



2022 — Financial Trends

Where are young working South Africans feeling the financial pinch?

A Trender/Infoquest research report

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Most employed young people in South Africa, aged between 18 and 30 years, are under financial stress and are finding it difficult to meet their financial obligations given the social and environmental factors.

These are the findings of a survey conducted by infoQuest, a leading South African online research company.

Three hundred randomly selected respondents from quotas representing the South African online young adult working population were interviewed.

When asked to rate their current financial situation on a scale from 1 to 10 (where 1 means 'terrible' and 10 means 'excellent'), only 15% gave a 9 or 10 rating, while about 40% gave a rating of 5 or less out of 10.



The higher the personal income bracket, the higher the financial satisfaction levels, but even of those earning R20 000 and more per month, only 22% were really satisfied with their financial situation

These young consumers are also heavily indebted.

Two in five (40%) have a personal loan from a financial institution, one in four (25%) have a personal loan from a family member or friend, and 17% have an overdraft facility.

Those in the R10 000–R20 000 personal monthly income category have the highest incidence of personal loans at 52%.



Amongst those that have credit cards, just over 1 in 3 (36%) have more than one credit card, and in the 18–24 year age category this is 41%.



It is concerning that young working people are relying on debt to such an extent, limiting their ability to save, which is so important

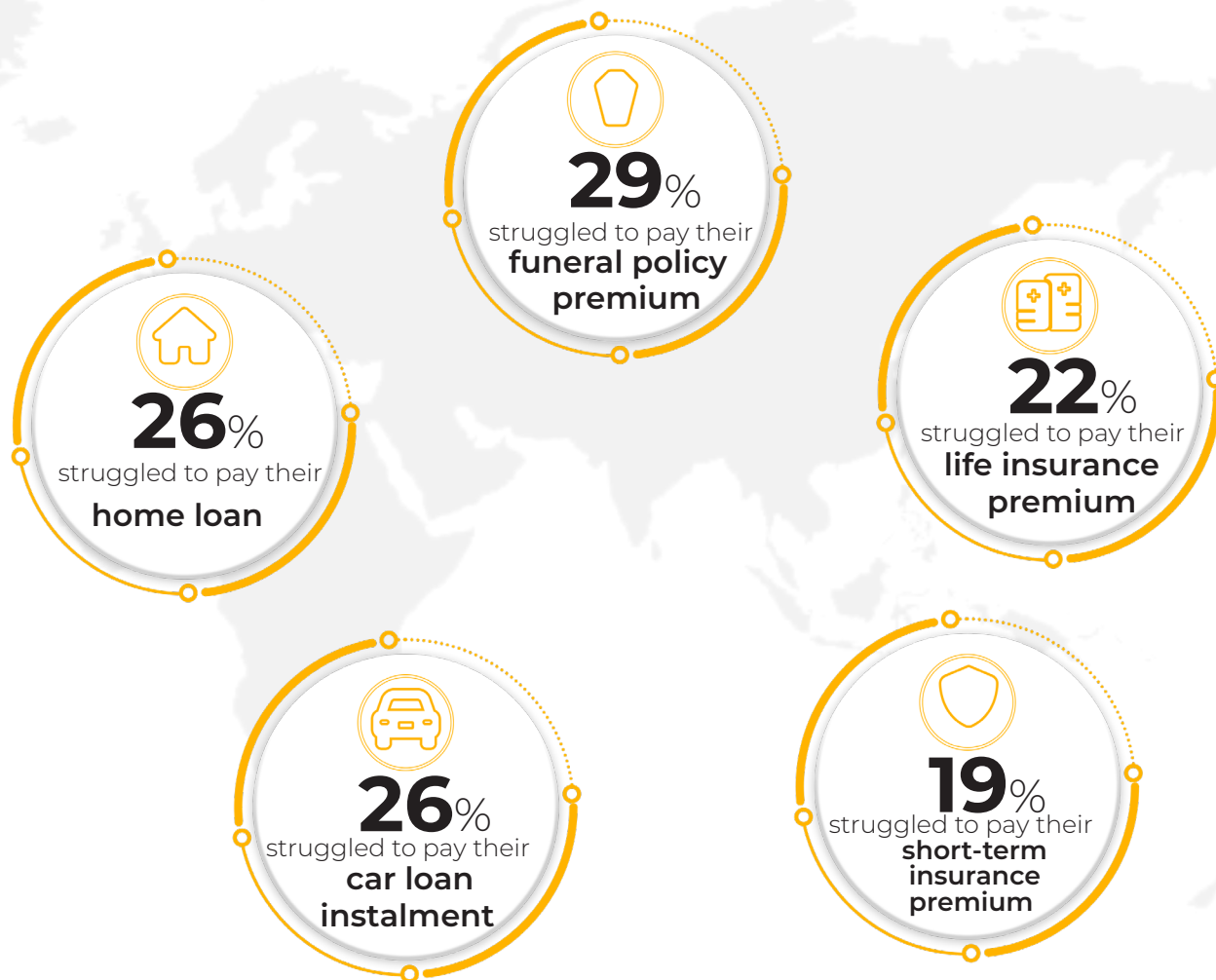
Increasing food prices are a major financial burden, with 36% saying that they had struggled at some time over the past year to buy food and groceries.

Almost 3 in 5 (57%) respondents had school going children and 32% of them had struggled to pay school fees in the past 12 months.





Other areas where financial pressure has been felt in this period are:



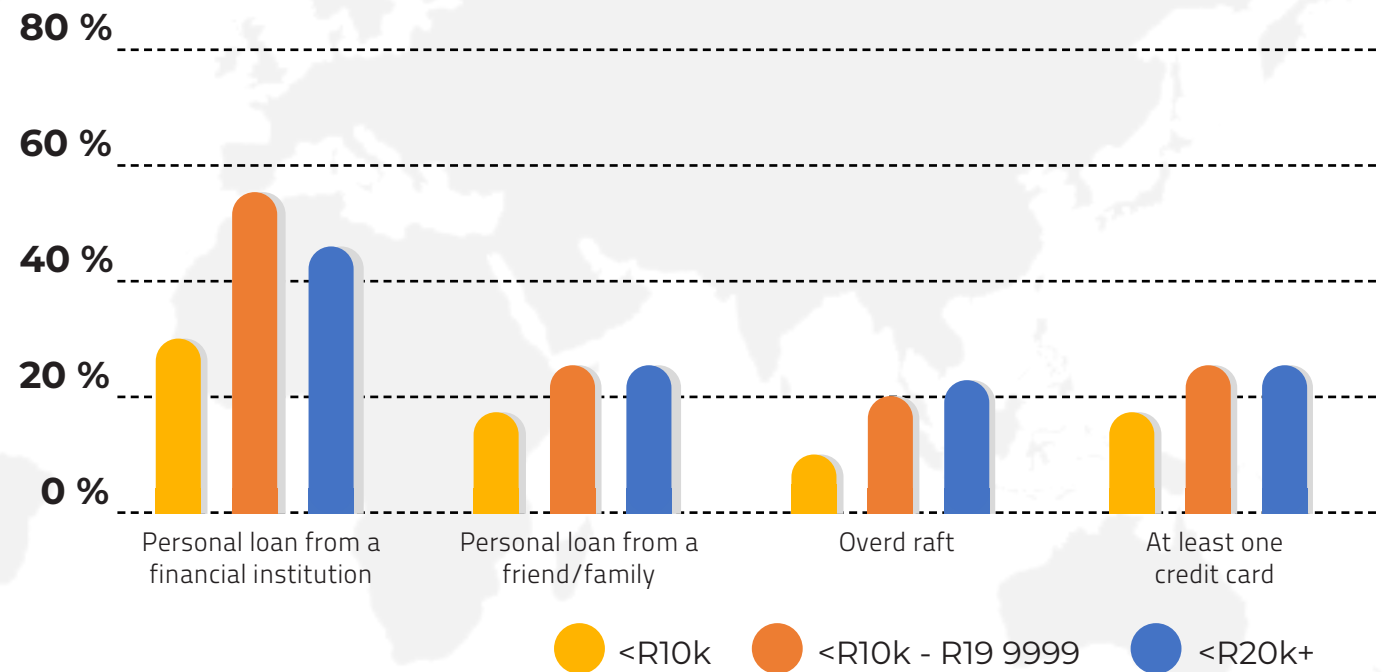
One in five young working South Africans is a hustler, that is, they have more than one regular source of income.

In the 18–24 year age category, 23% claim to hustle, while this is 17% in the older age category of 25–34 years.

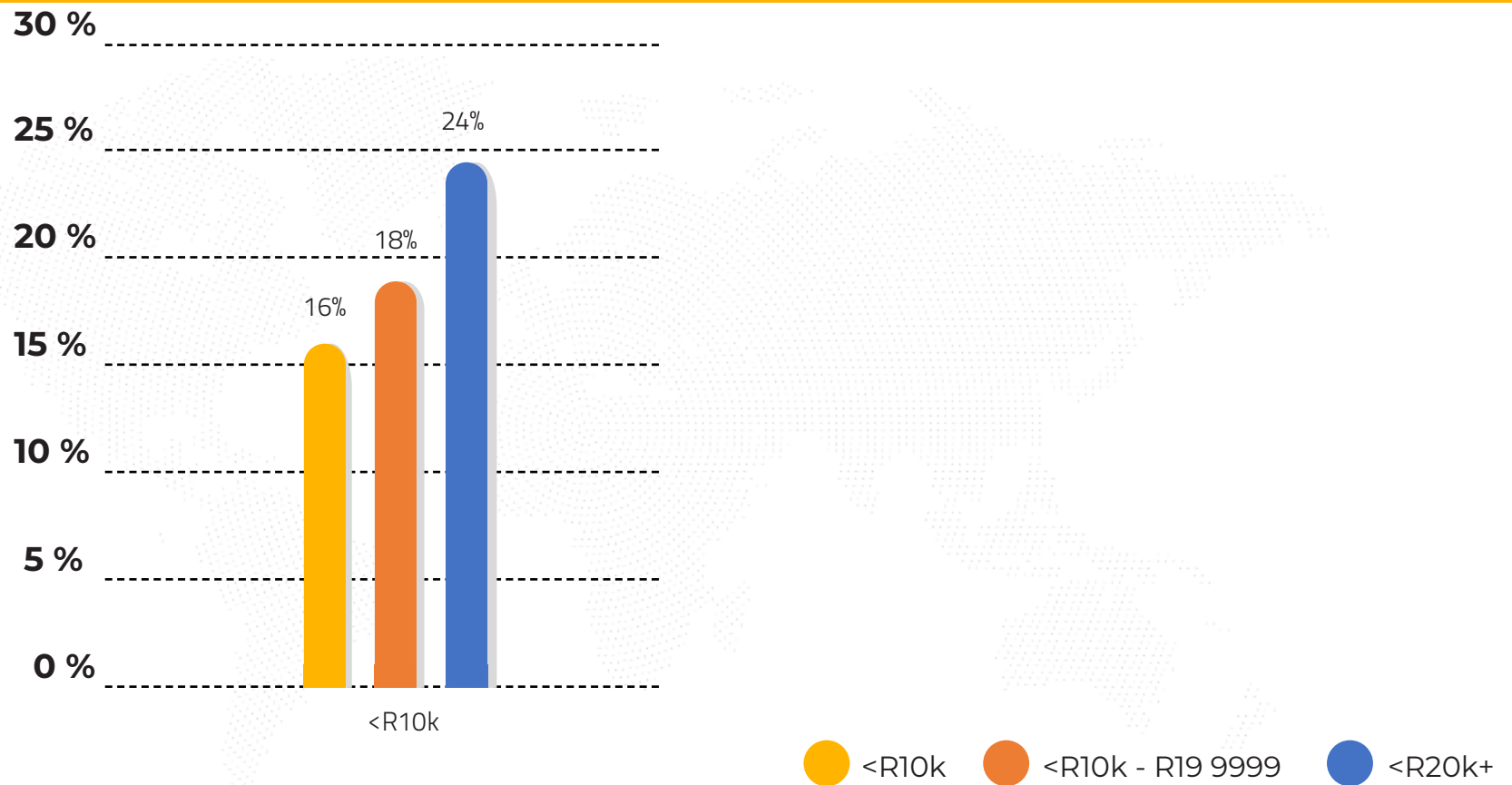


“ Young South Africans have had to find ways of supplementing their main source of income, and we anticipate that this figure will grow over time as the financial pressures are unlikely to ease in the near future

DEBT BY PERSONAL MONTHLY INCOME CATEGORY



INCIDENCE OF HUSTLING BY PERSONAL MONTHLY INCOME CATEGORY





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Infoquest is a subsidiary of TrendER

About Infoquest infoQuest was established in 2006 and is a leading South African online research company, also operating in Africa. They have the longest running consumer panel in SA, with approximately 40 000 panelists.

TrendER

TrendER Insights is an African consumer insights research agency We offer business intelligence by following trends and surveying consumers to gain a deeper understanding behind our consumer motivations, beliefs, needs and behaviours.

