

HOTEL PRICES IN CANCUN DROPPED BY 15%



The Hotel Association of Cancun and Puerto Morelos (AHCyPM, in Spanish) confirmed that hotel prices continue to decrease in Cancun, reaching a 15% drop in some cases, which means a decline never seen in many years and in the hopes of halting the slowdown in hotel occupancy currently experienced by the destination.

The slowdown in tourism numbers is caused by different factors such as gulfweed, insecurity, lack of promotion, an oversupply of hotels, and the Airbnb model.

Julian Balbuena, CEO of Best Day Travel Group, expressed his concern recently about the tourist decline that the Mexican Caribbean has been going through **since the end of last year, and the resulting drop in occupancy rates of up to 10%, leading to the closure of several hotels and establishments.**

Mr. Balbuena also revealed that the Mexican Caribbean has suffered a fall in occupancy of 10 points in Cancun, and 3 points in the Riviera Maya. "It is a steep fall, particularly in Cancun. In Riviera Maya, there was a fall, but not as strong. On the other hand, as of today, the situation is in our favor, in absolute terms. Number of arrivals is greater, and occupancy is practically the same as last year, but Cancun still reports a 3% or 4% decrease".

For his part, Julio Pérez, Director of Corporate Business Development of Grupo Piñero, pointed that Cancun's hotel industry, which holds the highest amount of rooms in Mexico and in the Dominican Republic, continues to "suffer in Mexico, which is the most difficult market in the Caribbean.

In January 2019, the number of international arrivals to Cancun decreased on a year-to-year basis for the first time in seven years since 2012, as the Cancun International Airport received 1,513,106 passengers in January of the present year, decreasing by 30,315 (2%) compared to the same month of 2018, according to figures released by the airport operator Grupo Aeroportuario del Sureste (ASUR, in Spanish). It is the first decline in 81 months since April 2012, when the Cancun International Airport also reported a decrease of 5,441 foreign passengers, representing a 0.6% decrease back then.

Nevertheless, Roberto Cintrón, president of AHCyPM, commented that it was positive that **Mexico has regulated digital hosting platforms such as Airbnb, and that these are now forced to pay.** "It is nice that President Andrés Manuel López Obrador and his Tourism Adviser, Miguel Torruco Marqués, are convinced of the unfairness of that competition and the need to regulate it," he said. "There was a mention of moving on to new markets, which we have already explored in some way or other, such as Korea, Russia, Japan, and of course, the entire EU, and also South America, U.S., and Canada".

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