



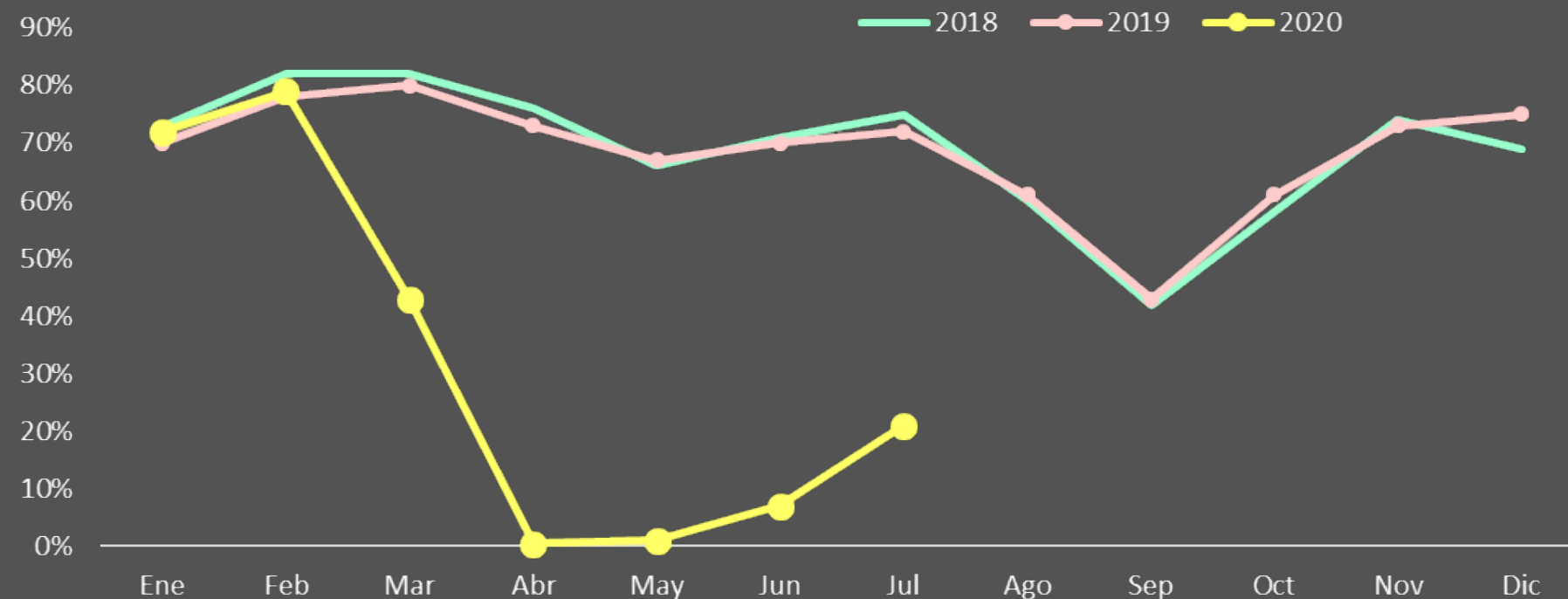
LOS CABOS TOURISM OBSERVATORY

KEY PERFORMANCE INDICATORS

AUGUST 2020

Main indicators - Summary

Hotel Activity



SOURCE: LOS CABOS HOTEL ASSOCIATION

Rooms Available
(Jun-2020):
21,975
+5.5%
(vs. Jun-2019)

SOURCE: DATATUR

Hotel Occupancy
(Jul-2020):
21%
-51pp
(vs. Jul-2019)

SOURCE: AHLIC

Room nights
(Jun-2020):
49,066
-95.6%
(vs. Jun-2019)

SOURCE: DATATUR

Air Passenger Arrivals

Total Passengers
(Jul-2020, expressed
in thousands):
83.9
-68.5%
(vs. Jul-2019)

National Passengers
(Jul-2020, expressed
in thousands):
41.8
-61.5%
(vs. Jul-2019)

**International
Passengers**
(Jul-2020, expressed in
thousands):
42.1
-73.4%
(vs. Jul-2019)

SOURCE: GAP

**Group Business Total
RFPs (Jul-2020):**
6
-29 RFPs
(vs. Jul-2019)

Tourist Surveys
Tourist Satisfaction
(more than expected,
Jul-2020):
46.1%
+6.4pp
(vs. Jul-2019)

Cruise passengers
(Jun-2020):
0
-100%
(vs. Jun-2019)

**Attendees to
congresses and
conventions (Jul-
2020):**
N.D.

Tourists' Origin
(Jul-2020):
67.2%
foreigners
-9.4pp
(vs. Jul-2019)

Cruise ships
(Jun-2020):
0
-5 cruises
(vs. Jun-2019)

SOURCE: DATATUR

Main indicators – Summary

PASSENGERS ARRIVAL

- In Jul-2020, Los Cabos International Airport registered a 68.5% (-182.9 thousand) decrease in the total number of passengers arriving at the destination compared to Jul-2019, adding up to a total of 83.9 thousand (when considering arrivals only).
 - Passengers on domestic flights (41.8 thousand) represent 49.8% of total arrivals. These decreased by 61.5% (-66.9 thousand vs. Jul-2019).
 - Passengers on international flights (42.1 thousand) represent 50.2% of total arrivals. These decreased by 73.4% (-116 thousand vs. Jul-2019).

FLIGHT SCHEDULES

- Compared to the same period last year, the domestic market has 5.3% fewer available seats scheduled for the period from Aug-2020 to Jan-2021. 35.1% fewer seats are expected for Aug-2020.
 - CDMX, GDL and MTY seats decreased by 9.1%, 3.5% and 5.2%, respectively. TIJ increased by 12.7%.
 - Aeromexico will increase its frequency of flights by 13%, partly due to the introduction of 5 weekly flights departing from GDL as of September 10th.
- The United States market expects 9.9% fewer seats scheduled for the next 6 months. In Aug-2020, there are 43.5% less. LAX (+7.8%), DEN (+34.9%), and San Jose, CA (+22.4%) had increases. HOU (-19.2%), DFW (-14%), and San Diego (-46%) had the most significant decrease.

FLIGHT SCHEDULES (Cont'd)

- From Canada, 21% fewer seats are expected for the next 6 months. There are 96.3% fewer seats scheduled for Aug-2020. Calgary drops 10%, Vancouver 5.6%, and Toronto 23%.
- It should be noted that the scheduling of flight seats for all 2020 is falling 35.6% in CUN and 28.4% in PVR. However, SJD fell 24.6% when compared to 2019.

HOTEL ACTIVITY

- Occupancy in Jul-2020 was 21%, compared to 72% in Jul-2019 (-51pp).
 - Cabo San Lucas' occupancy drops 56pp when compared to Jul-2019 and now stands at 24% (it increased 16pp vs. Jun-2020).
 - San Jose del Cabo registers 19% (49pp less than in Jul-2019, but 15pp more than in Jun-2020).
 - Los Cabos Corridor registered 15% (44pp less than in Jul-2019, but 12pp more than in Jun-2020).
- The number of available rooms increased by 5.5% in Los Cabos between Jun-2019 and Jun-2020. Los Cabos Corridor registered the highest growth with 8.9%.
- Tourist arrivals to hotels in Los Cabos decreased by 94.4% (-219.3 thousand) between Jun-2019 and Jun-2020.

HOTEL ACTIVITY (Cont'd)

- Domestic tourism fell 94.7% (-60.2 thousand), and international tourism dropped 94.3% (-159.2 thousand).
- There were 49 thousand occupied room nights in Jun-2020, 95.6% less compared to Jun-2019 (-1.07 million nights).

TOURIST SURVEYS

- In Jul-2020, 46.1% of tourists rated their experience in Los Cabos as better than they expected (6.4pp more than in Jul-2019).

CRUISE SHIP ARRIVALS

- There were no registered vessel or cruise ship arrivals at the Port of Cabo San Lucas in Jun-2020.

ADVANCE RESERVATIONS

- As of August 21st, the volume of flight bookings throughout Aug-2020 is expected to fall by 69%. This drop will show a 12pp decrease for flights in Sep-2020.
- The volume of bookings from the international market fell drastically: this decrease will reach 72% during Aug-2020, while the domestic market will have a 29% decline.
- There will be a 62% decrease in the international market trips for Nov-2020; however, the domestic market will drop 4% with respect to last year.

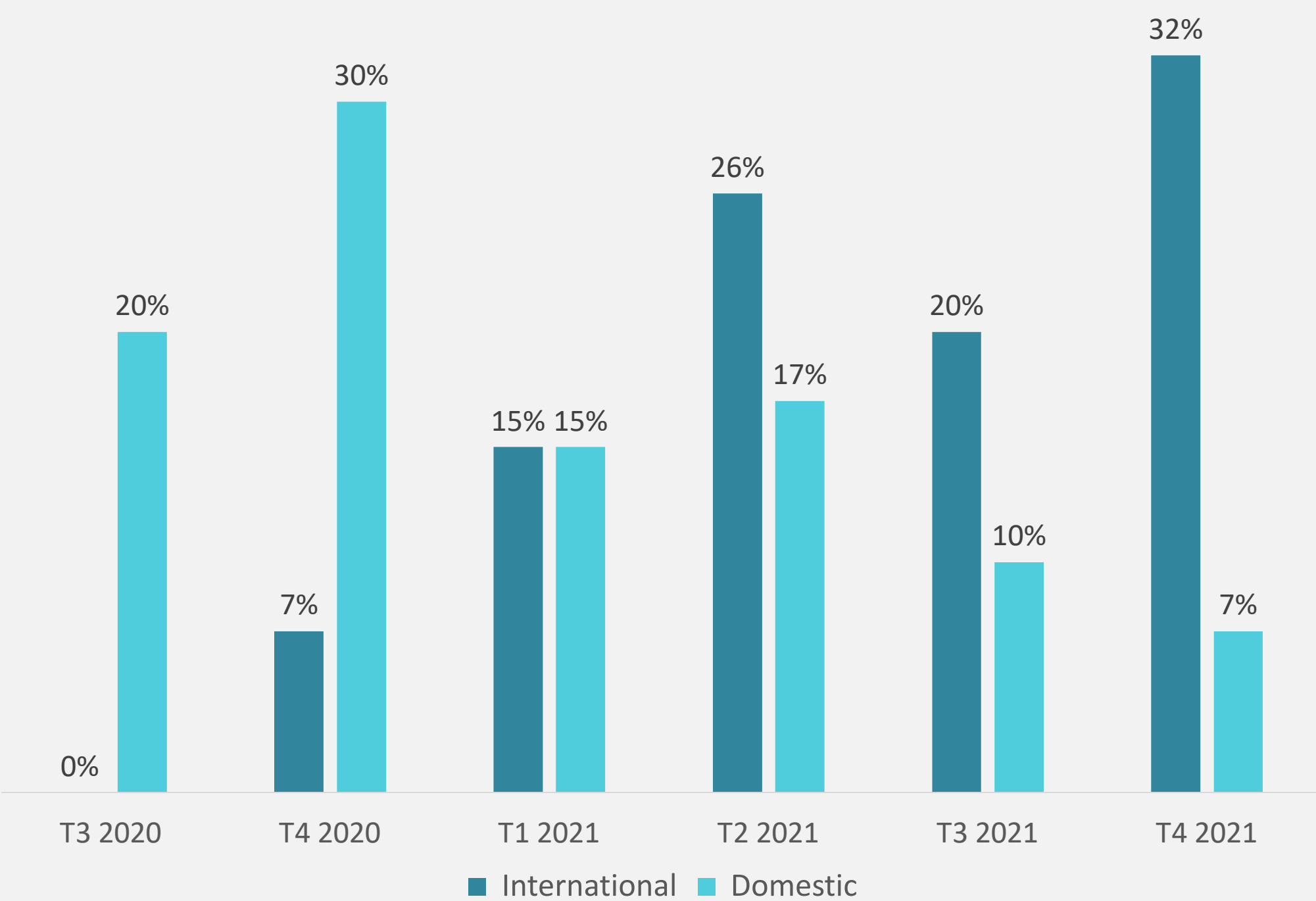
LOS CABOS TOURISM OBSERVATORY

THE IMPACTS OF COVID-19 - TRAVEL TRENDS

Travel trends in the world, in the American market, and assessment of COVID-19 in Los Cabos tourism.

TOURISM RECOVERY

- The reactivation of domestic tourism begins in the third quarter of the year; 3 out of 10 indicate that it will start as of the fourth quarter of 2020.
- 52% of experts believe that the reactivation of international tourism will begin as of the third quarter of 2021.
- The main challenges to rapid tourism reactivation are travel restrictions and border closures, the resurgence of the virus, and the economic impact on major source markets such as the U.S. and China.
- UNWTO proposes the **Global Tourism Plastics Initiative** to take action on plastic pollution during the COVID-19 recovery phase.
 - The observed trend before the pandemic accelerated, illustrating how reducing the plastic footprint, increasing the engagement of suppliers, working closer with waste service providers, and ensuring **transparency on the actions taken**, can significantly contribute to the responsible recovery of the tourism sector.



SOURCE: WORLD TOURISM BAROMETER, JULY 2020. WORLD TOURISM ORGANIZATION (UNWTO).

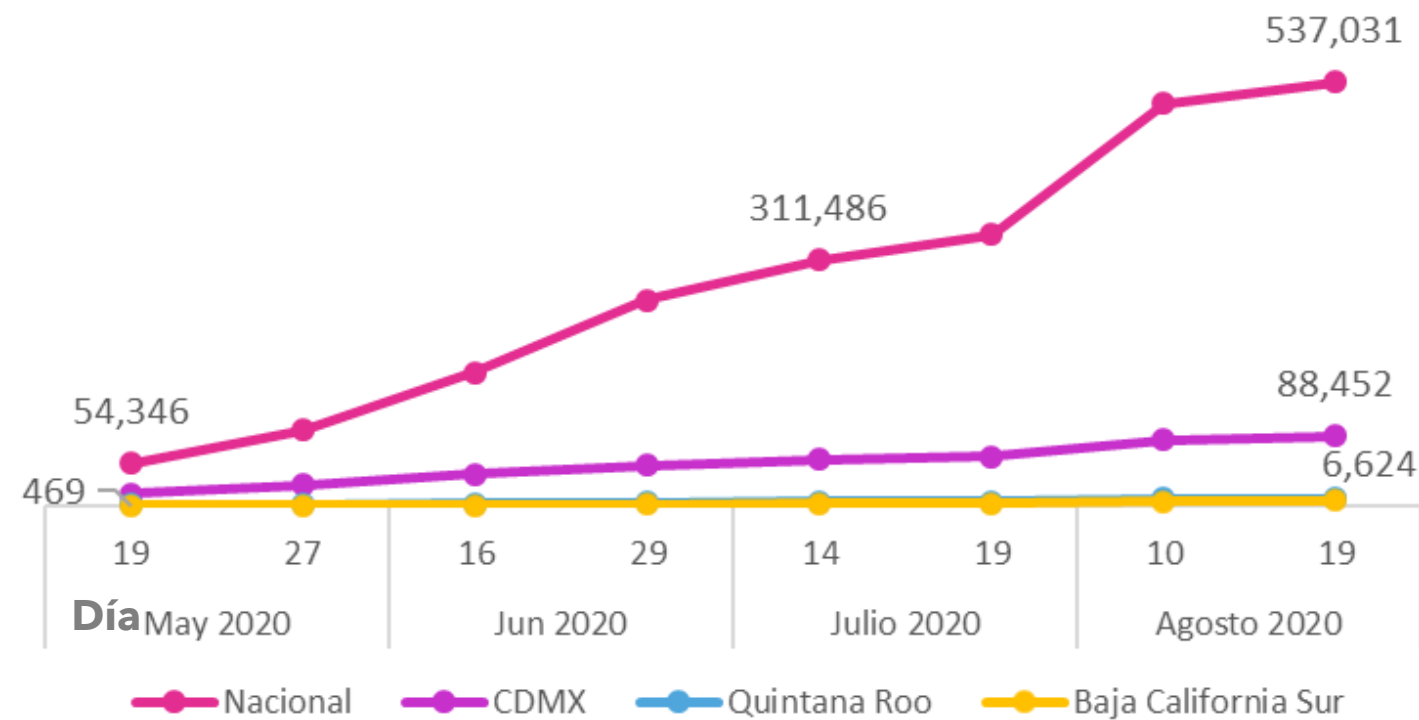
LOS CABOS TOURISM OBSERVATORY

THE IMPACTS OF COVID-19

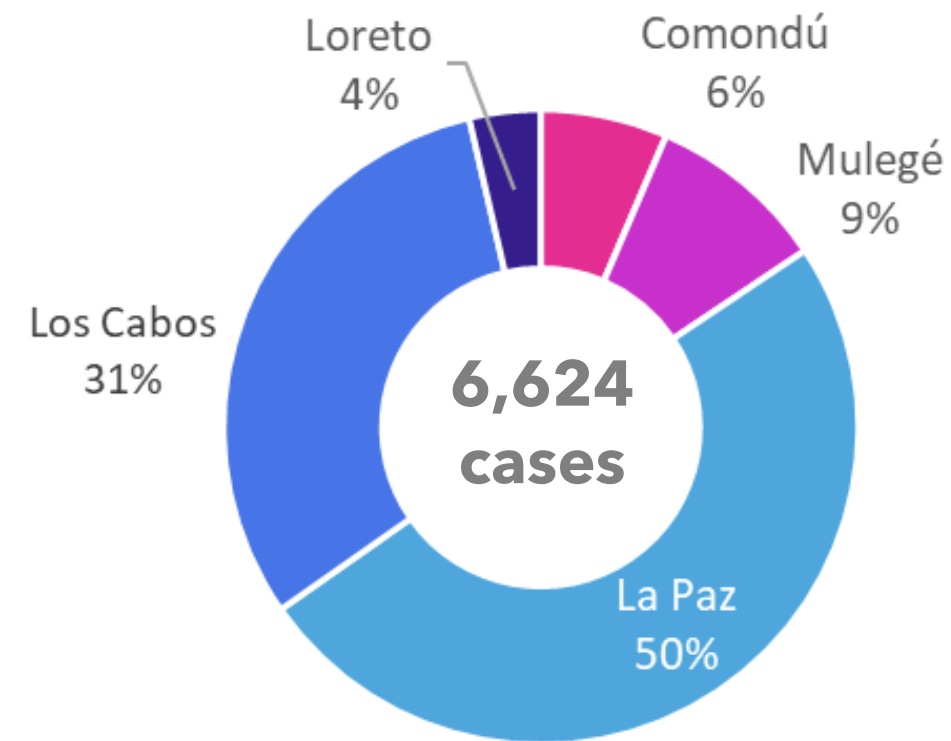
Report on the effects of COVID-19 on
Mexico's tourism sector.

Confirmed COVID-19 cases overview

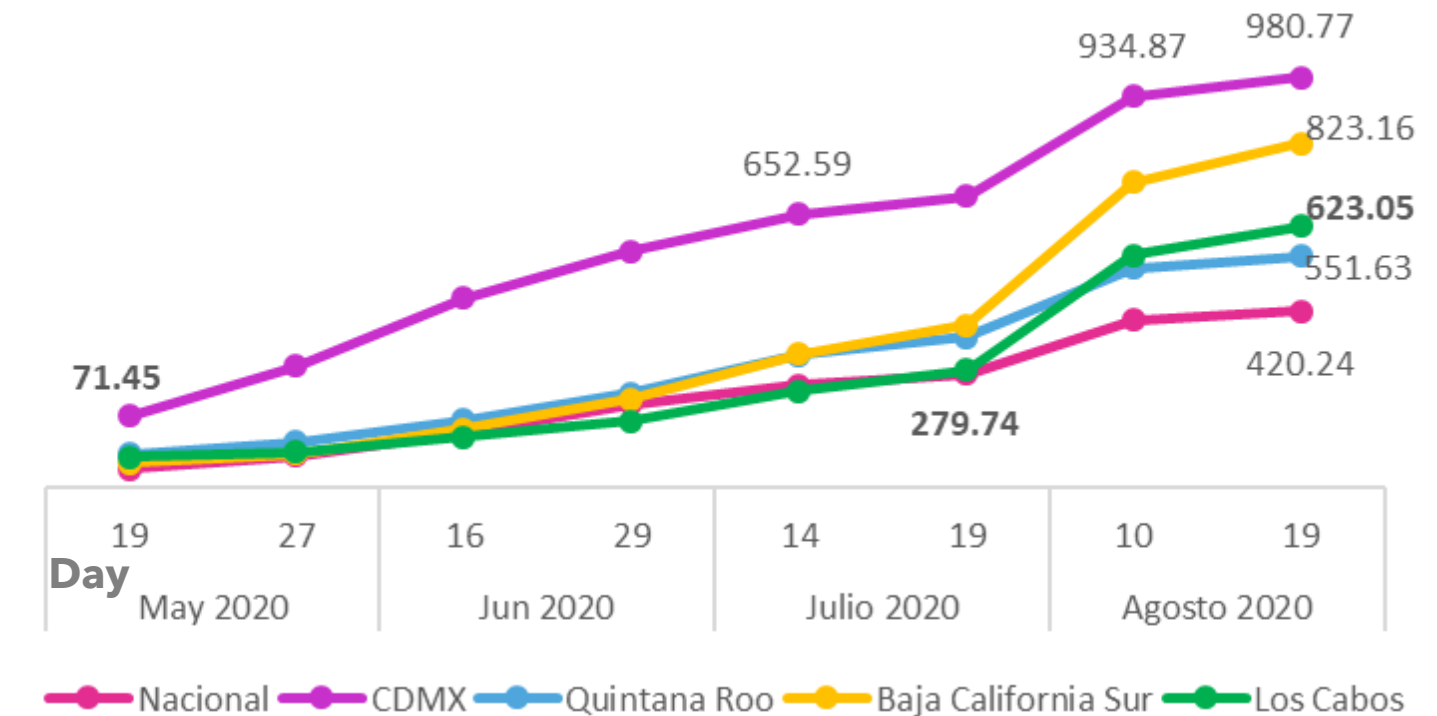
Confirmed cases (cumulative)



Confirmed cases by municipalities in B.C.S.



Incidence of infection



As of August 19th, 2020, there are 537,031 confirmed cases in Mexico, 192 thousand more than those registered as of July 19th.

- Baja California Sur has 3,517 more cases than those registered as of July 19th, which results in a total cumulative of 6,624 confirmed cases in the state.

- 81% of the state's cumulative confirmed cases are concentrated between La Paz and Los Cabos (3,290 and 2,058 cases, respectively), of which:
 - La Paz has 1,362 active cases.
 - Los Cabos has 798 active cases.

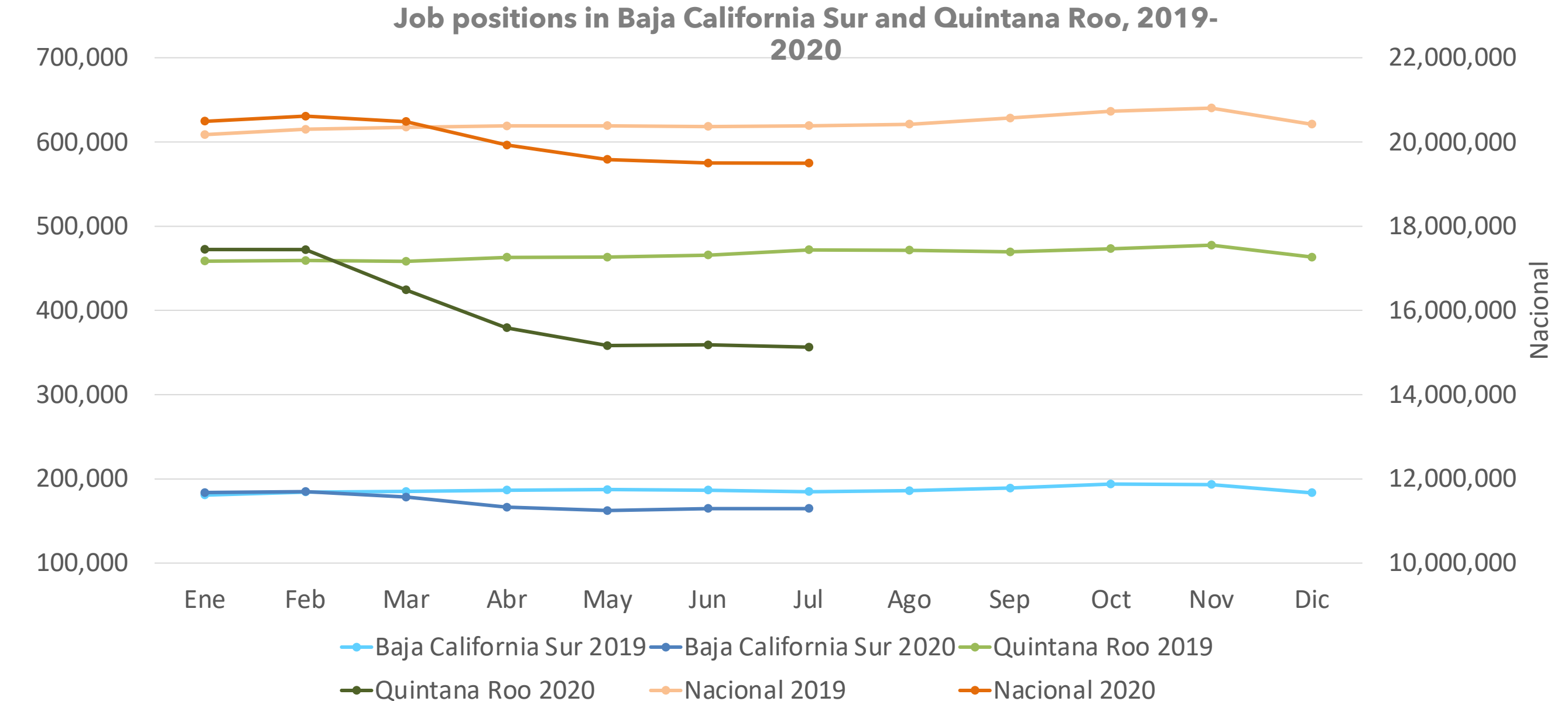
- The national average rate of infection is 420.24 cases per 100 thousand inhabitants.
- It is higher in Mexico City: 980.77
- In Quintana Roo, 551.63
- In Baja California Sur, 823.16
 - Los Cabos has an incidence rate of 623.05 cases per 100 thousand inhabitants.

SOURCE: SECRETARIAT OF HEALTH, GENERAL DIRECTORATE OF EPIDEMIOLOGY (www.coronavirus.gob.mx). FIGURES UPDATED AS OF AUGUST 20th, 2020.

Effects on employment in Mexico

Jobs generated/lost vs. the previous month of 2020 % variation vs. 2019		
Ene	68,955	1.6%
Feb	123,139	1.5%
Mar	-130,593	0.7%
Abr	-555,247	-2.2%
May	-344,526	-3.9%
Jun	-83,311	-4.3%
Jul	-3,907	-4.4%
Cumulative: -925,490		

- As of July 31st, 2020, the country had a total of 19,495,952 jobs registered in IMSS.
- When comparing the closing of July with that of December 31st, 2019, 925,490 job positions have been lost (-4.5%).
- In Jul-2020, there is a **3,907** decrease, which is **-4.4%** vs. Jul-2019.

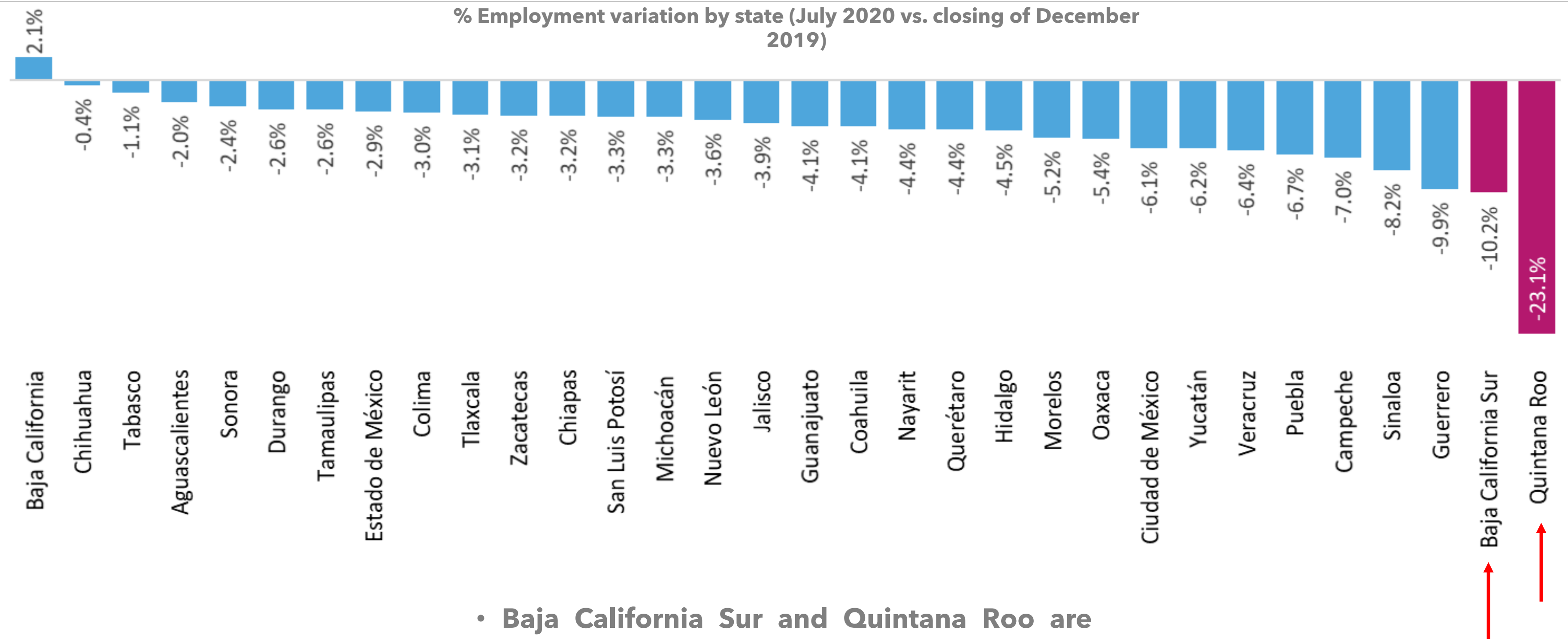


- In Baja California Sur, 164,765 jobs were registered in Jul-2020, which is **-10.9%** compared to Jul-2019. However, there was a slight increase of **+1.0%** vs. Jun-2020.
- Compared to Dec-2019, the cumulative number of jobs lost in Jan-Jul is 18,722.

- In Quintana Roo's case, as for Jul-2020, there are 356,370 jobs; this is **-24.5%** vs. Jul-2019 and **-0.7%** vs. Jun-2020.
- Compared to Dec-2019, the cumulative number of jobs lost in Jan-Jul is 106,794.

SOURCE: IMSS

Effects on employment in Mexico

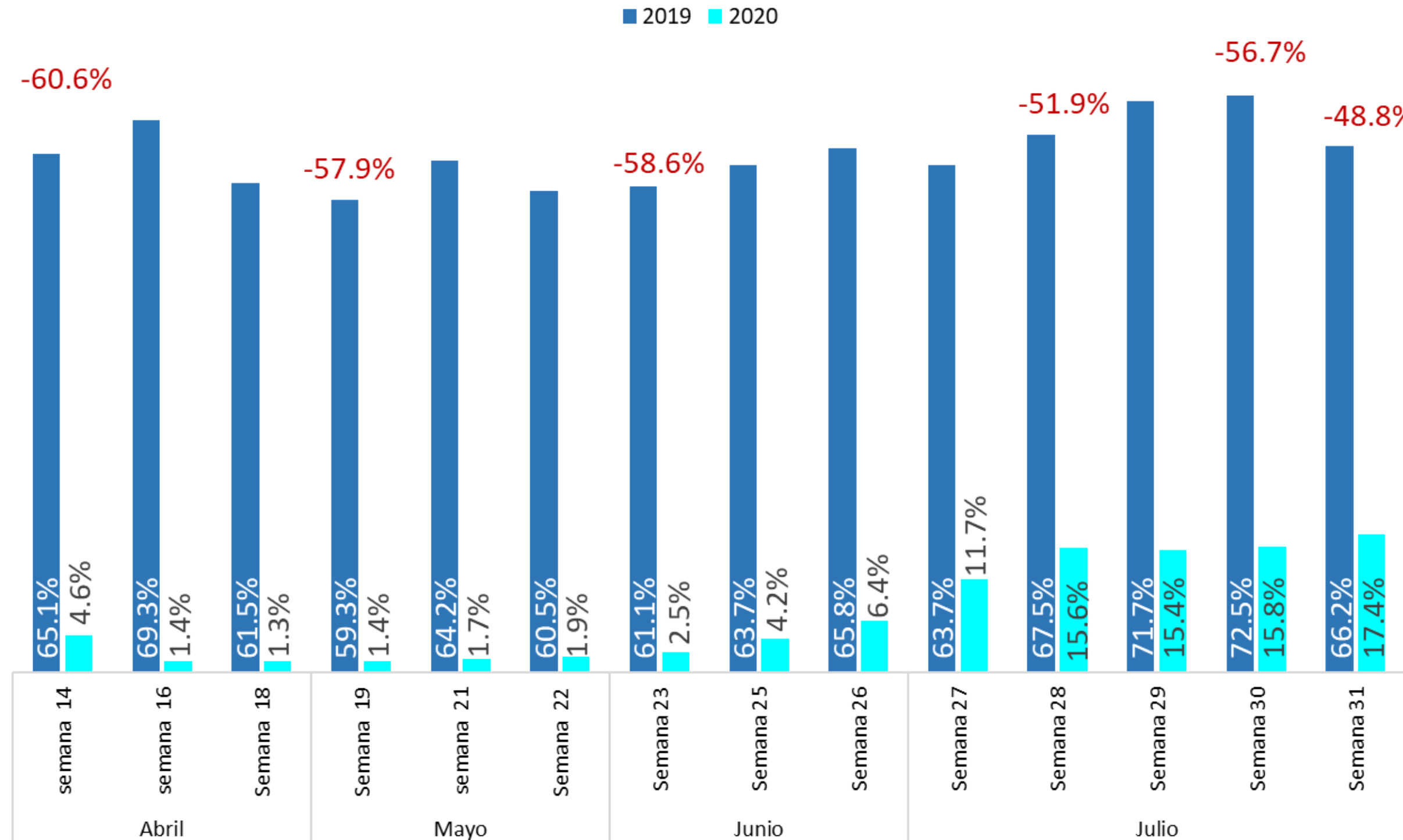


- Baja California Sur and Quintana Roo are the most affected states in terms of job losses (with **-10.2%** and **-23.1%**, respectively), compared to the jobs registered at the end of December 2019.

SOURCE: IMSS

Hotel indicators in Mexico

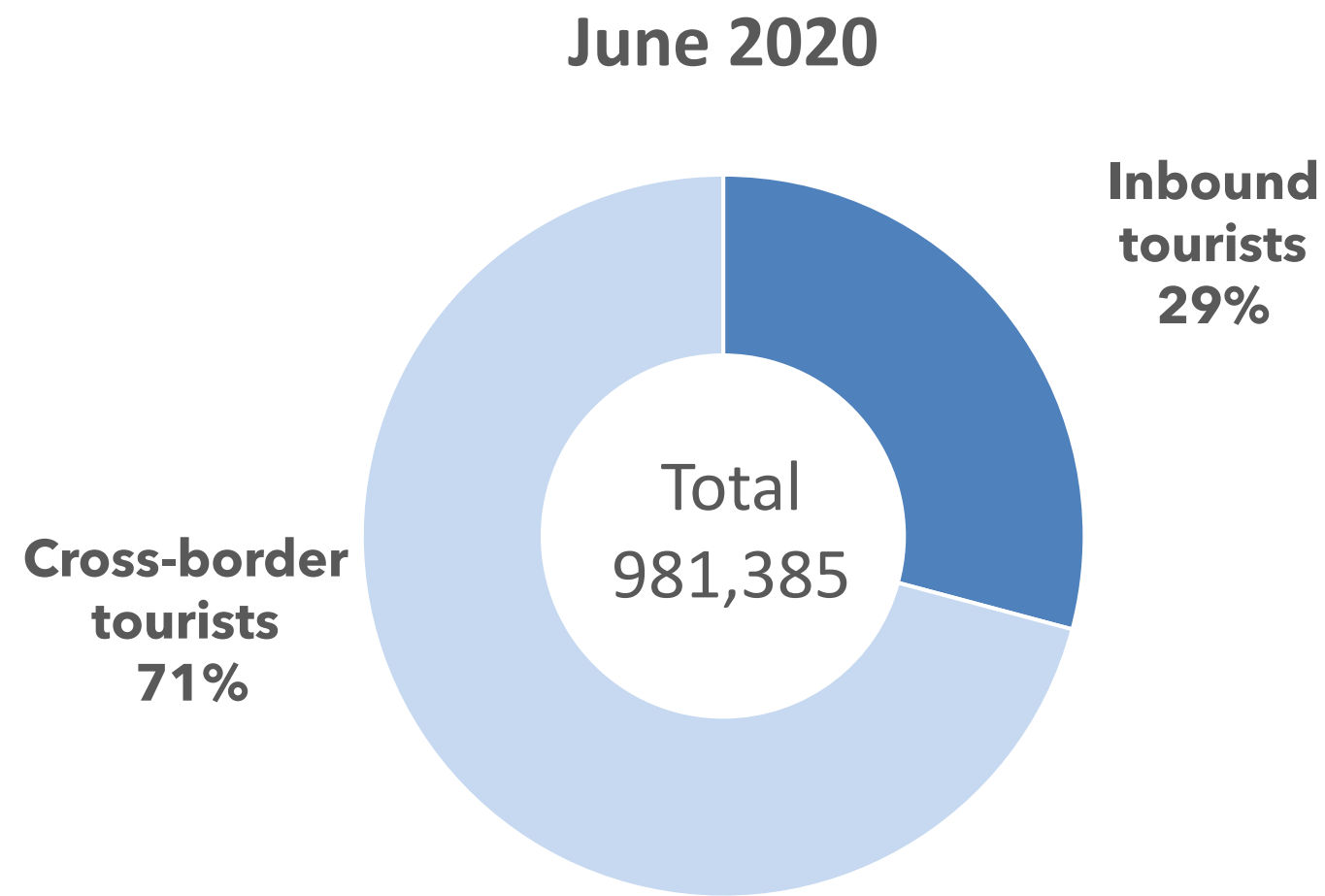
Hotel occupancy percentage (average of 12 destinations in



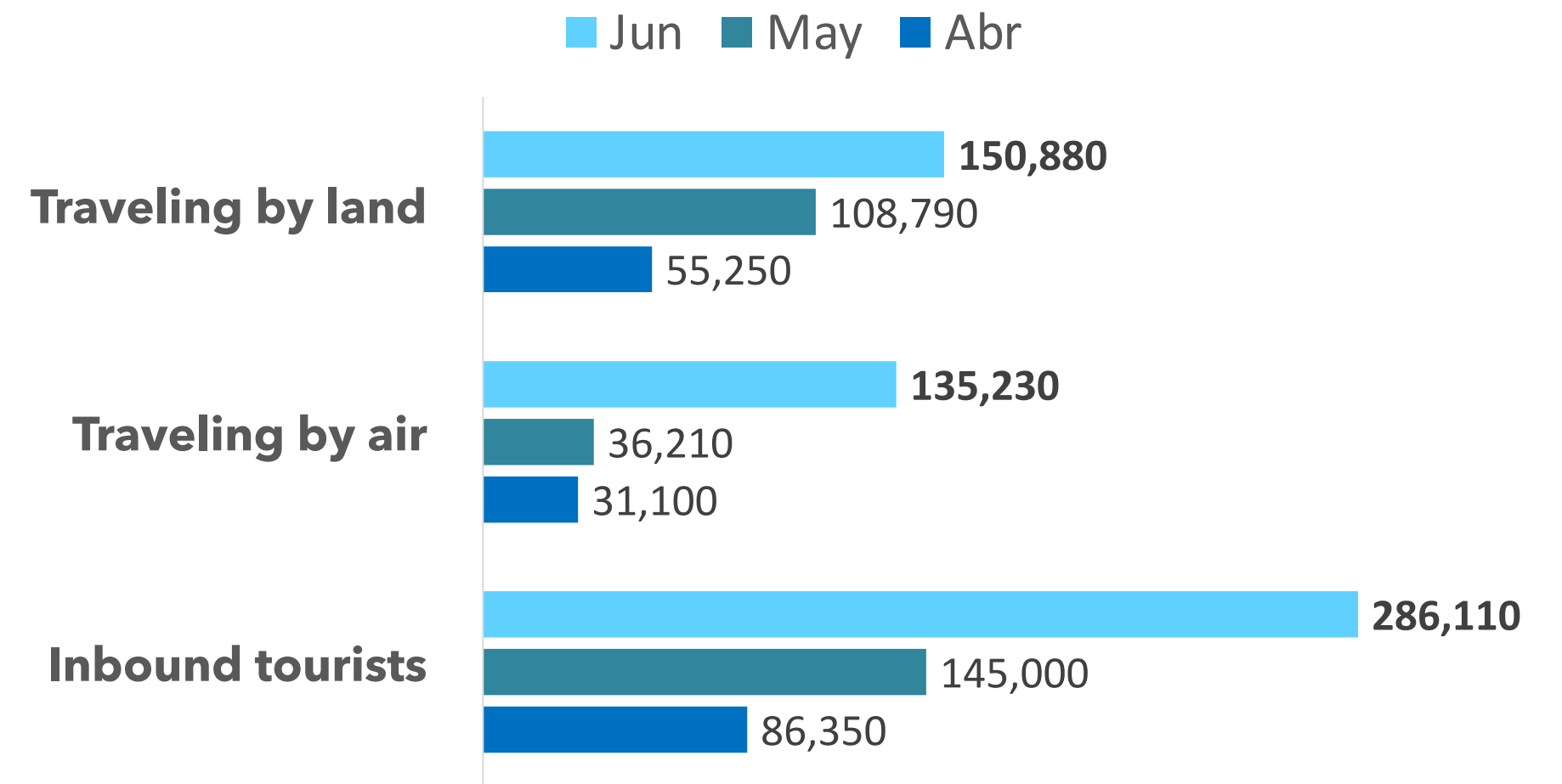
- The previous bulletin reported that the average hotel occupancy reached 15.6% as of July 12th (week 28). It remained at similar levels for weeks 29 and 30, and by the end of week 31 (August 2nd), it reached 17.4%.
- Puerto Vallarta reports a higher than average percentage: with a total of 31.2%; it has the highest rate of these 12 monitored destinations.
- Los Cabos: 23.8%.
- Cancun: 23.0%.

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.

International tourist arrivals to Mexico



- For the month of June, 981,385 international tourist arrivals were registered in the country (-75% vs. the same month of the previous year).
- The average spending of international tourists was \$178.48 USD (\$71 USD more vs. May 2020).



- There is a 97% increase in the total number of inbound tourists, compared to those registered in May, of which 53% traveled by land, and 47% did so by air.
- Compared to May, there is a 273% increase in those who arrived by air and a 39% increase in those who did so by land.
- The average spending of inbound tourists was \$516.94 USD (\$58.76 USD more vs. May 2020).

SOURCE: INEGI

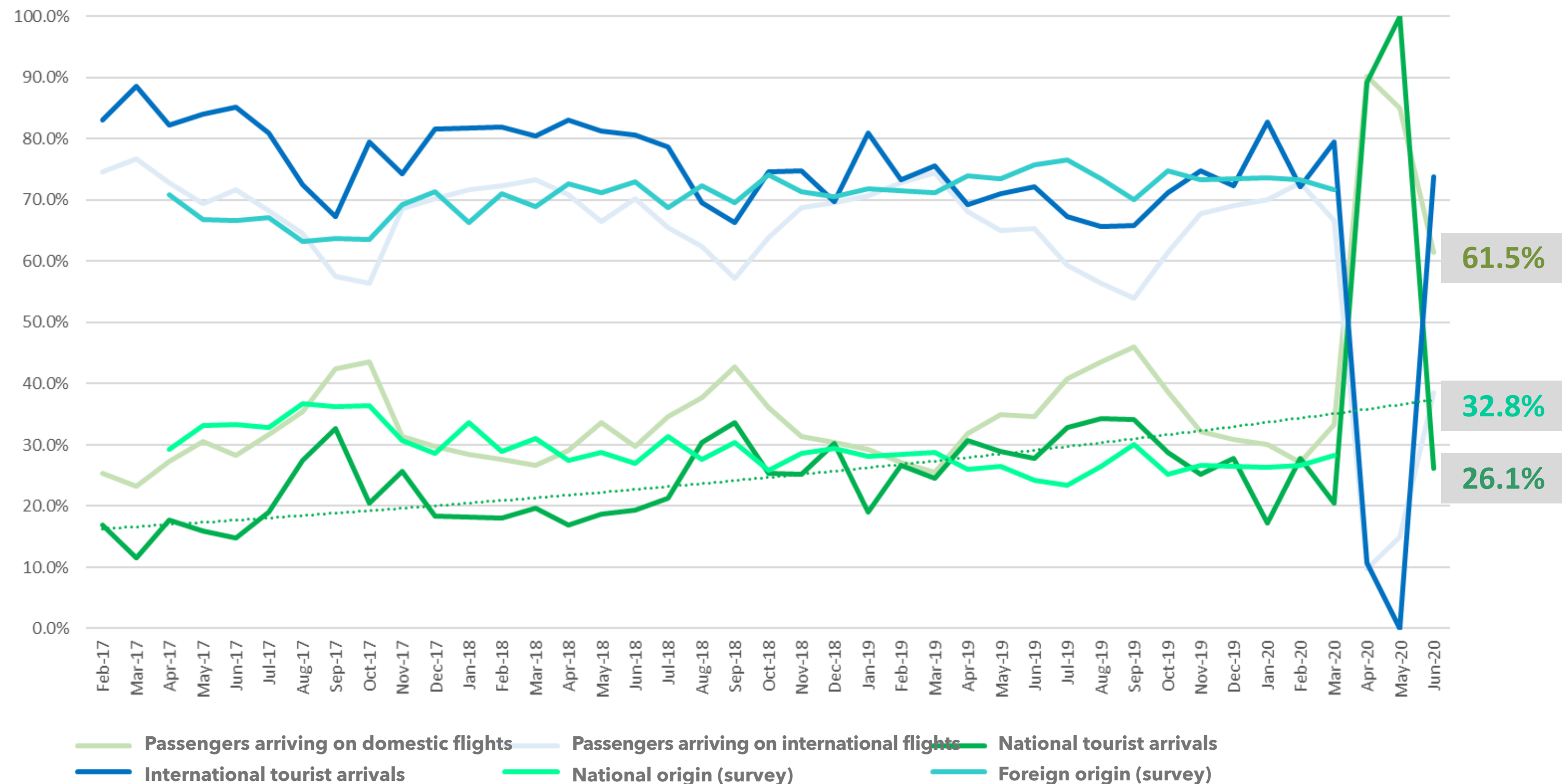


LOS CABOS TOURISM OBSERVATORY

**DEMAND INDICATORS
PASSENGERS AND TOURISTS**

Evolution of national and international tourism participation

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 (2017-2019)



- According to DataTur, the number of national residents arriving at hotels in Los Cabos reached 26.1% in Jun-2020 (1.6pp less than the previous year).
- Moreover, the participation of national passengers in the total registered by Los Cabos International Airport was 61.5% in Jun-2020. This represents an increase of 26.9pp vs. Jun-2019.
- In Jun-2020, Tourist Surveys indicated a 32.8% tourist participation in the total received by Los Cabos (8.5pp more than the previous year).

SOURCE: DATATUR, GAP, TOURIST SURVEYS

International tourist arrivals by air, by origin (residence), monthly 2019-2020

Regiones	Jun/2019	Jul/2019	Aug/2019	Sep/2019	Oct/2019	Nov/2019	Dec/2019	Jan/2020	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Δ Jun-20 / Jun-19	Δ Ene-Jun-20 / Ene-Jun-19
EE.UU.	146,487	142,111	111,494	73,431	113,947	137,433	161,174	139,238	151,410	82,042	508	1,084	12,433	-91.5%	-54.6%
Canadá	4,225	4,373	4,425	3,261	7,350	19,046	21,542	22,830	23,837	9,003	13	15	52	-98.8%	-43.2%
Europa	782	897	756	303	447	1,230	1,210	1,434	1,235	557	10	12	20	-97.4%	-44.1%
Caribe, Centro y Sudamérica	134	239	200	124	102	152	148	210	175	83	3	-	12	-91.0%	-62.8%
Resto del Mundo	765	852	774	604	784	796	898	940	622	242	-	7	34	-95.6%	-67.4%
Gran total	152,393	148,472	117,649	77,723	122,630	158,657	184,972	164,652	177,279	91,927	534	1,118	12,551	-91.8%	-53.4%

Mercados clave	Jun/2019	Jul/2019	Aug/2019	Sep/2019	Oct/2019	Nov/2019	Dec/2019	Jan/2020	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Δ Jun-20 / Jun-19	Δ Ene-Jun-20 / Ene-Jun-19
Reino Unido	94	184	219	73	155	827	773	942	692	357	2	5	9	-90.4%	51.1%
Australia	347	336	256	201	346	268	305	415	181	114	-	5	10	-97.1%	-64.2%
Corea del Sur	72	87	83	111	179	134	126	98	93	23	-	-	1	-98.6%	-67.7%
Total mercados clave	513	607	558	385	680	1,229	1,204	1,455	966	494	2	10	20	-96.1%	-26.7%

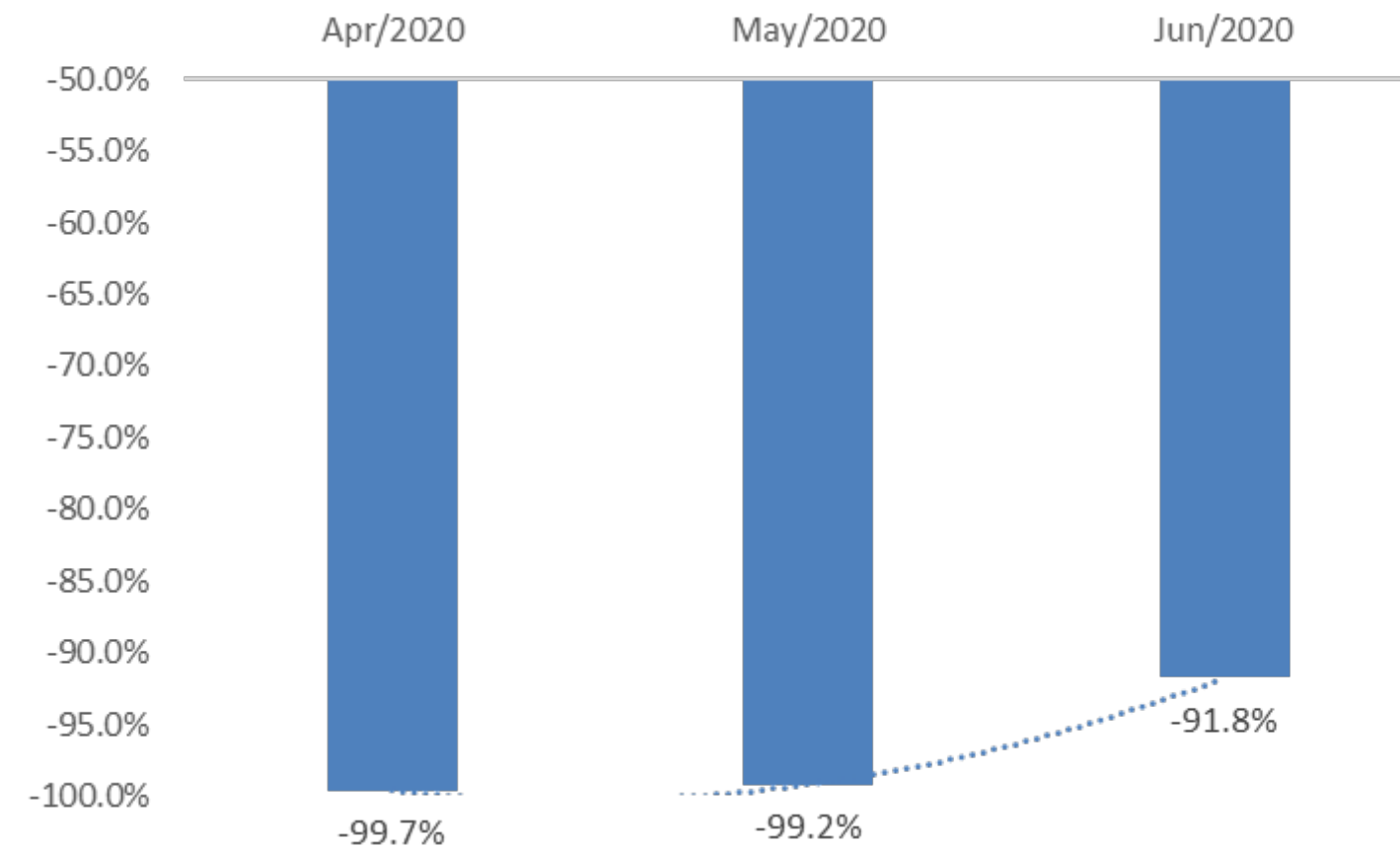
SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence)

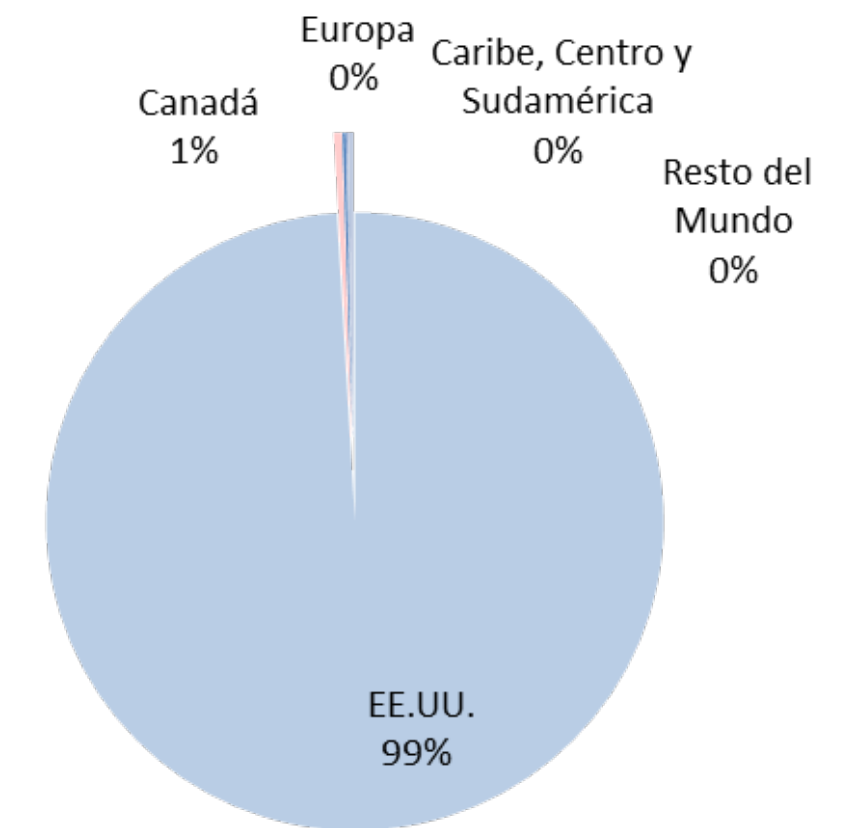
-91.8% Jun-2020 vs. Jun-2019

- The entry of 12,551 international tourists that arrived by air to the Los Cabos International Airport was registered in Jun-2020. This signified a decrease of 91.8% compared to Jun-2019.
- In Jun-2020, Americans represent 99% of the total.

Annual variation of international tourist arrivals by air to Los Cabos International Airport (Apr-Jun-2020)



Participation of international tourist arrivals by air to Los Cabos International Airport (Jun-2020)

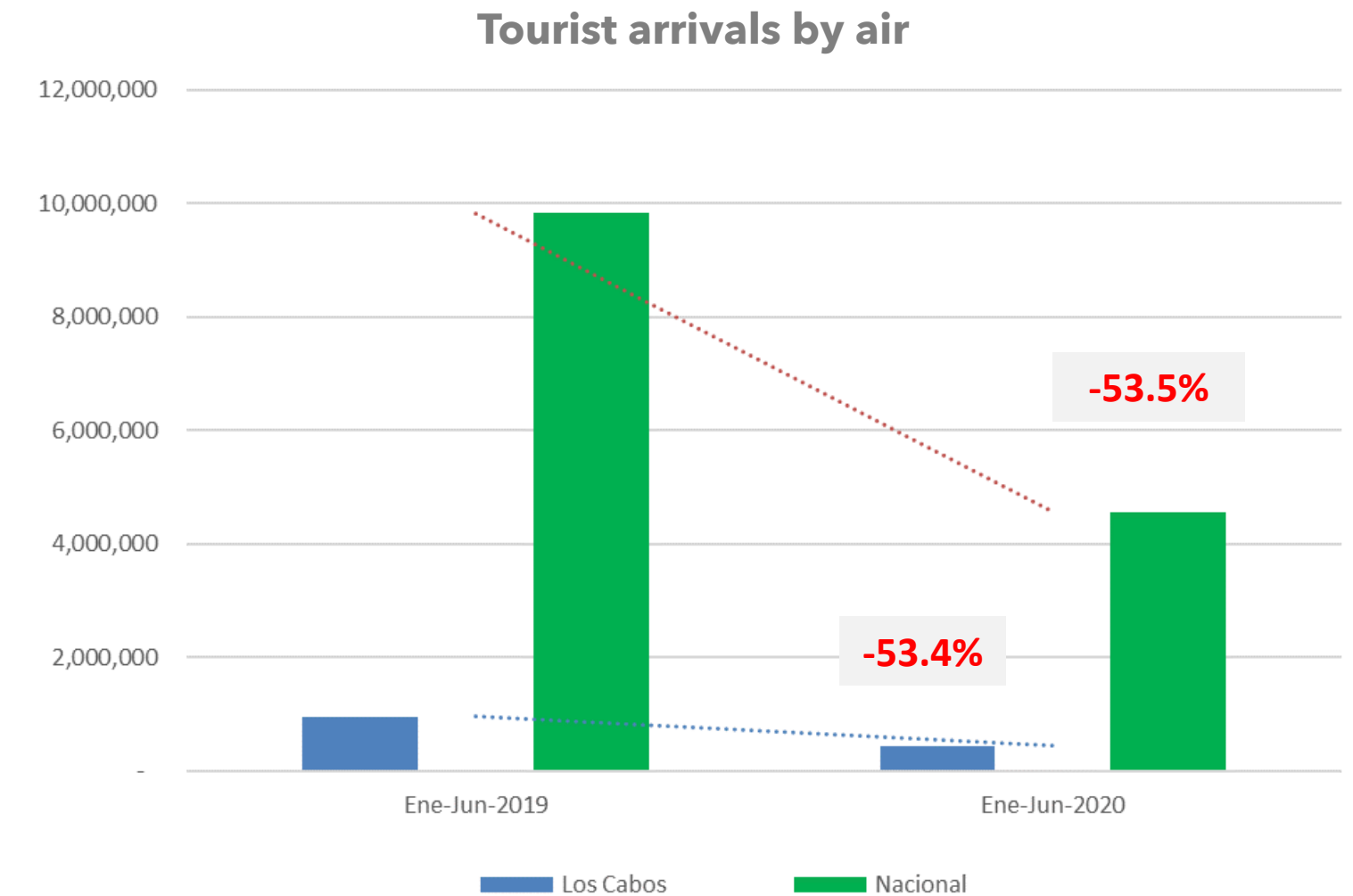


SOURCE: INM-SIOM

International tourist arrivals by air, by origin (residence), accumulated 2018-2019

Regiones	Nacional			Los Cabos		
	Ene-Jun-2019	Ene-Jun-2020	Δ 2020/2019	Ene-Jun-2019	Ene-Jun-2020	Δ 2020/2019
Estados Unidos	5,726,594	2,571,035	-55.1%	850,943	386,715	-54.6%
Canadá	1,447,346	872,377	-39.7%	98,141	55,735	-43.2%
Europa	949,165	410,830	-56.7%	5,789	3,256	-43.8%
Caribe, Centro y Sudamérica	1,328,964	551,476	-58.5%	1,310	483	-63.1%
Resto del mundo	377,246	161,619	-57.2%	5,707	1,838	-67.8%
Gran Total	9,829,315	4,567,337	-53.5%	961,890	448,027	-53.4%

Mercados Clave	Nacional			Los Cabos		
	Ene-Jun-2019	Ene-Jun-2020	Δ 2020/2019	Ene-Jun-2019	Ene-Jun-2020	Δ 2020/2019
Reino Unido	262,595	79,873	-69.6%	1,328	2,007	51.1%
Australia	33,438	13,447	-59.8%	2,030	725	-64.3%
Corea del Sur	45,224	21,092	-53.4%	665	215	-67.7%
Total mercados clave	341,257	114,412	-66.5%	4,023	2,947	-26.7%

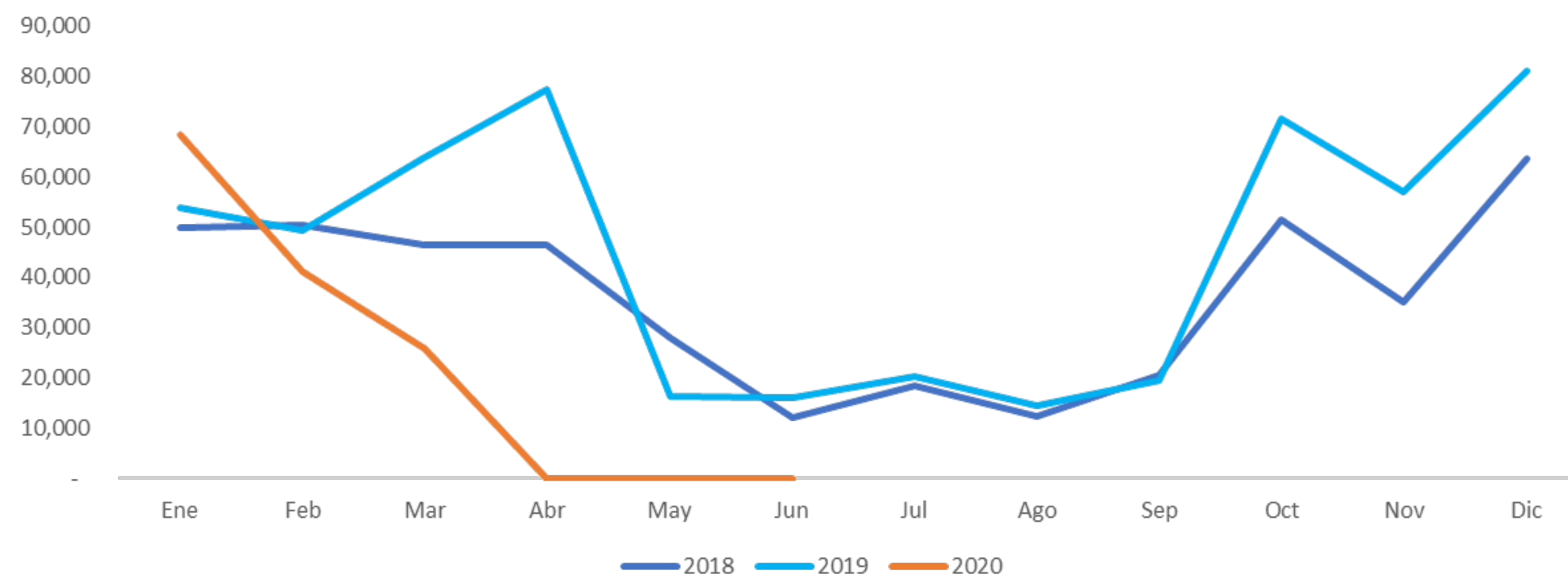


SOURCE: INM-SIOM

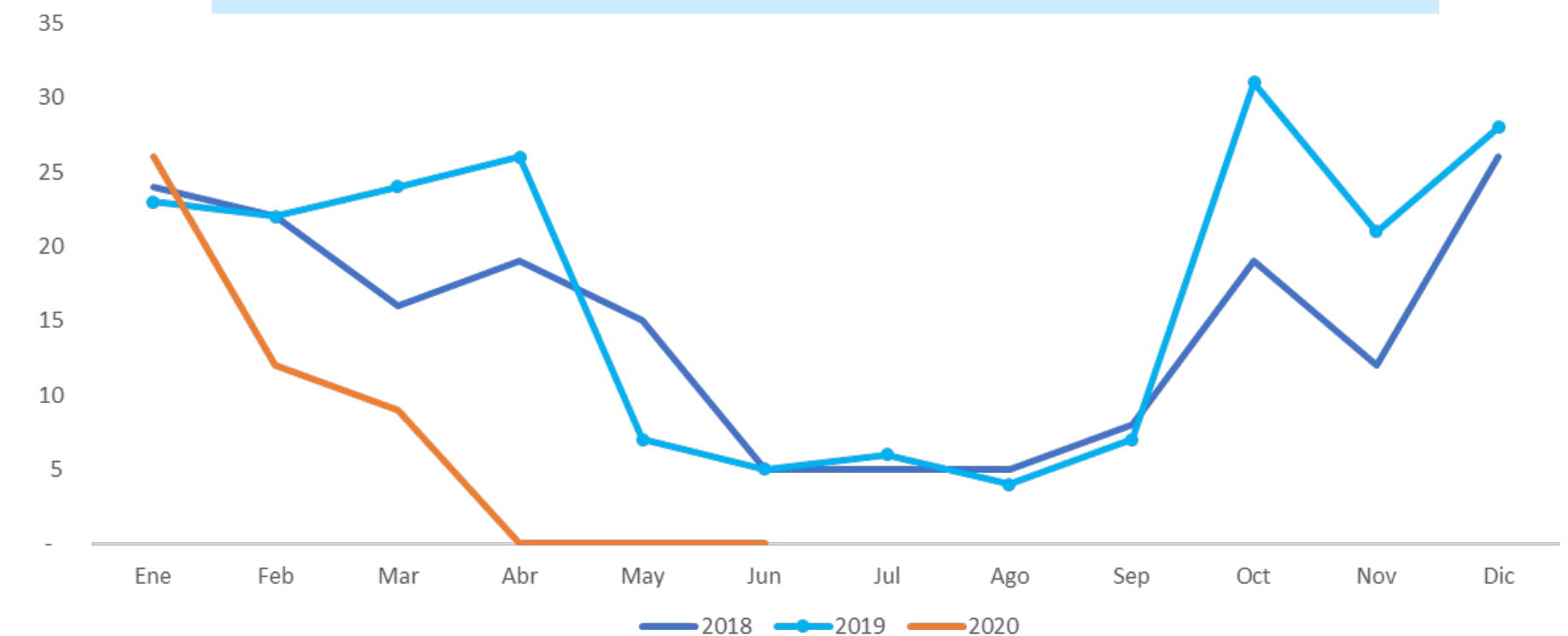
Passenger arrivals on cruise ships and vessels (2019-2020)

- There were no registered vessel or cruise ship arrivals at the Port of Cabo San Lucas in Jun-2020.

Passengers arriving on cruise ships at the Port of Cabo San Lucas, monthly (2018-2020)



Cruises arriving in the Port of Cabo San Lucas, monthly (2018-2020)



SOURCE: DATATUR - SCT

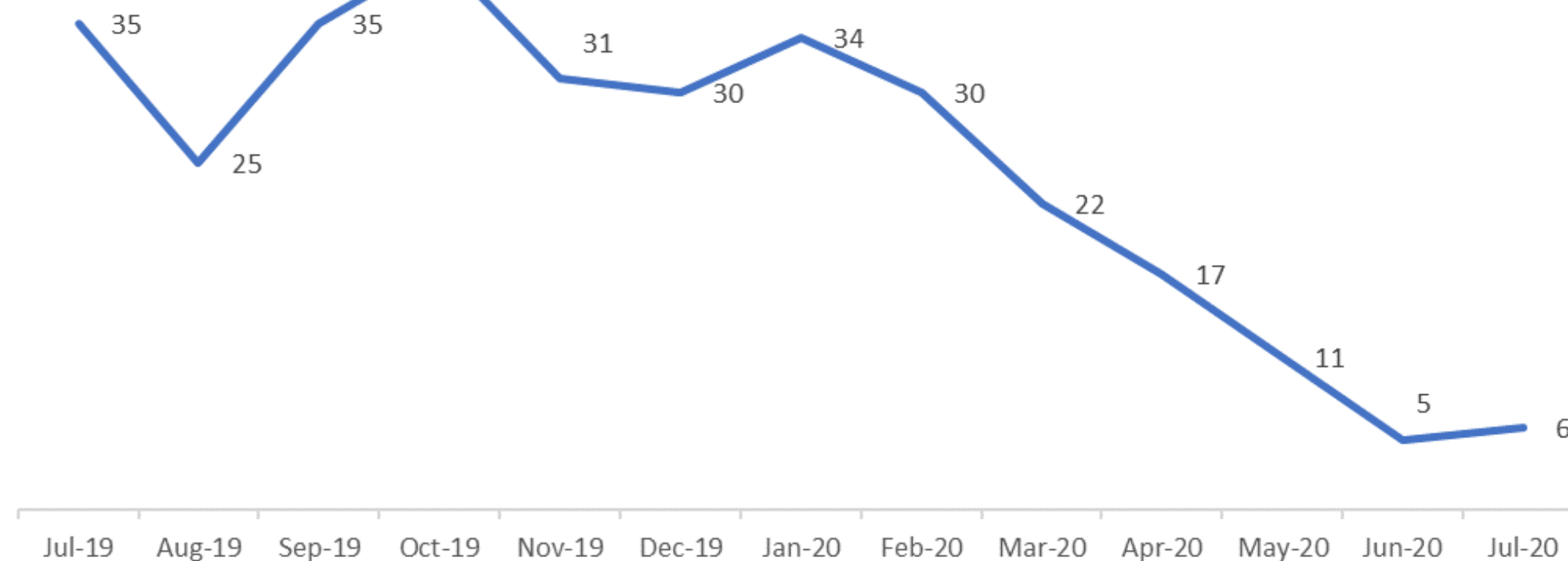


LOS CABOS TOURISM OBSERVATORY

DEMAND INDICATORS
TOURIST SURVEYS & GROUP BUSINESS

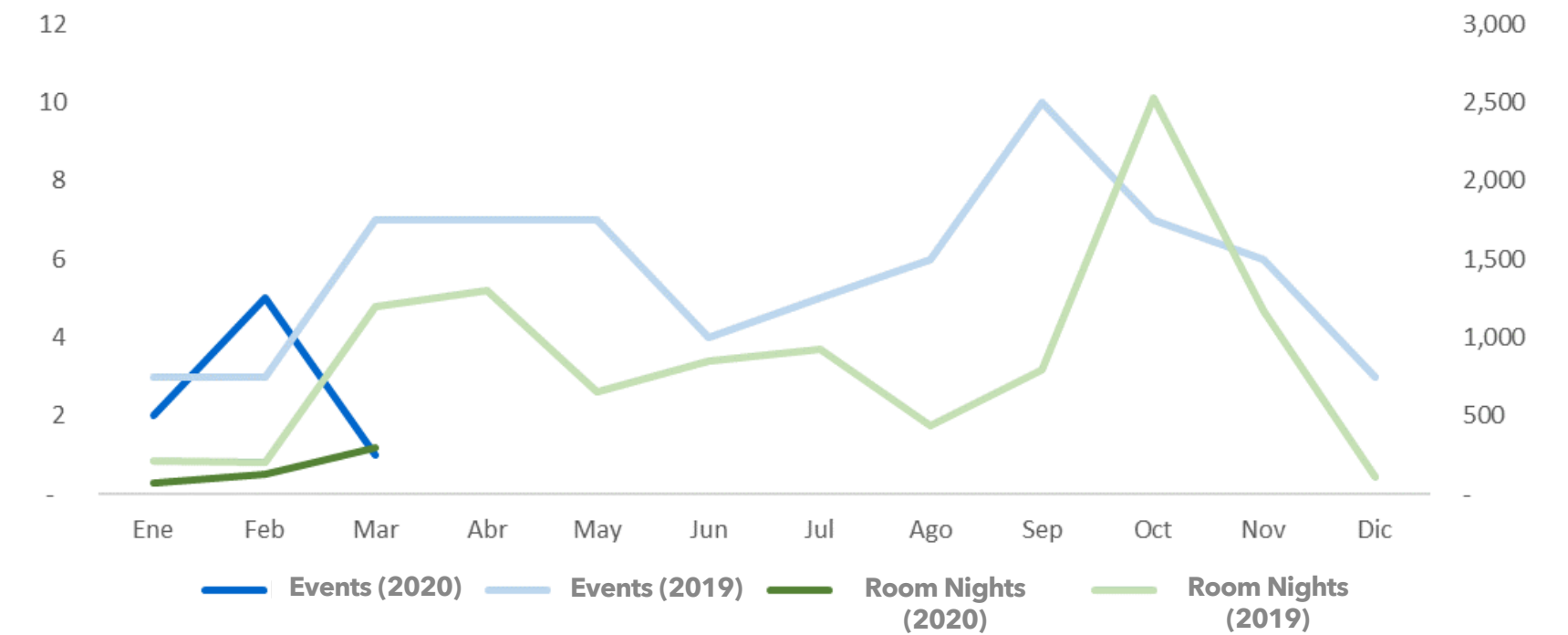
Demand indicators: Group Business

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



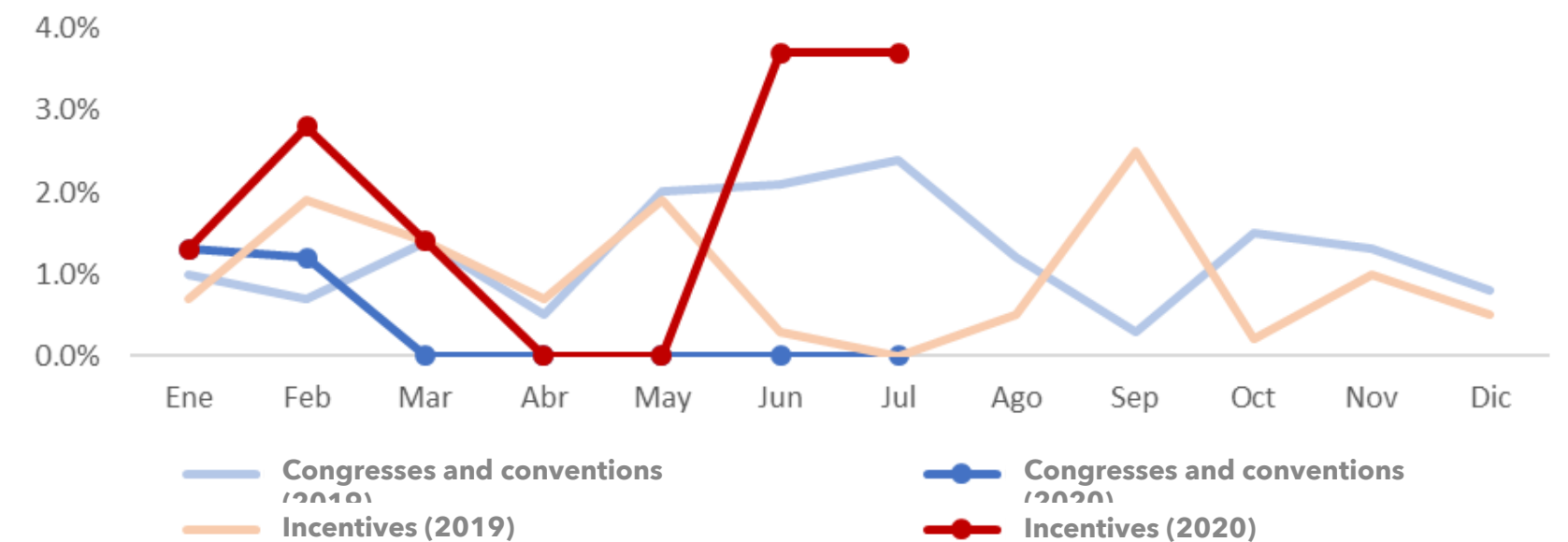
SOURCE: CVENT

Confirmed room nights and events, for meetings and groups (Helms Briscoe)




SOURCE: HELMS BRISCOE

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



SOURCE: TOURIST SURVEYS

An aerial photograph of a clear, turquoise ocean. In the center, there is a large, light-colored rock. Below the rock, two small kayakers are visible, one slightly ahead of the other. The water's color transitions from a deep blue in the lower right to a lighter turquoise in the upper left.

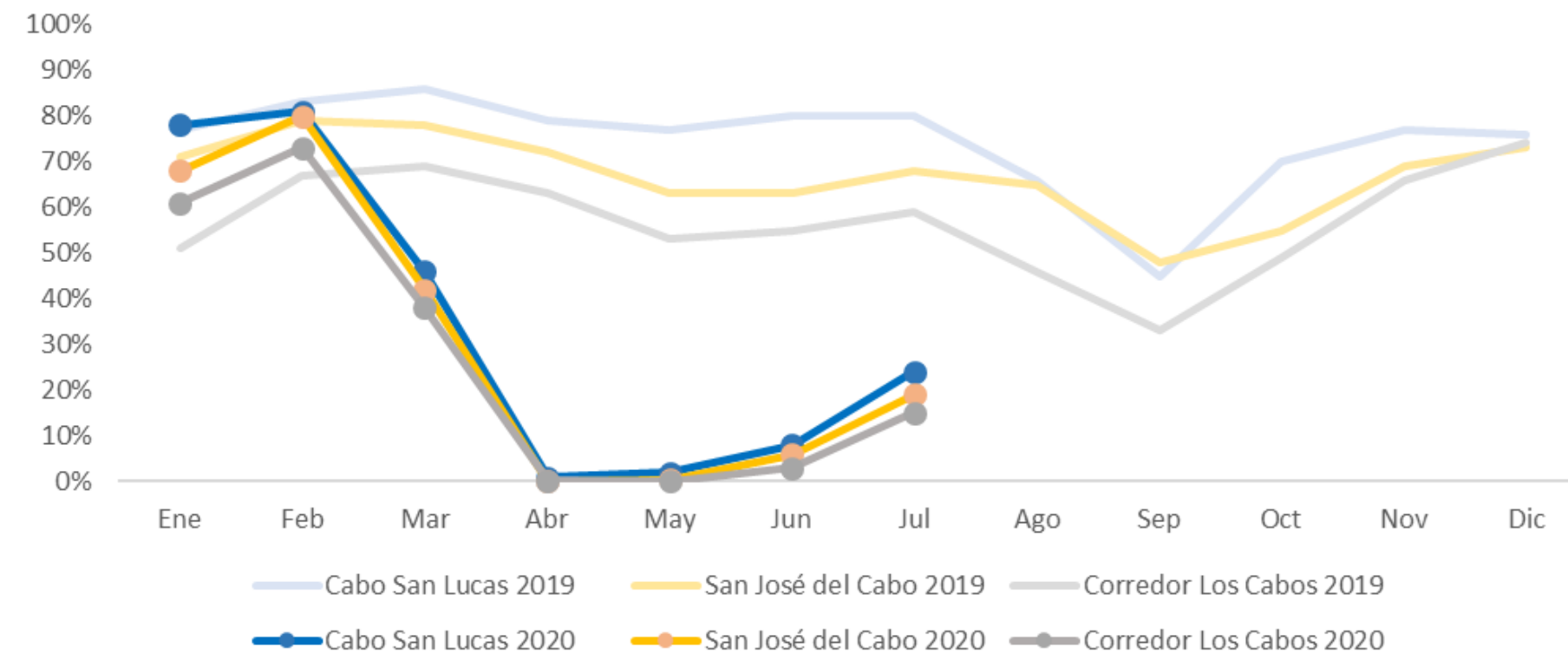
LOS CABOS TOURISM OBSERVATORY

SUPPLY INDICATORS

HOTEL OFFER

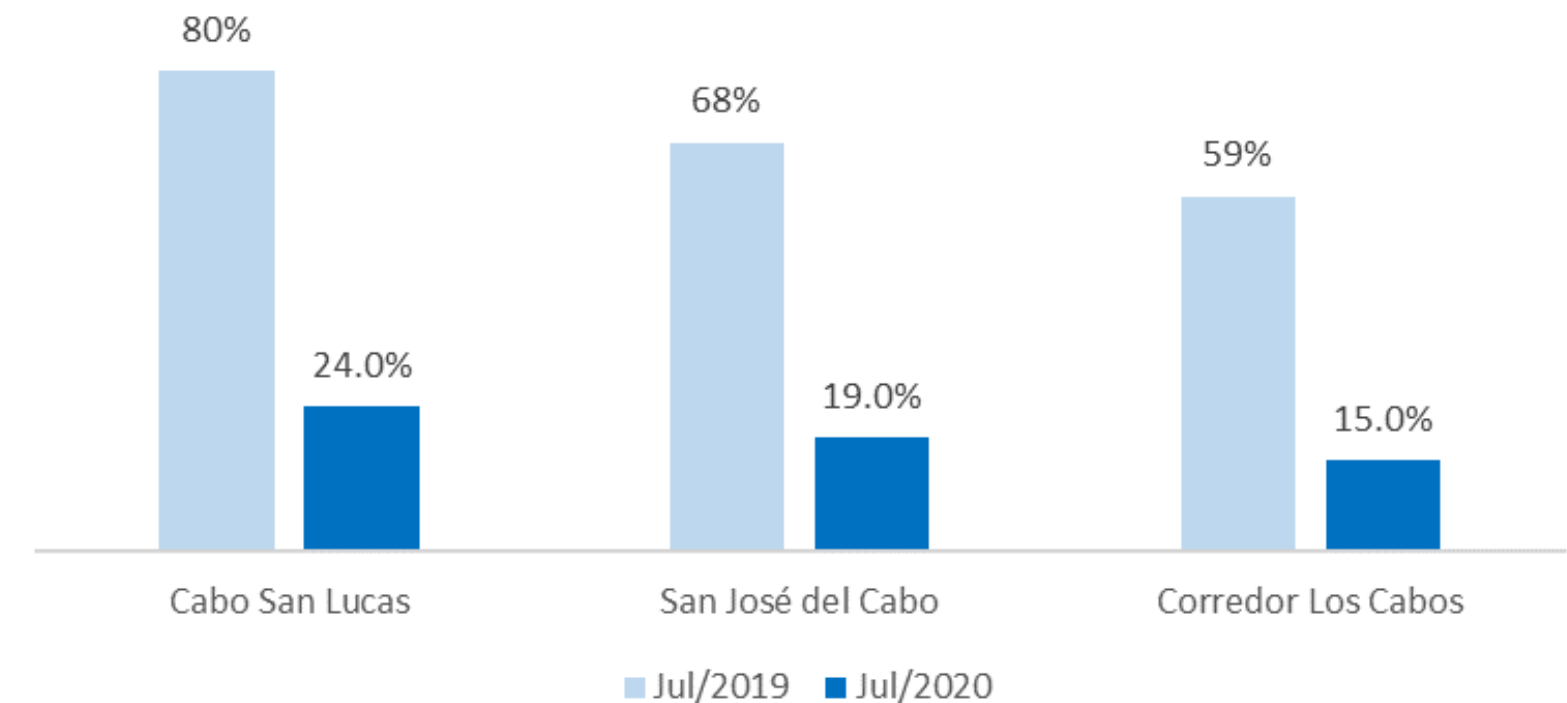
Evolution of the hotel offer in Los Cabos and sub-destinations

Monthly hotel occupancy (2019-2020)



SOURCE: AHLC

Hotel occupancy (Jul 2019-2020)



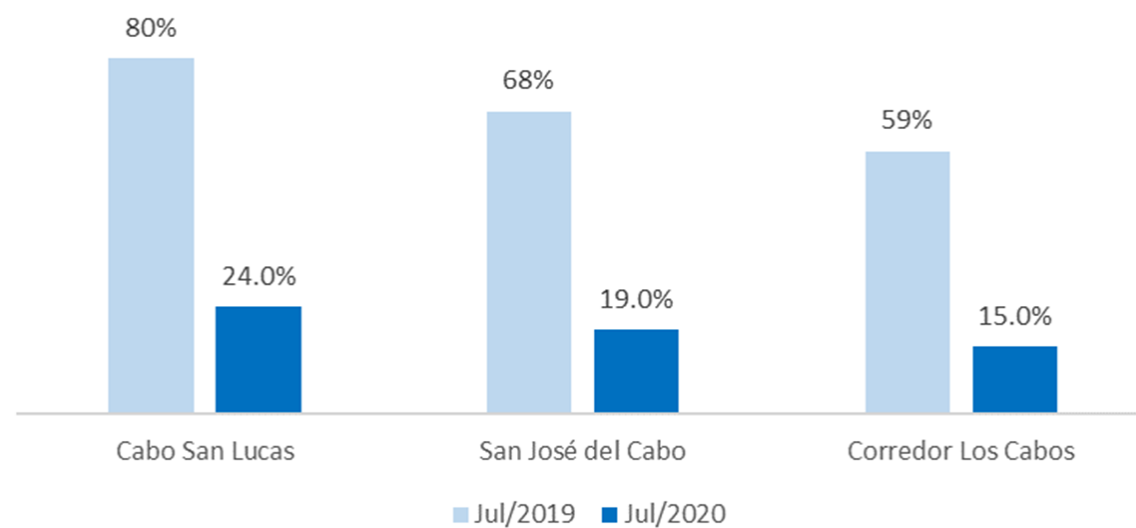
SOURCE: AHLC

- According to the Los Cabos Hotel Association, hotel occupancy in Los Cabos reached 21%, decreasing 51pp compared to last year; however, occupancy gained 14pp compared to Jun-2020. On a sub-destination level, Cabo San Lucas had an occupancy of 25%, decreasing 56pp compared to the previous year. Meanwhile, San Jose del Cabo dropped 49pp, reaching 19%, and Los Cabos Corridor decreased 44pp, registering 15%.
- Los Cabos registered 12,972 tourists arriving at hotels in Jun-2020, 94.4% less compared with Jun-2019. The average stay decreased by 1.06 nights (from 4.84 in Jun-2019 to 3.78 in Jun-2020, according to DataTur).
 - International tourist arrivals at hotels fell 94.3% in this period, while national tourism did so by 94.7%.
 - In Jun-2020, national tourism represented 26.1% of the total. The previous year, a participation of 27.9% was registered.

HOTEL OFFER

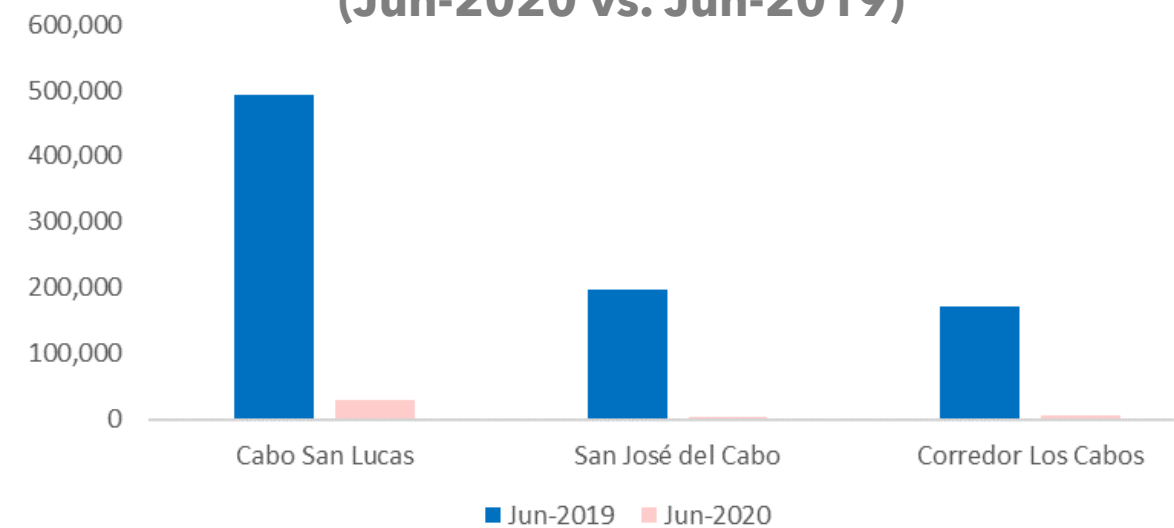
Evolution of the hotel offer in Los Cabos and sub-destinations

Hotel occupancy (Jul 2019-2020)



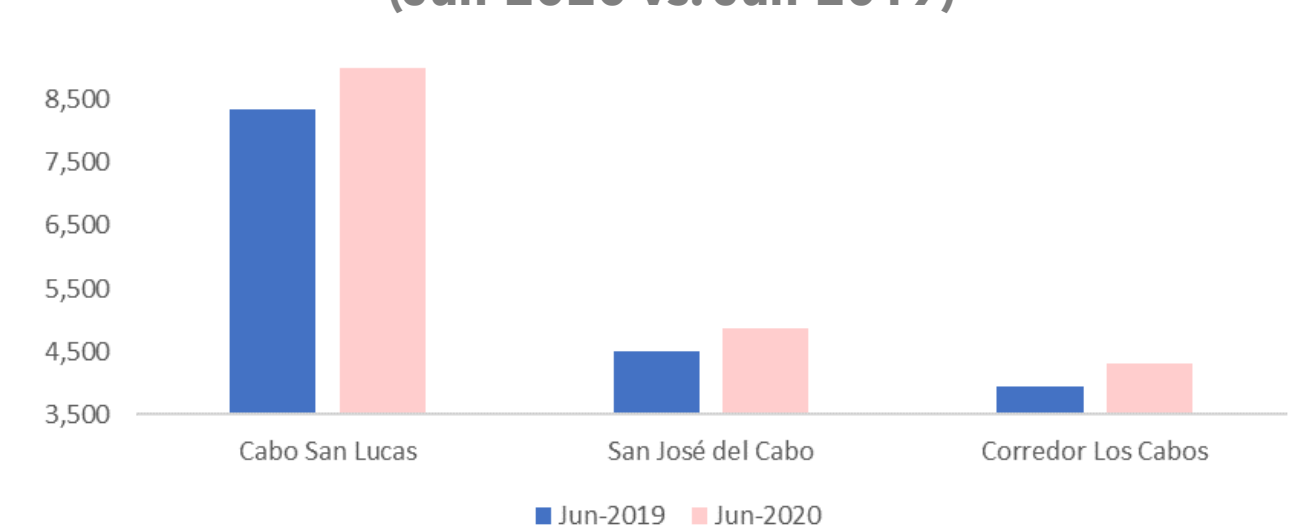
SOURCE: AHLC

Room nights (Jun-2020 vs. Jun-2019)



SOURCE: DATATUR

Rooms available (Jun-2020 vs. Jun-2019)



SOURCE: DATATUR

CABO SAN LUCAS

- The hotel occupancy registers 24%, which implies a decrease of 56pp (Jul-2019 vs. Jul-2020, AHLC).
- It's hotel offer increased by 8% from Jun-2019 to Jun-2020, going from 8.3 thousand to 9 thousand (DataTur).
- Occupied room nights dropped 94.2% between Jun-2019 and Jun-2020 (DataTur).

SAN JOSE DEL CABO

- Occupancy dropped 49pp when comparing Jul-2019 to Jul-2020 (AHLC): 19%.
- Its hotel offer grew 8.4% between Jun-2019 and Jun-2020, registering 4.9 thousand rooms (DataTur).
- Occupied room nights dropped 97.3% between Jun-2019 and Jun-2020 (DataTur).

LOS CABOS CORRIDOR

- Occupancy registers 15% in Jul-2020, which implies a decrease of 44 (AHLC).
- Its hotel offer grew 8.9% between Jun-2019 and Jun-2020, registering 4.3 thousand rooms (DataTur).
- Occupied room nights decreased 97.1% between Jun-2019 and Jun-2020 (DataTur).

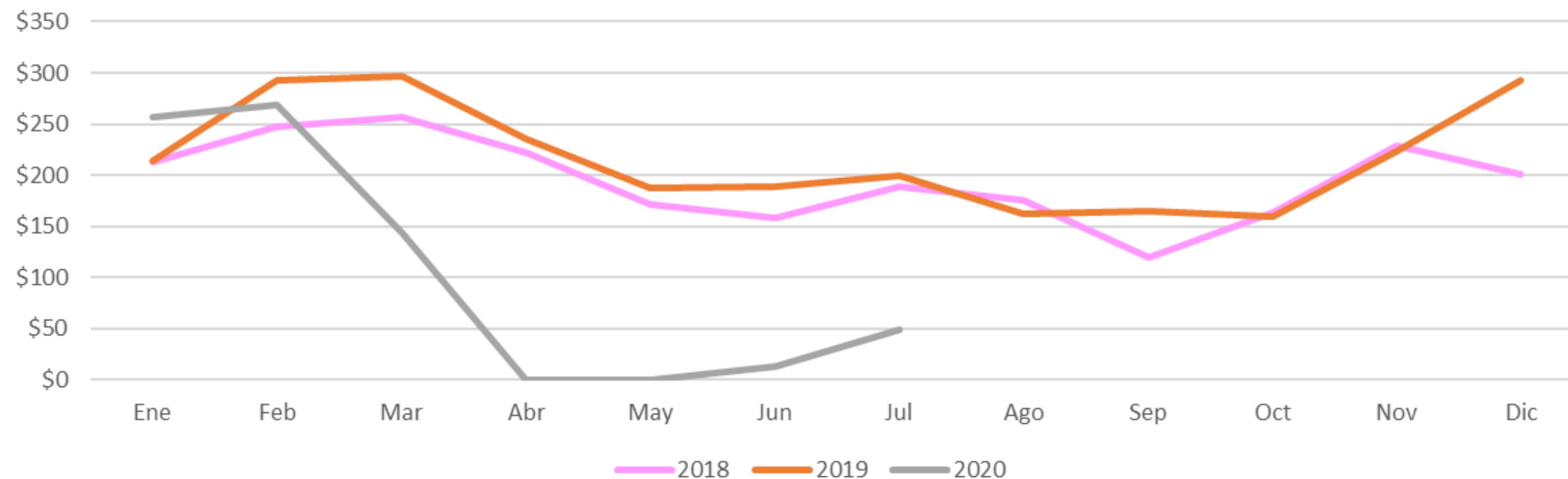
HOTEL OFFER

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

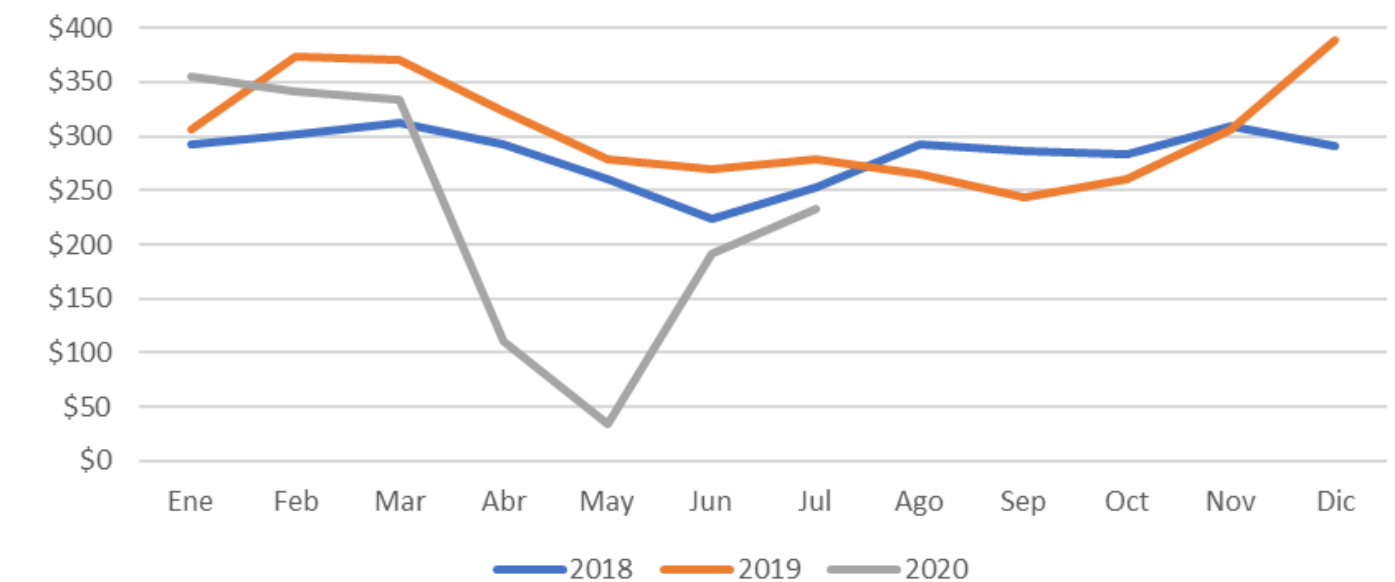
- The average hotel rate in Los Cabos for Jul-2019 was \$233 USD; \$22 below the average of the past 12 months, and \$84 less than that in Jul-2018. The RevPAR for Jul-2020 was \$49 USD.
 - San Jose del Cabo was the only destination that increased its average rate compared to the previous year: +2.2%, registering \$231.
 - San Jose del Cabo had the highest rate: \$296 USD (-16.1%).
 - Cabo San Lucas reduced its average rate by 31.9%, settling at \$173 USD.

RevPAR Los Cabos (USD, 2018 - 2020)

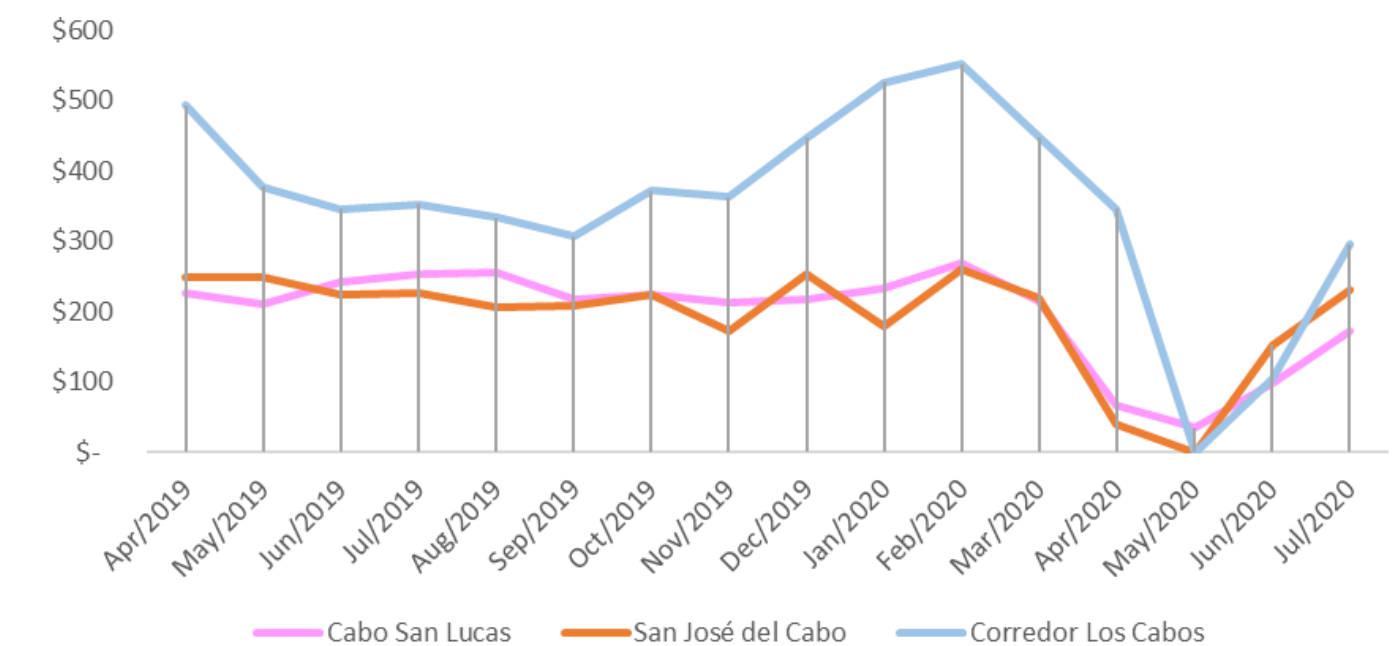
SOURCE: AHLIC



Average Hotel Rate, Los Cabos (USD, 2018 - 2020)



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



INTERNATIONAL AIR CONNECTIVITY

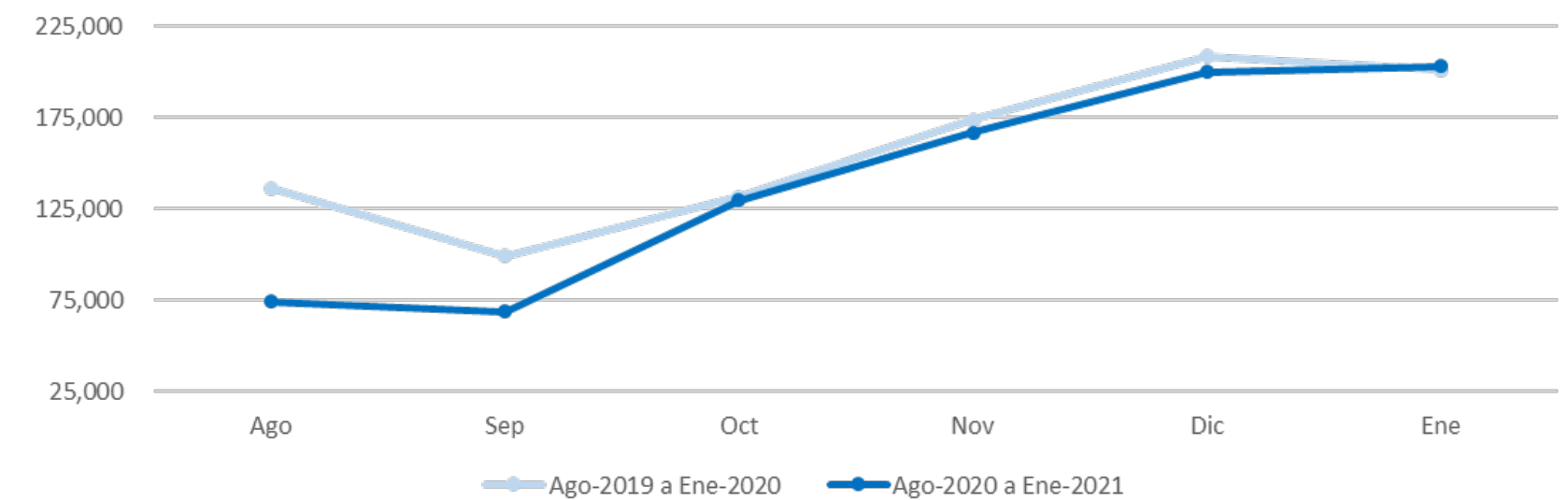
SOURCE: OAG

SEATS SCHEDULED FOR AUG-2020 TO JAN-2021

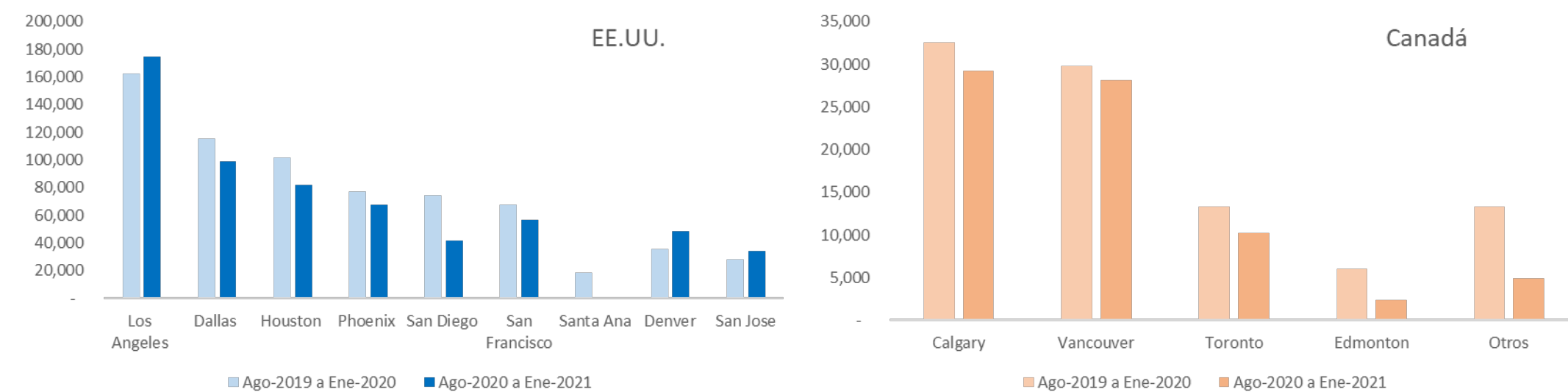
Seat offer report for the month in question and the 6 following months, as the case may be

- For the U.S., there are **43.5%** fewer available scheduled seats for Aug-2020 compared to the same period last year, and for the next 6 months, there are **9.9%** fewer scheduled seats compared to the same period last year.
 - Almost all origin airports have decrements, except for LAX (+7.8%), DEN (+34.9%), and San Jose, CA (+22.4%). HOU (-19.2%), DFW (-14%), and San Diego (-44.2%) have the highest decrease.
- Los Angeles is the main issuing market in the U.S. (23% of the market), followed by DFW and Houston (13% and 11%, respectively).
- American, Alaska, and United Airlines are the most relevant (67% as a whole).
- For Canada, there are **96.3%** fewer available scheduled seats for Aug-2020, and for the next 6 months, there are **21%** less.
 - Calgary dropped 10%, Vancouver 5.6%, and Toronto 23%. However, Calgary and Vancouver will gain 5pp and 7pp of participation, respectively.
 - During this period, Swoop will reduce the frequency of its flights by 100%, Sunwing will do so by 71.3%, and WestJet by 8.8%. AC will increase it by 43.6%.
- The international airlines' occupancy factors for May-2020 were: American 23%, Alaska 30%, Delta 0%, United 0%, and Southwest 0%. No Canadian airlines scheduled any flights to SJD during this period (there was no occupancy either).

Seat scheduling for flying to San Jose del Cabo (Aug-2020 to Jan-2021)



Seats scheduled by origin (Aug-2020 to Jan-2021)





LOS CABOS TOURISM OBSERVATORY

PUBLIC RELATIONS

Public relations: notes and scope (last 12 months)

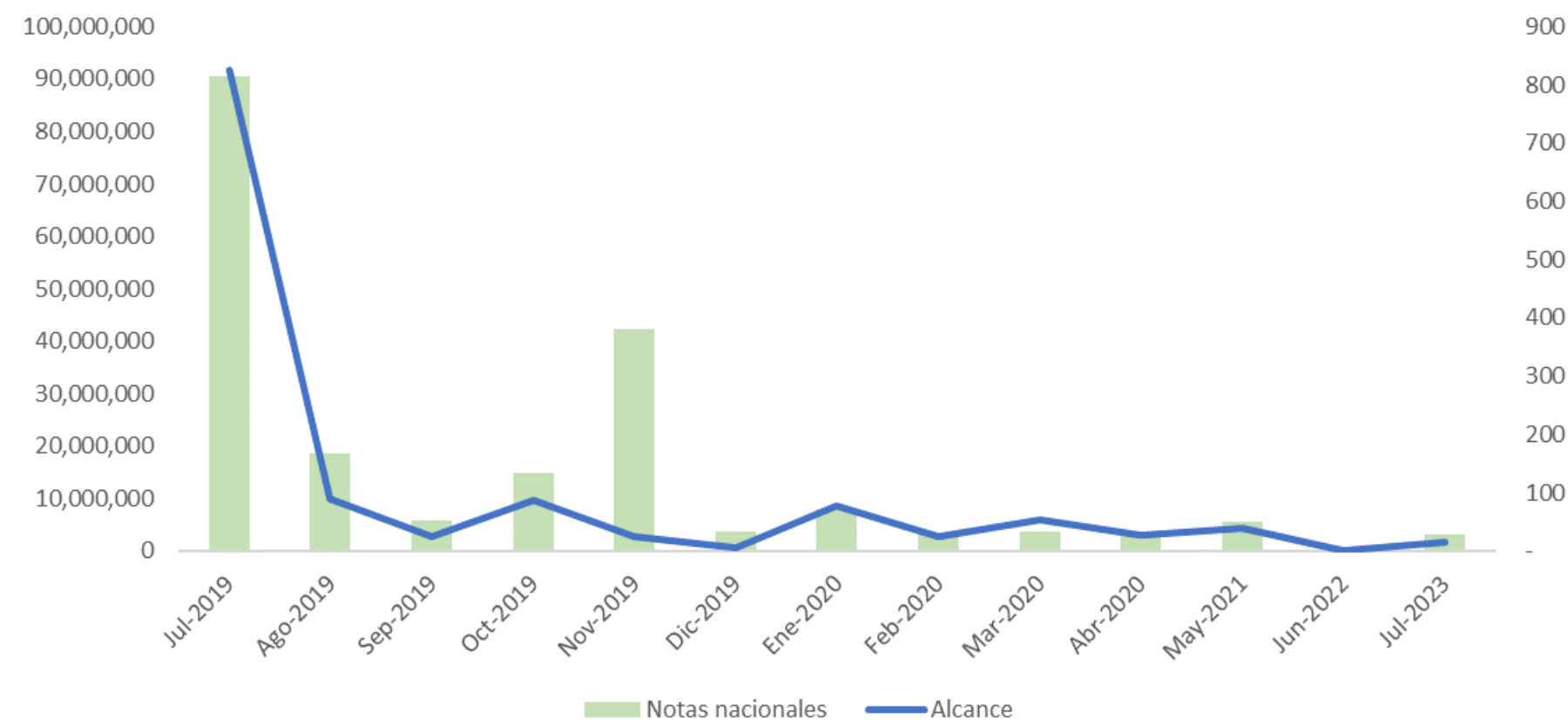
- In the domestic market:

- In the period from Aug-2019 to Jul-2020 (last 12 months), there were 1,005 national press insertions (84 monthly on average), creating a scope of 52.1 million impacts (4.3 million monthly on average). 28 inserts were published throughout Jul-2020, achieving 1.7 million impacts.

- In the international market:

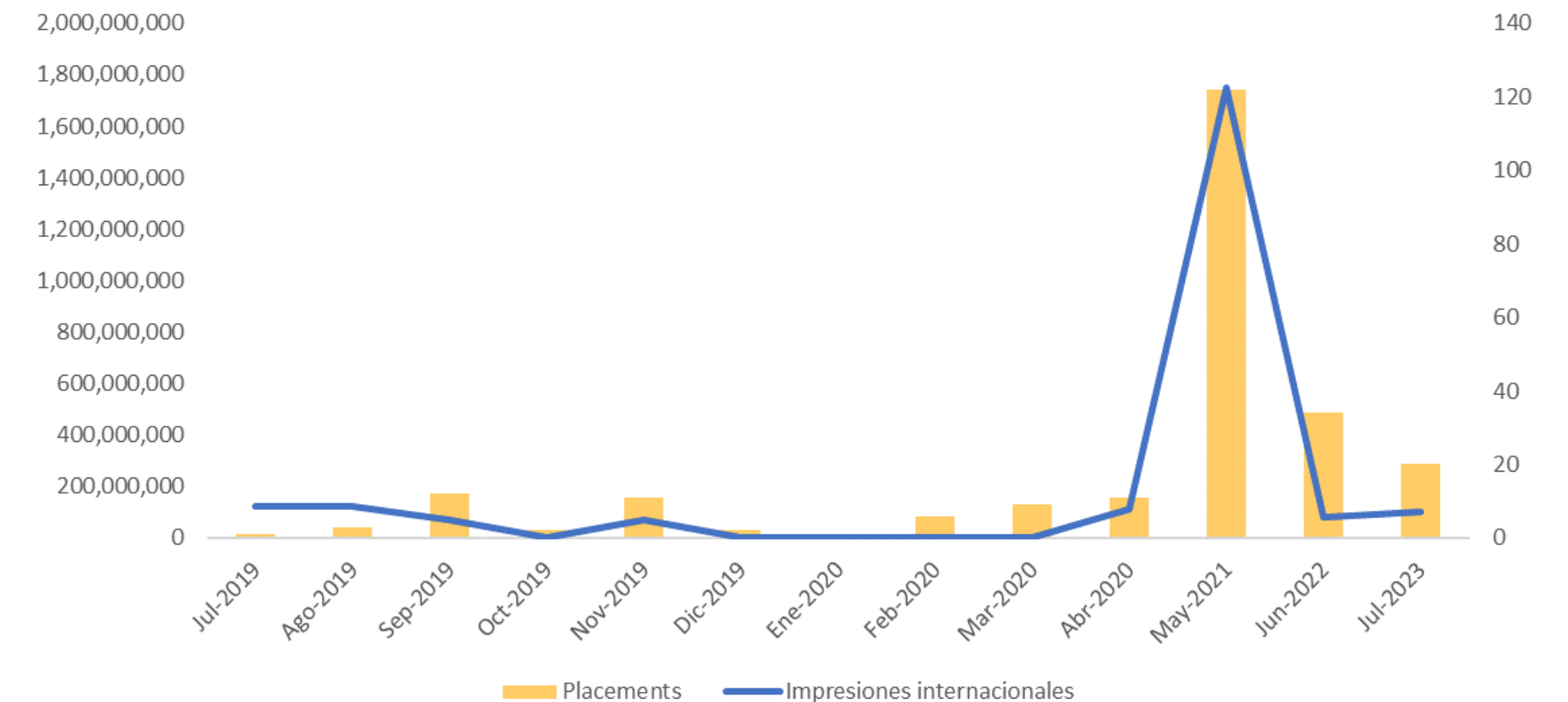
- In the period from Aug-2019 to Jul-2020, there were 233 international press insertions (19.4 monthly on average), creating a scope of 2,313 million impacts (192.8 million monthly on average). 20 inserts were published throughout Jul-2020, achieving 102.4 million impacts.

NATIONAL NOTES' TOTAL & SCOPE (JUL-2020)



SOURCE: GAUDELLI (Feb-2018 to Jan-2019), LLORENTE & CUENCA (Feb-2019 to Jul-2020)

INTERNATIONAL NOTES' TOTAL & SCOPE (JUL-2020)



SOURCE: NJF (Feb-2018 to Jan-2019), OGILVY (Feb-2019 to Jul-2020)

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: $\text{RevPAR} = \text{It} / \Sigma \text{Ht}$, 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

All rights reserved. Total or partial reproduction is prohibited.



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