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The Impact of Subscription Spending on Personal Savings

A Primary Data Study of Consumers' Subscription Behaviour and Saving Habits

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Abstract

Streaming plans, cloud storage, food-delivery memberships and shopping clubs have turned small recurring payments into an ordinary part of household spending. This study asks a simple question: is that spending actually linked to how much people manage to save? Primary data were gathered from 111 respondents through a structured online questionnaire between 25 September and 9 October 2026. Most respondents were students or salaried employees. The responses were examined using descriptive statistics, Cronbach's alpha, Spearman correlation, multiple regression, Mann-Whitney U, Kruskal-Wallis and Chi-square tests.

The picture that emerged is more nuanced than the common belief that subscriptions drain savings. More than half of the respondents perceived a high impact of subscription spending on their savings (composite mean = 3.48 out of 5), yet neither the amount spent nor the number of subscriptions was associated with lower savings. The raw correlation between spending and savings was slightly positive and not significant ($\rho = .18$), and it disappeared once income was taken into account. Income was by far the strongest correlate of savings ($\rho = .57$). Respondents who felt a stronger impact reported better financial management ($\rho = .54$), whereas habits such as keeping unused plans, renewing automatically and signing up on promotional offers were linked with weaker financial management ($\beta = -.35$). Students felt the burden of subscriptions more strongly than salaried employees even though their spending was similar, and 49.5 per cent of all respondents were not at all or only slightly aware of their total monthly subscription bill. The study concludes that the real issue is less the size of subscription bills than the awareness, budgeting and renewal habits that surround them.

Keywords: Subscription Spending, Personal Savings, Consumer Behaviour, Recurring Payments, Financial Management, Budgeting, Spearman Correlation

1. Introduction

A decade ago, most people paid for a film, a song or a software licence once and owned it afterwards. Today the same things are rented month by month. Businesses favour this arrangement because it gives them steady, predictable income, and many customers like the low entry price and the convenience that comes with it [1]. The trade-off is that a person who signs up for four or five services ends up with a stack of small, automatic debits that rarely get a second look.

Behavioural research gives good reasons to suspect that such payments are easy to underestimate. When money leaves the account long after the enjoyment has begun, or in a form that does not feel like a purchase, the sense of paying fades [2][3]. People also tend to file small expenses into separate mental boxes instead of weighing them against their whole budget [4][5]. Add the habit of leaving things as they are, and a subscription that is no longer used can keep charging for months [6][7]. The well-known study of gym memberships showed how willingly people keep paying for something they hardly use [8].

If these tendencies are real, subscriptions should compete with savings, since both draw from the same monthly income. Yet whether that competition shows up in everyday data is not obvious. A student on an allowance, a salaried employee with a fixed budget and a homemaker managing household money will all experience a ₹1,500 monthly subscription bill very differently. Some people feel it keenly while saving regularly anyway; others spend modestly but have little to save in the first place.

This paper looks at that question using first-hand data. It examines how many subscriptions people hold, how much they spend, how they behave around renewals and offers, how much they believe subscriptions affect their savings, and how all of this relates to the amount they actually put aside each month. The questionnaire did not use a formal "fatigue" scale, so the study does not claim to measure subscription fatigue directly. Instead, it looks at behaviours that commonly go with it, such as holding on to unused plans, renewing without thinking and having only a vague idea of the total bill.

2. Review of Literature

2.1 The subscription economy

Writing from a business viewpoint, Tzuo and Weisert describe the subscription model as a move from selling products to maintaining a continuing relationship with customers [1]. The model rewards firms that make joining effortless and leaving a little less so. Most of the early discussion therefore concentrates on retention and revenue, and says relatively little about what the steady stream of payments means for the person paying.

2.2 How payment design shapes the feeling of spending

Gourville and Soman found that separating the moment of payment from the moment of consumption weakens the sense of cost, and that this effect wears off as time passes [2]. Soman added that the way people pay changes how well they remember what they spent [3]. Both findings suggest that automatic deductions, which happen out of sight, are exactly the type of spending that people are likely to underestimate. Prelec and Loewenstein similarly argued that the pain of paying depends on how payments are bundled and framed [5].

2.3 Mental accounting, inertia and unused plans

Thaler's account of mental accounting explains why a small monthly fee can seem harmless: it is judged inside its own category and not against total income [4]. Samuelson and Zeckhauser showed that people lean towards whatever option is already in place [6], and Madrian and Shea demonstrated how strongly defaults steer financial choices [7]. DellaVigna and Malmendier's gym-membership study is probably the closest parallel, since members paid for contracts that their actual attendance did not justify [8]. An auto-renewing subscription works as exactly this kind of default.

2.4 Choice overload and self-control

Iyengar and Lepper observed that a large number of options can leave people less motivated to choose at all [9]. Baumeister and colleagues suggested that repeated acts of self-regulation draw on a limited supply of mental energy [10]. In the present setting, a long list of services means many small decisions about renewals and cancellations, which some people may postpone. The planner–doer idea of Thaler and Shefrin [11] and Laibson's model of present-biased preferences [12] add that immediate enjoyment tends to win over future benefits, which is a fair description of the tension between a new streaming plan and a savings target.

2.5 Income, life stage and saving

Long before subscriptions existed, economists treated income as the main determinant of saving [13], and life-cycle theory tied saving patterns to age and the stage of earning [14]. These ideas matter here because a respondent's savings may reflect income and life stage far more than any one category of spending. Lusardi and Mitchell's review also shows that planning and financial awareness are consistently related to better saving outcomes [15], which supports looking at budgeting habits alongside spending amounts.

3. Research Gap

The studies above explain why recurring payments may be underestimated, but most come from laboratory settings, gym contracts or retirement plans, not from everyday digital subscriptions. Research on subscriptions themselves is largely written from the company's side. Little work places the consumer's own spending, perceptions and habits next to a measure of how much they save. This study addresses that gap with first-hand survey data and also checks whether income, occupation and age explain what looks like a subscription effect.

4. Objectives of the Study

- To describe the subscription usage pattern of respondents, including the number of subscriptions, types of services, monthly spending and payment frequency.
- To examine respondents' subscription spending behaviour, such as keeping unused plans, subscribing during offers, automatic renewal and awareness of total spending.
- To measure how strongly respondents perceive that subscription spending affects their savings.
- To test whether subscription spending and the number of subscriptions are related to the amount saved each month.
- To study the relationship between awareness, budgeting habits and savings behaviour.
- To compare perceptions, spending and savings across income groups, occupations and gender.
- To offer practical suggestions for consumers and service providers.

5. Hypotheses

The following hypotheses were framed from the reviewed literature and tested at the 5 per cent level of significance.

- **H1:** Monthly subscription spending has a significant negative relationship with monthly personal savings.
- **H2:** The number of active subscriptions has a significant negative relationship with monthly personal savings.
- **H3:** Awareness of total monthly subscription expenditure is significantly and positively related to financial management and savings behaviour.
- **H4:** Respondents who perceive a greater impact of subscription spending on savings report significantly stronger financial management behaviour.
- **H5:** Monthly personal savings differ significantly across income groups.
- **H6:** Students and salaried employees differ significantly in their perception of the impact, financial management behaviour and savings.

6. Research Methodology

6.1 Research design

The study follows a descriptive and analytical cross-sectional design. A structured questionnaire was used to collect quantitative data at a single point in time, so the results show associations rather than cause and effect.

6.2 Sample and data collection

Responses were collected online between 25 September and 9 October 2026 through a self-administered form. Convenience sampling was used because a complete list of subscription users is not available. The response file contained 150 submissions. After data cleaning (Section 6.5), 111 responses were retained for analysis. Table 1 later shows that the sample leans towards younger respondents, with students making up 61.3 per cent.

6.3 The questionnaire

The questionnaire has 34 closed-ended questions in five sections. Section A (Q1–Q5) covers age, gender, occupation, monthly income and monthly personal savings. Section B (Q6–Q11) records the use of subscription services, number of active subscriptions, types of services, monthly spending, payment frequency and duration of use. Section C (Q12–Q17) captures spending behaviour: regularity of payments, keeping unused plans, subscribing during offers, automatic renewal, awareness of total spending and perceived necessity. Section D (Q18–Q27) contains ten statements on the perceived impact of subscription spending on savings, rated from Strongly Disagree to Strongly Agree. Section E (Q28–Q34) contains seven statements on financial management and savings behaviour, rated on agreement or frequency scales.

Ordered responses were coded from 1 to 5 in line with common practice for Likert-type items [16]. Appendix A lists the coding.

6.4 Constructs used in the analysis

- **Perceived Impact (PI):** mean of Q18–Q27. A higher score means respondents feel subscriptions affect their savings more.
- **Financial Management and Savings Behaviour (FM):** mean of Q28–Q34, covering income allocation, regular saving, budgeting, cancelling unnecessary plans and putting savings first.
- **Passive Subscription Behaviour (PS):** mean of Q13, Q14 and Q15 (keeping unused subscriptions, subscribing during promotions, automatic renewal). It is used as a behavioural indicator of the loose, low-attention subscribing that usually accompanies subscription fatigue; it is not a direct fatigue measure.
- **Ordinal variables:** income (0 = no personal income to 5 = above ₹80,000), savings (0 = no regular savings to 5 = above ₹20,000), monthly subscription spending (0 = ₹0 to 5 = above ₹3,000), number of subscriptions (0 = none to 4 = more than six) and awareness of total spending (1 to 5).

6.5 Data preparation

The raw file held 150 submissions. Before analysis it was screened for repeated entries. 39 submissions turned out to be exact copies of an earlier submission, with all 34 answers identical, and they appeared in just four clusters among the later responses. Genuine respondents are very unlikely to give word-for-word identical answers to a 34-item questionnaire, so the repeats were treated as duplicate entries and removed, keeping the first occurrence of each. This left 111 responses. 20 cells (about 0.5 per cent of all entries) were blank across 12 respondents. Tests used all available data for each variable, so the number of cases is shown in the tables where it differs from 111. Four respondents left the number of subscriptions blank while reporting ₹0 spending; these were treated as having no active subscription. A construct score was calculated only if a respondent answered at least 8 of the 10 items for PI and at least 6 of the 7 items for FM. 6 respondents said they "never" use subscription services but still reported one or two active subscriptions; their answers were kept and this inconsistency is noted among the limitations.

6.6 Statistical tools

Because most variables are ordinal and several are not normally distributed, rank-based methods were preferred. Relationships were tested with Spearman's rank correlation, and effect sizes were read using Cohen's guide (about .10 small, .30 medium, .50 large) [18]. Group differences were tested with the Mann-Whitney U test (two groups) and the Kruskal-Wallis test (three or more groups). The Chi-square test was applied to cross-tabulations, with Cramér's V as the effect size. Two multiple regression models were estimated to see whether the relationships remain after other factors are held constant; variance inflation factors were below 2.5, so multicollinearity was not a concern. Internal consistency was assessed with Cronbach's alpha [19], using .70 as the usual benchmark [17]. Calculations were done in Python (SciPy and NumPy).

7. Data Analysis and Interpretation

7.1 Profile of respondents

Table 1: Profile of respondents (N = 111)

Characteristic	Category	Frequency	Per cent
Age group	Below 20	14	12.6
	20–30	77	69.4
	31–40	14	12.6
	41–50	5	4.5
	Above 50	1	0.9

Characteristic	Category	Frequency	Per cent
Gender	Female	58	52.3
	Male	53	47.7
Occupation	Student	68	61.3
	Salaried Employee	38	34.2
	Homemaker	2	1.8
	Other	2	1.8
	Self-Employed	1	0.9
Monthly income	No Personal Income	53	47.7
	Below ₹20,000	13	11.7
	₹20,000–₹40,000	7	6.3
	₹40,001–₹60,000	20	18.0
	₹60,001–₹80,000	11	9.9
	Above ₹80,000	7	6.3
Monthly savings	No Regular Savings	8	7.2
	Below ₹2,000	11	9.9
	₹2,000–₹5,000	50	45.0
	₹5,001–₹10,000	22	19.8
	₹10,001–₹20,000	17	15.3
	Above ₹20,000	3	2.7

Two-thirds of the respondents are between 20 and 30 years old (69.4 per cent), and the sample is slightly tilted towards women (52.3 per cent). Students form the largest group (61.3 per cent), followed by salaried employees (34.2 per cent). Income is sharply split: 47.7 per cent have no personal income at all, while 34.2 per cent earn more than ₹40,000 a month. Savings are modest for most; 62.2 per cent set aside ₹5,000 or less each month, and only 2.7 per cent save more than ₹20,000 (Figure 1a). Many of the students who report no income still save a little, which is likely to come from allowances or pocket money.

7.2 Subscription usage pattern

Table 2: Subscription usage pattern (N = 111)

Aspect	Category	Frequency	Per cent
Active subscriptions	None (₹0 spending)	4	3.6
	1–2	38	34.2
	3–4	24	21.6
	5–6	43	38.7
	More than 6	1	0.9
	Not answered	1	0.9
Monthly spending	₹0	5	4.5
	Below ₹500	12	10.8

Aspect	Category	Frequency	Per cent
	₹500–₹1,000	24	21.6
	₹1,001–₹2,000	58	52.3
	₹2,001–₹3,000	9	8.1
	Above ₹3,000	2	1.8
	Not answered	1	0.9
Payment frequency	Monthly	42	37.8
	Annually	31	27.9
	Half-Yearly	16	14.4
	Quarterly	15	13.5
	Other	7	6.3
Duration of use	Less than 6 months	20	18.0
	6 months–1 year	26	23.4
	1–2 years	47	42.3
	2–3 years	12	10.8
	More than 3 years	6	5.4

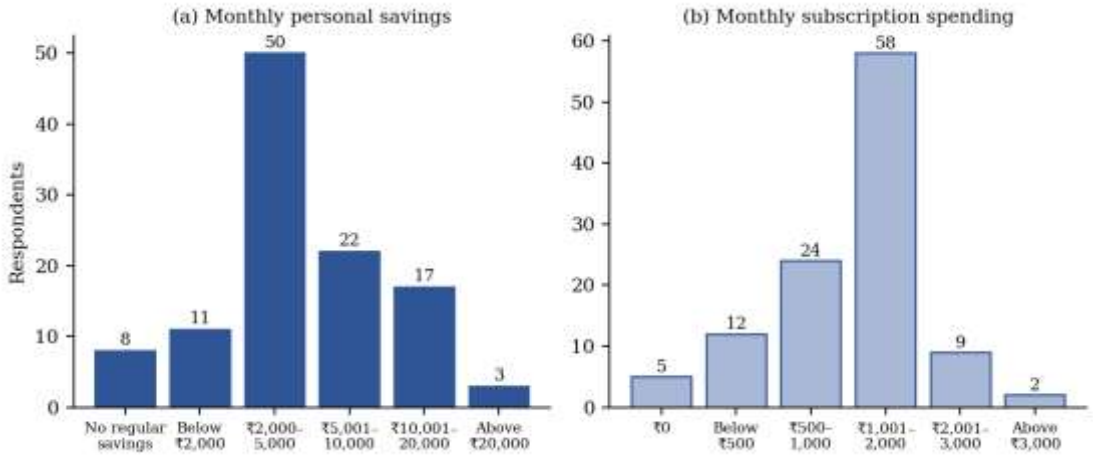


Figure 1: Distribution of (a) monthly personal savings and (b) monthly subscription spending

Subscription use is widespread but mostly moderate. About two in five respondents (39.6 per cent) hold five or more subscriptions, and 52.3 per cent spend between ₹1,001 and ₹2,000 a month, which makes this the most common spending band by a clear margin. Only 9.9 per cent spend more than ₹2,000. Payment timing is evenly divided between monthly (37.8 per cent) and annual billing (27.9 per cent), and 58.6 per cent have used their subscriptions for more than a year.

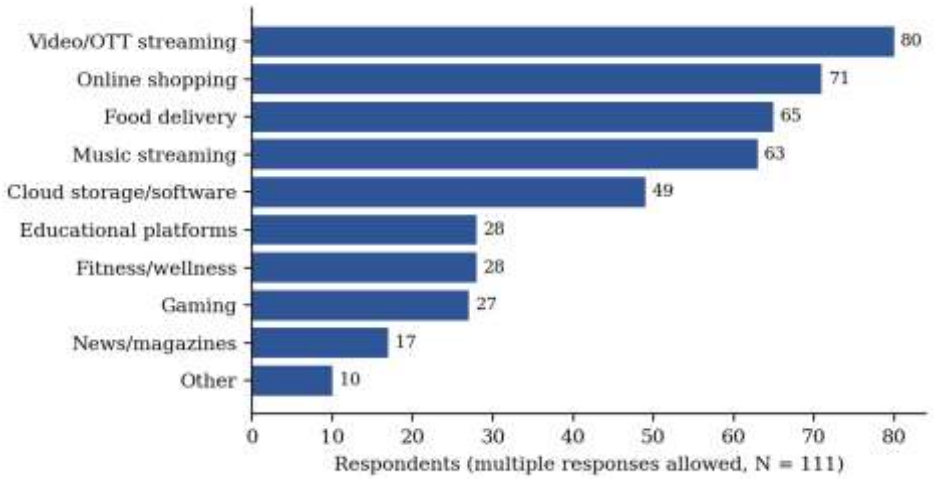


Figure 2: Types of subscription services used

Video and OTT streaming is the most common service (80 respondents), followed by online shopping memberships (71), food delivery (65), music streaming (63) and cloud storage or software (49). Services tied to learning, fitness, news and gaming are far less common. In short, the typical subscription basket here is entertainment and convenience, not productivity or self-development.

7.3 Subscription spending behaviour

Table 3: Subscription spending behaviour (Q12–Q17, N = 111)

Aspect (1–5 scale)	Mean	SD	Share at the upper end
Q12 Regularity of subscription payments	3.26	1.20	49.5% regular / very regular
Q13 Keeps unused subscriptions	3.07	1.17	41.4% often / very often
Q14 Subscribes during promotional offers	3.00	1.17	36.0% often / very often
Q15 Renews subscriptions automatically	3.14	1.09	37.8% often / very often
Q16 Awareness of total monthly spending	2.73	1.09	23.4% very / extremely aware
Q17 Perceived necessity of subscriptions	2.92	0.98	23.4% necessary / extremely necessary

Respondents sit near the middle of each scale, but the tails are worth noticing. Roughly two in five admit that they often keep subscriptions they do not use (41.4 per cent) or let them renew automatically (37.8 per cent), and 36.0 per cent often join during promotional offers. Awareness is the weakest point: 49.5 per cent said they are not at all or only slightly aware of how much they pay in total each month, and only 23.4 per cent described themselves as very or extremely aware. Opinion on how necessary subscriptions are is also lukewarm, with only about a quarter (23.4 per cent) calling them necessary or extremely necessary.

7.4 Perceived impact of subscription spending on savings

Table 4: Perceived impact of subscription spending on savings (Q18–Q27)

Statement	Mean	SD	Agree / strongly agree
Q18 Spending reduces the amount available for savings	3.28	1.11	50.5%
Q19 Higher expenditure goes with lower savings	3.51	1.00	57.7%
Q20 Payments make a regular savings plan difficult	3.41	1.08	55.9%
Q21 Multiple subscriptions increase monthly commitments	3.46	1.14	53.2%
Q22 Spending affects the ability to save for future goals	3.38	1.11	52.7%
Q23 Cutting unnecessary subscriptions can raise savings	3.58	1.16	59.6%
Q24 Expenses affect how income is allocated to savings	3.63	0.97	65.5%
Q25 Unused subscriptions mean unnecessary expenditure	3.65	1.15	60.0%
Q26 Spending influences monthly budgeting decisions	3.37	1.13	57.3%
Q27 Controlling expenses improves financial management	3.50	1.16	56.4%
Composite: Perceived Impact (PI)	3.48	0.76	—

Percentages are based on valid responses for each item (108–111 cases).

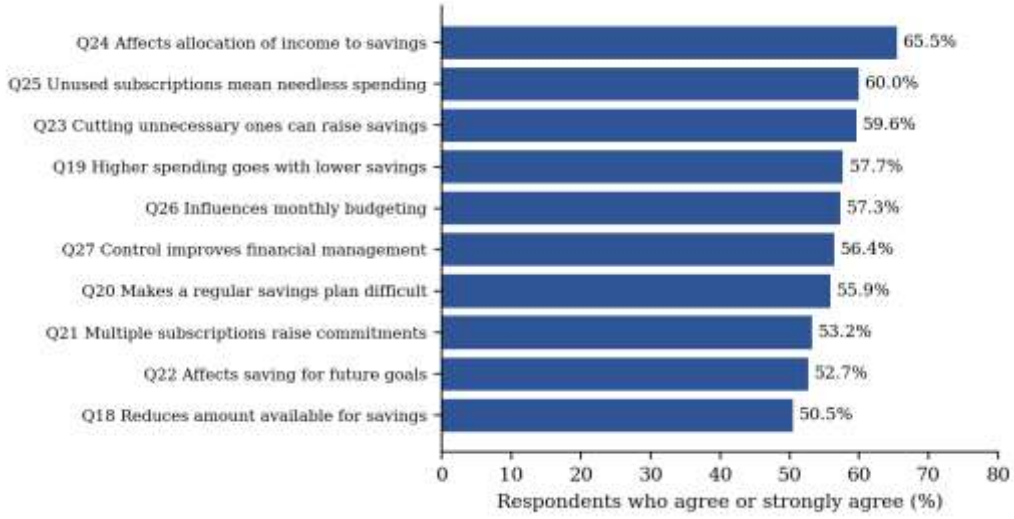


Figure 3: Share of respondents agreeing with each perceived-impact statement

Every statement scored above the neutral point of 3, with item means between 3.28 and 3.65. The strongest agreement was with the idea that subscription expenses affect how income is allocated to savings (65.5 per cent), followed by the view that unused subscriptions are wasteful (60.0 per cent) and that cutting unnecessary ones would raise savings (59.6 per cent). Even so, agreement never goes much beyond about two in three respondents, and between 19 and 29 per cent chose “neutral” on each item. Using the cut-offs of below 2.5 (low) and 3.5 or above (high) on the composite score, 64 respondents (58 per cent) fall in the high-impact group, 34 in the moderate group and 12 in the low group.

7.5 Financial management and savings behaviour

Table 5: Financial management and savings behaviour (Q28–Q34)

Statement	Mean	SD	Agree / often or always
Q28 Income is allocated among essentials, subscriptions and savings	3.41	0.99	58.6%
Q29 A fixed amount is regularly set aside	3.35	0.98	47.3%
Q30 A monthly budget is maintained	3.40	1.06	51.4%
Q31 Subscriptions are included in the budget	3.26	0.95	38.2%
Q32 Unnecessary subscriptions are cancelled	3.21	1.08	35.1%
Q33 Savings take priority over non-essential subscriptions	3.37	1.03	45.0%
Q34 Awareness of expenses encourages better saving	3.67	0.97	68.5%
Composite: Financial Management (FM)	3.38	0.67	—

Most respondents describe themselves as reasonably organised: 51.4 per cent keep a monthly budget and 47.3 per cent set aside a fixed amount regularly. The gaps appear where subscriptions are involved. Only 38.2 per cent routinely include subscriptions in the budget, 35.1 per cent often or always cancel unnecessary ones, and just 45.0 per cent say savings take priority over non-essential subscriptions. The most widely endorsed item, at 68.5 per cent, is that being aware of one's expenses encourages better saving, which fits with the finding that awareness is generally low.

7.6 Reliability of the constructs

Table 6: Reliability and descriptive statistics of constructs

Construct	Items	Cronbach's α	Mean	SD (valid n)
Perceived Impact (Q18–Q27)	10	.882	3.48	0.76 (110)
Financial Management (Q28–Q34)	7	.792	3.38	0.67 (111)
Passive Subscription Behaviour (Q13–Q15)	3	.718	3.07	0.91 (111)

The Perceived Impact and Financial Management scales both clear the .70 benchmark comfortably, so their composite scores can be used with confidence. The three-item Passive Subscription Behaviour index only just reaches it (.718). Scales with so few items tend to produce lower alpha values, so results involving this index should still be read with a little caution.

7.7 Hypothesis testing

7.7.1 Spending, number of subscriptions and savings (H1 and H2)

Table 7: Spearman rank correlations among key variables

Pair of variables	ρ	p	n
Subscription spending and personal savings	.175	.068	110
Number of subscriptions and personal savings	.022	.823	110
Monthly income and personal savings	.569	< .001	111
Subscription spending and monthly income	−.022	.820	110
Subscription spending and number of subscriptions	.649	< .001	109
Perceived impact and subscription spending	.462	< .001	109
Perceived impact and number of subscriptions	.492	< .001	109
Perceived impact and personal savings	−.094	.331	110
Awareness and personal savings	.194	.041	111
Awareness and financial management	.149	.119	111
Perceived impact and financial management	.539	< .001	110
Passive behaviour and personal savings	.180	.059	111
Passive behaviour and financial management	.096	.316	111

H1 is not supported. The expected negative relationship between subscription spending and savings does not appear. The correlation is in fact weakly positive and falls short of significance ($\rho = .17$, $p = .068$). The average savings category was 1.92 for respondents spending below ₹500, 2.33 for the ₹500–₹1,000 band and 2.40 for the ₹1,001–₹2,000 band, so people who spend a little more on subscriptions tend, if anything, to save slightly more. A Chi-square test comparing those spending up to ₹1,000 with those spending more, against savings of up to or above ₹5,000, found no association ($\chi^2 = 0.12$, $df = 1$, $p = .732$).

H2 is not supported. The number of subscriptions is unrelated to savings ($\rho = .02$, $p = .823$). Respondents with 1–2, 3–4 and 5–6 subscriptions averaged 2.39, 2.54 and 2.28 on the savings scale, which is practically the same.

A regression model was then estimated to separate these relationships from the influence of income (Table 8).

Table 8: Multiple regression – predictors of monthly personal savings (n = 109)

Predictor	B	β	t	p
(Constant)	0.987	—	2.67	.009
Subscription spending	0.008	.007	0.07	.948
Number of subscriptions	0.182	.153	1.29	.198
Monthly income	0.398	.601	6.84	< .001
Passive subscription behaviour	0.166	.134	1.42	.159
Awareness of total spending	−0.043	−.041	−0.46	.650

$R^2 = .374$, adjusted $R^2 = .344$, $F(5, 103) = 12.32$, $p < .001$. Highest VIF = 2.30. Savings coded 0–5; income coded 0–5.

The model explains about 37 per cent of the variation in savings, and nearly all of that explanatory power comes from income ($\beta = .601$, $p < .001$). After income is taken into account, subscription spending has no measurable association

with savings (β = .007). Number of subscriptions, passive behaviour and awareness are also non-significant. The weak positive correlation seen earlier therefore seems to be a by-product of other differences between respondents; it should not be read as evidence that spending on subscriptions helps people save. One clue to those differences is that spending is not lower among people with no personal income: 40 of the 53 respondents without income spend more than ₹1,000 a month, a larger share than among those who do have an income (51 per cent), and the association between income group and spending band is significant ($\chi^2 = 9.51$, df = 2, p = .009).

7.7.2 Awareness, financial management and savings (H3)

H3 is only partly supported. Awareness of the total subscription bill shows a small but statistically significant positive link with savings (ρ = .19, p = .041). Respondents who describe themselves as very or extremely aware were more likely to save more than ₹5,000 a month than the rest ($\chi^2 = 4.64$, df = 1, p = .031, Cramér's V = .204). However, awareness was not significantly related to the financial management score (ρ = .15, p = .119). Mean FM scores rose from 3.31 in the low-awareness group (n = 55) to 3.41 in the moderate group (n = 30) and 3.50 in the high-awareness group (n = 26), but the differences were not significant (Kruskal-Wallis H = 1.17, p = .558). Awareness also adds nothing once income is controlled in Table 8 (β = −.041, p = .650), which suggests that the connection with savings is largely a reflection of income: better-off respondents tend both to know their bill and to save more.

7.7.3 Perceived impact and financial management (H4)

H4 is supported. Perceived impact and financial management move together strongly (ρ = .54, p < .001), which is a large effect by Cohen's guide. People who feel that subscriptions affect their savings are also more likely to budget, to include subscriptions in the budget, to cancel unnecessary plans and to put savings first. A second regression model (Table 9) shows that this link holds after other factors are controlled.

Table 9: Multiple regression – predictors of financial management (n = 109)

Predictor	B	β	t	p
(Constant)	1.454	—	6.08	< .001
Awareness of total spending	0.081	.128	1.74	.085
Passive subscription behaviour	−0.266	−.353	−4.47	< .001
Perceived impact	0.572	.649	7.12	< .001
Monthly income	0.002	.006	0.07	.943
Subscription spending	0.208	.308	3.71	< .001

$R^2 = .560$, adjusted $R^2 = .539$, $F(5, 103) = 26.22$, $p < .001$. Highest VIF = 1.94.

The model accounts for about 56 per cent of the variation in financial management. Perceived impact is the dominant predictor (β = .649). Passive subscription behaviour has a significant negative effect (β = −.353, p < .001): respondents who often keep unused plans, renew automatically and join on promotions score lower on budgeting and cancelling habits. Spending shows a positive effect (β = .308), meaning those who spend more are somewhat more likely to be managing their money actively, perhaps because a larger bill forces attention. Income and awareness add little once the other variables are included. Because the perception items and the financial management items come from the same questionnaire, part of this strong association may reflect a general tendency to agree, so the size of the effect should be treated with care.

7.7.4 Income and savings (H5)

Table 10: Mean savings category by income group (Kruskal-Wallis test)

Income group	n	Mean savings (0–5)	Approx. category
No personal income	53	1.77	Under ₹5,000
Below ₹20,000	13	2.08	₹2,000–₹5,000
₹20,000–₹40,000	7	2.43	₹2,000–₹5,000
₹40,001–₹60,000	20	3.15	₹5,001–₹10,000
₹60,001–₹80,000	11	3.00	₹5,001–₹10,000
Above ₹80,000	7	3.71	₹10,001–₹20,000

Kruskal-Wallis H = 40.26, df = 5, p < .001.

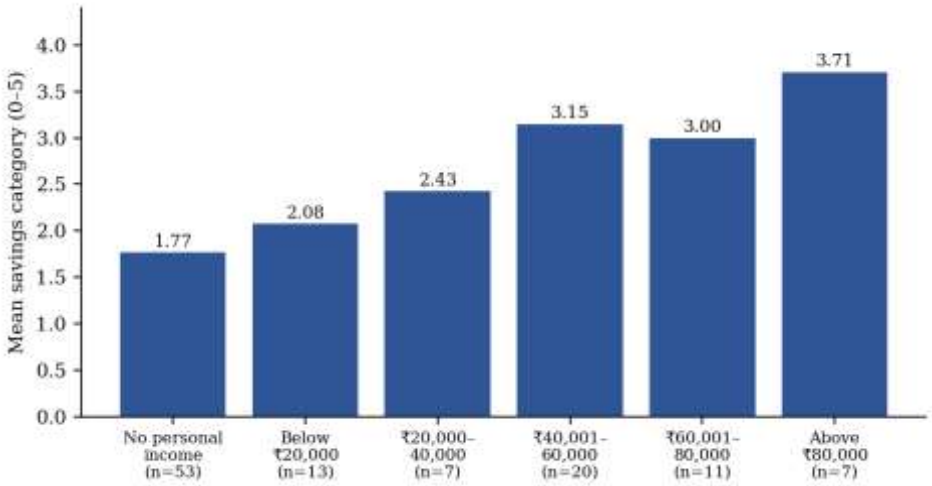


Figure 4: Mean savings category by monthly income group

H5 is supported. Savings rise steadily with income ($H = 40.26$, $p < .001$). Those with no personal income average 1.77 on the savings scale, compared with 3.71 in the above-₹80,000 group. A Chi-square test using three income groups against savings of up to or above ₹5,000 confirmed a strong association ($\chi^2 = 45.55$, $df = 2$, $p < .001$, Cramér's $V = .641$). Among those with no income, 48 of 53 save ₹5,000 or less, whereas 30 of 38 respondents earning more than ₹40,000 save more than that. Age shows a similar pattern ($H = 18.79$, $p < .001$), with mean savings rising from 1.50 for those under 20 to 3.33 for those aged 41 and above, but age and income are closely tied in this sample, so it would be wrong to treat them as independent effects.

One more number is useful for context. For the 58 respondents with an income, and using band midpoints as an approximation, subscription spending works out to roughly 3.89 per cent of income on average (SD = 5.5). The burden is far from even: it is about 10 per cent for those earning below ₹20,000 but only around 2 per cent in every higher income band. Subscriptions are thus a small slice of the budget for most earners and a heavy one for people with the lowest incomes. These percentages rest on assumed midpoints and are only indicative.

7.7.5 Students and salaried employees (H6)

Table 11: Comparison of students (n = 68) and salaried employees (n = 38)

Variable	Students M (SD)	Salaried M (SD)	U	p
Perceived impact	3.68 (0.75)	3.17 (0.70)	1831.5	< .001
Financial management	3.48 (0.70)	3.20 (0.62)	1733.0	.004
Personal savings (0–5)	2.00 (1.08)	2.95 (0.84)	592.0	< .001
Awareness of spending (1–5)	2.56 (0.97)	3.18 (1.16)	866.0	.003
Subscription spending (0–5)	2.54 (1.08)	2.65 (0.79)	1273.5	.911
Passive behaviour (1–5)	3.17 (0.82)	3.08 (0.98)	1334.0	.782

H6 is supported. Students perceive a larger impact (3.68 against 3.17, $p < .001$) and report stronger financial management (3.48 against 3.20, $p = .004$), even though their subscription spending ($p = .911$) and passive behaviour ($p = .782$) are no different from those of salaried employees. In other words, the same bill appears to weigh more heavily on students, which is consistent with their lower savings (2.00 against 2.95, $p < .001$) and lower income. Students are also less aware of their total subscription spending (2.56 against 3.18, $p = .003$). Gender made little difference to perception (3.47 for women, 3.49 for men, $p = .993$) or financial management (3.40 and 3.36, $p = .822$), although men reported higher savings (2.60 against 2.10, $p = .015$), which probably reflects the income distribution within the sample.

7.8 Summary of hypothesis tests

Table 12: Summary of hypotheses

No.	Hypothesis	Key statistic	Result
H1	Spending is negatively related to savings	$\rho = .17$ (positive), $p = .068$; $\beta \approx 0$ after controls	Not supported
H2	Number of subscriptions is negatively related to savings	$\rho = .02$, $p = .823$	Not supported
H3	Awareness is positively related to financial management and savings	Savings: $\rho = .19$, $p = .041$; FM: $\rho = .15$, $p = .119$	Partly supported
H4	Greater perceived impact goes with stronger financial management	$\rho = .54$, $p < .001$; $\beta = .649$	Supported
H5	Savings differ across income groups	$H = 40.26$, $p < .001$	Supported
H6	Students and salaried employees differ	Impact, FM, savings and awareness all $p < .01$	Supported

8. Discussion

The most noticeable result is the gap between what respondents believe and what the data show. More than half of them think subscriptions reduce their savings, and 58 per cent fall into the high-impact group, yet neither how much they spend nor how many services they hold is related to how much they save. Perceived impact itself has no relationship with savings ($\rho = -.09$, $p = .331$). The belief is therefore real, but it does not translate into a visible difference in savings across this sample.

The likeliest explanation is that subscriptions are a small and fairly uniform expense next to the things that really decide saving capacity. Income on its own accounts for roughly a third of the rank variation in savings ($\rho^2 \approx .32$), which is exactly what earlier economic thinking on income and saving would predict [13][14]. A ₹1,500 subscription bill matters, but a difference of ₹20,000 in monthly income matters far more. This does not mean subscriptions are harmless. For respondents below ₹20,000 a month the bill is about a tenth of income, and it is reasonable to expect a larger effect there than a sample of this size can reveal.

The results for behaviour tell a more useful story. Perception and good financial habits go hand in hand: people who feel the pinch are also the ones who budget, track and cancel. Passive behaviours, on the other hand, are linked to weaker financial management even after other factors are held constant, and this is the strongest negative effect in the models. It is consistent with the inertia and default effects described in earlier research [6][7][8]. Auto-renewals and unused plans are exactly the kind of low-attention choices that go with a loose financial routine. About 41.4 per cent of respondents admit to often keeping unused subscriptions, and nearly half (49.5 per cent) have only a vague idea of their total bill, which shows how common this inattention is.

It is worth being candid about what did not work out. Awareness showed a small link with savings, but it faded once income was considered and it did not carry over to financial management, so this study cannot confirm that knowing the total bill leads to better saving. It may be that awareness matters only when combined with action, such as cancelling or budgeting, which respondents report less often than they report simply feeling that subscriptions cost money. Finally, the finding that students feel the impact more strongly while spending about the same as salaried employees points to the importance of relative burden. The financial pressure is felt in proportion to income, not in rupees.

9. Major Findings

- Subscription use is widespread: 105 of the 110 respondents who answered reported some monthly spending, 39.6 per cent hold five or more subscriptions, and 52.3 per cent spend ₹1,001–₹2,000 a month. Video streaming, online shopping memberships and food delivery are the most used services.
- A large minority show passive habits: 41.4 per cent often keep unused subscriptions, 37.8 per cent often renew automatically and 36.0 per cent often subscribe during promotional offers. Only 23.4 per cent are very or extremely aware of their total monthly subscription spending.
- Respondents perceive a moderate-to-high impact on savings (composite mean 3.48). The strongest agreement is that subscription expenses affect how income is allocated to savings (65.5 per cent).
- Neither subscription spending nor the number of subscriptions is associated with lower savings. After controlling for income, spending has no measurable effect on savings.
- Income is the strongest correlate of savings ($\rho = .57$; $\chi^2 = 45.55$, $p < .001$), and it accounts for most of what the regression model explains.
- Perceived impact is strongly related to financial management ($\rho = .54$), and passive subscription behaviour is a significant negative predictor of financial management ($\beta = -.353$).
- Awareness of the total bill has a small positive link with savings, but it does not hold once income is controlled and it is not related to financial management.
- Students perceive the impact more strongly, are less aware of their total spending and save less than salaried employees, despite spending a similar amount on subscriptions.
- Only 38.2 per cent of respondents include subscriptions in their monthly budget.

10. Suggestions and Implications

10.1 For consumers

A quarterly review of all active subscriptions is probably the easiest improvement. Listing every service with its price and renewal date, then asking whether each was used in the last month, costs very little time. Because fewer than half of the respondents put subscriptions into their budget, treating them as one fixed line item would make the expense

visible. Annual plans paid in one go deserve special attention, since they are easy to forget until the charge arrives; a calendar reminder a week before renewal gives time to decide. Students in particular could set a monthly cap on subscriptions as a share of their allowance.

10.2 For educators and financial counsellors

Budgeting lessons for young people often focus on rent, food and transport. This study suggests that recurring digital payments deserve a place in the same conversation, because awareness of the total bill is low among students and the burden relative to income is highest for low earners. Simple exercises such as adding up one's own subscriptions can make the abstract idea of small recurring costs concrete.

10.3 For service providers and policymakers

Clear renewal reminders, an easy way to cancel and a single view of all active plans would help customers stay in control. Given how many respondents join during promotional offers, trial-to-paid conversions should be accompanied by a prominent notice of the date and amount of the first charge. Such measures protect customers and also build the kind of trust that supports long-term loyalty.

11. Limitations and Scope for Future Research

The study has several limitations. The sample is small (111) and was obtained by convenience sampling, with a heavy presence of young respondents and students, so the findings cannot be generalised to all consumers. Thirty-nine duplicate submissions had to be removed from the original file, and although this protects the analysis, it also shows that online collection needs closer checking, for example by limiting each person to one response. The design is cross-sectional, which allows associations to be reported but not causal effects. Savings, spending and income were reported in bands, not exact amounts, and were self-reported, so recall error and social desirability may have affected the answers. Using band midpoints to estimate the share of income spent is only an approximation. The questionnaire was not limited to current subscribers; 5 respondents reported zero spending, and 6 reported "never" using subscription services while still listing active subscriptions, which suggests that the usage question may have been read in different ways. The Passive Subscription Behaviour index has only modest reliability ($\alpha = .718$). Finally, subscription fatigue was not measured with a dedicated scale, so conclusions about fatigue itself are indirect.

Future studies could use larger and more varied samples, add a validated measure of subscription fatigue, and ask for exact amounts or use transaction records to measure spending and savings more precisely. A panel design that follows the same people over several months would show whether changes in subscription habits lead to changes in savings. It would also be useful to examine whether cancelling subscriptions, rather than merely feeling concerned about them, makes a difference to saving.

12. Conclusion

This study set out to find out whether subscription spending reduces personal savings. In a sample of 111 respondents, the answer is that the connection is far weaker than people assume. More than half the respondents believe that subscriptions eat into their savings, but neither the amount spent nor the number of subscriptions held is linked to lower savings once income is considered. Income, and the stage of life that comes with it, is what separates savers from non-savers.

What does stand out is the role of habits. Respondents who keep unused plans, renew automatically and sign up on impulse tend to manage their money less actively, and many do not know what their subscriptions cost in total. Students feel the weight of subscriptions more than salaried employees, even though they spend about the same. For the consumer, the practical lesson is to keep subscriptions visible and under review. For educators and providers, the opportunity lies in building awareness and making renewal decisions simpler. Subscriptions may not be the main threat to savings, but unmanaged ones are an easy and avoidable leak.

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Appendix A: Questionnaire Structure and Coding

Section / Item	Content	Coding used in analysis
A: Q1–Q5	Age group, gender, occupation, monthly income, monthly personal savings	Income 0–5 (no income to above ₹80,000); savings 0–5 (no regular savings to above ₹20,000)
B: Q6	Usage of subscription-based services	Never 1 … Very often 5
B: Q7	Number of active subscriptions	0 (none), 1–2 = 1, 3–4 = 2, 5–6 = 3, more than 6 = 4
B: Q8	Types of services used (multiple response)	Frequency count per type
B: Q9	Monthly spending on subscriptions	₹0 = 0 … above ₹3,000 = 5
B: Q10–Q11	Payment frequency; duration of use	Described by frequency
C: Q12	Regularity of subscription payments	Very irregular 1 … Very regular 5
C: Q13–Q15	Unused subscriptions; promotional offers; automatic renewal	Never 1 … Very often 5 (PS index)
C: Q16	Awareness of total monthly expenditure	Not at all aware 1 … Extremely aware 5
C: Q17	Perceived necessity of subscriptions	Not necessary 1 … Extremely necessary 5
D: Q18–Q27	Ten statements on impact of subscription spending on savings	Strongly disagree 1 … Strongly agree 5 (PI)
E: Q28, Q33, Q34	Allocation of income; savings priority; awareness and saving habits	Strongly disagree 1 … Strongly agree 5 (FM)
E: Q29–Q32	Fixed savings; budget; subscriptions in budget; cancelling unnecessary plans	Never 1 … Always 5 (FM)