

Determinants of Netflix Subscription Continuance Intention among Generation Z Users

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Abstract: The rapid growth of Subscription Video-on-Demand (SVoD) services has shifted the industry's strategic focus from user acquisition toward retention, yet current literature emphasizes cognitive paradigms over behavioral manifestations. This study aims to develop and test an integrated retention model grounded in the Stimulus–Organism–Response (S–O–R) framework by examining the relationships among technical stimulus, social viewing influence, perceived value, binge-watching, and continuance intention among Netflix users aged 18-25 in North Sumatra, Indonesia. Using a quantitative survey design, data were collected from 304 valid respondents drawn from the Generation Z cohort and analyzed through Partial Least Squares Structural Equation Modeling (PLS-SEM). The results show good model performance, with an R-square of 0.628 for continuance intention. All hypothesized direct and indirect relationships were positive and significant. Technical stimulus and social viewing influence significantly enhance perceived value, which subsequently drives binge-watching and strengthens continuance intention. Mediation analysis confirms the pivotal role of binge-watching in transforming cognitive evaluation and social influence into continuance intention. Theoretically, this study extends the S–O–R framework by integrating cognitive and behavioral mechanisms in explaining digital retention. Practically, the findings offer guidance for SVoD providers to optimize social engagement features and personalization strategies to reduce churn.

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INTRODUCTION

The diffusion of digital technology has transformed the way consumers access entertainment media, positioning Subscription Video-on-Demand (SVoD) services as an important segment of the digital entertainment industry. Platforms such as Netflix provide extensive content catalogs, cross-device access, personalized recommendations, and flexible subscription options that shape users' streaming experiences (Haqqo, 2024). The scale and global reach of streaming services are reflected in Netflix's operations in 2025, with the company reporting streaming availability in more than 190 countries and an estimated audience approaching one billion people (Netflix, 2025). In this increasingly competitive environment, understanding why users continue their subscriptions is important, particularly when consumers can evaluate alternative streaming services and reconsider whether the benefits of a subscription justify its costs (Kania et al., 2022).



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Continuance intention is an important indicator of users' willingness to maintain a subscription over time. Prior literature suggests that users' decisions to continue subscribing depend not only on service quality but also on how they evaluate the benefits received against the sacrifices incurred, an assessment captured by perceived value (PV). Perceived value is a multidimensional construct encompassing utilitarian and hedonic benefits, content quality, ease of use, and the alignment between costs and consumption experience (X. Jia et al., 2023). Previous research has identified perceived value as an important factor associated with continuance intention because it reflects users' overall evaluation of whether the benefits obtained from a service justify the costs of continued use (Samudro et al., 2024).

Beyond cognitive evaluation, users' behavior in digital environments can also be influenced by social dynamics. Watching streaming content is not necessarily an individual activity, as friend recommendations, community discussions, and viral content can shape users' perceptions and consumption decisions. This social dimension is captured by social viewing influence (SVI), which describes how social norms and the desire to remain relevant within community conversations can influence users' perceptions of a platform (Menon, 2022). However, perceived value and social viewing influence have often been examined as separate factors, leaving their combined role in explaining subscription continuance insufficiently understood (Hena et al., 2024).

The characteristics of SVoD platforms have also facilitated binge-watching, defined as watching multiple episodes consecutively in a single viewing session. Features such as autoplay, full-season releases, and personalized recommendations can facilitate this form of consumption (Kania et al., 2022). From a Uses and Gratifications perspective, binge-watching may fulfill needs for entertainment, relaxation, escapism, and narrative satisfaction. However, previous findings remain mixed: some studies associate binge-watching with greater engagement and loyalty, whereas others relate it to digital fatigue and excessive consumption (Song et al., 2024). This divergence suggests that the role of binge-watching in the process leading to subscription continuance remains insufficiently explained.

Despite the development of continuance-intention research, three gaps remain. First, much of the existing literature emphasizes users' cognitive evaluations, particularly perceived value, without sufficiently explaining how such evaluations are reflected in subsequent consumption behavior (Mangunsong et al., 2024). Second, perceived value and social viewing influence are often examined independently, limiting understanding of how cognitive evaluation and social influence may operate together in explaining users' subscription decisions (Hena et al., 2024). Third, binge-watching has frequently been examined as an outcome of streaming consumption rather than as a behavioral mechanism that may connect cognitive and social factors with continuance intention (Lv et al., 2022). These gaps indicate the need for an integrated framework that considers cognitive, social, and behavioral dimensions simultaneously.

To address these gaps, this study develops and tests an integrated Stimulus–Organism–Response (S–O–R) framework to examine Netflix subscription continuance intention among Generation Z users. Technical stimulus (ST) and social viewing influence (SVI) are conceptualized as external stimuli, perceived value (PV) as a cognitive state, and binge-watching (BW) as a behavioral mechanism associated with continuance intention (CI). The objective of this study is to examine the direct, indirect, and mediating relationships among technical stimulus, social viewing influence, perceived value, binge-watching, and Netflix subscription continuance intention among Generation Z users. The study contributes to the literature by integrating technical, social, cognitive, and behavioral dimensions within a single S–O–R framework to provide a more comprehensive explanation of Netflix subscription continuance. Practically, the findings provide insights for SVoD providers into how platform characteristics, perceived

value, social viewing dynamics, and consumption experiences may be considered in developing subscriber retention strategies while maintaining user well-being.

LITERATURE REVIEW

The Integrative Stimulus–Organism–Response (S–O–R) Framework

This study adopts the Stimulus–Organism–Response (S–O–R) framework to explain Netflix subscription continuance through an integrated technical, social, cognitive, and behavioral perspective (Song et al., 2024). Within this framework, Technical Stimulus (ST) and Social Viewing Influence (SVI) are conceptualized as distinct but theoretically compatible external stimuli. Although ST originates from platform-level technical and functional attributes and SVI originates from the user's social environment, both represent external conditions encountered by users that can shape subsequent cognitive and behavioral responses. Perceived Value (PV) is positioned as the Organism (O) because it represents the user's internal cognitive evaluation of the benefits received relative to the sacrifices incurred. Rather than constituting another external condition, PV captures how users interpret and integrate information from the technical and social environment before forming subsequent responses, thereby functioning as the cognitive bridge through which external stimuli are translated into consumption and subscription responses. The Response (R) is specified as a two-stage process consisting of Binge-Watching (BW) followed by Continuance Intention (CI). BW represents an immediate behavioral response to the streaming experience, reflected in intensive and prolonged viewing behavior, whereas CI represents a subsequent, future-oriented subscription response concerning users' intention to renew and maintain their Netflix subscription. This distinction provides the theoretical basis for treating BW and CI as sequential rather than equivalent outcomes: BW captures the immediate behavioral manifestation of the streaming experience, while CI captures the longer-term intention to sustain the subscription. Accordingly, BW is conceptualized as a behavioral bridge that may connect users' cognitive evaluations and social influences with subsequent continuance intention.

Perceived Value as Organism: The Cognitive Bridge in SVoD Retention

Within the S–O–R framework, perceived value (PV) is conceptualized as the primary Organism dimension and the cognitive bridge through which users internalize and synthesize the environmental stimuli they receive, rather than merely a technical mediator of satisfaction (Wu et al., 2025). As this bridge, PV captures users' simultaneous evaluation of technical stimuli—whether pricing, visual quality, and recommendation accuracy justify the cost and time incurred and social stimuli, such as whether subscribing provides sufficient social value to remain relevant in community discussion. Through this internalization process, PV becomes the rational justification determining whether users proceed toward intensive binge-watching or move directly toward continuance commitment.

Social Viewing Influence as an External Stimulus

In the extended S–O–R framework, social viewing influence (SVI) is conceptualized not as an internal state but as an external environmental trigger — the social ecosystem surrounding the user, manifested through subjective norms, active recommendations, and shared-viewing rituals (Song et al., 2024). This social stimulus operates in part through the Fear of Missing Out (FOMO) mechanism, which may encourage intensive binge-watching when users seek to avoid informational disconnection from their community, as the constant flow of trending-content information creates urgency for users to keep pace with their peers' consumption and remain part of ongoing social conversation.

Binge-Watching as a Behavioral Mechanism Toward Continuance Intention

Recent OTT research increasingly identifies binge-watching (BW) not merely as a passive consumption pattern, but as an active gratification and key predictor of long-term subscription intention, as marathon-viewing sessions heighten immersion and parasocial interaction that may be associated with stronger subscription continuance intention (Menon, 2022). Departing from prior literature that treats BW merely as an outcome, this study repositions BW as an integral part of Response — a behavioral bridge that channels the influence of internal cognitive state (PV) and social-environmental triggers (SVI) into the strategic commitment of continuance intention (CI), explaining retention through what users intensively do rather than only what they think.

Conceptual Framework and Hypothesis Development

Grounded in this integrative framework, the conceptual model positions Stimulus (S) as a multidimensional environmental trigger — technical platform attributes and social viewing influence—internalized at the Organism (O) level through perceived value (PV) as the user's primary cognitive bridge. The resulting evaluation then drives a dual, sequential Response (R), in which binge-watching (BW) acts as the behavioral bridge channeling users' cognitive and social evaluation into continuance intention (CI), demonstrating that Netflix user retention is shaped not only by direct rational value judgment but also through intensive behavioral engagement triggered synergistically by platform superiority and users' social environment. Accordingly, based on the theoretical arguments presented in the previous sections, this study proposes the following hypotheses.

- H1:** Technical Stimulus (ST) has a positive effect on Perceived Value (PV).
- H2:** Social Viewing Influence (SVI) has a positive effect on Perceived Value (PV).
- H3:** Perceived Value (PV) has a positive effect on Binge-Watching (BW).
- H4:** Perceived Value (PV) has a positive effect on Continuance Intention (CI).
- H5:** Social Viewing Influence (SVI) has a positive effect on Binge-Watching (BW).
- H6:** Social Viewing Influence (SVI) has a positive effect on Continuance Intention (CI).
- H7:** Binge-Watching (BW) has a positive effect on Continuance Intention (CI).
- H8:** Binge-Watching (BW) mediates the relationship between Perceived Value (PV) and Continuance Intention (CI).
- H9:** Perceived Value (PV) and Binge-Watching (BW) sequentially mediate the relationship between Social Viewing Influence (SVI) and Continuance Intention (CI).
- H10:** Perceived Value (PV) mediates the relationship between Technical Stimulus (ST) and Continuance Intention (CI).
- H11:** Perceived Value (PV) mediates the relationship between Technical Stimulus (ST) and Binge-Watching (BW).
- H12:** Technical Stimulus (ST) has a positive effect on Binge-Watching (BW).
- H13:** Technical Stimulus (ST) has a positive effect on Continuance Intention (CI).

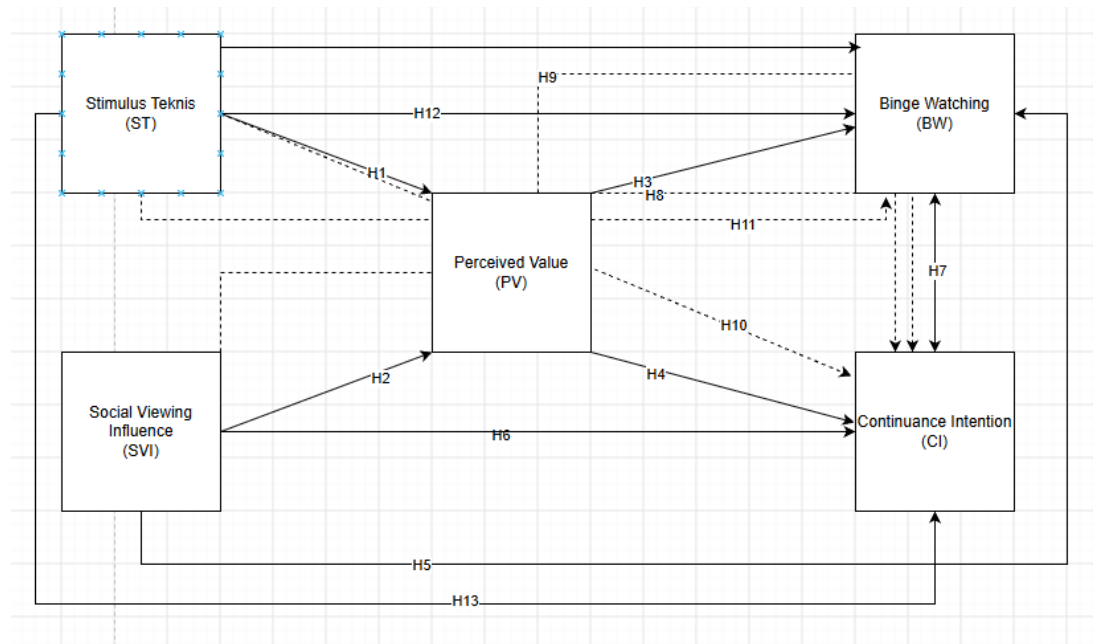


Figure 1. Conceptual Framework

Source: Source: Authors' output using SmartPLS 4 (2026)

Figure 1 illustrates the proposed conceptual framework based on the S–O–R perspective. Technical Stimulus (ST) and Social Viewing Influence (SVI) represent external stimuli, while Perceived Value (PV) represents the internal cognitive state through which these stimuli are evaluated. Binge-Watching (BW) represents an immediate behavioral response, followed by Continuance Intention (CI) as a longer-term subscription response. The framework further specifies the direct and indirect relationships among these constructs, including the mediating roles of PV and BW.

METHODS

This study employed a quantitative approach with a cross-sectional survey design. Data were collected between June and July 2026 through a self-administered online questionnaire using Google Forms distributed via social media and online communities. Purposive sampling was employed, resulting in 304 valid responses from active Netflix subscribers aged 18–25 years in North Sumatra who reported binge-watching on Netflix. Participation was voluntary and anonymous, and informed consent was obtained from all respondents before completing the questionnaire. The measurement instrument was adapted from prior studies and consisted of five constructs measured using a five-point Likert scale ranging from 1 ("Strongly Disagree") to 5 ("Strongly Agree"). Detailed descriptions of the constructs, measurement items, and their respective sources are presented in Table 1. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4.

Table 1. Operational Definitions, Measurement Items, and Sources

No	Variable	Operational Definition	Measurement Items	Sources
1.	Technical Stimulus (ST)	Functional and technical attributes of the Netflix platform that serve as external environmental stimuli influencing users' perceptions and experiences.	ST1: Netflix provides a wide and diverse library of movies and TV series. ST2: Netflix regularly updates its content catalog with newly released titles. ST3: Netflix offers high-quality video streaming (HD/UHD resolution). ST4: Netflix provides stable streaming performance with minimal technical interruptions. ST5: Netflix offers various subscription plans with clear pricing structures. ST6: Netflix provides personalized algorithm-based content recommendations according to my viewing preferences. ST7: Netflix has a user-friendly interface that makes it easy to find content I like.	Haqqo (2024), Samudro et al. (2024)
2.	<i>Perceived value</i>	Users' cognitive evaluation of the trade-off between the benefits received and the sacrifices incurred when using Netflix.	PV1: Considering the subscription fee I pay, Netflix offers good value for money. PV2: Overall, using Netflix is worth the time and effort I spend. PV3: Compared with other entertainment options, Netflix provides greater benefits for me. PV4: Overall, subscribing to Netflix is a worthwhile decision.	Q. Jia et al. (2023), Haqqo (2024)
3.	<i>Social viewing influence</i> (SVI)	Normative social pressure and interactive social motivation that influence users' viewing behavior on Netflix.	SVI1: People who are important to me think that I should continue using Netflix. SVI2: My friends and family often recommend movies or TV shows to watch on Netflix. SVI3: I use Netflix so that I can participate in conversations (both online and offline) about its content.	Wu et al. (2025), Haqqo (2024)

No	Variable	Operational Definition	Measurement Items	Sources
4.	<i>Binge-watching (BW)</i>	An intensive and immersive pattern of media consumption involving consecutive viewing of multiple episodes in a single session.	SVI4: I often watch Netflix together with others, either in person or through online watch-party features. BW1: I often watch several episodes of a TV series in one sitting on Netflix. BW2: Once I start watching a series on Netflix, I tend to continue watching for a long time. BW3: I often lose track of time while watching series on Netflix. BW4: I usually plan to watch only one episode, but end up watching more episodes than I originally intended.	Song et al. (2024), (Menon, 2022), Q. Jia et al. (2023)
5.	<i>Continuance intention (CI)</i>	Users' behavioral intention to maintain their Netflix subscription over the long term.	CI1: I intend to continue my Netflix subscription in the future. CI2: I will renew my Netflix subscription when it expires. CI3: I prefer to maintain my Netflix subscription rather than cancel it. CI4: I am likely to continue using Netflix over the next six months.	Haqqo (2024), Wu et al. (2025), Kania et al. (2022)

Source: Authors' calculations (2026)

Table 1 presents the operational definitions, measurement items, and sources used to measure the constructs in this study. The table specifies how each construct is operationalized and identifies the measurement items adopted from previous studies. This information provides the basis for measuring the study variables consistently and enables the subsequent PLS-SEM analysis.

RESULTS AND DISCUSSION

Respondent Characteristics

The study involved 304 valid respondents representing the Generation Z cohort in Indonesia (aged 18–25), who were active participants in the Netflix SVoD ecosystem. The demographic profile was dominated by women (61%), concentrated in the 21–23 age range (83%), with the majority being students (72%) domiciled in North Sumatra. Behaviorally, the sample showed intensive digital engagement, with 100% of respondents confirmed to have engaged in binge-watching (at least three episodes per session) within the past 30 days, alongside long-term loyalty evidenced by active subscription status of at least three months. This profile is suitable for testing the proposed associations within the S–O–R framework.

Measurement Model Evaluation (Outer Model)

Convergent validity was assessed based on each indicator's outer loading, with a minimum threshold of 0.70 (Hair et al., 2022). As shown in Figure 2, all indicators exceeded this threshold, ranging from 0.844–0.926 across constructs (Table 2). Cronbach's Alpha ranged from 0.926–0.943, Composite Reliability from 0.927–0.943, and Average Variance Extracted (AVE) from 0.744–0.848 all above the 0.50 minimum confirming strong internal consistency, reliability, and convergent validity for all constructs.

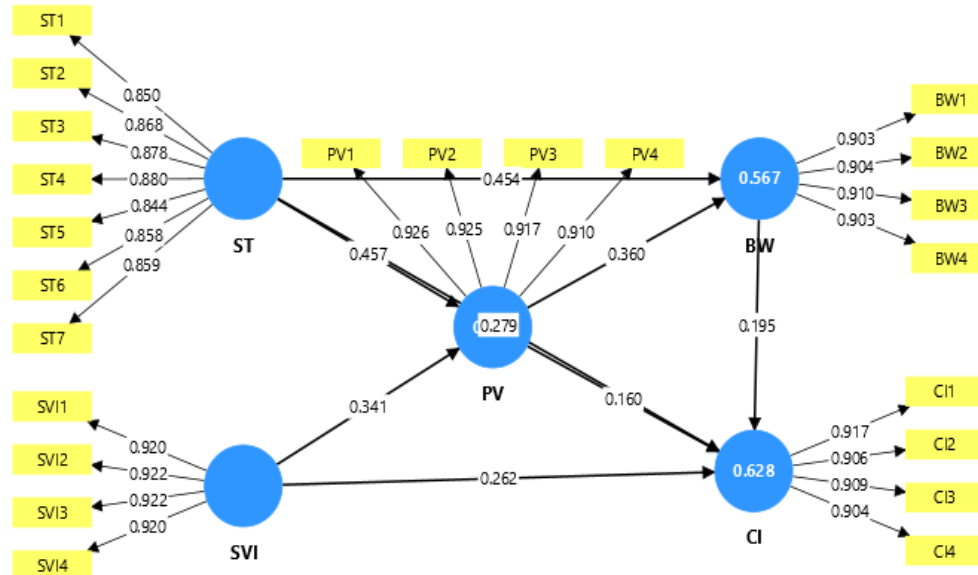


Figure 2. Research Model

Source: Authors' output using SmartPLS 4 (2026)

This test evaluates whether each indicator adequately represents the latent construct it measures, assessed through outer loading, Cronbach's Alpha, Composite Reliability, and Average Variance Extracted (AVE), with a minimum outer-loading threshold of 0.70 (Hair et al., 2022).

Table 2. Outer Loading, Reliability, and AVE

	Item Code	Outer loading	Cronbach's Alpha	Composite Reliability	(AVE)
Stimulus Teknis (ST)	ST1	0.850	0.943	0.943	0.744
	ST2	0.868			
	ST3	0.878			
	ST4	0.880			
	ST5	0.844			
	ST6	0.858			
	ST7	0.859			
Social viewing influence (SVI)	SVI1	0.920	0.940	0.941	0.848
	SVI2	0.922			
	SVI3	0.922			
	SVI4	0.920			
Perceive Value (PV)	PV1	0.926	0.939	0.940	0.846
	PV2	0.925			
	PV3	0.917			
	PV4	0.910			
Binge-watching (BW)	BW1	0.903	0.926	0.927	0.819
	BW2	0.904			

	Item Code	Outer loading	Cronbach's Alpha	Composite Reliability	(AVE)
Continuance intention (CI)	BW3	0.910	0.930	0.930	0.826
	BW4	0.903			
	CI1	0.917			
	CI2	0.906			
	CI3	0.909			
	CI4	0.904			

Source: SmartPLS 4 (2026)

Based on Table 2, all outer loadings exceed the 0.70 minimum threshold recommended by Hair et al. (2022), ranging from 0.844–0.926. Cronbach's Alpha (0.926–0.943) and Composite Reliability (0.927–0.943) both exceed 0.70, while AVE values (0.744–0.848) exceed the 0.50 minimum, confirming strong internal consistency, reliability, and convergent validity across all constructs, so no indicators require elimination.

Discriminant Validity

This test ensures that each construct is empirically distinct from the others, evaluated using the Heterotrait-Monotrait Ratio (HTMT), with values required to fall below the recommended 0.90 threshold.

Table 3. Discriminant Validity (HTMT)

	BW	CI	PV	ST	SVI
BW					
CI	0.738				
PV	0.729	0.714			
ST	0.757	0.771	0.751		
SVI	0.750	0.760	0.719	0.778	

Source: SmartPLS 4 (2026)

Based on Table 3, all HTMT values range from 0.714–0.778, remaining below the recommended 0.90 threshold (Hair et al., 2022). This indicates that each construct ST, SVI, PV, BW, and CI is empirically distinct, so the measurement model satisfies discriminant validity and is fit for structural model testing.

Structural Model Evaluation (Inner Model)

The structural model was evaluated using the coefficient of determination (R^2), which measures the proportion of variance in each endogenous construct explained by its predictor variables. According to Hair et al. (2022), R^2 values of 0.75, 0.50, and 0.25 indicate substantial, moderate, and weak explanatory power, respectively. Therefore, the R^2 values obtained in this study were interpreted based on these recommended thresholds to assess the explanatory power of the structural model.

Table 4. R-Square Results

	R-square	R-square Adjusted
Binge-watching (BW)	0.567	0.564
Continuance intention (CI)	0.628	0.623
Perceived Value (PV)	0.554	0.551

Source: SmartPLS 4 (2026)

Based on Table 4, the R^2 values range from 0.554 to 0.628, indicating moderate explanatory power. Specifically, the model explains 55.4% of the variance in Perceived

Value (PV), 56.7% in Binge-Watching (BW), and 62.8% in Continuance Intention (CI). The small differences between the R^2 and adjusted R^2 values indicate that the model estimates remain stable after adjustment.

Predictive Relevance (Q^2)

This test assesses the structural model's predictive capability for each endogenous construct, with values above zero indicating adequate predictive relevance.

Table 5. Q^2 Predict

	Q^2 Predict	RMSE	MAE
Perceived Value (PV)	0.546	0.677	0.526
Binge-watching (BW)	0.535	0.685	0.532
Continuance intention (CI)	0.586	0.647	0.517

Source: SmartPLS 4 (2026)

Based on Table 5, the positive Q^2 predict values suggest predictive relevance relative to a naïve benchmark. However, the model's out-of-sample predictive power cannot be classified from RMSE and MAE alone; the PLS prediction errors should be compared with those of an appropriate linear-model benchmark.

Model Fit

Model fit was assessed using the Standardized Root Mean Square Residual (SRMR) and the Normed Fit Index (NFI). An SRMR value below 0.08 indicates an acceptable model fit, while a higher NFI value reflects better model fit.

Table 6. Model Fit

	Saturated Model	Estimated Model
SRMR	0.050	0.056
NFI	0.737	0.736

Source: SmartPLS 4 (2026)

Based on Table 6, the SRMR values of 0.050 (saturated model) and 0.056 (estimated model) are below the recommended threshold of 0.08, indicating an acceptable model fit. The NFI values of 0.737 and 0.736 should be reported descriptively and should not be treated as evidence of acceptable fit without an explicit criterion and justification.

Effect Size (f^2)

The effect size (f^2) was assessed to determine the contribution of each exogenous construct to the endogenous constructs in the structural model. According to Hair et al. (2022), f^2 values of 0.02, 0.15, and 0.35 indicate small, medium, and large effect sizes, respectively.

Table 7. Effect Size (f^2)

	BW	CI	PV	ST	SVI
BW		0.040			
CI					
PV	0.249	0.029			
ST	0.238	0.073	0.217		
SVI		0.70	0.121		

Source: SmartPLS 4 (2026)

Based on Table 7, the f^2 values range from 0.029 to 0.238, indicating small to medium effect sizes. Technical Stimulus (ST) has a medium effect on Binge-Watching (BW) ($f^2 = 0.238$) and Perceived Value (PV) ($f^2 = 0.217$), while Perceived Value (PV) has a medium effect on Binge-Watching (BW) ($f^2 = 0.249$). The remaining relationships exhibit small effect sizes, with f^2 values ranging from 0.029 to 0.121, indicating that they make relatively smaller contributions to the endogenous constructs.

Hypothesis Testing (Direct Effects)

Bootstrapping results (Table 8) show that all nine direct-effect hypotheses are supported: ST significantly affects PV (H1: $\beta=0.457$, $t=7.057$, $p<0.001$) and BW (H12: $\beta=0.454$, $t=7.640$, $p<0.001$); SVI significantly affects PV (H2: $\beta=0.341$, $t=4.755$, $p<0.001$), BW (H5: $\beta=0.123$, $t=3.427$, $p=.001$), and CI (H6: $\beta=0.079$, $t=2.807$, $p=.005$); PV significantly affects BW (H3: $\beta=0.360$, $t=5.952$, $p<0.001$) and CI (H4: $\beta=0.160$, $t=2.459$, $p=.014$); BW significantly affects CI (H7: $\beta=0.195$, $t=3.028$, $p=.002$); and ST significantly affects CI (H13: $\beta=0.279$, $t=3.971$, $p<0.001$).

Table 8. Path Coefficients (Bootstrapping)

Hypothesis	Relationship	Path Coefficient (β)	t-value	p-value	Decision
H1	ST -> PV	0.457	7.057	< .001	Supported
H2	SVI -> PV	0.341	4.755	< .001	Supported
H3	PV -> BW	0.360	5.952	< .001	Supported
H4	PV -> CI	0.160	2.459	.014	Supported
H5	SVI -> BW	0.123	3.427	.001	Supported
H6	SVI -> CI	0.079	2.807	.005	Supported
H7	BW -> CI	0.195	3.028	.002	Supported
H12	ST -> BW	0.454	7.640	< .001	Supported
H13	ST -> CI	0.279	3.971	< .001	Supported

Source: SmartPLS 4 (2026)

Based on Table 8, H1 states that technical stimulus has a positive effect on perceived value. The findings show a significant effect with $\beta=0.457$, T-statistics 7.057, and $p<0.001$. This result indicates that stronger perceptions of Netflix's technical attributes are associated with higher perceived value among the sampled users.

Hypothesis two (H2) proposes that social viewing influence has a positive effect on perceived value. The analysis shows a strong and significant effect with $\beta=0.341$, T-statistics 4.755, and $p<0.001$. This finding indicates that peer influence and community norms are associated with higher perceived value among the sampled users.

Hypothesis three (H3) states that perceived value has a positive effect on binge-watching behavior. The findings show $\beta=0.360$, T-statistics 5.952, and $p<0.001$. This finding indicates that higher perceived value is associated with more intensive viewing engagement; it does not, by itself, establish a psychological mechanism.

Hypothesis four (H4) proposes that perceived value has a positive effect on continuance intention. The statistical analysis shows a significant effect with $\beta=0.160$, T-statistics 2.459, and $p=.014$. This result indicates that value perception is positively associated with continuance intention after accounting for the other predictors in the model.

Hypothesis five (H5) states that social viewing influence has a positive effect on binge-watching behavior. The findings show $\beta=0.123$, T-statistics 3.427, and $p=.001$. This indicates a positive association between social viewing influence and binge-watching. Because FOMO was not measured directly, it should not be presented as an established mechanism.

Hypothesis 6 (H6) proposes that Social Viewing Influence positively affects Continuance Intention. The results indicate a significant positive effect ($\beta = 0.079$, $t = 2.807$, $p = .005$), supporting H6. This finding suggests that users' intention to maintain their Netflix subscription is influenced not only by individual evaluations but also by normative social pressure, as users tend to sustain their subscriptions to remain engaged in shared viewing experiences and social interactions within their communities.

Hypothesis seven (H7) states that binge-watching behavior has a positive effect on continuance intention. The findings show $\beta=0.195$, T-statistics 3.028, and $p=.002$. This result supports the proposed role of binge-watching as a behavioral link to continuance intention, but it does not demonstrate dependency or customer lock-in.

Hypothesis twelve (H12) states that technical stimulus has a positive effect on binge-watching behavior. The findings show a very strong direct effect with $\beta=0.454$, T-statistics 7.640, and $p<.001$. This result indicates that the measured technical attributes are positively associated with binge-watching. Auto-play and full-season releases should not be invoked unless they were included in the measurement model.

Hypothesis thirteen (H13) proposes that technical stimulus has a positive effect on continuance intention. The test results show $\beta=0.279$, T-statistics 3.971, and $p<.001$. This finding indicates that technical stimulus is positively associated with continuance intention; actual churn was not measured in this study.

Hypothesis Testing (Indirect Effects)

Mediation testing (Table 8) confirms that Binge-Watching significantly mediates the effect of Perceived Value (PV) on Continuance Intention (CI) (H8: $\beta = 0.070$, $t = 2.929$, $p = .003$); Perceived Value (PV) and Binge-Watching (BW) sequentially mediate the effect of Social Viewing Influence (SVI) on Continuance Intention (CI) (H9: $\beta = 0.024$, $t = 2.391$, $p = .017$); Perceived Value (PV) mediates the effect of Technical Stimulus (ST) on Continuance Intention (CI) (H10: $\beta = 0.073$, $t = 2.275$, $p = .023$); and Perceived Value (PV) mediates the effect of Technical Stimulus (ST) on Binge-Watching (BW) (H11: $\beta = 0.164$, $t = 4.933$, $p < .001$). All four mediation hypotheses are supported.

Table 9. Total Indirect Effects

Hypothesis	Relationship	Path Coefficient (β)	t-value	p-value	Decision
H8	PV -> BW -> CI	0.070	2.929	.003	Supported
H9	SVI-> PV-> BW-> CI	0.024	2.391	.017	Supported
H10	ST -> PV -> CI	0.073	2.275	.023	Supported
H11	ST-> PV-> BW	0.164	4.933	< .001	Supported

Source: SmartPLS 4 (2026)

Hypothesis eight (H8) proposes that binge-watching mediates the effect of perceived value on continuance intention. The mediation test shows a significant indirect effect with $\beta=0.070$, T-statistics 2.929, and $p=.003$. This finding is consistent with an indirect association between perceived value and continuance intention through binge-watching; the cross-sectional design does not establish temporal causality.

Hypothesis nine (H9) states that perceived value and binge-watching sequentially mediate the effect of social viewing influence on continuance intention. The indirect-path analysis shows $\beta=0.024$, T-statistics 2.391, and $p=.017$. This result is consistent with the proposed sequential indirect path; however, the cross-sectional design cannot confirm the temporal ordering of the mechanism.

Hypothesis ten (H10) proposes that perceived value mediates the effect of technical stimulus on continuance intention. The findings show a significant mediating effect with $\beta=0.073$, T-statistics 2.275, and $p=.023$. This result supports an indirect

association between technical stimulus and continuance intention through perceived value.

Hypothesis eleven (H11) states that perceived value mediates the effect of technical stimulus on binge-watching behavior. The statistical analysis shows $\beta=0.164$, T-statistics 4.933, and $p<.001$. This finding supports an indirect association between technical stimulus and binge-watching through perceived value, without establishing the proposed psychological sequence causally.

Technical Stimulus and Social Viewing Influence on Perceived Value

Both ST and SVI positively and significantly shape PV, supporting H1 and H2. Within the S–O–R framework, both variables act as external stimuli internalized at the organism level, leading users to judge Netflix's benefits as commensurate with the cost and effort involved. Notably, ST exerts a stronger influence on PV ($\beta=0.457$) than SVI ($\beta=0.341$), indicating that platform quality remains the dominant driver of value perception, consistent with Haqqo (2024), who found that digital service quality contributes to

Perceived Value Through Positive Usage Experience

Perceived Value, Social Viewing Influence, and Technical Stimulus on Binge-Watching. PV, SVI, and ST all positively and significantly predict BW, supporting H3, H5, and H12. PV represents the internal organism state driving continued viewing, while ST and SVI function as external reinforcing stimuli. The higher the perceived value, service quality, and social pressure, the greater users' tendency to binge-watch consistent with Song et al. (2024), who show that platform quality and user experience drive binge-watching intensity through personalization and content accessibility.

Perceived Value, Social Viewing Influence, Binge-Watching, and Technical Stimulus on Continuance Intention

All four constructs positively and significantly predict CI, supporting H4, H6, H7, and H13. As the final Response stage in the S–O–R chain, continuance intention emerges once users experience high value, social reinforcement, immersive viewing, and reliable technical quality. This is consistent with X. Jia et al. (2023), who identify perceived value as a key determinant of continuance intention in digital services.

The Mediating Role of Perceived Value between Technical Stimulus and Continuance Intention/Binge-Watching

PV significantly mediates the effect of ST on both CI and BW, supporting H10 and H11. This confirms that Netflix's technical quality influences user behavior not only directly but also by shaping value perception first positioning PV as the cognitive bridge between platform stimulus and user response, consistent with (Haqqo, 2024).

The Mediating Role of Binge-Watching between Perceived Value/Social Viewing Influence and Continuance Intention

BW significantly mediates the effect of PV on CI, and together with PV sequentially mediates the effect of SVI on CI, supporting H8 and H9. This indicates that users who perceive high value or receive strong social reinforcement form continuance intention both directly and indirectly through binge-watching — confirming binge-watching's role as the behavioral bridge in the S–O–R chain, consistent with (Song et al., 2024)

CONCLUSION

This study shows that technical platform attributes, social viewing influence, perceived value, and binge-watching are associated with Netflix subscription

continuance intention among Generation Z users sampled in North Sumatra. The findings extend the S–O–R framework by positioning perceived value as a cognitive mechanism and binge-watching as a behavioral mechanism linking external stimuli with continuance intention. For SVoD providers, the results highlight the importance of reliable technical performance, relevant personalization, and socially engaging features, while avoiding designs that encourage harmful viewing patterns. Because the study used purposive, cross-sectional, self-reported data from a geographically concentrated sample, its findings should not be interpreted as causal or generalized to all Indonesian users. Future studies should use longitudinal or experimental designs, broader probability-based samples, and comparisons across SVoD platforms.

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