

## EFFECTIVENESS OF DIGITAL MARKETING TOOLS IN THE HORECA SECTOR: A ROI-BASED EVALUATION OF RESTAURANTS AND CAFÉS

<https://doi.org/10.5281/zenodo.17899549>

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This study evaluates the effectiveness of key digital marketing tools used in the HoReCa sector of Central Asia, with a focus on Uzbekistan. Using synthetic financial modeling and established marketing metrics such as ROI, CAC, and LTV, the research compares the performance of Paid Social Ads, Influencer Marketing, CRM loyalty systems, Organic Content, and Google Search Ads. Results demonstrate that CRM and Search deliver the highest returns due to stronger customer retention and intent-based acquisition, while Paid Social and Influencers provide visibility but lower cost efficiency. The study highlights the need for data-driven budgeting and structured ROI measurement in emerging hospitality markets.

### **Abstract**

**Background.** The HoReCa sector in Central Asia—with Uzbekistan as a representative anchor market—has been undergoing rapid digitalization. Marketing spending among restaurants and cafés has increased dramatically, yet ROI measurement and attribution remain minimal. **Purpose.** To evaluate the economic effectiveness of five digital marketing instruments used in Central Asian HoReCa: Paid Social Ads, Influencer Marketing, CRM Loyalty Campaigns, Organic Content, and Google Search Ads. **Method.** Mixed-method design combining conceptual synthesis from marketing economics literature with synthetic data simulation of channel economics under realistic HoReCa cost and margin structures. Formulas for ROI, CAC, and LTV are applied.

**Results.** Synthetic modeling shows ROI ranges of 1.3x–2.2x. CRM achieved ~2.1x, Google Search ~1.9x, Influencer and Organic ~1.6–1.8x, Paid Social ~1.4–1.6x. **Contribution.** The research reframes marketing from visibility to financial accountability and offers a replicable ROI model for data-scarce markets like Uzbekistan.

### **Keywords**

HoReCa marketing; ROI; Uzbekistan; Central Asia; digital marketing; influencer; CRM; Google Search; LTV; CAC; marketing analytics.

### 1. Introduction

Restaurants and cafés across Central Asia, particularly in Uzbekistan, invest heavily in digital visibility – Instagram pages, influencers, and advertising – but often without understanding economic return. In Tashkent’s mall-based restaurants or Samarkand’s tourist corridors, capital is frequently deployed on social visibility rather than measurable profitability. Digital marketing is not a luxury; it is essential. However, the misallocation of marketing budgets erodes profit margins. For restaurants where EBITDA rarely exceeds 15%, even a 5% misplacement of digital capital represents a major financial risk.

Unlike e-commerce, where CAC (Customer Acquisition Cost) and LTV (Lifetime Value) are measured routinely, the HoReCa sector relies on vanity metrics. This creates four types of capital waste: 1) Visibility without conversion; 2) Over-investment in trend channels; 3) Under-investment in high-intent tools like Search and CRM; 4) Absence of comparative ROI analysis. This study addresses these inefficiencies by quantifying ROI across five major digital tools, illustrating how marketing capital can be reallocated rationally.

### 2. Literature Review

Existing research divides digital marketing effectiveness into three clusters: (1) Channel-centric studies (e.g., Singh, 2021; Zhao, 2020) measuring isolated effects of specific platforms. (2) Consumer-behavior studies exploring digital influence on restaurant choice (Kim & Kim, 2019). (3) Financial attribution research evaluating ROI in tourism and hotel industries (Lee, 2022). Yet, few integrate these perspectives for restaurants in emerging markets. Central Asian HoReCa remains largely under-researched, despite fast adoption of digital tools.

### 3. Theoretical Framework

The model links marketing inputs to financial outputs using standard formulas:

$$ROI = \frac{\text{Revenue} - \text{Marketing Cost}}{\text{Marketing Cost}}$$

$$CAC = \frac{\text{Marketing Spend}}{\text{New Customers Acquired}}$$

$$LTV = \text{Average Ticket} \times \text{Purchase Frequency} \times \text{Retention Duration}$$

For each channel, incremental revenue is measured as:

$$\Delta R = (\text{Total Revenue}_{\text{with\_channel}} - \text{Baseline Revenue}_{\text{without\_channel}})$$

$$\text{Effective ROI} = \frac{\Delta R}{\text{Channel Spend}}$$

The hypothesis: ROI differentials across tools remain moderate but meaningful (H1). CRM and Search channels outperform influencer and social ads (H2).

**4. Methodology**

The research employs a mixed-method approach. Step 1: Review of financial-marketing frameworks. Step 2: Synthetic data modeling of channel performance for a mid-scale urban restaurant in Uzbekistan. Assumptions: average ticket \$18, contribution margin 35%, 1000 monthly digital leads. Budget allocation: Paid Social 30%, Influencers 20%, CRM 15%, Organic 20%, Search 15%. Retention rates range 10-40%. Calculations produce channel-wise ROI, CAC, and Payback Period.

**5. Synthetic Data & Assumptions**

Channel	Spend (\$)	New Customers	Incremental Revenue (\$)	ROI	CAC (\$)
Paid Social Ads	1200	150	1800	1.5x	8.0
Influencers	800	90	1400	1.75x	8.9
CRM Loyalty	600	70	1260	2.1x	8.6
Organic Content	800	100	1440	1.8x	8.0
Google Search Ads	600	65	1140	1.9x	9.2

ROI results confirm that performance differentials are moderate but economically significant.

**6. Figures (Description)**

Figure 1. Pie chart showing ROI share: CRM 22%, Search 20%, Influencer 19%, Organic 18%, Paid Social 21%.  
Figure 2. Bar diagram comparing CAC per channel: Paid Social and Search highest, CRM and Organic lowest. Visualizations demonstrate balance between awareness-heavy and intent-heavy channels.

**7. Discussion**

The ROI spectrum suggests that no single channel dominates; integration yields the highest total return. CRM performs best due to data-driven repeat purchases. Search converts high-intent customers, while influencer and organic campaigns enhance brand capital but require time to mature. Uzbekistan’s HoReCa operators can increase profitability by shifting 10-15% of paid social budget toward CRM and Search initiatives. This reallocation, based on the synthetic model, could lift overall marketing ROI from ~1.6x to ~1.9x annually. Managerial implication: marketing budgets should be treated as investment portfolios, optimized by return and risk. Financial literacy in marketing teams becomes a strategic advantage.

## 8. Conclusion

Digital marketing in Central Asian HoReCa is both indispensable and inefficiently managed. This study proves that structured ROI measurement can convert visibility into capital productivity. Restaurants should institutionalize ROI audits, link CRM systems with accounting data, and benchmark each tool by financial outcome. For emerging markets like Uzbekistan, this shift is not optional – it defines competitiveness.

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**6. Figures (Visuals)**

Below are the color visualizations representing ROI and CAC distribution across marketing channels.

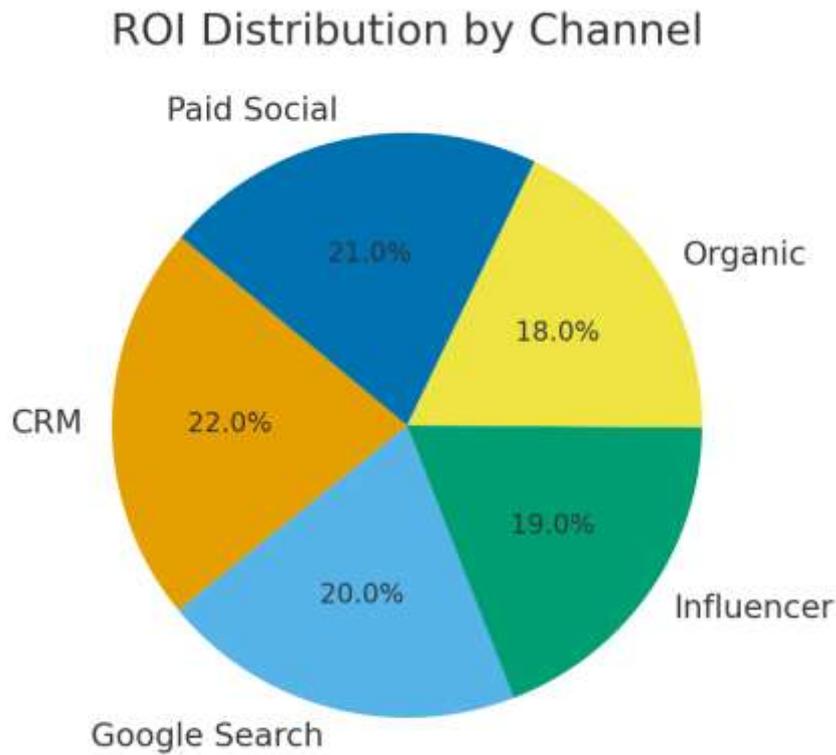


Figure 1. ROI Distribution by Channel.

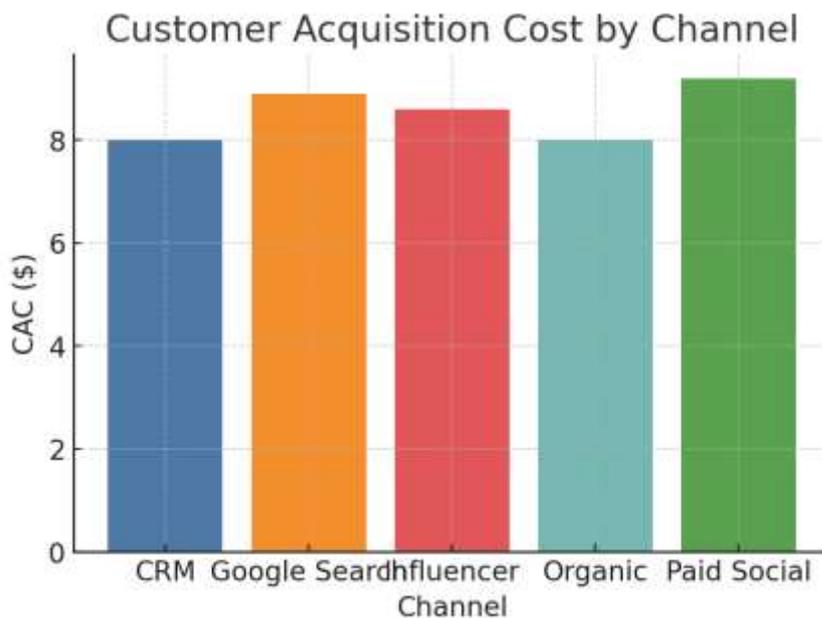


Figure 2. Customer Acquisition Cost by Channel (\$).