

Cancellation vs Continuance on Subscription-Based Services: How Expected Utility Shapes User Decision

Pablo Antonio Muñoz-Gallego

Universidad de Salamanca

Marta Nieto-García

Universidad de Salamanca

Ismael Becerril-Castrillejo

Universidad de Burgos

Cite as:

Muñoz-Gallego Pablo Antonio, Nieto-García Marta, Becerril-Castrillejo Ismael (2025), Cancellation vs Continuance on Subscription-Based Services: How Expected Utility Shapes User Decision. *Proceedings of the European Marketing Academy*, 54th, (126211)

Paper from the 54th Annual EMAC Conference, Madrid, Spain, May 25-30, 2025



Cancellation vs Continuance on Subscription-Based Services: How Expected Utility Shapes User Decision

The rise in subscription cancellation rates is becoming a prominent challenge for companies. This study delves into users' decision making, particularly assessing inter-temporal dynamics as one of the factors behind subscription cancellation. Building on expected utility theory, we propose that future utility expectations -shaped by individual and markets- influence the continuance decision. We also analyse the moderating effect of user involvement with the service. We test our model with a 3-year household panel of subscription video on demand services (n=2.389). Our preliminary findings show that meeting heightened expectations can be challenging for companies and may undermine the long-term continuance decision. User involvement moderates this effect by accelerating or decelerating the cancellation process. By including expectations in the decision-making model and utilising a longitudinal dataset, we advance subscription services research and provide key managerial implications.

Keywords: Retention, Continuance intention, Subscription services

Track: Relationship Marketing