

## Abstract

This study aims to examine the empirical evidence on the relationship between price and quantity/demand relation in the hot yoga market in Taipei. While doing so, this study also tries to generate awareness on the importance of price policy and market segmentation to maximize industry profitability and market share.

The primary research undertaken in this study has carried out direct survey of Taipei consumers via questionnaire and applied SPSS statistical analysis, to find out the most accepted price band consumers are willing to pay and the major factors participating in their decision processes.

Attrition and membership turnover is endemic in the fitness industry. One of the largest studies undertaken on the topic of membership retention rate, was conducted in the UK and found that the attrition varied from 11 to 62 percent. After 12 months, the best clubs lost one member out of every ten and the worst were losing more than six out of ten per year. Termination of membership appear closely related to cost dissatisfaction (FIA, 2001). Understanding the underlying factors to influence cost dissatisfaction can serve as basic information to increase membership retention rate and essential reference information for new entrant's price policy and marketing programs.

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**Key words:** price policy, market segmentation, industry profitability , retention rates , cost dissatisfaction.