

MARINAS



What is a yacht marina?

“A yacht marina is an elaborate docking facility for pleasure boats that provides a service for yachts as either a homeport or as a transient base and can serve as refit/repair centre, port of entry and tax-free fuel station.” Services must include:

- Water
- Electricity
- Sewage / Garbage
- Internet / Wi-Fi
- Provisioning & other services (chandlery, cleaning etc)

Services & Amenities

- Tax and duty-free fuel
- 24/7 Yacht Assist
- Onsite provisioning & bonded warehouse
- Crew-training centre with STCW – 95 courses
- RYA accredited boating classes
- 24-hour security
- Sports Club: gym, yoga, pilates and bowling
- Onsite customs and immigration
- Outside of EU tax and import regulations
- Single and 3-phase electricity
- Local repair and maintenance facilities
- Refuse / grey and black water disposal
- ...

Introduction

The marina market is arguably more resilient than other areas of the industry. Owners can simply choose not to build or buy new yachts when times get tough, prospective guests can choose not to charter a vessel. Existing yacht owners or charter companies cannot, however, choose not to berth their yachts.

As the superyacht fleet never noticeably shrinks in numbers, demand for berths still exceeds demand.

Fleet Overview

In the past 10 years the number of delivered yachts has increased gone from 2,140 units to 4,057. The average length of these super-yachts is above 40 metres.

As you know by now, the Mediterranean is the most popular region for cruising superyachts and homeports, with over 60% superyachts having their base there - over 200 ports present in the region. On the other hand, Florida & the Caribbean islands offer a total of 121 superyacht marinas.

Yacht marina data

Number of superyacht marinas per country in the Mediterranean:

- I. ITALY – 78
- II. SOUTH OF FRANCE – 35
- III. SPAIN – 35
- IV. CROATIA – 25
- V. TURKEY – 22
- VI. GREECE – 11
- VII. TUNISIA – 4
- VIII. MALTA, CYPRUS & MOROCCO – 2
- IX. MONTENEGRO – 1

The total capacity in the Western Mediterranean is of circa 8,500 berths.

Yachts vs Berths

The growth of superyacht marinas has not entirely followed the demand for superyachts. The number of berths does not meet the demand nor their concentration is homogeneous where they are most required.

For example, there are several superyacht berths in Abu Dhabi but they are irrelevant if the owner of a yacht wants a berth in Nice and can't get one.

Yachts vs Berths

If we look at the general increase in berths per country over the last 5 years [2006-2010], we will notice that Italy and Montenegro had a significant growth. Turkey, Spain and Croatia follow (9%, 4% and 2%).

These figures do not solve the problem of demand. For the 1,760 30-35m superyachts – the most common – the existing berths are only 1,467. For the biggest range of yachts [100-150m] it's the same: 27 vessels against 17 berths, 12 of which are located in the Mediterranean Sea – Spain 6, France & Montenegro 3, Tunisia Greece and Italy 1.

On top of that today 15 more superyachts of above 90 metres are being built.

Consequences

The above data demonstrates that whilst the number of marinas and berths is increasing each year, the numbers of berths and marinas in the most popular cruising zones will continue to be under pressure and the cost of buying and temporarily renting a berth in these locations will reflect this.

Main Competitors

MARINA	LOCATION
Porto Cervo	Sardinia, Italy
Porto Rotondo	Sardinia, Italy
Puerto Jose Banus	Marbella, Spain
Marina Port Vell	Barcelona, Spain
Vilanova	Barcelona, Spain
Puerto Punta Portals	Mallorca, Spain
Club de Mar	Palma de Mallorca, Spain
Port de Cannes	Cannes, France
Port Camille Rayon	Golfe Juan, France
Port de Nice	Nice, France
Port Vauban	Antibes, France
Port Hercules	Monte Carlo, Monaco

Porto Cervo, Italy



Porto Rotondo, Italy



Puerto Banus, Spain



Port Vell, Spain



Puerto Portals, Spain



Club de Mar, Spain



Marina Vilanova, Spain



Port de Cannes, France



Port Vauban, France



New Marinas

Porto Montenegro

Tunisia

Turkey

The management teams in these new marinas in Central and Eastern Europe are confident that there will be a natural movement of yachts from existing overcrowded established marinas to new and spacious ports.

- MARKET RESEARCH
- MARINA OPERATORS
- CHALLENGES
- COMPETITION

Market Research

Market research governs any new marina's plans as it measures demand, the needs of future clients and determines pricing. It indicates the effect it will have on the local community, which is an integral part of gaining planning permission.

A comprehensive, well-managed and well-marketed marina in an appropriate location should, over time, become a hub for nautical tourism. This inflow of tourist cash can be a powerful catalyst for regeneration and growth in a region, with new businesses running or a growth of previously established ones.

Market Research

It is much more straightforward for developers to build in areas where the government is looking for additional revenue streams. Regions that already have a profitable tourism industry are usually anxious to preserve their coastline. It is important that any designs are sensitive to the surroundings.

Marina Operators

In terms of managing a yacht marina Operators such as Adriatic Croatia International (ACI) or Camper & Nicholsons Marinas (CNM) have an advantage over private marinas because they have the experience to build, market and integrate a new marina into the region's infrastructure.

In the case of C&N they have a long and deep tradition in yacht management - brokerage, chartering, and refit.

Established marina operators can prove that they have the experience and resources to develop a facility that is viable in the long-term.

Marina Operators

Their influence sets standards in the industry as more independent marinas buy their management services or imitate their business strategy.

The standard marina business model relies on the marina's location to attract yachts. Whilst the area surrounding it is very important a marina can become a destination in itself if it is treated as a resort and marketed accordingly.

“Successful developments have the opportunity to create ‘destinations within a destination’. This has the potential to contribute greatly to local economies as well as significantly increasing the value of property surrounding the marina” Camper & Nicholsons.

Challenges

Whether we are dealing with plans for a new marina or with an existing one there are many other challenges to face before calling a marina 'successful':

- Pollution & operational impact: marinas are an environmental anomaly in recreational yachting because the failure or misuse of installations or equipment can have a serious impact. Pollutants can enter the environment in dangerously high volumes. Fuel stations, sewage pump-out facilities out or the lack of them, the accumulation of rubbish from all visiting yachts and waste from refit yards all pose a threat if they are not properly managed. The managers of a clean, well-operated marina will have their clients' confidence, and guests will be grateful if the marina provides them with the facilities to protect the cruising vessels they own.

Challenges

- Price: the demand has exceeded the supply thus, with berth becoming increasingly rare we have prices getting increasingly higher. Many marinas have seen their customers leaving because of that, opting for other places such as Croatia and Turkey that have started building high quality marinas yet maintaining lower prices – due to the lack of a real brand/village behind the marina. However, such countries offer beautiful virgin coasts and picturesque islands for yacht owners.

Challenges

- Illegal activities: every marina has to have a very tight control over the vessels that come and leave, over the activities occurring on site. This has to be accurately done in order to avoid publicity problems and protect the image that took so long to build. It is also very important to constantly monitor possible prostitution or drugs activities that are very common among marinas worldwide. Legal trials and loss of clients can be consequences of this.
- Privacy & Security: with boats worth millions of Euros security is fundamental for marina customers. It is also synonym of privacy which is a feature wanted by yacht owners. CCTV cameras and security staff have to monitor the site 24/7 since every little mistake can prove costly.

Challenges

- Sources of Revenue: developers of new marine infrastructure often choose a location that gives them enough space to create a comprehensive facility to absorb the business from other oversubscribed marinas. Or they are building in less developed regions that are trying to increase their nautical tourism. To attract guests, the marina needs to become more than a 'boat park', it needs to become a community. Many marinas also have real estate for sale or lease, but this completely depends on the size and business model of the facility. Marinas can profit from superyachts but they are not dependent upon them, and they have the support of multiple revenue streams.

Challenges

- Full occupancy: the primary goal for a marina is to fill every berth with a yacht and that is not an easy task to accomplish. The lack in one of the above mentioned features can be enough. Lack in sales skill, too. Economic crisis or high prices are two other good reasons why a marina can't have full occupancy. Managing to sell all the berths means having a fully filled marina, thus it enhances image, adds on prestige and generates word of mouth.

Generally speaking, the human factor – kindness, politeness, communication skills, knowledge of several languages, professionalism, dedication – can make up for the lack in infrastructure quality or, what it should do, add the intangible quality that makes a marina unique and better than any other.

Competition Advantages

- Cote d'Azur (France), Costa Brava (Spain) and Costa Smeralda (Italy) are well established high-end destinations when it comes to yachts, berths and marinas.
- Montenegro is not as famous as any of these – even though it has the potential – thus it is difficult to consider Porto Montenegro, which is a “work in progress” project with several construction sites, a high-end destination.
- Lack in celebrity endorsement that France Italy & Spain have had for a long time.
- Famous yacht-related events – Monaco, Cannes & Genoa yacht shows etc.

Competition Advantages

- The marinas in these countries are strong brands and are still unmatched in terms of prestige.
- Lack in technical facilities for Porto Montenegro (e.g. shipyards that are present elsewhere – Mallorca, Monaco)
- Ease of access – many more direct flights.
- Marinas backed up by lifestyle and living experience. Porto Montenegro is yet to become a village