

CONSUMER MARKETS

With a population of almost 4 million, the Guadalajara Metropolitan Zone (GMZ) serves as a major retail centre for the surrounding region. Included in this area are several regional malls. Like the rest of Mexico and most of Latin America, the western-region retail sector is sharply divided between the formal and informal sectors.

Low-income people tend to buy from the informal sector, which includes street vendors and individuals operating from their homes. One study found 26,000 street vendors in the GMZ. Other estimates suggest that the size of the informal sector is much larger.

On the other hand, the systems that are in place to supply middle- to upper-income families closely resemble those in Canada and the United States. In fact, major US retailers are very conspicuous throughout the city. Consumer markets also include restaurants and hotels, which are relatively active given the low level of the peso.

One of the fundamental differences between consumer markets in Mexico and those in Canada is the role of supermarkets and hypermarkets. In Mexico, these types of stores offer a wide variety of non-food products, and they are the principal distributors of medium-priced consumer goods to the middle class.

There are several regional malls in the GMZ, most of them anchored by large department stores. Other major retail markets in the region include Puerto Vallarta, Ciudad Guzmán, San Juan of the Lakes, Ocotlán and Tepatitlán. The predominance of recreational areas reflects the presence in the western region of many American and Canadian retirees.

The major national supermarkets and department stores are active in the region except for *Liverpool* which has no stores in Guadalajara, although *Liverpool*-owned *Fábricas de Francia* has a store there. Other major chains include *Cifra* (*Aurrerá*, *Club Aurrerá*), Wal-Mart, Sam's, Price Club, *Gigante*, *Comercial Mexicana*, and Carrefour. The major department stores are Sears, *Subúrbia* and *Salinas y Rocha*. Smaller chains include *Sanborns*, *Oxxo*, *Coppel* and Super 6. *Casa Ley*, based in Sinaloa, also has a strong presence in western and northwestern Mexico.