Financial Incentives and Youth Participation in the Gig Economy: Evidence from Embakasi Sub-County, Nairobi County, Kenya

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Abstract

This study examined the influence of financial incentives on youth participation in the gig economy in Embakasi Sub-County, Nairobi County, Kenya. As flexible employment arrangements gain traction, the gig economy offers young people immediate income opportunities and adaptable work schedules. However, the trade-off includes inconsistent earnings and limited access to social protection. Using a cross-sectional mixed-methods design, the study combined survey data from 399 youth respondents and key informant interviews from major stakeholders such as Uber, Glovo, Bolt, and government agencies. Findings indicated that 39.7% of respondents rely on gig work as their primary income source. Nearly half (47%) reported that gig earnings were higher than traditional employment, and 50.5% describe their income as consistent to some degree. However, 44.4% noted that they struggle to meet financial obligations during slow periods, and 57.5% cannot access health insurance through their gig income. Although 65.4% manage to save for emergencies, concerns over unpredictable income remain a key challenge. The study employed both descriptive and inferential statistics, revealing significant relationships between gig work participation and variables such as income consistency (p=.000), financial resilience during slow periods (p=.002), and motivation for professional development (p=.009). Qualitative findings reinforced the appeal of quick payouts and low entry barriers but also underscored concerns about long-term security, rising costs, and inadequate social protections. The research concluded that financial incentives play a dominant role in youth participation in the gig economy, driven by immediate income and flexible work structures. However, sustainable engagement will require targeted reforms, including income guarantees, social safety nets, and financial literacy initiatives. The findings offer valuable insights for policymakers and platform operators to align gig economy structures with the socio-economic realities of the urban youth.

Keywords: Gig Economy, Youth Participation, Financial Incentives, Social Protection, Kenya

1.0 Introduction

The United Nations defines youth as individuals aged 15 to 24 years, though in many African contexts, including Kenya, the youth bracket is extended to 18–35 years. Globally, this demographic represents about 16% of the population, translating to 1.2 billion people, with projections suggesting a rise to 1.3 billion by 2030 (United Nations, 2016). Youth are widely recognized as critical drivers of social and economic development, provided they have access to quality education, meaningful employment, and opportunities to contribute productively to the economy. Yet, persistent youth unemployment remains a pressing challenge, especially in

Sub-Saharan Africa, where economies struggle to absorb growing numbers of labor market entrants.

Against this backdrop, the gig economy has emerged as an alternative source of livelihood. Popularized in 2009 after the 2008 global financial crisis, the gig economy encompasses flexible, short-term, and digitally mediated work arrangements where individuals are paid per completed task (Abraham et al., 2019; Hunt, 2019). The proliferation of mobile technology and digital platforms has accelerated its growth, particularly among youth seeking flexible income opportunities. In Kenya, online platforms such as Elance and KuHustle attracted tens of thousands of freelancers by the mid-2010s (Melampy, 2015; Miriri, 2017). By 2019, the gig economy employed over 5.1 million Kenyans, generating an estimated $19.7 billion across both online and offline segments (Mwauras et al., 2019). This rapid expansion underscores its significance in reshaping Kenya's labor market.

Despite this growth, the sustainability of youth engagement in the gig economy remains uncertain. Evidence suggests that financial incentives, wages, bonuses, and performance-based pay, play a central role in motivating participation. However, existing studies have largely examined structural and technological aspects of gig work while neglecting localized experiences and the motivational dynamics unique to youth in urban settings. The result is a knowledge gap concerning whether financial incentives alone are sufficient to sustain youth participation or whether other factors, such as job security, social protection, and career progression, hold greater influence.

This gap is particularly salient in Nairobi's Embakasi Sub-County, a densely populated urban hub where many young people turn to gig work for survival and mobility. Without clear evidence on the role of financial incentives in shaping youth engagement, policymakers and gig platforms risk overlooking critical levers for inclusive and sustainable employment. This study therefore investigates the influence of financial incentives on youth participation in the gig economy, focusing on Embakasi Sub-County as a representative case of Kenya's urban labor dynamics.

2.0 Literature Review

The gig economy has redefined traditional employment relations by introducing a model that emphasizes flexibility and autonomy. Workers are able to determine their schedules, while firms reduce reliance on permanent staff, lowering operational costs. This shift presents clear advantages, including adaptability to personal circumstances, supplementary income, and opportunities for entrepreneurship. Scholars such as Allon, Cohen, and Sinchaisri (2023) argue that economic incentives strongly influence gig workers' decisions, while Barios et al. (2020) demonstrate that gig work provides financial cushioning that enables entrepreneurial ventures, particularly in contexts of economic distress where formal jobs are scarce.

Despite these benefits, significant challenges persist. The gig economy is often marked by unstable income, lack of benefits such as health insurance and pensions, and limited access to social protection. Huang et al. (2020) noted that economic downturns exacerbate this instability, with oversupply of labor leading to wage suppression and digital unemployment. In Kenya, Kwaya and Kutoma (2023) highlight that gig workers face low wages, poor pension coverage, and minimal social protection, leaving them vulnerable to exploitation. Fernández and Longo (2023) further illustrate that unpaid activities, such as project searching, add hidden burdens to gig workers.

Global studies confirm that while flexibility attracts workers, most come from economically constrained backgrounds. Berger et al. (2021) find that Uber drivers in the UK report higher life satisfaction than other low-wage workers, yet still struggle with financial precarity. In Asia, Behl et al. (2022) identify barriers such as poor pay, high competition, and maintenance costs, while Muhyi et al. (2021) in Malaysia show that necessity, rather than choice, often drives workers into gig roles. Similarly, Simonetti et al. (2017) in Europe argue that while gig work may increase employment through innovation, it does not guarantee long-term security.

Overall, while the gig economy offers vital flexibility and entrepreneurial avenues, it remains constrained by structural weaknesses around income stability and social protection. Literature across diverse contexts underscores the need for comprehensive reforms to safeguard workers. Against this backdrop, the current study investigates the influence of financial incentives on youth participation in the gig economy within Embakasi Sub-County, Nairobi County, Kenya.

3.0 Research Methodology

Research Design

This study adopted a cross-sectional mixed methods design, chosen for its flexibility in probing diverse aspects of the problem and generating policy-relevant statistical insights. It enabled comprehensive data collection, ensuring research questions were effectively addressed. The integration of qualitative and quantitative data provided deeper meaning and a more holistic understanding of the phenomenon under investigation.

Target Population and Geographic Scope

The target population for this study was defined as youths aged 18 to 35 years residing in Embakasi Sub- County, Nairobi. This specific age bracket, totalling approximately 168,398 individuals, was deemed the most suitable demographic for this investigation for two critical reasons. First, this group is typically transitioning from formal education and is actively seeking to establish their professional lives or find stable work. This positions them squarely in the segment of the population where the unemployment challenge is most acute, making the gig economy a highly relevant alternative for income generation. Second, this cohort possesses the highest rates of smartphone ownership and digital engagement in Kenya, satisfying the foundational requirements of technology access and base-level digital literacy necessary to participate in platform-based work. Therefore, they represent the population with the greatest economic incentive and basic technological capacity to engage with the gig economy.

The study's geographic scope was limited to Embakasi Sub- County, Nairobi City County. Embakasi was strategically chosen as a case study site because it typifies a low-to-middle income urban area facing significant youth unemployment, making its findings highly applicable to similar socio-economic environments across Kenya. The Sub- County is a geographically extensive area, covering 86 square kilometres and comprising multiple administrative units (including three divisions, seven sub-locations, and nineteen wards), bordered by Kasarani, Kamkunji, Makadara, and Langata sub-counties.

To effectively access this large and geographically dispersed target population, which lacks a centralized sampling frame, the study employed a multi-stage sampling strategy, leveraging high-density youth congregation points such as local cybercafés, training centres, and community-based organizations where gig workers are known to operate. Prior to inclusion, all participants were subjected to a screening process to confirm they fell within the 18-to-35 age range and were actively engaged in or seeking gig economy activities (both online and location-based). This targeted approach ensured the research team gained practical access to individuals who met the specific demographic and professional criteria relevant to the study's objectives.

Sampling Strategy

Both cluster sampling and a simple random sample technique were used in the study to choose survey participants. Four clusters, Embakasi East, Embakasi West, Embakasi Central, and Embakasi South, that serve as constituencies were identified as primary clusters in the

Embakasi subcounty. Nineteen cluster units were created by further grouping the constituencies into wards within the constituency. There was a varying number of respondents representing each cluster, which formed a total sample size of 399 respondents. This sampling strategy was borrowed from the KDHS program that is conducted annually and offers better representativeness of the data collected for the generalization of results. Further, nine subject matter experts from Bolt KE, Uber KE, Glovo Kenya, KENAFF- Kenya, Youth Café Kenya, Ministry of Youth Affairs, Youth Enterprise Development Fund (YEDF), National Youth Council (NYC), and Kenya Institute for Public Policy Research and Analysis. One expert from each of the institutions was engaged as a key informant.

Residency of Participants		**Sample Size**
Embakasi South	Imara Daima	16
	Mukuru Kwa Njenga	15
	Kware Ward	15
	Pipeline Ward	16
	Mukuru kwa Reuben	15
Embakasi East	Embakasi	43
	Utawala	43
	Upper Savannah	42
	Mihango	42
	Lower Savannah	42
Embakasi West	Umoja I	15
	Umoja II	14
	Mowlem	14
	Kariobangi South	14
Embakasi Central	Kayole North	10
	Kayole Central	11
	Kayole South	11
	Komarock	11
	Matopeni/ Spring Valley	10
Total		**399**

Data Collection

Quantitative data were primarily collected through structured surveys administered to the targeted youth population (aged 18-35) in Embakasi Sub- County. The survey instrument, developed to capture the study's variables (Technology Access, Digital Literacy, and Participation), utilized closed-ended questions and Likert scales to ensure standardization and facilitate statistical analysis. Data were collected via an electronic platform accessed on tablets and smartphones by trained Research Assistants (RAs). The RAs facilitated the survey completion in selected accessible points within the sub-county, ensuring the collection process was efficient and minimizing manual data entry errors. The RAs ensured participant confidentiality and secured informed consent prior to administering the survey.

Qualitative data were collected through Key Informant Interviews (KIIs) and semi-structured interviews, using a discussion guide tailored to the specific target groups. The discussion guides were customized to probe the underlying reasons and nuanced experiences of the digital divide, focusing on the how and why behind the quantitative findings. All interviews were conducted by the principal researchers or experienced RAs, who were proficient in both English and Swahili. Interviews were recorded using a digital voice recorder after obtaining explicit verbal consent from the participants, ensuring rich, verbatim data capture for subsequent thematic analysis.

Before commencing field work, a two-day training workshop was conducted for the team of Research Assistants, all of whom possessed relevant research experience. The training covered essential aspects of the study, including a detailed review of the instruments, data collection techniques, safeguarding policies, and the importance of gender sensitivity during fieldwork. Role-playing exercises were integrated to enhance practical skills and situational readiness.

To ensure the reliability and validity of the instruments, a pre-test was executed in Kasarani Sub- County, an area separate from the main research location but with similar socio-economic characteristics. The research team engaged 40 participants, representing 10% of the planned total sample, from youth groups during the pre-test. This exercise enabled the research team to revise and fine-tune the instruments for clarity, length, and flow, and to streamline the logistical arrangements for the main data collection phase. This meticulous preparation was essential for maximizing the quality and integrity of the data collected in Embakasi Sub- County.

Data Analysis

Prior to the commencement of analysis, the collected data underwent a rigorous process of cleaning, coding, and transformation. Quantitative survey data were meticulously checked for consistency and completeness, then coded for entry in the Statistical Package for the Social Sciences program (SPSS). Simultaneously, all qualitative audio-recorded interviews were transcribed verbatim and organized for coding within the Nvivo software to facilitate subsequent thematic analysis.

The quantitative data, derived from the structured surveys, were primarily analysed using inferential statistical techniques. Correlational Analysis was deemed the most appropriate method for the study's central objective, as it enabled the determination of the strength and direction of the relationship between the independent variables (Technology Access and Digital Literacy) and the dependent variable (Youth Participation in the Gig Economy).

In parallel, the qualitative data specifically the rich textual content from the transcribed Key Informant Interviews (KIIs) was analysed using thematic analysis. This method was crucial and appropriate for going beyond the survey statistics to understand the meaning and context of the digital divide. The procedure involved an iterative coding process where themes were drawn inductively from the data, allowing the researcher to identify, analyse, and report patterns related to the lived experiences of digital exclusion. The emerging patterns were then analysed and documented as findings, with the final write-up integrating direct participant narratives and quotes to provide contextual richness and validate the quantitative results through triangulation.

4.0 Findings and Discussion

The study examined financial returns' influence on youth participation in Embakasi's gig economy, using nine key informants and 315 survey respondents. Findings combined thematic insights from participants' experiences with descriptive and inferential statistical analysis of quantitative data.

Demographic Information

The study sought to establish the demographic characteristics of respondents in order to understand how these factors might influence youth participation in the gig economy in Embakasi Sub-County. The demographic variables captured included gender, age, level of education, and marital status.

Table 1: Demographic Information

		N	%
Gender	Male	161	51.1%
	Female	154	48.9%
Age	18-23 years	180	57.1%
	24-29 years	98	31.1%
	Above 30 years	37	11.7%
Level of education	No education	0	0.0%
	Primary	11	3.5%
	Secondary	98	31.1%
	Diploma	80	25.4%
	Degree	102	32.4%
	Postgraduate	24	7.6%

Marital Status	Single	249	79.0%
	Married	52	16.5%
	Divorced	14	4.4%
	Widowed	0	0.0%

The sample was defined by a highly educated and predominantly young cohort, consistent with the definition of youth in the Kenyan context (18–35 years). The largest segment of respondents was aged 18–23 years (57.1%), with 88.2% falling below 30 years. Crucially, a significant majority were highly educated, with 65.4% holding a post-secondary qualification (Diploma, Degree, or Postgraduate), including 40.0% with a Degree or Postgraduate degree. This profile underscores the global challenge identified in the Introduction. This educated demographic represents the critical drivers of social and economic development who are actively seeking meaningful employment (United Nations, 2016). Their high level of human capital suggests that their engagement in the gig economy is not merely a last resort for the unskilled, but a necessary alternative source of livelihood (Abraham et al., 2019). The presence of such a highly qualified workforce raises the primary research question: are the financial incentives provided by the gig economy sufficient to meet the expectations of educated workers who are otherwise constrained by persistent formal youth unemployment? If financial rewards are found to be inadequate or subject to wage suppression (Huang et al., 2020), this talented cohort is likely to disengage, reinforcing the uncertainty regarding the gig economy's sustainability as a long-term employment solution.

The sample also exhibited a fairly balanced gender distribution, with males (51.1%) slightly outnumbering females (48.9%). The most striking finding was the overwhelming majority of single respondents (79.0%). This demographic structure aligns perfectly with the characteristics of the gig economy. The literature highlights that gig work is defined by its flexibility and short-term contracts (Manyika et al., 2016). This autonomy and adaptable scheduling are particularly appealing to young, single individuals who typically have fewer fixed domestic or family obligations. The high prevalence of this demographic suggests the study successfully captured the population segment most motivated by the flexibility-autonomy-income nexus. Consequently, any finding on the sufficiency of financial incentives must be weighed against this structural appeal. The implication is that while flexibility attracts (Berger et al., 2021), the study is positioned to determine if flexibility is sufficient to override the structural weaknesses of unstable income and lack of social protection (Kwaya & Kutoma, 2023) if financial rewards fall short.

The synthesized demographic profile provides a strong foundation for the study's core problem statement, investigating the influence of financial incentives on sustained participation. In terms of financial sensitivity and noting that the workforce is educated, young, and relatively flexible, their decision to sustain engagement is likely a rational economic calculation regarding the return on their time and human capital. They will be highly sensitive to the issues of low wages and hidden burdens (such as time spent searching for projects, as noted by Fernández & Longo, 2023).

In regard to focus on sustainability, the key implication is that the study's findings on financial incentives will directly test the hypothesis that economic motives are paramount. If the financial incentives prove to be the strongest predictor of participation, it will support scholars like Allon et al. (2023). Conversely, if the lack of non-financial factors like job security and social protection outweighs financial rewards, it will validate the perspective that necessity, rather than choice or adequate reward, is the true driver for this educated, yet economically constrained, cohort (Muhyi et al., 2021).

Participation in the Gig Economy

The researcher also sought to know the respondents' participation in the gig economy. The study findings are as shown on table 3.

Table 2: Participation in the gig economy

		N	%
What type of employment serves as your main source of livelihood?	Fulltime (40hrs a week)	89	28.3%
	Parttime (less than 40hrs a week)	64	20.3%
	Seasonal (work performed during specific periods of the year)	31	9.8%
	Temporary (Work on specified task, project, or duration)	79	25.1%
	Self-employed (earning an income through freelance work or business ownership)	52	16.5%
Do you participate in other occupations as a secondary source of livelihood?	Yes	164	52.1%
	No	151	47.9%
Have you participated in any kind of work in the gig economy?	Yes	215	68.3%
	No	100	31.7%
How long have you participated in the gig economy industry?	0-30 Days	244	77.5%
	31-61 Days	66	21.0%
	Above 61 Days	5	1.6%
Hours on a gig	0-20 Hours	231	73.3%
	21-40 Hours	68	21.6%

41-60 Hours	3	1.0%
61-80 Hours	3	1.0%
81-100 Hours	10	3.2%

The analysis of the employment profile confirmed that for the youth in Embakasi Sub-County, the gig economy functions predominantly as an essential strategy for income diversification against a backdrop of job market precarity, rather than a sole substitute for traditional employment. This pattern, however, revealed a critical paradox regarding the sustainability and intensity of participation, which directly informs the study's focus on financial incentives.

The data established a highly fragmented and unstable job market, where the main source of livelihood was split across various forms of precarious work, including Temporary (25.1%) and Part-time (20.3%) roles. This instability necessitates alternative income streams, as evidenced by 52.1% of the sample reporting participation in a secondary occupation. A large majority of the youth, 68.3%, were involved in the gig economy.

This prevalence strongly supports the literature, which argues that the gig economy provides vital financial cushioning and enables entrepreneurial engagement in environments characterized by economic distress and scarce formal jobs (Barios et al., 2020). The high rate of engagement, even among those with primary jobs, confirms that the primary driver is economic necessity, the pursuit of supplementary income to mitigate the inherent unstable income associated with precarious African labor markets (Kwaya & Kutoma, 2023). The implication is that the financial incentives offered by platforms are not secondary benefits; they are the core utility sought by a workforce actively managing high levels of income risk.

Despite the widespread entry into gig work, the data revealed a critical challenge to its sustainability. The majority of participants reported engaging for an extremely short duration (77.5% for 0–30 days) and low intensity (73.3% for 0–20 hours on a gig).

This phenomenon, high entry followed by rapid churn, implies that while the low entry barriers and the promise of flexible income successfully attract youth (Abraham et al., 2019), the actual economic returns are insufficient to justify sustained time and effort. This transient pattern validates the structural weaknesses highlighted in the literature, particularly concerning low wages, wage suppression due to labor oversupply (Huang et al., 2020), and the hidden burdens of unpaid activities such as project searching and client management (Fernández & Longo, 2023).

The key implication for the study is that the financial incentives offered must be inadequate. If the net economic benefit (earnings minus costs and time investment) is too low, the highly educated youth will rationally disengage after the initial trial period. This demonstrates the central problem of the research: the gig economy's growth and flexibility are not translating into sustainable employment because the financial rewards are failing to meet the economic expectations of this motivated, yet financially constrained, demographic.

Descriptive statistics on the Influence of Financial Returns on Youth Participation in the Gig Economy

Variable		**N**	**%**
Do you rely on gig work as your primary source of income?	*Yes*	125	39.7%
	No	190	60.3%
How does your income from gig work compare to traditional employment opportunities you have considered?	*Significantly higher*	68	21.6%
	Slightly higher	80	25.4%
	About the same	78	24.8%
	Slightly lower	57	18.1%
	Significantly lower	32	10.2%
How consistent is your monthly income from gig work?	*Very consistent*	68	21.6%
	Somewhat consistent	91	28.9%
	Neither consistent nor inconsistent	76	24.1%
	Somewhat inconsistent	42	13.3%
	Very inconsistent	35	11.1%
	Missing	3	1.0%
During slow periods, are you able to meet your financial needs solely from gig work income?	*Always*	56	17.8%
	Often	62	19.7%
	Sometimes	109	34.6%
	Rarely	57	18.1%
	Never	31	9.8%
Over the past year, has your income from gig work increased?	*Increased significantly*	43	13.7%
	Increased slightly	129	41.0%
	Stayed the same	98	31.1%
	Decreased slightly	22	7.0%
	Decreased significantly	22	7.0%
	Missing	1	0.3%
Do platform fees or commissions affect your ability to earn enough income from gig work?	*Yes, significantly*	92	29.2%
	Yes, somewhat	55	17.5%
	Neutral	84	26.7%
	No, not much	43	13.7%
	No, not at all	41	13.0%
Do you encounter difficulties receiving payments on time from gig platforms or clients?	*Always*	63	20.0%
	Often	51	16.2%
	Sometimes	106	33.7%
	Rarely	71	22.5%
	Never	24	7.6%

Do financial returns from gig work encourage you to invest in personal or professional development (e.g., courses, certifications)?	*Always*	107	34.0%
	Often	87	27.6%
	Sometimes	73	23.2%
	Rarely	24	7.6%
	Never	24	7.6%
Does work in the gig economy provide opportunities for career growth or advancement?	*Yes, significantly*	121	38.4%
	Yes, somewhat	100	31.7%
	Neutral	58	18.4%
	No, not much	20	6.3%
	No, not a tall	16	5.1%
Has participating in gig work opened opportunities for transitioning into traditional employment or higher-paying roles?	*Yes*	220	69.8%
	No	95	30.2%
Does your income from gig work provide sufficient financial stability to meet your social protection needs (e.g., healthcare, retirement savings)?	*Yes*	186	59.0%
	No	124	39.4%
	Neutral	5	1.6%
Are you able to save part of your gig work income for emergencies or future needs?	*Yes*	206	65.4%
	No	109	34.6%
Do financial returns from gig work enable you to access health insurance?	*Yes*	134	42.5%
	No	181	57.5%
Have you faced challenges in accessing social protections (e.g., sick leave, maternity leave, or disability benefits) due to the nature of gig work?	*Yes, frequently*	58	18.4%
	Yes, occasionally	59	18.7%
	Neutral	65	20.6%
	No, rarely	74	23.5%
	No, never	59	18.7%

The findings affirmed that financial incentives are a potent motivational factor (Allon et al., 2023), with a combined 47.0% of respondents perceiving their gig income as significantly or slightly higher than traditional employment. This perceived competitiveness forms the foundation of participation. Furthermore, the youth viewed gig work as a career enhancing mechanism. 69.8% reported that it had opened opportunities for transitioning into traditional or higher-paying roles, and 61.6% were encouraged to invest earnings into professional development.

This robust optimism suggests that the financial returns are, for many, sufficient to overcome the stigma of non-traditional employment. The implication is that the gig economy effectively serves as a skill-building and financial stepping stone, aligning with the argument that financial rewards can transform participation driven by necessity (Muhyi et al., 2021) into a strategic economic choice, provided the rewards justify the inherent risk.

Despite the attractive potential earnings, the data revealed severe underlying financial instability, confirming the structural precarity documented in the literature (Huang et al., 2020). Focusing on income volatility, nearly half of the respondents (45.4%) reported that their monthly income was inconsistent, leading to financial vulnerability. Consequently, only 37.5% could Always or Often meet their financial needs solely from gig work during slow periods.

In relation to cost and delay, this volatility was exacerbated by friction points: 46.7% felt that platform fees or commissions significantly or somewhat eroded their earnings potential, and a combined 36.2% encountered difficulties receiving payments Always or Often. The implication is that the initial financial incentive is systematically undermined by operational costs, platform extraction, and inconsistent payment schedules. This validates the literature on hidden burdens and financial friction (Fernández & Longo, 2023), demonstrating that the youth's net economic benefit is severely compromised. For platform regulators, the necessity to focus on payment transparency and commission caps is paramount to ensure the intended financial incentives translate into actual, usable income.

The most significant threat to the long-term sustainability of participation was identified in the area of social security, confirming that structural safeguards lag behind economic growth (Simonetti et al., 2017). A significant majority, 57.5%, reported that their gig income did not enable them to access health insurance, and 39.4% stated their income was not sufficient to meet their social protection needs overall. Moreover, 37.1% frequently or occasionally faced challenges accessing non-wage benefits (e.g., sick leave).

This pronounced deficit confirms the findings of Kwaya and Kutoma (2023) regarding minimal social protection for gig workers. The implication is that the high financial incentives and flexibility are insufficient to secure long-term commitment because they fail to address fundamental quality-of-life and risk management needs. The absence of an affordable social safety net acts as the decisive non-financial barrier, preventing youth from viewing gig work as a viable, long-term career path and necessitating comprehensive policy reforms focused on mandated or subsidized social protection schemes.

Bivariate Analysis of Financial returns and Participation in the gig economy

		Have you participated in any kind of work in the gig economy?				P-Value
		Yes		No		
		N	%	N	%	
Do you rely on gig work as your primary source of income?	*Yes*	105	84.0%	20	16.0%	***.000****
	No	110	57.9%	80	42.1%	
How does your income from gig work compare to traditional employment opportunities you have considered?	*Significantly higher*	61	89.7%	7	10.3%	***.000****
	Slightly higher	69	86.3%	11	13.8%	
	About the same	39	50.0%	39	50.0%	
	Slightly lower	32	56.1%	25	43.9%	
	Significantly lower	14	43.8%	18	56.3%	
How consistent is your monthly income from gig work?	*Very consistent*	64	94.1%	4	5.9%	***.000*,b***
	Somewhat consistent	59	64.8%	32	35.2%	
	Neither consistent nor inconsistent	48	63.2%	28	36.8%	
	Somewhat inconsistent	22	52.4%	20	47.6%	
	Very inconsistent	22	62.9%	13	37.1%	
	Missing	0	0.0%	3	100.0 %	
During slow periods, are you able to meet your financial needs solely from gig work income?	*Always*	49	87.5%	7	12.5%	***.002****
	Often	40	64.5%	22	35.5%	
	Sometimes	77	70.6%	32	29.4%	
	Rarely	32	56.1%	25	43.9%	
	Never	17	54.8%	14	45.2%	
Over the past year, has your income from gig work increased?	*Increased significantly*	37	86.0%	6	14.0%	***.032*,b***
	Increased slightly	88	68.2%	41	31.8%	
	Stayed the same	65	66.3%	33	33.7%	
	Decreased slightly	11	50.0%	11	50.0%	
	Decreased significantly	14	63.6%	8	36.4%	
	Missing	0	0.0%	1	100.0 %	
Doplatformfeesorcommissionsaffectyourabilitytoearnenoughincomefromgigwork?	*Yes, significantly*	69	75.0%	23	25.0%	***.264***
	Yes, somewhat	40	72.7%	15	27.3%	
	Neutral	51	60.7%	33	39.3%	
	No, not much	27	62.8%	16	37.2%	
	No, not at all	28	68.3%	13	31.7%	
	Always	52	82.5%	11	17.5%	***.004****

Do you encounter difficulties receiving payments on time from gig platforms or clients?	*Often*	33	64.7%	18	35.3%	
	Sometimes	77	72.6%	29	27.4%	
	Rarely	42	59.2%	29	40.8%	
	Never	11	45.8%	13	54.2%	
Do financial returns from gig work encourage you to invest in personal or professional development (e.g., courses, certifications)?	*Always*	86	80.4%	21	19.6%	***.009****
	Often	53	60.9%	34	39.1%	
	Sometimes	45	61.6%	28	38.4%	
	Rarely	18	75.0%	6	25.0%	
	Never	13	54.2%	11	45.8%	
Does work in the gig economy provide opportunities for career growth or advancement?	*Yes, significantly*	80	66.1%	41	33.9%	***.003****
	Yes, somewhat	67	67.0%	33	33.0%	
	Neutral	47	81.0%	11	19.0%	
	No, not much	16	80.0%	4	20.0%	
	No, not at all	5	31.3%	11	68.8%	
Has participating in gig work opened opportunities for transitioning into traditional employment or higher-paying roles?	*Yes*	146	66.4%	74	33.6%	***.273***
	No	69	72.6%	26	27.4%	
Does your income from gig work provide sufficient financial stability to meet your social protection needs (e.g., healthcare, retirement savings)?	*Yes*	133	71.5%	53	28.5%	***.003***[*,c]
	No	82	66.1%	42	33.9%	
	Neutral	0	0.0%	5	100.0%	
Are you able to save part of your gig work income for emergencies or future needs?	*Yes*	149	72.3%	57	27.7%	***.033****
	No	66	60.6%	43	39.4%	
Do financial returns from gig work enable you to access health insurance?	*Yes*	94	70.1%	40	29.9%	***.534***
	No	121	66.9%	60	33.1%	
Have you faced challenges in accessing social protections (e.g., sick leave, maternity leave,	*Yes, frequently*	37	63.8%	21	36.2%	***.107***
	Yes, occasionally	43	72.9%	16	27.1%	
	Neutral	38	58.5%	27	41.5%	
	No, rarely	58	78.4%	16	21.6%	
	No, never	39	66.1%	20	33.9%	

or disability benefits) due to the nature of gig work?		

The bivariate analysis of financial returns and participation provided robust evidence for the central role of economic incentives, while simultaneously identifying the structural fragilities that undermine long-term sustainability. These findings carry four key implications for the study and policy; Financial Incentives as the Dominant Catalyst for Entry and Survival, Income Stability are the Critical Determinant for Sustained Engagement, Non-Wage Financial Factors Drive Human Capital Investment and Lack of Social Protection as the Defining Non-Financial Barrier.

The highly significant relationships between participation and reliance on gig work as a primary income source (p = .000) and the perception of higher comparative earnings p = .000) confirmed the core hypothesis, financial necessity and reward are the chief motivators for entry. The study's focus on financial incentives was empirically justified noting that gig work is not a leisure pursuit but a survival mechanism for youth in a low-opportunity urban environment (Barrios et al., 2020; Muhyi et al., 2021). The high engagement rate among those who perceived earnings as superior (nearly 90% for "significantly higher" group) suggested that the immediate, flexible cash flow successfully provided the financial cushioning necessary to cope with formal market instability (Berger et al., 2021). Policy must acknowledge that maximizing the *competitiveness* of the net wage is the strongest lever for attracting this educated, risk-taking demographic.

The analysis also revealed that income consistency (p = .000) and the ability to meet needs during slow periods (p = .002) were vital factors for participation. Notably, 94.1% of those with "very consistent" earnings were engaged. While high potential rewards attract youth, predictability and resilience were noted necessary for *retaining* them. The volatility and subsequent fragile financial resilience reported by informants R3: "You can't budget properly" were noted to undermine the utility of gig work as a sustainable livelihood strategy (Huan et al., 2020). This suggested that platforms must stabilize demand or offer guaranteed minimums, as income instability ultimately drives the high churn observed in the participation dynamics echoing that financial incentives must be reliable to be motivational.

The significant associations between participation and reinvestment in development (p = .009), career growth perceptions (p = .003), and payment timeliness (p = .004) revealed that the incentive model extends beyond the mere pay check. It was noted that youth were willing to view gig work as a growth platform (Fernández & Longo, 2023), as long as the financial environment facilitates investment. Timely compensation was crucial because irregular payments (82.5% of those always facing delays still participated) directly undermined trust and the ability to reinvest earnings (Whitley & Wilson, 2016). The implication is that policy interventions should focus on mandating swift, transparent payment systems and creating mechanisms that allow the tax-deductibility or subsidization of training, leveraging the youth's self-reported tendency to upgrade skills as noted by R3: "Now I charge 5 times more. Education matters!".

The absence of a significant relationship between participation and access to health insurance ($p = .534$) or social protection ($p = .107$) was a critical negative finding, despite the fact that financial stability ($p = .003$) and saving ability ($p = .033$) were positively linked to engagement. This confirms that the gig economy forces youth to internalize all economic risk. Although they participate and even manage to save, the lack of institutional protection exposes them to catastrophic financial shocks, as confirmed by the vulnerability to hospital bills as noted by R3: "I have to save for hospital bills myself". This validates the literature's concern regarding minimal social protection (Kwaya & Kutoma, 2023). The final implication for policy is that the long-term viability of the gig economy as a national employment solution is compromised unless comprehensive, affordable social safety nets (such as health and retirement schemes) are instituted to mitigate the inherent precarity, thereby creating a secure environment for sustained youth participation.

5.0 Conclusions

The study concludes that financial incentives are necessary but ultimately insufficient to guarantee the sustainable participation of educated youth in the gig economy in Embakasi Sub-County. The core finding reveals a profound paradox: youth are highly motivated by the competitive and career-enhancing aspects of gig earnings, supported by 47.0% reporting higher comparative income, yet they are systematically forced into transient engagement by the transfer of systemic economic risk from the platform and the state directly onto the individual worker. The decisive barriers to sustainability are not low wages, but rather economic volatility and the deficit of institutional protection.

The highly significant relationships linking participation to income consistency ($p = .000$) and the ability to save ($p = .033$) confirm that while youth enter for the reward, they are driven out by the inability to manage financial shocks. The absence of comprehensive social security, with 57.5% lacking health insurance, exposes them to catastrophic financial failure, rendering the gig economy a high-risk, short-term coping mechanism rather than a viable, long-term career path. Therefore, the failure to realize the gig economy's potential is not a failure of the youth's skill or intent, but a failure of the regulatory and infrastructural ecosystem to mitigate the precarity that accompanies flexible work (Kwaya & Kutoma, 2023; Simonetti et al., 2017).

6.0 Recommendations

The recommendations proposed here are targeted specifically at mitigating the systemic economic volatility and institutional risk that currently undermine the sustainability of youth participation, transforming the gig economy from a short-term coping mechanism into a resilient long-term livelihood.

1. Regulatory Reform for Income Stabilization and Cost Mitigation

Given that high youth participation relies heavily on income consistency and is rapidly eroded by operational friction, regulatory action is urgently needed to stabilize the working environment. To this end, platforms must be required to Mandate Payment Transparency and Timeliness. Platforms should be legally obliged to implement swift and reliable payment systems, potentially facing penalties for frequent delays (a significant negative determinant at $p = .004$). This direct intervention addresses the Erosion of Earnings identified through prevalent payment difficulties. Furthermore, policy must move to Regulate Platform Commissions. Policymakers should explore establishing a transparent, justifiable ceiling on platform commissions or fees. This intervention would directly address the nearly half of the youth (46.7%) who reported that fees significantly affected their net earnings, thereby ensuring that the intended financial incentives remain competitive at the individual worker level. Finally, the government must Subsidize Facilitating Conditions. Recognizing that high rates of technical difficulty and the pervasive reliance on unstable mobile data (48.6%) act as a structural earnings cap, the government should institute targeted subsidies (such as tax relief or dedicated low-cost data bundles) to lower the personal cost of high-quality internet access and modern devices for registered gig workers, thereby supporting the Facilitating Conditions construct of the UTAUT model (Marchewka et al., 2007).

2. Implementation of Portable Social Protection Schemes

The lack of social security was identified as the ultimate non-financial barrier, demonstrating a critical institutional deficit that the government must address. This necessitates the creation of a secure safety net. Specifically, there is a need to Establish a Contributory Health and Retirement Fund. A dedicated, mandatory, and portable social protection fund should be established for gig workers. This scheme should allow for flexible, percentage-based contributions, potentially matching a small platform fee, to cover basic healthcare (akin to Kenya's NHIF) and a retirement component, thereby resolving the high vulnerability confirmed by the 57.5% of participants who currently lack health insurance. Mechanisms must be devised specifically tailored for slow periods, recognizing that the volatility of gig income is a structural reality, not a personal failure. This would directly address the large proportion of youth unable to meet needs during economic downturns (62.5%), transforming gig work into a more resilient and less stressful livelihood strategy.

3. Investment in Advanced Digital Entrepreneurial Skills

Building on the youth's proven willingness to invest in their future as evidenced by R3: "Now I charge 5 times more", training initiatives must pivot beyond basic digital literacy to focus on high-value skill acquisition. Curricula should Focus on Market-Driven Skills, emphasizing high-value competencies like financial management, specifically budgeting for income instability, advanced digital marketing, for effective self-marketing and client acquisition, and specialized technical services e.g., coding, data analysis. This strategic investment in skill development directly maximizes the Performance Expectancy of the youth's existing human capital, ensuring that their labor translates into the higher, more consistent earnings necessary for sustained engagement.

7.0 Ethical Considerations

The researchers prioritized implementing specific measures to ensure ethical standards were upheld throughout the study. Some of the ethical measures undertaken were: ensuring the Safety of Participants, Partners, and Teams, adopting a person/ community centred approach, obtaining free and informed consent of participants and ensuring the security of personal and sensitive data.

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