LOS CABOS

LOS CABOS TOURISM OBSERVATORY

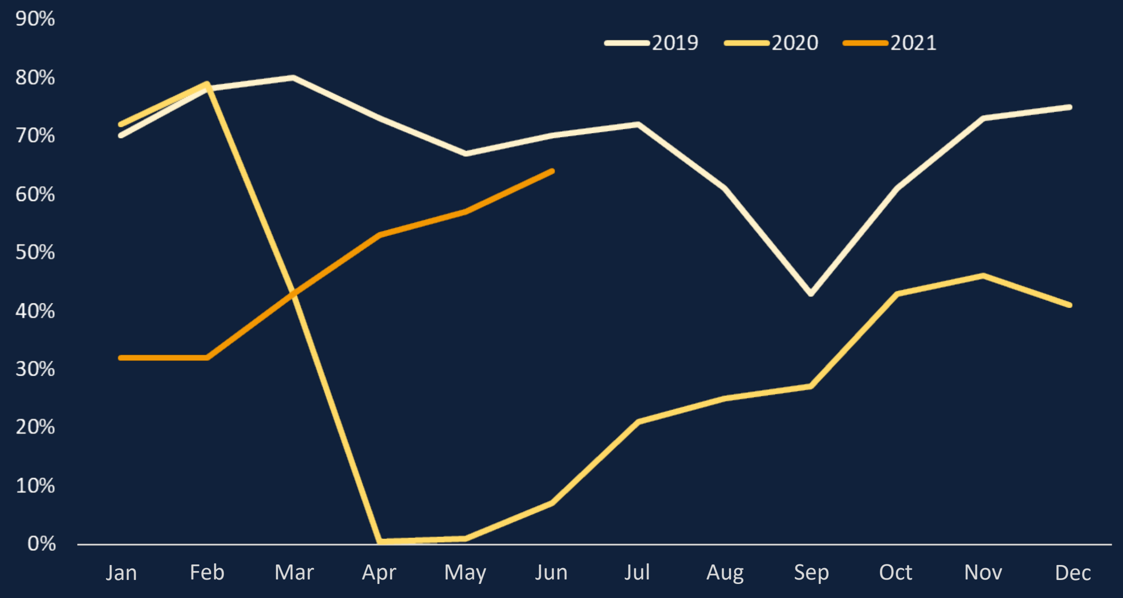
KEY PERFORMANCE INDICATORS

JULY 2021

Leading indicators – Summary

Hotel Performance

Hotel Occupancy:



Hotel Occupancy (Jun-2021):
64%
-10pp
(vs. Jun-2019)
SOURCE: AHLC

Rooms Available (May-2021):
22,477
+9.4%
(vs. May-2019)
SOURCE: DATATUR

Room Nights (May-2021):
1,019,327
+4.3%
(vs. May-2019)
SOURCE: DATATUR

Air Passenger Arrivals

Total Passengers (Jun-2021, expressed in thousands):
278.75
+14.9%
(vs. Jun-2019)

National Passengers (Jun-2021, expressed in thousands):
87.35
+4%
(vs. Jun-2019)

International Passengers (Jun-2021, expressed in thousands):
191.4
+20.6%
(vs. Jun-2019)

SOURCE: GAP

Other indicators

Cruise Ships (May-2021):
0
-7 vessels
(vs. May-2019)
SOURCE: DATATUR

Cruise Passengers (May-2021):
0
-100%
(vs. May-2019)
SOURCE: DATATUR

Group Business Total RFPs (Jun-2021):
42
+7 RFPs
(vs. Jun-2019)
SOURCE: CVENT

Tourist Satisfaction: more than expected (Jun-2021):
61%
+23pp
(vs. Jun-2019)
SOURCE: TOURIST SURVEYS

Attendees to Congresses and Conventions (Jun-2021):
1.2%
-0.9pp
(vs. Jun-2019)
SOURCE: TOURIST SURVEYS

Tourists' Origin (Jun-2021):
72.5% foreigners
-3.2pp
(vs. Jun-2019)
SOURCE: TOURIST SURVEYS

STA CONSULTORES

LOS CABOS

Leading indicators – Summary

PASSENGER ARRIVALS

- In Jun-2021, Los Cabos International Airport recorded a 14.9% (+36.1 thousand) increase in the total number of passengers arriving at the destination compared to Jun-2019, adding up to a total of 278.75 thousand (when considering arrivals only).
  - Passengers on domestic flights (87.35 thousand) represent 31.3% of total arrivals. These increased by 4% (+3.35 thousand vs. Jun-2019).
  - Passengers on international flights (191.4 thousand) represent 68.7% of total arrivals. These increased by 20.6% (+32.75 thousand vs. Jun-2019).

FLIGHT SCHEDULES

- The domestic market has 16.6% more available seats scheduled for the period from Jul-2021 to Dec-2021 (compared to the same period in 2019). 2.7% more seats are expected in Jul-2021.
- Flight seats departing from CDMX, MTY, and TIJ increased by 9.4%, 37.3%, and 98%, respectively (compared to 2019). However, GDL decreased by 6.5%.
- For the U.S., there are 1.26 million seats scheduled for the next 6 months, which is 50.2% more compared to the same period in 2019.
- CHI (+72%), LAX (+66%), PHX (+33%), HOU (+45%), DFW (+30%), DEN (+125%), and SEA (+264%) had the most significant increase vs. 2019. However, San Diego shows a decrease of 45%.
- For Jul-2021, the United States expects 46.9% more available seats than those scheduled for 2019.
- From Canada, 37.2% fewer seats are expected in the next 6 months. There was an 83.6% drop in Jul-2021.
- Decreases are expected in all Canadian airports within the next 6 months: Calgary (-16.1%), Vancouver (-34.6%), Toronto (-59.2%), and Edmonton (-44.6%).

HOTEL PERFORMANCE

- Occupancy in Jun-2021 was 64%, down 6pp from 70% in Jun-2019.
  - Occupancy in Cabo San Lucas dropped 14pp compared with Jun-2019 and is now at 66%.
  - San Jose del Cabo recorded an occupancy rate of 62% (1pp lower than in Jun-2019).
  - Los Cabos Corridor recorded an occupancy rate of 60% (a 5pp increase compared to Jun-2019).
- The number of rooms available in Los Cabos increased 9.4% between May-2021 and May-2019, reaching 22,477 this month.
- Hotels in Los Cabos recorded 222.4 thousand tourist arrivals, which increased by 11.3% (+22.6 thousand) between May-2021 and May-2019.
- Domestic tourism dropped by 28.6% (-15.7 thousand), while international tourism increased by 26.5% (+38.3 thousand).
- There were 1.02 million occupied room nights in May-2021, 4.3% more compared to May-2019 (+41.7 thousand nights).

TOURIST SURVEYS

- In Jun-2021, 61% of tourists rated their experience in Los Cabos as better than they expected (23pp more than in Jun-2019, but 1pp lower than in May-2021).
- During Jun-2021, security was perceived as bad or regular by 2% of tourists, 10pp better than in Jun-2019.
- Satisfaction with the airport also improved 11pp compared to 2019 (0% of tourists perceived their experience as bad or regular).
- The number of repeat tourists decreased by 11pp compared to 2019, reaching 28% in Jun-2021.
- The number of tourists who traveled with a package tour remained low and reached 33% in Jun-2021 (-18pp).
- The number of tourists who visited restaurants increased 16pp this month, recording 84%.

LOS CABOS

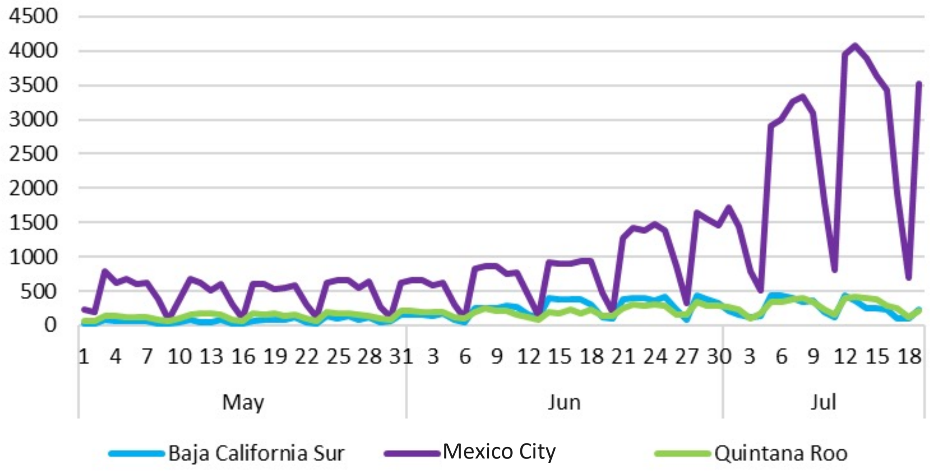
LOS CABOS TOURISM OBSERVATORY

THE IMPACTS OF COVID-19

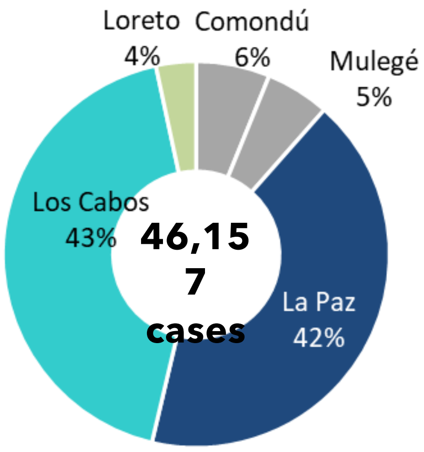
Effects of COVID-19 on Mexico's tourism sector.

Confirmed COVID-19 cases – overview

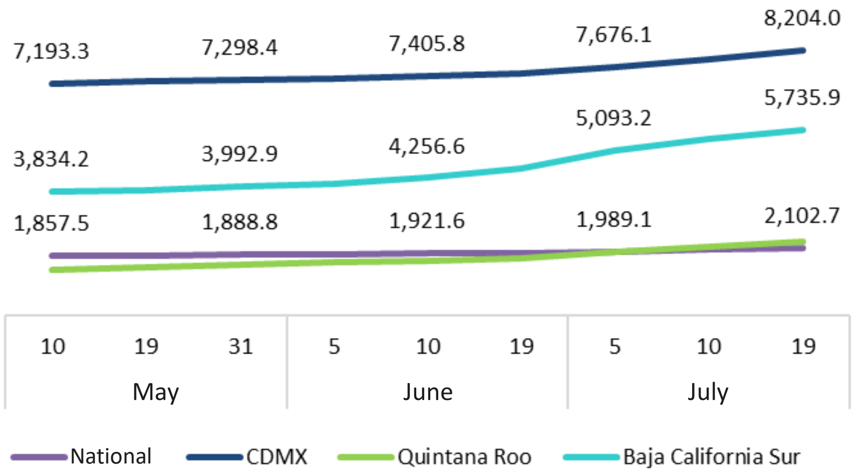
Number of daily new cases



Confirmed cases by municipalities in B.C.S.



Incidence of infection



Total confirmed cases as of July 19th, 2021

National

2.48 million

- 210 thousand more cases since June 19th.

Baja California Sur

46,157

- 9,068 more cases than those recorded by June 19th.

Quintana Roo

39,236

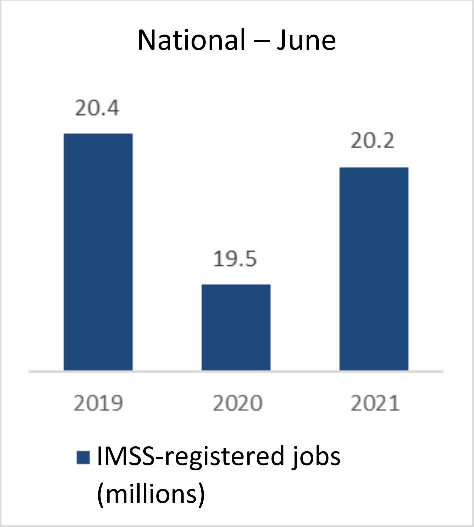
- 8,392 more cases in the same period.

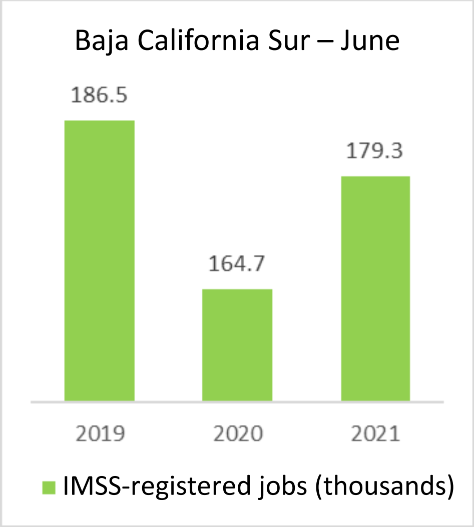
- Los Cabos and La Paz account for 43% and 42% of the total confirmed cases statewide.
- Los Cabos has 5,463 more cases, adding up to a total of 19,832.
- La Paz has 2,735 more cases than those recorded as of June 19th, accumulating a total of 19,480 confirmed cases.
- Loreto accumulates 1,552 cases (211 more).

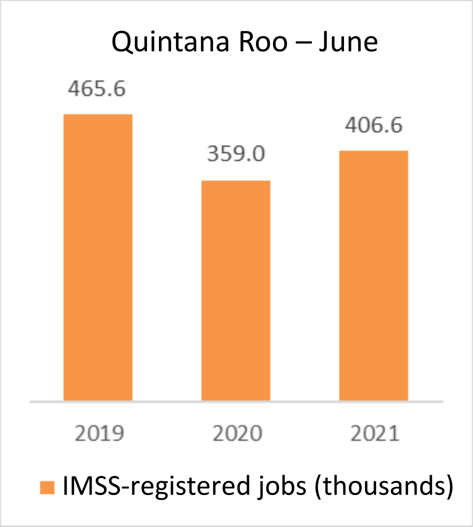
- The national average rate of infection is 2,102.7 cases per 100 thousand inhabitants.
- Mexico City still has the highest rate of new COVID-19 cases, which is above the national average: 8,204
- Quintana Roo: 2,276.9
- Baja California Sur is the second state with the highest rate: 5,735.9

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). FIGURES UPDATED AS OF JULY 21st, 2021.

Effects on employment in Mexico







- As of June 30th, 2021, IMSS had registered 20,175,380 jobs in the country, 0.9% fewer than those reported in Jun-2019.
- 401,648 more jobs were recorded compared with the end of Dec-2020.

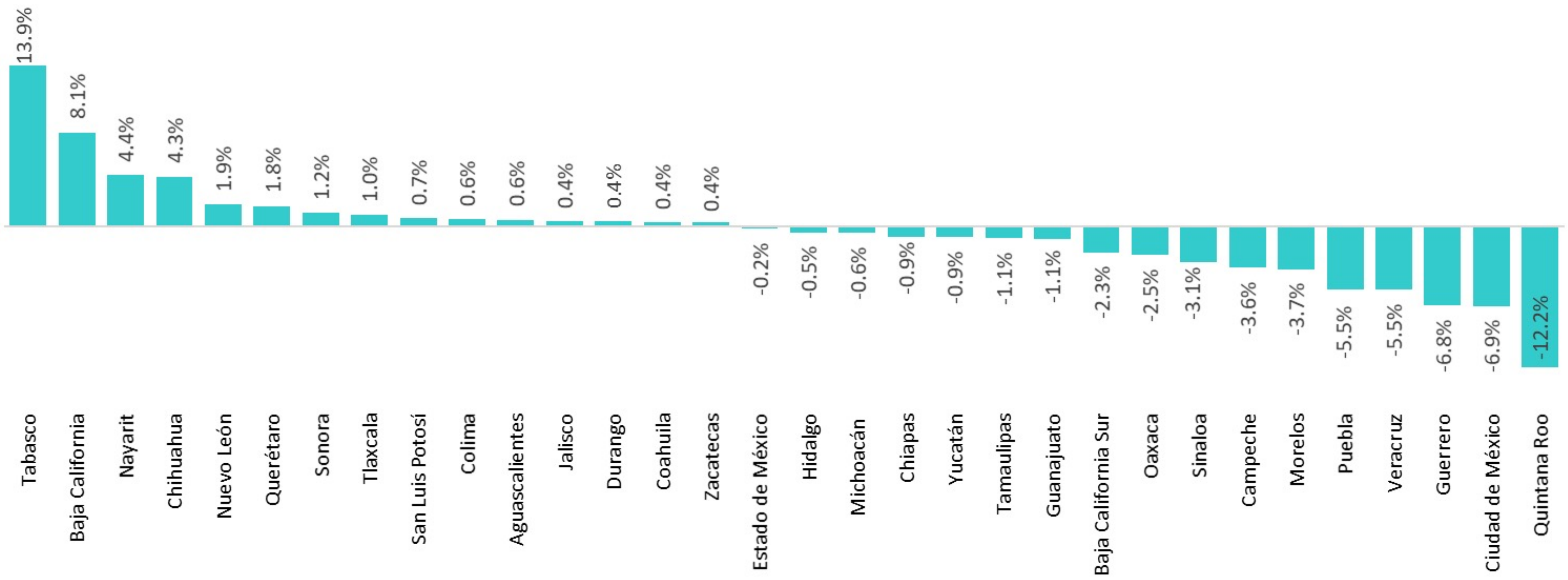
- Baja California Sur closes Jun-2021 with 179,293 jobs, 3.9% fewer than in Jun-2019.
- 9,922 more jobs were recorded compared with the end of Dec-2020.

- Quintana Roo closes Jun-2021 with 406,636 jobs, 12.7% fewer than in Jun-2019.
- 40,853 more jobs were recorded from Dec-2020 to Jun-2021.

SOURCE: IMSS

Effects on employment in Mexico

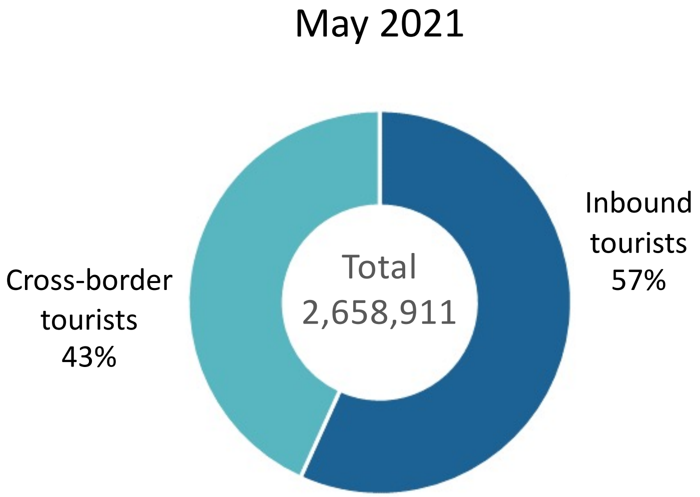
Employment variation by state (June 2021 vs. December 2019)

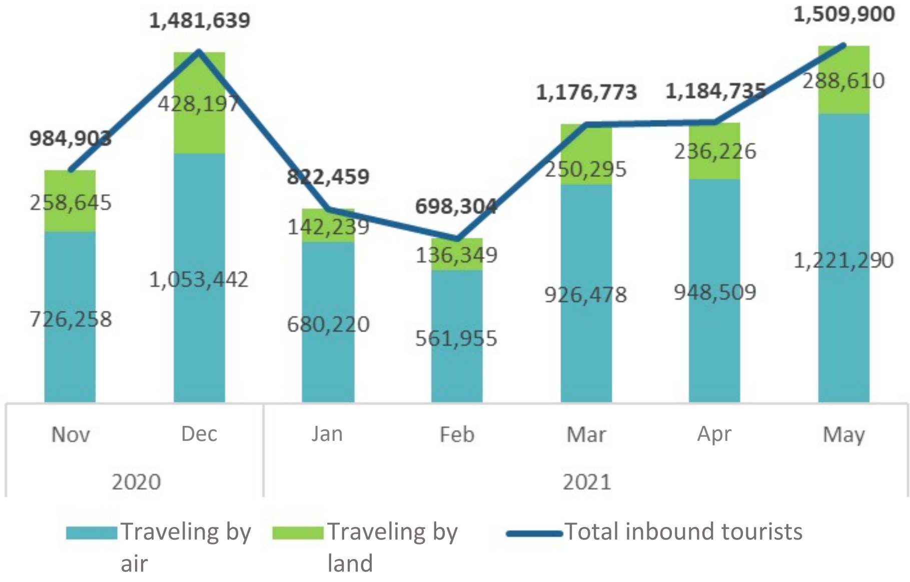


- Baja California Sur is now the tenth worst-affected state in terms of job losses, compared to the 2019 year-end (it ranked third in Mar-2021, fourth in Apr-2021, and sixth in May-2021). Quintana Roo is still the most affected state.

SOURCE: IMSS

International tourist arrivals in Mexico

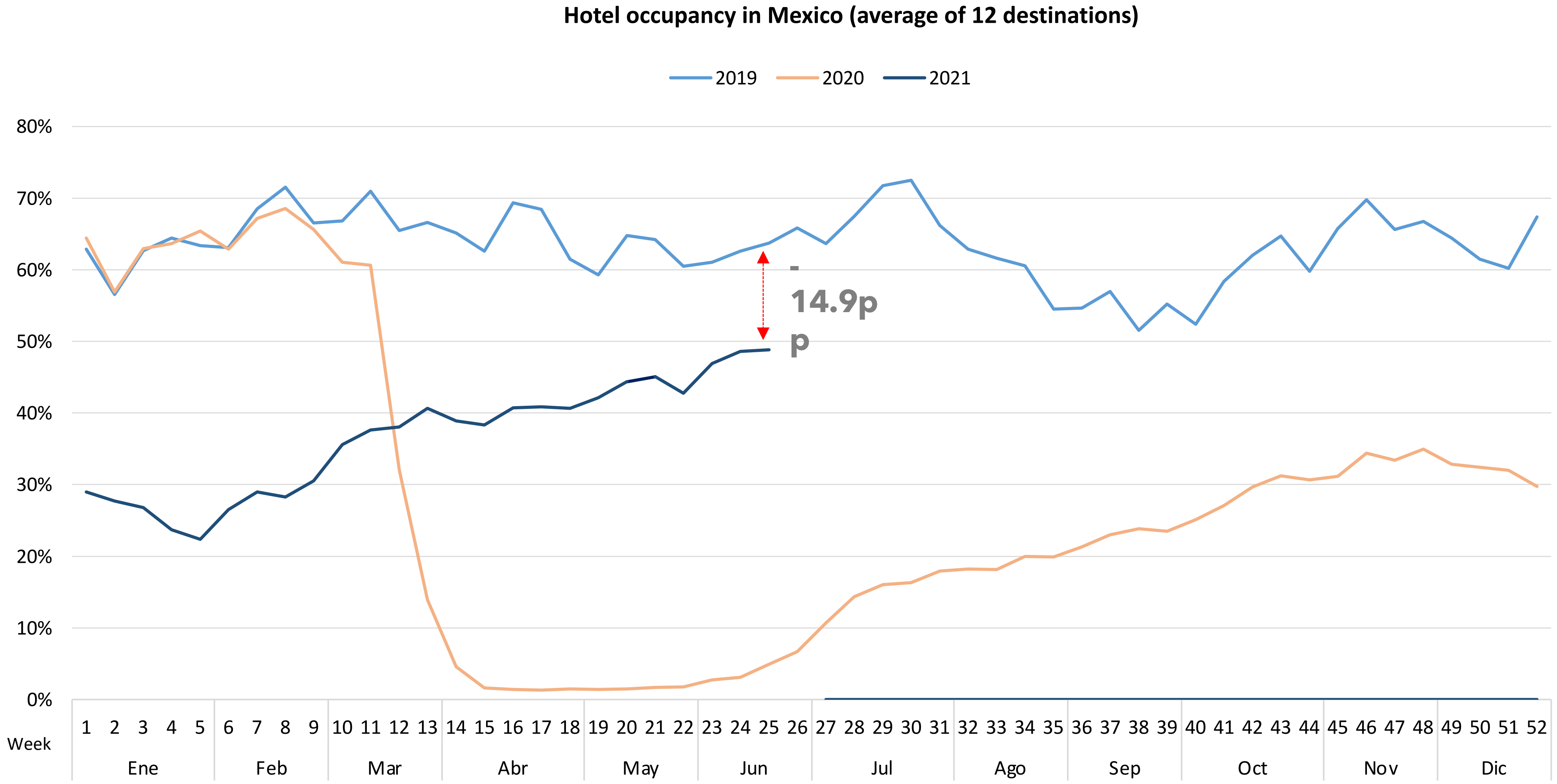




- In May-2021, 2.66 million international tourists arrived in the country (45% fewer than in May-2019). 57% were inbound tourists.
- The average spending of inbound tourists arriving by air was USD 1,062.41 ($53.23 more compared to the average spending in May-2019).
- The total number of inbound tourists increased 27.4% compared to Apr-2021.
- There is a 17.7% decrease in the total number of inbound tourists compared to May-2019.
- 80% arrived by air, and 20% did so by land.

SOURCE: INTERNATIONAL TOURIST SURVEYS, INEGI

Hotel indicators in Mexico

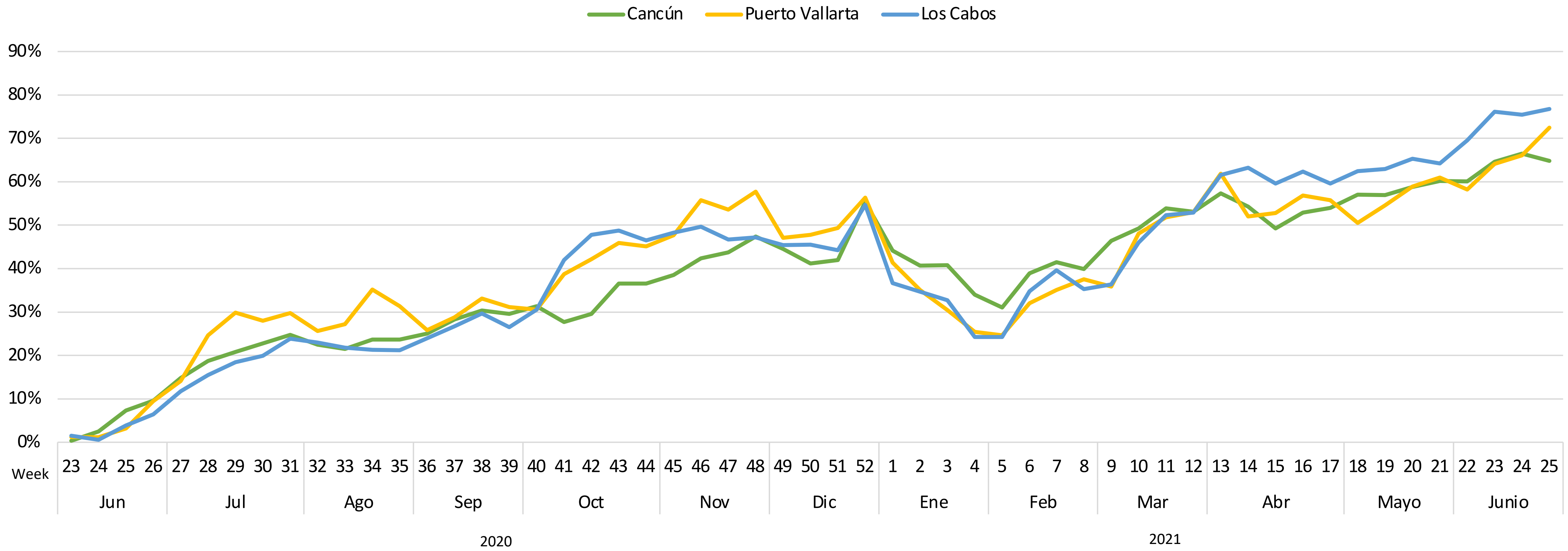


- By the end of week 25, hotel occupancy in Mexico continues to show moderate growth. This time, occupancy closed at 48.8%, down 14.9pp compared to the same week of 2019.

SOURCE: DATATUR. MONITORED DESTINATIONS: VILLA HERMOSA, AGUASCALIENTES, TUXTLA GUTIERREZ, QUERETARO, PUEBLA, PUERTO VALLARTA, SAN CRISTOBAL DE LAS CASAS, LOS CABOS, CANCUN, MEXICO CITY, ACAPULCO AND SAN MIGUEL DE ALLENDE.

Hotel indicators in Mexico

Hotel occupancy in Cancun, Puerto Vallarta, and Los Cabos



- As of week 14 of 2021, hotel occupancy in Los Cabos surpassed and remained higher than that of Cancun and Puerto Vallarta.
- By the end of week 25, Los Cabos, Puerto Vallarta, and Cancun had an occupancy of 76.8%, 72.5%, and 64.8%, respectively.

SOURCE: DATATUR

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

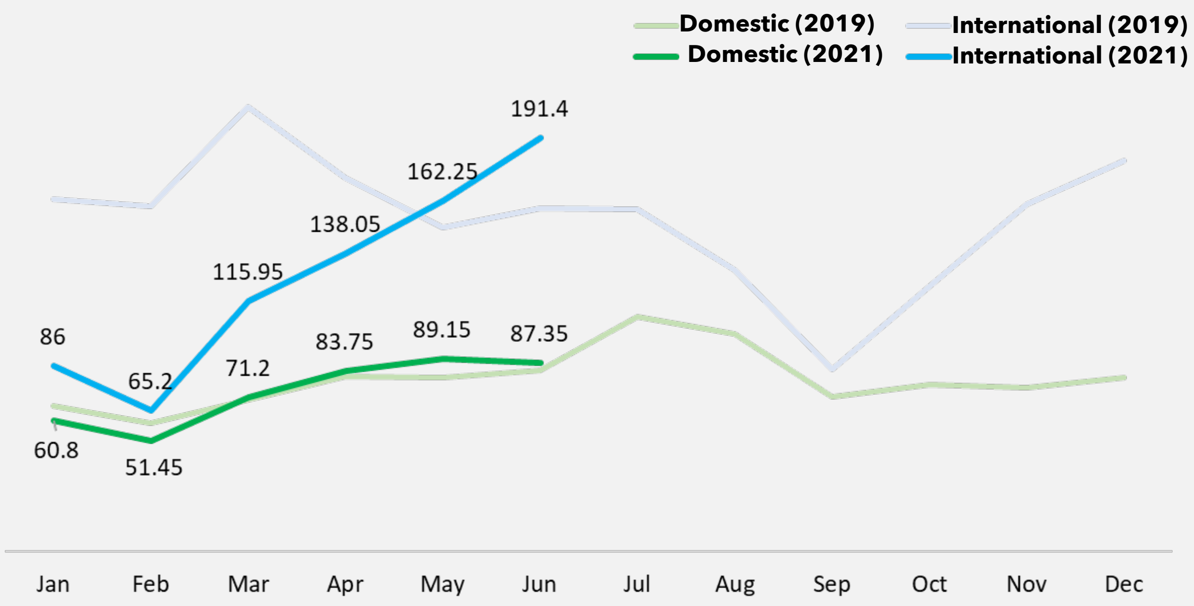
DEMAND INDICATORS AND TOURIST PASSENGERS

Passenger arrivals at Los Cabos International Airport, 2019-2020

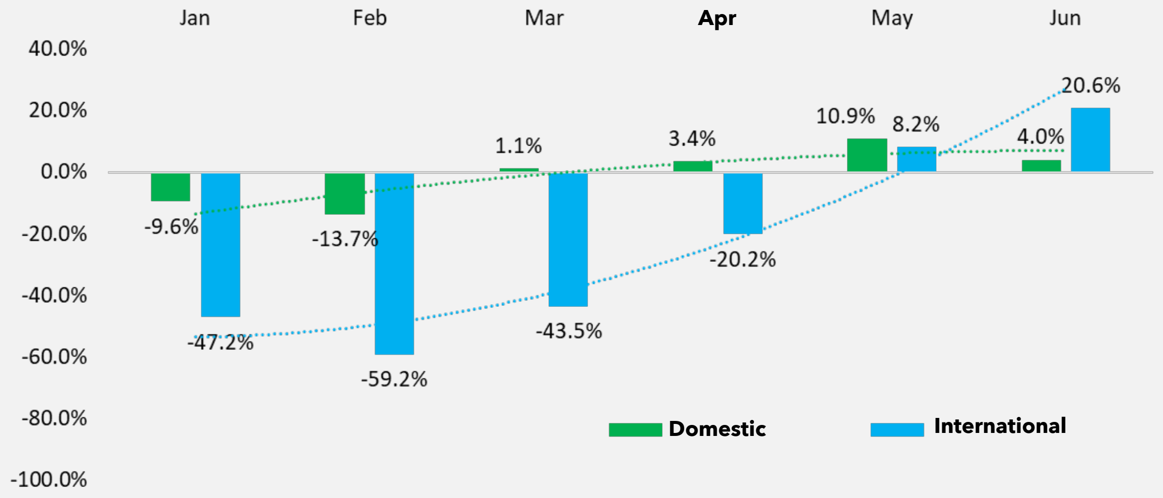
- **In Jun-2021, 278.75 thousand passengers arrived at Los Cabos International Airport, which represents a 14.9% increase compared to the same period in 2019.**
  - **It also represents a 10.8% increase with respect to May-2021 and an average growth rate of 20.6% between Jun-2020 and Jun-2021.**
  - **Passengers on domestic flights (87.35 thousand) represent 31.3% of total arrivals and increased 4% compared to Jun-2019.**
    - **TMAC: 14% (between Jun-2020 and Jun-2021).**
  - **Passengers on international flights (191.4 thousand) represent 68.7% of total arrivals and increased by 20.6%.**
    - **TMAC: 26.5% (between Jun-2020 and Jun-2021).**

SOURCE: GAP

Monthly arrivals (expressed in thousands)

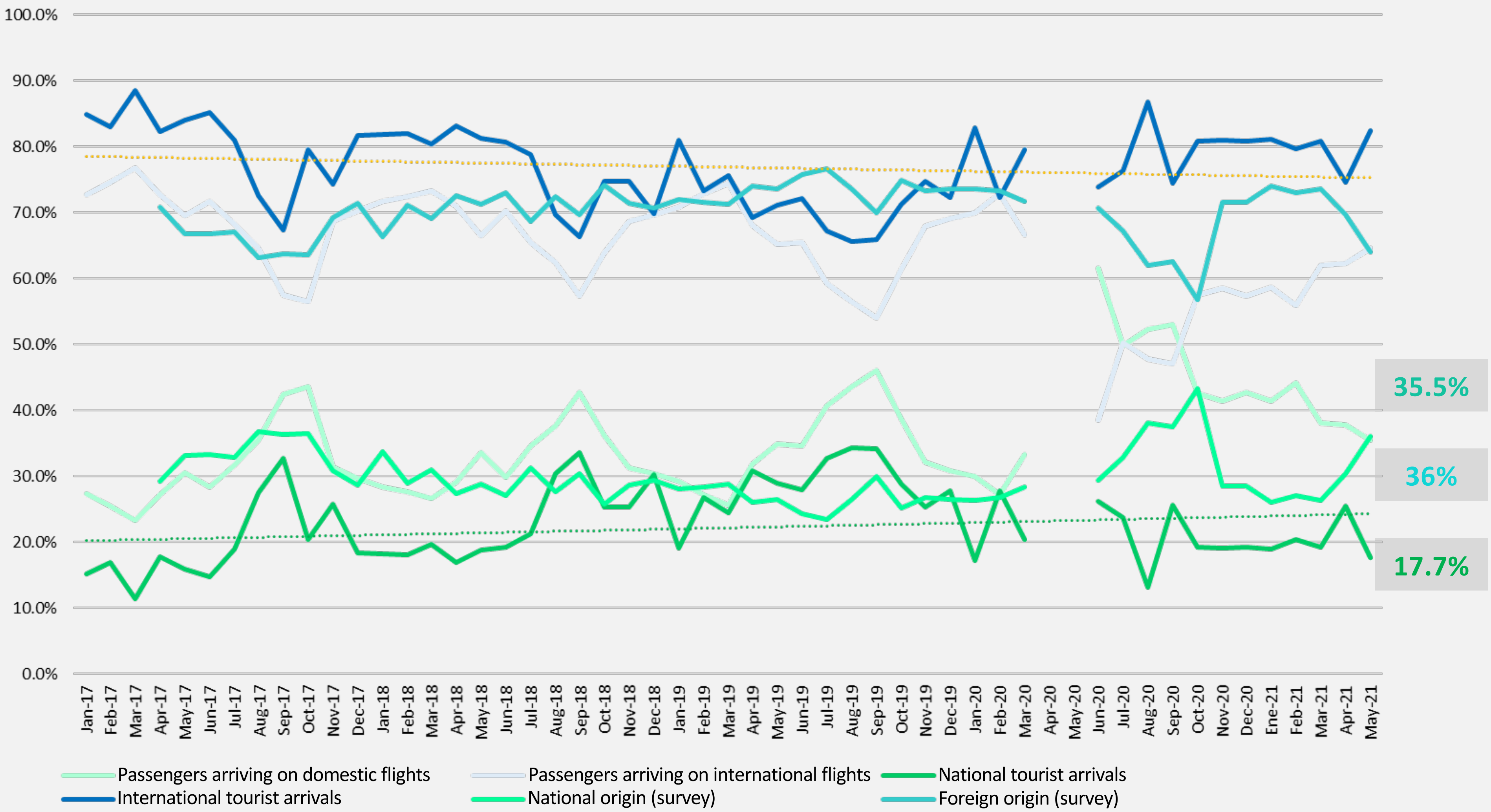


Percentage decrease vs. 2019



Evolution of national and international tourism share

Participation percentage of both resident and non-resident tourist arrivals at hotels in Los Cabos, including passenger arrivals on domestic and international flights at Los Cabos International Airport (2017-2020)



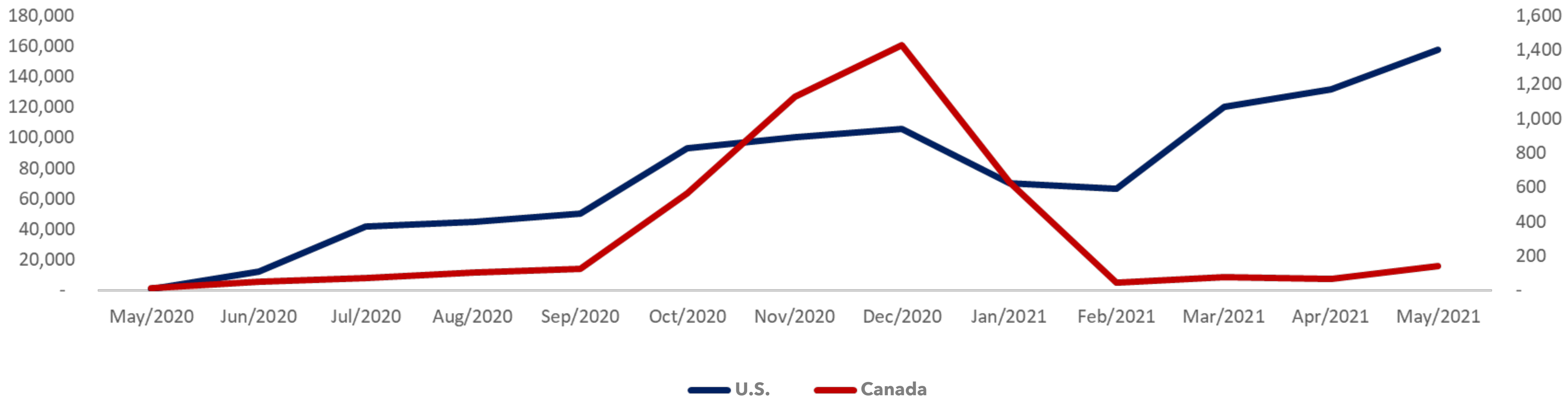
- **According to DataTur, the number of national residents arriving at hotels in Los Cabos reached 17.7% in May-2021 (10.2pp fewer than in 2019).**
- **Moreover, the share of domestic passengers in the total recorded by Los Cabos International Airport summed up to 35.5% in May-2021. This represents an increase of 0.8pp vs. 2019.**
- **In May-2021, Tourist Surveys indicated that the share of domestic tourism in the total received by Los Cabos reached 36% (11.7pp more than in 2019).**

SOURCE: DATATUR, GAP, TOURIST SURVEYS

International tourist arrivals by air, by origin (residence), monthly

Regions	May/2020	Jun/2020	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Nov/2020	Dec/2020	Jan/2021	Feb/2021	Mar/2021	Apr/2021	May/2021	Δ May 21 / May 19	Δ Jan-May 21 / Jan-May 19
U.S.	1,084	12,433	41,696	45,112	50,077	93,069	100,320	105,991	70,454	66,275	120,361	131,784	157,649	16.6%	-22.4%
Canada	15	52	74	106	128	563	1,126	1,429	628	44	75	66	144	-97.9%	-99.0%
Europe	12	20	43	52	40	48	70	64	32	32	39	37	61	-94.0%	-96.0%
Caribbean, Central & South America	-	12	34	19	33	37	48	43	19	18	31	24	58	-75.0%	-87.1%
Rest of the world	7	34	52	64	71	106	127	67	12	11	38	24	48	-95.0%	-97.3%
Grand total	1,118	12,551	41,899	45,353	50,349	93,823	101,691	107,594	71,145	66,380	120,544	131,935	157,960	9.5%	-32.3%

Key markets	May/2020	Jun/2020	Jul/2020	Aug/2020	Sep/2020	Oct/2020	Nov/2020	Dec/2020	Jan/2021	Feb/2021	Mar/2021	Apr/2021	May/2021	Δ May 21 / May 19	Δ Jan-May 21 / Jan-May 19
United Kingdom	5	9	8	19	10	9	21	18	5	16	16	8	25	-80.9%	-94.3%
Australia	5	10	13	9	18	18	42	19	3	1	4	4	4	-98.9%	-99.0%
South Korea	-	1	2	3	6	5	8	3	-	-	10	1	5	-94.7%	-97.3%
Total key markets	10	20	23	31	34	32	71	40	8	17	30	13	34	-94.1%	-97.1%



SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence)

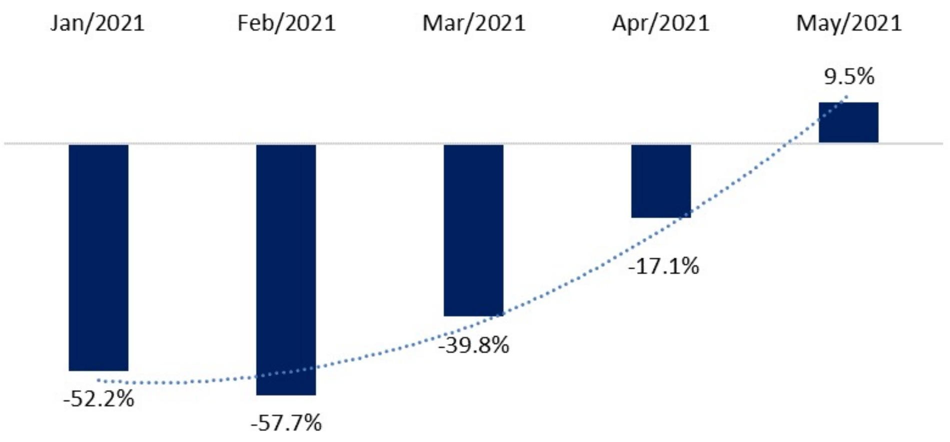
+9.5%

May-2021 vs. May-2019

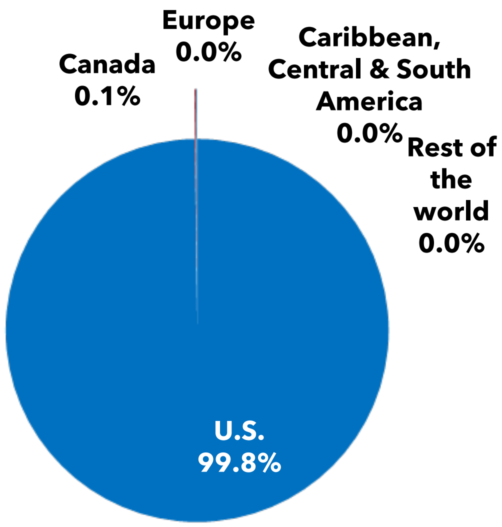
In May-2021, Los Cabos International Airport recorded the arrival of 157,960 international tourists, which implies an increase of 9.5% compared to Apr-2019.

American tourists represent 99.8% of the total.

Annual variation of international tourist arrivals by air to Los Cabos International Airport (Jan-May-2021 vs. 2019)



Share of international tourist arrivals by air to Los Cabos International Airport (May-2021)

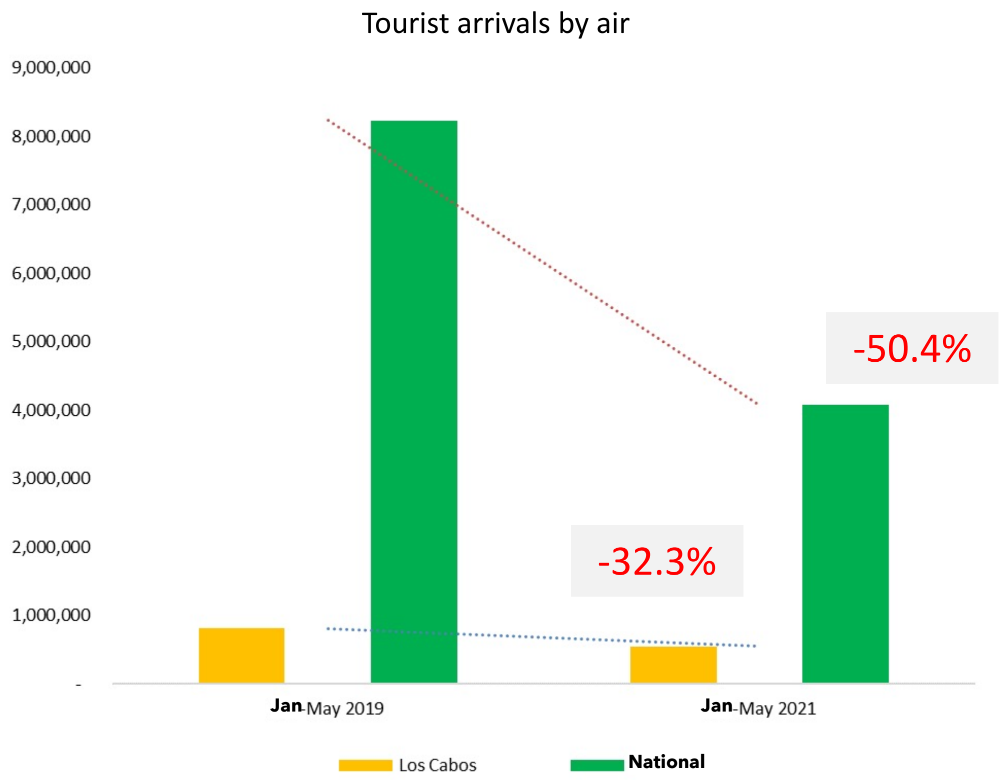


SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence), Jan-May aggregate

Regions	National			Los Cabos		
	Jan-May 2019	Jan-May 2021	Δ 2021/2020	Jan-May 2019	Jan-May 2021	Δ 2021/2020
U.S.	4,631,127	3,336,247	-28.0%	704,453	546,523	-22.4%
Canada	1,375,471	33,871	-97.5%	93,916	957	-99.0%
Europe	805,996	199,496	-75.2%	5,065	201	-96.0%
Caribbean, Central & South America	1,098,679	435,001	-60.4%	1,166	150	-87.1%
Rest of the world	321,370	74,850	-76.7%	4,896	133	-97.3%
Grand total	**8,232,643**	**4,079,465**	**-50.4%**	**809,496**	**547,964**	**-32.3%**

Key markets	National			Los Cabos		
	Jan-May 2019	Jan-May 2021	Δ 2021/2020	Jan-May 2019	Jan-May 2021	Δ 2021/2020
United Kingdom	209,783	17,594	-91.6%	1,234	70	-80.9%
Australia	28,748	1,235	-95.7%	1,679	16	-98.9%
South Korea	39,248	3,340	-91.5%	593	16	-94.7%
Total key markets	**277,779**	**22,169**	**-92.0%**	**1,329**	**102**	**-94.1%**



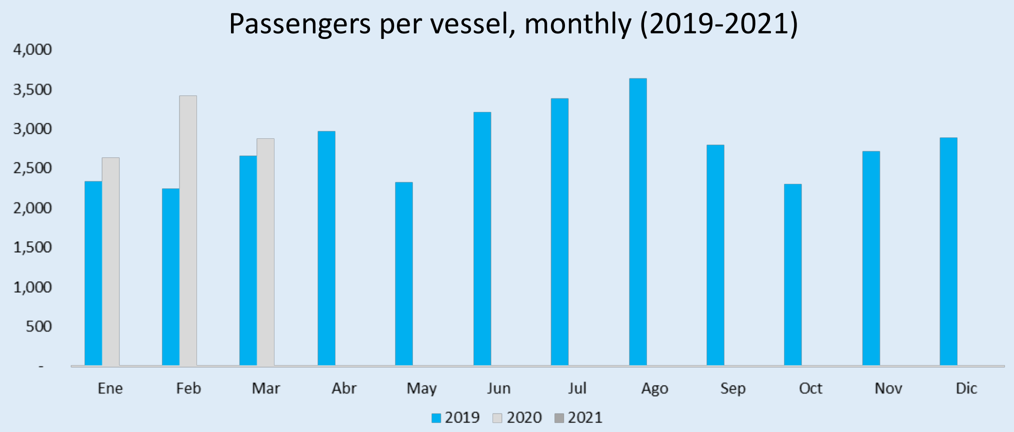
When comparing Jan-May-2021 vs. Jan-May-2019, tourist arrivals decreased by 50.4% nationwide and 32.3% in Los Cabos.

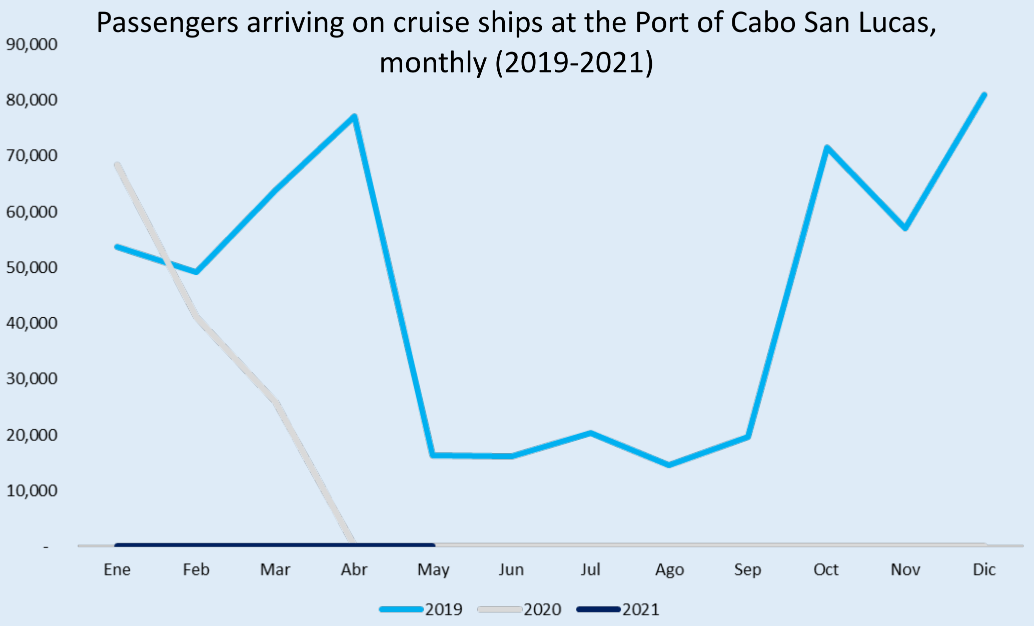
- On a national level, the U.S. market decreased by 28%, whereas the Canadian market did so by 97.5%.
- The U.S. market in Los Cabos International Airport decreased by 22.4%, and the Canadian market did so by 99% (when comparing both periods).

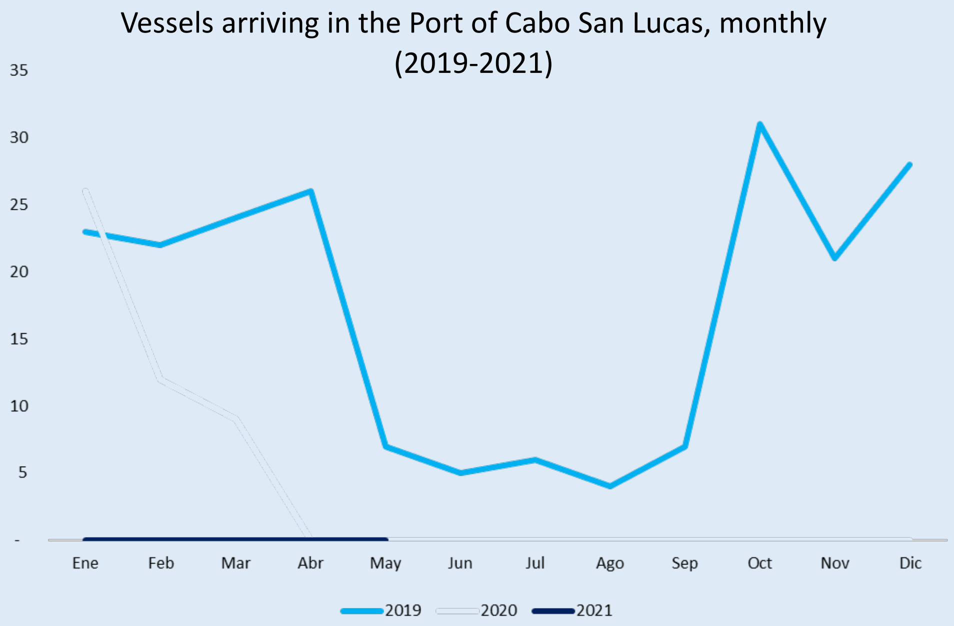
SOURCE: INM-SIOM

Cruise activity (May-2021)

There were no vessel or cruise ship arrivals at the Port of Cabo San Lucas in May-2021.



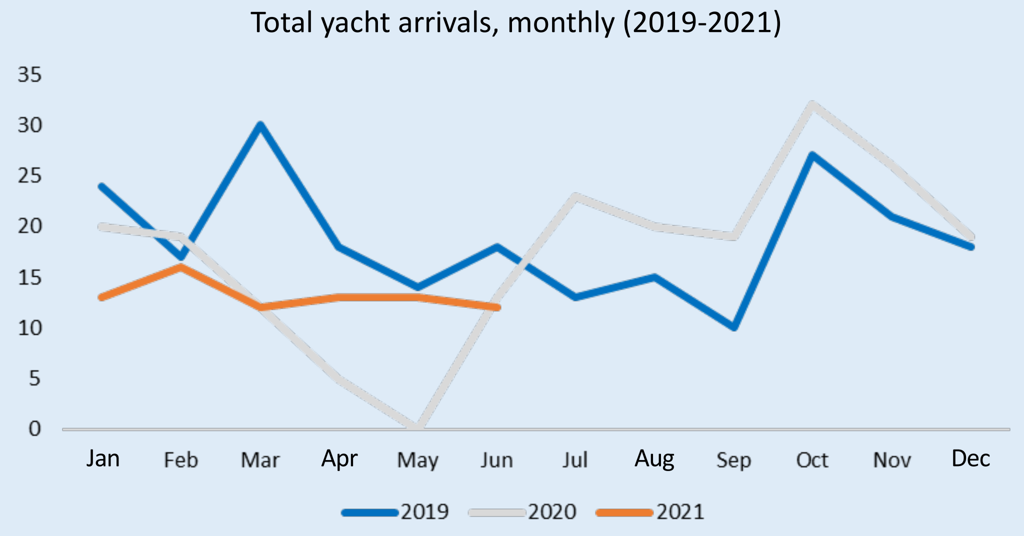


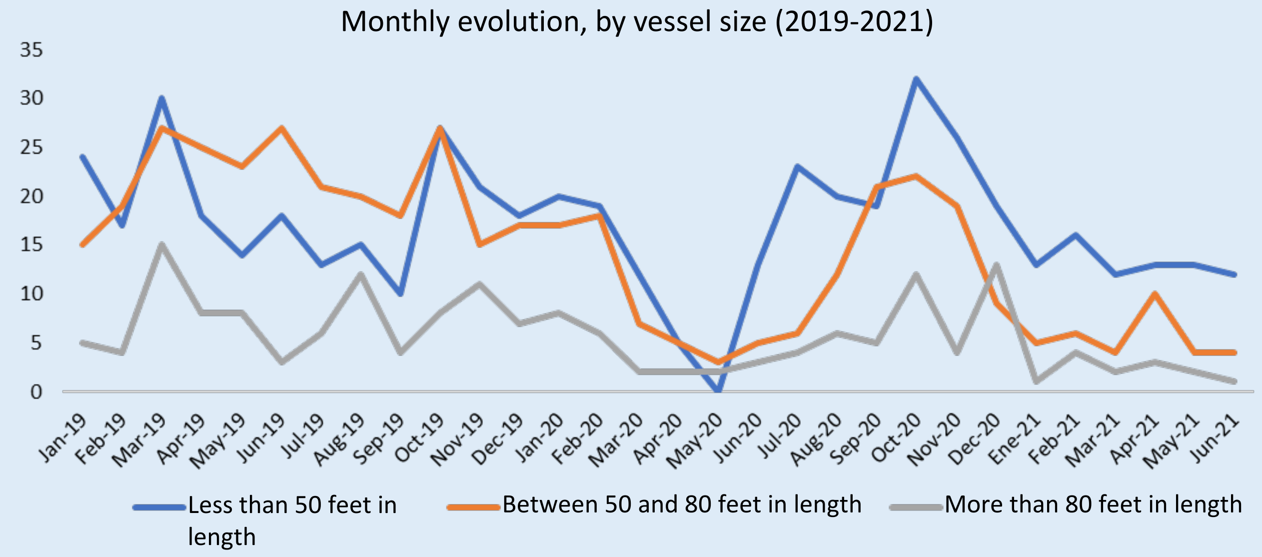


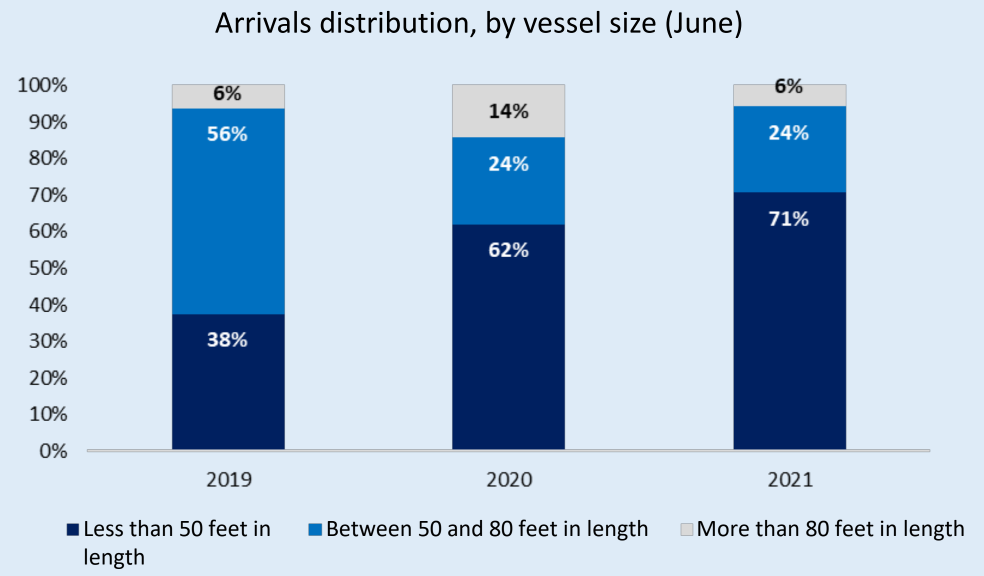
SOURCE: DATATUR-SCT

Yacht arrivals at the Port of Cabo San Lucas (Jun-2021)

- **17 yachts arrived at the Port of Cabo San Lucas in Jun-2021. This represents a decrease of 19% compared to the same period in 2020 and a 74.6% decrease compared to 2019.**
- **71% of these vessels measured less than 50 feet in length. Vessel size proportion has increased by 33pp between Jun-2019 and Jun-2021.**







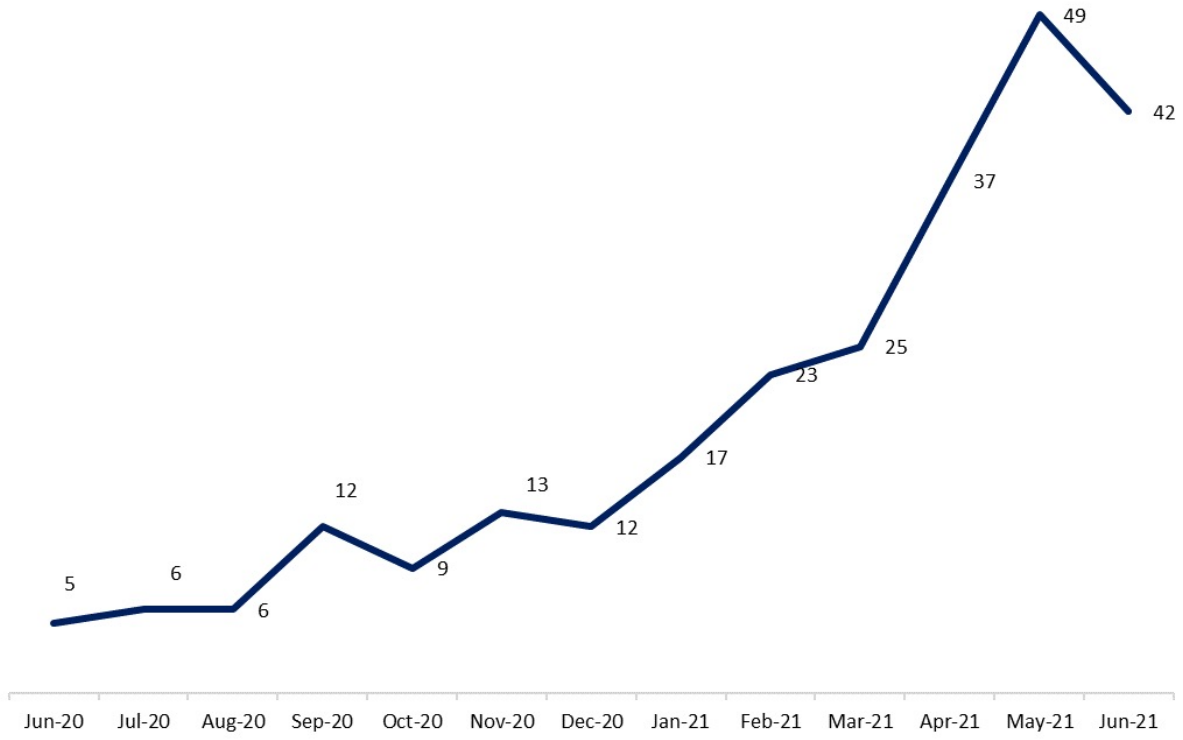
SOURCE: API Cabo San Lucas

LOS CABOS TOURISM OBSERVATORY

TOURIST SURVEYS & GROUP BUSINESS

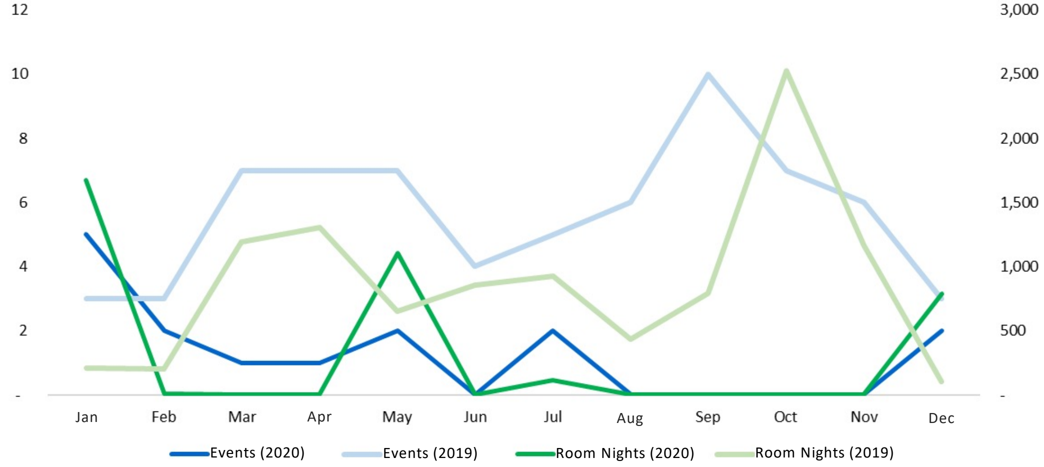
Group Business

RFPs received from meeting and group events, last 12 months (CVENT)



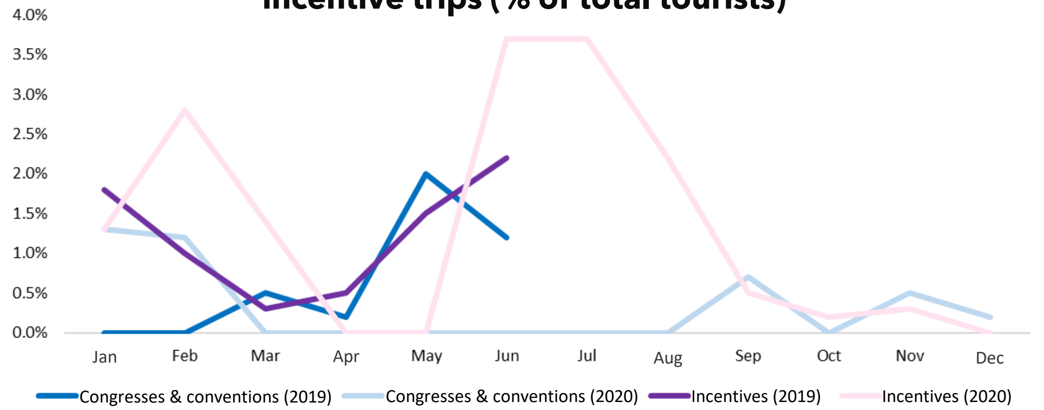
SOURCE: CVENT

Confirmed room nights and events for meetings and groups



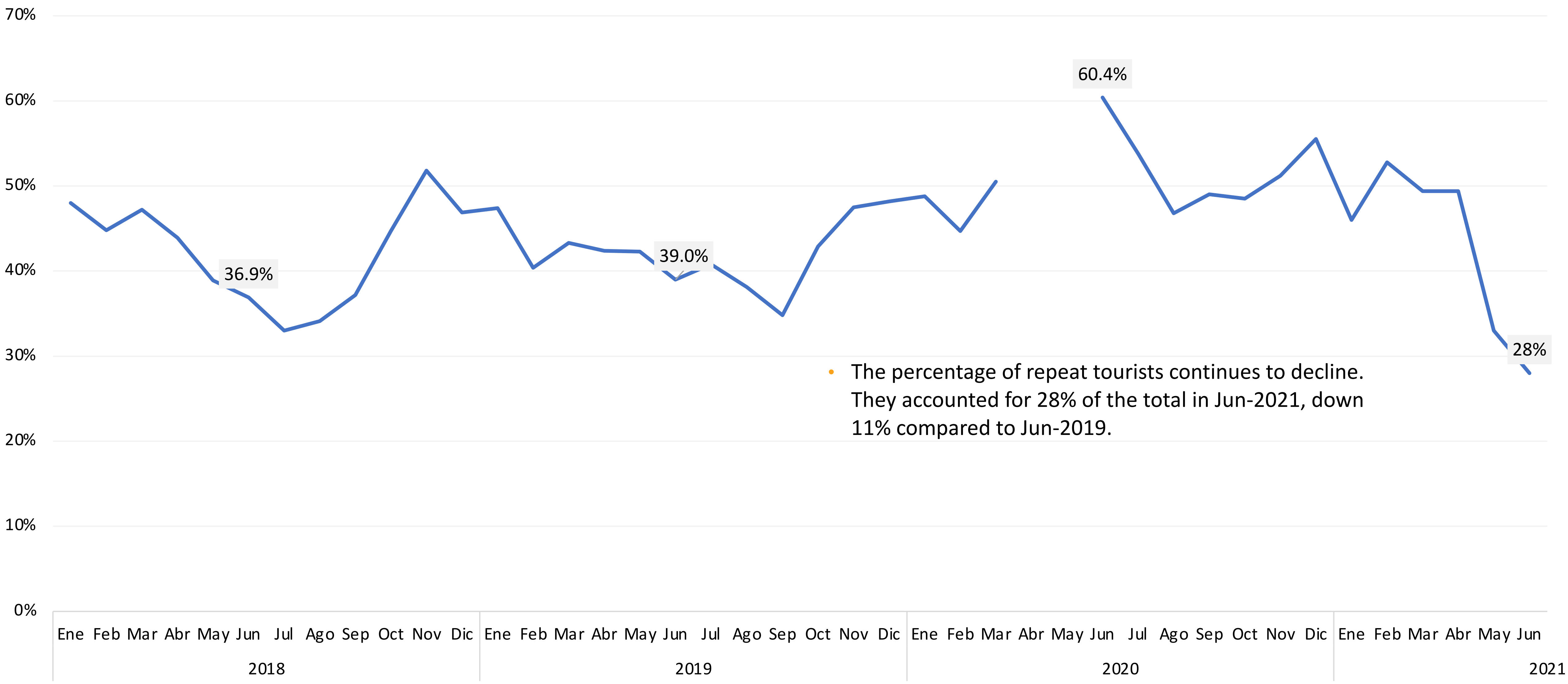
SOURCE: HELMS BRISCOE

Attendees to congresses, conventions and incentive trips (% of total tourists)



SOURCE: TOURIST SURVEYS

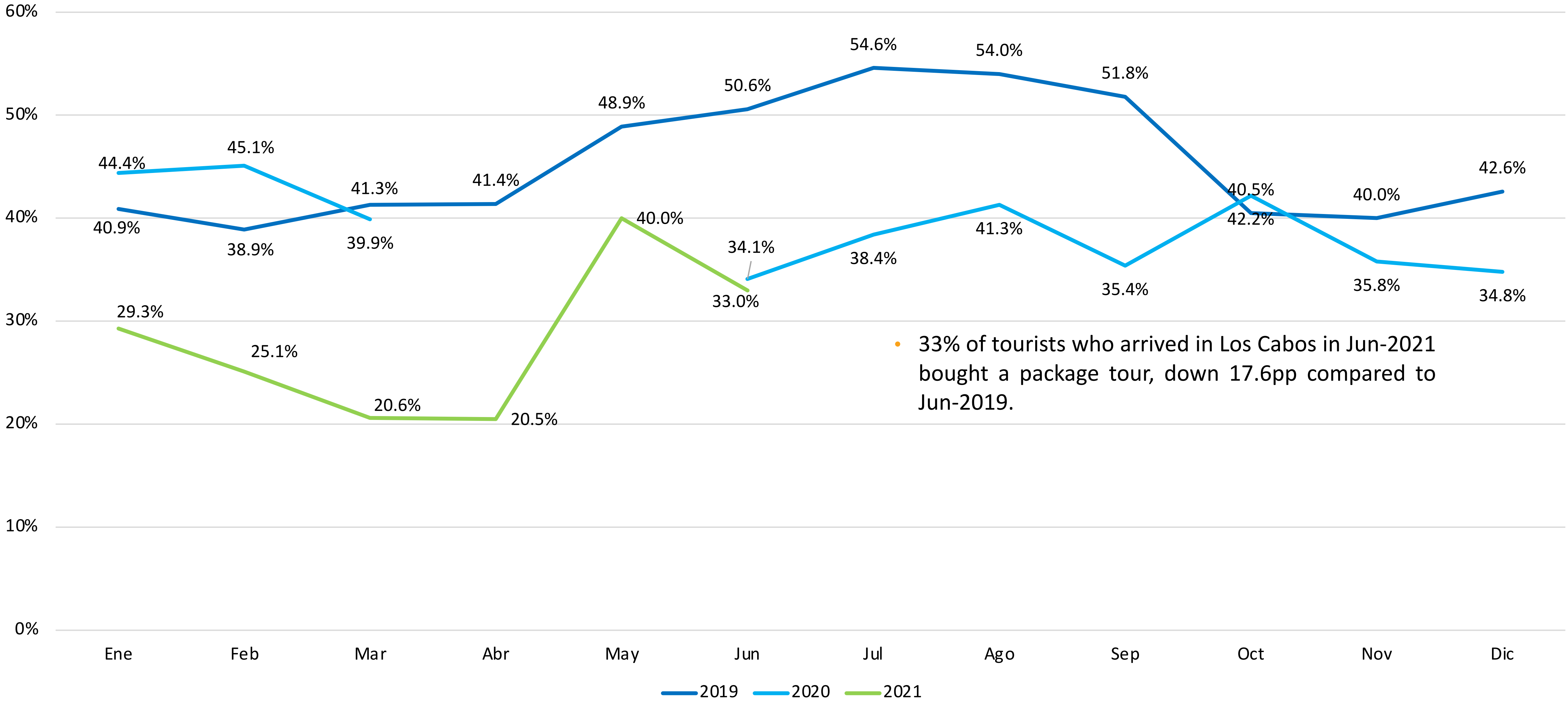
Return rate to the destination



SOURCE: TOURIST SURVEYS

NO INFORMATION WAS COLLECTED DURING APR-MAY-2020 DUE TO THE CONTINGENCY GENERATED BY COVID-19.

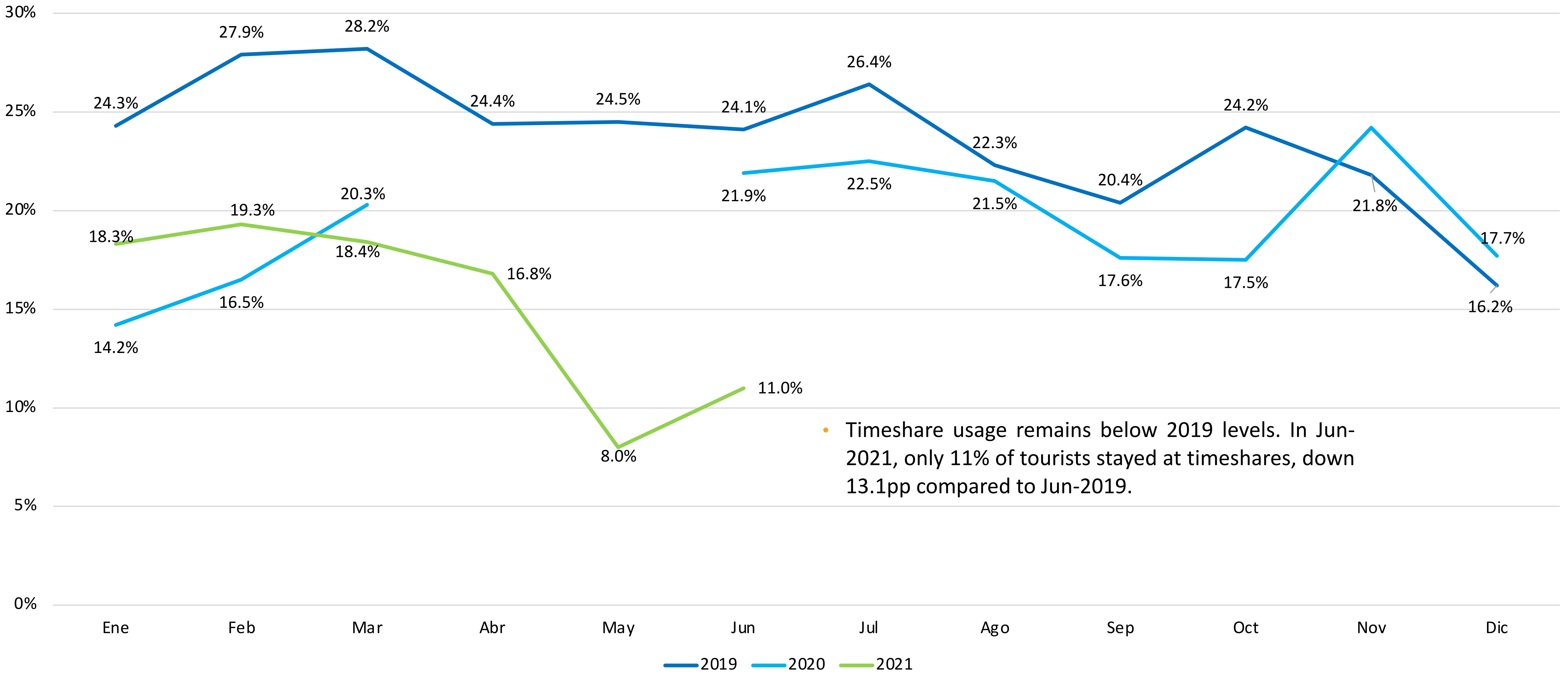
Package tour purchases



- 33% of tourists who arrived in Los Cabos in Jun-2021 bought a package tour, down 17.6pp compared to Jun-2019.

SOURCE: TOURIST SURVEYS
NO INFORMATION WAS COLLECTED DURING APR-MAY-2020 DUE TO THE CONTINGENCY GENERATED BY COVID-19.

Timeshares



- Timeshare usage remains below 2019 levels. In Jun-2021, only 11% of tourists stayed at timeshares, down 13.1pp compared to Jun-2019.

SOURCE: TOURIST SURVEYS
NO INFORMATION WAS COLLECTED DURING APR-MAY-2020 DUE TO THE CONTINGENCY GENERATED BY COVID-19.

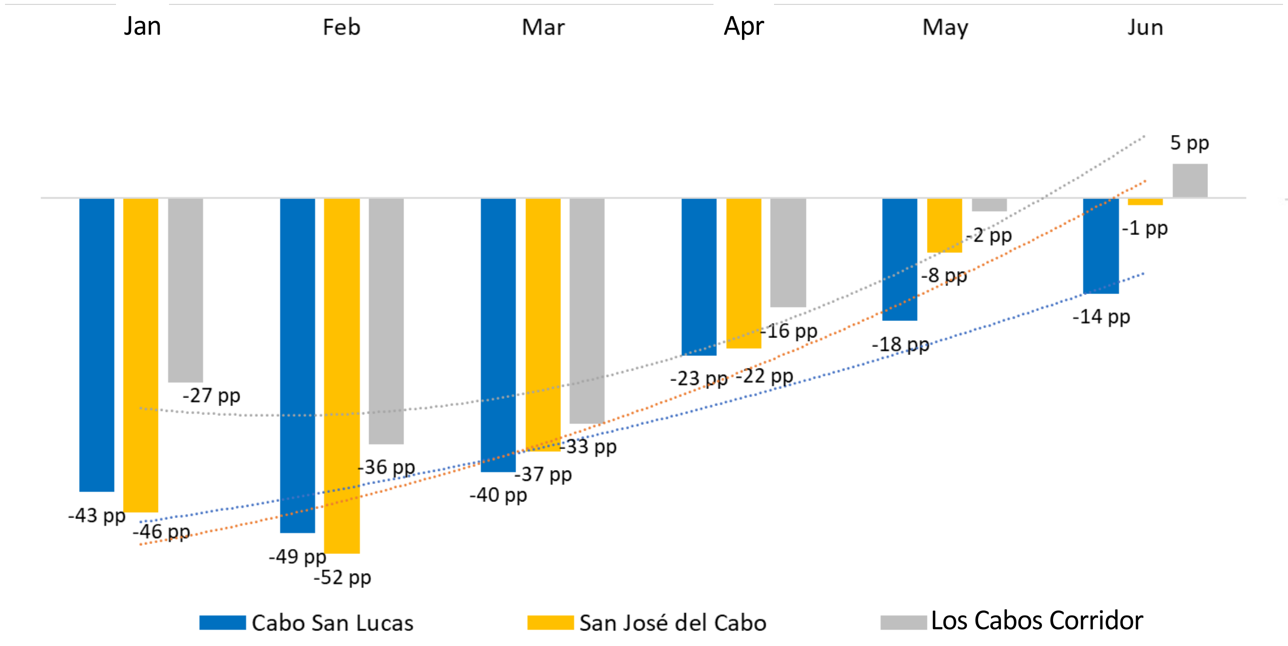
LOS CABOS

LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS

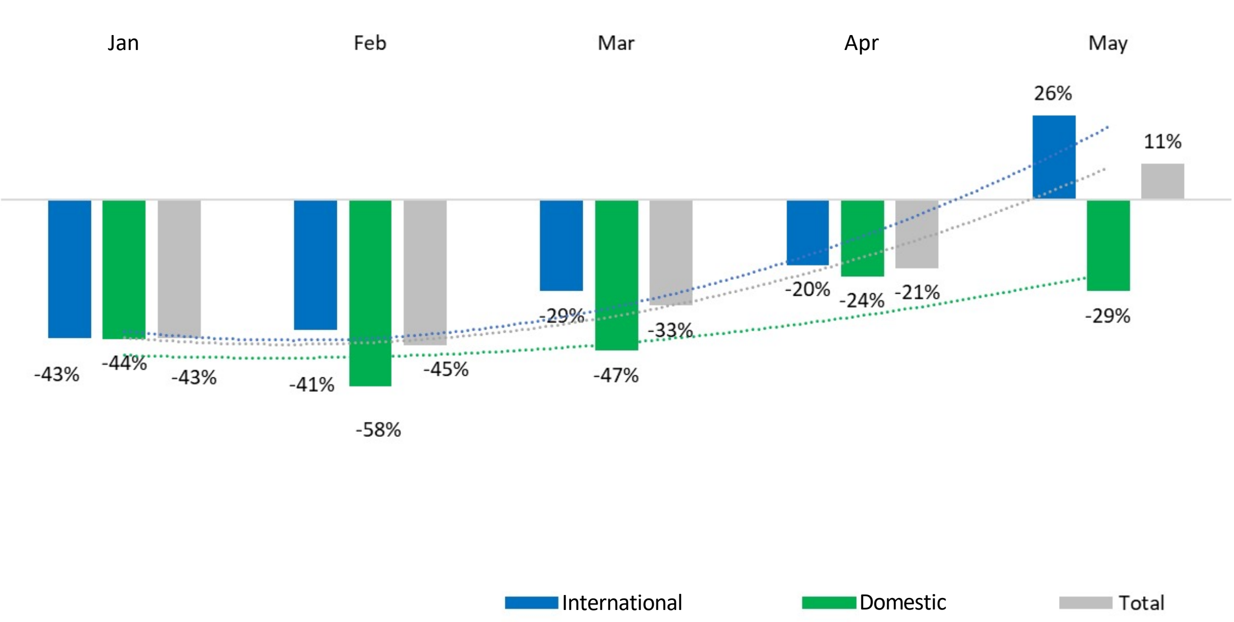
Evolution of the hotel supply in Los Cabos and sub-destinations

Annual variation in hotel occupancy, by destination
(Jan-Jun-2021 vs. 2019)



SOURCE: AHLC

Annual variation of tourist arrivals at hotels, by origin
(Jan-May-2021, vs. 2019)

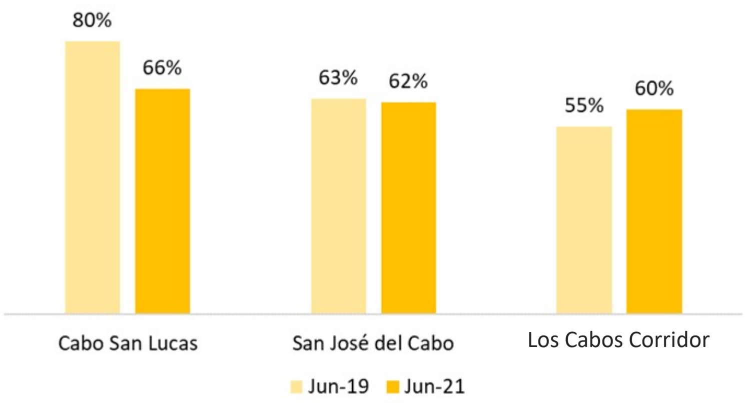


SOURCE: DATATUR

- **The drop in hotel occupancy keeps decreasing as the recovery of the destination strengthens.**
  - **In Cabo San Lucas, the drop went from -18pp in May-2021 (compared to 2019) to -14pp in Jun-2021.**
  - **The recovery in San Jose del Cabo has been greater this month: the drop went from 8pp in May-2021 to 1pp in Jun-2021.**
  - **The Corridor already showed an increase of 5pp when comparing Jun-2021 with the previous year.**

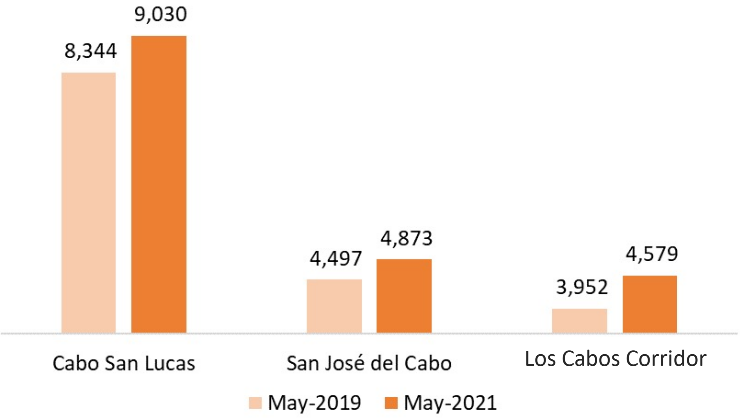
Evolution of the hotel supply in Los Cabos and sub-destinations

Hotel occupancy (May 2019-2021)



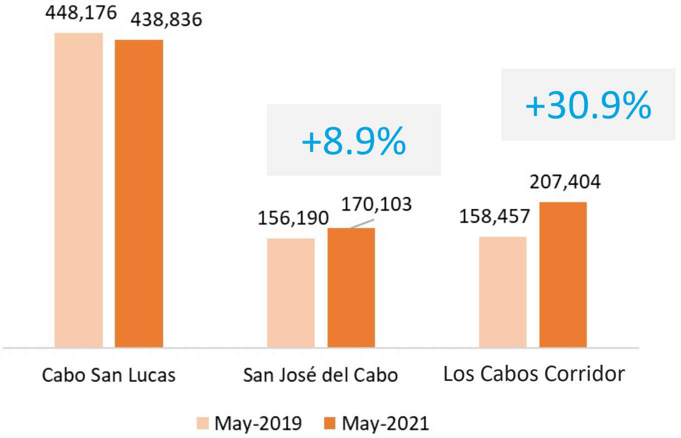
SOURCE: AHLC

Rooms available (May 2020-2021)



SOURCE: DATATUR

Room nights (May 2019-2021)



SOURCE: DATATUR

CABO SAN LUCAS

- **Hotel occupancy was at 66%, which implies a decrease of 14pp (Jun-2021 vs. Jun-2019, AHLC).**
- **Its hotel supply increased 8.2% between May-2019 and May-2021, registering 9,030 (DataTur).**
- **Occupied room nights dropped 2.1% between May-2019 and May-2021 (DataTur).**

SAN JOSE DEL CABO

- **Occupancy dropped 1pp (62%) when comparing Jun-2021 to Jun-2019 (AHLC).**
- **Its hotel supply increased 8.4% between May-2019 and May-2021, registering 4.87 thousand rooms (DataTur).**
- **Occupied room nights increased 8.9% between May-2019 and May-2021 (DataTur).**

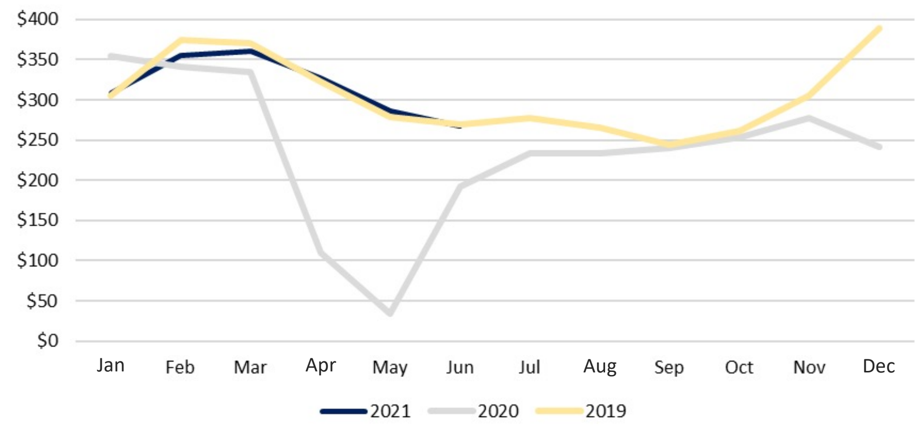
LOS CABOS CORRIDOR

- **Occupancy was at 60% in Jun-2021, which implies an increase of 5pp (AHLC).**
- **Its hotel supply increased 15.9% between May-2019 and May-2021, registering 4.6 thousand rooms (DataTur).**
- **Occupied room nights increased 30.9% between May-2019 and May-2021 (DataTur).**

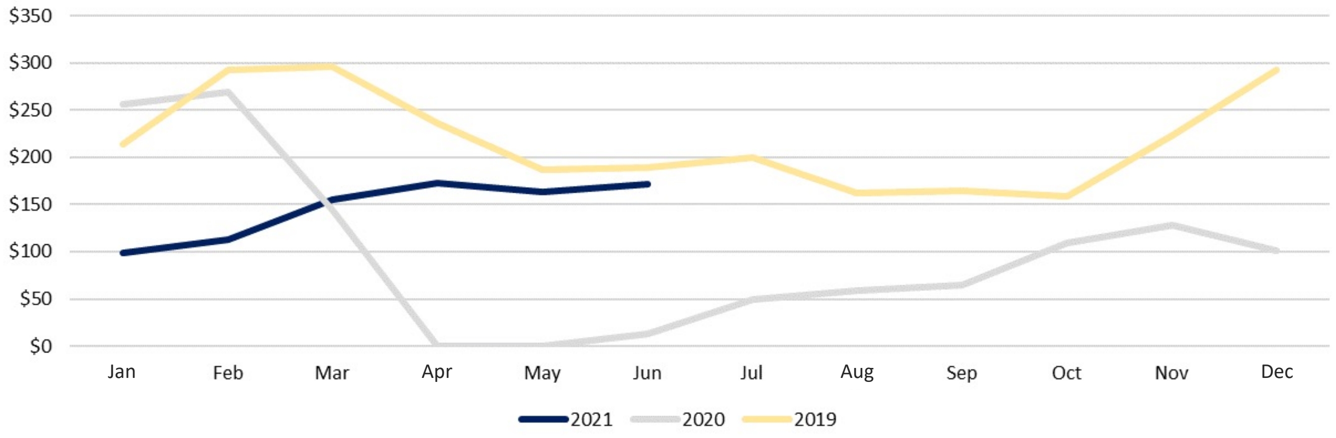
Evolution of the RevPAR and the average hotel rate in Los Cabos & sub-destinations

- **The average hotel rate in Los Cabos for Jun-2021 was USD 268, 14 dollars above the last 12-month average and 2 dollars below that of Jun-2019.**
  - **The average hotel rate in Cabo San Lucas increased by 4.5% (USD 11) to USD 252.**
  - **San Jose del Cabo increased its rate by 38.6% (USD 86) and now stands at USD 309.**
  - **Compared to 2019, the rate in Los Cabos Corridor had the most significant increase with 45.4% (USD 167) and recorded USD 503.**
- **The RevPAR in Jun-2021 was USD 172, 17 dollars (-9%) below the one recorded in Jun-2019.**

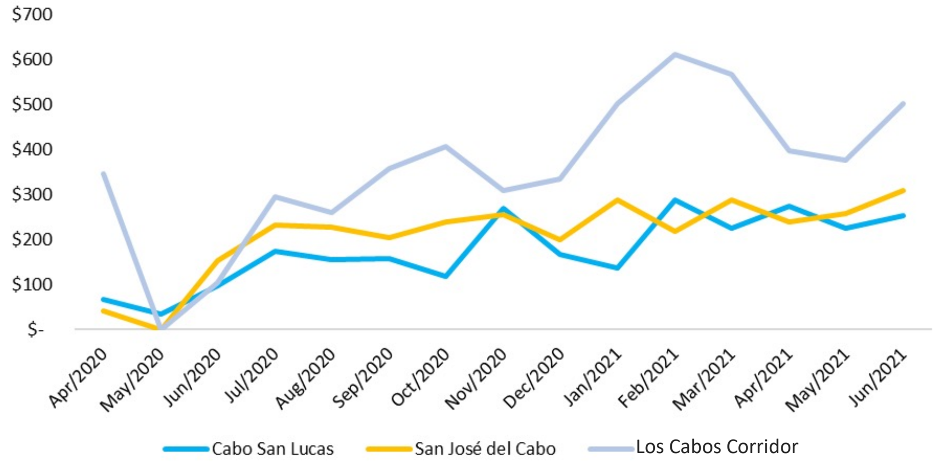
Average Hotel Rate, Los Cabos (USD, 2019-2021)



RevPAR Los Cabos (USD, 2019-2021)



Average Hotel Rate, Sub-destinations (USD, monthly, last 12 months)



SOURCE: AHLC

SOURCE: OAG

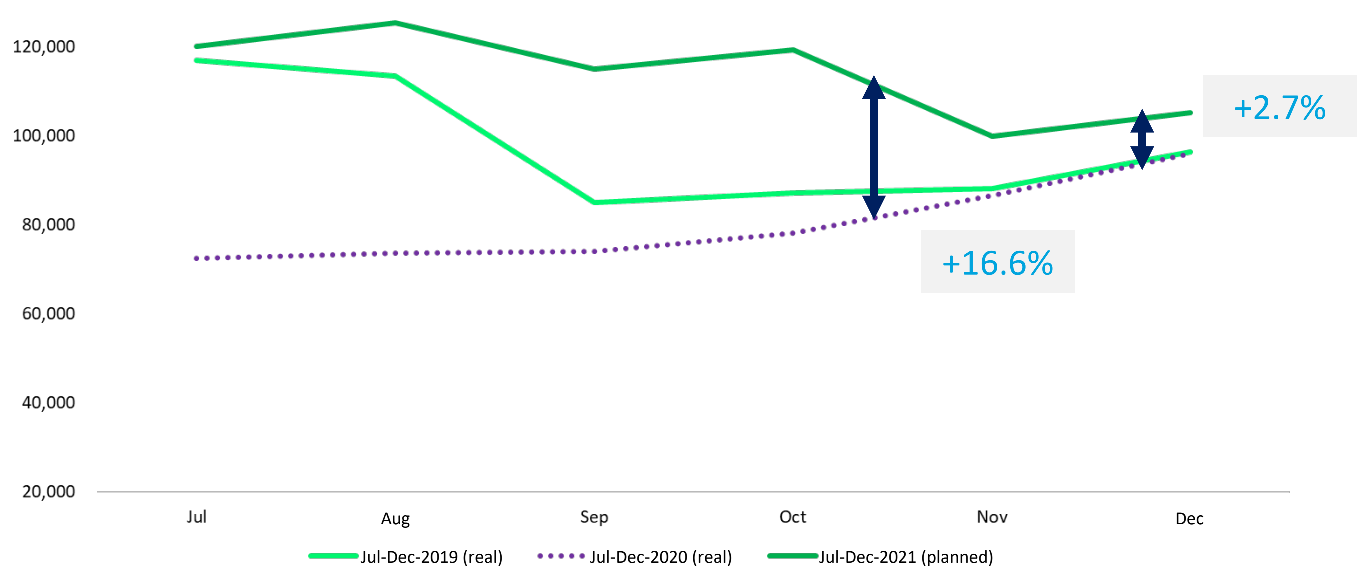
Domestic air connectivity

SEATS SCHEDULED FROM JUL-2021 TO DEC-2021

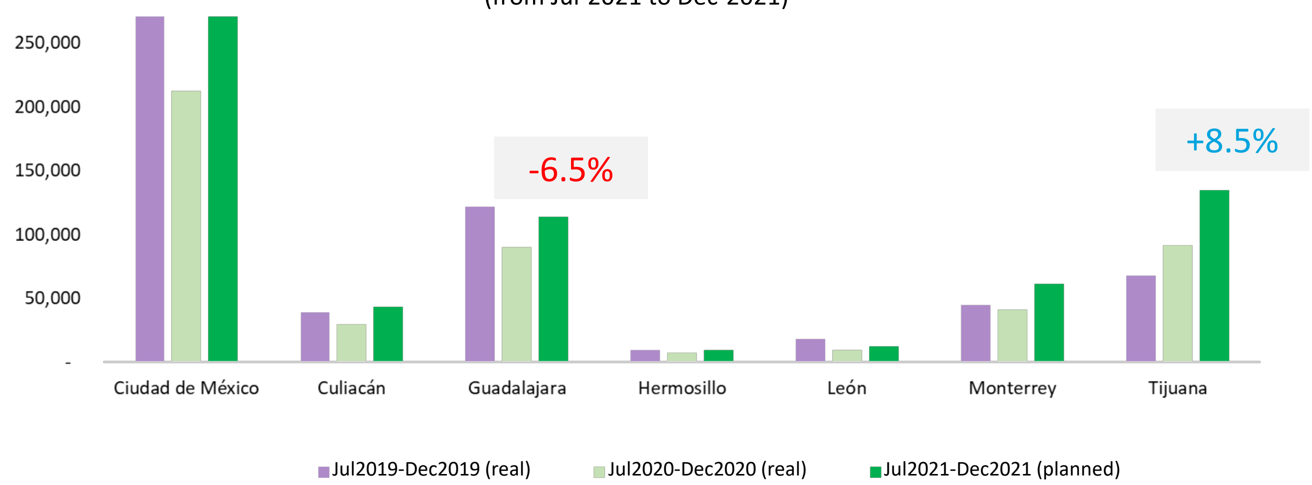
Seat offer report for the month in question and the following 6 months, as the case may be

- **There are 685.2 thousand seats scheduled for the next 6 months (from Jul-2021 to Dec-2021), 16.6% more compared to the same period in 2019.**
  - **However, when comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is 42.3% higher.**
  - **There are 2.66% more available seats expected for Jul-2021 than those scheduled for Jul-2019.**
- **Mexico City, GDL, and Tijuana are the most relevant issuing markets, having 45%, 17%, and 20% of total available seats (for the next 6 months), followed by Monterrey (9%), Culiacan (6%), Leon (2%), and Hermosillo (1%).**
  - **Seats from CDMX, MTY, and TIJ increased 9.4%, 37.3%, and 98%, respectively (when compared against 2019). However, GDL decreased by 6.5%. Consequently, TIJ's market share grew 8pp during these 6 months, and GDL's dropped 4pp.**
- **Between Jul-2021 and Dec-2021, 49% of the available seats will be provided by Volaris, followed by Viva Aerobus with 35% and Aeromexico with 17%. Interjet has dropped to 0%.**
  - **It's worth noting that this corresponds to the information provided on the OAG portal, and, given the flight suspensions announced by the airline and the sales restrictions implemented by IATA, this number would likely change.**
- **Load factors of domestic airlines for Apr-2021 were: Aeromexico (71%), Viva Aerobus (80%), and Volaris (75%).**

Seat scheduling for flying to San Jose del Cabo (from Jul-2021 to Dec-2021)



Seats scheduled by origin
(from Jul-2021 to Dec-2021)

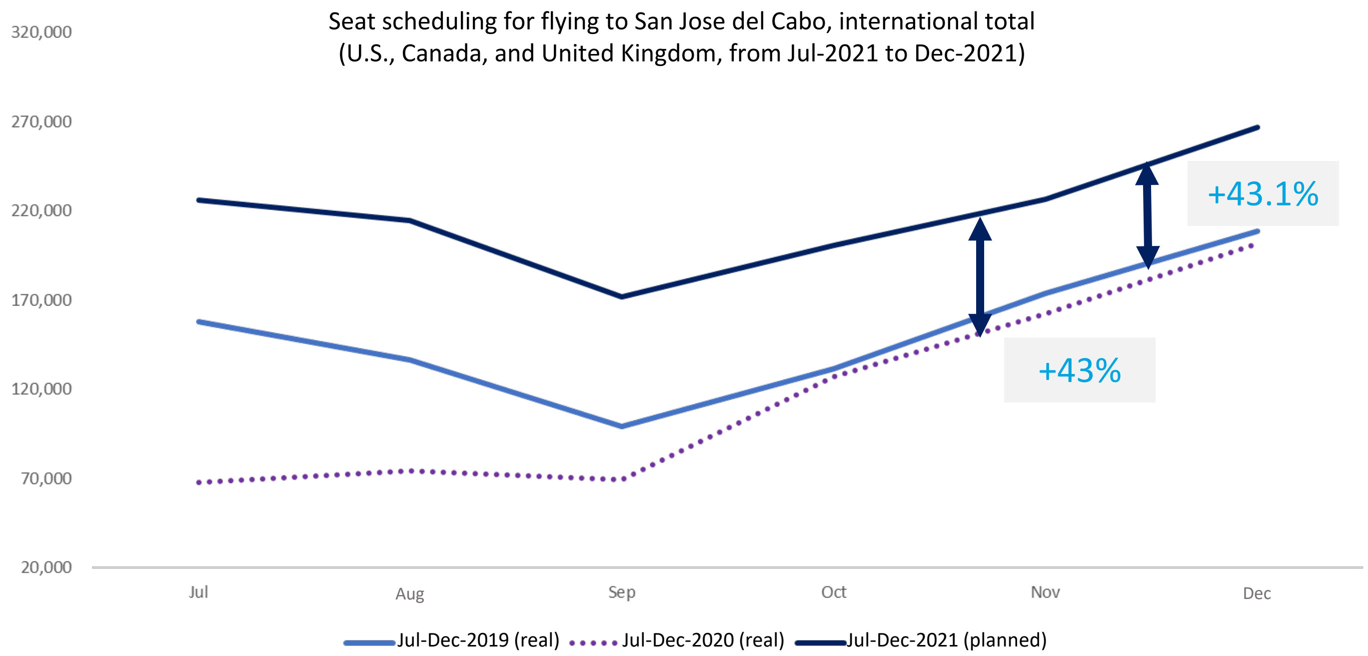


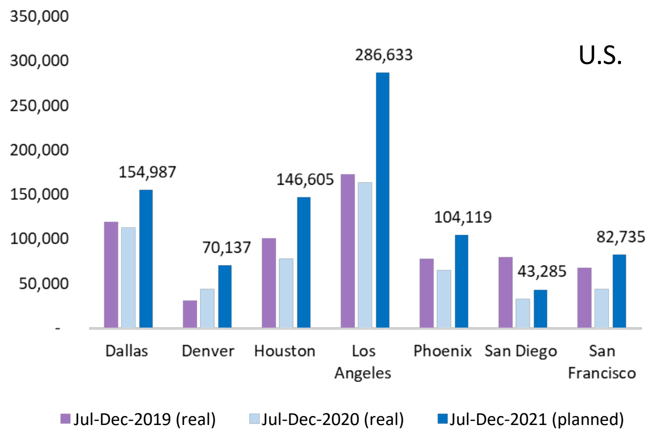
International air connectivity

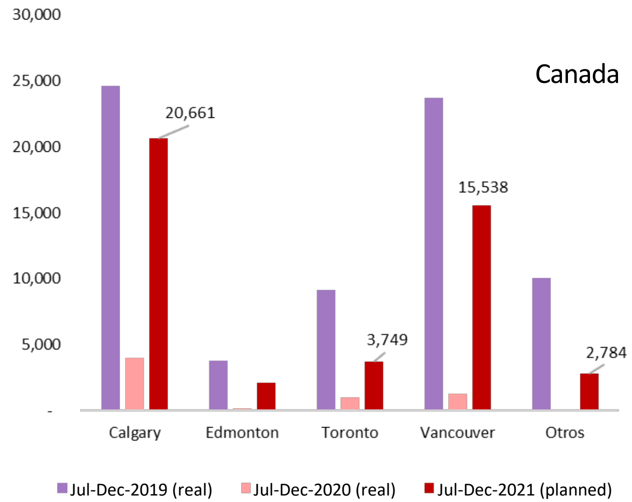
SOURCE: OAG

SEATS SCHEDULED FROM JUL-2021 TO DEC-2021
Seat offer report for the month in question and the following 6 months, as the case may be

- **For the U.S., there are 1.24 million seats scheduled for the next 6 months, which is 50.2% more seats compared to the same period in 2019.**
  - **However, when comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is 81.2% higher.**
  - **CHI (+72%), LAX (+66%), PHX (+33%), HOU (+45%), DFW (+30%), DEN (+125%), and SEA (+264%) have the most significant increase in service vs. 2019. However, a decrease of 45% is observed in San Diego.**
  - **Los Angeles is the main issuing market in the U.S. (23% of the market), followed by DFW (12%), Houston (11%), and Phoenix (8%).**
  - **American, Alaska, Southwest, and United Airlines are the most relevant (78% as a whole).**
  - **For Jul-2021, the United States expects 46.9% more available seats than those scheduled for 2019.**
- **For Canada, there are 44.8 thousand seats scheduled for the next 6 months, which is 37.2% fewer seats compared to the same period in 2019.**
  - **When comparing the seats scheduled for the next 6 months against the 2020 schedule (pandemic), the volume of programmed seats is 590% higher.**
  - **There are 83.6% fewer available seats expected for Jul-2021 than those scheduled for Jul-2019.**
  - **All airports show a decrease in service within the next 6 months: Calgary (-16.1%), Vancouver (-34.6%), Toronto (-59.2%), and Edmonton (-44.6%).**
  - **During this period, Swoop will reduce the number of seats by 100%. Air Canada, Sunwing, and WestJet will do so by 30.7%, 83.3%, and 10.4%, respectively (compared to the number of seats scheduled for 2019).**
- **Load factors of international airlines for Apr-2021 were: American (60%), Alaska (65%), Delta (54%), United (65%), and Southwest (56%).**







LOS CABOS TOURISM OBSERVATORY

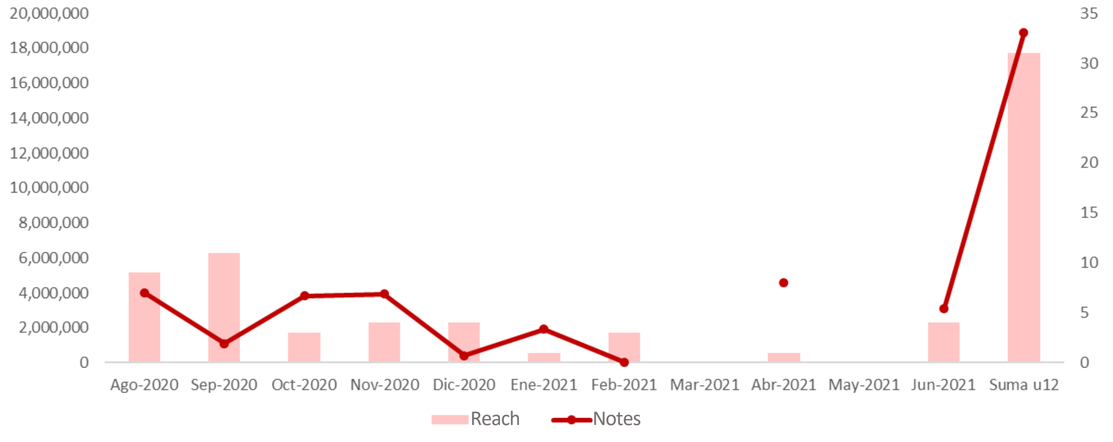
PUBLIC RELATIONS

Public relations: notes and scope

- **In the domestic market:**
  - **During Jun-2021, 29 placements were introduced, accounting for 3.26 million impressions. An average of 45 placements has been published monthly since the pandemic started in April 2020, with a monthly reach of 3.6 million.**

- **In the international market:**
  - **In Jun-2021, 8 placements and 2.47 million impressions were achieved in the United States. An average of 24 placements has been published monthly since the pandemic started, with a monthly reach of 825 thousand.**
  - **31 notes were delivered to the Canadian market throughout Jun-2021, achieving 18.9 million impressions. An average of 6 placements has been published monthly since April, with a monthly reach of 4.8 million.**

NOTES MADE FOR THE CANADIAN MARKET – TOTAL & REACH

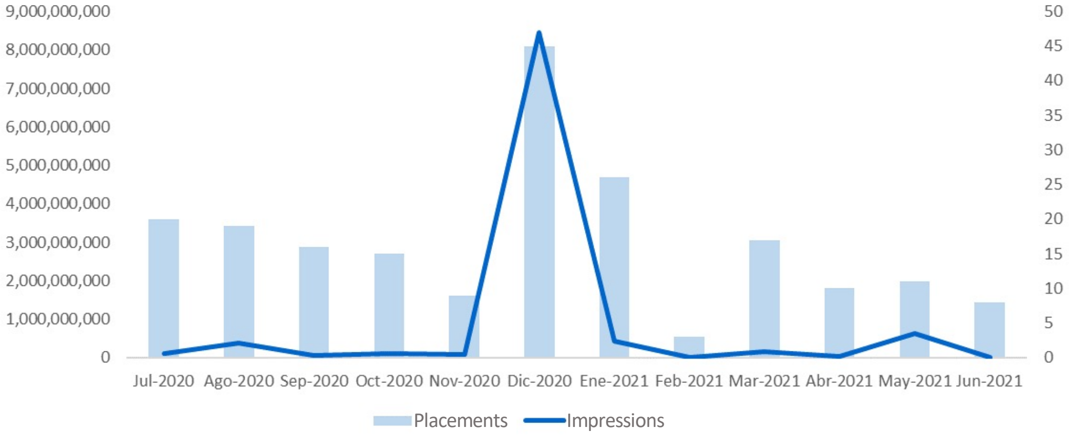


SOURCE: JESSON+CO

NOTES MADE FOR THE DOMESTIC MARKET – TOTAL & REACH

SOURCE: GAUDELLI (Feb-2018 to Jan-2019), LLORENTE & CUENCA (Feb-2019 to Jun-2021)

NOTES MADE FOR THE U.S. MARKET – TOTAL & REACH



SOURCE: NJF (Feb-2018 to Jan-2019), OGILVY (Feb-2019 to Jun-2021)

LOS CABOS

LOS CABOS TOURISM OBSERVATORY

DEFINITIONS

Definitions

- **Congress.** Non-business-oriented meetings in which people gather in large groups, generally to discuss and exchange points of view on a topic of interest (including professional, cultural, sports, theological, social, governmental, academic, and more). These meetings often last several days and have simultaneous sessions, as well as a predefined multiannual or annual periodicity.
- **Convention.** Trade or business meetings usually sponsored by a corporation, where participants represent the company, corporate group, or customer-supplier relationships. Their participation could be mandatory, so travel expenses are borne by the corporation. This category includes general and formal legislative, social or economic meetings, to provide information, deliberate, establish consensus or deal with participants' policies, as well as address a market's, product's or brand's commercial issues. It may include a secondary presentation element.
- **Available rooms.** The number of rooms in service. It doesn't account for out of service rooms due to repair or some other cause.
- **Tourist destination.** The main target of a tourist's trip. The visiting place is fundamental for the decision-making process to plan a trip. The main reason for the trip.
- **Seasonality.** It means that tourist flows tend to be distinct across different seasons (around certain times of the year), repeating this process annually.
- **Length of stay.** It results from dividing the total number of room nights by the number of bookings per month. The obtained result expresses the number of days a tourist stays.
- **Events or incentive trips.** Incentive travel is a new strategy that recognizes people who have reached or exceeded goals generally related to sales or productivity. It is addressed to participants who have better job performance, gifting them with a remarkable travel experience.
- **Room nights.** Obtained from the daily number of rooms occupied by tourists, times their length of stay (number of nights that they spend in the establishment). Classified according to the place of origin, and residency or non-residency status.
- **Inflation.** General and continuous rise in the prices of goods and services marketed in an economy. It is the average growth rate of the goods and services' prices between one period and the next.
- **Underlying inflation.** The prices' increase in a subset of the INPC (National Consumer Price Index), which includes generics with less volatile prices. It measures the inflation trend in the medium term. The 283 generic concepts that make up the goods and services basket of the INPC are classified into subsets that respond to particular needs of analysis. Among the most well-known classification, there is the object of expenditure, which refers to the origin of goods and services' sector; and the durability of goods and the underlying inflation.
- **Passenger arrivals.** Passengers carried on scheduled services by airlines.
- **Tourist arrivals.** Corresponds to the number of tourists that visited the establishment throughout the month.

Definitions

- **Visitor's nationality.** Granted by the country that issues the passport or other identity documents, even when residing in another country.
- **Non-resident.** The person whose habitual environment is outside the Mexican territory and visits the latter for less than 12 months for any reason (including business, vacation, and more), excluding those who get paid for working in activities at the visiting place.
- **Hotel occupancy.** The accommodation occupancy rate is a supply-based concept. It is an important indicator that provides information on the use of different accommodation types and, if the data is obtained monthly, it also indicates the seasonal pattern use of tourist accommodations.
- **RevPAR.** RevPAR is the most important metric used in the hotel industry to assess the financial performance of an establishment or a chain (it assesses a property's ability to fill its available rooms at an average rate). RevPAR is short for Revenue Per Available Room (income per available room). It refers to a specific period (weekly, monthly, annual, etc.). One way to calculate RevPAR is through the formula: RevPAR = It/ΣHt, where It equals the total room revenue and ΣHt equals the number of rooms available during a period (the multiplication of total establishment's rooms by the room nights in that period, minus the number of rooms that are not available).
- **Resident.** Individual who lives permanently or on a long-term basis in the territory of the United Mexican States.
- **Residence.** The place/country where the traveler has stayed most of the past year (12 months), or has stayed for a shorter period and plans to return within 12 months to live in that country.
- **Average daily rate.** Commonly known as ADR. It is a statistical unit that represents the average rental income per paid occupied room in a given period. Along with the occupation of the property, both are the basis of the property's financial performance. ADR is calculated dividing room revenue by the number of rooms sold. Houseguest rooms (also known as "house use") and free rooms (known as "complementary rooms") should be excluded from the denominator.
- **Tourist.** Any individual who travels outside their usual environment for less than 12 months for any reason, except those who engage in activities that will generate income at the travel destination: refugees or migrant workers, diplomats, seasonal workers, or travel employees.
- **Visitor.** Any individual who travels outside their usual environment for less than 12 months for leisure, business, religious, medical, or other reasons. Exceptions include people who engage in activities that will generate income at the travel destination: refugees or migrant workers, diplomats, seasonal workers, tourism employees, or people looking for a new residence or job.

LOS CABOS TOURISM OBSERVATORY

Developed by STA Consultants S.C.
www.staconsultores.com | info@staconsultores.com