

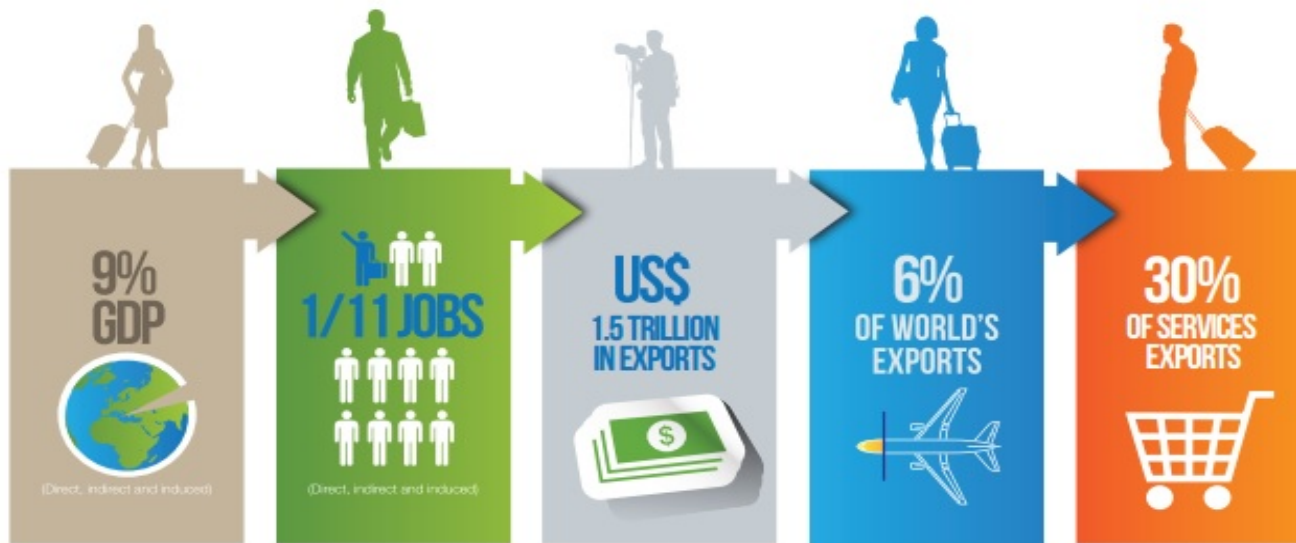


# Strategy for urban and tourism development in **ROCKY POINT**



# **I. TOURISM IN MEXICO AND GROWTH PERSPECTIVES**

# Tourism Worldwide



## WHY TOURISM MATTERS

- It contributes 9.8% of global GDP.
- It contributes 9.4% of jobs worldwide.
- Of all the investment made in the world it is estimated that 4.3% is from tourism sector.
- In 2014, 1.135 million people made international travel.
- The economic impact in the world of international tourism dropped 1.425 billion dollars in 2014.

# Global Ranking UNWTO

INCOME TOURISM 2014		
Global Ranking	Country	USD (Billions)
1	USA	177,0
2	Spain	65,2
3	China	56,9
4	France	55,4
5	Macao	50,8
6	Italy	45,5
7	UK	45,3
8	Germany	43,3
9	Thailand	38,4
10	Hong Kong	38,4
11	Australia	32,0
12	Turkey	29,6
13	Malaysia	21,8
14	Austria	20,6
15	India	19,7
16	Singapore	19,2
17	Japan	18,9
18	Korea	18,1
19	Greece	17,8
20	Canada	17,4
21	Switzerland	17,4
22	Mexico	16,3

TOURIST ARRIVALS 2014		
Global Ranking	Country	Millions
2	USA	74.7
3	Spain	65.0
4	China	55.6
1	France	83.7
19	Macao	14.6
5	Italy	48.6
8	UK	31.2
7	Germany	33.0
14	Thailand	24.8
11	Hong Kong	27.8
43	Australia	6.9
6	Turkey	39.8
12	Malaysia	27.4
13	Austria	25.3
41	India	7.5
25	Singapore	11.9
22	Japan	13.4
20	Korea	14.2
15	Greece	22.0
16	Canada	17.1
36	Switzerland	9.2
10	Mexico	29.1

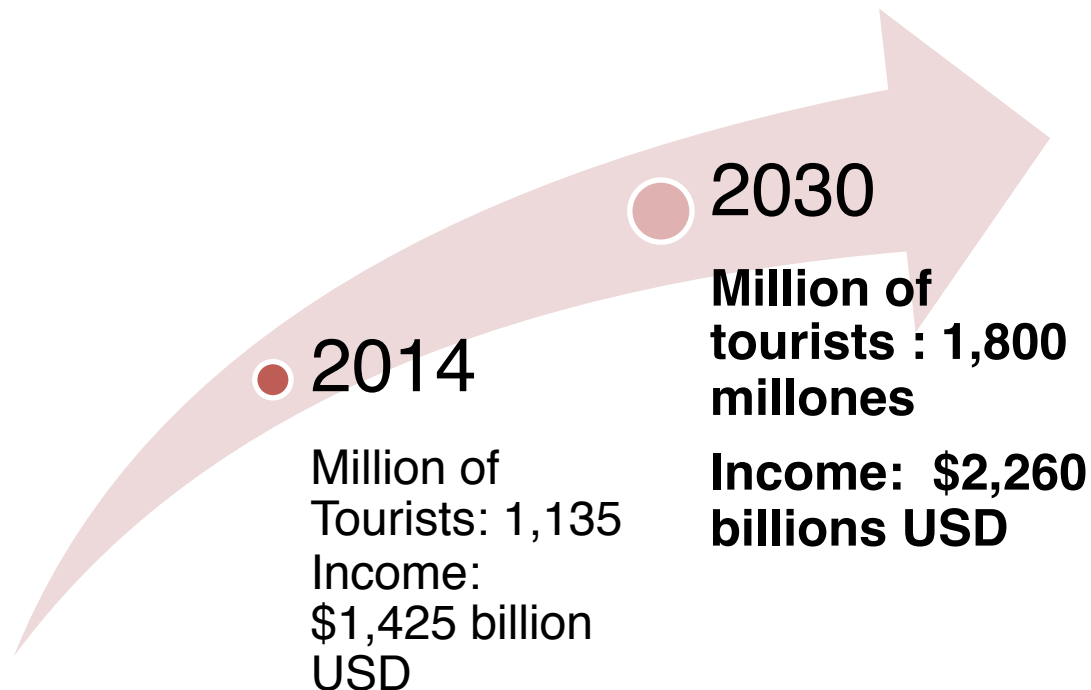
AVERAGE EXPENDITURE 2014	
Country	USD
Australia	\$ 4,637.7
Macao	\$ 3,479.5
India	\$ 2,626.7
USA	\$ 2,369.5
Switzerland	\$ 1,891.3
Singapore	\$ 1,613.4
Thailand	\$ 1,548.4
UK	\$ 1,451.9
Japan	\$ 1,410.4
Hong Kong	\$ 1,381.3
Germany	\$ 1,312.1
Korea	\$ 1,274.6
China	\$ 1,023.4
Canada	\$ 1,017.5
Spain	\$ 1,003.1
Italy	\$ 925.9
Austria	\$ 814.2
Greece	\$ 809.1
Malaysia	\$ 795.6
Turkey	\$ 743.7
France	\$ 661.9
Mexico	\$ 560.1



# UNWTO Projections

It is estimated that in 2030 the number of international trips will exceed 1,800 million tourists.

After a simple math calculation (and if no other changes occur) in 2030 the tourism sector will generate 2,260 billion of dollars.



# Who will profit the most?

## Considering the “Market share” of emerging countries.

- 1980 = 30%
- 2013 = 47% ( 511 million of tourists )
- 2014 = 45.3% (514 million of tourists)
- 2030 = 57% (1125 million of tourists )

## Mexico represents 5.6% of tourism in emerging countries.

- 2014 –  $29/514 = 5.6\%$
- 2030 –  $5.6\%$  de 1125 = 63 million of tourists

## Projected Tourism income in Mexico (without any change in the average expenditure)

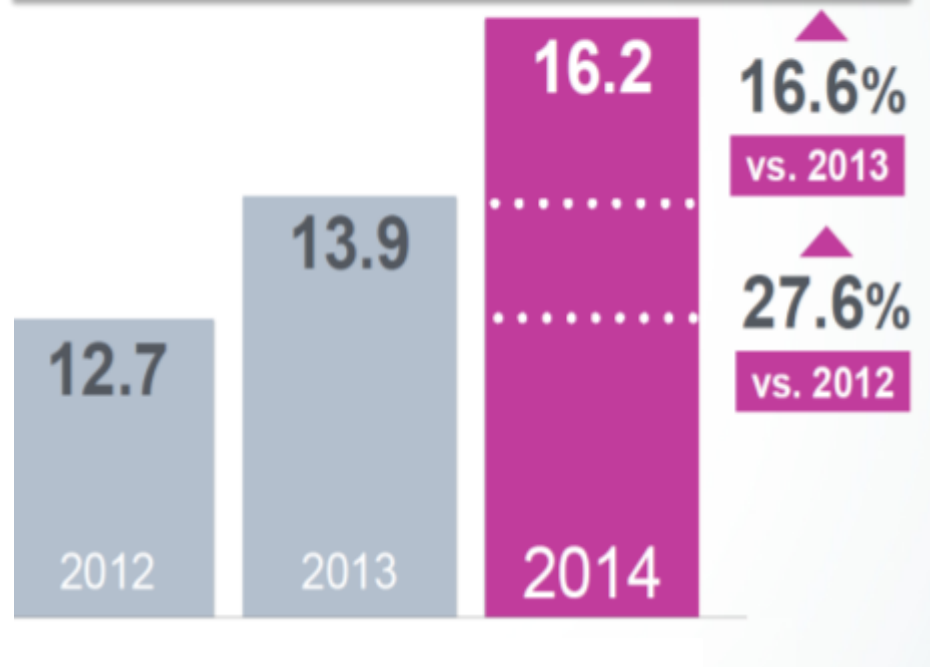
- 2014: 16,300 million of dollars / 29 million of tourists = 560 dollars per tourist.
- 2030: 63 million of tourists x 560 = **35,280 millions of dollars\***

\*For this to happen the average growth should be around 5% per annum.

# Total foreign exchange income in 2014 (USD)

## 16,258 Million

2014 recorded positive results, mainly in the economic flow generated and the number of tourists who entered the country.

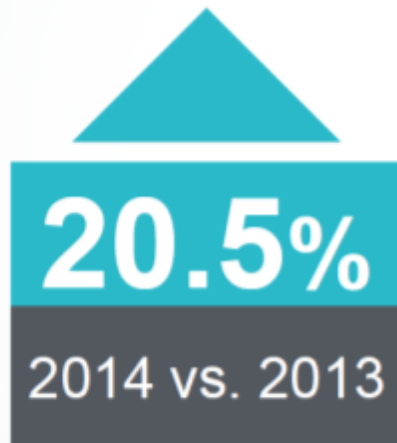


Source: CPTM and Banco de México.

29.1 million of international tourists arrived throughout 2014.

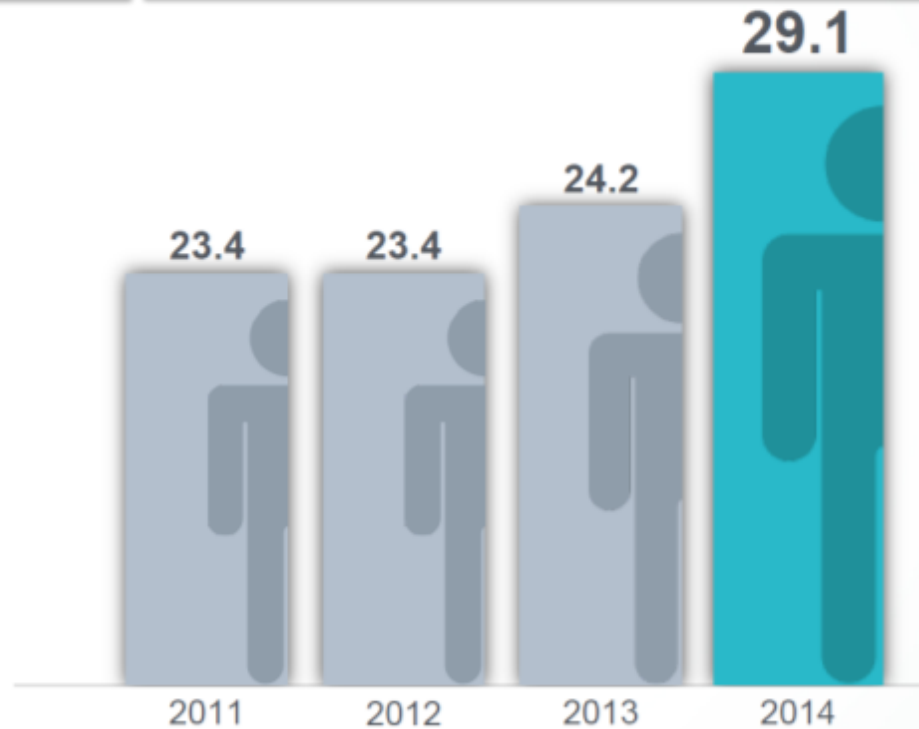
## 2014 Arrival Tourists

January – Dec 2014



## Total Tourists

Million



Source: CPTM andl Banco de México.



# Domestic Tourism

In 2014 **48.9 million of national tourists** arrived to the country's hotels. 4.1% more than in 2013.

Over **80%** of tourism in Mexico is domestic.

Main destinations for domestic tourism: **Mexico City, Acapulco, Guadalajara, Veracruz y Puebla.**

Average stay of **5 days**, equivalent to a daily average expenditure of **\$1,122** per household.

More important outbound cities: **Mexico City, Monterrey y Guadalajara.**

# The contribution of the tourism industry to the Mexican economy

- Represents **8.7% of the national GDP**.
- Generates **more than 3 millions of direct jobs**.
- It is a driver of foreign investment, providing opportunities for development at national, regional and local levels.
- Mexico has more than **18,000 hotels**, over **672,000 rooms** and **58 international airports**.
- Ranks number 30 in the World Tourism Competitiveness Ranking of the World Economic Forum 2015.

Source: INEGI 2013 / CPTM. Sistema Integral de Información de Mercados Turísticos / Datatur 2013 / SCT.



# The behavior of the tourism sector in Mexico

**Latest data**

**Var. % last year**

## International Tourist arrivals

• 13 million (Jan – May 2015)

+6.7%

## Foreign exchange income per international visitor

• \$7,706 million of dollars (Jan – May 2015)

+9.9%

## National Tourist arrivals to Hotels

• 21.9 million (Jan – May 2015)

+3.3%

Fuente: DataTur

# Goal: Increase the spending per tourist

In order for Mexico to gain in 2030, 50,000 million dollars a year in tourism spending, the sector should grow at an average rate slightly higher than the 7.3%.

We can not be satisfied with the fact that our country has generated 16,000 million dollars in tourism revenue last year as a result of the spending of more than 29 million international tourists who visited us.

Spain, for example, reached in 2013 60,400 million of dollars with 60.7 million visitors.

Thailand generated income of more than 42,000 million with 26.5 million of international tourists.

What can Thailand have that we don't in order to triple our foreign exchange earnings?



# Incorporate new specialized markets



Congress and  
Conventions



Golf and Luxury  
Tourism

Border  
Tourism



Social Tourism



Medical  
Tourism



Rural Tourism

Retirement  
communities



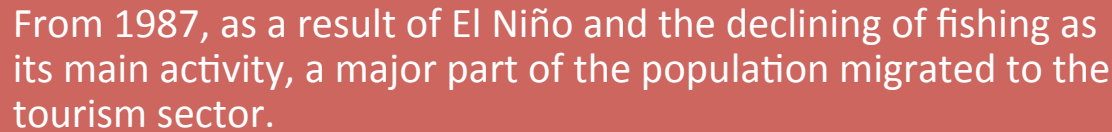
Casinos



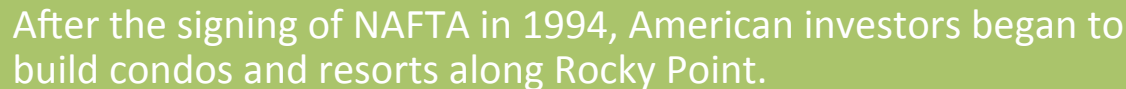
## **II. THE TOURISM DEVELOPMENT OF ROCKY POINT**

# Historic review

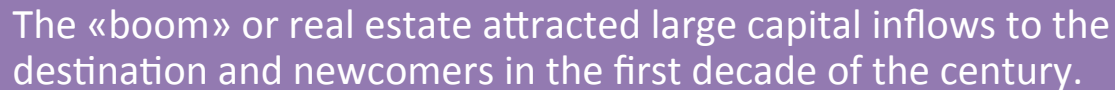
From 1987, as a result of El Niño and the declining of fishing as its main activity, a major part of the population migrated to the tourism sector.



After the signing of NAFTA in 1994, American investors began to build condos and resorts along Rocky Point.




The «boom» or real estate attracted large capital inflows to the destination and newcomers in the first decade of the century.




In 2006-2007 there was a fast growth of accommodation offers, growing from 3,130 to 4,810 rooms (the offer of rooms available did not match the increase of tourist arrivals)



The excessive uprising of number of rooms (including condominiums) was related to the so-called housing bubble in the United States.



The easy access to credits allowed Americans to buy new homes (second homes) not only in Arizona, but was extended to Rocky Point.



Following the economic crisis in 2008 caused by the housing bubble, there were negative effects that hit Rocky Point.



# Background

- ✓ The border is a region of high growth both in Mexico and in the USA.
- ✓ Rocky Point has seen a high population growth generated by the expansion of tourism. **Between 2000 and 2010 the population increased by 46%, from 31,157 to 57,345 inhabitants.**
- ✓ It is estimated that **over a million tourists** visit each year Rocky Point.
- ✓ The destination is attractive to middle class segments of the population of the United States. The cost is relatively more affordable than other coastal destinations in the area.
- ✓ The visitors of Rocky Point **spend an estimate of \$50 USD per day**, while in destinations like Rosarito, Baja California, the average daily expenditure is \$96 USD, and \$450 USD in Los Cabos, Baja California.
- ✓ The high season occurs in March, April, May and October.
- ✓ Most visitors come from Phoenix (24%), Mexicali (11%) and Tucson (10%).



- ✓ Fishing is still an important activity in Rocky Point though now it represents only 9.7% of its economy.
- ✓ Currently, **neither fishing or tourism have a clear strategies for sustainable development.**
- ✓ Rocky Point is the municipality of the state of Sonora with the most of it's population occupied in the service sector (35.4%).
- ✓ Rocky Point is especially vulnerable to changes in the US economy.
- ✓ According to INEGI (2010), Rocky Point has **49 lodging establishments, 5,037 rooms, 104 restaurants, 2 travel agencies and 6 car rental companies.**
- ✓ The tourism infrastructure in Rocky Point holds about 10% of the hotels in the state and 10% of the food and beverage establishments of Sonora.



# **III. SUCCESS STORIES IN OTHER COUNTRIES**

# Colonia del Sacramento (Uruguay)

- In the 60s it was an unattractive and popular district of Uruguay.
- During the last 15 years, the Cultural Heritage Commission reaffirmed the heritage value of the site, however, in the beginning, the coexistence of multiple actors of the public administration slowed down its development. This situation highlighted the need to develop a management plan for the site.
- In 2008 a Management Master Plan was presented as a tool to boost the destination. It is reviewed and evaluated annually.
- Tourism has grown in the last decade and its a crucial part of the local economy.
- Today is one of the main tourist destinations in Uruguay as a result of increased investments in real estate an increase in the number of domestic and foreign visitors, mostly Argentinians.
- The situation of the border (Uruguay-Argentina) has encouraged tourism in the city, it is located three hours by ferry from the capital of Argentina.
- The city in now part of the list of World Heritage of UNESCO.



# Tourism Indicators - Colonia del Sacramento

## First semester 2015:

- **Total visitors** that have entered the destination: **119,435**
- **Days of average stay**: **4**
- **Total expenditure**: **USD \$ 37,339,044**
- **Expenditure per person**: **USD \$ 311.3**
- **Expenditure per person, per day**: **USD \$79**



In 2014, 655,000 of the 2,815,000 visitor that went to Uruguay entered the country through the port of Colonia (23%)

During 2013, Colonia was ranked the **fourth most visited place in Uruguay**, 10% (behind Montevideo, Punta del Este and Litoral Termal).

In the last decade, Colonia **had a growth rate of 187%**, according to the flow of visitors.

Fuente: Ministerio de Turismo y Deporte de Uruguay y Anuario 2014. Estadísticas de Turismo.

# Tamarindo (Costa Rica)



- Located in the province of Guanacaste.
- Until the early 80s it was an ancient village of traditional fisherman.
- It didn't exist as a town before the tourism boom.
- By 1997 there were only 4 hotels.
- It is an area suitable for surfing, water sports and fishing.
- It has a National Park and wildlife refuges.
- It is located 4 hours drive from San Jose and now has a local airport with daily flights from San Jose.
- Today is one of the most developed tourist communities in Costa Rica.
- The site has access to quality services and hotels of all categories.

## **IV. STUDY RESULTS: «EVALUATION SYSTEM FOR DESTINATIONS»**

# EVALUATION SYSTEM FOR DESTINATIONS (ESD)

- The ESD is a key tool for the development and competitiveness of a destination, taking into account the actors that affect tourism.
- This section summarizes the elements identified during the research stage and presents recommendations and examples that could lead Rocky Point to a continuous improvement of the destination.



# Performance Evaluation and Recommendations

The study includes a series of recommendations for the following categories:

- ✓ Destination Management
- ✓ Marketing and Sales
- ✓ Security
- ✓ Diving
- ✓ Environment
- ✓ Transportation
- ✓ Information and welcome
- ✓ Accommodation
- ✓ Golf
- ✓ Cultural Heritage
- ✓ Adventure tourism

- The analysis used information collected through questionnaires answered by the OCV, the opinion of the main actors of tourism destinations, the workshops organized during a four day visit and the appreciation of the participating specialists.
- The aim is to identify the aspects that can be improved, as well as to show the way towards excellence by identifying best practices worldwide.

# Work visit to Rocky Point

Contorno experts visited Rocky Point from 10 to 13 November, 2014.

The OCV summoned the most relevant actors of the destination to participate in a series of workshops. Among the participants:

- Local authorities
- Hoteliers and restaurant owners
- Representatives of the OCV
- AMPI
- CANACO
- CANIRAC
- College of Architects
- Universities
- Businessmen
- Sea of Cortez International Airport
- Health sector
- Real estate
- Financial sector.

# **RECOMMENDATIONS FOR EACH CATEGORY**

# Organization of Destination Management

## Recommendations

- 1. Establish a Destination Management Agency/Organization (DMO).** The DMO ensures the continuity of the projects in time and allows stakeholders to influence urban planning, growth and the services required by the destination.
- 2. Develop a long-term strategy for the management and development of the destination.** The new DMO must develop a ten year strategy in order to establish the priorities and actions to guide the development of tourism in Rocky Point.
- 3. Review the website of the DMO.** The website is the main window to international markets. The proposed site would replace the OCV site.
- 4. Relationship with the press.** Creation of a public relations (PR) department in the DMO to generate a good relationship with journalists from the main tourism target markets.
- 5. Crisis management group.** The PR department should coordinate a crisis management group with authorities, operators, hoteliers, Foreign Affairs staff and major foreign embassies and consulates.
- 6. Creation of an identity icon for the destination.** There is no icon that relates to Rocky Point. The DMO could create a destination icon that is unique and distinctive. An icon to be included in the destination brand and as a «must» photo-opportunity spot in the destination.



# **ACTION PLAN FOR THE CREATION OF A DESTINATION MANAGEMENT ORGANIZATION (DMO)**

# Action Plan to create a DMO

The study conducted by Contorno in Rocky Point determined the need to create a management agency to deal with tourism planning, image management, promotion and sales of tourism products in the destination. The proposed name for this agency is: **Destination Management Organization of Rocky Point (DMOPP)**.

The DMO would be responsible, along with key public and private stakeholders, to program specific actions to plan the tourism development, to promote the quality services offered in Rocky Point, and to highlight the positive and differential values of the destination.

# First steps

## Recommendations

1. The DMO will start by **creating a comprehensive urban development plan for Rocky Point**, including an urban image strategy, facades, oceanfront boardwalk development, etc.
2. **Identify and negotiate land reserves for the development of the destination.** Prior negotiation to the publication of the development plan.
3. **Development of an environmental development plan.** Assigning responsibilities and development priorities.
4. **Identification of projects eligible for support from the Ministry of Tourism.** Within the range of priorities identified, the DMO could manage support for those projects considered a priorities.

# DMO objectives

- Manage and support the integration of different resources, activities and agents involved in the destination through appropriate policies and measures.
- Manage the many components of a local tourist destination.
- Measure, monitor and interpret tourism locally, essential for decision making in tourism.
- Reaching consensus among the different actors, public and private, and coordinate strategic actions linked to the development of the destination.
- Build public and private partnerships and develop marketing strategies.
- Provide continuity, not linked to changes in government, so serve the interests of the entire production chain of tourism services in the destination.
- Meeting the needs of the destination, whether it is marketing, coordination of stakeholders, influencing the business environment or supporting the development of human resources.
- To help improve the visitor experience.





# Responsibilities of the DMO

- Improve the positioning of Rocky Point in different sectors at national and international level to increase the flow of tourists who currently visit the destination.
- Create and consolidate a destination brand to be used by the public and private sector.
- Provide training for its members to improve the administration of the destination, implement best business practices and improve interaction with the local community.
- Collaborate with the local community and permanent residents and have the openness needed to listen the concerns of the community to make them part of the chain of tourism services.
- To open a sales point to provide tourism information and to sell promotional items of the destination.
- To design a survey to assess the visitor's experience.
- Create a survey for residents in order to monitor changes in the local population and measure impacts on communities.
- Establish a system to store the data gathered by the DMO.



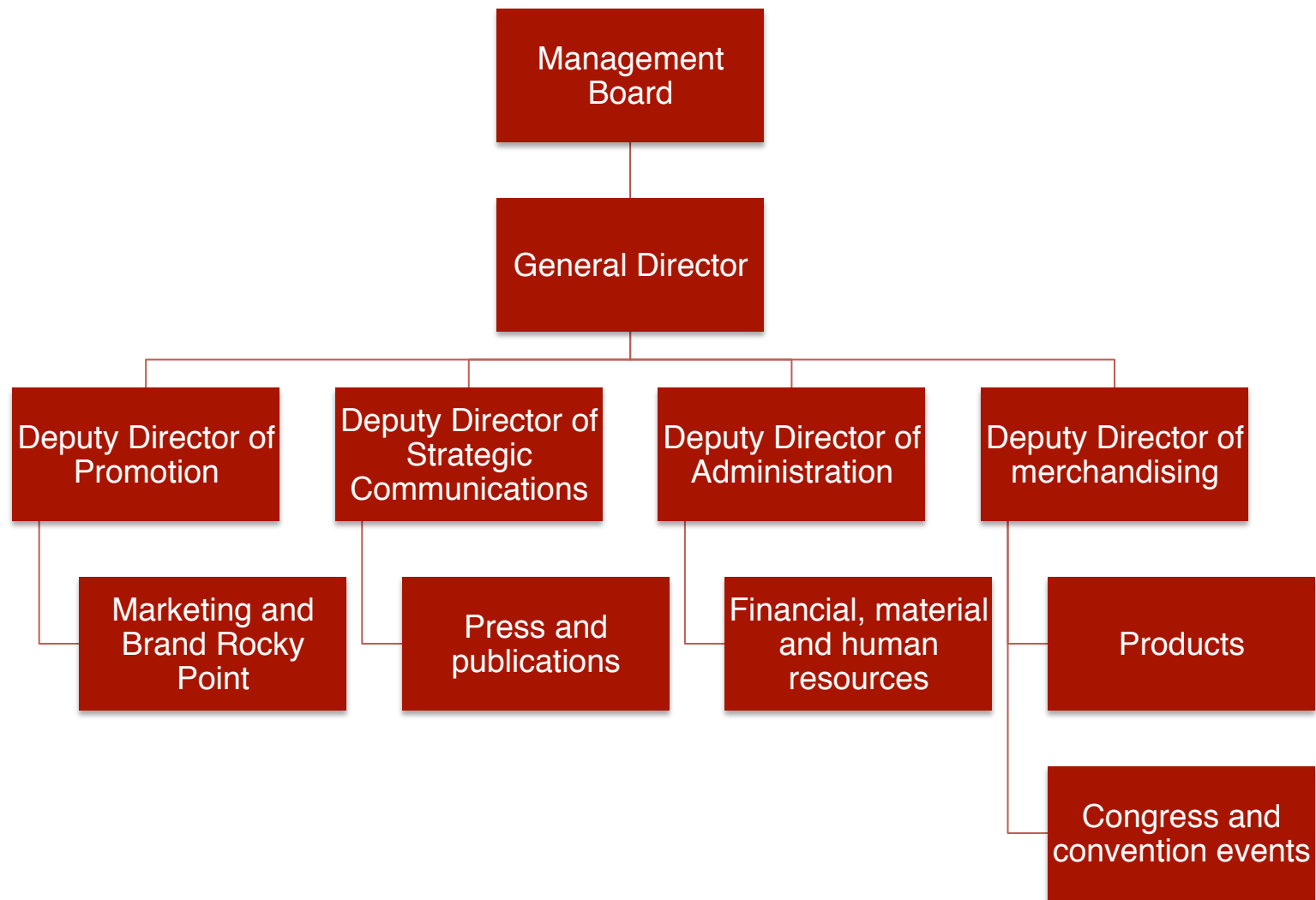
# DMO SCHEME

The proposed scheme of the DMO is of a group of various public and private partners run by a separate management unit. It must have the following characteristics:

- Independent organization.
- Membership-based organization composed of a mixed group of government officials, industry stakeholders and academics.
- The legal status of the DMO will allow the generation of own income and therefore it is proposed that from the beginning to established as an «SA de CV» controlled by a Board of Government and representatives of the members of the DMO.
- Ability to have different sources of income and financing (100% lodging tax of 2%, membership fees, government contributions, sales opportunities, reservation fees, advertising, etc).
- Act as representative and spokesman of the interests of its members with the Sonora Tourism Authority, government agencies and the Ministry of Tourism.



# Proposed organization chart for the DMO



# Calendar

Actividad	Fecha
Integration of a working group convened by the OCV	First month
Management of the work plan and strategy of implementation of the DMO, allocating seed money for operation.	Three first months
Work with a graphic design firm to create a brand and proposals for merchandising material and advertising.	Three first months
<b>Official announcent of the creation of the DMO</b>	<b>Third month</b>
Appointment of the Management Board Members	Third month
First Management Board meeting and internal presentation of the proposed brand	Forth month
Recruitment of personnel and use of temporary offices.	Forth month
Commission a study of urban development and tourism for Rocky Point, determined by the members of the Management Board during their first meeting	Forth month
Selection of the location of the headquarters for the DMO	Fifth month
Brand approval of Rocky Point	Sixth month
Opening of the information center	Seventh month
Membership affiliation and opening of the first sales point in a key location in the city.	Eight month



# Example cases

Taking into consideration that Rocky Point competes with destination around the world to attract investments, flights and tourists, and that most competing destinations have a professional Destination Management Organizations (DMO) that allows them to plan their development, this study analyzed some successful cases in managing destinations.

- Destination Management Organization of Madrid
- Tourism Authority Abu Dhabi
- Dublin Tourism

**CONTORNO can be part of the Management Board during the first year in order to contribute to the creation and consolidation of the DMO of Rocky Point.**

## Recommendations

- 1. Promote the project's Home Port.** Local stakeholders identified that this is the main anchor project of destiny. Rock Point would be the port of departure for tours of the sea of Cortez, taking advantage of the location to renew the offer of Mexico cruises. This encourages the air connectivity as it is the way to get to customers.
- 2. Increase the air connectivity of Rocky Point.** To attract regular air traffic, hoteliers and the DMO should evaluate the possibility of financing the introduction of a first flight route.
- 3. Develop a sustainable transport policy.** It is necessary that destiny draws a policy of sustainable development for the transport sector now that it is a small destination. It is proposed to establish the first urban electric transport in Mexico.
- 4. Training for taxi drivers.** Drivers of taxis and public transport are one of the tourist first contact, they should be trained to improve their service.
- 5. Ensure transparency in fares of public transport services.** It is necessary to have in the destination established rates public transport vehicles, controlled taxi meters or visible prices inside the vehicle.
- 6. Develop bicycles paths.** The bicycle represents an alternative transportation. It is recommended to provide the destination with the infrastructure to allow its safe use, this is usually low-cost.

# Marketing and sales

## Recommendations

- 1. Integral promotion through the new DMO.** Creation, integration and monitoring of strategies of marketing and sales, as well as elaboration of databases with information of travel agencies, tour operators, airlines and other key companies in the sector.
- 2. Establishing a strategy of diversification of tourist spending.** Focus marketing efforts on those groups with long stays and with a greater variety of services, for example, retired communities or medical tourism.
- 3. Improve the web presence and create a system of reservation, sale of products and souvenirs online.** The official site should be interactive and able to provide lodging, transportation, packages, attractions, passes and reservations services.
- 4. Create an information system that allows to identify market opportunities.** Sonora State and federal entities generate some quantitative information, even more data is needed and the creation of an Observatory of tourism is desirable.
- 4. Position Rocky Point the eco-destination in Mexico.** Rocky Point has a great potential in relation to its eco-friendly destination image, this can become a main argument as a sales tool.
- 5. Generate return scheme on investment in advertising and promotion.** It will allow to assess the impact of marketing and will be a strategic planning tool.



# Information and welcoming

## Recommendations

- 1. Strengthen the website.** The Rocky Point (OCV) web page was analyzed, and given the importance to generate acceptance through the web page, a series of recommendations were presented in in different sections.
- 2. System of inventory of tourist activities.** Generate an information tool about the territory. This tool will allow to plan activities, distances, important sites, and levels of difficulty of the adventure activities.
- 3. Create an official information module.** We recommend having a information center with a distinctive design of information kiosk. This should be located at the entrance of the destination or area of great affluence.
- 4. Create an app that is offered automatically when users connected to the network from their hotel.** A growing percentage of the population has a smart phone where they can download the destination information.





## Recommendations

1. **Attract investors in clinics and hospitals.** Establish deals with private clinics, hospitals and the navy to invest in health infrastructure. Sign agreements with universities to implement exchange and social service programs for medicine students.
2. **Create an emergency procedure manual for tourism establishments.** The manual will allow to minimize the impact of emergencies in the destination.
3. **Create a system of tourist complain follow up.** Every complain should be answered to avoid frustration and unease.
4. **Implement campaigns to avoid drug use and child prostitution.** Inform and warn tourists about the legal consequences of breaking the law in Mexico to inhibit these illegal conducts.
5. **Develop road accidents prevention campaigns.** Zero tolerance in urban areas for speeding and drunk driving. The destination must fix an accident rate reduction objective every year.
6. **Establish a transparency policy on transport rates and ambulance rates.** The destination must foster transparency on the rates either by using a rate chart or a taximeter.
7. **Use the fact of having a safe destination as a marketing tool.** Promote Rocky Point as a safe destination in Mexico for tourists.

## Recommendations

- 1. Implement on-the-job training programs.** As long as the destination improves its products and services, training should follow in order to help employees adapt to changes. Training also contributes to diminish employees rotation.
- 2. Motivate private companies to contribute to the community's development.** The tourism industry should benefit the local communities. Social responsibility programs should be implemented by the DMO to invite companies to add up.
- 3. Develop a green hotel program.** Create and promote a green hotel program to reduce the environmental impact of tourism in Rocky Point.
- 4. Transform hotels into a promotion apparel for Rocky Point and Mexico.** Reflect the natural, cultural and traditions of the destination in the hotels, reflecting the characteristics of Rocky Point.
- 5. Establish an accessibility guide for hotels in Rocky Point.** Such guide should include specific kinds of adaptations and special services that should be offered to visitors with special needs or handicaps.

## Recommendations

- 1. Garbage collection programs.** There is a problem of garbage collection and lack of recycling. It is urgent to install garbage bins and public bathrooms in the beach. Today, users leave their garbage everywhere and use the beach because of the lack of public toilets.
- 2. Training and environmental workshops.** Courses to promote conservation and environmental care with public and private institutions, including the media.
- 3. Strengthen surveillance and enforcement of fines.** Tighten surveillance, fines and penalties for any damage to the environment.
- 4. Carry out awareness campaigns on environment.** Information on hotels and resorts to promote the use of products with low environmental impact and to maintain water, the desert, beaches and streets clean.
- 5. Promote a practical lighting guide to reduce light pollution.** In addition to the ecological benefits, the night sky of Rocky Point is part of its beauties and is a heritage that must be protected.
- 6. Redefining a comprehensive management plan for the Biosphere Reserve El Pinacate.** The current plan dates from 1993. Trails, recreation center, wildlife sightseeing, photographic safaris, camps and cabins in neighboring areas of the reserve, are some of the things needed to increase the income of the park and to hire more staff for surveillance and research.



# Cultural Heritage

## Recommendations

- 1. Strengthening the cultural image of Rocky Point.** Create a museum of desert cultures (Papagos, Yaquis and Mayos) to illustrate this cultures to tourists in Rocky Point that do not visit other parts of Sonora.
- 2. Balance the architectural and urban development of Rocky Point.** Provide strict regulations to balance and integrate urban constructions. The different establishments, restaurants, bars and boutiques may retain their own design with certain guidelines.
- 3. Develop an annual art workshop to increase the attractiveness of the region.** Create an annual Art Workshop in partnership with the State, for national and foreigners to get inspired by Rocky Point, during low season, with the support of the DMO. The workshops will produce work that can be marketed together with artists and will generate visibility for Rocky Point in a different level than traditional promotion.
- 4. Create a festival committee under supervision of the new DMO.** Coordinate and promote existing festivals and cultural events and promote new ones that will diversify activities in the destination.
- 5. Create an interpretation center on training missions for astronauts in El Pinacate.** Generate activities around this theme with photographs, replicas of Apollo 14 and the collaboration of the UTPP and NASA.



# Food and Beverage

## Recomendations

- 1. Associate industry needs existing training resources.** Seek support from the Ministry of Tourism (SECTUR) with resources from the Integral Program for Training and Tourism Competitiveness to train the industry staff, CANIRAC can support with training programs to qualify employees in different areas (waiters, cooks, etc.).
- 2. Implement a program of recollection and recycling of seashells.** Establish a collection programs for discarded shells by hotels and restaurants for cleaning and restoration of the sea. This procedure will extend the life of the landfill by removing at least 550 tons of shells per year.
- 3. Promote a recollection system of waste oils in the destination.** Promote this action with the image of Rocky Point as a responsible and eco-friendly destination.
- 4. Sign an agreement of collaboration with educational institutes for internship program.** Collaborate with educational institutes to ensure a certain number of places for internship program.
- 5. Promote restaurants and bars of Rocky Point in the website of the DMO.** The restaurants and shops must be active members of the DMO and thus benefit of the promotion and agency actions. The website should provide a list with basic information about restaurants. Today, information of restaurants in the destinations isn't complete and it is hard to find.



# Adventure Tourism

## Recomendations

### 1. **Position Rocky Point as an Adventure Tourism destination.**

The diversification of supply and target markets is the key. Rocky Point has elements to become in a “nature” destiny. Joint actions between the DMO, companies and authorities to give incentive to those new companies that offer bird sightseeing, snorkel, mountain biking, trekking, sandboard, etc.

### 2. **Create a guide of the Rocky Point trails.** The guide for the nature reserve and surroundings should be implemented jointly with the DMO and local authorities. The signage should be clear and low cost.

### 3. **Promote the activities in the media.** Highlight these points in the tourist offer in order to extend their stay, diversify activities and increase satisfaction.

### 4. **Agreements with agencies and associations of trails.** Promote trails and unique features of flora, fauna and climate of Rocky Point to position this segment. The research provides contacts of specialist agencies.

### 5. **Create businesses incubators on adventure tourism.** Graduates think that their only option is to work in existing companies, entrepreneurs must take part in generating more activities.

### 6. **Create a sandboard product.** The sandboarding is a recreational sport that consist of sliding in sand dunes with similar boards to snowboarding. This activity has become very popular.

### 7. **Declare Rocky Point as a «World Surfing Reserve».** Rocky Point is a good spot to practice this sport. The surfer stays more than 7 nights and with an average expenditure of 150 USD per day.

## Recomendations



### 1. Actively promote Rocky Point Golf courses.

Only in Los Cabos 200,000 rounds of golf are played each year.

There is market to increase the number of users although it is closely linked to the possibility of getting air connectivity. As connectivity is solved the DMO should have a prepared strategy to promote golf in the destination.

### 2. Create an integrated product with other golf destinations.

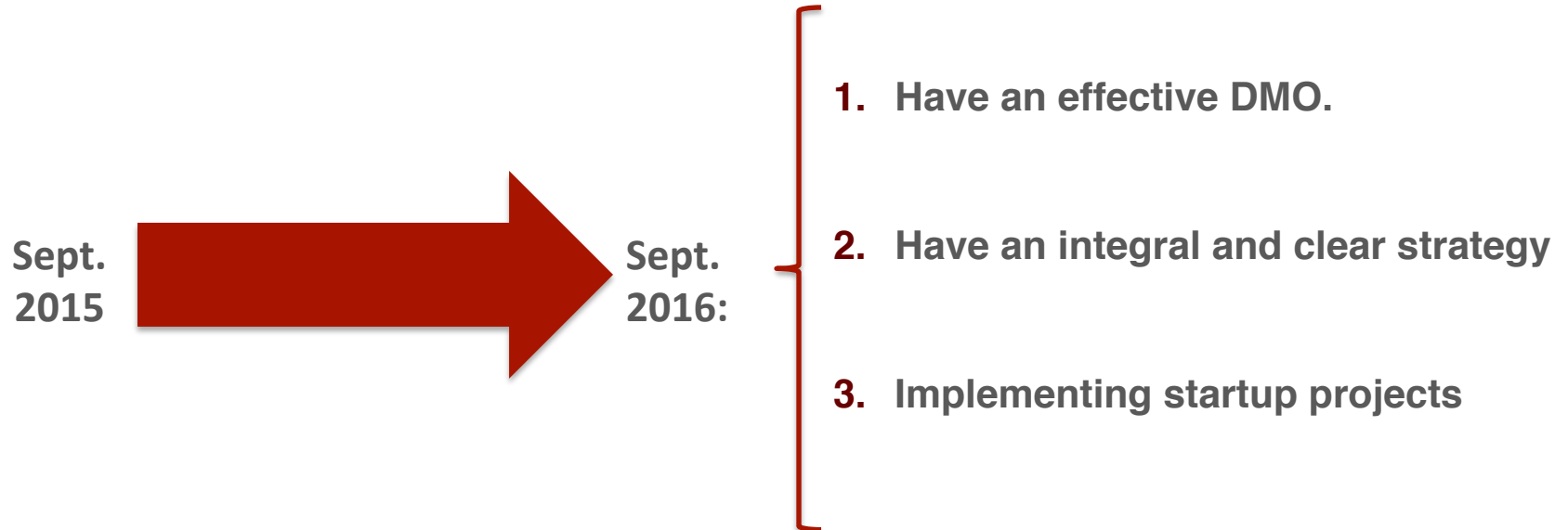
Golf in Rocky Point could be organized with San Felipe, San Carlos, Loreto, Kino and other circuit golf destinations where players play in different fields following an itinerary by boat, this will be an innovate product aimed at boat users, a segment with high purchasing power.

# **V. A STRATEGY FOR URBAN AND TOURISM DEVELOPMENT OF ROCKY POINT**



# Goals of our proposal

¿Where we want to go?



*Thanks to the implementation of **concrete actions** and the **involvement** of every strategic actor.*

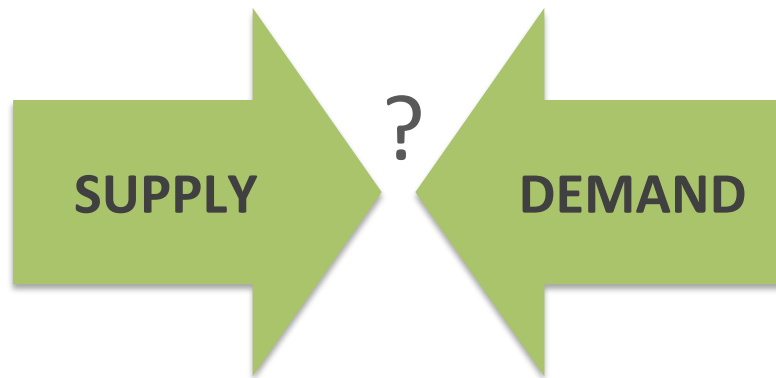
# Proposal

**How to achieve this objectives?**

oct-15	nov-15	dic-15	ene-16	feb-16	mar-16	abr-16	may-16	jun-16	jul-16	ago-16	Sep-16
1.IMPROVE THE TOURISM AND URBAN DIAGNOSIS											
			2. IMPROVE THE STRATEGY								
			CREATE THE LOCAL TOURISM PLAN								
			CREATE THE DMO								
			IMPLEMENTATE  STARTUP PROYECTS								
		LINK WITH STRATEGIC ACTORS AND INSTITUTIONS									

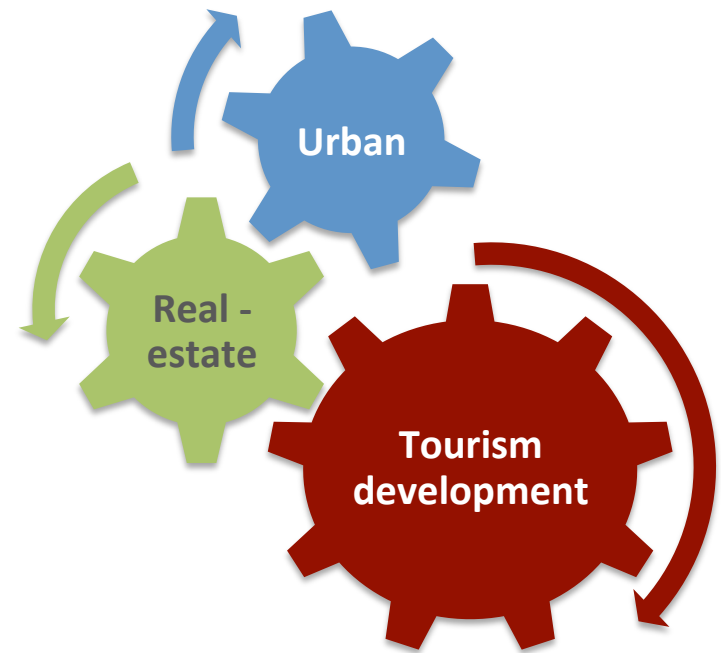
# 1. Improve the diagnosis

**Specify the destination analysis with  
tourist inquiries**



*Rocky Point professionals have already  
been consulted. Now we need tourists  
opinion.*

**Perform an urban and real-estate  
diagnosis**



*Tourism development depends on urban  
infrastructure and real-estate dynamic.*

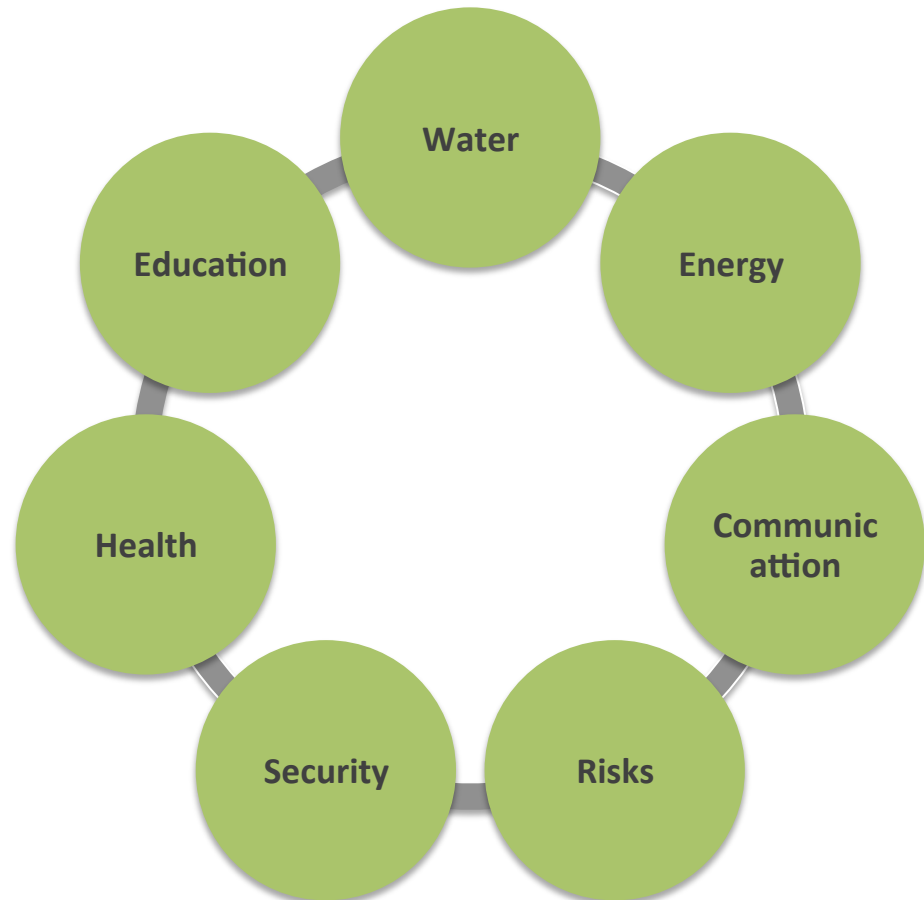
# 1. Improve the diagnosis

## Why an urban diagnosis?

### We know...

- **+ 84% population between 2000 and 2010** (from 31,157 to 57,342)
- **Mobility problems:** Lack of public transport and bicycle paths, just 20% of paved road, lack of right signage, lack of efficient public lighting
- **Poor waste management:** illegal garbage dumps; lack of recycling programs

### What is the situation of... ?



# 1. Improve the diagnosis

**Most weaknesses and threats are from urban areas**

## STRENGTHS

- Location
- Natural resources and biodiversity
- Land availability
- Port and airport infrastructure
- Admission free zone for US tourists
- Human capital

## WEAKNESSES

- **Pollution** of beaches
- **Overexploited aquifer**
- **Infrastructure, equipment and inadequate urban services** (housing, health, education)
- Limited air connectivity
- Mismanagement of Natural Protected Areas

## OPPORTUNITIES

- Mar de Cortes project
- Corridor CANAMEX

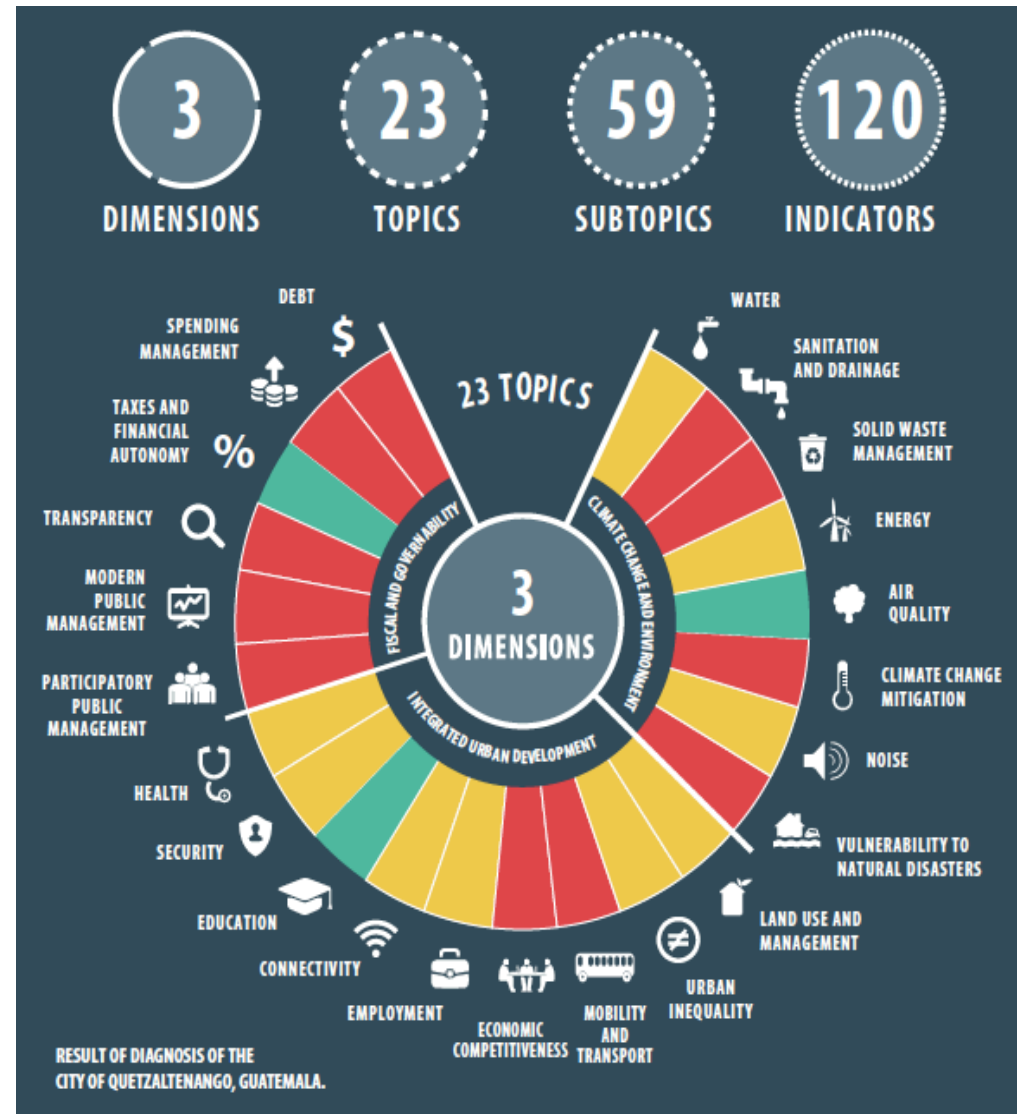
## THREATS

- **Disorganized urban and tourism growth** → urban and environmental conflicts and poor urban image
- **Insecurity in land possession**
- **Public insecurity growing**

# 1. Diagnostic tuning

## Urban and real state diagnosis methodology

- International Development Bank's methodology (2014) for Sustainable Emerging Cities
- + A Real State Dynamics Analysis



**EMERGING and  
SUSTAINABLE  
CITIES**  
Initiative



## 2. Improve the strategy

Based on touristic and urban diagnosis ...

### Identify destination development options

- Adventure tourism
- Medical tourism
- Family tourism
- 3rd age tourism
- Others...

→ Identifying the best opportunities for Rocky Point

### Seek support and build partnerships

- Identify potential **commercial partners**
- Identify **institutional support**
- Identify **financing** opportunities
- Identify strategic partnerships

→ Involvement with this actors





### 3. Develop and implement an action plan

- **Establish an action plan in the short, medium (1 year) and long term (5 years)**
  - Expressed in a *Municipal Tourism Program*
- **Identify priority urban and touristic projects to be implemented**
  - As **needed** for touristic and urban sustainable development
  - The most financially **viable**
  - The most **shocking** in the middle and long term
  - More **social** impact

### 3. Develop and implement an action plan

- **Develop an action plan for priority projects implementation:**
  - Possible sources of **funding**
  - Involved institutions and **actors**
  - The requirements, steps and **processes to lead**
  - The interests and expectations of each strategic actor and a **negotiation strategy with each one**
  - **The schedule** and stages to follow for priority projects implementig
- **Create the DMO to ensure long-term integral management of the destination**
- **Accompany and link the local government for projects implementation**



**¡THANK YOU!**

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