

# Hot Sale 2020 Helps Revitalize Mexico's Battered Economy

B2C ecommerce sales surged amid coronavirus lockdown

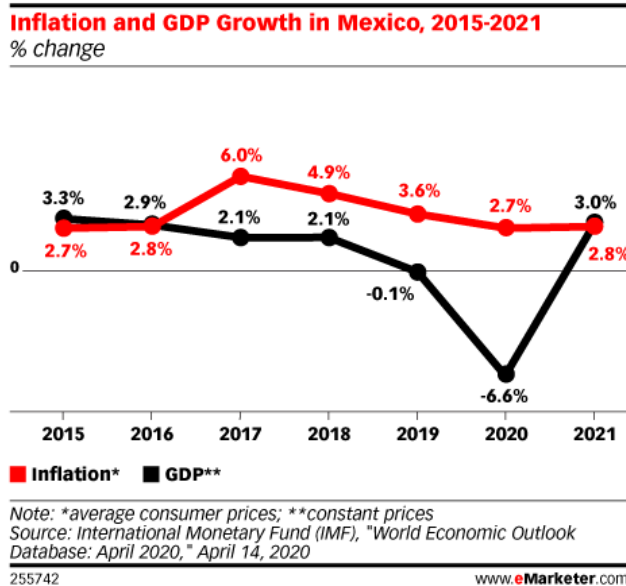
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**Matteo Ceurvels**

**D**espite lackluster economic projections at the start of 2020, consumers in Mexico initially shared a collective sense of optimism about the year ahead. However, the pandemic changed that.

On February 28, Mexico became the second country in Latin America to confirm its first case of the coronavirus—and months later, the number of new daily cases continues to grow. As of June 22, more than 180,000 people in the country had tested positive for COVID-19, according to [Johns Hopkins University](#). Mexico also has the region's highest mortality rate proportional to the number of confirmed cases, at 12.1%. That's more than 2.5 times Latin America's regional average of 4.7%.

Additionally, the [International Monetary Fund](#) (IMF) forecast a 6.6% contraction for Mexico's GDP in 2020. This is the most severe economic downturn in Mexico's recent history when compared with the 2008–2009 global financial crisis (a 5.3% decline) and the Mexican Peso Crisis of 1995 (a 6.3% decline).

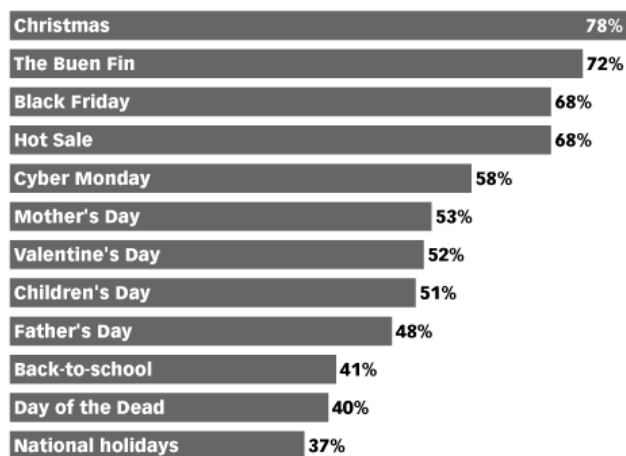


However, one online shopping holiday is helping to revitalize Mexico’s battered economy.

Hot Sale, an online shopping holiday promoted by the [Asociación Mexicana de Venta Online](#) (AMVO), is driving ecommerce sales in Mexico through the use of discounts and promotions. Since its launch in 2014, Hot Sale has become one of the most important shopping days in the country, after Christmas and El Buen Fin (or "The Good Weekend")—an annual shopping event that occurs the weekend before Mexican Revolution Day, which is observed on the third Monday of November.

### Most Important Shopping Holidays According to Digital Buyers in Mexico, Nov 2019

% of respondents



Note: n=1,759 ages 18+

Source: Asociación de Internet.mx, "Estudio sobre Comercio Electrónico en México 2019" conducted by Estadística Digital and sponsored by Kueski Pay and Visa, Feb 10, 2020

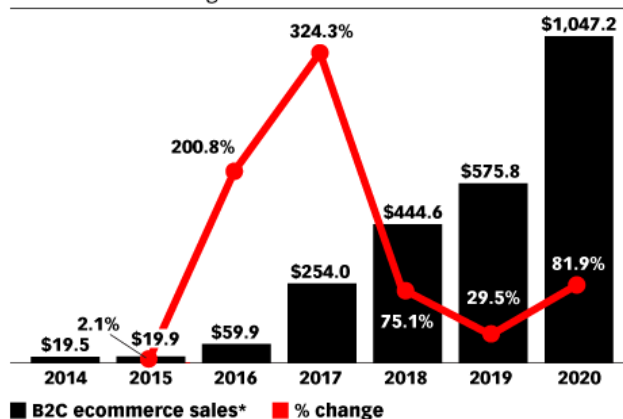
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Despite the country's bleak economic outlook and rising number of new COVID-19 infections, AMVO managed to hold its most successful Hot Sale yet, taking place from May 22 to June 1. Business-to-consumer (B2C) ecommerce sales surged 81.9% year over year, from \$575.8 million (MXN11.08 billion) to \$1.05 billion (MXN20.16 billion), according to official figures released last week.

### B2C Ecommerce Sales\* During the Hot Sale\*\* in Mexico, 2014-2020

millions and % change



Note: n=159 participating B2C companies; converted at the exchange rate of US\$1=MXN19.25; \*excludes commissions and VAT; \*\*2014=Sep 5-8; 2015=May 29-June 1; 2016=May 30-June 2; 2017=May 29-June 2; 2018=May 27-June 3; 2019=May 26-31; 2020=May 22-June 1  
Source: Asociación Mexicana de Venta Online (AMVO), "Hot Sale 2020" conducted by Nielsen; eMarketer calculations, June 18, 2020

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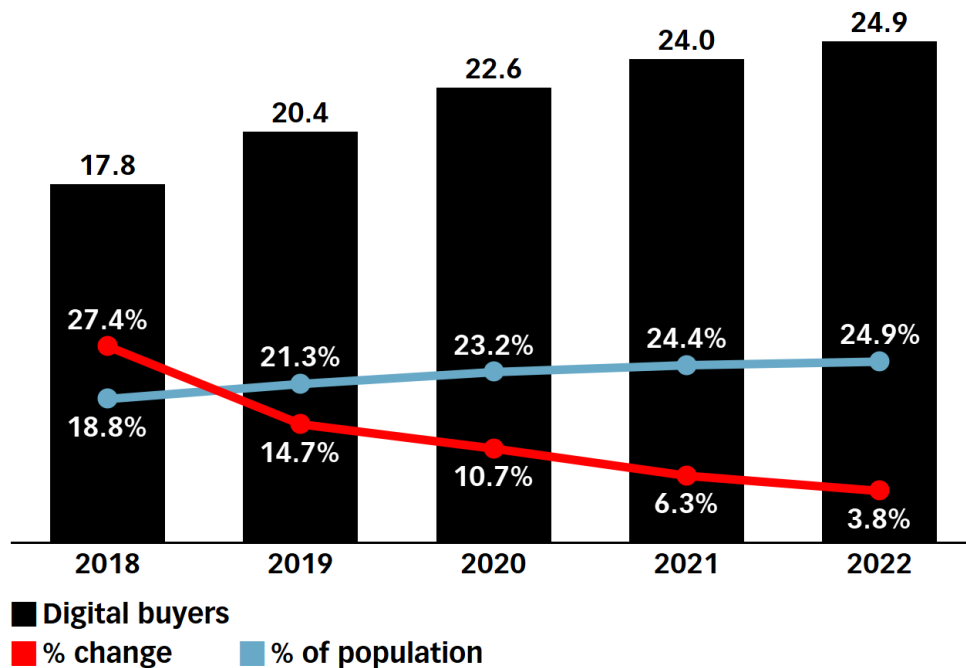
"These historic results would be impossible without the vital support of those consumers who clicked to reactivate the country's economy, thereby also preserving the jobs of thousands of people who are part of Mexico's digital ecosystem," said Pierre Blaise, CEO of AMVO.

Ecommerce in Mexico has undergone significant double-digit growth in recent years, and the coronavirus has given rise to an even faster acceleration of ecommerce than previously expected. We now expect retail ecommerce sales to grow 20.9% by year-end, up from our previous estimate of 18.0%.

As consumer spending habits shift online in response to this "new normal," we forecast that 2.2 million consumers in Mexico will be first-time digital buyers this year. That will equate to 22.6 million people, or roughly one-quarter of the population ages 14 and older who will make at least one online purchase.

## Digital Buyers in Mexico, 2018-2022

millions, % change and % of population



Note: ages 14+; internet users who have made at least one purchase via any digital channel during the calendar year, including desktop/laptop, mobile and tablet purchases

Source: eMarketer, May 2020

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The implications of the pandemic are far-reaching and signal a watershed moment for ecommerce in Mexico. Retailers that did not value the importance of ecommerce are now finding it to be their only saving grace from financial ruin. Conversely, consumers who were once skeptical of making a digital purchase are now experiencing the inherent advantages of being able to buy something with the click of a button.

Even amid an uncertain future, one thing is certain: Consumers' broader embrace of ecommerce will be one of the most notable behavioral changes to remain in a post-COVID-19 world.

For more insights on ecommerce in Mexico, eMarketer PRO subscribers can read our recent report:

**Report** by Matteo Ceurvels Jun 17, 2020

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JUNE 2020  
Matteo Ceurvels  
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