



Chapter 2
FROM KIBANDA TO CONTENT
CREATION: EXPLORING THE
INVISIBLE 83% IN KENYA'S
INFORMAL ECONOMY

CHAPTER 2 CONTENTS

ACKNOWLEDGEMENTS	3
EXECUTIVE SUMMARY	6
INTRODUCTION: THE OTHER 83%	7
THE DIVERSE AND VIBRANT INFORMAL MARKET SEGMENT UNIVERSE IN KENYA	7
NARROWING DOWN TO THREE SEGMENTS: FOOD SERVICES, CREATIVES & ENTERTAINMENT, AND AGRI-LIVELIHOOD STRATEGIES	10
How did we select these three market segments?	10
FOOD SERVICE PROVISIONS SEGMENT	12
Why is the Food Service Provision segment so important?	12
Who is included?	13
Views from experts on the segment	14
CREATIVES AND ENTERTAINMENT SEGMENT	15
Why is the Creatives & Entertainment segment so important?	15
Who is included?	16
AGRI-LIVELIHOOD STRATEGIES SEGMENT	17
Why is the Agri-livelihood strategy segment so important?	17
Who is included?	18
CLOSING COMMENTS	20

ACKNOWLEDGEMENTS

This work was commissioned by [TRANSFORM](#) and led by [Brink's](#) team comprising Kelley Rowe, Pritika Kasliwal, Phyllis Gichuhi, Sam Stockley Patel, Alex Losneanu, and Ciku Mbugua.

Embarking on this collaborative journey, engaging hundreds of stakeholders across Kenya, has been an incredible eight months filled with rich discussions and contributions from diverse voices within the ecosystem.

This paper is part of a broader body of work, a vital contribution to the 'Future of Work in the Informal Economy' series representing the collective efforts of over 700 individuals and 80 committed organisations from across the ecosystem collectively shaping the narrative around the Future of Work in Kenya. To each person and organisation that collectively contributed along this journey, we extend our heartfelt gratitude for generously sharing your time, energy, and insights.

A special acknowledgement to Hilde Hendrickx from TRANSFORM - your belief in seeking the invisible within the invisible has made all of this work possible. On behalf of all the partners and stakeholders that took part and contributed to this piece of work, we thank you for making this possible! Your visionary leadership, energy, guidance and unwavering support has been invaluable.

We would also love to acknowledge our local Kenyan-based research partners - Busara (Morgan Kabeer and Radha Nayer), Laterite (John DiGiacomo and Sylvia Onchaga, with data collection leadership from Martin Gichuru and Anne Wagaturi, and from enumerators Audrey Jerono, Joy Odongo, George Gitonga, Stephen Wachira, Samuel Wainaina, Maryanne Mutai, Joseph Chege, and Mariam Gatiti), ProCol Africa (Eve Njau and Jacqueline McGlade and their

dedicated team of Citizen Scientists including Abdalla Koi, Abed Kipchirchir, Agnes Menya, Daniel Njuguna, David Agesa, Elizabeth Akinyi, Eric Guantai, Odhiambo Ochieng, and Sarah Gichuki), and Ideas Unplugged (Alex Maina and Lynn Muthoni), their passion, dedication, care, energy and endless support throughout our collectively co-created journey has been exceptional.

A special thanks also goes to Anne Gitonga (KIPPRA - The Kenya Institute for Public Policy and Research), Alfred Sigo (Pwani Youth Network), Allan Ochola (USAID Higher Education Learning Network), Bridget Deacon (Shujaaz), Chris Maclay (Jobtech Alliance), David Ogiga (Sote Hub), Djae Aroni (Pawa 254), Ebenezer A. Amadi (KEPSA - Kenya Private Sector Alliance), Eliud Luutsa (International Trade Centre - Ye! Community), Elsie Onsongo (Nuvoni Research), Emmeline Skinner (FCDO - East Africa Regional Hub), Gerald Gichuhi (Unboxed Africa), Gorette Kamau (COLEAD - Committee Linking Entrepreneurship-Agriculture-Development), James Ogada (Busara Centre for Behavioural Economics), Judy Kaaria (Nuvoni Research), Lea Simpson (Brink), Lucy Wanjiru Ndinguri (Shujaaz Inc), Luisa Odell (TRANSFORM), Magdalena Banasiak (Acumen), Martin Oloo (Fablab Winam), Maurice Omondi (CPF Group Foundation), Mary Randiki (Research Plus), Molly Kwamah (Solidaridad), Moses Njenga (KIPPRA - The Kenya Institute for Public Policy and Research), Nora Ndege (Research PhD Freelancer), Njeri Mwangi (Pawa 254), Pippa Ranger (FCDO), Reynold Njue (MSEA - Micro and Small Enterprise Authority, Kenya), Samuel Mburu (KENSAVIT - Kenya National Alliance of Street Vendors and Informal Traders), Sheilah Birgen (Innovate UK KTN Global Alliance Africa), and Siler Bryan (Educatel), your insights and contributions shared have been invaluable.

We would also like to acknowledge the additional conversations and key insights shared by Angela Kow (TRANSFORM), Abba Kidena (Educate!), Allan Orina, Agnes Tsuma (KeNIA - Kenya National Innovation Agency), Beatrice Gichohi (CYFE - Challenge Fund for Youth Employment), Bernard Karathe (Pawa 254), Caroline Nyaga (Kenyan Women in STEAM initiative), Catherine Cephas (Unilever), Cavin Otieno (Strathmore University, Kenya), Chloe Ford-Welman (The Haller Foundation), Chris Edwards (Strive Community, Caribou Digital), Daniella Boston (BFA Global, Jobtech Alliance), Elizabeth Muthoni (KeNIA - Kenya Innovation Agency), Emily Comyn (TRANSFORM), Emmy Chirchir (FCDO - East Africa Regional Hub), Faith Wambui (Youth Cafe), Gachiri Amos (Fundis), George Issaias (MESH), Gideon Murenga (GIZ), Glenn Ogolah (Busara Centre for Behavioural Economics), Grace Cramer (FCDO), Grace Ter Haar (TRANSFORM), Immaculate Otieno (GIZ), Irene Mwangi (Fundi254), Isabella Oh (TRANSFORM), James Ochuka (JuaKali Smart), Janet Wandia (Mercy Corps, Jobtech Alliance), Jared Adema (Mercy Corps, Jobtech Alliance), Joanna Maiden (SOKO Kenya), John Waimiri (Family Group Foundation), Joyce Nzovu (British Council), Kabale Sharamo (CPF Financial Services), Kerry Krige (Marshal Institute), Ketry Kubasu (EY), Kristoffer Gandrup-Marino (UNICEF), Leah Ngana (Tanir International), Lisa Hawkes (TRANSFORM), Leanne Munyori (Circular Design Nairobi), Lucas Abillah (EcoHub), Mark Laichena (Shofco/Girl Effect), Mark Ndonga (Kenya Space Agency), Mary Roach (Boost Technology), Mercy Mangeni (Mercy Corps, Jobtech Alliance), Michael Tharuba (Educate!), Michelle Hassan (BFA Global, Jobtech Alliance), Nigham Shahid (GSMA), Nomsa Opara (BFA Global - Jobtech Alliance), Patricia Akinyi K'Omudho (City of Nairobi, now at C40 Cities), Peter K'Ochupe (ResearchPlus), Philip Pande (Corporate Career Academy), Precious Manyara (BFA Global, Jobtech Alliance), Roy Gitahi (Art at Work), Sheena Raikundalia (FCDO - UK-Kenya Tech Hub), Stephen Kimani (Strathmore University, Kenya)Thurkka Senthilvel (TRANSFORM), Wambui Karobia (ZenOlive Ltd) Wekesa Zablon (Circular Design Nairobi), Wilfridah Chepkwony (Data Tech Pivot) and Wycliffe Guguni (Institute for Global Prosperity, FastForward2030).

To the creative and content dissemination team Emily Cooper (Forster), Josh Cutts (Brink), Maggie Hiu Tsun (Forster), Rob Hinchcliff (Brink), and Sarah Weigold (Brink) - thank you for working so energetically behind the scenes, your talents are world class and you have helped us to share very

important stories that exist in the invisible aspects of this ecosystem.

Chapter 2 Authors and Contributors

This chapter, like every chapter in this series, is a collaborative effort. We would love to express our gratitude to John DiGiacomo (Laterite) and Sylvia Onchaga (Laterite) from Laterite for authoring this chapter. A special thanks to all contributing authors to this chapter, including Kelley Rowe (Brink), Mary Randiki (ResearchPlus), and Samuel Mburu (KENASVIT).

If you would like to quote this paper:

DiGiacomo, J. Onchaga, S. (2024). From Kibanda to Content Creation: Exploring the invisible 83% in Kenya's Informal Economy. In: K, Rowe. M, Randik (Eds), Future of Work in the Informal Economy in Kenya. Brink, Chapter no. 2 of 7.

About TRANSFORM

TRANSFORM unites corporates, donors, investors and academics to support visionary impact enterprises across Africa, Asia and beyond. Together, we test and scale new solutions that tackle environmental challenges, improve health and wellbeing, and build inclusive economies. Combining grant funding, business insight and research, TRANSFORM is accelerating the development of innovative business models to help solve global challenges. It was established in 2015 and is led by Unilever, the UK's Foreign, Commonwealth and Development Office, and EY.

Disclaimer

The insights shared in this chapter do not necessarily represent the views of the individuals and organisations interviewed for this research. This material has been funded by TRANSFORM; however, the opinions expressed do not necessarily reflect the views of TRANSFORMs or project partners.



EXECUTIVE SUMMARY

Over 15 million Kenyans sustain livelihoods and create opportunities across the entrepreneurial informal economy. This often invisible 83% of the population are kibanda operators, mama mbogas, fundis, boda drivers, content creators, visual artists, plant sellers, and more, each with unique challenges, dreams and aspirations often go unnoticed.

Laterite, in collaboration with TRANSFORM alongside Brink, ProCol Africa, Busara, Ideas Unplugged, and partners from across the ecosystem, went deep in the field to further understand this dynamic ecosystem. The aim was to delve deeply into the field and gain a comprehensive understanding of the dynamic informal economy, with a difference. Traditional segmentation methods, often based on economic activity, revenue, or skills, struggle to capture the evolving nature of informal 'work',

where individuals frequently juggle multiple "portfolios of work," blurring the lines between rigid 'formal sector' categories. Unlike the structured frameworks we are familiar with in understanding the formal economy, this intricate network of interconnected activities thrives on fluidity, defying any attempt at neat categorisation for livelihoods that are created in the informal economy.

Recognising this, we adopted an innovative approach, informed by the Kenya National Bureau of Statistics. Our focus remained on economic activity, but we also incorporated emerging segments often excluded from standardised surveys. We disaggregated larger categories to focus on urban and peri-urban areas, acknowledging the cross-cutting nature of digital platforms and gig economy work.

This chapter delves into three critical segments poised to shape the future of this dynamic workforce:

- **Food service provision:** Nourishing urban communities through affordable meals, this vital segment employs over 1.4 million Kenyans, significantly impacting daily life, particularly for women and youth.
- **Creatives & entertainment:** Propelled by digitalisation, this rapidly growing segment offers promising opportunities particularly for young Kenyans, tackling unemployment challenges with its growing appeal.
- **Agri-livelihood strategies:** Forming the very foundation of the economy, agri-livelihood strategies plays a crucial role in food security and employment across the nation.

Importantly, these segments were not chosen to create rigid boundaries of understanding, but rather as strategic entry points to better understand the fluid nature of livelihood creation through the informal economy. Through a meticulous selection process informed by expert consultations, detailed interviews, and a focus group discussion session, we identified these sub segments based on key factors: current size, future potential, impact on women and youth, existing knowledge gaps, relevance to urban areas, and alignment with government priorities.

While this study primarily delves into three specific market segments, it recognises the active involvement of individuals in economic activities extending beyond these predefined categories. In addition to underscoring

their significance, this research serves as a gateway to more in-depth exploration.

Subsequent chapters will immerse themselves in the lived experiences of those engaged in each segment and the broader informal economy. We aim to uncover their income opportunities, navigate the unique challenges they confront, understand their needs and aspirations, and glean valuable insights into their perspectives on the future of work in Kenya. Throughout this collective journey, we will share insights derived from our 9-month participatory research in collaboration with over 700 informal economy entrepreneurs and stakeholders. Join us as we uncover their stories, comprehend their challenges, and actively contribute to shaping a thriving future for Kenya's informal economy.

THE OTHER 83%

Introduction

As we learned in Chapter 1, the informal economy in Kenya is vast, vibrant, and diverse, employing a large majority of Kenyans, and a disproportionate number of youth. The day-to-day lived experiences of the 14.9 million Kenyans working in the informal economy is not homogenous, involving a wide variety of market segments, and often involving multiple “hustles” or what we refer to throughout as “portfolios of work”. This chapter builds on Chapter 1 to take stock of the different types of work that Kenyans are doing in the informal economy.

Acknowledging the vastness of the informal economy, we recognise the importance of various

informal activities in meeting the needs of the Kenyan population. However, in order to provide a depth of understanding, it was important for us to prioritise market segments. The study focused on select activities, guided by expert consultations and a prioritisation workshop. Specifically, we narrowed down our focus to three market segments – 1) food service provision, 2) creative & entertainment, 3) agri-livelihood strategies. These segments are particularly important for the future of work in Kenya’s informal economy, especially for women and youth. These three market segments will be the primary focus of this work going forward.

The diverse and vibrant informal market segment universe in Kenya

There is no standardised way to segment Kenya’s informal economy. The types of informal work Kenyans are engaged in is evolving rapidly, influenced by increasing connectivity and access to technology, and shifting preferences and skills. Therefore, categorisations from the past do not necessarily apply in today’s economy. Furthermore, Kenyans in the informal economy are commonly involved in multiple ‘portfolios of work’, meaning a neat categorisation is difficult. Although the study narrows down the focus to three market segments, we acknowledge that many in the informal economy that took part in this study also participate in other economic activities classified under different informal market segments or formal businesses.

In Chapter 1, we outlined three methods for

segmentation used by public institutions, researchers, community organisations, and other stakeholders. These methods include segmenting by economic activity, segmenting by revenue and frequency of work, or segmenting by skills and earnings potential. We have taken an approach based on economic activity, similar to the Kenya National Bureau of Statistics (KNBS), but adapted to include additional emerging segments that are typically excluded from standardised surveys, and disaggregated for larger categories to focus primarily on work done in urban and peri-urban areas. Table 1 displays the list of major informal market segments in Kenya that we considered. Note that we considered digital and technology-enabled platforms, “jobtech”, and gig economy work to be cross-cutting across all segments, and not a segment in and of themselves.

Table 1 – Major informal market segments in Kenya



AGRI-LIVELIHOOD STRATEGIES

The agricultural sector is the backbone of the Kenyan economy, providing a livelihood (i.e., employment, income and food security needs) for more than 80 per cent of the Kenyan population¹. Much of this work is in rural areas, and the informal economy plays a critical role in linking smallholder farmers to urban markets and other sectors.



CONSTRUCTION AND MANUAL LABOUR

As Kenya's infrastructure rapidly develops, informal labourers – mostly men – are commonly employed to do the work. While the total number of Kenyans employed is small compared to other market segments², there is an increasing demand for skilled workers³.



CREATIVES & ENTERTAINMENT

With the rise of connectivity and social media, more and more Kenyans – especially youth – are engaging in creative work, targeting both domestic and global audiences⁴. This largely informal segment has a strong potential for growth.



FOOD SERVICE PROVISION

A critically important segment employing millions of Kenyans⁵, informal food service providers – often women – are a culturally important group, providing easy access to affordable and nutritious food in urban areas. Recent inflation in food prices in Kenya makes this market segment even more relevant to study.

¹ FAO: Kenya at a glance - [The agriculture sector in Kenya](#)

² Estimates range from 47,000 (KNBS, 2020) to 148,000 (The Standard)

³ The Standard <https://www.standardmedia.co.ke/business/article/2000219529/fundis-shortage-spoils-party-for-construction-sector>

⁴ Hivos Ubunifu Report 2016: [The status of the creative economy in East Africa](#)

⁵ KNBS ISSOS 2020: [informal economy Skills and Occupations Survey \(ISSOS\)](#)



GREEN & WASTE ECONOMY

The green economy holds immense potential for Kenya, particularly in renewable energy, sustainable agriculture, waste management, and the circular economy⁶. While many roles in these areas fall within the formal economy, the informal economy plays a crucial role through activities like waste collection and recycling. Though currently small compared to other segments, the informal market holds significance in informal settlements where basic government services are lacking. Here, youth groups step in, contracted by informal traders and vendors for waste collection, security, and even water supply. This highlights the vital link between the formal and informal economies in fostering green growth within Kenya.



JUA KALI, TECHNICIANS, MANUFACTURING

The 'jua kali' sector, loosely defined as employing craftsmen, tradespeople, metalworkers, or mechanics, is a massive segment in urban areas, offering informal employment to millions⁷ of Kenyans – mostly men. These 'fundis' are an unmistakable part of urban street life in Kenya, and skilled trades are in high demand⁸.



SERVICE PROVIDERS

This large and diverse market segment includes work such as tailors, salons, cleaners, gardeners, car washers, domestic care work, gardeners, and more. This often informal work employs millions of Kenyans⁹, providing vital services to the urban population.



TRADING, SELLING, AND RETAIL

One of the largest informal market segments – and one of the most heterogeneous – including kiosks of all kinds, street vendors, hawkers, airtime vendors, sale of second-hand items, and all other manner of trading and selling. Up to 7 million Kenyans¹⁰ are engaged in these activities, especially in urban areas.



TRANSPORT

Estimates are that there are between 1 to 2.4 million 'boda bodas' in Kenya¹¹ – mostly men – who are operating informally. The rise of ride sharing apps like Uber and Bolt have also drawn in thousands to this profession, which have elements of both formality and informality. This vital service keeps Kenyan urban centres moving.

Note: digital and technology-enabled platforms, “jobtech”, and gig economy are considered cross-cutting themes across all market segments.

⁶ ANDE <https://andeglobal.org/new-ande-research-reveals-market-potential-in-key-green-economy-sectors-in-kenya/>

⁷ KNBS ISSOS 2020 (link above)

⁸ GIZ <https://www.giz.de/en/worldwide/127300.htm>

⁹ KNBS ISSOS 2020 (link above)

¹⁰ KNBS ISSOS 2020: [informal economy's Skills and Occupations Survey \(ISSOS\)](#)

¹¹ UNDP Policy Brief: [The Eyes Have It: Visualising the Boda Boda \(Two-Wheeler\) network](#)

Narrowing down to three segments: Food Services, Creatives & Entertainment, and Agri-Livelihood Strategies

Given the size and heterogeneity of the informal economy in Kenya, we narrowed the scope of our work down to three priority segments. This prioritisation was important in order to understand specific segments more deeply; however, this prioritisation does not indicate that these segments are more important than others, as many important segments are excluded. Prioritisation of segments was important because the day-to-day lived experience of a young woman working as a 'mama mboga', for example, is likely very different from

that of a young man working as a 'boda boda' driver. The skills needed, costs incurred, registration requirements, and challenges faced differ for all types of livelihood creation and 'portfolios of work'. We opted to focus on three key segments that will continue to play an important role in the future, especially for women and youth. Additionally, with a focus on urban and peri-urban areas, we selected major urban centres in Kenya, including Nairobi, Mombasa, Kisumu, Nakuru, and Eldoret.

How did we select these three market segments?

Given the size and heterogeneity of the informal economy in Kenya, we narrowed the scope of our work down to three priority segments. This prioritisation was important in order to understand specific segments more deeply; however, this prioritisation does not indicate that these segments are more important than others, as many important segments are excluded. Prioritisation of segments was important because the day-to-day lived experience of a young woman working as a 'mama mboga', for example, is likely very different from

that of a young man working as a 'boda boda' driver. The skills needed, costs incurred, registration requirements, and challenges faced differ for all types of livelihood creation and 'portfolios of work'. We opted to focus on three key segments that will continue to play an important role in the future, especially for women and youth. Additionally, with a focus on urban and peri-urban areas, we selected major urban centres in Kenya, including Nairobi, Mombasa, Kisumu, Nakuru, and Eldoret.

¹² **'Partner and Learn'** events were sessions where we invited experts from across the informal economy ecosystem to openly share our 'learnings and findings out loud' to help us shape our research. We believe that by harnessing the collective intelligence of a diverse group of people and organisations can help strengthen our research.

The selection was done through a rigorous process that included: 30 expert consultations, 10 key informant interviews with professionals from academia, public sector, research, and other relevant stakeholders, and a 'partner and learn' prioritisation workshop to gather opinions and votes on focus areas. We also consulted academic and grey literature, news articles, and social media to get a sense of recent trends. To arrive at a selection of the three market segments, we considered the following six criteria:

- 1. Current size** – preference for market segments which currently employ more Kenyans
- 2. Future potential** – preference for market segments that have a strong future potential for growth given recent trends
- 3. Women & youth** – preference for market segments where women and youth are heavily involved
- 4. Knowledge gaps** – preference for market segments where there is less existing literature
- 5. Urban relevance** – preference for market segments that are large and relevant in all urban areas selected, not just in some
- 6. Policy priority** – preference for market segments which the government has indicated are of particular focus, so that recommendations are actionable.

In the following sections, we provide details on the three market segments selected.

FOOD SERVICE PROVISION SEGMENT

Food service providers – especially women and youth¹³ – will continue to feed and nourish the nation, and are a crucial part of the fabric of urban life in Kenya.



Why is the Food Service Provision segment so important?

Walking along any street in Nairobi, Mombasa, or Kisumu, it is difficult to miss the hard-working Kenyans – mostly women and youth – selling food and beverages on the roadside or in makeshift restaurants and markets.

“(Which informal market is the most important segment in shaping the future of work in Kenya?):

It is the small scale traders who are filling the gap that the formal businesses are not filling... the mama mboga”

- Expert interview

¹³ Smochas, smokies and chapatis, is a growing fast amongst the youth.

A 2020 KNBS survey estimates that there are 1.4 million Kenyans working in the informal economy in “food service and accommodation activities”¹⁴. The Kenya National Alliance of Street Vendors and Informal Traders (KENASVIT) estimates that there are 30,000 ‘vibanda’ operating in Nairobi alone¹⁵. According to The Star, in tough financial situations (as in 2023), Kenyans “revert to informal food outlets” and Glovo has seen an upward trend in ‘kibanda’ food orders on its app¹⁶. Others argue that ‘mama mboga’ are essential for urban food security and nutrition among underserved communities¹⁷. A 2018 study¹⁸ in Kibera, Nairobi’s largest informal settlement, found that the most important reasons for food-insecure habitants to buy food at kiosks are: proximity to where they live to avoid transport costs,

- low prices, offer of small packaging size (important without access to refrigeration), and
- the possibility to buy food on credit.
- Supermarkets are financially and geographically often inaccessible to people living in informal settlements. Given this, it is clear that informal food service providers play a critical role in nourishing the nation.

Despite this, urban food service providers face persistent challenges in operating their businesses, including poor infrastructure, insecurity, rising food prices, and city inspectors who charge a daily fee to avoid being shut down. A recent crackdown on roadside hawkers in Nairobi’s CBD may further exacerbate the challenges faced by these important service providers.

Despite this, urban food service providers face persistent challenges in operating their businesses, including poor infrastructure, insecurity, rising food prices, and city inspectors who charge a daily fee to avoid being shut down¹⁹. A recent crackdown²⁰ on roadside hawkers in Nairobi’s CBD may further exacerbate the challenges faced by these important service providers.

Who is included?

Food service provision within Kenya’s informal economy can take many forms. For this study, our definition includes those operating a ‘kibanda’ or roadside restaurant, vegetable and fruit vendors (commonly known as ‘mama mboga’), the sale of baked goods like ‘mandazi’, the sale of ‘smokies’ or

‘mahindi choma’ from a cart, the sale of raw meat or fish, the sale of drinks, including fresh, bottled, or packaged drinks, and the sale of pre-packaged foods from ‘dukas’. Note that anyone operating a more formal restaurant, or working in such a restaurant, would be excluded from this definition.

¹⁴ KNBS ISSOS 2020: [informal economy Skills and Occupations Survey \(ISSOS\)](#)

¹⁵ Nation 2022 <https://nation.africa/kenya/blogs-opinion/blogs/boost-informal-food-vendors-to-spur-economy-3965662>

¹⁶ The Star <https://www.the-star.co.ke/business/kenya/2023-05-10-kenyans-ordering-food-from-vibanda-increase-by-435/>

¹⁷ Medium, Louisa Nelle <https://medium.com/enabling-sustainability/mama-mbogas-feeding-nairobi-7ada603d47dc>

¹⁸ Berger et al. 2018 <https://www.sciencedirect.com/science/article/abs/pii/S0306919217301902>

¹⁹ Medium, Louisa Nelle (link above)

²⁰ Citizen Digital 2023: [Most Kenyans Support Sakaja’s Hawkers On The Roads Ban Others Link It To King Charles’ Visit](#)

Views from experts on the segment

We conducted 10 key informant interviews with stakeholders in the government, academia, policy research, non-governmental organisations, working with the informal economy. Experts agreed that the food service provision segment is important in shaping the future of work, being a fast-growing segment and employing a substantial portion of informal economy workers. Some also noted the crucial link between agriculture and food service provision, with the distinction between the segments sometimes being blurred. This is particularly evident because many food service providers, such as *mama mboga* and street food vendors, engage in the sale of farm produce like vegetables, cereals, and fruits. From an agri-

livelihood strategies perspective, such providers can be considered as distributors of agricultural products.

When you think about the informal activities that are important in shaping the future of work in Kenya, some of these experts noted that *'mama mboga'* are considered a vital economic activity, filling gaps that the formal sector cannot meet. This work is especially valuable in major cities like Nairobi and Mombasa, where street food businesses thrive. Others argued that grouping small-scale traders like *'mama mboga'* with retailers and wholesalers underestimates the unique dynamics of their businesses. For this reason, we will profile *'mama mboga'* separately in Chapter 4.

CREATIVES AND ENTERTAINMENT SEGMENT

Enabled by technology and connectivity, this booming market segment allows young Kenyans to shine, showcasing Kenya's rich culture and creative talent for the world.



Why is the Creatives & Entertainment segment so important?

Arts and culture are an important part of Kenyan life, and with the rise of social media, a vibrant influencer community has emerged on many platforms²¹.

“ We see a lot of young people getting into content creation and earning a good amount of money, just using their mobile phones and video cameras and posting online, creating content. So we have seen that this is one of the segments (creative and entertainment) that is growing quite fast, especially in our country (Kenya).

- Expert interview



²¹ SIME Lab: [The Kenyan Social Media Landscape](#)

Why is the Creatives & Entertainment segment so important?

A 2020 KNBS study²² estimated there were 113,000 Kenyans working in “arts, entertainment, and recreation” in the informal economy, and 7% of respondents in the 2016 KNBS MSME survey worked in the creative sector. A 2023 study²³ found that 10.5 million Kenyans use social media, and this number is likely to continue increasing in the coming years – driven by youth. This online presence also means that Kenyan creatives have an opportunity to reach an international audience with their work – an opportunity which would

have been far more difficult just a decade ago.

One major challenge in this sector is that it is not often seen as a top priority for government and other stakeholders, especially when compared to sectors like agribusiness²⁴, which are larger and traditionally more recognised. There is comparatively little investment in research and development of the industry, meaning understanding the needs and challenges of creatives is understudied, and it is challenging to enact effective policies²⁵.

Who is included?

Included in this booming market segment are both traditional, offline creative workers (e.g., visual artists, musicians, dancers, street performers, or actors), as well as more modern forms enabled by technology and connectivity (e.g., influencers, social media content creators, or film-makers). Note that this definition excludes design-type work, like

interior design, graphic design, or fashion design. This decision was made to narrow the scope of this segment and focus primarily on those providing entertainment and art, and less for marketing or sales purposes. These design activities are classified under the service providers segment.

“ One of the segments that is fastest growing and being more appreciated is definitely the creative content, content creators, influencers. I would like to say the digital economy is really the fastest growing in the past couple of years. And because the digital economy is growing so fast, it provides an environment for the creative and entertainment industry to grow. So the content creators and influencers are growing because there is a place to grow, it’s not operating in a vacuum.

- Expert interview

”

From our key informant interviews, experts saw creatives and entertainment work as a fast-growing segment nationally, which is particularly attractive to the youth. Experts saw this growth as being driven by the digital transition and easy entry, especially in online content creation, requiring only internet access and a smartphone or good camera. Most of the activities in this

segment don’t demand advanced skills, allowing participants to leverage their talents for income amid high unemployment rates in Kenya. Certain activities, like content creation, are viewed as risky ventures but attract young people, who are considered more experimental compared to adults who prefer safer economic pursuits.

²¹ SIME Lab: [The Kenyan Social Media Landscape](#)

²² KNBS ISSOS 2020: [informal economies Skills and Occupations Survey \(ISSOS\)](#)

²³ Datareportal: [Digital 2023: Kenya](#)

²⁴ Hivos Ubunifu Report 2016: [The status of the creative economy in East Africa](#)

²⁵ Hivos (link above)

AGRI-LIVELIHOOD STRATEGIES SEGMENT

Agriculture continues to be the backbone of Kenyan livelihoods for women and men, young and old. Recent concerns on food security and inflation provide abundant potential (and need) for innovation in this massive informal segment.



Why is the Agri-livelihood strategy segment so important?

The agricultural sector represents 33 percent of Kenya's GDP²⁶ and informally employs millions of Kenyans, including women, men, and youth. Concerns on food security²⁷ and food price inflation²⁸ make this sector vitally important to the country. The sector also presents a large opportunity for innovation through technology and increased focus on processing and value-addition.

“ Agri-business (agri-livelihood strategies) should be the priority because, even during the COVID-19 times, agri-business (agri-livelihood strategies) was the outcome of the entire process. Everything was locked down. You were directed to stay indoors.

And while indoors you needed to eat to do everything. Which means agri-business (agri-livelihood strategies) was the backbone of Kenya. So the government of Kenya should empower the agri-business (agri-livelihoods strategy) sector.

- Expert interview

”

²⁶ USAID: [Agriculture, Food and Water Security](#)

²⁷ European Commission: [Kenya: Acute Food Insecurity Situation February 2023 and Projection for March - June 2023](#)

²⁸ KNBS 2023: [Consumer Price Indices and Inflation Rates for October 202](#)

Despite its importance the agricultural sector faces numerous challenges. One major challenge is that young Kenyans are moving away from agricultural work and opting for more urban employment²⁹. The issues affecting youth participation in agriculture include a negative perception towards the work, and a lack of access to land, agricultural finance, knowledge, skills, extension services, and innovative technologies. According to the Ministry of Agriculture, the result is “a rapidly urbanising country,” where “there is an increasing gap between food consumption and food production. Urban livelihood is majorly

dependent on sustainable food security and food production. A high rural-urban migration coupled with limited employment opportunities in urban areas is resulting in an increasing poor urban population who live in informal settlements and face higher food prices and difficulties in accessing nutritious food. Furthermore, high rates of unemployment and food insecurity among poor urban dwellers leads to more cases of crime and unrest³⁰.” Given this, understanding the challenges faced by Kenyans – especially youth – working in informal agri-livelihood strategies, might help inform strategies for increased engagement in the sector.

Who is included?

The focus of this work is on urban and peri-urban areas, thus a very large excluded group from this research is smallholder farmers themselves who are living in rural areas. Instead, our focus is on Kenyans working in informal agri-livelihood strategies from urban centres, who act as a critical gateway from farm to food. These types of work

include those aggregating, distributing, storing, or transporting agricultural products after harvest. It also includes post-harvest processing activities in an urban setting (e.g., drying, milling, or other value addition), urban farming or greenhousing, as well as the sale of individual plants for domestic use.

²⁹ Ministry of Agriculture, livestock, fisheries, and irrigation: [Kenya Youth Agribusiness Strategy 2018-2022](#)

³⁰ Ministry of Agriculture, livestock, fisheries, and irrigation: [Kenya Youth Agribusiness Strategy 2018-2022](#)

Views from experts on the segment

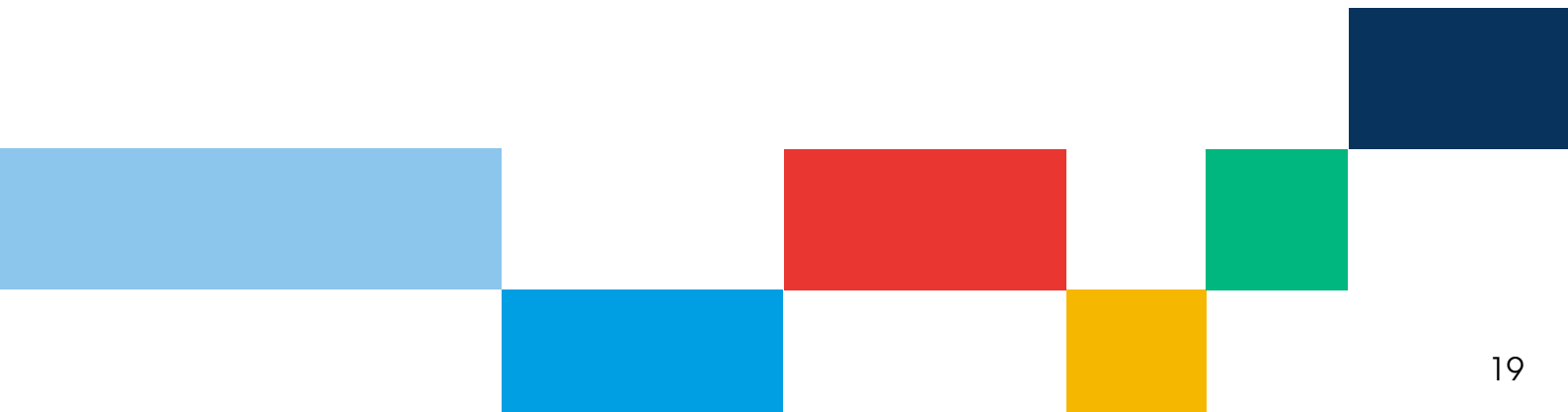
“ I would say all of them (market segments) are quite important because all of them play a key role. Though if you look at it in the major sense, I would say agri-business (agri-livelihood strategies) because they produce food which is essential for our survival. Without food most of us won't be able to do these other things.”

- Expert interview



From our key informant interviews, government-affiliated experts saw agri-livelihood strategies as the most essential market segment, serving as a primary source of food and revenue in Kenya. This perception is supported by the role that agri-livelihood strategies played during COVID-19-related lockdowns, remaining a primary source of employment and food. Additionally, these experts emphasise that Kenya's economic growth is closely tied to its capacity for production and value addition in the agricultural sector. Regarding

the demographic profile of agri-livelihood strategy participants, some experts note a 50-50 percent split between men and women. Highly educated individuals typically engage in serious agribusiness ventures, while youths often focus on trading farm produce, with adults showing a preference for farming. Agri-livelihood strategies is generally considered a predominant informal activity in rural settings compared to urban areas. Kisumu stands out as an urban county where agri-livelihood strategies are particularly common.



CLOSING COMMENTS

This chapter has highlighted the rich landscape of Kenya's informal economy, acknowledging its diversity, vastness and vibrancy. The informal economy is characterised by various market segments, all of which are important in shaping the future of work in Kenya and meeting the diverse needs of the Kenyan population. While acknowledging the significance of the different informal market segments, this chapter focuses on three – food service provision, creatives and entertainment, and agri-livelihood strategies that stand out as being critical for the future of work.

The selection of these three market segments was done through a comprehensive process that commenced with expert consultations. This initial phase was followed by in depth discussions in the form of key informant interviews, and finally a prioritisation workshop attended by partners, experts and other stakeholders closely engaged with the informal economy. During this workshop, expert perspectives on the importance of various market segments were presented, leading to a consensus vote that ultimately identified the three segments.

The criteria guiding the selection included current size, future potential, involvement of women

and youth, knowledge gaps, urban relevance, and alignment with government policy priorities. By narrowing down the focus, the study aims to provide an in-depth understanding of the business dynamics within these three market segments and their contribution to Kenya's informal economy.

Each selected segment plays a unique role in the informal economy. Food service providers, dominated by women and youth, play a significant role in urban life providing access to affordable food. The creative and entertainment sector, driven by digital transition and youth participation, presents a rapidly growing economic opportunity that addresses the unemployment gap particularly among the young people in Kenya. Agri-livelihood strategies, deeply rooted in Kenya's economy, serves as the backbone contributing to food security, employment and overall GDP.

In the following chapters we will explore these three market segments in greater detail, highlighting the day-to-day experience of Kenyans working in these segments – their income opportunities, challenges, needs, and views on the future of work.

TRANSFORM is an impact accelerator that unites corporates, donors, investors and academics to support visionary enterprises. Together, we test and scale new solutions that support low-income households by tackling environmental challenges, improving health and wellbeing, and building inclusive economies.

We combine grant funding, business insight, practical experience, resources and networks. Our tailored approach creates evidence which we share widely to help leaders across the world solve global challenges.

TRANSFORM is based on a desire to address urgent issues by learning from each other. Established in 2015 and led by Unilever, the UK's Foreign Commonwealth and Development Office and EY, we have a proven model and an ambition to increase our impact across Africa, Asia and beyond.

We TRANSFORM lives by tackling global challenges through life-changing enterprise.



Delivered by: In partnership with:

