

# Exploring The Factors Predicting M-Commerce Applications' Adoption In Tourism And Hospitality: Evidence From Travel Agencies, Hotels And Archaeological Sites

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## ABSTRACT

Mobile commerce helps business increasing sales and improving marketing efficacy. The present study aims to explore the factors affecting m-commerce adoption by travel agencies, hotels and archaeological sites. Structural equation modelling, based on questionnaire data, was used to analyze collected data. Findings revealed that m-commerce adoption is affected by drivers, barriers of adoption, performance and effort expectancy, and facilitating factors. This study is useful for managers of tourism enterprises seeking to improve their competitiveness and increase their market share.

Key Words: m-commerce, mobile applications, travel agents, Hotels, archaeological sites, Egypt

## INTRODUCTION

The most significant phenomenon of last decade is the growth of using smartphones. [Shaw and Sergueeva \(2019\)](#) have expected an increase in the number of world smartphone users to exceed five billion users by 2019. It is forecasted that 40% of the world's population is intended to own smartphones by 2021 ([Statista, 2019a](#)). Thus, the mobile commerce (m-commerce) has steadily been developed as an extension of e-commerce across the world and became a wide means of shopping online ([Marriott, Williams, & Dwivedi, 2017](#)). The transactions of global m-commerce grew from US\$ 50.92 billion in 2014 to US\$ 459.38 billion in 2018 and estimated to reach US\$ 693.36 billion in 2019 ([Statista, 2019b](#)). Japan comes first in m-commerce as 50% of e-commerce transactions is conducted through smartphones, followed by the United Kingdom (40%) ([Marinkovic & Kalinic, 2017](#)). In China, the retail m-commerce sales are expected to reach 71.5% of total e-commerce sales in 2019 compared to 38.1% in 2014 ([eMarketer, 2016](#)). In the US, m-commerce is predicted to reach 45% of total e-commerce sales in 2020 compared to 11.6% in 2014 ([Buisnessinsider, 2106](#)).

Moreover, mobile applications (m-apps) are the ubiquitous way for many daily life activities; it allows users to get access to their mails, news, social media and other services without web browsers ([Tan, Lee, Lin, & Ooi, 2017](#)). There are over 3 million apps in Google Play and over 2 million apps in the Apple store ([Statista, 2018a](#)) with 80% of them is available for free ([Shaw & Sergueeva, 2019](#)). M-apps empowered with payment features allow users to conduct online shopping and therefore enterprise use it to increase promotion, marketing and sales of their products ([Bang, Han, Amimesh, & Hwang, 2013](#); [Kim, Kim, Choi, & Trivedi, 2017](#)).

Furthermore, businesses have become increasingly interested in delivering mobile services to extend their customer base. They have developed websites and applications to deliver mobile shopping, mobile banking, mobile payment, and mobile entertainment that help them having faster, cheaper and efficient marketing, distribution and booking channels ([Tan & Ooi, 2018](#)). In particular m-commerce apps have rapidly increased to help travellers to compare, search and purchasing tourism products and hotel services online ([Ismail, Hemdi, Sumarjan, Hanafiah, & Zulkifly, 2017](#)). With a successful use of m-commerce business model to offer travel products and services, tourism organizations (i.e. travel agencies, hotels, archaeological sites, and museums) could increase their positive image, reputation, customer loyalty, and satisfaction ([Tan et al., 2017](#)). Furthermore, [Gupta and Dogra \(2017\)](#) found that 42% of travellers worldwide use smartphones to plan/book their trips. [Loureiro and Loureiro \(2017\)](#) have forecasted that 70% of travel transactions within the next three years will be done via mobile devices, therefore tourism organizations such as TripAdvisor, Booking.com, Expedia, Airbnb, Skyscanner and airlines have developed their websites to work on mobile devices and developed mobile applications to bid for such benefits. With the remarkable growth of mobile technology, timely research is emerged for understanding the m-commerce adoption behaviour of travel agents and other tourism services providers ([Hew, 2017](#)).