

Prevailing Barriers
And Benefits In Running
A Food-Service
Business As Perceived
By Operators In
Ilorin Metropolis

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ABSTRACT

Bearing in mind that the barriers to and benefits from food-service businesses from two different geographical locations vary, it is important for an average food-service business operator to have a detailed knowledge of his/her immediate business environment. To make new entrants, existing and stakeholders' in the business of food-service aware of the barriers and benefits in the running of food-service business in Ilorin metropolis, this quantitative study developed a questionnaire through Delphi techniques and administer same thorough census sampling technique to 71 respondents. Findings show that difficulty in getting start-up capital, competition from other food-service outlets, drops in sales, incessant increase in the prices of raw food commodity, and government levies are the topmost barriers of running food-service businesses in the study area. On perceived benefits, getting loans from financial institutions/investors, a profit yielding venture, a source of employment for owners, business expansion/diversification, and creates wealth for owners' and family. The respondents' are similar in their responses despite variations in their demographic characteristics as the two null hypotheses formulated, and tested at 0.05 level of significance was retained. The study recommends that this study should be replicated in major cities across Nigeria and findings made public to the government for action.

Key words: Food-service business, Barriers, Challenges, Commercial segment, Entrepreneurs

1. INTRODUCTION

The hospitality industry is one of the thriving commercial undertakings currently attracting entrepreneurs in Nigeria. It is part of the larger business initiative of the tourism industry sector, given the role plays in offering food and beverages, accommodation and a number of support services to guests, especially, to those who are away from their usual environment. Some of the outlets through which the hospitality industry has made dining out a lot easy for consumers are hotels, resorts, restaurants, houseboats, catering establishments, bed and breakfast outlets, casinos, clubs, lounges and bars to mention a few. By and large, the hospitality industry refers to companies or organisations which provide food and/or drink and/or accommodation to people who are away from home. The focus of this study is on the food and beverage service units of the hospitality industry. This excludes restaurants that are attached to hotels and motels. The scope of food-service outlets here includes free-standing restaurant of different types, fast food, cafeteria, bukka (a Yoruba word for a roadside food vendor where someone can grab quick food and snacks to eat), barbecue/grill service point and other food-service units with provisions for customers to sit and consume food and beverage served. Of the above-mentioned food-service outlets, the restaurant is unique because of the style and provisions of classy dining areas. Although recently, the word 'eatery' (broadly known and accepted by Nigerians as a place where consumers can grab prepared food and drinks ranging from snacks, heavy foods such as full meal with accompaniments, bread, ice cream, smoothie, salads, grilled fish and meat, and, a variety of food and drinks items in a conducive sitting area) has drastically reduced the dominance by free-standing restaurant.

In 2006, the global fast-food market grew by 4.8% and reached a value of 102.4 billion and a volume of 80.3 million transactions (Acs and Storey, 2004; Gwartney, Lawson and Holcombe, (1999); Shane and Venkataraman, 2000). It was also reported in April 19, 2010, that sales increase of 3.0% from a year earlier is the largest in the sector since January 2009 (Raimi & Towobola, 2011). The food-service industry is growing rapidly due to many reasons which include affordability as a result of the growing purchasing power, peoples' search and wants for convenience, gender flexibility as more women are taking up career works, consequently spending less time in the kitchen, and the growing population and urbanisation. Similarly, Olutayo and Akanle (2009) reported that the number of fast-food outlets in Nigeria is increasing at a geometric rate and expected to double in five years due to a general upsurge in social and economic activities. As the growth in the number of food-service businesses across Nigeria continues, there is creative and innovative entrepreneurialism on display. Varieties of local food items keep finding their ways into the menu lists in most of the food-service outlets in the country. The Nigerian fast food industry became prominent in the 70s when the Nigerian oldest fast-food chain, Mr Biggs – owned by the United African Company (UAC) was established. This paves the way for more fast food brands with combined outlets that are more than 800 across the country. At present, there are several individually owned and branded food-service outlets operating across Nigeria.

The growth of the food-service industry in Nigeria has been a major contribution to the Nigerian economy, especially, the creation of employment opportunity for Nigerians. And as people get paid for being employed, families' standards of living continue to improve. Succinctly, the Oxford Business Group (2016) reported that the fast-food unit of the food-service industry in Nigeria singlehandedly generated about N200bn in revenue and employed 500,000 workers. This, no doubt, is an enviable feat for an industry that is still growing because it has the potential to do more. As more and more person, group and organisations continue to venture into the food-service business, very little has been said about the business conditions and environmental factors that have resulted in bankruptcy and unsuccessful investment for those who have been victims of the realities of owning/running a food-service business. While acknowledging Janković, Mihajlović and Cvetković (2016) assertion that the success of any company depends on the ability to adapt to the environment in which it operates. For example, when the government changes its policies, the organisation should adopt such changes. It is not so certain if the average operators in the food-service business do have a detailed knowledge of the business environment before venturing into the business. Especially, the external business environment, described as a cumulative of environmental factors that may have a direct or indirect impact on the performance of companies (Janković et al., 2016).

The business environment comprises of both the internal and external factors that can pose challenges to a successful running of a food-service business. When describing internal and external business environment for small and medium businesses, Dragnic (2014) enumerated that operators/managers personality, the size of the business and innovation as examples of internal while the state of the economy, legislation, political structure,

competitions, suppliers, intermediaries and customers are external factors. All the above succinctly align with the decision to have requested that a study of this nature be domesticated and made to address the external factors that are likely acting as barriers to the successful running of the food-service businesses. More so, Dragnic included operators' personality (demographic) as part of the business environment, this is an indicator that operators/managers may perceive and handle issues differently and as dictated by their personalities. This is a justification for the inclusion of demographic characteristics in this study. Adding to what is the internal factors, Jankovic et al., (2016) illustrated that human resources and the business structure may reflect on the quality and adequacy of staff training, experience and workforce. While acknowledging that internal factors can be controlled by planning and the style of business management, the authors listed the external factors as economic, social, political, demographic and technical features in the environment.

To reiterate the importance of having the knowledge of the business environment, Kraje and Osmani (2013) described internal factors of the business environment as resources of a business in terms of human and non-human resources. By human resources, authors mentioned companies' assets, knowledge and other controllable features within the organisation. Kraje and Osmani further went ahead that the external factors include the political, economic, socio-cultural, ecological, technological and demographical environment. All of which cannot be controlled by organisations, authors postulated. With the above, it suffices to agree with this current study that, practically, the external business environment of two geographical locations may very likely be different. Therefore, there is a need to domesticate a study of this nature.

1.1 PROBLEM STATEMENT AND PURPOSE OF THE STUDY

According to Parsa, Self, Njite and King (2005), adequate knowledge of the nature of one's market is of primary importance to success. Especially now that the business environment is constantly changing with regards to external factors that are mostly out of the control of business owners (Kraje & Osmani, 2013), most companies may not be able to change accordingly. One of the commonest and regularly talked about subject is the benefits perceived to be entrenched in running the food-service business. In reality, not all those who venture into the food-service business are successful due to many reasons including not getting adequate information on the true state of affairs before venturing into the business. As observed, it is not enough to assume that the primary and the most useful resource needed for success in the food-service business is to acquire cooking skills or to have worked in this industry. This is evident because of a few graduates of hospitality management that had managed food-service businesses unproductively as anticipated. Regrettably, some graduates of hotel and catering management are among many operators currently struggling to survive some of the barriers that had and may consume more food-service businesses, should operators failed to rise above these barriers. It has also been observed that, of the few successful food operators in the study area, majority of them are people who are financially buoyant, comfortable and can afford to keep injecting more money into the business until such a time their businesses stabilise. Of course, not everybody who is in this business can keep up with the long period

of market instability. Those who have projected to start making profit early in the business would certainly not be happy when confronted with the unforeseen barriers that threaten the survival of food-service businesses.

In addition, after scrutinising the conditions attached to setting-up/running a food-service business, this study observed that there is a research gap in our knowledge about factors that are barriers/challenges in running a local food-service business. Few studies on the domestic scene focused only on prospects for entrepreneurs in this business (Oni, Adefila & Dauda, 2012; Mustapha, Fakokunde & Awolusi, 2014) rather than examining the barriers involved. A foreign study on 'why restaurant fail' by Parsa *et al.*, (2005) lacks the reality with regard to domestic challenges that are barriers to efficient food-service business. In the continue part of this study titled "why restaurant fail, part III, Parsa, Gregory and Terry (2011) expressed concern that the factors examined in this study are specifically drawn from the American context, thus, they may or may not be appropriate for other parts of the world. The absence of empirical studies within the Nigerian context will continue to make would-be investors/operators to lack the required knowledge and experience needed in the food-service sector. It is important that studies on barriers in running a food-service business is domesticated, in fact, be structured around happening in the immediate environment being investigated. For instance, an issue of inadequate electricity supply will never make an inventory when compiling a list of barriers to running a food-service business in developed countries. Recognising this limitation in our knowledge, therefore, the purpose of this empirical study is to examine prevailing barriers facing the efficient running of the food-service business as perceived by operators through the following objectives (i) to conduct an assessment of operators' perception of the prevailing barriers in running a food-service business in the study area (ii) to obtain operators' perception of the benefits of running food-service outlets, and (iii) to examine the influence of respondents' socio-demographic characteristics on their perception of barriers and benefits of running food-service businesses.

2. THE FOOD-SERVICE INDUSTRY

The Food-service industry comprises organisations that procure raw food items and prepare them for the consumption of the consumers on the same premises (Oyinlade, 2005). The food-service sector is generally, concerned with the quality of preparation, presentation and delivering of foods usually for immediate consumption away from home. Food and beverage services sector contributes a great deal to the profits in the hospitality industry. While the hotel is known to cater for food and accommodation for travellers who are away from their usual residence, the food-service sector will continue to play hosts to consumers who are regular residents of the areas where these businesses are located. More so, the growing reasons for people meeting and dining out, plus the provision of cosy eating and hangout areas by some of these food-service operators, consumers' patronage is almost assured. The food and beverage professionals vigorously work to intensify customers' experience through their service which includes delivering food and beverage on-premise (within operators' business environment).

By categorisation, the food-service sector can be of two segments namely; the commercial segment, and, the non-commercial segment. The commercial segment comprises of some major types of operations which include quick-service/fast food, free-standing restaurant, and restaurant operating inside hotels and motels, eateries, food and beverage retail stores, coffee shops, etc., while the non-commercial segment includes institutions, schools, hospitals, military establishment and transportation industry. On the commercial segment of the food-service sector which is the focus of this study, despite the fact that high-quality service delivery is a necessity for business sustainability, customers' do have limited or no say in the choice of where the outlet is located in many instances. In addition, operators have more influence on the quality and prices of services, and, other conditions of operations than the customers. In terms of administrative procedures, the commercial segment of the food-service industry is complex to operate due to many parameters which include contending for customers through quality service, selling at affordable prices (Oni et al, 2012), securing a good location, serene environment, customised service offering and other factors that pose difficulty to business running. In reality, to avoid failure and be able to identify possible barriers to success, there is a need for an understanding of the food-service industry before going into this business. Attesting to this, Jogaratnam, Tse, and Olsen (1999) suggested that successful independent restaurant owners must develop plans that will enable them to constantly adapt to the changing environment and find ways to "link with, respond to, integrate with, or exploit environmental opportunities". Giving the disparity in environmental opportunities and threats in running the food-service business as with other businesses, both the challenges and benefits in operating a food-service business require domestication of investigation and report of findings accordingly. Relying on, making assumptions and embracing verbatim the barriers/challenges in foreign countries could equal to failure in the waiting.

2.1 CHALLENGES OF RUNNING A FOOD-SERVICE BUSINESS

Notwithstanding the few studies on how and steps to consider when establishing a food-service business, there is a dearth of research on challenges of running a food-service business within the Nigerian hospitality industry. The few studies that discussed this issue had either approached it from the benefits/potentials it holds for entrepreneurs. Again, the factors constituting challenges (known in this study as barriers) to success for operators of food-service business differs. It reflects happenings in various environments been researched upon. For instance, from the review of literature on why restaurants fail, Parsa *et al.*, (2005) enumerated the following as part of 'elements to restaurant failure' in the United States of America (USA). Authors found that lack of documented strategy; non-controllable of external factors such as changing demographic trends, legislation, economy, and social and cultural changes; lack of sufficient start-up capital or working capital; poor communication with consumers; poor choice of location; lack of business experience or knowledge of restaurant operations; negative consumer perception of value, price and product; inability to keep up operational standards leading to too many service gaps and, poor sanitary standards. However in the same USA, although, in a recent

report, Maynard and Umbenhauer (2019) found that major challenges that restaurants encounter are (i) labour shortages and rising labour cost, (ii) higher food prices and food shortages, (iii) lots of competition, and, (iv) differences and the changes in consumers' demographics features.

On barriers to running a food-service business in Nigeria, Mustapha *et al.*, (2014) put forward the following, "poor infrastructures - lack of basic public utilities, inadequate food processing facilities, and high cost of funding the business, multiple taxation, and informal practices among others". Authors view reflects what average food-service operators and stakeholders in the sector are faced with. According to Onwuka (2018), some challenges in running the restaurant business in Nigeria are paralytic electrical supply, multiple taxes, stiff competition, and, risk management, as a little act of carelessness, may result in huge losses. Although, Onwuka's submission is not an empirical study, however, it reflects to a large extent what stakeholders in the food-service business have been discussing over a long period. In another report, Bukola Ayeni reported some challenges ahead for the eateries in Nigeria. According to Bukola (2017), the challenges are consumers are becoming more enlightened and are worried about the health implication of eating too often at eateries. This point has been raised by Mustapha *et al.*, (2014), the author cited Whitney and Rolfes (2002) that "consumers have concerns about the safety of their food". Another challenge Bukola mentioned was the economic recession, which may reduce consumers' frequency of eating out. Other challenges facing fast-food confectioners in Nigeria by Okoghenum (2015) are poor electricity supply, and inadequate access to capital. The author acknowledges government effort to improve on the supply of electricity which is still a problem till date. On poor access to capital, Okoghenum's report merely documented the views of practitioners and stakeholders in the food-service business. Most business entrepreneurs in Nigeria acknowledged the high-interest rate and difficulties in accessing capital from financial institutions

Following an empirical investigating of 448 respondents in a study titled 'key issues of concern for food-service managers as perceived by the respondents, Enz (2013) found that government regulations such as taxation; accounting issues – managing escalating cost on labour, utility, equipment, waste and overhead; the economy issues – the uncertainty of economic variables – a slow economy which may result in people preferring to eat at home and not dine outside, competition – competing with chains, dropping sales; food issues – food safety, allergies and sanitation; operational issues – maintenance, of equipment as issues of concerns for restaurant owners and managers among others. The author reported in the abstract of the study that the topmost issues of concern as perceived by the respondents were finding and keeping competent employees, closely followed by a collection of concerns about government regulation, taxation, and legal liability.

Recognising the need to domesticate studies on barriers/challenges of running a food-service business, Enz (2013) study mentioned something salient on page 328; the author recognises that organisations' external factors pose serious challenges to the food-service business. Given that the word external is relative, and, it is a measure of challenges that are not within the capacity of an operator, knowing them and including the chances

of encountering these challenges in mind are worthwhile for food-service business operators that want to make the most of their investment.

2.2 BENEFITS OF RUNNING A FOOD-SERVICE BUSINESS

As with the challenges of running a food-service, there is a dearth of study, especially empirical studies on the benefits of running a food-service business. Some of the information available is mostly the views of authors' as extracted from general opinions. Given that the operators' perception is being sought, most of the benefits that may likely come from this point of view are operator related. For instance, one of the key benefits of running a food-service business is the entrepreneurial prospect it offers the stakeholders. In their study titled "the quick service restaurant business in Nigeria: exploring the emerging opportunity for entrepreneurial development and growth", Mustapha *et al.*, (2014) put forward that the growing numbers of food-service businesses in Nigeria is a source of employment creation. Of course, this is a salient benefit as Okoghenum (2015) further affirmed the tremendous job opportunities that the food-service industry has created for farmers who now have a ready-made market for agricultural produce that is everyday raw food material being used in the food-service industry. Talking about job creation as a benefit in this regard, numerically, the food-service generated employment for about 500,000 people and around N200bn in revenue for the Nigerian economy a few years back (Oxford Business Group, 2016). Other benefits that are not properly documented include the enrichment of the local cuisine. The growth of the food-service business has resulted in a situation where most of the Nigerian local menus such as Ofada rice, Egusi soup, Jollof rice, Moi-Moi (steamed beans pudding) are made available to the admiration of customers at most nooks and crannies.

3. RESEARCH METHODOLOGY

This is an empirical study which focuses on food-service operators' perception of barriers and benefits of managing food-service businesses. Additionally, it examined whether there is a relationship between the information gathered as both exploratory and descriptive approaches were deployed (Neuman, 2011). Also, this study is largely quantitative. However, a Delphi technique was deployed to get useful information at the questionnaire design stage. According to Jennings (2010), the Delphi technique is an approach used when a researcher needs information from particular people who are experts in the issue being researched. Opinions of three experts in restaurant management were sought for relevant queries on barriers in running a food-service business. The consultation with these experts improved the quality of some of the items that were included in the questionnaire and it establishes new queries as literature didn't speak on happenings in the study area. For two reasons, consulting experts during questionnaire development was necessary. Firstly, the dearth of studies restricted the possibility of getting enough items to be included in the research instrument. Secondly, the focus of this study is on prevailing factors that are barriers in this particular study area, not factors that were once barriers or those affecting food-service businesses elsewhere. Therefore the only source of prevailing, authentic and practical factors that are barriers in running food-service businesses in Ilorin metropolis can be adequately

sourced from practitioners/experts involved in running food-service businesses within Ilorin metropolis. Before providing explanations on the study population, sample size and sampling technique, a brief description of the study area is next.

The study area, Kwara state is located within the North Central geopolitical zone, commonly called the Middle Belt. Established in 1967, Kwara state comprises 16 local governments. Of these local governments, Ilorin has three - Ilorin West, Ilorin South and Ilorin East. In fact, the three local governments in Ilorin account for almost 30% of the entire Kwara state population which is projected to reach 3,518,771 (Babatunde, Iyanda & Mayowa, 2014). Also, the capital of Kwara state is Ilorin, with a number of institutions that would make average travelers visiting Kwara State to stop by or have one thing or another doing there. Ilorin houses Kwara State secretariat, Kwara State Internal Revenue Service (KWIRS), Ministry of Finance, Kwara State Court of Appeal and so on. It also housed most of the banks and one of the leading pharmaceutical companies in the country, cooperate business offices and residential buildings. Similarly, the study area boasts of many hotels for visitors lodging and entertainment, food-service outlets ranging from classy restaurants, bar, eatery and fast food outlets among others. Many of these food-service outlets are located along major/popular streets. Notable among these streets are, University Road – leading to University of Ilorin, Tipper garage/Pipeline road, Fate Road, Unity Road, Ahmadu Bello Way, Taiwo Road, Flower garden, and Muritala Muhammed Road. These are choice areas and priorities for those aspiring to set-up business within Ilorin metropolis.

3.1 POPULATION AND SAMPLING

Respondents' that were considered for this study are either owners or any top management staff of the food-service businesses that were physically counted. Major parameters for selecting the food-service businesses considered include being established, must be selling and serving food and drinks, availability of dining space for consumers to seat while eating, and, have visible employees working for them. By these parameters, all free-standing restaurants, eateries, fast –food, grills, barbecues, snacks shops, and, cafeterias of different sizes were considered. Sadly, there was no adequate or a reliable source to get information on the population of food-service businesses as described. As a result, this study took to the use of headcount of all functional food-service businesses as physically seen. From this exercise, a total of 78 food-service businesses were counted. Therefore, the entire 78 food-service businesses were used as the working population.

3.2 SAMPLE SIZE

This study considers Krejcie and Morgan population table as cited by Jennings (2010). According to the authors, for a population size of 78 potential respondents, the prescribed sample size on a 95% level of confidence for a research study is 68 respondents. Given the willingness of the respondents to take the survey, 71 food-service outlets were given with the questionnaire by means of census sampling technique. This excludes seven out of the eight that earlier took part in the questionnaire validation exercise. This makes the number of the questionnaire administered slightly more than 68 that is recommended as the sample size. The entire 71

questionnaires were collected but one of the respondents did not complete the demographic section and the third section of the questionnaire. Therefore, only 70 feedbacks were valid for analysis.

3.3 QUESTIONNAIRE DEVELOPMENT

This study employed a structured questionnaire designed on a five-point Likert-scale where 1 = strongly disagree, 2= disagree, 3 = undecided, 4 – agree, and, 5 = strongly disagree. The questionnaire was divided into three sections. Section one has socio-demographic information of the respondents. This was included for adequate knowledge of the respondents' demographic status such as years of being in business, education and age. And to check if respondents personal information would influence the perception of what constitute barriers and benefits. Section two and three contain alleged queries on barriers and benefits of running a food-service business. The questionnaire was designed listing some of the challenges (here referred to as barriers) as listed in earlier studies and reports written on food-service businesses together with suggestions by the three experts in this business. In addition to the input from these experts, the questionnaire was subjected to a content validity exercise. Daramola (2004) describes the validity of a research instrument as the extent to which a questionnaire measures a good sample of the variables it intends to measure. Although, Neuman (2011) acknowledges the multiple meanings of validity, the author establishes it as a research model towards which researchers strive.

Both content and construct validity were carried out on the questionnaire as copies of the questionnaire were given to eight (10% of the population) among the practitioners'. This action aligns with Middleton (2019) that experts can be drafted in, to improve the quality of a research instrument before it is administered. The idea of construct validity, on the one hand, was to find out that all aspects of the food-service business domain that can be greatly affected are listed among queries posed to respondents. On the other hand, content validity was deployed to be sure that the questionnaire will get all the necessary feedback it requires to realise the objectives set for this study. Especially in a situation that empirical studies were not available to aid the development of a reliable questionnaire. To further elaborate efforts made in validating the research instrument, hypothesis-testing validity was deployed for 'relativism', that is, examining if respondents' demographic characteristics would influence how and what they perceive as barriers as well as benefits of running a food-service business. Suggestions made by selected people during the validity exercise were considered and included in the final draft copy of the research instrument. The final draft was later administered to 71 respondents (excluding 7 out of the 8 people used for questionnaire validation). Feedback from 70 respondents (98.6% response rate) was valid and were analysed with Statistical Package for Social Science (SPSS). The findings are presented and discussed next.

4. RESULTS AND DISCUSSIONS

Starting with socio-demographic characteristics of respondents which are required to meet the third objective of this study, Table 1 presented the respondents details.

Table 1: Percentage Distributions of Respondents' Demographic Characteristics

N	Variables		Frequency	Percentage %
1	Gender	Male	40	57.1
		Female	30	42.9
		Total	70	100.0
2	Marital Status	Single	33	47.1
		Married	31	44.3
		Divorced	2	2.9
		Engaged	4	5.7
		Total	70	100.0
3	Age (In years)	Less or equal to 25	16	22.9
		26-30	18	27.7
		31-35	14	20.0
		36-40	10	14.3
		41 & above	12	17.1
		Total	70	100.0
4	Religion	Islam	26	37.1
		Christianity	43	61.4
		Others	1	1.4
		Total	70	100.0
5	Education	First school leaving	1	1.4
		O' level	5	7.1
		NCE/OND	8	11.4
		HND/B.Sc	36	51.4
		M.Sc	19	27.1
		PhD	1	1.4
		Total	70	100.0
6	Years in Business	Below 1	7	10.0
		1	6	8.6
		2	14	20.0
		3	6	8.6
		4	7	10.0
		5 & above	30	42.9
		Total	70	100.0

Source: field work (2019)

Out of the 70 valid questionnaires, majority 40 (57.1%) of them were male; while 30 (42.9%) were female. On marital status, 33 (47.1%) were single, 31 (44.3%) were married, 2 (2.9%) were divorced; while 4 (5.7%) were engaged. With respect to respondents age, 16 (22.9%) of the respondents were less or equal to 25 years, 18 (25.7%) were between 26-30 years, 14 (20.0%) were between 31-35 years, 10 (14.3%) were between 36-40 years; while 12 (17.1%) were within 41 years and above. On respondents religion, 26 (37.1%) of them were Muslims, 43 (61.4%) were Christians; while 1 (1.4%) were from other forms of religious practice. Regarding the respondents' acquired education, none 0 (0.0%) were the recipient of non-formal education, 1 (1.4%) of them were first school leavers, 5 (7.1%) were NCE/OND certificate holders, 36 (51.4%) were HND/B.Sc certificate holders, 19 (27.4%) of them have Master Degree certificate; while 1 (1.4%) has a PhD degree. In terms of years in business, 7 (10.0%) of the respondents were below 1 year in business, 6 (8.6%) has spent a

year restaurant business, 14 (20.0%) have been running the food-service business for 2 years, 6 (8.6%) have spent 3 years in the business, 7 (10.0%) were 4 years old in the business; while 30 (42.9%), which forms the majority, has been in the food-service business for 5 years and above.

On respondents perception on barriers in running food-service businesses, Table 2 depicts the findings.

Table 2: Mean and Rank Order of Respondents' Perceptions on Barriers of Running Food-service Business

N	Items	Mean	SD	Rank	Remarks
1	Difficulty in sourcing for working capital	4.40	0.95	1 st	Very significant
3	Competition from other restaurants	4.21	1.10	2 nd	Very significant
10	Recession/economic instability (leading to a reduction in patronage)	4.20	1.01	3 rd	Very significant
12	Increase/instability in the price of food commodity	4.16	1.00	4 th	Very significant
9	Government levies e.g. increase in the tax rate, increase in the registration fee of the restaurants etc.	4.04	0.99	5 th	Very significant
14	Difficulties/high price attached to getting a good site for the establishment of the restaurant	4.01	1.02	6 th	Very significant
15	Difficulties in getting competent/employees with required skills	4.00	1.09	7 th	Very significant
2	Increase in the rate of employees turnover (the rate which staff leave the business)	3.97	1.02	8 th	Very significant
8	Changes in regulation such as government policies and laws	3.77	1.13	9 th	Very significant
13	distance of the food-service outlet to the source of getting raw materials	3.74	1.16	10 th	Very significant
7	Ambience (maintenance of the environment)	3.67	1.21	11 th	Very significant
6	Risk management such as staff having an accident while on duty	3.56	1.29	12 th	Very significant
11	Weather (such as low patronage of cold items during raining season)	3.50	1.15	13 th	Very significant
4	Difficulty in the quality control of the food that is prepared	3.17	1.23	14 th	Very significant
5	Inability to get the standard/durable working tools because they are expensive	2.94	1.39	15 th	Significant

Source: fieldwork (2019)

Table 2 shows that 14 out of the 15 items that are barriers to running a food-service business have mean scores that are above the average (benchmark) mean value of 3.00 set to determine the main factors that are barriers of running a food-service business. However, items 1 ($\bar{x} = 4.40$ & $\sigma = 0.95$), 3 ($\bar{x} = 4.21$ & $\sigma = 1.10$), 10 ($\bar{x} = 4.20$ & $\sigma = 1.01$), 12 ($\bar{x} = 4.16$ & $\sigma = 1.00$) and 9 ($\bar{x} = 4.04$ & $\sigma = 0.99$) took precedence over others and were ranked between 1st and 5th respectively. This means that food-service business operators indicated that the topmost perceived barriers of running a food-service business in Ilorin are difficulty in sourcing for working capital, competition from other food-service outlets, drop in sales owing to economic situation and seasonality such as Ramadan period), increase in the prices of raw food commodity and government levies e.g. increase in the tax rate, increase in the registration fee, and, signboard/advertisement fee amongst others. All the items found to be barriers in this study are similar to findings in other studies in one way or the other. For instance,

finding aligns with Parsa *et al.*, (2015) on start-up capital, Enz (2013) on government regulations, competing with other outlets and Mustapha *et al.*, (2014) on cost of funding the business.

On the benefits of running the food-business, Table 3 presents the findings.

Table 3: Mean and Rank Order of Respondents' Perceptions on Benefits of Running Food-service Businesses

N	Items	Mean	SD	Rank	Remarks
8	Improve the chance of getting loans/investment support from financial institutions and investors	4.35	0.94	1 st	Very significant
1	A profit yielding venture	4.31	0.97	2 nd	Very significant
4	A source of employment for the owner and family member	4.23	1.03	3 rd	Very significant
5	Room for expansion of the business/diversification	4.16	1.01	4 th	Very significant
7	Legacy for the family (wealth creation for family members especially the immediate family)	4.14	1.04	5 th	Very significant
6	Improve chances of getting raw food commodities on credit from suppliers	4.10	0.88	6 th	Very significant
3	Improve social status in the society (prestige if being a business owner)	3.94	1.17	7 th	Significant
2	Being responsive discharge corporate/social responsibilities (e.g., supporting and giving back to society through educational and entertainment programs	3.35	1.07	8 th	Significant

Source: fieldwork (2019)

Table 3 shows that all the 8 items have mean scores that are above the average (benchmark) mean value of 3.00 set to determine the main benefits of running a food-service business. However, items 8 ($\bar{x} = 4.35$ & $\sigma = 0.94$), 1 ($\bar{x} = 4.31$ & $\sigma = 0.97$), 4 ($\bar{x} = 4.23$ & $\sigma = 1.03$), 5 ($\bar{x} = 4.16$ & $\sigma = 1.01$) and 7 ($\bar{x} = 4.14$ & $\sigma = 1.04$) took precedence over others and were ranked between 1st and 5th respectively. This means that the topmost perceived benefits of running a food-service business in Ilorin are improved chances to get loans/investment offer from financial institutions and investors, it is a profitable venture, a source of employment for the owner, business expansion/diversification, it creates wealth for owners' family, and, it improves the chances of getting commodities from suppliers. The finding here aligns with almost all the reviewed studies (Mustapha *et al.*, 2014; Okoghenum, 2015; Oxford Business Group, 2016) in terms of the food-services business potential in employment creation and revenue generation for the owner, the host area, state and country at large.

4.1 HYPOTHESES TESTING

The result of two null hypotheses formulated and tested using a 3-Way Analysis of Variance (ANOVA) at 0.05 level of significance are presented as follows:

H₀₁: There is no significant difference in operators' perceptions on the barriers of running a food-service business in Ilorin metropolis by gender, education and years in business.

Table 4: A 3-Way ANOVA Showing Difference in Respondents' Perceptions of Barriers of Running Food-service Business Based on Gender, Education and Years in Business

Source	Type III Sum of Squares	Df	Mean Square	F	Sig.
Corrected Model	2675.599 ^a	32	83.612	.876	.647
Intercept	89667.674	1	89667.674	939.202	.000
Gender	78.629	1	78.629	.824	.370
Education	365.538	5	73.108	.766	.580
Year in business (YIB)	397.237	5	79.447	.832	.535
Gender * Education	558.284	2	279.142	2.924	.066
Gender * YIB	437.541	5	87.508	.917	.481
Edu * YIB	744.615	10	74.461	.780	.647
Gender * Edu * YIB	154.370	3	51.457	.539	.659
Error	3532.472	37	95.472		
Total	236497.000	70			
Corrected Total	6208.071	69			

a. R Squared = .431 (Adjusted R Squared = -.061)

Source: fieldwork (2019)

Table 4 shows the F-ratios of differences in the respondents' perception of barriers of running a food-service business in Ilorin by gender, education and years in business. It shows that for gender $F(1, 37) = 0.82$, education $F(5, 37) = 0.76$ and years in business $F(5, 37) = 0.83$, $p > .05$; indicating that no significant difference in respondents perception on barriers of running a food-service business in Ilorin by gender, education and years in business; hence, the hypothesis is retained. The interaction effect was also not significant $F(3, 37) = 0.53$. This means that overall; the perceptions of respondents on benefits of running a food-service business are similar despite variations in their demographic characteristics.

H₀₂: There is no significant difference in respondents' perceptions on the benefits of running a food-service business in Ilorin by gender, education and years in business.

Table 5: A 3-Way ANOVA Showing Difference in Respondents' Perceptions of Benefits of Running Food-service Business by Gender, Education and Years in Business

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	1082.147 ^a	32	33.817	1.020	.474
Intercept	20895.063	1	20895.063	630.170	.000
Gender	5.131	1	5.131	.155	.696
Education	93.371	5	18.674	.563	.727
Years in business (YIB)	173.735	5	34.747	1.048	.405
Gender * Education	15.526	2	7.763	.234	.792
Gender * Years in business	290.196	5	58.039	1.750	.147
Education * YIB	222.499	10	22.250	.671	.743
Gender * Education * YIB	68.792	3	22.931	.692	.563
Error	1226.839	37	33.158		
Total	58825.000	70			
Corrected Total	2308.986	69			

a. R Squared = .469 (Adjusted R Squared = .009)

Source: fieldwork (2019)

Table 5 shows the F-ratios of differences in the respondents' perception of the benefits of running a food-service business in Ilorin by gender, education and years in business. It shows that for gender $F(1, 37) = 0.15$, education $F(5, 37) = 0.56$ and years in business $F(5, 37) = 1.04$, $p > .05$; indicating that there is no significant difference in respondents' perception on benefits of running food-service business in Ilorin by gender, education and years in business; hence, the hypothesis is retained. The interaction effect was also not significant $F(3, 37) = 0.69$. This means that overall; the perceptions of respondents on benefits of running a food-service business are similar despite variations in their demographic characteristics.

5. CONCLUSION AND RECOMMENDATION

This study was conceptualised on the thought that the barriers and benefits of running the food-service business in Nigeria, and in specific the study area, must be domesticated so that findings can be a practical guide for both the would-be and existing food-service operators in Nigeria. This study achieved all it intended to do. In summary, fourteen out of fifteen variables examined on the barriers of running a food-service business were very significant because they all recorded above the 3.00 benchmark for determining their significance as depicted in Table 2. Likewise, on the perceived benefits, all eight items examined were above the 3.00 benchmark. Furthermore, the two null hypotheses formulated were retained as there was no significant difference in respondents' perceptions on the barriers and benefits of running a food-service business by their socio-demographic characteristics. This signifies that the respondents' are similar despite variations in their demographic characteristics. It can, therefore, be concluded that the factors standing as barriers to a more effective food-service business operation are uniformly perceived by the operators. In light of this, government are advised to work together with other stakeholders to come up with a realistic plan that can ameliorate some of these barriers. Also, food-service operators under various affiliations are also advised to work in collaboration to achieve more benefits from their investment. Given that the barriers, especially the key once that are facing their businesses were evenly perceived, it is also recommended that food-service operators should work together as this can make them achieve more in a record time.

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