

OceanGate: Titan, Titanic, and Tragedy.

About OceanGate

OceanGate was a private marine expedition company that specialized in commercial voyages in submersible vehicles. It was established in 2009 by Stockton Rush and Guillermo Söhnlein in Seattle, Washington (Lackner, 2012). Söhnlein departed from the company in 2013 to pursue other ventures, while Rush remained onboard as CEO since the conception of OceanGate was his passion project (Latona, 2023). The main organizational structure of the company consisted of four teams: expeditionists – seven including Rush, seven scientists, three medical professionals and four advisors. In mid-2023, the company was “valued at \$60 million” (Cornwell, 2023). It had partnered with firms such as SubC Imaging, eDNAtec, Horizon Maritime, NASA, Boeing and the University of Washington (Weissmann, 2023). It also accepted contributions from private investors. According to an archive of the company’s website, its “mission is to help expand understanding of the ocean by providing opportunities for citizen explorers and scientists to explore its depths with their own eyes” (OceanGate, 2023).

“But the moment I went underwater, I was like, Oh—you can’t describe this. When you go in a sub, things sound different, they look different. It’s like you’ve gone to a different planet... I had come across this business anomaly I couldn’t explain: If three-quarters of the planet is water, how come you can’t access it?” – Stockton Rush, in an interview with Smithsonian Magazine.

OceanGate Strategy

OceanGate operated in the commercial undersea exploration industry, more specifically, in the submersible market. Submersibles differ from submarines as submersibles are robots that require a ship, platform, or other method to take the vehicle out to sea (CNBCTV18, 2023). They

can be controlled remotely or by a small team. On the other hand, submarines are more self-sustainable ocean vehicles that can remain underwater for longer periods of time and often involve larger crews to maintain – up to 150 members (Ahmed, 2024). OceanGate assumed a blue ocean strategy when it chose to offer services in the niche market of submersibles, especially as there are only “10 submersibles in the world that can reach depths of 4,000 metres [sic] or greater” (Hawthorn, 2023). This depth is significant as it is the minimum required to dive to the Titanic – a service OceanGate offered to those who could afford it. Compared to the company’s largest competitor, Triton Submarines – which advertised its vehicles for “filmmakers, scientists and surveyors” – OceanGate focused its business on more general audiences like explorers, researchers and thrill seekers (Triton Submarines, 2023).

OceanGate PESTEL			OceanGate SWOT	
Political	Economic	Social	Strengths	Weaknesses
- Political support - Grants and funding - Trade policies - International relations	- Inflation - Exchange rates - Disposable income - Access to loans	- Lifestyle trends - Consumer attitudes - Media views - Cultural barriers	- Innovative services - Industry leader in niche market - Knowledgeable employees	- Extremely expensive for customers - Significant safety risk - Low brand recognition - Innovation over safety - Use of unregulated technologies
Technological	Environmental	Legal Factors	Opportunities	Threats
- Resource availability - Engineer access - Assembly and production - Technological developments - Cybersecurity - Internet speeds	- Natural resource exploitation - Weather events - Production and operation outputs - Debris and pollution - Disturbance of aquatic life	- Waivers - Maritime law - Lawsuits - Regulatory bodies - Health and safety rules - Permits	- Improve social media presence - Reach untapped markets - Implement new technologies	- Supply chain challenges - Specialized job market - Rising inflation - Safety criticisms

OceanGate’s vision and core values aimed to stimulate adventure, exploration, involvement, innovation, imagination, research and technology. From its beginnings, the company did not

want to be known as a tourist gimmick. Instead, it called its passengers “citizen scientists” and “mission specialists” (Perrottet, 2019). While aboard the submersibles, these passengers participated in research activities and were assigned crew duties which brought a heightened level of immersion to the experience. “‘The difference between an explorer and an adventurer is an explorer documents what he does, and an adventurer just goes, pounds their chest and tells their friends,’ Rush said.” (Neuman, 2023). Since the company’s founding, it has conducted over 200 dives in several major bodies of water (Heilman, 2023).

OceanGate Titan

OceanGate’s most popular voyage was its Titanic Expedition. These trips were taken on one of the company’s three subs, the Titan. The idea of travelling up-close to a famous shipwreck began as a potential marketing tactic since engineering, sourcing, building and testing submersible vehicles was expensive. Tickets began at \$105,129 per passenger, which was “the inflation-adjusted price of a first-class ticket on the Titanic” (Perrottet, 2019). The price later rose to \$125,000 and then increased again to \$250,000. In addition to paying passengers, the company also invited journalists, social media content creators and other prominent individuals to journey for free. From 2021 to 2023, OceanGate organized five missions to the sunken ocean liner each summer (Boyle, 2023).

Most of OceanGate and Rush’s recruitment efforts for the Titan voyages went towards the upper-class or to already established connections in the exploration community. Investor Jay Bloom was one of the wealthy who was offered a spot on the Titan – at a \$100,000 discount – through private messages with Rush (Brito, 2023). Paul-Henri Nargeolet, Director of Underwater Research at RMS Titanic, Inc. who was nicknamed “Mr. Titanic,” also took several trips with the company as an official advisor. Unless OceanGate was aiming to secure passengers solely by

contacting potential customers privately, like it did with Bloom, it did not have a strong communications strategy for reaching more public spheres. From June 1, 2021, to June 17, 2023, only a dozen credible sources mention the search term, “OceanGate Titan,” on Google. As submersible travel presents a high-safety risk and requires a significant amount of disposable income, the ideal target profile resides in a very narrow market. OceanGate’s lack of communications strategy affected its business as the CEO resorted to begging and offering discounts to his invitees. For those who were not aware of the company, OceanGate was thrust into their radars in the summer of 2023 when it experienced a deathly catastrophe.

Titan Tragedy

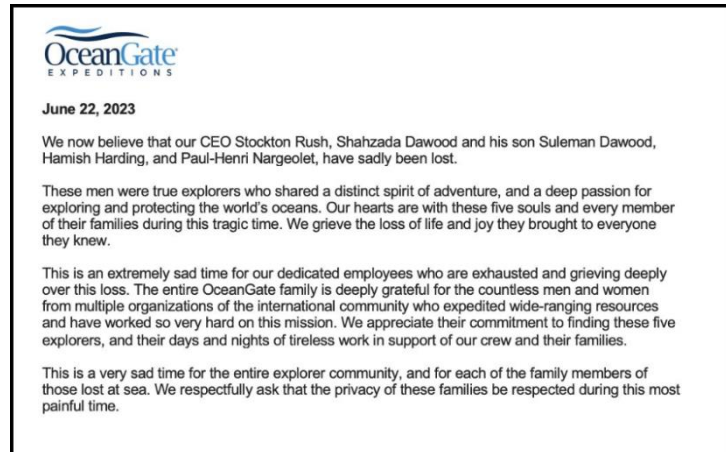
On June 18, 2023, the Titan was transporting five passengers to the Titanic when it lost connection with its home base, the MV Polar Prince, two hours after departing from the surface of the water (Reuters, 2023). After the submersible failed to return to the surface, the U.S. Coast Guard was contacted by OceanGate staff who were stationed on the MV Polar Prince. By the next morning, news had spread that the sub was lost in the Atlantic and passengers had only a few days’ worth of oxygen left if peak conservation efforts were met. On June 20, the “U.S. Coast Guard, U.S. Navy, Canadian Coast Guard and OceanGate Expeditions” worked together to locate the missing submersible. At 3 p.m. EST on June 21, 2023, the U.S. Coast Guard announced that debris was found near the Titanic. Substantiated evidence allowed experts to deduce that it was pieces of the Titan they located, of which came from the sub after it imploded under the pressure of the sea. All passengers aboard the Titan were declared deceased and were believed to have died an instantaneous death.

Analysis on Public Reaction

During the search and rescue process, social media users became enthralled with the crisis. OceanGate gained over 42,000 followers on Instagram and over 35,000 on X (Twitter) in the week of June 18 (Social Blade, 2023). Many wanted to stay updated with the rescue operations, while others made memes at the expense of those who willingly boarded a vessel that was riddled with safety concerns and was steered by a video game controller (Perrottet, 2019).



In a now deleted post which can be read at the screenshot on the right, OceanGate shared the following sentiments on its social media platforms (Cons, 2023). This response to the crisis blanketed as many stakeholders groups as possible. It was



a turbulent time for the company as it just lost its CEO and experienced a catastrophe that impacted lives across international waters. It appears that not much energy went into responding to specific stakeholder groups. For the circumstances, it can be understood why OceanGate chose to address everyone at once. It was a small company that suddenly became leaderless. Its choice in releasing one statement was not a strength, but it was also not a complete weakness as the public was more focused on the crisis and not the quantity of OceanGate's statements. The company has since deleted or hid its website, Instagram, Facebook, X, and LinkedIn accounts from public view, making the evaluation of its brand strategy difficult (Tan, 2023).

Conclusion

Up until the implosion, OceanGate was having mixed success with its Titan expeditions. Unfavorable weather conditions forced the company to cancel multiple trips, and safety issues concerned customers. While OceanGate cannot control the weather, it could have controlled some of the negative narratives about the company. CEO Rush was recorded in multiple interviews and messages alluding that he bypassed safety over innovation (Morelle et al., 2023). ““You’re remembered for the rules you break... And I’ve broken some rules to make this [the Titan]. I think I’ve broken them with logic and good engineering behind me”” (Cohen, 2023). It

was statements like this that caused invitees like Jay Bloom to abstain from booking tickets with the company. A few weeks after the Titan imploded, OceanGate announced on its website that it suspended all operations, signifying the end of all marketing and crisis communications for the indefinite future.



OceanGate did not have a unified marketing effort or crisis communications plan, and a misfit of the company's communications strategy was that it did not communicate consistently about the safety of its engineering. Of course, the Titan's campaign failure can be attributed to the product imploding and killing its passengers, but public knowledge of the submersible was not very positive before the crisis. With an experience that poses a high safety risk, the value of choosing that risk for the reward must be heavily emphasized with assurance to the customers' safety. CEO Rush tended to defend his unconventional engineering practices with phrases that produced shock value. "You know, at some point, safety is just pure waste... I think I can do this [submersible engineering] just as safely while breaking the rules" (Panella, 2023). The company may have seen more success and interest in its voyages if there had been a marketing campaign that aligned with the company's mission, values, and goals, instead of what the CEO decided to spew out in interviews. Although, the technical safety issues would have likely remained as they were a product of Rush's engineering prowess – something he was proud of

about. It is unclear how much the price, safety concerns, or extremism of the trip affected the campaign, but clearly, the company was not very effective in positively promoting the Titan expedition.

““I am sure he [Rush] really believed what he was saying. But he was very wrong... He was absolutely convinced that it [the Titan] was safer than crossing the street.”” – Jay Bloom (Brito, 2023).

Sun Tzu

A quote from military strategist Sun Tzu that may have helped OceanGate is:

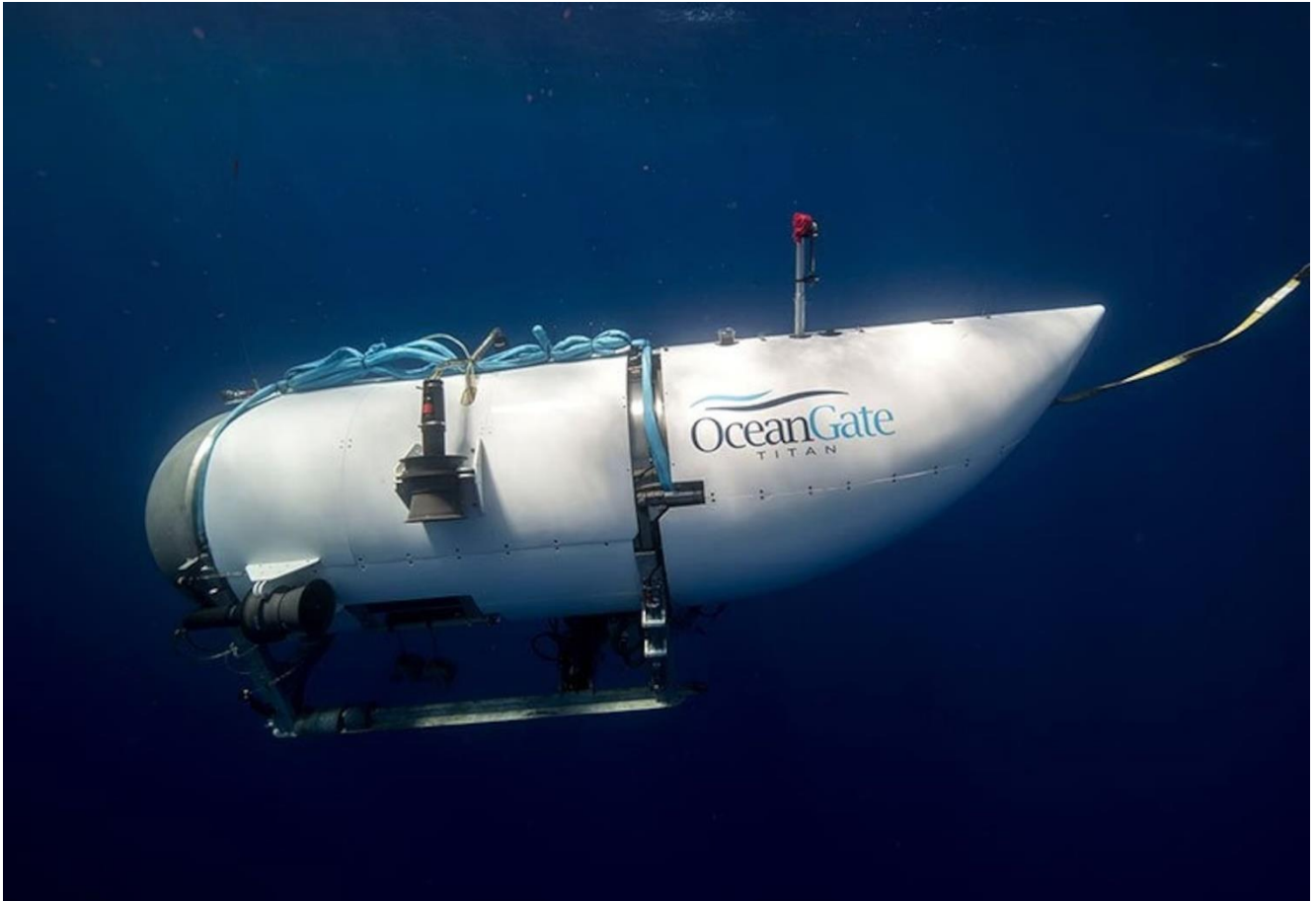
“When you weapons are dulled, your ardor damped, your strength exhausted and your treasure spent, other chieftains will spring up to take advantage of your extremity. Then no man, however wise, will be able to avert the consequences that must ensue.” (Tzu & Clearly, 2005).

The relation of the underlined words and this case cannot go unnoticed. In this example, weapons can be related to the Titan submersible. It has been suggested by experts that the repeated trips to the Titanic stressed the carbon fiber hull of the submersible, eventually leading it to shatter (Tran, 2023). OceanGate had a responsibility to the safety of its customers to ensure that the vessel was safe to operate after each voyage. Ardor is the frequent negativity the company experienced from its constituents pre-crisis. As critics released articles discussing OceanGate’s safety concerns, the company’s reputation became tainted, which affected customer purchasing behavior. Strength is the marketing effort that went into communicating the value of the Titan. OceanGate made it difficult to track its campaign efforts in its decision to erase its digital presence, but there is little indication that marketing efforts grew from year to year. Treasure is the trust the company has with its publics. This was lost when the Titan imploded and

killed its five passengers. Regaining this confidence will be extremely difficult if the company decides to pursue a future under the OceanGate name. Chieftains and extremities refer to the competitor and industry, while man and consequences relate to the CEO and company. Fixing the technical issues with the submersible and implementing a strategic communications plan would have cost OceanGate a lot of money, but it would have saved the company from the crisis that put it in a watery grave. Running a company, much like war, is expensive and time consuming, so thorough planning, research, and listening must occur to provide the best chances for survival.

Key Insights

The OceanGate crisis taught me that money, innovation, and once-in-a-lifetime opportunities cannot sustain a company alone. Strategies and plans are key to the long-term success of an idea. If I were to give advice to someone working on the OceanGate Titan campaign, it would be to implement a culture of integration within the company. Alignment with Rush's goals, the company's mission, and marketing efforts could have propelled the company to have effective and meaningful communication with its audience. And if that did not work, my other advice would be to leave the company as fast as possible. With the number of accusations against the build quality of the Titan submersible, something catastrophic was bound to happen. There were so many red flags, yet dozens of employees allowed them to continue. I also think the OceanGate situation is interesting as the future of commercial submersible exploration has largely been put on pause. It leaves me curious as to when it will start back up and who will become the next Stockton Rush. As he once said, "Half of the United States is underwater, and we haven't even mapped it!" (Perrottet, 2019).



In this undated file photo, the Titan submersible, operated by OceanGate Expeditions to explore the wreckage of the sunken SS Titanic, is shown.

EyePress News via Shutterstock, FILE (Ordonez & Hilton, 2024).

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