MAKING THE CRYSTAL DIFFERENCE

An interview with the Captain, Hotel Director and Cruise Director of CRYSTAL SYMPHONY

By Richard H. Wagner

rystal Cruises is unique among cruise lines in several ways. It is a company that operates with only two ships. Yet, it is part of the world's largest shipping company. It is Japanese-owned but the ships are geared toward the American market. Perhaps most importantly, it is the only line that is offering six-star plus luxury service on large (i.e., greater than 50,000 ton) ships.

The Crystal fleet consists of CRYSTAL SERENITY (68,870 g.r.t.) and the CRYSTAL SYMPHONY (51, 044 g.r.t.) For a time, the line also operated the CRYSTAL HARMONY (49,904 g.r.t) but that ship was transferred to sister company Akura Cruises where she now operates as the AKURA II. While not as large as the mega-cruise ships that have come onto the market, they are still quite sizeable. But with passenger capacities of only 1,100 and 960 respectively, the two ships have very favorable passenger space rations and passenger to crew rations.

Unlike many contemporary cruise lines, Crystal does not base its ships in a port and then repeat the same itinerary each week. Instead, while the ships may stay in a region for a month or more, the itineraries vary widely and the ships move around the globe. This, of course requires the ships to transverse all types of seas in all types of weather. "The ships are very stable, very good actually. The shape of this ship here compared to many of them [in the industry] is more streamlined shape, not so wide, more sleek to go through the waves," observed Captain Jon Okland, master of the SYMPHONY.

While SYMPHONY can do up to 23 knots, the speed the ship does during a cruise generally ranges from 17 to 20 knots depending upon the itinerary.

"Coming from Norfolk to here [New York] it was 14 or 15. From Boston to Newport, it will be a higher speed again - - that will require more than 20. It is very different from port to port. We have six main engines and we can run with 2, 3, 4, 5 or 6 but it is best economically when we have 3 today with the oil prices rather high. With three engines we do 17 knots. Then, the ship rides beautifully, no vibration, no nothing, like you are along side the dock. Rough sea it is better too."

The ships' global itineraries pose logistical challenges as well. Herbert K. Doppler, SYMPHONY's Hotel Director explained: "We do worldwide cruising so it is not this seven day in and out of Miami. It is a bit more challenging. It is a big part in our operation to figure out how to supply the ship around the world. However, having said that, we have been all around for a few years. We have a very experienced team together with a good support unit in Los Angles in our head office. Over the years, we have worked it our nicely. We know by now where to buy what and what to take on where. Planning is the key there."

The fact that Crystal is owned by Nippon Yusen Kaisha (NYK), the Japanese shipping giant, helps as well. "Our owners operate about 800 cargo ships so we are better supported than some of the larger cruise lines. Also, Crystal has a very good reputation. So, whatever city we go to, we are treated very well. There is no saying 'you only have two ships, we are not interested.' It is actually the opposite. The same goes for the venders. We are associated with many good companies out there," Doppler said.

While NYK owns and supports the cruise line, it does not attempt to micro-manage the operation.

"They don't get involved in the day to day operation. They only get involved in the strategic decisions. It is run by Crystal Cruises Los Angles."

The company focuses on the American market. According to Mr. Doppler: "Nationality-wise we are doing about 85 percent American and about 15 percent international and we are happy with that.. The UK is a growing market and we are there already. However, our prime market will remain the United States."

In general, Crystal attracts two groups, one somewhat older than the other. "The typical passenger, in the older group is the experienced traveler. They have been to most places in the world already

during their professional life. For that group the ship is very important as a destination. The younger people -- everybody talks about the baby boomers and we have them too - - for them it is a combination between destination, where they want to go to, which part of the world, and, of course, the time of the year comes into the picture. But, having said that, the ship is a destination that is very important to them as well. They like to cruise with the best and recently, [Crystal] has been voted again number one by Travel and Leisure and also with Conde Nast and that is important with the baby boomers. They go by rating and things like that when they choose ships. I think we tie right in with the Four Seasons and the Ritz Carlton. Anyone who would take a five star hotel vacation on land or even a four star plus would be attracted to a Crystal ship as well."

The question then becomes how does Crystal consistently achieve these high ratings? "It is a combination of various things. First of all, you have to maintain your hardware in the best possible way, meaning the ship itself, the rooms and the restaurant etc. Equally important, if not more important, you have to continuously focus on your software which is our crew members whether they are waiters, stewardesses, chefs etc. [Third] you need to maintain your offerings that you have in the ship and at the same time improve and focus on quality of what we do."

With regard to the "hardware," CRYSTAL SYMPHONY went into service in 1995. However, it does not follow that she is a 1990s venue. "Every two years we go into drydock and last year was a hectic one," Captain Orland commented.



CRYSTAL SYMPHONY

Mr. Doppler added: "First of all, in your operations, things start to get worn and you cannot replace that on the run, as we say. Number two was in the public rooms, especially on Deck 6, we had a lounge that was sort of locked in that we wanted to open up into a bigger lounge which we did. We added a new location up there - - a nightclub, a designated nightclub. Thirdly, the most money went into the [state]rooms. We wanted to have a more contemporary look in our rooms, a more modern look. The ship came out in 1995 so it was probably planned in 1993. We wanted to follow some new trends and that is why we changed the look of the rooms, the furniture."

Turning to the "software," Captain Orland said: "I have to say that on these ships we have fantastic crew and we are able to keep them for a long, long time. They are fantastic for remembering names and everything. When the guests come onboard, they say 'welcome aboard.' They know the guests' names and that is something the guests appreciate very much and they know what the guests like and know what the guests like to drink, they know what the guests like to eat. Attention to small details, attention to details."

Mr. Doppler continued, "Friendliness is very important to us. Today many things are expected or taken as standard so in order to achieve a constant 'wow' for the guests you can really do this with extraordinary friendliness, extraordinary quality of entertainment as well as extraordinary food."

"There are many companies out there that have



Captain Jon Okland

great hardware, some have even newer ships, but I think Crystal is very fortunate in the people that we have and we have focused on that. It is really the software. We are better than most of our competitors when it comes to friendliness of service. When we ask our guests what they like the most about Crystal, they always say: 'We like your staff.' I do think food and entertainment we are a niche above the industry too. But you can only achieve that if you have the right people working for you."

Where does Crystal find the right people? "We have a recruiting office in Oslo, Norway and they do the hiring of all our European staff. We work closely with our owners in NYK and they have a training center in Manila in the Philippines where our Asian crew comes from. We have worked with our recruiting agencies since 'Day One' when Crystal was founded. So, they know what we want and we know how to deal with them. These days, the key element is that you have to operate globally. There aren't enough people out there that you can restrict yourself to two or three countries. We really had to open it up to a wide range of countries and that is what we do."

According to Cruise Director Scott Peterson: "They created a culture right from the beginning at Crystal which recognizes that every single person that works onboard is a valuable asset. So, they really put a huge emphasis on looking after the crew and making sure that their comfort levels are taken care of, which then puts them in the frame of mind where they would just give exceptional service to the guests."

"There is so much more training done than ever before for people before they even get on the ship to make sure that they understand what the expectations are. There is continuous training that takes place out here now and it is not just your safety training it is how you can look after the guests better. And as we say here, you are either someone who serves a guest or someone who serves someone who serves a guest."

"You can only re-create [shipboard conditions] so much in

any so-called school environment. A lot of times it is trial by fire. When you have that hands-on [experience] in the actual area that you are going to be working in and you understand the limitations maybe of your little section, I think you are going to grasp it a lot faster. When they see people model those basics and lead them, that is why it really pays off in the end."

"We have a tremendous amount of people come on in a position. They get to know the Crystal way, they get to know the Crystal ship and we always try to hire from within. Any kind of job always gets posted on the ship so that people already assimilated into the Crystal culture [can] move up into another position that they are interested in."

Once the right people have been found and trained, they still will not perform in a luxury style without the right management style. "I think it is very much teamwork. We sit down and discuss things about how to make things better," Captain Orland explained.

"Everything is put into making a better, greater guest experience," adds Peterson. "In the old days a lot of times you couldn't get the captain, the chief engineer, the hotel director and the cruise director and everybody together to pull on the same rope - - they all had different agenda. [At Crystal,] everybody pulls on the same rope."

Having a motivated, friendly staff and good facilities by themselves are not enough to make a cruise a luxury experience. As Mr. Doppler noted earlier, there must also be onboard offerings that are a cut above the

norm. "We deal with a very welleducated kind of clientele with a certain level of income. When we talk about the entertainment, we don't only talk about shows. A very big focus is also our enrichment program. We bring out some high caliber lecturers. The educational part, the learning is a big part in our product as well. If you would compare it with the premium market cruise, it might not be so important there. The majority of the clientele is there to have fun. They like to have fun here as well but at the same time, they sort of like to take something with them. So, we do focus on that as well," Mr. Doppler said.

"In general, [guests] do not want to be lectured to like they were in a school hall or a university

but they do want to be stimulated," continues Peterson.
"They love the world affairs, and they love if we are traveling a region, they love the history of the region so it puts things in perspective. So, that is the beauty of what we are able to offer."

"Recently, we had Mary Maitlin and James Carvel on. A lot of people might think James Carvel might not match our audience because perhaps our audience is a little more conservative but he fits in so well because he is so accessible. And then Mary sort of plays off of him and so the guests get both sides of the coin and get a chance to see the people that they see on TV. They get the chance to have dinner with them or have lunch with them or just see them walking around. I think that is a real thrill for our guests that our enrichment personnel, our entertainers, everybody is so accessible."

"The golf, again, that fits right into our demographics. The guests, a lot of them belong to top country clubs or love to play golf. We bring some of the top PGA pros in the nation on the ship. I had one this summer who, a few years ago, was named as one of the top 100 pros in the nation. You give people access to people like that. It is really extraordinary. These are pros that work with the pros that you watch on television. When you have that kind of access, there is nothing better if you are a golf enthusiast. It is just an opportunity to glean some information from somebody is rubbing elbows with the greatest in the world."

Crystal has also received praise for the comput-



Hotel Director Herbert Doppler

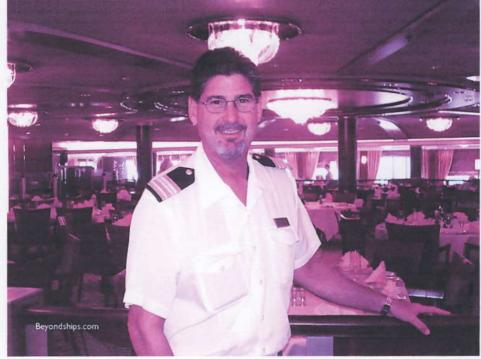
er classes that form part of its enrichment program. "[It] is a huge asset for us because people want to stay in contact with the world and because particularly for our older guests, it is not what they were brought up with. They like to be brought into this world of computers. For some of them, it is the first chance they have gotten to send e-mail or to surf the net. We have got some really top notch instructors and we recognize that it is a really important piece of the puzzle."

"We have five production shows, which in an 11-day cruise, is a lot. [In SYMPHONY's] Galaxy Lounge you are right on top of the performers. So, you can't cheat on the costumes, for example. You have got to make sure that it is top, top quality costuming because otherwise the guests will see [the flaws]. They are really quite elaborate, spectacular shows."

"We get name guest entertainers but we also get people who are well thought of in their field who maybe are not well known. It is not like you see them on TV all the time. But we will get Broadway performers, we will get Vegas performers, you'll get the Neil Sedakas and people like that occasionally but our main focus is not so much having a name out here but on having a good performer and giving the people a good performance."

While Crystal's cruises are highly-rated, the line recognizes it cannot sit on its laurels. "The premium market [cruise lines have] become much stronger. They had to raise their level of product and they did. You can

get a nice cruise with a good level of quality in the four star range. [That places pressure on Crystal to improve] because you pay quite a bit more on Crystal than in the premium market. We want our guests to feel that it was worth spending a few extra dollars. I think there is pressure but being Crystal Cruises, we have implemented numerous new things and we are constantly adding to the amenities, we are constantly updating them and we are constantly finding new products. We only buy top quality, top premium, top labels for people to buy or for whatever we offer on the ship, high quality, which is important to justify that difference in price. I think Crystal



Cruise Director Scott Peterson

is very good at that. We operate at the highest level."

However, change has to be carefully managed. Crystal has one of the highest percentages of repeat passengers in the cruise industry. "They are a loyal group and we have managed to satisfy them over the years. That is why they keep coming back. We want to do that in the years to come as well - - they are very important to us. We are and always will maintain some of our successful traditional features that we have in our product. However, at the same time, in order to attract new clientele and maybe even a little younger group, you have to upgrade your product and when I say that I mean software and hardware and offers and that is what we have done. We really want both."