

glisen

**REPORT**

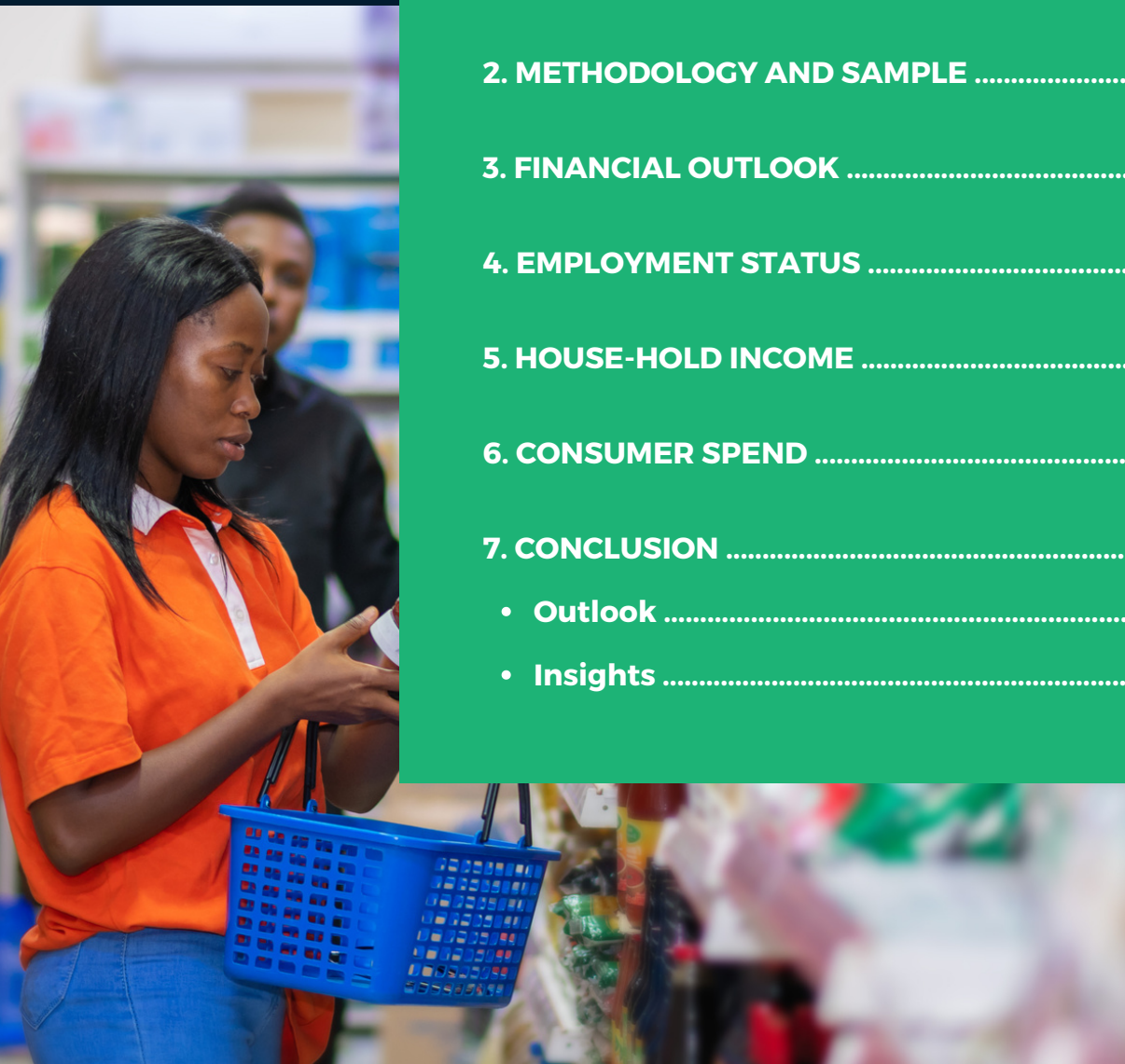
# **Hair Care Products**

**Consumer Spend,  
Expectations &  
Income Study**



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## INTRODUCTION

The economic crisis currently underway has resulted in consumers pinching their pennies and cutting costs on all expenses across the board.

They are out on the prowl for bargains on their convenience goods and East Africa's economy is no exception to the ramifications of this crisis.



Glisen conducted a study in Kenya and Ethiopia to understand consumer expectations, assess their spending habits on hair care products and consider their current household income.

According to the [IDInsight report on the status of women](#), it showed that in majority of households, it is women who are the key decision makers on household purchases and thus the survey was conducted on the female populous of each country.

**The survey addressed a number of key issues related to the consumer, including:**



## METHODOLOGY AND SAMPLE



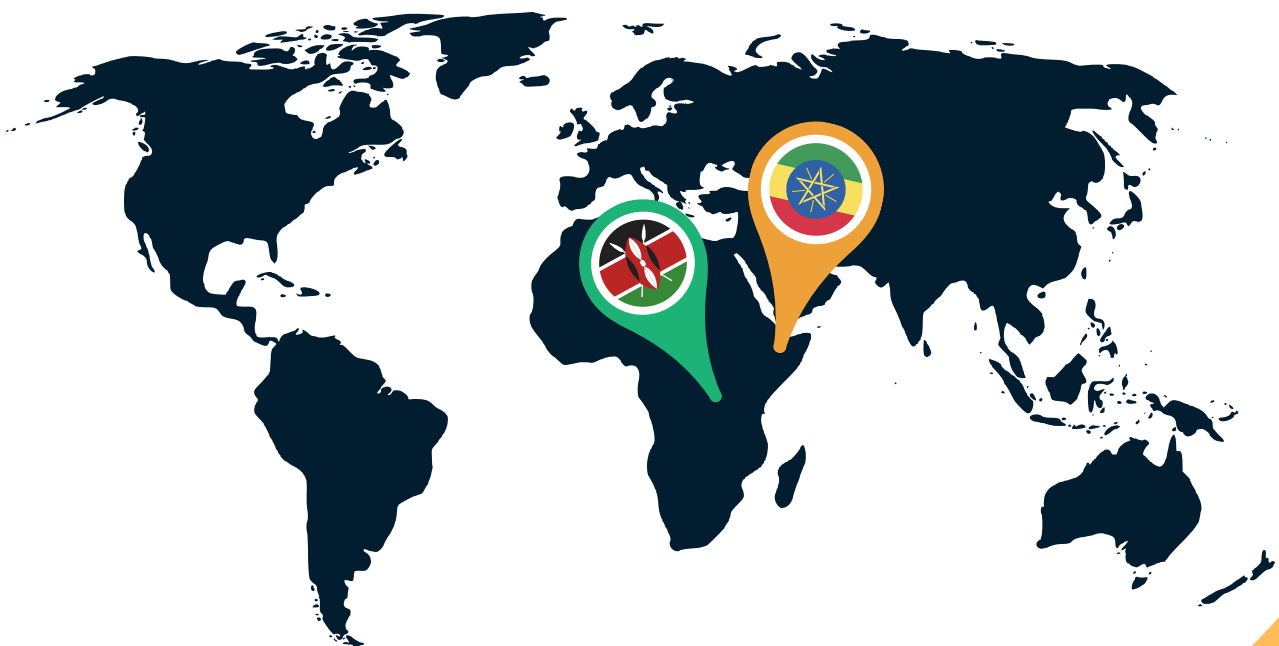
The study was implemented using Glisen's mobile web research solutions.

Mobile web is a link-based survey mode that can be taken on a very basic mobile phone browser or any other browser.

In this study, respondents replied to an online advertisement with a link directing them to a webpage to opt-in and complete the survey. A small incentive in the form of a free hair consultation was provided upon survey completion.

Data collection occurred between mid- December 2022 and mid-January 2023 in Kenya and Ethiopia.

The sample size was approximately 200 respondents per country, for a total of 415.

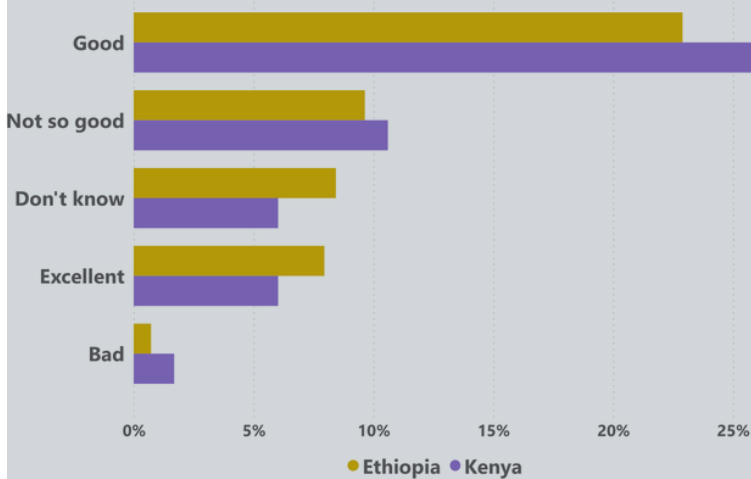


## THE YOUTH ARE STILL HOPEFUL

We asked our respondents about their outlook on future job opportunities available to them, expressing their attitudes on a scale of excellent - bad.

The biggest segment (40%) was cautiously optimistic stating their prospects as good. 20% had a floundering optimism maintaining that their prospects were 'not so good'; while 14% felt they were in limbo, stating they just 'do not know' of their prospects.

According to you, do you think job prospects over the next 12 months will be:

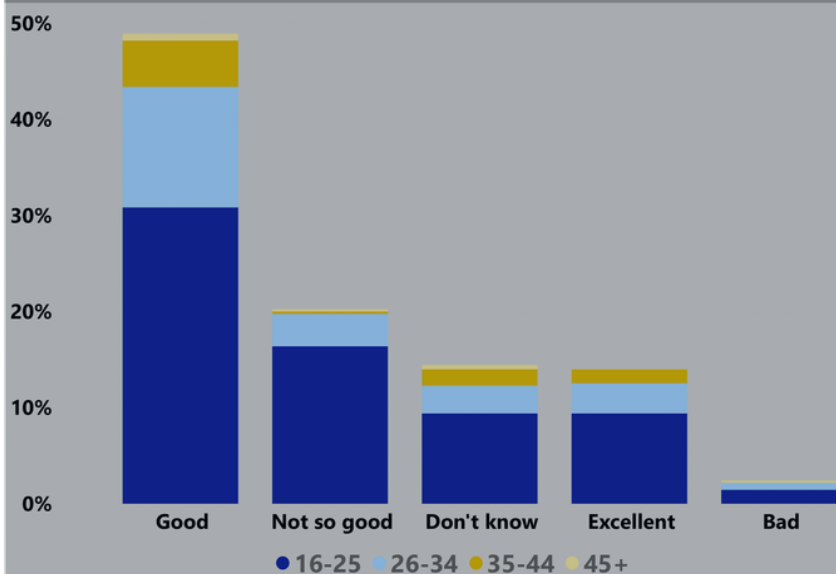


The biggest age segment that were optimistic albeit cautious, were the youth aged 16-25 years.

However, this is a decline of their confidence levels compared to previous years according to the 2022 report on [CCI by Nielsen](#)

The age bands of 26- 34 and 35-44 have similar expectation levels, and the majority of them state that they do not know of the future.

According to you, do you think job prospects over the next 12 months will be:





## DO WE HAVE JOBS?

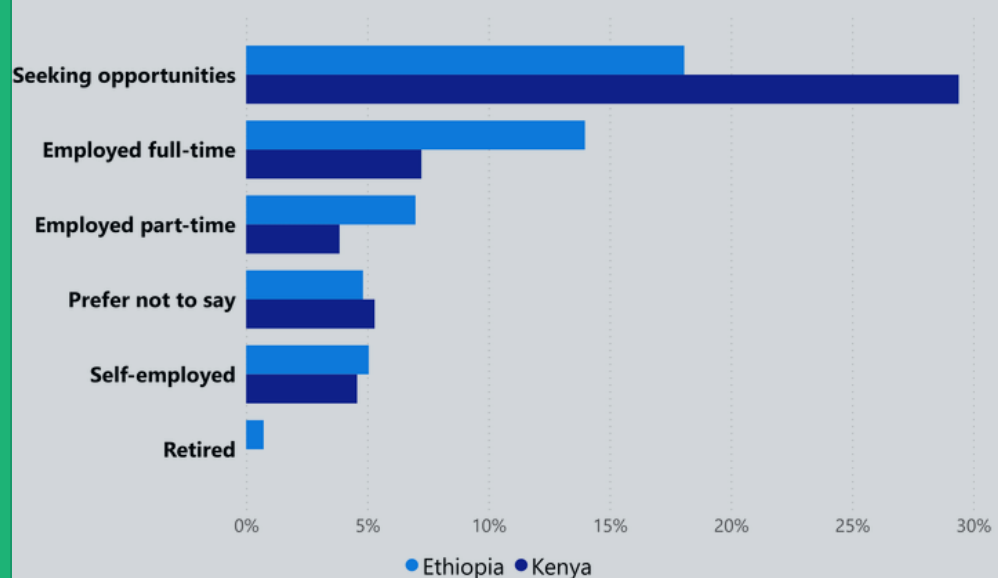
With countries around the world facing a historical cost of living crisis, it explains why the largest segment (47%) of our respondents are seeking job opportunities, the majority of these fall under the age groups of 16-25 (30%) and 26-34 (8%).

27% of our respondents are employed full time and 10% are employed on a part-time basis.

Signs of employment status disparity between the two countries on an individual level can be found in the fact that in Ethiopia 26% of our respondents have forms of employ, while only 15% of our respondents in Kenya can state the same.

Given that Kenya is coming out of an election year, it is presumed that these are some of the effects the country is experiencing.

### What is your current employment status?

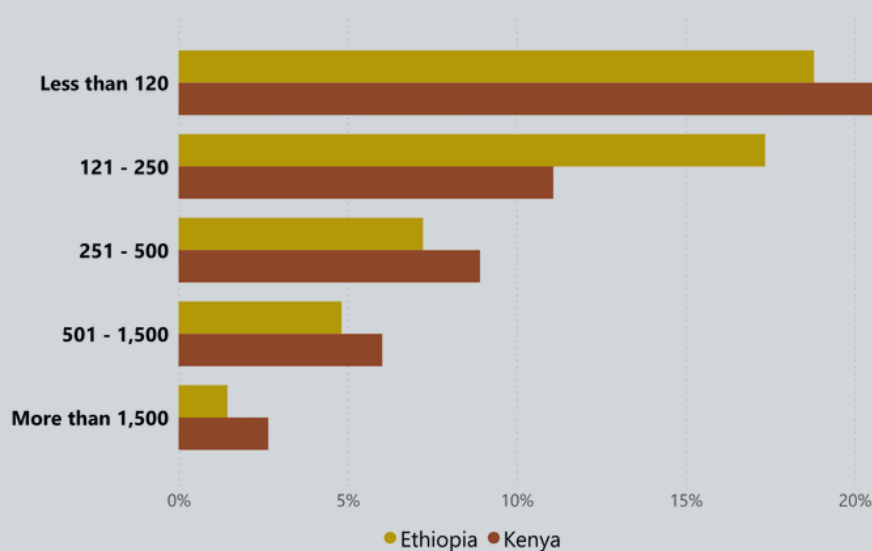


## HOUSEHOLD INCOME

Considering the disparity in employment status between the two countries, it was not shocking that the gap between each income level was abysmal in Kenya, compared to her neighbor Ethiopia.

21% of Kenyans have a house hold income of less than \$120 and 11% have an income of \$ 121 - \$ 250; while in Ethiopia it is 18% and 17% respectively.

What is your monthly household income? ...

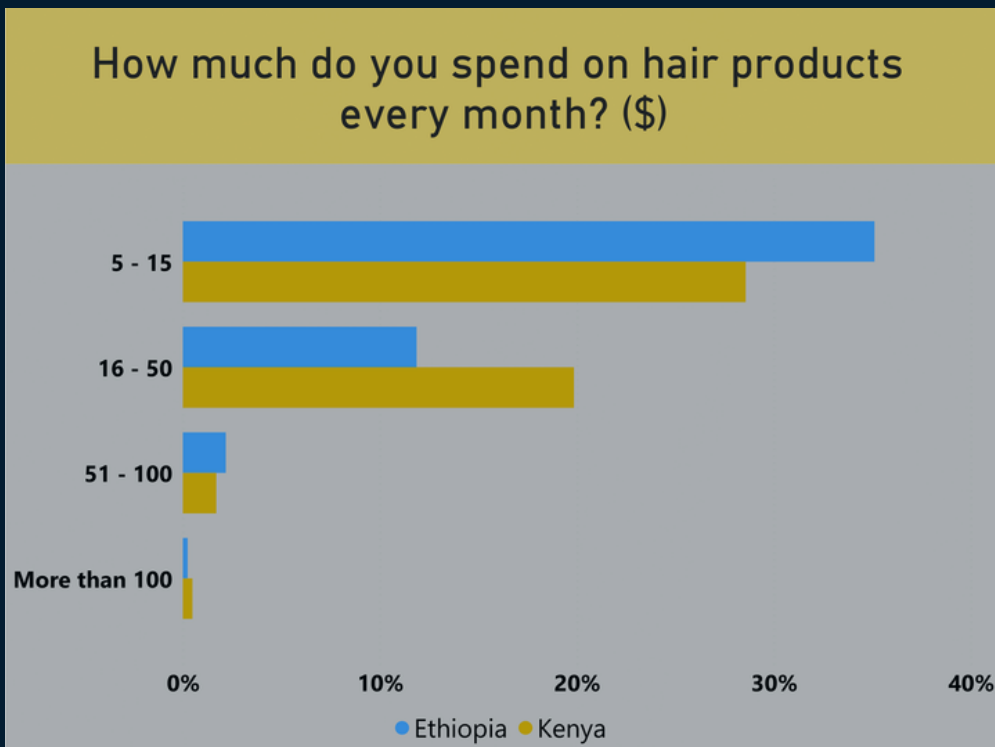


What was fascinating to learn, was that Kenya compared to Ethiopia has a significant population falling on the mid to high income levels.

With 10% of Kenyan vs. 6% of Ethiopian households generating \$251 - \$500 and 8% of Kenyan vs. 5% of Ethiopian households generating \$501 - \$1,500+



## HOW MUCH ARE WE SPENDING ON HAIR?



Ethiopia and Kenya's consumer spend was approximated at \$83 billion and \$76 billion respectively and of that revenue, the hair care segment amounts to \$0.53 billion in 2022.

The market is expected to grow annually by 7.62% (CAGR 2023-2027), thus, what is the dollar amount per individual?

We asked our respondents how much they spend on their hair care products monthly with a range of \$5 - \$100+. 57% responded stating they spend \$5-\$15 on hair products and 31% of the respondents in this segment were Ethiopian. 35% reported spending \$16-\$50 and the majority (20%) of these respondents were Kenyans.

With the cost of living in Ethiopia being higher than Kenya (Numbeo report) it follows that Ethiopia is spending less in hair care products. It was interesting to find that in Ethiopia the age band of 26-34 was spending more compared to the 35-45 bands.





## CONCLUSION

Our study confirmed that the cost of living crisis is indeed affecting the consumers' spending habits, attitudes, as well as their expectations of future opportunities; both the Ethiopian and Kenyan consumer are not optimistic about the economy's upturn.

Our findings established that the consumer is spending less on hair care products, confirming the 2020 Statista hair spending forecast report projecting a decline in consumer spend.



Despite these results, there are positive trends to be found. The youth is hopeful that there will be an increase in job opportunities in the next six months.

Evidently, it is of importance that brands in this industry take note of the present consumer behavior, to consequently offer value to their customers, increase and maintain product sales and keep their consumer base as we ride out the crisis.



Brands may mitigate the effects of the changes in consumer spending by introducing promotions on pricier products.

Product discounts and innovative product repackaging would afford the consumer the same qualities but in smaller quantities and at a price point that they're comfortable with, whilst the brands maintain the same pricing on products and increase revenues.



## CONDUCT RESEARCH & UNDERSTAND THE MARKET

A photograph of four African women smiling and laughing together outdoors. They are wearing traditional, patterned clothing. The image is overlaid with a semi-transparent green filter.

We help firms like you connect with and hear from women in Africa.

Get access to our unique panel that has:

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- Tried and tested 100% response rate
- Profiled by income and social economic class

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