

Small and Medium Enterprises' Adoption of E-Commerce in Sri Lanka Case Study on Hospitality and Tourism Industry

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E-commerce is widely used to buy and sell products using **the** internet. Hospitality and tourism industry is considered as an information intensive sector. Due to the advancements in the field of IT, the hospitality and tourism industry has been able to derive the benefits of e-commerce. Even though there is a rapid development in new technologies and trends, developing countries like Sri Lanka are still facing an attitudinal barriers in accepting of e-commerce. This research was carried out with the objective of finding the factors that affect the e-commerce adoption of small and medium enterprises related to hospitality and tourism industry in Sri Lanka. A sample selected from small and medium scaled hotels and guest houses registered under the Sri Lanka Tourism Development Authority. Questionnaire and interview methods were used for the purpose of gathering data. The data were analysed using statistical tools and the received information was further processed to derive the main factors affecting the e-commerce adoption. The results of this research show that organizational readiness, attitudes and awareness of the enterprises make a strong impact on e-commerce adoption in Sri Lanka. Financial and technological resources and employee interest were the most influential factors identified under organizational readiness, while government rules and regulations and competitive pressure were the main factors that were recognized under external environmental factors. The knowledge regarding the advantages of using e-commerce was the crucial factor identified under awareness of the enterprise. After carefully analyzing these factors and reviewing related literature, a theoretical framework was developed to depict these main factors which have an impact on e-commerce adoption of small and medium enterprises in hospitality and tourism industry in Sri Lanka. This research recommends small and medium enterprises in the field of hospitality and tourism industry to pay attention to the above factors when adopting e-commerce in their respective enterprises.

Keywords: E-commerce, Small and Medium Enterprises (SMEs), Hospitality and Tourism Industry