HOTEL INDUSTRY IN NIGERIA: AN EVALUATION OF PROBLEMS AND PROSPECTS.

BY

AJIBOYE, ABRAHAM OLUMIDE

1986/07 SESSION.

IN PARTIAL FULFILMENT OF THE AWARD OF MASTERS DEGREE IN BUSINESS ADMINISTRATION BY THE AHMADU BELLO UNIVERSITY, ZARIA.

OCTOBER, 1987

DECLARATION

I hereby declare that this project work is an original work conducted by me.

This topic has not been published by anybody as far as my knowledge is concerned. I am therefore responsible for any mistake found within this project.

C E R T I F I C A T I O N

This project report entitled PROBLEMS AND PROSPECTS OF HOTEL INDUSTRY IN NIGERIA by AJIBOYE, ABRAHAM OLUMIDE meets the regulations governing the award of the degree of MASTERS IN BUSINESS ADMINISTRATION of AHMADU BELLO UNIVERSITY, and is approved for its contribution to knowledge and literary presentation.

Project Supervisor — Date

HEAD, DEPARTMENT OF BUSINESS ADMINISTRATION

External Examiner — Date

Dean, Post-graduate School — Date

D E D I C A T I O N

I hereby dedicate this project to the following people:

1. Chief A. A. Ajiboye
2. Mrs. A. M. Ajiboye
3. Mr. O. S. Awoniyi (ASP)
4. Ms. F. Ololade
5. Mr. E. O. Oyeyipo
6. Chief J. B. Adewumi
7. Mr. Abayomi Ajiboye
8. Mr. Kola Adebiyi

A C K N O W L E D G E M E N T

I am very much indebted to my project Supervisor, Dr. J. G. Donli, the Head of Department of Business Administration and the Dean of the Faculty of Administration for his suggestions and criticisms. This obviously prepares me for my future work in organisations.

My gratitude also goes to the various hotels who gave me useful data.

My greatest thanks goes to my parents Chief & Mrs. A. A. Ajiboye who made this course possible for me to attained.

A B S T R A C T

This project work identified the problems and prospects of the hotel industry in Nigeria.

About 30 hotels were used for the case study through the use of structured questionnaire, interviews and record of the hotels.

A review of relevant literature and an analysis and interpretation of data were made.

Important conclusions were drawn from the analysis, and vital recommendations wore made. In the course of carrying out the research, many problems were seen plaguing the hotel industry among which are the following:-

1. Problem of location
2. Financial problem
3. Marketing problem
4. Corporate image problem
5. Personnel problem
6. Problem of cost
7. Poor standard of service
8. Problem of inadequate infrastructure.

Despite all these problems identified, there are still some prospects for the industry. Though the present economic situation scares many people in the industry, but the few that survive the situation have many hopes ahead.

TABLE OF CONTENTS

	PAGE
Declaration	i
Certification	ii
Dedication	iii
Acknowledgement	iv
Abstract	v
Table of Contents	vi
List of Tables	viii
List of Appendices	ix
CHAPTER I	
Introduction	1
Problem Analysis	3
Importance of the Study	7
Purpose of the Study	8
Methodology	9
Limitations	10
Definition of Terms	11
CHAPTER II	
Literature Review	13
CHAPTER III	
Data Analysis	23
CHAPTER IV	
Prospects for the Hotel Industry	38
CHAPTER V	
Summary and Recommendation	46
References	57

Table of Contents Contd.

Appendix I

Appendix II

Appendix III

Appendix IV

LIST OF TABLES

		Page
1.	Responses to Personal Interview	23
2.	Responses as to whether hotels need land for expansion	24
3.	Responses as to which location people prefer	26
4.	Labour Mobility in the Industry ...	27
5.	Categories of Workers Difficult to Employ....	27
6.	Responses on Adequacy of Fringe Benefits	28
7.	Responses on Adequacy of Funds ...	28
8.	Responses on Increasing Cost	29
9.	Standard of Service	30
10.	Adequacy of Infrastructure	30
11.	Effects of the Operations of Hotels	32
12.	Contributions to Standard of Living and Government Revenue	33
13.	Knowledge About Hotels in Nigeria ...	34
14.	Why Nigerian Hotels have not made enough Impact on Tourism	35

LIST OF APPENDICES

1. List of Hotels

2. Industrial Questionnaire on Hotels in Nigeria

3. Consumer Questionnaire on Hotel Service

4. Letter of Introduction

INTRODUCTION

The hotel industry was flourishing in the past until recently when the country started experiencing economic recession. The reason for this boom was as a result of influx of foreign experts which are needed to achieve the various national plans. Also, the oil boom period contributed immensely to the past boom in the industry.

Industries like textiles, petro-chemical, food processing, (etc) sprang up in the past, the greatest concentration being in Lagos, Kaduna, Kano, Jos, Enugu, Port Harcourt, Benin-City, and many other state capital towns in the country. The various governments and the private sector have continued to establish more industries and expanding the existing ones until the period when the country started experiencing economic recession. These industrial activities led to the growth of business trips to the country and this has greatly helped to boost the business in the hotel industry. But since the problem of economic recession has taken over the day, the hotel industry like many other industries have been recording a drastic decline in it's operations.

Nigeria is rich in culture and there are some attractive and aesthetic places enough to attract visitors. For example, Yankari Game Reserve in Bauchi State.

The other parameters that affect the industry are:-

The population density of the locality where majority of these hotels are located. Having a good observation of where majority of the five star hotels are concentrated in Nigeria, one will find out that they are mostly found in the capital cities. The high level of social activities which creates desires and interests of visiting these hotels are found among the inhabitants.

The growth of urbanisation in the past contributed immensely to the development of hotel industry in Nigeria.

In recent years, the past boom in the industry has turned to a drastic decline in operations. The major reason behind this decline in operations are the effects posed by the nation's drained foreign exchange. The foreign exchange problem led to the economic crisis the nation is still facing today. The problem of foreign exchange led to many other problems like restriction of importation. Thus, many industries embark on mass retrenchment . This action reduces the iisposable income among the populace. The introduction of the structural adjustment programme by the present military government makes things worst for many industries including the hotel industry. The amount of money in circulation has been greatly reduced and this inturn affects the disposable income level.

Problem Analysis

Despite the boom enjoyed in the hotel industry in the past, one still notice that the industry is unable to make the much needed impact on tourism which normally attracts valuable foreign currency. The reasons may be found in various problems plaguing the hotel industry. These problems could be identified and listed as follows:-

1. Problem of finance
2. Personnel problems
3. Marketing problem
4. Poor standard of service
5. Problem of getting raw materials
6. Problem of cost
7. Problem of poor location
8. Lack of necessary infrastructure.

The problem of finance seems to be more obvious in the privately owned hotels. Most governments vote money yearly for their hotels. It is not easy for most of the private investors to single handedly run the hotels without the help of financial institutions like banks. Inspite of this problem, many private investors find it difficult to obtain loan from these institutions. Also there is a general belief that hotel business is very lucrative; thus, people seem to rush into the business with the slightest amount of money they can generate and only to end up building sub-standard hotels. The obvious results are poor services. In addition, many investors in the hotel industry have not been able to

differentiate between capital fund and their personal fund. The tendency is for them to use their working capital for the purchase of capital goods such as expensive cars. Also, most of the government owned hotels that are given subventions do not realize or receive them on time. There is always a reason or excuse for delaying the subvention from the government. All these constitute a big financial problem for the hotel industry.

The problem of personnel are two in nature. Firstly, there is the problem of getting skilled personnel in most of our hotels. Professional chefs are in most cases not available and where we have them, they are not always in the quantity needed. Secondly, there is high mobility of labour in the industry. Most of the workers in the industry prefer to work in the five star hotels. Thus, workers shift from their jobs the moment the opportunity is open to them in any of the big hotels. All these hinder the proper functioning of the hotel industry.

There is also the marketing problem. The success of a hotel in marketing it's services simply depends on the ability of the management to seek and recognize the opportunities open to it. The market available for it's services should be known by the management. It is sad that many hotels in Nigeria do not advertise and as such not many people are aware of their existence. The management should make people to be aware of their

business and create the desire and interest that will attract people to them. With a well laid out advertisement, this objective can be achieved, For the hotel industry to survive in the future, its activities must be geared towards the satisfaction of the consumers. This will enable them to increase their profit.

The problem of poor standard of service is a direct manifestation of poor administration, and the general poor attitude to work often exhibited by Nigerian workers. For example, there are cases where workers are seen gossiping when they are supposed to be engaged in one work or the other. This poor attitude to work is often responsible for why many customers give bribes to the stewards in order to get quick service. The problem of poor administration often comes up because there is lack of knowledge of hotel management principles on the part of proprietors. Also, most of the employees are not properly trained. The obvious results of these are poor service in the industry.

The problem of getting raw materials is a general problem to many industries. The problem is even more enhanced by the introduction of the structural adjustment programme by the Federal Military Government. This led to various restrictions placed on imported items that serve as raw materials for the hotel industry. Example of these items are Jam, Spirits, and Baked Beans. More-over where these items are found, they

are always very expensive because of the high import duty which they presently attract. This actually made it difficult for most hotels in Nigeria to prepare foreign dishes like grilled ox liver, Saute potatoes, and so on.

The problem of cost relates to the general increase in price level in the country. The cost of acquiring a plot of land has considerably gone up in this country. Building materials are very expensive to buy nowadays. Thus, for an expansion to take place in any hotel now, it will require a large sum of money. Also, furnitures and other equipments are very expensive to come by nowadays. The minimum wage fixed by the Federal Government has also increased the general overhead cost in most establishments including hotels.

The problem of poor location is greatly affecting hotel industry in Nigeria. Most hotels were established without due consideration for factors such as good access road, adequate space for future expansion, (etc). This invariably hinder expansion activities in the future years. Also some hotels lack provision of good parking space because of their poor location. It is very disgusting to find out that some mushroom hotels are located in flooded areas. This virtually does not guarantee all the year round operation for them. Location is a very important factor to be

given a serious attention in establishing a hotel; because as the level of competition is rising, people begin to compare the conveniences provided by each hotel.

The problem of lack of the necessary infrastructure is also seriously affecting the hotel industry. The country is beseiged by poor and inadequate public utilities such as poor communication system, unreliable power supply, (etc). The consequences of this infrastructural problem in most hotels is that the telephones cannot function properly as it ought to be. In most of the big hotels, electricity plants were purchased and boreholes were sunk to substitute the inadequacy of electricity supply and irregular water supply respectively. This invariably increases the expenditure in these hotels.

Importance of the Study

The importance of this study is manifested in a number of ways. Firstly, the hotel industry is one of the pillars of the tourist industry. This invariably serves as a source of foreign exchange for the country. Majority of tourists are housed and fed in our hotels.

The importance of the hotel industry can also be seen from the fact that it provides employment opportunities for a wide variety of professionals like caterers, accountants,(etc.).

The hotel industry also contribute to the government revenue. There is always a certain percentage of the total hotel earnings that is being taxed annually.

Hotels also serve as a good meeting place for many people. Some businessmen prefer to keep appointments at hotels. This is always the case because the atmosphere is always very pleasant in most of the hotels. The recreational facilities provided in most hotels gives opportunities for sporting activities.

Establishment of hotels also help to house those staffs that are transfered from their working place to another town. Most organisations always provide hotel accommodation for their staffs on transfer atleast for a short period of time before they could secure their own accomodation.

In acknowledgement of the contributions of hotel industry by the Federal Government, she has established Nigerian Tourist Board.

It is hoped that the findings of this work will help to solve some of the problems in the hotel industry.

Purpose of the Study.

The purpose of this study is to find out the major problems facing the hotel industry in Nigeria

I intend to suggest necessary solutions to the problems facing the industry in this write up.

Methodology

I intend to use two ways of collecting data.

1. Primary sources of data collection
2. Secondary sources of data collection

The primary sources of data collection will involve the use of such research technique as:-

a. Questionnaire
b. Personal interviewing
c. Observation method

The above ways of collecting data will be used in different degrees as they will be found appropriate.

The questionnaire will be of two kinds. One will be industrial questionnaire which will be administered on hotel managers and the other will be made for hotel customers. These questionnaires will provide useful information on the following areas: Sales, Occupancy rate, attitudes, opinion, cost, location, personnel, finance, and marketing.

Personal interview will be made with some hotel customers and managers to explore the following things:-

1. Factors that make people to visit hotels.
2. Problems facing the hotel industry and possible solutions.
3. Prospects for the hotel industry.

In using observation method, a visit will be made to some hotels and the way things are done will be closely observed.

The secondary sources of data collection will involve gathering informations from business papers, journals, textbooks, (etc).

In determining the sample size to be use in this project work, a random selection of hotels will be made; but the selection will be nation-wide spread. Both five star hotels and small hotels will be sampled. I will select those hotels and respondents that will meet my needs. The list of the selected hotels is provided in appendix I at the back.

Limitations

It is imperative that for the purpose of setting accurate and up to date data, a researcher must spend as much time as possible in gathering information. As a student I had only a short time in gathering information.

Finally, only few works have been conducted in this particular area I am researching on. I have to subsidize informations received from personal interviews and questionnaires with some informations from business papers and textbooks.

ABDUL IBRAHIM LIBRARY
AHMADU BELLO UNIVERSITY
ZARIA, NIGERIA.

Definition of Terms

The definition of some of the terms used in this project work includes the following.

1. Hotel:- An establishment held out by the proprietor as offering food, drink and if so required sleeping accommodation, without special contract to any traveller presenting himself who appears able to and willing to pay a reasonable sum for the services and facilities provided and who is in a fit state to be received.

2. Restaurant:- A place where meals can be bought and eaten.

3. Bar:- A counter at which drinks are served in a hotel.

4. Suite:- A set of rooms in a hotel with a bedroom, a sitting room and a bathroom.

5. Single accomodation:- A sleeping room in a hotel with only one bed provided and a bathroom.

6. Double accomodation:- A sleeping room in a hotel with two beds and a bathroom.

7. Tourism:- Journey out and home again during which several places of interest are visited by tourists.

8. Breakfast:- First meal of the day.

9. Launch:- Meal taken in the middle of the day.

10. Dinner:- Last meal of the day.

11. Industry:- An industry is a group of firms producing the same or similar product or services for the same market.

CHAPTER II

LITERATURE REVIEW

Very few researches have been carried out on the hotel industry in Nigeria. Some of these dealt directly with the problems facing the hotel industry.

Some authors of hotel management textbooks devoted many of their pages discussing issues under headings as "setting up an hotel", "managing a hotel",(etc). In this country, only few newspapers and magazines have actually carried articles on the problems facing the hotel industry in Nigeria.

Nwokolo (1979) carried out a survey of some hotels in Bendel State. These hotels are located in Benin-City, Warri (etc). The conclusions which he drew in order of importance as being the problems facing the hotel industry were as follows:-

1. Poor location.
2. Lack of finance.
3. Lack of skilled personnel.
4. Poor management.

Most recent investigations into the problems of inefficiency among hotels in Nigeria have followed two broadlines. First are those problems created by these hotels themselves and the second has considered the economic and social environments of these hotels.

Chebezie (1979) carried out a review of his own work and that of others and suggested that the extent to which a hotel can be successful depends to a large extent upon the relationships it has with the enviroment. His main emphasis was on the need for hotels to adjust, and adapt to their immediate enviroment. He further said that most hotels have very short life span not because of lack of capital and skilled personnel but because the management of these hotels do not plan ahead. He further said that most hotels are in their present locations because the management of these hotels only considered the size of the towns in which they are located as at that time. But as these towns continue to expand, their resources and space can no longer cope with the demand. As a result many proprietors have now acquired lands elsewhere to put up new hotel annex since their present locations are inadequate.

Eboh (1980) has thrown some doubt on Chebezie's view that lack of planning ahead is the greatest problem facing the hotel industry today. He noted that the Nigerian enviroment is so dynamic and frequently changing that it requires a regular forecasting. Also due to the poor management of the Nigerian political economy, the country seems to deal with its various economic crisis through structural adjustment programme which come without adequate warning to the industry. This he said creates problems of planning, and most hotels see such economic measures as a threat rather than an opportunity for

improving their performance through a change in policy and strategy on personnel, marketing, (etc).

Chuma (1981) has ample evidence that the greatest problem facing the hotel industry today is lack of finance. He said that most investors do not consider the amount of capital (money) they have and where they will get additional capital in the future. They only considered that much profit that is made in the hotel industry, and as such as soon as they get a small amount of money they go into hotel business only to pack up soonest or build a sub-standard hotel. This he said is the reason why Nigerian hotels are predominantly small scale and privately owned, usually as family concerns.

Ifedi (1981) tends to support Chima's views when he noted that the establishment of a large number of small hotels competing desperately against one another has ruined many investors in this field and should be discouraged, if necessary by legislation. He further said that there is the urgent need for pooling of capital and manpower in partnership, joint stocks and combinations.

Winslet (1981) has said that

> "the hotel industry demands initiative, hardwork, together with high standard of cleanliness; of buying, preparing and presenting food, and of everything that goes to give service in its widest and best form to the community."

He regretted that in the developing countries, there are no qualified personnels to ensure this. The hotel industry he continued, has a notorious reputation for its high labour turnover and has a problem of attracting the right people where they are available. The obvious reasons for this according to him are poor management and lack of adequate incentives and fringe benefits.

Thompson (1982) conducted a research on the problem of getting accomodation in Lagos. His sample contained 1,000 visitors to Lagos, 650 men and 350 women drawn from the international and domestic airports and the various motor parks in Lagos. Two of his findings were that, most of the hotels in Lagos do not advertise and as such, visitors to the city hardly know of their existence. The second is that most of the hotels are poorly located. The consequence is that visitors find it difficult if not impossible to reach them.

Durojaiye (1982) has identified inadequate infrastructural facilities such as access roads, electricity and water supply, telephone,(etc) as a major problem the hotel industry is confronted with. Out of the 2,050 in his sample that came from some hotels in the nineteen states of the federation, 98% expressed disappointment over the poor state of affairs in our hotels i.e. irregular supply of water, regular power cut, poor communication, (etc). Increasing cost of raw materials and equipment has also been identified

as a major problem by him.

Hawkins (1982) found that as a result of the ever increasing cost of items needed to provide first class service in most hotels, charges have gone up. In Lagos, Thompson (1982) showed that prices are fixed according to the cost of providing services in most hotels. This he said is the reason why charges for identical service differ from hotel to hotel. Furthermore, he said older hotels charge less since the prices of equipment such as generator, water treatment plant, gas Cookers, (etc) were relatively cheaper when they bought them. He went further to justify the relatively high fees charged by the new hotels.

Dorothy (1982) demonstrated that the current economic recession and inflation has adversely affected the hotel industry. The effect of the recession are felt by the large and small hotels alike. The recession and inflation has led to general increase in charges of lodging in the hotels over the years. She went further to say that nearly all the menu have been changed and in some cases there were slight price increases. Unlike Hawkins, who justified these price increases, Dorothy maintained that the rate of this price increases has been more than the inflation rate of about 15% over the last five years.

Mobility of labour is another problem which she identified with hotels. The situation she explained is such that the large hotels are used as training

grounds and when any small hotel springs up it attracts the workers especially of the lower cadre from the large hotels. The attraction according to her is mainly through better job prospects in the smaller hotels and in some cases better pay. A study by Johnson (1982) also confirmed that waiter employed in the large government hotels often working for a while would be easily employed by the small privately owned hotel as a head waiter, with a higher salary, because of his past experience. To this effect the large hotels have much less employees than they started with. He concluded that it would not be correct however to say that the sole reason why there have been less employees over the past few years in the large hotels is due to high labour mobility in the industry. According to him some Managing Directors have confessed to initially over staffing the hotels. Like any new organisation over staffing is not realised until after a while. As such the subsequent vacants post are frozen. This is probably the reason why even the smaller hotels record a reduced number of employees than they started with.

Abureme (1982) found that apart from the problem of high labour mobility, the industry is also faced with a general financial management problem; that is inadequate financial planning. This is epitomized in the number of mu hroom petty contractors that have flooded the managerial scene in the hotel industry.

Thompson (1982) also listed other sets of financial planning problems in the hotel industry which includes: emphasis on volume at the expense of return on investment, poor pricing policy, liberality in granting credit, and inadequate handling of accounts payables. He noted that almost all the hotels in Lagos want to make use of the credit facility since it is the cheapest form of finance for business. The tendency is that while management strives to keep its debtors down to the bearest minimum, it tries to make maximum use of credit facilities offered by its suppliers. Thus, it is not uncommon to find hotels delaying payments to their suppliers and this make their credit rating to fall and before they discover what is going on they have lost all their credit facilities.

Another set of financial planning problems identified by Sannders et al (1981) include: too much dependence on borrowing, inadequate bank relations and over looking of risk-return trade off. In times of rising prices the desire to hold more than necessary stock is very strong in most hotels. This is because such a decision appears to provide a sort of insurance against future price increases. Most hotels do succumb to such desires by failing to realize that the fact that prices are rising is not enough to decide to stock materials. Every decision in business has cost effect. This is very true to stocks. The

decision to increase stock to beat price increases have often not been viewed against risk obsolence and deterioration.

Rivlin (1985) is of the opinion that poor corporate image management is a major problem facing the hotel industry. Emphasizing this corporate image factor, he asserted that this subject of corporate image management has often been treated with levity and handled in a myopic fashion by many Nigerian hotels to their own detriment. The importance of a good image to the success or failure of a hotel cannot be over-emphasized. It increases an organisation's ability to attract and retain customers. Being rated high by the public therefore means an increased profitability, not only of corporate survival, but also of organisational success; since in the final analysis it is the customers who determine in a free enterprise economy, whether or not an organisation shall survive or otherwise.

Imadeyor (1985) defines corporate image as the perception of a company by it's various public customers, employees, the press, the community, present and potential stockholders, security analysts and investment bankers. In otherwords, how people perceive an organisation as an entity makes up the image of that organisation. He went further like Rivlin to blame hotels in Nigeria for their myopic way of handling the

subject of corporate image management.

Chuma (1986) also identified bad corporate image as a major problem plaguing the hotel industry in Nigeria. He said that this problem is often manifested in the following ways; the inability of most hotels to attract, employ, and retain well qualified and experienced staff; the inability of some hotels to secure funds from creditors and other investors and their inability to market their products and services.

A critical review of research into the problems facing the hotel industry in Nigeria as at 1986 was made in Warri by Orumah. He concluded it remains true to say that the causes of inefficiency in our hotels are over staffing resulting in diminishing returns in operations and poor marketing strategy. According to him, most hotels do not advertise and that their prices are often fixed arbitrarily with the consequence that they either over price or under price.

Individual opinions have been expressed on the problems of inefficiency in Nigerian hotels. Ezeanya (1986) has said that hotels in Nigeria have been painted by the general public as been inefficient as a result of a general faulty recruitment of employees and sometime inadequate training of personnels and

lack of incentives for workers. Oyanah (1987) agreed that inefficiency in hotels is an extension of the inefficiency of our public utilities. He also blamed government for not providing adequate infrastructural facilities. Oyanah therefore stressed the necessity for hotel managers to be effective in performing their functions as well as government providing the necessary infrastructural facilities hotels need.

Some of the problems facing the hotel industry in Nigeria have been cited in this chapter. It is hoped that this will provide the reader an insight into the various efforts that have been made to findout the reasons why most hotels in the country are often operated at a loss.

This chapter also shows that Nwokolo seems to have carried out a more detailed survey and other researchers also seem to have agreed with him since all the problems they identified fall within those listed by him. Despite all the handicaps being faced in the hotel industry, there are still some prospects for the industry in this country.

CHAPTER III

DATA ANALYSIS

The data collected from the field work were derived from two main sources.

1. The individuals comprising mainly of hotel managers in the nineteen states of the federation.
2. The general public made up of both hotel employees and non-employees.

Table 3.1

No interviewed	Area of respondent	Percentage of respondent
60	Kaduna State	7.06
250	Lagos, Oyo, Ondo and Ogun States.	29.41
260	Bendel, Anambra, Imo, Rivers, and Cross Rivers States.	30.59
150	Kano, Niger, Benue, Plateau and Bauchi States.	17.65
130	Kwara, Bornu, Sokoto, Gongola States.	15.29
850		100

Table 3.1 shows the number of people interviewed on hotel industry in Nigeria. The percentages are computed in relation to the total number of people interviewed nation-wide. The people interviewed held different views about the hotel industry. Some of them belief that locational problem is the major problem most hotels are facing in Nigeria; why some of them lay emphasis on finance, personnel, and corporate image, problems. But everyone of them agreed that there are prospects for the industry.

Table 3.2

No. interviewed	Area of respondent	Position held	Yes	No
20	Kano, Kaduna, Kwara, Niger, Benue, Plateau, Bauchi States	Hotel Managers	15	5
20			15	5

Table 3.3

Number Interviewed	Area of respondents	Position held	Yes	No
3	Gongola, Sokoto, Borno States	Hotel Managers	3	-
3			3	-

Table 3.4

No. Interviewed	Area of respondent	Position held	Yes	No
10	Bendel, Rivers, Anambra, Cross Rivers States	Hotel Managers	8	2
10			8	2

Table 3.5

No. Interviewed	Area of respondent	Position held	Yes	No
22	Lagos, Oyo Ogun, Ondo States	Hotel Managers	20	2
22			20	2

According to table 3.2, 3.3, 3.4, and 3.5, it shows the responses of hotel managers in those areas as to whether their hotels require land for expansion. In table 3.2, out of the twenty people interviewed, fifteen people answered in affirmative. In table 3.3,

all the three people interviewed agreed that their hotels require land for expansion. In table 3.4, eight people out of the ten people interviewed answered in affirmative, why only two people said they have enough land to use. In table 3.5, out of the twenty-two people interviewed, twenty people agreed that they need land for expansion. Therefore we can conclude that locational problem is well pronounced in hotel industry.

Table 3.6

No. of Respondents	Area of respondent	Outskirts	Centre of City	River Side
60	Kaduna	42	8	10
250	Lagos, Ogun, Oyo, Ondo	180	20	50
260	Bendel, Anambra, Imo Rivers, Cross Rivers	188	18	54
150	Kano, Niger, Benue, Plateau, Bauchi.	84	12	54
130	Kwara, Gongola Sokoto, Bornu	96	7	27

According to table 3.6, it shows responses as to which location people prefer for a hotel. About 75% of the respondents prefer outskirts for siting a hotel. But from the addresses given on the questionaires, majority of the hotels are located in the centre of cities. This is therefore in contradiction to the wish of majority of customers.

Table 3.7

	No.	%
Poor Pay	18	20
Lack of promotion	9	10
Absence of fringe benefit	6	6.67
Better job elsewhere	50	55.55

Table 3.7 shows responses as to the various factors responsible for high labour mobility in hotel industry. Majority of the hotel managers interviewed (55.55%) agreed that the factor responsible for the high labour mobility is finding better job elsewhere.

Table 3.8

Response	Number	Percentage
Skilled	74	89.16
Unskilled	9	10.84
	83	100

According to table 3.8, it shows responses as to what categories of workers are difficult to employ. From the table, a significant percentage of 89.16% have problems in employing skilled personnel like chefs, house-keepers, (etc).

Table 3.9

Response	Number	Percentage
Adequate	25	7.51
Not adequate	261	78.38
Partly adequate	36	10.81
Others	11	3.30

Table 3.9 shows responses as to whether the fringe benefits provided in hotels are adequate. 78% of the people declared that the fringe benefits which they enjoy at present are not adequate while only 22% held contrary view.

Table 3.10

Response	Number	Percentage
Adequate	7	11.29
Partly adequate	55	88.71
Others	-	-

Table 3.10 shows responses as to whether hotels are adequately funded or otherwise. The table shows that 88.71% of the respondents said their hotels are not adequately funded. Only 11.29% of the respondents who are mostly hotel managers of government owned hotels held a contrary view. Thus, it shows that many hotels face the problem of finance.

Table 3.11

Response	Number	Percentage
No	-	-
Yes	62	100
Others	-	-
	62	100

According to table 3.11, it shows responses as to whether increasing cost of raw materials and equipments is a problem facing the hotel industry. All the respondents agreed that increasing cost of raw materials and equipments is a problem facing the hotel industry.

Table 3.12

Response	Number	Percentage
Very high	68	8
Just alright	197	23.18
Low	422	49.65
Average	163	19.17

From the above table, 49.65% of the respondents were of the opinion that the standard of service in our hotels is low. 23.18% felt that the present standard of service is just alright while only 8% agreed that the standard is very high.

The low standard of service in most hotels are in the following forms:

1. Waiting for too long before being attended to.
2. Stewards are sometimes aggressive.
3. Atimes food is of bad taste.

Table 3.13

Response	Number	Percentage
Adequate	52	6.12
Not adequate	531	62.47
Fairly adequate	267	31.41
	850	100

Table 3.13 shows responses as to whether infrastructures in hotels are adequate or otherwise. 62.47% shows that infrastructures are inadequate while 37.53% held contrary view. This butresses the fact that there is problem of infrastructures in our hotels.

Table 3.14

Response	Number	Percentage
Yes	642	75.53
No	53	6.24
Dont know	155	18.23
	850	100

Table 3.14 shows responses as to whether inadequate infrastructure is responsible for poor standard of service and inefficiency in our hotels or not. From the table, 75.53% of respondents claimed that inadequate infrastructure is partly responsible for poor standard of service and inefficiency in most of our hotels.

The following are the measures recommended by respondents.

1. Provision of boreholes within the premises of hotels to ensure regular supply of water.

2. Improvement in our telephone system.
3. Construction of access roads.
4. Provision of generating plants in our hotels to ensure regular power supply.

Table 3.15

	Positive	Negative
Prostitution	0	850
Hideout for criminals	0	850
Frequent accidents resulting from drunkiness	0	850

According to table 3.15, it shows responses as to the effects which operations of hotels have on our society. It is significant to note that all the respondents strongly believed that the operations of the hotels in Nigeria have increased prostitution, accidents resulting from drunkiness, and have also created hideout for criminals. From this negative response recorded, one can easily noticed that hotels in this country have corporate image problem.

Some respondents want the government to promulgate laws compelling management to keep prostitutes out of their hotels. Some respondents want the government to promulgate laws that will stop the sale of beer and other alcohols..

The reasons given by most respondents as to why they do not patronize hotels are:-

1. Because of the social ills associated with hotels like criminal activities.
2. Hotel charges are too exorbitant.

While these allegations may be true with some hotels, they are completely false with others. It is easy for people to make these allegations because most hotels do not bother about their corporate image. For example, all the hotels visited with the exception of the Federal Palace Hotel, Ikoyi Hotel, Hamdala Hotel, Eko Holiday Inn, and Durbar Hotel have no public relations department.

Table 3.16

Response	Number	Percentage
Yes	679	79.88
No	171	20.12
No response	-	-
	850	100

Table 3.16 shows responses as to the contribution of hotel industry to the standard of living and government revenue. From the table, 79.88% agreed that the hotel industry is contributing very well.

The following reasons were given for the contribution to the standard of living and government revenue.

1. The hotel industry provide employment opportunities.
2. Hotels pay corporate tax to the government annually.

Table 3.17

Response	Number	Percentage
Personal Contact	763	89.76
Advertisement	87	10.24

According to table 3.17, it shows responses as to how people know about hotels in Nigeria. From the table, 89.76% the respondents claimed to be aware of the existence of most hotels in the country through personal contact. According to the respondents, they know of the existence of these hotels through friends and relatives who had visited them before. This indicate that most hotels in the country do not advertise and it is as a result of poor marketing strategy. A greater proportion of these hotel managers said that they depend more on customers to promote their business for them by ensuring good service.

Table 3.18

Response	Number	Percentage
No tourist attractions	126	14.82
Tourist attractions not developed	164	19.30
Nigerian hotels do not advertise abroad.	535	62.94
Others	25	2.94
	850	100

Table 3.18 shows responses as to why Nigerian hotels have not been able to make enough impact on tourism in this country.

From the table, 62.94% of the respondents believed that Nigerian hotels have not been able to make the desired impact on tourism and earn the country enough foreign exchange because they do not advertise abroad. The consequence according to them is that most foreigners believed that there are no standard hotels in Nigeria. This is obviously a marketing problem.

On the other hand, 19.30% of the respondents believed that our tourist attractions have not been fully developed to attract tourists to Nigeria. According to some of the respondents, some tourist attractions in Nigeria such as Borgu game reserve

have not been fully developed and publicised like those found in Kenya and other parts of East Africa.

Majority of those respondents that believed that advertising have not been carried out in abroad recommended the following measures.

1. Hotels should advertise in some international magazines such as Newswatch, This Week, (etc).

2. Some big hotels like Eko holiday Inn should go international. This will make their presence being felt in other countries.

Generally, majority of the respondents believed that the following problems exist in our hotel industry and solution should be found to them.

1. Problem of inadequate infrastructure.
2. Poor standard of service.
3. Problem of cost
4. Financial problem
5. Problem of location.
6. Marketing problem.
7. Corporate image problem.
8. Personnel problem.

There will be more hope for the success of the industry if the above problems can be solved.

CHAPTER IV

PROSPECTS FOR THE HOTEL INDUSTRY

This work is designed to find out whether or not the demand for hotel services will be on the increase, and where the demand will exist in Nigeria.

In determining demand, I will examine the relationship between per capita income, the population of the country, and the present demand for hotel services and accomodation. Since the economic recession has set in, the per capita income has been very low. Apart from low revenue being earned by the government because of the economic recession, statistics shows that the population has being on the increase. This invariably gives us low per capita income and it does not encourage the business transactions in our hotel industry. Though considering the ever increasing population, one will expects the demand for hotel services to be alright. But with this economic crunch, the reverse is the case. Despite this economic problem, one still expect that the problem will be over with time. But the question is how long will the problem continue?

We can therefore belief that there is likely to be a good fortune for our hotels in this country. This can be backed up with some of the federal government proclaimations on the country's foreign debts that is drastically being reduced.

It is of great importance to compare the present demand with the present supply of hotel services. Basically the present demand for hotel services is very low compared with what is used to be in the past. But on the other way round, the supply is on the increase; because more people are coming into the industry. Thus, supply is greater than demand and this shows that the industry is presently experiencing a hard time.

In other to examine the prospects for the industry, it will be relevant to consider the present level of competition and identify the dorminant variables used for differentiating products and services. The hotel industry is greatly experiencing a lot of competition among its firms. The competition is grossly spread among the different categories in the industry. But it is more noted among the five stars group. The competition is high because of many variables customers considered in choosing their products or

services. Among these variables are: the prices each hotel offers; the corporate image; facilities provided and their quality; (etc). Also, as more hotels are springing up, individual hotels have to see that they keep pace with modernization. In trying to achieve this, competition comes in. If this rate at which the competition is going on in the industry is maintained, there will be more prospects for industry; because the quality of service and other factors will be improved and this will certainly attracts more customer.

The growth of urbanization gives more hope to the hotel industry. This process is accompanied by the general rise in the level of awareness; that is, people are getting more enlightened about the usefulness of hotels. This invariably makes more people to patronize these hotels.

There are prospects for the industry if one considered the fact that Nigeria has both cultural and aesthetic features which will definately attract visitors. This inturn generates the need for hotels to accomcdate tourists. There are many spots of attraction in Nigeria, among which are the followings:-

1. Historical and cultural places: Museum, art galleries, shrines, traditional crafts, (etc).
2. Natural/Geographical features: Rock out props in Ososo and in other parts of the North, river valley at Agenebode, Owu water falls, (etc).
3. Public schemes: Forest reserves like Yankari game reserve, Zoo and botanical garden, lake chad, (etc).
4. Traditional festivals like Arugungu festical in Sokoto state.

The influx of foreign experts and visitors is another factor that affect demand. The records of the exact number of visitors to Nigeria are difficult to come by as there are no recognised central agencies for collecting such data and where it exist, the number of illegal immigrant is unknown. The Nigerian tourist board is yet to come up with accurate data of visitors to Nigeria. But having regard to reports of difficulties of getting accomodation in the country especially in our big cities, the hotel industry stand a much more better chance of sustainmant. Also, there is no doubt that foreign experts and visitors will continue coming t o Nigeria.

It has been discovered that the demand for hotel services was highest in the following towns.

1. Lagos.
2. Port-Harcourt
3. Kano
4. Kaduna.
5. Warri.
6. Abuja.

The reasons for the high demand in these towns could be summarized as follows:-

In Lagos, the following reasons are held accountable for it.

1. Federal capital. Most of the visitors coming into the country entered through Murtala Mohammed International airport, Ikeja. Sometimes, these visitors come into the country at odd times which make hotel accomodation inevitable for them.
2. There is also high population density in Lagos.
3. Sea port: Lagos alone has two sea ports (Tin Can Island and Apapa port). These ports, apart from being tourist attractions, have also increased commercial activities and consequently increase business trips to Lagos.

4. Industrialisation: There are many large scale industries in Lagos than anywhere else in the country., These industries constantly require a lot of technical know-how expatriates who often show preference for hotel accomodation (especially those that come on temporary basis to this already congested city).

There is high demand for hotel services in Warri because of the following reasons:-

1. The city is an oil centre, with a refinery, a modern port facility, and a steel complex. The town has all facilities found in a big town such as telephone, electricity, pipeborne water, and private airstrip (while an airport is under construction).
2. Warri has been playing a significant role in the economic development of the country. The port has grown to an unimaginable size with extention and modernization at a cost of ₦88 million.
3. Also, an iron and steel reduction plant has been constructed, and commissioned at Aladja which is only six kilometres from Warri.

City has nearly all the features Port-Harcourt/which warri has, and as such demand for hotel services is also very high.

1. There is a large refinery.
2. It is an oil city.
3. There is also a well developed sea port.
4. The high business trips to the town and the high population density help to generate demand.

There is high demand for hotel services in Kano as a result of the following reasons:.

1. Being an ancient city, it therefore attract tourists.
2. Kano city is one of the most commercial centres in the country. There are many industries in the city and as such there are lots of business trips to Kano.
3. The international airport as well as the high population density are also factors which generate demand for hotel service.

There is high demand for hotel services in Kaduna because of the following reasons:-

1. The largest refinery in Nigeria is situated at Kaduna. This refinery often attracts foreign experts especially when the refinery is due for maintenance.
2. The high business trip and high population density helps to generate demand for hotel services.

There is high demand for hotel services at Abuja because:-

1. It is the new federal capital and the headquarters of many federal ministries for example, federal ministry of commerce have been shifted to the town. Thus, before you can register a limited liability company in this country today, you must go to Abuja.
2. It is very likely to be a tourist centre as many people from all parts of the world may like to visit the new capital of Nigeria.

We can realize from all that have been said about the hotel industry that there are more prospects for the industry in this country.

CHAPTER V

SUMMARY AND RECOMMENDATION

This write up looked into the problems facing the hotel industry in Nigeria and it also highlighted the prospects for the industry.

The data analysed in this study were obtained by administering two sets of questionnaires on some members of the public as well as on some hotel employees. Interview method was also used in obtaining these data.

Inspite of the limited nature of these two methods, the study came out with the following findings.

1. That most hotels in Nigeria are faced with the problem of location. Some cannot be expanded in their present locations due to lack of space. Also some hotels are badly located and as a result they do not get enough patronage. Nearly everybody interviewed showed preference for hotels sited at the outskirts of cities.
2. That there is a high job mobility in the industry. Workers leave for better jobs

elsewhere. Skilled workers in the industry are difficult to find. The benefits which workers in the industry enjoy at present are not enough.

3. That most hotels are not adequately funded. Most owners lack the required capital. They also lack the required collateral to pledge as security in case they want loans from banks. There is also the problem of poor working capital management; debt figures for some hotels are too high and inventories are not properly kept.

4. There is also the problem of increasing cost of raw materials and equipments. This problem has adversely reduced their profit level since most hotels are still reluctant to increase their charges to reflect the ever increasing cost.

5. The standard of service in most hotels is very poor.

6. Most hotels in the country lack adequate infrastructural facilities and according to most of the respondents, this is partly responsible for the poor standard of service.

7. The industry also faces corporate image problem. It is sad to note that nearly all respondents believe strongly that the operations of hotels in Nigeria have increased prostitution, accidents resulting from drunkiness and have created hideout for criminals. For these reasons, most people do not want to be seen in certain hotels.
8. Even with the present cut throat competition in the industry, most hotels still do not advertise. According to some respondents, they got to know of the existence of some hotels through personal contact; that is, through friends and relatives who had been to these hotels before.

Hotels have often been accused of not being able to make the much needed impact on tourism and earn the country the desired foreign exchange because they do not advertise abroad. All these are direct results of their poor marketing strategy. According to some respondents, hotels in this country have also failed to promote our local dishes.

As regards the prospects for the industry in Nigeria, the market survey shows that there will

continue to be demand for hotel services in Nigeria.

Recommendation

On the basis of the findings of this study, I hereby make the following recommendations:-

1. Location:

The following should be taken into consideration before choosing a site for an hotel.

(a) Access road.

(b) Enough space for future expansion.

(c) Area without ecological problem.

2. Personnel:

Recruitment and selection of potential employees should be done through the following methods:-

(a) By advertising in daily papers, radio and television.

(b) By personal contact.

(c) Through employment agencies.

Employment should be done locally except when it is not possible to do so.

Staff employed should be given sufficient training both on the job and in institutions which offer courses relating to their jobs and such staff should be bonded.

Hotel staffs should be given adequate incentives such as fringe benefits, attractive salaries, (etc). This will reduce high labour mobility in the industry.

Promotion should be based on merits and hardwordk.

Top management should initiate policies and ensure that they are executed by the subordinates. Results achieved should be evaluated from time to time.

3. Advertising and Promotion

In order to create awareness and ensure high patronage, the following media for advertising should be used.

(a) Radio: This gets to virtually everywhere, thus making people to know of the existence of certain hotels.

(b) Television: Many people in this country have television in their houses.

(c) Daily Newspapers: The daily times, New Nigerian, Concord, Vanguard should be fully used. These papers have the widest circulation in Nigeria.

(d) Sign Boards and Posters should be placed in various public places such as roads sides, stadium, (etc).

Hotels in Nigeria should also advertise abroad (may be through international magazines) so that tourists can have adequate knowledge about them. Most standard hotels in Nigeria are not known abroad. Advertising abroad will help boost tourism in Nigeria and consequently enhance our foreign exchange position.

4. Pricing:

Government should categorise hotels into the following.

a. 5 star
b. 4 star
c. 3 star.

Prices should be fixed to reflect this order of classification. When prices are uniform, consumers of hotel services will spend moderately and also be able to know which of the hotels merits the prices charged.

5. Seminars and Workshops:

Seminars and workshops should be organised periodically as this will create an avenue for workers in the hotel industry to meet and discuss, important matters.

At the end of such seminars, it is hope that the lessons derived will be put into practice for better efficiency in the industry.

6. Facilities:

I will recommend the following facilities for hotels in Nigeria.

(a) Car hire service.

(b) Supermarkets and Beauty saloons.

(c) Swimming pool and other games facilities such as lawn tennis court, table tennis court, (etc).

(d) Bookshop.

(e) Medicine store.

The aim of providing these facilities is to diversify so as to provide additional attractions for tourists. This will also ensure additional revenue.

7. Financial Records:

During the field work, I discovered that most hotel managers were reluctant to answer questions that bothered on finance because they do not know the actual financial position of their establishments. It was also discovered that the internal control in most hotels is so weak, that there are always cases of fraud. To check this, I

recommend the keeping of accurate and up to date financial records which should be audited yearly. Accurate records and properly audited accounts are important for the following reasons:-

(a) Obtaining correct assessment of income tax and claiming depreciation allowances.

(b) Submission to bankers and other financial institutions, should their assistance be required.

(c) It is also important for change of ownership.

The top management should be attracted from our universities and polytechnics. Experience should not be over emphasized since nobody can acquire any experience without being employed. Rather in-service training programmes should be encourage for fresh graduates.

8. Source of Finance

Trade credit must be considered. This is a major source of short term credit. It involves buying materials and supplies on credit from other firms and individuals. This mode of financing is recommended because of the following reasons:

(a) It is most convenient and informal. This is because previous or past experience has

familiarise the seller with the credit worthiness of the company.

(b) It is less costly than other forms of financing.

Also a short term loan of 5 years is recommended. The primary lenders are commercial banks.

Equity financing is another source of finance. The floating of shares. The purchasers of shares whether ordinary or prefered are owners of the business. Common stock does not entail fixed charges. If the company generates enough earnings it can pay common stock dividends. There is no legal obligation to pay dividends. Since common stock provides a c cushion against losses for creditors, the sale of common stock increases the credit worthiness of the firm. Common stock appeals to certain group of investors because of the following reasons.

(a) It carries a higher expected return than does prefered stock.

(b) It provides the investor with a better hedge during inflation. Common stock increases in value when the value of real assets rises during inflationary period.

For a hotel project, the issue of prefered stock is a source of finance. Prefered stock have no maturity and with limited dividends. It has priority over common stocks with respect to earnings and claims on assets when there is liquidation.

Government should provide the following infrastructural facilities.

(a) Good access roads.

(b) Regular supply of water.

(c) Regular supply of electricity.

(d) Telephones.

Hotels should depend more on locally produced food items. Their caterers can look for locally available substitutes for certain imported items. They can develop new dishes with the available materials and communicate the innovation to customers.

Backward integration is another way out for the industry. By this strategy, hotels should be able to produce all or some of their needs by establishing farms to produce animals and plant inputs for their own use. This will definately reduce their expenditure on raw materials.

If all or most of the recommendations can be embarked upon, the hotel industry has more hope in the future.

REFERENCES

1. Chebezie, U. (1979), Tourism in Nigeria. Nigerian Observer, Nov. 14, p.8.
2. Chuma, I. (1981), The Nigerian Tourism Industry. Daily Star, March 4, p.7.
3. Durojaiye, T. (1982), Development in the Hotel Industry. Evening Times, Dec. 13, p.3.
4. Eboh, G. (1980), Focus on the Hotel Industry. Sunday Sun, Feb. 24, p.3.
5. Hawkins, M. (1982), Minimizing Cost in Our Hotels. Daily Sketch, Nov. 18, p.6.
6. Hugh, T. (1976), Choosing a Job in a Hotel. Wiley International Edition, Toronto, pp. 115-123.
7. Ifedi, C. (1981), Competition in the Hotel Industry. Weekend, Aug. 12, p.11.
8. Ikedianya, M.C. (1976), Real Estate Feasibility Analysis. The Nigerian Accountant, Vol. 9 (2): pp. 8-10.
9. Nwokolo, J. (1979), The Hotel Industry. Evening Times, April 17, p.5.
10. Rivlin, J. (1986), Role of Hotel Industry in Economic Development. Business Times, March, 24, p.12.

11. Tall, S. and Hawkins, D. (1974), Marketing Research, Meaning, Measurement and Method. Macmillan Publishing Co. Inc., New York, pp. 46-55.

12. Thompson, J. (1982), Setting Up a Hotel in Lagos. Nigerian Tide, Nov. 30, p. 4 and 7.

13. Winslet, R. (1981), A Look at the Hotel Industry. Punch, Nov. 18, p.6.

14. Winslet, U.S. (1973), Catering and Hotel Operations. Cambridge University Press, London. pp. 89-97.

15. Wonnacott, [illegible] and Wonna, C.H. (1984), Econometrics Wiley International Edition, New York. Pp.53-69

APPENDIX I

LIST OF HOTELS

1. Federal Palace Hotel, Lagos
2. Eko Holiday Inn, Lagos
3. Ikoyi Hotel, Lagos
4. Hamdala Hotel, Kaduna
5. Durbar Hotel, Kaduna
6. Bagauda Lake Hotel, Kano
7. Central Hotel, Kano
8. Shiroro Hotel, Minna
9. Plateau Hotel, Jos
10. Kongo Conference Hotel, Zaria
11. Zaria Hotel, Zaria.
12. Bendel Hotel, Benin-City
13. Motel Plaza, Benin-City
14. Palmgrove Hotel, Warri
15. Sokoto Hotel, Sokoto
16. Premier Hotel, Ibadan
17. Green Spring Hotel, Ibadan
18. Kwara Hotel, Ilorin
19. Unity Hotels, Ilorin
20. Imo Hotel, Owerri
21. Hotel Presidential, Port-Harcourt
22. Phoenix Hotels, Enugu
23. Owena Motels, Akure
24. Ogun State Hotel, Abeokuta
25. Yankari Game Reserve, Bauchi
26. Ramatu Dangana Motel, Bida

27. Hotel Metropolitan, Calabar
28. Benue Hotel, Makurdi
29. Bagale Motel, Yola
30. Lake Chad Hotel, Maiduguri.

APPENDIX II

INDUSTRIAL QUESTIONAIRE ON HOTELS IN NIGERIA.

(1) Name of the hotel:----------

(2) Address:----------

(3) What departments do you have?----------

---

(4) What categories of workers do you have difficulties in employing?----------

---

(5) What categories are easily available?

---

(6) Do your staff leave the job often?----------

---

(7) If yes, why do they leave the job?----------

(a) Poor pay ☐

(b) Absence of fringe benefits ☐

(c) Lack of job security ☐

(d) Personal wish ☐

(e) Lack of promotion ☐

(f) Further studies ☐

(g) Others ☐

(8) In what ways do you encourage your workers?

(a) Promotion ☐

(b) Training Programme ☐

(c) Paid holidays ☐

(d) Gratuities ☐

(e) Bonus ▱

(f) All of the above ▱

(9) Where do you employ your workers from?

(a) Locality ▱

(b) Abroad ▱

(c) Both ▱

(10) Which training programme do you have for your workers?

(a) In Service ▱

(b) On the job ▱

(c) Seminars ▱

(d) Others ▱

(11) What type of accomodation do you offer?

(a) Single room ▱

(b) Double room ▱

(c) Suite ▱

(d) All of the above ▱

(12) How much do you charge for your accomodation?

(a) Single room ----------

(b) Double room ----------

(c) Suite----------

(13) How much do you charge for your meals?

(a) Breakfast----------

(b) Lunch----------

(c) Dinner----------

(14) When is your hotel fully booked?

(a) Week-days ☐

(b) Weekends ☐

(15) What other facilities are available?

(a) Swimming pool ☐

(b) Conference facilities ☐

(c) Games facilities ☐

(d) others ☐

(16) Is water supply regular to your hotel?

Yes ☐ No ☐

(17) If No, how do you supplement it?

(18) Is electricity supply regular to your hotel?

Yes ☐ No ☐

(19) If No, do you have electricity plants?

(20) How is communication system in your hotel?

(a) Excellent ☐

(b) Good ☐

(c) Poor ☐

(d) Very Poor ☐

(21) Do you embark on expansion activities in your hotel? Yes ☐ No ☐

(22) If yes, give reason(s)----------

(23) How do you raise additional capital needed?

---

(24) Where do you obtain your materials and provisions?

(a) Locally ☐

(b) Imported ☐

(c) Both ☐

(25) Are these materials and provisions readily available? Yes ☐ No ☐

(26) What is your estimated amount of debts yearly?

N----------

(27) How are charges paid?

(a) Cash deposits ☐

(b) Credit facilities ☐

(c) Both ☐

(28) What create awareness for your hotel?

(a) Advertising ☐

(b) Personal Contact ☐

(29) Other relevant information----------

---

(30) Does the hotel require land for expansion?

Yes ☐ No ☐

APPENDIX III

CONSUMER QUESTIONNAIRE ON HOTEL SERVICE.

(1) Name:----------

(2) State of Origin:----------

(3) Sex:- Male ☐ Female ☐

(4) Marital Status: Married ☐
Single ☐
Widow ☐
Separated ☐

(5) Occupation:----------

(6) How do you spend your leisure time?----------
---

(7) Time of visiting hotel:----------

(8) What facility do you enjoy most in a hotel?
Food ☐
Drink ☐
Accommodation ☐
Recreational Facilities ☐
Others ☐

(9) Are you satisfied with the prices charged with the following facilities?
(a) Food ☐
(b) Drinks ☐
(c) Accomodation ☐
(d) Recreational facilities ☐

(10) Are you satisfied with the condition of service?
Yes ☐ No ☐

(11) Are the services provided of high quality? Yes ☐ No ☐

(12) What is your opinion about stewards?
Friendly ☐ Unreceptive ☐
Indifferent ☐

(13) What is your opinion about their infrastructural facilities like telephone, electricity supply, etc.

(a) Not adequate ☐
(b) Fairly alright ☐
(c) Good ☐

(14) How do you know of the existing hotels?
(a) Personal contact ☐
(b) Advertising ☐

(15) Which location do you prefer for a hotel?
(a) Centre of City ☐
(b) Outskirts ☐
(c) River side ☐
(d) Others ☐

(16) What in your opinion are problems facing the hotel industry today?----------
---

(17) What is your impression about hotels in Nigeria?----------

(18) Do you envisage a blissful future for hotel industry in Nigeria? Give reason(s)---------
---

APPENDIX IV

LETTER OF INTRODUCTION

Dear Sir/Madam,

I am a student writing a project on the problems and prospects of hotel industry in Nigeria in the partial fulfilment of the requirement for the award of a master's degree in business administration.

I would be grateful if you can answer the following questions attached with this letter. All informations obtained from you will be used for the academic purpose of research and will be treated in confidence.

Thanking you in advance.