

A new mall, *Hemisferia*, is planned for Zapopa but it is presently on hold. Its department store anchors will be JC Penney, Dillard's, *Palacio* and *Subúrbia*. They will join Wal-Mart, Sam's Club, Price Club and *Megamercado* already operating within a few blocks. *Plaza del Sol* is perhaps the most successful shopping mall in Guadalajara. *El Mercado de Abastos* is the most important warehouse centre in western Mexico with a coverage that extends to neighbouring states.

In spite of the predominance of large retailers in the upper strata of the market, the overall retail sector is characterized by small firms. Half of all commercial establishments employ less than five persons. Nonetheless, Jalisco has a large number of larger-sized retailers. The number of retail establishments with between 50 and 100 employees increased by 20 percent over the past few years.

Canadian producers of consumer products that have succeeded in Mexico use two principal marketing strategies. Some hire Mexican agents to represent their products either exclusively or as part of a non-competing line. Others sell directly to the large supermarkets and retail chains.

As in the rest of the country, western Mexico has a young population, with about half being under 20 years of age. This helps to drive relatively strong consumer markets because young Mexicans have been exposed to foreign advertising and are interested in products that have not been traditional in Mexico. Taken together, the five states of the western region are significantly more affluent than the nation as a whole. According to data from the 1990 census, families earning more than five times the minimum wage make up 8.8 percent of the population, compared with 7.6 percent nationally. The middle-income bracket of 3- to 5 times the minimum wage includes 12.5 percent of the region's population, but only 9.8 percent for the country as a whole. While these percentage differences seem relatively small, each one-percentage-point difference means that roughly 30,000 additional consumers in the regional groups are likely to purchase imported retail products.

Another factor leading to relatively strong consumer markets is the fact that workers in the western region receive higher incomes than the national average. The census measures income in terms of multiples of the minimum wage.

Imported retail products are purchased mainly by workers in the upper-income brackets. In the western region in 1990, there were more than 600,000 people earning more than three times the minimum wage. This was about 21.3 percent of the economically active population, compared with 17.4 percent in the same brackets for the country as a whole.

An estimated 521,000 people, almost 19 percent of the economically active population, earn between two and three times the minimum wage. This compares with about 15 percent for the nation as a whole. Nationally, 26.5 percent earn less than the minimum wage, compared with 18.1 percent for the western region. The minimum wage for Guadalajara and suburbs is \$20.05 Mexican pesos per day, and \$19.05 Mexican pesos elsewhere in the region.