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Prepared By: Luis Chavez

Approved By: Daniel Archibald

Report Highlights:

The following is part of a series of reports prepared by the Agricultural Trade Offices (ATOs) in Monterrey and Mexico City, to provide background on local and regional markets of interest for current and prospective exporters of U.S. food and beverage products. This specific report highlights the Tijuana metropolitan area, one of the busiest ports of entry on the U.S.-Mexico border and one of Mexico's most populous cities. In addition to its central role in U.S.-Mexico trade, Tijuana is a dynamic gastronomic environment that claims the classic Caesar salad among its creations and in more recent years has become a hub of "Baja Med" cuisine. This report has been updated from original version to correct missing data point on page 8.

INTRODUCTION

Located in the Mexican state of Baja California, Tijuana is located in Mexico's northwestern corner on both the Pacific Ocean and the U.S.-Mexico border. Dubbed by locals as the "place where the motherland begins", it is a quintessential border town, heavily influenced by its neighbor to the north. Despite being relatively young, founded in 1889, it is one of the busiest border crossings in the world, and the most important commercial port of entry in Western Mexico, serving as an entry point for U.S. agricultural and food imports to other regions/markets nearby, like Los Cabos, Hermosillo, La Paz, and Ciudad Obregon. It also represents, albeit in a lesser scale than other border crossings, as an entry point for products destined to other large markets like Guadalajara and Mexico City. Ironically, while Tijuana is easily accessible by roads/highways, air, and even railroad from the United States, it is less so from most regions in Mexico, creating a sense of exclusion from the rest of the country, making Tijuana a key logistics and distribution location for the Mexican northwest.

Tijuana developed thanks to cross-border trade and became a tourist attraction for day-tripping Californians in the early 1900s. Legal drinking, casinos, racetracks, and an extravagant nightlife further increased foreign visitors, primarily during the U.S. Prohibition in the 1920s (unverified claims of Al Capone himself being sighted while visiting and "investing" in the area are quite common). The city became a spring-break favorite for U.S. students in the second half of the 20th century. The Mexican government's border industrialization strategy that began in the 1960s diversified Tijuana's economy and attracted foreign capital. The maquiladora program first, followed by globalization, continental free trade, and the current nearshoring trend, have dramatically changed the region's economy over the last 50 years.

Map 1. Tijuana location on the Mexican territory



Source: Encyclopædia Britannica, Inc.

Perhaps not well known is that, with over 1.92 million inhabitants, Tijuana is technically the country's most populous local (i.e., third tier) political subdivision. In Mexico, however, it is more common to rank cities using the concept of metropolitan areas, which might include other municipalities or

unincorporated suburban areas. In this case, Tijuana’s metro area includes two neighboring municipalities: Tecate and Rosarito (official name: Playas de Rosarito), which are scarcely inhabited, so the overall population only increases to almost 2.16 million inhabitants.

Map 2. Tijuana Municipality and Metropolitan Area



Source: ATO Monterrey

Under the definition of “metropolitan area”, Tijuana ranked sixth overall in the country, below others that include a larger number of municipalities, like Guadalajara, with 5.28 million people in 10 municipalities, Monterrey with 5.34 million inhabitants scattered in 18 municipalities, or the Mexico City megalopolis, whose whopping 60 municipalities and 16 boroughs account for a total population of over 21.8 million.

Figure 1. Tijuana’s ranking amongst Mexico’s largest Municipal and Metropolitan Areas

| Municipality | Metro Area | Population | Metropolitan Area | Municipalities | Population |
|--------------|-------------------|------------------|-------------------|----------------|------------------|
| 1 | Tijuana | 1,922,523 | 1 | Mexico City | 21,804,515 |
| 2 | Iztapalapa | 1,835,486 | 2 | Monterrey | 5,341,171 |
| 3 | Leon | 1,721,215 | 3 | Guadalajara | 5,268,642 |
| 4 | Puebla | 1,692,181 | 4 | Puebla | 3,199,530 |
| 5 | Ecatepec | 1,645,352 | 5 | Toluca | 2,179,337 |
| 6 | Juarez | 1,512,450 | 6 | Tijuana | 2,157,853 |
| 7 | Zapopan | 1,476,491 | 7 | Leon | 1,924,771 |
| 8 | Guadalajara | 1,385,629 | 8 | Queretaro | 1,594,212 |
| 9 | Gustavo A. Madero | 1,173,351 | 9 | Juarez | 1,512,450 |
| 10 | Monterrey | 1,142,994 | 10 | La Laguna | 1,434,283 |

The municipality of Tecate was unincorporated from Tijuana in 1953. The city itself, founded in 1888, began as an agricultural production community, with abundant water and fertile soil allowing for grapes, olives, dates, figs, oats, and barley to be grown in the area. Industrialization began later, with a malt

company founded in 1929 and then Cerveceria Tecate founded in 1944. The brewery, later acquired by Monterrey-based Cerveceria Cuauhtemoc Moctezuma (now Heineken), created the [well-known lager beer named after the city](#). Maquiladoras came later, and recently the city began exploiting its tourist attractions: a unique regional culture, unique landscapes and fair weather, hiking, biking, rock climbing, horse-riding, and other outdoor activities. The city also exploits the fact that the highway linking the border with Ensenada runs through [Baja California's "Wine Route"](#). This, combined with traffic congestion on the Tijuana port of entry, offers foreign visitors an alternative to access the tourist destination through Tecate.

Rosarito, on the other hand, was founded in 1885, and separated from the Tijuana municipality over a century later, in 1995. Originally an isolated beach town, urbanization began in the 1950s, with many Hollywood stars investing in skyscraper-styled hotels and resorts. Additional development was fostered by the establishment of a thermoelectric plant nearby, as well as a fuel storage and distribution facility run by CFE and Pemex, the government-owned electricity and oil companies, respectively. Throughout the years it has consolidated as a beach tourist destination, famous for its Puerto Nuevo lobster tacos and for its film studios, where the 1997 box-office hit Titanic was partially filmed.

RETAIL SECTOR

Like many other metropolitan areas in Mexico, there are several supermarket chains in Tijuana. Founded in 1939 as a grocery store, [Calimax](#) is the retail sector's main reference in the area. After adapting to the multi supermarket format in 1968, it expanded throughout Baja California and into neighboring Sonora. It also developed a diverse configuration of stores: supermarket (*Calimax* and *Calimax Plus*), discount store (*Aprecio*), wholesale (*Bodega*), and convenience store (*Cali Super Xpress*). Almost three quarters of its 100 stores are in the Tijuana metro area. The company also has a joint venture to run the Mexican stores of [Smart & Final](#), and with a massive, state-of-the-art distribution center in Tijuana, Calimax runs its own distribution/logistics network. Between 20-30 percent of its products are imported from the U.S., including some for their locally recognized private labels.



The five different store formats of regional supermarket chain, Calimax.

Behind Calimax comes national chain [Soriana](#), with 40 outlets in the Tijuana metro area. Another local market chain, called [El Florido](#), has 39 stores, targeting middle- and lower-income neighborhoods. [Casa Ley](#), a regional chain from the state of Sinaloa, comes fourth, with 32 stores. [Walmart Mexico](#) has a relatively small presence in the region, with 21 stores, primarily with their discount-store format, *Bodega Aurrera*. An important supplier to the local HRI sector, [Costco](#) has two outlets in Tijuana (plus two more in the nearby municipalities of Ensenada and Mexicali).

In terms of convenience stores, national chains [OXXO](#) and [7-Eleven](#) are found practically everywhere in Tijuana, with nearly 750 and 60 stores respectively found in the region. There are other minor players like [Znak](#), [VIP Market](#), and others developed in partnership with gas stations. Like many other areas in Mexico, other specialized stores like meat stores, pharmacies, bakeries and a wide array of individual mom-and-pop stores complete the retail picture in Tijuana.

FOODSERVICE SECTOR

Tijuana is well-known for being the birthplace of the famous Caesar salad. Rosarito is home of the popular “Puerto Nuevo-style” lobster, served with rice, beans and wheat flour tortillas. In recent decades, Mexican chefs like Miguel Angel Guerrero and Javier Plascencia began experimenting with fusion cuisine styles, incorporating different influences into their recipes. Mexican ingredients such as fresh cheese, guava, prickly pears, and mole were mixed with Mediterranean products like olive oil, dates and olives and incorporated on local seafood (marlin, shrimp, oysters), meat products (pork ribs, beef), and spiced up with Asian cuisine elements like lemongrass, duck, bok choy, and soy sauce, thus creating the “Baja Med” concept.

According to the [National Institute of Statistics and Geography \(INEGI\)](#), in 2022 the state of Baja California reported 687 hotels, motels, villas, cabins, guest houses and other lodging facilities, of which 295 were located in the Tijuana metropolitan area: 212 in Tijuana itself, 28 in Tecate, and 55 in Playas de Rosarito, all totaling 15,608 available beds (a little over half of the state’s total). Also, per INEGI’s information, there were 2,692 restaurants, cafeterias, diners, bars, and other food preparation businesses in the state. More than half of these were in the Tijuana metro area: 920 in Tijuana, 110 in Tecate, and 524 in Playas de Rosarito.

In terms of hotels, the available formats vary drastically, since Tijuana’s hotels are more focused on work/business guests, with basic services included. Also, some hotels, taking advantage of medical tourism, have special rooms where visitors/patients can recover after surgery or other medical treatments. In Rosarito, on the other hand, the hotels tend to be resorts, with additional services like on-site restaurants, spas, golf courses, etc. This has created a hybrid lodging industry in the area, with different priorities and opportunities.

As for the restaurant industry, Tijuana largely benefits from the geographical advantage of sharing the border with the San Diego metro area, allowing for many same-day/in-and-out visitors that enjoy the gastronomical variety of the city. This has spurred a very peculiar culinary landscape, ranging from food-trucks and gastroparks, to high-end restaurants. Tijuana features four restaurants on the renowned [Michelin Guide](#): Carmelita Molino & Cocina (Bib Gourmand), [Tacos El Franc](#), [Mision 19](#), and [Oryx](#); meanwhile Tecate has one, Restaurante Amores (2024 Service Award winners).



Puerto Nuevo-style lobster; the original Caesar salad, and a sampler of Baja Med recipes.

VISITOR / CONSUMER PROFILE

The state of Baja California is the main entry for foreign tourists by land, according to INEGI, with 12.84 million visitors reported in 2022, almost 40 percent of the total visitors registered at the U.S.-Mexico border crossings. The numbers for 2023, available only through half the year, show the same proportion, with a slight increase in total visitors, a reflection of how tourism is still recovering to pre-COVID levels. In 2018 and 2019, the state welcomed an average of 23 million visitors per year.

Map 3. International Visitors Entering by Land Ports of Entry (in millions, 2022)

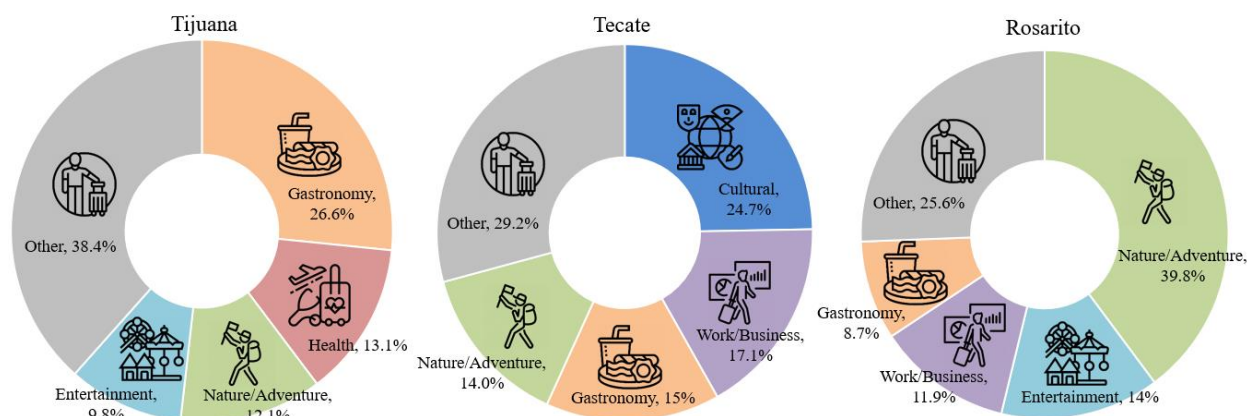


Source: ATO Monterrey, with INEGI data

Meanwhile, according to the Tijuana Airport Authority, almost 13.2 million passengers arrived in 2023, a seven percent increase compared to 2022. Of the total, 8.87 million were Mexican passengers, and 4.32 million were foreigners, many of which use the CBX cross-border terminal, which allows passengers arriving to the Tijuana airport to cross a controlled-access pedestrian bridge where they are received and processed by U.S. Customs and Immigration officers into U.S. territory.

The Baja California Public Trust for Tourism Promotion (FITURBC) keeps track of the visitor profile for each of the Baja California municipalities. FITURBC reports that foreign visitors are mainly from the United States (95 percent), with some scattered visitors from Colombia, Peru, Spain and Honduras. Of the U.S. visitors, about 90 percent come from California, followed by Nevada (4 percent) and Arizona (3 percent). Meanwhile, Sonora, Sinaloa and Jalisco are the most common Mexican states from which domestic visitors come from. The visitor breakdown across Tijuana, Tecate and Rosarito municipalities shows some distinct attributes for each, such as the prevalence of gastronomic tourism for Tijuana.

Figure 2. Foreign tourist’s main purpose for visiting, per destination



Other includes Shopping, Sports, Social Events, Family, and Tours

Figure 3. Tourist’s profile, per destination

| | Tijuana | Tecate | Playas de Rosarito |
|----------------------|---------|--------|--------------------|
| Gender | | | |
| Male | 57.4% | 57.4% | 64.0% |
| Female | 42.6% | 42.6% | 36.0% |
| Origin | | | |
| Mexican | 35.1% | 80.0% | 39.9% |
| Foreigner | 64.9% | 20.0% | 60.1% |
| Age Group | | | |
| 18-25 | 19.4% | 23.5% | 28.4% |
| 26-35 | 31.7% | 30.8% | 36.4% |
| 36-45 | 25.9% | 30.2% | 20.1% |
| 46-55 | 14.4% | 12.4% | 10.7% |
| 55 + | 8.6% | 3.1% | 4.4% |
| Type of Visit | | | |
| Overnight | 37.7% | 82.4% | 80.0% |
| One-day | 62.3% | 17.6% | 20.0% |

Source: ATO Monterrey, with FITURBC data

The average stay for overnight visitors is 5.5 nights, while the one-day visitor stays on average a little more than 5 hours. Hotel occupancy in 2023 for the Tijuana area was 61.5 percent in 2023, above the national average. According to FITURBC, the average daily expenditure for visitors in the Tijuana metro area is about \$180. Playas de Rosarito’s tourism drives the average expenditure upwards, as visitors spend more money in this destination. Foreign visitors spend more on average than Mexicans (\$245 vs. \$142). Meanwhile, overnight tourists spend almost the same as one-day visitors (\$185 vs. \$166), which

speaks of the opportunity for food products, given that one-day visitors do not spend on lodging or other services.

Finally, as many aspects of the tourism industry continue to grow, Post has noted through research and discussions with industry contacts that medical/health tourism is a class of visitor that recently has been negatively impacted by a range of economic and other factors. According to the Baja California Plastic Surgeons Association, medical tourism in 2023 was 30-60 percent down, due to a weaker rate of exchange, time-consuming processing while crossing the border, and bad publicity related to crime and violence. While the rate of exchange has stabilized, and the medical community uses social media to counter the negative image of the city, the Tijuana municipal authority has also created a special “one-time” pass that allows U.S. residents to use an express lane when reentering the United States at the San Ysidro Port of Entry. These passes are offered to participating hospitals, clinics and hotels, who can then include them as part of their medical/leisure packages to attract additional visitors.

TRADE

In 2023, companies registered in the Tijuana metro area purchased \$1.42 billion of food, agricultural and forestry products from outside of Mexico, with \$1.13 billion (80 percent) coming from the United States. The rest came from China, Canada, Chile, and the European Union. The main categories were wood products, pork meat, cheese, poultry products, beef, bakery goods, and food preparations¹. In terms of the area’s importance as a channel for U.S. exports, Mexico reports that \$1.7 billion in U.S. agricultural products entered through the Tijuana port in 2023, and that figure is up 31 percent year-to-year through May 2024 due to robust imports of U.S. cheeses, meats, and prepared foods.



The Tijuana-San Ysidro Port of Entry, seen from the United States

RECOMMENDATIONS

The Tijuana market is currently characterized by a surge in demand for imported products to accommodate the different types of visitors it receives, and the spending profile/behavior of both foreign visitors and local consumers, heavily influenced by its proximity/interactions with the United States. Given this niche market’s special conditions, consumer-oriented food and beverage products in particular are areas of high potential and growth.

¹ Source: DATA MEXICO – [Tijuana Metropolitan Area](#)

Some recommendations for both current and prospective exporters include:

- New to export companies should explore available export assistance through their respective regional trade group, state-level Department of Agriculture and/or industry association. While local importers and distributors are widely available and accessible virtually, U.S. exporters that come to see the market firsthand often develop sales leads and finalize sales much more rapidly through in-person networking.
- Likewise, it is recommended to collaborate with said U.S. marketing organizations to carry out specific activities and promotions in the region to raise the profile of a given ingredient or product. This helps new and experienced exporters establish/update a useful network of potential customers, see the market's particular conditions and growth potential, and contact potential partners.
- Most of the specialized Mexican distributors working in the region have staff in the U.S.-Mexico border and other major urban areas of the country. U.S. exporters can capitalize upon this proximity.
- Exporters already working with companies on the retail and foodservice sector also operating in the United States (Wal-Mart, Smart & Final, Costco, etc.) are encouraged to leverage that relationship to seek business opportunities with their Mexican counterparts. Your product might be already known to locals, given their frequent visits (and shopping experiences) in the United States.
- For sector-specific information or specific regulations on exporting food and agricultural products, access the USDA Global Agricultural Information Network (GAIN) system for a range of annual public reporting. Key reports related to this Market Snapshot include:
 - [Mexico: Exporter Guide](#)
 - [Mexico: Food and Agriculture Import Standards and Regulations \(FAIRS\)](#)
 - [Mexico: Retail Foods](#)
 - [Mexico: Food Service – Hotel Restaurant Institutional](#)
 - [Mexico: Food Processing Ingredients](#)
- Mexico is a diverse country with many regional and local factors to consider when developing trade opportunities. The ATOs in Monterrey and Mexico City continue to publish Market Snapshot reports on various cities/regions within the country to provide U.S. exporters with insight into the unique opportunities that may exist at a sub-national level. Other Market Snapshots published to date include:
 - [Guadalajara](#)
 - [Los Cabos](#)
 - [Mexico City](#)
 - [Monterrey](#)

FOR MORE INFORMATION

Additional FAS/Mexico information is available at: <https://www.mexico-usda.com.mx> or visit the FAS [Global Agricultural Information Network \(GAIN\)](#) for a complete selection of Mexico-specific and worldwide agricultural reporting.

Attachments:

No Attachments.