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### Abstract

The subscription-driven business model has gained significant traction across various industries, including entertainment, software, e-commerce, and consumer goods. While this model offers convenience and flexibility to consumers, its impact on low-income families and individuals remains unexplored and understudied. This research proposal aims to investigate the economic implications of subscription-based services on low-income households, shedding light on potential challenges in how it affects their purchasing power, investing and retirement abilities, and other opportunities for this demographic group. The findings of this research will have practical implications for subscription service providers, policymakers, and consumer advocacy groups. The study aims to contribute to a more inclusive and equitable understanding of the subscription-driven business model.

### Subscription Business Models

A subscription business model is a **recurring revenue model** in which customers pay a weekly, monthly, or yearly fee in exchange for your products or services. As long as you don't cancel you will be charged recurring fees, and these fees also often increase over time whether you are aware of it or not. This model allows companies to leverage customer relationships creating a steady stream of income for themselves. There are examples of such models in almost every industry, from meal kits, streaming services, Software, and beauty boxes. Companies are constantly experimenting with new methods to enhance customer acquisition and retention. The technology that has enabled the spread of this business model is called **PAYWALL**.

#### There are three basic types of paywalls:

**Soft Paywall:** Users Have access to a limited number of articles to experience the quality of content before subscribing.

**Tiered Paywall:** Users have diverse levels of access to content based on their subscription.

**Hard Paywall:** Users must have a subscription to access any content

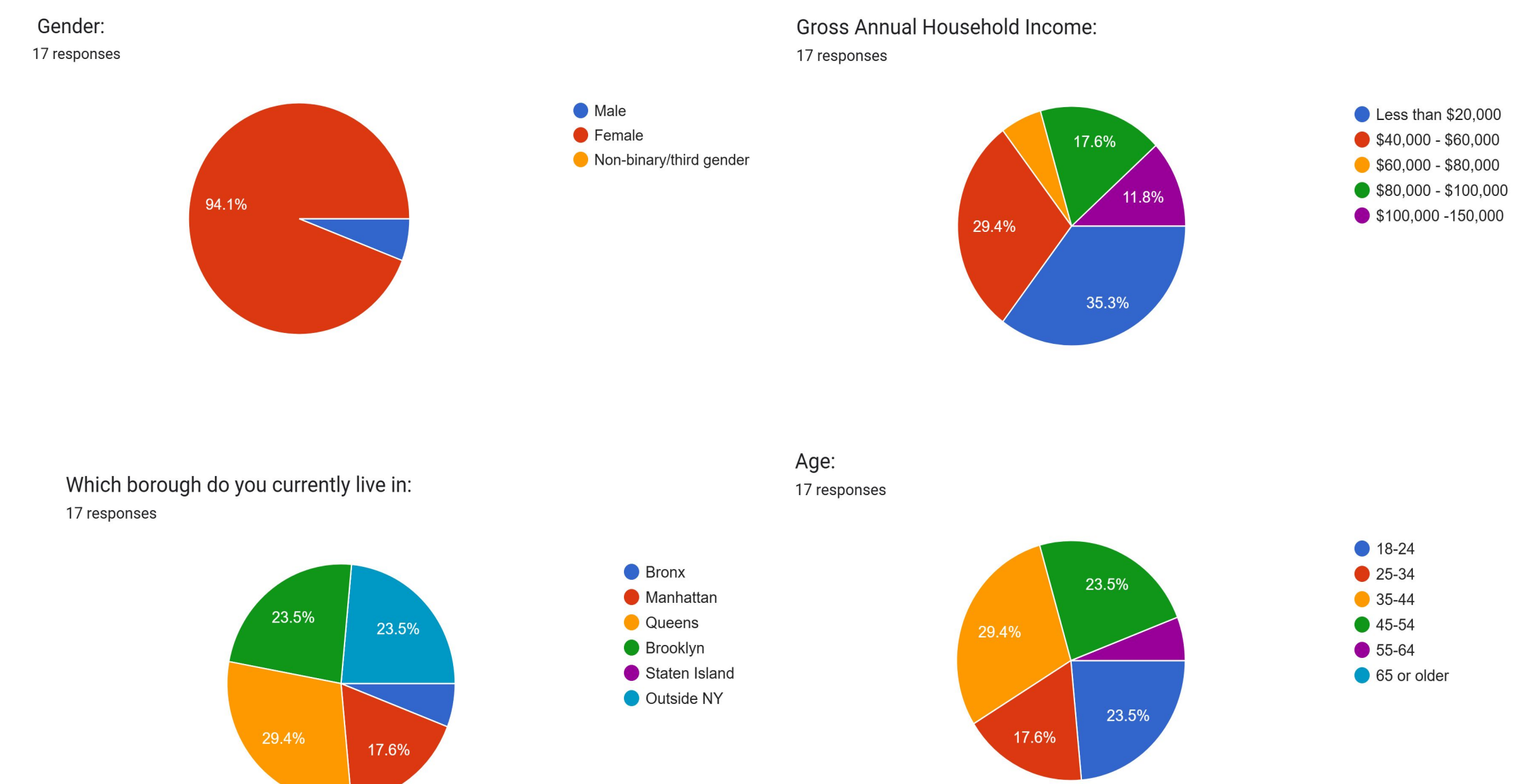
### Research Method

An anonymous survey was created for BMCC Students and faculty to access:

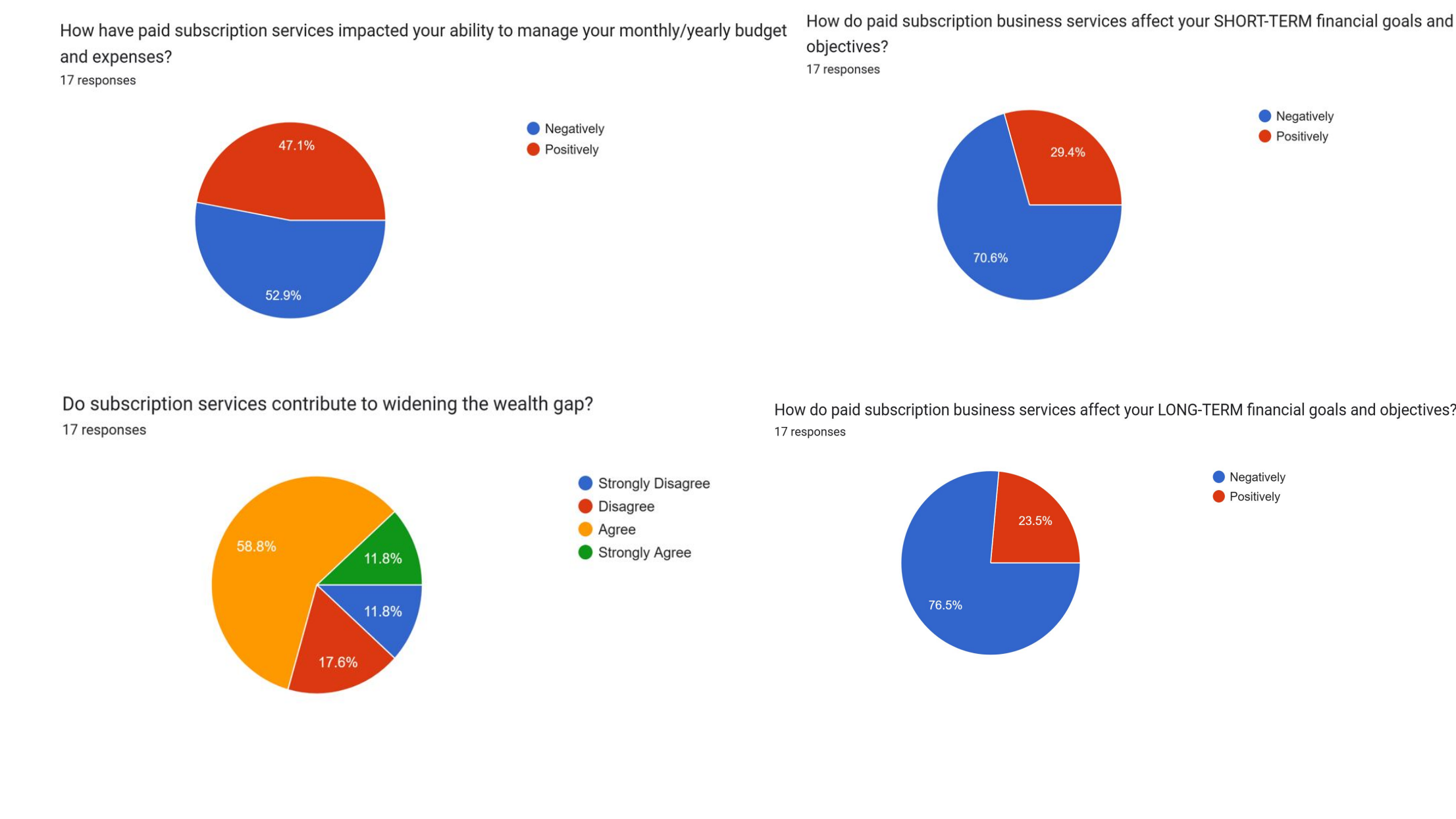
- The usage patterns of paid subscription services among individuals from low-income levels.
- To determine the perceived affordability of subscription services among low-income households.
- To examine the impact of subscription services on the purchasing power and financial well-being of low-income individuals.
- To explore the satisfaction levels, anxieties, and sense of social inclusion/exclusion associated with subscription services
- To investigate the phenomenon of subscription fatigue and its implications.

**The goal is that this research contributes to a more comprehensive understanding of the subscription economy and its implications for consumer welfare and economic equity.**

### Demographics



### Negative Impacts



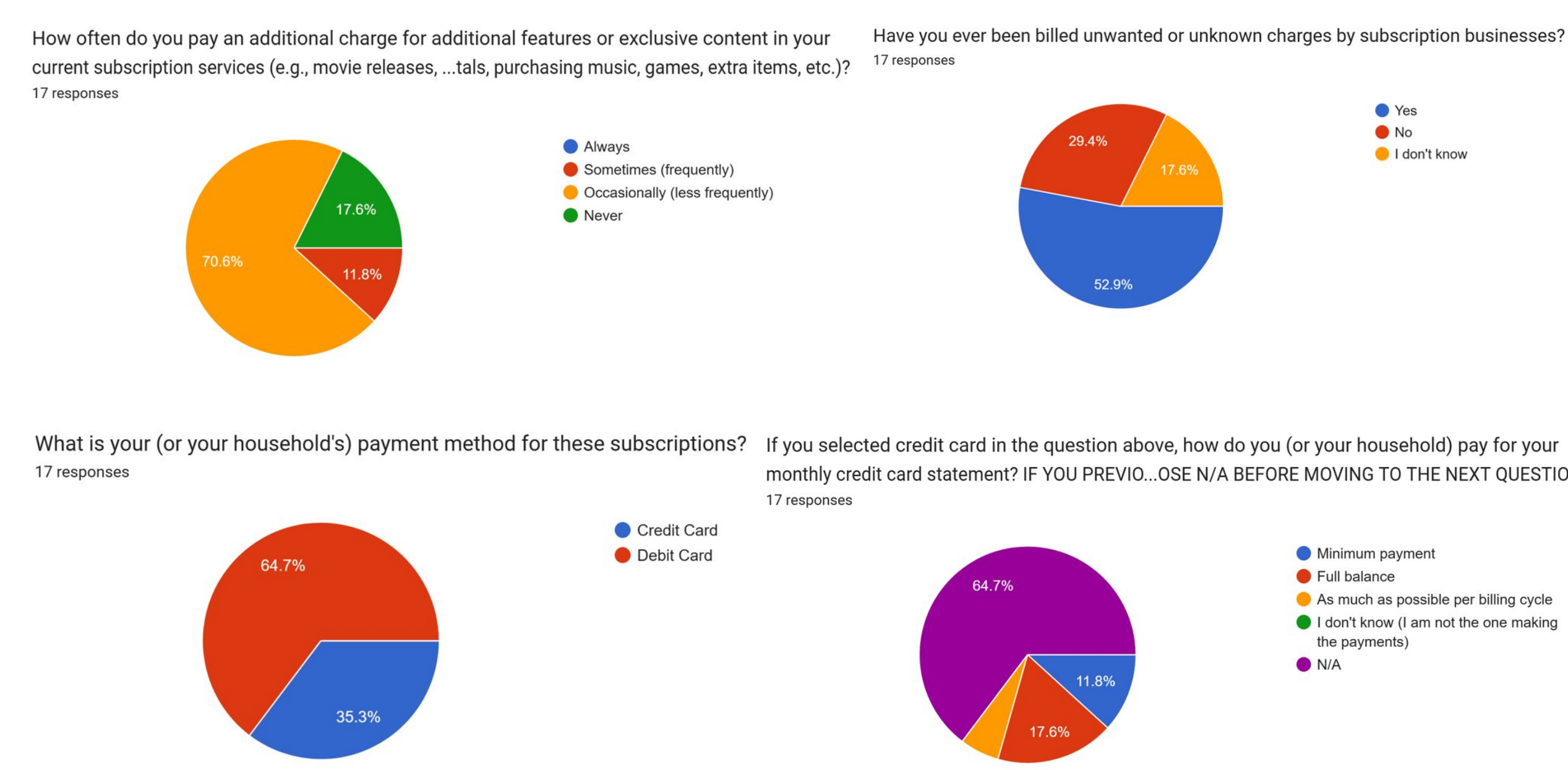
### Conclusion

- Customer satisfaction can be enhanced through more affordable options and transparent communication about subscription terms.
- Consumers demand transparency and policy regulation in paid subscription business models, a demand that should not be overlooked, as this demand can potentially influence policymakers.
- One's ability to achieve financial independence, goals and objectives can be affected by financial illiteracy, low income, and subscription overuse.
- 48% of responders report feelings of subscription fatigue.
- Responders perceive subscriptions as a contributor to the wealth gap and strongly agree that some form of business regulation is necessary.
- Most responders do not perceive subscriptions as affordable for their income level.
- Consumer education and financial literacy programs are needed to help individuals understand the implications of credit and debit card usage and subscriptions.

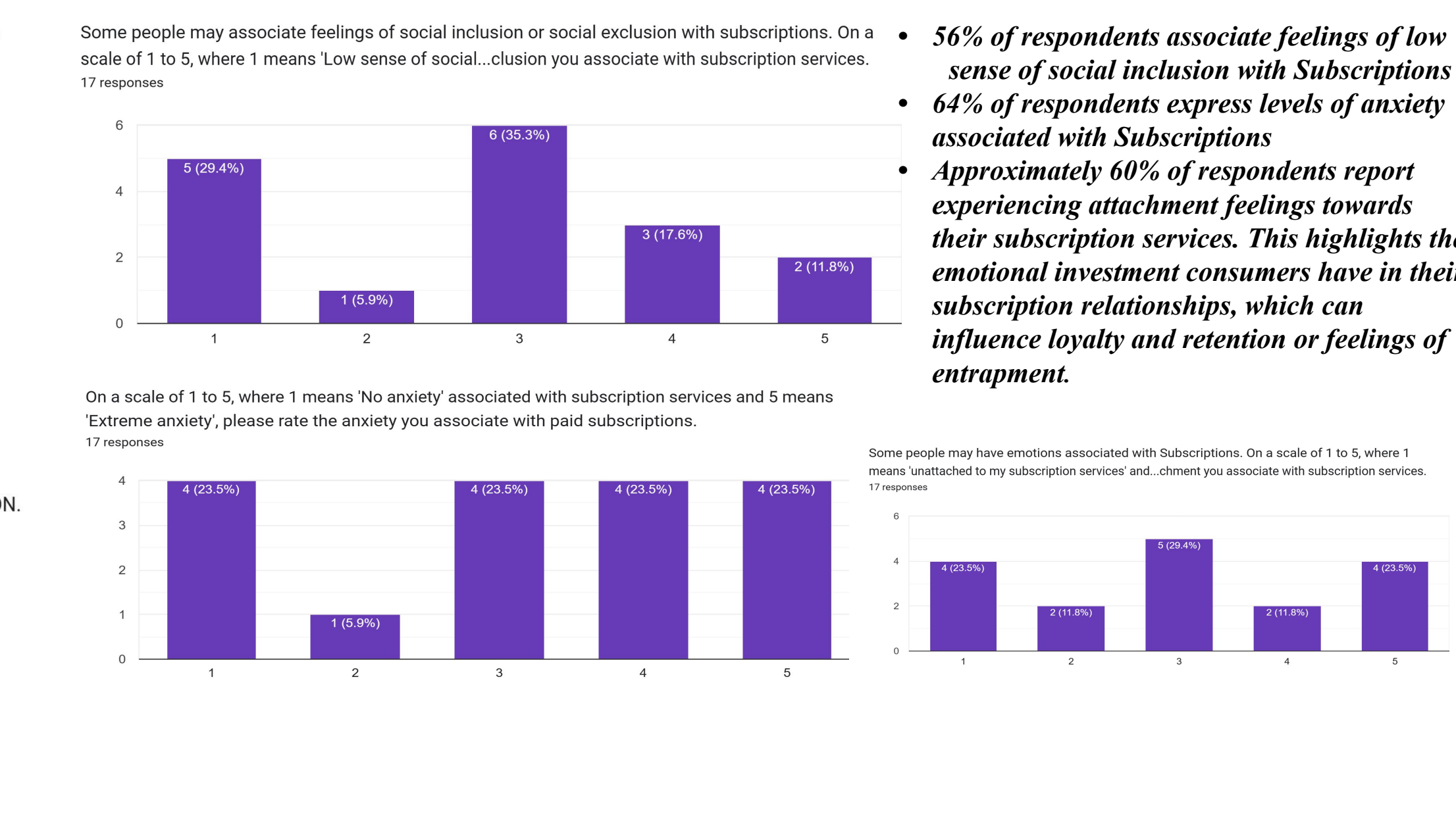
In analyzing our data, we can point to these needs:

- Credit and debit card usage literacy.
- Understanding of the implications of compounded interest and overdraft fees.
- Ability to read, understand, and routinely check account balances and statements to avoid and identify unwanted charges.
- Increased awareness of budgeting and debt management to empower consumers to make more informed financial decisions.

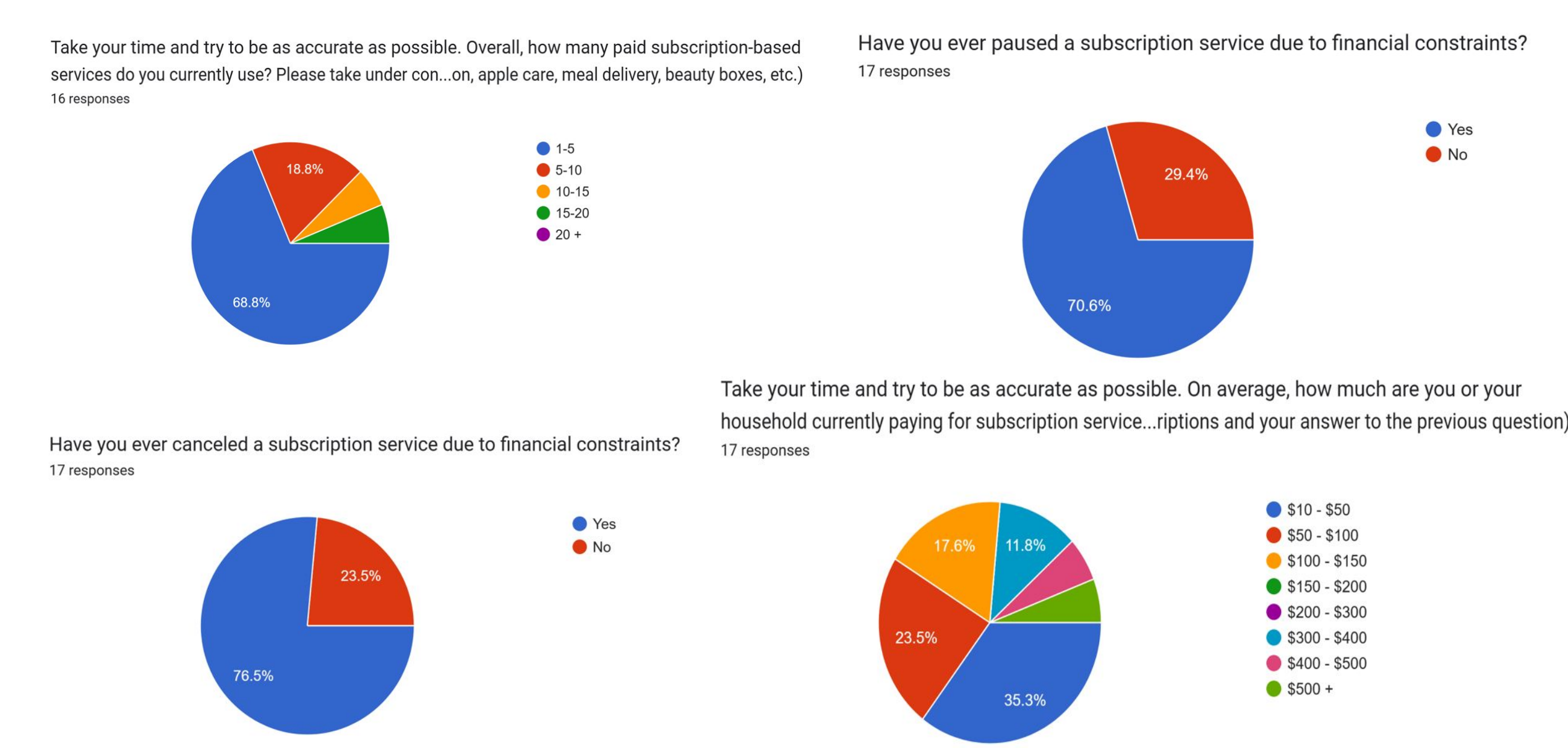
### Survey Results



### Analyzing the Data



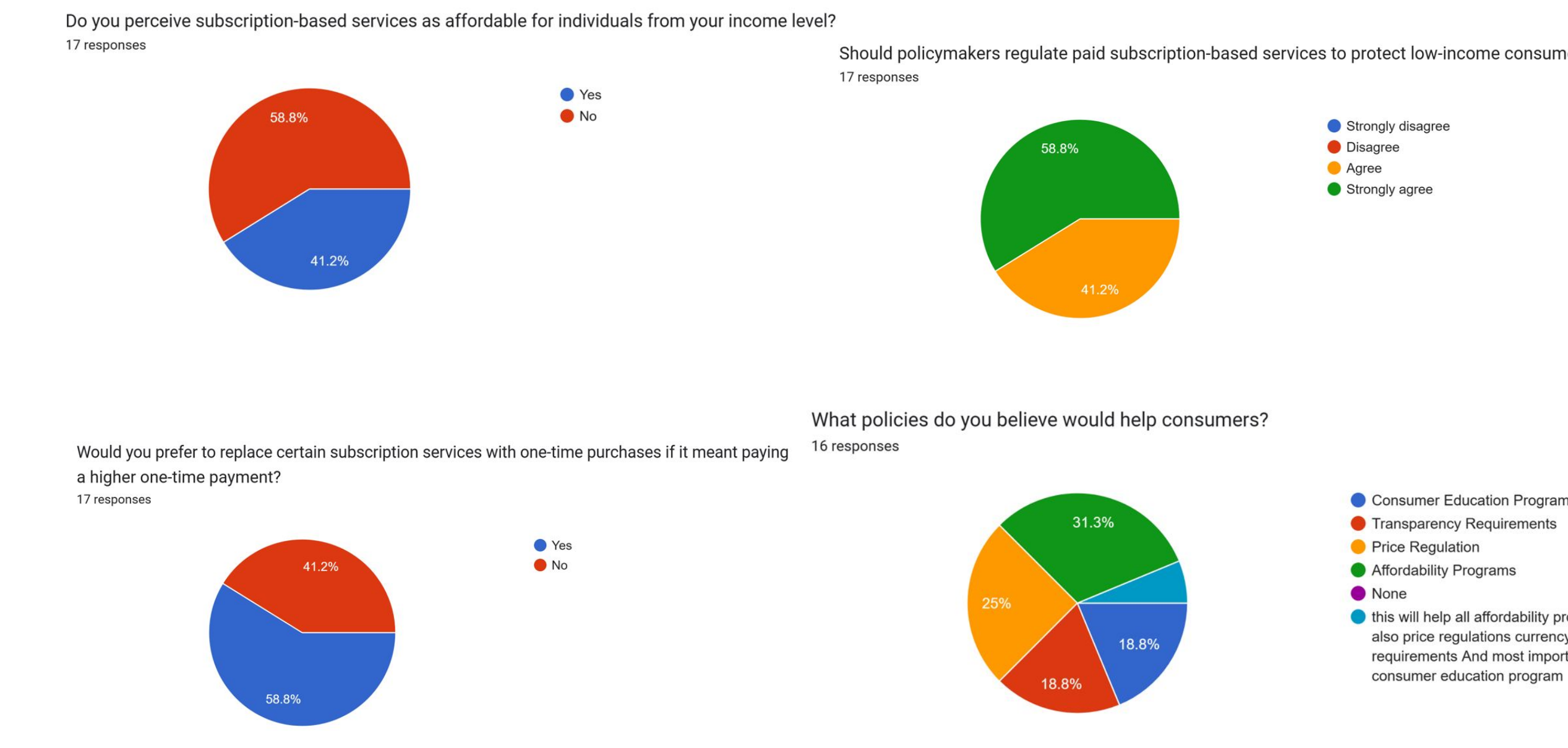
### Survey Results



### Contradictions



### The mood



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