

# press release

## The new emerging market consumer – confident, aspirational and ready to spend

### Standard Chartered survey of 5,000 middle-class consumers across five emerging markets

Emerging market consumers are confident about economic growth, highly optimistic about their personal prosperity, and have clear aspirations for spending their newly created wealth, finds a new independent study commissioned by Standard Chartered.

The study of 5,000 affluent and emerging affluent consumers across five of Standard Chartered's key markets – Indonesia, India, Nigeria, Ghana and Kenya – offers new insight into the aspirations of these consumers, including their appetite to travel, invest in a new car, grow their wealth and buy luxury goods.

The study reveals big differences in the background and employment status of emerging market middle-class consumers. Indonesians and Indians tend to work for a local company, while the vast majority of African middle classes are self-employed. While 77% of Indians have a University or post-graduate qualification, 23% of Kenyans did not attend high school.

Emerging market consumers have a confident outlook, with a majority of Indians, Indonesians and Nigerians expecting economic growth in their markets to continue, and a majority of consumers in all five countries (between 54 and 91%) expecting their personal financial position to improve in the next five years. As their wealth grows, they expect their spending priorities to change considerably.

Anticipated spending in the next five years includes:

- **Buying a new vehicle:** across all five countries, more people plan to buy a new car or motorcycle – at least seven in ten Indonesians, Indians, Nigerians and Ghanaians plan to splash out. More people also plan to buy at the luxury end of the market, especially Indians, Nigerians and Ghanaians.
- **Exploring the world:** across Indonesia, India, Nigeria and Ghana, at least around 50% of consumers plan to take more holidays abroad and/or embark on more business travel, and Europe is seen as a top three travel destination.
- **Buying luxury items:** there is mixed appetite for luxury goods. Across all five countries, high-end tech goods are expected to be very popular. Ghanaians and Nigerians demonstrate the highest appetite for luxury clothing – demand to buy

designer clothing, accessories and/or footwear is expected to more than double in the next five years (compared to the previous five years).

- ***Saving more:*** savings are a priority across all five countries, but particularly among Indonesians, Ghanaians and Kenyans – more than three quarters of Indonesians plan to prioritise saving as their wealth increases, and around half of Kenyans and Ghanaians are interested in saving more.
- ***Providing the best education:*** across all five countries, education is seen as a gateway to providing a better future and ensuring greater wealth and opportunities. A majority of consumers intend to spend their increased savings on the best possible education for their children, and at least 50% of Indonesians, Indians, Nigerians and Ghanaians feel certain that they can afford their choice of school/university in the next five years.

**Peter Sands, Group CEO of Standard Chartered, said** “The rapidly growing middle class is a key driver of economic growth across emerging markets, and this research underscores the strong confidence of these increasingly powerful consumers. They expect their wealth to grow and have clear aspirations to build a better life for themselves and their families. Based on the findings of this research, we should expect to see a very considerable shift in spending patterns across emerging markets in the next five years, as economic power continues to shift eastwards.”