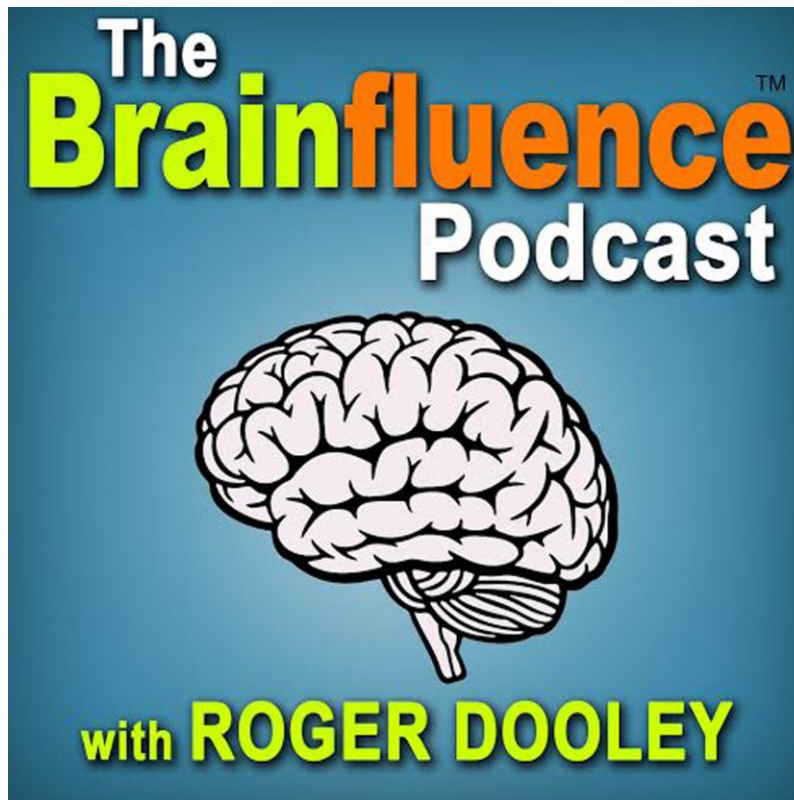


Ep #44: 4 Marketing Lessons from the Cruise Industry



**Full Episode Transcript**

**With Your Host**



**Roger Dooley**

[The Brainfluence Podcast](#) with Roger Dooley

## **Ep #44: 4 Marketing Lessons from the Cruise Industry**

Welcome to the Brainfluence Podcast with Roger Dooley, author, speaker and educator on neuromarketing and the psychology of persuasion. Every week, we talk with thought leaders that will help you improve your influence with factual evidence and concrete research. Introducing your host, Roger Dooley.

Roger Dooley: This is the Brainfluence Podcast and I am Roger Dooley. Today I feel kind of like I'm recording an episode of the Tropical BMA podcast because I actually am in the tropics. I'm in Southeast Asia on a ship about 24 hours out of Phuket, Thailand. This will just be me, and I thought that it would be interesting to reflect on the cruise industry and some lessons that can perhaps be generalized to other businesses from their success. The cruise industry has been really successful. Over the last 10 years its grown 77%, and last year 21 million passengers sailed on cruise ships, so this is a huge, huge industry that's growing far more quickly than the travel industry as a whole.

I thought at first I'd look at a few brain and behavior-based reasons why that is the case, what they're doing, and then also talk a little bit about tying it into buyer legends, which is a topic of a podcast that we did a few weeks ago with Brian and Jeffrey Eisenberg.

Why has cruise growth been so spectacular, perhaps compared to some of the other elements in the travel industry? I think that one of the topics that we talk about often here in this podcast and on the neuromarketing blog is friction and elimination. Cruises or sailing on a cruise ship eliminates a lot of friction in travel, all those messy details of booking hotels and taxis and getting from place to place and packing and unpacking, finding the right restaurant and so on, is pretty much taken care of by a

## **Ep #44: 4 Marketing Lessons from the Cruise Industry**

cruise ship. You book once, you pay once by and large, and they take care of all the details. You never have to unpack as you move from city to city. It's about the most friction-free kind of travel where you can go to multiple destinations.

I supposed something comparable could be an all-inclusive resort where you show up and hang out there for a week, but on a cruise ship you get to visit different places without the hassle that normally accompanies visiting all those different places. So, I think that one big reason for their success is just the fact that it is very easy. They eliminate friction in the process. Whenever you can eliminate friction you will tend to do better than your competition.

Another area is the pain of paying. This goes back to some work by Lowenstein at Carnegie Mellon University and other researchers who, using fMRI machines, determine that when people pay money for something it actually lights up the pain center in their brain a little bit. That's true particularly if the amount is kind of high. We all know that when we travel, we visit other cities; you end up seemingly paying very large amounts. You buy a Coke and it costs you \$10 or something. That's definitely something that is going to produce this pain of paying effect.

Cruise ships by and large take care of all that with one payment. Lowenstein has commented that sushi pricing is perhaps the most painful kind of pricing, and that's because you pay for each piece. If you want another piece that's another \$5 or some amount of money. It's a very painful way of having dinner compared to buying a

## Ep #44: 4 Marketing Lessons from the Cruise Industry

meal or even paying for a fixed price buffet or something like that.

By having a basically all-inclusive experience cruise ships take away all of that pain of paying. That's not to say that they're perfect. In fact, some cruise lines seem to be taking a page from the airlines and finding new ways to unbundle some services and charge extra for them, or at least offer different products that end up being individually purchased. Except for the ultra-premium lines you still do end up paying for a few things on a cruise ship, but still, it's much, much less painful than, say, doing a driving vacation or traveling by train where at every stop you'll be paying for food, paying for transportation, paying for water, whatever the case might be. That's something that you can think about in your business. If you can eliminate those frequent pain points of charging extra customer may actually be willing to pay a little bit more in total simply to avoid those frequent pain points.

Then the last element, which is probably the least important element that I could identify, is risk avoidance. Humans are naturally risk-averse. We all try and avoid things that could harm us or there's some risk of losing money or being injured and so on. The cruise experience is probably about the most risk-avoiding way to travel because, once again, they take care of all of the details. Even if you're visiting ports that may be a little bit sketchy, your hotel is the cruise ship, which is very secure. If you going to be traveling around the area you can book tours through the cruise ship where you have reasonable assurance that your guides are going to be knowledgeable, you aren't going to be getting into a strange taxi with a driver who ends up taking you some place and holding you up. It's for people who are

## Ep #44: 4 Marketing Lessons from the Cruise Industry

particularly risk-averse. Cruising provides a great solution for that that, too. That's, again, something that you can perhaps generalize to your business. If you're offering a product or a service where there may be some element of risk, find a way to reassure your customers that you have covered that risk for them and that they don't have to worry about it.

Now what I'd like to do is tie in the cruising experience to a recent podcast episode we had with Brian and Jeffrey Eisenberg. Their new book is *Buyer Legends*, which I highly recommend. It's just a few bucks at Amazon; it's an eBook. You can read it and have your first buyer legend going in about 90 minutes they say. I find that fairly plausible having read it myself. They emphasize the power of stories, but these stories are a little bit different. Instead of stories that you're telling your customer, these are stories that can be told to get everybody in your organization on the same page. It's perhaps a little bit like buyer personas, but somewhat different too because this is a narrative rather than a detailed description of a particular buyer that then you're going to try to market to that particular buyer persona.

It occurred to me that I don't know if cruise lines use a buyer legend-type approach or if they just drill into their employees that they have to provide great service. By and large, the cruise industry is very good at having a high level of service across many, many employees. Typically a large ship might have many hundreds or even more than a thousand employees serving guests. The guest to employee ratio is probably somewhere around three to one depending on the line. There's a lot of people coming from many, many different countries. Somehow they have to get all these staff people who don't share

## **Ep #44: 4 Marketing Lessons from the Cruise Industry**

native languages, how can they get them all on the same page. This of course is something that we all face in our businesses, perhaps in a less challenging environment than the cruise industry; because the other thing about the cruise industry is they have people who are constantly coming and going. Each employee signs up for a period of months in the form of a contract. Then they get to leave typically for a few months and then they can return or not as their choice, and if the line, which is to bring them back. The cruise lines are having to cope with many different employees from many different backgrounds who are constantly turning over and changing.

The idea of buyer legend, as described by the Eisenbergs, is to create a story that enables everybody in a company to be on the same page. That cuts across departments too so that the marketing people and the manufacturing people, say in a product company, can share that common vision of a customer. I started to think about what a buyer legend might be for a cruise company. I somehow came up with the idea of a couple from Wisconsin, Frank and Mary, who have never cruised before and are a little bit concerned about a few things. They usually take driving vacations. Not only are those driving vacations cheaper but it gives them a tremendous flexibility. They can stop whenever they want. They can go where they want. They can deviate for their route - basically a very free of traveling. They concerned about being stuck on a ship with a fixed itinerary and perhaps being assigned to a particular dining room with a fixed menu, and the sort of things that experienced cruisers take for granted that might be a little bit concerning to a brand new cruiser.

## Ep #44: 4 Marketing Lessons from the Cruise Industry

As part of this story perhaps they've saved up for a couple of years and this is their first cruise so it's kind of a big event for them. They've had these concerns going on, and also for them it's a really significant expense. On the very first night of the cruise Frank asks the waiter for Russian dressing for his salad. Now the waiter knows that the kitchen does not stock Russian dressing, but rather than saying "Sorry, we don't have that. These are our choices," he says "Wait a minute. I'll see what I can do." He goes back to the kitchen, talks to one of the chefs, and explains that he has a guest who wants Russian dressing and if they have any. The chef says "No, we don't have any in stock but I know how to make that very quickly," and he mixes a few ingredients together and creates a little cup of Russian dressing that then the waiter can carry out to Frank.

Of course Frank is quite impressed by that, and that need has been satisfied. Rather than telling the customer no the problem has been handled and the experience has been enhanced. Perhaps on subsequent nights, since the waiter knows that Frank likes Russian dressing, perhaps he's even got a cup of it ready so there's not even any delay in delivering it. Now, if that experience is replicated several times during the course of the trip, perhaps in different departments by different people, this couple is going to come away with a really good feeling about the their vacation. They're going to go home, they'll be impressed, they'll tell their friends about what a great experience they had, and maybe they'll even start planning their next cruise in saving up for it.

This is the kind of story that could cut across different functions in the organization and certainly among the service staff, that makes sense, but there are various

## Ep #44: 4 Marketing Lessons from the Cruise Industry

levels of people serving the customers. You've got the first line of defense. You've got the waiters and assistant waiters. You've got the chefs and other people in the kitchen. You also have managers who may have the potential to be working at cross purposes because they're trying to maintain staff levels that are affordable, and it's important that these people be on the same page so that they don't, say, reduce staff levels to the point where there's not enough slack in the system to accommodate these special requests. In fact, a particularly tone deaf manager might even say "We've got to stop all these special requests so that we can be more efficient, because these things really slow us down."

If everybody in the organization buys into this legend, then you can deliver that high level of consistent service. I can relate a few elements of my experience on this particular trip that I found exemplary, and the sort of thing that really makes you feel good about the experience, just as the fictional Frank and Mary did. One morning I didn't see tomato juice out with breakfast. Some lines have it as a standard. This particular ship did not. I asked a waiter, and again, rather than saying "Sorry, all we have are orange and guava juice," or whatever their choices were, he said "No problem," went back and a few minutes later came back with some tomato juice from the kitchen. That was fairly impressive.

Then a couple of days later I noticed that on their cheese tray they didn't have blue cheese. I asked if they happened to have any. I assumed that perhaps they had some in the back room and just it hadn't gotten out or it had run out on the table. Again, they didn't say "No, sorry. What you see is what we have." They said "Just a minute. We'll check." In a minute a more senior kitchen person



## Ep #44: 4 Marketing Lessons from the Cruise Industry

came out and said "I'm sorry. We didn't have any in our kitchen here but I've sent somebody down to the fifth floor to bring some up. Just come back in five minutes and we'll have it for you."

To me that was very impressive, because it would have been very easy to say "Gee, I'm sorry. We don't have that today," and be done with it. In many organizations that's exactly what would happen, because of their customer service orientation they felt it was worthwhile to service one of the more than a thousand guests on board with this strange little request, that they would send an employee on a ten minute journey perhaps to retrieve the blue cheese. To me, that's really great. If more organizations thought that way we wouldn't have some of the customer service horror stories we have out there.

It was interesting, I did have one horror story on this cruise, perhaps a minor horror store. It involved the spa area where for some reason the shower was cold. I tried to take a shower and it was very cold, but there was only one shower that had shampoo and soap and so on, so I figured that had to be the one for guests who wanted to get cleaned up in the spa area. I asked the desk afterward, I said "Gee, the water seemed kind of cold." The explanation was "Yes, that one's always cold." I looked kind of blank and he said "Yeah, you have to use the other ones." They explained the other ones have hot water. I said "Well fine, but there wasn't any soap in those or anything in there where you could get cleaned up." Says "Yeah, that's the way it is. We don't why they designed it that way."

Now this was not a great way to accommodate the guests. There would have been so many ways to handle

## Ep #44: 4 Marketing Lessons from the Cruise Industry

that better, say "Oh, I'm sorry." Every ship has in cabins these little tubes of course, just like hotels where they give you little tubes of shower gel and shampoo." It would have been very easy to say "Oh, I'm so sorry. Here, take these," or "Next time just stop at the desk and we'll give you some." Instead it was the more typical customer service attitude that yeah, that's the way it is. We can't explain why it is. It doesn't make a lot of sense to us but there's really nothing we can do about it.

How many times have you been in that situation in dealing with a company in any industry, where you have employees that know that it's not right but they don't take the initiative to make it better in some way, when there are a thousand ways that they could have improved this little element of that experience? For them, they didn't feel empowered to do it or they didn't want to do it. One or the other; I don't know which.

Clearly this group was not buying into that same buyer legend that seemed to permeate the rest of the organization. Later I heard that that particular element was a sub-contracted entity so that might explain it. They may not have had to go through the same training that the rest of the staff did, and hence came to it with a different attitude. Not that they wanted to do a bad job, but that's how it turned out, because they did not have that shared vision.

I encourage you to get Brian and Jeffrey Eisenberg's book. It's called Buyer Legends. Think about how you can use that in your own organization. They say that you can do it very quickly and that after you've got the hang of it you can start knocking these legends out in 20 minutes or so. It doesn't have to be a complicated process. I don't

## **Ep #44: 4 Marketing Lessons from the Cruise Industry**

know if they'd approve of my Frank and Mary example but obviously that was not a complex buyer persona development that involved a lot of market research or statistics. Rather, it was a story meant to unify a vision of customer service.

Check that out, and with that I will sign off from Southeast Asia. Next time I talk to you I will probably be in Austin, Texas again. Thanks for listening, and remember, you can find the links, in this case to the Eisenberg's book as well as to any other resources we discussed, at [rogerdooley.com/podcast](http://rogerdooley.com/podcast). On the show notes page you'll also find a text transcript, so if you prefer to read rather than listen, you can do that, too. Thanks for listening.

Thank you for joining me for this episode of the Brainfluence Podcast. To continue the discussion and to find your own path to brainy success, please visit us at [RogerDooley.com](http://RogerDooley.com).