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Appraising the Contributions of the Hospitality Industry towards Sustainable Economic Growth and National Development

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ABSTRACT
This paper focuses on appraising the Contributions of the hospitality industry towards sustainable economic growth and national development. It sets to examine the contributions of the hospitality industry to economic growth and national development in Nigeria. A descriptive survey research design is adopted. A sample of 198 respondents was selected using a purposive and stratified random sampling technique. Data are collected through on-the-spot administration of a structured questionnaire questionnaires to ensure a high response rate. Collected data are presented in tables and analyzed using descriptive statistics comprising frequency, percentages, mean and standard deviation. The finds a female-dominated, young, and moderately educated workforce in Nigeria's hospitality industry while majority possess mid-level educational qualifications and limited professional experience. Hospitality sector drives economic growth, enhances Nigeria's image, and supports interrelated industries. However, its capacity to attract foreign direct investment remains relatively limited. These findings indicate that while the hospitality industry contributes to national development, its growth potential is restricted by structural, policy, and environmental limitations. This research concludes that the hospitality industry plays a crucial role in Nigeria's national development, contributing significantly to economic growth, employment, entrepreneurship, and government revenue. Despite its contributions, challenges such as insecurity, poor infrastructure, lack of skilled manpower, and inconsistent policy implementation hinder full sectoral potential. The findings also reveal that while the industry fosters development, income distribution and infrastructural benefits remain uneven, requiring targeted interventions. To ensure sustainable growth, Nigeria must adopt strategic frameworks that integrate government investment, private partnerships, skill enhancement, environmental management, and digital transformation.

Keywords: Economic growth, hospitality industry, national development, strategies.

1 INTRODUCTION

The hospitality industry is a broad sector within the service economy that encompasses businesses and institutions providing accommodation, food and beverage, travel, leisure, and entertainment services. According to Jones and Lockwood (2021), hospitality can be understood as the provision of products and services that create memorable guest experiences, often linked to cultural exchange, comfort, and customer satisfaction. The industry is unique because it is centered on service delivery and the creation of value through interactions between providers and consumers (Slattery, 2016)..

2 LITERATURE REVIEW

The World Tourism Organization (UNWTO, 2023) emphasizes that hospitality is a vital component of tourism, contributing significantly to economic development, job creation, and international relations. It serves as a catalyst for tourism development, given that tourists rely on hospitality services such as lodging, dining, and entertainment during their travels. In this regard, hospitality not only fulfills basic needs like shelter and food but also enhances the overall travel experience (Walker, 2017).

Moreover, the hospitality industry is often characterized as both labor-intensive and customer-oriented. Lashley (2018) describes it as a people industry, where service quality and customer satisfaction are highly dependent on employees' skills, attitudes, and emotional intelligence. This implies that investment in human capital, service training, and innovation is essential for competitiveness and sustainability (Ezeudu & Nwokorie, 2021; Nwosu, 2020).

Hospitality industry is diverse in scope, ranging from luxury hotels and resorts to budget accommodations, restaurants, bars, event management, and recreational facilities (Okumus et al., 2019). It is dynamic, shaped by globalization, technological advancement, and evolving consumer preferences. Recent developments such as digital booking platforms, sustainability practices, and security considerations highlight the industry's adaptability in meeting modern challenges (Bharwani & Butt, 2019; Akanbi & Daramola, 2021).

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The hospitality industry encompasses accommodation, food and beverage, and events. It occupies a central role in the global economy (UNWTO, 2023; WTTC, 2019). It generates employment, foreign exchange, and contributes to GDP while stimulating linkages with agriculture, construction, and services (Dwyer et al., 2004). Globally, innovation and sustainability are reshaping hospitality's growth path (Akanbi & Daramola, 2021). The sector's labor-intensive nature supports inclusive growth by providing opportunities for women and youth (Okafor & Eze, 2022). Nonetheless, environmental issues—such as waste management and energy consumption—necessitate sustainable practices (Ajayi, 2021). Institutional quality and governance remain key determinants of success (Acemoglu & Robinson, 2012). Economies with strong policy coordination and investment frameworks tend to reap higher developmental returns from hospitality (World Bank, 2022; UNWTO, 2023).

In the Nigerian context, the hospitality industry is a growing contributor to the economy. According to Adebayo and Iweka (2014), the sector plays an important role in enhancing tourism, attracting foreign investment, and creating employment opportunities. Studies by Akinboade (2021) and Okafor & Eze (2022) reveal that gender participation and equitable employment in Nigeria's hospitality sector are improving, though barriers remain in access to leadership roles. Despite challenges such as insecurity, poor infrastructure, and inadequate policy implementation (Aremu & Lawal, 2022), the hospitality industry in Nigeria continues to expand, reflecting its potential for driving national development (Uzonwanne, 2021; World Bank, 2022). Overall, the concept of hospitality extends beyond the provision of basic services to encompass the creation of memorable experiences that contribute to economic, social, and cultural development. Its role in fostering tourism, employment, and sustainable growth positions it as a strategic sector in both developed and developing economies (Ojo & Ogunyemi, 2022; Ajayi, 2021).

Economic growth refers to the sustained increase in a country's productive capacity, typically measured by the rise in gross domestic product (GDP) or gross national product (GNP) over time. Todaro and Smith (2020) describe economic growth as the process by which a nation's wealth expands, leading to improvements in living standards and the provision of essential goods and services. Classical economists such as Adam Smith and David Ricardo emphasized the role of capital accumulation, labor productivity, and trade in fostering economic growth (Smith, 1776/2015). Later, neoclassical and endogenous growth theories underscored technological progress, innovation, and human capital development as key drivers (Solow, 1956; Romer, 1990). Within emerging economies, innovation in the hospitality and service sectors has also been identified as a modern growth driver (Akanbi & Daramola, 2021). Economic growth is closely associated with structural transformation—shifting from agriculture to manufacturing and services (Kuznets, 1971). In developing countries, sectors such as hospitality and tourism play an increasingly visible role in diversifying income sources and stimulating urban-based services (Ojo & Ogunyemi, 2022; Uzonwanne, 2021). However, growth must be sustainable and inclusive. Stiglitz, Sen, and Fitoussi (2010) and the World Bank (2022) argue that GDP expansion should integrate social and environmental goals, aligning with the principles of "green growth." Nigeria's hospitality industry contributes to this inclusive model by generating jobs and entrepreneurship opportunities (Ogunlana, 2020), though infrastructure and policy gaps remain (Aremu & Lawal, 2022).

National development is a multidimensional process that involves sustained improvement of a country's economic, social, political, and cultural conditions. It goes beyond economic growth to include equity, justice, institutional reforms, and human welfare (Todaro & Smith, 2020). Seers (1969) and Rodney (1972) emphasize that true development must reduce poverty, unemployment, and inequality. Theories of modernization, dependency, and sustainable development (Rostow, 1960; Frank, 1967; United Nations, 2015) provide varying perspectives on how nations progress. More recent approaches highlight the role of strong institutions and governance in promoting inclusive growth (Acemoglu & Robinson, 2012).

In Africa, national development efforts are constrained by weak infrastructure, insecurity, and policy inconsistency (Aremu & Lawal, 2022; World Bank, 2022). In Nigeria, the hospitality industry contributes to national development by creating employment, generating revenue, and promoting cultural exchange (Uzonwanne, 2021). However, issues such as human-resource shortages (Nwosu, 2020), gender inequality (Akinboade, 2021), and environmental sustainability (Ajayi, 2021) still challenge the sector's full developmental potential.

Furthermore, sectors such as education, health, and hospitality contribute significantly to national development. Education equips citizens with skills and knowledge for productivity; healthcare enhances well-being and workforce efficiency; while industries like tourism and hospitality generate revenue, create jobs, and promote cultural exchange (Ayeni, 2012). Thus, national development is best understood as a holistic process that integrates multiple dimensions of growth and well-being.

A large body of empirical and conceptual work shows that hospitality and tourism-related services contribute to national output and export earnings. Multi-country assessments by industry analysts (e.g., WTTC) and the United Nations World Tourism Organization (UNWTO) have repeatedly documented that travel and hospitality account for a significant share of GDP in many economies, particularly small and tourism-dependent states (UNWTO, 2020; WTTC,

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2019). The industry's labor intensity means its growth frequently translates into sizeable employment gains across skill levels, helping to absorb low- and semi-skilled labor and providing opportunities for youth and women (Baum, 2015). Moreover, hospitality facilities (hotels, restaurants, events) generate foreign exchange through international visitor expenditures, and create markets for locally produced goods and services, thereby strengthening backward linkages in the economy (Dwyer, Forsyth, & Spurr, 2004).

Beyond direct impacts, the hospitality industry stimulates secondary economic activities — transport, construction, agriculture (food supply), handicrafts, and professional services — producing multiplier effects that broaden development outcomes (Dwyer et al., 2004). In many developing countries, growth in hospitality services contributes to structural transformation by shifting economic activity from subsistence agriculture or extractive sectors toward services and urban-centered value chains. These linkages imply that hospitality-led growth can support industrial diversification and infrastructure investment, both necessary ingredients for sustainable national development (Sharpley, 2018).

The sector's reliance on interpersonal service provision places a premium on human capital development. Training, skills acquisition and career pathways in hospitality enhance employability and can drive entrepreneurship in local communities (Baum, 2015). Evidence suggests that when coupled with deliberate policies (training, microfinance, incubation), hospitality expansion can promote inclusive development by creating livelihood opportunities for marginalized groups and boosting small- and medium-sized enterprises (SMEs) in tourism supply chains (UNDP/UNWTO analyses).

The extent to which hospitality contributes to national development depends heavily on institutional quality and policy frameworks. Inclusive institutions, clear regulation, investment incentives, and coordinated tourism–industry strategies amplify positive outcomes; conversely, weak governance, corruption, and poor planning limit benefits and may expose communities to displacement or environmental degradation (Acemoglu & Robinson, 2012; Sharpley, 2018). National strategies that integrate hospitality with infrastructure planning (transport, water, energy) and human capital investments tend to realize stronger development dividends.

Recent literature has emphasized that growth must be sustainable and equitable. Scholars point out that hospitality-driven development can generate environmental pressures (waste, water usage, carbon emissions) and social challenges (inequality, cultural commodification) if not managed within sustainability frameworks (Stiglitz, Sen, & Fitoussi, 2010; UN, 2015). Thus, contemporary perspectives advocate "sustainable hospitality" that aligns economic objectives with environmental stewardship and social inclusion — a priority reinforced by the Sustainable Development Goals (SDGs).

The COVID-19 pandemic illustrated both the vulnerability and the strategic importance of the hospitality sector. Rapid global travel restrictions produced sharp declines in hospitality demand, exposing economies dependent on tourism to profound GDP and employment shocks (Gössling, Scott, & Hall, 2020). However, the pandemic also triggered policy debates on resilience-building: diversification of markets, domestic tourism promotion, digitalization (contactless services, online marketing), and social protection for affected workers. These lessons underline the need for risk-aware planning for hospitality's role in national development.

Technology (online booking platforms, data analytics, customer-relationship management, digital payments) has reshaped the hospitality value chain, improving market reach and operational efficiency. Innovation can raise productivity, reduce transaction costs, and create higher value services — all of which strengthen the industry's contribution to national development when combined with enabling digital infrastructure and skills (Bharwani & Butt, 2019). Furthermore, Green and Responsible Hospitality practices (energy efficiency, waste reduction) are increasingly framed as competitive necessities that also serve development goals.

In Nigeria, hospitality is increasingly recognized as a catalyst for diversification and employment creation (Uzonwanne, 2021; Ojo & Ogunyemi, 2022). The sector's multiplier effects stimulate demand for local goods, agriculture, and construction, enhancing linkages across the economy (World Bank, 2022). However, challenges persist. Infrastructure deficits (Aremu & Lawal, 2022), human-resource shortages (Nwosu, 2020), and environmental sustainability gaps (Ajayi, 2021) constrain growth. Moreover, gender imbalances (Akinboade, 2021; Okafor & Eze, 2022) and limited innovation adoption (Akanbi & Daramola, 2021) hinder inclusivity and competitiveness.

Empirical work indicates that entrepreneurial ventures and youth participation in hospitality can generate multiplier effects and promote local economic growth (Ojo & Ogunyemi, 2022; Ogunlana, 2020). Nonetheless, without robust institutional reforms, infrastructure upgrades, and policy consistency, the sector's contribution to long-term national development may remain underrealized (Aremu & Lawal, 2022; World Bank, 2022).

Collectively, the literature portrays the hospitality industry as a powerful contributor to economic growth and national development, especially where enabling policies, human capital investments, and sustainability practices are present. However, gaps remain in cross-country comparative assessments of long-term development outcomes, the distributional impacts of hospitality growth within countries,

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and robust causal evidence linking hospitality expansion to structural transformation beyond short-term GDP gains. Emerging research priorities include measuring inclusive impacts, the role of digitalization in development outcomes, and resilience strategies against systemic shocks.

3 METHODOLOGY

This study adopts a descriptive survey research design, which is suitable for examining the relationship between the hospitality industry and national development. The design enables the collection of data from a representative sample of stakeholders in the hospitality industry and related government agencies. The population of the study consists of stakeholders in the hospitality industry in Nigeria, including hotel managers, staff, guests, tourism operators, and officials of relevant government agencies such as the Ministry of Tourism and the Nigerian Tourism Development Corporation (NTDC). A sample of 198 respondents was selected using a purposive and stratified random sampling technique to ensure that different categories of stakeholders are represented. A structured questionnaire was employed to provide answers to the following research questions:

To what extent does the hospitality industry contribute to national development in Nigeria?

What are the major challenges confronting the hospitality industry in Nigeria?

How does the growth of the hospitality industry relate to employment generation, income distribution, and infrastructural development in Nigeria?

What strategies can be implemented to strengthen the contributions of the hospitality industry to Nigeria's sustainable development?

It was designed in 5 sections to capture demographic characteristics, the contributions of the hospitality industry to development, challenges facing the industry, and suggested policy interventions. The questionnaire utilizes five-point Likert scale (ranging from Strongly Agree to Strongly Disagree) to measure respondents' perceptions. The instrument is subjected to expert review by hospitality and research professionals to ensure face and content validity. A pilot test is conducted with 20 respondents**,** and Cronbach's Alpha is calculated to determine the reliability of the instrument, with an acceptable threshold set at 0.70**.** Data are collected through on-the-spot administration of questionnaires to ensure a high response rate. Secondary data is sourced from journals, government reports, and industry publications. Quantitative data are presented in tables for clarity analyzed using descriptive statistics comprising frequency, percentages, mean and standard deviation. The researcher explains the research purpose to the respondents are given option to back out, if need be, in the process of the research. The mean range and interpretation for the results are displayed in Table I.

TABLE I: MEAN RANGE AND INTERPRETATION

Mean Range	Interpretation
4.20 – 5.00	Very High Agreement
3.40 – 4.19	High Agreement
2.60 – 3.39	Moderate Agreement
1.80 – 2.59	Low Agreement
1.00 – 1.79	Very Low Agreement

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4 RESULTS AND DICUSSION

4.1 SECTION A: DEMOGRAPHY INFORMATION

Table II indicate a higher representation of females (69.70%) compared to males (30.30%). This suggests that females are more engaged or represented in the hospitality and tourism sector within the study area, possibly due to the service-oriented nature of the industry. The dominant age group is 26–35 years (33.84%), followed by 36-45 years (26.77%), reflecting a youthful and active workforce. The presence of older respondents (56 and above, 14.14%) shows that the industry also retains experienced professionals. Most respondents (42.42%) possess ND/NCE qualifications, followed by HND/BSc holders (29.29%). This indicates that the workforce in the hospitality industry is relatively educated, with many possessing tertiary level qualifications, which can positively influence service quality and management efficiency.

TABLE II: SHOWING RESPONDENTS' DEMOGRAPHIC INFORMATION

Variable	Category	Frequency	Percentage (%)
Gender	Male	60	30.30
	Female	138	69.70
Total		**198**	**100**
Age	18–25	25	12.63
	26–35	67	33.84
	36–45	53	26.77
	46–55	25	12.63
	56 and above	28	14.14
Total		**198**	**100**
Educational Qualification	SSCE	35	17.68
	ND/NCE	84	42.42
	HND/BSc	58	29.29
	MSc/PhD	21	10.61
Total		**198**	**100**
Occupation	Hotel Manager	25	12.63

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Variable	Category	Frequency	Percentage (%)
	Hotel Staff	57	28.79
	Guest	61	30.81
	Government Official	21	10.61
	Tourism Operator	22	11.11
	Other	12	6.06
Total		**198**	**100**
Years of Experience	Less than 1 year	29	14.65
	1–5 years	85	42.93
	6–10 years	56	28.28
	Above 10 years	28	14.14
Total		**198**	**100**

Source: Field Survey, 2025.

The largest category of respondents are guests (30.81%), followed by hotel staff (28.79%), implying that perspectives from both service providers and consumers are well captured. The inclusion of government officials (10.61%) and tourism operators (11.11%) strengthens the representativeness of the sample. A majority of respondents (42.93%) have 1–5 years of experience, showing a relatively new but growing workforce in the hospitality industry. Meanwhile, 28.28% have 6–10 years, and 14.14% have over 10 years, reflecting a fair mix of fresh and seasoned professionals. Overall, the demographic data reflect a female-dominated, young, and moderately educated workforce in Nigeria's hospitality industry. The majority of respondents possess mid-level educational qualifications and limited professional experience, suggesting potential for capacity development and professional training to enhance service quality and industry growth.

4.2 SECTION B: HOSPITALITY CONTRIBUTION TO ECONOMIC GROWTH AND NATIONAL DEVELOPMENT

According to Table III, Respondents expressed a high level of agreement that the hospitality industry significantly contributes to Nigeria's economic growth having (Mean = 4.05, SD = 1.08). The moderate standard deviation indicates that opinions were relatively consistent. There was a very high level of agreement that hospitality establishments foster regional and national development through tourism with (Mean = 4.26, SD = 1.00). This suggests respondents strongly recognize the sector's role in boosting local economies and tourism-based infrastructure. Respondents showed (Mean = 3.32, SD = 1.09) only moderate agreement, implying that while the hospitality sector supports the economy, it has not yet reached its potential in attracting significant foreign direct investment. The high proportion of neutral responses indicates uncertainty in this area. There is (Mean = 4.09, SD = 0.99), a high level of agreement that hospitality industry growth enhances Nigeria's image and competitiveness globally. This finding highlights the role of hospitality in improving the country's tourism reputation. Item 1.5 received (Mean = 4.44, SD = 0.80) the highest mean score, showing a very high level of agreement. Respondents widely acknowledged that the hospitality sector supports other industries like agriculture, transportation, and entertainment, creating economic linkages and multiplier effects. The overall mean score across all items (≈ 4.03) indicates a high level of agreement that the hospitality industry contributes meaningfully to national development in Nigeria.

Key highlights show that hospitality sector drives economic growth, enhances Nigeria's image, and supports interrelated industries. However, its capacity to attract foreign direct investment remains relatively limited. The low standard deviations across most items indicate strong consensus among respondents. Thus, the hospitality industry is viewed as a strategic contributor to Nigeria's national development, with great potential for economic diversification, job creation, and international recognition.

TABLE 3: SHOWING THE EXTENT OF HOSPITALITY INDUSTRY CONTRIBUTION TO NATIONAL DEVELOPMENT

S/N	Statement	Response	Frequency	Percentage (%)	Mean ($\bar{X}$)	Standard Deviation (SD)
1	**Extent of hospitality industry contribution to national development**					
1.1	The hospitality industry significantly contributes to Nigeria's economic growth.	Strongly Agree	95	47.98	**4.05**	**1.08**
		Agree	62	31.31		
		Neutral	2	1.01		
		Disagree	28	14.14		
		Strongly Disagree	11	5.56		
Total			**198**	**100**		
1.2	Hospitality establishments promote regional and national development through tourism.	Strongly Agree	96	48.48	**4.26**	**1**
		Agree	78	39.39		
		Neutral	4	2.02		
		Disagree	2	1.01		
		Strongly Disagree	18	9.09		
Total			**198**	**100**		

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S/N	Statement	Response	Frequency	Percentage (%)	Mean ($\bar{X}$)	Standard Deviation (SD)
1.3	The hospitality industry attracts foreign direct investment to Nigeria.	Strongly Agree	33	16.67	**3.32**	**1.09**
		Agree	38	19.19		
		Neutral	85	42.93		
		Disagree	28	14.14		
		Strongly Disagree	14	7.07		
Total			**198**	**100**		
1.4	The growth of the hospitality industry enhances Nigeria's global image and competitiveness.	Strongly Agree	75	85	**4.09**	**0.99**
		Agree	67	33.84		
		Neutral	26	13.13		
		Disagree	18	9.09		
		Strongly Disagree	2	1.01		
Total			**198**	**100**		
1.5	The hospitality sector supports other industries such as agriculture, transportation, and entertainment.	Strongly Agree	108	54.55	**4.44**	**0.8**
		Agree	77	38.89		
		Neutral	6	3.03		
		Disagree	5	2.53		
		Strongly Disagree	2	1.01		
Total			**198**	**100**		

Source: Field Survey, 2025.

Table IV shows (Mean = 4.44, SD = 0.78). There is very high agreement among respondents that poor infrastructure—especially power, water, and roads—limits the growth of Nigeria's hospitality industry. The low SD shows that responses were consistent. Having (Mean = 4.33, SD = 0.82), respondents strongly agree that inadequate managerial expertise and lack of skilled manpower reduce service quality. This reflects a human capital gap in Nigeria's hospitality sector. The item on insecurity and political instability recorded (Mean = 4.58, SD = 0.72), the highest mean, showing very strong agreement that insecurity and political instability discourage both tourism and investment. The low SD shows nearly unanimous agreement. Item 2.4 on inconsistent policies and taxation shows (Mean = 4.35, SD = 0.79). Respondents expressed very high agreement that irregular government policies and heavy taxation hinder industry growth. This indicates a strong perception of regulatory and fiscal challenges in the sector. The table further reveal Mean = 4.30, SD = 0.85) which indicates indicates very high agreement that waste management and pollution issues affect hotel operations. This highlights the need for environmental sustainability and proper waste control mechanisms. Overall, the mean values (ranging from 4.30 to 4.58) show a very high level of agreement across all identified challenges. Respondents agreed that insecurity, poor infrastructure, and inconsistent government policies are major constraints. Lack of skilled manpower and environmental problems further reduce operational efficiency. These findings indicate that while the hospitality industry contributes to national development, its growth potential is restricted by structural, policy, and environmental limitations. To strengthen the sector, policy consistency, infrastructure investment, and capacity development are urgently required.

TABLE IV: SHOWING CHALLENGES CONFRONTING THE HOSPITALITY INDUSTRY IN NIGERIA

S/N	Statement	Response	Frequency	Percentage (%)	Mean ($\bar{X}$)	Standard Deviation (SD)
2	**Challenges confronting the hospitality industry in Nigeria**					
2.1	Inadequate infrastructure (power, roads, water supply) limits the growth of the hospitality industry.	Strongly Agree	99	50	**4.45**	**0.74**
		Agree	94	47.47		
		Neutral	2	1.01		
		Disagree	1	0.51		
		Strongly Disagree	2	1.01		
	Total		**198**	**100**		
2.2	Poor management and lack of skilled manpower affect service quality in the industry.	Strongly Agree	89	44.95	**4.33**	**0.82**
		Agree	97	48.99		
		Neutral	2	1.01		
		Disagree	8	4.04		
		Strongly Disagree	2	1.01		
Total			**198**	**100**		
2.3	Insecurity and political instability	Strongly Agree	126	63.64	**4.59**	**0.69**
		Agree	67	33.84		

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S/N	Statement	Response	Frequency	Percentage (%)	Mean (X̄)	Standard Deviation (SD)
	discourage tourism and hospitality investment.	Neutral	2	1.01		
		Disagree	1	0.51		
		Strongly Disagree	2	1.01		
	Total		**198**	**100**		
2.4	Inconsistent government policies and high taxation hinder industry development.	Strongly Agree	88	44.44	**4.36**	**0.77**
		Agree	99	50		
		Neutral	6	3.03		
		Disagree	3	1.52		
		Strongly Disagree	2	1.01		
	Total		**198**	**100**		
2.5	Environmental challenges such as waste management and pollution affect hotel operations.	Strongly Agree	89	44.95	**4.34**	**0.79**
		Agree	95	47.98		
		Neutral	6	3.03		
		Disagree	6	3.03		
		Strongly Disagree	2	1.01		
	Total		**198**	**100**		

Source: Field Survey, 2025.

Table V shows that majority (98.99%) having **(**Mean = 4.65, SD = 0.49**)** agreed that the hospitality industry creates significant employment opportunities at both local and national levels. This high consensus highlights hospitality's key role in reducing unemployment and supporting inclusive economic growth. Responses on income distribution were divided with (Mean = 3.07, SD = 1.29) where 56.06% agreed, while 42.93% disagreed or strongly disagreed. This suggests that while the sector generates income, earnings are not equitably distributed, reflecting disparities between urban and rural or managerial and non-managerial workers. About 70% agreed that hospitality growth **st**imulate**s** infrastructural development, such as roads, power, and water facilities. However, (Mean = 3.67, SD = 1.12**),** the wide SD indicates regional variability in how much communities benefit from hospitality projects. Nearly all respondents (97%) with **(**Mean = 4.38, SD = 0.71**)** agreed that hospitality growth boosts entrepreneurship**,** particularly in sectors like catering, entertainment, transport, and local crafts. This reflects the industry's multiplier effect on small business development. With **(**Mean = 4.74, SD = 0.56) 96% agreement, this variable recorded the highest consensus. Respondents recognized that hospitality activities enhance government income through taxes, levies, and licenses, thus contributing to national revenue generation. The mean scores (ranging from 3.07 to 4.74) indicate that respondents strongly associate hospitality industry growth with employment creation, entrepreneurship, and government revenue, while its role in equitable income distribution remains moderate. This confirms that the hospitality sector is a vital driver of socio-economic development in Nigeria, though attention is still needed to improve income equality and extend infrastructural benefits to all regions.

TABLE V: SHOWING HOSPITALITY INDUSTRY CONTRIBUTION TO NATIONAL DEVELOPMENT

S/N	Statement	Response	Frequency	Percentages (%)	Mean	Standard Deviation
3	**Relationship Between Hospitality Growth, Employment, and Infrastructure**					
3.1	The hospitality industry generates employment opportunities at local and national levels	Strongly Agree	131	66.16	4.65	0.50
		Agree	65	32.83		
		Neutral	2	1.01		
		Disagree	-	0.00		
		Strongly Disagree	-	0.00		
Total			**198**	**100**		
3.2	Growth in the hospitality sector contributes to equitable income distribution.	Strongly Agree	33	16.67	3.06	1.32
		Agree	78	39.39		
		Neutral	2	1.01		
		Disagree	38	19.19		
		Strongly Disagree	47	23.74		
Total			**198**	**100**		
3.3	The expansion of hospitality facilities encourages infrastructural development in host communities.	Strongly Agree	56	28.28	3.68	1.17
			82	41.41		
		Agree	26	13.13		
			8	8		
		Neutral	26	13.13		
		Disagree				
		Strongly Disagree				
Total			**198**	**100**		
3.4	Hospitality growth enhances	Strongly Agree	88	44.44	4.38	0.67
		Agree	104	52.53		

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S/N	Statement	Response	Frequency	Percentages (%)	Mean	Standard Deviation
	entrepreneurship and small business development.	Neutral	2	1.01		
		Disagree	2	1.01		
		Strongly Disagree	2	1.01		
Total			**198**	**100**		
3.5	Increased hospitality activities improve government revenue through taxes and levies.	Strongly Agree	161	81.31	4.75	0.57
		Agree	29	14.65		
		Neutral	5	2.53		
		Disagree	2	1.01		
		Strongly Disagree	1	0.51		
Total			**198**	**100**		

Source: Field Survey, 2025.

Table VI displays (M = 4.54, SD = 0.51). Respondents strongly believe that increased government investment in tourism and hospitality infrastructure is vital for sustainable development. The low standard deviation suggests high agreement among participants.

Strong agreement (M = 4.52, SD = 0.54) indicates that prioritizing workforce development is essential for service quality and competitiveness in the hospitality industry.

Most respondents agree (M = 4.42, SD = 0.64) that collaboration between government and private stakeholders can enhance efficiency and attract more investments, though responses are slightly more varied. The high mean Practices (M = 4.50, SD = 0.59) shows that respondents view sustainability as crucial for long-term success in hospitality. Environmental enforcement is widely supported. There is strong consensus (M = 4.45, SD = 0.61) that technology boosts customer experience, operational performance, and global competitiveness.

Overall mean scores ranging between 4.42 and 4.54 indicate strong to very strong agreement that all five strategies are critical to enhancing the hospitality industry's contribution to sustainable development. Respondents emphasized investment, training, and sustainability as key drivers for achieving long-term growth and competitiveness.

The study examined the role of the hospitality industry in national development and explored its economic contributions, challenges, employment effects, and strategies for sustainable growth in Nigeria. The discussion integrates insights from demographic analysis and four major thematic areas as shown on Tables 2 to 5.

TABLE VI: SHOWING STRATEGIES TO STRENGTHEN THE HOSPITALITY INDUSTRY CONTRIBUTION TO NATIONAL DEVELOPMENT

S/N	Statement	Responses	Frequency	Percentage (%)	Mean	Standard Deviation (SD)
4	**Strategies to Strengthen the Hospitality Industry's Contribution to Sustainable Development**					
4.1	Government should invest more in tourism and hospitality infrastructure	Strongly Agree	108	54.55	**4.54**	**0.51**
		Agree	89	44.95		
		Neutral	1	0.50		
		Disagree	-	0.00		
		Strongly Disagree	-	0.00		
	Total		**198**	**100**		
4.2	Skill development and training programs should be prioritized in the hospitality industry.	Strongly Agree	105	53.03	**4.52**	**0.54**
		Agree	91	45.96		
		Neutral	2	1.01		
		Disagree	-	0.00		
		Strongly Disagree	-	0.00		
	Total		**198**	**100**		
4.3	Public–private partnerships can improve the efficiency of hospitality operations.	Strongly Agree	89	44.95	**4.50**	**0.59**
		Agree	106	53.54		
		Neutral	1	0.50		
		Disagree	1	0.50		
		Strongly Disagree	1	0.50		
	Total		198	100		
4.4	Sustainable environmental practices should be enforced in hospitality establishments.	Strongly Agree	107	54.04	**4.50**	**0.59**
		Agree	87	43.94		
		Neutral	2	1.01		
		Disagree	1	0.50		
		Strongly Disagree	1	0.50		
	Total		**198**	**100**		
4.5	The adoption of modern technology can enhance customer experience and business performance.	Strongly Agree	98	49.49	**4.45**	**0.61**

The demographic profile indicates that females (69.70%) dominate the hospitality workforce, supporting studies by Okafor & Eze (2022) and Akinboade (2021), who observed

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that hospitality occupations in Nigeria are service-oriented and tend to attract more women due to gendered roles in customer service and catering. The majority of respondents (26–45 years) reflect a young and energetic workforce, aligning with Ogunlana (2020), who emphasized that Nigeria's hospitality sector is driven by youth innovation and adaptability. Educationally, the predominance of ND/NCE (42.42%) and HND/BSc (29.29%) holders shows that the industry is moderately educated, indicating potential for skill development to raise service quality (Ezeudu & Nwokorie, 2021). The occupational distribution—dominated by guests and hotel staff—ensures balanced perspectives between service providers and consumers, enhancing the validity of the study findings. The majority (42.93%) with 1–5 years of experience signifies a growing but inexperienced workforce, pointing to the need for continuous professional training.

The results demonstrate that respondents strongly agree the hospitality industry contributes significantly to economic growth (M = 4.05), regional development (M = 4.26), and intersectoral support (M = 4.44). These findings correspond with Uzonwanne (2021) and UNWTO (2023), who identified hospitality as a key economic driver through job creation, infrastructure expansion, and tourism promotion. However, foreign direct investment (M = 3.32) scored lower, indicating that Nigeria's hospitality sector still lacks sufficient global investment appeal. This is consistent with Okoli (2020), who attributed this to insecurity and inconsistent government policies. Overall, the average mean (≈ 4.03) signifies that the hospitality industry positively influences Nigeria's economic and social development, but policy and structural improvements are still needed to enhance its global competitiveness.

Respondents identified insecurity (M = 4.58), infrastructure deficits (M = 4.44), and inconsistent policies (M = 4.35) as the most pressing challenges. These findings align with Aremu & Lawal (2022), who noted that poor roads, erratic power supply, and political instability deter both tourists and investors. The lack of skilled manpower (M = 4.33) echoes Nwosu (2020), who stressed that inadequate human capital reduces service quality and productivity. Similarly, environmental challenges (M = 4.30) mirror Ajayi (2021), who emphasized the absence of sustainable waste management in hotels as a barrier to eco-friendly tourism.

These challenges collectively suggest that while the sector contributes positively to the economy, growth remains constrained by structural, policy, and human resource limitations.

Findings reveal strong consensus that hospitality expansion promotes employment generation (M = 4.65), entrepreneurship (M = 4.38), and government revenue (M = 4.74). This aligns with Ojo & Ogunyemi (2022), who argued that the hospitality sector significantly boosts Nigeria's informal and SME economy. However, income distribution (M = 3.07) showed moderate agreement, implying that benefits are not evenly spread—a concern also highlighted by World Bank (2022), noting that urban hospitality hubs often outpace rural areas in growth benefits. Infrastructural development (M = 3.67) received moderate responses, reflecting uneven government investment across regions. These findings confirm that hospitality growth is a major catalyst for employment and revenue generation, though equitable distribution remains limited. Respondents agreed that government investment (M = 4.54), skill development (M = 4.52), public–private partnerships (M = 4.42), environmental sustainability

(M = 4.50), and technology adoption (M = 4.45) are essential strategies for sustainable growth. These results correspond with UNWTO (2023) and Akanbi & Daramola (2021), who emphasized that infrastructural investment, digital innovation, and sustainability policies enhance competitiveness and service quality. Overall, the high mean values (4.42–4.54) demonstrate that respondents perceive policy reform, innovation, and training as key to maximizing the sector's economic and environmental potential.

5 CONCLUSION

This study concludes that the hospitality industry plays a crucial role in Nigeria's national development, contributing significantly to economic growth, employment, entrepreneurship, and government revenue. Despite its contributions, challenges such as insecurity, poor infrastructure, lack of skilled manpower, and inconsistent policy implementation hinder full sectoral potential.

The findings also reveal that while the industry fosters development, income distribution and infrastructural benefits remain uneven, requiring targeted interventions. To ensure sustainable growth, Nigeria must adopt strategic frameworks that integrate government investment, private partnerships, skill enhancement, environmental management, and digital transformation. This study therefore recommends that:

i. Government should prioritize infrastructural improvements (roads, electricity, water, and transportation) in hospitality clusters to attract investors and tourists.

ii. Establish hospitality training institutions and vocational centers to build managerial and technical skills, thereby improving service quality.

iii. Collaborative projects between government and private investors should be encouraged for financing and maintaining tourism and hospitality infrastructure.

iv. The government should provide clear, stable, and investment-friendly policies, including tax reliefs, to foster industry growth.

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v. Address insecurity and political instability to restore investor confidence and promote domestic and international tourism.

vi. Implement green policies such as waste recycling, energy efficiency, and sustainable design standards for hospitality facilities.

vii. Promote digital adoption in hospitality operations—such as online booking systems, data analytics, and AI-driven service platforms—to improve efficiency and competitiveness.

viii. Develop inclusive policies ensuring that local communities and small enterprises benefit directly from hospitality-related growth and investment.

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