

MEXICO: INTERNATIONAL TOURISM REVENUE SLOWS DOWN



Between January and November 2018, Mexico reported tourism revenue of 20 billion US dollars. Last year's 5% growth is the lowest since 2011.

International tourism revenues grew in 2018 at its lowest rate in seven years, largely explained by factors such as insecurity problems, travel warnings issued by the United States government, and the lack of development in segments and products aimed at tourists with higher purchasing power.

Figures released by INEGI (National Institute of Statistics and Geography) in their International Travelers Survey indicate that Mexico earned 20 billion US dollars (about 384 billion pesos) due to expenditure made by foreign visitors during their travel and stay in the country, between January and November of last year.

Although the international tourism revenues increased by 5.1% (1 billion US dollars) in 2018, in comparison to 2017, reporting the smallest increase since 2011.

INEGI data suggests that tourism earnings in dollars began to slow down in September 2017, a month after the US Department of State updated an alert to its citizens about travel and security in various destinations of the country.

The United States is the main issuing market of foreign visitors to Mexico, with 60% of international tourists coming from that country, with Canada second, and the United Kingdom as third.

On January 10, 2018, the U.S. Department of State announced a new update on the format of travel alerts, replacing it with a clearer recommendation system in which it suggests to "take extra precautions" when visiting Mexico, and issued "do not travel" warnings to Sinaloa, Michoacán, Guerrero, Colima and Tamaulipas.

January of each year has become a regular date for the United States to update its system of Travel Advisory, so it will shortly announce whether the current security conditions in Mexico are due to change by 2019.

Yesterday, Miguel Torruco, Secretary of Tourism, **acknowledged the country's problems of insecurity, considering them an enormous challenge and a priority of the Federal Government's strategy, along with corruption and poverty.**

He also highlighted that Mexico could have fallen to the seventh or eighth place in terms of number of international arrivals for 2018, after reaching the sixth place back in 2017.

Pablo Azcárraga, president of the National Tourism Business Council (CNET), has pointed out the need to develop segments and products that generate higher expenditure for visitors in different tourism models, such as cultural, meetings and conventions, and medical tourism.

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