

**Task:** Point out the nuances of carnival business using the given case.

**Topic:** Carnival Corporations Case 16

**Type:** Case Study

**Length:** 6 pages

**Formatting:** MLA

**Requirements:** Outline the specifics of carnival business by with the example provided by actual business models.

## Carnival corporations case 16

### **1.0 External Environment:**

#### **1.1 Opportunities:**

Carnival's huge opportunity lies in the evolution of cruising. While most of the affluent people would prefer travelling through the air, the company focused on modernizing ocean cruises. Of course, the aspect of unparallel travel time often gives air travel an advantage over oceanic cruises. However, carnival's opportunity is to offer clients value-adding services that cannot be acquired through the plane. The current efforts of an all-inclusive travel package are thoughtful, but lack an extra edge. Affluence among Americans should be used as an opportunity to lure customers (Thomas and David 16-12). For instance, Carnival co-operation can focus on travel packages that including making stops in islands. Therefore, people would prefer cruise lines because of the adventure, as it will appear as a lifetime opportunity. Apart from reducing the travel prices, Carnival Corporation can also include value added services like live music, deep sea diving among others. This will make customers appreciate the value of services after payment. Another opportunity is in venturing into developing countries and offering ocean cruise packages at affordable prices. Other value added services can include provision for hire and events like wedding conducted on the cruise ships.

## **1.2 Threat**

The threat lies in the increasing number of competitors. Companies like Norwegian Cruise Line, World Disney and Royal Caribbean offer stiff competition to Carnival Corporation (Thomas and David 16-13). They offer similar services at almost the same prices. Furthermore, Disney cruise line went ahead to introduce a section for kids. This gives them an edge over carnival as it only catered for youth, teens and adults.

## **1.3 Natural physical environment**

As a cruise, Ship Company the natural and physical environment for the company is the ocean. This implies that most of the travel is spent in water. As such, Carnival focused on introducing activities off shipboard to break monotony of water travel. This included makings stops in casinos, discos among other places.

## **2.0 Sustainability issues:**

Carnival cooperation decided to conform to environmental laws through reduction in emission of green gases. However, for purposes of prolonged existence, Carnival developed a strategy that would focus on first travelers and young people looking to adventure in the ocean. Not only does this increase eth consumer target, but it also offers consumer insight to first travelers, which makes it possible to increase the clientele (Minelli, Chambers and Dhiraj 34). As a means of on increasing the number of consumers, Carnival cooperation decides to focus on young people and nee travel. In the ideal circumstances, I was expected that most of the customers were elderly. The move to increase its consumer base was based on maximization of profits

Another verity is that all the carnival cruise ships had their registration completed in other countries. This is an indication that the cruise ship carried people of different backgrounds. It also indicates the diversity in travel of the cruise ships, hence the obvious intermingling of people from different societies.

## **2.0 Societal environment:**

Carnival Corporation incorporated entertainment, and on-board live bands as part of increasing the live experience in ship. In order to improve socialization and travel experience, the company made sure that passengers could interact through live bands and entertainment. This made sure that the corporate strategy of the cruise ship incorporates a societal environment that accommodates people from different backgrounds. As part of the societal experience the cruise ship also partnered with Italian ship manufacturers to accommodate cultural heritage of Italians into the design of the new cruise lines.

## **2.1 Task environment**

In terms of task environment, Carnival Corporation offered services given by land based companies. For instance, the vacation offered by the cruise ships could easily be acquired in land based vacation places. Moreover, Carnival Corporation was involved in legal cases where the crewmembers had harassed percentages. In the attempt to accomplish it economic objective and tasks, carnival had some legal issues. The task environment was crippled through the negative publicity and unproductive media representation.

## **3.0 Summary**

In conclusion, competition from other cruise lines and land based vacation centers and theme parks, influences profit maximization of the cruise ship. On the other hand, the rising affluence of American people requires continuous changes in cruise operations.

The shares of Capital Corporation hit a down low in the financial reports given in July 2014. The company hit an all time low when it was trading at 36.57\$ dollars because of a drop in ship operations. If the statics are compared to the last five years, it appears evident that Carnival corporation shares trended from \$31.44 to \$41.89. This is an indication that programs introduced by Carnival corporation were failing to achieve the required success.

For instance, other cruise lines adopted the Fun ship 2.0 program unveiled by the carnival corporation as an effort to boost sales. The program served to boot the \$500 million investment of the Carnival Destiny and rebranding to carnival sunshine. However, current economic turmoil and stiff competition from other cruise operation have posed a threat to the success of Carnival Corporations. The Fun ship 2.0 program earmarked an increase in passenger capacity up to 3,690 by the Carnival Breeze.. However, he success of the company relied on acquiring constant clientele. Carnival Corporation ended up having huge ships with entertainment paid for from celebrities, but lacked sufficient returns to continue the cruise experience.

In terms of future investment opportunities, carnival Corporation is slated to built a 200 ton ship after a agreement with Italian based ship makers-Fincatieri. The new ship slated to be operational in 2017 will include; an atrium hub filled with multiple dining facilities, adults-only section, stars cinema experience movies, and staterooms with fitted balconies. The new cruise ship will supplement services acquired from Regal and Royal cruise ships, which came into service in June 2013 and 2014 respectively. Other ships under construction include; the Carnival cruise

lines New-build with a capacity of 4,000 passengers and expected to be operational in February 2016.

## Works Cited

Minelli, Michael, Michele Chambers and Ambiga Dhiraj. *Big Data, Big Analytics: Emerging Business Intelligence and Analytic Trends*. New Jersey: John Wiley & Sons, 2012.

Thomas, Whelan and Hunger J David. *Strategic Management and Business Policy: Toward Global Sustainability*. New York: Prentice Hall, 2011. Print.

**Overall Impression**

Well, this paper is... annoying. Maybe I just had bad sleep last night, but trying to read through all the incomprehensible linguistic barricades you heaped up here is almost physically painful. The first bomb you drop is “the aspect of unparallel travel time,” and from this point (or should I say from the very beginning of the paper?) things only get worse. Like, what is this: “Not only does this increase eth consumer target?” It’s only a couple of examples. Poor grammar, an extreme lack in writing skills, awkward phrasing, and the total absence of attempts to make your paper readable – all this made me want to throw away your paper and forget about it forever. Not a good job, man.