



## **THE STATE OF THE AFRICAN CONSUMER**

How are Africans adapting to the current socio economic and geopolitical conditions

May 2022



# IN THIS REPORT



- 5** Executive Summary
- 6** On the direction of the economy
- 7** On household income expectations
- 8** On having enough to buy basic needs (food, utilities)
- 9** On the timing to make discretionary spending (furniture, appliances)
- 10** On the job market and prospect
- 11** On the ability to make money
- 14** Appendix & methodology

# ABOUT KASI INSIGHT

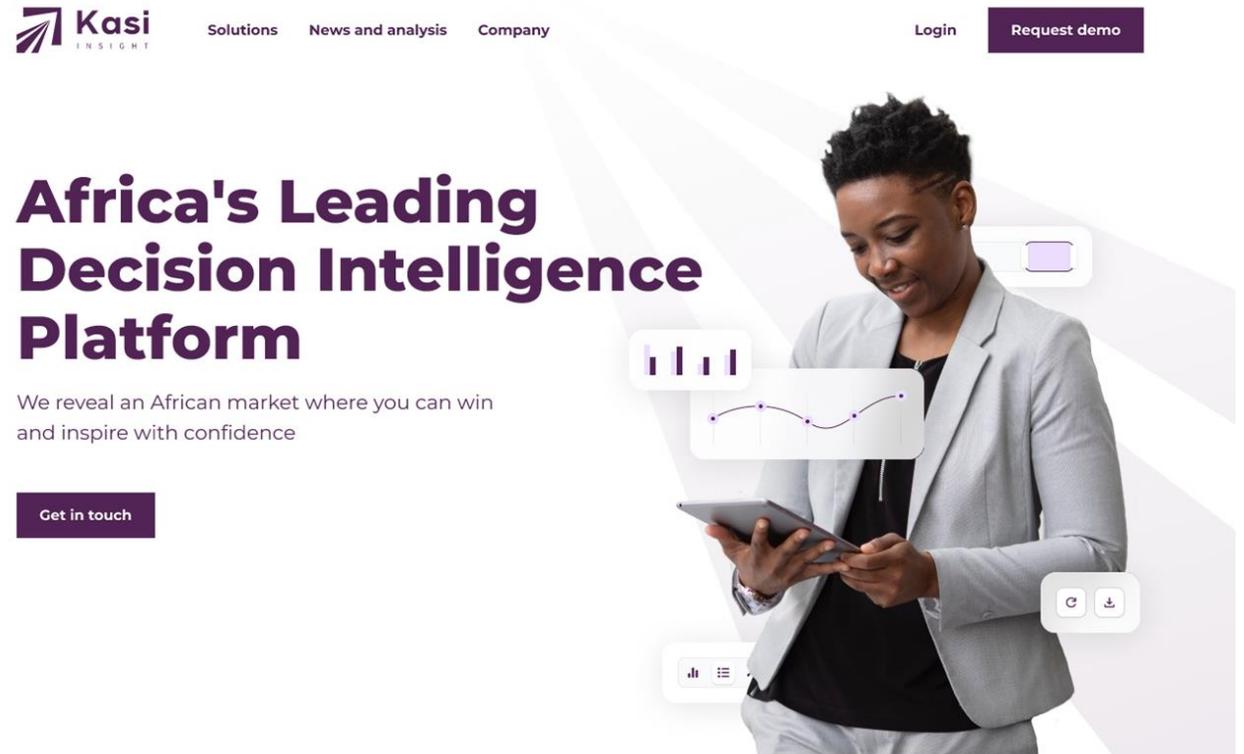


**We are Africa's leading decision intelligence company; our story is a testament to African innovation and resilience. Born, funded, led, and supported by Africans, we are here to inspire you to achieve the impossible.**

Our approach combines proprietary high-frequency primary data with applied artificial intelligence, providing you with unparalleled insights into what Africans think, do, and what lies ahead.

With access to 609 million people across the continent, our proprietary platform facilitates **over 12,000** monthly interviews in **20+ of Africa's largest economies**. Additionally, we undertake custom projects in almost every corner of Africa, giving you a comprehensive view of this diverse landscape.

[LEARN MORE](#)





## **Africa's economy post COVID-19 recovery threatened by rising inflation**

Post the pandemic inflation in the continent is surging upwards. According to UN's Food and Agriculture Organization (FAO) the +28% rate of inflation on necessities, such as food and oil prices is expected to last for...resulting in weaker consumer demand.

The report is looking at the state of the African consumer as concerns around inflation, supply chain disruptions and geo-political risks increase. There is even talk about an impending recession.



## **Consumers in Africa face uncertainty about their economic future**

The pandemic had a varying impact on the economic performance of African countries, as such many consumers are on the fence. When it comes to the direction of the economy of their respective countries; half of consumers (48%) believe that their respective country's economic conditions will stay the same over the next 6 months. The same sentiment is also shown when looking at expectations around household income. Majority of the consumers (45%) expect their household income to remain unchanged over the next 6 months.



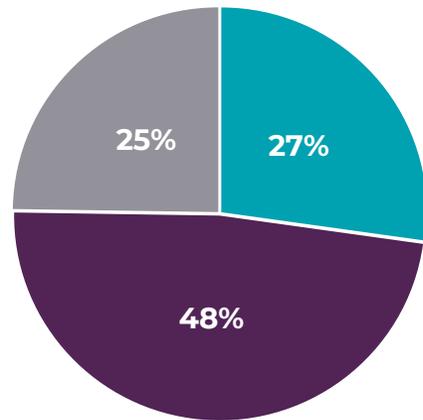
It is not surprising that purchasing power is also impacted and most consumers are unsure about their ability to buy necessities (food, utilities, etc.) and discretionary (furniture, appliances, etc.). When it comes to finding a job or making money, households are finding it difficult to find a job (52%) and make money (38%)

## **Though Gen Z most optimistic about the future, Baby Boomers' lifestyle & spending least impacted**

Gen Z are the most optimistic about the direction of the economy with 36% expecting an improvement over the next 6 month compared to 26% of Baby Boomers. Gen Z are the most optimistic about their household income with 42% expecting an improvement compared to 34% of Baby Boomers. Baby Boomers are the most optimistic about having enough money to buy necessities (48%) compared to 23% of Gen Z. The same is true for discretionary spending with 28% of Baby Boomers looking to make large purchase compared to 18% of Gen Z. Finally, the job market and business are difficult for everyone with 11% of Baby Boomers finding easy to find a job compared to 5% of Gen Z. When it comes to making money, 8% of Gen Z and Baby Boomers are finding it easier. Pretty much the only thing they seem to agree on.

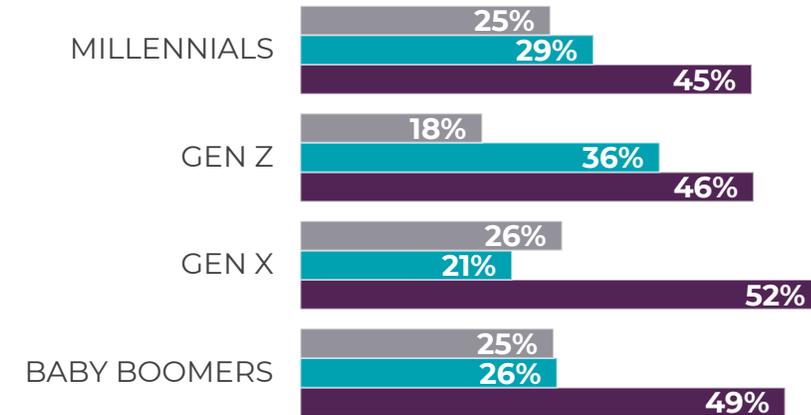
# On the economic conditions in Africa

## Consumers expect economic conditions to remain volatile



■ Improve ■ Stay the same ■ Worsen

Q: How do you expect general economic conditions in your country to change over the next 6 months?



■ Worsen ■ Improve ■ Stay the same

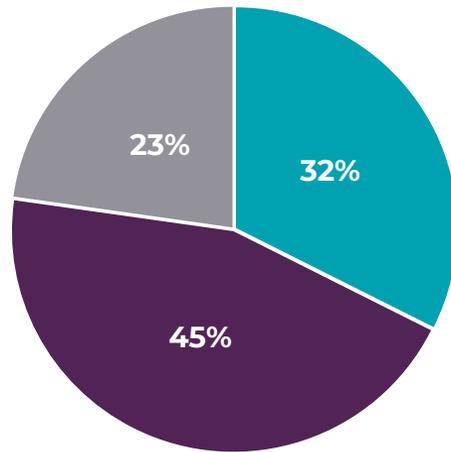
When it comes to the direction of the economy of their respective countries;

- Half of consumers (48%) believe that their respective country's economic conditions will stay the same over the next 6 months
- Only 1 in 4 consumers expect the economic conditions to worsen
- Almost 1 in 3 consumers expect the economic conditions to improve

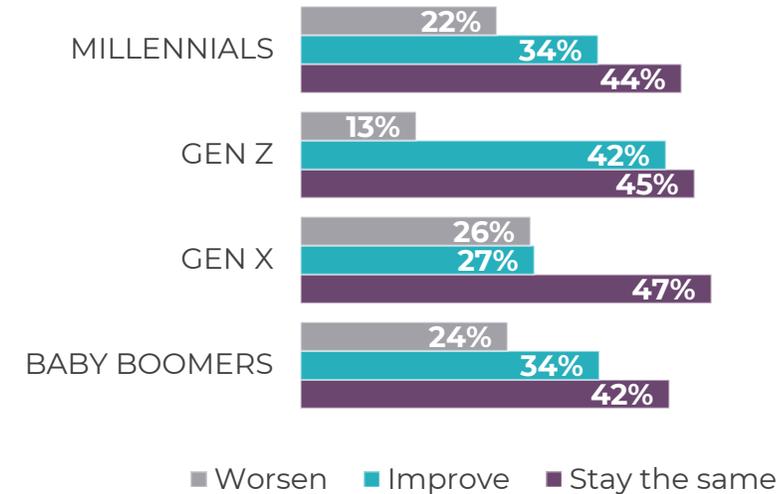
- Across age groups the consensus is that the economy will remain stressed by inflation, supply chain and recession concerns
- Gen Z are the most optimistic about the economy with 36% expecting an improvement
- Gen X are the most pessimistic about the economy with 26% expecting a worsening

# On their household income status

## Consumers expect their household income to remain unchanged



■ Improve ■ Stay the same ■ Worsen



Q: How do you expect your household income to change over the next 6 months?

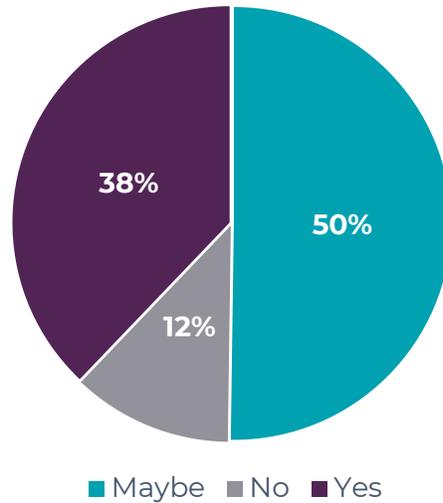
When it comes to consumer's expectations of their household income;

- Majority of the consumers (45%) expect their household income to remain unchanged over the next 6 months
- Slightly more than 30% of the consumers expect an increase of their household income.
- Slightly less than a quarter (23%) of consumers expect a decrease of their household income.

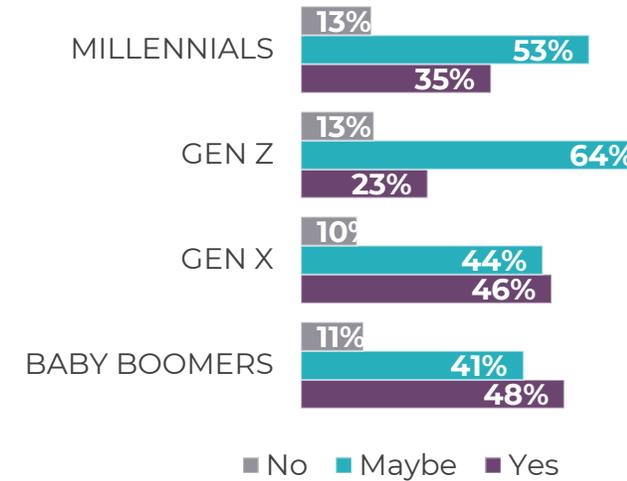
- Across age groups the consensus is that household income will remain unchanged for the foreseeable future
- Gen Z are the most optimistic about their household income with 42% expecting an improvement
- Gen X are the most pessimistic about their household income with 26% expecting a worsening

# On having enough to purchase necessities

## Uncertainty about the economy means consumers budgets are strained



Q: Will you be able to meet your regular expenses over the next 6 months?



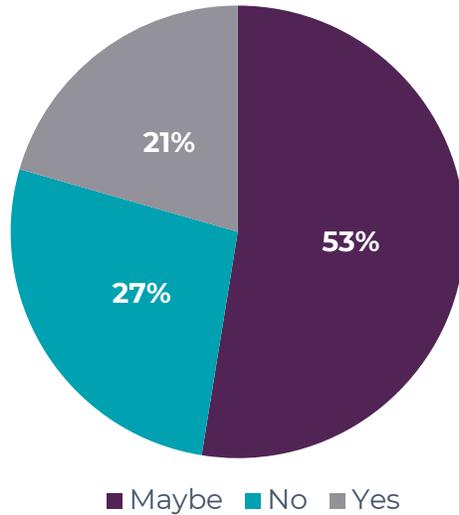
Do Africans have enough money to purchase necessities (food, milk, etc.)?

- 1 in 2 consumers are on the fence about their ability to meet regular expenses.
- Slightly less than 40% are optimistic about meeting regular expenses.
- Only 12% are pessimistic about meeting their regular expenses.

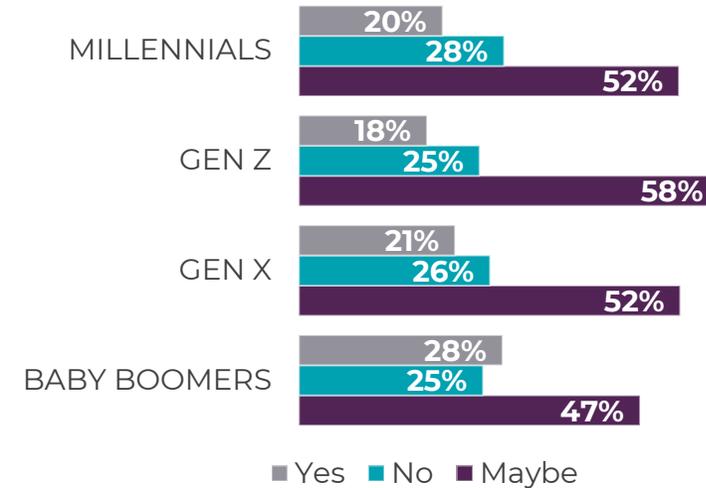
- Across age groups the uncertainty about meeting basic needs is present
- Baby Boomers are the most optimistic about having enough money to buy basic necessities
- Gen Z are mostly on the fence with 64% unsure about their ability to meet regular expenses

# On having enough to purchase discretionary

## Uncertainty about the economy means consumers budgets are strained



Q: Is this a good time to make large purchase such as furniture, appliances, etc.?



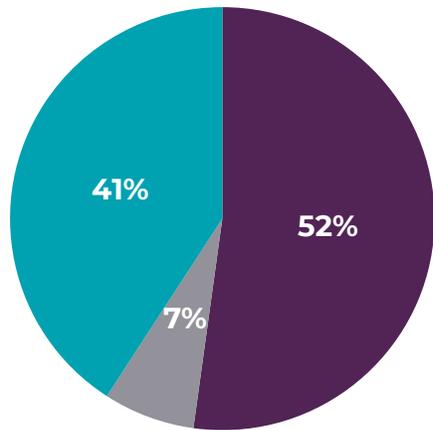
Do Africans have enough extra cash to purchase discretionary (furniture, appliances, car, etc.)?

- More than half of the consumers (53%) are on the fence about the timing for large purchases.
- More than a quarter (27%) of consumers don't think it's a good time to making large purchases.
- Slightly more 20% are optimistic about making large purchases.

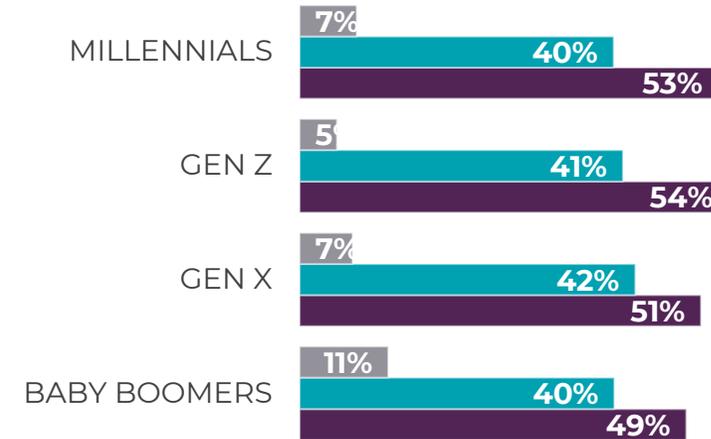
- Across age groups the uncertainty about timing for large purchase is real
- Baby Boomers are the most optimistic about the timing for large purchase
- Millennials are the most pessimistic about the timing for large purchase

# On being able to find a job

Uncertainty about the economy means consumers budgets are strained



■ Difficult ■ Easier ■ Same



■ Easier ■ Same ■ Difficult

Q: Has it become more difficult or easier to find a job?

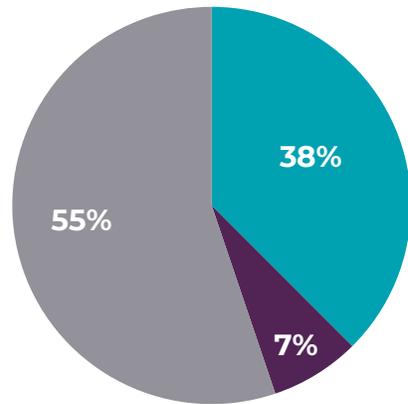
## How is the job market for Africans?

- More than half of consumers (52%) find it difficult to find jobs.
- 41% are on the fence about finding jobs.
- Only 7% find it easier to find jobs in their city.

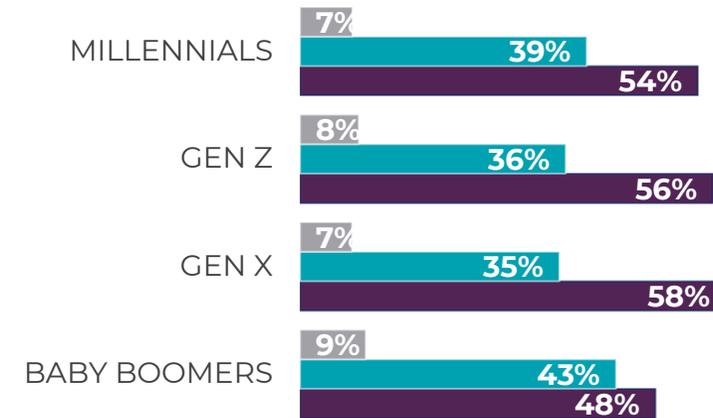
- Across age groups, the consensus is finding a job is difficult in Africa
- Gen Z have a tougher time finding jobs followed by Millennials and Gen X

# On being able to make money

Uncertainty about the economy means consumers budgets are strained



■ Difficult ■ Easier ■ Same



■ Easier ■ Difficult ■ Same

Q: Has it become more difficult or easier to make money?

When it comes to consumers' expectations on making more money;

- When it comes to making money, majority (55%) are on the fence.
- 38% are pessimistic about making money while only 7% are optimistic about making money.

- Across age groups, making money has become difficult
- Making money is tougher for Baby Boomers with 43% saying its difficult compared to 35% for Gen X

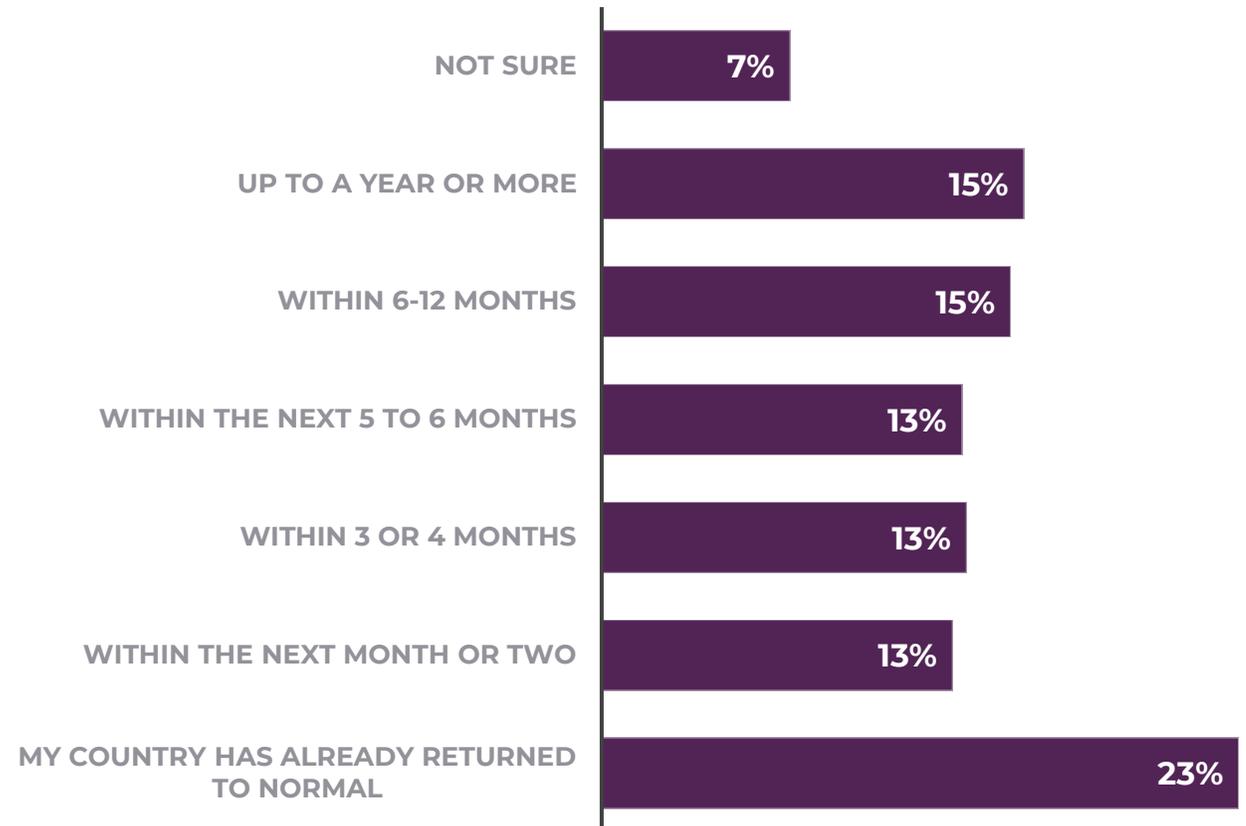
# On the continent recovery from COVID-19

Africans are living the new normal with only 23% expecting a return to pre covid normal



Two years after the emergence of the pandemic, African countries are striving to get back to normal;

- Majority of the consumers (23%) believe that their respective country has returned to normal.
- They are followed by those who believe their country needs a year to recover at 16%.
- Those that believe they need half a year to recover at 15%.
- Interestingly, 7% of Africans are not sure whether recovering from the pandemic is possible.



Q. How long do you think it will be before life in your country returns to normal after the coronavirus outbreak?

Survey conducted from April 20<sup>th</sup> to May 5<sup>th</sup>, 2022, among 9,522 urban dwellers from 20 countries, with an unweighted margin of error of +/- 1.03 percentage points. Figures may not add to 100% due to rounding.



## APPENDIX & METHODOLOGY



# Kasi Research Methodology

We speak to ordinary Africans weekly to empower businesses with reliable data



## Target Population

Target Population for our monthly survey is the adult population of the major urban cities of each of the 20x participating countries. In most of the countries we survey, this population is representative of the economically active population, and the key decision makers of household purchases. Residents of rural settlements are excluded from our surveys



## Sample

An average sample size of 500x respondents per country is surveyed monthly. The population size of the cities we sample are typically over 500,000, thus the minimum recommended sample for this population is 377.

For our sample size (n=500) we typically attain a Confidence level of 95%, and our survey estimates have a margin of error of approximately 4%



## Data Collection

Data collection is conducted from March 20 to April 9, 2022. Responses to our proprietary monthly surveys are voluntary.

Each interview takes on average 15-20 minutes to complete. Interviews are offered in English and French. Quotas are imposed on the survey, providing city residents of all demographics a fair chance to be included in the survey



## Methodology

Our data collection method is CASI (Computer-Assisted Self interviewing) conducted at respective interview sites. Our process includes multiple quality controls including trained interviewers available at the interview sites to assist respondents when they have queries. Back checking and Authentication: all completed surveys are edit checked & 20% of questionnaires are back-checked. Data capturing verification: validation & verification includes predefined survey rules, matching processes.

## Get more actionable insights

- **Demographics analysis**
- **Location drilldown**
- **Business intelligence advice**
- **And more.**

### Contact Us

#### Address

Riara Corporate Suites – 3rd Floor  
Nairobi, Kenya

#### Email

[info@kasiinsight.com](mailto:info@kasiinsight.com)

#### Telephone

(+254) 786 511161

# Win with Confidence

---

Find us on social media:



[Kasiinsight.com](https://kasiinsight.com)



[kasiinsight](https://www.linkedin.com/company/kasiinsight)



[kasiinsight](https://twitter.com/kasiinsight)



[kasiinsight](https://www.instagram.com/kasiinsight)



[KASlinsightinc](https://www.facebook.com/KASlinsightinc)