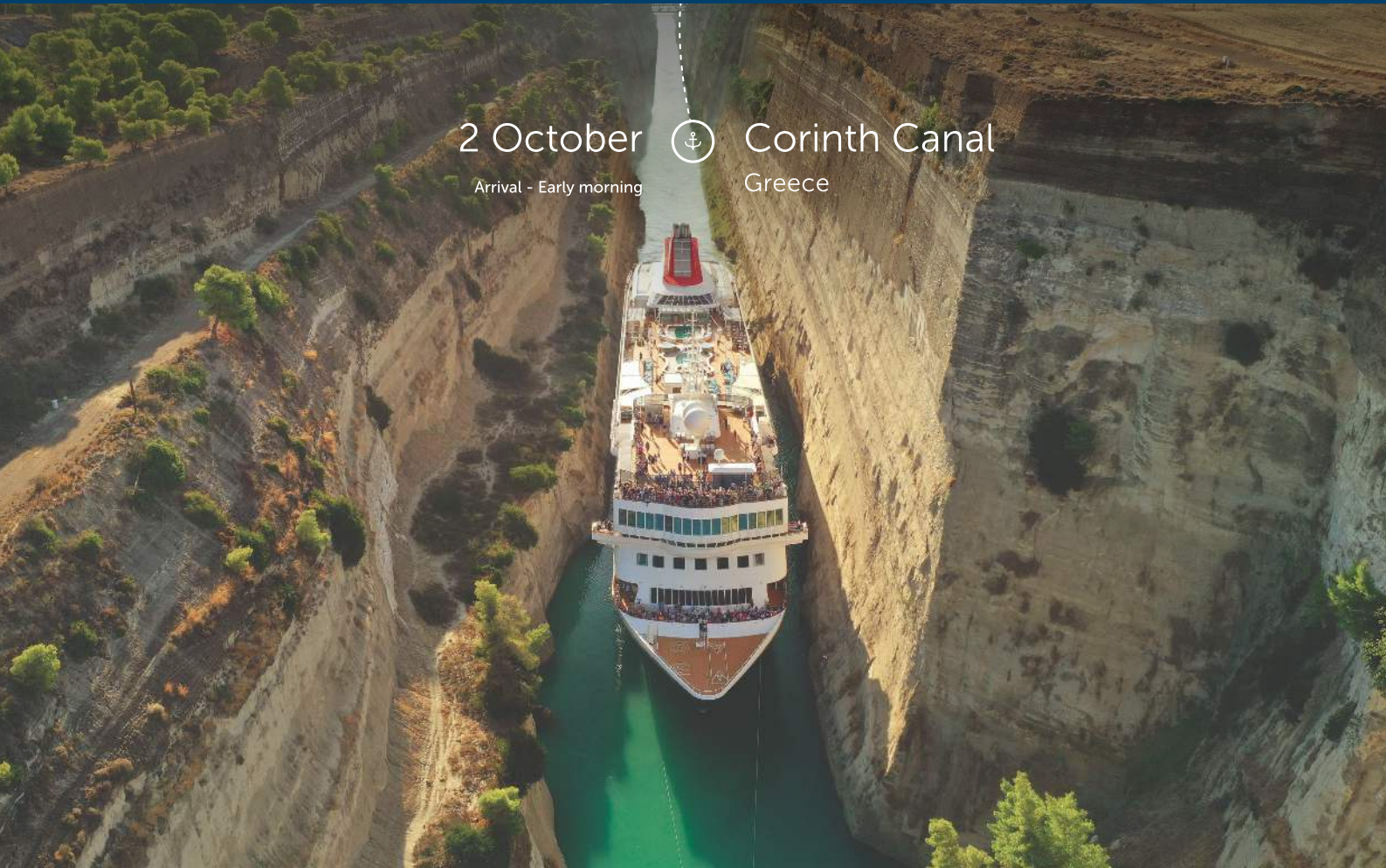


For Publication

**DBA Design  
Effectiveness Awards**



Fred.Olsen Cruise Lines

# Delivering a vision for direct revenue

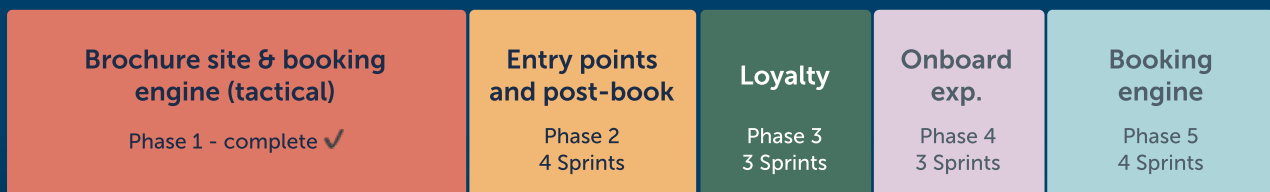
DBA Design Effectiveness Awards entry – November 2023

# EXECUTIVE SUMMARY

We started working with Fred. Olsen Cruise Lines (FOCL) in May 2020 not only at the height of the consumer confidence crisis in cruise ships but also following the recent launch of two new ships, increasing their capacity from 96,000 guests to 140,000 a year <Data redacted>.

With the pressure on to drive results at speed we carried out a strategic review of the business, a vision project to reimagine the guest experience, unburdened by existing constraints, and created a roadmap for a five-phase overhaul of the digital estate. The first phase focused on redesigning the marketing website and booking engine, all within the existing CMS, with three agreed objectives to overcome key challenges and drive growth through digital revenue:

- Reduce over-reliance on travel agents (taking 10% commission) by driving direct bookings and revenue growth
- Aim to achieve a 100% increase in digital revenue and bookings within 12 months
- Offset the high <Data redacted> cost of booking by increasing the value of online bookings
- Target a 10% increase in the value of online bookings
- Create direct relationships and data capture with their target audience by using the website to increase bookings from the target 'Enthusiast cruiser segment'
- Goal of 20% increase within 12 months



To achieve this phase 1 was focused on redesigned key templates of the marketing website, including re-designing the booking engine. We refined the flow, navigation structure, visual design, as well as re-claiming the homepage for cruising, improving data capture opportunities, and adding more excitement to landing pages, making it easier to imagine what the onboard experience is like.

Through the vision project, together with FOCL we highlighted a few key areas within the redesign to enable the channel shift, increase in basket value, data capture and increase in bookings amongst target audiences.

- Appeal to FOCL's identified key target market <Data redacted> 'Enthusiast cruisers' who have cruised before, but not with them. They love an authentic adventure into the unknown, love cruising and want a unique personal experience. We elevated Fred Olsen's unique handcrafted itineraries as their unique selling point and created immersive rich experiences to engage them.
- Before the redesign FOCL had the highest retention rate but was failing to attract new customers. A cruise collection grid was introduced to provide enticing themes, present dynamic information, and encourage discovery to increase engagement, provide greater possibilities for data capture and encourage saving, account creation, and improve contact opportunities.
- Despite technical constraints, enhancements were made to the Internet Booking Engine (IBE), including a progress-tracking template and improvements to copy positioning and interaction language to combat identified key drop off points.

By re-designing the site to improve engagement, reduce friction and drop off in the booking process, whilst optimising the site for SEO, we have not only exceeded FOCL's objectives but also industry benchmarks. Our results show remarkable growth across digital revenue, direct bookings, and customer engagement with the site having taken the same digital revenue <Data redacted> they made in 2019 (the last 'normal' year) in the first 6 months of 2023.

#### **Increase in digital revenue and direct bookings (target 10%) -**

- Digital revenue skyrocketed, from January to July 2023 with an increase of 157% compared to 2019. <Data redacted>
- Bookings increased by 120% 2019-2023.

#### **Increase value of online bookings (target 10%) -**

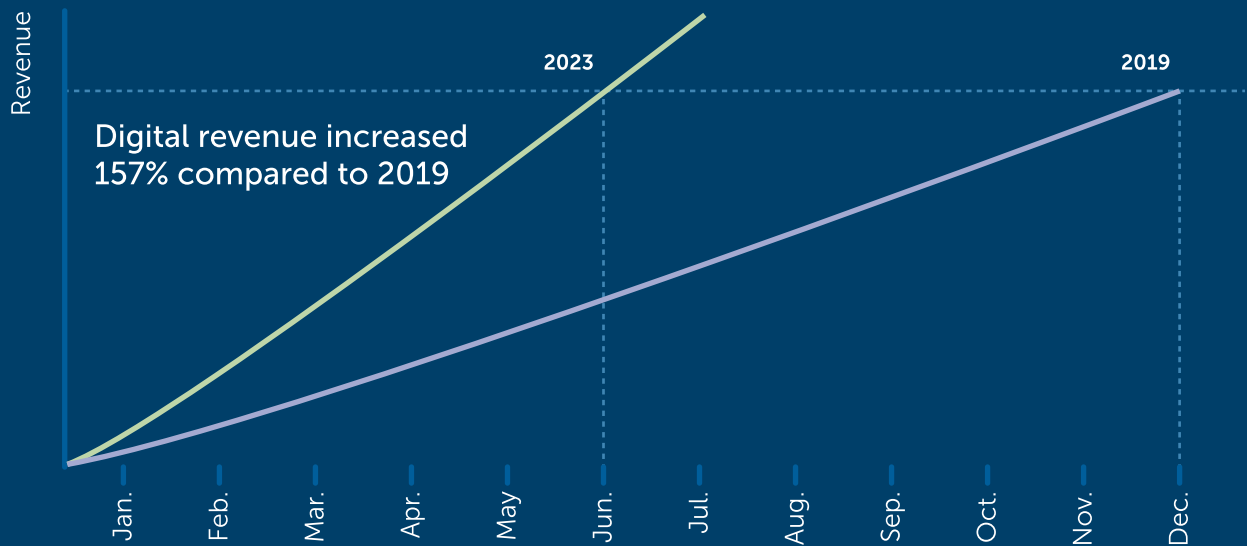
- Value of bookings up by 21% between 2019 (<Data redacted>) and 2023 (<Data redacted>), helping reduce cost of acquisition per booking

## Direct engagement and data capture (target 20%) -

- 69% of online bookings in 2023 were from those who had not previously cruised with FOCL - an increase of 25%
- Conversions from browsing visitors to bookings improved by 50%, and also saw 28% more people entering the booking flow

## INCREASE IN DIGITAL REVENUE

From January to July 2023, compared to 2019.



- FOCL aimed to capture the Enthusiast cruiser demographic by increasing preference capture and organic sign-ups. Over 16,000 organic sign-ups were achieved in 2023, marking a 176% increase from 2019
- Website usage is up 52% from 2019 and 60% from 2022
- Quotes are up 22% from 2019 and 126% from 2022

Please note: We have shown results between 1st of Jan and 31st of July across two timeframes — 2022-2023 and 2019-2023. The reason for this is that during Covid, ships were out of the water and capacity of cruising was down. So the last 'normal year' is seen as 2019 in business terms. That said, you'll still notice a healthy increase between 2022 and 2023 as year on year results continue to climb.

## KEY OBJECTIVES

In 2021, Fred. Olsen Cruise Lines (FOCL) launched two new ships. This opened up an opportunity to increase their capacity from 96,000 guests to 140,000 and to increase revenue <Data redacted>. To hit their targets, they identified a need to bring new customers to their funnel, to drive more direct bookings and to reduce cost of acquisition.

### **Our objectives were to:**

1. Drive a shift to direct channels and increase digital revenue and bookings — By 100% in 12 months
2. Increase the value of online bookings — By 10% inside 12 months
3. Use the website to increase bookings from target audience — By 20% in 12 months

## VISION, ROADMAP AND PHASE ONE DELIVERY

Up until now, work on the FOCL digital experience has been incremental. As shown in our previous DBA submission (and win!) this can reap rewards through continual optimisation, however, Fred. Olsen Cruise Lines had identified a bigger set of objectives they wanted to achieve. We needed to take a step back to reimagine the guest experience.

In 2021, we created a vision — a clickable prototype for what discovery through to booking and pre-trip might feel like. We were keen not to be constrained by current technical platforms, but instead imagine an online experience that would engage our primary audience, the Enthusiast (see section below). It was a great way to bring digital, sales and marketing together into a set of conversations around what could be done.

Once we'd created this vision, it lit up the business to want to deliver it. And so we used the same guest journey the vision was modelled on to create a roadmap for how we'd overhaul the digital estate in 5 stages.

The first stage was focused on:

- Redesigning the core templates of the marketing website — this was looking at how we retune the content experience towards the Enthusiast audience and drive sign-ups and conversions into the booking flow.
- Redesigning the booking flow — although the sequence of pages and core functionality of each step needed to stay the same (due to the restrictions of the current booking engine technology), we redesigned every step and made improvements to the overall template.

## ENGAGING WITH THE ENTHUSIAST

FOCL identified a need to target the largest demographic among the 7.5million people who have cruised before, but not with them: the “Enthusiast” cruiser. The Enthusiast is a natural fit for FOCL. They love an authentic adventure into the unknown, love cruising and want a unique personal experience. Before the redesign, FOCL had the highest retention rates (at 57%) but also the oldest customers in the sector (with 54% over 70, second only to Saga at 71%) - they were great at keeping customers, but not as effective when it came to attracting new ones.

In order to reach their booking capacity targets, FOCL had to build and refresh their customer database. So all roads were required to lead sign up and we had to increase preference capture throughout the customer journey. We made more prominent the benefits of the saved cruises function and encouraged registration to this and the Fred Olsen newsletter.

**FOCL achieved over 16K organic sign-ups in 2023 compared to 5.8K in 2019, an increase of 176%.**

### THE OLSEN WAY IN SEARCH OF THE NORTHERN LIGHTS

- Revel in the early winter wonders of Norway
- Opportunity to embark on a thrilling husky-sled
- Chance to see the awe-inspiring Aurora Borealis

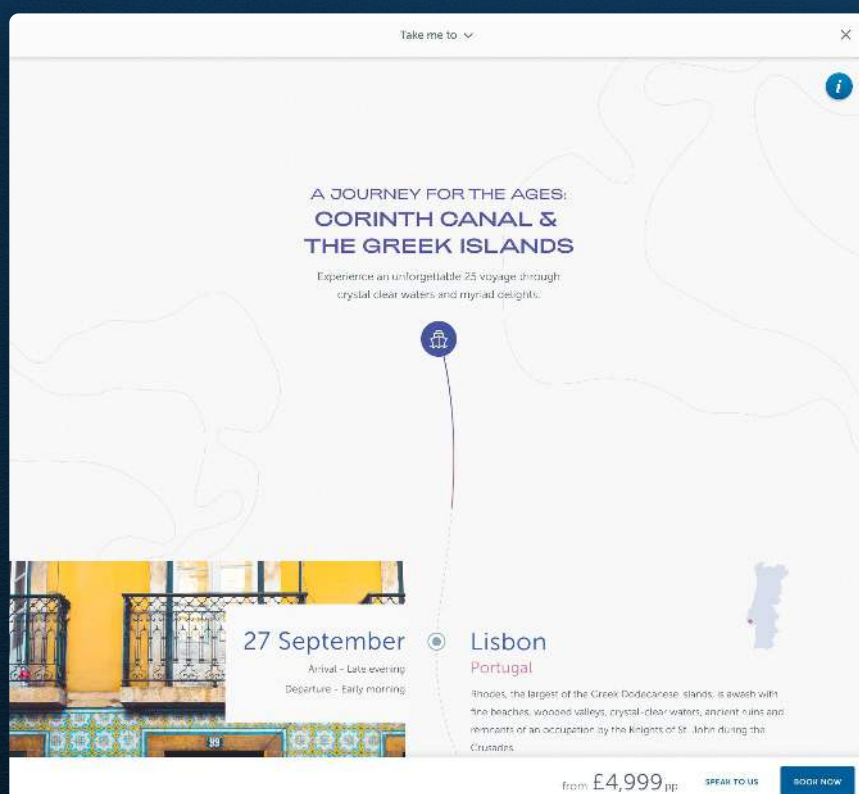
[VIEW ITINERARY >](#)



At the heart of every Fred. Olsen cruise is the itinerary. FOCL pride themselves on handcrafting these, meaning that every cruise has a different itinerary, regardless of it being the same overall destination and ship. This presents a unique selling point for them over other cruise lines and a point of difference in a digital experience whose job is to sell what this experience will be like. To combat The Enthusiast having to dig for information, we elevated the itinerary and enhanced the storytelling within each cruise page. The sense of immersive interaction we developed presents existing content and imagery in an intuitive and rich experience that lets users really explore and get a feel for a cruise.

One consideration in this enhancement is that they can have over 250 cruises for sale at any point, and so we needed to ensure we weren't designing itineraries in a way that would be unsustainable for them. By making the Cruise List module scannable and more visually exciting, we wanted to increase engagement, provide greater possibilities for data capture by encouraging saving and account creation, and improve contact opportunities.

A cruise collection grid was introduced to provide enticing themes, to present dynamic information, and to encourage discovery into their bespoke, hand-crafted itineraries.



## ATTRACTING NEW CUSTOMERS WITH THE OLSEN WAY

The current user journey did not leave you with a clear sense of what Fred. Olsen stand for or what is different about FOCL cruises. FOCL prides itself on attention to detail and delivering an exceptional on-board experience for its guests. Satisfaction ratings are routinely over 90%. Looking after guests is all about giving them an experience that allows them to relax and enjoy their journey, without unnecessary interruptions.

From hand-crafted itineraries, a focus on scenic cruising and smaller ships, there are a number

of compelling factors that differentiate Fred Olsen from other mainstream market alternatives. The aim of our work was to communicate these principles within the entire experience, so that they are felt and can be recalled rather than just stated.

We brought the individual aspects of each ship to the fore as a key selling point. In the cruise page, we leveraged existing assets to better display cruise highlights, with the option to deep dive — helping build the sense of anticipation and excitement for the journey to come.

## BETTER BOOKING

An Internet Booking Engine (IBE) is a complex piece of interaction design. Fred. Olsen are part way through scoping a complete replatform, which will hopefully enable them to have far greater options for selling their offer. But for this project that wasn't going to happen fast, so we set about working out what we were able to enhance without overinvesting in a platform that has a limited shelf life.

We introduced a page template that clearly showed progress through the booking funnel. It's longer than some may expect, due to options available, so setting expectations was important. We also looked at key drop-off points and worked on how we might make it clearer what the next action is. We refined the overall positioning of copy and the interaction language at key steps to make it as intuitive as possible.

# CONVERSION FROM BROWSING TO BOOKING

In 2019, digital revenue accounted for just 4% FOCL's total revenue. This was way below travel industry benchmark of 36%. But how to optimise the end-to-end customer experience and journey to remove friction within the constraints of an existing CMS? We created a set of end-to-end website journeys centred around three different browsing behaviours to help us assess how well each was supported.

By re-designing the site to improve engagement, reduce friction and drop off in the booking process, optimising the site for SEO, we helped the business take giant leaps towards their customer acquisition targets.

## INFLUENCING FACTORS

### The shift to digital?

It's been assumed that because of Covid that there has been an uptake in digital usage and channel shift, however there are reports that challenge this view including Age UK's paper on Digital Inclusion and older people. They found that 39% of people aged 52+ in England are using the internet more often since start of coronavirus. However this usage is amongst those already using the internet regularly. There is little evidence that those previously digitally excluded have been prompted to get online during the pandemic.

## BEFORE / AFTER

**BEFORE**

**AFTER**

**YOUR BOOKING**

**3. Select your cabin class**

We have a great range of rooms to fit your cruising needs

**Suite** *Recommended*  
from £7,999 pp

**Balcony** *Recommended*  
from £6,999 pp

**Ocean** *Selected*  
from £5,999 pp

**Interior**  
from £4,999 pp

**Ocean View Cabin**

A scenic view from the comfort of your own cabin

Our Ocean view cabins have picture windows or portholes which bathe your room from home in natural light and provide gorgeous views too.

**Fare & Cabin** £4,999

**Add-ons & Dining**

**Guest Info**

**Payment**

A FRED. OLSEN COLLECTION

## NORWAY

From 3 to 15 nights | 4,500 cabins available | 5 new ports for 2022

## Existing technology

For the redesign there were no technology changes at all. We worked within the limitations of the current CMS, meaning that some enhancements weren't able to be made — for example, the introduction of a better search/browse experience through tagging. The booking engine (IBE) also had to remain the same, from a functional point of view. Instead we made improvements on the visual design, clarity of information and new features such as a step process so people knew where they were and how far there was to go.

## The market moving towards 'big ships'

Fred. Olsen bucks the trend towards big ships which make up a large part of the cruise market. The smaller ships in Fred. Olsen's fleet offer a more intimate and personal cruise experience, often with

fewer passengers on board. Smaller ships can access ports and destinations that larger vessels cannot. They have a larger staff to guest ratio and offer a variety of itineraries that include less-touristy and more off-the-beaten-path ports, providing a more immersive and culturally rich experience for travellers. So, they don't appeal to the cues of large American style cruise ships and so need to have greater appeal to their target market

## Marketing spend and the rebrand

Alongside the redesign Fred. Olsen commissioned a brand refresh to greater appeal to the Enthusiast audience. Many of the visual cues, including photographic styling, and an adventurous visual language was inspired by and leveraged from our vision work. The rebrand workstream and ours worked in unison as the project was delivered in tight timelines.

# RESULTS

The results for the redesign have surpassed all expectations.

Please note: We have shown results between 1st of Jan and 31st of July across two timeframes — 2022-2023 and 2019-2023. The reason for this is that during Covid, ships were out of the water and capacity of cruising was down. So the last 'normal year' is seen as 2019 in business terms. That said, you'll still notice a healthy increase between 2022 and 2023 as year on year results continue to climb.

In 2019, Fred. Olsen Cruise Lines took <Data redacted> in digital revenues for the year. They hit this revenue figure in the first 6 months of 2023.

From 1st Jan to 31st July digital revenue <Data redacted>, an overall increase of 157%.

## **+ Increase digital revenue and bookings by 100%**

Bookings increased by 120% and revenue by 157% from 2019-2023

Bookings increased by 56% and revenue by 52% from 2022-2023

This greatly helps with the move to direct channels for the business and shows that they can facilitate this uplift - i.e. there is a desire for this audience to use digital channels to book their cruise.

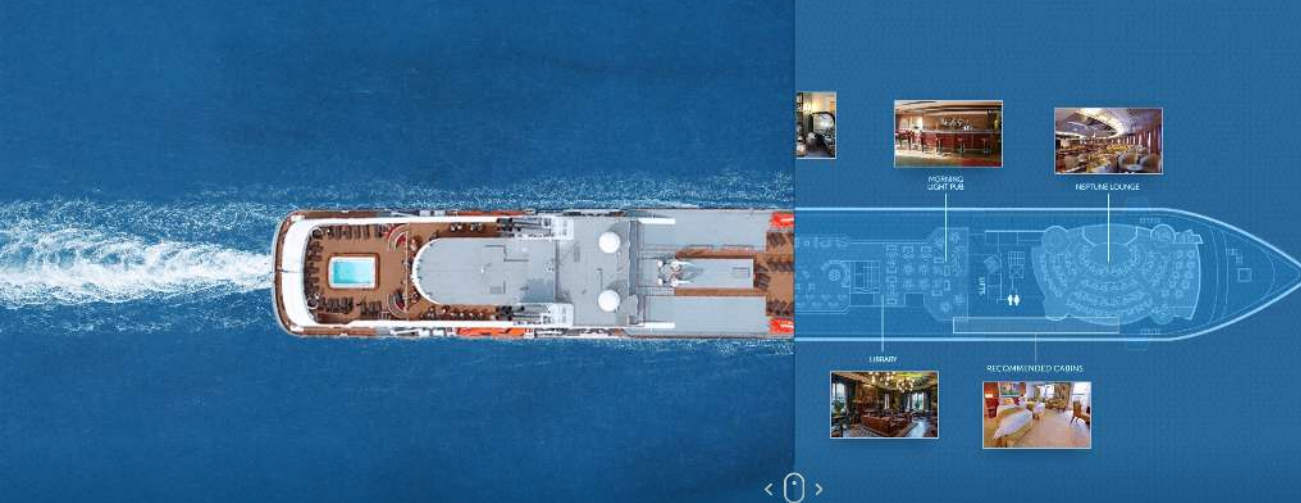
Additionally to this, all metrics for conversions are up, showing that it's an overall website and booking engine performance uplift, rather than only from an increase in new visitors.

Website usage is up 52% from 2019 and 60% from 2022.

Quotes are up 22% from 2019 and 126% from 2022.

## **+ Increase the value of online bookings by 10%**

Value of bookings up by 21% between 2019 <Data redacted> and 2023 <Data redacted>, this helps reduce cost of acquisition per booking and shows that guests feel more comfortable booking higher value, longer cruises online.



## **+ Use website to improve appeal of cruising with us amongst target audience by 20%**

People who have cruised but not with Fred.Olsen up by 25% in online bookings (from 55% of overall online bookings in 2019 to 69% of overall online bookings in 2023). This shows the website supports our target growth audience.

## **WHAT DOES THIS MEAN FOR FRED OLSEN?**

<Data redacted>

A key concern when we started work with Fred. Olsen in 2020 was that they were only taking 5% of bookings online with a 42% increase in marketing spend per booking over 5 years <Data redacted>. Coupled with 10% sale commissions to agents - this wasn't just about increasing volume, but creating a growth strategy around digital and it's ability to serve the business with lower costs.

Now that we have completed this phase, we have proved there are high-value areas of the customer experience that can greatly improve Fred.Olsen's chances of scaling their digital and direct channels. As we move onto the next phase we will focus on driving more demand into the web estate and improving the post-book pre-trip build up. Here we can positively affect the average revenue per guest and continue to drive digital revenue up.

Fred. Olsen has identified a target market size of 8 million who have sailed before but haven't sailed with Fred. Olsen. They have the highest retention rate in the industry with 57% having cruised more than once with them. So, the marriage between a fantastic onboard experience where guests wish to return and a more optimised and engaging digital estate will see Fred. Olsen continue to reduce acquisition costs while increasing booking volume and value.