

CO-CREATING VALUE THROUGH HOSPITALITY INNOVATION AND AUDIENCE ENGAGEMENT: FROM EXPERIENCE TO IMPACT

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Abstract

This study examines the relationship between hospitality innovation and audience engagement in the co-creation of value, and how these factors jointly contribute to economic development in Nigeria's hospitality and event management sector. Guided by Service-Dominant Logic (SDL) and the Experience Economy Theory (EET), the study views innovation as a collaborative process in which technological, experiential, and service-based practices improve customer experiences and economic outcomes. A survey research design was adopted, with data collected from 137 event attendees and six industry professionals in Lagos, Calabar, and Abuja. Quantitative data were analysed using correlation and multiple regression techniques, while qualitative insights were obtained through interviews. The findings show that hospitality innovation has a significant positive effect on audience engagement, which in turn mediates the relationship between innovation and value co-creation. This process contributes to employment generation, destination branding, and the growth of local enterprises. However, infrastructural challenges, limited human capacity, and inconsistent policy frameworks were found to weaken these relationships and restrict sustainable development. The study recommends targeted investment in digital infrastructure, improved managerial training, and stronger public-private collaboration to support innovation led growth. It concludes that combining technological advancement with cultural authenticity and human centred service delivery is essential for achieving inclusive and sustainable development in Nigeria's hospitality and events industry.

Keywords: Experience to Impact, Co-Creating Value, Hospitality Innovation, Audience Engagement.

Introduction

The global hospitality and event management industry has evolved into a dynamic and competitive space where innovation, audience engagement, and economic value creation intersect. In today's experience-driven marketplace, event organisers and hospitality providers are gradually moving beyond traditional service delivery focusing on co-creating value through participatory, technology-supported, and emotionally meaningful experiences (Getz and Page, 2020; Prahalad and Ramaswamy, 2004). Modern consumers are no longer

passive recipients of services; rather, they actively participate in shaping their experiences, which influences satisfaction, loyalty, and long-term economic outcomes. This shift aligns with the principles of Service-Dominant Logic (Vargo and Lusch, 2004, 2008) and the Experience Economy Theory (Pine and Gilmore, 1999), both of which emphasise collaboration and experiential value creation in hospitality and event settings.

In hospitality, co-creation refers to the interaction and engagement between service providers and service users. It is an interactive process in which value emerges through shared participation by both parties. Innovations in technology, sustainability, and personalisation have become essential for improving guest experiences and strengthening audience engagement. The use of digital platforms, mobile applications, and real-time feedback systems allows event organisers to design experiences that are efficient, immersive, and responsive to audience needs (Buhalis and Sinarta, 2019; Neuhofer, Buhalis, and Ladkin, 2015). However, as the industry becomes increasingly digitalised, scholars caution that excessive dependence on technology may reduce personal interaction and weaken the human connection that lies at the heart of hospitality experiences (Pine and Gilmore, 2011; Hollebeek, Srivastava, and Chen, 2019). This highlights the need for a balanced approach that integrates technological innovation with authentic, culturally grounded, and human-centred engagement, particularly in developing economies.

Within the Nigerian context, hospitality innovation is widely recognised as a potential driver of economic growth and destination competitiveness, yet its full potential remains underutilised. Events play a significant role in socio-economic development by creating employment opportunities, stimulating tourism, and encouraging community participation (Connell and Page, 2019). Despite this potential, the sector continues to face major challenges, including inadequate infrastructure, limited digital capacity, insufficient staff training, and inconsistent government policies (Adeola and Evans, 2020; Akanbi and Oduaran, 2021). These challenges are further intensified by organisational resistance to change and the continued reliance on traditional service models that do not prioritise customer participation or experiential differentiation.

Although global research increasingly highlights innovation and audience engagement as key drivers of value creation, empirical evidence within Nigeria's hospitality and events industry remains limited. Existing studies largely focus on developed economies, with minimal attention given to contextual factors such as infrastructural limitations, cultural diversity, and socio-economic constraints in emerging markets (Nunkoo, 2021). This gap in the literature limits understanding of how value co-creation functions in developing economies and how it can be effectively used to support local economic transformation. This study therefore examines the interaction between hospitality innovation and audience engagement in the co-creation of value within event management, and how this co-created value contributes to economic development in Nigeria

Statement of the Problem

Despite global progress in hospitality innovation and audience engagement as key drivers of value co-creation and economic growth, Nigeria's hospitality and events sector continues to face persistent structural and institutional challenges. Issues such as inadequate digital infrastructure, limited managerial and human capacity, insufficient investment, and inconsistent policy frameworks restrict the effective adoption of innovative practices. While international studies consistently highlight the positive effects of innovation on customer experience, competitiveness, and economic performance, empirical research within the Nigerian context remains limited. This lack of context-specific evidence constrains the sector's ability to move from traditional service delivery models to experience-driven and collaborative approaches that emphasise customer participation and value co-creation. As a

result, many hospitality and event organisations struggle to fully harness innovation as a strategic tool for engagement and sustainable growth. The absence of empirical insights into how hospitality innovation influences audience engagement, facilitates value co-creation, and contributes to economic development creates a significant knowledge gap. Therefore, there is a pressing need for systematic empirical investigation into the relationship between hospitality innovation, audience engagement, and economic outcomes within Nigeria's hospitality and events industry. Addressing this gap will provide evidence-based insights that can guide industry stakeholders and policymakers in designing strategies that promote innovation, strengthen engagement, and enhance the sector's contribution to national economic development.

Research Objectives

The study aims to examine how hospitality innovation and audience engagement interact to co-create value within the event management sector, and how this co-created value contributes to economic development in Nigeria's hospitality industry. The study seeks to:

- i. Assess the influence of hospitality innovation on audience engagement within Nigeria's event and hospitality management sector.
- ii. Identify the strategies that promote effective value co-creation among event organisers, hospitality practitioners, and audiences.
- iii. Evaluate the relationship between co-created value and economic impact, with particular emphasis on employment generation, destination branding, and community development.
- iv. Explore the challenges that limit the adoption of innovative hospitality practices and examine their implications for sustainable event management.

Research Hypotheses

Drawing on the Service-Dominant Logic (Vargo & Lusch, 2004, 2008) and the Experience Economy Theory (Pine & Gilmore, 1999), the following hypotheses are proposed to guide the empirical investigation:

- H₁:** Hospitality innovation has a significant positive influence on audience engagement in event management.
- H₂:** Audience engagement mediates the relationship between hospitality innovation and value co-creation in events.
- H₃:** Co-created value resulting from hospitality innovation and audience engagement has a significant positive effect on economic development within the Nigerian hospitality industry.
- H₄:** Organisational, infrastructural, and policy-related challenges significantly moderate the relationship between hospitality innovation and economic outcomes

Theoretical Framework

This study is anchored on two related theories: Service-Dominant Logic (SDL) and Experience Economy Theory (EET). These theories help explain how innovation in hospitality and audience engagement work together to create value and support economic growth in the hospitality and event management industry. Service-Dominant Logic, introduced by Vargo and Lusch (2004, 2008), shifts attention away from a focus on physical products to a focus on services. The theory explains that value is not created by businesses alone and then passed on to customers. Instead, value is created through interaction and cooperation between service providers and customers. This value comes from sharing resources, knowledge, and experiences during service delivery (Lusch & Vargo, 2014). In

hospitality and event management, SDL helps explain how event organisers, hospitality providers, and audiences work together to create meaningful experiences. Innovation plays an important role in this process by allowing customers to actively take part in shaping their experiences. Tools such as online registration systems, personalised services, and real-time feedback platforms give guests more control and involvement, turning them into active participants rather than passive consumers. According to SDL, when value is co-created in this way, it leads to higher customer satisfaction, stronger loyalty, and repeat attendance. These outcomes contribute to economic benefits such as increased revenue, job creation, and improved competitiveness of destinations (Ali, Hussain, & Ragavan, 2014). Therefore, this theory supports the idea that hospitality innovation affects audience engagement, and that engagement helps link innovation to value creation. In Nigeria, SDL is especially relevant because hospitality experiences are strongly influenced by culture, social interaction, and shared participation.

The Experience Economy Theory (EET), developed by Pine and Gilmore (1999), supports Service-Dominant Logic by focusing on the emotional and experiential aspects of value creation. The theory explains that today's consumers are more interested in memorable experiences than in basic services or physical products. According to Pine and Gilmore (2011), organisations create such experiences by carefully designing events that engage customers' senses, emotions, and thinking, turning ordinary services into memorable moments. In hospitality and event management, EET highlights the need to create immersive and engaging experiences that encourage active participation and emotional connection. Customers feel greater satisfaction and value when experiences are personalised, interactive, and aligned with their personal interests and identities (Oh, Fiore, and Jeoung, 2007). As a result, innovation becomes essential in experience design. Technologies such as virtual reality, mobile applications, and sensory enhancements help improve engagement and enrich customer experiences (Buhalis and Sinarta, 2019; Tussyadiah, 2014). In the Nigerian context, EET helps explain how hospitality managers and event organisers can combine modern technology with local culture to create meaningful and emotionally engaging experiences. However, Neuhofer, Buhalis, and Ladkin (2015) warn that excessive use of technology may reduce personal interaction. Therefore, it is important to balance digital innovation with human warmth and cultural expression. This balance is especially important in African hospitality settings, where face-to-face interaction and community participation play a major role in guest satisfaction and perceived value.

The combination of Service-Dominant Logic and Experience Economy Theory provides a strong framework for analysing the key variables in this study – hospitality innovation, audience engagement, and economic impact. SDL explains how value is created through interaction, collaboration, and shared resources, while EET explains the nature of that value as memorable, emotional, and transformative experiences. The two theories show that innovation is not only about technology but also about relationships and experiences. When event organisers and audiences interact through innovative approaches, they jointly create experiences that improve satisfaction, encourage repeat attendance, and generate social and economic benefits. This combined framework therefore supports the study's assumptions by linking innovation and audience engagement to value creation and economic development.

Based on these theories, the study proposes a model in which:

- i. Hospitality innovation (technological, experiential, and service-related) has a direct effect on audience engagement.
- ii. Audience engagement acts as a link between innovation and value co-creation, reflecting the active role of participants in shaping their experiences.

- iii. Co-created value contributes to economic development through improved customer loyalty, stronger destination branding, and job creation.
- iv. Contextual factors such as poor infrastructure and policy limitations influence these relationships and affect the long-term sustainability of outcomes.

In general, this integrated theoretical framework places value co-creation at the centre of innovation and economic growth. It aligns with the study's goal of examining how innovative hospitality practices can improve audience experiences and promote sustainable development in Nigeria's event and tourism industries.

Review of Literature

Conceptualizing Hospitality Innovation in Event Management

Hospitality innovation is now a key factor in determining the competitiveness and long-term success of the hospitality and event management industry worldwide. It refers to the use of new technologies, improved service processes, and creative ideas to increase efficiency, improve customer satisfaction, and create value (Hjalager, 2010). In event management, innovation generally appears in three connected areas: technological, experiential, and service-based innovation. Technological innovation involves using digital tools and automated systems to improve event operations, such as registration processes and personalised guest services (Neuhofer, Buhalis, and Ladkin, 2015). Experiential innovation focuses on creating engaging experiences that stimulate guests emotions and senses, while service-based innovation improves how services are delivered to meet changing customer expectations (Chang, Gong, and Shum, 2011).

Globally, technologies such as artificial intelligence, augmented reality, and data analytics have transformed event planning and guest interaction. These technologies allow event organisers to design more personalised and engaging experiences (Buhalis and Sinarta, 2019). However, in developing regions such as Africa, innovation often occurs gradually and is shaped by local entrepreneurship, cultural values, and social goals rather than advanced digital systems (Adeola and Evans, 2020). This difference shows that while developed countries rely on advanced technology, emerging economies focus more on flexible and culturally relevant innovations to remain competitive. Hospitality innovation also strengthens customer loyalty and brand identity by creating emotional connections and memorable experiences (Kandampully, Zhang, and Jaakkola, 2018). However, researchers differ in how they define and emphasise innovation. Hjalager (2010) describes innovation as major organisational and structural changes, while Buhalis and Sinarta (2019) highlight technology-driven personalisation as the main source of competitive advantage. In contrast, Adeola and Evans (2020) argue that in developing economies, innovation should prioritise social inclusion, cultural authenticity, and gradual adjustment to infrastructure limitations. In all, hospitality innovation in event management should be understood as a broad and multidimensional concept. It is not only about technology but also about combining digital tools with human creativity and local cultural identity to deliver meaningful and competitive event experiences.

Audience Engagement and Experience Design in Hospitality Events

Audience engagement has moved from being a supporting activity to becoming a major goal in modern event management. It refers to how emotionally, mentally, and actively audiences are involved before, during, and after an event (Brodie, Hollebeek, Jurić, and Ilić, 2011). According to Service-Dominant Logic, audiences are not passive consumers but active participants who help create value through their involvement (Vargo and Lusch, 2008). Strong engagement builds deeper relationships, encourages positive word-of-mouth, and

increases customer loyalty, which in turn improves the long-term profitability of hospitality and event organisations (So, King, and Sparks, 2014). Innovation plays an important role in shaping audience engagement. Smart technologies such as mobile apps, virtual reality, and interactive social media platforms allow event organisers to personalise experiences and communicate with attendees in real time (Neuhofer et al., 2015). Buhalis and Sinarta (2019) describe this as “nowness service,” where technology enables immediate and immersive participation. In addition to digital tools, experiential design elements such as sound, lighting, and scent also enhance emotional involvement. This aligns with the Experience Economy Theory, which explains that memorable experiences create both emotional and economic value (Pine and Gilmore, 1999; Tussyadiah, 2014).

Despite these benefits, scholars disagree on how much technology should be used in engagement strategies. Some researchers highlight the strong impact of technology-driven experiences (Neuhofer et al., 2015), while others warn that too much reliance on digital tools may reduce authenticity and weaken cultural connections (Pine and Gilmore, 2011; Hollebeek et al., 2019). Tussyadiah (2014) therefore suggests a balanced approach that combines interactive technologies with genuine human interaction. This view is especially relevant in African hospitality settings, where personal contact and cultural closeness are highly valued. In Nigeria, audience engagement increasingly combines digital innovation with cultural expression. Social media platforms such as Instagram, WhatsApp, and YouTube are widely used for promoting events, sharing stories, and building communities around hospitality experiences (Adeola and Evans, 2020; Akanbi and Oduaran, 2021). Even with infrastructure challenges, strategies such as participatory campaigns, influencer partnerships, and culturally rich performances like music and dance help strengthen emotional connections and inclusivity. As a result, effective audience engagement in Nigeria depends on the successful integration of technology, creativity, and cultural authenticity, allowing events to serve as spaces for both entertainment and social bonding.

Economic Contributions of Innovative Hospitality Practices

Innovation in the hospitality and events industry plays an important role in economic growth, employment, and destination competitiveness. Innovative practices improve service efficiency and customer satisfaction, which encourage repeat visits, increase tourist spending, and support local businesses (Hjalager, 2010; Kandampully et al., 2018). Research shows that audience engagement links innovation to economic performance, as memorable experiences lead to stronger customer loyalty, higher spending, and longer stays (Ali, Hussain, and Ragavan, 2014; Neuhofer et al., 2015). Globally, countries such as Singapore and Dubai demonstrate how innovation in event infrastructure and experiential tourism can turn cities into major international destinations (Gibson, Kaplanidou, and Kang, 2018). However, these benefits are not always evenly shared, as they tend to favour urban areas with well-developed infrastructure (Jones and Li, 2015). In Africa, the expansion of mobile technology and creative industries has created new opportunities for inclusive economic growth, especially through event tourism and digital hospitality services (Adeola and Evans, 2020).

In Nigeria, innovative hospitality practices such as event-based hotel development, online ticketing platforms, and entertainment hubs have supported job creation, increased local spending, and strengthened destination image (Akanbi and Oduaran, 2021). Despite these gains, challenges including poor infrastructure, inconsistent policies, and limited professional training restrict the long-term growth of these innovations (Nunkoo, 2021). Scholars argue that although innovative events can generate short-term economic benefits, lasting impact depends on sustained investment in skills development, environmental sustainability, and community involvement (Kandampully et al., 2018). Therefore, hospitality

innovation that promotes inclusivity and cultural authenticity contributes not only to profitability but also to social stability and long-term economic development.

Challenges, Research Gaps, and Future Directions

Although innovation and audience engagement are important for value creation, many developing economies face difficulties in applying them effectively. Limited funding, poor access to technology, and a shortage of skilled personnel slow down the adoption of innovative practices (Hjalager, 2010; Jones and Li, 2015). In Nigeria, these problems are made worse by unreliable electricity supply, weak internet infrastructure, and inconsistent government policies (Adeola and Evans, 2020). In addition, resistance to change within organisations limits innovation, as many businesses focus more on routine operations than on improving customer experience (Kandampully et al., 2018). There is also a clear gap in research on how hospitality innovation, audience engagement, and economic sustainability interact in African settings. Most existing studies focus on Western countries and do not fully consider the social, cultural, and infrastructural conditions of developing economies (Nunkoo, 2021). As a result, there is a need for research that explores affordable and gradual innovations that support local entrepreneurship and social value creation (Adeola and Evans, 2020).

Further studies should use interdisciplinary approaches that combine hospitality management, tourism, and development economics to develop models of innovation suited to local contexts. Strong collaboration between government, academic institutions, and industry stakeholders is necessary to create innovation systems that support inclusion, sustainability, and long-term growth (Hjalager, 2010; Kandampully et al., 2018). In Nigeria's hospitality and events sector, such collaboration can help shift innovation from a short-term response to a strategic tool for broader socio-economic development.

Methodology

Research Design

This study adopted a survey research design to examine the relationship between hospitality innovation, audience engagement, and economic impact in Nigeria's hospitality and event management sector. The survey method was chosen because it allows data to be collected from a large number of respondents within a short time and supports statistical analysis and generalisation of findings. Creswell (2014) notes that survey designs are suitable for studies that describe existing conditions, explore relationships among variables, and test hypotheses based on respondents' views and experiences. Using this design enabled the researcher to collect measurable data on the influence of hospitality innovation on audience engagement and how both factors contribute to economic development in Nigeria.

The population of the study consisted of individuals actively involved in Nigeria's hospitality and event management sector. These included: Event attendees, who are the users of innovative hospitality and engagement strategies; and Hospitality and event professionals, such as managers, service providers, and tourism officials, who design, implement, or regulate innovative practices. This population was selected because it represents the main stakeholders involved in value co-creation within hospitality and event activities.

A sample of 150 event attendees was selected using a stratified random sampling technique. Respondents were drawn from hospitality-related events held in three major Nigerian cities Lagos, Calabar, and Abuja to ensure geographical and cultural representation. Stratification was based on event type, including corporate, entertainment, and cultural events, in order to capture different experiences of innovation and audience engagement. Out of the 150 questionnaires distributed, 137 were properly completed and returned, giving a

response rate of 91 per cent. According to Babbie (2017), this response rate is considered very good for survey research and supports the reliability and representativeness of the data. To ensure the validity of the research instrument, the questionnaire was reviewed by three experts in hospitality management and research methodology from the University of Calabar. Their comments helped to clarify unclear questions and ensured that the items were relevant to the objectives of the study. In addition, a pilot study was conducted with 20 event attendees to test the clarity and reliability of the questionnaire. The pilot data were analysed using Cronbach's Alpha to measure internal consistency. The reliability coefficient obtained was 0.84, which indicates a high level of reliability and confirms that the instrument was suitable for the main study (Nunnally, 1978). Data were collected through the on-site distribution of questionnaires at selected hospitality events between July and August 2025. The researcher, with the support of two trained field assistants, administered the questionnaires and collected them immediately after completion to reduce non-response bias. Respondents were informed about the purpose of the study, assured of confidentiality, and told that participation was voluntary. Ethical principles such as informed consent, anonymity, and data protection were strictly observed throughout the data collection process.

All completed questionnaires were coded and analysed using the Statistical Package for the Social Sciences (SPSS), version 25.0. Both descriptive and inferential statistical methods were used in the analysis. Descriptive statistics, including frequencies, percentages, and mean scores, were used to summarise respondents' demographic characteristics and responses to key variables. Inferential statistics, specifically Pearson correlation and multiple regression analysis, were applied to test the study's hypotheses, which examined: the effect of hospitality innovation on audience engagement; the mediating role of audience engagement in value co-creation; the influence of co-created value on economic development; and the moderating effect of infrastructural and policy challenges on innovation outcomes. The level of statistical significance was set at $p < 0.05$, in line with standard practice in social science research. The survey method provided a strong empirical basis for examining the relationships between hospitality innovation, audience engagement, value co-creation, and economic growth in Nigeria's hospitality industry.

Data Presentation and Analysis

This section presents and analyses data collected from 137 survey respondents and six interview participants, including event managers, hospitality practitioners, and tourism officials. The analysis is organised according to the four research hypotheses, which examine the relationships among hospitality innovation, audience engagement, value co-creation, and economic impact in Nigeria's hospitality and event management sector. Quantitative results are presented using percentages, while qualitative interview findings are used to provide additional explanation and context.

Hypothesis One (H₁)

Hospitality innovation has a significant positive influence on audience engagement in event management. Findings from both the survey and interviews strongly support this hypothesis. Overall, 87% of respondents agreed that hospitality innovations such as online registration systems, mobile applications, and real-time feedback tools improved their event experiences. Similarly, 83% of interview participants stated that these innovations increased operational efficiency, interaction, and audience satisfaction.

Interview responses further showed that innovative ambience design, lighting, and personalised hospitality services helped create stronger emotional connections between events and attendees. However, 33% of respondents expressed concern that excessive use of technology could reduce face-to-face interaction and personal contact. These findings confirm

that hospitality innovation has a positive effect on audience engagement and are consistent with the principles of Service-Dominant Logic and Experience Economy Theory.

Table 1: Summary of Hypothesis One (H₁) Results

Variable	Indicators / Measures	Quantitative Findings (%)	Qualitative Findings	Decision
Hospitality Innovation	Use of mobile apps, online registration, feedback tools	87% agreed innovations improved experiences	Interviewees reported better efficiency and satisfaction	Supported
Audience Engagement	Interaction, satisfaction, participation	68% supported increased digital use; 83% of interviewees reported higher engagement	Emotional connection improved through ambience and personalisation	Supported
Technology Concerns	Overuse of technology	33% warned of reduced personal interaction	Risk of loss of human connection noted	

Hypothesis Two (H₂); Audience engagement mediates the relationship between hospitality innovation and value co-creation in events.

Data show strong evidence supporting this hypothesis. Eighty-five per cent (85%) of respondents agreed that their active participation contributed directly to event success and perceived value. 79% expressed willingness to pay more for engaging experiences, while 77% valued personalised services.

All six interviewees (100%) confirmed that audience engagement through live polls, social media participation, and real-time feedback created shared value between organisers and attendees. Additionally, 67% of interviewees emphasised the importance of cultural partnerships in strengthening co-created experiences. Hence, audience engagement serves as a mediating factor transforming innovation into mutual value.

Table 2: Summary of Hypothesis Two (H₂) Results

Variable	Indicators / Measures	Quantitative Findings (%)	Qualitative Findings	Decision
Audience Engagement	Active participation and interaction	85% agreed participation increased event value	All interviewees confirmed that participation created shared value	Supported
Willingness to Pay	Preference for engaging and personalised experiences	79% willing to pay more; 77% valued personalisation	Interviewees emphasised personalised and culturally inclusive design	Supported
Cultural Integration	Collaboration with local partners	67% agreed partnerships improved authenticity	Cultural elements enhanced shared value	Supported

Hypothesis Three (H₃)

Co-created value from hospitality innovation and audience engagement has a significant positive effect on economic development in the Nigerian hospitality industry. The

results support this hypothesis. Overall, 83% of respondents stated that innovative and engaging events had a positive impact on local economic development. The main economic benefits identified included job creation (76%), increased activity for local businesses (71%), and improved destination branding (68%).

Interview participants supported these findings, explaining that immersive events rooted in local culture attract both domestic and international visitors. This, in turn, strengthens Nigeria’s image as a tourism destination. However, they also noted that long-term economic benefits depend on sustained investment in digital infrastructure, skills development, and supportive government policies. The findings confirm that co-created value plays a significant role in promoting economic development within Nigeria’s hospitality sector, thereby supporting Hypothesis Three (H₃).

Table 3: Summary of Hypothesis Three (H₃) Results

Variable	Indicators / Measures	Quantitative Findings (%)	Qualitative Findings	Decision
Economic Impact	Benefits to communities and businesses	83% reported positive economic effects	Higher attendance and increased spending observed	Supported
Employment Generation	Job creation	76% reported new employment opportunities	Growth in event-related jobs and local enterprises	Supported
Local Business Development	Support for local vendors and SMEs	71% agreed innovation increased local trade	Event tourism strengthened local economies	Supported
Destination Branding	National and international appeal	68% noted improved destination image	Innovation enhanced Nigeria’s tourism reputation	Supported

Hypothesis Four (H₄)

Organisational, infrastructural, and policy-related challenges significantly moderate the relationship between hospitality innovation and economic outcomes. The findings provide partial support for this hypothesis. Although 61% of respondents believed that hospitality innovation leads to long-term economic benefits, many also reported challenges that limit its effectiveness. These challenges included poor infrastructure, limited access to funding, and inconsistent government policies.

Meanwhile, half of the interview participants identified weak government support, inadequate digital infrastructure, and shortages of skilled personnel as major factors reducing the sustainability of innovation. Despite these constraints, respondents expressed optimism that stronger public private partnerships and increased investment in digital skills could improve long-term outcomes. The results indicate that while hospitality innovation contributes to economic development, its impact is reduced by structural and institutional barriers.

Table 4: Summary of Hypothesis Four (H₄) Results

Variable	Indicators / Measures	Quantitative Findings (%)	Qualitative Findings	Decision
Innovation– Economic Link	Perceived long-term benefits	61% agreed innovation supports long-term growth	Optimism expressed alongside sustainability concerns	Partially Supported
Structural Challenges	Infrastructure, funding, human capacity	50% of interviewees reported major limitations	Weak infrastructure and high costs hinder growth	Partially Supported
Policy and Governance	Government support and regulation	Mixed responses, with policy inconsistency noted	Need for stronger policies and incentives	Partially Supported

The combined analysis of survey and interview data shows strong support for the study’s hypotheses. There was approximately 82% agreement between quantitative and qualitative findings, indicating consistent views among stakeholders. Differences in responses, representing about 18%, were mainly linked to contextual issues such as infrastructure constraints and cultural attitudes toward technology use. The findings confirm that hospitality innovation and audience engagement work together to promote value co-creation and generate meaningful socio-economic benefits in Nigeria. However, their full potential is limited by environmental and institutional challenges. These results highlight the importance of developing context-specific innovation strategies that combine digital solutions with human-centred and culturally appropriate approaches to support inclusive and sustainable growth in Nigeria’s hospitality and events industry.

Conclusion

This study concludes that hospitality innovation and audience engagement play a key role in value co-creation and sustainable economic growth in Nigeria’s hospitality sector. When effectively combined, technological, experiential, and service-based innovations improve customer experiences and produce clear socio-economic benefits, including job creation, business growth, and stronger destination competitiveness. The study contributes to both theory and practice by confirming the relevance of Service-Dominant Logic and Experience Economy Theory within a developing economy context. It highlights that value creation in hospitality is a shared and interactive process involving both service providers and consumers, rather than a one-way delivery of services. However, these benefits cannot be fully achieved unless existing challenges such as inadequate infrastructure, limited skilled labour, and inconsistent government policies are addressed. Strengthening public private partnerships (PPP), investing in digital infrastructure and workforce development, introducing supportive and stable policy frameworks are essential for sustaining innovation-led growth. Also, long-term development in Nigeria’s hospitality and event management industry depends on maintaining a balance between technological innovation, cultural authenticity, and human-centred service. Such an approach will ensure that innovation promotes inclusive, resilient, and sustainable growth.

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