



**Impact of Political, Economic, Social and  
Technological factors (PEST) on Promoting Women  
SMEs in Tourism.**

**(With special reference to handicraft industry in Galle district)**

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P.A.C.I.Lakmali

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Department of Tourism Studies

## ABSTARCT

Tourism industry has proved to be one of the fastest and largest growing industry in the world. The Small and Medium Enterprises (SMEs) occupy a dominant position in Tourism in all countries including Sri Lanka. Handicraft industry is playing an important role in the economic development and most handicraft products are falling in to SME sector. SMEs are a major role in development of women entrepreneurship in rural areas. Currently, the women in handicraft SMEs are facing various challenges to promote their business. Considering the importance of women in handicraft SME sector in Tourism, this study has strived to identify the PEST factors that are impacting on promoting women SMEs in tourism with special reference to handicraft industry in Galle district. PEST analysis stands for 'Political, Economic, Social and Technological analysis which is a technique of environmental scanning. The objective of this research is to identify the profile of women SMEs in handicraft industry, to determine the relationship between PEST factors and promoting women SMEs in handicraft industry, to identify the highest influential factor affecting on promoting women SMEs in handicraft industry and to identify the opinions of women SMEs towards the PEST factors related to promote handicraft industry. The analysis mainly depends on the primary data collected by the researcher through the structured questionnaires and structured interviews. The sample size was 75 women in handicraft SMEs selected using convenience sampling method. The data analysis methods included descriptive statistics, correlation analysis, multiple regression analysis and thematic analysis to fulfill the objectives of this study. The results revealed that all the factors are impacting on promoting women SMEs in handicraft industry while technological factors was identified as the highest influential factor. The study has recommended to women in handicraft SMEs, policy makers and others to consider PEST factors while developing strategies for promoting handicraft SMEs.

**Keywords:** *Tourism, SMEs, Handicraft Industry, Women, Business Promotion, PEST factors*