

IMPACT OF E-COMMERCE ON BUSINESS PERFORMANCE: A STUDY BASED ON TRAVEL AGENCIES IN AMPARA DISTRICT

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ABSTRACT

The adoption of e-commerce in the travel sector has become one of the main business improvement areas in the travel industry that seems unavoidable in competing and even surviving in a highly competitive industry. This study focuses on the impact of e-commerce usage on business performance of travel agencies in Sri Lanka. It was found that many firms attempted to adopt e-commerce to upgrade their competitive capabilities, but it seems e-commerce related businesses performance has not improved significantly over the years. In order to review this problem in the Sri Lankan travel agencies. Data were collected through the structured questionnaire and the results were analyzed by the SPSS software. According to the results 40% of travel agencies were in 1-3 years of services and 38% of them are the lesser than one year. Top management shows the higher interest to implement the strategy related to E-commerce and the results show that 20 respondents agree and 11 respondents strongly agree for above statement. Around 50% of them agree that e-commerce support for dynamic business demand. Finally, 68.5 % of them are agree that e-commerce increase the business performance.

Keywords: Electronic Commerce, Business performance, Technology adoption, Travel industry, Sri Lanka