

The Impact of Freemium Business Model Dimension on Job Seekers Satisfaction

SUREDDY VAMSHIDHAR REDDY

Department of Management Studies, Siva Sivani Institute of Management, Hyderabad, India

Abstract- *This study examines the impact of freemium job portal features on job seekers' satisfaction, loyalty, word-of-mouth (WOM), and intention to subscribe to premium services in the Indian digital recruitment ecosystem. With the rapid expansion of online employment platforms such as Naukri, LinkedIn, and Indeed, understanding user behaviour under the freemium business model has become increasingly important. The research adopts a quantitative and descriptive research design using primary data collected from 140 active job seekers, including students, fresh graduates, and working professionals. Data were gathered through a structured questionnaire measured on a five-point Likert scale and analyzed using descriptive statistics, reliability analysis, correlation, and regression techniques. The findings reveal that job portal dimensions significantly influence user satisfaction, which in turn positively affects loyalty, WOM, and intention to subscribe to premium services. The study provides managerial insights for optimizing freemium strategies and contributes to the limited empirical literature on freemium models in Indian job portals.*

Keywords: *Freemium Model, Job Portals, User Satisfaction, Loyalty, Word-of-Mouth, Subscription Intention*

I. INTRODUCTION

The Indian equity market has witnessed significant growth and structural transformation over the past two decades, driven by economic reforms, technological advancements, and increased participation from retail and institutional investors. In this evolving financial environment, portfolio construction has emerged as a crucial investment strategy aimed at maximizing returns while minimizing risk. Investors increasingly rely on quantitative tools and analytical techniques to make informed decisions in volatile market conditions.

Modern Portfolio Theory emphasizes diversification as a key mechanism for reducing unsystematic risk, while risk-adjusted performance measures help assess the efficiency of investment portfolios. Alongside fundamental analysis, technical analysis plays an important role in understanding short-term

price movements and market momentum. Indicators such as Relative Strength Index (RSI), Simple Moving Average (SMA), and Rate of Change (ROC) are widely used to identify trends, overbought or oversold conditions, and potential entry and exit points.

Among the various sectors in the Indian stock market, the Information Technology (IT) and Banking sectors hold substantial economic importance but exhibit contrasting characteristics. The IT sector is largely growth-oriented and sensitive to global economic conditions, often displaying higher volatility. In contrast, the Banking sector forms the backbone of the financial system and generally offers relatively stable returns due to its defensive nature and regulatory support. These differences make the two sectors suitable for comparative portfolio analysis.

This study aims to compare portfolio performance between the IT and Banking sectors by integrating technical analysis tools with risk-adjusted performance metrics. By analysing sectoral portfolios constructed from selected companies, the research seeks to provide insights into sector-specific risk-return behaviour and assist investors in developing effective diversification and asset allocation strategies.

II. RESEARCH METHODOLOGY

Research Design

The study adopts a quantitative and descriptive research design to examine the impact of freemium job portal features on user behavior. The research is analytical in nature, as it seeks to identify relationships between job portal dimensions and user satisfaction, loyalty, WOM, and intention to subscribe.

Population and Sample

The population of the study consists of active job seekers in India, including final-year students, recent graduates, and working professionals who regularly use online job portals. A convenience sampling technique was employed to collect data from respondents who were easily accessible through online platforms. A total of 140 valid responses were collected and considered adequate for statistical analysis.

Data Collection Instrument

Primary data were collected using a structured questionnaire administered through Google Forms. The questionnaire comprised sections covering demographic details, job portal dimensions, user satisfaction, loyalty, word-of-mouth, and intention to subscribe. Responses were measured using a five-point Likert scale ranging from “Strongly Disagree” to “Strongly Agree.”

Tools and Techniques

Data analysis was conducted using Microsoft Excel. Descriptive statistics were used to summarize respondent characteristics and variable trends. Reliability analysis using Cronbach’s Alpha confirmed internal consistency of the measurement scales. Pearson correlation and simple linear regression were applied to test the proposed hypotheses and examine the impact of freemium features on user satisfaction and behavioral outcomes.

III. RESULTS AND DISCUSSION

This section presents the analysis and interpretation of data collected from 140 respondents to examine the impact of freemium job portal dimensions on user satisfaction, loyalty, word-of-mouth (WOM), and intention to subscribe. Descriptive and inferential statistical techniques were employed using Microsoft Excel.

Descriptive Statistics

Table 1 presents the mean and standard deviation values of the major research variables. The results indicate moderate agreement among respondents regarding freemium job portal features.

Table 1: Descriptive Statistics of Key Variables

Variable	Mean	Standard Deviation
Job Portal Dimensions	3.48	0.96

Variable	Mean	Standard Deviation
Loyalty	3.33	0.90
Word-of-Mouth (WOM)	3.19	0.96
User Satisfaction	3.12	1.02
Intention to Subscribe	3.18	0.93

Discussion:

Respondents moderately agree that free-tier services meet expectations. Satisfaction and intention to subscribe remain neutral to positive, indicating scope for improving perceived premium value.

Reliability Analysis

Cronbach’s Alpha was used to test the internal consistency of the measurement scales.

Table 2: Reliability Analysis

Construct	Number of Items	Cronbach’s Alpha
Job Portal Dimensions	3	0.84
Loyalty	3	0.81
Word-of-Mouth (WOM)	3	0.83
User Satisfaction	2	0.79
Intention to Subscribe	4	0.87

Discussion:

All constructs exceed the recommended reliability threshold of 0.70, confirming the robustness of the research instrument.

Regression Analysis and Hypothesis Testing

H₁: Impact of Job Portal Dimensions on User Satisfaction

Table 3: Regression Results – Job Portal Dimensions → User Satisfaction

R ²	Adjusted R ²	β	t-value	p-value
0.398	0.394	0.672	9.518	< 0.001

Table 4: ANOVA – H₁

df	F-value	Significance
1,137	90.58	< 0.001

Discussion:

Job portal dimensions explain 39.8% of the variance in satisfaction, confirming that free-tier usability and service quality significantly influence user experience.

H₂: Impact of Word-of-Mouth (WOM) on User Satisfaction

Table 5: Regression Results – WOM → User Satisfaction

R ²	Adjusted R ²	β	t-value	p-value
0.600	0.597	0.826	14.38	< 0.001

Table 6: ANOVA – H₂

df	F-value	Significance
1,137	206.58	< 0.001

Discussion:

WOM emerges as the strongest predictor of satisfaction, highlighting the influence of peer recommendations and electronic WOM in job portal adoption.

H₃: Impact of Loyalty on User Satisfaction

Table 7: Regression Results – Loyalty → User Satisfaction

R ²	Adjusted R ²	β	t-value	p-value
0.344	0.340	0.669	8.48	< 0.001

Table 8: ANOVA – H₃

df	F-value	Significance
1,137	71.95	< 0.001

Discussion:

Loyal users demonstrate higher satisfaction, reinforcing the role of repeated platform usage and trust in shaping positive perceptions.

Table 9: Regression Results – Intention to Subscribe → User Satisfaction

R ²	Adjusted R ²	β	t-value	p-value
0.509	0.505	0.786	11.90	< 0.001

Table 10: ANOVA – H₄

df	F-value	Significance
1,137	141.77	< 0.001

Discussion:

Users with stronger intention to subscribe report higher satisfaction, indicating that perceived premium value positively reinforces overall experience.

VI. CONCLUSION

This study examined the impact of freemium job portal features on user satisfaction and its subsequent influence on loyalty, word-of-mouth (WOM), and intention to subscribe within the Indian digital recruitment ecosystem. The findings provide empirical evidence that freemium job portal dimensions play a critical role in shaping user perceptions and behavioural outcomes.

The results confirm that the quality of free-tier services significantly influences user satisfaction, highlighting the importance of usability, relevance of job recommendations, and service convenience. Among the behavioural variables, word-of-mouth emerged as the strongest determinant of satisfaction, emphasizing the role of peer influence and electronic WOM in building trust and credibility on job portals. Loyalty and intention to subscribe were also found to have a positive and significant relationship with user satisfaction, indicating that satisfied users are more likely to continue using the platform and perceive greater value in premium services.

The study reinforces freemium and two-sided platform theories by demonstrating that satisfaction acts as a central mechanism linking service features with favourable behavioural intentions. While free services are essential for user acquisition, clearly differentiated and value-driven premium offerings are necessary to enhance subscription intention and long-term sustainability.

From a managerial perspective, the findings suggest that job portals should prioritize optimizing free-tier experiences while effectively communicating the tangible benefits of premium features. Enhancing user satisfaction not only strengthens loyalty but also encourages positive word-of-mouth, creating a self-reinforcing cycle that supports platform growth.

Overall, this research contributes to the limited empirical literature on freemium job portals in the Indian context and offers actionable insights for

platform managers seeking to balance user satisfaction with sustainable monetization strategies.

VII. APPENDIX

This study employed a structured questionnaire to collect primary data from job seekers using freemium job portals. The instrument measured key constructs including Job Portal Dimensions, User Satisfaction, Loyalty, Word-of-Mouth (WOM), and Intention to Subscribe using a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree).

Data were collected online through Google Forms and screened for completeness prior to analysis. Composite scores were computed for each construct, and reliability was confirmed using Cronbach's Alpha. Statistical analysis was performed using Microsoft Excel. Due to space constraints, detailed calculations and raw data are not included and are available from the author upon request.

VIII. ACKNOWLEDGMENT

The author expresses sincere gratitude to the faculty members of Siva Sivani Institute of Management for their academic guidance and continuous support throughout the course of this research. Special thanks are extended to the project guide for valuable suggestions and encouragement, which significantly contributed to the successful completion of the study.

REFERENCES

- [1] Deshwal, P., Sharma, R., & Juneja, A. (2018). The impact of freemium business model dimensions on customer satisfaction, loyalty, and word of mouth. *International Journal of Business and Management*, 13(4), 1–12.
- [2] Hagi, A., & Wright, J. (2015). Multi-sided platforms. *International Journal of Industrial Organization*, 43, 162–174.
- [3] Hamari, J., Hanner, N., & Koivisto, J. (2020). Service quality explains why people use freemium services but not if they go premium. *International Journal of Information Management*, 51, 102–118.
- [4] Huang, C. C. (2016). Freemium business model: Construct development and measurement validation. *Journal of Business Research*, 69(12), 5544–5551.
- [5] Kumar, V. (2016). Evolution of marketing as a discipline: What has happened and what to look out for. *Journal of Marketing*, 80(1), 1–9.
- [6] Mäntymäki, M., & Islam, A. K. M. N. (2020). The Janus face of freemium: Ethical challenges in free-to-play business models. *Journal of Business Ethics*, 165(4), 1–16.
- [7] Rochet, J. C., & Tirole, J. (2004). Two-sided markets: An overview. *Journal of the European Economic Association*, 1(4), 990–1029.
- [8] Saravanan, R., & Adhithya, S. (2024). Comparative analysis of LinkedIn and Naukri job portals in India. *International Journal of Human Resource Management*, 15(2), 45–60.
- [9] Zhang, X., & Liu, Y. (2021). Monetization strategies in freemium digital platforms. *Electronic Commerce Research and Applications*, 46, 101–109.