



CBS



COPENHAGEN  
BUSINESS SCHOOL

HANDELSHØJSKOLEN

# *IN TUNE WITH THE LISTENER*

What are the key influences driving consumers to purchase a music streaming subscription?

Master Thesis in Business Administration and eBusiness

Name Shariar J. Shahed  
ID 121718

Character count 146.964  
Regular page count 71

Supervisor Xiao Xiao

Submission date 16.03.2020

## Contents

<b>Abstract</b> .....	3
<b>Introduction to Music Streaming</b> .....	4
<b>Theoretical Underpinnings</b> .....	6
<b>Conceptual Frameworks</b> .....	6
<b>Literature Review</b> .....	11
Socio-Cultural Influence .....	11
Personal Performance Perspective .....	15
Promoting resources .....	20
Technical facilitators .....	23
<b>Methodology</b> .....	25
Research Philosophy .....	25
Delimitations .....	26
Theory Development Approach .....	27
Research Purpose & Design .....	29
Research Strategy .....	30
<b>Data Analysis</b> .....	31
Data Sources .....	31
Data Collection .....	33
Reliability & Validity .....	36
<b>Findings</b> .....	37
<b>Discussion</b> .....	44
Personal Performance Perspective .....	45
Socio-Cultural Influence .....	52
Promoting Resources .....	59
Technical Facilitators .....	63
<b>Limitations &amp; Future Research</b> .....	68
<b>Practical Implications</b> .....	69
<b>Conclusion</b> .....	70
<b>Bibliography</b> .....	72
<b>Appendices</b> .....	80

## Abstract

With the reoccurrence of music streaming platforms in our everyday live, an understudied intersection of multiple academic fields emerged: the music industry, freemium business models, the essence of cloud-computing and behavioural studies. These are also the reason for the dilemma the industry is facing with too little free users converting to premium. Therefore, the study looked into the most active user base, which are younger people, from Millennials to Generation Z, and which driving influences are forming a purchasing intention for premium music streaming subscriptions.

In behavioural studies, information is the base of every belief and therefore every evaluation to perform an action. The discussion showed that some aspects of behavioural studies are relevant to this day, but as information availability, amount, access and utilisation changed in comparison to the past decades with the Internet, a refinement of existing models is necessary. The conclusion of this study showed that seven out of eleven influences from literature are to some degree confirmed: Normative Pressure, informational value, perception of the own Identity, actual control over outcome, trust in the provider, perceived usefulness and ease-of-use. To transfer these into modern applicability, the research found in connection six new influences that are being discussed in light of subscribing to premium music platforms: Enjoyment of hedonistic goods, establishing habits, Influence through electronic word-of-mouth, the need to belong, available content, and the convenience of cloud-solution.



## Introduction to Music Streaming

With the emergence of the Internet and the much later cloud-solutions, music streaming becomes an interesting phenomenon within the cross-section of hedonistic user consumption and cloud-consumption. With growing literacy in application usage among the population, especially the generation of Digital Native, the business of streaming entertainment goods skyrockets from to year. This is important in particular as the music industry had an issue ever since the bootlegging of tapes and CDs to the downward spiral of online piracy (Chiou, Huang, & Lee, 2005).

Now, according to the IFPI Global Music Report 2016 (IFPI, 2016), music streaming revenues have grown four-fold since 2011 and reached US \$2.9 billion in 2015. This makes up 43% of digital music revenues, whereas the non-digital revenues have decreased by 4.5% and download revenues are down by 10.5% (Chen, Leon, & Nakayama, 2018).

Such a growth compels us to closely examine the leading dynamics of its business model. Looking into the industry, one can recognize that the main business model in the music industry is the freemium model. This is necessary to some extent to cover ground and alienate pirating, while increasing the probability of switching free users to paid ones. Under closer inspection, although the numbers mentioned above look promising, a detrimental dilemma occurs within the industry, when looking at the net profit that these numbers generate to cover their cost. The industry has been encountering the rapid decline of their profit, due to the fact that share of free subscribers is much larger than the share of paying consumers. As an example, the case of Spotify is representative as the market leader in global consumers for the whole industry (See figure 1 below, Statista 2020).

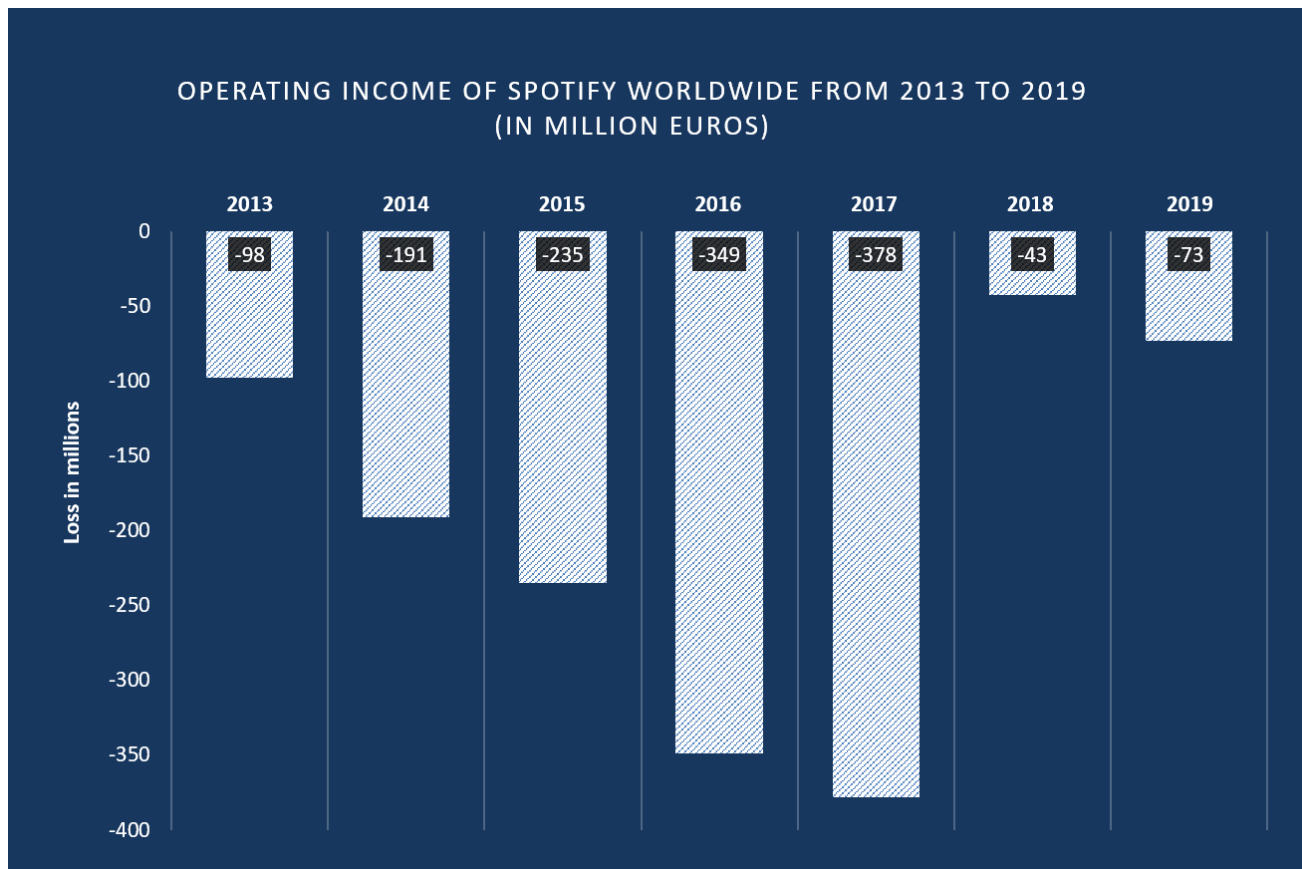


Figure 1: Struggling market leader Spotify and their operating income, source: Spotify, retrieved via Statista 2020

This begs the question how these streaming providers can generate more profit to cover their cost. Therefore, this research will primarily examine the driving forces of converting free music streaming service subscribers to paying ones. Without being able converting them, the music business is not going to sustain its offering of music streaming services. Thus, this study focuses on behavioural drivers for how the younger generations as they have higher listening habits and digital literacy, easing the transition and handling the application: Which dominant behavioural factors are leading prospective customer to convert from a free to paid premium subscription from the music streaming providers?

## Theoretical Underpinnings

### Conceptual Frameworks

#### **The Freemium Business Model in the Music Industry**

With a paradigm shift in the way of how companies conduct business, the traditional balance between customers and suppliers has changed. This reformed the value propositions of businesses. This is due to the steady advancement of technology by decreasing cost provision of information and increased customer-centricity (Teece, 2010). In turn, businesses need to pay even closer attention how to cater their products or services to their customers and how to capture value (Demil, Lecocq, Ricart, & Zott, 2015). To explore and understand this concept, the academic field of entrepreneurship as well as strategic and innovation management, established the notion of a “business model” (Chesbrough & Rosenbloom, 2002; Zott, Amit, & Massa, 2011).

The idea of capturing value through business activities was first discussed in the light of the second industrial revolution by Alfred Chandler (1962). Chandler argued that growth strategies for firms are defined by the variety of obstacles and challenges in steering and conducting the business. Ensuing research (Chandler, 1990) dealt with how and why companies grew through additional dedicated departments. More specifically working streams that are responsible for different lines of products, dedicated to geographical districts or have other specific purposes. Transferring this idea into 2001, Amit and Zott labelled a business model as “the content, structure, and governance of transactions so as to create value through the exploitation of business opportunities” (p. 511).

In today’s time and age, a very common visualisation (*show Canvas model in appendices*) of a business model and its components for practitioners is the business model canvas (Osterwalder & Pigneur, 2010). It is a tool allowing to understand and summarise the business model intricacies and its value-adding activities. Examples

of components describing the canvas are Key Activities, Revenue Streams, Channels and Customer Relationships (Osterwalder & Pigneur, 2010).

Particularly with impetus of the Internet, information flow, connectivity and according business opportunities have risen, allowing new configurations of those business model components. As a result, the Internet offered new distribution channels that are digitally available to, and easily accessible for their customers. While customer power has reached new heights that have not been seen before when compared to the industrial era (Rietveld, 2017), it has simultaneously opened the floodgates for pirating consumers (Aguiar, 2017). This is backed through transparency and aforementioned information flow and connectivity (Teece, 2010). A plethora of examples can be seen in the entertainment industry where unlicensed websites and services are costing the respective industries digital or physical sales (Aguiar, 2017). Respectively Chiou, Huang and Lee (2005) found that an unfavourable attitude towards the industry leads to such outcomes, and a favourable attitude on pirating music boosts the behavioural intention of actually pirating songs. The degree of damage is demonstrated by the Recording Industry Association of America® (RIAA), who reported that the US economy loses (RIAA, 2020) \$12.5 billion in total output annually.

In opposition, countless companies, especially digital-content-driven businesses such as YouTube, Harvard Business Review, other journalistic ventures, software-providers, Soundcloud or Spotify, utilise nowadays a freemium business model approach. The word freemium is a Portmanteau derived from “free” and “premium”, describing the combination of both ways to consume content or utilise a service. In contrast to a regular premium business model, it allows the costumer to consume the product or service without paying a fee upfront. In traditional fashion, the premium business model would usually require a fee to be paid by the consumer in order to enable access or to experience any benefits of that service (Osterwalder & Pigneur, 2010) such as watching Netflix or HBO (as of 2020). In contrast, “transactions in freemium business models are temporally decoupled such that initial consumption precedes the generation of revenues” (Rietveld, 2017, p.

175). Complementary to the basic functions that can be retrieved or consumed for free, a paywall is attributed for experience-enhancing features. This paywall can be defined ranging from one-time payments up until reoccurring fees such as licencing or memberships costs (Teece, 2010; Osterwalder & Pigneur, 2010).

Currently in the music industry, the free version includes commercial breaks and limitations on the features, prompting consumers to switch to a premium subscription (Wagner, Benlian, & Hess, 2014). These premium subscriptions plus the advertisement revenues, in turn, are supposed to cover the costs of business and are the only sources of income. However, the freemium music streaming providers have notoriously failed to utilise this concept and are still failing to make continuous profit (Wagner, Benlian, & Hess, 2014). The dilemma for these companies is that despite the underperforming business model, with the ubiquity of the Internet, the freemium strategy protects them from piracy and potential loss of billions (e.g. Chiou, Huang, & Lee, 2005; Sinha & Mandel, 2008; RIAA, 2020). In addition, it helps them to turn potentially pirating or non-paying consumers to paying ones (Teece, 2010; Wagner, Benlian, & Hess, 2014).

In order to offset the development of rapid fall in profits due to large free-consumer-base and sustain in the industry, the mechanism of conversion needs to be looked at. For a successful freemium business model application, translating free consumers to paying ones has already been described as a critical element (Kumar, 2014). Nonetheless, how and when a consumer decides to purchase and convert to a premium subscription in spite of utilising the free version in the music industry has not been thoroughly discussed yet. Without being able to convert and make the freemium model profitable, the music industry as well as the streaming providers will not be able to sustain in the long run (Chen, Leon, & Nakayama, 2018). In order to determine what the key factors are for translating consumers to paying consumers, prior research will be utilised.



## Theory of Planned Behaviour

When it comes to performing any action such as buying a car, conducting unethical behaviour (Chang M. K., 1998) visiting a green hotel (Chen & Tung, 2014), quit smoking (Norman, Conner, & Bell, 1999; Armitage, 2005), or purchasing a premium subscription, a common denominator in behavioural studies is to find the motivational factors of an action. Before the millennium, Ajzen (1991) established the influential **theory of planned behaviour (TPB)**. It tries to predict these motivational factors by the **level of behavioural intent** to conduct a certain behaviour. The TPB assumes that intentions are indication of how hard a person is willing to try, how much effort and time they are willing to apply with the aim of executing an action (Ajzen, 1991). In the context of streaming music, the efforts would include the overall process of registration such as giving personal details and banking information, downloading the application and getting familiarised with the user interface. Therefore, the TPB assesses the attitudes, beliefs and the self-evaluation of an individual about the likelihood of an expected outcome and its perceived risk connected to that specific behaviour.

As a general rule, the greater the intention to perform a behaviour, like streaming music, the more likely it is that this behaviour is performed or conducted (Ajzen, Theory of Planned Behavior, 1991). Originally, the TPB started as the **theory of reasoned action (TRA)** (Ajzen & Fishbein, 1975; Ajzen & Fishbein, 1980) in which **intention** is explained as something that is built upon reasonable motivational factors or **behavioural intention**, preceding the actual behaviour. Initially, the TRA stated only two contributors to behavioural intention, which will be reviewed in upcoming paragraphs: **Attitude towards the behaviour** and **subjective norm**. However, after further research and testing (Sheppard, Hartwick, & Warshaw, 1988; Ajzen 1991), it was recognized that the TRA was missing a key driver to assess a critical motivational factor. Thus, the TRA was extended due to its limitation in tackling the intricacies of occasions that doesn't allow individuals to own complete volitional control. Additional empirical research by Bandura, Adams, Hardy, & Howells (1980) provided support, saying that confidence in the own capability to perform an action strongly influences

executing a behaviour. Hence, the extension includes the individual's **perceptions of behavioural control** as an added predictor of intentions and actions, which can be seen in figure 2 below (Ajzen, 1991).

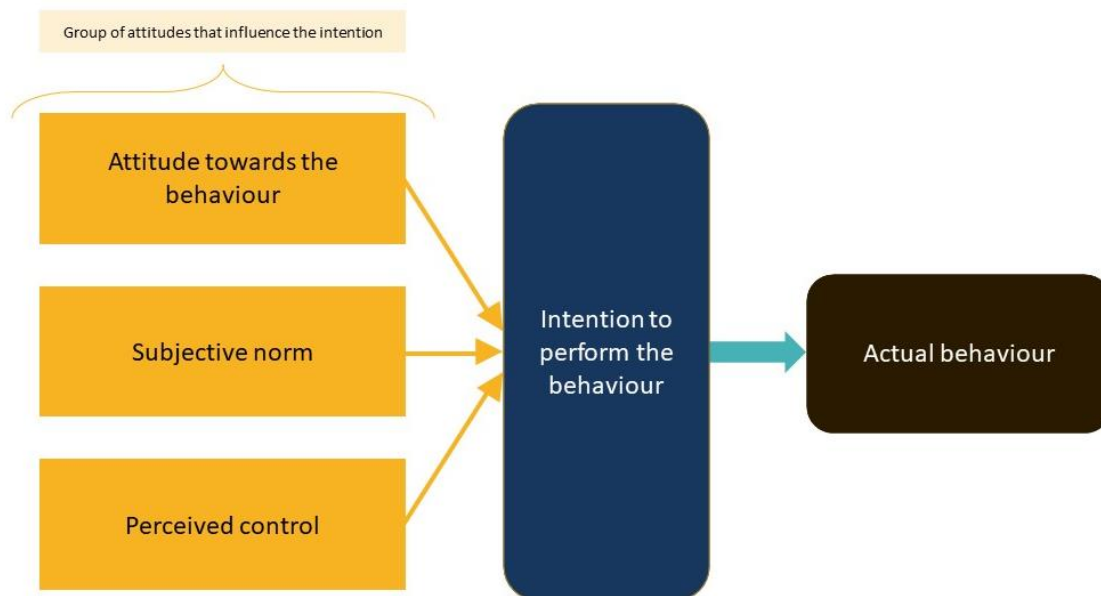


Figure 2: simplified Components of the Theory of Planned Behaviour by Ajzen, 1991

Remaining unchanged from the TRA and carried over into the TPB, Ajzen and Fishbein (1975) posited that all three antecedents are based on salient beliefs and information. In alignment to prior research (Miller, 1956), they utilise the notion that a person can hold many beliefs at any time. However, the same individual could access only a modest amount of salient beliefs at any given moment of action (Ajzen & Fishbein, 1980). It is these salient beliefs that are considered to be predominant in an individual's intentions, and ultimately behaviour (Ajzen, 1991). Thus, they have divided the beliefs into three conceptually unique sets, trying to aggregate various actions across occasions and events and enhance broad predictability of behaviour. Namely, in behavioural beliefs and normative beliefs.

The **behavioural beliefs** are concerned with forming an "**attitude toward the behaviour**" and refers to the degree to which a person has a favourable or unfavourable evaluation or appraisal of the behaviour in

question" (Ajzen, 1991, p. 188). While developing attitudes, the individual attributes negative, neutral or positive thoughts and experiences towards the behaviour or action. In the context of this research, this could lead, for example, the average adolescent questioning themselves about how they feel about spending money on a monthly basis for entertainment such as music subscriptions.

The **normative beliefs** are centred around the beliefs that the individual has about its group of people and how they relate and feel toward a specific behaviour. It deals with whether the people relevant to him or her encourage or discourage such a behaviour, resulting as stated in the figure above into a *subjective norm*. Within the same example from above, prior to subscribing to a monthly plan, the adolescent could face leading questions on how his parents think and feel towards having additional spending on non-vital costs. All the different beliefs conclude to their separate states, which in total influence how much behavioural intention is built for a certain behaviour.

## Literature Review

### Socio-Cultural Influence

Research on how impactful **normative beliefs** can be to an individual's decision-making, goes back to early studies such as Asch's "Effects of group pressure on the modification and distortion of judgment" (1951). In that article he described a person's "actions and the beliefs guiding them are either an endorsement of his (her) group, and therefore a bond of social unity, or an expression of conflict with it" (Ajzen, 1952, p.577). In the following years, researchers (Asch, 1955; Deutsch & Gerard, 1955) have found that people usually have a predisposition to harmonize with the opinions of others.

They coined this force behind this predisposition for harmony **social influence** and indicate that it leads to conformity between people and their opinions. Similarly, in the TPB, Ajzen establishes it as "the perceived social pressure to perform or not to perform the behavior" (1991, p.188). With exchanging information and opinions with others, an individual re-attribute the association to a behaviour. In a more a practical way, social

influence may lead to re-attributing objects, events and brands by evaluating the attitudes of the group of people he or she sparred with. A fairly recent example of how impactful social influence can be, was in 2018. The fashion label H&M received a major backlash and damaged their brand reputation in the wake of releasing a problematic web shop picture of a black child wearing a “coolest monkey in the jungle”-hoodie. Although there were no product-related issues, people questioned the brand’s capability to uphold symbolic standards and psychological caution, which led to a negatively charged societal consensus and thus making individuals re-evaluate the brand (Pullig, Netemeyer, & Biswas, 2006).

In the context of music, this notion is supported by the findings of Raghunathan and Corfman (2006), stating that social influence takes direct effect on the listener’s enjoyment of hedonistic goods. When it comes to the consumer’s adoption of technologies, such as streaming content on Apple Music, the well-established Unified Theory of Acceptance and Use of Technology (UTAUT) from Venkatesh et al. (2003 & 2012) acknowledges social influence to be prominent in consumer’s decision-making. In a more tangible way, the authors define it as follows: “social influence is the extent to which consumers perceive that important others (e.g., family and friends) believe they should use a particular technology” (Venkatesh, Thong, & Xu, 2012, p.159).

Two facets of a person’s conformity, to comply under social influence, can be identified when combining previous research with Venkatesh et al. (2003 & 2012), Ajzen (1975, 1980 & 1991) and Asch (1940, 1952 & 1955). On one hand, the conformity in response to **normative pressure** to align with others (e.g. Burnkrant & Cousineau, 1975; Sanders & Baron, 1977; Cruz, Henningsen, & Williams, 2000). On the other hand, it is in response to the **informational value** that the opinions of others’ carry (e.g. Burnkrant & Cousineau, 1975; Burnstein & Vinokur, 1977; Larson, Sargis, Elstein, & Schwartz, 2002).

Firstly, **normative pressure** can be noticed when consumers “use others' product evaluations as a source of information about the product. It appears that, after observing others evaluating a product favourably, people

perceive the product more favourably themselves than they would have in the absence of this observation” (Burnkrant & Cousineau, 1975, p.214). It continues that people tend to map their product evaluations against those from others’. This has self-fulfilling characteristics and intensifies this tendency of conformity as prominent research (Festinger, 1954) has suggested that social comparisons where the outcome or opinions were more congruent to each other than incongruent are likely to be judged as more valid (e.g. Festinger, 1954; Brown, Novick, Lord, & Richards, 1992).

In the context of normative pressure under social influence, this is not surprising since multiple researchers (Maslow, 1943; Baumeister & Leary, 1995; Pickett, Gardner, & Knowles, 2004) have discussed that human beings have a strong and instinctive desire to develop and sustain relationships with other human beings. Maslow (1943) famously established that being socially involved is the second need of a human beings after safety and physiological needs like Oxygen and water. Baumeister and Leary later coined this impetus as “the need to belong” (1995, p.497), a need to form interpersonal ties.

The scientific world is still debating, though, about what type and intensity of relationship is necessary to fulfil this need. Through one stream of research, it can be extrapolated that only non-trivial and meaningful interactions will satisfy the need to belong (Brewer & Silver, 1978). While others (Trope, 1975; Gardner, Pickett, & Brewer, 2000) find that even **temporary social influence** exists. Tajfel, Billig, Bundy, & Flament (1971) exemplify this notion by everyday occurrences where humans connect and develop temporary relationships, for example, during flights, in waiting rooms, in sport arenas or in bars. This idea is reinforced by their study where people demonstrate substantial in-group loyalty and favouritism, despite the fact that people were randomly assigned to their groups (Tajfel, Billig, Bundy, & Flament, 1971). This in turn meant that people in social settings interpret conformity as an unconscious indicator togetherness opposed to non-conformity being indicative of potential alienation (Raghunathan & Corfman, 2006).



Secondly, the other driver of consumer's conformity under social influence is the **informational value**, which is described as information that was obtained and accepted as evidence of what is true in the eyes of the consumer (Deutsch & Gerard, 1955). Depending on the respective culture, Deutsch & Gerard (1955) argue that we learn from a very young age to consider others' judgements frequently to be valid opinions and reliable sources. A simple visualisation of that concept could be an experienced-based evaluation of a family member about a prospective product that the potential consumer has brought up. This is comparable to the concept of attitudes towards a behaviour in the TPB context. Namely, behavioural beliefs that lead to developing an *attitude for oneself by oneself* (Ajzen, 1991). Likewise, normative beliefs in TPB enables Informational value to be viewed as the *attitude of the referent groups of people*, in this case the family member, which respectively influences the attitude of the consumer to some extent.

In practice, each individual is exposed to other opinions, meaning that for the aforesaid example a family member is likely to be influenced in their opinion by other groups of people they consider important. Therefore, it can be reasonably argued why traditional, cultural (Cialdini, Wosinska, Barrett, Butner, & Gornik-Durose, 1999; White & Dahl, 2006) as well as societal norms can carry so much weight in an individual's decision-making (Hyman, 1942; Ajzen & Fishbein, 1980). Through a microscopic lens and in consumer's everyday life, Hayes and Wood (2012) also state that social groups and relationships could change the individuals' attitudes towards a product as well as its meaning to them. How crucial this interplay for decision-making is, is apparent when looking at the aforementioned mechanism of how the consumers attitude is being built. Behavioural beliefs are developed (Ajzen, 1991), leading into an attitude towards a specific behaviour. These beliefs are loaded with associations, opinions and meanings that may now change due to the informational value from the consumer's cultural setting or social surroundings. Accordingly, in a macroscopic view, each culture, society or group of referent people the consumer is surrounded by and grows up with, will

have unique people with different sets of attitudes that is in line with the resident culture (Prislin, Wood, & Pool, 1998; Chan, Berger, & Boven, 2012).

As a result, different groups of people can exert different social influence on the individual in question (Wood & Hayes, Social Influence on consumer decisions: Motives, modes, and consequences, 2012). This is owing to the fact that every person is unique and has their attitudes and opinions with different amount and quality of information to it (Chaiken & Eagly, 1976). Even with the same information, two different messengers can evoke dissimilar emotions and changes in attitude (Cheung, Lee, & Rabjohn, 2008). Hence it can change the resident social influence due to informational value from person to person. When it comes to determine how a purchase intention is built, these findings in literature can be summarised as the **socio-cultural influence** that impacts one's personal attitude towards buying a premium subscription.

#### Personal Performance Perspective

When the abovementioned socio-cultural influence is determined through the attitude that was built on the normative beliefs of the surroundings, then the **personal attitude** is driven by the **behavioural beliefs** of the person itself (Ajzen, 1991). In previous work (1975), Ajzen and Fishbein exemplified through the expectancy-value model of attitudes that behavioural beliefs are generated by a person's associations of an object or behaviour which can be, for instance, either costly or not, good and bad, other persons, objects or characteristics. Under these circumstances, attitudes are cultivated towards a specific behaviour. With the information at hand and possible preconceived notions, the subject considers if exercising that behaviour will initiate any repercussions or result into a favourable outcome or not. In the TPB, the final and preceding personal thought if an action shall be performed or not by the subject, is called behavioural belief (Ajzen & Fishbein, 1980, 1991).

A major role in developing behavioural beliefs is the consumer itself and its so-called **identity** it inhabits (Asch, 1940; Ajzen, 1991; Stets & Burke, 2000). One's identity helps to build an attitude that is more in line with the

character traits of that identity, enabling to predict behaviour more accurately. For example, a person with an expansive taste in music, may find it inevitable to own a premium subscription to satisfy the needs of a true music connoisseur. Accordingly, *the identity theory* (Stryker, 1968) mentions that a person goes through the “identification” process in which the person categorises itself. Afterwards, it uses self-verification, so that the identity standard is maintained. Here identity means occupying a role and defines a person through *what he or she does* (Thoits & Virshup, 1997). A scenario where someone self-verifies and identifies themselves could be identifying “the man of the house” and undertaking measures to sustain that identification of themselves. Meanwhile, identity in the *social identity theory* is described as a “perception of oneness with a group of persons” (Ashforth & Mael, 1989, p.20). Here identity is based on *who somebody is* in terms of society (Thoits & Virshup, 1997). In order to define oneself, people tend to cluster themselves to an affiliation, gender, age cohort or membership and many more (Tajfel & Turner, 1985). For example, defining oneself as a “female”, “Danish citizen” or “Jazz-enthusiast”.

Stets and Burke (2000) combine both theories for a more holistic view “and argue that although differences exist between the two theories, they are more differences in emphasis than in kind” (p.224). They continue that in both theories of identity, the self is described as a reflexive being, which names or classifies “itself in particular ways in relation to other social categories or classifications” (p.224). This idea of identity will be utilised in this research as it has a self-centred (Thoits & Virshup, 1997) as well as a contextualised notion in terms of social categories (Ashforth & Mael, 1989).

Accordingly, the self-categorisation process guides to behaviour that is congruent with the identity, leading consumers to populate their beliefs within their surroundings (Ashforth & Mael, 1989; Ajzen, 2002). The significance of that process in building an attitude towards a behaviour is visible when looking at how people tend to employ information to build their beliefs (Ajzen & Fishbein, 1980; Ajzen, 1991, 2002; White & Dahl, 2006; Lam & Hsu, 2006; Glasman & Albarracín, 2006).

Occasionally, consumers like to express themselves through unique choices and behaviour, and showcase their individuality within their everyday life by utilising information and beliefs that are outside of their reference groups (Chan, Berger, & Boven, 2012). Although there is the desire to express uniqueness, the “need to belong” (Baumeister & Leary, 1995, p.497) results into signalling a certain identity by conforming to the standards reference groups (Chan, Berger, & Boven, 2012). Considering the aforementioned two ideas of identity through a self-centred identity (Stryker, 1968) as well as the depersonalised social identity (Tajfel, Billig, Bundy, & Flament, 1971), the findings from Chan, Berger and Boven (2012) confirm that there is indeed a multiple identity with their own, but not necessarily distinct motives. They argue that these arrive to multiple beliefs, describing the duality of uniqueness and belonging, and jointly influence the ultimate attitude towards a behaviour.

Next to the identity concept, the conclusion to an attitude can be elaborated in two ways. On one hand, there are conclusions to beliefs through the consumers themselves. For example, through their **past behaviour and experiences** (White & Dahl, 2006; Glasman & Albarracín, 2006). It is supported by prior research, saying that future behaviour is predicted more accurately, when looking at previous behaviour (Quellette & Wood, 1998; Sonmez & Graefe, 1998). This concept is backed by the reoccurring explanation that is in line with individuals choosing to conduct behaviour that is congruent to their identity (Ashforth & Mael, 1989). Several researchers attribute this to possible self-maintenance reasons such as behavioural persistency and identity value consistency (Cialdini, Kallgren, & Reno, 1991; Staw, 1981; Lam & Hsu, 2006). This reasoning is consistent with other findings (Norman & Smith, 1995; Glasman & Albarracín, 2006) related to how consumer’s past behaviour will predict future behaviour. They argue that future and past behaviour are strongly related and indicate the past behaviour is easier to recall, making it accessible in establishing behavioural beliefs. Glasman’s and Albarracín’s (2006) findings suggest that stable and accessible memories or direct experiences with the object of interest, predict the consumer’s attitude towards the behaviour and the behaviour itself more accurately.

Miller (1956) supports this argument by saying that people can hold many beliefs, however, can only retrieve and apply so many beliefs at any given moment. In addition, coherent with other research (Prislin, Wood, & Pool, 1998), it is posited that attitudes towards new situations are built by people's application of older attitudes of similar situations.

On the other hand, the other way of how consumers conclude to a belief is namely **through information they retrieve and validate through others**. From the identity perspective, as people tend to form beliefs that are related to their surroundings (Ashforth & Mael, 1989) and who they identify as, they judge similar other's opinion as more valid (Deutsch & Gerard, 1955). Other researchers have frequently explained this finding through social identity maintenance and the accordingly resulting beliefs, affecting how the consumers evaluate these acquainted sources (Mackie, Worth, & Asuncion, 1990; Wood, 2000).

This is noteworthy since the emergence of the Internet is allowing information beyond face-to-face conversation to be gathered. Taking the concepts of identity and socio-cultural impact into account, it gets particularly interesting, when looking at social media, e-commerce (Chiu, Wang, Fang, & Huang, 2014), and it's combination as product reviews (Cheung, Lee, & Rabjohn, 2008). Additional research in 2008 (Forman, Ghose, & Wiesenfeld), has demonstrated that online sales increased in an area after reviewers revealed that they were from that area. In support of this theory, Gruen, Osmonbekov, & Czaplewski (2006) discussed the impact of electronic Word-of-Mouth (eWOM) exchange and suggest that it influences the consumer's perception of product value and its likelihood to recommend the product. This is indicative of consumers' earned trust by the influencing judgements of people that lived closed by (Wood & Hayes, 2012). Confirming this idea, Chiu, Wang, Fang, & Huang (2014) found that the consumer's attitude towards web-shops and B2C-e-commerce have an impact on the buying intention and behaviour.

When it comes to e-commerce and the respective online reviews, however, there may be a lack of confidence about the accuracy of information and some resistance if the review is polarising, not as expected or not



revealing more of the reviewer identity (Forman, Ghose, & Wiesenfeld, 2008). A 2016 study on the influence eWOM information adoption via social media on consumers' purchase intentions demonstrated that trustworthy information is key to develop a favourable attitude and, thus, purchase intention (Erkan & Evans, 2016). The results of that study discovered "that quality, credibility, usefulness and adoption of information, needs of information and attitude towards information are" the main measures to educate oneself and form behavioural beliefs about the purchase intention (Erkan & Evans, 2016, p.47).

Ajzen (1991) draws attention to how important information in human behaviour is by saying that the TPB "at the most basic level of explanation, ... postulates that behavior is a function of salient information, or beliefs, relevant to the behavior" (p.189). In simplified terms, as all beliefs are based on information, the quality of information accessible becomes crucial for building an attitude and therefore deciding if intention to execute an action is given (e.g. Asch, 1955; Miller, 1956; Ajzen & Fishbein, 1975; Ajzen, 1991; Gruen, Osmonbekov, & Czaplewski, 2006; Cheung, Lee, & Rabjohn, 2008; Erkan & Evans, 2016). In accordance, information quality is explained as how refined the details about an object of interest are and how helpful it is in the consumer's purchasing evaluation process (Chang & Fang, 2013).

Under the circumstances of evaluating how much control a consumer has in informing one's belief while relying on others' information, the TPB (Ajzen, 1991, 2002) inserts the concept of **perceived behavioural control**. It combines aforementioned past behaviour or experience with second-hand information into **control beliefs**. It can impede or accentuate the perceived difficulty of performing a specific behaviour (Ajzen, 1991), and thus, the "perceived control over performance of a behavior" (Ajzen, 2002, p.668). In turn, it can impact the overall attitude towards the behaviour (Ajzen, 1991). In this paper, control perceived behavioural control is therefore and due its subjectivity grouped with behavioural beliefs opposed to being separated like in the TPB (Ajzen, 1991).

This duality of relying on second-hand information such as eWOM and the lack of complete volitional control

over the behaviour (Ajzen, 1991), ties in with the concept of **perceived risk** (Bauer, 1960) as it involves social uncertainty and risk (Fukuyama, 1995; Gefen, Karahanna, & Straub, Trust and TAM in Online Shopping: An Integrated Model, 2003). Bauer (1960) claims that perceived risk is defined as a sense of uncertainty that the customer has, making him unable to anticipate the consequence of a purchase decision and thus establishing it as another contributor to behavioural beliefs. For purchases over the Internet, perceived risk is defined as obtaining incomplete or misleading information (Kim, Ferrin, & Rao, 2008). Behaviours like purchasing or subscribing online in today's world involve risk owing to the fact that, in practice, products and services on the internet may not be accurately nor truthful presented (McKnight & Chervany, 2001; Chang & Fang, 2013). Even for non-goods objects, another concern from a customer perspective is the loss of control about one's personal information as soon as it was provided (McKnight & Chervany, 2001; Chang & Fang, 2013). Under the pressure of perceived risk, decision-making for e-commerce is becoming a value maximising perspective, while trading-off perceived risk and perceived behavioural control (Kahneman & Tversky, 1979).

In summary, this means that the individual loads negative, neutral or positive objects, names, events, and other associations towards the behaviour or action, *educating and forming their behavioural and control beliefs* (Ajzen, 2002). All those beliefs result into a final attitude, expressing a conclusive degree of favourability on exercising a behaviour (Ajzen, 2002). These findings in literature also show how interwoven the socio-cultural influence aspect and the personal performance perspective is by the concepts like culture, social influence, information quality, perceived risk, self-identity and past experience.

#### Promoting resources

In research about how consumers build an intention to purchase (e.g.: Asch, 1951; Burnkrant & Cousineau, 1975; Ajzen, 1991; Gardner, Pickett, & Brewer, 2000; Chan, Berger, & Boven, 2012), we can classify, according to the TPB (Ajzen, 1991) as well as the UTAUT (Venkatesh, Morris, Davis, & Davis, 2003), forces that are going beyond the boundaries of socio-cultural influence and the personal performance perspective, but are still

connected to those. These are **promoting resources**, which were not specifically mentioned, but acknowledged by Ajzen (1991) as *non-motivational* factors, meaning not dependent on the motivation (behavioural intent) of the person. Later formalised as such in the UTAUT, other researchers (Venkatesh, Morris, Davis, & Davis, 2003) have established this concept in today's academia. Connecting the dots, while the personal performance perspective is looking at the *perceived* risk, and *perceived* behavioural control, promoting resources looks at the other side of the coin and includes **trust**, and **actual control** as their respective counterparts to generate a comprehensive view impacting factors to the performance of a behaviour.

Firstly, the aspect of **trust** in Internet business transactions comes becomes vital (Gefen, Karahanna, & Straub, 2003) as it is a departure traditional from ordinary trade that were told and used to for centuries like Marco Polo's stories (Polo, 1958) or simply just as brick-and-mortar goods that cannot be physically examined anymore (Oh, Fiorito, Cho, & Hofacker, 2008). Looking at the perceived risk component, trust is shown by one's willingness to be exposed, be vulnerable (Rempel, Holmes, & Zanna, 1985), and can also be defined as a subjective probability that the trusted party will behave so that it justifies cooperation (Gambetta, 2000; Gefen, Karahanna, & Straub, 2003), for example, committing to a monthly subscription. In an e-commerce setting, it is the vendor or provider who has actively to build trust, which under no volitional control of the consumer. In 2008, the result of a study about trust-based consumer decision-making model in e-commerce (Kim, Ferrin, & Rao) supports this notion, and adds that consumer's disposition to trust, privacy, and security concerns as well as reputation have a very strong effect on trusting the vendor and influencing the purchasing decision. Accordingly, trust can inform a positive behavioural belief about a streaming vendor within the personal performance perspective or lead into a reputation that impacts the subjective norm as socio-cultural influence and can go as far as inhibiting via security concerns the last steps in the purchasing interface. This finding is supported a review (Wen, 2009) on 19 preceding studies on trust in an e-commerce environment

and concludes that trust positively relates to consumer's purchase intention. Thus, there is a strong case to include trust as part of the promoting resources.

Secondly, although Ajzen (1991) asserts that the stronger the intention for a behaviour, the likelier its performance, he argues that the actual performance of a behaviour can only find expression if volitional control (a will to perform) as well as ability (circumstances) is given. To be more specific, Ajzen (1991, 2002) describes these promoting resources as availability of requisite opportunities as well as resources such as time, money skills and cooperation of others. Hence, promoting resources also differ significantly between individuals as stated by Venkatesh et al. (2003, 2012). In the refined consumer-oriented UTAUT (Venkatesh, Thong, & Xu, 2012) the authors state that consumers who have access to a favourable set of facilitating conditions are likely to have higher intentions to use a technology such mobile-based music streaming. Due to the fact that consumer have access to multiple "application vendors, technology generations, mobile devices, and so on (Venkatesh, Thong, & Xu, 2012, p.162)", consumers have the freedom of vendor choice (e.g. Apple Music, Spotify, Tidal, etc.), and diverse set of mobile devices with various operating systems as well as application interfaces.

As all these types of requirements and resources are omnipresent and always changing, which the consumer has no volitional control over. Even in the case of positive *subjective norm*, *favourable attitude towards the behaviour* as well as high *perceived behavioural control*, the aspects of *trust*, *actual control* and the *resources* can inhibit (lack of financial fortitude, technical expertise, etc.) or excel (e.g. health, taste, policies, etc.) the behavioural intent in all stages. Therefore, this ideation shows that all these promoting resources can have moderating impact on all the other aforementioned elements and is a crucial aspect in understanding possible drivers of human behaviour towards purchasing online music streaming subscriptions.

### Technical facilitators

Another component that was identified, can be grouped as technical facilitators. As the name suggests it is closely linked to the abovementioned promoting resources, because it also has moderating qualities on the different elements of attitude and purchase intention of a premium streaming subscription (Davis et al., 1989a, 1989b; Ajzen, 1991; Venkatesh, Thong, & Xu, 2012). Through the technology adoption model, Davies and colleagues (1989a, 1989b) and Bandura's self-efficacy theory (1982) identified **perceived usefulness** and **perceived ease-of-use** as technical facilitators to predict human behaviour of using an information technology (IT) product. In the context of this research, ease-of-use could be the familiarity of an user interface, and the perceived usefulness could be the abundant amount of songs in the database or library of prospective application.

Fred Davis describes **ease-of-use** in reference to Bandura's work (1982) as "the degree to which a person believes that using a particular system would be free of effort" (1989, p.320), and was established in the UTAUT as effort expectancy by Venkatesh et al. (2003, 2012). This effort expectancy is also argued as influential in building the *behavioural beliefs* according to Venkatesh et al. (2003, 2012). Furthermore, results from other researchers (Gefen, Karahanna, & Straub, 2003) connect ease-of-use and several findings to building *online trust*, which supports the argument that technical facilitators are having moderating impact on *socio-cultural influence* as well and vice versa (Karahanna & Straub, 1999). Applying to music streaming, Gefen, Karahanna, and Straub (2003) summarise also that technological factors like download delay, navigability, interactivity, convenience, visual appeal and many more contributing to ecommerce.

A second predictor of human behaviour towards subscribing to a music streaming platform as a *technical facilitator* is the **perceived usefulness**. It was described by Davies (1989, p.320) as "degree to which a person believes that using a particular system would enhance his or her ... performance". In accordance with the personal performance perspective, perceived usefulness will impact the attitude towards a behaviour and



increase the willingness to try (Davis F. D., 1989b; Ajzen, 1991; Venkatesh, Thong, & Xu, 2012). Depending on the task at hand, perceived usefulness can vary from case to case (Venkatesh & Davis, 2000). For example, if the consumer is looking at a possible premium subscription, the consumer may consider how and what type of music streaming is satisfying the accomplishment of the task. Do they want to listen for regular accompaniment? Then a free version might be sufficient. Or do they want to be in tune with the weekly releases and discover new music, building my own library of songs. Then buying the premium version might be the right choice. Therefore, Davis argues (1989) that conceptually users tend to use an application primarily due to its functions and are willing to try, ranking perceived usefulness higher than ease-of-use since they value the benefits (Gefen, Karahanna, & Straub, 2003).

### **Purchase Intention**

To conclude the newly proposed model (see Figure 2) based on Ajzen's TPB (1991) for purchasing a premium music streaming plan, the socio-cultural influence, the personal performance perspective as well as the moderating effects of promoting resources and technical facilitators lead to a **purchase intention** (e.g. Deutsch & Gerard, 1955; Davis, Bagozzi, & Warshaw, 1989a; Venkatesh, Thong, & Xu, 2012). This intention and its strength or weakness towards a behaviour will predict if the person decides to perform an action or exercise the behaviour in question (e.g. Asch, 1955; Ajzen, 1991; Stets & Burke, 2000; Pullig, Netemeyer, & Biswas, 2006; Chen & Tung, 2014).

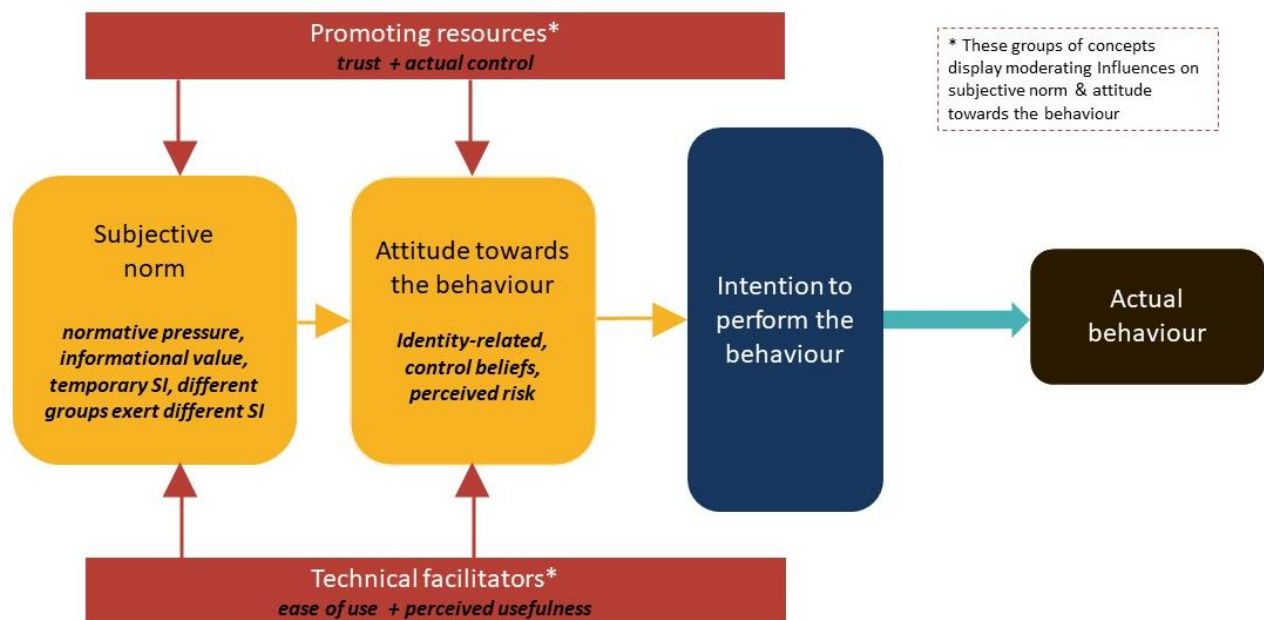


Figure 3: Proposed model for understanding drivers of buying a premium plan for music streaming, synthesised by the literature review

## Methodology

### Research Philosophy

For any research paper, the research paradigm is necessary for “the development of knowledge and the nature of that knowledge” (Saunders, Lewis, & Thornhill, 2009). The importance of the research philosophy given as it describes the way the researchers perceive the world.

While the author works with a social reality he observes, he positions himself as a “resource” researcher (Remenyi, Williams, Money, & Swartz, 1998), thus answering **ontological** inquiry. For the **epistemological** inquiry, the acceptable knowledge is entrenched in observable and measurable facts, delivering credibility to the data collected. As a consequence, the reality presented by objects is considered as “real”, therefore the data collection becomes less biased and more objective. Furthermore, by studying the objects of interest with these facts more than with impressions, the author’s autonomy and objectivity toward the subject is given. This leads to him neither influencing it nor being affected by it (Remenyi, Swartz, Money, & Williams, 1998)

and allowing the processing of measurable facts and their causal relationships to conclude to law-like generalisations for the universal social reality (Saunders, Lewis, & Thornhill, 2009; Gill & Johnson, 2010). In terms of **axiology**, the aim to remain neutral and detached is given with a value-free research process in which personal values and attitudes are omitted. Data collected over tenure of this study and its processing cannot be altered in substance by the researchers, as well as the studied phenomena. Nonetheless, the author acknowledges that it can be argued that his attitude to remain value-free is already a disposition having an influence on how the study is conducted and reality is seen. This is nurtured especially by the probable in-depth interviews where the study and their participants influenced by the question, its phrasing, the tonality and the interpretation of answers.

All in all, the research philosophy in this study is summarised as **positivism**. As positivist-researcher, the study uses established theories that would be tested, either confirming it and built upon or somewhat/fully rejected. In accordance with this philosophy, the principles provide that the world and the events studied in it are impartial and external. As a result, a well-structured methodology is constructed, which enables the findings and conclusions of this study to be applied and knowledge transferred to similar cases more easily via replication (Gill & Johnson, 2002).

### Delimitations

This research is conducted on the basis of a fairly new cross-section of multiple ideas such as cloud-computing solutions, streaming and purchasing behaviour. Hence, the resources in academic papers are limited. In addition, academic profound papers or journals are researched time-consumingly to convey academically valid and sound arguments. Therefore, such studies and works take much longer to be published as opposed to the more agile technology news outlets, which are not bound to the academia. In turn, the full potential of the current conversation in media outlets cannot be accurately depicted as it is not picked up by the academic

world as of yet. As a result, mostly studies adjacent to listening to music in terms of hedonistic consumption, behavioural studies, the music industry and technology adoption have been utilised.

This flows into another delimitation which is concerned about the focus set for this interdisciplinary study. The main focus is to understand the psychological aspects leading to a purchasing intention, which in prior research is referred to as “influences” (Ajzen, 1991). The author of this study recognises that these influences for users may fluctuate from time to time, from user to user, and from source to source. To generate findings still, the author assumes that the sources of influences and their power stay constant from the moment of inception until the conclusion of purchase intention to subscribe. This facilitates the discovery of major influences and thus populating the array of found forces resident when the user is forming an intention.

As this research focuses on the consumer and not the vendor point of view, instead of industry experts, actual users of music streaming platforms and music listeners were preferred, since they would provide their subjective feelings and honest opinions, allowing for an accurate portrayal of influences to subscribe or not.

This would lead in this rather unexplored field to more elaborate and holistic findings that may be built upon in future research. More reasoning to the population and sample selection will be explained in chapters dealing with data sources and data collection.

### Theory Development Approach

The research approach is guiding the author to plan and proceed with the nature of the subject studied. Here, the researcher is following a mixture between deduction and induction. The underlying reasoning, in short, is because of some general theory existent, but little dedicated theory and literature in this cross-sectional topic available as of yet. The chosen approach starts with deductive understanding by building on prior literature. In the second step, it owns elements of inductive nature, being concerned with building a theory as a result of the collection and analysis of data.

In the first step, the author starts with a deductive approach since the research question relates to the behavioural studies, which has been established (e.g.: Asch, 1940; Bauer, 1960; Tajfel, Billig, Bundy, & Flament, 1971; Ajzen, 1991). These studies are available and give a clear understanding of established views and allow for better pattern recognition and explanation of events occurring during the study. Through deduction, knowledge available to behavioural studies is applied on the results of the study and in turn used for theory verification or falsification (Saunders, Lewis, & Thornhill, 2009). This logic of deduction dictates that if the theory or its premises in prior literature was true, then the conclusion based on it must be true as well (Ketokivi & Mantere, 2010).

However, identifying the underlying principles of the modern phenomenon in behaviour, the author is not in the position to compose a hypothesis based only to pre-existing literature alone. This is due to insufficient knowledge and academic understanding of the today's music streaming industry in general. Additionally, with several newly emerged fields and their combination to hedonistic consumption in a cloud-based freemium model, the level of complexity for the research objective increases. To conduct a profound, academic discussion and conclusion, deductive reasoning on its own is identified as limited and poses a challenge.

In the second step, to overcome this challenge, the inductive approach enables the author to get a better appreciation of the phenomena studied. The generalisation works here in reverse to the deduction by investigating the data first and building a conceptual framework upon the observed phenomenon. In this research the knowledge of deductive approach is complemented with the findings of the inductive approach. With an in-depth understanding of the literature and through a complementary inductive approach on interviews, the author can develop alternative explanations to what has been observed in the literature already. In fact, collecting data first and then working inductively allows to process information yet to be recognised by academia and explore diverse paths to establish different views of the phenomena (Easterby-Smith, Thorpe, P., & Lowe, 2012).



Applying both approaches according to Saunders et al. (2009), sets the phenomenon in the context in which occurs and allows, in return, to set through confirmation the deductive understandings into a modern context. Hence, the mixed approach grants full comprehension of the topic studied and supports the development of the best answer to the research question and its understudied field.

### Research Purpose & Design

For each empirical study, the research design is either an implicit or explicit. Thus, the research design illustrates on one hand common practices decipherable for the reader, but also guides the authors on their excursion to conduct a study. To ensure a coherent development during this excursion, this paper established the research purpose at first. The main research objective is to determine the key influences on consumer's purchase intention to subscribe to a premium music streaming platform.

With abovementioned mixture of deductive and inductive approaches, the purpose of this research becomes two-fold: **confirmatory as well as explanatory**. The confirmatory purpose arises through the descriptive research "to gain an accurate profile of events, persons or situations" (Saunders, Lewis, & Thornhill, 2009, p.175). Further, the descriptive research becomes necessary in this understudied field in order "to have a clear picture of the phenomenon on which you wish to collect data prior to the collection of the data" (Saunders, Lewis, & Thornhill, 2009, p.175). Thus, the deductive understandings are evaluated with the explanatory research of the inductive findings. As a consequence, the research uses description as a precursor to explanation, making the study of **descripto-explanatory** nature (Saunders, Lewis, & Thornhill, 2009).

### Research Strategy

The first methodological-strategic choice the author makes, is using a single-phase qualitative data collection and its corresponding analysis procedures, leading to the study to be conducted via a **mono-method**. Qualitative data entails to “a synonym for any data collection technique [...] that generates or uses non-numerical data” (Saunders, Lewis, & Thornhill, 2009, p. 165). The collection of qualitative data was the best way for researchers to gain a deep understanding of the problem explored. In research studies, data is also differentiated between primary & secondary data. Secondary data refers to data that have been collected already, whereas primary data is the data that is collected for the purpose of the research.

In this research Qualitative data was collected both through primary and secondary sources. Secondary data was gathered by reading academic articles, industry journals and devoted manuscripts. The information collected was important to the researchers for several reasons: to gain technical knowledge both about human behaviour and the intention building process, as well as a comprehensive overview of the different forces that transfer pre-existing models into the modern application. With a literature review, a thorough comprehension of the subject matter has been achieved prior to data collection. Afterwards, the results of the qualitative, semi-structured interviews are presented, empowering a good command of the views of interviewed group, to which the literature review is benchmarked to. This serves this study’s confirmatory purpose on one part. On the other part, the explanatory purpose is fuelled by the collection of qualitative data, trying to explain the relation among concepts (Saunders, Lewis, & Thornhill, 2009) found in prior literature and overall.

Finally, for the time horizon, the researcher chose to conduct the study not over an extended period, but at a particular moment in time which is in early 2020, making it a cross-sectional study (Saunders, Lewis, & Thornhill, 2009). Attributed to limited, pre-existing literature, the main goal was to identify and aggregate the most apparent influences on consumers as these are to a large extent unknown and not confirmed yet for the object of interest. Two additional factors influenced the possible length of observing the studied phenomena.

One is selection of a target population, which will be elaborated in the next chapter below. The other is that a shorter timeframe of research was more feasible over the course of one semester for the master thesis.

## Data Analysis

### Data Sources

This research is relying of qualitative data more than quantitative. Due to limited access to music streaming provider's figures and time-constraints quantitative approach was not feasible. In addition, as this research area is still fairly new, a qualitative approach was considered to produce more insights that could benefit future research through verification or falsification process as well.

To provide rich answers, the subjects were chosen according to the target population that would offer the most insights into factors influencing the purchase of a music premium subscription. Approaching the target population in a systematic manner, the author uses a **non-probability sample method**. With **purposive sampling** in mind, **students** were selected as target population they are described to be one of the main users for music streaming by the International Federation of the Phonographic Industry (IFPI, 2019). In support, research has found (Ipsos, 2016) that globally one-third of the all 16-24-year olds use paid streaming music service. This study was conducted with participants between 16-64 in 13 major music markets [the US, Canada, Mexico, Brazil Great Britain, Sweden, Germany, France, Spain, Italy, Australia, Japan, and South Korea], which account for approximately 84% of global music market (Ipsos, 2016).

As Ipsos describes in 2016, music streaming has found growing popularity especially in the under 25 age group, the author considers the time passed since then and is adjusting the age range of under 25-year olds from 2016. To define and narrowing the target population, the new age range is determined. The upper age limit was set to 29 years, which is the age of the 25-year olds nowadays, referred to by Ipsos in 2016. Likewise, the lower cut-off age is, for the 16-year old from 2016, now 20-year old. Thus, the criteria for subjects in the

chosen sample reflects the **age range of 20-29year olds**. Thus, the author assumes that this target sample yields the richest findings that also allow generalisation for the 84% of the music market to some degree. A second criteria in the selection of the sample was that the subject had some **encounter with music streaming platforms**. This is also rooted in the assumption that these age-cohorts will have some experience in the usage of streaming service by now. Therefore, the definite age range include what we refer today as young Millennials plus the older half of Generation Z. A more detailed overview of the various profiles can be seen below in table 1.

Name	Coded ID	Age	Gender	Education level	Nationality
Sara	A	28	female	Master	Turkish, Kurdish
Francesca	B	22	female	Master	Italian
Jasmin	C	21	female	Bachelor	German
Mia	D	26	female	Master	German, Spanish
Travis	E	20	male	Bachelor	German
Mubeen	F	22	male	Bachelor	Pakistani
Mohamed	G	23	male	Bachelor	Bengali
Niki	H	26	male	Master	French, German

Table 1: Overview of participant profiles

A variety of young participants with different educational levels and backgrounds are chosen to give a more rounded view what is important to their peers in the same age cohort. Also, an equal split was considered between females and male to account for a possible bias in gender-related responses in overall. Coming back to the semi-structured interview, the knowledge previously gained from secondary data helped to structure the interview and orientate the conversation towards specific points the researchers highlighted as important for the understanding of driving forces behind the premium subscription.

## Data Collection

Primary data was collected through the mono-method of **semi-structured interviews**. Semi-structured interviews allow the author to incorporate existing theories for the confirmatory purpose, while allowing open answers to produce elaborate findings for the explanatory purpose. To have a sound critique and also to inductively reason new findings, “Interpretation” (Saunders, Lewis, & Thornhill, 2009) is given with the qualitative approach by looking into the explanation of the relationship between those older and emerging concepts. With semi-structured interviews, the interviewees can comprehend the scope in their responses, allowing the authors to receive tailored responses and thus contributing knowledge for answering the initial research question. Moreover, guiding the process empowered the flow of thoughts that were connected to the question, but were beyond the foresightedness of the academic literature review. The interviews were conducted either face to face or through a phone interview as there were time- or geological-constraints and the questions are influenced by some of the pre-existing theory.

When it comes to coding the interviews, the mixture of deductive and inductive theory development asserts itself. With pre-existing theory as well as the confirmatory purpose of this research, the first set of codes were **pre-determined and deductively** reasoned. In academia, they are also referred to as ‘a priori’ codes (Saunders, Lewis, & Thornhill, 2009). For instance, one ‘a priori’ code taken from behavioural studies (Ajzen, 1991) is labelled as ‘Past Experience’. An overview of deductive codes can be seen in table 2a below.

In contrast, the explanatory purpose of this research demanded **inductively reasoned** codes, which emerge after an iterative process of reading and comparing all the concepts in the transcripts. Hence, the author borrowed the coding scheme from the **Grounded Theory**, which was cultivated in academia by Glaser and Strauss (1967). The underlying logic for the Grounded Theory claims that ‘reality’ is a social construct based on the meanings of the social actor ascribe to their experience (Glaser & Strauss, 1967). Aligned with the research purpose, it aids the development of theory on how social actors perceive and make sense of everyday

experiences in certain settings (Glaser & Strauss, 1967; Charmaz, 2006).

With the systematic approach of Grounded Theory's coding scheme, two types of inductive codes emerge. One is driven by the participants themselves and is coined by academia as '**in vivo**' codes (Saunders, Lewis, & Thornhill, 2009). It means that the labelling of a code derives actually from the spoken word of the participants themselves. A concept commonly mentioned was the 'Price', which was an influential aspect in building a purchase intention to subscribe to a music streaming platform. For example, as for Participant A, she states that "if you're a student, you pay less than the regular price. So, for me it was quite clear that it cuts costs and costs nearly nothing for me" (2020). The unit of analysis for 'in vivo' codes were mostly line of text as indicative of the meaning in itself.

The other type of inductive codes is set by the researcher himself. The unit of analysis for 'in vivo' codes were mostly line of text or whole paragraphs as the codes are either **descriptive or conceptual**. An example of descriptive code is the code 'Habits', which is set by the author and summarises all reoccurring, routine-like and unconscious behaviour expressed by the participants. Conceptual codes are more indicative of passages in comparison and aggregation, displaying the same theme or concept like talking about the 'Convenience' of cloud-based streaming. An overview of preliminary inductive codes can be seen in table 2b.

Table 2a: Deductive Codes

Origin	Code Name	Code Type
Deductive	Normative pressure, Observational influence	conceptual
Deductive	Informational value, Informational influence	conceptual
Deductive	Temporary social influence	conceptual
Deductive	Perception of Identity	descriptive
Deductive	Past Experience	descriptive
Deductive	Perceived risk	descriptive
Deductive	Perception of control	descriptive
Deductive	Actual control	descriptive
Deductive	Trust	descriptive
Deductive	Perceived usefulness	descriptive
Deductive	Perceived ease-of-use	descriptive

Table 2b: Inductive Codes

Origin	Code Name	Code Type
Inductive	Cultural Influence - Cultural Mindset	conceptual
Inductive	Cultural Influence - Need to Belong	conceptual
Inductive	eWOM	descriptive
Inductive	Identity - Enjoying hedonistic goods	descriptive
Inductive	Amplify mood	descriptive
Inductive	Identity - Habits	descriptive
Inductive	Price	descriptive
Inductive	Content - Personalisation	descriptive
Inductive	Content - Availability	descriptive
Inductive	Convenience - On-Demand	conceptual
Inductive	Convenience - Ubiquity	conceptual

Table 2: Overview of preliminary, deductive and inductive codes emerged by analysing the interviews

To ensure theoretical sensitivity with less preconceived notions, borrowing the coding scheme from the Grounded Theory allows a constant comparisons of codes through the **process of underpinning coding** (Saunders, Lewis, & Thornhill, 2009). The different process stages can be divided into three (Strauss & Corbin, 1998). Firstly, through reorganisation of data into dedicated categories, **open coding** is utilised. In this stage, the author is trying to aggregate data, enabling a manageable scope of codes and easier analytical processing. Afterwards, in the second stage, the author is comparing each code and trying to recognise relationships through **axial coding**. For instance, one relationship is given for the coded concepts of 'Trust' and 'Perceived Risk', which arguably have some offsetting relation in their influence on the subject. Also, subcategories can be established, which resulted into the hierarchical code tree of 'identity'. This can be seen for content related to building blocks of 'Identity', which are 'Habit' and 'Enjoyment of hedonistic goods' of content. Thirdly, **selective coding** has not its focus establishing relationships, but identifying the core of each coded category, such as the overarching 'Socio-Cultural'. Consequently, new codes are established if appropriate and established ones reanalysed. Interviews to code were conducted until the data ceases to add new codes or insights into relationship emerging from theoretical sampling. In other words, no more interviews or codes were considered as soon as **theoretical saturation** is assumed for the scope of this study. Main reoccurring themes occurred and solidified after the eighth interview.

The analysis of the interviews is done by using the software NVivo, allowing to apply the codes of the eight transcripts and clustering them to the same nodes, therefore opening the possibility to creates patterns. The created codes will be crossed with the concepts resident to identify resemblance in regards of explanation building. The knowledge gained from the interview was thereafter compared to the one gained from the literature. This comparison enabled the identification of key challenges and possible explanation of how information is used to build purchase intention for premium music subscriptions.



### Reliability & Validity

The reliability aspect is divided into internal and external reliability. **Internal reliability** is concerned with ensuring a consistency during the research process. This can be achieved by co-authorship with a second researcher which remind each other and align on the objectives, analysis and interpretation. As this is not given for this research, the author promotes stability in coding, analysing and interpreting the data by writing memos in parallel to conducting to each interview (see table 3 in appendices).

For the **external reliability**, there are four threats to it according to Saunders, Lewis, & Thornhill (2009). The *Participants error* describes the mechanism in which the participant is influenced by any circumstance in their response to answering the question. Its likelihood is low since the participants were involved in scheduling a time which is most convenient for them, allowing for a relaxed atmosphere without any constraints in time or location. The second threat to reliability, *Participants bias*, is seemingly avoided as the freedom of expression is pointed at, especially as the fear to be overheard is reduced in conducting the interviews at home, arguably the most comfortable space for participants. In third and fourth place, *Researcher error* and *bias* are considered low since the questions were derived from the knowledge built through pre-existing literature and profound, non-academic, up-to-date industry reports as well as technology and music media outlets. The probability of misinterpretation is therefore small as the complementary information of existing and new literature, allowing the author to have the same understanding of the reality to a certain degree. In addition, the author is in the same age range as the target population and target sample, making it easier for him to relate and to understand this generations Zeitgeist.

When it comes to the validity dimension, it can also be divided into external and internal validity. The measurement validity is not elaborated as this is more suitable for quantitative research according to Saunders, Lewis, & Thornhill (2009). **Internal validity** is more concerned with explaining and establishing causal relationship precisely, which is given since this study is a qualitative research, basing its theoretical

relationships proposed on the Grounded Theory coding scheme and its rich collection of data.

**External validity** is dealing with the likelihood of the findings to be eligible for generalisation to other relevant groups or settings. Here, the author acknowledges that the sample group is relatively small with eight participants, but also refers to novelty of this interdisciplinary field that needs future research. In addition, the likelihood of generalisation can be increased since the target population as well as the actual sample is selected based on previous findings by Ipsos (2016) about the customer group subscribed to a premium plan. Alternative quality criteria were created by Guba & Lincoln (1989) and Lincoln, Lynham, & Guba (2011) such as the **credibility** criterion. This is established in this research by the use negative cases for explanation building and confirmation of pre-existing concepts. An exemplification of that notion is given through the deductively determined code of 'Temporary Influence' or 'Past Experience'. Their existence may be true in theory, however, their significance in this research and its objective could be explained in through other codes as well.

## Findings

### Socio-Cultural Influence

When it comes to the purchasing intention of a premium subscription for music streaming, the literature review suggested a model and thus predetermined codes which have been utilised during the interview. In the concept of Socio-Cultural Influences, there were two overarching drivers of it, namely normative pressure as well as informational value. These two were 'a priori' coded as such and looked after during the interviews. The idea of **Informational Value** coming from Socio-Cultural Influences was confirmed during the interviews as many people recognise being influenced by their surroundings.

Inductively speaking, the informational value, can be found in two ways. At first, the interviewees mention that reviews and information online play a role while building a purchasing intention, because the plethora of

information and critique available via electronic word-of-mouth (**eWOM**) allows for a comprehensive overview of the service's performance and benefits. For example, Interviewee A mentions that she likes to read "articles on the internet about the advantages and disadvantages" (2020). But that is not all, meaning they are also actively seeking the to be influenced by it, which emerged inductively from the data.

Secondly, as addition to eWOM, participants state that they consider information from their **Friends and Family** as important to them, because they seek the advice and trust their opinion. For instance, Interviewee G paraphrases the reason for advice-seeking by saying "if those are friends you are really close with and you know how their attitude is and you know that they have common interests like you."

Closely related to informational value, the literature also suggested the coding of **Temporary Social Influence**, which in retrospect the findings did not support. Temporary social influence, as a reminder, can be described as temporary encounters and interaction with individuals like in waiting rooms or events, which influence the behaviour. Now, this may be true in general or in other situation, however, this study did not find support of that notion and more negative cases to offset this influence. For the consumers this is mainly due to the abundance of relevant information from eWOM, as well as friends and family that does not leave room for impulsive and fluctuating impacts on one's attitude towards the purchasing intention.

The participants of the study confirm that **Normative Pressure** is an influential factor when forming a purchasing intention as well. Like the informational value, normative pressure has been found twofold. On one hand, several interviewees mention that normative pressure is given when talking about their upbringing and how they were raised. Participant H mentioned that the listening habits and favourite artists of his musical parents influenced him, making music a substantial part of their life. More participants drew attention to their parents cautioning them as kids to be frugal, which made the participants rethink to pay for music, when it is accessible for free on YouTube, for example. Hence, during the interview these findings are inductively coded as **cultural norm**. Participant A references it as follows:

My parents are from Kurdistan and Turkish villages, I can imagine that they're like 'you wouldn't buy a subscription, because it's a waste of money.' So, you would consider it as a waste of money as you can have music for free. Why do you need to pay for music? I think it could influence your decision there because you also have not so much money.

Moreover, when talking about culture, the participants mention that formation of people such as family and friends have an indirect influence as well. This finding, coded as **Need to Belong**, summarises participants' desire to be part of a community or circle of friends, by identifying and expressing themselves in the same way their friends do.

### **Personal Performance Perspective**

While previous literature suggests deductive codes such As **Perception of Own Identity, Past Experience, Perceived Control, and Perceived Risk**, the findings can confirm only the first one as a distinct influence. The interviews demonstrate that **Perceived Control** is not an influential factor in the scenario of music streaming subscriptions. In prior research this concept was impactful, because the individuals usually had a lack of transparency in the process, good or service which did not allowed to have full volitional control as well as oversight of the key information. In today's digital-driven world, the participants consider this given and have extremely high perceived control according to the interviews. Echoing this sentiment, Participant C states that "I think I can decide for myself independently to purchase a premium music subscription or not". As a result, this concept becomes obsolete and is not driving the buying intention as they can exercise the behaviour independently and are in full control of the purchase.

This is especially supported as Participant B mentions that it is up to the consumer's will to continue using the premium subscription after testing the fully featured and free trial version, giving them first-hand and accurate information about the service. Subsequently, it also evaluates to the necessity and impact of deductively coded **Past Behaviour**. In prior research, it was assumed that the behaviour in question could be predicted by similar actions and prior experience can help forming the intention. The findings, on the contrary, show that

similarity is not needed anymore, because the experience of the behaviour in question, the purchase and usage premium music streaming, can be exactly replicated through the trial version as mentioned by Participant B above. As a consequence, past behaviour, in the traditional sense and with negative cases for credibility, is not confirmed to be intention-building.

The notion of **Perceived Risk** prior to the purchase is somewhat, but not fully confirmed. As risk itself as well as how it is perceived is individual, participants displayed varying degrees of concerns or comfort regard perceived risk. On one hand, the participants mention security and privacy concerns due to registration process upon the initial purchase. Adding to that concern, the findings show concerns about the streaming providers' tracking algorithm that collects data about each individual's location, timing and overall streaming behaviour. Exemplary, Participant D states that "Well first of all the all the data and personal question, and answers that I give. ... I consider what happens to all this personal information. It's like having a digital clone somewhere."

On the other hand, through online reviews, word-of-mouth and the free trial, the risk of not having sufficient information available to build a strong intention to subscribe or not to subscribe is not given. Moreover, they consider the economic risk to be very low, because of the pricing transparency and the information available online like Participant G says "for me it plays only a minor role, ... the cost for Spotify, it is only five euros. I wouldn't consider this as a risk. ... you lose for example only five euros, it's like not such a big loss to me."

During the interviews the **Perception of the Own Identity** was confirmed and can be elaborated with two inductive categorisations. With the second-most (40) distinct coded references (after promoting resources with 45), it is one of the biggest influences on the purchasing intention to subscribe to a premium plan. Firstly, all participants mention that the identity plays a role when describing what they do in general and on an everyday basis, defining who they are. The participants mention that they utilise their premium plan for everyday activities. Participant E mentions the usage in his morning routines, Participant C when cooking with

friends, or for Participant F on their commute and many more activities. Hence, the complementary, inductive code that the findings suggest is **Habits**.

Secondly, they clarify that another major influence impacting the purchase intention is the identification process that takes place when listening to music. In terms of identity, Participant F and H go into detail about literal identification with the lyrics, while all participants cite identification with a moment as main drivers for a premium subscription. They illustrate it by having the possibility to amplify the mood through their music when they are concentrating [Participant B], motivating for sports [Participant G], decompressing [Participant F] from the day or creating an atmosphere [Participant E].

When interviewing the participants, one of the most crucial consideration in the intention building process towards subscribing, was the possibility to have ad-free music, which is part of the premium plan. This was rooted in the urge to give into the experience of listening to music, also overlapping with the identification purpose when listening. As a result, an extension to the theory that is special to premium music subscription occurs and can be described as the dimension of **Enjoyment of Hedonistic Goods**, which goes beyond the TPB. The findings also reveal that customisation of the visible library of music and content curation are major contributor to hedonic fulfilment. Consequently, the enjoyment of hedonistic goods is also strongly linked to technical facilitators, which will be discussed later on in detail.

### **Promoting resources**

Promoting resources were divided by literature in actual control and trust. These deductive codes were applied for the interviews, where the findings confirm both of their influence in shaping the purchasing intention for subscribing to a premium music streaming platform. **Actual control** is mirrored by the conclusion of the findings for the concept of perceived control, which state that perceived control is obsolete as actual control is given. The participants showcase its validity when they affirm that actual control over the purchase is additionally given with the freedom of choice between existing music streaming providers, reinforcing this

notion. Participant C displays it as she endorses the notion by stating that “This is also supported by streaming providers such as Spotify where I can quit and leave my contract on a monthly basis as this is also the usual contract length, which automatically extends for another month.”

For the influence of **Trust** on the purchasing intention, the participants refer to information available about the provider and its service. They argue that even after purchase, providers like Tidal and Spotify allow monthly withdrawal from the service and thus enabling the freedom to exit the service at individual’s will. In addition, they stated that the popularity of a platform and its reputation signals trustworthy behaviour from the provider and a satisfied and monthly-reoccurring user base. Participant C contributes to this concept by saying “Another very important factor to me is whether it is a popular platform. A streaming platform that inhabits a lot of users, ... conveys the message that ... people are happy ... or trust this premium subscription to satisfy their needs.”

Another impactful notion that has emerged inductively from the findings, is the **Price**, which is also the main contributor with 23 distinct references in the interviews for the category of promoting influences. The interviewees explain that, as students, financial matters are considered very critically [e.g.: Participant A, B, C, and F]. Hence, a strict cost-benefit analysis is usually made in order to justify monthly payments as the participants are in the transitioning phase of life in which they gradually learn to become financially independent from parental support [Participant H]. A second finding is that price is quantified and subjectively evaluated if it is a cost bearable or not by each participant themselves [e.g.: Participant A, E, G].

### Technical facilitators

When it comes to the predetermined codes for this category, **Perceived Usefulness and Perceived Ease-Of-Use** were investigated. The findings show strong support for both ideas, whereas perceived usefulness was repeatedly ranked more important for the purchase intention compared to perceived ease-of-use. This preference is illustrated by the majority of participants, because the lack in ease-of-use may be temporary as



the app can be learnt and is supported with tutorials and guides. More importantly, the participants base this logic on the benefits of the perceived usefulness, meaning the more usefulness an app is, the more effort they are willing to make in order to reap the benefits [e.g.: Participant A, D, and H].

During the interviews few more streaming-related concepts have emerged and are inductively coded into two categories, namely content and convenience. The **Content** category groups the concerns of the interviewees that are prominent towards the **Availability of songs** and the **Personalisation of Content**. The findings show that the interviewees consider whether their preferred artists and songs are on the platform they consider subscribing to. For example, Participant E mentions that certain artists are available on all platforms, but some platforms have exclusive rights to new renditions and remixes of the artists' popular songs.

In addition, the **personalisation of content** is also argued to be very important since the interviewees know that they not only want to listen to their songs, but also explore new artists that they may like.

Lastly, the findings indicate a **Convenience** category that is established as influential driver of purchasing intention. In fact, the answers of the interviewees can be split up in two dimensions of convenience. One is dimension is about the geographical content **Ubiquity** of the streaming service, allowing the premium subscriber to stream wherever they want. The other dimension is about streaming whenever they want, meaning the accessibility of content **On-Demand**. Both were described as equally important and are usually mentioned in the same breath. In sum, the findings show that the purchasing intention is highly influenced by these additional four categories of content and convenience.

## Discussion

Next to ordinary and traditional ways of music consumption, for example through radio, concerts, or physical recordings, digital streaming is steadily growing amongst music listeners. This can be seen in figure 4 below. With it, the freemium business model prevalent in the industry formed monetization obstacles (Bapna, Ramaprasad, & Umyarov, 2018). Not a question of technical feasibility, but one of economic sustainability (compare figure 2) where the main problem occurs by the concurrent presence of free and premium offerings.

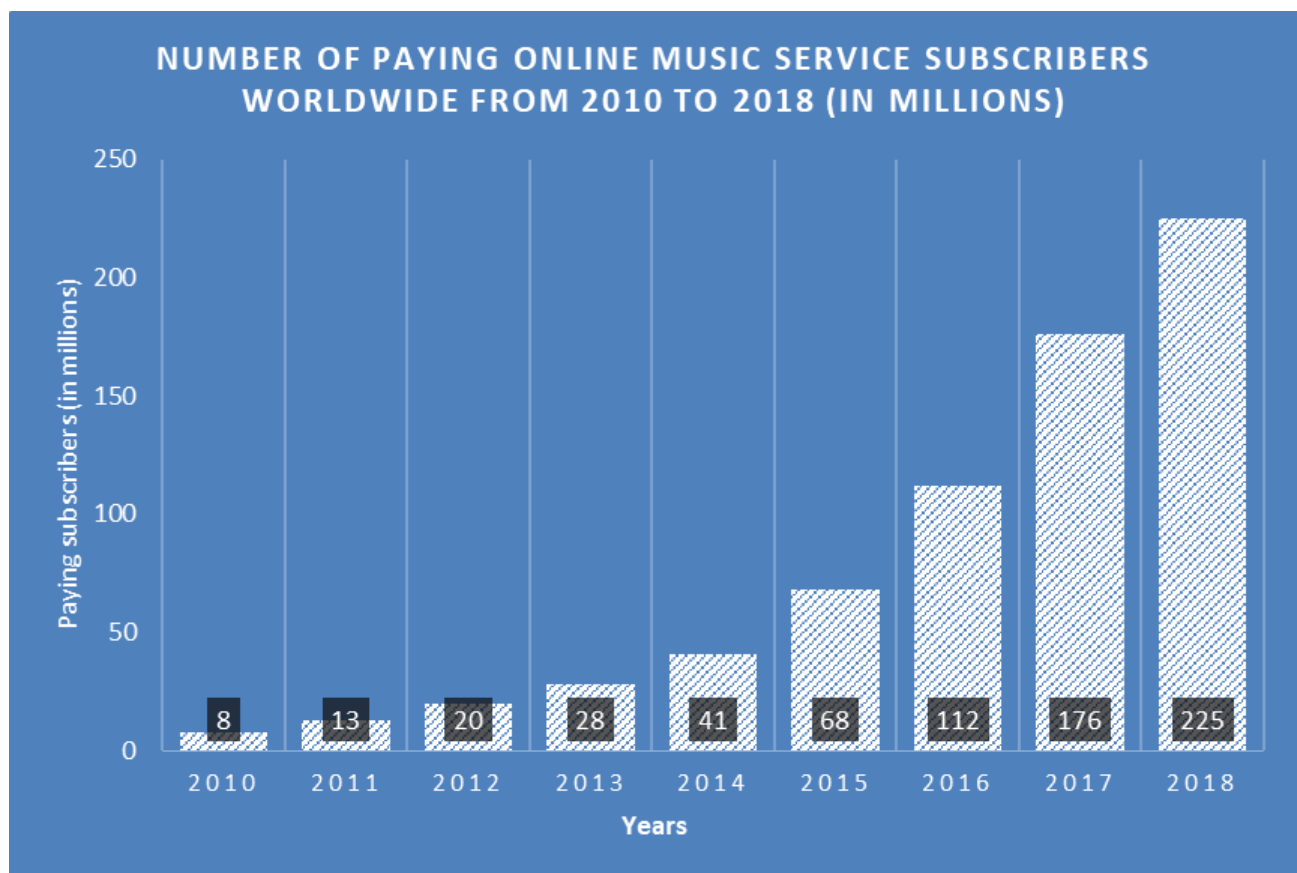


Figure 4: Growing user base world-wide; sourced by IFPI (2020) Global Music Report 2019, page 13

While prior studies looked into how consumer adopt to technologies (Davis F. D., 1989b; Venkatesh, Thong, & Xu, 2012) and others how customers buy (Ajzen & Fishbein, 1980; Gruen, Osmonbekov, & Czaplewski, 2006; Chiu, Wang, Fang, & Huang, 2014), this research fills the void in understanding cloud-based premium content consumption. It does so by streamlining the dichotomy of traditional behavioural studies and the modern

consumption of hedonistic goods, overhauling previously established models from the past decades into 2020. In doing this, a connection between the pillars of behavioural and purchasing intention, which are built upon, with the ever-changing consumer behaviour is established. This need becomes necessary when looking at the different major developments in consumption and consumer behaviour of the past two decades. For instance, with the Internet, mobile phones, utility of apps and now cloud-based music streaming.

Looking at the groundwork provided by Ajzen & Fishbein (1980) and Venkatesh et. Al (2000, 2012), seven out of eleven deductive codes have been supported by the findings, meaning that to a large extent established theory around the UTAUT and TPB hold true and find significance in today's world. Besides, the findings add with six inductive codes or reasonings an extension to current literature, offering interesting grounds for the underlying rationale.

### Personal Performance Perspective

In the realm of the Personal Performance Perspective, past experience, perceived risk and perceived behavioural control deducted from prior literature, are not proven to be valid in the analysis of the interviews. In prior research on behavioural studies, all beliefs to form a behavioural intention are based on information. As a result, that means that their level of detail, quality and availability of relevant information is mandatory to shape the final intention and is therefore key to the actual performance of that behaviour.

In theory, **perceived risk** is an influential factor when building a behavioural intention as it aggregates the individual's concern about the information that is absent or not fully disclosed, similar to the classical principle-agent-dilemma. In practice, however, perceived risk is given only to some extent, because of two notions identified during the interviews. On one hand, the influence of perceived risk is resident when the individuals voice their concerns about data and privacy protection. They illustrate their worries by mention the possibility of private and personal data being used for purposes outside of the actual music streaming experience. This ranges from selling personal information such as name, gender until abusing their listening patterns such as

where was music listen to, what type of music and at which time [Participant E]. Despite the concerns, the participants accept the terms and conditions that are being displayed prior to the purchase, allowing oversight of possible data processing, in theory. In practice, nonetheless, the actual thorough reading of the terms and conditions can be described as neglected and somewhat naively trusted.

On the other hand, the influence of perceived risk is not resident when the individuals talk about the actual rationale of that concept in Ajzen's terms (1991), meaning the lack of information to conclude to a firm buying intention or not.

Now, in the real-world application of the theory, information is still the main driver of building beliefs to educate one's attitude towards a behaviour, but the idea of perceived risk from the TPB is somewhat outdated, argues the author. The reason for it comes from the simple fact that in this day and age lack of information is usually not given. In particular, not with products available online or mass-market product (Berger, 2014). Both properties, online product and mass-marketed, can be ascribed to the popular music streaming platforms. With the Internet there is usually an overabundance of information for these types of services (Filiari, 2015), which creates more an issues of filtering relevant information out of the mass.

Another diminishing factor to the power of perceived risk is closely related to the overabundance and relevant information, namely the concept of trust, which will be discussed in Promoting Resources. From the lack of information perspective, the presence of online reviews as well as trust-building marketing activities [Participant F] to level the perception of unfavourable outcomes leads to trust being slowly established. Therefore, perceived risk not fully supported by this research and questions its validity in context of being an influential factor for purchasing a premium music subscription.

The **perceived behavioural control** as influential concept in forming a behavioural intention is not applicable in premium music streaming and, thus, not a driver forming an intention to subscribe. The reason for it goes back to Ajzen's necessity of including this parameter (1991). The inclusion was necessary since the original

TPB, the TRA, did not involve the aspect of volitional control to perform an action. It meant that an intention to do something can only find its expression if the person perceives to have control of performing that behaviour or not. Or in other words, it describes the individual's perception of the level of difficulty to exercise that behaviour if enough motivation is given to consider doing it.

Now when it comes to subscribing to music streaming platform, the perceived behavioural control amongst the interviewees was undoubtedly given by stating that they perceive to have no difficulty to stream and subscribe at all. This makes sense going into the new decade, because the mechanisms from browsing through webstores in e-commerce to the checkout processes in mobile commerce have found their way into everyday life (Ngai & Gunasekaran, 2007; Sarkar, Chauhan, & Khare, 2020). Reflected in the interviews, this is especially true for the younger generation, the Digital Natives, as they grew up with, learn and getting accustom the mechanics of a possible purchases online (Akçayır, Dünder, & Akçayır, 2016). Participants of study express that they have full control of the purchase, meaning the registration process and the final confirmation of the checkout to pay. Consequently, the concept of perceived behavioural control becomes irrelevant as an influential factor in the case of subscribing to a premium plan. Another extended thought is that this irrelevancy may or may not be true for all subscription-based premium goods among students, but certainly in the case for music streaming as they share similar, known steps to purchase.

A concept from theory rejected in the case of online subscription for hedonistic goods is **Past Experience**. During the interviews past experience does not play a role in the intention building process, in the traditional sense. Traditionally, past experience has been found to be a good predictor for future behaviour when looking at similar actions and the beliefs closely related to that specific action (Glasman & Albarracín, 2006; Venkatesh, Thong, & Xu, 2012). The author argues that now this understanding of past experience applied to the situation of building a purchasing intention becomes somewhat obsolete in reality. Generally speaking, past experience of similar encounters could benefit building a behavioural belief. An everyday analogy would be driving a

different bike or baking in a different oven than one is used to. Past experience comes in handy, where the known foundational mechanics are the same. For example, baking in an oven should be a highly similar process across all ovens, helping to build the intention to bake, knowing the outcome may differ though from oven to oven. Yet, for past experience, its significance for forming an intention is not found in the research conducted. Quite the opposite can be inferred, with similar encounters are seemingly becoming irrelevant, because not similar, but the exact experience of owning a premium subscription is indeed replicated. This is done by the configuration of most freemium offers from music streaming providers where a free trial is presented. They provide premium content and premium features such as own content curation, enabling the full experience of the possible purchase.

In contrast, pre-existing literature seems to maintain its validity though, regarding the influence of **Identity**, **Habits** and the notion of **Enjoying Hedonistic Goods**. This is also confirmed by the participants of the study and is not surprising since today's perception of identity itself did not change compared to the perception of identity in the years leading up to the Millennium. People today are still reflexive and categorise themselves (Stets & Burke, 2000) into certain groups, such as "Western person" [Participant B], "Student" [Participant D] or "Musician" [Participant H], which they describe as being important to their behavioural intention to subscribe. For the Western person, the content available to discover beyond Western music is influential in selecting the right streaming provider for them. For the student, monthly reoccurring payments plays a role in the purchasing intention as they usually characterise themselves to have lower disposable income. For the musician, identification with music without distraction and maintaining the status of an avid listener and connoisseur is important. In line with these examples, one can recognize that the identity of a person still contributes greatly towards building a behavioural intention to possibly subscribing to a premium plan.

In opposing fashion to the negative cases of past experience, perceived risk and control, the impact of identity can be assumed to be reasonable as it has different underlying principles. Comparing those concepts, two

cohorts can arguably be identified and show that the concept of identity is self-driven, while negative cases are more product driven. Accordingly, the beliefs built around past experience, perceived risk and control have a different emphasis depending on the situation at hand. It seems plausible that different levels and qualities of those negative cases are not only at work for each person, but also impact each situation or purchasing intention differently (Ajzen, 2002), making it less influential in the specific case of purchasing a premium subscription for music streaming.

As the identity dimension in the Personal Performance Perspective is more self-related it will stay, more or less, constant across situations, meaning independent from purchasing that premium plan. For forming one's belief and character traits, it can be argued that the self-reflexion process is more deeply rooted, possibly took more time and concluded far earlier than the situation or purchase in question. For example, few participants [Participant B, D, E, H] mention the brand reputation and the company's ethics must comply with their values and identity as they would not tolerate unethical behaviour. In this case, the belief of ethical integrity of the individuals is formed regardless and prior to any purchasing decision.

Therefore, looking at the timing facet of the purchase intention, the beliefs around the identity are given in advance, while the beliefs around the negative cases may just evolve when facing the according situation. One can argue that beliefs built through the identity and the others are decoupled in time and may follow in a sequential manner, starting with the beliefs related to identity. This idea can also be substantiated by the findings of Glasman and Albarracín (2006). In research of predicting future behaviour by looking into attitude-behaviour relation and past behaviour, they have found that easy to recall and stable, over time, attitudes predict more accurately future behaviour. Stability of that attitude is found to be increasing, when individuals had frequent experience with it (Glasman & Albarracín, 2006). Since self-reflexion and self-categorisation (Stryker, 1968; Tajfel et al. , 1971, 1985; Stets & Burke, 2000) is part of being a human, moving through different life phases, jobs, relationships and societies, it reinforces the idea that constant self-reflection of the



own identity is given. As a result, making the perception of self and the own values highly accessible to large extent across occasions.

In sum, it can be argued that this is the reason why the identity dimension still holds true in contrast to past behaviour, perceived risk and control as identity is not product-focused and the mechanisms of self-reflexion and character traits are independent from situational change. Further insight into the independence and overall relationship between these two groups within the Personal Performance Perspective could be drawn from idea of the Extended Self (Belk, 1988). In this idea Belk (1988) famously established that for our identity “knowingly or unknowingly, intentionally or unintentionally, we regard our possessions as parts of ourselves” (p.139), corroborating that the beliefs centred around the identity are pre-build and that products and services are utilised as a tool for self-expression afterwards. As music was described by the all the participants as part of their identity, expression and identification, the idea of the Extended Self (Belk, 1988) can further be utilised in solidifying the concept and relevance of identity in subscribing to a premium music plan.

### **Enjoyment of Hedonistic Goods and Habits**

The findings suggest a coding for **Enjoyment of Hedonistic Goods**, which contains the participants’ urge to have a personalised, uninterrupted and ad-free listening experience. The importance of enjoyment can be seen when comparing it to possible goods with other tasks at hand. For example, an office application on the phone, the software may serve only for regular task completion and are externally motivated to be effective and efficient (Heijden, 2004). They may sacrifice features and designs that cater towards playfulness and aesthetics for more productivity. There, the user may be fully satisfied without any additional contribution to the hedonic self (Heijden, 2004). On the contrary to applications and technologies like music streaming platforms, which serve not only functional tasks, the main goal is defined by hedonic fulfilment. They relate to multisensory and emotive aspects of the user experience and are internally motivated (Holbrook & Hirschman, 1982). The findings endorse this notion as every participant mention that the uninterrupted music experience

is the main reason to switch to a premium plan. In further support, Venkatesh, Thong, & Xu (2012) picked up this idea of hedonic motivation in the UTAUT2 (Venkatesh, Thong, & Xu, 2012) model by describing it as crucial for consumer acceptance and use of technologies. In conclusion, the author argues for the importance of the enjoyment of hedonistic goods in building a purchase intention for subscribing to a premium plan.

Another dimension that can be learned from UTAUT2 (Venkatesh, Thong, & Xu, 2012) and is mirrored in the findings are **Habits**. During the interviews, people talk about music and when listening to it, they usually describe activities that the authors clusters into two categories. The first group of activities is centred around the pure hedonic fulfilment and is strongly linked with the concept of identity and listening habitually to music actively. This means, as some interviewees say, looking actively for new songs and artist, repeatedly reliving the feeling of the favourite songs or actively listening to music for processing the lyrics, and give some reflecting thoughts to it.

The second group of activities can be called “passive listening”. It deals with utilising the atmospheric essence of music in activities in order to amplify the specific mood. For instance, fast-paced songs for motivation during sports, down-tempo jazzy songs for romantic dinners, playful music for cooking with friends or concentrating music. In turn, this also leads to back to the enjoyment of hedonistic goods as the specific need for an ambience is fulfilled. This is creating a habitual drive to re-use experienced satisfaction through ad-free premium content in future occasions.

In research, habits are described as “learned responses” (Limayem, Hirt, & Cheung, 2007) and defined as “learned sequences of acts that become automatic responses to specific situations, which may be functional in obtaining certain goals or end states” (Verplanken, Aarts, & Knippenberg, 1997, p. 540). Thorgate (1976) argues that people do something like listening to music, for example, during sports as a result of not predominantly intention-driven, but rather as a baseline response. Building a stronger case for the influence of habit, further research supports this argumentation of “passive listening” to music as it happens during so

called “stable context” where “a minimum of the individual's attention in reacting adequately to certain situations” (Limayem, Hirt, & Cheung, 2007, p.705), facilitating the formation of habits. Matching the findings, another exemplification is that music becomes part of the morning routines from the participants [e.g.: E], where habitual behaviour, such as brushing the teeth and showering with music, eases the actions and reduces response latency by conscious intention-processing (Thorgate, 1976) in the morning. It is where that passiveness helps to establish the habit, which finds its expression in automatic response (Orbell, Blair, Sherlock, & Conner, 2001) as listening to music requires only minimal conscious attention and mental effort (Wood, Quinn, & Kashy, 2002). In addition to referring back to the enjoyment of hedonistic goods, habitual behaviour facilitates effortless and efficient responses (Lindbladh & Lyttkens, 2002) to certain situation like plucking in the headphones before a commute as mentioned by Participant F.

Tying all together, what leads to hedonistic fulfilment and how habits are built in general or in regard to music is highly dependent on the individual and their identification. It can be the need of identification with dance music for rhythmic people or the identification with the mood of the songs to focussing music for study sessions. As a result, these dimensions of the Personal Performance Perspective have been found to be very individual and different from person to person, but nonetheless are one of the most crucial drivers towards a positive purchase intention of music streaming subscriptions across the board.

### Socio-Cultural Influence

In the field of **Socio-Cultural Influence**, although normative pressure as well as the informational value has been found to be true during the interviews, the author critiques the level of significance of traditional social influence in the TPB. In further discussion it will come apparent how parts of it changed in emphasis over time to adapt for the case of hedonistic online consumption and how they are related to the aforementioned concept of the Personal Performance Perspective.

### Normative Pressure

This study explains the normative pressure in two magnitudes: on a macroscopic and a microscopic level. The findings support its existence and show that the importance of the people surrounding an individual remain untouched for building a purchasing intention. On a macroscopic scale, the findings suggest that depending on cultural background and societal or **Cultural Norms**, the behavioural intention to perform an action is influenced (Ajzen, 1991; Kallgren, Reno, & Cialdini, 2000). Participants [e.g.: A, H] show that an understanding of the society and their cultural background will lead to a refined conscious or unconscious perspective on evaluating their own attitude towards a behaviour or purchase. They state that, for example, their Western heritage lead to a conclusion and choice of streaming platform that has more popular presence and is culturally relevant to them. A good example for cultural relevancy is the streaming platform Deezer, which is not necessarily superior in function to the available streaming juggernauts like Apple Music, Spotify or Amazon Music. It is a French company and in comparison to other European countries, the U.S. and Canada remains to be a viable and popular option in France only (Statista, 2019).

In easier terms, this paper describes this phenomena as observational influence, whereas the idea of itself goes way back to the notion of “normative social influence” coined in 1955 (Asch). In his studies (Asch, 1940, 1955), he mentions that people learn from birth onwards that the perceptions of others can be used as guidance and evidence to understand the way of living and seeing the world. He continues (1955) that people refer to societal norms when evaluating an object of interest and will re-examine their own with if a discrepancy of opinion is apparent between them and the referent group. Reflecting on the participants’ answers, it becomes clear that some cultural norms of listening to music is commonly facilitated in certain social settings. For example, when playing music in the background while hosting a dinner [Participant C], queuing music in the car [Participant E] or throwing a party [Participant H], the participants mention that they feel some social pressure to ensure maximum listening-experience, by providing ad-free, dedicated, and

customisable music. This social or normative pressure is a unique phenomenon as the nature of how it conveys information is unilateral (Asch, 1955). It does not allow the subjects to have mutual and interdependent influence on the source itself like with discussing or evaluating different sources with each other, which can be argued to be too rigid and simply unfeasible for societal norms while building purchase intention.

### **Need to Belong**

On an abovementioned microscopic level, another factor that stays in relation with cultural norms and social pressure is the concept of the **Need to Belong**. From an individual perspective, this paper demonstrates that while cultural norm and social pressure can be argued as external forces pulling, the need to belong is seen as internal forces from the individual pushing towards reaching society and their cultural norms. In prior research, this need to belong is described as part of human nature and the instinctive urge to build, maintain and form new relationships (Maslow, 1943; Baumeister & Leary, 1995; Pickett, Gardner, & Knowles, 2004). Findings support this conception of the need to belong as Participant D mentions that she feels the urge be part of the consuming society and would feel alienated, which she actively tries to avoid. Likewise, other interviewees stated that they want to be part of a community that have the same hedonistic interests, fusing the concept of identification and identity with the need to belong. This is especially the case for fanbases that have some exclusive access to content of their favourite artists, verifying their identity as part of the fanbase and satisfying further hedonistic enjoyment. In combination with a study by Raghunathan & Corfman (2006), the interplay between the Personal Performance Perspective and Socio-Cultural Influence is reinforced as it shows that shared hedonic stimuli find satisfaction if consumers' opinion are congruent. An aphorism summarising this new finding is "happiness shared is doubled and sadness shared is halved", which is supporting the need to belong and the importance to conduct behaviour congruent to the cultural norm, circle of friends and people surrounding.

### Informational value

Socio-Cultural Influence is not only exercised through the observational influences, but also through the meaningful value that the opinions of surrounding people hold. This influence is coined as informational value (Burnkrant & Cousineau, 1975). Informational value is given by the referent people that the subject in question considers as important when building an intention. During the interviews, two influencing drivers are feeding into the concept informational value: Friends & Family and eWOM.

At first, the study found that students heavily refer to **Friends and Family**, whereas latter is the number one information source. The idea that this group of people is influential is well-established and also stated in literature (e.g., Ajzen & Fishbein, 1975; Brewer & Silver, 1978; Chang M. K., 1998; Cruz, Henningsen, & Williams, 2000; Chan, Berger, & Boven, 2012). When conducting the interviews, two patterns from previous concepts were recognised by the author.

On one hand, the idea of identification was mentioned. This idea was referred to when the participants describe their cultural background as well as their childhood and upbringing as it shapes their identity and refine their taste. In accordance, Participant H mentions that his parents and their habits were very influential in shaping not only his overall identity, but also how he evaluates certain decision to be beneficial. For example, the author argues that it influences which music is perceived as tasteful in the personal opinion and which music streaming provider would satisfy the personal taste in music. In that regard, an interesting identification process with family takes place as they are, in general, the only group of people that stay in constant relationship, while friendships develop over the years. This study argues that as they are the most constant relationships, contributing to the values and identity of a person over a long period of time, the informational value can be perceived as more trustworthy. This is because those people contributed the most a person's longstanding character and values which are easier to access (Glasman & Albarracín, 2006) due to their stability established over time as mentioned in the Personal Performance Perspective.

Furthermore, friends that the participants refer to as go-to information source with music streaming are the key driver in the category of informational value. Repeating the concept of identification, the participants mention that their referral to friends is important to them as friends are usually the relationships that are chosen opposed to family. Owing to the fact that these people are chosen through several criteria, one of them can be the identification with the other friends' personality traits. The reason behind it leads to the understanding that friends will evaluate due to similar background, upbringing, character or values the purchase intention in the same manner as the individual would have if it had the same amount of information. In practice, subjects would ask their friends who they think of as competent or they know of having knowledge about the experience and purchase and utilise the word-of-mouth. They reckon that the people asked for advice will not only evaluate adequately, but will also mention the most necessary (Burnkrant & Cousineau, 1975) and relevant information contributing to build the purchase intention [Participant B].

On the other hand, the concept of the need to belong becomes influential, when looking at the real-world scenarios. There, the social influence of friends is a result from multiple friends spending usually time together with other friends. For instance, during activities like doing sports, cooking or getting ready for a party together [Participant A, C, G], establishing a common understanding of, so to speak, the reality they live in, a cultural norm within the group how to behave and what to do (Asch, 1955; Wood & Hayes, 2012). This also includes what products and services to consume and which to avoid. This is also supported by literature (Burnkrant & Cousineau, 1975) which found that people tend to buy products that are in congruence with the groups' opinion as they evaluate products favourably, leading to the perception of a more beneficial product. A departure of common ways of doing certain activities means incongruence with the group of friends, leading to possible alienation (Baumeister & Leary, 1995) that the participants try to avoid.

With regards to streaming music, the interviewees mention that friends exercise a social influence since their expectations mirror the preferred outcome of an action, in most cases fully featured and uninterrupted music

listening experience. This is because the individual's thought process projects the similarity between them and their friends as valid as they have similar character traits and tastes in music and hedonistic fulfilment.

### **eWOM / reviews**

The second concept of the informational value is the necessary addition to the TPB and elaborates the idea of driving influences in this concept. The necessity comes through the emergence of the Internet and the advent of social media. This paper finds that the progressing use of social media (Correa, Hinsley, & Zúñiga, 2010; Hughes, Rowe, Batey, & Lee, 2012; Erkan & Evans, 2016) paired with the informational value that friends and family hold as well as the influence that cultural norms ooze into everyday life, a new influential concept contributes to building a purchase intention for subscribing to a premium music plan online. In this paper, this force is referred to as **eWOM**, or in other words also known as online reviews. The reasoning is sound as it takes the idea that other people, besides Friends & Family, hold informational value as well and may have some expertise or experience.

Back when the TPB was initially started, word-of-mouth had practically to be an interaction between humans not primarily at the same location, but at the same time. An example would be a conversation between people face-to-face, whereas the minimum constraint would require that both people talk to each other independent of where they are at that moment, meaning a phone call in which opinions are voiced. Nowadays, eWOM allows the prospective customer to look up the streaming service of interest and read the opinions of other people, retrieving information and its respective relevancy and value to them. Here, a detail that differentiates it from the traditional perspective of word-of-mouth in the TPB (Ajzen, 1991), is that the informational value from eWOM can be retrieved at any time, meaning that receiving information is now be decoupled the requirement of being present in the moment.

Another aspect that reinforces the addition of eWOM is its underlying mechanism in the consumers mind. The participants mention that they usually check for online reviews [e.g., Participant B], because it can be argued



that, subconsciously, the subject identifies with the online reviewers to some degree, in general, and their needs and perceived favourable outcomes of a purchase (Berger, 2014). In the same sense, it makes eWOM mechanism comparable to the logic behind identifying with friends and family. The author claims that the difference in identification between online reviewers and the friends lies in the level of trust and relevancy that is attributed to the opinions. With actual friends know each other's habits and taste, they can provide more relevant and accurate information, making them proven to be trustworthy. Whereas anonymous online reviews don't have that personal attachment and knowledge, so they usually make a case to tackle the lowest common denominator for relevant information in their reviews (Erkan & Evans, 2016). Through quality, credibility, usefulness and volume, the reviews gain saturation, which the participants tend to trust (Erkan & Evans, 2016).

Lastly, similar to establishing cultural norms and social pressure, the participants perceive the average opinion mentioned online as true, because like in the real world, they see the large amount of people judge a service and product which is usually rich information. If enough reviews are online, which is practically given for mass-product like music streaming platforms (Berger, 2014), a profound saturation of impression is established. This is due the argument that the majority of users have arguably a minimum level of identification, because they share common expectations (Cheung, Lee, & Rabjohn, 2008) in product performance. This leads to building trust while reducing perceived risk about unknown information.

In the case of purchasing intention for subscribing, the participants mention that they utilise eWOM mostly as a confirmatory measure and refer to friends and family before that. In comparison, this means that they attribute Friends & Family more informational value and yet recognizing that some information and expertise is given in the information from eWOM. Same as the factors contributing to Socio-Cultural Influence, the influence itself is impacting differently from person to person. For example, during the interviews, two individuals [Participant G and Participant H], who describe themselves as avid music listeners and enthusiasts,

mention that Informational value and others' influences are less impactful to them compared to the usual customers.

### Promoting Resources

In the literature review of this paper, promoting resources were identified as contributors on how consumers form an intention to purchase music subscriptions (e.g.: Asch, 1951; Burnkrant & Cousineau, 1975; Ajzen, 1991; Gardner, Pickett, & Brewer, 2000; Chan, Berger, & Boven, 2012). Although these were mentioned in passing as possible non-motivational factors by Ajzen (1991) in the TPB, Venkatesh et al. (2003, 2012) acknowledge their importance, which is corroborated by the findings of this study. To put it into perspective, this paper argues that one of the main reasons a lot of logics of prior research in the realm of Personal Performance Perspective that were diminished in significance (perceived risk, perceived control, and past experience) correlate strongly to the development of the category **Promoting Resources**. Remembering key element of most behavioural studies relating to purchases, (e.g., Asch, 1940; Thorngate, 1976; Ajzen, 1991; Gefen, Karahanna, & Straub, 2003; Venkatesh, Thong, & Xu, 2012; Sarkar, Chauhan, & Khare, 2020) this paper recognises that information is in the centre of analysis. It ranges from what, why and how information is gathered, processed and leads to a certain motive or action. This is where the Promoting Resources docks on and links to the change in theory necessary to explain the key drivers of building a purchase intention for subscribing to premium music streaming.

While information is still quintessential for predicting future behaviour to this day, the emphasis which information yields stronger positive or negative beliefs and therefore ultimately intention and action has changed. In the literature, the Personal Performance Perspective has strong influential components, which some of them is found to be less prominent among its study objects. The argumentation this paper provides is that in today's day and age transparency over processes as well as more information on every aspect of live

has increased, especially with the access to the Internet. The TPB is based on information utilised to create different types of beliefs and attitudes, where two of them were highly subjective (perceived behavioural control and behavioural belief) and one of them dependent on others (normative beliefs). Nowadays, these dependencies and subjectivity is met with a lot of objectivity that can be obtained through the Internet. This is especially the case, when thinking about the fact that the participants still proved the same basic mechanism of intention building to be true, thus allowing a more balanced information processing to educate their beliefs. The naming of critiqued categories (with the prefix “perceived ...”) can give a hint that they why they fall out of relevance for mass-marketed online-services. In simple terms, this paper claims that information-related perceptions play a less significant role than it used to since the Internet, where information is seemingly endless, will provide tangible information that is often seen as evidence of the truth (Burnkrant & Cousineau, 1975). This paper, however, acknowledges that tangible information may not be sufficient or explanatory or unreasonable behaviour (Wood & Hayes, 2012) or the perception of emotions. Therefore, a change in narrative about how strong these non-motivational factors are, is vital to accurately depict how intention is built for the online consumption of hedonistic goods especially.

### **Actual Control**

Going into more detail about the different influences of Promoting resources, one aspect that has been proven to be omnipresent during the study is not the perception, but the **Actual Control** over the outcome. When talking to the participants, every response displayed a high-level of confidence in ownership of actual control over the purchase and its outcome. This can be explained as aforementioned growing transparency of processes and company structures is not only demanded from public for higher accountability, but also given on the Internet and filtered on dedicated websites and review blogs. In addition, through democratization and transparency of offerings on the Internet, online goods can be compared somewhat more easily compared to the times where the Internet was not as prominent in the decision-making. This circumstance promotes the

freedom of choice to a greater degree as decision are made with more educated beliefs, the author claims. Furthermore, in the traditional sense of the TPB, prerequisites in form of non-motivational factors such as income, health, skill and so on are also a cornerstone of the discussion between perceived and actual behavioural control. These non-motivational factors may have a case for larger purchases or purchases that have intricate consequences, but for less complex and mass-marketed products that usually target extremely high volume with lower prices such as music streaming platforms, this debate is not applicable. When talking to the participants only two incidental occasions are given in regard to actual control in real-world applications. The first is described by Participant E, who mentioned that not the provider, but the actual artist can exercise actual control on how people choose their streaming provider. He mentioned, for example, Kanye West's exclusive release of his album "The Life of Pablo" on 14th February 2016 was only available at the streaming provider Tidal at first. As Kanye West initially claimed that the album wouldn't be available on Apple Music, his fans to downloaded the Tidal app and streamed the album over 250 million times over the course of only ten days (Perez, 2016). The second, so to speak, loss of control is given when participants [e.g.: A, D, E, F] report that they share an account with their friends in a family plan or with their loved ones, making them dependent on the continuance of the premium plan of the contractual buyer and owner of said plan.

### **Trust**

The second aspect, called **Trust**, is mirroring the TPB's Perceived Risk. As discussed in the findings and in the discussion the idea of perceived risk is not fully rejected, but also not fully confirmed. With the findings at hand, this paper argues that Trust works in opposite direction and counterbalances the Perceived Risk. The reason for it is that, as mentioned in the introduction of this category above, the perceptions now are diminished and grounded to some extent with the overabundance of information available nowadays. Participants support this notion as they mention that they feel very much informed, able to confidently commit to a decision regarding the subscription to a music streaming platform. In earlier discussion of

perceived risk, the main rationale behind its existence is defined as the possible lack of information that may be a decisive factor if it would have been available. In practice, lack of information is not an issue since mass-marketed products get a lot of coverage on the Internet (Berger, 2014). Nonetheless, the concerns that are voiced are reason enough to investigate how Trust and Perceived Risk conclude and which factor might outweigh the other.

Starting with Trust, freedom of choice leads the consumer to have a range of offers available. This is especially the case for online streaming goods. In contrast, one general concern that is real, is the unavailability and disability to consume content. This occurs, for example, when certain content such as a soccer game, broadcasting channel, or Netflix show is not licenced in an area. To put this into music streaming perspective, this is not a dilemma that the consumers are facing for regular music.

When talking about unexpected outcomes, then trust in a decision is gained through the informational value from Socio-Cultural Influence. The consumer at this point can be intrigued by the popularity of the platform as mentioned by the interviewees. It connotes that the popularity of the platform is rooted in the success of the platform. A participant states that it creates the impression that the business must do something right [Participant H]. This in turn means that a lot of users are happy with the experience leading to a common understanding in the surrounding and online that the product may be not only sufficient for most people need in experiencing music, but also for oneself. Moreover, this is plausible to feed into the consumer's thinking that the aforementioned security concerns are exaggerated and lead to re-evaluation (Asch, 1951) of those perceived risks since so much more consumer have problem in sharing data, in reality. Balancing both sources of opinions, the informational value received from non-anonymous friends and family is usually regarded as more useful as found in the interviews and in literature (Erkan & Evans, 2016).

### **Price**

At last, a trust-building mechanism that challenges and ultimately neutralises Perceived Risk in actuality of

music streaming subscription for possible consumers is the own experience with the product. In practice, music streaming providers offer different discounts easing the transition into premium membership, but more importantly, they offer a trial version of that membership to be tested. It allows the prospective user, to experience the usage of the product and trust nobody else, but their own feelings. Thus, the participants validate, the free trial version helps to understand the possible outcomes of that behaviour, meaning the purchase of the subscription, reducing perceived risk almost completely.

All participants mention that the pricing model of Spotify is also one of the reasons they decided to purchase the premium subscription. Instead of offering a limited version to test, Spotify offers, in addition, at no extra cost to try a fully featured version for a limited time. It is important that in the case of students, the research found that if no student discount given, Price is an exceptionally strong influence in building a purchasing intention to subscribe to music streaming platform. The reason for it may be, because the identification as student often adheres to the fact of lower financial fortitude. Therefore, this paper recognised that this strength of the Price influence that may vary among people with different occupations or are in different phases of life. Anyway as a result, the Price is an extension of Promoting Resources found during this study and finds support by the technology adoption model UTAUT2 (Venkatesh, Thong, & Xu, 2012). In conclusion, Price is in line with the nature of what promoting resources are, namely moderating influences, where it shifts the importance how much risk is perceived to how much Trust is established.

### Technical Facilitators

This categories' dimension has two **Technical Facilitators** that upheld general validity from the UTAUT2-modell (Venkatesh, Thong, & Xu, 2012) that the author recognised in his studies: Perceived Ease-of-Use and Perceived Usefulness. In comparison to those two, the additional technical facilitators found over the course of the

research are highly specific to research purpose of identifying possible influential driver of building a purchase intention of subscribing to premium music streaming.

**Perceived Usefulness and Perceived Ease-of-Use** prove to be valid in the context of music streaming applications. This is plausible as the UTAUT2-modell (Venkatesh, Thong, & Xu, 2012) is designed to understand what factors contribute to the consumer adoption of technologies. Since subscribing to a premium plan not only enables access to superior hedonistic fulfilment through music, it also enables technological aspects of the music streaming platform or application itself. Accordingly, the Perceived Ease-of-Use is considered important among the study objects as it allows them to use the product with lower technical requirements and knowledge. The author argues that this is the case, because it allows users to have better access via the comprehensible mechanics satisfying their hedonic self. Equally, the Perceived Usefulness dictates which level of satisfaction can possibly be reached by using the underlying mechanics of the application. Say if a user is having the need or wish to use a platform, which one is considered to be most useful more the need? In comparison, study objects have mentioned that they would invest more effort and time into an application or streaming service if they see a higher reward, meaning higher potential level of satisfaction reached, making Perceived Usefulness more influential in the purchase intention stage.

For the more case-oriented driving influences, the **Content** dimension inductively emerged and is analysed. This research has identified two main contributors to the Content dimension of Technical Facilitators. On one hand, findings suggest that highly **Personalised Content** is a key driver in the purchasing intention for premium music streaming. The author argues that this a very special and important key driver, which usually finds its full force when the free premium month is used as trial. The reasoning behind it relatively simple yet crucial. When participants mention the main reason and benefits of music streaming platforms, then they refer to this driver, because it enables different features to make the streaming product their own. For them this is achieved through different technical features such as making an own playlist, ad-free listening, favouriting,

saving bands and finding song discovery. When these are used in the trial version, the author claims that own content curation makes it a highly personalised listening experience, which creates to some degree a lock-in at provider level since the unique profile was populated over the free month at this provider.

Starting with ad-free listening, this paper indicated that the participants' urge for uninterrupted music from an identification standpoint is important. Further, it has demonstrated that conception to have no interruption of listening to music purely without breaks in social settings caters to the normative pressure. Furthermore, the feature of content curation allows to customise the product with selected favourite artists or occasion-based playlists to an extent that it becomes unique in the world, allowing next level identification with the product and feeding into the idea of Extended Self (Belk, 1988).

In practice, when comparing the libraries of all premium users within the app, with their own saved playlists and favourite songs, no content on the app will look the same. This identity is used by the participants to connect with their friends as they share similar taste, however with profiles not being fully equal in content. Therefore, the participants [e.g.: B, E, H] mention, it allows them to share and showcase their identity through own content curated music to friends, which is still unknown by their friends. Anyhow, it is likely to be enjoyed by them based on similar tastes, increasing the satisfaction of the combined hedonic stimuli (Raghunathan & Corfman, 2006). In strategic business terms, this leads to a clever lock-in effect when the customer is utilising this feature more prominently, creating his or her whole profile and really curation their content, which they only have access to with premium. Likewise, through the unique library, participants enjoy the algorithm-based suggestions their behaviour and listening habits, mentioned in the Personal Performance Perspective, song discovery is enabled, which leads to excitement and finding further songs to identify with.

On the other hand, this song discovery feature flows into second key driver of the content dimension which is the **Available Content** on the music streaming platforms. Its importance for forming the purchase intention for subscribing is mentioned numerous times by all participants. Analysing this driver, the author identifies



that available content occurs in two variations. One variation is the abovementioned song discovery which describes all the music beyond knowledge and awareness of the consumer. The other variation looks not only at the inhabitant machine-learned song suggestions, but it also simply includes all the songs possible. This means that the streaming provider offers possibility to listen to everything the individual wants. The author claims that this dimension is also strongly connected to the perceived usefulness, because the necessary availability of content that the subjects want to listen to, will increase the possible level of satisfaction reached with this hedonic good.

The other dimension of the Technical Facilitators is identified as **Convenience**. They are grounded in the essence of cloud-solution properties and functional fit between technological features and customer needs. In providing detail, this research paper divides this dimension into two components, after analysing the findings, Ubiquity and On-Demand.

Those two components were described as influential parts of the interviewees' purchasing intention. In general, listening to music online is only possible either with a stable and constant connection, e.g. for YouTube and Soundcloud, or as stream via a cloud-solution such as Apple Music or Amazon Music. For the **Ubiquity** component, the participants value the freedom of content Ubiquity and no geographical restriction on the access of content when of choosing the music streaming provider. The author claims that it enables them to fulfil their hedonistic need wherever they want. In the gym, at university, on holiday. Arguably, knowing that ubiquity of premium content is given, it allows the users to reduce the perceived risk or fear of missing out on hedonistic fulfilment with no ubiquity. For the **On-Demand** component, the participants value that there is no restriction through day and time, when they want to listen to music and have access to content on their terms. This study indicates that the lack of immediate access, comparable to regular online sites such as YouTube or the ad-sponsored-version, forbids immersing into the identification process of listening to music when needed. This component is given in all popular premium subscriptions, allowing consumers to access

their content without limitation or delay in time and arguably feeds into having a stable context (Limayem, Hirt, & Cheung, 2007) in which habitual drive can be created, since its availability at all times requires less cognitive thought (Thorngate, 1976).

Both ideas tie in with the urge of amplifying the mood or satisfying the socio-cultural pressure in social settings. By creating these two Convenience principles, volitional and actual control is served as well due to the enablement to listen to music whenever, wherever they want. It allows for a smooth experience that now can be curated with own music and selected playlists while maintaining the atmosphere, for example, during a dinner or at a party. All participants, therefore, say that the feature of some providers listening to music offline is a way to combine Ubiquity and On-demand without needing access to Internet. They demonstrate that this increases drastically the intention to purchase as it saves mobile data used in the first place, opposed to constant streaming with active connection. In the second place, it ensures a listening experience in remote location without networks, all to fulfil both dimensions of Convenience.

All in all, this study shows that students value the functional cloud aspects of music streaming the most as it satisfies the comprehensive hedonistic task the application should complete. Hence, seven contributors influencing factors to purchase were confirmed from behavioural studies, while this study established six new influential drivers. A visualisation of the refined and extended model for the case of what influences a purchase intention for music streaming subscription can be retrieved in figure 5 (see appendices).

## Limitations & Future Research

The following limitations of this research project should be considered while looking at the discussion and results. This study has been conducted with qualitative methods by interviewing students only. Reason for it was to gain knowledge in a research area, which lacks existence of profound literature on consumption of hedonistic goods through streaming subscriptions. The sample group chosen are described to be the main user age-wise and, thus, seem fit to yield most knowledge and experience out of any other sample group. Although depicting the most-active age group and occupation, the sample size nor its properties are conclusive about the whole population, but very indicative of their comparable peers. In addition, it should be mentioned that it is assumed that people stay rational and utilise all data that is at hand while correctly assessing their relevancy in utilitarian manner. The author acknowledges that people may behave irrationally, don't utilise all data available, and even if, that the assessment is highly individual case by case.

As with all research, this study offers insights into the findings of this paper as well as future avenues of research with its limitations. One possible avenue could lead into investigating the irrational and emotional decision-making of streaming hedonistic goods as in this research people somewhat adhere to logical thinking. Therefore, fluctuations in influences can also be researched, where Kelman (1958) and Warshaw (1980) refer to a process, where individuals are affected by the belief of a referent person, like a boss, because they incorporate it into one's own belief structure.

This thesis is based on attitude to a given moment, the moment prior to purchase. As life goes and it can be assumed that attitudes and beliefs may change with further experience, different circumstance, alternatives, expectations, and so on. Therefore, attention to the aspect of time and attitude can be drawn when it comes to hedonistic goods streamed. Further psychological and emotional aspects in accordance can be explored in the Personal Performance Expectancy as well.

Finally, further research can be made by differentiating the sample group into other age groups as well, because through own content curation basically a distinction in the good itself becomes apparent. Extending this thought, there may be different influences for other dedicated groups of people that listen to a specific genre like Hip-Hop or use a different channel like podcasts or voice documentaries.

## Practical Implications

The practical implications of this paper are based on two facts. At first, students value the free trial and the adjusted monthly price for the premium subscription. Secondly, for the premium subscription features, they value personalised content, but more the ad-free and cloud-specific aspects of Ubiquity and On-Demand. Therefore, one practical implication is to attribute the valuable features with a price and create a second class of premium membership. They could differentiate, for example, by features between a fully enabled and semi-enabled premium membership. Practically speaking, this would not be the function of algorithm-based suggestions since this seems to cater to avid listeners and would not offer additional or sought-after benefits for casual listeners. Here, an enablement of the features such as downloading songs seems more reasonable as it is regarded as the most valuable feature. However, downloading unlimited songs would be counterproductive as average listeners consumers may have no inclination at all to use a fully featured subscription. Therefore, either a limit on the number of downloading songs or attributing other features like skipping songs could be priced.

This idea of pricing the features is not new and also supported by Venkatesh, Thong, & Xu (2012), saying that, in general, the monetary cost is often conceptualised jointly with quality of products. Dodds and Monroe (1985) define it as cognitive trade-off that occurs for the customer between perceived benefits of the applications and monetary cost for using according services. They draw a relationship model with price, quality

and perceived value, in which perceived value is a critical element influencing the consumers' purchasing decision process, because consumers will purchase something with higher perceived value.

An alternative, without running into the risk of stirring possible outrage and common disagreement by customers, is increasing the time span of the fully featured trial version. The main rationale here is that allowing a customer to build its own profile with curated playlists, favoured songs and discovering new artists. With time, a very unique database or library is created, which is highly specialised to each person. This will enable a stronger barrier of switching to other providers, increasing a firm lock-in effect. Not only that, with a little extension, over time, habits can develop, and the identification need with music can increase the likelihood of converting free user to a premium subscription. To conclude, any suggestion or practical implication should find its expression in some A/B-Testing to verify its effectiveness.

## Conclusion

This research is based on the groundwork of behavioural studies mainly by Ajzen & Fishbein (1980) and Venkatesh et. Al (2000, 2012) where information is used to form beliefs. These various beliefs educate attitudes towards a behaviour and build up in combination to a purchase intention. While some aspects such as social influence and identity-related beliefs are still valid in 2020 for streaming hedonistic online goods, some other like perceived behavioural and past behaviour control are outdated to a large degree for online mass-marketed goods, but to a full degree for premium music subscriptions. To ensure that many concepts like actual control and identity find expression in this application or in general for consuming hedonistic online goods, a refinements and extensions were made. These refinements show that today much more information is available leading to less subjective reasoning and beliefs as it will be countered by objective information online, under rational reasoning.

As a result, human- or relationship-driven influences contain the dimensions of Personal Performance Perspective which is how an individual relates by him-or herself to certain aspects of the object of interest, and Socio-Cultural Influence, which is dealing with other people's opinion. From a more technical perspective, there are moderating influences that include Promoting Resources, an aggregate of circumstances influencing other dimension, and the Technical Facilitators, which are describing influences dedicated cloud-based music streaming.

Findings and the discussion indicate that Socio-Cultural and the Personal Performance Perspective are interdependent as the influence each other to some extent, for example, when discussing beliefs with friends or the need for complying to cultural standards. Regardless, they are considered to be independent to the other dimension as they have been identified as moderating influences.

Thus, this paper argues that not a complete shift of influence from Personal Perspective Performance happens, but rather a more equal distribution among the dimensions of and its newly emerged components in Socio-Cultural Influence, Promoting Resources, and Technical Facilitators.

## Bibliography

- Aguiar, L. (2017). Let the music play? Free streaming and its effects on digital music consumption. *Information Economics and Policy*, 41, 1-14.
- Ajzen, I. (1991). Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179-211. doi:10.1016/0749-5978(91)90020-T
- Ajzen, I. (2002). Perceived Behavioral Control, Self-Efficacy, Locus of Control, and the Theory of Planned Behavior. *Journal of Applied Social Psychology*, 32(4), 665-683.
- Ajzen, I., & Fishbein, M. (1975). *Belief, attitude, intention, and behavior: An introduction to theory and research*. Reading: Addison Wesley.
- Ajzen, I., & Fishbein, M. (1980). *Understanding attitudes and predicting social behavior*. Englewood Cliffs: Prentice-Hall.
- Akçayır, M., Dündar, H., & Akçayır, G. (2016). What makes you a digital native? Is it enough to be born after 1980? *Computers in Human Behavior*, 60, 435-440.
- Amit, R., & Zott, C. (2001). Value Creation in E-business. *Strategic Management Journal*, 22(6/7), 493-520.
- Armitage, C. J. (2005). Can the Theory of Planned Behavior Predict the Maintenance of Physical Activity? *Health Psychology*, 24(3), 235-245.
- Asch, S. E. (1940). Studies in the Principles of Judgments and Attitudes: II. Determination of Judgments by Group and by Ego Standards. *The Journal of Social Psychology*, 12(2), 433-465.
- Asch, S. E. (1951). Effects of group pressure on the modification and distortion of judgment. *Organizational Influence Processes*, 295-303.
- Asch, S. E. (1955). Opinions and Social Pressure. *Scientific American*, 193(5), 31-35.
- Ashforth, B. E., & Mael, F. (1989). Social Identity Theory and the Organization. *Academy of Management Review*, 14(1), 20-39.
- Bandura, A. (1982). *Social Foundations of Thought and Action: A Social Cognitive Theory*. Englewood Cliffs, NJ: Prentice-Hall.
- Bandura, A., Adams, N., Hardy, A., & Howells, G. (1980). Tests of generality of self-efficacy theory. *Cognitive Therapy and Research*, 4, 39-66.
- Bapna, R., Ramaprasad, J., & Umyarov, A. (2018). Does Paying for Premium Increase Social Engagement? *MIS Quarterly*, 42(3), 719-735.
- Bauer, R. A. (1960). Consumer behavior as risk taking. In R. Hancock, *Dynamic Marketing for a Changing World: Proceedings of the 43rd National Conference of the American Marketing Association* (pp. 389-98). Chicago: American Marketing Association.

- Baumeister, R. F., & Leary, M. R. (1995). The need to belong: desire for interpersonal attachments as a fundamental human motivation. *Psychological Bulletin*, 117(3), 497-529.
- Belk, R. W. (1988). Possessions and the Extended Self. *Journal of Consumer Research*, 15, 139-68.
- Berger, J. (2014). Word of mouth and interpersonal communication: A review and directions for future research. *Journal of Consumer Psychology*, 24(4), 586-607.
- Brewer, M. B., & Silver, M. (1978). Ingroup bias as a function of task characteristics. *European Journal of Social Psychology*, 8(3), 393-400.
- Brown, J. D., Novick, N. J., Lord, K. A., & Richards, a. J. (1992). When Gulliver travels: Social context, psychological closeness, and self-appraisals. *Journal of Personality and Social Psychology*, 62(5), 717.
- Burnkrant, R. E., & Cousineau, A. (1975). Informational and Normative Social Influence in Buyer Behavior. *Journal of Consumer Research*, 2(3), 206-215.
- Burnstein, E., & Vinokur, A. (1977). Persuasive argumentation and social comparison as determinants of attitude polarization. *Journal of Experimental Social Psychology*, 13(4), 315-332.
- Chaiken, S., & Eagly, A. H. (1976). Communication modality as a determinant of message persuasiveness and message comprehensibility. *Journal of Personality and Social Psychology*, 34(4), 605-614.
- Chan, C., Berger, J., & Boven, L. V. (2012). Identifiable but Not Identical: Combining Social Identity and Uniqueness Motives in Choice. *Journal of Consumer Research*, 39(3), 561-573.
- Chandler, A. D. (1962). *Strategy and Structure: Chapters in the History of American Industrial Enterprise*. Cambridge: MIT Press.
- Chandler, A. D. (1990). *Scale and Scope: The Dynamics of Industrial Capitalism*. Cambridge: Harvard University Press.
- Chang, M. K. (1998). Predicting Unethical Behavior: A Comparison of the Theory of Reasoned Action and the Theory of Planned Behavior. *Journal of Business Ethics*, 17(16), 1825-1834.
- Chang, Y.-S., & Fang, S.-R. (2013). Antecedents and distinctions between online trust and distrust: Predicting high-and low-risk internet behaviors. *Journal of Electronic Commerce Research*, 14(21), 149-166.
- Charmaz, K. (2006). *Constructing Grounded Theory*. London: Sage.
- Chen, C. C., Leon, S., & Nakayama, M. (2018). Are You Hooked on Paid Music Streaming? An Investigation into the Millennial Generation. *International Journal of E-Business Research*, 14(1), 1-20.
- Chen, M.-F., & Tung, P.-J. (2014). Developing an extended Theory of Planned Behavior model to predict consumers' intention to visit green hotels. *International Journal of Hospitality Management*, 36, 221-230. doi:<https://doi.org/10.1016/j.ijhm.2013.09.006>
- Chesbrough, H., & Rosenbloom, R. S. (2002). The role of the business model in capturing value from innovation. *Industrial and corporate change*, 11(3), 529-555.



- Cheung, C. M., Lee, M. K., & Rabjohn, N. (2008). The impact of electronic word-of-mouth: the adoption of online opinions in online customer communities. *Internet Research*, 18(3), 229-247.
- Chiou, J.-S., Huang, C.-y., & Lee, H. (2005). The antecedents of music piracy attitudes and intentions. *Journal of Business Ethics*, 57(2), 161-174.
- Chiu, C.-M., Wang, E. T., Fang, Y. H., & Huang, H. Y. (2014). Understanding customers' repeat purchase intentions in B2C e-commerce: The roles of utilitarian value, hedonic value and perceived risk. *Information Systems Journal*, 24(1), 85-114.
- Cialdini, R. B., Kallgren, C. A., & Reno, R. R. (1991). A Focus Theory of Normative Conduct: A Theoretical Refinement and Reevaluation of the Role of Norms in Human Behavior. *Advances in Experimental Social Psychology*, 24, 201-234.
- Cialdini, R. B., Wosinska, W., Barrett, D. W., Butner, J., & Gornik-Durose, M. (1999). Compliance with a Request in Two Cultures: The Differential Influence of Social Proof and Commitment/Consistency on Collectivists and Individualists. *Personality and Social Psychology Bulletin*, 25(10), 1242-1253.
- Correa, T., Hinsley, A. W., & Zúñiga, H. G. (2010). Who interacts on the Web?: The intersection of users' personality and social media use. *Computers in Human Behavior*, 26(2), 247-253.
- Cruz, M. G., Henningsen, D. D., & Williams, M. L. (2000). The Presence of Norms in the Absence of Groups? The Impact of Normative Influence Under Hidden-Profile Conditions. *Human Communication Research*, 26(1), 104-124.
- Davis, F. D. (1989b). Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology. *MIS Quarterly*, 13(3), 319-340.
- Davis, F., Bagozzi, R., & Warshaw, P. (1989a). User Acceptance of Computer Technology: A Comparison of Two Theoretical Models. *Management Science*, 35(8), 982-1003.
- Demil, B., Lecocq, X., Ricart, J. E., & Zott, C. (2015). Business Models within the Domain of Strategic Entrepreneurship. *Strategic Entrepreneurship Journal*, 9(1), 1-11.
- Deutsch, M., & Gerard, H. B. (1955). A Study of Normative and Informational Social Influences and Individual Judgement. *Journal of Abnormal and Social Psychology*, 51, 629-636.
- Dodds, W. B., & Monroe, K. B. (1985). The Effect of Brand and Price Information on Subjective Product Evaluations. In E. C. Hirschman, & M. B. Holbrook, *Advances in Consumer Research Volume 12* (pp. 85-90). Provo, UT: Association for Consumer Research.
- Erkan, I., & Evans, C. (2016). The influence of eWOM in social media on consumers' purchase intentions: An extended approach to information adoption. *Computers in Human Behavior*, 61, 47-55.
- Festinger, L. (1954). A Theory of Social Comparison Processes. *Human Relations*, 7(2), 117-140.
- Filieri, R. (2015). What makes online reviews helpful? A diagnosticity-adoption framework to explain informational and normative influences in e-WOM. *Journal of Business Research*, 68(6), 1261-1270.

- Forman, C., Ghose, A., & Wiesenfeld, B. (2008). Examining the relationship between reviews and sales: The role of reviewer identity disclosure in electronic markets. *Information Systems Research*, 19, 291-313.
- Fukuyama, F. (1995). *Trust: The Social Virtues and the Creation of Prosperity*. New York: The Free Press.
- Gambetta, D. (2000). Trust: Making and breaking cooperative relations. *British Journal of Sociology*, 13.
- Gardner, W. L., Pickett, C. L., & Brewer, M. B. (2000). Social Exclusion and Selective Memory: How the Need to Belong Influences Memory for Social Events. *Personality and Social Psychology Bulletin*, 26(4), 486-496.
- Gefen, D., Karahanna, E., & Straub, D. W. (2003). Trust and TAM in Online Shopping: An Integrated Mode. *MIS Quarterly*, 27(1), 51-90.
- Gefen, D., Karahanna, E., & Straub, D. W. (2003). Trust and TAM in Online Shopping: An Integrated Model. *MIS Quarterly*, 27(1), 51-90.
- Gill, J., & Johnson, P. (2010). *Research Methods for Managers* (4th ed.). London: Sage.
- Glaser, B., & Strauss, A. (1967). *The Discovery of Grounded Theory*. Chicago, IL: Aldine.
- Glasman, L. R., & Albarracín, D. (2006). Forming Attitudes That Predict Future Behavior: A Meta-Analysis of the Attitude–Behavior Relation. 2006, 132(5), 778–822.
- Gruen, T. W., Osmonbekov, T., & Czaplewski, A. J. (2006). eWOM: The impact of customer-to-customer online know-how exchange on customer value and loyalty. *Journal of Business Research*, 59(4), 449-456.
- Guba, E., & Lincoln, Y. (1989). *Fourth Generation Evaluation*. Newbury Park, CA: Sage.
- Heijden, H. v. (2004). User Acceptance of Hedonic Information Systems. *MIS Quarterly*, 28(4), 695-704.
- Holbrook, M. B., & Hirschman, E. (1982). The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun. *Journal of Consumer Research*, 9(2), 132-140.
- Hughes, D. J., Rowe, M., Batey, M., & Lee, A. (2012). A tale of two sites: Twitter vs. Facebook and the personality predictors of social media usage. *Computers in Human Behavior*, 28(2), 561-569.
- Hyman, H. (1942). The psychology of status. *Psychological Bulletin*, 39(473474), 126-132.
- IFPI. (2019). *IFPI Global Music Report 2019*. London: International Federation of the Phonographic Industry.
- Ipsos. (2016). *Music Consumer Insight Report 2016*. Retrieved from Music Consumer Insight Report 2016: <http://www.ifpi.org/downloads/Music-Consumer-Insight-Report-2016.pdf>
- Kallgren, C. A., Reno, R. R., & Cialdini, R. B. (2000). A Focus Theory of Normative Conduct: When Norms Do and Do Not Affect Behavior. *Personality and Social Psychology Bulletin*, 26(8), 1002–1012.
- Karahanna, E., & Straub, D. W. (1999). The psychological origins of perceived usefulness and ease-of-use. *Information & Management*, 35, 237-250.

- Kelman, H. C. (1958). Compliance, identification, and internalization three processes of attitude change. *Journal of conflict resolution*, 2(1), 51-60.
- Ketokivi, M., & Mantere, S. (2010). Two strategies for inductive reasoning in organizational research. *Academy of management review*, 35(2), 315-333.
- Kim, D. J., Ferrin, D. L., & Rao, H. R. (2008). A trust-based consumer decision-making model in electronic commerce: The role of trust, perceived risk, and their antecedents. *Decision Support*, 44(2), 544-564.
- Kumar, V. (2014). Making "freemium" work. *Harvard Business Review*, 92(5), 27-29.
- Lam, T., & Hsu, C. H. (2006). Predicting behavioral intention of choosing a travel destination. *Tourism Management*, 27, 589-599.
- Larson, J. R., Sargis, E. G., Elstein, A. S., & Schwartz, A. (2002). Holding Shared Versus Unshared Information: Its Impact on Perceived Member Influence in Decision-Making Groups. *Basic Applied and Social Psychology*, 24(2), 145-155.
- Limayem, M., Hirt, S. G., & Cheung, C. M. (2007). How habit limits the predictive power of intention: The case of information systems continuance. *MIS Quarterly*, 31(4), 705-737.
- Lincoln, Y., Lynham, S., & Guba, E. (2011). Paradigmatic controversies, contradictions, and emerging confluences, revisited. In N. Denzin, & Y. Lincoln, *The Sage Handbook of Qualitative Research* (pp. 97-128). London: Sage.
- Lindbladh, E., & Lyttkens, C. H. (2002). Habit Versus Choice: The Process of Decision-Making in Health-Related Behaviour. *Social Science & Medicine*, 55(3), 451-465.
- Mackie, D., Worth, L., & Asuncion, A. (1990). Processing of persuasive in-group messages. *Journal of Personality and Social Psychology*, 58(5), 812-822.
- Maslow, A. H. (1943). A Theory of Human Motivation. *Psychological Review*, 50(4), 370-396.
- McKnight, D. H., & Chervany, N. L. (2001). What trust means in e-commerce customer relationships: An interdisciplinary conceptual typology. *International Journal of Electronic Commerce*, 6(2), 35-59.
- Miller, G. A. (1956). The magical number seven plus or minus two: Some limits on our. *Psychological Review*, 63, 81-87.
- Ngai, E., & Gunasekaran, A. (2007). A review for mobile commerce research and applications. *Decision Support Systems*, 43, 3-15.
- Norman, P., & Smith, L. (1995). The theory of planned behaviour and exercise: an investigation into the role of prior behaviour, behavioural intentions and attitude variability. *European Journal of Social Psychology*, 25(3), 403-415.
- Norman, P., Conner, M., & Bell, R. (1999). The theory of planned behavior and smoking cessation. *Health Psychology*, 18(1), 89-94. doi:<https://doi.org/10.1037/0278-6133.18.1.89>

- Oh, J., Fiorito, S. S., Cho, H., & Hofacker, C. F. (2008). Effects of design factors on store image and expectation of merchandise quality in web-based stores. *Journal of Retailing and Consumer Services*, 15(4), 237-249.
- Orbell, S., Blair, C., Sherlock, K., & Conner, M. (2001). The Theory of Planned Behavior and Ecstasy Use: Roles for Habit and Perceived Control over Taking Versus Obtaining Substances. *Journal of Applied Social Psychology*, 31(1), 31-47.
- Osterwalder, A., & Pigneur, Y. (2010). *Business Model Generation: A handbook for visionaries, game changers and challengers*. New York: John Wiley & Sons.
- Perez, S. (2016, April 1). *Kanye West's new album, 'The Life of Pablo,' is no longer a Tidal exclusive*. Retrieved from TechCrunch: <https://techcrunch.com/2016/04/01/kanye-wests-new-album-the-life-of-pablo-is-no-longer-a-tidal-exclusive/>
- Pickett, C. L., Gardner, W. L., & Knowles, M. (2004). Getting a Cue: The Need to Belong and Enhanced Sensitivity to Social Cues. *Personality and Social Psychology Bulletin*, 30(9), 1095-1107.
- Polo, M. (1958). *The Travels of Marco Polo*. (R. Latham, Trans.) Harmondsworth: Penguin.
- Prislin, R., Wood, W., & Pool, G. (1998). Structural consistency and the deduction of novel from existing attitudes. *Journal of Experimental Social Psychology*, 34, 66-89.
- Pullig, C., Netemeyer, R. G., & Biswas, A. (2006). Attitude basis, certainty, and challenge alignment: a case of negative brand publicity. *Journal of the Academy of Marketing Science*, 34(4), 528-543.
- Quellette, J. A., & Wood, W. (1998). Habit and intention in everyday life: The multiple processes by which past behavior predicts future behavior. *Psychological Bulletin*, 124(1), 54-74.
- Raghunathan, R., & Corfman, K. (2006). Is Happiness Shared Doubled and Sadness Shared Halved? Social Influence on Enjoyment of Hedonic Experiences. *Journal of Marketing Research*, 43(3), 386-394. doi:<https://doi.org/10.1509/jmkr.43.3.386>
- Remenyi, D., Swartz, E., Money, A. H., & Williams, B. K. (1998). *Doing research in business and management: an introduction to process and method*. SAGE Publications.
- Rempel, J. K., Holmes, J. G., & Zanna, M. P. (1985). Trust in close relationships. *Journal of Personality and Social Psychology*, 49(1), 95-112.
- RIAA. (2020, January 01). *Piracy Impact*. Retrieved September 2019, from The True Cost of Sound Recording Piracy to the U.S. Economy: <https://www.riaa.com/reports/the-true-cost-of-sound-recording-piracy-to-the-u-s-economy/>
- Rietveld, J. (2017). Creating and capturing value from freemium business models: A demand-side perspective. *Strategic Entrepreneurship Journal*, 12, 171-193.
- Sanders, G. S., & Baron, R. S. (1977). Is Social Comparison Irrelevant for Producing Choice Shifts? *Journal of Experimental Social Psychology*, 13(4), 303-314.

- Sarkar, S., Chauhan, S., & Khare, A. (2020). A meta-analysis of antecedents and consequences of trust in mobilecommerce. *International Journal of Information Management*, 50, 286-301.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research Methods for Business Students*. Pearson Education.
- Sheppard, B. M., Hartwick, J., & Warshaw, P. R. (1988). The theory of reasoned action: A meta-analysis of past research with recommendaion for modification and future research. *Journal of Consumer Research*, 15, 325-343.
- Sinha, R. K., & Mandel, N. (2008). Preventing Digital Music Piracy: The Carrot or the Stick? *Journal of Marketing*, 72(1), 1-15.
- Sonmez, S. F., & Graefe, A. R. (1998). Determining future travel behavior from past travel experience and perceptions of risk and safety. *Journal of Travel Research*, 37(4), 171-177.
- Statista. (2019). *Digital music purchases by brand in France 2019*. Statista Global Consumer Survey. Retrieved Januar 21, 2020, from <https://www-statista-com.esc-web.lib.cbs.dk:8443/forecasts/997101/digital-music-purchases-by-brand-in-the-us>
- Staw, B. M. (1981). The escalation of commitment to a course of action. *Academy of Management Review*, 6(4), 577-587.
- Stets, J. E., & Burke, P. J. (2000). Identity Theory and Social Identity Theory. *Social Psychology Quarterly*, 63(3), 224-237.
- Strauss, A., & Corbin, J. (1998). *Basics of Qualitative Research* (2nd edn ed.). London: Sage.
- Stryker, S. (1968). Identity Salience and Role Performance: The Importance of Symbolic Interaction Theory for Family Research. *Journal of Marriage and Family Research*, 30, 558-564.
- Tajfel, H., & Turner, J. C. (1985). The social identity theory of intergroup behavior. In S. Worchel, & W. G. Austin, *Psychology of intergroup relations* (pp. 7-24). Chicago: Nelson-Hall.
- Tajfel, H., Billig, M., Bundy, R., & Flament, C. (1971). Social categorization and similarity in intergroup behaviour. *European journal of social psychology*, 3(1), 27-52.
- Teece, D. J. (2010). Business Models, Business Strategy and Innovation. *Long Range Planning*, 40, 172-194. doi:10.1016/j.lrp.2009.07.003
- Thoits, P. A., & Virshup, L. K. (1997). Me's and we's: Forms and functions of social identities. In R. D. Ashmore, & L. J. Jussim, *Self and Identity : Fundamental Issues: Fundamental Issues* (pp. 106–133). New York: Oxford University Press.
- Thorngate, W. (1976). Must We Always Think Before We Act? *Personality of Social Psychology Bulletin*, 2(1), 31-35.
- Trope, Y. (1975). Seeking information about one's ability as a determinant of choice among tasks. *Journal of Personality and Social Psychology*, 32(6), 1004–1013.

- Tversky, A., & Kahneman, D. (1979). Prospect theory: An analysis of decision under risk. *Econometrica*, 47(2), 263-291.
- Venkatesh, V., & Davis, F. D. (2000). A Theoretical Extension of the Technology Acceptance Model: Four Longitudinal Field Studies. *Management Science*, 46(2), 186-204.
- Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. (2003). User Acceptance of Information Technology: Toward a Unified View. *MIS Quarterly*, 27(3), 425-478.
- Venkatesh, V., Thong, J., & Xu, X. (2012). Consumer Acceptance and Use of Information Technology: Extending the Unified Theory of Acceptance and Use of Technology. *MIS Quarterly*, 36(1), 157-178.
- Verplanken, B., Aarts, H., & Knippenberg, A. V. (1997). Habit, information acquisition, and the process of making travel mode choices. *European journal of social psychology*, 27(5), 539-560.
- Wagner, T. M., Benlian, A., & Hess, T. (2014). Converting freemium customers from free to premium - the role of the perceived premium fit in the case of music as a service. *Electronic Markets*, 24, 259-268.
- Warshaw, P. R. (1980). A New Model for Predicting Behavioral Intentions: An Alternative to Fishbein. *Journal of Marketing Research*, 17(2), 153-172.
- Wen, I. (2009). Factors affecting the online travel buying decision: A review. *International Journal of Contemporary Hospitality Management*, 21(6), 752-765.
- White, K., & Dahl, D. W. (2006). To Be or Not Be? The Influence of Dissociative. *Journal of Consumer Psychology*, 16(4), 404-414.
- Wood, W. (2000). Attitude change: Persuasion and social influence. *Annual Review of Psychology*, 51, 539-570.
- Wood, W., & Hayes, T. (2012). Social Influence on consumer decisions: Motives, modes, and consequences. *Journal of Consumer Psychology*, 22(3), 324-328.
- Wood, W., Quinn, J. M., & Kashy, D. A. (2002). Habits in Everyday Life: Thought, Emotion, and Action. *Journal of Personality and Social Psychology*, 83(6), 1281-1297.
- Zott, C., Amit, R., & Massa, L. (2011). The Business Model: Recent Developments and Future Research. *Journal of Management*, 37(4), 1019-1042. doi:10.1177/0149206311406265

## Appendices

Figure 1: Struggling market leader Spotify and their operating income, source: Spotify, retrieved via Statista 2020

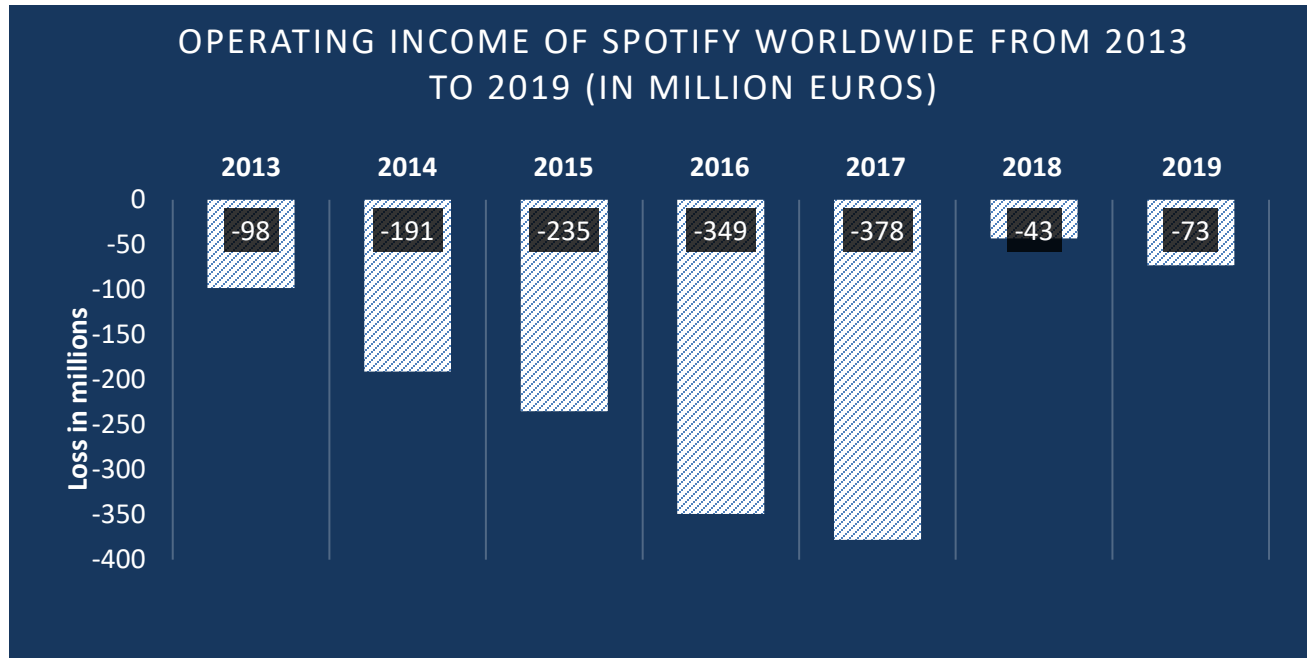


Figure 2: simplified Components of the Theory of Planned Behaviour by Ajzen, 1991

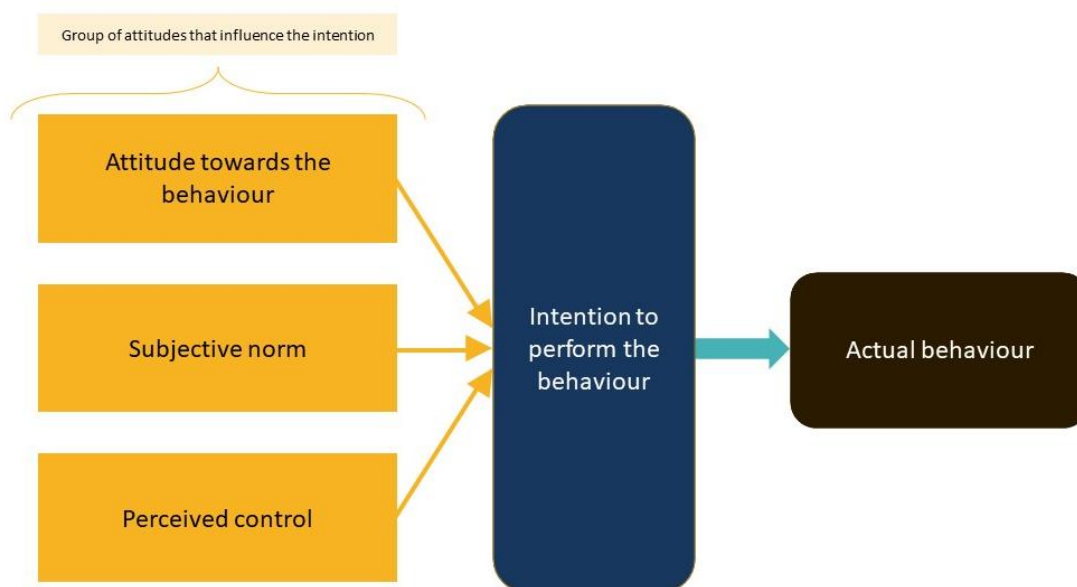




Figure 3: Proposed model for understanding drivers of buying a premium plan for music streaming, synthesised by the literature review

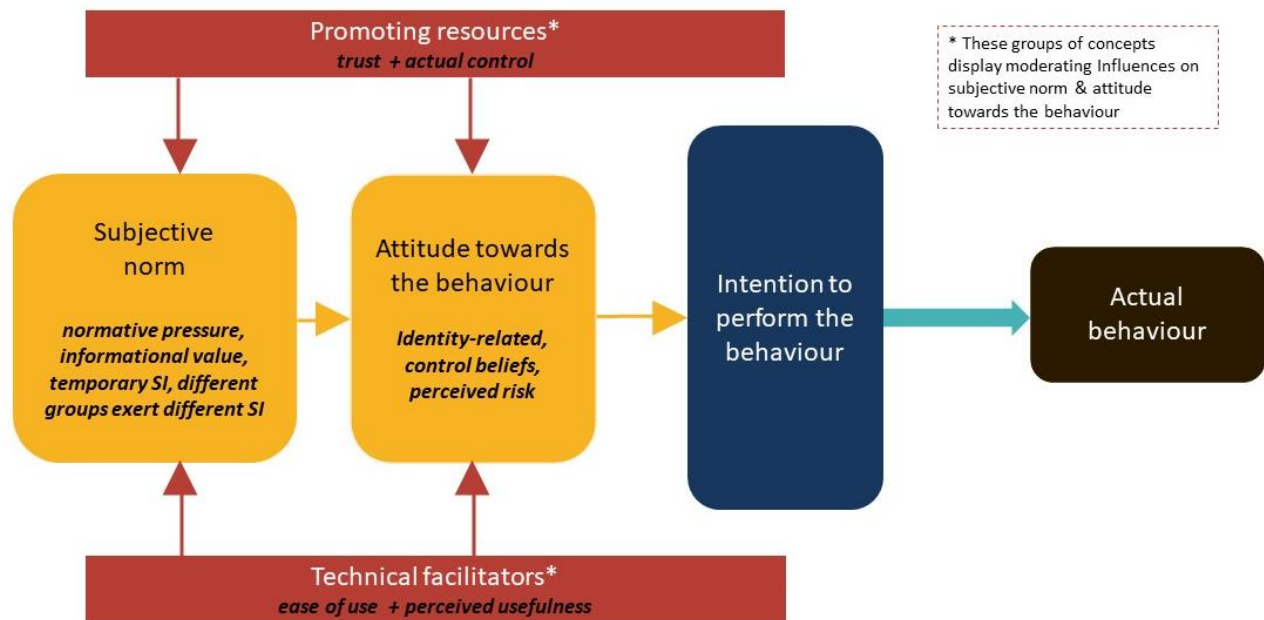


Figure 4: Growing user base world-wide; sourced by IFPI (2020) Global Music Report 2019, page 13

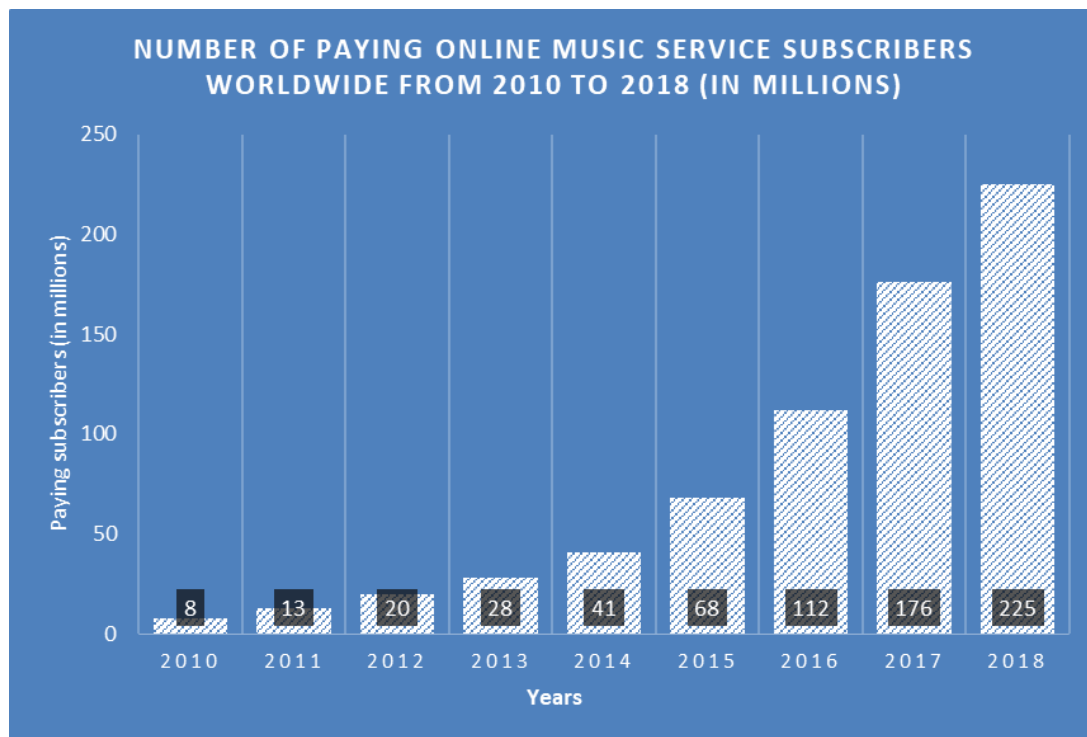




Figure 5: New Proposed Model

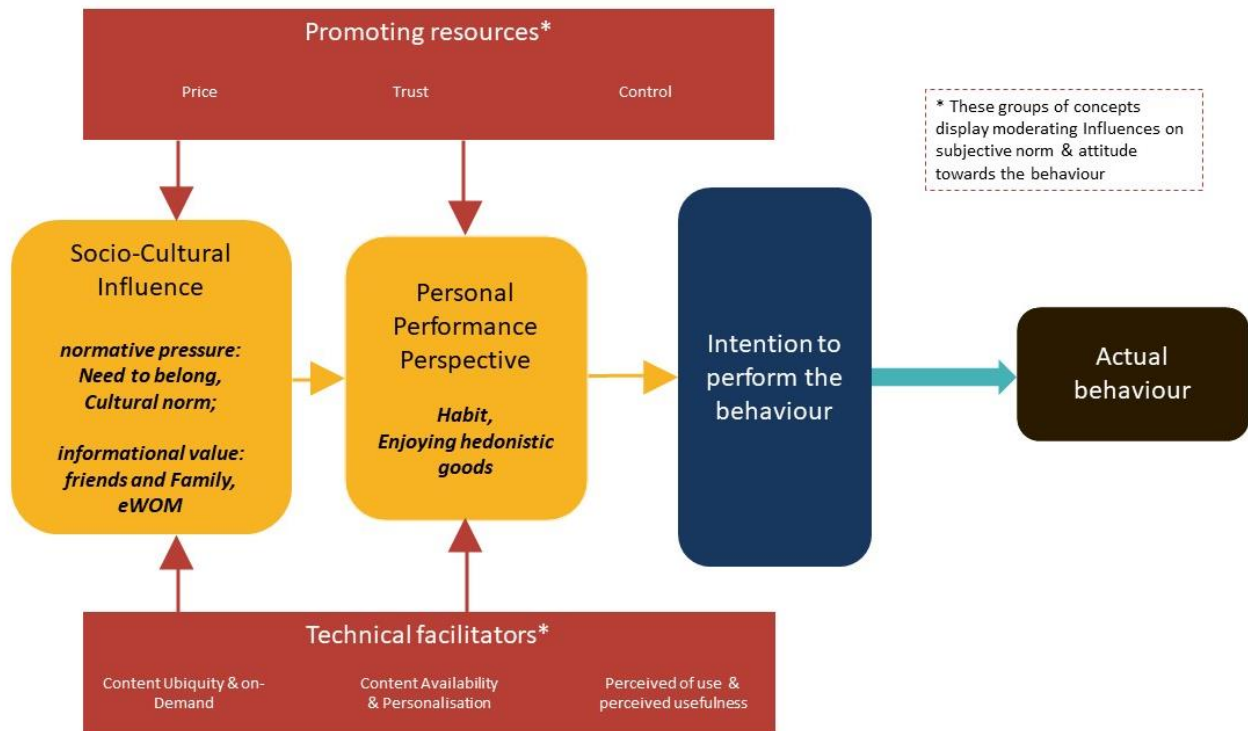


Table 1: Overview of participant profiles

Name	Coded ID	Age	Gender	Education level	Nationality
Sara	A	28	female	Master	Turkish, Kurdish
Francesca	B	22	female	Master	Italian
Jasmin	C	21	female	Bachelor	German
Mia	D	26	female	Master	German, Spanish
Travis	E	20	male	Bachelor	German
Mubeen	F	22	male	Bachelor	Pakistani
Mohamed	G	23	male	Bachelor	Bengali
Niki	H	26	male	Master	French, German

Table 2: Overview of preliminary, deductive and inductive codes emerged by analysing the interviews

Table 2a: Deductive Codes

Origin	Code Name	Code Type
Deductive	Normative pressure, Observational influence	conceptual
Deductive	Informational value, Informational influence	conceptual
Deductive	Temporary social influence	conceptual
Deductive	Perception of Identity	descriptive
Deductive	Past Experience	descriptive
Deductive	Perceived risk	descriptive
Deductive	Perception of control	descriptive
Deductive	Actual control	descriptive
Deductive	Trust	descriptive
Deductive	Perceived usefulness	descriptive
Deductive	Perceived ease-of-use	descriptive

Table 2b: Inductive Codes

Origin	Code Name	Code Type
Inductive	Cultural Influence - Cultural Mindset	conceptual
Inductive	Cultural Influence - Need to Belong	conceptual
Inductive	eWOM	descriptive
Inductive	Identity - Enjoying hedonistic goods	descriptive
Inductive	Amplify mood	descriptive
Inductive	Identity - Habits	descriptive
Inductive	Price	descriptive
Inductive	Content - Personalisation	descriptive
Inductive	Content - Availability	descriptive
Inductive	Convenience - On-Demand	conceptual
Inductive	Convenience - Ubiquity	conceptual