

Innovations

Impact of Tourism on Hospitality Industry Development in Akpabuyo Local Government Area of Cross River State, Nigeria

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Abstract: *This study examined the impact of tourism on the development of the hospitality industry in Akpabuyo Local Government Area of Cross River State, Nigeria. The research was anchored on evaluating the contributions of tourism to the growth, sustainability, and service quality within the hospitality sector. Data for the study was collected through structured questionnaires administered to employees of hospitality establishments in the area. Two key objectives guided the study: examine the hospitality industry facilities and services in the study area and to assess the challenges associated with the hospitality industry development in the study area. Findings reveal that tourism significantly contributes to the economic vitality of the hospitality industry, with a range of facilities and services being provided to meet tourist demand. The study also highlights specific tourist preferences and outlines several operational challenges facing the industry. It is recommended that relevant stakeholders implement strategic interventions to address these challenges and enhance the sustainable development of the hospitality industry in the study area*

Keywords: *Tourism, hospitality industry, impact, development, Akpabuyo*

1. Introduction

Tourism serves as a key catalyst for the growth and transformation of the hospitality industry, especially in emerging local economies such as Akpabuyo Local Government Area (LGA) of Cross River State, Nigeria. As global connectivity expands, tourism increasingly becomes a major economic engine, promoting job creation, infrastructure enhancement, and cultural integration. In Akpabuyo LGA, the relationship between tourism and the hospitality industry reveals a dynamic interplay shaped by socio-economic conditions, natural attractions, and government interventions.

Comerio and Strozzi (2019) define tourism as “the activities of persons

traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes.” In the case of Akpabuyo, both domestic and international tourists are attracted to its coastal environment, serene landscapes, and cultural festivals, which in turn create demand for hospitality services such as lodging, dining, transport, and entertainment.

The hospitality industry in Akpabuyo has the potential to expand alongside tourism development, especially when supported by investments in infrastructure, skilled labor, and destination marketing. Danish and Wang (2018) emphasized that tourism-hospitality linkages contribute significantly to economic diversification, cultural preservation, and community development. Sustainable tourism practices, policy support, and coordinated efforts among stakeholders are vital to ensuring that tourism's benefits are optimized while negative environmental and social impacts are minimized.

This study investigates how tourism influences hospitality industry development in Akpabuyo LGA, providing a framework for understanding the sector's challenges, opportunities, and its role in advancing local socio-economic development. The research seeks to inform policymakers, hospitality operators, and development planners on strategic approaches for enhancing hospitality services through tourism growth in the region.

Tourism has increasingly been recognized as a powerful engine for economic growth and development, especially in emerging economies like Nigeria (UNWTO, 2020; Adeleke & Olorunfemi, 2021). In Akpabuyo Local Government Area (LGA) of Cross River State, the sector presents vast potential for driving hospitality industry development. However, the area faces significant constraints that hinder the full realization of this potential. These include inadequate infrastructure, poor implementation of tourism policies, environmental concerns, and socio-economic inequalities (Eja et al., 2012; Adebayo & Akpan, 2022).

Despite the state government's growing interest in leveraging tourism as a development tool, there is limited empirical research that directly examines the specific impact of tourism on the hospitality sector in Akpabuyo. Much of the existing literature focuses on broader regional dynamics, often overlooking the distinctive cultural, geographical, and infrastructural realities of Akpabuyo (Essien & Effiom, 2020). This research gap leaves stakeholders without the localized data needed to design effective, evidence-based strategies for hospitality development.

As tourism activities increase especially around Akpabuyo's coastal zones and cultural heritage sites there are growing concerns about the capacity of existing hospitality facilities to meet rising tourist demands. Poor road networks, power supply issues, and inadequate accommodation standards may undermine visitor satisfaction and sustainable tourism growth (Okon et al., 2023). Moreover, limited access to skilled labor, lack of investment capital, and insufficient service training continue to weaken the competitiveness of the hospitality industry in the region (Edet & Udo, 2021).

Given these challenges, it becomes imperative to conduct a focused, area-specific study to explore the relationship between tourism and hospitality development in Akpabuyo. This study aims to bridge the existing knowledge gap by assessing the challenges, opportunities, and policy implications surrounding tourism's impact on hospitality development (Ofem et al., 2024). The findings will serve as a valuable guide for local stakeholders, policymakers, and investors committed to promoting sustainable socio-economic development through tourism in Akpabuyo LGA.

a. Challenges associated with the hospitality industry development

The hospitality industry plays a central role in global tourism and economic development. However, the industry faces several persistent challenges that vary by region, level of development, and destination-specific factors. These challenges influence service delivery, customer satisfaction, and the overall growth of the sector. Globally, the hospitality industry is plagued by issues such as fluctuating demand due to global economic instability, high employee turnover, technological disruptions, environmental concerns, and evolving consumer expectations. As expressed by Baum (2015), a major global challenge in the hospitality sector is the shortage of skilled labor, often due to the industry's reputation for long hours, low pay, and limited career progression. This problem affects service quality and customer satisfaction, which are critical in attracting and retaining tourists. Similarly, climate-related disruptions such as rising temperatures and natural disasters threaten tourism-dependent destinations and put added pressure on the hospitality industry to adapt through sustainability practices (Gössling & Hall, 2019; James et al., 2025).

In developing countries like Nigeria, the hospitality industry contends with even more complex issues. Infrastructural inadequacies including unstable electricity supply, poor road networks, water scarcity, and weak telecommunications significantly hinder the performance of hotels and related facilities. According to Eja et al. (2012), Nigerian hospitality enterprises often operate under challenging conditions where high operational costs reduce profit margins and limit reinvestment. Another major constraint in Nigeria is the lack of professional training and certification among hospitality workers, resulting in service gaps and inconsistent guest experiences. Security concerns, especially in parts of Northern and Niger Delta regions, also deter both domestic and international tourism and, by extension, the growth of the hospitality sector. As noted by Okechukwu and Nwosu (2021), political instability and the perception of risk contribute to reduced tourist inflow and lower occupancy rates in many Nigerian hotels. Furthermore, ineffective tourism policies and fragmented coordination between government agencies and private stakeholders have slowed strategic investments in hospitality infrastructure.

Focusing specifically on the study area, Akpabuyo Local Government Area in Cross River State, the hospitality industry faces a combination of localized and structural challenges that restrict its growth. Although the area holds potential due to its

coastal features and cultural heritage, development has been limited by inadequate infrastructure and insufficient marketing of its tourism potential. According to Essien and Effiom (2020), road access to tourist spots in Akpabuyo is poor, deterring potential visitors and limiting the establishment of quality hospitality outlets.

Electricity instability and the lack of potable water also hinder hotel operations in Akpabuyo, increasing operational costs and affecting service delivery. These problems are compounded by the scarcity of trained hospitality professionals within the locality. Most hotel employees in Akpabuyo learn on the job, resulting in inconsistent customer service standards, as revealed by Okon et al. (2023). Additionally, there is limited government support for hospitality entrepreneurs, making it difficult for local businesses to access loans or training programs. The absence of coordinated tourism planning and insufficient investment in branding the Akpabuyo tourism zone has made it difficult for the area to compete with more established destinations such as Calabar and Obudu. Furthermore, seasonal tourism trends, especially around festivals and public holidays, create income volatility for local hotels, leading to employment instability and resource underutilization during off-peak periods. The combination of poor infrastructure, limited skilled labor, low investment, and weak policy implementation continues to pose major barriers to hospitality industry growth in Akpabuyo LGA.

However, while the hospitality industry has the potential to serve as a catalyst for local development and economic diversification, it faces significant challenges globally and more acutely in Nigeria and Akpabuyo LGA. These include infrastructural deficits, low professional capacity, insecurity, environmental vulnerabilities, and weak policy frameworks. Addressing these challenges requires strategic investments, stakeholder collaboration, and tailored government interventions to unlock the tourism and hospitality potential of regions like Akpabuyo.

b. The socio-economic contribution of tourism in hospitality development

Tourism is widely recognized as a key driver of socio-economic development, with significant implications for hospitality industry growth across global, national, and local contexts. The interdependence between tourism and hospitality is well-established, with tourism providing the demand that stimulates the expansion of hospitality services such as lodging, food and beverage, transportation, and recreation (UNWTO, 2020). As tourism increases, particularly in developing regions, so too does its potential to contribute to job creation, infrastructure development, community empowerment, and foreign exchange earnings.

Globally, tourism and hospitality have evolved into one of the world's largest economic sectors. According to the United Nations World Tourism Organization (UNWTO, 2020), international tourism generated approximately \$1.7 trillion in export earnings in 2019, with the hospitality industry accounting for a substantial portion through hotels, restaurants, and related services. (Abdeladhim, 2025) also reported that tourism supported over 330 million jobs globally prior to the COVID-

19 pandemic, emphasizing the sector's vast economic influence. In developed countries like Spain, France, and the United States, tourism-linked hospitality has contributed significantly to GDP growth, driven by investments in infrastructure, innovation, and service quality.

Moreover, global trends point toward increasing demand for sustainable and experiential travel, which further enhances the diversification of hospitality services. Countries that invest in quality hospitality infrastructure are better positioned to attract high-spending tourists, thereby amplifying economic returns (Hall & Page, 2020). These developments demonstrate how tourism-driven hospitality can be strategically harnessed to reduce unemployment and stimulate entrepreneurship in both urban and rural areas.

In Nigeria, the tourism and hospitality sector holds immense potential but remains underutilized due to infrastructural gaps, policy inconsistency, and insecurity. Nonetheless, the sector contributes to socio-economic development in several ways. According to Eja et al. (2012), tourism in Nigeria has spurred the establishment of hospitality businesses such as hotels, resorts, and eateries, particularly in areas with natural attractions like Cross River State, Lagos, and Abuja. These establishments offer employment opportunities, especially for youth and women, and promote local content through the consumption of indigenous food, art, and entertainment. A study by Adeleke and Olorunfemi (2021) noted that tourism-linked hospitality services in Nigeria contribute to economic diversification by reducing reliance on oil revenues. The hospitality industry also stimulates the growth of ancillary businesses including catering, laundry, tour guiding, and transport. However, challenges such as poor infrastructure, inadequate service training, and limited access to capital restrict the full economic potential of the sector.

Efforts by the Nigerian Tourism Development Corporation (NTDC) and partnerships with international bodies have sought to improve hospitality standards, develop destination branding, and promote domestic tourism. Despite these efforts, there remains a need for deliberate policies that link tourism with grassroots development, particularly in underdeveloped local government areas.

In Akpabuyo Local Government Area of Cross River State, tourism is beginning to influence socio-economic patterns, though on a smaller scale compared to urban centers. The area's proximity to coastal environments, cultural festivals, and natural scenery provides a foundation for tourism growth, which in turn drives demand for hospitality services. Local hotels and guest houses have emerged to cater to visitors, contributing to job creation and service-sector development (Okon et al., 2023). The socio-economic impact of tourism in Akpabuyo is seen in the increased patronage of local businesses, including food vendors, artisans, and transport operators. According to Essien and Effiom (2020), the hospitality industry in rural areas of Cross River has the potential to support community development through skills training, cultural promotion, and income generation. However, many hospitality providers in Akpabuyo operate with minimal support, facing challenges

such as unreliable power supply, lack of marketing, and limited access to skilled labor. Additionally, the sector contributes indirectly to social cohesion and cultural preservation. Community-based tourism events, supported by hospitality establishments, provide platforms for cultural expression and local identity reinforcement. When effectively managed, this synergy between tourism and hospitality has the potential to foster inclusive development and reduce rural-urban migration.

Therefore, the socio-economic contributions of tourism to hospitality development are evident globally, nationally, and locally. Tourism creates demand for hospitality services, spurring investments, employment, and income generation. In Nigeria and Akpabuyo LGA specifically, harnessing this relationship holds the promise of sustainable development if supported by adequate infrastructure, policy reforms, and community engagement. Strengthening this link will be crucial for achieving broader socio-economic goals and positioning Akpabuyo as a viable tourism and hospitality destination.

This study aimed to evaluate the impact of tourism on the development of the hospitality industry in Akpabuyo Local Government Area of Cross River State, Nigeria. The specific objectives are as follow to:

- Examine the hospitality industry facilities and services in the study area.
- Assess the challenges associated with the hospitality industry development in the study area.

II. Methodology

In this study, the two main variables examined were facilities and services and Assess the challenges associated with the hospitality industry development in the study area, which were assessed through a survey questionnaire.

a. Research Design

The study employed descriptive statistical method. This study is aimed at evaluating the impact of tourism on the development of the hospitality industry in Akpabuyo Local Government Area of Cross River State, Nigeria.

b. Participants and Sampling

In order to conduct this research a sample size of one hundred and twenty (120) participants was used and drawn from the hospitality industry used for the study. The random sampling technique was adopted for questionnaire administration. The rationale for adopting random sampling technique is based on the types of data and information needed for this study (i.e only staff that would give good information on the impact of tourism on the development of the hospitality industry in Akpabuyo Local Government Area of Cross River State, Nigeria).

c. Data collection

Data would be collected through questionnaire administration and interviews. A checklist would be design to enable the collection of data such as the visitor's arrivals in the various resorts, employment generation, income generation which could base on before and after the COVID-19 pandemic in the study area. Questionnaire were administered to the various resort staff to obtain information such as the various hospitality industry facilities and services provided by the resorts and their socio-demographic characteristics. However, the geographical positioning system (G.P.S) was based to obtained the location of the various hospitality industry.

d. Data Analysis

In the light of the above stated objectives and hypotheses of the study, data were analyzed using simple tables and percentages. The Pearson Product Moment was used in testing the stated hypothesis so as to establish the correlating relationship between the facilities provided by the hospitality industry and the challenges of hospitality industry in the study. This was done using the Pearson Product Moment Correlation Analysis.

III. Results and Discussion

Analysis of hospitality industry facilities and services

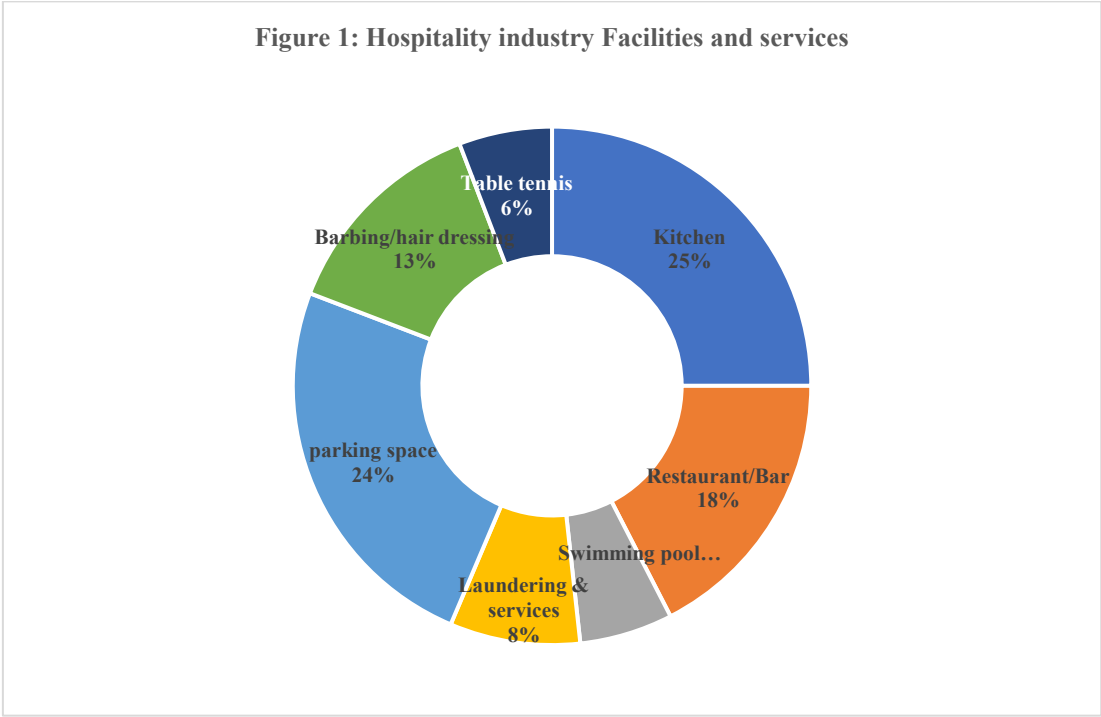
The analysis of hospitality industry facilities and services in Akpabuyo Local Government Area, as presented in Table1, reveals that approximately 35.20% of the respondents acknowledged the availability of all listed amenities as being offered by hotels in the study area. The most commonly available facilities and services include kitchen facilities (17.92%), parking space (10.75%), and restaurants and bars (12.50%), indicating their prominence in supporting guest comfort and satisfaction. Additionally, barbing and hairdressing services accounted for 9.60%, reflecting the inclusion of grooming services within hotel premises. The table further shows that laundering services (5.83%), swimming pools, and recreational amenities such as table tennis (12.50%) are also part of the hospitality offerings in the area.

Table 1: Hospitality industry Facilities and services

S/N	Facilities and service	Frequency	Percent
s	Kitchen	21.5	17.92
2	Restaurant/Bar	15	12.50
3	Swimming pool	5	4.17
4	Laundering & services	7	5.83
5	parking space	21	17.50
6	Barbing/hair dressing	11.5	9.58
7	Table tennis facilities	5	4.17
8	All of the above	41	34.17
9	Any other (specific)	2.5	2.08
	Total	120	100.00

Source: Field survey (2025)

These findings highlight the level of infrastructural development in the hospitality sector of Akpabuyo, contributing to the overall tourist experience and enhancing the attractiveness of the local hospitality industry.



Testing Of Hypothesis

The findings from the formulated Hypothesis which posits that there is no significant relationship between the facilities provided by the hospitality industry and the challenges of hospitality industry in the study area. Analysis of the results in Table 2 reveals a positive correlation value of ($R=0.628$; $P>0.001$), indicating a lack of statistical significance. However, it is evident that the null hypothesis is accepted while the alternative hypothesis is rejected based on the results. However, this implies that there is a significant relationship between the facilities provided by the hospitality industry and the challenges of hospitality industry in the study area.

Table 2: Pearson Product Moment Result showing correlating relationship between the facilities provided by the hospitality industry and the challenges of hospitality industry in the study area

Parameter	N	R	p-value
facilities provided by the hospitality industry	10		
		0.628 ^{ns}	0.001
challenges of hospitality industry	10		

Source: Data analysis, 2025

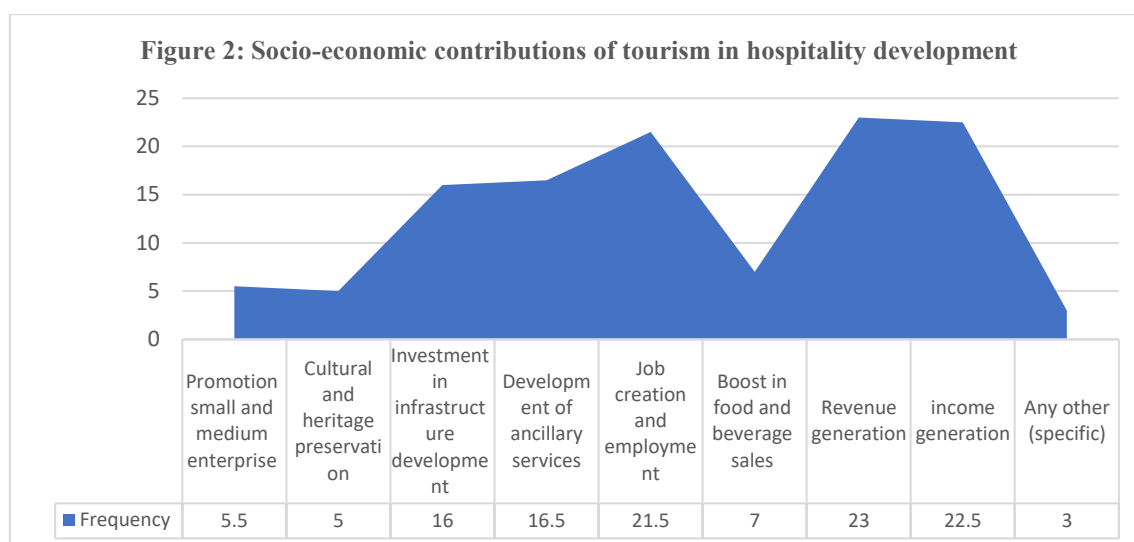
The Socio-economic contributions of tourism in hospitality industry development

Table 3 illustrates the socio-economic impact of tourism on hospitality development, revealing significant findings. Among respondents, 19.17% and 18.75% acknowledged the pivotal roles of tourism in revenue generation and income generation, respectively, followed closely by job creation and employment opportunities (17.92%). Additionally, the data highlights investment in infrastructure development (13.33%) and the development of ancillary services (13.75%) as notable economic benefits within the study area. Moreover, it was noted that tourism contributes to the enhancement of food and beverage sales (5.83%) and the promotion of small and medium enterprises (4.58%), further underlining its economic importance in fostering hospitality development. Cultural and heritage preservation (4.17%) and other specific socio-economic contributions (2.50%) were also acknowledged, emphasizing the multifaceted influence of tourism on the local economy.

Table 3: Socio-economic contributions of tourism in hospitality development

S/N	Socio-economic contributions	Frequency	percent
1	Promotion small and medium enterprise	5.5	4.58
2	Cultural and heritage preservation	5	4.17
3	Investment in infrastructure development	16	13.33
4	Development of ancillary services	16.5	13.75
5	Job creation and employment	21.5	17.92
6	Boost in food and beverage sales	7	5.83
7	Revenue generation	23	19.17
8	income generation	22.5	18.75
9	Any other (specific)	3	2.50
	Total	120	100

Source: Field survey (2025)



Challenges of tourism in hospitality industry development

The challenges of tourism in hospitality industry development, as presented in Table 4, show that security concerns (24.17%), workforce shortages and skill gap (22.08%), and overcrowding and over-tourism (14.17%) were the major challenges affecting tourism in the hospitality industry within the study area. It was further observed that technology disruption (6.25%), natural and environmental disasters (8.33%), and changing consumer preferences (5.83%) were also significant challenges associated with tourism development in the hospitality sector.

Table 4: Challenges of tourism in hospitality industry development

S/N	challenges	Frequency	percent
1	Global economic factors	6	5.00
2	Natural and environmental disaster	10	8.33
3	Changing consumer preference	7	5.83
4	Technology disruption	7.5	6.25
5	Security concern	29	24.17
6	Regulatory challenges	6	5.00
7	Workforces shortages and skill gap	26.5	22.08
8	overcrowding and overtourism	17	14.17
	Any other specify	2	1.67
	Total	120	100.00

Source: Field survey (2025)

V. Conclusion and Recommendation

Tourism and the hospitality industry play a vital role in driving regional development. This study has demonstrated that key facilities such as restaurants and bars, kitchen services, and parking spaces are among the primary offerings of the hospitality sector. Furthermore, the findings highlight significant socio-economic contributions, including job creation, the development of culinary services, and investment in infrastructure as direct impacts of tourism on hospitality development.

The research also revealed the presence of several sustainable tourism practices within the industry, particularly in areas such as local sourcing and community engagement, employee training and empowerment, and waste reduction and recycling. However, despite these advancements, the study identified notable challenges, including workforce shortages and skill gaps, security concerns, and overcrowding and over-tourism, all of which continue to hinder the full potential of hospitality development in the study area.

Based on the findings of the study, the following recommendations can be put forward:

Financial support: The banking industry should provide financial support to hospitality industry managers to get access to loans to be able to develop the hotel industry in Calabar. And if the hotel industry in Cross River State is increased this will increase the extent to which the people gain benefits out of these ventures surroundings their area.

More emphasis should also be on direct benefits: Hotel accommodation ventures need to relook on how to improve by increasing the workers in order to employ so many people to reduce the escalating unemployment ratio of the country and Calabar Municipality as a whole.

Also, the government should make the policies regulating the hotel industry so simple and should reduce their tax rate. This will therefore encourage business operators to enter into the hotel industry.

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