

The northwestern region has a population of more than 8 million. More than 3 million live in Monterrey which serves as a major retail centre for the surrounding region.

The 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 out of their homes. On the other hand, the systems in place to supply medium- to-upper income families closely resemble those in Canada and the United States. In fact, major American retailers are conspicuous throughout the region.

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 malls in Greater Monterrey, most of them anchored by large department stores. Other important retail markets in the region include Saltillo and Torreón in Coahuila, both of which have more than 500,000 inhabitants. The population of Tamaulipas is concentrated along the American border, where there is ready access to shopping in the United States. The Tampico/Altamira area has a population of about 400,000.

The major national supermarkets and department stores are active in the region. Wal-Mart, *Gigante*, *Club Aurrerá* (Sam's Club) and *Soriana* stores are all found in the Guadalupe district of Monterrey. The HEB grocery chain from Texas has begun to build stores in the region, the first in Garza García, an up-market suburb of Monterrey. *Soriana* plans to expand its 53-location regional chain with new stores in Tamaulipas and Nuevo León.

According to data collected by *Asociación Nacional de Tiendas de Autoservicios y Departamentales (ANTAD)*, the National Retailers Association, there are 452 retail chain stores operating in Nuevo León, with a total area of 532,585 square metres. Coahuila has 154 outlets with 233,021 square metres and Tamaulipas has 211 stores with 272,973 square metres.

Canadian producers of consumer products which 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.