

Mexico

E-Commerce Market Guide



Mexico is a huge market that loves having options! Urban areas have had a solid Internet connection for years, but it was a different situation for rural areas, until now. Rural areas in Mexico having easy access to the Internet means that a wider population can now shop online.

Even better, print-on-demand is an established and popular form of business, meaning less time is needed to educate and ensure your business is legitimate.

Overview of Mexico

- Official Name: United Mexican States
- Made of 32 statesCapital: Mexico City
- Population: 127 276 000
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- 3rd largest country in Latin America
- Home of the Mayans and Aztecs
- World's largest population of Spanish speakers
- Most people live in the middle of the country, north and south are pretty rural
- Four out of five Mexicans live in urban areas
- Is part of the circum-Pacific "Ring of Fire": an area of active volcanoes and seismic activity
- Landmarks: Citlatepétl (Orizaba) volcano, Sierra Madre, Rio Grande, Chichen Itza
- Spanish is the official language, though there are over <u>50 indigenous languages</u> spoken within the country
- World's second-largest Catholic population
- Holidays: Battle of Puebla, Easter, Mother's Day, Día de Muertos (Day of the Dead), El Buen Fin, Christmas, Mexico's Revolution Anniversary, Independence Day, Nuestra Señora de Guadalupe's Day
- Famous people: Octavio Paz, Carlos Fuentes, Diego Rivera, Frida Kahlo, Guillermo del Toro, Salma Hayek, Carlos Santana, Alfonso Cuarón, Laura Esquivel.
- Popular sports: Football (soccer), boxing, baseball
- Mexico is the world's fifth-largest producer of beer
- Environment: mountains in the east and north, rainforests in the southeast, and deserts in the west

- Mexico's <u>flag colors hold significance</u>: green represents hope and victory, white means for purity of Mexican ideals, and red represents the bloodshed by the nation's heroes
- The flag's emblem is based on how Mexicas (Aztecs) traveled from Aztlan to where they would develop their empire. The god Huitzilopochtli told them to stop when they see an eagle eating a serpent atop a Nopal cactus and build. On a small island in the middle of a lake, they found this scene and built on what became Mexico City
- Houses over 700 reptile species and has over 430 mammal species



Helpful Facts for E-Commerce in Mexico

- Strongly tied to US Economy
- Amazon Mexico is one of the most widely used e-commerce sites
- Mexicans don't have brand loyalty
- Most popular <u>forms of payment</u>: debit/credit cards, OXXO, <u>SPEI</u>, PayPal, Mercado Pago
- OXXO is a convenience store like 7-11
- There are more than 16,000 OXXO locations

Market Potential

Mexico has huge e-commerce market potential! Experts believe that there will be over <u>77 million e-commerce users</u> by 2025 because of better overall Internet connectivity, better financial situations, and digital literacy.

It's a fair prediction, in 2020, the domestic e-commerce market was valued at USD 15.8 billion in 2020, up 81% from 2019.

Though it's good to be aware that finances within this country vary. There are many cases of extreme wealth or poverty among the population and there is a small middle-class population.



What You Should Do Before Jumping into the Mexican Market

While the idea of joining is exciting, it's important to take time to understand the market you're going into. If you don't take the time to do proper research, you won't have sales and have wasted your time.

Learn about Your Customers

A crucial part of your research should be about your potential customers. You need to know who your customers are and how to reach out to them.

The first and most obvious thing to talk about is language. As mentioned above, Spanish is the official language of Mexico. This means that either you or someone on your team should speak Spanish. It doesn't have to be perfect, but fluent enough to catch any typos or potential problems with phrasing.

This isn't to say that all your products need to be only in Spanish, in fact, it would be good to have both English and Spanish to cover all bases.

Another important factor about this market is that Mexico is considered a <u>"young country."</u> meaning that a large amount of the country's population is young in age. In fact, around 50% of the population is in their 30s or younger.

Because they're younger and now have a better connection to the Internet, they love using smartphones. Around 81 million Mexicans have access to a mobile phone and 80.2 million have a smartphone. This means that mobile apps are very popular.

A suggestion from us is that if you haven't already, make sure to get the GearLaunch app through Shopify. Just doing that small thing can increase your potential sales.

Speaking of sales, Mexican shoppers love discounts! <u>8 out of 10 Mexicans</u> buy from foreign websites to get better deals compared to local stores.

Figure Out Top Selling Products and Niches in Mexico

Niches are the backbone of all print-on-demand businesses and niches and products go hand in hand.

Top selling products:



Popular niches:

- Travel
- Pets
- Video games
- Health
- Fashion
- Hobbies & DIY

Important Things to Note When Setting Up a Store for Mexico

Omnichannel is crucial for getting started in the Mexican market. This means having customer service available in different ways. Luckily for you, customer service is handled by us! GearLaunch has <u>multichannel customer service</u> in place, so you can leave your precious customers to us.

Another way to incorporate the omnichannel strategy is by setting up your store in multiple places. You can set up your store on our platform, on Shopify through our app, and on various social media platforms. The more that you're in front of your customers' faces, the better.

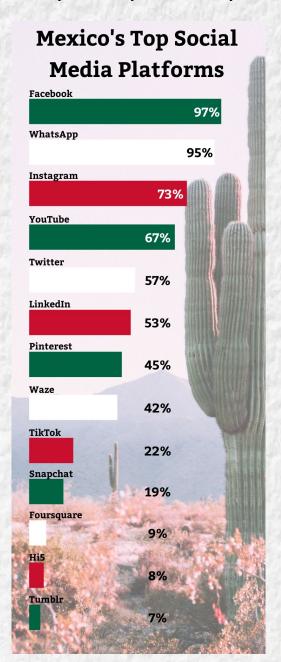
Make sure to have product descriptions in Spanish and English, have the prices be in pesos and dollars, and product details in kilograms or centimeters.



Important Information for Running Ads in Mexico

Social media is huge in Mexico! The average Mexican will spend almost four hours on social media every day!

Facebook is the <u>most popular</u>, followed by WhatsApp and Instagram. Consumers in this country are easily influenced by social media when making purchases.



When creating ads for social media, it's a good idea to make the ads in both Spanish and English.

Your ads should make your customers feel confident in buying from your store. Make sure to highlight all the amazing customer service options available, our shipping warranties, and how they'll be notified every step of the way until their purchase is in their hands.

Product Descriptions

When creating a product description, make sure you create a short story about the product. What we mean is that you can add a bit of flair to your product descriptions instead of just the plain facts.

Product Description Example:

Take care of your personal care products and show off your favorite hobby at the same time! Our accessory pouch comes in both small and large to suit your needs. Our (hobby) design is on both sides of the pouch so everyone can see your love for (hobby)!

CTAs for Major Holidays

Mazatlan Carnival

Celebrate the Carnival in style with our bright and bold Mazatlan Carnival collection!

Easter

Decorate your home with some egg-cellent home Easter-themed decor products!

Mother's Day

Make sure to show your mom you care this Mother's Day! We have products your mom is sure to love!

El Buen Fin

It's time to shop! Check out these special El Buen Fin prices!

Christmas

Make sure you get your purchase in time for Christmas! Only # days until Christmas!

Staying Current with Mexican Market and Trends

To keep up with current market trends in Mexico, make sure to check out social media, Mexico News Daily, and El Universal.

For more great tips and help growing your sales:

- Check out our blog!
- Reach out to your sales rep directly or via chat on your store dashboard!
- And be sure to follow us!













