

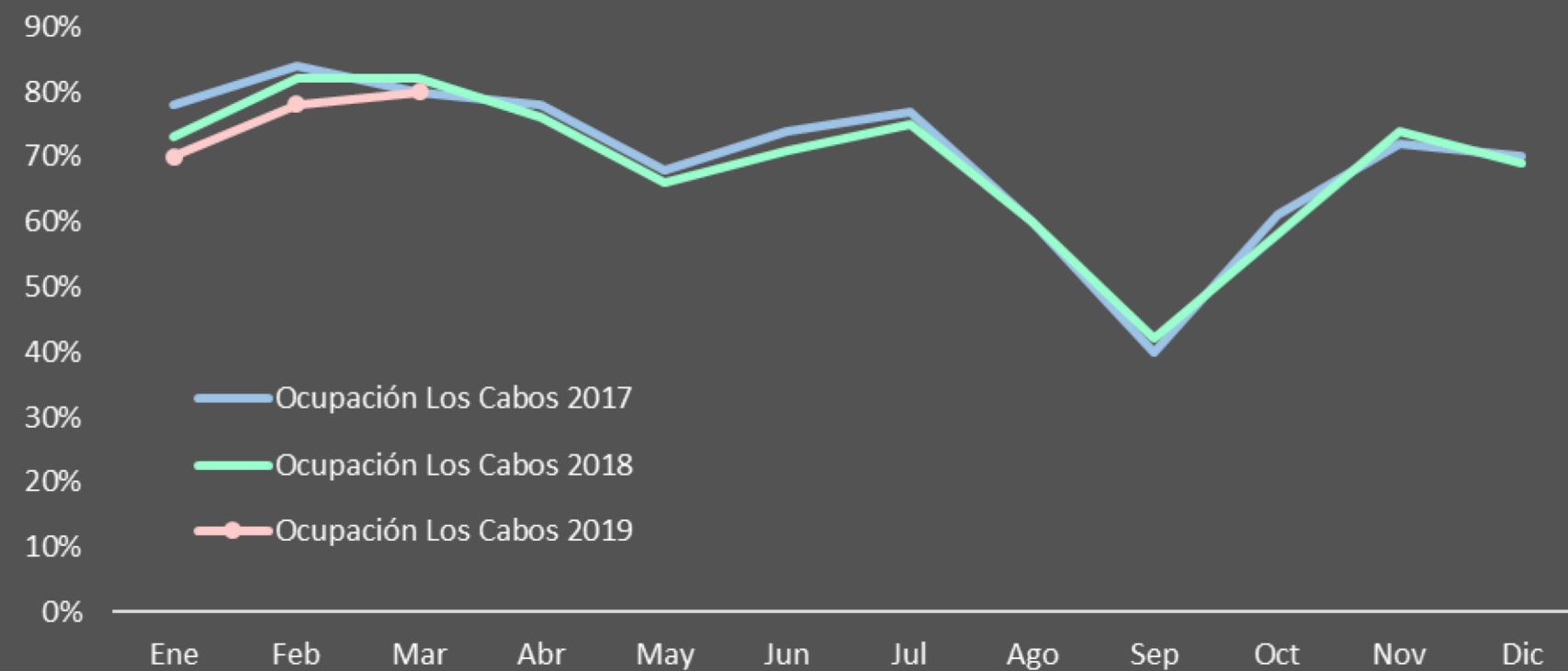
# TOURISM OBSERVATORY IN LOS CABOS

May 2019



# Main indicators - Summary

## Hotel activity



Source: ASSOCIATION OF HOTELS OF LOS CABOS

Available Rooms  
(Mar-2019):

**16.557**

**-1.2%**

(Vs Mar-2018)

Source: DATATUR

Occupancy  
(Mar-2019):

**80%**

**-2pp**

(Vs Mar-2018)

Source: ASOC. Los  
Cabos Hotels

Rooms Per Night  
(Mar-2019):

**1,011,046**

**+5.5%**

(Vs Mar-2018)

Source: DATATUR

## Arrival of passengers by air

Total passengers  
(Apr-2019, in thousands):

**253.9**

**+7.5%**

(Vs Apr-2018)

Domestic Passengers  
(Apr-2019, in thousands):

**81**

**+17.8%**

(Vs Apr-2018)

International passengers  
(Apr-2019, in thousands):

**172.9**

**+3.3%**

(Vs Apr-2018)

Source: GAP

Total of Group Business  
RFPs (Sea-2019):

**31**

**+17 RFPs**

(Vs Mar-2018)

Surveys from Tourists  
Tourist Satisfaction (more  
than expected, Mar-2019):

**34.8%**

**-0.9pp**

(Vs Mar-2018)

Passengers on a cruise  
ship  
(Mar-2019):

**63.925**

**+37.5%**

(Vs Mar-2018)

Participants in congresses  
and conventions (Sea-  
2019):

**1.4% of the total**

**+0.9pp**

(Vs Mar-2018)

Source: Tourists

Origin of Tourists  
(Mar-2019):

**71.2% Foreigners**

**+2.2Pp**

(Vs Mar-2018)

Source: Tourists

Cruise ships  
(Mar-2019):

**24**

**+50%**

(Vs Mar-2018)

Source: DATATUR





# TOURISM OBSERVATORY IN LOS CABOS

DEMAND INDICATORS  
PASSENGERS AND TOURISTS

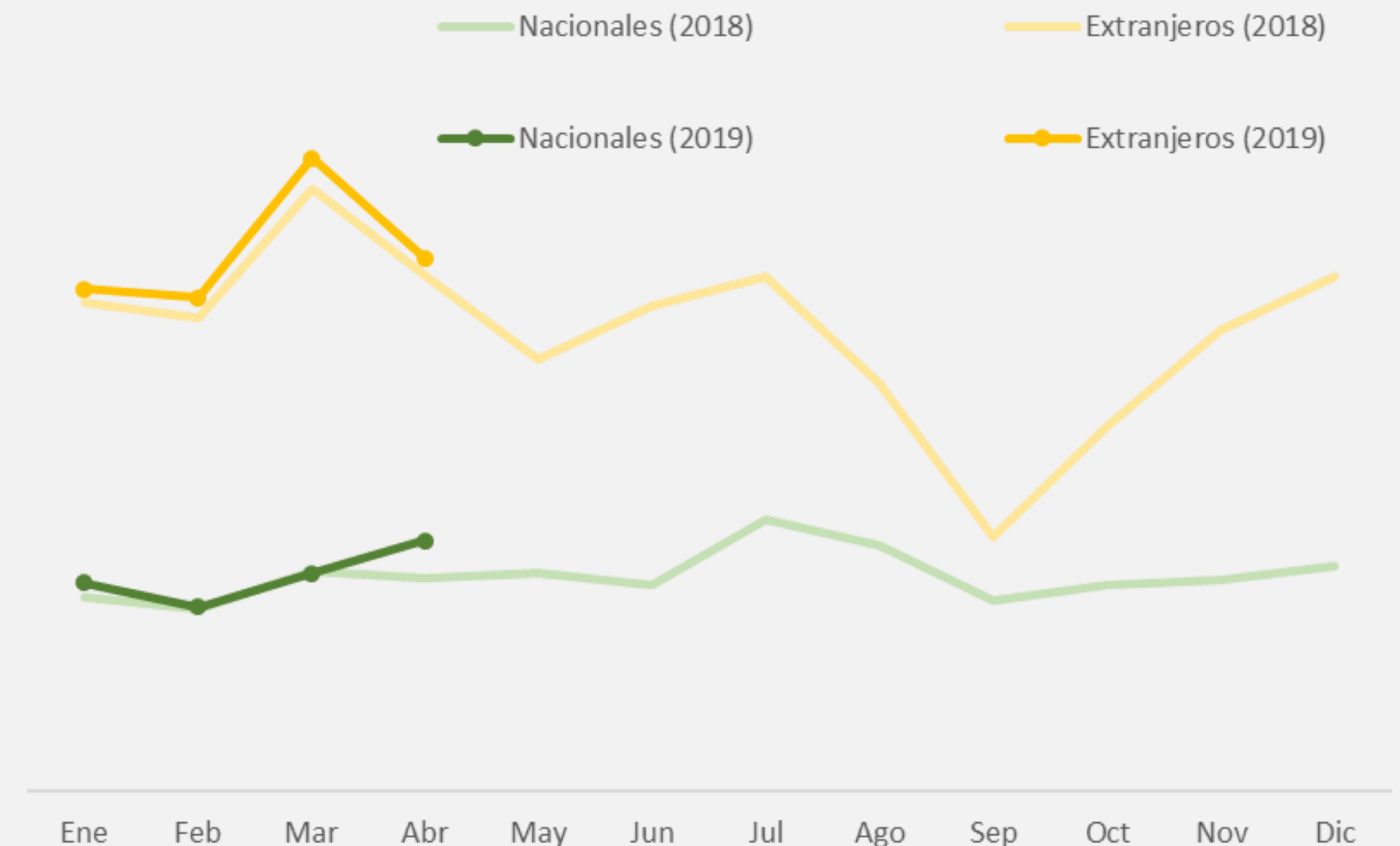


# Arrival of passengers to the Los Cabos airport, 2018-2019

- Apr-2019 recorded the arrival of 253.9 thousand passengers to the airport of Los Cabos, which means an increase of 7.5% compared to the same period in 2018.
  - Passengers on domestic flights (81 thousand) represent 32% of total arrivals and had an increase of 17.8% regarding Apr-2018.
    - The increase in the participation of domestic passengers in April is explainable by Spring Break (Semana Santa) week and the fact that last year it fell in the month of March.
    - Also, Apr-2019 recorded the opening of new domestic routes: Guadalajara-Los Mochis (TAR) and Los Mochis-Monterrey (VivaAerobus).
  - Passengers on international flights (172.9 thousand) represent 68% and had an increase of 3.3%.
- The occupancy factor had an increase of 1.1pp to move from 82.9% in Apr-2018 to 84.0% in Apr-2019.

Source: GAP

Passenger Arrival to the airport of San Jose del Cabo, Monthly (2018-2019)



Source: GAP



# Arrival of foreign tourists by air

## By origin (residence), 2018-2019

Regiones	Mar-2018	Apr-2018	May-2018	Jun-2018	Jul-2018	Aug-2018	Sep-2018	Oct-2018	Nov-2018	Dec-2018	Jan-2019	Feb-2019	Mar-2019	Δ Mar-19 / Mar-18	Δ Ene-Mar-19 / Ene-Mar-18
EE.UU.	171,996	136,162	129,317	148,990	152,331	114,299	72,390	107,692	129,090	147,461	122,358	133,400	173,759	1.0%	1.9%
Canadá	21,042	13,231	5,399	3,391	3,568	4,039	3,205	6,887	16,041	21,866	24,304	22,218	24,065	14.4%	13.1%
Europa	774	483	464	360	608	1,138	441	535	713	1,060	841	1,097	921	19.0%	40.4%
Centro y Sudamérica	252	177	206	180	255	177	148	165	144	228	295	168	185	-26.6%	-2.3%
Resto del Mundo	726	758	652	715	840	751	682	668	654	1,303	1,053	699	1,161	59.9%	41.8%
Gran total	194,790	150,811	136,038	153,636	157,602	120,404	76,866	115,947	146,642	171,918	148,851	157,582	200,091	2.7%	3.7%

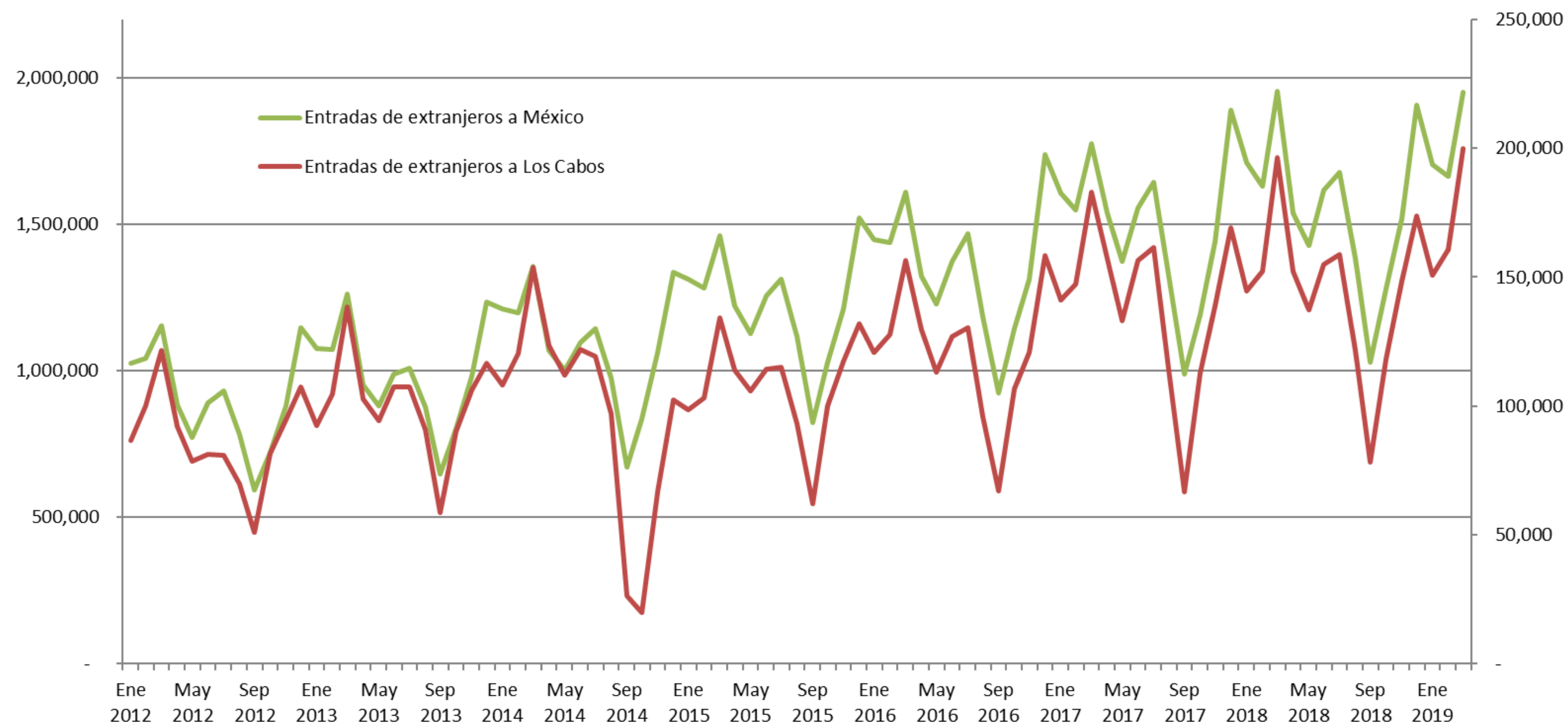
Mercados clave	Mar-2018	Apr-2018	May-2018	Jun-2018	Jul-2018	Aug-2018	Sep-2018	Oct-2018	Nov-2018	Dec-2018	Jan-2019	Feb-2019	Mar-2019	Δ Mar-19 / Mar-18	Δ Ene-Mar-19 / Ene-Mar-18
Reino Unido	242	205	114	91	178	280	118	140	218	326	236	259	272	12.4%	14.8%
España	37	22	29	28	51	107	53	51	36	61	34	38	45	21.6%	44.4%
Australia	220	360	272	282	391	288	269	302	189	461	488	177	274	24.5%	27.9%
Total mercados clave	499	587	415	401	620	675	440	493	443	848	758	474	591	18.4%	22.9%

Source: INM- SIOM



# Monthly evolution of the arrival of foreign tourists by air

## The international airport of SJD and at domestic level, 2012-2019



Source: INM- SIOM

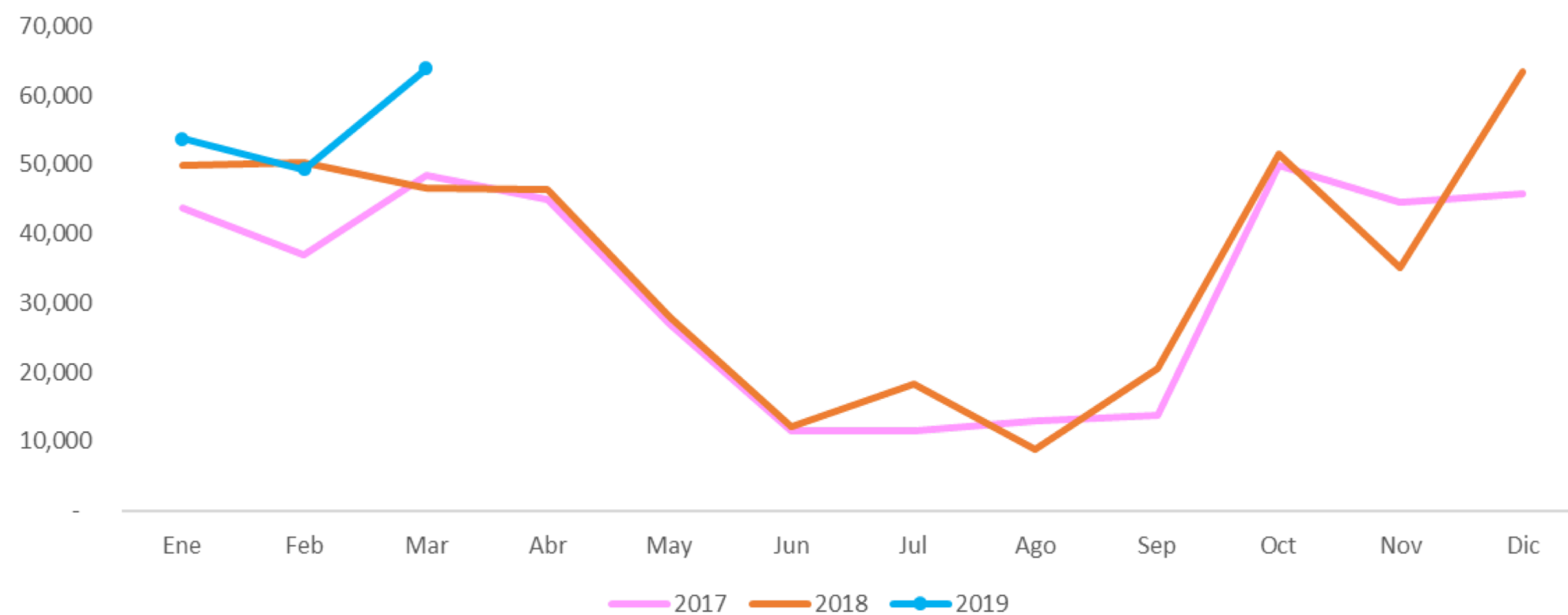
- When comparing Mar-2019 versus Mar-2018, at domestic level there was an increase in the arrival of tourists 1.9% while to Los Cabos the figure is at 2.7%.
- At domestic level, the American market fell 0.9% while the Canadian market grew by 9.2%. Other markets had an important growth, as the Brazilian (26.1%) and French (26.7%).
  - At the airport of Los Cabos, the U.S. market increased 1% and the Canadian 14.4% when comparing Mar-2019 with Mar-2018.
- In the accumulated Jan-Mar confirms the negative trend in the US market (2%), so it is expected a low or no growth at the end of 2019. At the same time, it maintains a growth of the Canadian market (+7.1%) in this current year.



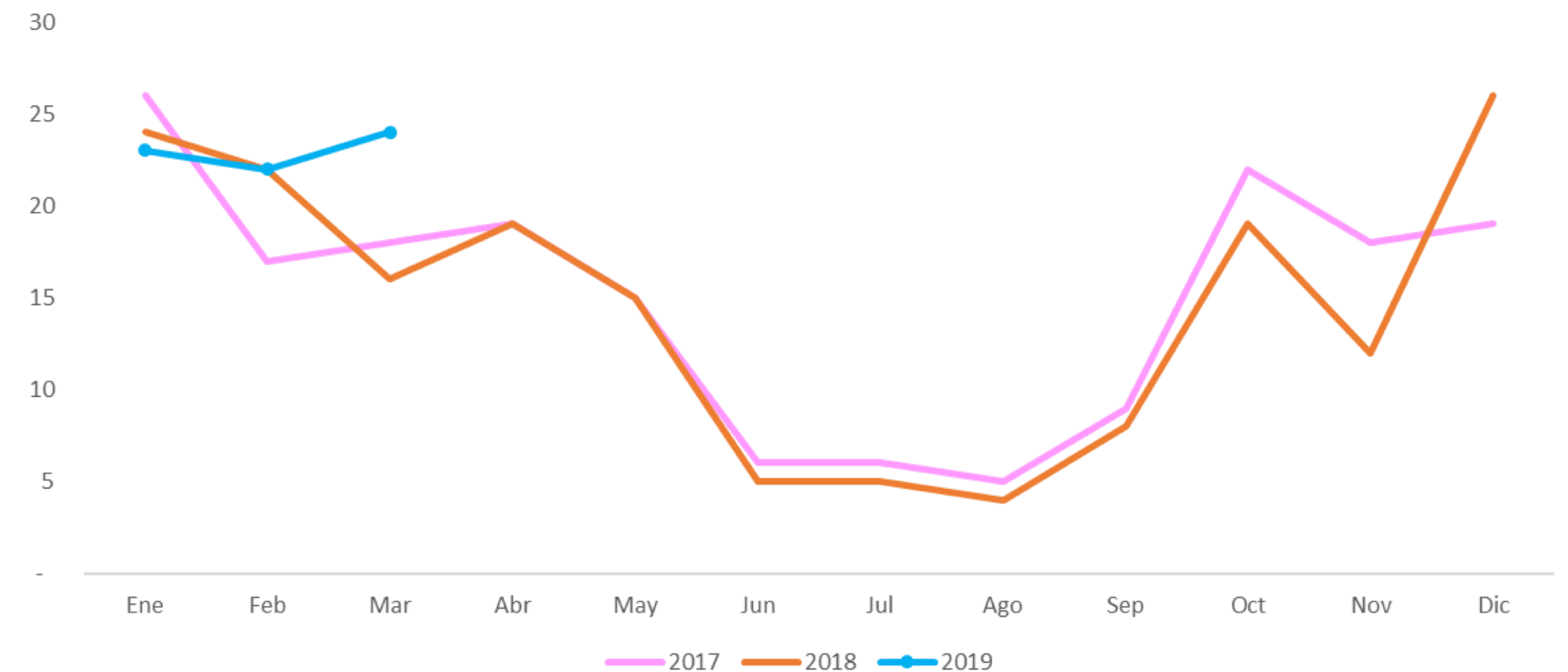
# Arrival of passengers on cruise ships and vessels (2017-2019)

- Mar-2019 recorded the arrival of 63,925 passengers in 24 cruise ships.
  - It represents an increase of 37.5 per cent in the volume of passengers in comparison with Mar-2018.
  - In Mar-2018 there were 24 cruise ships arriving at the port of Cabo San Lucas: 8 vessels (+50%) than in the previous year.
  - Translates into an average of 2,664 passengers per boat.

Pasajeros arribando en crucero al puerto de Cabo San Lucas, mensual (2017-2019)



Embarcaciones de cruceros arribando al puerto de Cabo San Lucas, mensual (2017-2019)

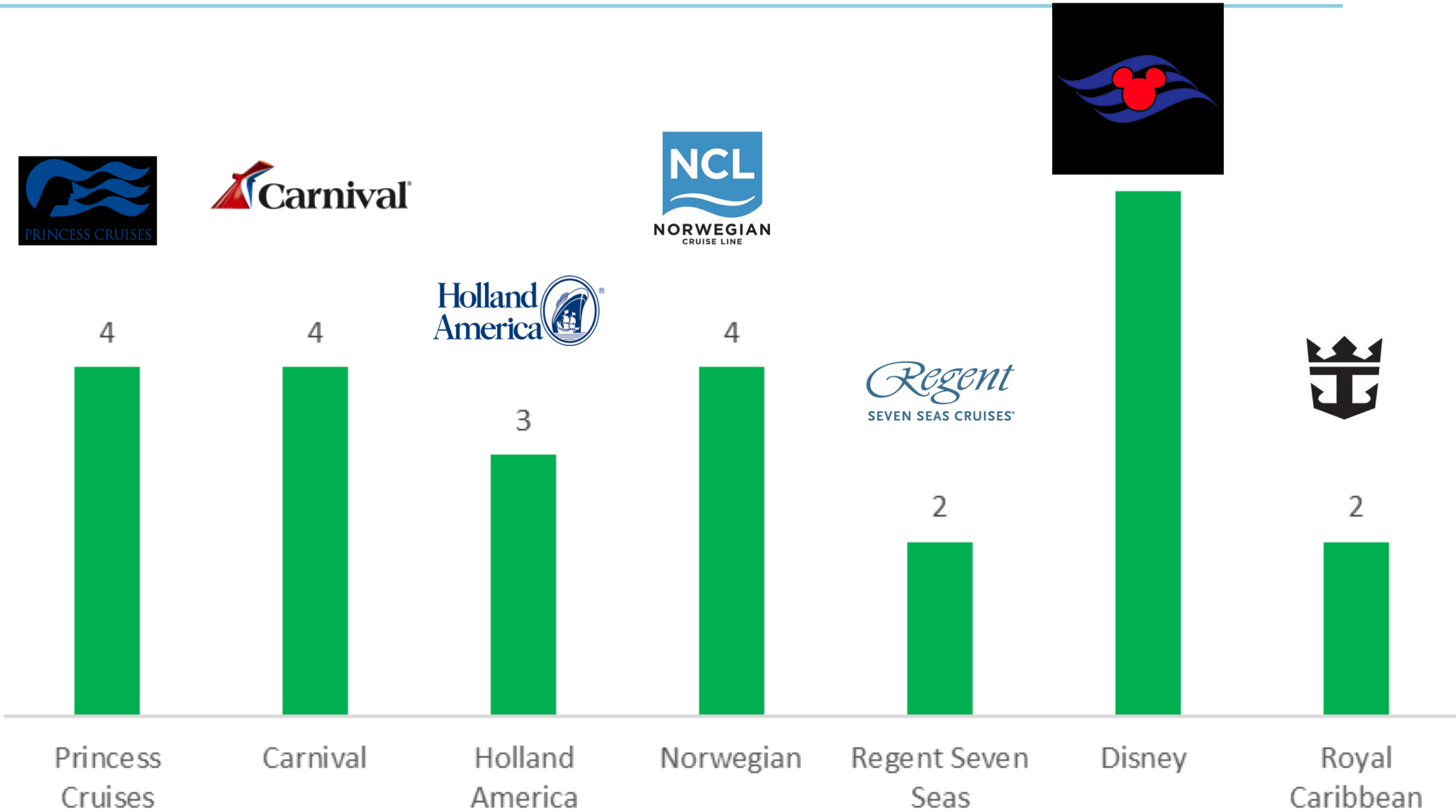


Source: DATATUR - SCT

# Arrival of the vessels to the Port of Cabo San Lucas, Mar-2019

Fecha	Embarcación	Línea Naviera	Capacidad max.
02-Mar-19	Ruby Princess	Princess Cruises	3,080
04-Mar-19	Carnival Splendor	Carnival	3,710
06-Mar-19	ms Veendam	Holland America	1,627
06-Mar-19	Norwegian Star	NCL	2,800
06-Mar-19	Seven Seas Explorer	Regent Seven Seas	750
07-Mar-19	Ruby Princess	Princess Cruises	3,080
08-Mar-19	Disney Wonder	Disney Cruise Line	2,400
10-Mar-19	Jewel Of The Seas	Royal Caribbean	2,501
11-Mar-19	Carnival Splendor	Carnival	3,710
12-Mar-19	Disney Wonder	Disney Cruise Line	2,400
12-Mar-19	Seven Seas Explorer	Regent Seven Seas	750
14-Mar-19	Norwegian Star	NCL	2,800
15-Mar-19	Jewel Of The Seas	Royal Caribbean	2,501
17-Mar-19	Disney Wonder	Disney Cruise Line	2,400
18-Mar-19	Carnival Splendor	Carnival	3,710
19-Mar-19	ms Nieuw Amsterdam	Holland America	2,104
21-Mar-19	Norwegian Star	NCL	2,800
22-Mar-19	Disney Wonder	Disney Cruise Line	2,400
25-Mar-19	Carnival Splendor	Carnival	3,710
25-Mar-19	Royal Princess	Princess Cruises	3,600
26-Mar-19	Disney Wonder	Disney Cruise Line	2,400
26-Mar-19	ms Nieuw Amsterdam	Holland America	2,104
27-Mar-19	Grand Princess	Princess Cruises	3,100
28-Mar-19	Norwegian Star	NCL	2,800
31-Mar-19	Disney Wonder	Disney Cruise Line	2,400

Source: CREW-CENTER.COM



The 24 cruise ships that arrived to the Port of Cabo San Lucas in Mar-2019 were operated by 7 shipping lines, Disney Cruise Line being the most significant this month. Disney Cruise Line had a maximum capacity of 14,400 passengers, equivalent to 22.5% of the total number of cruise passengers arriving at Cabo San Lucas in Mar-2019.

In total, presented a total capacity of 65,637 passengers, which translates into a factor of approximate occupation (see note 8) of 97%.



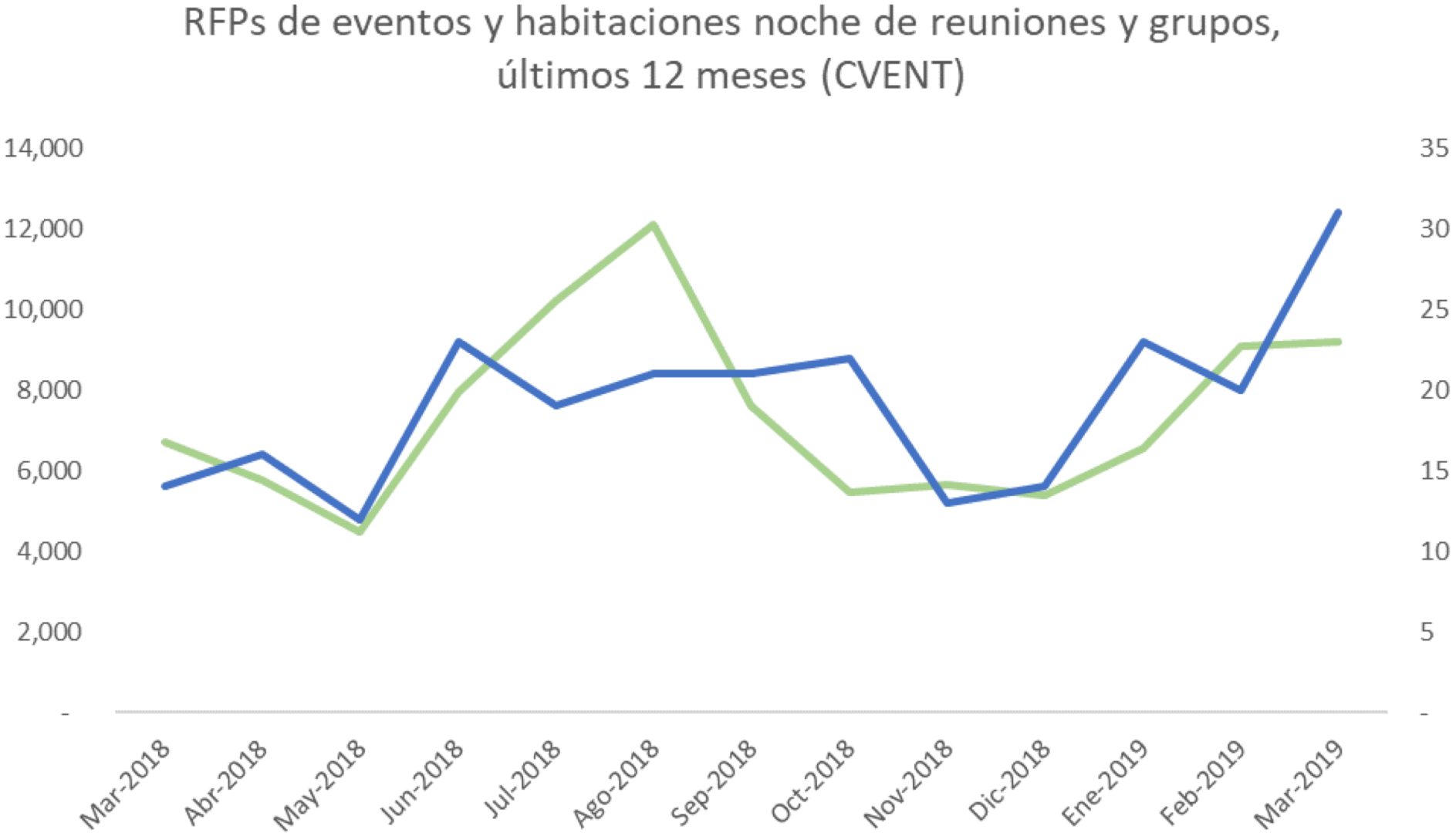


# TOURISM OBSERVATORY IN LOS CABOS

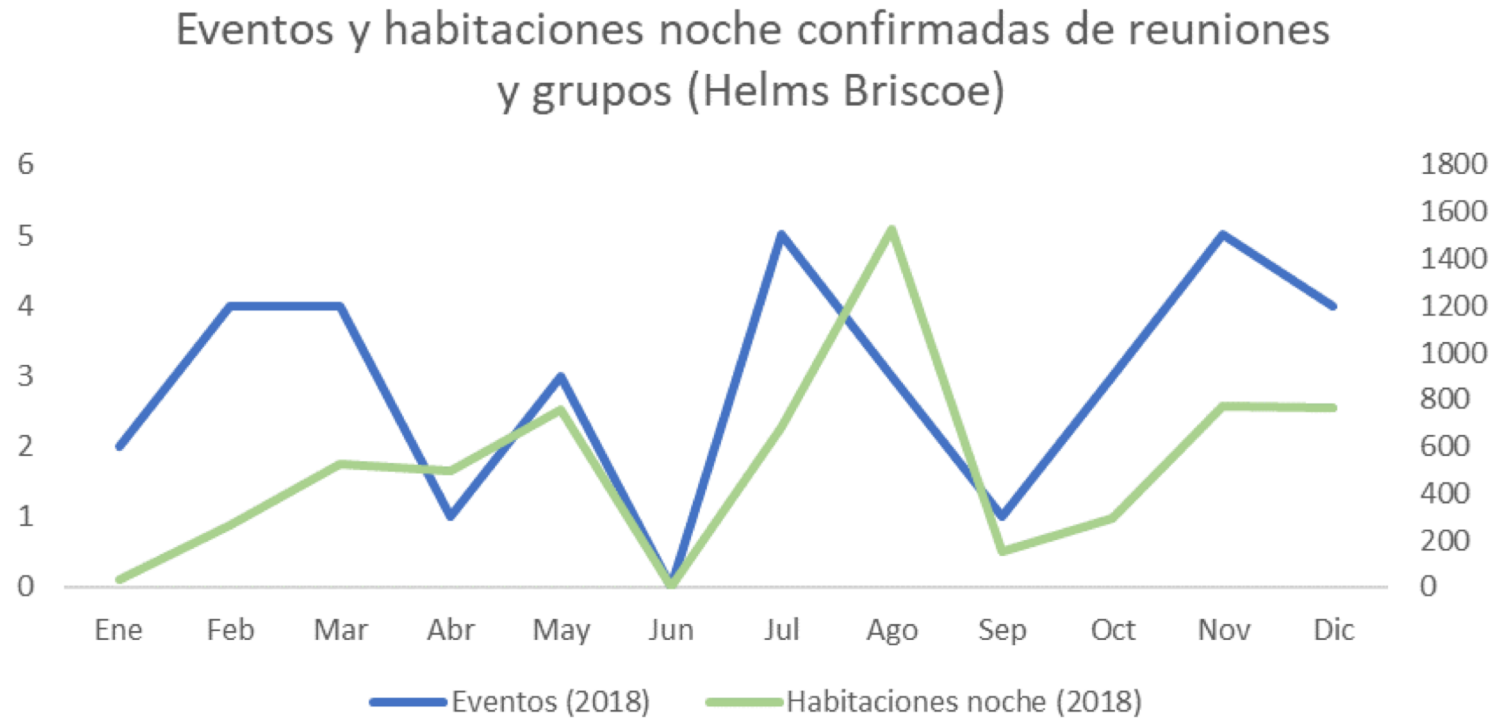
DEMAND INDICATORS  
SURVEYS FROM TOURISTS AND BUSINESS  
GROUP



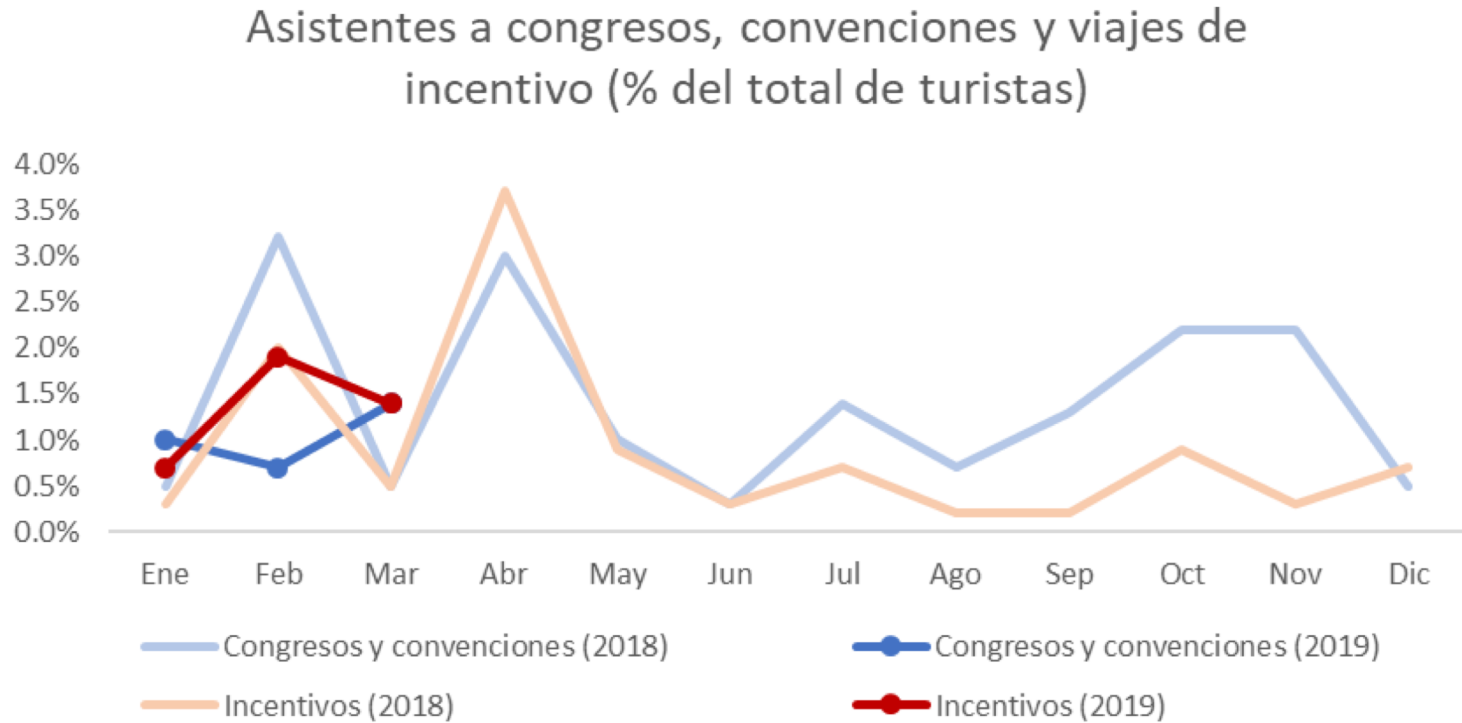
# Demand Indicators: Business Group



Source: CVENT



Source: Helms Briscoe



Source: SURVEY FROM TOURISTS



An aerial photograph of a tropical coastline. The water is a vibrant turquoise color, transitioning to a deeper blue further out. A large, light-colored rock formation is visible in the water. Two small, white boats are visible near the bottom left. The right side of the image is a solid white background with a curved edge separating it from the photograph.

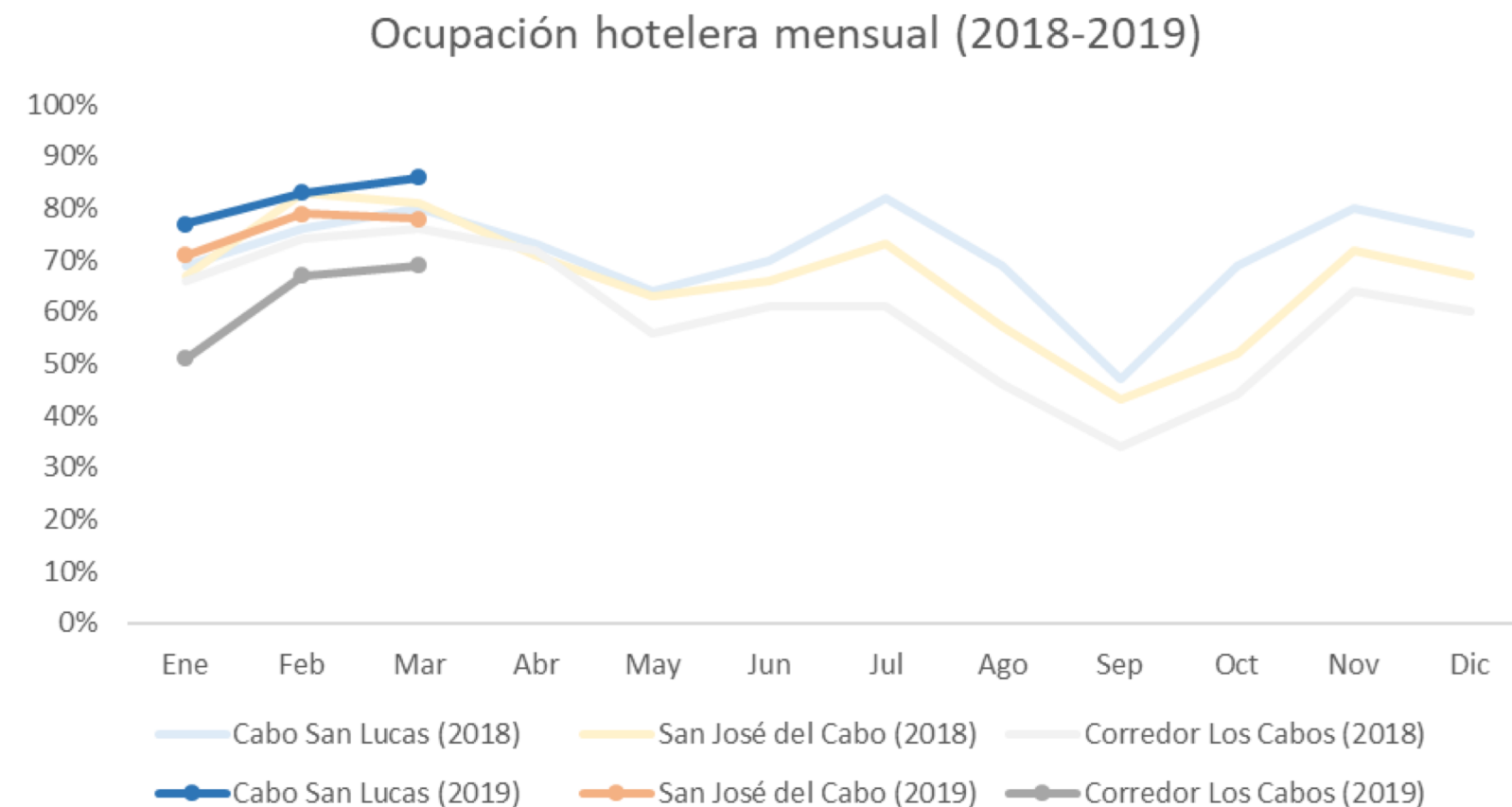
# TOURISM OBSERVATORY IN LOS CABOS

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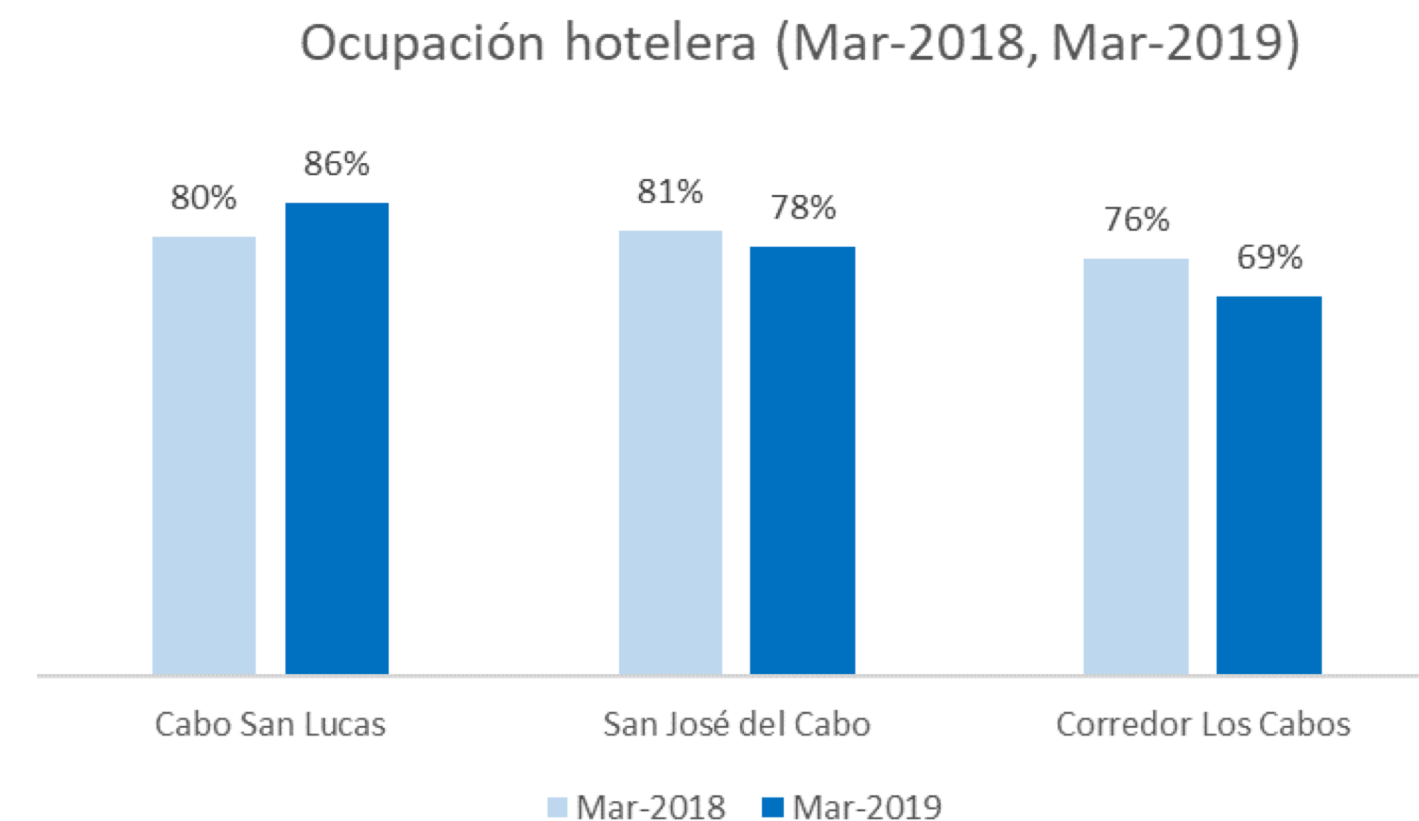
## SUPPLY INDICATORS

## Hotel Offer

# Evolution of hotel offer for Los Cabos and Sub-Destinations



Source: ASSOCIATION OF HOTELS OF LOS CABOS



Source: ASSOCIATION OF HOTELS OF LOS CABOS

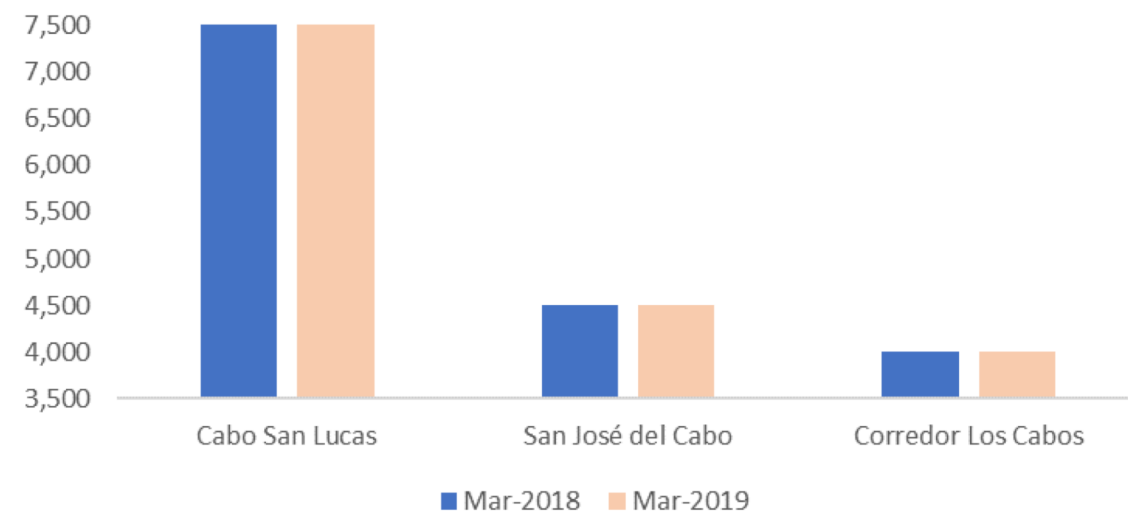
- According to the Asociación de Hoteles de Los Cabos, hotel occupancy in Los Cabos registered 80%, and decreased 2pp in comparison to Mar-2018 with Mar-2019. At subdestination level, Cabo San Lucas continues to increase its occupation, and in Mar-2019 6pp increases compared with the previous year. However, San Jose del Cabo lost 3pp and Los Cabos Corridor 7pp.
- The arrival of tourists to Hotels to Los Cabos in Mar-2019 registered 192,500, decreasing 5% compared with Mar-2018 (10 thousand) and the average stay increased 0.52 nights (4.73 to 5.25; based on DATATUR).
  - International tourism fell 10.2% in this period, however domestic tourism increased 15.7%.
  - In Mar-2019, international tourism accounted for 75.1% of the total, while the domestic tourism did in 24.9%. The previous year, a participation of 79.5% and 20.5%, respectively was registered.



## Hotel Offer

# Evolution of the hotel offer for Los Cabos and Sub-destinations

Cuartos disponibles  
(Mar-2018 vs Mar-2019)

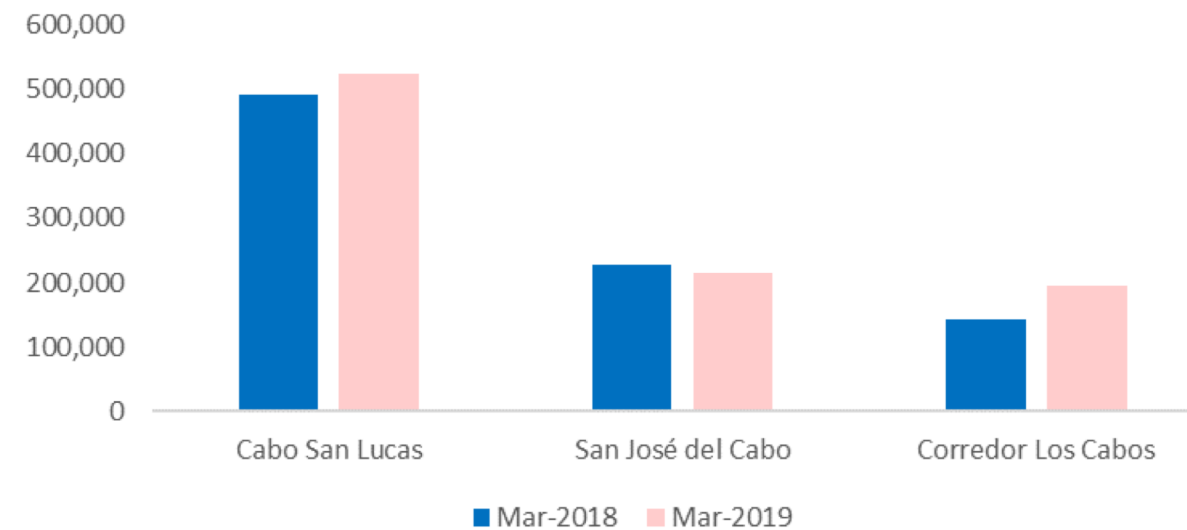


Source: DATATUR

### CABO SAN LUCAS

- According to the Asoc. de Hoteles, the highest employment rate of Mar-2019 vs Mar-2018) of all: 86% sub-destinations with increase of 6pp.
- Increase in the supply: From Mar-2018 the hotel offer Mar-2019 increased 1% from 7.5 to 7.6 thousand (DATATUR).
- The room occupation nights grew 6.6% between Mar-2018 and Mar-2019 (DATATUR).

Habitaciones noche  
(Mar-2018 vs Mar-2019)

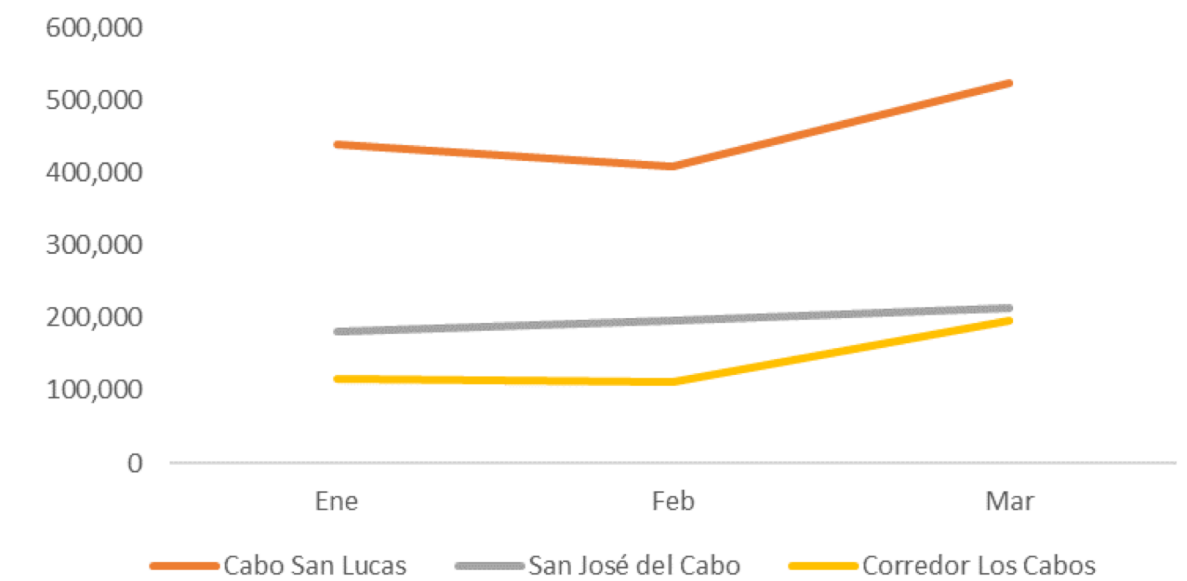


Source: DATATUR

### SAN JOSE DEL CABO

- Fall of 3pp in the occupation in comparison to Mar-2018 and Mar-2019 (Asoc. de Hoteles): 81% to 78%.
- Between Mar-2018 and Mar-2019 the hotel supply has remained unchanged: 4.5 thousand (DATATUR).
- Had a decrease of -5.6% Room occupation Nights: Between Mar-2018 and Mar-2019 (DATATUR).

Habitaciones noche ocupadas (mensual 2019)



Source: DATATUR

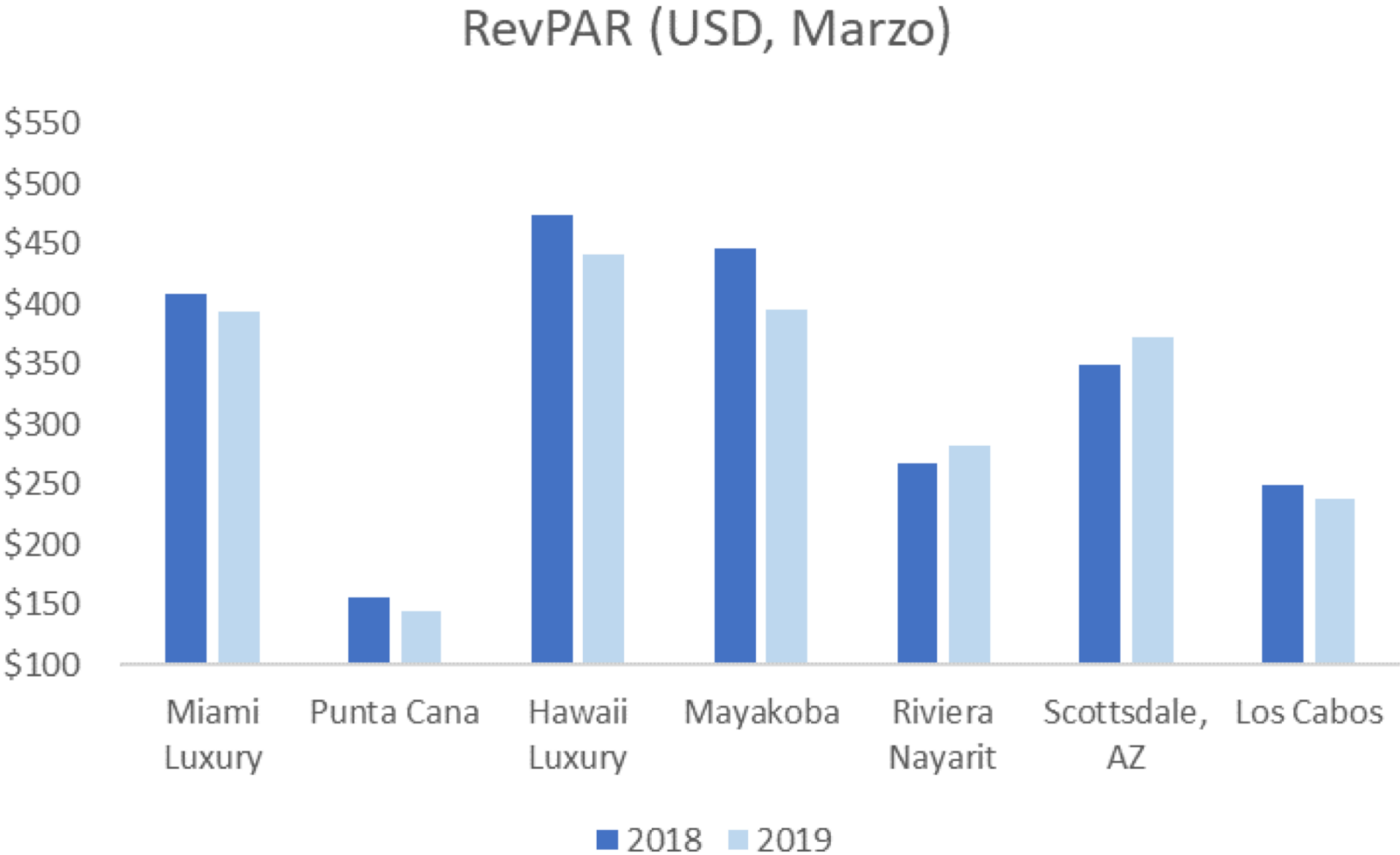
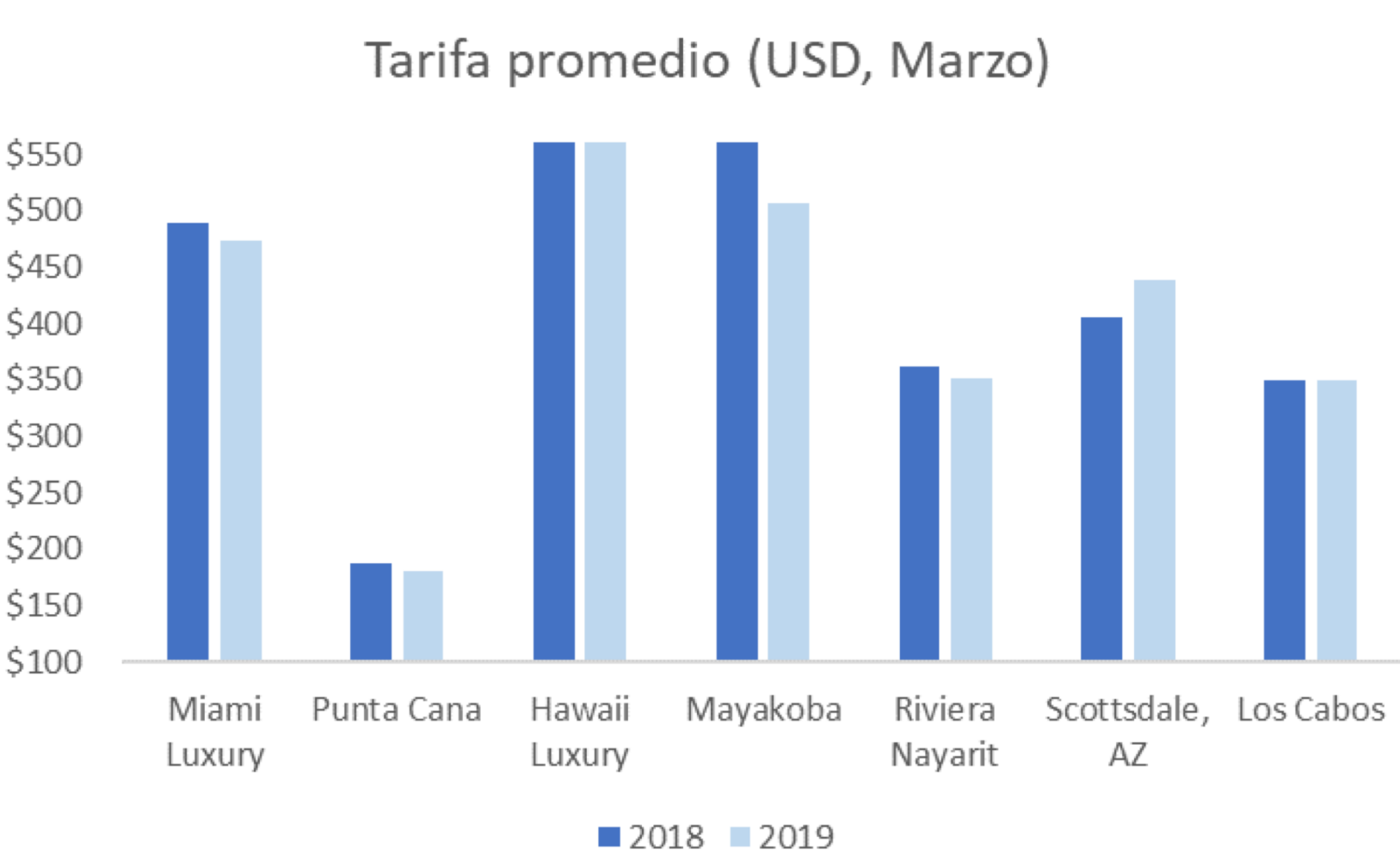
### Los Cabos Corridor

- Greater fall in the occupation between Mar-2018 and Mar-2019: -7pp from 76% to 69% (Asoc. de Hoteles).
- Between Mar-2018 and Mar-2019 the hotel supply has remained unchanged: 4 thousand (DATATUR).
- The room occupation nights had the largest increase of all sub-destinations: 35.7% between Mar-2018 and Mar-2019.



# Evolution of the average rate and RevPAR for Los Cabos and selected competitors (2018-2019)

## Hotel Offer

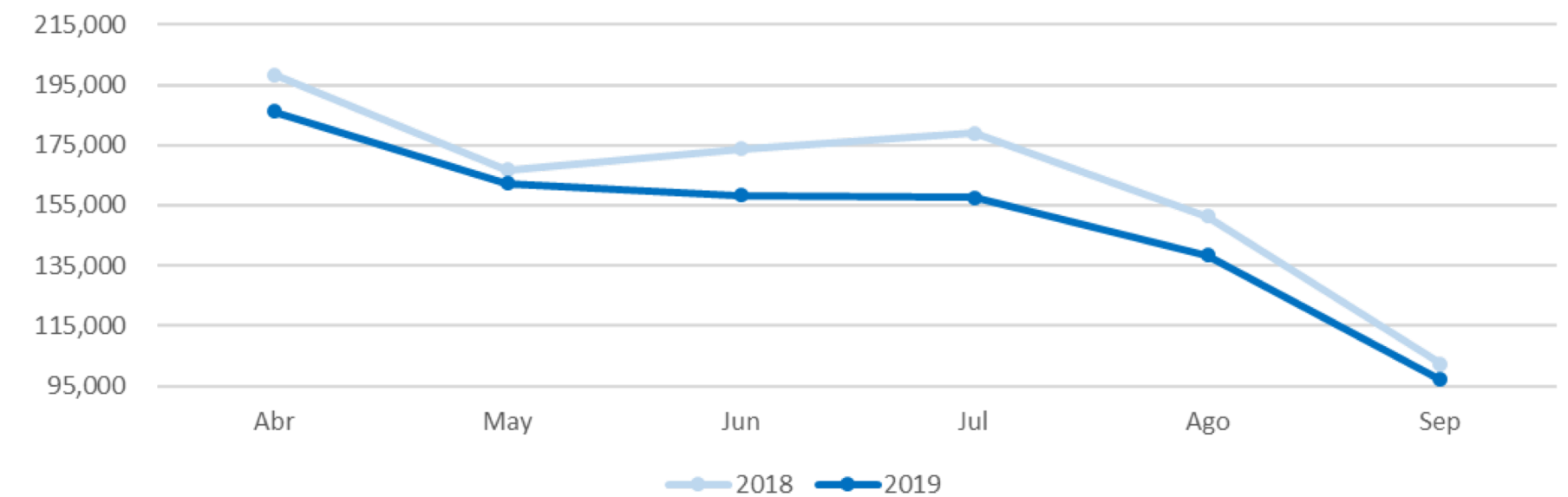


Source: Smith Travel Research

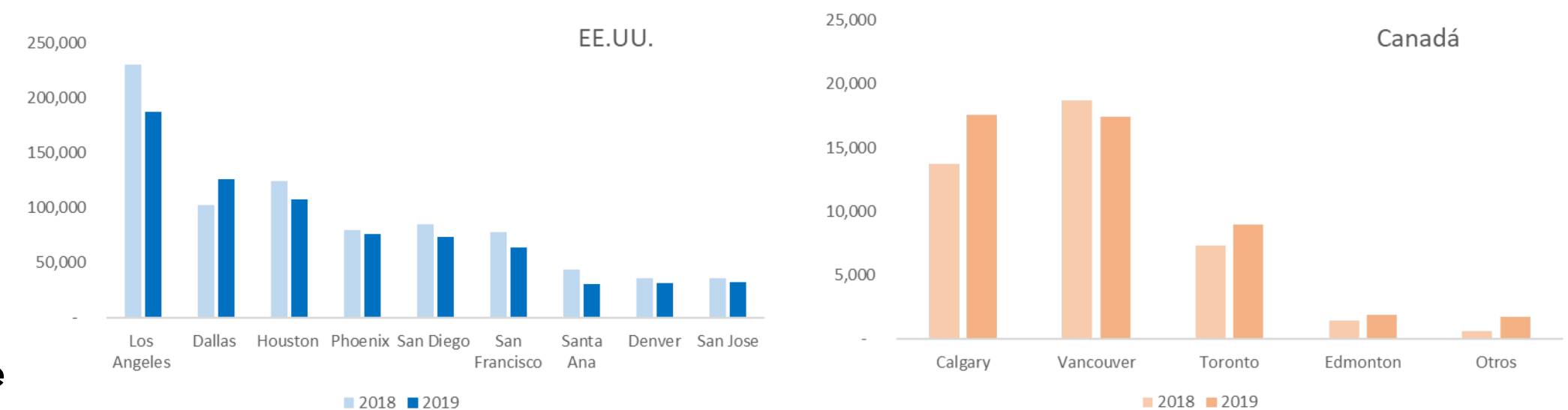
## Seats are SCHEDULED FOR APR-SEP, 2019

- For Apr-2019 there are 6.1% less scheduled seats available than in the same period in 2018 and for Apr-Sept 2019 there are 7.4% less scheduled seats than for the same period in 2018.
  - Most of the airports of origin in the U.S. presented decrements except Dallas, who has 23.5% more seats scheduled in these 6 months.
  - The main decrement is recorded in Los Angeles, which shows a decrement of 18.7% in these 6 months. Houston decreases in 15.7%, San Diego 14% and Phoenix 3.8%.
- The main market in the US is Los Angeles (19%), followed by Dallas (13%), and Houston (11%). All of California as a whole represents 47.5% of the seats available from U.S. to SJD in this period.
  - The participation of LAX in the international market will decrease 3pp however the DFW will increase 4pp. American, Alaska Airlines, Delta, United and Southwest are the most important (concentrating 95% as a whole).
- For Canada, the main markets are Calgary (37%) Vancouver (37%), Toronto (19%) and Edmonton (4%); through the WestJet Airlines (55%), Sunwing (35%) and Air Canada (10%).
  - The Seats scheduled from Canada as a whole will grow by 14%. The participation of Calgary will increase 4% and Vancouver will decrease by 8%.
- The factors of occupation of the international airlines for Feb-2019 were: American 77%, Alaska 86%, Delta 71%, United 82%, Southwest 82%; AirCanada 82%, Sunwing 89%, WestJet 81%.
  - When comparing with Feb-2018, there are similar factors, except in the case of Air Southwest which increased 6pp (USA market) and Air Canada who lost 7pp (Canada market).

Programación de asientos hacia San José del Cabo  
(Abr-Sep, 2018-2019)



Seats are programd by origin (Apr-sep, 2018-2019)







# TOURISM OBSERVATORY IN LOS CABOS

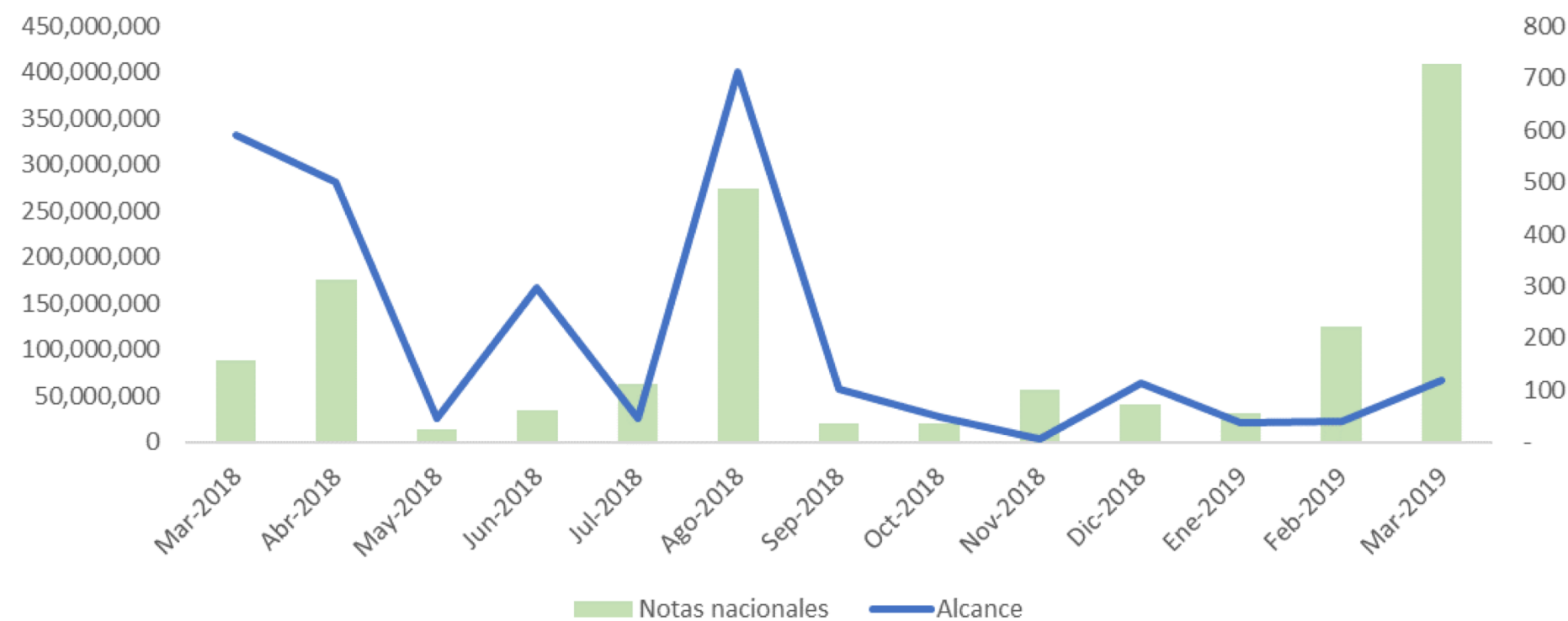
PUBLIC RELATIONS



# Public Relations, notes, and scope (Mar-2019)

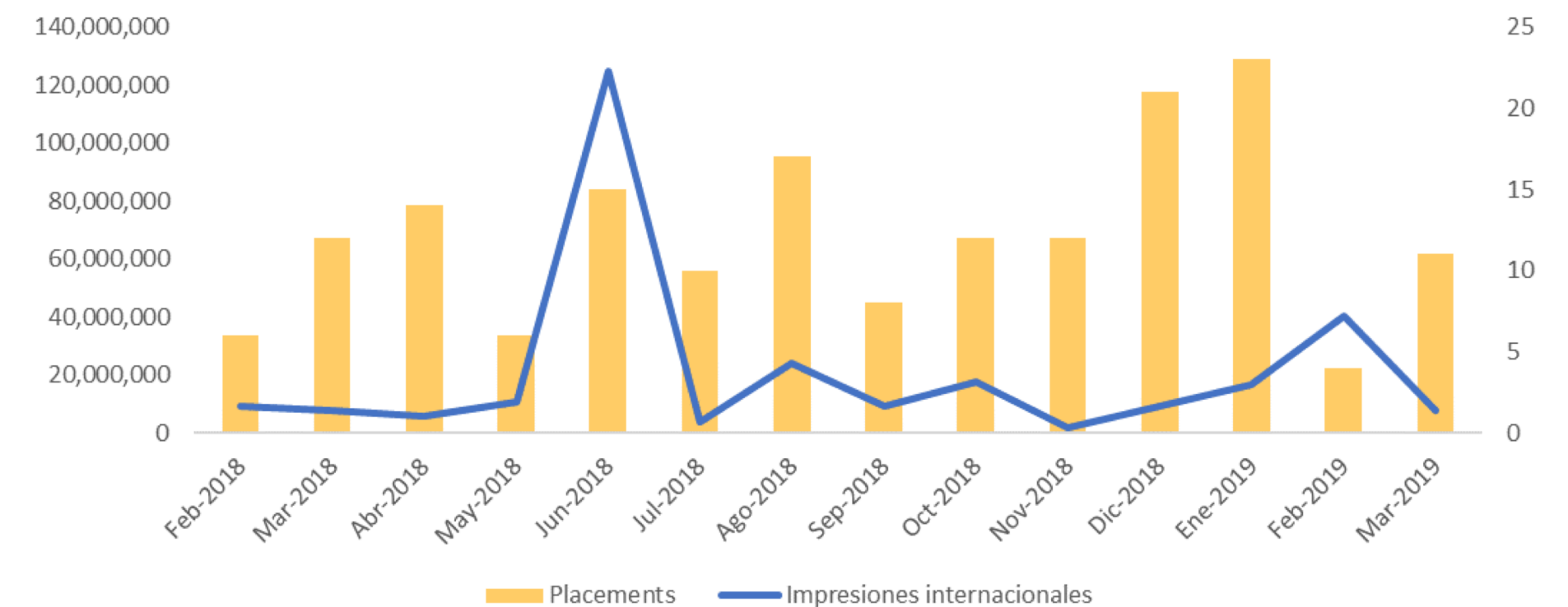
- In the domestic market:
  - In the period Apr-2018 Mar-2019 (last 12 months) there were 2,446 insertions in national press (187 per month on average), generating a range of 1,62 million impacts (111 million per month on average). During Mar-2019, 728 inserts were paid achieving 68 million impacts.
- In the international market:
  - In the period from Apr-2018 to Mar-2019 there were 153 insertions in the international press (13 per month on average), generating a range of 271 million impacts (23 million per month on average). During Mar-2019, 5 insertions were published thus, achieving 8 million impacts.

TOTAL OF NATIONAL AND SCOPE (MAR-2019)



Source: GAUDELLI (Feb-18 to Jan-19), Llorente AND CUENCA (Feb-Mar-19)

TOTAL OF INTERNATIONAL NOTES AND SCOPE (MAR-2019)



Source: NJF (Feb-18 to Jan-19), OGILVY (Feb-Mar -19)



# Definitions

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- **Congress.** Meetings other than business oriented in which takes place the encounter of large groups of individuals, usually to discuss and exchange views on a topic of interest. (Professional, cultural, sporting, religious, social, government or academia, among others) usually have a duration of several days and with concurrent sessions, as well as a multi-annual frequency or predefined.
- **Convention.** Trade or business meetings usually sponsored by a corporation, in which the participants represent the same company, corporate group or relations of customer or supplier. Sometimes the participation is mandatory, so, travel expenses are borne by the corporation. Includes those general meetings and formal of a legislative body, social or economic, in order to give information, deliberate or establish consensus or deal with policies on the part of the participants, as well as treat trade issues around a market, product or brand. Can contain a secondary component of exposure.
- **Rooms available.** Is the number of rooms or rooms that are in service. Does not account for the rooms by repair or some other cause are out of service
- **A tourist destination.** The main target of a tourist trip is the place visited which is essential for the decision to travel. See also main reason for a tourist trip.
- **Seasonality.** Means that the flows or tourist flows tend to concentrate around certain times of the year, repeating this process annually
- **Stay.** Results from dividing the total number of tourists night between the number of tourist arrivals per month. The result expresses the number of days of stay of the tourist.
- **Events or incentive trips.** The incentive trip is a modern strategy focused on management to recognize people that met or exceeded objectives commonly related to sales or productivity, addressed to the participants that demonstrate a better performance in their work with a extraordinary travel experience.
- **Rooms per night.** Se gets the daily record the number of tourists that occupy the rooms of the establishment, for your time of stay, (number of nights you stay overnight in the establishment) and is classified according to their place of origin, in residents or non-residents.
- **Underlying inflation.** The rise in the prices of a subset of the CPI (Consumer Price Index), which contains generic ones with quotes less volatile. Measures the tendency of inflation in the medium term. The 283 generic concepts that make up the basket of goods and services in the CPI are sorted or grouped into subsets that respond to particular needs of analysis, between the classifications are the best known of by object of expenditure, which refers to the origin of the goods and services and the durability of the assets and underlying inflation.
- **Arrival of passengers.** Passengers transported by aircraft of airlines with established routes and itineraries
- **Arrival of tourists.** The number of tourists correspond to those recorded by the establishment during the month.

# Definitions

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- **Nationality of a visitor.** The country that grants you the passport or identity document, although habitually resident in another country.
- **Non-resident.** Is the person whose usual environment is outside of the Mexican territory and that visit this last for a shorter period to 12 months for any reason (business, vacation, and others). Excludes if you receive remuneration for the activities developed in the place visited
- **Occupancy.** The rate of occupation of the lodgings is a concept based on the offer. It is an important indicator to numerous effects. Provides information about the differences of use between the various types of lodging establishments and if it occurs in monthly data also indicates the seasonal pattern of the use of tourist accommodations.
- **RevPAR.** The RevPAR It is the most important gauge used in the hospitality industry to assess the financial performance of an establishment or a string. It is an abbreviation of the English Revenue Per Available Room, Income per available room. Always refers to a specific period (weekly, monthly, yearly, etc.). A way to calculate the RevPAR It is through the formula:  $RevPAR = It / \Sigma Ht$ , Where it is equal to the total revenue of the rooms in a period t.  $\Sigma Ht$  It is equal to the total number of available rooms in a period t. That is to say, the rooms of the establishment or chain multiplied by the number of nights of period t least the rooms are not available.
- **A resident.** Individual whose usual environment is located on the territory of the United Mexican States
- **Residence.** Is the place/country in which the traveler has remained during the greater part of the previous year (12 months), or has remained for a shorter period and intends to return within 12 months to live in that country.
- **Average daily rate.** The average daily rate (commonly known as ADR - for its acronym in English Average Daily Rate) Is a statistical unit that represents the average income per occupied room, paid in a given period of time. ADR along with occupation of the property are the bases for the financial performance of the property. The ADR is calculated by dividing the income of the rooms, including the number of rooms sold, should be excluded from the guest rooms of the house (known as "House use") and rooms free of charge (known as Complimentary) Of the denominator.
- **Tourist.** Any person who travels outside of their usual location for a period of less than 12 months and for any reason, except persons who engage in activities that will generate income in the travel destination; refugees or migrant workers; diplomats; seasonal workers or border crossings, or employees of travel.
- **Visitor.** Any person who travels outside of their usual location for a period of less than 12 months for any reason, with the exception of persons who participate in activities that will generate income at the travel destination: refugees or migrant workers, diplomats, frontier workers or seasonal, employees, or persons seeking to establish a new residence or employment.



# TOURISM OBSERVATORY IN LOS CABOS

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