

## Customer Orientation and Performance of Hotels in Lokoja, Kogi State, Nigeria

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### **Abstract**

*The performance of the hospitality industry largely depends on its customer based hence understanding how well to articulate and utilize such becomes critical if hotel managers must strive in the business competitively. This study on customer orientation and Performance of hotels in Lokoja, Kogi State examine the relationship between customer orientation and hotels performance in Lokoja, Kogi State. Specifically, the objective is to determine the effect of market penetration strategy, evaluate the influence of diversification strategy, establish the influence of market development strategy and determine the effect of product development on hotel performance. The population comprised of all the employees in the two purposely selected hotels. This made a total of 30 respondents. The study adopts a descriptive research survey design, and correlation analysis were used to test the hypotheses. The findings revealed that the most adopted penetration strategy was penetration pricing on services, the most adopted customer orientation was making hotel brand visible to the niche market, most adopted product development strategy was existence of promotion strategies while diversification adopted to the largest extent was maintaining of strong customer relationship. The study concluded that customer orientation strategies positively affect hotel performance in Lokoja, Kogi State. Product development strategies, diversification strategies, market development strategies and penetration strategies were concluded to be strategies adopted by the hotels and such significantly improved hotel performance. The study recommended that the implementation process of these customer orientations should be given top priority during the strategy formulation process to enhance performance of hotels.*

**Keywords:** Customer, orientation, performance, hotels, product development

### **Introduction**

The hospitality industry particularly hotels play significant role to the socio-economic development of Nigeria however, the performance of this industry requires a consistent customers' patronage through customer orientation if it must thrive and remain competitive in their industry (Wamalwa, 2014). Considering the dynamic nature of the hospitality industry, various hotels ought to change their customer orientations quite often to cope with the changing needs in the market and also remain ahead of competition (Zhou, et al, 2018). To attain a sustainable competitive edge, an organization needs to identify its main strength and position itself in such a manner that is above competition in that segment so as to create a distinct competitive advantage over rivals, a firm must select right combination of target markets and marketing mix (Morgan et al, 2019). Hotels continually seek new ways to acquire, retain and increase performance, because the cost of losing customers is rising thus, service is an important factor in retaining clients. The role of service is more important than ever, and is expected to become even more critical with time (Kara et al, 2017). Hotels that have the ability to attract, satisfy and thus retain customers are more likely to survive than hotels that do not do so.

Successful customer retention allows the hotels to build and strengthen relationships with its customers.

It is very difficult for a business organization to survive and remain competitive in a dynamic market without injecting various customer orientations to its operations. In this study, Ansoff growth matrix model and marketing mix strategies shall illustrate the effect of marketing to performance of hotel business organizations. Performance of hotels in Nigeria has been seen to deteriorate in the past few years as evidenced by a number having to even close down (Isabella, et al, 2022). This raises much concern because tourism contributes largely to Nigerian economy and if the hotels hosting these tourists do not perform well as expected, the tourism contribution to gross domestic product (GDP) ultimately gets affected. Particularly, the recent experienced insecurities in Nigeria have adversely affected the performance of the hotels in Nigeria and Lokoja the Kogi State capital in particular. Though measures to improve the security in the hotels have been put in place to the extent that some hotels use sniffer dogs at security check points, the tourist levels still remain low. This is attributed greatly to uncertain situations that had been created by the insecurities, leading to travel advisories being put across and most times leading to travel cancellation of most of the tourists from other countries. Hence managers have been necessitated to come up with new strategies to ensure thriving of their hotels.

Customer orientation is a reaction that takes place between the external environment forces and internal forces making the organization to determine its position in the target market, (Fatima, et al, 2026). Customer orientations in a business act as key to the business growth and to the customer's satisfaction in terms of achievement made by the organization. The environmental forces which affect the business in attaining its needs require to be detected in advance and handled well to enable the business to meet its vision and mission. Strategies of organizations enable evaluation of the long- and short-term goals thus making it possible to achieve the objectives in specified period. A business firm should have a unique strategy for effective competitiveness, survival, growth and profitability of the business.

To this end, establishing a marketing framework for easier accessibility of frequently updated websites, announcements, sales presentations, and or all other promotional materials. The frequent updates enable the hotels expand more to the international business (Gonu, et al, 2023). Therefore, application of marketing framework is very essential to the hotels as such gives the continuous flow of the business information consistently. Customer orientation seen as a technique of directing an organization's energies and resources on a course of action which can lead to increased sales and dominance of a targeted market niche. A Customer orientation combines product development, promotion, distribution, pricing, relationship management and other elements (DallaPozza et al, (2018).

The service sector contributes substantially to the Nigerian GDP but there has been a significant decline in performance in recent time. There are several reasons justifying this decline like weak customer orientations adopted by different hotel chains and high level of insecurity in the country. Again, considering the fact that hotels in Nigeria particularly Lokoja operate in a dynamic business environment characterized by intense competition for resources and market share hence have become more challenging to manage and sustain their growth rate. Chinwe and Obinna (2021) and Ademola and Babajide (2020) observed that the Nigeria tourism sector which hotels in largely depend on has

been facing numerous challenges which have posed a serious threat to their survival and sustainability. These challenges include competition for resources, unskilled labour and unpredictable market share, socio-cultural changes, economic challenges, technological changes, and changes in customers' expectation and preferences. Consequently, the dynamism of this environment poses a compelling need for appropriate growth strategies that will enhance performance sustainably.

These strategies identify the firm's marketing goals, and explain how they will be achieved, ideally within a stated timeframe. Hence, customer orientation determines the choice of target market segments, positioning, marketing mix, and allocation of resources. Considering the critical role customers' orientation plays as a strategy towards improved performance of hotels, this study interrogates the extent in which the application of customers' orientation has enhanced performance of hotels in Lokoja, Kogi State.

### **Objectives of the Study**

The general objective of the study is to interrogate the relationship between customer orientations and hotel performance in Lokoja, Kogi State. The Specific objectives of this study are:

- i. To evaluate the influence of market development strategy on performance of hotels in Lokoja, Kogi State.
- ii. To determine the effect of market penetration strategy on performance of Hotels in Lokoja, Kogi State.
- iii. To examine the influence of product development strategy on performance of hotels in Lokoja, Kogi State.
- iv. To examine the influence of diversification strategy on performance of hotels in Lokoja, Kogi State.

### **Statement of Hypotheses**

In order to accomplish the stated objectives, the following null hypotheses were formulated:

H<sub>1</sub>: There is no significant relationship between market development strategy on performance of hotels in Lokoja, Kogi State.

H<sub>2</sub>: There is no significant relationship between market penetration strategy on performance of Hotels in Lokoja, Kogi State.

H<sub>3</sub>: There is no significant relationship between product development strategy on performance of hotels in Lokoja, Kogi State.

H<sub>4</sub>: There is no significant relationship between diversification strategy on performance of hotels in Lokoja, Kogi State.

### **Conceptual Review**

#### **Customer orientation**

Marketing is a continually evolving area and as such can be one that firms find themselves left very much behind the competitors if they stand still for too long. Bamfo et al (2018) noted that a clear example of this evolution is the fundamental changes of the basic marketing mix variables where once there were 4 P's to explain the mix, but it is more commonly accepted that a more developed 7

P's adds a much needed additional layer of depth to the marketing mix with some theorists even going further. Bayiley and Zeleke (2022), Abiodun and Ibidunni (2018) argued that marketing mix as a tool used by business firms and marketers to help determine a product or brands offering. Though, there was a review of the marketing mix into four elements such as product, price, place and promotion. However, contemporary researchers widely acknowledged that the marketing mix should be updated. This led to the creation of the extended marketing mix by Bitner (1992) which added 3 new elements to the 4 P's Principle thus allowing the extended marketing mix to include products that are services and not just physical items leading to the inclusion of People, Processes and Physical evidence.

Place is seen as the channels through which products or services are conveyed from the producer to the end users; thus, such distribution channels largely depend on the nature of the products and preferences of customers. Aranga (2014) and Das and Hassan (2022) explain that product strategies reflect the mission of the business unit and the business completely enters the market. It entails placing a brand in that part of the market where it will have a favourable reception compared with competing brands. Therefore, the objective of product strategy includes: to position the product in the market so that it stands apart from competing brands; to position the product so that it tells customers what it stands for, what you are, and how you would like customers to evaluate you. It also depicts that product strategy specify market needs that may be served by different product offerings. Arasa and Gathinji (2014) put across different product perspectives. Product repositioning strategy reviews the current positioning of the product and its marketing mix while seeking a new position for it that seems more appropriate. It aims at increasing life of the product as well as correcting original positioning mistake. At the end, there should be an increase in sales growth and profitability among existing customers. Among new users there is enlargement of the overall market, thus putting the product on a growth route, while increasing profitability. Again, development of new product uses increases sales; market share as well as profitability. Hotels offer services, every hotel has their own unique service that stands out from its competitors. Some are known of their entertainers, special cuisines, spas and many others, security. These are the unique services that attract customers depending on what their specific needs are.

Among all the aspects of the marketing mix, price is the one which creates sales revenue, all the others are costs focused. The price of an item is clearly an important determinant of the value of sales made. In theory, price is really determined by the discovery of what customers perceive is the value of the item on sale. Researching consumers' opinions about pricing is critical as it indicates how they value what they are looking for as well as what they want to pay. An organization's pricing policy will vary according to time and circumstances. Price Theory is concerned not with economic problems in the abstract, but with how a particular society solves its economic problems. Mahmoud et al (2018) noted that it is also concerned with explaining economic activity in terms of the creation and transfer of value, which includes the trade of goods and services between different economic agents.

Promotion is seen as the business of communicating with customers, provide information that will assist them in making a decision to purchase a product or service. The cost associated with promotion or advertising goods and services often represents a sizeable proportion of the overall cost of producing an item (Mithas et al, 2019; Dzisi & Ofosu, 2015). Though, successful promotion increases sales so that advertising and other costs are spread over a larger output. However, increased promotional activity is often a sign of a response to a problem such as competitive activity, it enables

an organization to develop and build up a succession of messages and can be extremely cost-effective.

Therefore, promotion strategies are concerned with the planning, implementation, and control of persuasive communication with target customers. These strategies may be designed around advertising, personal selling, sales promotion, or any combination of all these. Matikainen et al (2016) and Kocak et al (2017) submitted that a well-articulated objectives and a sharp focus on target customers are necessary for an effective promotional program.

### **Concept of Performance**

Performance is seen as the actual output or results of an organization as measured against its intended outputs (or goals and objectives). Organizational performance is the final achievement of an organization which is measured either in financial and non-financial indicators, and contains a number of indices, such as the existence of certain targets, a period of time in achieving the targets and the realization of efficiency and effectiveness (Shehu & Mahmood, 2019). Firm performance can also be used to view how an enterprise is doing in terms of level of profit, patronage, market share and product quality in relation to other organizations in the same industry.

According to Josiassen et al (2014) and Njeri et al (2015) organizational performance encompasses three specific areas of firm outcomes which are financial performance (profits, return on assets, return on investment, and so on.), product market performance (sales, market share, etc.), and shareholder return (total shareholder return, economic value added, etc.). To this end, hotel performances is tracked and measured from various angles such as financial performance (shareholder return), customer experience, corporate social responsibility (corporate citizenship, community outreach), employee stewardship, Performance improvement, organizational engineering.

### **Theoretical Framework**

It is very difficult for a business organization to survive and remain competitive in a dynamic market without injecting various Customer orientations to its operations. In this study, Ansoff (1990) growth matrix model and marketing mix strategies illustrate the impact of customer orientation to performance of hotels in Lokoja, Kogi State. In hospitality industry, destination marketing is becoming commonly used and the focus is being diverted from target market to product itself.

### **Ansoff Growth Model**

The Ansoff Growth Strategy matrix provides a simple way of generating four basic alternative directions for strategic development. This model explicitly considers growth options and an organization basically has a choice between penetrating still further within its existing market, develop new product for existing markets or take its existing products into new markets or full diversification by taking new products to new markets. The model provides strategic guidelines that can assist firms identify their future strategic growth direction and is used when firms are planning for growth. Ansoff (1990) presented a matrix that focused on the firm's present and potential products and market (consumers). In this model, potential areas where competencies and generic strategies can be adopted are provided in four broad alternatives; market penetration, market development, product development and diversification.

Nabill (2021) noted that market penetration is where an organization decided to take an increasing share of its existing markets with its existing product range while product development is where organization delivers modified or new products to existing markets. Additionally, market development is where existing products are offered in new markets while diversification is a strategy that takes an organization away from both its existing markets and its existing products. A firm can use market penetration to develop the market with current products. Market penetration in existing markets aims at encouraging current customers to use more of the current product, to use it more often, or to use it in new ways. According to Taiwo et al (2019) penetration can be achieved through the following two possible strategic objectives: To increase the customers' awareness by means of aggressive advertising, extensive introductory sales promotions, extensive sales force efforts, quick expanding of offerings and free trial offers. More so, to increase the customers' ability to buy by means of penetration pricing, extended credit terms, heavy use of trade promotions and the offering of engineering.

Through product development, firms can grow by developing new product line extensions or by means of new product offerings. New products can also be lined to innovations. An innovation or innovative product is a product perceived as new by a potential consumer (Wong et al, 2018). Existing products can be changed by means of product modification or current packaging may be changed. Therefore, potential consumers will regard such product as new and different from the existing product. Market development is a growth strategy where a new market is entered by an existing product dealing with the ways in which consumers become aware of, test and eventually accept or reject a new product item. The fundamental objective of market development strategy is to secure future volume and profit growth (Westerlund & Leminen, 2018). This research on customer orientation and performance of hotels in Lokoja is anchored on this model because of its relevance and practical application.

### **Research Methodology**

A research design entails the procedure adopted by a researcher in conducting the study so as to provide answers to various research questions (Edna et al, 2021). This study adopts the descriptive research survey design. The descriptive research survey design aims at establishing the phenomenon of a particular situation while ensuring minimal interference. The design also enables close association between the variables and where possible derive valid conclusions, thus the most appropriate for the study.

The population of this study comprised all employees of the selected hotels in Lokoja, Kogi State, Though, only two hotels were conveniently chosen and the total employees was thirty. Therefore, considering the fact that the population is small and manageable, the complete enumeration technique where the target population was used as the sample for the study. This is in line with Nzewi et al (2023) argument that if the population is small, the entire population is to be undertaken so as to allow obtaining of valid and reasonable information.

The study adopted a census approach to adopt the entire population as the sample size for the study. A total of thirty respondents from both the top management and administrative staff were sampled. This cuts across gender, marital status, educational qualification, income level, length of service as well as the management level.

The study used primary sources of data through the application of a structured questionnaires which were chosen because it is time saving and convenient for obtaining a wide range of information. The questionnaires were subdivided each question referring to a specific research objective. More so, a likert scale was used to rate the attitudes of the respondents on the nature of customer orientation strategies in their organizations. In order to avoid informant bias as to improve the response rate and quality of data gathered, the researcher dropped the questionnaires to the respondents and picked them later after completion.

The data was analyzed through the use of descriptive statistics which include frequencies, percentages, standard deviation and arithmetic mean. Descriptive statistics provides simple summary about the sample and about the observations that have been made (Clementina et al, 2021). The analyzed data was then presented in form of tables. To determine the relationship that existed between customer orientations and the performance of hotels in the study area, correlation analysis was applied.

### **Reliability of the Instrument**

The reliability of this study was established to determine the internal consistency of the research instrument. Reliability of an instrument is determined if an instrument gives similar outcomes under similar circumstances. Thus, any coefficient of reliability that is up to 0.70 and above is considered reliable. In testing the reliability of the research instrument utilized for this study, the Researcher carried out a pilot study through the distribution of questionnaires numbering twenty-five (25) to the target respondents; the Cronbach alpha coefficient measure of internal consistency was adopted. The reliability of the research instrument using Cronbach alpha reliability test with the Statistical Package for Social Sciences (SPSS) version 27 yielded an output of 0.76 for items on independent variable and 0.72 for items on dependent variable thus giving the average reliability result of 0.74. The reliability result is showed in table 1

**Table 1. Reliability Statistics**

<b>Variables</b>	<b>Number of items</b>	<b>Cronbach Alpha</b>
Independent variable	28	0.76
Dependent Variable	10	0.72

Source: SPSS statistical analysis

The table revealed that all the variables have Alpha Values above 0.70. Thus, in line with the submission of Clementina et al (2021) the instrument is deemed reliable.

### **Data analysis and Result**

This section presents the background information sought from the respondents which included educational background, years the respondents were in working with the hotels, number of years the hotel had been operating and size determined by the number of rooms as well as descriptive analysis on variables. The analysis that follows is based on 26 responses received out of 30 questionnaires distributed. This represents 87% response rate.

#### **Highest educational qualification**

**Table 2 Highest educational qualification**

Highest level of education level	Frequency	Percentage
PHD	0	0%
Masters	0	0%
Bachelors' Degree	15	57%
Diploma	1	4%
Secondary Level	10	39%
Any Other	0	0%
Total	26	100%

**Source;** Field Survey (2026)

The section sought to establish the highest academic qualifications of the respondents. The findings obtained are as shown in table 2, 57% had bachelor's degrees, 39% had secondary school certificate while 4% each had Diploma respectively. This shows that majority of the respondents had attained above diploma, hence qualified and well informed about the study concept and hence information given was reliable.

**Table 3 Years in Service**

Years served in this organization	Frequency	Percentage
Below 2 years	4	15%
3-8 Years	12	46%
9-13 years	6	23%
14-18 years	3	12%
Over 19 years	1	4%
Total	26	100%

**Source;** Field Survey (2026)

This section sought to determine the years the respondents had served in their respective hotels as a measure of their experience. The findings obtained are as presented in table 3 As shown, 46% had worked for duration of 3-8 Years, 23% had worked for duration of 9-13 years, 15% had worked for duration of above 2 years, and 12% had worked for duration of 14-18 years while 4% had worked for duration of over 19 years. This thus implies that the respondents had worked in the organizations for a considerable length of time and were thus fully conversant with the hotels operations.

**Table 4. Age of the Hotels**

Years in Operation	Frequency	Percentage
Under 5 years	7	27%
6-10 years	9	35%
11-15 years	6	23%
Over 16 years	4	15%
Total	26	100%

**Source;** Field Survey (2026)

This section sought to establish the duration the hotels had been in operation as a measure of their age and hence experience to enable providing of reliable information. The results obtained are as presented in table 4. The findings revealed that 35% of the hotels had been operation for duration of 6-10 years, 27% had been operation for a period of less than 5 years, 23% had been operational for a period of 11-15 years, while 16% for a period of greater than 16 years. This shows that the hotels had been operational for a considerable length of time hence fully aware of current Customer orientations and how these strategies affected performance of these hotels.

**Table 5 size of the hotels**

Rooms Available	Frequency	Percentage
Below 19 rooms	6	23%
20-29 rooms	14	54%
30-39 rooms	6	23%
40-49 rooms	0	0%
Above 50 rooms	0	0%
Total	26	100%

**Source:** Field Survey, (2026).

This section sought to identify the number of rooms in the hotels as a measure of their size. The findings are as presented in table 5. It revealed that,54% of the hotels had 20-29 rooms, 23% had below 19 rooms, and 30-39 rooms respectively. This shows that majority of the hotels, (77%) had

above 20 rooms, thus an indication of their large size. Hence, they are capable to undertake a diversity of strategies aimed at gaining competitive advantage.

Table 6 Market development strategies

Market Development Strategies	1%	2%	3%	4%	5%	Mean	SD
Making hotel brand visible to our niche market	0	0	35	35	31	4.0	0.8
Having employees develop the mind sets and capabilities behind the niche customer-centric agenda	0	15	12	46	27	3.9	1.0
Establishing a hotel structure in place that enable niche customer centric in business Decisions	8	23	12	27	31	3.5	1.4
Establishing new market segments based on psychological/prestige	8	4	4	58	27	3.9	1.1
Practicing market segmentation based on benefit sought by the customers	8	23	19	27	23	3.4	1.3
Practicing market segmentation based on social class of the customers	15	12	19	35	19	3.3	1.4
Practicing market segmentation based on income level of the customers	0	15	31	23	31	3.7	1.1

**Source:** Field Survey, (2026)

Table 6 describe responses on market development strategies, on making hotel brand visible to hotel's niche market a mean of 4 was established implying that making brand visible had been adopted to a large extent. Establishing new market segments based on psychological/prestige a mean of 3.9 implying adoption of the strategy to a large extent. Having employees develop the mind sets and capabilities behind the niche customer-centric agenda, a mean of 3.9 was obtained indicating that this strategy had been adopted to a large extent. To a large extent, the studied hotels were practicing market segmentation based on income level of the customers with a mean of 3.7. To a large extent, establishing a company structure in place that enables niche customer centricity in business decisions at a mean of 3.5. To a moderate extent, the hotels were practicing market segmentation based on benefits sought by the customers a mean of 3.4 and practicing market segmentation based on social class of the customers with a mean of 3.3. Hence the most adopted market development strategy was making hotel brand visible to the niche market with a mean of 4.0, and the least being practicing market segmentation based on social class of the customers with a mean of 3.3.

Table 7 Penetration Strategies

Penetration strategies	1	2	3	4	5	Mean	SD
	%	%	%	%	%		
Extensive introductory sales promotions	0	35	15	27	23	3.4	1.2
Internet marketing practices	0	38	19	15	27	3.3	1.3
Extensive sales force efforts	12	23	8	31	27	3.4	1.4
Quick expanding of offerings and free trial offers	8	19	8	38	27	3.6	1.3
Penetration pricing on services	0	0	27	35	38	4.1	0.8
Extended credit terms on services given	8	15	8	38	31	3.7	1.3
Heavy use of trade promotions	12	8	15	35	31	3.7	1.3
Direct marketing on services and products	19	15	8	35	23	3.3	1.5
PR & Publicity strategy use	12	15	15	27	31	3.5	1.4
Mail/Tele-customer orientation use	15	15	8	27	35	3.5	1.5

Source: Field Survey (2026).

This section sought at determining the penetration strategies adopted by the hotels, the findings obtained are as presented in table 7. The findings indicated that to a large extent, the hotels had adopted penetration pricing on services with a mean of 4.1, extended credit terms on services with a mean of 3.7, used heavy use of trade promotions with a mean of 3.7, there was quick expanding of offerings and free trial offers with a mean of 3.6, PR & publicity strategy was used with a mean of 3.5, mail/tele-customer orientation used with a mean of 3.5. Extensive sales force efforts had a mean of 3.4. To a moderate extent, there was extensive introductory sales promotions with a mean of 3.4, there was internet marketing practices with a mean of 3.3 and there was direct marketing on services and products (mean of 3.3). This thus implies that the most adopted penetration strategy was penetration pricing on services with a mean of 4.1, while the least adopted was direct marketing on services and products and internet marketing practices each with a mean of 3.3.

Table 8 Product Development Strategies

Product Development Strategies	1	2	3	4	5	Mean	SD
	%	%	%	%	%		
Hotel offers a broad product line	4	23	8	50	15	3.5	1.1
The hotel develops products that have broad market appeal	15	12	15	46	12	3.3	1.3
The hotel is efficient in meeting customer Wants	12	15	15	50	23	3.7	1.2

The hotel develops and test products to confirm their adaptability and suitability to the intended customers.	23	12	12	27	27	3.2	1.6
Existence of promotion strategies	4	4	23	65	4	3.6	0.8
The hotel advertises its products through various media	12	15	38	27	8	3.0	1.1
The firm focus on consumer needs and integrating all activities of the organization to satisfy those needs	8	8	38	42	4	3.3	1.0
The company promotional strategy elicit attention, interest, desire and action	19	0	38	35	8	3.1	1.2
Introducing new products design/style	4	27	35	27	8	3.1	1.0
Proper positioning of the hotels	12	8	31	46	4	3.2	1.1

**Source:** Field Survey (2026).

### **Product Development Strategies**

This section sought at establishing the product development strategies that have been put in place by the hotels. The results obtained are as shown in Table 8 The findings indicated that to a large extent, the hotels offered a broad. product line with a mean of 3.5, the hotel was efficient in meeting customer wants (mean of 3.7) and there was existence of promotion strategies (mean of 3.6). To a moderate extent, the hotels developed products that had broad market appeal (mean of 3.3), developed and tested products to confirm their adaptability and suitability to the intended customers (mean of 3.2), advertised their products through various media (mean of 3.0), focused on consumer needs and integrating all activities of the organization to satisfy those needs (mean of 3.3) and that the company promotional strategy elicited attention, interest, desire (mean of 3.1), introducing new products design/style (mean of 3.1) and there was proper positioning of the hotels (mean of 3.2). This thus implies that the most adopted product development strategy was existence of promotion strategies with a mean of 3.6, while the least was the hotel advertises its products through various media with a mean of 3.0.

**Table 9 Diversification Strategies**

Diversification Strategies	1	2	3	4	5	Mean	SD
Customization/niche in offering services	4	8	19	46	23	3.8	1.0
Specialization in unique services	8	12	31	50	0	3.2	1.0
Having highly qualified personnel	15	4	15	46	19	3.5	1.3
Offering incentives to the employees	15	4	35	31	15	3.3	1.3
Ensuring customer satisfactory is achieved	12	0	27	23	38	3.8	1.3
Frequently improving the existing customers Services	19	0	27	15	38	3.5	1.5
Maintaining of strong customer relationship	0	0	8	62	31	4.2	0.6
Increasing diversity of the hotel's culture	4	23	8	50	15	3.5	1.1
Identifying the specific needs of the Customers	15	12	15	46	12	3.3	1.3
Clients receive customized services	12	0	15	50	23	3.7	1.2

**Source;** Field Survey (2026)

This section sought to establish the diversification strategies put in place by the hotels. The findings are as shown in table 9. The findings indicated that maintaining of strong customer relationship had a mean of 4.2. Customization/niche in offering services had a mean of 3.8. Ensuring customer satisfaction is achieved had a mean of 3.8. Clients receive customized services had a mean of 3.7. Frequently improving the existing customer's services had a mean of 3.5. Increasing diversity of the hotel's culture had a mean of 3.5. Having highly qualified personnel had a mean of 3.5. Offering incentives to the employees had a mean of 3.3. Identifying the specific needs of the customers had a mean of 3.3. Specialization in unique services had a mean of 3.2. This thus implies that the diversification adopted to the largest extent was maintaining of strong customer relationship with a mean of 4.2.

**Table 10: Performance of the Hotel**

Performance of the Hotel	1		2		3		4		5		Mean	SD
	F	%	F	%	F	%	F	%	F	%		
Brand equity	1	4	0	8	31	7	27	10	38	4.0	1.0	
Increase in market share	1	4	3	12	2	8	13	50	7	27	3.9	1.1

Increase in sales volume	0	6	23	6	23	9	35	5	19	3.5	1.1	
Increased customer satisfaction	1	4	6	23	3	12	5	19	11	42	3.7	1.3
Customer loyalty	5	19	7	27	3	12	3	12	8	31	3.1	1.6
Brand charms	1	4	11	42	7	27	7	27		0	3.7	1.1
Increase in net profits	1	4	4	15	2	8	11	42	8	31	3.6	1.4
Brand visibility	3	12	5	19	6	23	5	19	7	27	3.2	1.5

Source; Field Survey, (2026).

This section sought at establishing the performance of the hotels. The results obtained are as presented in table 10. On increase in sales volume, 6% stated that Customer orientations had increased sales in a very small extent, 6% stated small extent, 9% stated a moderated extent, 5% stated a large extent, and 19% stated a very large extent having a mean of 3.5 and standard deviation of 1.1. On increase in market share as a result of Customer orientations, 4% stated that effect was in a very small extent, 12% stated small extent, 8% stated a moderated extent, 50% stated a large extent, and 27% stated a very large extent having a mean of 3.9 and standard deviation of 1.1. On brand visibility, 12% stated very small extent, 19% stated a small extent, 23% stated a moderated extent, 19% stated large extent, and 27% stated a very large extent having a mean of 3.2 and standard deviation of 1.5.

On increase in net profits, 4% stated very small extent, 15% stated small extent, 8% stated a moderated extent, 42% stated a large extent, and 31% stated a very large extent having a mean of 3.6 and standard deviation of 1.4. On customer loyalty, 19% stated very small extent, 27% stated small extent, 12% stated a moderated extent, 12% stated a large extent, and 31% stated a very large extent having a mean of 3.1 and standard deviation of 1.6. On Brand equity, 4% stated very small extent, none stated small extent, 31% stated a moderated extent, 27% stated a large extent, and 38% stated a very large extent having a mean of 4.0 and standard deviation of 1.0.

On brand charms, 4% stated very small extent 42%, stated small extent, 27% stated a moderated and large extent, and none stated a very large extent having a mean of 3.7 and standard deviation of 1.1. On increased customer satisfaction, 4% stated very small extent, 3% stated small extent, 5% stated a moderated extent, 11% stated a large extent, and 42% stated a very large extent having a mean of 3.7 and standard deviation of 1.3. Hence brand equity impacted on the performance of the hotels to the largest extent with a mean of 4.0, while customer loyalty impacted the least on the performance of the hotels with a mean of 3.1.

### Test of hypotheses

Correlation analysis was used to establish the relationship that exists between the variables.

**Table 11: Correlation Analysis**

		Y	X1	X2	X3
Y	Correlation	1			
	P-value				
X1	Correlation	0.334	1		
	P-value	0.096			
X2	Correlation	0.305	.872**	1	
	P-value	0.129	0		
X3	Correlation	.796**	-0.138	-0.157	1
	P-value	0	0.501	0.445	
	N	26	26	26	26

Correlation is significant at the 0.01 level (2-tailed).

Y= Performance of hotels, X1= Product development strategies, X2 = Diversification strategies, X3 = Penetration strategies

**Source;** Field Survey, (2026).

### Hypothesis One

**H<sub>1</sub>:** There is no significant relationship between market penetration strategy and performance of hotels in Lokoja, Kogi State.

penetration strategies had a Pearson correlation of 0.796, and a p-value of 0. The positive coefficients indicated a positive relationship with performance of hotels. Thus, the null hypothesis was rejected and the alternative hypothesis accepted that there is a significant relationship between market penetration strategy and performance of hotels in Lokoja, Kogi State.

## **Hypothesis Two**

**H<sub>2</sub>:** There is no significant relationship between market diversification strategy and performance of hotels in Lokoja, Kogi State.

The positive coefficients indicated a positive relationship with performance of hotels. Thus, the null hypothesis was rejected and the alternative hypothesis accepted that there is a significant relationship between market diversification strategy and performance of hotels in Lokoja, Kogi State.

## **Hypothesis Three**

**HO<sub>3</sub>:** There is no significant relationship between market development strategy and performance of hotels in Lokoja, Kogi State.

As shown in table 11, product development strategies had a Pearson correlation (*r*) of 0.334, and a *p*-value of 0.096, The positive coefficients indicated a positive relationship with performance of hotels. Thus, the null hypothesis was rejected and the alternative hypothesis accepted that there is a significant relationship between product development strategy and performance of hotels in Lokoja, Kogi State.

## **Summary of Findings**

The study was meant to explore the various customer orientations put in place by the hotels in enhancing their performance. The findings revealed that on penetration strategy, most adopted strategy was penetration pricing on services, while the least adopted was direct marketing on services and products and internet marketing practices. On market development strategy, the most adopted customer orientation was making hotel brand visible to the niche market while the least being practicing market segmentation based on social class of the customers. On product development strategies, the most adopted was existence of promotion strategies, while the least was the hotel advertises its products through various media. Again, on diversification strategies, the most adopted strategy was maintaining of strong customer relationship, while diversification strategy adopted to the least extent was specialization in unique services.

The study also established the relationship that existed between the study variables. Product development strategies had a Pearson correlation of 0.334, and a *p*-value of 0.096, diversification strategies have a Pearson correlation of 0.305, and a *p*-value of 0.129, market development strategies had a Pearson correlation of 0.910, and a *p*-value of 0, and penetration strategies as a Pearson correlation of 0.796, and a *p*-value of 0. This thus implied that all the customer orientations have a positive impact on the performance of hotels in Lokoja, Kogi State.

## **Conclusions**

Based on the study findings, the study makes a number of conclusions. The study concludes that adoption of product development strategies, diversification strategies, market development strategies and penetration strategies improve hotel performance. The study also concludes that most adopted penetration strategy is penetration pricing on services, the most adopted Customer orientation was making hotel brand visible to the niche market, product development strategy was existence of

promotion strategies while the diversification adopted to the largest extent was maintaining of strong customer relationship. This is an indication that most of the strategies have large extents of adoption. This may be due to the impact the strategies have on both the effectiveness and efficiency of the operations of hotels in Lokoja, Kogi State.

The study thus concludes that variation seen in the performance of hotels in Lokoja, Kogi State is explained by customer orientations which include product development strategies, diversification strategies, market development strategies and penetration strategies. Hence proper strategies alignment and formulations will result in improved performance of the hotels.

### **Recommendations**

Premised on the empirical evidence from this study recommends that:

- i. The implementation process of these customer orientations should be given top priority during the strategy formulation process. Particularly, adequate time and resources should be allocated in ensuring that the strategies are implemented successfully.
- ii. Secondly, the customer orientations adoption should be supported by understanding of the hotel industry structure, the needs of target customer segments, positional advantages being sought, and trends in the environment. This will consequently improve on the firm's market revenue, share and profitability.
- iii. Finally, the hotels should focus more on the practices that are likely to accrue more benefits. This will therefore go a long way in not only boosting but also improving the organization performance sustainably.

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