



# LOS CABOS TOURISM OBSERVATORY

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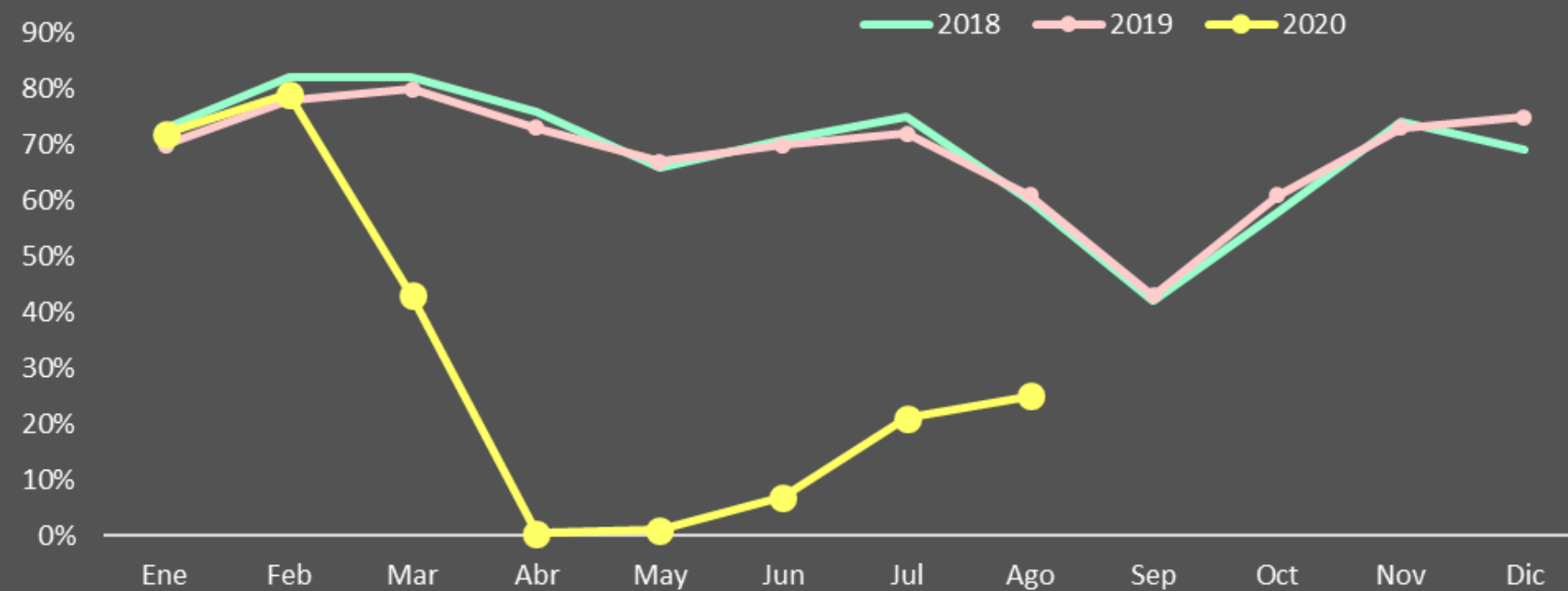
## KEY PERFORMANCE INDICATORS

SEPTEMBER 2020



# Main indicators – Summary

## Hotel Activity



SOURCE: LOS CABOS HOTEL ASSOCIATION

**Rooms Available**  
(Jul-2020):

**21,741**

**-0.1%**  
(vs. Jul-2019)

SOURCE: DATATUR

**Hotel Occupancy**  
(Aug-2020):

**25%**

**-36pp**  
(vs. Aug-2019)

SOURCE: AHLIC

**Room nights**  
(Jul-2020):

**317,696**

**-76.7%**  
(vs. Jul-2019)

SOURCE: DATATUR

## Air Passenger Arrivals

**Total Passengers**  
(Aug-2020, expressed in thousands):

**102.55**

**-60.6%**  
(vs. Aug-2019)

**National Passengers**  
(Aug-2020, expressed in thousands):

**53.55**

**-46.8%**  
(vs. Aug-2019)

**International Passengers**  
(Aug-2020, expressed in thousands):

**49**

**-62.4%**  
(vs. Aug-2019)

SOURCE: GAP

**Group Business Total**  
RFPs (Aug-2020):

**6**

**-19 RFPs**  
(vs. Aug-2019)

**Tourist Surveys**

Tourist Satisfaction (more than expected, Aug-2020):

**35.9%**

**+1.6pp**  
(vs. Aug-2019)

**Cruise passengers**  
(Jul-2020):

**0**

**-100%**  
(vs. Jul-2019)

**Attendees to congresses and conventions** (Aug-2020):

**N.D.**

**Tourists' Origin**  
(Jul-2020):

**67.2% foreigners**

**-9.4pp**  
(vs. Jul-2019)

**Cruise ships**  
(Jul-2020):

**0**

**-6 cruises**  
(vs. Jul-2019)

SOURCE: DATATUR

# Main indicators – Summary

## PASSENGERS ARRIVAL

- In Aug-2020, Los Cabos International Airport registered a 55.6% (-128.4 thousand) decrease in the total number of passengers arriving at the destination compared to Aug-2019, adding up to a total of 102.55 thousand (when considering arrivals only).
  - Passengers on domestic flights (53.55 thousand) represent 52.2% of total arrivals. These decreased by 46.8% (-47.1 thousand vs. Aug-2019).
  - Passengers on international flights (49 thousand) represent 47.8% of total arrivals. These decreased by 62.4% (-81.3 thousand vs. Aug-2019).

## FLIGHT SCHEDULES

- Compared to the same period last year, the domestic market has 1.4% fewer available seats scheduled for the period from Sep-2020 to Feb-2021. 13% fewer seats are expected for Sep-2020.
  - CDMX and MTY seats decreased by 5.5% and 0.4%, respectively. GDL and TIJ increased by 9.1% and 6.3%.
  - Aeromexico will increase its frequency of flights by 31.8%, partly due to the introduction of 5 weekly flights departing from GDL as of September 10th.
- The United States market expects 7.5% more seats scheduled for the next 6 months; however, there were 26.8% less in Sep-2020.
- LAX (+26.7%), DFW (+13%) and PHX (+11.7%) had the most significant increase. However, SFO (-15.1%) and San Diego (-36.1%) still show decreases.

## FLIGHT SCHEDULES (Cont'd)

- From Canada, 31.3% fewer seats are expected for the next 6 months. There are no scheduled seats available for Sep-2020. Calgary drops 32.1%, Vancouver 4.7%, and Toronto 31.5%.
- It should be noted that the scheduling of flight seats for all 2020 is falling 36.1% in CUN and 29.9% in PVR. However, SJD fell 24.4% when compared to 2019.

## HOTEL ACTIVITY

- Occupancy in Aug-2020 was 25%, compared to 61% in Aug-2019 (-36pp).
  - Cabo San Lucas' occupancy drops 39pp when compared to Aug-2019 and now stands at 27% (it increased 3pp vs. Jul-2020).
  - San Jose del Cabo registers 23% (42pp less than in Aug-2019, but 4pp more than in Jul-2020).
  - Los Cabos Corridor registered 21% (25pp less than in Aug-2019, but 6pp more than in Jul-2020).
- The number of available rooms decreased by 0.1% in Los Cabos between Jul-2019 and Jul-2020, mainly due to a reduction of 102 rooms (-2.1%) in San Jose del Cabo.
- Tourist arrivals to hotels in Los Cabos decreased by 63% (-195 thousand) between Jul-2019 and Jul-2020.

## HOTEL ACTIVITY (Cont'd)

- Domestic tourism fell 80% (-68.5 thousand), and international tourism dropped 69.6% (-126.3 thousand).
- There were 317.7 thousand occupied room nights in Jul-2020, 76.2% less compared to Jul-2019 (-1.02 million nights).

## TOURIST SURVEYS

- In Aug-2020, 35.9% of tourists rated their experience in Los Cabos as better than they expected (1.6pp more than in Aug-2019, but 9.8pp less than in Jul-2020).

## CRUISE SHIP ARRIVALS

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

## ADVANCE RESERVATIONS

- As of August 31st, the volume of flight bookings throughout Sep-2020 is expected to fall by 51%. A decrease of 52% is expected by Oct-20.
- The volume of bookings from the international market fell drastically: this decrease will reach 56% during Sep-2020, while the domestic market will remain at the same level as the previous year.



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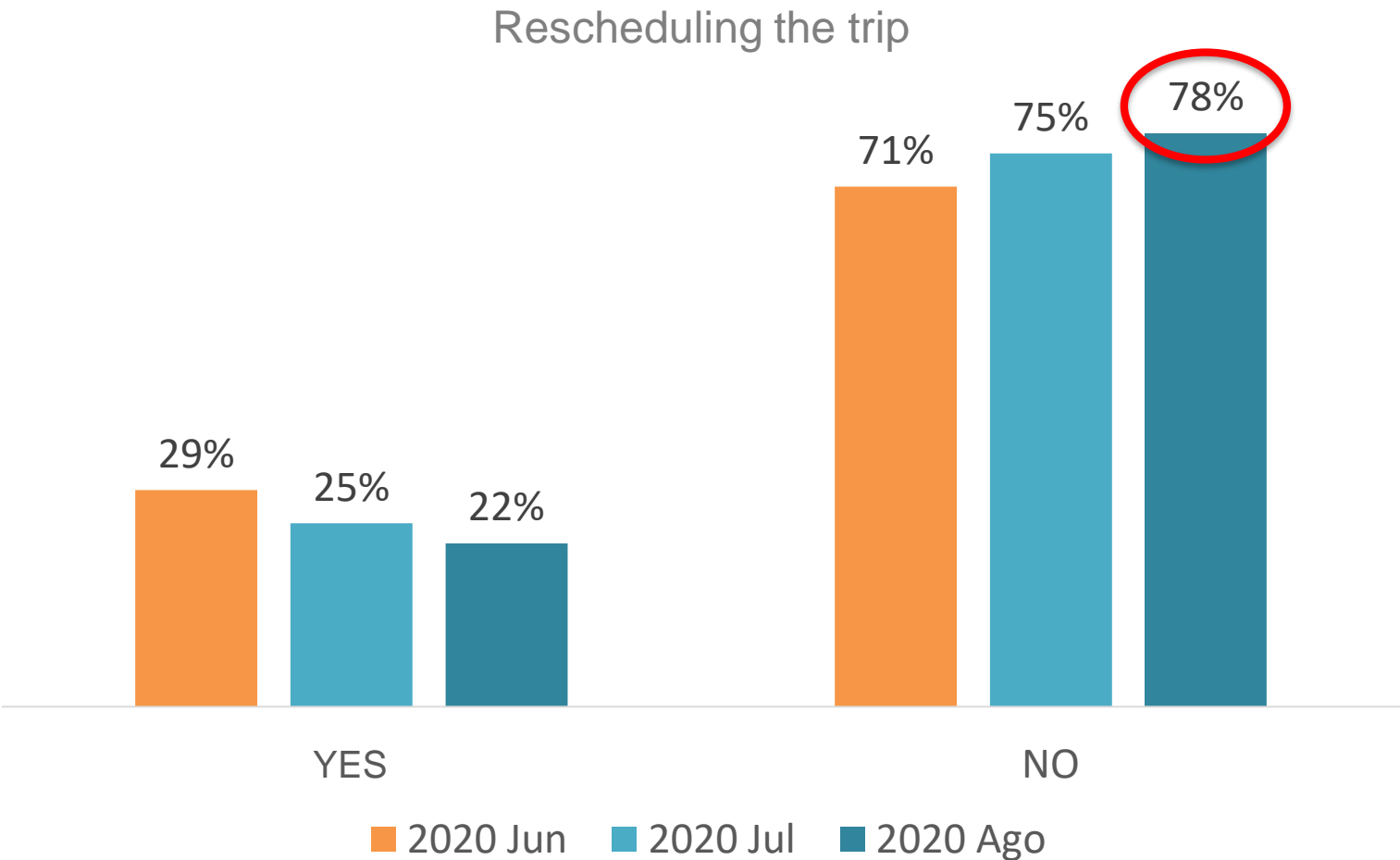
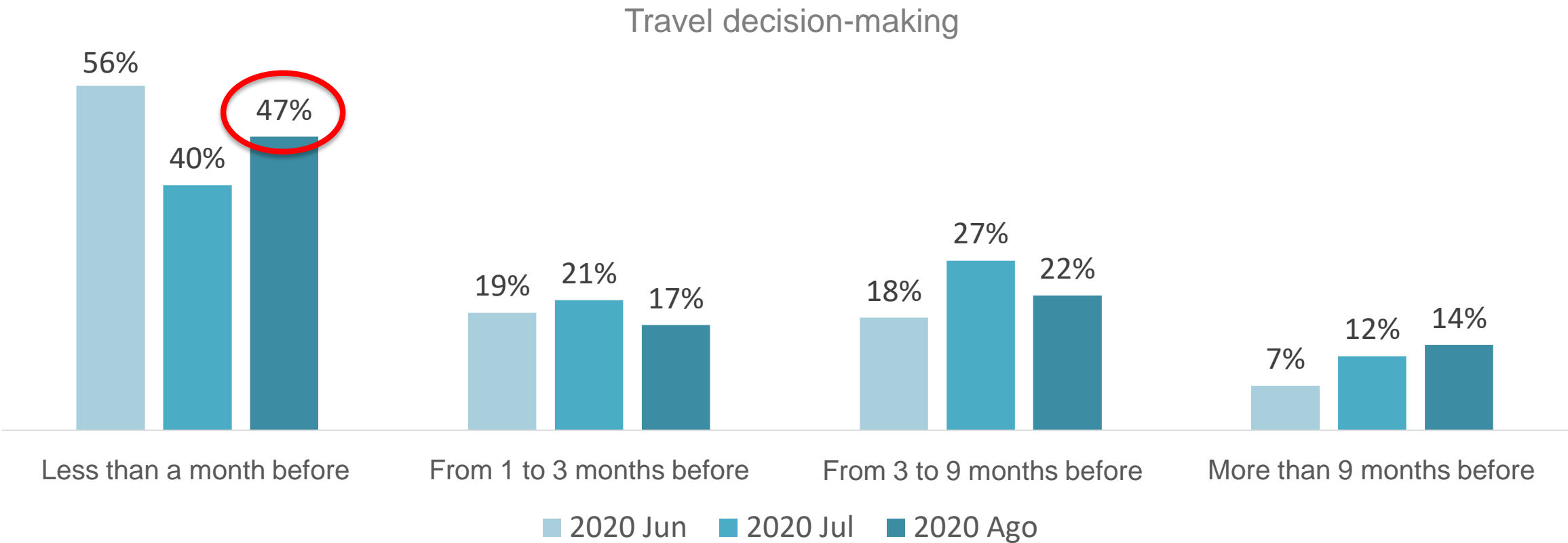
### THE IMPACTS OF COVID-19 – TRAVEL TRENDS

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



# Reasons to travel to Los Cabos under current conditions

- As in the last couple of months, most tourists who arrived at the destination during August made the decision to travel less than a month in advance.



Reasons to make the decision to travel	June	July	August
Already had their vacation planned	39.3%	46.7%	37.2%
Flight and hotel prices	24.4%	28.9%	31.1%
Cancellation/rescheduling flexibility	8.5%	14.2%	9.5
They are timeshare owners	12.7%	11.0%	10.3
Vacation offers	8.2%	9.0%	11.0

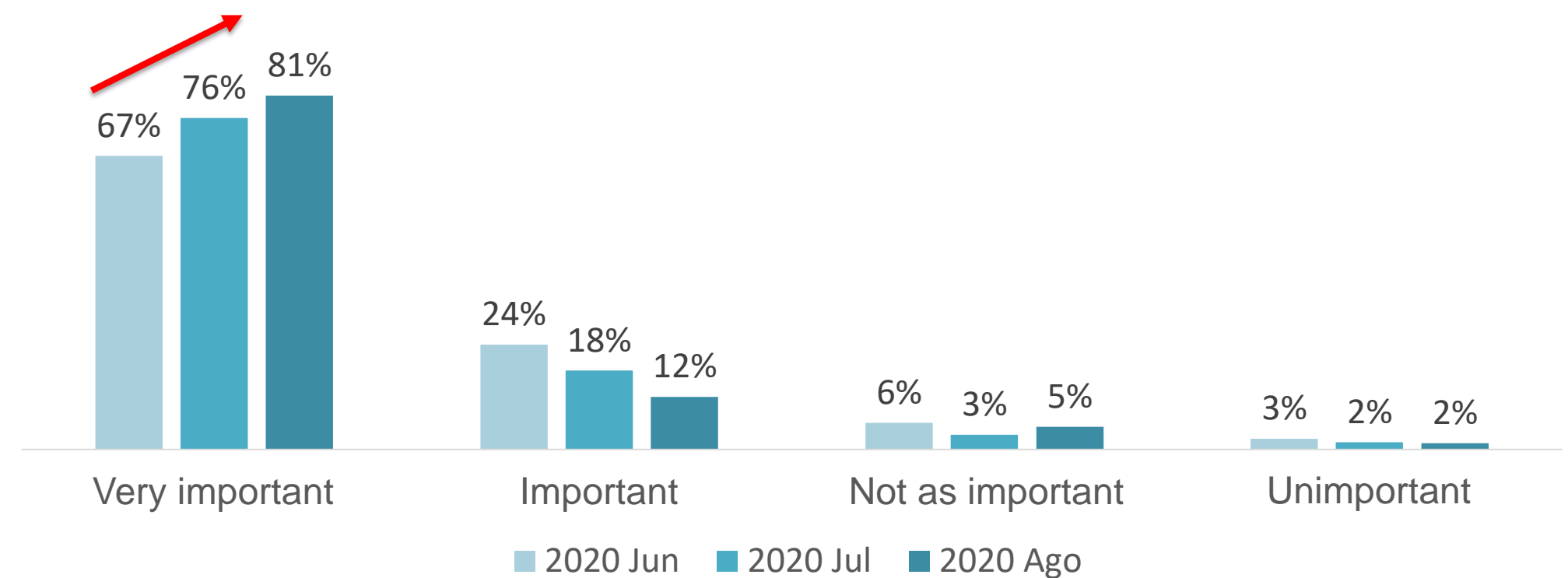
SOURCE: TOURIST SURVEYS

# Choosing accommodation in Los Cabos

## (Spontaneous) reasons for choosing accommodation

	June	July	Aug
Price	13.9%	10.8%	13.2%
Safety	5.0%	9.8%	10.3%
Cleanliness	3.5%	7.8%	7.8%
Timeshare	8.0%	4.6%	4.9%
Location	5.2%	4.4%	4.2%
Open/available	12.4%	3.7%	0.7

## Importance of getting the Cleanliness and Safety Certification



- The main reason for choosing accommodation was the price, followed by safety and cleanliness.
- The hygiene and safety measures evaluations, perceived by tourists, remained similar to that of July.

## Hygiene and safety measures observed

	June	July	August
Hotel employees are wearing masks.	58.5%	86.3%	<b>85.6%</b>
Disinfectant gel available in the rooms and at the front desk.	39.3%	85.1%	<b>82.4%</b>
Body temperature control on employees and guests.	49.3%	74.6%	<b>81.4%</b>
Cleaning and disinfection system upon entering the hotel.	23.1%	73.8%	<b>74.8%</b>
Guide of the measures that have been taken by the hotel (on both the website and on the premises).	50.0%	60.4%	<b>56.7%</b>

SOURCE: TOURIST SURVEYS



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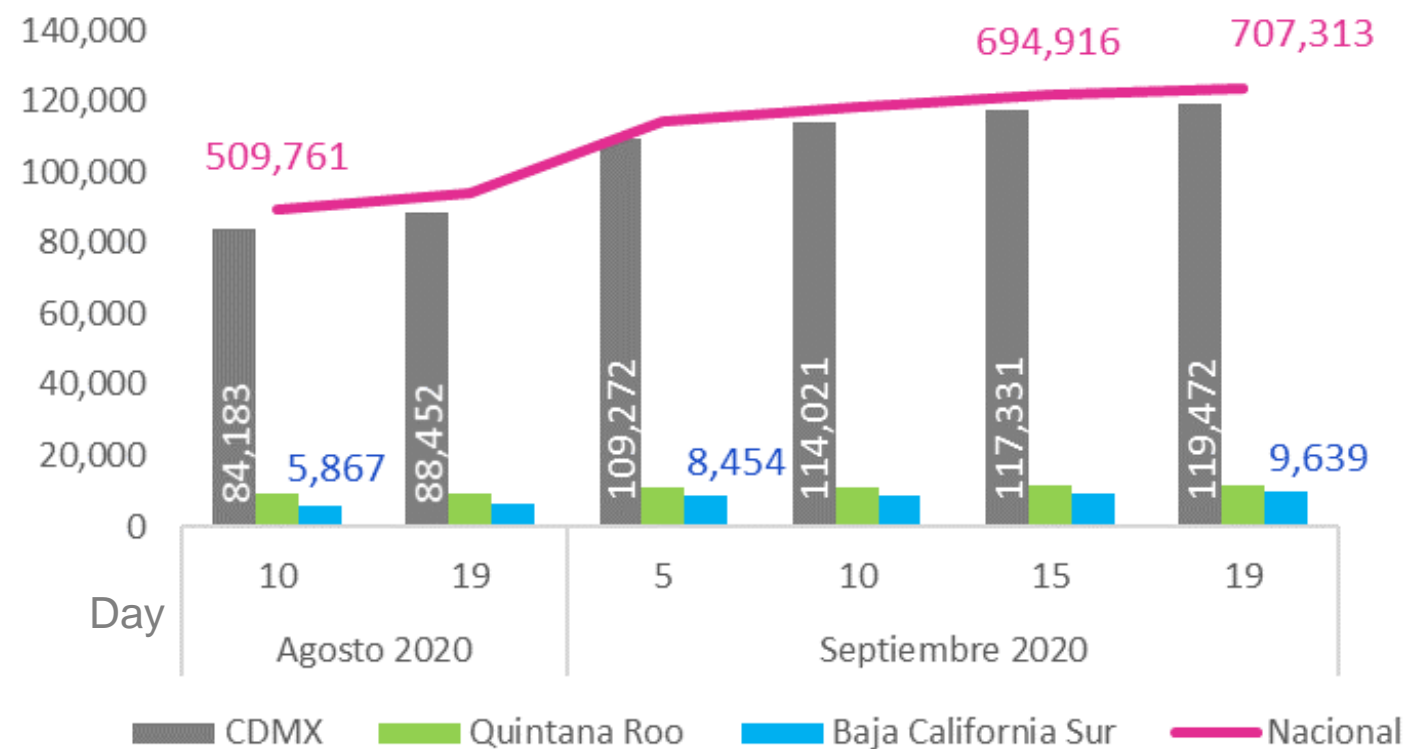
## THE IMPACTS OF COVID-19

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

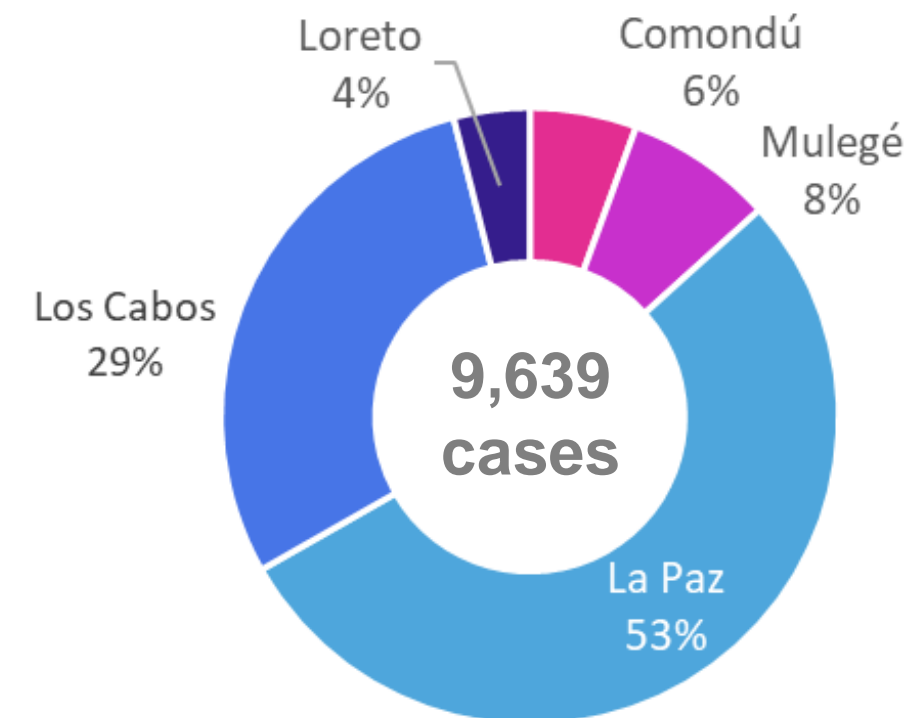


# Confirmed COVID-19 cases overview

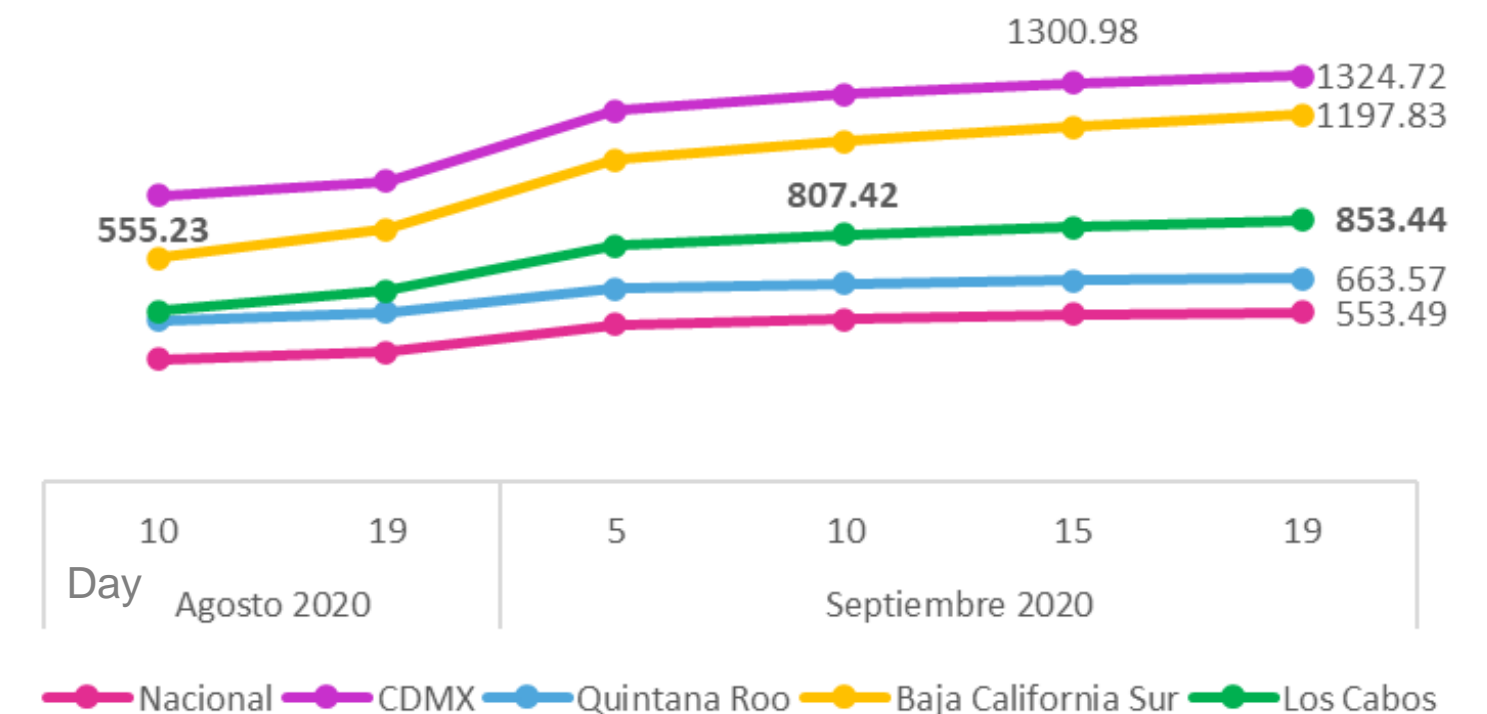
Confirmed cases (cumulative)



Confirmed cases by municipalities in B.C.S.



Incidence of infection



As of September 19th, 2020, there are **707,313 confirmed cases** in Mexico, 170 thousand more than those registered as of August 19th.

- Baja California Sur has 3,015 more cases than those registered as of August 19th, which results in a total cumulative of 9,639 confirmed cases in the state.

- 82% of the state's cumulative confirmed cases are concentrated between La Paz and Los Cabos (5,152 and 2,819 cases, respectively), of which:
  - La Paz has 512 active cases.
  - Los Cabos has 141 active cases.

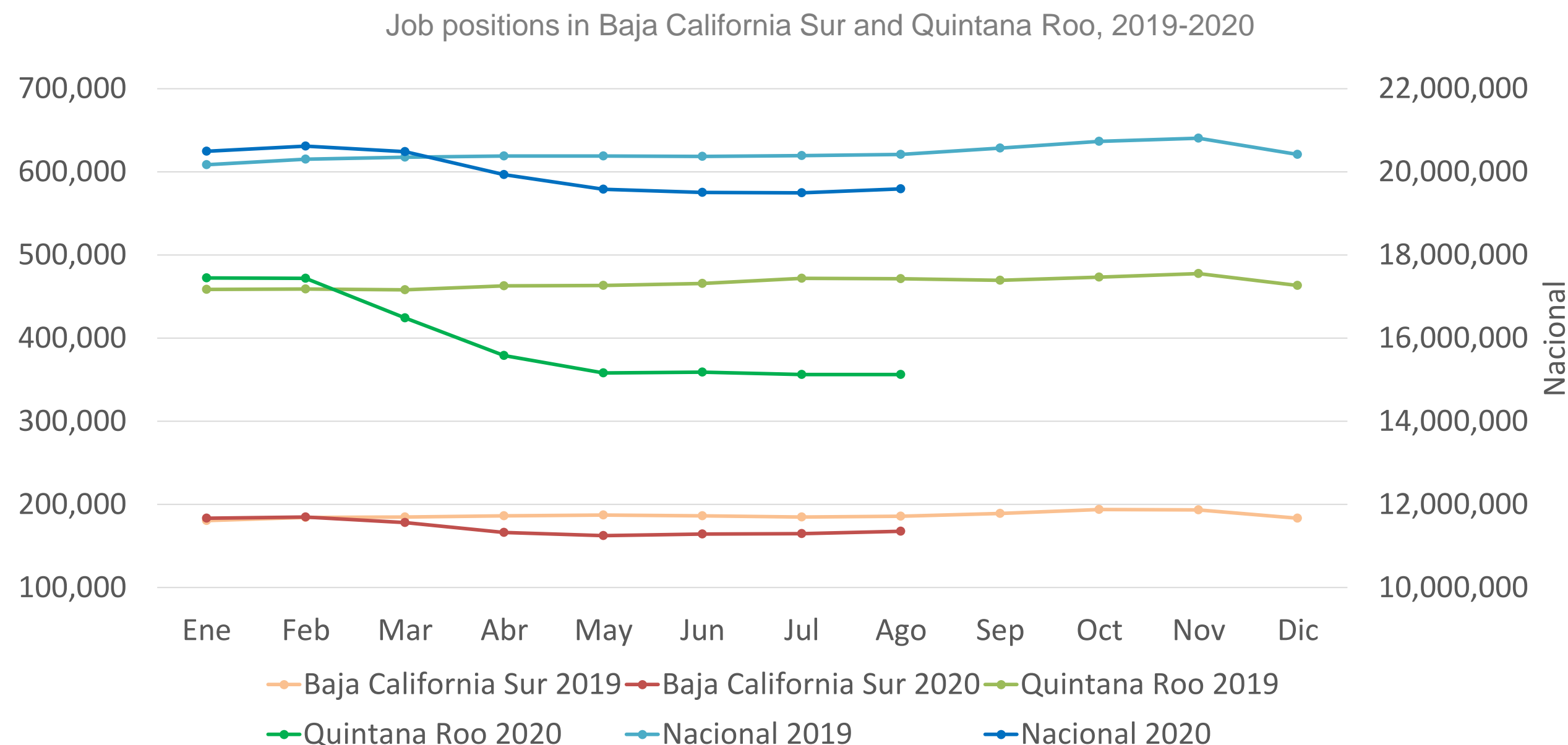
- The national average rate of infection is **553.49 cases** per 100 thousand inhabitants.
- It is higher in Mexico City: 1324.72
- In Quintana Roo, 663.57
- In Baja California Sur, 1197.83
  - Los Cabos has an incidence rate of **853.44 cases** per 100 thousand inhabitants.



# 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%
Ago	92,390 -4.1%
Cumulative: -833,100	

- As of August 31st, 2020, the country had a total of **19,588,342 jobs** registered in IMSS.
- When comparing the closing of August with that of December 31st, 2019, 833,100 job positions have been lost (-4.1%).
- In Aug-2020, there was an increase of **92,390** positions compared to those registered the previous month.



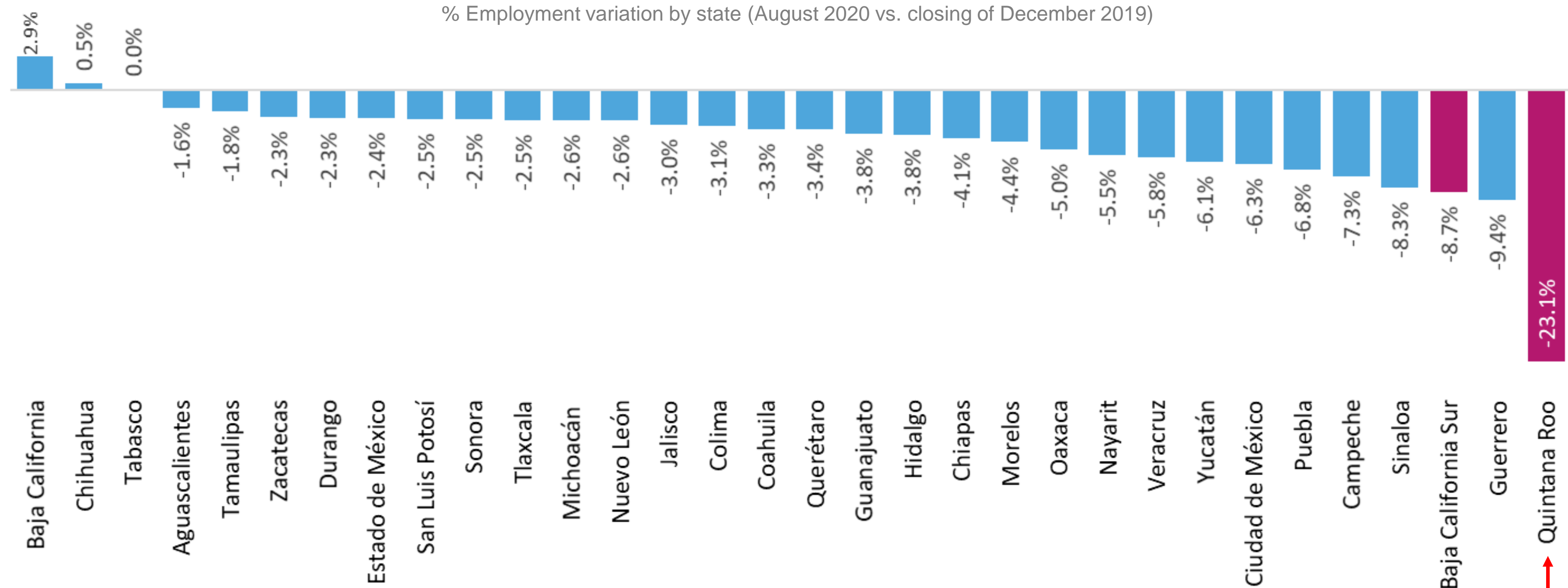
- In Baja California Sur, 167,538 jobs were registered in Aug-2020, which is **-9.9%** compared to Aug-2019. However, there was a slight increase of **+1.7%** vs. Jul-2020.
- Compared to Dec-2019, the cumulative number of jobs lost in Jan-Aug is 15,949.

- In Quintana Roo's case, as for Aug-2020, there are 356,310 jobs; this is **-24.4%** vs. Aug-2019, 60 jobs less vs. Jul-2020.
- Compared to Dec-2019, the cumulative number of jobs lost in Jan-Aug is 106,854.

SOURCE: IMSS

# Effects on employment in Mexico

% Employment variation by state (August 2020 vs. closing of December 2019)



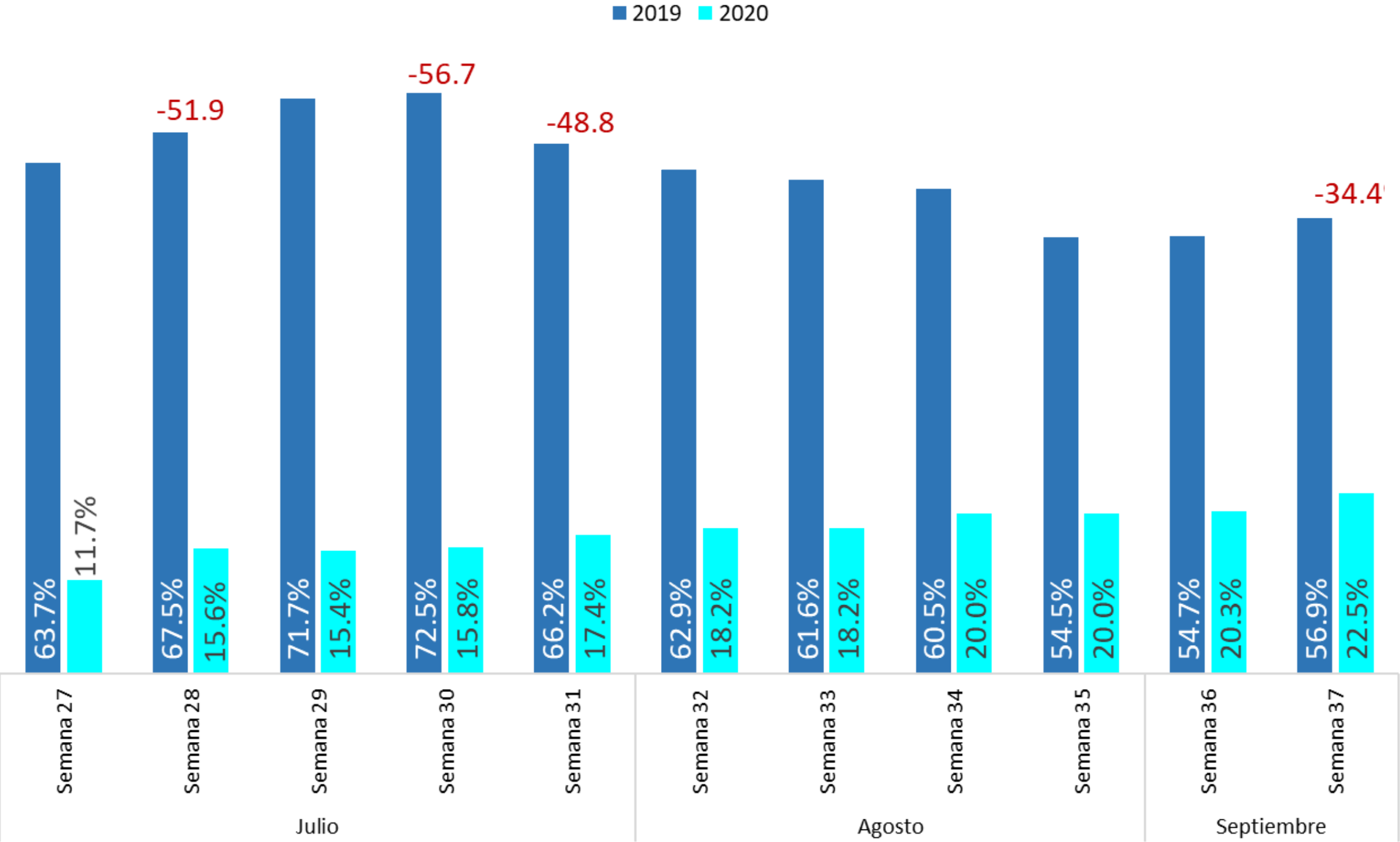
- Baja California Sur becomes the third worst-affected state in terms of job losses. It had remained in second place until the 1.7% increase in the number of jobs during Aug-2020 vs. Jul-2020. Quintana Roo shows a **23.1%** decrease compared to the jobs registered at the end of December 2019.

SOURCE: IMSS



# Hotel indicators in Mexico

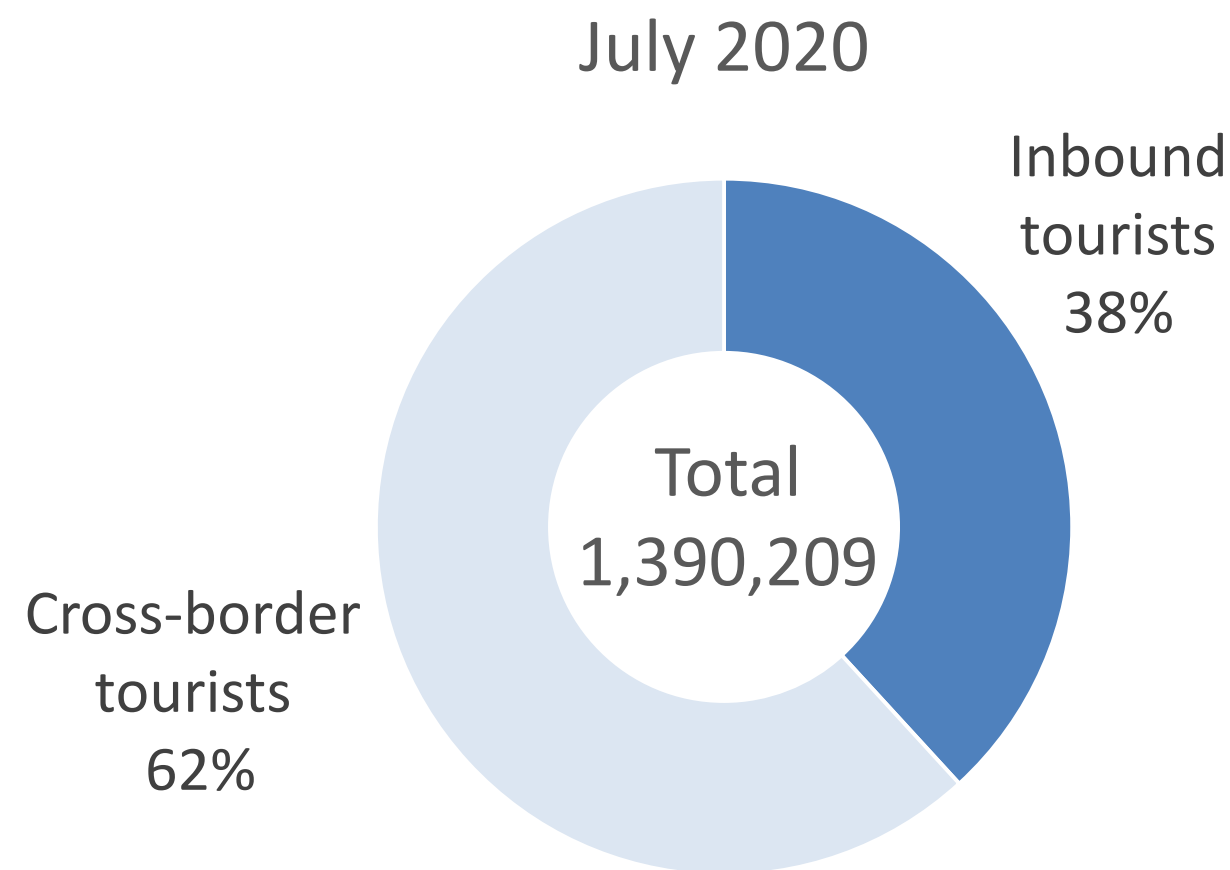
Hotel occupancy percentage (average of 12 destinations in Mexico)



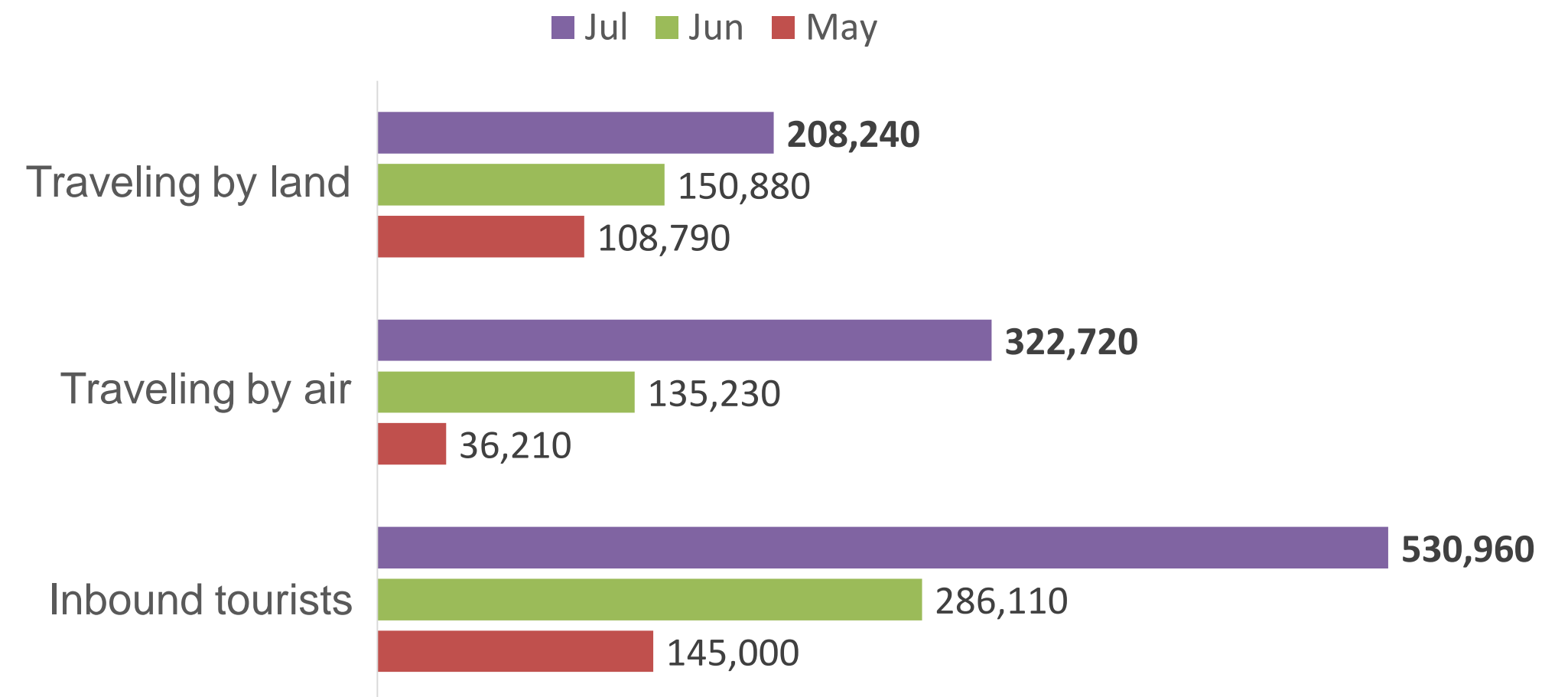
- By week 37 (from September 7th to the 13th), the hotel occupancy rate reached 22.5%.
- Puerto Vallarta reports a higher than average percentage with a total of 30.9%.
- Los Cabos: 26.5%
- Cancun: 24.9%

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 July, 1,390,209 international tourist arrivals were registered in the country (-67% vs. the same month of the previous year).
- The average spending of international tourists was \$308.55 USD (\$130.07 USD more vs. Jun 2020).



- There is an 86% increase in the total number of inbound tourists, compared to those registered in July, of which 39% traveled by land, and 61% did so by air.
- Compared to June, there is a 139% increase in those who arrived by air and a 38% increase in those who did so by land.
- The average spending of inbound tourists was \$732.47 USD (\$215.53 USD more vs. June 2020).



# Special section: impact of COVID-19 on Los Cabos tourism

## TOURISM RECOVERY

- 115 destinations (53% of all destinations worldwide) have relaxed travel restrictions, which is 28 more destinations than those reported on July 19th. Two of these also lifted all restrictions, although specific stringent policies remain in force for the remaining 113 (UNWTO, as of September 1st, 2020).

## PREFERENCES OF AMERICAN TOURISTS

- 43% of U.S. travelers plan to spend the same amount on leisure travel, while 27% will spend more (U.S. Travel Tracker, Skift). Just as in Mexico, the accommodation preference is for recognized brand hotels (since they need to maintain their reputation and build sanitary confidence in users).

## TRENDS - Contactless interactions in the Hotel Industry

- Contactless interactions have become crucial to the successful operation of a hotel during these times of crisis. Surveys are showing that guests want it, and hoteliers are implementing it (Contactless Tech in Hospitality 2020, Skift):
  - **Contactless payments.** Alternative forms of payment to Apple Pay or Google Pay like Paypal, WeChat Pay, and AliPay offer prepaid opportunities for hotels.
  - **Guest engagement tools.** Hoteliers need to provide more health and safety information, while guests need a channel to request services.
  - **Online check-in or self-service kiosks.** Provide a clear tool, and adopt a less convoluted approach where possible.
  - **Keyless entry.** Introduce technologies that allow guests to access their rooms through their mobile devices.





# LOS CABOS TOURISM OBSERVATORY

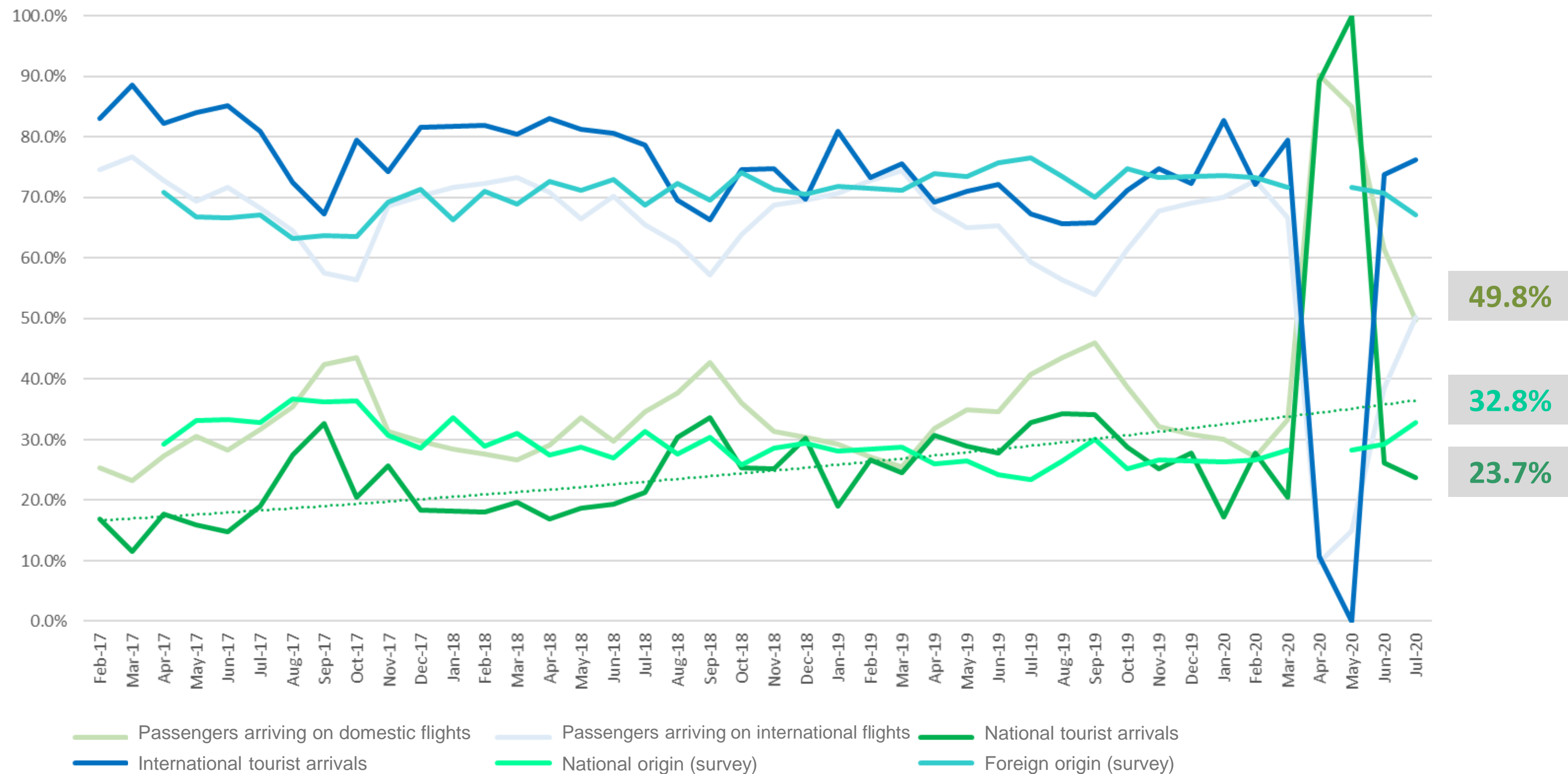
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**DEMAND INDICATORS**  
PASSENGERS AND TOURISTS



# 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 **23.7%** in Jul-2020 (9.1pp less than the previous year).
- Moreover, the participation of national passengers in the total registered by Los Cabos International Airport was **49.8%** in Jul-2020. This represents an increase of 9.1pp vs. Jul-2019.
- In Jul-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	Jul/2019	Aug/2019	Sep/2019	Oct/2019	Nov/2019	Dec/2019	Jan/2020	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Jul/2020	Δ Jul-20 / Jul-19	Δ Ene-Jul-20 / Ene-Jul-19
EE.UU.	142,111	111,494	73,431	113,947	137,433	161,174	139,238	151,410	82,042	508	1,084	12,433	41,696	-70.7%	-56.9%
Canadá	4,373	4,425	3,261	7,350	19,046	21,542	22,830	23,837	9,003	13	15	52	74	-98.3%	-45.5%
Europa	897	756	303	447	1,230	1,210	1,434	1,235	557	10	12	20	43	-95.2%	-50.9%
Caribe, Centro y Sudamérica	239	200	124	102	152	148	210	175	83	3	-	12	34	-85.8%	-66.4%
Resto del Mundo	852	774	604	784	796	898	940	622	242	-	7	34	52	-93.9%	-70.9%
Gran total	148,472	117,649	77,723	122,630	158,657	184,972	164,652	177,279	91,927	534	1,118	12,551	41,899	-71.8%	-55.9%

Mercados clave	Jul/2019	Aug/2019	Sep/2019	Oct/2019	Nov/2019	Dec/2019	Jan/2020	Feb/2020	Mar/2020	Apr/2020	May/2020	Jun/2020	Jul/2020	Δ Jul-20 / Jul-19	Δ Ene-Jul-20 / Ene-Jul-19
Reino Unido	184	219	73	155	827	773	942	692	357	2	5	9	8	-95.7%	33.3%
Australia	336	256	201	346	268	305	415	181	114	-	5	10	13	-96.1%	-68.8%
Corea del Sur	87	83	111	179	134	126	98	93	23	-	-	1	2	-97.7%	-71.1%
Total mercados clave	607	558	385	680	1,229	1,204	1,455	966	494	2	10	20	23	-96.2%	-35.8%

SOURCE: INM-SIOM

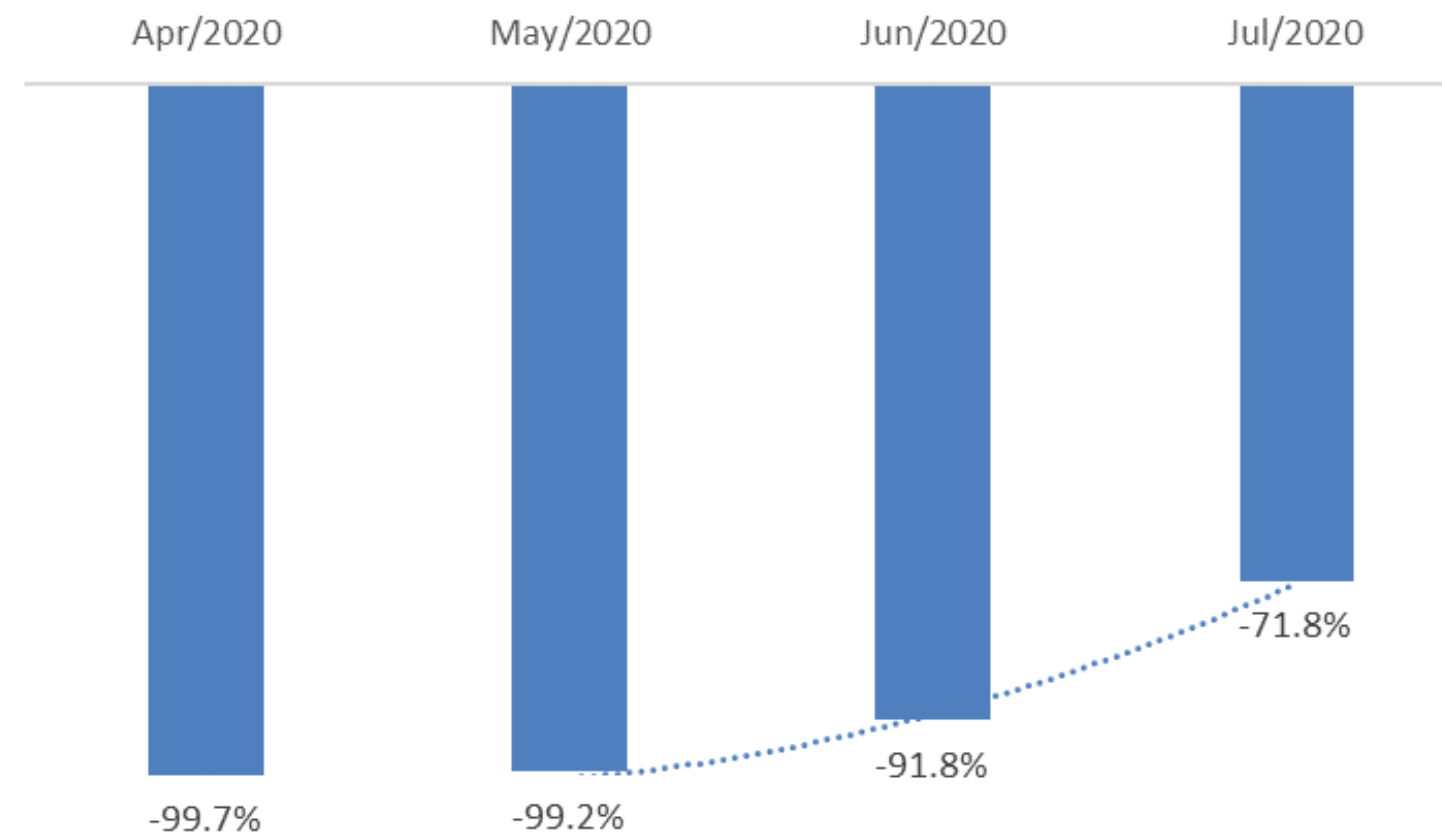


# International tourist arrivals by air, by origin (residence)

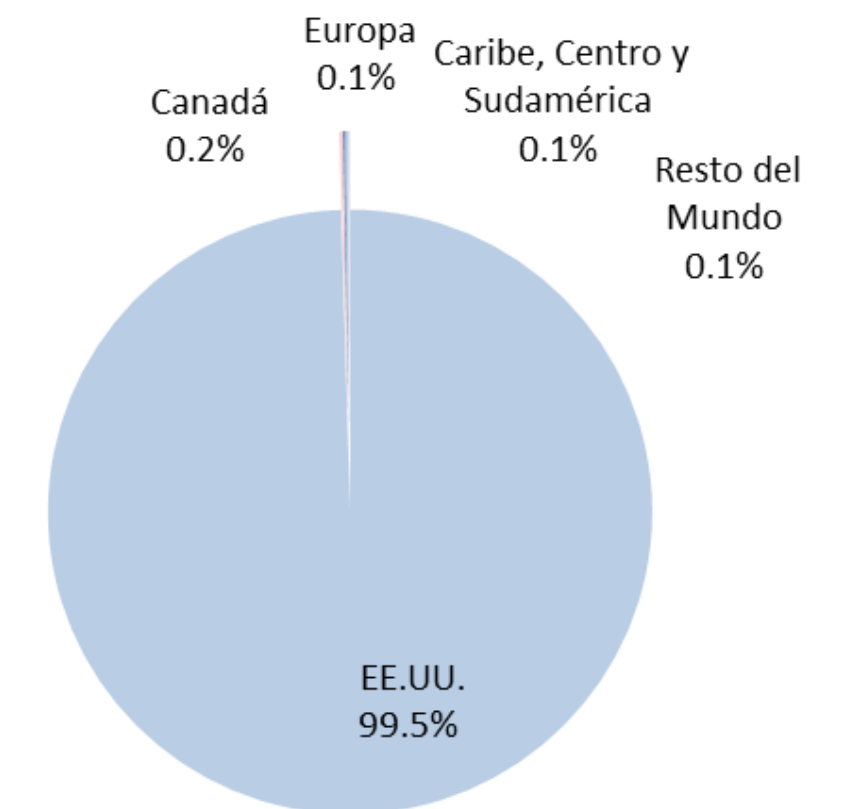
## -71.8% Jul-2020 vs. Jul-2019

- The entry of 41,899 international tourists that arrived by air to the Los Cabos International Airport was registered in Jul-2020. This signified a decrease of 71.8% compared to Jul-2019.
- In Jul-2020, Americans represent 99.5% of the total.

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



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

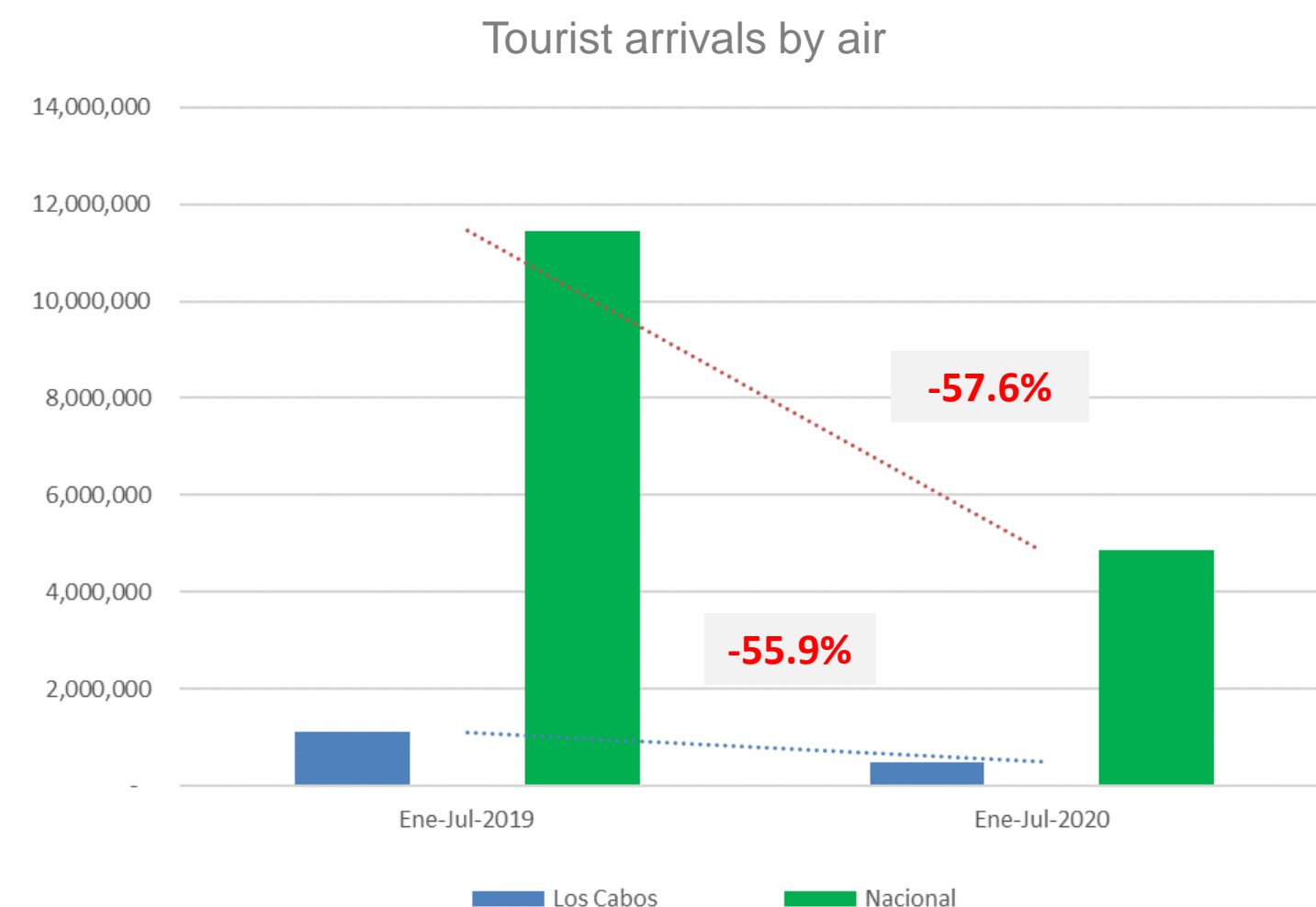


SOURCE: INM-SIOM

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

Regiones	Nacional			Los Cabos		
	Ene-Jul-2019	Ene-Jul-2020	Δ 2020/2019	Ene-Jul-2019	Ene-Jul-2020	Δ 2020/2019
Estados Unidos	6,798,334	2,839,382	-58.2%	993,051	428,411	-56.9%
Canadá	1,521,866	875,123	-42.5%	102,514	55,824	-45.5%
Europa	1,139,109	419,051	-63.2%	6,744	3,311	-50.9%
Caribe, Centro y Sudamérica	1,558,763	555,650	-64.4%	1,539	517	-66.4%
Resto del mundo	433,360	166,160	-61.7%	6,513	1,897	-70.9%
<b>Gran Total</b>	<b>11,451,432</b>	<b>4,855,366</b>	<b>-57.6%</b>	<b>1,110,361</b>	<b>489,960</b>	<b>-55.9%</b>

Mercados Clave	Nacional			Los Cabos		
	Ene-Jul-2019	Ene-Jul-2020	Δ 2020/2019	Ene-Jul-2019	Ene-Jul-2020	Δ 2020/2019
Reino Unido	327,500	80,602	-75.4%	1,512	2,015	33.3%
Australia	38,373	13,549	-64.7%	2,362	738	-68.8%
Corea del Sur	51,798	21,535	-58.4%	752	217	-71.1%
<b>Total mercados clave</b>	<b>417,671</b>	<b>115,686</b>	<b>-72.3%</b>	<b>4,626</b>	<b>2,970</b>	<b>-35.8%</b>



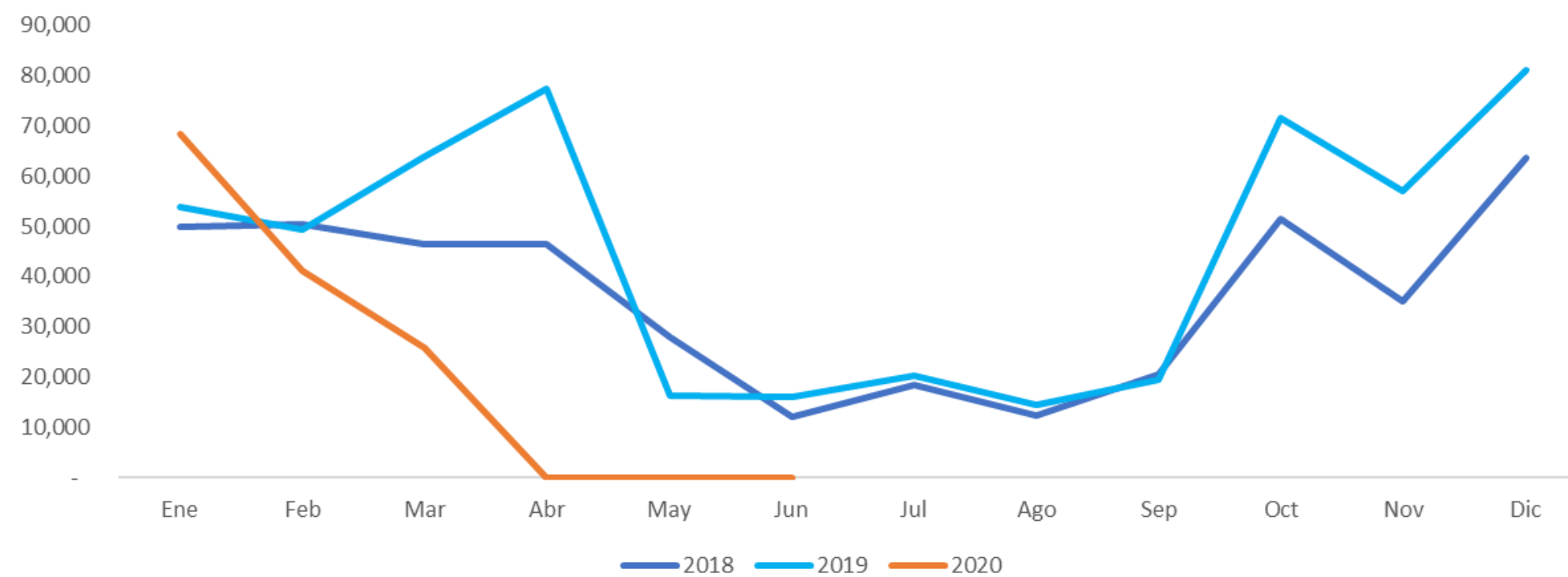
SOURCE: INM-SIOM



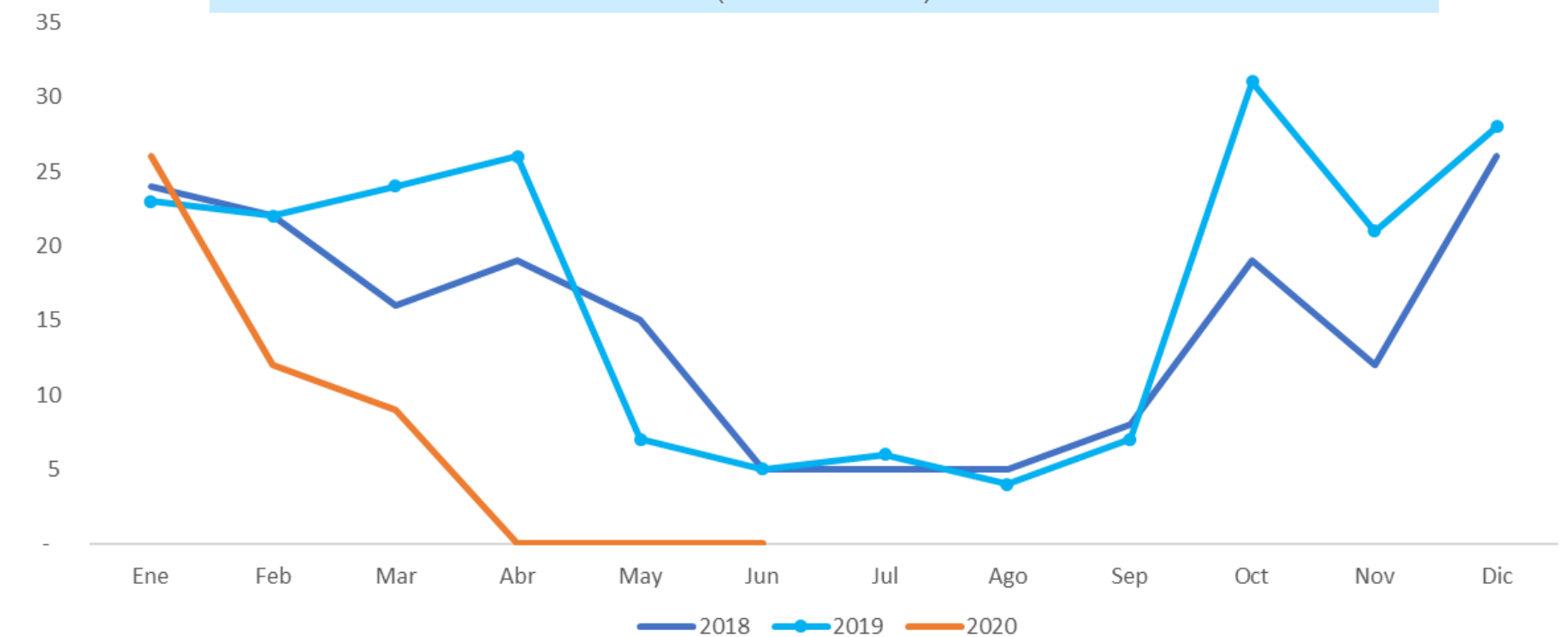
# Passenger arrivals on cruise ships and vessels (2019-2020)

- 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





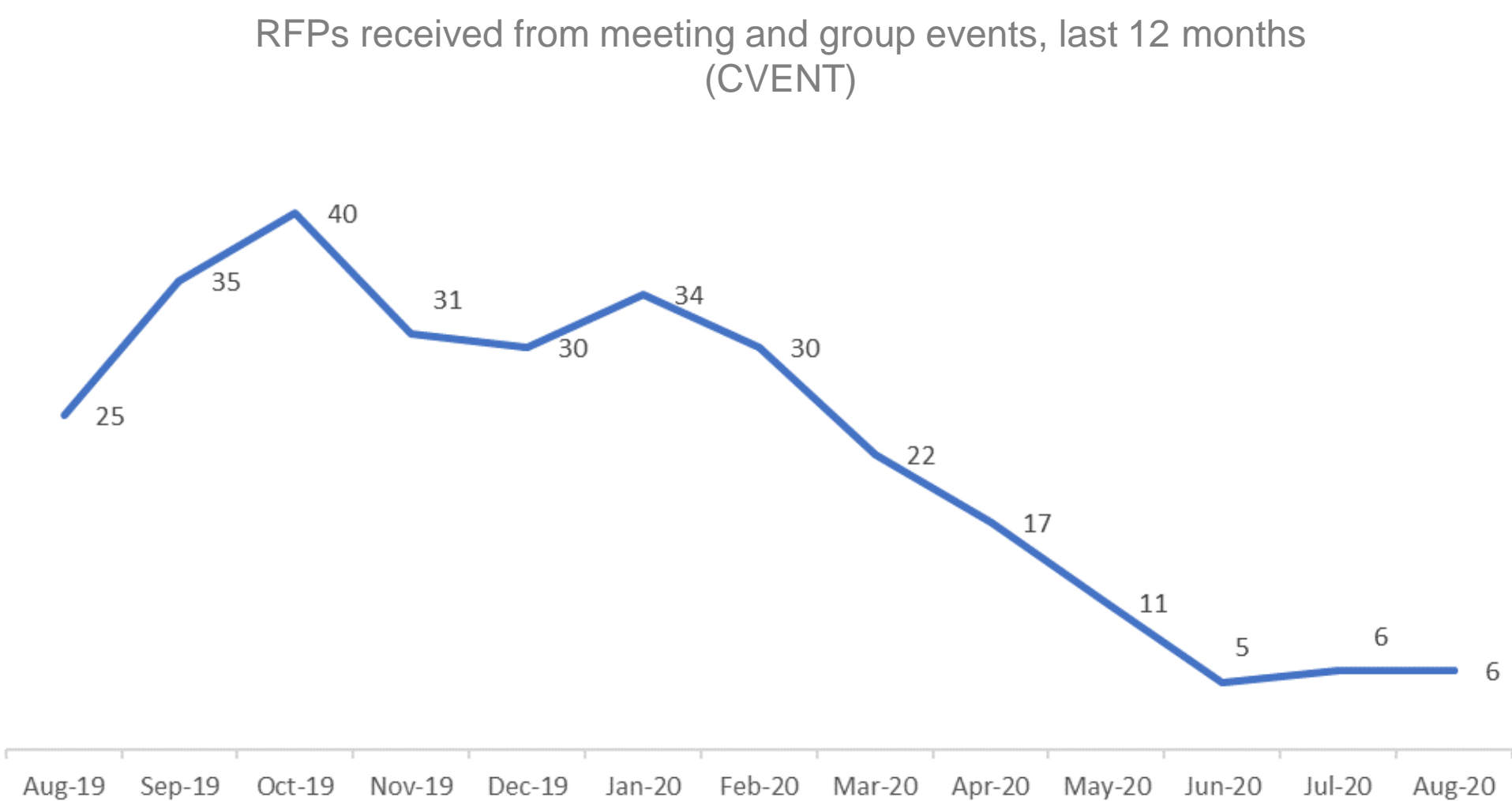
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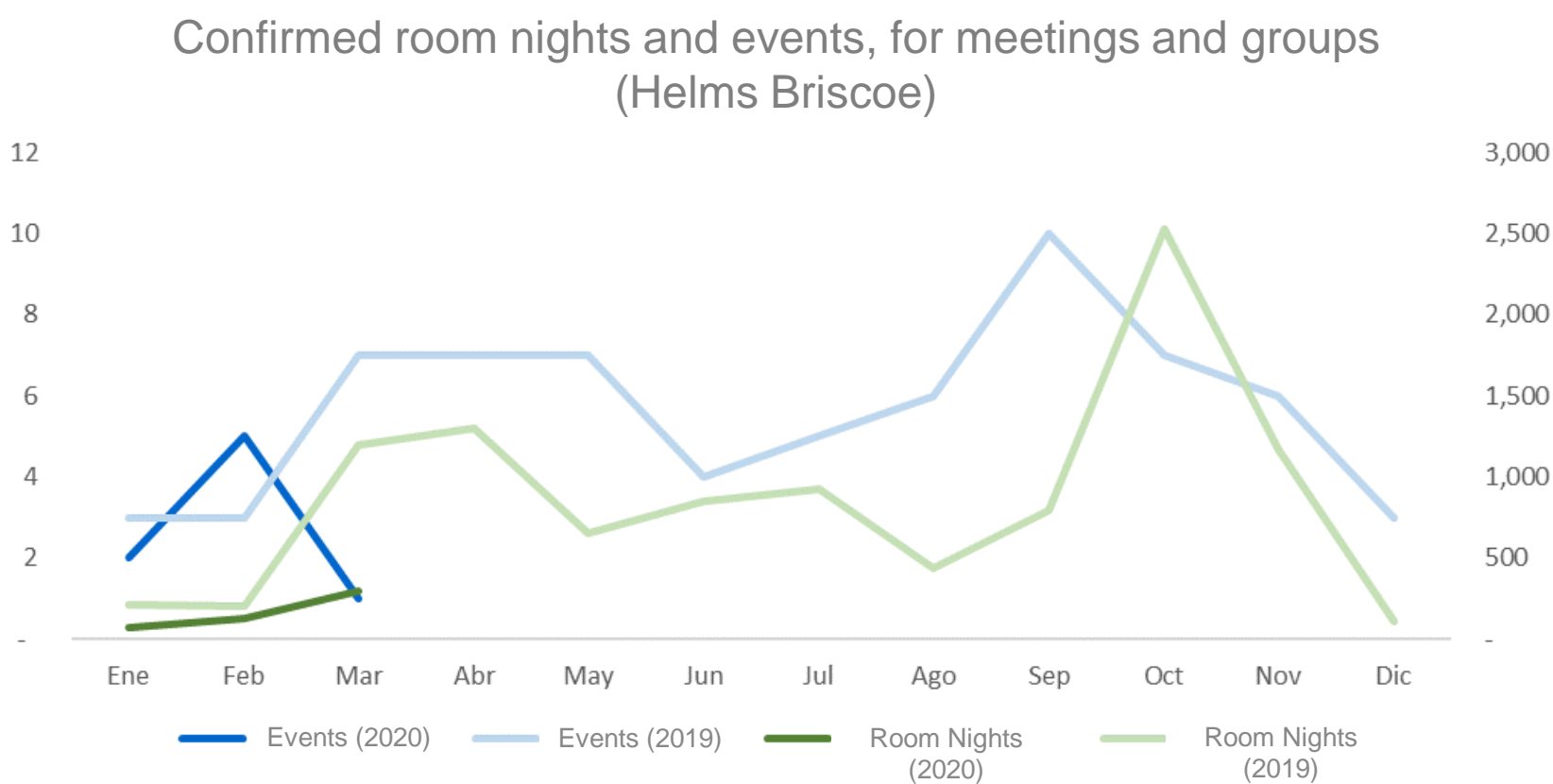
**DEMAND INDICATORS**  
TOURIST SURVEYS & GROUP BUSINESS



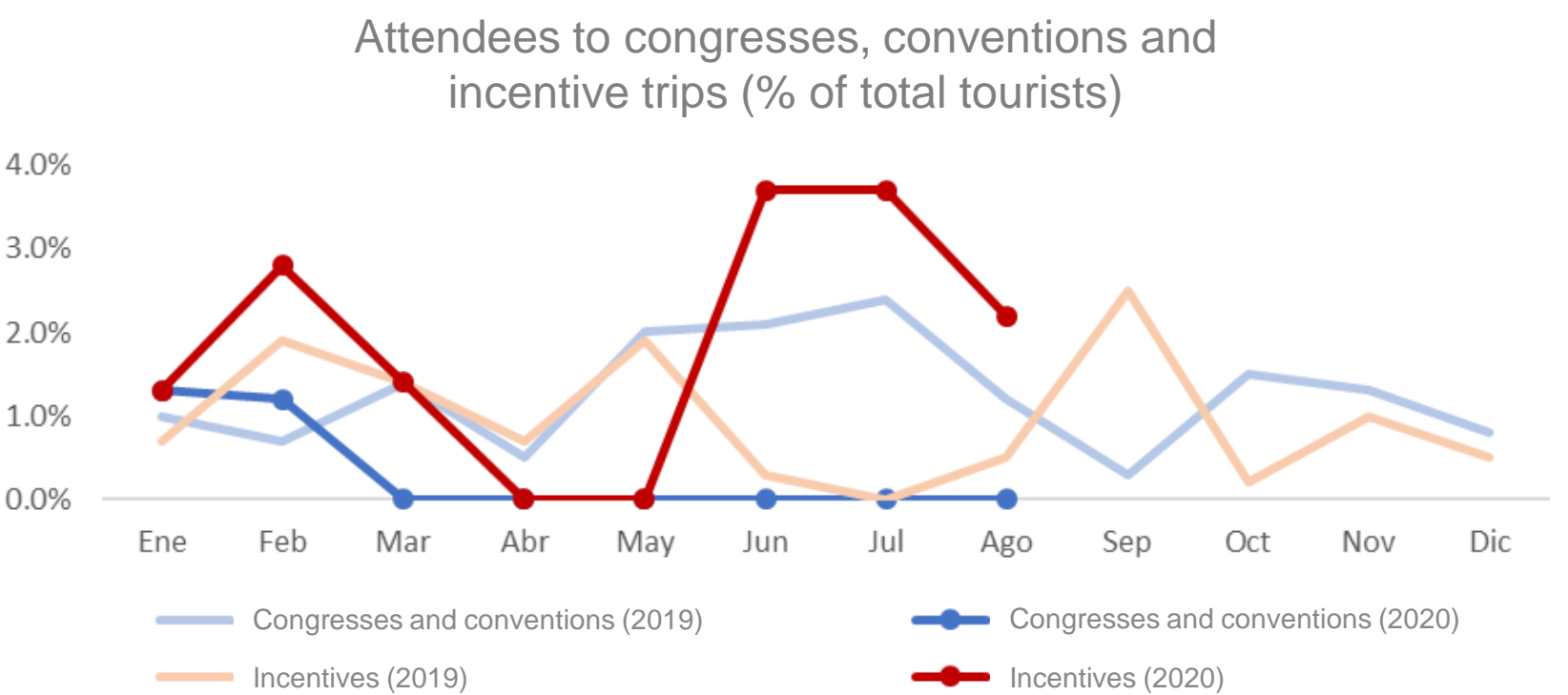
# Demand indicators: Group Business




SOURCE: CVENT



SOURCE: HELMS BRISCOE



SOURCE: TOURIST SURVEYS

An aerial photograph of a coastal area with clear, turquoise water. In the lower-left quadrant, two small kayakers are visible on the water. A large, light-colored rock formation is situated in the center of the frame. The background shows a dense field of smaller rocks and coral reefs. The image is partially obscured by a large, white, curved shape on the right side, which serves as a background for the text.

# LOS CABOS TOURISM OBSERVATORY

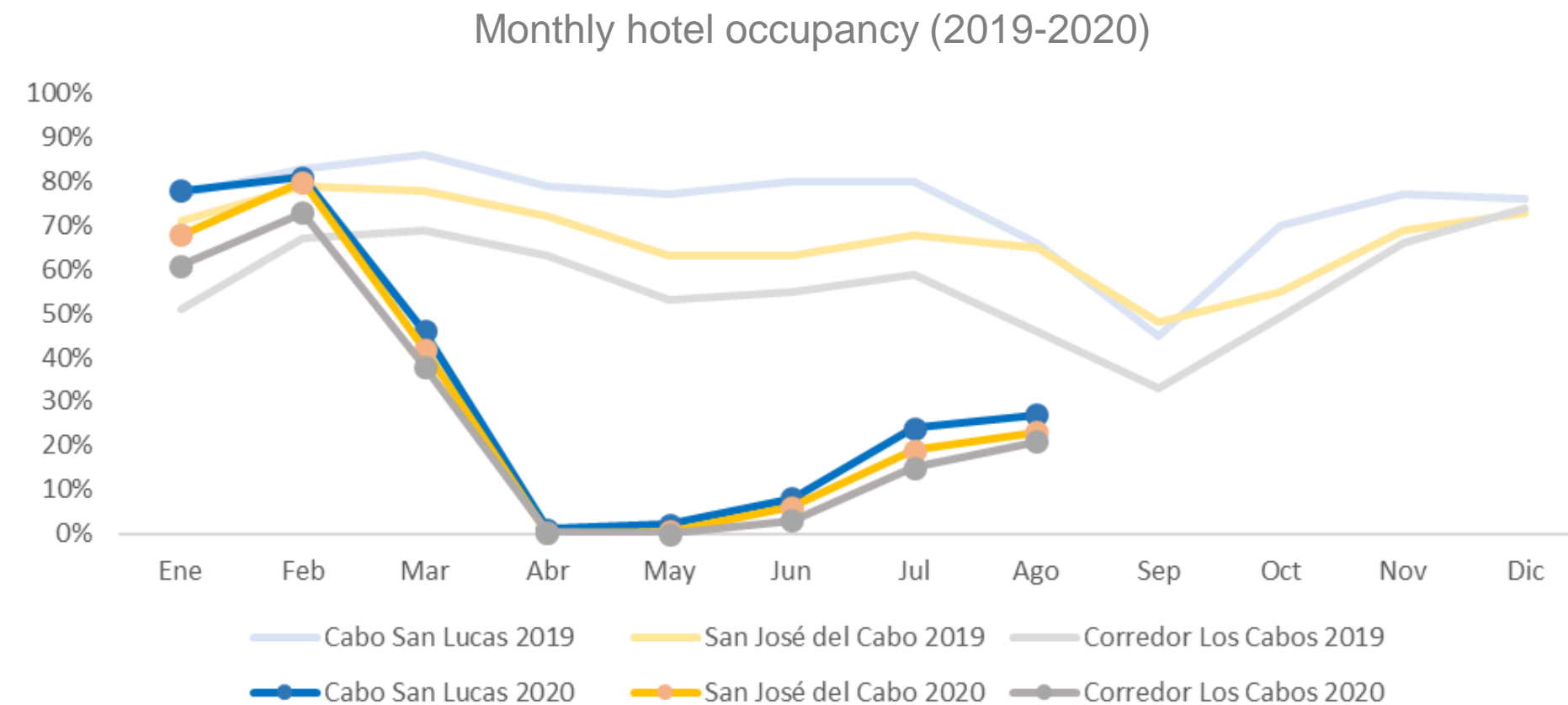
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## SUPPLY INDICATORS

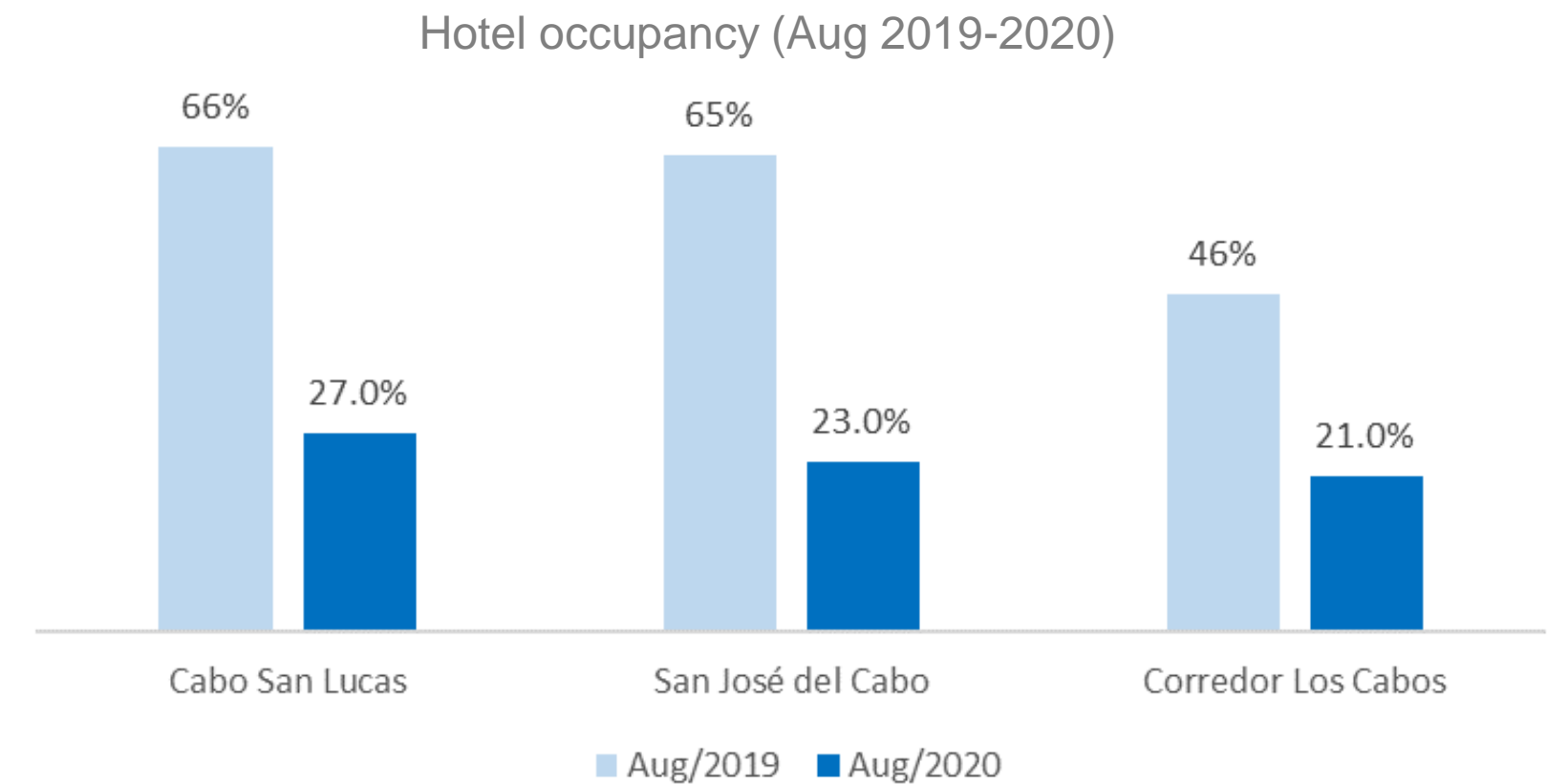


# HOTEL OFFER

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



SOURCE: AHLC

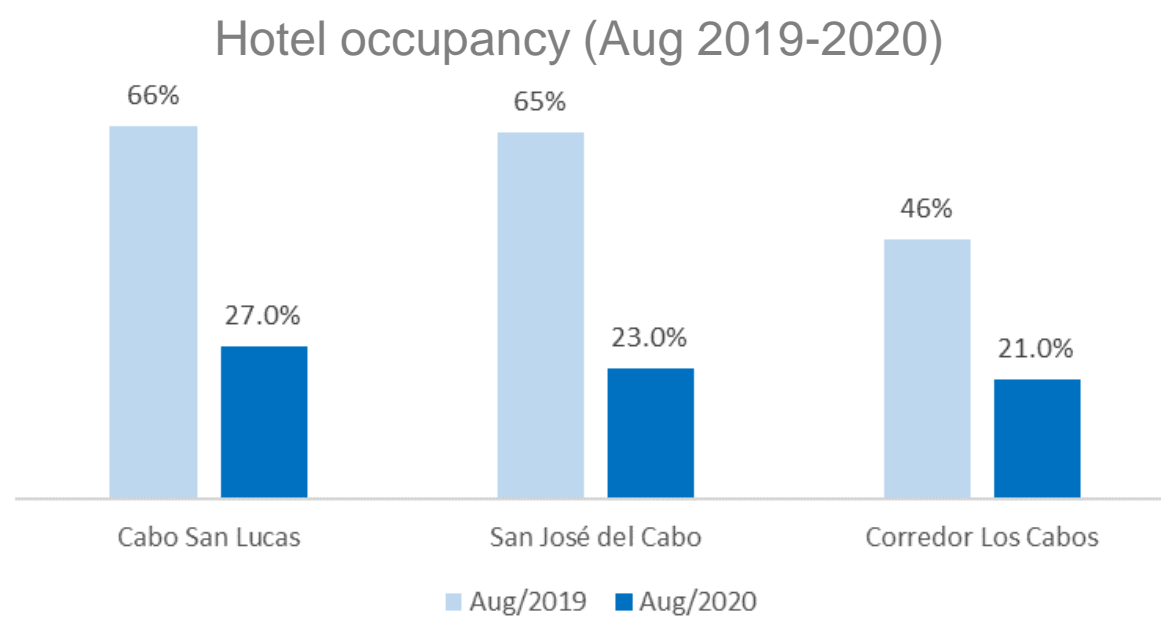


SOURCE: AHLC

- According to the Los Cabos Hotel Association, hotel occupancy in Los Cabos reached 25%, decreasing 36pp compared to last year; however, occupancy gained 4pp compared to Jul-2020. On a sub-destination level, Cabo San Lucas had an occupancy of 27%, decreasing 39pp compared to the previous year. Meanwhile, San Jose del Cabo dropped 42pp, reaching 23%, and Los Cabos Corridor decreased 25pp, registering 21%.
- Los Cabos registered 72,234 tourists arriving at hotels in Jul-2020, 63% less compared with Jul-2019. The average stay decreased by 0.6 nights (from 5 in Jul-2019 to 4.4 in Jul-2020, according to DataTur).
  - International tourist arrivals at hotels fell 69.6% in this period, while national tourism did so by 80%.
  - In Jul-2020, national tourism represented 23.7% of the total. The previous year, a participation of 32.8% was registered.

# HOTEL OFFER

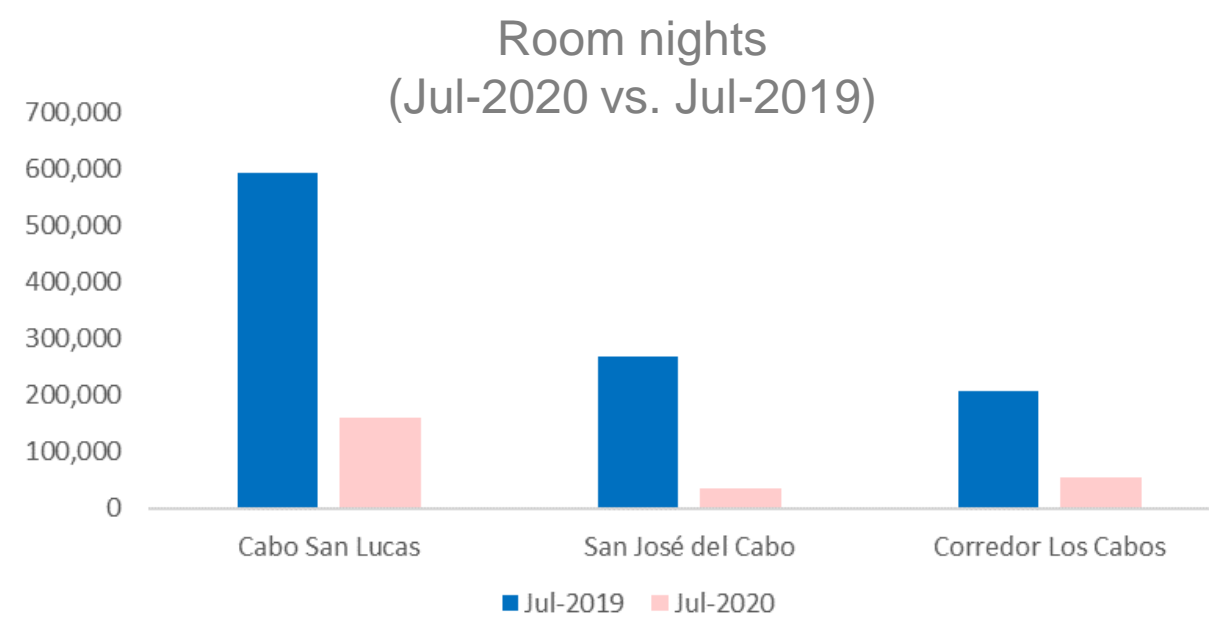
## Evolution of the hotel offer in Los Cabos and sub-destinations



SOURCE: AHLC

### CABO SAN LUCAS

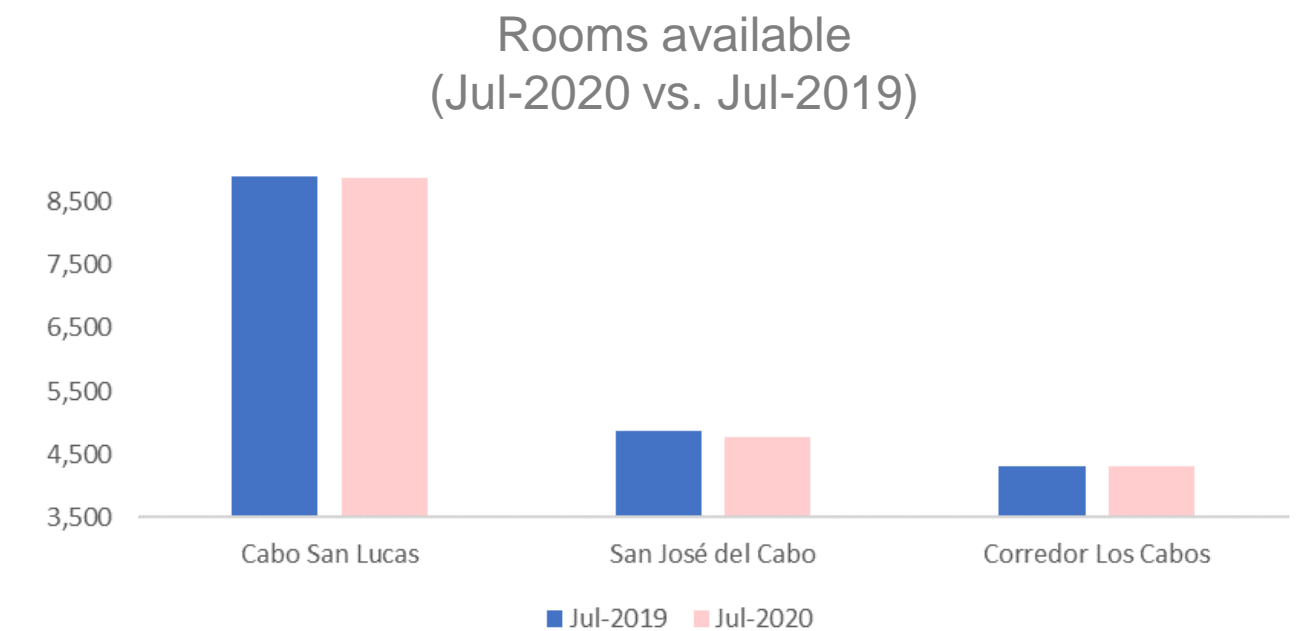
- The hotel occupancy registers 24%, which implies a decrease of 56pp (Jul-2019 vs. Jul-2020, AHLC).
- It's hotel offer decreased by 0.3% from Jul-2019 to Jul-2020, registering 8.89 thousand (DataTur).
- Occupied room nights dropped 73% between Jul-2019 and Jul-2020 (DataTur).



SOURCE: DATATUR

### SAN JOSE DEL CABO

- Occupancy dropped 49pp when comparing Jul-2019 to Jul-2020 (AHLC): 19%.
- Its hotel offer decreased 21% between Jul-2019 and Jul-2020, registering 4.78 thousand rooms (DataTur).
- Occupied room nights dropped 86.7% between Jul-2019 and Jul-2020 (DataTur).



SOURCE: DATATUR

### LOS CABOS CORRIDOR

- Occupancy registers 15% in Jul-2020, which implies a decrease of 44 (AHLC).
- Its hotel offer remained the same between Jul-2019 and Jul-2020: 4.3 thousand rooms (DataTur).
- Occupied room nights decreased 74.1% between Jul-2019 and Jul-2020 (DataTur).

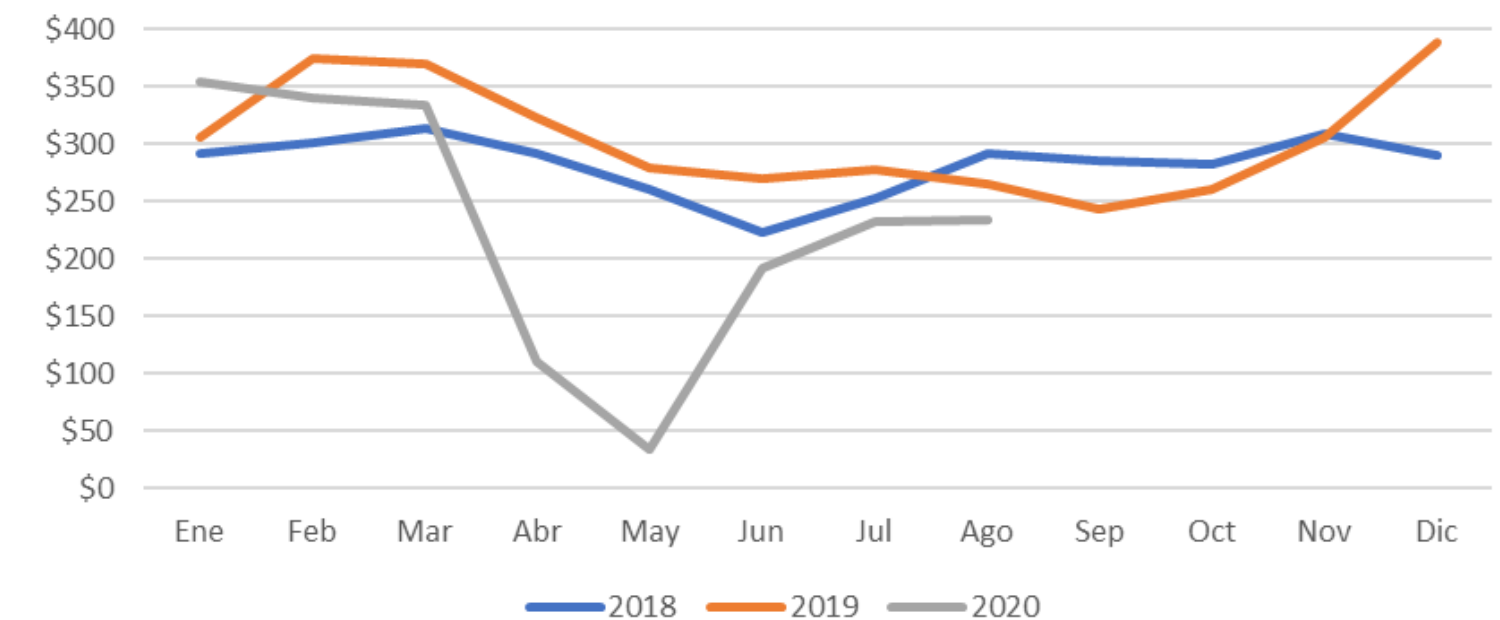


## HOTEL OFFER

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

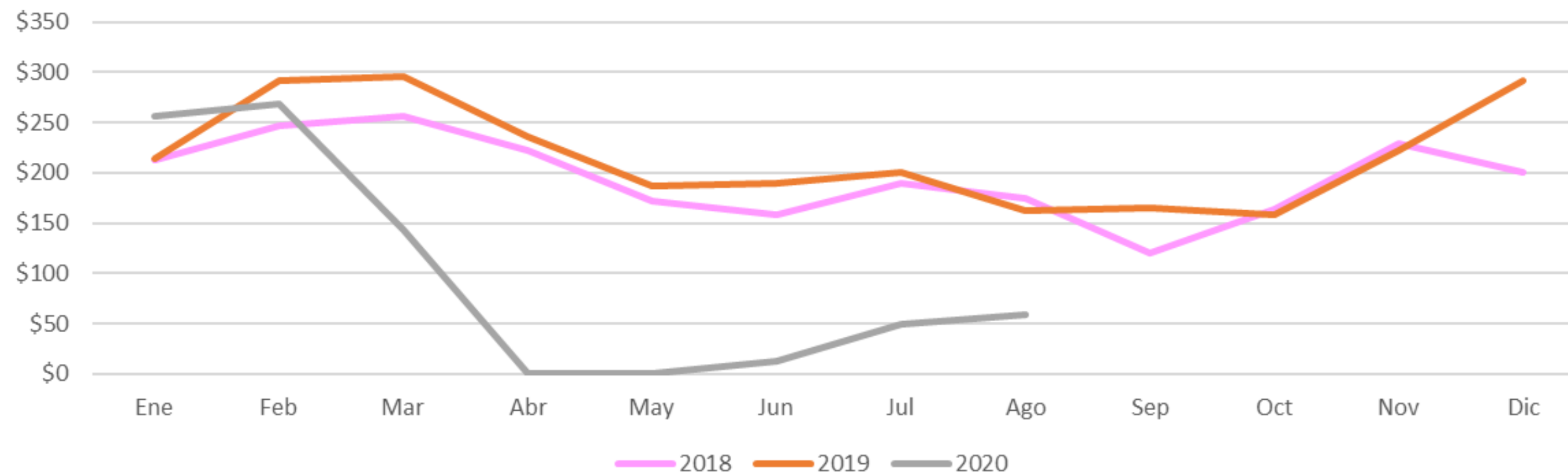
- The average hotel rate in Los Cabos for Aug-2019 was \$234 USD; \$19 below the average of the past 12 months, and \$31 less than that in Aug-2019. The RevPAR for Aug-2020 was \$59 USD.
  - San Jose del Cabo was the only destination that increased its average rate compared to the previous year: +10.7%, registering \$228.
  - Los Cabos Corridor had the highest rate: \$259 USD (-22.5%).
  - Cabo San Lucas reduced its average rate by 38.9%, settling at \$156 USD.

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

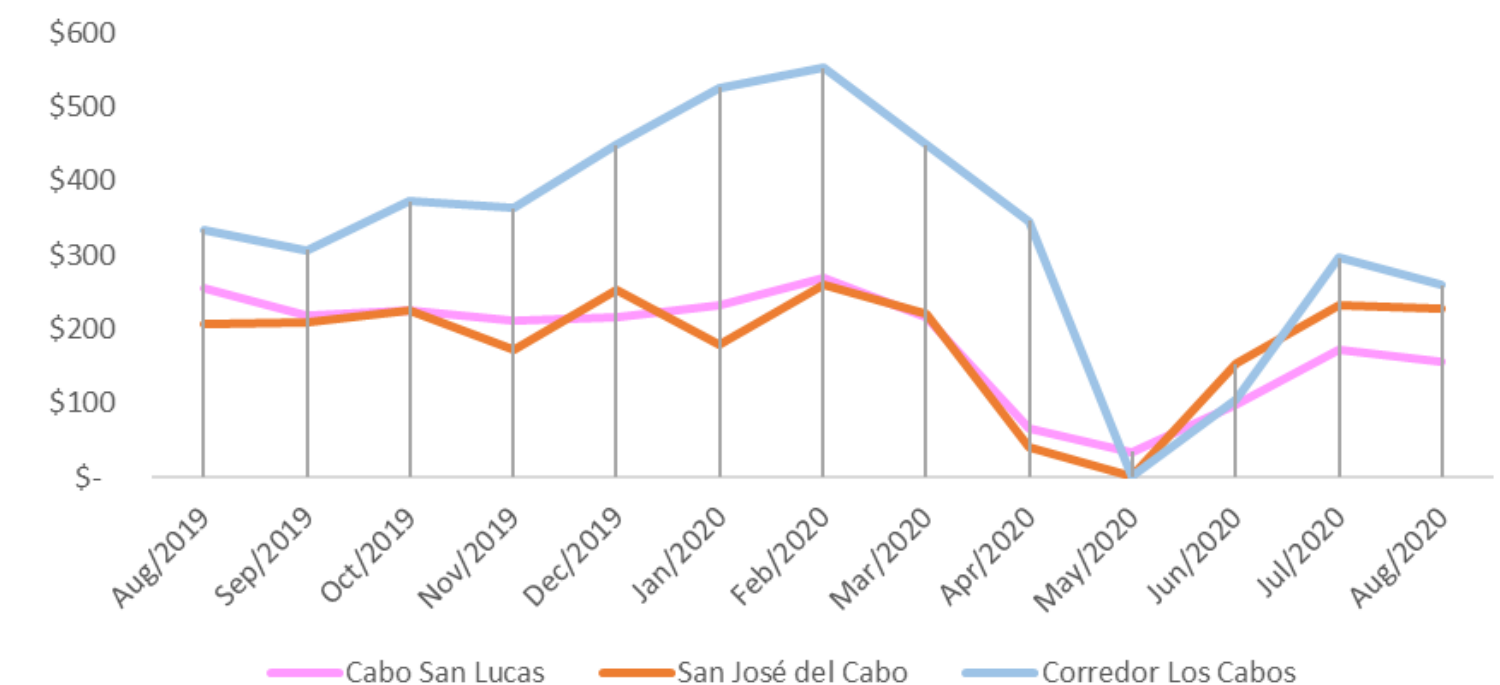


RevPAR Los Cabos (USD, 2018-2020)

SOURCE: AHLC



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



# INTERNATIONAL AIR CONNECTIVITY

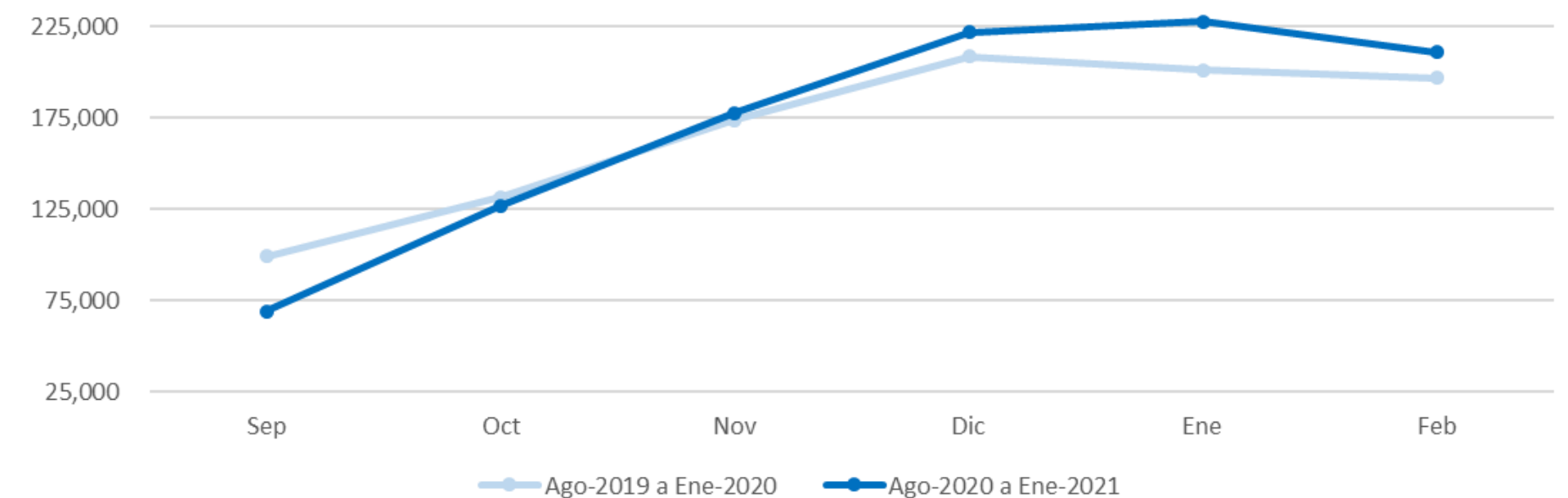
SOURCE: OAG

## SEATS SCHEDULED FOR SEP-2020 TO FEB-2021

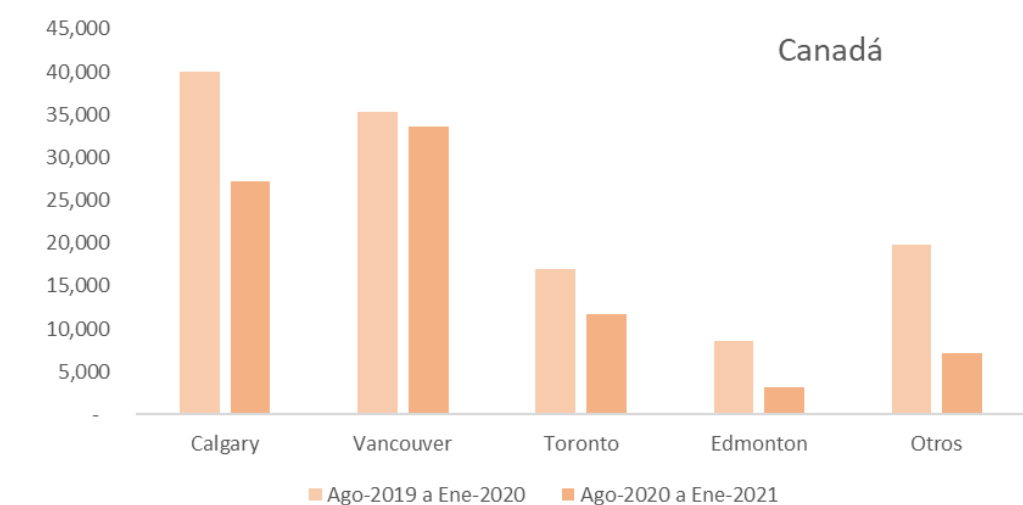
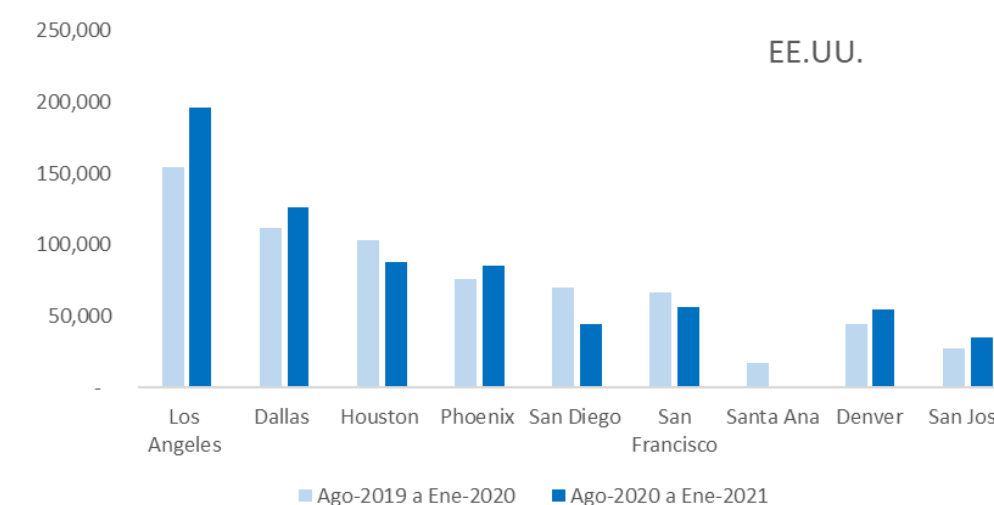
Seat offer report for the month in question and the 6 following months, as the case may be

- For the U.S., there are 26.8% fewer available scheduled seats for Sep-2020 compared to the same period last year, and for the next 6 months, there are 7.5% more scheduled seats compared to the same period last year.
  - LAX (+26.7%), DFW (+13%) and PHX (+11.7%) had the most significant increase. However, decreases are still present in SFO (-15.1%) and San Diego (-36.1%).
- Los Angeles is the main issuing market in the U.S. (21% of the market), followed by DFW (13%), Phoenix and Houston (9% each).
- American, Alaska, Delta and United Airlines are the most relevant (80% as a whole).
- For Canada, there are no scheduled seats available for Sep-2020, and there are 31.4% fewer available scheduled seats for the next 6 months.
  - Calgary dropped 32.1%, Vancouver 4.7%, and Toronto 31.5%. However, Vancouver will gain 12pp of participation in the market.
  - During this period, Swoop will reduce the frequency of its flights by 100%, Sunwing will do so by 76.7%, and WestJet by 15.5%. AC will increase it by 11.2%.
- The international airlines' occupancy factors for Jun-2020 were: American 20%, Alaska 29%, Delta 27%, United 34%, 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 (Sep-2020 to Feb-2021)



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







# LOS CABOS TOURISM OBSERVATORY

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**PUBLIC RELATIONS**



# Public relations: notes and scope (last 12 months)

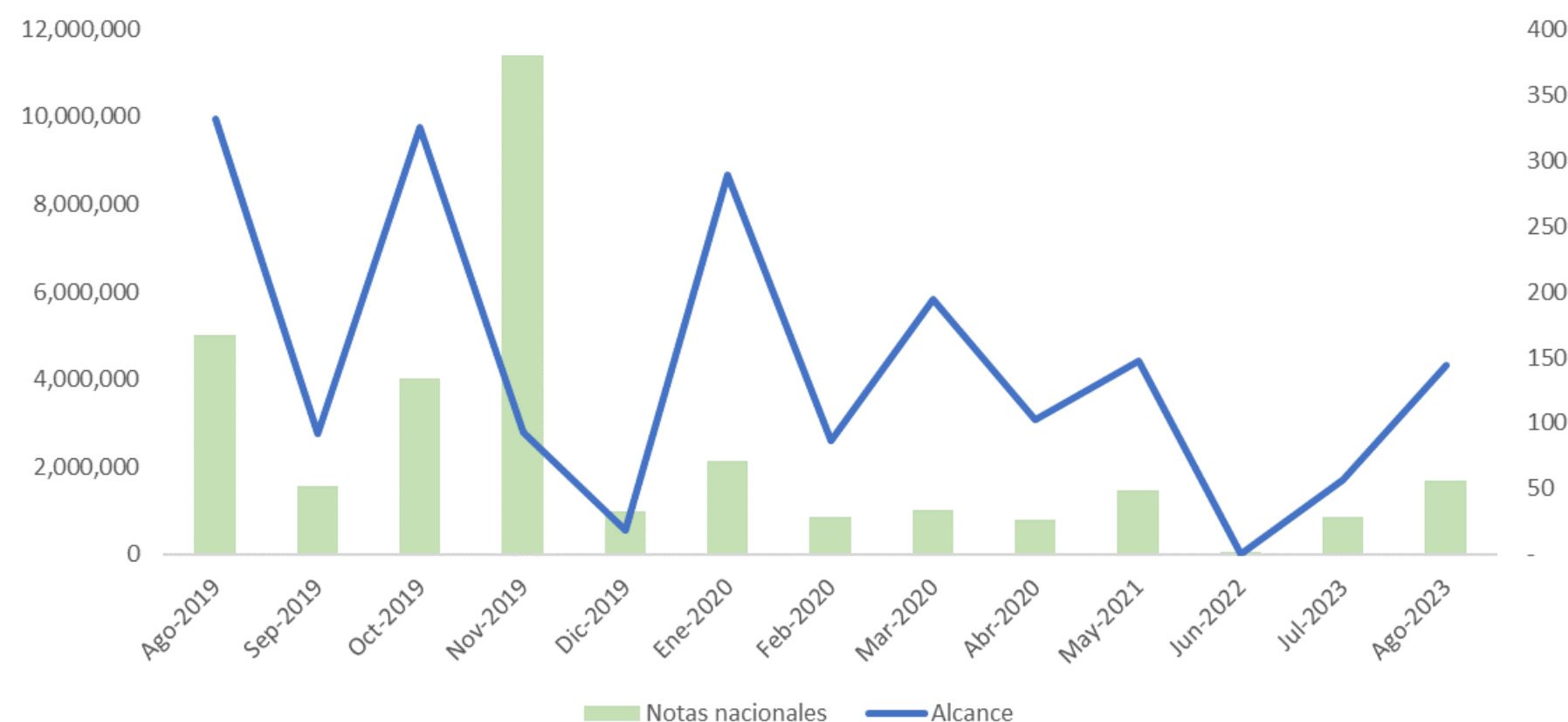
- **In the domestic market:**

- In the period from Sep-2019 to Aug-2020 (last 12 months), there were 894 national press insertions (77 monthly on average), creating a scope of 46.5 million impacts (4 million monthly on average). 56 inserts were published throughout Aug-2020, achieving 4.3 million impacts.

- **In the international market:**

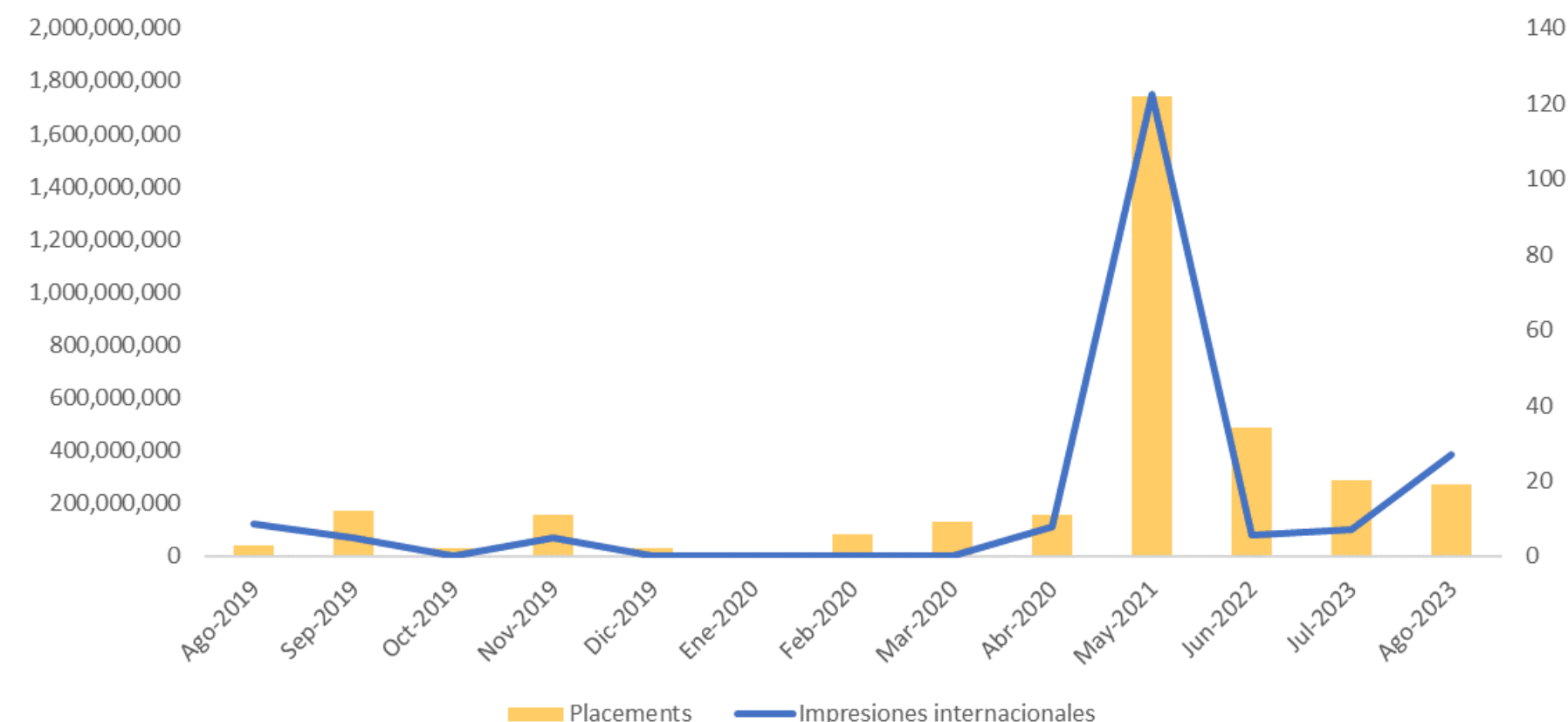
- In the period from Sep-2019 to Aug-2020, there were 249 international press insertions (22 monthly on average), creating a scope of 2.6 million impacts (228 million monthly on average). 19 inserts were published throughout Aug-2020, achieving 384.6 million impacts.

NATIONAL NOTES' TOTAL & SCOPE (AUG-2020)



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

INTERNATIONAL NOTES' TOTAL & SCOPE (AUG-2020)



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



# DEFINITIONS

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- **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

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- **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  $\Sigma \text{Ht}$  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

## LOS CABOS TOURISM OBSERVATORY

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