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Digital Transformation in Silicon Maya

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Quintana Roo is the most important tourist destination in Mexico and Latin America. According to data from the State Ministry of Tourism, Quintana Roo received 19.6 million tourists in 2022, of which 64 percent were international travelers. This means that if the Mexican Caribbean were a country, it would rank fourth in visits by international travelers in the Americas in 2022, and one of the top 50 by visits in the world.



The Mexican Caribbean's success can only be explained by its combination of geographic location and climatological conditions, as well as a willingness to innovate and expand. From its founding only fifty years ago, a bold spirit has charted its development and vision. And of course, let us not forget that it has some of the best beaches in the world.

A travel destination

Cancun's development as a tourist center was not random; it is the most successful "Centro Turístico Integralmente Planeado" (CIP) in the country. A CIP is a concept created by development agency Fonatur to create and enhance tourist destinations in Mexico. Fonatur's Master Plan for Cancun has been highly successful and has foreshadowed similar growth throughout the region.

Last year, the Cancun International Airport broke the record for most passengers in a single year with over 30 million passengers in 2022. In December, a single day saw 719 flights, part of a streak of 12 days with more than 600+ daily air traffic operations (close to 130,000 people passing through at the Cancun Airport terminals every one of those days).

In the last three years, more than 20,000 new hotel rooms have been built, not including the rapidly growing number of AirBnb, Vrbo and other vacation rentals in the region, now estimated at more than 55,000 active units.

Who are these visitors from around the world? According to the [Quintana Roo Tourism Promotion Council \(CPTQ\)](#), 64 percent of tourists visiting this state are under 39 years old and almost 50 percent of them are millennials. They carry between five and ten electronic devices so they can be connected to the Internet while traveling. Through their mobiles and tablets they look for travel routes, tour promotions and other tourist activities and attractions before and during their stay and, of course, the vast majority book their holidays this way. Because of this, the Cancun region, like most tourist destinations today, primarily focuses promotional efforts on digital media.

While digital marketing and travel apps have contributed to increased occupancy, they have raised expectations for seamless connectivity whether in a guest room, poolside or on the beach. In fact, for this reason the last five years of Cancun's history have been perhaps the most challenging.

Investing in digital infrastructure

Since the introduction of the smartphone, premier tourist destinations around the world—at the resort but also regional level—have recognized the need to make a greater investment in digital infrastructure that enables better connectivity.

Unfortunately, people throughout Mexico have experienced poor Internet and mobile service for decades. According to the Speedtest.net website, Mexico has practically the same Internet speed as Guatemala or Uganda and historically, on average, the state of Quintana Roo has speeds similar to Nicaragua or Kazakhstan. One of the most common complaints from Quintana Roo visitors has been poor Internet quality. With the rise of sites like Trip Advisor, Booking and Expedia, poor Internet ratings impact occupancy and revenue per room for hotel and resort operators big and small.

The major telecommunications reform enacted by Mexico in 2015 has sought to remedy poor telecommunications infrastructure with mandates for increased competition and increased foreign direct investment. Against this backdrop, GigNet Inc., a United States digital infrastructure company, entered the market in 2018 with a vision to revolutionize Internet connectivity and services for the hospitality, enterprise, and smart home segments from Cancun to Tulum. GigNet installed an advanced fiber-optic backbone network along with a network operations center and eight POPs, completed in early 2019. Since then, the fiber network has grown to over 400 kilometers including backbone, metro commercial loops, residential communities, and other fiber-based network extensions to customer facilities. Client services, technical support, and field operations comprise GigNet's service delivery platform.

Connecting the region

GigNet's fiber-optic Digital Transformation Services Platform begins with true dedicated Internet connectivity to client locations, and is enhanced with managed services for network monitoring, bandwidth-on-demand, and other services to support client IT staff. GigNet also has introduced value-added services such as cybersecurity, facial recognition and biometrics, Internet of Things (IoT) and video content services.

These enhanced products and services are in demand as GigNet hospitality, enterprise, and developer clients are each in their own way progressing on digital transformation. This can range from automation of systems to implementation of new hospitality technology, to reduced reliance on paper-based documentation and increased use of digital imaging—as is the case with GigNet’s medical and educational clients.

GigNet is helping connect hotels, resorts, retailers, offices, large commercial operations, governmental offices, medical and educational facilities, transportation services such as ferries, the Cancun Airport, and flight bureaus, as well as positioning itself to offer fiber-optic transport services for mobile phone operators in the region as they transition to 5G. GigNet’s network is within 1 km of 90 percent of all the region’s hotels, resorts, and major businesses.

In three short years (including eighteen months of pandemic), GigNet has become the leader in digital transformation in Quintana Roo. Along with incredible beaches, golf courses, jungle adventures, and ocean activities, the Cancun region has emerged as one of the most vibrant and innovative dining scenes in the world. Digital transformation is a key part of this innovation.

An important national and local restaurant chain with twenty locations in Cancún, Playa del Carmen, and Tulum has changed the game for fine dining and their performance dinner shows (common in the area), with unparalleled accessibility to data, excellent Wi-Fi and Internet service for tourists that maximize the experience their guests enjoy in their restaurants. Guests directly benefit from secure, seamless access while dining for sharing memorable meals and experiences. It is in the “back of house” where GigNet facilitates digital transformation:

- Guest experience is enhanced with QR menus and reliable payment terminals that facilitate faster orders and service.
- Better connectivity also means improved DJs and live music performances, and other digital entertainment streamed in venues.
- Interconnect and VPNs linking restaurant locations and corporate offices make operations, meetings, marketing, and inventory procurement efforts more streamlined.
- Simplified management of the Wi-Fi systems frees up IT department resources for other tasks.
- Proactive technical support, equipment review, and upgrade of services ensures a “future-proof” operating environment as new hospitality and food and beverage technologies become available.

With confidence in GigNet’s WiFi systems, restaurant groups can now open new locations without extensive inside-plant cable connections that often interfere with optimal layout and design, meaning faster time to open and less investment in venue infrastructure and hard to maintain POS systems and printers.

For popular, high-volume restaurants like those in the Cancun region, reducing time to opening can mean hundreds of thousands of dollars in accelerated revenue generation per location.

Transforming international travel through DT

Digital transformation is rewriting all the rules of international travel, and helping hotels, resorts and restaurants better manage supply chains, security, restaurant design, and guest services. GigNet is at the epicenter of all these trends in one of the fastest-growing vacation and residential areas in the Americas.

More than 45,000 international tourists arrive in Quintana Roo every day. Between 45 and 65 percent of tourists who visit the Mexican Caribbean have done so more than once and they usually return to the same restaurants and entertainment venues. As traveler expectations for Internet and Wi-Fi continually increase, establishments must keep pace with faster speeds, greater access, and more security. Once begun, digital transformation is a continual business commitment.

The Riviera Maya and its beaches, cenotes and archaeological sites have been named several times by numerous media platforms as one of the most “Instagrammable” places on earth, so connection is key to improve the complete tourist experience, from social media access at the hotel to other places throughout their vacation in the Mexican Caribbean.

In addition to enhancing the business operations of clients, GigNet has started an initiative named “[Silicon Maya](#)” to underscore that investment in fiber-optic networks and expanded access to broadband across all income levels is a major factor in growing GDP and economic opportunity.

Other travel trends also require investment in digital transformation. Since the pandemic there has been a global increase in digital nomads, including in the Mexican Caribbean. A research study from [MBO Partners](#) in 2022 found an increase of 131 percent in North American digital nomads compared to 2019. North America accounted for 37 percent of the total of visitors to Quintana Roo in 2022. These typically are “power-users” requiring Internet for business and communications.

Another travel trend rapidly gaining in popularity in the last few years is “bleisure” which consists of part corporate travel (business), part vacation (leisure) where travelers add some time before or after their work trip. According to a survey by [National Car Rental](#), 81 percent of travelers currently engage in some form of bleisure travel, including 61 percent incorporating leisure activities into business travel and 41 percent extending business travel into leisure trips.

Millennials are the predominant age group visiting the Mexican Caribbean, and the most likely to choose bleisure travel. Innovation, investment, and a focus on superior customer care were the foundation of Cancun’s first 50 years. Building on these, digital transformation, made possible by advanced fiber-optic networks and enhanced services such as GigNet’s, will ensure that millennials, Gen-Z, and future generations will return again and again to the Mexican Caribbean.