

**A STUDY ON FACTORS INFLUENCING E-TOURISM  
ADAPTION OF THE REGISTERED MICRO, SMALL AND  
MEDIUM INBOUND TRAVEL ENTERPRISES IN COLOMBO  
DISTRICT,  
SRI LANKA**

HASHAN DANAJAYA SUDASINGHE

14/MST/027

B.SC. (HONOURS) TOURISM MANAGEMENT DEGREE PROGRAMME

DEPARTMENT OF TOURISM MANAGEMENT

FACULTY OF MANAGEMENT STUDIES

SABARAGAMUWA UNIVERSITY OF SRI LANKA

2020

A STUDY ON FACTORS INFLUENCING E-TOURISM ADAPTION OF THE  
REGISTERED MICRO, SMALL AND MEDIUM INBOUND TRAVEL  
ENTERPRISES IN COLOMBO DISTRICT,  
SRI LANKA

A Supervised Independent Study Submitted to the Faculty of Management Studies,  
Sabaragamuwa University of Sri Lanka in Partial Fulfillment of the Requirements for  
the Honours Degree of Bachelor of Science Tourism Management

HASHAN DANAJAYA SUDASINGHE

(14/MST/027)



Faculty of Management Studies  
Sabaragamuwa University of Sri Lanka

**CERTIFICATION OF SUPERVISED INDEPENDENT STUDY**

We, the undersigned, certify that

H.D Sudasinghe 14/MST/027

Candidate for the honours degree of

Bachelor of Science in Tourism Management

Has presented his Supervised Identified Study entitled

**A STUDY ON FACTORS INFLUENCING E-TOURISM ADAPTION OF THE  
REGISTERED MICRO, SMALL AND MEDIUM INBOUND TRAVEL**

**ENTERPRISES IN COLOMBO DISTRICT, SRI LANKA**

As it appears on the title page and the front cover of the Supervised Identified Study

That the said Supervised Identified Study is acceptable in form and content and

Displays a satisfactory knowledge of the field of study as demonstrated by the

Candidate through the oral examination held on

.....

.....  
Chairman for Viva

.....  
Signature

.....  
Head of Department

.....  
Signature

.....  
First Examiner

.....  
Signature

.....  
Second Examiner

.....  
Signature

## **PERMISSION TO USE**

In presenting this Supervised Independent Study in fulfilment of the requirements for a bachelor's degree from Sabaragamuwa University of Sri Lanka, I agree that the university library may make it freely available for inspection. I further agree that permission for the copying of this Supervised Independent Study in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or, in their absence, by the Dean of the Faculty of Management Studies. It is understood that any copying or publication or the use of this Supervised Independent Study or parts thereof financial gains shall not be allowed without my permission. It is also understood that due recognition shall be given to me and to Sabaragamuwa University of Sri Lanka for any scholarly use which may be made of any material from my Supervised Independent Study.

Request for permission to copy or to make any other use of materials in this Supervised Independent Study in completely or in part, should be addressed to:

Dean

Faculty of Management Studies

Sabaragamuwa University of Sri Lanka

P.O. Box 02, Belihuloya – 70140

Sri Lanka

## STUDENT'S DECLARATION

I, Hashan Dhananjaya Sudasinghe declare that this supervised Independent study and the work presented in it is my own and it has been generated by me as the result of my own original research.

Title of the supervised independent study:

A STUDY ON FACTORS INFLUENCING E-TOURISM ADAPTION OF THE  
REGISTERED MICRO, SMALL AND MEDIUM INBOUND TRAVEL  
ENTERPRISES IN COLOMBO DISTRICT, SRI LANKA

I confirm that:

(1) This work was done wholly or mainly while in candidature for a research degree at University; (2). Where any part of this supervised independent study has previously been submitted for a degree or any other qualification at this University or any other institution, this has been clearly stated; (3). Where I have consulted the published work of others, this is always clearly attributed; (4). Where I have quoted from the work of others, the source is always given. Except for such quotations, this supervised independent study is entirely my own work; (5). I have acknowledged all main sources of help; (6). Where the supervised independent study is based on work done by myself jointly with others, I have made clear exactly what was done by others and what I have contributed myself; (7). Either none of this work has been published before submission.

Signature of the student: ..... Date: .....

Supervisors' Recommendation: This is to certify that this supervised independent study has been prepared by H.D Sudasinghe under my supervision.

Signature of Supervisor: ..... Date: .....

Name of the supervisor:

.....

## ACKNOWLEDGMENT

The effort I have kept in this report however, it would not have been possible without those who gave me the possibility with help and support to complete this report. I would like to express my gratitude to all of them.

Especially my foremost gratitude and appreciation go to my Academic Supervisor, Mr. Hiran Dinusha Lecturer of the Department of Tourism Management, Sabaragamuwa University of Sri Lanka (SUSL), for his kind grateful support and intimate guidance throughout the research process. Without him, this report would not be materialized with this level of the stand. And special thanks goes Dr. Rangana Shalika Head, Department of Tourism Management and Prof. W.K. Athula C. Gnanapala Dean, Faculty of management Studies.

And also I would like to express my gratitude to Dr. Iraj Rathnayake, Senior Lecturer of Department of Tourism Management for his valuable guidance in academic writing and presentation of research work through his publication “Compiling Dissertations, Theses and Supervised Independent Studies in Management”

Further, Beyond Escapes (Pvt) LTD, Managing Director Mr. Ruwan Rathnayake for supporting and providing necessary information regarding completing this research. I would like to expand my special sincere thanks to industry persons giving me much time and attention.

Finally, I owe my special appreciation and oblige to my loving parents, all the lectures in SUSL, staff members in Beyond Escapes (Pvt) LTD, my friends for giving me stimulating and encouraging helping hand to in completion of this report.

## ABSTRACT

In the present global world, ICT plays a major role in every aspect. The application and integration of ICT is essential and important for the tourism enterprises to drive toward fast success. Individual in an enterprise can surf the world within one click. Today the present world is driving toward fifth industrial revolution, which is based on technology. Majority of the enterprises in the world is tend to adapt toward ICT based business interfaces. As a result, travel sector tend to use ICT for their operations. The tourism is a blooming industry where ICT plays a major icon in the field of tourism. If the travel enterprises are unable to move with this technological revolution, spontaneously they will chase away from the competition within the travel sector. The study was undertaken to identify the e-tourism adaptation of Micro, Small and Medium inbound travel enterprises in Colombo district Sri Lanka. The context of the study is Micro, Small and Medium Inbound travel enterprises in Colombo area registered under Sri Lankan Association of Inbound Tour Operators (SLAITO). To identify the profile of Micro, Small and Medium travel enterprises is the first objective. The second objective is to identify association and casual relationship between Perceived Usefulness Perceived Ease of Use and Intention to Use. Moreover, the third objective is to identify reasons for non-adaption of ICT in the Micro, Small and Medium Inbound Travel Enterprises in Colombo district. To investigate the above-mentioned objectives, quantitative research method is used hence a non-experimental research design is chosen. The researcher used convenience sampling method to collect data. As data collection instruments the researcher used questionnaire to obtain data from MSMTE inbound travel enterprises in Colombo district, which are registered in SLAITO. Based on the data analysis the researcher has identified the profile of the MSMTE in Colombo district. According to the findings of this study, there can be identified positive association between Perceived Usefulness and Intention to Use and as negative association about Perceived Ease of Use and Intention to Use. Furthermore, there can be identified technological and non-technological reasons to lack of adaptations in ICT.

**Keywords:** *Registered Micro, Small, and Medium Inbound Travel Enterprises (RMSMITE), e-Tourism Adaptation, Perceived Usefulness, Perceived Ease of Use, Intention to Use.*

## TABLE OF CONTENT

PERMISSION TO USE	i
STUDENT’S DECLARATION	ii
ACKNOWLEDGMENTS	iii
ABSTRACT	iv
TABLE OF CONTENT	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF ABBREVIATION	x
<b>CHAPTER ONE: INTRODUCTION</b>	<b>1</b>
1.1 Introduction to the chapter	1
1.2 Background of the Study	1
1.3 Problem Statement	4
1.4 Research Questions	9
1.5 Research Objectives	9
1.6 Significance of the Study	9
1.7 Limitation of the study	10
1.8 Chapter Organization	10
<b>CHAPTER TWO: LITERATURE REVIEW</b>	<b>11</b>
2.1 Introduction	11
2.2 Micro, Small and Medium Tourism Enterprises (MSMTEs)	11
2.3 ICT in Travel agencies and tour operators	14



2.4 E - tourism Adaptation	18
2.5 Factors of Technology Acceptance	23
<b>CHAPTER THREE: METHODOLOGY</b>	<b>25</b>
3.1. Introduction	25
3.2 Philosophy of the Research	25
3.3 Research Approach	26
3.4 Strategy of the research	26
3.5 Research Design	26
3.5.1 Scope of the Study	26
3.5.2 Source of Data	27
3.5.3 Population & Sample design	27
3.5.4 Sample selection procedure	27
3.4.5 Methods of Data collection	27
3.6 Validity and Reliability	29
3.6.1 Validity	29
3.6.2 Reliability	29
3.6.3 Methods of Data Analysis	29
3.7 Conceptualization and Operationalization	29
3.7.1 Conceptual framework	29
3.7.2 Operationalization	30
3.8 Research hypothesis	35
3.9 Methodological Limitation	35
<b>CHAPTER FOUR: ANALYSIS AND DISCUSSION</b>	<b>36</b>
4.1 Introduction	36
4.2 Preparation of the Data Base	36

4.3 Descriptive Analysis	36
4.3.1 Business Profile of the Travel Agencies in Colombo	36
4.3.2 Identify association and casual relationship among Perceived Usefulness, Perceived ease of use and Intention to Use	45
4.4 Correlation	46
4.4.1 Testing Parametric Assumptions	48
4.5 Regression Analysis	49
4.5.1 Hypothesis Testing	52
4.6 ICT adaptation is a challenging task for a micro, small and medium scale Travel Agency	54
<b>CONCLUSION: CONCLUSION AND RECOMMENDATIONS</b>	<b>58</b>
5.1 Introduction	58
5.2 Conclusion	58
5.3 Recommendations	59
<b>REFERENCES</b>	<b>61</b>
<b>APPENDIX</b>	<b>68</b>
APPENDIX A: Research Questionnaire	68
APPENDIX B: Reliability Test	76
APPENDIX C: Validity Test	77
APPENDIX D: Normality Tests	77
APPENDIX E: Correlations Analysis	78
APPENDIX F: Multicollinearity Test	78
APPENDIX G: Regression Analysis	78

## LIST OF TABLES

Table 1. 1 : Travel booking by Indian outbound traveller	5
Table 1. 2 : OTAs and search engines are leading planning resources	5
Table 1. 3 : German multigenerational travel trends	6
Table 1. 4 : Travel habits and behaviours of British and Australian	6
Table 1. 5 : Travellers use mobile throughout the journey	7
Table 3. 1 : Measure the business profile of the travel agencies	31
Table 3. 2 : Travel agent's perceived usefulness of technology (PU)	32
Table 3. 3 : Perceived ease of use in technology (PE)	33
Table 3. 4 : Intention to use ICT (IU)	33
Table 3. 5 : Non-technological reasons for non-adaption	34
Table 3. 6 : Technological reasons for non-adaption	34
Table 4. 1 :Reliability Test	45
Table 4. 2 :Validity Test	46
Table 4. 3 :Skewness and Kurtosis of Variables	46
Table 4. 4 :Correlation	47
Table 4. 5 :Collinearity Statistics	48
Table 4. 6 :Model summary	49
Table 4. 7 :ANOVA model	50
Table 4. 8 :Coefficient model	51
Table 4. 9 :Results of the Hypothesis Testing	52
Table 4. 10 :Non - Technological Reasons for Non - Adoption of Information Communication Technology	54
Table 4. 11 :Technological Reason for Non - Adoption of Information Communication Technology	55

## LIST OF FIGURES

Figure 2. 1 : Tourism value chain	23
Figure 3. 1 : Conceptual framework	30
Figure 4. 1 :Type of ownership	37
Figure 4. 2 :Business size	37
Figure 4. 3 :Years of operation	38
Figure 4. 4 :Online transaction platforms	39
Figure 4. 5 :Other type of online transactions platforms	39
Figure 4. 6 :B2B online transaction platform (Explore)	40
Figure 4. 7 :Online transaction platform (Make my Trip)	40
Figure 4. 8 :Travel agency mobile app	41
Figure 4. 9 :Online advertisement	42
Figure 4. 10 :Product and service	44
Figure 4. 11 :ICT adaption challeng for micro, small and medium scale Travel Agency	54

## **LIST OF ABBREVIATION**

UNWTO	United Nations World Tourism Organization
SLTDA	Sri Lanka Tourism Development Authority
SLAITO	Sri Lankan Association of Inbound Tour Operators
ICT	Information Communication Technology
GOSL	Government of Sri Lanka
MSMTE	Micro Small Medium Travel Enterprises
DMC	Destination Management Company
CRS	Central Reservation System
GDS	Global Distribution System

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Introduction to the chapter**

Under the prime objective of understanding the Study on Factors Influencing to E-tourism adaption of the registered Micro, Small and Medium inbound travel enterprises in Colombo District, Sri Lanka, this chapter basically has explained about the background of the study and identified a problem in the research context, objectives of the research, significance of the study and finally the limitation that faced in the research works.

#### **1.2 Background of the Study**

Tourism is an act and process of spending time away from home in pursuit of recreation, relaxation, and pleasure, while making use of the commercial provision of services. As such, tourism is a product of modern social arrangements, beginning in Western Europe in the 17th century. Now a day's technology has become a most advanced prominent feature in the world. In 1983, internet introduced to the civil society. Since that communication industry become a more develop industry. As well as other industries like manufacture and service, industries are willing to use internet technology. As a service sector, tourism industry also use the internet technology.

Therefore, the transformation in the trade and technology have changed the purchase pattern of people and modified the way society consume goods and services. The cost of international communication decreases. At the same time transportation and instantaneous increases of demand, suppliers are more focused on e-commerce. E-business platforms are most convenient way to reach clients. It can be identified the

revolution in buying and selling habits and industries in both emerged. Emerging countries have benefited from those changes and grab the global market. Hence, the Internet integrates numerous features of present media with new competence of interactivity and addressability. It renovates not only the way individuals conduct their business with each other, but also the very significance of what it means to the society. Under the concept of "global village," people can communicate with others across the world as they live in next door. Because of that, ICT often studied in the context of how modern communication technologies affect society (Tec Term, 2010). Further, with the development at the time ICT technology begun. Expansion of ICT directly affected the tourism industry. All tourism-oriented companies, such as tour operators, travel agencies, rental agencies, cruisers and hotels experience the growing impact of what commonly known as information and communication technology (ICT). Tourism sector represents the information-intensive industry characterized by a significantly long value chain influenced, to a great extent, by information. Its creation, collection, storage, retrieval and transfer remain within the core activities of all tourism enterprises. Every single innovation in IT sector can potentially change the strategy followed by tourism companies in running a business. Despite that, development of the industry is depending on the customer satisfaction. That intervention of ICT can be used to enhance the customer satisfaction, easiness and the advancement of the tourism industry. Travel planning (e.g.travel information search and booking) has always been one of the major reasons that people use the internet (Anandkumar, 2014).

Through the development of ICT, narrows tourism industry to the E-Tourism. Hence, E tourism can be defined as a collection of tourist services that integrate with E-Commerce via Internet considering that E-tourism consists the big portion of E-Commerce because it has included all common elements of tourist activities such as hotels, airlines, travel agents, car rentals, tourist sites, bazaars, and tourist guides (Buhalis, Leung , & Law, 2011). In addition, E-tourism utilized as an effective means to promote the tourism product through the Internet. The travel agencies, tour operators, lodging sectors and other tourism related organizations have adapted E-Tourism through the ICT. This development changes the process of business or organization while reconfiguring the landscape of commerce (Buhalis, 2003). Technicians and software developers have developed many ICT platforms to make easiness of travel industry such as mobile apps like, reservation system, property management systems

like Wikitude, Sabra, Amadeus, Airbnb Travel online, Booking. Come, Trip Advisor, Agoda, Bookmundi, Get your guide, Trodly, Expedia, Bokun, Book all Safaries, Tour Radar and Dotravels. Therefore, both tourists and tourism sector employers use those technological features for their convenience. Travel agents who successfully used internet as distribution channel had an easier access to global market. In such a way internet created the possibility to penetrate new market segments, and encouraged global alliance with the aim of enriching tourist offer, advertising and booking through cross-organizational booking systems (Mihajlovic, 2012). Hence, advancement in information technology assures the increase of tourism market because it reduces barriers such as transportation and communication costs which provide opportunity of people to travel cheaply and comfortable.

Moreover, The Micro, Small, Medium Enterprise sector has been identified as an important strategic sector in the Sri Lanka. Most of them are travel through the travel agencies. 989 of DMC (Destination Management Company) already registered as a travel agency in SLTDA. Among that, most of travel agencies are micro, small and medium scale. According to the SLAITO 160 Inbound, travel enterprises registered under the MSMTE category within the Colombo area. It is providing 52% contribution to the Sri Lankan GDP. The government provide the policy framework for the MSMTE and give the specific definition for the SME. And give overall policy objectives of the GOSL (Government of Sri Lanka) and it is including change for inclusive economic growth, regional development, employment generation and poverty reduction. MSMTE sector envisaged to contribute to transform lagging regions into emerging regions of prosperity (Ministry of Industry and Commerce, 2016).

However, appropriate skills available in-house and thus have to train existing staff or purchase those skills in the marketplace. Although the technology is much cheaper than before, it still represents a considerable investment for Micro, Small and Medium Travel Enterprises (MSMTE) that traditionally lack such funds. As well as, introduction of ICT, which may lead to dramatic changes in the business's fundamental activities. Requires an awareness and basic knowledge at the management function, but many owners of MSMTEs appear to be too busy surviving to invest time in such projects. Therefore, there is a significant risk that such efforts to introduce ICT will be unsuccessful, and the cost of such failure may be fatal for the small firm lacking



adequate financial and productive cushioning. It is not surprising that, many MSMTEs have avoided such risk by ignoring ICT (Antlova, 2006).

### **1.3 Problem Statement**

During the adaption of ICT, especially in e-tourism, Distribution of tourism structure has been changed. The adaption of new information & communication technology provides MSMTE (Micro, Small & Medium Travel Enterprise) travel agents with opportunities for reinter mediation and the retail. And, there have been studies that show the benefits of technology in improving cash flow, increase productivity, and promote greater competitiveness through reaching new customers not just walk-ins but expanding business globally (Aboushouk, Phil, & Lim, 2012).

Previous research indicates that the diffusion of e-commerce would significantly enhance the survival of MSMTE and that extent and natures of its adaption are uneven across organizations depending on many factors (Mohamad & Ismail, 2009). However, despite the mentioned benefits of e-tourism in the operation of the Travel Agencies, some MSMTE's characterized by their reluctance to take risks and cost conscious due to their limited access to capital resources (Aboushouk & Eraqi, 2015). According to the above statement, travel and tourism organizations highly pay their attention to adapt the e-tourism platforms to achieve their goals and objectives. When compared to large scale, Micro Small Medium Travel Enterprises in tourism sector has been emerging as the leading economic contributor of the country.

The tourism industry is highly depending on information intensiveness and the use of ICTs in tourism has become so widespread it is almost obligatory. While the benefits that larger tourism organisations gain from ICTs have well researched, little known about, how ICT can be utilised to maximise the business value of Small Tourism Enterprises (MSMTEs). Understanding the value of ICTs for MSMTEs is important, as they have gained widespread recognition as a major source of employment, income generation and poverty alleviation in developing countries (Abeysekara, 2017).

Adaption of ICT has utilized maximum benefit of E tourism as a successful strategy for creating and encouraging the Inbound Micro, Small Medium Travel Enterprises.

There is little research addressing the business value of ICT tourism and what is available mainly focused on financial gain for larger businesses in the context of developed countries. Though the use of ICTs in small firms is well established and there is abundant literature available on the ICT adaption research, little research has carried out on the business value of ICT in small firms especially in the tourism sector (Abeysekara, 2017).

Table 1. 1 : Travel booking by Indian outbound Traveller.

Attribute	Percentage
Social media	43%
Friends and acquainted	1%
Advertisement	16%
Employers	0%
Internet search	40%
Total	100%

Source: (Datta, 2019).

India is the main income generating market source to Sri Lankan, where 4, 25,000 Indian visitors travelled to Sri Lanka in 2018 (Economicstimes indiantimes, 2019). Most of Indian travellers has booked tours through the social media. It take-over 43% from the total of Indian outbound travellers. Moreover, another 40% of Indian outbound travellers booking through the internet. Only the 16% of Indian outbound travellers booked through the advertisement and only 1% from the total Indian outbound travellers, as booked through the friends and acquainted.

Table 1. 2 : OTAs and search engines are leading planning resources

OTAs and search engines are leading planning resources	Millennials (24 – 35) user percentage
Online Travel Agency	69%
Search Engines	53%

Source: (Group Expedia, 2017).

Chinese market is the secondary income generating market in Sri Lankan tourism industry (SLTDA, 2019). Chinese people has highly engage with technology, they use mobile apps online platform as the source of finding their travel destination and spend on all expenditures. According to the Nielsen Holding PLC, 2017 report, most of Chinese tourists use mobile payment methods in their overseas trips. According to the research done by the Expedia group about the Chinese multi-generational travel trends, their conclusion is most of Chinese tourist are using online platforms to make their travel designs. 69% of Chinese Millennials use online travel agencies and 53% Millennials use search engines like google, yahoo etc. (Group, expedia, 2017).

Table 1. 3 : German multigenerational Travel Trends

OTAs and search engines are leading planning resources	18-23 age	Millennials (24-35) age	Boomers 56 age
Online Travel Agency	44%	50%	61%
Search Engines	50%	51%	43%
Travel apps	33%	33%	33%

Source: (Expedia Group, 2018).

German market is the fourth income generating market in tourism industry. According to the SLTD (2018) statistical report, 156,888 travellers were visit in Sri Lanka (SLTDA, 2018). As percentage, it is 6.7%. According to the figure Expedia group have been divide main three cluster in German market in order to their age level and there travel-planning resource. Accordingly that figure most of them are use internet to plan their trip especially boomers they use online travel agencies plan their tip (Expedia Group, 2018).

Table 1. 4 : Travel Habits and behaviours of British and Australian

Country	Age category	Face book	Instagram
British	18-23	50%	46%
	24-35	51%	29%
Australia	18-23	62%	50%
	24-35	61%	32%

Source: (Expedia Group, 2018).

European market also gain high-income rate for travel and tourist industry. There are 254, 1765 U.K high-end customers, 156,888 German high-end customers, 106,446 France high-end customers who visited Sri Lanka. (SLTDA, 2018).

Table 1. 5 : Travellers use mobile throughout the journey

countries	Booking the travel	During the trip
USA	20%	56%
China	55%	65%
Japan	33%	70%
Brazil	30%	58%

Sources: (Expedia Group, 2018).

Underscoring the opportunities that exist online for DMOs, other recent data have shown how important online sources are to leisure travellers. A PhoCus (2009) wright study reported that 56 % of U.S. travellers select their vacation destination online. Destination marketers also have the opportunity in online platform to influence leisure travellers in the decision process, 2009 Google-Compete study showed that as many as 4 in 10 leisure travellers are undecided on an exact destination when they think about planning a trip (Wash, 2010). According to that statement Europeans use ICT technology for select their travel destinations. That statement highly emphasises advantage of adapting E tourism platforms in Sri Lankan MSMTE travel agencies. They have to make intention to adapt ICT base platforms to catch tourist market. Now tourists highly concern to use E-commerce and E-facilities, which can be used in their selected destinations. Sri Lankan tourism organizations have not paid much attention to adapt to the ICT base working plat forms (Gamage, 2003; Senanayake, 2019). E-Tourism and Travel Agencies play a more and more important role in the tourism and hospitality industry by contributing to a large volume of transactions and revenue. “The study of e-commerce adaption by small businesses in the tourism industry has been recently declared as an emergent area where limited research has been carried out so far, Furthermore the factors influencing e-commerce adaption in the tourism sector, and particularly by travel agents, had not been investigated thoroughly till recently. Even fewer studies have examined these factors affecting e-commerce adaption in a developing country” (Shouk, Lim, & Megicks , 2014, p. 261). In the sense according to the Abeysekara (2017) studies, that has elaborated the business value of ICT for

small tourism enterprises and the opportunity to apply ICT to tourism industry. Adaption and non-adaption decisions as opposed to the movement from low to advanced e-commerce use in SME e-commerce research as previous research has focused (Aboushouk, Phil, & Lim, 2012). “Despite the enormous attention given to encourage MSMTEs to adapt e-commerce both by academics as well as governments, little research has been carried out in identifying strategies of ecommerce adaption for MSMTEs in developing countries” (Kartiwi, 2017). Studies examining the association between ICT and tourism organisational performance are relatively few and even those limited studies predominantly focused on larger organisations and financial value (Buhalis, 2003).

“The highly sort after, experience driven millennials Travel Purchase Decision Making Process is greatly influenced by Social Media” (Senanayake, 2019, p. 192). This development of technology has been changed communication and consumption pattern of tourism products. Stakeholders in tourism sector still have very primitive awareness about the social media marketing. This lack of understanding of tourism stakeholders, about social media marketing is the reason for poor destination marketing of the country among social media. (Senanayake, 2019).

Hence, according to the above statements the global behaviour of the travellers, at the pre purchasing behaviour of purchasing travel product there is a real intervention of ICT. Moreover, when considering the pre literature the most of researchers thoroughly mentioned that there are lack of studies on e-tourism. According to the Senananyake (2019), he mentioned through his literature, that the stakeholders in Sri Lankan tourism lack of knowledge about the importance about using social media. Hence, growing opportunity of tourism industry in Sri Lanka could be hide because stakeholders haven't broad awareness about the advantage of ICT. Social media, Website, mobile application and other online platforms usability in general has improved dramatically but problems remain in this area. Very few studies have focused on the use of e-tourism and roles of travel agencies in Sri Lankan context (Bandara & Silva, 2016). Therefore, through this study the researcher focuses on **“why registered MSMTE's inbound travel enterprises in Colombo District Sri Lanka of the tourism sector are not adapted the ICT platform.”**

#### **1.4 Research Questions**

1. What is the Profile of the Micro, Small and Medium Inbound Travel Enterprises in Colombo district, Sri Lanka?
2. What is the association and casual relationship among Perceived Usefulness, Perceived Ease of Use and Intention to Use in Micro, Small and Medium Inbound Travel Enterprises in Colombo district, Sri Lanka?
3. What are the reasons for non-adaption of ICT in Micro, Small and Medium Inbound Travel Enterprises in Colombo district, Sri Lanka?

#### **1.5 Research Objectives**

1. To identify Profile of the Micro, Small and Medium Inbound Travel Enterprises in Colombo district, Sri Lanka.
2. To identify the association and casual relationship among Perceived Usefulness, Perceived Ease of Use and Intention to Use in Micro, Small and Medium Inbound Travel Enterprises in Colombo district, Sri Lanka.
3. To identify reasons for non-adaption of ICT in Micro, Small and Medium Inbound Travel Enterprises in Colombo district, Sri Lanka.

#### **1.6 Significance of the Study**

The purpose of this study is to identify the E Tourism adaption in the SMTE in the Colombo area. In travel and tourism sector MSMTE make huge contribution for development of the Sri Lankan tourism industry. Still they do not engage with the technological working process. Still they run as a traditional travel and tourism organization. To attain the Tourism Strategic Plan's 2017-2020 targets, Sri Lanka needs to consider the developing potential international tourism markets. It is easy to meet those goals by acknowledging the world's greatest market for outbound tourism. Instead, tour operators may see more benefit for entering this spot.

E tourism (ICT), which is the new type of tourism components developing world. Number of developing countries are using that technology for their business. Still Sri Lankan travel and tourism industry organization work on traditional methods. Among

them, some of organizations are try to adapt to the technological platforms, but many of them are work on traditional methods. They still not identify advantage of the ICT technology. Organization should have to identify advantage of ICT technology and how to adapt to the ICT technological work process in the organization.

### **1.7 Limitation of the study**

There are lack of previous research articles for gathering information about the E tourism adaption MSMTE inbound travel enterprises in Sri Lanka and lack of literature on international context. There are no actual figures as secondary data about the adaption of E tourism in MSMTE inbound travel enterprises.

Difficult to find correct figures of inbound travel enterprises, which registered under the MSMTE Category.

### **1.8 Chapter Organization**

The first segment is a synopsis of the analysis. It provides a research context, a statement of challenges, priorities of research and questions of analysis. On the other hand, analysis should discuss the significance of the project and other limitations to the test. Finally, the design of the section. The writer discusses current and applicable literature on target study on factors influencing to E tourism adaption of the registered inbound MSMTE in the second chapter.

Description of any essential concept made accessible for a clear interpretation of the subject matter and what explored in this study. Chapter three deals primarily with the methodology of studies. The section describes how the analysis performed and illustrates it by using sample design, knowledge collection methods, sampling design, testing instrument and calculation (scale and method definitions). It also describes information processing, and information evaluation.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This Chapter is discussing and focusing on definitions, theories and prior researches which are a reference to Micro, Small and Medium travel agencies, their operations, new technology acceptance, E tourism adaptation and new technology acceptance model and how it affects the E tourism functionality in Micro, Small and Medium Tourism Enterprises.

#### **2.2 Micro, Small and Medium Tourism Enterprises (MSMTEs)**

Hall (2002) Small and Medium-sized Enterprises (SMEs) have grown in importance in the global economy during the last couple of decades. Both theoretical and practical economic and business development literature acknowledges the key contributions of MSMTEs to the development of both national and international growth of economy. Creating employment opportunities, the significant role played by micro, small, and medium scale business bodies that are establishing all around the world and it takes nearly 90% from all MSMTEs.

In a past few years tourism literature has not any clear cut definition to the MSMTE 'small medium travel enterprise' lots of definition that are based on number of employees, capital investment of the organization and also economic policies and development strategies of the countries (Thomas et al., 2011). There is no single definition for the describe and classified the business or enterprises as micro, small and medium scale in worldwide. In a study carried out by International, labor Organization (2005). Over 50 definitions have been identified in 75 through over



Countries. Among those countries definitions regarding the micro, small and medium business literature shows that are defining small- scale business, definitions are depend countable measures such as number of people employed by the enterprises, investment outlay, the annual turnover (sales) and the asset value of the enterprise or a combination of these measures (International Labour Organization, 2005). US Market Research Report (2010) defined a small-scale business as single site firms with fewer than 25 employees. All small businesses are also “firms”. It said that, if there is an employee less than 25 which companies have involving with travel related business that called small scale travel agencies. Small-scale travel agencies are enterprises that involve in travel related business having less than 25 employees. In Sri Lanka have been identified, micro, small and medium enterprises as an important strategic sector in economy. In addition, it made direct impact for the Sri Lankan economic development, unemployment and social wellbeing. Over the years, MSMTEs have wide recognition as a major source of employment generation and directly address to the economic increment, poverty alleviation and regional and rural development (U.S. International Trade Commission, 2010). However, some other researchers have made clear-cut definition for the small medium travel enterprises according to the studies. Micro, small and medium tourism enterprises identified the businesses, they have create own definition for categorise to their business operations in the tourism sector. According to the Breen et al., (2015) Employ up to 100 employees and include sole operators not employing any staff. Specifically, micro businesses are those that employ between one, four workers, and small businesses employ between five, and 19 employees and medium businesses employ between 20 and 100 employees. According to the above statement they have been use that definition for their study. In the European Union, enterprises qualified as small or medium-sized enterprises based on staff headcount and a turnover of selling. When the staff headcount is lesser than 50 and turnover less than or equal to 10 million Euro, if that figures are between 250 and 50 million ,That’s used as a characteristic of identified medium-sized enterprises (Abeysekara, 2017). As claimed above authors, it is difficult to find out any clear-cut definition for the small medium enterprise, according to that, the definition of MSMTE is depending on the level of development of that certain county.

The term MSMTEs is use to denote micro, small and medium travel enterprises. ‘Different countries use different definitions for SMEs based on their level of

development' (Samarathunga & Pathirana, 2016). Number of employees, the size of fixed investment, nature of the business and the sector of business those criteria should consider when identifying the category of business. Micro, Small and Medium Industries or Enterprises, Micro Enterprises, Rural Enterprises, Micro, Small and Medium activities, Cottage and Small Scale Industry, etc., are some of the terms which are used to identify the business type (Gamage, 2003). According to the Central Bank of Sri Lanka (1998) , The purpose of assistant programs implemented by the Sri Lanka Export Development Board(SLEDB) for export oriented enterprises, MSMTEs are defined as those enterprises with a capital investment excluding lands and buildings , less than Rs.8 million (US\$84,000)or with annual export turnover, less than Rs.50 million (US\$ 525,000) (Hewaliyanage, 2001). World Bank has declared statement for classification of Sri Lankan business, when the company, which has employees less than 49 it is categorised on a small category, when the company has employees between 50-99 it is categorised under medium size business and when the company has employers more than 100 employers that falls under large category. The number of employment is the one of reasonable factor to determine the nature of the business (Ponnamperuma, 2000).

Hence in the context of Sri Lanka have been follow definition for Micro Small and Medium Enterprises, which granted by the Ministry of industry and commerce. The term MSMTE is use to denote micro, small and medium travel enterprises. Different countries use different definitions for MSMTEs based on their level of development. Commonly used the yardsticks of total number of employees, annual turnover and total investment. In the Sri Lankan context, the MSMTE policy framework defines SMEs based on the number of employees and annual turnover (Ministry of Industry and Commerce, 2016).

Table 2. 1 Defining MSMTEs in Sri Lanka

Size or Sector	Criteria	Medium	Small	Micro
<b>Manufacturing Sector</b>	Annual Turnover	Rs. Mn. 251 – 750	Rs. Mn. 16 - 250	Less than Rs. Mn. 15
	No. of Employees	51 – 300	11 - 50	Less than 10
<b>Service Sector</b>	Annual Turnover	Rs. Mn. 251 – 750	Rs. Mn. 16 - 250	Less than Rs. Mn. 15
	No. of Employees	51 – 200	11 - 50	Less than m10

Sources: (Ministry of Industry and Commerce, 2016)

In the sense according to the level of development and requirements of the economy used defence kind of definitions for the Micro, Small and Mediums scale enterprises in Sri Lanka. Hence, clear that there are several definitions for MSMTEs adapted by various institutions in Sri Lanka and this has led to confusion in identifying MSMTEs for various supportive measures. In The most of developed countries has clear-cut and strong definition for MSMTEs (Gamage, 2003).

### **2.3 ICT in Travel agencies and tour operators.**

Tourism means the people's temporary change their usual places of work and home, including engage the activities to undertake while stay in those destinations. (Cook, at al., 2002). Travel agents are the persons who organize and plan the trips for travellers. They are very helpful to the travellers and make easiness to plan their trip. A lot of tours and travels companies are offering tour packages to the travellers these days.

Travel agents are the persons who arrange all kinds of transportation and accommodation facilities for tourists (Bandara & Silva, 2016). A travel agency is a business they are act as an intermediary between the operators as the travel industry (supplier) and the traveller (purchaser). Moreover, they market pre-packaged travel tours and holidays to potential travellers. The agency function like a broker between the traveller and hotels, car rentals, and tour companies (Goeldner & Ritchie, 2003). The travel agencies can be Micro, Small and Medium scale according to the ownership, number of employee ratio and annual turnover. That is depend on the development of the country and economic decisions of those counties. Different philosophers are create different kind of definition for the term of travel agency and that depend on their perception hence the travel agent can make direct contact for a traveller who is researching and intending to purchase packages and experiences through the agency. Travel agents can specialize in certain types of travel including specific destinations, outdoor adventures and backpacking, rail, cruise, cycling, or culinary tours, are few. These specializations is help travellers when they require advice about their trips. Some travel agents operate at a fixed address and others offer services both online and at a bricks-and-mortar location. Then travellers are able to have face-to-face conversations with their agents and reach them by phone or by email. (Go2HR, 2014).

The organization work as the travel agent they should have to understand their roll of the sector and they have full fill customer's requirements. In the sense, they should have to identify the world travelling trends and it should follow those trends full fill the customers' requirements. Therefore, tour operators are mainly provide packages for the travellers, related with the other services. Those packages are sell through retail outlets, or travel agencies (Goeldner & Ritchie, 2003). Tour operators are expand their product and they setting up the product and they assemble various components to the tour packages and setting up the various product up to one package and it develop well and offer to travellers through travel agencies (Yong's cyberclassrom, 2019). In the sense tour operators are make close relationship with transport providers, hotels and attractions. Tour operators are buy large volumes of each component and package with better rate than the traveller could if purchasing individually. Tour operators generally sell to the leisure market (Westcott, 2015). According to the Morgan Westcott, book Introduction to Tourism and Hospitality in BC (2015), he mention two type of tour operators. Those are

- Inbound tour operators bring travellers into a country as a group or through individual tour packages (e.g., a package from China to visit Canada).
- Outbound tour operators work within a country to take travellers to other countries (e.g., a package from Canada to the United Kingdom)

The dynamic of E tourism closely related to the development of ICT (Pan, 2015). The role of ICT in tourism industry cannot be underrated and it is key driving force of current information driven society. It has introduced and enabled new tools and new distribution channels, hence creating a new business environment. ICT tools help to the industry by introducing network with trading partners, distribution of product services and providing information to consumers across the world. At the same time, consumers also use online facility to acquire information and plan their travel. Information is the basic platform in the tourism industry. Nowadays tourism economy driven by information technology (ICT) and telecommunications.

All tourism-oriented companies, such as tour operators, travel agencies, rental agencies, cruisers and hotels. Experience the growing impact of information and communication technology (ICT). Tourism sector represents the information-intensive industry characterized by a significantly long value chain influenced largely by information. Its

creation, collection, storage, retrieval and transfer remain within the core activities of all tourism enterprises (Januszewska, Jaremen, & Nawrocka, 2015). The introduction of digital information technologies enables a tourism industry to take full advantage of the resources availability, while their rapid growth drives the need to reorganize industries and make investments. For the last two decades, we have been witnessing the truly transformational effect of the information and communications technologies on tourism industry. They changed both sides of the tourism market demand and supply. The integration of ICTs has particularly benefited the facilitation of experiences. With new technologies has developed, new types of tourist activities are emerging that can both transform conventional experiences and result in the emergence of new types of tourism experiences (Neuhofer, Buhalis, & Ladkin, 2014). In tourism market relations, financial settings, customer service processes or even tourist products are subject to virtualization. ICTs and virtualization open new opportunities and challenges for the tourism enterprises. Nowadays success of tourism depends on the ability of taking advantage of all opportunities offered by information and communication (Januszewska, Jaremen, & Nawrocka, 2015). The Internet offers a vast way of sharing information that facilitates the promotion and marketing of tourism activities. Tourism marketing programs usually represent the main technology of digital and virtual reality (Hojeghan & Esfangareh, 2011).and travel agencies are manly contact with the online agent like trip advisor, booking.com, Agoda, Viator those are the main supply-generating source for the travel agents. Because of that, travel agents should have good technological advancement for dealing with the online suppliers and their customers.

In addition to that, movements of the travellers and transportations are reflect as a significant component of the international tourism (Page, 2005). When tourists travel to any place information are play major role it could be affect to the tourist travel choices as well as it could be generating kind of marketing value for the particular destinations. Generally, tour operators and travel agencies are use that information to create their tour packagers and itinerary planning and observe activities, attractions about special destinations. They are going to promote that within the travellers. (Khanan, 2014). A tour package is a primary component of the tourism industry, seen by tour operators as a determining factor for tourist satisfaction (Geva & Goldman, 1991). Mainly tour package should be consist of itinerary with some elements such as the tourist attractions, destinations, activities, meal plan, accommodations, transport

facilities with the scheduled arrival times and visiting duration time , specific to each tourist according to the tourist preferences and their characteristics (Khanan, 2014). In literature have so many definition for the tour packages. Jafari (2000) define tours operators and travel agencies are organized tour packages for their operations and that tour packages are reflect the collection of tour products such as transport, accommodations, activities and tours. To consider the tour product as a tour package at least two of the product should need to be market as a one particular product. He also described the interchangeable use of the term ‘tour package’ and ‘itinerary’ by tour operators. Syratt and Archer (2003) similarly defines tour package as a mixed of activities such as transportation, activities and lodging, purchased by a tour operator in bulk to produce greater profit and resold as part of a package. In the sense the definitions of a tour package by Jafari (2000), Syratt and Archer (2003) and Morrison (1996) have common feature. Those are accommodation, transportation and attractions. Notice that, the component of attractions closely related to tours and sightseeing that conducted by visiting attractions.

An attraction defined as a sight or place of interest in other literature. An itinerary is significant component of the travel product mainly can identify two type of itineraries such as tailor made and pre-set, and planning an itinerary is one of the most time-consuming travel preparation .when-planning itinerary should be concern the point of interest (POI) of the tourist. Should have to identify customer’s preference and what they accept from the travel agents and what kind of experience are they seek, (Roy, at al., 2011). Tourist trip itinerary mainly includes a plan with a sequence of visits scheduled number of points of interest (POI) (e.g. POI description, start and end time, cost etc.) (Sylejmani, Dorn, & Musliu , 2017; Sylejmani, 2013). Simply tailor made itinerary is unique itinerary it is create according to the tourist preference, that itinerary unique one customer to customer where every part of the trip has been created individually to suit tourist style, taste and budget. The term is interchangeable with ‘bespoke holidays’ meaning your flights, stopovers, accommodation, tours or vehicle hire have been arranged to match your individual requirements (Montan, 2020). In now a days booming of the technology lot of travel agencies and travellers plan their trip through technology. They use online tour planning system. The Electronic Travel Planner (ETP) is a prototype Internet-based system designed to plan travel itineraries (Dunstall, et al., 2004). Many itinerary planning applications are develop to assist

travellers to make decisions. Tourism destinations, tourist trip itinerary planning could be performed automatically by using expert systems (Sylejmani, Dorn, & Musliu , 2017).

#### **2.4 E - tourism Adaptation**

E tourism can simply define as electronic Tourism. In other word, E tourism can define as the use of information and communication technologies (ICT) in the tourism industry. As well as E tourism is some of extension feature of the ICT and ICT base on Network, Hardware, software and also intellectual capacity of Human ware. Tourism is highly depending on the Information and communication. After the invention of internet ICT became a more advance feature between the business industry as well as tourism industry. Development of the internet in tourism sector convert ICT base approaches to make web based reservation, electronic data transfer, distribution management, e-marketing (online marketing), online transactions, electronic data changes, the automated inventory of used management systems, and automated data collection e-payments on mobile applications like Wikitude mobile app and other platforms. Then ICT affect to the tourism industry and it directly involve to buying and selling of tourism products and services through the ICT and ICT related other features such as Electronic channels, Internet- mail, social media, GDS, MIS, etc.

Further, the marketing is to provide sufficient value to gain loyal, long-term customers (Jashi, 2013). Invention of internet technology, the marketing aspect has change all over the world. The internet has upended how consumers engage with brands and suppliers. They are willing to promote their products and service via internet. Because of that, digital marketing has become a significant component of every type of business entities in today, and digital marketing is create new kind of dimension within the customers and suppliers. It would be helps to create different kind of marketing aspects. The increasing role of digital marketing has affected the way of business promotion and they are offerings to existing and new customers. Hence the main reasons of the success of digital marketing is, traditional marketing is the fact that the former businesses track user behaviour in real-time (Kaur, 2017). The reviving of the digital marketing several literatures available.

According to the Ruzic, (2003) Internet marketing and online advertising, also called e marketing, web marketing, online marketing, or e marketing, is the advertising of products and services over the Internet. The application of the Internet and related digital technologies in conjunction with traditional communications to achieve marketing objectives (Chaffey & Chadwick, 2012). Now Internet become a leader of global marketing system hence the use of the internet technologies with that people are willing to neglect to the use of traditional methods in order to suppliers are use in the digital marketing to achieve their marketing goals. Marketing using electronic media such as the web, email, interactive TV, IPTV and wireless media in conjunction with digital data according to customers perception and behaviours (Dave, Chadwick, Mayer, & Johnston, 2009). Costumer behaviour has drastically changed in tourism, associated mainly with the advance of Internet. Data show that around 4 billion of the world's population are active users of Internet in its various forms and uses (such as search engine, email, social media, booking portal, payment portal, etc.) (Pitana & Pitanatri , 2016). Tourism sector also highly engage with the internet because of the world trends, now people are get out from the traditional way of thinking and because of their busy life they always seeking their easiness of the day-to-day work. "The whole travel industry in the last few years has been significantly influenced by the changes in tourists' behaviour. Along with the technological progress" (Zykova, 2017, p. 9).

Gurneet Kaur (2017) he was thoroughly mention about the digital marketing aspect in tourism industry in his literature. The tourism industry includes all the people, activities, and organizations involved in providing services for people on holiday, for example hotels, restaurants, and tour guides. Before the launch of digital marketing, the role of people who rendered these services was indispensable to the success of the business. With the launch of the internet, newer modes of marketing the various services to the target audiences have evolved.

The tourism industry, in particular, has disrupted as a whole with the rapid development of the internet. Users purchase services related to tourism online at the click of a button while comparing amongst businesses from all over the world. In the digital marketing can be identify the different type of marketing source base on the internet. Social media is one of very primitive marketing source for the suppliers, organization, and tourism industry. Social media is a one of new marketing way to allows you to get to know



about customers buying behaviours and perception. That information helps to make decisions and make better for output like respect, trustworthiness, and honesty (Marjorie Clayman). According to the Gurneet Kaur, (2017) the most relevant social media platforms for a tourism business include the following

- Face book
- Instagram
- Twitter
- LinkedIn
- YouTube

Today digital marketing has disrupted industries and changed the way businesses reached out to customers and also that has relationship with the social media most of people are spend their time with social media , that social medias are make huge potential to make awareness and affect to the buying behaviours of the customers. In the sense, digital marketing is the most powerful weapon to the increase value of the tourism industry and also profit generation and destination marketing. The tourists have used digital (or internet) technologies, although of different dominance. In the stages of Awareness and Interest, around 77% seek information from internet in the stage of desire it is around 65% while in the stage of action (booking and paying), it reaches 34%. Even though it seems low, only 34%, but the growth of internet booking is amazing it increases 244% in the last 3 years (2012-2015). Considering the trend and the future of digital marketing, countries, tourism destinations, and travel agencies are now using digital marketing (Pitana & Pitanatri , 2016).

The digital customer is more demanding now because the customer is able to gather a greater amount of information, which includes product availability in less time with the help of the internet. When the travel agencies are going to convert their operations base on the internet and digital marketing it will be kind of adapt to the E tourism, when they use online platforms, e commerce, social media promotion and marketing it will be helps to increase value chain of the tourism industry. Beginning of the 80s, the Information and Communication Technologies (ICT) directly affect to the global tourism industry (Porter, 2001). According the UNWTO, (2001). ICTs play a critical role for the competitiveness of tourism organisations and destinations as well as for the entire industry as a whole. According to UNWTO, the Internet is revolutionising the

distribution of tourism information and sales. An increasing proportion of Internet users are buying online and tourism will gain a larger and larger share of the online commerce market.

The establishment of the Computer Reservation Systems (CRSs) in the 1970s, Global Distribution Systems (GDSs) in the late 1980s and the Internet in the late 1990s have transformed operational and strategic practices dramatically in tourism (Buhalis & Law, 2008). Also known as travel technology or “e-travel”, E tourism refers to a phenomenon and research area in which the adoption of information and communication technology (ICT) by tourists and businesses transforms the processes and the value chains in the tourism industry. This development changes the process within a business or organization while reconfiguring the landscape of commerce (Buhalis, 2003). The dynamic of E tourism closely related to the development of ICT. Hence, various typologies of technologies employed in E tourism. Consequently, three subareas have emerged operational tools and systems used by tourism, hospitality businesses, or organizations to increase efficiency and competitiveness consumer platforms adopted by tourists to search information, plan their trips, make purchases, and share experiences and distribution and commerce tools which offer distribution channels and mediate the transactions between tourists and businesses (Pan, 2015).

E tourism means work away from the traditional tourist activities and work with the new ICT innovations other than that adding the new form of technology for the tourism industry, mainly Internet based technologies, adjusting the way tourism is advertise, resources are managed and group marketing is perceived (Pauna, 2017). In the sense ICT adaptation is the one part of the story when the compering the business in the tourism industry large scale organizations are use ICT and they grab huge benefit from ICT technology in their tourism business. They maximise the utilize of e commerce, online systems like (CRS,GDS) and also they harvesting that benefit for their organization, but in micro, small and medium enterprise the situation even different using the E tourism aspects. MSMTEs are facing more stringent impediments to the adoption of new information technology, in particular, e-business (Kim, 2004). MSMTEs more vulnerable than large firms to problems linked to authentication/certification, data security and confidentiality and the settling of commercial disputes (Buhalis, Leung, & Law, 2011).

ICTs have the potential to add substantial value to the operations and the competitive position of tourism enterprises (Ismail, Jeffery, & Belle, 2011).

Global value chain (GVC) perspective will be used to examine the role of workforce development initiatives in several developing countries that participate in international tourism (Anamaria & Iorgulescu, 2015). Porter (1985) is one who introduced the concept of a value chain firstly. According to Porter, (1985) every firm is a collection of activities that performed to design, produce, market, deliver, and support its product. When concern the global scenario, world tourism has been experienced significant growth over the past three decades, it brings considerable impact for the every corner of the tourism industry through the value chain. That value flows to destinations, local community, suppliers, stakeholders, intermediaries finally to the tourists in same time and created new trends like sustainable tourism. (Lee, Riley, & Hampton, 2010; Zhang, Song, & Huang, 2009).

Tourism value chain mainly consists of three stages according to that those three stages have its own type of measurement. In tourism, the value chain the first stage covers the pre-trip experience, in this stage. The detailed information prior to departure will be discussed. In addition, identify the point of interest (POI) they would be going to know about information of their interest destinations, Next stage is the trip experience, what are the tourism activities involved during the visit and experienced during the trip. When they gain different kind of experience in during their trip, they consume the product finally, and then get the post-trip experience, whereby on this stage the output of the tourism value chain activities will measure. It will be directly affect to the next choice and they analyse their pre experience base on that. Then make the next travel choice. The proposed measurement for this stage is an evaluation of tourist satisfaction and tourist loyalty in order to create a competitive advantage (Filda, Ismail, Simatupang, & Dwi, 2019). The primary goals of tourism industry are creating competitive advantage through creating an extraordinary travel experience from a tourist perspective helping destinations managers, evaluation for future arrivals and expenditures. Therefore, to analysis travel experience, manage and measure the whole value chain, focusing on customer's need. The tourism industry consists of various players and tourism demand that is a combined effort of these players. However, it seems that there is no attempt in the tourism management literature proposing

frameworks or models, which can assist the tourism companies, evaluate and control the overall tourism value chain. (Yıldırım Yılmaz, 2006). Describe, in order to design a specific value chain model that will using tourism destination to improve brand equity. As a tourism destination, which needs to improve its brand equity through an effective tourism value chain (Chigora, 2015).

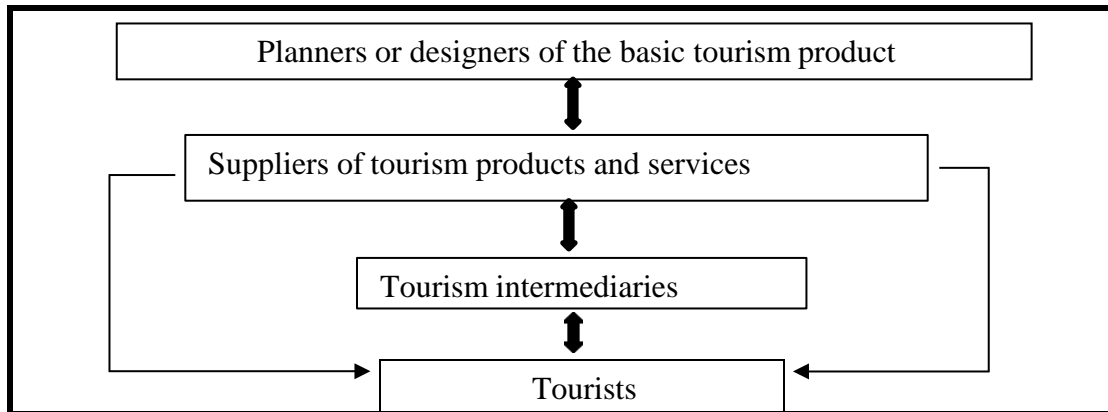


Figure 2. 1 : Tourism value chain  
Source: (Song, Liu, & Che, 2013)

When tourist going to punches the travel product at the same time tourism value chain starts with the customer order. Moreover, tourists have more alternatives when they going purchase the tourism product as their preference. They can either arrange their travel plan with the help of tour operators or outbound travel agents. Then they can choose the best travel packagers with their preference and compering other travel products (Yılmaz & Bititci, 2006). Development of the tourism sector, global economy system also be subdued that development. When the tourism development in the country that development should flow the social value system and creating new way of living pattern within the minimizing negative out comes and maximizing the positive impact for the local and foreign tourist. Therefore, should have proper market analysis in terms of demand and supply (Frommenwiler & Varga, 2015).

## 2.5 Factors of Technology Acceptance

Technology is play major role of current world. It make more benefits for the micro, small and medium scale travel enterprises. The researcher going to study the level of technology acceptances in the travel agencies in Colombo. The researcher fallow the Davis (1989) The Technological Acceptance model (TAM) for the identify the adaption of Information Communication Technologies in travel agencies and TAM is use as a

theoretical model for predicting intention of use and acceptance of information systems in organizations. It proposes that perceived ease of use (PEOU) and perceived usefulness (PU) are determinants measuring the attitude toward adoption of ICT. According to Lucas et al., (1999), Venkatesh et al., (2000), & Moon, (2000) attitude of intention of use of ICT helps to technological advancements of the organization.

Davis (1989) determine perceived usefulness, perceived ease of use and intention to use describe. The degree to which a person believes that using a particular system would enhance his or her job performance. This follows from the definition of the word useful "capable of being used advantageously." Within an organizational context, people generally reinforced for good performance by raises, promotions, bonuses, and other rewards (Pfeffer, 1982; Schein, 1980). Hence, perceived usefulness is a one of user satisfaction attribute that affect to the usability of user and acceptance of a computer or technology system perceived ease of use in context, refers to "the degree to which a person believes that using a particular system would be free of effort." This follows from the definition of "ease": "freedom from difficulty or great effort (Davis, 1989). MSMTE is able to identify usefulness of the E tourism, it will be a great opportunity to them to achieve the market which they loss and it will help MSMTE to grab the market which is catch by giant travel agencies. Many studies have evaluated tourism websites through different research methods. In the sense, most of researchers are describe that determiners as perceived usefulness, perceived ease of use. In the organization, employers perceived usefulness, perceived ease of use and intention to use in technology and it has directly affect to the organization, that determines are mostly influence to use of information technology an organizations. Technological acceptance model (TAM) create direct bridge between the two determinants such as technology acceptance and user behaviour, according to the TAM use of technological product depends on the intention to use of user and also user behaviour, attitudes and ICT literacy of the user. Such a determinants are create to way of the perceived ease of use (PEOU) and the perceived usefulness (PU) of a technology.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1. Introduction**

In order to achieve successful research, the methodology chapter is a very important one. It also consists of a research design, unit of analysis, population sample, and sampling procedure. In addition, this chapter reviews measurements and the researcher refers data analysis techniques in order to examine study on factors influencing to E tourism Adaption of the Registered Micro, Small and Medium Inbound Travel Enterprises in Colombo.

#### **3.2 Philosophy of the Research**

According to the Bryman (2010) set of beliefs concerning the nature of the reality, being investigated can be defined as research philosophy. Further, it can be mentioned as the underline definition of the nature of knowledge. In addition, the goals of research and the most appropriate way, which used to achieve these goals, cause to select various philosophies. Therefore, having a clear understanding on the research philosophy help to explain the assumptions inherent of the research process and how it fits to the methodology, which used for the research.

Moreover, research philosophies help to develop knowledge and nature of the knowledge. It can be identified two philosophical frameworks positivism and constructionism, which would be described in many ways such as empiricism and interpretivism with mostly similar assumptions. Positivism assumes that the reality is existed Independently of the thing what is studied.

Therefore, by using these philosophies researcher tried to identifying the solutions and addressed the research objectives by using theories and frameworks.

### **3.3 Research Approach**

The researcher has selected quantitative research approach as the research approach of the study. Quantitative examining the relationship between and among variables is central to answering questions and hypothesis through survey and experiments (Creswell, 2014).

### **3.4 Strategy of the research**

In this research, researcher uses case study strategy with a use of a survey questionnaire (Google forms). It can be identified as vary familiarized and user-friendly method for the respondents. It familiarized with technology and the self-administrative Google forms helped to save the valuable time of the respondents. Hence, this type of research strategy helped to reach the research problem properly.

### **3.5 Research Design**

This research can be identifying as a non-experimental research. Therefore, survey design considered as most appropriate techniques for non-experimental research. With the non-experimental research, the researcher concern to collect the data as well as it helps to develop the clear hypothesis. The research design related to the strategies used in answering the research questions. Further research design also describes the approach, which used for research. This research study uses quantitative tools for collecting data.

#### **3.5.1 Scope of the Study**

The number of travel agencies given their service to outbound tourists who visit Sri Lanka. 2,333,796 tourists are arrived to Sri Lanka and through that earn Rs. 712,027.3 million (SLTDA, 2018). Most of them are travel through the travel agencies. 989, of DMC (Destination Management Company) already registered as a travel agency in SLTDA. Among that, most of travel agencies are micro, small and medium scale. According to the SLAITO 160 Inbound, travel enterprises registered under the SMTE category within the Colombo area.

### **3.5.2 Source of Data**

Methods for collecting information generally focused on the sort of information needed. Primary data used for the study-related information that are collected. Examining the Structured surveys were used to collect primary data and to examine the factors influencing to E tourism adaption of the registered micro, small and medium inbound travel enterprises in Colombo district, Sri Lanka. The research does not use secondary data.

### **3.5.3 Population & Sample design**

The study focuses on MSMTE inbound travel enterprises in Colombo area, which operate inbound tourism. According to (SLAITO) there are 160 of registered MSMTE inbound travel enterprises in the Colombo area.

Sample is a portion of elements a taken from a population, which is considered to be representative of the population. According to Saunders et al. (2009), sampling means a subset of the entire population, which prevent from the surveying entire population and it, is inferential statistics to generalized sample to the population. The researcher has used Krejcie and Morgan sample method to identify the sample size. Based on that the researcher has identified 113 of inbound micro, small medium travel enterprises in Colombo area. In the sense researcher would be collect the data among the selected inbound micro, small medium travel enterprises in Colombo area, which registered under the SLAITO.

### **3.5.4 Sample selection procedure**

The researcher used convenience-sampling method in this study and it is an effective and rapid technique of collecting information from chosen participants (Creswell, 2014). There is a 'stay home & work' atmosphere in the travel agency sector due to the COVID 19 limitations. Therefore, sampling them as a researcher's desire is difficult. Therefore, the task achieved through the convenience-sampling method.

### **3.4.5 Methods of Data collection**

Structured questionnaire will be designed for collecting primary data. The two kind of questionnaires will distribute to collect data.



- Measuring the business profile
- Measure the ICT adaption of MSMTEs.

The data collection based on measuring the business profile and another questionnaire will distribute to measure the ICT adaption of MSMTEs. The Likert scale questionnaires will distribute to measure the ICT adaption of MSMTEs. And they consist of five point Likert scale (strongly agree, agree, neutral, disagree and strongly agree).

### **3.4.5.1 Measurements and Measures**

#### **Scaling**

The researcher has used Five Point Likert Scale to develop the questionnaire. 21 questions, which represented perceived risk and attitude, were scaling under this scale.

1 = Strongly Disagree

2 = Disagree

3 = Neutral

4 = Agree

5 = Strongly agree

#### **Coding**

Questions have been developed for each dimension. Hence, to enter the collected data to SPSS, the researcher coded those variables as follows:

PU    Perceived Usefulness

PE    Perceived Ease of Use

IU    Intention to USE

### **3.6 Validity and Reliability**

#### **3.6.1 Validity**

The meaningfulness of the research dimensions can be identified via validity (Drost, 2011). It should be proved that there is a relationship or particular findings are fit with what they are appear to be. Moreover, previous studies that use same scales for their studies also considered to ensure the validity. Further, KMO and Bartlett's test used in order to test the external validity of the questionnaire. According to Field (2013). KMO value is more than 0.5 is barely acceptable.

#### **3.6.2 Reliability**

Reliability refers to the extent to which your data collection methods are consistent with the analytical procedures (Saunders, Lewis, & Thornhill , 2009). Simply, it measures the degree of strength and constancy of the concept. In here, researcher used Cronbach's Alpha test to measure the reliability of a questionnaire.

#### **3.6.3 Methods of Data Analysis**

The data will test for descriptive analysis, correlation analysis, multi collinearity test, and regression analysis. Descriptive analysis utilized analyses the company profile and technical reason and non-technological reason to adaption in ICT. Correlation analysis will use to test strength and direction of the linear relationship. Multi collinearity test use for getting (VIF) value and Regression analysis will use to analyze the relationship of each independent variables towards the dependent variable. Correlation analysis will use to test strength and direction of the linear relationship. All data analyzed using Satirical Package for Social Sciences (SPSS) tools assist in presenting the data in tables and figures.

### **3.7 Conceptualization and Operationalization**

#### **3.7.1 Conceptual framework**

The following conceptual framework shows both dependent variables and independent variables and connects or links those variables to form a test on this study.

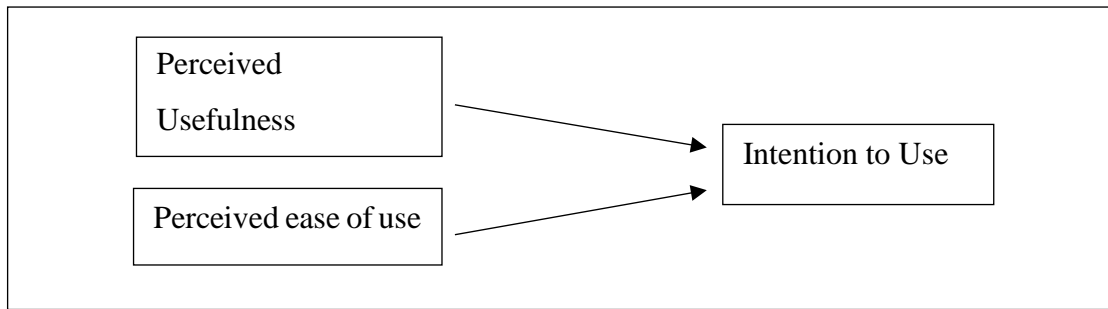


Figure 3. 1 : Conceptual framework  
 Source: (Maravilla & Gantalao, 2019; Davis, 1989)

That conceptual Framework were create by Fred D. Davis for his research. That is Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology in 1989. In 2019 that same conceptual framework use by another Philippines researchers who are Maravilla, Vicente S (Jr), and Gantalao, Cecil S. they could be use that conceptual framework for their research which is E-Tourism Adoption of the Travel Agencies in Cebu City, Philippines (Maravilla & Gantalao, 2019). Use of that conceptual framework they could be able to conduct their research and getting the outcomes.

### 3.7.2 Operationalization

According to Sekaran (2003) Interval scale allows performing certain arithmetic on the operations of the data collected from the responds. As well as it used to test distance which is occurred in-between any two points of the scale. In this study researcher followed a five-point Likert scale. In order to researcher measure study variables, part ‘A’ profile of the travel agency it is containing with Type of Ownership, Business Size, Years of Operation, Services Offered, and Online Presence (Maravilla & Gantalao, 2019). Part ‘B’ mainly consist with three category of measurements such as perceived usefulness of technology, perceived ease of use of technology, Intention to use of technology from (Maravilla & Gantalao, 2019; Davis, 1989) and the scaling was adapted from (Abu-Dalbouh, 2013). According to the Abu Dalbouh (2013) an questionnaire approach based on the technology Acceptance Model for mobile Tracking on patient progress applications. Likert Scale applied for each set of questionnaires. The Likert scale designed to examine how strongly subjects agree or disagree with statements on a five-point scale with the following anchors: (1) Strongly disagree, (2) Disagree, (3) Nature, (4) Agree, (5) strongly agree (Chomeya, 2010). Part

‘C’ find the reasons to non-adoption of ICT among travel agencies in Colombo. This part consist two categories of measurements those are non-technological reasons for non-adaption and technological reasons for non-adaption (Maravilla & Gantalao, 2019) Turban et al., (2008).

Part ‘A’

Table 3. 1 Measure the business profile of the travel agencies

Profile of the business		Source
Type of ownership	Corporation Sole proprietorship Partnership	(Maravilla & Gantalao, 2019).
Business size	Micro Medium Small	(Maravilla & Gantalao, 2019)
Years of operation	Above 20 years 1-5 Yrs 6-10 Yrs 11-15 Yrs 16-20 Yrs	(Maravilla & Gantalao, 2019)
Online presence	<ul style="list-style-type: none"> <li>• Online transaction</li> <li>No response</li> <li>Travel online</li> <li>Booking. Come</li> <li>Trip Advisor</li> <li>Agoda</li> <li>Bookmundi</li> <li>Get your guide</li> <li>Trodly</li> <li>Expedia</li> <li>Bokun</li> <li>Book all Safaries</li> <li>Tour Radar</li> </ul>	(Maravilla & Gantalao, 2019)

	Dotravels	
	<ul style="list-style-type: none"> <li>Travel agency mobile app</li> </ul> <p>No response</p> <p>Android</p> <p>IOS</p>	(Maravilla & Gantalao, 2019)
	<ul style="list-style-type: none"> <li>Online Advertisement</li> </ul> <p>Instagram</p> <p>You tube</p> <p>Facebook</p> <p>Whats App</p> <p>Viber</p> <p>LinkedIN</p> <p>Own website</p>	(Maravilla & Gantalao, 2019)
Product and service	<p>Accommodations</p> <p>Reservation/Booking</p> <p>Tour package</p> <p>Transport Reservation/booking</p> <p>Event management ticketing</p> <p>Visa assistance</p> <p>Guide only</p> <p>car rental (vehicle only)</p> <p>Other service</p>	(Maravilla & Gantalao, 2019)

Part B

Table 3. 2 Travel Agent's Perceived Usefulness of Technology (PU)

Codes	Statement	Sources
PU 1	Enable me to accomplish the task mores quickly	(Maravilla & Gantalao, 2019) : (Davis, 1989) : (Abu-Dalbouh, 2013)
PU 2	Increase my productivity	
PU 3	Enhance my effectiveness on the job	
PU 4	Make it easier to do job	
PU 5	I would find useful in my job	

According to the table 3.2 going to identify the Perceived Usefulness of Technology in the organization and standard deviations of the perceptions of the respondents regarding the use of technology in their business and how useful is it for their working process in the organization. Five statements are arranged and followed a five-point Likert scale.

Table 3. 3 Perceived Ease of Use in Technology (PE)

Codes	Statement	Sources
PE 1	Learning to Operate ICT would easy for me	(Maravilla & Gantalao, 2019) : (Abu-Dalbouh, 2013) : (Davis, 1989)
PE 2	I would find it easy to get ICT to do what I want to do	
PE 3	My Interaction with ICT would be clearer and understandable	
PE 4	I would find ICT to be flexible to interact with	
PE 5	It would be easy for me to become skillful at using ICT	
PE 6	I would find ICT easy to use	

Table 3. 4 Intention to Use ICT (IU)

Codes	Statement	Sources
IU 1	I will probably use or continue using the technology in the business operation	(Maravilla & Gantalao, 2019) : (Abu-Dalbouh, 2013) : (Davis, 1989)
IU 2	I intend to begin or continue using Technology in the workplace	
IU 3	I will frequently use technology in the future for sales and marketing	
IU 4	I will recommend others to use to use Technology in business operations	

According to the table 3.4 independent variable of Intention to use goes to identify what is the user's behaviors to use ICT in the travel agencies and their willingness to use ICT in different aspects of the Travel agency operations.

Part 'C' On the Non-Adoption of ICT among Travel Agencies

Table 3. 5 Non-technological reasons for non-adaption

Codes	Statement	Sources
NTRNA 1	Online fraud increasing.	(Maravilla & Gantalao, 2019) (Turban, King , Lee , Liang, & Turban , 2008)
NTRNA 2	Security & privacy Concerns deter customers from buying	
NTRNA 3	People do not yet sufficient trust papered, faceless transactions.	
NTRNA 4	Some customers like to feel and touch product, Also customer are resistant to the change from at a brick and mortar store than the virtual store.	
NTRNA 5	Lack of Trust in E commerce and unknown sellers hinders buying.	
NTRNA 6	In many case, the number of sellers and buyers that are need for profitable e- commerce operations are insufficient.	
NTRNA 7	Many legal and public policy issues, including taxation, have not yet been Resolved and or not clear.	
NTRNA 8	Nation and international government regulations sometimes get in the way.	
NTRNA 9	it is difficult to measure some of the benefits of e commerce such as online advertising.	

Table 3. 6 Technological reasons for non-adaption

Codes	Statements	Sources
TRNA 1	Software development tools are still evolving	(Maravilla & Gantalao, 2019) (Turban, King , Lee , Liang, & Turban , 2008)
TRNA 2	Internet access is still expensive and inconvenient	
TRNA 3	The telecommunications bandwidth is insufficient, especially For e commerce.	
TRNA 4	It is difficult to integrate the internet and e commerce with some existing application and database.	
TRNA 5	Lack of Universal standards for quality, security and reliability.	
TRNA 6	Special web servers are needed in addition to the network servers, which add to the cost e-commerce?	
TRNA 7	Order fulfillment of large- scale business to consumer (B2C) Requires special automated warehouse.	

Table 3.5 and Table 3.6 which are belong to part 'C' will be find the technological and non-technological reasons that are cost to non-adoption of ICT in SMTE for that researcher use instruments from (Maravilla & Gantalao, 2019).

### **3.8 Research hypothesis**

1. H1 a – There is a relationship between Perceived Usefulness and Intention to Use in Micro Small Medium Travel Enterprises.

H<sub>0</sub> a – There is a no relationship between Perceived Usefulness and Intention to Use in Micro Small Medium Travel Enterprises

2. H1 b – There is a relationship between Perceived Ease of Use and Intention to Use in Micro Small Medium Travel Enterprises

H<sub>0</sub> b – There is a no relationship between Perceived Ease of Use and Intention to Use in Micro Small Medium Travel Enterprises

### **3.9 Methodological Limitation**

The researcher mainly considers ICT adaption in this study. Further, research mainly depends on primary data, which collected through questionnaire (Google forms). Therefore, sometimes doubt can be arose when responding to questionnaire. As well as some are neglected their response.

As well as, the major problem is unexpected situation (pandemic situation) immensely affected to the industry. Due to this situation, it affected to the data collection of the research.



## **CHAPTER FOUR**

### **ANALYSIS AND DISCUSSION**

#### **4.1 Introduction**

This chapter completes the findings and analysis of the primary data that collected from the respondents of the study. This chapter represents the patterns and analysis of results, which are relevant to the research question. Through the descriptive analysis analyse the company profile and technical reason and non-technological reason to adaption in ICT and statistical analysis use for the analyse the Perceived Usefulness, Perceived ease of use and Intention to Use. The statistical analyse include correlation analysis, multi collinearity test, and regression analysis. This chapter will further elaborate on the output of study based on the SPSS software version and questionnaires collected from 59 respondents through Google form.

#### **4.2 Preparation of the Data Base**

The database was prepared with the data collected from convenience-sampling method of respondents in Colombo District Sri Lanka. The data collected via questionnaires. 113 questionnaires distributed via E-mail (Google form). Resecher received 59 response among them. Which is equivalent to 52%.

#### **4.3 Descriptive Analysis**

##### **4.3.1 Business Profile of the Travel Agencies in Colombo**

The business profile has been identify as part “A” in questionnaire total of 07 questions were asked to gather data regarding type of ownership, business size, years of operation, online transaction, travel agency mobile app, online advertisement, product, and service.

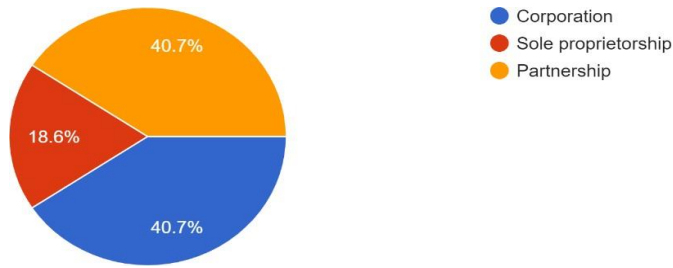


Figure 4. 1 :Type of ownership  
Source: (Survey data, 2020)

There are twenty-four (24) respondents under a corporation with 40.7% of the total population. It is followed by Partnership it also same to the corporation with twenty-four (24) respondents, which is equivalent to 40.7%. There is only eleven (11) respondent on Sole proprietorship with 18.6% in the total respondents of the study. In general, Accredited Travel Agencies mostly are Corporations ad Partnership only eleven travel agencies are mange by under one owner.

When focusing on behavior of data in Colombo context emphasize that majority of ownership is corporation and partnership. Both ownership show equal number of respondents. The researcher findings are different to the current knowledge according to Maravilla & Gantalao (2019) study on Cebu context in Philippines highlight corporation as the majority ownership category.

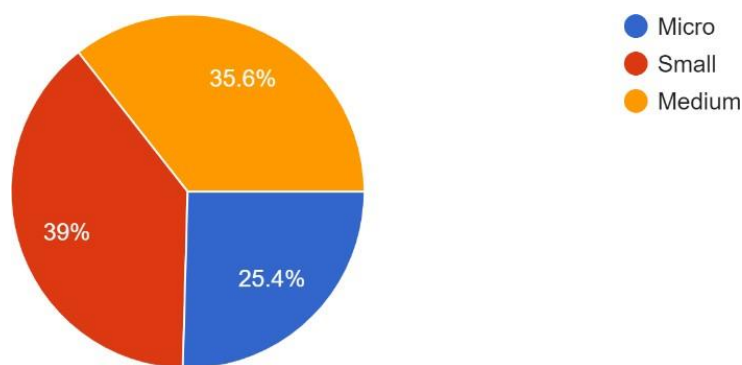


Figure 4. 2 :Business size  
Source: (Survey data, 2020)

There are Twenty-Three (21) of the respondents are Medium Enterprises (51-200 employees) which is 35.6% of the total respondents. Small Sized Enterprise (11-50 Employees) that has Twenty-three (23) respondents equivalent to 39.0% follows it. In

general, Small Enterprises is the most common business size of Travel Agencies in Colombo in addition to that Fifteen (15) travel agencies run as Micro scale travel agencies (less than 10 employees) which 25.4% of the total respondents.

According to the Maravilla & Gantalao (2019) study, the researcher tested two type of business size (Small, Medium) but when the researcher apply same business profile in Colombo context the researcher tested “Micro” business type except small and medium business type. Hence researcher identify new finding than Maravilla & Gantalao (2019) in Colombo district context, finding emphasize that micro level 25% of travel agencies are performing.

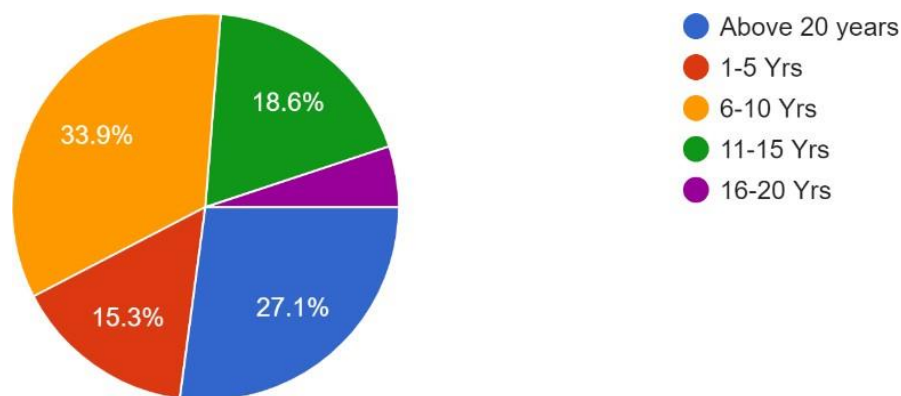


Figure 4. 3 :Years of operation  
Source: (Survey data, 2020)

There are Nine (09) respondents that existed 1-5 years ago equivalent to 15.3%; then respondents existed 6-10 years with Twenty (20) respondents equivalent to 33.9%. 11-15 years in the Business with eleven (11) respondent’s equivalent to 18.6%. Right after, business operations from 16 - 20 years there is only three (3) respondents equivalent to 5.1%.In addition (16) respondent in the above 20 years of operation equivalent to 27.1% in the population.

Hence comparing the previous researcher, findings in Cebu city context most of travel agencies are start their business above 20 years. However, when focus on behaviour of the findings for the Colombo context their business have started between 6 to 10 years.

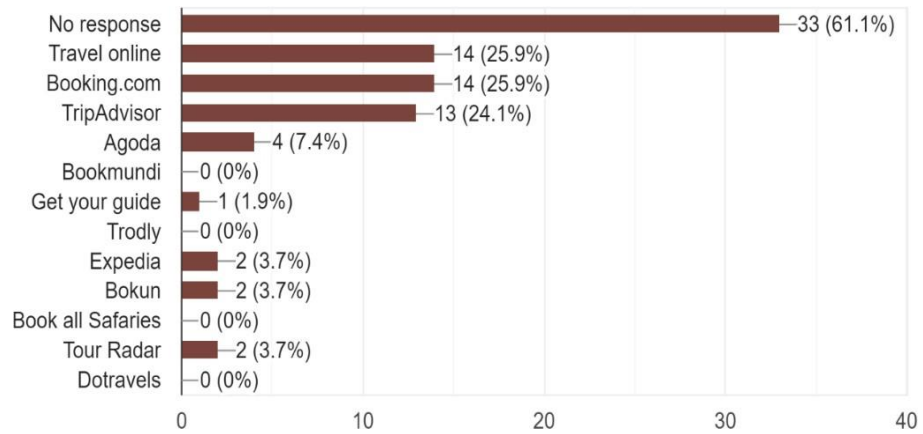


Figure 4. 4 :Online transaction platforms

Source: (Survey data, 2020)

According to the Kayani et al., (2015) online transactions referred also to Virtual Organizations as internet-based travel agencies who provide information and booking services to travellers. No Response has the highest frequency with thirty-three (33) responds equivalent to 61.1%. This means that over half of the respondent's population does not engaged in Online Transactions. There is an equal frequency respectively between Travel Online.com and Booking.com, which got Fourteen (14) frequency each with percentage equivalent to 25.9% each. TripAdvisor has thirteen (13) frequency, which is equivalent to 24.1% and Agoda has four-(04) frequency equivalent to 7.4%. Three online transaction methods show equal frequencies respectively two (02) frequency each, which is equivalent to 24.1% each respectively Expedia, Bokun and Tour Radar. Lastly, Get your Guide has only One (1) frequency equivalent to 1.9% and also no respondents recorded for Bookmundi, Trodly, Book all safaris and Dotravels.

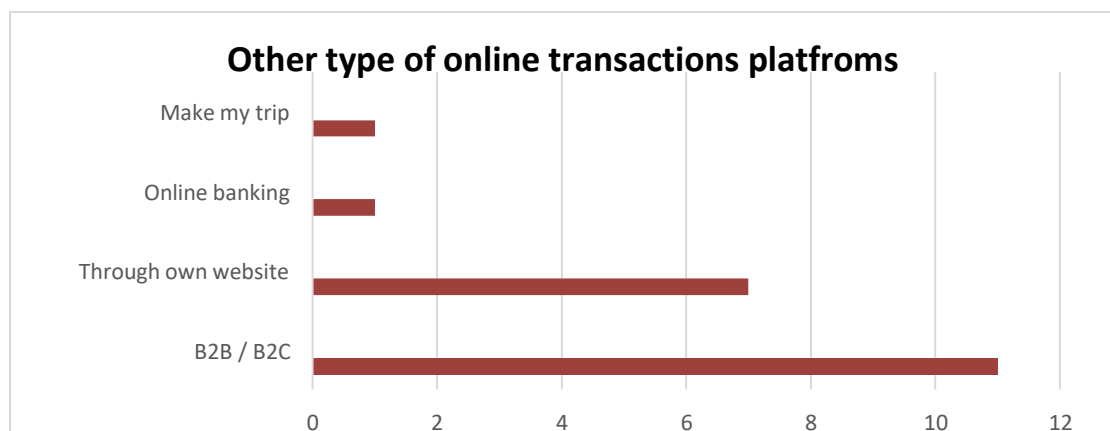


Figure 4. 5 :Other type of online transactions platforms

Source: (Survey data, 2020)

Twenty-three respondents have answered to 'Other' in online transactions section. The researcher has identified four main categories of answers and rejected three non-related answers. One respondent out of them has mentioned 'Make my trip' as their online transaction method. One respondents have mentioned Online banking as their transaction method. Researcher has categorized rest of the responds to two main category on their symptoms as 'Through their own websites' and 'B2B/B2C'. Seven respondents has their own websites and eleven respondents goes to B2B/B2C way.

In Sri Lankan context, at least one travel agency use bellow mentioned applications as their online transaction platform.

Explore and Make my B2B applications, which have been use travel agencies as their online transaction method.



Figure 4. 6 :B2B online transaction platform (Explore)

Sources :( <https://www.explore.co.uk/>)



Figure 4. 7 :Online transaction platform (Make my Trip)

Sources :( [makemytrip.com](http://makemytrip.com))

The dynamic of e-tourism closely related to the development of ICT (Pan, 2015). With the advancement of ICT, new online transaction platforms are evolving. According to the respondents, most of them are still not using online transaction platforms on their business functions. The researchers findings is agree with Maravilla & Gantalao (2019) in Cebu context. In the Colombo context the researcher tested Get your guide, Expedia, Bokun and Tour Radar they are new findings which are not mentioned in present study "E-Tourism Adoption of the Travel Agencies in Cebu City, Philippines" In addition to that some responders are mention they use B2B/B2C methods as there online transaction. And so on, some of them are use their own websites. Respondents clearly mentioned about their B2B/B2C online transaction platforms an example

www.explore.co.uk in addition to that one responder use their own website as their online transaction platform an example www.welankaholidays.com. More over Make my trip is a one online transaction platform, which use travel agency in Colombo district context. A one respond clearly mentioned that in their respond. Hence researcher find out some of new findings differ from Cebu city context findings.

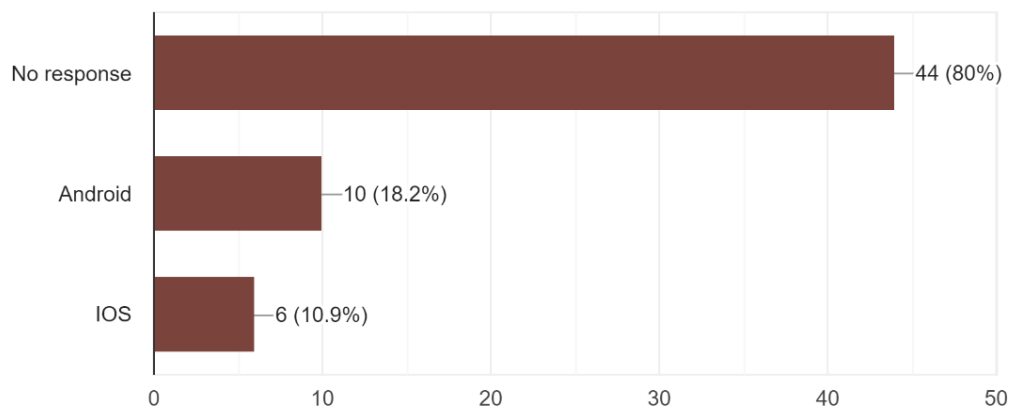


Figure 4. 8 :Travel agency mobile app  
Source: (Survey data, 2020)

In data presented, there is No response of mobile applications has the highest frequency of Forty-four (44) equivalent to 80%. Surprisingly, for Android Mobile applications, Twelve (10) common response equivalent to 18.2%. Based on data majority of them are using Android mobile apps to their operations. Lowest number of responders are use IOS mobile platforms. Only six (6) response are use Apple Operating System (IOS Smartphones) which is 10.9% of the total population.

The number of smart phone users are rapidly growing. Because of the development of the technology society driven toward smart world. There were 240billions of app downloaded in year 2019, among that 40% app were download to the smart phone. Among the 40% of users, 4% are using mobile apps for e-commerce, travel, maps and finance purposes. When compared with number of minutes spend mobile apps for travel weekly it recorded as 19 minutes (Shah, 2010). Wikitude is one of famous mobile application via travelers in the world. According to the Maravilla & Gantalao (2019) findings 26 responders are not engages with mobile apps while functioning the travel agencies. That finding when compare with the Colombo context, the number of no response increased in 18 digits its mean 44 responders are not use mobile app within their function. Android mobile platform is more famous than IOS platforms because of

that reason most of them are use Android platforms as their mobile apps, that phenomena can show in Cebu and Colombo broth context.

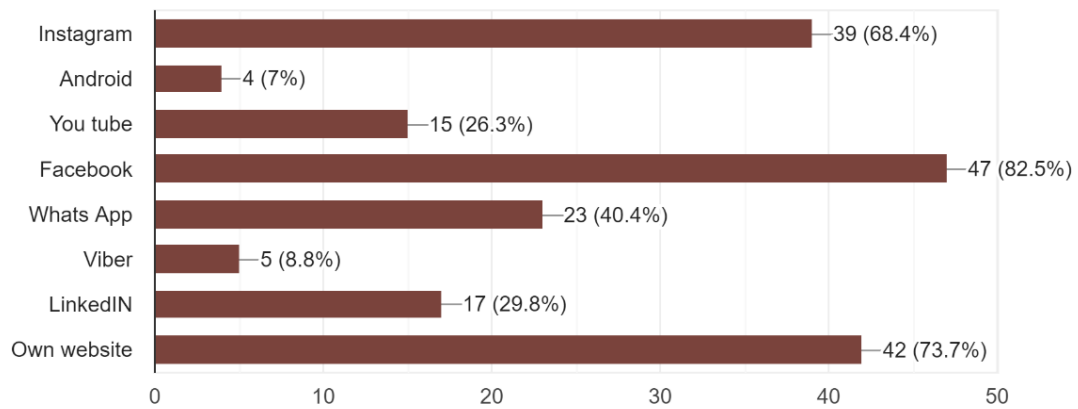


Figure 4. 9 :Online advertisement  
Source: (Survey data, 2020)

Online advertisement of the respondents enables them to promote their business most specifically the products and services available for the traveling public. Data showed above, Facebook got the highest frequency of Forty-seven (47), which is equivalent to 82.5% and got the 1st ranked of the social network platforms. According to the data second highest rand is own websites Forty-tow (42) which is 73.7% of the total population. Most of travel agents are tend to make their own website to promote their business. Followed by Instagram with Thirty-nine (39) common, which is equivalent to 68.4%. LinkedIn is very professional social media platform seventeen (17) as equivalent to 29.8% responders are use LinkedIn use their advertising campaign among all responders. Twenty-three (23) responders use WhatsApp as an online advertising platform that equivalent to 40.4%. Only Five (5) Responders are use Viber even there are many similarities between Viber and WhatsApp. Fifteen (15) responders represent YouTube as there online advertisement method, which is equivalent to 26.3%. Apart from those Five (5) respondents has mentioned other advertising methods. Two of them are non-related and other three (3) respectively are Google social media, Email and E brochures.

Digital marketing is the one of famous marketing method in the world. Most organizations are using social media as a mode of advertising their products to give awareness for their customers as well as to attract more customers toward them. Social media usage is one of the most popular online activities. In 2018, an estimated 2.65 billion people were using social media worldwide, a number projected to increase to

almost 3.1 billion in 2021 (Clement, 2019). Among number of social media platforms Facebook is the one of most famous social media application among the current society even millennials and boomers. Because it is very user-friendly application. According to the Gurneet Kaur, (2017) the most relevant social media platforms for a tourism business include the following

1. Face book
2. Instagram
3. Twitter
4. LinkedIn
5. YouTube

Facebook is the most convenient way to reach customers. Moreover, very powerful way and very sustainable method of the social media marketing. Social media is the one of very cost effective way of the advertising, it is very important to reduce administrative cost of the Micro, Small, Medium business (Jashi, 2015). Hence, through the social media marketing can be develop the marketing mix “Social media integrated into marketing mix for two purposes. Such as Social media leads visitors and customers to the right travel information, Tourist Company providing personalize messages and content directly interested segment of customers” (Jashi, 2015, p. 38).

When focus to the Colombo context According to the researcher findings 47 respondents selected Facebook as their advertising method. According to the Maravilla & Gantalao (2019) study recoded 30 respondents are selected Facebook as their online advertising method. Instagram is the one of familiar social media platforms to the Facebook normally Instagram link with the Facebook, there is a trend in the modern society for using Instagram, and especially travellers upload photos of the places where they visited. Most of travel agencies try to catch up the travellers of the ongoing trend via Instagram.



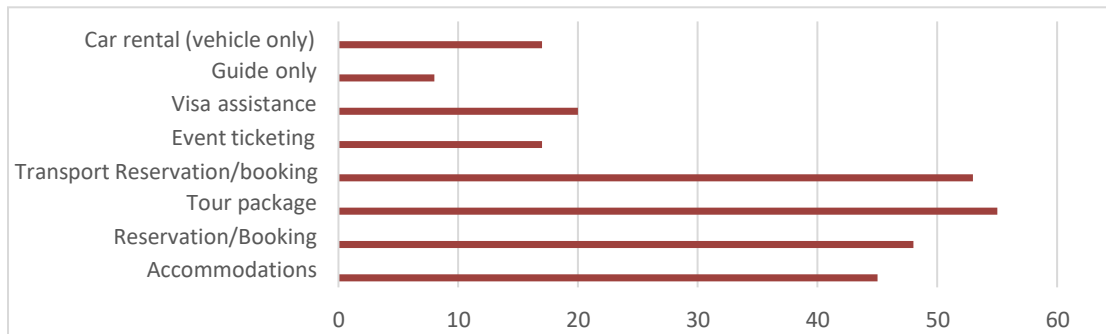


Figure 4. 10 :Product and service  
Source: (Survey data, 2020)

Tour Package has the highest Services Offered with Fifty-Five (55) frequency and ranked as the 1st service offered among Travel Agencies in Colombo. The tour package is composed of different travel components such as Transportation, Accommodation and Sightseeing activities assembled into one. Based on the Interview, respondent stated that Tour Package(s) is a good source of revenue.

Transport reservation/booking with Fifty Three (53)-frequency equivalent to the second rank. Based on the Interview, traveling public would still book their transportation needs. Reservation/Booking comes the 3rd rank with Forty-Eight (48) frequency. Attraction/Event Ticketing Services is 4th in the rank with thirty-five (frequency).

Accommodations Services is 4th in the rank with Forty-five (45) frequency. Visa Assistance services are on the 5th ranked with Thirty-Two (32) frequency. Visa Assistance services are on the 5th ranked with Twenty (20) frequency. Based on the Interview. Car rentals and event taking same place on the 6<sup>th</sup> rank with Seventeen (17) frequency each. Guide Only services is on the 7th ranked, with only Eight (8) respondents.

There are five responds in 'Other' option. Two of them has mentioned they are providing ticketing and insurance services. Rest three respondents has recorded as they are providing all arrangements from arrival to departure.

### 4.3.2 Identify association and casual relationship among Perceived Usefulness, Perceived ease of use and Intention to Use

#### 4.3.1.1 Reliability Test

The reliability of the research instrument considered an essential element to achieve the research purpose. According to Joppe as cited in Golafshani (2003) reliability is the extent to which results are consistent over time and an accurate representation of the total population under study. If the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. According to the Sekaran and Bougie (2012), Alpha score of 0.7 is generally acceptable. Since all the dimensions in the independent variable and the dependent variable exhibit acceptable coefficient (greater than 0.70), the reliability of the research instrument is guaranteed. Therefore, the degree to which the questionnaire of this study given repeatedly remains the same, the questionnaire or the measurement remains stable over time and the similarity of measurements within a given time period ensured. According to the table 4.1 Perceived Usefulness is represent 6 items and 0.926 Cronbach's Alpha value which is excellent. Because the Alpha value is way more greater than 0.7. Also Perceived ease of use and Intention to Use alpha values are greater than 0.7 but not exceed Perceived Usefulness Alpha value.

Table 4. 1 Reliability Test

Scale	Cronbach's Alpha	N of Item	Comment
Perceived ease of use	0.926	6	Excellent
Perceived Usefulness	0.844	5	Very Good
Intention to Use	0.826	4	Very Good

Source: (Survey data, 2020)

#### 4.3.1.2 Validity Test

Reliability is measurement consistency or stability over a variety of conditions under which basically the same results should be obtained (Dorat, 2011). In this study, KMO statistic used to measure the external validity. According to Field (2013), KMO should be above 0.5 to confirm the external validity of the model with adequate sample size.

Table 4. 2 Validity Test

Scale	No of items	KMO – Bartlett Value
Perceived ease of use	6	0.884
Perceived Usefulness	5	0.812
Intention to Use	4	0.668

Source: (Survey data, 2020)

According to the table 4.2, all KMO values are greater than 0.5. Therefore, it confirmed the external validity of the model was adequate with sample size. Moreover, validity shows the accuracy of the questionnaire and it measure whether your objectives achieve the expected results via collected data.

#### 4.3.1.3 Normality Test

According to the George & Mallery, (2010) the values for asymmetry and kurtosis between -2 and +2 considered acceptable in order to prove normal univariate distribution.

Table 4. 3 Skewness and Kurtosis of Variables

Variables	Skewness	Kurtosis
Intention to Use	-0.426	-0.278

Source: (Survey data, 2020)

According to the table 4.2, skewness and kurtosis values of all variables in this study are within the +2 to -2 range. Therefore, it can be concluded that data of this study are approximately normally distributed.

#### 4.4 Correlation

According to Sekaran (2003) defined that “Correlation is derived by assesses to variations in one variable as another variable also varies”. The Pearson correlation coefficient used to assess the degree of linear connection between two variables and to assess the power of the link between any two metric factors (Field, 2013). Correlation coefficient (r) value can range from – 1 to +1. If Pearson correlation is + 1, perfect positive relationship,  $0.75 < r < +1$  strong positive relationship,  $0.5 < r < 0.75$  moderate

degree of positive relationship,  $0 < r < 0.5$  low degree of positive relationship  $-0.5 < r < 0$  low degree of negative relationship and  $r = -1$  is a perfect negative relationship. The data has strong correlation and it is significant as p value is less than 0.05 ( $p < 0.05$ ) and data has weak correlation and it is insignificant as p value is greater than 0.05 ( $p > 0.05$ ) (Sekaran, 2003). In this research, study researcher reveals the relationships between variables with using partial correlation. Partial correlation is an extension of Pearson correlation.

Table 4. 4 Correlation

		Perceived Usefulness	Perceived Ease of Use	Intention to Use
Perceived Usefulness	Pearson Correlation	1	.463**	.660**
	Sig. (2-tailed)		.000	.000
	N	59	59	59
Perceived Ease of Use	Pearson Correlation	.463**	1	.410**
	Sig. (2-tailed)	.000		.001
	N	59	59	59
Intention to Use	Pearson Correlation	.660**	.410**	1
	Sig. (2-tailed)	.000	.001	
	N	59	59	59

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

Source: (Survey data, 2020)

Based on results, Researcher identified that there is a positive association between “Perceived Usefulness” and “Intention to Use” ( $r = 0.660$ ). The significant value is 0.000, which is more than 0.05 as a desirable level. As statistically, 95% acceptable confidence level has exceeded in between “Perceived Usefulness” and “Intention to Use” It reveals that there is a strong positive association between “Perceived Usefulness” and “Intention to Use”. According to the result researcher identified that there is a positive association between “Perceived Ease of Use” and “Intention to Use” ( $r = 0.410$ ). The significant value is 0.001, which is less than 0.05 as a desirable level. As statistically, 95% acceptable confidence level has exceeded in between “Perceived Ease of Use” and “Intention to Use”. It reveals that there is a strong positive association between “Perceived Ease of Use” and “Intention to Use”. Moreover researcher identified positive significant association between perceived usefulness and perceived ease of use of ICT among Micro, Small, Medium travel Inbound travel Enterprises in Colombo district ( $r = 0.463$ ,  $p < 0.000$ ). This means that travel agencies found it useful

to employ ICT in their work because, for them, it makes their work easier. In the sense researcher identified positive association between Perceived Usefulness, Perceived Ease of Use and Intention to Use.

According to the Maravilla, Vicente, Gantalao and Cecil (2019) “E-Tourism Adaption of the Travel Agencies in Cebu City, Philippines” they tested same model Technology Acceptance Model (TAM) for their research in Cebu city context. According to their findings, they identified negative association between Perceived Usefulness, Perceived Ease of Use and Intention to Use. “No significant association between perceived usefulness and intention to use ICT ( $r = 0.003$ ,  $p > 0.05$ ) among travel agencies in Cebu City. In addition, there is also no significant association between perceived ease of use and intention to use ICT among the respondents ( $r = -0.63$ ,  $p > 0.05$ ). Hence, results highly impress travel agencies had acknowledged the usefulness and ease of use of ICT in their operations. However, the employees may not be adapt in the use of ICT in Cebu city context. In this study the researcher, apply that same model (TAM) for the Colombo district context. The result of the research completely different from above mentioned research “E-Tourism Adaption of the Travel Agencies in Cebu City, Philippines”. When this study compared with the research done for the Cebu city context, this study show positive association with Perceived Usefulness” and “Intention to use as well as Perceived Ease of Use” and “Intention to Use. The researcher fined that there is a positive association with Perceived Usefulness and Perceived Ease of Use. Finding is compatible with Cebu city context and Colombo context.

#### **4.4.1 Testing Parametric Assumptions**

##### **4.4.1.1 Checking for Multicollinearity**

This test used to determine whether are correlations among the independent variables are in a model. Similarities between the independent variable will result in a very strong correlation. (Draper and Smith Applied regression analysis). Multicollinearity should be tested as a basis the VIF value. If the VIF value lies between 1 and 10, then there is no multicollinearity.

Table 4. 5 Collinearity Statistics

Variables	Tolerance Level	VIF Value
Perceived Usefulness	0.785	1.273
Perceived Ease of Use	0.785	1.273

Source: (Survey data, 2020)

Since the tolerance, level is greater than 0.2 and VIF value is less than 07 there are no multicollinearity issue in the fitted models.

#### 4.5 Regression Analysis

The researcher, use multiple linear regression to explore the extent which each independent variable affects the dependent variable and explain the explain the impact by using model summary and analysis of variance (ANOVA) table. The model summary value of adjusted R<sup>2</sup> indicates that degree of extent that the variance of dependent variable described by independent variable (Sekaran, 2003). Model significance can be measured via ANOVA Test. If the output p value is less than 0.05, that model is significant (Sekaran, 2003). There are three objectives in this study. The first objective is to identify Profile of the Micro, Small and Medium Inbound Travel Enterprises in Colombo District That objective is analyse through the descriptive analysis. Second objective is Identify association and casual relationship among Perceived Usefulness, Perceived Ease of Use and Intention to Use. The model fitted to towards identify relationship between Perceived Usefulness, Perceived Ease of Use and Intention to Use. Third objective is to identify reasons for non-adoption of ICT in Micro, Small and Medium Inbound Travel Enterprises in Colombo district it is analyse under descriptive analysis.

Table 4. 5 Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.671	.450	.430	.41521	2.194

Source: (Survey data, 2020)

According to the table, 4.5 there can be identified proportion of variance in the dependent variable of Intention to Use which is explained the independent variables of Perceived Usefulness and Perceived Ease of Use. The R2 value is 0.450 which indicates the predictor variables of the study has account for 45% of the variation in factors for Perceived Usefulness and Perceived Ease of Use of e-tourism adaptations of the Registered Micro, Small and Medium Inbound Travel Enterprises. Significant level of the ANOVA table that is 0.000. It justify that the model fit to the regression model.

Table 4. 6 ANOVA model

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.892	2	3.946	22.891	.000 <sup>b</sup>
	Residual	9.654	56	.172		
	Total	17.547	58			

a. Dependent Variable: Intention to Use

b. Predictors: (Constant), Perceived Ease of Use, Perceived Usefulness

Source: (Survey data, 2020)

ANOVA table shows the breakdown of variance in the outcome variable, such as Regression, Residual, and Total. It confirms the linear relationship between the selected factors and individual performance. Results of the ANOVA table indicates that the fitted model is significant as p-value corresponding to F is 0.000 (<5%). Thus, it confirms the linear relationship between the selected factors (Perceived Usefulness and Perceived Ease of Use of e-tourism adaptations of the Registered Micro, Small and Medium Inbound Travel Enterprises).

Table 4. 7 Coefficient Model

	Unstandardized Coefficient		Standardized Coefficient	T	Sig.
	B	Std. Error	Beta		
Perceived Usefulness	.582	.109	.599	5.352	0.000
Perceived Ease of Use	.116	.097	.133	1.189	0.240

Source: (Survey data, 2020)

$$IU = \alpha + \beta_1(PU) + \beta_2(PE)$$

$$\text{Intention to Use} = 1.431 + 0.582 (\text{Perceived Usefulness}) + 0.116 (\text{Perceived Ease of Use})$$

Coefficient table shows in the table 4.7. it is described the B value which represents the degree to which extend the dependent variable are affected by a certain independent variable when other independent variables are constant.

Perceived usefulness has a 0.582 of Beta coefficient value. When one unit of perceive usefulness is increased intention to use would be increase by 0.582 when other independent variables are constant. Anyhow, this conclusion done with 100% of confident interval due to the significant value is 0.000, which mean there is a probability of accepting this conclusion is 0%.

Beta value of Perceived ease of use is 0.116. When perceived ease of use increase by one unit intention to use increase by 0.116 when other independent variable is constant. Therefore, it can be said that there is 76% of confident interval since the significant value is 0.240, which denotes of probability of rejecting this conclusion is 24%. Perceived ease of use has positive coefficient value of 0.116. When Perceived ease of use increase by 1 unit intention to use increased by 0.116. P value greater than the 0.05, it can be mentioned that this statement is not significant. Perceived ease of use has not significant on Intention to use but other variable may have.



Adjusted regression

$$\text{Intention to Use} = 1.431 + 0.582 (\text{Perceived Usefulness})$$

P value of the independent variable of Perceived Ease of Use is more than 0.05 H<sub>1b</sub> rejected. Therefore, the researcher constructed an adjusted regression when Perceived Usefulness variable increased by 01 unit, Intention to Use increase by 0.528 when other variables are constant.

#### 4.5.1 Hypothesis Testing

To measure the impact of the identified independent variables the researcher used the coefficient table of regression analysis. Unstandardized B value of the table represents the degree to which extent each dependent variable can be affected by a certain independent variable while other independent variables remain constant. The hypothesis can be tested by using the p value of each independent variables and p value should be equal or less than 0.05 in 95% confident interval. If p value is not equal or less than 0.05, the alternative hypothesis is not supported.

Hypothesis, which used for this study, mentioned in below.

Table 4. 8 Results of the Hypothesis Testing

Hypothesis	Relationship	P value	Justification	Status
H1a	Perceived usefulness with intention to use	0.000	$0.000 < 0.05$	Accepted
H1b	Perceived ease of use with intention to use	0.240	$0.240 > 0.05$	Rejected

Source: (Survey data, 2020)

Regression analysis (Table 4.8) clearly indicates that there is a significant relationship between Perceived Usefulness with 95% influence on Intention To Use because the p value is lesser than 0.050. However, as the p value of Perceived Ease of Use is greater than 0.05, there is no significant relationship between Perceived Ease of Use and Intention to Use.

- H1 a – There is a relationship between Perceived Usefulness and Intention to Use in Micro Small Medium Travel Enterprises.
- H<sub>0</sub> a – There is a relationship no between Perceived Usefulness and Intention to Use in Micro Small Medium Travel Enterprises Perceived Usefulness.

Based on the p-value, which identified by the statistics there is a 0.000 of significant value is recorded in Perceived Usefulness. Since significant value is lesser than 0.05, there is a evidence to reject H<sub>0</sub> a. therefore the researcher can be concluded that there is a relationship between Perceived Usefulness and Intention to Use in Micro Small Medium Travel Enterprises.

- H1 b – There is a relationship between Perceived Ease of Use and Intention to Use in Micro Small Medium Travel Enterprises
- H<sub>0</sub> b – There is a no relationship between Perceived Ease of Use and Intention to Use in Micro Small Medium Travel Enterprises

Based on the p-value, which identified by the statistics there is a 0.240 of significant value is recorded in Perceived Ease of Use. Since significant value is greater than 0.05, there is a evidence to reject H<sub>1</sub> a. Therefore, the researcher can be concluded that there is a no any relationship between Perceived Ease of Use and Intention to Use in Micro Small Medium Travel Enterprises.

According to findings researcher identifying the association between Perceived Usefulness, Perceived Ease of Use and Intention to Use. The employees in the travel agencies if they have broadminded, broad understanding and extensive knowledge about the use fullness and ease of use ICT in their day-to-day work they make high willingness to use ICT. It mean they make intention to use ICT. According to the researcher findings, employees may know advantage and benefits of adaption in ICT they understand it will be increase their productivity, efficiency and accuracy of their work. Through that increment of advantage in ICT adaption, they would like to use ICT in their work. In the sense that the relationship between perceived usefulness, Perceived Ease of Use and intention to use ICT within the travel agencies employees spontaneously increases the efficiency and effectiveness of certain business. As per Maravilla & Gantalao (2019), study restricted at the correlation analysis because of

behaviour of the findings from Cebu city context. However the researcher apply same model (TAM) to the Colombo city context. The behaviour of data completely difference from the Cebu city context. Because of that researcher was able to conduct the analysis to the regression analysis without restricted to the correlation. Hence, Resecher findings are different from the Maravilla & Gantalao (2019) study. According researcher's finding able to identify positive association with Perceived Usefulness and Intention to Use no any association with Perceived Ease of Use and Intention to Use. Hence, H<sub>1b</sub> hypothesise was rejected.

#### 4.6 ICT adaptation is a challenging task for a micro, small and medium scale Travel Agency.

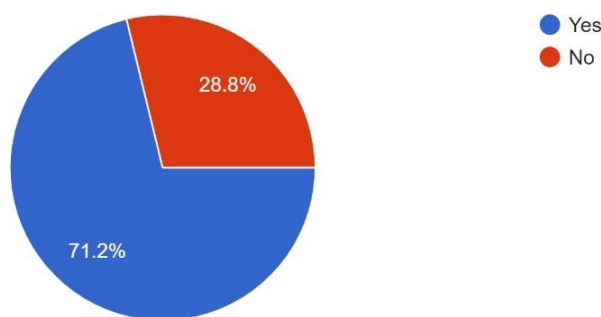


Figure 4. 11 :ICT adaption challeng for micro, small and medium scale Travel Agency  
Source: (Survey data, 2020)

Figure 4.9 presents the result for the question of 'Is ICT adaption a challenging task for a micro, small and medium scale Travel Agency'. In general, Majority of the respondents has selected the answer 'Yes' that is equivalent to 71.2% from 59 respondents. Furthermore, the respondents in that percentage has select the non-technological and technological reasons for ICT adaption in micro, small and medium scale Travel Agencies.

Table 4. 9 Non - Technological Reasons for Non - Adoption of Information Communication Technology

Non-technological reasons for non-adaption	Frequency	Ranking
Online fraud increasing.	32	1
Security & privacy concerns deter customers from buying.	23	2
Lack of trust in E commerce and unknown sellers hinders buying.	19	3
People do not yet sufficient trust papered, faceless transactions.	18	4
Many legal and public policy issues, including taxation, have not yet been resolved and or not clear.	15	5

Some customers like to feel and touch product, also customer are resistant to the change from a brick and mortar store than the virtual store.	13	6
National and international government regulations sometimes get in the way.	13	6
In many case, the number of sellers and buyers that are need for profitable E- commerce operations are insufficient.	10	7
It is difficult to measure some of the benefits of E commerce such as online advertising.	10	7

Table 4. 10 Technological Reason for Non - Adoption of Information Communication Technology

Technological reasons for non-adaption	Frequency	Ranking
Lack of universal standards for quality, security and reliability.	27	1
Software development tools are still evolving.	26	2
Internet access is still expensive and inconvenient.	20	3
It is difficult to integrate the internet and E commerce with some existing application and database.	15	4
Special web servers are needed in addition to the network servers, which add to the cost E-commerce	14	5
Order fulfilment of large- scale business to consumer (B2C) requires special automated warehouse.	10	6
The telecommunications bandwidth is insufficient, especially For E commerce.	08	7

Source: (Survey data, 2020)

Table 4.10 presents the reasons for Non-adoption categorizes into Non Technological and Technological reasons. For Non-Technological Reasons, 1st on the rank is Online Fraud, which has Thirty-Two (32) multiple responses. 2<sup>nd</sup> is Security and privacy concerns deters costumers from buying with Twenty-Three (23) responses. On the 3<sup>rd</sup> rank is “Lack of Trust in E-commerce and unknown sellers hinders buying” with Nineteen (19) responses. 4<sup>th</sup> rank is “People do not yet sufficient trust paperless, transactions, faceless transactions with Eighteen (18) responses. On the 5<sup>th</sup> rank is “Many legal and public policy issues, including taxation, have not yet been resolved and or not clear” with Fifteen (15) responses. 6th rank as follows “Some customers like to feel and touch product, also customer are resistant to the change from a brick and mortar store than the virtual store” and “National and international government regulations sometimes get in the way” has Thirteen (13) responses respectively. 7th rank as follows “In many case, the number of sellers and buyers that are need for

profitable E-commerce operations are insufficient” and “It is difficult to measure some of the benefits of E-commerce such as online advertising” has Ten (10) responses respectively.

On the other hand, Table 4.11 presents Technological Reasons ranked accordingly. 1<sup>st</sup> rank is “Lack of universal standards for quality, security and reliability” with Twenty-seven (27) responses. 2<sup>nd</sup> rank is “Software development tools are still evolving” Twenty-six (26) responses. 3<sup>rd</sup> is “Internet access is still expensive and inconvenient” with Twenty (20) responses. The 4<sup>th</sup> rank is “It is difficult to integrate the internet and E-commerce with some existing application and database” with Fifteen (15) responses. The 5<sup>th</sup> rank is “Special web servers are needed in addition to the network servers, which add to the cost E-commerce” with Fourteen (14) responses. 6<sup>th</sup> rank is “Order fulfilment of large-scale business to consumer (B2C) requires special automated warehouse” with Ten (10) responses and The 7<sup>th</sup> rank is “The telecommunications bandwidth is insufficient, especially For E-commerce.” with Eight (08) responses.

According to the researcher’s finding elaborate the reasons for non-adaption of ICT in Micro, Small and Medium inbound Travel Enterprises in Colombo district. Mainly identify two kind of reasons to non-adoption of ICT first one is technological reason and second one in non-technological reason. If have technological reason like increasing the online fraud, unsafety, without proper privacy ICT users are not like to use ICT for they work. First, they concern about their safety, privacy and security in the sense they do not trust about the online platforms. Stile Sri Lanka haven’t cyber law to prevent unauthorized and illegal activities take place through internet. In addition to that, people may not have knowledge about the e-tourism. Some of them haven’t idea about how to gain profitability through the ICT, using mobile banking, online money transferring and E-commerce. Hence, they have not any idea about e-tourism related activities may not make willing’s to use and because of that no any intention to use ICT. Through the online marketing may be arise copyright issues. It could affect to be real authenticity. Other than that, technical reasons are also affect to the non-adaption in ICT, hence evaluation of ICT software are still evolving, day by day. In the case users have to update new software other vies they couldn’t run previous version as it is. It may be occur huge trouble for their functionality. Access to the internet to have bear high cost in Sri Lanka and didn’t have good internet coverage for everywhere. That

coverage of telecommunications bandwidth is insufficient, especially For E commerce. Moreover, arise some difficult to integrate the internet and E commerce with some existing application and database. Other vies must have universal stranded to monitoring and measuring to the online fraud, privacy and safety. In the sense that kind of reasons are make restrict and barriers to adaption to the ICT.

Day to day function in the travel agency but rest of them are use some of online platforms for their function like Booking.com, Trip advisor, Agoda.

In addition to that some responders are mention they use B2B/B2C methods as there online transaction. And so on, some of them are use their own websites. In addition to that, among all of the respondents most of them are not use mobile apps for their day-to-day operations. Facebook is very famous online advertisement method among the respondents because Facebook is very accruable and user-friendly method it is very easy way to address their target customers. Social media usage is one of the most popular online activities. In 2018, an estimated 2.65 billion people were using social media worldwide, a number projected to increase to almost 3.1 billion in 2021 (Clement, 2019). LinkedIn became a second place and Instagram became next to the LinkedIn. Most of people are use social media in the world. In the sense that social media is very easy way to create bridge with suppliers, customers, and travel agencies. In the product of the travel agencies, their main function is sell the tour packages for their clients and in addition to that arrange the accommodation, Transport, reservation and booking and supply the guide service for their clients.

## **CHAPTER FIVE**

### **CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter focuses on a summary of the entire research study and logical conclusion based upon the result derived in the previous chapter. It is an interpretation of the results. Moreover, it includes recommendations for future researches which identified by the researcher. This research consists with main three objectives to identify Profile of the Micro, Small and Medium Inbound Travel Enterprises in Colombo district, to identify association and casual relationship among Perceived Usefulness, Perceived Ease of Use and Intention to Use and to identify reasons for non-adoption of ICT in Micro, Small and Medium inbound Travel Enterprises in Colombo district.

#### **5.2 Conclusion**

Information Communication Technology very useful platform for Micro, Small & Medium Tourism Enterprises. It enables Micro, Small and Medium Inbound Travel Enterprises to promote business products and services using the Online Travel Agencies, Mobile App, and the use of Social Media such as Facebook, Instagram, and YouTube. Generally, majority of them are use social media as there marketing platform. In addition, most of them are use Bookong.com and trip advisor as their online transaction method. The study concluded that travel agencies in Colombo District find the technology Ease to Use and useful in business operations. However, even they have higher intention to use technology in operations majority of them may not use the technology because of non-technological reasons such as Online Fraud, Security and Privacy Concerns People do not trust faceless transactions and technological reasons.

Such as lack of universal standards for quality, security and reliability, Software development tools are still evolving internet access is still expensive and inconvenient. The study also concludes that the online travel agencies, which believed to be the threat of traditional travel agencies, are actually online platforms that could sell the products assembled by the traditional travel agencies. However, because of the contract agreement, and the complexity of the business operation, travel agency does not have time to transact with online travel agencies.

### **5.3 Recommendations**

According to the results of this study there can be provide recommendations to increase ICT adaptation in MSMTE enterprises. This study is only focused on Colombo district. But this model can be adopted to other areas in Sri Lanka, as like as Colombo district. Then it can be evaluate whether there are having same result or not. Furthermore it can be concluded that this model should be develop in order to achieve a better result. Based on the result of this there can be identified an association between perceived usefulness and intension to use, but it is revealed that negative association between perceived ease of use and intension to use. That negative association revealed that users do not much concern about convenience of ICT, as like as App. Therefore, it can be concluded that users are concerned about usefulness of ICT. Hence, the researcher can be recommended that newer technology should use to develop technological Apps to enhance the usefulness.

Consider about the legal environment for ICT, there can be identified some problems. Therefore, to enhance the adaptation of ICT, cyber laws in Sri Lanka should be develop. To develop cyber law, need to focus on cyber laws in global and it should be updated to match with Sri Lankan context. Then, it would be help to protect ICT users in Sri Lanka and adaption of ICT would be increase. Not only in the Sri Lanka but also in the globe, legal barriers should be mitigated. When dealing with two countries there can be occurred some problems. Hence there should be develop universal standards in order to mitigate issues when dealing with other countries. Therefore, laws and rules should be adjusted. As well as legal environment, awareness of community should be increased. People in Sri Lanka as a developing country, they are having more reluctance to ICT adaption. Mainly. Due to the less awareness. Therefore, trustiness of people should be increased regarding the App. To increase the trustiness the researcher is



suggested to promote efficiency and reliability of App among the people. Like that, consider about the trustiness, security and privacy also much important. Money transferring is one of efficient way to increase day to day life. Comparatively, people in Sri Lanka have reluctance to that due to the doubt of security. Therefore, it is suggested to increase security and privacy for Apps. To increase that new software can be suggested by the researcher.

Today, most of customers are preferred to feel and touch the product or simply to experience the product prior to use. Development of technology, facilitate to satisfy that need. In the context of travel agency, efficiency of daily operations can be increased by adaption of ICT. As an example, e-itinerary can be used. Moreover, augmented reality can be used to plan a tour itinerary. Rather than describing about the experience, augmented reality offered the experience of tour. Then guests can enjoy and feel their experience prior to purchasing. As a result of that, more sales would be occurred.

It is difficult to measure some benefits about E tourism. Consider about tourism, promotion is most important. E-promotion also identified as one important factor. Since online advertising has sustainable method, the researcher suggested to promote the richness of online advertising. To increase ICT adaptation there should be provide better internet access. Still internet are more expensive. To reduce that taxes regarding internet should be minimized. As well as, speed of the internet should be increased to enhance ICT adaption in MSMTE in Sri Lanka.

## REFERENCES

- Abeyssekara, L. D. (2017). Business Value of ICT for Small Tourism Enterprises: *semanticsholar.org*, 2-337.
- Aboushouk, M., & Eraqi, M. I. (2015). Perceived barriers to e-commerce adoption in SMEs. *International Journal Services and Operations Management*, 1-3.
- Aboushouk, M., Phil, M., & Lim, W. M. (2012). Perceived Benefits and ECommerce Adoption by SME Travel Agents in Developing Countries. *Journal of Hospitality & Tourism Research*.
- Abu-Dalbouh, H. M. (2013). A Questionnaire Approach Based on the Technology Acceptance Model for Mobile Tracking on Patient Progress Applications. *Journal of Computer Science*, 765-767. doi:doi:10.3844/jcssp.2013.763.770
- Anamaria, R., & Iorgulescu , C. M. (2015). Consumers' Perception On Innovation In The Tourism Value Chain. *Research Gate*, 810-815.
- Anandkumar, S. V. (2014). E-tourism. *PONDICHERRY UNIVERSITY*, 1-50. Retrieved from <http://www.pondiuni.edu.in/sites/default/files/downloads/E-Tourism-260214.pdf>
- Antlova, K. (2006). Motivation and Barriers of ICT Adoptaion in Small and Medium-Sized Enterprises. *E + M EKONOMIE A MANAGEMENT*, 135-140.
- Bandara, R., & Silva. (2016). E-Tourism and Roles of Trvel Agencies: A Case Study of Promoting Japanese Inbound Tourism in SRI LANKA. *Journal of Marketing, Vol. 1, No. 1, 2016*, 17-29.
- Breen, J. P., Carlsen, J., & Jago, L. (2015). Small and Medium Tourism Enterprises: The Identification of Good Practices. *Sustainable Tourism Pty Ltd 2005*, 6.
- Buhalis, D. (2003). *e- Tourism Infomation Technology for StratagicTourism Managment*. London: Prentice Hall.
- Buhalis, D., & Law , R. (2008). See discussions, stats, and author profiles for this publication at: <https://www.researchgate.net>Progress in Information Technology and Tourism Management: 20 Years on and 10 Years After the Internet—The State of eTourism Research. *Tourism Management* .
- Buhalis, D., Leung , D., & Law, R. (2011). eTourism: Critical Information and Communication Technologies for Tourism Destinations. *Destination Marketing and Management, CAB International*, 12-45.
- Chaffey, D., & Chadwick, F. (2012). *Digital Marketing*. Harlow: Pearson, 2012.
- Chigora, F. (2015). Realigning Value Chain Concept towards Destination Branding: Zimbabwe Tourism Destination Reality. *Business and Management Horizons*, 15-32.

- Chomeya, R. (2010). Quality of Psychology Test Between Likert Scale 5 and 6 Points. *Journal of Social Sciences*, 400. doi:DOI : 10.3844/jssp.2010.399.403
- Clement, J. (2019, August 14). *Number of social network users worldwide from 2010 to 2021*. Retrieved January 9, 2020, from [statista.com: https://www.statista.com/statistics/278414/number-of-worldwide-social-network-users/](https://www.statista.com/statistics/278414/number-of-worldwide-social-network-users/)
- Cook, R. A., Yale, L., & Marqua, J. (2002). *The Business of Travel*. New Jersey: PrenticeHall.
- Creswell, J. K. (2014). *Research design: qualitative, quantitative, and mixed methods approaches*. Thousand Oaks, United States: SAGE Publication Ltd.
- Datta, B. (2019). UNDERSTANDING THE BOOKING PATTERNS OF INDIAN OUTBOUND TRAVELLERS. *GeoJournal of Tourism and Geosites*, 250.
- Dave, C., Chadwick, F. E., Mayer, R., & Johnston, K. (2009). *Internet Marketing: Strategy, Implementation and Practice (4th Edition)*. London: Prentice Hall.
- Davis, F. D. (1989). Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology. *IT Usefulness and Ease of Use*, 319-337.
- Dorat, E. A. (2011). Validity and Reliability in Social Science Research. *Research and Perspectives*, 105-124.
- Drost, E. A. (2011). Validity and Reliability in Social Science Research. *Education Research and Perspectives*, 105-124.
- Dunstall, S., HORN, M. E., KILBY, P., KRISHNAMOORTHY, M., OWENS, B., SIER, D., & THIEBAUX, S. (2004). An Automated Itinerary Planning System for Holiday Travel. *Information Technology & Tourism*, 190-195.
- EconomicTimes indiantimes. (2019, Jun 24). *economictimes indiantimes*. Retrieved January 9, 2020, from The economic times: <https://economictimes.indiatimes.com/news/international/world-news/sri-lanka-sees-5-10-drop-in-indian-tourist-arrivals-this-year/articleshow/69929258.cms>
- Expedia Group. (2018). *MULTI-NATIONAL TRAVEL TRENDS*. Retrieved 1 05, 2020, from Expedia Group.com: <https://info.advertising.expedia.com/multi-national-travel-trends-in-the-tourism-industry>
- ExpediaGroup. (2018). *Travel Trends*. Retrieved from [expedia.com: https://info.advertising.expedia.com/travel-and-tourism-trends-for-australian-travellers](https://info.advertising.expedia.com/travel-and-tourism-trends-for-australian-travellers)
- Expedia Group. (2018). *Travel Trends*. Retrieved 01 05, 2020, from [expedia.com: https://info.advertising.expedia.com/german-travel-and-tourism-trends-research](https://info.advertising.expedia.com/german-travel-and-tourism-trends-research)

- Expedia Group. (2018). *Travel Trends*. Retrieved from expedia.com: <https://info.advertising.expedia.com/british-travel-and-tourism-trends-research>
- Fernando, S. (2017, July 28). Location and Tourism Attractions. *Tourism in Sri Lanka*. doi:10.13140/RG.2.1.4802.1200
- Field, A. (2013). *Discovering Statistics using IBM SPSS Statistics*. New Delhi: SAGE Publications India Pvt Ltd.
- Filda, R., Ismail, Y., Simatupang, T., & Dwi, L. (2019). Tourism Value Chain Activities Model for Competitive Advantage Measurement. *Advances in Economics, Business and Management Research, 3rd International Conference on Trade (ICOT 2019)* (p. Volume 98). ATLANTIS PRESS.
- Frommenwiler, S., & Varga, P. (2015). A modified value chain analysis of tourism development in the Inlay Lake region, Myanmar. *The Environment – People Nexus in Sustainable Tourism*.
- Gamage, A. S. (2003). Small and Medium Enterprise Development in Sri Lanka. 134-135. Retrieved from [http://www.biz.meijo-u.ac.jp/SEBM/ronso/no3\\_4/aruna.pdf](http://www.biz.meijo-u.ac.jp/SEBM/ronso/no3_4/aruna.pdf)
- Geva, A., & Goldman, A. (1991). Satisfaction measurement in guided tours. *Annals of Tourism Research*, 177-185.
- Go2HR. (2014). Retrieved July 7, 2020, from go2hr.ca: <https://www.go2hr.ca/training/training-directory?keys=travel+agent&location=&sector=All&region=All>
- Goeldner, C. R., & Ritchie, B. J. (2003). *Tourism Principles, Practices, Philosophies*. Hoboken, New Jersey: John Wiley & Sons, INC. Retrieved from <https://www.entornoturistico.com/wp-content/uploads/2018/04/Tourism-Principles-Practices-Philosophies.pdf>
- Group Expedia. (2017, April 7). *Chinese travel and tourism Trends*. Retrieved January 9, 2020, from expedia.com: <https://info.advertising.expedia.com/travel-and-tourism-trends-for-chinese-travellers>
- Group, expedia. (2017, April 7). *Tourism Trends*. Retrieved January 10, 2020, from expedia.com: <https://info.advertising.expedia.com/travel-and-tourism-trends-for-chinese-travellers>
- Harteveldt, H. H., Stark, E., Sehgal, V., & Kate, G. v. (2009, February 25). *US Online Leisure Travel Channel Share Forecast: Suppliers Versus Intermediaries, 2008 To 2013*. Retrieved December 14, 2019, from Forrester: <https://www.forrester.com/report/US+Online+Leisure+Travel+Channel+Share+Forecast+Suppliers+Versus+Intermediaries+2008+To+2013/-/E-RES47862>
- Hewaliyanage, R. (2001). Export Orientation for Small and Medium Enterprises: Policies, Strategies and Programs. *Asian Productivity Organization, Tokyo*, 233-246.

- Hojeghan, S. B., & Esfangareh, A. N. (2011). Digital economy and tourism impacts, influences and challenges. *Procedia Social and Behavioral Sciences*, 5-65.
- International Labour Organization. (2005). *Business environment, labour law and micro- and small enterprises*. Geneva: INTERNATIONAL LABOUR OFFICE.
- Ismail, R., Jeffery, R., & Belle. (2011). Using ICT as a Value Adding Tool in South African SMEs. *Journal of African Research in Business & Technology*, 1-12.
- Januszewska, m., Jaremen, D. e., & Nawrocka, e. (2015). The effects of The use of ICT by Tourism Enterprises. *Service Management 2/2015, Vol. 16*, 65-66. doi: DOI: 10.18276
- Jashi, C. (2013). Significance of Social Media Marketing in Tourism. *Research gate*, 30-37.
- Jashi, C. (2015). Significance of Social Media Marketing in Tourism. *8th Silk Road International Conference*, 35-37.
- Kartiwi, M. (2017). Ase Studies of E-Commerce Adoption in Indonesian SMEs. *Australasian Journal of Information Systems*, 69.
- Kaur, G. (2017). The importance of digital marketing in the tourism industry. *International Journal of Research - Granthaalayah*, 72. doi:doi.org/10.5281/zenodo.815854
- Khanan, M. F. (2014). Development of Tour Packages through Spatio-Temporal Modelling of Tourist Movements. *This thesis is presented for the degree of Doctor of Philosophy of Curtin University*, 1-5.
- Kim, C. (2004). E-tourism: an innovative approach for the small and medium-sized tourism enterprises (SMTEs) in Korea. *semanticscholar*. doi:DOI:10.1787/9789264025028-11-en
- Lama, S., Pradhan, S., Shrestha, A., & Beirman, D. (2018). Barriers of e-Tourism Adoption in Developing Countries: A Case Study of Nepal. *Australasian Conference on Information Systems*, 2.
- Lee, T. J., Riley, M., & Hampton, M. p. (2010). Conflict and Progress: Tourism Development in Korea. *Annals of Tourism Research*, 355-376.
- Maravilla, V. S., & Gantalao, C. S. (2019). E-Tourism Adoption of the Travel Agencies in Cebu City, Philippines. *Journal of Economics and Business*, 557. doi:DOI: 10.31014/aior.1992.02.03.108
- Maravilla, V. S., & Gantalao, C. S. (2019). E-Tourism Adoption of the Travel Agencies in Cebu City, Philippines. *Journal of Economics and Business*, 560-566. doi:DOI: 10.31014/aior.1992.02.03.108
- Mihajlovic, I. (2012). The Impact of Information and Communication Technology (ICT) as a Key Factor of Tourism Development on the Role of Croatian Travel Agencies. *International Journal of Business and Social Science*, 145-155.

- Ministry of Industry and Commerce. (2016). *Small Meadium Enterprices(SME) Development*. Minister of Industry and Commerce, Ministry of Industry and Commerce. colombo: Ministry of Industry and Commerce.
- Ministry of Industry and Commers. (2016). *National Policy Fram Work fo Small Mediam Enterprise(SME) Development*. colombo: Ministry of Industry and Commers. Retrieved from [https://www.google.com/search?q=National+Policy+Framework+For+Small+and+Medium+Enterprises+\(SMEs\)+Development+ACTION+PLAN&oq=National+Policy+Framework+For+Small+and+Medium+Enterprises+\(SMEs\)+Development+ACTION+PLAN&aqs=chrome..69i57.763j0j7&sourceid=chrom](https://www.google.com/search?q=National+Policy+Framework+For+Small+and+Medium+Enterprises+(SMEs)+Development+ACTION+PLAN&oq=National+Policy+Framework+For+Small+and+Medium+Enterprises+(SMEs)+Development+ACTION+PLAN&aqs=chrome..69i57.763j0j7&sourceid=chrom)
- Mohamad, R., & Ismail, N. A. (2009). Electronic Commerce Adoption in SME: The Trend of Prior Studies. *Journal of Internet Banking and Commerce*, 3-6.
- Montan, M. (2020). *TripBlogs*. Retrieved June 26, 2020, from Travelnation: <https://www.travelnation.co.uk/blog/what-is-tailor-made-travel>
- Neuhofer, B., Buhalis, D., & Ladkin, A. (2014). A typology of technology-enhanced tourism experiences. *International Journal of Tourism Research*, 340-350.
- Pachernwaat Srichai, R. P. (2018). Cultural Tourism Value Chain as a Strategy: A case study of Thailand's Northern Region. *International Journal of Agricultural Travel and Tourism*, Vol. 9: 43-55.
- Page, S. J. (2005). *Transport and tourism global perspectives*. Harlow, England: Pearson Prentice Hall. Retrieved from <https://trove.nla.gov.au/work/17517523/version/46675837>
- Pan, B. (2015). E-tourism. *Encyclopedia of Tourism*, 10-55. doi:DOI: 10.13140/2.1.3121.5681
- Pauna, D. (2017). E- Tourism. *Performance and Risks in the European Economy*, 280-282.
- Pitana, I. G., & Pitanatri , P. D. (2016). Digital marketing in tourism. *International tourism conference promoting cultural & heritage tourism*, 111-116.
- Ponnamperuma, E. (2000). SMEs in Competitive Markets. *Asian Productivity Organization*, 295-313.
- Rhodri, T., Gareth, S., & Page, S. J. (2011). Understanding small firms in tourism: A perspective on research trends and challenges. *Tourism Management*, 73-996.
- Roy, S. B., Das, G., Yahia, S. A., & Yu, C. (2011). Interactive Itinerary Planning. *Research Gate*. doi:DOI: 10.1109/ICDE.2011.5767920
- Samaranayake, H. (2012). *A Lifetime in Tourism*. colombo: Tharanjee Printers.

- Samarathunga, W. H., & Pathirana. (2016). Micro and small scale travel agencies in Sri Lanka: An exploratory study. *Journal of Management Matters Volume 3*, 5-30. doi:DOI: 10.13140/RG.2.2.27184.66561
- Saunders, M., Lewis, P., & Thornhill , A. (2009). *Research Methodology for Business Students: Fifth Edition*. Essex. *Pearson Education Limited*.
- Sekaran, U. (2003). *Research Methods for Business: A Skill-Building Approach. 4th Edition*. New York: John Wiley & Sons.
- Senanayake, S. (2019). The Influence of Social Media on Millennial's Travel Decision Making Proces. *Colombo Journal of Advanced Research* , 193.
- Shah, H. (2010). *Simform*. Retrieved 09 12, 2020, from Simform.com: [www.simform.com/the-state-of-mobile-app-usage/](http://www.simform.com/the-state-of-mobile-app-usage/)
- Shouk, M. A., Lim, W. M., & Megicks , P. (2014). *E-Commerce and Small Tourism Businesses in Developing Countries: Drivers versus Boundaries of Adoption*. Mortimer Street, London: Routledge. doi: DOI: 10.1080/21568316.2012.747983
- SLTDA. (2018). *Annual statistical report*. Colombo: Sri Lankan Tourism Development Authority.
- SLTDA. (2018). *SLTDA Annual statistic report*. colombo: Sri Lankan Tourism Development Aauthority.
- SLTDA. (2019). *SLTDA*. Retrieved 01 05, 2020, from Travel Agents: [https://www.srilanka.travel/index.php?route=travel/travelagents&operator\\_district=Colombo](https://www.srilanka.travel/index.php?route=travel/travelagents&operator_district=Colombo)
- SLTDA. (2019, 12 16). *SLTDA*. Retrieved from [www.slt-da.lk](http://www.slt-da.lk): <http://www.slt-da.lk/node/200>
- Song, H., Liu, J., & Che, G. (2013). Tourism Value Chain Governance: Review and Prospects. *Journal of Travel Research* , 16.
- Sylejmani, K. (2013). Optimizing Trip Itinerary for Tourist Groups. *Research Gate*. doi:DOI: 10.13140/RG.2.1.3390.2325
- Sylejmani, K., Dorn, J., & Musliu , N. (2017). Planning the trip itinerary for tourist groups. *Inf Technol Tourism*, 270-278.
- Tec Term. (2010, 01 04). *ICT Definition*. Retrieved 12 09, 2019, from Tec Term: <https://techterms.com/definition/ict>
- Thomas, R., Shaw, G., & Page, S. J. (2011). Understanding Small Firms in Tourism: A Perspective on Research Trends and Challenges. *Tourism Management*, 963-976. doi:DOI: 10.1016/j.tourman.2011.02.003

- Turban, E., King, D., Lee, J. K., Liang, T. P., & Turban, D. C. (2008). *Electronic Commerce A Managerial and Social Networks Perspective*. London: Springer Cham Heidelberg. doi:DOI 10.1007/978-3-319-10091-3
- U.S. International Trade Commission. (2010). *Small and MediumSized Enterprises: Overview of Participation in U.S. Exports*. Washington: USITC Publication 4125.
- Wash, B. (2010, July 21). *Press Releases*. Retrieved January 10, 2020, from expedia group: <https://advertising.expedia.com/about/press-releases/new-research-expedia-media-provides-insight-destination-marketing-trends>
- Westcott, M. (2015). *Introduction to Tourism and Hospitality in BC*. BCcampus. Retrieved from opentextbc.ca: <https://opentextbc.ca/introtourism/>
- Yıldırım Yılmaz, U. S. (2006). Performance measurement intourism: a value chain model. *International Journal ofContemporary Hospitality Management*, 341-349.
- Yılmaz, Y., & Bititci, U. s. (2006). Performance measurement in tourism: a value chain model. *International Journal of Contemporary Hospitality Management*, 340-342. doi:DOI 10.1108/09596110610665348
- Yong's cyberclassroom. (2019, March 09). Retrieved june 29, 2020, from yourcyberclassroom.weebly: <https://yourcyberclassroom.weebly.com/domestic-and-international-tour-planning-packaging-and-pricing.html>
- Zhang, X., Song, H., & Huang, G. Q. (2009). Tourism supply Chain Management: A New Research Agenda. *Tourism Management*, 345-358.
- Zykova, I. (2017). Marketing of Travel Agency via Social Media. *Business Economics and Tourism*, 7-9.



**APPENDIX**

**APPENDIX A: RESEARCH QUESTIONNAIRE**

**A STUDY ON FACTORS INFLUENCING E-TOURISM ADAPTION OF THE REGISTERED MICRO, SMALL AND MEDIUM INBOUND TRAVEL ENTERPRISES IN COLOMBO DISTRICT, SRI LANKA**

I, H.D. Sudasinghe, am an undergraduate of Sabaragamuwa University of Sri Lanka reading for BSc(Hons)Tourism Management, faculty of Management Studies . I am doing a research as a fulfillment of my degree. My research topic is "A study on factors influencing to e-Tourism adaption of the registered inbound Micro, Small and Medium Travel Enterprises In Colombo". I am conducting my research under the academic supervisor Mr. Hiran Dinusha, Lecture Department of Tourism Management, Faculty of Management Studies, Sabaragamuwa University of Sri Lanka.

My questionnaire is mainly consisted with three parts.

Part A- Business profile

Part B- Perceived usefulness, perceived ease of use and intention to use

Part C -Technical and non-technical challengers to ICT adaptation

Please be kind enough to pay your attention to fill the questionnaire. I will be responsible for the confidentiality about the data and I will be grateful if you could fill this questionnaire.

Name:.....

Name of the organization and designation:.....

## Part A

### Business profile

Please select the most appropriate answer out of the following.

#### A 1. Type of ownership

Corporation

Sole proprietorship

Partnership

Small Medium Enterprises (National Policy Framework for Small Medium Enterprise (SME) Development)

The category of Micro sized Enterprises is made up of enterprises which employ less than 10 employees and annual turnover in less than 15 Mn, the category of Small sized Enterprises is made up of enterprises which employ less than 50 employees and more than 11 employees and which have an annual turnover in between 16-250 Mn. The category Medium sized Enterprises is made up of enterprises which employ less than 200 employees and more than 51 employees and which have an annual turnover in between 251-750 Mn.

Ministry of Industry and Commerce(2016)

Micro

Small

Medium

### A 3. Years of operation

Above 20 years

1-5 Yrs

6-10 Yrs

11-15 Yrs

16-20 Yrs

Please select most appropriate answers (multiple choice) out of the following.

Online presence

No response

ravel online

Booking.com

TripAdvisor

Agoda

Bookmundi

Get your guide

Trodly

Expedia

Bokun

Book all Safaries

Tour Radar

Dotravels

Other.....

A 5. Travel agency mobile app

No response

Android

IOS

Other.....

A 6. Online Advertisement

Instagram

Android

You tube

Facebook

WhatsApp

Viber

LinkedIn

Own website

Other.....

A 7. Product and service

Accommodations

Reservation/Booking

Tour package

Transport Reservation/booking

Event ticketing

Visa assistance

Guide only

Car rental (vehicle only)

Other.....

**Part B**

Perceived usefulness, perceived ease of use and intention to use.

Please choose your best match according to the statement - (1) Strongly disagree, (2) Disagree, (3) Nature, (4) Agree, (5) Strongly agree

B 1 Travel agent's perceived usefulness of technology.

	Statement	Strongly disagree	Disagree	Nature	Agree	Strongly agree
	<b>Perceived usefulness</b>					
1	Travel agent's perceived usefulness of technology.					
02	Enable me to accomplish the task more quickly					
03	Help increase my productivity.					
04	Enhance my effectiveness on the job.					
05	I would find useful in my job.					

	Statement	Strongly disagree	Disagree	Nature	Agree	Strongly agree
	<b>Perceived ease of use in technology</b>					
1	Travel agent's perceived usefulness of technology.					
02	I would find it easy to get ICT to do what I want to do.					
03	My interaction with ICT would be clearer and understandable.					
04	I would find ICT to be flexible to interact with					
05	It would be easy for me to become skilful at using ICT.					
06	I would find ICT easy to use.					

	Statement	Strongly disagree	Disagree	Nature	Agree	Strongly agree
	<b>Intention to use ICT</b>					
1	I will probably use or continue using the technology in the business operation..					
02	I intend to begin or continue using Technology in the workplace					
03	I will frequently use technology in the future for sales and marketing.					
04	Will recommend others to use to use technology in business operations.					

### Part C

Technological and non-technological challengers to ICT adaptation.

Technological and non technological challengers to ICT adaptation in Travel Agency.

Do you think ICT adaptation is a challenging task for a micro, small and medium scale Travel Agency ?

Yes

No

If 'yes', please answer the bellow questions.

Please select most appropriate answers (multiple choice) out of the following.

1. Online fraud increasing	
2. Security & privacy concerns deter customers from buying.	
3. People do not yet sufficient trust papered, faceless transactions.	
4. Some customers like to feel and touch product, also customer are resistant to the change from at a brick and mortar store than the virtual store.	
5. Lack of trust in E commerce and unknown sellers hinders buying.	
6. In many case, the number of sellers and buyers that are need for profitable E- commerce operations are insufficient.	
7. Many legal and public policy issues, including taxation, have not yet been resolved and or not clear.	
8. National and international government regulations sometimes get in the way.	
9. It is difficult to measure some of the benefits of E commerce such as online advertising.	

Non-technological reasons for non-adaptation

1. Online fraud increasing	
2. Security & privacy concerns deter customers from buying.	
3. People do not yet sufficient trust papered, faceless transactions.	
4. Some customers like to feel and touch product, also customer are resistant to the change from a brick and mortar store than the virtual store.	
5. Lack of trust in E commerce and unknown sellers hinders buying.	
6. In many case, the number of sellers and buyers that are need for profitable E- commerce operations are insufficient.	
7. Many legal and public policy issues, including taxation, have not yet been resolved and or not clear.	
8. National and international government regulations sometimes get in the way.	
9. It is difficult to measure some of the benefits of E commerce such as online advertising.	



## APPENDIX B: Reliability Test

Reliability Statistics: Perceived Usefulness

**Reliability Statistics**

Cronbach's Alpha	N of Items
.844	5

Reliability Statistics: Perceived Ease of Use

**Reliability Statistics**

Cronbach's Alpha	N of Items
.926	6

Reliability Statistics: Intention to Use

**Reliability Statistics**

Cronbach's Alpha	N of Items
.826	4

**APPENDIX C: Validity Test**

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.812
Bartlett's Test of Sphericity	Approx. Chi-Square	114.688
	df	10
	Sig.	.000

Validity Statistic:  
Perceived Usefulness

Validity Statistic: Perceived Ease of Use

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.884
Bartlett's Test of Sphericity	Approx. Chi-Square	262.016
	df	15
	Sig.	.000

Validity Statistic: Intention to Use

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.668
Bartlett's Test of Sphericity	Approx. Chi-Square	116.422
	df	6
	Sig.	.000

**APPENDIX D: Normality Tests**

**Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Intention to Use	.193	59	.000	.886	59	.000

a. Lilliefors Significance Correction

## APPENDIX E: Correlations Analysis

		Perceived Usefulness	Perceived Ease of Use	Intention to Use
Perceived Usefulness	Pearson Correlation	1	.463**	.660**
	Sig. (2-tailed)		.000	.000
	N	59	59	59
Perceived Ease of Use	Pearson Correlation	.463**	1	.410**
	Sig. (2-tailed)	.000		.001
	N	59	59	59
Intention to Use	Pearson Correlation	.660**	.410**	1
	Sig. (2-tailed)	.000	.001	
	N	59	59	59

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

## APPENDIX F: Multicollinearity Test

VIF value

Coefficients <sup>a</sup>											
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	1.431	.449		3.189	.002					
	Perceived Usefulness	.582	.109	.599	5.352	.000	.660	.582	.530	.785	1.273
	Perceived Ease of Use	.116	.097	.133	1.189	.240	.410	.157	.118	.785	1.273

a. Dependent Variable: Intention to Use

## APPENDIX G: Regression Analysis

Model Summary

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.671 <sup>a</sup>	.450	.430	.41521	.450	22.891	2	56	.000

a. Predictors: (Constant), Perceived Ease of Use, Perceived Usefulness

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.431	.449		3.189	.002	.532	2.329
	Perceived Usefulness	.582	.109	.599	5.352	.000	.364	.800
	Perceived Ease of Use	.116	.097	.133	1.189	.240	-.079	.311