A FORECASTING MODEL FOR
TOURIST ARRIVALS INTO SRI LANKA

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A B S T R A C T

The objective of the study was to derive a forecasting model for tourist arrivals into Sri Lanka. This study was confined to time series analysis, as it was found to be a more appropriate technique specially in the tourist industry as stated by Raphael Raymond Baron (INternational Union of Official Travel Organization, July 1975, p28), a leading mathematician & statistician in Israel. It was hypothesized that "A curvilinear forecasting model is better than a linear forecasting model". In testing this hypothesis, the following approach was adopted.

A questionnaire was prepared and administered to elicit information from tourists, who arrived into Sri Lanka via Colombo International Airport. This survey was done on a sampling basis, having determined the required sample size, that would adequately represent the population concerned. The requisite secondary data were obtained from recently published books, journals, newspapers and personal interviews. The theoretical base for analysis was derived from many sources but population growth concept became the most important concept in formulating a model which was subjected to statistical analysis along with two other mathematical models in trying to find what would be the best, that would fit into Sri Lankan environment.

The hypothesis tested in the above manner has enabled the selection of population growth model as the best forecasting model whilst rejecting the null hypothesis. The impact of environmental factors on the forecasting model particularly the political factor was too studied by analyzing an inhibited model arising from an impending political decision.