ANALYSIS OF THE IMPACT OF PRODUCT DISCOUNTS ON CONSUMER DEMAND

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Abstract. *This article examines the psychological and economic mechanisms that stimulate purchases, including the urgency effect and the appeal of price reductions, seasonal sales, holiday promotions, marketing campaigns in retail chains, and online promotions. It also analyzes the benefits and potential risks of discounts, their impact on sales growth, customer loyalty, and the competitiveness of businesses, taking into account the habits and expectations of Uzbek consumers.*
Keywords: *discounts, promotions, retail, demand, marketing, e-commerce, Wildberries,Uzum Market, online trading, digital channels, elasticity.*

Annotatsiya. *Ushbu maqolada xaridlarni rag‘batlantiruvchi psixologik va iqtisodiy mexanizmlar, jumladan, "shoshilinchlik effekti" hamda narxlarning pasaytirilishi, mavsumiy savdolar, bayram aksiyalari, chakana savdo tarmoqlaridagi marketing kampaniyalari va onlayn aksiyalarning jozibadorligi ko‘rib chiqiladi. Shuningdek, unda o‘zbekistonlik iste’molchilarning odatlari va kutishlari hisobga olingan holda, chegirmalarning afzalliklari va yuzaga kelishi mumkin bo‘lgan xatarlari, ularning savdo hajmi o‘sishiga, mijozlar sodiqligiga hamda biznesning raqobatbardoshligiga ta’siri tahlil qilinadi.*
Kalit so‘zlar: *chegirmalar, aksiyalar, chakana savdo, talab, marketing, elektron tijorat, Wildberries, Uzum Market, onlayn savdo, raqamli kanallar, egiluvchanlik.*

Аннотация. *В статье рассматриваются психологические и экономические механизмы, стимулирующие совершение покупок, в том числе эффект срочности и привлекательность снижения цен, сезонных распродаж, праздничных акций, маркетинговых кампаний в розничных сетях и онлайн-промоакций. Также анализируются преимущества и потенциальные риски предоставления скидок, их влияние на рост продаж, лояльность клиентов и конкурентоспособность бизнеса с учетом привычек и ожиданий узбекских потребителей.*
Ключевые слова: *скидки, акции, розничная торговля, спрос, маркетинг, электронная коммерция, Wildberries, Uzum Market, онлайн-торговля, цифровые каналы, эластичность.*

Introduction

In today's uncertain market conditions, strengthening the marketing orientation of an enterprise's activities and preparing and making informed management decisions require a meaningful marketing analysis.

Discounts and promotions have become key elements of modern marketing, actively used by both large retail chains and small businesses in Uzbekistan. Growing consumer demand, the dynamics of retail, and changes in consumer behavior are creating new demands on promotional strategies, especially in the face of increasing competition and an expanding domestic market. In particular,according to the State Statistics Committee of the Republic of UzbekistanIn 2025, the

country's retail turnover reached 482,443.1 billion soums, an increase of 11.2% compared to 2024, confirming the growing market potential and the relevance of marketing campaigns.

Discounts attract attention precisely because they alter the perception of value—buyers feel they're getting more for their money, which encourages them to purchase more frequently, especially when the offer is limited in time or quantity. The sense of urgency and the desire to "save" psychologically motivate consumers to make decisions faster than they would with a regular purchase. The economic effect lies in increased purchasing power—a reduced price makes a product more accessible, especially for price-sensitive consumers. Furthermore, discounts are often combined with other marketing tools—reward programs, coupons, and newsletters—which enhances their influence on purchasing decisions.

In recent years, the regulation of marketing promotions in Uzbekistan has been intensely discussed to protect consumers from unfair practices. According to Resolution No. 662 of the Cabinet of Ministers of the Republic of Uzbekistan dated October 21, 2025, amendments were made to the "Rules of Retail Trade in the Republic of Uzbekistan" defining clear requirements for promotions and discounts. Specifically, sellers are required to indicate the minimum price of goods for the last 30 days prior to the start of a promotion. Artificial price increases with the aim of subsequent price reductions, presented as discounts, are prohibited. The discount amount—as a percentage or in total—must be clearly stated at the time of sale, along with honest information for the buyer. These measures are aimed at protecting consumer rights and creating a transparent market. These rules prohibit manipulation, where large discount percentages are used merely to attract attention, but the actual benefit is minimal. Regulators require that promotional terms be clearly stated and adhered to throughout the entire promotional period.

Analysis of literature on the topic. Based on international experience, it should be noted that the development of non-cash payments and the digitalization of the financial sector in Uzbekistan have received extensive coverage in both scientific research and analytical reviews in recent years.
and their practical application was studied by many economists, including M. Porter, D. Evans, I. Ansoff, M. Berman, M. Golubkov, P. Samuelson, D. Among them are such famous scientists as Marshall.

It's worth noting the scholars who have made significant contributions to the development of marketing theory, although research conducted in the field of marketing in our country over many years has been based on national characteristics. These include Zh. Zaynalov, E. Shavkiev, M. Mukhammedov, M. Sharifkhodzhaeva, Sh. Ergashkhodzhaeva, Sh. Musaev, and others.

Research methodology. The study utilized a systematic approach, marketing analysis, benchmarking, and digital metrics. Mass observation methods were used to collect and analyze data from social media platforms.

Analysis of the result. The use of discounts affects the elasticity of demand—the ability of consumers to increase or decrease purchases when prices change. In the consumer goods, apparel, electronics, and home appliances segments, price reductions often lead to a significant increase in sales. However, excessively large discounts do not always guarantee a proportional increase in demand—companies often risk losing margins without significantly impacting long-term performance.

The expansion of electronic platforms in Uzbekistan is significantly changing the way consumers interact with stocks online.-Retail is demonstrating steady growth in key segments:

clothing sales increased by 22%, toys by 18%, and footwear saw the greatest growth, up nearly 79% in the first six months of 2025 (Figure 1). This data, recorded on the Wildberries platform, clearly demonstrates that digital channels can significantly enhance the effectiveness of promotions, stimulate demand, and shape new consumer habits, especially among young people. The Wildberries sales growth chart highlights which product categories are most in demand during online promotions and sales.



Fig. 1. Sales growth on Wildberries in Uzbekistan in the first 6 months of 2025.

Besides Wildberries, local marketplace Uzum Market also demonstrates a strong correlation between promotions and increased purchasing activity. During major sales, the number of orders on the platform reached 130,000 per day, and the total order volume increased more than 15-fold compared to last year. Over 80% of respondents know Uzum Market as a place for online shopping.-purchases, and around 40% actively shop there. These data show that promotions and discounts on the platform significantly stimulate demand and shape the habit of purchasing through digital channels.

In addition, seasonal and holiday sales are actively used in Uzbekistan. Large retail chains announce discounts and bonus offers in advance for the New Year and International Women's Day (March 8), combining offline sales with online promotions on marketplaces and their own websites to reach a wider audience and stimulate demand. Statistics confirm the impact of seasonal and holiday promotions on consumer activity. For example, during the pre-New Year 2025 period, the Uzum Market platform saw a significant increase in sales: according to research, in the first half of December, sales of jewelry and candy sets increased by 20%, while demand for small household appliances increased by 30% compared to the previous month, reflecting the impact of seasonal promotions on demand. Also in the lead-up to International Women's Day on March 8, 2023, there was a significant increase in consumer activity: spending on cosmetics, accessories, and household goods nearly doubled compared to the previous week, confirming the influence of holiday promotions on the formation of shopping habits.

Additionally, in anticipation of the New Year 2026, the Committee for Competition Development and Consumer Protection of Uzbekistan reminded large retail chains of the importance of price stability and fair discounts, and warned against unjustified price increases before the holidays. Before the New Year holidays, notices were sent to chains such as Korzinka, Makro, Havas, Baraka,

Magnum, Assorti, B1, and Magnit, warning them not to raise prices on socially important food products amid increased demand. This demonstrates that holiday promotions and seasonal offers are indeed subject to government oversight to ensure fair prices and discounts for consumers.

Discount strategies offer numerous advantages. They allow you to quickly boost sales and turnover in the short term, attracting the attention of both new and existing customers. Discounts help promote new products or clear out remaining stock, increase brand awareness, and create a positive impression of the company among customers. In an increasingly competitive environment, discounts can be a key driver of customer retention and loyalty, encouraging repeat purchases and creating lasting consumer habits.

However, there are risks. Excessive use of discounts or excessively large price reductions can lead to a significant reduction in margins and, consequently, a loss of profit. Customers can become accustomed to regular promotions, which reduces their willingness to make purchases at regular prices and creates a dependence on discounts. Furthermore, sharp fluctuations in demand during promotions can create unsustainable sales dynamics, when sales typically decline. This is especially critical for small businesses, as an inappropriate discounting strategy can lead to losses rather than customer growth.

To mitigate these risks and increase the effectiveness of discount strategies, companies should use dynamic pricing, analyzing demand, seasonal fluctuations, and customer behavior. Discounts should be planned only during periods when they truly stimulate sales without affecting profits. It's important to combine promotions with loyalty programs, bonuses, and cashback to retain customers long-term rather than attract them once. Adhering to fair and transparent promotional terms, as required by law, improves consumer trust and strengthens the brand's reputation in the marketplace.

In conclusion, discounts and promotions remain a powerful marketing tool in Uzbekistan's developing economy. Their effective use, combined with data analysis, digital technologies, and transparent customer communications, can contribute to sustainable sales growth, strengthen loyalty, and enhance competitiveness in the market. New regulations governing promotions reinforce the importance of honest and strategically designed approaches to consumer demand, ensuring long-term stability and trust in the market.

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