

Sports and fitness activities are very popular at Mexican tourist facilities. The most important coastal tourist regions and the major destinations within these regions are:

- Yucatán peninsula: Cancún, Cozumel
- Pacific coast: Mazatlán, Puerto Vallarta, Ixtapa, Acapulco, Huatulco
- Baja California: Cabo San Lucas

Cancún alone receives more than 1.5 million visitors per year. Baja California has become a popular destination for both retirees and young people from California, creating a market for tennis, golf, adventure sports and watersports.

Activities at resorts include tennis, golf, swimming, scuba, snorkeling, beach games and volleyball. Eco-tourism is becoming more popular, and several companies offer tours of ecological parks. Many resorts also maintain gyms and exercise equipment for their guests. Although overall sales of sporting goods have fallen since the devaluation of the peso, industry experts say that sales of sporting goods in tourist areas have remained relatively stable.

Resorts are also the principal customers for watercraft and watersport equipment with most end-users being foreign tourists. Watercraft are needed to pull skiers and inflatable tubes, as well as for deep-sea fishing, sailing, kayaking and sightseeing. Other watersports include snorkeling, scuba, water-skiing, sailing, parasailing and surfing.

RETAIL STORES

End-users obtain sporting goods from specialized sporting goods stores, supermarkets, department stores and general merchandise stores. The best prospects for Canadian suppliers are high-end stores that cater to affluent customers. These stores are always on the lookout for new and different

products. Lower-priced stores are more likely to have locked-in sources of supply for well-defined product lines.

Sporting goods stores cater to a young, middle-class mostly-male clientele. Female buyers are interested mainly in equipment for non-contact individual sports, such as tennis. Lower middle-class buyers are even more likely to be male, and they tend to restrict themselves to essential equipment.

Deportes Martí is Mexico's largest, oldest and best-known retailer of sporting goods. In 1994, this company operated 24 stores, 17 of which were located in the Mexico City area. Store sizes range from 4,000 square-foot, freestanding locations to 25,000 square-foot destination superstores. The latter allow the customer to try out products before they are purchased.

Like so many other Mexican companies, *Deportes Martí* has been adversely affected by the economic crisis. In March 1996, following 11 months of restructuring negotiations with five creditor banks, the chain

announced that it would seek protection under Mexico's Suspension of Payments Law for debts totalling \$180 million pesos. According to press accounts, the company's debt has reached 13 times annual sales; but it is working to obtain new sources of working capital.

A few foreign sporting goods retailers have opened stores in Mexico. Some of these are freestanding, while others are part of shopping malls or commercial centres. Two notable American companies with stores in Mexico are Play It Again Sports and Sportmart. It is anticipated that more foreign companies will open retail sporting goods stores in Mexico in the near future.

Supermarkets, department stores and general merchandise retail chains also sell sporting goods, usually catering to the lower end of the market. Several Mexican retailers have recently partnered with American, French and other foreign retailers to expand their operations. Most of them carry sporting goods, although only a few carry specialized or big-ticket items. Imports make up at least half of the merchandise in most of these stores.

Major Mexican Retail Chains

Company	Type of Store	Foreign Partner
Cifra	supermarkets discount superstores department stores	Wal-Mart Dillards
Comercial Mexicana	supermarkets discount superstores hypermarkets	Price Club Auchan
Gigante	supermarkets hypermarkets	Carrefour
El Puerto de Liverpool	department stores discount superstores	K-Mart
Soriana	supermarkets (northern)	
Casa Ley	supermarkets (northwest)	
Sears Roebuck de México	department stores	
Hermanos Sanborns	specialty stores	
Woolworth	general merchandise	
El Palacio de Hierro	department stores	

Source: Various market reports and news articles.