Article

Strategic Analysis of Sustainable Tourism in Baja California against COVID-19

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Abstract: As a result of the health contingency caused by COVID-19, a large number of companies worldwide have been forced to drastically change their work processes in order to adapt to the current situation; however, the strategies proposed by governments around the world to deal with this crisis have been classified as seasonal by health specialists, implying that at some point it will return to normal. To this end, this study is developed through the implementation of four strategic models (strengths, opportunities, weaknesses, and threats (SWOT) method, competitive advantage matrix, Boston Consulting Group (BCG) matrix, and the ERIC matrix: Eliminate—Reduce—Increase—Create)) that allow entrepreneurs in the tourism sector of the State of Baja California to face the consequences that the pandemic has generated in detriment of its competitiveness, which, in turn, will allow them to design competitive strategies that directly support the tourism sector of the entity, facilitating decision making to achieve the sustainable development of regional tourism. Observing that the main competitive advantage of the entrepreneurs in the studied sector is the fact that they are mostly part of the gastro-tourism cluster of Baja California since they receive support and joint promotion that allows them to generate a unique and inimitable competitive advantage.

Keywords: competitiveness; sustainable tourism; COVID-19 health contingency

1. Introduction

Strategic approaches are essential for companies to generate economic growth strategies; therefore, in these times of crisis, it is vital to implement them in order to generate a competitive advantage and cover regional tourism and not depend solely on foreign tourism; that is why strategic planning will always be a cardinal action of any business since they benefit by optimizing their resources focusing them towards the fulfillment of their strategic objectives, which allows them to act in advance of the rest of their rivals and not correctively, as in most cases.

The State of Baja California ranks third nationally relative to the total population, with a total of 3,315,766 inhabitants in the 2015 inter-census survey, presenting an annual growth rate of 1.6 percentage points compared to the national one that was 1.4 [1] (p. 15). It is important to note that the population receiving benefits increased by 2.4 percentage points between 2010 and 2015, with the national average of 64.5% and the State of Baja California being 78.3% [1] (pp. 45–47).

According to the Center for Economic Studies of Baja California [2], the entity has a great deficiency in economic activity because it was not prepared to face the pandemic by COVID-19 (in reality, no one was) and because there is a permanent crisis, pointing out that the social impact has led to considering three entities in Baja California in economic terms—one is that of the large transnational corporations that are able to face the new environment; in the middle area is 99.5% of the micro, small and medium enterprises (MSMEs) and households that depend on them; and, in another space is 40% of the households that receive remittances. Considering that the intermediate sector represents around 60% of
the total employment in the entity, it has been the most affected, and as a result of the confinement, many of them did not resist and will not open their doors again since the current government has refused to give direct support so that the MSMEs can survive the effects of the policy of confinement and suspension of non-essential economic activities implemented by the sanitary emergency while the only stimulus is reflected in the sale of their products after the rules of the “new normality.”

As for the tourism sector, the economic paralysis continues to punish the industry since Baja California’s hotel occupancy continues to register the lowest rates in its history, with millions of dollars in damages that will take years to recover since it is not with seasonal events that recovery will take place. It is indisputable that the COVID-19 pandemic has turned the world economy upside down; being the most affected sectors with respect to their income are tourism (47%), construction (18%), advertising (17%), manufacturing (16%), transportation (15%), and real estate (15%). Therefore, investment in marketing is no longer questionable but imminent, and hence, it is necessary to look to the future to develop a digital strategy in times of uncertainty that will allow them to remain competitive [3] (p. 9).

The tourism sector contributes to 10% of state Gross Domestic Product (GDP), and tourism investment in the state currently represents 28.7% of the total for this industry, amounting to more than USD 916 millions of dollars—mainly by the hotel sector and medical tourism—and representing 39,460 formal jobs for Baja California so far this year. This, in turn, constitutes 4.3% of formal employment as of September 2020, according to the Mexican Institute for Social Security (IMSS) data [4]; however, the health pandemic caused by the COVID-19 reduced the number of jobs in the tourist areas of the state, resulting in a loss of 5500 jobs in the tourism sector at the beginning of this health crisis [5], which translates into an undeniable need to generate strategies that allow the tourism sector to regain its position as a provider of decent, well-paid jobs.

It should be mentioned that, following the low occupancy rates recorded in the region, the lodging tax increased from 3% to 5% in exchange for the intervention of promotional proposals by the state government. In this regard, the hoteliers argued that the increase of 2.0 percentage points to the lodging tax represents a higher tax burden and that when transferred to hotel rates, its potential customers or guests, in many cases of United States origin, will undoubtedly resent it; hence, they demand transparency in the application of the financial resource exercised in promotional campaigns; which means that the tax increase is justifiable and recoverable [6].

On the other hand, it emphasizes that the food industry has remained the most on the positive ground because, as we know, it is less sensitive to the crisis for the simple reason that people continue to eat, albeit less or with a different diet, but in the end, they do not stop eating. For its part, the Secretariat of Sustainable Economy and Tourism of Baja California, in conjunction with the state government and the recommendations of the Ministry of Health, carried out an analysis for the economic revival of the entity, thus proposing the reopening of restaurants with a gradual and cautious revival for the municipalities of Tijuana, Ensenada, Playas de Rosarito, and Tecate, derived from the current health situation [7].

Economic instability, in principle, disadvantages investment possibilities; to this end, the federal government has created seven social programs aimed at promoting financial inclusion in National Council for the Evaluation of Social Development Policy (CONEVAL) [8] National List of Social Development Programs and Actions 2018, which is presented in Table 1, implying that the lack of credits accessible to MSMEs remains in the past.
Table 1. National List of Social Development Programs and Actions 2018. Taken from CONEVAL [8] (p. 19).

| Support Category          | Federal Program                                                                 | State Program                               |
|---------------------------|---------------------------------------------------------------------------------|---------------------------------------------|
| Saving                    | Strengthening the Popular and Cooperative Savings and Credit Sector National Program for financing micro-entrepreneurs and rural women (Pronafim) | Production units for development Other programs |
| Microcredit               | Pronafim (strategic credits, credits for micro-entrepreneurs).Small Producer Support Program. National Entrepreneurial Fund Agricultural Assurance Program Agricultural Productivity and Competitiveness Program | Productive Project Support Program General microfinance programs Women-focused programs Youth-focused programs Other programs |
| Financial education       | Pronafim (grants credits accompanied by financial and business training) Strengthening the Popular and Cooperative Savings and Credit Sector Marketing Support Program Agri-Food Productivity and Competitiveness Program | Entrepreneurial Fund Financial Advisers Program Other programs |

It should be noted that the National Institute of Statistics and Geography of Baja California has so far 13,776 company records in the Directory of Statistics of Economic Units [9] that are classified as tourist services, distributed by municipality mainly in Tijuana with 46%, followed by Mexicali with 28%, Ensenada with 17%, Playas de Rosarito with 5%, and Tecate with 3%, respectively, of which both the restaurant and accommodation services sector accounted for 126,594 jobs; hence, it was a top priority to activate this sector.

Thus far, it has been observed how the economic factor has been affected around sustainable tourism; in contrast, the care and preservation of the environment have caught a break due to the reduction of gas emissions as a result of the awareness campaign of the so-called social distancing and stay-at-home call from the authorities, which leads to a reduction of both public and domestic transportation [10].

However, there was a dramatic increase in garbage generation due to panic purchases and high demand for hygiene items, representing the opportunity to boost the so-called “circular waste economy”, said the representative in Baja California of the Center for Biodigestion, Urban Waste, Energy and Compost Research (CIBRUC); as a result of the increase in waste, it was decided to launch the General Law on the Prevention and Integral Management of Waste, which allows municipalities to authorize and concession one or more activities included in urban solid waste management services to transform them into inputs for agriculture, construction, and industry [11].

One of the pillars of sustainable development is the social aspect. As part of security measures, tourist events and all the activities derived from them have been severely affected, with a 90% drop in the second quarter of the year, when the top five municipalities that make up the State of Baja California report between 20 and 50% unemployment, and worse, it is predicted that at least 84,770 tourism sector jobs in Baja California could be lost as a result of the coronavirus pandemic. This means more than half of the jobs of this economic activity are at risk, commented the undersecretary of State Tourism, Ivette Casillas Rivera [12] (p. 1).

However, health services tourism is one of the sectors with the greatest impact and growth in the State of Baja California, with an economic spill of more than USD 800 million; this is a result of the compliance with sanitary protocols and responsible promotion [13].

Therefore, this research is developed through the implementation of four strategic planning models (SWOT Methods, competitive advantage matrix, BCG matrix, and ERIC...
matrix), with the aim of establishing the steps to be taken to achieve the sustainable recovery of the tourist MSMEs from the State of Baja California, by defining strategic objectives, establishing the measurement of result indicators, and developing competitive strategies that directly support the tourism sector of the entity.

To do this, it is necessary to start by describing the gastro-tourism cluster of Baja California, which began to have a presence in early 2015 and whose purpose is to support the sectors involved, promote the development of the gastronomic sector of the area, and collaborate continuously in the creation of competitive advantage of the state.

The anatomy of the cluster (see Figure 1) proposed here aims to encourage and support local leaders with extensive tourism and professional experience to foster and enable collaborative activities for tourism management through decision making, skills, experience, capabilities, and commitment to stakeholders and their communities, with the sole purpose of ensuring the competitiveness and profitability of all parties involved [14] (pp. 350–355).

![Figure 1. Anatomy of the gastro-tourism cluster. Recovered from [14] (pp. 350–355).](image)

The expected results will allow companies in the tourism sector to develop guidelines that motivate and guide their employees toward organizational objectives, which will make processes more efficient, increase the profitability of the business, and prolong the life cycle of the company; the desired results can be measured based on the established indicators, but above all, they guarantee customers' satisfaction and loyalty.

2. Materials and Methods

The materials used are classified into two types, i.e., secondary sources, consisting of documentary and bibliographic information to conceptualize and contextualize the study, and the primary source, which was a structured survey with 45 items distributed in three dimensions (economic, social, and environmental factors) using a closed, dichotomous, and multiple-choice format and rating scale. Subsequently, the survey was submitted to the Cronbach’s Alpha reliability test in order to determine its reliability, obtaining an index of 0.92 (see Table 2), which implies that the instrument is highly reliable because it is above the established mean by experts (0.60).
Table 2. Reliability statistics.

| Alfa Cronbach | N of Elements |
|---------------|---------------|
| 0.92          | 45            |

This study was developed using the online survey method for the collection of responses, namely, the Google Form platform, which was aimed primarily at owners, managers, and managers of the establishments under study; it should be emphasized that all those involved voluntarily agreed to participate and gave their written consent. For this purpose, at the beginning of the survey, the informed consent section was designed, in which only the people who selected the “yes” box could continue with the survey. In addition, all the subjects of the study had the option at all times to abandon the completion of the instrument. The survey link was shared through social networks (Facebook, Instagram, Twitter, LinkedIn), through the personal email of the available contacts.

In accordance with the objective of the study, a mixed type of research was developed (combining quantitative and qualitative data) with a descriptive and longitudinal approach since the collection of information was carried out at two points in time—one before the pandemic, between December 2019 to February 2020, and the second during the health crisis, between May to October 2020.

The total universe of analysis is composed of 13,776 tourism MSMEs in the State of Baja California registered in the database of the National Directory of Economic Units (DENUE). For the determination of the sample size, an absolute error of 10% and a confidence level of 90% were established, projecting a non-parametric sample of 320 study subjects, which were selected by the convenience method for each of the municipalities that make up the state (See Table 3).

Table 3. Technical data sheet distribution of the sample stratified by municipality. Own elaboration with the foundation in National Institute of Statistics and Geography (NISG) data [1].

| Municipality     | Population | %  | Sample |
|------------------|------------|----|--------|
| Ensenada         | 2342       | 17 | 66     |
| Rosarito Beaches | 827        | 6  | 63     |
| Tijuana          | 6337       | 46 | 67     |
| Tecate           | 413        | 3  | 59     |
| Mexicali         | 3857       | 28 | 67     |
| Total            | 13,776     | 100| 322    |

3. Results and Discussion

This section may be divided by subheadings. It should provide a concise and precise description of the experimental results, their interpretation, and the experimental conclusions that can be drawn.

3.1. Sociodemographic Characteristics of Study Subjects

With regard to the sociodemographic characteristics of study subjects, out of a total of 322 volunteer participants, most were male (64%) and without children (42%), with an average age of 21 years old; participants tended to be university graduates or with graduate studies (45 and 30%, respectively) and unmarried (65%), of which 39% were business owners (See Table 4).
| Variable       | N  | %  |
|----------------|----|----|
| Son            |    |    |
| Female         | 120| 36 |
| Male           | 212| 64 |
| Education      |    |    |
| Secondary      | 30 | 9  |
| High school    | 53 | 16 |
| Degree         | 149| 45 |
| Graduate       | 100| 30 |
| Age            |    |    |
| >18            | 20 | 6  |
| 18–25          | 40 | 12 |
| 26–35          | 106| 32 |
| 36–45          | 60 | 18 |
| 34–55          | 73 | 22 |
| <55            | 33 | 10 |
| Marital status |    |    |
| Single         | 216| 65 |
| Married        | 116| 35 |
| Number of children |  |  |
| 0              | 139| 42 |
| 1              | 50 | 15 |
| 2              | 83 | 25 |
| 3              | 60 | 18 |
| <3             | 0  | 0  |
| Put            |    |    |
| Owner          | 129| 39 |
| Manager        | 83 | 25 |
| Supervisor     | 93 | 28 |
| Employee       | 27 | 8  |

### 3.2. Implementation of Strategic Models

#### 3.2.1. SWOT Method

The strengths, opportunities, weaknesses, and threats (SWOT) method is a conceptual structure for systematic analysis that facilitates the adequacy of external threats and opportunities with internal strengths and weaknesses. It is named after strengths (S), opportunities (O), weaknesses (W), and threats (T). There are four alternative strategies of SWOT analysis, which, as we already know, are based on the analysis of the internal and external environment of an organization [15] (p. 600).

To carry out the situational analysis of the tourism sector of the State of Baja California, the SWOT model was used in the first instance, together with the factor assessment matrix, in which the results reflected that in relation to the analysis of the internal factors of the companies participating in this study; it yielded a weighted weight of 2.70 (the sector average is 2.5), which implies that they have and implement good practices that allow them to be competitive despite the pandemic. Regarding the analysis of external factors, they affirmed that they are not 100% prepared to face the current crisis, obtaining a weighted weight of 1.80, which is interpreted as follows: as the industry average is 2.5, the companies participating in this study are not prepared to face current threats and have difficulty identifying emerging opportunities from the pandemic; therefore, the SWOT matrix (see Table 5) shows that the most convenient strategies for the tourism sector of the State of Baja California are those that obtained a greater weighted weight during the analysis and can provide a competitive advantage for each of its strategic business units (SBU). These will be analyzed later in the Boston Consulting Group or portfolio model because this allows a strategic analysis of the company’s Economic Business Unit (EBU) portfolio based on two factors—market growth rate and market share.
Table 5. Strengths, opportunities, weaknesses, and threats (SWOT) matrix of the tourism sector of the State of Baja California.

| Strengths | Opportunities | Resulting Strategies |
|-----------|---------------|---------------------|
| F1. Gastro-tourism cluster | Or1. Increased receptiveness to online shopping | F1 OR4. Take advantage of the benefits of belonging to the state’s gastro-tourism cluster, to achieve the development of new markets (weighted weight (1.35). |
| F2. Customer loyalty | Or2. Market diversification |  |
| F3. Quality of Service | Or3. Product diversification |  |
| F4. Favorable work environment | Or4. Market development |  |
| F5. Highly trained staff | Or5. Product development |  |
| F6. Low production costs |  |  |
| F7. Market positioning |  |  |

| Weaknesses | Threats |
|------------|---------|
| D1. High staff turnover | 1. COVID-19 pandemic underway |
| D2. No home services | 2. Consolidated competition |
| D3. Does not have a variety of payment methods | A3. Delicate economic situation |
| D4. Most of its inputs are exported | 4. Tax increase |
| D5. Weak advertising, little presence on social media. | At5. Changes in customer tastes. |
|  | 6. Job instability |
| D5. Or1. Develop a digital marketing program that allows you to take advantage of increased acceptance by customers in making online purchases (Weighted Weight 0.85). |
| D1 to D5. The high turnover of staff is the product of perceived insecurity, so it is advisable to minimize instability among your staff to ensure the curve of experience (0.75). |

The above translates as follows: by taking advantage of the benefits of belonging to the state’s gastro-tourism cluster, to achieve the development of new markets, stakeholders should recognize the benefits they can achieve by creating multidisciplinary and interdisciplinary agendas that directly impact economic, social, cultural, security, agri-food sustainability factors, etc. [16] in order to jointly cover new markets (p. 3).

Regarding the strategy of strengthening the current positioning of its businesses to obtain its value proposition in the face of changing consumer tastes, the study in [17] affirms that a smart city is one that guarantees the quality of life of its inhabitants and generates business opportunities by which its stakeholders benefit mutually; the reduction of costs is the product of shared responsibility, which in the end translates into competitiveness (p. 3).

In relation to the strategy of developing a digital marketing program that allows taking advantage of the greater acceptance by customers when shopping online, it has been shown that people who fear a COVID-19 infection and follow the rules of isolation have changed their eating behaviors in terms of food purchases, mainly through the use of mobile applications and official pages of the establishments, thus avoiding to go to markets or crowded establishments [18] (p. 6).

Finally, high staff turnover is a product of perceived insecurity, and hence, it is advisable to minimize instability among your staff to ensure the experience curve. It should be noted that at the national level, during 2020 compared to 2019, job creation in SMEs was down due to the fact that many businesses were forced to close for a prolonged period of time. Jobs generated in micro-enterprises decreased by 914,000, compared to last year [19] (p. 2).

As for the companies that reduced part of their personnel, during 2020, there was an employment rate of 97% in the State of Baja California, presenting a decrease of 1%, compared to 2019. All these aspects were caused by a decrease in the supply and demand of products and services, resulting in an underemployment rate of 19.8% in the city of Tijuana Baja California, in particular, which translates into a decrease in working hours and income among the economically active population [19] (pp. 8–10).

3.2.2. Competitive Advantage Matrix

Once the situational analysis was carried out using the SWOT method, we identified the generic strategies in which each of the strategic business units (SBUs) were located in order to identify the competitive advantage that corresponds to each one. Also called
differential advantage, it indicates a set of unique characteristics of a company and its products perceived by the target market as worthy of attention and superior to those of the competition [20] (p. 12).

As can be seen in Figure 2, companies leading in the market present two options for emerging strategies; there are business entrepreneurs whose size is medium (10 to 50 employees) claiming that their strategies emerge from their participation in the gastro-tourism cluster, which comprises the Wine Route and medical tourism (with a weighted weight of 1.35), giving them a competitive advantage focused on differentiation because they offer high-quality products and an exclusive business model aimed at a particular market; according to the data obtained during fieldwork, 35% of the businesses belong to this category.

![Figure 2. Matrix of the competitive advantage of the State of Baja California tourism sector. Own elaboration.](image)

Derived from the analysis obtained from the study that was applied in the State of Baja California, it is important to note that the opening of the gastro-tourism cluster in Baja California allowed the entity to be placed in the scope of local, national, and international tourism since its formation in 2015, which is named “Baja California Gastro-Tourism Cluster,” and this organization supports the sectors involved and promotes the development of the gastronomic sector of the area, continuously collaborating in the creation of competitive advantage of the state and providing employment to other related tourism activities such as shops in general, lodging, entertainment, etc.

With the above in mind, it is important to develop smart and safe tourist and gastronomic destinations that are successful and with a true leadership that integrates all the members of its stakeholders of the value and food chain, which gives them the opportunity to transcend by contributing to the sustainable development of the receiving tourist communities, provided they have a participatory government and well-defined gastronomic tourism governance [16] (p. 3).

On the other hand, there are those that similarly sell to the whole sector, but their costs are low, compared to the other participants, which allows them to manage more affordable prices and still retain a greater margin of use; this is known as low-cost leadership (30%). In general terms, in 2020, the number of tourist events decreased by 40.3%, compared to the previous year, since most of them were canceled due to orders from the Baja California State Government’s Health Department [21].

However, there are also those companies that focus on a particular segment. In this category, micro and small companies are located since their attention span is closely linked to their productive capacity, and therefore, their owners leaned by 20% to the competitive advantage of focus when developing new products for customers who prefer to stay at
home. On the other hand, the development of new markets through the dissemination of arts, culture, and museums is a topic that has recently been taken up with great force by the Secretary of Culture of the state, promoting through social networks, television, and related sites to capture that niche market that prefers to stay at home [22]. It should be noted that Baja California is a state with a unique artistic and cultural identity. You can learn about its culture and nomadic groups through its historical museums, such as the Museum de las California del Cecut in Tijuana, the Museum Regional de San Quintín, the Museum “Semeel Jak” in the Sierra San Pedro Martir, and the Museum of the Valley of Mexicali. There is also the Tijuana Cultural Center, considered the most important in northwestern Mexico, where national and foreign artistic exhibits and plays are presented. There are also cultural festivals with a large number of attendees from different parts of the country [23].

Finally, the remaining 15% implement the competitive strategy of leadership in focused costs, as they take advantage of free advertising through the use of social networks and give personalized follow-up to their niche market, i.e., those interested in ecotourism, adventure, nature, and magic towns. In this regard, the sector study [24] has shown a growing interest in cultural, nature, and adventure tourism, but especially in ecotourism, which should be approached under a niche market strategy but not entirely; this implies identifying the profile of the visitors of the ecotourism destinations of the entity in order to develop strategies according to their needs (p. 1).

3.2.3. Boston Consulting Group Matrix

This matrix is based on the use of industry growth and relative market share as criteria for determining the competitive position of the company’s strategic business unit (SBU) in its industry and the resulting flow of net cash needed to operate the unit.

This formula reflects the basic assumption that the experience curve is present and that the company (in this case, the tourism industry) with the largest relative participation will therefore be the service with the lowest costs. The above assumptions gave rise to a portfolio diagram, such as Figure 3, in which the business units of the sector studied are located. The diagram is usually divided into four quadrants, even if functions are arbitrary, based on growth and relative market share.

![Figure 3. Parent of the Boston Consulting Group of Baja California. Own elaboration.](image)

The fundamental idea is that strategic business units (SBUs) will be located in essentially different cash flow positions and should be handled differently, resulting in how companies should try to create their own portfolio. The results obtained in accordance with the information provided by the entity’s entrepreneurs are presented below.

(a) Cows: Businesses in the State of Baja California that have a large relative share in low-growth markets will produce abundant cash flows, such as businesses that offer...
tourist events and border tourism that benefits the region on a daily basis; these are often combined or complemented by each other.

With regard to border tourism, it is important to note that the state receives more than 16 million international visitors and 11 million domestic visitors annually, taking advantage of a derived tourist potential with comparative advantages associated with its privileged geographical location with respect to the United States, which is characterized by being the third largest emitter of tourists [25] (p. 145).

In this regard, the study in [26] (p. 9) mentions that due to pandemic paralysis in many sectors of the country, it is estimated that the GDP provided by the tourism sector has fallen by 21%, by approximately three billion, in the hotel sector, and average occupancy of 2.7 per day was estimated; in addition to this, according to [27], due to the COVID-19 pandemic in Baja California, approximately 5934 jobs in the tourism sector have been lost by the end of June this year.

Finally, in this category is located tourism derived from the different events of tourists that are scheduled annually in the different tourist destinations, which attract approximately 27 million people with an offer of more than 650 events throughout the state [28] (p. 1). However, as a result of the current situation arising from COVID-19, multiple events were canceled, such as Ensenada Beer Fest [29], the Lobster Festival [30] (p. 1), the Cove Carnival [31] (p. 1), etc., which results in million-dollar losses, for the organizers of these events and for shops, hotels, restaurants, and other tourist services offered by the state.

Based on the above, a firm position should be maintained as long as possible, develop new products, diversify, etc. Therefore, when market share decreases, it is recommended to redirect marketing efforts or leave that market before it is too late.

(b) Dogs: This includes those businesses with little relative participation in the markets, with often modest users. There will be cash traps because of their weak cash position. These businesses have weak internal and external positions; therefore, generally, the owners of these businesses decide to liquidate, divest, or entrench themselves. In this category are the museums, art, and culture of the region.

Unfortunately, according to their administrators, these types of tourist offers are becoming more and more detrimental; they assure that it is due to lack of promotion and support from the corresponding authorities, which has led several of them to close their doors, and they also mention that their income has decreased by 45%, with respect to the previous year. This is due to a weak identity, perception, and sense of belonging of a society that lives the ravages of being a heterogeneous mixture of cultures besieged in an atmosphere of apathy and uncertainty generated by being considered only as a transit zone. In addition, seven cultural events are canceled due to the increase of COVID-19 cases in Mexicali [21].

It should be noted that in accordance with Bonilla [25] (pp. 55–56), percentage attendance at cultural events in recent years has been sustained; however, there is attention to a stagnation in the participation of the population over the age of 18 in cultural events (see Figure 4). It should not be forgotten that the participation of citizens in terms of cultural events or practices is completely voluntary, which implies that it depends basically on two factors—interest and ease of access. Therefore, it is fundamental that entrepreneurs who organize these events know what generates interest in some shows or events in order to reorient the offer and promote events and seek the greatest accessibility they are given to the demand that may exist.
(c) Stars: Businesses with relative participation in high-growth markets will need a lot of cash to sustain growth, but they occupy a strong market share that generates high returns. It can be in balance with cash, meaning that they are the ones who have the best opportunity for growth and long-term profitability. This category includes businesses related to medical tourism, the gastronomic cluster, and the Wine Route.

In terms of the medical tourism business, until 2018, it reported about 1.2 million patients arriving in search of health treatments, and it is estimated that the city receives more than 2.5 million people linked to the search for doctors. The low costs of consultations, procedures, drugs, and surgeries make this city prosper as a great health center. Between this city and neighboring Mexicali, each month there are about 40,000 medical consultations, according to the numbers of the Baja California Health Services Cluster [32] (p. 1). On this subject, Bonilla [25] (p. 144) states that by the end of 2019, there was a growth of 12.8%, and its contribution to the tourism sector is estimated at 10.7%, with a projection at the end of 2023 of 5,200,000 dollars, and in turn, a growth of 13.3% at the national level. On the other side of the spectrum, despite the COVID-19 pandemic, it generated an influx of 1.5 million visitors in 2020, equivalent to an economic flow of 8996 million of Mexican pesos and the preservation of approximately 6,851,000 jobs that depend on this economic activity [33].

On the other hand, without a doubt, the gastronomic cluster is a business model involving hundreds of microentrepreneurs of the entity; according to [34] (p. 1), 32% of the tourism in the region is related to the gastronomic theme. The growth and international echo that has been achieved is evident; more than 80% of craft beer is produced in Mexico, in addition to having the most important urban gastronomy movement in the country with 103 food trucks and 24 gastronomic courtyards [34]. In this regard, Bonilla [25] (p. 143) states that gastronomic tourism generates tourist consumption, amounting to 22,503 million of mexican pesos at the close of 2018 and an influx of 8,800,000 visitors.

The entity has 13,776 food and beverage preparation services premises, of which 46% are located in Tijuana, followed by Mexicali with 28%, Ensenada with 17%, and Playas de Rosarito with 5%, and Tecate 3%, respectively. While the sale of food has remained essential because much of the state has declined in cases of COVID-19, Baja California is today one of the most important gastronomic references in the country, in addition to being in the international spotlight for its attractive gastronomic projects of authenticity, flavor, and use in fresh ingredients [7] (p. 1).

The Guadalupe Valley, already known nationally as the “Wine Route”, receives more than 900,000 visitors yearly, of which 15% stay overnight in the same area, with an average expenditure of 2000 mexican pesos per day [35]. The Wine Route is endorsed by Outstanding Host Baja California and Better Business Bureau Mexico, a program of the Ministry of Tourism of the State (Secretary of Tourism-SECTUR), which states the following: Join the best lodging establishments, food, beverages, shops dedicated to the sale of handcrafted products, jewelry, and rustic furniture located in eminently touristic areas to promote them as the best representatives of the State of Baja California [36].

(d) Question marks: (sometimes called mountain cats) are businesses with little relative participation in a fast-growing market; they need large cash-ins to finance growth and are difficult generators of cash because of their poor competitive position. In this category
are located tourist services related to the only magical village of the state and eco-tourism, adventure, and nature.

With regard to nature tourism in Baja California, Bonilla [37] (p. 143) states that the tourism consumption generated by this segment at the end of 2019 was more than 6,500,000 Mexican pesos, representing 5.6% of the total state, therefore ratifying its organic growth and promoting the improvement of the sector in terms of professionalization and investment for infrastructure improvement.

In search of new opportunities in the tourism sector, Baja California is betting on improving regional infrastructure—by building the Tijuana–Tecate intercity train, it will have an investment in its first stage of 2860 million of Mexican pesos to displace 30,000 citizens daily in its seven stations and two terminals [10]. This will change the form of transportation, in which a better quality of life is provided for its inhabitants and visitors, and it is also hoped to reactivate the economy of the magical people (Tecate, Baja California) by offering a safer, more sustainable option that addresses the social conditions of the population, for whom urban mobility is currently a major challenge arising from distances, and the lack of order and integration of transportation routes.

3.2.4. ERIC Matrix

The realization of the ERIC matrix [Better known by its acronyms: Eliminate (E), Reduce (R), Increase (I) and Create (C)] aims to propose strategies that allow companies in the tourism sector to cope with the current crisis arising from COVID-19. This strategic tool is developed from the strategic analysis carried out through the implementation of the SWOT Method, the competitive advantage matrix, and the BCG matrix; it was initially detected that the participation of the gastro-tourism cluster is the main competitive advantage held by the State of Baja California to deal with the current crisis. Therefore, the following are recommended [38]:

(a) Eliminate poor sustainable practices in tourism, such as the excessive use of resources, the destruction of flora and fauna during the tourist offer, the lack of respect for the host communities and their customs, traditions, and culture in general, etc.; on the other hand, to be competitive, it is necessary to eliminate all that does not add value to the concept offered and only provides sumptuousness, making it an unattainable expensive product for targeted market; this presents a great inconsistency between the real value and the perceived value;

(b) Reduce the cost of packages and travel procedures by creating strategic alliances that allow your participants to make shared purchases, which will allow them to reduce their costs and standardize the offer of their products in terms of quality; a smart approach is through network marketing since it creates and develops business opportunities for its partners;

(c) Increasing the participation of more local traders in the gastro-tourism cluster that have related offers in quality and target market, and therefore, it is recommended that traders assigned to that sector seek the proper collaboration with the cluster by incorporating a Blue Ocean strategy, which promotes a space without competition in the market and implies greater market coverage, breaking the disjunction between value and cost, but above all, aligning the entire system of activities. This will allow them to generate added value and support for the generation of appropriate strategies for creating a competitive advantage focused on niche differentiation, rather than fighting each other for consumers;

(d) Creating this competitive strategy allows entrepreneurs to develop successful business models that more easily ensure collective positioning when making integrated offers; the recommendation includes the adoption of digital tools for the generation of better customer follow-up, dissemination of tourist events, highlighting the benefits and attractions of the region through multiple digital platforms, thus increasing the presence of the municipality as a competitive gastronomic destination in the State of
Baja California, which translates as a creation of collective positioning, giving rise to the beginning of the ERIC circle (see Figure 5).

![Figure 5. ERIC matrix applied to the tourism sector of Baja California. Own elaboration with the foundation in the strategy of Blue Ocean [39].](image)

### 4. Conclusions

In the State of Baja California, two economic activities stand out as the basis of sustainable tourism—lodging and gastronomy. Both activities are experiencing an unfavorable period from the last few years due to the global COVID-19 pandemic, which translates directly into a spatially and socially different impact. By far, tourism is the main productive activity at the national level that has been affected by this pandemic, and hence, this locality faces serious difficulties in advancing a development process that increasingly meets the needs of the community due to its proximity to the United States of America and the partial closure of its borders.

Socially, tourism generates a greater impact by leaving so many people without jobs, which impacts their quality of life and increases hunger and poverty in the region; it should be noted that tourism activity has repercussions on all economic sectors, including the primary sector (farm products) and on all socioeconomic strata. Based on the analysis of Baja California’s gastro-tourism cluster, the following observations can be made:

In general terms, the global COVID-19 pandemic generated favorable conditions for domestic (local) tourism since, despite the partial closure of food preparation establishments, local entrepreneurs implemented digital strategies that allowed them to serve their current customers through technological applications that they considered unnecessary before the crisis. However, there is currently little investment in tourism activity, and therefore, innovation in the provision of existing services is also minimal. Where efforts are made to improve the quality of products, immediate benefits are obtained since demand is highly elastic with respect to quality.

Due to the longitudinal nature of the study, a certain passivity on the part of regional businessmen was observed in the first instance and prior to COVID-19, who until then, considered investment and diversification as unnecessary since they had a stable clientele, constant sales, and tourist profitability in periods of calm, expansion, and growth of the city, which allowed them to achieve a satisfactory standard of living even if they only worked during the high season for many of them; however, the COVID-19 crisis put an end to this situation, and in many cases, there was not enough reaction capacity to avoid...
perishing in the tourism sector; this change of context undoubtedly provoked the reaction of their owners and administrators.

There is also a certain consensus among local stakeholders regarding the disintegration of society, which is due to historical causes and the lack of a culture that gives identity to its inhabitants; a clear indicator of this situation is the large number of art, cultural, museum and sports institutions in the city that experience little participation of its citizens and foreign tourists.

Based on the strategic analyses carried out using the SWOT, competitive advantage matrix, BCG matrix, and ERIC matrix methods, a diversity of MSMEs can be observed that, in general, meet the requirements of the state’s tourism demand, with a high level of gastro-tourism positioning. The importance of the areas of gastronomic diversity, gastronomic routes, and the medical tourism cluster is highlighted, both with respect to profitability, demand, and tourist satisfaction.

In summary, it can be concluded that the existence of the gastro-tourism cluster provides the necessary leadership mechanisms to generate participatory instances, which provides its greatest competitive advantage to continue offering high-quality tourist destinations and a growing gastronomic offer, observing a large investment in innovation projects at the destination level associated with improving the performance of the cluster as a whole.

Finally, it is worth mentioning that the current characteristics of the gastro-tourism cluster meet the necessary requirements to be considered as a local productive system; therefore, no restrictions to the local economic development process were currently detected in the State of Baja California, with the exception of COVID-19, which health experts affirm is temporary; the growing professionalization of the tourism activity has also been observed as there are more and more establishments of this nature in the region. Likewise, the political decision to improve the competitiveness of the regional destination is also observed. These circumstances, together with the favorable expectations for the future expressed by the businessmen participating in this study, create favorable conditions for overcoming the current difficulties.

Based on the above, entrepreneurs of tourism establishments in the State of Baja California can recover from the current lag if they manage to take advantage of the great existing tourism potential by enhancing their competitive advantages in an efficient manner without failing to take into account the market trends that are oriented toward the search for short and low-cost trips, using new technological tools that facilitate the planning of trips that harmonize business and pleasure.

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