



UNIVERSITI  
MALAYSIA  
KELANTAN

**FACTORS THAT INFLUENCE THE ADOPTION  
OF DIGITAL TECHNOLOGY AMONG TOURISM  
SMES IN KELANTAN, MALAYSIA.**

**By**

**NUR SYAZWANI BINTI ZABIDI (H18A0428)  
NURUL HANIZA BINTI MOHD ZIKRI (H18A0489)  
NURUL AINA FARHANA BINTI MARZUKI (H18B0806)**

A report submitted in partial fulfillment of the  
requirements for the Degree of

**Bachelor of Entrepreneurship (Tourism Entrepreneurship)**

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**Faculty of Hospitality, Tourism and Wellness  
UNIVERSITI MALAYSIA KELANTAN**

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2021





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## LIST OF SYMBOLS AND ABBREVIATIONS

### Symbols

%	Percent
$\alpha$	Alpha
$\geq$	More than or equal to
>	More than
( - )	Negative
n	Frequency
r	Pearson Correlation Coefficient
N	Population Size
S	Sample Size

### Abbreviations

SME	Small and Medium Enterprise
TSME	Tourism Small and Medium Enterprise
UNWTO	United Nations World Tourism Organization
DOSM	Department of Statistic Malaysia
R&D	Research and Development
SPSS	Statistical Package for the Social Sciences
UTAUT	Unified Theory of Acceptance and Use of Technology

## ABSTRACT

The use of digital technology has a significant impact on worldwide business growth and the tourism industry. This study seeks the relationship between performance expectancy, effort expectancy, social influence, behavioral intention, and adoption of digital technology among Tourism SMEs in Kelantan. Simple random sampling is used and responses from 122 respondents are collected. To analyze all the data, descriptive analysis, reliability testing, and Pearson correlation are used. The results have shown that the performance expectancy, effort expectancy, social influence, and behavioral intention positively value the relationship with digital technology adoption among Tourism SMEs in Kelantan. Hopefully, the information gathered during this study would assist the relevant parties in generating more revenue and profits, thereby improving the Malaysian economy.

**Keywords** : Adoption of Digital Technology, Performance Expectancy, Effort Expectancy, Social Influence, and Behavioral Intention.

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## ***ABSTRAK***

Penggunaan teknologi digital mempunyai kesan yang signifikan terhadap pertumbuhan perniagaan di seluruh dunia dan industri pelancongan. Kajian ini mencari hubungan antara jangkaan prestasi, harapan usaha, pengaruh sosial, niat tingkah laku, dan penggunaan teknologi digital di kalangan PKS Pelancongan di Kelantan. Persampelan rawak mudah digunakan dan jawapan daripada 122 responden dikumpulkan. Untuk menganalisis semua data, analisis deskriptif, ujian kebolehppercayaan, dan korelasi Pearson digunakan. Hasil kajian menunjukkan bahawa jangkaan prestasi, harapan usaha, pengaruh sosial, dan niat tingkah laku secara positif menilai hubungan dengan penggunaan teknologi digital di kalangan UKM Pelancongan di Kelantan. Mudah-mudahan, maklumat yang dikumpulkan semasa kajian ini dapat membantu pihak-pihak yang berkenaan dalam menjana lebih banyak hasil dan keuntungan, seterusnya meningkatkan ekonomi Malaysia.

**Kata kunci:** Penerapan Teknologi Digital, Jangkaan Prestasi, Jangkaan Usaha, Pengaruh Sosial, dan Niat Tingkah Laku.

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## CHAPTER 1

### INTRODUCTION

#### 1.1 INTRODUCTION

Chapter 1 comprises the background of the study, problem statement, research objectives, research questions, the significance of the study, the definition of terms, and a summary. The background of the study includes the theories, concepts, terms, and ideas of a topic or an issue. The problem statement refers to a clear and brief statement that describes the symptoms of an exact issue that the researchers want to study (Mukesh, Salim, & Ramayah, 2013). The research objectives refer to the statements of intention or actions intended which could be specified in the form of actions to answer the posed questions. Research questions are the main questions that can be complemented by exploration questions (Abao, 2014). Furthermore, the significance of the study can be defined as the extent of the contribution made by the researchers to change an idea, improve understanding or introduce a new hypothesis in a certain field of study (Maillard, 2013). The definition of this term includes a brief definition of Dependent Variables (DV) and Independent Variables (IV).

## 1.2 BACKGROUND OF STUDY

According to the United Nations World Tourism Organization, tourism involves people visiting countries or locations outside of the natural environment for personal or business reasons (UNWTO, 2020). Tourism goods include hotels, restaurants, transportation, guided tours, tourism agency, cultural services, sports, and recreational establishments, and retail. Tourist products encompass a range of areas, among other things.

These days the travel industry has developed with innovation and has put together its exercises concerning drawing in the consideration of vacationers and meeting assumptions. The advancement of data and computerized correspondence innovation can immensely effect how guests and vacationer places connect. In light of the travel industry entrance, for the principal quarter of 2020, Malaysia announced 4.233,425 traveler appearances diminished by 36.8 percent from 2020 contrasted with the earlier year in 2019.

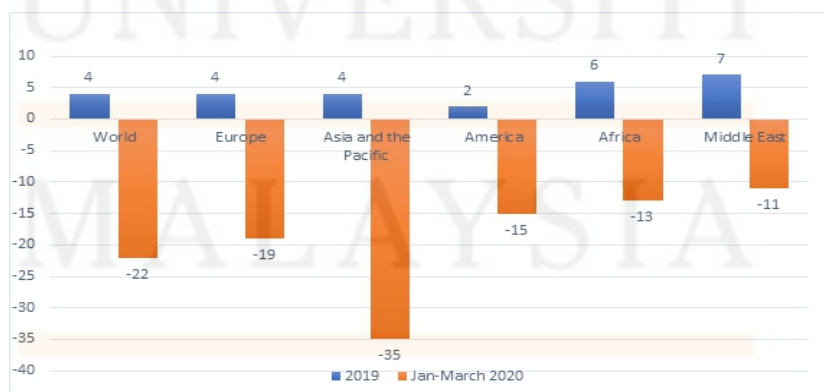


Figure 1.1: International tourist arrivals, 2019 and Q1 2020 (percentage change)

(Source: UNWTO)

Small and medium enterprises (SMEs) are key tourist topics (Thomas et al., 2011) SMEs have contributed significantly to economic and employment growth in this field. Innovation is a key driver of development and progress. This concept of TSME should be described as an entertainment company that offers tourist services such as hotels, transportation, travel agencies, catering, nightclubs, entertainment, souvenir shops, and more. (Lee et al., 2012) and new perspectives are developing for SME management to enhance production for their enterprises.

SMEs in Malaysia are characterized as dependent on the number of full-time workers or the absolute deals or income. The definitions of SMEs in Malaysia, which are divided into micro, small, and medium enterprises, are summarised in Table 1.1.

Table 1.1: The Definitions of SMEs in Malaysia

Category	Micro-enterprise	Small enterprise	Medium enterprise
Manufacturing, Manufacturing Related Services and Agro-based industries	Sales turnover of less than RM250,000 or fewer than five full-time workers.	Sales turnover between RM250,000 and RM10 million or between five and 50 full-time workers.	Sales turnover between RM10 million and RM25 million, with 51 to 150 full-time workers.

Services, Primary Agriculture and Information & Communication Technology (ICT)	Sales turnover of less than RM200,000 or fewer than five full- time workers.	Sales turnover between RM200,000 and RM1 million or between five and 19 full-time workers.	Sales turnover between RM1 million and RM5 million or between 20 and 50 full-time workers
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*Source: SMIDEC (2011)*

Table 1.1 above means that, Small Medium Enterprises (SMEs) in Malaysia are approved by the Public SME Improvement Committee (NSDC). The public authority organization was liable for SME improvement. SMEs in Malaysia.

Malaysia's travel industry has been the second significant supporter of the Total national output to Gross Domestic Product (GDP) and has become one of the Malaysian economy's quickest developing enterprises, contributing essentially to unfamiliar trade income in the district. As tourism rose as one of the world's major businesses with noteworthy changes in its structure and operation of the tourism industry around the world, the worldwide move to tourism-focused economies, the development of unused goals, and expanding requests for separated tourism items and administrations have incited the require for tourism small and medium-sized ventures (SMEs) to create techniques to gotten to be competitive within the changing worldwide economy.

The Malaysian government's ceaseless endeavors to invigorate the travel industry have positively affected the business exercises of the travel industry SMEs. In Malaysia, the travel industry SMEs represent around 85% of the travel industry area. Following the rules set somewhere around global establishments like the Assembled Countries World The travel industry Association (UNWTO), the Association for Financial Co-Activity and Eurostat, and Advancement (OECD), the Travel industry Satellite Records (TSA) are utilized by the Malaysian Government to arrange the travel industry explicit items from the point of view of providers.

Table 1.2: Distribution of TSMEs, 2010

<b>Tourism SMEs Business Activities</b>	<b>Establishments</b>	<b>%</b>
Accommodation services	2,817	1.2
Transportation services	40,025	16.7
Art, entertainment, and recreation services	6,217	2.6
Food and beverage services	142,721	59.7
Miscellaneous tourism services	36,721	15.4
Travel agency, tour operator and tourism guide services	10,609	4.4
<b>TOTAL</b>	<b>239,110</b>	<b>100.0</b>

Source: Malaysian Department Statistics, Census 2011 (2012)

Table 1.2 presents the business activities of TSMEs in 2010, including 239,110 actively established. There are 142,721 organizations (59.7 percent) providing food and beverage services, 40,025 companies (16.7 percent) offering transport administrations,

and other travel industry administrations. Meanwhile, 19,643 TSMEs (8.2 percent of the complete TSMEs) provide convenience accommodation services; arts, entertainment, and leisure services; and travel agents, tour operators, and tour guide services.

Technologies that facilitate collaboration via electronics have become an important component of day to daily life. A couple of studies have analyzed the adoption of collaboration technologies such as voice mail, email group support system, services, and others. Particularly collaboration technologies are not progressing as fast or as broadly as expected, it seems a different approach is needed. New systems or new technology acceptances require input for both the managerial or organizational level and individual level. Firms need to understand not only the end-user beliefs, attitudes, and intentions of technologies but the management strategies, policies, and actions that have a significant effect on the successful acceptance of a technology (Bhattacharjee, 1998).

Some factors influence the adoption of digital technology among Tourism SMEs in Malaysia. The factors in this study on the adoption of digital technology are in terms of performance expectancy, effort expectancy and social influence, and behavioral intention among Tourism SMEs in Malaysia. This paper aims to empirically examine which variables are the best introduction of digital technologies among SMEs in tourism.

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### **1.3 PROBLEM STATEMENT**

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This examination takes a gander at the reception of innovation for advancement execution in the travel industry. This is cited from Werthner et al. (2015) which underlines that computerized obstruction can be firmly connected to issues identified

with advanced foundation. The examination to analyze features how the very articulation 'Advanced Upset' will in general join key components that may allude to different areas, in the solidarity between the physical and virtual universes that incorporate physical and computational cycles (Lom et al., 2016).

In any case, contemplates have been led on the transformation of data and correspondence innovation in the travel industry shows the inclination of exploration that is the justification the disappointment of an organization that doesn't adjust to the most recent mechanical patterns and falls into its utilization (Pérez-González et al, 2016). Social and innovative patterns can change how associations and clients communicate, to stay serious, organizations should react and adjust to new item advancements just as a new buyer, client, and request needs (Chuang et al, 2015). Moreover, there has been a decrease in investigations on utilization advancements, for example, in business decision knowledge devices to catch which is outer rivalry data, from clients as well as from the opposition (Simona Popa et al, 2014).

With regards to Elements affecting SMEs site continuation goal in Malaysia, T. Ramayah et.al, (2015) saw that each It's anything but a President, organization size, workers is that high information, similarity, severe security, outside pressing factor, and backing can't assume the best part on the continuation of the most recent site use. Hinson et al., (2014) tracked down that the utilization of innovation at the authoritative level has displayed top to bottom about the President effect on organization advancement and each choice to utilize innovation today. Notwithstanding, as far as the utilization of the most recent innovation each association has to think about the most recent innovation even at the beginning phase. This investigation is an underlying exertion to test the information on every association on the current utilization of innovation among SMEs in Kelantan, Malaysia.

#### **1.4 RESEARCH OBJECTIVE**

The research objectives are as follows:

- i. To examine the relationship between performance expectancy and technology adoption among the TSMEs in Kelantan, Malaysia.
- ii. To examine the relationship between effort expectancy and technology adoption among the TSMEs in Kelantan, Malaysia.
- iii. To examine the relationship between social influence and technology adoption among the TSMEs in Kelantan, Malaysia.
- iv. To examine the relationship between behavioral intentions and technology adoption among TSMEs in Kelantan, Malaysia.

#### **1.5 RESEARCH QUESTIONS**

The following study questions were created to satisfy the relevant research objectives:

- i. What is the relationship between the performance expectancy and adoption of digital technology among the TSME in Kelantan, Malaysia?
- ii. What is the relationship between effort expectancy and Adoption of Digital Technology among the TSME in Kelantan, Malaysia?
- iii. What is the relationship between social influences on behavioral intention and Adoption of Digital Technology among the TSME in Kelantan, Malaysia?



- iv. What is the relationship between behavioral intentions and Adoption of Digital Technology among TSMES in Kelantan, Malaysia?

## 1.6 SCOPE OF STUDY

This study focused on the adoption of digital technology towards the performance of innovation in the tourism industry. To do our research, we focused on 122 organizations that are a hotel, travel agency, and TSME in Kelantan, Malaysia. current availability, or willingness to participate.

The selected respondents were anyone directly involved in the tourism industry. Our research focused on the Innovation performance relationship between the Adoption of Digital Technology in Tourism Small Medium Enterprise (TSME). The existence of many Small and Medium Enterprises. Business TSMEs in Kelantan show the important role that they play in the development of Malaysia's tourism industry. This research is done among SMEs in Kelantan because researchers want to know how technology adoption leads to innovation performance in SME tourism. Kelantan as a tourist destination, among the elements to be analyzed are dissemination and use of a variety of new products or services. Furthermore, some of these models focus on the adoption of information and communication technologies in particular. The model of our research is shown in a theoretical framework.

## **1.7 SIGNIFICANCE OF THE STUDY**

Toward the finish of the study, this research is expected to contribute to the technology adoption in Malaysia of Tourism SMEs. Despite the abundance of literature on SME innovation, this interconnected and complex concept requires further investigation. Innovation is often viewed as an effective way of increasing performance, especially financial performance, as it is of great benefit to SMEs in an emerging market. Nonetheless, development might be viewed as a weight as opposed to a benefit for SMEs.

The findings of this study will assist the government by raising awareness of the relevance of the link between factors that impact tourism SMEs' technology adoption. In addition, the next researcher in this study will look at other aspects that impact the use of digital technology by tourism SME's (TSMEs).

## **1.8 DEFINITION OF TERMS**

### **1.8.1 Tourism Small Medium Enterprise (TSME)**

SME is a comprehensive term that infers equivocalness identified with organization arrangement and situating since organization estimations are communicated from multiple points of view Watson 1993, Story et al. 1987, which is the Australian Department of Measurements 1988, Atkins and Lowe 1997, Cross 1983,

Ganguly 1985, Keasey) and Watson 1993, Story et al. 1987, which is the Australian Department of Measurements 1988, Bolton 1971, NUTEK 2004). The expression "UKM" discolors the way that the size of an organization is likewise identified with the mechanical area to which it has a place, similarly as a fixed age ought to be seen comparative with the age of that area "measure" states either the number of representatives or the number of deals. In any case, it's anything but a befuddling term given the overarching current monetary real factors (Polenske 2002). Numerous travel industry way of life business visionaries had neighborhood restraining infrastructures and could bear to seek after good ways of life as opposed to zeroing in on improving their creation and amplifying their pay (Williams et al., 1989). The travel industry SMEs are regularly asset situated. Viable utilization of helpful assets prompts undeniable degrees of execution and powers SMEs in the travel industry to reinforce their capacity to enhance.

### **1.8.2 Technology Adoption**

A few studies have examined the adoption of collaboration technologies, for example, voice mail, email group support system, phone message, services, and others. Particularly collaboration technologies are not progressing as fast or as broadly as expected, it seems a different approach is needed. New systems or new technology acceptances require input for both the managerial or hierarchical level and individual level. Firms need to comprehend not just the end-client convictions, mentalities, and

expectations of advances yet the administration systems, approaches, and activities that significantly affect the fruitful acknowledgment of an innovation (Bhattacharjee, 1998).

### **1.8.3 Performance Expectancy**

Performance Expectancy alludes to the degree that individuals have accepted that the exhibition of a specific framework would be improved by Miadinovic, J. and Xiang H. (2016). With regards to this examination, Performance Expectancy alludes to how much clients accept that it is simple and bother allowed to utilize a portable application for voyaging. As per Evon, T., and Lau, J. L. (2016)., Performance Expectancy's highlights are similar to those of other models. which are outcome expectations (SCT), relative advantage (IDT), extrinsic motivation (MM), perceived usefulness (TAM), as well as job-fit (MPCU). Execution hope carries significance to people who accept that utilizing innovation will improve their work execution.

### **1.8.4 Effort Expectancy**

Effort expectancy is characterized as people accept that utilizing the innovation is simple for them. Effort expectancy is bringing significance to how it is simple for buyers or clients to become familiar with a framework (Venkatesh et al. 2012). At the end of the day, it is simpler to get familiar with the framework, so the more grounded

would be the clients' aim to embrace the advanced innovation. Effort Expectancy additionally is alluded to as among the most significant components of social aim to utilize the innovation (Chong (2013); Venkatesh et al. 2012).

### **1.8.5 Social Influence**

Social influence is characterized as the utilization of innovation impact by others has a conviction that the significant individual accepts the person needs to utilize a framework said Venkatesh, V., Morris, M. G., Davis, G. B., and Davis, F. D. (2003). Other than that, SI additionally alludes to a circumstance where a person's utilization of a framework is affected by the ideas and perspectives on general society. Social Influence has been considered as a vital indicator of innovation use in some exploration settings. For instance, Hsu, C. L., and Lin, J. C.C. (2016) said that a directed report on customers' aims to purchase in-application and found general assessment affects buyers' in-application buys. Besides, as indicated by Ali, F., Nair, P. K., and Hussain, K. (2016), most studies discovered proof of a positive and significant relationship between social influence and individuals' behavioral intentions.

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### **1.8.6 Behavioral Intention (BI)**

According to Suki, N. M. & Suki, N. M. (2017), conduct aim is recognized as an individual's tendency to take an interest in certain conduct. Individuals are slanted to embrace specific conduct when they have a positive goal for their conduct. Furthermore, as indicated by Mafe, C. R., Blas, S. S., and Tavera-Mesias, J. F. (2010), portable assistance acknowledgment and use conduct is anticipated by social expectation. To accomplish and support the ideal business execution, go organizations need to know and comprehend their customers and need to know the constituents of the customers' goals to purchase items online by Parsaei, F., Reseal, M., and Middle Easterner Jafari, M. (2014).

## **1.9 SUMMARY**

This chapter closes the background of the study portraying the travel industry SMEs in Malaysia and followed by issue articulations that have been talked about to explain the issue. Then, followed by the research questions and objectives of the study, the scope of the study, the significance of the study, and the importance of the study where it can clarify the importance of the terms utilized in this examination.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 INTRODUCTION

This section looked at the adoption of digital technology among tourism SMEs in Kelantan, Malaysia, in terms of performance expectancy, effort expectancy, social influence, and behavioral intention. This study is also built around a theoretical framework and the relationships between variables. Theory is the exactitude of the correct method, which makes a thesis theory highly exacting for all of the key components. The theory that use for this research is the Unified Theory of Acceptance and Use of Technology (UTAUT). This chapter can potentially go into the variables in this study in detail. The researchers were only focused among tourism small and medium enterprises (TSMEs) at Kelantan for the research.

## 2.2 LITERATURE REVIEW

### 2.2.1 ADOPTION OF TECHNOLOGY

Tourism has been a major driver of Internet use in business and technology and comes from other companies and organizations rather than internal research and development (Hjalager, 2002). The advancements, however, are not solely technological. Technology for virtual travel agencies and low-cost enterprises can be developed and produced through the Internet, and we've also seen the development of mobile technology from (Aldebert, Dang, & Longchi, 2011), which contains various tourism-related apps activated by RFID devices (Aldebert, Dang & Longchi, 2011). As a result, in the travel and tourism industry, a wide knowledge base, as well as modifications, are required. The creation of the most recent information base is frequently followed by the appearance of the most recent actors, relationships, and new markets based on the transformation of an existing market.

The current tourism industry, according to the OECD (2005), will proactively introduce new technologies. The use of technology aids in the development of production (Ahmad & Scott, 2019). Hotels that innovate in technology can benefit from market and commercial development, but hotels that cannot keep up with technological advancements are likely to lose market share (Muller, 2010). The intention that introduces technology especially that can be determined by the organization's budget, then followed by its technical knowledge and capabilities, as well as the use and ease of use of perceived technology (Ahmad & Scott, 2019).



Adopting relevant technology aids the organization in maintaining its competitive advantage, developing and maintaining capabilities, and improving overall performance. Companies are looking for competitive products as a result of rapid technological progress and growing consumer demands. Advantage of Survival (Koskab, 2013) According to Koskab (2013), innovation provided organizations with some strategic advantages. Companies' ability to grow or establish themselves is critical to their survival. Inventive ideas (Nieves & Segarra-Cipres, 2015) Organizations rely heavily on employee creativity and innovation to improve the performance of organizational innovation in the tourism industry, and management principles and processes have shown an increase in interest in academics and recent years simultaneously analyzing studies with technological innovation have shown an increase in interest in academics and recent years simultaneously analyzing studies with technological innovation (Nieves & Segarra-Cipres, 2015).

Technology may help businesses maintain a competitive advantage, maintain and enhance their abilities, and improve their overall performance. Rapid technology advancements and rising consumer demands have forced firms to seek out competitive ads to stay afloat (Koskab, 2013). According to Koskab (2013), innovation provided organizations with some strategic advantages. Organizations' ability to expand and innovate is critical to their survival (Nieves & Segarra-Cipres, 2015). Organizations in the tourist sector rely on employees' creativity and invention to improve their innovation performance, and innovation through management principles and procedures has piqued academic attention in recent years, with researchers examining research alongside technical innovation (Nieves & Segarra-Cipres, 2015 ).

In the tourism industry, technology plays an essential role. Technology transfer, according to Ahmad and Scott (2019), is the process by which science and technology

may be transmitted from one person or group to another, incorporating new knowledge into the way they work, and so technology offers the information backbone that supports tourism. According to Meira & Dos Anjos (2019), the technological revolution can have a significant impact on tourism management, particularly by enabling effective collaboration in the industry and providing tools for globalization and technology that also create opportunities for new destinations, regardless of the economic status of the destination. These modifications will explain why tourism is universally promoted and will eliminate discriminatory effects in the global travel and tourist business. It is undeniable that technological advancements improve customer service and hotel operations (Meira, J., Dos Anjos, S., and Falaster, C.) (2019). Using the interactive ReReservation system, which allows reservations through the Internet, allows you to keep up with fast-evolving technology. Rooms with numerous phone lines and room check-out are among the other novelties. Despite the high cost of implementation, computerized revenue management improves the hotel's profitability and database systems (Nieves & Segarra, 2015).

## **2.2.2 PERFORMANCE EXPECTANCY**

Based on the proposed model for this study, as well as four UTAUT components that claim to be predictors of consumer behavior. Each individual's view that employing this technology will increase their work performance can be described as performance

expectations (Loo et al., 2017). Not only that but their ambitions and efforts can provide meaning and the notion that any application of this technology is simple for those with social clout. This can be defined as persons believing that infrastructure for the organization and technology can exist to enable the usage of technology, as well as the ultimate construct that is facilitated and defined as individuals believing that technology can be used by others (Vankatesh, 2015). Furthermore, many studies look at the impact of elements that influence acceptance, and these studies look at a variety of aspects that influence users' acceptance of new technology. Studies on smart card applications (Loo et al., 2017), for example, have been cited as some of the reasons they use this technology because of their cultural characteristics and intention to use it in moderation because they do not understand the benefits that can be expected by performance expectations and also lack of facilities to use the application.

Furthermore, the application of information communication technology (ICT) services in libraries (Patrick et al., 2016) shows that users' intentions and behavior for receiving and using electronic library services are unaffected by factors that influence social while performance expectations are unaffected. The application of this technology continues until the application of electronic dinar payments (Nazri, Elsadig, and Hishamuddin, 2011). This study shows that performance and expectations to show efforts can affect the intention to use this technology, as well as that this technology is simple to apply, learn, and interact with for all people (Nazri, Elsadig, and Hishamuddin, 2011). Even though the results come from different fields of study, a large number of studies, in line with the original statement of the authors UTAUT (Vankatesh et al 2015), show that the influence of Expected Performance, Business Expectations, and Social Influence on Behavioral Intentions is consistent. Performance expectancy, according to Venkatesh et al., (2015), is defined as one's belief that adopting ICT into

one's profession will lead to enhanced job performance. Performance expectancy is influenced by a variety of elements, including perceived usefulness, extensive motivation, work fit, relative advantage, and outcome anticipation. Performance expectancy is a crucial component in determining the intention to use ICT in one's employment, according to several studies (Venkatesh et al., 2015).

Aside from that, Performance Expectations (PE) might reflect how confident a person is that a system's performance will increase. J. Miadinovic and H. Xiang (2016). This PE can illustrate to a degree where clients believe it is simple to use mobile technology for travel purposes in the context of this investigation. According to T. Evon and J. L. Lau (2016). Models with similar values include outcome expectations (SCT), relative advantage (IDT), extrinsic motivation (MM), perceived usefulness (TAM), and work appropriateness (MPCU). Individuals' perceptions of how employing technology help them accomplish their jobs better are referred to as performance expectancy (Venkatesh et al. 2015). It analyses how a particular piece of technology contributes to the more efficient completion of a task. Users who are aware that technology allows them to do tasks faster are more inclined to embrace it, even if it requires paying. A technology's or system's performance expectancy is thought to have a favorable impact on users' behavioral intentions to utilize and adopt the technology.

Furthermore, in the context of the study, performance expectations refer to the amount to which visitors employ the most up-to-date applications or technologies to make purchasing accommodations, airplane tickets, and other services easier and more enjoyable. Users' intentions to reuse technology, such as mobile applications, to make hotel reservations can be positively affected by performance expectations, according to Fong et al. (2017). Furthermore, a study examining the factors influencing users'

behavioral intentions to use mobile learning discovered that the amount of use a user has a direct impact on their intention to apply it (Poong et al. 2017). In another study, Tang et al. (2014) discovered that performance expectations are important in determining Malaysian Gen Y users' attitudes to use mobile wallets. The behavior of the user to expect from the Mobile Augmented Reality for tourism is that they execute the task as efficiently as the user expects the application to do and that the service provides them with the appropriate inputs for the task to be completed, as the name says (Venkatesh et al., 2015).

This explains why the magnitude of the model's coefficients has an impact on society. As a result, the influence of 'expected performance' in the UTAUT model will be stronger in countries that can cover more ground with fewer forces than more individualistic civilizations like Sun et al. It has been proposed by H. Sun and P. Zhang (2017). Lower-power consumers, as well as those from more individualistic cultures, are likely to make more open decisions about how to employ this new technology. The technology itself, which can deliver greater benefits to the user and cause roughly 10 stronger expected performance effects on the intention to utilize the technology, is the most important decision criterion in this scenario. Korea has a substantially larger force-distance and less individuality than the United States, according to the new study. Previous studies (D. W. Straub, M. Keil, and W. Brennan, 2018) comparing attitudes in other nations have found similar patterns.

The level to which each employee can be trusted that each use of the system will further assist him or her in achieving every achievement in employment for each business may therefore be characterized as performance expectations (Davis et al., 2015). This background, according to Campeau & Higgins (2014), can be theorized as variables derived from perceptions of usability (Technology Acceptance Model), job

suitability (PC Usage Model), extrinsic motivation (Motivational Model), relative advantages (Theory Diffusion of Innovation), and expected outcomes (Social Cognition Theory). Perceived utility, extrinsic incentive, and work appropriateness are three elements that have a significant impact on performance expectations (Shin, 2019). In each model analyzed, each component relating to performance expectations is a significant predictor of the use of each technology and the user's objective to increase the use of new technology.

Not only that, but each Performance Expectation can have a societal impact, with each setting acting as a facilitator and boosting people's optimism, all of which have a significant impact on one-file intentions (Schaupp, et al., 2016). Performance expectations, social influence, effort expectations, and volunteerism will all drive people working in CHC to exhibit a better level of acceptance and use of IT (Kijisanayotin, Pannarunothai, & Speedie, 2019). The expectation of this technology's performance as it completes the right work, according to Zhou et al. (2014), is socially impactful, and the scenario for facilitators can have a significant impact on the use of this technology. We also discovered that task technology has a big influence on performance expectations. These findings could imply that perceived utility, pleasure, trust, cost, network influence, and trust all play a role in users' commercial adoption intentions. Mousa Jaradat M-IR, Al Rababaa MS (2013) the expected level of performance and effort involved with the transaction; Koenig-Lewis N, et al (2015) level of innovation for customers influence the intention to buy online. Furthermore, these innovation constructs influence the link between modest online purchasing intents and performance expectations (H. S. Martn & Herrero, 2018).

### 2.2.3 EFFORT EXPECTANCY

However, according to Venkatesh et al., (2015), the concept "effort expectation" can also be viewed as a level of comfort connected with the system's use. This complexity becomes the most important component as a result of the ease of use that is assumed to be required from TAM (Davis et al., 2015). Effort Hope might also be stated in terms of how easy it is for each user to comprehend the system and how it can help the company move forward (Venkatesh et al. 2015). In other words, the simpler a system is to comprehend, the more probable it is that people will use it. The anticipation of effort is one of the most important characteristics related to the purpose and behavior to use technology (Chong 2013; Venkatesh et al. 2015). Previous research has found that technology is a basic device that anyone can operate (Chang et al. 2017) because it allows direct control, interaction, and direct touch with the device (Brasel and Gypsum 2014); When compared to the official website-based lodging booking system, this can be attributed to mobile applications. As a result, people are more likely to adopt difficult-to-use and rely-on systems (Tang et al. 2014; Chaw and Tang 2019). According to a study on the essential elements that can affect every use of mobile wallets among Generation Malaysia Y, consumer intention to use mobile wallets is largely determined by effort expectations (Tang et al. 2016).

According to The Conceptual Model of Adoption and Application of Technology (UTAUT), Effort Expectancy can be defined as an absence of difficulty faced by each user at a given time that may influence the user's Behavior Intention (BI) to utilize Mobile Augmented Technology for Tourism (Venkatesh in al ., 2015). In

addition to the aforementioned factors, Effect Expectancy (EE) has a significant impact on Performance Expectancy (PE). It is explained that each user can have certain expectations with Mobile Augmented Technology and a specific level of expectation for higher or better performance with the application, as well as reduced effort to utilize the application compared to other applications, in this way.

The measure of convenience associated with using the most recent system, according to UTAUT, might be described as the expectation of this endeavor. According to Venkatesh et al., this component arises from the convenience as a perceived usage, as stated by the Technology Acceptance Model (2003). (TAM). Any technology that people can sense, according to Davis (2015), is easier to use and more likely to be accepted. According to a similar result by Davis et al., an effort-oriented construct is more likely to be prominent at an earlier stage as a new behavior, when a process difficulty can symbolize every hurdle it must face, and then it can serve as a reference to the instrument problem (2015). Similar findings have been found by Davis (2015), Davis et al. (2015), Venkatesh and Davis (2015), and others (Diaz & Loraas, 2019). Furthermore, Deng et al. discovered that desire to use WBQAS (Question and Answer-Based Services Web) is influenced by both performance and effort expectations (2016). Overall use intention can be influenced by performance expectations, effort, facilitator settings, and social influence; however, these antecedent assessments change considerably across potential and early users (Yen-Ting Helena Chiu et al., 2014).



#### 2.2.4 SOCIAL INFLUENCE

Social influence, according to Venkatesh et al., is "the amount to which each individual may sense how vital it is for others to feel or believe that they should utilize a new system;" he also includes the influence that another person may have, which he will regard as the most important, concerning the use of a particular system. In today's environment, the concept that ICT can only be utilized for trade is misleading.

Furthermore, Social Influence (SI) can relate to the degree to which a person has put his or her confidence in each of these systems to believe that he or she should employ them. F. D. Davis, F. D. Davis, F. D. Davis, F (2015). As a result, this SI includes cases where a person's system is substantially influenced by public recommendations and opinions (Venkatesh V, et al., 2016) SI has been identified as a crucial predictor in every technology application in a variety of studies. T. Evon and J. L. Lau, for example, claim that (2016). investigates each user's purpose to purchase in the app, as well as obtaining a general opinion to influence each purchase made in the app by the user. Furthermore, multiple studies have found a positive and significant relationship between social influence and intention on an individual's behavior. Straub, D. W., and colleagues (2018). Nowadays, every user of smartphones and related applications is heavily reliant on technology to make it easier for them to use this technology in a variety of travel and travel-related applications.

Some people define social influence as a person's belief that those who are important to him will think about those who should adopt new systems or technology (Venkatesh et al. 2015). Peer pressure is a term used frequently to describe this

phenomenon. In one of these studies, social influence was found to be the most important factor influencing intention and behavior.

Use mobile trading services (Mousa Jaradat and Al Rababaa 2019). According to Chong (2017), the most important element impacting the use and adoption of mobile commerce across a large sample of online users is social influence. Not only that, but social influence has been discovered to be an important factor in influencing the use of mobile payments to make them easier to use and regulate in line with current trends for each user (Koenig-Lewis et al. 2015). Social influences have a strong direct influence on users' intents and actions to use and suggest mobile payment technologies, according to Oliveira et al. (2016).

Social Influence (SI) as the names suggest that the user is influenced by the social group and the decision-making is influenced by the environment in which the user entails, such as peers, family, colleagues, and friends (Lopez-Nicolas et al., 2018). Their opinion enables the user to decide on the Mobile Augmented Reality Technology for tourism-related searches (Zhou et al., 2015). In countries with a higher power distance and less individualistic culture, the impact of "social influence" would be stronger. When making technology adoption decisions, users in a more collectivistic and higher power distance society will be influenced by others.

Furthermore, Social Influence is the degree to which each user believes that key people can be trusted with the crucial technology that is used today (Diaz & Loraas, 2019). This is analogous to the "subjective norm" element described in Model Acceptance Technology (TAM) 2, which is a TAM extension. Moore and Benbasat (2016) defined an image as the innovative use of perceived technology to improve an individual's image or status in his or her social group. Although subjective norms and images have different labels, each carries those aspects that contain some implicit or

explicit notion that the way each of these persons believes others would regard them as a result of utilizing such technology might impact their conduct. These subjective norms can have a substantial direct impact on the planned use of the above, as well as the assumption of usage and ease of use that can be sensed for the compulsory system in TAM 2. In the voluntary environment, however, no major social effect is created.

These subjective norms can be obtained through the mediation of technological attitudes (Schepers & Wetzels, 2017). These subjective norms, as explained by Venkatesh et al. (2015), can significantly influence perceived usefulness through internalization, where individuals can incorporate social influence into perception and recognition to their use, where people use this system to gain status and influence in groups work, and thus it can improve the performance of their work, especially in the early s. (Keong, et al., 2016). According to Maldonado et al. (2018), learning motivation has a social influence as well as a positive effect on intentions and behavior, whereas facilitating conditions do not affect the use of e-learning portals. Internal auditors are more likely to use audits regularly, according to Gonzalez et al. (2014), because coercive pressure from peers and higher superiors will affect very weak socials. Middle Eastern auditors, on the other hand, are more inclined to employ the technology if it is mandated by higher authorities. As a result, social influence has an impact on IT acceptability (Kijisanayotin et al., 2019). CHC employees had a greater level of IT acceptance and usage. The results of this study model reveal that performance expectations, business expectations, social impact, and preparation all influence IT acceptance. Previous IT experience, intention to utilize the system and settings that support all work arrangements can all forecast the usage of IT in these many domains (Kijisanayotin et al., 2019).

### 2.2.5 BEHAVIORAL INTENTION

As stated by Suki, NM & Suki, NM (2017), these intentions and behaviors can refer to one's own tendency to participate in certain behaviors. To those who are more likely to adopt certain behaviors when they have good intentions for such behavior. Furthermore, according to Mafe, CR, Blas, SS, and Tavera-Mesias, JF (2010), both intention and conduct can predict the adoption of mobile services and behavior toward their use. These travel organizations must have prior awareness of their clients and know the components of each of their customers' intentions to buy things online to accomplish and maintain the required company performance. F. Parsaei et al (2014).

Furthermore, individuals who have a direct impact on the actual use of the technology offered might be reminded of the importance of intention and behavior. Intention and behavior (BI) are important drivers of consumer behavior, and BI can be used to predict behavior. Venkatesh et al., (2015) proposed this Behavioral intention in the creation of the UTAUT model.

Next, the system acceptance model's primary goal is to investigate the user's intent to do specific actions. Intentions and actions are as high as they can be. Certain actions will be taken. It was first utilized as a construct in Fishbein and Ajzen's (1975) "Reasoning Action Theory" (TRA), which was proposed and implemented in the field of social psychology. The TRA model was created to investigate behavioral intentions to engage in specific behaviors based on individual attitudes and subjective standards (Hung et al. 2014). This TRA, for example, is a model used to investigate the behavior

of Green Information Technology applications (Mishra et al. 2014). The research discovered that behavioral intentions had a favorable impact on actual user behavior.

In addition, Planned Behavior Theory (TPB), an Ajzen-developed extension of the TRA model (1985). This construct is also available in this TPB model and can cover all attitudes, subjective norms, and perceived behavioral control are all factors to consider."This behavior can be felt instantly and can be "Perceived ease or difficulty in doing the conduct (Ajzen 1991)" is defined as "perceived ease or difficulty in completing the behavior." Behavioral control, the more likely a person is to have even higher intentions to perform a given behavior. Han et al. (2010) used the TPB model to determine the customer's intention to remain in a green hotel and discovered that attitude, subjective norms, and perceived positive behavior control all influence the customer's desire to stay in a green hotel.

## **2.3 HYPOTHESIS**

The following hypothesis is developed to test the research framework of this research:

### **2.3.1 The Relationship between Performance Expectancy and The Adoption of Digital Technology among the Tourism SMEs in Malaysia**

The evaluation of performance expectancy can reflect how confident a person is that a system's performance will be improved. J. Miadinovic and H. Xiang (2016). This PE can illustrate to a degree where clients believe it is simple to use mobile technology for travel purposes in the context of this investigation. According to T. Evon and J. L. Lau (2016). Other models, such as outcome expectations (SCT), relative advantage (IDT), extrinsic motivation (MM), perceived usefulness (TAM), and work appropriateness (MPCU), have similar properties to PE. Individuals' perceptions of how employing technology help them accomplish their jobs better are referred to as performance expectancy (Venkatesh et al. 2015).

This can then be used to illustrate how the magnitude of the model's coefficients affects culture. The influence of 'anticipated performance' in the UTAUT model will hence be stronger in countries that can have a greater distance with lower forces than in more individualistic civilizations like sun et al. It has been proposed by H. Sun and P. Zhang (2017). As a result, the researchers hypothesized that:

**H1: There is a significant relationship between performance expectancy and technology adoption among Tourism SMEs in Malaysia.**

### **2.3.2 The Relationship between Effort Expectancy and The Adoption of Digital Technology among The Tourism SMEs in Malaysia**

The use of the word ‘effort expectation’ can be defined as a level of comfort linked with the use of the system as observed by Venkatesh et al., (2015) through this ease of use which can be felt to be required from TAM (Davis et al., 2015), this complexity becomes the ease of use to be made the most important component. Effort expectations can also be one of the most essential aspects in the intention and behavior to utilize technology has been identified (Chong 2013; Venkatesh et al. 2015). Previous studies have also been able to feel that technology is a simple device that is easier to operate by anyone who uses it (Chang et al. 2017) as it allows direct control, interaction, and direct touch with the device (Brasel and Gypsum 2014); which can be seen as tangible evidence can be credited to mobile applications compared to the official website-based accommodation booking system. Hence, Users are more likely to use systems that are not easy to use and reliable (Tang et al. 2014; Chaw and Tang 2019). Accordingly, the study hypothesis that:

**H2: There is a significant relationship between effort expectancy and the adoption of digital technology among Tourism SMEs in Malaysia.**

### **2.3.3 The Relationship between Social Influence and The Adoption of Digital Technology among The Tourism SMEs in Malaysia**

For Social Influence, in the words of Venkatesh et al., (2015) is 'the extent to which each individual can sense how critical it is for others to feel or believe that they should use a new system;' another person may have, which he will regard as the main one, concerning for the use of a particular system, is also included by him. As a result, this SI also applies to instances in which a person's system is heavily influenced by public recommendations and opinions (Venkatesh V, et al., 2016) In several study contexts, SI has been deemed a key predictor in every technology application. Evon, T., and Lau, J. L., for example, claim that (2016). It investigates each user's purpose to purchase in the app, as well as obtaining a general opinion to influence each purchase made in the app by the user. Furthermore, a favorable and significant association between social impact and intention on an individual's conduct has been established in numerous research. D. W. Straub and colleagues (2018).

According to some, social influence can be defined as a person's perception that individuals who are important to him would think about those who should adopt new systems or technology (Venkatesh et al. 2015). It's frequently referred to as peer pressure. Social influence was revealed to be the most important element impacting intention and behavior in one of these research. Accordingly, the study hypothesis that:

**H3: There is a significant relationship between social influence and the adoption of digital technology among Tourism SMEs in Malaysia.**



### **2.3.4 The Relationship between Behavioral Intentions and The Adoption of Digital Technology among The Tourism SMEs in Malaysia**

As stated by Suki, NM & Suki, NM (2017), these intentions and behaviors can refer to one's own tendency to participate in certain behaviors. To those who are more likely to adopt certain behaviors when they have good intentions for such behavior. In addition, according to Mafe, CR, Blas, SS & Tavera-Mesias, JF (2010), acceptance of mobile services and behavior towards this use can be predicted by intention as well as behavior. To achieve and maintain the performance of the desired business, these travel companies need to gain a prior understanding of their customers and know the components of each of their customers' intentions to buy products online Parsaei, F. Et al, 2014).

In addition, Planned Behavior Theory (TPB), an extension of the TRA model developed from Ajzen (1985). This construct is also available in this TPB model and can cover all attitudes, subjective norms, and perceived behavioral control. "This behavior can be felt instantly and can be "defined as" perceived ease or difficulty in performing the behavior (Ajzen 1991) ". Accordingly, the study hypothesis that:

**H4: There is a significant relationship between social influence on behavioral intention and the adoption of digital technology among Tourism SMEs in Malaysia.**

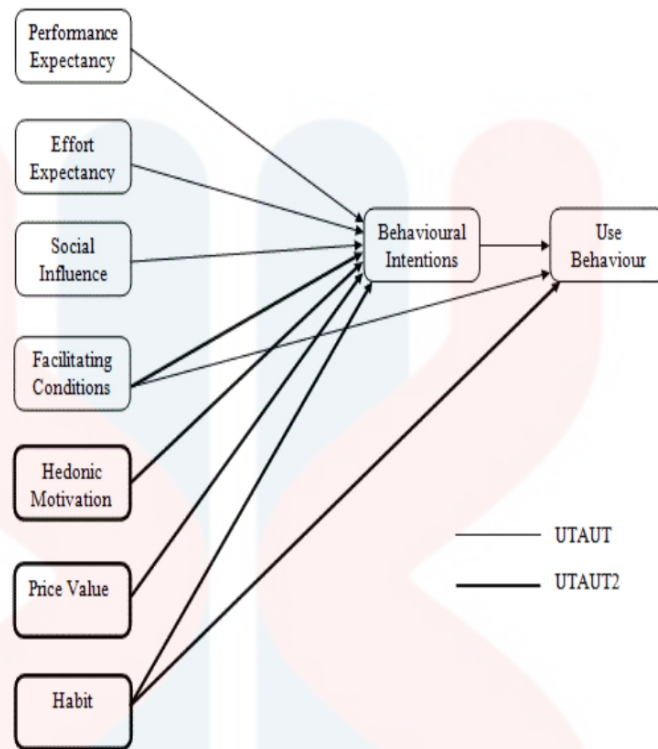
## 2.4 THEORETICAL FRAMEWORK

The structure that supports or may support the hypothesis of a research paper is the theoretical framework. The theoretical framework describes and introduces the theory that explains the study of a research subject. The theoretical framework serves as a point of reference for systematic recognition. It indicates which important elements influence the phenomena under study and which variables are to be estimated, and justifies the relationship between the variables. The model of the Unified Theory of Acceptance and Use of Technology (UTAUT) is depicted in Figure 2.1.

Before explaining the Unified Theory of Acceptance and Use of Technology (UTAUT), the researcher must first understand the definition of the word "theory." Theory is the exactitude of the correct method, which makes a thesis theory highly exacting for all of the key components.

Technology acceptance models rely on different theories to describe the use of information technology, such as the Diffusion of Creativity Theory introduced by Rogers (2003), the rational action theory of Fishbein and Ajzen (1975), the expected behavior theory introduced by Ajzen (1985,1991) and the social cognitive theory presented in Bandura's work (1977,1978,1986). The researchers used these theories as a backdrop to explain the introduction and use of information technologies and proposed technology adoption models used the behavioral intent construct as a mediating variable between the independent variable and the dependent variable or used it as a dependent variable on its own. This implies that these models use the same underlying concept to explain the use of information technology.

Venkatesh et al. created the UTAUT 2 model in 2012. Designed to show how customers, in particular, acquire and use technology. UTAUT 2 is a follow-up to Venkatesh et al.'s Unified Theory of Acceptance and Use of Technology (UTAUT). After an in-depth analysis of eight leading theories on technology acceptance, including TRA (Fishbein 1975), TAM (Davis 1989), and the Motivation Model, Venkatesh et al. (2003) focused primarily on determining employee acceptance and use of technology (MM) (Davis, Bagozzi, and Warshaw 1992), TPB (Ajzen 1991), the PC usage model (MPCU) (Thompson, Higgins, and Howell 1991), IDT (Rogers 1962), the social cognitive theory (SCT) (Bandura 1986), and a combined model Technology Adoption and Planned Behavior (TAM-TPB) (Taylor and Todd 1995 identified four main constructs, namely (i) performance expectation, (ii) performance expectation, (iii) social influence, and (iv) relief of conditions that influence behavior and intentions and usage behavior of people to a certain technology. However, the expanded UTAUT, or UTAUT 2, added three new constructs to the original UTAUT, namely hedonic motivations, habit, and value for money to determine the behavioral intentions and usage behavior of consumers.



Source: Venkatesh et al. 2012

Figure 2.1: UTAUT Theoretical Framework

Understanding the major drivers of technology acceptance behavior appeals to both academics and professionals. Harun Abdul Karim, b. Venkatesh et al (2013). Acceptance of self-archiving in institutional repositories by Malaysian authors: Towards a unifying vision 31 (2), 188-207.190]: The Electronic Library, 31 (2), 188-207.190]:

- 1) The Davis model (TAM )
- 2) Ajzen and Fishbein's theory of reasoned action (TrA).
- 3) Ajzen's planned behavior theory (TPB )
- 4) Taylor and Todd's C-TAM-TPB model, which combines TAM and TPB (1995a and 1995b)

- 5) Davis, Bagozzi, and Warshaw's motivational model (MM)
- 6) Thompson, Higgins, and Howell's PC utilization model (MPCU).
- 7) Bandura's Social Cognitive Theory (SCT)
- 8) The Diffusion of Innovation Theory (DoI) by Roger

Behavioral Intention to use mobile applications. Der and Mutlu reported that in mobile shopping, Performance Expectancy has a positive effect on Behavioral Intentions. When using internet banking, Al-Qeisi et al. Analyzed the relationship between the quality of website design and Performance Expectancy and found that Performance Expectancy had an indirect effect on the understanding of the quality of website design.

Table 2.1: The examples of applications of the UTAUT

<b>Applications</b>	<b>Authors</b>
Mobile banking	Zhou, Lu, and Wang, 2010; Baptista and Oliveira, 2015
Mobile payment	De Sena Abrahao, Moriguchib and Andrade, 2016
Mobile phone technologies	Lu, Yao, and Yu, 2005; Park, Yang, and Lehto, 2007; Wang and Wang, 2010; Zhou, 2011
Mobile shopping	Der and Mutlu, 2015

Online family dispute resolution services	Casey and Wilson-Evered, 2012
Location-based services	Xu and Gupta, 2009
Question answer services	Deng, Liu, and Qi, 2011
Internet banking	Abushanab and Pearson, 2007; Im, Hong, and Kang, 2011; Riffai, Grant, and Edgar, 2012; Al-Qeisi et. al., 2014; Martins, Oliveira and Popovic, 2014
Virtual learning technologies	Chiu and Wang, 2008
E-government	Sapio et. al., 2010; Schaupp, Carter, and McBride, 2010; Wang and Shih, 2009; Tosuntas, Karadadag and Orhan (2015)
E-recruiting	Laumer, Eckhardt, and Trunk, 2010
E-recruiting	San Martin and Herrero, 2012
Online purchase intention regarding rural tourism	
Online ticket	Escobar-Rodriguez and Carvajal-Trujillo, 2014
Open data technologies	Zuiderwijk, Janssen, and Dwivedi (2015)

Table 2.2: List of Journals Related to Adoption of Digital Technology.

Author, title, and publication	Findings	Objective	Methodology
<p>Dima Dajani</p> <p><i>Using the Unified Theory of Acceptance and Use of Technology to Explain E-commerce Acceptance by Jordanian Travel Agencies</i></p> <p>2016</p>	<p>The study reveals that the UTAUT, which was suggested in developed countries, can be used to explain e-commerce use by Jordanian Travel agencies. The adjusted UTAUT is necessary for evaluating the acceptance of e-commerce and other information technologies that are essential to the growth of the development of economies</p>	<p>This study explores the possibility of adopting a model for technology adoption built for a developing nation in the context of the developed world</p>	<p>Qualitative and quantitative techniques used to collect data for this research</p>

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<p>Hanifi Murat Mutlu, Ali Der</p> <p><i>Unified Theory Of Acceptance And Use Of Technology: The Adoption Of Mobile Messaging Application</i></p> <p>2017</p>	<p>The theory of acceptance and diffusion of the <i>Unified Theory Of Acceptance And Use Of Technology: The Adoption Of Mobile Messaging Application</i> is the foundation of this research. The researchers opted to use the structure of the UTAUT-2 model among the key models and theories in the literature on diffusion and acceptance of innovation. The UTAUT-2 model is ideal for illustrating the mechanism of adoption by consumers.</p>	<p>The goal of this study is to test the mobile gathered along with the master thesis of the second author. In the second questionnaire type, respondents filled in. While the first form assessed mobile shopping adoption, the second form was used to test the adoption of mobile messaging apps.</p>
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The proposed research model for examining the independent variables that might influence the adoption of digital technology among Tourism SMEs in Kelantan.



## 2.5 CONCEPTUAL FRAMEWORK

A conceptual framework is an empirical method with various combinations and contexts, it can also be extended to various types of work where the desired global image, is used to make logical comparisons and coordinate concepts. The philosophical structure explains what we want to discover in its study describes the related variables for analysis and maps how they might contribute to each other. Before we begin to collect data, we create a logical structure. It is also shown graphically. In this chapter, we develop a comprehensive research model based on a series of literature reviews.

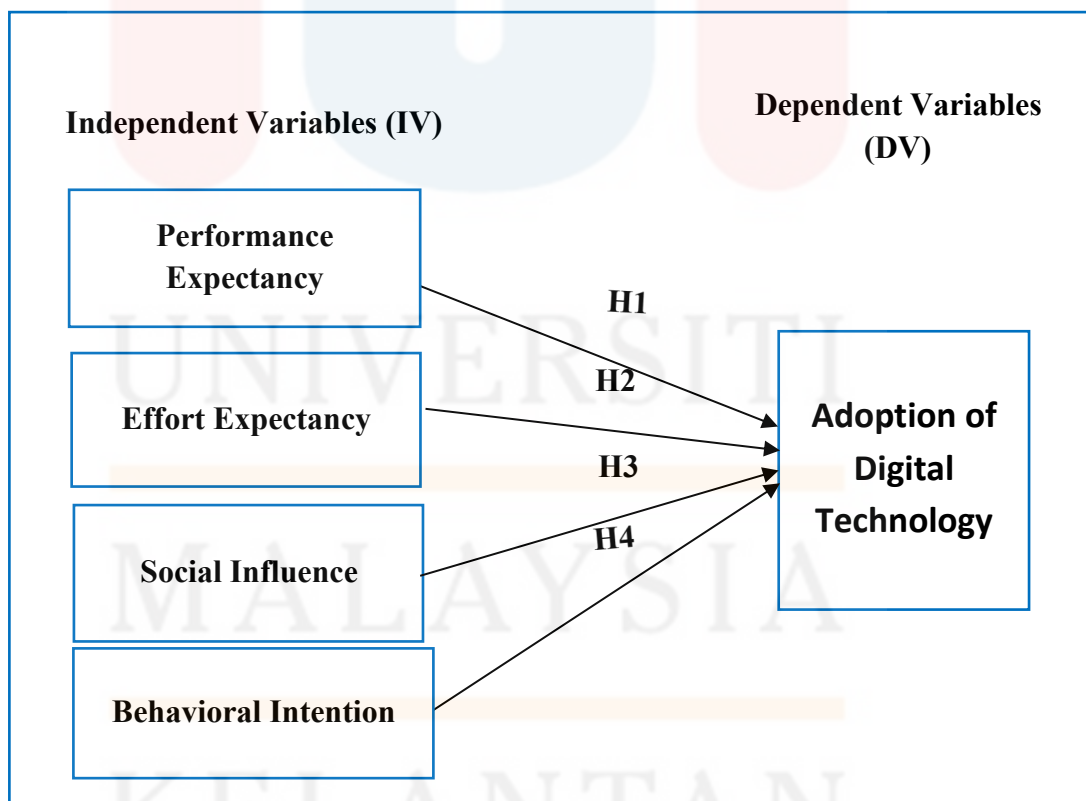


Figure 2.2: Conceptual Framework

In Figure 2.2 the independent variables (IV) and the dependent variables (DV) of this research are indicated, the independent variable is the factor that could affect the consumption of digital technologies among TSMEs Malaysians. On the other hand, the dependent variable is the adoption of digital technology among the Tourism Small Medium Enterprise (TSME) in Malaysia. There were three factors of adoption of digital technology that have been measured, which are performance expectancy, effort expectancy, social influence, and behavioral intention. This figure shows the relationship between performance expectancy, effort expectancy, social influence, behavioral intention, and the adoption of digital technology among TSME in Malaysia.

## **2.6 SUMMARY**

In this chapter, the literature on the adoption of digital technology has been reviewed. Technology adoption was explained, technology defined, and factors that influence the adoption of technology introduced and discussed. The scope and importance of the relevant adoption of technologies UTAUT theories were highlighted and the previous literature on adoption of digital technology research in The Malaysian Context was critically presented and discussed. The research gap was then developed and highlighted, and the research question of the study was raised as the key drivers of technology adoption in Malaysian businesses from the perspective of product and process adoption.

Finally, a theoretical framework was developed and presented to illustrate the relationships between the adoption of digital technology among Tourism SMEs. The

variables were operationalized based on the theoretical framework and the relevant literature. The research methodology is described in the next chapter.



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## **CHAPTER 3**

### **METHODOLOGY**

#### **3.1 INTRODUCTION**

The methodology of the study will be discussed in this chapter. The research methods used to complete the research are mentioned in this chapter. The researcher explained how the details and data needed to answer the study goals and questions were gathered, analyzed, and interpreted. The conduct of this study will be mentioned, along with the research design, population and sample, method of sampling, instrument, data analysis, and will close with this section's description.

#### **3.2 RESEARCH DESIGN**

The major elements of the methodology for research include the research technique, data gathering method, sample plan, achieved work plan, and study plan (Mukesh, Salim & Ramayah, 2013). Research design essentially means a framework for the preparation and implementation of a specific investigation. The research design relates to the total approach that can be selected to integrate the different components of the analysis coherently and logically to ensure that issues are solved effectively.

There are two quantitative and qualitative types of research. The quantitative research design highlights detachment in the description and measurement of phenomena. As such, the research design maximizes objectivity through the use of data, control, and statistics. The discrepancy between the two has far-reaching consequences for the essence of the design and the kinds of assumptions that the method of obtaining, evaluating, and understanding non-numerical data, such as language, is qualitative analysis. It can be used to describe how an individual perceives their social reality subjectively and provides meaning to it. It is possible to gather qualitative data using everyday news or in-depth interviews and interpret them using grounded theory or thematic analysis.

In the study, researchers used the quantitative research method, which is the primary data. Descriptive research may identify anything that may be a trend, a present situation, or features of a group or organization, individuals, and others, according to Kumar (2013). Quantitative analysis includes the processing of data, according to William (2011), so that data can be measured and statically analyzed to support or disprove alternative knowledge statements. This research explores the relationship between performance expectancy, effort expectancy, and social influence behavioral intention on behavioral intention, and the adoption of digital technology among TSME. The quantitative method is considered the most appropriate.

### 3.3 POPULATION SAMPLE

The population is referred to a group that has a distinctive group of people, organizations, or items of interest to a researcher. This means that in a research group of individuals, events, or interesting things chosen by the researcher to analyze, the sample may be specified as the target population selected by the researcher (Kumar,2013). Reid (2001) described the population in the study as other units that are known to the researchers' study with certain characteristics. Population refers to the researcher's desire to study objects, individuals, or events, according to Mukesh (2013).

The population of this research consists of TSMEs in Kelantan. Tourism Small and Medium-Sized Enterprises (TSMEs) operate since the Malaysian Government has named several agencies to improve the TSME industry in the current sector. Kelantan, which in Malaysia is considered a suburban province, is economically powered by Tourism Small and Medium-Sized Enterprises (TSMEs). The presence in Kelantan of many Tourism Small and Medium-Sized Enterprises (TSMEs) demonstrates the important role they play in the growth of Malaysia's tourism industry. This research is being done by TSMEs in Kelantan because the researchers want to know the adoption of digital technology among Tourism SMEs.

### 3.4 SAMPLE SIZE

A percentage of the population chosen for the study is the sample size. According to Qualtrics (2019), getting the sample size right is critical to statistically examining a significant result. In this study, the researchers focus on the 46,260 respondents from Tourism SMEs in Kelantan.

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	100000	384

*Note : N is Population Size : S is sample size*

Figure 3.1: Table for Sample Size Determination for A Given Population (Source: Kejcie & Morgan, 1970)

### **3.5 SAMPLING METHOD**

The method of selecting appropriate elements from the population is sampling. An analysis of the sample and a knowledge of its properties or features will enable researchers to identify properties or features similar to those of the population (Mukesh, Salim & Ramayah,2013). Sampling is a system or method of selecting a subgroup from a group to participate in the research; it is the method of selecting some people for analysis so that the people choose to represent the large group from which they would be chosen (Ogula,2005). In research, there are kinds of significant sampling procedures that involve non-probability sampling and probability sampling.

The sampling method used in this research was purposive sampling, which is a non-probability sampling method. Non-probability is a sample method in which the researcher chooses samples instead of random samples based on the researcher's subjective opinion. According to Paul J. Lavrakas (2008), the basic goal of a purposive sample is to create a sample that can be fairly assumed to be representative of the population. This can be achieved by applying population expertise to choose a sample of elements that forming a cross-section of the population in a non-random way.

### **3.6 DATA COLLECTION PROCEDURE**

To acquire complete and reliable data, data collection refers to an effective approach to collecting and measuring information from different sources. This set of



data is made up of primary and secondary data. Tools that are interested in the inquiry, such as customers, users or non-users, or other organizations. Meanwhile, secondary data contains any data that have been collected specifically for the current research problem from published sources. Data collection can also be used to collect data by questionnaire, google form, survey form, and personal interview. The primary data is collected from the questionnaire that has been used for this research. The questionnaire will be sent to 122 TSMEs respondents in Kelantan through the WhatsApp app and email to get data.

### **3.7 RESEARCH INSTRUMENT**

A research tool is an instrument that is used to gather, calculate, and interpret information relevant to your research interest, such as questionnaires, measurements, or scales. There are numerous forms of measurement, like a case study, questionnaire or survey, according to Umoh (2019), which researchers can use for their research depending on the nature of the research that was conducted.

Questionnaires were used in this research to collect data to gather all the inputs needed to complete this analysis. The questionnaire is a data collection tool that requires respondents either written or verbal to answer a set of questions. Furthermore, this type of research is usually cheaper compared to other methods and easy to monitor because it has a standard. This questionnaire is made in the English language. The respondents only need to choose the relevant answer because the researcher chose a closed-ended question.

### 3.7.1 QUESTIONNAIRE DESIGN

The questionnaire is divided into three sections: to describe the profile of the organization, the first section is Section A. Section A consists of questions related to the independent variable (IV) regarding the demographic details of the respondent, such as sex, age, education, etc. Section B relates to the independent variable (IV) while Section C includes the dependent variable (DV) queries.

### 3.7.2 SCALE OF MEASUREMENT

The questionnaire in Section A uses a nominal scale and a nominal interval, while Sections B and C use the Five Likert scale. The five-Likert scale was used in this research because responses can be effectively measured and scientific research can be calculated abstractly. In addition, the five-Likert scale consists of strongly disagree, disagree, neither agree nor disagree, agree, strongly agree and the data obtained through questionnaires. The researchers distributed the questionnaire among TSMEs in Kelantan.

Table 3.1: The-Five-Likert Scale

Question	1	2	3	4	5
	Strongly	Disagree	Neither	Agree	Strongly
	Disagree		Agree		Agree
			Nor		
			Disagree		

### **3.8 DATA ANALYSIS**

This section explains the statistical analysis data used during this study. Data analysis is the method of analyzing data using logical and theoretical considerations, according to Edewin Perez (2019), to carefully analyze each portion of the data collected or provided. Data from the questionnaire form that is distributed to the respondents was used by the researchers of the Statistical Package for the Social Sciences (SPSS) collected and analyzed. Statistical Packaging for the Social Sciences (SPSS) is how researchers can save their time computing data and making quantitative analysis quick and easy. These are the reasons why this computer software is the most famous statistical system.

#### **3.8.1 DESCRIPTIVE STATISTIC**

Lead Statistic Research (2018) found that descriptive statistics are descriptions referring to data analysis which helps to clarify, interpret or summarize information, such that, for example, data can be trends that arise from data analysis. The researchers had to measure many respondents and go through many steps to interpret the data. Descriptive statistics are valuable because they allow researchers to reasonably interpret massive quantities of data. Frequency counts, values, means, patterns, mean scores, and standard deviations are included in this statistic.

### 3.8.2 RELIABILITY TEST

According to the analysis by Statistic Solutions (2019), reliability was found to refer to the degree to which a scale produces reliable results if variables are connected multiple times. The reliability analysis is determined by the ratio of systematic variance in a scale that can be achieved by analyzing the relationship between scores obtained from different scale administrations. Therefore, if the correlation of the reliability analysis is strong, the scale shows accurate outcomes and is thus reliable.

Table 3.2: Reliability of Instrument

Alpha Coefficient Range	Strength of Association
<0.6	Poor
0.6 to < 0.7	Moderate
0.7 to < 0.8	Good
0.8 to < 0.9	Very Good
0.9 >	Excellent

(Sources: Hair, Celsi, Samouel, Money & Page, 2015)

From table 4.1, it shows that if Cronbach's alpha is closer to 1, internal consistency is considered excellent meaning the more reliable of the items in a survey. If Cronbach's alpha is lower than 0.5, it will be considered as unacceptable internal

consistency. When Cronbach's alpha is 0.7 and above was an acceptable and good reliability coefficient.

### **3.8.3 PEARSON CORRELATION**

The correlation of Pearson is the test statistics that measure the statistical relationship between two variables or their association. Moreover, because it is based on covariance, it is rated as the most effective method to calculate the relationship between interest variables.

The strength of the linear interaction between the independent variables (IV) and the dependent variable (DV) can be calculated by Pearson's correlation coefficient analysis. This analysis identifies whether there are correlations between performance expectancy, effort expectancy, social influence, and behavioral intention as an independent variable (IV), and adoption of digital technology among TSME as a dependent variable (DV). The linear strength between the independent variables (IV) and the dependent variable (DV) must be determined by researchers.

### 3.9 SUMMARY

The research design used to perform this study, population sample, detailed method, instrument, and data analysis were mentioned in this chapter. Through this chapter, the researcher will be more clear in this study compilation of your research design, population sample, sample procedure, instrument, data analysis. This chapter also explains the questionnaire performed and the content of the questionnaire that can be applied in this investigation. At the end of this chapter, the researchers first analyzed when completing this chapter.



## **CHAPTER 4**

### **FINDINGS AND DISCUSSION**

#### **4.1 INTRODUCTION**

The reliability analysis, frequency analysis, descriptive analysis, and Pearson Correlation Coefficient analysis are all covered in this chapter. The results of the research data were obtained from 122 respondents. After data collection, the data were analyzed using the Statistical Package for the Social Sciences (SPSS) version 20.

#### **4.2 RESULTS OF DESCRIPTIVE ANALYSIS**

Frequency analysis was used in the basic observation of the researchers. The data from Section A of the questionnaire included questions from different demographic variables of respondents such as work area of respondents, the business registration status of respondents, number of employees of respondents, company activity of respondents, company income of respondents, company's revenue by foreigners of respondents, agree with the digital technology of respondents and types of digital technology of respondents. The demographic profiles of the respondents were presented in a table and pie chart structure.

#### 4.2.1 Work area of respondents

The demographics based on the respondents' employment areas are shown in Table 4.1 and Figure 4.1.

Table 4.1: Work area of Respondents

<b>Work Area</b>	<b>Frequency (person)</b>	<b>Percentage (%)</b>
<b>Kota Bharu</b>	83	68%
<b>Bachok</b>	6	4.9%
<b>Pasir Putih</b>	5	4.1%
<b>Kuala Krai</b>	5	4.1%
<b>Gua Musang</b>	2	1.6%
<b>Machang</b>	4	3.3%
<b>Jeli</b>	2	1.6%
<b>Tanah Merah</b>	8	6.6%
<b>Pasir Mas</b>	4	3.3%
<b>Tumpat</b>	3	2.5%

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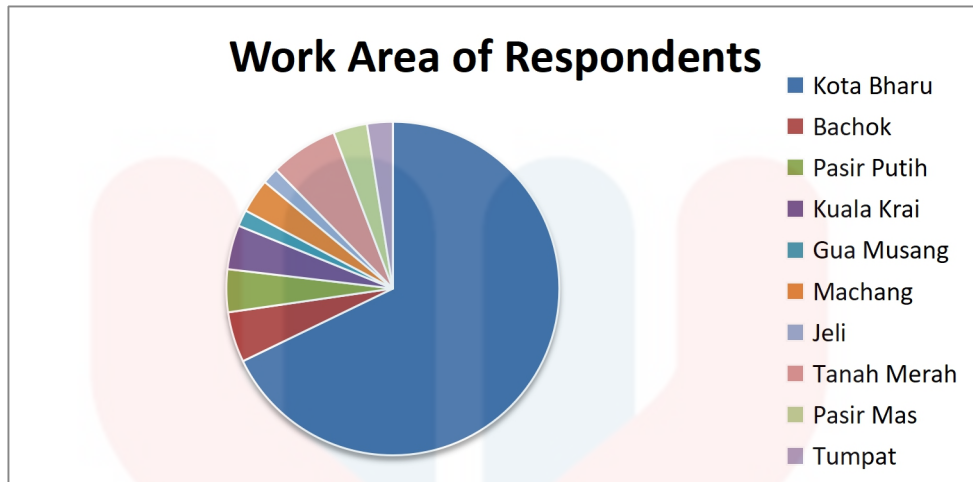


Figure 4.1 Work Area of Respondents

The demographics of the respondents based on work area are shown in Table 4.1 and Figure 4.1. There were 122 respondents, and the information relates to a group of 83 respondents who work in Kota Bharu (68%). There were 6 respondents from Bachok (4.9%), while 5 respondents from workplaces in Pasir Putih and Kuala Krai (4.1%), and 2 respondents from Gua Musang and Jeli (1.6%). Furthermore, 4 respondents worked in Machang and Pasir Mas (3.3%). There were 8 people (6.6%) from Tanah Merah who responded. 3 respondents from Tumpat (2.5%) made up the final batch of respondents. Figure 4.1 shows that Kota Bharu had the largest percentage of respondents (68%) and Gua Musang and Jeli had the lowest percentage of respondents (2%).

#### 4.2.2 Business Registration Status of respondents

Table 4.2 and Figure 4.2 shows the demographics based on the business registration status of respondents.

Table 4.2: Business Registration Status of Respondents

<b>Business Registration Status</b>	<b>Frequency (person)</b>	<b>Percentage (%)</b>
<b>Sole Proprietorship</b>	15	12.3%
<b>Private Limited Company</b>	45	36.9%
<b>Partnership</b>	60	49.2%
<b>Limited Liability Partnership</b>	1	0.8%
<b>Not Registration with the Companies Commission of Malaysia (SSM)</b>	1	0.8%

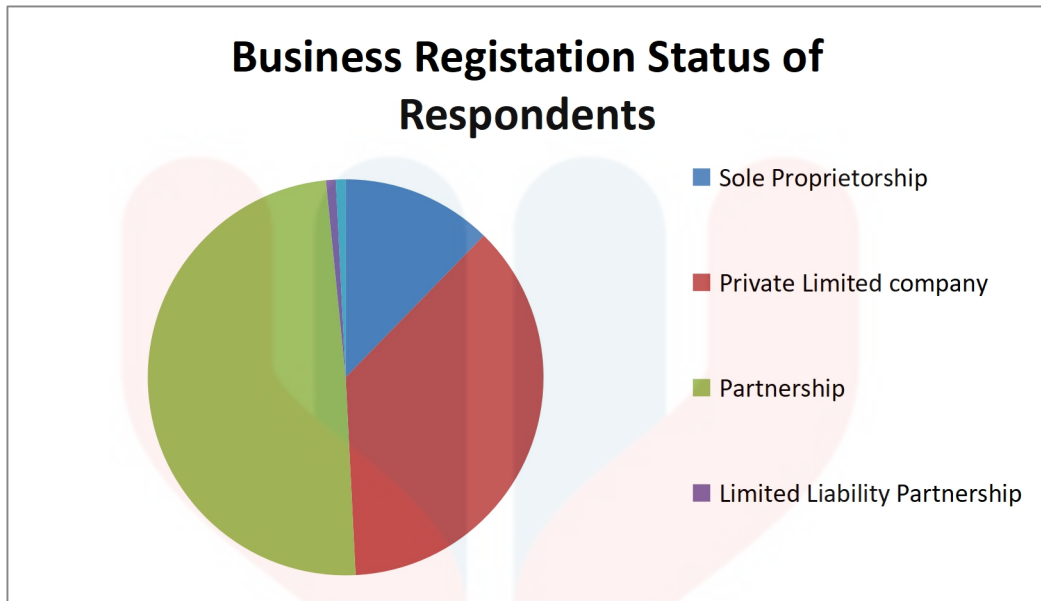


Figure 4.2: Business Registration Status of Respondents

Table 4.2 and Figure 4.2 showed the total respondents by business registration status. There were 122 respondents, who consist of business registration status from Sole Proprietorship are 15 respondents (12.3%). The respondent's business registration status from Private Limited Company contributed 45 respondents (36.9%), while respondents who are Partnership and above had 60 persons (49.2%). The last group, respondents whose business registration status from Limited Liability Partnership and Not Registration with the Companies Commission of Malaysia (SSM) is 1 person (0.8%). Figure 4.2 showed the highest percentage of respondents was Partnership is 60 persons (49.2%) and the lowest percentage of respondents was Limited Liability Partnership and Not Registration with the Companies Commission of Malaysia (SSM) is 1 person (0.8%).

### 4.2.3 Number of Employees of respondents

Table 4.3 and Figure 4.3 shows the demographics based on the number of employees of respondents.

Table 4.3: Number of Employees of Respondents

<b>Number of Employees</b>	<b>Frequency (person)</b>	<b>Percentage (%)</b>
<b>Less than 10</b>	23	18.9%
<b>11 until 20</b>	24	19.7%
<b>21 until 50</b>	73	59.8%
<b>51 until 100</b>	2	1.6%
<b>More than 100</b>	0	0

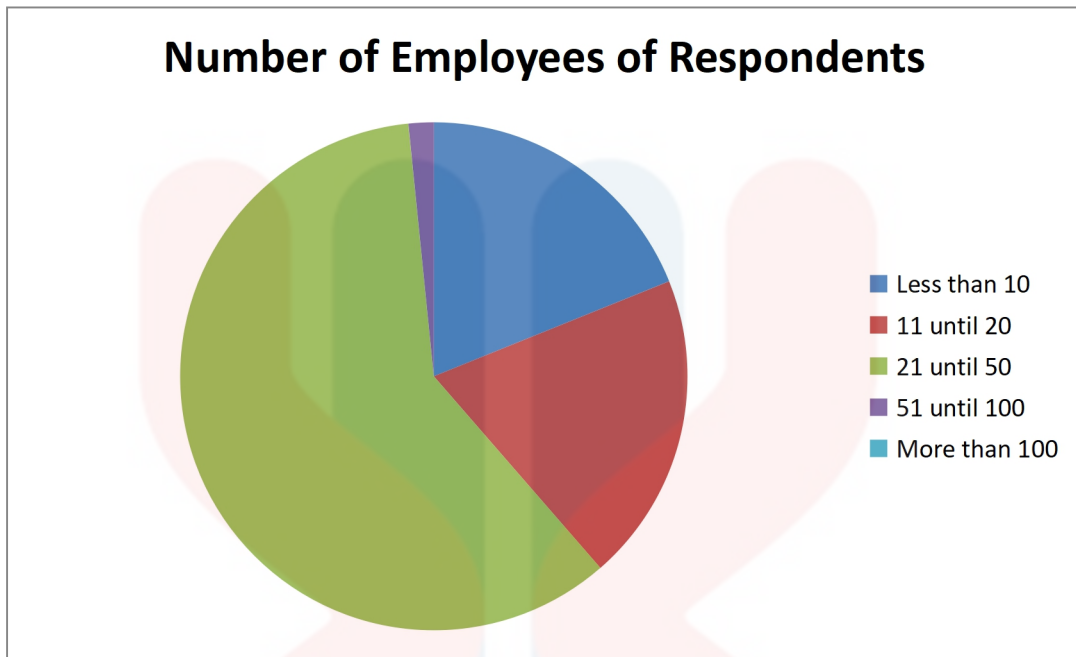


Figure 4.3: Number of Employees of Respondents

Based on Table 4.3 and Figure 4.3, the respondent's demographics of the respondents based on the number of employees. The information refers to the group of respondents from 21 until 50 who had the highest frequency with 73 persons (59.8%). The second highest frequency religion group is less than 10 and group 11 until 20, with 23 persons (18.9%) and 24 persons (19.7%). The group 51 until 100 respondents contributed 2 persons (1.6%) and more than 100 groups contributed 0 persons (0%).

#### 4.2.4 Company Activity of respondents

Table 4.4 and Figure 4.4 shows the demographics based on the company activity of respondents.

Table 4.4: Company Activity of Respondents

Company Activities	Frequency (person)	Percentage (%)
Transportation	12	9.8%
Accommodation	43	35.2%
Travel Agency	32	26.2%
Food & Beverage	14	11.5%
Medical	3	2.5%
Recreation & Sport	3	2.5%
Shopping Mall	15	12.3%

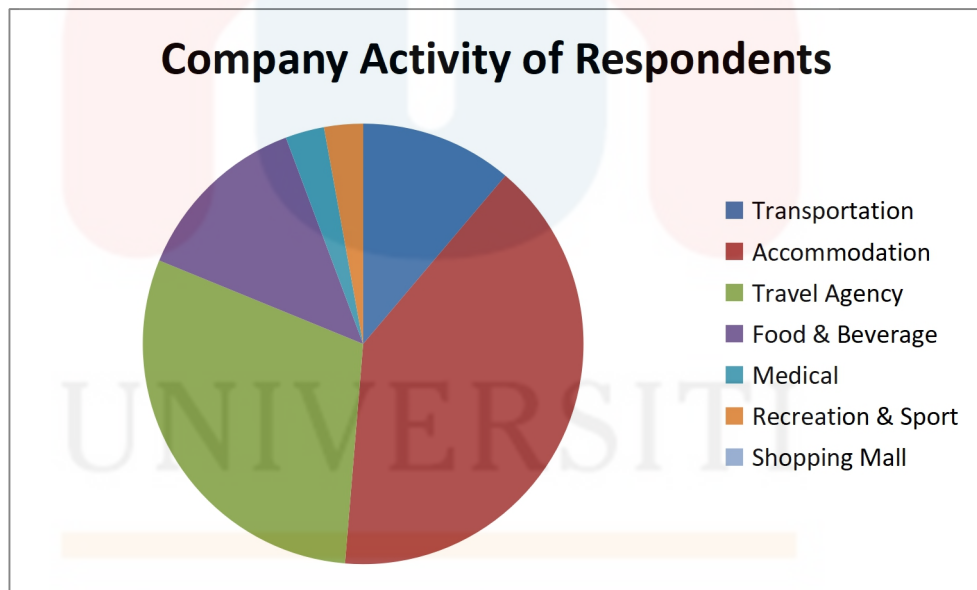


Figure 4.4: Company Activity of Respondents

Table 4.4 and Figure 4.4 shows the demographics based on the company activity of respondents. There were 122 respondents. The information refers to the group of

respondents from accommodation having the highest frequency with 43 persons (35.2%) and travel agency with 32 persons (26.2%). The lowest percentage respondents were medical and recreation & sport got the same percentage with 3 persons (2.5%). The other group of respondents from transportation is 12 persons (9.8%), for food & beverage is 14 persons (11.5%) and the last group from shopping malls is 15 persons (12.3%).

#### 4.2.5 Company Income of respondents

Table 4.5 and Figure 4.5 shows the demographics based on the company income of respondents.

Table 4.5: Company Income of Respondents

Company Income	Frequency (person)	Percentage (%)
RM0 – RM 20, 000	30	24.6%
RM 20, 001 – RM 100, 000	81	66.4%
RM 100, 001 – RM 500, 000	9	7.4%%
RM500, 001 – RM 1 000 000	2	1.6%
More than RM 1 000 000	0	0

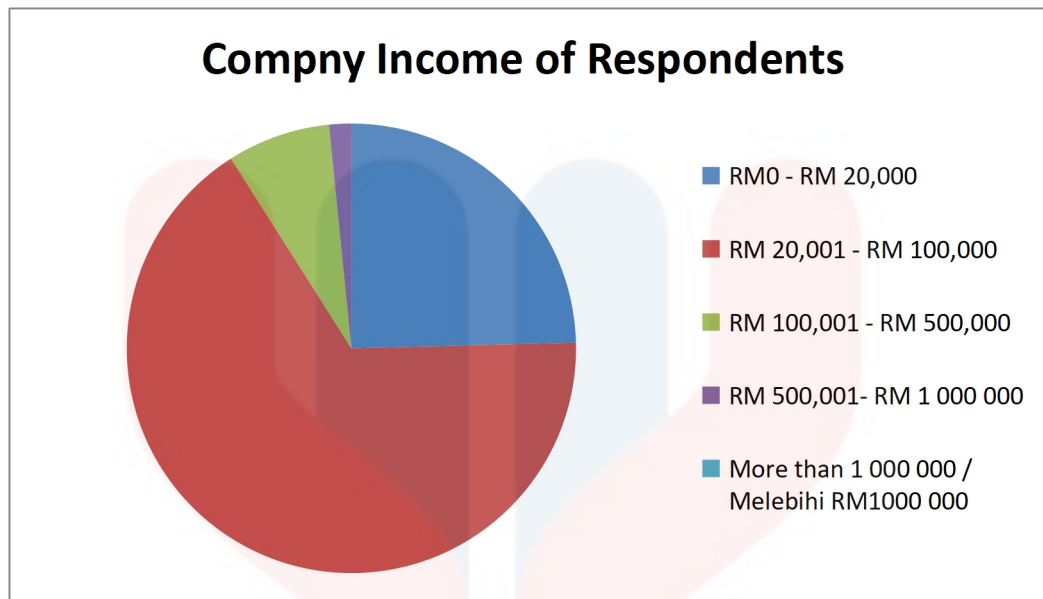


Figure 4.5: Company Income of Respondents

Table 4.5 and Figure 4.5 shows the demographics based on the company income of respondents. There were 122 respondents, The information refers to the group of respondents from RM20,001 – RM100,000 had the highest frequency with 81 persons (66.4%) and RM 0 – RM20,000 with 30 persons (24.6%). The lowest percentage of respondents was RM100,001 – RM500,000 with 9 persons (7.4%), RM500,001 – RM1 000 000 with 2 persons (1.6%) and the last one was RM 1 000 000 not having a record.

#### 4.2.6 Company's Revenue by Foreigners of respondents

Table 4.6 and Figure 4.6 shows the demographics based on the company income of respondents.



Table 4.6: Company’s Revenue by Foreigners of Respondents

COMPANY’S REVENUE BY FOREIGNERS	FREQUENCY (PERSON)	PERCENTAGE (%)
NONE	39	32%
25% OR LESS	60	49.2%
26% - 50%	21	17.2%
OVER 50%	2	1.6%

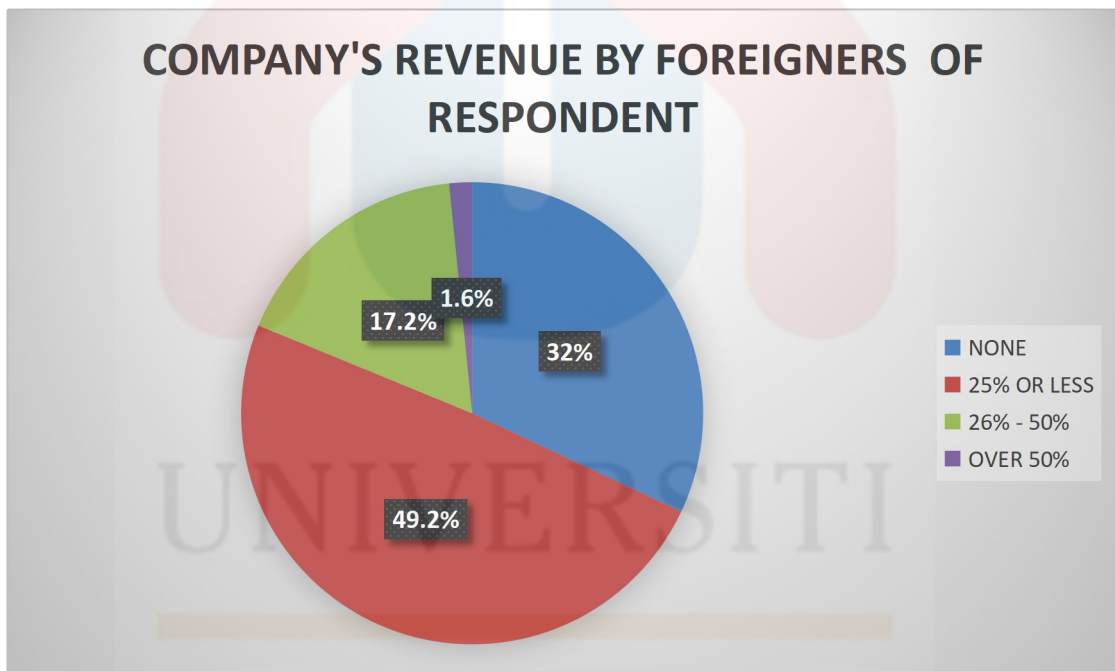


Figure 4.6: Company’s Revenue by Foreigners of Respondents

Based on Table 4.6 and Figure 4.6, the respondent's demographics of the respondents based on the number of employees. The information refers to the group of

respondents from 26% or less who had the highest frequency with 60 persons (49.2%). The second highest frequency religion group is none with 39 persons (32%), and for 26% - 50% with 21 persons (17.2%). The lowest percentage of respondents was over 50% with 2 persons (1.6%).

#### 4.2.7 Agree on Digital Technology of Respondents

Table 4.7 and Figure 4.7 shows the demographics based on the agreed digital technology of respondents.

Table 4.7: Agree Digital Technology Of Respondents

<b>AGREE DIGITAL TECHNOLOGY</b>	<b>FREQUENCY (PERSON)</b>	<b>PERCENTAGE (%)</b>
<b>YES</b>	122	100
<b>NO</b>	0	0

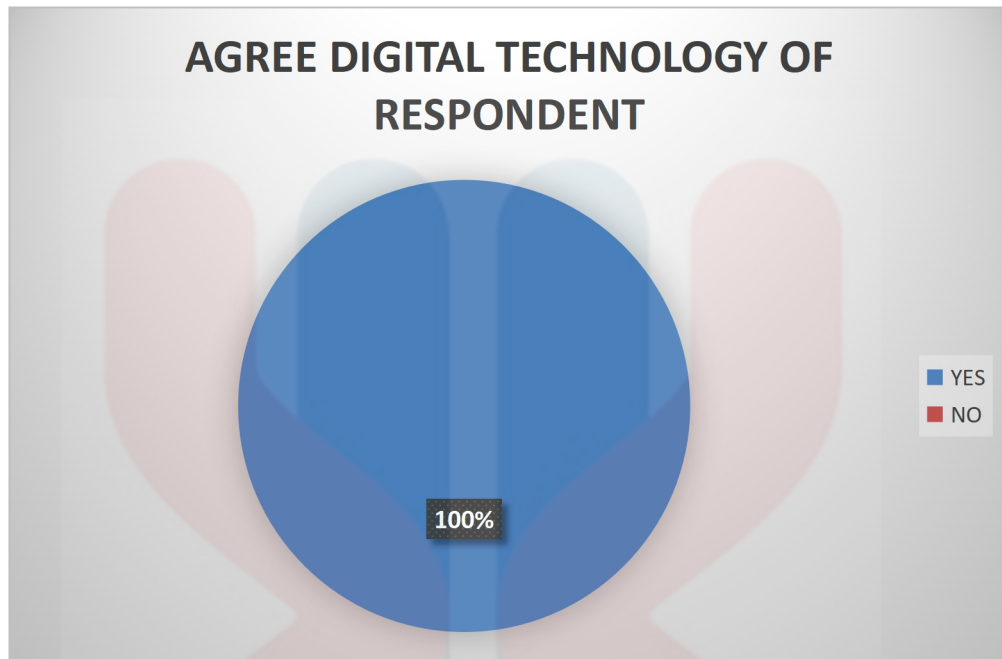


Figure 4.7: Agree on Digital Technology of Respondents

Referring to Table 4.7 and Figure 4.7, the group of respondents who agree with digital technology is 122 persons (100%). All respondents agree with this digital technology.

#### 4.2.8 Types of Digital Technology of respondents

Table 4.8: Types of Digital Technology Of Respondents

<b>TYPES OF DIGITAL TECHNOLOGY</b>	<b>FREQUENCY (PERSON)</b>	<b>PERCENTAGE (%)</b>
<b>MEDIA SOSIAL(FACEBOOK)</b>	88	72.1
<b>MEDIA SOSIAL(INSTAGRAM)</b>	7	5.7
<b>MEDIA SOSIAL(TIKTOK)</b>	3	2.5
<b>WEBSITES</b>	26	21.3
<b>GATEWAY PAYMENT</b>	0	0
<b>MARKETPLACE</b>	0	0

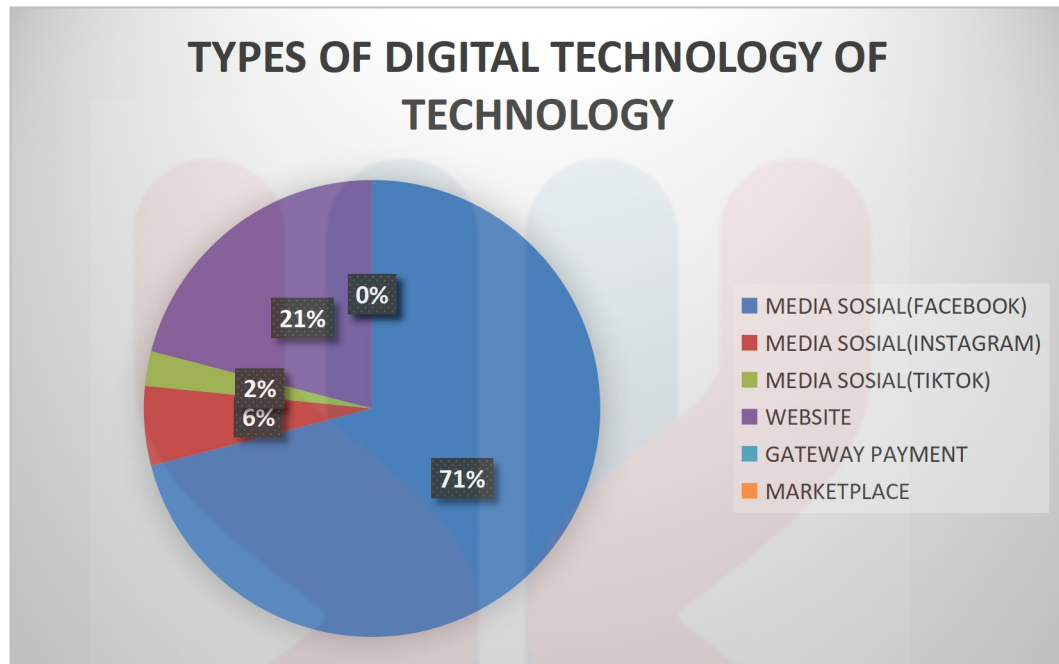


Figure 4.8: Types of Digital Technology of Respondents

Based on Table 4.8 and Figure 4.8, the respondent's demographics of the respondents based on the number of employees. The information refers to the group of respondents from media social (Facebook) had the highest frequency with 88 persons (72.1%). The second highest frequency religion group is a website with 26 persons (21.3%) and with media social (Instagram) is 7 persons (5.7%). The lowest percentage of respondents was media social (TikTok) with 3 persons (2.5%).

### **4.3 RESULTS OF RELIABILITY TEST**

A reliability test is referred to the degree to which the result, measurement, or questionnaire generates outcomes. Reliability was adopted by ensuring that no question is answered twice and all the questions have been answered by the respondents in the questionnaires. The questionnaire's reliability was assessed using reliability analysis. The pilot test was conducted with 30 respondents before being spread to 122 respondents using an online survey method.

#### **4.3.1 Pilot test**

A pilot test will be conducted to identify potential errors in the questionnaire, such as unclear and confusion before performing the final questionnaire. It allows researchers to discover and address a wide variety of possible issues that could arise when planning the questionnaire and resolve them before the final questionnaire is performed.

In this research, 30 questionnaires were given to students of Universiti Malaysia Kelantan with the feedback received is used to increase the specificity of the questions. Next, by following the collection of the questionnaire, the reliability test was carried out using an application of SPSS Statistic 20. Cronbach's Alpha is the most often used reliability measurement method for determining a scale's intrinsic accuracy.

Cronbach's Alpha is the cumulative reliability coefficient value derived from standardized items in specific research. Table 4.9 shows the result of the reliability of Cronbach's Alpha for the variables.

Table 4.9: Results of reliability Cronbach's Alpha for the variables.

<b>Variables</b>	<b>Cronbach's Alpha</b>	<b>Number of Items</b>	<b>Frequency (N)</b>	<b>Strength of Association</b>
Adoption of Digital Technology	0.901	6	30	Excellent
Effort Expectancy	0.899	6	30	Very Good
Performance Expectancy	0.872	6	30	Very Good
Social Influence	0.828	6	30	Very Good
Behavioral Intention	0.903	6	30	Excellent

Cronbach's Alpha results for the questionnaire are shown in Table 4.9, which were in an excellent internal consistency which is (0.8) to (0.9). A total of several variables has been tested using Cronbach's Alpha reliability. First, is the dependent variable which is the Adoption of Digital Technology found to be excellent (6 items;  $\alpha = 0.9$ ). Next is independent variables which are Effort Expectancy, Performance

Expectancy, and Social Influence are found to be excellent (6 items;  $\alpha = 0.9$ ). The last independent variable is Behavioral Intention found to be good with (6 items;  $\alpha = 0.9$ ). All the variables have six (6) items as the current Cronbach's Alpha result is already above the acceptable level.

#### 4.3.2 Actual Reliability Test

After the reliability test for the pilot test, the next stage is to go on to the actual reliability test. The questionnaire would have been sent to 122 qualifying respondents for the final reliability test.

Table 4.10: Reliability Test for Each Section of the Questionnaire.

Variables	Cronbach's Alpha	Number of Items	Frequency (N)	Strength of Association
Adoption of Digital Technology	0.637	6	122	Moderate
Effort Expectancy	0.619	6	122	Moderate



Performance Expectancy	0.754	6	122	Good
Social Influence	0.621	6	122	Moderate
Behavioral Intention	0.701	6	122	Moderate

Based on Table 4.10, it is possible to state that all four variables were greater than 0.6. As a result, the questionnaire has been approved. There are 6 questions used in measuring the factors that influence the adoption of digital technology among Kelantan's Tourism Small Medium Enterprises (TSMEs). The Cronbach's Alpha result for this section was 0.619 that resulted as moderate so it is acceptable.

Next, to measure the factors of performance expectancy that influence technology adoption in TSME Kelantan. The Cronbach's Alpha result for performance expectancy was 0.754 that resulted in good.

Then, to measure the factor of social influence that influences technology adoption in TSME Kelantan. The Cronbach's Alpha result for social influence was 0.621 that resulted in moderate.

The last variable is to measure the factor of behavioral intention that influences technology adoption in TSMEs in Kelantan. The Cronbach's Alpha result for the behavioral intention was 0.701 that resulted in good.

Lastly, in measuring the adoption of digital technology among TSME Kelantan, 6 questions were used. Cronbach's Alpha result was 0.637, which is a moderate value.

#### 4.4 RESULTS OF INFERENTIAL ANALYSIS

Based on the analysis result, the researcher compared the mean between a dependent variable and an independent variable for every item in the questionnaire. This segment information showed the mean score attained as of the descriptive analysis. Respondents' responses are scaled using the -Likert scale, with 1 representing "strongly disagree," 2 "disagree," 3 "neutral," 4 "agree," and 5 representing "strongly agree." The analysis results are presented in the table below. Table 4.11 showed that independent variables verified a moderate mean score. Altogether the dimension variables also scored a moderate mean score where Performance Expectancy 27.83 (SD=2.048), Effort Expectancy 28.05 (SD=1.680), Social Influence 27.98 (SD=1.767), Behavioral Intention 27.98 (1.903). Besides, the dependent variable verified the middle mean score where the Adoption of Digital 28.11 (SD=1.707).

Table 4.11: The Overall Mean Score on Each Variable and Dimension

No.	Variable	N	Mean	Standard Deviation
1	Performance Expectancy	122	27.83	2.048
2	Effort Expectancy	122	28.05	1.680

3	Social Influence	122	27.98	1.767
4	Behavioral Intention	122	27.98	1.903
5	Adoption of Digital Technology	122	28.11	1.707

Source: Fieldwork study (2021)

**4.4.2 DESCRIPTIVE ANALYSIS FOR INDEPENDENT VARIABLES (IV) PERFORMANCE EXPECTANCY, EFFORT EXPECTANCY, SOCIAL INFLUENCE, AND BEHAVIORAL INTENTION.**

Table 4.12: Descriptive Analysis for Independent Variables – Performance Expectancy

<b>Descriptive Statistics</b>						
	N	Minimu m	Maximu m	Mean	Std. Deviation	
1. Learning to operate digital technology would be easy for me.	122	3	5	4.63	.517	
2. I would find it easy to get digital technology to do what I	122	3	5	4.63	.501	

want it to do.					
3. I would find digital technology easy to use.	122	3	5	4.62	.520
4. I would find digital technology to be flexible to interact with.	122	3	5	4.61	.521
5. It would be easy for me to become skilled at using digital technology.	122	3	5	4.65	.513
6. Overall, my interaction with digital technology would be clear and understandable.	122	3	5	4.68	.486
Valid N (listwise)	122				

Source: Fieldwork study (2021)

Table 4.12 showed the number of respondents, mean and standard deviation of the first independent variable (IV) which is Performance Expectancy. Based on Table 4.9, cognitive risk consists of six (6) questions. The mean score of the six (6) substances

ranges from 4.00 to 4.70. The query with the highest ‘Overall, my interaction with digital technology would be clear and understandable.’ (M=4.68, SD=0.486) followed by ‘It would be easy for me to become skilled at using digital technology.’ (M=4.68, SD=0.513), ‘Learning to operate digital technology would be easy for me.’ (M=4.63, SD=0.517), ‘I would find it easy to get digital technology to do what I want it to do.’ (M=4.63, SD=0.501), and ‘I would find digital technology easy to use.’ (M=4.62, SD=0.520). The query with the lowers ‘I would find digital technology to be flexible to interact with.’ (M=4.61, SD=0.521).

Table 4.13: Descriptive Analysis for Independent Variables – Effort Expectancy

<b>Descriptive Statistics</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
1. Using digital technology in my job would enable me to accomplish tasks more quickly.	122	3	5	4.64	.499
2. Using digital technology would improve my job performance.	122	3	5	4.66	.491
3. Using digital technology would make	122	3	5	4.69	.482

it easier to do my job.					
4. I think digital technology is useful.	122	4	5	4.75	.432
5. Using digital technology would save my time.	122	4	5	4.66	.474
6. Overall, I think using digital technology is advantageous.	122	4	5	4.64	.482
Valid N (listwise)	122				
Source: Fieldwork study (2021)					

Table 4.13 showed that the number of respondents, the mean and standard deviation of the destination image, which is the second independent variable (IV). There are six (6) items for Effort Expectancy which is questionnaire section B. The mean score of the six (6) substances ranges from 4.00 to 4.80. The highest to lowest score was stated as ‘I think digital technology is useful.’ (M=4.75, SD=0.432). ‘Using digital technology would make it easier to do my job.’ (M=4.69, SD=0.482), ‘Using digital technology would improve my job performance.’ (M=4.66, SD=0.491), ‘Using digital technology would save my time.’ (M=4.66, SD=0.474), ‘Using digital technology in my job would enable me to accomplish tasks more quickly.’ (M=4.64, SD=0.499) and the

last with ‘Overall, I think using digital technology is advantageous.’ (M=4.64, SD=0.482).

Table 4.14: Descriptive Analysis for Independent Variables – Social Influence

<b>Descriptive Statistics</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
1. People who influence my behavior think that I should use digital technology.	122	3	5	4.68	.486
2. People who are important to me think that I should use digital technology.	122	3	5	4.65	.497
3. My staff prefers for me to use digital technology.	122	3	5	4.60	.570
4. TSME nowadays who use this digital technology has a high profile.	122	4	5	4.68	.468

5. In general, the community encourages the use of digital technology to share all information about Tourism SMEs.	122	3	5	4.66	.491
6. Overall, I think using digital technology can greatly increase my social influence.	122	3	5	4.71	.489
Valid N (listwise)	122				
Source: Fieldwork study (2021)					

Table 4.14 showed the number of respondents, mean and standard deviation of the last independent variable (IV) which is Social Influence. According to Table 4.11, Social Influence has six (6) questions. The mean score of the six (6) questions in Social Influence ranges from 4.00 to 4.80. The highest to lowest score was reported as ‘Overall, I think using digital technology can highly influence my social influence.’ (M=4.71, SD=0.489), ‘TSME nowadays who use this digital technology has a high profile.’ (M=4.68, SD=0.468), ‘People who influence my behavior think that I should use digital technology.’ (M=4.68, SD=0.486), ‘In general, the community is encouraged to use digital technology to share all information about Tourism SMEs.’ (M=4.66, SD=0.491),



‘. People who are important to me think that I should use digital technology.’ (M=4.65, SD=0.497) and ‘My staff prefer for me to use digital technology.’ (M=4.60, SD= 0.570).

Table 4.15: Descriptive Analysis for Independent Variables – Behavioral Intention

<b>Descriptive Statistics</b>					
	N	Minimum	Maximum	Mean	Std. Deviation
1. The acquaintance of this business has been helpful in the use of digital technology.	122	3	5	4.60	.525
2. I like the idea of using digital technology.	122	3	5	4.71	.472
3. Using digital technology is pleasant.	122	3	5	4.62	.550
4. I have fun using digital technology.	122	3	5	4.68	.502
5. I intend to use digital technology in the future.	122	3	5	4.68	.486
6. Overall, I think using Digital Technology for	122	4	5	4.69	.465

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Tourism SMEs is a good

idea.

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Valid N (listwise) 122

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Source: Fieldwork study (2021)

Table 4.15 showed the number of respondents, mean and standard deviation of the destination image, which is the second independent variable (IV). There are six (6) items for Behavioral Intention which is questionnaire section B. The mean score of the six (6) substances ranges from 4.00 to 4.80. The highest to lowest score was stated as ‘I like the idea of using digital technology.’ (M=4.71, SD=0.472). ‘Overall, I think using Digital Technology for Tourism SMEs is a good idea.’ (M=4.69, SD=0.465), ‘I have fun using digital technology.’ (M=4.68, SD=0.502), ‘I intend to use digital technology in the future.’ (M=4.68, SD=0.486), ‘Using digital technology is pleasant.’ (M=4.62, SD=0.550) and the last with ‘The acquaintance of this business has been helpful in the use of digital technology.’ (M=4.60, SD=0.525).

#### 4.4.3 DESCRIPTIVE ANALYSIS FOR DEPENDENT VARIABLE (DV), FACTORS THAT INFLUENCE THE ADOPTION OF DIGITAL TECHNOLOGY AMONG TOURISM SMALL MEDIUM ENTERPRISES (TSME) IN KELANTAN, MALAYSIA.

Table 4.16: Descriptive Analysis for Dependent Variables – Adoption of Digital Technology

<b>Descriptive Statistics</b>							
	N	Minimum	Maximum	Mean	Std. Deviation		
1. The use of digital technology is very appropriate for me.	122	3	5	4.77	.441		
2. The digital use of this technology makes it easier for me to get information.	122	4	5	4.61	.491		
3. This technology helped me to thrive.	122	3	5	4.71	.472		
4. This technology is very easy to understand by users like me.	122	4	5	4.66	.477		

5. I believe that I can improve my skills in using digital technology by taking advantage of the internet.	122	3	5	4.74	.460
6. Overall, I believe that digital technology innovation is easy to use.	122	3	5	4.63	.517
Valid N (listwise)	122				

Source: Fieldwork study (2021)

Table 4.16 showed the number of respondents, mean and standard deviation of the dependent variable (DV) which is the Adoption of Digital Technology. Referring to Table 4.13, there are six (6) items under the Adoption of Digital Technology response. The most highly rated outcome was ‘The use of digital technology is very appropriate for me.’ scored (M=4.77, SD=0.441) followed by ‘I believe that I can improve my skills in using digital technology by taking advantage of the internet.’ (M=4.74, SD=0.460). ‘This technology helped me to thrive.’ (M=4.71, SD=0.470). ‘This technology is very easy to understand by users like me.’ (M=4.66, SD=0.477). ‘Overall, I believe that digital technology innovation is easy to use.’ (M=4.63, SD=0.517). The last is ‘The digital use of this technology makes it easier for me to get information.’ (M=4.61, SD=0.491).

#### 4.5 PEARSON'S CORRELATION COEFFICIENT

In this analysis, the researcher used Pearson's correlation. Pearson correlation ( $r$ ) is used for calculating the frequency and orientation of the linear interaction between the dependent variable (Adoption of Digital Technology) and the independent variable (Performance Expectancy, Effort Expectancy, Social Influence, and Behavioral Intention). The value of  $r$  is between -1 and 1. The -1 correlation shows a perfect negative correlation, while the 1 correlation shows a perfect positive correlation. The 0 correlation indicates no relationship between the motions of the two variables.

Table 4.17: Pearson's Correlation Table

<b>Correlation Coefficient</b>	<b>Interpretation</b>
0.00	No Correlation
0.01 to 0.19 (-0.01 to -0.19)	Very Weak
0.20 to 0.39 (-0.20 to -0.39)	Weak
0.40 to 0.59 (-0.40 to -0.59)	Moderate
0.60 to 0.79 (-0.60 to -0.79)	Strong
0.80 to 1.00 (-0.80 to -1.00)	Very Strong

Source: Heong Mei Yee (2015)

#### 4.5.1 Hypothesis 1: Performance Expectancy

**H<sub>1</sub> - There is a significant relationship between performance expectancy on Adoption of Digital Technology among the Tourism SMEs in Kelantan, Malaysia**

Table 4.18: Correlation Analysis for Hypothesis 1

<b>Correlations</b>			
		<b>Performance Expectancy</b>	<b>Adoption of Digital Technology</b>
<b>Performance Expectancy</b>	Pearson Correlation	1	.791**
	Sig. (2-tailed)		.000
	N	122	122
<b>Adoption of Digital Technology</b>	Pearson Correlation	.791**	1
	Sig. (2-tailed)	.000	
	N	122	122

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 4.18 shows that the relationship between performance expectancy and technology adoption among Tourism SMEs in Malaysia is strong with a correlation coefficient value is .791\*\*, which is more than the significant level of 0.01. This indicates that the factor on the performance expectancy is positive and strong with the technology adoption among Tourism SMEs. The p-value on the performance expectancy and the technology adoption among Tourism SMEs in Malaysia is .000 which is less than the very significant level at .001. Thus, there is a significant relationship between performance expectancy and technology adoption among Tourism SMEs in Malaysia. Therefore, the hypothesis is accepted.

#### 4.5.2 Hypothesis 2: Effort Expectancy

**H<sub>2</sub> - There is a significant relationship between Effort Expectancy on Adoption of Digital Technology among the Tourism SMEs in Kelantan, Malaysia**

Table 4.19: Correlation Analysis for Hypothesis 2

Correlations	
Performance Expectancy	Adoption of Digital Technology

<b>Effort Expectancy</b>	Pearson Correlation	1	.721**
	Sig. (2-tailed)		.000
	N	122	122
<b>Adoption of Digital Technology</b>	Pearson Correlation	.721**	1
	Sig. (2-tailed)	.000	
	N	122	122

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 4.19 shows that the relationship between Effort Expectancy and technology adoption among Tourism SMEs in Malaysia is strong with a correlation coefficient value is .721\*\*, which is more than the significant level of 0.01. This indicates that the factor on the Effort Expectancy is positive and strong with the technology adoption among Tourism SMEs. The p-value on the Effort Expectancy and the technology adoption among Tourism SMEs in Malaysia is .000 which is less than the very significant level at .001. Thus, there is a significant relationship between Effort Expectancy and technology adoption among Tourism SMEs in Malaysia. Therefore, the hypothesis is accepted.



4.5.3 Hypothesis 3: Social Influence

H<sub>3</sub> - There is a significant relationship between Social Influence on Adoption of Digital Technology among the Tourism SMEs in Kelantan, Malaysia

Table 4.20: Correlation Analysis for Hypothesis 3

Correlations			
		Social Influence	Adoption of Digital Technology
<b>Social Influence</b>	Pearson Correlation	1	.724**
	Sig. (2-tailed)		.000
	N	122	122
<b>Adoption of Digital Technology</b>	Pearson Correlation	.724**	1
	Sig. (2-tailed)	.000	
	N	122	122

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 4.20 shows that the relationship between Social Influence and technology adoption among Tourism SMEs in Malaysia is strong with a correlation coefficient value is .724\*\*, which is more than the significant level of 0.01. This indicates that the factor on the Social Influence is positive and strong with the technology adoption among Tourism SMEs. The p-value on the Social Influence and the technology adoption among Tourism SMEs in Malaysia is .000 which is less than the very significant level at .001. Thus, there is a significant relationship between Social Influence and technology adoption among Tourism SMEs in Malaysia. Therefore, the hypothesis is accepted.

#### 4.5.4 Hypothesis 4: Behavioral Intention

**H<sub>4</sub> - There is a significant relationship between Behavioral Intention Adoption of Digital Technology among the Tourism SMEs in Kelantan, Malaysia**

Table 4.21: Correlation Analysis for Hypothesis 4

Correlations	
Behavioral Intention	Adoption of Digital

		<b>Technology</b>	
<b>Behavioral Intention</b>	Pearson Correlation	1	.795**
	Sig. (2-tailed)		.000
	N	122	122
<b>Adoption of Digital Technology</b>	Pearson Correlation	.795**	1
	Sig. (2-tailed)	.000	
	N	122	122

\*\* At the 0.01 level, the correlation is significant (2-tailed).

Table 4.21 shows the relationship between Behavioral Intention and technology adoption among Tourism SMEs in Malaysia. is strong with a correlation coefficient value is .795\*\*, which is more than the significant level of 0.01. This indicates that the factor on the Behavioral Intention is positive and strong with the technology adoption among Tourism SMEs. The p-value on the Behavioral Intention and the technology adoption among Tourism SMEs in Malaysia is .000 which is less than the very significant level at .001. Thus, there is a significant relationship between Behavioral Intention and technology adoption among Tourism SMEs in Malaysia. Therefore, the hypothesis is accepted.

#### 4.6 DISCUSSION BASED ON RESEARCH OBJECTIVES

The summary for hypothesis testing in this study is shown in Table 4.5.

Table 4.22: The Summary for Hypothesis

Hypothesis		Pearson's Correlation Results
<b>H<sub>1</sub></b>	A positive relationship exists between performance expectancy and the technology adoption	$r = 0.791^{**}$ , Supported $p < 0.01$
<b>H<sub>2</sub></b>	There is a positive relationship between effort expectancy and the technology adoption	$r = 0.721^{**}$ , Supported $p < 0.01$
<b>H<sub>3</sub></b>	The social influence has a positive impact on the technology adoption	$r = 0.724^{**}$ , Supported $p < 0.01$
<b>H<sub>4</sub></b>	A positive relationship exists between behavioral intention and the technology adoption	$r = 0.795^{**}$ , Supported $p < 0.01$

The hypothesis based on table 4.22 was tested using Pearson's Correlation. The relationship between hypotheses on a significant relationship, such as performance expectancy, social influence, and behavioral intention has a positive value in the relationship with the technology adoption correlation. All variables have values between 0.721\*\* to 0.791\*\*. All hypotheses stated in the results were accepted at a 0.01 significance level.

#### **4.7 SUMMARY**

The data collected in the present study underline the adoption of digital technology among TSME Kelantan. 122 respondents are involved in this study. The work area of the respondents are from Kota Bharu, Bachok, Pasir Putih, Kuala Krai, Gua Musang, Machang, Jeli, Tanah Merah, Pasir Mas and Tumpat.

## **CHAPTER 5**

### **RECOMMENDATIONS AND CONCLUSION**

#### **5.1 INTRODUCTION**

The following chapter's recommendation and conclusion were discussed in this chapter. In addition to the recommendation and conclusion, the researchers discuss the limitations and future studies.

#### **5.2 RECAPITULATION OF THE FINDINGS**

This research summarizes the main findings. The aim of this research has been stated in the previous chapter. Below is the recapitulation of the findings according to the objectives of the research.

### 5.2.1 Discussion on Objective 1

Research Objectives 1: To examine the relationship between performance expectancy and technology adoption among the TSMEs in Kelantan, Malaysia.

Research Question 1: What is the relationship between performance expectancy and technology adoption among the TSMEs in Kelantan, Malaysia?

Hypothesis 1: There is a strong relationship between performance expectancy and technology adoption among Tourism SMEs in Malaysia.

Based on this study, the results revealed that most respondents agree with performance expectancy because overall, their interaction with digital technology would be clear and understandable. It was the highest mean value of 4.68. The second mean value 4.65, respondents agree that it would be easy to become skilled at using digital technology. Other than that, respondents agree that getting digital technology to accomplish what they want it to do is simple, and learning to operate digital technology would be easy. It is supported by the previous study as stated that performance expectations can be expressed as the belief of each individual that using this technology can further improve their work performance (Loo et al., 2017). Not only that but their ambitions and efforts can provide meaning and the notion that any application of this technology is simple for those with social influence.

### 5.2.2 Discussion on Objective 2

Research Objectives 2: To examine the relationship between effort expectancy and technology adoption among the TSMEs in Kelantan, Malaysia.

Research Question 2: What is the relationship between effort expectancy and technology adoption among the TSMEs in Kelantan, Malaysia?

Hypothesis 2: There is a strong relationship between effort expectancy and the adoption of digital technology among Tourism SMEs in Malaysia.

Based on Objective 2, almost all the respondents believe that digital technology is useful with the highest mean value of 4.75, and using digital technology would make it easier to do their job is the second highest mean value 4.69. Other than that, using digital technology would improve job performance, and using digital technology would save time. As supported by a previous study by Chong (2013); Venkatesh et al., (2015) who mentioned that effort expectations can also be known as one of the most crucial factors with the intention and behavior to use technology. Consumer intent to use mobile wallets is largely drawn by effort expectations, according to a study on the major elements that can impact every use of mobile wallets among Generation Malaysia Y. (Tang et al., 2016). Earlier research has found that technology is a simple device that anyone who uses it can operate (Chang et al., 2017) because it enables interaction, direct control, and direct touch with the device (Brasel and Gypsum 2014); this can be attributed to mobile applications rather than the official website-based accommodation booking system.



### 5.2.3 Discussion on Objectives 3

Research Objectives 3: To examine the relationship between social influence and technology adoption among the TSMEs in Kelantan, Malaysia.

Research Question 3: What is the relationship between social influence and technology adoption among the TSMEs in Kelantan, Malaysia?

Hypothesis 3: There is a strong relationship between social influence and the adoption of digital technology among Tourism SMEs in Malaysia.

According to the findings of this report, the majority of respondents agree with social influence because overall, using digital technology can highly increase their social influence. It had the highest mean value of 4.71. The second highest mean value 4.68, that is TSME nowadays who use this digital technology have a high profile and respondents also agree that individuals who have an impact on their behavior believe they must use digital technology. Based on the previous study, it was supported that social influence can refer to the extent to which a person has trusted for each individual concerned to believe that he or she should use each of these systems (David, F. D. 2015). In addition, social influence also implies situations in which a person's system is strongly influenced by the opinions and views of the public. Others argue that social influence might be described as the degree to which an individual believes that people who matter to him will think about those who should adopt new systems or technology (Venkatesh et al., 2015). Its frequently referred to as peer influence. Social influence was discovered as one of the most important factors impacting intention and behavior in one of these research.

#### 5.2.4 Discussion on Objectives 4

Research Objectives 4: To examine the relationship between behavioral intentions and technology adoption among TSMEs in Kelantan, Malaysia.

Research Question 4: What is the relationship between behavioral intentions and technology adoption among TSMEs in Kelantan, Malaysia?

Hypothesis 4: There is a strong relationship between social influence on behavioral intention and the adoption of digital technology among Tourism SMEs in Malaysia.

According to the findings of this report, the majority of respondents prefer the idea of the use of digital technology because of behavioral intentions. It was the highest mean value of 4.71. Other than that, respondents agree that they have fun using digital technology and intend to use digital technology in the future. Based on the previous study, it was supported by Suki et al., (2017) these intentions and behaviors can refer to one's own tendency to participate in certain behaviors. To those who are more prone to engage in specific actions when they have good intentions for doing so. Furthermore, according to Mafe, CR, Blas, SS, & Tavera-Mesias, JF (2010), both intention and action can predict the adoption of mobile services and behavior towards their use. According to previous research by Parsaei, F. et al., (2014), these travel firms need to obtain a prior awareness of their consumers and know the components of each of their customers' intentions to buy products online to accomplish and maintain the desired business performance.

### 5.3 LIMITATIONS

This research study has several limitations. Firstly, data collecting and data analysis are the limitations of this study. The collecting and analysis take a lot of time. In answering the questionnaire, the respondents do not offer precise and correct information. Answering the questionnaire does not focus on the respondents since they complete the questionnaire with friends and continue to chat. The responder is also not ready to respond to the inquiry. So, it will affect the result, become invalid, and need to find another respondent again. Researchers also need to figure out how to use SPSS to calculate the result.

Next, the time constraint is difficult where a researcher has to complete another task such as assignments, tutorials, and involvement with university and subject activities. Besides, to fulfill the requirements of this research it will take a long time but students only have a short time to finish the research.

Last but not least, few limitations need to be highlighted for future researchers that might use this study as a reference. This research is all about the adoption of digital technology among TSME Kelantan but not all the variables can be used in other thesis or can be used as the reference. First of all, in this study, the researchers used a five-point Likert Scale and had 122 respondents based on Krejcie and Morgan's (1970) table. This study is also limited for the researchers in the tourism sector because it contains information about the Tourism Small Medium Enterprises (TSMEs) sector which can help them to find more about the tourism industry.

## **5.4 FUTURE OF STUDY**

The researchers found that there were several opportunities to improve this efficiency. In future research, researchers hope that this research can be useful to other researchers in the future. Other variables could be used by future researchers. Performance expectancy, Effort Expectancy, Social Influence, and Behavioral Intentions were independent variables in this analysis. Future research may include new variables that have a greater influence or lead to the effectiveness of technology resources in the process of technology development and improving their business.

Other research methods, such as qualitative data collection, could be used by researchers in the future. Ideally, the method should be studied first before making a plan, as this will allow the researcher to gain more knowledge or information about the use of this qualitative method because the response from the respondents will vary. Therefore, research results will be strengthened if the qualitative methods used are effective.

## **5.5 RECOMMENDATIONS**

### **5.5.1 Theoretical Recommendation for Future Research**

This study aimed for factors that influence the adoption of digital technology among tourism small-medium enterprises (TSME) in Kelantan, Malaysia. This research

has shown variables such as performance expectancy (independent variable), effort expectancy (independent variable), social influence towards the technology adoption (independent variable), and behavioral intention towards the technology adoption (independent variable). There is a positive correlation relationship. The Pearson's Correlation value (r-value) are 0.721\*\*, 0.724\*\*, 0.791\*\* and 0.795\*\* respectively.

Through this study, Digital Technology Among Tourism SMEs in Kelantan can further expand the business more widely. They must also identify their target market and come up with fresh and unique ideas to launch their company based on the findings of this study. Hopefully, the knowledge gathered during this study would assist the related parties in generating more revenue and profits, thus improving the Malaysian economy.

### **5.5.2 METHODOLOGY RECOMMENDATION FOR FUTURE RESEARCH**

In this analysis, the respondent's data was collected using the quantitative method. Collecting the data was more convenient. Thus, obtaining a large number of respondents at once is easy for researchers. As a way, the researcher can send the questionnaire to the interested people.

As a result, future research should employ this method because the results can be demonstrated by the data generated. Meanwhile, the findings would be more applicable, reliable, and generalized to a larger population. The target respondents should be determined ahead of time based on the study's research objective. For example, in this research, the target respondents were tourism small-medium enterprises (TSME) in

Kelantan, Malaysia. The findings can be used by tourism small-medium enterprises (TSME) to improve their business and increase their income.

Finally, it was strongly advised that future researchers increase the number of sample sizes and the selection of states in Malaysia to obtain more accurate data.

### **5.5.3 PRACTICAL RECOMMENDATION FOR FUTURE RESEARCH**

As for practical recommendations, the researcher suggested that the Ministry of Tourism, Arts, and Culture (MOTAC) in Kelantan update their website such as registered tourism small-medium enterprises (TSMEs). During the research, there are some company's phone numbers registered under MOTAC that are not available anymore including email. This brings difficulties for researchers to continue the study and collect data for the research. Thus, it took a long time to find the respondent because of the Covid-19 pandemic. In addition, there are companies affected by the Covid-19 pandemic. Some of them had to temporarily close their business operations and in the worst case, they were forced to close their business forever.

## 5.6 SUMMARY

In conclusion, the study looks into the variables that influence the digital adoption of technology among TSMEs in Kelantan. Besides, this study helps other researchers to research innovation in technology adoption and can be used as one of their references. The results that have been obtained in chapter 4 through Statistical Package for the Social Sciences (SPSS) were discussed further and at the same time conclusions were made based on the results. As a result, it can be concluded that there is a significant relationship between performance expectancy, effort expectancy, social influence, and behavioral intentions towards the adoption of digital technology among Tourism SMEs in Kelantan. Thus, hopefully, all the info provided throughout this research will help related parties to generate income and profit which in turn will boost Tourism Malaysia's economy.

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## APPENDICES

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### ORIGINALITY REPORT

<b>21</b> %	<b>16</b> %	<b>12</b> %	<b>12</b> %
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

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UNIVERSITI  
MALAYSIA  
KELANTAN



## QUESTIONNAIRE



Dear respondent,

*Responden yang dihormati,*

We are doing an academic research entitled:

*Kami sedang membuat satu penyelidikan akademik yang bertajuk:*

**FACTORS THAT INFLUENCES THE ADOPTION OF DIGITAL TECHNOLOGY AMONG TOURISM SMES IN KELANTAN, MALAYSIA. "FAKTOR-FAKTOR YANG MEMPENGARUHI PENERAPAN TEKNOLOGI DIGITAL DALAM KALANGAN PKS INDUSTRI PELANCONGAN DI NEGERI KELANTAN, MALAYSIA".**

We are undergraduate with a Bachelor degree in Entrepreneurship (Tourism) with honour, from Faculty Hospitality, Tourism and Wellness (FHPK), University Malaysia Kelantan. Currently, we are conducting a survey on the title research is "Factors That Influences The Adoption of Digital Technology among Tourism Small Medium Enterprises (TSME) in Kelantan, Malaysia".

This questionnaire is only for people who run business in Tourism Medium. The survey will take approximately 5-7 minutes. Your honest response is highly valued, and will be treated confidentially. Please answer the following question thoughtfully

and accurately. The information and response will be only used for academic purpose only. Thanks for your cooperation.

Kami merupakan mahasiswa Ijazah Sarjana Muda Keusahawanan (Pelancongan), dari Fakulti Hospitaliti, Pelancongan dan Kesejahteraan (FHPK), Universiti Malaysia Kelantan. Kami sedang menjalankan kajian yang bertajuk "Faktor-Faktor Yang Mempengaruhi Penerapan Teknologi Digital dalam kalangan PKS industri Pelancongan di Negeri Kelantan, Malaysia".

Kajian soal-selidik ini hanya kepada Perusahaan Kecil dan Sederhana (PKS) dalam industri pelancongan. Soal-selidik ini mengambil masa lebih kurang 5-7 minit. Kejujuran anda sangat dihargai, dan informasi (maklumat) yang diberi adalah sulit. Sila jawab soalan berikut dengan teliti dan tepat. Maklumat yang diberikan hanya akan digunakan untuk tujuan akademik/kajian sahaja. Terima kasih atas kerjasama anda.

Researchers/ Penyelidik :

NUR SYAZWANI BINTI ZABIDI (H18A0428)

NURUL HANIZA BINTI MOHD ZIKRI (H18A0489)

NURUL AINA FARHANA BINTI MARZUKI (H18B0806)

Thank you for your assistance in completing this questionnaire.

## **SECTION A: RESPONDENT'S DEMOGRAPHIC INFORMATION**

### ***BAHAGIAN A: MAKLUMAT DEMOGRAFI RESPONDEN***

Section A consists of 6 questions. In this section, researchers will ask about simple respondent's demographic information. Please tick (✓) in your answer.

*Bahagian A mengandungi 6 soalan. Dalam bahagian ini, penyelidik akan bertanya mengenai maklumat demografi responden mudah. Sila tandakan (✓) dalam jawapan anda.*

1. In which area do you currently work? / Di daerah manakah anda bekerja sekarang?

- Kota Bharu
- Bachok
- Pasir Putih
- Kuala Krai
- Gua Musang
- Machang
- Jeli
- Tanah Merah
- Pasir Mas
- Tumpat

2. What is the Registration Status of Your Owned Business?

- Sole Proprietorship / Milikan Tunggal
- Private Limited company / Syarikat Sendirian Berhad
- Partnership / Rakan Kongsi
- Limited Liability Partnership / Perkongsian Liabiliti Terhad
- Not Registered with the Companies Commission of Malaysia (SSM) / Tidak Berdaftar dengan Suruhanjaya Syarikat Malaysia (SSM)
- Other: \_\_\_\_\_

3. What is your company's approximate number of employees? / Berapakah jumlah anggaran pekerja di syarikat anda?

- Less than 10 / Kurang dari 10
- 11 until 20 / 11 hingga 20
- 21 until 50 / 21 hingga 50
- 51 until 100 / 51 hingga 100
- More than 100 / Lebih dari 100

4. What is your company's main activity? / Apakah aktiviti utama syarikat anda?

- Transportation / Pengangkutan
- Accommodation / Tempat Penginapan
- Travel Agency / Agensi Pelancongan
- Food & Beverage / Makanan & Minuman
- Medical / Perubatan (Tradisional)
- Recreation & Sport / Pusat Rekreasi & Sukan (Camp, Cruise, Diving, Hiking, Park & etc.)
- Shopping Mall / Pusat Membeli-belah (Art, Craft, Gallery, Duty Free Zone, etc.)

5. What was your company's approximate total revenue? / Dalam tahun kewangan yang lepas, berapakah jumlah anggaran pendapatan syarikat anda?

- RM0 - RM 20,000
- RM 20,001 - RM 100,000
- RM 100,001 - RM 500,000
- RM 500,001 - RM 1 000 000
- More than 1 000 000 / Melebihi RM 1000 000

6. How much of your company's revenue is generated by foreigners? / Berapa jumlah pendapatan syarikat anda yang dijana oleh rakyat luar negara?

- None / Tiada
- 25% or less / 25% atau kurang
- 26% - 50%
- Over 50% / Melebihi 50%

7. Do you agree on using digital innovation that can improve your business performance? / Adakah anda bersetuju menggunakan inovasi digital yang dapat meningkatkan prestasi perniagaan anda?

- Yes
- No

8. What type of digital innovation you are use in improving your business performance? / Apakah jenis inovasi digital yang anda gunakan dalam meningkatkan prestasi perniagaan anda?

- Media Social / Media Sosial - Facebook (FB)
- Media Social / Media Sosial -Instagram (IG)
- Media Social / Media Sosial - TikTok
- Website / Laman Web
- Gateway payment / Pembayaran Pintu Masuk
- Marketplace / Pasar
- Other: \_\_\_\_\_

**SECTION B: ADOPTION OF DIGITAL TECHNOLOGY /  
PENERAPAN TEKNOLOGI DIGITAL (DV)**

Based on your opinion, please indicate the most appropriate response with the scale given below. You can tick (✓) your sincere response anyway between 1 and 5.

*Berdasarkan pendapat anda, sila nyatakan sambutan yang paling sesuai dengan skala yang diberikan di bawah. Anda boleh menandakan (✓) maklum balas ikhlas anda antara 1 dan 5.*

1	2	3	4	5
Strongly Disagree <i>Sangat Tidak Setuju</i>	Disagree <i>Tidak Setuju</i>	Neutral <i>Neutral</i>	Agree <i>Setuju</i>	Strongly Agree <i>Sangat Setuju</i>

## DIGITAL TECHNOLOGY / TEKNOLOGI DIGITAL

No.	Statement/ Kenyataan	1	2	3	4	5
1.	The use of digital technology is very appropriate for me. / Penggunaan teknologi digital sangat sesuai untuk saya.					
2.	The digital use of this technology makes it easier for me to get information. / Penggunaan digital teknologi ini memudahkan saya mendapatkan maklumat.					
3.	This technology really helped me to thrive. / Teknologi ini sangat membantu saya untuk berkembang maju.					
4.	This technology is very easy to understand by users like me. / Teknologi ini sangat mudah difahami oleh pengguna seperti saya.					
5.	I believe that I can improve my skills in using digital technology by taking advantage of the internet. / Saya percaya bahawa saya dapat meningkatkan kemahiran saya dalam menggunakan teknologi digital dengan memanfaatkan internet.					
6.	I believe that I can improve my skills in using digital technology by taking advantage of the internet. / Saya percaya bahawa saya dapat meningkatkan kemahiran saya dalam menggunakan teknologi digital dengan memanfaatkan internet.					

**SECTION C : INDEPENDENT VARIABLES (IV)**

**FACTORS THAT INFLUENCE THE ADOPTION OF DIGITAL TECHNOLOGY AMONG TOURISM SMES IN KELANTAN, MALAYSIA/  
FAKTOR-FAKTOR YANG MEMPENGARUHI PENERAPAN TEKNOLOGI DIGITAL DALAM KALANGAN PKS INDUSTRI PELANCONGAN DI NEGERI KELANTAN, MALAYSIA.**

Based on your opinion, please indicate the most appropriate response with the scale given below. You can tick (✓) your sincere response anyway between 1 and 5.

*Berdasarkan pendapat anda, sila nyatakan sambutan yang paling sesuai dengan skala yang diberikan di bawah. Anda boleh menandakan (✓) maklum balas ikhlas anda antara 1 dan 5.*

1	2	3	4	5
Strongly Disagree <i>Sangat Tidak Setuju</i>	Disagree <i>Tidak Setuju</i>	Neutral <i>Neutral</i>	Agree <i>Setuju</i>	Strongly Agree <i>Sangat Setuju</i>



1. **Effort Expectancy / Jangkaan Prestasi**

No.	Statement/ Kenyataan	1	2	3	4	5
1.	Using digital technology in my job would enable me to accomplish tasks more quickly. / Menggunakan teknologi digital dalam pekerjaan saya akan membolehkan saya menyelesaikan tugas dengan lebih cepat					
2.	Using digital technology would improve my job performance. / Menggunakan teknologi digital akan meningkatkan prestasi kerja saya.					
3.	Using digital technology would make it easier to do my job. / Menggunakan teknologi digital akan memudahkan kerja saya.					
4.	I think digital technology is useful. / Saya fikir teknologi digital ini amat berguna.					
5.	Using digital technology would save my time. / Menggunakan teknologi digital akan menjimatkan masa saya..					
6.	Overall, I think using digital technology is advantageous. / Secara keseluruhan, saya fikir menggunakan teknologi digital adalah bermanfaat.					



## 2. Performance Expectancy / Jangkaan Usaha

No.	Statement/ Kenyataan	1	2	3	4	5
1.	Learning to operate digital technology would be easy for me. / Belajar untuk mengendalikan teknologi digital akan mudah bagi saya.					
2.	I would find it easy to get digital technology to do what I want it to do. / Saya mudah mendapatkan teknologi digital untuk melakukan apa yang saya mahukan.					
3.	I would find digital technology easy to use. / Saya dapati teknologi digital senang digunakan.					
4.	I would find digital technology to be flexible to interact with. / Saya dapati teknologi digital fleksibel untuk berinteraksi.					
5.	It would be easy for me to become skilled at using digital technology. / Mudah bagi saya untuk menjadi mahir dalam menggunakan teknologi digital.					
6.	Overall, my interaction with digital technology would be clear and understandable. / Secara keseluruhan, saya fikir interaksi saya dengan teknologi digital akan jelas dan difahami.					

3. **Social Influence / Pengaruh Sosial**

No.	Statement/ Kenyataan	1	2	3	4	5
1.	People who influence my behavior think that I should use digital technology. / Orang yang mempengaruhi tingkah laku saya, memikirkan bahawa saya harus menggunakan teknologi digital.					
2.	People who are important to me think that I should use digital technology. / Orang yang penting bagi saya memikirkan bahawa saya harus menggunakan teknologi digital.					
3.	My staff prefer for me to use digital technology. / Pekerja (Staf) mengesyorkan saya agar menggunakan teknologi digital.					
4.	TSME in now day who use this digital technology have a high profile. / PKS pada zaman sekarang yang menggunakan teknologi digital ini mempunyai profil yang tinggi.					
5.	In general, the community encourage to use technology digital to share all information about Tourism SMEs. / Secara amnya, masyarakat mendorong untuk menggunakan teknologi digital untuk berkongsi semua maklumat mengenai PKS dalam industri pelancongan					
6.	Overall, I think using digital technology can highly my social influence. / Secara keseluruhan, saya fikir menggunakan teknologi digital dapat mempengaruhi pengaruh sosial saya. *					



#### 4. Behavioral Intention / Niat Tingkah Laku

No.	Statement/ Kenyataan	1	2	3	4	5
1.	The acquaintance of this business has been helpful in the use of digital technology. / Orang yang mempengaruhi tingkah laku saya berpendapat bahawa saya harus menggunakan teknologi digital.					
2.	I like the idea of using digital technology. / Saya suka idea menggunakan teknologi digital.					
3.	Using digital technology is pleasant. / Menggunakan teknologi digital adalah sesuatu yang menyenangkan.					
4.	I have fun using digital technology. / Saya seronok menggunakan teknologi digital.					
5.	I intend to use digital technology in the future. / Saya berhasrat untuk menggunakan teknologi digital pada masa akan datang.					
6.	Overall, I think using the Digital Technology for Tourism SMEs is a good idea. / Menggunakan teknologi digital adalah idea yang baik untuk PKS di dalam industri Pelancongan.					