



Study: Kazakhstanis spend up to 45% of their income on food, but believe in positive changes in the near future

At the business conference of the 30th Central Asia Fashion International Fashion Exhibition, during the session “Total People's Update of the New Kazakhstan”, experts presented unique analytical data and shared their opinions and forecasts on the development of the retail market in Kazakhstan. Natalia Ospanova, the expert, Director of the Alvin Market Research Companies Group and President of the “Kazakhstan Association of the Professional Researchers of Public Opinion and Market” (KAPIOR), spoke about the results of a long-term social study of the well-being of compatriots over the past 15 years.



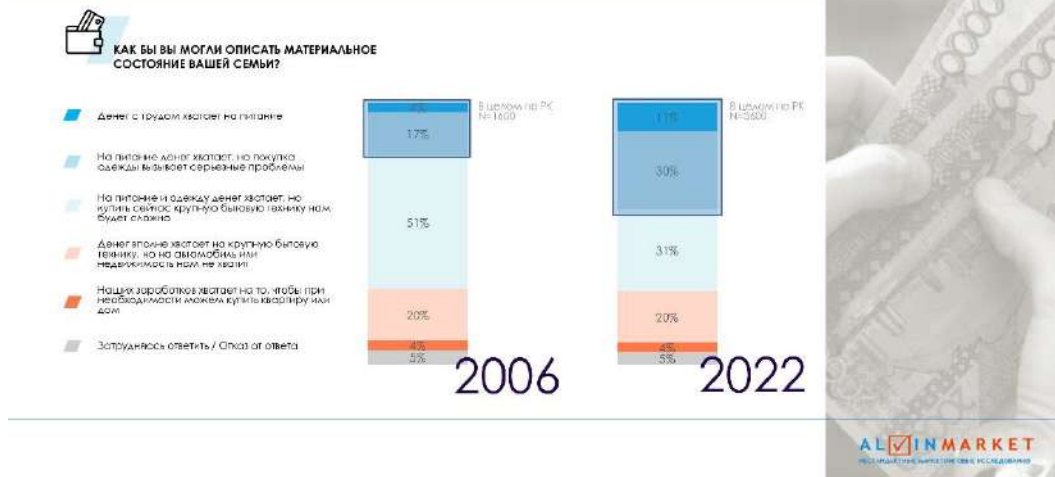
Central Asia Fashion Autumn-2022 Business Conference, speech by Natalia Ospanova

Budget, price and solvency in the new realities

As the speaker of the CAF business conference, Natalia Ospanova, notes, the Alvin Market agency has been conducting a study on the subjective evaluation of the social status of Kazakhstanis since 2006.

“Over the past 15 years, there have been quite serious changes in the social aspect of the country. For example, if we talk about the solvent population, namely those who have enough money to buy household appliances, and they can afford expensive goods, real estate, then this audience has practically not changed: it has remained the same as it was, namely 24 per cent. But pay attention to the middle, we call it the “middle class”, those who have enough income to buy food, clothes, but buying large household appliances can be difficult. For 15 years, this group of people of the “middle class” has significantly decreased - from 51% to 31%. Moreover, the share of those who have difficulty buying clothes has doubled,” the analyst says.

Доля тех, кому не хватает денег на одежду, за 15 лет выросла в 2 раза



Slide from the presentation of Natalia Ospanova's speech.
 The share of those who do not have enough money for clothes has doubled in 15 years

At the same time, detailing the research data on what compatriots spend their income on, Alvin Market specialists note that a third of Kazakhstanis spend more than 50 per cent of their income on food. “In our study, we considered the share of food expenditures in total household income, although this indicator is often also measured relative to the expenditure part only. After all, there is also a percentage of accumulation in income. We looked at what the total income per household is on average and how much of this is the cost of food,” the expert of the business session of Central Asia Fashion, Natalia Ospanova, shared the data of the study. “It is noteworthy that in 2020 our company connected to the "Cutlet with potato puree" international monitoring project (editor's note - it was held in Kazakhstan, Russia and Australia). As part of this project, experts have compiled a menu that makes it possible to create the necessary daily set of nutrients in terms of healthy eating, that is, a kind of unified menu with a list of products was created. At the same time, the main subject of the study is the minimum prices fixed in all cities for this set of products and, respectively, the amount of the daily ration needed by a resident of a certain locality in order to feel full and healthy was calculated. In 2020, for Almaty, this amount per day amounted to about 1,600 tenge. According to the most conservative estimates, when we multiply this figure by the number of days in a month (and the average person eats of course every day), we get the amount of 48,000 tenge. It seems that even in the pre-pandemic period, in 2020, Kazakhstanis needed 48,000 tenge for food. At that time, this amount amounted to 60 per cent of the average nominal wage per Kazakhstanian. At the moment, due to a significant change in current prices, this indicator has increased significantly.

Треть казахстанцев тратит на продукты питания свыше половины месячного семейного бюджета



Slide from the presentation of Natalia Ospanova's speech.
 A third of Kazakhstanis spend more than half of the monthly family budget on food

At the same time, according to the study presented at the CAF business conference for April 2022, the average income per household in Kazakhstan, including rural and urban settlements of the country, has already amounted to 185,000 tenge. Taking into account that the average household size is 4 people, it is about 46,000 tenge per person, respectively,” Natalia Ospanova compares.

Do Kazakhstanis have enough income for purchases?

The study presented at the CAF business conference clearly showed the social well-being of the population. “We measured factors related to social issues: the financial situation of the household, the standard of living in terms of the availability of favourable housing conditions, and the overall social environment. When asked “How has your financial situation changed over the past year?” in 2006, those who said the situation had worsened were only 7 per cent. Whereas in 2022 it is already all 35 per cent of respondents. It turns out that the share of those who report deterioration over the past year has increased 5 times,” Natalia Ospanova, speaker of the CAF business session says.



Slide from the presentation of Natalia Ospanova's speech. 2022 had a negative impact on the well-being of Kazakhstanis

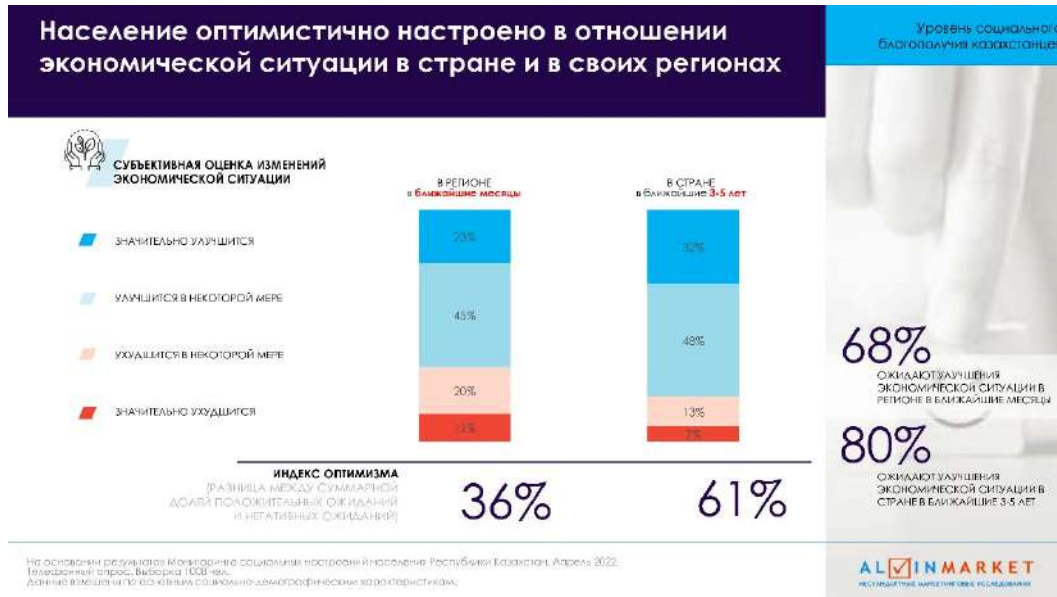
At the same time, the expert presented data on how satisfied the residents are with the standard of living in their settlement, housing conditions and the range of food products. And here, contrary to the previous indicators, the majority expresses quite high satisfaction. “A positive and optimistic trend can be traced in all our studies, we have looked at the dynamics over several years. These are prosperous and problematic years in all respects. The level of optimism among Kazakhstanis is always high! Let me add that this level is confirmed by the results of international studies that are conducted annually on the level of happiness in different countries. According to them, Kazakhstan particularly distinguished itself in the latest study for 2021. It overtook all the CIS countries in terms of happiness and took the 40th place in the world ranking of the happiest countries in the World Happiness Report, while neighbouring Russia is only in 80th place.



Slide from the presentation of Natalia Ospanova's speech. To what extent are Kazakhstanis satisfied with various aspects of their lives?

Our analysts always ask the question, why is there inflation, there is not enough money, and why do people feel happy? Many, especially older people who have experienced a lot of hardships, say that as long as there is no war and cataclysms, we will survive the rest. Probably, this is the strength of Kazakhstanis as a nation. It is important that

despite some unpleasant figures from the study, 68 per cent of respondents still say that they expect the situation to improve in the coming months. Even in the medium term, according to our survey, 80 per cent of the population sees Kazakhstan in a bright future,” the CAF expert, Natalia Ospanova, says.



Slide from the presentation of Natalia Ospanova's speech.
The population is optimistic about the economic situation in the country and in its regions

Top 5 main problems of Kazakhstanis

At the same time, Natalia Ospanova, the expert of Alvin Market, presented a rating of the problems of the Kazakhstanian population in her speech at the CAF business conference. Most of the factors in this rating concern mainly economic issues. “Price increase, low wages, unemployment, which leads to the fact that there is no income. Medicine and poor road conditions were also included. The survey took place in April 2022, when there were extremely unfavourable weather conditions, so the respondents, of course, complained about bad roads. In our survey, people of all ages reported about the same thing. However, young people aged 18-24 also highlighted the factor of corruption especially clearly.

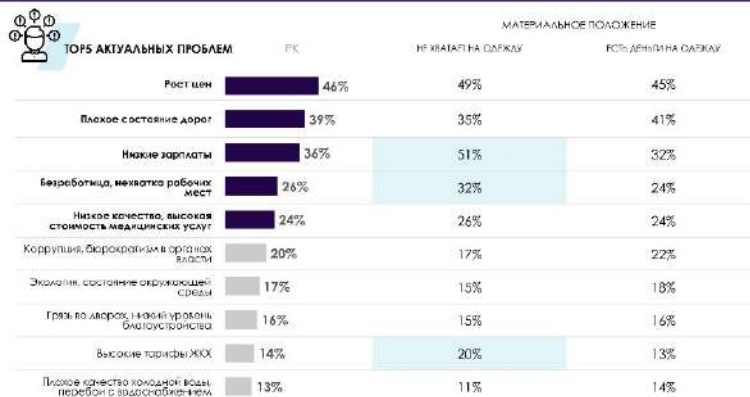


Slide from the presentation of Natalia Ospanova's speech.
What problems Kazakhstanis consider the most relevant in their city/region?

This rating can be compared by types of settlements. For example, poor road conditions are more relevant in rural areas. The top five problems in the city are price increase, poor road conditions, low wages, unemployment, lack of jobs, poor quality and high cost of medical services. Sometimes Kazakhstanis in the rating of problems noted the poor quality of cold water, interruptions in water supply. This applies more to individual regions. This is not a problem throughout the Republic of Kazakhstan,” Natalia Ospanova, the expert at the Central Asia Fashion business session, says.

Какие проблемы своего города/района казахстанцы считают наиболее актуальными?

ТОР-5 ГЛАВНЫХ ПРОБЛЕМ КАЗАХСТАНЦЕВ



На основании результатов Мониторинга социальных настроений населения Республики Казахстан. Апрель 2022. Телевизионный опрос. Выборка: 1000 чел. Данные взяты из топ-5 актуальных социальных-экономических проблемных вопросов.



Slide from the presentation of Natalia Ospanova's speech.
What problems Kazakhstanis consider the most relevant in their city/region?

Credit history of the population

In an exclusive study presented at the Central Asia Fashion business session, the credit status of compatriots was detailed and noted. Thus, according to Alvin Market, in 2006 the share of those who had a valid consumer loan amounted to 21 per cent. But according to updated survey data, more than a third of the republic's population has loans. As Natalia Ospanova points out: "There are official statistics based on financial institutions' reporting data. And we must not forget that consumer loans are often tied to credit cards that are issued as a bonus, but it is not a fact that the consumer uses this card and the loan is in demand. Therefore, in our expert opinion, official statistics overestimate the share of the credited population.

Казахстанцы считают, что сейчас не самое лучшее время брать кредиты



Исследование проведено по заказу Фонда «Национальный институт стратегических исследований» в апреле 2020 года. Телевизионный опрос. Выборка: 1000 чел.

Slide from the presentation of Natalia Ospanova's speech.
Kazakhstanis believe that now is not the best time to take on loans

In general, I would like to say that loans should not be seen as evil. Today it is one of the tools to revitalise the economy and support the high purchasing power of the population. Kazakhstanis do not have much savings that they can use to cover all consumer needs, so they often resort to such tools in order to regulate their family budget as loans and instalments. However, if we look at the numbers regarding whether this is a good or bad time for loans, we see that the share of those who say yes to loans is a quarter of the population of Kazakhstan. In general, the majority of Kazakhstanis believe that it is not a good idea to take a loan now. This indicator reflects how much the population perceives the current economic and political situation as stable. It should be noted that Kazakhstanis actively use family assistance due to the peculiarities of their mentality. According to the survey, if to choose between help from a relative and help from financial institutions, then first of all, residents of Kazakhstan first turn to relatives," Natalia Ospanova, the expert, said.

Казахстанцы считают, что сейчас не самое лучшее время брать кредиты

КАК ВЫ ДУМАЕТЕ, СЕЙЧАС - ХОРОШЕЕ ВРЕМЯ ИЛИ ПЛОХОЕ ВРЕМЯ, ЧТОБЫ БРАТЬ КРЕДИТЫ, ИЛИ НЕЕТ?

	ПК	СВЕР	ЮГ	МАКРОРЕГИОНЫ			ТОЛЬКО РЕСПУБЛИКА АЛМАТЫ
				ЗАПАД	ВОСТОК	ЦЕНТР	
ДА	20%	25%	18%	24%	15%	23%	18%
СКОРЕЕ ДА	6%	8%	2%	5%	6%	10%	8%
СКОРЕЕ НЕЕТ	56%	42%	64%	57%	56%	48%	53%
НЕЕТ	7%	11%	6%	7%	7%	10%	6%
ЗАТРУДНЯЮСЬ ОТВЕТИТЬ	12%	14%	10%	7%	17%	9%	15%
ТОР2	25%	33%	20%	29%	21%	33%	26%
БОТОМ2	63%	53%	71%	64%	62%	58%	60%

На основании результатов опроса проведенного социальными партнерами ЕЭК Республики Казахстан в Астане, Апрель 2022.
Телефонный опрос. Выборка 1000 чел.
Данные в таблице могут отличаться от данных официальной статистики.

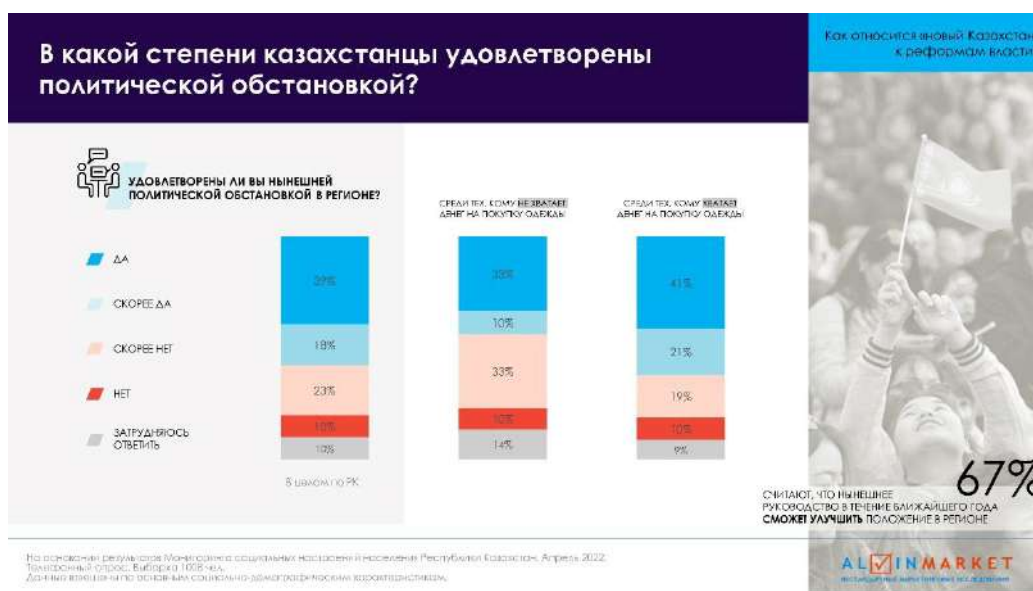


Slide from an exclusive research for CAF.
Kazakhstanis believe that now is not the best time to take on loans

What is the attitude of business towards the current government reforms?

A survey of compatriots on the question of satisfaction with the political situation in the republic showed curious results. Alvin Market conducted this survey for the popular referendum in March. “It is clear that there are always more people who are protesting among low-income households, which have a total lack of income. Also, as a result of the survey, we found out how much Kazakhstanis are interested in reforms in general. Is there such a request among the population at all?

In general, more than half of the population says that reforms in the country are necessary. Moreover, the request comes both from those who do not have enough money to buy clothes, and from those who have enough. But when we asked an open question, what kind of reforms do you consider necessary and did not offer answers, we saw that 40 per cent of people found it difficult to answer. It turns out that the majority of the country's residents believe that something should change, but what exactly they do not know and cannot formulate.



Slide from the presentation of Natalia Ospanova's speech.
To what extent are Kazakhstanis satisfied with the political situation

The leaders among the open answers are the improvement of the quality of life, social reforms and everything that concerns the people. In our survey, we clarified whether the respondents believe in the reforms and their success, to which the vast majority answered positively,” Natalia Ospanova, speaker of the CAF business session, said. “We also tested various theses that the President expressed on March 16, 2022 in his address to the people. As a result of the survey, we saw that there is a fairly high level of agreement that the rights of citizens will be respected in accordance with the country's constitution. The possibility of foreign interference is not allowed and we have the problem of domestic violence against women and children. At the same time, according to polls, we see a low level of satisfaction regarding the investigation of the January events. 72 per cent of the population wants to know what is happening in the government, what the president is doing. And another 61 per cent of respondents noted in the survey that they would

like to know the news of their particular region. An interesting point is that when we polled the audience regarding the current support for the policy of Kassym-Jomart Tokayev, during our previous study in the autumn of 2021, the results of the percentage of support were noticeably lower than now. The events that took place led to the fact that there was an increase in support, but at the same time, most experts agree that there is a "given credit of trust to the authorities", and the population is waiting for positive changes," Natalia Ospanova, the expert of the Central Asia Fashion business session, summed up.



Milena Ershova, General Producer, Head of the Central Asia Fashion International Fashion Exhibition Business Conference and Natalia Ospanova, Director of the Alvin Market group of research companies

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