves. This applies for example to the French market leader in Europe CroisiEurope, headquartered in Strasbourg, and also to the German company A-Rosa Flussschiff.

As already mentioned at the beginning it makes most sense to break the river cruise market down from the demand side by individual markets and countries as the supply side is characterised by complex, international corporate structures and a breakdown by ships’ flag is no longer very meaningful.

For the German market, every year the German Travel Association (DRV) conducts a poll of ship owners, charterers and international shipping companies’ sales agents concentrating primarily on customers in Germany. A total of 23 providers were polled for 2009 eight of which were ship owners, 14 charterers and one sales agency (belonging to the European market leader CroisiEurope). Viking Flusskreuzfahrten (Viking River Cruises) was among the companies polled.

These charter ships represent a significant proportion of the offering available to German customers. In 2009 they numbered 154 ships with just fewer than 22,000 beds. This means an increase of five ships and 827 beds compared with the year before. There is relatively strong price competition between the various providers.

According to these surveys the demand for river cruises among German tourists has more than doubled since 2000 (by a factor of 2.1). It rose 20% between 2005 in 2009. In 2009 not quite 400,000 Germans went on a river cruise on the European river (including the Nile). If we exclude the Nile then the Danube and the Rhine are the most important rivers for German customers. Last year 146,000 passengers
were carried on the Danube. In Germany it was 74,000, in Russia and the Ukraine combined 35,500, in France 26,300, in the Benelux countries 20,700.9

The average age of the German travellers is just under 58 years. In recent times it has fallen only marginally. Roughly 30% of cruise passengers are aged 66 or over and 68% (namely more than 2/3) are at least 56 years old.

In 2009 revenues on the German market as a whole fell only slightly by approximately 4%, which was admittedly also caused by the departure of two providers as a result of insolvency. 64% of providers recorded increased passenger numbers and 68% of providers increased their turnover compared with the year before. A further 14% achieved similarly high passenger numbers as in the year before and for 14% there was no change in turnover compared with the year before.10 This demonstrates that in this sector even the worst economic crises have only very limited effects.

Direct sales on the German market in 2007 reached 292 million Euros, an increase therefore of 60% compared with 2004. In addition to these direct revenues we can also of course assume a considerable level of indirect revenue primarily generated during excursions ashore and as a result of the supporting cultural programme accompanying river navigation.

Information about the national river cruise market in France is collated by the state agency VNF. Both French and foreign companies are included.11 When it comes to river cruises in France a distinction needs to be made between two segments: Cruises with larger ships (Paquebots fluviaux or large hotel ships > 50 beds) and journeys involving smaller ships (Peniches-hotel or small hotel ships < 50 beds).

When it comes to volumes, measured in terms of passenger beds, the large ships with a total of 3,541 beds were more important in 2008 than the small ones with 1,224 beds. The preponderance is even clearer when it comes to demand. For

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9 German Travel Association DRV
10 German Travel Association DRV
11 This makes the results broadly comparable with those of Germany.
example the ‘paquebots fluviaux’ carried 154,000 passengers in 2008 compared with 25,000 passengers in the case of the ‘peniches-hotel’.

There are also differences as regards the areas served, the customers and the offering. The larger hotel ships primarily operate on the Rhine in Alsace, in Burgundy, on the Seine and on the Rhone. The smaller ships tend to operate in southern French regions (especially Languedoc, Provence). They also host significantly more US Americans (approximately 2/3), joined also by French, British and other foreign guests. These small ships’ supporting programmes have an even stronger focus on French gastronomy and French ‘savoir vivre’ than is the case on the larger cruise ships. There are more German guests in the case of river cruises on large ships.

As is apparent from the following table, the small hotel ships segment is characterised by a high degree of supply-side fragmentation: The market is divided between numerous small providers. The average capacity of the small ships is 13.7 beds and is thereby smaller than that of the large ships by a factor of ten (136.2 beds)

### Table 4: Hotel ships in France

<table>
<thead>
<tr>
<th></th>
<th>Companies</th>
<th>Ships</th>
<th>Places per ship Average</th>
<th>Total places</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small ships</td>
<td>69</td>
<td>89</td>
<td>13.7</td>
<td>1,224</td>
<td>25,000</td>
</tr>
<tr>
<td>Large ships</td>
<td>9</td>
<td>26</td>
<td>136.2</td>
<td>3,541</td>
<td>154,000</td>
</tr>
<tr>
<td>Total</td>
<td>78</td>
<td>115</td>
<td>-</td>
<td>4,765</td>
<td>179,000</td>
</tr>
</tbody>
</table>

*Source: VNF; CCNR calculations*

It will be noted when looking at the trend in supply and demand that the capacity in the large ship segment in recent years has increased at a faster rate than demand, whereas for small ships the converse is true. The two figures below show the evolution of large ship bed capacity and demand with the far stronger supply growth and regional hotspots (Alsace, Burgundy, Rhone, Ile-de-France) clearly evident.
Figure 5: Trends in French cruise ship bed capacity (large ships) by cruise area

Source: VNF. Figures in number of beds
For small hotel ships the number of passengers between 2004 and 2008 rose by 51% to a total of 25,000 people and the number of overnights by 53% to 139,000. Small hotel ship bed capacity increased by 30% between 2004 and 2008. That means - as already mentioned - that demand outstripped supply, unlike the large cruise ships.

In the Netherlands, as in France, a distinction is made within the cabin cruise sector between smaller (< 40 beds) and larger hotel ships (> 40 beds). Smaller hotel ships tend to be used by younger people (from the Netherlands, from Germany and Denmark). Some of these ships are frequently used as so-called ‘Fietsschip’, which means that cyclists use the ships for overnight accommodation and an evening meal and follow the ships on their bicycles by day. For these reasons these ships
often do not have very many passengers. The so-called ‘brown fleet’ is also primarily frequented by a younger clientele. These are old cargo sailing ships that are now used for tourism. The larger hotel ships on the other hand tend to have older customers.

In **Switzerland** the Rhine ports of both parts of Basle registered almost a doubling of passengers carried in ships with cabins between 1999 and 2005 (+93%). There was an increase of 77% between 2005 and 2009.\(^\text{12}\) That marks an almost exponential increase in the number of passengers carried in ships with cabins engaged in international traffic on the Rhine. This is all the more remarkable as there was a downward trend between the mid-1980s and the end of the 1990s.

### 4. SUMMARY

There are considerable differences between the countries considered here in the way that day trip navigation has evolved. France and Austria registered double-digit growth rates in demand between 2002 and 2008. The overall trend in Slovakia was one of stagnation whereas in Hungary there was a fall in the number of people carried. This decline is to be seen in the context of structural factors which make it difficult for the Hungarian industry to achieve growth rates (general economic factors, structure and efficiency of the fleet, etc). No demand information is available for Germany.

Demand growth in French excursion traffic as a whole has outstripped capacity. This was especially so in Paris but also to a somewhat lesser extent in the other regions as well. There were minor capacity increases in Germany between 2003 and 2008 but just recently a decline, albeit primarily to do with a statistical one-off effect.

This study initially looked at the river cruise market for Europe as a whole and then for Germany and France. What this reveals is that demand in the last few years appears to have risen more strongly in Germany than in France. The number of people

\(^\text{12}\) **Source:** Swiss Rhine ports
carried has more than doubled in Germany since 2000. There have also been recent capacity increases.

In France, growth in the demand for river cruises (in the large ship segment) since 2006 - earlier years are not available - has been relatively moderate. There has been a more dynamic trend in the small hotel ship sub segment, which might have something to do with certain country-specific peculiarities of the French market. These small ships are a better fit with the French river cruising tradition than the large ones. Demand for the small hotel ships also grew quicker than supply whereas the converse was true for large cruise ships. For Europe as a whole capacity has been growing at a relatively constant rate for approximately ten years: Each year approximately ten new ships enter the market.