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IMPACT OF SHARING ECONOMY ON CUSTOMER PURCHASING INTENTION IN THE HOTEL INDUSTRY IN SRI LANKA

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ABSTRACT

Tourism industry in Sri Lanka has shown an accelerated growth in the recent past and it is one of the key income generators of the county. It is observed that concept of on demand economy/ sharing economy is becoming very popular in the tourism industry of Sri Lanka. As a result of the phenomenal growth of the sharing economy in the tourism industry, investigating its impacts on travellers and tourist destinations is of paramount importance. Accordingly this study attempts to measure the impact of sharing economy on customer purchasing intention in the hotel industry. Based on a survey targeting foreign tourists from the Southern province, it was identified that economic benefit, sustainability consideration, trustworthiness, local experience & facilitating conditions significantly impact on customer purchasing intention in the hotel industry. The statistical outputs revealed that, out of five main factors, trustworthiness and economic benefits are the most impactful variables on customer purchasing intention. Further the empirical evidence from this study suggests several theoretical and practical implications for the tourism and hospitality businesses and directions for future research.

Keywords: purchasing intention, sharing accommodations, sharing economy, tourism, on demand economy, hotel industry