ABSTRACT. The Eastern province has traditionally suffered economically and in development in more recent decades due to the conflict which has caused major socio-economic problems. As a result, many business sectors virtually vanished from its yield. Tourism industry started in Sri Lanka in 1960 and it was growing till the year 1981 consequently due to the terrorism the tourism sector was severely affected and the number of tourists’ arrival declined. Travel and tourism has become global and is one of the fastest growing industries in the world. Hence, the tourism sectors of nations provide economic development through generation of income and increased employment. Although tourism industry is experiencing the fabulous upward trend in the global tourism market, according to the statistics of SLTDA (Sri Lanka Tourism Development Authority), the tourism sector declined in Sri Lanka before the civil war was brought to an end from the country but still the growth of Sri Lankan tourism is far behind the other tourists’ destinations in the world. After the civil war in Sri Lanka, demand for Sri Lankan destinations is escalating in the international market. It is, therefore, indispensable for Sri Lankan tourism industry to formulate effective marketing strategies for potential growth of the industry.

Hence, the objective of the paper is to investigate the present opportunities and strategically match the tourism products and services in the Eastern region, and to suggest some specific strategies for rejuvenating the tourism industry in coming years in Sri Lankan. Secondary data and past researches have been used for this paper. Data are analyzed using statistical software. The analysis shows that the future trend of the number of tourist arrivals will be rising sharply but Sri Lanka’s tourism industry and specifically Eastern regions facing problems like infrastructure, market driven tourism strategy, developing human resources, and problems derived from cultural diversity of tourists in matching the tourism products and services in the region. Finally, some specific marketing strategies are recommended to exploit opportunities especially in the Eastern Province under this post-war situation to improve the performance in the sector for making Sri Lanka and this region as the best destination in Asia.

Key words: Prospects of Sri Lankan Tourism, Market Driven Tourism Strategy, Cultural Diversity of Tourists, Marketing Strategies, Tourism Products and Services.