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Comparative Analysis of Revenue Generation and Management of Hotels in Different Locations in Ilorin, Nigeria

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ABSTRACT

Hoteliers clearly believe that location is important for a hotel, and have market research evidence to support this. However, almost nothing has been done to enable this issue to be incorporated into revenue generation. There is a gap in the literature relating to analysis from a location-side approach for increasing revenue. This study therefore is untaken to compare revenue generation of hotels with different locations in Ilorin, Nigeria. Two research instruments were used in the study. The first research indictment is the use of a Geographical Positioning System (GPS) while the second is the use of the questionnaire. The results of the hypotheses tested shows that there is a significant difference in revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin, the significant difference between the level of patronage by hotels located in City Centre, sub-urban and highways in Ilorin; no significant difference in pricing among hotels located in City Centre, sub-urban and highways in Ilorin; significant difference between pricing of services and revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin. The study concludes that revenue will increase if proper management of hotels is being ensured regardless of the hotel locations.

INTRODUCTION

Revenue is an operating strategy or process which serves as the return from selling of product or services to make money. Whenever service quality is ensured, hotels can generate more revenue than their competitors from services like accommodation, food, spa, fitness facilities, gymnastics, specialized rooms, among others (Stanislav & Vladimir, 2012). Typically, revenue in the hospitality industry is majorly generated through hotel room rentals, meeting space occupancy, and the sale of food or beverages. All of these produce profitable revenue for hotel or other hospitality industry businesses such as food and beverage operations, a theme park, or a cruise line. The major strategy that improves revenue generation is through revenue management.

Revenue management as defined by Guillet and Mohammed (2015) as the process of allocating the right type of capacity to the right kind of customer at the right price so at maximizing revenue or yield. This describes the ability of an organization to make use of the right resources in ensuring maximum output and subsequently desirable profit. It is also the art of It is the art and science of constantly and closely monitoring consumer market conditions, such as shifts in the level of demand or changes in consumer preferences, and responding appropriately by applying various product bundling, packaging, pricing, capacity allocation, forecasting, and market distribution channel strategies and tactics (Ng and Yip, 2011; Lee et al, 2013).

Revenue management also represents an objective analytical approach to revenue optimization to improve the hospitality enterprises' gross sales potential (Forgacs, 2002). In other words, the accommodation property attempts to sell the right room product at the right price, whereby the selling price is in agreement with the customer's

willingness to pay value, to the right customer and at the right time (Choi & Mattila, 2003).

It is evident that revenue management has a big responsibility before them in setting and adopting the most advantageous pricing policy and the most effective profit plan for their firms, since prices are not set arbitrarily therefore management must focus on all the important factors in setting its price. Thus, it has become imperative to investigate the effectiveness of pricing policy and profit planning in Nigerian organizations. The current popularity and significance of revenue management can be attributed to four main developments (Phillips, 2005). First revenue management has helped propel the airline industry to more efficient real-time pricing and stronger revenue performance and other sectors within the hospitality industry have taken notice.

Hoteliers clearly believe that location is important for a hotel, and have market research evidence to support this. However, almost nothing has been done to enable this issue to be incorporated into revenue generation. This is needed for strategic decision-making at the stage of business feasibility and investment appraisal. In particular, there is a gap in the literature relating to analysis from a location-side approach for increasing revenue. This study therefore is untaken to compare revenue generation of hotels with different locations in Ilorin, Nigeria, and to identify a difference in patronage of services of hotels of different locations and revenue generated by these hotels in different locations in Ilorin differs.

METHODS

Study Area

Ilorin, Kwara State is situated on Longitudinal of 4.30' – 4.45'N and Latitude of 8^0.28' – 8^0.38'E. The city covers an area of about 38 square miles, with an estimated population of 1.4 million people. It is located in Nigeria's central savannah region with intense rainfalls from April to October, and daily temperatures between 23^0C and 37^0C (Kwara State Diary, 1997). Ilorin is a city with a confluence of cultures, populated by the Yoruba, Igbo, Hausa, Fulani, Nupe, Baruba, Kanuri, and Malian tribes, as well as other Nigerians and foreign nationals. There are largely Christian and Islamic populations, and many ceremonial activities, mostly with religious aspects, take place in the city throughout the year.

Ilorin has a friendly environment (generally called the "Home of Peace") and hence hosts different religious practices and training institutions. Located on the city's GRA, the degree-awarding United Missionary Theological College (affiliated with the University of Ibadan) produces many church ministers, teachers, and theologians of all denominations. The College of Arabic and Islamic Legal Studies in the Adeta area trains Muslims in various Islamic, Arabic, and social science disciplines. Alfa Alimi's Mosque and residence are said to have been built in 1831. It was the first Juma'at Mosque in Ilorin.

The city also has a range of tourist attractions such as the imposing Sobi Hill, said to have offered protection to natives during intertribal wars in ancient times. The Okuta Ilorin is located in Asaju's compound, Idi-Ape Quarters. It is the stone on which Ojo Isekuse, one of the founders of the city, used to sharpen his metal tools. It was actually called "Okuta Ilorin" (meaning stone for sharpening metals), and Ilorin is said to have derived its name from there. The stone was a deified object of worship and sacrifice offerings in the past.

Descriptive research design of survey type was used in carrying out this research work. Population for this study includes the management staff and patrons of all the hotels located in cities, sub-urban, and highways in Ilorin Metropolis, Kwara State. This population is believed to be useful to adequately obtain information necessary for answering the questions at hand. A multistage sampling technique was employed for this study; the sample was selected through two (2) stages; the first stage involves systematically selecting hotels for the study. Since the study deals with location, a central location was chosen and from the center location, hotels were buffered at different distances (5-10 meters, 10-20 meters etc.), from the center location using GIS software (ArcMAP 10.2). Depending on the hotels that fall within the buffers, the hotels were randomly selected. A total number of One Hundred and Sixty-Five (165) hotels were randomly selected out of the Three Hundred and Four (304) hotels which give about 54.3% of the hotels in Ilorin.

At the second stage, the simple percentage frequency sampling techniques were used to select two (5) management staff and five (5) patrons in each hotel. This therefore gave a total of Eight

Hundred and Twenty-Five (825) staff and Eight Hundred and Twenty-Five (825) patrons in all, to give a total of One Thousand, Six Hundred and Fifty (1650) respondents respectively.

Table 1: Summary of Sampling Procedure and Sample size

S/N	Hotel locations	Selection1: (Purposive Selection 55 Hotels of Each Location with GIS)	Stage 2: (Random Selection of 5 Staff and 5 Patrons per Hotel Selected)		Total Respondents
			5 Staff	5 Patrons	
1.	Cities Hotels	55	275	275	550
2.	Sub-Urban Hotels	55	275	275	550
3.	Highways Hotels	55	275	275	550
Total		165	275	275	1650

Source: Field Survey, 2020

Two research instruments were used in the study. The first research indictment is the use of a Geographical Positioning System (GPS); this was used to geographically locate the latitude and longitude of the hotels sampled in the study. The second research instrument used was a structured questionnaire. The use of the questionnaire requires the respondents to tick either Agree, Strongly Agree, Disagree, or Strongly Disagree, and comment where necessary, in order to identify their perceptions on revenue generation, management, and location of hotels. The questionnaire was divided into two sections A and B for both hotel management staff and the hotel patrons. Towards this end, the hotel management staff questionnaire was structured in such a way that it contains two parts: Part A was designed to get information related to the respondents' demographics while Part B focused on constructs related to the study objectives. Patrons' questionnaire was equally in two parts: Part A was designed to get information on socio-demographic variables of the respondents, while Part B was designed to get information on the quality of service delivery and factors considered before patronizing hotels in different locations in Ilorin**.**

RESULTS AND DISCUSSION

One hundred and sixty-five (165) hotels covering three (3) location categories (city center, sub-urban and highway hotels) were sampled. Fifty-five (55) hotels each were sampled in each of the location category amounting to a total of 165 hotels. Two sets of questionnaires (one for hotel Staff and one for hotel patrons) were administered in all the 165 hotels (55 in each hotel location category). In all the 165 hotels, 5 copies of the questionnaire each were administered to staff and patrons. This gave a total of eight hundred and twenty-five (825) each for staff and hotel patrons respectively. The breakdown and the response rates are shown below:

Table 2: Number of hotel, staff and patron sampled

S/N	Hotel location categories	No. of Hotel sampled	Staff & Patrons per Hotel sampled (5 each)		No. of questionnaire retrieved (Staff)	No. of questionnaire retrieved (Patron)
			5 Staff	5 Patrons		
1.	Cities Hotels	55	275	275	268	270
2.	Sub-Urban Hotels	55	275	275	265	272
3.	Highways Hotels	55	275	275	272	269
Total		**165**	**825**	**825**	**805**	**811**

Summarily, eight hundred and five (805) copies of the questionnaire were retrieved from hotel staff and eight hundred and eleven (811) copies were retrieved from hotel patrons in different locations in Ilorin. This resulted in response rates of 97.58% and 98.30% for staff and patrons respectively.

Table 3: Response Rate of hotel staff and patron

Staff	**Percentage returned (Staff)**	**Patron**	**Percentage returned (Patron)**
805	97.58%	811	98.3%

Table 4: Distribution of respondents in different hotels by demographics
n (City center hotel) = 270; n (Sub-urban hotel) = 272; n (Highways hotels) = 269; **N=805**

Demographics		**Location Categories**					
		City Center Hotel		**Sub-Urban Hotels**		**Highways Hotels**	
		Freq	Percent	Freq	Percent	Freq	Percent
Gender	Male	167	20.7	166	20.6	171	21.2
	Female	101	12.5	99	12.3	101	12.5
Age brackets	18-25years	16	2.0	17	2.1	42	5.2
	26-30years	211	26.2	196	24.3	184	22.9
	31-35years	23	2.9	22	2.7	25	3.1
	36-40years	16	2.0	26	3.2	19	2.4
	41-45years	2	0.2	4	0.5	2	0.2
	46-50years	0	0.0	0	0.0	0	0.0
	51years & Above	0	0.0	0	0.0	0	0.0
Religion	Islamic	167	20.7	166	20.6	171	21.2
	Christianity	91	11.3	92	11.4	88	10.9
	Traditional	10	1.2	7	0.9	13	1.6
Highest level of Education	No formal education	0	0.0	0	0.0	9	1.1
	Primary Education	35	4.3	0	0.0	26	3.2
	Secondary Education	43	5.3	0	0.0	1	0.1
	Tertiary Education	178	22.1	265	32.9	236	29.3
	Professional Certificate	12	1.5	0	0.0	0	0.0
Marital Status	Single	164	20.4	155	19.3	169	21.0
	Married	100	12.4	94	11.7	98	12.2
	Divorce	4	0.5	10	1.2	5	0.6
	Widow	0	0.0	6	0.7	0	0.0
	Widower	0	0.0	0	0.0	0	0.0
Years of Working Experience in the Hotel	Less than 5years	167	20.7	135	16.8	158	19.6
	6-10years	101	12.5	81	10.1	92	11.4
	11-15years	0	0.0	28	3.5	22	2.7
	Above 15years	0	0.0	21	2.6	0	0.0

Table 4 shows the demographic data gathered from the respondents (hotel staff) across different locations (city center, sub-urban, and highways) in Ilorin. In gender category, there are 167(20.7%) and 101(12.5%) for male and female gender respectively in city center hotel; 166(20.6%) and 99(12.3%) for male and female gender respectively in sub-urban hotels; and 171(21.2%) and 101(12.5%) for male and female gender respectively in highways hotel. Among the

respondents, those between ages 18-25years are 16(2.0%) in the city center; 17(2.1%) in sub-urban; 42(5.2%) in highways hotel. Those between ages 26-30years are 21(26.2%) in the city center; 196(24.3%) in sub-urban; 184(22.9%) in highways hotel. Ages 31-35years are 23(2.9%) in the city center; 22(2.7%) in sub-urban; 25(3.1%) in highways hotel. Ages 36-40years are 16(2.0%) in city center; 26(3.2%) in sub-urban; 19(2.4%) in highways hotel. Also, ages 41-45years are 2(0.2%) in city center; 4(0.5%) in sub-urban; 2(0.2%) in highways hotel while none of the respondents are above 45years.

In the religion category, 167(20.7%) of the respondents practice Islamic religion in city center hotels; 166(20.6%) in sub-urban hotels, and 171(21.2%) practice it in highway hotels. Those that practice Christianity are 91(11.3%) in city center; 92(11.4%) in sub-urban; 88(10.9%) in highways hotels. Those practicing Traditional religion are 10(1.2) in city center; 7(0.9%) in sub-urban and 13(1.6%) in highways hotels

In the education category, only 9(1.1%) in highway hotels among all the three location categories indicated that they have no formal education. Also, 35(4.3%) had primary education in city center hotels; none in sub-urban and 26(3.2%) in highways hotel. The situation is similar among those that have secondary education in which 43(5.3%) had secondary education in city Center; none in sub-urban and only 1(0.1% in highways hotel. Many of the respondents indicated that their highest education level is tertiary education. Among these respondents 178(22.1%) are from city center hotels; 265(32.9%) from sub-urban while 236(29.3%) from highway hotels. Those that have professional certificates as their highest education level are from the city center with 12(1.5%) of them.

It was also gathered that 164(20.4%) of the respondents from city center is single; 155(19.3%) from sub-urban; and 169(21.0%) from highways hotel. About 100(12.4%) are married in city center hotels; 94(11.7%) in sub-urban and 98(12.2%) in highway hotels. 4(0.5%) are divorcees in city center hotel; 10(1.2%) in sub-urban and 5(0.6%) in highway hotels while only 6(0.7%) in sub-urban are widow among the three location categories in Ilorin.

In terms of years of experience, 167(20.7%) of the respondents have less than 5years experience in City Center; 135(16.8%) in sub-urban and 158(19.6%) in highway hotels. 101(12.5%) of the respondents have between 6-10years experience in City Center; 81(10.1%) in sub-urban and 92(11.4%) in highway hotels. None of the respondents 11-15years in city center hotels; 28(3.5%) of them have 11-15years experience in sub-urban and 22(2.7%) in highway hotels. Only sub-urban hotels have staff that have above 15years in which just 21(2.6%) of them indicated this.

Table 5: Demographic variable of years of working experience and Staff income on a monthly basis

Variables		**Location Categories**					
		City Center Hotel		Sub-Urban Hotels		Highways Hotels	
		Freq	Percent	Freq	Percent	Freq	Percent
Years of Working Experience in the Hotel	Less than 5years	167	20.7	135	16.8	158	19.6
	6-10years	101	12.5	81	10.1	92	11.4
	11-15years	0	0.0	28	3.5	22	2.7
	Above 15years	0	0.0	21	2.6	0	0.0
	TOTAL	**268 (100%)**		**265(100%)**		**272(100%)**	
Income per month	Less than N20,000	0	0.0	0	0.0	27	3.4
	N20,000-N40,000	96	11.9	214	26.6	153	19.0
	N40,000-N60,000	172	21.4	49	6.1	87	10.8
	N60,000-N80,000	0	0.0	0	0.0	4	0.5
	Above N80,000	0	0.0	2	0.2	1	0.1
Total		**268 (100%)**		**265(100%)**		**272(100%)**	

The years of working experience of the respondents varies across the hotel location categories as shown in Table 4.2.1. It was gathered that167 (20.7%) have spent less than 5years in

urban; 135(16.8%) in sub-urban; and 158(19.6%) in highways hotel. Also, 101 (12.5%) had spent 6-10years in the city center; 81(10.1%) in sub-urban and 92(11.4%) in highways hotel. None of the respondents had stayed for 11-15years in city center hotels; 28(3.5%) have stayed for 11-15 years in sub-urban and 22(2.7%) in highways. Only staff in sub-urban hotels have stayed for more than 15years in which just 21(2.6%) of them indicated this across all the three location categories of the hotels.

With respect to the income of staff on monthly basis across the three location categories, it was gathered that only highway hotels with 296(18.3%) respondents earn less than ₦20, 000. Also, 96(11.9%) earns ₦20, 000 – ₦40, 000 in City Center; 214(26.6%) in sub-urban and 153(19.0%) in highway. The result also shows that 172(21.4%) of the respondents in City Center hotels earn N40, 000 – ₦60, 000; 49(6.1%) earn it in sub-urban and 87(10.8%) in highways. Across the three location categories, only highway hotels with just 4(0.5%) respondents earn between ₦60,000 – ₦80,000 while 2(0.2%) and 1(0.1%) in sub-urban and highway hotels respectively earns above ₦80,000.

Table 6: Distribution of factors that predetermine location of hotels

N=805

	Location categories					
	City Center Hotel		Sub-Urban Hotels		Highways Hotels	
	NO	YES	NO	YES	NO	YES
1. Fund	103	165	265	0	167	105
	(12.8%)	(20.5%)	(32.9%)	(0.0%)	(20.7%)	(13.0%)
2. Perceived increase in sales and profit	0	268	0	265	69	203
	(0.0%)	(33.3%)	(0.0%)	(32.9%)	(8.6%)	(25.2%)
3. Availability of space	0	268	0	265	69	203
	(0.0%)	(33.3%)	(0.0%)	(32.9%)	(8.6%)	(25.2%)
4. Closeness to business district	198	70	265	0	270	2
	(24.6%)	(8.7%)	(32.9%)	(0.0%)	(33.5%)	(0.2%)
5. Availability of raw materials	111	157	225	40	184	88
	(13.8%)	(19.5%)	(28.0%)	(5.0%)	(22.9%)	(10.9%)
6. Access to competent staff	0	0	0	0	0	0
	(0.0%)	(0.0%)	(0.0%)	(0.0%)	(0.0%)	(0.0%)

Source: Field Survey, 2020

The factors that predetermine the location of hotels in the three location categories were investigated as presented in Table 5. It can be deduced in Table that the major factors that determined location in city center hotel are fund (20.5%); perceived increase in sales and profit (33.3%); availability of space (33.3%); availability of raw materials (19.5%). The major factors that determined location in sub-urban hotels are perceived increase in sales and profit (32.9%); and availability of space (32.9%). The major factors that determined location in highways hotel are perceived increase in sales and profit (25.2%); and availability of space (25.2%). Access to competent staff was never part of the factors across all three locations.

Difference in level of patronage

Table 7: Average number of customers per day

Location categories	**No. of customers per day**	**Remarks**
City Center Hotels	20 – 30 customers	High
Sub-urban hotels	Less than 20 customers	Low
Highways hotels	20-25 customers	Moderate

Responses on level of patronage in all the three location categories were grouped into three (3) using "20-30 customers/day; Less than 20customers per day; and 20-25 customers per day" as shown in Table 7. The result shows that city center hotels have an average of 20-30 customers daily; sub-urban have less than 20customers per day while highways hotels have 20-25 customers per day. Based on these, it was concluded that the level of patronage in high in city-center hotels, low in sub-urban hotels, and moderate in highways hotels.

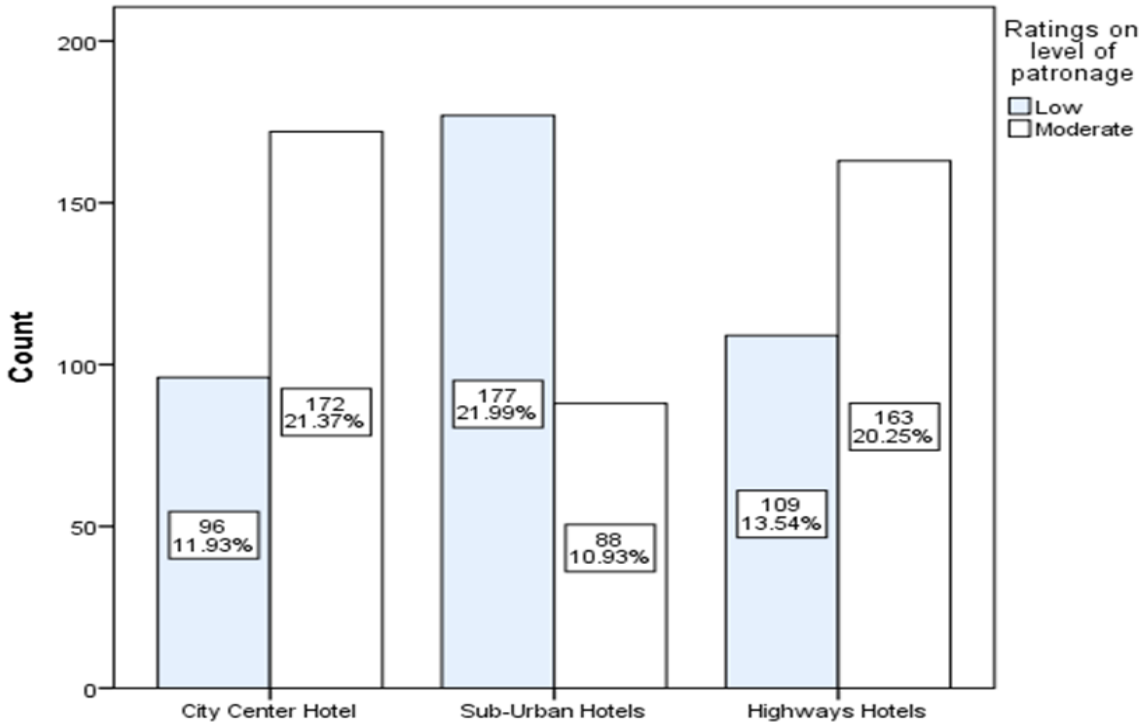

Figure 2: Perceived ratings on level of patronage

The levels of patronage as perceived by staff in the three categories of hotels are shown in Figure 2. It was gathered that in city center hotel, the majority of the hotel staff (172(21.37%) perceive their level of patronage to be moderate; the majority perceived it to be low (177, (21.99%)) in sub-urban hotels and 163(20.25%) perceived it to be moderate in highways hotel.

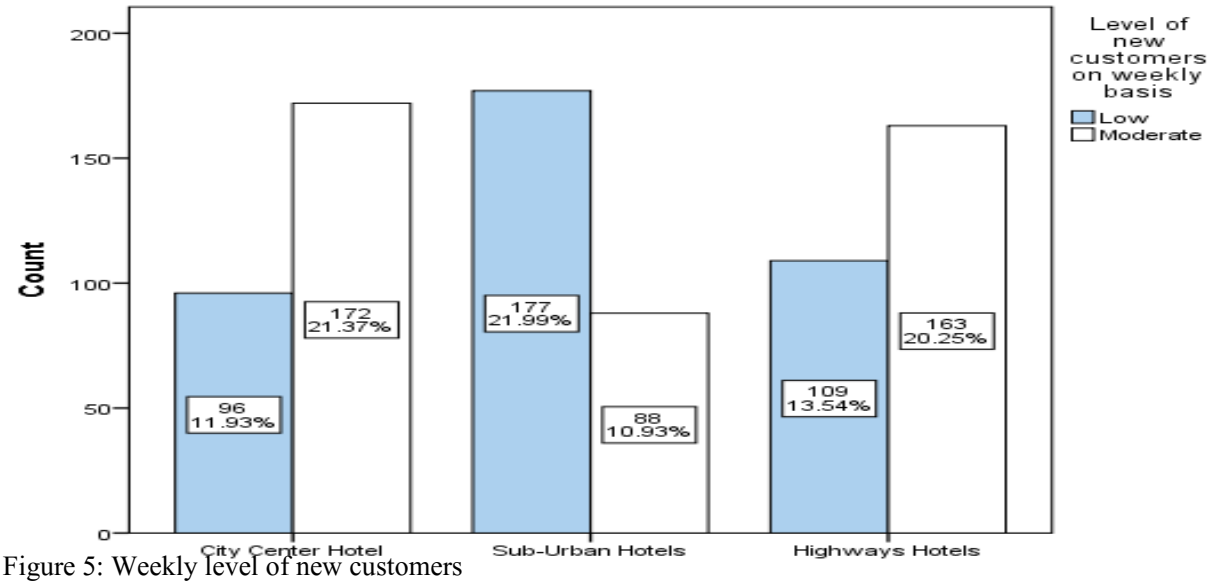

Figure 5: Weekly level of new customers

In most city center hotels as shown in Figure 3, the level of a new customer on weekly basis is on a moderate level (172,21.37%); low in sub-urban hotels (177,21.99%), and it is mostly moderate in highways hotels on weekly basis (163,20.25%).

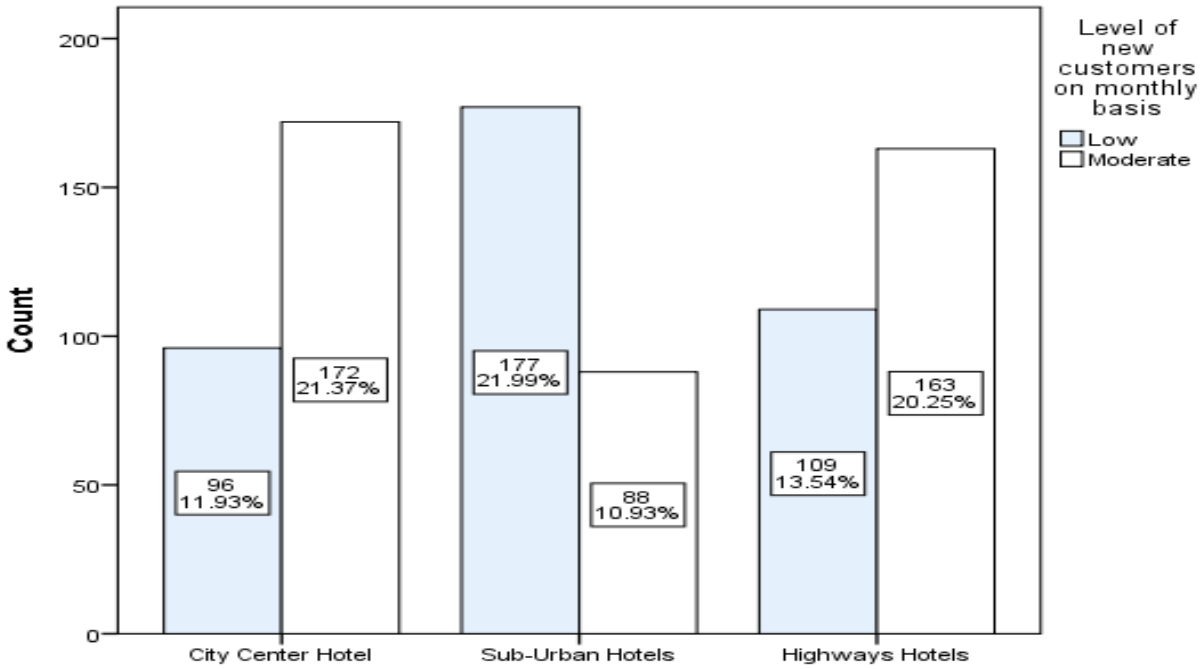

Figure 4: Monthly level of new customers

The situation is also the same on a monthly basis as shown in Figure 4. In most city center hotels, the level of new customer on monthly basis is on a moderate level (172(, 21.37%)); low in sub-urban hotels (177, 21.99%); and it is mostly moderate in highways hotels on monthly basis. Data gathered on staff level of satisfaction with their level of patronage are shown in Figure 6.

Table 8: Availability of daily sales and financial records

Location categories	**Availability of daily sales and financial record keeping**	
	YES	**NO**
City Center Hotels	268(100%)	-
Sub-urban hotels	265(100%)	-
Highways hotels	272(100%)	-
Total	**805**	-

As shown in Table 8, all the hotels in the city center, sub-urban and highways hotel keep daily sales and financial records. The average daily income of the respective hotels was investigated subsequently.

Table 9: Average Daily Income N=805

		Average Daily Income		
		Less than ₦50,000	₦50,000 - ₦100, 000	More than ₦100,000
Location Categories	City Center Hotel	12 (1.5%)	178 (22.1%)	78 (9.7%)
	Sub-Urban Hotels	90 (11.2%)	175 (21.7%)	0 (0.0%)
	Highways Hotels	109 (13.5%)	163 (20.2%)	0 (0.0%)

As shown in Table 9, 12(1.5%) of the hotels in the city center earn less than ₦ 50,000 daily; 90(11.2%) earn the same in sub-urban, and 109(13.5%) of the hotels earn it in highways hotels. Also, 178(22.1%) of the hotels in the city center have an average daily income between ₦50, 000 – ₦100, 000; 175(21.7%) earn the same in sub-urban and 163(20.2%) of the hotels earn it in highways hotels. Across the three location categories of hotels in Ilorin, only 78(9.7%) of hotels in the city center have daily income that is more than ₦100, 000.

Table 10: Ratings on average daily income level of profitability N=805

		Ratings on average daily income level of profitability					
		Very Low	Low	Undecided	High	Very High	**Mean**
Location Categories	City Center Hotel	92 (11.4%)	172 (21.4%)	4 (0.5%)	0 (0.0%)	0 (0.0%)	**1.67**
	Sub-Urban Hotels	13 (1.6%)	70 (8.7%)	98 (12.2%)	24 (3.0%)	60 (7.5%)	**3.18**
	Highways Hotels	0 (0.0%)	109 (13.5%)	162 (20.1%)	1 (0.1%)	0 (0.0%)	**2.60**

Data gathered on Ratings on average daily income level of profitability from hotels in different locations in Ilorin are shown in Table 10. The mean value for city center hotels is 1.67, 3.18 for sub-urban hotels while 2.60 mean value is for highways hotel. The implication of this is that city center hotels mostly rated their average income level of profitability to be low while many of the hotels in sub-urban with 3.18 are skeptical about their income level of profitability. The situation seem to be the same in highways hotel in which more of the respondents are undecided about their level of profitability.

HYPOTHESES TESTING

Hypothesis 1: There is no significant difference in revenue generated by hotels located in City Centre, sub-urban, and highways in Ilorin.

Table 11: Correlation test between revenue generated by hotels in city center, sub-urban and highways

Correlations

			Location Categories	Revenue Generate
Spearman's rho	Location Categories	Correlation Coefficient	1.000	.483**
		Sig. (2-tailed)	.000	.000
		N	805	805
	Revenue Generated	Correlation Coefficient	.483**	1.000
		Sig. (2-tailed)	.000	.000
		N	805	805

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

Table 11 shows the correlation test between revenue generated and location categories of hotels in Ilorin. At 0.05 (2-tailed) significant level, the correlation test shows that there is a moderate positive (0.483) correlation between revenue generated and categories of hotels in different locations. This implies that revenue generated in all the hotel locations may grow at the same rate regardless of location. In other words, location is not a factor that really determines revenue generated by hotels. Hence, the null hypothesis is rejected at $p<0.05$.

Hypothesis 2: There is no significant difference between the level of patronage by hotels located in the city Centre, sub-urban, and highways in Ilorin.

Table 12: Correlation test between levels of patronage by hotels in different locations

Correlations

			Category	Levels of patronage
Spearman's rho	Category	Correlation Coefficient	1.000	-.033
		Sig. (2-tailed)	0.00	.048
		N	805	805
	Levels of patronage	Correlation Coefficient	-.033	1.000
		Sig. (2-tailed)	.048	0.00
		N	805	805

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

Table 12 shows a correlation test between levels of patronage by hotels in different locations. The test shows that there is a weak negative correlation (-0.033) between levels of patronage and location categories of the hotel. This means that as the level of patronage in a particular location increases, the other location may decrease. In other words, a high level of patronage in city center hotels may not equate to high patronage in sub-urban and highway hotels. Therefore, the null hypothesis is rejected ($p<0.048$).

Hypothesis 3: There is no significant difference in pricing among hotels located in City Centre, sub-urban, and highways in Ilorin.

Table 13: ANOVA test of difference between pricing and hotel locations

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	68.526	2	34.263	138.433	.000
Within Groups	198.500	802	.248		
Total	267.026	804			

Table 13 shows ANOVA test of the difference between pricing and hotel locations. The F statistic (138.33) and significance level ($p<0.001$) associated with pricing and location categories allows us to reject the null hypothesis that there is no relationship between pricing and location categories. This is because the F-ratio is higher than the table value which means that there is a statistical difference in pricing and hotel locations. In other words, pricing in hotel is a function of hotel location in Ilorin, Kwara State

Hypothesis 4: There is no significant difference between the pricing of services and revenue generated by hotels located in the City Centre, sub-urban, and highways in Ilorin.

Table 14: ANOVA test of difference between pricing of services and revenue generated by hotels in different location

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	123.009	2	61.504	118.297	.000
Within Groups	416.972	802	.520		
Total	539.980	804			

Table 14 shows the ANOVA test of the difference between pricing and hotel locations. The F statistic (118.297) and significance level ($p<0.001$) associated with pricing and revenue allows us to reject the null hypothesis that there is no relationship between pricing and revenue generated. This is because the F-ratio is higher than the table value which means that there is a statistical difference in pricing and revenue generated in different locations. In other words, there is a relationship between pricing and revenue in the three locations.

Hypothesis 5: There is no significant relationship between patronage of services and revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin

Table 15: ANOVA test of difference between patronage of service and revenue generated by hotels in different location

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
	Between Groups	21.353	1	21.353	95.591	.000[b]
	Within groups	179.375	803	.223		
	Total	200.728	804			

Table 15 shows the ANOVA test of the difference between patronage of service and revenue generated. The F statistic (95.591) and significance level ($p<0.001$) associated with patronage and revenue allows us to reject the null hypothesis that there is no relationship between pricing and revenue generated. This is because the F-ratio is higher than the table value which means that there is a statistical difference in patronage and revenue generated in different locations.

Hypothesis 6: H_o: There is no significant relationship between quality of services rendered and revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin.

Table 16: Regression analysis of quality of services rendered and revenue generated by hotels in different location

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	463.935	9	51.548	114.764	.000[b]
	Residual	357.088	795	.449		
	Total	821.024	804			

a. Dependent Variable: Categories

b. Predictors: (Constant)

The results of the hypotheses tested shows that there is a significant difference in revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin (Table 11); there is a significant difference between the level of patronage by hotels located in City Centre, sub-urban and highways in Ilorin (Table 13); there is no significant difference in pricing among hotels located in City Centre, sub-urban and highways in Ilorin (Table 14); there is significant difference between pricing of services

and revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin (Table 15). This is against the findings of Kotler and Keller (2006) that the prices at which a company offers its product have a direct relationship to the company's revenue and not profit. It was also gathered that there is a significant relationship between patronage of services and revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin (Table 15), and that there is a significant relationship between quality of services rendered and revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin. This implies that all the hypotheses were rejected (Table 16).

CONCLUSION

Comparatively, there is a significant difference in revenue generated by hotels in a different location; there is a significant difference between the level of patronage by hotels in a different location; there is a significant difference in pricing among hotels in a different location; there is a significant difference between pricing of services and revenue generated by hotels in a different location; there is a significant relationship between patronage of services and revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin; and that there is a significant relationship between quality of services rendered and revenue generated by hotels located in City Centre, sub-urban and highways in Ilorin. It is worthy to note here that revenue seems to be increasing as a result of patronage while the patrons seem to be patronizing the hotels in the city center, sub-urban, and highways because of the kind and quality of services that are being rendered in these locations. This study however concludes that revenue will increase if proper management of hotels is being ensured regardless of the hotel locations. There is a strong need for research that applies solid segmentation methods to RM practice. Additional research is needed on how best to incorporate a large amount of data currently available on customer and market behavior into improved segmentation approaches. While there have been a variety of studies done on perceived fairness, framing, perceived unfairness and justice perceptions, additional and more in-depth studies on customer behavior will be valuable research in a revenue management context. Research on how companies can use marketing science techniques to help allocate capacity to the most valuable customers would also be beneficial.

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