

EXPLORING THE IMPACT OF ACCOMMODATION INFRASTRUCTURE ON GROWTH OF BUSINESS IN NIGERIA:A VIEW FROM SOKOTO METROPOLIS

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ABSTRACT

The place of accommodation in boosting business has been established by both extant and empirical literature. As a major universal infrastructure for production, different factors notably the decision to lease and purpose of use of buildings in addition to prevailing economic realities (monetary and fiscal policies) to mention but a few, have contributed to shaping pattern of occupation and utilization of buildings all over the world. Using PLS in the context of Structural Equation Modeling (SEM), this research has established that both formative and reflective variables interacted to produce significance in the relationship between buildings and growth of business in the study area. This study would want to further argue that approachability; social connections, availability of building and engagement in business procedures among others in the context of Sokoto business environment need to be strengthened and fortified to curtail the exodus of potential investments as well as magnetize other national investments to Sokoto metropolis.

INTRODUCTION

For any country to attain breakeven in this prevailing globalized setting, one nation must help in producing surplus with which other country's needs can be satisfied. In the same vein, the internal dynamics expressed in relevant infrastructure typical of strategic business location provided through accommodation plays significant role in sustaining business identity as well as platform to succeed and sustain. By any conventional scale of measurement, the role played by accommodation infrastructure in the determination of business safety and propensity to expand or contract cannot be overstressed. This, expressed in the activities of occupants of such infrastructure, provides a multiplicity of arguments as to theoretical controversies regarding the mode of occupation, comparative advantage association with each individual mode and the degree of gain or loss recorded by the economy as a result of occupation or mode of use of such buildings in both short and long terms. The Significant quantum of such productive use of infrastructure (as appropriate) puts the economy in a more advantageous position thereby being able to absorb labor and appreciate in terms of aggregate output. In contrast, where the use is only welfare related as in the case of political party/association, productivity profile turns low with accompanying degree of loss as a result of under use or wrong use of the infrastructure hence increasing the burden and widening the gap between income groups while encouraging disequilibrium in multiple ways. In addition to factors such as capital, legislation-enabled environment and markets, accommodation has provento occupy a premier position considering the economic role that in creating a balance between production needs and resources.

Accommodation as a term is used to describe the provision of shelter for households, businesses, public agencies and related purposes which facilitates access to psychological stability and enhanced productivity.



RELATED LITERATURE

This subsection attempts a review of related literature by parading submissions of authorities in the area of this research interest to understanding the gap that exists while situating this work in the context of same as a gap bridging input as appropriate.

Relationships between Accommodation Infrastructure and Growth of Business

According to Luca Petruzzellis *et.al* (2006), in the service economy especially, satisfaction, quality and performance proven to be key factors reciprocally interrelated in a causal, cyclical relationship, even though they are often used as synonymous due to the similarity in their meaning (Cronin *et al.*, 2000; Bitner & Hubert, 1994). The higher the prevalence of accommodation infrastructure the higher the business propensity to be housed hence the more strategic they become and more they are capable to generate income or get patrons satisfied. Thus, growth of businesses is based on not only customer expectations and perception of service quality but the quality and quantity of existing accommodation infrastructure (Johnston & Lyth, 1991; Ekinci, 2004; Cronin & Taylor, 1992; Christou & Sigala, 2002; Sigala, 2004a, b). Dealing with a dynamic issue, namely the relationship with the owners of estate properties, their decision to rent out property, service quality and consequently growth of business as attitude, need to be measured on three levels: cognitive, affective and behavioural (Oliver, 1997; Parasuraman *et al.*, 1985). Business growth has a more evident transactional dimension linked to perception and thus to emotional aspects (Iacobucci *et al.*, 1994), owners decision to rent out properties results from a cognitive process, being more relational and so referred to sensations and evaluation of the external stimuli (Bitner, 1990; Anderson & Fornell, 1994; Christou, 2001). Indeed, they are both subjective appraisal of the corresponding purpose of use of the rented property (be it for productive or political use), based on the comparison between a standard and perceived performance (Gronroos, 1993); however growth of business is more an experiential issue, while quality assessment does not necessarily imply a personal experience (Orsingher, 2003). The interrelation is given by the user involvement in the production process that the service marketing literature has widely investigated from the service operation point of view (Chase, 1978; Schmenner, 1986; Orsingher, 1999). Moreover, on the supply side this involvement strongly affects the service evaluation, characterizing the experience created.

The Impact of property owners Decision to rent out on property user priority

The professional condition of the property users who are likely to occupy buildings conscientiously, is relevant for those who temporarily work. In fact, productive occupants (photographers, printers, retailers, vendors on one hand and political parties/associations on the other hand) showed a good evaluation of the properties so rented since they are mainly interested in the basic services and not in the additional ones. Most of the interviewees come from a middle-to-low income family, where the family's condition (i.e. long standing wealth creation) affects the retention rate, while the choice to re-rent seems to be indifferent to those occupants whose families hold a long standing position in the property ownership equation of the study area. On the contrary, the decision is not influenced by the sector where the father works. The correlation between growth of business and the variable "type of use" depends on the coherence with the location of building chosen, as an ideal continuation of the

rent agreement. Obviously, there was a difference between different categories of tenants using buildings for productive purpose and those who use them for political (unproductive) purpose: the former are more satisfied and are more enthusiastic about the new experience while, proportionally to the time spent occupying a building, the un-satisfied and the undecided increase. This can be due to many reasons: tiredness, limited opportunities for infant businesses and a total lack of prioritization. In fact, it should be noted that for most of the occupants in the study area, an initially rented building represents one more chance to find another more strategic building so that great expectations are placed on the role of the accommodation infrastructure as a link with the productive market through production and income improvement.

RESEARCH METHODOLOGY

The preceding section talked about extant literature on the research variables, and this section discusses research methodology and measures undertaken by this research. Particularly, this section wraps the temperament and philosophy of the research, hypothetical framework, conceptual definitions, hypotheses, population and sampling technique, the method of data collection and techniques of data analysis.

Nature and Philosophy of this Study

Researchers' opinions divide on what their views portray about their specific and collective views concerning a given phenomenon, about the nature of meticulous social veracity, or facts based on their thoughtful pattern, thus, connecting research and theoretical point of reference helps to clarify issues researchers intend to tackle. Put differently Creswell (1994) argues that whether positivism, post-positivism, subjectivism or realism represents the perspective, researchers advocate their study, the aim remains to unearth the truth about a given situation or confirm an existing reality.

Scholars such as Neuman (2003); Marczyk, DeMatteo, and Festinger (2005) any research effort governed by empirical facts of cause and effect exist independent of personal emotions; analyzing facts statistically additive knowledge among others; such researchers are better patterned along positivist philosophy. In line with the preceding arguments; and the fact this study is a quantitative one, the philosophy is positivism. Thus, this study is quantitative because it engaged the use of a measurement instrument to appreciate interactions among variables.

Population and Sample of the study

This study focused mainly on the impact of accommodation infrastructure on business propensity to grow. The requisite sample size for this study was determined using a probability sampling strategy thus, about 291 tenants were chosen which were determined based on the guideline provided by Krejcie and Morgan (1970) for sample size decisions. The probability sampling method was used in this study because it accords equal chance of choosing the elements in the population (Sekaran & Bougie, 2010; Zikmund et al., 2010).

Data Description

As mentioned in Section 3, respondents were derived from the population of the study. For data collection, questionnaires were distributed personally, and others were sent via research assistants as approved by the Tetfund. After two months, a total of 322 questionnaires were duly filled and returned. This led to a response rate of 64.4 percent. Out of this, nine questionnaires were rejected from the analysis for one fault or the other.

Table.1: Response Rate

Response	Frequency/Rate
Number of distributed questionnaires	500
Returned questionnaires	322
Returned and usable questionnaires	313
Returned and excluded questionnaires	9
Not returned questionnaires	178
Response rate	62.6%
Usable response rate	39.4%

Table 2: Loadings

Construct	Item	Loading	Composite reliability	AVE
<i>Business propensity to grow</i>	BG1	0.9464	0.835	0.667
	BG2	0.9027		
	BG3	0.8022		
	BG4	0.9208		
	BG5	0.9619		
	BG6	0.9250		
	BG7	0.7765		
	BG8	0.8071		
	BG9	0.7593		
	BG10	0.9861		
	BG11	0.9861		
<i>Political use</i>	PR1	0.8289	0.879	0.615
	PR2	0.8064		
	PR3	0.8774		
	PR4	0.9772		
	PR5	0.9752		
	PR6	0.8064		
	PR7	0.8774		
<i>Productive use</i>	PL1	0.8774	0.835	0.679
	PLF2	0.9772		
	PLF3	0.9752		
	PLF4	0.8064		
	PLF5	0.8774		
	PLF6	0.8774		
	PLF7	0.9772		



Table 2 displays results of the AVE computations with resulting coefficients that range from 0.61 to 0.79, demonstrating that convergence validity has been recognized for all the constructs. Again, item loadings, composite reliability were all satisfactory. This implies that the items represent separate latent constructs. Discriminant validity, as shown on Table 3, check whether measures that ought not to be related are not related (Fornell, & Larcker, 1981).

Table 3: Discriminant Validity

	SSL	PSF	PLF
BG	0.742		
PR	0.567	0.822	
PL	0.407	0.434	0.819

Note. The bolded values represent the average variance extracted while the entries not bolded represent the squared correlations.

In Table 3 above, the square roots of AVE coefficients are offered it is argued that the squared AVE should be greater than the squared correlation estimates to attain sound discriminant validity (Hair *et al.*, 2006).

Proposed Model of growth of business stimulated by accommodation infrastructure

Before the structural model is presented, it should be noted here that the theoretical model has been modified via Confirmatory Factor Analysis (CFA) that was conducted. The CFA in PLS at times undertakes deletion of some items. For instance, the initial theoretical dashboard/model has two exogenous constructs – political use; productive use – and one endogenous construct – growth of business level. The endogenous construct retained 11 items after deletion whilst the two exogenous constructs retained seven items each. Figure 1 depicts the proposed model.

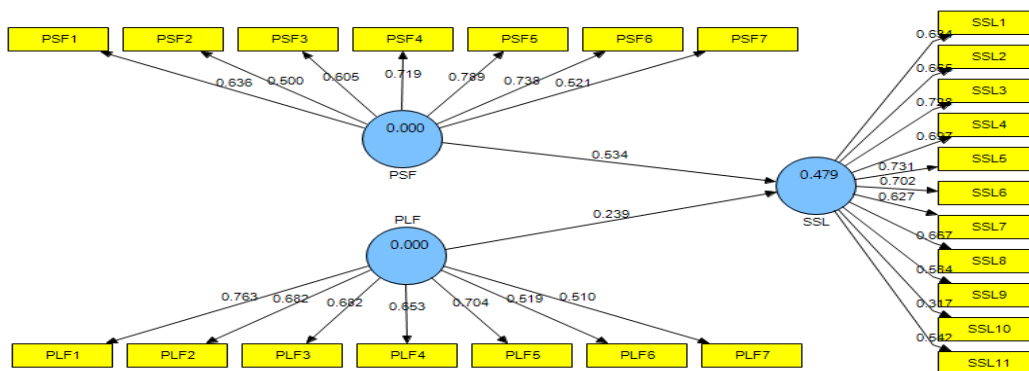


Figure 1: Depicts the Proposed Model



Results of Hypotheses Testing

Utilizing the outcome of the path coefficients, t- values, and standard error at which the hypotheses were accepted or not. The t-values were calculated using a 5000 re sampling iterations in repetitive bootstrapping.

Table 4: Results of Hypotheses testing

	Original Sample (O)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (O/STERR)
PL -> BG	0.239291	0.102018	0.102018	2.345581
PR -> BG	0.53381	0.099708	0.099708	5.353732

The Table 4 explains that the two hypotheses were accepted as alternative hypotheses and they all possess a t-value that is greater than 1.28. in the figure 2 that follows it indicated the t-values obtained from the bootstrapped data.

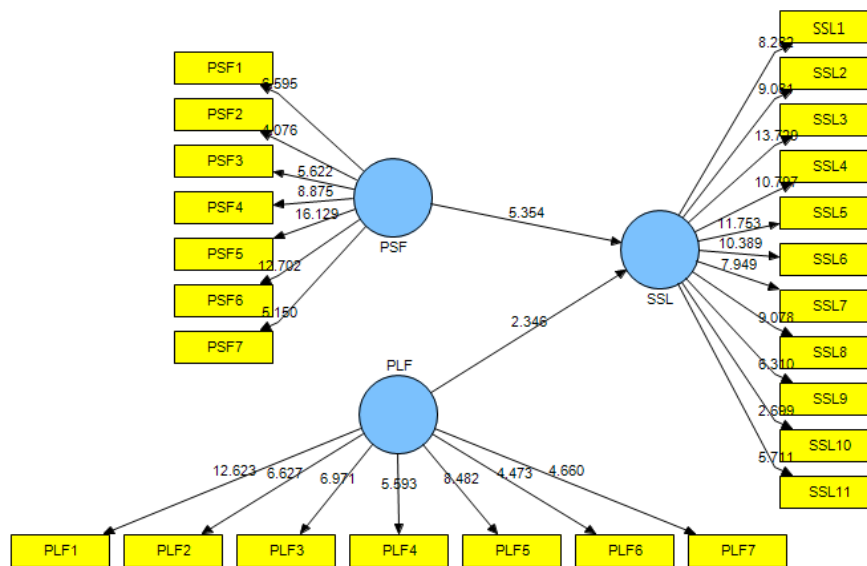


Figure 2: t-values obtained from the bootstrapped data

Determining the Predictive power of the Model

To ascertain whether the model is capable of predicting the relationships between the endogenous and the exogenous variables, this research further applied a test for the predictive relevance of the model. Predictive relevance is represented by Q^2 . Cross validated redundancy is extracted from the PLS output. The cross-validated redundancy determines the



ability of the model to predict the endogenous variables and hence demonstrates the quality of the model. It is argued that Q^2 should rise above zero to determine the predictive relevance of the model. Figure 3 below displays the Q^2 values.

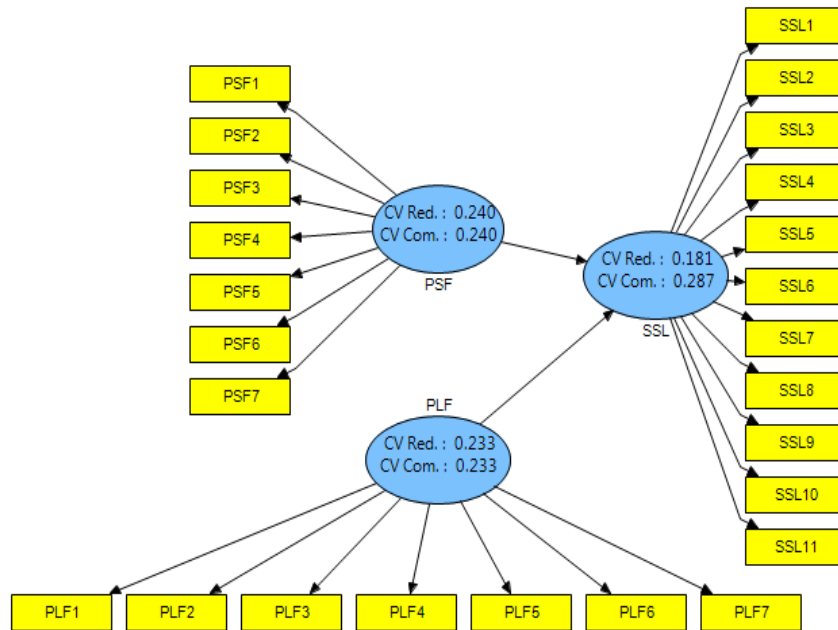


Table 5: Predictive relevance

	1-SSE/SSO
PL	0.233303
PR	0.239731
BG	0.180715

The Table 5 above further consolidates the values in Figure 3 which indicates Q^2 shows an outstanding relevance of 0.23 for the PLF, 0.24 for PSF and 0.2 for SSL. Going by what Hair *et al.* (2013) pointed out that if $Q^2 > 0$, the model has predictive relevance.

CONCLUSION

As shown in the analytical findings of this study, a growth of a business is influenced by the push and pulls factors with accommodation infrastructure taking a prime of place. At first, the hypothesized relationship between PR, PL and BG was tested and the findings of this study support the relationship, that PR, PL is related to BG. This study would want to further argue that approachability, social connections, availability of building, engagement



and business procedures among others in the context of Sokoto business environment need to be strengthened and fortified to curtail the exodus of potential investments as well as magnetize other national investments to Sokoto state.

IMPLICATIONS

To the government and other concerned Agencies, this research will further establish the importance of making business growth effective, and that could be efficiently used by government and relevant bodies to effectively manage, attract and retain investment from Sokoto and beyond. Again, the study will serve as a source of respite to the authorities concerned such as the Ministry of Commerce, Chambers of Commerce and Industries and even the legislative arm in terms of supportive policies than can reap better outcomes and productivity in the context of utilizing opportunities that accommodation facilities provide that combine to facilitate growth of business in Sokoto state..

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