AFRICAN LIONS

Frequently Asked Questions

Project Champion

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GAME CHANGERS

Ipsos

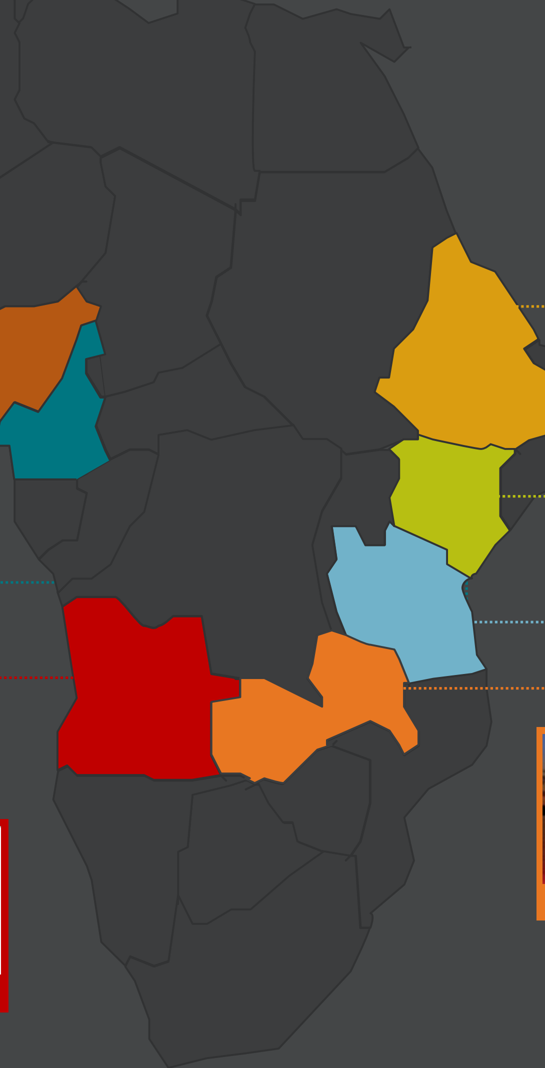
List of Questions

1. What is the study about?
2. Which cities were researched?
3. What methodology was used?
4. What does each city report cover?
5. What methodology was used to segment the middle class?
6. Who are the middle class?
7. How do I get access to the research?
8. Are there any important dates to be aware of?
9. Who should I contact?

A bold research study originated by the University of Cape Town Unilever Institute of Strategic Marketing in partnership with Ipsos

The broad objective was to define and quantify aspects of the African Middle Class/Afropolitan sector across the continent, but specifically within 10 key cities. This includes the demographics, growth trends, technology use, decision-making and aspirations, lifestyle and spending choices, cultural and traditional influences of the people; as well as market challenges, local complexities, local case studies and consumption patterns, within each city

WHICH CITIES WERE RESEARCHED?

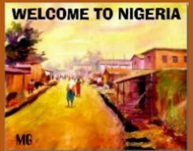


Abidjan

Addis Ababa

Accra

Nairobi

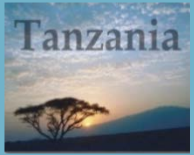


Lagos and Kano

Douala

Luanda

Lusaka



Dar es Salaam

DESK RESEARCH

Review of available data, academic papers and other literature. This information has been collated to help answer some of the fundamental questions about size and growth of the Sub-Saharan Middle Class. These include IEU data, recent analysis by Standard Bank, Ipsos and others.

1. Population, age, gender and employment
2. Income distribution
3. Where is this middle class? Which countries and cities are these consumers concentrated in?
4. The size and shape of the African City Middle Class
5. Growth potential for Sub Saharan middle class
6. Size of formal and informal retail markets

QUAL, QUANT & ETHNO

Qualitative Research: Ipsos Mobile offer Applife and WhatsApp groups followed by 3 focus groups sessions in each city participating in actual respondent events like weddings, outings, groups meetings etc.

Quantitative Research: 60 minute questionnaire with 750 people in each city

Ethnography Research: video interviews in each city with respondents in each segment along with 'day in the life of' clips

BRAINSTORMING

Interrogation of our findings to isolate meaningful insights for marketers. This included several workshops with leading thinkers and partners on the project.

Conducted 'expert interviews' with local thought leaders, academics and businesses.

A second avenue of exploration included case studies, where we examined examples of successful marketing strategies as well as failures.

REPORT COVERAGE

- Background and objectives: Contextualising the study
- Approach: Methodology and sample
- Segments
- Demographic profile and household structure
- Individual and household financial reality
- Psychographic similarities amongst African Lions
- Nutrition and health
- Interaction with technology
- Shopping and spending
- Brand relationships
- Media usage and communication
- Concluding thoughts
- Appendix

QUANTITATIVE REPORTING LEVELS

01

MAIN/TOTAL FOCUS

The total sample (all respondents, including middle class and floating class).

02

MILLENNIAL FOCUS

The sample of Millennials is a combination of 16-21 year olds from the main random probability sample, and a booster sample of this age group.

03

SEGMENT FOCUS

Data analysed by identified middle class and floating class segments.

04

CITY FOCUS

For the combined report only, total city results are also shown and compared.

OUR QUANTITATIVE SAMPLING ASSUMPTIONS

Main sample - random probability sampling in four stages:

1. Stratification and sample point identification in entire city by ward, suburb or administrative block (provision of maps showing starting points)
    - Full coverage of each city, including slums
2. Identification of qualifying households by way of a random walk procedure
3. Identification of qualifying individual in household by application of birthday rule
4. Further questionnaire screening for sample inclusion qualification:
    - Earn at least $4 per day in local currency
    - Have a disposable income
    - Typical basket of purchases

HOW DID WE SEGMENT?

Attitudinal Segmentation View, towards Issues such as:

- Money
- Tradition
- Brands
- Nutrition

WHO FALLS INTO THE MIDDLE CLASS?

- Higher than Primary School education
- Employed - Employed / Students / Stay at home
- Have money for at least food and clothing
- Once in a while or more frequently *have money left* at the end of the month
- Housing and Utilities usually less than 75% of family income

WHAT DIFFERENTIATES THE ESTABLISHED MIDDLE CLASS? (ACCOMPLISHED)

- Tertiary education in progress or completed
- Have money for emergencies
- Can afford *more* than food and clothing
- Greater stability in employment and income (Full time employment / monthly income)
- No / low debt
- Access to email / internet / personal computer

Who is middle class?

1 Not in poverty

2 Have disposable income and discretion

SO HOW BIG IS THE MIDDLE CLASS?

We find largest proportion of middle class in cities

10 CITIES	POPULATION	MIDDLE CLASS % (ATTITUDINAL SEGMENTATION)	MIDDLE CLASS (ATTITUDINAL SEGMENTATION)
Accra (Ghana)	2.3 Million	61%	1.4 Million
Addis Ababa (Ethiopia)	4.6 Million	59%	2.7 Million
Douala (Cameroon)	2.4 Million	58%	1.4 Million
Dar es Salaam (Tanzania)	4.4 Million	69%	3.0 Million
Abidjan (Ivory Coast)	4.7 Million	56%	2.6 Million
Kano (Nigeria)	3.3 Million	57%	2.0 Million
Lagos (Nigeria)	21.0 Million	67%	14.2 Million
Luanda (Angola)	6.5 Million	67%	4.4 Million
Lusaka (Zambia)	2.5 Million	66%	1.6 Million
Nairobi (Kenya)	3.3 Million	49%	1.6 Million

SUB SAHARAN AFRICA MIDDLE CLASS

01

35 Million Middle Class in the 10 Cities, ranging from 49% to 69% of population

02

Expected to be at least 50% across SSA in Cities that have a population of more than 1 million = **62 Million+**

03

32% of the Middle Class are in an established stable position = **20 Million+**

GAME CHANGERS Ipsos

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We look forward to hearing from you!