



Viffa Consult
Unlocking Africa's Entrepreneurship Spirit

KENYA 2021 DECEMBER HOLIDAY RETAIL SURVEY

Shoppers Christmas wishes amid a tough year



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Introduction

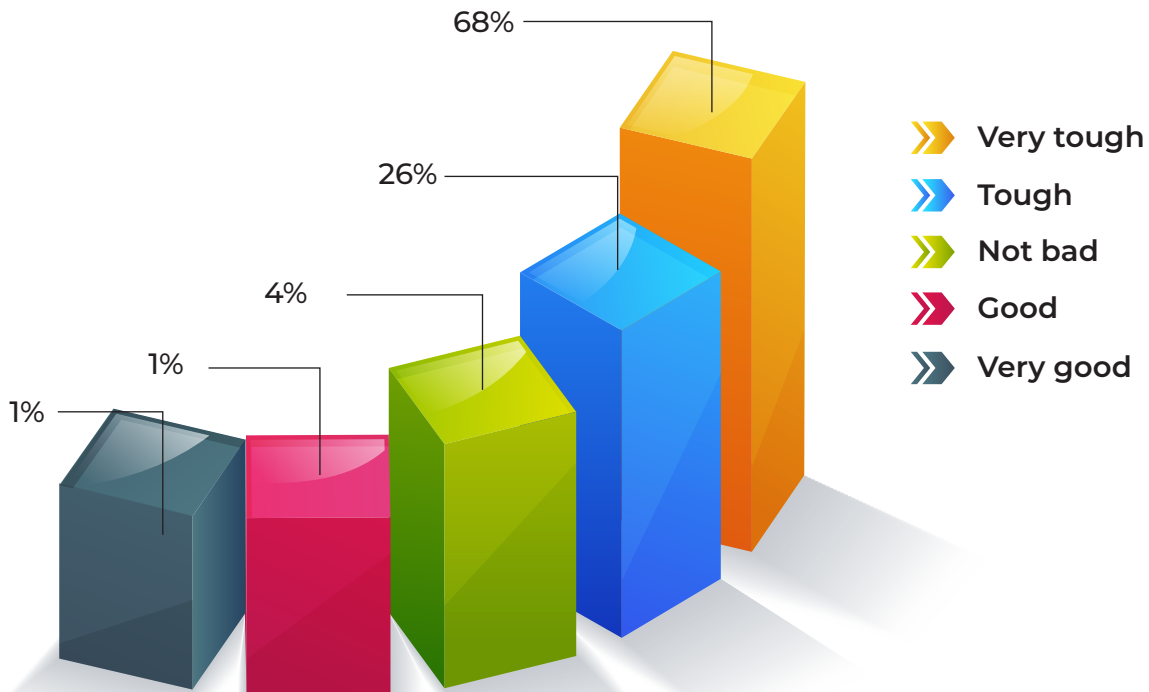
The year 2021 is finally drawing to a close and Kenyans are preparing for the festive season despite experiencing a very challenging year due to the negative economic effects of COVID 19 and the negative ripple effect on the economy hence disposable income for most Kenyans.

Similarly, retailers in Kenya have experienced business disruption due to depressed disposable income as well as through internal challenges for some retailers though there has been some reprieve with the reopening of the economy in the last quarter of 2021

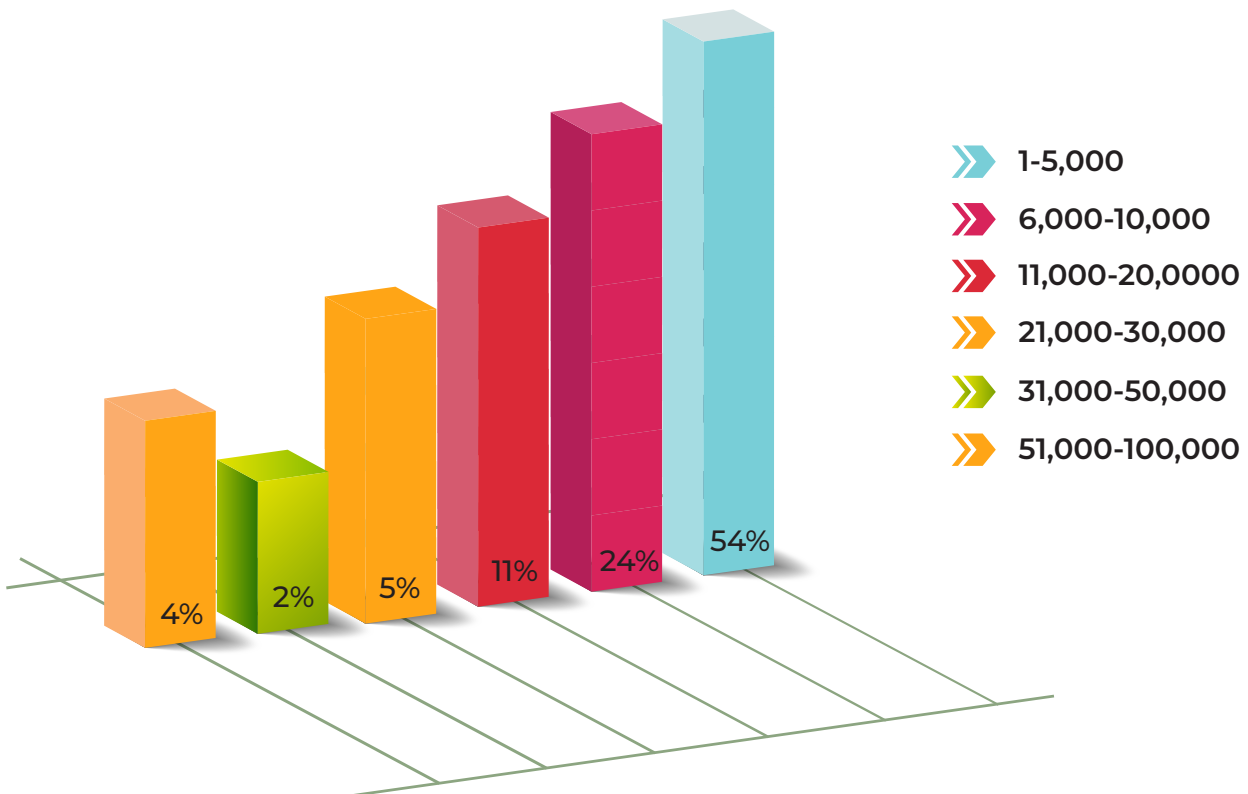
Viffa conducted its Third edition holiday retail survey between 15th to 26th November 2021 that sought to explore Kenyan consumer sentiments and planned shopping behaviour to understand what consumers seek in the upcoming holiday season. The report espouses to contribute to existing body of knowledge in the retail space in Kenya.

Results

State of the economy



Projected December 2021 Spend (ksh)



Projected December Spend Trend Analysis

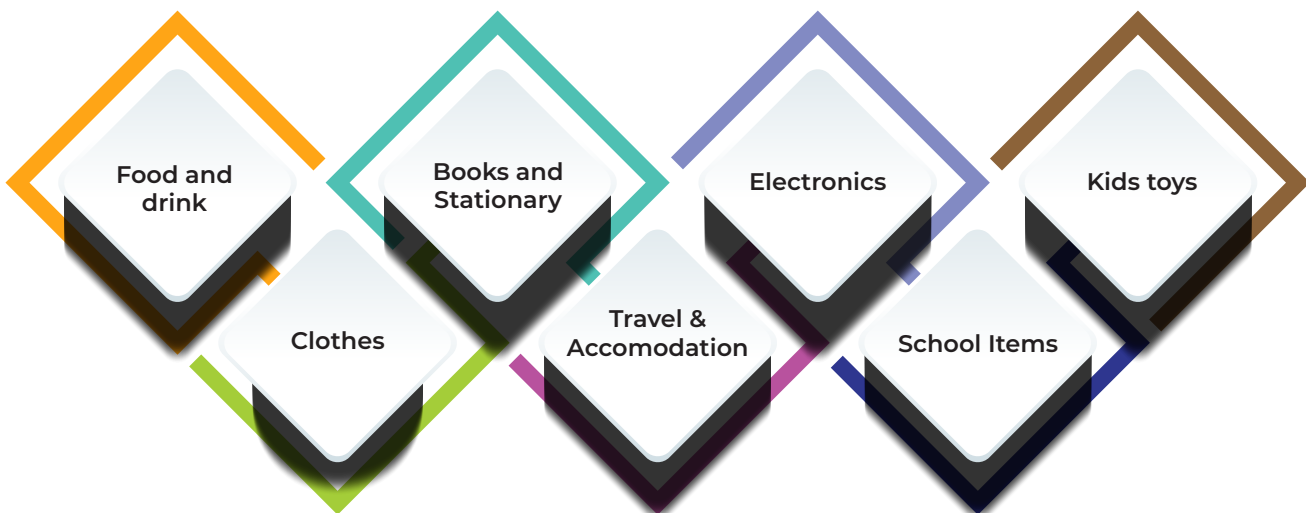
Amount	1-5,000	5,001-30,000	31,000-100,000	101,000-250,000	251,000-500,000
2019	5%	55%	25%	10%	5%
2020	8%	84%	6%	1%	1%
% Point Change	3% Increase	29% Increase	19% Drop	9% Drop	4% Drop
2021	54%	40%	6%	0	0
% Point Change	46% Increase	44% Drop	Same	1% Drop	1% Drop

Source: Viffa Consult

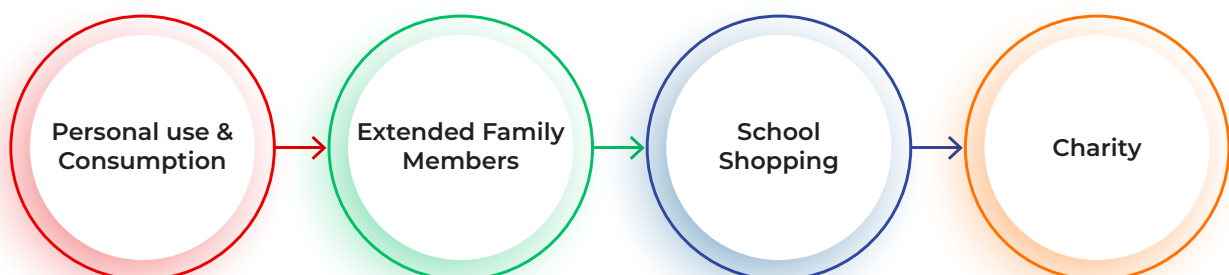
Insight

There is a shift in spending backwards towards the range of below Ksh 30,000 accounting for proposed spend of 94 percent of holiday shopping. This is attributed to fall in disposable income either due to loss of job or decreased salary.

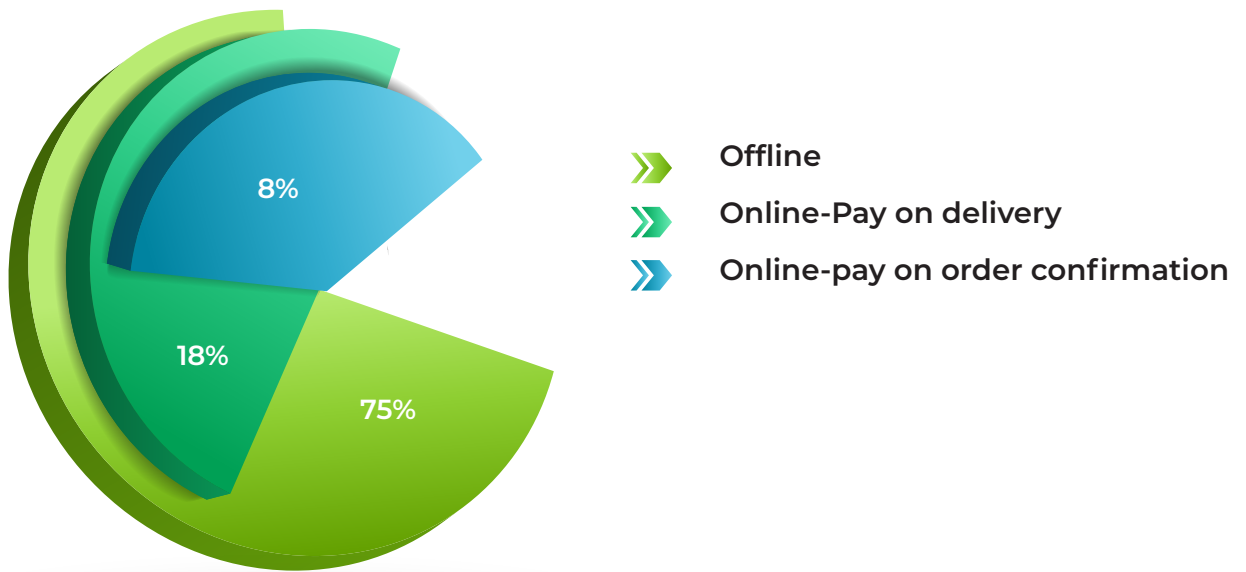
Top holiday Purchase



Top Product purchase Usage



Shopping Preference



Insight

Majority of consumers (74 percent) prefer to shop offline with the ones shopping online preferring payment upon physical delivery of product

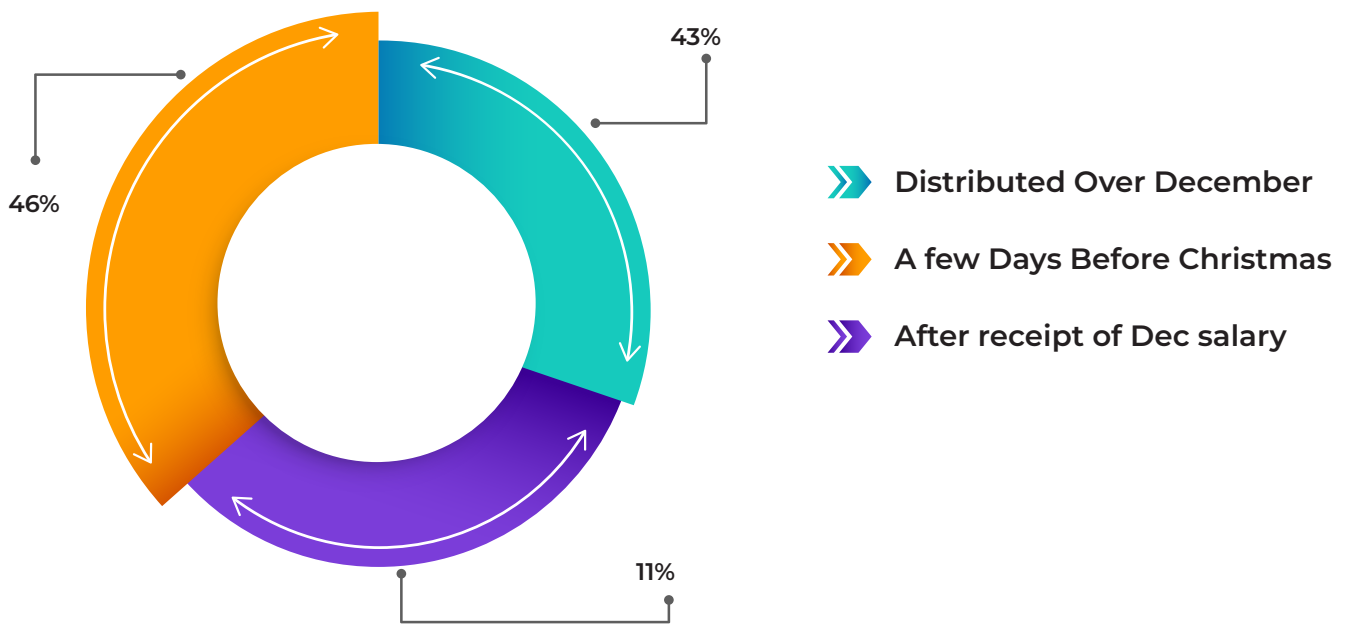
Factors influencing Holiday Purchase Decision



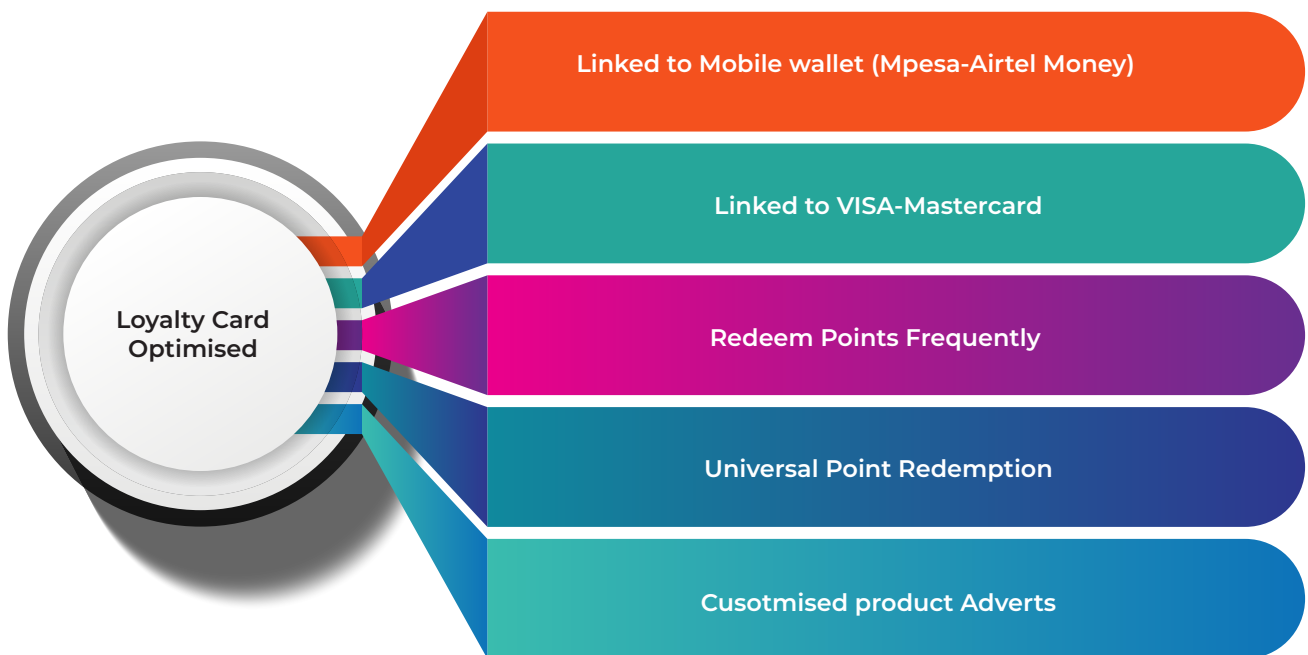
Source of Holiday Shopping Research



Frequency of 2020 Holiday shopping



Proposed loyalty card optimization



Insight

There is a high need for linking of loyalty cards to payment platforms in the form of card as well as mobile wallet to make payments more efficient and cost effective. Link to mobile money is most preferred

There is need to redem loyalty points more frequently and have the points univerally accepted across retail as well as other merchants that customers frequent such as resturants, petrol stations among others.



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www.viffaconsult.co.ke
One padmore place
George padmore Road
info@viffaconsult.co.ke
Tel +254 723982528