

Business Opportunities in the Hospitality Industry

Making Hospitality Great Again

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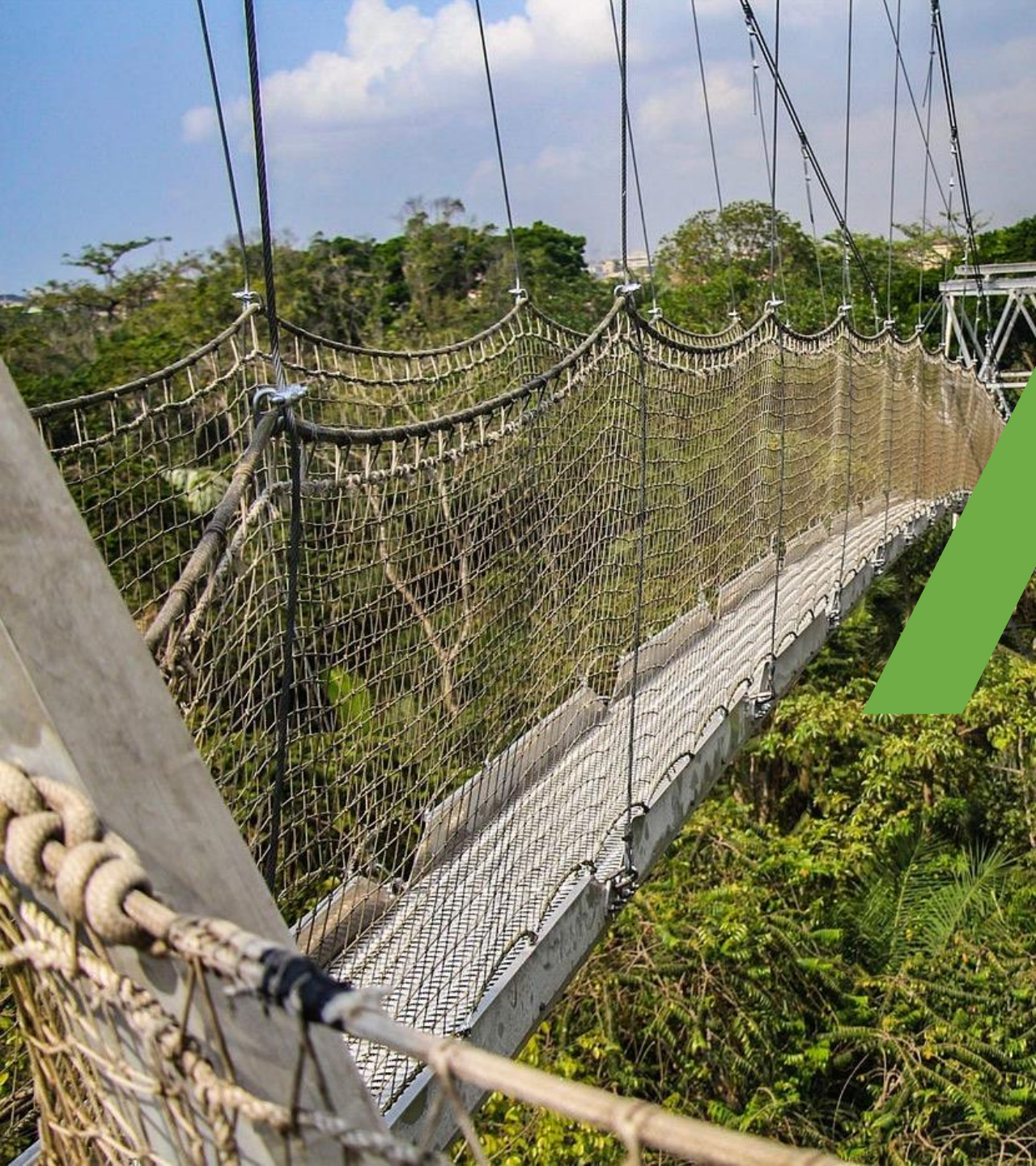
The greatest untapped resource.

Tremendous business opportunities abound within the hospitality industry, and its role in boosting low-income economies is integral to the economic transformation of Nigeria and the African continent. By examining key statistics, exploring the interconnectedness of the hospitality sector with other industries, and highlighting additional ways hospitality can drive economic growth, we can truly appreciate the transformative potential of this industry.



01

Hospitality as the business booster





BUSINESS BOOSTER

- Known for supporting millions of jobs and boosting the economy across the world.
- Most recognizable and expanding sectors that is extremely sensitive to the economy.
- Top income earners for many countries



The Opportunities



The Hospitality industry encompasses businesses such as hotels, bars, and restaurants that offer people food, drink, or a place to sleep.

- The hospitality industry incorporates businesses that house, feed, transport and entertain people, mostly visitors.
- National and international economies are also witnessing increased GDP due to such lucrative activities.
- More local businesses are supported and benefit from the purchasing power of foreigners.



As we all know ...

...when foreigners visit a particular country, they bring in a foreign currency that is much needed, which helps in building the host country's financial reserves.



02

Competing Economies





Available statistics also indicate that African countries such as Kenya, Nigeria, South Africa, Seychelles, and Egypt have experienced continued economic activities thus, creating demand from institutional investors as well as major hotel brands to see expansion into the region as a source of future growth.

4.9 Million Tourists
Visited **Egypt** in the first half of 2022

85.4% Increase
Compared to the same period in 2021



2021

8 Million Tourists
Visited **Egypt**

117.5% Increase
Over 2020, with **3.7 Million Tourists**

The 2017 tourism report of the World Economic Forum

Indicated that Travel & Tourism in Seychelles, Cape Verde & Mauritius were better harnessed, contributing to GDP:





Nigeria also has good ratings when it comes to the hospitality industry.

World Travel and Tourism Council's (WTTC)

The World Travel and Tourism Council's (WTTC) Economic Impact Report (EIR), in 2022, revealed that Nigeria's Hospitality sectors:

54% Between 2022 and 2032
Average forecasted contribution to GDP

Statista Research

2021

2.4 Million Jobs
In the Nigerian Hospitality Sector

2.6 Million Jobs
Yearly for the next 10 years demonstrating the significant economic potential and the pivotal role of hospitality in Nigeria's overall growth.

03

Increasing the viability of low- income economies



According to the World Bank data index for the 2023 fiscal year

Low-income economies are defined as those with a GNI per capita, of **\$1,085** or were better harnessed, contributing **20%**, **17%**, and **12%** respectively to GDP.



Out of the **27 countries worldwide currently ranked by World Bank as Low-Income Economies**, indicating they are under-developed or developing countries in the world, **23 are located in Africa.**

What this means is that more than half of the countries in the African continent are low-income economies, including our country, Nigeria.

Without prejudice to the above ranking, the hospitality industry remains an integral part of boosting the economy of developing countries.

- It acts as a catalyst, stimulating growth in various sectors such as real estate, aviation, transportation, agriculture, and local businesses.
- The expansion of the hospitality sector often leads to increased demand for infrastructure development, supporting industries, and job creation.



The hospitality industry usually fuels the real estate sector.

As more hotels, resorts, and accommodation facilities are built to meet the demand of both domestic and international tourists, so also is the need for land, construction materials, and skilled labour. This, in turn, boosts the real estate market and creates employment opportunities for architects, engineers, and construction workers.



Hospitality drives the aviation industry.



- Rising demand for flights, both domestic and international. This drives investment in aviation infrastructure, such as airport expansions, new airline routes, and improved connectivity.
- The growth of aviation not only benefits tourism but also facilitates business travel, trade, and investment, further bolstering the economy of Nigeria and several other African countries.

Hospitality industry stimulates other sectors through its supply chain.

- Creates opportunities for local farmers, artisans, and suppliers who provide fresh produce, cultural products, and materials for hotels and restaurants.
- Promotes entrepreneurship and supports local businesses, strengthening the overall economy and fostering sustainable development.



The hospitality sector has the potential to enhance the African continent's global reputation and attract foreign direct investment (FDI). As Nigeria establishes itself as an attractive tourist destination, international investors are more likely to invest in the country's hospitality infrastructure, bringing in capital and expertise.

This infusion of FDI not only benefits the hospitality industry but also has positive ripple effects throughout the economy, including job creation, technology transfer, and knowledge sharing.





Domestic tourism will no doubt encourage people of the continent to explore their own countries, thereby leading to increased spending on accommodations, food, and recreational activities. This not only strengthens the hospitality industry but also generates revenue for local communities, creates employment opportunities, and preserves cultural heritage.



Development of niche tourism sectors can drive economic growth. Nigeria possesses a rich cultural heritage, diverse wildlife, and breathtaking landscapes. By capitalizing on these unique attributes, niche tourism segments such as cultural tourism, ecotourism, and adventure tourism can flourish. These specialized offerings attract specific types of travelers, generate higher revenue per visitor, and create opportunities for local entrepreneurs to offer unique experiences and services.

Investing in hospitality education and training programs is vital for the industry's growth and long-term sustainability.

By equipping people with the necessary skills and knowledge, the African continent can develop a highly skilled workforce that meets international standards. This not only enhances the quality of services but also creates employment opportunities and supports career advancement within the hospitality sector.





Powerful driver of economic growth.

By examining key statistics, understanding its interconnections with other sectors such as real estate and aviation, and exploring additional avenues for development, we can fully appreciate the immense potential of this industry.

Thank You

Senator Tolu Odebiyi