

What is hidden behind Consumer Brand Engagement?



The case of Spotify and the effect of Consumer Brand Engagement
on the conversion and retention of Users to a Premium tier.

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Submission date: 15th May of 2020

Supervisor: Helle Haurum, Department of Marketing

Characters (including spaces): 160, 509

Pages: 78

Master of Science in Economics and Business Administration
Brand and Communications Management



Abstract

The way people consume, own, and listen to Music has drastically changed throughout the past decade. The digitalization has made Music move from a physical to a digital format. Currently, the Online Music Streaming (OMS) services are both the main driver and source of revenue for the Music Industry. Spotify, the world's largest OMS provider, operates in a *Freemium* Business Model by offering two versions of the service. The *Free* version is a limited-featured, advertised-based version in which the Ad-Supported Users enjoy the service free of costs. The *Premium* version offers an enhanced-featured and free-of-advertisement service, wherein the Premium Subscribers must pay a monthly fee. Although most users are operating in the Free version, the Premium Subscribers are the ones that positively contribute to the Spotify's long-term sustainability. Accordingly, an emphasis is given to understand the conversion and retention of users to a Premium tier.

Consumer Brand Engagement (CBE) is defined as a consumer's motivationally driven, volitional investment of focal resources into brand interactions in service systems. With its theoretical foundations on the Service-Dominant Logic and Relationship Marketing, CBE is mostly assumed to be positively correlated to the consumer's brand loyalty and the firm's performance. Still, to date, no empirical evidence has supported this general assumption that high levels of CBE are associated with a positive firm's performance. By choosing Spotify as a case study, a Conceptual Framework was created in order to evaluate and investigate how and why CBE is affecting both the conversion of Ad-Supported Users and the retention of Premium Subscribers to Spotify's premium tier.

Through an online questionnaire, Spotify's Ad-Supported Users (n= 201) and Premium Subscribers (n=485) participated in Study 1 and Study 2, respectively. The results of this Thesis validate and extend the existing CBE knowledge. In the OMS context, CBE proves to be a context-dependent construct. Whereas CBE positively impacts the continuance intention of the Premium Subscribers, it negatively influences the intention of Ad-Supported Users to convert to the Premium version, by having a suppression effect. Thus, an asymmetrical relationship between CBE and consumer behavioral manifestation occurs. CBE is then defined as passive and negatively valenced for the Ad-Supported Users, but as active and positively valenced for the Premium Subscribers. This Thesis provides relevant managerial and academic implications to the Marketing practitioners and to the academic literature.

Acknowledgements

There are several people I would like to mention in this chapter, that proved to be essential to the completion of this Thesis and helped me accomplish it.

First, to my Thesis' supervisor *Helle Haurum*, I would like to thank for providing continuous knowledge and guidance from the first moment until the completion of this Thesis. In every interaction, I had the opportunity to learn and improve my work.

To my *family*, I must thank the constant support throughout all my life. Studying abroad has been an incredible opportunity and I have to thank them for supporting and encouraging my decision.

To *Maria*, for being my number-one support and being by my side in every single step of the master's degree. I cannot express my gratitude and happiness for having her by my side.

Conclusively, to all the *participants* of my online questionnaire that took some time off their day in order to help me finish this Thesis, with valuable and precious information.

To all of you, a **big** and **honest** thank you.

Diogo

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1. Introduction

This chapter intends to introduce the Thesis by shortly presenting the main themes and context, defining the problem statement, and developing a research purpose and subsequent research questions. The scope of the Thesis is presented at the end of the chapter, with the aid of an illustration that outlines this Thesis.

Music listening and consumption is an entirely different experience in the current days compared to what it used to be in the past. The vast majority of music is being consumed online, through digital music streaming services, without the 'old-fashioned' ownership status of a physical purchase of an album (IFPI, 2019). With the year-after-year annual decrease in physical sales, the streaming platforms gain an emphasized relevance. These streaming platforms are currently both the highest driver and the highest source of revenue to the Music Industry, thus revealing critical importance for the long-term sustainability of the Industry (IFPI, 2019).

However, Online Music Streaming services have an inherent complexity associated due to the business model in which most providers operate. Moreover, Spotify, the largest online music streaming service in the world (Watson, 2019), is that exact case. By operating with a Freemium Business Model, Spotify offers both two versions of the same platform that mainly differ in the price and the features included. On the Free version, the *Ad-Supported Users* have access to a library of online music free of costs but with several technical limitations and the presence of interruptive advertisements. On the Premium version, the *Premium Subscribers* have access to the same library of music for a monthly fee but with several upgraded features and no interruptions.

Understanding the online consumer behavior in these online platforms might be the key to achieving success and competitive advantage in the long-term (Holm & Günzel-Jensen, 2017).

1.1. Problem Statement

On its 2019 annual report, Spotify specifies that two of the significant risks related to the business' long-term sustainability and growth in revenue lies on the conversion of the Ad-supported Users to Premium Subscribers and the retention of these Premium Subscribers to a paid tier for an extended period (Spotify, 2019a). Furthermore, Spotify states that "new Premium Subscribers primarily are sourced from the conversion of our Ad-Supported Users to Premium Subscribers "(Spotify, 2019a, p. 42). The importance of the Premium Subscribers and Spotify's paid tier is exceptionally high since they represent more than 90% of the total source of revenue for the company (Spotify, 2019a).

Zooming out on the Recorded Music Industry in a broad-spectrum, these Premium Subscribers reveal once again their immense importance since they account now both for the primary source of revenue and the main driver of growth in the Recorded Music Industry (IFPI, 2019). Thus, it becomes extremely relevant and essential to study the perspective of these specific consumers, their interaction with the brand, and their behavioral manifestations towards the brand and towards the intention to either upgrade or retain their usage of a Premium Subscription.

Throughout its annual report, Spotify uses the term 'Engagement' several times to represent a significant tactic and strategy applied to achieve this conversion and retention of users as well as offering an 'Engaging experience' towards both the Ad-Supported Users and the Premium subscribers (Spotify, 2019a). However, despite the efforts, the majority of Spotify's active users are still enjoying the service for Free, thus not being converted into the desirable Premium tier (Spotify, 2020).

Engagement, and specifically the sub-form of Customer Engagement, is one of the most proliferate and discussed topics in the marketing literature (Pansari & Kumar, 2016) and that is demonstrated by being included in the Marketing Science Institute's 2014-2016, 2016-2018, and 2018-2020 *Research Priorities* (MSI 2014, 2016, 2018). Specifically, the most recent edition of 2018 suggests both customer Engagement and the customer-technology interface as top research priorities in order to understand how to cultivate the customer asset (MSI, 2018). Therefore, supporting the importance of studying the concept of Customer Engagement in a digital platform – i.e., Spotify context.

Customer Engagement has been defined as a “psychological state that occurs by virtue of interactive, co-creative customer experiences with a focal agent/object (e.g., a brand) in focal service relationships” (Brodie et al., 2011, p. 260) and has been usually associated with a positive valence that will generate desirable outcomes for the brand or firm, in the form of brand loyalty and attachment (e.g., Hollebeek 2011a; Vivek, Beatty, & Morgan 2012 ; Brodie et al. 2011). However, up to the present time, the operational and organizational outcomes of Customer Engagement have not been subject study (Hollebeek, Srivastava, & Chen, 2019). Neither have the complexity of the concept been studied, as an asymmetrical relationship between Customer Engagement and the actual behavior intention might occur (de Villiers, 2015).

1.2. Research Purpose and Research Questions

The main objective of this study is to address several research gaps within Customer Engagement and explore the complexity of the concept by studying whether a presumable positive effect from a positively valenced construct takes place, adopting an organizational orientation. As identified in Chapter 5, the research nature of this Thesis is both explanatory and exploratory. By trying to clarify an issue and shed light on a particular problem, this Thesis aims to answer a ‘How?’ question. Nevertheless, it also projects to answer a ‘Why?’ question, by seeking an exploratory answer and to explain the relationship between variables (Saunders, Lewis, & Thornhill, 2016)

Considering the existence of two segments of customers – Spotify Ad-Supported Users and Spotify Premium Users – and the need to evaluate the positive or negative impact of Customer Engagement on two firm-oriented measures – Intention to Upgrade and Continuance Intention, the Research Question of this Thesis is proposed:

How and why is Spotify’s Consumer Brand Engagement impacting the conversion and retention of Users to the Premium tier?

In order to answer the proposed general research question holistically, it is necessary to derive three underlying research questions. Whereas the first two sub-questions have an explanatory nature, the last one has an exploratory characteristic. These questions will be employed in two

studies, reflected in the Conceptual Framework section, that will prove essential to reach an understanding of the proposed research question.

1. How is Spotify's consumer brand Engagement impacting the conversion and upgrade of Ad-Supported Users to the Premium tier?

Mainly focused on the Spotify Ad-Supported Users, this sub-research question aims to understand whether an engaged customer is willing to upgrade to a Premium (i.e., paid) version of Spotify or if the level of Engagement might have the opposite effect on the intention to upgrade to a Premium tier.

2. How is Spotify's Consumer Brand Engagement impacting the retention of Premium subscribers to the Premium tier?

Specifically focused on the Spotify Premium Subscribers, this sub-research questions aims to understand whether a certain level of Engagement will impact the retention of a Premium Subscriber positively or if it will have the opposite effect.

3. Why is Spotify's Consumer Brand Engagement impacting the conversion and retention of Users to a Premium tier?

By trying to clarify a phenomenon, this exploratory question aims to gain insights into the reason why Consumer Brand Engagement is affecting either the conversion or retention of users. The qualitative data collected in the open-ended question will prove vital to answering this interrogation.

1.3. Delimitation

This Thesis focuses specifically on the brand Spotify as an Online Music Streaming service example. Spotify is the music streaming's largest player with a market share of 36% of subscribers worldwide (Watson, 2019) and a total of 277 million active users (Spotify, 2020). Within Spotify, this Thesis focuses uniquely and exclusively on the currently active users of the service, thus ignoring the prospective customer that might be aware of the brand but are not active users.

The purpose of this Thesis is not to understand and explore the technical and technological specifications of each Spotify tier, but to have a general view of the features each one – i.e., the Free and the Premium version – offers to its users. Together with understanding how it translates into Engagement and consequently, the behavioral actions towards the organization, expressed in intentions to upgrade or a continuance intention to subscribe to a Premium tier.

1.4. Outline of the Thesis

As represented in Figure 1, this Thesis will be divided into eight different chapters.

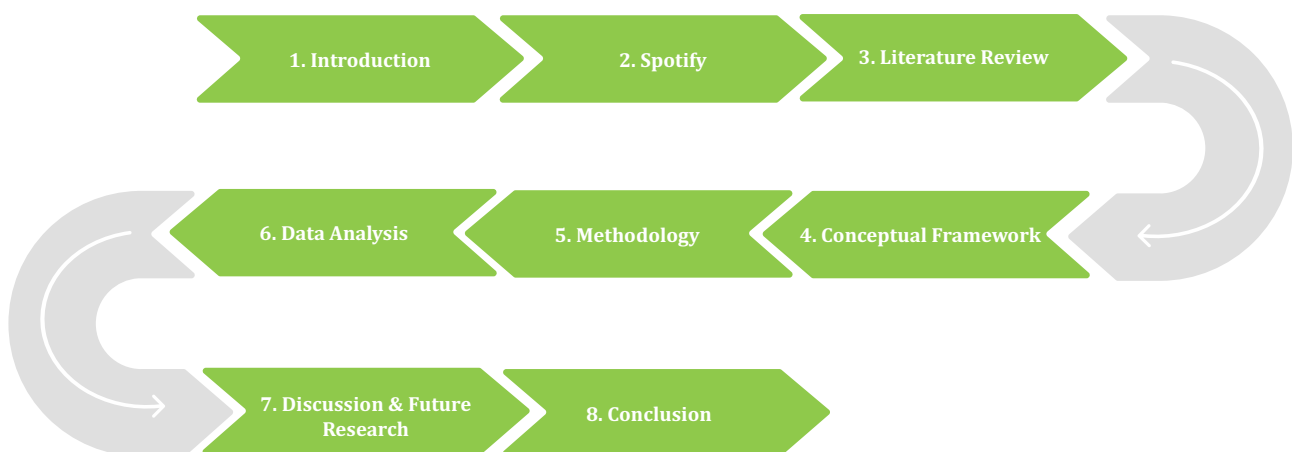


Figure 1 – Visual Outline of this Thesis

Each chapter includes the following elements:

1. In the first chapter, an introductory presentation is made towards the general topic and context, and a problem is stated and delineated. Research purpose and questions are identified, as well as the delimitation of the Thesis. At last, the outline of the Thesis is presented.
2. In the second chapter, Spotify is presented as the case company in order to frame both the background and history together with the main results and challenges that arise. The features of each tier of Spotify are then presented.
3. In the third chapter, a Literature Review is presented in order to explore the main theories applied in this Thesis and investigate the research done within the studied field. In the end, a summary is made, and the main research gaps are identified.
4. In the fourth chapter, the conceptual framework is developed, and the hypotheses are generated and formulated.
5. In the fifth chapter, Methodology includes a section on the research philosophy, theoretical perspective, research design, and methods applied.
6. In the sixth chapter, the Data Analysis is made by analyzing the results of the empirical research and discuss the findings of the data collection.
7. In the seventh chapter, a Discussion is held in order to compare the findings and empirical evidence to the existing literature in order to test and extend current theories. Limitations of the Thesis and avenues for future research are presented.
8. In the eighth chapter, a Conclusion is sketched in order to encapsulate the previous chapters and summarize the main findings and learnings of the research made.

2. Spotify

This section describes the case company, Spotify, by introducing the background and history of the brand as well as a short overview of the financials and revenue source of the company. Afterward, the main features of Spotify are presented, and it is compared the Free Version to the Premium Version.

2.1. Company Background

Spotify is an online music-streaming platform founded in 2006 and launched two years later by a pair of Swedish entrepreneurs, Daniel Ek and Martin Lorentzon, with the dream to offer instantaneously every music track in the world to everyone no matter where they were (O'Sullivan, 2011). With the moral and noble purpose to be a vehicle for the termination of the world's music piracy, the name Spotify is a combination of the words *spot* and *identity* created by its founders. Nowadays, Spotify is the world's largest online music streaming platform, with over 271 million Monthly-Active Users¹ (MAUs) around the world (Statista, 2019).

Spotify, as well as other online music streaming platforms, is set upon a subscription-based business model – *Freemium* (Thomes, 2012). Short version: Spotify includes a Free and a Premium version, that generate revenues through Advertisement and monthly users' subscription, respectively. In order to be coherent with the terminology adopted by Spotify, users from the Free tier will be labeled *Ad-Supported Users* and users from the Premium tier *Premium Subscribers*.

Spotify's worldwide revenues reached 6,8 billion euros in 2019, representing a total growth of 800% from 2014 (Watson, 2020). However, this revenue is originated mostly from the Premium users, even though they account for only 44% of the MAUs. It is important to highlight that even though more than half of the total users are Ad-Supported users, they only account for 10% of the total revenue generated by the company (Spotify, 2019a).

¹ the total count of Ad-Supported Users and Premium Subscribers that have consumed content for greater than zero milliseconds in the last thirty days from the period-end indicated (Spotify, 2019a).

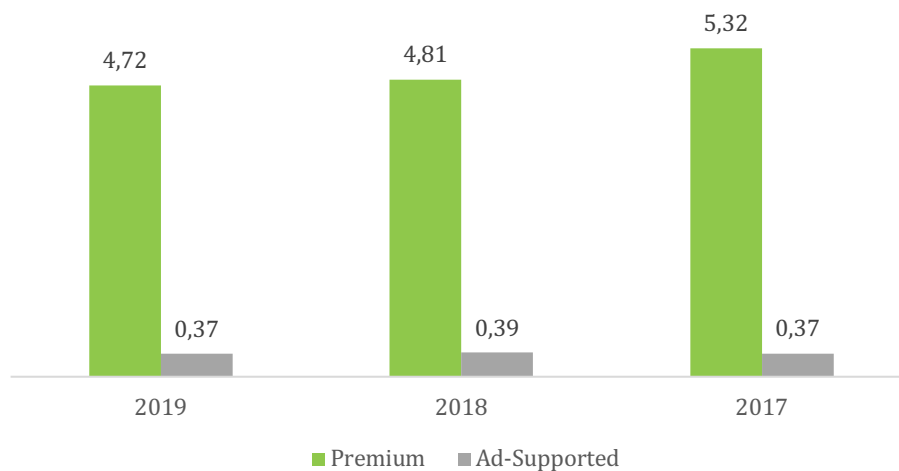


Figure 2 – Average Monthly Revenue per User for Premium Subscribers and Ad-Supported Users. Values in euros. Adapted from Spotify (2019a).

Spotify calculates the Average Monthly Revenue per User², which is illustrated in Figure 2. In 2019, on average per month, a single Premium Subscriber contributed with 4,72€ to Spotify revenues, whereas an Ad-Supported user contributed with only 0,37€. There is an apparent difference between the rentability of the two tiers of Spotify, and this is the reason why Spotify refers to the urge to convert and retain the Premium Subscribers in order to guarantee the firm's long-term financial sustainability (Spotify, 2019a).

2.2. Spotify's Features

Spotify is an online music streaming platform that hosts more than 50 million tracks and over 3 billion playlists (Spotify, 2019b). The online platform offers different features, depending on the subscription – either a Premium or Free one. Spotify Premium offers a range of benefits compared with the Free version (Elliot, 2018), that can be summarized in the following:

- 1) No ads interruption - Subscribers can listen to music ad-free and without any interruption;
- 2) Offline listening - Subscribers can download the chosen tracks into their mobile device and listen to them offline;
- 3) Unlimited Skips - Subscribers can choose any song they wish and listen to entire albums;

² The calculation is made by dividing the annual revenue of either Premium Subscribers or Ad-Supported Users by the number of MAU (either Premium or Ad-Supported) for the specific year, and then dividing it by twelve (Spotify, 2019a).

4) Audio Quality - Subscribers have access to superior audio quality.

Within the Free or Ad-based Version, users also have access to the over 50 million tracks online library with two main differences. First, users do not have the freedom to choose any of the tracks they wish due to the Shuffle obligation. Second, listening time will be interrupted by advertisements that may come in several forms (such as audio, video, and banner).

However, in April 2018, Spotify launched a new version of its free version – Spotify Free– that includes some new features intended to make the listening experience more personalized and controllable to the free user (Spotify, 2018b). From the words of Babar Zafar, Spotify’s VP of Product Development, this new version is “not only about giving users a more customized free experience from the day they sign up, but giving them more control over their listening experience so they can easily find and stream their favorites anytime, from anywhere” (Spotify, 2018a).

The main features that contribute to achieving this objective of increased control and personalization are the 15 Spotify-curated playlists to each specific user, presented in Table 1 (Spotify, 2018b). This new feature allows Spotify Ad-Supported users to have more control because they can play the tracks on that playlist on-demand (“Play Any Track”). Besides, it is personalized due to the algorithm that maps the online music tracks available, and combining each personal user taste with the patterns being played around the songs of that user, thus building a unique music identity profile (Prey, 2018). In order to make it a dyadic relationship, Spotify also incorporated a feature to “Like or Dislike” the tracks suggested by Spotify in each playlist to allow users to be part of the creation of those Spotify-curated playlists and steer the mix (Spotify, 2018c).

	Definition	Updated
Daily Mix	Up to 6 playlists based on the music identity profile, including regular listens and Spotify recommendations	The more listened, more frequently is updated
Discover Weekly	Songs suggested by Spotify	Every Monday
Release Radar	New releases suggested by Spotify	Every Friday
On Repeat and Repeat Rewind	Most played songs, both recently and in the past	Every 5 days

Table 1 - Spotify Curated Playlists. Adapted from Spotify (2019b)

3. Literature Review

This section provides a theoretical foundation for the main concepts of this Thesis. First, S-D Logic is presented as a macro-foundational theory that has a bridging role to the middle-range theories and the empirical findings. The concept of Customer Engagement is then presented by reviewing the origin of the concept in other scholars and the integration in the Marketing literature. A critical review of the current literature is made by identifying some misunderstood and emergent concepts. Subsequently, the context of Online Music Streaming and the Freemium Business Model are presented, and Spotify is defined as an Engagement Platform. In the end, a Summary is composed, and the research gaps are identified.

3.1. Customer Engagement

3.1.1. Service-Dominant Logic

3.1.1.1. Origin

The first stream of Marketing literature had a clear establishment in economics and focused mainly on the material characteristics of the product, from the company perspective, as a commodities exchange, and the functional aspect it needed to perform in order to enable the trade of goods within marketing institutions (Vargo & Lusch, 2004). This traditional thinking views manufacturing firms upon a tangible measure of units produced, either material, products or services, and as the exclusive responsibility for a value creation that culminates upon transferal of ownership – e.g., the exchange (Ng, Parry, Smith, Maull, & Briscoe, 2012). This thinking comprehended a perspective called Goods-Dominant (G-D) logic that proposes value is produced singularly by the firm (Merz, He, & Vargo, 2009). In a G-D Logic, customers are exogenous to the value creation, thus representing operand resources that act merely as passive receivers of an operation or act (Merz et al., 2009). In contrast, operand resources are dynamic and intangible resources capable of generating benefits by acting directly on other resources (Constantin & Lusch., 1994). However, in the mid-to-late 1900s, a new variable was introduced – the customer. Kotler (1967) proposed the 4Ps model and defined Marketing as a tool for maximizing profit based on a specific customer need for a chosen target market. Alderson (1957, p.69) also recommended that "what is needed is not an interpretation of

the utility created by marketing, but a marketing interpretation of the whole process of creating utility.”

Vargo and Lusch (2004) proposed a sweeping change in perspective from the G-D Logic to a service-centered view of marketing that is more than merely consumer-oriented but also considers consumers as a collaborative and learning element implying that value is co-created with the consumer. In the emerging Service-Dominant (S-D) Logic, the focus of the economies exchanges shift from tangible goods to a set of applied and specialized skills and knowledge resources (Vargo and Lusch, 2004). S-D Logic identifies that “it is the service – defined as the application of specialized competences (operand and operant resources – knowledge and skills), through deeds, processes, and performances for the benefit of another entity or the entity itself – that is exchanged for service” (Lusch, 2006, p. 241).

3.1.1.2. *The role of S-D Logic*

S-D Logic is considered to be an emerging paradigm and the basis for a new research tradition in Marketing (Möller, Pels, & Saren, 2011). However, paradigms are not considered to be theories, but rather the foundation of theories (Arndt, 1985). At an early stage of S-D Logic’s development, Vargo and Lusch (2006) have argued that even though it was too early to define it as a paradigm shift for Marketing, S-D Logic had the potential to become the foundation for a general theory. (Brodie, Saren, & Pels, 2011b) point out S-D Logic to be a foundation for a general theory but emphasize on the differences to middle-range theories and the need for an intermediary in order to allow the empirical research.

In line with Brodie’s et al. (2011b) arguments, Vargo and Lusch (2017) posit that S-D Logic is primarily focused on meta-level theory development in order to offer a suitable foundation for a general theory. Nonetheless, the authors also highlight the importance of middle-range theories, such as Customer Engagement, as a bridge to achieve a micro-theoretical level and develop evidence-based research.

Figure 2, adapted from Brodie et al. (2011b), demonstrates the role of S-D Logic by acting as a foundational theory that will formulate and substantiate middle-range theories, such as Customer Engagement, to achieve the empirical findings that it proposes to.

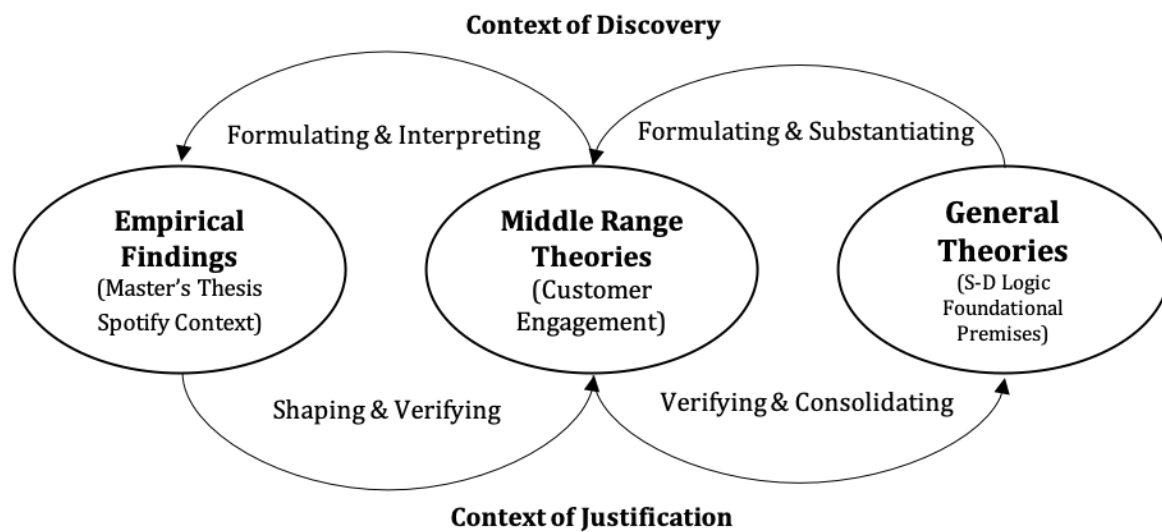


Figure 3 - The bridging role of Mid-Range Theories. Adapted from Brodie et al. (2011b)

In this Thesis, S-D Logic will employ that same purpose of a foundational basis for the generation of propositions and hypotheses based on Mid-Range Theories, Frameworks, and Models in order to develop results and findings that can be generalized empirically. Several authors (e.g., Vivek et al. 2012; Hollebeek et al. 2019) appoint S-D Logic as the theoretical foundation for one of the core elements of this Thesis, the Customer Engagement concept.

3.1.1.3. Foundational Premises

S-D Logic and was initially formulated by ten foundational premises to help present it (Vargo and Lusch, 2004; 2008). However, throughout the years, these foundational premises were revised and consolidated according to input from an active community of scholars (Lusch & Vargo, 2014). These premises now account for eleven foundational premises with five of them achieving the axiom status (Vargo & Lusch, 2016). These foundational premises are shown in Table 2.

The first premise and axiom highlights that the process of exchange is conducted to acquire the benefits of specific competences – either knowledge or skills – labelled as operand resources. The application of these specialized skills and knowledge for the benefit of another party (Vargo, 2009) are here defined as the Service. FP2 tries to characterize that behind the visible good, the money and the institutions, people are still exchanging a sum of specialized skills for the individual and collective skills of others through a process of monetization and marketing system (Vargo & Lusch,

2004). Despite the fact that this paradigm is intitled S-D Logic, Goods – as a tangible product - are still highly relevant as they are the means of transportation for the service provision (Vargo, 2009), as it is stated in FP3. As such, Goods should be assumed as intermediate products with the purpose to transfer operant resources and be employed as appliances in the value-creation course (Vargo & Lusch, 2004)

FP1/A1	Service is the fundamental basis of exchange
FP2	Indirect exchange masks the fundamental basis of exchange
FP3	Goods are a distribution mechanism for service provision
FP4	Operant resources are the fundamental source of strategic benefit
FP5	All economies are service economies
FP6 /A2	Value is co-created by multiple actors, always including the beneficiary.
FP7	Actors cannot deliver but can participate in the creation and offering of value propositions
FP8	A service-centered view is inherently beneficiary oriented and relational
FP9/A3	All social and economic actors are resource integrators
FP10/A4	Value is always uniquely and phenomenologically determined by the beneficiary
FP11/A5	Value co-creation is coordinated through actor-generated institutions and institutional arrangements.

Table 2 - Foundational premises (FP) and Axioms (A) of SD-Logic (Vargo & Lusch, 2016).

Operant resources, either skills or knowledge, are an important tenet of S-D Logic as they represent the source of wealth and the basis for competitive advantage (Vargo & Lusch, 2004). However, in FP4, the term “competitive advantage” was replaced by “strategic benefice” as the previous term could blur the focus and act as myopic toward the service provision to a beneficial actor as the key purpose (Vargo & Lusch, 2016). The point of this principle is not to underestimate the importance of operand resources to the welfare. Instead, the intention is to clarify that, in order to these resources acquire a beneficial standing, they need to be acted upon and necessitate operant resources to unveil their benefits (Lusch & Vargo, 2018).

Deriving from the first axiom, FP5 reinforces the exchange process of specialized operant resources through tangible operand resources. Vargo and Lusch (2004) argue that all the economic activity has evolved in such a manner that improved knowledge and skills are what differentiates the same activities performed today compared to what have always been performed before.

The second Axiom (FP6) includes a novel concept that is important to frame – Actors. In order to permit an extremely generalized term regarding the entities included in the exchange process, the

generic term 'actors' was selected to represent entities with the ability to act (Vargo & Lusch, 2016) and that are involved in two main practices: resource integration and service exchange in the process of co-creating value (Vargo & Lusch, 2011). The adoption of an Actor-to-Actor (A2A) perspective was proposed by Vargo and Lusch (2011) as a nomenclature to represent the service-for-service exchange in which engaged actors, that are not rigorously producers or consumers, benefit from the existence of each other by directly or indirectly providing some output (Vargo & Lusch, 2016). In sum, the inherent point of this premise is to acknowledge that even the beneficiary actor is involved in its own process of value creation (Vargo & Lusch, 2016).

In accordance with the second Axiom, FP7 strengthens the point that one sole actor cannot produce and provide value to another, by way of presumed in a G-D logic. As such, one actor is not able to unilaterally create or deliver value to a beneficiary (Vargo & Lusch, 2016). Customers only search for value propositions assumed to be potentially valuable within their specific context, and it is only after the moment of value realization that the offering may (or may not) surpass being potentially valuable (Ng, Parry, Smith, Maull, & Briscoe, 2012), thus implying that actors alone cannot convey value. These value propositions are also not formed uniquely by service providers (Lusch & Vargo, 2018) as they represent a dynamic multi-actor narrative of value potential (Vargo & Lusch, 2016).

Deducting from the definition of Service that implies an addressee of the value co-creation – e.g., the beneficiary – and the fact that value cannot be created in another way apart from the co-creation of multiple actors, FP8 underpins that S-D logic is inherently beneficiary and relational (Vargo & Lusch, 2008). The process of zooming out to reveal the bigger picture of the exchange process that resulted on the third Axiom (FP9), initially revealed other actors involved in the service-for-service exchange beyond the traditional view of a customer-firm exchange, but it also revealed that all actors performed resource-integration activities (Vargo & Lusch, 2008). This means that resources applied in service provision were equally the foundation and the result of service-for-service exchange (Vargo & Lusch, 2017). As a result, this resource integration generates new resources that will lead to value co-creation applied to all actors engaged in a service exchange (Vargo & Lusch, 2016).

The fourth axiom refers to the individual value assessment made by the beneficiary, regardless of the co-creative process among several actors (Vargo & Lusch, 2016). This value assessment goes beyond the moment of the transaction and the functional benefits of the resource due to the experiential nature of the value that infers a complete assessment (Lusch & Vargo, 2018).

The fifth axiom was introduced later due to the need to achieve a realistic notion of value co-creation among actors that occurs beyond a dyadic relationship between customer and firm (Vargo & Lusch, 2016). By acknowledging an actor-generated set of rules, norms, meanings, and related supporters to collaboration – defined as *institutions* – as value a co-creation facilitator, Vargo and Lusch (2016) consider that institutions provide the structural properties for “increasingly complex and interrelated resource-integration and service-exchange activities” (p. 17).

3.1.2. The origin of Engagement in Research

The term Engagement has been widely applied among different fields of literature. Despite its domain and definition being far from consensus, it is possible to identify some typical traces, thus revealing a widespread use of the construct Engagement across the literature (Vivek, Beatty, & Morgan, 2012).

In the Psychology field, Kahn (1990) introduces the concept of Personal Engagement by defending that each individual has several dimensions that, considering the context and environment, choose to exploit by employing personal energies into physical, cognitive, and emotional efforts. On the other hand, Watkins et al. (1991, p.328) describe Role Engagement unilaterally, as a behavioral and action-oriented concept, that is defined as “the degree to which various role behaviors are actually practiced or engaged in by school psychologists as a part of their work”. Higgins and Schol (2009) define Engagement as a process of sustained attention that emerges as a state of being fully absorbed and involved in something.

On the Organizational Behavior field, Luthans and Peterson (2002) defend that Employee Engagement should be comprehended as a multidimensional construct that is both cognitively and emotionally activated and has an impact on both employees’ retention and workplace desirability but also the organizational outcomes. Several other authors define Engagement in the Organizational context as a multidimensional concept of Cognitive, Emotional, and Behavioral dimensions that impact the organizational performance and results directly (e.g., Saks 2006; Catteeuw et al. 2007).

In sum, the origin of Engagement as a concept takes place in several disciplines including psychology and organizational behavior (Brodie et al., 2011) and, although there is a wide conceptual range of definitions, there is no do particularly consistent on what concerns the proper definition (Vivek, Beatty, & Morgan, 2012).

3.1.3. Engagement Research in Marketing

The concept of Engagement in Marketing literature started as a nebulous and confusing topic as each author had its interpretation of the concept, concerning its definition and dimensionality (Hollebeek, 2011a). To date, it remains inconsistent, apart from some minor similarities (Maslowska, Malthouse, & Collinger, 2016). Table 3 offers a review of some of the most cited articles in the Marketing literature regarding the different conceptualizations of Customer Engagement (CE) and serves as a starting point for the discussion of the concept.

Author(s)	Concept	Definition	Dimensions
Hollebeek (2011a, p.790)	Customer Brand Engagement	"The level of an individual customer's motivational, brand-related and context-dependent state of mind characterized by specific levels of cognitive, emotional and behavioral activity in direct brand interactions."	Cognitive, Emotional, Behavioral
Verhoef et al. (2010, p.247)	Customer Engagement	"Behavioral manifestation toward the brand or firm that goes beyond transactions"	Behavioral
Mollen and Wilson (2010, p. 923)	Online Engagement	"Online Engagement is a cognitive and affective commitment to an active relationship with the brand as personified by the website or other computer-mediated entities designed to communicate brand value."	Cognitive, Emotional
Brodie et al. (2011a, p. 260)	Customer Engagement	"Psychological state that occurs by virtue of interactive, co-creative customer experiences with a focal agent/object (e.g., a brand) in focal service relationships."	Cognitive, Emotional, Behavioral
van Doorn et al. (2010, p. 254)	Customer Engagement Behavior	"Customer's behavioral manifestations that have a brand or firm focus, beyond purchase, resulting from motivational drivers."	Behavioral
Hollebeek et al. (2014, p. 154)	Consumer Brand Engagement	"Consumer's positively valenced brand-related cognitive, emotional and behavioral activity during or related to focal consumer/ brand interactions"	Cognitive, Emotional, Behavioral

Gong (2018, p. 287)	Customer Brand Engagement Behavior	"Customer in-role behavior, such as brand loyalty, and customer extra-role behavior for the good of the brand, such as providing feedback for the firm's brand management and engaging in positive word of mouth about the firm's brand"	Behavioral
Vivek et al. (2012, p. 127)	Customer Engagement	"The intensity of an individual's participation in and connection with an organization's offerings and/ or organizational activities, which either the customer or the organization initiate."	Cognitive, Emotional, Behavioral, Social
Pansari and Kumar (2016, p. 295)	Customer Engagement	"The mechanics of a customer's value addition to the firm, either through direct or/and indirect contribution."	Cognitive, Emotional Behavioral

Table 3 -Review of conceptualizations on Customer Engagement on the Marketing Literature. Source cited in the Author column regarding the proposed definition.

The definition of Engagement in extant Marketing literature seems to be divided into two major groups – the exclusively behavioral focused concepts and the psychological based ones, that can also include a behavioral dimension (Maslowska et al., 2016). Whereas van Doorn et al. (2010) and Verhoef et al. (2010) propose the view that Customer Engagement is the behavioral manifestation itself towards a brand or a firm that may arise from motivational drivers, Brodie et al. (2011a) and Hollebeek (2011b) define it as a psychological state or a brand-related state of mind that derives from an interaction with a focal object or agent

Although the behavioral activation of Engagement is critical to understand the breadths of interactivity and value co-creation, these dimensions can only be fully comprehended when applying a holistic and multidimensional approach (Gambetti & Graffigna, 2010). Brodie et al. (2011a) claim that a multidimensional view of Customer Engagement is mandatory to allow different levels of intensity and complexity to be reflected within a given situation. Thus, a multidimensional view of CE will be employed in this Thesis, considering the Cognitive, Affective, and Behavioral dimensions (Brodie et al. 2011a; Hollebeek 2011a; Hollebeek et al. 2014; Hollebeek et al. 2019).

Although the conceptualizations reveal an inconsistency across authors, there are some similarities regarding the foundations of CE that are worth mentioning. The first one is that Consumer Engagement is viewed upon a S-D Logic theoretical lenses, as it comes up to be a "particular micro-foundational theoretical constituent of S-D Logic" (Hollebeek et al., 2019, p. 165). The fundamental premise of the Engagement construct is the interactivity between the customers and the company

(Van Doorn et al., 2010), and interactivity turns out to be a common denominator across most conceptualizations (Jaakkola & Alexander, 2014). The second one is that CE is embedded in Relationship Marketing (RM) Theory (Bowden et al. 2009; Brodie et al., 2011a). RM adverts to “all marketing activities directed toward establishing, developing, and maintaining successful relational exchanges” (Morgan & Hunt, 1994, p. 22). These activities should promote a long-term relationship but also be cooperative between actors (Pansari & Kumar, 2016), in order to guarantee the co-creation of value proposed by S-D Logic (Vargo & Lusch, 2006).

3.1.4. Defining Customer Engagement

Brodie et al. (2011a) were the first to endeavor to frame the concept of CE into a conceptual domain, thus accounting for a concept delimitation and a scope definition (Jarvis, Mackenzie, & Podsakoff, 2003), with a particular stress of it being applicable across a wide range of situations and contexts. Building upon the existing practitioner literature and with S-D Logic as a theoretical lens, Brodie et al. (2011a) define the conceptual foundations of CE as the interactive customer experience and the co-created value based on a specific focal customer interaction with a particular Engagement object and proposes a set of five themes (represented by five FPs) to achieve a general definition for the concept. While these five FPs achieved the objective to develop a proper conceptualization of CE, Hollebeek et al. (2019) call for the need to reformulate and revise these FPs, considering the S-D Logic as a foundational theory, in order to adapt them into the proper lexicon and guarantee that the two “theoretical entities interrelate” (p. 162). Table 4 reflects the revised FPs.

Revised S-D Logic Informed FPs of CE	
FP1	CE reflects a customer’s motivationally driven, volitional investment of specific operant and operand resources into brand interactions in service systems.
FP2	The CE benefits of customer individual and interpersonal operant resource development and co-creation result from CE within service systems.
FP3	The CE foundational processes of customer resource integration, knowledge sharing, and learning represent either necessary (i.e., for customer resource integration), or conducive (i.e., for customer knowledge sharing/learning) factors for the development of CE in service systems.
FP4	CE reflects a customer’s investment of focal cognitive, emotional, behavioral and social resources during, or related to, specific brand interactions in service systems.

FP5 CE is contingent on focal context-specific characteristics in service systems. Customer manifestations (including intensity, valence) of CE, the CE foundational processes and CE benefits may thus vary across contextual contingencies.

Table 4 – Revised S-D Logic Informed FPs of CE. Retrieved from Hollebeek et al. 2019, p. 172-173.

As previously defined, Service encompasses the application of resources (i.e., operand or operant) with benefits to another party (Vargo, 2009). In CE, as a motivationally propelled process, customers make a volitional investment of their resources into an interaction with a brand, thus providing service to others or themselves, as presented in FP1 (Hollebeek et al., 2019).

The CE benefits (FP2) include both co-creation and the development of operant resources that might occur individually or interpersonally through an exchange of operant (e.g., knowledge) resources (Hollebeek et al., 2019). Due to the dynamics of CE, the Engagement process is categorized as cyclical and iterative, thus meaning that a CE consequence (i.e., benefit) can develop into a CE antecedent over time (Brodie et al. 2011a). Although the term “benefits” is assimilated as a positively valenced outcome of customer co-creation in CE, Hollebeek et al. (2019) accept the possibility of a neutral or negative valence driven by an individual factor, brand factors, and external factors. These authors advocate the term “CE detriments” in situations where CE is negative.

In the original FP3 (Brodie et al., 2011a), CE is viewed as a relational concept that has a “central role within a nomological network of service relationship” (p. 259). Essentially, this elucidates on the interactivity nature of CE in a way that is linked to other relational concepts that might arise as CE antecedents (e.g., participation, involvement, and trust) as well as CE consequences (e.g., commitment, and brand loyalty) (Brodie et al., 2013). The revised FP3, aligned with the third S-D Logic axiom, considers resource integration as an indispensable step for the development of CE due to the incorporation of specific customer resources within the brand and inherent intention to create value through the application of focal operant and operand resources, denominated customer resource integration (Hollebeek et al., 2019).

The multidimensional nature of CE is reflected in FP4 through the customer’s investment, specific to a brand interaction of focal cognitive, emotional, behavioral, and social resources (Hollebeek et al., 2019). From the original tri-partite (i.e., cognitive, emotional, and behavioral) based on the mass

reviewed conceptualizations, Hollebeek (2011b) defines three themes that represent the degree to which a customer is willing to invest specific resources into a brand interaction. First, immersion is described as a customer's level of brand-related concentration, thus revealing the level of cognitive investment in brand interaction (Hollebeek, 2011b). Second, passion is a strong, positive brand-related affect and proud in a particular brand interaction, thus uncovering the level of emotional investment (Hollebeek, 2011b). Lastly, activation refers to the level of effort, either in energy or time, consumed on a brand in a brand interaction, thus baring the behavioral dimension of CE (Hollebeek, 2011b). These three themes represent the dimensions of Cognitive Processing, Affection, and Activation, respectively (Hollebeek et al., 2014).

CE is conditional to a given context through the whole scope, from the CE foundational process to the CE benefits and may be covered at different intensity and complexity (Brodie et al., 2011a). Although acknowledging the CE as being context contingent, Hollebeek et al. (2019) expand the continuum range of "nonengaged" to "highly engaged" (Brodie et al., 2011a, p. 260) to include a negative valence of CE that will possibly result on *co-destruction* of value, instead of co-creation (Anderson & Ostrom, 2015).

In the case of this Thesis, the focal Engagement object is stipulated as the brand. The brand is defined as a physical entity and a customer-grounded mental representation (Stern, 2006). The focus of this study is to highlight the dynamics of a focal consumer-brand relationship (Hollebeek et al., 2014), specifically among Spotify and the two segments of consumers. Hence, consumer brand Engagement (CBE) is hereinafter adopted as the main form of CE.

The dark side of Engagement (Leckie, Nyadzayo, & Johnson, 2019) reveals as a research gap in the CBE literature since, while some authors recognize the possible existence of a CBE negative valence (e.g., Van Doorn et al., 2010 ; Hollebeek et al., 2019; Maslowska et al., 2016), there is no empirical evidence on the complexity and how a possible positive level of CBE might not result in the desired outcomes or created value to the brand or firm (de Villiers, 2015). This topic will then be addressed in the next section.

3.1.5. Positive vs. Negative CBE

“Overall, the literature, to date, has rested on the implicit assumption that higher Engagement levels will translate, either directly or indirectly, into enhanced brand related or organizational performance outcomes” (Hollebeek, Conduit, & Brodie, 2016, p. 394). These authors, conversely, argue that this claim requires further investigation in order to validate and assess its accuracy across contexts.

Kumar et al. (2010) argue that the created customer engagement value towards the firm occurs through a variety of mechanisms and includes behavioral manifestations that can be either positive or negative. Accordingly, Van Doorn et al. (2010) agrees with the existence of consequences to the firm as a result of customer Engagement behaviors.

Based on the regulatory engagement theory, that display how “stronger engagement can not only make something positive more positive but also make something negative more negative” (Higgins & Schol, 2009, p. 110), Hollebeek and Chen (2014) identified the need to broaden the conceptualization of engagement. To do so, these authors developed a theoretical model of Brand Engagement that incorporates both focal positively and particular negatively-valenced expressions of Brand Engagement, and includes six antecedents: Perceived brand actions, Perceived brand performance, Perceived brand value, Perceived brand innovativeness, Perceived brand responsiveness, and Perceived delivery of brand promise.

However, these antecedents do not have a positive or negative nature as they are simply acting as triggers expected to result in positive engagement when perceived as favorable, or negative when perceived as unfavorable (Heinonen, 2018). Despite accepting and conceptualizing the existence of a negatively valenced engagement, Hollebeek and Chen (2014) argue that consequences of positively (negatively) valenced engagement are expected to be positive (negative) on both brand attitude and word-of-mouth. Therefore, ending up being merely opposite forms of the same construct (Juric, Smith, & Wilks, 2015).

3.1.6. Valence and Intensity of CBE

Under the premise that individual consumers are far more complex than a symmetrical dependence between variables, de Villiers (2015) suggests an asymmetrical relationship between CBE and the actual consumer behavior towards the brand. Rather than being categorized into a level of valence

(positive, neutral, or negative), as suggested by Hollebeek and Chen (2014), a supplementary layer of complexity should be added to the CBE concept: Intensity (de Villiers, 2015). The author suggests a four-level categorization on consumer's behavior toward the brand: active, passive, unengaged, or disengaged. These represent the level of resource investment each consumer has with a brand or its offerings (de Villiers, 2015).

By proposing this extra dimension, de Villiers (2015) can define four quadrants of CBE. The matrix of valence and intensity is presented in Figure 3 and described next, based on de Villier's (2015) work.

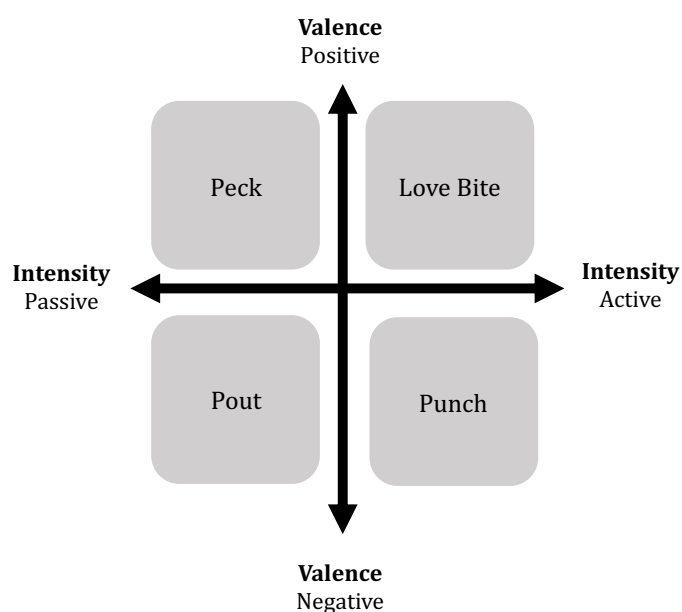


Figure 4 - Valence and Intensity of CBE. Adapted from de Villiers (2015, p.1959)

Above the horizontal axis, positively valenced CBE are labeled as Love Bite and Peck. The difference between them is the fact that a Love Bit implies a higher resource investment – either cognitive, affective, or behavior – compared to a Peck. However, both reveal a positively valenced CBE, in the form of passive or active consumer behavior. Under the horizontal axis, negatively valenced CBE are identified as Punch and Pout. In those cases, the manifestations of negatively valenced CBE occur either through passive, Pout, or active manifestation, Punch.

By suggesting an asymmetrical, configurational mindset about CBE and adding the extra complexity layer of intensity, the model becomes closer to what the reality is and helps explain the consumer behavior. However, de Villiers (2015) calls for the need to empirically test the model using well-established scales across several contexts.

3.2. Online Music Streaming

3.2.1. Evolution of the Music Industry

The global recorded music industry is undergoing a massive revolution regarding both the source and the growth in revenue (IFPI, 2019). The industry that had been continuously declining in revenues until 2014 has achieved a record market growth of 9,7% in 2018 (IFPI, 2019). However, the origin of this growth comes mostly from the Digital revenues (i.e., subscription music streaming, ad-supported music streaming, and downloads), as it now represents more than half of the total revenue in the global recorded music industry (IFPI, 2019). It is essential to contrast the weight of the digital music in the total revenue of the industry with the physical sales that currently are only worth 25% of the total revenue compared to a 99% weight in total revenues in 2005, and continue to decline year after year (IFPI, 2019).

Online Music Streaming (OMS) is an on-demand service that allows customers to access an extensive library of music tracks and albums during a specific subscription period (Wlömert & Papies, 2016). This subscription period can be presented to the customer either in a free version of the service or a paid version that generates revenues to the service provider (i.e., Spotify) through advertisement or the monthly flat rate paid by the user. Studies indicate that the overall impact of the OMS in the music industry is positive despite the cannibalization of other distribution channels, such as physical purchases and downloads (Lee et al., 2016; Wlömert and Papies, 2016; Aguiar and Waldfogel, 2018). However, this positive net effect on the industry should be analyzed by zooming in into the different user's typology and subscriptions.

Wlömert and Papies (2016) argue that although the total effect of the paid streaming users is positive to the music industry revenues, free users are negatively contributing to the overall revenues. This negative effect is more pronounced when the users are defined as active music buyers, who used to spend money on tangible music products. On the 'Global Music Industry Report', the paid subscribers are also appointed as the main driver of the recorded music industry growth, as they now account for 37% of the total revenue (IPFI, 2019).

3.2.2. OMS and the Complexity of the Freemium Business Model

Due to its immateriality characteristic, OMS can be defined as 'Music as a Service' concept since it does not transfer ownership to the user (Doerr, Benlian, Vetter, & Hess, 2010). The most common business model behind an OMS service is the Freemium business model (Nordgård, 2018). 'Freemium' originates from the merge of the words Free and Premium, as it explains the basic concept of the business model – users can have access to a free version of the service or upgrade to a premium version that includes enhanced features by paying a stipulated price or fee (Gu, Kannan, & Ma, 2018).

Although this model proves very efficient and powerful in attracting free users as a customer acquisition strategy, it also proves to be very limited and fragile when it comes to converting the users into a premium tier that will enable a firm's sustainability over time (Kumar, 2014). This weakness is present in the particular case of Spotify, where even though more than half of the active users are Free, they only account for 10% of the total revenue generated (Spotify, 2019a).

The Freemium business model proves to be extremely complex and includes some nuances, mainly the zero-price effect on the free version, the anchoring effect on the premium version (Gu, et al., 2018), and the existence of free-riders (Chiotis, 2015). The zero-price effect specifies that the alternative free version of a product is expected to display greater benefits, as customers tend to perceive free as a lower-cost alternative, but also increased in value (Shampanier, Mazar, & Ariely, 2007). Furthermore, the anchoring effect on the premium version means that consumers are likely to make a heuristic evaluation in choosing the free version by anchoring the premium price or fee and considering it as a positive gain (Gu, et al., 2018). Another factor that adds to the complexity of Freemium is the existence of Free-Riders that, in essence, will enjoy the service for free without demonstrating any willingness to pay for it despite their level of satisfaction towards the service (Chiotis, 2015).

Considering that most users start with a free trial of the service, Koch and Benlian (2017) define two main strategies for free trials on the freemium business model. First, firms can offer a *Freefirst* strategy in which new users are offered the chance to have a free trial of the free (i.e., limited) version and only by making a subscription they can upgrade to the premium version. On the other hand, in a *Preemiumfirst* strategy, users are offered a time-limited free trial of the fully featured premium version, and after the trial period expires, they are downgraded to the free version. By

empirically studying the two free trial strategies, Koch and Benlian (2017) concluded that a *Preemiumfirst* strategy significantly increases the conversion propensity by allowing users to make an informed and active subscription decision.

3.2.3. Spotify as an Engagement Platform

The individualities of OMS services being viewed as a temporary non-ownership of resources make them fit into the context of the service ecosystem presented in the S-D Logic view, and more specifically, into the sharing economy (Breidbach & Brodie, 2017). The sharing economy can be defined as “the peer- to-peer-based activity of obtaining, giving, or sharing the access to goods and services, coordinated through community-based online services” (Hamari, Sjöklint, & Ukkonen, 2016, p. 2047).

When considering a brand like Spotify that is designed to include virtual touchpoints in order to offer the necessary structure, support, and basis for the exchange and integration of resources, thus enabling the co-creation of value among actors in a service ecosystem, it is possible to define it as an Engagement platform (Breidbach, Brodie, & Hollebeek, 2014). The Engagement platform, therefore, assumes a vital role to allow the actor-engagement to occur by offering a proper stage where actors can co-create value through a network of actor relationships (Storbacka et al., 2016). In sum, and considering the sharing economy context, Spotify as an Engagement platform takes an intermediary role for actors to interact and engage with other actors and resources while integrating their own resources, and consequently contributing to the co-creation of value (Breidbach & Brodie, 2017).

3.3. Summary and Research Gaps

This chapter intended to offer a critical overview of the main theories and frameworks that are currently present in the CE literature. By referring to S-D Logic as a macro-foundational theory for CE and considering CE to be a micro-foundational constituent of S-D Logic, Vargo (2011) argues that a proper understanding of markets and value creation requires both the focus on micro and macro lenses. The specific contextual description of the OMS is presented at the end to serve as the avenue that will reveal empirical findings that will be generalized and used as a means of justification for both micro and macro-foundational theories (Brodie et al., 2011b).

In line with Hollebeek et al. (2019), this Thesis focuses on the particular consumer brand Engagement(CBE) interaction by studying its impact on the conversion and retention of Spotify Free Users and Premium Subscribers, considering a specific and particular set of antecedents that are adapted to the context of the OMS and deducted from the CE literature. Thus, the proposed definition for CBE is: “a customer’s motivationally driven, volitional investment of focal operant resources, and operand resources into a brand interaction in service systems.” (Hollebeek et al., 2019, 166).

This current Thesis aims to address several research gaps, but mainly the following:

1. Several authors argue that the assumption of high CE levels will positively influence the organizational results that need to be tested and validated (e.g., Hollebeek et al. 2016; Pansari & Kumar 2016; Libai 2011; de Villiers 2015; Leckie et al. 2019). By applying the CE concept, considered to be complex (de Villiers, 2015), to the specific Spotify context this Thesis will empirically test whether a certain level of CBE will generate positive behaviors towards the firm (i.e., intention to convert to a Premium tier, and continuance intention of the Premium Subscribers).
2. According to the fifth foundational premise of CE (Hollebeek et al., 2019), CE is conditional on a specific context, and the consumers’ manifestations and CE benefits may vary according to the contextual possibilities. Multiple authors acknowledge the need to study CE across different contexts and situations (e.g., Brodie et al., 2011a; Hollebeek et al. 2014), and also evaluate if managers should always struggle to maximize CE or if there is an optimal level of CE considering the situation and context (Hollebeek et al. 2019, Vivek et al. 2012). By focusing on the specific context of Spotify, and the particular nuance of the Freemium Business Model in which the same brand engages and interacts with two different types of customers (Gu et al., 2018), this study aims to test whether CBE will have the same effect (either positive or negative) on the behavioral manifestations towards the same brand.
3. The last research gap is focused mainly on the Freemium Business model and the OMS context. To date, literature has ignored the impact or influence of CE in the success or failure of OMS service. Vivek, Kazanis, and Jain (2019) argue that the CE needs to be validated regarding the applicability of different business models and Engagement platforms. This Thesis aims to empirically study if CE is having a positive impact on the conversion and retention of users to a Premium tier, or if there are different results for each segment of customers.

4. Conceptual Framework

This section provides the conceptual framework based on work reviewed in the previous section. The hypotheses are then formulated in order to address the proposed general Research Question properly.

Hollebeek et al. (2019) reformulated the original FP3 from the original “CE plays a central role within a nomological network of services” (Brodie et al., 2011a, p, 258) to include the foundational processes of customer resource integration and customer knowledge sharing as important factors for the development of CBE, thus working as antecedents. In the proposed framework, three antecedents are suggested – Brand Trust, Perceived Personalization, and Perceived Premium Fit. These antecedents can be categorized as customer factors (i.e., Perceived Premium Fit and Perceived Personalization) and as brand factors (i.e., Brand Trust) (Hollebeek et al. 2019).

In regards to the CBE consequences, this framework aims to address these consequences or CBE benefits as the direct contribution of the customers towards the firm (Pansari & Kumar, 2016) by hypothesizing the effect of CBE on the Intention to upgrade to a premium tier or the continuance intention to subscribe the premium version.

In the case of this Thesis, two different studies will take place. Study 1 will include Spotify’s Ad-Supported Users in order to study the impact of CBE on the intention to upgrade to a premium tier and to understand if the suggested antecedents are impacting the development of CE. Study 2 will include the Spotify’s Premium Subscribers in order to study the effect of CBE on the continuance intention to remain subscribed to the premium tier. The same antecedents³ will be employed for the second study to address the second identified research gap and understand if two different user segments of the same brand will differ in the impact of its antecedents towards the development of CE, as suggested by Hollebeek et al. (2019).

³ The proposed hypothesis for the impact of the antecedents will be different for each study (cf. Hypothesis Development)

4.1. Hypothesis Development

4.1.1. CBE Antecedents

The extant literature in CBE offers limited generalizability on the antecedents that trigger CBE (Hollebeek et al., 2016; Maslowska et al. 2016). However, Brodie et al. (2011a) suggest that as a relational concept, CBE is surrounded within a broader network of service relationships and holds a central role within.

Brand Trust is defined both as a consumers' belief in whether a particular brand can fulfill the value promises made and also the conviction that the brand will act in the consumers' interest and is motivated to provide well-being and will not exploit consumers' vulnerability (Delgado-Ballester, Munuera-Alemán, & Yagüe-Guillén, 2003).

In the commitment-trust theory of RM, Morgan and Hunt (1994) validate the importance of trust in building successful relationship marketing by confirming the positive impact of trust in relationship commitment and cooperation. Hollebeek (2011a) proposes trust to be a CBE antecedent primarily for existing customers, which is the case of this study. Thus, brand trust arises as a critical antecedent, explicitly considering the business model in which Spotify operates, since the subscription is a type of contractual relationship (Chen et al., 2018). Thus, it is hypothesized that:

H1a: Brand Trust has a significant positive impact on Spotify Ad-Supported Users' CBE

H1b: Brand Trust has a significant positive impact on Spotify Premium Subscribers' CBE

Perceived personalization is defined as the individual consumer's perception of the level to which Spotify understands and embodies his or her needs (Komiak & Benbasat, 2006). In line with the seventh foundational premise of S-D Logic "Actors cannot deliver but can participate in the creation and offering of value propositions" (Vargo & Lusch, 2016, p. 6), perceived personalization is expected to act in a customer resource integration process (Hollebeek et al., 2019) by allowing customers to participate in a personalized brand-related activity offered by Spotify. Vivek et al. (2019) argue that CBE can be enhanced by offering personalized experiences upon each customer's

preference. Moreover, Bleier et al., (2018) argue that individual-level product personalization should be understood as a powerful customer Engagement driver tool.

Kang, Shin, and Gong (2016) identify personalization as an essential construct to influence interactivity by validating a significant positive relationship between personalized service and brand community engagement. Thus, it is hypothesized that:

H2a: Perceived Personalization has a significant positive impact on Spotify Ad-Supported Users' CBE

H2b: Perceived Personalization has a significant positive impact on Spotify Premium Subscribers' CBE

Perceived Premium Fit is defined as the perceived level of similarities between the free version and the premium version of Spotify, based on the functionalities and the needs it satisfies (Wagner, Benlian, & Hes, 2014). The complexity of the Freemium Business Model calls for a construct that measures the impact of the perceived fit between the two versions on CBE. Kumar (2014) suggests that customers need to clearly understand the value in converting to a premium version in order to commit to the brand. Wagner et al. (2014) studied the impact of Perceived Premium fit on the attitude formation of both free and premium versions of an OMS service and found out that it affects the attitude towards a free version positively but negatively towards a premium version. Consumer attitudes are considered to be a key driver of satisfaction and loyalty (Amoroso & Ackaradejruangsri, 2017). Thus, it is hypothesized that:

H3a: Perceived Premium Fit has a significant positive impact on Spotify Ad-Supported Users' CBE

H3b: Perceived Premium Fit has a significant negative impact on Spotify Premium Subscribers' CBE

4.1.2. CBE Consequences

The primary rationale behind this Thesis is to understand the impact CBE has on both the retention of Premium Subscribers but also the Ad-Supported users' intention to upgrade. It is worth noticing

that current literature addressing the impact of CBE on either the Freemium Business Model or, more specifically, the OMS service is inexistent. Thus, the current study aspires to provide novel insights into this context.

Fournier (1998, p. 346) sustains that “relationships both affect and are affected by the contexts in which they are embedded”. In the case of Spotify, it is proposed that each specific user context (i.e., ad-supported users on the Free version, and premium subscribers on the premium version), is likely to manifest opposite consequences of CBE. Niemand et al. (2019) posit that a free version is implicitly associated with low sacrifices, thus inferring that Free users display a lower degree of commitment compared to the Premium Subscribers that are currently paying a fee for the service and have taken a commitment towards the brand. By the studying the circumstance of freemium online games, Hamari et al. (2020) concluded that customers need to have negative feelings about the limitations of the Free version in order to consider the upgrade to a Premium version. The reason for this finding is that a satisfied free user does not feel the urge to upgrade, thus confirming their ‘demand trough inconvenience’ hypothesis.

The impact of CBE is, therefore, hypothesized as negative to the Free Users and positive to the Premium Subscribers. In the case of the Free Users, it is expected that CBE will enhance passive brand support (de Villiers, 2015) as customers will continue to engage with the brand, but the result of the co-created value will augment the existence of free-riders and the anchoring effect, thus impacting negatively the intention to upgrade to a Premium tier.

On the other hand, a Spotify’s Premium Subscriber is considered to have an existing transactional Engagement behavior (Gummerus, Liljander, Weman, & Pihlström, 2012), by being subscribed to Spotify, and to have previously invested resources into brand interactions (Vargo & Lusch, 2016). By verifying that price value has no significant impact on the intention to retain the premium subscription, Mäntymäki, Islam, and Benbasat (2020) suggest that premium users do not rely on price to consider the retention of the Premium subscription. Thus, it is expected that CBE will positively contribute and promote customer loyalty and retention on the Premium Subscribers. Thus, it is hypothesized that:

H4: CBE has a significant negative impact on Spotify Ad-Supported Users’ Intention to Upgrade to the Premium Tier

H5: CBE has a significant positive impact on Spotify Premium Subscribers' Continuance Intention to use the Premium Tier.

4.2. Summary

4.2.1. Study one - Spotify's Ad-Supported Users

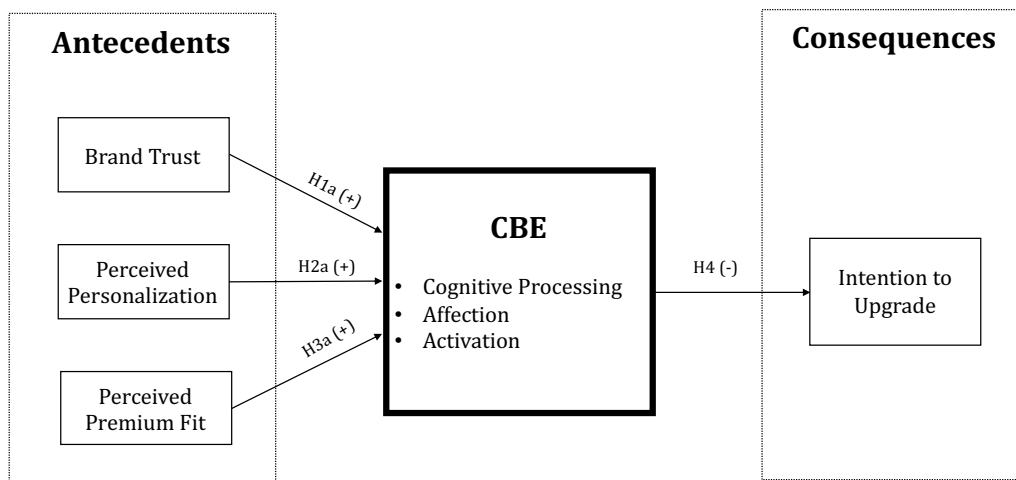


Figure 5 – Study One's Conceptual Framework. Adapted from Hollebeek et al. (2014)

4.2.2. Study two - Spotify's Premium Subscribers

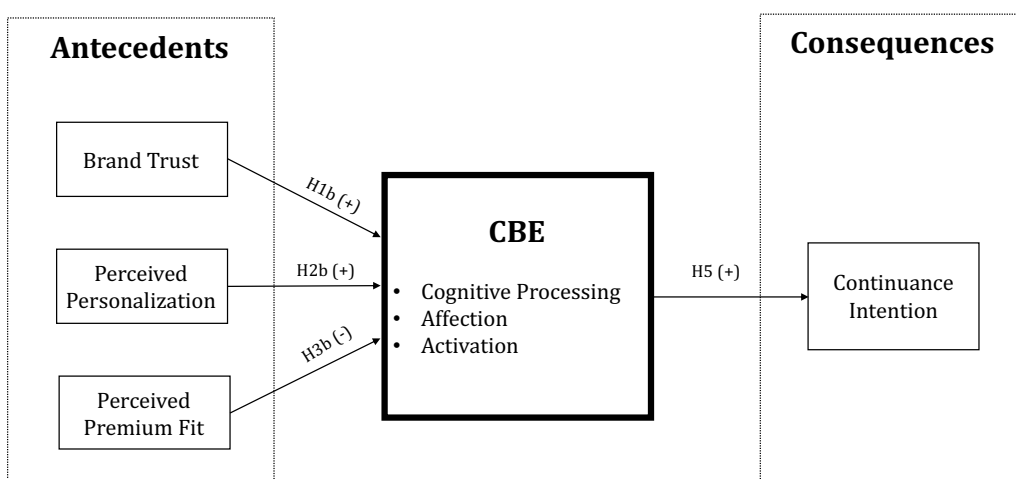


Figure 6 - Study Two's Conceptual Framework. Adapted from Hollebeek et al. (2014)

5. Methodology

This section reflects upon this Thesis' Research Methodology according to the concept of the 'Research Onion' suggested by Saunders, Lewis, and Thornhill (2016, p.124) in which several layers are defined in order to understand and justify the techniques and procedures adopted.

5.1. Research Philosophy

When considering the process of developing knowledge in a field, which is the primary purpose of this Thesis, it is important to adopt a system of beliefs and assumptions – i.e., research philosophy (Saunders et al., 2016). Research philosophy is then the first layer in the Research onion. In this Thesis, a Positivist research philosophy is adopted. The objective of this study is to start with an observable social reality to produce law-like generalizations (Saunders et al., 2016). By developing an extensive literature review on the concepts and foundations of CBE, and the specific context of OMS services, causal relationships were identified and hypothesized in order to test the theories and create generalizations.

With hindsight on the problem statement, and the consequent research question that it is proposed to be answered in this Thesis, the current research is concerned with offering an explanation on the impact CBE has in both the retention of Premium Subscribers and conversion of Ad-Supported Users and apply those findings both in the problem identified and generalizing it to other contexts. This ideological orientation concerning the investigated social world can be framed in the functionalist paradigm as it considers that a rational problem has its solutions rooted in a rational explanation (Burrell & Morgan, 1979).

5.1.1. Epistemology

Epistemology regards what constitutes acceptable and valid knowledge and how this knowledge can be built and shared with others (Burrell & Morgan, 1979). Epistemological assumptions are thus vital when it comes to choosing a research method and analyzing the output of it (Saunders et al., 2016). In a positivist view, the focus should be on determining an observable phenomenon in

order to measure it, evaluate causal relationships, and produce law-like generalizations (Saunders et al., 2016). The fact that a conceptual framework was built through a process of literature review, identification of relevant theories, and proposal of causal relationships that generated hypotheses, matches the requirement of producing credible knowledge through a positivist lens, with the ultimate objective of predicting and explaining marketing phenomena (Malhotra, Nunan, & Birks, 2017).

5.1.2. Ontology

Ontology is related to the assumptions made towards research objects, as the way they are seen and studied, and the nature of reality (Saunders et al., 2016). In the case of this Thesis, and considering the positivist research philosophy, objectivism is the ontological position adopted. Objectivism considers the social reality to be external for both the researcher and the social actors, since the social entities that make part of this social reality exist autonomously of our perception and awareness about them (Saunders et al., 2016). Cultures and subcultures can be perceived as vessels of shared values and customs, internalized by each individual, that constrain people because of the values and beliefs assumed (Bryman & Bell, 2011).

5.1.3. Axiology

Axiology concerns the researcher's view on the role of values in research (Saunders et al., 2016). In this Thesis, and in line with the positivist perspective, the research has a neutral and independent role on the data extracted and analyzed throughout every stage of the process. By employing a questionnaire, measurable and quantifiable data is collected through an objective stance.

5.2. Research Approach

In the case of this Thesis, a theory-testing approach is employed by moving from the general to the particular, and by starting with a general theory to generate particular observations (de Vaus, 2001). This approach is also known as deduction. Deduction subjects a developed theory through a series of hypotheses that aim to examine and explain causal relationships between concepts (Saunders et al., 2016).

Figure 8, adapted from Bryman and Bell (2011), illustrates the six stages of the deduction approach that are applied throughout this Thesis. By trying to explain the causal relationship the suggested antecedents have on CBE, and the impact CBE has on both intention to upgrade and continuance intention, this Thesis detains the main feature of a deductive process - the attempt to explain causal relationships between variables and concepts trough a set of developed hypotheses based on existing literature, that will either confirm or reject the foundational theories (Saunders et al., 2016).



Figure 7 - The stages of the Deduction process. Adapted from Bryman and Bell (2011)

5.3. Methodological choice

The third layer of the research onion is the choice of methods. A quantitative method is related to numerical data in regards to use and production, whereas a qualitative method is related to the collection and production of non-numerical data (Saunders et al., 2016). As the primary purpose of this Thesis is, through a deductive approach, examine relationships between constructs, the quantitative method of a questionnaire is employed. However, in order to grant a fuller approach to data collection, analysis, and interpretation (Saunders et al., 2016), a multi-method quantitative study is adopted by including a specific open question on the questionnaire.

Considering that the main purpose of applying a multi-method approach is to gather the quantitative and qualitative data, compare it and complement the insights generated, a convergent mixed method is adopted (Creswell & Creswell, 2018). This research design is based on a single-phase approach of data collection, followed by a merged results analysis, and a comparison of both methods in the discussion section (Creswell & Creswell, 2018). The integration of the merging results from the qualitative and quantitative data will be made through a side-by-side comparison approach, in which the quantitative statistical results are first presented, and then the qualitative findings are discussed (Creswell & Creswell, 2018), as a way to complement the quantitative data. According to Somekh and Lewin (2005), “designs with one dominant methodology tend to adhere to the traditional guidelines of that methodology” (p. 277). Thus, the quantitative analysis will be given a higher emphasis without never disregarding the quality, validity, and method applied to the qualitative data as well.

5.4. Research nature

When considering the proposed research question, it is essential to understand the purpose and nature of the research employed. Considering that the origin of the Thesis is based on a problem statement that develops into a research question, reveals that this Thesis follows an exploratory nature. An exploratory study proposes to explore a specific issue or problem and clarify the nature of that same problem (Saunders et al., 2016).

The problem statement revealed a drawback that, in a higher-order relates to the relationship between several concepts, the impact of CBE on the ad-supported users' intention to upgrade or premium subscriber's continuance intention, supported by theories identified in the literature review. Thus, the nature of this research can also be considered explanatory. An explanatory study emphasizes on studying a problem and explain the causal relationships between variables (Saunders et al., 2016).

5.5. Research Design

The primary purpose of the research design is to “ensure that the evidence obtained enable us to answer the initial question as unambiguously as possible” (de Vaus, 2001, p. 9). This author compares the research design to a structural, architectural plan that needs to be defined before commencing ordering materials. In the case of this Thesis, the materials correspond to the data collected. Thus, it is essential to recall the main research question proposed to be addressed in this work:

How and why is Spotify's Consumer Brand Engagement impacting the conversion and retention of Users to a Premium tier?

5.5.1. A Case Study Design

A case study design is used purposefully to encompass specific contextual conditions that are thought to be extremely relevant to the phenomenon of study (Yin, 1994). As presented earlier, Spotify is the case company of this study. The choice of Spotify as a case company is mainly due to the fact that it is the world's largest OMS service (Statista, 2019), but it is also the real-life context of the phenomenon to be investigated (Yin, 1994). Case studies often lead to empirical findings and descriptions that are incredibly relevant to the development of the theory (Saunders et al., 2016).

Yin (1994) identifies four types of case studies designs, based on two dimensions of units of cases and units of analysis:

- a. Single-case vs. multiple-case;
- b. Embedded (multiple units of analysis) vs. holistic (single unit of analysis).

In this study, it could be argued that a single-case design is employed by focusing on a specific case study element. However, “every case should serve a specific purpose within the overall scope of inquiry” (Yin, 1994, p. 45). Since it is being proposed that two different segments of users will have a different impact on the firms' performance, by studying a specific relationship between (1) CBE and the Ad-Supported Users' conversion intention, and (2) CBE and the Premium Subscribers' continuance intention, this study should be defined as a multiple-case one as it considers multiple experiences (Yin, 1994). A process of theoretical replication is expected when two deliberate

different contexts are chosen to produce contrasting results for proposed predictable reasons (Saunders et al., 2016). Through a positivist lens, this process starts deductively by hypothesizing from the literature, what are the expected results of each case (Saunders et al., 2016).

Regarding the second dimension, an embedded design is employed in the design since the phenomenon of CBE is being studied at two different and independent contexts (Yin, 1994), as illustrated in the conceptual framework.

5.5.2. Time Horizon

The time horizon can be either defined as cross-sectional, focused on a particular time, or longitudinal that is spread over a given period (Saunders et al., 2016). In the case of this Thesis, a cross-sectional approach is considered due to time constrain nature of the project and the fact that data was collected during a moment in order to study a phenomenon.

5.6. Data collection

5.6.1. Data collection methods

In this Thesis, primary data is collected through the administration of an online self-completed questionnaire, both available in web and mobile (Saunders et al., 2016), through the Qualtrics software. As previously stated in the methodological choice, this questionnaire is mainly based on quantitative questions but also includes a final open question in order to collect more insights from each respondent. It is crucial to notice that although a case study design is usually associated with qualitative research (de Vaus, 2001), Yin (1994) argues that case studies are not limited to a data collection method and can even be entirely quantitative.

The questionnaire⁴ for either Study 1 and 2 started with the forced-choice question “Are you currently a Spotify user?” in order to guarantee that the respondent matches the requirement of being a current Spotify user (Saris & Gallhofer, 2007). Next, the questionnaire includes several close questions in the form of scales to understand how strongly the respondent agrees or disagrees with

⁴ See Appendix B for the full questionnaire

a statement (Saunders et al., 2016). All the questions were slightly adapted from existing validated scales to match the context used and measured through Likert scales (Schrauf & Navarro, 2005). The constructs used, the respective items and the source of the original scales are detailed in Appendix A. At last, and conditional to the respondent answers, a final open-ended subjective question is realized in order to collect more insights to support the respondents' decision on the intentional behavior towards the brand (Saris & Gallhofer, 2007). In the first study, the focus is to understand what the key factors are influencing the decision for the intention to upgrade to the Premium tier or to remain on the Free version. In the second study, the focus is understanding what the main motives are for a Premium subscriber to continue with its subscription or consider discontinuing it.

5.6.2. Sampling

It is important to consider the target population for each study. The target population is defined as the target focus of research or inquiry (Saunders et al., 2016), which in the case of this Thesis is the total number of active Spotify Ad-Supported Users and Premium Subscribers. Within this target population, primary data is collected from the sample. There are two methods of sampling. Whereas a probability sampling approach offers an opportunity to every individual in the target population, with a nonzero probability, to be included in the sample, a non-probability technique does not allow an equal chance for every individual in the population to be comprised in the sample (Sarstedt & Mooi, Data, 2014).

Considering that the online questionnaire was shared on several Spotify brand communities, e.g., the official Spotify community⁵ and Reddit's Spotify Community⁶, and despite the fact that the first introductory question of the survey was whether the respondent was an active Spotify user or not, it is plausible to argue that who responds to the survey might have another level of Engagement and commitment towards the brand compared to the non-respondents. This means that the selection of each sample is unknown to the researcher, translating into a nonprobability sampling (Saunders et al., 2016). More specifically, and in the form of volunteer sampling, a self-selection sampling technique is applied by allowing everyone to take part in the research by their own desire

⁵ <https://community.spotify.com>

⁶ <https://www.reddit.com/r/spotify/>

(Saunders et al., 2016), only by clicking the link to the survey posted in several online brand communities.

5.6.3. Validity and Reliability

When considering the quality of the research, it is mandatory to assess the reliability and validity of the research design (de Vaus, 2001). In order to understand whether what this research intends to measure – the impact of CBE on conversion or retention – with what measures regarding the questions asked, it is necessary to consider a measurement error (Sarstedt & Mooi, Data, 2014). Measurement errors include systematic error and random error. While systematic error refers to “a measurement error through which we consistently measure higher, or lower, than we actually want to measure” (de Vaus, 2001, p. 34), random error “causes (random) variation between what we actually measure and what we want to measure” (de Vaus, 2001, p. 35). The definition of measurement error is fundamental because they are the foundation of the validity and reliability concepts.

Validity refers to a condition where the systematic error is zero, or in other words, whether we are measuring what it is desired to be measured (de Vaus, 2001.). Construct validity refers to whether the proposed items (i.e., questions) measure the presence of that construct (Saunders et al., 2016). Construct validity is evaluated through convergent validity and discriminant validity (Hair, Hult, Ringle, & Sarstedt, 2014). The latter is the extent to which a specific construct truly differentiates from other constructs by empirical standards, whereas convergent validity corresponds to the positive correlation among alternative measures of the same construct (Hair et al., 2014). All these measures are specified and detailed in Chapter 6.

Reliability refers to the degree to which what is being measured is not influenced by random error (Sarstedt & Mooi, Data, 2014), thus the stability and consistency of an indicator throughout the time horizon and across respondents (de Vaus, 2001). Reliability is measured in this study through internal consistency reliability and indicator reliability (Hair et al., 2014).

Considering the final open-ended question, that intends to generate qualitative data, the principle used to evaluate is adapted from Lincoln and Guba's (1985) criteria of trustworthiness. This criterion entails the validation of credibility, transferability, dependability, and confirmability.

First, establishing the credibility of findings is ensuring that these findings are correct. Although this qualitative data collection is straightforward and based on a single open-ended question, it was previously validated and adapted, considering the feedback from the research supervisor. Second, the transferability of findings refers to the degree to which the findings can be reassigned into a different context (Lincoln & Guba, 1985). Through a thick description of the process (Bryman & Bell, 2011), this Thesis provides future research on the possibility to make a judgment on whether the findings apply to a specific context or not. Dependability is compared to reliability in quantitative analysis and refers to the consistency of the findings and the possibility to repeat them (Lincoln & Guba, 1985). In the case of this Thesis, the process of collecting the qualitative data is conducted online and via a single open-ended question. Hence, all the answers and data are kept to the researcher and included in the process description. In the end, confirmability is the degree to which the findings are free from bias and influence from personal values (Bryman & Bell, 2011). Again, and considering the simplicity of the open-ended question, there is no influence on the respondent answer and all the question is the same for every participant.

6. Data Analysis

This chapter starts with a brief introduction on the choice of a second-generation technique to be applied in this study, particularly by focusing on partial least squares analysis as the chosen method, and by defining critical statistical concepts and definitions that are directly applied to this research. Afterward, the assessment of the measurement model is made, and the structural model results are presented for Study 1 and Study 2 in order to accept or reject the proposed hypotheses delineated in the conceptual framework. To conclude, the results of the qualitative open-ended survey question are presented for each study.

6.1. Introduction

When choosing the best method to analyze and interpret the quantitative data gathered from the online questionnaire, several options arise. First, first-generation techniques such as regression-based techniques can be applied to testing theories and hypotheses, however they have several limitations (Haenlein & Kaplan, 2004). Two of those limitations reveal critical to this study since a first-generation technique sets on the assumption that all variables are observable, and there is no error when measuring these variables (Jacoby, 1978). Thus, a second-generation technique must be applied. Structural Equation Modelling (SEM) arises as an alternative due to its capability of modeling relationships between several independent and dependent constructs (Haenlein & Kaplan, 2004) and by incorporating unobservable variables measured indirectly through indicator variables (Hair et al., 2014).

However, within the SEM, there are two options: covariance-based SEM and partial least squares (PLS) SEM. Considering the research nature of this study identified as both exploratory and explanatory, PLS reveals adequate in the explanation and prediction of a target construct (Rigdon, 2012). Besides, PLS is expected to be more efficient when working with small sample sizes and complex models, when compared to a covariance-based SEM approach (Hair et al., 2014).

In sum, PLS is expected to be superior to the covariance-based SEM considering the nature of the study and the fact that the main goal is to identify key driver constructs (i.e., CBE and its

antecedents), as well as predict key target constructs (i.e., Intention to Upgrade for Study 1 and Continuance Intention for Study 2) (Hair et al., 2014).

6.2. Considerations to PLS

When considering applying PLS-SEM it is important to understand the path model within PLS. PLS path model entails two elements: the structural model and the measurement model (Hair et al., 2014). The former is related to the constructs and the relationships between the constructs (i.e., paths), and the latter regards the relationships between the constructs and the respective indicator variables that define that specific construct. Figure 9 illustrates a simple PLS path model with the respective structural and measurement model.

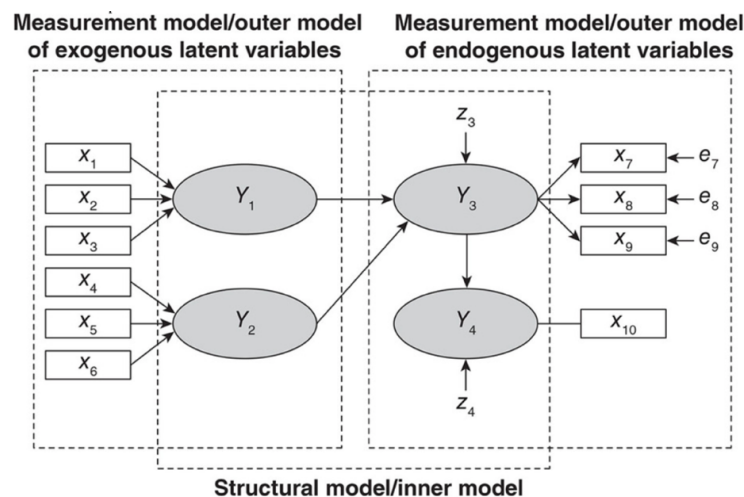


Figure 8 - PLS Path Model. Retrieved from Hair et al., (2014)

Hair et al. (2014) suggest two steps in defining a proper PLS path model. First, the structural model should be specified. Second, a selection and specification of the measurement model should be completed.

6.2.1. Measurement Model

Measurement model regards the relationship between constructs and their related indicator variables (Hair et al., 2014). Two types of measurement models arise when determining how to measure a specific construct: Reflective or Formative. The former is usually associated with social

sciences and considers measures to be the manifestations of a construct. Taking into account that all the reflective indicators (i.e., items of a construct) are caused by the same construct, it is expected for them to be highly positively correlated with one another (Haenlein & Kaplan, 2004). Formative indicators, on the other hand, are the cause of the corresponding construct (Hair et al., 2014). Formative indicators are not affected by the actual construct but rather affect that construct and can manifest dissimilar correlations among each other (Haenlein & Kaplan, 2004).

In the case of this research, all the constructs are measured with reflective indicators by applying several items (i.e., a scale) in order to explain the respective construct. All the constructs, the respective items, and references to the original scales are presented and detailed in Appendix A.

6.2.2. Structural Model

Considering the conceptual framework presented earlier, the structural model to be applied is based on two sequences. First, from the three constructs, defined as antecedents (i.e., Brand Trust, Perceived Personalization, and Perceived Premium Fit), to the CBE construct. Then, from CBE to its consequence (i.e., Intention to Upgrade in Study 1, and Continuance Intention in Study 2). The three antecedent constructs are then defined as an exogenous latent variable, the CBE is defined as an endogenous with dual relationship (i.e., independent and dependent) latent variable since it is predicted by the antecedents and predicts the consequence construct. In the end, the consequences constructs are defined as an endogenous latent variable predicted by CBE.

This sequence is based on the theory explored in the Literature Review, as recommended by Hair et al. (2014), and extends on the framework proposed by Hollebeek et al. (2014).

It is essential to highlight that CBE is defined as a higher-order construct in this study. A higher-order construct “involves summarizing the lower-order components into a single multidimensional higher-order construct” (Hair et al., 2014, p. 44). Considering that CBE is modeled as a reflective construct (Hollebeek et al. 2014; Hollebeek et al. 2019) that includes the Cognitive Processing, Affection and Activation as the three-factors developers of CBE, that are defined as lower-order constructs. The choice of defining CBE as a higher-order construct is based on three main motives. First, the main objective of this study is to understand the relationship between CBE on both Ad-Supported Users’ Intention to Upgrade and Premium Subscribers’ Continuance Intention. Thus, it

makes sense to have a higher-order construct that can be directly evaluated and compared across contexts. Second, higher-order constructs have proved to be beneficial to a PLS path when the lower-constructs are highly correlated, which is the case of CBE (Hollebeek et al., 2014, p. 156), since it unbias the estimation of the structural model and makes the model more parsimonious (Hair et al., 2014). Lastly, the conceptual meaning of CBE is not modified or amended in any way by measuring it as a higher-order reflective construct (Fang, 2017).

In order to represent and measure correctly the higher-order construct, the repeated indicators approach is applied by assigning all CBE indicators (i.e., from Cognitive Processing, Affection, and Activation) to the higher-order construct (Hair et al., 2014). Figure 10 illustrates the CBE as a higher-order reflective construct, and the respective three lower-order constructs.

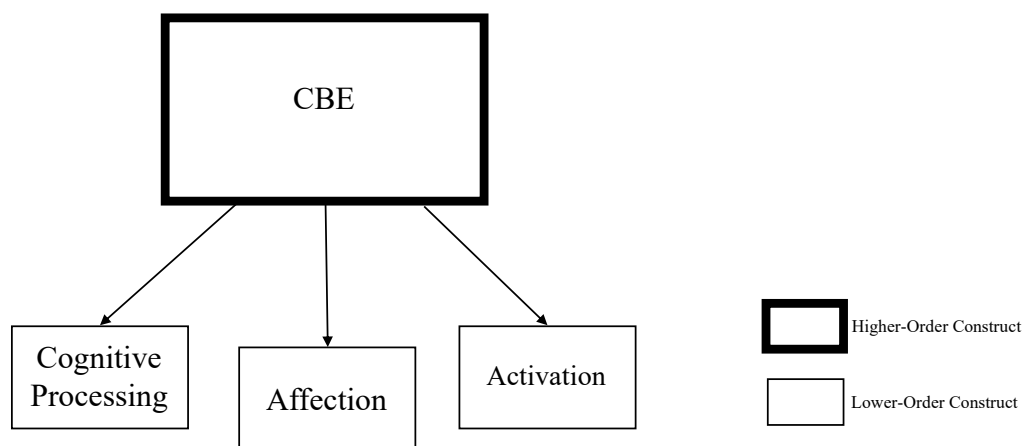


Figure 9 - CBE as a higher-order reflective construct.

6.2.3. Assessment of PLS path model

6.2.3.1. Assessment of the Reflective Measurement Model

The first step in assessing a PLS path model is to start with the reflective measurement model by evaluating its reliability and validity. Without this first stage, it does not make any sense to consider assessing the structural model until reliability and validity are not assured (Hair et al., 2014). Ringle, Sarstedt and Straub (2012) argue that confirmatory factor analysis should be avoided when using PLS since it is more appropriate to evaluate the measurement model through the statistics generated in PLS.

Starting with reliability, indicator reliability is a measure for each individual indicators of a particular construct (Hair et al., 2014). As a rule of thumb, the outer loading of an indicator, which translates into how much of the variation in an item is explained by the construct, should be above 0.50 in order to represent a minimum 50% of an indicator's explained variance (Hair et al., 2014).

Internal consistency reliability should be performed under the analysis of two indicators: Cronbach's alpha and Composite Reliability (Hair et al., 2014). Whereas Cronbach's alpha provides an estimation based on the indicator intercorrelations, assuming the same level of reliability for all indicators (Henseler, Ringle, & Sinkovics, The use of partial least squares path modeling in international marketing, 2009), Composite Reliability proves to be a better alternative since it takes into account the indicator's different loadings (Hair et al., 2014). Regarding the reliability coefficient chosen, values under 0,60 indicate a lack of reliability, while values above 0,70 are considered satisfactory in an early stage of research (Henseler et al., 2009).

In order to assess the validity of the measurement model, convergent validity is evaluated in order to assess whether an indicator correlates positively with alternative indicators of the same construct (Hair et al., 2014). Considering that the constructs are defined as reflective, it is expected that each indicator is considered an alternative approach in explaining that construct, thus implying that indicators should converge (Hair et al., 2014). In order to measure it, the average variance extracted (AVE) should be evaluated (Fornell & Larcker, 1981). In order to validate convergent validity, AVE should be above 0.50, thus indicating that at least more than half of the indicators' variance is explained by the associated construct (Hair et al., 2014).

Discriminant validity tries to capture the uniqueness of each construct. Henseler, Ringle and Sarstedt (2015), while studying the assessment of discriminant validity in PLS, discovered that the usual methods of Fornell-Lacker criterion and the examination of cross-loadings "do not reliably detect the lack of discriminant validity in common research situations" (p. 115). As a superior alternative to measure discriminant validity, these authors suggest the heterotrait-monotrait ratio of correlations (HTMT). HTMT can be defined as "the average of the heterotrait-heteromethod correlations (i.e., the correlations of indicators across constructs measuring different phenomena), relative to the average of the monotrait-heteromethod correlations (i.e., the correlations of indicators within the same construct)" (Henseler et al., 2015, p. 121). In order to validate the

discriminant validity of a construct, the HTMT should be under the threshold value of 0,90 (Hair et al., 2014).

Considering that CBE is defined as a reflective higher-order construct with three lower-order constructs reflectively associated through the repeated indicator approach, some of the assessment has to undergo additional calculations in order to accurately assess the model (Sarstedt, Hair, Cheah, Becker, & Ringle, 2019). The three lower-order constructs can follow the same process of evaluation described above. However, CBE as a higher-order construct demands extra calculations in order to assess its reliability and validity. All these calculations are specified and demonstrated in Appendix C and follow the guidelines proposed by Sarstedt et al. (2019). The structural model assessment demands no extra calculation from its standard processes (Sarstedt et al., 2019), which will be explained next.

6.2.3.2. *Assessment of the Structural Model*

The first step to evaluate the structural model, it is necessary to assess the collinearity among each set of predictors (Hair et al., 2014), which in the case of this study are the three antecedents of CBE. As a rule of thumb, the variance inflation factor (VIF) should be lower than 5 for these constructs (Hair et al., 2014). "More specifically, an indicator's VIF level of 5 indicates that 80% of its variance is accounted for by the remaining formative indicators associated with the same construct. " (p. 144)

The second step is to evaluate whether the path coefficients, that represent the hypothesized relationships, are statistically significant. The path coefficient is characterized by a standardized value that oscillates between -1 and +1, which is equal to a negative and positive relationship, respectively (Hair et al., 2014). However, it is necessary to evaluate whether this relationship is statistically significant by analyzing its significant error.

Through the process of bootstrapping, which in essence means that a "large number of samples (i.e., bootstrap samples) are drawn from the original sample with replacement" (Hair et al., 2014, p. 151), it is possible to draw *p-values* (i.e. probability value) and *t-values* for a specific significance level. In this research, considering it is framed within the Marketing field, the significance level of

5% is considered (Henseler et al., 2009). For a path to be significantly relevant, its p-value should be under 0,05 and the t-value above 1,96 (Hair et al., 2014).

Besides, Hair et al. (2014) call for the investigation on the indirect effects that a construct might have in order to explore the different impacts of constructs in some exogenous variable. In the case of this study is the effect of the antecedents on the behavioral manifestation towards the brand, for each study. Although it has not been hypothesized that CBE acts as a mediator for the antecedents towards either the intention to upgrade or the continuance intention, the analysis of the indirect effect might generate some valuable insights since a significant indirect effect is a requirement for establishing mediation (Zhao, Lynch, & Chen, 2010). In the original framework proposed by Hollebeek et al. (2014), and adapted for this research, CBE is suggested to mediate the association between the antecedents and the proposed effects of CBE (i.e., brand usage intent).

Thirdly, the coefficient of determination (R^2 value) should be interpreted as the model's predictive power as it denotes the amount of variance in the endogenous construct explained by all the constructs connected to it (Hair et al., 2014). Although there is no indication of acceptable value for R^2 , it is important to understand the rationale behind it. It ranges from 0 to 1, and as it gets closer to 1, the predicted power of the exogenous construct increases (Henseler et al., 2009).

At last, effect size (f^2 value) is a valuable complementary measure to evaluate the change in R^2 values when an exogenous construct is removed from the model (Hair et al., 2014). When the effect size is large, it means that a specific construct has a substantive impact on the R^2 values of an endogenous construct. According to Cohen (1988), f^2 of 0.02, 0.15, and 0.35 indicate small, medium, and large effect. An f^2 value lower than 0.02 means that there is no effect.

6.3. Sample Size

One of the main reasons that are leading researchers to choose the use of PLS as an SEM approach is the small sample size (Ringle, et al., 2012). Hair et al. (2014, p. 25), referring to the work of Cohen (1992), argues that to detect a minimum R^2 of 0,10 in any of the dependent variables, for a significance level of 5% and assuming the regularly accepted level of statistical power of 80%, one would need a sample size of at least 145 considering the specification of the applied model that contains a maximum number of 3 independent variables pointing at a dependent construct.

Considering that the sample size in study 1 is 201 and 485 for study 2, the criteria for the minimum sample size is fulfilled and exceeded.

6.4. Qualitative Analysis

Regarding the analysis of the qualitative data, based on the single open-ended question presented in the last section of the questionnaire (see Appendix B), the analysis is made through the two steps suggested by Creswell and Creswell (2018) for a convergent mixed-method design. First, the data gathered from the questionnaire is coded and collapsed into broader themes. Second, the themes are analyzed statistically in order to identify the main themes addressed by the respondents (Creswell & Creswell, 2018). As previously acknowledged, the objective of the qualitative data is to complement the quantitative analysis and provide more insights that might not be entirely captured by the quantitative analysis.

6.4.1. Sample Size

Considering that the purpose of the qualitative data is to trace and gain insights from a smaller sample, it is expected that the sample size is smaller compared to quantitative research. Although the open-ended question is accessible to all the survey respondents, it is presented in the form of an optional response. Opposed to the forced response of the closed question, an optional response is applied to prevent both survey fatigue and to guarantee that respondents are not forced into answering a more complex and subjective question (Creswell & Creswell, 2018).

6.5. Results

6.5.1. Study 1 – Spotify's Ad-Supported Users

6.5.1.1. *Sample Profile*

The questionnaire was available for two weeks in several online brand communities of Spotify Users, and for the first study regarding the Ad-Supported Users 250 started the survey however only 205 completed it. However, within the 205 completed questionnaires, 4 of them contained some outliers and suspicious response patterns (Hair et al., 2014). Accordingly, only the remaining 201 valid questionnaires were used in the analysis.

As illustrated in Table 5, the average age of the participants was 25.5 years old, and the distribution is mostly equalitarian among genders. Almost half of the respondents are students, and only 11% are unemployed, whereas the remaining 42% are employed. Considering the frequency of usage, most respondents use Spotify on a daily basis, and only 12,25% use it once a week.

Study 1 - Ad-Supported Users	
Total Respondents	250
Completed Survey	201
Response Rate	80,40%
Demographics	
Average Age	25,51
Employment Status	
Student	46,57%
Employed full-time	32,84%
Employed part-time	9,31%
Unemployed looking for work	7,84%
Unemployed not looking for work	3,43%
Gender	
Male	53,43%
Female	42,16%
Choose not to specify	4,41%
Frequency of Spotify Usage	
Daily	50,49%
4-6 times a week	22,94%
2-3 times a week	14,22%
Once a week	12,25%

Table 5 - Profile Sample of Study 1

6.5.1.2. Evaluation of the Measurement Model

Regarding the reliability of the measurement model for the first study, indicator reliability is guaranteed since all the outer loadings of every indicator are above 0,70⁷, thus well superior to the threshold of 0,50. For the higher-order construct, CBE, the three-lower order constructs (i.e., Activation, Affection, and Cognitive Processing) as interpreted as if they were indicators of CBE (Sarstedt et al., 2019), thus indicator reliability is assured for CBE since the three of them display values greater than 0,70

⁷ See Appendix D for detailed statistical description.

Considering the internal consistent reliability, and according to the values presented in Table 6, it is possible to verify that the reliability of the model is assured because both Cronbach's alpha and composite reliability values are above the threshold value of 0,70 for each construct.

The convergent validity of the model is also positively evaluated, since the AVE values for every construct are above the minimum value of 0,50, thus meaning constructs can explain more than half of the variance of its corresponding indicators (Hair et al., 2014).

Construct	Cronbach's Alpha	Composite Reliability	AVE	Mean (SD)
Activation (ACT)	0,926	0,953	0,872	5,63 (1,72)
Affection (AFT)	0,905	0,935	0,783	4,96 (1,36)
Brand Trust (BT)	0,837	0,891	0,673	3,69 (1,08)
Cognitive Processing (COG)	0,835	0,901	0,753	3,99 (1,51)
Consumer Brand Engagement (CBE)	<i>0,743</i>	<i>0,854</i>	<i>0,663</i>	<i>4,87 (1,64)</i>
Intention to Upgrade (IU)	0,931	0,967	0,935	3,53 (1,73)
Perceived Personalization (PP)	0,817	0,892	0,735	5,11 (1,09)
Perceived Premium Fit (PPF)	0,832	0,898	0,746	4,67 (1,62)

Table 6 - Descriptive Statistics for Study 1. Note: Values in italic refer to the higher-order construct. All constructs measured in a 7-point Likert scale except for BT that was measured in a 5-point Likert scale. SD = Standard Deviation. AVE= Average Variance Extracted

The discriminant validity is evaluated through the HTMT criteria suggested by Hair et al. (2014), specifically for a PLS-SEM analysis (cf. section 5.2.3.1). HTMT approach translates into an estimation of a deattenuated correlation, in which a value close to 1 result on a lack of discriminant validity (Hair et al., 2014). In the case of this model, and considering Table 7, it is possible to confirm the discriminant validity since all values are lower than 0,85. However, it is important to notice that the discriminant validity should not be considered between ACT, AFT, and COG and their related higher-construct CBE since the measurement model repeats the indicators of the lower-order constructs, thus a violation of discriminant validity is expected for these particular constructs (Sarstedt et al., 2019).

	ACT	AFT	BT	CBE	COG	IU	PP	PPF
ACT								
AFT	0,64							
BT	0,543	0,799						
CBE	-	-	0,807					
COG	0,14	0,439	0,35	-				
IU	0,175	0,198	0,267	<i>0,311</i>	0,157			
PP	0,326	0,614	0,7	0,607	0,413	0,285		
PPF	0,372	0,363	0,279	0,404	0,349	0,312	0,184	

Table 7 – Study 1 Discriminant validity assessment using the HTMT criterion. **Note:** Values in italic refer to the higher-order construct.

6.5.1.3. Evaluation of the Structural Model

Opening with collinearity, in the case of this model, there are three sets of predictors that need to be analyzed: BT, PP, and PPF. These represent the antecedents and predictors of CBE. According to Table 8, collinearity is validated for all CBE predictors, since VIF values are below the suggested threshold of 5 (Hair et al., 2014).

	VIF
Brand Trust (BT)	1,574
Perceived Personalization (PP)	1,508
Perceived Premium Fit (PPF)	1,069

Table 8 – Study 1 Collinearity Assessment.

The second step is the evaluation of the path coefficient values and the subsequent validation of whether those relationships are statistically significant or not. Starting with the CBE antecedents, looking at Table 9, it is possible to find a positive relationship between all the three antecedents and CBE. However, BT (0,567) is by far the construct with more effect on CBE, whereas PP (0,166) and PPF (0,188) have a lower impact on CBE. All these three paths are statically significant with *p* values below the defined 0,05 significance level and *t* values above the 1,96-value threshold (Hair et al., 2014).

The second path that represents CBE's consequences denotes a negative relationship (-0,297) between CBE and the intention to upgrade to a premium version. This negative relationship is statically significant.

	Path Coefficient	t value	p value
Brand Trust (BT) -> CBE	0,567	10,046	0,000
Perceived Personalization (PP) -> CBE	0,166	2,974	0,003
Premium Perceived Fit (PPF) -> CBE	0,188	3,849	0,000
CBE -> Intention to Upgrade (IU)	-0,297	4,868	0,000

Table 9 - Study 1 Path Coefficient and Significance Analysis.

Regarding the indirect effects of CBE antecedents, it is possible to verify that all three antecedents have negative significant indirect effects on the Intention to Upgrade construct. This significant effect highlights the possibility of mediation to occur (Zhao et al., 2010). In order to test the mediation effect of CBE, it is necessary to assess the direct effect of the antecedents on IU (see Table 10). According to the typology presented by Zhao et al. (2010), there are three types of mediation in this study. Even though all three antecedents display negative significant indirect effects towards IU, the same does not occur within the direct effect. BT has a positive significant direct effect on IU, thus displaying competitive mediation. PPF has a significant indirect and direct effect on IU, thus revealing a complementary mediation. In the case of PP, CBE fully mediates the effect on IU since there is no significant direct effect on IU.

	Indirect Effect (Trough CBE)			Direct Effect			Mediation (based on Zhao et al., 2010)
	Path Coefficient	t value	p value	Path Coefficient	t value	p value	
BT -> IU	-0,38	5,742	0,000	0,509	5,524	0,000	Competitive Mediation
PP -> IU	-0,11	2,71	0,007	0,015	1,823	0,068	Indirect-only mediation
PPF -> IU	-0,13	3,27	0,001	-0,19	2,816	0,005	Complementary Mediation

Table 10 – Mediation Analysis for Study 1.

In order to assess the model's predictive power, it is necessary to consider the coefficient of determination and the effect size. Presented in Table 11, the coefficient of determination is exceptionally different from the three antecedents of CBE compared to the consequence. Whereas CBE proves to be moderately predicted by the three constructs suggested in the model, considering the R^2 is above 0,50, the CBE consequence of intention to upgrade is below the weak threshold of 0,25, indicated by Hair et al. (2014). However, the R^2 alone is not expected to capture the full dimension of model predictability, since it is expected that by having only one independent variable IU's R^2 could be low (Sarstedt et al., 2014). Thus, the effect size should be analyzed. The f^2 value of 0,097 for CBE represents an in-between small and medium effect on the IU. For the prediction of CBE, BT is the construct that has the largest effect (f^2 value of 0,46), whereas the remain displays a small effect.

	R^2	f^2
Brand Trust (BT)	-	0,46
Consumer Brand Engagement (CBE)	0,557	0,097
Intention to Upgrade (IU)	0,088	-
Perceived Personalization (PP)	-	0,041
Perceived Premium Fit (PPF)	-	0,074

Table 11 – Study 1 Coefficient of Determination and Effect Size

6.5.1.4. Hypotheses Testing

The last step to analyze the PLS model is to test the proposed hypotheses that are illustrated in the conceptual framework. According to the path coefficients and the significant t values (see Table 12), it is possible to say that all the hypotheses formulated for the first study are confirmed. All the proposed antecedents have a significant positive effect on CBE, as hypothesized, but BT is the one with the highest impact.

Considering the consequences of CBE, the negative significant proposed impact on the IU to a premium tier is thereby confirmed.

	Hypothesis	Path Coefficient	t value
H1a: Brand Trust has a significant positive impact on Spotify Ad-Supported Users' CBE	✓	0,567	10,046
H2a: Perceived Personalization has a significant positive impact on Spotify Ad-Supported Users' CBE	✓	0,166	2,974
H3a: Perceived Premium Fit has a significant positive impact on Spotify Ad-Supported Users' CBE	✓	0,188	3,849
H4: CBE has a significant negative impact on Spotify Ad-Supported Users' Intention to Upgrade to the Premium Tier	✓	-0,297	4,868

Table 12 –Hypothesis Testing for Study 1.

6.5.1.5. Qualitative Analysis

One last open-ended question⁸ was presented based on the respondents' answers to the intention to upgrade. By conditionally presenting the question, it was possible to restrict it to a specific group of respondents (Saris & Gallhofer, 2007). To the respondents who revealed a non-intention to upgrade to a Premium tier, the question "What are the key factors that influence your intention to keep using Spotify's Free version?" was presented. To the other respondents, the question "What are the key factors that influence your intention to upgrade to Spotify Premium?" was presented.

After analyzing the answers⁹, several themes were coded and statistically analyzed. The results are presented in Figures 10 and 11.

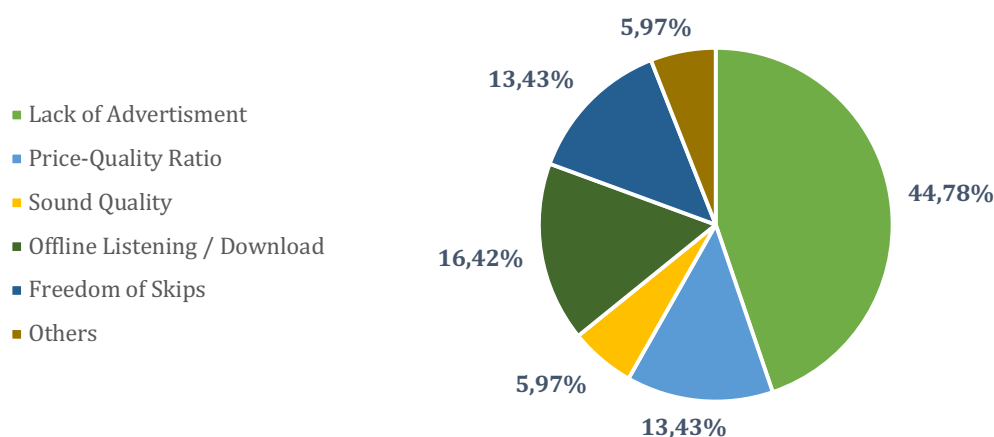


Figure 10 – Themes identified on the question "What are the key factors that influence your intention to upgrade to Spotify Premium?" n= 67

⁸ See the full questionnaire in Appendix B

⁹ All the answers to the open-ended questions are listed in Appendix E.

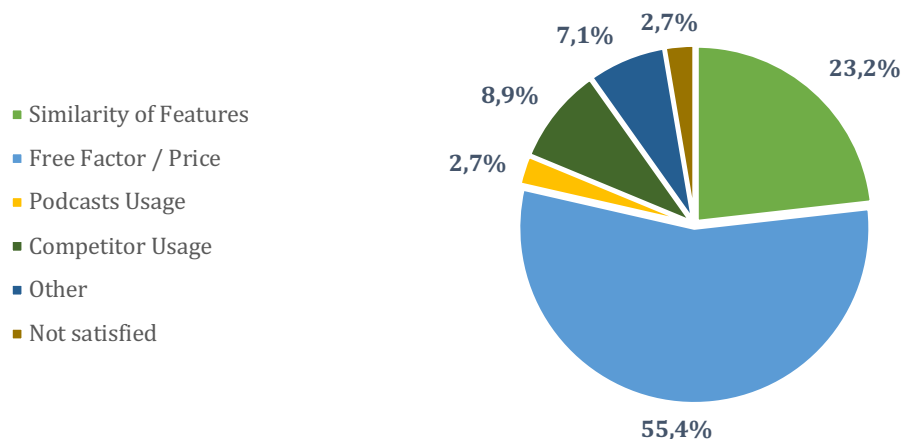


Figure 11 – Themes identified on the question “What are the key factors that influence your intention to keep using Spotify's Free version?”. n= 112

Regarding the respondents that do not intend to upgrade to a Premium version (n= 112), the main reason identified was the non-paid feature of the free version (55,4%). Similarity of features between the free and premium version was also mentioned (23,2%) and the use of a competitor platform too (8,9%).

Concerning the respondents that intend to upgrade to a Premium version (n= 67), the main reason identified is the lack of advertisements on the Premium version (44,78%). Features such as offline listening (16,42%) and the freedom of skips (13,43%) are also mentioned.

6.5.2. Study 2 – Spotify's Premium Subscribers

6.5.2.1. Sample Profile

The second study focused on Spotify's Premium Subscribers exclusively. Conversely to the initial statistics of Spotify's Users being majorly Ad-Supported ones, Study 2 acquired more than the double responses compared to the first study. This could, per se, be an indicator of the propensity of Engagement from the Premium Users.

From a total of 561 respondents, 496 finished the survey, but after reviewing the answers, as suggested by Hair et al. (2014), 11 of the responses were removed for containing outliers' patterns within the answers. Thus, the final sample of 485 responses is the sample size for this study.

The respondents' demographics characteristics are similar to the ones in the first study. The average age is 25,4 years old, which matches the largest share (62%) of Spotify's active users between 18 and 34 years old (Statista, 2020). Regarding gender, 54,51% of respondents are male. Considering the employment status, students are the group with higher representation (48,36%) followed by employed respondents (46,52%) and a small percentage of unemployed respondents (5,12%).

The frequency of Spotify usage is the measure that differs the most from the first study. 84,02% of respondents claim to use Spotify daily and 11,48% from 4 to 6 times a week, whereas 4,50% state using Spotify on a lower frequency.

Study 2 - Premium Subscribers	
Total Respondents	561
Completed and Valid Survey	485
Response Rate	86,45%
Demographics	
Average Age	25,42
Employment Status	
Student	48,36%
Employed full-time	36,07%
Employed part-time	10,45%
Unemployed looking for work	3,28%
Unemployed not looking for work	1,84%
Gender	
Male	54,51%
Female	43,44%
Choose not to specify	2,04%
Frequency of Spotify Usage	
Daily	84,02%
4-6 times a week	11,48%
2-3 times a week	3,89%
Once a week	0,61%

Table 13 – Sample Profile for Study 2

6.5.2.2. Evaluation of the Measurement Model

Concerning the reliability of the measurement model for the second study, when evaluating the indicator reliability, it was possible to realize that one of the indicators for Perceived Personalization (i.e., PP1, see Appendix D) did not fulfill the requirement of having an outer loading greater than 0,60. Thus, that item was removed from the analysis. Apart from that specific indicator,

all the others guarantee indicator reliability for the measurement model. As previously said, the higher-order construct indicators are represented by the lower-order construct's relationship with the higher-order construct (Sarstedt et al., 2019), represented as path coefficients, that in this model exceed the requirement of 0,60.

Regarding the internal consistent reliability, and by taking a closer look into Table 14, it is possible to assure that this measurement model guarantees the validity. Both Cronbach's alpha and composite reliability values for all constructs are above the threshold of 0,70

Convergent reliability is also evaluated within the model. All the constructs have AVE values superior to 0,50, as seen in Table 14. Hence, they can explain more than half of the variance on those indicators (Hair et al., 2014).

Construct	Cronbach's Alpha	Composite Reliability	AVE	Mean (SD)
Affection (AFT)	0,877	0,917	0,734	5,50 (1,17)
Activation (ACT)	0,882	0,927	0,809	6,60 (0,89)
Brand Trust (BT)	0,811	0,875	0,637	4,20 (0,96)
Consumer Brand Engagement (CBE)	<i>0,717</i>	<i>0,769</i>	<i>0,532</i>	<i>5,38 (1,62)</i>
Continuance Intention (CUI)	0,824	0,896	0,741	6,30 (1,14)
Cognitive Processing (COG)	0,841	0,904	0,759	4,01 (1,64)
Perceived Personalization (PP)	0,801	0,884	0,718	5,20 (1,14)
Perceived Premium Fit (PPF)	0,767	0,877	0,782	3,56 (1,75)

Table 14 - Descriptive Statistics for Study 2. Note: Values in italic refer to the higher-order construct. All constructs measured in a 7-point Likert scale except for BT that was measured in a 5-point Likert scale. SD = Standard Deviation. AVE= Average Variance Extracted

Discriminant validity is evaluated by assessing the HMTM of the correlation. Based on Table 15, it is possible that HTMT correlations for all constructs are below the threshold of 0,85, thus assuring discriminant validity for this model. As in Study 1, it is important to mention that the correlations between the higher-order CBE and the lower-order constructs should not be considered since it is expected a lack of discriminant validity among them (Sarstedt et al., 2019).

	ACT	AFT	BT	CBE	COG	CUI	PP	PPF
ACT								
AFT	0,58							
BT	0,479	0,613						
CBE	-	-	0,590					
COG	0,367	0,643	0,307	-				
CUI	0,739	0,624	0,551	<i>0,647</i>	0,377			
PP	0,33	0,41	0,539	0,466	0,392	0,35		
PPF	0,038	0,10	0,103	0,083	0,057	0,043	0,036	

Table 15 - Study 2 Discriminant validity assessment using the HTMT criterion. Note: Values in italic refer to the higher-order construct.

6.5.2.3. Evaluation of the Structural Model

To start off with the evaluation of the structural model, the criteria of collinearity is assessed. It is necessary to evaluate the level of collinearity among the set of predictive constructs, which in this case refers to the antecedents of CBE. By examining Table 16, it is possible to verify that all three predictors of CBE have values of VIF lower than 5, thus guaranteeing the collinearity criteria (Hair et al., 2014).

	VIF
Brand Trust (BT)	1,258
Perceived Personalization (PP)	1,246
Perceived Premium Fit (PPF)	1,013

Table 16 - Study 2 Collinearity Assessment.

The second step in evaluating the structural model is to assess the path coefficients and certify whether if they are statically significant or not. Commencing with relationships between the three antecedents and CBE, and looking at Table 17, it is possible to witness one negative path coefficient from PPF to CBE. However, the other two paths have a positive relationship associated. Despite these disparities on relationships among antecedents and CBE, the negative relationship between PPF and CBE is not statically significant for a significance level of 5% since the *p value* largely exceeds the threshold of 0,05 and the *t value* do not meet the required minimum measure of 1,96. The other two antecedents have significant positive relationships with CBE.

The second path, from CBE to the Continuance Intention, displays a positive relationship (0,623). This path is statically significant for a significance value of 5%, with a *t value* of 16,12, thus representing a large effect of CBE on the continuance intention construct.

	Path Coefficient	<i>t value</i>	<i>p value</i>
Brand Trust -> CBE	0,425	9,187	0,000
Perceived Personalization -> CBE	0,204	4,765	0,000
Premium Perceived Fit -> CBE	-0,035	0,779	0,436
CBE -> Continuance Intention	0,623	16,120	0,000

Table 17 – Study 2 Path Coefficient and Significance Analysis

By analyzing the indirect effects, it is possible to identify two significant positive indirect effects. Both BT and PP have a significant positive indirect effect on CUI, thus mediation could be established (Zhao, Lynch, & Chen, 2010). In order to identify the type of mediation, it is necessary to assess the direct effects the antecedents have on CUI. By looking at Table 18 and considering that BT has both positive significant direct and indirect effect, there is a complementary mediation. Considering PP, since there is no significant direct effect on CUI, CBE fully mediates the positive impact on CUI (Zhao, Lynch, & Chen, 2010).

	Indirect Effect (Trough CBE)			Direct Effect			Mediation (based on Zhao et al., 2010)
	Path Coefficient	<i>t value</i>	<i>p value</i>	Path Coefficient	<i>t value</i>	<i>p value</i>	
BT -> CUI	0,23	6,5	0,000	0,19	3,56	0,000	Complementary Mediation
PP -> CUI	0,11	4,17	0,000	-0,005	0,11	0,91	Indirect Only-mediation
PPF -> CUI	-0,019	0,79	0,43	0,02	0,5	0,61	Nonmediation

Table 18 - Mediation Analysis for Study 2.

The next step is assessing the structural model's predictive power. Considering the coefficient of determination for the two endogenous constructs, it is possible to state that both CBE and CI are low to moderately predicted by their corresponding independent variables, since their R^2 is in between the threshold of 0,25 and 0,50 (Hair et al., 2014). Considering that CI is only being predicted by one single construct (CBE) the coefficient of determination, a complementary analysis

should be made by verifying whether the effect size of the independent variable on the dependent variable is substantial.

The f^2 value for the independent variable of CBE, represents a large effect on Continuance Intention for using a premium tier of Spotify. For the antecedents of CBE, there are three distinct effect sizes for the independent variables. First, and as it would be expected for a non-significant relationship (Sarstedt et al., 2014), PPF has almost no effect on CBE and is below the small effect threshold of 0,02. Second, PP has a small effect on CBE since its f^2 value is above 0,02. Third, BT has a large effect on CBE with the highest f^2 value of the three antecedents (0,302).

	R^2	f^2
Brand Trust (BT)	-	0,206
Consumer Brand Engagement (CBE)	0,302	0,634
Continuance Intention (CUI)	0,388	-
Perceived Personalization (PP)	-	0,048
Perceived Premium Fit (PPF)	-	0,002

Table 19 - Study 2 Coefficient of Determination and Effect Size

6.5.2.4. Hypothesis Testing

The last stage in assessing the structural model is to validate or rejected the proposed hypothesis, defined in the conceptual framework. In Table 20, the hypothesis for the second study are exhibited. Two of the proposed hypotheses for CBE's antecedents are validates, H1b and H2b, however the third hypothesis for a significant negative effect of PPF on CBE is not supported. Despite having a negative valence, the latter relationship is not statistically significant thus rejecting H3b.

Considering the overall impact of CBE on the Continuance Intention, it is possible to validate the significant positive effect CBE has on the intention to continue using and being subscribed to a premium version of Spotify.

	Hypothesis	Path Coefficient	<i>t value</i>
<i>H1b: Brand Trust has a significant positive impact on Spotify Premium Subscribers' CBE</i>	✓	0,425	9,048
<i>H2b: Perceived Personalization has a significant positive impact on Spotify Premium Subscribers' CBE</i>	✓	0,204	4,713
<i>H3b: Perceived Premium Fit has a significant negative impact on Spotify Premium Subscribers' CBE</i>	X	-0,035	0,806
<i>H5: CBE has a significant positive impact on Spotify Premium Subscribers' Continuance Intention to use the Premium Tier.</i>	✓	0,623	15,985

Table 20 – Hypothesis Testing for Study 2.

6.5.2.5. Qualitative Analysis

Identical to the first study, a final open-ended question was included in the survey in order to collect qualitative input from the respondents. Conditional clauses were designed in order to restrict the question to a specific group of respondents (Saris & Gallhofer, 2007). In case respondents revealed an intention to continue subscribed to Spotify Premium, the question “What are the key factors that influence your intention to continue subscribed to Spotify Premium?”. If not, the following question was presented: “What are the key factors that influence your intention to discontinue the use Spotify Premium?”

However, the sample sizes for each question were very dissimilar. Considering that the open-ended question was optional, the sample size for the respondents who consider discontinue the use of Spotify Premium was 10 valid responses. On the other hand, the sample size for the respondents that intent to continue subscribed to Spotify was 307 valid responses.

After examining the responses¹⁰, several themes were coded and statistically analyzed. The results are presented in Figure 12 and 13.

¹⁰ All the open-ended answers are listed in Appendix E.

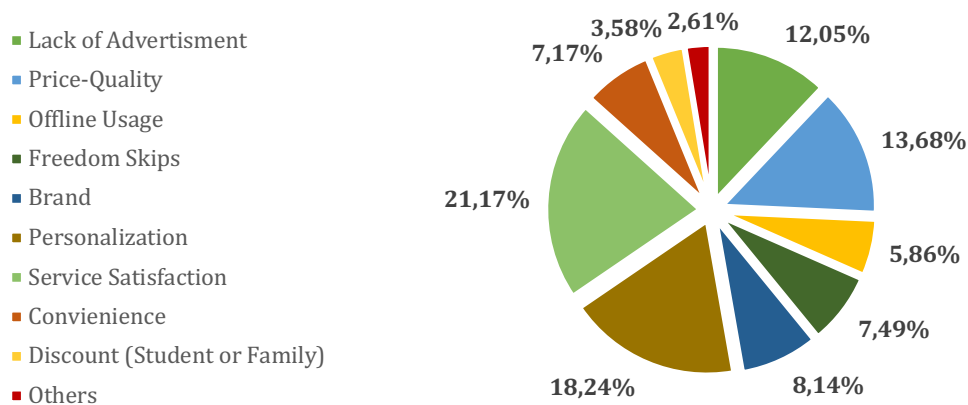


Figure 12 - Themes identified on the question "What are the key factors that influence your intention to keep subscribed to Spotify Premium?". n= 307

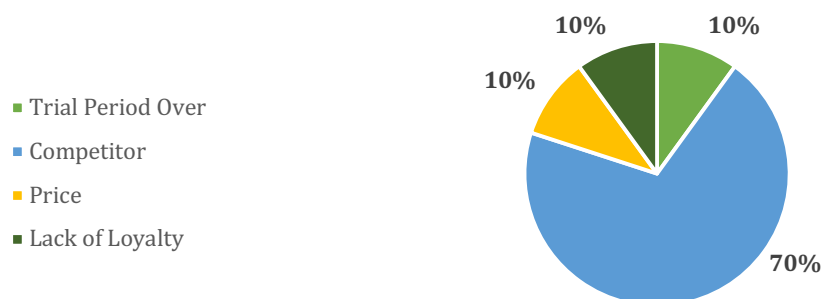


Figure 13 - Themes identified on the question "What are the key factors that influence your intention to discontinue the use of Spotify Premium? n= 10

Regarding the respondents that intend to keep subscribed to the Premium version, the service satisfaction is the most mentioned theme among respondents (21,17%). The personalization feature of Spotify is also highly mentioned among respondents (18,24%), as well as the lack of advertisement in the Premium version (12,05%). The Price-Quality ration is also mentioned several times (13,68%). The theme of brand love or loyalty is also mentioned within the respondents, as respondents justify the key factor for continuance intention to keep subscribed based on the affection and loyalty for the Spotify brand.

Despite the small sample size of the respondents that intended to discontinue the use of Spotify Premium, most respondents mentioned the existence of a substitute competitor service as the main reason for the intent demonstrated (70%).

6.5.3. Final Path Representation

6.5.3.1. Study 1- Ad-Supported Users

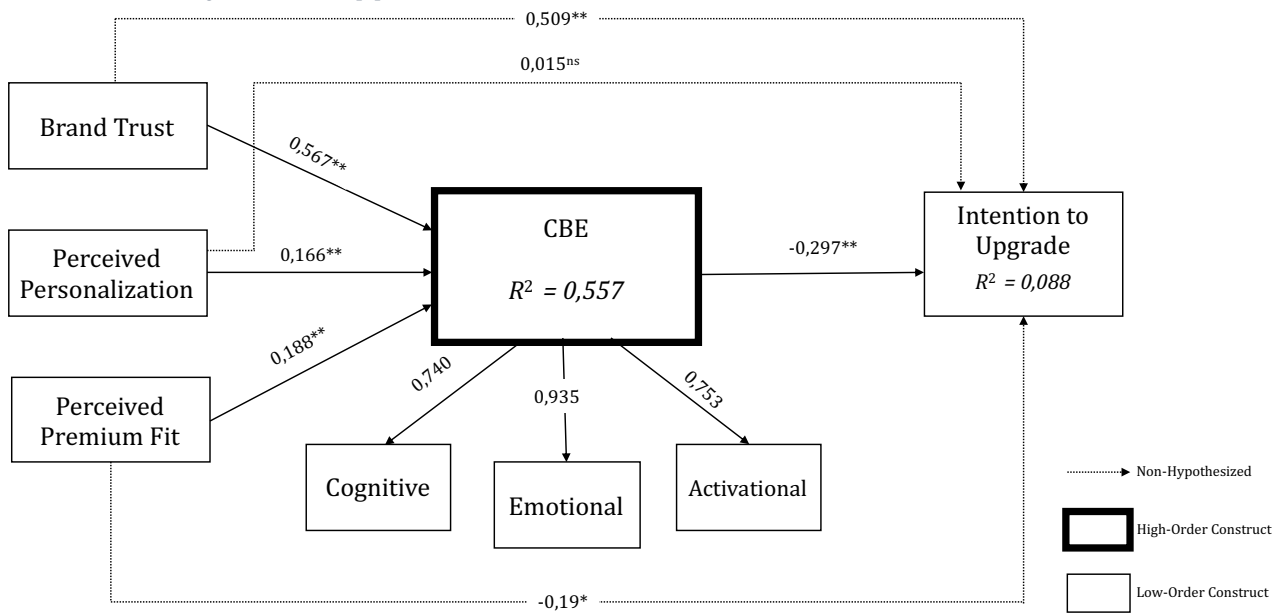


Figure 14 - PLS Path for Study 1. **Legend:** Values represent above the arrows the Path coefficients. **: significant at 0,005; *: significant at 0,01 ; ^{ns} non-significant.

6.5.3.2. Study 2- Premium Subscribers

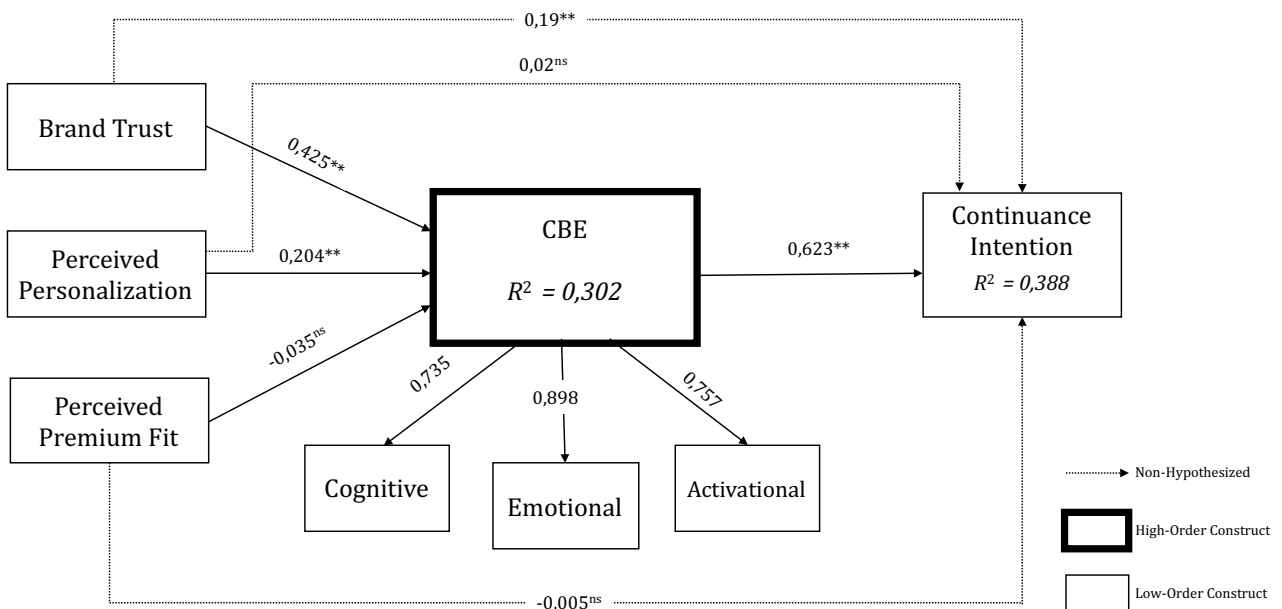


Figure 15 - PLS Path for Study 2. **Legend:** Values above the arrows represent the Path coefficients. **: significant at 0,005; ^{ns} non-significant.

7. Discussion

This section provides a discussion for the main findings presented in the Results section. By splitting the discussion in both theoretical and managerial contributions, it is possible to frame and extend the existing knowledge and theories originated in the literature but also discuss the managerial implications and contributions that the empirical study produces by focusing on the case study of Spotify as an Engagement platform. In addition, some limitations of the Thesis are presented and avenues for future research are suggested.

7.1. Theoretical Contributions and Implications

7.1.1. CBE as a context-dependent construct

Several authors acknowledge the need to understand how the context influences not only the level of CBE but also the antecedents and its manifestation towards the firm (e.g., Hollebeek et al. 2019; Pansari and Kumar 2016). The results of this Thesis empirically support Brodie's et al. (2011a) foundational premise that Engagement is reliant to situational conditions. In the case of the present Thesis, CBE is assessed in two individual studies that consider two segments of Spotify users: Ad-Supported Users for Study 1 and Premium Subscribers for Study 2. By considering the same brand, the same set of CBE antecedents and proposing two behavioral intentions to either upgrade to a premium version (i.e., Study 1) or to continue subscribed to the premium version (i.e., Study 2), it was empirically possible to validate the theoretical assumption of CBE as a context-dependent construct for three main reasons. First, the same set of antecedents proves to have different effects on the foundation of CBE. Second, the levels of CBE for each study are considerably different. Third, the manifestations of CBE are opposite. Whereas in the first study CBE has a significant negative effect on the intention to upgrade, in the second study, CBE is positively impacting the retention of Premium Users. Consequently, the findings of this Thesis empirically support Brodie's et al. (2011a) foundational premise that Engagement is reliant to situational conditions.

The antecedents for CBE prove to be very different among Study 1 and Study 2. Whereas in the first study, all three antecedents positively influence a higher level of CBE, the same does not happen within the second study. The perceived premium fit is positively impacting the CBE levels for the Ad-Supported Users but is not having any significant effect on Premium Subscribers' CBE. Ad-

Supported users are positively influenced by their perception of the Free version being like the Premium Version to invest in a focal relationship with the brand. On the other hand, the Premium subscribers show no influence of Perceived Premium Fit within their foundational process of CBE.

Brand Trust, as appointed by several authors, demonstrates to be an essential antecedent for CBE in both studies. Pansari and Kumar (2016) argue that a relationship based on trust between a customer and a firm is a crucial factor in making customers engaged. As claimed in the commitment-trust theory (Morgan & Hunt, 1994), trust is an important driver to a relationship commitment, that in essence, is captured in this study. Considering that both studies include existing Spotify customers as the sample, Hollebeek's (2011a) argument for brand trust to act as an antecedent for this specific typology of customers is confirmed.

The perceived personalization construct can be understood as an operant resource, in the form of knowledge, that Spotify is integrating in order to create value for the customer (Vargo & Lusch, 2016), and serve as a foundational process for CBE. Even though Spotify offers the same personalized playlists for both Ad-Supported Users and Premium Subscribers, it is on the Premium Subscribers that the construct of Perceived Personalization has the most effect on CBE.

The scale developed by Hollebeek et al. (2014) allows the quantification and investigation of a specific group's focal Engagement level towards a brand (Hollebeek et al., 2016), thus permitting a direct comparison of CBE levels across Study 1 and Study 2. By analyzing both Tables 6 and 14, on the Data Analysis section, it is possible to conclude that the Premium Subscribers display higher CBE levels towards Spotify, compared to the Ad-Supported Users. Thus, contributing to validate the theoretical propose of CBE as a context-dependent construct.

Although CBE is not hypothesized to be a mediator in this study, the indirect effects of the antecedents through CBE on both the intention to upgrade (i.e., Study 1) and continuance intention (i.e., Study 2) reveal different types of mediation for CBE. Whereas in the first study, CBE is negatively mediating BT and PP, which had a direct positive effect on Intention to Upgrade, in the second study, CBE is positively mediating these same constructs.

It should be emphasized that the competitive mediation that occurs in study 1 represents a suppression effect of CBE on the relationship between BT and the Intention to upgrade (Zhao,

Lynch, & Chen, 2010). This is explained by the opposite signs of the indirect and direct effect of BT on the Intention to Upgrade. Whereas the direct effect is significantly positive, the indirect effect through CBE is significantly negative, which translates into a suppressor effect of CBE. Hollebeek et al. (2014), on the other hand, identified that CBE fully mediates the relationship between the antecedent (i.e., involvement) and the consequence (i.e., brand usage intent) with a significant positive effect.

The last, and probably the most notorious nuance, is the effects CBE produces in each study concerning the behavioral intention to either upgrade or remain subscribed to the Premium version. A context modification is empirically tested in this Thesis to be a factor that completely transforms the manifestation of CBE towards the firm. Whereas in Study 1, CBE is negatively impacting the Ad-Supported Users' intention to upgrade, in Study 2, CBE has the opposite effect by positively impacting the Premium Subscribers' continuance intention. Although literature acknowledges the CBE concept to be context-dependent, it is still predominantly based on the assumption that higher levels of CBE generate positive outcomes for the firm (Kumar & Pansari, 2016)

Overall, the CBE construct is empirically demonstrated to be a situational-dependent construct that expresses differently across users of the same brand, that differ across the subscription model of Spotify. The antecedents prove to have diverse effects on CBE, the level of CBE itself is considerably different across studies, CBE mediates the antecedents in singular ways, and the manifestations point out in opposite directions.

7.1.2. Outcomes of CBE

This study has a clear focus on the value created by customers towards the firm, in this case, Spotify, and to a specific dimension proposed by Kumar et al. (2010) – customer purchasing behavior. This dimension is ultimately what leads to the customer lifetime value by considering the present value of future profits that arise from a customer during the period of business with the firm (Kumar et al., 2010). Several authors call for the need to investigate the theoretical assumption that positive CBE levels will lead to positive organizational outcomes (Hollebeek et al., 2016). This study empirically proves that this assumption is not valid for the context of OMS services.

Although both Study 1 and Study 2 indicate overall CBE positive values, the behavioral manifestations towards the firm reveal to be very different. In the first study, there is a significant negative relationship between CBE and the intention to upgrade to a premium version of Spotify. In contrast, in the second study, the relationship is significantly positive between CBE and the continuance intention to keep subscribed to the Premium version. Considering the theoretical framework proposed by de Villiers (2015), it is possible to frame Ad-Supported Users' CBE and Premium Subscribers' CBE into different quadrants considering the valence and intensity of CBE (Figure 15).

The Ad-Supported Users have a negative passive behavior manifestation of CBE, which translates into a non-purchase intention towards the Premium version of Spotify (de Villiers, 2015). The free users are engaged with the brand but do not consider an upgrade towards the paid version, which can be interpreted as passive brand support (de Villiers, 2015). The qualitative results of the open-ended question are precious in this context since they support the notion of inertia and convenience towards the brand.

On the other hand, Premium Subscribers are actively supporting the brand by displaying high intentions to purchase and continue subscribed to the Premium version. It is statistically proved that CBE is positively influencing this manifestation. Thus, Premium Subscribers display a positive active behavior manifestation of CBE (de Villiers, 2015).

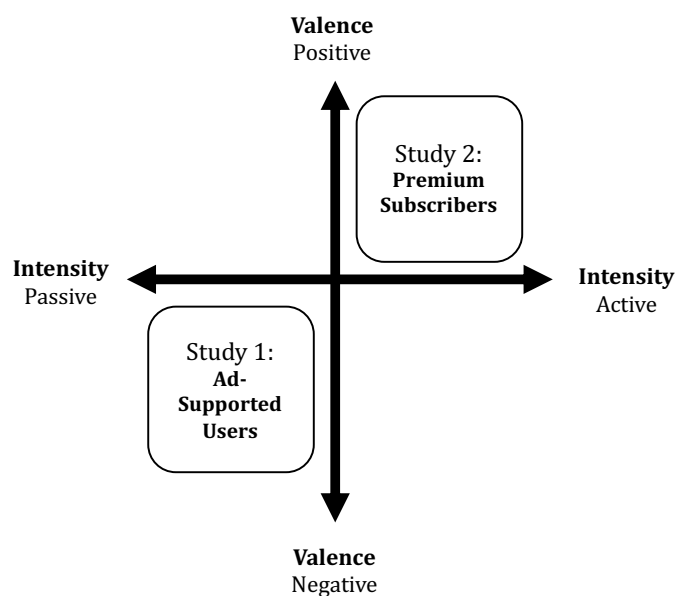


Figure 16 - Valence and Intensity of CBE in Study 1 and 2. Adapted from de Villiers (2015, p.1959)

Kumar (2013, p.102) defines Customer Brand Value as the “total value a customer attaches to a brand through his or her experiences with the brand over time” and includes two behavioral dimensions important to this discussion: brand behavior intention and brand price premium behavior. These two dimensions are directly linked to the lifetime value of a customer (Kumar, 2013). However, in this Thesis, the Ad-Supported users are not contributing to the customer brand value since the behavioral intention to upgrade to a Premium tier is not positive, which is expected to negatively influence the willingness to pay a premium price (i.e. brand price premium behavior). On the other hand, the Premium Subscribers display a higher purchase intention in the form of continuance intention to subscribe to the premium version.

This empirical study provides an indication for the non-linear relationship between CBE and the organizational outcomes by evidencing the opposite effects CBE has on two different segments of customers.

7.2. Managerial Contributions and Implications

7.2.1. CBE in the context of Spotify

This study provides novel insights and knowledge to the context of OMS services and digital platforms operating in the Freemium Business model, thus having important managerial implications. It has been questioned whether companies should always maximize the levels of CBE in order to increase marketing performance (e.g., Hollebeek et al. 2019; Brodie et al. 2011a; Hollebeek et al. 2016). This study empirically, and from a managerial perspective, contradicts the assumption that “engaged customers tend to exhibit purchase-related behaviors that directly drive firm performance” (Leckie et al., 2019, p. 319).

In the context of a Freemium Business Model, CBE is only positively enhancing the retention of the Premium Subscribers but not the conversion of the Ad-Supported Users to the premium tier of Spotify. Thus, it might be argued that CBE can be perceived as a powerful tool to retain the premium subscribers but not to convert the ad-supported users into a paid subscription.

This research generates more valuable managerial insight to the Spotify context beyond the direct relationship between CBE and the behavioral outcomes. Starting with the antecedents of CBE, it is clear that Ad-Supported Users have a higher perception of the similarity between the free and the premium version compared to the Premium Subscribers¹¹, and that reflects into the impact PPF has on the generation of CBE and the overall impact on the behavioral manifestation. Whereas in Study 1, PPF has a positive effect on the development of CBE, in Study 2, the effect is insignificant. Besides, the indirect effect PPF has on the Intention to Upgrade is negative and statistically significant, whereas, in Study 2, this indirect effect is again insignificant. This perception of similarity in features from the Ad-Supported Users is a possible cause of the free-riding effect (Chiotis, 2015), since the users are engaged with a free version that is perceived to be similar to the paid premium version and does not consider the upgrade as an option. The qualitative data from Study 1¹² supports the presence of free-riders and the users' high perceived premium fit. This is due to 55% of the respondents referring to the Free-factor as one of the key reasons why they do not consider an upgrade to the Premium version, whereas 23% point out that the similarity of features between version is the main reason. In line with Mäntymäki et al. (2019), this Thesis substantiates that the intention to upgrade to a premium tier is based on a cost-benefit analysis, in which customers anchor the zero price as an additional benefit towards the free version (Gu et al., 2018).

Brand Trust, instead, has a significant positive impact on CBE for both studies. However, there is a specific indirect effect that is worth scrutinizing. In Study 1, it is possible to verify that BT has a significant positive effect on the Intention to Upgrade, but the indirect effect (through CBE) is significantly negative¹³. This identified competitive mediation effect of CBE acts as a suppressor towards the IU (Zhao et al., 2010), which supports the notion of passive brand support. In Study 2, the CBE's mediation is defined as a complementary mediation that enhances the positive direct effect BT has on CUI through the indirect effect on CUI.

Perceived Personalization has no direct effect on the behavioral manifestation of CBE for both studies. Nevertheless, the indirect effect through CBE is significant for both cases but points out in opposite directions. Whereas the indirect effect in Study 2 is positive, in Study 1, this indirect effect is negative. The qualitative data once again support the results from the quantitative facts. This

¹¹ See Tables 6 and 14

¹² See Figure 11

¹³ See Table 10

confirmation is due to, in Study 2, 18,3% of the respondents identified the Personalization theme as one of the key reasons for the intention to continue subscribed to the premium version, while in Study 1, the respondents that revealed an intention to upgrade to a premium version never mentioned the Personalization factor but identified the lack of advertisement as the main factor to consider an upgrade.

7.2.2. Adapting the Freemium Business Model Strategy

Although Engagement reveals to be a great tool to retain the subscribed Premium users, the same does not apply to the conversion of Ad-Supported users.

Holm and Günzel-Jensen (2017) support the idea that finding the right balance between the free and premium offerings is vital for the long-term sustainability of the freemium business. However, and according to the findings of the present research, it seems that Ad-Supported users perceive the Free version too similar to the Premium one. Although the PPF is positively impacting the generation of CBE, it is indirectly impacting the IU in a negative way. This translates into an attempt from Spotify to offer too many similar features within the Free version in order to create engagement, but the ultimate contribution is not favorable because it is not converting users into the Premium version.

By analyzing the qualitative data from the first study, it is possible to understand that the Ad-supported users that consider an upgrade identify the main reason for that as a limitation of the free version (i.e., in order to avoid advertisements) and not an advantage of the service itself. This supports the idea of Spotify reducing the similarities between the two versions, in order to decrease the perceived premium fit and create demand for the paid version. In line with the findings from Hamari et al. (2020) that validated the 'demand trough inconvenience' hypothesis, Spotify should design its free service in order to build obstacles for the full enjoyment of the free version.

However, the complexity of the Freemium Business Model makes this design decision of balancing the features of the Free and Premium not so easy and immediate since users have a meager switching cost from one service provider to another due to the free price (Holm & Günzel-Jensen, 2017).

One possible managerial solution would be for Spotify to include a free sampling limited-period of the Premium version, instead of trying to convert Ad-Supported Users directly from the free version. Koch and Benlian (2017), empirically validated that a *Preemiumfirst* strategy, in which consumers are offered a limited period free-trial of the Premium version and then are relocated into the free and limited version, significantly increases conversion propensity of the ad-supported users. This conversion is particularly increased when customers perceive the free version as similar to the premium version, which is the exact case of Spotify's Ad-Supported Users, by means of the loss aversion becoming the prominent mechanism of conversion (Koch & Benlian, 2017).

7.3. Limitations and avenues for further research

This Thesis is subject to some limitations. First, considering the sampling method applied for both studies, one might argue that only participants with strong feelings towards the brand will participate in the survey (Saunders et al., 2016), thus omitting more apathetic users and subscribers. The fact that more Premium Subscribers responded to the questionnaire, even though they are in minor number than the total Ad-Supported Users (Spotify, 2019a), can reveal a bias from the sample of the Premium Subscribers in terms of the Engagement level.

Furthermore, the same set of CBE antecedents was intentionally applied for both studies with the specific purpose of investigating the context-dependent characteristic of the CBE foundation. However, this purpose of comparison might have hidden some relevant drivers for each specific dimension of Ad-Supported Users and Premium Subscribers.

de Villiers (2015) argues that the concept of CBE is subject to a specific set of time and that the expressions or manifestations of CBE might be "variable, depending on which aspect of their brand experience is salient to the consumer at any given point in time" (p. 1955). The fact that this research was conducted in a particular snapshot of time, and not in a longitudinal perspective, might hold back some different manifestations of CBE.

Regarding the avenues for future research, the extended notion of CBE as an asymmetrical and complex construct realized throughout this Thesis, is an important topic to be studied and validated in future research (de Villiers, 2015). Researchers should understand whether this asymmetrical

effect of CBE is present in each one of the three dimensions that it encompasses, or if it is more pronounced in a specific dimension of CBE (Hollebeek et al., 2019). It would be interesting to understand whether there is an optimal CBE level for the Ad-Supported Users that can generate positive firm results (Hollebeek et al., 2019).

Further research should consider studying both active and prospective customers' CBE in order to understand whether extant perceived relationship quality levels impacts the levels of CBE and consequent effects on the firm's performance (Hollebeek, 2011a).

Although CBE is not hypothesized to be a mediator in this Thesis, future research should evaluate whether competitive mediation between the antecedents and the consequences occurs in other contexts and settings. The suppression effect of CBE identified in Study 1 might reinforce the premise that CBE should not be pursued in every single scenario.

Considering that the Freemium Business Models includes several other contexts beyond the OMS, it would be interesting to understand whether this asymmetrical effect of CBE exists in other contexts as well. In addition, future research should validate whether a *Preemiumfirst* trial strategy can affect the manifestations of CBE, compared to a *Freefirst* strategy.

8. Conclusion

This section provides a conclusion to the Thesis by clearly answering the proposed research question, and the three derived sub-research questions, and by summarizing the main findings and insights resultant from the research question.

This Thesis set out to understand the impact CBE has on the conversion and retention of Spotify users to the Premium version of the service. With both a managerial interrogation on whether CBE can be taken as a tactic for both conversion of Ad-Supported users and the retention of Premium Subscribers and the theoretical purpose to understand whether the concept of CBE defined in the Marketing literature mirrors the empirical evidence collected from the research, this study generates novel and important knowledge to academics and practitioners.

By addressing the research question ‘How and why is Spotify’s Consumer Brand Engagement impacting the conversion and retention of Users to a Premium tier?’, the research was divided into two studies, with different contributions to the final response of the research question. The first study investigated the impact CBE has on the Ad-Supported Users towards a behavioral manifestation of intention to upgrade to a Premium version of Spotify. The findings on the first study reveal that CBE has a significant negative effect on the Intention to Upgrade, thus contesting the theoretical assumption that engaged customers and high CBE levels are directly associated with positive organizational outcomes and firm performance (Leckie et al. 2019; Hollebeek et al. 2016; Pansari & Kumar 2016) and confirming the complex and asymmetrical relationship between CBE and firm performance (de Villiers, 2015). Considering the valence and intensity of CBE, in this case, a negatively valenced and passive CBE is considered for Spotify’s Ad-Supported User, thus enacting passive brand support (de Villiers, 2015). Although not hypothesized, CBE revealed a suppression effect towards Brand Trust, by competitively mediating the relationship between Brand Trust and the Intention to Upgrade (Zhao et al., 2010).

The second study focuses on the Premium Subscribers and the continuance intention to remain subscribed to the Premium version. The results empirically evidence that CBE has a significant positive effect on the Continuance Intention to remain subscribed to the Premium version, an opposite effect compared to the first study. The comparison of both studies results on the

confirmation that CBE is indeed a context-dependent construct (Brodie et al. 2011a; Hollebeek et al. 2019) that distinct in both antecedents and outcomes. Considering the valence and intensity of CBE, a positively valence and active CBE is assumed for the Premium Subscribers (de Villiers, 2015) due to their active behavioral manifestation towards remaining subscribed and tied to the Premium (i.e., paid) version of Spotify.

This research also sheds light on one of the most prominent business models of the digital era, the Freemium Business Model (Holm & Günzel-Jensen, 2017). To date, the concept of Engagement had not been studied in a Freemium context nor in the Online Music Streaming context. Engagement should be perceived as a powerful tactic to retain the subscribed users but not to convert the Ad-Supported users since the latter make the decision based on a cost-benefit analysis wherein the zero-price effect plays an important role (Gu et al., 2018). In order to overcome the risk of free-riding and the passive brand support, managers should strive to minimize the perceived premium fit in order to generate a 'demand through inconvenience' (Hamaria et al., 2020) and consider offering a free-trial period of the fully featured Premium version in order to increase the conversion of Ad-Supported users to a Premium tier.

9. References

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10. Appendices

Appendix A – Constructs, items, and source.

Construct and items

Perceived personalization (PP) - Adapted from Kang, Shin, and Gong (2016)

PP1: Spotify understands my needs

PP2: Spotify knows what I want

PP3: Spotify takes my needs as its own preferences

Brand Trust (BT) - Adapted from Delgado-Ballester et al. (2003)

BT1: Spotify meets my expectations

BT2: I feel confidence in Spotify

BT3: Spotify never disappoints me

BT4: Spotify guarantees satisfaction

Premium Perceived Fit (PPF) - Adapted from Wagner et al. (2014) and DelVecchio and Smith (2005)

PPF1: There is a big similarity between the features available on Spotify Free and Spotify Premium

PPF2: Spotify Free is similar to Spotify Premium.

PPF3: Spotify Free is similar to Spotify Premium in terms of the needs it satisfies

Consumer Brand Engagement (CBE) - Adapted from Hollebeek et al. (2014)

Cognitive processing (COG)

CP1: Using Spotify makes me think about Spotify

CP2: I think about Spotify a lot when I am using it.

CP3: Using Spotify stimulates my interest to learn more about Spotify

Affection (AFT)

AF1: I feel very positive when I use Spotify.

AF2: Using Spotify makes me happy.

AF3: I feel good when I use Spotify.

AF4: I am proud to use Spotify.

Activation (ACT)

AT1: I spend a lot of time using Spotify, compared to other online music streaming platforms.

AT2: Whenever I am using online music streaming platforms, I typically use Spotify.

AT3: Spotify is one of the brands I usually use when I use an online music streaming platform.

Intention to upgrade (IU) - Adapted from Wang, Wang & Lin (2018)

IU1: I intend to upgrade to the Premium version of Spotify.

IU2: I plan to upgrade to the Premium version of Spotify.

Continuance Intention (CUI) - Adapted from Bhattacharjee (2001)

CUI1: I intend to continue using Spotify Premium rather than discontinue its use

CUI2: My intentions are to continue using Spotify Premium than use any alternative available

CUI3: If I could, I would like to discontinue my use of Spotify Premium (**reversed item**)

Appendix B: Questionnaire for Study 1 and Study 2

Study 1:

Intro 1:

Hi there,
Welcome and thank you so much for being part of this survey. I'm conducting this study as my Master's Thesis Research at Copenhagen Business School, and the aim of it is to investigate on Spotify's Consumer Behavior and Engagement. It should take around 4-5 minutes to complete. Please answer all following questions intuitively, as there are no right or wrong answers.

Thank you so much,
Diogo

Q1: Are you a Spotify User?

Q2: Currently are you using the Free version of Spotify (Spotify Free) or subscribed to the Premium Version (Spotify Premium)?

Q3: In a week, usually how many times do you use Spotify?

Intro 2: Spotify Free includes up to 15 curated playlists, based on your musical taste and music pattern behavior. These playlists offer the functionality of being on-demand - i.e. you can choose which song to listen to - but the advertisement will still be present during the listening period. Spotify also gives you the option to steer the playlist through the "Like or Dislike" button.

Q4: Given the suggested Playlists offered by Spotify, to what extent do you agree or disagree with the following statements?

PP1: Spotify understands my needs

PP2: Spotify knows what I want

PP3: Spotify takes my needs as its own preferences

Q5: Given the overall features included in Spotify Free, to what extent do you agree or disagree with the following statements?

BT1: Spotify meets my expectations

BT2: I feel confidence in Spotify

BT3: Spotify never disappoints me

BT4: Spotify guarantees satisfaction

Q6: Considering your usage and interaction with Spotify, to what extent do you agree or disagree with the following statements?

COG1: Using Spotify makes me think about Spotify

COG2: I think about Spotify a lot when I am using it.

COG3: Using Spotify stimulates my interest to learn more about Spotify

Q7: Considering your connection to Spotify, to what extent do you agree or disagree with the following statements?

AFT1: I feel very positive when I use Spotify.

AFT2: Using Spotify makes me happy.

AFT3: I feel good when I use Spotify.

AFT4: I am proud to use Spotify.

Q7: Considering your activity on Spotify, to what extent do you agree or disagree with the following statements?

ACT1: I spend a lot of time using Spotify, compared to other online music streaming platforms.

ACT2: Whenever I am using online music streaming platforms, I typically use Spotify.

ACT3: Spotify is one of the brands I usually use when I use an online music streaming platform.

Q8: Considering the different features included in Premium version compared to the ones on the Free Version, to what extent do you agree or disagree with the following statements?

PPF1: There is a big similarity between the features available on Spotify Free and Spotify Premium

PPF2: Spotify Free is similar to Spotify Premium.

PPF3: Spotify Free is similar to Spotify Premium in terms of the needs it satisfies

Q9: Considering the possibility to upgrade to Spotify's Premium version, to what extent do you agree or disagree with the following statements?

IU1: I intend to upgrade to the Premium version of Spotify.

IU2: I plan to upgrade to the Premium version of Spotify.

Q10_a: What are the key factors that influence your intention to upgrade to Spotify Premium?

Q10_b: What are the key factors that influence your intention to keep using Spotify Free?

Q11: What is your gender

Q12: What is your age?

Q13: What is your employment status?

Study 2:

Intro 1:

Hi there,
Welcome and thank you so much for being part of this survey. I'm conducting this study as my Master's Thesis Research at Copenhagen Business School, and the aim of it is to investigate on Spotify's Consumer Behavior and Engagement. It should take around 4-5 minutes to complete. Please answer all following questions intuitively, as there are no right or wrong answers.
Thank you so much,
Diogo

Q1: Are you a Spotify User?

Q2: Currently are you using the Free version of Spotify (Spotify Free) or subscribed to the Premium Version (Spotify Premium)?

Q3: In a week, usually how many times do you use Spotify?

Intro 2: Spotify Premium includes up to 15 curated playlists, based on your musical taste and music pattern behavior. In addition, Spotify gives you the option to steer the playlist through the "Like or Dislike" button.

Q4: Given the suggested Playlists offered by Spotify, to what extent do you agree or disagree with the following statements?

PP1: Spotify understands my needs

PP2: Spotify knows what I want

PP3: Spotify takes my needs as its own preferences

Q5: Given the overall features included in Spotify Premium, to what extent do you agree or disagree with the following statements?

BT1: Spotify meets my expectations

BT2: I feel confidence in Spotify

BT3: Spotify never disappoints me

BT4: Spotify guarantees satisfaction

Q6: Considering your usage and interaction with Spotify, to what extent do you agree or disagree with the following statements?

COG1: Using Spotify makes me think about Spotify

COG2: I think about Spotify a lot when I am using it.

COG3: Using Spotify stimulates my interest to learn more about Spotify

Q7: Considering your connection to Spotify, to what extent do you agree or disagree with the following statements?

AFT1: I feel very positive when I use Spotify.

AFT2: Using Spotify makes me happy.

AFT3: I feel good when I use Spotify.

AFT4: I am proud to use Spotify.

Q7: Considering your activity on Spotify, to what extent do you agree or disagree with the following statements?

ACT1: I spend a lot of time using Spotify, compared to other online music streaming platforms.

ACT2: Whenever I am using online music streaming platforms, I typically use Spotify.

ACT3: Spotify is one of the brands I usually use when I use an online music streaming platform.

Q8: Considering the different features included in Premium version compared to the ones on the Free Version, to what extent do you agree or disagree with the following statements?

PPF1: There is a big similarity between the features available on Spotify Free and Spotify Premium

PPF2: Spotify Free is similar to Spotify Premium.

PPF3: Spotify Free is similar to Spotify Premium in terms of the needs it satisfies

Q9: Considering your current subscription to Spotify Premium, to what extent do you agree or disagree with the following statements?

CUI1: I intend to continue using Spotify Premium rather discontinue its use

CUI2: My intentions are to continue using Spotify Premium than use any alternative available

CUI3: If I could, I would like to discontinue my use of Spotify Premium

Q10_a: What are the key factors that influence your intention to continue subscribed to Spotify Premium?

Q10_b: What are the key factors that influence your intention to unsubscribe to Spotify Premium?

Q11: What is your gender

Q12: What is your age?

Q13: What is your employment status?

Appendix C – Calculations for the Higher-Order Construct

Study 1 – Higher-Order Construct Calculations

$$1) \quad AVE = \frac{(\sum_{i=1}^M l_i^2)}{M}$$

$$= \frac{(0,74^2 + 0,935^2 + 0,753^2)}{3} = 0,663$$

$$2) \quad \rho_C = \frac{(\sum_{i=1}^M l_i)^2}{(\sum_{i=1}^M l_i)^2 + \sum_{i=1}^M var(e_i)}$$

$$= \frac{(0,74 + 0,935 + 0,753)^2}{(0,74 + 0,935 + 0,753)^2 + (1 - 0,74^2) + (1 - 0,935^2) + (1 - 0,753^2)} = 0,854$$

$$3) \quad Cronbach's \alpha = \frac{M \cdot \bar{r}}{(1 + (M - 1) \cdot \bar{r})}$$

$$= \frac{(3 \times 0,490)}{(1 + (3 - 1) \times 0,490)} = 0,743$$

$$4) \quad HTMT (CBE, IU) = \frac{0,234}{\sqrt[3]{(0,490 \times 0,871)}} = 0,311$$

Study 2 – Higher-Order Construct Calculations

$$1) \quad AVE = \frac{(\sum_{i=1}^M l_i^2)}{M}$$

$$= \frac{(0,64^2 + 0,888^2 + 0,631^2)}{3} = 0,53$$

$$2) \quad \rho_c = \frac{(\sum_{i=1}^M l_i)^2}{(\sum_{i=1}^M l_i)^2 + \sum_{i=1}^M var(e_i)}$$

$$= \frac{(0,64 + 0,888 + 0,631)^2}{(0,64 + 0,888 + 0,631)^2 + (1 - 0,64^2) + (1 - 0,888^2) + (1 - 0,631^2)} = 0,769$$

$$3) \quad Cronbach's \alpha = \frac{M \cdot \bar{r}}{(1 + (M - 1) \cdot \bar{r})}$$

$$= \frac{(3 \times 0,458)}{(1 + (3 - 1) \times 0,458)} = 0,717$$

$$4) \quad HTMT (CBE, CUI) = \frac{0,423}{\sqrt[3]{(0,458 \times 0,609)}} = 0,647$$

Appendix D: Statistical Description – Outer Loadings, Mean, and Standard Deviaton

Study 1 – Ad-Supported Users

	Outer Loadings	Mean	Std. Deviation
BT1	0,765	4,129	0,866
BT2	0,86	3,876	0,992
BT3	0,841	3,065	1,107
BT4	0,812	3,428	1,044
PP1	0,905	5,249	1,141
PP2	0,886	5,209	1,144
PP3	0,775	4,881	1,001
PPF1	0,838	4,711	1,61
PPF2	0,904	4,602	1,66
PPF3	0,849	4,701	1,605
COG1	0,88	4,632	1,373
COG2	0,901	3,96	1,403
COG3	0,82	3,363	1,49
AFT1	0,908	5,035	1,19
AFT2	0,938	5,264	1,318
AFT3	0,922	5,204	1,347
AFT4	0,758	4,308	1,38
ACT1	0,919	5,313	1,794
ACT2	0,96	5,667	1,794
ACT3	0,922	5,915	1,554
IU1	0,972	3,657	1,778
IU2	0,962	3,418	1,682

Study 2 – Premium Subscribers

	Outer Loadings	Mean	Std. Deviation
BT1	0,791	4,604	0,592
BT2	0,819	4,468	0,725
BT3	0,755	3,548	1,078
BT4	0,825	3,996	0,959
PP1	0,889	5,396	1,047
PP2	0,879	5,375	1,13
PP3	0,768	4,833	1,159
PPF1	0,544	4,138	1,794
PPF2	0,906	3,678	1,666
PPF3	0,85	3,439	1,716
COG1	0,858	4,691	1,508
COG2	0,923	3,87	1,593
COG3	0,822	3,441	1,597
AFT1	0,858	5,522	1,077
AFT2	0,923	5,74	0,996
AFT3	0,822	5,68	1,005
AFT4	0,754	5,064	1,435
ACT1	0,896	6,561	0,961
ACT2	0,915	6,602	0,881
ACT3	0,832	6,623	0,84
CUI1	0,836	6,503	0,932
CUI2	0,882	6,34	1,05
CUI3	0,743	6,047	1,358

Appendix E: Registered answers to the open-ended question

Study 1 – Ad-Supported Users

Q10_a: What are the key factors that influence your intention to upgrade to Spotify Premium?	
1	no commercials
2	I would consider a change, since it price paid is fair for the features
3	Lack of annoying advertisements
4	Promotion (3 months campaign)
5	Offline mode; Unlimited play
6	No advertisement, choose to listen what I want (pass the ones I don't like) and listen without Wi-Fi connection
7	Chose the song i want to listen
8	Make download of music so i can listen offline
9	no adverts, can skip songs
10	User friendly
11	extra benefits it gives
12	Lack of commercials
13	No ads
14	No ads and ability to download songs and playlists
15	No pub
16	Not having to ear advertisements and download songs
17	Ads
18	Listening to music with no ads!
19	Listen to what I want
20	Money
21	No ads
22	the amount of time I spend far from a Wi-Fi source
23	Money.
24	multiple device support but mainly better sound quality
25	No ads, Listen to albums
26	Zero ads and offline listening
27	No ads and the ability to pick what songs I want to hear while using the mobile app.
28	Bigger sound quality and no ads.
29	Until they won't stop the almost daily Premium Account email/password leaks by enabling some kind of 2 step verification login thing, I don't want to upgrade.
30	I got laid off so I stopped my Premium account and returned to free. I used Spotify much more when on Premium (I hate ads). Almost daily, multiple times a day, or for hours at a time. It is very affordable for its service but I am currently unemployed and have other bills to worry about.
31	Convenience and No ads
32	To not listen to adds that are longer than the song I want to hear.
33	Compatibility with a wearable, which I hope will boost my exercise frequency
34	I hate the adds that are in the free version
35	No ads; ability to choose songs
36	Student Discount, Ability to Choose Tracks, No Ads, and Streaming Bundle
37	The Charmin advertisements where they sing about wiping their asses is so annoying.
38	I hate the ads, they annoy me.
39	Price, music selection
40	I want no ads and i want to choose songs on the road.
41	After a few years of service, the adds has started to annoy me.
42	No ads and offline listening.
43	No ads
44	Less advertisements & better features
45	price
46	Being locked on shuffle mode on the mobile version
47	The lack of ads.
48	Availability and moods. I upgraded to Premium twice in the past and do enjoy the free version for now. Maybe will upgrade again in the future.
49	Lack of ads

50	spotify premium has no ads and if you are a mobile user you can pick what song you can listen to/listen to playlists without shuffle
51	I wish that you could just pick any song you want without having to deal with shuffle play, the ads are fine I just don't enjoy not being able to instantly pick what song I would like to listen to (on the mobile version).
52	Offline listening
53	Spotify free is total garbage. The main factor is the album order. As an album consumer, what I want is to be able to listen to a determined album in its intended track listing, and Spotify Free keeps you from doing that.
54	The fee is not that high for the features. I might consider upgrade
55	Unlimited skips, Hulu bundle
56	So I can listen to an album instead of a radio and play things not on shuffle.
57	Price, downloadable music

Q10_b: What are the key factors that influence your intention to keep using Spotify Free?

1	Spotify Free offers almost the same features as Spotify Premium.
2	It's free, it has a user-friendly interface, the amount of ads does not annoy me
3	being free! and I have a special version that allows me to skip music as many times as I want and it allows me to select the specific song I want to listen to from a certain playlist
4	Being able to choose the songs in the computer
5	Lists
6	Free, with tremendous amount of artists and albums.
7	The fact i don't have to pay and that i don't use it all of the time
8	Its free
9	They are very similar, except for the commercials
10	I don't have to spend money
11	Not paying it and i usually select an album and it doesn't matters the song selected
12	Money not going to the artists, and prefer to have physical media
13	The service is almost the same. I have my own playlists that I hear, and I do not mind shuffling them.
14	I like it. And the functionalities are pretty much the same.
15	Because it's free
16	I listen to exclusive Spotify podcasts.
17	Music offer and quality.
18	It's free
19	don't have to pay
20	Using another streaming platform
21	Do not need it offline, ads do not disturb me
22	I enjoy the thought of avoiding Tropicana ads while listening to music, but I don't think it's worth the price.
23	I don't use Spotify enough to justify paying for it.
24	Spotify doesn't satisfy my needs
25	money
26	Money!
27	Money
28	Being free. Keeping my music stored in a place easily accessible
29	I do not have to pay for it
30	Ridiculous cost for Portugal
31	variety
32	I can download podcasts, i like to listen random music and know music I have never heard before
33	Free Spotify Desktop meets all my needs
34	Using Spotify Free on PC allows me to choose whichever song I want, which is the only reason why I would upgrade to Spotify Premium. Because I have a premium feature on Spotify Free, I have no desire to upgrade to Spotify Premium.
35	I have no credit card and I don't have an income :)
36	Great songs available without download
37	price
38	Lack of money in the pocket
39	They offer closely the same features, and for me there is no problem to be annoyed by commercials
40	It's free and I can use other free platforms
41	It's free just that.
42	I already pay for Apple Music
43	There are other places I can listen to music for free like Youtube
44	That I don't have to pay.
45	My needs are satisfied in Free version

46 The free
 47 I mainly use it on PC
 48 I am unwilling go pay for it, The commercials for Premium are so annoying that it repulses me to buy
 49 I'm cheap
 50 I don't want to pay money for it
 51 I'm really short on money right now
 52 it's free
 53 The needs satisfied
 54 It guarantees the same amount of satisfaction
 55 The fact that for me giving money away is not okay for a service that meets my needs and expectations.
 56 I don't use it enough to justify upgrading
 57 spotify premium is too expensive
 58 It offers the best quality-price
 59 I don't want to pay a monthly fee
 60 The main feature I would want from premium is being able to skip more songs. On my iPad it allows me to do that for some
 61 reason and I rarely have any adds. I also don't want to pay for it
 62 Spotify Free is personalized for me.
 63 Money.
 64 My adblocker works on Spotify's web player, so I don't need to worry about ads. If I were to choose the premium option, it
 65 would be for its better functionality on smartphones, but I don't care enough to pay.
 66 i use an ad-blocker now, but i remember how annoying the ads were urging you to purchase a premium account, so i swore
 67 if i was ever going to pay for a music streaming service it wouldn't be spotify
 68 Not caring enough to spend money
 69 I only use it when I have my primary art students in the classroom as well as when they are not in the classroom. I use it for
 70 my own listening pleasures during my own studio time.
 71 I don't want to spend money
 72 It's free
 73 The price
 74 It's free!
 75 I have tidal, which i feel is superior, as it pays artists more and I can listen to my music at a higher level of quality.
 76 It's free.
 77 I don't want to spend more money when I don't need to
 78 I have an Apple Music subscription that takes its place. Spotify has better curated playlists that I use to find new music
 79 I don't listen to music/use Spotify often enough to pay for it
 80 Web Player
 81 The ability to listen to entire albums (desktop only) is the only reason I use spotify.
 82 That it is free. Ability to personalize playlists. Large library with current music easily accessible.
 83 The podcasts it offers, not the music
 84 The harder Spotify tries to get me to pay by crippling free features, the more determined I am to never pay. Free used to be
 85 way better, I actually don't use it any more because they crippled it so hard, but if I click no the survey just ends.
 86 I am not rich and I do not use it often enough to earn on it.
 87 I guess it's just something I use that often, and while ads are annoying, and being able to pick and choose songs on mobile is
 88 nice, I don't feel it's worth paying for premium. Also, as a uni (college) student, I only started working recently and don't
 89 have that much money anyway so I'd rather spend it on other things.
 90 The fact that it's free
 91 Not having to pay to use the platform itself, having access to an infinite catalogue
 92 Money
 93 It's free
 94 Not spending money
 95 I primarily use Apple Music. Spotify is great due to its wide availability and comparability with other platforms. I typically
 96 only use Spotify when playing video games as Apple Music doesn't have apps available on my consoles
 97 I use it only on computer, free.
 98 Using Spotify only on desktop; no need to worry about shuffles and skips
 99 Income. I am just a student so every cents matter. Plus if I want to listen to something that's not on my playlist, I usually just
 go to YouTube.
 It's free and is quite similar to Premium expect for the ads which are quite annoying but not unbearable.
 It's free.
 The ads don't really bother me and I typically use the desktop app which doesn't have a forced shuffle mode.
 Availability of music I cannot access on other streaming platforms
 Budget Allocation
 I don't think I get anything more from a premium subscription
 Free usage, great selection of music, when I use Spotify I always have internet therefore I don't need the offline version
 Price, subscription to another platform

100	I just don't want to spend \$10 a month just so I can pick a particular song
101	It's free
102	Money
103	I pay for Apple Music and don't want to pay for 2 services
104	That it's free — I only use it on a Google Home Mini in my research lab because my Apple Music subscription doesn't work with it
105	I don't have a credit card.
106	Non payment
107	Paying for Spotify Premium
108	free music and the platform itself (playlists), inspiration for new music
109	I think Spotify Free meets my needs and I do not see the point to pay for the same Service.
110	actually having to pay for it . . . i stay with spotify free because I don't want to pay for spotify premium. I've shared family plans with friends and used jailbroken spotify versions and I was satisfied with it , but i dont feel like paying for it currently .
111	Its pretty good without paying. If i want to listen to a really specific song I'll go on youtube or similar
112	You can listen for free on Youtube

Study 2 – Premium Subscribers

Q10_a: What are the key factors that influence your intention to continue subscribed to Spotify Premium?	
1	Spotify has the most Music
2	I like Spotify really much. I find it convenient and satisfying. I have a premium account so that I can pick any song and it's free from ads
3	I just want to listen to music without commercials and Spotify snabels me to do that as it has all music available and connects easily with other devises such as Sonos
4	I have never experienced anything negative with Spotify Premium. Moreover, I like the curated music lists and recommendations that they provide, based on my personal data.
5	Seamless browsing experience, accurate taste prediction, sense of community, innovative marketing initiatives
6	I think spotify is a complete and user-friendly platform. The subscription plans are fair and, considering I share it with my family, I consider it very cheap for the quality of the service.
7	Because I enjoy it a lot
8	I like it, it is easy to use and nice. I don't know of any alternative that could replace the need they are meeting
9	Great music, podcasts at a great price
10	Spotify is easy and works for me. No need to change to another platform
11	It's a great service, great usability and content.
12	User friendliness, playlists offered by Spotify based on my music patterns
13	I don't want to have ads
14	Its an app where you can find any Music you like and for me is perfect because I Love listening Music all the time
15	Price/quality relation is good
16	I didn't like the commercials interrupting the music before using spotify premium
17	It has basically all the music that i look for and the subscription fee is not high, considering what they offer (music database, no ads, playlists, recommendations, radios, podcasts, etc.).
18	Spotify premium is great, good variety, nice interface, price is reasonable
19	I think Spotify provides exactly the service I need.
20	I like Spotify premium and the features it has!
21	
22	I enjoy picking the exact song I want to hear + no ads
23	It's a user-friendly app, with several options of musics and playlists, and I am just used to it
24	I like to listen music and I do like to follow some top global 50 music playlist. This keeps me up to date of what music is out and how music business is developing. Im musician (producer and composer).
25	It's intuitive to use and good value, and generally I've never had any problems
26	IT works
27	I like listening to music and it is a lot better to listen to music without ads
28	Spotify meets my needs. Especially by avoiding commercials!
29	I am satisfied with preemium spotify
30	User friendly, easy access and satisfies my music needs
31	Spotify presents a very good service; I love music and it's a very easy to use platform
32	I like listening to music. Spotify currently offers the best value-cost ratio. My only concern is audio quality even within premium. Nevertheless, the integrations of the platform online and offline as well as the music range given the subscription price are worth paying.
33	convenience, price to quality ratio; wide music library; features such as playlists, recommendations, etc
34	I like the platform and it is fairly inexpensive.

35 I like that you can save your own playlists and listen to them offline. Also, I really don't want to hear ads.
 36 It's very user friendly, has almost everything I listen to and now it's just too comfortable
 37 Quick response, in terms of research and discoveries of new playlists that I like.
 38 One reason: to avoid commercials
 39 Good service and library
 40 I only have it because of the limitations of the free version and advertisements
 41 I use Spotify to create 'ambient sound' at home and for that reason I prefer not to have ads and other information
 42 I have been using Spotify for a long time. Hence, changing to another platform would make me waste my time with "teaching" it
 again what I like and don't like. Also, the interface is brilliant!
 43 Spotify Premium is a necessity for travelling or for using Spotify on the phone. On the computer, premium and free are more similar.
 44 Spotify offers an incredible catalogue and is also incredibly easy and intuitive to use. Also the personalization of playlist is incredible
 compared to other services such as Apple music
 45 I made a lot of playlists of music I've found during some years. It would be time consuming to save all that music on another platform
 46 Offline downloads!
 47 I love using Spotify premium because it has songs that are not even on YouTube yet and I can listen to the songs I like even if I'm not
 connected to the internet. It gives me the opportunity to explore so much amazing music. However, the only thing I dislike is that
 some of the mixes and certain not so popular songs that I like are not in there and I can't upload them myself.
 48 Main arguments: lack of publicity and suggestions of new and trending songs and/or playlists according to my preferences/taste
 49 I like it (esp with student discount) but don't want to pay full price but probably will
 50 Spotify is my main source for music and I like to be able to enjoy it and choose songs without interruption.
 51 Premium is really easy
 52 I've never been disappointed by Spotify!
 53 Can skip as many times
 54 I'm happy with Spotify as it is. Don't feel the need to stop using it
 55 Spotify satisfies my needs in regards to the ease of listening to songs and podcasts whenever I want.
 56 Spotify satisfies all my needs, has a huge collection of high quality music and recommends great music. I see no reason to stop using it,
 it's better than any other music streaming platform I know
 57 I am mostly satisfied with Spotify. Best of the worst.
 58 when using android auto it often fails to display the current song, remaining stuck on a song that has already played
 59 I love Spotify :)
 60 I love the features except the recommendations, that I think could be better but I haven't found a competitor with similar features
 and better recommendations
 61 I love Spotify's music suggestions but sometimes I feel it's interface isn't the most user friendly
 62 A- I don't think there is any competitor with the same library of music as Spotify B- I've got a list of over 1500 songs I listen to, so it
 would be a major pain to jump ship now C- I don't really have any major complaints about Spotify
 63 I have used Spotify and Apple Music, and though the latter is well integrated with my iPhone, I think Spotify is a better platform. I
 like its ethics and its generated playlists better than AM.
 64 I'm listening to music all the time, and I invest a lot of time making playlists. Just leaving those behind would be hard, but I also use
 discover weekly, the radar, and my daily mixes to fish out new music, as well as the generic genre playlists they recommend
 65 All the music apps are shitty, but Spotify has the most available music so I live with it. For example, I prefer Amazon Music's Queue
 system more, but it does not have as big a music library and still crashes. So I use Spotify out of necessity, but I would use a better
 platform if one existed.
 66 I love Spotify, it's the best streaming service to my eyes though it lacks some features and some bugs are sadly present.
 67 Spotify has a huge collection of music and I've been using it for years. I tried out Apple Music once but it just wasn't the same - I'm
 used to Spotify. The free version of Spotify is so bare-bones and has so many annoying ads that it's worth it to just pay for premium.
 My biggest downsides with it are the lack of revenue that gets back to artists and how frequently they change the AI and remove
 features
 68 Curated playlist, easy to use queue, good layout
 69 I am a huge fan of Spotify. I'm a premium user since the beginning and also I have Account as artist. I place all my music there.
 Spotify rocks!
 70 I like the platform although it could use some improvement.
 71 The main reason I continue Spotify is to avoid ads, play songs that I want on mobile, and share the usage with family. If you can
 tolerate the ads, don't need to share with family, or don't need to pull up a song on mobile, the free version is completely fine.
 72 Spotify does almost everything I want—the only thing missing for me is a true lyrics feature.
 73 Spotify Premium allows me to listen to unlimited music on the go, being able to listen to exactly what I want and download as many
 playlists as I'd like. While the free version is suitable if you're only using the desktop version, as the only addition is short ads,
 premium gives me so many more features on mobile I can't imagine going back to the free version.
 74 Taking into account the other streaming services I do believe Spotify is the best for me.
 75 Spotify is the best music streaming platform because the layout is the nicest, and it's convenient and easy to navigate.
 76 I enjoy the convenience of Spotify
 77 Spotify works. That's it. Vs Apple Music and whatnot who are still playing catch-up and lack many features.
 78 Spotify is convenient
 79 No ads

80 I like what i have, it's what i expect of it.
 81 Spotify premium is better because I can make my own Playlist and also I don't listen to ads
 82 I am happy with using spotify almost every day and I have never had a problem with Spotify premium so therefore i will definitely
 continue using it as i do
 83 Spotify's algorithm does better to curate personalised playlists than any other music streaming service
 84 I've been using Spotify since 2011, and although I don't agree with some of the changes in the software, I believe it is the best music
 service out there.
 85 Spotify gives me quick access to music and that's what I need
 86 I'd still use Spotify over any other streaming platform because it's where I have all of my playlists and songs that I like.
 87 It's cheap, easy to use, and familiar. If it ain't broke, don't fix it
 88 Spotify was one of the first great subscription services on the market. They've matured nicely and have my business.
 89 I enjoy using Spotify because of the curated playlists and ease of use
 90 Have been premium for some years now... mostly listen to albums, not much new stuff, would hate to have commercials
 interrupting. Dislike Apple, used to Spotify. No reasons to change a thing.
 91 I enjoy the wide variety of artists on spotify, being able to download songs, go offline, and other premium features
 92 Spotify is setup in a way that supremely trumps the next best competitor, Apple Music. Not only is the organization better, the
 platform is extremely streamlined and straightforward in terms of use. The curated playlists often bring me lots of joy, therefore
 expanding my taste. I'm feel proud to use Spotify and would recommend it to anyone. To those concerned about the price; would you
 rather pay for all of your songs, or would you rather pay a small fee monthly for an unlimited amount of music?
 93 I like the layout of spotify a lot better than apple music. i think premium is very worth it in comparison to the free version because
 free doesn't allow you to play whatever songs you want whenever, you're only able to shuffle. i like having the option to skip as many
 songs as i want and to play specific songs on demand. overall spotify premium is very worth it to me
 94 i found spotify free really annoying because i couldn't play what i wanted when i wanted which literally defeats the purpose. love
 premium, love the discover weekly and release radar curated playlists specifically.
 95 Spotify, although often a little slow to have new music uploaded to it, has perfect integration with my Bose wi-fi speaker, as well as
 high but rate music at a competitive price.
 96 Spotify is more user friendly and curates playlists to my taste better than any other streaming service.
 97 I prefer Spotify premium over the free version because the Ads are something I can't stand. Apple Music isn't bad but Spotify is
 better to personalize and share music with others.
 98 More intelligent than its competitors that I've used eg Apple Music and the same price.
 99 Spotify provides an aesthetically pleasing interface and is easy to understand
 100 Spotify is just the best. I also wouldn't switch because of all the playlists and songs I've added on it
 101 i like spotify a lot
 102 I love Spotify I just wish the royalties were higher for smaller artists
 103 Spotify is good. Affordable, easy to use, and good.
 104 Spotify had an intuitive interface, compatible on various systems. The supply of music is very strong; there are only a few artists I
 can't listen to. However, despite me appreciating the product, I do not feel associated with the brand as such.
 105 Spotify gives a very music-centric platform for people that want to listen to old favorites or discover new ones. They also encourage
 user to user sharing through millions of playlists.
 106 My subscription allows me downloading, skipping and listening to songs 24/7 with no restriction and for the price of a couple of
 coffees
 107 I've used Spotify for many years now, and i have collated many playlists, meaning it would be difficult to restart on another platform.
 Additionally, I enjoy the personalisation it provides, especially the statistics Spotify provides at the end of each year.
 108 Spotify Premium is easy to use and has a very wide variety of music to choose from.
 109 Spotify premium is EXACTLY what I want in a music subscription. The ability to have curated playlists and be able to listen offline is
 key for me.
 110 0 ads.
 111 I like the infinite skips
 112 There's a student discount and the service is great, i have created playistes and a large library of songs i like that will keep me on
 this platform after graduating
 113 It has all my stuff on it
 114 So far Spotify has been the best at having the types of music i like
 115 I like that Spotify has all the music I want to listen to, whenever I want to listen to it
 116 I guess I like premium best because I can download music.
 117 I like being able to pick what I want to listen to, and I like that I can download my playlists
 118 Spotify premium is worth the monthly payment to have unlimited, ad free streaming. Plus, Spotify has musical statistics, hosts all my
 favorite podcasts, and has daily and weekly playlists tailored to my musical interests. I can also make collaborative playlists and see
 and discover what my friends are listening to, so there's a social element as well. I only use Spotify and recommend it to everyone.
 119 For what answer specifically? If all the answers in general: spotify offers a service I like for cheap enough to be worth it for me. I don't
 "like" spotify, I just use it. Their weekly song recommendations are great though
 120 The fact that Spotify Premium has no ads and unlimited skips gives me a better experience because my music is never interrupted.
 121 Spotify premium is the best cost for the best service

122 Its cheap, especially for students. It also has a large variety of songs that I like and are available. It is easy to use, intuitive, and has a
 123 great algorithm for making playlists based off my own preferences.
 124 Premium has no ads or limits on what I can listen to
 125 Overall Performance
 126 Spotify premium has a great functionality on pc's and their library is enormous.
 127 Spotify premium has done really well in regards to introducing me to new artists that I probably would not have found otherwise. I
 128 also enjoy the fact that it suggests other podcast I may be interested in based on my daily podcasts
 129 Free version has so many advertisements that it ruins the experience
 130 Medium price with lots of music choices
 131 I've never used the free version. All I know is Spotify Premium.
 132 I'm not a huge fan of monthly subscriptions -- I get my value out of it on the £5 per month student package, but I'd rather support my
 133 favorite artists directly and rely only on Spotify for discovery (where I used the free version for a few years to fill that gap, and other
 134 than the ads it did really well for that)
 135 If I used another service it would take a long time to rebuild all my playlists
 136 it's a one stop shop for music and podcasts. I enjoy Spotify's features and that there are no adds for premium Spotify. In the free
 137 version they spam you with the same annoying adds. I also don't mind paying to support artists/musicians and love have their music
 138 at my fingertips.
 139 There is no better alternative and all my favorite music is only saved on Spotify.
 140 While I like Spotify as a way to test music before buying it, I prefer to purchase and download music to an mp3 player to get better
 141 sound quality and to better support the artists.
 142 I hate listening to ads
 143 Spotify premium provides exactly the service that I need for music streaming - i have access to songs by all my favourite artists, i can
 144 make playlists, there are no ads, and i can listen offline
 145 Spotify works well on Windows, Android, and iOS, and I use all 3 systems. Spotify also has the most data about me, and it would take
 146 3 years to make up that data on another platform. I also have all of my saved content, playlists, and downloads on spotify.
 147 Spotify is the best streaming service out there. Most of my friends use it, making it easy to share playlists. Its compatible with both
 148 apple and android phones, unlike Apple Music/Google Play. And unlike YouTube, one doesn't have to sift through search results to
 149 find the best quality version of a song. The Premium service is not expensive and as someone who primarily uses mobile Spotify, its
 150 more than worth the price to be able to listen to whichever song I want without ads. Currently i use the student discount for
 151 premium, which includes a free subscription to Hulu. This is an excellent deal for subscribers. I am very satisfied with Spotify as a
 152 platform for music streaming.
 153 I like being able to download my playlists
 154 I like Spotify. Ive used it for years and enjoy it. However, the main thing keeping me on it is of how many songs i already have. I dont
 155 want to have to download all my songs again
 156 Spotify's encryption of its music files means even if though I have thousands of songs downloaded, I will lose my entire library if I
 157 discontinue use. I would move away from Spotify if another service offered no such restriction.
 158 I have been using Spotify for almost 8 years now. Over that time, it has learned my listening habits and music preferences. If I were
 159 to switch streaming platforms, I would have to restart that customization process. Spotify also integrates well with my other devices
 160 including my smart home and smart watch.
 161 I enjoy the service. It looks good, easy to use, lots of music to choose from
 162 I hate ads and like to download podcasts for commuting
 163 no ads, has all the music I like, easy interface and helps me find new music
 164 Spotify satisfies all my needs at a reasonable price, so I do not feel any need to look for alternatives
 165 It's cheap. A larger selection than other services. Can sync between multiple devices.
 166 I think in general it is just a music streaming platform using it doesn't make me feel superior to anyone because oh I use a popular
 167 streaming service however yes there is similarity between free and premium because there's not much you can offer with having a
 168 music streaming service and I would discontinue Spotify if I found a cheaper alternative that worked just as well with an interface
 169 that I like but that hasn't happened yet
 170 It is easy and convenient
 171 Most of my saved music is on spotify, I go to YouTube if theres other music I want to listen to, it would also take a lot of time
 172 transferring to a new service.
 173 Mostly due to the ads and less autonomy in choosing your songs
 174 The only main benefit I get out of premium is the removal of ads and the ability to download music. Spotify in general is a mediocre
 175 service and in desperate need of developer attention. Also, I heavily disagree with their censorship of certain advertisements and, in
 176 some cases, certain tracks as well.
 177 I like the curated playlists, I like the user interface, I like the radios, I like my playlists and I like the compatibility with external
 178 programs.
 179 I like the options within Spotify and I have built up playlists over several years that it would be too hard to move to a different
 180 service
 181 Spotify has the best collection of music
 182 Spotify premium seems to be the easiest to use to curate my own playlists. I can't use apple music because I have android, not that I
 183 would even if I had an iPhone. Also what I think is the most important advantage of premium over free is that premium allows you
 184 to listen to albums straight through (the last time I used free this wasn't a feature, I'm not sure if that's changed since then though)

157 I use spotify because it has a huge library and I can create multiple accounts for family members. As a musician, I don't like how little it pays the artists, but to complain about it while only paying like \$3.99 a month would be hypocritical. I like listening to albums front to back, so Spotify free doesn't even count as an option at this point.

158 It would be very inconvenient to switch to another streaming platform considering how many playlists I have, albums saved, etc.

159 I love spotify

160 Spotify premium allows offline music caching on desktop. No other streaming service allows this except apple music, but apple music's desktop client is a joke in other ways. So I will continue using spotify.

161 Spotify has the most music and playing options for the best price

162 Spotify know what I like, I like Spotify because there is a vast amount of accessible music and I can import local files

163 Spotify Premium is less frustrating to use than Spotify Free, considering I generally use the mobile app.

164 I got Spotify premium due to the fact that there were too many ads in the free version. The lack of ads is satisfying.

165 No ads, good selection

166 I enjoy the layout and functionality of the app. Also having the new Duo feature allows my partner and I to use the app simultaneously, which is very useful for us.

167 I have all my years of "liked" music on Spotify, if I switched now I would lose all of those saved songs. Spotify is my most used app no doubt and I love that it allows me to listen to most of the music that I love at the click of a button!

168 Spotify Premium is SO much better than Spotify free or any other music streaming service. You don't have to pay for every song individually, and even the free version is usable. I like the premium version so much more because I can play a song individually without having to shuffle a whole playlist, which is a feature I use a LOT. I also hated having limited skips in the free version and not being able to go back a song. Listening to playlists in order, and not shuffled, is also something that I love about the premium version. Being able to loop songs is another huge feature with premium for me; there have been times that I've looped a single song over 200 times in a day because I'm so obsessed with it, and I'm not sure what I'd do without that feature. I'm sure there's more too, but that's just what I can come up with off the top of my head.

169 I've used Spotify since it almost came out and can't change now. I also release music on Spotify and their playlists and radio help me out a lot.

170 I've had spotify for almost seven years. My playlists have been created over the course of years. I'm always listening to music, so I have no reason to discontinue my spotify use for any other platform.

171 I enjoy the ease of Spotify. Many of my friends like to share music, and since I get the student discount, it's hard to say no to. That being said, it doesn't have everything, and I turn to YouTube sometimes when I'm in need of something less well known

172 spotify offers good service and quality, it's interface is easy to maneuver and understand. it's curated playlists are very accurate and I find the use of spotify easier than the rest

173 My needs are simple: user-friendly, aesthetically appealing interface, and a big music library. Spotify meets all of that.

174 1) I have used Spotify for the last 6 years, so it knows my tastes well and I have lots of music saved on the platform. This also has inspired some loyalty from me towards the company. 2) I like that it features almost all music I can think of, with no ads for Premium. 3) I enjoy the social aspect, eg seeing what friends are listening to, and I have recommended Spotify Premium to many of my friends. 4) Their customer service is good when I have needed to upgrade my subscription or lock my account. 5) I like how well it connects to other platforms, such as Last.fm. 6) Finally, I like that I can pay half price because I am a student, which makes me feel Spotify cares about me.

175 Spotify is legal and nice to use

176 Spotify is easier to use than other music streaming services and it's worth the money.

177

178 everything is very convenient in spotify, i discover a lot of my music preference/taste due to spotify. The easiness of discovering music makes me love music even more which back then, is very much harder to discover music.

179 No adverts is very important to me

180

181 There are few good alternatives for Spotify. Everyone I know uses Spotify (The Netherlands based). I have no issues with Spotify. My internet carrier promotes and discounts Spotify

182 I've built a big music library on Spotify over the past 8-9 years and have grown attached to my playlists and the system I've built for myself in terms of discovering, adding, liking and saving music.

183 It's by far the best-all-around music platform

184 The student price is very attractive, and I can find mostly all the music I listen to on it.

185 I have playlists dating back to 2011 and there is no export feature so Spotify and I are bonded as one.

186 Spotify premium gives me access to music I like and suggests new music wherever I am and gives me access to my library offline. I also love listening to podcasts on Spotify. All without commercials. I think Spotify has the best curated playlists of any streaming service.

187 Spotify Free has way too many ads and you can't play songs on demand

188 Spotify has a massive catalog of music, all of the artists that I listen to, and amazing curated playlists.

189 Spotify Premium is just incredibly convenient and worth using for me. Part of the reason I use it every day is because I have a long commute and, even once I get to work, the ability to listen to music throughout the day. Spotify isn't perfect but it's flaws (mainly that it is missing large chunks of music, unfortunately) don't keep me from using it. This is mainly due to the convenience overall of the app. It's just so easy to use and discover new music on. Plus, I love having my music and podcasts all on one app, as I am a big podcast fan as well.

190 It is always reliable, relatively inexpensive and knows my music taste well.

191 Spotify is the best streaming platform out there. I love the interface and the ease of use.
 192 I have not had Spotify Free in many years, so I'm not sure if the features have changed, but I could never go back to having to shuffle
 my music or having spotify play random songs that i don't know if my playlist doesn't reach a certain amount of songs.
 193 Best available catalog of music, reliable service, and it won't alter my own personal iTunes library like Apple Music.
 194 Spotify is the streaming platform I am used to, which is the main reason I use it above others like apple. Its practical to listen to any
 artist I want to listen to. Free spotify has become impossible for me as you are not free to choose songs or listen to albums which is
 what I mainly do
 195 I think Spotify is really simple and easy to use. It also has one of the biggest music libraries compared to other music streaming
 platforms.
 196 The main reason I would continue to use Spotify is because of the profile Spotify has built on me over the years. They know which
 music, artists and song I like and they cater to my tastes so keep me on the platform.
 197 All my playlists are on there and it works for me, I wouldn't want to change it now
 198 too lazy to switch libraries
 199 Brand loyalty from using it for so many years. Haven't heard or seen convincing enough reasons to use another service.
 200 It's the most comfortable and reliable streaming platform
 201 Spotify is my main source for streaming music not only because it satisfies my musical needs but also it's affordable and user-
 friendly.
 202 Although there are some nitpicking issues with Spotify that are more to do with my preferences (eg. Being able to change album
 artwork if I don't like it, change song titles so I know which artists are featured) I am satisfied with having access to essentially
 limitless songs for the price I pay.
 203 the ads are a dealbreaker
 204 the ads are very annoying
 205 Spotify is my preferred choice of streaming. I've been an active user for 6+ years and have saved and made a lot of playlists of all my
 favorite music so I don't want to lose all of that.
 206 Using Spotify, compared to other music streaming services, is not difficult. Especially considering the multi-device usage, whereas
 Spotify's features are miles ahead of the competition.
 207 I prefer it over Apple Music as there is more side stuff on Spotify that is pretty cool, such as the astrology playlists Spotify makes. As
 well the Year in Review.
 208 Spotify is easy to use and it doesn't cost much money. I like it more than other streaming services for those reasons. It has good
 recommendations too.
 209 Spotify is the only streaming platform I use. I listen to Spotify throughout the day, often at every moment I am awake. This won't
 change in the immediate future.
 210 1) too lazy to check out other music streaming services (other than youtube); 2) great service for reasonable money - if I bought all
 the music I listen to as CD, I'd go broke
 211 I appreciate Spotify's ability to curate personalised playlists and recommend new songs and artists that I would otherwise have
 never heard of, while providing easy access to the music I listen to the most.
 212 Spotify premium, as a university student, is the best and cheaper option to listen to music. Spotify free doesn't have the offline
 feature and it can be a problem if I am low on battery while I'm not home, but still want to listen to music. Especially during my
 commute.
 213 Spotify's selection, interface, and premium's features (skipping songs, etc) make Spotify Premium one of my most heavily used apps.
 214 I enjoy Spotify and as long as it continues to provide the service that it does, I will continue using it
 215 it works fine for what I need it for. but I am curious about how Apple music works. however, the Apple music Android and we player
 aren't as good so I may not try it out for a while. but I've heard Apple music pays more per stream so that's one of the reasons I was
 thinking of switching.
 216 I think Spotify is a great product and the convenience that comes with Premium (downloading songs and avoiding ads) are worth the
 cost. I've invested a lot of time into curating my Spotify collection and so wouldn't want to lose it by switching to another service.
 217 I need an on demand streaming service based on my listening habits and it helps not to have ads. I choose Spotify over other services
 because all my playlists are already there and I like the social features of it.
 218 spotify has a much better layout than other music streaming services and their playlists are really diverse. I also currently am getting
 hulu as a part of my subscription, which I really appreciate
 219 Hate ads!
 220 It's missing several essential features, but less so than other platforms.
 221 I like the interface of Spotify, that the company is solely dedicated to music streaming, and that they have a wide range of music to
 listen to. As a dancer, using Spotify premium is imperative so that I can switch songs easily during classes.
 222 Spotify premium seems to be more user friendly compared to other music platforms. The cost is not expensive for the features you
 get.
 223 I can't go back to listening to ads and not being able to skip songs.
 224 Spotify premium is amazingly convenient and the download function is great.
 225 Spotify premium is a great deal and very convenient
 226 Spotify Premium is great on mobile, I'm allowed to skip songs, listen to full albums without Spotify playing random songs once the
 album ends. Also no ads across- Spotify has replaced iTunes as my main music app to the point where I have deleted iTunes from my
 phone
 227 Spotify is very affordable and easy to use! I don't like the UI of the other services. Just wish Spotify offered Hi-Fi

228 I really enjoy using Spotify as my music streaming service and prefer it over any other.

229

230 I actually wish Spotify played more music I didn't already know, and separated genres more. It'll put Paramore with emo, rock, indie, and pop music when generating customized playlists. I wish it played more new things instead. Also, I dislike the shuffle algorithm at times. When I cast to a smart device, it limits the number of songs I can play before it starts over.

231 User experience is great and I have all of my playlists

232 Spotify Premium allows me to listen to as many albums I would want to in an easy to use player with a wide array of good generated and curated playlists, but certain parts prevent it from being perfect. Such as underpaying artists and caps on library size.

233 Uninterrupted listening of nearly all of my favorite music!

234 I still marvel at being to listen to whatever I want, whenever I want. I am more than happy to pay for music and help support the makers in the industry, even if it's a small amount. Spotify premium comes with enough perks (custom playlists, ad-free and downloadable content) to justify the expense for me.

235 I have had a premium subscription for over 8 years now. I'm comfortable with the service and find they provide for all my music needs.

236 Spotify's catalogue makes the most sense for me to stick with it

237 Spotify Premium completely satisfies what I look for in a streaming platform while not being too expensive. I can find the music that I like very easily, I can make my own playlists and sort them into folders, and I can view their charts to see what songs are currently popular both in my own country and internationally. I am on a family plan which makes it inexpensive, and everything about the way the application is organized allows me to enjoy it in many different ways.

238 ability to play any song on demand, no ads

239 I just love Spotify, the interface is easy and I like their personal curated lists, like "On Replay" and "Spotify Wrapped".

240 I'm used to Spotify so I'm not gonna switch anytime soon and Spotify on mobile is terrible without premium

241 I have no issues with Spotify, so there's no reason for me to stop using it. My friends use it too and I really like the social aspect of seeing what they are listening to.

242 I like it, have customized playlists, and don't really see a compelling reason to change

243 I don't feel the pressure to stay or leave Spotify. I just use it cause I like it

244 Avoiding advertisements and having full control over what I'm listening to on the platform at any time, including offline listening

245 Spotify premium is cost effective considering I listen to many hours of music each day. It worked very well for me and I do not intend to unsubscribe

246 I couldn't ever go back to the Free version.

247 Spotify provides relatively cheap access to the majority of songs. The only reason I would discontinue my subscription would be a removal of content or perhaps a worse interface.

248 Spotify has mastered its understanding of user experience, recommendations, and more, and I love premium as a product that adds dimension to my life

249 Spotify is easy to use and has good playlists. I also like the podcasts feature

250 Spotify Premium is the only way of listening to podcasts offline. This is a big factor for me, at least, because I like true crime podcasts. Also, Spotify's shuffle playlists are one of its weaker features, so having Premium and being able to skip through songs at my will on mobile is worth it. Being able to download music to listen to it offline is also a big thing for me, and Spotify Premium lets me do that on mobile. Of course, most of these problems are mitigated by using the browser or desktop app, so Spotify Premium is similar to the free version in this sense. However, the mobile adaptation makes Spotify Premium worth it, in my opinion.

251 It works well enough and all my playlists are there, I wouldn't switch streaming platforms unless something significant changed

252 Spotify is the best platform out there!

253 On PC, there's no difference between Free and Premium. But I primarily use Spotify on mobile now and it allows me to download any music I want to use offline, which is the main and only reason I pay for Premium.

254 I have tried all of the major streaming services. I have paid for Google Play, Amazon Music Unlimited, Pandora Premium, and even Tidal, and I just don't think any where as good at suggesting things I'd like. I feel the others would just try to feed me the full discography of whatever artist I was last listening to, or just switch everything to whatever genre I was last listening to, but the Spotify suggestions always feel more nuanced and personalized. I also think they have the best curated pre-made playlists! Their service just feels like it was created by people who love music, more so than others that feel more like they are just providing access to music but are otherwise uninterested.

255 Spotify has all of my playlists and then adds suggested songs that I might want to add. I also love the playlist radio to get even more inspiration

256 I use the Student package for premium and I find it very affordable and a great deal for only 5 bucks a month + 3 months free trial.

257 No adverts. Easy to use and discover new music.

258 my main gripe with Spotify are the sporadic undownloading of downloaded playlists/songs

259 I enjoy using Spotify. I like the interface, how available it is on a variety of platforms, its recommendations, and how much value I get out of it.

260 If I had to keep only one app on my phone, it would be Spotify. I use it more than any app and I have got lots of my friends to become a premium member. The last thing I would want to do is to get rid of it. It is slightly expensive but it's so worth it!

261 The only reason I use Spotify premium is so I can select individual songs on my phone. It is really important for me to be able to do that because it enhances my experience. So I enjoy Spotify premium and intend to continue to use it. However, if Spotify Free had the option to select individual songs on my phone, I wouldn't use Spotify Premium. Avoiding ads isn't a priority.

262 Spotify has all of my playlists and I like the year end music review.

263	Spotify is really good, but it's the music I use it for, not Spotify itself. I used Deezer prior to Spotify, and I can say that Spotify is really great at making playlists, daily mixes etc.
264	
265	I've been using Spotify for almost a decade - it'll be hard to convince me to switch elsewhere. The addition of podcasts also makes it a comprehensive listening app
266	I use Spotify for all of my music listening purposes and I love the UI, ease of use, variety of playlists, ability to listen offline/download music
267	Spotify is simply far superior to any other streaming platform! The only other way I listen to music is with vinyl records-if I'm streaming, I'm using Spotify
268	I can play any song specifically on mobile, and I have no adverts on premium. I prefer Spotify to other platforms as it gives me recommendations and I like the stats at the end of the year
269	I've had my account for years so I have a lot of user data saved on the platform and I'm used to how it works. It feels like an investment now. But overall I prefer it as a platform anyway.
270	
271	I've been using it since I was 16, I don't think about Spotify itself when I use it, rather I just enjoy what essentially is a diary of my musical taste.
272	I couldn't live without being able to download songs for offline listening as easily as I can with Spotify Premium
273	It is affordable and has everything I want in a music streaming app
274	Most convenient streaming service to use while working
275	I've had a Spotify account for 5+ years and don't want to lose any of that data and those playlists I've made
276	Spotify's algorithm is really good and I like the music recommendations
277	Spotify is very good. It has 90% of what I'm looking for. Its missing some good/obscure music but its easy and convenient. I want to use it as long as its consistent as it is now.
278	I'm open to other platforms, but at this time I think Spotify Premium offers the best value and user experience
279	I am satisfied with the service and see no reason to choose anything else.
280	It fully serves its function, and has a great, extensive content library. Its playlists are well-done, and most other celebrities/friends of mine are on it so we can share playlists and I can see curated ones.
281	Spotify is the only music streaming service that I use, and I use it quite often, specially while commuting. Also, I currently a University student, so I have a discount, which makes it very affordable. For the service I get, I'm very satisfied.
282	After switching from Spotify Free to Spotify Premium, there are a lot of features in the Premium version that I do not want to give up (including no ads, ability to skip as many times as I want, ability to download podcasts).
283	Spotify premium allows me to customize my music the way I want to.
284	Spotify is ready to go with my musical preferences
285	Spotify ticks all the boxes. It's more intuitive than other streaming services and it's easy to use. It also has good recommendations and podcasts. Cheap for student too.
286	I enjoy the Premium service and majority of my music & playlists now live in Spotify only.
287	Compared to other streaming platforms I've used I prefer the UI and playlists on spotify more than any of its competitors
288	I've used Spotify for a long time (free before) and after switching to Premium I don't see myself going back (also with their family plan, it's super a reasonable cost). The only alternative I would consider is Apple Music, but I'm happy with Spotify so wouldn't want to switch (also Spotify Wrapped is really cool).
289	I like the ease of navigating Spotify and they've been more successful in recommending music to me than other services but I also have a lot of stuff on my account (very long playlists) that will be tedious to recreate on another platform hence feeding my reluctance to leave as well. I got Premium as a short trial and forgot to cancel and am too lazy to cancel so my using Premium may be a somewhat passive choice although the Free version not letting you pick your music also annoys me a bit
290	Spotify is a really good platform for music listening that I've been using for years now
291	Spotify Premium allows you to listen to whatever you want without limit. As far as I remember, Spotify free is more of a "listen to these random songs, you don't get to choose" situation. Gross
292	I listen to music a LOT (I literally always have my headphones in), so Spotify gives me easy access to all the music I could ever want.
293	I am used to it
294	it's convenient
295	Spotify is convenient and affordable for me.
296	Spotify premium is a well made service and having it as free gives it a major advantage over the free version
297	All my music is on Spotify, I hate ads, and I like that it works the best on my android phone and mac laptop (while Apple music and google play tend to work better on one or the other it seems)
298	spotify premium lets you curate playlists yourself as well as making guesses for you, where spotify doesn't. spotify free also doesn't let you listen to a specific song you have to shuffle the artists playlist and pray.

Q10_b: What are the key factors that influence your intention to unsubscribe to Spotify Premium?

- | | |
|---|--|
| 1 | I had a 3 month paid trial that is about to expire. I am considering canceling my paid service. |
| 2 | I have free Apple Music. |
| 3 | i prioritise sound quality so i am considering moving to tidal though the shared playlists are currently keeping me with spotify |

4	Apple Music has a better interface and better understanding of my musical likes and needs. It isn't self focused
5	I enjoy Spotify Premium and would absolutely continue to use it in the future if I could afford it. Not being able to pay for it is the only reason for my needing to discontinue my premium plan and go back to the free version next month.
6	if there was an open source version of software where I could listen to mostly anything, I want without downloading anything and in high quality with consistency, I would probably use it
7	Youtube has more content
8	I just use whatever plays the music I want, and that isn't always Spotify. I don't really care about the brand.
9	I have no loyalty whatsoever to Spotify
10	Spotify is slower than other streaming services like Apple Music in uploading regional contents(eg from Korea)