International Journal of Scientific Research in Engineering and Management (IJSREM)
Volume: 09 Issue: 06 | June - 2025 SJIF Rating: 8.586 ISSN: 2582-3930

Analyzing Customer Perception and App Loyalty via Personalized Push Notifications: A Study on Myntra in Delhi NCR

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Abstract

This research investigates the impact of personalized push notifications on customer perception and mobile application loyalty, focusing on the fashion e-commerce platform Myntra, within the Delhi National Capital Region (NCR). In an increasingly competitive digital marketplace, retaining users is paramount, and mobile notifications have emerged as a key channel for direct engagement. This study explores the fine line between valuable communication and intrusive marketing. It posits that notifications tailored to user preferences, past behavior, and real-time context significantly enhance perceived value, thereby strengthening app loyalty. Through a conceptual analysis integrating a case study approach, we examine the mechanisms by which personalization influences consumer attitudes and actions. The research analyzes how Myntra can leverage data-driven strategies to craft notifications that are seen as a service rather than spam. Key findings suggest a strong positive correlation between the degree of personalization and key loyalty metrics, including user retention, engagement rates, and conversion. This paper argues that for users in a mature, tech-savvy market like Delhi NCR, generic, high-frequency notifications are detrimental, leading to notification fatigue and app uninstalls. Ultimately, the study provides a framework for e-commerce platforms to optimize their push notification strategy for long-term customer relationship management.

1. Introduction

The proliferation of smartphones has fundamentally reshaped the retail landscape, with mobile commerce (m-commerce) becoming a dominant force. In India, a burgeoning economy with high internet penetration, platforms like Myntra have capitalized on this trend, capturing a significant market share. However, this digital gold rush has also led to intense competition, where customer acquisition costs are high, and loyalty is fleeting. In this context, push notifications represent a powerful, low-cost tool for brands to maintain a direct line of communication with their users. They serve as a constant reminder, a call to action, and a vehicle for targeted promotions. Yet, their effectiveness is a double-edged sword; when misused, they become a primary driver of app uninstalls. This study addresses the critical research gap concerning the nuanced effects of *personalization* in push notifications. Specifically, it seeks to understand how Myntra's users in the demographically diverse and economically significant Delhi NCR perceive these alerts. The central research question is: To what extent does the personalization of push notifications influence customer perception and foster app loyalty for Myntra in the Delhi NCR region? This paper aims to dissect this dynamic by providing a comprehensive analysis.

2. Theoretical Framework

This research is anchored in several established theories to provide a robust analytical lens. The primary framework is built upon the principles of **Customer Relationship Management (CRM)**, which emphasizes the importance of building and maintaining long-term relationships over transactional interactions. Personalized push notifications are a modern CRM tactic, leveraging data to create a sense of individual recognition and value. This is further supported by the **Technology Acceptance Model (TAM)**, which explains how users come to accept

and use a technology. In this context, the "perceived usefulness" and "perceived ease of use" of push notifications are critical. If notifications are perceived as useful (i.e., relevant and timely), user acceptance and positive perception will increase. Conversely, if they are complex or irrelevant, perception will be negative. Finally, the **Stimulus-Organism-Response (S-O-R) Model** is applied to understand the cognitive process. The push notification acts as the stimulus (S), which is processed by the user's internal state or organism (O)—their needs, attitudes, and perceptions—leading to a behavioral response (R), such as opening the app, making a purchase, or disabling notifications.

3. PESTEL Analysis

A PESTEL analysis of the m-commerce environment in Delhi NCR reveals the external factors shaping Myntra's push notification strategy.

- **Political:** Government policies on foreign direct investment (FDI) in e-commerce influence market structure and competition. Furthermore, the implementation of the Digital Personal Data Protection Act (DPDPA) in India places stringent regulations on how user data can be collected and used for personalization, requiring explicit consent and transparent practices from companies like Myntra.
- **Economic:** Delhi NCR boasts a high per capita income compared to the national average, resulting in greater disposable income and consumer spending on fashion. However, economic fluctuations and inflation can impact purchasing power, making value-based notifications (e.g., discounts, offers) particularly effective.
- **Socio-cultural:** The region is a melting pot of cultures with a large, young, and aspirational population. There is high brand consciousness and a rapid adoption of fast-fashion trends, fueled by social media influencers. This creates an opportunity for culturally and trend-relevant personalized notifications. The diversity within NCR (e.g., Delhi vs. Gurgaon vs. Noida) also demands micro-segmentation.
- **Technological:** High smartphone penetration and affordable data plans in Delhi NCR are the bedrock of m-commerce. The increasing sophistication of AI and machine learning algorithms allows for hyper-personalization at scale, enabling Myntra to move beyond basic segmentation to individual-level targeting based on browsing patterns, location data, and predictive analytics.
- **Environmental:** A growing awareness of sustainability is influencing consumer choices. Notifications highlighting sustainable collections or eco-friendly brands on Myntra could appeal to this conscious consumer segment, creating a unique value proposition and enhancing brand image.
- **Legal:** Beyond data privacy, consumer protection laws and advertising standards govern the content and claims made in push notifications. Regulations against deceptive marketing and unsolicited commercial communications mean that Myntra must ensure its notifications are accurate, non-intrusive, and provide clear opt-out mechanisms.

4. Innovation Diffusion Theory (IDT)

Everett Rogers' Innovation Diffusion Theory (IDT) provides a valuable framework for understanding how users adopt the "innovation" of truly personalized and interactive push notifications. The acceptance of this technology is not uniform and can be analyzed through its five perceived attributes.

1. **Relative Advantage:** The degree to which personalized notifications are perceived as superior to generic ones. For a Myntra user, this means receiving an alert for a price drop on a wish-listed item versus a generic "50% off" banner. The former offers a clear, tangible advantage.

2. **Compatibility:** How consistent the innovation is with existing values, past experiences, and needs of potential adopters. A user who values exclusivity and specific brands will find notifications about new arrivals from those brands highly compatible with their lifestyle.

3. **Complexity:** The difficulty of understanding and using the innovation. The beauty of push notifications is their inherent simplicity. However, complexity can arise from unclear messaging or links that lead to irrelevant app pages, creating a frustrating user experience.

4. **Trialability:** The ability to experiment with the innovation on a limited basis. Users can "trial" the value of notifications by engaging with a few. If these prove useful, the user is more likely to remain subscribed; if not, they can easily disable them, representing a low-risk trial.

5. **Observability:** The visibility of the innovation's results. When a user sees a friend get a useful, timely notification for a flash sale they were interested in, it increases the perceived value and observability of the service.

5. Impact of Analysis on Market Dynamics

The effective implementation of a personalized push notification strategy, as analyzed through the aforementioned frameworks, has profound implications for market dynamics in the competitive Delhi NCR e-commerce sector. Firstly, it serves as a powerful tool for **customer retention and loyalty**. By transforming the app from a simple transactional platform into a personal shopping assistant, Myntra can significantly reduce churn rates. This is critical in a market where acquiring a new customer is far more expensive than retaining an existing one. Loyal customers exhibit higher lifetime value (LTV) through repeat purchases and larger basket sizes.

Secondly, it erects a **competitive moat**. While competitors like Ajio, Amazon Fashion, and Nykaa Fashion also use push notifications, the depth and intelligence of personalization can become a key differentiator. A superior notification strategy enhances the overall user experience, making the platform "stickier" and less susceptible to price-based competition. This forces competitors to invest more in their own data analytics and personalization capabilities, escalating the technological arms race for customer attention.

Thirdly, it directly impacts **market share and revenue**. Higher engagement and conversion rates stemming from effective notifications translate directly into increased sales. Furthermore, the data gathered from user interactions with these notifications provides a rich feedback loop. This data is invaluable for inventory management, trend forecasting, and merchandising decisions tailored specifically to the lucrative Delhi NCR market. By understanding what resonates with users at a granular level, Myntra can optimize its product mix and pricing strategies, thereby capturing a larger wallet share and solidifying its market leadership position. This strategic use of a seemingly simple tool can thus alter competitive hierarchies and redefine the benchmarks for user engagement in the industry.

6. Case Study: Myntra's Hyper-Personalization Drive in Delhi NCR

Background: By 2022, Myntra had established a strong user base in Delhi NCR but faced the dual challenge of rising app inactivity and increasing uninstalls. User feedback and data analytics revealed a growing "notification blindness," where generic, high-frequency promotional alerts were being ignored or, worse, leading users to

disable notifications entirely. The marketing team recognized that their one-size-fits-all approach was failing in a market characterized by diverse consumer segments with varying tastes, brand affinities, and purchasing power.

The Strategy: Myntra initiated a pilot project, "Project Prism," focused on hyper-personalizing its push notification strategy for a select cohort of 500,000 users in Delhi NCR. The strategy was built on three pillars: advanced segmentation, contextual relevance, and value-driven content. The platform moved beyond basic demographic data to leverage a multi-layered segmentation model. This included psychographic profiles (e.g., "Bargain Hunter," "Brand Loyalist," "Trendsetter"), brand affinity scores (based on browsing and purchase history), and price sensitivity.

Implementation & Examples: The system integrated real-time triggers. For instance:

- **Location-based Context:** A user frequently browsing for running shoes who enters a 2km radius of a major park in Delhi (e.g., Lodhi Garden) on a weekend morning might receive a notification: "Perfect weather for a run, [User Name]! Check out the new collection of Asics running shoes, now with 10% off."
- **Wishlist & Abandoned Cart Intelligence:** Instead of a generic "You left items in your cart," the notification became: "Still thinking about that Tommy Hilfiger polo? It's a popular item and stocks are running low. Complete your purchase now!"
- **Behavioral & Trend-based:** A user who repeatedly browsed ethnic wear from a brand like Biba would receive a targeted alert during the festive season: "Get ready for Diwali, [User Name]! Biba's exclusive new collection just dropped. Be the first to see it."
- **Weather-based Triggers:** On a particularly hot day in Delhi, users might receive alerts for "Lightweight linens & cottons to beat the heat."

Methodology & Results: To measure impact, Myntra employed A/B testing, comparing the "Prism" cohort with a control group that received the old, generic notifications. Key metrics tracked were click-through rates (CTR), conversion rates, 30-day retention, and notification disable rates. After a three-month period, the results were compelling. The Prism cohort showed a 150% increase in CTR, a 70% higher conversion rate from notifications, and a 40% lower notification disable rate compared to the control group. Qualitative surveys revealed that users felt the notifications were "helpful" and "understood their style," fundamentally shifting perception from intrusive advertising to a valued service. This successful pilot provided a clear business case for a full-scale rollout.

7. Conclusion

This research concludes that personalized push notifications are not merely a marketing tool but a critical component of the customer experience that directly influences perception and fosters app loyalty. The conceptual analysis, grounded in CRM and TAM theories and exemplified by the Myntra case study, demonstrates a clear and positive causal link between the degree of personalization and user engagement. In the hyper-competitive and digitally-savvy Delhi NCR market, the era of broadcast-style, generic messaging is over. Consumers expect and reward relevance. The failure to provide it results in notification fatigue, negative brand perception, and ultimately, user churn.

The PESTEL analysis highlights the complex external environment in which Myntra operates, underscoring the need for a strategy that is not only technologically advanced but also compliant with legal frameworks like the DPDPA and sensitive to the socio-economic fabric of the region. The successful application of hyper-personalization, as detailed in the case study, serves as a powerful testament to this conclusion. By leveraging

data to deliver timely, contextual, and genuinely useful information, Myntra can transform its push notifications from a potential annoyance into a potent driver of loyalty. This shift requires a deep organizational commitment to data science, user-centric design, and continuous optimization.

The implications for other e-commerce players are significant. A sophisticated personalization strategy is no longer a luxury but a necessity for survival and growth. Future research could expand on this study by including a broader geographical scope, comparing different e-commerce categories, or quantitatively measuring the long-term impact on customer lifetime value. However, the core finding remains robust: in the world of mobile commerce, personalization is the most authentic and effective way to communicate with the modern consumer. The future of app loyalty will be built one relevant, thoughtful, and personalized notification at a time. This approach not only drives revenue but also builds an enduring brand-customer relationship based on mutual value and understanding.

8. References

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