

## Price Setting and the Role of Accounting Information

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**Abstract :** Cost accounting information potentially plays an important role in price setting. According to prior research fixed and variable cost information often is a key influence on pricing decisions. The literature highlights the benefits of applying systematic costing systems for enhanced price setting processes. This paper explores how costing systems are used for pricing decisions in the tourism and hospitality industry relative to other sources of price setting information. Pricing based on full cost information was found to have relatively greater importance and short-term survival and customer oriented objectives were found to be the more important pricing objectives. This paper contributes to the literature by providing a recent analysis of accounting's role in price setting within the tourism and hospitality industry.

**Keywords :** cost accounting systems, pricing decisions, cost-plus pricing, market pricing, tourism industry

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