



Dynamic Pricing Demystified: A Comprehensive Guide

How to Perfect Your Pricing Strategy, Unlock Greater Returns,
and Manage Bookings with Ease





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Introduction

In the world of stays, setting the right price for your accommodation is one of the most important factors in achieving success. However, the market is dynamic, and what works today might not work tomorrow. Static pricing can cause you to lose money as demand changes due to local events, seasonality, or broader short-term rental trends.

This is where dynamic pricing helps you take control. Instead of relying on a fixed daily rate, dynamic pricing adjusts your rates in real time based on demand, regional events, and other market conditions. As more travelers choose last-minute trips and booking trends change, dynamic pricing ensures your rental is ready to capture these opportunities. This adaptive approach keeps your lodging effectively priced, maximizing both occupancy and revenue.

While revenue management encompasses many strategies to make more money with your rental, this guide will focus primarily on dynamic pricing. By understanding and implementing dynamic pricing effectively, you can take a significant step towards a more sophisticated and profitable revenue management strategy.

This guide explains the importance of dynamic pricing, debunks common myths, and outlines how to leverage Beyond's advanced revenue management solutions to seamlessly increase bookings and revenue. Whether you're new to the concept or looking to optimize your current strategy, this guide helps you fully utilize the potential of dynamic pricing to achieve greater profits and easily manage bookings.



Why Dynamic Pricing is Critical for Success

Dynamic pricing is more crucial than ever for success in the Stays Industry. While platforms like Airbnb, Vrbo, and Booking.com offer useful tools for managing properties, they primarily provide foundational insights and fixed pricing recommendations. These platforms help property managers and hosts connect with travelers but don't provide the advanced, real-time pricing adjustments that dynamic pricing and revenue management solutions offer.

In today's volatile vacation rental market, demand fluctuates constantly due to factors like seasonality, high-profile events, local regulations, and oversupply of rentals. Without dynamic pricing, property managers risk losing revenue during high-demand periods or overpricing their listings in quieter times, leading to vacancies. This is especially critical in saturated markets where pricing competition is fierce, and staying ahead requires more than just tracking nearby listing rates.



Why is Dynamic Pricing Essential?

1

Adapting to Real-Time Market Conditions:

The stays industry experiences constant fluctuations due to local events, weather, and broader market shifts. Dynamic pricing enables property managers and hosts to respond to these fluctuations by adjusting rates at the same time. For instance, a Taylor Swift concert in town can spike demand for short-term rentals. Property managers and hosts using dynamic pricing can quickly raise rates to capitalize on this surge, while after the event, they can lower rates to attract last-minute travelers.

Current trends show more travelers booking with shorter lead times, and dynamic pricing lets you stay agile, adjust to last-minute demand shifts, keep your properties competitively priced, and maximize both occupancy and return on investment (ROI).

2

Navigating Saturated and Regulated Markets:

As more hosts enter the short-term rental space, the market is becoming increasingly competitive, particularly in urban areas and popular vacation destinations. Dynamic pricing helps property managers stay competitive by allowing them to adjust prices based on real-time data from the market, rather than relying on set rates. This flexibility is crucial in areas where local governments have imposed regulations, such as caps on rental nights or licensing restrictions, which can limit the availability of bookings. Hosts using dynamic pricing maximize revenue for the bookings they are allowed, guaranteeing growth despite regulatory constraints.



Why is Dynamic Pricing Essential? (cont.)

3

Managing Low-Demand or Data-Scarce Markets:

In regions with lower demand or limited market data, property managers and hosts can still make informed pricing decisions using Insights by Beyond. With Insights, property managers can access a range of data points, including historical booking trends, real-time market data, guest searches, and owner-specific analytics. Together, these metrics help create a comprehensive view of what drives bookings in even the markets with the most limited amount of data. By integrating search patterns with historical data and real-time market trends, dynamic pricing becomes more accurate, helping property managers attract bookings even in more sporadic destinations.

4

Capturing Long-Term Stay Trends:

The rise of remote work has significantly increased demand for mid- and long-term stays. Travelers are now looking for flexible options that allow them to live and work in new locations for extended periods. Dynamic pricing is critical in this scenario because it allows property managers and hosts to adjust their rates strategically, accounting for day-of-week fluctuations to encourage longer stays. While specific property management systems may offer length-of-stay discounts, Beyond can provide data to suggest average daily rates that remain competitive for short and long-term stays. This flexibility helps property managers capture diverse travel types, maximizing occupancy across a variety of traveler types.



Why is Dynamic Pricing Essential? (cont.)

5

Mitigating Risk in Uncertain Economic Conditions:

Economic downturns, sudden travel restrictions, or global events like pandemics can severely impact traveler behaviors, leading to volatile booking patterns. Dynamic pricing provides the flexibility to adjust rates strategically over longer periods, helping property managers maintain profit potential during economic slowdowns. By lowering rates in response to weakened demand and raising them when markets recover, property managers and hosts can protect revenue streams and avoid lengthy vacancies. This proactive approach ensures sustained business performance even when faced with economic uncertainty.

Plus, Beyond's Year-over-Year and Compare-to-Market Analyses make it simple to track how your listings are performing as they relate to the market and previous years. This helps to quickly spot trends and fine-tune your strategy.



The Myths of Dynamic Pricing

Despite its proven benefits, there are some common misconceptions about dynamic pricing that can cause hesitation for property managers, owners, and even the support teams that help run the business. We must address these myths and shed light on how dynamic pricing truly works, especially with Beyond solutions designed to make pricing intuitive and effective, without adding complexity to day-to-day operations.

Myth #1: Higher rates always mean higher revenue

Fact: Charging the highest rate doesn't always lead to more revenue. When demand is low, high rates can deter bookings. Dynamic pricing adjusts rates in real time, ensuring competitiveness, filling your calendar, and boosting overall revenue.

Myth #2: Dynamic pricing takes control away from the owner or revenue manager

Fact: Dynamic pricing gives you more control, allowing you to set base prices, minimum and maximum rates, and make manual adjustments. It works alongside your preferences, not against them, allowing you to define your comfort zone while optimizing rates where it counts. Rest assured, prices will never exceed your maximum or drop below your minimum, ensuring your rates always align with your goals.

Myth #3: Dynamic pricing is too complex to implement

Fact: Dynamic pricing automates adjustments based on market trends and booking patterns. You set parameters, and the system handles the rest, simplifying the process while optimizing rates.

Myth #4: Dynamic pricing will create extra work

Fact: You or your admin staff might worry about the extra effort of adjusting rates manually, but dynamic pricing automates this for you. It reduces workload, streamlining rate updates while allowing staff to focus on guest communication and operations. Starting is easy, and the Onboarding team supports you every step of the way for a seamless and successful setup.

Myth #5: Dynamic pricing makes financial forecasting harder

Fact: You and your financial teams might be concerned that fluctuating rates complicate forecasting. However, dynamic pricing solutions offer detailed reports and historical data, helping stakeholders make more accurate revenue predictions based on real-time market conditions.

Myth #6: Guests are turned off by fluctuating prices

Fact: Your reservationists may worry about explaining fluctuating nightly rates to guests, but travelers are used to it in industries like airlines, rideshares, and hotels. Dynamic pricing helps offer fair rates based on demand and cuts down on back-and-forth price negotiations. It also gives reservationists the chance to build trust by helping guests find dates within their budget, strengthening relationships along the way.

Myth #7: Dynamic pricing only benefits large portfolios

Fact: Small-scale owners often believe dynamic pricing only benefits large property managers. In reality, it helps both small and large portfolios by adjusting rates based on demand. Even owners of one or two properties can capture more bookings during slow periods, helping them stay competitive.

Myth #8: Frequent searches for my listing will cause nightly rates to skyrocket

Fact: Beyond's dynamic pricing doesn't just rely on search activity. We combine machine learning, data science, and over a decade of in-house market insights to ensure your pricing is always accurate and competitive. Unlike other solutions that depend solely on algorithms, we refine our approach with human revenue management expertise. We finely tune your rates based on real bookings, market demand, and competitive data. No matter how often your property is searched, we keep your prices intelligent, balanced, and within the limits you set.

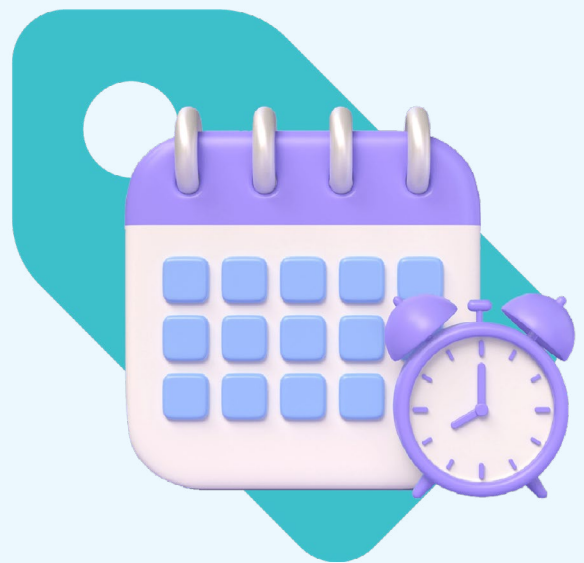
How Beyond's Dynamic Pricing Works

Dynamic pricing is a flexible pricing strategy designed to help vacation rental managers and hosts maximize both occupancy and revenue. It automatically adjusts rates in real time based on key factors like market demand, local events, seasonality, and competitor pricing. This ensures your property remains competitive and profitable without relying on static pricing models that fail to adapt to changing conditions.

At the core of Beyond's system is a combination of machine learning and insights from revenue management experts. Property managers and hosts can set a Base Price, which serves as the foundation for rate adjustments. During high-demand periods, rates rise to capture more revenue, while in slower periods, they decrease to attract bookings and maintain occupancy. The system consistently adapts your Base Price based on booking pace and market trends, ensuring pricing remains competitive.

Beyond also monitors emerging trends like shorter lead times, enabling property managers to adjust prices quickly for last-minute bookings. This keeps your listing competitive and fully booked, even with sudden changes in traveler demand. A major benefit of dynamic pricing is it removes the uncertainty from pricing. Instead of depending on manual updates or static pricing that can leave money on the table, dynamic pricing responds instantly to changes in market demand.

Beyond's dynamic pricing gives vacation rental managers and hosts full control over their pricing strategy. You can set minimum and maximum price thresholds, adjust rates for specific dates or events, and manage prices for short gaps between bookings. This flexibility keeps your pricing aligns with your business goals while leveraging automation. You can also apply Last Minute Discounts or set up Future Price Increases to capture more bookings during low-demand periods or

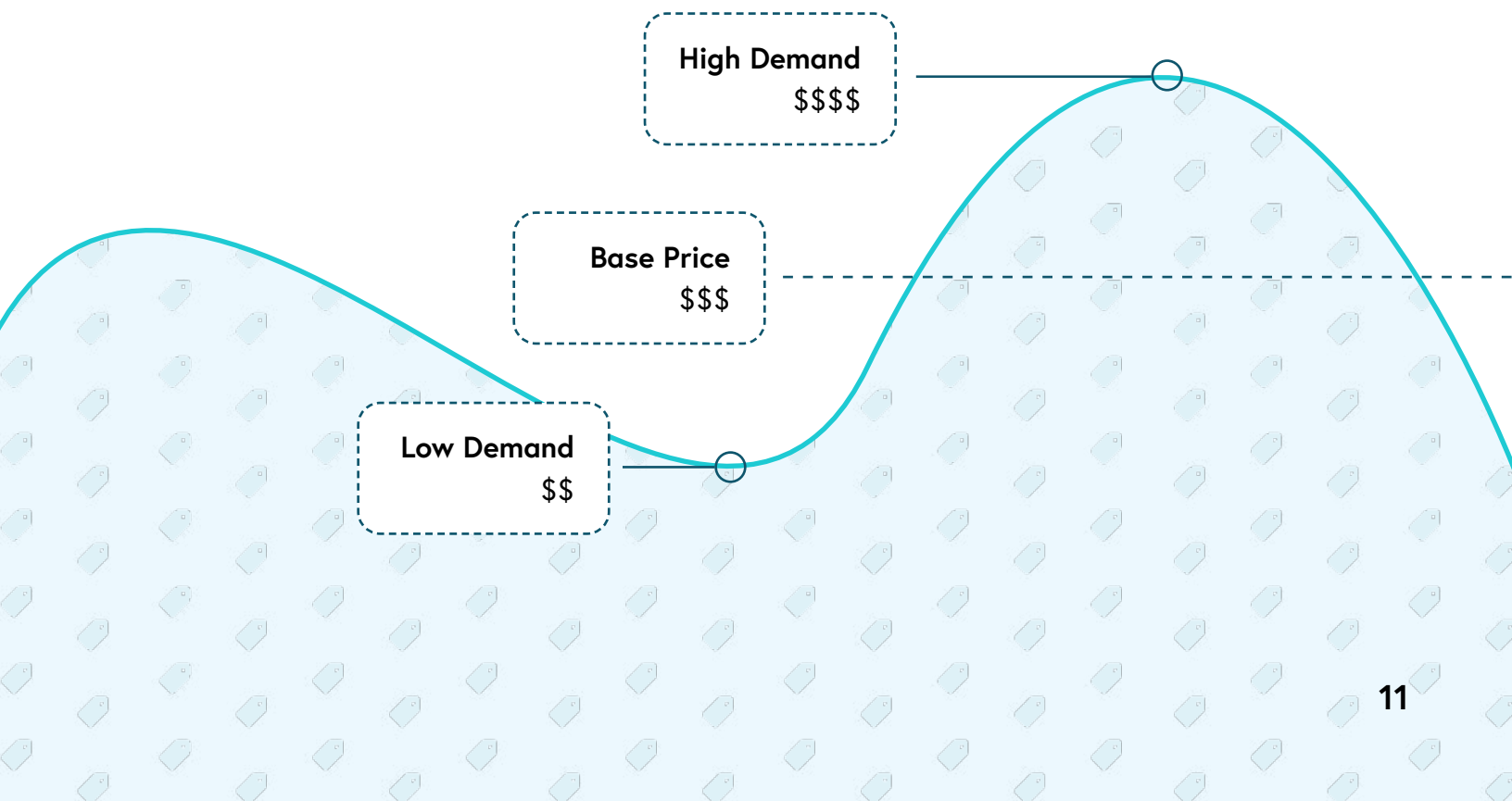


How Beyond's Dynamic Pricing Works (cont.)

In regions like Europe, where property managers often reduce the minimum stay requirement while increasing rates to fill shorter gaps, Beyond offers full customization. For example, if you have a one-night gap between reservations, the system can adjust the price automatically to fill that unbooked day, or you can raise rates for shorter stays to drive higher income. This lets your strategy adapt smoothly to market conditions.

Hosts and property managers can adapt to changing booking patterns with dynamic pricing. While lower-priced listings might get booked quickly for far-off dates, dynamic pricing aligns your rates with real-time conditions, helping you capture bookings at the most profitable rates when the time is right. Daily rate changes are part of this strategy, reflecting fluctuating demand and maximizing your revenue opportunities across different market conditions.

Vacation rental managers and hosts can trust Beyond's dynamic pricing to continuously optimize their rates based on market trends, real-time demand, and evolving guest preferences. The result is a revenue management strategy that keeps your accommodation booked and profitable, no matter what the market throws your way.



Dynamic Pricing in Action

Dynamic pricing isn't just a theory or strategy—it delivers real, measurable results. Property managers and hosts who implement dynamic pricing into their revenue management plan quickly see how real-time adjustments lead to increased occupancy, optimized revenue, and improved competitiveness. In this section, we'll showcase how dynamic pricing works in practice across different market conditions, while addressing some common concerns property managers and owners often raise.



Perfecting Your Pricing Strategy with Beyond Insights



Dynamic pricing is most effective when paired with actionable insights, and Beyond goes far beyond the basics to give you an edge. We deliver real-time market analysis, direct competitor comp sets, and automated personalized recommendations that help

you refine your pricing strategy with precision. But we don't stop there—our guest search data helps you make intelligent decisions on where to invest in amenities and tailor your marketing strategies to align with trending guest interests, ensuring your listing is always ahead of the curve.

With Beyond's comprehensive insights, including [Owner Insights](#), you can focus on the metrics that matter most to you and your property. These insights also help you maintain strong relationships with key stakeholders—whether investors, local governments, or homeowners—by offering personalized performance reports that highlight exactly how well their listings are doing. It's all about delivering the data you need to succeed while keeping everyone in the loop.

Beyond doesn't just give you data and charts—it equips you with powerful capabilities with information that is easy to interpret and act on. You'll see exactly how your rental performs in the context of market conditions, understand guest behavior trends, and use this knowledge to anticipate demand. This means you can adjust your strategy proactively rather than reactively, ensuring you're always ahead in an ever-changing market. With Beyond, dynamic pricing and revenue management becomes less about guessing and more about accuracy, leading to more bookings, increased revenue, and a stronger competitive edge.



Addressing Common Questions

While the benefits of dynamic pricing and data-driven insights are clear, it's natural to have questions or concerns—especially if you're new to this approach or managing multiple listings. Below, we address some of the most common questions we hear from property managers and hosts, to ensure you're comfortable and confident as you integrate dynamic pricing into your strategy:

1

What settings should I prioritize when getting started?

Start by setting a solid [Base Price](#) that reflects your listing's value and past performance. Our experts are available to help guide you through this process. Then, set a [Minimum Price](#) to protect your revenue during low-demand periods. While the option to set a [Maximum Price](#) is available and may be necessary in some cases, it's generally best to avoid it to prevent capping your revenue potential.

To ease into dynamic pricing, try a small adjustment—start with a 3% increase, and gradually move to 5%. This slow, steady process allows you to test the waters and see how dynamic pricing works for your property. Once your core settings are in place, you can fine-tune pricing for local events, peak seasons, and other special periods to ensure optimal results.

2

How do I know it's working for me?

Beyond provides real-time insights to track the performance of your listings. You can monitor metrics such as occupancy rates, booking pace, and revenue to see how dynamic pricing impacts your bottom line. Comparing these results to previous periods and to your market will show how effective dynamic pricing is in boosting bookings and earnings.

Addressing Common Questions (cont.)



3

When will I start seeing results?

Results vary based on factors like your type of listing, market trends, and unforeseen circumstances. For example, listings in the same building but with different characteristics—such as one being on a higher floor with a better view or upgraded amenities—may see different results, as their pricing will reflect these individual features. This allows each listing to capture its unique market value. High-demand properties may see improvements quickly, while others might take longer to adapt.

In general, dynamic pricing will begin working immediately, but significant revenue growth and booking trends often appear over time as the system adjusts to your market's unique conditions. In many cases, you'll see results within a couple of weeks to a couple of months as pricing becomes more optimized for your property and market.

4

How much control will I have over pricing my listings?

You maintain control of your pricing strategy. While Beyond automates price adjustments based on real-time data, you can set your Base Price, define minimum and maximum prices, and use functions like the [Customize tab](#) to create seasonal settings for specific events or dates. You can even [override suggestions](#) if you need to, giving you flexibility while benefiting from dynamic pricing automation.

5

How do seasonal changes impact dynamic pricing?

Seasonal fluctuations have a significant impact on booking demand, and Beyond's dynamic pricing system automatically adjusts your rates to reflect these changes. During peak seasons or holidays, your prices will increase to capture higher demand, while during slower times of the year, the system lowers rates to remain competitive and attract bookings. This ensures that your rental's pricing reflects real-time market conditions without you needing to monitor it constantly.

Addressing Common Questions (cont.)



6

Will dynamic pricing account for local events I'm not aware of?

Yes, Beyond's dynamic pricing system continuously monitors local events, such as festivals, concerts, and conferences, and adjusts your rates accordingly. Even if you're unaware of an event, Beyond's system will detect the increased demand in your market and raise prices to match. This allows you to capitalize on high-demand periods, ensuring your listing remains competitive and optimized for local happenings.

7

How does it handle last-minute bookings?

Beyond's [Time Based Adjustments](#) in the Customize tab allow you to fine-tune your pricing strategy for last-minute bookings. If your property has vacancies approaching check-in dates, the system will lower prices slightly to increase your chances of securing last-minute guests. This helps prevent your property from sitting vacant, ensuring you maximize occupancy without having to constantly review your calendar to see where best to adjust rates.

8

Can I run promotions and still use dynamic pricing?

Yes, you can run promotions or offer discounts while continuing to use dynamic pricing. Any promotions or discounts set in your channel will apply on top of the pricing and settings that Beyond pushes to your respective channel. This allows you to offer attractive deals without disrupting your overall pricing strategy, ensuring that dynamic pricing continues to optimize your rates while factoring in any special promotions.

Addressing Common Questions (cont.)

9

Can I apply settings within my Online Travel Agency (OTA) while using dynamic pricing?

Yes, you can manage settings within your online travel agency (OTA), like Airbnb or Booking.com, while still using dynamic pricing. For most OTAs, settings like availability, guest requirements, and other preferences can be handled directly on the OTA platform, while Beyond continues to automatically adjust your pricing. However, in some cases, like with Booking.com, you can also manage availability directly within Beyond, streamlining your property management process. This flexibility allows you to maintain control over your listings while benefiting from dynamic, optimized pricing across all platforms.

10

Will guests be turned off by fluctuating prices?

Travelers today are accustomed to dynamic pricing in industries like airlines, hotels, and ride-sharing, where rates adjust based on demand. Guests generally expect pricing to vary and often appreciate the chance to book at a lower rate during quieter periods. By ensuring your listing remains competitively priced, dynamic pricing can improve the guest experience by offering fair rates in real time. Clear communication in your listing description can further help explain why prices may change,



Owners Thriving with Dynamic Pricing and Insights

Property managers and hosts using Beyond have experienced significant improvements in revenue, efficiency, and business growth. Here are some standout success stories:



[Lahinch Property Management](#) is an Ireland-based property management company that experienced a 50% increase in revenue. They capitalized on last-minute bookings by adjusting their nightly prices quickly, capturing more last-minute travelers as condensed lead times became more common in their market. Automating their pricing strategy allowed them to better manage over 50 properties and stay competitive by adjusting rates for local events and holidays.



[Josh's Cabins](#) in the U.S. doubled their annual revenue after switching from a basic pricing tool to Beyond's dynamic pricing. This solution saved them countless hours previously spent on manually updating rates. By leveraging real-time data, they optimized booking rates and filled vacancies more effectively, resulting in higher occupancy rates and earnings.



[Shafiq](#), operating across various international markets, achieved an 84% increase in profits. The system's ability to handle complex pricing scenarios across multiple markets helped the team focus on growing their portfolio rather than day-to-day pricing.

Owners Thriving with Dynamic Pricing and Insights (cont.)



[Conciergerie Océane](#), based in France, saw a 40% boost in returns after implementing Beyond. The system allowed them to dynamically adjust rates during peak demand periods, helping them maintain competitive pricing in the European market.



[Wonder Where to Stay](#), operating in Italy, experienced a 22% growth in ADR (Average Daily Rate) and a 94% occupancy rate after onboarding with Beyond.



[Home in Calpe](#), located in Spain, reported a 25% rise in earnings and a 15% increase in RevPAN (Revenue Per Available Night) within a year of using Beyond. They attracted more bookings from domestic and international

These accomplishments are some of the successes our customers achieved using Pricing by Beyond and they demonstrate Beyond's ability to drive revenue and optimize pricing strategies, making it a vital solution for property managers and hosts looking to stay competitive and profitable in today's industry of stays and accommodation.

Key Takeaways



- ➔ Whether you're dealing with regulatory restrictions, low-demand regions, or economic uncertainty, dynamic pricing helps you stay competitive and adjust your strategy to changing conditions.
- ➔ Dynamic pricing myths stem from misunderstandings—it's a powerful, user-friendly solution that can simplify pricing, increase guest satisfaction, and boost revenue.
- ➔ Unlike other budget dynamic pricing tools that only focus on basic pricing adjustments, Beyond offers a comprehensive revenue management solution that includes dynamic pricing. Beyond's suite of products, offers actionable insights and automation, helping you optimize your strategy without sacrificing control.
- ➔ Beyond's advanced insights provide real-time data on market trends, guest searches, and competitor performance, making pricing adjustments more precise and helping our customers capture more bookings.
- ➔ Property managers and hosts using Beyond's Pricing and Insights solutions report increased bookings and improved revenue performance. We are recognized as the best in the industry, taking dynamic pricing to new levels with proprietary data, machine learning, and revenue management expertise that help you save time and earn more money.

Dynamic pricing is no longer an option—it's a necessity for success in today's vacation rental market. Let Beyond guide you through the process of perfecting this powerful tool, ensuring your property thrives no matter what the market brings.