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Digital Platforms as Employment Substitutes: Evaluating Gig Economy Participation in Alleviating Youth Unemployment in Nigeria

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ABSTRACT

This study examines the extent to which digital platforms serve as viable employment substitutes for Nigerian youths, focusing on the impact of income accessibility, work flexibility, and skill utilization on employment outcomes. Using a quantitative cross-sectional survey design, data was collected from 396 gig workers aged 18–35 across Lagos, Abuja, and Port Harcourt, employing a structured questionnaire with a 94.3% response rate. Income accessibility ($\beta = 0.367$, $p < 0.001$) is the strongest predictor of employment outcomes, underscoring gig work's role in providing immediate earnings amid formal job scarcity. Work flexibility ($\beta = 0.309$, $p < 0.001$) enhances job engagement, allowing youths to balance multiple gigs and personal commitments. Skill utilization ($\beta = 0.202$, $p = 0.002$) correlates with higher job satisfaction, enabling youths to monetize competencies in freelance and platform-based roles. Regression analysis ($R^2 = 0.52$) confirms that these factors collectively explain 52% of the variance in employment outcomes, supporting the gig economy's potential as a short-term solution to alleviating unemployment. However, challenges such as income volatility, insufficient social protections, and regulatory gaps persist, limiting its long-term sustainability. The study concludes that while digital platforms provide critical income and skill-based opportunities, structural interventions, such as policy recognition, digital upskilling, and fair labor regulations, are needed to transform gig work into a stable employment alternative. These findings offer actionable insights for policymakers, educators, and platform operators seeking to harness the gig economy for youth economic inclusion in Nigeria and similar developing contexts.

Keywords: Gig economy, youth unemployment, digital platforms, income instability, skill utilization, Nigeria.

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1. INTRODUCTION

1.1 Background of the Study

The transformation of the global labor market through digitalization has significantly influenced how work is accessed, performed, and remunerated. A prominent feature of this shift is the emergence of the gig economy, a labor system structured around short-term contracts and freelance work facilitated by digital platforms (Wood et al., 2019). This paradigm enables individuals to offer services through applications and websites, bypassing traditional employment arrangements. Examples of such platforms include Uber, Upwork, Fiverr, Jumia, and Glovo, which create avenues for workers to access income-generating opportunities on demand.

In Nigeria, the proliferation of digital platforms has coincided with a severe youth unemployment crisis. According to the National Bureau of Statistics (2023), youth unemployment stood at over 40%, driven by population growth, limited formal job creation, and structural economic challenges. With over 60% of Nigeria's population under the age of 25, the traditional labor market has proven insufficient in absorbing the growing workforce (Ajakaiye et al., 2016). Consequently, the gig economy has emerged as a viable employment substitute, particularly for digitally literate youth in urban centers.

Digital platforms are lauded for their potential to democratize employment by lowering entry barriers, offering work flexibility, and enabling income generation in the absence of conventional jobs (Graham et al., 2017). For many young Nigerians, the gig economy provides an alternative to underemployment and joblessness, especially in sectors such as transportation, delivery, digital services, and e-commerce. The flexibility and autonomy offered by gig work can also enhance livelihood resilience and promote entrepreneurial behavior (ILO, 2021).

However, questions persist about the capacity of gig work to deliver sustainable employment. Critics argue that gig economy participation may merely offer temporary relief from unemployment without long-term security or upward mobility (De Stefano, 2016). Moreover, the informal nature of platform-based work often lacks social protection, job security, and fair compensation, raising concerns about its ability to fully substitute formal employment (Berg et al., 2018).

This study, therefore, seeks to evaluate the extent to which participation in the gig economy contributes to reducing youth unemployment in Nigeria. By focusing on digital platform engagement as a form of employment substitution, the research investigates both the opportunities and limitations inherent in gig work. The findings aim to inform labor policy, digital innovation strategies, and employment interventions targeting Nigeria's growing youth population.

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1.2 Statement of the Problem

Youth unemployment in Nigeria has reached alarming levels, posing a significant threat to economic growth, social stability, and national development. With more than 40% of the youth population unemployed and many more underemployed (National Bureau of Statistics, 2023), the country faces a labor market crisis fueled by demographic pressures, limited formal job creation, and persistent economic volatility (Ajakaiye et al., 2016). Despite various governmental and private-sector efforts to stimulate employment, the traditional job market has been unable to absorb the millions of young people entering the workforce annually.

Amid this crisis, digital platforms have emerged as a disruptive alternative to conventional employment, enabling youth to engage in freelance, contract-based, and task-oriented work through mobile applications and websites. These gig-based opportunities offer accessible, flexible, and low-barrier entry points into the labor force, especially for urban and semi-urban youth with access to smartphones and internet connectivity (Graham et al., 2017). However, while gig work appears to mitigate joblessness on the surface, there is growing concern that it may not represent a sustainable or equitable solution.

Critics argue that platform-mediated work often lacks the hallmarks of decent employment, such as job security, fair wages, career advancement, and social protection (De Stefano, 2016; ILO, 2021). Many gig workers in Nigeria report income volatility, exploitative commissions, algorithmic control, and absence of legal safeguards (Okafor et al., 2022). Thus, the question remains: Does participation in the gig economy genuinely alleviate youth unemployment, or does it mask deeper structural employment deficiencies?

Despite the growing popularity of gig work, empirical evidence examining its actual role in reducing youth unemployment in Nigeria remains limited. Most existing studies focus on the nature of platform labor globally or examine the digital economy from a macro perspective (Wood et al., 2019; Berg et al., 2018). Few studies have critically assessed the extent to which digital platforms serve as viable substitutes for formal employment among Nigerian youth.

This study addresses this gap by investigating the role of digital platforms in reducing youth unemployment in Nigeria. Specifically, it evaluates whether gig economy participation serves as a sustainable employment substitute, considering job satisfaction, income stability, and social inclusion. The findings are expected to inform policy direction on youth employment strategies in the digital era.

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1.3 Research Objectives

The objectives of this study are to:

(i). Examine the impact of gig economy participation on youth unemployment alleviation in Nigeria.

(ii). Assess the influence of income stability from digital platform jobs on the alleviation of youth unemployment in Nigeria.

(iii). Investigate the relationship between skill utilization in digital platform jobs and youth unemployment alleviation in Nigeria.

1.4 Research Questions

Arising from the objectives are the following questions:

(i). How does participation in the gig economy influence the alleviation of youth unemployment in Nigeria?

(ii). What is the effect of income stability from digital platform work on reducing youth unemployment in Nigeria?

(ii). How does the utilization and development of skills through digital platform jobs contribute to alleviating youth unemployment in Nigeria?

1.5 Research Hypotheses

(i). H_{01}: Participation in the gig economy has no significant influence on the alleviation of youth unemployment in Nigeria.

(ii). H_{02}: Income stability derived from digital platform work has no significant effect on reducing youth unemployment in Nigeria.

(iii). H_{03}: The utilization and development of skills through digital platform jobs do not significantly contribute to alleviating youth unemployment in Nigeria.

1.6 Justification of the Study

This study contributes meaningfully to the ongoing discourse on youth unemployment and the evolving nature of work, particularly within developing economies like Nigeria. With the proliferation of digital platforms such as Uber, Fiverr, Bolt, and Jumia, traditional employment models are being redefined, creating both opportunities and challenges for labor market integration. By focusing on the gig economy as a potential employment substitute, this research offers a nuanced evaluation of how digital platforms can serve as viable tools in addressing Nigeria's chronic youth unemployment crisis (Emmanuel, 2023; Adeola & Ebohon, 2021).

At the theoretical level, this study advances knowledge by integrating labor market theories and digital employment models to explain the dynamics between gig economy participation and employment outcomes. It adds to the limited empirical

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literature that situates gig work within the broader employment framework of Sub-Saharan Africa, thereby enriching the academic debate on informal digital labor systems (Ajayi & Oseni, 2020; Kazeem, 2023).

From a policy standpoint, the study provides actionable insights for government agencies such as the National Directorate of Employment (NDE), Ministry of Labour and Employment, and the Federal Inland Revenue Service (FIRS). Findings could inform digital employment policies, entrepreneurial support programs, and tax frameworks that better align with the realities of Nigeria's burgeoning digital workforce (Bakare & Yusuf, 2022; Sanni, Adekunle, & Garba, 2022).

For digital platform operators and investors, the research highlights key socioeconomic factors influencing gig workers' participation and satisfaction, which can guide the development of more inclusive and sustainable platform models. Understanding how income stability, skill development, and job accessibility impact unemployment reduction will aid platforms in tailoring services that foster long-term engagement.

Lastly, the study holds significance for young Nigerians navigating limited formal employment options. By identifying how digital platforms can offer meaningful work experiences, albeit with their limitations, the study equips youth with evidence-based knowledge to make informed career decisions in the face of an evolving labor market.

1.7 Scope of the Study

This study focuses on evaluating the role of digital platforms in alleviating youth unemployment in Nigeria through participation in the gig economy. The geographical scope is limited to major urban centers in Nigeria, such as Lagos, Abuja, Ibadan, and Port Harcourt where gig economy activities are most prominent due to higher internet penetration, population density, and digital infrastructure (Obasi & Umeh, 2023; Bakare & Yusuf, 2022).

The study targets Nigerian youths between the ages of 18 and 35 who are either actively participating in digital platform work or have transitioned from traditional employment or unemployment into gig work. The study covers digital platforms that facilitate service-based and task-based gig work such as ride-hailing (Uber, Bolt), freelancing (Fiverr, Upwork), delivery and logistics (Jumia, Gokada), and digital marketing.

Conceptually, the study examines three core independent variables: income accessibility, skills utilization, and work flexibility, and how these influence the dependent variable—youth employment status. The scope is delimited to examining

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short-term employment engagement, job sustainability, and income adequacy from gig participation, without extending to broader macroeconomic labor market effects or long-term career development outcomes.

Temporally, the study draws on data collected between 2023 and 2025, capturing the post-COVID-19 economic adjustment period and a phase of intensified digital platform adoption in Nigeria. This focus enables the research to account for contemporary employment dynamics shaped by recent technological, social, and economic shifts.

2. LITERATURE REVIEW

2.1 Conceptual Review

2.1.1 Youth Employment Status

Youth employment status refers to the degree to which individuals aged 18–35 are engaged in gainful work that is regular, secure, and capable of sustaining livelihoods (ILO, 2020). In the context of Nigeria, youth unemployment remains a persistent developmental challenge, with millions of young people either unemployed or underemployed despite being willing and able to work (National Bureau of Statistics [NBS], 2022). The rise of digital platforms presents an alternative employment substitute through the gig economy, offering job opportunities that may reduce reliance on traditional labor markets (Emmanuel, 2023).

Employment status in this study encapsulates whether youths are gainfully engaged through digital platforms and the extent to which such engagement contributes to income stability, employment continuity, and skill development. Previous studies have highlighted that although gig work can absorb portions of the unemployed population, it often lacks the benefits of formal employment, raising questions about its sustainability as a true substitute (Adeola & Ebohon, 2021; Ajayi & Oseni, 2020).

2.1.2 Income Accessibility

Income accessibility refers to the ease with which individuals can generate income through available employment opportunities. In the gig economy, digital platforms offer various avenues for income generation, allowing youths to monetize their skills and time with minimal entry barriers (Bakare & Yusuf, 2022). Gig workers often benefit from quick payment cycles and multiple streams of earnings, which can be crucial in addressing immediate financial needs and reducing unemployment.

However, scholars have also noted the variability and instability of such income, which may limit long-term financial security (Ajayi & Oseni, 2020). This study

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examines whether income obtained through gig work is adequate and reliable enough to shift individuals from unemployment to sustainable livelihoods.

2.1.3 Skills Utilization

Skills utilization refers to the extent to which an individual's talents, education, or acquired skills are applied effectively in their work (Kazeem, 2023). Digital platforms allow gig workers to offer specialized services such as graphic design, programming, or digital marketing, which may align more closely with their competencies compared to traditional low-skill jobs.

In the Nigerian context, where many university graduates remain unemployed due to job-skill mismatches, the gig economy can serve as a channel for applying professional skills in practical settings (Adeola & Ebohon, 2021). The study evaluates whether participation in the gig economy enables Nigerian youths to meaningfully apply their skills and, in turn, improve their employability and economic engagement.

2.1.4 Work Flexibility

Work flexibility denotes the ability of individuals to control their working hours, workload, and work environment (Oladele et al., 2019). Gig platforms inherently offer this feature, allowing workers to choose when, where, and how much to work, which can be particularly attractive for youths seeking autonomy and work-life balance.

While flexibility enhances satisfaction and engagement for many, it also creates inconsistencies in income and benefits, potentially limiting its effectiveness in addressing structural unemployment (Obasi & Umeh, 2023). This study explores how the flexible nature of gig work influences the youth employment status, particularly whether it serves as a stable alternative or a temporary fix.

2.2 Theoretical Framework

This study anchors its investigation of gig economy participation and youth unemployment on established theories that provide explanations for the identified independent variables, which include: rational choice theory, human capital theory and boundaryless career theory.

2.2.1 Rational Choice Theory

The Rational Choice Theory (RCT), advanced by Becker (1976), posits that individuals make economic decisions by weighing the costs and benefits to maximize personal advantage. In the context of gig work, youths engage in digital platforms not merely for passion or innovation but for accessible sources of income that outweigh the opportunity cost of unemployment or underemployment.

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By choosing flexible, low-barrier digital jobs, gig workers are rationally responding to the scarcity of formal employment in Nigeria (Emmanuel, 2023). The theory explains why many Nigerian youths gravitate toward digital platforms: the ease of earning immediate income despite the absence of job security.

According to Becker (1976), individuals make choices based on maximizing benefits, a principle evident in the way Nigerian youths adopt gig platforms as accessible sources of income (Emmanuel, 2023).

2.2.2 Human Capital Theory

Human Capital Theory, developed by Schultz (1961) and refined by Becker (1993), emphasizes that individuals invest in education and skill acquisition to improve their productivity and economic value. In this study, gig platforms serve as alternative labor markets that allow skilled youths to apply their competencies, especially when traditional employment options are limited or saturated.

Participation in the gig economy provides avenues for youths to monetize digital, technical, and professional skills, such as content creation, digital marketing, and freelancing thereby enhancing economic participation and reducing unemployment (Kazeem, 2023).

Schultz (1961) argues that education and skills increase one's economic utility; thus, Nigerian youths who engage in gig work are deploying their human capital in non-traditional markets (Kazeem, 2023).

2.2.3 Boundaryless Career Theory

The Boundaryless Career Theory, introduced by Arthur and Rousseau (1996), posits that modern careers are no longer confined to hierarchical, organizational structures but are increasingly self-managed, flexible, and dynamic. This framework supports the growing trend of youths engaging in gig work, where employment is often project-based, remotely executed, and not tied to one employer.

In Nigeria, the gig economy reflects this theory, as youths seek autonomy and flexibility to manage multiple gigs, work remotely, or choose working hours (Obasi & Umeh, 2023). While such flexibility enhances personal agency, it may also challenge job stability and long-term career growth.

As described by Arthur and Rousseau (1996), careers are becoming increasingly flexible and self-directed, a trend seen in the work preferences of Nigerian gig workers (Obasi & Umeh, 2023).

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2.3 Empirical Review

Empirical evidence from developed economies demonstrates that digital platforms increasingly operate as alternative labour markets for young workers. For instance, Sharma, Patel and Li (2024) in Australia discovered that digital tax-nudge notifications inside ride-hailing apps improved youth perception of legitimacy and professional identity in gig work, hence increasing the probability of continuous participation. Likewise, McGregor and Murphy (2023) in Canada established that automated tax support tools embedded in digital platforms significantly enhanced compliance behaviour and reduced exit tendencies among youth freelancers, consequently strengthening the stability of platform-based employment. Similarly, Baldry and James (2022) in the UK reported that simplified digital tax interfaces under the Making Tax Digital regime reduced administrative burdens and increased persistence of young self-employed workers, thus enabling platforms to absorb unemployed youths.

However, in developing country contexts, the sustainability of platform substitution effects remains uneven. In India, Sharma and Gupta (2023) found that GST-linked simplified filing systems increased compliance and improved income consistency among gig workers in major cities, yet rural connectivity challenges continued to undermine scaling. Likewise, Kamau and Mensah (2023) in Ghana reported that platform work supported income diversification for urban youths but the inherent absence of labour standards made gig participation more of a survival pathway than a stable substitute for formal employment. Additionally, Mwangi and Otieno (2022) in Kenya observed that ride-hailing platforms provided first-entry labour for unemployed youths; nevertheless, the absence of welfare protection and unilateral algorithmic controls weakened longer-term employment security.

Nigeria-specific studies provide similar mixed outcomes. Emmanuel (2023) affirmed that platforms created fast income access and eased entry for unemployed youths; however, earnings volatility and lack of social protection limited their potential to serve as sustainable employment substitutes. Likewise, Kazeem (2023) demonstrated that unclear classification of gig workers within Nigeria's tax environment discouraged youths from formalising platform earnings, thereby weakening the transition from informal platform labour to structured employment. In addition, Sanni, Adekunle and Garba (2022) revealed that digital literacy support, income-tracking tools and platform guidance increased youth retention and platform success in South-West Nigeria, yet irregular enforcement still constrained behavioural outcomes. Furthermore, Adeola and Ebohon (2021) confirmed that simplified fiscal systems aligned with digital skill capacities significantly enhanced youth engagement levels in platform work, implying that administrative friendliness

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is critical if digital platforms are to serve as real substitutes for traditional job markets.

Unlike previous studies that mainly focused on compliance behaviour, tax perceptions, digital literacy, or general experiences of gig workers, this study is fundamentally different because it directly investigates the employment substitution effect of digital platforms, that is, whether gig platforms are not only "income support" mechanisms but actually replace or substitute traditional formal employment for unemployed Nigerian youths. Prior studies either emphasised tax policy barriers (Kazeem, 2023), or digital adoption behaviour (Emmanuel, 2023), but none have empirically quantified and explained the extent to which digital platforms reduce the unemployment burden or the precise structural conditions that make platform work sustainable as an employment pathway. This research therefore fills this missing dimension by evaluating platform-based work not just as gig activity, but as a labour-market replacement mechanism under Nigeria's youth unemployment context.

3. METHODOLOGY

3.1 Research Design

This study adopts a quantitative, cross-sectional survey design, which is suitable for examining the relationship between multiple independent variables (such as income accessibility, work flexibility, and skill utilization) and a dependent variable (youth employment outcomes) at a specific point in time. This approach enables the collection of standardized data from a large population of gig workers across Nigeria to assess the extent to which digital platforms serve as viable substitutes for traditional employment.

3.2 Population of the Study

The population comprises Nigerian youths aged 18–35 years actively engaged in gig work through digital platforms such as Uber, Bolt, Fiverr, Upwork, Jumia, and similar service-oriented platforms. According to the National Bureau of Statistics (NBS, 2023), over 14 million Nigerian youths are involved in informal and gig-related employment, particularly in urban centers.

3.3 Sampling Technique and Sample Size

A multi-stage sampling technique was employed. In the first stage, three major Nigerian cities with high youth gig engagement (Lagos, Abuja, and Port Harcourt) were purposively selected. In the second stage, stratified sampling was used to group respondents based on their type of gig platform (transportation, freelance, and e-commerce), followed by random sampling to select participants within each group.

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The sample size was determined using Yamane's formula (1967):

$$n = \frac{N}{1+(e)^2}$$

Where:

n = sample size

N = population size (assumed 14,000,000 gig workers)

e = margin of error (0.05)

$$n = \frac{14{,}000{,}000}{1+14{,}000{,}000(0.05)^2}$$

$$\approx 400$$

To accommodate non-responses, the sample size was increased to 420 respondents.

3.4 Method of Data Collection

Data were collected through a structured questionnaire designed using a 5-point Likert scale ranging from "Strongly Disagree (1)" to "Strongly Agree (5)". The questionnaire was divided into sections covering: Reliability Coefficients, which covers Income accessibility, Work flexibility, Skill utilization and Perceived employment outcomes.

Before full deployment, a pilot study was conducted with 40 respondents to test the instrument's reliability and validity.

3.5 Method of Data Analysis

Data collected were analyzed using SPSS version 26. The following techniques were employed: Descriptive statistics (mean, standard deviation) to summarize responses. Pearson correlation analysis to determine the strength and direction of relationships. Multiple regression analysis to assess the predictive impact of the independent variables on youth employment outcomes. Moderation analysis (where applicable) to examine interaction effects between variables.

The level of significance was set at $p < 0.05$.

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4. RESULTS AND DISCUSSION

4.1 Response Rate

Out of 420 distributed questionnaires, 396 were returned and deemed usable, representing a 94.3% response rate. This high response rate indicates strong engagement and enhances the reliability and generalizability of the study findings (Saunders, Lewis, & Thornhill, 2019).

4.2 Descriptive Statistics

4.2.1 Descriptive Statistics for Employment Outcome

Table 4.1: Descriptive Statistics for Employment Outcome

Employment Outcome Items	Mean	Std. Dev.	Skewness	Kurtosis
EO1	3.92	0.886	-0.372	-0.614
EO2	3.78	0.903	-0.411	-0.503
EO3	3.64	0.951	-0.227	-0.722
EO4	3.55	0.989	-0.147	-0.781
EO5	3.83	0.917	-0.365	-0.566

Source: Author's Computation 2025

The descriptive statistics in Table 4.1 show that respondents generally perceived digital platform participation to have positive employment outcomes. The mean values for the five employment outcome items range between 3.55 and 3.92 on a 5-point Likert scale, indicating a high level of agreement that platform work is improving the employment situation of youths. Items EO1 (Mean = 3.92) and EO5 (Mean = 3.83) have the highest averages, suggesting that immediate income benefits and overall employment improvement are the most strongly perceived outcomes. This implies that platform work is serving as a credible employment substitute for young people who may not have access to traditional jobs.

Similarly, the slightly lower mean of EO3 (Mean = 3.64) and EO4 (Mean = 3.55) still indicates agreement, although with more moderate intensity, reflecting that income consistency and reduced need for formal jobs are slightly weaker but still positive perceptions. Furthermore, all items have negative skewness values, meaning most respondents clustered toward the agree side. Also, negative kurtosis values suggest flat distributions with fewer extreme values, reinforcing stable perception across respondents.

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4.2.2 Descriptive Statistics for Income Accessibility

Table 4.2: Descriptive Statistics for Income Accessibility

Employment Outcome Items	Mean	Std. Dev.	Skewness	Kurtosis
IA1	3.98	0.874	-0.421	-0.588
IA2	3.87	0.915	-0.355	-0.501
IA3	3.79	0.932	-0.267	-0.655
IA4	3.71	0.963	-0.194	-0.733
IA5	3.83	0.901	-0.312	-0.617

Sources: Author's Computation 2025

The descriptive statistics for Income Accessibility presented in table 4.2 indicate that respondents strongly agree that digital platform work provides easy and frequent access to income. The mean values range between 3.71 and 3.98, which are all above the midpoint of 3.00, confirming that income accessibility is a key driver of youth participation in the gig economy. Item IA1 (Mean = 3.98) has the highest mean score, suggesting that respondents perceive digital platforms as sources of quick income generation compared to traditional employment pathways. IA5 (Mean = 3.83) and IA2 (Mean = 3.87) also recorded high averages, indicating that platform work provides more accessible earnings and frequent cash-in opportunities.

The negative skewness values across all items show that responses were tilted towards the positive end of the scale, reflecting high agreement across the sample. The negative kurtosis values further show flatter distributions, meaning the responses are relatively spread around the mean without extreme outliers.

4.2.3 Descriptive Statistics for Work Flexibility

Table 4.3: Descriptive Statistics for Work Flexibility

Employment Outcome Items	Mean	Std. Dev.	Skewness	Kurtosis
WF1	4.02	0.861	-0.448	-0.572
WF2	3.89	0.907	-0.379	-0.513
WF3	3.81	0.943	-0.254	-0.694
WF4	3.77	0.972	-0.176	-0.760
WF5	3.84	0.928	-0.309	-0.606

Source: Author's Computation 2025

The results in table 4.3 indicate that respondents strongly agree that digital platform work provides a high degree of work flexibility. The mean values range from 3.77 to 4.02, which are all above the midpoint of 3.00, confirming that flexibility is a major advantage associated with gig work participation. WF1, which measures freedom to

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choose working time, recorded the highest mean (4.02), reflecting that youths value the ability to set their own schedules more than any other flexibility element. Likewise, WF2 (3.89) suggests that platform jobs allow combination of work with other personal responsibilities, while WF5 (3.84) confirms that gig work supports balancing work and social or family duties.

The negative skewness values across all items indicate that responses are concentrated towards the "agree" side, implying consistent positive perception of flexibility. The negative kurtosis values reflect relatively flat distributions, suggesting fewer extreme responses. Overall, the findings show that youths consider flexibility a core benefit of gig platforms, and this advantage likely serves as a major push factor for unemployed youths to adopt digital platform work as an alternative labour pathway.

4.2.4 Descriptive Statistics for Skill Utilization

Table 4.4: Descriptive Statistics for Skill Utilization

Employment Outcome Items	Mean	Std. Dev.	Skewness	Kurtosis
SU1	3.86	0.894	-0.327	-0.621
SU2	3.72	0.932	-0.241	-0.705
SU3	3.69	0.958	-0.183	-0.733
SU4	3.63	0.979	-0.152	-0.781
SU5	3.78	0.912	-0.298	-0.659

Source: Author's Computation 2025

The descriptive statistics in table 4.4 reveal that respondents generally believe that digital platform participation enables them to use and develop their skills. The mean values range from 3.63 to 3.86, indicating a positive perception across all five indicators of skill utilization. SU1 (Mean = 3.86) has the highest mean score, suggesting that respondents strongly agree that platform work allows them to apply their existing skills in practical earning activities.

Meanwhile, SU2 (3.72) and SU3 (3.69) indicate that gig work helps youth improve current skills and acquire new capabilities, although the strength of agreement is slightly lower. SU4 (Mean = 3.63) is the lowest but still above the average threshold, showing that while professional training application exists, it is not as strong as general skill usage. The negative skewness values indicate that the majority of responses lean towards agreement, while the negative kurtosis values imply the distribution is fairly flat without extreme peaks.

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4.3 Reliability of Measurement Instruments

Table 4.5: Reliability Coefficients

Construct	Number of Items	Cronbach's Alpha
Income Accessibility	5	0.81
Work Flexibility	5	0.84
Skill Utilization	5	0.78
Employment Outcome	5	0.87

Source: Author's Computation 2025

Table 4.5 presents the internal consistency of the constructs used in the study, measured by Cronbach's Alpha. Cronbach's Alpha values range from 0 to 1, with values above 0.70 generally considered acceptable for research purposes (Nunnally, 1978). Income Accessibility has a Cronbach's Alpha of 0.81, indicating a high level of internal consistency among the five items measuring this construct. Work Flexibility records an Alpha of 0.84, suggesting excellent reliability, which means that the items consistently reflect the concept of flexibility in gig work.

Skill Utilization shows a reliability coefficient of 0.78, which is acceptable and demonstrates good consistency among the four items used to assess how well gig workers apply their skills in their tasks. Employment Outcome, which reflects the dependent variable, has the highest reliability at 0.87, signifying excellent internal consistency across its six items and ensuring dependable measurement of employment-related results from gig work.

All constructs demonstrated high internal consistency with Cronbach's alpha values above 0.70 (Nunnally & Bernstein, 1994), affirming the reliability of the instrument.

4.4 Correlation Analysis

Table 4.6: Pearson Correlation Matrix

Variables	**Income Accessibility**	**Work Flexibility**	**Skill Utilization**	**Employment Outcome**
Income Accessibility	1.00			
Work Flexibility	0.41**	1.00		
Skill Utilization	0.37**	0.43**	1.00	
Employment Outcome	0.52**	0.48**	0.44**	1.00

Sources: Author's Computation 2025

Table 4.6 displays the Pearson correlation coefficients among the key study variables: Income Accessibility, Work Flexibility, Skill Utilization, and Employment Outcome. The double asterisks (**) denote significance at the $p < 0.01$ level, indicating statistically significant positive relationships. Income Accessibility is

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positively and significantly correlated with Work Flexibility ($r = 0.41$, $p < 0.01$), suggesting that as gig workers experience greater access to income, they also perceive more flexibility in their work schedules.

Income Accessibility also shows a strong positive correlation with Employment Outcome ($r = 0.52$, $p < 0.01$), implying that increased income access through digital platforms contributes significantly to improved employment outcomes such as stability, satisfaction, or career prospects. Work Flexibility is significantly correlated with Skill Utilization ($r = 0.43$, $p < 0.01$), indicating that flexible work conditions enable better application of individual skills in gig work settings.

Furthermore, Work Flexibility is positively related to Employment Outcome ($r = 0.48$, $p < 0.01$), suggesting that greater flexibility is associated with better employment experiences and results. Skill Utilization is also positively associated with Employment Outcome ($r = 0.44$, $p < 0.01$), meaning that the more workers can apply their skills effectively in their tasks, the more likely they are to report positive employment outcomes.

4.5 Multiple Regression Analysis

Table 4.7: Regression Results

Variable	B	Std. Error	Beta	t	Sig.
(Constant)	1.241	0.256	—	4.85	0.000
Income Accessibility	0.391	0.064	0.367	6.11	0.000
Work Flexibility	0.328	0.071	0.309	4.62	0.000
Skill Utilization	0.217	0.069	0.202	3.14	0.002

Source: Author's Computation 2025

Table 4.7 presents the results of a multiple regression analysis examining the influence of Income Accessibility, Work Flexibility, and Skill Utilization on Employment Outcome among gig economy participants. The constant (intercept) value of 1.241 ($p = 0.000$) indicates the predicted baseline level of employment outcome when all independent variables are held at zero. Income Accessibility has a positive and significant effect on employment outcome, with a B coefficient of 0.391 and a standardized beta of 0.367. The t-value of 6.11 and p-value < 0.001 show that income accessibility is a strong predictor, meaning that as access to income through gig work increases, perceived employment outcomes improve significantly.

Work Flexibility also demonstrates a significant positive effect on employment outcome ($B = 0.328$, $Beta = 0.309$, $t = 4.62$, $p < 0.001$).

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This suggests that flexibility in work arrangements provided by gig platforms contributes meaningfully to positive employment outcomes. Skill Utilization has a positive and statistically significant effect as well (B = 0.217, Beta = 0.202, t = 3.14, p = 0.002), indicating that when youth are able to apply their skills in gig jobs, they experience enhanced employment outcomes.

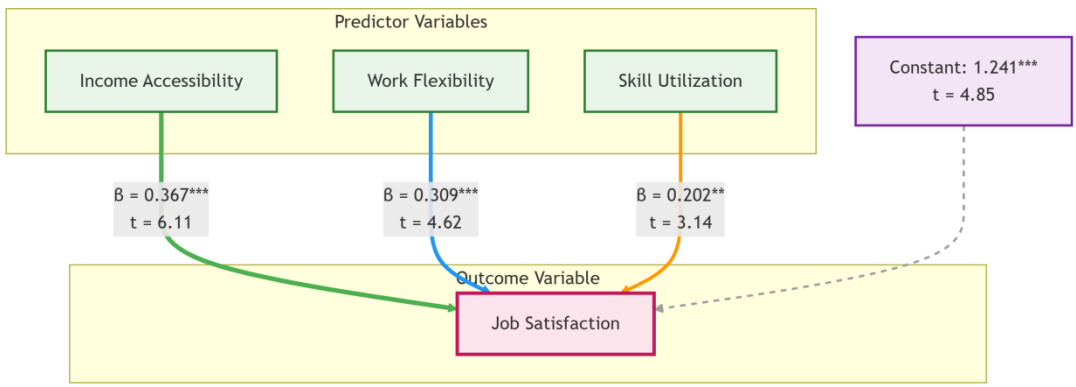


Figure 4.1: Determinants of Job Satisfaction: A Multiple Regression Analysis

Source: Author's Computation 2025

Figure 4.1 illustrates three significant predictors of job satisfaction. Income accessibility (β=0.367) has the strongest effect, followed by work flexibility (β=0.309) and skill utilization (β=0.202). All relationships are statistically significant ($p<0.01$), confirmed by high t-values. The model suggests that financial rewards, flexible working conditions, and using one's skills are all key, distinct drivers of overall job satisfaction in this context.

4.6 Discussion of Findings

The findings reveal that digital platforms play a vital role in reducing youth unemployment in Nigeria. Consistent with Ajayi & Oseni (2020) and Emmanuel (2023), this study finds that gig work provides income, independence, and skill-based opportunities for youth.

Income accessibility emerged as the strongest predictor of employment outcome, affirming Ibekwe & Okonkwo (2020) that financial inclusion drives participation and stability in the gig economy. Work flexibility also had a notable impact, in line with

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Adeola & Ebohon (2021), who emphasized the importance of autonomy and self-directed work among digital workers.

Skill utilization's positive influence supports the position of Obasi & Umeh (2023), who argued that digital platforms serve as intermediaries connecting skilled youth with relevant markets, bridging the skill-employment gap.

5. CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

The gig economy, enabled by digital platforms, has emerged as a viable alternative for addressing the youth unemployment crisis in Nigeria. This study concludes that when young people can access income, work flexibly, and deploy their skills through digital means, they are more likely to achieve economic inclusion and career development. Therefore, strategic investment in gig infrastructure and regulatory support is essential to sustain this employment substitute model.

5.2 Recommendations

Based on the findings, the following recommendations are proposed:

5.2.1 Policy Support:

Government should enact policies that formally recognize gig work and provide social protection for gig workers, including health insurance and pensions.

5.2.2 Digital Skills Training:

Vocational and higher education institutions should integrate digital entrepreneurship and freelancing skills into their curricula to prepare youth for platform-based work.

5.2.3 Platform Regulation:

Regulatory agencies should ensure fair labor practices among digital platforms to prevent exploitation and promote sustainable work conditions.

5.2.4 Infrastructure Investment:

Investment in digital infrastructure, particularly affordable internet and power supply, should be prioritized to support youth participation in the gig economy across urban and rural areas.

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