

OPEN FOR BUSINESS

“Mexico is resilient,” states Ella Messerli, the V.P. of Marketing for the Los Cabos Convention & Visitors Bureau and the General Manager of the Marquis Hotel. And because of Mexico’s long history of resiliency, Messerli is feeling optimistic we’ll bounce back with greater strength.

The head honchos in the hotel industry also have a long history of resiliency and are apt at reading and responding to ever changing markets. They saw this tough year coming and have risen to the challenges. They faced head-on the combat and bad image created by the taxi / transport problem; they kept a tight hold on expenses in reaction to the world economy fears; they looked for more creative ways to attract customers when company after company cancelled their “luxury” corporate travel as a backlash, to AIG getting caught spending millions for executive incentive travel while asking for government bailout funds; and they did everything in their marketing power to calm jittery nerves when security travel alerts were issued in response to drug cartel head chopping. But how do you market to the masses who are told not to come to Mexico for nonessential travel because of a flu bug?

When asked if there is a plan, other than massive layoffs and closures to get through this latest setback, Messerli admits they never saw this one coming but is quick to add she has not laid off anyone at The Marquis and has no plans to do so. She’s aware there have been approximately 1000 employees laid off from various hotels and some, including her own, are closing portions of the buildings for the summer, but financially and logistically it doesn’t make sense for a hotel to close down completely. There are ongoing expenses even when closed.

Ella Messerli concedes the next two or three months are going to be difficult. When the media frenzy created travel paranoia, the first week of May 2009 registered occupancy at 30 percent which is less than half for the same time last year. The Los Cabos Convention and Visitors Bureau didn’t waste time. They immediately started work on a Recovery Plan. “We’re at the starting gate ready to go. All we are waiting on is for the World Health Organization and the Centers for Disease Control to remove their alerts on nonessential travel to Mexico.” said Messerli. And, *gracias a dios* we got the thumbs up on May 15.

Part of the Recovery Plan started with the Consejo de Promoción Tourista which is the equivalent to The Tourist Board and is the entity that does marketing and promotion for all of Mexico. They have requested from the Federal Government seven million advertising dollars to jump start tourism. One million to be spent in Mexico and six million in the United States.

In spite of all the obstacles thrown at our tourism industry and as tempting as it is to start discounting prices to win travelers back, Messerli is adamant about the importance to maintain ourselves as a premium destination. In her words, “We can’t devalue our location. We need to be unified as a destination, not start discounting everything, which changes the whole demographics of what has already been built up. We need to maintain reasonable rates and attract guests by

putting in added values.” As an example, add into the price two massage services, a third night free, dinner for two, or include a round of golf.

With the lifting of the nonessential travel alert, Mexico has yet another opportunity to show it’s resilience. Our pulse is strong!