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Consumer Attitude Towards Subscription Based Business Models at Netflix India

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Abstract

Subscription-based business models have transformed the global digital entertainment industry by providing consumers with convenient, flexible, and affordable access to a wide variety of digital content through recurring payment plans. In recent years, subscription services have gained significant popularity in India due to increasing internet penetration, smartphone adoption, digital payment systems, and changing consumer preferences for on-demand entertainment. Netflix India, one of the leading over-the-top (OTT) streaming platforms, has adopted a subscription-based business model that offers multiple pricing plans, personalized content recommendations, high-quality streaming, and exclusive original content to attract and retain subscribers. Consumer attitudes toward subscription services are influenced by several factors, including pricing, content quality, user experience, convenience, platform accessibility, customer satisfaction, and perceived value for money. The primary objective of this study is to examine consumer attitudes toward Netflix India's subscription-based business model by analyzing factors affecting subscription decisions, customer satisfaction, subscription renewal intentions, and overall user perception. The research also evaluates the influence of personalized recommendations, exclusive content, pricing strategies, and streaming quality on consumer loyalty and long-term subscription behavior. A descriptive research design was adopted for the study. Primary information was collected from Netflix users through structured responses, while secondary information was obtained from books, peer-reviewed journals, industry reports, company publications, and authentic online databases. Percentage analysis and graphical techniques were used to analyze and interpret the findings. The study reveals that high-quality content, affordable subscription plans, personalized recommendations, and seamless streaming experiences positively influence consumer attitudes and subscription renewal decisions. However, increasing competition from other OTT platforms, rising subscription costs, content availability, and password-sharing restrictions remain important challenges affecting customer retention. The study concludes that Netflix India's customer-centric subscription model, supported by continuous innovation, localized content, and personalized user experiences, plays a significant role in enhancing customer satisfaction, brand loyalty, and sustainable business growth in India's competitive OTT streaming market.

Keywords: Subscription-Based Business Model, Netflix India, Consumer Attitude, OTT Platforms, Customer Satisfaction, Subscription Renewal.

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I. INTRODUCTION

The rapid advancement of digital technology, high-speed internet connectivity, and widespread smartphone adoption has transformed the global entertainment industry by encouraging consumers to shift from traditional television broadcasting to online streaming platforms [1]. Subscription-based business models have become one of the most successful revenue-generation strategies for digital service providers, enabling companies to deliver continuous access to premium content through recurring monthly or annual subscription payments [2]. In India, the growing popularity of Over-the-Top (OTT) platforms has significantly changed consumer viewing habits by providing on-demand entertainment, personalized recommendations, and flexible subscription options that meet diverse customer preferences [3]. Netflix India has emerged as one of the leading subscription-based streaming platforms by offering a vast collection of movies, television series, documentaries, international programs, and Netflix Originals across multiple languages and genres [4]. Its subscription model provides consumers with different pricing plans, high-definition streaming, ad-free viewing, personalized content recommendations, and multi-device accessibility, enhancing overall customer convenience and satisfaction [5]. Consumer attitudes toward subscription-based services are influenced by factors such as perceived value, affordability, content quality, service reliability, user interface, recommendation accuracy, customer support, and exclusive entertainment content [6]. Furthermore, artificial intelligence and machine learning technologies enable Netflix to analyze viewing behavior, recommend personalized content, improve customer engagement, and increase subscription retention through data-driven personalization [7]. The success of subscription-based business models also depends on customer trust, service quality, pricing fairness, payment convenience, and continuous innovation in digital content delivery [8]. However, increasing competition from OTT platforms such as Amazon Prime Video, Disney+ Hotstar, Sony LIV, Zee5, and JioHotstar has intensified the need for Netflix India to continuously improve its content offerings and customer experience [9]. Additionally, changing consumer expectations, password-sharing restrictions, subscription fatigue, and rising subscription costs have created new challenges for subscription-based businesses in retaining long-term customers [10]. Research indicates that customer satisfaction, perceived entertainment value, exclusive original programming, and personalized viewing experiences play a significant role in influencing subscription purchase decisions and renewal intentions [11]. The continuous growth of digital payments, smart televisions, and mobile streaming has further accelerated the expansion of subscription-based entertainment services across India [12]. As consumer preferences continue to evolve, understanding customer attitudes toward subscription-based business models has become essential for improving customer retention, strengthening competitive advantage, and ensuring sustainable business growth [13]. Therefore, this study examines consumer attitudes toward Netflix India's subscription-based business model by evaluating factors influencing subscription decisions, customer satisfaction, renewal intentions, perceived value, and overall consumer Behaviour within India's rapidly expanding digital entertainment industry [14], [15].

Research Objectives

The primary objective of this study is to examine consumer attitudes toward the subscription-based business model adopted by Netflix India. The study aims to evaluate the factors influencing consumers' decisions to subscribe to Netflix, including pricing, content quality, personalized recommendations, streaming quality, and ease of platform usage. It also seeks to analyze customer satisfaction, subscription renewal intentions, perceived value for money, and the influence of exclusive original content on long-term customer loyalty. Furthermore, the research identifies

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the major challenges affecting subscription retention and provides recommendations to enhance customer satisfaction, improve subscription strategies, and strengthen Netflix India's competitive position in the digital entertainment industry.

Research Methodology

The present study adopts a descriptive research design to examine consumer attitudes toward the subscription-based business model of Netflix India. Both primary and secondary sources of information were used to achieve the research objectives. Primary information was collected from Netflix subscribers through a structured survey focusing on consumer attitudes, subscription preferences, pricing perception, customer satisfaction, renewal intention, and overall streaming experience. Secondary information was obtained from peer-reviewed journals, books, industry reports, company publications, government reports, and authentic online databases related to digital streaming services, consumer behaviour, and subscription-based business models. The collected information was analyzed using percentage analysis and presented through bar graphs and a line graph for systematic interpretation. The study focused on variables such as subscription affordability, content quality, personalized recommendations, streaming performance, customer satisfaction, and renewal intention to evaluate the effectiveness of Netflix India's subscription-based business model and to provide practical recommendations for improving customer retention and long-term business growth.

II. REVIEW OF LITERATURE

Tong Wu, Nan Jiang, Thivashini B. Jaya Kumar, and Mobai Chen (2024) This systematic literature review examined how cognitive factors influence consumers' perceived value and subscription intentions toward video streaming platforms. The study found that perceived quality, content variety, personalization, entertainment value, and cost-benefit perception significantly affect consumers' willingness to subscribe and continue using streaming services. The authors concluded that improving perceived value is essential for increasing customer satisfaction and subscription retention.

Krupa Shah, Bhavya Detroja, and Jignesh Vidani (2024) This research investigated consumer attitudes toward Netflix and Disney+ by analyzing factors such as content quality, subscription pricing, platform usability, and customer satisfaction. The findings revealed that content diversity, exclusive programming, affordable subscription plans, and user-friendly interfaces strongly influence consumer preferences and subscription decisions. The study emphasized that perceived value plays a major role in customer retention.

Harsh K. Sharma and Co-authors (2025) This study examined the factors affecting consumers' decisions to purchase Netflix annual subscriptions, particularly in price-sensitive markets such as India. The findings showed that perceived value, pricing, service quality, brand image, and customer attitudes positively influence subscription decisions, while perceived risk and security concerns negatively affect subscription intentions. The study concluded that maintaining customer trust and offering attractive pricing strategies are essential for long-term subscriber retention.

Byoung Jo Hwang (2024) This study explored consumer behavioral intentions toward subscription-based online platforms by examining the relationships among technology acceptance, consumer attitude, user engagement, and behavioral intention. The results indicated that technology acceptance positively influences consumer attitudes, while positive attitudes significantly improve subscription intentions and long-term platform usage. The research highlighted the importance of user experience and service quality in subscription businesses.

Ferdinar Satria Husada (2024) This research analyzed how electronic word-of-mouth (eWOM) influences Generation Z consumers' attitudes toward Netflix original content and their subscription intentions. The findings revealed that positive online reviews,

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social media discussions, and recommendations significantly improve consumer attitudes, increase trust in Netflix content, and encourage subscription decisions. The study concluded that digital word-of-mouth has become a powerful marketing tool for OTT streaming platforms.

III. DATA ANALYSIS & INTERPRETATION

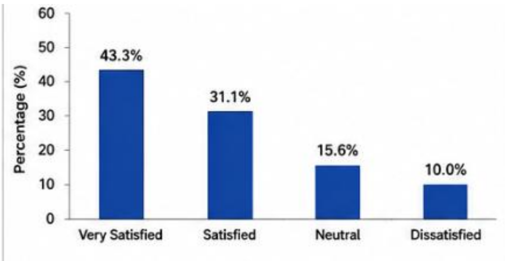

Fig 1: Consumer Satisfaction with Netflix Subscription Plans

Figure 1 The graph indicates that 43.3% of respondents are very satisfied with Netflix India's subscription plans, while 31.1% are satisfied. Around 15.6% expressed a neutral opinion, whereas 10.0% were dissatisfied.

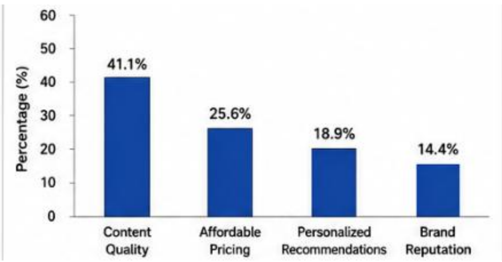

Fig 2: Factors Influencing Subscription Purchase Decisions

Figure 2 The graph shows that content quality (41.1%) is the most influential factor affecting Netflix subscription decisions. Affordable pricing ranks second (25.6%), followed by personalized recommendations (18.9%) and brand reputation (14.4%).

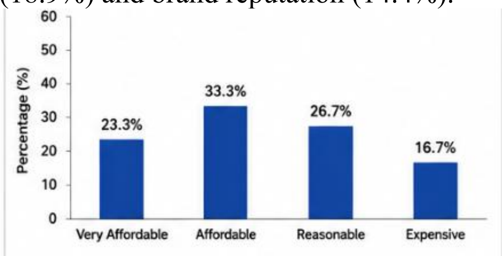

Fig 3: Consumer Perception of Netflix Subscription Pricing

Figure 3 The graph reveals that 33.3% of respondents consider Netflix subscription pricing affordable, while 26.7% believe it is reasonably priced. However, 16.7% perceive the subscription cost as expensive.

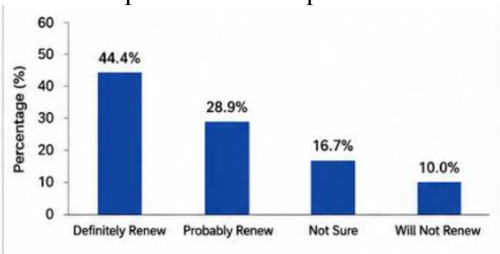

Figure 4: Subscription Renewal Intention

Figure 4 The graph indicates that 44.4% of respondents definitely intend to renew their Netflix subscription, while 28.9% are likely to renew.

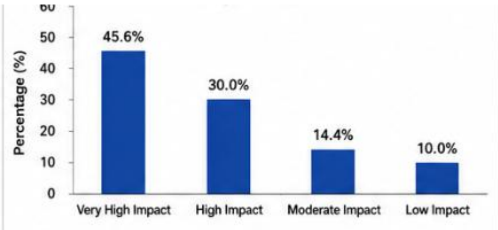

Fig 5: Impact of Content Quality on Subscription Decisions

Figure 5 The graph shows that 45.6% of respondents believe content quality has a very high impact on their decision to subscribe to Netflix, while 30.0% reported a high impact.

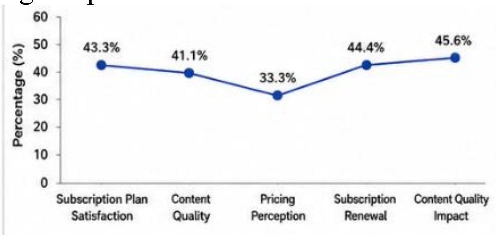

Fig 6: Overall Consumer Attitude Toward Netflix India's Subscription-Based Business Model

Figure 6 The line graph illustrates the overall consumer attitude toward Netflix India's subscription-based business model across five key dimensions.

IV. FINDINGS

The study reveals that consumers in India have a positive attitude toward Netflix's subscription-based business model due to its high-quality content, personalized viewing

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experience, and convenient streaming services. The majority of respondents expressed satisfaction with Netflix's subscription plans and indicated that exclusive original content is the primary factor influencing their decision to subscribe. The findings also show that affordable pricing, personalized content recommendations, and seamless user experience significantly contribute to customer satisfaction and subscription renewal intentions. Most consumers believe that Netflix offers good value for money despite increasing subscription costs. Furthermore, the study indicates that a large proportion of subscribers intend to renew their subscriptions because of consistent content quality, platform reliability, and personalized recommendations. However, some respondents expressed concerns regarding subscription pricing, increasing competition from other OTT platforms, password-sharing restrictions, and the availability of regional content. Overall, the findings suggest that Netflix India's customer-centric subscription model successfully enhances customer satisfaction, strengthens brand loyalty, and positively influences long-term subscription behavior.

V. CONCLUSION

The study concludes that Netflix India's subscription-based business model has been highly successful in influencing positive consumer attitudes through its focus on premium content, personalized recommendations, flexible subscription plans, and superior streaming experience. Consumers highly value the availability of exclusive original series, diverse entertainment content, and user-friendly platform features, which significantly influence their subscription and renewal decisions. Personalized recommendations generated through advanced algorithms further enhance user engagement by delivering content aligned with individual viewing preferences. Although pricing concerns and increasing competition from other OTT platforms pose challenges, Netflix continues to maintain a strong market position through continuous innovation, localized content, and improved customer experiences. Therefore, the study concludes that content quality, perceived value, customer satisfaction, and technological innovation are the major factors driving positive consumer attitudes toward Netflix India's subscription-based business model and supporting its long-term growth in the competitive digital streaming industry.

VI. FUTURE SCOPE

The future scope of this study lies in examining consumer attitudes toward subscription-based business models across multiple OTT platforms such as Amazon Prime Video, Disney+ Hotstar, JioHotstar, Sony LIV, Zee5, and Apple TV+ for comparative analysis. Future research may investigate the impact of Artificial Intelligence-based recommendations, personalized advertising, regional language content, ad-supported subscription plans, and flexible pricing strategies on customer satisfaction and subscription retention. Researchers can also explore consumer behavior across different age groups, income levels, and geographical regions to better understand changing entertainment preferences. Additional studies may examine the influence of password-sharing policies, content exclusivity, mobile-first subscription plans, and emerging technologies such as virtual reality (VR) and interactive entertainment on subscriber loyalty. Furthermore, future research can evaluate the long-term sustainability of subscription-based business models in the rapidly evolving digital entertainment ecosystem and identify innovative strategies for improving customer acquisition, engagement, and retention.

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