



# MARKET INSIGHTS

## EUROPEAN TRAVEL COMMISSION

MARKET INTELLIGENCE GROUP

## MEXICO

June 2011

This Market Insight is one of an ongoing series of market profiles produced by the Market Intelligence Group [MIG] of the European Travel Commission [ETC]. New market profiles will be added to the series and updated at regular intervals.

The members of the MIG comprise the Research Directors of the 35 National Tourist Offices (NTOs) that are members of ETC. The group regularly commissions and publishes market intelligence studies, handbooks on methodologies and best practice, and facilitates the exchange of European tourism statistics on the 'TourMIS' web platform [<http://www.tourmis.info>].

More information on ETC's programme of market intelligence activities - including links to studies and sources of European tourism statistics - can be found on the organisation's corporate website: <http://www.etc-corporate.org>

## OVERVIEW

- Mexico generated 14.2 mn outbound tourist trips in 2010, in addition to 77.3 mn day trips abroad. Of the 14.2. mn trips, 3.0 mn were by air, 5.0 mn were overland trips to the US border region ('turistas fronterizos'), and 6.2 mn were overland trips going further afield.
- Total spending by Mexicans abroad amounted to US\$7.3 bn in 2010, ranking the country 32<sup>nd</sup> in the world in terms of international tourism expenditure, according to UNWTO.
- Provisional figures for 2010 suggest increases of 2.1% in the number of outbound tourist trips, 2.3% in the number of outbound trips by air, and 2.1% in total spending abroad.
- Even excluding day visitors, the USA is the destination for 92% of outbound trips from Mexico. It is estimated that other countries in the Americas account for 3% of outbound trips and Europe for 4% (but that 4% represents about 20% of outbound trips by air).
- Spain has traditionally been the most important destination in Europe for Mexicans.
- In December 2010, 11 airlines operated 79 flights a week, with 21,451 seats, from two Mexican airports to 7 airports in Europe. This compared with 93 flights and 24,998 seats a week in October 2007. While most flights were primarily carrying Europeans back from Mexico, the number of Mexicans travelling to Europe is growing in line with the increase in flight and seat capacity.

## COUNTRY PROFILE

### Currency

- Peso (PS)                      €1 = PS16.69 (June 2011, half yearly average)
- The Mexican peso is regarded as strong and stable against the US dollar (it has remained roughly around US\$1 = PS11 since 2003). However, since the US dollar has generally weakened during this period, the peso has declined against the euro. It traded at an average of €1 = PS16.75 in 2010, down from PS18.81 in December 2009 and PS19.34 in December 2008.

### Population

- 112.3 mn (2010), growing by 1.0% a year.
- 77% of the population is reckoned to be urban. The major cities include the capital, Mexico City (with a population of 20.1 mn in 2010), Guadalajara (4.4 mn), Monterrey (4.1 mn), Puebla (2.7 mn), Toluca (1.8 mn), Tijuana (1.8 mn), León (1.6 mn) and Ciudad Juarez (1.3 mn).
- The fertility rate (the average number of children per female) is estimated at 2.4. The birth rate has declined substantially since the mid-1960s, when the population was growing by 3.5% a year. Life expectancy is 75.4 years (72.6 years for men and 78.3 for women).
- The median age is 25.6 years. The population is therefore, even by Latin American standards, relatively young, and over 700,000 young people join the labour market every year. The scarcity of employment opportunities has driven many Mexicans to emigrate. Net emigration is estimated at 450,000 per year. The overwhelming majority of emigrants go to the USA.

### Age

Breakdown (%)	2005	2020 <sup>f</sup>
0-4	10.1	7.5
5-14	20.6	15.9
15-24	18.2	16.4
25-34	17.1	15.6
35-44	12.9	14.1
45-54	9.4	12.9
55-64	5.8	8.7
65-74	3.5	5.4
75-84	1.8	2.6
85+	0.5	0.9

- In simpler terms, 49% of the population are 0-24 years old, 39% are 25-54 and 12% are over 55.
- According to the UN, the numbers of children and young people (aged 0-24) will decline slightly from 2005 to 2020 (from 51 million to 48 million), while the numbers of those aged 25-54 will increase by a quarter (from 41 million to 51 million), and those over 55 will increase by three quarters (from 12 million to 21 million).

### Ancestry & Migration

- The Mexican population is relatively homogeneous, in that (by various estimates) 60-75% are mestizo (Amerindian-Spanish). About 12% are pure Amerindian, and 30% predominantly Amerindian. Some 10-15% is of European descent. These are mainly of Spanish extraction, but there are also substantial numbers of German, French, Italian, Portuguese, Irish, Polish, Romanian, Russian and British descent. Smaller numbers of immigrants came from China, Japan, Korea and Lebanon.

- According to the 2000 Census, there were 21.6 mn people of Mexican origin living in the USA, 8.8 mn of whom were born in Mexico (29.5% of the foreign-born population of the USA and 3.3% of the total US population). The numbers of Mexicans living in the USA in 2007 may therefore be approaching 11 mn, and the numbers of Americans of Mexican descent approaching 24 mn. These people fuel a huge demand for VFR travel to the USA and vice-versa.
- Mexico opened its borders to immigrants (especially political asylum seekers) from South America in the 1970s and 1980s. Estimates of the numbers of immigrants from each country vary widely, but are believed to be in the thousands and ten thousands rather than the tens and hundreds of thousands.
- There are reported to be about 1 mn US citizens (many of them retired) living in Mexico.

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## Language & Religion

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- 97% of the population speaks Spanish, the *de facto* national language. About 6% speaks indigenous languages, of which over 60 are recognised. English is widely spoken in business circles.
- About 89% of the population is Roman Catholic and 6% (mainly in the south) Protestant. About half go to church once a week. Only 4% of Mexicans describe themselves as non-religious.

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## Economic Data

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	2006	2007	2008	2009	2010
GDP (US\$ bn)	853	881	894	840	886
Real GDP growth (%)	5.1	3.3	1.5	-6.1	5.5
GDP per capita (US\$)	9,084	9,694	10,216	8,134	9,243
Inflation (%)	3.5	4.3	4.5	4.7	4.9
Exchange rate					
<b>1 MEP = EURO</b>	<b>.073</b>	<b>.067</b>	<b>.061</b>	<b>.053</b>	<b>.060</b>

Note: Because Mexico does not offer unemployment benefits and unemployment does not cover the informal sector, the official unemployment figures are not regarded as meaningful.

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## Mexico's Economy 2009-10

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- Mexico is considered as a middle-income country with a generally prosperous market economy, but growth has been hampered by serious institutional and structural problems.
- Mexico is the 14<sup>th</sup> economy in the world and the 2<sup>nd</sup> economy in Latin America, just behind Brazil which is was in 8<sup>th</sup> place in 2010.
- Mexican real GDP grew by 5.5% during 2010, and is expected to grow by approximately 4.2% from 2010-2011. In terms of world prosperity in 2003-07, economic growth in Mexico was moderate (3.4%). However, the growth rate for the period 2002-2010 was only 2%.
- The low growth rate is reflected in the decline of GDP per capita, which decreased by 20% in 2009 and has increased by 13.6% in 2010. According to International Monetary Fund estimates, it is probable that by 2013 it will be equal to 2008. Mexico currently has a GDP per capita of 9243 dollars, which puts it in 61<sup>st</sup> position worldwide.
- Like many Latin American countries, Mexico has a very unequal distribution of income. The Gini index (a measure of the distribution of incomes; a value of 0 expresses total equality and a value of 1 maximal inequality; Sweden has a Gini coefficient of 0.23 and in contrast Namibia's is 0.70 ) was .506 in 2008. According to data from the National Institute of Statistics, the upper and upper middle classes comprise 22.2% of the population.
- In terms of health and education, Mexicans have 8.7 years of schooling and a 76.7 year life expectancy at birth.

## TRAVEL PROFILE

### Mexican Outbound Trips

Outbound travellers from Mexico ('000)						
	2005	2006	2007	2008	2009	2010
Total visitors	128,392	122,022	109,361	107,442	98,066	91,559
Tourists	13,305	14,002	15,089	14,450	13,942	14,236
Long-distance	8,000	8,486	9,213	9,321	8,875	9,233
– by air	2,565	2,757	3,024	3,064	2,863	3,020
– by land	5,050	5,435	5,729	6,257	6,256	6,213
Frontier tourists	5,305	5,516	5,870	5,129	5,067	5,003
Day visitors	115,087	108,020	94,282	92,992	84,124	77,323
<b>% annual change</b>						
Total visitors	-0.4	-5.0	-10.4	-1.8	-8.7	-6.6
Tourists	6.5	5.4	7.8	-4.2	-3.5	2.1
Long-distance	8.1	6.1	8.6	1.2	-4.8	4.0
– by air	9.2	7.5	9.7	1.3	-6.6	5.5
– by land	7.6	7.6	5.4	9.2	0	-0.7
Frontier tourists	4.1	4.0	6.4	-12.6	-1.2	-1.3
Day visitors	-1.1	-6.1	-12.7	-1.4	-9.5	-8.1

**Note:** According to Banco de México, visitors or 'visitantes' = tourists or 'turistas' (travellers staying abroad at least one night) + day visitors or 'excursionistas' (which include both leisure day-trippers and cross-border workers). 'Turistas internacionales' are broken down into 'turistas fronterizos' (frontier tourists) – tourists crossing by land into the US-Mexico border area (48 counties in 4 states) – and 'turistas egresivos' (long-distance tourists), travelling further afield and/or travelling by air. All 'excursionistas internacionales' are defined as 'excursionistas fronterizos'.

- Analysis of Mexican outbound travel is easily confused by the huge numbers of people crossing the border into the USA daily. However, even excluding the near 100 million annual same-day visitors, the USA has accounted for 92% of outbound trips from Mexico every year since 2000. It is estimated that other countries in the Americas account for 3% of outbound trips and Europe for 4%. However, that 4% represents about 20% of outbound trips by air.
- Although Mexican outbound travel did slip in 2009, it has a structural resistance that allows a quick recovery.

### International Travel Expenditure (excluding air transport)

Total international tourism expenditure						
	2005	2006	2007	2008	2009	2010
Total (US\$ mn)	7,600	8,108	8,375	8,526	7,132	7,284
% annual change	9.2	6.7	3.3	1.8	-16.4	2.1
Spend per trip (US\$)	364	334	326	295	322	312

- In terms of total outbound tourism expenditure, Mexico is the second most important tourism market in Latin America. According to UNWTO, it ranked 32<sup>nd</sup> in the world in 2010 (compared with Brazil in 18<sup>th</sup> place and Argentina in 36<sup>th</sup> place). However, from Europe's perspective, Mexico ranks third to Brazil and Argentina.
- The comparatively low spend per trip is influenced by the large numbers of short-stay cross-border trips. The following figures show the average spending attributed by the Banco de México to the different categories of outbound travellers.

### International tourism expenditure per trip (US\$)

	2005	2006	2007	2008	2009	2010
International tourists	364	334	326	295	322	312
Long distance	625	689	736	882	785	842
– by air	819	901	944	999	954	na
– overland	223	231	231	234	207	na
Frontier tourists	64	70	72	74	67	70
Day visitors	34	36	39	39	33	35

### Leading Destinations in Europe

- For historical, cultural and linguistic reasons, Spain receives the lion's share of Mexican visitors to Europe. More limited numbers visit the other major West European destinations, but the potential of the Mexican market in many smaller destinations, and in the emerging markets of Central and Eastern Europe, remains largely untapped.
- Even in Spain, Mexicans represent only 0.5% of total arrivals; in other Western European countries they seldom reach 0.25% of arrivals, and in Northern, Central and Eastern Europe they seldom reach 0.1% of arrivals. Considering that Mexico is a middle-income country with 1.6% of the world population, these are modest numbers.

### Arrivals from Mexico in selected European destinations ('000) (UNWTO figures)

Destination	2004	2005	2006	2007	2008	2009
Spain	193	244	243	197	161	216
France		340	398	440	385	353
Italy	79	105	94	81	120	87
UK	7	78	88	58	65	81
Germany	48	47	99	52	54	44
Belgium	18	18	19		19	14
Czech Republic	11	13	19	17	16	13
Hungary	13	13	14			na
Turkey	10	11	11	13	13	11
Poland	9	4	5		4	4
Israel	na	24	13	18	22	15
Russia	6	10	11	10	14	na
Greece	6	7	10	12	9	9

**Notes:** The measures for Spain, France, Italy, Turkey and Israel are 'tourists at frontiers'; for the UK, Greece, Hungary, Poland and Russia 'visitors at frontiers', including same-day visitors. The figures for Germany, Belgium and the Czech Republic represent international tourist arrivals at commercial establishments.

- Many European countries do not report arrivals from Mexico, or the figures are very small. Using a variety of indicators, it is possible to estimate the scale of arrivals for other destinations in 2009 with some confidence but, due to the small numbers involved, actual arrivals may differ quite substantially from year to year - as can be seen in the above table.

10,000-25,000	Netherlands, Austria
5,000-10,000	Portugal, Denmark, Ireland, Switzerland,
2,500-5,000	Croatia, Sweden
Below 2,500	Bulgaria, Cyprus, Estonia, Finland, Iceland, Latvia, Lithuania, Luxembourg, Malta, Monaco, Montenegro, Norway, Romania, Serbia, Slovakia, Slovenia, and all other countries in Eastern Europe.

## Nature of Trip

- Allowing for multiple destinations on most Mexican trips to Europe, the average length of a trip to Europe is probably over 14 days.
- The available figures for arrivals and nights in individual European countries in 2004-2005 (which are often not strictly comparable) suggest an average length of stay of 4-5 nights in Italy, 2-3 nights in Spain, Germany, Finland, Greece, the Czech Republic and Slovakia, and 1-2 nights in Belgium and many smaller destinations. The apparent average length of stay in the UK in recent years has been much longer and very erratic. The average length of an airborne trip to the USA was 14 nights in 2005 and 11 nights in 2006.
- Frontier statistics for Spain also suggest average stays of 15-18 days; the difference from the 2-3 nights mentioned above no doubt reflects the importance of VFR, family homes and other forms of non-hotel accommodation:

### Average length of stay of Mexican tourists in Spain (%)

	2003	2004	2005
1 night	5.1	9.1	6.9
2-3 nights	11.5	14.1	14.6
4-7 nights	26.8	23.4	28.0
8-15 nights	30.7	27.1	26.0
>15 nights	25.8	26.3	24.5

- The relatively affluent Mexicans who travel independently to Europe for leisure (as opposed to VFR, business and study) - whether repeat or first time visitors - are said to spend freely on accommodation, shopping, transport and leisure activities. The Madrid Tourism Board reports that in Q1/2006 the tourists who spent the most in Madrid's shops were the Mexicans: they accounted for 19% of the total foreign visitors' spend and spent an average of €1,443 each.

## Purpose of Trip

### Main purpose of trip for Mexican travellers abroad (%)

	All such travellers		Those travelling by air	
	2006	2009	2006	2009
Leisure	19.1	17.9	34.4	32.9
Business	7.7	8.2	19.2	21.5
Visiting family	61.4	64.6	39.2	38.3
Visiting friends	5.1	5.5	3.6	4.7
Shopping	4.6	1.9	0.7	0.5
Other	2.1	1.9	2.8	2.2

- The figures shown above (from the Banco de México) are heavily influenced by the weight of the USA (which accounts for 92% of long-distance trips). The OTTI at the US Department of Commerce shows similar figures for arrivals by air from Mexico in 2006: 35% leisure, recreation and holidays, 28% VFR, 23% business and professional, 9% conventions and conferences, and 6% other.
- Of course, many VFR and business trips have leisure components: when allowing multiple responses, the OTTI figures for leisure trips rise to 49%, VFR to 38%, business to 27% and MICE to 13%.
- Figures for Mexican arrivals in the UK (which may be no more representative of overall arrivals in Europe than those shown above) indicate that in 2001-2005, 62% of visits were for holidays, 8% for business, 13% for VFR, 7% for study, and 10% other.

## Holidays & Seasonality

### Breakdown of outbound trips by air from Mexico 2008 - 2009 (%)

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
8.5	7.2	7.5	8.6	7.0	7.8	10.3	8.1	8.2	8.4	8.5	9.9

- It is common that schools take two weeks holiday at Christmas, two weeks at Easter and six weeks from the beginning of July.
- Leave entitlement for formal employees varies according to length of service: a minimum of six days per year, plus two days for each of the first four years of service, and two days for each subsequent five-year period of service. In addition, there are seven compulsory national holidays (and an additional day every six years), and a full week is often taken for Holy Week.
- The peak period for travel to Europe is April to September.

### Public holidays, 2011-2012

**2011:** 1 January\* (New Year), 5 February\* (First Monday of Feb, Constitution Day), 21 March\* (3<sup>rd</sup> Monday of March, Anniversary of Benito Juárez), 21-24 April (Holy Week), 1 May\* (Labour Day), 16 September\* (Independence day), 20 November\* (3<sup>rd</sup> Monday of November, Revolution Day), 25 December\* (Christmas).

**2012:** 1 January\* (New Year), 5 February\* (First Monday of February, Constitution Day), 21 March\* (3<sup>rd</sup> Monday of March, Anniversary of Benito Juárez), 5-6 April (Holy Week), 1 May\* (Labour Day), 16 September\* (Independence Day), 20 November\* (3<sup>rd</sup> Monday of November, Revolution Day), 1 December\* (Inaugural Day - every 6 years), 25 December\* (Christmas).

\* Compulsory national holidays.

## Accommodation

- VisitBritain reports the following breakdown for accommodation used by visitors from Mexico (average for 2001, 2002, 2004 and 2005): 60% hotel / guesthouse, 2% bed & breakfast, 10% hostel / university / school, 2% rented house, 1% paying guest with family or friend, 27% non-paying guest with family or friend, 1% own home, 6% other.
- These figures are not likely to be representative for Mexican visits to Europe as a whole, but information for other destinations is scarce.
- Spain's INE finds that, of Mexican tourists staying in Spanish hotels in 1999-2004, between 56% and 59% stayed in 4\* and 5\* hotels each year (11.5% to 18% stayed in 5\* hotels).

## Leisure / Recreational Activities

- Research by the Canadian Tourism Commission (CTC) in 2003 showed that, for their holidays, Mexicans travel primarily to see and experience what they cannot at home. Cold weather is not a deterrent, but they like trips and destinations that offer a range of activities and experiences. Trips with a strong emphasis on culture and education, as well as nature, are very popular. Enjoying local cuisine, shopping and nightlife are also rated highly.
- Few Mexicans travel abroad for sun & beach as they have abundant opportunities for this kind of holiday at home.
- Both at home and abroad, Mexicans love *fiestas*, festivals and all types of cultural events that showcase authentic local traditions. A large number of Mexicans who travel long-haul are well-educated and, during their trips, they spend large amounts of money on sophisticated goods and services such as fancy restaurants, unique hotels and luxurious shopping.
- Mexicans have an eclectic interest in sports and travel either to practice sport (golf, winter sports) or to watch them (soccer, tennis, Olympics). By far the most popular is soccer, but baseball, basketball, volleyball (including a local form called Jal-alai), tennis, golf and American football also have a strong following.
- Amongst the long-haul markets, Mexico has among the lowest figures for dispersal around the UK. 80% of visitors to the UK go to London; only 45% of nights are spent outside London, confirming the notion that Latin Americans go to Europe principally to see the big cities,

- **Activities of Mexican travellers in the USA (%<sup>a</sup>, 2006):**  
Shopping 84%, dining in restaurants 67%, visits to historical places 28%, visits to amusement or theme parks 26%, sightseeing in cities 21%, visits to small towns 19%, visits to art galleries or museums 17%, nightclubs and dancing 13%, visits to cultural heritage sites 12%, visits to casinos and gambling 11%.
- VisitBritain lists Mexican travellers' interests as "history / heritage / culture, tertiary and linguistic education, fashion, music, luxury, landscape and nightlife".
- According to Wave 3/2006 of the Anholt-GMI Nation Brands Index, the top ten aspirational destinations for Mexicans are:
  - 1 Italy
  - 2 France
  - 3 Spain
  - 4 Switzerland
  - 5 Netherlands
  - 6 Canada
  - 7 Germany
  - 8 Sweden
  - 9 Japan
  - 10 Egypt
- Not surprisingly, given the political links and the large numbers of Mexicans living in the USA, Mexicans are much more preoccupied with the USA than the Brazilians and Argentinians, and the destination dominates travel wish lists.
- Nevertheless, Europe is still uppermost in the minds of affluent, educated Mexicans, although it has lost out to Asia to some degree, largely as a result of increased access to that region in the past decade, as well as to domestic destinations, which are increasingly being promoted aggressively by the tourism authorities of each state.

## PROFILE OF TRAVELLERS

### Nature of Overseas Travellers

- According to surveys by Synovate, Mexican travellers to Europe tend to come from the higher social classes - mainly from social groups A (with average household incomes approaching €200,000 a year), and B (with average incomes approaching €60,000). About 11 mn people fall into these groups. Some come from the 22 mn people in group C (with average incomes of around €20,000).
- This is confirmed by data from the IET in Madrid, which shows that 2.5% of Mexican travellers to Spain in 2004 came from social group A, 47% from group B, 49% from group C, and only 1% from groups D and E.
- The same source shows that 44% of Mexican travellers to Spain in 2005 were aged 25-44; 33% were older and 18% younger (the age of 5% of travellers was not stipulated).
- In 2004, 71% of these travellers had an occupation; 23% were students and 6% were pensioners, housewives, jobless and others.

### Travel Companions

- Mexicans generally travel alone or as a couple or family, but rarely in formal groups. They are perhaps more likely to take their children with them than many other Latin Americans. (VisitBritain reports that, of Mexicans visiting the UK in 2003, 30% were lone travellers, 30% in couples, 23% in family groups, 9% travelling with business colleagues and 3% travelling with friends). The IET reports that, of Mexicans visiting Spain in 2004, 41% were travelling alone, 34% in couples, 6% in families with children, 3% in families without children, 15% with friends and 3% with colleagues.



## AIR TRANSPORT

### Airports

- There are 59 authorised international airports and 26 domestic airports in Mexico, as well as numerous airfields, landing strips and heliports. The main international airport is at Mexico City (Benito Juárez).
- In December 2010, 15 airlines operated a total of 79 flights a week, with 24,998 seats, from two Mexican airports to 9 airports in Europe. This compared with 93 flights and 24,998 seats weekly in October 2007. While most flights were primarily carrying Europeans back from Mexico, the number of Mexicans travelling to Europe is growing in line with the increase in flight and seat capacity.
- The two main airports in Mexico are Mexico City (MEX) and Cancún (CUN).
- The main European airports are: Paris Charles-de-Gaulle (CDG), Madrid (MAD), Barcelona (BCN) London Heathrow (LHR), London Gatwick (LGW), Amsterdam (AMS), Frankfurt (FRA), Munich (MUC) and Düsseldorf (DUS).
- Although the numbers of Mexicans travelling to Europe via the USA is estimated to have declined as a result of airport 'hassles' caused by stepped up security and immigration controls, this is still an option appealing to some Mexicans, as seat capacity has been inadequate on routes between Mexico and Europe.

### Airline Traffic / Capacity

#### Weekly non-stop regular services from Mexico to Europe by leading airlines:

Airline	Originating airports	Destination airports	December 2010		October 2007	
			Flights	Seats	Flights	Seats
Aeroméxico	MEX	CDG, MAD, BCN	17	4,085	15	3,529
Iberia	MEX	MAD	14	3,600	14	3,898
Air France	MEX	CDG	12	3,420	11	3,458
Lufthansa	MEX	FRA	7	2,464	7	2,730
KLM	MEX	AMS	7	1,946	7	1,946
British Airways	MEX, CUN	LHR, LGW	5	1,556	4	1,364
LTU	CUN	DUS, MUS	2	680	2	680
Condor	CUN	FRA	3	660	2	440
Martinair	CUN	AMS	4	1,120	3	816
Air Europa	CUN	MAD	6	1,710	5	905
SE Airways	CUN	PAR	1	210	0	0
<b>Total</b>			<b>79</b>	<b>21,451</b>	<b>91</b>	<b>23,852</b>

**Note:** Some minor carriers and charters are not included.

- According to the DGAC, the total number of passengers carried by scheduled airlines on direct flights between Mexico and Europe rose by 10% to 2.0 mn in 2006. It has risen by an average of 8% a year since 2000. No details are available for 2007.
- The SkyTeam alliance dominates traffic flows between Europe and Mexico, thanks to the presence of Aeroméxico and Air France / KLM, and good Mexican connections from its US partners Continental Airlines and Delta Air Lines. OneWorld offers connections through Madrid.
- The low-cost carriers serve mainly domestic routes.

## TRAVEL PLANNING & BOOKING

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### Travel Formalities

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- Mexicans do not require visas for the Schengen countries, the UK & Ireland, and most of the rest of Europe. Some countries, however, impose other conditions on visitors. Spain, for instance, may require Mexican travellers to demonstrate their ability to finance their stay in the country, as well as a hotel reservation or a letter of invitation from the person with whom they will be staying.

### Travel Decisions

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- Decision lead times tend to be short in Mexico, as in some other Latin American countries. The decision to travel abroad may be taken a month or more in advance, but the rule of thumb quoted by travel agents is that booking decisions are most often taken 1-2 weeks in advance. Nevertheless recent reports from different sources (e.g online travel agencies) suggest a longer advance time, especially when the decision is related to long-haul trips. Nevertheless, it is safe to say that the more farther away the final destination is, the earlier the planning.
- OTTI reports that in 2006, airborne trips to the USA were planned an average (mean) of 39 days in advance; the median was 20 days in advance. These figures were much shorter than those for 2005.

### Booking Methods

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- The use of travel agents is more limited than in many other Latin American countries. Most people use a travel agent to purchase their airline tickets (although many also do so directly at airline offices) and perhaps to book hotel accommodation, but relatively few use them to plan itineraries and to book activities. The behaviour seems to be different in long-haul trips in which the use of travel agencies is more common.
- According to the Banco de México, only 3% of airborne trips from Mexico to the USA in 2006 involved a prepaid package. When visiting other destinations, the figure is 6%.

### Information Sources

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- The trade reports that Mexicans planning packaged tours rely principally on travel agents for their information, but that those travelling independently use a range of sources, including the recommendations of friends and relatives, press articles and the Internet - not least because of the limited knowledge of the travel agents.
- OTTI reports that, in planning their trips to the USA, the principal sources of information used by Mexicans in 2006 were: travel agencies (37% of travellers), the internet (29%), airlines (25%) and friends and relatives (15%). Compared with 2005, the proportion using travel agencies was sharply down (by 13 percentage points), those using the internet were up 7 points, and those using information from friends and relatives up 5 points.
- Newspaper readership is reportedly higher in Mexico than for magazines. Cable TV is also a means of reaching specific audiences. The most important newspapers publish a Sunday travel section (e.g. Reforma and Excelsior). There has also been an increase in the presence of travel magazines like National Geographic Traveler, Travel & Leisure, Bleu & Blanc and Travesías. There are also some radio shows specialised in travel, like Imágenes del Turismo, which is broadcast nationally. The most popular TV channels are Televisa and Television Azteca, but these do not feature a permanent travel show. In the middle and the upper class there is an important penetration of paid TV which offers some travel channels.

### Internet & Media

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- The Federal Telecommunications Commission (COFETEL) reports that in 2010 Mexico had 19.6 mn main telephone lines (17.5 per hundred inhabitants) and 91.3 mn mobile telephone subscribers (80.2 per hundred inhabitants).
- The Mexican Internet Association (AMIPCI) says that there were 30.6 mn internet users in Mexico (representing 32.5% of the population) in December 2009. This is about double the 2005 figure.
- These numbers are relatively low by Latin American standards, but VisitBritain believes that internet saturation in its target market is high.
- The internet is clearly gaining in popularity for travel, but there is still more 'looking' - researching information about travel and destinations on the internet - than booking.

- According to *eMarketer*, decision-making about travel among internet users is based 31% on web searches as opposed to 47% personal recommendations, 26% personal visits to a travel agency, 25% on television programmes, 8% on newspaper articles, and 6% 'other'.

## TRAVEL TRADE PROFILE

### Structure of the Travel Trade

- According to the Travel Industry Association of America (TIA), the Mexican travel trade is made up primarily of independently-owned companies that vary in size. Large international players are represented, but the majority are small.
- It is suggested that the 'international tour operators' in Mexico are mostly wholesalers rather than real tour operators. For instance, it is said that only three of those who sell Spain have their own portfolio of products. And the distinction between a wholesaler and a retailer is not rigid: some wholesalers also sell direct to the public, and some major retailers sell wholesale to a number of client retailers.
- VisitBritain reports that there are around 50 major tour operators in Mexico, of whom the following are said to offer the best potential for travel to the UK: Viajes Fama, Las Estrellas, Viajes Capistrano, Viajes Excelsior, Viajes Intermex, Asatej, Texmar.
- For travel to Europe, the most important operators include: Euromundo, Iberojet, Julia Tours, Marsans, Tres Mares, Tames Mayorista, Euromayoristas and Opesa. Other important tour operators offering Europe are: ABH Representaciones, Abiega Operadora, Adonde Viajes, American Express, Carimundi, Fama, Grupo Travel, Iberoamérica, Latin Holding, Mundo Mex, Petra and Viva Tours.
- In 2003, TIA listed the following as the Top Ten Mexican travel agencies / travel groups: American Express, Corporate Travel Services, Turismo Humboldt, La Casa del Viaje, Anfitriones Nacionales, Viajes de Colores, Viajes Flegueres, Viajes A Las Estrellas, Viajes Excelsior and Viajes Fama.
- The association of Mexican Travel Agents currently lists around 785 member companies, although there are approximately 2,000 travel agents operating in the country, with 60% based in Mexico City.

### E-travel Resources

- The total value of e-commerce was US\$ 1.8 billion in 2008. 82% of this is linked to tourism, mainly air tickets. The market increased by 70% compared with 2007.
- The main players in addition to the airlines and hotels websites are Travelocity, Expedia, Despegar and Bestday.

## KEY TRENDS AND FORECASTS

### Key Characteristics of Mexican Outbound Travellers

- Mexicans' travel interests are clearly very heavily focused on the USA, where many have friends and relatives, and/or perhaps business interests. Relatively large numbers of travellers also go to Canada and neighbouring countries but, with the exception of Cuba, there appears to be little interest in the tourist havens of the Caribbean islands. South America is also attractive - and the fact that most of its inhabitants speak Spanish is an advantage. However, Europe attracts three quarters of long-haul Mexican visitors.
- Travellers to Europe are drawn largely from the 33 million people in social groups A, B and C. However, most Mexicans in social group C seek to take their family holidays within Mexico, or possibly in the USA. Almost all of those in groups D and E do not travel.
- The attraction of Spain is clearly due to cultural and heritage affinities, and - at least in Spain's case - the lack of language barriers, although most Mexicans travelling to Europe are well educated and able to speak English. For religious reasons, Italy is also an important destination for Mexican travellers to Europe.
- Mexicans expect to spend a good deal of time in restaurants, and to eat well and at modest prices. Nevertheless, an important part of the market has no problem in paying high prices for an extraordinary experience.

## Short-term Prospects

- Long-distance outbound travel from Mexico appears to be growing steadily.
- The modest share of the Mexican market held by many European countries suggests good potential for growth, but the preoccupation of leisure and business travellers with the USA and neighbouring destinations remains a daunting obstacle. Domestic tourism is also a strong competitor.
- The relationship between the Euro and the Peso is an important restriction. On the other hand the American dollar has weakened against the peso.
- The increases in international airfares are keeping the costs of travelling to Europe high.
- On the positive side, airline capacity to Europe from Mexico has not declined, although much of this is primarily intended to carry Europeans to Mexico.
- Europe retains a good positioning, and is an important aspirational destination for the Mexican middle class.
- According to the Research Centre of the Universidad Anáhuac, a growing of about 3-4 % is expected in the number of Mexicans travelling abroad in 2011.

## NOTES

- a Multiple responses possible / percentages add up to more than 100%
- e Estimates
- f Forecasts

## SOURCES OF INFORMATION

### Principal statistical sources (by section):

- **Country Profile:** International Monetary Fund (IMF); United Nations Department of Economic & Social Affairs / Population Division; The Economist Intelligence Unit (EIU); Instituto Nacional de Estadística y Geografía (INEGI); Banco de México.
- **Travel Profile:** Secretaría de Turismo (SECTUR); Banco de México; World Tourism Organization (UNWTO); US Department of Commerce - Office of Travel and Tourism Industries (OTTI); Travel Industry Association of America (TIA); Instituto Nacional de Estadística de España (INE); Instituto de Estudios Turísticos, Madrid (IET), VisitBritain; Canadian Tourism Commission (CTC); Anholt-GMI Nation Brands Index; The Travel Business Partnership (TBP), from various industry sources.
- **Profile of Travellers:** SECTUR; OTTI; INE; IET; VisitBritain; Synovate; TBP.
- **Air transport/Airlines:** Dirección General de Aeronáutica Civil (DGAC); Sabre.
- **Travel Planning and Booking:** OTTI; TIA; IET; VisitBritain; Instituto de Turismo de Portugal (ITP); *ETC Media Review*. COFETEL (Comisión Federal de Telecomunicaciones). AMIPCI (Asociación Mexicana de Internet)
- **Travel Trade Profile:** *ETC Media Review*; VisitBritain.

## FURTHER INFORMATION

Asociación Mexicana de Agencias de Viages (AMAV)  
Consejo Nacional Empresarial Turístico (CNET)

<http://www.amavnacional.com>  
[www.cnet.org.mx](http://www.cnet.org.mx)

Confederación Nacional de Asociaciones de Agencias de Viajes de México (CONAAV)	<a href="http://www.conaav.org">www.conaav.org</a>
Dirección General de Aeronáutica Civil (DGAC)	<a href="http://www.dgac.sct.gob.mx">www.dgac.sct.gob.mx</a>
Instituto Nacional de Estadística Geografía e Informática (INEGI)	<a href="http://www.inegi.gob.mx">www.inegi.gob.mx</a>
Secretaría de Turismo (SECTUR)	<a href="http://www.sectur.gob.mx">www.sectur.gob.mx</a>
World Tourism Organization (UNWTO)	<a href="http://www.unwto.org">www.unwto.org</a>

## CONTACT DETAILS

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### ETC Executive Unit

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Lisa Davies  
ETC Market Intelligence Group (MIG)  
European Travel Commission  
19A Avenue Marnix (PO Box 25)  
1000 Brussels  
Belgium  
Tel: +32 (0) 2 548 9000  
Fax: +32 (0) 2 514 1843  
Corporate website: [www.etc-corporate.org](http://www.etc-corporate.org)  
Consumer website: [www.visiteurope.com](http://www.visiteurope.com)  
Email: [info@etc-corporate.org](mailto:info@etc-corporate.org)