

## Travel and Tourism Stakeholders' Perceptions of Digital Payment Methods in Sri Lanka: A Qualitative Study Using UTAUT3

S.T.S. Priyadarshana<sup>1,\*</sup> and J.A.P.M. Jayasinghe<sup>2</sup>

*Department of Tourism and Hospitality Management, Faculty of Management Studies,  
Rajarata University of Sri Lanka, Mihintale, Sri Lanka<sup>1,2</sup>*

\*Corresponding author: [tharidushehan848@gmail.com](mailto:tharidushehan848@gmail.com)

### Abstract

In recent years, the tourism industry in Sri Lanka has witnessed a rapid digital transformation, mirroring global shifts toward cashless economies. The rise of digital payment methods has begun reshaping financial interactions between travellers and service providers. This transition is especially important for Sri Lanka, where tourism drives the economy, and visitors now expect convenience and secure transactions in line with global standards. However, the move away from traditional cash dealings presents distinct opportunities and challenges, given the socio-economic diversity of tourism stakeholders across the country. This qualitative study explores the perceptions and experiences of key tourism stakeholders regarding digital payment methods in Sri Lanka, guided by the Unified Theory of Acceptance and Use of Technology 3 (UTAUT3). The research specifically investigates perceived benefits, barriers, and motivations underlying the adoption of digital payments. Data were collected through semi-structured interviews, a focus group discussion, and relevant secondary sources with a sample of 23 participants, including hoteliers, travel agents, tourism operators, and both local and foreign tourists. Thematic analysis highlighted that digital payments are widely valued for their convenience, operational efficiency, and positive impact on guest satisfaction. Nevertheless, notable obstacles remain, including limited digital literacy, infrastructural constraints, trust and security concerns, and deeply rooted cultural preferences for cash transactions, challenges most frequent among older or rural participants. The study identifies generational, regional, and professional variances in acceptance, with younger and digitally literate stakeholders demonstrating greater willingness to adopt these methods. The findings stress the necessity for robust policy initiatives, targeted digital literacy programmes, and stronger regulatory frameworks to foster trust and broaden inclusivity. Overall, this study enhances the qualitative application of UTAUT3 and offers actionable insights for advancing digital transformation and competitiveness within Sri Lanka's tourism sector.

**Keywords:** adoption barriers, digital payments, Sri Lanka, stakeholder perceptions, tourism