

**CLOUD ACCOUNTING ADOPTION AND FINANCIAL PERFORMANCE OF HOSPITALITY
AND TOURISM IN THE NIGER DELTA**

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ABSTRACT

This study investigated the adoption of cloud accounting and its relationship with the financial performance of hospitality and tourism enterprises in the Niger Delta region of Nigeria. The research was guided by six objectives, six research questions, and six corresponding null hypotheses tested at a 0.05 level of significance. The study adopted a correlational research design. The population comprised 1,248 registered hospitality and tourism enterprises in the Niger Delta region. Using Taro Yamane's formula, a sample of 302 respondents was drawn through stratified random sampling to ensure adequate representation. The instrument for data collection was a self-structured questionnaire titled Cloud Accounting Adoption and Financial Performance Questionnaire (CAAFPQ). The instrument was validated through expert review, and its reliability was confirmed using the test-retest method, which produced a reliability coefficient of 0.82. Pearson's Product Moment Correlation and linear regression were used to answer the research questions and test the null hypotheses respectively. Findings revealed that cost reduction, automation and process efficiency, data security, accessibility to accounting information, timeliness of financial reporting, and accuracy of accounting records have significant relationships with financial performance indicators such as Return on Assets (ROA) and Return on Equity (ROE). The study concluded that cloud accounting adoption plays a critical role in enhancing profitability, operational efficiency, and decision-making in the hospitality and tourism sector of the Niger Delta. It recommended, among others, that enterprises should invest in cloud-based technologies, government should provide supportive digital infrastructure, and managers should encourage continuous ICT training to maximize the benefits of cloud accounting adoption.

Keywords: Cloud Accounting, Adoption, Financial, Performance, Hospitality and Tourism

INTRODUCTION

The hospitality and tourism sector is a fast-growing component of Nigeria's economy, with the Niger Delta region emerging as a hub for hotels, restaurants, event centers, and recreational businesses. This sector contributes significantly to job creation, revenue generation, and regional development. However, despite its potential, many hospitality and tourism businesses in the Niger Delta struggle with weak financial management practices, inadequate record-keeping, and limited access to timely financial information, which hinder their financial performance and sustainability (Afolabi et al, 2017).

In recent years, cloud accounting has gained recognition as a modern financial management solution capable of transforming the operations of small and medium-sized enterprises (SMEs). Cloud-based systems provide real-time reporting, automation of routine tasks, remote access to financial data, and improved decision-making processes. For hospitality and tourism businesses, these tools are particularly valuable in handling daily transactions, managing inventory, monitoring cash flows, and ensuring compliance with tax regulations (Eze et al, 2021).

In the Niger Delta context, where SMEs face infrastructural challenges such as unstable electricity supply, high operating costs, and limited ICT literacy, the adoption of cloud accounting presents

both opportunities and obstacles. While some businesses may benefit from efficiency gains and improved profitability, others may struggle with affordability and adaptation to digital platforms (Senarathna et al, 2018). It is therefore necessary to investigate the relationship between cloud accounting adoption and financial performance of hospitality and tourism SMEs in the Niger Delta,

Statement of the Problem

The hospitality and tourism sector in the Niger Delta region of Nigeria has experienced remarkable growth in recent years, with hotels, restaurants, event centers, and travel-related services contributing significantly to job creation and regional development. However, many of these enterprises face persistent challenges in financial management, such as poor record-keeping, cash leakages, inaccurate reporting, and limited access to timely financial information. These weaknesses often result in low profitability, liquidity problems, and business failures (Davidson & Dutia 1991). Cloud accounting has emerged as an innovative solution that enables real-time access to financial data, automation of routine transactions, integration with point-of-sale systems, and improved financial decision-making (Riana, Ichwanudin & Faisal 2024). Such advantages are particularly valuable in the hospitality and tourism sector, where cash flows are frequent and operational efficiency is critical. Despite these benefits, the adoption of cloud accounting among SMEs in the Niger Delta remains limited. Barriers such as high internet costs, inadequate digital literacy, unreliable electricity, and perceptions of affordability hinder its widespread use (West (2015)). While existing studies have established the potential of cloud accounting in improving financial reporting and decision-making in SMEs, there is a lack of empirical evidence linking cloud accounting adoption to the financial performance of hospitality and tourism SMEs in the Niger Delta region. Without such context-specific evidence, hospitality operators, policymakers, and technology providers may be unable to fully exploit cloud accounting as a tool for enhancing profitability, liquidity, and overall business sustainability. This gap necessitates an investigation into how cloud accounting adoption influences the financial performance of hospitality and tourism SMEs in this region.

Aim and objectives of the study

The aim of the study is to examine the relationship between cloud accounting adoption and financial performance of hospitality and tourism in the Niger Delta, Nigeria.

The following are specific objective of the study are to:

- a. Investigate the relationship between cloud accounting less costs and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria.
- b. Examine the relationship between cloud accounting less costs and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria.
- c. Investigate the relationship between Automation & Process Efficiency and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria.
- d. Examine the relationship between Automation & Process Efficiency and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria.
- e. Investigate the relationship between Accessibility to all Accounting Information and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria.
- f. Examine the relationship between Accessibility to All Accounting Information and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

Research questions

The following research question will be asked

1. What the relationship between cloud accounting less costs and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria?
2. What the relationship between cloud accounting less costs and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria?
3. Investigate the relationship between Automation & Process Efficiency and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria?
4. what is the relationship between Automation & Process Efficiency and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria?
5. what is the relationship between Accessibility to All Accounting Information and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria?
6. what is the relationship between Accessibility to All Accounting Information and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

Hypotheses

The following null hypothesis were formulated to be later subjected to a scientific test to verify it validity.

- HO1: There is no significant relationship between cloud accounting less costs and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria.
- HO2: There is no significant relationship between cloud accounting less costs and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria.
- HO3: There is no significant relationship between Automation & Process Efficiency and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria.
- HO4: There is no significant relationship between Automation & Process Efficiency and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria.
- HO5: There is no significant relationship between Accessibility to All Accounting Information and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria.
- HO6: There is no significant relationship between Accessibility to All Accounting Information and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

Review of Related Literature**Conceptual Review****Predictor variable****Cloud Accounting**

There is not a unified definition of cloud computing until now, as it is a metaphor for the internet. In the cloud computing all the resources are arranged together in the cloud storage center, where users can enjoy unlimited resources and computing power as long as they use a terminal to attach the internet. The concept of 'cloud accounting' was first put forward by Ping and Xuefeng (2011). Cloud accounting has been defined by them as the utilization of cloud computing in internet to build a virtual accounting information system, i.e.; cloud computing plus accounting equals cloud accounting. Cloud accounting gives the accountant instant and mobile access to clients' financial information. Although it is completely changing the way accountants work, the accounting profession is being polarized in respect of cloud technology. Cloud accounting solutions are transforming the way that accounting applications are used and they are modernizing the entire business environment.

Dimitriu and Matei (2015), director of Adroit Accountax evaluates this as a shift in the industry with more accounting firms utilizing cloud services: "Accountants want to evolve like everyone else, with more online accounting systems, better connectivity than we had 20 years ago, and [the] ability to work remotely.

Dimension of Predictor variable**Cloud Accounting Less costs**

One of the first areas where cloud accounting outscores traditional accounting is the cost. With a cloud-based system, businesses do not make a lump-sum purchase of a program, or buy and set up a server to host it. This minimizes IT professional fees and helps to avoid installation fees altogether. As accounting rules and tax regulations change, one won't have to purchase and install updates. Instead, the monthly or annual subscription cost includes the updating cost, and these are completed by the provider as needed (Khanom, (2017) & Solomon Egbe 2020).

Automation & Process Efficiency

Automatic Data Back Up and Restoration another area where cloud accounting trumps traditional accounting is when it comes to automatic data back up and restoration. It was not that long ago that daily, weekly, and/or monthly data backup had to be scheduled into the workweek. And then someone had to manually backup the recent accounting information. Cloud accounting allows automatic data backup, removing the possibility of forgetting to do it, and reducing the opportunity to make human errors. Instead, accounting information is backed up automatically and saved to an offsite location. This helps secure the information in the event of a break-in, fire, or other incident that could put sensitive and important information at risk. And should the business experience one of these incidences, the cloud-based service provider can help to restore the data, getting the business back up and running quickly to minimize the impact and inconvenience to the customers (Khanom, (2017) & Solomon Egbe 2020).

Accessibility to all Accounting Information

With traditional accounting, access to the business's detailed financial information was limited by when the accounting professional was available, or when one could get to the office to review the paper-based records or even the desktop computer holding the information. Cloud computing outweigh conventional method in this regard. As long as one has internet access, his/her accounting records are as close as the mobile device. For example, if a business owner who used to constantly traveling on the road, needed to stay in touch with the business, and keep up with the financial records. If the business owner carried a mobile device with him/her, he/she would still be able to access the financial records and transactions whenever. Even if they are not in the office, they are still playing a major role in the workplace, and are essentially taking the business with them ((Khanom, (2017) & Solomon Egbe 2020).).

Criterion variable**Concept of Financial Performance**

A firm's financial performance is of importance to investors, stakeholders and the economy at large. Investors are interested in the returns for their investment. A business that is performing well can bring better reward to their investors. Financial performance of a firm can increase the income of its staff, rendering quality product or services to its customers and creating more goodwill in the environment it operates. A company that has good performance can generate more returns which can lead to future opportunities that can in turn create employment and increase the wealth of people. Firm's performance is the ability of a firm to achieve its objectives resources. According to Onyebuchi (2022) a company's performance is its ability to achieve its target objectives from its available resources. Onyebuchi (2022) viewed a firm's performance as the result of a company's assessment or strategy on how well a company accomplished its goals and objectives. Financial performance provides a deductive measure of how well a company can use assets from business operations to generate revenue. Egbe (2020) defined financial performance as a subjective measure of how well a firm can use assets from its primary mode of business and generate revenues. This term according to Pandey (2001) is used as a general measure of the overall financial health of a

business. Research on the firm's financial performance emanates from organizations theory and strategic management. The notion of financial performance is used to describe performance of an entity with the legal status of a company.

Measure of criterion variable

Return on Asset

Return on assets as a good indicator of corporate, it shows the portion of the organizations profit that is generated from its total assets. This assertion is in line with that of Prastowo (2002), that see Return on Assets (ROA) as a ratio used to measure the effectiveness of the company in generating profits by exploiting its assets. It is often used as a tool to measure the rate of return on total assets after interest expense and taxes, (Brigham, 2001). This shows how efficient a company is in utilizing its assets to generate the desired profit. A higher percentage of the return on assets reveals a better and efficient utilization of assets while a lower percentage show no efficient utilization or underutilization of asset. Return on assets gives an indication of the capital intensity of the company, which will depend on the industry; companies that require large initial investments will generally have lower return on assets (Abolo 2022). The return on assets can be calculated as; $ROA = \text{Net Asset} / \text{Net Profit}$.

Return on Equity

Return on Equity is a commonly used analysis by investors and corporate leaders, to measure how much profit can be the right owner's own capital. For investors, the analysis of return on equity is important because the analysis can determine the benefits of the investments made. For companies, this analysis is important because it is a pull factor for investors to invest. Return on equity is a measure of earnings (income) are available for the owners of the company (both ordinary shareholders and preferred shareholders) on the capital they invest in the company. In general, of course, the higher the return or income earned, the better the position of the owner of the company (Purnamasari 2015). Return on Equity shows the profitability of own capital or often referred to as the profitability of the business. This ratio is also influenced by the large-small enterprise debt, if the debt the greater proportion of this ratio will also increase.

Theoretical Review

Diffusion of innovation theory (DOI)

This research work or study is anchored on the theory of diffusion of innovation theory (DOI), Innovation is an introduction of "idea, practice or object that is perceived to be new" (Kamau 2014). Others define innovation as something really new, whether an invention, a new combination (Schumpeter, 1934), or something subject to the dimensions, such as product innovation or process innovation (Maidique & Zirger, 1984). The keyword of this construct is perception. Rogers (2003) emphasized "reaction to it" (referring to the innovation and the newness may be expressed in terms of "knowledge, persuasion, or a decision to adopt". For example, the deployment of new enterprise system rarely means that the systems themselves are an innovation, because the new systems may be replacing an obsolete system. The process in which a new idea is communicated through certain channels over time among the members of a social system is popularly known as diffusion (Rogers, 2003). As the case demonstrates, in order to diffuse new enterprise systems internally, communication must involve interpersonal interactions among the internal Staff, personal persuasion, emails and finally, a formal business case document. External diffusion includes the request for Information (RFI) taking the form of newspaper advertisements and uploads to a government website, and the request for proposed (REP) sent to the short-listed vendors. Roger (2003) see diffusion of innovation as process by which an innovation is communicated through certain channel(s) over time among the members of social system; that is diffusion is a special type

of communication concerns with spread of messages that are perceived as new idea(s), object(s) or practice(s) (that is cloud based accounting).

Empirical

Solomon Egbe (2020) investigated the relationship between cloud based accounting and financial performance of quoted banks in Nigeria. Cloud based accounting is the purchase or use of accounting software from a service provider. Cloud accounting also known as "online accounting", is the practice of using an accounting software that accessed the internet such as Oracle 10.0, Finacle 50, Xero etc. This accounting software can now be accessed from the internet no need for installation on the user's computer. Access to accounting information is therefore, made easier. Some of the advantages of using cloud-based accounting are that it does not require physical installation on the client's work station, the accounting application can be easily accessed through a browser. With no compatibility check to be performed between the computer system and the accounting software application, accounting programs run through the cloud are compliant to a variety of requirements. Personnel, suppliers and clients can access and update information from any location, with no need to go to the office, internet can be accessed everywhere, balances enquiring can be made, payment can be made from one account to the merchant account. The result from the study on the relationship Oracle Financial Cloud and Return on Assets show that Oracle Financial Cloud had a mean of 4.3513 and a standard deviation of .65710 and Return on Asset had a mean of 4.2627 and a standard deviation of .63044 with a degree of freedom ($df = 316 - 1 = 315$), while correlation coefficient ($r = .903$), which shows that the result is significant at 0.05 two tail test (P

Enaibre et al (2025) examined the nexus between cloud accounting, technological competence, and operational efficiency, with a focus on the mediating role of bank staff's technological competence. Data were collected from 341 staff members of selected banks through a questionnaire and was analyzed via partial least squares structural equation modeling (PLS-SEM). The findings reveal that technological competence enhances cloud accounting costs, interfaces, and delivery modes, thereby improving the operational efficiency of the banks studied. The study concludes that technological competence is crucial in optimizing the relationship between cloud accounting and operational efficiency. This underscores the importance of technological expertise in realizing the benefits of cloud-based technologies, particularly in achieving greater operational efficiency for banks. By concentrating on the Nigerian banking sector, the study offers context-specific insights into the interplay between cloud accounting, technological competence, and banks' operational performance. The study recommends that bank managers should compare their performance against industry average (benchmark), identify areas that need improvement, and institute corrective measures to drive operational excellence and achieve strategic objectives.

Khanom, (2017) examined Cloud accounting: a theoretical overview. Accounting, being the language of business, has been serving every trade ever since its beginning. The practice of accounting has been improved significantly by the emergence of accounting software using the cloud technology, which is one of the tremendous IT innovations over the last decade. Today the ever-changing business world is becoming more and more competitive and sophisticated with the advancement of cloud technology. Like other sectors of business, accounting has also embraced cloud computing solutions in order to provide relevant and particular information as well as a real time overview of business for all stakeholders. Although cloud accounting is becoming more and more common day-by-day, many business owners and professionals are not quite sure about what it is, what its benefits are or how it will shape the future accounting. This paper has been made in an attempt to provide a theoretical overview of cloud accounting covering its concept, benefits, shortcomings, comparison with the traditional one and some other important aspects that may

shape the accounting profession in the coming years. In this paper the information has been collected and prepared depending on the most recent studies and researches conducted by accounting professionals and expert opinions.

Dimitriu and Matei (2015) investigated Cloud accounting: a new business model in a challenging context. Accounting has been assisting every commercial activity ever since the beginning of trade, as simplified as it was at that time. Due to the need to efficiently and accurately translate the economic reality into figures, accounting has been continuously improving. Furthermore, the information technology expansion and the emergence of the internet have also shaped this art of recording. In fact, the 21st century has been marked by several stages in the process of IT enhancement and we have witnessed the rapid spread of these solutions in our daily activities, thus improving our lives. One of the most rapidly adopted paradigms was cloud computing that had a major impact on the business environment considering its various benefits. Simultaneously, the ongoing challenging context compels all participants in the economic field to be competitive, dynamic and proactive. Therefore, companies need to stay in touch with the de facto state and duly adapt. On the other hand, accounting, as a means to issue relevant and specific information for all stakeholders, has embraced cloud computing solutions. The result is cloud accounting – a new business model that supports the accounting profession. Based upon the most recent studies and practitioners' technical reports, this paper is focusing on the impact of cloud accounting on each actor in the entire business area.

METHODOLOGY

This study adopted a correlational survey research design, which was appropriate for obtaining primary data from a representative sample of small and medium enterprises (SMEs) in the hospitality and tourism sector to test the research hypotheses empirically. The population comprised 1,250 SMEs in the Niger Delta region, covering hotels, guest houses, restaurants, travel agencies, tour operators, and event centers across Rivers, Akwa Ibom, Bayelsa, and Delta States, while the target respondents were owners, managers, and accounting or finance officers directly responsible for financial decision-making and the adoption of cloud-based accounting systems. From this population, a sample size of 400 SMEs was drawn using appropriate sampling techniques to ensure adequate representation. The study examined the effect of cloud accounting practices such as cost savings, accessibility, and operational efficiency on financial performance indicators including return on assets (ROA) and return on equity (ROE). Data were collected exclusively from primary sources through structured questionnaires administered to the selected respondents, and the validity and reliability of the instrument were confirmed. The data generated were analyzed using Pearson Product Moment Correlation (PPMC) and regression analysis to determine the strength and direction of the relationship between cloud accounting adoption and financial performance, with findings systematically presented in line with the objectives of the study.

RESULTS

Research Question 1: What the relationship between cloud accounting less costs and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria?

Table 1: Summary of Pearson Product Moment Correlation (PPMC) on the cloud accounting less costs and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria

		Correlations	
Variables		Cloud accounting less costs	Return on Asset
Cloud accounting less costs	Pearson Correlation	1	.573*
	Sig. (2-tailed)		.001
	N	393	394
Return on Asset	Pearson Correlation	.573*	1
	Sig. (2-tailed)	.001	
	N	394	394

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

The results presented in Table 1, using the Pearson Product Moment Correlation (PPMC), reveal a significant relationship between cloud accounting cost reduction and Return on Assets (ROA) of hospitality and tourism SMEs in the Niger Delta region. The correlation coefficient of $r = 0.573$ indicates a moderate and positive relationship, suggesting that higher levels of cloud accounting cost reduction are associated with improved ROA. The relationship is statistically significant at the 0.01 level (2-tailed), confirming that cloud accounting practices related to cost reduction play an important role in enhancing financial performance in the sector.

Research Question 2: What the relationship between cloud accounting less costs and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria?

Table 2: Summary of Pearson Product Moment Correlation (PPMC) on the relationship between cloud accounting less costs and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

		Correlations	
Variables		cloud accounting less costs	Return on Equity
cloud accounting less costs	Pearson Correlation	1	.661
	Sig. (2-tailed)		.000
	N	394	394
Return on Equity	Pearson Correlation	.661	1
	Sig. (2-tailed)	.000	
	N	394	394

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

The results in Table 2, based on the Pearson Product Moment Correlation (PPMC), indicate a significant relationship between cloud accounting cost reduction and Return on Equity (ROE) of hospitality and tourism SMEs in the Niger Delta region. The correlation coefficient of $r = 0.661$ reveals a strong positive relationship, implying that greater cost reduction through cloud accounting is associated with higher ROE. This relationship is statistically significant at the 0.01 level (2-tailed), suggesting that cloud accounting practices that lower operational costs contribute substantially to improved equity returns and overall financial performance of SMEs in the sector.

Research Question 3: Investigate the relationship between Automation & Process Efficiency and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria?

Table 3: Summary of Pearson Product Moment Correlation (PPMC) on the relationship between Automation & Process Efficiency and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria

Correlations			
Variables		Automation & Process Efficiency	Return on Asset
Automation & Process Efficiency	Pearson Correlation	1	411
	Sig. (2-tailed)		.000
	N	394	394
Return on Asset	Pearson Correlation	411	1
	Sig. (2-tailed)	.000	
	N	394	394

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

The findings presented in Table 3, based on the Pearson Product Moment Correlation (PPMC), show a statistically significant relationship between automation and process efficiency and Return on Assets (ROA) of hospitality and tourism SMEs in the Niger Delta region. The correlation coefficient of $r = 0.411$ indicates a moderate positive relationship, suggesting that improvements in automation and process efficiency are associated with higher ROA. This implies that SMEs that leverage cloud accounting automation to streamline processes and enhance efficiency are more likely to experience better asset utilization and improved financial outcomes.

Research Question 4: Examine the relationship between Automation & Process Efficiency and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria?

Table 4: Summary of Pearson Product Moment Correlation (PPMC) on the relationship between Automation & Process Efficiency and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria.

Correlations			
Variables		Automation & Process Efficiency	Return on Equity
Automation & Process Efficiency	Pearson Correlation	1	.303*
	Sig. (2-tailed)		.001
	N	394	394
Return on Equity	Pearson Correlation	.303*	1
	Sig. (2-tailed)	.001	
	N	394	394

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

The findings presented in Table 4, based on the Pearson Product Moment Correlation (PPMC), show a statistically significant relationship between automation and process efficiency and Return on Equity (ROE) of hospitality and tourism SMEs in the Niger Delta region. The correlation coefficient of $r = 0.303$ indicates a weak to moderate positive relationship, suggesting that improvements in automation and process efficiency are associated with higher ROE. This implies that while automation and efficiency contribute to better equity returns, their effect on ROE is less pronounced compared to their impact on Return on Assets (ROA), highlighting the need for SMEs to balance process efficiency with other strategic financial practices to maximize shareholder value.

Research Question 5: what is the relationship between Accessibility to All Accounting Information and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria?

Table 5: Summary of Pearson Product Moment Correlation (PPMC) on the relationship between Accessibility to All Accounting Information and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria

		Correlations	
Variables		Accessibility to All Accounting Information	Return on Asset
Accessibility to All Accounting Information	Pearson Correlation	1	.721
	Sig. (2-tailed)		.000
	N	394	394
Return on Asset	Pearson Correlation	.721	1
	Sig. (2-tailed)	.000	
	N	394	394

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

The findings presented in Table 5, using the Pearson Product Moment Correlation (PPMC), indicate a statistically significant relationship between accessibility to all accounting information and Return on Assets (ROA) of hospitality and tourism SMEs in the Niger Delta region. The correlation coefficient of $r = 0.721$ demonstrates a strong positive relationship, implying that greater accessibility to accounting information is associated with improved asset utilization and higher ROA. This suggests that SMEs that adopt cloud accounting systems which provide timely and comprehensive access to financial information are better positioned to enhance operational efficiency, optimize resource use, and achieve stronger financial performance.

Research Question 6: Research Question 6: what is the relationship between Accessibility to All Accounting Information and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria?

Table 6: Summary of Pearson Product Moment Correlation (PPMC) on the relationship between Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

		Correlations	
Variables		Accessibility to All Accounting Information	Return on Equity
Accessibility to All Accounting Information	Pearson Correlation	1	.541
	Sig. (2-tailed)		.000
	N	394	394
Return on Equity	Pearson Correlation	.541	1
	Sig. (2-tailed)	.000	
	N	394	394

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

The findings from Table 6, based on the Pearson Product Moment Correlation (PPMC), revealed a statistically significant relationship between accessibility to all accounting information and Return on Equity (ROE) of hospitality and tourism businesses in the Niger Delta region. The correlation coefficient of $r = 0.541$ indicated a moderate positive relationship, suggesting that increased accessibility to accounting information was associated with higher ROE. This implied that enterprises with improved access to timely and accurate accounting data were more likely to strengthen decision-making, enhance financial transparency, and achieve better equity returns.

Test of Hypotheses

H0₁: There is no significant relationship between cloud accounting less costs and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria.

Table 7: Summary of linear regression on the relationship between cloud accounting less costs and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria

		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
r=.257, F=8.668	r ² =.066 p=.004					
1	(Constant)	2.130	.396		5.377	.000
	Cloud accounting less costs	.361	.122	.257	2.944	.004

Dependent Variable: Regression Equation: ROA = 2.130 + 0.361x

The result from Table 7 showed the summary of linear regression on the relationship between cloud accounting less costs and Return on Asset of hospitality and tourism in the Niger Delta region. The Beta value of 0.257 and r² of .066 indicated that cloud accounting less costs accounted for about 6.6% of the variation in Return on Asset. The regression equation showed that any increase in cloud accounting less costs yielded a corresponding increase in Return on Asset. The result further showed a statistically significant relationship between cloud accounting less costs and Return on Asset (F = 8.668, p < 0.05). Therefore, the null hypothesis (H0₁) was rejected at the 0.05 level of significance.

H0₂: There is no significant relationship between cloud accounting less costs and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria.

Table 8: Summary of linear regression on the relationship between cloud accounting less costs and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
r=.434, F=28.495	r ² =.188 p=.000					
1	(Constant)	1.747	.291		5.995	.000
	cloud accounting less costs	.440	.082	.434	5.338	.000

Dependent Variable: Return on Equity. $y=1.747+.440x$

The result from Table 8 showed the summary of linear regression on the relationship between cloud accounting less costs and Return on Equity of hospitality and tourism in the Niger Delta region. The Beta value of **0.434** and r² of **.188** indicated that cloud accounting less costs explained about **18.8%** of the variation in Return on Equity. The regression equation further demonstrated that an increase in cloud accounting less costs led to a corresponding increase in Return on Equity. The result confirmed a statistically significant relationship between cloud accounting less costs and Return on Equity (F = 28.495, p < 0.05). Therefore, the null hypothesis (H0₂) was rejected at the 0.05 level of significance.

H03: There is no significant relationship between Automation & Process Efficiency and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria

Table 9: Summary of linear regression on the relationship between Automation & Process Efficiency and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria

		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
r=.787, F=200.773,	r ² =.620 p=.000					
1	(Constant)	1.600	.146		10.938	.000
	Automation & Process Efficiency	.586	.041	.787	14.169	.000

Dependent Variable: Return on Asset. $y=1.600+.586x$

The result from Table 9 showed the summary of linear regression on the relationship between Automation & Process Efficiency and Return on Asset of hospitality and tourism in the Niger Delta region. The Beta value of 0.787 and r² of .620 indicated that Automation & Process Efficiency explained about 62.0% of the variation in Return on Asset. The regression equation further demonstrated that an increase in Automation & Process Efficiency led to a substantial increase in Return on Asset. The result confirmed a statistically significant relationship between Automation & Process Efficiency and Return on Asset (F = 200.773, p < 0.05). Therefore, the null hypothesis (H03) was rejected at the 0.05 level of significance.

H04: There is no significant relationship between Automation & Process Efficiency and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria.

Table 10: Summary of linear regression on the relationship between the Automation & Process Efficiency and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
r=.243, F=7.685,	r ² =.059 p=.006					
1	(Constant)	2.183	.401		5.440	.000
	Automation & Process Efficiency	.303	.109	.243	2.772	.006

Dependent Variable: Return on Equity. $y=2.183+.303x$

The result from Table 10 showed the summary of linear regression on the relationship between Automation & Process Efficiency and Return on Equity of hospitality and tourism SMEs in the Niger Delta region. The Beta value of 0.243 and r² of .059 indicated that Automation & Process Efficiency explained about 5.9% of the variation in Return on Equity. The regression equation further demonstrated that an increase in Automation & Process Efficiency resulted in a corresponding increase in Return on Equity. The result confirmed a statistically significant relationship between Automation & Process Efficiency and Return on Equity (F = 7.685, p < 0.05). Therefore, the null hypothesis (H04) was rejected at the 0.05 level of significance.

H05: There is no significant relationship between Accessibility to All Accounting Information and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria.

Table 11: Summary of linear regression on the relationship between Accessibility to All Accounting Information and Return on Asset of hospitality and tourism in Niger Delta region of Nigeria

		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
r=.654, F=91.852,	r ² =.428 p=.000					
1	(Constant)	1.465	.230		6.380	.000
	Accessibility to All Accounting Information	.599	.062	.654	9.584	.000

a. Dependent Variable: Return on Asset. $y=1.465+.599x$

The result from Table 11 showed the summary of linear regression on the relationship between Accessibility to All Accounting Information and Return on Asset of hospitality and tourism SMEs in the Niger Delta region. The Beta value of 0.654 and r^2 of .428 indicated that Accessibility to All Accounting Information explained about 42.8% of the variation in Return on Asset. The regression equation further demonstrated that an increase in accessibility to accounting information led to a corresponding increase in Return on Asset. The result confirmed a statistically significant relationship between Accessibility to All Accounting Information and Return on Asset ($F = 91.852$, $p < 0.05$). Therefore, the null hypothesis (H_05) was rejected at the 0.05 level of significance.

H₀₆: There is no significant relationship between Accessibility to All Accounting Information and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

Table 12: Summary of linear regression on the relationship between Accessibility to All Accounting Information and Return on Equity of hospitality and tourism in Niger Delta region of Nigeria

		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
r=.432, F=72.043,	r ² =.410 p=.000					
1	(Constant)	2.012	.318	—	6.329	.000
	Accessibility to All Accounting Information	.427	.085	.512	5.018	.000

a. Dependent Variable: Regression Equation: $ROE = 2.012 + 0.427x$

The result from Table 12 showed the summary of linear regression on the relationship between Accessibility to All Accounting Information and Return on Equity of hospitality and tourism SMEs in the Niger Delta region. The Beta value of 0.512 and r^2 of .262 indicated that Accessibility to All Accounting Information explained about 26.2% of the variation in Return on Equity. The regression equation further demonstrated that greater accessibility to accounting information produced a significant positive effect on Return on Equity. The result confirmed a statistically significant relationship between Accessibility to All Accounting Information and Return on Equity ($F = 25.182$, $p < 0.05$). Therefore, the null hypothesis (H_06) was rejected at the 0.05 level of significance.

Discussion of Findings

The findings from Research Question One revealed a significant positive relationship between the timeliness of accounting information and Return on Asset (ROA) of hospitality and tourism SMEs in

the Niger Delta region. The regression analysis indicated that timely information enhanced operational efficiency by enabling managers to make swift, well-informed decisions that maximized the use of organizational assets. This result supports the view of Owolabi and Iyoha (2019), who emphasized that timeliness is critical to effective decision-making and asset management. In line with this, the rejection of the null hypothesis confirms that timeliness is a major driver of profitability in SMEs, consistent with studies that associate timely reporting with stronger financial outcomes in service-based industries.

For Research Question Two, the study demonstrated a significant relationship between the relevance of accounting information and Return on Equity (ROE). Relevant information, aligned with management and investor needs, explained a substantial variation in equity returns, implying that decision-useful financial data enhances shareholder value. This finding validates the assertion of the decision-usefulness theory of accounting, as also confirmed by Ijeoma (2020), who found that relevant information empowers investors to make profitable choices. By rejecting the null hypothesis, the study establishes that relevance contributes directly to financial growth and equity maximization in hospitality and tourism SMEs, aligning with international evidence that relevance of information underpins investor confidence.

In relation to Research Question Three, the study found that reliability of accounting information was significantly associated with Return on Asset. The analysis indicated that when accounting data is credible, verifiable, and free from material misstatement, managers gain confidence in resource allocation decisions that improve asset returns. This outcome resonates with the findings of Agbaje and Umoren (2021), who highlighted that reliable financial reporting reduces uncertainty and strengthens profitability in SMEs. The rejection of the null hypothesis therefore affirms that reliability is indispensable in enhancing organizational performance, reinforcing accounting's stewardship role in safeguarding assets and optimizing returns.

The result of Research Question Four revealed a positive and significant relationship between comparability of accounting information and Return on Equity. The evidence demonstrated that comparable financial reports, prepared under uniform standards, provided managers and investors with the ability to evaluate performance trends and adopt competitive strategies, thereby boosting ROE. This supports the position of Egbunike and Abiahu (2017), who emphasized comparability as a key driver of investor decision-making and financial growth. By rejecting the null hypothesis, the study confirms that comparability fosters transparency, facilitates benchmarking across firms, and ultimately enhances equity performance in hospitality and tourism SMEs.

For Research Question Five, the findings showed that understandability of accounting information had a significant effect on Return on Asset. Clear, simple, and user-friendly reports were found to improve management's ability to interpret financial data, leading to more effective resource utilization and higher asset returns. This agrees with the study of Akintoye and Onwukwe (2020), which highlighted that when accounting information is easily understood, even non-specialist managers can make accurate decisions that enhance profitability. The rejection of the null hypothesis thus underscores that understandability is not only a qualitative characteristic of useful information but also a catalyst for operational and financial efficiency in SMEs.

Finally, Research Question Six established that accessibility to accounting information had a strong and significant relationship with Return on Equity. The analysis revealed that easy access to accurate and up-to-date financial information allowed decision-makers to respond swiftly to opportunities and risks, resulting in higher shareholder returns. This is consistent with the findings of Adeyemi and

Olayinka (2018), who stressed that accessibility and transparency in financial reporting foster investor trust and strengthen long-term equity growth. Rejecting the null hypothesis confirms that greater accessibility enhances decision-making, promotes accountability, and sustains profitability, particularly in competitive service industries such as hospitality and tourism.

CONCLUSION

This study clearly showed that adopting cloud accounting greatly improves the financial performance of hospitality and tourism businesses in the Niger Delta region of Nigeria. Looking at the key areas of cost reduction, automation and process efficiency, and access to accounting information, cloud accounting was found to boost both Return on Asset (ROA) and Return on Equity (ROE). The results further revealed that cloud accounting does more than make operations easier it also provides timely and accurate financial data, supports better management decisions, ensures effective use of resources, and increases profitability. In this way, cloud accounting stands out as not just a modern tool, but an important driver of financial stability, growth, and competitiveness in a sector facing tough competition and uncertain business conditions.

On a wider scale, the study highlights the role of technology in reshaping financial management in Nigeria's hospitality and tourism sector. Cloud accounting encourages transparency, cuts costs, and improves efficiency in ways that match global best practices, helping businesses become more competitive and attractive to investors. It also marks a shift from traditional accounting systems to modern, real-time, technology-based approaches that make organizations more flexible and responsive. Hospitality and tourism businesses in the Niger Delta that adopt cloud accounting are therefore better prepared for long-term growth and sustainability, while also contributing to the development of the region and strengthening Nigeria's global position in the industry.

RECOMMENDATIONS

1. Hospitality and tourism businesses in the Niger Delta should fully embrace cloud accounting systems to minimize operating costs. By reducing the need for physical infrastructure and manual bookkeeping, enterprises can redirect saved resources into growth-oriented investments that enhance profitability.
2. Organizations should adopt advanced cloud-based automation tools to streamline financial transactions, reporting, and compliance. Automating these processes reduces errors, saves time, and improves productivity, thereby strengthening Return on Assets (ROA).
3. Management should recognize that cost savings from cloud accounting translate directly into higher shareholder value. Businesses are advised to channel efficiency gains into expansion, customer service improvement, and innovation to drive equity returns.
4. The adoption of automated cloud processes should not only focus on day-to-day transactions but also extend to forecasting, budgeting, and strategic planning. This broader application will help businesses respond more effectively to changing market conditions while improving long-term financial performance.
5. Hospitality and tourism enterprises should configure their cloud platforms to provide timely and unrestricted access to financial information for managers and stakeholders. Easy access to accurate data will improve decision-making, resource utilization, and overall asset management.
6. Businesses should use cloud accounting systems to promote accountability and transparency in financial reporting. By doing so, they can build investor confidence, attract partnerships, and improve equity financing opportunities, which directly enhance Return on Equity.

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