Ride-Hailing Industry Survey in Kenya

Public Perception Towards the Proposed Minimum Fare Policy

20th August 2026

Contents

Background Information	3
Study Findings	6
Detailed Findings	18
Methodology and Respondent's Demographics	32

1. Background Information

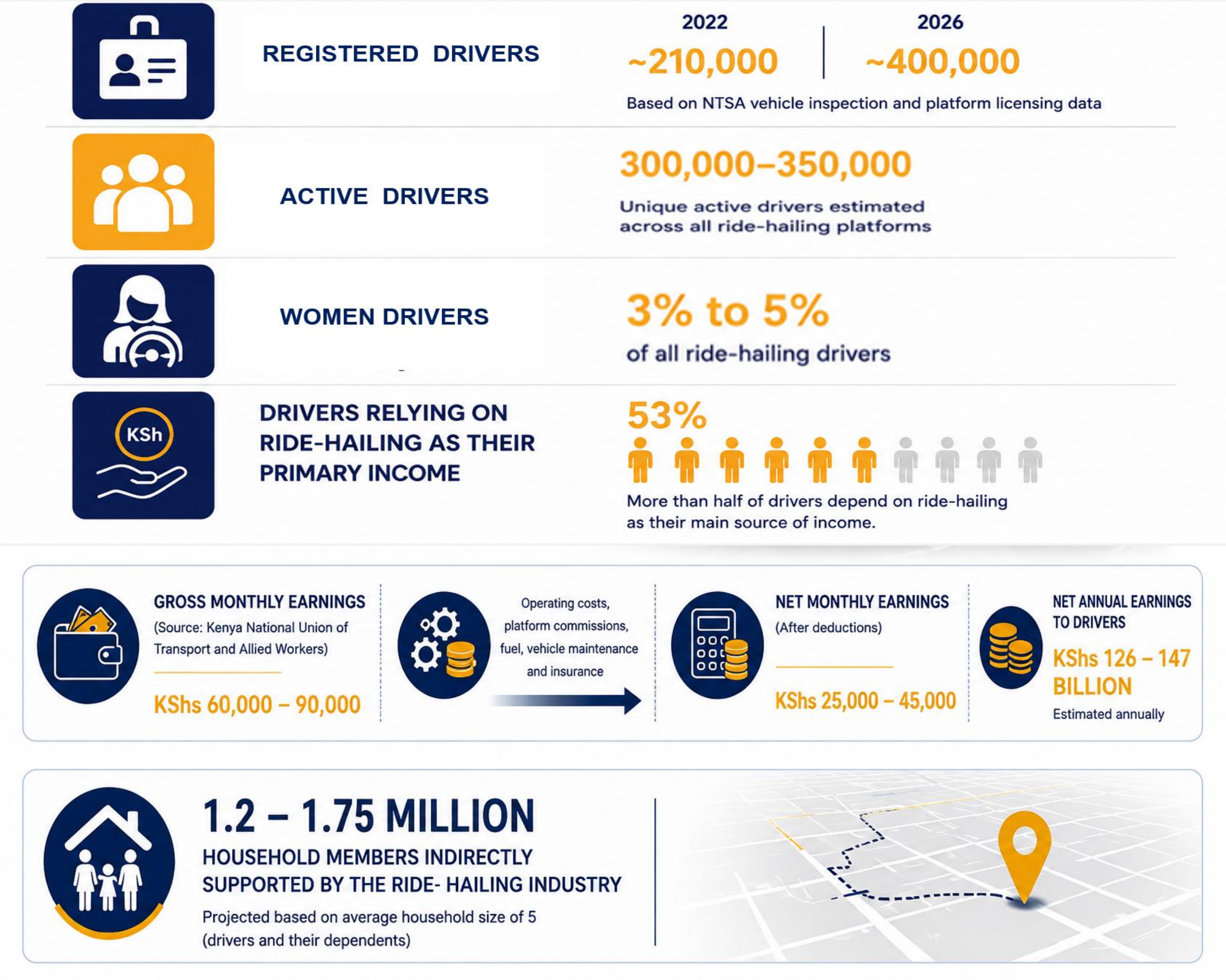
Kenya's Ride-Hailing Industry: A Major Source of Livelihoods

Desk Research Data

- **Registered Drivers:** An estimated **300,000–350,000 active drivers** participate in the sector
- **Primary income:** For **53%**, ride-hailing serves as a primary source of income, while **47%** rely on it to supplement earnings from other activities.
- **Gender representation**: **3%** of the ride-hailing workers are made up of women, highlighting existing opportunities for women.
- **Change in standard of living: 98%** report improved living standards, while earnings support households and wider local economic activity. This shows that ride-hailing is an important pathway to economic mobility.

TIFA's Projections Based Desk Research

- **Driver Net earnings:** Kenya's ride-hailing industry is a significant economic engine, generating an estimated **KSh 126–147 billion** in total annual driver earnings.
- **Household Support:** An estimated **1.2m to 1.75m** household members through direct and indirect livelihoods.



Study Rationale & Objectives

Study Rationale

- ❑ Despite its rapid growth, the ride-hailing sector continues to face challenges related to declining driver earnings, rising fuel and vehicle operating costs, platform commissions, and concerns about fare sustainability.
- ❑ In response, policymakers have proposed introducing a minimum fare framework aimed at ensuring fair compensation for drivers while maintaining a competitive and sustainable ride-hailing market.

Overall Study Objective

- ❑ To assess public awareness, perceptions, and likely behavioural responses to the proposed minimum fare framework for Kenya's ride-hailing industry.

2. Study Findings

Households Are Under Severe Economic Pressure

81% of Nairobi households are already experiencing either rising living costs or constrained incomes, leaving little room to absorb additional increases in the cost of essential goods and services.

💡 **Key Insight:**
Policies or market changes that raise the price of essential services—such as transport, fuel, food, or education—are likely to place additional pressure on already stretched household budgets.

THEME	SPECIFIC ISSUES	%
Household Financial Pressure due to Inflation	High cost of living (transport, fuel, food, education)	**62%**
Weakened Economic Opportunity & Livelihoods	Constrained incomes (low income, poor business performance, unemployment)	**19%**
Public Policy & Fiscal Environment	High taxes	**12%**
Governance & Public Security	Corruption, crime and insecurity	**6%**
No Challenge / Uncertain	Don't know / No response, None	**2%**

Q. What is the biggest challenge currently facing you and your household?

Multiple responses were allowed; therefore, percentages may exceed 100%.

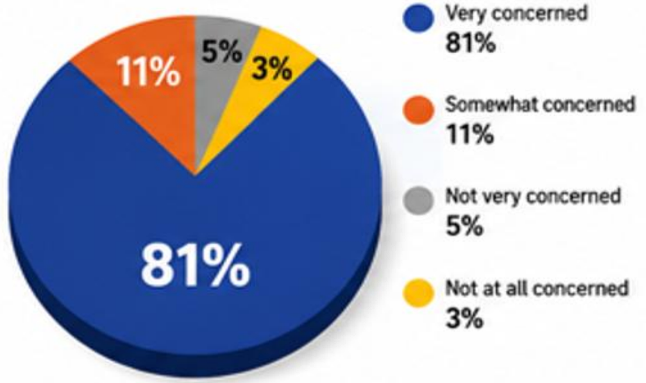
Kenyan Households Have Limited Capacity to Absorb Further Price Increases

Price comparisons 2025 & 2026

ITEM	UNIT OF MEASURE	AVERAGE PRICE JUNE 2025 (KES)	AVERAGE PRICE JUNE 2026 (KES)	APPROX. CHANGE (KES)	APPROX. CHANGE (%)
Tomatoes	1kg	83.88	117.87	+33.99	↑ + 41%
Beef 1 kg	1kg	690.15	760.75	+70.60	↑ + 10%
Potatoes (Irish)	1kg	90.15	111.10	+20.95	↑ + 23%
Fresh packed cow milk	500g	56.38	57.33	+0.95	↑ + 2%
Cooking Oil (Salad)	Litre	347.17	358.63	+11.46	↑ + 3%
Maize Grain - Loose	1kg	70.40	72.52	+2.12	↑ + 3%
Diesel (Nairobi)	1 litre	171.58	222.86	+51.28	↑ + 30%
Petrol (Nairobi)	1 litre	186.31	214.03	+27.72	↑ + 15%
Kale-Sukuma Wiki	1kg	90.42	114.44	+24.02	↑ + 27%
Maize Flour - Sifted	1kg	160.22	159.78	-0.44	↓ -0.27%

Note: *Prices are illustrative averages and may vary by region and time.*

https://www.knbs.or.ke/wp-content/uploads/2026/06/Kenya-Consumer-Price-Indices-and-Inflation-Rates-June-2026.pdf



92% of consumers are at least somewhat concerned about rising prices.

Q. *How concerned are you about rising prices in everyday life, such as fuel, groceries, rent, and transport?*

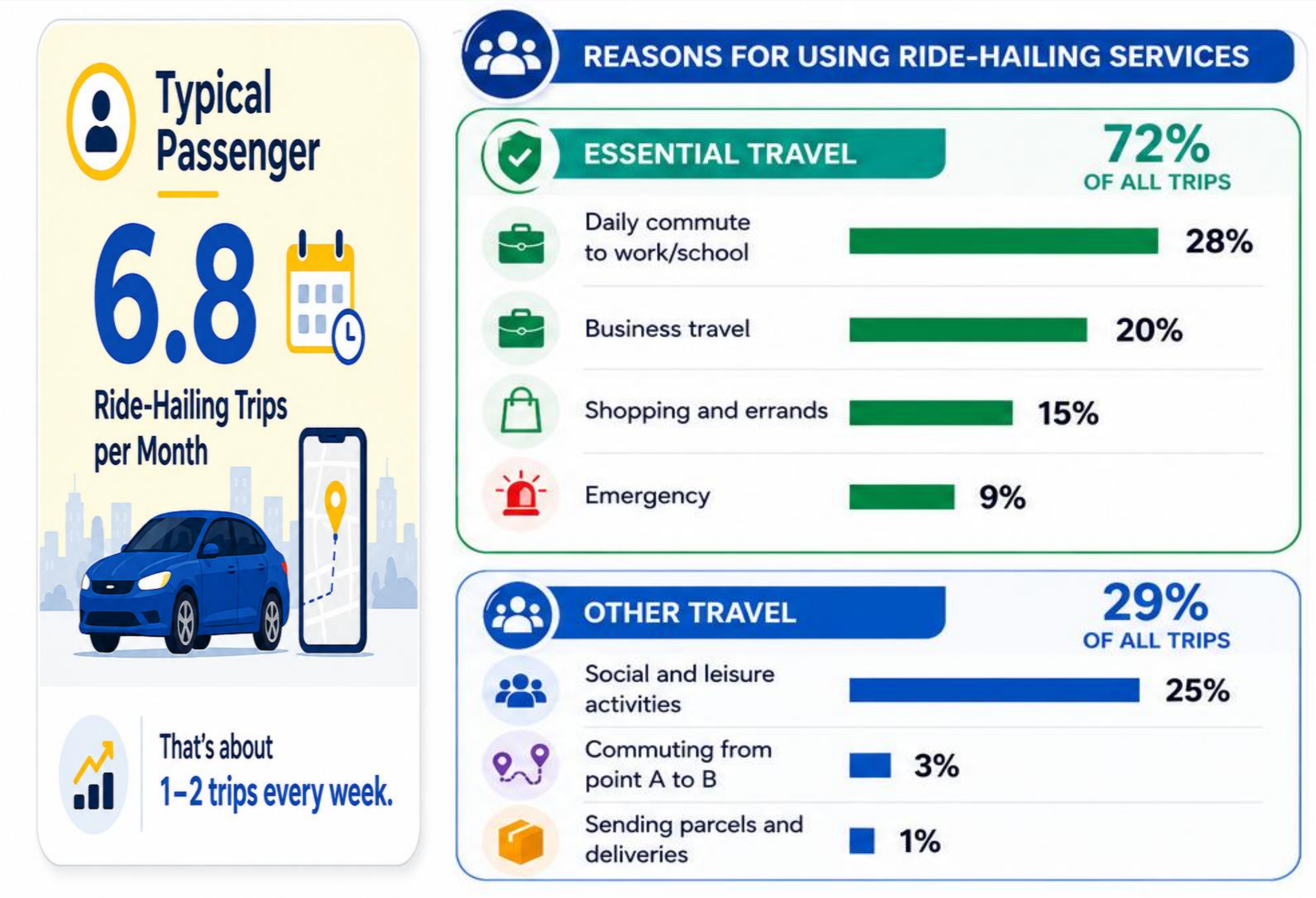
💡 **Key Insight:**

Rising prices across essential household goods have reduced consumers' disposable income. As a result, passengers are likely to be highly sensitive to any policy that increases transport costs.

Ride-Hailing Supports Work, Business and Essential Daily Activities

Most ride-hailing trips are made to access work, business, shopping and other essential daily activities, making affordability a critical consideration for consumers.

💡 **Key Insight:**
Because ride-hailing is now part of many households' daily economic lives, affordability remains a critical concern when considering changes to transport fares.



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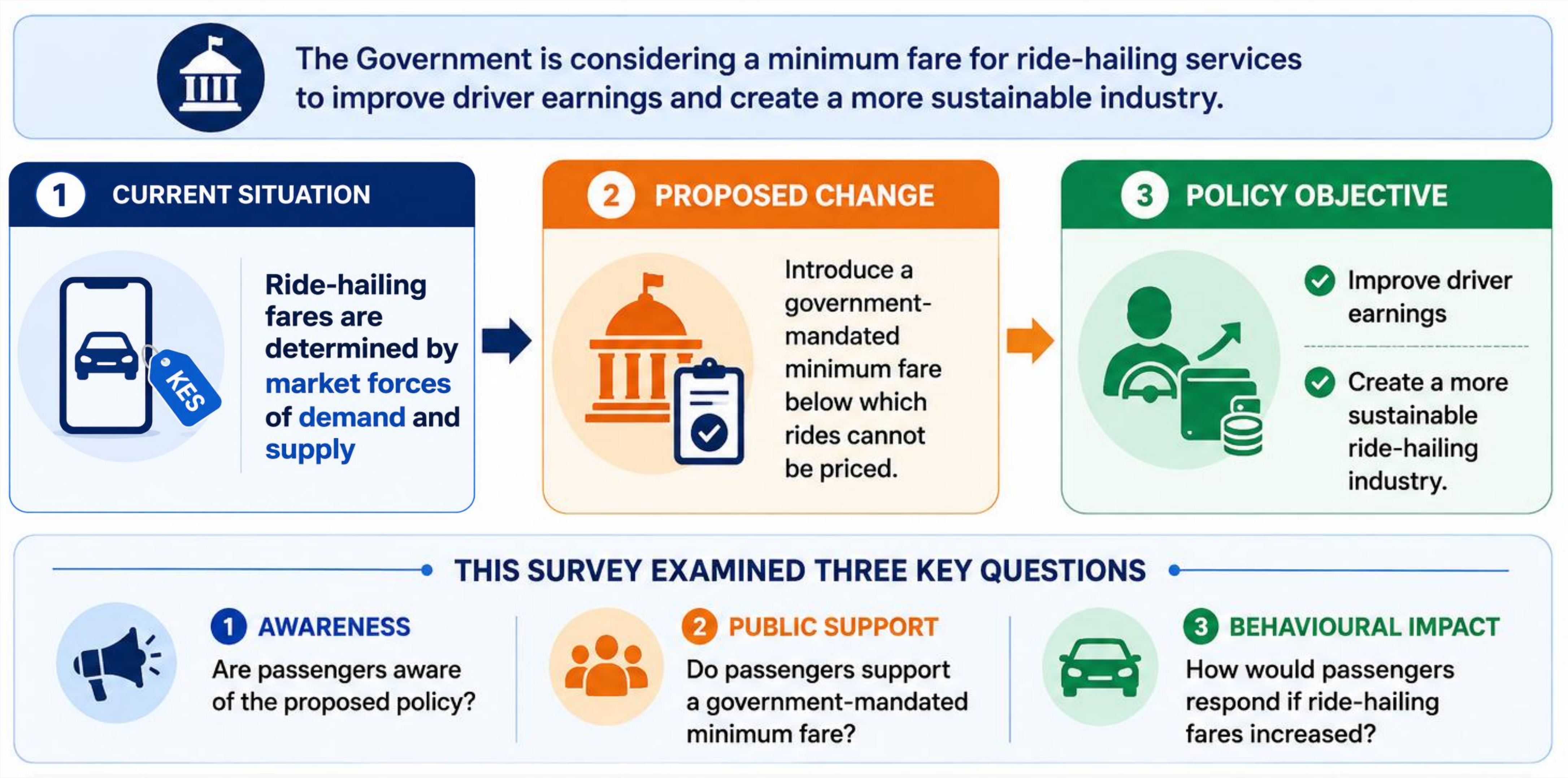
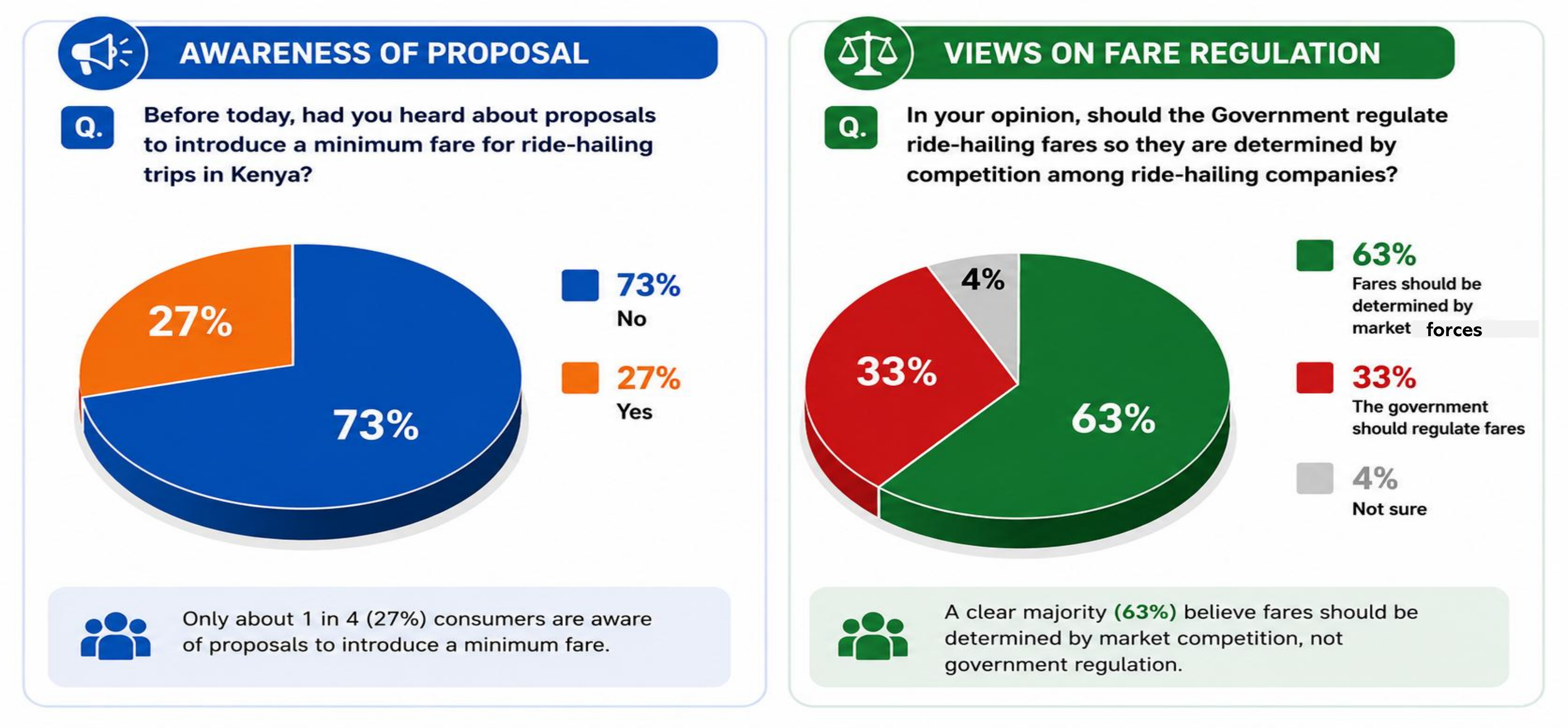
The Proposed Policy on Ride Hailing



Low Public Awareness, Strong Preference for Market-Based Fare Determination

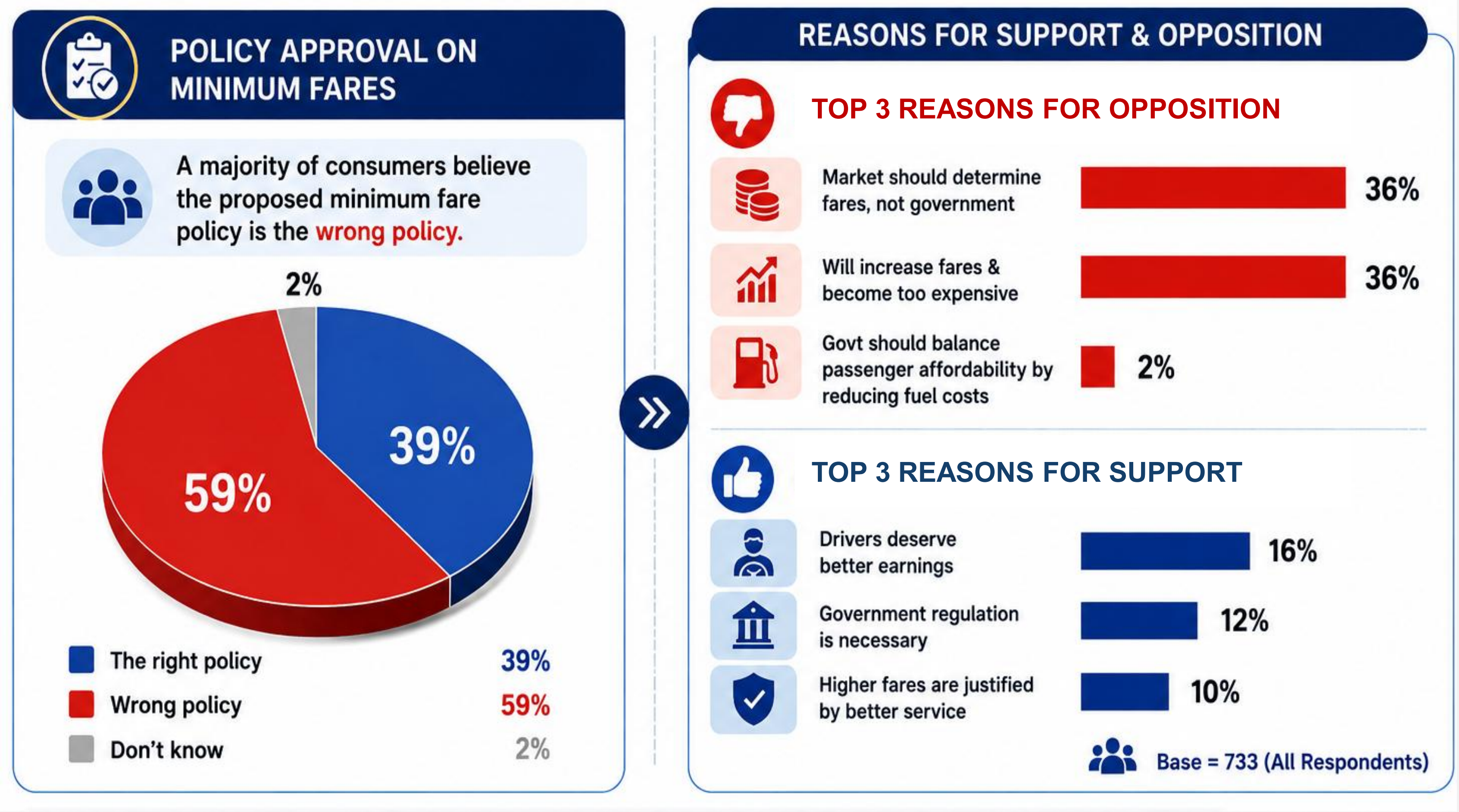


💡 **Key Insight:** Low public awareness indicates that the minimum fare proposal has not yet reached most passengers. However, the strong preference for market-determined pricing suggests that consumers value competitive fares over government-regulated pricing.

Affordability Drives Public Opposition to the Proposed Minimum Fare

A clear majority (59%) oppose the proposed minimum fare policy, reflecting concerns about affordability rather than opposition to improving driver welfare.

💡 **Key Insight:** The findings suggest that while passengers recognise the importance of improving driver earnings, they are reluctant to support a policy that transfers the cost directly to consumers through higher fares.

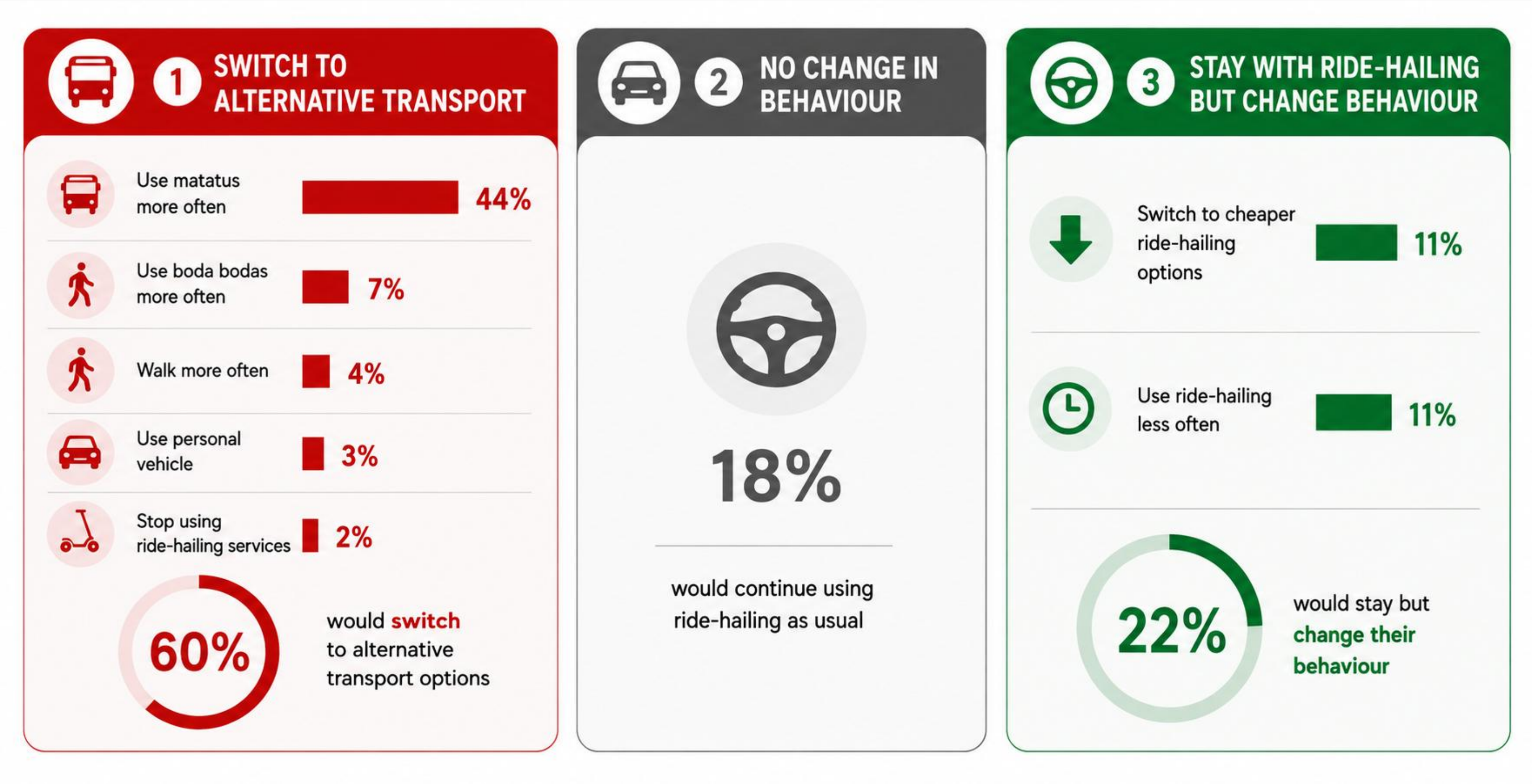


Q. In your opinion, should the Government regulate ride-hailing fares for Bolt, Uber, Little Cab and Faras in Kenya, or should fares be determined by competition among ride-hailing companies

Note: An explanation was given to all respondents before the question was read out: "*The proposed law would increase the minimum taxi ride fare, which is currently between Ksh 180 to 220, to a higher amount to improve drivers' earnings*"

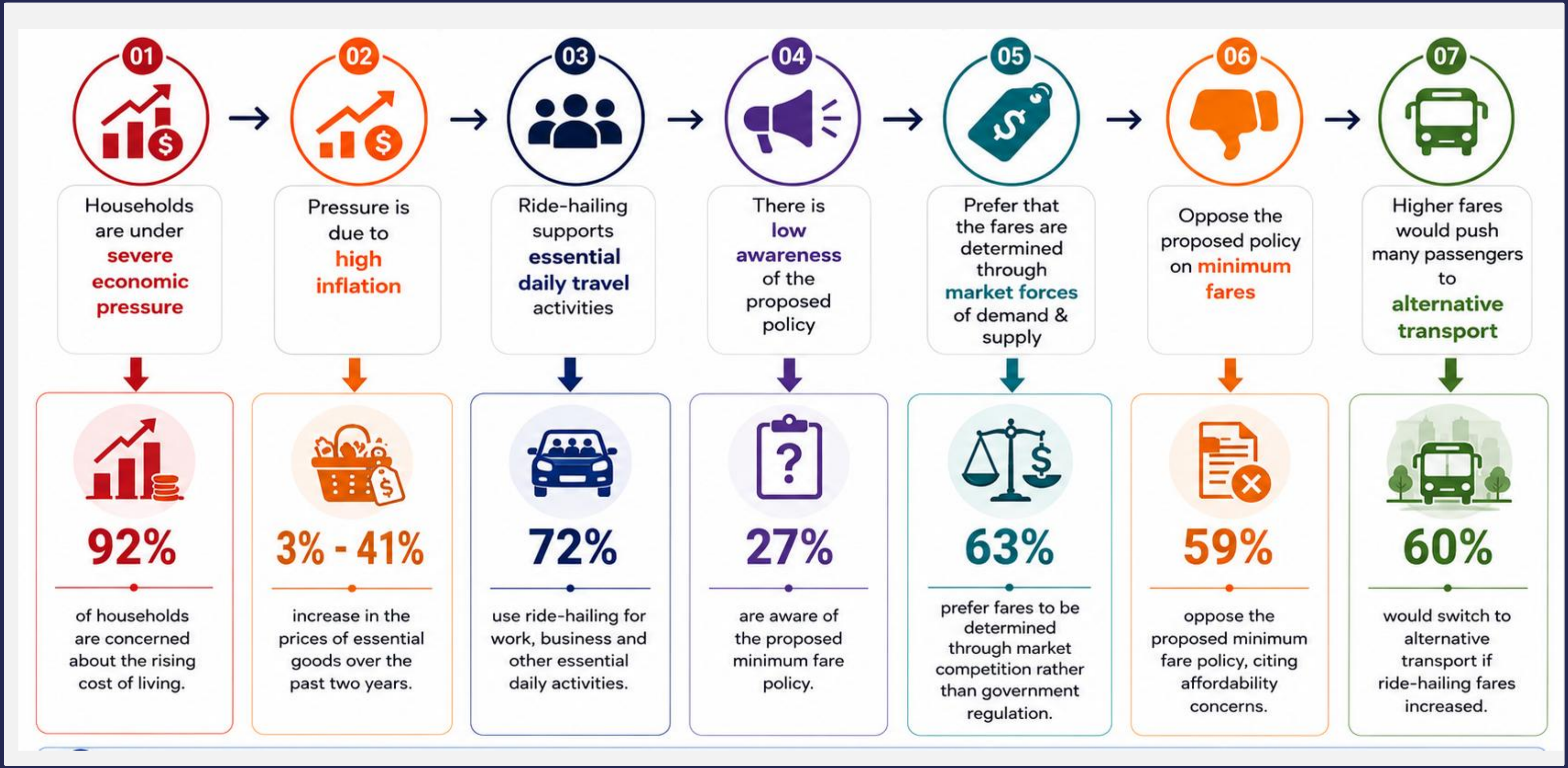
Reduced Demand:
Higher fares would push many passengers to alternative transport

60% of Nairobi ride-hailing users say they'd switch to matatus or other alternatives if fares rose significantly.



💡 **Key Insight:** The findings suggest that passenger demand is highly price-sensitive. Significant fare increases could reduce ride-hailing usage, as many consumers would either switch to cheaper transport options or reduce the frequency of their trips.

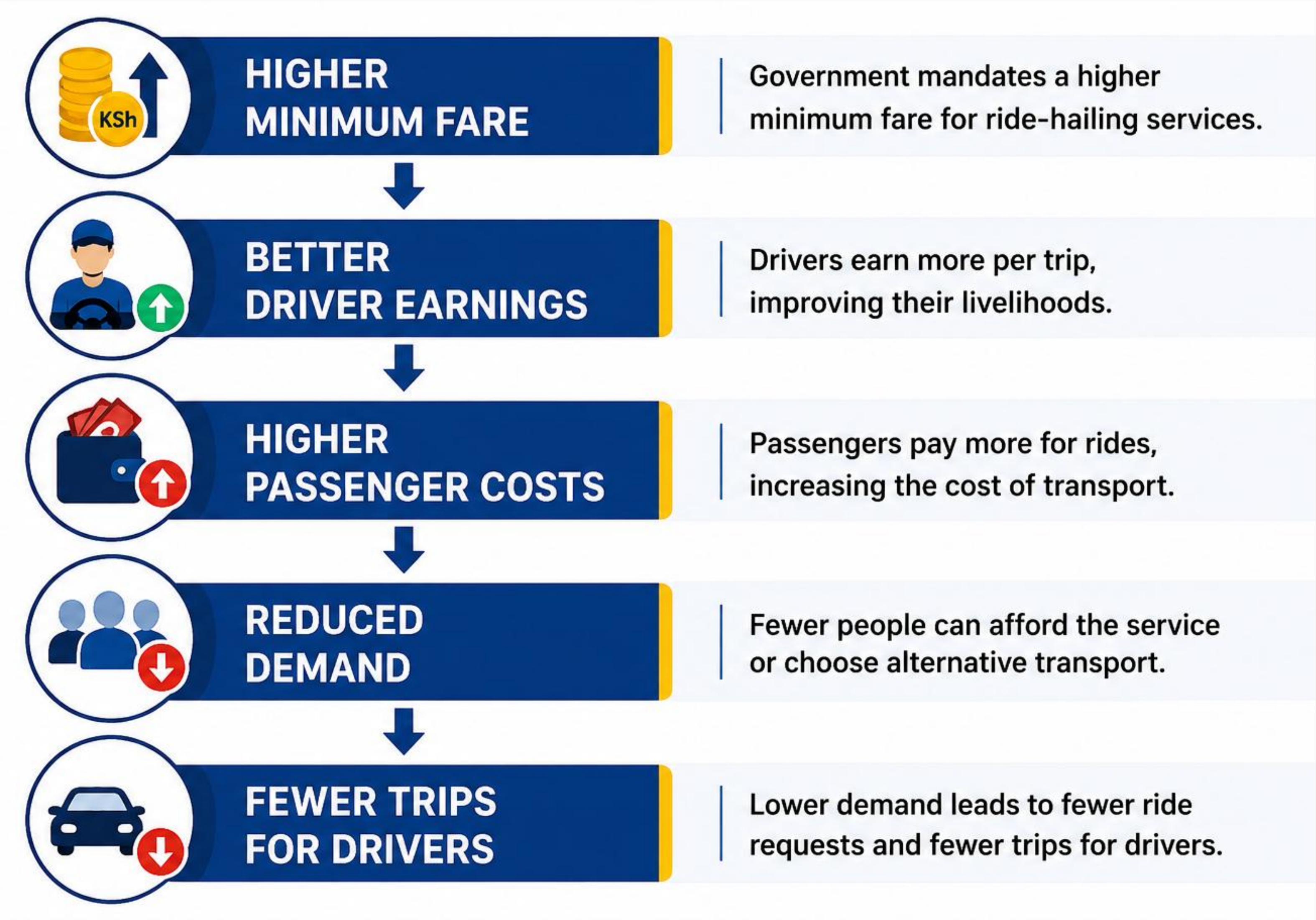
In Summary:
Economic Pressure Will Make 60% of Passengers Switch to Alternative Transport Means



Policy Dilemma: Balancing Driver Welfare with Passenger Affordability

60% of Nairobi ride-hailing users say they'd switch to matatus or other alternatives if fares rose significantly

The survey highlights the need for balanced regulation. While improving driver earnings is widely recognised as an important objective, passengers remain concerned about affordability.

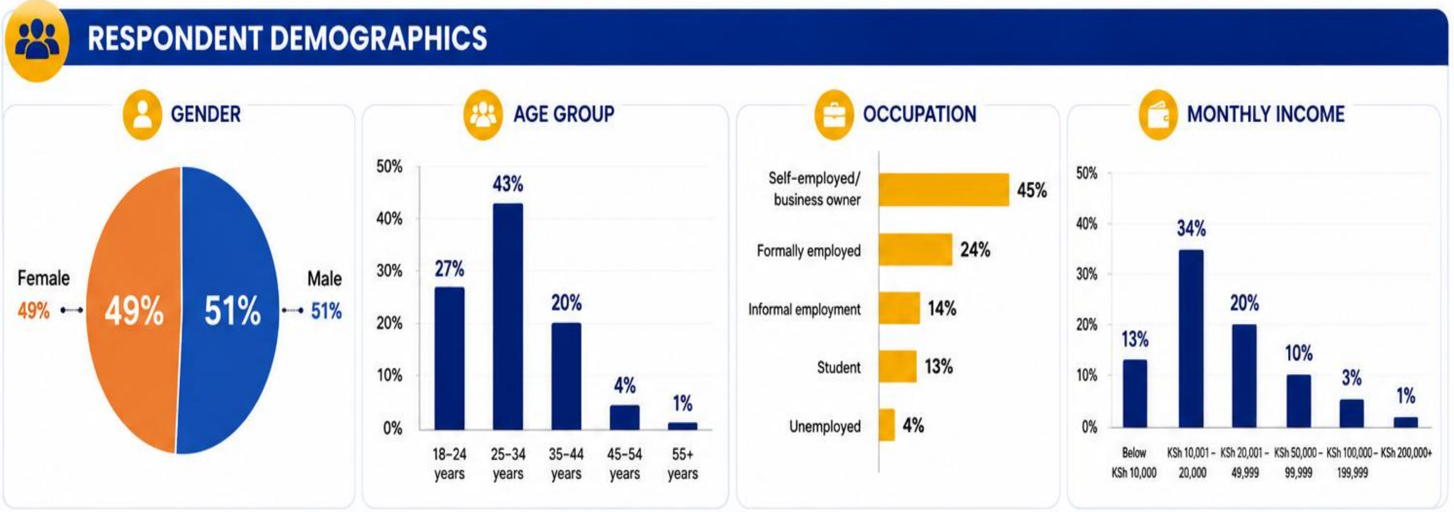


Methodology & Respondents' Demographics

Rationale for Nairobi

- Nairobi is Kenya's largest ride-hailing market, accounting for the highest volume of ride-hailing trips.
- It has the largest concentration of active ride-hailing passengers and drivers.
- Nairobi provides the most relevant and policy-significant environment for evaluating the potential impact of the proposed minimum fare framework because it is the country's largest and most active ride-hailing market.

Fieldwork Dates	• 17th to 21st July 2026
Geographical Scope	• Nairobi County
Data Collection	• Face-to-face (i.e., household-based interviews) • Interviews Conducted in Swahili (mainly) and English
Respondents	General public • 18+ years • Male & female
Sample Size	• Achieved Sample n=733
Margin-of-Error	• +/- 2.18 % (Note: Larger error-margins for sub-samples)



Methodological Considerations

Aspect	Explanation
Policy Tested	Respondents were asked about the concept of a government-mandated minimum fare. No specific fare amount (KSh) was disclosed.
Interpretation of Fare Increase	Questions referring to a "significant fare increase" measured directional attitudes and likely behavioural responses rather than a specific percentage increase.
Question Routing	Before seeking respondents' views, all participants were provided with a standardised explanation of the proposed policy to ensure a common understanding of the policy being assessed. Respondents were informed that: *The Government has proposed introducing a minimum fare for ride-hailing services. The proposed law would increase the current minimum taxi fare (approximately KSh 180–220) to a higher level with the objective of improving drivers' earnings.* Respondents were then asked: *Overall, do you think this is the right policy or the wrong policy?"*
Context for Interpretation	Findings should be interpreted alongside the broader economic context, including widespread concerns about the rising cost of living and increasing prices of essential goods and services.

3. Detailed Findings

3.1

Cost of Living & Transport Costs

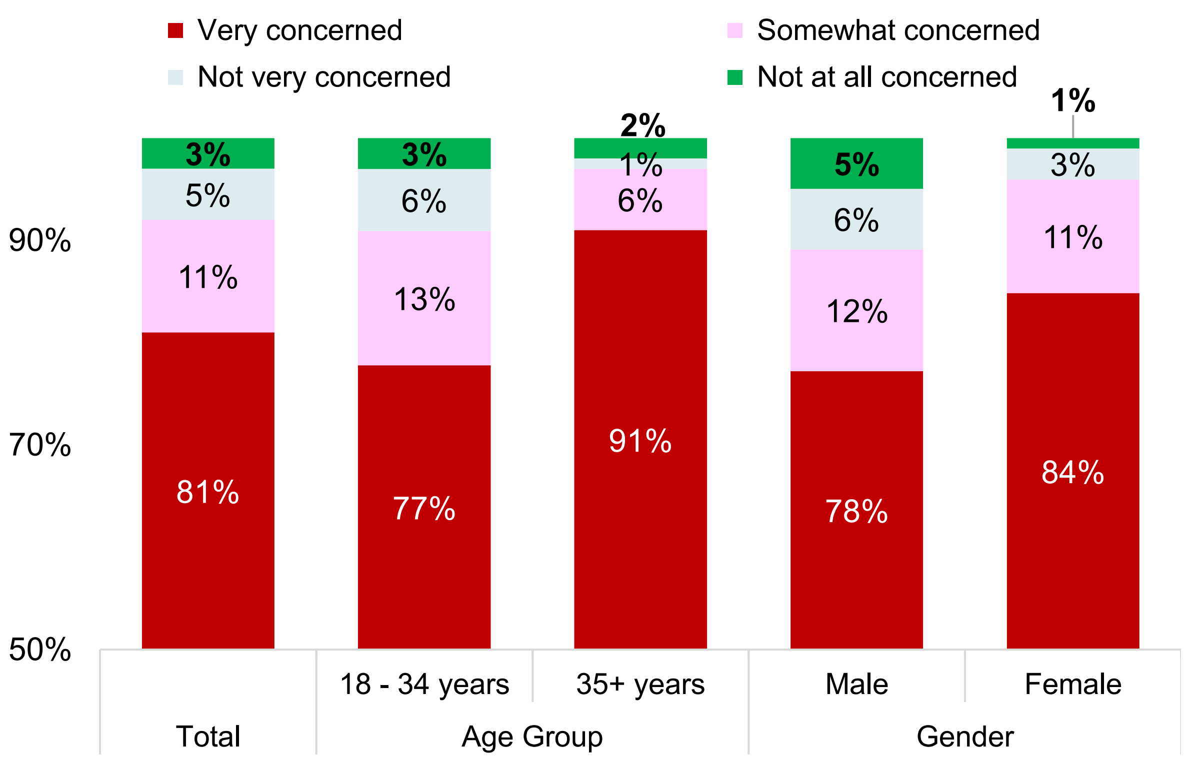
- ❑ Main Challenge Facing Nairobians
- ❑ Consumer Economic Sentiment

Consumer Economic Sentiment

By total, age group & gender

- A high proportion of 81% are very concerned about rising prices in everyday life, a widespread trend cutting across all demographics. This anxiety is especially intense among older adults aged 35 and above (91%) and females (84%), reflecting severe pressures on household budgets and family maintenance amidst escalating living costs.

Level of concern about rising prices



Base = 733 (All Respondents)

Q. How concerned are you about rising prices in everyday life, such as fuel, groceries, rent, and transport?

Illustrative changes in the prices of key household goods & services (2024 and 2026)

	Unit of measure	Average Price June 2025 (Kshs)	Average Price June 2026 (Kshs)	Approx Change (%)
Tomatoes	1kg	83.88	117.87	41%
Beef 1 kg	1kg	690.15	760.75	10%
Potatoes (Irish)	1kg	90.15	111.1	23%
Fresh packeted cow milk	500g	56.38	57.33	2%
Cooking Oil (Salad)	Litre	347.17	358.63	3%
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Diesel (Nairobi)	1 litre	171.58	222.86	30%
Petrol (Nairobi)	1 litre	186.31	214.03	15%
Kale-Sukuma Wiki	1kg	90.42	114.44	27%
Maize Flour - Sifted	1kg	160.22	159.78	-0.27%

Top Challenges Faced

- With 81% of respondents facing either high living costs or constrained incomes, households have little capacity to absorb further price increases. Any additional costs are likely to deepen financial hardship and reduce consumer spending.

Theme	Specific Issues	%
Household Financial Pressure due to Inflation	High cost of living (transport, fuel, food, education)	**62%**
Weakened Economic Opportunity & Livelihoods	Constrained incomes (low income, poor business performance, unemployment)	**19%**
Public Policy & Fiscal Environment	High taxes	**12%**
Governance & Public Security	Corruption, crime and insecurity	**6%**
No challenge/uncertain	Don’t know /No response/None	**2%**

Q. What is the biggest challenge currently facing you and your household?

Multiple responses were allowed; therefore, percentages may exceed 100%.

Base = 733 (All Respondents)

3.2

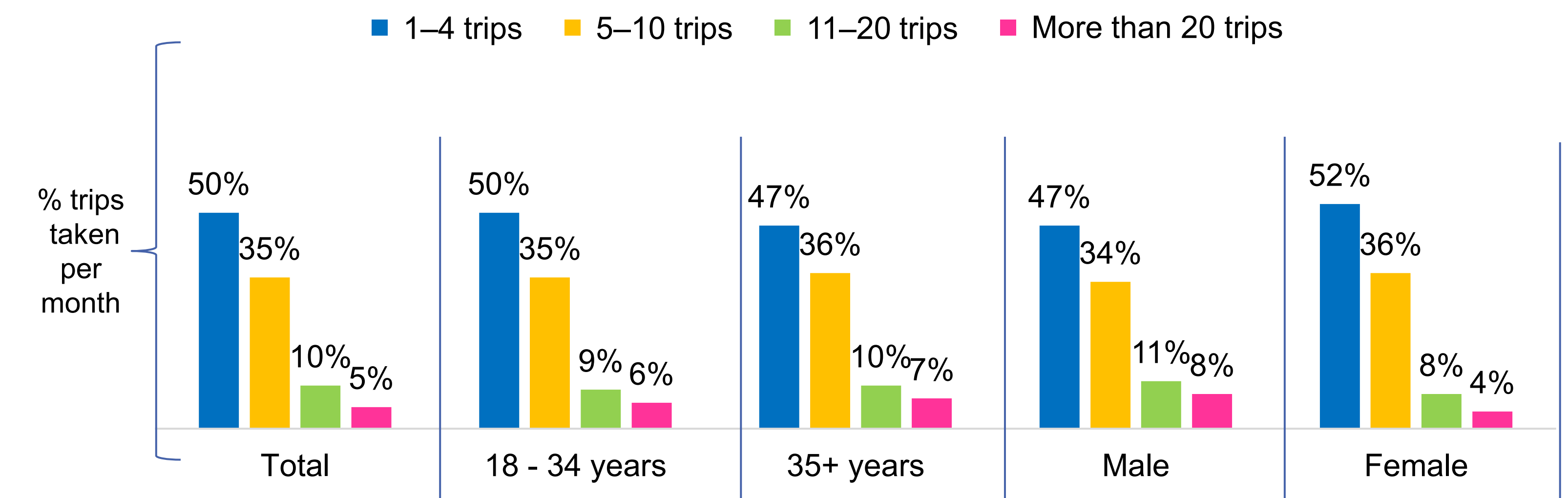
Ride-Hailing Usage

Ride-Hailing Apps Used in the Past 3 Months
Monthly Trips
Reasons for Using Ride-Hailing Services

Monthly Trips

- ❑ Although half of users make just 1–4 trips per month, ride-hailing serves a wide range of essential and discretionary needs, from commuting and business travel to shopping and leisure.

Estimated Monthly Trips

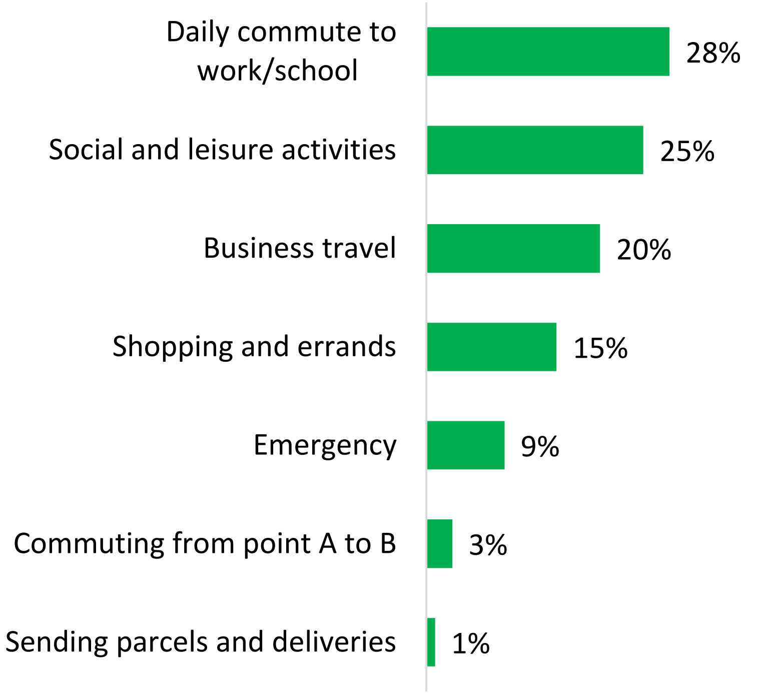


	Total	18 - 34 years	35+ years	Male	Female
Average Trips per Month	**6.8**	**6.8**	**6.9**	**7.4**	**6.2**

Q. Approximately how many ride-hailing trips do you take in a typical month?

Base = 733 (All Respondents)

Reasons for Using Ride-Hailing Services



Multiple responses were allowed; therefore, percentages may exceed 100%.

3.3

Minimum Fare Policy

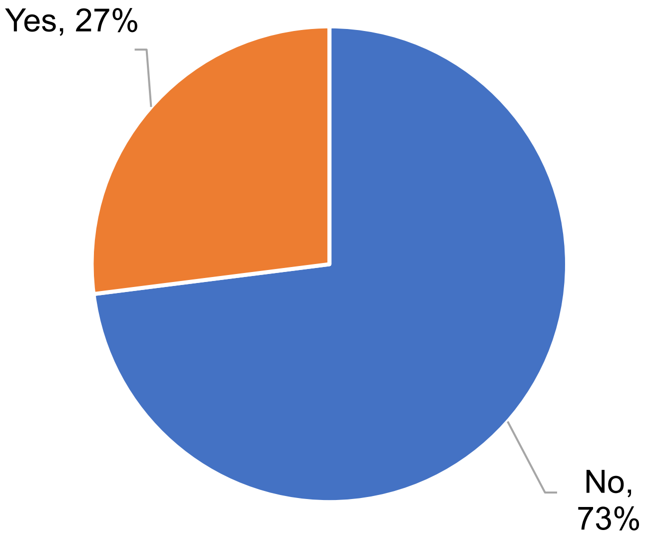
Public Awareness of Ride-Hailing Proposals & Impact
Public Views on Fare Regulation
Policy Approval & Reasons

Public Awareness of Ride-Hailing Proposals & Impact

By total

- Only 27% of ride-hailing users were aware of the proposed minimum fare. Among those aware, 42% believed it would negatively impact passengers by increasing ride costs, while 12% expected commuters to switch to alternative transport options. Overall, the proposal is perceived as increasing travel costs and potentially reducing demand for ride-hailing services.

Public Awareness of Ride-Hailing Proposals



Q. Before today, had you heard about proposals to introduce a minimum fare for ride-hailing trips such as Bolt, Uber, Little Cab and Faras in Kenya?

Main Theme	Sub-theme	Responses Included	Combined %
Negative Impacts	**Higher passenger costs and financial burden**	❑ Negative impact on passengers (42%); ❑ Higher fares/increased transport costs (10%); ❑ Higher cost of living/financial strain (3%); ❑ Reduced discounts/offers (2%)	**57%**
	Reduced usage of app hailing transport	❑ Shift to alternative transport (12%); ❑ Reduced ride-hailing usage (5%)	**17%**
	Negative industry effects	❑ Driver job losses/industry decline (1%)	**1%**
Positive Impacts	**Fairer and more sustainable fare pricing**	❑ Standardized/fair pricing (3%); ❑ Reduced competition/price wars (3%); ❑ Government regulation/taxation (4%) ❑ More affordable/lower fares (8%);	**18%**
	Improved customer experience	❑ Improved security/better service (3%); ❑ Increased accessibility/convenience (3%); ❑ Transparency/easier budgeting (2%)	**8%**
	Economic and business benefits	❑ Business or delivery impacts (2%); ❑ Increased demand/more ride-hailing usage (1%); ❑ Positive overall impact (3%)	**6%**
	Improved driver welfare	❑ Better driver earnings (8%)	**8%**

Q. What is the likely impact of the introduction of a minimum fare for ride-hailing trips such as Uber, Bolt, Little Cab and Faras in Kenya?

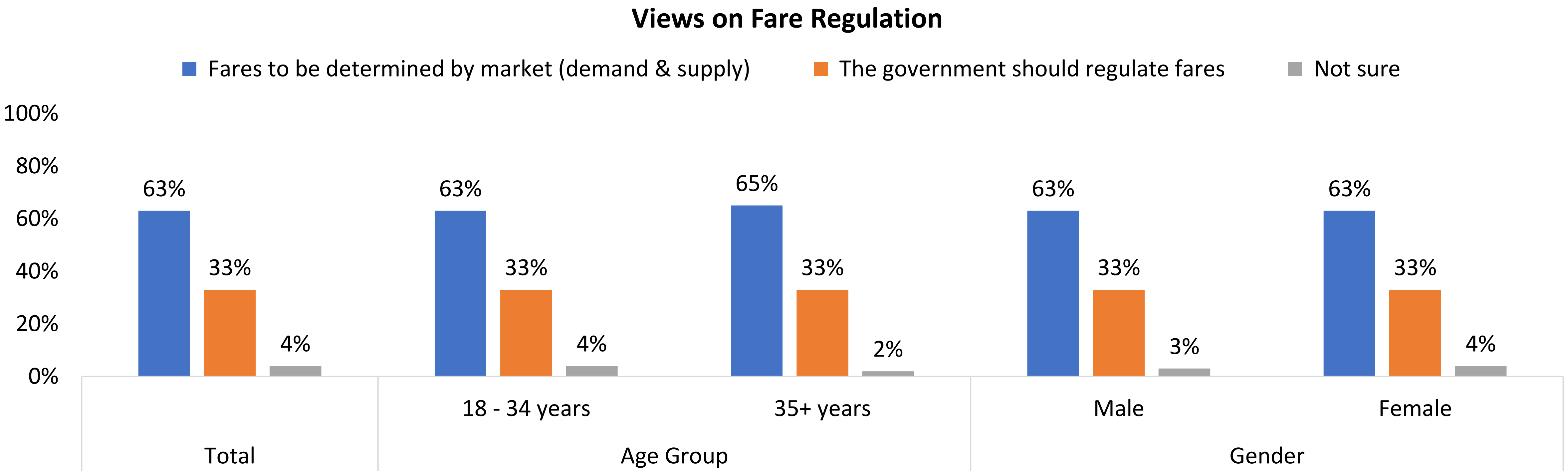
Multiple responses were allowed; therefore, percentages may exceed 100%.

Base = 733 (All Respondents)

Public Views on Fare Regulation

By total, age group & gender

- ❑ Nearly two-thirds (63%) of ride-hailing users believe that fares should be determined by market competition, while only one-third (33%) support government regulation of fares.
- ❑ Support for market-driven pricing is remarkably consistent across age groups and gender, with approximately 63–65% of respondents in each segment favoring competition over regulation. This suggests broad public confidence in competitive pricing regardless of demographic characteristics.



❖ Ride-hailing users overwhelmingly prefer market competition over government regulation to determine fares, with this preference remaining consistent across age and gender segments.

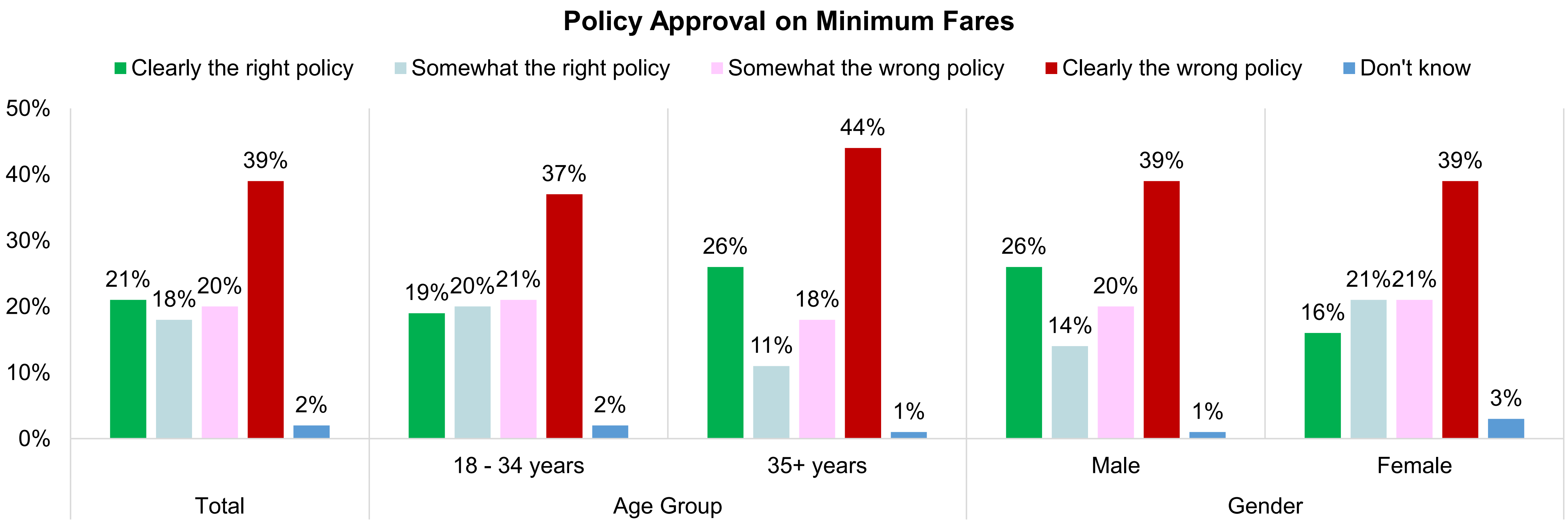
Q. In your opinion, should the Government regulate ride-hailing fares Bolt, Uber, Little Cab and Faras in Kenya, or should fares be determined by competition among ride-hailing companies?

Base = 733 (All Respondents)

Minimum Fare Policy Approval

By total, age group & gender

- The proposed minimum fare policy receives more opposition than support among ride-hailing users. A majority (59%) perceive the policy negatively, while only 39% support it. Opposition is evident across all demographic groups, particularly among users aged 35 years and above. The dominant concern is that the policy would increase already high transport costs, making ride-hailing services less affordable for consumers.



- Most ride-hailing users oppose the proposed minimum fare policy, primarily because they expect it to increase transport costs and reduce affordability. Opposition is consistent across age and gender segments, indicating broad-based resistance to the proposal.

Q. So the Government has proposed introducing minimum fares for ride-hailing services. Overall, do you think this is the right policy or the wrong policy?

Base = 733 (All Respondents)

Policy Approval/Disapproval Reasons

By total

- Passengers prioritise affordable, market-driven fares over regulation, while supporters see the policy primarily as a way to improve driver earnings. 36% believe fares should be determined by the market, and 36% fear the policy will make rides more expensive. In contrast, the strongest argument for supporting the policy is that drivers deserve better earnings (16%).

3.4

Impact of Fare Increases

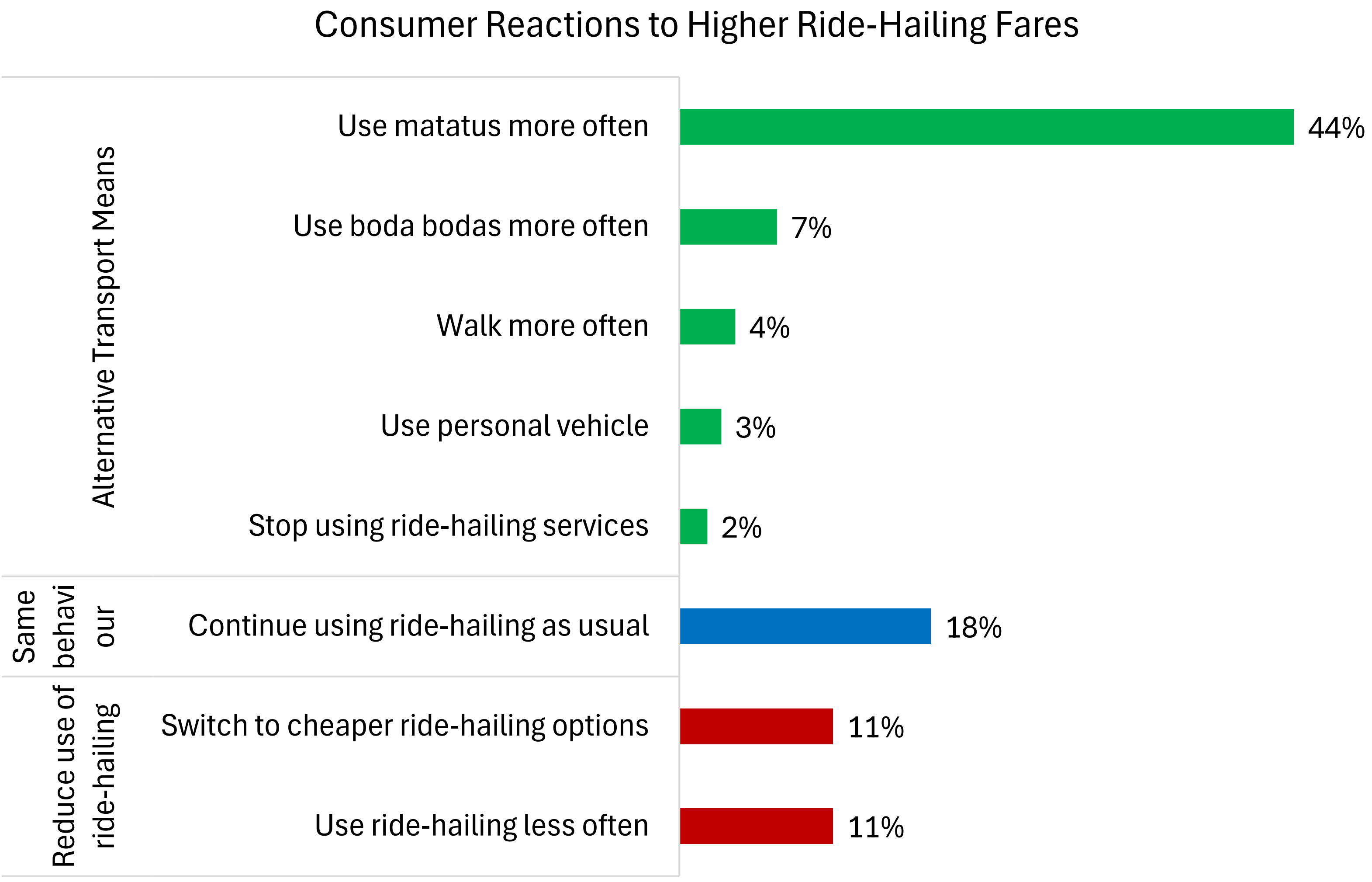
Consumer Reactions to Higher Ride-Hailing Fares
Key Government Priorities for Ride-Hailing Regulation

Consumer Reactions to Higher Ride-Hailing Fares

By total

- ❑ The vast majority of users (44%) would switch to using matatus more often, making public transport the primary alternative for affordability.

- ❑ Only 18% would continue using ride-hailing as usual, while a combined 22% would reduce their usage (11% using it less often and 11% switching to cheaper options).



Q. If ride-hailing fares increased significantly, what are you likely to do?

Base = 733 (All Respondents)

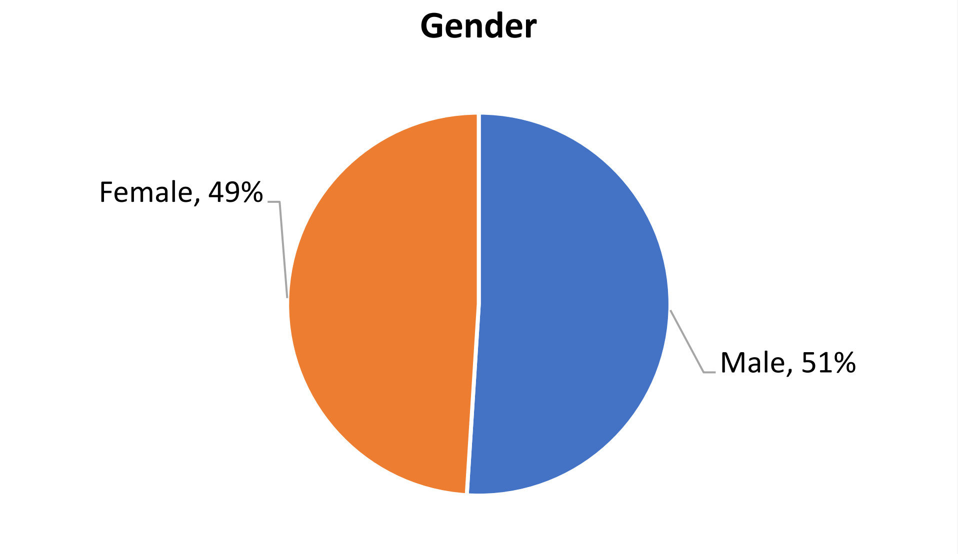
4

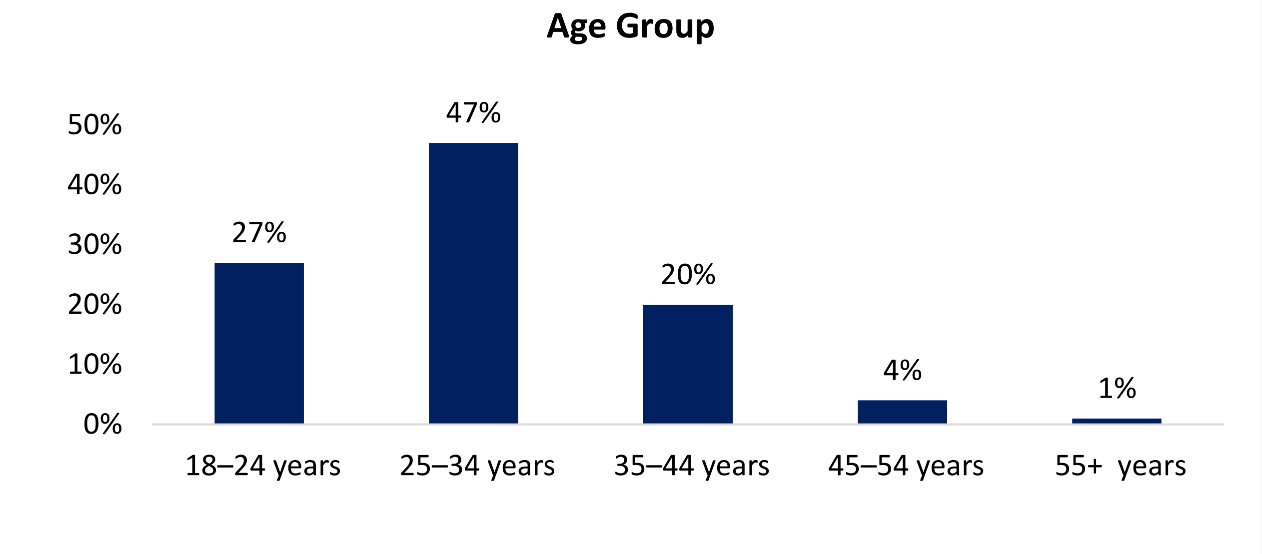
Methodology & Respondents Demographics

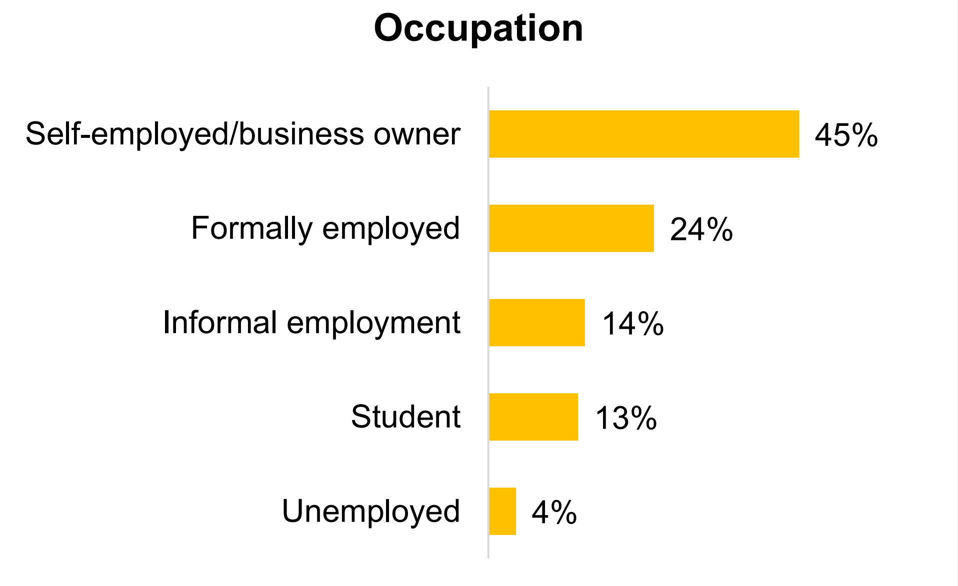
Methodology

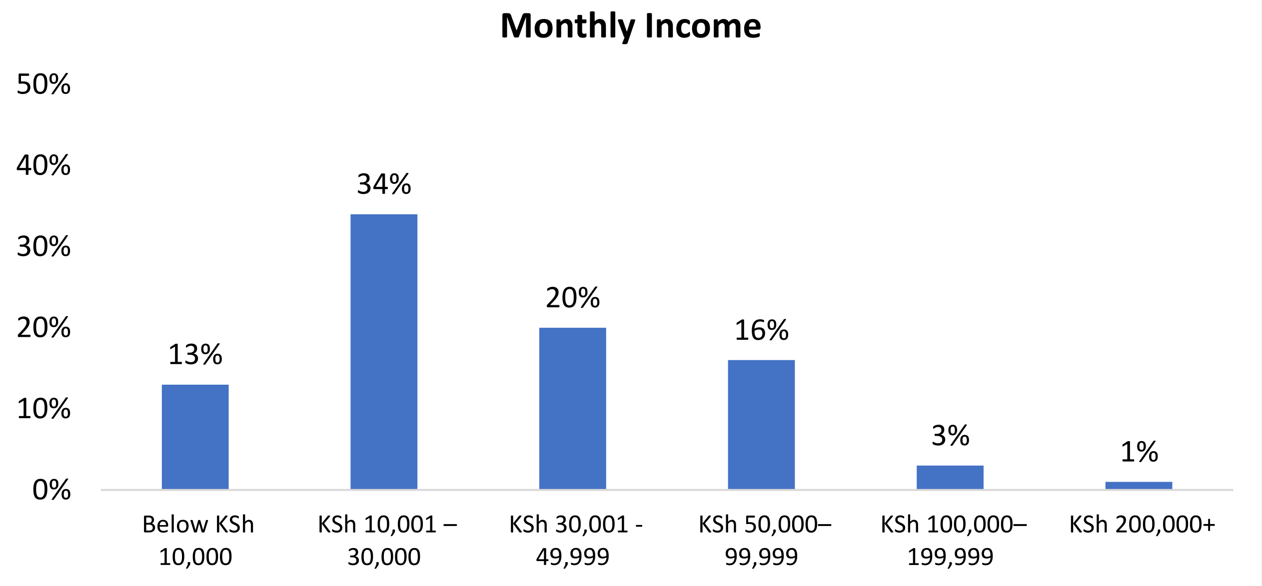
Item	Survey details
Fieldwork Dates	▪ 17th to 21st July 2026
Geographical Scope	▪ Nairobi County
Data Collection	▪ Face-to-face (i.e., household-based interviews) ▪ Interviews Conducted in Swahili(mainly) and English
Respondents	General public • 18 + years • Male & female
Sample Size	▪ Achieved Sample n=733
Margin-of-Error	▪ +/- 2.18 % (Note: Larger error-margins for sub-samples)

Respondents Demographics









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