

Time series behavior of Indian visitors to Sri Lanka: A post conflict perception

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Tourism has become a main income source for many developing countries. In 2017, totally 1,326 million of tourists travelled worldwide which was 7% increase when compared to 2016. As a result of this, USD 1,340 billion have been earned according to the receipts of international tourism which was 5% increase from 2016. Sri Lanka is one of the best countries to travel. Tourist arrivals to Sri Lanka were increasing after the internal conflict of more than 30 years, but a reduction was observed due to Easter Sunday attack in 2019, and again an increase is seen recently. India was the first among Sri Lanka's top five international tourist generating markets in recent past as the highest number of tourists visited among all countries was from India. Therefore, the aim of this study is forecasting Indian visitors to Sri Lanka. Thus, tourism industry and the policy makers can use this forecast to take necessary actions in future.

Monthly arrivals of Indians from January 2010 to August 2019 were considered for this study. Only in 2018, over 2.333 million of tourists had arrived in Sri Lanka which is about 10.3% increase with the arrivals in 2017. Nearly 425 thousand Indians visited Sri Lanka accounting to more than 18.2% of total arrivals. Until August in 2019, nearly 213,000 Indians arrived which is nearly 17% of total arrivals. The standard tests were applied to select seasonal $ARIMA(1,1,1)(1,1,1)_{12}$ as the best model and it showed nearly 93% forecasting accuracy. From this model, the estimated number of Indian visitors, in last 4 months in 2019, is nearly 170 thousand. Also in 2020, the expected Indian visitors are above 460 thousand and which is over 17% increase from 2019.

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