



Arizona Tourism:

A GRAND FUTURE

2016



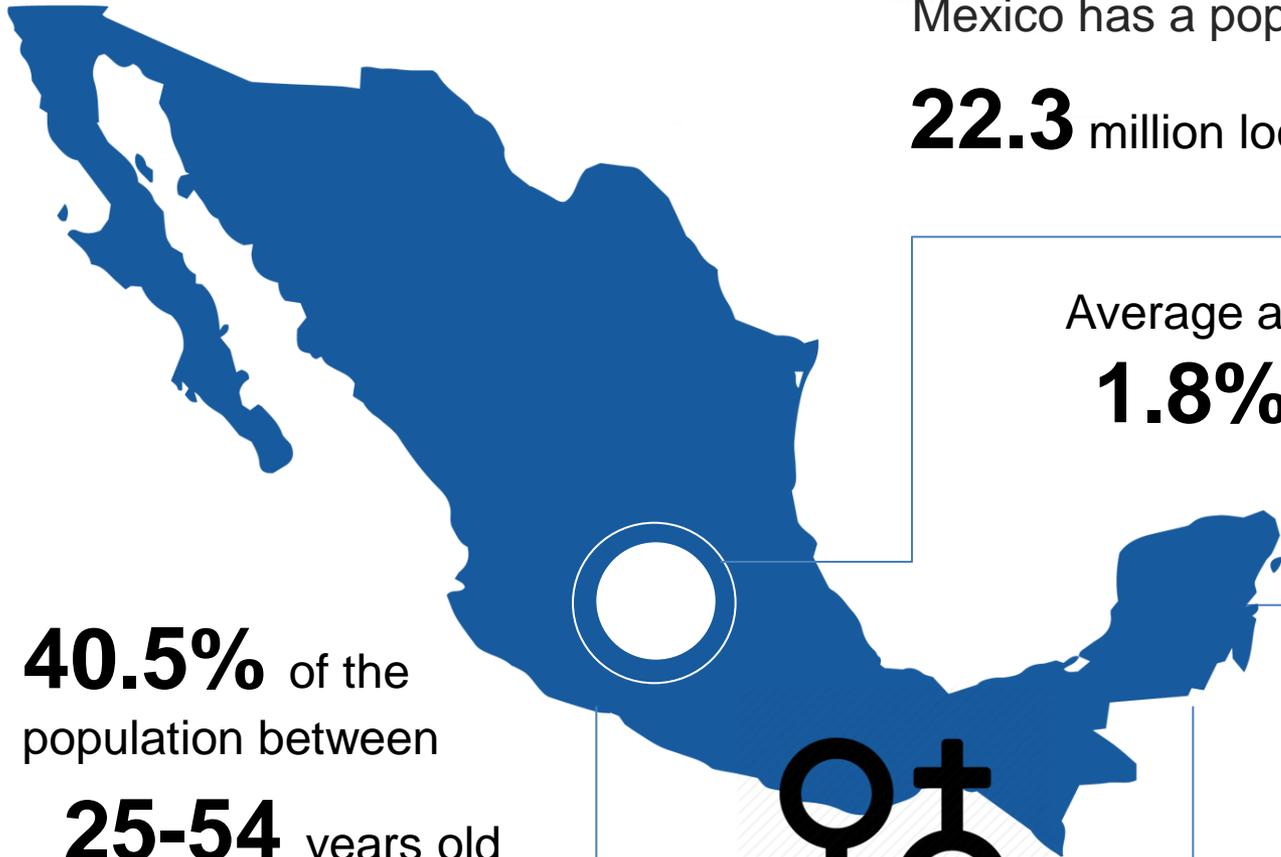
THE ARIZONA
GOVERNOR'S
CONFERENCE
ON TOURISM



The Mexican Traveler



Mexico's Demographics & Economy



Mexico has a population of **122** million
22.3 million located in Mexico City and
Metropolitan Area

Average annual population growth
1.8% over the last five years
(2005 – 2010).

40.5% of the
population between
25-54 years old



48.7% 51.3%

Approximately **50%**
of the population lives
in one of the **55** large
metropolitan areas in
the country



Mexico's Demographics & Economy

Jan - Sept 2015, FDI: **+ 41%**

GDP 2015: **+2.3%**

Unemployment: **4.4%**

The **5TH** of 34 members,
with the lowest threshold of the OECD

Average Exchange
Rate in 2015:

\$ 15.86

Exchange Rate
Forecast - rest of 2016:

\$ 19.12

Mexico's Economy

expanded **2.5%** in 2015

and is expected to grow

3.2% in 2016



Mexican Visitors to Arizona

- ★ Mexico brought **3.8M** overnight visitors to Arizona in 2015.
- ★ **16%** of all Mexican Visitors stay overnight.
- ★ **\$839** party spending per trip, accounting for **66%** percent of AZ visitors expenditures.
- ★ Mexican Visa Card Spending ranked **#2** in 2015, with **18%** of total international travel spending in Arizona.
- ★ Between 2013 and 2015, projected expenditures from Mexican visitors grew by an annual compounded growth rate of **6.9%**.
- ★ Mexico represents **9%** of all overnight international travelers that visited Arizona in 2015.



Mexican Travelers' Profile

89% of Mexican travelers have high and medium household income.

75% of Mexican travelers age between 18 and 54 years old.

3 trips a year is the average.

49% travel with their family, **41%** travel in couples, **7%** travel alone and **3%** travel with friends.

23% prefer to gather their day vacations to have longer trips.



Mexican Travelers Profile



75% look for Wi-Fi during their trips.

53% are very used to share their experiences in real time through SM.

42% of travel decisions are couple based.

35% are made by men & **23%** by women.

The LGBT travelers spends **57%** more than heterosexuals

and are **70%** more likely to travel in any season.

31% plan their trips within less than a month.

97% have a Smartphone,

and **62%** consider it essential for their trips.

Mexican Travelers Profile

Top Motivators to travel to Arizona



Top Travel Motivators

46% Shopping

44% Visiting friends/ relatives

44% Urban attractions



How to attract Mexican Visitors?

- Generate and communicate unique experiences involving Mexican travelers interests, such as: Shopping, Spas, Golfing, Late Dinners, Sports Events and Concerts.
- Promote existing experiences such as: Polar Express, Wine and Beer Trails, Arts and Food Festivals, Culinary Experiences, etc.
- Create guides and materials in Spanish to have more impact in the market.
- Take advantage of all of the outdoor experiences that have little or no cost.



How to attract Mexican Visitors?



- Leverage the social media campaigns, to create awareness within the Mexican market (Mainly focus on Facebook).



Keep searching for newspapers and magazine liaisons.



- Elaborate Marketing programs with a common strategy for Media, Trade and Final Consumers.



- Develop a City Pass program, Loyalty Programs, etc.



- Promote Low Season/Opportunity Rates.

Top Tour Operators & Agencies

Mexico has **70** tour operators. Approx. **45** are located in Mexico City. **31** include Arizona in their U.S. product.

VIRTUOSO agencies are excellent alternative to promote high end product.

Wholesalers that have own agencies and final consumer expos:
Viajes Palacio, Viajes El Corte Inglés, Mundo Joven, Viajes Sears.

Leading wholesalers:
Megatravel, Ofertur,
Consolid & TravelShop

Main OTAs: Best Day,
Price Travel &
Despegar.com



Challenges:

How to Address Them?

- Limited air services that offer non-stop flights to Arizona.
- Exchange rate in Mexico as well as expensive cost of flights.
- Lack of knowledge of what Arizona has to offer (Media, Final consumer & Travel Agent).
- Negative media perception due to political/immigration issues + Visa and border access facilities.



- Increase promotion of destination experiences (Air & drive).
- Leverage with social media campaigns.
- Creation of Trade products to promote the destination: circuits and experiences that stand out the destination's assets.
- Pitching great stories about the (still) unknown beauties in Arizona.



TRADE & PR

ACTIVITIES & RESULTS FY16



Trade Activities and Results



2016 Mission

Mexico City & Guadalajara

Featuring: One-on-one appointments, staff trainings &

Two main networking and presentation events

Total trade outreach in CDMX & GDL:

Over 200 travel trade in a week

Destination trainings (ongoing) - **116** travel agents

CTS Leisure Life Trade Show with **135** attendees

IPW reaching Mexican & Spanish speaking market

Partnership with **American Airlines**

Newly designed **Newsletter** reaches **348** Travel Trade Partners

Trade Activities and Results

Arizona Showcase

(Hermosillo, Sonora – La Cascada Convention Center)

Sonora is one of the main markets for Arizona

800 Consumer attended (High society ladies from Hermosillo)

13 Media representatives
and **28** Travel agents

Arizona Showcase took place in October 1st, 2015,
with **14** partners participating.

In total **156,500 USD** was generated in media coverage.



Media Results

Total Media Coverage FY16
\$ 477,473 USD

Total circulation/viewership
2,201,885

Media Mision Value:
\$221,342.16 USD



FY17 STRATEGIES

TRADE & PR



Pillars for the Mexican Market



Luxury/Wellness

- World-Class Hotels & Resorts
- Spas
- Golf
- Shopping

Great Outdoors Adventure Experiences

- Natural beauties
- National and State parks



Culinary Experiences

- Unique Food
- Wineries, Breweries and Distilleries



Culture & History

- Native American Culture
- Ruins
- Historic Places

Promoted Through:

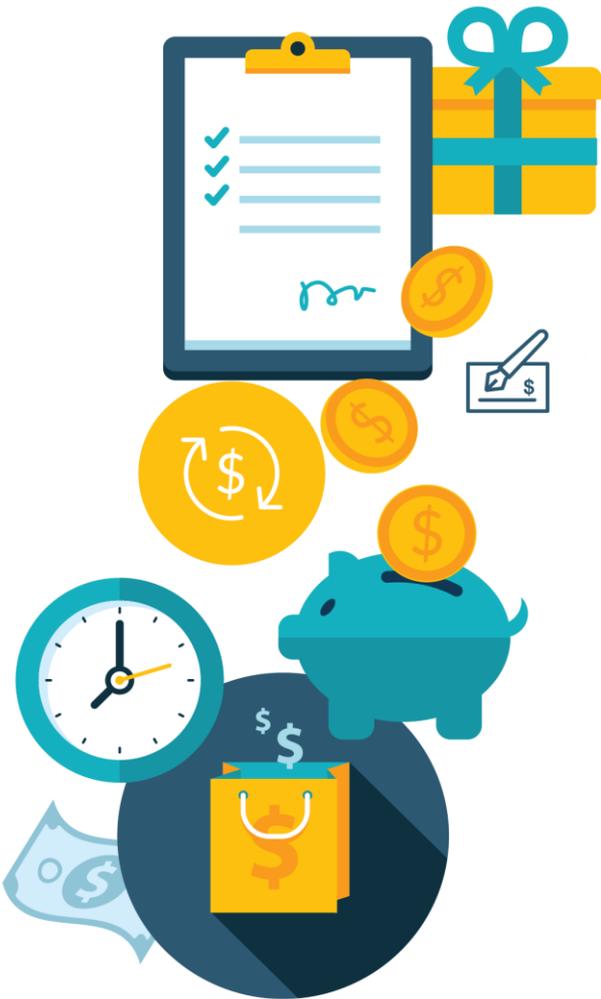
Public Relations

Social Media

Trade

Marketing Programs with Partners

Trade Strategy



Ongoing outreach:

Office visits & destination trainings in key markets of
CDMX, GDL, MTY, Northwestern & Bajio.

FAMs

Travel Agent Incentive Program

Partner Marketing Co-ops

Bi-monthly Newsletter

Tradeshows & Events:

- Arizona Showcase, October
- Destinos de Shopping, November
- Expomayoristas, February

PR Strategy



Promote Arizona as a unique destination with its special and particular blend of activities.

Collaborate with influencers and bloggers to promote the wonders of the destination.

Create audiovisual content instead of ads.

Give traditional press exclusive angles to produce stories.

Build messages to engage with key audiences.

Use association with big events to promote the destination.

Use the four pillars to promote the destination's appeal.

PR Activities



- ✓ Send newsworthy press releases on a regular basis.
- ✓ Bimonthly E-Newsletter.
- ✓ Media Calls and Meetings + Influencers Meetings.
- ✓ Media Tour.
- ✓ Individual press trips.
- ✓ TV/Radio broadcast for AOT.
- ✓ Special Media projects.
- ✓ Media and Trade Mission (March 2017).

Contact Information

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