

## **PUBLIC PERCEPTIONS AND TRENDS OF UZUM MARKET'S EXPANSION IN UZBEKISTAN**

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### **ABSTRACT**

*E-commerce is considered one of the vital components of Uzbekistan's economic transformation in the modernization of Uzbekistan's trade sector. «Uzum» market, one of the country's leading e-commerce platforms, is playing a crucial role in the transformation of traditional markets to online shopping in Uzbekistan. Fast-growing internet and logistical advancements have made comfortability to its growth, while there are still challenges to obstacle such as regulatory barriers, consumer behavior, and infrastructure limitations The research analyzes employment growth and e-commerce progression based on statistical records and consumer survey responses from Uzbekistan. The research studies the importance of the «Uzum» market in creating a modern digital economy, investigates key problems, and recommends reasonable solutions to improve the current situation.*

**Keywords:** *E-commerce, «Uzum» Market, logistics, digital economy, employment, Uzbekistan, transformation, survey, traditional market.*

### **INTRODUCTION**

Uzbekistan's economic landscape has been changing rapidly and adapting to digital commerce. The growing internet accessibility and mobile payment technologies have made e-commerce an integral component of the digital economy of Uzbekistan. These changes have not only changed consumers' techniques and habits, but also, they have created new opportunities for entrepreneurs, which boosts economic growth.

Even though there are several online platforms for trade and delivery services, «Uzum» market is one of the foremost integrators of these changes, which, as an online market, has already been recognized by many citizens of Uzbekistan. This platform has digitized and streamlined trade by simplifying services, it has managed to broaden

business operations, and facilitated the automation of trade processes. In 2023 alone, «Uzum» market won the title of Inne App Store's most downloaded local app in Uzbekistan with over 13.5 million downloads<sup>1</sup>. Today, the platform's audience has reached 16 million users<sup>2</sup>. «Uzum» market has shifted consumer habits in shopping from traditional bazaars to online platforms, while creating jobs in this field. The online market experienced dramatic growth, and expanded 5 times over the past five years to reach over \$300 million in 2022<sup>3</sup>. And it is estimated to reach \$2.2 billion by 2027<sup>4</sup>. Despite these achievements, the platform and the e-commerce sector as a whole have several obstacles that should be tackled. Regulatory barriers, underdeveloped infrastructure, and consumer trust issues are still creating difficulties for e-commerce sector growth.

This study analyzes «Uzum» market's contributions to e-commerce development and explores its impact on employment and digital sales. In addition to analyzing statistics and reports, the research includes survey responses from customers in Uzbekistan, providing information on consumer habits and challenges. Besides these, the findings will demonstrate «Uzum» market's role in the development of Uzbekistan's economy and e-commerce, while recommending some solutions to address related issues and presenting ideas to enhance online shopping in Uzbekistan.

**Literature review:** Many scholars have researched the role of e-commerce in the growth of the digital economy, and examined success factors, market dynamics, and the contribution of technological platforms. While some researchers have examined the entire development of e-commerce in Uzbekistan, many specialists have studied the impact of certain platforms, such as «Uzum» Market, and BirBir, on the country's digital economy.

One of the researchs conducted by Kerimova & Ataniyazova (2024)<sup>5</sup> examines the e-commerce ecosystem, especially its Critical Success factors in Uzbekistan. And the authors outline key driving factors like the IT system, human capital, and policies on counterfeit goods. Another research done by Saitkamolov & Markabaeva (2024)<sup>6</sup> focuses on the effects of digital infrastructure enhancement on Uzbekistan's economy, as well as in the IT and e-commerce fields. Furthermore, the research addresses governmental digital initiatives such as Digital Uzbekistan 2030.

<sup>1</sup> "Uzum Market ranked as the most downloaded local app in Uzbekistan Uzum," UzDaily, January 17, 2024-

<sup>2</sup> "Uzum surpasses 16 million users in Uzbekistan," UzDaily, February 28, 2025.

<sup>3</sup> "Uzbekistan's e-commerce market grows fivefold over five years," Daryo, September 3, 2023.

<sup>4</sup> "Uzbekistan's e-commerce market is set to grow 7 times to 2.2 billion USD by 2027: KPMG," PR Newswire, August 28, 2023.

<sup>5</sup> Kerimova, I., & Ataniyazova, Z. (2024). Determining the critical success factors of e-commerce in Uzbekistan. Journal of Eastern European and Central Asian research. DOI: <https://doi.org/10.15549/jeeecar>

<sup>6</sup> Saitkamolov, M. S., & Markabaeva, J. A. (2024). The impact of digital infrastructure on boosting investment opportunities in Uzbekistan's emerging economy. International multidisciplinary research in academic science. DOI: <https://doi.org/10.5281/zenodo.11224092>

Euromonitor International (2024)<sup>7</sup> issued a report, which examines the economy of Uzbekistan and the development of e-commerce activity. The report highlights, e-commerce market rose five times between 2017 and 2022, reaching \$311 million and plans to grow around \$2.2 billion by 2027. And it explains how the growth of internet coverage and use of digital payment methods boosted business activity. While, KPMG (2023)<sup>8</sup> studied the competition between international platforms (AliExpress, Wildberries) versus local marketplaces («Uzum» Market and OLX). And the research suggests that «Uzum» Market has a great contribution to changing consumer perspectives from offline to online shopping methods by providing convenient features.

Even with these studies, there is still a lack of research on «Uzum» Market's economic impacts in employment, SME participation, and trade efficiency. This study examines the role of «Uzum» Market and its influence on the country's e-commerce development.

**Methodology:** All statistic information shown in this article are based on data from Euromonitor International, KPMG, the Ministry of Digital Technologies of Uzbekistan, and reports from the Journal of Eastern European and Central Asian Research. Furthermore, the research findings are made through survey responses and secondary data sources.

**Primary data:** Consumer survey; A survey was created and conducted to analyze consumer's behavior with online markets, particularly their attitude towards «Uzum» market. It contained 12 questions and was sent out through Google Forms and collected nearly 80 responses. And the taken data examined using percentage and graphical charts to explore special parts.

**Secondary data:** Report&Studies; This paper explores some of the government's documents (Digital Uzbekistan 2030), as well as industry's KPMG, Euromonitor international, and other academic literature. By combining survey results and external documents, the study focusus on the role of «Uzum» Market in Uzbekistan's e-commerce sector.

**Limitations:** Even this study provides valuable insights, some limitations also observed: The respondents of the survey mostly online shoppers, thus the number of people who do not use the internet is limited.

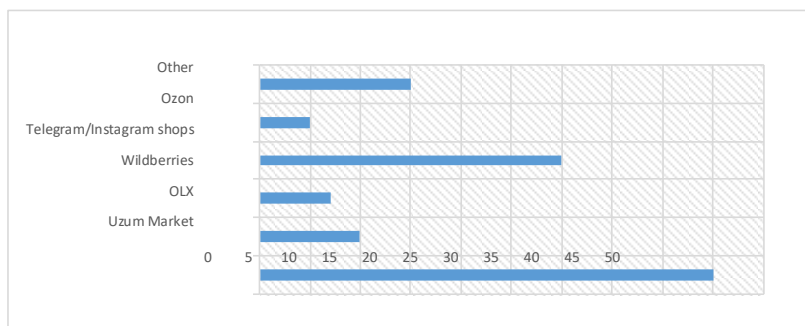
The respondents of the survey are nearly 80, which is good, but it can be expanded to achieve more accurency. Furthermore, the used data may be outdated or too general to use for Uzbekistan. Desipite these issues, the combination of both primary and secondary data makes the study accurate.

<sup>7</sup> Euromonitor International. (2024). *Retail E-Commerce in Uzbekistan: Market Forecast*.

<sup>8</sup> KPMG. (2023). *E-commerce in Uzbekistan: Digital Marketing and Growth Trends*.

**Results and discussion:** To deeply investigate the role of «Uzum» Market's contribution in transforming the e-commerce environment of Uzbekistan, it is important to examine the shifts in customer activity and shopping patterns. This section contains the results and the analyses of an in-depth survey targeting 80 participants, as well as some information from industry reports such as Euromonitor (2024), KPMG (2023), and Digital Uzbekistan 2030. These findings illustrate the key factors in transformation, consumer preferences, and the important issues concerning e-commerce revolution in Uzbekistan.

When survey analyzed it revealed that more than 80% of respondents have used some kind of e-commerce platforms to purchase goods, showing that online shopping is becoming second nature to a large number of consumers in Uzbekistan. Yet, nearly 20% of respondents have not tried any online markets, pointing to the fact that traditional retail shopping still holds considerable value. This demonstrates that a significant proportion of the society is shifting their traditional shopping habits to online ones.

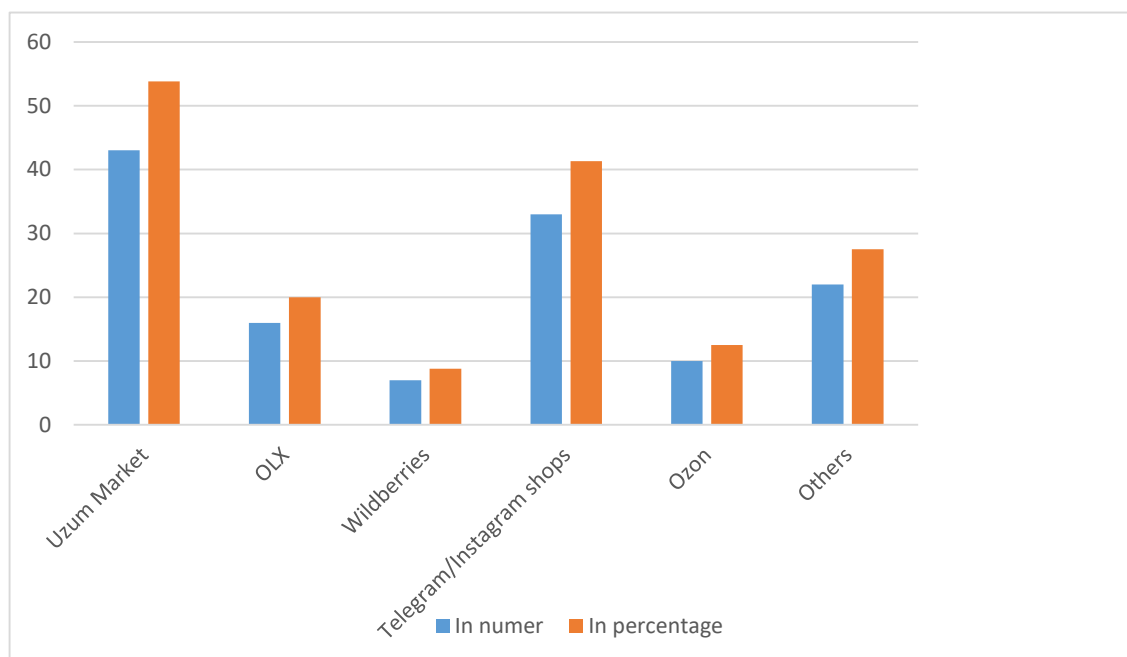


**Table 1: Platforms used for first online shopping experience<sup>9</sup>**

Having asked question regarding which platforms they used for the first time to purchase any type of goods, we analyzed which platforms have a great impact for making a transformation in the e-commerce revolution. The result of survey indicates that 45 of respondents began online shopping through «Uzum» Market, and consequently it is one of the most important platforms that influenced the formation of digital commerce.

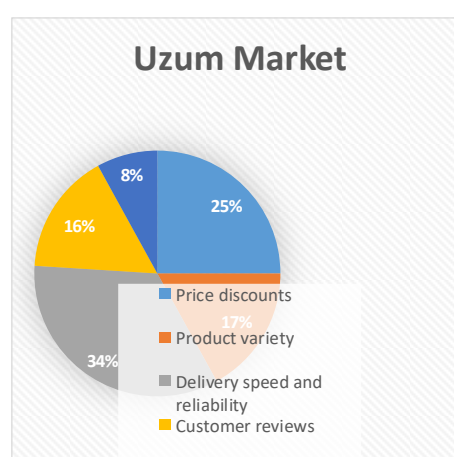
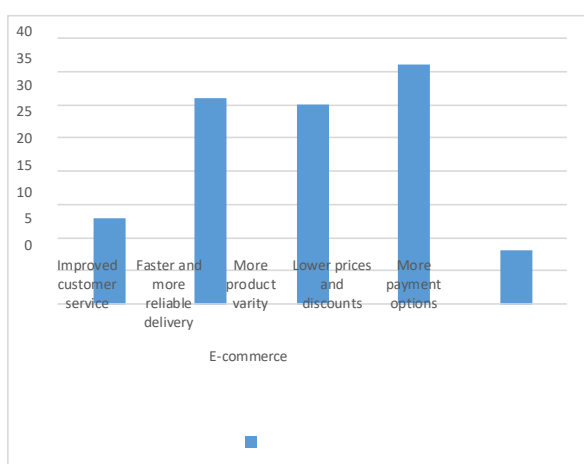
Nonetheless, five to ten respondents confirmed that they used foreign services like Wildberries and Ozon, while 30 people said they began online shops with telegram and instagram. As these marketplaces gained popularity, it illustrates that local marketplaces such as «Uzum» Market have captured a large proportion of consumers, and contributed a significant role in shifting consumer behavior. The growth of «Uzum» Market's service range, along with the localization of products sold and specific marketing activities are making further growth in the e-commerce sector.

<sup>9</sup> Chinmirzayev, S. (2025). *E-commerce in Uzbekistan: Customer Preferences & Challenges survey* unpublished survey data



**Table 2: Most used e-commerce platforms in online shopping<sup>10</sup>.**

In regard to the most used platform, more than 50% respondents mentioned «Uzum» market, thus making it the leading platform in Uzbekistan. Other popular choices are Telegram/ Instagram shops with around 40%, which indicates that people tend to use only limited platforms and they don't have enough trust in different platforms like Wildberries or Ozon. When people asked that have you ever purchased any goods from «Uzum» Market, 72,5% of respondents confirmed<sup>11</sup> their purchases and it shows that «Uzum» Market has a strong power to shift consumer's habits from traditional to online ones.



<sup>10</sup> Chinmirzayev, S. (2025). *E-commerce in Uzbekistan: Customer Preferences & Challenges survey unpublished survey data*

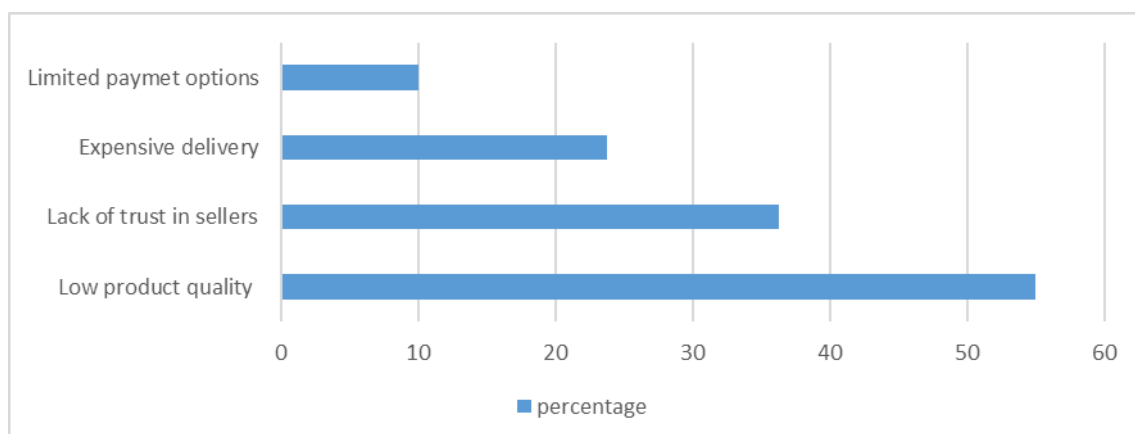
<sup>11</sup> Chinmirzayev, S. (2025). *E-commerce in Uzbekistan: Customer Preferences & Challenges survey unpublished survey data*

**Table 3: The bar chart illustrates why consumers choose e-commerce, while the pie chart shows why they prefer «Uzum» Market**

To better capture customers' behavior patterns in Uzbekistan's e-commerce market, it is important to evaluate the key factors behind consumer behaviors in their purchases. The bar chart in Table 3 illustrates the core factors that motivate users to adopt e-commerce as compared to conventional shopping. Affordability, particularly in terms of lower prices and discounts offered, is the most prominent reason, followed by a number of respondents, further proving that online shopping is highly dependent on the consumer's financial ability. Other respondents mentioned comparatively better and more efficient delivery services and wider range of goods offered, confirming that logistical efficiency and diverse product offerings are main sources of satisfaction among consumers.

Looking at the pie chart, it compares consumers' preference for «Uzum» market compared to other e-commerce sites. Price slashes are still the strongest reason, reinforcing that affordability is a cut throat advantage. Furthermore, a large portion of respondents is attracted by fast and reliable delivery, indicating the importance of «Uzum» Market's logistics infrastructure in customer retention. Also, a large number of customers chose «Uzum» Market due to the reviews and positive feedback, which means that trust and great deal of products are the most influential parts in decision making.

These research results confirm that «Uzum» Market has already become dominant in Uzbekistan's online market by tackling many consumer problems such as pricing, delivery, and product availability. The strong preference for «Uzum» Market means that it has already a significant role in shaping online shopping behaviors and transforming country's traditional purchase habits to e-commerce platforms.



**Table 4: Challenges Hindering the Growth of E-Commerce in Uzbekistan**

Here is the list of that major obstacles that standing the way of the people from truly taking part in the online shopping field in Uzbekistan. The most important worries are the product's low quality (55%) lack of trust in sellers (36.3%), both of which



stops e-commerce growth. Delivery being expensive (23.8%) and limited payment options (10%) also present a problem, thus, online shopping becomes less attractive for customers compared to the traditional market.

«Uzum» Market, which is the best e-commerce platform, trying to break these obstacles by increasing product quality, seller verification checks, cost-competitive and affordable delivery and service, and supporting broader payment options. In Uzbekistan, «Uzum» market plays the crucial role in the shift to a smart society from basic one, contributing to an era of customer-driven and search-driven social change.

When respondents were asked whether e-commerce will replace online shopping in the next five years, most of the respondents claimed that e-commerce is comfortable and opens avenues for further development in comparison to traditional shopping and have potential to overcome traditional one. While others argued that there are enough difficulties to overcome such as lack of trust in sellers, digital illiteracy, and cultural inclination towards shopping in-store will make it difficult to shift consumer behavior. A large number of respondents are agreeing that online shopping will expand but assuming traditional shopping will still take central areas, particularly in rural regions where deliveries are not possible at all<sup>12</sup>. If we conclude to our survey, it can be noticed that while the partial expansion of e-commerce is anticipated, traditional shopping will remain predominant in Uzbekistan's retail sector for the coming few years.

To support primary data (survey) it is essential to analyze secondary data associated with e-commerce growth and challenges to obstacle. This section, which presents a quantitative survey analysis of consumer behavior and the relative market position of «Uzum» market, is now followed by a qualitative comparison of international data from Euromonitor international (2024), KPMG (2023), and Statista (2023) that are based on the secondary sources collected. Consequently, «Uzum» market was observed to have ensured the inferior environment it was part of got developed and turned into a more successful one with various aspects such as market growth, hurdles that never seem to be overcome, and employment that was the headline as being «Uzum» Market's force for positive transformation were stressed out.

E-commerce Market Growth: Uzbekistan e-commerce sector has gone up to the sky and platforms like «Uzum» Market don't seem to face any obstacles (*see table 5*). As it is mentioned in the article of Euromonitor International<sup>13</sup>, the market increased by five times from the initial \$62 in 2017 to \$311 million in 2022 with a projection by KPMG (2023) that by 2027 it will reach \$2.2 billion at a CAGR of 47.4%<sup>14</sup>. The upward tendency shows

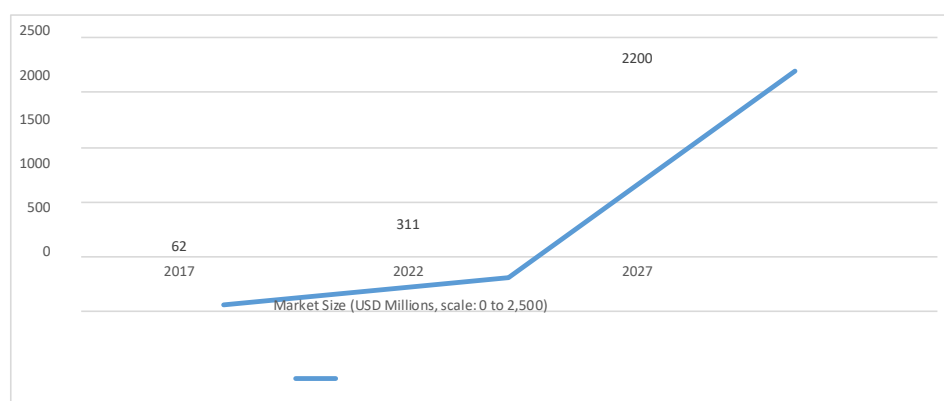
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<sup>12</sup> Chinmirzayev, S. (2025). *E-commerce in Uzbekistan: Customer Preferences & Challenges survey* unpublished survey data

<sup>13</sup> Euromonitor International. (2024). *Uzbekistan's e-commerce market growth*.

<sup>14</sup> KPMG. (2023). *Market growth projections for Uzbekistan's digital economy*.

the increased adoption of the internet 77% in 2022<sup>15</sup> and the central government's Digital Uzbekistan 2030 project, which aims to reach 100% of the population with broadband by 2030. «Uzum» Market has taken advantage of this situation by enlarging its user base to 16 million by 2024 and making over 1 million orders in July 2023. The fact that it has more consumers' loyalty on a local level—this was the result of more than 50% voting for the platform «Uzum» Market ensures a prominent role in the enlargement of the e-commerce business, while the foreign competitors like AliExpress and Wildberries found themselves in a worse-off position with 66% of the share in 2018 and plummeting down to 49% in 2022<sup>16</sup>.



**Table 5: E-commerce Market Growth in Uzbekistan (2017–2027)**

Challenges in e-commerce: e-commerce in Uzbekistan has been experiencing a great increase in its expansion, however, it is confronted with a number of important obstacles as evidenced in both the survey as well as secondary statistics (*see table 4*). Survey participants specified bad product quality (55%), malicious intentions of new sellers (36.3%), and expensive delivery (23.8%) along with lacking payment options (10%), as the main obstacles. KPMG (2023) states that such problems are coupled with insufficient logistics infrastructure outside big cities like Tashkent, which in turn, cause costs to go high and more time to be wasted. Furthermore, according to Statistics (2023), the online world is not uniform, only 80% of populous areas were equipped with 4G by 2022, which consequently led to not all smaller towns being ready for the technology, common with the cash-based transactions (fintech was also developing, but it did not solve them).

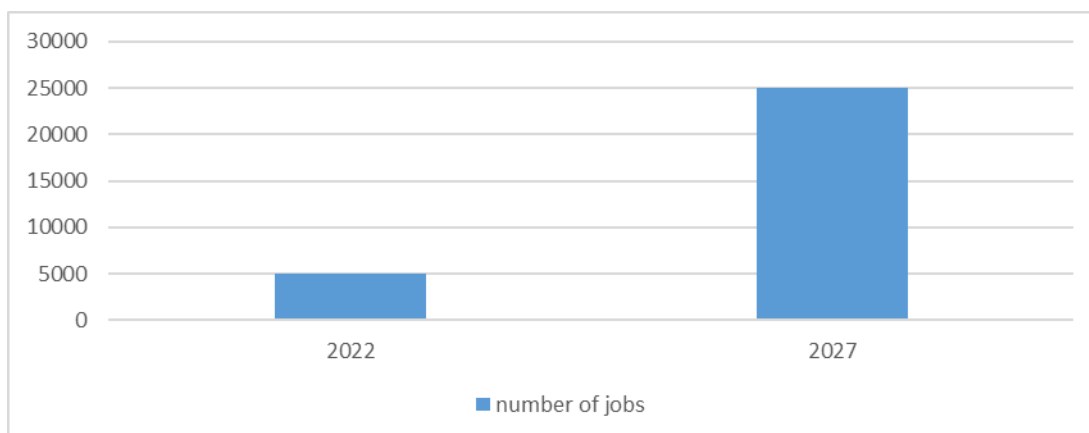
«Uzum» Market keeps quality of products under control, makes goods affordable, and seller certification is done to default free, strife, but on a bigger scale,

<sup>15</sup> Statista. (2023). *Internet adoption in Uzbekistan: 2022 Report*.

<sup>16</sup> Source: Euromonitor International (2024), KPMG (2023).



digital ignorance people and regulatory holes continue, as can be denoted by the Asian Journal of Technology & Management Research (2024)<sup>17</sup>.



**Table 6: Impact of e-commerce in employment<sup>18</sup>**

E-commerce and employment: The development of «Uzum» Market also has the potential to create jobs, which will play a crucial role in Uzbekistan's digital economy. The numbers given may be very approximate, but considering its size—a rate of 1 million orders and the intention of the center to be 150,000 sqm—we can assume that already a warehouse, a transport service, and tech roles are created from these. The Asian Journal (2024) notes that logistics investments aimed at «Uzum» and others, increase employment even more, a sector that has been providing thousands of job opportunities, as e-commerce has moved from 2.2% of retail in 2022 to a potential 9-11% by 2027. The «Uzum» example can also be confirmed indirectly by this particular question of the survey where 72.5% proved to have already bought something at the website. Therefore, the company has a large number of employees and is able to operate effectively. E-commerce jobs seem a bit different compared to the traditional retail sector in their need for skills in digital technology, which corresponds with the goal of the Digital Uzbekistan 2030 program to create IT graduates of 20,000 (from 7,000) annually by 2030 according to statistics<sup>19</sup>.

«Uzum» Market is pioneering a new era of e-commerce in Uzbekistan, during which the company is in a boom by far, and various challenges are continually met with customer satisfaction. The survey, which showed 72.5% usage and over 50% preference, evidences the simple skill of turning shopping from bazaars to online with the help of 13.5 million downloads by late 2023. This success is set to reach a market value of \$2.2 billion by 2027, and «Uzum» is a principle advocate for the digitalization of jobs related to

<sup>17</sup> Asian Journal of Technology & Management Research. (2024). *Challenges and Opportunities for Investment in the Logistics Sector of Uzbekistan*.

<sup>18</sup> Asian Journal of Technology & Management Research. (2024).

<sup>19</sup> Statista. (2023). *Uzbekistan E-commerce and Internet Usage Report*.

technology and logistics (Asian Journal, 2024). Nevertheless, survey difficulties as low quality (55%) and trust issues (36.3%) are the main problems rural areas face. They need to cooperate with Digital Uzbekistan 2030's drive to bring connectivity. Traditional retail stays solid, but the development of «Uzum» implies a most probable mixed future, where online would gain the edge by 2027.

### **Recommendations:**

From the survey and analysis above, it can be concluded that the overall e-commerce position in Uzbekistan is good, even has better perspectives. For the further development of «Uzum» Market and e-commerce in Uzbekistan following steps would be better to implement:

1) **Improve logistics:** if in the future the distribution channel of e-commerce is leveled up, that would help to e-commerce apps to generate more revenue.

2) **Enhance trust:** most people hesitate to order products online due to trust issues and quality mismatching. The best way to prevent the duplication of low quality and trust issues is to have strict quality checks and seller verification. In addition, marketing the products in real life, showing or unpacking them would help people to be aware of the real quality of the goods.

3) **Promote Digital Payments:** some people still struggle to pay through debt cards, if this issue is tackled then further prosperity for e-commerce would be guaranteed. In order to achieve this, wider variety of fintech would make payments less difficult.

4) **Educate users:** educating human capital in the sphere would create crucial role in the future sales. From marketing to finance, teaching people about what they supposed to do or how to behave will prohibit extra problems to rise.

**Conclusion:** from the all above it is clear that, «Uzum» Market is playing a vital role in the country's e-commerce shift, moving shopping habits from bazaars to online platforms. «Uzum» emerge has been in the forefront with solid consumer preference, thereby facilitating market growth and creating jobs in the fields of logistics and technology. However, there are still problems such as low quality, trust issues, and rural access gaps that continue to hinder the way the economy is moving. The old-style retail interactions continue to be the biggest market yet the growth of «Uzum» raises the possibility that come 2027, online shopping may become a predominant practice. Making The Western digital approach indeed the best practice to collaborate the logistics and transport, along with controlling the quality of as well as the high standards of the goods and initiating the digital literacy project to can really upscale «Uzum»'s effect on e-commerce and expand the economic role, the vision of the state in this regard.

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