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CHAPTER II

LITERATURE REVIEW

2.1 Theoretical Background

2.1.1 The Theory of Consumption Values

The Theory of Consumption Values (TCV) was developed by Sheth et al. (1991) to explain the reason for consumers to buy or not buy (or to use or not to use) a product, the reason for choosing one type of product over other products, and the reason for choosing a brand over other brands. The TCV is applicable to various product categories such as consumer durables, consumer non-durables, industrial products, and services (Sheth et al., 1991).

According to Sheth et al. (1991), there are five values that can influence consumer choices in choosing products or services, namely Functional Value, Conditional Value, Social Value, Emotional Value, and Epistemic Value. In addition, Mäntymäki et al. (2019) explain that the TCV is developed as a synthesis of research collection on consumer psychology to provide a taxonomy of five values that drive consumers' purchasing decisions.

Mäntymäki et al. (2019) adopted consumption values from Sheth et al. (1991) to analyze why customers of free music streaming services upgrade to the premium version. Functional value is adapted into ubiquity, emotional value is adapted into enjoyment, epistemic value is adapted into discovery of new content, and social value is adapted into social connectivity. The social value and social connectivity will not be discussed further since this factor is not included in this research.

2.1.2 Means-End Chain Theory

Means-End Chain Theory was developed by Gutman (1982) to explain how selecting a product or service can facilitate the achievement of the desired end state. MEC model is predicated on two fundamental assumptions about consumer behavior: (1) that values, described as desirable end-states of

existence, play a crucial role in guiding choice pattern, and (2) that people cope with product diversification that may satisfy their values by grouping them into sets or classes to reduce choice complexity (Gutman, 1982). Reynolds & Gutman (1988) prove that consumers' relationships with products could be represented hierarchically through interrelated cognitive levels: attributes, consequences, and values.

Figure 2.2 illustrates the measurement model of MEC. The figure is divided into three sections: means-end chain, matrices, and inputs & outputs. As mentioned earlier, the means-end chain comprises three distinction levels: grouping (attributes), consequence (benefits), and value. Inputs are situations and products; meanwhile, outputs are products chosen. Matrices illustrate how situations and products are categorized based on the distinctions at various levels of the means-end chain (Gutman, 1982).

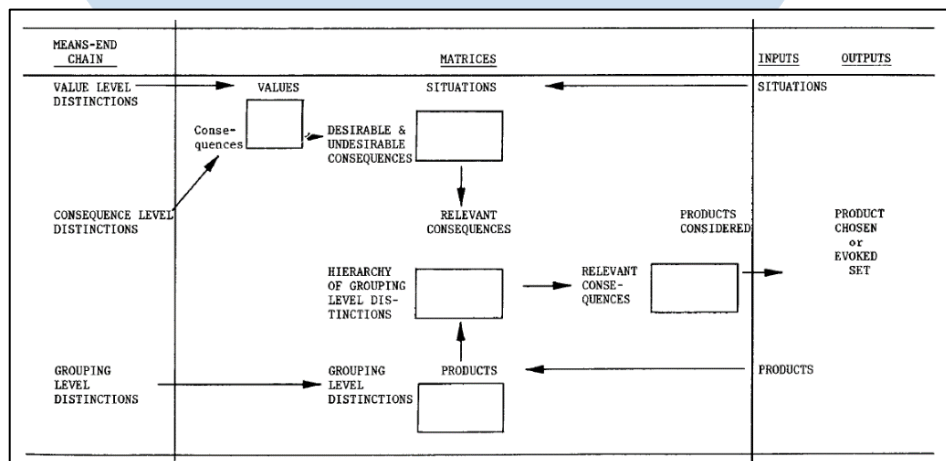


Figure 2. 1 Means-End Chain Model

Source: Gutman, 1982

Value can be defined as centrally held cognitive elements that encourage motivation for behavioral response (Vinson et al., 1977 in Gutman, 1982). Value is desired end-states of being for which a person has no further (higher) reason to prefer (Gutman, 1982). Furthermore, value serves as the foundation for customers seeking the desired product benefits (consequences). At the lower level of the hierarchy, consumers are assumed to make evaluations related to product consequences by considering product attributes. Gutman (1982)

explains that attributes play a dominant role in grouping products since consumers typically group products based on the physical and surface features.

Mäntymäki et al. (2019) utilize MEC theory to examine the constellation of driving values in consumer behavior. Since the use of hedonic digital content services is included in the hedonic consumption category and hedonic information system, enjoyment is the key consequence (benefit) that consumers seek to obtain in using digital content services (Mäntymäki et al., 2019). Meanwhile, the attributes-level dimensions such as ubiquity, discovery of new content, and intrusiveness of advertising are critical for obtaining enjoyment (Mäntymäki et al., 2019). Likewise, the price value of a premium subscription results from a cost-benefit analysis based on the attributes offered by digital content services.

2.1.3 Freemium Business Model

According to Hamari et al. (2020), freemium business model can be described as a pricing structure that provides a free core service but generates revenue through the sales of premium services or additional products. On the other hand, freemium refers to a revenue model that provides a free version for anyone who wants it, and it is expected that some users will upgrade to the premium version (Anderson, 2009 in Wagner et al., 2014). Freemium concept started when Adobe launched its software in a light version, which does not provide the same features, benefits, and functionality as the full version (Wagner et al., 2014). This concept was subsequently developed and successfully applied by various application developers, including Spotify, Dropbox, Google Drive, and LinkedIn.

As mentioned by Mäntymäki & Islam (2015), converting a free user to a premium user becomes a critical success factor for companies that adopt the freemium model. As a result, freemium services attempt to create demand for premium subscriptions by creating "inconvenience" for free users through feature limitations or the use of intrusive advertising campaigns (Hamari et al., 2020). Kumar (2014) states that companies need to balance the features

provided for free and premium subscriptions. The free version should provide enough value to attract new users and retain the existing ones, while the premium version should provide enough value-added compared to the free version (Mäntymäki & Islam, 2015).

2.1.4 Ubiquity of Premium Subscription

Functional value can be defined as the perceived utility derived from an alternative's capacity for functional, utilitarian, or physical performance (Sheth et al., 1991). Freemium-based service providers usually distinguish between the free and the premium version by limiting free users from accessing services or content. This limitation policy is closely related to the concept of ubiquity. Hence, Mäntymäki et al. (2019) adopt the concept of ubiquity to capture the functional value regarding the availability and convenience of accessing digital content.

According to Mäntymäki et al. (2019), ubiquity can be defined as the degree to which utilizing the service enables users to access content regardless of time or location. Ubiquity is conceptualized as a second-order construct comprised of spatial flexibility and time flexibility (Okazaki et al., 2009). Hägerstrand (1975) in Okazaki et al. (2009) argues that ubiquity can overcome three time-space constraints of information technology: capability, which refers to the user's ability and resources to cope with spatial separation at a particular moment; coupling, which necessitates the user's presence at a particular time and place; and time-space zones, which restrict access to particular schedules. In the music streaming services context, ubiquity is related to the ease of access to services that may be performed at any time (Purnamaningsih et al., 2019b).

In terms of mobile cloud storage services, perceived ubiquity can be described as the extent to which a user believes that services provide an uninterrupted connection and unlimited access to personal data anywhere and anytime (Arpaci, 2016). Similarly, Chen & Yao (2018) argue that ubiquity refers to the accessibility of mobile auction anytime and anywhere, without limitation.

In this research, the author employs the definition from Mäntymäki et al. (2019), which states that ubiquity is the degree to which utilizing the service enables users to access content regardless of time or location.

2.1.5 Discovery of New Content on Premium Subscription

Epistemic value refers to the perceived utility derived from an alternative's capacity to generate curiosity, deliver novelty, and fulfill the desire for knowledge (Sheth et al., 1991). Mäntymäki et al. (2019) utilize the discovery of new content concept to capture epistemic value associated with acquiring new content that suits users' preferences.

Discovery of new content can be defined as the degree to which utilizing the service facilitates the discovery of new content and broadens the user's preferences (Mäntymäki et al., 2019). Particularly, the discovery of new content in digital content services can be demonstrated through features such as curated content, large content libraries, recommendation agent features, search features, and exclusive content that are only available on premium subscriptions (Mäntymäki et al., 2019). De Wulf et al. (2006) define content in website as a second-order construct consisting of four dimensions: relevance, the degree to which website contents are useful; credibility, the degree to which website contents are regarded as trustworthy; sufficiency, the degree to which website provides the complete information; currentness, the novelty of the website contents.

Lee & Lehto (2013) state content richness in terms of procedural learning on YouTube as the number of learning materials available to users to complement their learning activities. Lin et al. (2012) define content richness as consumers' ability to discover interesting content or programs in IPTV. According to Palmer (2002), the content construct comprises the variety and the amount of provided content. In this research, the author employs the definition from Mäntymäki et al. (2019), which states that the discovery of new content is the degree to which utilizing the service facilitates the discovery of new content and broadens the user's preferences.

2.1.6 Intrusiveness of Advertising on Free Subscription

Intrusiveness of advertising on free subscription can be defined as the degree to which advertising distracts users from using the free version of services (Mäntymäki et al., 2019). Advertising has become the main difference between free and premium subscriptions. Digital content services usually display advertisements and regular commercial breaks in the user interface of a free subscription (Mäntymäki et al., 2019). However, a few studies have found that advertising might cause consumers to develop negative feelings towards advertisements (Edwards et al., 2002).

McCoy et al. (2008) define intrusiveness as a metric that measures the extent to which an advertisement will cause an undesirable distraction or diversion from the users' task. Ha (1996) in Edwards et al. (2002) define perceived intrusiveness as the interruption of editorial content that possibly limits consumers' action in obtaining their goals. Similarly, ad intrusiveness is defined as a psychological reaction to advertisements that interfere with audiences' ongoing cognitive processes (Li et al., 2002). Advertising can be a noise source that affects the availability, value, and cost of desired content (Li et al., 2002). In this research, the author employs the definition from Mäntymäki et al. (2019), which states that intrusiveness of advertising on free subscription is the degree to which advertising distracts users from using the free version of services.

2.1.7 Enjoyment of Premium Subscription

Emotional value refers to the perceived utility derived from an alternative's capacity to elicit affective states or feelings (Sheth et al., 1991). Mäntymäki et al. (2019) adopt the concept of enjoyment to capture the hedonic value related to the use of digital content services.

Enjoyment refers to the degree to which utilizing the service is perceived as enjoyable in its own right (Mäntymäki et al., 2019). Wu & Gao (2011) defines enjoyment as the inherent value of an activity that satisfies consumers' needs for diversion, escapism, emotional release, and enjoyment. According to

Suki & Suki (2011), enjoyment refers to the extent to which using the service is believed to be interesting and enjoyable. Praveena & Thomas (2014) define perceived enjoyment as an intrinsic motivation that focuses on the usage process and represents the enjoyment and pleasure related to the system use. Davis et al. (2013) argue that enjoyment is an essential antecedent to hedonic consumption, such as the use of hedonically mobile applications.

Furthermore, Lin et al. (2008) developed the three dimensions of enjoyment formulated by Warner (1980): engagement, fulfillment, and positive affect. Engagement has been found to be associated with enjoyment, which suggests that the more attention on activity paid, the more enjoyment experienced (Lin et al., 2008). Fulfillment involves the fulfilled desire and need, although this need may not have been consciously recognized previously. (Lin et al., 2008). Positive affect may be manifested as feelings of happiness, contentment, pleasure, or similar emotions (Lin et al., 2008). Turel & Serenko (2012) adopted the definition of enjoyment from Davis et al. (1992) which refers to the degree to which the computer use activity is perceived as enjoyable in its own right. Enjoyment is believed to improve user experiences and drive further usage of information systems (Turel & Serenko, 2012). In this research, the author employs the definition from Mäntymäki et al. (2019), which states that enjoyment is the degree to which utilizing the service is perceived as enjoyable in its own right.

2.1.8 Price Value of Premium Subscription

Price value refers to the degree to which premium subscription of the service offers good value for money (Mäntymäki et al., 2019). Since premium users are required to pay a subscription fee, digital content services must also provide additional features and benefits for premium users (Mäntymäki et al., 2019). Venkatesh et al. (2012) define price value as a consumer's cognitive trade-off between perceived benefits of using applications and the monetary cost that must be paid. Price value is positive when the perceived benefits of using technology are considered greater than the monetary cost, and price value

positively impacts intention (Venkatesh, 2012). On the other hand, price value may show up in different terms, such as acquisition value and price/value for money. Chahal & Kumari (2012) defines acquisition value as the occurred perceived net gains when products or services are acquired. Meanwhile, Sweeney & Soutar (2001) define price/value for money as the utility acquired from the product due to perceived cost reduction.

Hsiao (2013) defines price/value for money as the utility acquired from the use of mobile internet services due to the perceived long-term and short-term costs. Zeithaml (1988) describes price from the customer's perspective as what is sacrificed or given up to obtain a product. Moreover, perceived value can be defined as a consumer's assessment and evaluation of product utility based on perceptions about what is given and what is received (Zeithaml, 1988). In this research, the author employs the definition from Mäntymäki et al. (2019), which states that price value is the degree to which premium subscription of the service offers good value for money.

2.1.9 Intention to Upgrade to Premium Subscription

Intention to upgrade to premium subscription can be defined as the user's subjective probability of upgrading to premium subscription (Mäntymäki et al., 2019). On the other hand, intention to upgrade may appear in different terms, such as purchase intention. Purchase intention has been utilized generally to predict subsequent purchases in prior literature (Grewal et al., 1998). Chu & Lu (2007) define purchase intention as the extent to which a customer might purchase service in the future. Similarly, Hsu & Lin (2015) describe intention to purchase as the degree to which the user would like to purchase paid application after an initial acceptance decision (either to access additional features or to eliminate advertising). In the mobile game application context, purchase intention is defined as the likelihood of users to make an in-game purchase (Hamari et al., 2019).

Younus et al. (2015) describe purchase intention as a consumer preference to purchase the product or service. On the other hand, Meskaran et

al. (2013) define purchase intention as a condition in which a consumer is eager and intends to make an online purchase. Prior literature has shown that an increase in purchase intention portrays an increase in purchasing chance (Martins et al., 2019). A positive purchase intention of consumers correlated to a positive brand engagement that will promote the purchase (Martins et al., 2019). Purchase intention can be evaluated by measuring the expressed purchase intention using positive statements of a particular behavior (Barber et al., 2012). In this research, the author employs the definition from Mäntymäki et al. (2019), which states that intention to upgrade to premium subscription is the user's subjective probability of upgrading to premium subscription.

2.2 Hypothesis Development

2.2.1 The Influence of Ubiquity of Premium Subscription on Enjoyment of Premium Subscription

As described earlier, Mäntymäki et al. (2019) adopt the concept of enjoyment to capture the hedonic value related to the use of digital content services. According to Babin et al. (1994), the hedonic value represents the activity's potential enjoyment and emotional worth. Prior literature has found that ubiquity impacts the hedonic value of using services (Ltifi, 2018). Furthermore, Ltifi (2018) suggests that the higher ubiquity a mobile internet user perceives, the higher the hedonic value perceives. Research conducted by Tojib & Tsarenko (2012) proves that ubiquity positively influences the enjoyment of using mobile services. It is believed that ubiquitous mobile services will bring the user pleasure by reducing their boredom (Tojib & Tsarenko, 2012).

In the social media context, ubiquity directly has a positive impact on perceived enjoyment (Jung et al., 2015). Similarly, ubiquity is known to positively affect enjoyment in the context of mobile commerce (Yang & Lee, 2017). According to Yang et al. (2021), portability positively affects perceived hedonic value in the mobile commerce context. Portability refers to the flexibility of space and time in using mobile commerce; meanwhile, perceived

hedonic value is related to the obtained pleasure and entertainment (Yang et al., 2021). In conclusion, a higher level of ubiquity will bring more enjoyment. Thus, the following hypothesis is proposed:

H1a: Ubiquity of premium subscription positively impacts enjoyment premium subscription

2.2.2 The Influence of Ubiquity of Premium Subscription on Price Value of Premium Subscription

As previously mentioned, price value may show up in different terms, such as acquisition value, price/value for money, perceived value, or economic value. Chopdar & Balakrishnan (2020) define perceived value as consumers' evaluation regarding quality relative to the price of products or services. Thus, it is assumed that perceived ubiquity positively influences perceived value of mobile commerce applications (Chopdar & Balakrishnan, 2020). According to Chong et al. (2012), ubiquity positively influences perceived value in the mobile internet context. Mobile internet ubiquity is considered as one of the important factors in influencing customer perceptions of value for money (Chong et al., 2012).

Similarly, Prodanova et al. (2019) state that ubiquity positively impacts the perceived value of mobile banking. Ubiquity is considered the main benefit of m-banking and help customer to evaluate the service of m-banking (Prodanova et al., 2019). In conclusion, a higher level of ubiquity will lead to a higher level of price value. Thus, the following hypothesis is proposed:

H1b: Ubiquity of premium subscription positively impacts price value of premium subscription

2.2.3 The Influence of Ubiquity of Premium Subscription on Intention to Upgrade to Premium Subscription

Zhang et al. (2020) adopt the ubiquity concept by Okazaki et al. (2012) and Okazaki & Mendez (2013) to evaluate the mobility of mobile instant messaging (MIM) applications. Mobility is contextualized into the fit

dimension to identify spatial flexibility, time flexibility, and immediacy as predictors of purchase intention in MIM applications (Zhang et al., 2020). Similarly, Lee et al. (2018) suggest that perceived mobility or perceived ubiquity strongly correlates with the purchase intention of tablet computer applications.

In the context of mobile games, access flexibility or ubiquity is one of the important performance/quality values (Hsiao et al., 2016). Access flexibility refers to the extent to which a user is able to play mobile games anytime and anywhere (Hsiao et al., 2016). Therefore, Hsiao & Chen (2016) argue that access flexibility positively influences in-app purchase intention. In conclusion, a higher level of ubiquity will increase user intention to upgrade to premium subscriptions. Thus, the following hypothesis is proposed:

H1c: Ubiquity of premium subscription positively impacts intention to upgrade to premium subscription

2.2.4 The Influence of Discovery of New Content on Premium Subscription on Enjoyment of Premium Subscription

In the smart TV context, content quality is defined as the extent to which users can access and customize various content that they want (Cho et al., 2019). Furthermore, it is believed that content quality has a positive impact on perceived enjoyment (Cho et al., 2019). According to Seol et al. (2016), a high level of accurate, relevant, complete, timely, detailed, and reliable content is considered to fulfill user needs and enhance enjoyment. Thus, Seol et al. (2016) argue that content quality positively impacts the perceived enjoyment of social network services pages.

As Yang & Lee (2019) mentioned, content quality is confirmed to positively impact the perceived enjoyment of virtual personal assistant devices. The high sufficiency level, up-to-date, and relevant content will bring enjoyment to the users (Yang & Lee, 2019). Content quality is also suggested to have a positive influence on perceived playfulness, since better content will make a user believe mobile commerce is more fun and enjoyable (Han et al.,

2016). In conclusion, the more content user can access, the more enjoyment user can perceive. Thus, the following hypothesis is proposed:

H2a: Discovery of new content on premium subscription positively impacts enjoyment of premium subscription

2.2.5 The Influence of Discovery of New Content on Premium Subscription on Price Value of Premium Subscription

Instead of using the "content" term, some literature may use other terms such as perceived usefulness to describe discovery of new content. According to Chu & Lu (2007), perceived usefulness is positively associated with perceived value of online music services. Perceived usefulness refers to the extent to which online music services may fulfill a particular purpose (Chu & Lu, 2007). In this study, perceived usefulness is used to assess customer perception of online music services' ability to provide a wide variety of music and its information. Meanwhile, perceived value is used to evaluate the benefits compared to the cost of online music services. Similarly, Wang et al. (2013) state that perceived usefulness positively influences perceived value of online content services.

According to Kuo et al. (2009), the quality of mobile value-added service can be measured by service quality, which involves content quality and other dimensions. Content quality is a dimension used to evaluate customer perception of content provided by mobile value-added service. Kuo et al. (2009) state that service quality positively influences perceived value of mobile value-added services. In the IPTV context, Lin et al. (2012) postulate that perceived benefits, consisting of content richness and other dimensions, are positively related to perceived value. Another prior research on music streaming services shows that perceived usefulness is positively associated with perceived value (Fernandes & Guerra, 2019).

In conclusion, a wide variety of content that can be discovered will influence price value of services. Thus, the following hypothesis is proposed:

H2b: Discovery of new content on premium subscription positively impacts price value of premium subscription

2.2.6 The Influence of Discovery of New Content on Premium Subscription on Intention to Upgrade to Premium Subscription

Prior literature has found that content availability positively impacts behavioral intention to adopt OTT video platforms (Malewar & Bajaj, 2020). Content availability can be defined as the variety of content provided by streaming services in terms of genre, quality & quantity, and regional language accessible by users (Malewar & Bajaj, 2020). The wide variety of content offered may influence users to purchase and use OTT video platforms (Malewar & Bajaj, 2020). Similarly, Indrawati & Haryoto (2015) suggest that content will positively influence behavioral intention in adopting TV streaming. The wide variety of up-to-date and suitable content will encourage people to adopt TV streaming (Indrawati & Haryoto, 2015).

Instead of using "content" term, some literature may use other terms such as perceived usefulness, performance expectancy, or algorithmic value to describe the discovery of new content. Suki (2011) states that perceived usefulness positively impacts purchase intention towards online music platform. Perceived usefulness is the extent to which consumer perceives that using online music platforms could fulfill a certain purpose, which is to discover music and its information (Suki, 2011). According to Lüders (2020), music streaming services' capability to provide a wide variety of relevant and accurate content may be reflected as algorithmic value. It is believed that algorithmic value has a positive impact on continued behavioral intention to purchase music streaming services (Lüders, 2020).

In conclusion, a wide variety of content that can be discovered will influence purchase intention toward premium subscriptions. Thus, the following hypothesis is proposed:

H2c: Discovery of new content on premium subscription positively impacts intention to upgrade to premium subscription

2.2.7 The Influence of Intrusiveness of Advertising in Free Subscription on Enjoyment of Premium Subscription

Prior literature proposed that intrusiveness of advertising on free subscription has a significant impact on enjoyment of premium subscription (Mäntymäki et al., 2019). From the customer's perspective, the presence of advertisements can interfere with their experience in using a free subscription of online music streaming services. Meanwhile, the premium subscription offers a higher user experience since it is ad-free. Therefore, users will tend to believe that they can obtain more enjoyment if they use a premium subscription.

On the other hand, prior literature in the radio context shows that humor in radio advertising, which is expected to impact program enjoyment positively, is irritating and does not make the program perceived as enjoyable (Benson & Perry, 2006). In other words, it may be inferred that advertising in free subscriptions might annoy and disturb users, while premium subscriptions should be more enjoyable due to the lack of advertising. Therefore, it can be concluded that the more user perceives the intrusiveness of advertising, the more they believe that premium subscription would bring more enjoyment. Thus, the following hypothesis is proposed:

H3a: Intrusiveness of advertising in free subscription positively impacts enjoyment of premium subscription

2.2.8 The Influence of Intrusiveness of Advertising on Free Subscription on Price Value of Premium Subscription

According to Mäntymäki et al. (2019), intrusiveness of advertising in free subscription positively impact the price value of premium subscription. Since

the presence of ads may interfere with the user experience, they have a detrimental impact on the overall value of free subscription. On the other hand, Wagner et al. (2014) state that advertising in freemium services is used to encourage free subscription users to upgrade to premium subscriptions.

Since the most advantageous feature of premium subscription is ad-free, users will believe that premium subscription is able to provide more value that is worth the money that must be spent. In conclusion, the more user perceives the intrusiveness of advertising in free subscription, the more user believes that premium subscription offers value for money. Thus, the following hypothesis is proposed:

H3b: Intrusiveness of advertising in free subscription positively impacts price value of premium subscription

2.2.9 The Influence of Intrusiveness of Advertising in Free Subscription on Intention to Upgrade to Premium Subscription

Research conducted by Mäntymäki et al. (2019) shows that intrusiveness of advertising in free subscription positively impacts intention to upgrade to premium subscription. It is found that intrusive advertising may have a negative impact on the user experience while using online music streaming services. As a result, freemium services employ advertising to promote the premium version, expecting users to upgrade to a premium version of an application (Wagner et al., 2014).

Similarly, Hamari et al. (2019) has discovered that companies commonly create inconvenience in using mobile applications to encourage users to spend money and purchase in-app premium content that can fulfill their needs. In other words, it can be concluded that the more user perceives the intrusiveness of advertising in free subscription, the more user believes that premium subscription offers value for money. Thus, the following hypothesis is proposed:

H3c: Intrusiveness of advertising in free subscription positively impacts intention to upgrade to premium subscription

2.2.10 The Influence of Enjoyment of Premium Subscription on Intention to Upgrade to Premium Subscription

Prior literature has found that enjoyment positively influences the purchase/continuance intention of mobile newspaper (Wang et al., 2013). In the freemium games content, (Hamari et al., 2020) have proved the significant effect of enjoyment on purchase intention. Similarly, another literature on mobile games has proved that enjoyment, represented by playfulness, positively influences in-app purchase intention (Hsiao & Chen, 2016). Emotional value has often been operationalized as enjoyment, which has also been considered the primary factor of hedonically oriented system usage (Hamari et al., 2019).

According to Hsu & Lin (2015), emotional value is found to be the predictor of intention to purchase paid applications. A similar study was also conducted by Hamari et al. (2019), stating that enjoyment is an important factor in predicting in-app purchase intention of mobile games. In conclusion, a higher level of enjoyment will increase user intention to upgrade to premium subscription. Thus, the following hypothesis is proposed:

H4: Enjoyment of premium subscription positively impacts intention to upgrade to premium subscription

2.2.11 The Influence of Price Value of Premium Subscription on Intention to Upgrade to Premium Subscription

According to Robin et al. (2019), price value is considered to have a positive impact on video-on-demand (VOD) purchase intention. When the perceived benefits of products exceed the monetary cost, the price value is positive (Venkatesh et al., 2012). As a result, Venkatesh et al. (2012) state that price value is a predictor of behavioral intention to use the product. Research conducted by Barata & Coelho (2021) shows that price value is positively associated with behavioral intention of using paid music streaming services.

Hsiao (2013) states that price/value for money positively impacts intention to pay for mobile internet services. It is believed that a higher perceived price/value for money leads to a higher user intention to pay for

mobile internet services (Hsiao, 2013). Similarly, Wong et al. (2014) has discovered that price value has a significant impact on mobile TV adoption intention. In the context of delivery services application, it is known that price value has positive effect on behavioral intention to adopt this application (Purnamaningsih et al., 2019a).

According to prior literature, it can be considered that price value has a significant effect on purchase intention. Thus, the following hypothesis is proposed:

H5: Price value of premium subscription positively impacts intention to upgrade to premium subscription

2.3 Research Model

In this research, the author adopts a research model from Mäntymäki et al. (2019) in their journal entitled "What drives subscription to premium in freemium services? A consumer value-based view of differences between upgrading to and staying with premium". Figure 2.2 shows the research model.

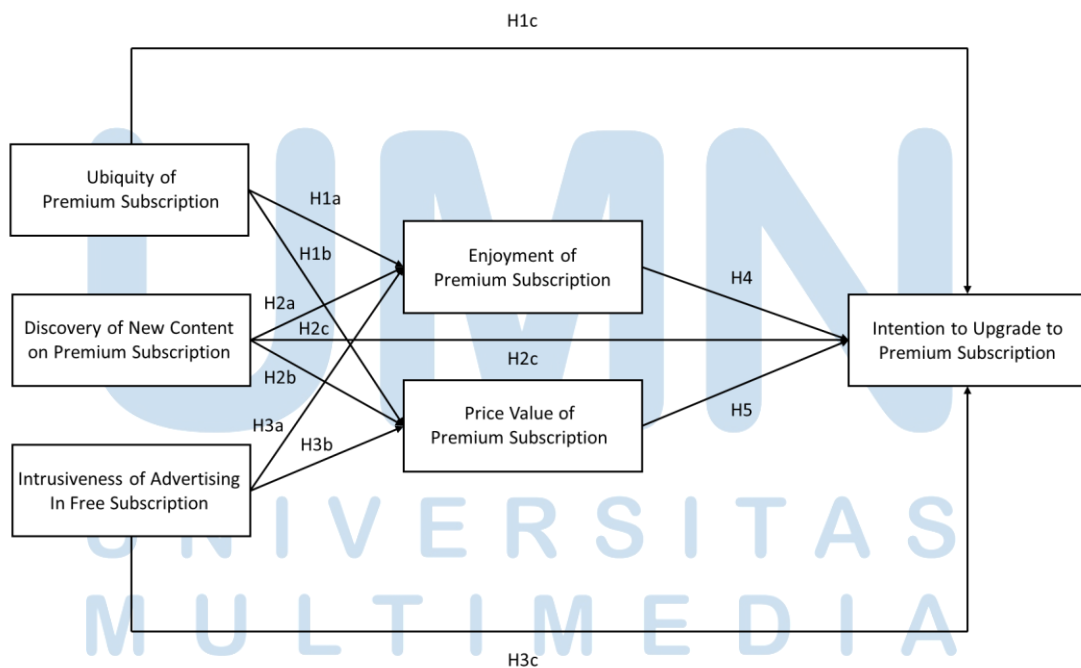


Figure 2. 2 Research Model
Source: Mäntymäki et al. (2019)

2.4 Prior Literature

Table 2. 1 Prior Literature

No	Author(s)	Title of Paper	Key Findings
1	(Mäntymäki et al., 2019)	What drives subscribing to premium in freemium services? A consumer value-based view of differences between upgrading to and staying with premium	Definition of Ubiquity
			Definition of Discovery of New Content
			Definition of Intrusiveness of Advertising
			Definition of Enjoyment
			Definition of Price Value
			Definition of Intention to Upgrade to Premium Subscription
			Intrusiveness of Advertising positively influences Price Value
			Intrusiveness of Advertising positively influences Intention to Upgrade to Premium Subscription
2	(Okazaki et al., 2009)	Consumer privacy concerns and preference for degree of regulatory control: A study of mobile advertising in Japan	Definition of Ubiquity
3	(Arpaci, 2016)	Understanding and predicting students' intention to use mobile cloud storage services	Definition of Perceived Ubiquity
4	(Chen & Yao, 2018)	What drives impulse buying behaviors in a mobile auction? The perspective of the Stimulus-Organism-Response model	Definition of Ubiquity
5	(Palmer, 2002)	Web Site Usability, Design, and Performance Metrics	Definition of Content
6	(de Wulf et al., 2006)	The role of pleasure in web site success	Definition of Content
7	(D. Y. Lee & Lehto, 2013)	User acceptance of YouTube for procedural learning: An extension of the Technology Acceptance Model	Definition of Content Richness
8	(Lin et al., 2012)	The integration of value-based adoption and expectation-confirmation models: An example of IPTV continuance intention	Definition of Content Richness
			Content Richness positively influences Perceived Value
9	(McCoy et al., 2008)	An experimental study of antecedents and consequences of online ad intrusiveness	Definition of Intrusiveness

No	Author(s)	Title of Paper	Key Findings
10	(Li et al., 2002)	Measuring the intrusiveness of advertisements: Scale development and validation	Definition of Ad Intrusiveness
11	(Edwards et al., 2002)	Forced exposure and psychological reactance: Antecedents and consequences of the perceived intrusiveness of pop-up ads	Definition of Perceived Intrusiveness
12	(Suki & Suki, 2011)	Exploring the relationship between perceived usefulness, perceived ease of use, perceived enjoyment, attitude and subscribers' intention towards using 3G mobile services	Definition of Enjoyment
13	(Wu & Gao, 2011)	Applying The Extended Technology Acceptance Model To The Use Of Clickers In Student Learning: Some Evidence From Macroeconomics Classes	Definition of Enjoyment
14	(Praveena & Thomas, 2014)	Continuance Intention to Use Facebook: A Study of Perceived Enjoyment and TAM	Definition of Perceived Enjoyment
15	(Davis et al., 1992)	Extrinsic and Intrinsic Motivation to Use Computers in the Workplace	Definiton of Enjoyment
16	(Lin et al., 2008)	Developing a scale to measure the enjoyment of web experiences	Dimensions of Enjoyment
17	(Turel & Serenko, 2012)	The benefits and dangers of enjoyment with social networking websites	Concept of Enjoyment
18	(Venkatesh et al., 2012)	Consumer Acceptance and Use of Information Technology: Extending the Unified Theory of Acceptance and Use of Technology	Definition of Price Value
			Price Value positively influences Behavioral Intention
19	(Chahal & Kumari, 2012)	Consumer perceived value: The development of a multiple item scale in hospitals in the Indian context	Definition of Acquisition Value
20	(Sweeney & Soutar, 2001)	Consumer perceived value: The development of a multiple item scale	Definition of Price/Value for Money
21	(Hsiao, 2013)	Android smartphone adoption and intention to pay for mobile internet: Perspectives from software, hardware, design, and value	Definition of Price/Value for Money
			Price/Value for Money positively influences Intention
22	(Zeithaml, 1988)	Consumer Perceptions of Price, Quality, and Value: A Means-	Definition of Perceived Value

No	Author(s)	Title of Paper	Key Findings
		End Model and Synthesis of Evidence	
23	(Chu & Lu, 2007)	Factors influencing online music purchase intention in Taiwan: An empirical study based on the value-intention framework	Definition of Purchase Intention Perceived Usefulness positively influences Perceived Customer Value
24	(Hsu & Lin, 2015)	What drives purchase intention for paid mobile apps?-An expectation confirmation model with perceived value	Definition of Intention to Purchase Emotional Value positively influences Intention to Purchase
25	(Younus et al., 2015)	Identifying the Factors Affecting Customer Purchase Intention	Definition of Purchase Intention
26	(Meskaran et al., 2013)	Online Purchase Intention: Effects of Trust and Security Perception	Definition of Purchase Intention
27	(Barber et al., 2012)	Measuring psychographics to assess purchase intention and willingness to pay	Concept of Purchase Intention
28	(Hamari et al., 2019)	Uses and Gratifications of Pokémon Go: Why do People Play Mobile Location-Based Augmented Reality Games?	Definition of In-App Purchase Intention Enjoyment positively influences In-App Purchase Intention
29	(Zhang et al., 2020)	How does mobility affect social media advertising effectiveness? A study in WeChat	Mobility positively influences Purchase Intention
30	(Lee et al., 2018)	Factors affecting tablet computer users' intention to purchase mobile applications	Perceived Mobility positively influences Purchase Intention
31	(Hsiao & Chen, 2016)	What drives in-app purchase intention for mobile games? An examination of perceived values and loyalty	Access Flexibility positively influences In-App Purchase Intention Playfulness positively influences In-App Purchase Intention
32	(Ltifi, 2018)	Determinants of the intention of smartphone usage by mobile internet users for m-services	Ubiquity positively influences Hedonic Value
33	(Tojib & Tsarenko, 2012)	Post-adoption modeling of advanced mobile service use	Ubiquity positively influences Enjoyment
34	(Jung et al., 2015)	The Impact of Interaction and Ubiquity on Trust, Benefits, and Enjoyment in Social Media Continuance Use	Ubiquity positively influences Perceived Enjoyment
35	(Yang & Lee, 2017)	The Dimensions of M-Interactivity and Their Impacts in the Mobile Commerce Context	Ubiquity positively influences Enjoyment
36	(Yang et al., 2021)	Consumer perceived value and impulse buying behavior on	Ubiquity positively influences Perceived Hedonic Value

No	Author(s)	Title of Paper	Key Findings
		mobile commerce: The moderating effect of social influence	
37	(Chong et al., 2012)	An empirical analysis of mobile internet acceptance from a value-based view	Ubiquity positively influences Perceived Value
38	(Chopdar & Balakrishnan, 2020)	Consumers response towards mobile commerce applications: S-O-R approach	Ubiquity positively influences Perceived Value
39	(Prodanova et al., 2019)	Enriching m-banking perceived value to achieve reuse intention	Ubiquity positively influences Perceived Value
40	(Malewar & Bajaj, 2020)	Acceptance of OTT video streaming platforms in India during covid -19: Extending UTAUT2 with content availability	Content Availability positively influences Behavioral Intention
41	(Indrawati & Haryoto, 2015)	The Use of Modified Theory of Acceptance and Use of Technology 2 to Predict Prospective Users' Intention in Adopting TV Streaming	Content positively influences Behavioral Intention
42	(Suki, 2011)	Gender, age, and education: Do they really moderate online music acceptance?	Perceived Usefulness positively influences Purchase Intention
43	(Lüders, 2020)	Ubiquitous tunes, virtuous archiving and catering for algorithms: the tethered affairs of people and music streaming services	Algorithmic Value positively influences Behavioral Intention
44	(Cho et al., 2019)	Service-led model for the activation of smart TV: Case study in Korea	Content Quality positively influences Perceived Enjoyment
45	(Seol et al., 2016)	Continuance usage of corporate SNS pages: A communicative ecology perspective	Content Quality positively influences Perceived Enjoyment
46	(Yang & Lee, 2019)	Understanding user behavior of virtual personal assistant devices	Content Quality positively influences Perceived Enjoyment
47	(Han et al., 2016)	Antecedents of intention and usage toward customers' mobile commerce: Evidence in Vietnam	Content Quality positively influences Perceived Playfulness
48	(Kuo et al., 2009)	The relationships among service quality, perceived value, customer satisfaction, and post-purchase intention in mobile value-added services	Content Quality positively influences Perceived Value
49	(Y. S. Wang et al., 2013)	What drives purchase intention in the context of online content services? the moderating role of ethical self-efficacy for online piracy	Perceived Usefulness positively influences Perceived Value

No	Author(s)	Title of Paper	Key Findings
50	(Fernandes & Guerra, 2019)	Drivers and deterrents of music streaming services purchase intention	Perceived Usefulness positively influences Perceived Value
51	(Hamari et al., 2020)	“Why pay premium in freemium services?” A study on perceived value, continued use and purchase intentions in free-to-play games	Enjoyment positively influences Purchase Intention
52	(Wang et al., 2013)	User adoption and purchasing intention after free trial: An empirical study of mobile newspapers	Enjoyment positively influences Purchase/Continuance Intention
53	(Wong et al., 2014)	Mobile TV: A new form of entertainment?	Price Value positively influences Behavioral Intention
54	(Robin et al., 2019)	Netflix, Who Is Watching Now?	Price Value positively influences Purchase Intention
55	(Barata & Coelho, 2021)	Music streaming services: understanding the drivers of customer purchase and intention to recommend	Price Value positively influences Behavioral Intention

