

## Chapter 5 - Conclusions and Suggestions

This study, I attempted to understand consumers' responses toward different prices presented in Taipei hot yoga market, ranging from NT250~NT700 per class. Contrary to expectations, consumers are *less sensitive* toward recent prices adjustments presented in the market, and estimate that the most reasonable price according to the study should be in the range of **NT\$450~NT\$500**. There are complimentary factors to price that may affect consumers "Brand Perception", such as instructor's professionalism, location, environment and service, that will play important roles in the purchasing decision process. Among these factors, instructors' quality and professionalism are presented as consumers' top concern, especially for the frequent users, this is a peculiar group that is continuing searching for room of improvement, following a right mentor's value is much beyond what a price discount present. For existing members, there are several implications that must be considered before heading to another studios, and these are: (1) *Cluster formation*: once clusters are created, attrition rate will be reduced, as yoga studio will be their second family. (2) *Membership contract binding*: earlier attrition may cause penalty and force them to stay where they are until the membership expire. (3) *Personalized service*: once members stay longer in the studio, personalized service and privileges are important, and these are the values that they cherish and something that competitors cannot immediately offer. (4) *Seniority*: although it sounds awkward, but from my personal observation of yoga studios' members' interaction, seniority will be an important issue for "some" of the members, heading to new studios will make them feel unattended. Bringing all the implications and factors together after this research, the study found that "price elasticity" cannot be totally applied to yoga industry, the change of price will not immediately trigger an increase in revenue, unless the price change is noticeable (over 50%), but still the increase may be *laggard*, due to their shifting cost increase.

This study feels compelling to address the importance of "*brand perception*", players should find their own *niche*, after knowing that price competition will not trigger immediate sales increase. Improved communication programs to better convey the membership value will improve brand perception and increase members retention rate.

### Limitations and Future Research

The scope of this study is limited to price elasticity in "Hot Yoga Market". Future research should extend the current study to include other sports memberships, to gather a complete analysis and serve as strategies for sport marketers.

The fewer number of significant effects obtained for the oldest group may, in part, be attributable to the small sample size obtained from the group. This can be seen as a weakness

for this research and future research should overcome this weakness.

If the elderly are to constitute a distinct market segment, their shopping behavior, desires, needs, or consumer problems must be unique (Lambert,1979). It should be noted however, that while age differences represent a convenient segmentation tool upon which to base product communication efforts, care must be taken in attempting to generalize age-related differences, particularly for older people (Davis&French,1989). In fact, Oyer (1976) states that the elderly are the most heterogeneous segment of the population, arguing that they differ more from one another than any other corresponding age group. Although this study on age related differences was investigative in nature, the findings suggest many interesting directions for future research on the increasing important demographic segmentation variable. Since information is more ubiquitous and cluttered, it is increasingly important that consumers be given quality information, in proper format, and at the right time. A greater understanding of which factors differentially influence the information acquisition and purchasing strategies of younger and older adults will assist marketers in designing the most effective method of presenting information to each age group.

