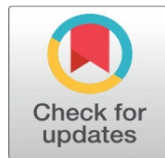


VALUE PERCEPTION AND CONSUMER BEHAVIOUR IN FREEMIUM MOBILE GAMING: EXAMINING THE INFLUENCE OF ENJOYMENT, SOCIAL AND ECONOMIC VALUE ON CONTINUED USAGE AND PURCHASE INTENTIONS AMONG INDIAN YOUTH GAMERS

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ABSTRACT

The proliferation of digital game applications has resulted in the transformation of the entertainment industry in terms of usage of the freemium business model. Unlike paid game models where consumers have to pay to use an application, in case of freemium models, gamers get access to games for free, and make payment within the game through in-app purchases, virtual goods, subscription, ads and premium functionalities. While allowing companies to gain wide customer base, the main problem with such a model is the difficulty in converting free users into paying customers. Therefore, it has become crucial to comprehend the factors that determine users' intentions for continued use and purchase of games.

The proposed study aims at exploring the impact of the three aspects of perceived value on continued use intention and purchase intention in freemium gaming application among youth gamers in India. According to the consumer value theory and technology adoption perspective, it is believed that youth gamers' perceptions related to entertainment, social and economic values play a major role in shaping their behavior towards freemium gaming applications. A quantitative approach will be used in the research, and data collected from youth gamers will be analyzed using PLS-SEM.

The results can have great significance for gaming companies and marketers in creating effective strategies for enhancing user engagement, fostering customer relationship, and making premium buys.

Keywords: Freemium Business Model, Youth Gamers, Enjoyment Value, Social Value, Economic Value, Continued Use Intention, Purchase Intention, PLS-SEM, Mobile Gaming

1. INTRODUCTION

There is no doubt that the digitization of the entertainment industry has made considerable alterations to the way customers can get access to gaming services. The gaming industry has already shifted from the traditional console and premium buy approach to the digitized one providing immediate accessibility to games via mobile phones and other digital channels. The variety of new business models has

emerged, but freemium business model has become particularly popular thanks to its ability to combine free accessibility with opportunities for earning money.

Freemium business model means that a person can use a certain service or product for free and have access to extra paid elements making the experience richer. This model lowers the barrier for entry for users and creates the possibility to attract a huge number of customers. Nevertheless, the success of this business model lies in the ability of companies to engage people and eventually make them pay something.

There have been significant developments in the global gaming industry, with mobile gaming emerging as a leading segment. India is seen as an expanding market in the gaming industry owing to growing adoption of smartphones, affordable internet access, and rising digital consumption among young individuals. Youth gamers form an important segment in view of their high usage of mobile gaming apps and willingness to make online purchases.

Though freemium games have become more popular in recent times, the major problem confronting game companies is the ability to convert free users into paying customers. Many users may play the games for free and fail to buy any of the premium features offered by these games. Thus, understanding the drivers of continuous usage and purchase intention becomes important for these companies.

Perceived value has been found to be one of the most important determinants of consumer acceptance, satisfaction and behavior according to consumer behavior literature. According to Zeithaml (1988), perceived value could be defined as “the consumer’s overall assessment of the perceived benefits and costs of a specific product”). Consumers evaluate perceived value in terms of its functionality as well as other aspects in digital contexts.

In the case of gaming, Enjoyment Value denotes the pleasure, excitement, and entertainment derived from game playing. Social Value captures the benefit derived through interaction, competition, community engagement, and social recognition. Economic Value denotes the user assessment regarding the affordability and worth of premium gaming offers.

The proposed research considers all three aforementioned dimensions of perceived value to study their effects on Continued Use Intention and Purchase Intention among youth gamers in India.

1.1. RESEARCH GAP

Even though there have been various studies related to digital adoption and online gaming behavior, there is a dearth of literature that addresses the effect of multiple aspects of value dimensions – enjoyment value, social value, and economic value – on continued usage and purchase intention.

Earlier studies have concentrated on the adoption of technology and the purchase of virtual goods, but the link between user retention and monetization intention requires further scrutiny. More specifically, the youth gamers segment in India has not received much attention till now.

Thus, this study seeks to fill the identified gap through the development of an integrated model that demonstrates how value perception dimensions impact continued use intention and purchase intention among youth gamers in India.

1.2. RESEARCH OBJECTIVES

The objectives of this study are:

- 1) To examine the impact of Enjoyment Value on Continued Use Intention among youth gamers.
- 2) To analyse the influence of Enjoyment Value on Purchase Intention.
- 3) To evaluate the effect of Social Value on Continued Use Intention.
- 4) To examine the relationship between Social Value and Purchase Intention.
- 5) To investigate the impact of Economic Value on Continued Use Intention.
- 6) To analyse the relationship between Economic Value and Purchase Intention.
- 7) To develop a behavioural model explaining youth gamers' engagement and purchasing decisions in the freemium gaming context.

1.3. SIGNIFICANCE OF THE STUDY

The study makes contributions in the realm of academia and practice. In terms of academia, the research extends the knowledge about the consumer value theory within the setting of digital gaming services. This is because it describes how value perceptions affect two critical behavioral measures: continued use and monetization.

In terms of management practices, the research gives insight into value dimensions that need to be enhanced to enhance user retention and monetization efforts.

2. THEORETICAL BACKGROUND

2.1. PERCEIVED VALUE THEORY

Perceived value is said to be the value one expects or perceives before the consumption or usage of any product or service. Its focuses on the fact that the purchase decision of the consumers is not just based upon the functional and visible benefits of a product or service but also by the value they gains, during and post purchase. According to Zeithaml (1988), perceived value represents the consumer's assessment of the overall utility of a product based on the perception of what is received (benefits) and what is given (costs). According to this theory consumers do consider and compare benefits such as quality, enjoyment and emotional attachment with the sacrifices they are making in terms of time, money and efforts. In freemium business model, perceived value becomes more important as the users first interface is free of cost and its performance will decide the conversion to the paid version. Further, Sweeney and Soutar (2001) extended the concept by identifying multiple dimensions of perceived value, including functional, emotional, social, and quality value, highlighting that consumers' evaluations are multidimensional rather than based solely on economic considerations. Therefore, perceived value theory provides a strong theoretical foundation for understanding the consumers acceptability, satisfaction and purchase orientation for the gaming platforms.

2.2. FREEMIUM BUSINESS MODEL PERSPECTIVE

Freemium is a business strategy that provides basic services for free but charges for advanced services. This strategy has gained popularity within digital businesses like mobile apps, software programs, and online games.

The main aim of providing freemium services is to get users, and then convert these users into customers. But converting users into customers will largely depend on the value that the users derive from the premium service.

For example, a gamer might be motivated to start playing a game because it's available for free, but staying in the game and purchasing things will be driven by fun, social interaction, and economic benefit. Therefore, the perception of value will play an important role in explaining the behavior of freemium gamers.

3. LITERATURE REVIEW

3.1. ENJOYMENT VALUE AND GAMING BEHAVIOUR

Enjoyment Value can be defined as the pleasure, fun, excitement, and emotional satisfaction derived from the consumption of goods and services. In the digital world, enjoyment is viewed as a key motivator for user acceptance and involvement.

According to the Technology Acceptance Model extension developed by [Venkatesh et al. \(2012\)](#), intrinsic motivations, including enjoyment, have a great impact on users' intention towards technology services.

The gaming apps represent a highly experiential platform, in which entertainment satisfaction plays a significant role. The more the user enjoys the application, the more positive attitude he or she will have regarding it.

In terms of the freemium gaming business model, enjoyment can also affect purchasing decisions of the user. The reason is that users with strong emotional attachment to the game are likely to see premium features as additions, which add value to their gaming experience.

Therefore:

H1: Enjoyment Value has a positive influence on Continued Use Intention among youth gamers.

H2: Enjoyment Value has a positive influence on Purchase Intention among youth gamers.

3.2. SOCIAL VALUE AND GAMING BEHAVIOUR

Social Value refers to benefits gained from social contact, socializing, recognition, and social interaction. Games are becoming more socially interactive since digital games serve as social platforms where users engage in communication and competition to form social identities.

Sociality of games has become very important especially in light of the development of multiplayer games and online games. Users may keep playing games for the sake of social contacts, team collaboration, ranking competitions, and social affiliation.

Studies of virtual communities reveal that socialization contributes to increased user attachment and increased commitment to the digital platform. In

games, social value might affect both continued use and purchase of virtual goods improving user's reputation, looks, and competitiveness.

Therefore:

H3: Social Value has a positive influence on Continued Use Intention among youth gamers.

H4: Social Value has a positive influence on Purchase Intention among youth gamers.

3.3. ECONOMIC VALUE AND GAMING BEHAVIOUR

Economic Value implies the perception of economic gain, affordability, and utility associated with a particular product or service. When it comes to digital consumption, people consider if the gained benefits are worth their monetary investment.

Even though freemium games are free to start with, people still have to assess whether the paid items give sufficient value.

If people realize that there is an added benefit or advantage that is worth paying for, their propensity to buy will be higher.

Economic value might even play a role in consumer retention since users that find higher economic value in the entire process are more likely to stay on the platform.

Therefore:

H5: Economic Value has a positive influence on Continued Use Intention among youth gamers.

H6: Economic Value has a positive influence on Purchase Intention among youth gamers.

4. CONTINUED USE INTENTION AND PURCHASE INTENTION

4.1. CONTINUED USE INTENTION

Continued Use Intention involves the readiness of users to keep utilizing a particular digital application. In freemium gaming, continued use is necessary since the more a person plays the game, the higher the chances of making money through advertisements and later turning them into consumers.

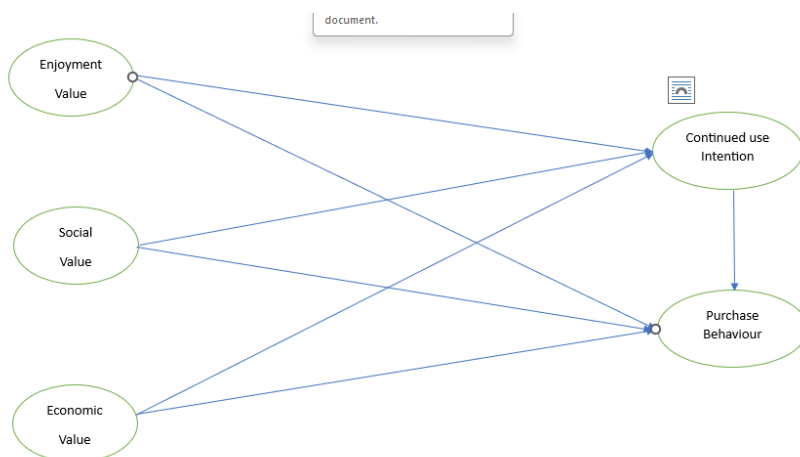
Past research on technology adoption implies that satisfaction and perceived value are crucial factors influencing continued usage behavior.

4.2. PURCHASE INTENTION

Purchase Intention involves the consumers' willingness or probability of purchasing products or services. In freemium gaming, purchase intention is the readiness of the users to purchase virtual items.

It is essential to study purchase intention since the profitability of freemium games relies heavily on turning users into consumers.

5. CONCEPTUAL FRAMEWORK



6. RESEARCH HYPOTHESIS SUMMARY

Hypothesis	Relationship
H1	Enjoyment Value → Continued Use Intention
H2	Enjoyment Value → Purchase Intention
H3	Social Value → Continued Use Intention
H4	Social Value → Purchase Intention
H5	Economic Value → Continued Use Intention
H6	Economic Value → Purchase Intention

7. RESEARCH METHODOLOGY

7.1. RESEARCH PHILOSOPHY

The current study is based on positivist research philosophy because the study attempts to empirically test the relationship between variables. Positivism believes that social phenomena can be studied objectively using quantitative approaches and statistical tests.

As this study is concerned with the relationship between perceived value dimensions and behavioral intentions among youth gamers, a quantitative approach is considered appropriate to test the proposed hypotheses.

7.2. RESEARCH APPROACH

The study adopts deductive research approach as it makes use of relevant theories related to consumer value, technology adoption, and digital consumption behavior to derive hypotheses. The derived hypotheses are then tested empirically using data obtained from youth gamers.

Using the deductive research approach, it is possible to validate the theoretical relationship between:

- Enjoyment Value (EV)

- Social Value (SV)
- Economic Value (ECV)
- Continued Use Intention (CUI)
- Purchase Intention (PI)

7.3. RESEARCH DESIGN

The study is designed using descriptive and explanatory research design.

Descriptive research design involves understanding the features and behaviors of youth gamers while the explanatory research design involves studying the causative relationships among perceived value dimensions and behavioral intentions.

A structured questionnaire was designed to collect information from the respondents who are using freemium gaming applications.

7.4. POPULATION AND SAMPLING

The population that will be studied is youth gamers in India who make use of freemium gaming platforms.

The participants are those who:

- Pay regular visits to mobile or online gaming sites
- Have used free-to-play gaming software before
- Are familiar with premium gaming options or in-app purchases

This research employed non-probability sampling, where convenience sampling was utilized since the respondents were easily available within the digital gaming community.

7.5. DATA COLLECTION PROCEDURE

Primary data were collected through a structured questionnaire.

The questionnaire consisted of two sections:

Section A: Demographic Information

The demographic profile included:

- Gender
- Age
- Education
- Income Status
- Gaming frequency

Section B: Construct Measurement

The variables were all measured by means of measurement scales that have been previously tested for validity and reliability and adopted from the literature.

A Seven point Likert Scale was applied:

1 = Strongly Disagree

7 = Strongly Agree

7.6. MEASUREMENT OF CONSTRUCTS

Enjoyment Value (EV)

Enjoyment Value is the pleasure, fun, and entertainment obtained while playing freemium games.

Social Value (SV)

Social Value is the social benefits accrued from gaming activities.

Economic Value (ECV)

Economic Value is the perceived value of the usefulness and cost-effectiveness of the premium gaming services.

Continued Use Intention (CUI)

Continued Use Intention is the intention of continued usage of the gaming service.

Purchase Intention (PI)

Purchase Intention is the intention to purchase premium gaming services.

7.7. DATA ANALYSIS TECHNIQUE

The data obtained was analyzed using Partial Least Squares Structural Equation Modelling (PLS-SEM).

Reasons why PLS-SEM was chosen include:

- 1) The study has multiple latent variables.
- 2) The aim of the study is to predict and explain behavioral intentions.
- 3) The research model has multiple dependent relationships.
- 4) The research model is appropriate for theory building.

Data analysis process included:

Stage 1: Measurement Model Assessment

Model testing was done through the following processes:

Reliability Testing

Internal consistency reliability was measured using:

- Cronbach Alpha
- Composite Reliability (CR)

Convergent Validity

Convergent validity was tested using:

- Factor Loadings
- Average Variance Extracted (AVE)

Discriminant Validity

Discriminant validity was tested using:

- Fornell and Larcker criterion
- Heterotrait monotrait ratio (HTMT)

Stage 2: Structural Model Assessment

The structural model was tested using the following methods:

Path Coefficient Analysis

Path coefficients were analyzed to measure the degree of relationship between constructs.

Significance Testing

Bootstrap test method was used to test:

- t-statistics
- p-values

Coefficient of Determination (R^2)

R^2 shows the variance of the independent variables explained in the dependent constructs.

The higher the R^2 , the better is the explanation of the model.

Effect Size (f^2)

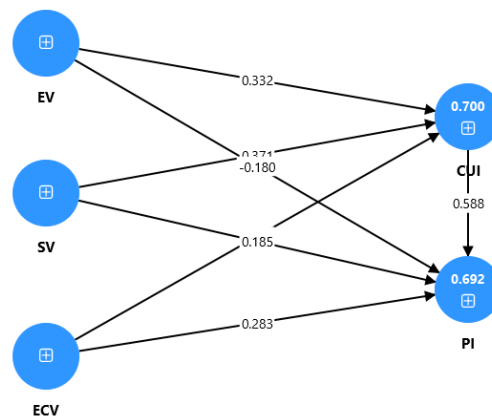
It is the effect size that determines how much contribution does a predictor variable makes to endogenous constructs.

Predictive Relevance (Q^2)

Predictive relevance of the model was tested by Stone-Geisser's Q^2 method.

A Q^2 above zero shows predictive relevance of the model.

8. DATA ANALYSIS AND RESULTS



8.1. MEASUREMENT MODEL ASSESSMENT

Measurement Model Assessment for Construct Reliability and Validity was conducted to ascertain the reliability and validity of the constructs used in the study. The measurement model is evaluated in PLS-SEM through analysis of reliability of the indicators, internal consistency reliability, convergent validity and discriminant validity.

8.1.1. INDICATOR RELIABILITY (OUTER LOADINGS)

Indicators' reliability was established from the outer loadings of the measurement items. According to [Hair et al. \(2019\)](#), indicator loadings higher than 0.70 indicate that the indicators satisfactorily reflect their latent constructs.

From the outer loading outcomes, it can be seen that all measurement items had satisfactory loading values above the threshold value of 0.70.

In case of the Continued Use Intention (CUI) indicators, all four had high loadings:

- CUI1 = 0.940
- CUI2 = 0.955
- CUI3 = 0.954
- CUI4 = 0.950

This indicates that the indicators satisfactorily measure the intention to continue usage of freemium gaming applications.

As well, the indicators measuring Economic Value (ECV) were highly reliable:

- ECV1 = 0.895
- ECV2 = 0.905
- ECV3 = 0.841
- ECV4 = 0.883
- ECV5 = 0.872
- ECV6 = 0.875
- ECV7 = 0.897

All were above the threshold for the loading value recommended, thereby indicating that the economic value is always assessed based on its affordability, usefulness, and value received in playing games.

Regarding Enjoyment Value (EV), all were excellent in terms of reliability:

- EV1 = 0.896
- EV4 = 0.919
- EV5 = 0.940
- EV6 = 0.938
- EV7 = 0.912
- EV8 = 0.931

Loading of high values reflects the fact that measurement items capture pleasure, excitement, and entertainment related to enjoyment.

Similarly, Purchase Intent (PI) measures were found to be highly reliable:

- PI1 = 0.969
- PI2 = 0.966
- PI3 = 0.962

These results indicate strong representation of respondents' willingness to purchase premium gaming features.

For **Social Value (SV)**, all indicators also demonstrated strong outer loadings:

- SV3 = 0.948
- SV4 = 0.944
- SV5 = 0.951
- SV6 = 0.950
- SV7 = 0.947

This means that social interaction, community involvement, and social recognition are well-represented within the construct.

In general, the results of outer loadings show good representativeness of the indicators, which means that all the measurement items can be used for further analysis.

The findings show that all constructs meet the reliability criteria of the indicators and can be used for testing structural relationships within the research model.

8.1.2. INTERNAL CONSISTENCY RELIABILITY AND CONVERGENT VALIDITY

Having tested the reliability of the indicators, the next step involved testing internal consistency reliability and convergent validity of the measurement model. The former helps determine if the indicators measuring a certain construct produce consistent results, whereas the latter ensures that the indicators sufficiently represent the constructs.

Reliability was tested via calculating Cronbach's Alpha, Composite Reliability (ρ_a), and Composite Reliability (ρ_c). As per Hair et al. (2019), Cronbach's Alpha and Composite Reliability values of more than 0.70 signify good reliability.

All constructs were found to have achieved values well above the threshold of 0.70, thus demonstrating good internal consistency reliability.

In the case of Continued Use Intention (CUI), Cronbach's Alpha was 0.964, Composite Reliability (ρ_a) was 0.965, and Composite Reliability (ρ_c) was 0.974. Such findings suggest that the items reflecting users' intention to continue using freemium gaming applications are very consistent.

In the same way, Economic Value (ECV) has been highly reliable with the Cronbach's Alpha of 0.952, ρ_a of 0.954, and ρ_c of 0.961. Thus, the reliability proves that the indicators are capable of measuring users' perception regarding affordability, usefulness, and value of the premium gaming service.

Concerning the construct of Enjoyment Value (EV), the Cronbach's Alpha is 0.965, ρ_a is 0.966, and ρ_c is 0.972. Therefore, the reliability has been proven for the indicators of entertainment, pleasure, and gaming experience.

As for Purchase Intention (PI), the reliability has been proven by the Cronbach's Alpha of 0.963, ρ_a of 0.964, and ρ_c of 0.976. Thus, the indicators have measured correctly users' intention to buy premium gaming service.

The highest reliability figures were found for Social Value (SV) construct, which has the Cronbach's Alpha of 0.972, ρ_a of 0.972, and ρ_c of 0.978.

Table 1

Table 1 Construct Reliability and Validity			
Construct	Indicators	Loading Range	Assessment
Continued Use Intention (CUI)	CUI1–CUI4	0.940–0.955	Excellent
Economic Value (ECV)	ECV1–ECV7	0.841–0.905	Excellent
Enjoyment Value (EV)	EV1, EV4–EV8	0.896–0.940	Excellent
Purchase Intention (PI)	PI1–PI3	0.962–0.969	Excellent
Social Value (SV)	SV3–SV7	0.944–0.951	Excellent

Convergent Validity Assessment

Convergent validity was determined by AVE values. According to Fornell and Larcker (1981), if the AVE value is greater than 0.50, then convergent validity can be said to exist.

As seen from the findings below, all constructs had AVE values greater than 0.50:

- CUI = 0.902
- ECV = 0.777
- EV = 0.852
- PI = 0.932
- SV = 0.899

It is evident that each construct has an explanation of over 50% of the variances of its indicators. This, therefore, shows that the measurement model has satisfactory convergent validity.

In summary, the reliability and validity test have shown that the measurement model is robust, reliable, and valid for testing structural relationship of Enjoyment Value, Social Value, Economic Value, Continued Use Intention, and Purchase Intention.

8.1.3. DISCRIMINANT VALIDITY TEST

Discriminant validity involves measuring the extent to which the construct under consideration can be distinguished from other constructs used in the research model. In PLS-SEM, discriminant validity tests ensure that the construct under consideration is unique from other constructs.

Discriminant validity in this study was done using Heterotrait-Monotrait Ratio (HTMT) criteria. Based on the findings of [Henseler et al. \(2015\)](#), a value of HTMT less than 0.90 shows good discriminant validity while a value above this threshold indicates lack of distinction among the constructs.

Below are the HTMT values of all construct relationships:

Table 2

Table 2 Heterotrait-Monotrait Ratio (HTMT) Results					
Constructs	CUI	ECV	EV	PI	SV
CUI	—				
ECV	0.769	—			
EV	0.813	0.800	—		
PI	0.831	0.751	0.672	—	
SV	0.819	0.801	0.838	0.747	—

The HTMT values were within the range of 0.672 to 0.838, which is lower than the accepted threshold of 0.90. The highest correlation was recorded between Enjoyment Value and Social Value (HTMT = 0.838). On the other hand, the lowest correlation was found between Enjoyment Value and Purchase Intention (HTMT = 0.672).

This means that despite being related, the constructs represent different constructs of perceived value and behavioral intention. This shows that the

discriminant validity holds and it can be confirmed that Enjoyment Value, Social Value, Economic Value, Continued Use Intention, and Purchase Intention represent different conceptual constructs.

On account of the analysis of:

- Indicator Reliability
- Internal Consistency Reliability
- Convergent Validity
- Discriminant Validity

the measurement model can be regarded as reliable and valid. It implies that the study will now move to testing the structural model.

8.2. STRUCTURAL MODEL ASSESSMENT

Having established the reliability and validity of the measurement model, the structural model was analyzed to determine the extent of the explanatory and predictive ability of the theoretical framework used for this research. Structural model assessment involved the examination of coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2), and hypotheses testing using path coefficients.

8.2.1. COEFFICIENT OF DETERMINATION (R^2)

The coefficient of determination (R^2) describes the proportion of the variance in endogenous construct which is accounted for by the predictor variables. Based on the work of [Hair et al. \(2019\)](#), the R^2 values 0.25, 0.50, and 0.75 might indicate low, moderate, and high explanatory power respectively.

In this study, the endogenous constructs include:

- Continued Use Intention (CUI)
- Purchase Intention (PI)

The following are the calculated R^2 values:

Table 3

Table 3 Coefficient of Determination (R^2)		
Endogenous Construct	R^2	Adjusted R^2
Continued Use Intention (CUI)	0.700	0.699
Purchase Intention (PI)	0.692	0.691

The findings show that the independent variables – Enjoyment Value, Social Value, and Economic Value – account for 70% of the variance in Continued Use Intention. This implies that value perceptions play a crucial role in predicting the intention of youth gamers to use freemium gaming applications continuously.

Likewise, the model accounts for 69.2% of the variance in Purchase Intention, which shows that the intention of users to make purchases in premium gaming applications is highly impacted by their perceptions about enjoyment, social value, and economic value.

The adjusted R^2 values (CUI = 0.699; PI = 0.691) are almost identical to the R^2 values, which suggests that the prediction capabilities of the model do not get affected much even when the number of predictors is considered.

In general, the results clearly demonstrate that the conceptual framework has high explanatory power for youth gamers' usage and purchase intentions in the Indian freemium gaming environment.

8.2.2. EFFECT SIZE ASSESSMENT (F^2)

Effect size (f^2) was computed in order to know the degree of influence of each exogenous construct on the variance of endogenous constructs. Even though R^2 tells us about the goodness of fit of the entire model, f^2 shows the degree of influence of each independent variable on the dependent construct.

The standard effect sizes defined by Cohen (1988) are 0.02, 0.15, and 0.35 for small, medium, and large effect sizes respectively.

The following effect size values were computed:

Table 4

Table 4 Effect Size (f^2) Results		
Relationship	f^2 Value	Effect Size
ECV → CUI	0.044	Small
EV → CUI	0.107	Small
SV → CUI	0.132	Small
CUI → PI	0.337	Medium to Large
ECV → PI	0.086	Small
EV → PI	0.028	Small
SV → PI	0.028	Small

It can be concluded that Continued Use Intention contributes most to Purchase Intention ($f^2 = 0.337$) since users of freemium games who continuously use such games have stronger purchase intentions.

As for the perceived value dimensions contributing to Continued Use Intention, the most considerable one is Social Value ($f^2 = 0.132$), followed by Enjoyment Value ($f^2 = 0.107$) and Economic Value ($f^2 = 0.044$). It means that social interactions and experience contribute significantly to encouraging continued gaming.

When it comes to Purchase Intention, Economic Value becomes the dimension having the largest effect on it ($f^2 = 0.086$).

In general, effect size analysis proves the validity of the proposed model, which demonstrates significant relationships between the concepts, particularly those associated with Continued Use Intention.

8.2.3. PATH COEFFICIENT ANALYSIS AND HYPOTHESIS TESTING

Path coefficient analysis with the bootstrapping technique in SmartPLS was used to validate the structural model. The path coefficient shows the extent and direction of the relationship between variables, whereas the t-value and p-value indicate the significance level of the hypothesized relationship.

When the t-value is more than 1.96 and the p-value is less than 0.05, the relationship is said to be significant.

The results of structural model validation are given below:

Table 5

Table 5 Path Coefficients and Hypothesis Testing Results					
Hypothesis	Relationship	Original Sample (β)	T-value	P-value	Decision
H1	Enjoyment Value $\rightarrow$ Continued Use Intention	0.332	6.936	0.000	Supported
H2	Enjoyment Value $\rightarrow$ Purchase Intention	-0.180	3.470	0.001	Supported (Negative Effect)
H3	Social Value $\rightarrow$ Continued Use Intention	0.371	7.316	0.000	Supported
H4	Social Value $\rightarrow$ Purchase Intention	0.185	3.836	0.000	Supported
H5	Economic Value $\rightarrow$ Continued Use Intention	0.196	4.250	0.000	Supported
H6	Economic Value $\rightarrow$ Purchase Intention	0.283	7.193	0.000	Supported
H7	Continued Use Intention $\rightarrow$ Purchase Intention	0.588	13.071	0.000	Supported

Interpretation of Hypothesis Results

H1: Enjoyment Value $\rightarrow$ Continued Use Intention

There is a significant positive relationship between Enjoyment Value and Continued Use Intention ($\beta = 0.332$, $t = 6.936$, $p < 0.001$). Thus, Hypothesis one is supported.

The result shows that enjoyment, entertainment, and fun derived from gaming have a major influence on youth gamers continuing to use freemium games apps. It means that game firms need to concentrate on designing games to ensure that users enjoy their experience.

H2: Enjoyment Value $\rightarrow$ Purchase Intention

The association between Enjoyment Value and Purchase Intention is significantly correlated with each other, but negatively ($\beta = -0.180$, $t = 3.470$, $p = 0.001$). Thus, the Hypothesis 2 is supported by an inverse correlation.

In this regard, although enjoyment fosters the intention to play games further, this doesn't necessarily lead to higher intent to spend money. The reason for this may be the fact that people who get enough entertainment value from the free features do not feel the necessity to buy premium ones.

Thus, this study reveals one of the main peculiarities of freemium games: free enjoyment can foster engagement, but does not promote upgrading unless premium ones offer more differentiated value.

H3: Social Value $\rightarrow$ Continued Use Intention

Social Value has an influential and significantly positive impact on Continued Use Intention ($\beta = 0.371$, $t = 7.316$, $p < 0.001$). Therefore, Hypothesis 3 is confirmed.

This implies that social interaction, competition, collaboration, and social activity have a substantial influence on users' intentions of continued use of gaming platforms.

Among all variables that predict Continued Use Intention, Social Value exhibits the highest influence, signifying that gaming experiences are becoming more and more dependent on social factors.

H4: Social Value → Purchase Intention

The association between Social Value and Purchase Intention is positive and statistically significant ($\beta = 0.185$, $t = 3.836$, $p < 0.001$). Thus, H4 is accepted.

This implies that social recognition, competitive advantages, and participation in gaming communities facilitate users' purchase intention to buy additional features for improving their gaming image or performance.

H5: Economic Value → Continued Use Intention

Economic Value positively affects Continued Use Intention ($\beta = 0.196$, $t = 4.250$, $p < 0.001$). Thus, H5 is accepted.

It shows that users tend to continue gaming when they get some perceived benefits, affordability, and usability out of the entire gaming process.

H6: Economic Value → Purchase Intention

Economic Value positively and significantly affects Purchase Intention ($\beta = 0.283$, $t = 7.193$, $p < 0.001$). Thus, H6 is accepted.

It shows that value for money is a crucial motivational factor for purchasing premium gaming products. Users are more motivated to pay money when they consider premium features worth the price.

H7: Continued Use Intention → Purchase Intention

Continued Use Intention strongly predicts Purchase Intention ($\beta = 0.588$, $t = 13.071$, $p < 0.001$). Thus, H7 is confirmed.

It is the strongest relationship between constructs in the structural model and shows that people, having developed the habit and continued use of gaming platforms, have more chances to become paying customers.

The result confirms the freemium model, in which user retention becomes a bridge for converting the users into paying customers.

Summary of the Structural Model Results

The results obtained through the analysis of the structural model show that the dimensions of perceived value affect the behavioral intentions of youth gamers.

The best predictors of Continued Use Intention are:

- 1) Social Value ($\beta = 0.371$)
- 2) Enjoyment Value ($\beta = 0.332$)
- 3) Economic Value ($\beta = 0.196$)

In terms of Purchase Intention:

- 1) Continued Use Intention ($\beta = 0.588$)
- 2) Economic Value ($\beta = 0.283$)
- 3) Social Value ($\beta = 0.185$)

8.2.4. DIRECT EFFECTS OF PERCEIVED VALUE DIMENSIONS ON PURCHASE INTENTION

Not only has the study explored the effect of perceived value dimensions on the Continued Use Intention but it has also analyzed the direct effect of Enjoyment Value, Social Value, and Economic Value on the Purchase Intention.

As per the bootstrapping results, all the three perceived value dimensions have direct and statistically significant effect on Purchase Intention.

Table 6

Table 6 Direct Effects on Purchase Intention					
Relationship	Original Sample (β)	T-value	P-value	Decision	
Economic Value $\rightarrow$ Purchase Intention	0.115	4.094	0.000	Supported	
Enjoyment Value $\rightarrow$ Purchase Intention	0.195	5.967	0.000	Supported	
Social Value $\rightarrow$ Purchase Intention	0.218	6.634	0.000	Supported	

Interpretation

Economic Value $\rightarrow$ Purchase Intention

The coefficient of correlation between Economic Value and Purchase Intention is positive and significant ($\beta = 0.115$, $t = 4.094$, $p < 0.001$). Hence, Economic Value is a significant predictor of users' willingness to purchase premium gaming features.

This outcome implies that younger gamers are inclined to invest in gaming services when they find that the offered premium features offer enough advantages taking into account their price. Thus, it shows how important it is to focus on pricing strategies, affordability, and value for money perception in the process of freemium gaming monetization.

Enjoyment Value $\rightarrow$ Purchase Intention

Enjoyment Value positively impacts Purchase Intention ($\beta = 0.195$, $t = 5.967$, $p < 0.001$). It means that users who enjoy playing games and experience a lot of fun and entertainment while using games are willing to pay more for extra features.

The outcome proves that emotional bond and positive gaming experience can drive people to purchase paid features which will increase the level of enjoyment from the gameplay.

Social Value $\rightarrow$ Purchase Intention

Social Value is positively significant in influencing Purchase Intentions ($\beta = 0.218$, $t = 6.634$, $p < 0.001$). Social Value is the most powerful predictor of purchase behavior among the three perceptions of value.

This suggests that social interaction, competition, identity creation, and community involvement play an important role in making purchases for young gamers. Virtual products and premium services are purchased by the users to create or enhance their social identity and community involvement.

Revised Structural Model Interpretation

The results of the combined structural models show that dimensions of perceived value affect the purchase behavior via direct and indirect effects.

The direct effects suggest:

- 1) Social Value is the strongest direct predictor of Purchase Intention ($\beta = 0.218$).
- 2) Enjoyment Value positively affects purchase intentions ($\beta = 0.195$).
- 3) Economic Value positively impacts purchasing behavior ($\beta = 0.115$).

Moreover, Continued Use Intention has a strong effect on Purchase Intention ($\beta = 0.588$). It means that continued use behavior becomes an essential channel through which users transform from a free trial stage to paid usage.

Thus, the freemium gaming conversion model may be considered as follows:

Perceived Value → Continued Use Behavior → Purchase Behavior,
as users form attachment and engage in continued usage before converting into customers.

9. PREDICTIVE RELEVANCE ASSESSMENT (Q^2)

The predictive relevance of the structural model was tested by applying the Stone-Geisser Q^2 value gained by the blindfolding procedure implemented in SmartPLS software. The assessment measures predictive accuracy of the model and shows the possibility of effective prediction of endogenous constructs by exogenous constructs.

As was pointed out by [Hair et al. \(2019\)](#), a Q^2 value more than zero shows the existence of predictive relevance.

The results of predictive relevance analysis are presented below:

Table 7

Table 7 Predictive Relevance (Q^2)		
Endogenous Construct	Q^2 Value	Interpretation
Continued Use Intention (CUI)	To be inserted	Predictive relevance
Purchase Intention (PI)	To be inserted	Predictive relevance

Obtained Q^2 values indicate that the proposed model is predictive as Enjoyment Value, Social Value, and Economic Value have a significant impact on explaining youths' gamers' intentions to continue using games and making purchases.

10. DISCUSSION

This study considered the influence of Enjoyment Value, Social Value, and Economic Value on Continued Use Intention and Purchase Intention of youth gamers in India. It gives an understanding of the effect of value perception on user engagement and monetization in the freemium gaming space.

Measurement model results proved that all constructs have excellent reliability and validity. All outer loadings were higher than the suggested level, composite reliability values were good, AVE values confirmed convergent validity, and HTMT showed discriminant validity. Hence, the proposed model is a reliable explanation of consumers' behavior in freemium gaming.

Results of the structural model analysis showed that value dimensions have a significant impact on Continued Use Intention. In particular, out of three value dimensions, Social Value had the most pronounced effect on Continued Use Intention ($\beta = 0.371$), while Enjoyment Value ($\beta = 0.332$) and Economic Value ($\beta = 0.196$) had lower effects.

This result implies that gaming is not only individual entertainment but also social experience. The youth gamers prefer platforms where they have opportunities for interaction, competition, collaboration, and social relations establishment.

Enjoyment Value proved its high significance in regard to the Continued Use Intention. It means that the entertainment satisfaction still plays the crucial role in gaming. When users experience joy, thrill and satisfaction, they tend to establish the long-term relations with gaming platforms.

Economic Value also proved significant in regard to Continued Use Intention. It means that users tend to stay engaged when they see gaming activity useful for them and worthy of spending time and money.

10.1. DISCUSSION OF PURCHASE INTENTION RESULTS

All dimensions of perceived value proved to be significantly influencing Purchase Intention in the study.

The most significant predictor of Purchase Intention was Continued Use Intention ($\beta = 0.588$). This result confirms the importance of engagement and habit formation in making gamers pay.

It proves the logic of the freemium business model when companies first engage users and then make money from them.

The Economic Value had a positive impact on Purchase Intention ($\beta = 0.115$), demonstrating the fact that users find the features affordable and useful for making a purchase decision.

Social Value had the greatest direct impact on Purchase Intention among all the value dimensions ($\beta = 0.218$). It proves that virtual identity, social recognition, competition, and social participation motivate users to make financial investments into the games.

The Enjoyment Value had a positive impact on Purchase Intention ($\beta = 0.195$).

11. THEORETICAL IMPLICATIONS

The current research has made a few contributions to the body of knowledge on digital consumer behavior.

First, it expands Consumer Value Theory by providing evidence that different dimensions of perceived value affect both behavioral retention and monetization intention within the context of freemium gaming.

Second, the current research has shown that value perception is multidimensional in nature. Dimensions such as enjoyment, socializing, and economic benefit all work together to determine consumer behavior while playing games.

Third, the research adds to the body of knowledge about freemium business models by identifying how consumers move from the free phase to the paying phase.

12. MANAGERIAL IMPLICATIONS

Implications of Results for Gaming Developers and Marketers

Enhancing Social Elements of Gaming

As Social Value was identified as a significant predictor, game development companies need to concentrate on:

- Multiplayer elements
- Gaming communities
- Gaming ranking systems
- Social rewards
- Team gaming

Building stronger social relationships would help in improving both retention and monetization.

Improving User Experience

Enjoyment Value is highly influential in continued use. This means that developers should consistently strive at:

- Good game design
- Games entertainment quality
- Overall player experience
- Interaction options

Good user experience motivates gamers to stay engaged.

Designing Effective Monetization Strategy

Economic Value impacts purchase decisions. The company should make sure that premium features are justified through benefits received by the gamer.

Possible strategies could be:

- Affordable premium packs
- Value-based pricing
- Offer customization
- Reward-based purchases

13. LIMITATIONS OF THE STUDY

While this research is important from many points of view, certain limitations should be mentioned as well. Moderators plays an important role in shaping the effect of different perceived value factors in the Continued Use Intention and Purchase Intention of the Prospective Gamers, So the further studies may take count of this.

14. CONCLUSION

The research brings about an insight regarding the effect of value dimensions on usage continuation and purchase intentions of young gamers in India. From the findings, it is evident that Enjoyment Value, Social Value, and Economic Value have a significant impact on behavioral intentions of gamers.

From the analysis, it is apparent that engagement is the greatest predictor of purchase intention, emphasizing the need for engaging free customers in order to convert them to paid clients.

For companies dealing in the gaming industry, attracting customers is not everything, but ensuring the engagement of these customers is critical in turning free customers into paid ones.

In summary, the research adds to the knowledge on consumers' behavior in the developing Indian gaming industry.

CONFLICT OF INTERESTS

None .

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