Tourism has become one of the most important economic sectors in Thailand, with many international tourists travelling there. With 79% of visitors being international, there are numerous choices of hotels with different prices to respond to these guests’ needs. The economic potential of international guest provides significant income to the Thai hotel industry. By 67% of tourism income is from international travelers and they spend in accommodations about 29% in 2018. Hotel price setting is one of the strategies to appeal to guests, especially, the price which meets the customer’s needs and perceptions. Price represents the customers’ willingness to purchase. Hotel It is necessary to understand guests’ perceptions before increasing price to manage the revenue in the hotel businesses.

The main research question for this dissertation is:

How does price for accommodation in Thailand impact a guest’s perception, and how does this relate to hotel’s services?

In this dissertation, research will be conducted with international guests who have travelled within Thailand both for leisure and business travel’s purposes. The dissertation aims to find a co-relation factor of how these travelers view the price paid for the accommodation against the perceived quality of services they receive. To understand the balancing between price and guests’ perception for hotel’s revenue management and set right price with right target.

The purpose of this paper is to analyse the perception of international guests travelling within Thailand and how the prices paid for their hotel accommodation is linked to the service received and how it impacts their overall stay experience.