LBM

# LUNCHBOXMEDIA

IT'S ALL ABOUT THE PACKAGE

# CONSUMER PROFILE 2012

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EXIT
GAY PAGES
QUEER LIFE
PINK TONGUE
OUT IN AFRICA
MAMBAONLINE
PINK SA GUIDE
ALICE MAGAZINE

The LBM Gay Consumer Profile of 2012 is the most recent and largest comprehensive gay consumer survey in South Africa's history.

Results are of statistical significance to researchers, marketers, academics, advertising agencies, media buyers, gay & gay-friendly businesses, and anyone else looking for up to date information on the various resources available in the Gay & Lesbian Marketplace.

Statistical analysis on this report was done by Qualitative Quarter, an independent market research company with design and layout by Sorted A&Di.

The survey focused on gay and lesbian consumer habits, preferences, purchasing patterns and motivations covering a wide field. Topics such as employment, income, shopping, banking, credit cards, homes, cars, electronics, pets and media consumption were covered.

Much international research of a similar nature has been conducted and these results are comparable to other recent international studies.

In April 2012, Lunch Box Media launched a nationwide survey amongst the South African gay community. This was supported and promoted by four of the largest LGBTI online media owners in South Africa. The survey remained live for a period of three months and was completed by 609 online respondents.

The results are by no means a reflection of the entire gay population, but rather a representation of this demographic and their consumer behaviour.

The gay population in South Africa is currently around 4.9 million people. This is a large and mostly ignored demographic when it comes to marketing.

Since opening its doors Lunch Box Media has experienced the fears and misconceptions of the corporate market place and pink advertising. In a modern society of inter-racial relationships, various religious sects and same sex marriages, there are still huge misconceptions held against the homosexual community. Through subtle encouragement and exposure to this community, brands are starting to realise the power and importance of identifying with this audience.

The LBM Gay Consumer profile highlights the purchasing power and brand loyalty of the gay community.

## RESPONDENT GEOGRAPHICS

| | |
|---|---|
| Gauteng | 44% |
| The Western Cape | 38% |
| KwaZulu-Natal | 7% |
| The Eastern Cape | 5% |
| Mpumalanga | 2% |
| North West | 2% |
| The Free State | 1% |
| Limpopo | 1% |

## RESPONDENT DEMOGRAPHICS

| | |
|---|---|
| Male | 73% |
| Female | 27% |

## AGE

| | |
|---|---|
| 17 or younger | 0.5% |
| 18-20 | 2% |
| 21-29 | 26% |
| 30-39 | 36% |
| 40-49 | 22% |
| 50-59 | 10% |
| 60 or older | 4% |

## EDUCATION

| | |
|---|---|
| Tertiary | 51% |
| Post Grad | 34% |
| Secondary | 14% |

International research concurs that higher education levels are prevalent within this demographic.

## MONEY MATTERS!

With unemployment levels around 45% in South Africa, it's reassuring to know that 90% of respondents are employed (3% were unemployed and 5% were students) of which 23% are self-employed.

## MONTHLY INCOME RANGES

| | |
|---|---|
| R0 – R9 999 | 21% |
| R10 000 - R19 999 | 23% |
| R20 000 - R29 999 | 18% |
| R30 000 - R39 999 | 13% |
| R40 000 – R59 999 | 14% |
| R60 000 - R69 999 | 4% |
| R70 000 Plus | 5% |

The monthly disposable income is generally higher for this demographic especially if there are no children. The term DINK "Dual Income, No Kids" was coined. Income is generally higher than average and a large percentage of respondents are self-employed or specialists in a field.

## THE TOP OCCUPATIONAL CATEGORIES

- Finance 9%
- Retail 9%
- IT 5%
- Sales 5%
- MD,CEO & Directors 5%
- Advertising, Marketing & PR 4%
- Medical 3%
- Business Owners 3%
- Admin 3%
- Arts, Fashion & Design 3%
- Hospitality 3%
- Education 2%
- Engineering & Construction 2%
- Estate Agents 2%
- Travel & Tourism 1%
- Architecture & Landscaping 1%

On the home front, 46% of homes are owned, 38% rented with 26% of respondents owning an additional investment property.

## THE TOP BANKING INSTITUTIONS ARE

| | |
|---|---|
| FNB | 31% |
| ABSA | 23% |
| Standard Bank | 23% |
| Nedbank | 14% |

## HAVE THE FOLLOWING ACCOUNTS

| | |
|---|---|
| Cheque account | 75% |
| Credit card | 67% |
| Savings account | 55% |
| Debit card | 54% |
| Garage card | 37% |
| Investments | 37% |
| Home loan | 36% |
| Vehicle finance | 35% |
| Overdraft facility | 34% |
| Shares | 20% |
| Personal loan | 17% |
| Student loan | 2% |

## DISPOSABLE INCOME

When asked what disposable income they had left after all expenses and debit orders, respondents answered the following:

| | |
|---|---|
| Up to R2 499: | 17% |
| R2 500 - R4 999: | 20% |
| R5 000 - R7 999: | 21% |
| R8 000 - R10 999: | 16% |
| R11 000 - R19 000: | 13% |
| R20 000 - R29 000: | 7% |
| R30 000 - R39 000: | 3% |
| R39 000 Plus: | 2% |

## RETAIL THERAPY

Keeping in mind that this demographic has a higher disposable income and that the usual cost of raising children is absent, more money is spent on luxury items.

72% of respondents stated that QUALITY was the most important factor when making purchasing decisions with a mere 16% that said their decision was based on price. Great news for luxury item brands!

According to previous studies 74% are avid consumers of luxury goods. 34% also admitted spending more than what they should on luxury items (ABNSA:2008).

To further expand on how their disposable income can be broken down, respondents were asked what percentage of their disposable income they spent on luxury items and dining out.

## % OF DISPOSABLE INCOME SPENT

| | |
|---|---|
| 30% | - 27% |
| 5% | - 19% |
| 20% | - 18% |
| 10% | - 14% |
| 15% | - 12% |
| 25% | - 10% |

## BASIC NECESSITIES AND GROCERIES ARE PURCHASED AT

| | |
|---|---|
| Pick n Pay: | 72% |
| Woolworths: | 63% |
| Spar: | 45% |
| Checkers: | 38% |

Cosmetic and grooming products are mostly purchased at Clicks with 58% and Dischem followed with a close 40%.

## CLOTHING IS MOSTLY PURCHASED AT

Woolworths: 41%
Edgars: 33%
Brand outlet stores: 29%
Boutique stores: 19%
Markhams: 18%
Truworths: 16%
YDE: 10%

## THE TOP CLOTHING LABELS ARE

| | |
|---|---|
| Levi | 18% |
| Guess | 14% |
| Diesel | 8% |
| Country Road | 6% |
| Zara | 4% |
| Adidas | 3% |
| Calvin Klein | 3% |
| Aca Joe | 3% |
| Jeep | 3% |
| Abercrombie & Fitch | 3% |
| Nike | 3% |
| Trenery | 3% |
| Uzzi | 3% |
| Polo | 3% |
| Puma | 3% |
| YDE | 2% |
| Woolworths | 2% |
| Vertigo | 2% |
| Hugo Boss | 2% |

## THE MOST PURCHASED "LUXURY" ITEMS ARE

| | |
|---|---|
| Fragrances | 19% |
| Clothing | 13% |
| Music & DVD's | 12% |
| Electronics & gadgets | 10% |
| Shoes | 8% |
| Alcohol (especially wines) | 7% |
| Cosmetics | 7% |
| Food | 4% |
| Books | 4% |
| Watches | 4% |
| Jewellery | 3% |
| Chocolate | 2% |
| Holidays and entertainment | 2% |
| Sunglasses | 2% |
| Art | 1% |

## THE TOP 20 MOST OWNED BRAND LABELS ARE

| | |
|---|---|
| Apple | 12% |
| Levis | 6% |
| Diesel | 5% |
| Guess | 5% |
| Samsung | 5% |
| Prada | 3% |
| Sony | 3% |
| Calvin Klein | 3% |
| Tag Heuer | 2% |
| Louis Vuitton | 2% |
| Polo | 2% |
| Armani | 2% |
| Blackberry | 2% |
| Fossil | 2% |
| Gucci | 2% |
| Hugo Boss | 2% |
| LG | 2% |
| Nike | 2% |
| Ray Ban | 1% |
| Mont Blanc | 1% |

Unfortunately luxury brands in South Africa do not follow international marketing trends with little (if any) marketing and advertising campaigns targeted at the gay community.

## OUR "CHILDREN"

As expected pet ownership is high. 71% of respondents own a pet. When looking at the monthly spend and brands purchased, we can deduce that nothing is too good for our four legged friends.

## MONTHLY SPEND

| | |
|---|---|
| R0 - R199: | 19% |
| R200 - R399: | 19% |
| R400 - R599: | 17% |
| more than R600: | 17% |

## THE TOP PET FOOD BRANDS ARE

| | |
|---|---|
| Hills | 21% |
| Pedigree | 10% |
| Royal Canine | 8% |
| Vet's Choice | 7% |
| Whiskas | 7% |
| Montego | 5% |
| Eukanuba | 4% |
| Alpo | 3% |
| Friskies | 3% |

## MIRROR, MIRROR ON THE WALL…

It's no secret that the gay community are a beautiful bunch. The males (as in nature) are more colourful than the females, placing a higher aesthetical value on their appearances. According to previous studies 69% of respondents considered themselves image conscious (ABNSA, 2008). 9% have had "work" done with a further 28% having had cosmetic dentistry work done.

Spa treatments are an integral part of the preening process with 48% going now and then, 8% going regularly, and 4% seeing their local spa at least once a month.

The inside is just as important as the outside! 64% are non-smokers and 59% belong to a gym.

## THE MOST POPULAR GYM IS:

| | |
|---|---|
| Virgin Active: | 61% |
| Private Gyms: | 30% |
| Planet Fitness: | 9% |

## TECH SAVVY

We live in a new age of ecommerce, gadgets and goodies that make our lives "simpler". It's common knowledge that the South African online market are still very sceptical when it comes to online purchasing and handing over your financial details.

The most astounding result from this survey is that 81% of respondents make regular online purchases! Online brands should take note! 99% of respondents are connected to the internet accessing it at home and at work, using mostly ADSL lines (44%) or 3G (28%) and mobile connection (11%).

### INTERNET

When asked what the internet is mostly used for, the results were as follows:

| | |
|---|---|
| Email: | 91% |
| Social Networking: | 80% |
| Online banking: | 78% |
| Business: | 66% |
| Research: | 59% |
| General surfing: | 58% |
| World news: | 45% |
| Search: | 42% |
| Skype: | 40% |
| Lifestyle content: | 37% |
| Download music: | 33% |
| Local news: | 31% |
| Gifts: | 26% |
| Online video: | 23% |
| Celebrity news: | 18% |
| IM Chat: | 15% |
| Internet radio: | 14% |
| Online gaming: | 5% |

### ONLINE SHOPPING

When asked what is purchased online, the results were as follows:

| | |
|---|---|
| Airline tickets: | 68% |
| Tickets to shows and events : | 66% |
| Accommodation: | 55% |
| Books: | 54% |
| DVD's and Videos: | 40% |
| Music: | 37% |
| Computer hardware and software: | 26% |
| Flowers: | 21% |
| Electronic equipment: | 20% |
| Games: | 18% |
| Clothing: | 14% |
| Food and drinks: | 10% |
| Health & beauty products: | 10% |
| Home & garden products: | 6% |

EFT (32%) and credit card payments (41%) are the most prevalent forms of payment.

### SOCIAL MEDIA

Social media has become a very important part of our daily lives and a new form of communicating with one another. Respondents were asked which social media platform they most often access. Here are the results:

| | |
|---|---|
| Facebook: | 92% |
| Google+: | 40% |
| LinkedIn: | 41% |
| MXit: | 9% |
| Skype: | 56% |
| Twitter: | 43% |
| Yahoo: | 18% |
| YouTube: | 56% |
| Other: | 15% |

## YOUR CHARIOT AWAITS…

86% of respondents are road vehicle owners. Of these, 55% fully own the vehicle, while the balance of 45% are financed.

### VEHICLE INSURANCE

The top ten vehicle insurance companies are:

| | |
|---|---|
| Outsurance: | 21% |
| Santam: | 17% |
| Mutual & Federal: | 5% |
| Auto& General, Hollard, Discovery and Dial Direct: | 4% |
| Budget: | 3% |
| Mi-way & Gay Sure: | 2% |

### VEHICLE AGE

Vehicles tend to be relatively new, with 68% of vehicles being younger than 5 years.

| | |
|---|---|
| >1 year: | 13% |
| 1 - 2 years: | 20% |
| 3 - 5 years: | 35% |
| 6 - 8 years: | 17% |
| 9 - 11 years: | 7% |
| 12 - 14 years: | 7% |

## VEHICLE BRANDS

The top brands based on respondents owning cars are:

| | |
|---|---|
| Volkswagen: | 17% |
| BMW: | 10% |
| Toyota: | 9% |
| Opel: | 8% |
| Hyundai: | 7% |
| Mercedes and Ford: | 6% |
| Audi: | 5% |
| Renault: | 4% |
| Nissan and Peugeot: | 3% |

## PUBLIC TRANSPORT

22% of respondents make use of public transport.

| | |
|---|---|
| Train: | 14% |
| Bus: | 11% |
| Taxi: | 10% |

## I'M A JET SETTER…

In addition to spending their large sums of disposable income on luxury brand items, it seems as though exploring exotic destinations is also prevalent. 44% of respondents travel more than once a year with 34% going on holiday at least once a year. 10% indicated international travel only, 35% local travel only.

## TOP DESTINATIONS

| | |
|---|---|
| Europe: | 52% |
| Africa: | 29% |
| Far East: | 17% |
| USA: | 13% |
| UK: | 11% |
| Australia: | 6% |

## HOLIDAY BUDGET

| | |
|---|---|
| R8 000 - R10 999 | 30% |
| R11 000 - R19 000 | 22% |
| R30 000 - R39 000 | 13% |
| R40 000 - R49 000 | 6% |
| R50 000+ | 6% |

47% of respondent would go on holiday whenever time would allow them, 25% travelled out of season and 9% went in-season.

## EAT, DRINK & BE MERRY…

Dinning out, entertaining and hosting dinner parties are more frequent within this demographic. Judging from the amount of times respondents ate out, paired with Woolies purchases and take-aways, we could assume that there are better ways to spend your time than chopping carrots!
The good news for restaurants is that 30% of respondents dinned out more than five times a month, 28% dinned out 3-4 times a month, and 23% twice a month. That's A LOT of eating out!

## RESTAURANTS

| | |
|---|---|
| Spur | 8% |
| Ocean Basket | 4% |
| Primi Piatti | 3% |
| Tasha's | 2% |
| Beluga | 2% |
| Bukhara | 1% |
| Cappuchinos | 1% |
| Cattle Baron | 1% |
| Col'cacchio | 1% |
| CTFM | 1% |
| John Dory's | 1% |
| Mugg & Bean | 1% |
| Beefcakes | 1% |
| Kream | 1% |

## CONVENIENCE FOOD

When they're not eating out or hosting dinner parties catered for by Woolies, respondents were getting their daily sustenance from convenience food outlets.

Here were the results:

| | |
|---|---|
| 2-3 times a month: | 47% |
| Not often: | 37% |
| 2-3 times a week: | 12% |
| I live on the stuff: | 3% |

## OUTLETS

| | |
|---|---|
| KFC | 22% |
| Nando's | 19% |
| Steers | 16% |
| MacDonald's | 15% |
| Roman's Pizza | 4% |
| Kauai | 4% |
| Debonairs | 3% |
| Simply Asia | 3% |
| Fish Aways | 2% |
| Wimpy | 2% |

No social occasion would be complete without a toast! Here it is very clear that respondents have a sophisticated pallet when it came to their choice of alcoholic beverages. Red and white wine, whiskey and beer being the most preferred. Most respondents drank occasionally to socially.

## HOW OFTEN DO YOU DRINK?

Here were the results:

| | |
|---|---|
| Socially: | 48% |
| Occasionally: | 29% |
| Daily: | 12% |
| On specials occasions: | 8% |

## LIQUOR

Preferred choice of liquor was as follows:

| | |
|---|---|
| Red wine: | 49% |
| White wine: | 40% |
| Whiskey: | 35% |
| Beer: | 35% |
| Champagne: | 28% |
| Vodka: | 23% |
| Cider: | 22% |
| Coolers: | 18% |
| Gin: | 16% |
| Brandy: | 11% |
| Port or Sherry: | 7% |
| Rum: | 6% |

## THE TOP BRANDS WERE:

| | |
|---|---|
| Hunters | 9% |
| Smirnoff | 8% |
| Jameson | 6% |
| Castle & Castle Lite | 5% |
| Savannah | 5% |
| Johnny Walker | 5% |
| Nederberg | 4% |
| Heineken | 4% |
| Bells | 4% |
| Windhoek | 4% |
| Black Label | 4% |
| Absolut | 3% |
| Jack Daniels | 2% |
| J&B | 2% |
| Haut Cabriere | 2% |
| KWV | 2% |
| Tanquary | 2% |
| Amstel | 1% |

## GAY DEMOGRAPHICS IN MEDIA AND ADVERTISING

Unlike the rest of the world, South Africa is far behind when it comes to identifying with and acknowledging the gay demographic. Which is astonishing when one considers that this 4.9 million large demographic is literally untouched by corporate brands. South Africa has such a wonderful array of gay media titles covering print, online and on-screen.

Brands wishing to increase their market share should consider that 60% of the survey respondents describe themselves as being brand loyal. Those brands that believe they are already successfully reaching the gay and lesbian market through mainstream media may be surprised by the following findings:

- 59% of respondents considered themselves brand loyal.
- 76% said they would support brands who advertised within the pink media.
- 83% said they would like to see more brands identifying with them.
- 57% felt they were being ignored as consumers.
- 45% felt that they were inaccurately portrayed by the media.

So what does this mean? It means that brands need to start utilising, identifying and communication to this niche demographic and of course use Lunch Box Media to make sure you get this recipe right!

## GAY MEDIA BRANDS

Top gay media brands were:

| | |
|---|---|
| Mambaonline | 53% |
| Out In Africa Film Festival | 35% |
| Gay Pages | 33% |
| Exit | 24% |
| Pink Tongue | 21% |
| Queerlife | 18% |
| OUT Africa Magazine | 14% |
| Alice Magazine | 11% |
| Gayspeak | 3% |

## GAY TV CHANNEL/NETWORK

Interestingly, respondents were asked if they would support a gay TV channel or network…78% said YES!
And here's how much they are willing to pay for it per month!

| | |
|---|---|
| R95.00 | 29% |
| R50.00 | 26% |
| R145.00 | 24% |
| R195.00 | 10% |
| R250.00 | 6% |
| R300.00 | 5% |

Opportunity? We think so!

## MEDIA PREFERENCE

When we asked respondents what their preferred media choice was, the results were:

| | |
|---|---|
| Television | 62% |
| Magazines | 33% |
| Radio | 33% |
| Newspapers | 24% |

## MEDIA COMMUNICATION

We then asked respondents what would be the best way advertisers could communicate with them. The results were as follows:

| | |
|---|---|
| Online | 65% |
| Television | 50% |
| Magazines | 38% |
| Radio | 30% |
| Mobile | 25% |
| Newspapers | 20% |
| Outdoor Advertising | 19% |

## MAIN STREAM MEDIA TITLES

Here are the top main stream media titles:

| | |
|---|---|
| Men's Health | 22% |
| House & Leisure | 6% |
| GQ | 6% |
| Car | 5% |
| Cosmopolitan | 4% |
| Time | 4% |
| You | 5% |
| Getaway | 4% |
| Elle Decoration | 4% |
| National Geographic | 3% |
| Heat | 3% |
| Marie Claire | 2% |
| Garden & Home | 2% |
| FHM | 2% |
| The Economist | 2% |
| People | 2% |
| Popular mechanics | 2% |
| Vanity Fair | 2% |
| Visi | 2% |
| Huisgenoot | 2% |
| Conde Nast | 1% |
| Fairlady | 1% |

We trust you have found the findings of this survey insightful and hope that it alleviated previously held misconceptions. Why is it important to identify with this demographic and why do companies create gay themed adverting campaigns? Because there is so little imagery out there that identifies with a demographic that clearly is yearning to be acknowledged by society and corporate brands in the media. Targeted branding, if done correctly, would have immensely positive results for corporate brands.

This document is available in PDF format. Please contact us should you wish to receive it by email.


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