






TRANSUNION CONSUMER INSIGHTS REPORT

**Leveraging Sentiment
to Understand
Consumer Needs:**

A Comparison of Kenya and South Africa



In this session:

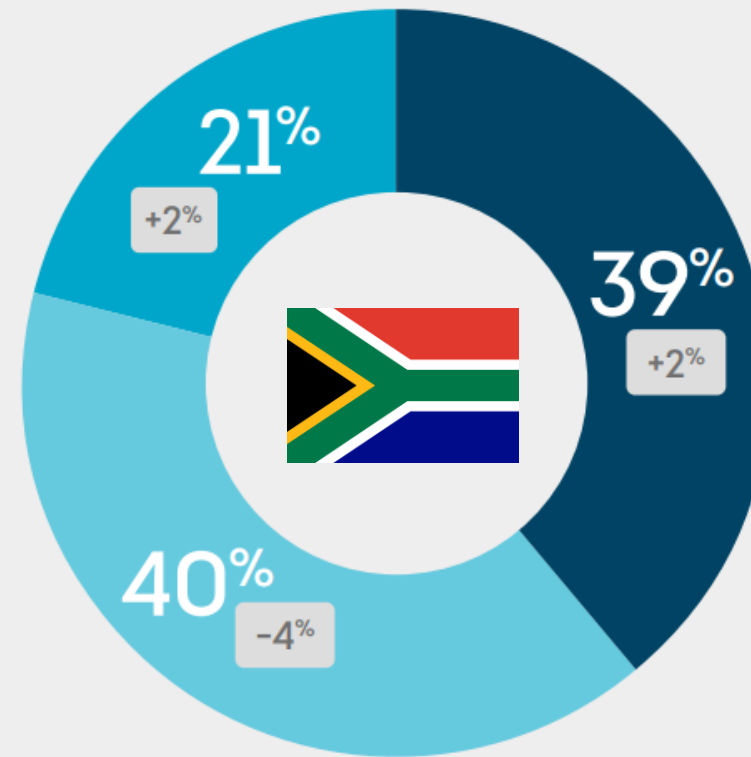
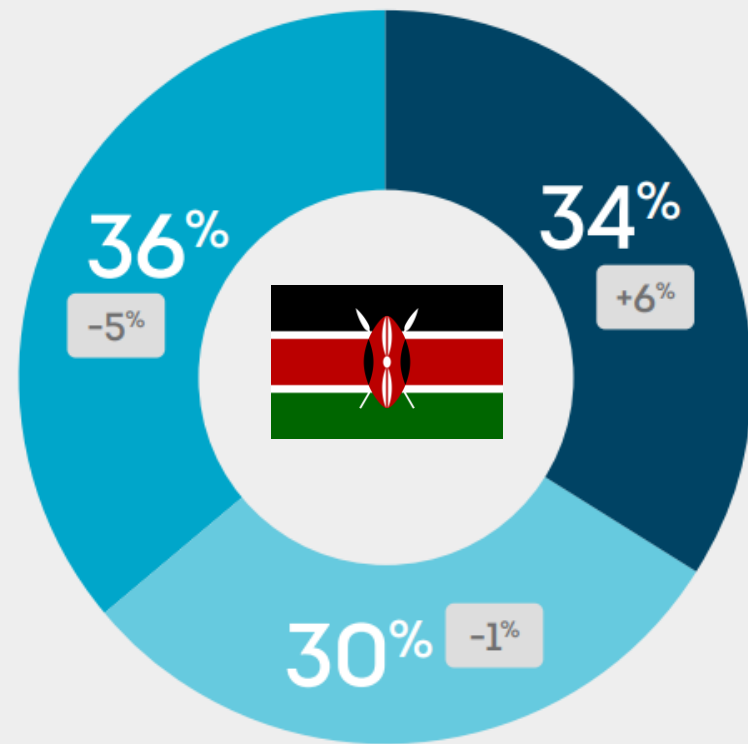
-  Provide an overview of consumer sentiments on their financial health
-  Discuss the market perception on credit inclusion
-  Evaluate consumer experiences with fraud

Consumer Financial Health



Households showed signs of modest financial recovery in Q2 2024

Household income change in last 3 months



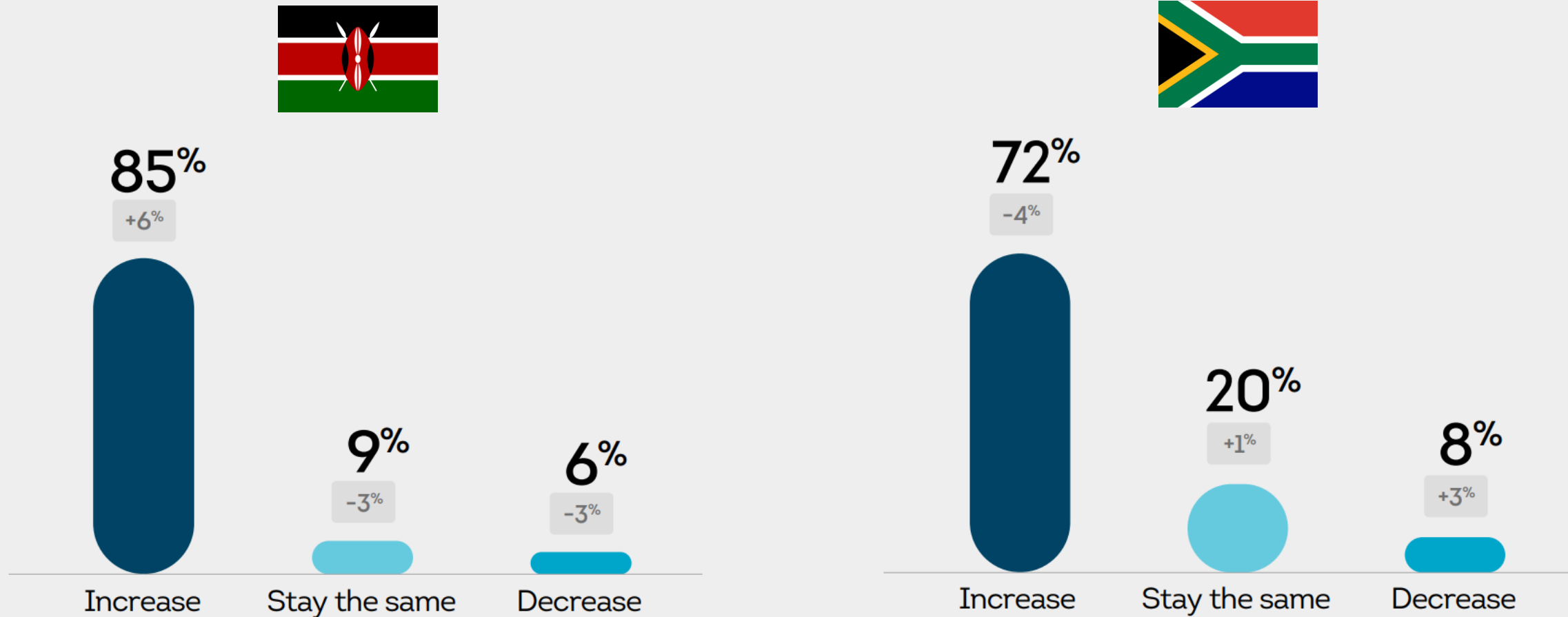
- Increased
- Stayed the same
- Decreased

Source: TransUnion Consumer Pulse Survey



Increasing consumer confidence is a strong indicator of improving financial health

Expected household income change next 12 months

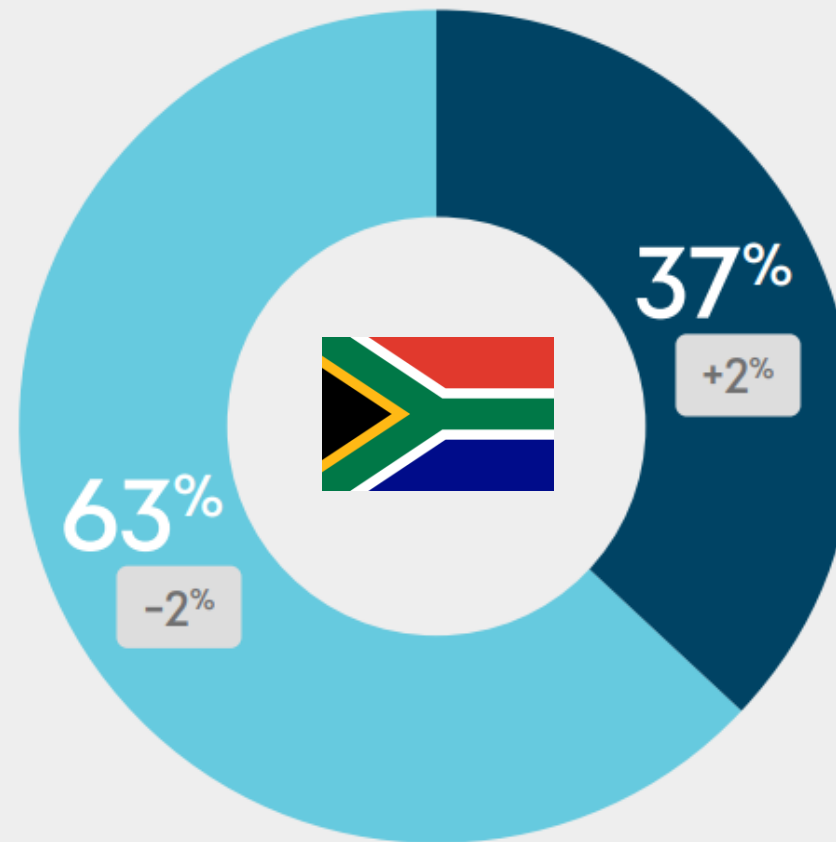
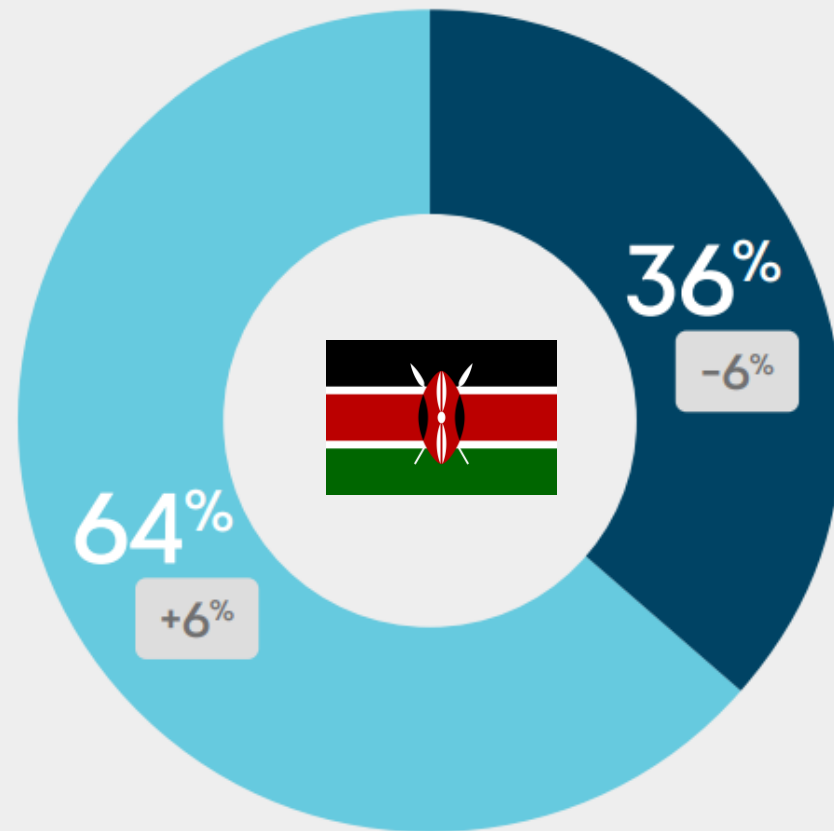


Source: TransUnion Consumer Pulse Survey



Improved financial health is corroborated by bill payment

Expect to be unable to pay at least one of their current bills and loans in full



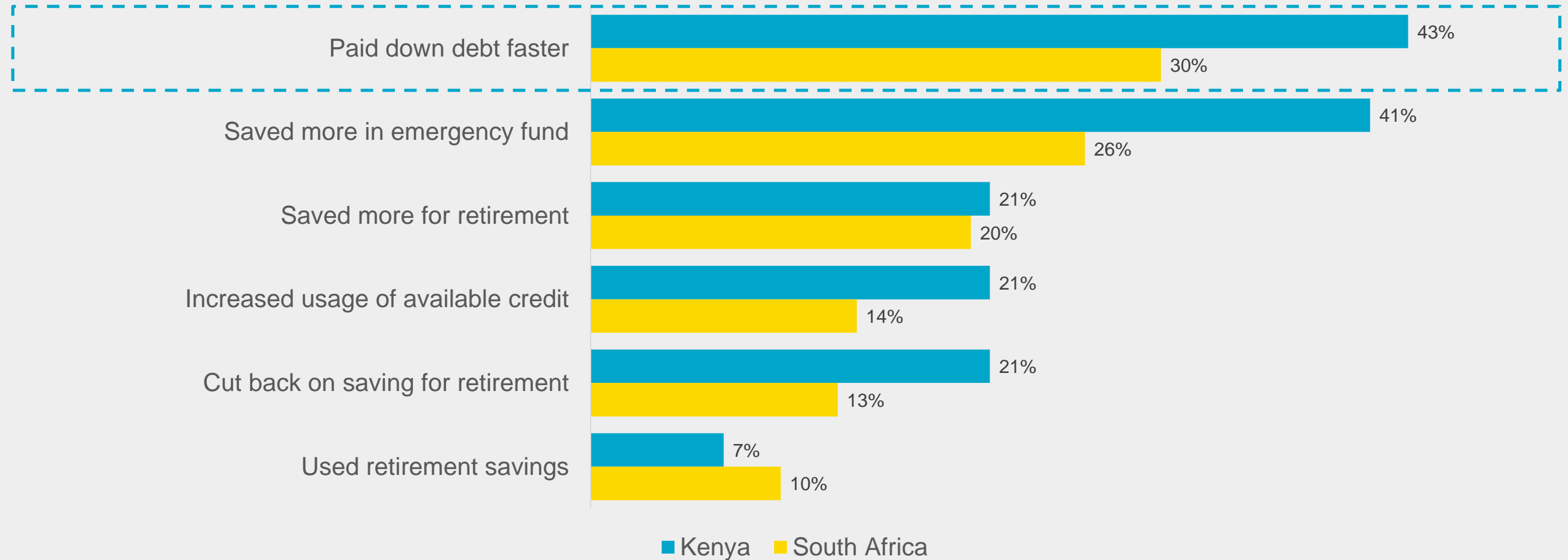
- Unable to pay
- Able to pay

Source: TransUnion Consumer Pulse Survey



Paying off debt faster has become a priority for consumers

Changes to household debt & saving budget in the last three months

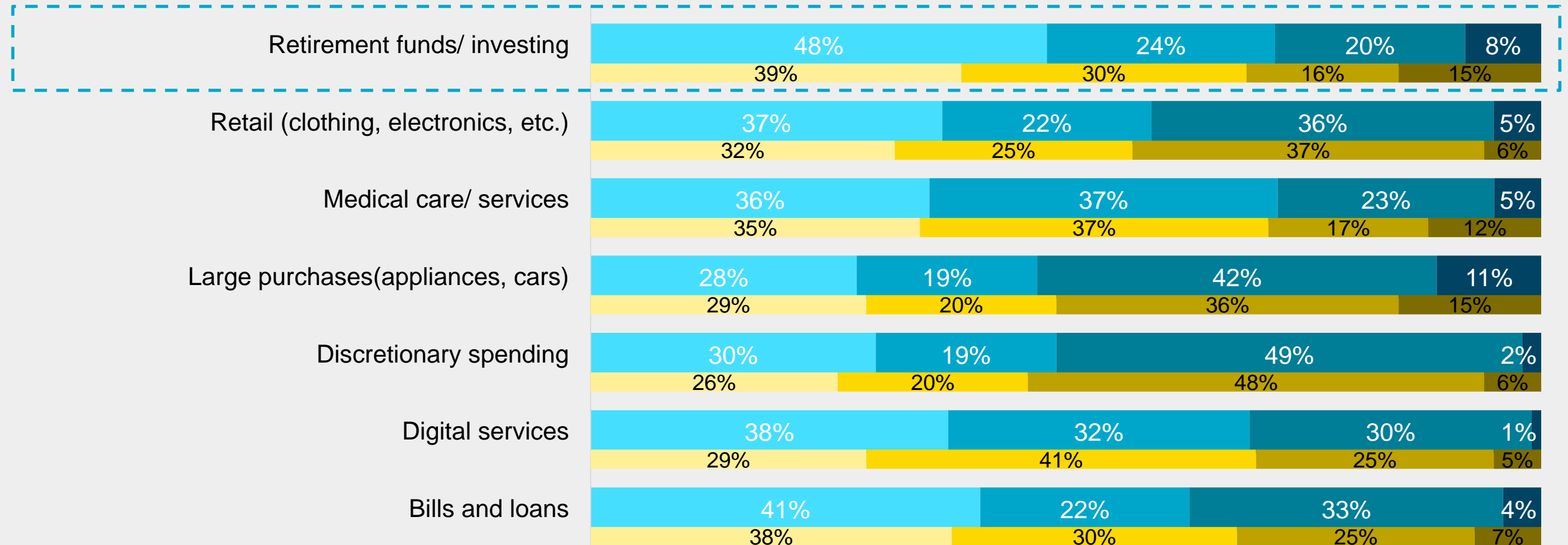


Source: TransUnion Consumer Pulse Survey



Households are taking steps to bolster financial resilience

Expected change to household spending over next three months



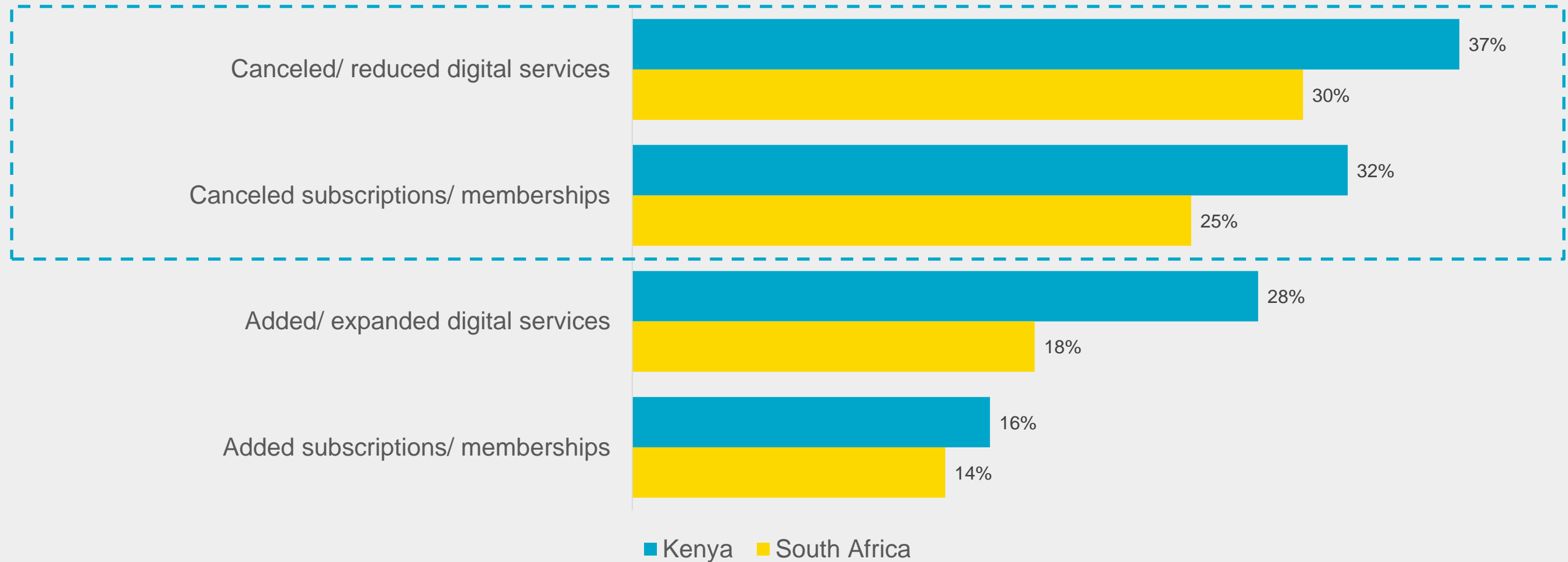
Kenya: Increase Stay the same Decrease N/A
 South Africa: Increase Stay the same Decrease N/A

Source: TransUnion Consumer Pulse Survey



Households are cutting back on discretionary spending

Changes to household spending budget in the last three months



Source: TransUnion Consumer Pulse Survey

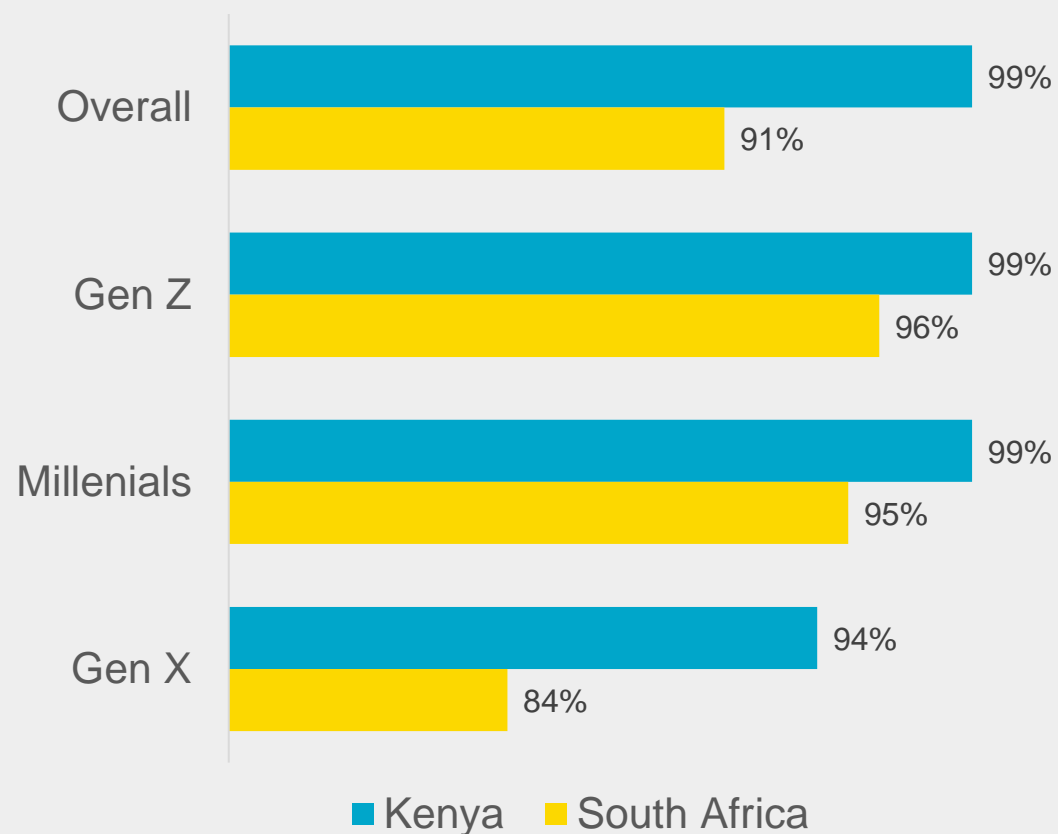


Financial Inclusion

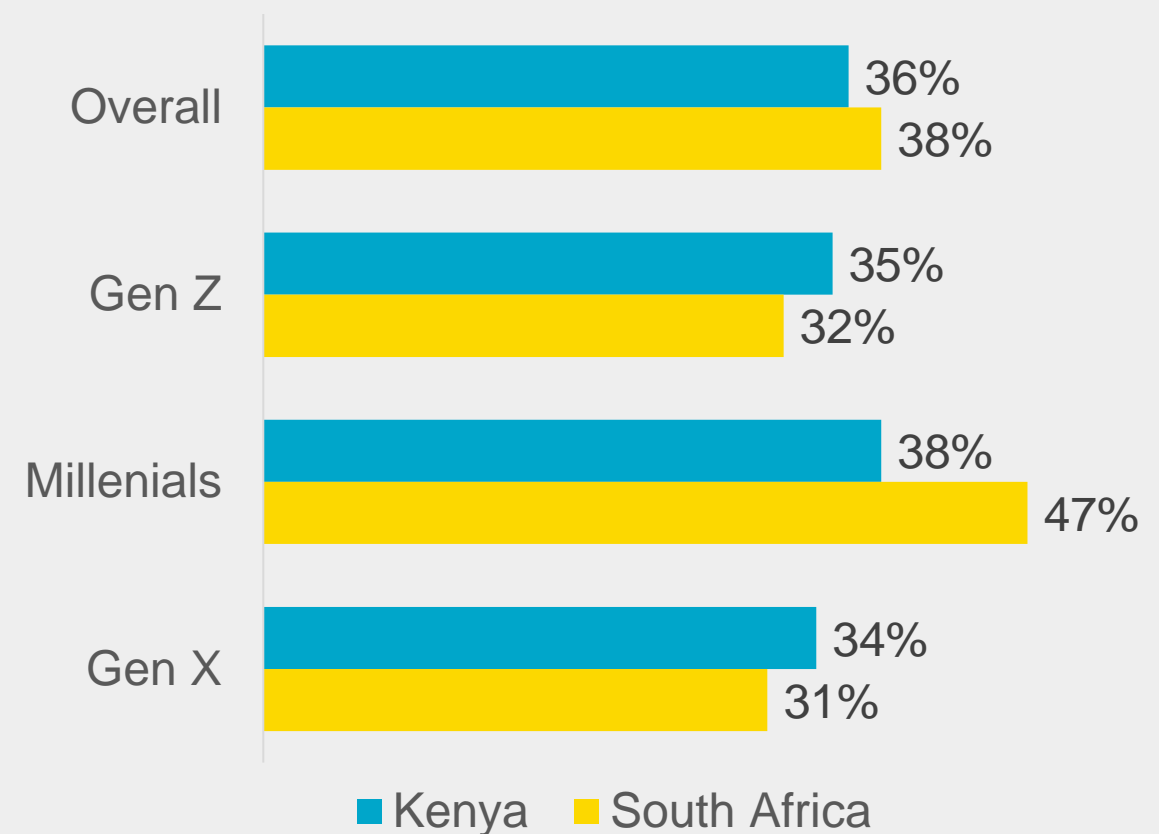


Africa's average age of 18.8 correlates well with the high demand for credit from Gen Z and Millennials

Believe important to have access to credit and lending products to achieve financial goals



Believe have sufficient access to credit and lending products

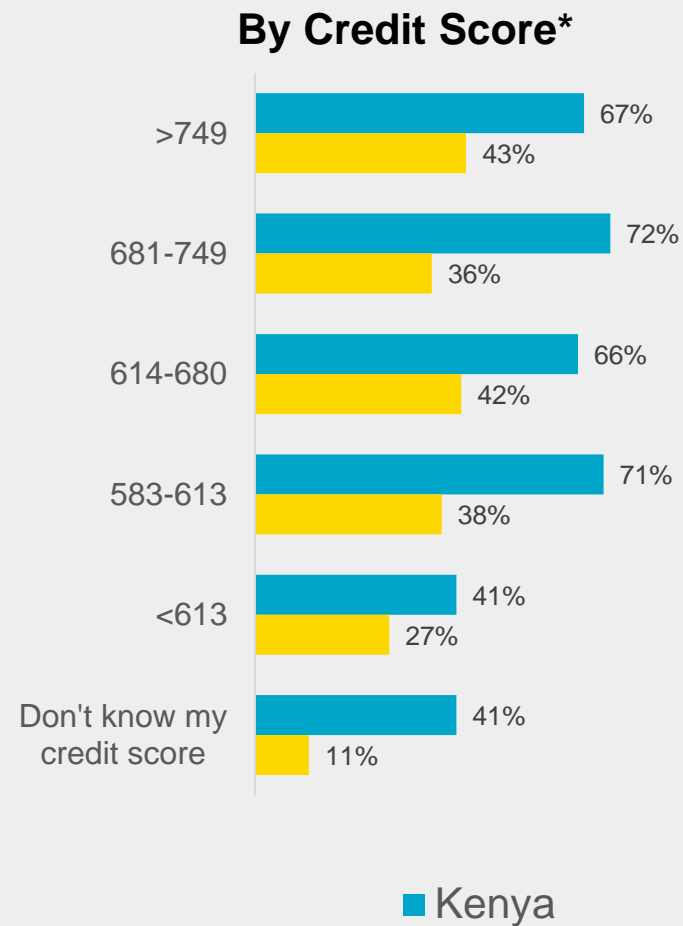
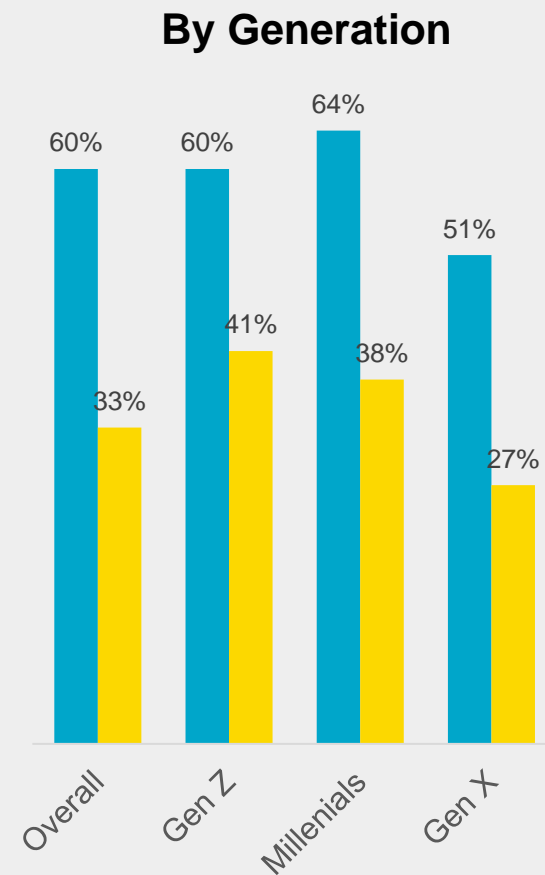


Source: TransUnion Consumer Pulse Survey

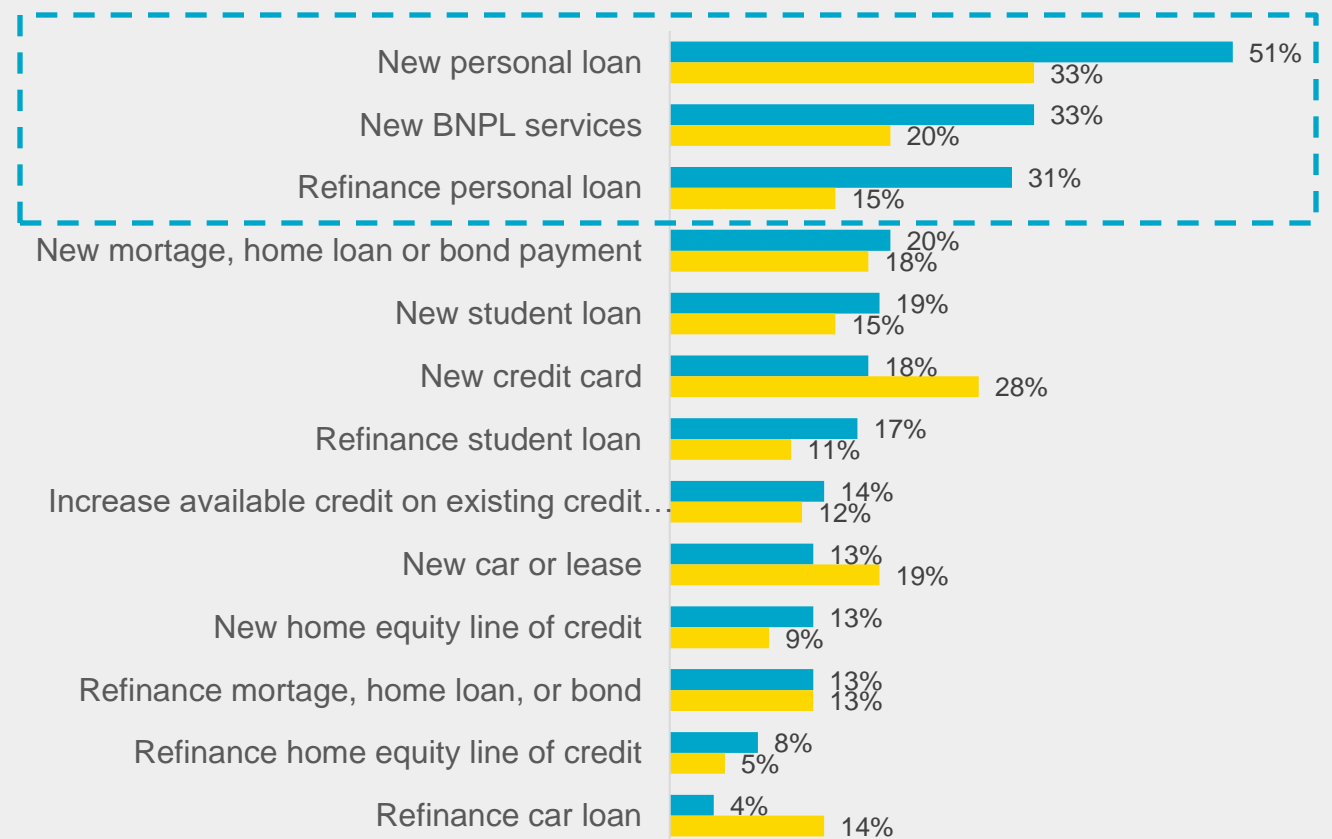


Growing confidence correlates with increased plans for credit activity in the next 12 months

Plan to apply for new credit or refinance within the next year



Type of activity planned (for consumers planning to apply for new credit or refinancing in the next year)



Source: TransUnion Consumer Pulse Survey

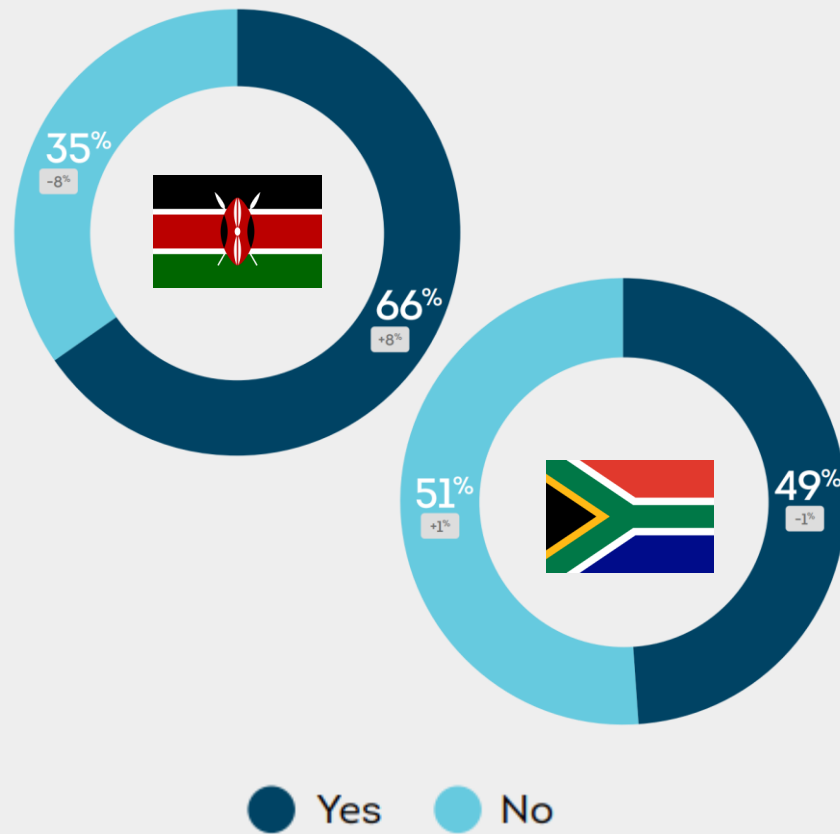
*Self-reported credit score



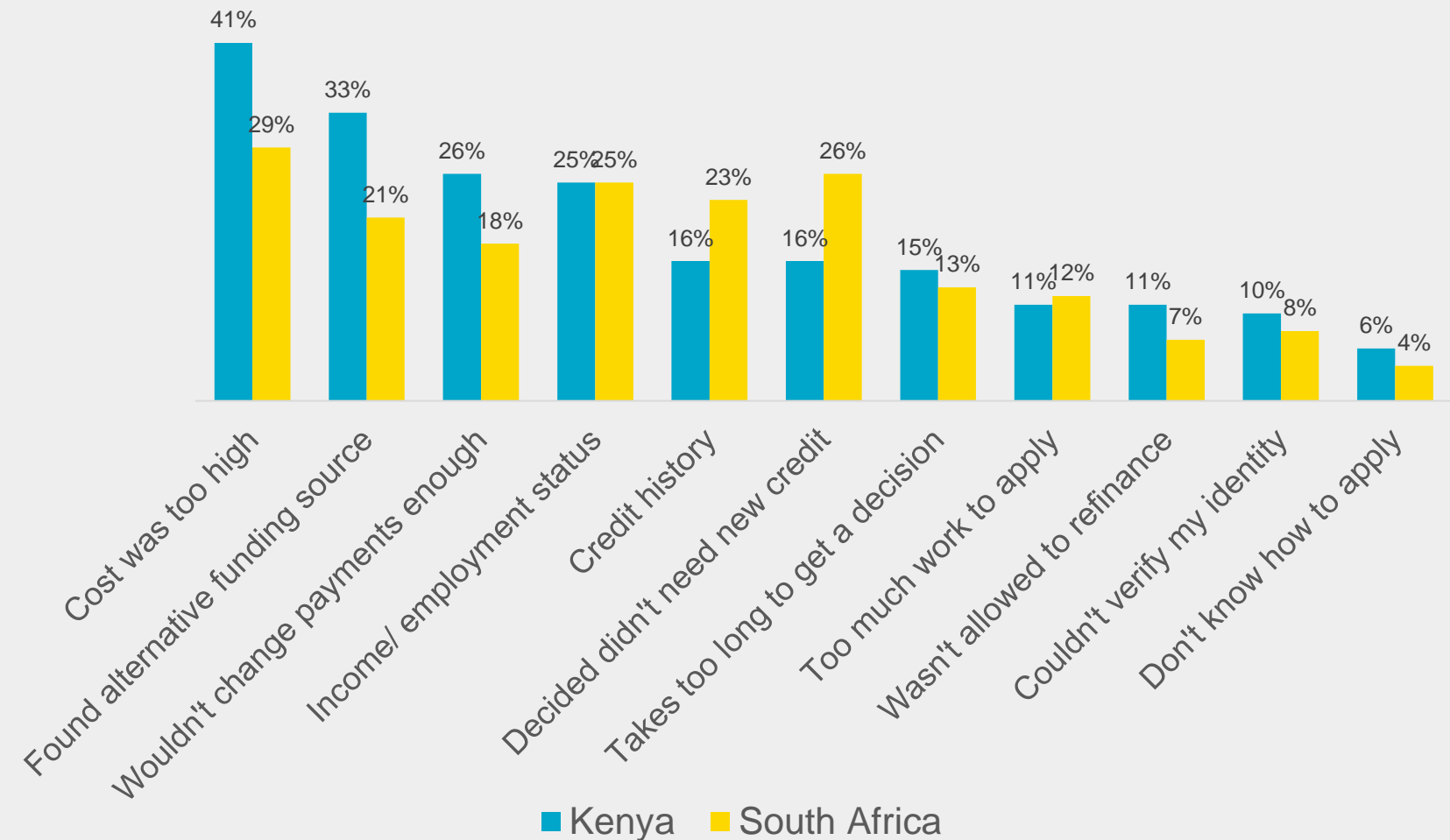
Despite rising demand for credit, follow-through remains low

Abandoned plan to apply for new credit or refinance & reasons

Abandoned plan to apply for new credit or refinancing



Reason for abandoning application



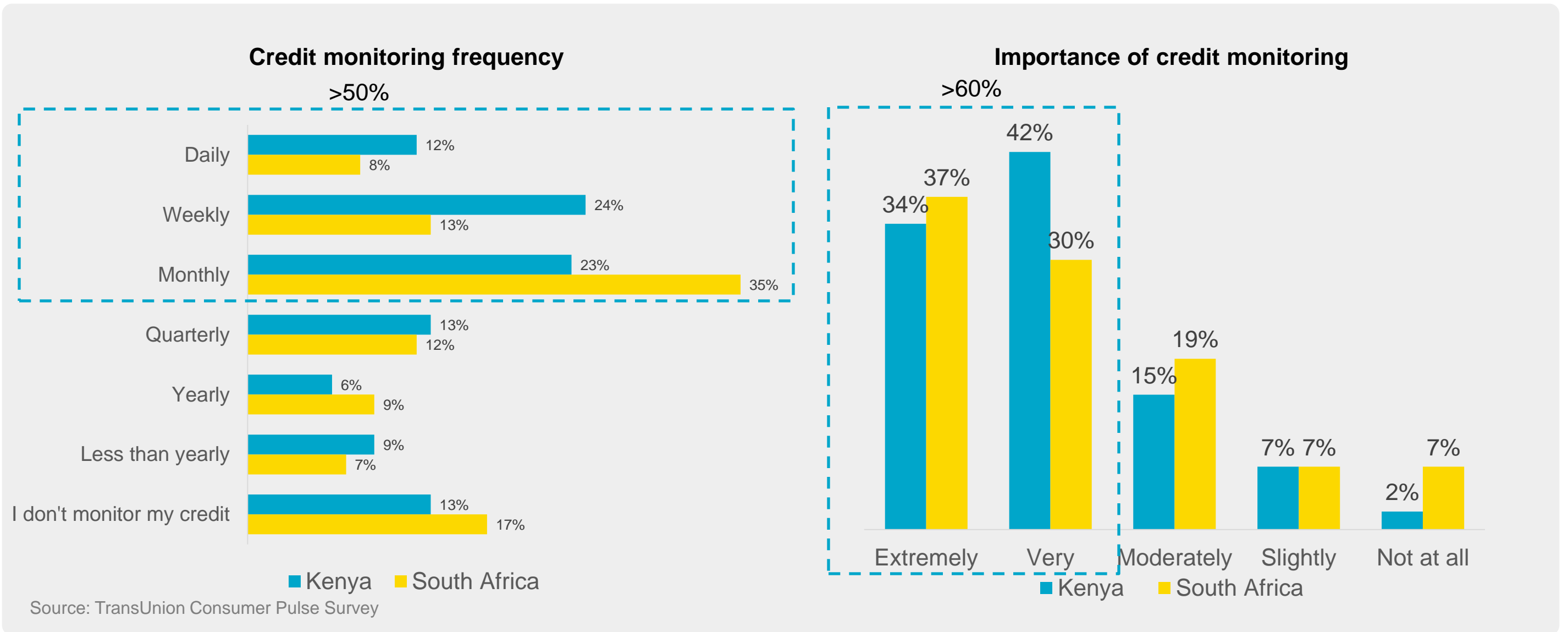
Source: TransUnion Consumer Pulse Survey



Consumer Empowerment

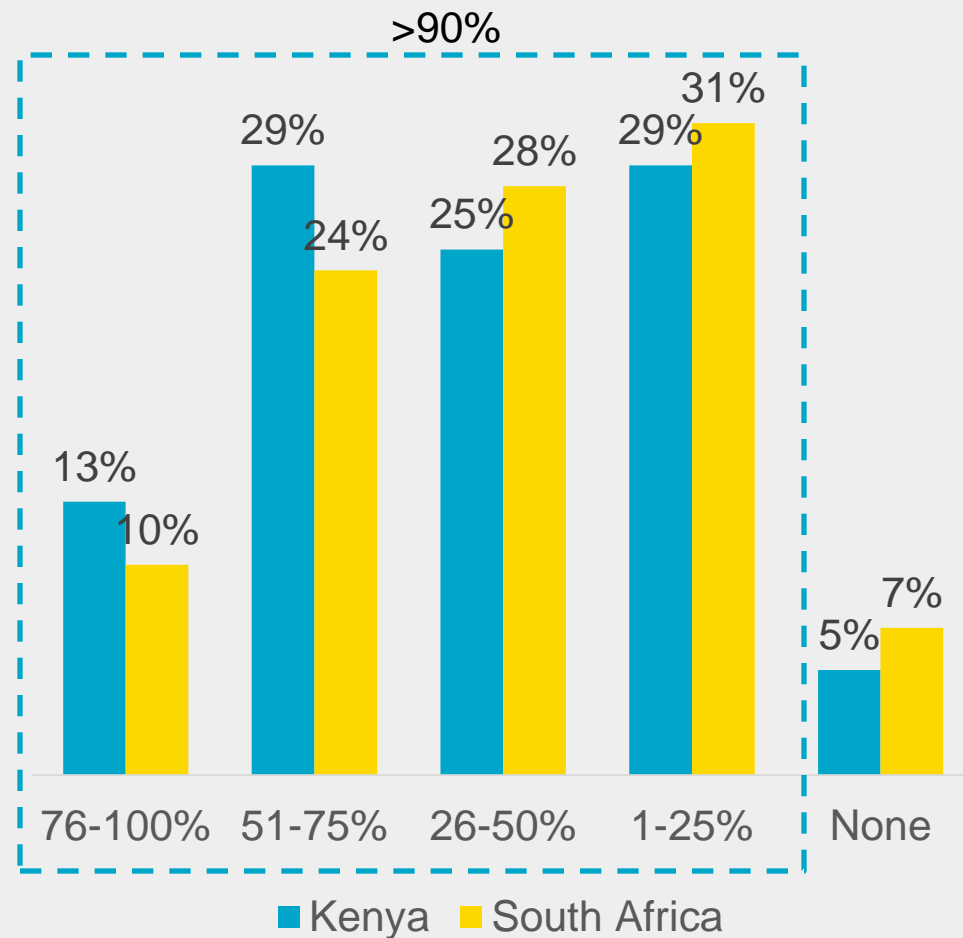


Consumers care about understanding and optimizing their credit health



Credit scores are highly likely to change if non-standard information about transactions are included

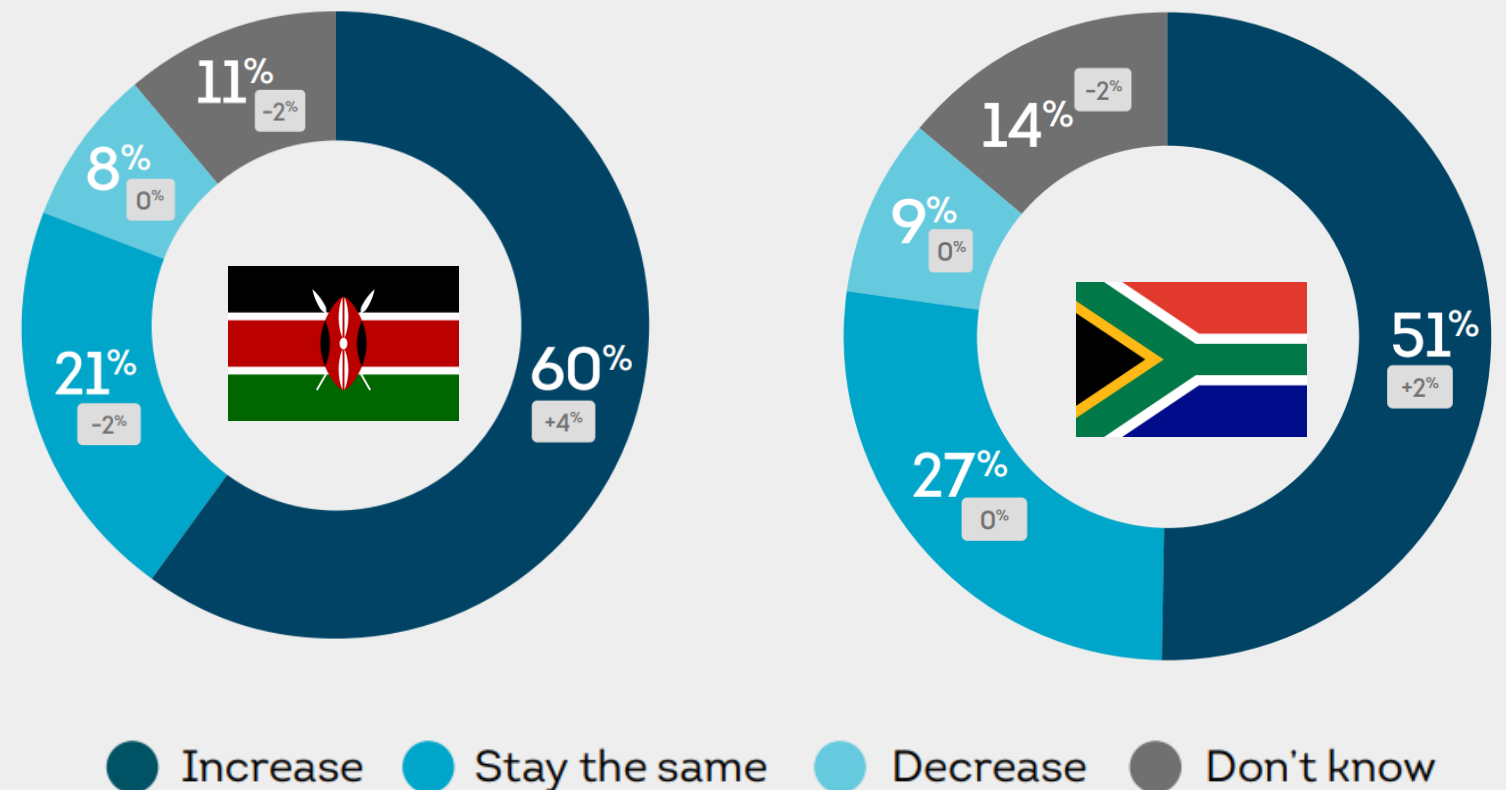
Percentage of transactions done online



Source: TransUnion Consumer Pulse Survey

How believe credit score would change if businesses used information not on standard credit report

(e.g. rental payments, short-term loan history and buy now, pay later loans)

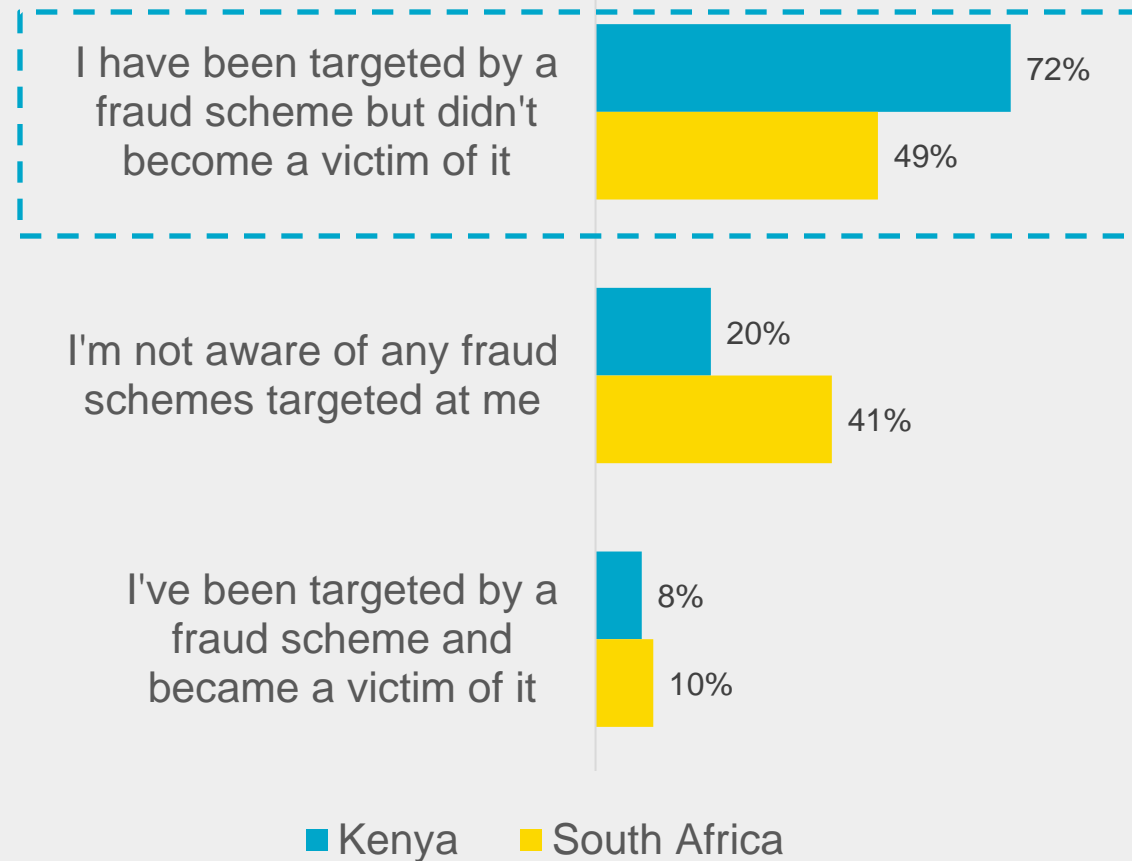


Identity Protection

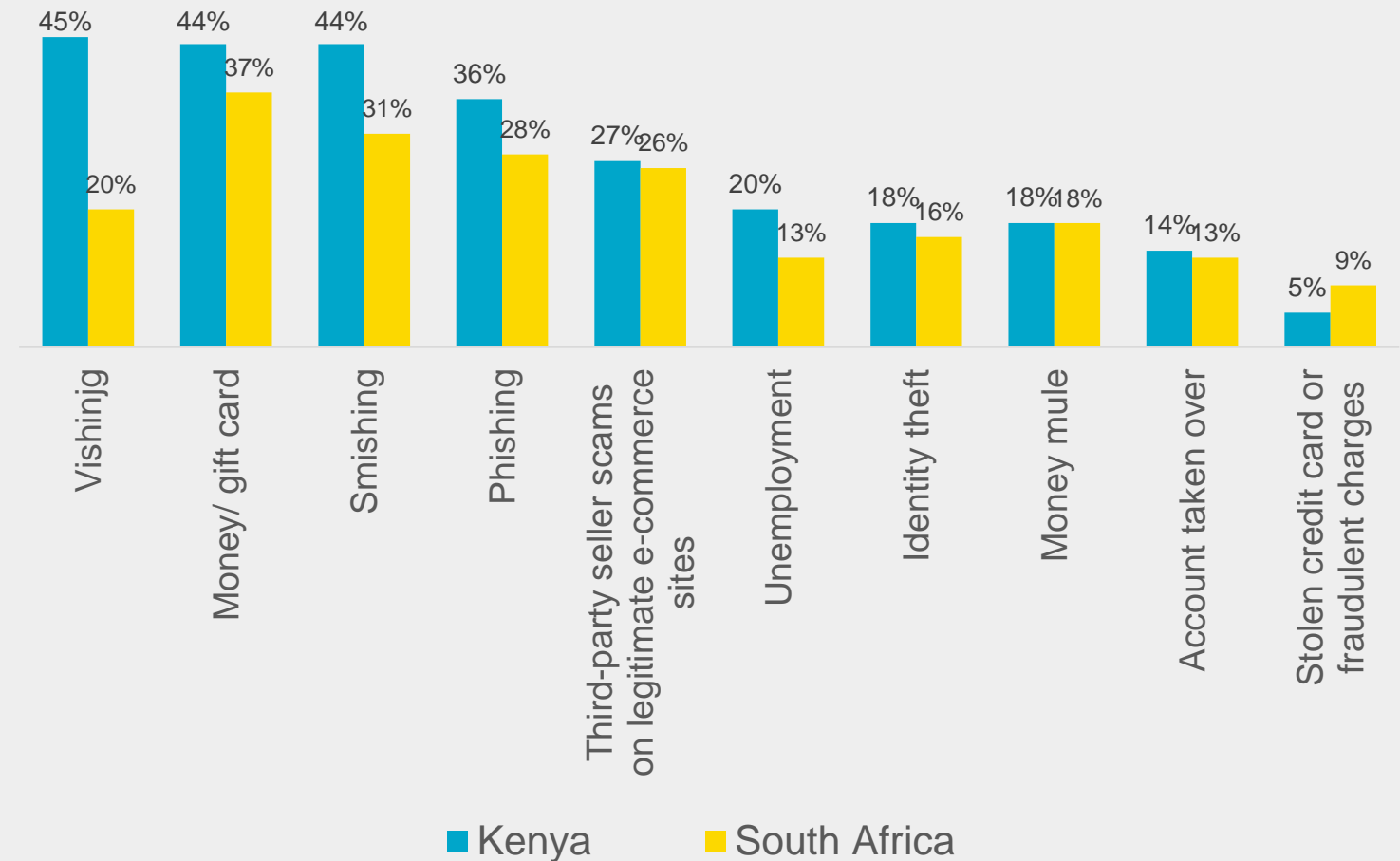


While consumers increasingly embrace digital platforms, they are very aware of the fraud risk

Personal experience with online, email, phone call or text message fraud attempts in last three months



Most frequent fraud schemes targeting consumers
(among those targeted with online, email, phone call or text message fraud)

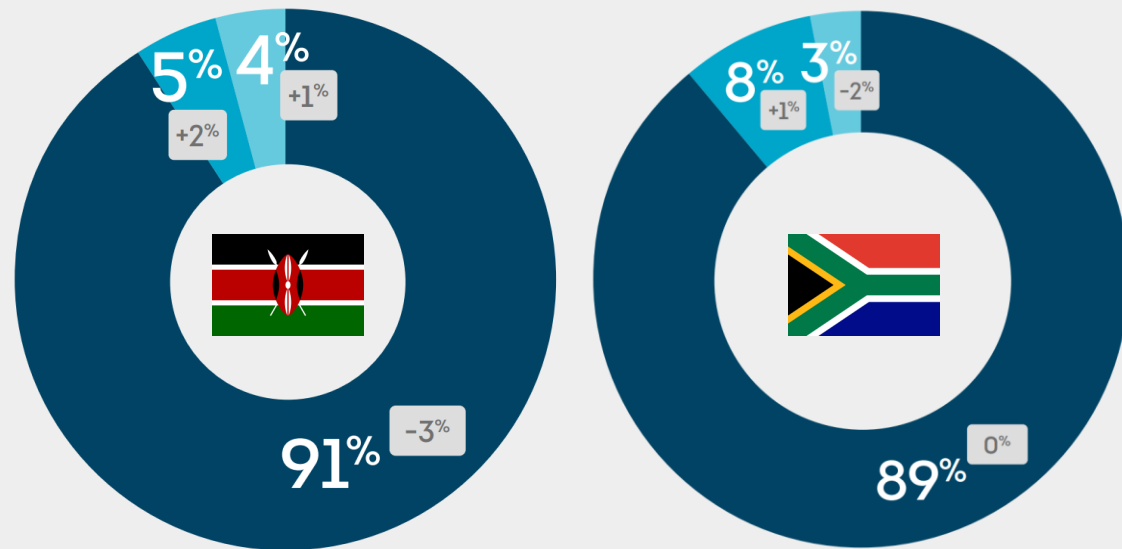


Source: TransUnion Consumer Pulse Survey



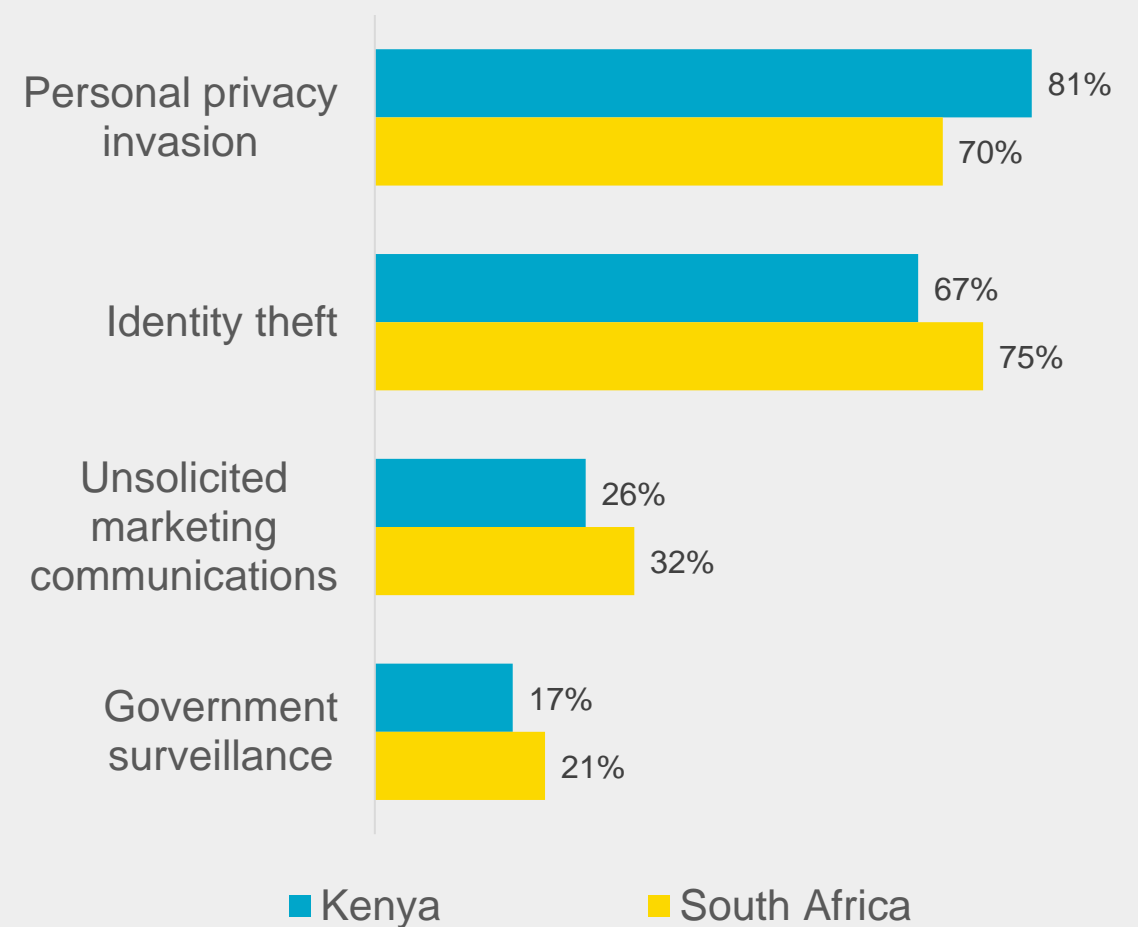
Consumers are especially concerned about personal privacy and identity theft when sharing their personal information

Level of concern with sharing personal information



- Concerned
- Neutral
- Not concerned

Reasons for concern with sharing personal information



Source: TransUnion Consumer Pulse Survey

Key takeaways



- Households experienced a **modest financial rebound** in Q2 2024
- Though economic conditions were uncertain, most surveyed **consumers were optimistic about their finances** in the next 12 months



- **Rising financial inclusion and demand for credit**, with Millennials and Gen Z showing the highest demand for credit
- However, the **follow-through rate on applications could be higher**



- Consumers are increasingly embracing digital platforms
- Concerns about sharing personal information remained very high, emphasising the **need for robust security measures and consumer education** to maintain trust in digital platforms

Source: TransUnion Consumer Pulse Survey

Read the full report:

transunionafrica.com/consumer-pulse-study/kenya

transunion.co.za/consumer-pulse-study

Jeanine Naudé-Viljoen
General Counsel
TransUnion Africa