



DIGITAL ADVERTISING EFFECTIVENESS AND CONSUMER RESPONSE IN UZBEKISTAN'S RETAIL SECTOR

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Annotatsiya. Ushbu maqola O'zbekiston chakana savdo sektorida raqamli reklamaning samaradorligi va iste'molchilarning unga bo'lgan munosabatini o'rganadi. Unda ijtimoiy tarmoqlardagi reklama, qidiruv reklamasi, mobil marketing, videoreklama, influencer marketingi va qayta targetlashning iste'molchilarning xarid qilish qarorlariga ta'siri yoritilgan.

Kalit so'zlar: raqamli reklama, chakana savdo, iste'molchi xulq-atvori, reklama samaradorligi, ijtimoiy tarmoqlar, elektron tijorat, konversiya, shaxsiylashtirish, marketing tahlili, O'zbekiston.

Аннотация. В статье исследуются эффективность цифровой рекламы и реакция потребителей в розничном секторе Узбекистана. Рассматривается влияние рекламы в социальных сетях, поисковой и мобильной рекламы, видеорекламы, инфлюенсер-маркетинга и ретаргетинга на покупательские решения.

Ключевые слова: цифровая реклама, розничная торговля, поведение потребителей, эффективность рекламы, социальные сети, электронная коммерция, конверсия, персонализация, маркетинговая аналитика, Узбекистан.

Abstract. This article examines digital advertising effectiveness and consumer response in Uzbekistan's retail sector. It considers how social media advertising, search advertising, mobile marketing, video advertising, influencer marketing and retargeting affect consumer purchasing decisions.

Keywords: digital advertising, retail sector, consumer behaviour, advertising effectiveness, social media, e-commerce, conversion, personalization, marketing analytics, Uzbekistan.

Digitalization is transforming the interaction between retailers and consumers in Uzbekistan. Traditional advertising through television, radio, print media and outdoor displays continues to play an important role, but retailers increasingly use social networks, search engines, mobile applications, marketplaces, messaging platforms and online video to reach specific consumer groups. Unlike traditional mass communication, digital advertising enables retailers to target audiences, measure their reactions and adjust campaigns in near real time.



The expansion of Uzbekistan's retail market strengthens the economic importance of this process. In 2024, the country's retail trade turnover reached UZS 403,431.8 billion and increased by 9.9% compared with 2023 [1]. At the same time, the proportion of the population using the Internet increased from 76.6% in 2021 to 89% in 2023 and 93.3% in 2024 [2]. According to information published by the Ministry of Investment, Industry and Trade, Uzbekistan's e-commerce market was valued at approximately USD 1.2 billion in 2024 and is expected to reach USD 1.8–2.2 billion by 2027 [3]. These indicators demonstrate that a large part of the consumer journey can now take place in a digital environment—from initial product awareness to comparison, payment, delivery and post-purchase feedback.

The development of digital payments further supports performance-oriented advertising. According to the Central Bank, the number of bank cards in circulation reached approximately 62 million in 2024, representing an increase of 34% over the previous year. The number of clients using remote banking services reached 52.9 million by 1 January 2025, while the value of online transactions conducted by individuals through mobile banking applications increased 1.6 times and reached UZS 396.7 trillion. The number of electronic wallets rose from 15.6 million to 20.6 million during 2024. These figures refer to cards, accounts and service users rather than necessarily to unique individuals; nevertheless, together they indicate that Uzbekistan's technological environment increasingly allows advertising exposure to be connected with measurable digital transactions.

Consumer response to digital advertising can be divided into cognitive, emotional dimensions. Cognitive response includes attention, advertising awareness, message comprehension and brand recall. Emotional response reflects interest, trust, perceived relevance, satisfaction or irritation. Behavioral response includes clicking on an advertisement, visiting a retailer's website, searching for additional information, adding a product to a shopping cart, completing a purchase, recommending the brand or making a repeat purchase. Therefore, a high number of views do not automatically mean that an advertising campaign has generated a positive commercial result.

In Uzbekistan's retail sector, consumer response is influenced by several specific factors. First, advertising content must correspond to the language and cultural characteristics of the target audience. Campaigns may require Uzbek- and Russian-language versions, while regional campaigns may also benefit from locally adapted messages. Direct translation is often insufficient because symbols, family values, seasonal demand and attitudes towards prices may differ across consumer groups.

Second, price sensitivity remains important. Discounts, installment options, free delivery, bonus points and limited-time offers can stimulate an immediate response. However, excessive reliance on discounts may teach consumers to postpone purchases until the next promotion and may weaken perceived brand value. Retailers should therefore combine price incentives with messages about quality, convenience, authenticity, service and guarantees.





Third, trust plays a decisive role in converting advertising attention into purchases. Consumers are more likely to respond positively when an advertisement provides transparent prices, reliable product information, accessible customer support, clear delivery conditions and credible reviews. Research shows that trust can strengthen the effectiveness of personalized advertising, whereas excessive or unexplained use of personal information may produce discomfort and resistance.

Digital advertising effectiveness should be measured at several levels. At the awareness level, retailers can analyze reach, impressions, video-completion rate and brand-search growth. At the engagement level, relevant indicators include click-through rate, reactions, comments, saves and visits to product pages. At the commercial level, the principal indicators are conversion rate, customer acquisition cost; average order value and return on advertising spend. Long-term effectiveness should be assessed through repeat purchases, retention, customer lifetime value and the profitability of acquired customers.

Return on advertising spend may be calculated as the revenue attributed to advertising divided by advertising expenditure. However, this indicator should not be interpreted as net profitability because revenue does not account for product cost, delivery expenses, marketplace commissions, discounts and returns. Retailers should therefore calculate advertising effectiveness using contribution margin and incremental profit in addition to revenue.

Attribution represents another important problem. A consumer may first see a video advertisement, later encounter an influencer's recommendation, search for the product and finally purchase it after clicking a retargeting advertisement. A last-click model may assign the entire result to retargeting, although several channels contributed to the decision. Academic research recommends combining marketing analytics with experiments to distinguish correlation from the actual incremental effect of advertising.

For this reason, Uzbek retailers should conduct A/B tests, regional experiments and control-group comparisons. For example, a retailer may show two versions of an advertisement with different messages to similar audience groups and compare not only click-through rates but also completed purchases and contribution margins. In larger campaigns, advertising can be temporarily limited in selected comparable areas to estimate how many sales would have occurred without the campaign. Such methods make budget allocation more objective.

Personalization can increase relevance by using information about product interests, previous purchases, location or stage of the customer journey. Nevertheless, it must remain transparent and proportionate. Consumers may react negatively when advertising appears intrusive, is repeated too frequently or reveals that a company possesses information the consumer did not knowingly provide. Retailers should apply frequency limits, obtain the necessary consent, offer understandable privacy notices and allow customers to manage marketing preferences.





These practices must comply with Uzbekistan's legal framework, particularly the Law "On Advertising" No. LRU-776, the Law "On Personal Data" No. LRU-547 and the Law "On Electronic Commerce" No. LRU-792 [5–7]. Compliance should not be regarded only as a formal requirement. Responsible data use, truthful advertising and transparent communication contribute directly to consumer trust and long-term loyalty.

To improve digital advertising effectiveness, retailers in Uzbekistan should integrate online advertising data with customer relationship management systems, websites, mobile applications, marketplace activity and point-of-sale information. Consumer segments may be created according to purchase frequency, average spending, product category, region, language and lifecycle stage. New customers may receive educational and trust-building messages, active customers may receive relevant complementary offers, and inactive customers may be targeted through carefully limited reactivation campaigns.

In conclusion, the rapid growth of Internet use, e-commerce and digital payments creates favorable conditions for the expansion of digital advertising in Uzbekistan's retail sector. Nevertheless, technological reach alone does not guarantee effectiveness. Consumer response depends on the relevance and credibility of advertising, local adaptation, price and service conditions, convenience of the purchasing process and confidence that personal information is used responsibly. Retail enterprises should move from measuring visibility to measuring incremental sales, profitability, retention and customer lifetime value. A combination of marketing analytics, controlled experimentation, ethical personalization and legal compliance can make digital advertising an effective instrument for sustainable retail development in Uzbekistan.

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