The impact of COVID-19 on the lives of Ghanaians
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Introduction

With the onset of a new year, Ghanaians and businesses based in Ghana had several reasons to be jubilant and optimistic for the year ahead, and who could blame them, with the closing of the ‘Year of return’ Ghana was not only crowned as the next big tourist destination but the economy and its businesses seemed to be reaping the rewards from the influx of tourists, as businesses ranging from hotels to uber drivers witnessing some of their highest earnings to date.

No one could have imagined that a mere two months later, the Covid-19 pandemic would result in Ghana, like many countries in sub-saharan Africa having to close their borders. As a research-based platform that makes use of mobile based software to reach audiences in frontier and emerging markets, it was essential for us here at Survey54 to understand just how much the current situation has impacted the lives of the average Ghanaian, tracking consumer sentiment and shifts in behaviour has never been more important. Whilst the loss of human life has been immense, there are a number of long-lasting marks that this global pandemic has left on the nation as a whole.

By merely watching the news and listening to word of mouth, the impact of this pandemic across sectors cannot truly be measured. Furthermore, with the information gathered we aim to identify and point out the emerging markets as well as project what may become the ‘new normal’ post Covid.
Research Methodology
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With the restrictions on movement and closing of borders, our mobile survey platform proved to be an efficient and effective way to reach respondents. All of the questions asked were designed by the Survey54 research team and administered in English. Deployment of surveys took place between April 10th and May 10th, respondents were located in sub-Saharan Africa namely South Africa, Kenya, Ghana and Nigeria all key economic countries within their respective regions.

To ensure diversity of perspective surveys were deployed via our App (85%) for those with access to the internet and 15% conducted via USSD. Giving us the opportunity to reach audiences without access to smartphones or internet connections who tend to fall in the lower income threshold. A total sample of 4000 surveys was collected across all countries in Africa.

Countries that were included in the survey:

- Kenya
- South Africa
- Ghana
- Nigeria
Questions asked to respondents in the survey included:

- Do you feel your government has supported you during Covid 19?
- Have you been financially affected by Covid 19?
- Have you changed or do you plan to change your spending patterns?
- Have you changed or do you plan to change your spending on meal delivery & takeout?
- What would make your life easier during the lockdown?
A snapshot from the continent

**Government support**

- Ghana: 70% (yes) / 30% (no)
- Nigeria: 18% (yes) / 82% (no)
- Kenya: 47% (yes) / 53% (no)
- South Africa: 32% (yes) / 68% (no)

**Spending on groceries**

- Ghana: 46% (less) / 36% (more) / 18% (same)
- Nigeria: 55% (less) / 31% (more) / 14% (same)
- Kenya: 48% (less) / 34% (more) / 18% (same)
- South Africa: 45% (less) / 31% (more) / 24% (same)

**Spending on meal delivery**

- Ghana: 56% (less) / 20% (more) / 24% (same)
- Nigeria: 75% (less) / 15% (more) / 10% (same)
- Kenya: 71% (less) / 16% (more) / 13% (same)
- South Africa: 75% (less) / 12% (more) / 13% (same)

**Spending on data**

- Ghana: 68% (more) / 12% (less) / 20% (same)
- Nigeria: 53% (more) / 18% (less) / 29% (same)
- Kenya: 70% (more) / 20% (less) / 10% (same)
- South Africa: 49% (more) / 18% (less) / 33% (same)

**Financial concerns**

- Ghana: 55% (yes) / 45% (no)
- Nigeria: 94% (yes) / 6% (no)
- Kenya: 91% (yes) / 9% (no)
- South Africa: 78% (yes) / 22% (no)
Ghana Results
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The imperative to act swiftly by the Ghanaian government at the onset of the pandemic may have constrained the onslaught of possible cases in the country. Early measures taken by the government included; mandatory 14 day quarantine of foreigners, the restriction of movement in the two main centres of the virus, Accra & Kumasi and a two week partial lock down in both cities including a ban on mass gatherings. Whilst the government acted swiftly to lessen the economic blow via a range of monetary policies, results from our study indicate that the impact of the measures imposed were indeed felt by the average Ghanaian.

The survey itself consisted of 1,000 respondents that covered the following demographics:

- **No of respondents** = 1000
- **Age** = 16-50
- **Gender**
  - Male 86%
  - Female 14%
Consumer Purchasing Behaviour

Across the board, consumption patterns have shifted radically, with the everyday consumers having to take a handful of factors into consideration before making purchase decisions. Including; income reduction or complete loss of income, legislative mandates and health fears.

GROCERIES

46% of respondents reported that they spent less on groceries than they had prior to the lockdown. The delta between those who spent less and those spending more (36%) was narrower than in other countries however lends itself to the perceived confidence relating to personal finances. When asked the types of food items that they’d be purchasing more of 7/10 respondents mentioned either Rice or Gari, indicating that consumers are reliant on staple produce in times of uncertainty.

One area which could provide a read on consumer confidence is spending on luxury items, including meal delivery & takeout. Generally these are the first things to go when there is a fall in income. Respondents were asked how they have altered their spending on takeaway meals, 56% said they would spend less on meal delivery and take out with 24% saying they would spend the same and 20% saying they would spend more. It is probable that when there is a feeling of confidence in the future direction of the economy and jobs people will begin to spend more on luxury items such as takeaways. For the most part, it is evident that more people are opting to prepare their own meals in the comfort and safety of their homes. These numbers could signal an opportunity for grocery delivery.

When comparing these results to respondents in other countries (over 70% of respondents in Kenya, Nigeria & South Africa indicated they’d spend less on takeout), the decline amongst respondents in Ghana appears to be far lower, potentially indicating a higher level of consumer confidence.
As citizens looked to deal with the lockdown imposed upon them by altering their spending patterns and habits, leisure proved to be an interesting area to analyse. With restrictions on movement, fitness facilities had to look for ways to pivot, with many businesses now offering classes and courses online using video conferencing facilities such as zoom. When asked how they’ve altered their spending on sports and fitness, 36% of respondents indicated they’d reduced their expenditure in terms of fitness altogether, mainly due to their inability to access gyms. 27% had upped their spending by joining online workouts, whilst the remaining 37% answered they have not changed their consumption patterns (potential that this could account for those who did not spend in the first place.)

Globally with the attention being redirected from the brick and mortar that is a gym, to the home or the great outdoors online classes have seen a rise of almost 900% in some instances as people look to replicate gym sessions in their own homes. Whilst this has been the case in places such as the UK, only a handful of respondents from Ghana indicate that they’ve turned to online fitness, indicating that there could still be additional barriers to entry for consumers, including the cost of data. Whilst it is true that the companies that have adapted to changing habits have managed to keep afloat amidst the restrictions it is also important to consider the infrastructure required in order to support a shift online.
DATA CONSUMPTION & ONLINE LEARNING

 Needless to say, with fewer people venturing outdoors and more spending time at home, media consumption has peaked in general. This is not only limited to traditional media such as news and movies, there’s been a notable spike in enrollment in online classes. This insight applies to 68% of those asked in Ghana who mentioned that they have increased their data consumption due to increased online activity. Only 20% expressed they have not changed their behaviour and 12% indicated they’re now spending less than before due to financial constraints.

For the most part, those with the means have taken to acquiring new skills online. Though the percentage of people seeking to improve on skills seems to be fairly high, we must take into account the fact that this is a cross-section of the population there is a subsect of the population that simply do not have the means to do so.
For the most part a consequence of the lockdown has meant several jobs have been lost leaving many without a source of income. A high concentration of Ghanaian workers in the informal sector, ongoing restrictions and depressed economic activity have meant that implementing lock down measures risked hitting those already vulnerable particularly hard.

Of those asked 55% were concerned about their finances, whilst other countries in the region reported upwards of 90%, Kenya - 91% and Nigeria - 94%. The numbers from Ghana seem to be far more optimistic, this could be linked to the early lifting of the lockdown which saw several businesses reopen and additionally the support from institutions such as churches which helped ease the burden, 40% reported feeling supported by their church/local community. In times of uncertainty, fear and the decision to save rather than spend can have a detrimental effect on the state of an economy. While the latest forecasts do not predict contraction for Ghana this year, the country’s forecasted real GDP growth in 2020 was revised down substantially from a projection of 5.8% to just 1.5% in the International Monetary Fund’s latest World Economic Outlook.

Government assistance & public sentiment

Governments everywhere have had to make split-second decisions or fall back on contingencies to handle the virus. Our survey for the most part revealed high levels of confidence in the Ghanaian governments communication around COVID-19. A whopping 83% of those surveyed admitted that they felt well-informed, compared to a mere 15% who felt relatively uninformed and the remaining 2% chose not to respond.

These numbers dropped slightly when asked about support, 70% of respondents felt the government had been supportive during the pandemic, a figure that was far higher than others in the region (47% in Kenya.) Some of the ways in which the Ghanaian government has supported citizens during this time has included; 1) absorbing the electricity bills of its poor, 2) paying the water bills of all Ghanaians for April, May and June. Whilst the 30% that did not feel adequate support had been provided called out a range of factors including lack of access to the aid provisions provided by the government;

“I heard the government is sharing food... we haven't received anything yet”
Whilst across the board the sentiment from Ghanaians seems to be positive with the overall handling of the pandemic by the government, our survey indicated that when it came to the lifting of the lockdown on April 20th, 58% felt this was carried out prematurely and a further 68% expressed their desire for the lockdown to be reinstated. Signaling that whilst the government successfully communicated the importance of a lockdown at the onset of the pandemic the actions surrounding the lifting of these restrictions have been negatively received.

“They did really well with the Lockdown it really helped to stop the spread of the Corona virus and help us to learn to stay at home”

Whilst it came to perceived readiness of the healthcare system to support during the pandemic 66% of respondents expressed confidence in their ability to manage the virus. Compared to the rest of the region this proved fairly high and could possibly be attributed to Ghana’s virus response rate with innovation to improve test levels by running laboratories for 24 hours and using drones to deliver samples from rural areas, meant the country has been named as a model within the region.

“They started very well and end up messing everything up with the lockdown been lifted”
Conclusion

As countries begin to come out of lockdown it has become apparent that most people have started adjusting to the ‘new normal.’ However the long term impact of COVID-19 on work, the economy, social interactions and schooling are yet to be seen, with many suggesting the full extent won’t be known until 2021.

Our study confirms that over the last few months the crisis has fundamentally changed how and what consumers in Ghana buy. Overall when compared to others within the region the feedback from Ghanaians indicate a slightly more optimistic outlook. However with financial security becoming more of a luxury than ever, it is imperative that consumers are supported not only by governments but also by organisations.

The coming weeks and months will be crucial, with tradeoffs between the socio-economic well-being of citizens vs their health, taking place. At present it’s far too early to draw conclusions however keeping a pulse on the consumer sentiment will be necessary to understand the long term impact of the last few months.
Recommendations

With many organisations and governments now looking to understand how they can begin the process of recovery, we outline some key points that should be considered in realising opportunities within the current climate.

1) **Develop specific data on trends that affect your business**
   - Data is key to decision making and will influence how successful the initiatives that businesses take up become.

2) **Use the trends you are seeing to innovate how you offer your product**
   - People are changing the way in which they behave and spend their money as a result of the lockdown. Innovation will be key to retain and gain customers.
   - Deploying a clear, data-led market strategy ensures you can target resources and audiences in the best possible way.

3) **Speak to your customers**
   - Make sure that your customer base is heard, particularly during these trying times.
   - People-led research can assist in helping you to build a deeper understanding of new demand spaces amongst existing or a new customer base.
Survey 54 allows organisations to survey millions within Africa, the Middle East, and amongst the African American community with thousands of respondents ready to take surveys. This is all done remotely through the power of mobile.

As an automated data platform we bring you closer to your consumers using mobile-led data collection methods and smart insights. Our technology enables businesses to get the answers they need to make decisions. We provide stats based on the audience and reach requirements by the business, enabling you to:

- Test brand awareness
- Run product-market fit assessments
- Real-time opinion polls

We pride ourselves on helping you make quick data-driven decisions with on-demand and transparent insights from Africa & emerging markets.

For further information on the impact of COVID-19 in emerging markets report and to find out more about Survey54, get in touch with us at info@survey54.com or Visit https://survey54.com/