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A Study on Marketing Strategy and Its Impact on Consumer Behaviour

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Abstract

Marketing has evolved from traditional transaction-based approaches to digital, relationship-oriented strategies that emphasize long-term customer engagement and value creation. Subscription-based services have emerged as a dominant business model in sectors such as OTT platforms, music streaming, and e-commerce memberships, where recurring payments reshape consumer behaviour. These services use pricing strategies like free trials and tiered plans, along with digital promotion and engagement techniques, to influence consumer decisions and retention. This study examines how marketing strategies impact consumer behaviour across stages of awareness, subscription, usage, renewal, and switching, using both doctrinal and non-doctrinal approaches with primary data collected through questionnaires. The findings reveal that perceived value and service quality are the primary factors influencing retention and renewal, while price plays a secondary role. Most consumers prefer continuing or adjusting subscription plans rather than cancelling, especially when quality is maintained. Engagement strategies such as personalization and continuous updates significantly enhance user retention. Overall, integrated marketing strategies influence consumer behaviour through ongoing evaluation, shaping satisfaction, retention, and long-term loyalty.

Keywords: Marketing Strategy, Consumer Behaviour, Subscription Services, Pricing Strategy, Brand Loyalty, Customer Retention.

1. Introduction

Marketing has evolved dramatically from traditional product-centric approaches to modern digital strategies. Earlier, businesses relied on print advertisements, television, radio, and direct sales, focusing primarily on one-time transactions with minimal consumer engagement. The rise of the internet, smartphones, and social media has shifted marketing towards personalized, data-driven, and customer-centric approaches, where firms aim not only to attract customers but also to retain them through continuous engagement. However, this transformation has also introduced challenges, as high subscription churn rates, consumer fatigue from constant digital interaction, and concerns regarding pricing transparency and auto-renewal practices raise questions about whether modern marketing strategies truly build long-term loyalty or merely sustain temporary retention through behavioural influence.

A major development in this digital era is the growth of subscription-based services, where consumers pay for access rather than ownership. This study focuses on OTT streaming platforms, music streaming applications, and e-commerce membership services, which highlight how recurring payment models, convenience, and service quality influence consumer behaviour. Firms employ various marketing strategies such as pricing mechanisms (free trials, tiered plans, discounts), promotional campaigns (social media and referrals), and

engagement tools (personalized recommendations and loyalty programs) to shape consumer decision-making, usage patterns, and long-term loyalty. These strategies operate across different stages of the consumer lifecycle, from awareness and subscription to usage, renewal, and switching behaviour.

This research adopts a combined doctrinal and non-doctrinal methodology to analyse the relationship between marketing strategies and consumer behaviour. The doctrinal approach examines marketing theories, consumer behaviour models, and legal principles, while the non-doctrinal approach collects primary data through structured questionnaires to assess actual consumer responses. By integrating theoretical and empirical perspectives, the study aims to provide a comprehensive understanding of how firm-level strategies influence consumer perception, retention, and loyalty in the digital subscription economy, with a focused scope on selected service sectors to ensure meaningful and relevant insights.

2. Statement of the Problem

The rapid growth of subscription-based services such as OTT platforms, music streaming apps, and e-commerce memberships has transformed consumer consumption patterns, yet the actual impact of marketing strategies on consumer behaviour remains unclear. Companies employ

various pricing, promotional, and engagement techniques to attract and retain subscribers, but high churn rates and inconsistent loyalty indicate a gap between intended strategy and real consumer response. Existing studies often focus on traditional marketing or general digital adoption, failing to link specific firm-level strategies to measurable outcomes in subscription services. Therefore, it is crucial to investigate how these strategies influence consumer decisions, usage patterns, and loyalty, providing actionable insights for companies to design more effective and sustainable marketing approaches in the competitive digital economy.

3. Review of Literature

Himatsingka (2024) ^[1] examined price sensitivity differences between subscription users and pay-per-use consumers, finding that subscribers exhibit lower price sensitivity due to perceived value, convenience, and psychological factors such as the sunk cost effect. This suggests that pricing strategies in subscription models can be more flexible without significantly affecting retention. However, this study primarily focuses on pricing behaviour and does not consider how other factors, such as engagement or promotional strategies, interact with pricing in influencing long-term consumer decisions.

Similarly, a study published in the *Journal of Retailing and Consumer Services (2021)* ^[2] analysed innovative promotional strategies such as Gambled Price Discounts (GPD), highlighting that uncertain or surprise-based discounts enhance consumer enjoyment and engagement. While this study emphasizes the role of psychological stimulation in shaping consumer perception, it largely concentrates on short-term engagement effects and does not adequately address whether such promotional techniques contribute to sustained retention or long-term loyalty in subscription models.

A systematic literature review in *Electronic Commerce Research and Applications (2024)* ^[3], based on 131 studies, provides a broader perspective by identifying stages in the subscription lifecycle, including willingness to join, usage, satisfaction, and loyalty. This study highlights the importance of aligning marketing strategies with different stages of consumer interaction. However, while it offers a comprehensive classification, it remains largely conceptual and does not empirically establish how specific strategies influence behavioural outcomes across these stages.

Further, recent research published in the *Journal of Business Research (2024)* ^[4] shifts focus to engagement strategies, demonstrating that personalization, frequent content updates, and platform usability significantly increase user engagement and repeat usage. This indicates that continuous value delivery may play a more critical role than initial promotional efforts.

In contrast, *Gore et al. (2025)*, in *Advances in Consumer Research* ^[5], emphasize psychological factors such as habit formation, emotional attachment, and perceived fairness in pricing, showing that these elements strongly influence loyalty and churn behaviour.

4. Research Gap:

Existing research has examined pricing strategies (*Himatsingka, 2024*), promotional techniques (*Journal of Retailing and Consumer Services, 2021*), engagement mechanisms such as personalization (*Journal of Business Research, 2024*), and psychological factors like habit formation and perceived fairness (*Gore et al., 2025*) in subscription-based services; however, these factors are largely

studied in isolation rather than as an integrated system shaping consumer behaviour. There is limited research combining firm-level strategies such as free trials, discounts, personalization, and digital promotions with consumer responses across different stages, including subscription, usage, renewal, and switching, within a single comprehensive framework. Additionally, very few studies integrate doctrinal (theoretical) and non-doctrinal (empirical) approaches, particularly within specific sectors like OTT platforms, music streaming, and e-commerce services in emerging markets such as India, creating the need for a structured and integrated analysis of how these strategies collectively influence consumer behaviour across the subscription lifecycle.

5. Objectives of the Study:

- i). To identify the key marketing strategies (pricing, promotional, and engagement) adopted by subscription-based service providers such as OTT platforms, music streaming services, and e-commerce memberships.
- ii). To examine the impact of pricing strategies (free trials, tiered pricing, discounts) on consumers' initial subscription decisions.
- iii). To analyse how promotional techniques (digital advertising, referrals) influence consumer awareness and subscription behaviour.
- iv). To evaluate the effect of engagement strategies (personalization, content updates, loyalty programs) on usage frequency and user satisfaction.
- v). To assess the influence of marketing strategies on renewal intention, switching behaviour, and retention levels.
- vi). To analyse the role of perceived value in shaping consumer satisfaction and long-term loyalty.
- vii). To identify key barriers affecting subscription retention and churn behaviour among respondents.

6. Methodology

This study adopts a mixed research approach, combining doctrinal and non-doctrinal methods. Secondary data were collected from newspapers, magazines, academic journals, All India reports, and e-sources to analyse theoretical frameworks, marketing strategies, and consumer behaviour models. The primary data were gathered using a structured questionnaire, employing stratified random sampling to ensure representation across different demographic groups, with a total sample size of 105 respondents. Data were analysed using descriptive statistical methods, including percentage analysis, to interpret consumer responses and behaviour patterns. The research was conducted over a period of three months, providing sufficient time to collect, organise, and evaluate data related to marketing strategies and consumer behaviour in subscription-based services.

7. Significance of the Study

This study is significant as it provides an integrated understanding of how pricing, promotional, and engagement strategies influence consumer behaviour in subscription-based services. By combining doctrinal analysis with primary empirical data, it bridges the gap between theoretical models and real-world consumer responses. It also critically highlights that consumer behaviour is shaped not by individual strategies alone but by their combined and interactive effect across the subscription lifecycle.

The study offers practical insights for businesses in identifying strategies that influence subscription, renewal, and

retention, while emphasizing the importance of perceived value and sustained engagement over mere pricing incentives. It is also relevant for policymakers in understanding consumer concerns regarding pricing transparency and promotional practices. Academically, it contributes to the literature on digital marketing and the subscription economy, particularly in sectors such as OTT platforms, music streaming, and e-commerce services in emerging markets like India.

8. Hypothesis

This study is based on the following hypotheses:

H₁: Integrated marketing strategies (pricing, promotional, and engagement techniques) significantly influence consumer behaviour, particularly subscription decisions, usage patterns, renewal intention, and retention in subscription-based services.

H₂: Consumers' perceived value of subscription services significantly influences their renewal intention and retention behaviour in subscription-based services

9. Limitation of the Study

The study is limited to selected subscription-based services, including OTT platforms, music streaming, and e-commerce memberships; therefore, the findings may not be fully generalizable to other subscription models. The primary data collected through questionnaires may be subject to respondent bias, personal perceptions, and inaccuracies in self-reporting. The relatively small sample size of 105 respondents, due to time and resource constraints, further limits the generalizability of the results. Additionally, external factors such as changing market trends, technological developments, and economic conditions that may influence consumer behaviour were not extensively considered. Finally, the study focuses primarily on pricing, promotional, and engagement strategies and does not account for all possible variables affecting subscription decisions, retention, and loyalty.

10. Results and Discussion

Part – A: Doctrinal Research

Theoretical and Conceptual Framework of Subscription-Based Marketing:

Shift from Transaction-Based Marketing to Relationship-Based Marketing: Traditional marketing was transaction-oriented, aiming to maximize sales through product features, pricing, distribution, and mass promotion, with success measured by short-term results like sales growth, market share, and immediate profit; after purchase, firm–customer interaction mostly ended. With the rise of services and digital platforms, marketing shifted to a relationship-oriented approach focused on long-term interaction, trust, and customer lifetime value (CLV), emphasizing retention and engagement rather than just acquisition. In subscription services this shift is stronger because revenue depends on recurring payments, so firms must continuously deliver value to prevent cancellations. Customers are treated as ongoing revenue streams, making satisfaction, retention, engagement, and churn reduction central strategic goals within a long-term relational marketing framework.

Recurring Revenue Models and the Need for Continuous Engagement: In subscription systems, revenue is predictable but conditional upon customer continuation. Unlike one-time purchase models where revenue is realized immediately, subscription revenue depends on sustained user commitment. This creates three important implications:

a) Engagement as a Core Marketing Function:

Engagement becomes a continuous strategic process rather than a post-purchase activity. Platforms use: Personalized recommendations, Regular content updates, Push notifications, Loyalty benefits to maintain user attention and relevance. Engagement ensures habitual usage, which reduces the likelihood of cancellation.

b) Psychological Commitment and Habit Formation: Recurring billing systems can create behavioural patterns. When consumers use a service regularly, it becomes integrated into their routine. Habit formation increases switching costs not necessarily financial, but psychological and convenience-based.

c) Value Reinforcement over Time: In subscription models, perceived value must be repeatedly reinforced. If content becomes outdated or benefits diminish, consumers quickly reassess and may discontinue. Therefore, firms must constantly innovate, refresh content, and improve service quality.

Thus, marketing in subscription services is not episodic but continuous and lifecycle-oriented, covering awareness, subscription, usage, renewal, and retention stages.

Limitations of Traditional 4P Marketing Theory in Digital Subscription Platforms: The traditional 4P marketing model—product, price, place, and promotion—was designed for one-time sales of physical goods. In digital subscription platforms, these elements function differently. The product is continuously updated, pricing is flexible and behaviour-based, place refers to digital accessibility, and promotion relies on personalized, data-driven engagement. Therefore, subscription marketing extends beyond the 4Ps and focuses more on long-term relationships, customer satisfaction, retention, and loyalty rather than single transactions.

Reinterpreting Consumer Behaviour Theories in the Subscription Context: Consumer behaviour theories were originally developed in the context of one-time purchase decisions, where consumers evaluate alternatives, make a purchase, and then assess satisfaction. However, in subscription-based services, consumer decision-making is continuous and repetitive, requiring a reinterpretation of traditional theoretical models.

Continuous Decision-Making and Renewal Behaviour in Subscription Services: Traditional consumer behaviour models assume that consumers pass through stages of need recognition, evaluation, purchase, and post-purchase satisfaction, after which the decision cycle ends. In subscription-based services, however, decision-making becomes continuous rather than one-time. The initial subscription decision is usually influenced by external factors such as promotional offers, free trials, peer influence, or curiosity. In contrast, renewal decisions depend on accumulated experience, usage frequency, perceived usefulness, and satisfaction over time. Thus, while the first decision is expectation-based, subsequent decisions are experience-based. As usage continues, habit formation reduces conscious evaluation and strengthens retention, and perceived value evolves from short-term attractiveness to long-term utility. Therefore, consumer behaviour in subscription services is better understood as an ongoing evaluative process rather than a discrete purchase event.

Expectation–Confirmation Theory in Auto-Renewal Systems: Expectation–Confirmation Theory (ECT) explains that consumers form expectations before purchase, compare actual performance with those expectations, and develop satisfaction or dissatisfaction based on confirmation or

disconfirmation. In traditional purchases, this evaluation typically occurs once after consumption. In subscription models, however, especially those with auto-renewal mechanisms, confirmation is not a one-time process. Instead, it becomes cyclical. Consumers continuously reassess whether the service justifies ongoing payment. Even if the renewal is automatic, the psychological evaluation persists. If performance consistently meets or exceeds expectations (e.g., updated content, smooth user experience), confirmation strengthens retention. However, repeated negative experiences accumulate and may eventually trigger cancellation. Thus, satisfaction in subscription services is dynamic and cumulative rather than static.

Habit Formation in Recurring Models: Traditional consumer behaviour theories focus on rational evaluation and conscious decision-making. In subscription services, repeated usage encourages habit formation, where continued consumption becomes automatic. Regular exposure such as daily streaming, monthly deliveries, or frequent app usage integrates the service into the consumer's routine. Habit reduces active evaluation. Instead of consciously deciding to renew, consumers may continue simply because the service has become part of their lifestyle. This behavioural reinforcement increases retention and lowers the likelihood of switching. Therefore, subscription models shift consumer psychology from deliberate decision-making to routine-based continuation.

Psychological Switching Costs

In traditional markets, switching costs are often physical or financial—such as the effort required to replace a product or terminate a contract. In digital subscription services, switching costs are more psychological and convenience-based. Consumers may hesitate to cancel because of:

- Loss of personalized recommendations
- Disruption of established routines
- Fear of losing accumulated benefits
- Perceived effort of exploring alternatives

These psychological switching costs create a subtle form of attachment. The consumer remains subscribed not necessarily due to strong loyalty, but because discontinuation feels inconvenient or risky. This redefines the concept of loyalty within subscription contexts.

Evolution of Perceived Value over Time: In traditional models, perceived value is often evaluated at the point of purchase. In subscription services, perceived value evolves over time. Initially, consumers may subscribe due to promotional offers or curiosity. Over time, value assessment becomes linked to service consistency, content relevance, personalization quality, and cost justification. If the service continually delivers fresh content and convenience, perceived value increases, strengthening satisfaction and retention. Conversely, if content becomes repetitive or engagement declines, perceived value diminishes, increasing the likelihood of churn. Thus, value perception is temporal and dynamic rather than immediate and fixed.

Conceptual Implication: Changing Consumer Psychology: Subscription-based services transform consumer psychology from a single purchase decision to a continuous evaluation cycle. Satisfaction is cumulative, loyalty may be habit-driven rather than purely emotional, switching costs are psychological, and perceived value evolves over time. Therefore, traditional consumer behaviour theories remain relevant but must be reinterpreted within the framework of

recurring consumption and long-term engagement. This reinterpretation forms a crucial theoretical foundation for analysing how marketing strategies influence retention, renewal, and loyalty in subscription-based services.

Pricing Theories Relevant to Subscription Models: Subscription-based services use pricing not only to generate revenue but to shape consumer behaviour across adoption, commitment, and retention. Unlike one-time purchases, subscription pricing is structured to influence ongoing decisions. The freemium model lowers perceived risk through free trials or limited access, encouraging experimentation; once consumers experience utility and integrate the service into routine use, perceived value increases and discontinuation becomes psychologically difficult. Price discrimination and tiered pricing further support participation by allowing self-selection based on willingness to pay, enabling consumers to adjust plans instead of cancelling when needs or affordability change.

Consumer continuation is also shaped by behavioural biases. Psychological pricing uses anchoring to make mid-tier plans appear attractive, while loss aversion and the sunk-cost effect discourage cancellation after prior payments. Behavioural economics mechanisms such as auto-renewal default bias and mental accounting reduce active reassessment, causing subscription fees to be treated as routine expenses and creating inertia. Together, these theories show that subscription pricing operates at the intersection of economics and psychology: entry is encouraged through low barriers and flexible options, whereas continuation is reinforced through habit, perceived value evolution, and convenience. Thus, pricing functions not merely as affordability management but as a behavioural mechanism influencing ongoing participation and long-term usage patterns in the subscription economy.

Analyse Engagement as a Retention Tool: In subscription-based services, retention depends less on one-time promotional attraction and more on sustained engagement. Unlike traditional marketing, where promotion aims to persuade consumers to purchase, subscription platforms must continuously justify recurring payments. Engagement therefore becomes a core marketing function, ensuring that consumers repeatedly perceive value in continuing the service.

Algorithm-Driven Personalization: Modern digital platforms rely heavily on algorithmic personalization to tailor user experiences. By analysing user behaviour such as viewing history, listening patterns, search behaviour, and interaction frequency, platforms curate individualized recommendations. This reduces information overload and increases perceived relevance of content or services. Personalization strengthens psychological attachment because consumers feel that the platform “understands” their preferences. Over time, this creates dependence on the platform's recommendation system, making alternative services less attractive due to unfamiliarity and effort required to rebuild preference data. Thus, personalization functions not merely as a feature but as a retention mechanism that increases switching costs and reinforces habitual usage.

Content Refresh Cycles: Continuous value delivery in subscription services is maintained through frequent updates—new content releases, feature upgrades, seasonal offerings, or exclusive benefits. Unlike traditional products that remain unchanged after purchase, digital services must constantly evolve to justify recurring payments. Regular updates renew consumer interest and prevent perceived stagnation. Each update effectively acts as a renewed

consumption opportunity, resetting satisfaction levels and reinforcing perceived value. In this way, the service shifts from a static product to an ongoing experience, where retention depends on continuity of novelty rather than initial quality alone.

Role of AI and Data: Artificial intelligence and large-scale data analytics enable platforms to predict consumer behaviour and optimize engagement strategies. Predictive systems identify potential inactivity, recommend targeted content, send reminders, and personalize notifications. This proactive engagement reduces churn by reactivating users before cancellation occurs. Data-driven engagement transforms marketing from reactive communication into anticipatory interaction. Instead of waiting for consumers to seek value, the platform continuously delivers relevant stimuli, maintaining involvement and minimizing disengagement.

Does Engagement Replace Traditional Promotion?

In subscription models, engagement increasingly substitutes traditional promotion. Conventional advertising focuses on acquiring customers, whereas engagement focuses on retaining them. While promotion initiates entry into the platform, ongoing interaction determines long-term continuity. Rather than repeatedly persuading consumers to repurchase, subscription services maintain relationships through personalized experiences and continuous interaction. Marketing communication thus shifts from persuasive messaging to experiential value delivery. Promotion becomes an entry-point strategy, whereas engagement becomes the primary retention strategy.

Thus, Engagement, personalization, and continuous value delivery transform marketing from episodic persuasion into ongoing relationship management. Retention depends not only on price or satisfaction but on the platform's ability to remain relevant in the consumer's daily routine. Therefore, in subscription-based services, engagement operates as a central mechanism linking service usage, perceived value, and long-term loyalty.

Loyalty, Habit and Switching Behaviour in the Subscription Economy: In the subscription economy, loyalty differs from traditional brand loyalty. Earlier, loyalty was mainly emotional built on trust, satisfaction, and attachment. Now, it is largely behavioural. Because payments are automatic and usage becomes routine, subscribers do not repeatedly make conscious purchase decisions. This creates habitual loyalty rather than emotional loyalty. Emotional loyalty comes from identification with the brand, while habitual loyalty comes from repetition and convenience. Personalized recommendations, saved preferences, and stored data integrate services into daily life, making cancellation feel disruptive. As a result, users may not strongly value the brand but continue subscribing due to behavioural inertia.

Switching costs in subscriptions are mostly psychological rather than financial. Consumers hesitate to cancel because of lost data, learning a new interface, decision fatigue, and routine disruption. Subscriptions usually end only when awareness returns such as during financial review, life changes, or reduced relevance not necessarily because of dissatisfaction. Many users tolerate moderate dissatisfaction as long as the service fits their routine. Therefore, retention depends more on convenience and low friction than emotional attachment. Platforms reinforce this through personalization, constant updates, notifications, and pause options to avoid reconsideration. These practices represent churn management, where companies maintain behavioural continuity and reduce

exit opportunities rather than relying on emotional bonding. Ultimately, subscription loyalty often reflects structural dependence and attention management rather than genuine brand devotion.

Integrated Theoretical Model for the Present Study: The subscription economy requires marketing to be analysed as an interconnected behavioural system rather than isolated strategies. Pricing, promotion, and engagement operate cumulatively across the consumer lifecycle and shape perception and response over time. At the entry stage, pricing and promotional mechanisms such as free trials, freemium access, and introductory discounts reduce perceived financial risk and encourage experimentation, forming initial expectations rather than stable preference. After subscription, engagement mechanisms become central: personalization, continuous interaction, and content updates expose consumers to repeated experiences, shifting evaluation from anticipated benefits to experienced performance. Marketing therefore moves from persuasion to experiential reinforcement, linking continuation to ongoing interaction rather than initial attraction.

Within this process, perceived value acts as the connecting stage between firm strategies and behavioural response, as consumers continuously compare experience with expectations. When value is maintained, satisfaction and continuation become more likely; when it declines, reconsideration may occur. Over time, repeated satisfactory experiences create behavioural continuity that may resemble loyalty as routine usage reduces active reassessment and psychological switching barriers increase. Thus, loyalty emerges gradually from sustained value perception rather than immediate attitudinal commitment.

The relationship may be represented as a behavioural progression: Marketing Strategies → Perceived Value → Satisfaction → Retention → Loyalty

This framework therefore provides theoretical grounds to examine whether integrated marketing strategies relate to consumer decision-making and whether perceived value intervenes in continuation behaviour in subscription services.

Case Laws:

- i). **Shreya Singhal v. Union of India (2015, Supreme Court of India)** ^[6]: In this landmark judgment, the Supreme Court struck down Section 66A of the Information Technology Act, declaring it unconstitutional for restricting freedom of speech online. The Court clarified that digital platforms act as intermediaries and are not automatically liable for user-generated content. Liability arises only if they have actual knowledge of unlawful content and fail to remove it. This ruling gave platforms legal certainty to host large volumes of user interactions, comments, and uploads while balancing user rights and platform responsibility. This enables platforms to support user interaction and engagement, which are key to retention in subscription services.
- ii). **MySpace Inc. v. Super Cassettes Industries Ltd (Delhi HC, 2011)** ^[7]: The Delhi High Court addressed copyright infringement issues on digital streaming platforms, ruling that intermediaries like music streaming apps are protected if they implement a notice-and-takedown procedure. The court emphasized that platforms are not directly liable for infringing content uploaded by users, as long as they act promptly once notified. This case set an important precedent for streaming services, ensuring they

can operate without constant fear of copyright litigation. It also highlighted the need for systematic content monitoring and enforcement policies. This ensures continuous content availability, influencing perceived value and subscription continuity.

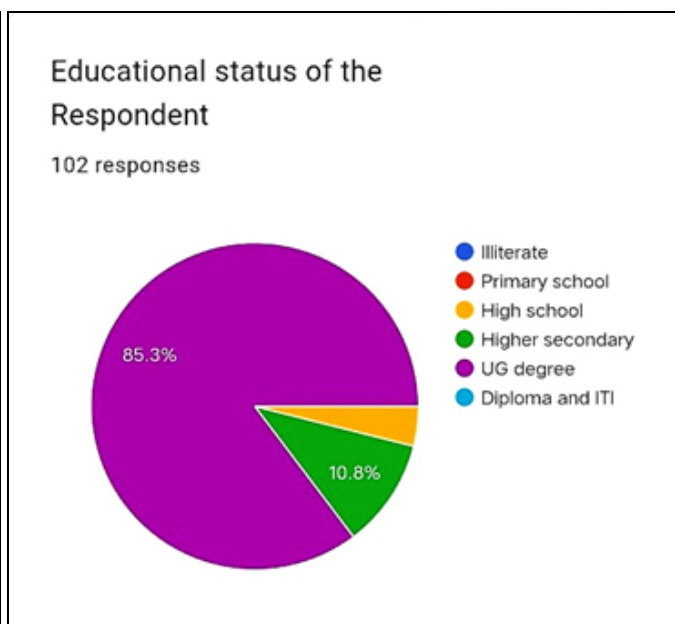
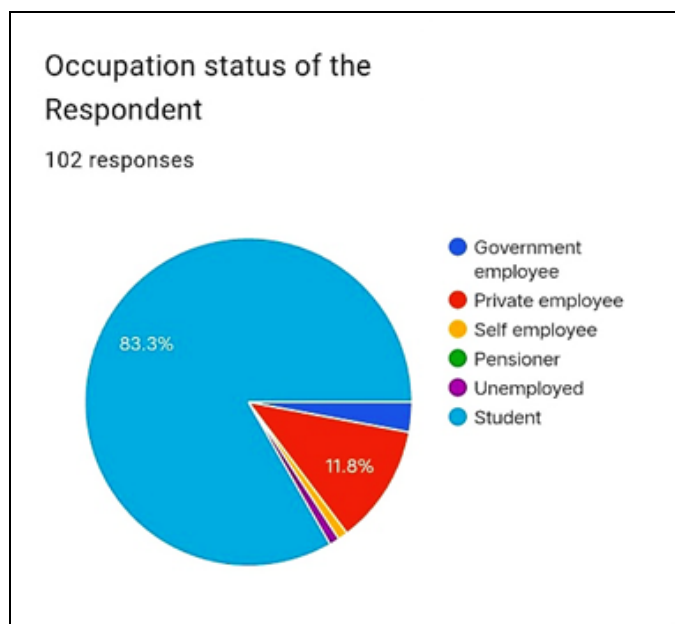
iii). **Amazon Seller Services v. Amway India (2020, Delhi HC)** ¹⁸¹: In this case, the Delhi High Court held that e-commerce platforms must actively ensure transparency and consumer protection in marketplace operations. Platforms like Amazon cannot completely absolve themselves of responsibility for third-party sellers; they

must verify product claims, prevent misleading advertising, and provide proper dispute resolution mechanisms. The judgment reinforced the importance of platform accountability for user trust, brand credibility, and regulatory compliance. It is considered a benchmark for governing e-commerce marketplaces, especially in subscription-based or promotional sales models. This highlights the importance of fair pricing and promotions in building trust, retention, and loyalty in subscription models.

Part – B: Non-Doctrinal Research

Table 1: Educational Qualification and Occupation of the Respondents

Particulars	Government	Private	Self employed	Pensioner	Unemployed	Student	Total
Illiterate	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)
Primary	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)
High School	1(0.98)	1(0.98)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)
Higher Secondary	0(0.00)	0(0.00)	1(0.98)	0(0.00)	0(0.00)	0(0.00)	11(10.78)
UG Degree	2(1.96)	11(10.7)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	87(85.29)
Diploma	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)	0(0.00)
Total	3(2.94)	12(11.7)	1(0.98)	0(0.00)	0(0.00)	0(0.00)	102(100)



Source: Primary data

Table 1 shows that a dominant majority of respondents are UG degree holders 85.29 percentage of the respondent, followed by Higher Secondary 10.78 percentage of the respondent and High School 3.92 percentage of the respondent while there are no respondents in the illiterate, primary, or diploma categories. In terms of occupation, 83.33 percentage of the respondent are students, 11.76% percentage of the respondent are privately employed, 2.94 percentage of the respondent are government employees, and only 0.98 percentage of the respondent each are self-employed and unemployed, with no pensioners represented. This clearly indicates that the study primarily reflects the opinions of young, educated, and digitally active individuals, particularly students. Since more than four-fifths of respondents are students and over 85 percentage of the respondent hold undergraduate degrees, their subscription decisions are likely influenced by affordability, perceived value, digital exposure,

and engagement features rather than long-term financial obligations, thereby representing the behavioural patterns of youth-driven digital consumers.

Table 2: Gender-wise Distribution of Respondents Based on Renewal Opinion

Particulars	Male	Female	Transgender	Total
Strongly disagree	2(1.96)	6(5.88)	0(0.00)	8(7.84)
Disagree	0(0.00)	0(0.00)	0(0.00)	0(0.00)
Neutral	7(6.86)	26(25.49)	0(0.00)	33(32.35)
Agree	13(12.75)	30(29.41)	0(0.00)	43(42.16)
Strongly agree	8(7.84)	10(9.80)	0(0.00)	18(17.65)
Total	30(29.41)	72(70.59)	0(0.00)	102(100.00)

Source: Primary data

Table 2 reveals a generally favourable opinion toward subscription renewal, as 42.16 percentage of the respondent of respondents agree and 17.65 percentage of the respondent strongly agree, together constituting 59.81 percentage of the respondent with a positive renewal attitude, while 32.35 percentage of the respondent remain neutral and only 7.84 percentage of the respondent strongly disagree, with no respondents selecting “disagree.” Gender distribution shows that 70.59percentage of respondents are female and 29.41percentage are male, and positive responses are observed across both categories. Among females, 29.41 percentage of the respondent agree and 9.80 percentage of the respondent strongly agree, while among males, 12.75 percentage of the respondent agree and 7.84 percentage of the respondent strongly agree, indicating that renewal intention is consistently favourable irrespective of gender. The findings suggest that nearly 60percentage of respondents are willing to continue their subscriptions based on accumulated satisfaction and perceived ongoing value, implying that renewal behaviour in subscription services is largely experience-driven rather than demographic-driven.

Table 3: Gender-wise Distribution of Respondents Based on Reaction to Price Increase

Particulars	Male	Female	Transgender	Others
Cancel Immediately	1(0.98)	13(12.75)	0(0.00)	14(13.73)
Switch Cheaper Plan	9(8.82)	21(20.59)	0(0.00)	30(29.41)
Continue if Quality Good	14(13.73)	25(24.51)	0(0.00)	39(38.24)
Look for Competitor	5(4.90)	7(6.86)	0(0.00)	12(11.76)
Wait & Evaluate	1(0.98)	6(5.88)	0(0.00)	7(6.86)
Total	30(29.41)	72(70.59)	0(0.00)	102(100)

Source: Primary data

Table 3 indicates that in response to a price increase, 38.24percentage of respondents would continue the subscription if quality remains good, while 29.41 percentage of the respondent would switch to a cheaper plan, meaning that a combined 67.65 percentage of the respondent prefer continuation or plan adjustment rather than cancellation. In contrast, only 13.73 percentage of the respondent would cancel immediately, 11.76 percentage of the respondent would look for a competitor, and 6.86 percentage of the respondent would wait and evaluate before deciding. Since 70.59 percentage of the respondent of respondents are female, a substantial proportion of continuation responses come from them, with 24.51 percentage of the respondent willing to continue if quality is good and 20.59 percentage of the respondent opting for a cheaper plan, while among males 29.41 percentage of the respondent, 13.73 percentage of the respondent would continue and 8.82 percentage of the respondent would switch plans. This demonstrates that most consumers respond to price increases through adaptive strategies rather than immediate service abandonment, highlighting that perceived value and service quality influence subscription decisions more strongly than absolute price sensitivity

11. Testing of Hypothesis

H1: Integrated marketing strategies (pricing, promotional, and engagement techniques) significantly influence consumer behaviour, particularly subscription decisions, usage patterns, renewal intention, and retention in subscription-based services.

The findings indicate that consumer behaviour is influenced

by multiple interconnected factors rather than a single variable. Pricing strategies affect decisions through plan switching rather than cancellation, promotional strategies enhance renewal intention by increasing perceived value, and engagement features such as personalization and content updates significantly improve retention and usage. Cross-tabulation results further show that demographic factors shape how consumers respond to these strategies, but do not override their overall effectiveness. Critically, the results demonstrate that no single strategy independently drives behaviour; instead, it is the combined and interactive effect of pricing flexibility, promotional influence, and engagement mechanisms that shapes subscription decisions and long-term retention. Therefore, the results of the study support Hypothesis 1.

H2: Consumers’ perceived value of subscription services significantly influences their renewal intention and retention behaviour in subscription-based services

The findings indicate that consumers prioritize service quality, convenience, and overall experience over price alone when making subscription decisions. A majority of respondents are willing to continue their subscriptions despite price increases if the perceived value remains high, and many prefer adjusting plans rather than cancelling. This demonstrates that retention and renewal behaviour depend on how consumers evaluate the benefits received relative to the cost. Cross-tabulation results further show that higher satisfaction reduces price sensitivity across demographic groups. Critically, perceived value acts as a key decision-making filter through which consumers assess pricing and service quality, thereby influencing long-term retention and renewal behaviour. However, this relationship is interpreted based on descriptive trends rather than statistically tested associations. Accordingly, the empirical findings support Hypothesis 2.

12. Conclusion

The study conceptualizes subscription-based marketing as a lifecycle-oriented behavioural system in which pricing, promotion, and engagement function cumulatively rather than independently. Initial subscription decisions are largely influenced by entry-stage incentives such as free trials and low perceived risk, whereas continuation depends on accumulated experience, satisfaction, and evolving perceived value. Consumer decision-making is continuous, with renewal shaped by repeated evaluation rather than a single purchase moment. Over time, habitual usage, convenience, and psychological switching barriers contribute to retention, indicating that continuation behaviour reflects both satisfaction and behavioural inertia. Within the sample studied, loyalty in subscription contexts differs from traditional attitudinal loyalty, often emerging from routine integration of services into daily life rather than emotional attachment alone. Engagement mechanisms such as personalization and ongoing interaction maintain relevance, while pricing primarily influences entry and adjustment decisions. Overall, subscription marketing operates as a progressive process in which marketing strategies shape perceived value, which in turn influences satisfaction, retention, and loyalty. These findings highlight that sustained value delivery and continuous evaluation are central to long-term participation in subscription services. Although subscription platforms have adopted several user retention strategies such as personalization and habit integration, their execution remains uneven, with a continued emphasis on

acquisition and promotional engagement, whereas long-term retention depends more on deeper user-centric value creation, transparency, and flexibility.

13. Suggestions

Based on the findings of this study, the following suggestions are recommended

- Firms should shift focus from acquisition-based incentives to sustained value delivery through consistent content updates and service quality, as retention depends more on perceived long-term value than initial offers like free trials and discounts, which are still overused in practice.
- Platforms should expand truly user-centric subscription flexibility by introducing features such as pause options, tier switching, and usage-based pricing, since current systems offer limited flexibility and still prioritize fixed-plan structures.
- Personalization systems should be made more balanced and user-controlled, ensuring recommendations improve engagement without causing content overload or irrelevant suggestions, which remains a common issue despite widespread AI adoption.
- Companies should strengthen pricing transparency and renewal communication by clearly informing users about auto-renewals, charges, and policy changes, as trust issues still persist even though basic billing information is available.
- Platforms should reduce excessive promotional communication and focus on meaningful engagement, as current notification systems are often repetitive and marketing-driven, which negatively affects user experience.
- Services should further enhance integration into users' daily routines by improving convenience and habit-forming features, as this is already a strength but can be deepened through better ecosystem integration and user flow optimization.

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