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FREE FEELS WRONG: A TEXT ANALYSIS OF CONSUMER PREFERENCES ON DAVINCI RESOLVE'S ONE-TIME PAYMENT MODEL

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ABSTRACT
Subscription-based business models (SBBMs) have become dominant in digital industries, but there is little research examining the video editing software industry, where the one-time payment model still persists. This paper conducts a case study on Blackmagic Design's video editing software Davinci Resolve, which offers a perpetual license and free updates, an anomaly in the growing trend towards SBBMs. To understand why, we conducted quantitative research by examining posts on Blackmagic Design's discussion forum and conducting sentiment and keyword analysis. Our results show an even split between positive and negative sentiments. Positive threads emphasized loyalty and appreciation of Blackmagic Design's fair pricing, while negative threads expressed complaints about inadequate support and concerns about the sustainability of a one-time payment model. Interestingly, some users even expressed willingness to pay more through a subscription model or upgrade fees to support software development. This suggests that the Subscription-based business model builds brand loyalty and image. Thus, our findings show how consumer decisions when choosing video editing software go beyond price and features and extend into brand perception.

Keywords: Subscription-based business model, One-time payment business model, Text analysis.

1. INTRODUCTION

SBBMs have existed in physical commerce for decades through newspaper subscriptions or milk-delivery services (Lindstrom et al., 2023). In the past decades, Subscription as a Service (SaaS) has become a business model common in online commerce, especially relevant in monthly delivery services (Chen et al., 2018). However, there is limited research analyzing the payment models in creative software companies. Specifically, the video editing software industry exemplifies the battle between SaaS and traditional one-time payment business models. The industry leader in creative software is Adobe, who began by selling permanent software licenses but has since switched to the SaaS model in 2013 (Data Next, 2024). Adobe is not alone; BetterCloud estimated that by 2025, 85% of business apps will be SaaS- based (BetterCloud, 2020).

However, Blackmagic Design's (BD) video editing software Davinci Resolve (DR) is an outlier in the growing market trend towards subscription services. Since 2010, BD has maintained its perpetual licensing model with a one-time fee and free annual updates. Increasingly, this pricing model has attracted users due to its competitor Adobe's high monthly fee of $69.99 for the Adobe suite of apps

(Adobe Inc., n.d.). Still, Adobe is undoubtedly the industry leader in the creative software industry. In this study, we examine the factors that impact customer decisions when choosing between these two disparate pricing models.

We analyzed 330 posts across 10 threads from the Blackmagic Forum using a text analysis method. We first conducted a keyword analysis and found that common keywords can be grouped into 3 categories: pricing, upgrades, and support. We then conducted a sentiment analysis and labeled the posts as positive or negative. Our results showed an even split: positive threads highlighted brand loyalty, pricing fairness, and appreciation for free updates, while negative threads emphasized weak customer support and doubts about the sustainability of the one-time payment model. Notably, some Davinci Resolve users even supported subscriptions or paid updates, suggesting brand trust can outweigh cost concerns or feature considerations.

2.BACKGROUND AND LITERATURE

2.1. Blackmagic Design

Blackmagic Design has amassed a loyal user and fan base because of its low pricing of hardware, software, and even a free tier of its flagship video editing software—Davinci Resolve. BD did not begin with a reputation for its budget-friendly pricing, however. It first acquired Davinci Systems LLC in 2009 (Blackmagic Design, 2009), selling computer systems integrated with video editing software that cost from $200,000 to $800,000. The next year, BD announced a drastic change in pricing: $995 for Davinci Resolve software to be used on the Mac operating system (Blackmagic Design, 2010). In 2015, BD announced a free tier of DR 12 along with the paid version of DR Studio (Blackmagic Design, 2015).

Then again, in 2017, BD announced a price decrease of DR Studio to $299 (Blackmagic Design, 2017), which has stayed the same ever since.

As more companies adopted SBBMs, Davinci Resolve's continuation of the one-time payment model becomes the outlier. Since 2010, BD has kept its one-time payment model for their software DR and even lowered its price. Thus, BD's persistence in keeping the pricing model also became DR's selling point. In 2013, when perpetual licensing was the norm, Adobe's switch to a subscription-based business model was seen as risky. Adobe Creative Suite's revenue dropped by almost 35% percent the following year (Nurkka et al., 2017). But in 2016, Adobe's stock price had tripled. Now, Adobe has mainstreamed SaaS in the creative software industry, replacing the norm of one-time payment and ownership of software.

DR further alienates itself from Adobe by offering free annual updates since BD's first release of the software. However, during their 2025 press release, BD CEO Grant Petty vaguely mentioned a potential paid updates option in the future (Blackmagic Design, 2025, 02:37:30). Regardless of whether BM will switch to a subscription-based business model, BM cultivates a culture of modest pricing through their free tier of DR, which provides a no-risk way of experiencing the software. The DR Studio (paid version of DR) even comes free with the purchase of BD's cinema cameras. All these factors combined work together to build BM's brand image as down-to-earth and consumer-oriented. Additionally, BM provides an online forum for its users to ask questions, answer each other's questions, and occasionally elicit responses from BM employees as well. Thus, BM doesn't just rely on its pricing to gain loyal customers. The DR software is also known in the industry for advanced color editing technology: it is used in famous Hollywood projects like La La Land and Pirates of the Caribbean (Giardina, 2017).

However, there are negative factors of DR that prevent customers from purchasing. The benefit of DR's one-time payment to some is also a downside to others, because it means a higher up-front cost that is 10 times as high as Adobe's monthly subscription price. Even though it is evident that DR is much cheaper than Adobe's software suite—the price of owning DR is equivalent to the price of accessing Adobe for just a year—there are other factors that can lead customers to choose Adobe over DR. The most apparent is in the lack of features in DR compared to Adobe's entire suite of apps that includes Adobe Premiere for editing, After Effects for animation, Photoshop for photo editing, and Illustrator for digital design.

However, only looking at the video editing software of Premiere and After Effects, there seems to be less of a difference except in their adoption in the industry. Adobe is widely adopted in high schools, universities, and has long been considered and taught as the industry standard (MIT Sloan Teaching & Learning Technologies, n.d.). As a result, the cost of the adobe suite is often free and covered by the school. Feature-wise, Customers may also be attracted to Adobe's advanced generative-AI features.

2.2. Literature review

Switching from traditional one-time payment models to SBBMs has been increasingly popular both in digital and physical industries. Lindstrom et al. (2023) conducted qualitative case studies of two companies with success stories after shifting to SBBMs. They found that the subscription business model allowed companies to generate sustainable revenue through consistent monthly recurring revenue. While Company A, a furniture rentals company, experienced an initial slow return on investment with the subscription model, it enjoyed the stability and control of the monthly fee. Subscription services are attractive to customers because they allow customers to change plans and cut back unnecessary expenditure compared to one-time payment's perpetual licensing (Feng et al., 2022). Likewise, Company B, a finance software company, improved customer payment experiences by providing different financing solutions. A crucial benefit apparent for both companies is that the subscription model allowed them to stay in constant contact with the customers, allowing them to capture customer data. With the data, companies can gain a better understanding of customers, implement customer feedback, and ultimately gain brand loyalty and the retention of customers needed to sustain SBBMs.

Complementing this, Shukla et al. (2025) found that maintaining good customer relations is crucial for consumer retention. The study conducted surveys of respondents subscribed to digital services like Netflix and Spotify, noting that consumers reported frustration with "unclear pricing structures, auto- renewal policies, and difficult cancellation procedures" (Shuka et al. 2025). These factors negatively impacted their perception and trust of the brand. So, companies must use clear pricing communication to foster brand trust and loyalty. One of the most notable differences between one-time payments and SBBMS is that subscription services must provide continuous value for customers to remain subscribed. Thus, retention from brand loyalty is necessary to sustain a subscription model.

While Hu et al. (2025) also found that perceived trust is a key factor for consumers, they found other variables more relevant to professional artists. They examined the subscription model of AI drawing tools for digital media designers; an industry tied to our research area of video editing software. Through interviews and surveys with digital media professionals, the study found that artists in a professional setting preferred the industry standard product. The industry standard software ensures "seamless integration across teams and project workflows" and delivery to the client. Customers also value usability that satisfies their professional needs—the product must be professionally built.

Consumer theory provides insights into SBBMs' popularity. Consumers seek to maximize the utility of software like features, updates, and integration. So, a consumer prioritizing AI features and ease of integration with clients will choose Adobe over DR, while a consumer preferring advanced color features will choose DR over Adobe. Ignoring features or cost, consumers may also choose to maximize their utility by supporting the brand they trust or are most familiar with.

Budget constraints can also help explain the appeal of subscriptions: spreading costs over monthly payments allows consumers to balance software cost with other goods, unlike one-time payments that require high up-front payments. Vendors intentionally make their subscription options more attractive by offering different subscription lengths: vendors set a higher discount for a longer subscription option (Feng et al., 2022). However, consumers may choose to pay a higher one-time cost to avoid continuously paying subscription fees.

3. METHOD AND DATA

Since the launch of DR, BD has not yet implemented paid updates or monthly subscriptions—unlike many other video editing software providers. However, during the 2025 update, BD CEO Grant Petty vaguely mentioned a potential paid updates option in the future (Blackmagic Design, 2025). His comment caused immediate discussion on the online Blackmagic Design forum. Thus, the BD forum provides ample data for text analysis in order to understand consumer preferences in the video editing market.

3.1 Data collection

Our text analysis data is from the BD Forum. Because of its wide usage, the forum contains more than three hundred thousand posts. To filter out the discussion threads relevant to our research question, we first used the stratified sampling method by finding all the relevant posts with the keyword "subscription" (a few other relevant threads were found with searching keywords like "business model")—this left us with around a thousand results. Still, the parent threads of most of the posts were of completely irrelevant topics to our research like solving software technical difficulties. Thus, we used cluster sampling by identifying the threads that home in on discussing the pros and cons of the one-time-payment business model of BM. This resulted in finding 10 relevant discussion threads with a total of 330 individual posts to be analyzed. We also removed all punctuation and converted words into lowercase for ease of analysis.

3.2. Keyword Analysis

In each of the threads, we searched for the 20 most relevant keywords using the YAKE keyword extractor. We eliminated repeating usernames from the keywords as they were irrelevant;

the most common phrases like "Davinci Resolve" and "Blackmagic" were also removed as they don't provide new information regarding SBBMs. By identifying the keywords in each discussion thread, we can identify the talking points that will help us answer why consumers would choose one business model of SaaS or one-time-payment over the other.

3.3. Sentiment analysis

Sentiment analysis is a natural language processing (NLP) technique used to determine the emotional tone or attitude expressed in a piece of text. It accepts a text input, which in our case are posts from the BD Forum. Then, it breaks down the text using NLP techniques like tokenization and parsing. Finally, it categorizes sentiment using machine learning models.

After data collection based on the clusters, we divided each thread by post for sentiment analysis processing using VADER. VADER analyzed each post and outputted three values: negativity, neutrality, and positivity. By analyzing the sentiment, we can gauge the consumer opinion and emotion toward BM's business model.

To quantify each post as either positive or negative, we developed a benchmark. First, we assigned a combo value to each post by subtracting the negativity value from the positivity value. Second, we compare the first post's combo value with the average combo value of all the posts in the thread. If the thread's average value is bigger than the first post's value, then the thread is labeled as positive; if not, then it is labeled as negative. Third, we also take into consideration the positivity/negativity of the first post. If the first post of a thread is a negative value and the thread average is a smaller negative value, then the thread would be labeled as positive instead of negative.

4. RESULTS

We noticed a pattern in the keywords and separated them into three categories: pricing, upgrades, and support. We summarized the details of these keywords in Figures 1 to 3. The keywords on pricing (Figure 1) and support (Figure 2) show a strong tension between users' desire to support DR financially, potentially through a subscription model, and other users' resentment towards subscription. Proponents of keeping DR's low pricing praise the free version of DR (Figure 1) and its free updates (Figure 2).

Keywords under the "Business Model" category show support switching to a subscription model, while keywords under "Free" show sentiment against subscription (Figure 1). Again, we see this tension when discussing upgrades in Figure 2: keywords under "Free" show a desire for DR to continue to provide free upgrades, while those under "Paid" propose a different business model of paid updates. Keywords under "Future" side with the proposal in "Paid" by implying that software development needs funding, and BM can gain funding through paths like paid upgrades or a cloud subscription service (Figure 2). Specifically, some users emphasized the revenue potential of Fusion (the integrated motion graphic program in DR) and proposed to monetize it further (Figure 1).

One trend throughout all three categories is a direct comparison of BM with Adobe. Some were direct attacks towards Adobe with adjectives like "garbage" and "asinine" (Figure 1). Others were mere comparisons of Adobe features, such as their stock media and email support (Figure 2).

Thus, we can conclude that the suggestions to switch BM's business model most likely came from a comparison with Adobe's subscription model.

It is understandable to receive backlash towards the notion of switching to a higher subscription pricing model. But it seems counterintuitive that some DR users actually proposed and supported the idea of "adopting software subscription". Why would customers actively want to pay more? The potential answer lies in brand loyalty and brand relations. With praises like "insanely good tools" and "amazing software development" (Figure 1), it makes sense that an avid user base would want to support their favorite software company. Especially when compared with Adobe's high monthly subscriptions, DR users may even feel guilty for paying so little for the software— "free feels wrong" (Figure 1). These results are corroborated by literature: Shukela et al. found that unclear pricing structures decreased consumer trust, so it's understandable that a clear and low pricing structure of DR would attract users and build loyalty.

This loyalty can then extend to the point where consumers would proactively want to support BM as a brand.

The sentiment analysis reveals 5 positive threads and 5 negative threads. Combining sentiment analysis with the common keywords reveals the major areas of customer satisfaction or complaints. Looking at the keywords, we organized them into three categories of pricing, upgrades, and support. The major source of complaints falls under the support and upgrades category.

4 out of the 5 negative threads have a first post that discusses paid updates. The repetition in the number of keywords in the "free" subsection of the upgrades category shows the importance of free upgrades to DR users. In these threads, many users propose alternative business models to the one-time payment that BM uses right now, mainly switching to an upgrade fee or subscription. Understandably, there is equal backlash to these proposals. The rationales of these proposals lie in the pricing category: "free feels wrong", "bad economic model", and "resolve isn't profitable" (Figure 1).

1 out of the 5 negative threads is about support. While there is a mix of reactions towards paid versus free upgrades, the negative attitudes towards the lack of BM support for DR are universal. These harsh criticisms of DR's support system include "seemingly non-existent" and several mentions of support "issues" (Figure 3). Echoing the proposals for paid upgrades, some users also mention potential ways to implement "paid support" (Figure 3). Some users point to the existing telephone support, but most find it unsatisfactory for solving complex issues (Figure 3). So, some users proposed that BM implement tier- based support for users with higher pricing for better support (Figure 3). Feng et al. (2022) reflect this with their findings that increased consumer contact brings more data on consumer behavior and thus allows for better brand-consumer relations. So, because DR is a one-time purchase, it creates fewer contact points than subscription-based companies; while the BM forum attempts to increase consumer interactions, support is ultimately limited for DR users. The dissatisfaction with the lack of support for DR is almost unanimous.

5. CONCLUSION

This study examined consumer preferences between subscription and one-time payment in the video editing software industry through a case study of Davinci Resolve. We used textual data from the BD forum and used sentiment and keyword analysis to analyze the posts discussing different payment methods. The sentiment analysis suggests an even split between positive and negative. The split revealed a divided user base: while some valued DR's affordability and free updates, others raised concerns about limited support and questioned the sustainability of its perpetual licensing model. Keywords analysis allows us to better understand the threads' talking points and categorize them accordingly. These keywords are extracted from posts that span from 2012 to 2024, meaning that these issues and debates on pricing are part of a long-term discussion and can provide valuable insight into the benefits and drawbacks of different pricing models. Interestingly, some DR users proposed and favored the idea of subscriptions or paid updates, suggesting that brand loyalty can outweigh cost concerns when consumers perceive a company as trustworthy or innovative.

However, other factors may impact brand perception besides the revenue model; this paper did not dive into specific feature differences between software that may impact purchase decision-making. Also, we did not factor in that while BD created its flagship software DR, it has an extensive line of hardware products like cameras and broadcasting gear. This changes the nature and goal of BM when compared to companies like Adobe that only produces software. Given that BD's CEO has mentioned a potential move of DR towards a subscription model, future directions may also examine consumer reaction and purchasing trends after DR's potential switch.

Most importantly, our results highlight that consumer behavior is not purely utilitarian. We see that BM's most passionate users offered to pay more than they already did, showing their care of the company's future. While cost and features play major roles in consumer purchase decisions, users also consider supporting a brand that aligns with their values. In other words, a brand image of being down-to-earth and consumer-friendly attracts loyal customers. Thus, this finding transcends the creative software industry.

To build a loyal customer base, companies of all kinds can learn to better their brand image by reconsidering their pricing model.

Table 1. Sentiment Analysis Results

DATE PUBLISHED	INITIAL POST*	INITIAL POST SENTIMENT	THREAD AVERAGE SENTIMENT	POS/NEG
02/14/2024	Switch to subscription model	0.099	0.111	POS
07/30/2014	Switch to paid updates	0.135	0.128	NEG
05/13/2013	I would pay for subscription	0.073	0.145	POS
04/09/2019	No more free updates?	0.277	0.104	NEG
03/04/2022	Paid updates?	0.27	0.060	NEG
05/16/2020	AI features compared with Adobe	0.064	0.148	POS
4/14/2015	Talks of subscription	0	0.158	POS

05/07/2024	Lack of customer support	-0.017	0.035	NEG**
09/20/2012	Switch to paid upgrades	0.106	0.126	POS
01/11/2019	Possibility of paid feature?	0.145	0.073	NEG

*This column contains an abbreviated summary of the first post of each thread.
**Because the initial post is negative, the positive thread average makes the thread negative.

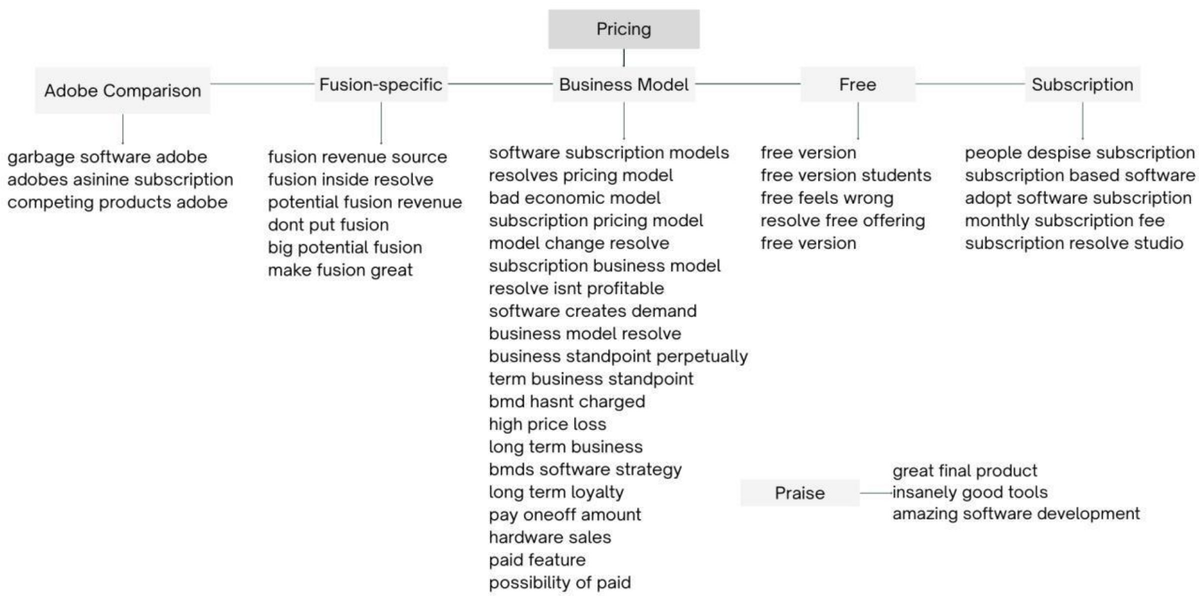

Figure 1. Keywords: Pricing

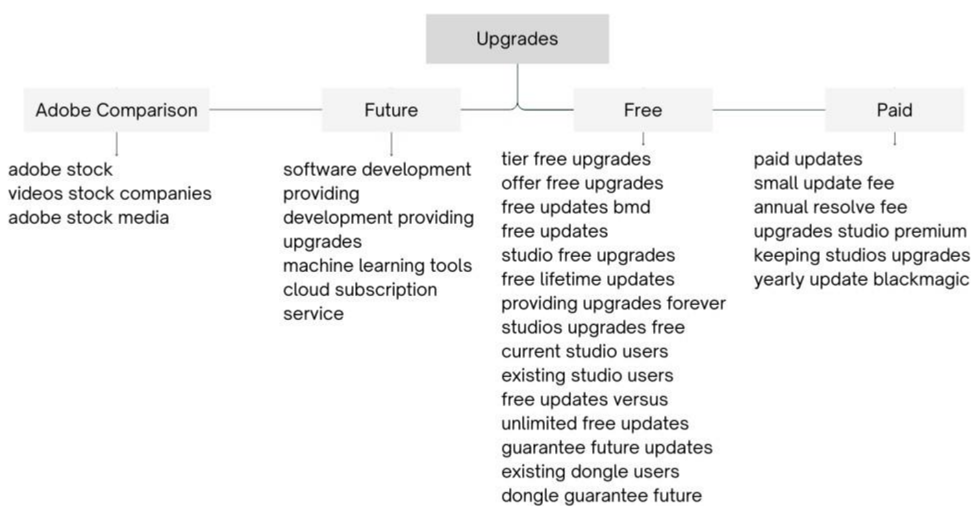

Figure 2. Keywords: Upgrades

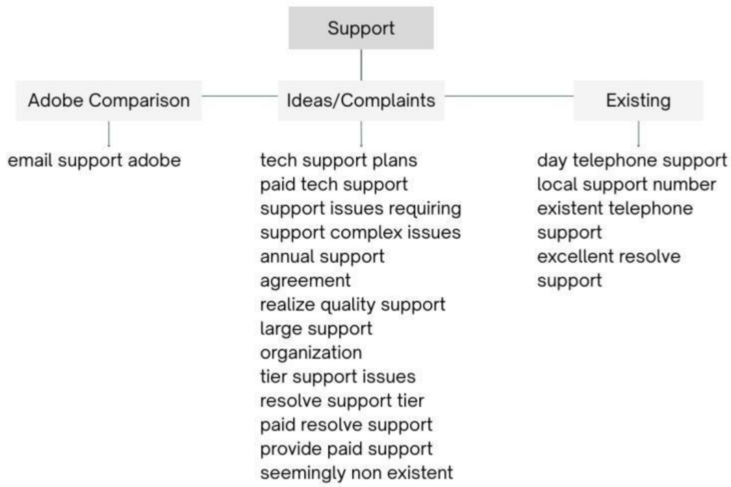

Figure 3. Keywords: Support

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