Abena works as an office clerk in Accra and is a mother of four children. Apart from family life, her main leisure pursuits are watching African movies and romantic family dramas on television and listening to music on the radio. For Balanced Seniors like Abena, family is seen as the most important aspect of their lives. However, younger consumers such as her children tend to put more emphasis on spending time out with their friends and are much more tech savvy and fashion conscious than Abena. Like the majority of Ghanaians, Abena does most her shopping at general stores or from roadside kiosks that sell almost everything from beverages to mobile recharge vouchers. While there are supermarkets in Ghana’s major cities, they are not as popular as container shops, kiosks, general stores or table tops. Like the majority of Ghanaians, while shopping, Abena primarily focuses on buying brands that she has previously tried and those that are affordable. However, compared to other African consumers, shoppers in Ghana are also more likely to be influenced by packaging or advertising.

SEGMENT DIFFERENCES BETWEEN GHANA AND OTHER AFRICAN COUNTRIES

- CPG indexes across segments in Ghana have less variation than those reviewed across segments in other countries studied where larger extremes were observed
- In Ghana, CPG spending for Trendy Aspirants is in line with the country average, whereas in most countries they tend to spend much more
- Across other countries surveyed, Female Conservatives have the lowest CPG index. However for Ghana they are slightly above average, which is driven by high spending on food and groceries

High to mid-income consumer segments like Progressive Affluents (8%), Trendy Aspirants (20%) and Balanced Seniors (16%) like Abena make up 44 percent of Ghana survey respondents. These respondents are amongst the 60 percent of Ghana’s head of households surveyed who have completed their education up to secondary school and beyond and earn their living either by working in white-collar jobs or as skilled/semi-skilled laborers. These three consumer segments drive consumption of most value-added consumer packaged goods such as non alcoholic malted drinks, packaged fruit juices, energy drinks and yogurt. While TV, radio and mobile phones have near universal penetration, print and Internet are popular only amongst Progressive Affluents, Trendy Aspirants and Evolving Juniors.

Country Profile

- Total population of Ghana is 24 million\(^1\). At 3.8 percent per annum the urban population is growing five times faster than the rural\(^7\)
- Ghana’s solid growth is driven by political stability, sound macroeconomic policies, high gold and cocoa prices, and oil revenue\(^1\)
- Ghana is a member of the Economic Community of West African States (ECOWAS), which allows free movement of goods and people across its 16 member nations\(^3\)
- The World Bank ranked Ghana as the sixth easiest place in Africa to conduct business\(^4\)
GHANA

Nielsen identified seven consumer segments based on a face to face survey of 5,000 respondents across Nigeria, Ethiopia, Uganda, Kenya, Tanzania, Zambia and DRC. Variables used were: attitudes, age, socio-economic class, education level, and mobile and media usage. The family theme reverberates strongly across all groups, as does affordability and trusting the same brand. However, segments vary in terms of other purchase drivers and media consumption.

<table>
<thead>
<tr>
<th>Segment</th>
<th>Description</th>
<th>Media Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evolving Juniors</td>
<td>22% 15-19 years, middle to lower SEC, peri-urban</td>
<td>Mostly students. Family is important but also social and enjoy spending time with friends. Value brand loyalty.</td>
</tr>
<tr>
<td>Trendy Aspirants</td>
<td>20% 15-29 years, single, largely male, middle SEC, urban</td>
<td>Educated up to secondary school and above. Modern in terms of fashion, technology, and willingness to try new products.</td>
</tr>
<tr>
<td>Balanced Seniors</td>
<td>16% 20-45 years, married with children, across all SEC</td>
<td>Studied secondary school and above. Traditional, family-oriented and religious. Buy based on affordability and recommendation.</td>
</tr>
<tr>
<td>Struggling Traditional</td>
<td>16% 30-45 years, married with children, lower SEC, peri-urban</td>
<td>Low levels of education - secondary school and below. Rooted in family, traditions and religion.</td>
</tr>
<tr>
<td>Wannabe Bachelors</td>
<td>12% 20-34 years, male, middle to low SEC, single, peri-urban</td>
<td>Educated up to secondary school. Mix of blue collar and supervisor level jobs. Influenced by good packaging and advertising.</td>
</tr>
<tr>
<td>Progressive Affluents</td>
<td>8% 30-45 years, married with children, higher SEC, urban</td>
<td>Well educated, and employed in managerial jobs. Willing to try new things and pay for quality. Family important but also tends to be very individualistic. High on media use.</td>
</tr>
<tr>
<td>Female Conservatives</td>
<td>6% 15-29 years, married, lower SEC, peri-urban</td>
<td>Keen to keep up with fashion and try new products.</td>
</tr>
</tbody>
</table>

BUY

Consumer packaged goods categories account for 41 percent of total monthly household expenditure. All consumer packaged goods categories are chiefly bought from traditional trade channels, while only 11 percent of respondents use supermarkets or hypermarkets as their primary channel for groceries. High to mid-income consumer segments like Progressive Affluents, Trendy Aspirants and Balanced Seniors drive consumption of discretionary products such as non alcoholic malted drinks, packaged fruit juices and yogurt. Trendy aspirants exhibit high interest to try beverages, snacks and dairy products. The low income Struggling Traditionsal segment however maintains high interest to try products across a variety of categories.

Affordability and trust are the two main purchase criterions of Ghanaian consumers. Compared to respondents in other African countries, Ghanaian consumers express a higher preference to buy brands that are advertised, available on promotion, possess attractive packaging and come in both small and bulk pack sizes.

WATCH

The spread of technology, especially electronic media, has brought even rural Ghanaians within the ambit of consumer packaged goods companies. The penetration of TV (95%), radio (92%) and Internet (33%) in Ghana is greater than penetration in most other African countries surveyed.

At 89 percent penetration, the mobile phone connects people across all consumer segments and is primarily used for text messaging. Driven by low literacy (67%), penetration of newspapers (32%) and magazines (12%) in Ghana is lower than what was observed in other African countries. Newspaper, magazines and Internet are popular amongst Trendy Aspirants, Evolving Juniors and Progressive Affluents. Almost one-fifth of the respondents—especially Trendy Aspirants and Progressive Affluents—use their mobiles for accessing Internet and staying connected via social networking websites such as Facebook.

OPPORTUNITY

Ghana's economic growth and political stability make it an enticing destination for global companies to invest. In comparison to other African countries surveyed, Ghanaian consumers are more willing to try new brands, are better connected with media, and are more receptive to advertising. Consumption and interest to try for most consumer packaged goods are driven by mid to high income segments like Balanced Seniors, Progressive Affluents, and Trendy Aspirants. However, as the economic fortune of Ghana continues to improve, the low-income consumers like Evolving Juniors, Struggling Traditionsals, Wannabe Bachelors and Female Conservatives are likely to emerge as an equally potent market.

Companies keen to do business in the Ghana market will need to leverage media to not only highlight their product attributes but to also enable consumers to gain exposure to try new brands. Product recommendation by friends and family will ensure trial and help to build brand loyalty.

Sources:
5. The World Bank: Africa Development Indicators: World Bank national accounts data, and OECD National Accounts data files.

All other numbers quoted are from the Emerging Markets Insight Survey, 2012 conducted in urban settlements in Ghana (Accra, Tema, Kumasi, Tamale, Sekondi and Takoradi). The African average comprises of scores across Nigeria, Ethiopia, Uganda, Kenya, Tanzania, Zambia, and DRC.

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