

ECUADOR TOURISM PROMOTION COPES WITH LOWER BUDGET



The tourism promotion in Ecuador is to witness considerable cuts this year. The Tourism Ministry announced that they will try to be 'cautious' and 'creative' in the use of resources as its budget was reduced by half compared to 2015.

Last year, the tourism ministry received \$54.5 million (but budget execution was at 91.49%, i.e. \$49 million), and this year, the allocation is \$28.1 million. **The budget cut was revealed by Minister Fernando Alvarado who believes the budget is 'consistent' with the economic environment.**

"We were expecting the government to work on more tourism promotion and to help us, thinking that tourism is plan B in light of the income from falling oil prices," said Richard Dávila, president of the National Association of Tourism Inbound Operators.

He reported that this is in contrast to what was offered in 2013 by the then Minister of Tourism, Vinicio Alvarado, brother of the current minister, who announced that the budget for the next four years would be \$600 million. That year Vinicio declared that the country's tourism sector would be 'key' to the transformation of the production matrix.

However, his brother noted that there was a different economic environment in 2013. The current minister stated that the priority now is to continue with Ecuador tourism promotion projects already underway which will 'give a boost' to the country as a tourist destination. He explained that in the \$28.1 million budget, about \$7 million, is solely for tourism promotion campaigns.

Over the last two years, according to Alvarado, the ministry invested more. For example, it allocated \$19.5 million for the 'All You Need Is Ecuador' campaign, which was launched in 2014, and \$9.8 million for the so-called 'Feel Again' campaign in 2015. The minister noted that the results were 'excellent', citing the fact that 67% of Americans who visited the country saw the first campaign. It was aired during the broadcast of the Super Bowl (football championship final) as well as on other platforms.

For Dávila tourism promotion campaigns undertaken by the government have borne fruit, but he believes that they should be more sustained. He suggested that more work should be done with the embassies so that each one promotes Ecuador continuously.

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