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STRATEGIC MARKET INTELLIGENCE · ANALYSIS SERIES

Nigeria Market Landscape — State-Level Prioritization & Attractiveness Index

A comprehensive multi-factor assessment of all 36 states and the FCT — applying six market indices, the BCG Growth-Share Matrix and the GE-McKinsey prioritization framework to direct market entry and investment.

87	222.6M	37	9
TOP MARKET SCORE · LAGOS	TOTAL POPULATION	MARKETS · 6 INDICES APPLIED	INVEST/GROW (LEADER) STATES

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Two Nigerias — and the gap between them is the strategy

This analysis evaluates all 36 Nigerian states plus the FCT across six market indices — Purchasing Power Parity, Affordability, Investment Stability, Market Stability, Economic Readiness and the composite Market Attractiveness Index. It reveals significant regional disparities: the **South West and South South lead** on market attractiveness, while the **North East faces substantial challenges** rooted in security concerns and infrastructure gaps.

87
Top market score — Lagos State

54.7
South West average — leading region

16.8
North East average — challenged region

9 prime markets

States classified **Invest/Grow (Leader)** under the GE-McKinsey framework — the highest-priority investment targets.

15 Star states

High growth, high share under the BCG Matrix — warrant continued investment to defend leadership.

15 states to exit

Harvest/Divest positions — minimize new investment, maximize cash extraction, plan exits.

Strategic insights

Market concentration: the top 5 states represent 60% of total market attractiveness. **Regional divide:** the South West averages 54.7 against the North East's 16.8. **Digital divide:** internet penetration ranges from 23% (Yobe) to 87% (Lagos). **Consumer base:** the middle class is 30% of the population, concentrated in southern states.

The bottom line

Nigeria is not one market but thirty-seven. Companies should prioritize the nine Invest/Grow (Leader) states, maintain selective presence in emerging markets, and treat the rest as harvest or niche plays — capital follows attractiveness, not geography.

02 · METHODOLOGY & FRAMEWORKS

Six indices, two frameworks, one composite score

Every state is scored on five independent indices, then weighted into a single **Market Attractiveness Index**. Two strategic frameworks — **BCG Growth-Share** and **GE-McKinsey** — convert the scores into portfolio decisions.

Purchasing Power Parity (PPP)

Components: GDP per capita (50%), cost of living via PMS price (30%), middle-class ratio (20%).
Purpose: relative purchasing power adjusted for local cost of living.

Affordability Index

Components: GDP/PMS price ratio (40%), middle class % (30%), inverse inflation (30%).
Purpose: consumer ability to purchase goods and services.

Investment Stability Index

Components: internet (25%), banking (25%), inverse crime (25%), GDP growth (25%).
Purpose: environment stability for business investment.

Market Stability Index

Components: inverse inflation (30%), unemployment (30%), GDP growth (20%), population (20%).
Purpose: economic predictability and consistency.

Economic Readiness Score

Components: internet (30%), banking (25%), industrial density (25%), GDP per capita (20%).
Purpose: infrastructure and human-capital readiness.

Market Attractiveness Index

Formula: PPP (20%) + Affordability (15%) + Investment Stability (20%) + Market Stability (20%) + Economic Readiness (25%).
Purpose: the composite score for market prioritization.

Applied frameworks

BCG Growth-Share Matrix classifies states by market growth and relative share — 15 Stars, 4 Cash Cows, 5 Question Marks, 13 Dogs. **GE-McKinsey Matrix** prioritizes markets by industry attractiveness and business strength — 9 Invest/Grow (Leader), 3 Strong, 3 Emerging, 7 Selectivity/Earnings, 15 Harvest/Divest.

Lagos scores 87 — one market in a league of its own

The composite index ranks every market on purchasing power, affordability, stability and readiness. **Lagos (87)** leads Abuja (65) by 22 points — and sits nearly seven times above the weakest market.

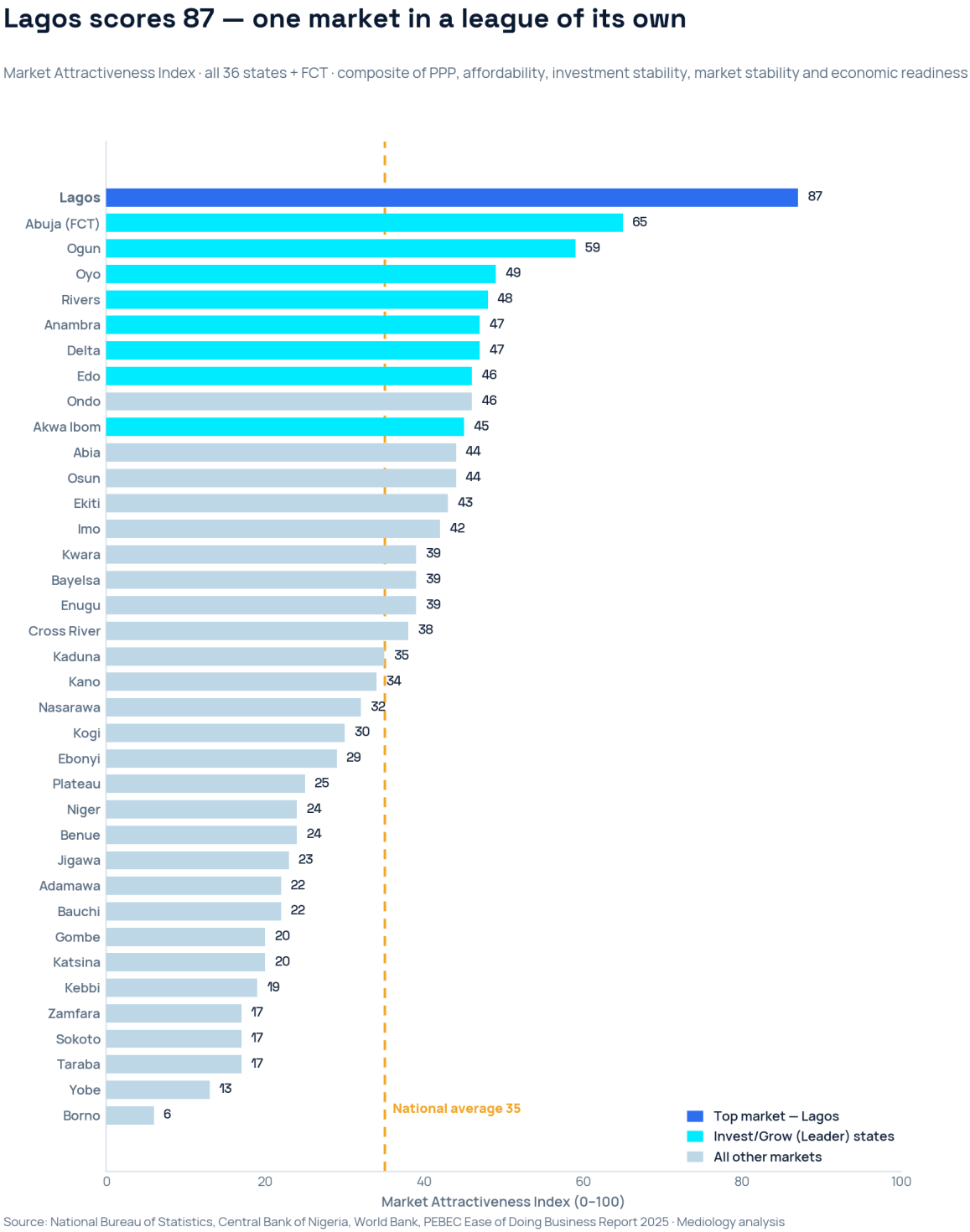


Figure 1 · Market Attractiveness Index — all 36 states + FCT, composite score (0–100). Lagos (royal) and the nine Invest/Grow (Leader) states (cyan) against all other markets.

03 · MARKET ATTRACTIVENESS INDEX

The fifteen markets that carry the country

TABLE 1 · COMPREHENSIVE STATE RANKINGS — TOP 15 OF 37 MARKETS

RANK	STATE	REGION	POP.	GDP/CAP	PPP	AFFORD.	INV. STAB.	MKT STAB.	ECON. RD.	OVERALL	GE TIER
1	**Lagos**	South West	16.5M	₦3.7M	98	82	78	71	100	87	Leader
2	**Abuja (FCT)**	North Central	4.2M	₦2.5M	73	64	67	50	69	65	Leader
3	**Ogun**	South West	6.3M	₦0.7M	54	51	66	67	55	59	Leader
4	**Oyo**	South West	8.1M	₦0.5M	44	41	56	60	45	49	Leader
5	**Rivers**	South South	8.2M	₦1.0M	49	46	53	41	49	48	Leader
6	**Delta**	South South	6.2M	₦1.0M	49	49	47	49	42	47	Leader
7	**Anambra**	South East	6.5M	₦0.7M	41	49	46	57	41	47	Leader
8	**Ondo**	South West	5.3M	₦0.9M	47	56	39	67	30	46	Selective
9	**Edo**	South South	5.1M	₦0.7M	46	48	46	58	36	46	Leader
10	**Akwa Ibom**	South South	6.1M	₦1.3M	47	51	46	48	35	45	Leader
11	**Osun**	South West	5.2M	₦0.5M	44	45	49	62	25	44	Emerging
12	**Abia**	South East	4.3M	₦0.7M	46	47	39	55	35	44	Strong
13	**Ekiti**	South West	3.6M	₦0.7M	44	44	47	61	25	43	Emerging
14	**Imo**	South East	5.9M	₦1.2M	46	52	34	50	34	42	Strong
15	**Enugu**	South East	4.8M	₦0.3M	32	36	42	55	30	39	Selective

Market concentration

The top 5 states — Lagos, Abuja, Ogun, Oyo and Rivers — represent **60% of total market attractiveness**. Lagos alone combines the highest PPP (98), a perfect economic-readiness score (100) and GDP per capita of ₦3.7M, roughly five times the national norm.

04 · BCG MATRIX — PORTFOLIO ANALYSIS

Invest where growth and share already meet

The BCG Growth-Share Matrix classifies all 37 markets on market growth rate and relative market share — clarifying where to invest, where to milk, and where to walk away.

Stars · 15 states (40%)

High growth, high share — invest heavily to maintain leadership.
Lagos, Abuja, Ogun, Oyo, Rivers, Delta, Anambra, Ondo, Edo, Akwa Ibom, Abia, Imo, Benue, Cross River, Kogi.

Cash Cows · 4 states (11%)

Low growth, high share — maximize returns, limit investment.
Kaduna, Kano, Bayelsa, Niger.

Question Marks · 5 states (14%)

High growth, low share — selective investment or divestment.
Ebonyi, Enugu, Kebbi, Kwara, Nasarawa.

Dogs · 13 states (35%)

Low growth, low share — divest or niche strategies.
Adamawa, Bauchi, Borno, Ekiti, Gombe, Jigawa, Katsina, Osun, Plateau, Sokoto, Taraba, Yobe, Zamfara.

Portfolio implications

Stars (40%) require continued investment to defend leadership as growth continues. **Cash Cows (11%)** generate steady returns with limited growth — optimize operations. **Question Marks (14%)** are high-risk, high-reward — evaluate carefully before committing. **Dogs (35%)** warrant market exit or minimal presence unless a niche opportunity exists.

What the portfolio says

More than half of Nigeria's markets — 20 of 37 — sit in Star or Cash Cow territory. The investable core is broad enough for national scale, but capital should concentrate where both growth and share are already proven.

05 · GE-MCKINSEY PRIORITIZATION MATRIX

Nine markets earn the right to lead investment

The GE-McKinsey Matrix scores every market on industry attractiveness against business strength — producing a five-tier prioritization for capital allocation.

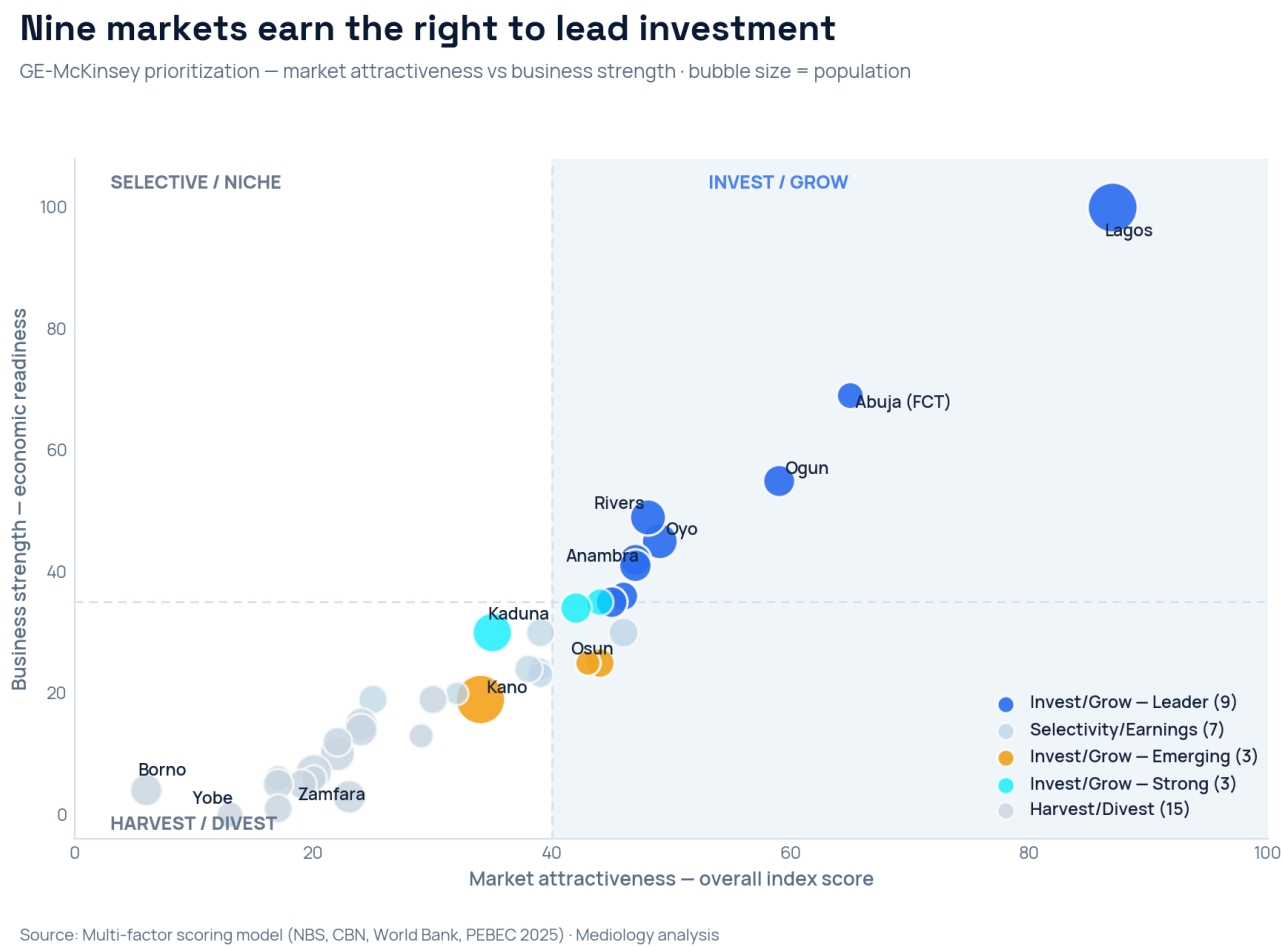


Figure 2 · GE-McKinsey portfolio map — market attractiveness (overall index) against business strength (economic readiness). Bubble size = population.

Invest/Grow — Leader · 9

Highest priority for investment. Lagos, Abuja, Ogun, Oyo, Rivers, Delta, Anambra, Edo, Akwa Ibom.

Invest/Grow — Strong · 3

Strong competitive position. Abia, Imo, Kaduna.

Invest/Grow — Emerging · 3

High potential, developing strength. Ekiti, Kano, Osun.

Selectivity and harvest

Selectivity/Earnings (7 states — 19%): Bayelsa, Cross River, Enugu, Kwara, Nasarawa, Ondo, Plateau — targeted investments, profitable segments only, selective presence. **Harvest/Divest (15 states — 41%):** minimize new investments, maximize cash extraction, plan exit strategies. Invest/Grow tiers together cover 40% of states and deserve maximum resource allocation.

South West leads on every measure that matters

Performance by geopolitical zone exposes the structural divide: attractiveness, purchasing power and middle-class concentration all slope southward.

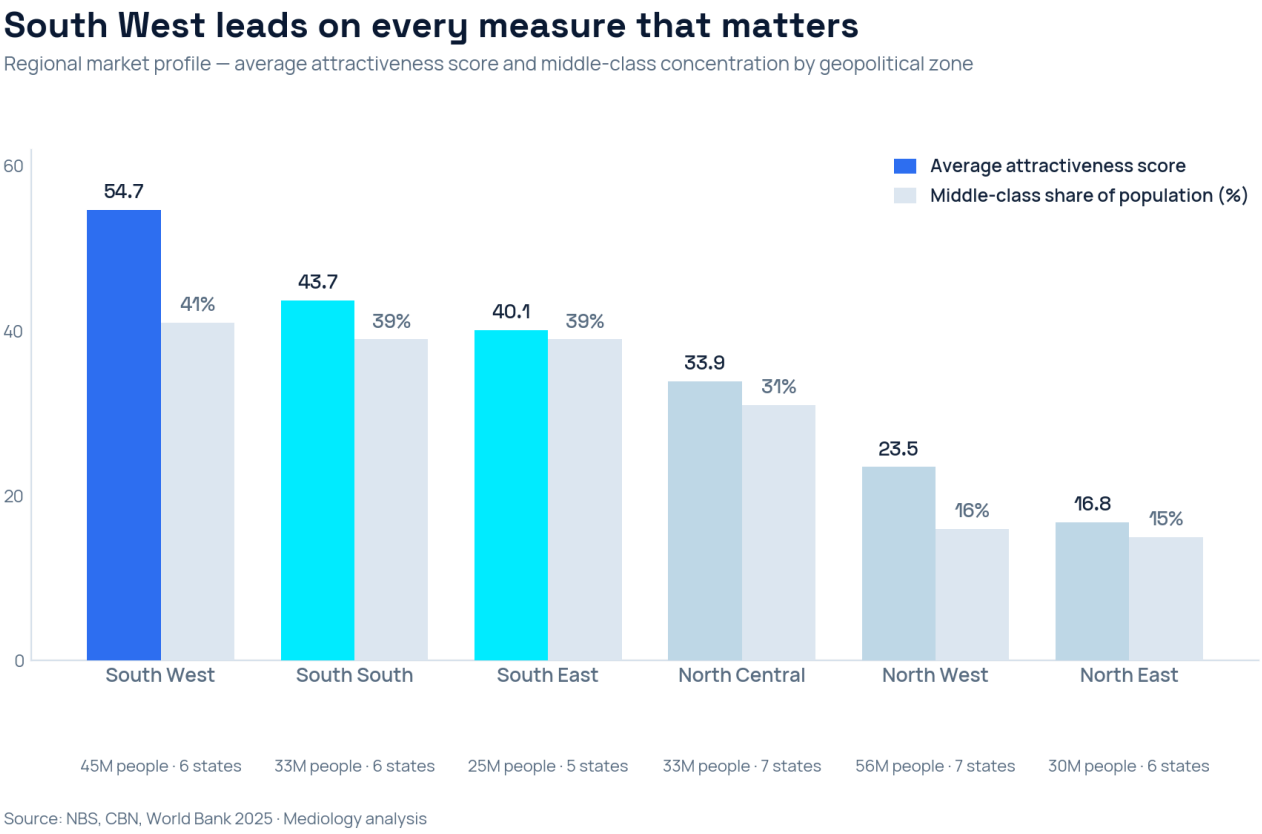


Figure 3 · Regional market profile — average attractiveness score and middle-class share of population by geopolitical zone.

South West · 54.7

6 states · 45M people · 41% middle class. Dominates attractiveness and consumer depth.

South South · 43.7

6 states · 33M people · 39% middle class. Oil economy drives GDP per capita and purchasing power.

South East · 40.1

5 states · 25M people · 39% middle class. Entrepreneurial culture supports trade and business activity.

North Central · 33.9

7 states · 33M people · 31% middle class. Abuja (FCT) significantly lifts regional performance.

North West · 23.5

7 states · 56M people · 16% middle class. Largest population, lower development indicators.

North East · 16.8

6 states · 30M people · 15% middle class. Security challenges severely impact attractiveness.

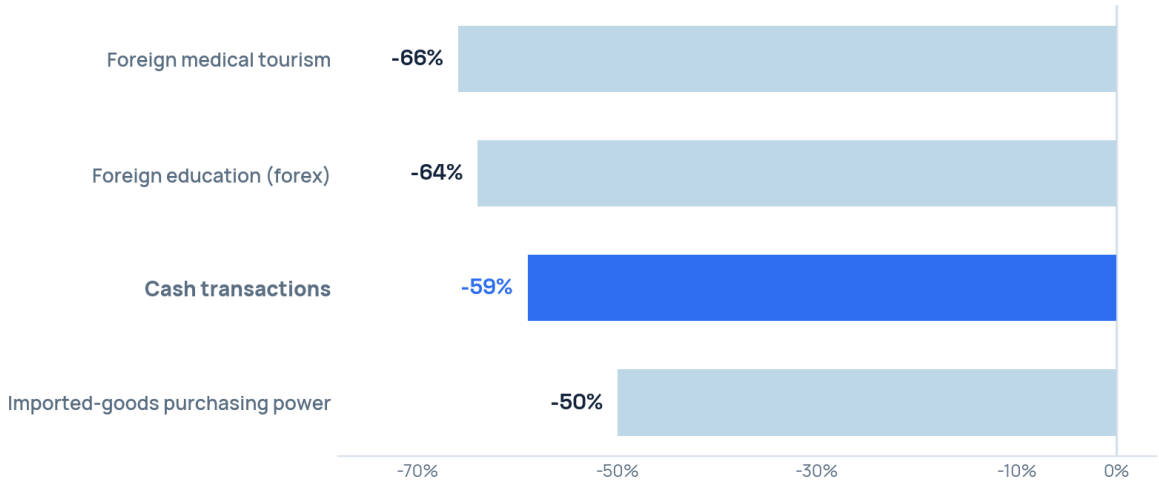
07 · CONSUMER SHIFTS & OPPORTUNITIES

The wallet is moving home, digital and essential

Between 2023 and 2025 the Nigerian consumer rewired spending: away from imports, foreign services and cash — toward digital finance, domestic healthcare and education, and essential goods.

Cash is retreating — ₦284.9 trillion in e-payments in Q1 2025

Consumer spending shifts 2023–2025 · year-on-year change in spending or transaction volumes



Source: Central Bank of Nigeria payments data, NBS household expenditure surveys 2025 · Mediology analysis

Figure 4 · Declining spending areas, 2023–2025 — year-on-year change. E-payments hit ₦284.9 trillion in Q1 2025 as cash transactions fell 59%.

Growing spending areas · 2026–2030

- **Digital financial services** — ₦284.9T in e-payments in Q1 2025; cash down 59%
- **Local healthcare** — medical tourism collapsed 66% YoY; domestic care expanding
- **Domestic education** — forex education spend down 64%; local institutions growing
- **Essential food items** — affordable protein, bulk purchasing, home cooking
- **Communication services** — $14.15 per capita in 2025, growing steadily

Declining spending areas

- **Foreign medical tourism** — spending collapsed from $2.3M to near zero
- **Foreign education** — 64% drop in forex spending on overseas tuition
- **Imported goods** — purchasing power for imports halved, 2023–2024
- **Restaurant dining** — per-capita spend forecast at just $1.50 in 2025
- **Non-essential discretionary** — household items at $32.76 per capita

Where the opportunity sits

Brands that localize supply chains, price in naira for the domestic wallet, and distribute through digital channels are aligned with the strongest currents in Nigerian consumer spending through 2030.

The readiness gap is the widest gap of all

Averaged across the five indices, the nine Leader states outscore the fifteen Harvest/Divest states on every dimension — and the widest separation is **economic readiness (52 vs 8)**, the hardest gap to close.

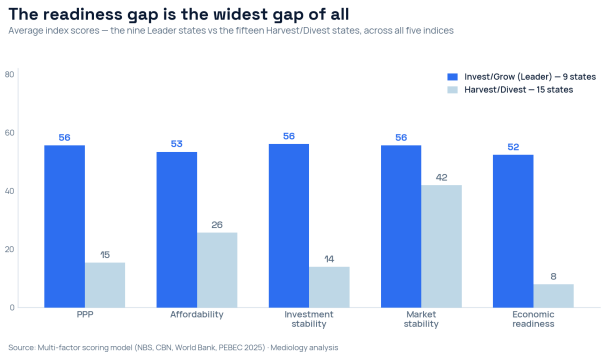


Figure 5 · Five-index comparison — average scores of the nine Invest/Grow (Leader) states vs the fifteen Harvest/Divest states.

TABLE 2 · COMPLETE MARKET PRIORITIZATION — RANKS 16–37

RANK	STATE	REGION	POP.	PPP	AFFORD.	INV. STAB.	MKT STAB.	ECON. RD.	OVERALL	PRIORITY
16	**Bayelsa**	South South	2.7M	52	47	37	40	24	39	Selective
17	**Kwara**	North Central	3.7M	38	42	30	65	23	39	Selective
18	**Cross River**	South South	4.6M	39	49	28	55	24	38	Selective
19	**Kaduna**	North West	9.8M	27	38	30	49	30	35	Strong
20	**Kano**	North West	16.1M	21	34	46	52	19	34	Emerging
21	**Nasarawa**	North Central	2.9M	34	37	29	44	20	32	Selective
22	**Kogi**	North Central	4.9M	39	29	20	45	19	30	Divest
23	**Ebonyi**	South East	3.4M	22	30	24	59	13	29	Exit
24	**Plateau**	North Central	4.9M	27	22	21	35	19	25	Selective
25	**Benue**	North Central	6.3M	26	20	18	39	15	24	Divest
26	**Niger**	North Central	6.4M	31	26	15	34	14	24	Divest
27	**Jigawa**	North West	6.8M	7	31	30	50	3	23	Divest
28	**Bauchi**	North East	7.4M	15	27	19	45	10	22	Divest
29	**Adamawa**	North East	5.1M	14	31	14	44	12	22	Exit
30	**Katsina**	North West	8.1M	15	31	9	44	7	20	Exit
31	**Gombe**	North East	3.8M	16	27	17	38	6	20	Exit
32	**Kebbi**	North West	5.2M	9	16	25	41	5	19	Divest
33	**Taraba**	North East	3.8M	10	25	7	44	6	17	Exit
34	**Sokoto**	North West	5.5M	11	28	5	41	5	17	Exit
35	**Zamfara**	North West	4.8M	9	31	1	51	1	17	Exit
36	**Yobe**	North East	3.9M	3	29	0	40	0	13	Exit
37	**Borno**	North East	6.2M	4	5	6	15	4	6	Exit

09 · STRATEGIC RECOMMENDATIONS

Enter deep where you lead, partner where you grow

Market entry and investment strategy follows the tiers: immediate, full-commitment entry into the five anchor markets; structured 12–24 month build-out across the growth corridor.

Tier 1 · Priority markets — immediate entry

- **Lagos** — premium focus, digital-first approach, high-value products
- **Abuja** — government/B2B focus, professional services, corporate clients
- **Ogun** — industrial corridor, manufacturing partnerships, logistics hub
- **Oyo** — large consumer base, agricultural value chain, education sector
- **Rivers** — oil & gas services, port logistics, energy sector

Tier 2 · Growth markets — 12–24 months

- **Delta, Anambra, Edo** — regional hubs, trade & commerce focus
- **Akwa Ibom** — oil-economy leverage, infrastructure development
- **Abia, Imo** — manufacturing & trade, SME support
- **Osun, Ekiti** — education & services, government partnerships

Key success factors

Localization: adapt products to local preferences and purchasing power. **Digital distribution:** leverage high internet penetration in target markets. **Partnerships:** collaborate with local distributors and financial institutions. **Flexible pricing:** tiered pricing for different consumer segments. **Supply-chain resilience:** local sourcing to reduce forex exposure. **Regulatory compliance:** navigate state-level business regulations effectively.

Resource allocation

Invest/Grow tiers cover 40% of states — allocate maximum resources, expand presence, build competitive advantage. Selectivity markets (19%) earn targeted investment in profitable segments only. Harvest/Divest markets (41%) get minimal new capital while cash is extracted and exits are planned.

10 · CONCLUSION

Prioritize the nine. Watch the emerging three.

The Nigeria market landscape presents a dichotomy of opportunities: the South West and South South offer attractive investment environments with strong consumer bases and improving infrastructure, while the North East and parts of the North West face significant challenges requiring careful risk assessment.

Concentration is real

Five states carry 60% of national market attractiveness. Lagos is not just first — it is in a category of its own at 87.

The divide is economic

South West averages 54.7 against the North East's 16.8 — a gap rooted in infrastructure, security and readiness.

Readiness decides

Economic readiness separates Leaders from Exit states 52 to 8 — the widest and hardest gap to close.

The consumer moved

Spending is going digital, domestic and essential. Strategies built on imports and cash are swimming against the current.

Strategic conclusion

Success in Nigeria requires a nuanced, state-level approach that accounts for regional variations in purchasing power, digital readiness and investment stability. Prioritize the nine Invest/Grow (Leader) states, build the three Emerging markets, and maintain selective presence elsewhere. Companies that match capital to attractiveness will capture a disproportionate share of Nigeria's next growth cycle.

Data sources: National Bureau of Statistics · Central Bank of Nigeria · World Bank · PEBEC Ease of Doing Business Report 2025. Analysis date: March 2026 · Methodology: multi-factor scoring model with BCG and GE-McKinsey frameworks.

ABOUT THE AUTHOR

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PROFILE

Results-driven marketing communications strategist with over 15 years of experience in brand building, brand development and management. A trusted consultant to global and local brands including Samsung, Reliance HMO, Polo Swarovski, FBN Holdings, M-KOPA, Honda Nigeria, Daraju Industries and De Trans — delivering 360° marketing, communication strategies, media planning and buying, digital marketing, SEO, content strategy and marketing analytics.

EDUCATION

- Ph.D. Economics — Sustainable Growth & Development (in view), University of Lagos
- M.Sc. Economics — Growth & Development, Monetary & Energy Economics, University of Lagos
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CAREER HIGHLIGHTS

- Managing Consultant — Mediology Nigeria Ltd (2025–present)
- Director of Planning & Strategy — Solid Media Nigeria (2022–2025)
- Head, Media Planning & Strategy — HoiSales Nigeria (2020–2022)
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- Senior Manager, Research / Planning & Innovation — All Seasons Zenith (Publicis), 2013–2014
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- Juror, Young Lions National Competition (Cannes Lions pathway) — 2024 & 2025
- Juror, Pitcher Awards — 2024
- Panelist, Social Media Week Lagos — 2019
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- Associate Member, Advertising Practitioners Council of Nigeria (APCON)
- Member, Chartered Institute of Marketing (CIM), UK

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