# Industry leader interview: Jerry Montgomery

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## Abstract

Purpose – The purpose of this paper is to interview Jerry Montgomery-Senior Vice President of Global Human Resources at Carnival Corporation-regarding recent trends in the cruise industry
Design/methodology/approach – Interview with industry leader.
Findings – Several trends are identified.
Originality/value – Researchers and students will acquire a better understanding of cruise industry trends.
Keywords Trends, Cruise industry
Paper type Viewpoint

## What current events, trends or issues do you feel our industry is facing right now?

This is one of the most exciting growth periods ever for the cruise industry. The annual compound passenger growth rate is almost 7 percent yielding more than 27m cruise passengers in 2018. For the last several years, the industry has been operating at near 100 percent capacity. Shipyards are building ships at full capacity with \$65bn in new ships on order over the next 10 years. Although that sounds large, all the cruise ships in the entire world filled at capacity all year long still only amount to less than half of the total number of visitors to Las Vegas, and all the cruise ship staterooms combined are only 2 percent of global hotel capacity. As such, the industry is significantly underpenetrated with almost unlimited growth potential.

## What do you consider to be the driving forces of change for the hospitality industry in the near future? What changes do you expect our industry to see in the next five years?

The most significant force driving cruise industry change is consumers' increasing passion for experiences versus traditional products and services. The consumer expects experiences to be increasingly personalized, customized and hassle free. As such, the cruise model must go beyond a singular focus on building larger and larger new ships and transform experience delivery to better accommodate these evolving consumer expectations to remain relevant in the future. With the world's largest fleet spanning nine distinct brands, Carnival Corporation has focused its innovation agenda on delivering experience personalization at scale so the intimacy of small ship cruising can be delivered on to some of the largest cruise ships in the world. This new innovation focus leverages the world's first Experience Internet of Things<sup>TM</sup> in combination with an OceanMedallion (quarter sized wearable device) provided to every guest to enable every aspect of the cruise vacation experience. Onboard Princess Cruises ships (first of Carnival Corporation's nine brands to adopt the new

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Received 2 April 2019 Accepted 4 April 2019 technology platform), the OceanMedallion helps maximize the vacation experience in real time based on guests' choices and preferences. The Medallion holds a guest's unique digital identity and communicates with readers onboard, as well as in select ports, and provides crew members with information about each guest to help them provide more personalized and hassle-free service. The Medallion also enables payment, unlocks stateroom doors, speeds up embarkation and much, much more.

What competencies do you feel are necessary for an individual to succeed in the hospitality industry? What are your expectations for hospitality students? Hospitality professionals need to be laser focused on exceeding guest's expectations. They need to be incredible listeners who are agile, responsive and committed to delivering amazing experiences to their guests throughout their entire vacation. Most importantly, they need to go well beyond the traditional focus on learning hospitality operations and immerse themselves into diverse disciplines spanning creative, technology, business and intelligence disciplines. Future hospitality leadership roles will be more about delivering unique and personalized experiences driven by intelligence enabled by connected and embedded technology than executing operating transactions such at the front desk. Students need to be life-long learners who embrace the opportunity to hear guest feedback and adapt their products and services to the ever-changing and dynamic expectations of their customers.

## What message would you like to give to hospitality educators?

Teach students to work together inclusively throughout their education tapping a diverse set of capabilities and backgrounds. Today's workplace requires more than ever the need and responsibility to build an environment in which each and every participant has the opportunity to provide meaningful contributions. Diverse teams working together inclusively are proven to be the highest producing, most innovative and creative teams. While students are in colleges we have a unique opportunity to enable them to experience the power of working together inclusively instead of individually to achieve results they could not achieve alone.

### Is there anything else you would like to share?

Focus on results, not level of effort. We all work hard but hard work does not always deliver the intended and required results. Make mistakes and learn from them and deliver products and services that drive the right results for your guests and customers. Be relentlessly focused on excellence in everything that you do.

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