

## EXECUTIVE SUMMARY

Generation Y is regarded as the biggest potential market for manufacturers and retailers. This study seeks to use lifestyle segmentation method to generate lifestyle segments and Price Perception Construct to identify the consumer behavior of Macau Generation Y. Activities, Interests and Opinions (AIO) statements and Price Perception Constructs were drawn from previous research, and two new lifestyle dimensions: Green Consumer and Internet User were introduced in this study. A questionnaire was constructed that included the AIO statements, price perception items and demographic items. The survey was administered to a sample of 600 secondary school students.

The data from the AIO statements underwent a principal components factor analysis, which revealed 8 factors: 1. fashion conscious and advertising driven, 2. sporting, 3. self-confident, 4. versatile, 5. green awareness, 6. IT-orientation, 7. homebody, and 8. socially driven. Factor scores were computed and submitted to a cluster analysis. This revealed 4 clusters: 1. lukewarm shopper, 2. Y-yuppies, 3. energetic green, and 4. shell shopper. The segments differed on several consumer attitude and behavior measures.

Results also showed that only source of pocket money did not differ significantly on the price perception constructs. For those demographic variables such as gender, class level and monthly income of the students had significant difference on some of the price perception constructs. In addition, the four lifestyle segments showed statistically significant difference on the price perception constructs. Implications are drawn for both marketing strategists and policy makers trying to communicate with the Generation Y.