Research Paper

Business Location And Customer Patronage In The Hotel Industry In Benue State, Nigeria

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\textbf{ARTICLE INFO} & \textbf{ABSTRACT} \\
Received: 18 March 2022 & This study examined the effect of business location on customer patronage of hotels in Benue State, Nigeria. The study specifically examined the effect of parking space, road network and accessibility and security and safety on customer patronage in the hotel industry in Benue State, Nigeria. The survey design was adopted for the study. The population for this study was 474. This figure consists of 159 tenured staff of 9 hotels selected across the 3 geopolitical zones of the state and 315 customers purposively sampled (35 from each hotel). The study adopted census sampling and 474 questionnaires were administered on entire population. However, only 402 were retrieved and analyzed. Pearson correlation was used to test the hypotheses while multiple regression analysis was employed to test the extent of the effect of independent variables on the dependent variable. Findings of the study revealed that parking space, road network and accessibility and security and safety all have significant effect on customer patronage in the hotel industry in Benue State, Nigeria. The study concluded that repeat patronage, customer retention and customer referrals can be achieved through provision of innovative parking space, accessible road network and assured security and safety of guest. The study recommended among others that hotels managers in Benue State should be innovative and aggressive in providing parking space for their customers.

Keywords: Parking Space, Road Network and Accessibility, Security and Safety, Customer Patronage

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1. Introduction

1.1. Background to the Study

Customer patronage is a central concept in business and marketing discourse. Customers most times are of the opinion that products or services that they consume can only be patronized repeatedly when they are accepted and enjoyed satisfactorily. This satisfaction gives rise to repeated patronage, customer retention and new customer referrals (Awah, 2015). And this can position the company's products in the eyes of its customers (Shohiuddin, Rivai & Saragih, 2020). Customer patronage is important for every organisation in the hotel industry; the level of patronage in the hotel industry is a function of the difference between perceived performance and customers’ expectations (Oladele, Yakibi, Akinruwa & Ajayi, 2019). For a long time, researchers have singled out service quality as the most important determinant of patronage in the hotel industry (Ali, Gardi, Othman, Ahmed, Ismael, Hamza, Aziz, Sabir, Sorguli & Anwar, 2021). Some affirm that the service industry almost completely rely on sales and marketing department to attract new guests, but to retain them, indeed make them a loyal one is the direct responsibility of operations departments, which create service for the customers (Khan & Abdullah, 2019; Demir, Maroof, Khan & Ali, 2020).

Understanding how hotel businesses interact with their esteem customers and deliver value services in a unique physical setting is of decisive importance in the hospitality industry (Prabhu, Nambirajan & Abdullah, 2020). Hotel businesses’ use of location attributes as a marketing strategy is increasing rapidly in the hospitality domain (Amue, Adiele & Nkoro, 2013). The competition for having a strategic location and adequate facilities that create delight to customers is now the priority in the minds of the hotel investors (Oladele, Yakibi, Akinruwa & Ajayi, 2019). As organizations continue to make widespread use of location attributes as instruments to attract customers patronage in the hotel industry, the actual concern service organizations revolves around the idea of successful existence of hotel industry and proffer efficient marketing of its services thus, for any firm to be successful and operate profitably in a dynamic business environment, it must derive strategies that will appeal to customers patronage (Peterson & Zinkhan, 2011).

Business location simply refers to a place where companies operate or where companies carry out activities to produce goods and services that are concerned with economic segmentation (Shohiuddin, Rivai & Saragih, 2020). That is where it carries out its operational activities. This has to do with the physical environment in which the business finds itself which is also the physical space where the business exists (Banwo, Du & Onokala, 2017). Hospitality researchers observed factors such as road networks, parking space, security and safety as notable location attributes with the capacity to influence patronage of customers in the hotel industry (Kumar & Malik, 2013; Oladele, Yakibi, Akinruwa & Ajayi, 2019).

Parking space is a location that is designated for parking of vehicles, either paved or unpaved. It can be in a parking garage, in a parking lot or on a city street (Maršanić & Mrnjavac, 2015). Thus, parking belongs to the segment of services made up of the hotel product at the micro level, representing a break in the logistics process of movement of tourists due to their stay at the hotel (Oladele, Yakibi, Akinruwa & Ajayi, 2019). Road network is a system of interconnecting lines and points that represent a system of streets or roads which provide the foundation for accessibility within a given area (Olawale & Adesina, 2013). They greatly affect in-town movement and traffic. This includes making sure your hotel is accessible even for guests with restricted mobility or a disability (Ahmad, 2012). Security in the hotel industry entails protection from all forms of harm, not only to hotel guests and their properties but to hotel employees and its host community at large (Nwokorie & Igbojekwe, 2019). Nwokorie, Everest and Ojo (2014) wrote that while hotel security technology is moving into the cyber-security sector, with an eye on customer data protection, physical security and awareness remain crucial to the safety of hotel guests.
Customer patronage is the impulse, desire and consideration within the customers which induce the purchase of goods and services from an outlet (Ogbuji, Onuoha, & Abdul, 2016). It is a combination of attitude, normative beliefs and motivation that will influence purchasing behavior (Awa, 2015). In the context of marketing, patronage is an exchange process where one receives a service or goods in exchange for money or other considerations. Customer patronage is therefore, the purchase of goods and service from a vendor by a customer or a business (Chin, 2020).

The advent of dynamism in location attributes becomes an imperative in the context of achieving effective customer patronage in hotel business provided to end users has reshaped the activities of hotels in Nigeria simply because most activities beyond lodging are now being carried out in hotels (Oladele, Yakibi, Akinruwa & Ajayi, 2019). Past studies have indicated the importance of facilities as a sub set of critical success factors in the management of service oriented organisations and their findings tend towards diverse and different focus (Mosoma, 2014; Okibo & Ogwe, 2013; Shariff, Omar, Sulong, Majid, Ibrahim, Jaafar, & Ideris, 2015). Benue State as a frontier food producer with the growing population of over 6 million people is fast attracting the investors into agro-allied businesses. The state is speedily becoming the center of focus for potential investors who see Benue State with over 34,000 Sq KM of arable land as a greener pasture where business will thrive. The vision of the state to be the number one hospitable investment destination may not be fulfilled, if necessary quality facilities are not put in place while setting up hotels to play host to investors and expatriates. Therefore, this study intends to investigate the effect of business location on customer patronage in the hotel industry in Benue State, Nigeria. After stating the objectives of the study, the theory upon which the study is anchored is reviewed followed by a review of past literatures with the view to developing research hypotheses, after which the methodology employed in conducting the research was presented. The results and discussion of findings are presented after which conclusion is drawn, recommendations made and finally, suggestion is made for further studies.

1.2. Research Objectives

The general objective of this study is to analyze the effect of business location on customer patronage in hotels in Makurdi Metropolis. This study is guided by the following specific objectives;

- To assess the effect of parking space on customer patronage in the hotel industry in Benue State, Nigeria.
- To determine the effect of road network and accessibility on customer patronage in the hotel industry in Benue State, Nigeria.
- To establish the effect of security and safety on customer patronage in the hotel industry in Benue State, Nigeria.

2. Review of Related Literature

2.1. Theoretical Framework

The theoretical framework of this research is based on the Theory of Reasoned Action (TRA) proposed in by Fishbein and Azjen (1975). It focuses on the construction of a system of observation of two groups of variables, which are: attitudes defined as a positive or negative feeling in relation to the achievement of an objective; and subjective norms, which are the very representations of the individuals’ perception in relation to the ability of reaching those goals with the product. The TRA assumes that the behavior under investigation is under volitional control, that is, that people believe that they can execute the behavior whenever they are willing to do so. Gradually, the TRA was used more often for the study of behaviors for which control was a variable factor. For that purpose, the TRA was complemented by a component that was named perceived behavioral control. This concept represents the extent to which people believe they are able to perform the behavior because they have adequate capabilities and/or opportunities or are lacking in these. It is very easy to see that this factor can substantially improve the generality of application of the model because there are many behaviors that need specific skills or external facilities. For example, recycling is virtually impossible
if no collection system is available, and abandoning private cars is often impractical, at the least, when public transportation functions poorly.

The successor of the TRA that incorporates volitional control is the Theory of Planned Behaviour (TPB). Similar to attitude and subjective norm, the joint effects of two sub-concepts determine behavioral control. The first sub-concept consists of so-called control beliefs, that is, the estimated likelihood that each of a number of specific factors will facilitate or impede execution of the behavior. The second factor is called perceived power, that is, a judgment of the degree of facilitation or impediment that each specific control belief represents. Both the TRA and the TPB have been used repeatedly for investigating specific environmental behaviors such as changing travel mode, water conservation, recycling, and green consumerism. In general, the models have proven to be useful in understanding the behavior, with important contributions of perceived behavioral control.

The theory aims to explain voluntary behaviour by an individual and the underlying motivation that drives an action. The theory was developed to offer a better understanding of the relationship among attitudes, intention, which in turn is influenced by attitude towards the behaviour and the social normative perceptions regarding it (Fishbein & Ajzen 1975). Operationalization of Theory of Reasoned Action (TRA) constructs was developed from attitude measurement theory rooted in the concept that attitude is influenced by expectation or beliefs concerning attributes of the object or action and evaluation of those attributes (Ajzen & Albarracin, 2007; Trafimow, 2007). For the purpose of this study, the TRA was modified to reflect the measurements of attitudes that serve as antecedent factors that ultimately influence action. These are the explanatory variables, such as: good access road network, basic security facilities and convenient parking space.

2.2 Conceptual Framework

Business Location

Location decision is a well-established research area within Operations Management and is one of the ten major decision areas of operations management (Chin, 2020). Extant literature demonstrates the relevance of good location to cooperate prosperity (MeloNickel & Saldanha-da-Gama, 2019; Drezner & Hamacher, 2014). Location decision involves the establishment of the physical geographical space to build a factory or a business. It is a long-term commitment and of strategic relevance. The need for appropriate facility location is significant for both new businesses and existing businesses. Location decision alternatives are about (1) Expanding an existing facility instead of relocating, (2) Maintaining the current location while adding another facility elsewhere, or (3) closing the existing location and relocating to another site (Zekiri & Hasani, 2015).

Business location is a place where companies operate or where companies carry out activities to produce goods and services that are concerned with economic segregation (Alma, 2011). According to Suwarman (2014), business location is a place where the business is very influential in the desire of a person/consumer to come and shop. Furthermore, the understanding of a business location according to Kasmir (2009) is a place to serve consumers, which can be interpreted as a place to display their merchandise.

Sholihuddin, Rivai and Saragih (2020) defines business location is a place where companies operate or where companies carry out activities to produce goods and services that are concerned with economic segmentation. Business location is the geographical position that has been determined by the developer to build housing. Location selection is a competitive factor that is important in attracting consumers or customers (Tresnanda, 2014). Location is one of the situational factors that affect the purchase decision (Suprianto, Susanta & Nurseto 2014). In marketing mix the business location can also be called the company's distribution channel because its location also directly related to the buyer or the consumer or in other words the location is also a place of producers to channel their products to consumers (Singhdong & Setyawan, 2016). Suwarman (2004) stated that business location is a place of business that greatly influences consumers' desire to come and shop.
While Suprianto, Susanta and Nurseto, (2014) proves that "location can be a consumer consideration in making purchasing decisions. Furthermore Rares and Jorie (2015) product location may encourage consumers' intentions in purchasing products.

Location attributes is the strategically framework that cannot be measured directly to ascertain if it has an influence on consumer patronage behavior. It is constituted with the help of parameters like parking facility, security, traffic flow and accessibility which can be measured with the help of predetermined item form the opinion of consumers (Ramanathan & Sonia, 2018). The three attribute which individually contributes on retail location attributes as well are proposed to influence on customer patronage are discussed subsequently.

**Parking space**

In early 70’s to late 90’s, the emphasis placed on parking space was not well pronounced as it is in the contemporary hotel business. Ramly, Ahmad and Ahmadin (2004) showed that parking space plays prominent roles that influence and attract customers’ patronage. They further see the availability of enough parking spaces as strength to enhance booming of business. It shows that the era of traditional hospitality, which was only concerned with providing accommodation, table, and food, had become a thing of the past (Ramly, Ahmad & Ahmadin, 2004). Yadav, Siraj and Arora (2012) observed that people visiting service industry, with their conveyance; see the need to be provided proper parking facilities. Therefore, investors in the hotel business now see a parking space as a strategic means of enhancing customer patronage, especially during the peak period.

The supply chain in the hotel industry is observed as a network of stakeholders who provide different elements of hotel products in a tourist destination, including a wide range of participants in the public and private sector, as air transport and accommodation (Song, 2012). Accordingly, parking should also be regarded as one of the elements (Mrnjavac, Stipanović & Maršanić, 2008). Thus, parking belongs to the segment of services made up of the hotel product at the micro level, representing a break in the logistics process of movement of tourists due to their stay at the hotel.

**Road Networks and Accessibility**

According to Anor, Ahmad, Abdullah and Hafizah (2012), road network system is one of the most important infrastructures, in any country, as it provides the means to move people and goods from specific location to another. The authors stressed further that road network system manifests properties such as the hierarchy of roads, connectivity, accessibility, linkages, and movement (Anor, Ahmad, Abdullah & Hafizah, 2012). Olawale & Adesina (2013) said road networks are observed in terms of its components of accessibility, and traffic density, the level of service, compactness, and density of particular roads. Moreover, Ahmad (2012) showed that macro-accessibility concerns access road conditions and proximity to the center from the customer’s place of work or residence. From Anor, Ahmad, Abdullah and Hafizah (2012), descriptions that show easy access road into and within the hotel speak much about its credibility and significance to customer’s patronage of the hotels.

**Security and Safety**

Kovari and Zimanyi (2010) explained that security and safety have become a complex, multidimensional notion with a wide range of components from political security, public security, legal protection, safety in communication to environmental security and so on. This does not exclude hotel industry. The authors stressed further that the issue of security and safety has undergone a significant change from a more or less passive factor to an active element (Kovari & Zimanyi, 2010). The issue of security becomes important in the light of hotel industry in order to protect the customer, their belongings, and the achievement of their industry.
Customer Patronage

Patronage is defined as the degree to which a customer exhibits repeat purchase behaviour from a service provider, possesses a positive, long-lasting attitude and disposition towards a service provider (Gremler & Brown, 1996). From the view of Oliver (1999), customer patronage is defined as a deeply held commitment to repurchase a firm’s products at the expense of a competitor’s offering. Seock (2009) described patronage as the repeat purchase behaviour at a particular store for either the same products or any other products. Customer patronage is the impulse, desire and consideration within the customers which induce the purchase of goods and services from an outlet (Ogbuji, Onuoha, & Abdul, 2016). It is a combination of attitude, normative beliefs and motivation that will influence purchasing behavior (Awa, 2015). In the context of marketing, patronage is an exchange process where one receives a service or goods in exchange for money or other considerations.

Consumers’ patronage of a firm’s offer is based on a combination of factors considered significant by consumers (Moye, 2002); and these factors are used by consumers in determining the firm(s) to patronize. According to Njelita and Anyasor (2020), willingness of customers to shop longer in store, deliver good word-of-mouth of the store, buy more in the future and repurchase made up patronage intention in retailing industry. Donovan and Rossiter (1982) stated that service providers have to fully understand the patronage intention of their target customers in order to forecast behaviour of their customers in the future. A number of researchers have suggested various dimensions of customer patronage including financial and non-financial dimensions. Engle et al (1996) measured customer patronage using store traffic flow. Awah (2015) suggests repeat purchase, customer retention and customer referrals as the three dimensions of customer patronage. This study adopts a three-dimension of customer patronage – repeat purchase, customer retention and customer referrals to measure the relationship between location and customer patronage of hotels in Makurdi, Nigeria.

Business Location and Customer Patronage

Oladele, Yakibi, Akinruwa and Ajayi (2019) in their study affirmed the significant influence of quality facilities on customer patronage. Result showed that the explanatory variables (good access road, basic security facilities, constant water supply and power, and convenient parking space) jointly have a reasonably strong impact on customer patronage of hotels in Southwest, Nigeria. This is consistent with Olawale & Adesina (2013) and Ahmad (2012) who also in their study findings both agreed that easy access to good road network provides relative advantages to hotels in Lokoja, Nigeria, followed by constant electricity, constant water supply, convenient parking space and basic security facilities respectively. The fact that Kumar and Malik (2013) in Indian and Cherdchamdol & Sribbnjit (2011) in Pampanga focused was on satisfaction, yet, beyond differences in location, their studies showed that the presence of facilities in the hotels is capable of eliciting customer satisfaction. The implication of their findings to the current study is that, when the customer is satisfied, there is every possibility that such a customer may start to patronize. Again, it showed customers, irrespective of location and star levels of a hotel, those customers were more passionate about the facilities that commensurate or above the value they gave. Ramanathan and Sonia (2018) found that location attributes such as security, power and accessibility have significant effect on customer patronage decisions.

Moreover, Kim, Vogt and Rummel (2007), found that facilities played important role in hotel industry. Importantly, Kim, Vogt and Rummel (2007), study was carried out using 5 different locations in Michigan. These results from different countries attested that quality location facilities in hospitality business such as hotels cannot be overlooked in the light of value attached by customers’ patronage. Sholihuddin, Rivai and Saragih (2020) showed that accessible road network is very germane especially, in this contemporary service
era, when customers are very passionate about their comfort and satisfaction derived from the values they parted with. Hence this study formulated the following null hypotheses:

- **H1**: Parking space has no significant relationship with customer patronage in the hotel industry in Benue State, Nigeria.
- **H2**: Road network and accessibility has no significant relationship with customer patronage in the hotel industry in Benue State, Nigeria.
- **H3**: Security and safety have no significant relationship with customer patronage in the hotel industry in Benue State, Nigeria.

3. Research Methodology

The study adopted the survey design. The target population for this study consisted of staff and customers of 9 hotels selected across the 3 geo-political axis of Benue State, Nigeria. Thirty five (35) customers were also sampled from each selected hotel. All together the target population of the study is four hundred and seventy four (474) as presented in table 1 below.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Name of Hotel</th>
<th>Number of Employees</th>
<th>Number of Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hallysdays Hotel, Makurdi</td>
<td>23</td>
<td>35</td>
</tr>
<tr>
<td>2</td>
<td>Benue Metropolitan Hotels Makurdi</td>
<td>31</td>
<td>35</td>
</tr>
<tr>
<td>3</td>
<td>Winika Hotel Gboko</td>
<td>20</td>
<td>35</td>
</tr>
<tr>
<td>4</td>
<td>Kalm Beach Hotel Katsina-Ala</td>
<td>15</td>
<td>35</td>
</tr>
<tr>
<td>5</td>
<td>Jechira Hotel Vandeikya</td>
<td>18</td>
<td>35</td>
</tr>
<tr>
<td>6</td>
<td>Graceland Suite Adikpo</td>
<td>12</td>
<td>35</td>
</tr>
<tr>
<td>7</td>
<td>Benito Lodge Ubokolo</td>
<td>20</td>
<td>35</td>
</tr>
<tr>
<td>8</td>
<td>Golden Palm Resorts Otukpo</td>
<td>14</td>
<td>35</td>
</tr>
<tr>
<td>9</td>
<td>Ellaxyn Hotel and Resort Otukpo</td>
<td>16</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>159</td>
<td>315</td>
</tr>
<tr>
<td></td>
<td>Over all Total</td>
<td>474</td>
<td></td>
</tr>
</tbody>
</table>


Since the target population was manageable, it was needless selecting a sample size. Data for the study was gathered from the entire population of the study so all the 157 employees were considered while all the 315 customers were sampled using accidental sampling. Therefore the sample size for the study is 474. Primary data were collected through questionnaire administration. To ensure validity of the instruments, the face validity was carried out by 3 experts in the hotel industry who certified that the items in the questionnaire were relevant to the attainment of the study objectives. The construct validity of each variable was done to measure Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA). This was done to ensure consistency in the measurement of items. The result of the Bartlett’s test of Sphericity at 1% level of significance showed that the items were highly significant. For reliability of the measurement instrument, the pilot test result maintained consistency as the Cronbach’s Alpha for each of the constructs was greater than .70 so all the constructs were considered reliable and was used in the study as recommended by Fraenkel and Wallen (2000). Inferential statistics such as Correlation and multiple regression analysis were used with the aid of Statistical Package for Social Sciences (SPSS 23). Correlation was applied to determine the level of relationship between independent variables and the dependent variable while multiple regression analysis was used in testing the effect of independent variables on the dependent variable.
4. Data Analysis and Discussion of Findings

The results of the data analyzed for the study were presented on the basis of the hypotheses generated for the study. 474 questionnaires were administered out of which 402 were retrieved and analysed.

4.1. Correlations Analysis Results

Hypothesis One

\( H_1: \) Parking space has no significant relationship with customer patronage in the hotel industry in Benue State, Nigeria.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Parking Space</th>
<th>Customer Patronage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking Space</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>402</td>
</tr>
<tr>
<td>Customer Patronage</td>
<td>Pearson Correlation</td>
<td>.978**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>402</td>
</tr>
</tbody>
</table>

**. Correlation is significant at 0.05 level (2-tailed).

Source: SPSS output, 2022.

Table (2) revealed the result of the hypothesis one stated above. Pearson correlation coefficient was carried out in order to present the relationship between parking space and customer patronage in the hotel industry in Benue State, Nigeria. The relationship between the two variables showed a positive correlation coefficient of 0.978** which exhibited a strong direct correlation between parking space and customer patronage in the hotel industry in Benue State, Nigeria. Also, the two-tailed test conducted to access the significance level of the value of correlation coefficient yields a P-value of 0.000 which was significant at 0.05 level. Therefore, the hypothesis that states that there is no significant relationship between parking space and customer patronage in the hotel industry in Benue State, Nigeria is rejected, as the result implied that parking space is significantly related to customer patronage in the hotel industry in Benue State, Nigeria.

Hypothesis Two

\( H_2: \) Road network and accessibility has no significant relationship with customer patronage in the hotel industry in Benue State, Nigeria.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Road network and accessibility</th>
<th>Customer Patronage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road network and accessibility</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>402</td>
</tr>
<tr>
<td>Customer Patronage</td>
<td>Pearson Correlation</td>
<td>.978**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>402</td>
</tr>
</tbody>
</table>

**. Correlation is significant at 0.05 level (2-tailed).

Source: SPSS output, 2022.

Table (3) showed the result of hypothesis 2 stated above. To test the hypothesis, Pearson correlation coefficient was conducted to show the relationship between road network and accessibility and customer patronage in the hotel industry in Benue State, Nigeria. The relationship between the two variables revealed a positive correlation coefficient of 0.978** which indicates a strong direct correlation between road network and accessibility and customer patronage in the hotel industry in Benue State, Nigeria. Also, the two-tailed test conducted to ascertain the significance level of the value of correlation coefficient yields a P-value of 0.000 which was significant at 0.05 level. Therefore, the hypothesis that states that there is no significant relationship between road network and accessibility and customer patronage in the hotel industry in Benue
State, Nigeria was rejected, as the result indicated that road network and accessibility is significantly related
to customer patronage in the hotel industry in Benue State, Nigeria.

**Hypothesis Three**

**HO**: *Security and safety have no significant relationship with customer patronage in the hotel industry in Benue State, Nigeria.*

<table>
<thead>
<tr>
<th>Table 4. Relationship between Security and Safety and Customer Patronage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Correlations</strong></td>
</tr>
<tr>
<td>Security and safety</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Customer Patronage</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

**. Correlation is significant at 0.05 level (2-tailed).**

**Source**: SPSS output, 2022.

Table (4) presented the result of hypothesis 3 stated above. In testing the hypothesis, Pearson correlation coefficient was carried out to show the relationship of security and safety and customer patronage in the hotel industry in Benue State, Nigeria. The relationship between the two variables revealed a positive correlation coefficient of 0.946** which represents a strong direct correlation between security and safety and customer patronage in the hotel industry in Benue State, Nigeria. Also, the two tailed test conducted to determine the significance level of the value of correlation coefficient yielded a P-value of 0.000 which was significant at 0.05 levels. Therefore, the hypothesis that, security and safety does not have significant relationship with customer patronage in the hotel industry in Benue State, Nigeria was rejected, as the result implies that security and safety is significantly related with customer patronage in the hotel industry in Benue State, Nigeria.

### 4.2. Regression Analysis Result

To further test each of the hypotheses formulated in the study, a multiple regression analysis was conducted to confirm the presence of relationship between the constructs of the study. Therefore, a general model of the regression analysis is given below;

\[
\text{CustPat} = \alpha + \beta_1(\text{PakSpa}) + \beta_2(\text{RdNeAc}) + \beta_3(\text{SecSaf}) + \varepsilon \tag{1}
\]

where:

- \(\text{CustPat}\) = Customer Patronage; PakSpa = Parking Space; RdNeAc = Road Network and Accessibility; SecSaf = Security and Safety; \(\alpha\) = Intercept of the Model (constant); \(\beta_1\) to \(\beta_3\) = Parameters of PakSpa, RdNeAc, SecSaf respectively; \(\varepsilon\) = error term.

<table>
<thead>
<tr>
<th>Table 5. Regression Analysis Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variable</strong></td>
</tr>
<tr>
<td>Constant</td>
</tr>
<tr>
<td>Parking Space</td>
</tr>
<tr>
<td>Road Network/ Accessibility</td>
</tr>
<tr>
<td>Security and Safety</td>
</tr>
</tbody>
</table>

**Source**: SPSS Output, 2022.
Table (5) presents the result of the effect of business location on customer patronage in the hotel industry in Benue State, Nigeria. It reveals that, $R^2$ which is the co-efficient of determination is 0.655 and implies that business location accounts for 65.5% of variations in the customer patronage in the hotel industry in Benue State, Nigeria while 34.5% of the variations in customer patronage are accounted for by factors outside this study. This means that business location accounts for most of the variations in the customer patronage in the hotel industry in Benue State, Nigeria. A significance value of 0.000 shows that the regression model used in the study is fit since it is less than 0.05. The Durbin Watson (BW) statistic value of 2.020 suggests the absence of autocorrelation among the residuals of the independent variables used in the study.

The coefficient of parking space is 0.619 which means that a unit increase parking space will improve customer patronage by 0.619. This implies that parking space has the tendency of enhancing the customer patronage in the hotel industry in Benue State, Nigeria. However, if business location attributes are all held constant, customer patronage will increase by 3.940 units (394%). This may mean that other factors aside from location attributes collectively causes majority of the changes in the customer patronage in the hotel industry in Benue State, Nigeria. The coefficient of road network and accessibility is 0.933. This means that, if road network and accessibility is improved by one unit, customer patronage will improve by 0.933 (93.3%). This implies that road network and accessibility have the ability to enhance the customer patronage in the hotel industry in Benue State, Nigeria. And lastly, for security and safety, a coefficient value of 0.515 means if security and safety improves by one unit, customer patronage will also be enhanced by 0.515 (51.5%). This implies that customer patronage has the potentials of improving customer patronage in the hotel industry in Benue State, Nigeria.

4.3. Discussion of findings

Based on the results of correlation and regression analysis, findings of the study indicated that there is significant relationship between parking space and customer patronage in the hotel industry in Benue State, Nigeria. The result also showed that parking space has significant effect on customer patronage in the hotel industry in Benue State, Nigeria. This finding is consistent with Olawale and Adesina (2013) and Ahmad (2012) who in separate studies found that easy access to good road network provides relative advantages for hospitality organisations. Findings of the study also indicated that there is significant positive relationship between road network and accessibility and customer patronage in the hotel industry in Benue State, Nigeria; it also showed that road network and accessibility has a positive and significant effect on customer patronage in the hotel industry in Benue State, Nigeria. The finding is supported by Sholihuddin, Rivai and Saragih (2020) who found that accessible road network is very germane especially, in this contemporary service era, when customers are very passionate about their comfort and satisfaction derived from the values they parted with. The result from the analysis also indicated a significant relationship between security and safety and customer patronage and also security and safety have significant effect on customer patronage in the hotel industry in Benue State, Nigeria. This is in line with Ramanathan and Sonia (2018) who found that location attributes such as security, power and accessibility have significant effect on customer patronage decisions.

5. Conclusion and Recommendations

Findings of the study showed that all the location attributes examined in this study have positive effect on customer patronage in the hotel industry in Benue State, Nigeria. The study therefore concludes that repeat patronage, customer retention and customer referrals can be achieved through provision of innovative parking space, accessible road network and assured security and safety of lives of guest. This implies that due to the significant share that the business location attributes hold in the hotel industry, any action to raise doubts on the minds of customers will reduce customer patronage in the hotel industry in Benue State, Nigeria. In general, in the hotel industry, business location has significant effect on customer patronage.
The following recommendations have been made in line with findings of the study:

It is important to note that parking space was considered most significant among constructs of business location attributes. Hence, it is recommended that hotels managers in Benue State should be innovative and aggressive in providing parking space for their customers; investor(s) in the hotel industry should site hotels in a strategic location where there is easy access road, regular supply of power and water. And finally, management of hotels should sponsor programs and conferences to share ideas and experiences on security tips and what criteria can be used to guarantee safety and security of customers. It is suggested that another study should expand the scope of business location attributes to embrace support services such as mail services, fleet cars, catering, reception, housekeeping, refuse disposal, horticulture, fire alarm, effective intercom.

References


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