

THE COVID 19 GLOBAL PANDEMIC: A PANACEA FOR DIVERSIFYING TO HOSPITALITY AND TOURISM IN NIGERIA

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ABSTRACT: *The COVID 19 global pandemic has provided Nations another opportunity to look inwards on the development and expansion of its economic activities and growth! The hospitality and tourism industry has proven to be one of the most valid sectors for diversification of economic activities in Nigeria, considering the continuous dropping of crude price in the international market, and the fast growing demand on the bio-fuel products in the world today! The researchers are of the opinion that developing the hospitality and tourism in Nigeria is one of the most viable options to continuously increase the Nations GDP! The realistic test and interviews were conducted and presented in simple percentage table, and graphs were also deployed to show the reliability of the test! It was concluded that hospitality and tourism still remain the most viable economic activity and sector that will always stand the challenges of time, if properly developed! And was recommended that the government and agencies in charge of tourism and hospitality should fully divert its attention to the development of the hospitality and tourism sector in Nigeria*

KEYWORDS: global pandemic, diversification, hospitality, tourism, Nigeria

INTRODUCTION

The world experiences pandemic from time to time, and in each decade this ugly ravager shows up it cripples the entire economy, and at its exist it will leave a scare of Nations struggling to survive!

In this time the COVID 19 global pandemic has surfaced with such ugly trend that the entire world is in another economic and financial crisis. The effect of the ugly trend is mostly felt in the developing rated country to which Nigeria is one!

Some many persons has being looking at the pandemic as trouble for the world and economies, but most of the researchers has seen this pandemic as a possible part of reflection and point of re-strategizing to develop other parts of the economy leaving the over burden oil!

For several decades Nigeria has sustained its economy and GDP with the crude; but it has become obvious since the ending of the 2019 that the crude cannot be relied upon! Not that the crude is crashing the world because of the ozone dilapidations is clamoring for the Bio-Diversification of many products including fuels or petroleum, which are the byproducts of crude!

Nigeria being multi-ethnic in nature possess the qualities needed for cultural tourism, heritage, cuisine (Hospitality), and diversification to sustain the National GDP! It is strongly believe that Hospitality and Tourism in Nigeria can contributed up to 45% of the GDP if properly and carefully harnessed!

Currently the hospitality and tourism sector has the employment of 75% of the private industry with the support or subvention from the federal government, it is no longer News that Nigeria still boasts of untapped tourism resources, and has favorable investment policies for Tourism and Hospitality investment!

Therefore, it is needs to reveal the tourism and hospitality resources of Nigeria, and projecting it for fully and considerable diversification especially in this time of global financial crisis! Nigeria Tourism has the ability to thrive both as outbound and inbound, because of its capacity, and can be both state and National economic sustainable activity!

Diversifying to hospitality and tourism in Nigeria, as a full National economic developed sector will not only survive the Nation, but place Nigeria in the world tourism market, and destination.

Understanding Global Pandemic

Doshi P, (2011), Last JM Editor (2001) in WHO (2011) has it that a pandemic is defined as “an epidemic occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting a large number of people”. The classical definition includes nothing about population immunity, virology or disease severity. By this definition, pandemics can be said to occur annually in each of the temperate southern and northern hemispheres, given that seasonal epidemics cross international boundaries and affect a large number of people. However, seasonal epidemics are not considered pandemics.

Kimberly Hickok (2020) says a pandemic is the global outbreak of a disease. There are many examples in history, the most recent being the COVID-19 pandemic, declared as such by the World Health Organization on March 12, 2020.

Pandemics are generally classified as epidemics first, which is the rapid spread of a disease across a particular region or regions. The Zika virus outbreak that began in Brazil in 2014 and made its way across the Caribbean and Latin America was an epidemic, as was the Ebola outbreak in West Africa in 2014-2016. The U.S. has been experiencing an opioid epidemic since 2017 because of the widespread misuse and high numbers of deaths caused by the drug, according to the U.S. Department of Health and Human Services.

COVID-19 began as an epidemic in China, before making its way around the world in a matter of months and becoming a pandemic. But epidemics don't always become pandemics, and it's not always a fast or clear transition. For example, HIV was considered an epidemic in West Africa for decades before becoming a pandemic in the late 20th century. Now, thanks to advances in modern medicine, HIV is considered endemic, which means the rate of the disease is stable and predictable among certain populations, according to the American Medical Association.

Modern flu pandemics

Most virus pandemics have been caused by influenza (flu) viruses. Flu viruses can change from season to season and while health professionals are pretty good at predicting how the virus will change, occasionally a new virus pops up that doesn't behave as predicted. That's when a pandemic is most likely to occur because most people don't have immunity to the new virus.

The most deadly pandemic in history was the Spanish flu of 1918. The virus infected an estimated one-third of the world's population and was responsible for causing between 20 million and 50 million deaths — that's an estimated 1% to 3% mortality rate. The virus didn't originate in Spain, but the country was the first to report on the outbreak, so people began calling it the Spanish flu (the Spanish thought it started in France and called it the "French flu").

The 1957-1958 Asian flu pandemic was triggered by a new strain of influenza A virus (H2N2) that emerged in East Asia, according to the Centers for Disease Control and Prevention. The virus killed an estimated 1.1 million people worldwide, which corresponded to an estimated death rate of 0.019%, according to a study published in *The Journal of Infectious Diseases*.

The 1968 Hong Kong flu pandemic was caused by a new strain of the H3N2 virus that arose in Southeast Asia. Again, the pandemic earned its name because of where initial news reports of the outbreak originated, and not because of where the virus originated. The Hong Kong flu killed an estimated 1 million people worldwide, or about 0.03% of the world's population, according to the CDC.

The current worldwide outbreak of COVID-19 has left many people with concerns about the spread of this new disease. Among those concerns is one important underlying question: What exactly is a pandemic?

The spread of the novel corona virus, SARS-CoV-2, was officially defined as a pandemic by the World Health Organization (WHO) on March 11, 2020^{Trusted Source}, due to its sudden emergence and expansion around the world.

In this article, we'll explore what defines a pandemic, how to prepare for a pandemic, and how many pandemics have affected us in recent history.

According to the WHO ^{Trusted Source}, a pandemic is defined as the “worldwide spread of a new disease.” When a new disease first emerges, most of us lack the natural immunity to fight it off. This can cause a sudden, sometimes rapid, spread of the disease between people, across

communities, and around the world. Without a natural immunity to fight off an illness, many people can become sick as it spreads.

The WHO is responsible for announcing the emergence of a new pandemic based on how the spread of the disease fits into the following 6 phases Trusted Source:

- **Phase 1.** Viruses circulating among animal populations haven't been shown to transmit to human beings. They're not considered a threat and there's little risk of a pandemic.
- **Phase 2.** A new animal virus circulating among animal populations has been shown to transmit to human beings. This new virus is considered a threat and signals the potential risk of a pandemic.
- **Phase 3.** The animal virus has caused disease in a small cluster of human beings through animal to human transmission. However, human to human transmission is too low to cause community outbreaks. This means that the virus places humans at risk but is unlikely to cause a pandemic.
- **Phase 4.** There has been human-to-human transmission of the new virus in considerable enough numbers to lead to community outbreaks. This kind of transmission among humans signals a high risk of a pandemic developing.
- **Phase 5.** There has been transmission of the new virus in at least two countries within the WHO region Trusted Source. Even though only two countries have been affected by the new virus at this point, a global pandemic is inevitable.
- **Phase 6.** There has been transmission of the new virus in at least one additional country within the WHO region. This is known as the **pandemic phase** and signals that a global pandemic is currently occurring.

As you can see above, pandemics aren't necessarily defined by their growth rate but rather by the spread of the disease. However, understanding the growth rate of a pandemic can still help health officials prepare for an outbreak.

Many disease outbreaks Trusted Source follow a growth or spread pattern described as exponential growth. This means they spread at a rapid rate over a specific period of time — days, weeks, or months.

Think of driving a car and pressing on the gas pedal. The farther you travel, the faster you go — that's exponential growth. Many initial disease outbreaks, like the 1918 influenza pandemic, seem to follow this growth pattern.

Some diseases also spread sub-exponentially, which is at a slower rate. This is like a car that maintains speed going forward — it doesn't increase in speed across the distance it travels.

For example, one research study Trusted Source found that the 2014 Ebola epidemic seemed to follow a much slower disease progression at the local level in some countries even though it spread faster, or exponentially, in others.

When public health officials know how quickly a disease is spreading, it can help them determine how quickly we need to move to help slow that spread

Understanding Diversification

Gordon Scott (2020) stated that diversification is a risk management strategy that mixes a wide variety of investments within a portfolio. A diversified portfolio contains a mix of distinct asset types and investment vehicles in an attempt at limiting exposure to any single asset or risk. The rationale behind this technique is that a portfolio constructed of different kinds of assets will, on average, yield higher long-term returns and lower the risk of any individual holding or security.

The Basics of Diversification

Diversification strives to smooth out unsystematic risk events in a portfolio, so the positive performance of some investments neutralizes the negative performance of others. The benefits of diversification hold only if the securities in the portfolio are not perfectly correlated—that is, they respond differently, often in opposing ways, to market influences.

Studies and mathematical models have shown that maintaining a well-diversified portfolio of 25 to 30 stocks yields the most cost-effective level of risk reduction. The investing in more securities generates further diversification benefits, albeit at a drastically smaller rate.

- Diversification is a strategy that mixes a wide variety of investments within a portfolio.
- Portfolio holdings can be diversified across asset classes and within classes, and also geographically—by investing in both domestic and foreign markets.
- Diversification limits portfolio risk but can also mitigate performance, at least in the short term.

Diversification by Asset Class

Fund managers and investors often diversify their investments across asset classes and determine what percentages of the portfolio to allocate to each. Classes can include:

- Stocks—shares or equity in a publicly traded company
- Bonds—government and corporate fixed-income debt instruments
- Real estate—land, buildings, natural resources, agriculture, livestock, and water and mineral deposits
- Exchange-traded funds (ETFs)—a marketable basket of securities that follow an index, commodity, or sector

- Commodities—basic goods necessary for the production of other products or services
- Cash and short-term cash-equivalents (CCE)—Treasury bills, certificate of deposit (CD), money market vehicles, and other short-term, low-risk investments

They will then diversify among investments within the assets classes, such as by selecting stocks from various sectors that tend to have low return correlation, or by choosing stocks with different market capitalizations. In the case of bonds, investors can select from investment-grade corporate bonds, U.S. Treasuries, state and municipal bonds, high-yield bonds and others.

Foreign Diversification

Investors can reap further diversification benefits by investing in foreign securities because they tend to be less closely correlated with domestic ones. For example, forces depressing the U.S. economy may not affect Japan's economy in the same way. Therefore, holding Japanese stocks gives an investor a small cushion of protection against losses during an American economic downturn.

Diversification and the Retail Investor

Time and budget constraints can make it difficult for non-institutional investors—i.e., individuals—to create an adequately diversified portfolio. This challenge is a key reason why mutual funds are so popular with retail investors. Buying shares in a mutual fund offers an inexpensive way to diversify investments.

While mutual funds provide diversification across various asset classes, exchange-traded funds (ETFs) afford investor access to narrow markets such as commodities and international plays that would ordinarily be difficult to access. An individual with a \$100,000 portfolio can spread the investment among ETFs with no overlap.

Disadvantages of Diversification

Reduced risk, a volatility buffer: The pluses of diversification are many. However, there are drawbacks, too. The more holdings a portfolio has, the more time-consuming it can be to manage—and the more expensive, since buying and selling many different holdings incurs more transaction fees and brokerage commissions. More fundamentally, diversification's spreading-out strategy works both ways, lessening both the risk and the reward.

Warren Buffet (2020) has it that diversification is a business strategy in which a company enters a field or market different from its core activity – it spreads out rather than specialize. Some business leaders believe that capital should be allocated in a way that reduces exposure to any one particular asset or risk. Others, however, believe specialization is the only effective way forward in today's economy.

Historically, diversification has been pursued in order to reduce the risk of relying on just one or a few income sources – not putting all your eggs in one basket.

By diversifying, commercial enterprises can avoid seasonal or cyclical fluctuations by producing goods or delivering services with varying demand cycles. It is sometimes a route to faster growth.

Diversification



If you put all your eggs in one basket, you run the risk of losing everything at once. However, lots of baskets are more expensive, and keeping an eye on all of them requires more work.

Diversification may be geographical

Spreading your risk may not only involve getting into new sectors, but also expanding geographically. If you operate in many regions or countries you are less likely to be severely affected by one downturn, unless of course, the crisis is global.

An economic downturn in the US economy may not affect the UK's or Japan's in the same way. Therefore, having investments in Japan and the UK gives the American company or investor a cushion of protection against losses when there is a downturn in the domestic economy.

In banking, diversification means spreading loans over a wider variety of quality borrowers – while maintaining the same level of exposure, the financial institution can maintain or improve earning levels.

Portfolio diversification

In investing, diversification means widening your portfolio – it is one of two techniques to reduce risk – the other is hedging.



California's economy is rich and stable because of diversification. There are many different revenue streams. Without diversification, an economy can never thrive successfully in a sustainable way. (Image: adapted from lao.ca.gov)

Several studies and mathematical models have demonstrated that if you maintain a well-diversified portfolio of twenty-five to thirty stocks, you will get the most cost-effective level of risk reduction. Investing in more than thirty may reduce your risk further, but your yields will probably be lower.

Efficient diversification attempts to maximize portfolio expected return for a given level of risk.

The *Financial Times'* glossary of business and financial terms says the following regarding diversification:

“In relation to portfolio management, when investors spread risk by holding different classes of assets. In corporate activity, when a company operates in different business areas in an effort to increase sources of income and spread risk.”

Diversification means spreading the risk

If you put all your eggs in one basket and then drop the basket you will lose all the eggs. However, if you place each egg in a different basket, you are much less likely to lose them all in one go. The idiom makes sense, doesn't it?

However, if you have twenty eggs, making twenty baskets is much more expensive than just one or two. Also, the chances that one will be dropped increases if you have more baskets.

Some business leaders argue that rather than making more baskets we should focus on improving the one(s) we have – making it (them) stronger and more reliable.

Diversification is out – specialization is in

The tendency among large multinational corporations since the turn of the century has been to specialize – sell off their non-core sections and allocate resources in one direction. This is very evident in the pharmaceutical industry.

Big pharma has been under assault from generic drug manufacturers, legal challenges to patents on best-selling drugs, and the rise of low-cost drug makers based in emerging markets.

In order to survive, the largest drug companies are building dominant positions in narrower business lines or pursuing medications that target rare diseases.

In the world of drug makers, diversification is out and specialization is in.

Diversification at national level

A diversified economy is one that has several different revenue streams which enable the country to sustain growth because there is no reliance on one particular type of revenue.

The world's 'advanced economies', including the USA, Canada, most of Europe (especially Western Europe), Japan, South Korea, and Australasia have diversified economies.

Venezuela, Russia and Saudi Arabia, on the other hand, are too reliant on the exports of oil and gas – they do not have many other revenue streams. This means that when oil prices tumble, as they have done over the past couple of years, they suffer disproportionately compared to other nations.

The diversification provides countries with the reliability and security that they need so that if one revenue stream fails, it knows there are several other options for revenue.

Hospitality and Tourism for Development

Afra Ahamed (2019) has it that the hospitality and tourism industry is a \$1.6 Trillion industry that has refused to slow down as the years progressed. The industry represents a broad range of venues including:

- Restaurants
- Hotels
- Events
- Resorts
- Airlines
- Cruised
- Cultural tourism
- Luxury hospitality tourism
- Spa
- Leisure tourism

- Wellness management and more

Let's understand the difference between tourism and hospitality:

Hospitality: It is the medium of creating a relationship between a hotel and a guest/patron. It is the process of exercising human interactions including welcoming guests, greeting them, receiving them, and ensuring the guests comfort during his/her stay in and around the hotel or service provider's vicinity.

Tourism: A famous practice where individuals or group of people travel to a location for the purpose of recreation, business, family work or any other purpose. The travel may be short term or long term depending upon the schedule and the transit to these locations happens via car, airplane, cruise, train or others.

Revfine.com has it that first, it is important to define what we mean by the hospitality industry. After all, it is a broad field and while most people have a basic idea of the types of businesses that count as hospitality brands, a far smaller number are able to provide a coherent and satisfactory explanation of what the industry is, and what it is not.

Put simply, the hospitality industry refers to a variety of businesses and services linked to leisure and customer satisfaction. A defining aspect of the hospitality industry is also the fact that it focuses on ideas of luxury, pleasure, enjoyment and experiences, as opposed to catering for necessities and essentials.

The difference between the Hospitality Industry and the Travel Industry

The hospitality industry and the travel industry are closely connected, but there are also some subtle differences to be aware of. On a basic level, the travel or tourism industry is concerned with services for people who have travelled away from their usual place of residence, for a relatively short period of time.

By contrast, the hospitality industry is concerned with services related to leisure and customer satisfaction. This may well mean offering services to tourists, but it can also include the provision of services to people who are not tourists, such as locals enjoying their free time, or people coming to an area for reasons other than tourism.

Sectors within the Hospitality Industry

1) Accommodation

The accommodation sector of the hospitality industry is concerned with providing customers with a place to stay, on a temporary basis. It is most commonly associated with the tourism industry, where people book holidays or trips and require lodgings, but the accommodation sector also caters to local people seeking a short break from their everyday routine, or those who require temporary accommodation for almost any other purpose.

Bed & Breakfasts

Bed & breakfasts, also known as B&Bs, are small establishments, which offer overnight stays and breakfast in the morning. Most B&Bs owners live in the property, while guests are provided with a private room and, in most cases, they will also have a private or en suite bathroom. However, bathroom facilities are sometimes shared.

Hotels

Arguably the most obvious form of accommodation that falls within the hospitality industry, hotels cater to people who require overnight or longer-term stays. Aside from offering lodgings, they tend to provide various other services, including room service, housekeeping, and facilities for eating and drinking.

Motels

Motels are similar to hotels, but are specifically designed for use as overnight accommodation by motorists. With this in mind, they are generally situated at the roadside, and will have free car parking facilities. Unlike hotels, however, motels usually offer little in the way of additional services or amenities.

Hostels

Hostels are a form of communal accommodation, where multiple guests will usually sleep in a shared room, with the guests effectively renting a bed. Bathroom and kitchen facilities are usually shared and hostels offer less privacy than hotels. Yet, they are usually significantly cheaper, making them a solid option for those with a low budget.

Resorts

A resort is similar to a hotel, but it will provide a wider range of facilities and amenities. This means that guests are able to access sleeping facilities, food and drink facilities, entertainment facilities, shopping facilities and other amenities without needing to leave the resort. Many resorts also offer all-inclusive pricing.

Serviced Apartments

Another form of accommodation that shares similarities with hotels, serviced apartments are self-contained units, which are supplied for either short-term or long-term stays. These apartments will typically be fully furnished, will contain a kitchen, and may include various hotel-like services, such as laundry and cleaning.

Time Sharing

Finally, time shared accommodation is a type of accommodation where ownership or usage rights are shared between multiple people. It may be a house, condo, or similar type of property and each owner will typically be allocated a particular time of the year where they will have right of use.

2) Food & Drinks

While food and drinks are necessities, most food and drinks services also fall under the hospitality industry umbrella, due to the fact that they offer people a way of spending their leisure time and disposable income, as well as an opportunity to socialize and enjoy an experience. Again, the food and drinks sector caters to a wide range of customers, including tourists, locals, ex-pats and passers-by.

Restaurants

Restaurants provide customers with food and drinks services, with the food either being eaten in the establishment, or taken away for consumption. This section of the hospitality industry includes fine dining restaurants, takeaway restaurants, fast food restaurants and a variety of other restaurant types.

Catering

Catering services are food services provided within a particular site, or in a more remote location, where food and drink are not necessarily the main service provided. Examples of this include catering provided at parks, arenas, stadiums, hotels, event venues and on certain forms of public transport.

Bars & Cafés

Bars and cafés provide customers with options to go out, socialize and enjoy food and drinks. They also tend to be a more casual option than most sit-in restaurants. Cafés generally focus on coffee, tea and light snacks, while bars tend to prioritize alcoholic drinks and soft drinks, and may also offer additional entertainment.

Nightclubs

Nightclubs are one of the main ways the hospitality industry caters to people in search of night-time entertainment. They serve alcoholic drinks, are kept open until late, and often place an emphasis on both music and dancing. Many nightclubs have specific themes and they may cater for locals, as well as visitors or tourists.

Tea & Coffee Shops

Tea rooms and coffee shops provide a similar function to cafés, primarily serving varieties of tea and coffee, as the name suggests. With that being said, tea and coffee shops are often individual room within larger buildings, such as hotels, and they may also sell products to be taken away, such as tea bags and coffee beans.

3) Travel and Tourism

It is important to understand that the hospitality industry and the travel industry are closely linked. Many of the services that are classed as travel industry offerings are also hospitality offerings, because they are linked to leisure, customer satisfaction, pleasure, experiences and the use of disposable income. Importantly, the cross-over between the tourism industry and the hospitality industry centres on services, rather than end-products.

Travel Agents

Essentially, travel agents serve to sell travel products to customers, on behalf of suppliers. They will often receive a commission for successful sales and can be a convenient option for inexperienced travellers, providing them with advice on the best travel products for their particular needs.

Tour Operators

A tour operator offers a combination of travel and tour products, combining them into a package, which is then sold to customers. This might, for instance, include travel to a destination, transfers from a hotel or train station to a hotel, as well a number of trips, activities or experiences throughout the customer's stay.

Online Travel Agencies (OTAs)

Online travel agents, or OTAs, perform many of the same functions as traditional travel agents, albeit over the internet. However, the use of online platforms means customers often have access to a greater level of self-service, with the OTAs helping users to search for the travel products that best suit their requirements.

Cruises

Cruises are voyages on cruise ships, undertaken for pleasure, rather than for the sole purpose of transportation. A cruise may have various stops along the way, but passengers will spend the vast majority of their time aboard the cruise ship, which will provide them with lodgings, entertainment, catering and more.

Car Rental

Car rental services cater to customers who require short-term access to a car. In many cases, these services are used by tourists travelling to other parts of the world, although some locals may also wish to rent a car, especially if they do not have regular access to one, or if they require a larger number of passenger seats.

Casinos

Finally, a casino is an entertainment establishment, which provides customers with opportunities to gamble. These gambling opportunities are predominantly offered via luck-based games. In addition to the gambling component, many casinos also stage live performances, offer food and drinks, and are connected to hotels.

Hospitality and Tourism Sector contributed 4.8% to Nigeria's GDP in 2016

The Hospitality/Tourism Industry in Nigeria contributed about 4.8% to Nigeria's Gross Domestic Product in 2016. This was disclosed by Africa's number one hotel booking online portal, Jumia Travel in its 2017 report and outlook for Nigeria.

Giving further insight into the report, Mr Kushal Dutta the Managing Director Jumia Travel, Nigeria in his presentation said the industry also employed about 1.6% of Nigerians in the year 2016.

Highlighting the key developments, the Dutta noted that in terms of travel contributions to the GDP, foreign spending accounted for 3% while domestic spending took the bulk of 97%.

Assessing growth in the Hospitality Industry, the Jumia report showed that about 9,000 new hotels emerged in the previous year, with competitive price rates across the country.

It was also observed from the report, that while there was increase in domestic travels, activities for corporate travellers declined in the country for year 2016.

Mr Dutta identified Infrastructure and the current Forex regime in the country, as the challenges the Hospitality/Tourism Industry faced in 2016, which in various way impacted the sector.

On the outlook for 2017 the Jumia Travel Nigeria Country Manager, asserted that domestic travels in the country will increase, while international travels will experience a decline due to forex issues and political uncertainties.

According to Dutta "This is a good sign that we need to encourage a lot more travels within the country by designing attractive holiday packages that will be exciting enough for Nigerians to want to spend money on tourism within the country. As a company, we are interested in collaborating to encourage more Nigerians to enjoy their holidays within Nigeria".

He said despite the National Tourism Development Council (NTDC), the government needs to fashion out a clear policy roadmap that will reposition the tourism industry in Nigeria.

In his intervention at the 2017 Jumia Travel report, Hospitality consultant Mr. Bruce Prins described 2016 as a year the Hotel Industry suffered extreme pressure in Nigeria.

Mr. Prins however noted that Hotels that promoted domestic services in 2016, achieved remarkable strides in the previous year, but also admitted that the price war between many hotels undermined

the hospitality industry's perceived value, and also created a lot of degradation in so far as the quality on offer is concerned.

The Hospitality Consultant identified the following as key trends that will shape the Hospitality Industry in 2017; availability of recreational facilities, 24-hour reservation/online booking service, social media ease, renovation/facility management and ease of travel.

Tourism holds positive growth for business in Nigeria

ATTA (2020) states major investment is being made in the hospitality industry throughout Africa. According to the Africa hotel projects overview construction report (published in December 2019), Africa's 282 projects across the continent amounts to more than 60, 000 rooms. The report looks at statistics and projections from the Top Hotel Construction database and outlines key growth markets across the African region. And Nigeria is no exception to this hospitality industry boom, placing third on the report behind Egypt (with 52 projects) and Morocco (with 32 projects).

In Nigeria, there are currently 26 major developments in the pipeline including nine in the capital of Abuja.

"Boosting business in Nigeria, and improving infrastructure, is the key to increasing job creation and improving the economy," says Paul Umoh, executive director West Africa for BON Hotels.

"There has also been huge foreign investment in the hospitality industry, with more to come. Tourism is a major contributor to the economy in Nigeria, having grown exponentially in recent years.

"In 2017, tourism statistics reflected a growth of 140.2% from 2016. And from 2015 to 2016, a 130.3% increase was seen. Two years prior, the statistics were in decline. Now, however, more people are visiting the country for business and leisure, and investors are seeing the increased potential in the region."

In 2017, according to the National Bureau of Statistics (NBS), tourism accounted for 34% of Nigeria's GDP and 20% of the country's employment creation.

"These statistics show healthy growth in the hospitality industry throughout Africa. Now is a good time for African tourism businesses to be investing in Africa. The Bon Hotels group, for example, is expanding across the continent," says Umoh.

According to the Brookings Institution, consumer spending on tourism, hospitality, and recreation in Africa is projected to reach about \$261.77bn by 2030. This is \$137.87bn more than in 2015. Nigeria will no doubt be a beneficiary of this spends.

South African-based hospitality company Bon Hotels, which was recently acquired by Onomo Hotels, has an existing footprint of 4,300 rooms across 15 countries and a combined employee base of more than 2000 people. An additional 3000 rooms in the pipeline in Africa will create thousands of more work opportunities and significantly boost tourism.

In Nigeria, the hotel group is planning 22 hotels and residences over the next few years, in major cities like Lagos, Abuja and Port Harcourt, and in secondary towns and cities such as Kano, Yola, Kebbi, Ekiti, Ibadanwarri, Enugu, Asaba, Owerri, and Awka. This is in addition to 10 existing operational BON Hotels in the country.

"The hospitality industry in Nigeria has predominantly been concentrated in larger cities such as Lagos and Abuja. By expanding into smaller cities across multiple regions, we will dramatically increase the potential for business and leisure travel throughout the country," explains Umoh.

"Big international names in the hospitality industry are realising the growth potential in Africa. By expanding our own footprint throughout Africa, we can create the capacity to attract more business and leisure tourism – improving the economy and uplifting local communities. With this capital being invested in Nigeria, and throughout Africa, the growing tourism sector means a long-term boost for business."

Nigerian President Muhammadu Buhari recently stated that the country has been "recognised as one of the most improved economies in the world for running a business" and has "steadily returned to the path of growth".

Speaking at the 2019 National Productivity Day ceremony, President Buhari said that the country was previously largely reliant on revenue from the oil sector, but "economic diversification programmes are yielding positive results". He noted, however, that ease of doing business policies and programmes are already impacting businesses, in particular, those in key sectors including manufacturing, mining and agriculture. Buhari commented further that "massive investments" have been made in power, rail and road.

Nigeria Today

Trevor Ward (2016) states everybody has an opinion about Nigeria, don't they? An opinion based on one of three things – personal experience, someone else's personal experience (friend, relation, business colleague etc.) or on what they see, hear and read in the media Or a combination of two or more of these sources. Many opinions are negative (corruption, noise, chaos, that kind of thing), many are positive (kind people, Nollywood, music, food, *that* kind of thing). Hardly ever neutral

As a long-term expatriate resident in Lagos, prior to which I was a regular visitor from my London base, I've experienced Nigeria since about 1990, under the military regimes of Babangida and Abacha, and then elected presidents from Obasanjo to our current head of state, Muhammadu Buhari, one year in office as of 29 May 2016.

Nigeria is a bit of a one-man band in some respects, with the president's policies and philosophy having a fundamental impact on the country, and representing the country to the outside world. Each has his legacy, both in what he achieved (or in some cases failed to achieve) and his reputation as a person. Any discussion about Nigeria which touches on the economy will almost always touch on the doings of the president.

The hospitality industry in Nigeria is very small in terms of contribution to GDP, estimated at less than 1% of the total, and about double that when you add in the travel industry. So we don't get that much attention from government at any level, except, that is, for soundbites about what a "gold mine" tourism could be. They're absolutely right, tourism could be a major economic sector, creating much-needed jobs. But when politicians talk about tourism, what they are thinking of is foreigners coming to Nigeria on vacation, not tourism as a whole, which includes both international and domestic travel, and comprises not only vacationers but also, and most importantly for many countries in Africa, business travellers and conference delegates. As the largest economy in Africa, with the largest population, a huge diversity of cultures and landscapes, and a long coastline, Nigeria can excel in all these markets.

So what is the perception of Nigeria's hospitality business today, and what's the reality?

Back in early 2014, the first shock to the industry was the Ebola outbreak in West Africa. That wasn't anything to do with government, and Nigeria actually tackled the crisis very well, and prevented what could have been a disaster of epic proportions. But the outbreak, and the very visible preventative measures that had to be put in place, meant that travellers, both domestic and those from abroad, lost confidence,. And the events that have followed, including the delayed elections in early 2015, and the oil price crash, have continued to negatively affect confidence, to the extent that hotels' room occupancies are at levels not seen since the mid-1990s, the dark days when Nigeria was shunned by the outside world.

President Buhari took office at the end of May 2015, and since then has pursued a seemingly single agenda, which is to root out corruption. Laudable, indeed, and this is part of the drive to change the perception of Nigeria, from being a country which encourages wrongdoing by those in power to be one which abhors it and is doing something about it. That will help the hospitality industry, engendering greater confidence.

But at the same time, the economy, reeling from the oil price crash since mid-2014, and the resultant devaluation of the Naira, is hitting that confidence, hard. With such dependence on the oil & gas sector for government and private sector income, the trickle-down effect has become a torrent. Government has no money to spend, contractors don't get paid, they lay off workers, and the hospitality industry has fewer customers. The shortage of foreign exchange, due to the oil price crash, means that manufacturing cannot import materials to make things, they lay off workers. Hotels and restaurants cannot import some of the essentials for their operations, and their offer to their customers is reduced. Foreign investors are waiting to see what is going to happen with the exchange rate before taking decisions on new projects – whilst the common consensus is that the Naira is over-valued, the government (read President) has ruled out any devaluation in the near term.

If there *were* more confidence, international visitors to Nigeria would find hotel prices a real bargain, for the first time in ages. The average price charged in Naira is not much changed in the past two years, but in dollar terms they have almost halved. Likewise in bars and restaurants,

where prices have not increased by as much as the dollar has devalued. So the cost of living has gone down – if you have dollars. Nigeria has always been perceived as being an expensive place to visit and in which to live, but for those with foreign currency, that's no longer the case.

Is now a good time to visit Nigeria? Indeed, and once we know where we are going with the exchange rate, and with government policy generally, the market is still one which holds immense promise. I'm only aware of one airline which has pulled out of the market, citing economic reasons, whilst domestic airlines such as Air Peace and Med-View are expanding their international routes.

There is no doubt in my mind that the economic crisis we are currently going through is a cyclical correction, indeed a wake-up call to those in power that things need to change, drastically and fast. Nigeria will “never” be an easy place to do business – but it's the same in many other countries. There will always be challenges, but if we can get through the current economic crisis, which is partly out of government's control and partly self-inflicted, a return to growth is almost inevitable. Manufacturers, retailers and the rest eye a market of almost 200 million as having enormous possibilities. But we really do need to get that confidence back, one way or another.

Research Methodology/Research Question

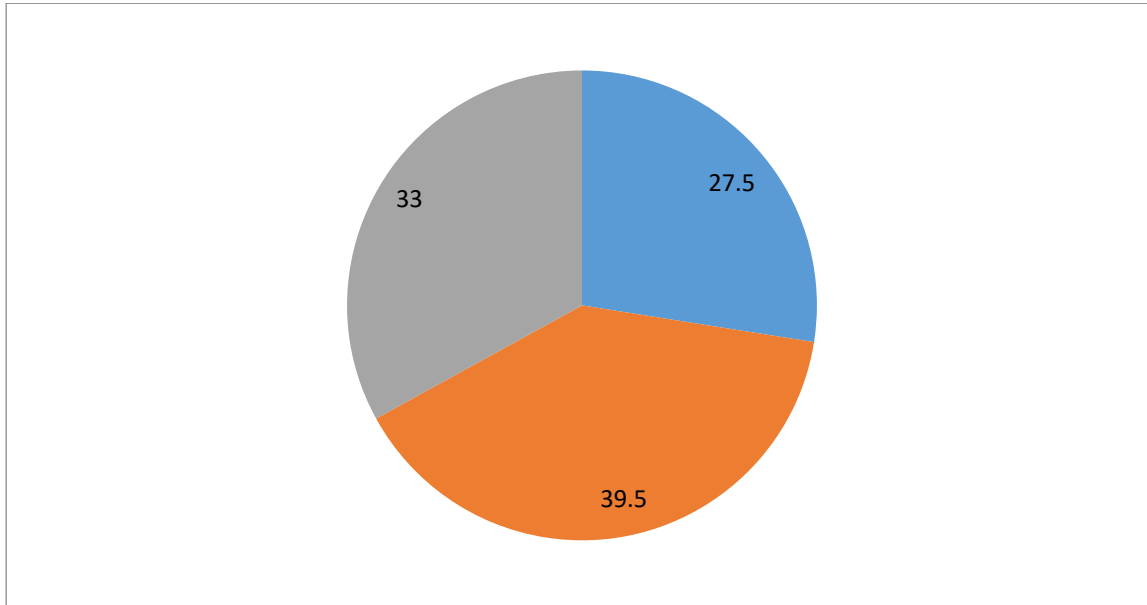
The study made use of interviews and personal observation in order to get adequate information about the ability of diversifying to hospitality and tourism. Two hundred (200) Questionnaires were administered in order to ascertain the level of awareness of the people on the impact of diversifying to hospitality and tourism in geo-political zones. Simple random sampling method was used in selecting the respondents (Realistic testing).

RESULTS

TABLE 1: To examine the contribution of Hospitality and Tourism to Nigeria

QUESTION	FREQUENCY	PERCENTAGE (%)
Are you aware of any contribution of Hospitality and Tourism to Nigeria Economy		
i. Yes	79	39.5
ii. No	55	27.5
iii. No idea	66	33
TOTAL	200	100

Source: Researcher's field work, 2020



Pie chart showing the level of awareness of the people about the contributions of Hospitality and tourism to Nigeria Economy

TABLE 2: To ascertain the level Intended Contribution

QUESTION	FREQUENCY	PERCENTAGE (%)
Have you ever intended for more contribution from Hospitality and Tourism		
i. Yes	25	45
ii. No	30	55
TOTAL	55	100

Source: Researcher's field work, 2020

TABLE 3: To Identify the Problems Hindering the Development of the hospitality and tourism.

QUESTION	FREQUENCY	PERCENTAGE (%)
What are the problems faced by these sites?		
i. Not accessible	50	25
ii. Lack of social amenities	57	28.5
iii. Lack of government interest	53	26.5
iv. Lack of awareness	33	16.5
v. Privately owned	17	3.5
TOTAL	200	100

Source: Researcher's field work, 2020

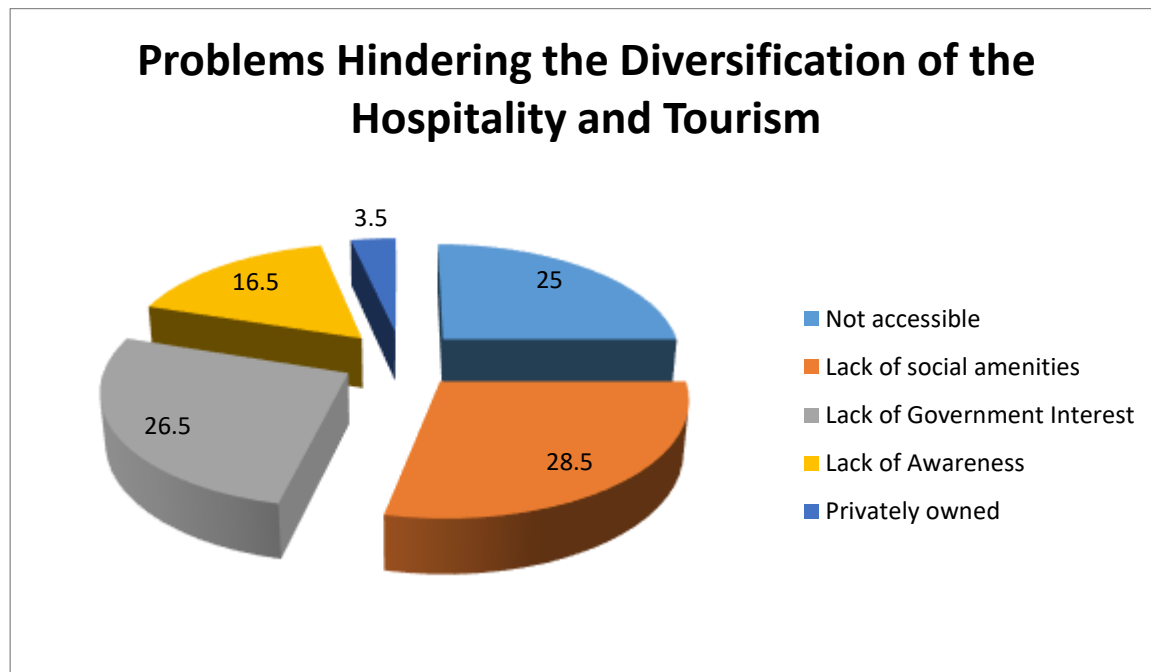
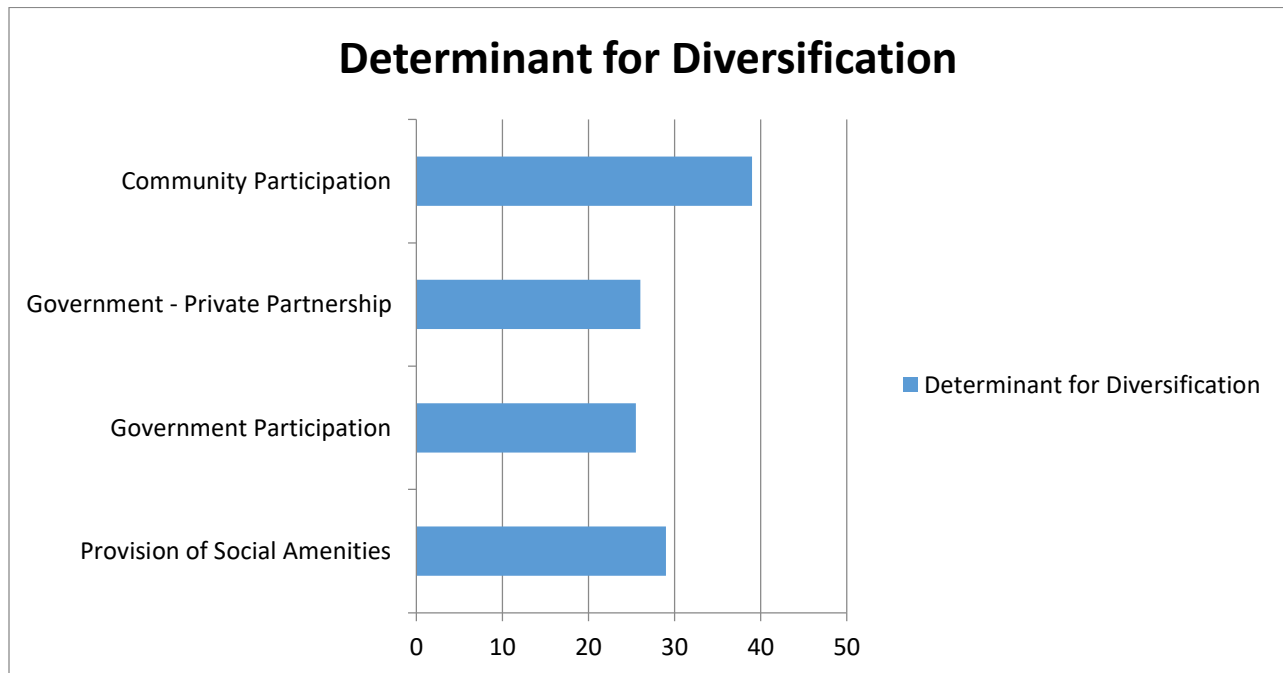


TABLE 4: To Determine the Requirements Necessary to Diversification to hospitality and tourism

QUESTION	FREQUENCY	PERCENTAGE (%)
What are the measures to be taken in order to diversify to hospitality and tourism		
i. Provision of social amenities	58	29
ii. Government Participation	51	25.5
iii. Govt. – Private Partnership	52	26
vi. Community Participation	39	19.5
TOTAL	200	100

Source: Researcher's field work, 2020



DISCUSSION OF FINDINGS

This section deals with the analysis of data collected through questionnaire, interviews and personal observation. Table 1 reveals that 39.5% are aware of hospitality and tourism contributions in Nigeria economy, 33% had no idea while only 27.5% are not aware of the contributions of

hospitality and tourism to the Nation's economy. Table 2 shows that out of the fifty five persons (55) that are intended for more contribution from hospitality and tourism, only 45% have no intention from hospitality and tourism to Nations development. Table 3 shows the problems hindering the development of the hospitality and tourism in Nigeria 57% indicates lack of social amenities which is the highest problem faced by the industry, 53% shows lack of government interest, while 33% shows lack of awareness. Table 4 shows the requirement necessary to diversification of hospitality and tourism in Nigeria 58% indicates provision of social amenities, 51% suggest government participation, while 52% shows government- private partnership.

The interview section comprises of the Managers, Owners, and the Supervisors. Response from the Managers indicate that the major hospitality and tourism industry that people are aware of is their famous "five star hotels" which is held annually and is been referred to as most patronized. Personal observation shows that the popular and most patronized are those ones that are privately owned, although it was observed that only the politicians and the elite have the privilege to visit the hospitality and tourism industry such as the 5 star, 4 star, and 3 star as it is fondly called in the town. Hospitality and Tourism business owned by group of individuals and the Nigeria Tourism Development has to work hard to uplift the hospitality and tourism activities. The findings also reveal that the government had little or no interest in developing the tourism activities of the Nation, the local government complained of inadequate fund being allocated to them hence no capital for tourism projects, most of the roads leading to the tourism sites are in bad state, and the basic infrastructures required for tourist stay are lacking.

CONCLUSION

Diversifying to tourism and hospitality has a great potential for skills development, it provides avenues for generation of knowledge which is an indispensable feature of the tourism sectors, help in creating knowledge, foster innovation and transmission of cultural heritage to the new generation, it also help in the provision of basic services like schools, health centers which are fully equipped with facilities. The tourism and hospitality sectors are also innovative not only where it overlaps with the creative industries but also in its core activities related to conservation and restoration. The development of these sites will lead to the generation of direct, indirect economic benefits, industrial development, induced jobs along with drawing investment and tourists, it provides an efficient tool for providing social cohesion, if properly designed and managed, heritage sites can serve as efficient means for the policy of social inclusion, intercultural dialogue, conflict resolution, it will attract tourists from home and abroad, help foster Nigeria growth in terms of social amenities such as electricity, water, good health centers and also infrastructures such as roads, shopping mall etc. It was also observed that the tourist are exposed to environmental hazards by the way and manner people misuse the sites and most the mismanagement of the heritage, and natural sites, to contribute to degradation, health hazard, pollution etc in the Nigeria metropolis. Above all hospitality and tourism still remain the most viable economic activity and sector that will always stand the challenges of time, if properly developed,

RECOMMENDATION

Diversification of any nation, county, state relies much on harnessing their resources through advanced technology; planning management etc. the following recommendations are made after a careful review of the major findings:

Public sectors are supposed to cooperate with the private sectors in order to conserve and diversify to tourism and hospitality.

Planning requirements; tourism and hospitality needs planning, creativity, infrastructures and allied services. Careful planning is needed to protect the visual integrity of historic places and sites.

There should be an enabling social and political environment for tourism development to strive, government should also ensure to be sincere with the people and avoid politicizing everything.

That the government and agencies in charge of tourism and hospitality should fully divert its attention to the development of the hospitality and tourism sector in Nigeria

There should be political will of our State to encourage and support tourism development they should be educated and awareness should be created. The local government in particular should show more interest in such ventures as their areas would be opened to a wider world.

Diversifying to Tourism has been a positive force in the conservation of heritage resources. Hence care should be taken to minimize the impact of tourist facilities and development in order to achieve sustainable development.

Tourism has a lot of economic and social advantages, if the industry is made productive. Nigeria has the tourist potentials which through capital, commitment and good planning will transform the tourist potentials to tourist attractions.

And for tourism and hospitality diversification to be that government policies should be up held and forced by the persons concerned in the areas of investment and standards.

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