



EFFECT OF SUBSCRIPTION CULTURE ON CONSUMER SPENDING PATTERNS

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ABSTRACT

In recent years, the concept of subscription culture has significantly transformed the way consumers access products and services. Instead of making one-time purchases, consumers increasingly prefer subscription-based models that allow them to pay a fixed amount on a regular basis for continuous access to goods and services. Subscription services have expanded across multiple sectors such as entertainment, music streaming, cloud storage, software applications, online learning platforms, beauty products, food delivery services, and even daily essentials. This shift from

ownership to access has created a new consumption pattern that influences how individuals manage their spending and purchasing decisions. The present study aims to analyze the effect of subscription culture on consumer spending behaviour. The research focuses on understanding how subscription services influence purchasing habits, financial management, and overall consumption patterns among consumers. The study also examines the factors that motivate individuals to adopt subscription services, such as convenience, affordability, flexibility, and personalized user experiences. In addition, the research explores whether the increasing number of subscription services leads to higher monthly expenditures and



impulsive spending among users. The study is based on primary data collected through a structured questionnaire from 100 respondents belonging to different age groups. The collected data was analyzed using statistical tools such as percentage analysis, correlation analysis, and chi-square test to identify patterns and relationships between variables. The findings indicate that younger consumers, particularly those between the ages of 18 and 23, show a higher tendency to subscribe to multiple services due to their familiarity with digital platforms and preference for convenience. The results of the study reveal that subscription culture offers several advantages, including ease of access, cost efficiency, and continuous service availability. However, it also encourages recurring spending, which may lead to increased financial commitments over time. Many consumers tend to subscribe to multiple platforms simultaneously, often underestimating the cumulative cost of these subscriptions. Overall, the study concludes that subscription culture has a significant influence on modern consumer behaviour and spending patterns. While subscription services provide convenience and flexibility, consumers need to be more aware of their spending habits to manage recurring expenses effectively. The research highlights

the importance of financial awareness and responsible subscription management in the evolving digital economy.

1. INTRODUCTION

In recent years, the global marketplace has witnessed a major shift in consumer purchasing behaviour due to the rapid growth of subscription-based services. Digital platforms such as OTT streaming services, music applications, cloud storage systems, software tools, and online memberships have popularized subscription models that allow users to access services through recurring payments instead of making one-time purchases. These services offer continuous access, convenience, personalization, and flexibility, which have attracted a large number of consumers.

The rise of the subscription economy has significantly altered traditional consumption patterns. Consumers today increasingly prefer flexible payment options that provide ongoing access to products or services rather than outright ownership. Subscription models enable consumers to enjoy premium services with relatively smaller periodic payments, making them appear more affordable and convenient. However, while subscription services offer numerous benefits, they also



introduce regular financial commitments that may influence consumer spending behaviour. Recurring payments, automatic renewals, and multiple subscriptions across different platforms can lead to unnoticed spending and may affect consumers' budgeting and savings patterns.

Therefore, understanding how subscription culture influences consumer spending behaviour has become an important research area. This study focuses on analysing the relationship between subscription services and consumer spending patterns, particularly among young consumers who frequently use digital subscription platforms.

2. STATEMENT OF THE PROBLEM

The rapid expansion of subscription-based services has changed traditional purchasing behaviour by encouraging consumers to make recurring payments for digital products and services. Many consumers subscribe to multiple platforms such as OTT streaming

services, music platforms, and online memberships without actively monitoring their recurring expenses.

As a result, subscription culture may lead to increased spending, reduced financial awareness, and difficulty in managing personal budgets. Additionally, automatic renewal systems and complex cancellation processes may cause unexpected charges and financial inconvenience for consumers.

Despite the increasing popularity of subscription-based services, there is limited understanding of how these services influence consumer spending patterns and financial behaviour. Hence, this study aims to examine the effect of subscription culture on consumer spending patterns and identify the factors that influence subscription usage and spending behaviour.

3. OBJECTIVES OF THE STUDY

The main objectives of the study are:

- To examine the growth of subscription culture across different sectors.



- To identify the effect of subscription services on consumer spending patterns.
- To analyse how multiple subscriptions influence consumer budgeting and financial planning.
- To study the challenges faced by consumers such as subscription fatigue, auto-renewal issues, and hidden charges.

different types of subscription models including access, replenishment, and discovery subscriptions. The study found that convenience, novelty, and perceived value were the major factors motivating consumers to adopt subscription services.

Iyengar and Park

Iyengar and Park (2020) examined the impact of subscription programs on customer purchasing behaviour. Their study revealed that subscription membership significantly increases purchase frequency and overall spending due to both economic benefits and psychological factors such as perceived value and commitment.

Baek and Kim

Baek and Kim (2022) analysed consumer perceptions in the subscription economy and found that subscription models often change the way consumers perceive products and services. The study concluded that subscription models increase purchase intention depending on the type of product and consumer motivation.

4. REVIEW OF LITERATURE

Bray et al. 2021

Bray et al. (2021) conducted an empirical study on subscription retailing and identified



Anjaria and Patel

Anjaria and Patel (2025) investigated the influence of subscription-based models on consumer buying behaviour in e-commerce platforms. Their findings showed that subscription services positively influence consumer loyalty, satisfaction, and repeat purchases.

Wu, Guo, and Luo (2024)

Wu, Guo, and Luo (2024) examined the effect of subscription services on consumer engagement and found that subscription membership significantly increases user engagement and consumption behaviour due to convenience and perceived value.

Smith and Anderson

Smith and Anderson examined the growth of subscription-based business models in digital services such as streaming platforms and software applications. Their study found that consumers prefer subscription services due to convenience, affordability, and continuous access to updated content. The research highlighted that younger consumers are more likely to adopt subscription models because they value flexibility over ownership. The

study concluded that subscription culture significantly influences modern consumer spending behaviour.

Johnson

Johnson analyzed the impact of subscription services on consumer financial management. The study revealed that while subscriptions provide convenience and personalized services, they can also lead to increased monthly spending due to multiple recurring payments. The research emphasized that many consumers subscribe to several services simultaneously, often underestimating their cumulative costs. The findings suggest that subscription culture plays a crucial role in shaping consumption patterns and budgeting habits.

5. RESEARCH METHODOLOGY

Research Design



The study adopted a descriptive research design to analyse the effect of subscription culture on consumer spending patterns.

Source of Data

Both primary and secondary data were used in the study.

Primary data was collected through a structured questionnaire distributed using Google Forms. Secondary data was obtained from journals, articles, and websites related to subscription-based business models and consumer behaviour.

Sample Size

The study collected responses from 100 respondents.

Sampling Technique

A convenience sampling technique was used due to ease of access and availability of respondents.

Research Instrument

A structured questionnaire was used to collect data. The questionnaire included questions related to demographic information, subscription usage patterns, and consumer spending behaviour.

6. TOOLS USED FOR DATA ANALYSIS

The collected data was analysed using the following statistical tools:

- Percentage Analysis
- One-Way ANOVA (Analysis of Variance)
- Correlation Analysis

These tools helped in identifying patterns, relationships, and trends in consumer spending behaviour related to subscription services.

7. DATA ANALYSIS AND INTERPRETATION

The analysis shows that the majority of respondents belong to the 18–23 age group, indicating that the study mainly represents young consumers. Most respondents are undergraduate students, which reflects the growing use of subscription services among students.

The results also indicate that most respondents use one to two subscription services, while a smaller proportion use multiple subscriptions. OTT and entertainment services are the most commonly used subscription platforms among respondents.



Convenience and exclusive access were identified as the primary reasons for choosing subscription services. Many respondents indicated that subscription payments form a regular part of their monthly expenses.

The analysis further shows that several respondents experience unexpected charges due to automatic renewals, and many sometimes forget their total monthly subscription spending. Additionally, some respondents reported difficulty in cancelling subscriptions, which may contribute to continued spending.

ANOVA analysis revealed that certain factors such as gender and consumer motivations significantly influence subscription usage patterns. However, correlation analysis indicates that the relationship between subscription usage and increased spending is relatively weak.

Overall, the analysis suggests that subscription services influence consumer spending behaviour, although their financial impact varies among individuals.

8. FINDINGS

The major findings of the study are:

- Most respondents belong to the 18–23 age group.
- The majority of respondents are students.
- OTT and entertainment subscriptions are the most commonly used services.
- Most respondents use one or two subscription services.
- Convenience is the main reason for choosing subscription services.
- Many consumers sometimes forget their total subscription spending.
- Unexpected charges due to auto-renewals are common among users.
- Some respondents experience difficulty in cancelling subscriptions.
- Subscription fatigue influences consumers to avoid new subscriptions.
- Subscription services are widely adopted among young consumers due to convenience and accessibility.
- Many consumers maintain multiple subscriptions across different platforms such as OTT services, music streaming, and digital applications.



- Although subscriptions appear affordable individually, the cumulative cost of multiple subscriptions can influence monthly expenditure.
- Consumers demonstrate varying levels of financial awareness regarding subscription expenses.
- Automatic renewal systems may lead to unintended charges if consumers do not regularly monitor their subscriptions.

9. SUGGESTIONS

Based on the findings, the following suggestions are proposed:

- Consumers should regularly monitor and track their active subscriptions.
- Subscription service providers should simplify the cancellation process.
- Platforms should provide clear reminders before subscription renewals.

- Consumers should include subscription expenses in their monthly budgets.
- Awareness programs should educate consumers about managing digital spending.
- Service providers should increase transparency regarding subscription costs and renewal policies.
- Digital platforms should offer clear dashboards where users can easily monitor their subscription expenses.
- Educational institutions and financial awareness programs should educate young consumers about managing digital spending responsibly.



10. CONCLUSION

The study concludes that subscription culture has become an important part of modern consumer behaviour, particularly among young consumers who frequently use digital platforms. Subscription-based services provide convenience, flexibility, and continuous access to products and services, making them highly attractive to consumers. However, recurring payments, automatic renewals, and multiple subscriptions can influence spending habits and financial management. The findings reveal that while subscription services form a noticeable part of monthly expenses, their overall impact on consumer spending and savings behaviour is moderate. Issues such as unexpected charges, subscription fatigue, and difficulty in cancellation highlight the need for greater



financial awareness and improved subscription management practices.

Overall, subscription models continue to grow rapidly in the digital economy, and both consumers and service providers must adopt responsible practices to ensure better financial control and transparency in subscription-based services.

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