

The cruising industry
for almost a decade.



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The Carnival Corporation Merged with Carnival PLC in the year 2002 in order to expand its operations. This merger led to a complete reconstruction with an aim of improving passenger satisfaction. Carnival Corporation is actually a market leader in the cruise operations industry (Woodside 275). The expansion has been well managed because the corporation has seen an increase in the number of cruise lines from the initial two brands to almost ten. This new brands have enabled the company to diversify its cruising operations to meet the different needs of its passengers.

The corporation's fixed costs include the cost of spare parts and other ship facilities. The value of currency exchange and fuel prices fall in the variable costs category. The business model of Carnival Corporation is very simple and efficient. The company's main objective is to provide the best cruising services to its passengers worldwide. The company has been improving its recreational and leisure facilities to suit customer needs.

Its primary activities in the value chain for their services include providing the most enjoyable cruise vacations to its clients together with quality recreation and accommodation services. The decision making authority of Carnival Corporation is decentralized with the two units based in America and England making their independent decisions which are in line with the common strategies and policies of the company. The Company is only decentralized on the basis of geography but not in terms of projects and functions. This decentralized structure enables each unit to independently control and manage its brands (Conrady 177). The new structure was put in place in the year 2002 after the two companies merged.

Despite the two companies being based in different countries, their corporate strategies and objectives are similar. The main objective of the two units is to provide the best cruising services in the world. The structure of Carnival Corporation is simple and is easily understood by all the stakeholders because of its consistency with the corporate strategies and objectives. Carnival Corporation is an international cruise company that has a variety of leisure and recreational services compared to other cruise operators.

It offers professional customer service to its visitors a thing that has made it to remain a market leader for a very almost a decade. Carnival Corporation has got a unique corporate culture where the welfare of visitors and passenger is given the first priority. This caring culture has made it to remain a market leader in the cruising industry for almost a decade. In order to showcase its services, the company has employed the use of on-line marketing to reach as many people as possible. This strategy has given Carnival Corporation a competitive advantage over other cruise operators. In line with the company's strategy of increasing sales, Carnival Corporation has engaged the services of tour operators and wholesalers in selling its services. According to market research, many visitors prefer Carnival Corporation because of its diverse cruising services. These aggressive sales and marketing efforts have made Carnival Corporation to register more sales compared to other cruise operators.

The online marketing strategy has captured both local and international markets. The revenues of Carnival have been increasing significantly since the 2002 merger. In the 2010 fiscal year, the company recorded \$0. 19 as <https://assignbuster.com/the-cruising-industry-for-almost-a-decade/>

earnings per share with 2011 recording \$0.22 earnings per share. These figures demonstrate an increase in the financial standing of the company. The company's strategy is to improve its performance in the stock market by boosting its quarterly dividends.

One of the major research and development objectives is to come up with alternative and diverse cruise operations that are consistent with modern technological advancements. Research and development has enabled Carnival Corporation to diversify its operations. This diversification gives it a competitive advantage in the very competitive cruise operations market (Woodside 275). Carnival Corporation has got approximately 95 ships offering cruise services around the world. The number of ships has been increased to achieve the company's mission of spreading its operations to all the countries in the world. The ships have a passenger capacity of approximately 200,000.

The company has also invested in the hotel industry and has a total of 15 hotels that have an approximated 3500 guest rooms to offer accommodation for its visitors. This is consistently in line with the company's diversification strategy. The main objective of the human resource management is to hire professional in the hospitality industry that will enhance the company's objective of professional service delivery. The company has got approximately 10,000 employees with 85% of them hired as part-time and seasonal workers. Technological advancement has been achieved through elaborate research and development strategies.

Works Cited

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