



Country factsheet - December 2014

# Mexico

The online economy in Mexico is admittedly only just beginning to develop, but the figures associated with it are already very promising:

- The second largest e-commerce market in Latin America, it accounts for a volume representing 18% of the total for the continent
- Annual growth is estimated to be 25% until 2016, the highest percentage in Latin America
- Online B2C sales in 2013 reached 6.45 billion euros
- In 2012, the country already had 47 million Internet users, 46% of which (21.6 million) were already e-shoppers
- 47% of e-shoppers had already made a purchase using a mobile device in 2012

## 1. The consumer

Within the Mexican population, e-commerce attracts **as many men as women**. When it comes to the age of the average e-shopper in Mexico, the **18–34** age group is **the most active**.

### Shopping habits remain disparate

This is probably owing to it still being in its infancy, but the preferences and habits of the Mexican e-shopper are still relatively disparate. Whether in terms of the amount or distribution of goods and services, there are as yet no clearly marked trends.

The order value varies heavily, with 37% being **between €323 and €807**.

The most profitable categories are composed of services, as well as **travel, films and music**, which are generally the first categories to emerge in developing online economies. **Computers, clothing and accessories** also feature in the top five.

However, there is one clear trend when it comes to the timing of e-commerce activity. **Mexicans actually have a tendency to surf a lot less at the weekend than during the week**.

### Motivations and impediments of the Mexican e-shopper

As the illustration below shows, the reasons for Mexican consumers turning to e-commerce are closely linked to convenience.

**The three main reasons for Mexicans making online purchases:**



When it comes to real purchase triggers, the main incentive for placing an order online is the opportunity to get good deals. Among these, discounts and free shipping are the most attractive.

**The most attractive offers for the Mexican e-shopper:**



Given the latent potential of the country, it is interesting to look at the reasons why Mexican consumers do not yet make purchases online. Issues of mistrust and fear of providing personal information tend to explain the lack of online shopping. It is worth noting that, in this context, **seven out of 10 e-shoppers place their trust in the AMIPCI (Mexican Internet association) label.**

## 2. The market

### Development supported on a national level

While the future of Mexican e-commerce is promising, the local authorities invest a remarkable amount of time and energy so that the results meet expectations. The Mexican government formalized its ambitions in a national digital strategy that constituted an official policy in 2013. The aim of this is to “adopt and develop information and communication technologies”.

This national digital strategy is based on five key objectives, as shown below.

**The five key objectives of the Mexican national digital strategy:**

1. Governmental transformation
2. **A digital economy**
3. Quality education
4. An effective universal health system
5. Citizen security

It is therefore a truly national effort that is supporting the digital economy on which the Mexican authorities want to capitalize. The digital economy is seen as the ideal economic growth area for all of the following reasons:

- **Democratization of opportunities**
- **Cost reduction**
- **Increasing geographical accessibility**
- **365/7/24 (“non-stop” sales)**

### Key players

Given the newness of the market, few local companies currently have broad enough shoulders. The top three is exclusively international, and an Argentinean company is actually the leader in the Mexican e-commerce landscape. The company is **MercadoLibre**, an online sales site that has seven million unique visitors every month. International giants **Apple** and **Amazon** occupy the second and third places. However, local ambitions are indeed present and local pure players are emerging, such as **Gaudena.com**, which has its own business model. The site thumbs its nose at flash sales sites with limited-time promotions and restricted stock. Gaudena wants to focus on value-added services, such as next-day delivery, and hopes to find its niche among its foreign competitors like Linio (German), Dafiti and Netshoes (Brazilian).

### An area to be monitored: methods of payment

When it comes to methods of payment, the Mexican market is still disparate and e-tailers wishing to carve out a niche in the landscape need to take into account the different (local) methods of payment that exist.

Although not favored at the outset—only two out of 10 inhabitants possess one—the credit card has been able to carve out a niche among Mexican consumer habits. At present, over 40% of online purchases are paid for using credit and debit cards.

However, the local aspect should not be neglected. In addition to some other local methods of payment that remain to be explored, it must also be remembered that not all Mexican credit cards are designed for making payments abroad.

Over  
**40%**  
of online purchases are paid  
for using credit and  
debit cards

## 3. Trends

### Stimuli on all sides

Without doubt, the biggest trend in Mexican e-commerce is the amazing potential for growth.

Mexico is full of opportunities that are just waiting to see the light of day. And the efforts are two-fold, as they are aimed as much at stimulating entrepreneurial spirit as creating new webshops. **e-Business week** is one example of this. This event, which first took place in October 2014, is one not to be missed and is designed to bring together all the key players in e-commerce (e-tailers and suppliers).

But other initiatives, which target consumers, are also being launched. One example of this are **e-happenings** designed for new e-shoppers, which include “Hot Sale”, “Dia de Internet” (“Internet Day”) or even “El Buen Fin” (“The Good Weekend”—an annual nationwide shopping event). During these special days, e-shoppers benefit from many exciting offers.



**48%**  
of Mexicans  
prefer payment via  
smartphone or tablet

### Enthusiastic responses to these stimuli

The response to the aforementioned initiatives is enthusiastic, on the part of advertisers in the first instance. **Investment in Internet advertising continues to grow exponentially.** It exceeds that for adverts placed in magazines and also competes with that for adverts in newspapers and out-of-home displays.

And consumers are also finding their way in this digital and even mobile format, as high-speed mobile connections increased by 39% in 2013. Almost 48% of Mexicans state that they prefer payment via smartphone or tablet, to the detriment of traditional methods of payment.

With such national enthusiasm, the future for e-commerce in Mexican looks extremely bright.

Sources:

<http://www.allpago.com>  
<http://www.emarketer.com>  
<http://www.ecommerce-europe.eu>  
<http://www.internetretailer.com>  
<http://www.latinpost.com>  
<https://www.amipci.org.mx>  
<http://latinlink.usmediaconsulting.com>  
<http://es.wikipedia.org/wiki>  
<http://www.mexicodigital.com.mx>  
<http://noticias.universia.net.mx>  
<http://mexico.cnn.com>  
<http://eleconomista.com.mx>