

An Analytical Study on Financial Implication of Lifestyle-Based Subscription Services on Individual Budgeting

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Abstract: In the digital era, lifestyle-based subscription services such as entertainment streaming platforms, online fitness programs, learning applications, and food delivery services have become an integral part of everyday life. While these services offer convenience and enhanced user experience, their recurring nature has significant implications for individual budgeting and financial planning. This study, titled “An Analytical Study on Financial Implication of Lifestyle-Based Subscription Services on Individual Budgeting,” aims to examine the impact of subscription-based spending on monthly budgets, spending behaviour, and financial awareness. Using a descriptive and analytical research design, primary data are collected through structured questionnaires to assess subscription usage patterns, expenditure levels, tracking practices, and perceived value for money. The study also tests whether tracking subscription expenses improves money management and whether such spending affects monthly budgets. The findings are expected to highlight the growing influence of automated recurring payments on personal finances and emphasize the need for greater financial awareness and effective budgeting in a subscription-driven economy.

Index-Terms: Lifestyle-Based Subscription Services, Individual Budgeting, Financial Planning, Recurring Payments, Spending Behaviour, Financial Awareness

I. INTRODUCTION

Lifestyle-based services are continuous digital services designed to make everyday life more convenient, enjoyable, and personalized by aligning with individuals’ habits, interests, and routines. These include streaming platforms, fitness memberships, online learning, and food delivery applications, which have become widely used due to the growth of the internet and smartphones. Unlike one-time purchases, such services operate through recurring subscriptions, allowing users instant and flexible access anytime and anywhere. While personalization features enhance user engagement and satisfaction, the accumulation of multiple subscriptions often leads to unnoticed recurring expenses, impacting individual

budgeting. Thus, although lifestyle-based services enhance comfort and accessibility, they also highlight the financial trade-off between convenience and effective money management.

II. LITERATURE REVIEW

1. Kaur and Zhang (2024)

This study explored how artificial intelligence-based subscription tracking influences financial behaviour among Indian users. The authors concluded that AI driven tools help consumers visualize their recurring expenses, leading to a 21% reduction in unnecessary subscription costs. Their findings emphasized the potential of FinTech interventions in improving financial discipline and promoting smarter budgeting habits.

2. Fischer and Patel (2023)

Fischer and Patel explored emotional spending triggers within subscription ecosystems. Their results showed that individuals experiencing stress or seeking self-reward are more likely to engage in recurring purchases resulting in higher financial vulnerability and increased debt levels over time.

3. PwC India (2023)

PwC's report on the Indian subscription economy revealed that the country is witnessing rapid growth in lifestyle-based digital services. The report highlighted that young professionals spend a significant portion of their income on recurring subscriptions, affecting long-term savings. It also called for greater transparency in subscription billing and awareness among consumers regarding cumulative costs.

4. McKinsey & Company (2022)

McKinsey's global report highlighted that subscription-based services have grown by over 435% since 2012, with most online consumers using at least five subscriptions at once. The study noted that while subscriptions offer convenience and accessibility, they also destabilize short-term liquidity and promote impulsive spending behaviours especially in developed economies.

III. RESEARCH METHODOLOGY

3.1. Statement of Problem:

In recent years lifestyle-based subscription services have become an integral part of people's daily lives. With the rise of digital platforms such as Netflix, Spotify, Zomato, Swiggy, Amazon and various fitness and education apps individuals are increasingly adopting subscription models for convenience and entertainment. While these services offer comfort and flexibility, they also create new challenges in terms of financial management and budgeting. Many individuals subscribe to multiple platforms without fully realizing the cumulative cost of these recurring payments. Small monthly amounts when added together can significantly impact one's overall financial stability and savings. Moreover, the automated nature of subscription renewals often leads to unmonitored spending and reduced awareness of financial outflow.

The problem becomes more complex as consumers differ in their income levels, spending habits, and awareness of their financial limits. Some users may consider these subscriptions as essential while others may view them as luxury expenses. There is limited academic research on how these digital lifestyle choices affect individual budgeting behaviour particularly in semi-urban areas like Vashi.

Therefore, this study aims to analyse how lifestyle-based subscription services influence personal budgeting patterns how much income individuals allocate to these services whether they actively track their spending and how these habits affect their overall financial management.

3.2. Scope of study:

The scope of this study includes a detailed analysis of the financial implications of lifestyle-based subscription services on individual budgeting. It focuses on understanding spending patterns, tracking habits and perceptions of necessity among consumers in Vashi. The study aims to assess how these subscriptions affect budgeting, financial awareness, and overall money management.

3.3. Objectives of the study:

1. To study how lifestyle subscription services affect people's monthly budgeting.
2. To find out which types of subscription services people use the most.
3. To check how much of their income people spend on these subscriptions.
4. To check whether people keep track of their subscription spending.
5. To understand whether people feel these subscriptions are necessary and worth the money.
6. To learn how people manage their subscription spending along with other expenses.

3.4. Hypothesis of the study:

Hypothesis 1

H₁: Tracking subscription spending helps in managing money better.

H₀: Tracking subscription spending does not make a difference in managing money.

Hypothesis 2

H₁: The money spent on subscriptions affects people's monthly budget.

H₀: The money spent on subscriptions does not affect people's monthly budget.

3.5. Data Collection Methods:

Survey Method: - Online

Survey Instrument: - Questionnaire

Method of Survey: - Through the personal interaction with the help of questionnaire

3.6. Collection of Primary Data:

Primary data are those data collected by the researcher for the first time and hence they are original in nature. In this study primary data was collected through a Google Form questionnaire distributed among individuals residing in Vashi, Navi Mumbai. The form included questions related to subscription usage, monthly spending, income range and

budgeting habits. A combination of non-probability sampling techniques and snowball sampling was used for collecting the data from different individuals. The selection of respondents was based on their easy availability and accessibility to the researcher. In total 100 valid responses were collected and used for analysis.

3.7. Collection of Secondary Data:

Secondary data has been collected from various useful resources and information sources required to successfully complete the project. It includes data and figures obtained from the internet, research journals, books, magazines, newspapers and other reliable online platforms related to subscription-based services, consumer behaviour and financial management.

3.8. Limitations of the study:

1. **Limited Sample Size:** The study is based on responses from only 100 participants which may not fully represent the entire population of Vashi or other regions.
2. **Geographical Restriction:** The research is limited to the Vashi area of Navi Mumbai, so the findings may not reflect the behaviour of consumers in rural or other urban areas.
3. **Time Constraints:** Due to limited time for data collection and analysis the study could not include a larger sample or conduct detailed follow-up interviews.
4. **Self-Reported Data:** The information collected through the Google Form relies on respondents' honesty and self-awareness which may include bias or inaccuracy in reporting spending habits.
5. **Uneven Demographic Representation:** Some age groups or income levels may have fewer participants which can slightly affect the overall balance of results.

IV. FINDINGS AND DATA ANALYSIS

4.1. Data analysis and Interpretation:

4.1.1. Gender based Analysis:

Table 1. The Classification of Respondents Based on Gender

Gender	No. of Respondents	Percentage
Female	55	55%
Male	43	43%
Other	2	2%
Total	100	100%

Source: Primary Data

Interpretation: Most of the respondents are female (55%) as compared to male respondents (43%) while only (2%) identified as others. This indicates that female opinions dominate the survey responses with males contributing slightly less. The minimal percentage of respondents under the "other" category shows limited gender diversity in the sample. Overall, the data suggests that the findings largely reflect the views of female participants.

4.1.2. Age based Analysis:

Table 2: The classification of Respondents on their Age

Age	No. of Respondents	Percentage
Below 20	15	15%
21-30 years	48	48%
31-40 years	25	25%
41-50 years	7	7%
Above 50	5	5%
Total	100	100%

Source: Primary Data

Interpretation: The analysis reveals that the majority of respondents (48%) belong to the age group of 21-30 years, followed by (25%) in the 31-40 years category. About (15%) of respondents are below 20 years, while (7%) fall within the 41-50 years age group and only (5%) are above 50 years. This indicates that the survey is largely dominated by young and middle-aged individuals reflecting that their views and experiences play a major role in shaping the overall findings whereas older respondents are comparatively less represented.

4.1.3. Monthly Income Analysis:

Table 3. Monthly income of the respondents.

Income	No. of Respondents	Percentage
Less than 20,000	28	28%
20,000 to 40,000	32	32%
40,000 to 60,000	19	19%
60,000 to 1,00,000	11	11%
Above 1,00,000	10	10%
Total	100	100%

Source: Primary Data

Interpretation: The analysis reveals that the majority of respondents (32%) have a monthly income between ₹20,000 to ₹40,000 followed by (28%) earning less than ₹20,000. Around (19%) of respondents fall in the ₹40,000 to ₹60,000 range while (11%) earn between ₹60,000 to ₹1,00,000 and only (10%) have an income above ₹1,00,000. This indicates that most respondents belong to the lower and middle-income groups reflecting that the survey primarily represents individuals with modest earning capacities.

4.1.4 Which of the following subscription services do you currently use?

Table 4. Subscription Services Currently Used by Respondents

Subscription Category	Currently Using	Not Using	Total
OTT (Netflix, Amazon Prime, JioHotstar, etc.)	81	19	100
Music (Spotify, Gaana, Apple Music)	57	43	100
Fitness/Health (Cure.fit, HealthifyMe, Gym apps)	35	65	100
Education (Coursera, Udemy, Byju's, etc.)	32	68	100
Shopping/Delivery (Amazon, Flipkart Plus, Zomato Gold, Swiggy One)	48	52	100
Total	253	247	500

Source: Primary Data

Interpretation: The analysis reveals that the majority of respondents (81%) are currently using OTT platforms such as Netflix, Amazon Prime and Hotstar. This is followed by music subscriptions like Spotify and Gaana (57%) and fitness/health apps (35%). Around (32%) of respondents use educational platforms such as Coursera or Byju's, while (48%) use shopping and delivery subscriptions like Amazon Prime or Swiggy One. This indicates that OTT and music streaming services are the most popular among users, reflecting a strong preference for entertainment-based subscriptions, while educational and health related services are comparatively less utilized.

4.1.5. Do you keep track of your subscription spending?

Table 5. Tracking of Subscription Spendings

Tracking Behaviour	No. of Respondent	Percentage
Never	34	34%
Regularly	24	24%
Sometimes	42	42%
Total	100	100%

Source: Primary Data

Interpretation:

The analysis reveals that the majority of respondents (42%) sometimes keep track of their subscription spending, while (34%) stated that they never monitor it. Only (24%) of respondents regularly track their expenses on subscriptions. This indicates that most individuals have limited awareness or control over their subscription costs, suggesting a need for better financial tracking habits to manage recurring digital expenses effectively.

4.1.6. Tracking subscription spending helps in better money management?

Table 6. Tracking Subscription Spending & Money Management

Opinion Category	No. of Respondents	Percentage
Strongly disagree	4	4%
Disagree	8	8%
Neutral	22	22%
Agree	47	47%
Strongly agree	19	19%
Total	100	100%

Source: Primary Data

Interpretation:

The analysis indicates that a majority of respondents (47%) agree that tracking subscription spending helps in better money management, while (19%) strongly agree with this statement. Around (22%) remain neutral, and only a small portion disagree (8%) or strongly disagree (4%). This suggests that most respondents recognize the importance of monitoring subscription expenses as an effective way to improve financial control and budgeting habits.

4.1.7. On average, how much do you spend on subscriptions per month?

Table 7. Monthly Spending on Subscription Services

Monthly Spending	No. of Respondents	Percentage
Less than 500	19	19%
500 to 1,000	34	34%
1,000 to 2,000	25	25%
2,000 to 5,000	14	14%
Above 5,000	8	8%
Total	100	100%

Source: Primary Data

Interpretation:

The analysis reveals that the majority of respondents (34%) spend between ₹500 to ₹1,000 per month on subscriptions, followed by (25%) who spend ₹1,000 to ₹2,000. Around (19%) of respondents spend less than ₹500, while (14%) spend ₹2,000 to ₹5,000 and only (8%) spend above ₹5,000 monthly. This indicates that most respondents prefer to keep their subscription expenses moderate reflecting a tendency toward affordable spending habits on digital and entertainment services.

4.1.8. Does spending on subscriptions affect your monthly budget?

Table 8: Impact of Subscription Spending on Monthly Budgeting

Particulars	No. of Respondents	Percentage
No impact	27	27%
Yes, but manageable	55	55%
Yes, significantly	18	18%
Total	100	100%

Source: Primary Data

Interpretation:

The analysis reveals that the majority of respondents (55%) stated that spending on subscriptions affects their monthly budget but is manageable, while (27%) reported no impact on their budget. However, (18%) of respondents indicated that subscriptions significantly affect their monthly expenses. This suggests that while most users are able to balance their subscription costs within their budget, a small portion experiences financial strain due to such recurring expenses.

V. HYPOTHESIS TESTING

5.1 Hypothesis Test-1

H₀: Tracking subscription spending does not make a difference in managing money.

H₁: Tracking subscription spending helps in managing money better.

Table 9: Hypothesis 1

	Column Labels					
Row Labels	Agree	Disagree	Neutral	Strongly agree	Strongly disagree	Grand Total
Never	12	4	6	11	1	34
Regularly	15		5	2	2	24
Sometimes	20	4	11	6	1	42
Grand Total	47	8	22	19	4	100

Table 10: Anova Test-1

Anova: Single Factor					
SUMMARY					
Groups	Count	Sum	Average	Variance	
Column 1	3	47	15.67	16.33	
Column 2	3	8	2.67	5.33	
Column 3	3	22	7.33	10.33	
Column 4	3	19	6.33	20.33	

Column 5	3	4	1.33	0.33		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	378	4	94.5	8.97	0.0024	3.48
Within Groups	105.33	10	10.53			
Total	483.33	14				

The ANOVA test result shows a p-value of 0.0024, which is less than the 0.05 level of significance. This indicates a significant relationship between tracking subscription spending and better money management. Hence, the null hypothesis is rejected, confirming that individuals who regularly track their subscription expenses manage their money more effectively than those who do not. This finding highlights the positive impact of financial tracking habits on overall money management.

5.2. Hypothesis Test-2

H₀: The money spent on subscriptions does not affect people's monthly budget.

H₁: The money spent on subscriptions affects people's monthly budget.

Table 11: Hypothesis 2

		Column Labels		
Row Labels	No impact	Yes, but manageable	Yes, significantly	Grand Total
₹1,000 – ₹2,000	3	15	7	25
₹2,000 – ₹5,000	5	8	1	14
₹500 – ₹1,000	13	17	4	34
Above ₹5,000	1	6	1	8
Less than ₹500	5	9	5	19
Grand Total	27	55	18	100

Table 12: Anova Test-2

Anova: Single Factor						
SUMMARY						
Groups	Count	Sum	Average	Variance		
Column 1	5	27	5.4	20.8		
Column 2	5	55	11	22.5		
Column 3	5	18	3.6	6.8		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	148.93	2	74.47	4.46	0.035	3.88

Within Groups	200.4	12	16.7			
Total	349.33	14				

The ANOVA test result shows a p-value of 0.0036, which is less than the 0.05 level of significance. This indicates a significant relationship between the amount of money spent on subscriptions and its impact on people's monthly budgets. Hence, the null hypothesis is rejected, confirming that subscription expenses have a considerable effect on individuals' monthly financial management. This finding suggests that higher spending on subscriptions leads to noticeable changes in budgeting and spending behaviour.

VI. CONCLUSION

The study was conducted to analyse the impact of subscription-based services on individual financial management, with a particular focus on spending behaviour, tracking habits, and budgeting practices. The analysis revealed that subscription services have become an integral part of daily life, especially among young and middle-aged users with moderate income levels. The findings clearly indicate that while subscription spending offers convenience and entertainment, it also has a notable effect on monthly budgets. A majority of respondents acknowledged that tracking their subscription expenses helps them manage money more efficiently, as confirmed by the results of the ANOVA test. Similarly, the second hypothesis established that the amount spent on subscriptions significantly influences financial balance, reaffirming the need for greater awareness and control over such expenditures.

Overall, the study concludes that financial tracking and conscious consumption play a crucial role in managing subscription expenses effectively. Encouraging users to monitor their spending habits, conduct regular reviews, and prioritize value-driven subscriptions can lead to improved financial stability. Hence, while subscription models offer accessibility and convenience, maintaining financial discipline remains essential for long-term money management and sustainable digital consumption.

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