

Emerging Wealth and Health Index

LEAPFROG INVESTMENTS

Decoding priorities for the world's next 4 billion consumers

2022

LEAPFROG

INVESTMENTS

Acknowledgements

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With thanks to the entire LeapFrog team, past and present, our investors, and portfolio company leaders.

Cover image:
BIMA MILVIK health insurance client Purwanti and children aged 4, 8

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“I think about health a lot and take proactive steps to prevent illness because I am concerned about my health as I have kids. My priority at the moment is to take preventative medication.”

- Female, 36, Egypt



Introduction

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The changing behaviour of emerging consumers in the new digital era

Andy Kuper, Founder and CEO, LeapFrog Investments

The world's emerging consumers are shaping our future. Consumers across global growth markets are estimated to have a combined purchasing power surpassing $30 trillion by 2025[1], and already emerging and developing markets constitute over 40% of global GDP[2].

This next wave of consumers will drive the growth of the digital champions of the future, reshaping products and services around their needs and shifting the locus of innovation from the West to Asia and Africa.

Already, in 2021, India produced 33 unicorn start-ups, more than the UK and Germany combined[3]. Innovations like mobile money, micro-insurance, and at-home diagnostics, which first gained traction in emerging markets, are now sweeping through Europe and North America.

At the heart of this era-defining surge in wealth and consumption are essential services. Healthcare and financial tools are the first things that people spend money on once they have higher purchasing power. These are the springboards into a secure middle class for billions of emerging consumers.
Each year, millions of emerging consumers are obtaining insurance, credit, reliable medications, diagnostics, and quality clinical care, often for the first time, dramatically improving their lives and the lives of their families. These tools unlock access to security and opportunity.

Insurance and savings allow families to build the capital needed to send their kids to school. Loans help slum dwellers buy their first formal homes. Pensions enable older workers to retire into lives of dignity not dependence. Timely diagnosis and clinical care help people live longer, healthier lives.

Through the COVID-19 pandemic, many of the trends sweeping through global growth markets accelerated[4]. Businesses that had previously relied on face-to-face interactions with customers invested heavily in new digital capabilities. Consumers became more willing to consult with doctors through their mobile phones, and to bank online. Appetite for health and life insurance products surged, as families planned around the costs and shocks of a pandemic.

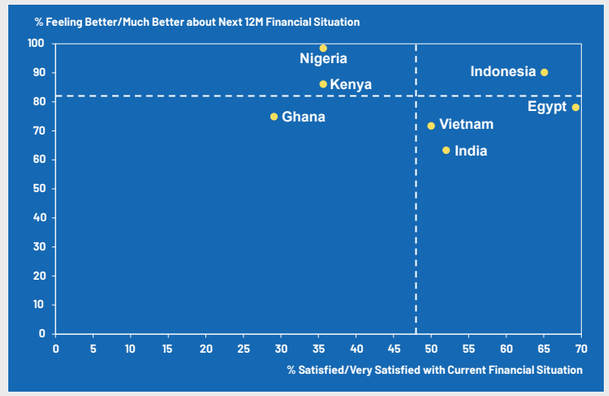
This seismic shift in consumer behaviour is what LeapFrog has begun to measure with the **2022 Emerging Wealth and Health Index**. LeapFrog has surveyed circa 4000 emerging consumers across eight markets – India, Indonesia, Vietnam, Bangladesh, Egypt, Ghana, Kenya, and Nigeria – that are home to 2.2 billion people, or close to 30% of the world's population. In each market and study we targeted 275 responses, to achieve a strong representative sample at a 90% confidence level and 5% margin of error. This survey, including 56 key insights, is a timely update on the rapidly evolving consumption habits of emerging consumers, including the technologies they use, the trade-offs they face, barriers that stop them accessing what they want, and their experiences both positive and negative of accessing wealth and health services. This data helps to supplement other major surveys like the World Bank's Global Findex Database, and CGAP's case studies and surveys in emerging markets. As a firm investing in next generation wealth and health companies, LeapFrog is concerned to delve deeper into the journeys and experiences of these consumers and better understand the products and innovations that can improve customer acquisition, satisfaction, and retention.

Private equity firms normally do not release proprietary data into the market, preferring to use it for their own benefit to supercharge returns. We're releasing a significant portion of the data we have collected through these surveys to the public, to help spur others to make informed decisions in global growth markets and accelerate the life-changing investments that will deliver wealth and health to billions of low-income people. We're calling this report an index as we plan to repeat this exercise over time, allowing baseline comparisons for consumer experiences and trends in key emerging markets.

What our **2022 Emerging Wealth and Health Index** reveals is startling. The first key insight is that, while global growth markets share many similarities, they are also highly heterogenous. On average, a high proportion of respondents in these markets (41%) report inability to access financial products in the last 12 months. For most countries, the main product that respondents desired to access but couldn't is credit, but in Indonesia it is insurance. There is wide variability between countries in terms of overall financial contentment, and financial outlook, although respondents in all markets share a highly optimistic view of their financial future.

The data also demonstrates a two-tiered economy for the digitally enabled versus the digitally excluded. Smartphones have become the dominant distribution method for many emerging market wealth and health products. Those who use a smartphone on a regular basis have much higher rates of access to insurance and banking, report greater reduction in stress due to their use of financial products, improved ability to cover household expenses, and improved capacity to save and plan ahead. The digitally enabled are also more optimistic: 84% of those who use smartphones have a positive outlook on their family's financial future versus 73% for those who don't use smartphones. Finally, global growth markets continue to face huge gaps in the penetration and quality of wealth and health products. Tracking these gaps builds the roadmap for impact investors seeking to make a difference at scale. More than 2 in 5 respondents never get a check-up for potential health conditions, particularly in Kenya, Nigeria, and Egypt. Around 3 in 4 respondents rely on out-of-pocket money to pay for healthcare needs. Around 2 in 3 respondents faced difficulty accessing the financial services they needed, either because costs were too high, they didn't meet application criteria, or they didn't have required documentation. Most respondents go to friends and family for financial advice rather than financial institutions or online resources.
These high rates of exclusion and informality point to the enormous potential for reliable, quality wealth and health companies to plug gaps in these markets. Emerging consumers will increasingly gravitate to offerings that are more accessible, cheaper, and of better quality. As our survey shows, these consumers are acutely aware of their lack of access to the essential services they need to rise into economic security.

Current and Future Financial Sentiment for Index Respondents



I invite you to explore the data to discover many more of these insights. Our hope is that this data helps others to serve emerging consumers and build the next generation of scalable and deeply impactful wealth and health companies.

1 https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/winning-the-30-trillion-decathlon-going-for-gold-in-emerging-markets
2 https://www.imf.org/external/datamapper/profile/OEMDC
3 https://hurun.com.au/hurun-global-unicorn-index-2021
4 https://www.oecd.org/digital/digital-economy-outlook-covid.pdf



Seizing on surging demand for insurance among low-income consumers

Raimund Snyders, Partner, **and Fernanda Lima,** Partner

Insurance is a ubiquitous product in most of our lives, but in many emerging markets it remains unusual for the average person to have access to insurance.

Take for example Indonesian Gojek driver Nur Fajar. Taking out life insurance for his father last year, through LeapFrog-backed company PasarPolis, was one of his first interactions with the formal insurance market after hearing about the policy from a friend.

Just three months later, Nur's 58-year-old father contracted COVID-19 and passed away, leaving a significant hole in not just the family but also the household's cashflow. He and his mother were surprised to find that the policy indeed provided cover in their circumstances and the funds received helped cover the costs of his father's care and funeral arrangements. Now, Nur spends his time educating those in the community about the benefits of insurance as a Mitra agent with PasarPolis, proving to others that insurance, in his own words, is "real".

Nur is typical of millions of emerging consumers who are hungry for insurance, but unsure until recently how to access it, or if the benefits were "real". Emerging markets have dramatically low insurance penetration rates, measured as the ratio of written premiums to GDP. Emerging Asia and EMEA have penetration rates of only 3.7% and 1.6% on average, compared with 11.7% in the US, and 11.1% in the United Kingdom[5]. Across emerging markets, the gap in insurance protection leaves millions at risk of crippling financial loss through shocks like natural disasters or illness. Emerging countries account for $160 billion (96%) of the global insurance protection gap[6].

Our **2022 Emerging Wealth and Health Index** shows, however, that these low penetration and coverage rates are not driven by a lack of demand for insurance. In fact, there are astonishingly high rates of insurance demand across emerging markets, and insurance is one of the products our respondents most wanted to use in the coming 12 months.

In some of the world's least served insurance markets like Indonesia, Nigeria, and Ghana, where penetration rates are all below 2%[7], around one in four respondents said that they planned to buy insurance in the next 12 months. In Kenya, which has penetration of only 2.2%, this figure was almost one in two. Overall, insurance ranked roughly on par with savings and investments as the financial product consumers most wanted to use next year. These results point to a growing awareness of the benefits of insurance, and a huge opportunity for insurance businesses to tap into robust demand with innovative new products.

Experiences on the ground point to why insurance demand is so strong. It's clear that the average emerging consumer is acutely aware of the difficult trade-offs, and significant financial stress, faced by the uninsured.

Around 3 in 5 of those interviewed about their financial situation reported facing a financial hardship in the last 12 months, with health-related issues being the largest contributor at 19%. This aligns with the results from our parallel survey on healthcare, where 14% of respondents reported falling into debt or losing savings due to a health shock. Indeed, around 3 in 4 respondents rely on out-of-pocket money to pay for their healthcare needs, and only 1 in 10 use private insurance to cover medical bills. Faced with a healthcare shock, 3 in 5 respondents prioritised medical bills, and 1 in 3 cut back on entertainment and food.

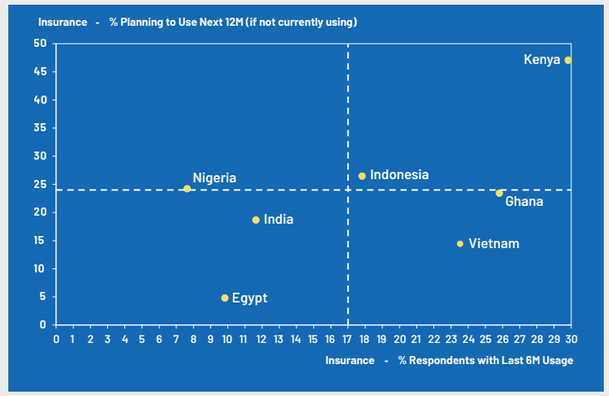
These financial shocks affect overall mental health and outlook as well, our data shows. Those with chronic conditions, for instance, who face higher medical expenses, are more likely to feel their family will be financially worse or much worse off next year, and more than twice as likely to report poor or very poor mental health. In Kenya and Ghana, where insurance rates remain low, the main benefit from accessing financial products, reported by 1 in 2, was reducing financial stress.

The Covid-19 pandemic has brought these experiences into focus. In LeapFrog's own portfolio, claims paid across our insurance businesses doubled in the last two years to 1.2 million per quarter (for Q421), largely driven by a surge in healthcare claims[8]. Many of these claims are for new micro-insurance products pioneered at our companies like PasarPolis in Indonesia and miLife in Ghana. These companies have made a concerted effort to distribute insurance to low-income consumers through mobile platforms that have slashed the cost of premiums and helped onboard millions of new customers.

Still, many people across the emerging world struggle to access insurance. Two thirds of those who were surveyed said they faced difficulties accessing the financial services they needed, with high cost or lack of a reliable income cited as the main reasons. Informal work, unemployment, or education status are also key drivers of financial exclusion. In India, where only 15% of respondents worked in the formal economy, 10% said it was difficult to access financial products because they didn't have the correct documents. In Kenya, which had the second highest rate of unemployment of any country in our sample, one in four people said they couldn't meet the criteria for financial products, and more than half said they had made failed when trying to purchase a financial product in the last 12 months. One in ten Indonesians, where student literacy skills rank low[9], said they faced difficulties understanding financial products. Often, these barriers to access could be solved with new technologies like algorithmic underwriting or smarter digital distribution and marketing. Already, these innovations are opening new markets for insurance, and encouraging those typically excluded from insurance to access coverage.

Overcoming these barriers and seizing on the incredible demand for insurance products across global growth markets is not only critical to improve the lives of individuals. It also supports overall economic growth. Insurance is the often-underappreciated cousin of other economic growth drivers like technology and access to credit. It creates pools of capital to manage risk exposures, supports sustainable economic growth by protecting businesses against shocks, and underpins robust consumption with products like health and income insurance that allow consumers to better manage their household budgets. This Index, which draws its data from direct surveys with emerging consumers, explains how those macro effects play out at the individual level. We hope it can support greater understanding and help insurance penetration continue to grow across emerging markets, delivering higher quality of life and more resilient economies.

Insurance Use and Future Demand for Index Respondents



5 https://www.swissre.com/dam/jcr:4500fe30-7d7b-4bc7-b217-085d7d87a35b/swiss-re-institute-sigma-4-2022.pdf
6 https://assets.lloyds.com/assets/pdf-lloyds-underinsurance-report-final/1/pdf-lloyds-underinsurance-report-final.pdf
7 https://www.swissre.com/dam/jcr:4500fe30-7d7b-4bc7-b217-085d7d87a35b/swiss-re-institute-sigma-4-2022.pdf
8 https://impact.leapfroginvest.com/
9 https://www.oecd.org/pisa/publications/



The new healthcare models helping treat an increase in chronic conditions

Felix Olale, Partner, **and Biju Mohandas,** Partner

The shift in the disease burden across the emerging world, from communicable to non-communicable diseases (NCDs), is a well-established fact.

Richer diets, urbanisation, and increasingly sedentary lifestyles have led to a spike in diseases like obesity, diabetes, stroke, heart conditions and asthma across the developing world. These diseases now cause 70% of deaths across emerging markets, up from 50% only 30 years ago[10].

But our **2022 Emerging Wealth and Health Index** shows a positive side to this story. Accompanying this surge in chronic conditions is an increasing adoption of affordable technologies that improve healthcare awareness and focus on prevention and wellness. Chronic conditions are different to a previous wave of communicable diseases. They require long-term treatment, lifestyle changes, and regular visits to clinics and testing facilities. Through these processes, those who suffer from chronic conditions can improve their awareness of healthcare services, and indeed can become early adopters of new healthcare technologies and models.

Consider this statistic. Respondents with a chronic condition are 46% more likely to use their smartphones to order medicines online. This is startling, considering that many chronic condition sufferers are the elderly, who are the group with the lowest smartphone usage. 18–25-year-olds are the most likely to buy medicines online (20%), compared to those 26 or older (11%). We've seen this trend play out in our portfolio company Goodlife, the largest retail pharmacy chain in east Africa, where online orders now account for a tenth of revenues, up from negligible levels two years ago.

Chronic condition sufferers are also driving a boom in demand for diagnostics. A far higher percentage of those with chronic conditions, 40% versus 24% for non-sufferers, have tests done at a lab. Again, digital channels help serve this demand, and smartphone users are also far more likely to have lab tests done. We see evidence of this in our own portfolio company Redcliffe Lifetech, an omnichannel diagnostics provider in India that uses smartphone technology for booking tests and receiving results. In the past 24 months Redcliffe has scaled dramatically to operate 32 labs and close to 832 collection centers testing ~226k samples per month and reaching 2.2 million people mostly in tier 2 and tier 3 cities and towns.

There are a few good reasons, beyond health, that chronic disease sufferers are adopting new healthcare models. Firstly, new models of healthcare are generally cheaper, and chronic diseases sufferers face far higher healthcare costs than others. The data in this index shows that those with chronic conditions find it harder to pay for testing and medicines. Chronic condition sufferers are also more likely to rely on others to help pay their medical bills and are around twice as likely to fall into debt following a healthcare shock. These economic pressures may be driving chronic condition sufferers to experiment with new low-cost, digitally enabled healthcare models that ease the financial burden of health shocks, as well as seeking early advice and treatment.

Our data also suggests that many chronic condition sufferers live outside of cities, and so face significant inconvenience when they travel to healthcare clinics and hospitals. Age is likely to be the major factor in this, with 45% of elderly respondents living outside of cities, a much higher percentage than any other age group. Indeed, people living in villages are more than twice as likely to live with their older parents or in-laws.

As a consequence, around 2 in 3 village dwellers report visiting a healthcare facility in the last three months, higher than both town and city dwellers. Yet village dwellers face the most inconvenience when trying to access healthcare (29%), compared with towns (12%) and cities (16%).

New low-cost, decentralised, and tech-enabled approaches to healthcare can help overcome this inconvenience, and so it's no surprise that many with chronic conditions, including the very elderly, are driving demand for online medicines and diagnostics.

Those adopting new digital healthcare products also appear to be feeling the benefits. Regular users of smartphones are more aware of their health and take proactive steps to prevent illness (58% versus 53%). A higher share of regular users of smartphones also have regular health check-ups (54% versus 49%), follow healthy eating habits, and regularly exercise. Overall, regular users of smartphones tend to rate their physical and mental health higher than those who are not regular users (4.0 versus 3.7). This aligns with customer data from our own portfolio companies, like South Asian health and fitness app HealthifyMe, where digital users have lost an aggregate of 10 million kilograms, and reduced HbA1c levels by an average of 15% across the last 2 years.

Technology is not the only answer, however, and country by country, there are also some divergent trends. Bangladesh, Vietnam, and Nigeria all show low rates of lab testing combined with low rates of specialist consultation, implying that access to healthcare treatment beyond very basic services remains relatively poor in these countries. While 66% of respondents in Nigeria say that they take proactive steps to prevent illness, only 26% get tested regularly (every 6 months) for chronic conditions. This is in contrast to the testing behaviour observed in India, Vietnam, and Egypt, where over 60% of respondents get tested regularly. These data points suggest regional variations that require tailored responses from both governments and healthcare innovators.

Still, the importance of seizing this moment, where new digital healthcare tools are meeting surging demand from those with chronic conditions, and where a recent pandemic has driven digital adoption to new highs, can't be understated. We now have a once in a generation opportunity to use this momentum to overhaul traditional healthcare models, reduce barriers to access, and even move beyond prevention to pre-emption by using affordable technologies like smartphones. Indeed, our data shows even the elderly now report high smartphone access at 90%.

Products like mobile diagnostics and online pharmaceuticals can bring hundreds of millions of low-income consumers into regular patterns of healthcare usage that can help them manage the full range of illnesses, and in the process also drive innovation and cost efficiencies in healthcare delivery. As our data shows, this presents healthcare investors with both a commercial opportunity, and an obligation to deliver real impact for many decades to come.

10 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC546417/



Digital inclusion as a gateway to better wealth and health impact outcomes

Julie Wallace, Head of Impact, **and Karima Ola,** Partner

The past decade has seen significant increased penetration of smartphone usage across emerging markets as technology became more affordable and reliable.

Smartphones, rather than basic or feature phones, are now the dominant mobile device across emerging markets[11]. Emerging consumers have leapfrogged desktop computers into a mobile-first internet age, with 54% using their smartphone as their primary access point for the internet, versus 15% in the US[12]. Mobile internet users in the Asia Pacific now exceed 1.2 billion, around 45% of the region's population[13].

At LeapFrog, we have seen this through our own portfolio companies, where the digital revolution underpinned by smartphones is enabling the rollout of low-cost microloans at non-bank lender JUMO and facilitating digital payments across multiple channels through new e-commerce and payments ecosystems at companies like Interswitch. While we knew that smartphones were driving business model innovation and extending products and services to low-income consumers, we were still surprised by the depth of the findings in our inaugural **2022 Emerging Wealth and Health Index**. It's clear that overcoming digital exclusion is a key enabling pre-requisite to support better wealth and health outcomes, and even supports spending on essentials like education and business growth.

Virtually all our respondents own or share a smartphone. We defined smartphones as a device with internet access, and usually a touchscreen, that can download apps. Overall, more than 4 in 5 have a smartphone, although ownership is significantly lower in Bangladesh, Kenya, and Nigeria. Most smartphone owners use it for money transfers or online purchases, and this resonates with recent World Bank research suggesting the share of adults in developing economies who use digital payments grew from 35% in 2014 to 57% percent in 2021[14]. While men and women's rates of smartphone access (94% v 93%) and usage in the last 3 months (68% v 68%) are almost identical, women are far more active smartphone users across every category of consumption.

Critically, more than 2 in 3 respondents with access to a smartphone use it regularly for consumption. Usage is highest in Indonesia and Kenya, while lowest in Egypt and India. Those who don't use their smartphone regularly mention, as top reasons, that they don't need to use them or that they are not reliable.

The data shows that those who don't use smartphones face substantially worse wealth and health outcomes. Respondents who hadn't visited a doctor or a nurse in the last three months were also more likely to not have used a smartphone in the same period, suggesting a relationship between digital and healthcare exclusion. Those with chronic condition are 46% more likely to use their smartphones to order medicines online and smartphone users are far more likely to have lab tests done and visit hospitals. Digital health can play a catalytic role in achieving universal healthcare in emerging markets, subject to reliable connectivity infrastructure: electricity access, internet connectivity and smart phone penetration. Indeed, the use of smartphones is already contributing to efficiencies in healthcare delivery and authentication of drugs[15].

Similar trends exist in our data for financial services. The digitally excluded report from half to two thirds the rate of usage for insurance, bank accounts, loans, and mobile wallets, versus smartphone users. Around a third of the digitally excluded had no plan to access a new financial product in the next 12 months, versus 17% for smartphone users. They were less likely to report a benefit from using a financial service, less likely to save for education expenses or to invest in their businesses, and more likely to feel their families would be worse of next year.

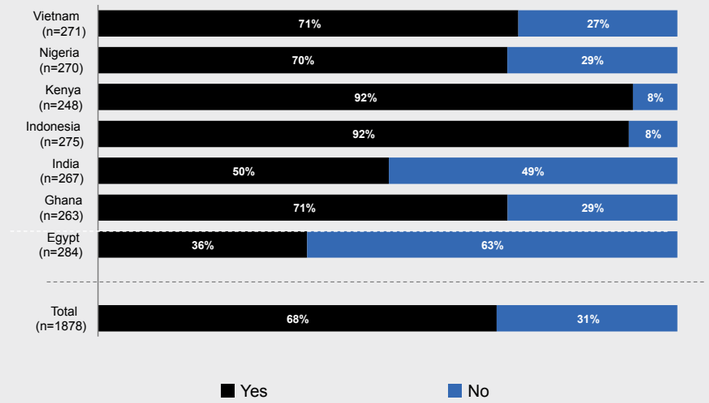
And while smartphone-linked businesses have grown significantly over the past decade (for instance, mobile technologies and services added 8% of GDP, or $130 billion, in Sub-Saharan Africa in 2020 alone[16]), there remains significant opportunity to refine product development and business models to reach more low-income consumers, reducing barriers and supporting improved financial and healthcare outcomes. These opportunities could include reaching the digitally excluded through on-the-ground agent networks, crafting digital platforms that are easy to use for those with low literacy or digital familiarity, and marketing the availability of low-cost digital wealth and health solutions to rural and elderly populations who are less likely to use their smartphones and understand the benefits.

This survey was conducted in 2022 in a changing global economic environment recovering from a pandemic and struggling to control runaway inflation. Still, the optimism of respondents bodes well for emerging market growth. Around half are optimistic about their country's economic situation and 3 in 4 believe their financial situation will be better next year. We see this optimism being rewarded by innovation across global growth markets, delivering on the promise of technology to create models that service and address the needs of low-income consumers.

With the launch of the Sustainable Development Goals (SDGs) in 2015, impact measurement linked to the SDGs and environmental, social and governance (ESG) considerations, are no longer add-ons but an integral part of how companies and investors evaluate business opportunities and construct business models. Digital inclusion is increasingly at the heart of this story, as we see from our own portfolio with companies like Zepz, a global remittances and payments firm that has significantly reduced the cost of financial flows for remittance-receiving families in line with SDG10[17], to Goodlife, a major African pharmacy chain with growing online presence accelerating SDG3[18].

The impact learning from this survey is that this technological opportunity needs to be monitored closely, to ensure the digital have nots are reached with the same benefits that are dramatically improving the lives of regular smartphone users.

Have you used your phone in last 3 months to buy a product, book a service, or make any payments? (n = 1878)



11 https://www.pewresearch.org/internet/2019/03/07/use-of-smartphones-and-social-media-is-common-across-most-emerging-economies/
12 Ibid.
13 https://www.gsma.com/mobileeconomy/wp-content/uploads/2022/07/GSMA_APAC_ME_2022_R_Web_Final.pdf
14 Findex2021_MASTER_BookRE.indb (worldbank.org)
15 How Nigeria partners with tech companies to outwit drug counterfeiters | Devex
16 GSMA_ME_SSA_2021_English_Web_Singles.pdf
17 https://leapfroginvest.com/company/zepz/
18 https://leapfroginvest.com/company/goodlife/





Executive Summary

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Gender

Women more proactive consumers than men

Women and men shared many similarities in their concerns and consumer habits, with some important key differences. Notably, **women's economic disadvantage remains starkly apparent**. Women across the sample see almost double the rate of unemployment. Women also face higher barriers to accessing products like insurance and savings products. However, women closely match men's rate of employment in the formal economy.

Women also appear to have a **more conservative approach to risk and focus more on their family's** needs over entrepreneurial activities. Women are slightly more likely than men to use savings for household goods and education, while men are slightly more likely to reinvest in their businesses or farms. Women, unlike men, prefer traditional ATM cards over mobile wallets. Women give priority to food, medicines and education when faced with a financial crisis, all at higher rates than men.

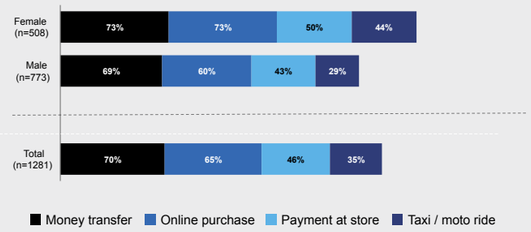
In choosing a provider for a financial service or product, what are 1-3 most important things to you? (n = 1785)

35%
OF MEN SAY COST IS IMPORTANT

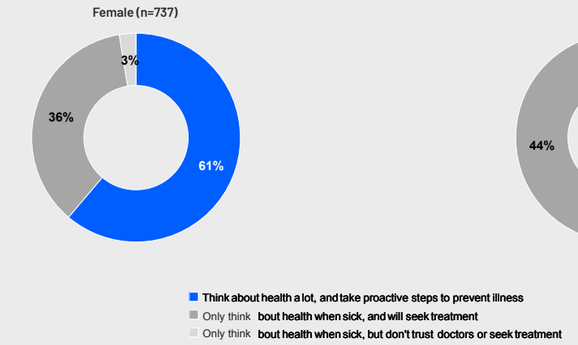
42%
OF WOMEN SAY COST IS IMPORTANT

The data illustrates that **women are more proactive and perhaps more informed consumers**. Women think about health more than men, report that they take proactive steps to prevent illness, and also trust doctors more. While men and women's rates of smartphone access (94% v 94%) and smartphone usage (68% v 69%) are almost identical, women are far more active smartphone users across every category of consumption. Both men and women are most focused on quality of service when choosing a financial service or product. However, women are also highly aware of cost and reputation, more so than men.

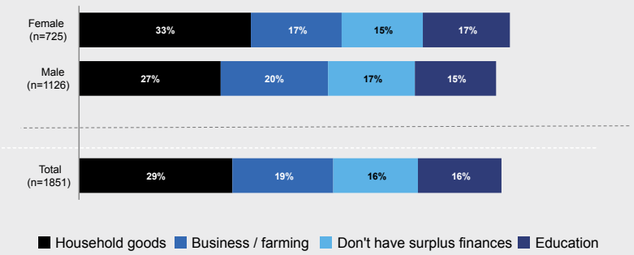
What did you use your smartphone for? (n = 1281)



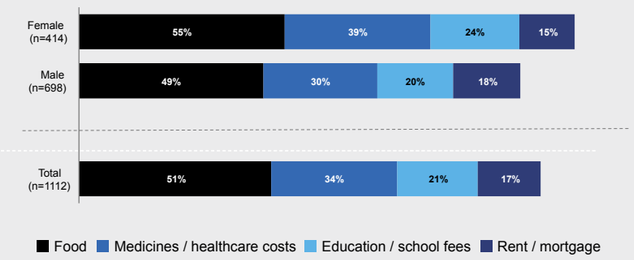
Which of these statements best describes your approach to healthcare? n=1891



When you have surplus finances, what do you save for / spend on? (n = 1851)



When faced with an unexpected shock, what expenses did you give priority to? (n=1112)



Age

Each stage of life has advantages and disadvantages

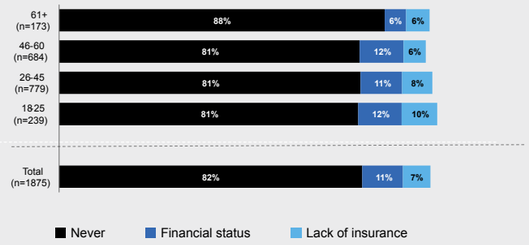
The data includes representative samples of every key age range. Each age bracket reports comparative advantages and disadvantages, some surprising.

While 18-25-year-olds experience far fewer health ailments, and have the highest digital literacy, **the young feel more frustrated and excluded from some health products and financial opportunities**. They are three times more likely to complain about the quality of healthcare services compared with over 61-year-olds, and also more acutely aware of locational barriers to access, suggesting younger generations find existing healthcare models frustrating to use. Young people were twice as likely as the elderly to be refused healthcare because of their financial status, and also more likely to be refused treatment due to lack of insurance. More than any other group, they complain of a lack of job opportunities holding back their financial wellbeing.

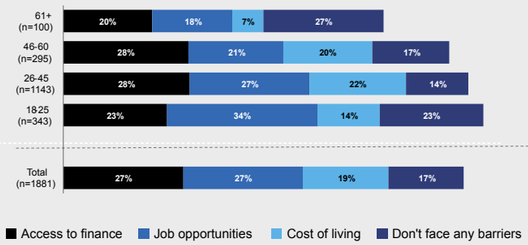
By middle age, respondents appeared more acutely aware of how access to financial products could either help or hinder their family's wellbeing. Indeed, **concern over financial exclusion peaks in middle age**. While young people see their (lack of) employment prospects as the most critical obstruction to financial security, those in the 25-45 and 46-60 age brackets view financial exclusion as the key barrier, alongside cost of living, perhaps related to an increase in household expenses and debt repayments for these groups. Those in the 26-45 age bracket are far more likely to have failed in their attempts to access a financial product in the last year than other age groups. Most of these failed applications were for a loan. When faced with health shocks, almost 20% of (parent-aged) respondents in the 46-60-year age bracket reported making education expenses a priority, a higher percentage than any other group.

At the end of life, many respondents appear relatively sanguine about the worries of the young. The **elderly are the most satisfied with their financial situation, and the least pessimistic about their country's economic outlook**. However, digital literacy remains a major challenge for older consumers. The elderly cite ease of use as their major barrier to increased smartphone use, suggesting low digital literacy. Still, over 80% of the elderly have access to a smartphone. Unsurprisingly, COVID-19 and health issues affected elderly respondents the most, with those over 61 almost twice as likely to have faced financial hardship due to the pandemic, compared with those aged between 18-25.

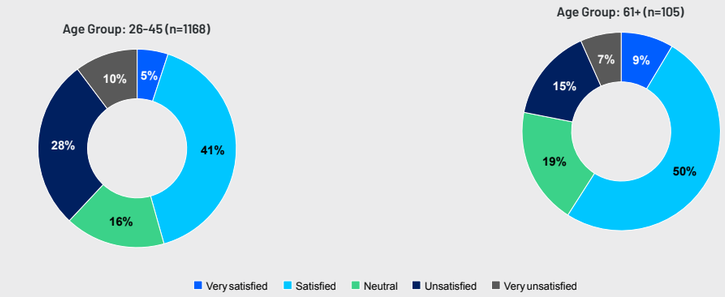
In the past 2 years, have you or anyone in your household been refused healthcare treatment because of: (n = 1846)



What are the biggest barriers for you to improving your financial situation? (n = 1881)



How satisfied are you with your current financial situation? (n = 1933)



What difficulties –if any– do you face in getting healthcare treatment you and your household needs? (n = 1836)

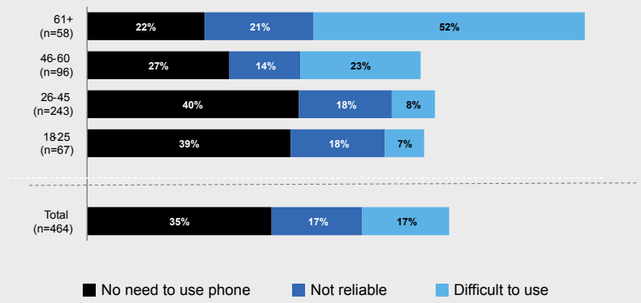
15%

OF PEOPLE 18-25 EXPERIENCE POOR QUALITY TREATMENT

5%

OF PEOPLE 61+ EXPERIENCE POOR QUALITY TREATMENT

Why have you not used a smartphone? (n = 464)



Rural and urban divide

Villages older, happier, and surprisingly... more digital

In many senses, the village seems to remain an informal, family-oriented place, with high rates of intergenerational living and also high levels of financial satisfaction. Village level respondents, mainly from India, Indonesia and Vietnam, skewed significantly more female than male across the sample set, potentially because many migrant labourers leaving village settings are men. Older people are more likely to live outside cities, with 45% of respondents who were over 61 living outside of cities, compared with a 36% average across all age groups. People living in village are more than twice as likely to live with their older parents or in-laws than those living in cities and towns. At village and town level there is higher employment than cities, particularly at the village level which has less than half the unemployment of the sample average. **Villagers are less likely to be dissatisfied or highly dissatisfied with their financial situation, feel less financial stress, face lower barriers to accessing employment, and cite lower cost of living pressures.** However, towns and villages also have a lower rate of formal employment than cities.

Surprisingly, however, villagers use smartphones just as much as those in cities and towns, and across most categories **villagers are more likely to use their smartphone to make online purchases, transfer money, or use a taxi**. For villagers, more of the services they use are also digital only, suggesting their remote locations are prompting them to become proactive adopters of digital solutions.

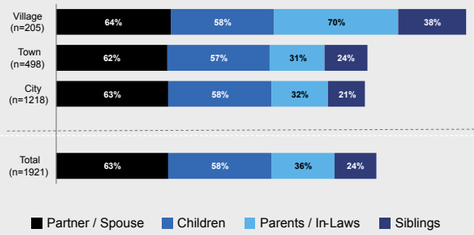
Where villagers face challenges, however, is with healthcare. **Rural populations find healthcare difficult to reach, with almost a third of those living in villages reporting inconvenience when trying to access a healthcare provider**, compared with only 12% in towns and 16% in cities. This is worrisome, as villagers require more medical attention than others, and derive the most benefit from healthcare. Around 2 in 3 village dwellers report visiting a healthcare facility in the last three months, higher than both town and city dwellers. In part, this can be attributed to the more elderly population living in villages. People in villages are almost twice as likely to visit a doctor or clinic when they are unwell, compared with city dwellers. **Rural respondents reported dramatically higher benefits from healthcare compared against peers in cities and towns**. More saw an increase in quality of life and ability to work, perhaps related to the more physical requirements of rural labour versus sedentary jobs in towns and cities.

Can I confirm your gender? (n= 1935)

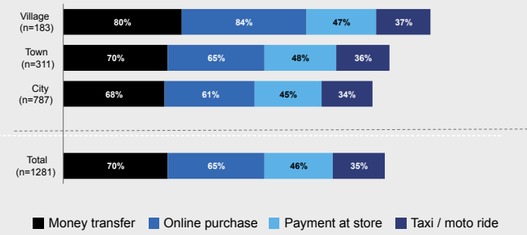
12%
OF MEN SURVEYED WERE VILLAGERS

16%
OF WOMEN SURVEYED WERE VILLAGERS

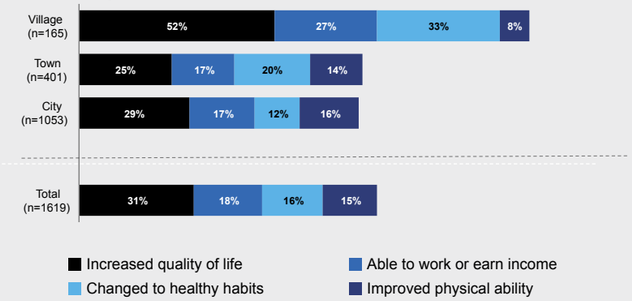
Who lives together in your household with you? (n=1920)



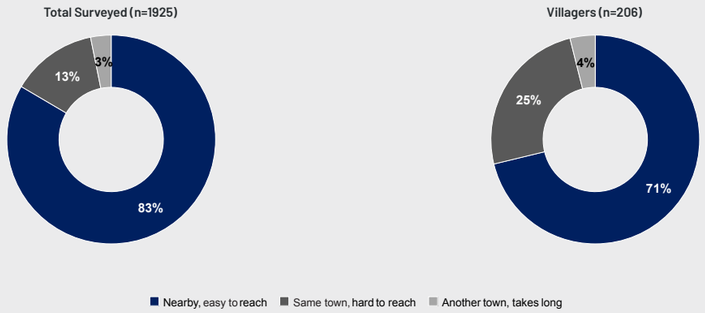
What did you use a smartphone for? (n=1281)



What benefits did you experience because of healthcare treatment your household received? (n=1659)



How convenient is the location of your nearest healthcare provider, e.g. if you needed a prescription for an antibiotic? (n=1925)



Digital haves and have nots

Smartphone users show dramatically different experiences

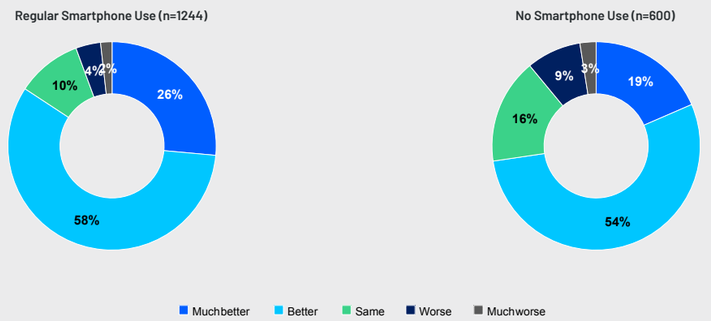
While almost everyone has access to a smartphone that they either own, or can borrow from a close acquaintance, there are still many people who don't use smartphones regularly (in the last 3 months). This is largely segmented by age. In our financial survey, for instance, usage declines from 73% for 18-25-year-olds down to 36% for 61+-year-olds.

For those who regularly use smartphones, life looks very different. **Those who regularly use a smartphone have a more positive outlook on their family's financial future**, with 84% having a positive outlook versus 73% for those who don't use smartphones. Smartphone users report greater reduction in stress, improved ability to cover household expenses, and improved capacity to save and plan ahead, due to their use of financial products.

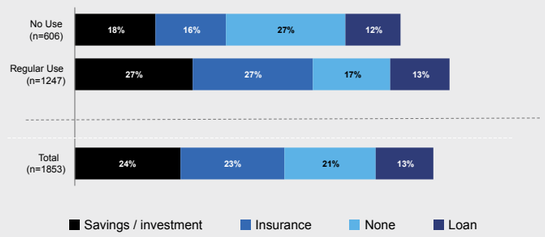
Digital inclusion also supports greater spending momentum, and **those who use smartphones have more appetite to expand their use of financial services**, especially for insurance and savings/ investment products. The digitally included and digitally excluded have a similar appetite to try and access loans in the coming year.

Interestingly, **smartphone users are more aware of their financial exclusion, even though smartphone users are more likely to have access to a range of financial products**. This perhaps suggests those with smartphones make more failed attempts to access these products and are more aware of what is available to them. The digitally excluded also report less sickness across all categories of illness. **This could suggest digitally excluded populations fail to find the services or information they need to diagnose their medical conditions**. Indeed, respondents who hadn't visited a doctor or a nurse in the last three months were also 20% more likely to not have used a smartphone in the same period, suggesting a relationship between digital and healthcare exclusion. While both smartphone and non-smartphone users buy medicines at similar rates, smartphone users are far more likely to have lab tests done and visit hospitals. This aligns with industry trends, where smartphones are increasingly a key commercial portal for booking diagnostics and healthcare visits.

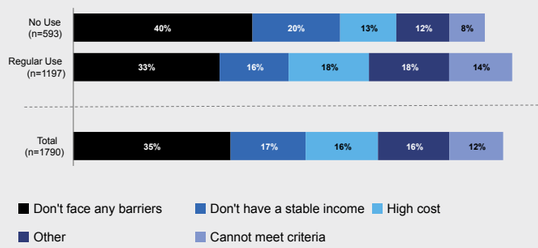
Do you feel next year your family will be better or worse off financially than this year? (n = 1844)



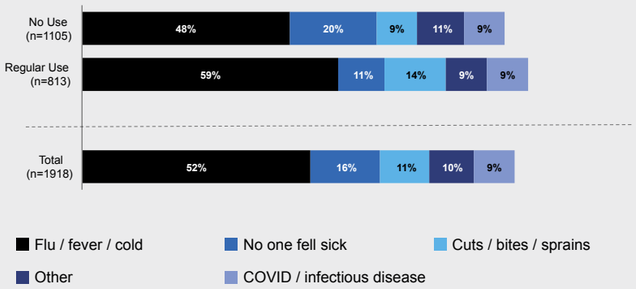
In the next one year, do you plan to use any financial products or services that you don't currently use? (n = 1853)



What difficulties –if any– do you face in getting financial services you need? (n = 1790)



In the last one year, what are the causes of sickness in your household, if any? (n = 1911)



In the last one year, which healthcare services have you used for your household? (n = 1907)

37%

OF REGULAR SMARTPHONE USERS HAD LAB TESTS

26%

OF PEOPLE WHO DIDN'T USE SMARTPHONES HAD LAB TESTS



Financial Services

LEAPFROG INVESTMENTS

Demographic Profile

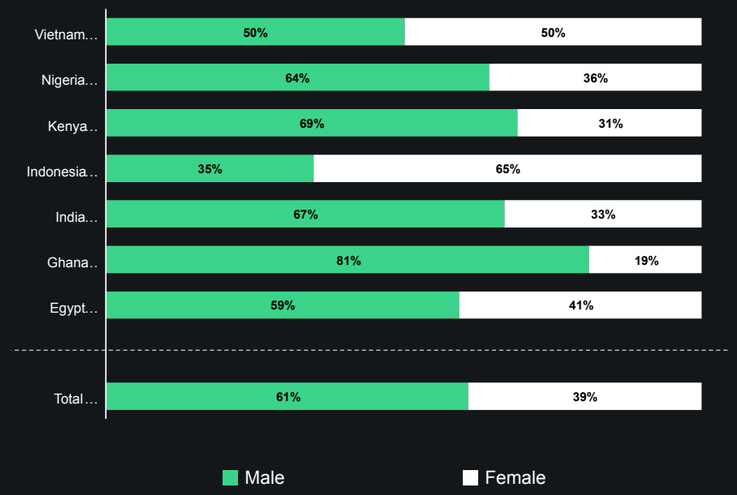
Demographics
Employment Status: Type
Employment Status: Nature
Digital Inclusion: Usage Patterns
Digital Inclusion: Lack of Usage

LEAPFROG INVESTMENTS

Demographics

Around 3 in 5 respondents are male and are between 26-45 years old. The majority of respondents live in a city or town, except in Indonesia where almost half live in rural areas.

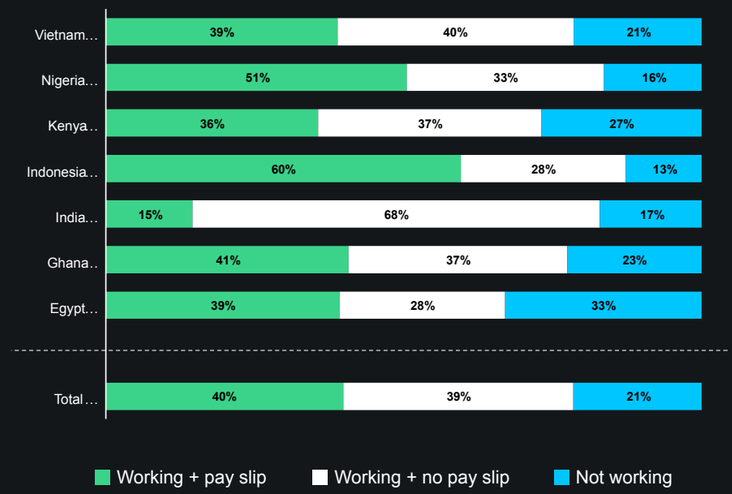
Can I confirm your gender? (n = 1935)



Employment Type

Around 4 in 5 respondents are working, with half of those working receiving a pay slip. Men are more likely than women to be working, primarily fuelled by work without receiving a pay slip. Women across emerging markets see almost double the rate of unemployment, although closely match men's rate of employment in the formal economy.

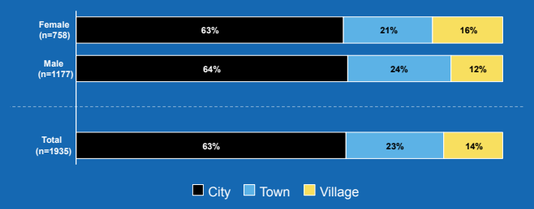
Are you currently working and receive a pay slip? (n = 1935)



Insight 1: Higher proportion of women at village level.

Village level respondents, mainly from India, Indonesia and Vietnam, skewed more female than male across the sample set, potentially because many migrant labourers leaving village settings are men.

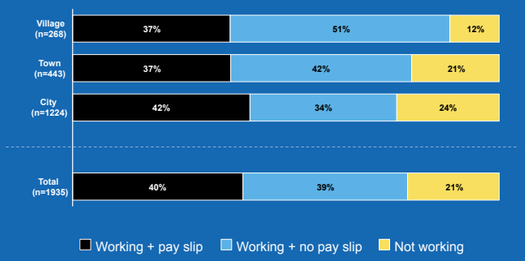
Can I confirm your gender? (n= 1935)



Insight 2: Villages see high employment but less formal jobs.

At village and town level there is higher employment than within cities, particularly at the village level which has half the unemployment of the sample average. However, towns and villages also have a lower rate of formal employment than cities.

Are you currently working and receive a pay slip? (n = 1935)

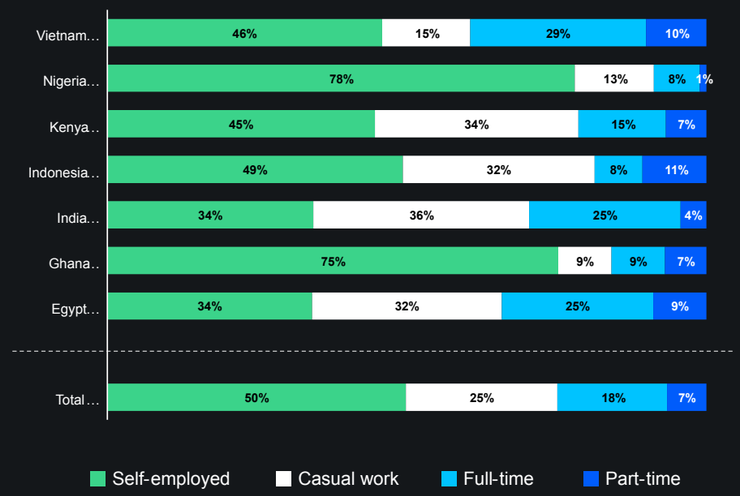


LEAPFROG INVESTMENTS

Employment Nature

Emerging markets have very high rates of self-employment across the board, and with the exception of Vietnam, have relatively low rates of full-time employment compared to more developed countries.

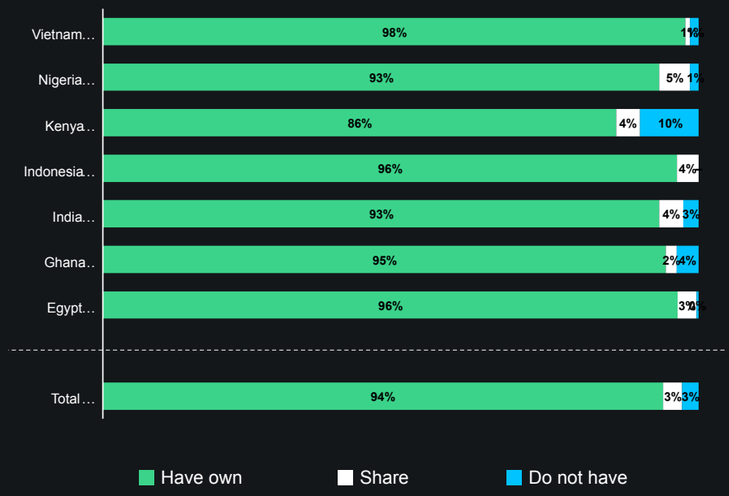
What is the nature of your work? (n = 744)



Digital Usage Patterns

Virtually all respondents have a smartphone. Most smartphone owners use it for money transfers or online purchases. Across countries, there is wide variability in smartphone usage for the purchase of financial products or services. In Indonesia and Kenya, an overwhelming majority do so, while this is comparatively lower in Egypt and India. Given that younger respondents are generally more digitally-savvy and adept at using technology, it is no surprise to see that nearly 3 in 4 use a smartphone for such purposes, compared to roughly 1 in 3 among older respondents (61+ years).

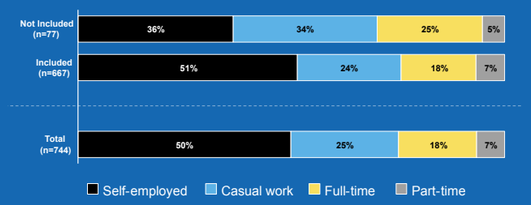
Do you have your own smartphone, or share with someone else in your household? (n = 1931)



Insight 3: Financially excluded work for others more than themselves.

For those who are financially not included, self-employment is far less common than for the financially included. The financially not included more typically work casual and full-time jobs.

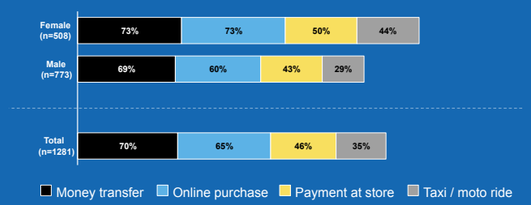
What is the nature of your work? (n = 744)



Insight 4: Women more active on smartphones.

While men and women's rates of smartphone access (94% v 94%) and usage (68% v 69%) are almost identical, women are more active smartphone users across every category of consumption.

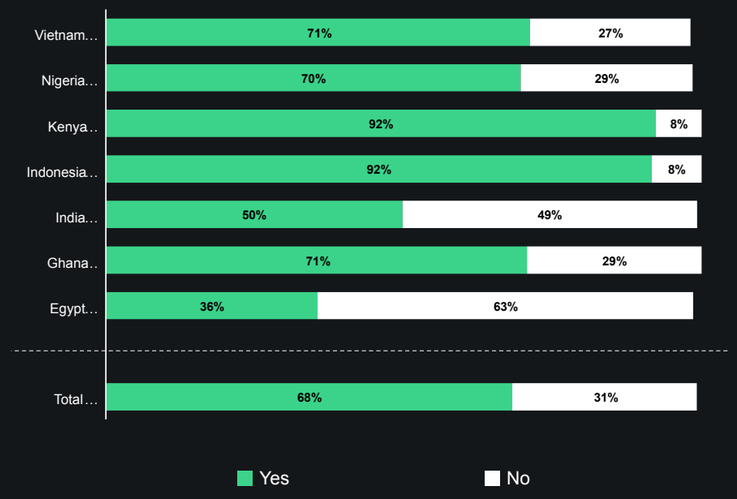
What did you use it for? (n = 1281)



Digital Inclusion and Lack of Usage

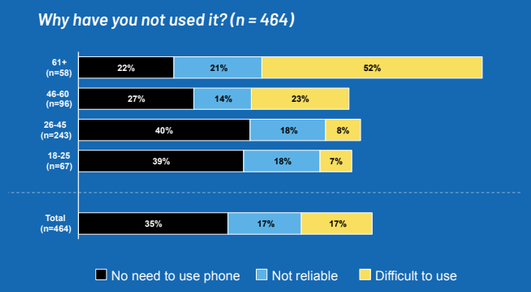
Overall, more than 2 in 3 respondents with access to a smartphone use it regularly for consumption. Usage is highest in Indonesia and Kenya, while lowest in Egypt and India. Those who don't use their smartphone regularly mention, as top reasons, that they don't need to use them or that they are not reliable.

Have you used your phone in last 3 months to buy a product, book a service, or make any payments? (n = 1878)



Insight 5: Digital literacy a challenge for older consumers.

For older generations in emerging markets, the major barrier to increased smartphone penetration is ease of use, suggesting low digital literacy. Those who are 46-60 years old are almost three times more likely to cite this as a reason not to use their smartphones, compared with those who are 26-45, and for those over 61+ this is the dominant reason why smartphones aren't used.



Financial Profile

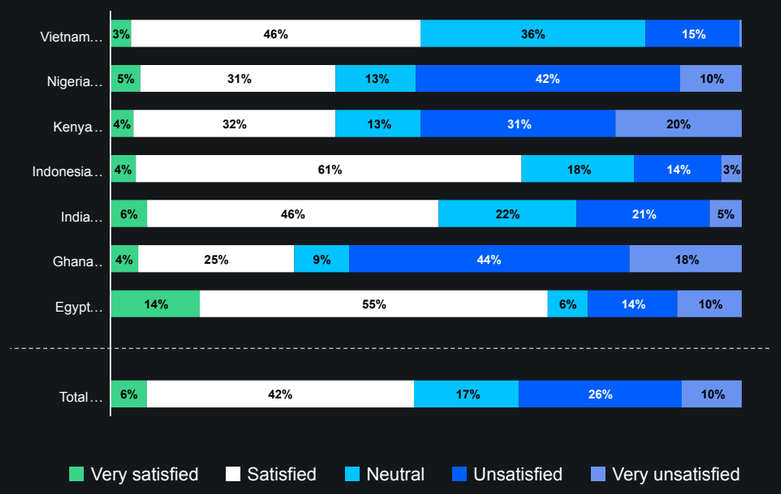
Financial Situation: Overview
Financial Situation: Expectations
Financial Situation: Barriers
Financial Situation: Surplus Finances
Unexpected Shocks: Overview
Unexpected Shocks: Reaction
Economic Outlook

LEAPFROG INVESTMENTS

Financial Situation: Overview

Roughly 1 in 2 respondents say they are satisfied with their current financial situation. However, a considerably high proportion (over 50%) of respondents in Ghana, Kenya, and Nigeria, report being unsatisfied.

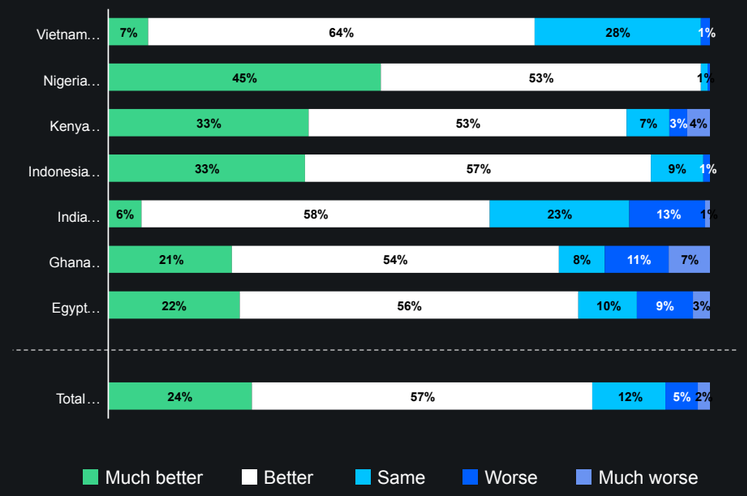
How satisfied are you with your current financial situation? (n = 1933)



Financial Situation: Expectations

Despite some level of dissatisfaction with their financial situation, 4 in 5 respondents foresee their financial situation improving over the next year.

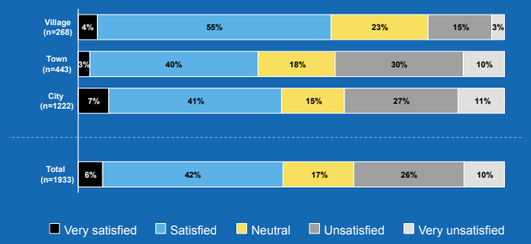
Do you feel next year your family will be better or worse off financially than this year? (n = 1844)



Insight 6: Women and villagers most satisfied.

Women respondents appear more financially satisfied than men, despite far higher rates of unemployment. Interestingly, we observe higher levels of financial satisfaction reported in villages, compared to towns and cities.

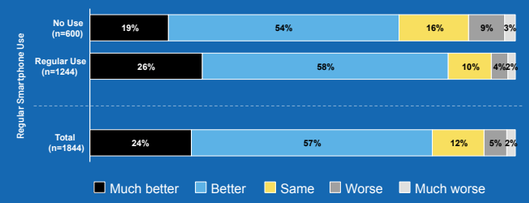
How satisfied are you with your current financial situation? (n = 1933)



Insight 7: Digital inclusion correlated with positive financial outlook.

Those who regularly use a smartphone have a more positive outlook on their family's financial future, with 84% having a positive outlook versus 73% for those who don't use smartphones.

Do you feel next year your family will be better or worse off financially than this year? (n = 1844)

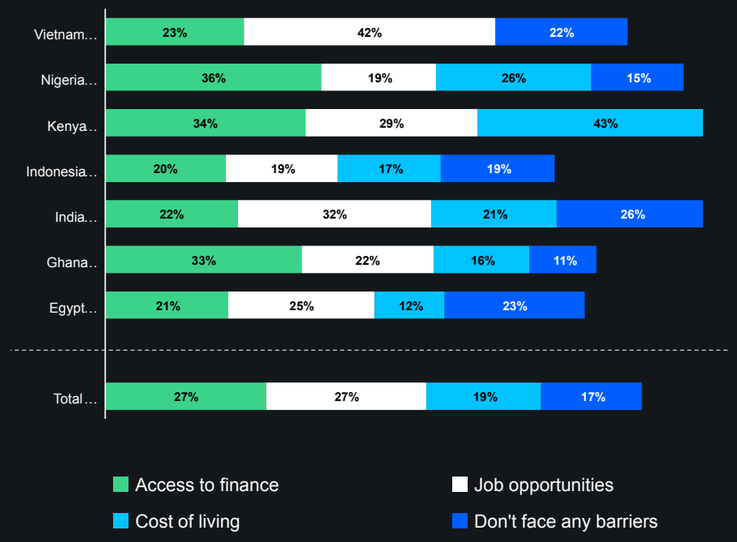


LEAPFROG INVESTMENTS

Financial Situation: Barriers

The top barriers to improving their financial situation are lack of job opportunities, high cost of living, and lack of access to finance. These issues are particularly prevalent in Kenya and Vietnam.

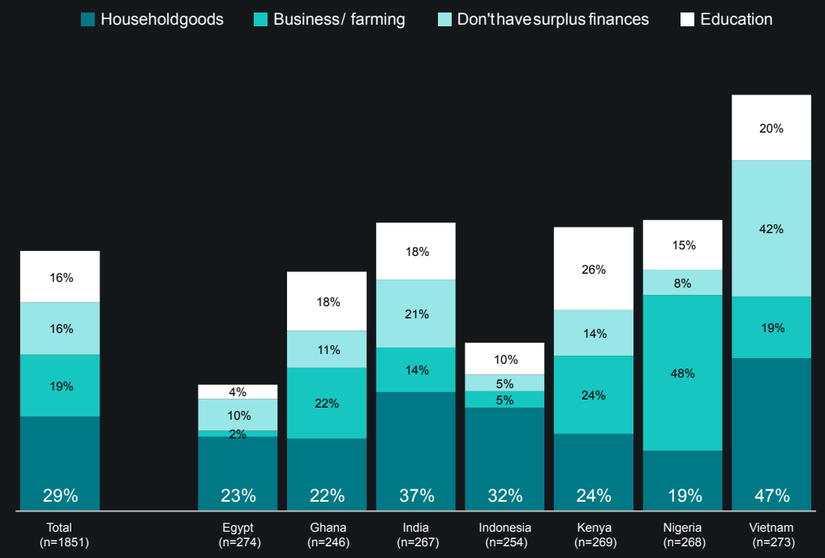
What are the biggest barriers for you to improving your financial situation? (n = 1881)



Financial Situation: Surplus Finances

Most people, around 1 in 3, use their surplus finances for household goods. In Nigeria almost half invest their savings into their businesses or farms. In Kenya, savings are directed to education above all other priorities.

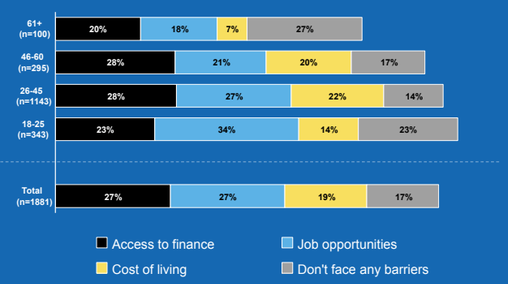
When you have surplus finances, what do you save for / spend on? (n = 1851)



Insight 8: Concern over financial exclusion peaks in middle age.

While young people see their (lack of) employment prospects as the most critical obstruction to financial security, those in the 26-45 and 46-60 age brackets view financial exclusion as the key barrier, perhaps related to an increase in household expenses and debt repayments for these groups.

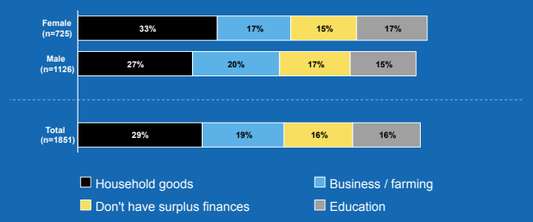
What are the biggest barriers for you to improving your financial situation? (n = 1881)



Insight 9: Women more likely to use savings for household goods and education.

Women are slightly more likely than men to use savings for household goods and education, while men are slightly more likely to reinvest in their businesses or farms.

When you have surplus finances, what do you save for / spend on? (n = 1851)

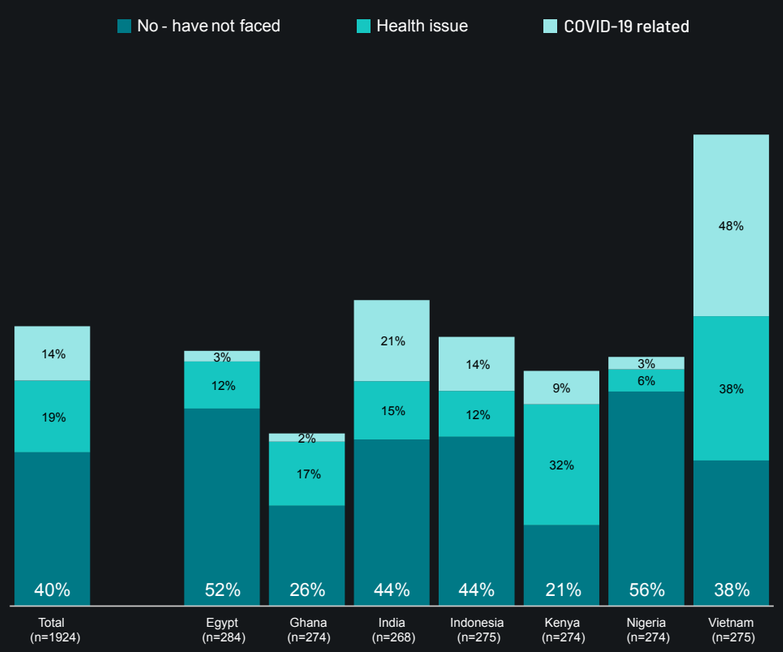


LEAPFROG INVESTMENTS

Unexpected Shocks: Overview

When looking at unexpected financial hardships in the last year, 2 in 5 mention they have not experienced such an event. Those who have mostly say it's been related to their health. Unexpected financial hardships owing to COVID-19 were commonly reported by those in Vietnam and India, while in Egypt and Nigeria, more than half of all respondents did not face any difficulties.

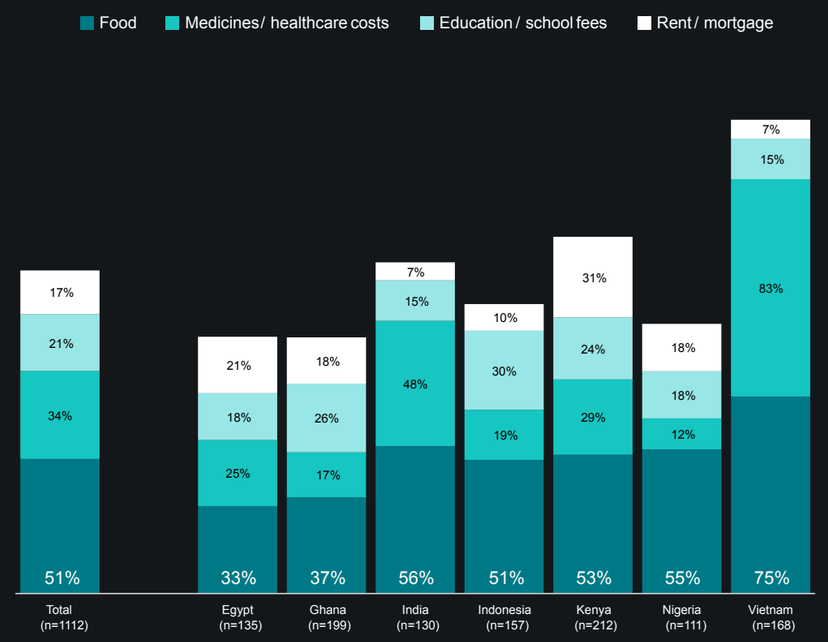
In the past 12 months, have you faced any unexpected financial hardship? (n = 1924)



Unexpected Shocks: Reaction

Those that faced shocks said that they prioritised staples including food, medicine, and education, while cutting back on discretionary expenses like eating out, entertainment and household items.

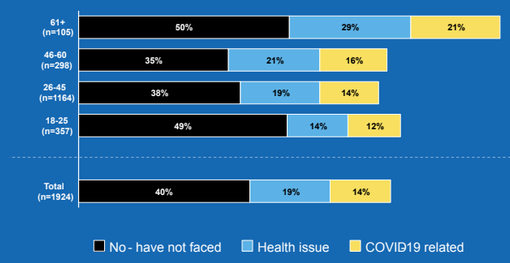
When this happened, what expenses did you give priority to? (n = 1112)



Insight 10: COVID-19's disproportionate impact on the elderly.

Unsurprisingly, COVID-19 and health issues affected elderly respondents the most, with those over 61 almost twice as likely to have faced financial hardship due to the pandemic, compared with 18–25-year-olds.

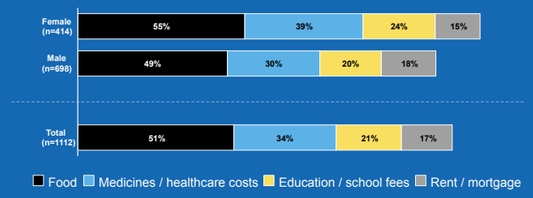
In the past 12 months, have you faced any unexpected financial hardship? (n = 1924)



Insight 11: Women are more proactive than men at prioritising staple expenses during shocks.

Women give priority to food, medicines and education when faced with a financial crisis, all at higher rates than men.

When this happened, what expenses did you give priority to? (n = 1112)





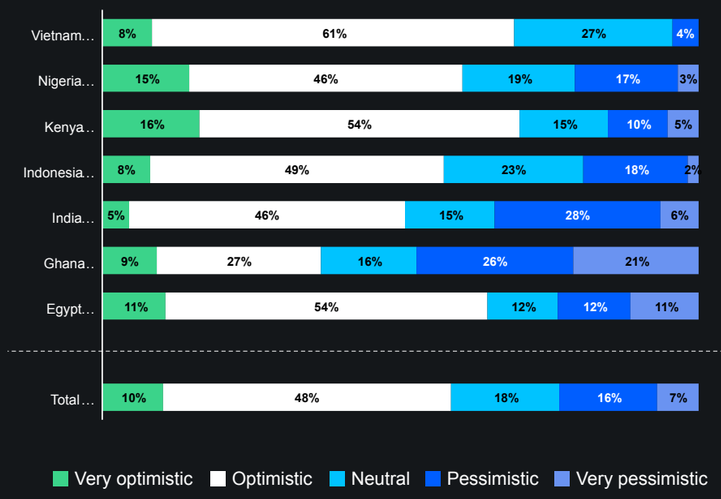
“I need savings for unforeseen circumstances but my salary won’t allow that. But I’m trying.”

- Male, 24, Ghana

Economic Outlook

Roughly 3 in 5 respondents are optimistic about their country’s economic outlook, with those in Kenya and Vietnam most optimistic and those in Ghana most pessimistic. The level of economic optimism is slightly higher among older respondents and those in cities.

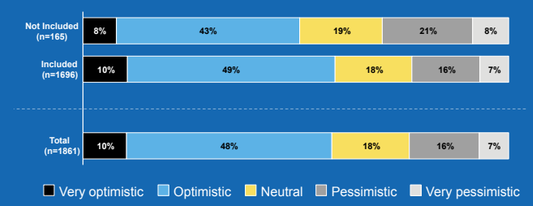
How optimistic or pessimistic do you feel about the economy in our country over the next 12 months? (n = 1861)



Insight 12: The financially excluded are more pessimistic.

While the majority of those who are financially not included still feel optimistic about their national economy, a higher proportion (29%) feel pessimistic compared with those who are financially included (23%).

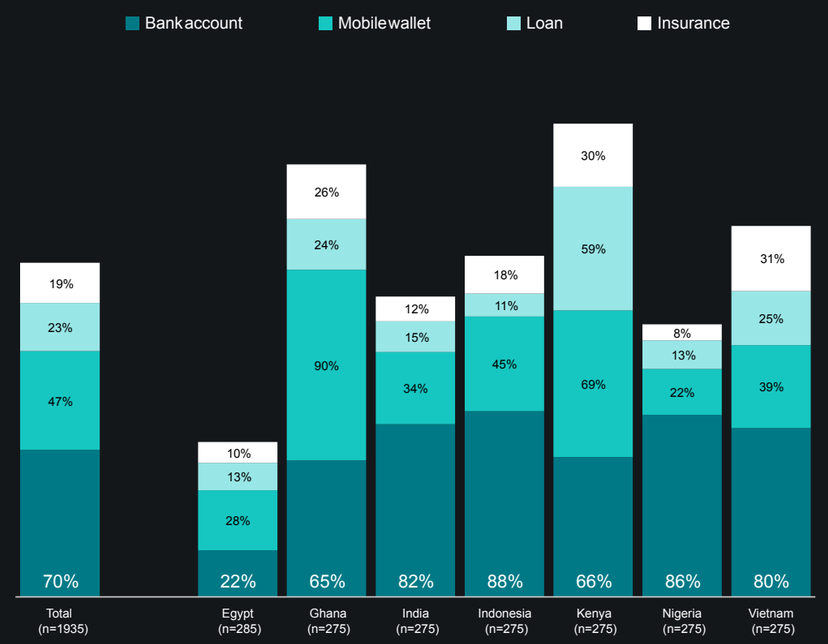
How optimistic or pessimistic do you feel about the economy in our country over the next 12 months? (n = 1861)



Usage of Products: Overview

More than 2 in 3 respondents have a bank account, while almost half have a mobile wallet. Bank account usage is high in Indonesia, Nigeria, India, and Vietnam. Slightly more than half of young respondents (18-25 years) use a mobile wallet, which is significantly higher than the 18% of older respondents who use them. Mobile wallets are significantly more prevalent in urban areas and in Ghana, where their use is reported by 9 in 10 people. Credit is most popular in Kenya, where 3 in 5 people report taking a loan in the last 3-6 months.

Which of these financial products have you used in the past 3-6 months? (n = 1935)



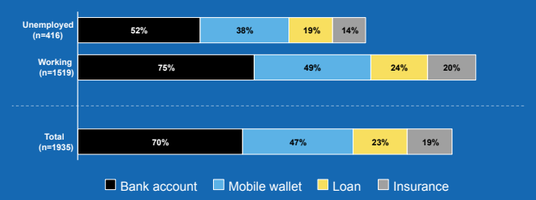
Financial Products Usage

Usage of Products: Overview
Usage of Products: Essential Product
Usage of Products: Access
Usage of Products: New Products
Benefits Experienced

Insight 13: The unemployed less likely to have a bank account.

Amongst employed workers, 3 in 4 have a bank account, compared to just 1 in 2 unemployed respondents. The unemployed also have lower rates of insurance, credit and mobile wallet use.

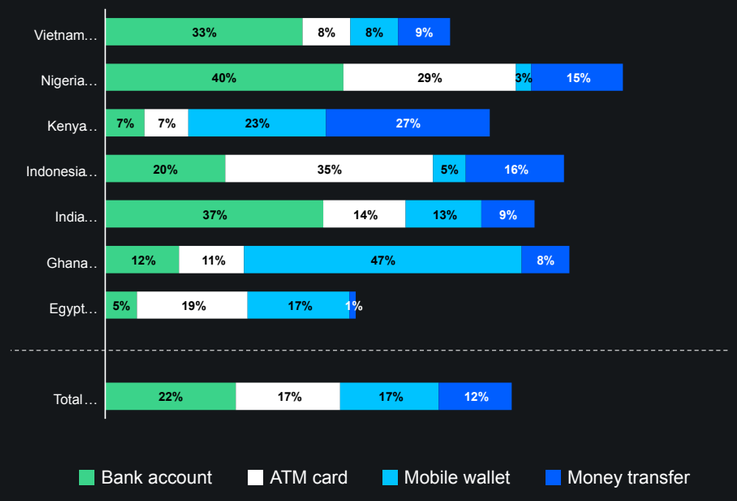
Which of these financial products have you used in the past 3-6 months? (n = 1935)

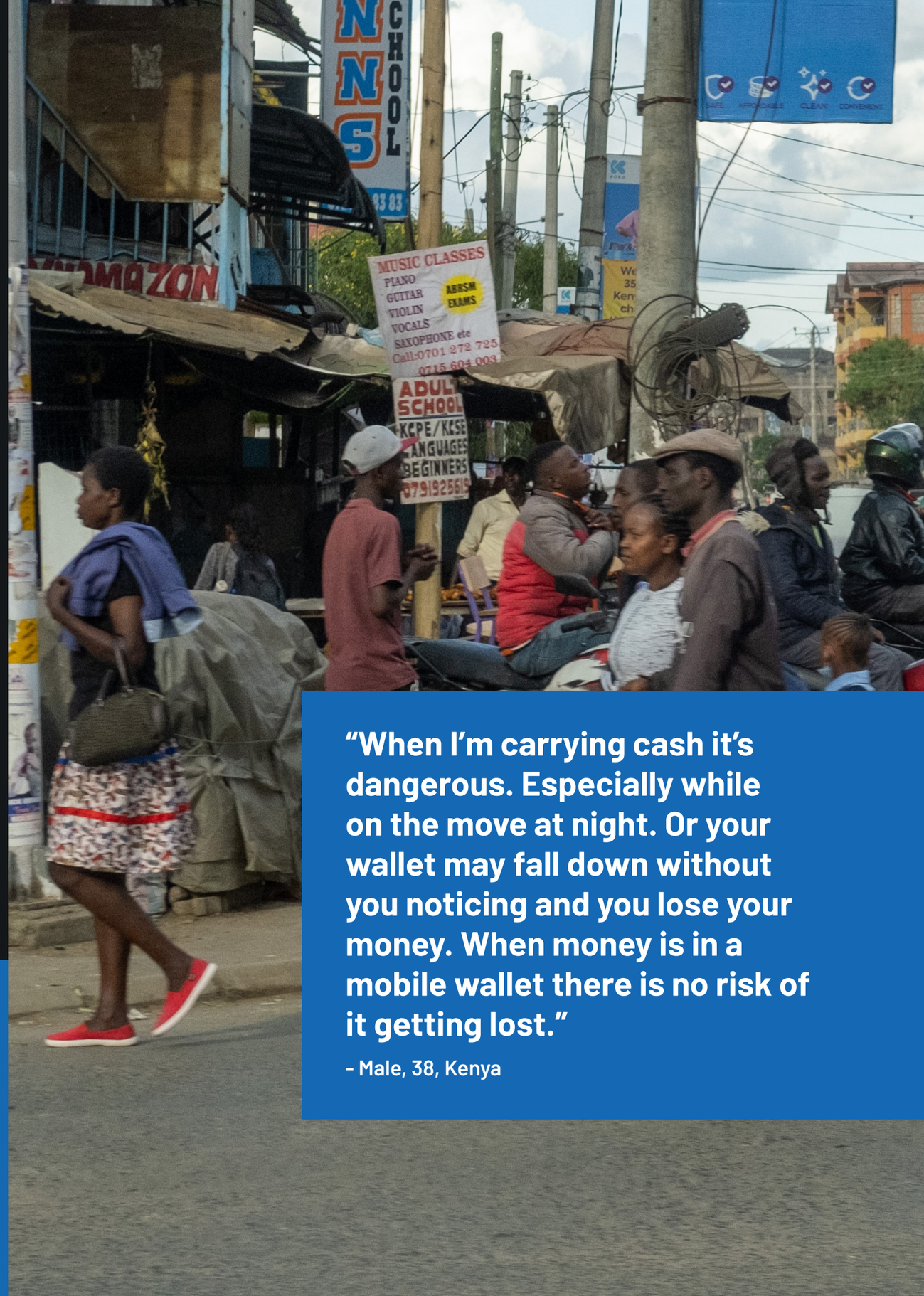


Usage of Products: Essential Product

Overall, bank accounts are considered the most essential when looking at various financial products. This is more prevalent in India and Nigeria. ATM cards and mobile wallets are also popular products, with noticeable variability across countries.

So you use or have used [answers from Q8 and Q9]. Which of these products is most essential to your life at the moment? (n = 1918)





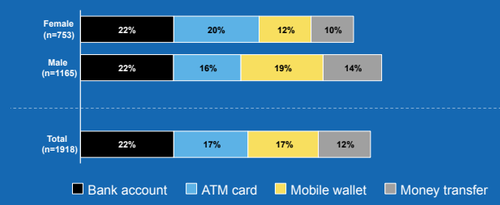
"When I'm carrying cash it's dangerous. Especially while on the move at night. Or your wallet may fall down without you noticing and you lose your money. When money is in a mobile wallet there is no risk of it getting lost."

- Male, 38, Kenya

Insight 14: Men prefer mobile wallets, women prefer ATM cards.

1 in 5 men see mobile wallets as their most essential financial product, while only 1 in 8 women feel this way. Meanwhile, 1 in 5 women view ATM cards as their most essential financial product, while only 1 in 6 men feel this way.

So you use or have used [answers from Q8 and Q9]. Which of these products is most essential to your life at the moment? (n = 1918)

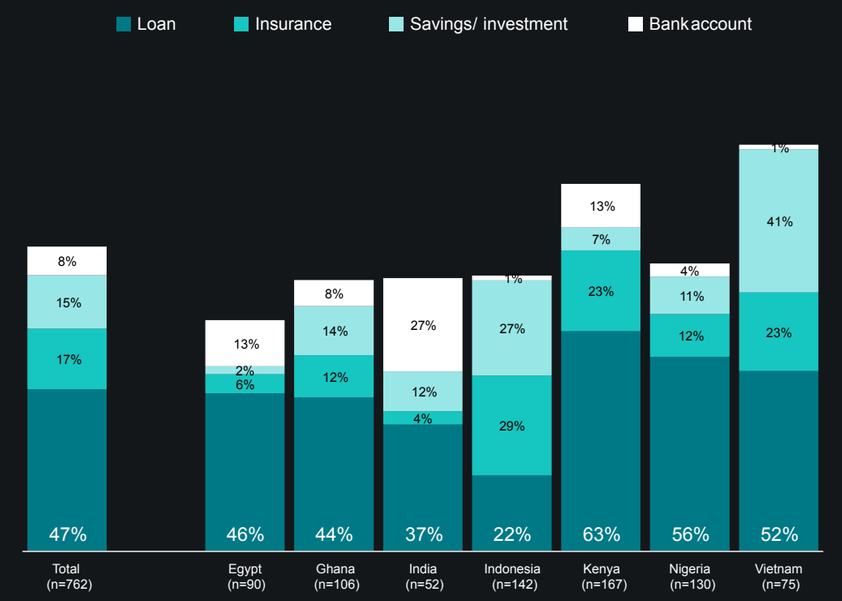




Usage of Products: Access

When evaluating if they had wanted to access a financial product but hadn't been able to, 2 in 5 respondents report this is the case. This is reported by more than half of all respondents in Kenya, Nigeria, and Indonesia. Nearly half of all people who failed to access a financial product were trying to access a loan.

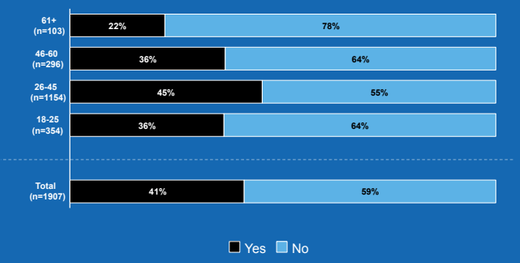
In the last 12 months, which of the products described earlier did you want to access but could not? (n=762)



Insight 15: Lack of access most acute for 26-45-year-olds seeking credit.

Those in the 26-45 age bracket are far more likely to have failed in their attempts to access a financial product in the last year than other age groups. Most of these people were trying to access a loan.

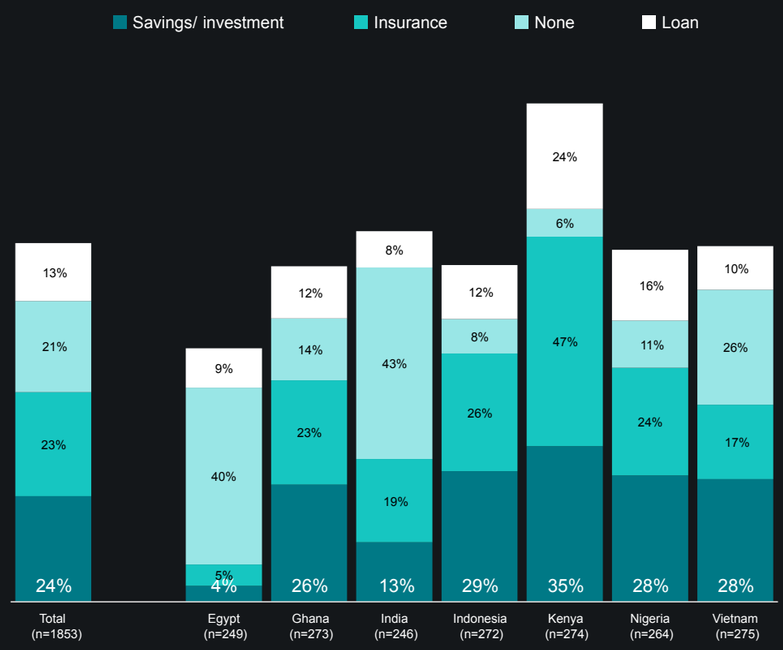
In the last 12 months, did you want to access one of the products we discussed earlier, but could not? (n = 1907)



Usage of Products: New Products

When looking at the next year, the top two financial products or services that respondents would like to use but currently do not are savings / investment and insurance (each reported by 1 in 5). Among respondents from Kenya, nearly 1 in 2 would like to avail themselves of insurance and 1 in 4 a loan. In India and Egypt, 2 in 5 respondents appear content with what they currently have.

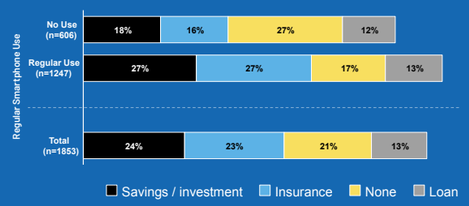
In the next one year, do you plan to use any financial products or services that you don't currently use? (n = 1853)



Insight 16: Digital inclusion supports spending momentum.

Those who use smartphones also have more appetite to expand their use of financial services, especially for insurance and savings/investment products. The digitally included and digitally excluded have a similar appetite to try and access loans in the coming year.

In the next one year, do you plan to use any financial products or services that you don't currently use? (n = 1853)



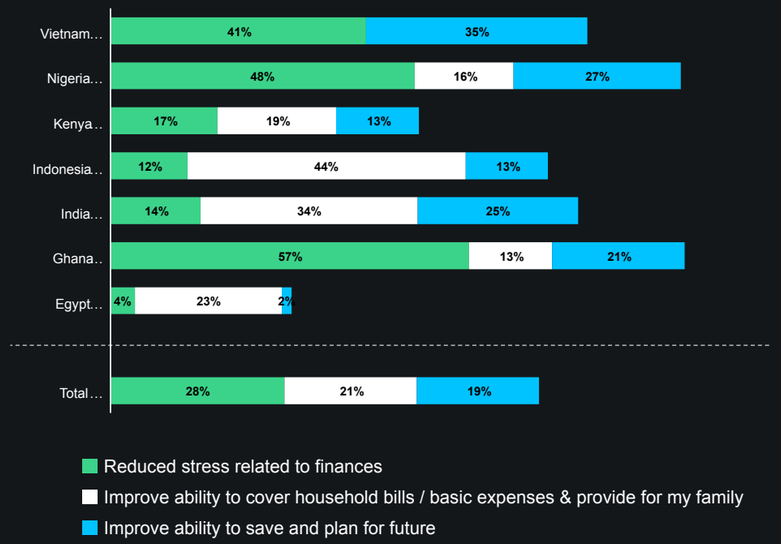
"Whenever I am going out, I don't carry my ATM card, so transfer is always easy for me. That is why I choose money transfer."

- Male, 25, Nigeria

Benefits Experienced

When reflecting on the benefits from financial products, respondents mentioned improved ability to cover basic household expenses and reduced stress related to finances.

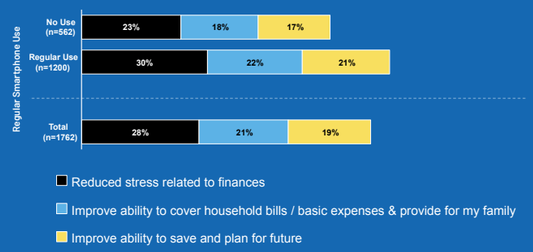
What benefits –if any– do you experience because of the use of these financial products? (n = 1762)



Insight 17: Smartphone users derive more benefit from financial products.

Smartphone users report greater reduction in stress, improved ability to cover household expenses, and improved capacity to save and plan ahead, due to their use of financial products.

What benefits –if any– do you experience because of the use of these financial products? (n = 1762)



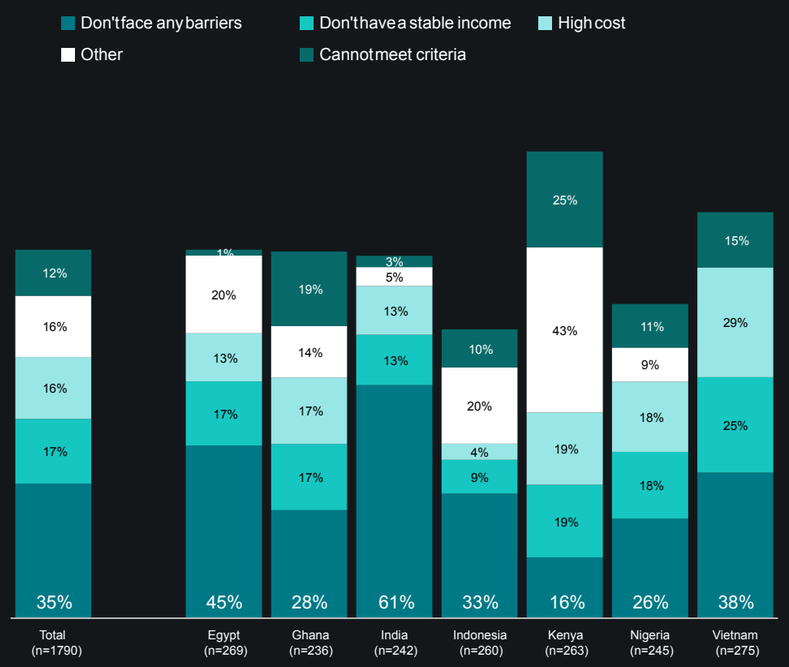
Financial Product Needs

Financial Access: Overview
Financial Goals: Overview
Financial Advice: Overview
Financial Advice: Behaviour Change
Decision Making

Financial Access: Overview

Around 1 in 3 respondents say they do not face any barriers in getting the financial services they require, which is especially the case in India.

What difficulties –if any– do you face in getting financial services you need? (n = 1790)





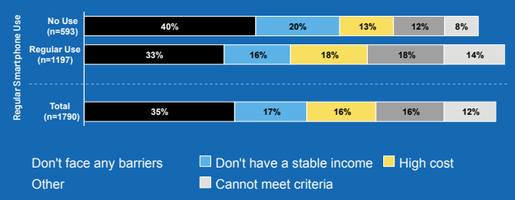
"I need financial assistance to start a business, and easier access to credit and insurance to help reduce bills."

- Female, 39, Kenya

Insight 18: Smartphone users more acutely aware of financial exclusion.

Even though smartphone users are more likely to have access to a range of financial services, they are also more acutely aware of their financial exclusion.

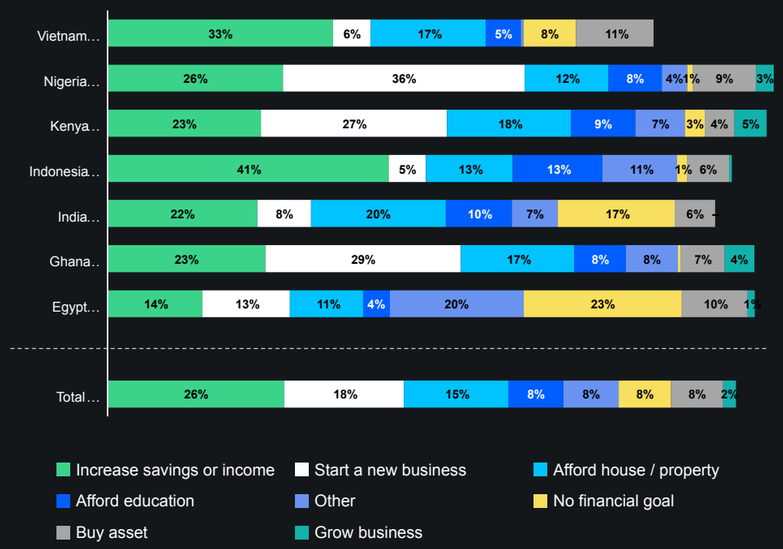
What difficulties –if any– do you face in getting financial services you need? (n = 1790)



Financial Goals: Overview

Increasing savings or income is the top reported financial goal by respondents. Entrepreneurship is more popular in Ghana, Kenya, and Nigeria, with around 1 in 3 respondents in these countries saying they are looking to start a new business.

What is the most important financial goal you're trying to achieve right now? (n = 1906)





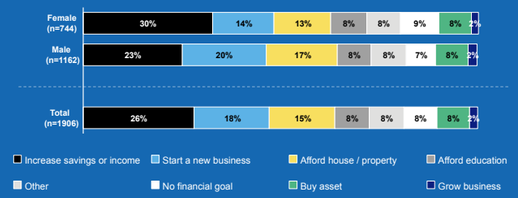
"I need an investment platform that is transparent in terms of interest and risk at the beginning of the investment. For pension funds, I want to get more information, such as how much money is needed to meet the pension fund requirements."

- Female, 30, Indonesia

Insight 19: Women aspire to save, men to start businesses.

Both men and women cite increasing savings or income as their most popular financial goal. However, women are about 30% more likely to aspire to save than men, while men are about 40% more likely to aspire to start a new business than women.

What is the most important financial goal you're trying to achieve right now? (n = 1906)

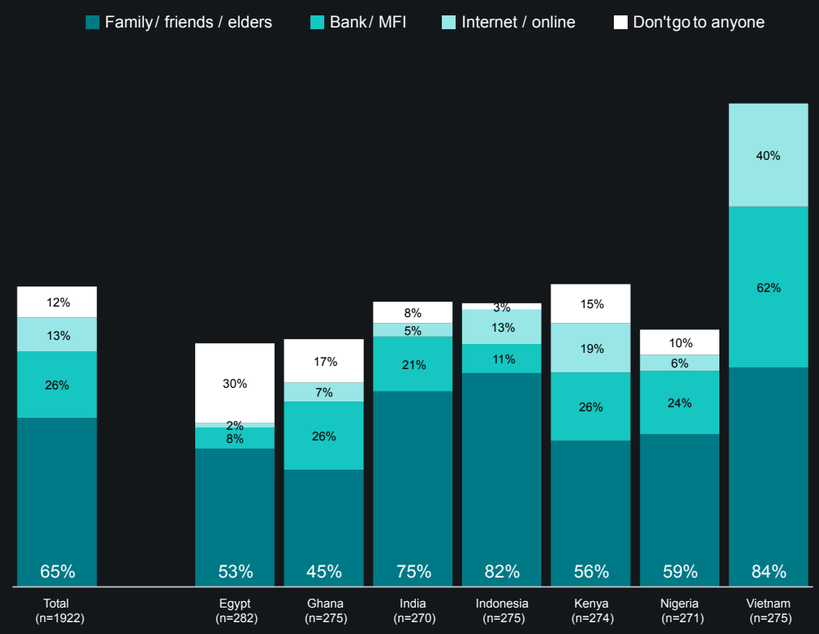


LEAPFROG INVESTMENTS

Financial Advice: Overview

When looking for financial advice, most respondents say they rely on family or friends - women and younger respondents are more likely to rely on their close group of family, friends and elders.

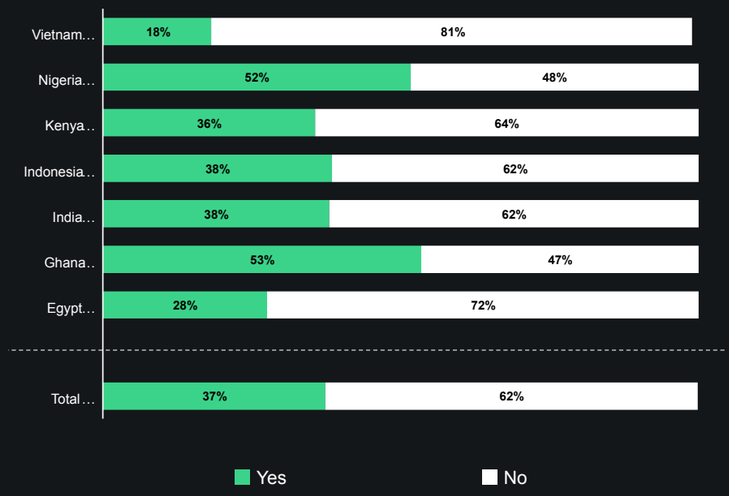
When you need advice or support related to your finances, who do you go to? (n = 1922)



Financial Advice: Behaviour Change

Around 4 in 10 people have changed their behaviour regarding financial advice in the last year. Qualitative answers to this question suggest many are shifting to more formal and expert financial advice, having experienced benefits from this information in the past. The most behaviour change is occurring in Kenya and Nigeria, where half of respondents reported changing in the last year.

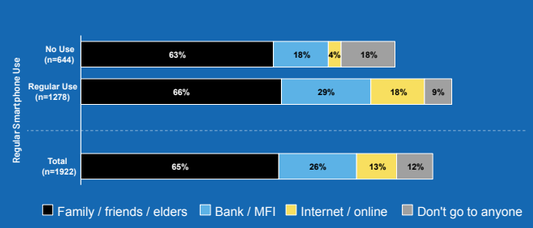
Has this behaviour changed in the last 12 months? (n = 1890)



Insight 20: Smartphone users more likely to rely on expert financial advice.

Smartphone users are more than twice as likely to seek financial advice from formal sources like banks, MFIs, or the Internet, compared with those who don't use smartphones. Non smartphone users are twice as likely to seek no financial advice at all, compared with smartphone users. However, both groups still rely predominantly on close acquaintances for financial advice.

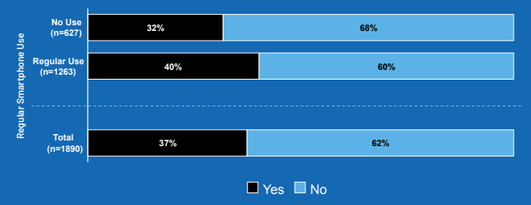
When you need advice or support related to your finances, who do you go to? (n = 1922)



Insight 21: Smartphone users quicker to change their source of financial advice.

While both smartphone and non-smartphone users report high rates of behaviour change in seeking financial advice, the rates are higher for smartphone users, perhaps suggesting it's easier for them to access better financial advice.

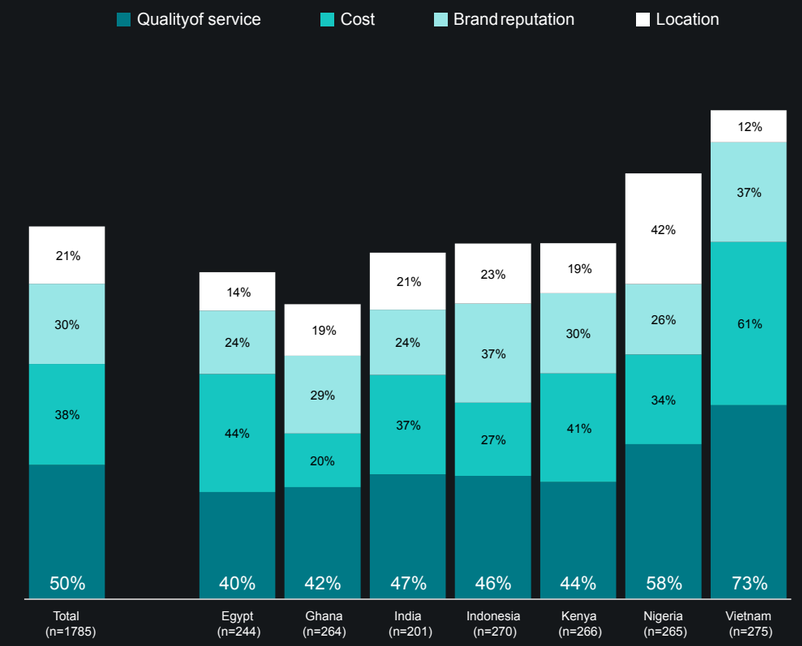
Has this behaviour changed in the last 12 months? (n = 1890)



Decision Making

When choosing a financial provider, half of respondents consider the quality of the service, while 2 in 5 are driven by cost. Brand reputation and location, while not the top aspects, are also important.

In choosing a provider for a financial service or product, what are the top three most important things to you? (n = 1785)





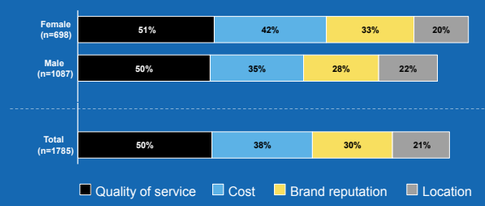
"The advice I got gave me new considerations that changed my stance. For example, I need extra money for my children's school fees, so I was advised to be more thrifty to save and increase my income through trade."

- Female, 41, Indonesia

Insight 22: Women more focused on cost.

Both men and women are most focused on quality of service when choosing a financial service or product. However, women are more focused on cost and reputation than men.

In choosing a provider for a financial service or product, what are the top three most important things to you? (n = 1785)





Healthcare

LEAPFROG INVESTMENTS

Demographic Profile

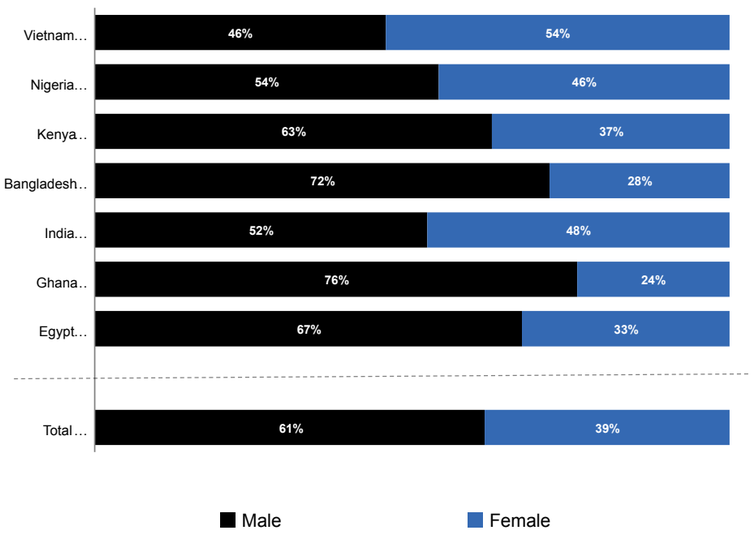
Demographics
Household Profile
Digital Inclusion: Overview
Digital Inclusion: Usage Patterns
Digital Inclusion: Lack of Usage
Financial Situation Outlook
Economic Outlook

LEAPFROG INVESTMENTS

Demographics

Around 3 in 5 respondents are male, and 2 in 5 are between 26-45 years old. The majority of respondents live in a city or town, except in India and Bangladesh, where close to a third live in rural areas.

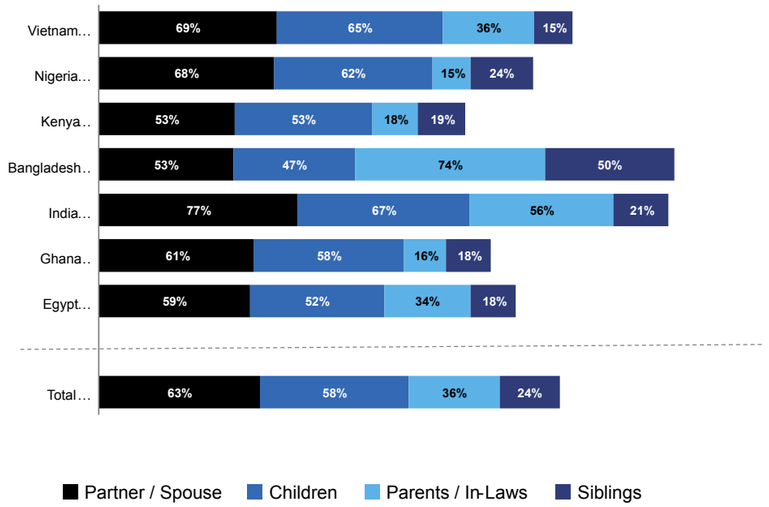
Can I confirm your gender? (n = 1925)



Household Profile

Most respondents live in a house with their partners and children - in India and Bangladesh it is common to live with parents or in-laws.

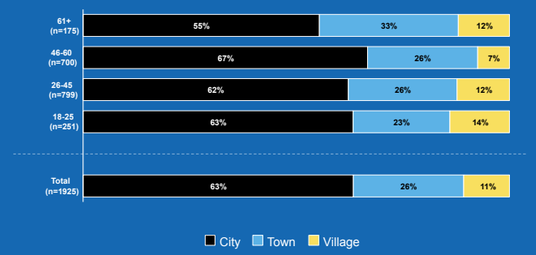
Who lives together in your household with you? (n = 1921)



Insight 27: Older people more likely to live outside cities.

45% of respondents who were over 61 lived outside of cities, compared with a 36% average across all age groups. This group also has the highest rate of chronic conditions, with implications for where healthcare services should be located.

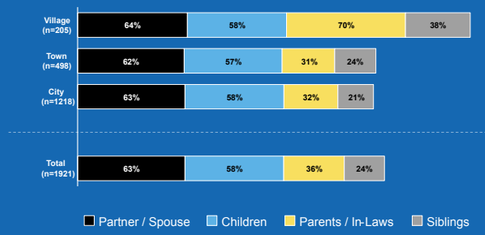
Do you live in a city, town, or village/countryside? (n = 1925)



Insight 28: Village dwellers caring for parents.

People living in village are more than twice as likely to live with their older parents or in-laws than those living in cities and towns.

Who lives together in your household with you? (n = 1921)

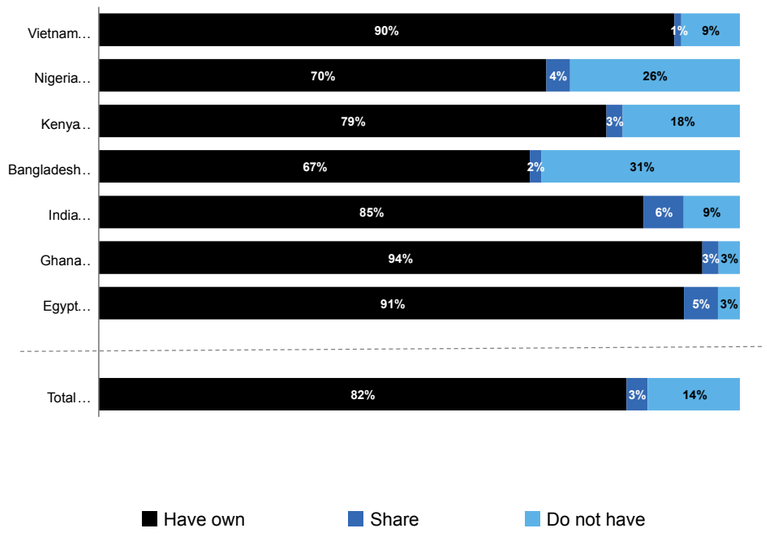


LEAPFROG INVESTMENTS

Digital Inclusion: Overview

Overall, more than 4 in 5 have a smartphone, although ownership is significantly lower in Bangladesh, Kenya, and Nigeria.

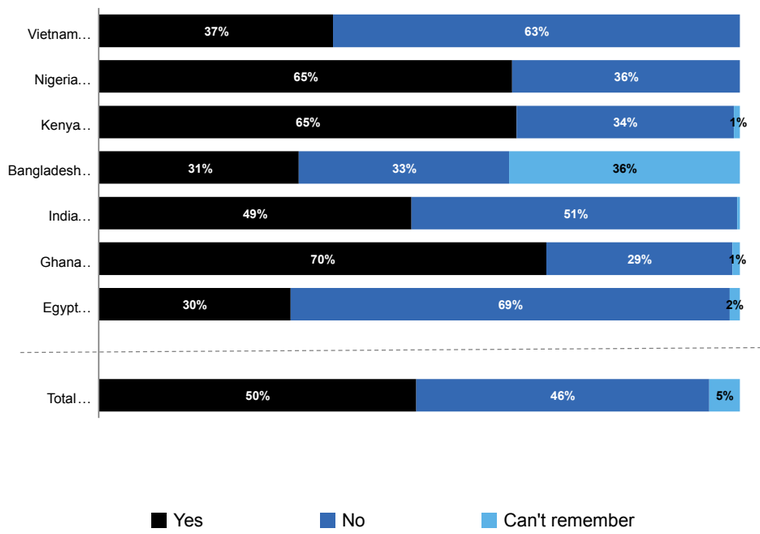
Do you have your own smartphone, or share with someone else in your household? (n = 1908)



Digital Inclusion: Usage Patterns

Smartphone owners in Ghana, Kenya and Nigeria use it more regularly than those in other countries, mostly for transferring money.

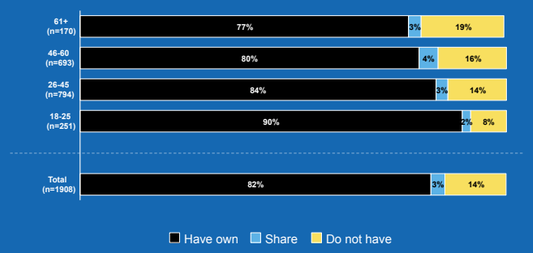
Have you used your phone in last 3 months to buy a product, book a service, or make any payments? (n = 1631)



Insight 29: Smartphone access declines with age but is still high for older people.

Older people (61+) are 2.5 times more likely not to have access to a smartphone compared with 18-25-year-olds; however even for older age brackets access is high at almost 80%.

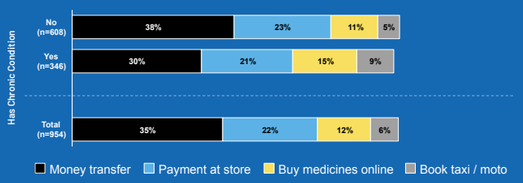
Do you have your own smartphone, or share with someone else in your household? (n = 1908)



Insight 30: Those with chronic conditions more likely to buy medicines online.

Respondents with a chronic condition are 46% more likely to use their smartphones to order medicines online. 18–25-year-olds are the most likely to buy medicines online (20%), compared to those 26 or older (11%).

What did you use it for? (n = 954)

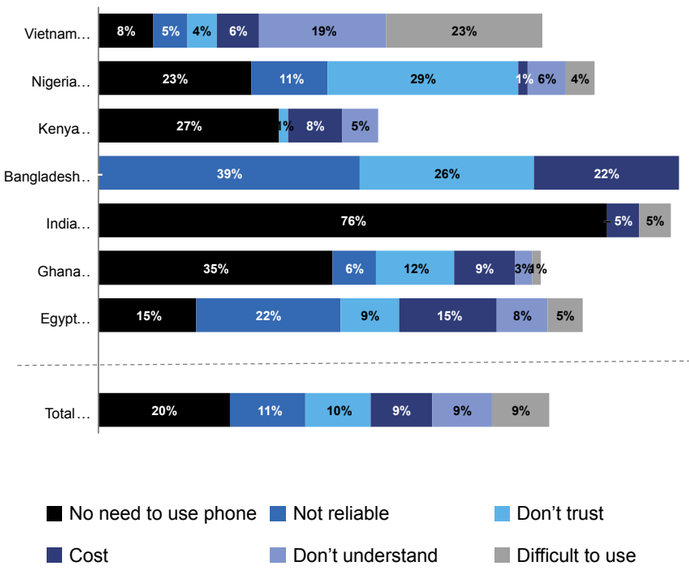


LEAPFROG INVESTMENTS

Digital Inclusion: Lack of Usage

Barriers to digital access vary by country. In Egypt and Bangladesh reliability issues are the main reason respondents do not use smartphones. In India, Ghana, and Kenya, many people reported that they had no use for a smartphone. Digital literacy was a major factor in Vietnam and Nigeria, where lack of trust and understanding were a key reason for people not using smartphones.

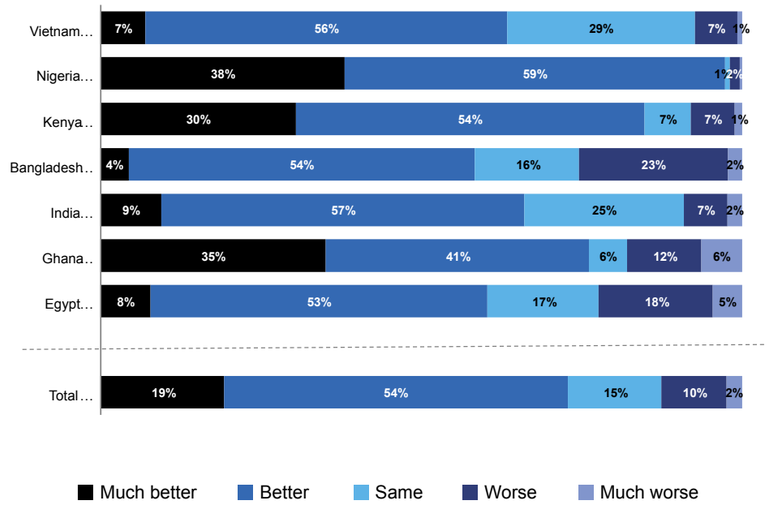
Why have you not used it? (n = 594)



Financial Situation Outlook

Around 3 in 4 believe their financial situation will be better next year. Positive sentiment is strongest in Nigeria, Kenya, and Ghana.

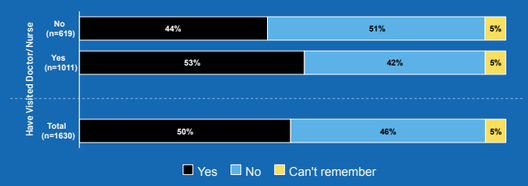
Do you feel next year your family will be better or worse off financially than this year? (n = 1762)



Insight 31: A relationship between health and digital exclusion.

Respondents who hadn't visited a doctor or a nurse in the last three months were also 20% more likely to not have used a smartphone in the same period, suggesting a relationship between digital and healthcare exclusion.

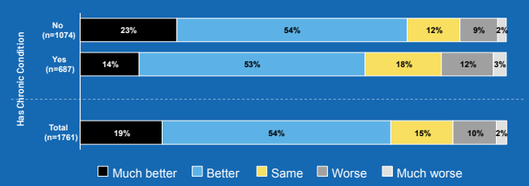
Have you used your phone in last 3 months to buy a product, book a service, or make any payments? (n = 1630)



Insight 32: Chronic conditions lead to financial pessimism.

Those with chronic conditions are 36% more likely to feel their family will be financially worse or much worse off next year, and 39% less likely to feel their families will be much better off.

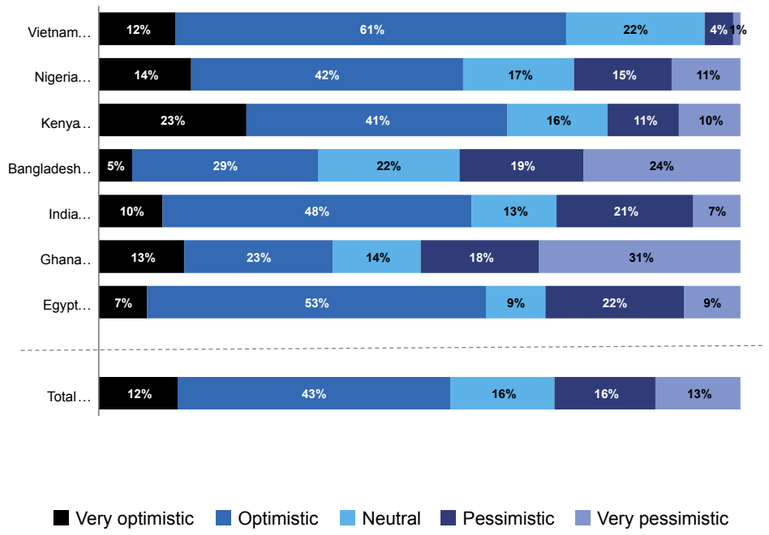
Do you feel next year your family will be better or worse off financially than this year? (n = 1761)



Economic Outlook

Only around half are optimistic about their country's economic situation. The economic outlook is particularly pessimistic in Ghana and Bangladesh.

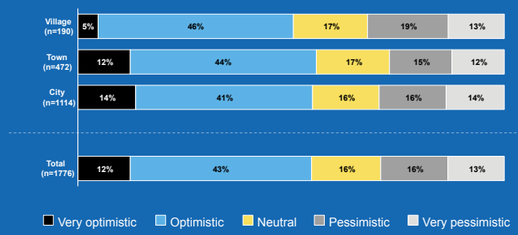
How optimistic or pessimistic do you feel about the economy in our country over the next 12 months? (n = 1776)



Insight 33: Men, young and rural most economically pessimistic.

Those in villages are only around one third as likely to feel very optimistic about the economy and are slightly more likely to be pessimistic or very pessimistic. 31% of men are pessimistic or very pessimistic about the economy, compared with 26% of women. 33% of 18–25-year-olds are pessimistic or very pessimistic, versus 24% of over 61-year-olds.

How optimistic or pessimistic do you feel about the economy in our country over the next 12 months? (n = 1776)



Healthcare Situation

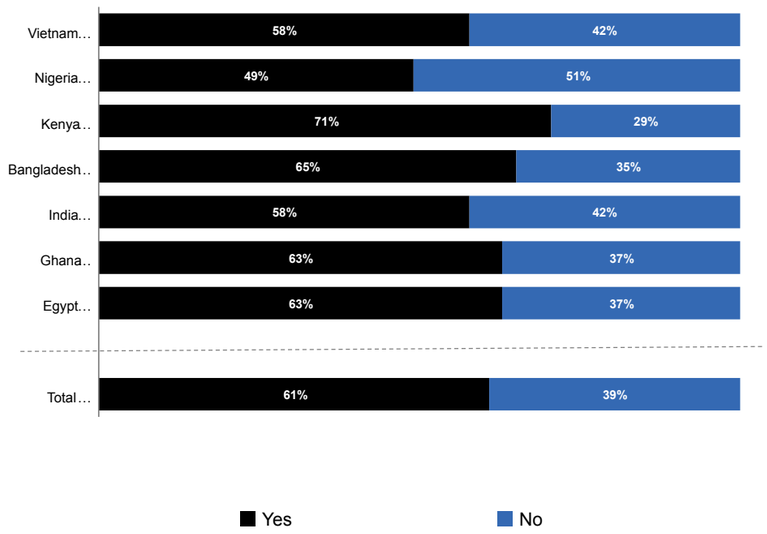
Health Profile: Medical Visits
Chronic Conditions: Overview
Chronic Conditions: Type
Causes of Sickness
Physical Health
Mental Health
Services Used: Overview
Services Used: Options
Services Used: Decision Making

LEAPFROG INVESTMENTS

Health Profile: Medical Visits

Almost 40% of respondents have not visited a healthcare facility in the last three months, with Nigeria showing the worst rate of medical visits at 49% and Kenya the best at 71%.

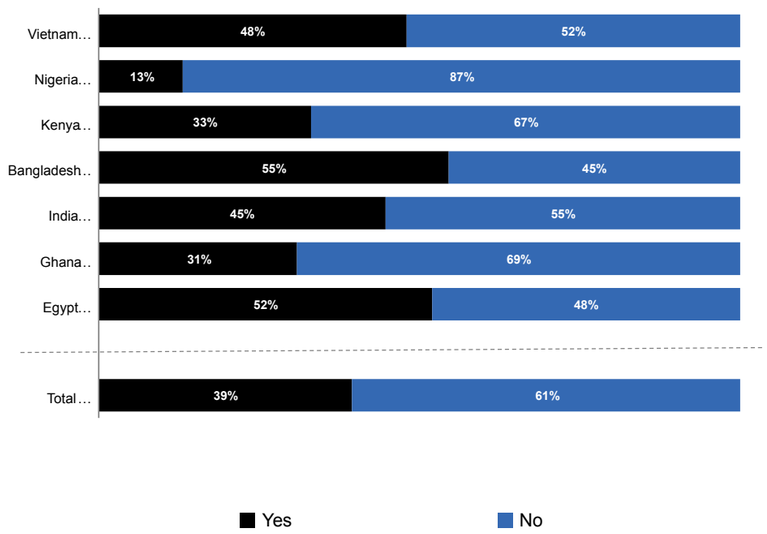
Have you or anyone in your household visited a healthcare facility (doctor, nurse) in the last 3 months? (n = 1924)



Chronic Conditions: Overview

2 in 5 respondents have a chronic condition, with prevalence highest in Bangladesh and Egypt.

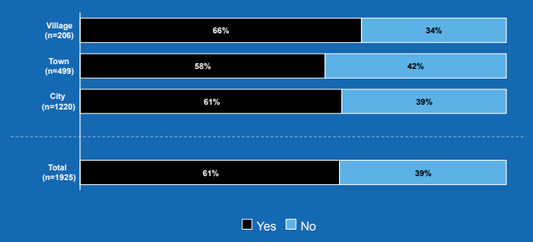
Do you or anyone in your household currently have a chronic healthcare condition? This is one that lasts for more than one year, and requires ongoing attention. (n = 1925)



Insight 34: Medical visits highest in villages.

Around 2 in 3 village dwellers report visiting a healthcare facility in the last three months, higher than both town and city dwellers. In part, this can be attributed to the higher percentage of older respondents living in villages.

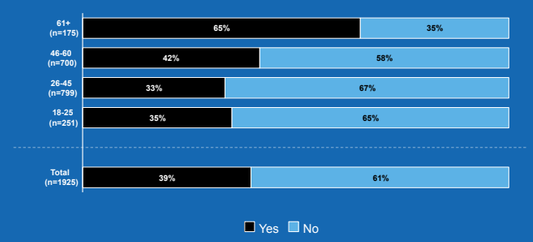
Have you or anyone in your household visited a healthcare facility (doctor, nurse) in the last 3 months? (n=1925)



Insight 35: Women and elderly have higher rates of chronic conditions.

Women are almost 20% more likely to report a chronic condition than men, and 2 in 3 over 61 year olds report a chronic condition versus 1 in 3 18-25-year-olds.

Do you or anyone in your household currently have a chronic healthcare condition? This is one that lasts for more than one year, and requires ongoing attention. (n = 1925)

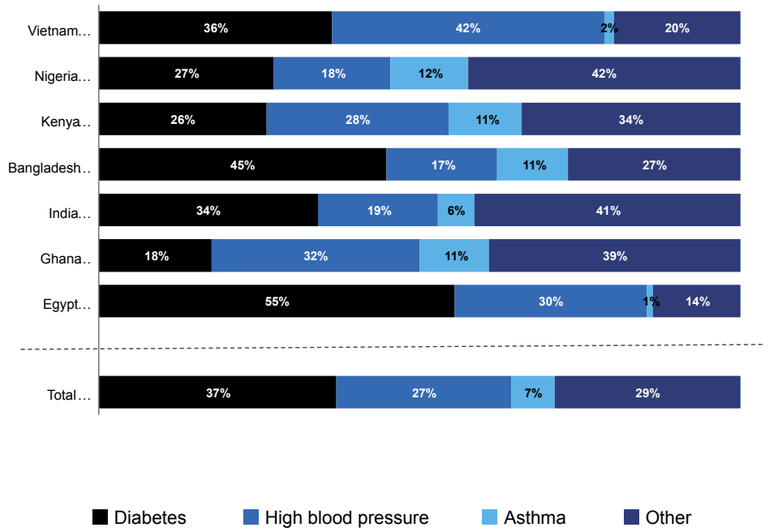


LEAPFROG INVESTMENTS

Chronic Conditions: Type

The most common chronic condition is diabetes, particularly prevalent in Bangladesh and Egypt, followed by high blood pressure, most common in Vietnam.

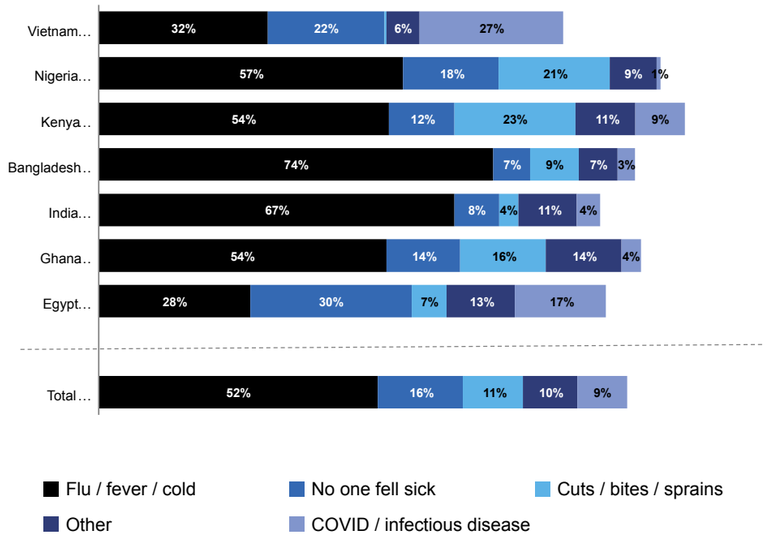
Do you mind sharing what the condition is? (n = 705)



Causes of Sickness

When looking at causes of sickness, half of the respondents mention a flu, fever, or cold - these are notably more frequent in India and Bangladesh. COVID sickness was reported most frequently in Vietnam and Egypt, and barely at all in Nigeria.

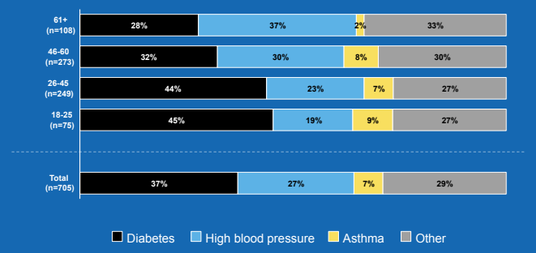
In the last one year, what are the causes of sickness in your household, if any? (n = 1918)



Insight 36: Diabetes afflicts the young far more than the elderly.

Rates of diabetes are much higher amongst younger cohorts, with 26-45-year-olds almost 50% more likely to self-report as diabetes sufferers compared with 61+-year-olds. Blood pressure is the dominant chronic condition for older people.

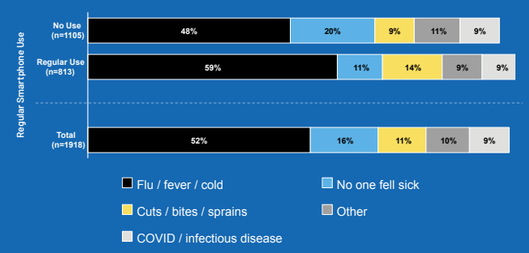
Do you mind sharing what the condition is? (n = 705)



Insight 37: Digitally excluded report less sickness.

Across all categories of sickness, the digitally excluded reported lower rates of sickness compared against regular smartphone uses. This could suggest digitally excluded populations fail to find the services or information they need to diagnose their medical conditions.

In the last one year, what are the causes of sickness in your household, if any? (n = 1918)





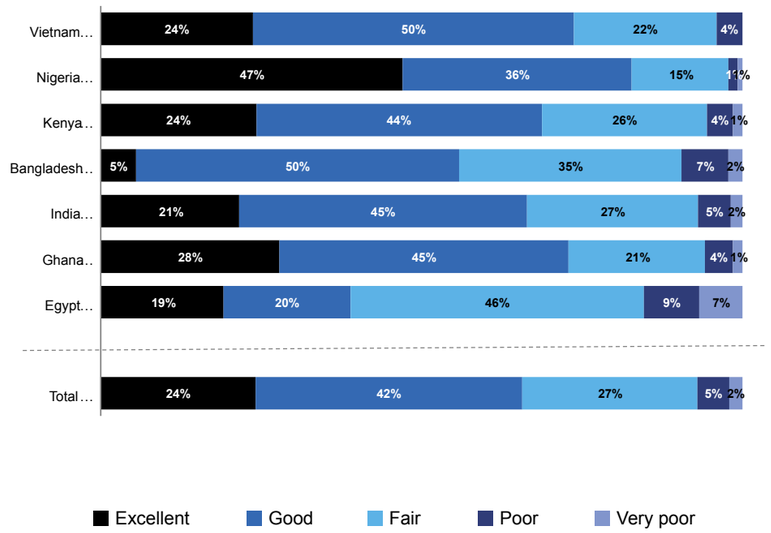
“He was born with a congenital problem, underwent multiple surgeries, was monitored by a doctor, and is now doing well.”

- Female, 48, Egypt

Physical Health

Respondents were generally positive about their physical health, with 94% rating their condition fair or better. People were most concerned with their physical health in Egypt, Bangladesh, and India.

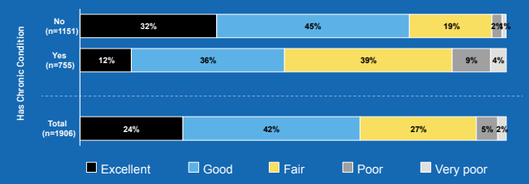
In the last one year, how would you rate your physical health on a scale of 1-5 with 1 being very poor and 5 being excellent? (n = 1907)



Insight 38: Chronic conditions related to worse physical health.

Those reporting chronic conditions are over four times more likely to report poor or worse physical condition (13%) versus those without chronic conditions (3%).

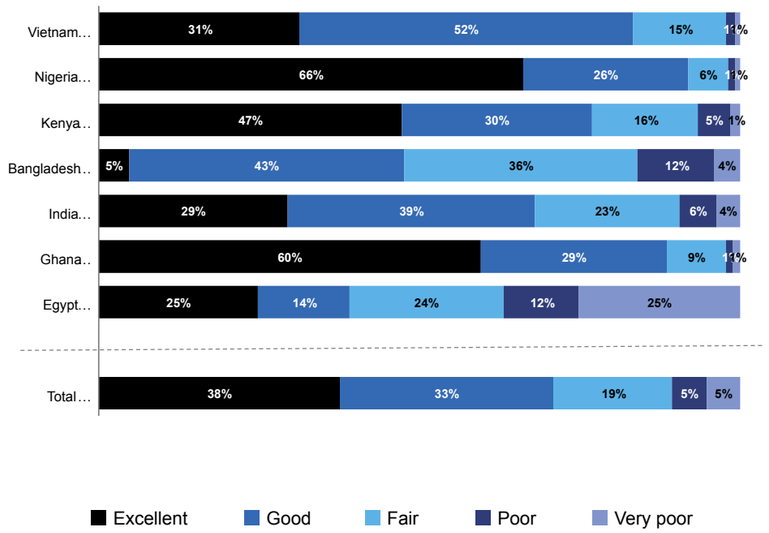
In the last one year, how would you rate your physical health on a scale of 1-5 with 1 being very poor and 5 being excellent? (n = 1907)



Mental Health

The three countries reporting the worst mental health are also among those with the highest rate of chronic conditions, including Egypt, Bangladesh and India. By contrast, Ghana, Nigeria and Kenya, where chronic conditions are low, show more positive mental health ratings. In Egypt, 1 in 4 respondents rate their mental health as 'very poor', which is significantly higher than in any other country.

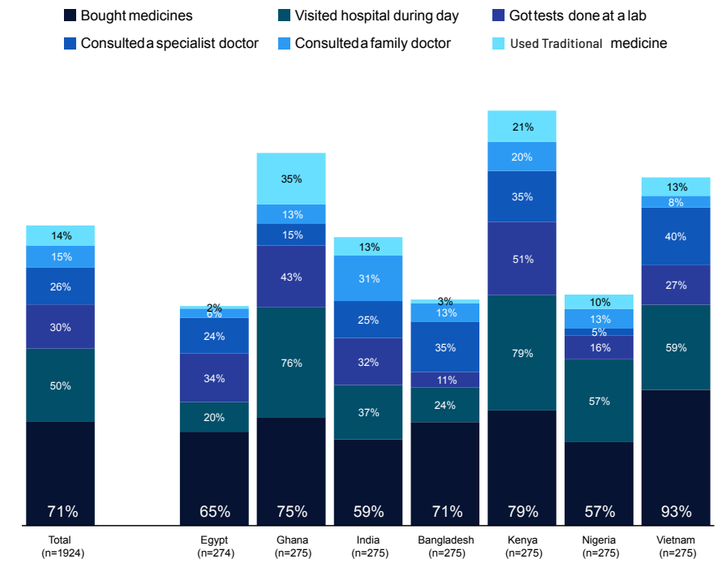
In the last one year, how would you rate your mental health on a scale of 1-5? (n = 1908)



Services Used: Overview

Ghana and Kenya showed strong utilisation of healthcare services including hospitals, medicines, and diagnostics, which may contribute the lower rates of chronic conditions, mental health, and physical health problems in those countries. By contrast, respondents in Egypt and Bangladesh, where chronic conditions, and mental/physical health problems are more prevalent, show far lower rates of healthcare service use. Nigeria shows low rates of healthcare service use, low rates of testing, and low rates chronic conditions, which suggests a lack of awareness of chronic conditions and as a result lower use of healthcare services to treat the conditions.

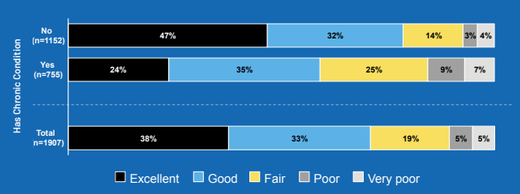
In the last one year, which healthcare services have you used for your household? (n = 1924)



Insight 39: Chronic conditions related to worse mental health.

Much like physical health, those reporting chronic conditions are far more likely to report poor or worse mental condition (16%) versus those without chronic conditions (7%).

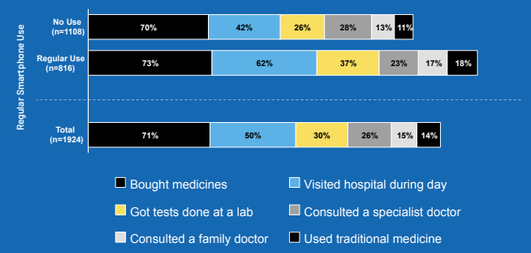
In the last one year, how would you rate your mental health on a scale of 1-5? (n = 1907)



Insight 40: Diagnostics more popular with smartphone users.

While both smartphone and non-smartphone users buy medicines at similar rates, smartphone users are far more likely to have lab tests done and visit hospitals. This aligns with industry trends, where mobile phones are increasingly a key commercial portal for booking diagnostics and healthcare visits.

In the last one year, which healthcare services have you used for your household? (n = 1924)

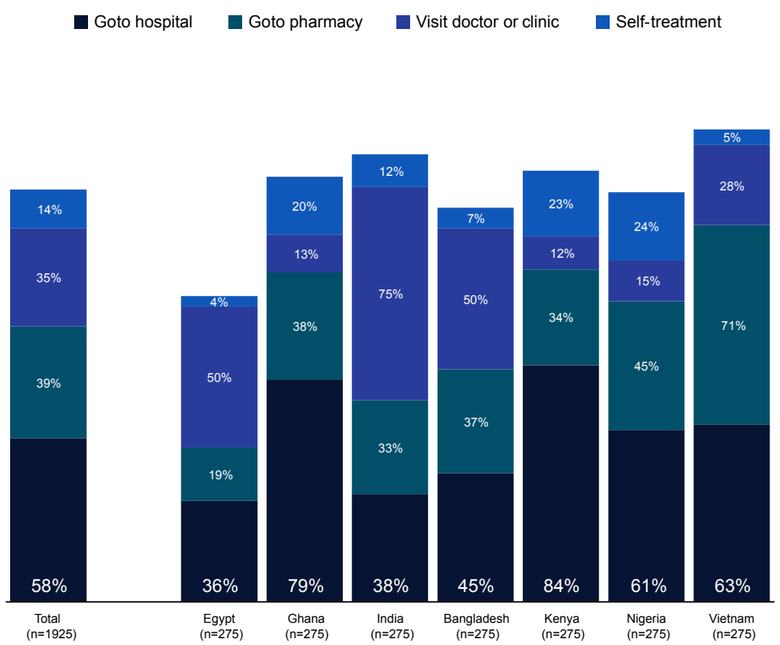


LEAPFROG INVESTMENTS

Services Used: Options

Across all countries, pharmacies, doctors, and hospitals are popular treatment options for healthcare issues. Pharmacies are notably the first port of call in Vietnam, while in India, people are more likely to visit a doctor or clinic. Countries where people are most likely to visit a hospital when they are sick – Ghana and Kenya – are also those with the lowest rates of chronic conditions.

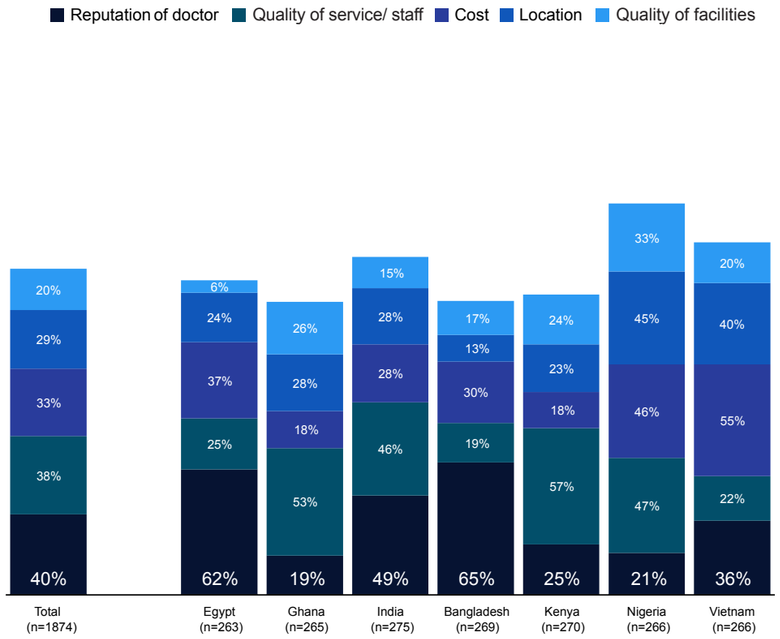
When there is a healthcare issue in your household that might need medical attention, what do you typically do? (n = 1925)



Services Used: Decision Making

In every country apart from Vietnam, cost is not the most important aspect when choosing a healthcare provider, with the quality of the service or reputation of the doctor often more important factors. In countries with distributed rural populations like Kenya, Ghana and India, location is also more important than cost in deciding where to seek healthcare.

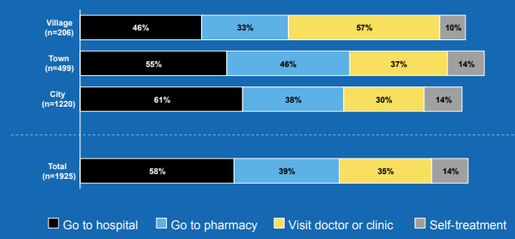
When looking for a healthcare provider, what is most important to you? Choose maximum of 3. (n = 1874)



Insight 41: Villagers rely heavily on smaller clinics rather than hospitals or pharmacies.

People in villages are almost twice as likely to visit a doctor or clinic when they are unwell, compared with city dwellers, and less likely to travel to a hospital or pharmacy, which may be further away from their home.

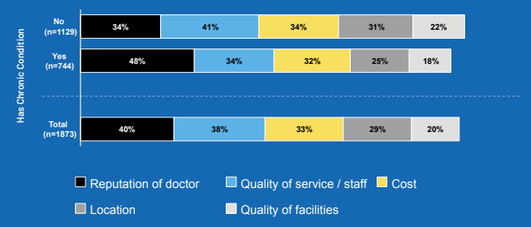
When there is a healthcare issue in your household that might need medical attention, what do you typically do? (n = 1925)



Insight 42: Reputation matters for those with chronic conditions.

For those who report chronic conditions, the reputation of their doctor is a far more important factor in determining where they seek healthcare than cost, location, and quality of service. For those without chronic conditions, quality of service and staff is the most important factor.

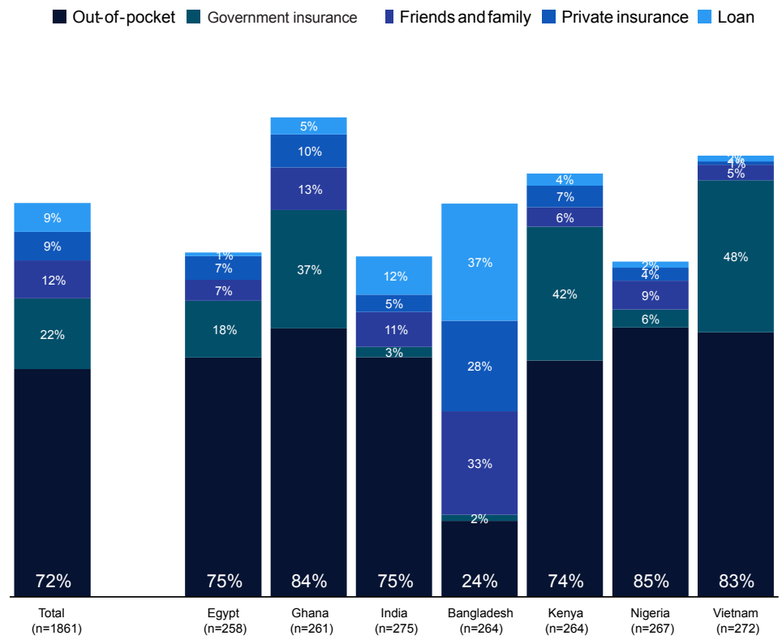
When looking for a healthcare provider, what is most important to you? Choose maximum of 3. (n = 1873)



Getting Healthcare: Payment

Around 3 in 4 respondents rely on out-of-pocket money to pay for their healthcare needs. Those in Ghana, Kenya, and Vietnam can partly rely on government insurance, while those in Bangladesh rely on private insurance, loans or support from friends and family.

In the last one year, how did you pay for healthcare? (n = 1861)

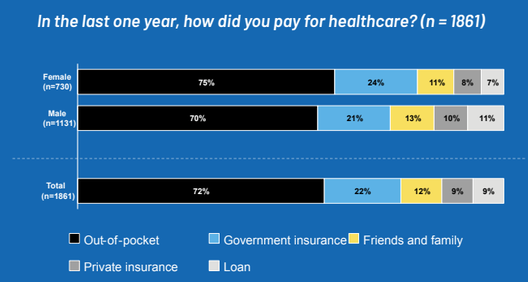


Healthcare Challenges

Getting Healthcare: Payment
Getting Healthcare: Affordability
Getting Healthcare: Costs
Getting Healthcare: Benefits
Health Treament: Proximity
Health Treament: Barriers
Health Treament: Discrimination
Unexpected Shocks: Overview
Unexpected Shocks: Reaction

Insight 43: Women face more out-of-pocket expense.

Women respondents showed slightly higher rates of out-of-pocket expense than men (75% versus 70%), and also slightly lower rates of private insurance or credit support, suggesting women have less safety nets to support healthcare expenses.

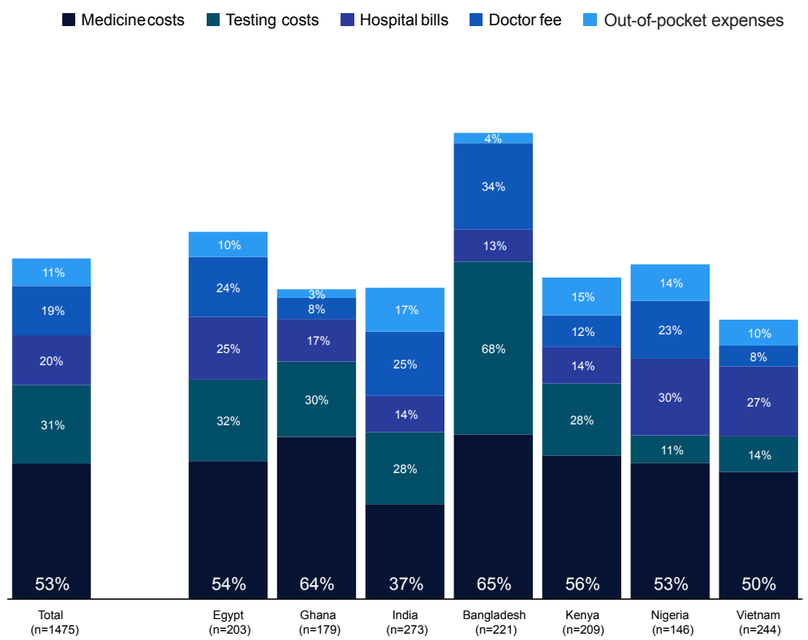


LEAPFROG INVESTMENTS

Getting Healthcare: Affordability

Respondents struggle to meet medicine and testing costs, particularly those in Bangladesh.

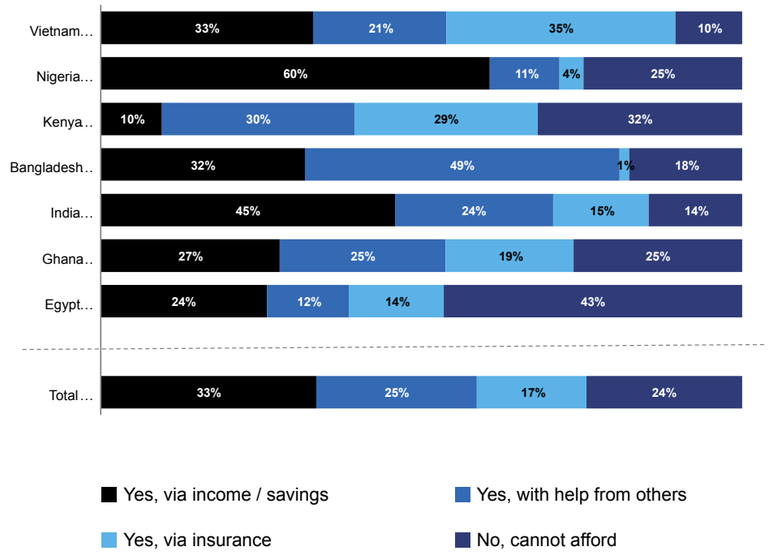
Which specific health related expenses –if any– are hard for you to meet? (n = 1475)



Getting Healthcare: Costs

Around 1 in 4 respondents say they could not afford for someone in their family to be unexpectedly hospitalised. 1 in 3 say they would rely on their income and savings to cover these costs, in line with earlier results showing 3 in 4 respondents pay for healthcare via out-of-pocket expenses. 2 in 5 say they would need help from others or rely on insurance coverage.

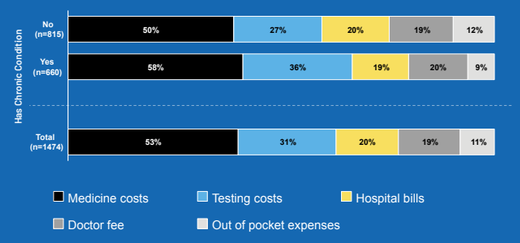
If someone in the family required hospitalisation tomorrow, would you be able to pay for the healthcare expenses? (n = 1873)



Insight 44: Chronic conditions lead to more financial stress.

Healthcare expenses are significantly more challenging for those with chronic conditions, especially costs for medicine and testing, which are 20% and 40% harder to pay than for those without chronic conditions.

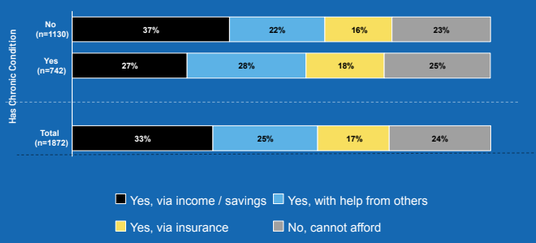
Which specific health related expenses –if any– are hard for you to meet? (n = 1474)



Insight 45: Chronic sufferers turn to others for healthcare expenses.

While those without chronic conditions are most likely to pay for household medical bills from income or savings, chronic disease sufferers are more likely to seek support from others and also rely slightly more on insurance coverage.

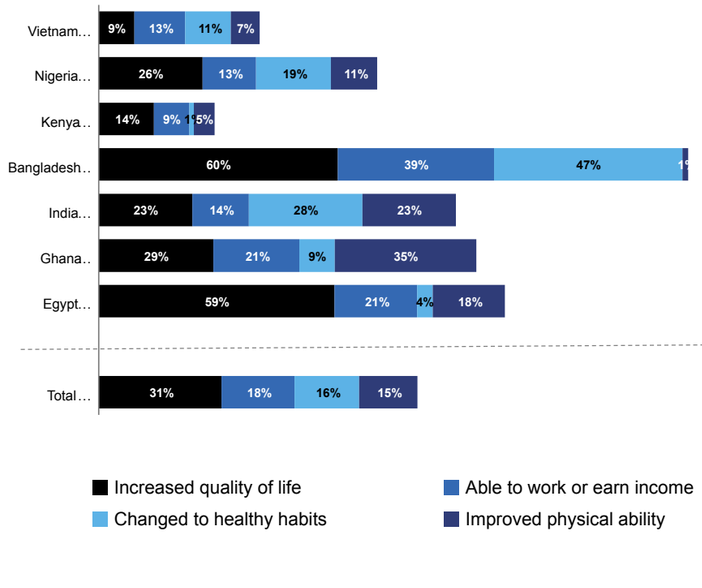
If someone in the family required hospitalization tomorrow, would you be able to pay for the healthcare expenses? (n = 1872)



Getting Healthcare: Benefits

Respondents in Egypt and Bangladesh where prevalence of chronic conditions is highest experience the most benefits from healthcare, in particular increased quality of life.

What benefits did you experience because of healthcare treatment your household received? (n = 1619)





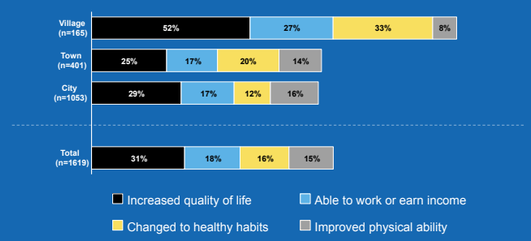
"We recover from the illness and that gives us peace of mind, reduced stress and anxiety, and the children can return to school."

– Female, 50, Ghana

Insight 46: Rural populations derive most benefit from healthcare.

Rural respondents reported dramatically higher benefits from healthcare compared against peers in cities and towns. In particular, more saw an increase in quality of life and ability to work, perhaps related to the more physical requirements of rural labour versus sedentary jobs in towns and cities.

What benefits did you experience because of healthcare treatment your household received? (n = 1619)

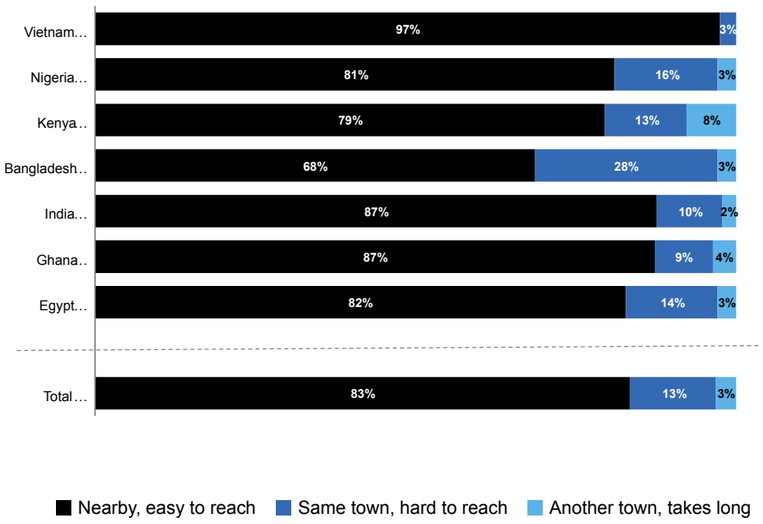


LEAPFROG INVESTMENTS

Health Treatment: Proximity

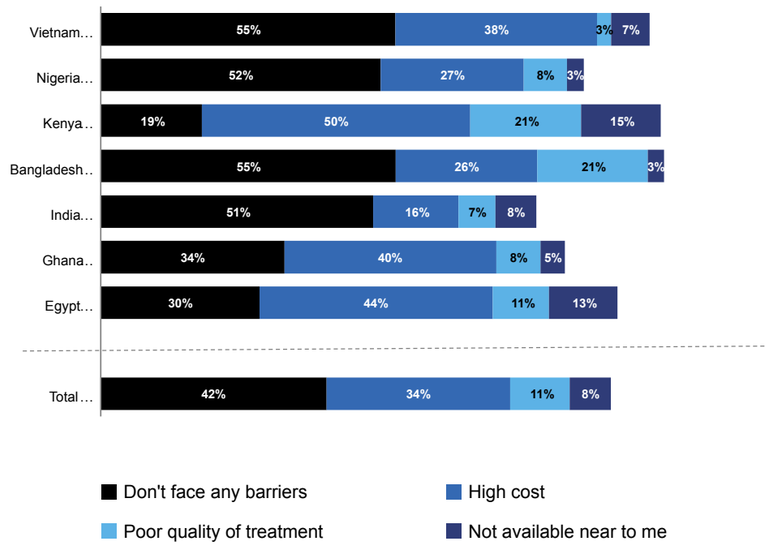
More than 4 in 5 respondents live near a healthcare provider and have never been refused treatment when needed.

How convenient is the location of your nearest healthcare provider, e.g. if you needed a prescription for an antibiotic? (n = 1925)



Health Treatment: Barriers

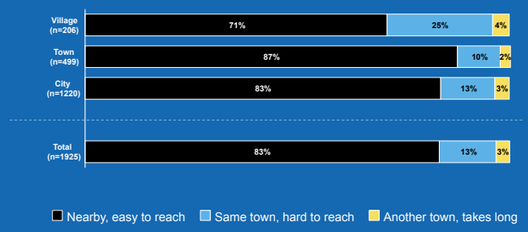
What difficulties –if any– do you face in getting healthcare treatment you and your household needs? (n = 1865)



Insight 47: Rural populations find healthcare difficult to reach.

Almost a third of those living in rural areas (29%) report facing inconvenience when trying to access a healthcare provider, compared with only 12% in towns and 16% in cities.

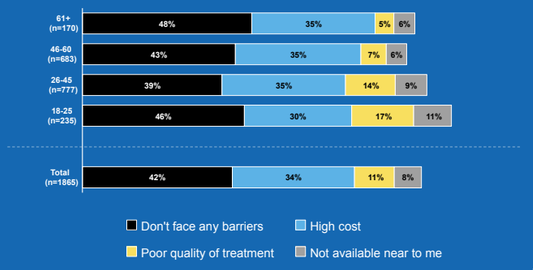
How convenient is the location of your nearest healthcare provider, e.g. if you needed a prescription for an antibiotic? (n = 1925)



Insight 48: Young people more frustrated by quality of services.

While young people are less likely to face serious health conditions, they are three times more likely to complain about the quality of healthcare services compared with over 61-year-olds, suggesting younger generations find existing healthcare models difficult to use.

What difficulties –if any– do you face in getting healthcare treatment you and your household needs? (n = 1865)

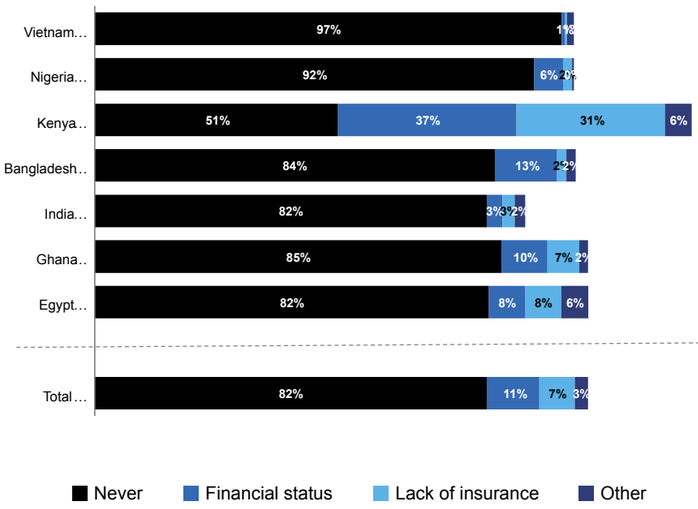


LEAPFROG INVESTMENTS

Health Treatment: Discrimination

In general, the significant majority of respondents did not feel discriminated against when seeking healthcare treatment, although at least 1 in 10 reported being refused healthcare due to their financial status, and a similar number due to lack of insurance. In Kenya, about 1 in 3 have been refused healthcare treatment either because of lack of insurance or their financial status.

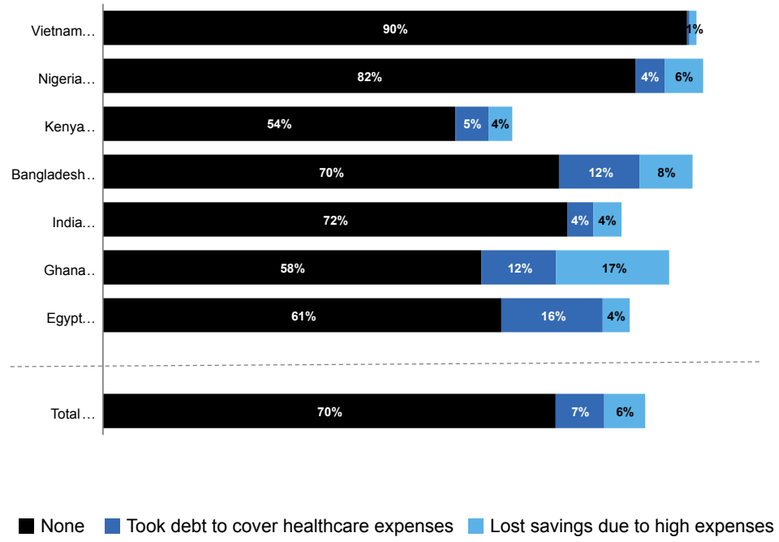
In the past 2 years, have you or anyone in your household been refused healthcare treatment because of: (n = 1875)



Unexpected Shocks: Overview

Around 70% of respondents mention that they have not faced any health-related hardships in the last two years. In Bangladesh, Egypt and Ghana, a significant portion of respondents report dipping into savings or taking out loans to cover health shocks.

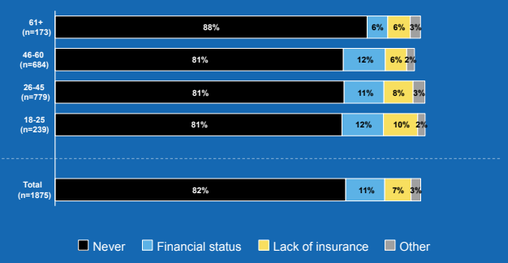
In the past 2 years, did you face any hardships due to unexpected health issues in the household? (n = 1857)



Insight 49: Young people refused treatment more often.

Young people were twice as likely as the elderly to be refused healthcare because of their financial status, and also more likely to be refused treatment due to lack of insurance.

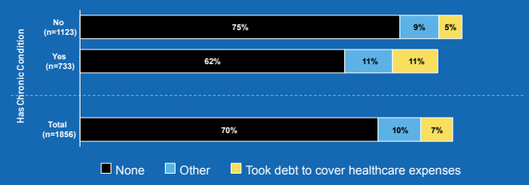
In the past 2 years, have you or anyone in your household been refused healthcare treatment because of: (n = 1875)



Insight 50: Chronic disease can lead to healthcare debts.

Chronic disease suffers are more likely to report negative impacts on household finances due to healthcare shocks, and are around twice as likely to fall into debt to pay for related healthcare bills.

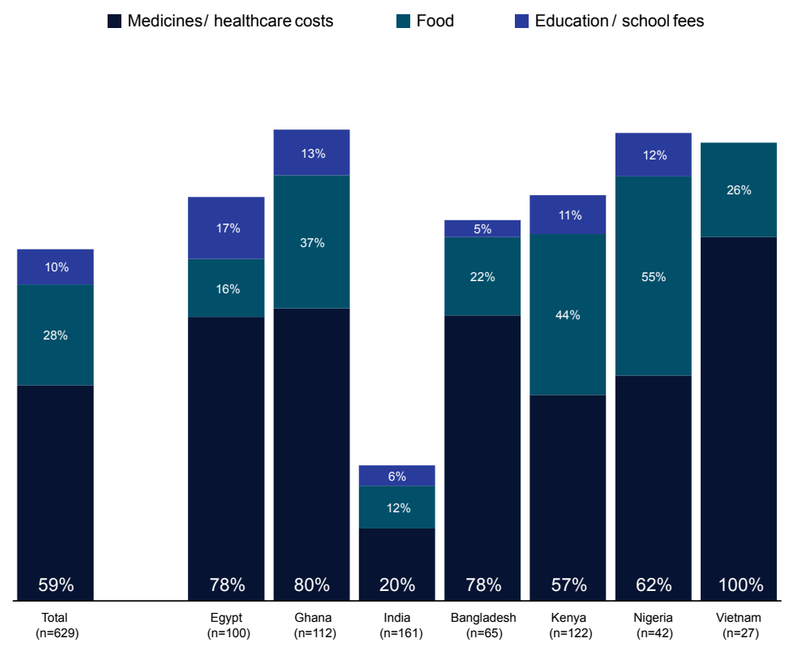
In the past 2 years, did you face any hardships due to unexpected health issues in the household? (n = 1856)

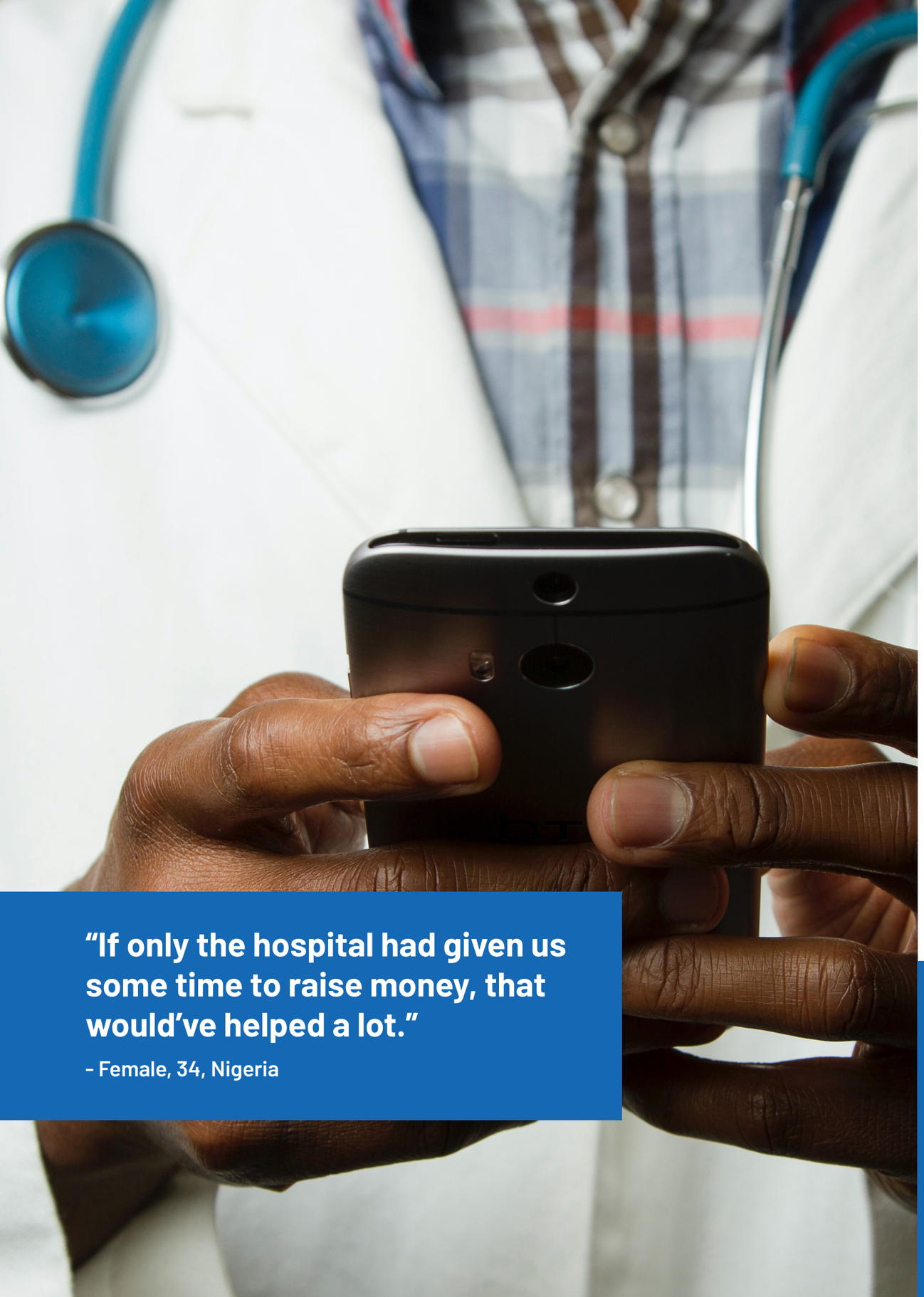


Unexpected Shocks: Reaction

For those who did face hardship related to a healthcare shock, they prioritised medicine and healthcare expenses, and mainly cut back on eating out and entertainment. In Bangladesh and Vietnam, education costs were rarely given priority, and medicines and healthcare expenses were a higher priority than other countries suggesting difficult trade-offs in household budgets.

When this happened, what expenses did you give priority to? (n = 629)





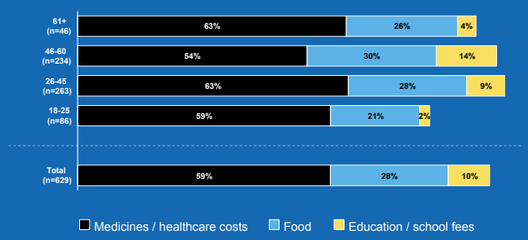
“If only the hospital had given us some time to raise money, that would’ve helped a lot.”

- Female, 34, Nigeria

Insight 51: Parents make sacrifices for education expenses.

Almost 20% of 46-60-year-olds reported making education expenses a priority when faced with healthcare shocks, cutting back on things like entertainment and household items instead.

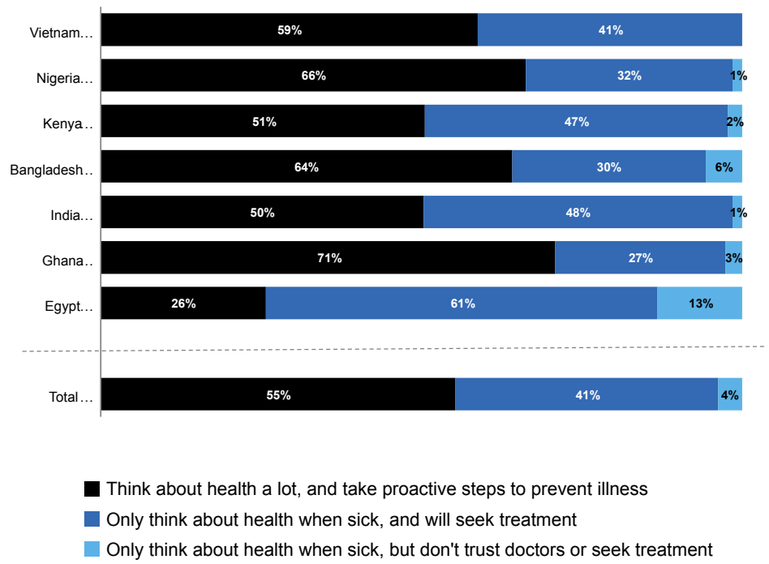
When this happened, what expenses did you give priority to? (n = 629)



Health Awareness

More than half of respondents say that they take proactive steps to prevent illness, which is the case in every country except Egypt, where respondents are more likely to only think about health when sick.

Which of these statements describes you best? (n = 1891)

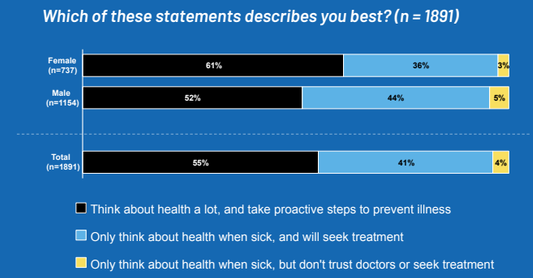


Sickness Prevention

Health Awareness
Health Checkups: Overview
Health Checkups: Testing
Health Precautions
Barriers to Prevention

Insight 52: Women more proactive on healthcare.

Women report that they think about health and take proactive steps to prevent illness more than men, and also trust doctors more than men.





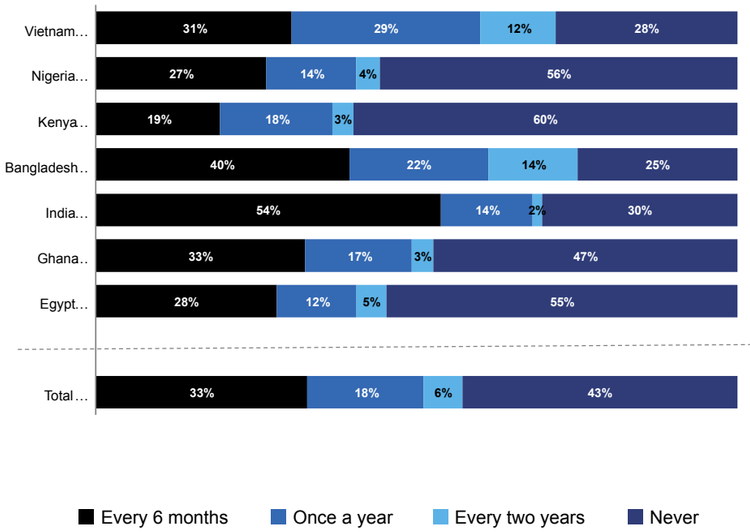
“I think about health a lot and take proactive steps to prevent illness because we don’t have enough money for treatment, so we need to prevent illness.”

- Female, 35, Egypt

Health Check-ups: Overview

More than 2 in 5 respondents never get a check-up for potential health conditions, particularly in Kenya, Nigeria, and Egypt.

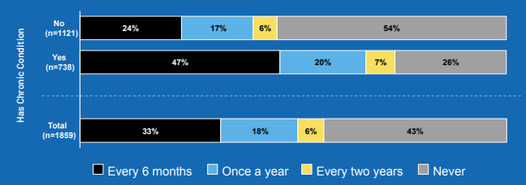
On average, how often do you or your family get a check-up for potential health conditions (e.g. heart, diabetes)? (n = 1860)



Insight 53: Chronic conditions lead to significantly more health check-ups.

67% of those with chronic conditions report that they or their family get a check-up at least once a year; for those without these conditions only 41% report a yearly check-up.

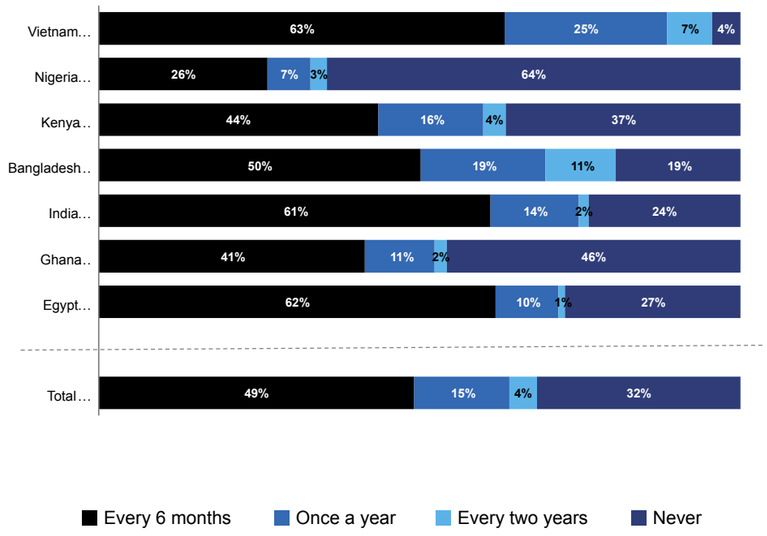
On average, how often do you or your family get a check-up for potential health conditions (e.g. heart, diabetes)? (n = 1859)



Health Check-ups: Testing

Rates of health check-ups are much higher for those with conditions like heart disease and diabetes, although surprisingly 1 in 3 of those still never go in for a test.

If they are already diagnosed for these conditions, how often do they get tested? (n = 1778)



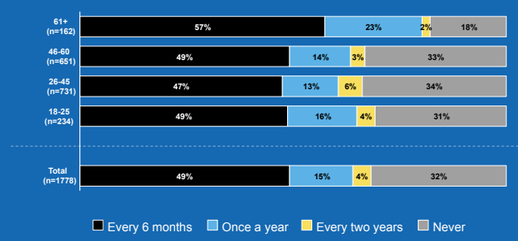


> **"I get tested every six months because my family is prone to diabetes, and I want to monitor my health condition."**
>
> - Male, 62, Ghana

Insight 54: Testing infrequent across all ages, but younger people are more complacent

In general, less than one in two of those diagnosed with a healthcare condition will get a check-up test every six months. Those over 61 are slightly less complacent, but still one in five reports never getting tested to monitor the status of their condition.

If they are already diagnosed for these conditions, how often do they get tested? (n = 1778)

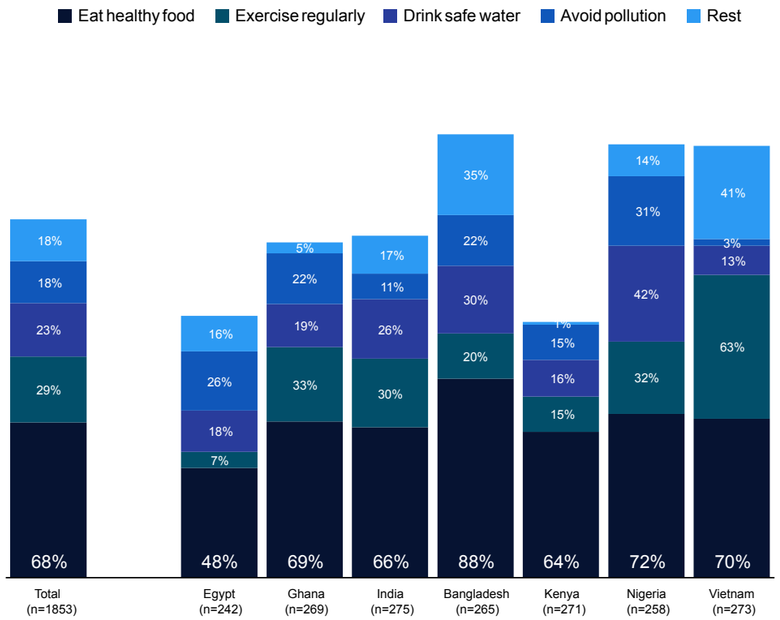


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Health Precautions

In order to keep healthy, most respondents eat healthy food, while less than 1 in 3 exercise regularly or drink safe water.

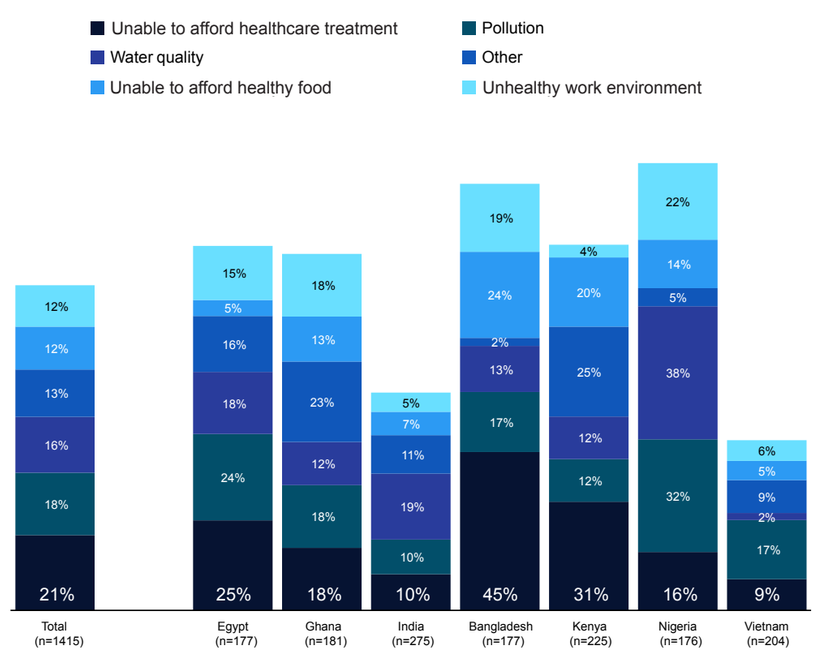
What measures –if any– do you take to keep everyone in the household healthy? (n = 1853)



Barriers to Prevention

When thinking about the barriers to preventing illness in their households, respondents mention pollution, inability to afford treatment or medication, and water quality as the most common reasons. Generally, women and the elderly are more health-conscious and take active precautions to keep healthy. Respondents in Bangladesh and Nigeria tend to report the most barriers.

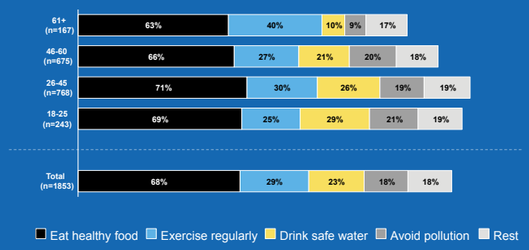
What are the biggest barriers to preventing illness in your household? (n = 1415)



Insight 55: The elderly place a premium on exercise, the young are concerned about pollution.

While all ages see diet as the main key to overall health, the elderly are much more focused on exercise as a precautionary measure, while younger cohorts consider water and air quality major factors in their families' health.

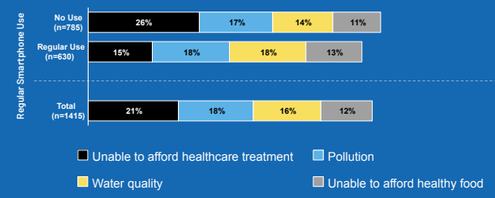
What measures –if any– do you take to keep everyone in the household healthy? (n = 1853)



Insight 56: Digitally excluded more likely to find healthcare unaffordable.

While only 15% of smartphone users report that affordability is a barrier to preventing illness, non-smartphone users find affordability the most common barrier.

What are the biggest barriers to preventing illness in your household? (n = 1415)



“I saw life was getting difficult. I thought it was wise to start saving so that later, when I didn’t have my job, I could use it.”

– Female, 27, Kenya

Project Overview, Methodology and Disclaimer

This survey was designed by LeapFrog with input from 60 Decibels. 60dB partnered with a panel provider to gather phone numbers for representative panels of respondents in the target geographies (Bangladesh, Egypt, Ghana, India, Indonesia, Kenya, Nigeria, and Vietnam) and administer in-depth 40-45 question surveys in each country in their respective local languages.

These surveys were conducted via Computer Assisted Telephone Interviewing (CATI), while in Vietnam, a combination of CATI and Computer Assisted Personal Interviewing (CAPI) methods were used.

Each study targeted 275 responses, to achieve a representative sample and at a 90% confidence level and 5% margin of error.

Healthcare respondents were screened based on household monthly income, gender, age, location, and health situation.

Financial services respondents were screened based on household monthly income, gender, age, occupation, location, and financial products priorly used.

The insights in this report are based on interviews with 275 potential beneficiaries in each of the countries studied. While all efforts were made to ensure that the sample is representative of the target population in variables such as gender, location, and age, and the sample size is sufficient for a 90% confidence level with 5% margin of error, the inherent risks in any sampling strategy mean that the data may misrepresent the target population in unforeseen ways.

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