



MAKING ENDS MEET

Household Incomes, Expenses, and Filling the Gaps

Baseline Report: Kenya (August 2022)

- Our partners, [D3 Systems](#), sponsored a national CATI survey in Kenya and gave us the opportunity to append a few questions of our own.
- After two years of pandemic-related economic hardship, followed by the war in Ukraine, bringing skyrocketing inflation* in its wake, we decided to take a look at the impact on household budgets as well as disparities in levels of material comfort among Kenyan households.
- We intend to track these questions periodically and to extend coverage to other African countries.
- More sample reports and results of pilot studies can be downloaded at: <https://www.infiniteinsight.net/news.html>

* Source: Kenya National Bureau of Statistics: [8.3% overall annual inflation \(July 2022\) / 15.3% for food](#)

- The poll was conducted telephonically (CATI), using mixed method dialling protocols (RDD + [geographically targeted calling](#)).
- Quality Control measures included verification calls and auditing of recorded interviews; Informed Consent was obtained from all respondents.
- Results are nationally representative by province, urbanisation within each province, and gender. Data were weighted by educational achievement to compensate for imbalances; the table to the right lists unweighted results.
- The Universe are Kenyans, aged 18 and above, by necessity having access to a mobile phone; ownership* stands at 77.7% nationally (urban: 89.95%; rural: 71.03%).
- Main Fieldwork was conducted between 27th July and 4th August, 2022; a mop-up exercise was done from 19th to 20th August to balance the sample geographically and by gender.
- The Achieved Sample was **1,033** respondents.
- The Margin of Error is **±3.1%** at 95% Confidence.

Achievement:

☐ Total: **1,033**

- Nairobi: 9.1%
- Rift Valley: 26.2%
- Central: 12.1%
- Coast: 8.8%
- Eastern: 14.0%
- North-Eastern: 5.2%
- Nyanza: 14.1%
- Western: 10.4%

☐ Gender:

- Male: 51.1%
- Female: 48.9%

☐ Urbanisation:

- Urban: 32.0%
- Rural: 68.0%

☐ CATI Protocols:

- RDD: 41.1%
- Target Dialing: 58.9%

* Source: Ownership of Mobile Phones among population 18+ (Census 2019; special tally provided on request by KNBS)

Call Dispositions

Main fieldwork was conducted using D3 System’s proprietary platform, RCS. Following removal of duplicated uploads and invalid records, the achieved sample of 948 fell short of target.

Hence, to achieve representative distribution by Gender, Province, and Urbanisation within each Province, we decided on a Mop-Up exercise. Additional calls, which only covered our 5 questions and demographics, were made using Dooblo STG.

AAPOR FINAL DISPOSITIONS	Main Fieldwork (RDD & Target) 27/7/2022 - 4/8/2022		Mop-Up (Target) 19-20/8/2022		TOTAL	
	Absolute	Percent	Absolute	Percent	Absolute	Percent
Complete Interview	948	37.8	85	28.3	1,033	36.8
Partial	87	3.5	0	0.0	87	3.1
Refusal	132	5.3	33	11.0	165	5.9
Non-Contact	206	8.2	64	21.3	270	9.6
Other	19	0.8	59	19.7	78	2.8
Unknown Eligibility	1,074	42.9	29	9.7	1,103	39.3
Not Eligible	39	1.6	30	10.0	69	2.5
TOTAL	2,505	100	300	100	2,805	100

The Questionnaire

Just 5 pre-coded questions, plus standard demographic background variables, were required for this Sample Report; if inserted in our CATI Taxi (n=1,000) in Kenya, the subscription charges would have totalled just \$1,500 (excl. VAT); or \$2,350 (excl. VAT) on our larger CATI Omnibus (n=2,000).

Download the Brochure and Rate Cards: https://infiniteinsight.net/II&CI_Syndicated_Research_Brochure.pdf

QII-1 How do you assess your household's financial situation nowadays? Do you feel your household's income is

READ OUT

Much better than the average Kenyan's	1
Slightly better	2
About the same	3
Slightly worse	4
Much worse than the average Kenyan's	5
Don't know (DO NOT READ)	98
Refused (DO NOT READ)	99

Qii-2 Imagine that your household's monthly combined financial resources represent 100 points. I will now ask you to divide the 100 points across different expenses, according to how heavily they weigh on your household's monthly budget.

READ OUT

INTERVIEWER: TOTAL MUST ADD UP TO 100 POINTS

	Points
Rent	_____
Food	_____
Utilities (water, electricity)	_____
Transport (Public. Fuel)	_____
Cooking fuel (gas / kerosene / firewood / Charcoal)	_____
Mobile Phone / Internet charges	_____
Health & Education	_____
Entertainment	_____
Personal care	_____
TOTAL:	100

QII-3 Do you need to take out loans in order to make it through the month, even if only occasionally? Please do not include mortgages or car loans.

Yes	1
No	2
Don't know (DO NOT READ)	98
Refused (DO NOT READ)	99

IF YES IN QII-3, ASK

QII-4a From what sources do you obtain loans? **MULTIPLE CODES**

QII-4b And which is your most frequent source for obtaining a loan?

SINGLE CODE

	QII-4a	QII-4b
Bank	1	1
Contribution Schemes (Merry Go Round / Chama)	2	2
Mobile Loans	3	3
Logbook loans	4	4
Family members	5	5
Employer	6	6
Friends	7	7
Don't know (DO NOT READ)	98	98
Refused (DO NOT READ)	99	99

Detailed Results

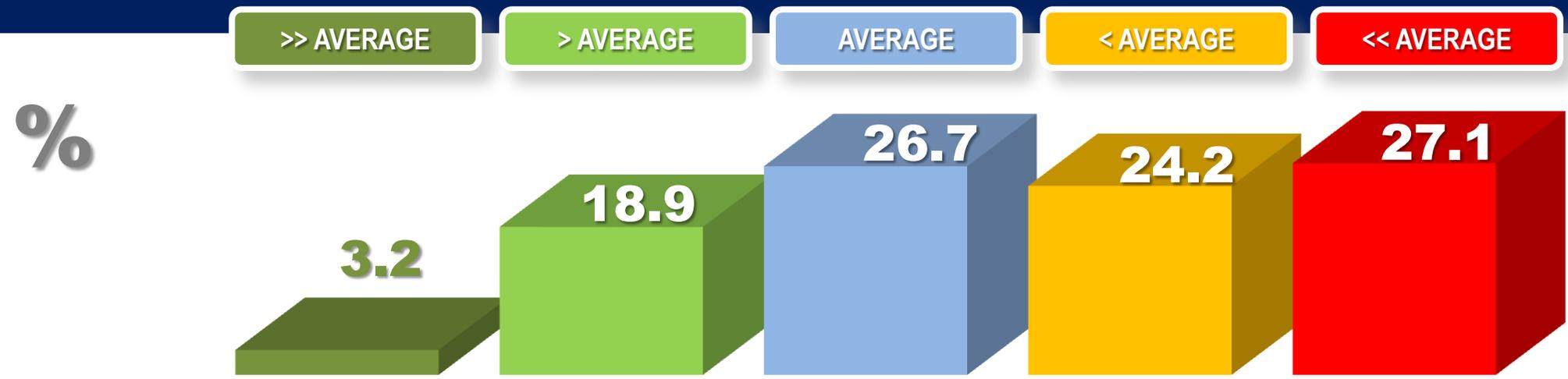


Levels of Economic Comfort

The average (Mean) monthly household income stands at just shy of 17,400 KES, which converts to \$145; the Median monthly household income is 12,000 KES (\$100.1). The daily household income, therefore, falls into the range of \$4 to \$5.

The Top 3% have about twice the amount at their disposal than the Bottom 27%, whose daily budget comes in at \$3.7.

The average household size (2019 Census) is 3.9, resulting in little more than \$1 per person per day; in remote and more rural counties, however, household sizes tend to be larger (e.g. 6.9 in Mandera), reducing daily budgets per person to well below \$1.



Monthly Household Incomes:*

Mean (KES) →	25,566.3	21,702.4	18,992.0	15,039.7	13,342.3
Mean (US\$) →	213.3	181.0	158.4	125.5	111.1

Base: Total Sample (weighted); n= 1,035 / * Those stating income; n= 839

Exchange Rate (24/8/2022): 1 KES = US\$ 0.00834159

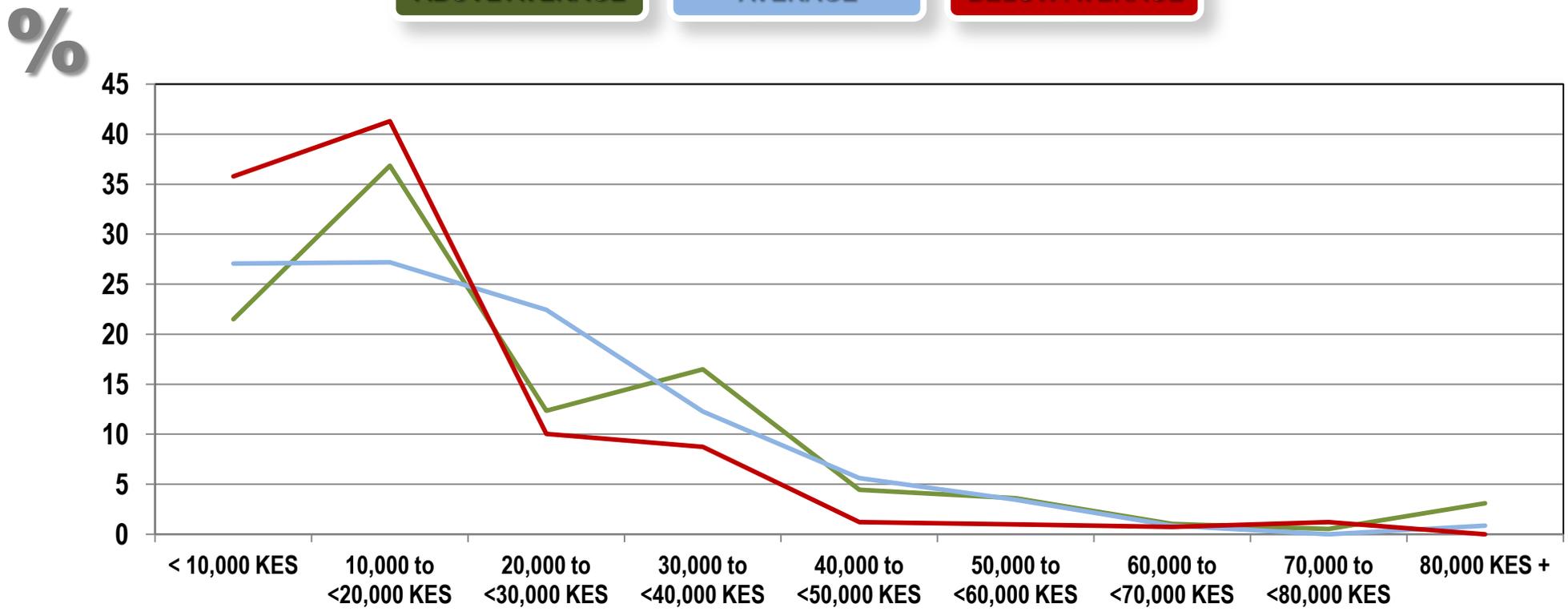
Household Income Curves

For better legibility, economic comfort categories were reduced to just three. Still, the Modes are virtually identical...

As in most of our markets, Kenyan respondents are reluctant to disclose household incomes – just 81% of respondents did so. Respondents frequently resort to guesswork, as they do not have the information to compute all possible sources of household revenues; privacy concerns, however, also come into play.

Despite these uncertainties, in telephonic surveys, where lengthy SEC / LSM predictor questions are difficult to administer, comfort categories can provide a sense of how economic disparities are affecting opinions and behaviours.

ABOVE AVERAGE **AVERAGE** **BELOW AVERAGE**

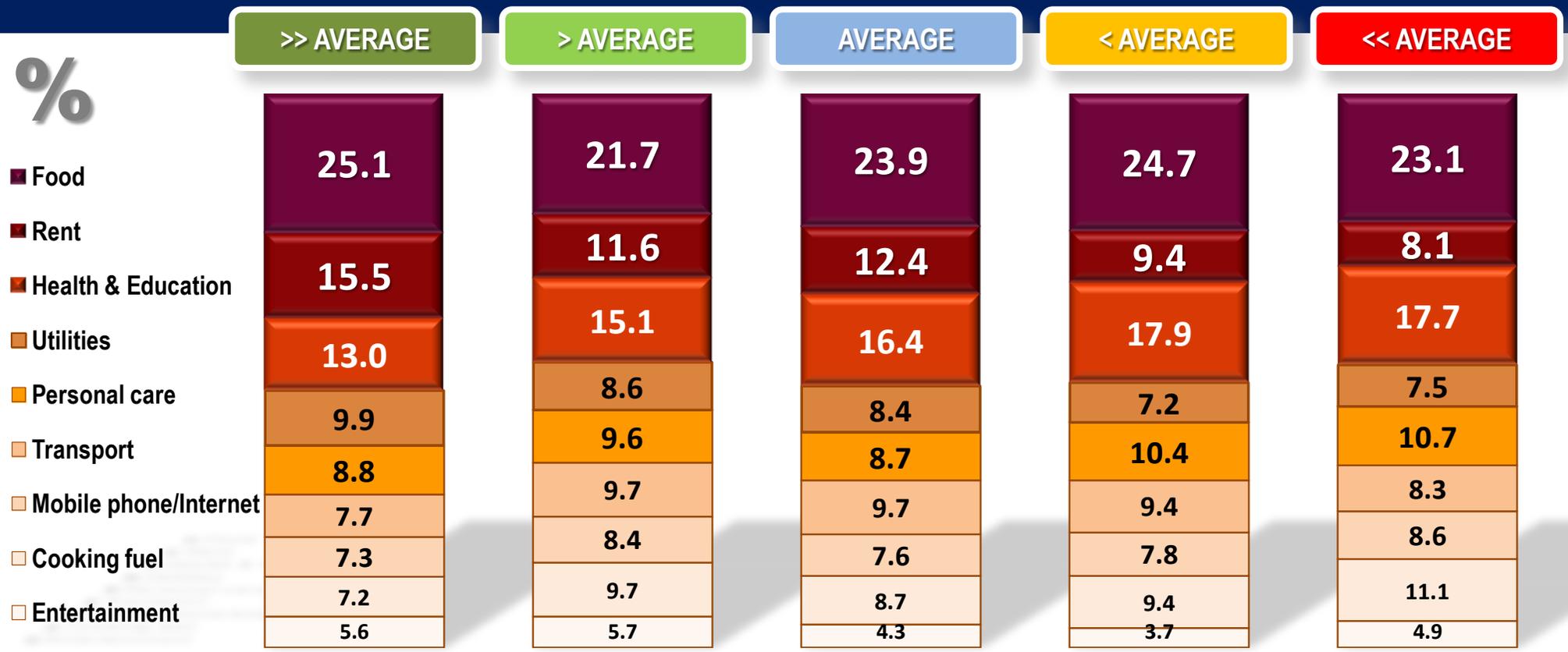


Base: Those stating income (weighted); n= 839

Household Expenses

Expenditures on Food, Rent, Health & Education are the big ticket items, which account for over half of Kenyans' household budgets. A rise in costs – or cancellation of subsidies - for basic foodstuffs, school fees, or transport will quickly exhaust tight budgets.

Not included among these budget items are support for relatives, tithes, and other levies, fees, and charges. It comes as no surprise then that concepts like the “hustler nation” resonate with many cash-strapped Kenyans.



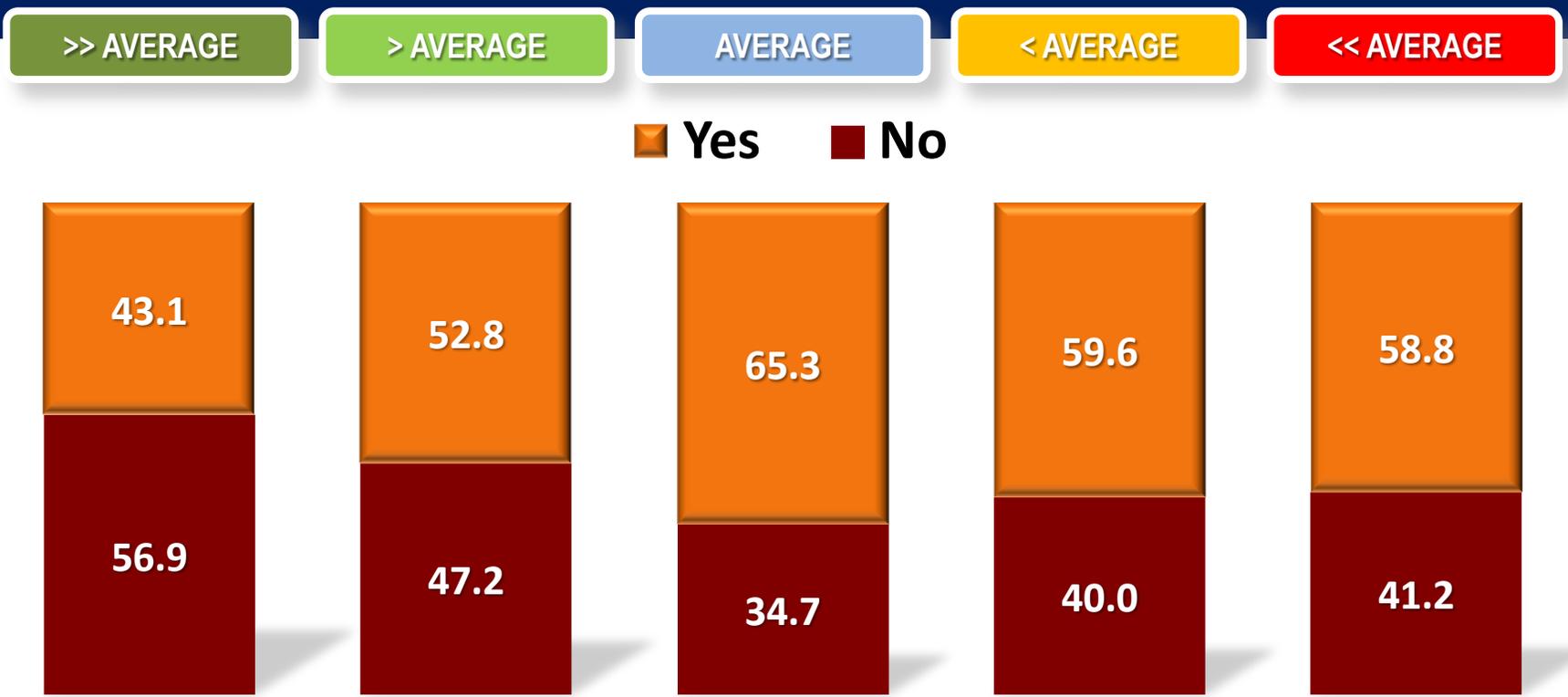
Base: Total Sample (weighted); n= 1,035

Stop-Gap Loans

59% of respondents assert that they take loans to make ends meet, at least occasionally.

With 65%, this proportion is highest among those, who consider their economic situation to be on equal footing with the average Kenyan household; it remains just below 60% among less affluent respondents.

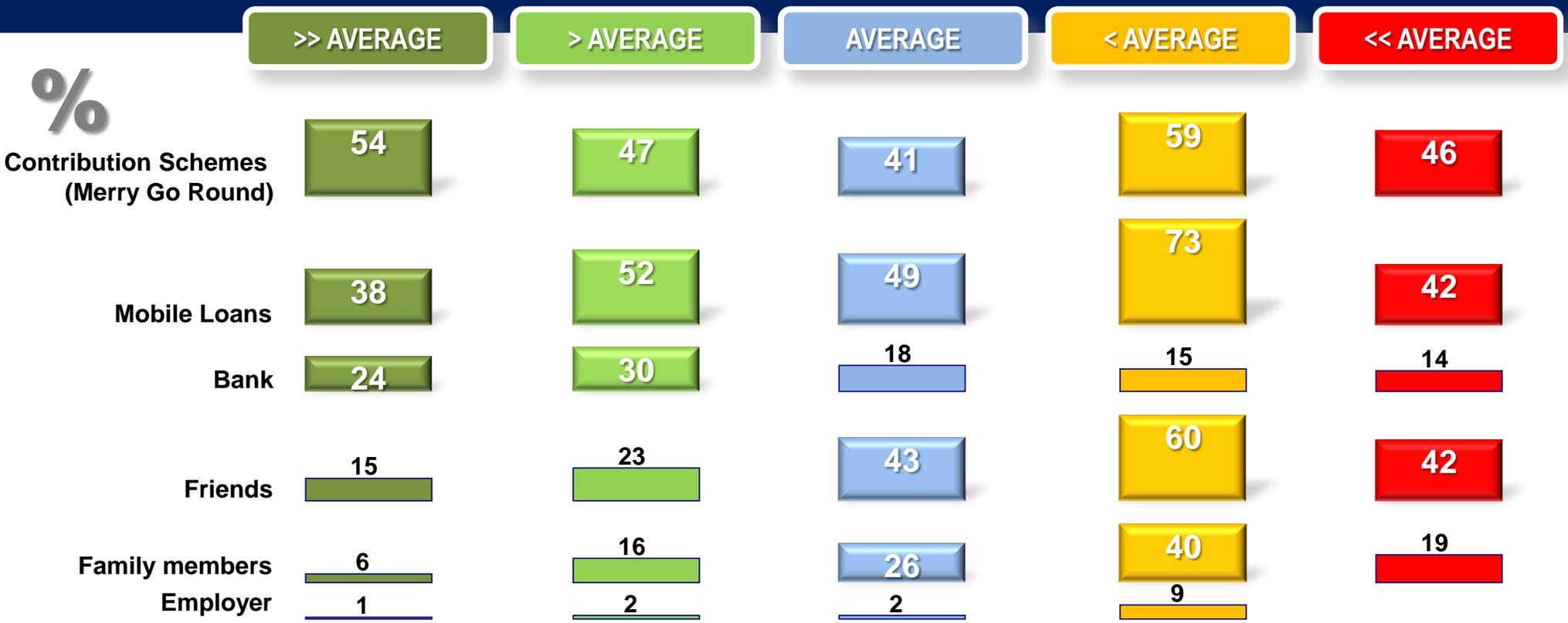
Stop-gap loans are less common among Kenyans, who regard themselves as performing above average; yet, at 43% and 53%, respectively, loan-taking remains at high levels.



Base: Total Sample (weighted); n= 1,035

Sources of Loans

On average, every loan taker had two sources of loans; those in the weaker than the average group, even close to three. With 48% overall, contribution schemes (merry-go-rounds) are popular across many African countries; and so they are in Kenya. However, with a flourishing mobile money system, mobile loans are now being accessed by 53% of loan seekers. Friends and family members, with 43% and 25%, respectively, remain popular fall-back options.

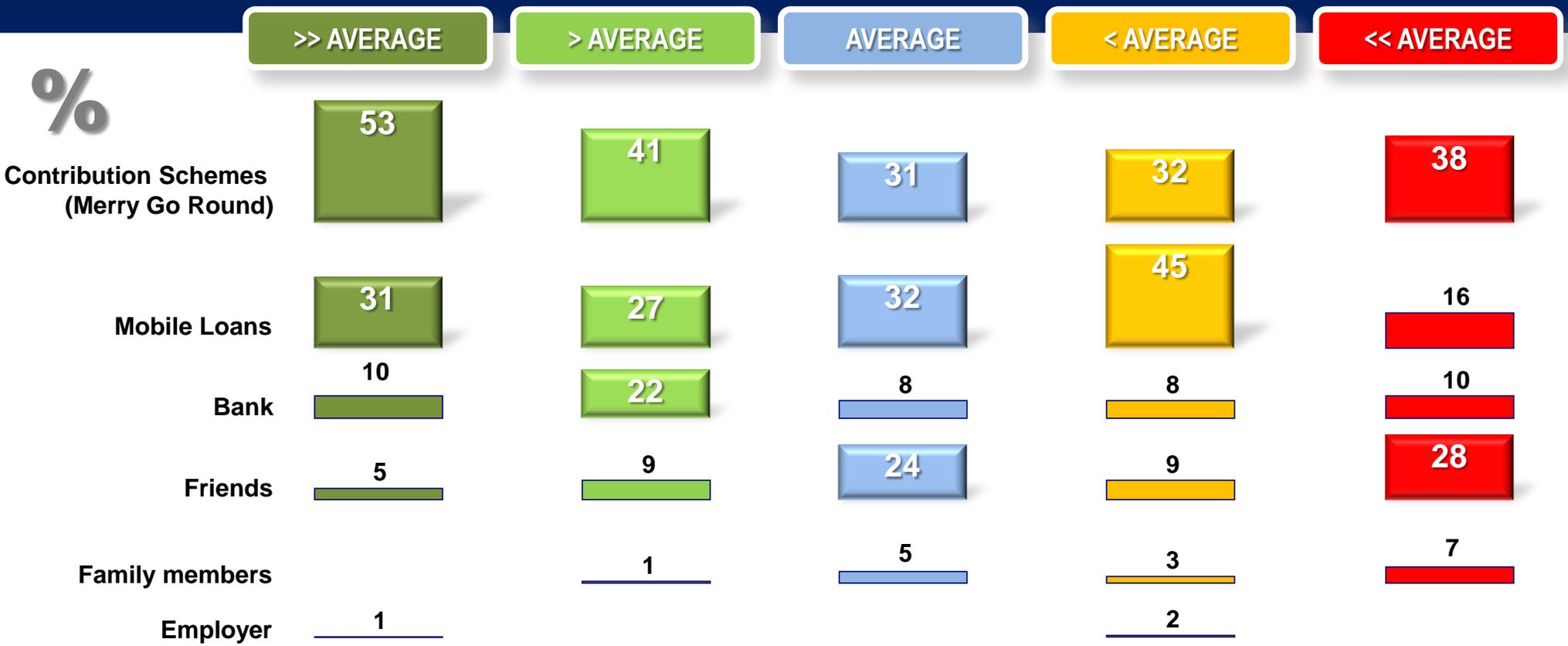


Base: Those taking loans (weighted); n= 612

Main Source of Loans

The main source of loans are the informal contribution schemes with 35%; among the most affluent in the sample, this proportion peaks at 53%. With 30%, mobile loans come in a close second.

Unsecured personal loans are still being hard to obtain; hence, banks are a minor source with just 11% mentioning them as main source – outperformed by friends (19%).



Base: Those taking loans (weighted); n= 612

Demographic Profiles

Perceived higher levels of economic comfort are more common among respondents in Nairobi and Central; while lower levels seem to affect respondents in Rift Valley to a greater extent. Otherwise, levels are similar across the provinces.

In contrast, living in rural parts of the country impacts negatively on the perceived economic status of Kenyans; in contrast, education and employment improve self-assessments (while not serving as guarantors). While farmers are represented across groups, they are twice as likely to take a dim view of their situation than being highly satisfied with it.

	Total	Much better than the average Kenyan's	Slightly better	About the same	Slightly worse	Much worse than the average Kenyan's
<i>Weighted Base:</i>	1035	33	196	276	250	280
	%	%	%	%	%	%
URBANISATION						
Urban	25	43	39	27	23	15
Rural	75	57	61	73	77	85
EDUCATIONAL STATUS						
No formal education	1	0	0	2	0	0
Primary	61	35	49	53	69	74
Secondary	27	41	33	31	21	21
Middle Level/Technical/Vocational	7	15	11	9	6	3
University	4	9	7	5	3	1
EMPLOYMENT STATUS						
Employed (formal & informal)	61	74	60	66	58	56
Unemployed	8	7	10	5	12	7
Housewife	4	3	2	6	5	1
Student/Apprentice	1	0	1	1	1	0
Retired/Disabled	2	0	1	1	4	4
Farmer	24	16	25	20	20	31

Summary

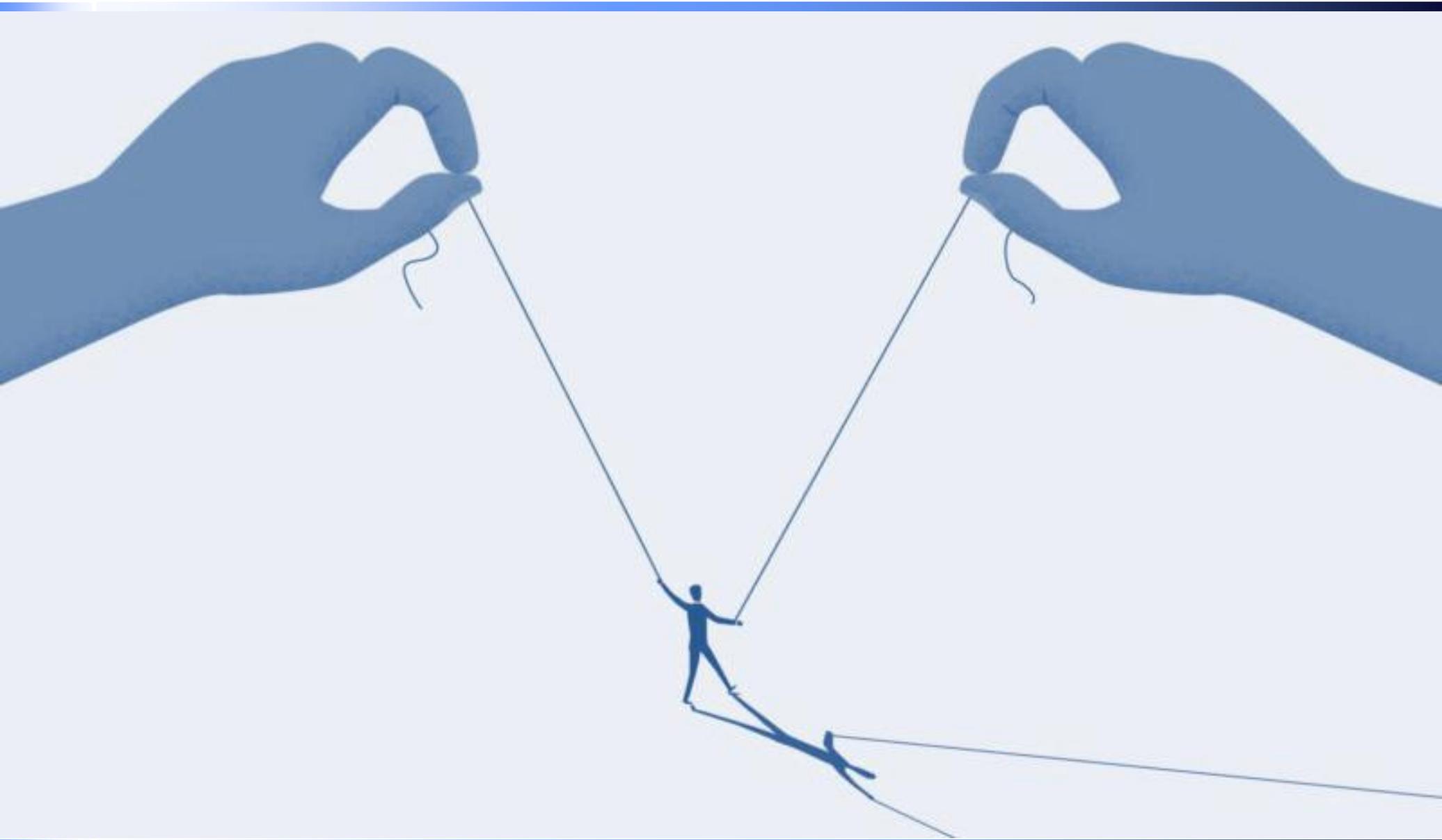


- The combined impact of the pandemic, the war in Ukraine, drought across northern Kenya, deteriorating exchange rates, and pre-election jitters has had severe consequences for the national economy as much as for the lives of ordinary Kenyans.
- Although inflation is hardly unique to Kenya, its impact on Kenyans (often living hand-to-mouth) constitutes a setback to the country's ability to maintain its status as a middle-income nation.
- Although economic comfort categories and household incomes were self-assessed, and, therefore, quite elastic, 51% described their household's financial situation as below the Kenyan average.
- The reported average monthly household income stands at 17,400 KES (mean); at the current exchange rate, this converts to \$145. This leaves Kenyan households struggling to make ends meet.
- Hence, 6 out of 10 (59%) respondents need to take out loans to make it through the month. Food alone accounts for 24% of household expenditures. Any increase in any other budget item will leave Kenyan households cash-strapped, and, as reported in the media, skipping meals.



- As evidenced by recent election results, Kenyans are split in their assessment of the political and economic situation in the country; almost equal proportions voted for a bottom-up economic strategy (“hustler nation”) or for relief measures in the form of subsidies (“Babacare”).
- If health care and tuition-free education were seen as an investment in Kenya’s prosperity to the same extent as infrastructure projects, this might go a long way in alleviating financial hardship.
- One way to interpret bottom-up policies might involve greater consideration of rural areas and the nation’s farmers (frequently smallholders).
- An intensive programme to introduce regenerative agricultural production would seem to be a promising strategy in assuring food security, raising rural populations out of poverty, making agricultural production more resilient to the effects of climate change, and freeing Kenya’s economy from the clutches of multinational commodity brokers and the agro-chemical industry.





The Team

Margit Cleveland,
Managing Director
(Infinite Insight, Kenya)



For more than 35 years, Margit has worked in markets as diverse as Germany, USA, and Sub-Saharan Africa.

Margit is a member of ESOMAR, MSRA, PAMRO (founder member) and WAPOR. From January 2013 to December 2016, Margit was the ESOMAR representative for Kenya; from January 2020 to December 2021, she was the WAPOR representative in the country.

Jean-Jacques Moolman
Managing Director
(Infinite Insight, South Africa)



Jean is based in South Africa; with more than 20 years research experience on the continent, mostly working with global clients such as Bill and Melinda Gates Foundation and particularly large international agencies. He worked for 11 years at Ask Afrika as Global Accounts Executive. Previously he was at Synovate (now Ipsos) for 6 years and another 6-year media research background in data analytics and reporting. Jean has worked on hundreds of research projects across more than 30 countries.

He has post-graduate degrees in both psychology and sociology.

Althea McCourt
Director
(Infinite Insight, Kenya)



Prior to joining Infinite Insight, Althea was the Operations Director at Research Solutions. She has over 20 years experience in management consultancy.

Althea holds an MBA – IT (University of Leicester), and a BA (Hons) in Business Studies (University of North London). She is a Member (KIM), Marketing and Social Research Association (MSRA), SAMRA, ESOMAR, and Kenya Institute of Management. In 2017, Althea was the chair person of MSRA.

Anne Mambo
Partner (DRC)



Anne has vast experience covering 20 years in multi-national corporations. She held various leadership roles including Managing Director, British American Tobacco Distribution, based in Kinshasa and Sales and Marketing Director, Diageo in both Cameroon and Kenya.

Anne studied at the University of Nairobi and Strathclyde University in Scotland. Anne is fully proficient in English, French and Kiswahili and conversational Lingala.

Yemi Oniyitan
Managing Director
(Consumer Ideas, Nigeria)



Yemi is an experienced market researcher with more than 20 years of experience in the industry, straddling both agency and client side as well as local and international markets. He has vast experience in social, services, media and FMCG studies.

A graduate of political science (BSc.), Yemi is well tuned-in to the socio-cultural and political interplay in consumer and public behaviour.

Naftali Waburi
Research Director, quantitative
(Infinite Insight, Kenya)



Naftali' started in market research in 2002. Naftali has handled projects in almost all the markets within the Eastern Africa Region. Naftali holds a MBA Strategic Management and an BBA in Marketing

Maryann Murugi
Finance & General Manager
(Infinite Insight, Kenya)

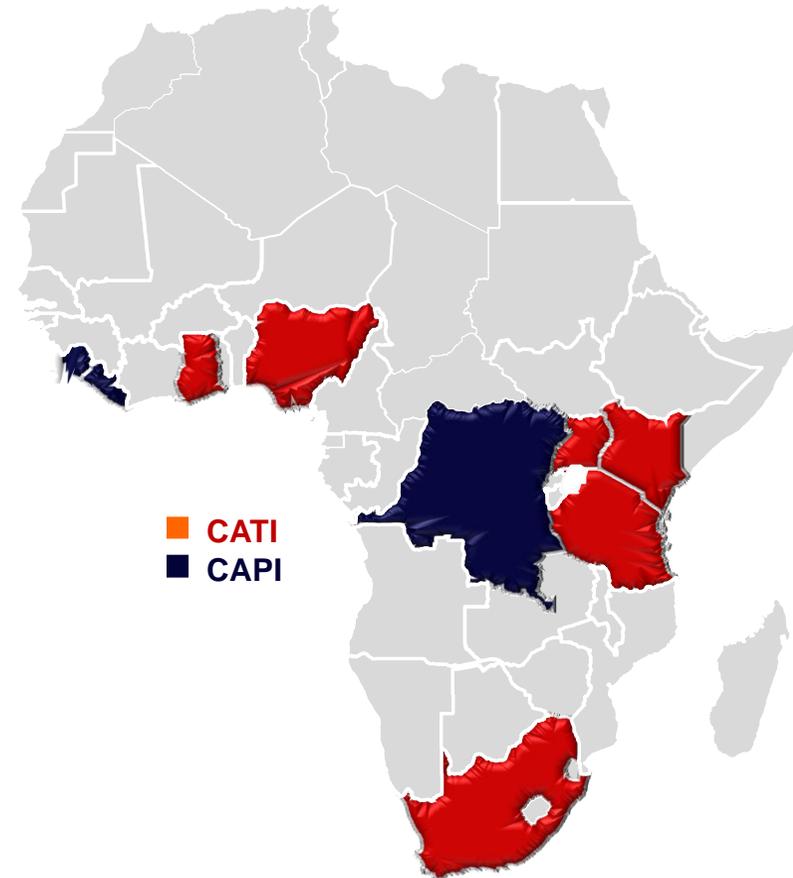


Maryann has over eight years experience in financial monitoring and analysis of financial reports. She is a certified Public accountant and has a Bachelor's of Commerce degree from University of Nairobi. She is also a member of ICPAK and MSRA

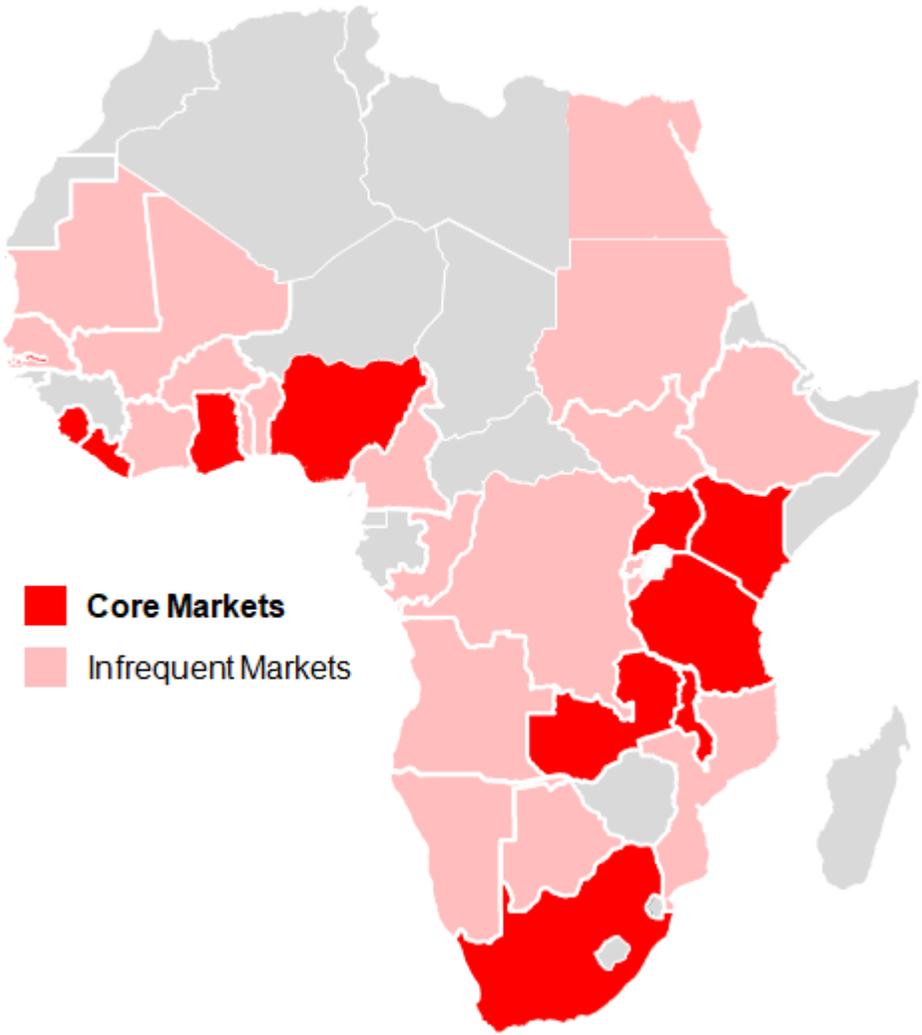
Syndicated Services

- We have launched a series of quantitative and qualitative syndicated services:
 - **Omnibus and Taxis:**
 - **CATI:** Kenya, Tanzania, Uganda, Nigeria, Ghana, and South Africa
 - **CAPI:** Democratic Republic of Congo (DRC), Liberia, and Sierra Leone
 - **Focus Groups and Online Communities:**
 - Initially available in Kenya, Nigeria, and South Africa
- The brochure, including rate cards, can be downloaded at:

https://infiniteinsight.net/II&CI_Syndicated_Research_Brochure.pdf



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We fully comply with the [ICC/ESOMAR Code of Practice](#), the [MSRA Code of Ethics](#), and the [GDPR](#)



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