

The Spatial Analysis Of Hotel Strata And Rate Of Tourists Inflow In

The Hotel Industry: Calabar Scenario

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ABSTRACT

Today, new investors are entering the market to pursue strategies that would increase their existing supply of the facilities and services needed to ensure tourist comfort especially in the hotel industry. It is on this backdrop this paper seeks to analyze hotel strata and the rate of tourist inflow in the various strata. The hotels were obtained from secondary sources and information such as tourist patronage of the hotels were obtained from customer registration form. Findings show that majority of hotels were located within the metropolis which affirms Von Thunen and Alonso empirical works on socio-economic activities location in a region. It was also noticed that there was great variation in the spatial distribution and variation in the number of hotels built in the two locations in Calabar. Besides, findings revealed that the rate of tourists inflow in Calabar varies in the different hotel strata located in each zone in Calabar. However, adequate measures should be put in place to avoid over concentration of hotels in one location in the area

Keywords: *Spatio-temporal strata, investors, tourist inflow, hospitality industry.*

Introduction

In recent times, tourism is one of the most flourishing and emerging industry in the world with international receipt growing by over 15% over the 8 years not until the recent fall witness in the second half of 2000 as a result of global recession. In 2008 international tourist arrivals were estimated to be 924 million (WTO, 2009). Cross River State has achieved great success in the tourism sector which started with greater than ever trend in the hotel industry (Larry, 2005). In Cross River State the great tourism potentials which ranged from natural and man-made has made Calabar the state capital to be world-famous tourist attraction, and at the same time draw substantial foreign investment which escalates both the demand and supply in the hotel market. However, many previous researches conducted by Dakmeli and Balta (1999) has focus on the supply side and the spatial development of high end hotels in Istanbul. By revisiting the works of Von Thunen and Alonso, compares rings of urban location for hotels in Istanbul in terms of rent as over overnight room rates. This research even though more emphasis were not place on Von Thunen and Alonso theory, the reasons for dominance of hotels in a particular location was highlighted. In Calabar, Cross river state hotel industry is one of the flourishing industry that has given rise to emergence of many hospitality industry such as confessionaries and hotels which has dominated the entire area (Eja, 2006). It was on this background, the development of tourism infrastructure and the provision of support, services remains a high priority if tourism most strive effectively in Calabar. Besides, the provision of infrastructure and social amenities in the area has yielded the needed result in terms of evenly distribution of hotels in the area, rather hotel development seem to take advantage of Von Thunen theory of locational principles which takes care of over concentration of business activities in area economic. Therefore, this paper wish to evaluate the spatial analysis of hotel strata in Calabar with specific reference to classifying the deferent categories of hotel, assessing the spatio-temporal variation of tourist and trend analysis of hotels in each wards in the two areas under investigation.

Methodology

This research was conducted in Calabar, Cross River state taking into consideration the two existing local government area which include Calabar municipality and Calabar south local government area. One hundred and twenty three hotels in the area were categorized on the bases of their facilities, services rendered to tourist, the level of tourist inflow in each of the categories was identified in each zone. The hotels in each of the wards were assessed

in order to ascertain the number of hotels that are located in each ward in the area. The Geographical Positioning System (GPS) was used to collate the coordinate of each hotel which was later super imposed in a map form as shown in figure 2 and 3. However, the number of tourists inflow in each of the of hotel was obtained using the customer registration form in the hotel industry. One hypothesis was tested using analysis of variance (ANOVA) to examine if or not there is a variation in the level of patronage in the different categories of hotels industry in the area.

Hotel rating and importance of rating system

Consequently, hotel rating can be described as a classification of hotels according to grade and rank. Often, there is confusion regarding the terminology used in hotel rating. Callan (1989) attempted to identify the differences between classification and grading. Classification involved assessing the tangible elements of the service mix and qualitative grading was concerned with the intangible elements. Subsequently, Callan's review paper described clear definitions of terms used by the British hotel classification schemes as the following (Callan, 2008, p. 11):

- i. *Registration*: A listing or 'register' of establishments which may or may not require minimum standards. Most countries require conformity with public health, fire and safety legislation, which indicates some minimum requirements.
- ii. *Classification*: A grouping together of different types of serviced accommodation differentiated by criteria of physical facilities. Because 'hotels' provide a broad spectrum of facilities, they are often classified into five, six or even seven categories. Other types of serviced accommodation such as guest houses have a more limited range of facilities and may, therefore, have fewer categories; commonly two or three.
- iii. *Grading*: Often used as a general term, sometimes to mean 'classification' but more widely accepted to mean 'quality grading', namely a more subjective assessment of the quality of those facilities and services objectively assessed under 'classification'. The scope of the joint study conducted by the World Tourism Organization (WTO) and the International Hotel and Restaurant Association (IH&RA) was limited only to hotels and similar establishments. The study excluded other types of accommodations such as holiday centers, holiday homes, youth hostels, holiday camps, camping, caravanning sites, and time-shares. For this study, the researcher follows the definition of hotel classification as defined by the WTO and the IH&RA. However, the term "hotel rating" is used instead of "hotel classification" or "hotel grading." The definition, according to the WTO and the IH&RA (2004), was as follows:

The classification of accommodation establishments denotes a system, duly published, in which accommodation establishments of the same type (e.g. hotels, motels, and inns) have been conventionally broken down into classes, categories or grades according to their common physical and service characteristics and established at government, industry or other private levels. (p. 9). The European Standardization Committee (CEN-the Comité Européen de Normalisation) established the standard of tourism terminology in which 'accommodation' referred to hotels and other types of tourism accommodation (WTO & IH&RA, 2004). It further clarified the term "accommodation rating: classification scheme" as "a system providing an assessment of the quality standards and provision of facility and/or service of tourist accommodation, typically within five categories, often indicated by one to five symbols" (p. 68).

There were two major systems for more than 100 hotel rating systems worldwide including official and non-official systems (Isreali & Uriely, 1985 cited in Qing and Liu, 1993). The official hotel-rating systems were established and conducted by a government agency and obliged to follow the compulsory and regulatory basis. On the contrary, private organizations (hotel or tourism associations, the national/regional automobile associations, or private companies) operated non-official hotel-rating systems normally on a voluntary basis. Some national tourism and hotel associations required their members evaluated by their rating system and graded with one of the five-levels.

The purpose of the official system was mainly to control the lodging tariff and taxes, whereas no social obligation was found for the non-official system (WTO & IH&RA, 2004). Callan (2008) specified some hotels tended to oppose the compulsory grading scheme because they were concerned for bureaucratic interference. In contrast, customers would expect the protection of guaranteed quality from the official system. A hotel rating system embraced two standards, including a basic registration standard and a grading standard. The basic registration standard was the basic requirement a hotel property had to meet; it was the minimum quality requirement. The grading standard was the quality grading that compared a hotel to others, and it was the higher quality standard a

hotel can achieve. Callan (1993) compared UK quality grading systems. His comparisons of each rating system were conducted by analyzing classification and quality grades assessment, but other minor criteria could not be compared because they were varied in detail. However, to communicate the quality level a hotel achieved, a variety of grading symbols were used; for example stars, crowns, diamonds, suns, or letters. The universally recognized symbol was the stars as the majority of countries with at least a hotel rating system used the stars to represent grades of their rating systems (Callan, 1993: WTO & IH&RA, 2004).

Callan's analysis (2008) presented the hotel grading classification in the U.K. applied two measures. First, hotels and other similar establishments were classified into types of accommodations. Second, the hotels were subdivided into levels of quality grading. Like other products, an effective hotel rating system needed to be consistently fine-tuned. Callan (1992) noted the major reasons for change in a Jersey's hotel grading scheme.

The review of existing hotel classification systems by WTO and the IH&RA (2004) disclosed more than 100 systems were used in different countries worldwide. Only a few hotel-rating systems were exemplified here. The American hotel industry was dynamic and the hotel rating systems were highly developed. However, there was no official hotel rating system, only non-official systems existed. The three most popular US hotel rating systems were provided by AAA (Diamond rating), Mobil (Star rating), and Utell (Official Hotel Guide-OHG). Following are the summaries of the three US hotel rating systems: The American Automobile Association (AAA) used diamonds to rate each hotel property. (WTO & IH&RA, 2004, pp. 74-75).

One diamond: These establishments typically appeal to the budget-minded traveler. They provide essential, no-frills accommodations. They meet the basic requirements pertaining to comfort, cleanliness and hospitality.

Two diamond: These establishments appeal to the traveler seeking more than the basic accommodations. There are modest enhancements to the overall physical attributes, design elements and amenities of the facility typically at a moderate price.

Three diamond: These establishments appeal to the traveler with comprehensive needs. Properties are multifaceted with a distinguished style, including marked upgrades in the quality of physical attributes, amenities and the level of comfort provided.

Four diamond These establishments are upscale in all areas. Accommodations are progressively more refined and stylish. The physical attributes reflect an obvious enhanced level of quality throughout. The fundamental hallmarks at this level include an extensive array of amenities combined with a high degree of hospitality, service and attention to detail.

Five diamond: These establishments reflect the characteristics of the ultimate in luxury and sophistication. Accommodations are first class. The physical attributes are extraordinary in every manner. The fundamental hallmarks at this level are to meticulously serve and exceed all guest expectations while maintaining an impeccable standard of excellence. Many personalized services and amenities enhance an unmatched level of comfort. The Mobil Travel Guide used star rating for recommending hotels to travelers. (WTO & IH&RA, 2004, p. 74).

The Nigeria Tourism Development Corporation (NTDC) (2007) simplified hotel classification to reflect the range of facilities and the level of services provided. The Nigeria Tourism Development Corporation (NTDC) (2002) identified five classification and rating of hotels, which includes:

1-star hotels with good basic facilities and furnishing ensuring comfortable accommodation. Meal services may be limited this includes small private hotels.

2-star hotels having higher standards of accommodation and mote facilities providing good levels of comfort, meals and other amenities. This also includes private hotels and budget oriented accommodation.

3-star well appointed hotels with spacious, very comfortable accommodations, mostly with ensuite bathrooms. Full male facilities shall be provided as well as a range of amenities.

4-star high quality hotels, well equipped and furnished to a very high standard of comfort, offering a very wide range of services and amenities for guests and visitors.

5-star outstanding hotels with exemptional quality accommodations and furnishings to the highest international standards of luxury providing impeccable services and extensive amenities.

The hotel rating or classification systems offered benefits to various sectors. The WTO & IH&RA (2004) pointed out the benefits to travel agency, tour operators, hotel industry, government and consumers. The hotel classification systems facilitated the travel agents' tasks of hotel selection for their customers. They also indicated

that major tour operators such as First Choice, Thomson Holidays, Airtours, and Thomas Cook had their own hotel classifications to assist in the tour operations and their marketing. In addition, the hotel companies used another form of classification which was known as “branding” (WTO & IH&RA, 2004). It conveyed both qualitative and quantitative grading of the hotel properties to their customers. For the country or states’ benefits, the hotel rating or classification system allowed the government to control the hotel industry with tariff and taxes and met basic requirement of safety and hygiene. The consumers also benefited from an easy comparison between hotels in various destinations which compete in a healthy fashion. The customer, nevertheless, did not perceive the grades of any hotel rating system as a strongly important indicator in the selection of a hotel (Callan, 1995). However, many researches seem to be conducted in this area but none have been able to highlight on the subject matter with respect to Calabar as a case study which is the bases of this research work to add to existing literatures.

Findings

Spatial distribution and categorization of hotels in Calabar.

The spatial distribution and categorization of hotels in Calabar presented in table 1 shows that 78.44% of one star hotels, dominated Calabar south local government area irrespective of the wards compared to 28.57 hotels found in Calabar municipality. This result indicate that low standard hotels dominated in the entire area of Calabar south which may be due to lack of infrastructures such as pipe borne water, electricity, poor drainage and inadequate security as affirmed in the empirical work of (Eja, 2011). Table 1 indicate that three star and four star hotels were on the least side in Calabar south local government area with values of 6.06% and 33.33% compared to Calabar municipality with 93.44% and 66.66% which was on the high side. However, table 1 revealed that an average of 63.41% of the hotels were concentrated in Calabar municipality as against 36.58% in Calabar south. Nevertheless, it was observed that two star and three star hotels dominated Calabar municipality while no star and one star hotels were on the high side in Calabar south local government area.

Table 1: Spatial distribution and categorization of hotels in Calabar

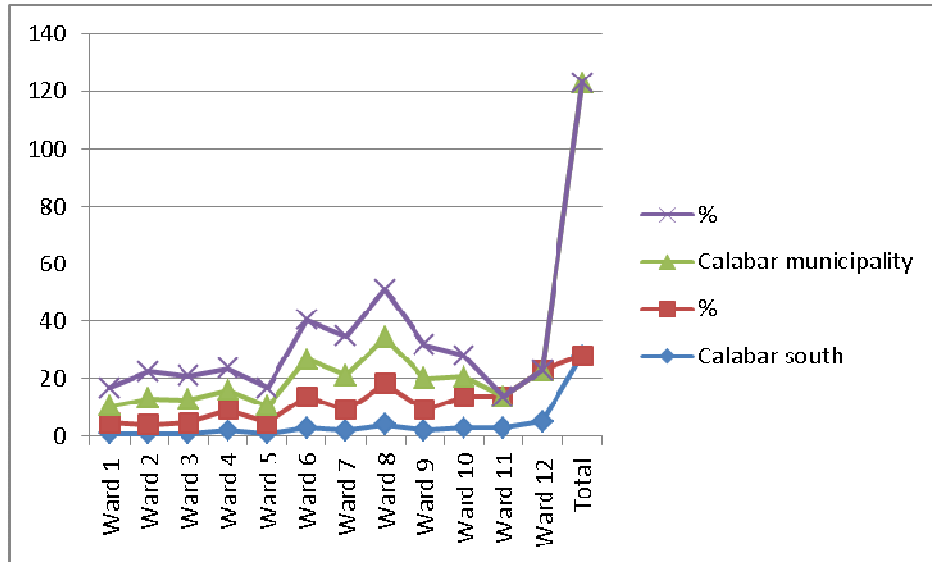
Categorization of hotel	Calabar south	Percentage total	Calabar municipality	Percentage total	Total
No star	13	68.42**	6	28.57	19
One star	15	78.94*	11	40.74	2.7
Two star	11	32.35	22	64.76*	34
Three star	2	6.06	31	93.94*	33
Four star	4	33.33	8	66.66	12
Four classes	45 Av = 36.58		78 Av = 63.41		123

Source: Field survey, 2011

Trend analysis of hotels in Calabar

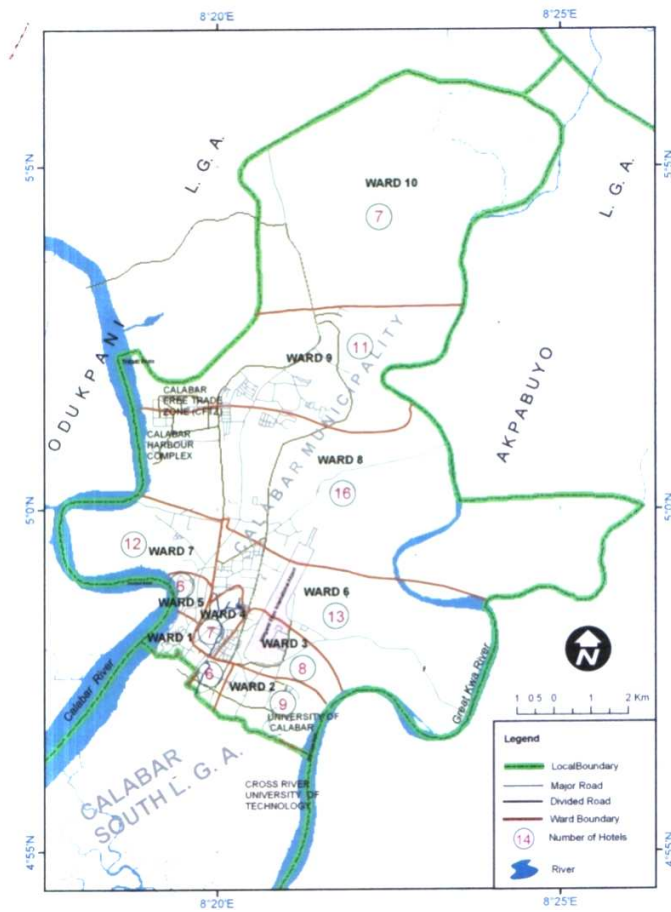
Trend analysis of hotels in different wards in Calabar shows that majority of the hotels were built in Calabar municipality despite the high number wards in Calabar south local government area as presented in Fig 1 and as observed in the map in figure 2 and 3. It was noticed that in Calabar municipality ward eight and seven have 16.84% and 13.68% of hotels which was on the high side compared to Calabar south having ward “eight” as the only ward with 14.28% number of hotels which was on the high side compared to other wards in the area. This result indicate that an average of 77.23% of the hotels were concentrated in the various wards of Calabar municipality as compared to 22.73% of the hotels found in the different wards of Calabar south local government area.

Fig. 3: Trend analysis of hotels in Calabar



Source: Field survey, 2011

Fig 1: Map of Calabar Municipality showing the spatial distribution of hotel



Source: Field Survey , 2011

Fig 2: Map of Calabar South showing the spatial distribution of hotel



Source: Field Survey, 2011

Variation of tourist in hotel industry

The spatio-temporal variation of tourist in the hotel industry was presented in table 2 revealed that “one star” hotels recorded a high level of (17,425) patronage between 2006 to 2010 compared to the level of patronage in other categories of hotels under investigation. However, “No star” hotels suffered a serious set backs in tourist patronage as it had five thousand one hundred and ninety two tourists between 2006 to 2010. Nevertheless, table 1 shows that “five star” hotels had low annual patronage on individual note with a total number of six thousand seven hundred and twenty five tourists (6725) compared to one star, two star, three star and four star respectively with high level of tourists patronage. The tested hypothesis which was to evaluate if or not there is a significant variation in hotel patronage in the various categories of hotel revealed that the calculated F-value of 2.40 was less than the tabulated F-value of 1.74 at .05 level of significance. With this result the null hypothesis was accepted. This shows that, the annual patronage of various categories of hotels does not significantly vary from one hotel to another in Calabar.

Table 2: Spatio-temporal variation of tourist (2006-2010) in Calabar

S/N	Categorization of hotels	Tourists arrival					Total
		2006	2007	2008	2009	2010	
1	No star	665	920	895	311	2,401	17425
2	One star	3,201	4,671	2,965	3,011	3,577	21748
3	Two star	5,321	5,621	4,713	2,290	3,803	21588
4	Three star	2,956	6,951	4,841	2,895	3,945	14360
5	Four star	2,841	3,091	3,712	1,805	2,851	6725
6	Five star	1,000	969	2,131	995	1,630	5192
	Total	1,5984	22,223	19,257	11,307	18,227	87038

Source: Field Survey (2012)

Recommendation

The presents of tourism potentials in Calabar has necessitated the establishment of hotels and the high level of tourist inflow into Cross River State and Calabar in particular. However, despite the effort by the government and private sector towards creating enabling environment for hotel industry to flourish, the level of over concentration of this industry in one location posed a serious problems in the area. Therefore, in order to avert this situation of over concentration of hotels in one location in Calabar, the following recommendations are hereby put forward:-

- The government should provide adequate infrastructures and amenities that would boost the public and private individual to see Calabar South as a prosperous location for hotel business.
- The government and other agencies involved in land allocation should provide an enabling ground to all categories of income earners to buy land in an affordable price
- The government should provide adequate security in Calabar south, this would help encourage and guarantee the people in their landed property and business in the area.
 - The Agencies responsible for land allocation in the state should provide effective plan that would ensure equitable distribution of land in the area.

Conclusion

The over concentration of infrastructures and social amenities in Calabar municipality has caused the high rate of business activities especially over concentration of hotel industry hence living Calabar south to suffer from economic setbacks. Beside, this situation has created a serious gap in terms of development and concentration of hotels in these two locations in Calabar Findings show that there was high fluctuation and variation in terms of the distribution of hotels and tourist inflow in these two locations. This result was evidenced in the empirical findings of Sule (2003) of which he clearly stated that lack of infrastructural facilities in a given location discourages business activities in a particular region. It is on this vain that adequate attention must be provided to tackle this issue of inequality in the spread of hotels in the area.

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