

metal, wood and earthenware figures. Ceramic, clay and porcelain products were displayed by almost 20 percent of the exhibitors. About 16 percent of the companies listed themselves as distributors of imported products. On average, there were about two product category listings for each exhibitor.

BUYERS

Giftware of the types most likely to be imported from Canada are sold mainly in upscale retail establishments catering to relatively affluent Mexicans. According to data published by the Mexico City consulting firm *SIGMA Consultores*, households with a 1996 income of more than US \$9,680 made up just over one-fifth of the population. This includes families ranked as middle and high income. These consumers reside almost entirely in the major cities. Middle and upper income households include almost 30 percent of the populations of Mexico City, Guadalajara and Monterrey. The three cities are home to one-third of all Mexicans in those income groups, creating a market of about 7.5 million people. Other relatively affluent cities with a population of one million or more include Toluca, Puebla, León and Torreón.

The retailers who cater to this market segment include hypermarkets and supermarkets (which sell many non-food items), department stores and specialty boutiques. Most of the large hypermarket chains, including *Comercial Mexicana*, *Gigante*, and *Casa Ley* have sections featuring products such as costume jewellery and toys that are popular gifts. Modern shopping malls, anchored by major department stores and featuring exclusive specialty stores, cater to affluent Mexicans. The leading department stores include *Coppel*, *El Puerto de Liverpool*, *Departa-*

GIFTWARE EXHIBITORS BY PRODUCT AT THE 1996 AMFAR GIFT SHOW

percentage of 400 exhibitors

Product Line	Percentage	Typical Products
Crafts	40.1	sculptures, figurines, ceramic and metal handicrafts, religious figures
Ceramic, clay and porcelain products	19.6	figures, sculptures, decorations, candle holders, tableware, picture frames
Imported products	15.8	figures, tableware, games, party items, pens, pictures
Pictures, frames and sculptures	14.2	original paintings and reproductions, figures, frames
Furniture and wood products	13.6	small decorative furniture, boxes, picture frames, sculpture
Bags and accessories	6.3	purses, bags, hair accessories, hats
Lamps, chandeliers and shades	6.3	porcelain and metal table lamps and chandeliers
Glass and stained glass products	6.0	figures, sculptures, glass panels
Christmas products	5.4	religious scenes and decorations
Flowers and candles	5.0	natural and artificial flower arrangements, decorative candles
Paper products	5.0	greeting cards, giftwrapping materials, disposable party items, books
Acrylic and pewter products	4.4	picture frames, trays, tableware, decorations, promotional items
Figures and dolls	4.4	porcelain and cloth dolls, hand puppets, Christmas figures
Jewellery and clocks	4.4	gold, silver and costume jewellery, watches
Gold, silver, plated and brass products	4.1	tableware, vases, candle holders, picture frames
Home and cutlery products	4.1	tableware, cutlery, licensed children's products
Leather products	4.1	purses, wallets, belts, brief cases, desk accessories
Whites and textiles	4.1	bedding, towels, table sets
Perfumes and fragrances	0.9	scented oils, dehydrated flowers, aromatic candles

Note: percentages do not total to 100 because many exhibitors selected more than one category.

Source: *Asociación Mexicana de Fabricantes de Artículos para Regalo, Decoración y Artesanías (Amfar)*, Mexican Association of Gift, Decoration and Craft Products.

mental José Ramírez and El Palacio de Hierro. Several American retail chains have started operations in Mexico, either on their own or in partnership with Mexican firms. Wal-Mart, K-Mart and JC Penny are all active in Mexico.

Some of the large retail chains buy directly from manufacturers in other countries. This has become less common since the devaluation, however, as the major chains try to cut costs by simplifying their procure-

ment systems. National distributors are gradually developing to replace the traditional multi-layered distribution system. While some of the major Mexican-American partnerships have locked up sources of supply in the US, other retailers buy imported goods from Mexican distributors. A directory of major retail outlets in Mexico is available from the *Asociación Nacional de Tiendas de Autoservicios y Departamentales (ANTAD)*, National Retailers' Association.