



**TRIBHUVAN UNIVERSITY  
INSTITUTE OF ENGINEERING  
HIMALAYA COLLEGE OF ENGINEERING**

**A FINAL YEAR PROJECT REPORT**

**ON**

**“TOURISM ANALYSIS AND PREDICTION”**

**[CT 755]**

**SUBMITTED TO:**

**DEPARTMENT OF ELECTRONICS AND COMPUTER  
ENGINEERING  
Chyasal, Lalitpur**

**SUBMITTED BY:**

**Sachin Bhattarai (39588)**

**Sakar Mainali (39592)**

**Sandesh Sharan Poudel (39595)**

**Utsab Pokharel (39605)**

**August, 2019**

# **“TOURISM ANALYSIS AND PREDICTION”**

**[CT 755]**

**“A FINAL YEAR MOJOR PROJECT REPORT  
SUBMITTED FOR PARTIAL FULFILLMENT OF THE  
DEGREE OF BACHELORS’ IN COMPUTER  
ENGINEERING”**

## **SUPERVISOR**

**Er. Ashok GM**

## **SUBMITTED TO:**

**TRIBHUVAN UNIVERSITY  
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Head of Department

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## ABSTRACT

In this modern data driven world, data analytics is found fruitful in various aspects like including financial services, healthcare, government, retail, e-commerce, media, manufacturing and so on. Tourism sector that affects broad aspects like economy, export, transport and so on contains a large data on respective fields also needs proper data analysis and predictions for its further improvements.

The project titled “Tourism Analysis and Prediction in Nepal” is a web application that helps generate some useful insights from tourism data collected from different sources about Nepal. Basically, the web performs analysis on the tourism data using statistical data presentations and visualization techniques like scatter plots, bar graphs, histograms, pie charts, different tourism related data- tourist’s arrivals, purpose of visits or tourist’s activities, length, places, hotels of visits, flights and passenger movements, income generation and so on. Also using suitable statistical method of simple linear regressions, SARIMA model and machine learning approach of MLP were used in regression problems including foreign exchange earnings and total percentage of tourist arrivals in particular location from the available tourism data that can be very helpful to various sectors involving in tourism- Government bodies, travel and tour agencies, guides, tourists for proper planning and decision making in future.

**Keywords:** *tourism, data analysis, prediction, machine learning, future planning*

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## **LIST OF ABBREVIATIONS**

ARIMA:	Auto Regressive Integrated Moving Average
CSS:	Cascading Style Sheet
HTML:	Hypertext Markup Language
MLP:	Multi-Layer Perceptron
MoCTCA:	Ministry of Culture, Tourism and Civil Aviation
TTCI:	Travel & Tourism Competitiveness Index
WEF:	World Economic Forum
SARIMA:	Seasonal Autoregressive Integrated Moving Average

# 1. INTRODUCTION

## 1.1. Background

Tourism being one of the world's largest industries represents a major area of interest, not just because of its size in terms of the enormous number of visitors or tourists, activities or the size of their consumption, but also because of its enormous impact on national economies and people's lives [1]. In context of Nepal tourism is the largest industry and its largest source of foreign exchange and revenue[2] and is ranked 103th in the Travel & Tourism Competitiveness Index (TTCI) by World Economic Forum(WEF) (2017). Possessing eight of the ten highest mountains in the world along with cultural and geographical diversity, Nepal is a hotspot destination for mountaineers, rock climbers and people seeking adventure.

In the modern world insights from data collected from various sectors is very essential tool for further improvements and development of nation. In order to analyze and visualize the data collected from different aspects of Nepalese tourism, Government of Nepal Ministry of Culture, Tourism and Civil Aviation (MoCTCA) [3] publishes a tourism statistics report yearly that has helped a lot to gain some insights about Nepalese tourism. But competing in data-driven world relying purely on statistical reports is not enough. There needs an application of Data Science that unifies statistics, data analysis, machine learning and their related methods to understand and analyze actual phenomena with data. The purposed project is a simple application of Data Science with a quest to add some insights from data in tourism sector of Nepal. The proposed project is a web application that uses the data from tourism statistics and performs suitable analysis and predictions on different aspects of tourism based on machine learning approach.

In the tourism industry planning is particularly important because of the rapid economic and political changes, the perishable nature of the tourism industry's products and services. To a large extent, planning relies heavily on accurate analysis

and forecasts in order to reduce the risk in the decision making. The accurate analysis and forecasts then depend on the use of suitable methods and strategy's [4]. Research's [5] have shown that the use of modern data analysis and prediction in the field of tourism assists the improvement and growth of tourism sectors.

## **1.2. Problem statement**

The existing statistical reports based on tourism sector which cannot produce more varied insight on different tourism data. There was lack of system that produces useful analysis and prediction specifically based on the particular topic that the user chooses to know more. There was also no proper system that can store and send tourism related data as per request of user that may be used for different other applications. So, this web application tries to solve the above mention problems.

## **1.3. Objectives**

The general objective is to develop web application to provide useful information by analyzing and predicting from different aspects of tourism in Nepal. The specific objectives:

- To build a website and provide visualization on topics of tourist arrivals
- To predict the percentage of tourist arriving at particular location based on available facility
- To predict annual foreign income and monthly tourist arrival

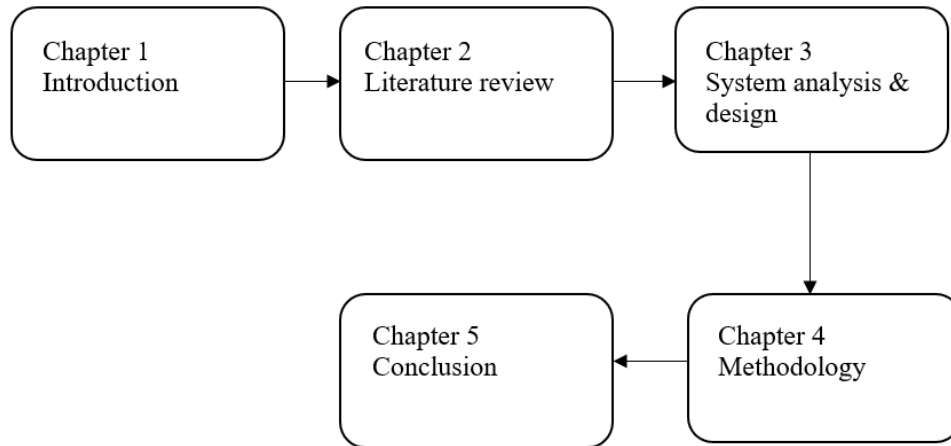
## **1.4. Project scope**

Since the project is a web application that performs analysis and predictions on available tourism data of Nepal, the insights on data can be useful to different sectors affected by tourism. Government bodies can use the insights to set marketing goals, explore potential markets, formulate necessary plans and policies

related to travel and tourism. Managers of travel and tour agencies can use the insights to determine operational requirements such as staffing and capacity, and study project feasibility such as the viability to build a new hotel. Travel guides and agents can find the insights useful for trip plan and preparations. Tourists can find the insights useful to know more about trends in places, activities, services that can be useful during their visits.

The web application is an implementation of analytics with the aid of machine learning that is mainly search driven which analyzes data using search terms like places or locations, tourist's activities, foreign countries. It uses text search input and results to guide users to the information they are requesting for. Based on data of tourism statistic's it provides analysis with suitable visualizations on topics- tourist's arrivals, purpose of visits or tourists activities, length, places, hotels of visits, flights and passenger movements, income generation, employments or trainings and educations related to tourism, no of tourist's standard hotels, home stay, industries, guides, agencies, aviation in Nepal, tourism related accidents/incidents, feedbacks by tourists. The web application also provides a search for next coming years value prediction on topics like total international tourist's arrivals by volume, total and gross foreign exchange earnings from tourism.

## 1.5. Report organization



Chapter 1 includes introduction about the tourism with their background, objectives and project scope. Chapter 2 includes literature reviews which contains all the past research on topic related to tourism analysis. Chapter 3 includes system analysis and design which contain functional and non- functional requirement as well as system flow diagram and use case diagram. Chapter 4 includes methodology which is the core part of the project where we discussed about how we analyze and predict the data and what kind of tool we used to generate the result. Finally, chapter 5 includes conclusion where task accomplished as well as task remaining topic were discussed.



## **2. LITERATURE REVIEW**

The drastic advancements in technology has transformed the tourism experience. There is huge potential in developing big data analytics in travel and tourism's[6]. Particularly, the design and development of tourism requires a profound understanding of what today's travelers need and want, how they move through and interact with physical and social spaces, and what leads to their enjoyment, happiness, and the realization of personal values.

Usually the nature of data found in tourism is a time series type where data sequence is in the order of time. Examples includes no of tourist's arrivals yearly, no of visitors in particular places in yearly basis, foreign exchange earnings in fiscal years etc. Simply these time series data may be encoded as visual objects with graphical techniques like scatter-plot, bar-graph, time-lines, pie-charts and so on which helps to analyze and reason about data and evidence. Time series analysis comprises methods for analyzing time series data in order to extract meaningful statistics and other characteristics of the data. Time series forecasting is the use of a model to predict future values based on previously observed values. Some of the major advantages of time series models include their systematic search capability for identification, estimation, and diagnostic checking.

For analytical tasks, such as for making comparisons use of charts of various types can be used to show patterns or relationships in the data for one or more variables. Examples of data analysis can be found on websites Google analytic[7], Destination analyst[8] where different data visualizations are used that helps to communicate information clearly and effectively through graphical means.

For forecasting time series there are different methods and approaches ranging from classical approach [9] like native approach, simple average, moving average (MA), exponential smoothing, Auto Regressive Integrated Moving average (ARIMA), Vector auto regression (VAR) models and so on to machine learning approach [10]

like Artificial neural networks (ANN), Fuzzy logic, etc. for analysis and prediction of time series. The forecasting of non-linear time series can be accomplished using statistical models like ARIMA, SARIMA. There is wide use of SARIMA model for forecasting seasonal type time series data like monthly sales of items, no of tourist arrivals monthly[11]. The SARIMA model is based on the application of ARIMA models to transformed time series, where the seasonal and non-stationary behavior has been eliminated. Time series models, like the Autoregressive Integrated Moving Average (ARIMA), effectively consider serial linear correlation among observations, whereas Seasonal Autoregressive Integrated Moving Average (SARIMA) models can satisfactorily describe time series that exhibit non-stationary behaviors both within and across seasons.

In terms of techniques compared to classical models, machine learning based approaches count on several significant advantages like ability to handle complex nonlinear pattern, less restrictions and assumptions, easy automation[12]. One of the approach to forecasting time series is through artificial neural networks[13]. One simple way is using Multilayer Perceptron (MLP) which is a simple feed-forward neural network model with backpropagation learning that are most employed in time series studies[14]. They are comprised of one or more layers of neurons. Data is fed to the input layer, there may be one or more hidden layers providing levels of abstraction, and predictions are made on the output layer, also called the visible layer. MLPs are useful in research for their ability to solve problems stochastically, which often allows approximate solutions for extremely complex problems like fitness approximation.

Typical examples that uses this approach are in market predictions, sales predictions, network traffic, meteorological forecasting[15]. The prediction of time series using neural network consists of teaching the network, the history of the variable in a selected limited time and applying the taught information to the future. Data from past are provided to the inputs of neural network and we expect data from future from the outputs of the network. Usually MLP model will learn a function

that maps a sequence of past observations as input to an output observation. Regression predictive modeling is the task of approximating a mapping function from input variables to a continuous output variable. A continuous output variable is a real-value, such as an integer or floating points value. These are often quantities, such as amounts and sizes. A problem with multiple input variables is often called a multivariate regression problem. Also, if input variables are ordered by time is called a time series forecasting problem.

There are different tools and technologies used to apply data science and machine learning using different programming languages. For data science and machine learning, python is one of the most widely used programming language due to its simplicity and containing variety of data analysis libraries pandas, matplotlib, shapely, seaborn, geo-pandas along with large machine learning libraries NumPy, scikit-learn, TensorFlow where large people have made contributions and is in rapid improvements and research phase's[16] .

### **3. SYSTEM ANALYSIS AND FEASIBILITY STUDY**

#### **3.1. Feasibility Analysis**

A feasibility study is a preliminary study which investigates the information needs of prospective users and determines the resources requirements, costs, benefits, and feasibility of a proposed system. A feasibility study takes into account various constraints within which the system should be implemented and operated. In this stage the resource needed for implementation such as computing equipment, manpower and costs are estimated. The estimated are compared with available resources and a cost benefit analysis of the system is made. The feasibility analysis activity involves the analysis of the problem and collection of all relevant information relating to the project. The main objectives of the feasibility study are to determine whether the project would be feasible in terms of economic feasibility, technical feasibility and operational feasibility and on or not. The input data which are required for the project are available or not. Thus, we evaluated the feasibility of the system in terms of the following categories:

- Technical feasibility
- Operational feasibility
- Economic feasibility
- Schedule feasibility

##### **3.1.1. Technical feasibility**

Since the web application uses software technologies and tools which are freely available and technical skills required can be easily manageable. There are many free machine learning libraries available for data analysis and predictions with proper documentations and courses. The hardware system in the project need not be highly computing but requires a normal computing and the system server must

be adequate enough and manageable in future. So, it is seen that the hardware and software meet the need of the system. So, it's clear that the proposed project is technically feasible.

### **3.1.2. Operational Feasibility**

Since the web application is interactive and data driven, the user need to be only a bit familiar with the software system backed with graphical explanations and that can be easily be understood faster in time with usage. This system highly focuses on design-dependent parameters like reliability, maintainability, supportability, usability, predictability, disposability, sustainability, affordability etc. that fits into the operating functions of the project. So, the project is feasible in operation.

### **3.1.3. Economic feasibility**

Economic feasibility attempts to weigh the costs of developing and implementing a new system, against the benefits that would accrue from having the new system in place. This feasibility study gives the top management the economic justification for the new system. A simple economic analysis which gives the actual comparison of costs and benefits are much more meaningful in this case. In addition, this proves to be a useful point of reference to compare actual costs as the project progresses. There could be various types of intangible benefits on account of automation. These could include increased customer satisfaction, improvement in product quality, better decision making, and timeliness of information, expediting activities, improved accuracy of operations, better documentation and record keeping, faster retrieval of information, better employee morale.

### **3.1.4. Schedule feasibility**

Since the project is web-based analytics, the software development time do take longer. The dateline of software system can be easily estimated if the proper team

and achievable goals are formed. Roughly the proposed system can be delivered within 24 weeks on tight schedule. The Gantt chart below shows the schedule feasibility of the project.

## **3.2. Requirement analysis**

### **3.2.1. Functional requirement**

There are functions or features that must be included in any system to satisfy the needs and be acceptable to the users. Based on this, some basic functional need of the project is:

- The system should produce suitable data analysis and predictions on tourism dataset that can be easily downloadable for normal user and easily updatable for admin
- The system should provide API for accessing data

### **Hardware Requirements**

Processor: Intel Pentium 4 or higher

Memory: 1 GB (recommended)

Storage devices: 20 GB or above

### **Software Requirements**

Operating system: Windows/Linux with web browser installed

Web browser: Windows Explorer/Edge/Chrome or equivalent

Database: MySQL or MariaDB

### **3.2.2. Non-functional requirement**

The non-functional requirements like performance, information, economy, control and security efficiency and services are very essential for successful project completion. Based on these, the non-functional requirements of the project are as follows:

- The system should be easy to use, user friendly in operation and provide useful information to user
- The system should perform with efficient throughput and response time
- The system should provide better accuracy in analysis and prediction of datasets

## 4. System Design

### 4.1. System Overview

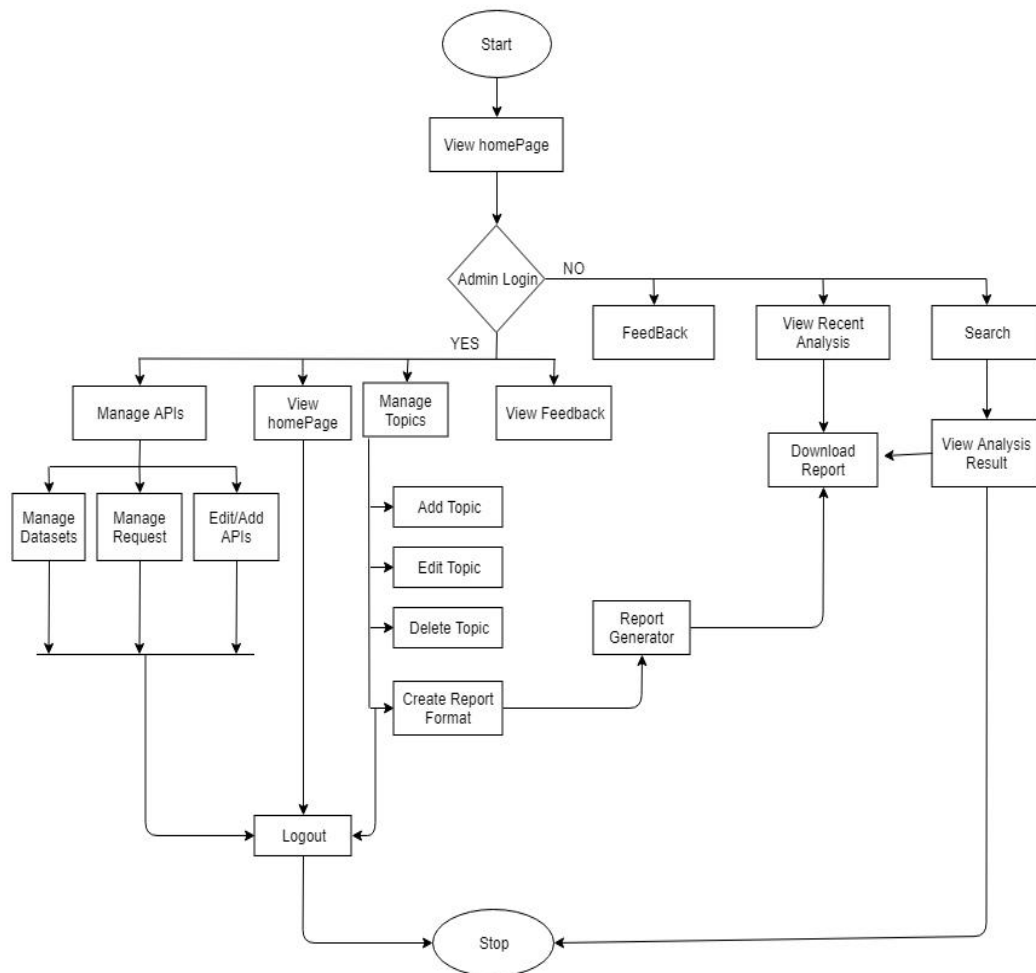
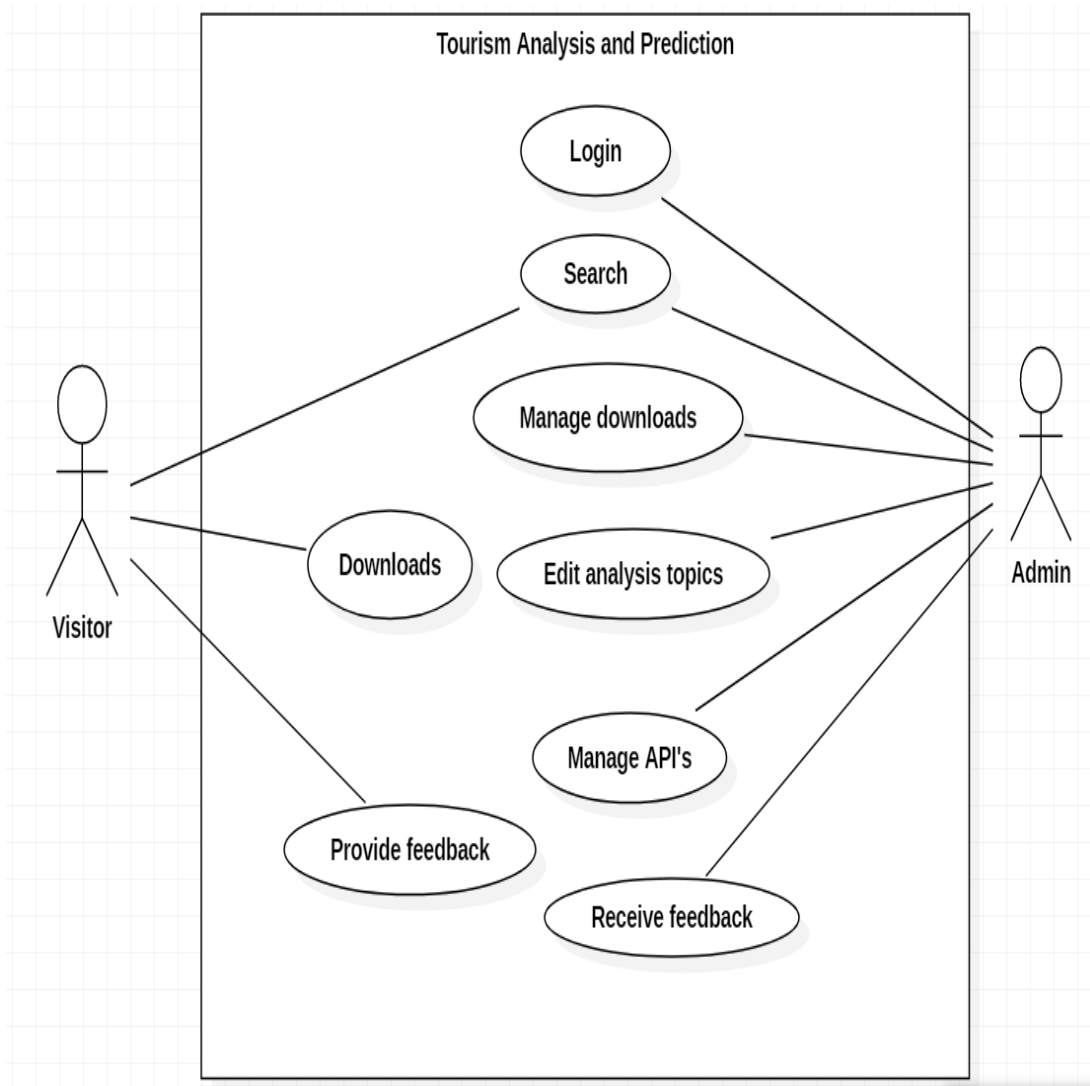


Figure 4.1: System flow diagram



## 4.2. USE Case Diagram



**Figure 4.2: Use Case diagram**

### 4.3. DFD

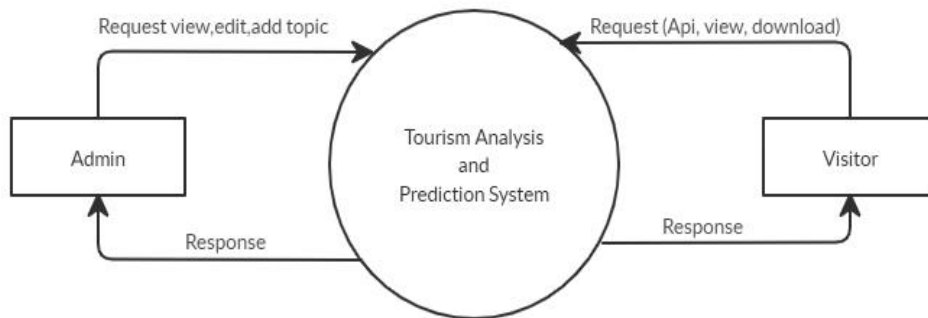


Figure 4.3: DFD level-0

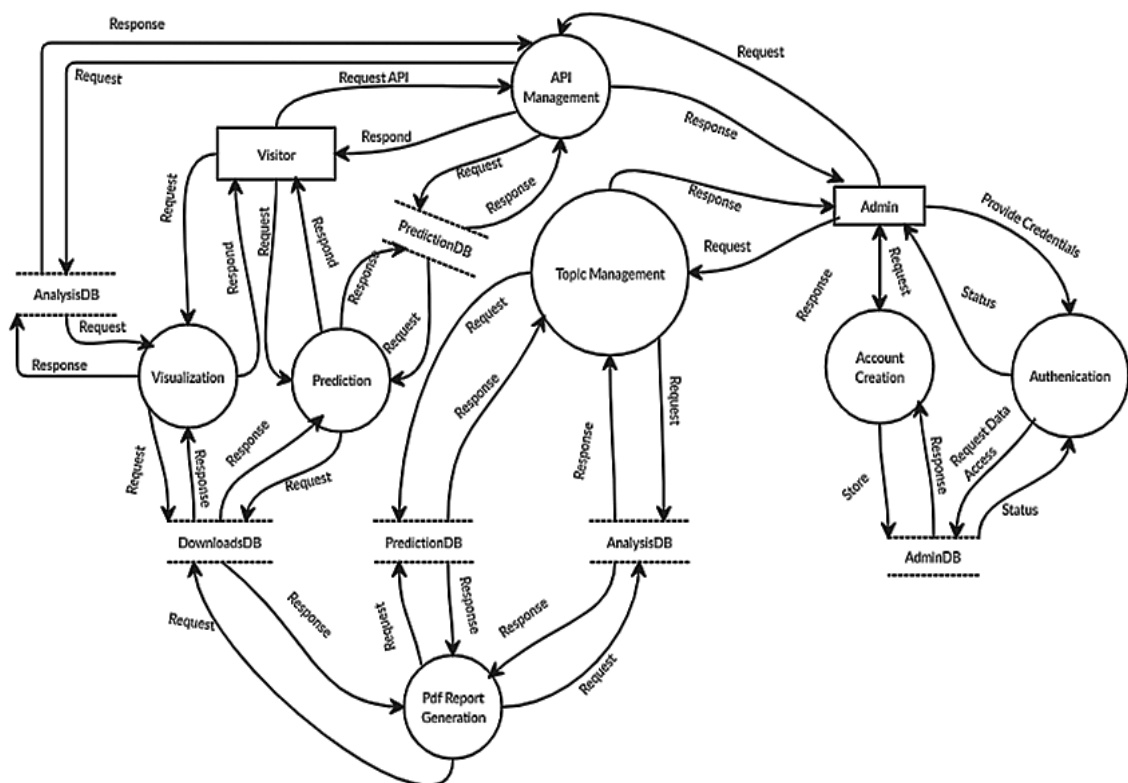


Figure 4.4: DFD level-1

#### 4.4. Class Diagram

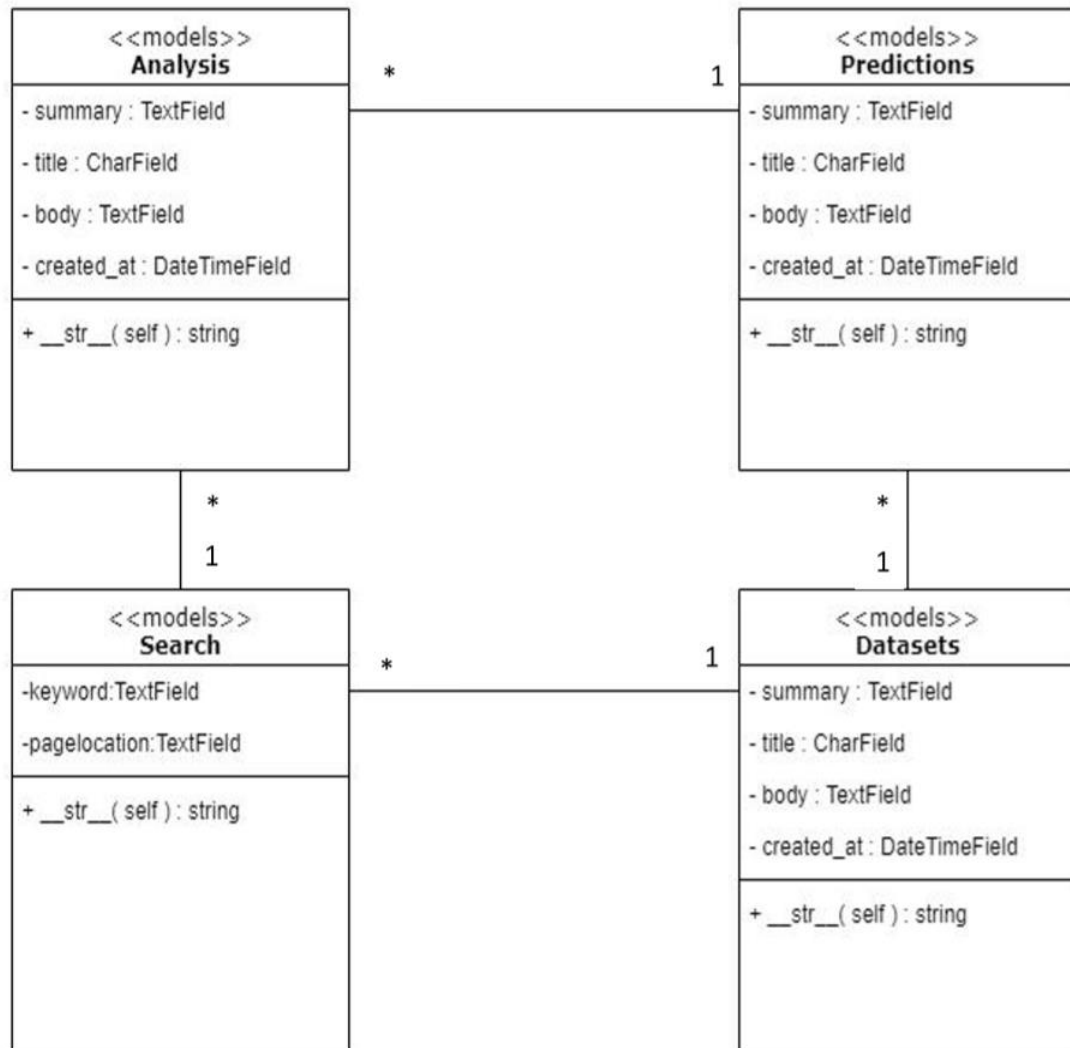
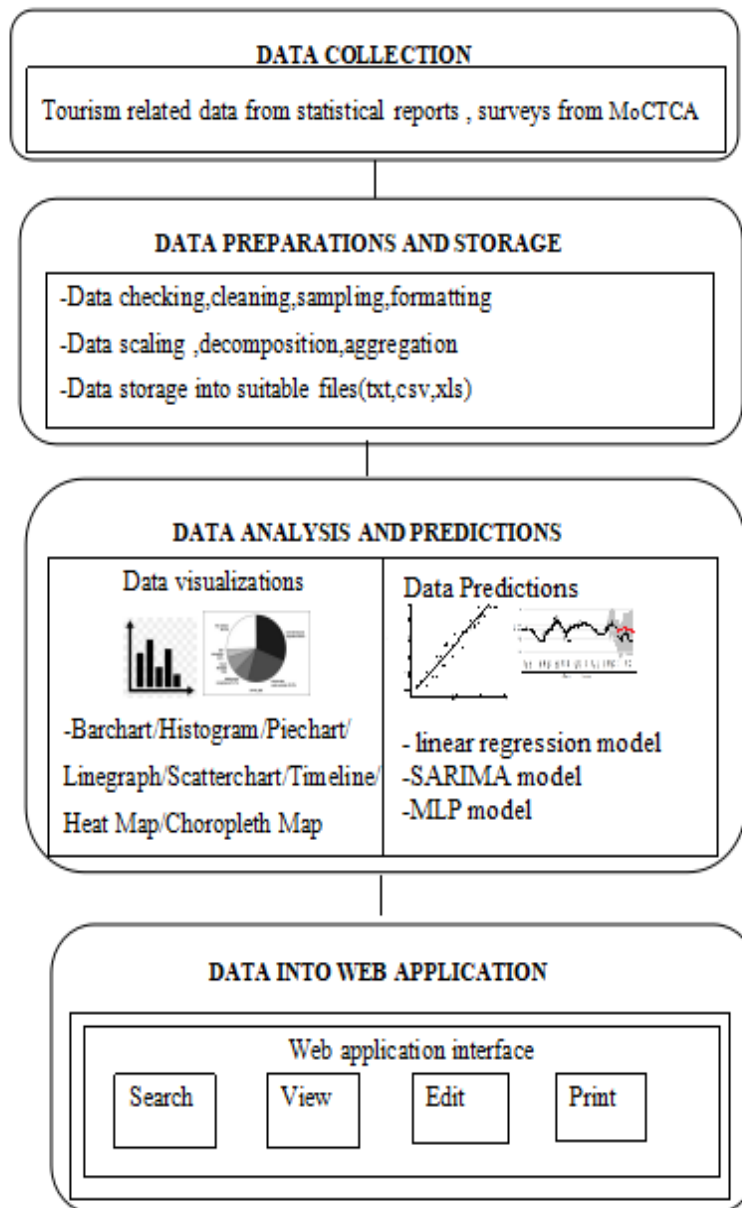


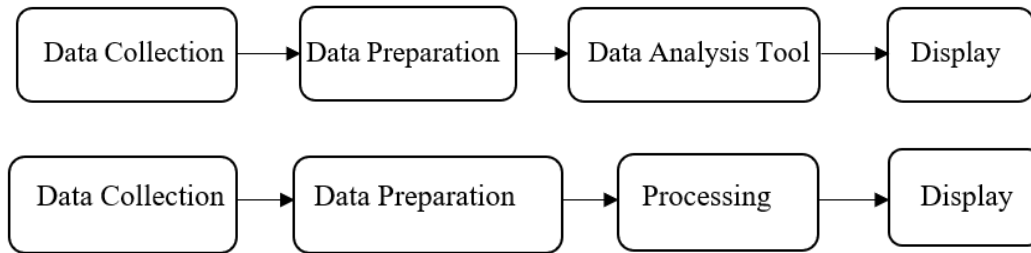
Figure 4.5: Class Diagram

## 5. METHODOLOGY



**Figure 5.1: System Architecture**

## 5.1. System block diagram for analysis and prediction



**Figure 5.2: System block diagram**

### 5.1.1. Data Collections and Preparations

Data Sources:

- Government of Nepal(MoCTCA), Tourism statistics reports[3]
- Government of Nepal(MoCTCA), Civil Aviation reports[16]
- World Travel & Tourism Council. The WTTC report: Travel and Tourism Economic Impact Nepal report's[2]
- Surveys reports with tourists about their experiences in Nepal[3]

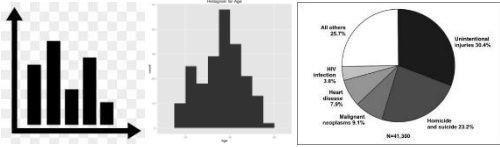
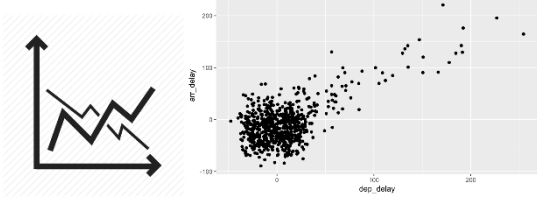
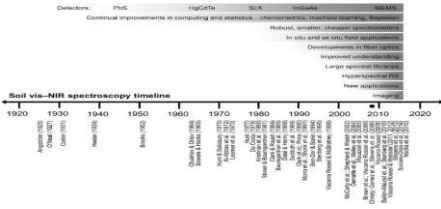
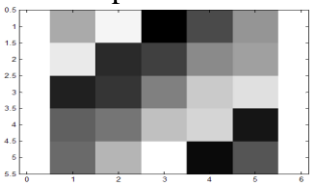
The foremost step initiating this project is proper data collection and preparations. The preliminary data preparations tasks includes' data checking, cleaning, editing, sampling organizing, formatting into suitable forms (xml, csv), scaling, decomposition, aggregations and so on before using into analysis and prediction model.

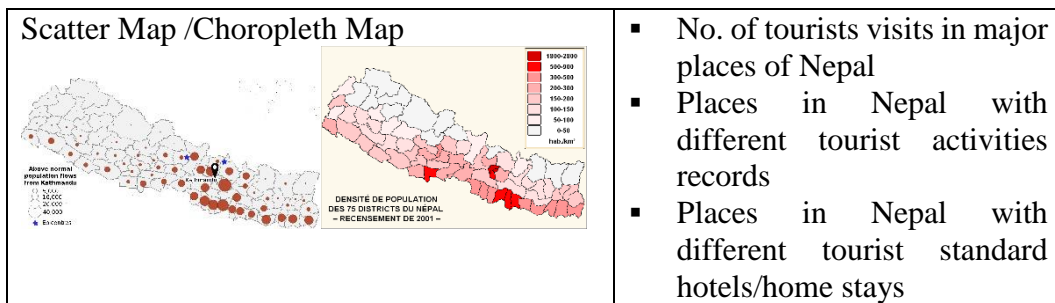
### 5.1.2. Data Analysis and Predictions

The first major objective of the project to suitable data analysis of tourism data can be achieved using different statistical data presentations and visualization techniques. These can be achieved with the help of suitable data visualizations and

analysis tools that uses statistics through libraries in python[17] which can be used in the proposed project. Some major graphical techniques along with their usage to visualize data are:

**Table 5.1: Graphical techniques**

DIAGRAMS	EXAMPLE USAGE
<p><b>Barchart/Histogram/Piechart</b></p> 	<ul style="list-style-type: none"> <li>▪ Tourist arrivals for different purpose</li> <li>▪ No. of visitors in different places</li> <li>▪ No. of tourist tourists related accident/incidents</li> <li>▪ No. of flights in different domestic airlines</li> </ul>
<p><b>Linegraph/Scatterchart</b></p> 	<ul style="list-style-type: none"> <li>▪ International and Domestic flight movements by month on the basis of gender/country</li> <li>▪ Total tourist arrival volume by month on the basis of gender/country/age group</li> <li>▪ Gross foreign exchange earnings from tourism by fiscal year</li> </ul>
<p><b>Timeline</b></p> 	<ul style="list-style-type: none"> <li>▪ All available statistical records with highest and lowest value records on the basis of year</li> <li>▪ Important tourism related events/incidents</li> </ul>
<p><b>Heat Map</b></p> 	<ul style="list-style-type: none"> <li>▪ Economic indicators values of hotels and restaurant on yearly</li> <li>▪ Civil aviation indicators values on yearly basis</li> <li>▪ No. of different types of tourist industries</li> </ul>



### 5.1.2.1. Regression prediction using the simple linear regression

Usually linear regression is an approach to modeling the relationship between a scalar response (or dependent variable) and one or more explanatory variables (or independent variables). The case of one explanatory variable is called simple linear regression. it concerns two-dimensional sample points with one independent variable and one dependent variable (conventionally, the x and y coordinates in a Cartesian coordinate system) and finds a linear function (a non-vertical straight line) that, as accurately as possible, predicts the dependent variable values as a function of the independent variables.

A simple model function of our data is represented by equation  $y = b_0 + b_1x$  which describes a line where y is the output variable we want to predict, x is the input variable we know and  $b_0$  and  $b_1$  are coefficients that we need to estimate that move the line around and with slope  $b_1$  and y-intercept  $b_0$ . In general, such a relationship may not hold exactly for the largely unobserved population of values of the independent and dependent variables, we call the unobserved deviations from the above equation the errors. Suppose we observe n data pairs and call them  $\{(x_i, y_i), i = 1, \dots, n\}$ . We can describe the underlying relationship between  $y_i$  and  $x_i$  involving this error term  $E_i$  by  $y_i = b_0 + b_1x_i + E_i$

This relationship between the true write nothing /delete it underlying parameters  $\alpha$  and  $\beta$  and the data points is called a linear regression model. The goal is to find the best estimates for the coefficients to minimize the errors in predicting y from x. Simple regression is great, because rather than having to search for values by trial

and error or calculate them analytically using more advanced linear algebra, we can estimate them directly from our data.

Let us introduce the following terms:

$\bar{x}$  and  $\bar{y}$  as the average of the  $x_i$  and  $y_i$ , respectively

$\text{Var}(x)$ ,  $\text{Cov}(x,y)$  as the sample variance, sample covariance respectively..

We can start off by estimating the value for  $b_1$  as:

$$b_1 = \frac{\sum_{i=1}^n (x_i - \bar{x})(y_i - \bar{y})}{\sum_{i=1}^n (x_i - \bar{x})^2} \quad \text{or by using} \quad b_1 = \frac{\text{Cov}(x,y)}{\text{Var}(x)} \dots\dots\dots \text{Equation (5.1)}$$

Finally, we can calculate  $b_0$  using  $b_1$  and some statistics from our dataset, as follows:

$$b_0 = \sum_{i=1}^n y_i - b_1 \sum_{i=1}^n x_i \dots\dots\dots \text{Equation (5.2)}$$

Implementation of Simple linear regression:

A simple regression model approach matches the following dataset as it seemed to have linear relationships and consists of only few data.



**Table 5.2: Data set for simple regression model approach**

Start of fiscal year (A.D)	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net foreign exchange earnings (NRs in million)	8523	9881.6	12167.8	12073.9	11717	8654.3	11747.7	18147.4	10463.8	9556	10125.3	18653.1	27959.8	28138.6	24610

Here given net foreign exchange earnings for each fiscal starting fiscal year we are interested in predicting the net foreign exchange earnings in the upcoming fiscal year start. This simple linear problem can be implemented in python programming language with the use of the following libraries:

The following are the steps to implement and train simple linear regression models for the prediction problems.

**a. Calculation of Mean and Variance:**

The first step is to estimate the mean and the variance of both the input and output variables from the data. The mean of a list of numbers can be calculated by creating functions as:

$$\text{mean}(x) = \text{sum}(x)/\text{count}(x) \dots\dots\dots \text{Equation (5.3)}$$

Where, mean(x) gives the mean or average value of x, sum(x) gives the sum of values of x and count(x) gives the no of x data values present.

Similarly, variance for a list of numbers can be calculated as:

$$\text{variance} = \text{sum}((x - \text{mean}(x))^2) \dots\dots\dots \text{Equation (5.4)}$$

#### **b. Calculation of Covariance:**

The covariance of two groups of numbers describes how those numbers change together. We can calculate the covariance between two variables as follows:

$$\text{covariance}(x, y) = \text{sum}((x(i) - \text{mean}(x)) * (y(i) - \text{mean}(y))) \dots\dots\dots \text{Equation (5.5)}$$

#### **c. Estimate Coefficients:**

We must estimate the values for two coefficients in simple linear regression. The first is b1 which can be estimated as:

$$b1 = \text{sum}((x(i) - \text{mean}(x)) * (y(i) - \text{mean}(y))) / \text{sum}((x(i) - \text{mean}(x))^2) \quad \text{or}$$

$$b1 = \text{covariance}(x, y) / \text{variance}(x) \dots\dots\dots \text{Equation (5.6)}$$

Next, we need to estimate a value for b0, also called the intercept as it controls the starting point of the line where it intersects the y-axis.

$$b0 = \text{mean}(y) - b1 * \text{mean}(x) \dots\dots\dots \text{Equation (5.7)}$$

#### **d. Prediction of the new values**

The simple linear regression model is a line defined by coefficients estimated from training data. Once the coefficients are estimated, we can use them to make predictions. The equation to make predictions with a simple linear regression model is as follows

$$y = b_0 + b_1 * x \dots \dots \dots \text{Equation (5.8)}$$

### 5.1.2.2. Regression Prediction using Seasonal Autoregressive Integrated Moving Average (SARIMA) Model

ARIMA, short for ‘Auto Regressive Integrated Moving Average’ is actually a class of models that explains a given time series based on its own past values, that is, its own lags and the lagged forecast errors, so that equation can be used to forecast future values. Any non-seasonal time series that exhibits patterns and is not a random white noise can be modeled with ARIMA models. Basically, ARIMA model is the combinations of Autoregressive (AR) model, Integrated(I) model, Moving average (MA) model. ARIMA model can be characterized by following notation below:

ARIMA (p, d, q)

where, p is the order of the AR term, d is the number of differencing required to make the time series stationery and q is the order of the MA term.

The problem with plain ARIMA model is it does not support seasonality. Seasonal Autoregressive Integrated Moving Average, SARIMA or Seasonal ARIMA, is an extension of ARIMA that explicitly supports univariate time series data with a seasonal component. SARIMA model can be characterized by following notation below:

SARIMA (p, d, q) (P, D, Q) s

Where p, q, d are respective order of AR, MA and differencing of non-seasonal ARIMA model, **P** is seasonal autoregressive (AR) order, **D** is seasonal difference (I)order, **Q** is seasonal moving average (MA)order and **S** is the number of time steps for a single seasonal period.

### **Autoregressive Part (AR Part)**

A pure Auto Regressive (AR only) model is one where  $Y_t$  depends only on its own lags. That is,  $Y_t$  is a function of the 'lags of  $Y_t$ '. AR part of a time series  $Y_t$  is that the observed value depends on some linear combination of previous observed values up to a defined maximum lag (denoted  $p$ ), plus a random error term  $\varepsilon_t$  and given as:

$$Y_t = \alpha + \beta_1 Y_{t-1} + \beta_2 Y_{t-2} + \dots + \beta_p Y_{t-p} + \varepsilon_t \dots \dots \dots \text{Equation (5.9)}$$

where,  $Y_{t-1}$  is the lag1 of the series  $\beta_1$  is the coefficient of lag1,  $\alpha$  is the intercept term,  $\varepsilon_t$  is a random error term that the model estimates

### **Moving Average Part (MA Part)**

A pure **Moving Average (MA only) model** is one where  $Y_t$  depends only on the lagged forecast errors. MA part of a time series  $Y_t$  is that the observed value is a random error term plus some linear combination of previous random error terms up to a defined maximum lag (denoted  $q$ ).

$$Y_t = \alpha + \varepsilon_t + \Phi_1 \varepsilon_{t-1} + \Phi_2 \varepsilon_{t-2} + \dots + \Phi_q \varepsilon_{t-q} \dots \dots \dots \text{Equation (5.10)}$$

where the error terms are the errors of the autoregressive models of the respective lags. The errors  $\varepsilon_t$  and  $\varepsilon_{t-1}$  are the errors from the following equations:

$$Y_t = \beta_1 Y_{t-1} + \beta_2 Y_{t-2} + \dots + \beta_0 Y_0 + \varepsilon_t \dots \dots \dots \text{Equation (5.11)}$$

$$Y_{t-1} = \beta_1 Y_{t-2} + \beta_2 Y_{t-3} + \dots + \beta_0 Y_0 + \varepsilon_{t-1} \dots \dots \dots \text{Equation (5.12)}$$

### The integration part (I Part)

Time series are usually non stationary and in order to achieve stationary the series has to be differenced. The process of differencing is known as integration part (I) and the order of differencing is denoted as d. Differencing removes the signals (the trend or seasonality) from the series so that series consists only the noise or the irregular component to be modeled. This can be expressed algebraically as:

$$\Delta^1 Y_t = Y_t - Y_{t-1} \dots \dots \dots \text{Equation (5.13)}$$

Using backshift operator B (where  $By_t = y_{t-1}$ ,  $B^2 y_t = y_{t-2}$ , and so on) above equation

$$\Delta^1 Y_t = (1 - B)Y_t \dots \dots \dots \text{Equation (5.14)}$$

### ARIMA model Equation

An ARIMA model is one where the time series was differenced at least once to make it stationary and you combine the AR and the MA terms. So, the equation becomes:

$$Y_t = \alpha + \beta_1 Y_{t-1} + \beta_2 Y_{t-2} + \dots + \beta_p Y_{t-p} + \varepsilon_t + \Phi_1 \varepsilon_{t-1} + \Phi_2 \varepsilon_{t-2} + \dots + \Phi_q \varepsilon_{t-q} \dots \dots \dots \text{Equation (5.15)}$$

or it can be expressed as

$$\beta_p(B)\Delta^d Y_t = \Phi_q(B) \varepsilon_t \dots \dots \dots \text{Equation (5.16)}$$

where  $\Delta^d$  is the non-seasonal difference operator, B is backshift operator (where  $By_t = y_{t-1}$ ,  $B^2 y_t = y_{t-2}$ , and so on)

ARIMA model in words:

Predicted  $Y_t = \text{Constant} + \text{Linear combination Lags of } Y \text{ (up to } p \text{ lags)} + \text{Linear Combination of Lagged forecast errors (up to } q \text{ lags)}$

### Seasonal ARIMA Equation

SARIMA allows for the presence of seasonality in a series. This leads to the general seasonal ARIMA (p d q) s (P D Q) model, where P, D and Q refer to the orders of the seasonal AR, I and MA parts of the model respectively and s refers to the number of periods in each season. This can be expressed algebraically as:

$$\beta_p(B)\theta_p(B^s)\Delta_s^d \Delta_s^D Y_t = \Phi_q(B)\theta_q(B^s) \varepsilon_t \dots\dots\dots \text{Equation (5.17)}$$

Where,  $\theta_p(B^s)$  is the seasonal AR operator,  $\Delta_s^D$  is the seasonal I operator,  $\theta_q(B^s)$  is the seasonal MA operator and s is the seasonal period.

### ACF and PACF plots

Statistical correlation summarizes the strength of the relationship between two variables. The Pearson's correlation coefficient is a number between -1 and 1 that describes a negative or positive correlation respectively. A value of zero indicates no correlation. Given a pair of random variables (X, Y) the formula for Pearson's correlation coefficient ( $\rho$ ) is given by:

$$\rho_{(X,Y)} = \frac{\text{cov}(X,Y)}{\sigma_X \sigma_Y} \dots\dots\dots \text{Equation (5.18)}$$

Where,  $\text{cov}(X, Y)$  is the covariance of (X, Y),  $\sigma_X$  is the standard deviation of X and  $\sigma_Y$  is the standard deviation of Y

If we are interested in finding whether or to what extent there is a numerical relationship between two variables of interest, using their correlation coefficient will give misleading results if there is another, variable that is numerically related

to both variables of interest. This misleading information can be avoided by controlling for the confounding variable, which is done by computing the partial correlation coefficient. Partial correlation measures the degree of association between two random variables, with the effect of a set of controlling random variables removed.

Let us suppose three terms denoted by 1,2,3 (for  $y_t, y_{t+1}, y_{t+2}$ ).  $P_{13.2}$  is the correlation of  $y_t$  and  $y_{t+2}$  given

(conditional on)  $y_{t+1}$ . The standard equation for partial correlation is given by:

$$P_{13.2} = \frac{\rho_{13} - \rho_{12}\rho_{32}}{\sqrt{1-\rho_{12}^2}\sqrt{1-\rho_{32}^2}} \dots \dots \dots \text{Equation (5.19)}$$

Where,  $\rho_{ab}$  is correlation coefficient between two terms a and b.

We can calculate the correlation for time series observations with observations with previous time steps, called lags. Autocorrelation (ACF), also known as serial correlation, is the correlation of a signal with a delayed copy of itself as a function of delay or lags. The analysis of autocorrelation is a mathematical tool for finding repeating patterns, such as the presence of a periodic signal obscured by noise, or identifying the missing fundamental frequency in a signal implied by its harmonic frequencies.

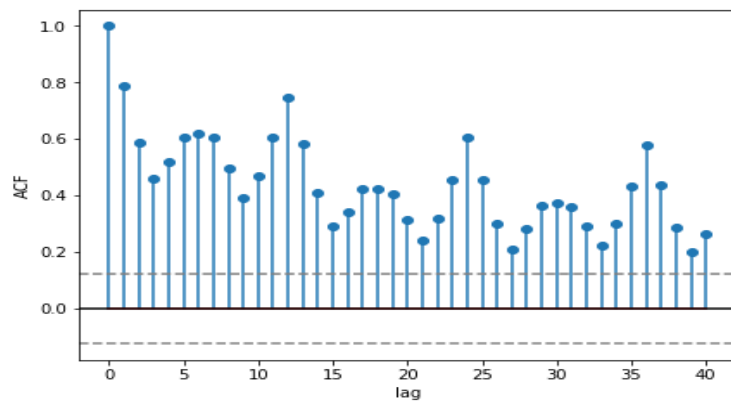
A partial autocorrelation is a summary of the relationship between an observation in a time series with observations at prior time steps with the relationships of intervening observations removed. partial autocorrelation function (PACF) gives the partial correlation of a stationary time series with its own lagged values, regressed the values of the time series at all shorter lags. This function plays an important role in data analysis aimed at identifying the extent of the lag in an auto-regressive models.

For example, for data below:

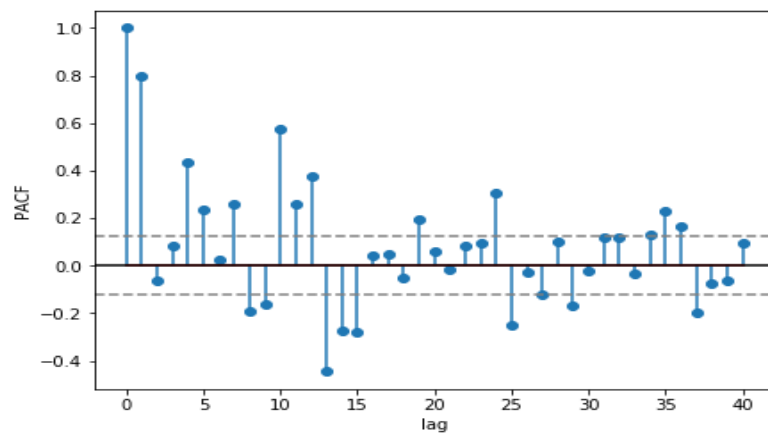
**Table 5.3: No. of tourist arrive in month**

Month	No. of Tourists arrivals
1992-01	17451
1992-02	27489
1992-03	31505
1992-04	30682
1992-05	29089
1992-06	22469
1992-07	20942
1992-08	27338
1992-09	24839
1992-10	42647
1992-11	32341
1992-12	27561
.....	.....
2017-12	82966





**Figure 5.3: Plot of auto-correlation function**

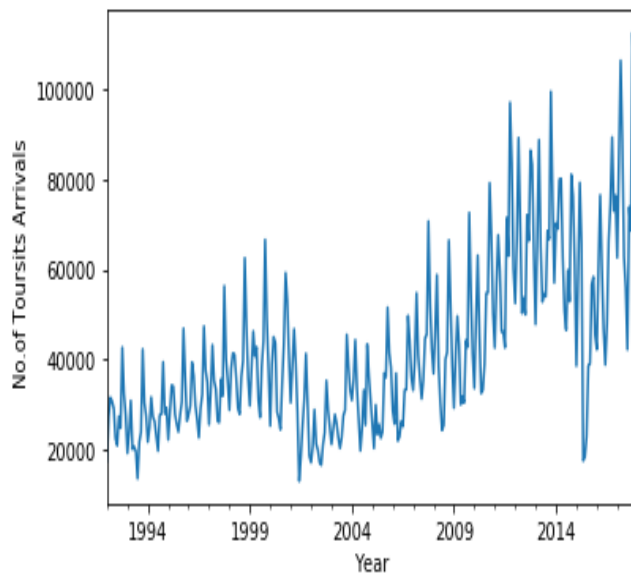


**Figure 5.4: Plot of partial auto-correlation function**

### Implementation of SARIMA Model:

A SARIMA model is appropriate for regression prediction of the following dataset as it seemed to have a seasonal pattern in the time series dataset as shown below:

Month	No. of Tourists arrivals
1992-01	17451
1992-02	27489
1992-03	31505
1992-04	30682
1992-05	29089
1992-06	22469
1992-07	20942
1992-08	27338
1992-09	24839
1992-10	42647
1992-11	32341
1992-12	27561
.....	.....
2017-12	82966



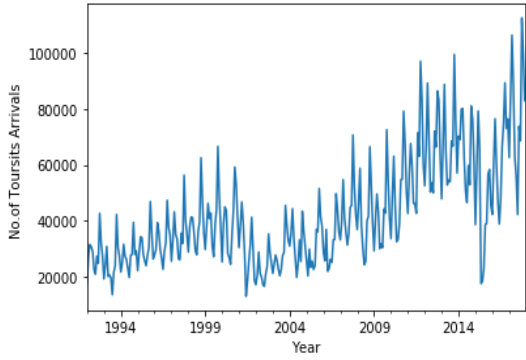
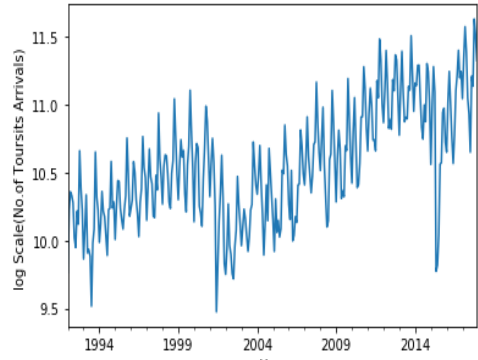
**Figure 5.5: Plot of No. of tourist arrive in month**

These are the steps to implement SARIMA regression models for the given prediction problem:

**i. Observation and transformation of time series data**

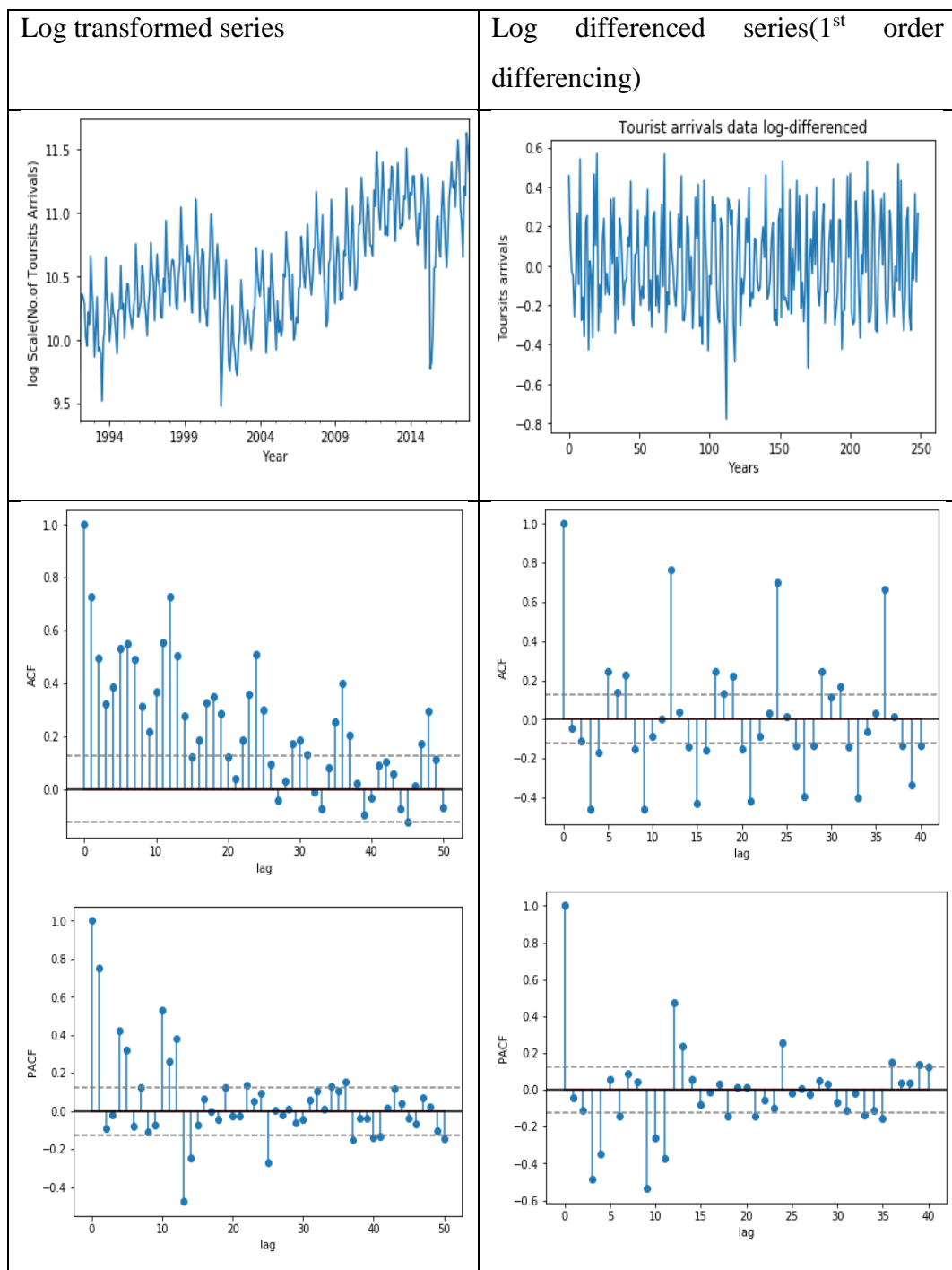
Plot the given time series in the original scale and observer its characteristics like trend, seasonality, stationarity. Also log transform the response if the seasonal variation is increasing with time.

**Table 5.4: Transformation of time series data**

Original Scale	Log Transformed Scale
	
<ul style="list-style-type: none"> <li>-no stable trend</li> <li>-non stationary</li> <li>-seasonality present</li> </ul>	<ul style="list-style-type: none"> <li>-log transformed values of no of tourist arrivals</li> <li>- non stationary</li> <li>-seasonality present</li> </ul>

## ii. Differencing of time series data

Since stationarity means that the statistical properties (mean, variance) of a process generating a time series do not change over time. Usually, for non-stationary time series, differencing is done to achieve stationary time series. Different order of differencing is done and it is checked whether the series is stationary or not.



**Figure 5.6: Plot of time series data**

### **iii. Split of the dataset into the Training set and Test set**

This is the step where a whole dataset is divided into test and train sets. Here for this problem, train to test set can be divided into ratio 4:1 ie 20 percent of dataset is used as a test set for model and the remaining as train set. Usually train set helps to fit or build a prediction model and test set is used to evaluate the performance of that model.

### **iv. Identification of non-seasonal and seasonal level model**

Examine ACF and PACF plots to tentatively identify nonseasonal level model.

#### **Identifying the order of differencing**

$d=0$  if the series has no visible trend or ACF at all lags is low.

$d \geq 1$  if the series has visible trend or positive ACF values out to a high number of lags.

if after applying differencing to the series and the ACF at lag 1 is -0.5 or more negative the series may be over differenced.

If you find the best  $d$  to be  $d=1$  then the original series has a constant trend. A model with  $d=2$  assumes that the original series has a time-varying trend

#### **Identifying the number of AR and MA terms**

$p$  is equal to the first lag where the PACF value is above the significance level.

$q$  is equal to the first lag where the ACF value is above the significance level.

### Identifying the seasonal part of the model:

s is equal to the ACF lag with the highest value (typically at a high lag).

D=1 if the series has a stable seasonal pattern over time.

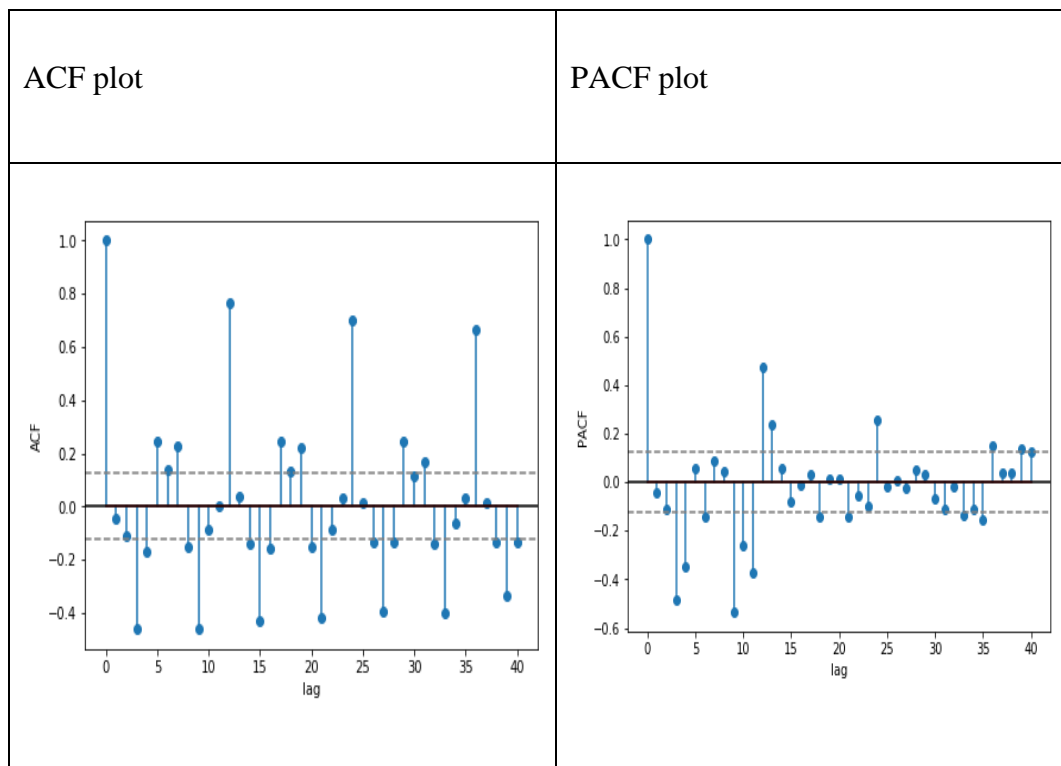
D=0 if the series has an unstable seasonal pattern over time.

Rule of thumb:  $d+D \leq 2$

$P \geq 1$  if the ACF is positive at lag s, else  $P=0$ .

$Q \geq 1$  if the ACF is negative at lag s, else  $Q=0$ .

Rule of thumb:  $P+Q \leq 2$



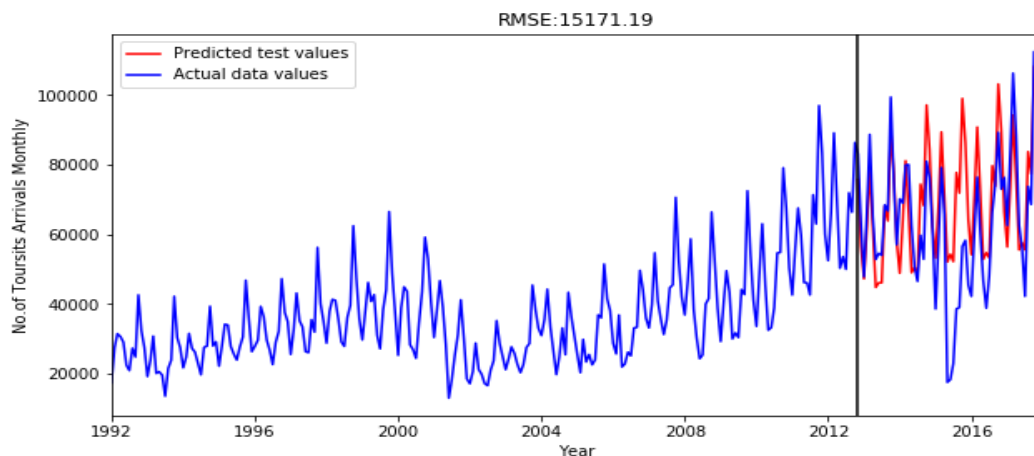
**Figure 5.7: Plot of ACF and PACF**

#### v. Creating SARIMA model

Combine models from Steps 4 to arrive at a tentative overall seasonal ARIMA model, i.e.  $ARIMA(p, d, q) \times (P, D, Q)$ . Where  $d$  &  $D$  are based on what differencing you used to achieve stationarity. Fit tentative model and look performance statistics, and the ACF/PACF of the residuals from the fit. Explore other models by changing parameters to achieve better model. During model parameters estimation using step 4 multiple SARIMA models were obtained and it was found that SARIMA (3,0,3) (2,1,0) [12] achieved better forecast accuracy.

#### vi. Evaluations of the model and further predictions

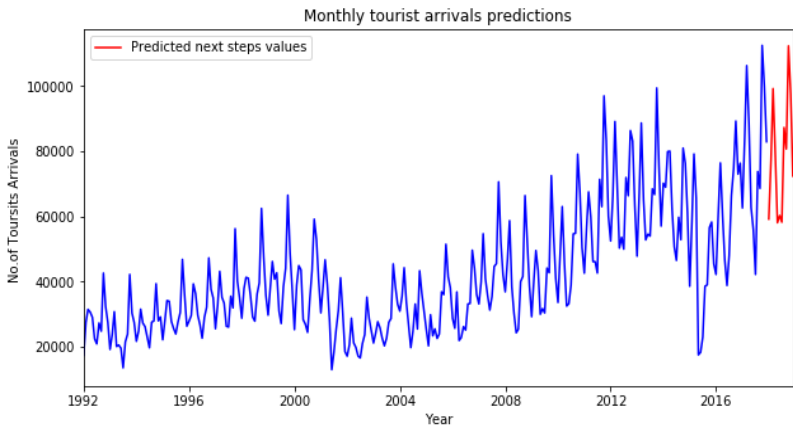
After creating the better SARIMA model for prediction, its performance is evaluated by calculating the error between the actual test set output and predicted output of the model. For this regression problem loss or error metric used is Root mean square error (RMSE) is used to evaluate the model. It was found from 80 percent trained model that 20 percentage test data were predicted with about 15172 RMSE error. Also using this model further one year no of tourist arrivals was predicted as shown below:



**Figure 5.8: Plot of actual and predicted value**



**Table 5.5: Predicted monthly values for Year-2018**

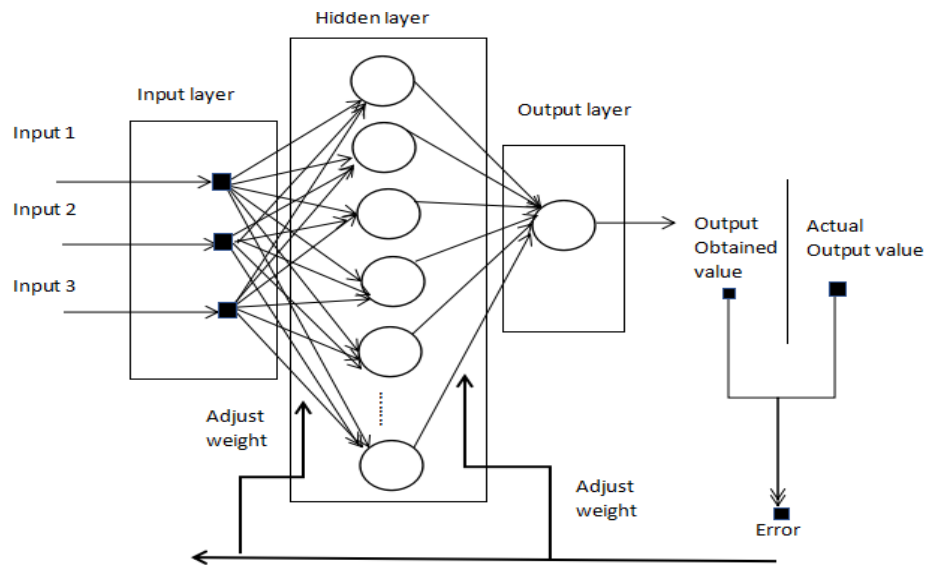
 <p>The graph displays monthly tourist arrivals from 1992 to 2016, showing a clear seasonal pattern and an overall upward trend. The predicted values for 2018 are shown as a red line at the end of the plot, continuing the seasonal fluctuations.</p>	<p>Predicted monthly values for Year-2018</p> <p>2018-01-01 59230.060623</p> <p>2018-02-01 77336.974494</p> <p>2018-03-01 99247.696946</p> <p>2018-04-01 79200.410266</p> <p>2018-05-01 58098.806378</p> <p>2018-06-01 60299.502946</p> <p>2018-07-01 58266.541448</p> <p>2018-08-01 87296.918446</p> <p>2018-09-01 80717.982301</p> <p>2018-10-01 112334.227443</p> <p>2018-11-01 97692.395242</p>
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	2018-12-01 72426.282824
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### 5.1.2.3. Regression prediction using MLP Neural Network

Multilayer perceptron is the classical type of neural network which comprised of one or more layers of neurons. Data is fed to the input layer, there may be one or more hidden layers providing levels of abstraction, and predictions are made on the output layer, also called the visible layer. They are suitable for regression prediction problems where a real-valued quantity is predicted given a set of inputs. Data is often provided in a tabular format, such as you would see in a CSV file or a spreadsheet.

Another major objective of the project to suitable quantitative forecasting can be achieved through machine learning approach using Multi-layer Perceptron (MLP) Model. The MLP model will learn a function that maps a sequence of past observations as input to an output observation. As such, the sequence of observations must be transformed into multiple examples from which the model can learn. The way MLP learns the training set is by supervised learning process where all labeled data i.e. input and output pair is given to model and it learns from it and finally evaluates its working by testing against test sets. A simple model of MLP with one input layer, one hidden layer and an output layer can be used for prediction. To evaluate the predictive model some recent samples in time series data can be taken for testing purpose calculating root mean square error. A simple step's to training the MLP model is given below



**Figure 5.9: Multi-layer Perceptron Model**

### **Training the neural network model:**

STEP 1: Randomly initialize the weights to small numbers close to zero.

STEP 2: Input the first observation of your dataset in the input layer, each feature in one input node.

STEP 3: Forward-Propagation: from left to right, the neurons are activated in a way that the impact of each neuron's activation is limited by weights. Propagate the activation until getting the predicted result.

STEP 4: Compare the predicted result to the actual result. Measure the generated error.

STEP 5: Back-Propagation: from right to left, the error is back-propagated. Update the weights according to how much they are responsible for the error. The learning rate decides by how much we update the weights.

STEP 6: Repeat Steps 1 to 5 and update the weights after each observation.

STEP 7: When the whole training set is passed through the network that makes an epoch. Finally redo more epochs.

### Implementation of MLP Model:

An MLP model approach matches the following dataset as it seemed to have a non-linear relationship and is multi-variate.

Tourist Places	Mustang	Lower Dolpa	Upper Dolpa	Kanchanjunga	Manaslu	Koshi Tappu wildlife reserv	Parsa Wildlife Reserve
Year	2011	2011	2011	2011	2011	2011	2011
No.of other tourist attraction spots nearby	5	5	4	4	5	2	2
No. of available major tourist activities nearby	3	3	3	3	3	4	3
Main purpose of visit	trekking	trekking	trekking	trekking&Mountaineeri	trekking &Mountain	holiday/Pleasure	holiday/Pleasure
Accessibility status	Good	Poor	Poor	Poor	Poor	Better	Better
Accommodation status	Fair	Fair	Poor	Fair	Fair	Fair	Better
health services status	Good	Poor	Poor	Poor	Poor	Better	fair
Percentage of tourist arrival	0.400698	0.109750548	0.053924465	0.080275463	0.382089471	0.024585209	0.001901618

**Figure 5.10: Data of different tourist place in the year 2011**

From the given dataset we can separate the dependent and independent variables as:

**Table 5.6: Input and output with data of accessibility, accommodation, health and medical**

Inputs (independent variables)	Output (dependent variable)
1. Year 2. Nunber of tourist attraction spots 3. Number of tourist activities available 4. Main Purpose of visit 5. Accessibility status 6. Accomodation status 7. Health services status	1. Percentage out of total tourist arrivals in that place

	<b>POOR</b>	<b>FAIR</b>	<b>GOOD</b>	<b>BETTER</b>
<b>ACCESSIBILITY</b> References: -Department of Roads of Nepal(map) -Civil Aviation Authority of Nepal (CAAN)(map)	-Only local track, trials roads	-Only graveled or secondary roads	-Metaled or primary roads or feeder road -Railways -National domestic airports	- Highway - International Airport
<b>ACCOMODATION</b> References: -Hotel association Nepal(records)	-Local shops/tea house and simple home stays	-Local hotels and lodges -Well managed or tourism-oriented homestays and guest houses	-Tourist standard hotels -Tourist class lodge -Registered resorts	-Registered star hotels and lodges -Larger hotels for tourist accommodation
<b>HEALTH &amp; MEDICAL</b> References: -Ministry of health and population(map)	-Only simple sub-health post and health posts	-Primary health care center - community hospital	-Private clinics -Private small hospitals -District hospitals	-Zonal, Regional Central gov hospitals

				-Private large hospital
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**Table 5.7: List of major tourist activities in Nepal**

<b>List of major tourist activities in Nepal</b>
• Mountain climbing or Mountaineering
• Trekking/hiking
• Scenery, birds, animals watching /Photography
• Mountain flight
• Rock Climbing
• Rafting/kayaking/canyoning/boating
• Hot air Ballooning
• Bungy jumping
• Paragliding
• Mountain Biking
• Bicycle/Horse riding
• Jungle safari /Elephant riding/hunting
• Indoor Enjoyment
• Meditaion /religious activities

**Table 5.8: List of major purpose of visit in Nepal**

<b>List of major purpose of visit in Nepal</b>
<ul style="list-style-type: none"><li>• Holiday/Pleasure (includes: indoor enjoyment, photography, rafting, bungee jumping, camping, paragliding, biking, jungle safari etc.)</li></ul>
<ul style="list-style-type: none"><li>• Trekking/hiking (includes: visiting along major trekking and hiking route's)</li></ul>
<ul style="list-style-type: none"><li>• Mountaineering (includes: climbing major route allowed mountain's)</li></ul>
<ul style="list-style-type: none"><li>• Mountaineering and trekking (includes both mountaineering and trekking)</li></ul>
<ul style="list-style-type: none"><li>• Official (includes visit for official or government purposes)</li></ul>
<ul style="list-style-type: none"><li>• Business (includes visits for business research, operations or investments)</li></ul>
<ul style="list-style-type: none"><li>• Conference/Conventions (includes visit during special conventions or conferences)</li></ul>

Here given independent variables for each year we are interested in predicting the percentage out of total tourist arrivals in that place. This multi-variate regression problem can be solved using python programming language with the use of following libraries:

These are the steps to implement and train MLP regression models for the given prediction problems:

**a) Import of the dataset and separation dependent and independent variables**

This is the first step where dataset is imported as csv file and stored using panda's data frame. Now this data frame can be separated into input /output pairs ie independent and dependent variables using data frame dissects as:

**Table 5.9: Separation dependent and independent variables**

X							y
2008	2	3	holiday/Pleasure	Fair	Good	Poor	7.52500200e-02
2008	4	3	holiday/Pleasure	Poor	Fair	Poor	1.54291743e+01
2008	4	3	holiday/Pleasure	Fair	Fair	Good	2.19195382e+00
2009	2	4	holiday/Pleasure	Better	Fair	Better	3.92191000e-04
2009	2	3	holiday/Pleasure	Better	Fair	Fair	1.40193442e+01
2009	2	4	holiday/Pleasure	Better	Fair	Poor	1.95698222e+00
2009	2	4	holiday/Pleasure	Better	Good	Poor	1.99048900e-03
2009	5	5	holiday/Pleasure	Better	Better	Good	1.09750548e-01
2009	3	5	holiday/Pleasure	Better	Fair	Good	2.45852090e-02
2009	4	3	holiday/Pleasure	Good	Better	Fair	1.66163417e+01
2009	4	3	holiday/Pleasure	Good	Better	Fair	2.16254763e+00
2009	4	3	holiday/Pleasure	Good	Better	Fair	2.98825800e-03
2009	4	3	holiday/Pleasure	Good	Better	Fair	1.22277398e-01
2009	4	3	holiday/Pleasure	Good	Better	Fair	5.49127620e-02
2009	4	3	holiday/Pleasure	Good	Better	Fair	1.57496277e+01
2009	4	3	holiday/Pleasure	Good	Better	Fair	1.03269613e+01
2009	4	3	holiday/Pleasure	Good	Better	Fair	7.47112000e-04
2009	4	3	holiday/Pleasure	Good	Better	Fair	7.33435640e-02
2009	4	3	holiday/Pleasure	Good	Better	Fair	1.41939229e+01
2009	4	3	holiday/Pleasure	Good	Better	Fair	1.10328780e-02
2009	4	3	holiday/Pleasure	Good	Better	Fair	1.67624521e+00
2009	4	3	holiday/Pleasure	Good	Better	Fair	2.06866460e-02
2009	4	3	holiday/Pleasure	Good	Better	Fair	2.03010194e+01
2009	4	3	holiday/Pleasure	Good	Better	Fair	9.83397420e-02
2009	4	3	holiday/Pleasure	Good	Better	Fair	9.30114236e-01
2009	4	3	holiday/Pleasure	Good	Better	Fair	2.10402522e+01
2009	4	3	holiday/Pleasure	Good	Better	Fair	Percent arrivals

## b) Encoding and labeling the categorical data

In this step we can see those categorical variables in X set which should be converted into proper numeric format before applying to input of MLP model. So, data labeling and encodings are done to convert the independent variables into following numeric formats that is suitable during computations:



**Table 5.10: Encoding and labeling the categorical data**

X									y
0.0	1.0	0.0	2008.0	2.0	3.0	2.0	3.0	1.0	4.32300200e-02
0.0	1.0	0.0	2008.0	4.0	3.0	1.0	2.0	1.0	1.54291743e+01
0.0	1.0	0.0	2008.0	4.0	3.0	2.0	2.0	3.0	2.19195382e+00
0.0	1.0	0.0	2009.0	2.0	4.0	4.0	2.0	4.0	3.92191000e-04
0.0	1.0	0.0	2009.0	2.0	3.0	4.0	2.0	2.0	1.40193442e+01
0.0	1.0	0.0	2009.0	2.0	4.0	4.0	2.0	1.0	1.95698222e+00
0.0	1.0	0.0	2009.0	2.0	4.0	4.0	3.0	1.0	1.99048900e-03
0.0	1.0	0.0	2009.0	3.0	5.0	4.0	2.0	3.0	1.09750548e-01
0.0	1.0	0.0	2009.0	5.0	5.0	4.0	4.0	3.0	2.45852090e-02
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	1.66163417e+01
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	2.16254763e+00
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	2.98825800e-03
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	1.22277398e-01
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	5.49127620e-02
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	1.57496277e+01
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	1.03269613e+01
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	7.47112000e-04
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	7.33435640e-02
0.0	1.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	1.41939229e+01
1.0	0.0	0.0	2009.0	8.0	3.0	3.0	3.0	2.0	1.10328780e-02
0.0	0.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	1.67624521e+00
1.0	0.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	2.06866460e-02
1.0	0.0	0.0	2009.0	6.0	4.0	4.0	4.0	4.0	2.03010194e+01
Purpose of visits encoded	Year	No.of spots	No.of activities	Accessibility	Accommodation	Medical	Percent arrivals		

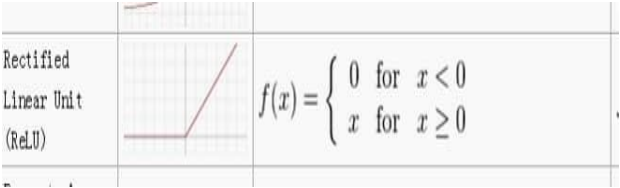
### c) Split of the dataset into the Training set and Test set

This is the step where a whole dataset is divided into test and train sets. Here for this problem, train to test set can be divided into ratio 4:1.ie 20 percent of dataset is used as a test set for model and the remaining as train sets (X\_train and y\_train). Usually train set helps to fit or build a prediction model and test set is used to evaluate the performance of that model.

### d) Creating regression model

This is the step where actual model is created from the train set of the available dataset. Following provides the summary of MLP regression model that is to be trained later:

**Table 5.11: Creating regression model**

LAYERS	NUMBERS	ACTIVATION FUNCTION USED
Input layer	No. of inputs=9	-None
Hidden layer	-No. of hidden layers=2 -No. of neurons or nodes in each layer=20	-Rectifier linear unit function (Relu) if input > 0: return input else: return 0 
Output layer	No. of outputs=1 No. of output node=1	-None

**e) Fitting the MLP model to the Training set**

After the prediction model is created or designed it should be trained enough to make ready for predictions. The model is fitted by providing the train sets of X and y data parts. The summary of fitting the created model to training set is given below:

**Table 5.12: Fitting the MLP model to the Training set**

Train sets (X_train and y_train)	Batch Size Used	Epochs
About 80 percent of total dataset	10	300

#### f) Evaluations of the model and further predictions

After fitting the regression model, its performance is evaluated by calculating the error between the actual test set output and predicted output of the model. For this regression problem loss or error metric used is mean square error (MSE) is used to evaluate the model. Lower its value better is the prediction power of the model. It was found that from multiple test on trend model the min-square error found in the range 4-6 value.

After evaluation of model and identification of its strength of prediction, it can be used for further prediction from given inputs X or independent variables. Here's a quick prediction summary for ranking of next top tourist destinations in Nepal:

**Table 5.13: Prediction of next top tourist destinations in Nepal**

Location	Year	No. of tourist spots	No. of tourist activities	Purpose of visit	Accessibility status	Accommodation status	Health services status	Percent of tourist arrivals predicted
Dhulikhel	2019	6	4	Holiday/ Pleasure	Better	Better	Good	21.87 9255 2947 9980 5
Bandipur	2019	4	4	Holiday/ Pleasure	Good	Good	Fair	2.09 2621 8032

								8369 14
Hela mbu	2019	4	3	treeking	Good	Better	Fair	1.064 4960 4034 4238 3
Taplej ung	2019	5	3	Treeing &Mount aineerin g	Poor	Fair	Poor	0.52 4801 6119 0032 96
Goky o Valley	2019	4	3	treeking	Good	Good	Fair	0.139 5801 9018 1732 18

## **6. RESULT AND ANALYSIS**

### **6.1. Testing**

#### **6.1.1. Unit Testing**

Unit testing refers to the process of testing modules against the detailed design. The inputs to unit testing are the successfully compiled modules from the coding process. These are assembled during unit testing to make the largest units, i.e. the components of architectural design.

Testing has been performed in each phase of project design and coding. The module interface is tested to ensure that information properly flows into and out of the program unit under testing. The local data structure is examined to ensure that data stored temporarily maintains its integrity during all steps in an algorithm's execution. And finally, all error-handling paths are tested.

#### **6.1.2. Integration Testing**

Integration testing is the phase in software testing in which individual software modules are combined and tested as a group. Integration testing is a level of software testing where individual units are combined and tested as a group. The purpose of this level of testing is to expose faults in the interaction between integrated units. Test drivers and test stubs are used to assist in integration testing. Integration testing is conducted to evaluate the compliance of a system or component with specified functional requirements. It occurs after unit testing and before validation testing. Integration testing takes as its input modules that have been unit tested, groups them in larger aggregates, applies tests defined in an integration test plan to those aggregates, and delivers as its output the integrated system ready for system testing.

### **6.1.3. System Testing**

System testing is testing conducted on a complete integrated system to evaluate the system's compliance with its specified requirements. System testing takes, as its input, all of the integrated components that have passed integration testing. The purpose of integration testing is to detect any inconsistencies between the units that are integrated together. System testing process is concerned with finding errors that results from unanticipated interactions between sub-systems and system components. Once source code has been generated, software must be tested to uncover (and correct) as many errors as possible before delivery to customers. Our goal is to design a series of test cases that have a high likelihood of finding errors. System testing seeks to detect defects both within the "inter-assemblages" and also within the system as a whole. The actual result is the behavior produced or observed when a component or system is tested.

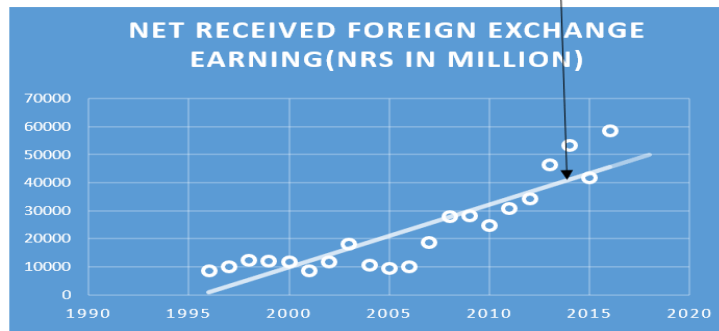
System testing is performed on the entire system in the context of either functional requirement specifications (FRS) or system requirement specification (SRS), or both. System testing tests not only the design, but also the behavior and even the believed expectations of the customer.

### Model testing:

**Table 6.1: Testing for Simple Linear Regression Model**

Case	Process	Result												
<div>Dataset: YEAR (2012-2016)</div> <table><tr><th>Year</th><th>Actual</th></tr><tr><td>2012</td><td>34210.6</td></tr><tr><td>2013</td><td>46374.9</td></tr><tr><td>2014</td><td>53428.8</td></tr><tr><td>2015</td><td>41765.4</td></tr><tr><td>2016</td><td>58526.9</td></tr></table>	Year	Actual	2012	34210.6	2013	46374.9	2014	53428.8	2015	41765.4	2016	58526.9	<div>Identifying Linear regression equation:  Y=-  4478336.394805 195+2244.04155 8441558X</div>	<b>Predicted</b>
	Year	Actual												
	2012	34210.6												
	2013	46374.9												
	2014	53428.8												
	2015	41765.4												
	2016	58526.9												
	<b>36675.221</b>													
<b>38919.263</b>														
<b>41163.303</b>														
<b>43407.345</b>														
<b>45651.3870</b>														

$$Y = -4478336.394805195 + 2244.041558441558X$$



Year	Actual	Predicted
2012	34210.6	36675.221
2013	46374.9	38919.263
2014	53428.8	41163.303
2015	41765.4	43407.345
2016	58526.9	45651.3870

Year	Forecasted
2017	47895.429
2018	50139.470

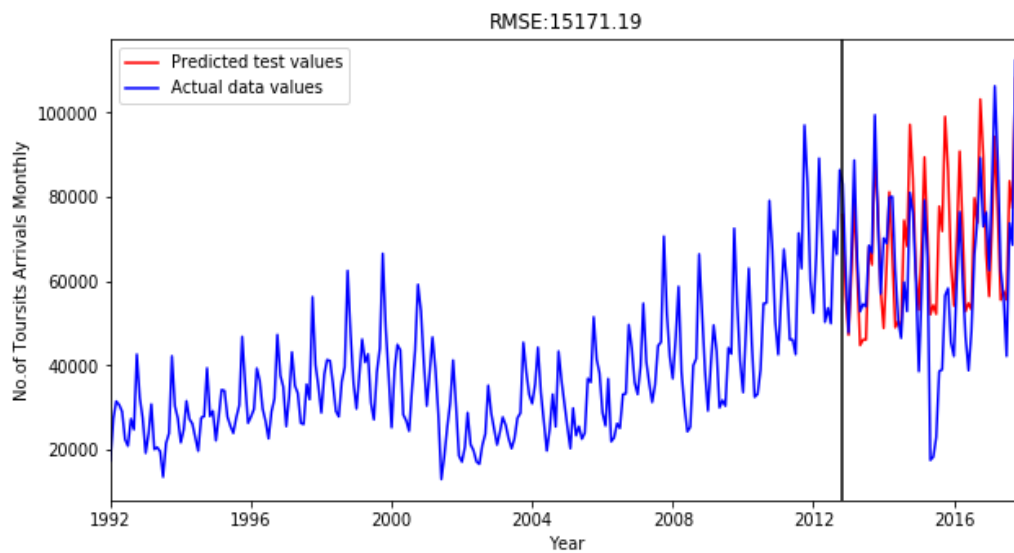
**Figure 6.1: Result of Simple Linear Regression Model**

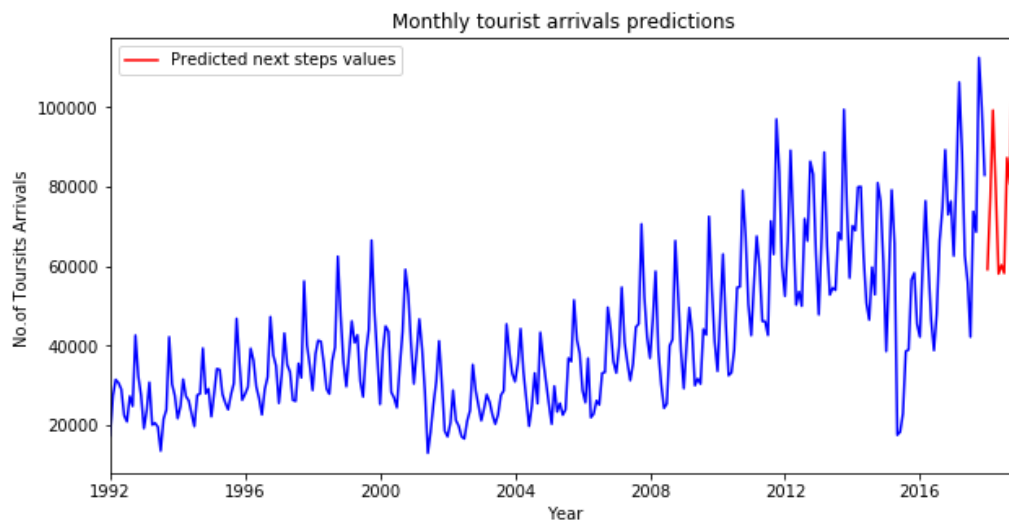


**Table 6.2: Testing for SARIMA Model**

Case	Process	Result
Monthly data of year 2017	Identifying SARIMA model parameters  SARIMA(2,0,3)(2,1,0)[12]	2017-01-01 56410.815408
2017-02 84061		2017-02-01 73766.262696
2017-03 106291		2017-03-01 94300.221202
2017-04 88591		2017-04-01 75569.492869
2017-05 62773		2017-05-01 55572.991131
2017-06 55956		2017-06-01 57552.560166
2017-07 42240		2017-07-01 55608.270074
2017-08 73778		2017-08-01 83756.635899
2017-09 68634		2017-09-01 77339.780661
2017-10 112492		
2017-11 99804		
2017-12 82966		

		2017-10-01 108273.349913
		2017-11-01 94110.867153
		2017-12-01 69684.201630





**Figure 6.2: Result of SARIMA model**

**Table 6.3: Testing for Multilayer Perceptron Model**

Case	Process	Result
Dhorpatan Hunting Reserve,2008,2,4,holiday/Pleasure,Fair,Fair,Poor ,0.010993909	Backpropagation learning algorithm	<b>0.0718440961837769</b>
Chitwan National Park,2008,5,5,holiday/Pleasure,Better,Better,Good ,16.53543937		<b>18.303565979003906</b>

Places	Year	Number of tourist attraction spots	Number of tourist activities available	Main Purpose of visit	Accessibility status	Accommodation status	Health services status	%Tourist arrival
<u>Dhulikhel</u>	2019	6	4	Holiday/Pleasure	Better	Better	Good	21.879255294799805
<u>Helambu</u>	2019	4	3	<u>trekking</u>	Good	Better	Fair	1.0644960403442383
<u>Gokyo Valley</u>	2019	4	3	<u>trekking</u>	Good	Good	Fair	0.13958019018173218
<u>Taplejung</u>	2019	5	3	<u>Trekking&amp;Mountaineering</u>	Poor	Fair	Poor	0.5248016119003296
<u>Bandipur</u>	2019	4	4	Holiday/Pleasure	Good	Good	Fair	2.0926218032836914

**Figure 6.3: Result of MLP model**

## **7. CONCLUSION**

The project activities were focused basically on data collection and preparations along with basic user interface design of the web application. Data collection and preparations tasks usually consumed more time as this required detail consideration of statistical reports and conversion and storage to suitable format before performing data analysis and predictions tasks. The user interface design also involved the understanding of what the application layout looks like and what functionalities should be there exactly in implementation of project goals.

### **7.1. Limitation**

- The web application support only two-level role (i.e. Admin and Guest). There is no guest or user account and admin need to register to this system separately before actually using system
- The analysis and predictions highly depend on the accuracy of data in the data sources. Also, the latest updates depend only on update made by the data source

### **7.2. Future Enhancement**

- Enable application to keep track of guest most visited pages, most downloaded contents
- Enhance admin functionalities like creating other admin registrations, easy admin communications, application usage analytics etc.
- Enhance API functionalities like extract latest data from direct data sources, keep track of API request, responses and report it to admin

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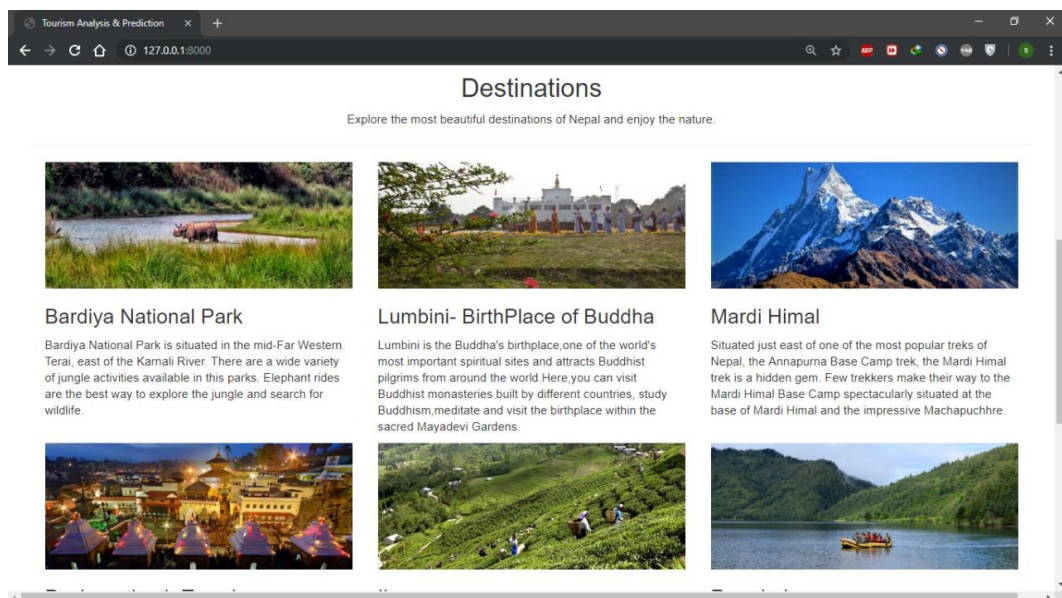
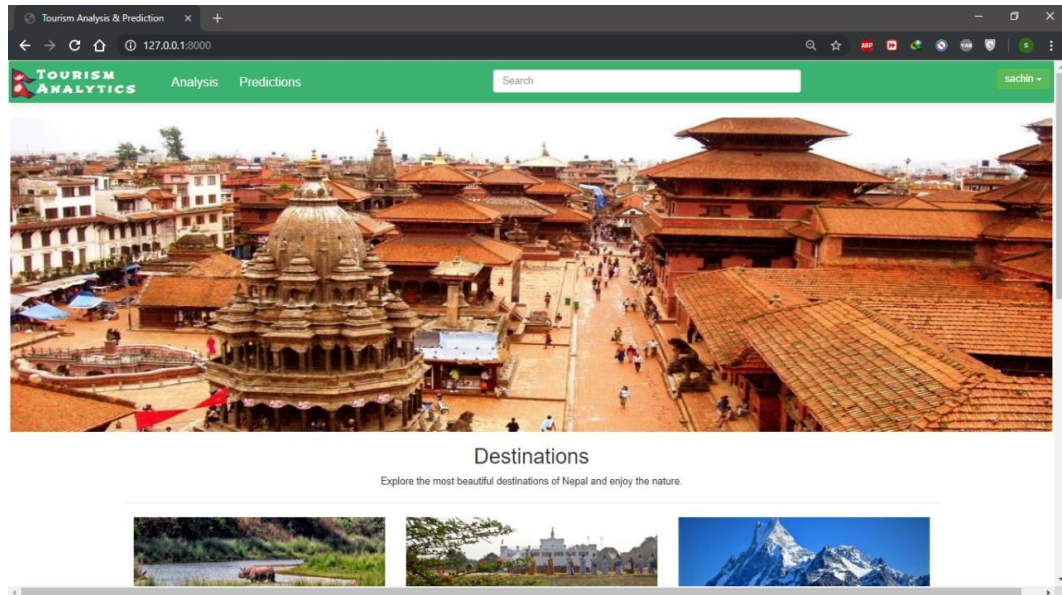
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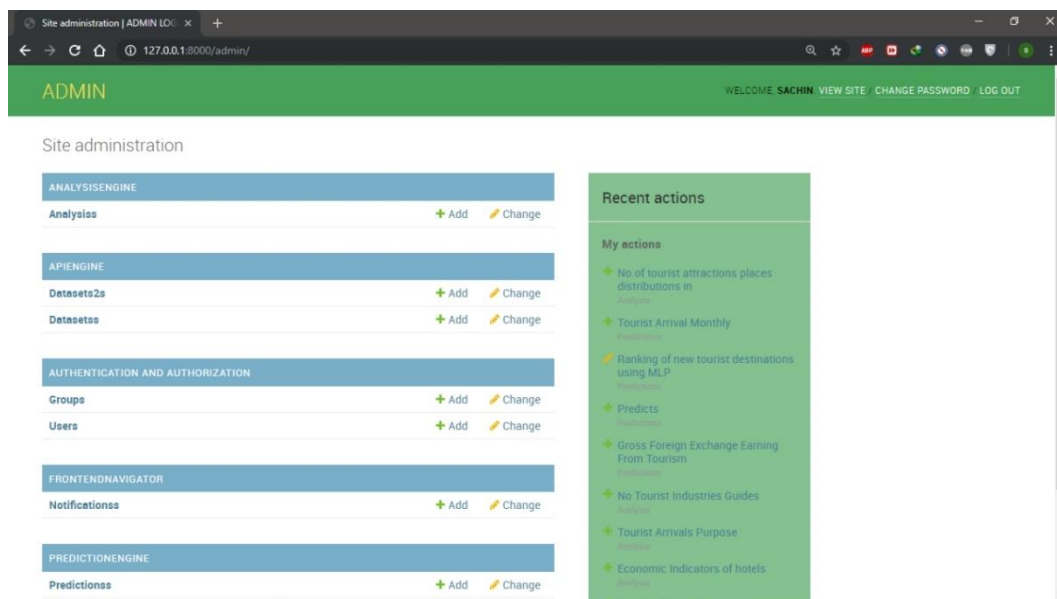
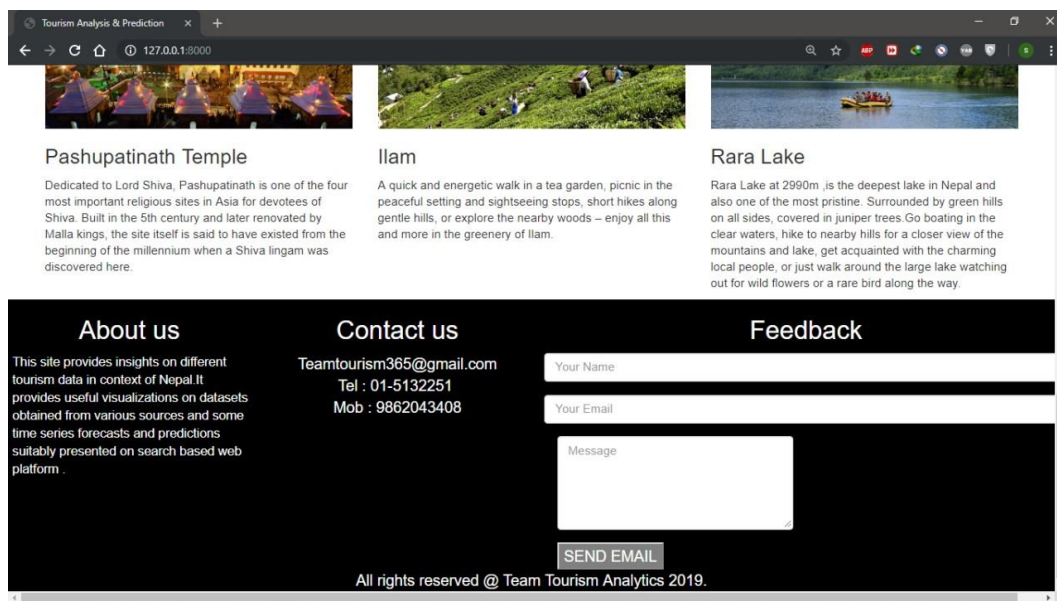
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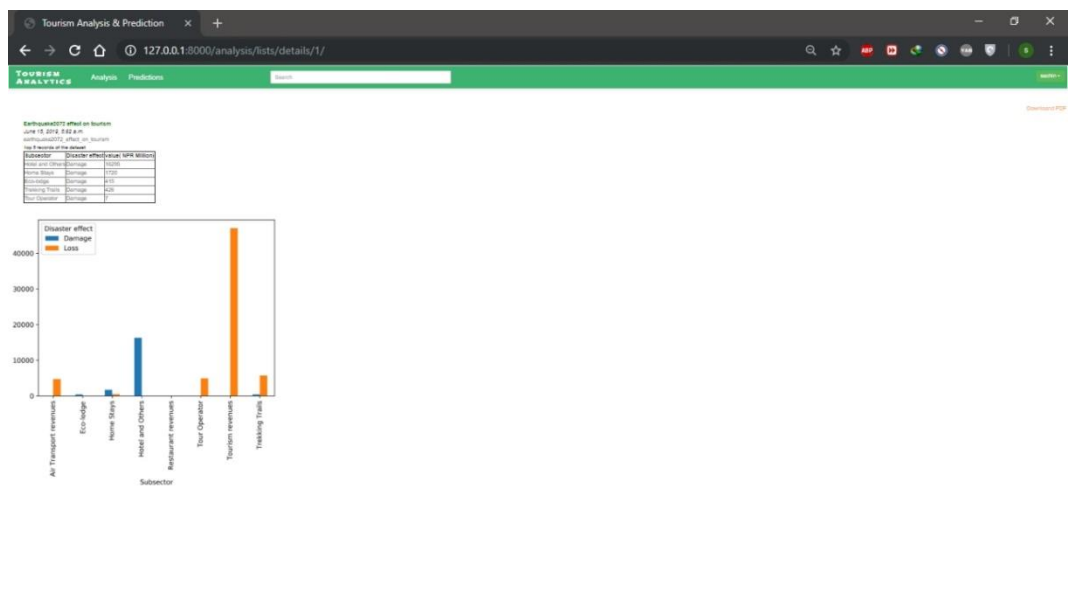
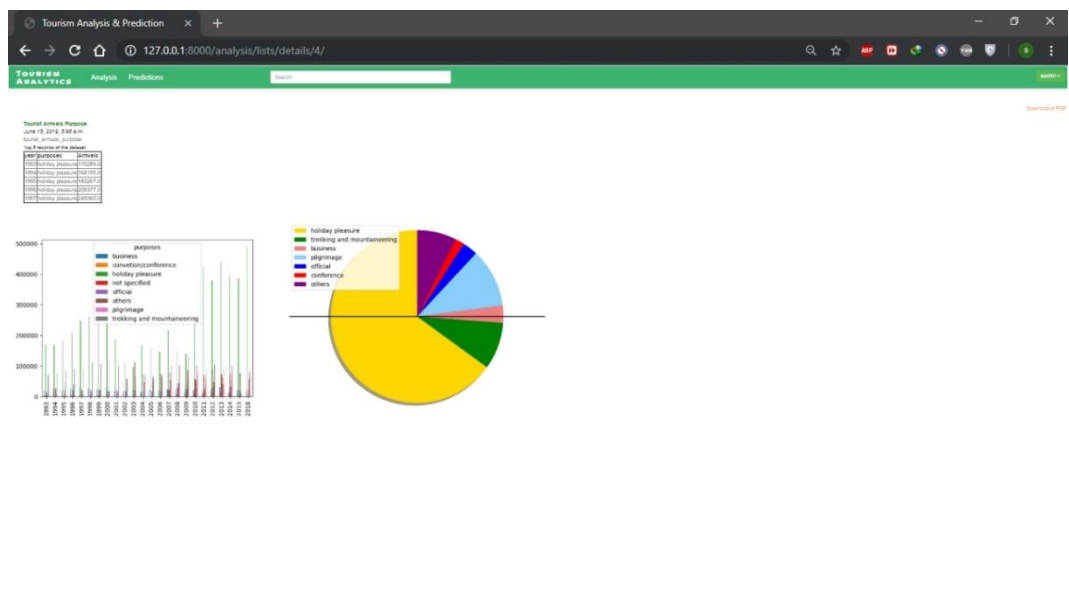


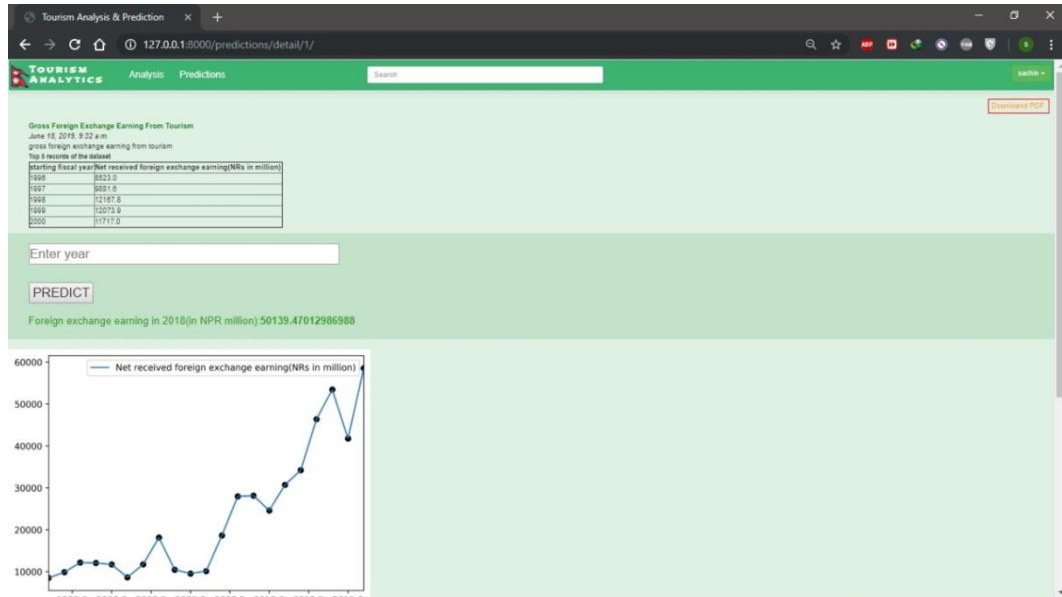
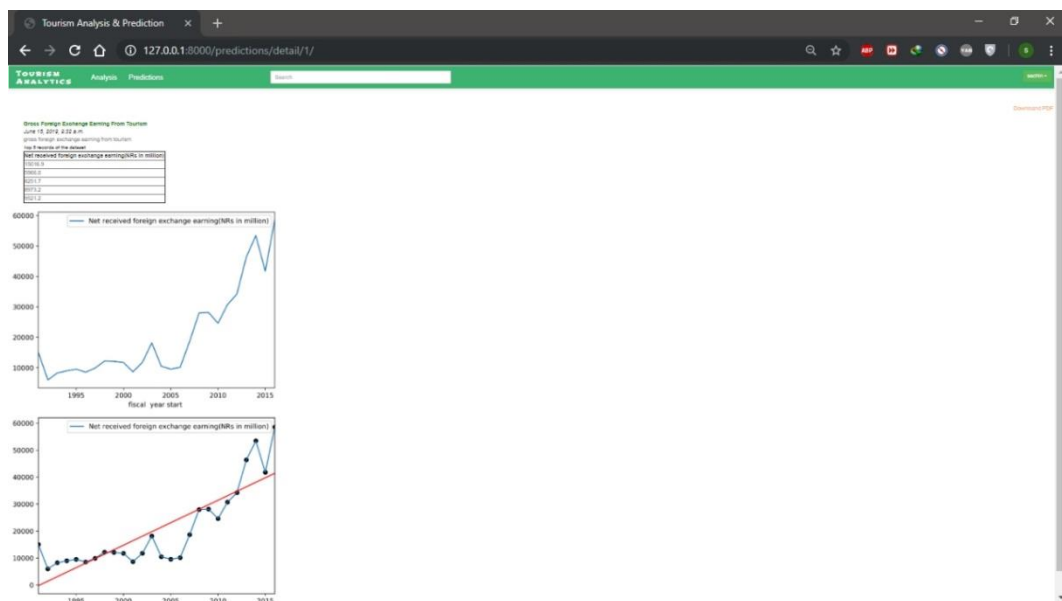
# APPENDIX

## Snapshot of project









Tourism Analysis & Prediction x +

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TOURISM ANALYTICS Analysis Predictions Search

Percentage of tourist arrival prediction using Multilayer Preceptron Model

NAME OF LOCATION: Enter name of location

MAIN PURPOSE OF TOURIST VISIT: Trekking

ACCESSIBILITY STATUS: POOR

ACCOMMODATION STATUS: POOR

HEALTH SERVICES/MEDICAL STATUS: POOR

TOURIST'S ACTIVITIES IN THE LOCATION:

- ☐ Mountain climbing/ Mountaineering
- ☐ Trekking/hiking
- ☐ Spotting birds/animals watching (Photography)
- ☐ Mountain flight
- ☐ Rock Climbing
- ☐ Rafting/kayaking/canyoning/boating
- ☐ Hot air Ballooning
- ☐ Bungee jumping
- ☐ Paragliding
- ☐ Ultralight aircraft flying
- ☐ Mountain Biking
- ☐ Bicycle/Horse riding
- ☐ Jungle safari (Elephant riding/hunting)
- ☐ Indoor Entertainment
- ☐ Meditation religious activities

NUMBER OF NEARBY TOURIST SPOTS/PLACES TO VISIT: Enter no. of spots/places

PREDICT THE PERCENTAGE OF TOURIST ARRIVALS

location name None  
Predicted percentage of tourist arrival out of total tourist arrivals 0  
RECORDS: 0

ACCESSIBILITY

Poor	Fair	Good	Better
-Only local track, trails roads	-Only gravelled or secondary roads	-Metalled or primary roads or feeder road -Railways -National domestic airports	-Highway -International Airport

ACCOMMODATION

Poor	Fair	Good	Better
-Local shops/teahouse and simple home stays	-Local hotels and lodges -Well managed or tourism-oriented homestays and guest houses	-Tourist standard hotels -Tourist class lodge -Registered resorts	-Registered star hotels and lodges -Larger hotels for tourist accommodation

HEALTH & MEDICAL

Poor	Fair	Good	Better
-Only simple sub-health post and health posts	-Primary health care center -Community hospital	-Private clinics -Private small hospitals -District hospitals	-Zonal, Regional Central govt hospitals

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