

**WILLIGNESS TO ADOPT FOR ELECTRONIC
TEA AUCTIONING IN SRI LANKA**

S. KISHOKANTHAN

**BACHELOR OF TEA TECHNOLOGY AND VALUE ADDITION
FACULTY OF ANIMAL SCIENCE AND EXPORT AGRICULTURE
UVA WELLISSA UNIVERSITY OF SRI LANKA.**

2014

ABSTRACT

Sri Lankan Tea industry is one of oldest and important industry in the country due to its contribution to the country's economy. Teas that produced within the country are primarily marketed through Colombo tea auction and then exported to other countries. Primary marketing process through public auction is the most popular mode of trade within the country. Since tea producer doesn't have any active role in the auction system they have to appoint a broker for selling tea on behalf of them and they have to interact with their selling broker to effort for their desired price levels. While brokers and buyers are directly involving in auction. Adopt an electronic system which will decrease cost, increase transparency, secure and ensure the better balance of power between the auctioneer and the buyer, specific auction timing, increase the overall efficiency of the whole tea auctioning system. As well as by identifying the potential to shift in to the electronic system can achieve target benefits to the system and country. The study was aimed to assess the willingness to adopt for electronic tea auctioning system in Sri Lanka. 40 producers from tea manufacturing sector, 40 Auctioneers from tea brokering sector and 40 buyers from tea buying sector were selected using simple random sampling technique. Respondents were interviewed using pre tested structured questionnaire. Ordinal logistic regression was used to find out the relationship between the level of willingness to adopt electronic tea auctioning and other explanatory variables. 74% producers, 32.5% brokers and 45% buyers are willing to adopt electronic tea auctioning system in Sri Lanka. According to ordinal logistic regression tests, attitude index was significant under 5% significant level in producer sector. Sold tea quantity, maximum selling speed, Information Technology literacy level, electronic tea auctioning knowledge level and attitude index were significant at 5% significant level in brokering sector. And buying experience of company in auction, purchasing time per week, number of tea buyers working in organization and attitude index were significant at 5% significant level in buying sector.

Key words: *Broker, Buyer, electronic tea auction, Producer, willingness to adopt*