



Master's Thesis

**Tourism Industry in Mexico
Past – Present – Future**

Taking the industry to the next level

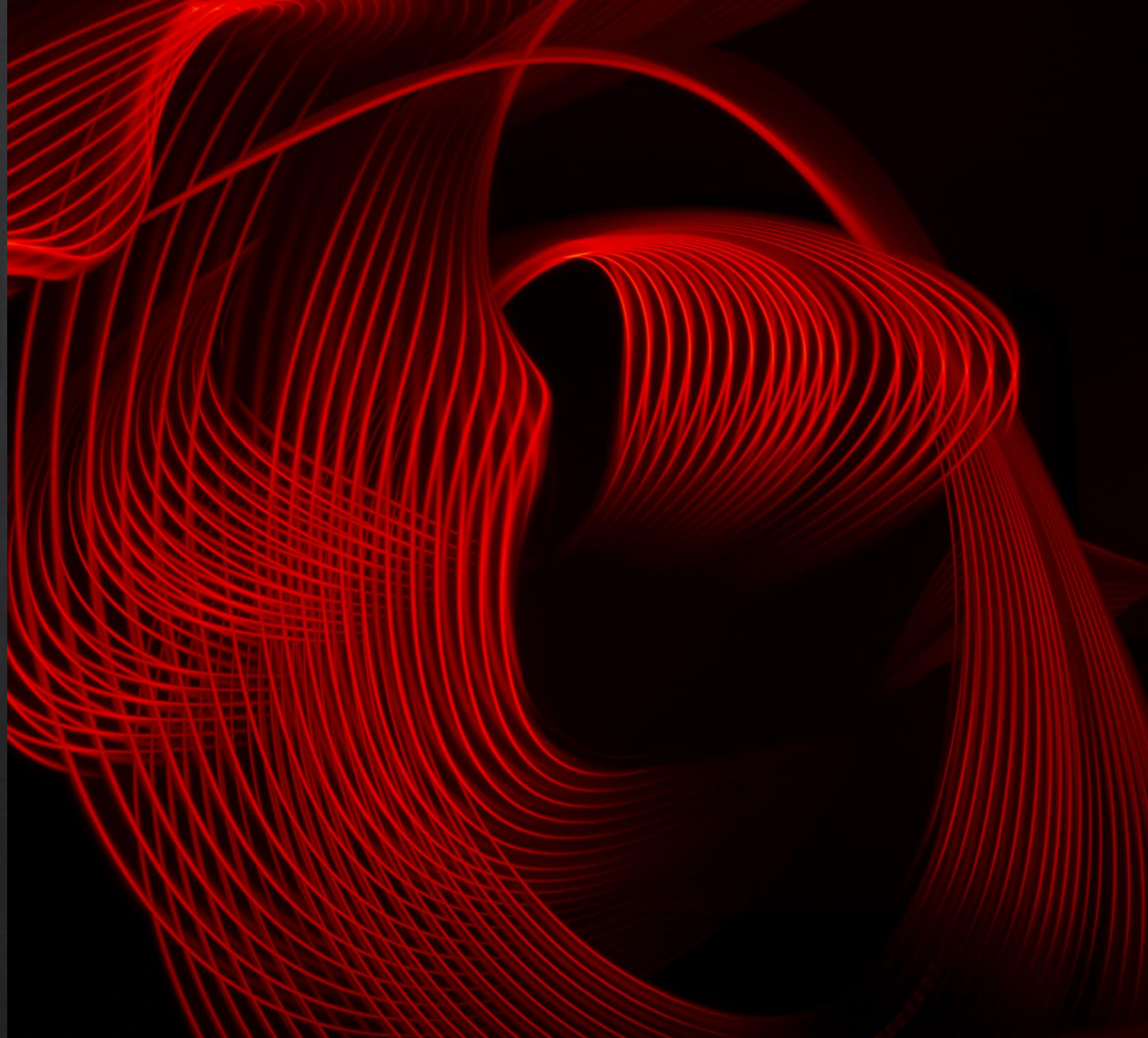
Author: German Rodrigo RAMOS QUEZADA

Supervisor: Ing. Richard Selby, Ph.D.

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Objectives

- ◇ Connect the past & present of tourism in Mexico
- ◇ Move the industry to the next level:
 - More income
 - More diversified
 - More social impact
- ◇ Analysis of the Government investment initiatives



Thesis - Two Parts

◇ The first part:

- Particularities of the Tourism industry in Mexico
- TOWS & PESTEL analysis

◇ The second part:

- Analysis - Government investments
- Analysis – Foreign Best Tourism Practices (would be successful for Mexico)
- Survey & Findings

Part 1

Mexico – Main Tourist destinations

-Seaside resorts-



Key Info: FONATUR a Federal Governmental Institution, Plans & Executes Large Tourism Projects like Cancun or Los Cabos

➤ Los Cabos

➤ Puerto Vallarta

➤ Acapulco

➤ Cancun & Riviera Maya



https://en.wikipedia.org/wiki/Mexico#/media/File:Division_politica_mexico.svg

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Mexico – Main Tourist destinations

-Inland Destinations – Large Cities -

➤ Tijuana



➤ Monterrey

➤ Guadalajara

➤ Mexico City

https://en.wikipedia.org/wiki/Mexico#/media/File:Division_politica_mexico.svg



https://es.wikipedia.org/wiki/Ciudad_de_M%C3%A9xico#/media/Archivo:Mexico_City_Reforma_skyline.jpg

TOWS Analysis – Main points

Threats (External Origin)	Opportunities (External Origin)
<ul style="list-style-type: none">◇ Overtourism (from beaches to archeologic sites)◇ Global or regional pandemics◇ Fake & Bias News can affect the country's image◇ Natural disasters (hurricanes, floods, earthquakes, etc.)◇ A global economy crisis (reducing the number of tourists and their consumption)◇ Competition from other countries (new touristic spots emerging around the world)◇ The increase value of the Mexican Peso MXN	<ul style="list-style-type: none">◇ Expand the country's reputation, a world-class destination◇ The uniqueness of the Mexican culture (cuisine, traditions, history, art, handicrafts, music, and customs.)◇ Air travel cost reduction (more competition & low-cost airlines)◇ Higher economies of scale (competitive advantage & bringing more sophistication)◇ Capitalization of new tourists (looking for something new, disappointed elsewhere, restrictions)

TOWS Analysis – Main points

Weaknesses

(Internal Origin)

- ◆ **Visitors' diversification**
(Currently the majority of foreign tourist come from the US & Canada)
- ◆ **Not enough non-stop flights from Europe & South America**
- ◆ **A certain level of insecurity in the country**
(regional, mostly non-violent crime)
- ◆ **Visitors from some countries need a Tourist Visa**
(Russia, Ecuador or Ukraine)
- ◆ **Infrastructure & Public transit upgrade is needed**

Strengths

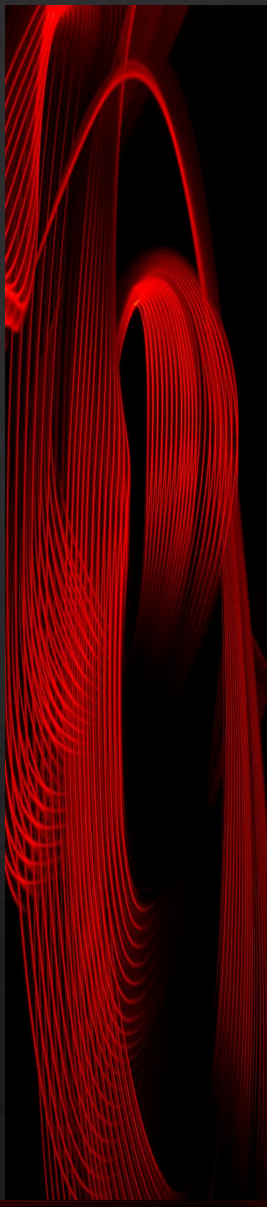
(Internal Origin)

- ◆ **Mexican culture is hard to copy**
(Original, and valued worldwide)
- ◆ **Mexico's natural resources - appealing to tourists**
(E.g., +9000 km of beautiful beaches with warm waters)
- ◆ **Country's branding**
(E.g., The Day of the Death, Tequila, Tacos, etc.)
- ◆ **Strong position in Niche Tourism**
(Medical, cultural, adventure, ecotourism, religious, culinary, cruise ships, seaside resorts, wedding, archeological, events (Formula I, concerts, etc.))
- ◆ **Mexico has the largest number of UNESCO heritage sites in the Americas**
(35 sites, of these: 28 are cultural, 5 natural, and 2 mixed sites)
- ◆ **Country's location beside the USA**
(+300 million of potential tourists, many with a high income)

Part 2

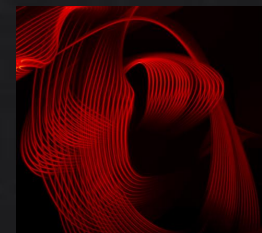
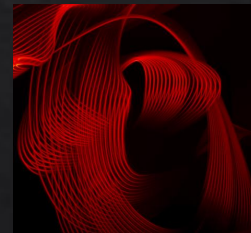
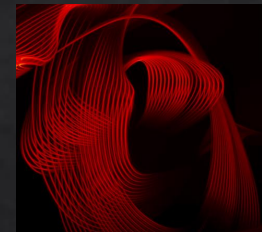
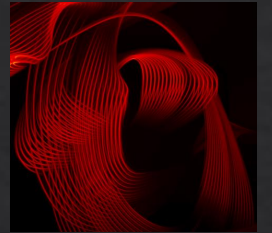
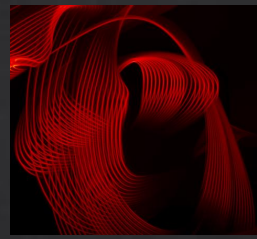
Tourism Practices

- ◆ A- Turkey and Turkey Airline layover with free tour
- ◆ B- Summer Educational Programs in Europe
- ◆ C- Visa waived for tourists
- ◆ D- Creation of touristic attractions, the case of Dubai in the United Arab Emirates (UAE)
- ◆ E- Strong partnership with a large national airline company, the case of Emirates Airlines



Investment Projects of the Mexican Government in Tourism

- ◆ Mayan Train
- ◆ New airport for Mexico City
- ◆ New airport for Riviera Maya / Tulum Airport
- ◆ Cancun Upgrade Projects



Survey design

- ◆ Survey Respondents: Specialists in the tourism, many university professors, with a Ph.D. or a master's degree

Survey Parts		
First part	Second part	Third part
Evaluate large government investment plans	Evaluate best practices from other countries & its implementation in Mexico	Proposals to increase tourism and social benefits

Survey Findings

First Part – Governmental Investment Projects

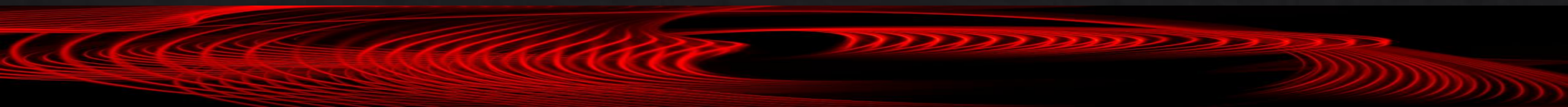
- **Best Project: New Mexico City Airport (AIFA)**
 - Ranked 8.40/10.00
 - Fix a problem – Saturated old airport
 - Diversify airport options – Competition

- **Second Best Project: New airport Riviera Maya / Tulum Airport**
 - Ranked 8.14/10.00
 - Strategic Location – Brings convenience
 - South part of Riviera Maya – Touristic sector is booming

Second Part – Best foreign practices for Mexico

- **Visa waived for Touristic reasons**
 - How good is this practice? Ranked : 9.28/ 10.00
 - Consensus to be applied (country exceptions – national security)

- **Summer programs: Cultural, Language, & diverse range of topics**
 - How good is this practice? Ranked : 7.70/ 10.00



Continuation...

Survey Findings

Third Part – Forecast & Proposals

About	Key Results	More Details / Other Results
Tourism forecast for Mexico?	Solid	-Next 3 years, ranked 8.41/10.00 -Next 10 years, ranked 7.75/10.00
How to boost tourism?	Support communities & small and mid-size business	-Governmental policies for sustainability & innovation -Reduce the insecurity & the international perception of it
What type of new destinations to promote?	Places with history, not seaside resorts only	-Develop the tourism industry in the different regions -Gulf of Oaxaca & Gulf of California -Environmental Compliance from Transnational touristic

Conclusion

Objective's Answers

◆ Objectives

- More **Income**
- More **Diversified**
- More **Social Impact**



◆ Answers

- Long-term approach
- Use **Less** - indicator of: **Millions of Tourists**, but **More: Tourism Expenditure & Tourists' Length of Stay**
- **Regulate transnational** companies
(labor laws, environment & close loopholes)
- Progressively move minimum wages & labor conditions up for employees in tourism
- Keep investing in infrastructure & invest in the local communities

Conclusion

Thesis Final Remarks

- **Government keeps investing in large project**
(like the Mayan Train – Moving tourists to local communities & other states)
- **Drivers of Growth** – Framework & investment led by the Federal government, Ministry of Tourism & FONATUR
- Development of **New Destinations** - to a premium level :
 - **Tijuana-Ensenada area**
 - **Los Cabos** at the Tip of Baja California peninsula
- **Environmental protection enforcement & crime reduction**

Thank you for your time!

