REPORT

Consumer trends in Mexico

Mexican consumer attitudes to online shopping, quality, sustainability and the outlook for crisis

Roland Berger

Management summary

Mexico has undergone significant transformations in its consumer landscape over the years. In this dynamic and evolving panorama, consumption trends in the country reflect the complex interplay between economic, generational and technological factors. As technology gradually transforms purchasing dynamics, consumer preferences evolve, revealing distinctive patterns.

At the start of 2024, Roland Berger sought to gauge the mood and thoroughly understand the mindset of Mexican consumers, anticipating the perspectives and attitudes that are already setting the tone and will continue to do so in the country's commercial landscape. To carry out this analysis, we posed 13 questions to approximately 330 randomly selected Mexican consumers nationwide and through digital platforms. Analysis of the data collected allowed us to identify the most relevant trends that will shape the consumption landscape in Mexico going forward.

Based on the survey, this report is a deep dive into the nine most relevant findings for consumption in Mexico in 2024. From preferences regarding physical formats and online shopping to the influence of digital media and the relevance of sustainability, our analysis provides a comprehensive insight into how Mexican consumers make purchase decisions in a context marked by economic and social uncertainty.

Cover: Marco Bottigelli/Gettyimages

Contents

Page			
	4	1	A preference for physical formats
	7	2	The evolution of e-commerce
	10	3	Changing e-commerce preferences
	12	4	How digital media influence different consumer segments
	16	5	Quality reigns supreme in Mexican purchase decisions
	19	6	Generational differences in price sensitivity
	21	7	The perceived importance of sustainability
	24	8	The Mexican woman: a sustainable consumer
	26	9	Expectations of an economic crisis

Fast Facts

88%

of Mexican consumers trust physical stores more than online shops

71%

anticipate a moderate to severe economic crisis in 2024

47%

identify quality as the crucial factor when making purchase decisions

1 A preference for physical formats

Recent years have seen a significant increase in the importance of online shopping. However, the latest data reveals that, despite this trend, in-person shopping experiences remain by far the preferred option among Mexican consumers.

Regardless of gender, purchasing power or generation, consumers are more confident about making purchases in physical stores. Of the various shopping formats surveyed, specialty stores and boutiques stand out as the ones that inspire most confidence, with 72% of consumers putting them first in terms of trust. ▶ A

Detailed analysis of 13 different product categories consistently shows that the predominant preference of Mexican consumers is to make their purchases in physical stores. Specifically, over 75% of the Mexican population still prefers to go to a physical shop to buy food and beverages, cleaning products and personal care and beauty items, for example. ▶ B

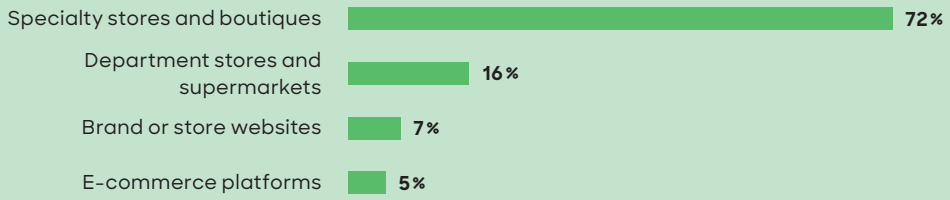
This preference is shared by at least 61% of all Mexican consumers, irrespective of their purchasing power. However, it is worth noting that individuals with lower purchasing power express a significantly stronger preference for in-store purchases than those with greater purchasing power. This phenomenon is likely related to the fact that consumers with less purchasing power have limited access to technological platforms and may find it hard to pay the additional costs. ▶ C

On the other hand, at least 85% of Mexican consumers – irrespective of gender, purchasing power and generation – make purchases at convenience stores or supermarkets at least once every two weeks. Although department stores command the greatest trust among consumers, the nature of the goods they sell means that they rank only fourth in terms of visit frequency. ▶ D

Generation Z consumers are the most frequent visitors to convenience stores on a daily basis compared to other generations. Specifically, 46% of Generation Z make daily visits – almost twice as many as the Baby Boomers. ▶ E

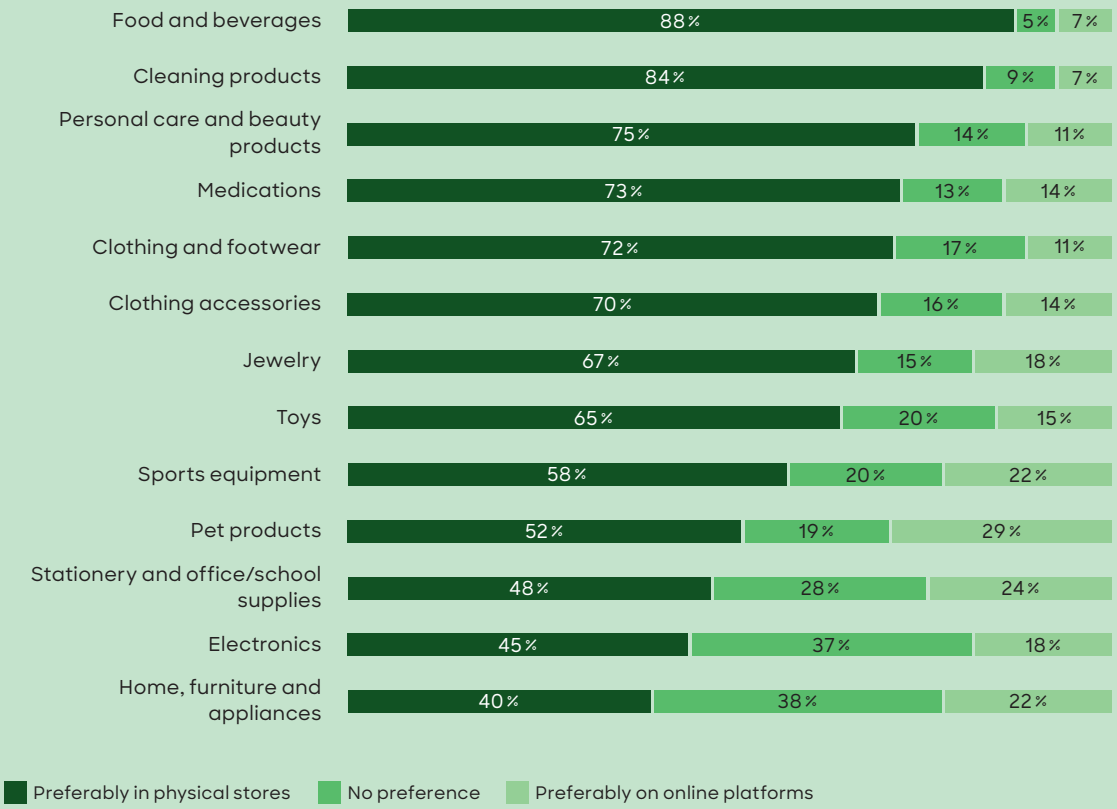
A Physical stores continue to instill the highest level of trust in Mexican consumers

Percentage of consumers who considered each format as the one that generates the most trust for their purchases



B This preference for the physical format remains consistent across all analyzed product categories ...

Consumers' preference for shopping in physical stores or online platforms, by product category



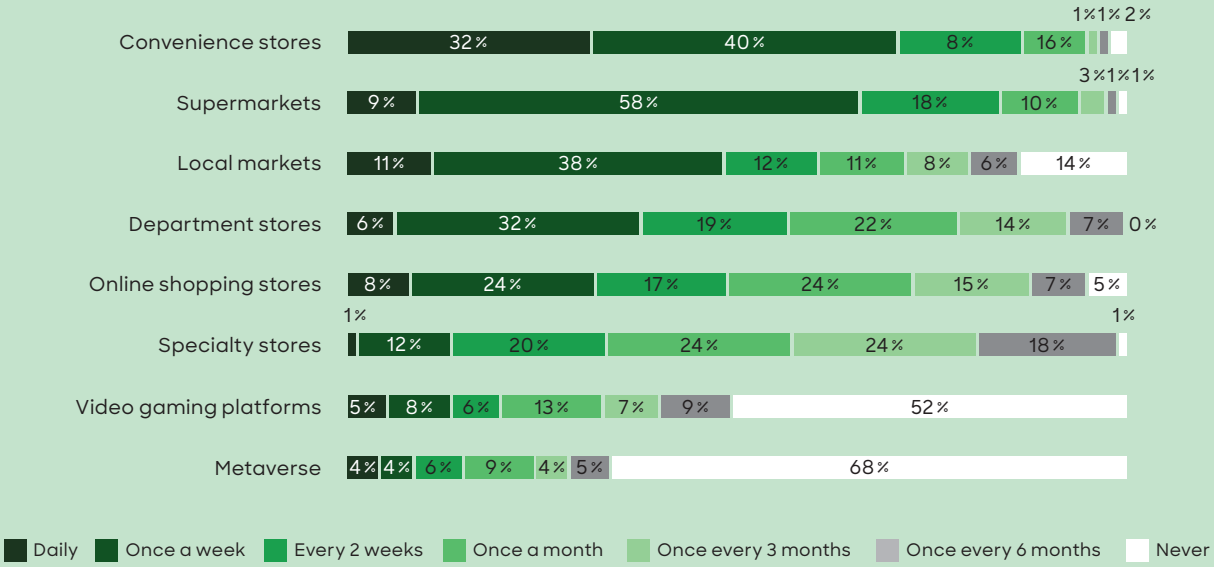
Source: Roland Berger

C ... but also across all income levels

Consumers' preference for making purchases in physical stores, by purchasing power

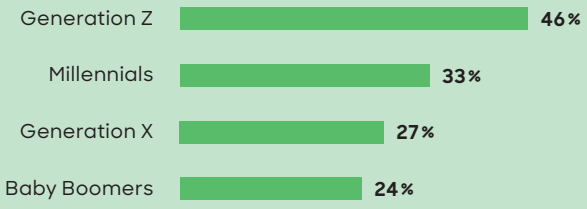
D Convenience stores and supermarkets are the establishments where purchases are made most frequently

Frequency of consumer purchases, by establishment or online platform



E Convenience stores have achieved a strong positioning with younger generations

Percentage of consumers who make daily purchases at convenience stores, by generation



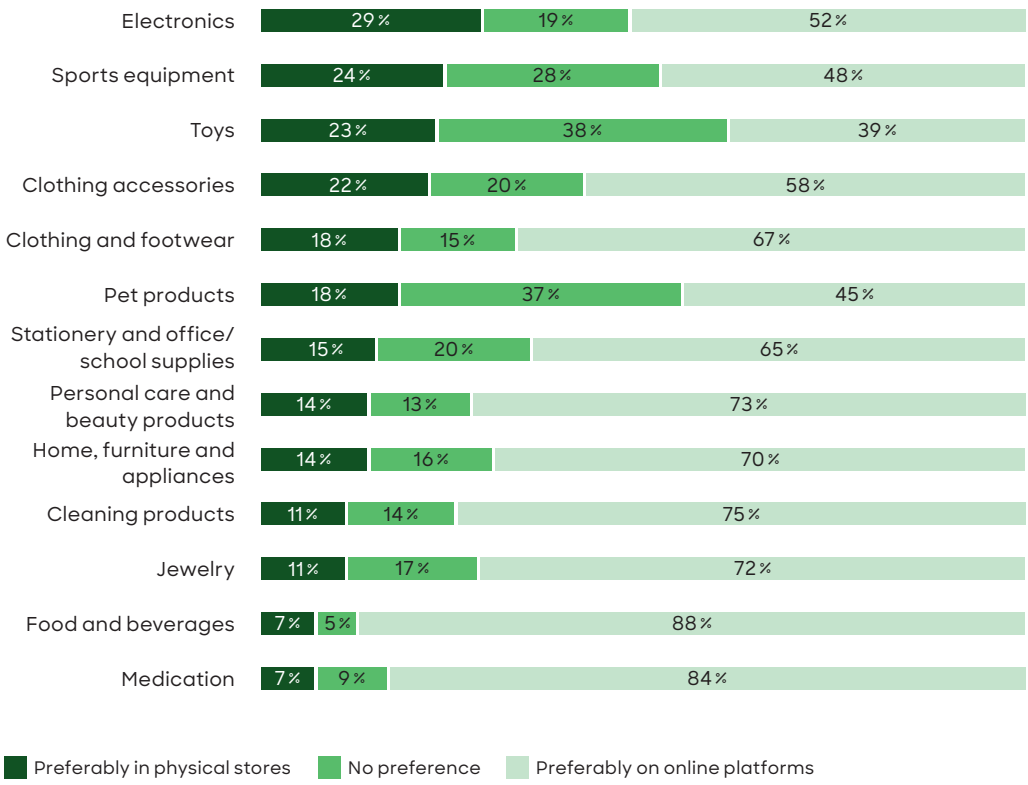
Source: Roland Berger

2 The evolution of e-commerce

While Mexican consumers clearly still prefer shopping in physical stores, e-commerce is nevertheless continuing to gain ground and is gradually transforming consumption dynamics, especially in certain product categories.

Millennials are the generation that is most open to online shopping in Mexico. One possible explanation for this trend could be that most individuals who belong to Generation Z do not yet have high purchasing power, which might limit their willingness to stem the additional costs associated with online shopping. ▶ F, G

F **The product categories most frequently purchased online are electronics, sporting goods and toys.**
Consumers' preference for shopping on online platforms or in physical stores, by product category



Source: Roland Berger

Purchasing power correlates to people's openness to shopping online

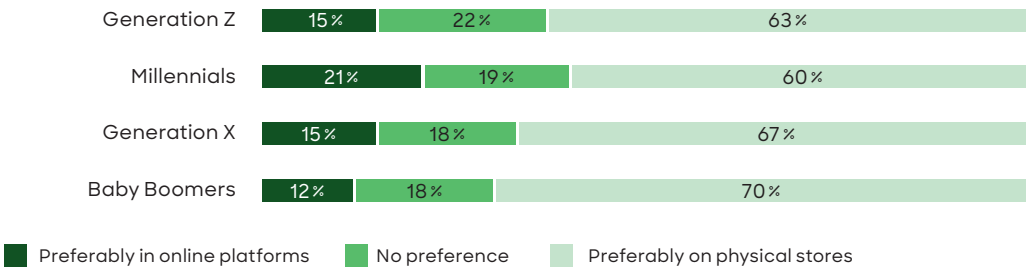
On the other hand, as consumers' purchasing power increases, we find a greater willingness to shop online for product categories such as stationery and office/school supplies, cleaning products, food and beverages. In contrast, in categories like personal care and beauty products, clothing and footwear, accessories, toys, sporting goods, pet products and electronics, a surprising pattern emerges: Here, consumers with medium-low purchasing power exhibit the greatest willingness to shop online.

The frequency of online shopping varies according to consumers' purchasing power. Analyzing the percentage of buyers who make daily or weekly purchases in this format, it becomes apparent that 43 % of those with high purchasing power tend to shop more frequently compared to consumers who are worse off. ▶ H

The metaverse and video gaming platforms have the highest percentage of consumers who have never used these formats. That said, almost 50 % of consumers have already made purchases on video gaming platforms, and approximately 32 % have done so in the metaverse. This indicates significant growth in and adoption of these emerging formats.

It is also relevant to note that, unlike online stores, consumers with low and medium-low purchasing power show a considerably higher frequency of purchases in the metaverse and on video gaming platforms than those with medium-high and high purchasing power. This can be attributed to the fact that these platforms offer more economical forms of entertainment compared to other recreational activities, such as dining out, going to the movies or attending events, all of which usually involve higher costs. ▶ I

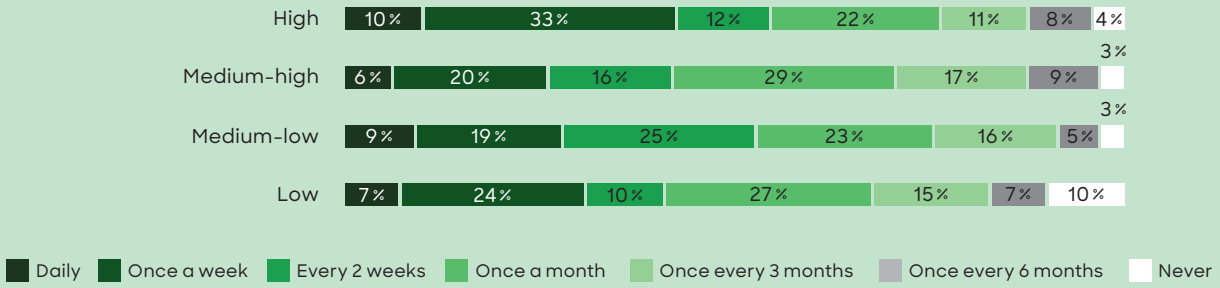
G **Millennials do more of their shopping online than other generations**
Consumers' preference for making purchases online or in physical stores, by generation



Source: Roland Berger

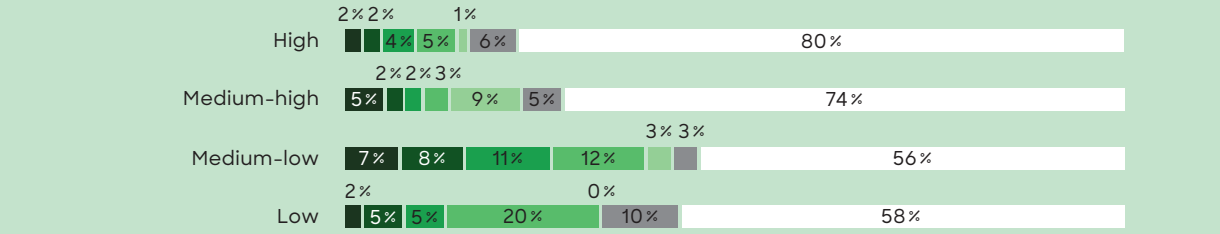
H Consumers with high purchasing power shop online more frequently

Consumers' online shopping frequency, by purchasing power

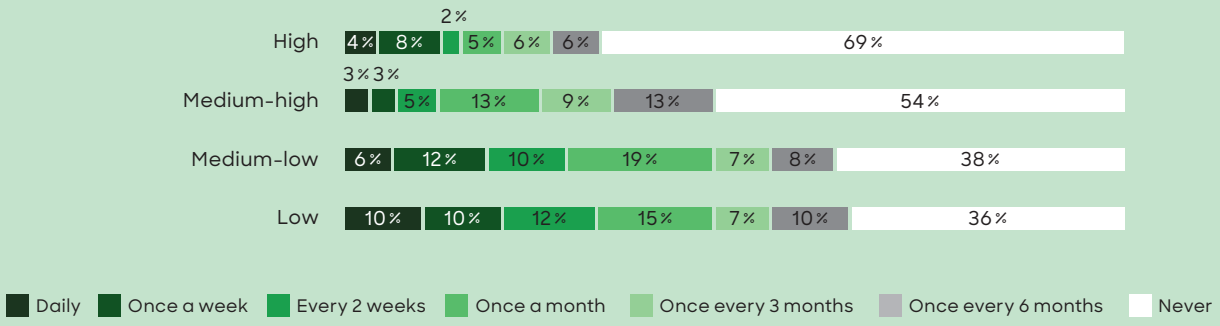


I Although the metaverse and video gaming platforms are the least frequented formats, both are already establishing a presence in the consumption landscape

Frequency of purchases in the metaverse, by purchasing power



Frequency of purchases on gaming platforms, by purchasing power



Source: Roland Berger

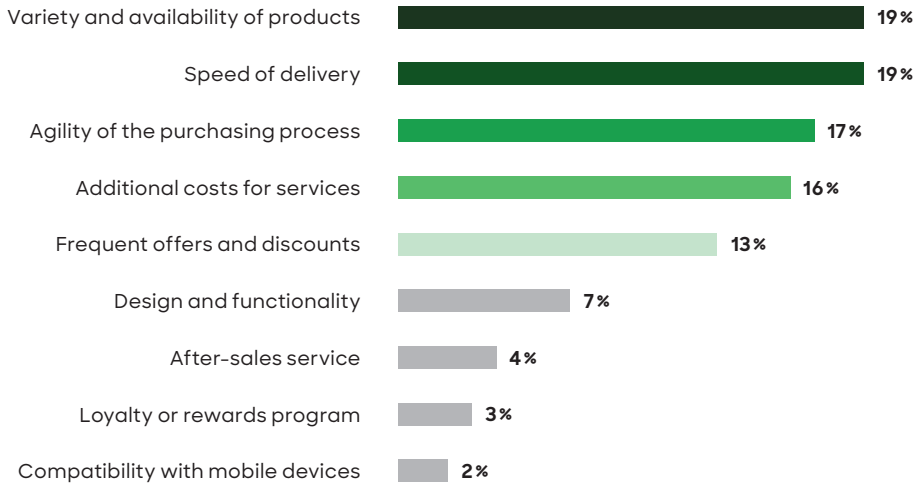
3 Changing e-commerce preferences

Over time, Mexican consumers are becoming increasingly familiar with online shopping experiences. By consequence, their expectations are growing. In this context, it is crucial for e-commerce companies to focus their efforts on setting themselves apart and fully delivering on their value propositions to stand out in an ever more competitive market.

When selecting an e-commerce platform, most consumers tend to focus their choice on two crucial aspects: the availability of a wide variety of products and prompt delivery. These factors are considered essential to provide a shopping experience that adds value and competes with the experience of buying in physical stores. If they are not fulfilled, the physical option could be perceived by consumers as faster and more direct. Accordingly, e-commerce companies should concentrate their efforts on ensuring they are undisputed leaders in these aspects. ▶ J

J The survey results reveal that the fundamental features motivating Mexican consumers to choose one e-commerce platform over another are the variety and availability of products and the speed of delivery

Percentage of consumers who chose each feature as the main reason for using one platform over another



Source: Roland Berger

If we analyze only the top five characteristics, the order of importance varies considerably depending on the consumer's purchasing power bracket. On the one hand, individuals with high purchasing power place the agility of the purchasing process in the top slot, while consumers with low and medium-low purchasing power see this characteristic as only the fifth most important.

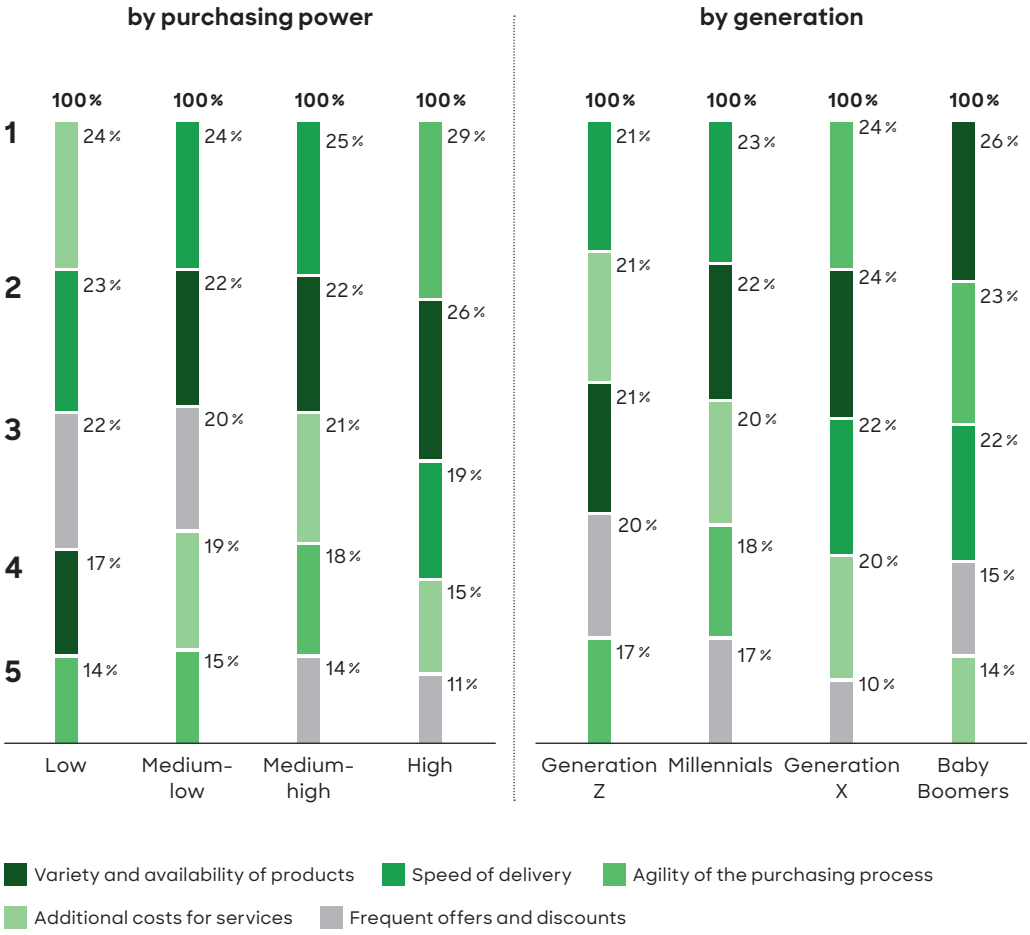
Conversely, consumers with low purchasing power prioritize additional costs, whereas consumers in all the other purchasing power brackets put them in the third or fourth place.

Examining the relevance of these characteristics by generation, it is conspicuous that additional costs rank second for Generation Z but fifth for Baby Boomers.

On the other hand, the agility of the purchasing process is less important to Generation Z, ranking only fifth, while older generations attach greater importance to this characteristic. ▶K

K The order of importance of these characteristics varies according to purchasing power and age of the consumer

Order of importance of the top 5 characteristics that lead consumers to use one platform over another



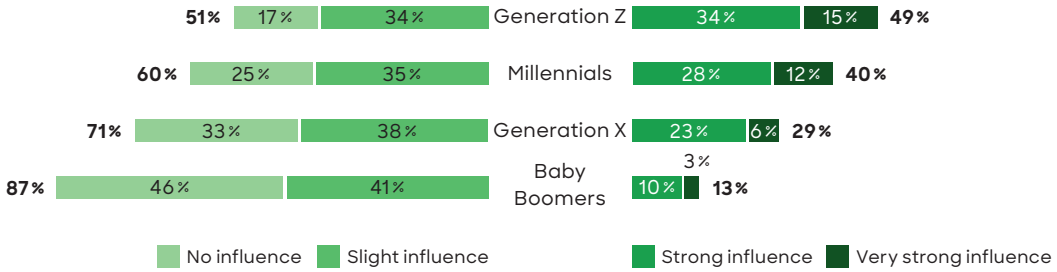
Source: Roland Berger

4 How digital media influence different consumer segments

Digital media have experienced significant growth in recent years and play an increasingly important role in purchase decisions. From the development of all kinds of social networks and the rise of influencers to the growing number of reviews on digital platforms and active participation in discussion forums, these media are now more accessible than ever. However, in present-day Mexico, digital media have a more pronounced influence only on certain demographic groups. This influence varies according to the consumer's age and/or purchasing power. ▶ L

L Generation Z and Millennials are the most strongly influenced consumers by digital media for their purchases

Level of influence of digital media when consumers make purchases, by generation



Source: Roland Berger

Younger generations are more receptive to the influence of digital media. When comparing Generation Z with Baby Boomers, a significant gap of 36% is observable, highlighting a marked generational difference. This pattern is likely related to the fact that Generation Z and Millennials are 'digital natives', having grown up in a digital environment from an early age. For them, technology and digital media are integral components of daily life.

Specifically, both of these generations are most strongly influenced by digital media when purchasing electronics. Likewise, for both generations, the product category in which digital media has the least influence is medication, at around 25%. ▶ M

M Generation Z and X are primarily influenced by digital media when purchasing electronics, followed by clothing accessories and clothing and footwear

Product categories in which Generation Z and Millennials are influenced most strongly by digital media when making purchases

			Millennials	Generation Z	▲
1	Electronics		58 %	68 %	↑ +10 %
2	Clothing accessories		59 %	59 %	→ 0 %
3	Clothing and footwear		53 %	62 %	↑ +9 %
4	Home, furniture and appliances		49 %	61 %	↑ +12 %
5	Personal care and beauty products		46 %	63 %	↑ +17 %

Source: Roland Berger

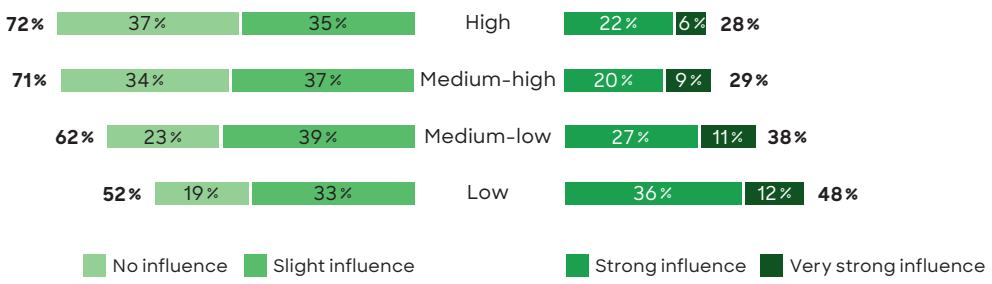
On the other hand, as consumers' purchasing power decreases, they become more receptive to the influence of digital media on purchase decisions. Specifically, there is a 19% spread between consumers with low purchasing power and those with high purchasing power. ▶ N

The top five product categories in which the purchase decisions of consumers in these purchasing power brackets are most strongly influenced by digital media are the same as for Generation Z and Millennials, although in a different order. Additionally, electronics again stands out as the product category most strongly influenced by digital media. It is also interesting to note that, as with younger generations, digital media have the least influence on consumers with low and medium-low purchasing powe when they buy medication (around 29%).

Understanding these trends gives companies the opportunity to optimize their presence in digital media in order to reach broader and more diverse audiences. ▶ O

N **Consumers with low and medium-low purchasing power are the most strongly influenced by digital media**

Level of influence of digital media when consumers make purchases, by purchasing power



Source: Roland Berger

Consumers with medium-low and low purchasing power are primarily influenced by digital media when purchasing electronics, followed by home products and clothing accessories

Product categories in which consumers with low and medium-low purchasing power are influenced most strongly by digital media when making purchases

		Medium-low	Low	▲
1	Electronics	53 %	59 %	+6 %
2	Home, furniture and appliances	50 %	54 %	+4 %
3	Clothing accessories	52 %	49 %	-3 %
4	Clothing and footwear	49 %	56 %	+7 %
5	Personal care and beauty products	47 %	51 %	+4 %

Source: Roland Berger

5

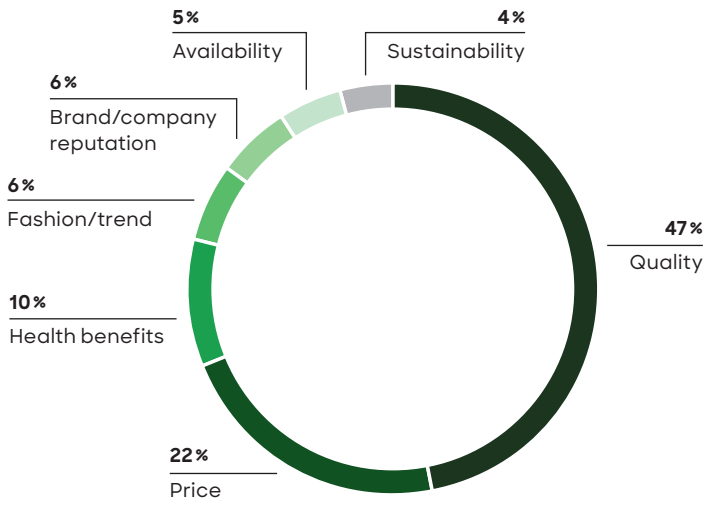
Quality reigns supreme in Mexican purchase decisions

In the complex world of purchase decisions, 47 % of Mexican consumers highlight quality as the most important attribute to consider. Although price takes second place, it ranks more than twice as low (at 22 %) as the importance attached to quality. This focus reveals a trend toward seeking durable, reliable products that meet high standards. ▶ P

However, there are two exceptions to this rule. In the medication category, the predominant attribute is health benefits (53 %), while in stationery and office/school supplies, price surpasses quality by just under 3 %. It is important to consider that these patterns are inherently linked to the particularities of each product category. ▶ Q

It is intriguing to observe that, in all three product categories where quality stands out as the most relevant attribute, the second most important factor for consumers in making purchase decisions is different. This variation underscores the need to personalize business strategies in line with consumers' specific expectations and preferences with regard to each product. ▶ R

P **Mexican consumers prioritize quality when making purchases**
Percentage of consumers who chose each attribute as the most important when making purchases



Source: Roland Berger

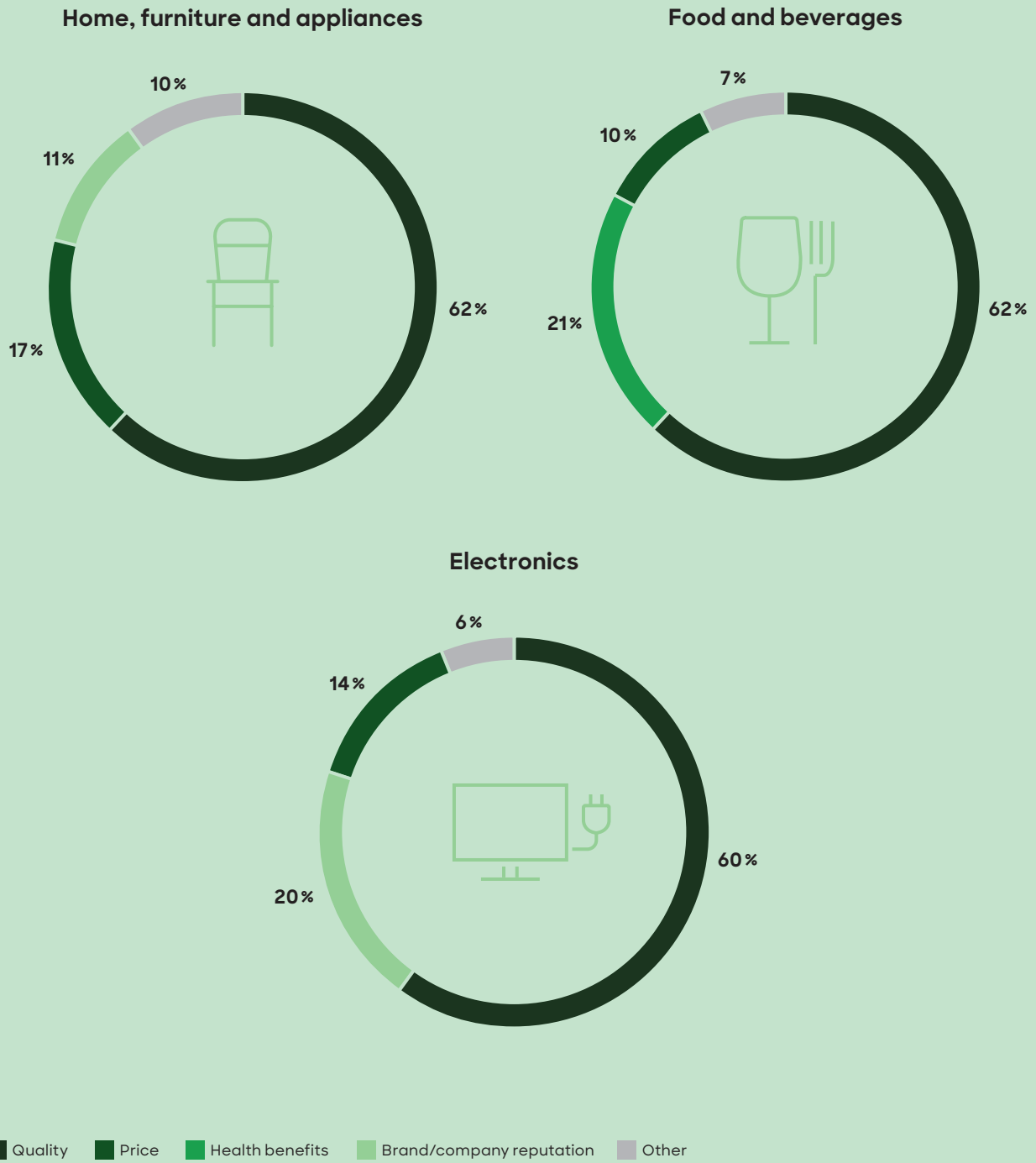
Q Quality stands out mainly for home products, food and beverages and electronics

Percentage of consumers who selected quality as the most important attribute when making purchases, by product category

Source: Roland Berger

R After quality, the second most important attribute for consumers varies by product category

Percentage of consumers who chose each attribute as the most important when making purchases



Source: Roland Berger

6

Generational differences in price sensitivity

In Mexico, distinctive trends emerge when examining to the relative price sensitivity of different generations when making purchases. ▶S

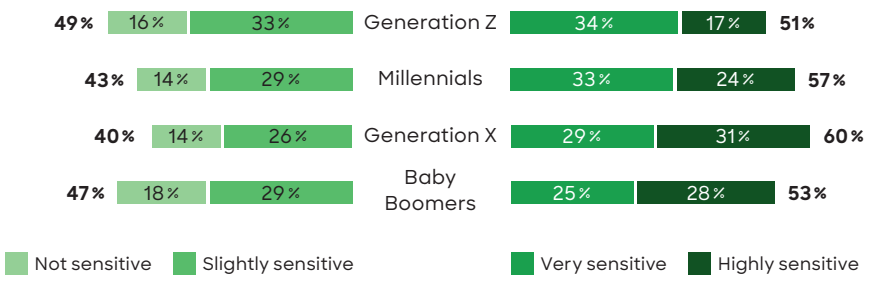
Interestingly, Generation Z exhibits the least sensitivity to price at 51%, in contrast to Generation X, which stands out as the most sensitive, at 60%. Generation X is thus the generation that can be most strongly influenced in its purchase decisions by price variations. These trends may also have significant implications for consumer savings habits and financial decision-making. ▶T

The product categories where this is most evident are electronics, stationery and office/school supplies, sports goods and medication.

The disparity in price sensitivity is most pronounced for electronic products. Here, 77% of Generation X consumers claim to be sensitive, against 56% of Generation Z consumers.

S **Generation Z is the least sensitive to price, while Generation X is the most sensitive**

Level of price sensitivity when making purchases, by generation



Source: Roland Berger

T The difference in price sensitivity between Generation Z and X is highest when it comes to electronics purchases

Percentage of consumers who considered themselves very sensitive or highly sensitive to price when making purchases, by product category and generation

		Generation Z	Generation X	▲
1	Electronics	56 %	77 %	↑ +21 %
2	Stationery and office/ school supplies	42 %	61 %	↑ +19 %
3	Medication	32 %	50 %	↑ +18 %
4	Sports equipment	44 %	61 %	↑ +17 %

Source: Roland Berger

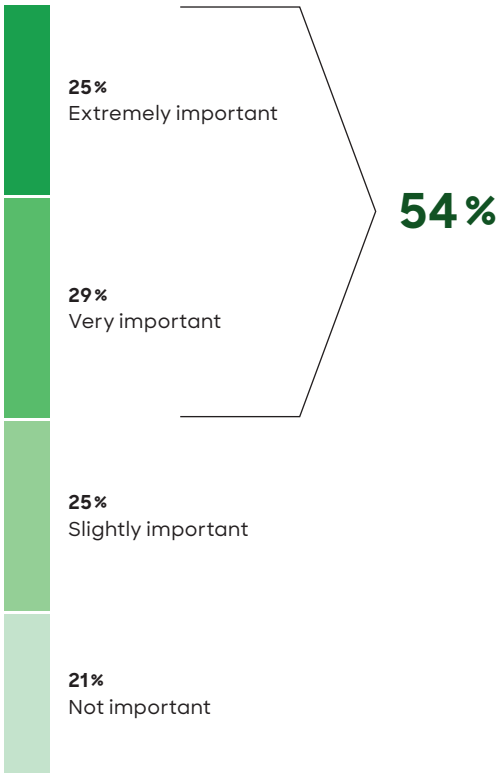
7 The perceived importance of sustainability

Sustainability has emerged as a globally relevant topic, resonating more and more in the minds of Mexican consumers. In a context where environmental and social concerns are gaining ground, consumers are becoming more keenly aware of the impact of their purchase decisions on the planet. ▶U

While sustainability is not yet the predominant consideration, 54% of consumers already incorporate it in their purchase decisions, reflecting a noticeable shift in consumer priorities. Moreover, this indicator is likely to increase in the coming years, further reshaping the landscape of consumer preferences in Mexico.

However, there are certain product categories in which consumers place strong emphasis on sustainability when making purchase decisions. One example is the personal care and beauty products category, where 70% show this preference. ▶V

U **While not by a large margin, the majority of Mexican consumers consider sustainability important when making a purchase**
Importance that consumers attach to sustainability when making purchases



Source: Roland Berger

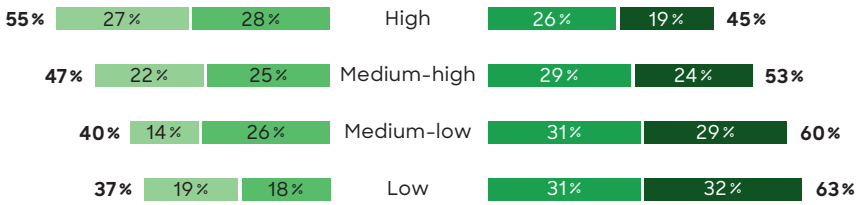
The importance attached to environmental awareness when making purchase decisions varies depending on consumers' purchasing power. Specifically, consumers with low purchasing power tend to lend greater weight to environmental concerns, showing a spread of 18 % compared to consumers with high purchasing power. ▶ W

Especially in the product category for which sustainability is deemed most important (personal care and beauty products), consumers with lower purchasing power clearly express greater environmental awareness.

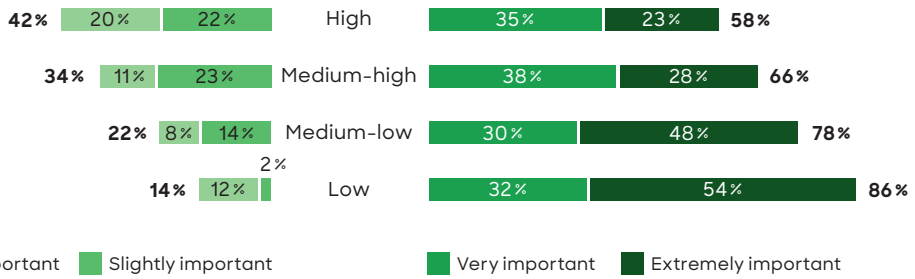
The practice Mexican consumers see as the most important to reduce their environmental impact is, without question, water conservation. This focus can be attributed to persistent issues relating to water supply in various parts of the country – issues that have directly affected consumers in recent years. ▶ X

W **As consumers' purchasing power decreases, the importance they attach to sustainability increases**

Importance that consumers attach to sustainability when making purchases, by purchasing power



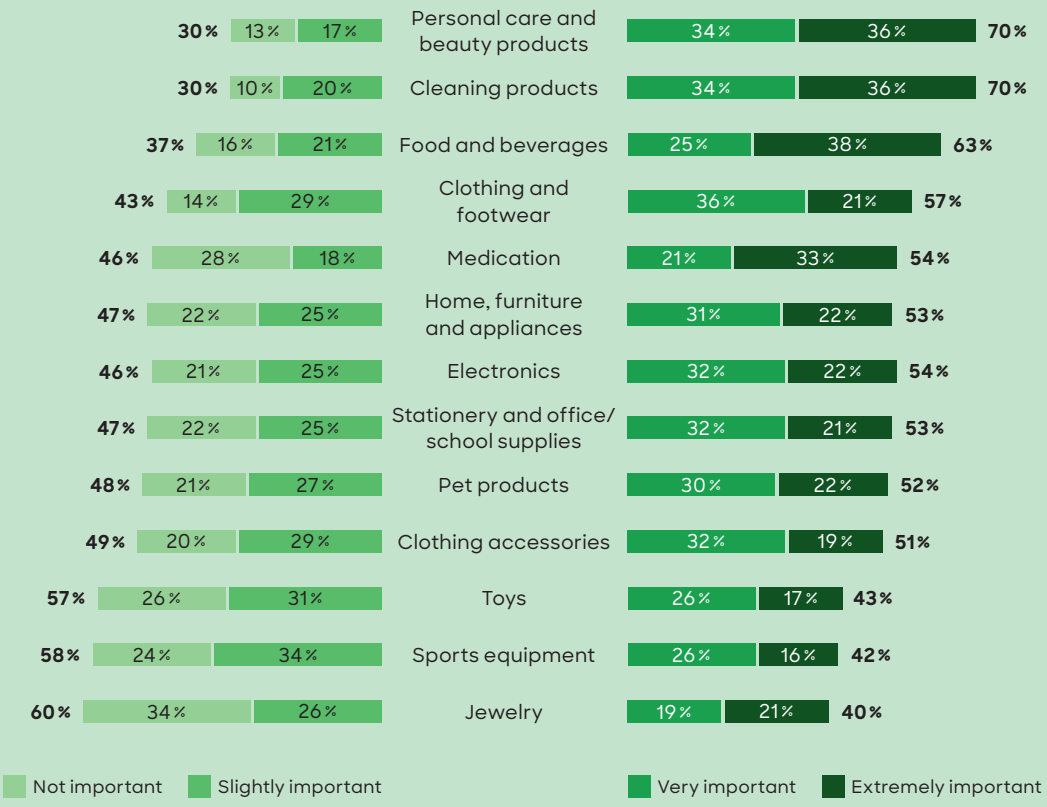
Importance that consumers attach to sustainability when purchasing personal care andbeauty products, by purchasing power



Source: Roland Berger

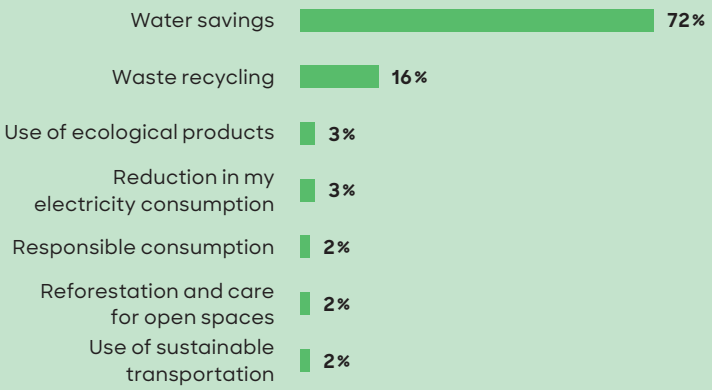
V Consumers consider sustainability to be important, especially when buying personal care and beauty products

Importance that consumers attach to sustainability when making purchases, by product category



X Water conservation is the ecological practice to which Mexican consumers attach the greatest importance

Percentage of consumers who considered each ecological practice as the most important to reduce their environmental impact



Source: Roland Berger

8 The Mexican woman: a sustainable consumer

In the context of sustainability, a significant difference is noticeable based on the gender of Mexican consumers. Women evidently give greater weight to sustainability issues in their purchase decisions. This phenomenon suggests that women are generally more aware of environmental issues than men. ▶ Y

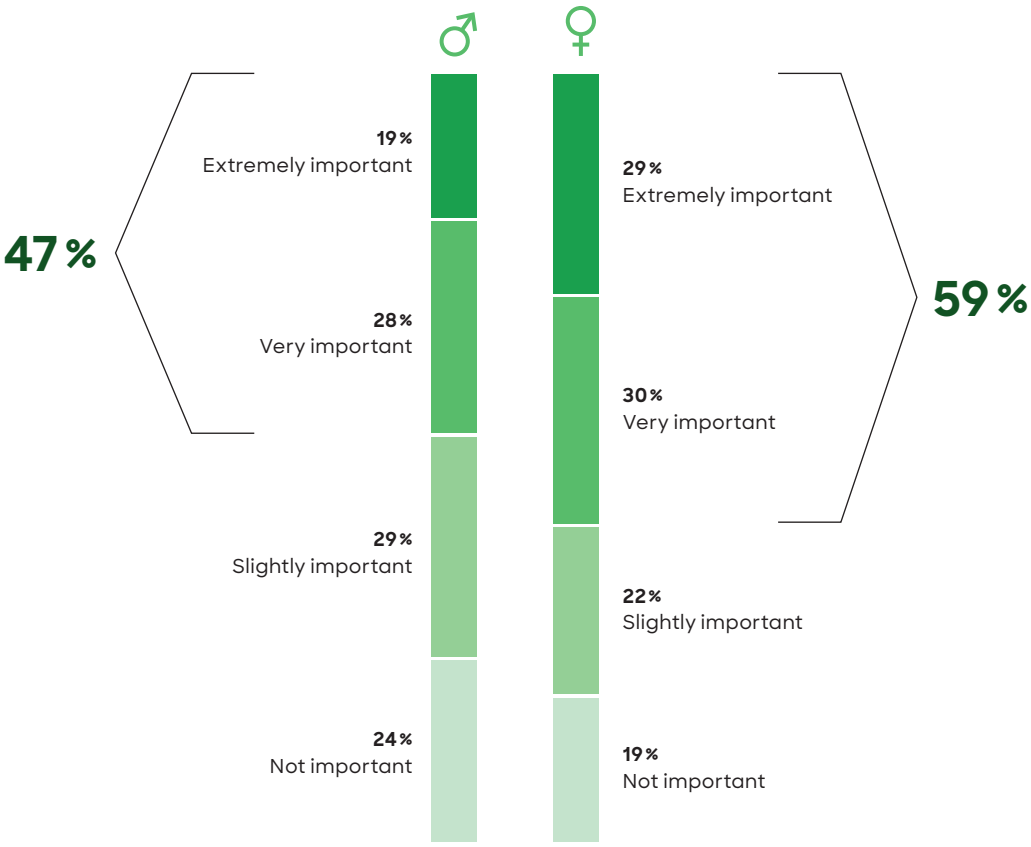
Drilling down into the details for each product category, we find that women express the greatest interest in purchasing sustainable cleaning products. In contrast, jewelry is the category in which this factor is of less importance to them. ▶ Z

On the other hand, women are also much more inclined than men to consider sustainability issues in the clothing accessories category. Here, the spread is 18 %. In contrast, the pet products category is the only one where men surpass women, though only by 2 %.

It is essential for companies to consider the importance that female consumers in Mexico attribute to sustainability, integrating this attribute in their strategies and products to effectively connect with the preferences of this target group. ▶ AA

Y **Women prioritize sustainability more than men when making purchases**

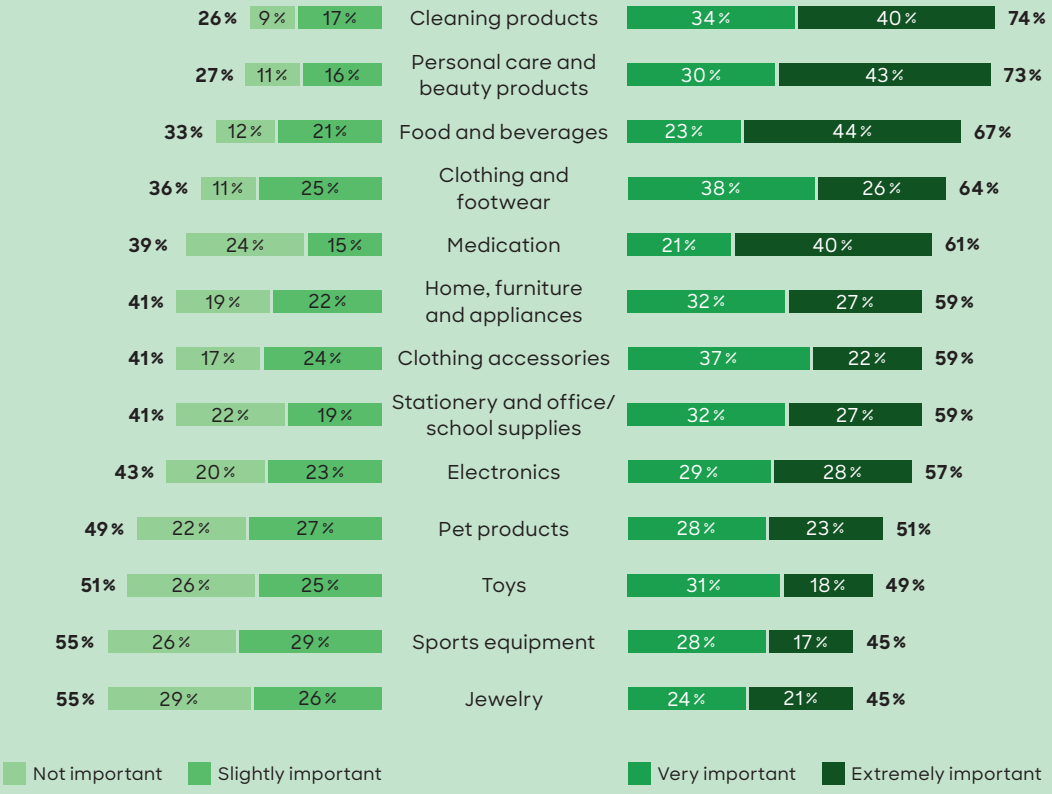
Importance consumers attach to sustainability when making purchases, by gender



Source: Roland Berger

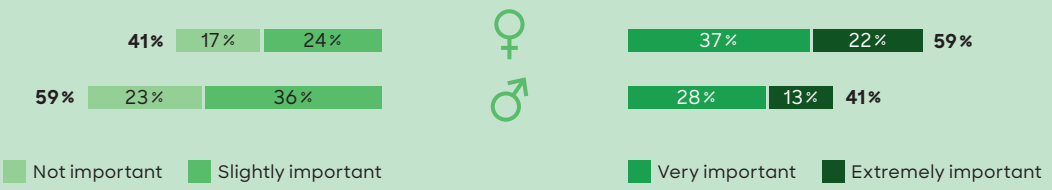
Z Women mostly prioritize sustainability when purchasing cleaning products and personal care and beauty items

Importance women attach to sustainability when making purchases, by product category



AA The gender gap in sustainability priority is particularly evident for clothing accessories, with women exhibiting a higher inclination towards sustainability

Importance consumers attach to sustainability when buying clothing accessories, by gender



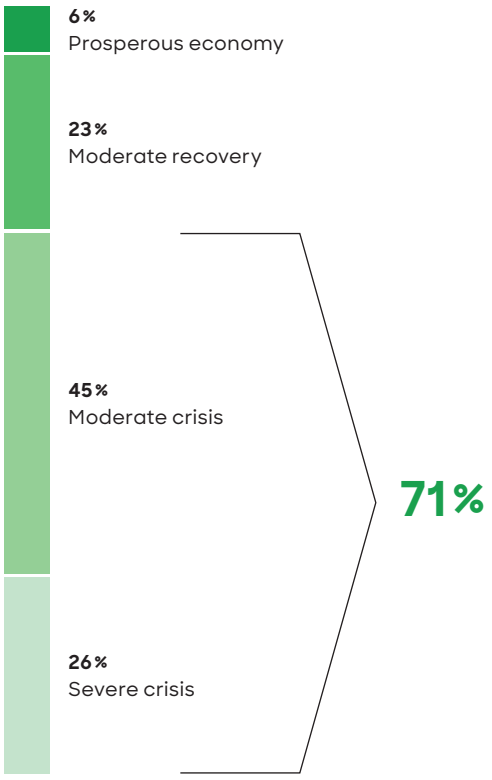
Source: Roland Berger

9 Expectations of an economic crisis

Mexican consumers paint a pessimistic picture of the economic and social landscape they expect to see in the year 2024. This negative outlook reflects widespread concerns in the population, fueled by various factors such as presidential elections in both Mexico and the United States, changes in government policies, international tensions, global economic uncertainties and environmental challenges, to name but a few. Only a minority of consumers envision a positive scenario, with a mere 6% anticipating a period of economic prosperity. These shared concerns could have a considerable impact on commercial dynamics throughout the current year, affecting purchase decisions, spending levels and consumer confidence alike. ▶ AB

Perspectives are remarkably consistent between consumers with low and medium-low purchasing power, in contrast to the expectations of those with medium-high and high purchasing power. This is especially evident in relation to the severe crisis scenario, which 66% of people with a medium-high and high economic level anticipate, compared to 32% of consumers on the low and medium-low purchasing power levels. Furthermore, it is evident that consumers with low purchasing power are the ones who, to a greater extent, anticipate

AB The foreseen crisis outlook for 2024, anticipated by the majority of Mexican consumers, presents challenges for the consumer industry
Perceived economic and social outlook in Mexico in 2024



Source: Roland Berger

a scenario of economic prosperity, including solid growth and substantial improvements in the country. These differences in expectations by purchasing power suggest that the consumption patterns of the Mexican population could be affected during the current year, influenced by the consumer's economic performance. ▶ AC

Different generations also follow characteristic patterns. Baby Boomers and Generation X attach very considerable emphasis to their expectation of a severe crisis scenario. In contrast, a higher percentage of Millennials and Generation Z anticipate a moderate crisis scenario and have a significantly lower expectation of a severe crisis.

This may be because each generation has experienced economic and social events differently, shaping their perspectives and attitudes toward adverse situations. Additionally, differences in exposure to technology, information and globalization could influence people's perception of the severity of crises.

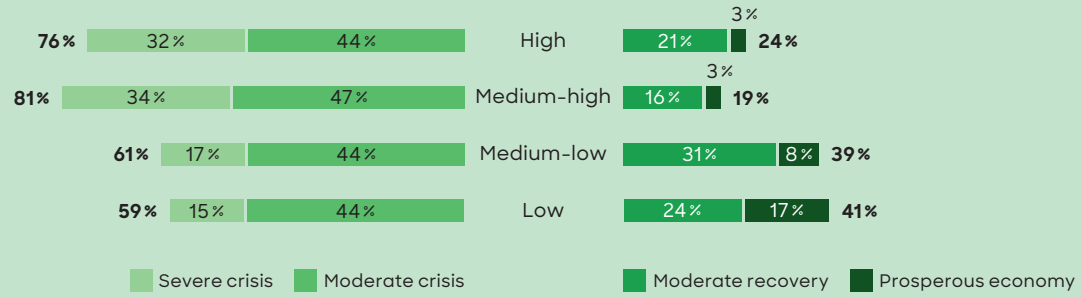
Understanding generational perspectives is essential for companies seeking to adapt their strategies and value offerings. While Baby Boomers and Generation X may be more cautious about spending due to financial concerns in the face of what they perceive as a potentially severe crisis, Millennials and Generation Z, whose expectations are generally more moderate, may be more inclined to continue making purchases. ▶ AD

"The tornado of trends sweeping through the Mexican consumer industry has presented a significant challenge for companies to continuously adapt their business models. Therefore, the most crucial capability organizations must acquire is the ability to transform themselves."

Gilberto, Lozano, Senior Partner

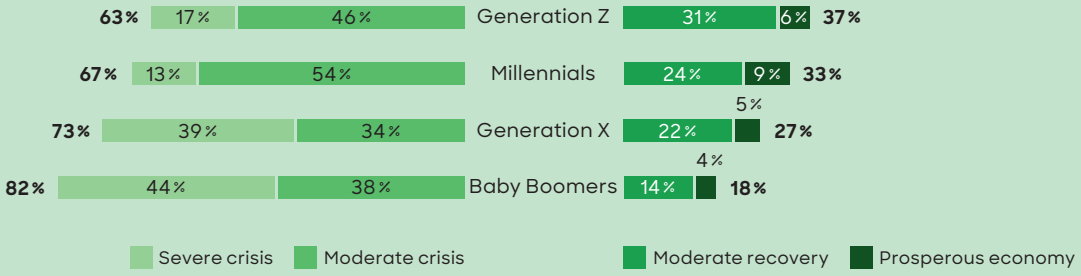
AC The higher the purchasing power, the more severe the crisis scenario expected in Mexico

Perceived economic and social outlook in Mexico in 2024, by purchasing power



AD Younger generations anticipate a more positive economic and social outlook

Perceived economic and social outlook in Mexico in 2024, by generation



Source: Roland Berger

Recommendation

This in-depth analysis of the preferences and behaviors of Mexican consumers reveals crucial trends that demand the attention of companies in the consumer sector.

Despite the rise of e-commerce, physical stores remain the preferred option for most consumers in Mexico. This finding underscores how important it is for consumer companies not only to adapt to the digital environment, but also to focus on omnichannel strategies in order to maximize their impact in a market that values a holistic consumer experience.

E-commerce, while on the rise, presents fascinating nuances, with generational and purchasing power differences clearly influencing purchasing preferences. The key for companies lies in adapting specific digital strategies to the individual sensitivities and preferences of each demographic group, as well as adjusting prices in ways that can attract different generations.

It is not enough merely to invest in creating more e-commerce experiences. Rather, it is crucial to recognize that Mexicans are becoming increasingly familiar with the dynamics of online shopping, and this is gradually making them more demanding in their expectations. E-commerce companies must respond by concentrating their effortsl primarily on the variety and availability of products and the delivery speed. Doing this will, however, require significant changes in companies' operational processes.

The significant influence of digital media, especially on younger generations and consumers with lower purchasing power, highlights how important it is for consumer and retail companies to develop digital marketing campaigns specifically targeted at these segments.

Mexican consumers prioritize quality over any other single attribute – even price. Accordingly, companies need to optimize their business processes and excel in standards of excellence and quality. Their aim should be to acquire leadership positions in an increasingly competitive market.

On the other hand, sustainability too has emerged as an influential factor in purchasing decisions, particularly in categories such as personal hygiene and beauty products. This is especially true among consumers with lower purchasing power. If they have not already done so, now is therefore the time for all companies to incorporate sustainability in their business agenda and proactively develop appropriate ESG strategies.

Mexican in particular give greater weight to sustainability considerations when making purchase decisions. This fact gives companies a unique opportunity to tailor their communication and products toward women and adopt strategies that will help them connect more effectively with this audience.

Overall, economic expectations paint a pessimistic picture, especially among consumers with greater purchasing power. Given this situation, it is important for companies to act in good time to anticipate possible adjustments in consumer spending. To do so, it is essential to identify consumer mindsets and precisely adapt communication strategies to align with the specific expectations of each consumer segment.

In light of these findings, 2024 evidently presents significant challenges for companies who want to remain profitable and successful in Mexico's consumer sector. A profound understanding of these trends is not only fundamental for anticipating market needs, but also for forging effective connections with Mexican consumers. Roland Berger welcomes your comments, questions and suggestions on the topics addressed in this report. Our experts in areas from digital strategy and operational models to sustainability and consumer experience would be happy to sit down with you to work out how your company can best navigate the challenges ahead and seize the opportunities that these challenges create. We look forward to hearing from you.

AUTHORS

Gilberto Lozano Meade
Senior Partner,
Managing Partner Mexico
+52 55 9414 8313
gilberto.lozano@rolandberger.com

CONTRIBUTORS

Ximena Molina
ximena.molina@rolandberger.com

Zhazna Felix
zhazna.felix@rolandberger.com

Ana Victoria Valdés
ana.valdes@rolandberger.com

Further reading

- *"THE CIRCUS OF TRANSFORMATION": THE ULTIMATE JUGGLING ACT*
- *HYDROGEN: "THE-ROARING-30s"*
- *SERVICED COUNTERS AS A PROFITABILITY LEVER IN GROCERY RETAIL*

03.2024
ROLANDBERGER.COM

This publication has been prepared for general guidance only. The reader should not act according to any information provided in this publication without receiving specific professional advice. Roland Berger GmbH shall not be liable for any damages resulting from any use of the information contained in the publication.

© 2024 ROLAND BERGER GMBH. ALL RIGHTS RESERVED.

ROLAND BERGER is the only management consultancy of European heritage with a strong international footprint. As an independent firm, solely owned by our Partners, we operate 51 offices in all major markets. Our 3000 employees offer a unique combination of an analytical approach and an empathic attitude. Driven by our values of entrepreneurship, excellence and empathy, we at Roland Berger are convinced that the world needs a new sustainable paradigm that takes the entire value cycle into account. Working in cross-competence teams across all relevant industries and business functions, we provide the best expertise to meet the profound challenges of today and tomorrow.

Publisher

Roland Berger GmbH
Sederanger 1
80538 Munich
Germany
+49 89 9230-0

24_2100_REP