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MASTER'S DISSERTATION

«The role of IT in traditional advertising: How Brands drive Customer Loyalty to Online Shopping through Digital Marketing»

Program7M04127 - «Marketing»

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Abstract

Abstract of The role of IT in traditional advertising: How Brands drive Customer Loyalty to Online Shopping through Digital Marketing, by Ainel Kushurova, ISE KAZGUU University, May (2022).

This study investigated the factors that influence customer loyalty to online shopping and the promotion of products and services through digital marketing. Using the current market in Kazakhstan as an example, the readiness of businesses to provide online services was determined. Qualitative and quantitative analyses were conducted to obtain truthful results. Qualitative analysis was carried out by means of in-depth interviews with experts in the field of Digital Marketing. Quantitative analysis was carried out among online shopping users, by means of a survey. The main factors of satisfaction are perceived value and reliability of performance, while the main determinants of trust are performance and security. The results of the study should help brands to deepen their knowledge about customer decision-making in the context of online shopping.

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The role of IT in traditional advertising: How Brands drive Customer Loyalty to Online Shopping through Digital Marketing

Introduction

The era of digitalization has brought all areas of activity to a new level. Today, it is hard to imagine the industry without the support of Information Technology (IT). The process of digital transformation began in the 1970s, beginning with the conversion of analog records into digital form. The rate of growth increased every year, and the last decade was marked by incredible progress in the development of modern technology.

It is important to remember the sequence of events in order to understand how humanity arrived at what we have today. Direct forms of marketing were originally used to promote sales; according to Kotler, direct forms include in-person sales, direct mail, catalog sales, telemarketing, direct response television marketing and online shopping. The oldest forms are generally considered to be telephone solicitation and direct mail to a person at a specific address. In early 2000, a new method of "Catalog Marketing," which is the sale of goods or services through mailings to customers, appeared. However, this method lacked direct interaction with the customer, which was taken into account and led to the formation of telemarketing. One of the main tools of direct marketing is the use of the telephone to directly sell a product or service. Commercials was designed to convince the viewer to make a purchase within 2-3 minutes via free phone number. Consumers quickly became accustomed to receiving up-to-date information and merchandise in the shortest time possible, which drove the rapid development of interactive marketing. With the advent of the Internet and personal computers, sales increased tenfold. The Internet is a booming global network of computer networks. The development of the "user-friendly" World Wide Web (WWW) standard and Web-browser software has also stimulated a rapid growth in usage. The WWW was designed so that it was easy to use and did not cause difficulties for new users, today the Internet is

freely used by children aged 3-4 years and older than 65 years. The new format has a number of advantages: for business owners it is an opportunity to place their ads based on current requests from potential customers; for consumers the main benefit is collecting and analyzing the information provided. They can choose several sellers of one product, compare their offers and choose the most suitable. For example, buying a phone - person can find several stores that offer a certain phone model and buy it from a seller with a good price, or choose a seller who offers free shipping to your home. Today, the most valuable resource is time. The modern person does not have extra minutes to spend on shopping and comparative analysis, all this is done in a matter of minutes by means of social networks and applications. Online customers differ in their approaches and reactions to marketing activities. They understand the value of information and determine for themselves which ads they will accept and which they will find irrelevant. On the electronic market it is the consumer who controls the flow of information. The new method of advertising and promotion is convenient for marketers. Interactive marketing allows customers to develop loyalty to the brand faster, because there is an instant exchange of information. Companies are able to be more responsive to changing customer requests and make adjustments to their offerings as circumstances warrant. Online sales also help reduce costs and improve profitability. And the most important plus for marketers and manufacturers is access to global markets. The online format erases geographical boundaries and allows marketers to promote themselves not only in their own region, but also to enter global markets. And if until recently online sales were treated with apprehension and wariness, today people's opinion has changed dramatically. Every industry requires promotion in a new format, so the relevance of the development of Digital marketing is gaining momentum. The purpose of the work is to analyze the growth of customer loyalty to online sales, as well as determining the necessary methods for brand promotion in Digital marketing on the example of the Kazakhstan market. In the course of this research the level of trust in online shopping

among customers, the level of readiness of brands for online sales, as well as the attitude of users to websites and various applications will be studied.

Descriptive **research design** was employed in this study.

Research questions:

How can we measure trust and online loyalty in online shopping nowadays?

What factors are influencing to Decision Making for Online Purchase?

To what extend business owners are ready to make sales online?

Objectives:

- 1) Define the role of IT in traditional advertising
- 2) To find out what digital marketing methods are used by brands to drive customer loyalty through online shopping

Hypothesis:

- 1) The level of trust in online shopping among shoppers has increased due to proper digital promotion.
- 2) The main effective Advertising tool nowadays is classical offline Marketing Channels such as Radio may bring traffic and lead to purchases even for website/e-commerce platforms and may increase online sales.
- 3) Traditional Advertising is not working effectively for driving Call To Action
- 4) Customers in Regional cities still prefer offline shopping, despite the advertising ways.

Literature review

I Primary Data

Key terms: Electronic commerce, e-business or electronic business, electronic marketing electronic marketplaces, social media marketing, social network, digital marketing, the COVID-19 pandemic, advertising, online advertising.

Electronic commerce— A general term for a buying and selling process that is supported by electronic means (Kotler, Wong, Saunders, Aunders, & Armstrong, 2004, p.135).

Electronic marketing— The marketing side of ecommerce – company efforts to communicate about, promote and sell products and services over the Internet (Kotler et al.,2004, p.135).

E-business or electronic business—The use of electronic platforms – intranets, extranets and the Internet – to conduct a company’s business (Kotler et al.,2004, p.134).

Electronic marketplaces are "market spaces," not physical "marketplaces. Sellers use electronic marketplaces to offer their goods and services online. Buyers use them to search for information, determine what they need, and place an order using credit or other means of electronic payment (Kotler et al.,2004).

Social media marketing- social media marketing, or SMM, is a form of internet marketing that involves creating and sharing content on social media networks in order to achieve marketing and branding goals (Social Media Marketing for Businesses, 2020).

Social networks- western researchers tend to attribute social networks to one of the forms of existence of the so-called “citizen journalism”. There is no shared vision of which of the social networks' pages can be considered to be valuable mass media (Social networks as a media of mass media: Towards a Problem Statement, 2009).

Digital Marketing-is used marketing products and services with digital technology through internet (Digital Marketing, 2021).

Digital Out-Of-Home (DOOH)- advertising includes two changed concepts; digital and OOH. The digitization of outdoor advertising is a combination of both digital and traditional signage, which differs greatly from the attributes of existing signboards that display messages based mainly on text and still images.

The COVID-19 pandemic- In December 2019, an outbreak of pneumonia of an unknown origin was recorded in Wuhan, China. Later after conduction of genome analysis of this virus, it was identified that it is the novel coronavirus related to severe acute respiratory syndrome coronavirus (SARS-CoV). Therefore, it was named SARS-CoV-2 or COVID-19.

The tools in the digital marketing toolkit include websites; search engine marketing (SEM), a general term that includes the following digital marketing channels: search engine optimization (SEO) and paid search, as well as online display advertising; media marketing; mobile marketing; and email marketing (Digital Marketing Channels, 2021).

Online banners- Online banner advertisement, purchase intention, message appeal, interactivity, Attitude towards advertising (Busen, Mustaffa & Bahtiar, 2016).

Advertising- is a non-personal form of communication carried out through paid media with a clearly indicated source of funding (Bovee, 1992, p.7)

Online advertising- online marketing is efforts to market. products and services and build customer relationships over the Internet (Kotler & Armstrong, 2012).

Augmented reality (AR)- is the incorporation of digital elements into the physical world through technology. It enhances the physical world by adding elements such as textual content, URL links, video and audio into previously static objects (Vaughan-Nichols, 2009)

Virtual Reality (VR)- It is also referred to as virtual environments, virtual worlds, or microworlds. It has the potential to provide additional power to its users through increased perceptual fidelity (Gigante, M. A., 2014).

1.1 Electronic-marketing or E-marketing

The use of the Internet as an independent business tool has led to the creation of an e-marketplace. Marketing theory classic P. Kotler defines e-business as the use of electronic platforms - intranets, extranets and the Internet to run a company's business. The Internet has enabled entrepreneurs to do business faster and better and erased the boundaries of time and space (Kotler et al., 2004). While e-business includes absolutely all electronic information exchanges, e-commerce includes only the processes of electronic buying and selling, this also includes e-marketing. E-marketing refers to the implementation of the promotion and sale of goods or services via the global network. Ways to conduct e-marketing for companies: Corporate or marketing, web communications, email and web-siting, online advertising and promotion (Figure 1, Appendix A), (Kotler et al., 2004).

All purchases of goods, services or information made over the Internet constitute e-commerce (Kotler et al., 2004). Accordingly, the widespread adoption of e-commerce has changed the content of marketing not only theory and also practice. At the same time, digital marketing offers new opportunities, which are also important to keep in mind (Table 1, Appendix A)

1.2 Social media

Social media is considered a medium because it can be used to quickly inform a huge audience, which is a significant feature for advertisers. By using social media, business owners promote their product or service in the segment with the highest concentration of the target audience. Today, the most downloaded application is Tik-Tok (Figure 3 Top Apps WorldWide). A platform originally created for entertainment content, today it is a leader in e-commerce. Users are actively using the purchase and sale of stickers and gifts in support of their favorite authors. The app's global reach led to the creation of TikTok Shop, TikTok's e-commerce arm. Today, it is easy to target ads directly to the target customer by indicating their preferred interests, and with the help of applications, it is possible to directly contact the consumer. The

new advertising format makes it possible to control and target a specific segment of consumers. Advertising on the Internet makes it easier for users to find what they want, and for companies to analyze and summarize the results. Modern technology helps us conduct a thorough analysis of all our queries on various platforms and, based on the information we are looking for, provides us with ads specifically tailored to our interests.

1.3 Modern methods of collecting information

Digital marketing has provided new marketing tools for collecting, analysing and spreading information in order to reach potential customers directly (Nikunen et al., 2017).

- marketing surveys
- product policy
- channels of distribution
- price
- advertising
- service, and more.

According to Leon G. Schiffman and Joseph L. Wisenblit (Schiffman L.G. & Wisenblit J.L., 2019), data is collected by 'search engines' in three ways:

1) Collecting data from websites, in particular consumer engagement levels: how much time a user spent on a page and the frequency with which they returned to the site. In addition to search queries, search robots can determine a user's lifestyle by tracking their product purchases and even returns.

2) Secondary data collection - occurs by purchasing information from commercial services.

3) Real-time data collection (daily, weekly, quarterly and so on).

All information collected about a person is provided to aggregators, or data brokers. Predictive analytics can be compiled from the collected data. Predictive analytics is the ability to predict future purchases based on past information. Often the predictions relate to drastic

changes in lifestyle. That is, if a person makes an out-of-the-box purchase, software robots pick up on this and instantly start suggesting similar products. This is why apps and web pages are considered the most effective tools for promoting business online.

Large companies are looking for profitable investments, and therefore, they invest in developing competencies for working with big data. Working with big data yields so-called "customer insights". The marketing gurus like Philip Kotler and recently Mohanbir Sawhney identify "customer insight" as discovery about the target consumer that sets up a link between a brand and a consumer which determines that the brand understands the consumer.

Today has become possible to determine what sparked the user's interest or at what stage they left the site. Web-sites analytics helps to identify the strengths and weaknesses of the business. Identifying gaps helps to determine which direction to work in. In this way, online sales increase customer loyalty by quickly finding what is needed and meeting the needs of both buyer and seller.

1.4 The customer journey

However, having a database of potential customers is not enough nowadays; it is important to understand how to attract their attention to your brand and lead them to make a purchase.

According to Philip Kotler's definition, one of the earliest and most widely used frameworks for describing the customer journey is the AIDA Model: attention, interest, desire and action. This schema helps brands to attract, engage and retain customer interest over the long term by creating a sales funnel based on their personal customer experience. However, in the age of communication, the initial appeal is influenced by the community, determining their ultimate attitude towards the brand. And this factor is crucial to consider as it shapes the New Customer Path.

Figure 2. The Customer Path throughout the Five A's



Source: Kotler P. (2016).

The New Way (Five A's), according to P. Kotler, defines customer loyalty as their willingness to promote the brand in the community (Kotler P., 2016). This is due to the fact that some types of services or products do not compel frequent repeat purchases, but can be recommended.

Today, marketers are faced with the challenge of communicating the brand message to the consumer. The market is saturated with offers; it is almost impossible to get the consumer to watch a 30-second advertisement. Today, consumers' attention spans are limited. Shoppers process information by compiling a limited list of brands at the conversion stage; accordingly, memorable brands with WOW factors (where the customer expected a certain outcome and got much more) have a better chance of getting on that list. The ultimate goal is to move customers from awareness to receiving a service and advocacy (Kotler P., 2016). Advocacy is not always achieved at the personal experience stage, sometimes it is enough for people to receive positive feedback about a company from sources they trust in order to recommend in their environment; but people who have received the service themselves will be considered more trustworthy, as they have personal information when recommending. In order to make eWOM, or electronic word of mouth work for the brand, companies often try to produce a WOW effect at all stages of the customer journey. This method aims to use users' personal information to the advantage of advertisers. In the age of communication, people are actively building ask-and-tell relationships, this is not just about the circle of intimates, as social media helps to share experiences and recommend certain types of services around the world. The number of primary customers will grow, and with it brand loyalty. WOW is a contagious effect, someone who has experienced it will promote the experience to others. This factor will differentiate the brand from the competition. For a successful business, you can develop

strategies and processes and train people in WOW in all five "A" areas. It is up to each business to determine which differentiators will exceed customer expectations.

Modern business is looking for and finds interesting methods to attract additional consumer attention. Recently, marketing agencies have shown a growing interest in technologies such as virtual reality (VR), augmented reality (AR) and mixed reality (MR), which serve as new technological tools for them to attract consumer attention (Alcaniz M., Bigne E. and Guixeres J., 2019). Already today you can find new formats for brand promotion, such as QR codes on packages, 3D banners and much more. Due to the relative novelty, these features allow you to create a WOW effect that impresses users so that they remember the product and the manufacturer's brand. Marketing agencies are actively using IT in traditional marketing, promotion of consumer sites and application downloads. By adding standard street banners, packaging the products with a little bit of interactivity, launching the opportunity to use the client flow with OOH (out of home) advertising. Although such analysis will be distorted and unreliable, it provides additional information about the client.

1.5 The rise of online shopping among generations Y and Z

Over the past decade, the speed of internet access and online shopping has steadily increased amongst Generation Y and Z.

Generation X is a digital immigrant. The term "digital immigrant" was coined by Mark Prensky in 2001 to refer to those who grew up before the digital age. A generation with a high divorce rate among parents. The frugal who know the value of money, with a cautious economic outlook. Workaholics, eager to earn money by their own labor, as well as to maintain their position in society. Skeptical in many ways. Use cash transactions. Difficult to gain their trust. Retain and cherish family values. Generation X people, used to getting information by reading magazines and newspapers (about home, business, fashion, interiors, etc.), television; recently adapted to social networks and messengers (Facebook, WhatsApp, etc.). This category is slow to assimilate new information and new sales techniques

Generation Y (or Echo Boomers) (1981-1996) is the generation that maintains a balance between offline and online. They are at ease with technology, are great with existing gadgets and communication channels (Instagram, Facebook, WhatsApp, etc.). They easily absorb a large flow of information and synthesize it. Media consumption of this generation is modern television (streaming services Netflix, YouTube, HBO, etc.). Active users of online services (buying food, clothes, gadgets and training courses). Open to online services and have a positive trust in them.

Generation Z (or Gen Z for short) refers to people born between 1997 and today (later 2012 + generation A) - Digital native. The term was coined by Mark Prensky in 2001 to describe a generation of people who grew up in an era of ubiquitous technology, including computers and the internet. They have been using technology and gadgets since childhood. More often than not, it's smartphones, their preferred means of communication, where they spend more than 3-4 hours a day. YouTube generation. Prefer a more measured lifestyle.

However, the potential of online shopping is not fully exploited. While Generation Z dominates active social media users, Generation Y is a more attractive group because of its disposable income (Lissitsa S., 2016). However, this does not mean that the entire market for goods and services should only target them. It is important to be mindful of the potential customer of tomorrow and invest marketing efforts for the two generations.

1.6 Marketing tools for online sales

The Internet is a completely different medium (Eid R., Trueman M., 2002). To keep up with the times, a new approach to advertising is needed. The e-commerce sector, also called B2C (business to customer) or B2B (business to business), is online shopping and a variety of ordering systems (Gryazev D.S., Vitaliev K.S., 2018).

In the process of increasing sales, business owners are increasingly resorting to creating web pages or applications to generate purchases. Having a quality website, a wide range of assortments, detailed product descriptions, manufacturing process and much more

have the consumer's trust in the brand. It is important to consider the condition and reaction to the brand of the potential consumer by analysing consumer behaviour.

In the pursuit of attention, brands are building awareness and service levels in both offline boutiques and on the web by applying all methods of promotion. However, it is crucial to understand which tools are effective for business and not to waste available resources on those that may cause a negative reaction from consumers.

So, according to the theoretical understanding of brand promotion through digital marketing, it is important to define the characteristics of the target audience, to have a database of their interests and preferences; to determine what attracts their interest and what factors will have a WOW effect on them. To determine if this is in fact the case, it is worth looking at previous research in this area.

1.2 Secondary Data

1.2.1 Consumer behavior - Factors influencing customer decision-making

Nowadays, it may not be enough to possess raw information about customer interests, an important point in promotion is customer brand loyalty, which can be determined in the following ways:

1.2.1.1 Customer loyalty to digital services

During the pandemic, COVID-19 evolved into an online shop. The inability to shop offline has increased consumer confidence in digital platforms and encouraged people to make more expensive online purchases. In April 2022, data was published detailing the regional specifics of Kazakhstan's online shopping, highlighting the most progressive regions of Kazakhstan online, as well as evaluating the country's popular marketplaces and analyzing the logic of consumer online behavior. Based on the analysis, over the past half year, every second Kazakhstani has at least one online shopping experience. A surge in online sales occurred during the period of quarantine measures in 2020, when the Internet was the only sales channel. Analysts predicted a decline immediately after the end of the quarantine, but

online sales actively entered the lives of Kazakhstanis and even despite the initial shortcomings that arose due to the unpreparedness of the business at the time. Today they are eliminated and brought to a new level, providing a better service.

It is also worth considering the regional peculiarities of online shopping. The cities of Nur-Sultan and Almaty are leading in this list, but this is not due to the number of population, for the most part it is due to the advanced nature of the citizens. Residents have shown themselves to be active users of online commerce. Turkestan region occupies the last place. However, this indicator may be influenced by logistics conditions and assortment in the region. Today the modern society requires a modern approach (*Almaty leads in number, 2022*).

Diagram 1. Internet audience. Top 20 sites in Kazakhstan

№	Site	Monthly Reach	Monthly Reach%	Average Weekly Reach	Average Weekly Reach%	Average Daily Reach	Average Daily Reach%
1	Mail.Ru Group	2997,0	45,03	2450,1	36,81	1355,8	20,37
2	Google	2831,3	42,54	2089,1	31,39	1060,8	15,94
3	YouTube	2437,9	36,63	1746,5	26,24	908,4	13,65
4	Yandex	2038,1	30,62	1354,4	20,35	577,0	8,67
5	Gov.kz	1351,6	20,31	638,7	9,60	188,3	2,83
6	Wikipedia.org	1282,6	19,27	564,4	8,48	128,5	1,93
7	Egov.kz	1217,4	18,29	527,6	7,93	124,8	1,88
8	Instagram	983,5	14,78	470,9	7,08	131,6	1,98
9	Facebook	801,6	12,04	354,5	5,33	106,7	1,60
10	Olx.kz	754,5	11,34	385,8	5,80	128,4	1,93
11	2Gis	716,0	10,76	278,0	4,18	52,7	0,79
12	Rambler.ru	676,7	10,17	234,6	3,53	47,2	0,71

13	Satu.Kz	640,4	9,62	248,0	3,73	44,4	0,67
14	Zakon.kz	626,1	9,41	251,2	3,77	51,5	0,77
15	Kaspi.Kz	537,7	8,08	197,3	2,96	43,0	0,65
16	Kinopoisk.ru	509,3	7,65	168,5	2,53	34,0	0,51
17	Microsoft.com	497,8	7,48	199,5	3,00	45,8	0,69
18	Adilet.zan.kz	488,9	7,35	192,0	2,88	41,0	0,62
19	Kinogo.zone	437,6	6,57	205,6	3,09	58,1	0,87
20	Aliexpress	434,0	6,52	193,1	2,90	43,3	0,65

Source: TNS Central Asia: Internet. Kantar. (September, 2021).

1.2.1.2 Loyalty to websites and applications

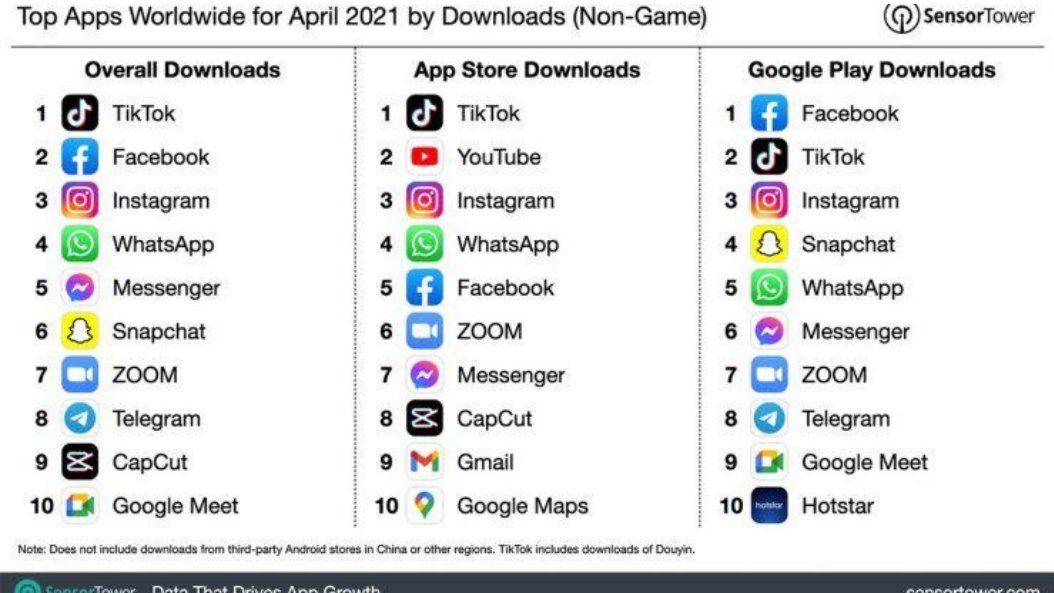
E-commerce was born with the advent of the Internet. The process of buying and selling electronically stimulated the emergence of personal customer attitudes towards online shopping. The relationship between customer satisfaction and the availability of a quality website has played a major role. Automating the seller-customer relationship system increases sales and attracts additional partners and customers. The more user-friendly the interface, the easier and clearer it is to use, the more likely the sales funnel is to be created. Online sales tools can be considered for analysis as well as for ongoing business development. The location and accessibility of information, as well as the transparency of financial transactions on a website or in an app, increase customer loyalty. Since 2015, Facebook has launched ad evaluation, similar to Google AdWords (contextual advertising service from Google). By assessing the relevance of an ad, its copy and destination page to the audience increases the advertiser's ranking.

The Kazakhstan market has its own specifics in the direction of websites and apps. This is due to the fact that the development of the Internet here occurred later than, for

example, in Russia or Ukraine, but faster. The market quickly adapted to the new realities of already popular social networks such as YouTube or Instagram. The upsurge in social networking usage reached all age categories, according to We Are Social and Hootsuite (a powerful social media marketing management system. Allows the marketing department to organize collaborative work, run social media campaigns, track discussions and measure campaign results), as of October 2021 99% of Kazakhstan residents are online (Features of Media Development, 2021). The most popular social networks in the country are YouTube, Instagram, TikTok and WhatsApp.

While in neighbouring countries these platforms are mainly used for entertainment and shopping, in Kazakhstan they are used for everything: news, social projects, entertainment, shopping and searching for any information, including government information. Since April 2021 TikTok is the world's most downloaded app. The second and third most downloaded app is Facebook and Instagram. Next, popular app appear-The WhatsApp e-messenger.

Figure 3 Top Apps WorlWide



Source: Osmond Blake O., Mediarun Search, 2021.

Today, the use of social media helps to actively promote a product or service on an e-commerce platform. Online marketing has the potential to develop further, and the development of new methods of advertising on new platforms will increase customer loyalty to the product or service and exceed service expectations.

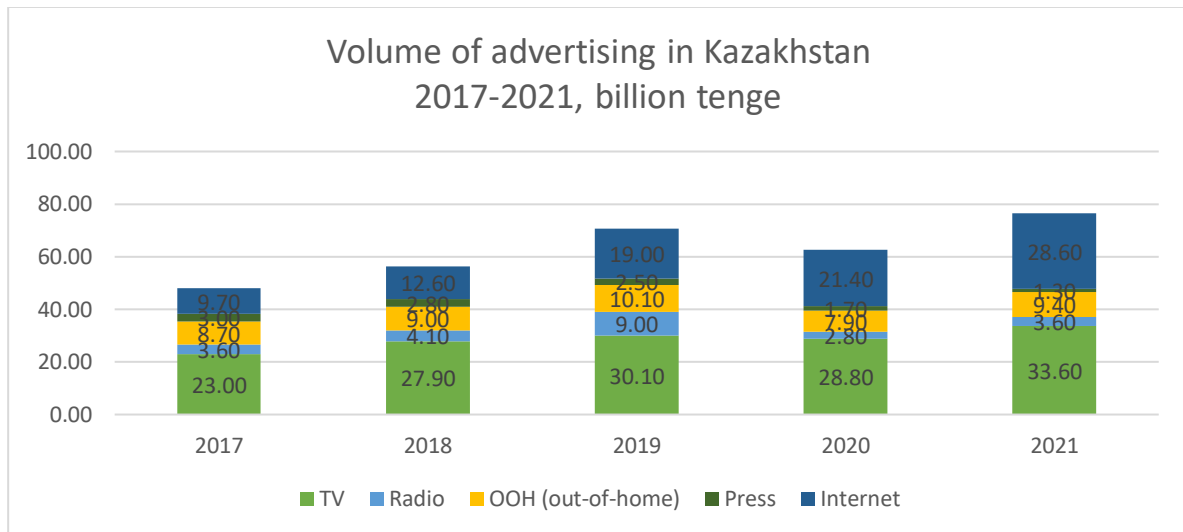
1.2.1.3 Assortment size

Buying power increases not only because of convenient sites, but also because of the size of the range. Nevertheless, a wide range of choices can also affect negatively. Today, the shopper is more selective and does not allow time to spend on analysing unnecessary information. A large selection of goods will require a lot of advertising for each one.

E-commerce is structured in such a way that the buyer's needs are determined not only by their online queries, but also by their personal data, hence the advertising will be shaped from them as well. The algorithm reads a person's previous requests; based on this data, advertisements for similar services reappear without the user's intention. Thus, they appear even if the user was not interested in them or was not looking for them. However, due to this use of personal information and constant display of ads, problems such as annoying ads for users and data security can arise. The number of ads increases and they become annoying. To avoid over-advertising, companies are using new methods to analyse consumer behaviour and ranking across different communication channels. The key to a successful business in today's market environment is to identify the most effective and appropriate one for each business individually.

According to the Central Asian Advertising Association, Kazakhstan's advertising market grew 22.2% in 2021 - 76.5 billion tenge. A year ago, this figure was KZT62.56bn (Volume of Kazakhstan's, Forbes, 2021).

Diagram 3. Volume of advertising in Kazakhstan in the means of its distribution, 2017-2021, billion tenge



Source: The volume of Kazakhstan's advertising market, TRIBUNE.KZ, 2022.

1.2.1.4 Satisfaction and trust

Another factor of consumer loyalty is trust and satisfaction. Trust in online shopping is defined as the level of security of credit card payments and the privacy of consumers' personal information. It is the security of personal information and finances that, for most, is the most important barrier to online shopping.

1.2.2 "WOW" effect

In the age of the Internet, the factors influencing consumer brand loyalty are changing rapidly, and it's no longer just a beautifully designed page, a wide range of products and data security. Previous studies on consumer loyalty have compared the impact of website design elements and online assortments on customer satisfaction. However, a significant positive correlation between satisfaction and outcome was found.

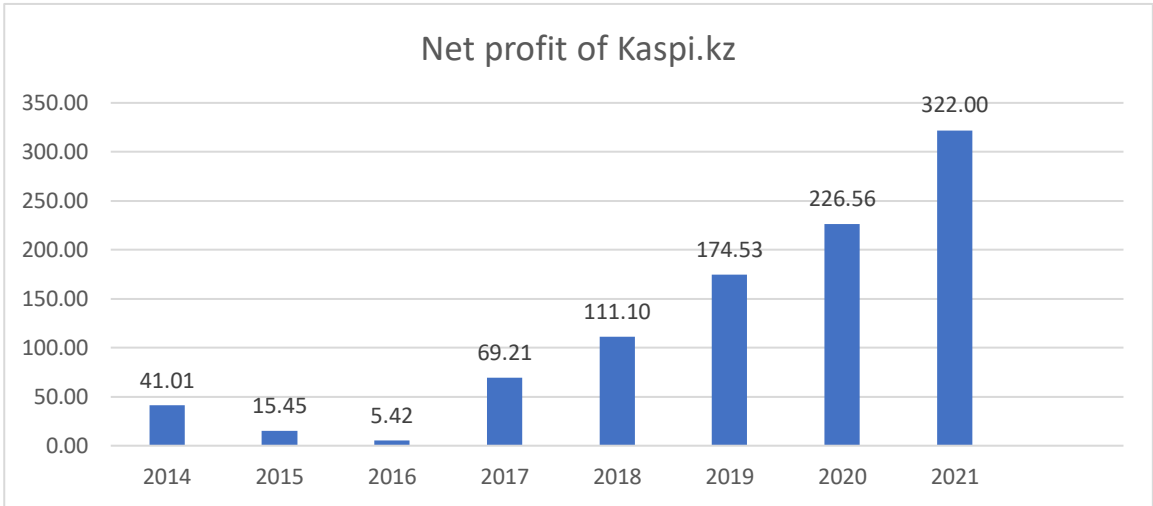
Today's consumer market is full of offers, advertising products or services, and in order to differentiate their brand from the competition, businesses are taking steps to have a WOW

effect on their customers, which can be defined as getting more than the expected result. A great example of this approach to business is the technology and customer experience company, Kaspi.kz.

In October 2019, Harvard Business School published a case study on a Kazakhstan bank - Kaspi.kz, noting the importance of customer loyalty to the brand.

In 2012, Kaspi.kz abandoned commercial lending and switched to retail banking services, its net financial performance began to grow rapidly from 100 to 200 million dollars per year (Ivashina V. and Cekin E., 2019).

Diagram 4. Net profit of Kaspi.kz (billion tenge)

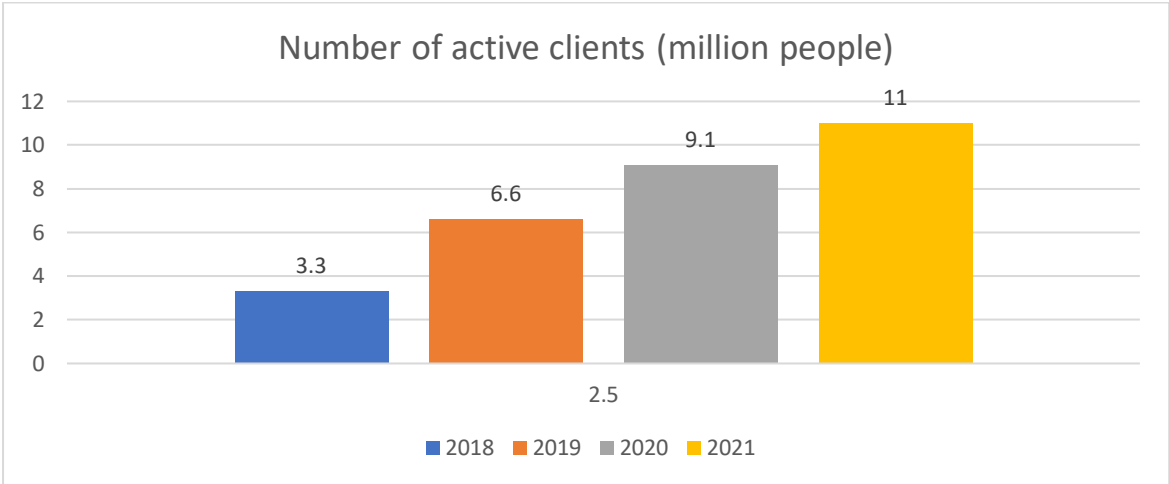


Source: Kazakhstan bank rankings, Forbes Kazakhstan, June 2021.

However, Kaspi.kz encountered a customer who simply hated it (Ivashina V. & Cekin E., 2019). There were queues at bank branches, unfriendly staff, and servicing simple tasks took a long time because managers shifted duties from one to the other. Customer feedback came as a result of an evaluation of the bank's performance using - Net Promoter Score (NPS). Customers were asked how likely they were to recommend the company's products and services to their friends and relatives on a scale of 0 to 5. The results were negative. Shortly thereafter, the bank moved to a new stage - customer-centric. By prioritizing customer interests, the Bank was able to win favor by setting its brand apart from its competitors. Today,

customer loyalty to Kaspi.kz products such as: Kaspi QR, Smart POS, mobile POS are extremely high. Every time a customer makes a purchase through Kaspi.kz products he gets bonus points to his account which can be used to pay for other services - this is the WOW effect. In November 2021, the number of monthly active customers reached 11 million (*The most popular, 2021*).

Diagram 5. Number of active clients (million people)



Source: Annual reports Kaspi Bank (2018-2021).

The company is positioned as, engaged in technology and customer experience development. Today, Kaspi.kz occupies a leading position in its segment in the Kazakhstan market (Table 2, Appendix B).

Thus, the positive relationship between satisfaction and outcome.

2.3 Methodology

In current work will be used two methodologies: qualitative and quantitative. The qualitative methodology will use short in-depth interviews with industry experts, in which they will talk about their daily routine and some conclusions about generations, what is generally happening in the online shopping industry, etc. Experts from the digital marketing, e-commerce sector, e-retailers (LaModa, Wildberries, etc.)

As for the quantitative methodology, we will conduct a survey with 27 questions for all online-shopping users in Kazakhstan with different income levels, different interest, age, different profession, family size and so on. Thus, both qualitative and quantitative methodologies will give a very objective study of the current research topic, test our hypothesis and help us make our research objectives clear and accurate.

II Research Findings and Analysis

2.1 Discussion of findings

A survey was conducted among 163 respondents to determine reliable methods of increasing consumer loyalty to online shopping in the Kazakhstan market. The questionnaire contained 27 mandatory statements covering the dependent and independent variables of the study. Questions were allowed with one or more response options. The items used to operationalize the constructs were presented for assessment on a 10-point Likert scale.

As consumer preferences vary across regions and geographical areas, the study took into account differences in purchasing interest and involvement in online shopping. Particular attention was paid to understanding the impact of trust and satisfaction on consumer loyalty in Kazakhstan, a developing country that sees differences not only in the number of people in certain cities and villages, but also in the overall advancement of shoppers in the online environment. Kazakhstanis are actively using social media to promote products and services, but there are also related factors such as logistics, assortment and more in the regions. Obstacles and slowness decrease purchasing power.

2.2 Sample

All of the research data were collected through an online sample of online shopping users in Kazakhstan.

Online questionnaires were used to streamline the data collected over the course of the work and to increase the reach of respondents, resulting in a more representative study; Online questionnaires allowed for standardization of results, based on respondents providing fixed answers to the same questions. A total of 163 respondents were interviewed.

Table-3. Frequency distribution of the sample

Variable	Frequency	Percentage (%)
Gender		
Male	66	40,5%
Female	97	59,5%
Age		
18-24	42	25,8%
25-34	33	20,2%
35-44	36	22,1%
45-54	45	27,6%
55-62	4	2,5%
+63	3	1,8%
Location		
Nur-Sultan	72	44,2%
Almaty	40	24,5%
Shymkent	2	1,2%
Other	49	30,1%
Employment		
Full-time	94	57,7%
Self-employed	9	5,5%
Students	20	12,3%
Others	40	24,5%
Buying frequency on internet		
Weekly purchase	24	14,7%
Monthly purchase	56	34,4%

Quarterly purchase	29	17,8%
Every six months	20	12,3%
Annual purchase	20	12,3%
Don't shop online	14	8,6%

2.3 Data analysis

Residents of Kazakhstan, women and men, aged 18 to 63 and over, took part in the survey. These included 44.7% of residents of Nur-Sultan city, 24.8% of Almaty, 30.5% of residents of Shymkent, East Kazakhstan, Pavlodar, Aktobe and other regions. 57.7% are salaried employees in managerial or professional positions, 12.3% are students, 5.5% are self-employed, 4.3% are medical workers, 1.8% are freelancers, 1.8% are civil servants, and 1.8% are retired people.

According to a survey of Internet users the following factors were identified:

Today, the format of purchases made is 62.3% online and offline forms, 34% of respondents prefer offline only, indicating that they are not fully ready to switch to online shopping. There are several reasons for this:

A) The geographical location of Kazakhstan's residents. Residents of megalopolises (Nur-Sultan-44.7% and Almaty-24.8), cities with developed infrastructure, greater support from the state, appropriate conditions for business and logistics, took an active part in the survey.

B) Other regions of Kazakhstan have less developed SME segment, which affects quality of delivery, storage conditions and sales of products and services in general.

C) In the survey, it was found that some people experience more satisfaction with shopping offline. It gives one the opportunity to personally check the resulting goods for

quality, texture and so on. And it was also noted the enjoyment one gets when shopping in person.

On average, Kazakhstanis make purchases online each month, most often in such segments as Electronics-48.5%, Clothing & Footwear-47.9%, Beauty & Health-38.7%, Home Products-33.7%, Telephones & Accessories-28.8%, and Home Appliances-35.8%. The modern shopper has trust in brands obtained by personal experience, i.e. purchases have been made before or recommended by relatives and acquaintances, also referred to as word-of-mouth, or by media advertising, obtained by frequent reminders of the brand.

The most frequently used platforms to search for goods or services in Kazakhstan are the search engines Google, Yandex, YouTube, the social network Instagram and the marketplaces Kaspi.kz, OLX, Satu, AliExpress. Internet users indicated that in most cases they are attracted by animations (animated banners and video clips). Given the consumer interest to these sites, businesses often use contextual advertising, short video clips (up to 30 seconds) and, increasingly, animated banners and 3D animations, justifying it by the fact that today the customer's attention should be attracted in new unconventional ways.

In turn, it was revealed among those surveyed that they are actively noticing new product presentation. Accordingly, they buy new flavors or familiar products in new packaging. 55.9% try to gather additional information after noticing new advertisements. They often look for promotional labels, bonuses and sweepstakes on their own. Consumer loyalty to a brand is shown in response to brand loyalty to the consumer. The use of the WOW-effect, i.e. additional features that the customer did not know about works great. This disposes the consumer positively towards the brand. Free delivery - 60.9%, cashback - 29.8%, a cumulative system of bonuses with subsequent exchange of them for the goods - 24.2% attract the customer most of all. People buy not because they need the product, but because of the

perceived economic benefit. For example, if the customer is faced with a choice between buying product A for the price-n or product B for the same price but with free delivery, the customer is more likely to buy product B.

Despite the fact that, on average, Kazakhstanis have a high level of trust in online shopping, they prefer to read the characteristics of a product or type of service beforehand. Particularly important factors in the search were photo/video detailed product demonstration - 78.9%, detailed product description - 75.8%, as well as delivery methods - 49.7%. To determine the quality of a product or service, reviews are analyzed not only on official websites - 59.6%, but also on independent platforms with feedback from users who have already received the result - 41.6%. The modern Internet user does not just read reviews- 58.9%, they shares and finds real reviews from real people-28.2%. In this regard, at the stage of market analysis a buyer uses independent sites and applications: Kaspi.kz-45.4%, Instagram-44.8%, 2GIS-42.9%.

Purchases are made on marketplaces-81.4% and via messengers-41.6% (Instagram and WhatsApp are the most popular in the country). According to the survey results, Kaspi.kz turned out to be the most popular online shopping app, surpassing not only other marketplaces, but also official websites. Most often people found out about Kaspi.kz through word-of-mouth advertising-54% and online advertising 30.4%.

Given people's limited time, there is a need for help in finding a suitable product. The Internet perfectly copes with this task, offering ads for products that consumers need right now. Advertising on social media works for both sides, providing convenience and benefit to both buyer and seller. However, it should be noted that 57.1% find online advertising on websites and apps annoying, while 40.4% say they have a neutral attitude to advertising and prefer to ignore it. Nevertheless, 64% of those surveyed make purchases recommended by

online advertising, of which 57.1% were made because of brand awareness, they have heard or seen advertisements for the product; 49.1% make purchases recommended by friends, relatives and colleagues. Consequently, they only ignore banners that are not relevant to them at the time of the search. This is probably also due to the fact that for the most part Generation Z and Millennials took part in the survey. They are more attuned to the informative noise and are already used to sorting out information at the distribution stage.

Levels of service, convenience and efficiency of online shopping in Kazakhstan were measured according to a 10-point Likert scale, where 10 is maximum, 1 is not satisfactory and 5 is not important.

60.3% people like to shop online, of which 67.6% recommended it, rating it higher than 7.

The current level of service was rated by 16.8% at 10, 5.6% at 9, 23% at 8 and 18% at 7.

Which indicates an average-weak online service in Kazakhstan.

Access to information about a product or service was rated as follows:

20.5% rated accessibility at 7 points, 19.9% at 8, 11.2% at 9, 14.9% at 10 points.

The accessibility of online ordering was rated as:

21.1% on 7, 22.4% on 8, 10.6% on 9, 25.5% on 10.

According to the responses provided, it is quite easy to find the necessary information about the product and place an order in Kazakhstan.

2.4 Experts

In order to achieve objective results of the analysis, interviews were conducted with marketing industry experts. They were asked 5 key questions that contribute to determining the current situation in the Kazakhstan market.

Kamila Alen- currently head of PR and marketing at LaModa.kz, has experience as a lecturer at KBTU University.

In Kamila's opinion, building trust online is built from the marketing mix (4Ps: price, product, place and promotion). It's the brand's promises to its customers and delivering on those promises. "It's a lot of work on brand awareness among the target audience and brand image"- Kamila Alen. An extremely important point in building brand loyalty is tracking online reviews; not only on the brand site itself, but also on social media and various review resources.

Today, brands are still separating IT and marketing, so it's not really accurate to talk about IT investment. Marketing investments are evaluated based on a company's strategy and margins. Certainly, at the initial stage, the amount of investment in advertising and brand promotion will take a large percentage, as at this stage it is important to reach the widest possible audience. Subsequently, the CIR (Cost/Income Ratio), which compares the cost of the marketing tools with their effectiveness, must be monitored and planned based on the overall financial plan.

Using the marketing mix encourages the flow of new clients. It is important to understand which tools are appropriate, which channels need to be used at the current moment of brand development and to monitor the effectiveness of the different channels on a daily basis. This makes it possible to adjust the mix at any time. Because each channel has its own goals and objectives, it is unreal to divide them into effective and not. Some channels will work well for increasing brand awareness, others for attracting customers, and others for retaining them. For example, in digital, targeting marketing and retargeting work better. Since LaModa is an online business, they actively use marketing mix.

Farhat Islamkul is a private entrepreneur of "Sapa tech" LLP and "Sapa transformer" LLP, a Wildberries (e-commerce seller) specialist.

Today progressive business owners promote their goods not only through social networks and contextual advertising on websites, but also through marketplaces, which are familiar to

users and easy to use. Manufacturers of goods are trying to enter the most popular marketplaces, such as Kaspi.kz and Wildberries. Ready-made platforms help start-ups and current businesses use resources rationally when promoting goods. To enter them you can take help from specialists or take training courses, which give ready step-by-step instructions on how to attract new customers.

Farhat not only promotes his business through Kaspi.kz and Wildberries, but also trains specialists to work with them.

Integration is a key success factor in building brand trust. Building a complete workflow into one. Accessibility and ease of ordering. People are just as interested in Instagram stories in a 'live head' format, where there is a narrator in the frame or video production processes.

Entrepreneurs need to understand the importance of a long-term perspective. At the start of a business, you need to invest more in PR and brand promotion. Today, 20-25% of revenue is spent on advertising; in the start-up phase, investment in advertising can exceed 50% of profits.

Traditional methods are still actively used, but special attention is paid to digital marketing, targeting through Instagram FaceBook, active use of new tools from Instagram - "Reels", Google Ads, TikTok. Word of mouth is the most effective tool in the B2C segment, and for the B2B segment CRM (Customer Relationship Management) systems are used.

Loyalty systems in the form of loyalty discounts, bonuses, promotions and quality guarantees are used to keep in touch with current customers. Texts and Instagram stories serve as reminders.

When entering e-commerce, it is critical to understand the reach of the market. The competition on Wildberries will be very different from that on Kaspi.kz. Here the choice will depend on the entrepreneur and his willingness to take risks and compete.

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To build a successful business it is not enough to gather a pool of financially motivated experts; today's marketers are inspired by ideas. Experts really interested in brand promotion are looking for and finding new methods and channels. They do unconventional collaborations that build brand awareness without huge PR budgets. One of the most effective, authentic and non-native tools is considered personal brand building; where customer trust is built on the basis of 'personal' familiarity through social media, various platforms and offline events with the brand founder. By building direct communication between the audience and the brand ambassador, trust is also built. Trust in a personal brand can serve as an indicator of consumer loyalty to the manufacturer. But not always the first person is open to publicity, in such cases you can resort to the use of brand ambassadors, e.g. bloggers. The important point when choosing a brand ambassador is not their online popularity or even their target audience, but their personal values. These must be in line with the brand's values. Then, and only then, will the viewer, subscriber, and fan have credibility. Loyalty indicators will also be reviews and cases on various platforms.

In order to scale the reach, the brand must not just be represented on all platforms, but have up-to-date information at all times. You can't decide for the customer on which platform to look for information about the brand.

Marketing investments have to be rational. It is more relevant to use micro-bloggers, highly specialized experts, diversifying the marketing budget for them. The effectiveness of such a method will be greater, and consumer loyalty is higher.

Creating possible networking opportunities, such as offline meetings, podcasts on YouTube channels, closed Telegram channels and Instagram stories are actual mechanics of attracting new clients at the moment.

Nowadays, customer loyalty can be earned not only through digital marketing but also through traditional methods (outdoor advertising, banners, radio, etc.), as long as it is sincere. Creative has filled the marketing niche, but it's important to remember people's emotional attachments. Then their interest in the brand will be mutually sincere.

Conclusion

For this study, research papers, publications and statistics from marketing experts were reviewed to determine the factors that influence customer loyalty to online shopping and the promotion of products and services through digital marketing.

Based on the results of the study and the data of the analysis conducted, it follows that there is a great opportunity for businesses to grow through digital marketing. Using the current market in Kazakhstan as an example, the readiness of businesses to provide online services was determined.

Today, experts measure consumer trust and loyalty to online shops by their level of engagement, which is tracked through CRM systems. The main factor influencing the decision to make an online purchase is consumer feedback, which shows the quality of performance, reliability and reality of the result obtained.

The objectives of the study were to determine the role of information technology in traditional advertising and to find out which digital marketing techniques brands use to increase customer loyalty through online shopping and to confirm or refute the hypotheses that have been proposed.

Based on theoretical insights and research results, it was determined that the Kazakh market is actively using IT to promote brands not only online but also successfully adapting traditional tools to the new format. At the moment brands are actively using all available methods of both digital marketing and traditional marketing (contextual advertising, targeting, remarketing, e-mail, SMS, radio and others) without ignoring any communication channels. Because each channel has its own function that it fulfils to achieve certain goals (increasing brand awareness, attracting or retaining customers). Certainly, digital methods are more cost-effective and easier to analyze and monitor, but one method should not be preferred over the others. In this way, a brand can limit the information customers receive about it. Consumer

loyalty to online shops is generally assessed as high, given that consumers do not neglect to research a product or service in depth through reviews on social networks and official websites during the market analysis phase before making a purchase, as evidenced by the respondents' responses.

The following hypotheses were proposed during the study of the current topic:

Hypothesis #1: The level of trust in online shopping among customers has increased due to proper digital promotion.

Yes, this is evidenced by the results of population surveys. An innovation such as e-commerce has quickly gained consumer trust through electronic word of mouth and proper online promotion. In digital marketing, brand promotion strategy and sound marketing mix management remain important aspects. This confirms the hypothesis.

Hypothesis #2: The main effective advertising tools nowadays are classic offline marketing channels such as radio, which can bring traffic and lead to purchases even for e-commerce sites/platforms and increase online sales.

Refuted, today's main effective advertising tool is digital, which not only increases reach, but also allows for constant control in the marketing mix. Offline marketing channels can bring traffic and even e-commerce platforms, but their effectiveness is much lower. Social media, official websites, apps and marketplaces are now actively used to increase traffic and encourage customers to make purchases.

Hypothesis #3: Traditional advertising does not work effectively to stimulate a call to action.

Traditional advertising cannot be completely ignored or not used at all, each channel has its own function. Such advertising can be effective for a certain type of activity, in which case it is crucial to correctly identify effective advertising methods. Offline channels are mostly used as a reminder of an existing brand, they do not drive mainstream traffic.

Hypothesis #4: Shoppers in regional cities still prefer offline shopping despite advertising efforts.

Disproved. Consumer engagement in online shopping is independent of geographic location. Yes, regional cities have lower levels of online purchasing, but this has nothing to do with population size. The key factor for the frequency of online purchases is the level of promotion and involvement of residents. Consumers should be encouraged to buy online through various promotional efforts.

Recommendations

Entrepreneurs today need to focus on customer satisfaction and trust and improve the quality of online service. According to the survey results, the quality of the online service does not sufficiently meet the current needs of consumers. It is recommended to monitor consumer feedback on all submitted sites and provide feedback. Produce a WOW effect- where the customer expected a certain outcome and got much more. This will serve to generate positive feedback and spread the word of mouth positively among online users. By focusing on these factors and taking control of them, customer loyalty to their brand can be increased.

The findings should help businesses to improve their knowledge of customer decision-making in the context of online shopping. As the cost of online transactions continues to rise, it has become necessary to determine which tools are not relevant in today's e-marketplace and which are worth paying more attention to. Future research in this direction could focus on creating new methods and tools to increase customer loyalty to online shopping through digital marketing. The next research work in this direction could overcome the limitations of the sample size of this study.

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[17.03.2022&text=%D0%9A%D0%BE%D0%BC%D0%B8%D1%81%D1%81%D0%B8%D1%8F%20%D1%8D%D0%BA%D1%81%D0%BF%D0%B5%D1%80%D1%82%D0%BE%D0%B2%20%D0%A6%D0%B5%D0%BD%D1%82%D1%80%D0%B0%D0%BB%D1%8C%D0%BD%D0%BE%2D%D0%90%D0%B7%D0%B8%D0%B0%D1%82%D1%81%D0%BA%D0%BE%D0%B9%20%D0%A0%D0%B5%D0%BA%D0%BB%D0%B0%D0%BC%D0%BD%D0%BE%D0%B9,%D1%80%D0%B5%D0%BA%D0%BB%D0%B0%D0%BC%D0%BD%D0%BE%D0%B3](https://tribune.kz/obem-kazahstanskogo-rynka-reklamy-sostavil-76-5-mlrd-tenge-v-2021-godu/#:~:text=%D0%9A%D0%BE%D0%BC%D0%B8%D1%81%D1%81%D0%B8%D1%8F%20%D1%8D%D0%BA%D1%81%D0%BF%D0%B5%D1%80%D1%82%D0%BE%D0%B2%20%D0%A6%D0%B5%D0%BD%D1%82%D1%80%D0%B0%D0%BB%D1%8C%D0%BD%D0%BE%2D%D0%90%D0%B7%D0%B8%D0%B0%D1%82%D1%81%D0%BA%D0%BE%D0%B9%20%D0%A0%D0%B5%D0%BA%D0%BB%D0%B0%D0%BC%D0%BD%D0%BE%D0%B9,%D1%80%D0%B5%D0%BA%D0%BB%D0%B0%D0%BC%D0%BD%D0%BE%D0%B3)

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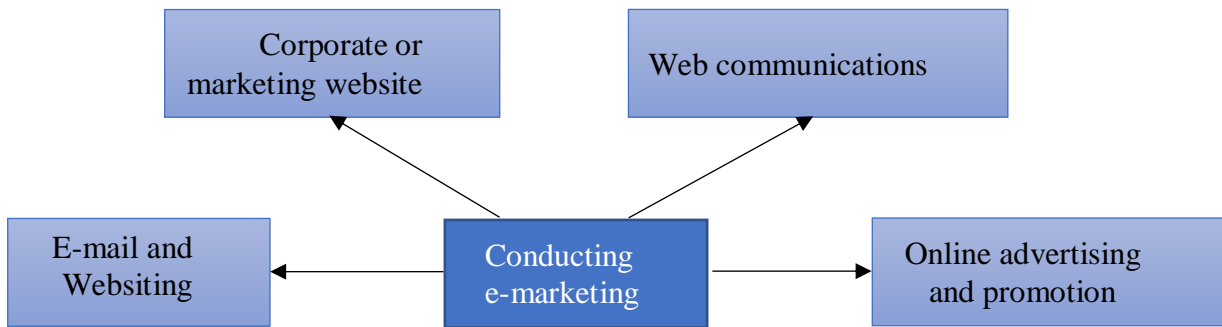


Figure 1. Ways to conduct e-marketing for companies (Principles of Marketing, 2004).

Table 1 Opportunity for business in digital marketing

Opportunity for business	Description
Minimizing costs	Both sellers and buyers F. Kotler called costs "the bane of certain sectors of the retail trade" (Principles of Marketing, 2004).
Sales policy	Makes a product, service or information available to the maximum number of potential customers (Kaluzhsky, 2014).
Competitiveness	Equal competitive opportunities. Enables quick benchmarking against competitors
Opportunity for business	Description
Effectiveness	Provides a collection of analytical data that allows you to effectively use the financial resources of the company by purchasing information about customers from third parties.
Interaction with customers	Quick feedback from the client, helps to establish an attitude and build trust, etc.

Source: [M.L. Kaluzhsky, 2014, «Electronic commerce: marketing networks and market infrastructure»](#)

Diagram 2 Social Media Stats Kazakhstan
Mar 2021 - Mar 2022

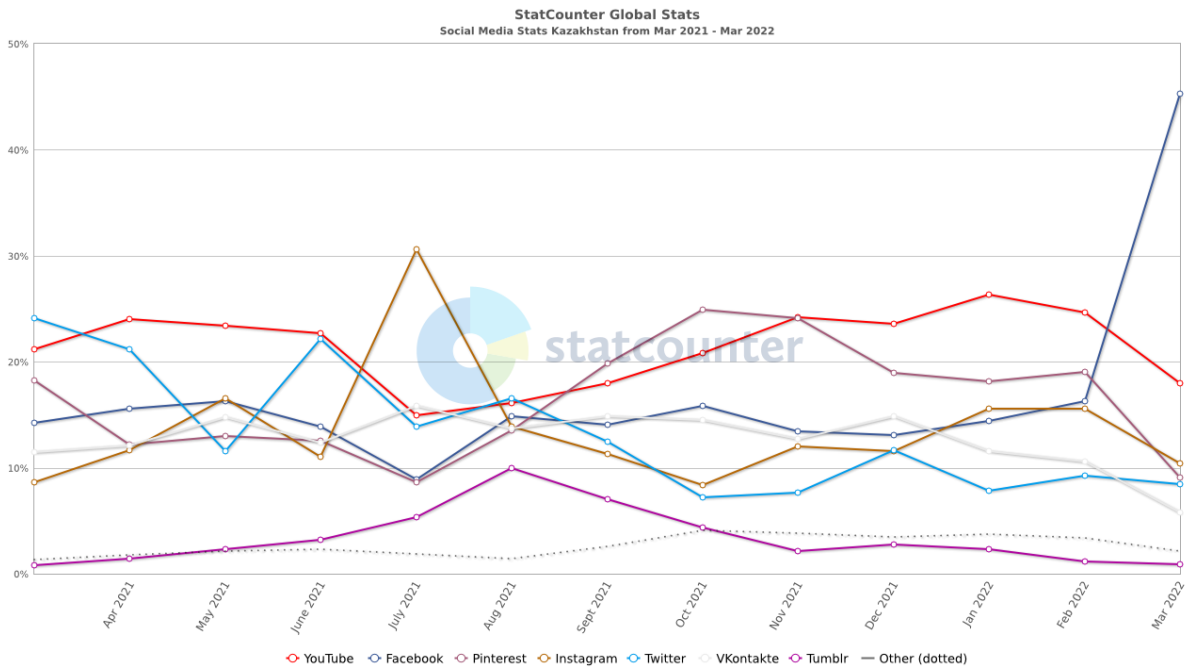










Table 2 Rating of Banks in Kazakhstan – 2021

PLACE	PROFILE	ACTIVITIES, TENGE BILLION	NPL, %	CONSOLIDATED. CAPITAL, TENGE BILLION
1	 <u>Народный Банк</u>	9971,7	3,8	1400,0
2	 <u>Сбербанк</u>	3166,8	5,4	299,8
3	 <u>Kaspi Bank</u>	2809,0	6,7	254,1
4	 <u>АО «Отбасы банк»</u>	1708,2	0,2	283,4
5	 <u>ForteBank</u>	2159,7	7,2	256,7
6	 <u>Альфа-Банк</u>	758,7	2,5	103,0
7	 <u>Altyn Bank</u>	596,3	0,6	71,9
8	 <u>АО «Jusan Bank»</u>	1652,3	44,1	314,3
9	 <u>Банк Китая в Казахстане</u>	381,9	2,2	53,2
10	 <u>Банк ЦентрКредит</u>	1849,2	6,3	129,0
11	 <u>Хоум Кредит Банк</u>	394,9	2,8	93,6
12	 <u>Банк ВТБ (Казахстан)</u>	327,7	5,3	26,6
13	 <u>Ситибанк Казахстан</u>	912,1	0,0	161,1
14	 <u>ТПБ Китая в Алматы</u>	217,2	0,0	30,3
15	 <u>Евразийский банк</u>	1217,9	9,6	107,8

16	 <u>Bank RBK</u>	996,4	6,8	102,4
17	 <u>КЗИ Банк</u>	123,2	3,2	33,0
18	 <u>АО «Банк Фридом Финанс Казахстан»</u>	84,7	0,4	18,9
19	 <u>АТФБанк</u>	1175,4	2,8	94,5
20	 <u>Нурбанк</u>	427,7	8,8	40,9
21	 <u>Исламский банк АІ Hilal</u>	57,8	0,0	17,7
22	 <u>Шинхан Банк Казахстан</u>	62,1	0,8	15,4
23	 <u>Исламский банк «Заман-Банк»</u>	24,8	2,9	12,9
24	 <u>НБ Пакистана в Казахстане</u>	4,4	22,7	4,3
25	 <u>AsiaCredit Bank</u>	48,6	68,4	13,7
26	 <u>Capital Bank Kazakhstan</u>	43,0	98,4	15,7

Source: Forbes Kazakhstan, 2021.

Questionnaire

1. Gender:
 - Male
 - Female

2. Age:
 - 18-25
 - 26-40
 - 41-50
 - 51-60
 - 61+

3. Location:
 - Nur-Sultan
 - Almaty
 - Shymkent
 - Aktobe
 - Other _____

4. Income Level
 - 150-250K
 - 251-300K
 - 300-350K
 - 350-400K
 - 401-450K
 - 450-550K
 - 550K+

5. Occupation
 - Student
 - Employee in Company (manager/specialist)
 - Entrepreneur
 - Retired
 - Freelancer
 - Another

6. What format of shopping do you prefer?
 - Online
 - Offline
 - Both

7. Buying frequency on internet
 - Weekly purchase
 - Monthly purchase

- Quarterly purchase
 - Annual purchase
8. What kind of advertisement attracts your attention and makes you want to visit the site after viewing?
- Pop-up banners
 - Animated banners
 - Contextual advertising
 - Teaser advertising
 - Video clips
 - Try to ignore an advertisement
 - Other _____
9. Do you pay attention to new formats of add? (QR codes, 3D banners, virtual tours)
- Yes, always try to keep up to date
- Not often, but sometimes you come across an interesting advertisement and you want to know more about it
- No, I don't notice new ad formats at all
- Other
10. How do you search for brands on Google or social media?
- Looking for the official site
 - Collect information about the brand from other sites
 - Read reviews on different platforms
 - Found by recommendations from friends and family
 - Other _____
11. Is having reviews on a website or app important to you when making an online purchase?
- Yes, I read customer reviews.
 - Yes, but I try to separate and pay attention only to real customer reviews
 - I look at the rating of the product / service (5 stars, etc.)
 - No, I don't read reviews from other customers.
 - Other _____
12. If so, where do you check reviews?
- 2GIS
 - Random comments under post
 - On official website
 - Customer feedbacks on Kaspi.kz
 - Instagram pages
 - Product or service user forums
 - Chats in telegram channels
 - I don't read reviews
 - Other _____
13. What goods/services do you often purchase from online stores?
- Clothes and shoes
 - Food products
 - Beauty and health
 - Electronics
 - Auto goods
 - Computers & office supplies
 - Phones & Accessories
 - Home Appliances
 - Kids
 - Jewelry and accessories

- Travel and tourism
 - Everything for Home
 - Pet Products
 - Other _____
14. On which platforms are you more comfortable shopping online?
- Marketplaces (Kaspi.kz; OLX; Wildberries, AliExpress, etc.)
 - Messengers (Instagram, WhatsApp, FaceBook, etc.)
 - Websites (official brand representatives' websites)
 - Other
15. What factors are influencing you when making a purchasing decision?
- Detailed description of the product
 - Photo/video demonstration of the product or service
 - Quality webpage
 - A wide range of products
 - Payment options
 - Payment methods
 - Delivery methods
16. Which website or app do you use most often for online shopping?
-
17. How did you find out about this website/app?
- Friends and families
 - From online-advertisement
 - From out of home advertising (OOH)
 - Other
18. What factors influence your purchasing decision? (more than one answer is possible)
- Detailed product description
 - Photo/video demonstration of a product or service
 - Web page or app design
 - Extensive product range
 - Payment options
19. Have you made a purchase recommended to you online? (targeting)
- Yes
 - No
 - Other
20. Does advertising help you search for products on the Internet?
- Yes, I often find the product/service I want through advertising and make a purchase
 - Yes, it helps to gather information, but I rarely buy what I see in the advertisement
 - No, I do not buy from online-advertisements
21. Do pop-up ads on the Internet annoy you?
- Yes, I find her annoying.
 - Neutral, used to pop-up boxes on screen
 - Not annoying, find it informative
22. Which brands do you buy online? (more than one answer is possible)
- Brands that are known from advertisements I have heard or seen
 - Recommended by friends and family
 - Recommended by social media advertising (targeting)
 - New brands, trying new products
 - I don't buy online
23. Which loyalty programme is most appealing to you? (more than one answer is possible)?

- Free Shipping
- Cashback
- Cashback Bonus
- Promocode for next
- purchase/order
- Accumulative system
- bonus system, which you can redeem...
- Ecosystem of all bonuses

24. To what extent would you recommend online shopping?

0-1-2-3-4-5-6-7-8-9-10

25. To what extent do you enjoy online shopping in Kazakhstan?

Service 0-1-2-3-4-5-6-7-8-9-10

26. Access to information about a product or service 0-1-2-3-4-5-6-7-8-9-10

27. Easy to order 0-1-2-3-4-5-6-7-8-9-10

Survey link: <https://docs.google.com/forms/d/1TN5ieggOYRUZyDIvy-O5 XGxIWEkiAema-L3I2T0bHw/edit#responses>

Interviews link: https://drive.google.com/drive/folders/1X40t82yLsAYsMT_h1tfOZfxyTCk8c0w

Experts

1. What is the main indicator of success in building online trust in your industry(website/platform)?
2. What is average %-age of investments goes to Marketing/IT activities?
3. What mechanics you use to attract more customers and most important to Retain current customer?
4. Which Digital Marketing Activities you use currently, what is most effective?
5. Which Advertising currently is trustable in your opinion?