

FACTORS AFFECTING ADOPTION OF E-COMMERCE AMONG SRI LANKAN PRIVATE SECTOR EXECUTIVES

By

E.M.S.T. Ekanayake



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Department of Computer Science and Engineering
University of Moratuwa
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Declaration

I hereby certify that this dissertation does not incorporate, without acknowledgement, any material previously submitted for a Degree or Diploma in any University and to the best of my knowledge and belief, it does not contain any material previously published or written by another person or myself except where due reference is made in the text. I also hereby give consent for my dissertation, if accepted, to be made available for photocopying and for interlibrary loans and for the title and summary to be made available to outside organizations.

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Date

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Supervisor

Date

Abstract

Electronic commerce (E-Commerce) usage in Sri Lanka is increasing due to various developments in the Information and Communication Technology (ICT) sector. Identifying technology adoption factors in the case of E-Commerce and studying their effectiveness in adoption, among Sri Lankan private sector executives, were primary objectives of this research. In order to analyze factors affecting adoption of E-Commerce in Sri Lanka, a self-administrated questionnaire was developed and surveyed using a sample of 389 private sector executives employed in Information Technology and Telecommunications, Banking and Finance, and the Manufacturing sectors.

There have been many empirical studies on adoption and diffusion behavior of a new technology. Two well known technology adoption models, the Technology Acceptance Model (TAM) (Davis, 1989) and the Theory of Planned Behavior (TPB) (Ajzen, 1991) were used to identify a suitable research framework. Since trust on online stores or Perceived Risk on online transactions has widely been discussed in previous E-Commerce literature, a combined model of the TAM and the TPB with reference to trust in E-Commerce was used to build the research model and hypotheses.

The survey results revealed that Perceived Ease of Use and Perceived Usefulness have a strong positive correlation with E-Commerce adoption while Subjective Norm and Perceived Behavioral Control have a moderately positive correlation on it. The analysis of findings further revealed that the trust or Perceived Risk in E-Commerce has a significant impact on other E-Commerce adoption factors, Perceived Ease of Use, Perceived Usefulness and Perceived Behavioral Control, except Subjective Norm. In addition, it was found that hi-technology products and digital items maintain the highest preference in the web market. It further revealed that, the majority, almost 95%, of total respondents are willing to experiment with or continue E-Commerce in future. It was recommended that web-stores should take the necessary steps to increase consumer confidence in the E-market in addition to what they offer customers to make online transactions easy and useful.

Keywords

E-Commerce Adoption, TAM, TPB, Trust



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List of Abbreviations

EIU	Economic Intelligence Unit
IT	Information Technology
ICT	Information and Communication Technology
TAM	Technology Acceptance Model
TPB	Theory of Planned Behavior



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