

**A SHARING ECONOMY BUSINESS MODEL FOR SRI LANKAN
ACCOMMODATION INDUSTRY**

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Sharing Economy is an economic system used to facilitate the communication between the supply and demand sides without conveying suppliers' ownership of under-utilized assets for free or for a fee. Tourism industry, the third largest in the Sri Lankan economy, has embraced the sharing economy concept, especially related to the accommodation industry. While the Sri Lankan rural population accounts for more than four times the urban population, potential benefits associated with accommodation business are yet to be reaped by these communities, whereas the industry can be successfully transformed to deliver significant benefits through proper ICT integration. Therefore, this study aims to propose a business model and a set of guidelines and recommendations for policy adoption, for implementing sharing-based accommodation business by Sri Lankan rural communities. Inspired by the well-known Business Canvas Model and the major types of sharing economy-specific business models, *e.g.*, access-based, marketplace/platform economy, and on-demand service provider, the study attempts to propose a business model focusing on the rural accommodation sector. The study is complemented by a questionnaire survey carried out centering Dickwella town in the Matara District which is having a huge foreign tourist base. Stakeholder groups, including hosts, tourists and relevant government institutions were employed in the survey. Limited ICT literacy, accessibility issues and lack of expertise in digital marketing communications were among the major barriers that hinder the wider adoption of ICT and digital marketing communications. Models adopted by successful digital platforms, including Airbnb, Booking.com, and Tripadvisor, were also reviewed during the study. Moreover, the study has generated a set of SWOT factors making the competitive environmental analysis easier for any potential business. The outcomes of the study would help to implement sustainable accommodation sharing businesses in rural areas in Sri Lanka, and thereby contribute immensely towards national economic development.

Keywords: Accommodation Sector, Business Model, Sharing Economy, Sri Lanka, Tourism Industry