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Consumer Goods and Retailing: Mexico

The Mexican retailer Tiendas Coppel has applied for a banking licence. By also operating a bank Coppel, which caters to Mexico's low-income consumers, can finance its accounts receivables as well as offer banking services for its clients in addition to extending store credit to **many who fall within Mexico's vast "unbanked populace.**

With its national network of 254 stores and plans to open an additional 55 in 2005 Coppel registered sales of Ps15.6m in 2004, for a 24% increase over 2003. In 2004, Coppel customer credits amounted to nearly Ps8.1bn. By opening its own bank Coppel will compete more directly with its rival Elektra and its sister company **Banco Azteca in tapping pent-up demand among Mexico's poor for banking services.**