

Mobile Marketing Research Series

Coupon and Offer Personalization

Consumers share their insights for receiving personalized coupons and offers



About CodeBroker

CodeBroker's mobile marketing solutions are used by the world's most recognizable brands and retailers to engage consumers, drive purchases, and build loyalty.

Single-Use Coupon Solution that connects easily to existing POS systems, enabling retailers to distribute and redeem millions of personalized, single-use coupons and promo codes through all channels.

Digital Offer Wallet that enables retailers to deploy a fully-branded offer wallet across multiple digital channels, giving customers access to all of your offers in one convenient place.

Text Messaging Marketing Software that combines advanced SMS marketing capabilities with ease-of-use, to help marketers rapidly build and market to SMS subscriber lists and loyalty membership, securely and at scale.

Mobile Loyalty Program Software that adds any and all mobile channels to your existing loyalty platform.

We invite you to learn more at www.codebroker.com.

Survey Overview

In this, the latest in CodeBroker's mobile marketing research series, CodeBroker surveyed over 1,100 consumers across the United States on a wide range of coupon and offer personalization topics to gain an understanding of consumer behavior and preferences relating to personalized coupons and discount offers.

To access other CodeBroker research reports, please visit www.codebroker.com/resources.

About the Research Participants

1,152 U.S consumers participated in the research.

Age range:

18 to 20:	8%
31 to 38	49%
39 to 54	43%

Gender:

Female:	56%
Male:	44%

Household Income:

\$0 - \$24,999	18%
\$25,000 - \$49,999	20%
\$50,000 - \$74,999	15%
\$75,000 - \$99,999	11%
\$100,00 - \$149,000	13%
\$150,000 - \$199,000	5%
\$200,000+	4%
No Answer	14%

Region:

Pacific	18%
East North Central	16%
South Atlantic	14%
Middle Atlantic	13%
West South Central	12%
Mountain	8%
New England	7%
West North Central	7%
East South Central	5%

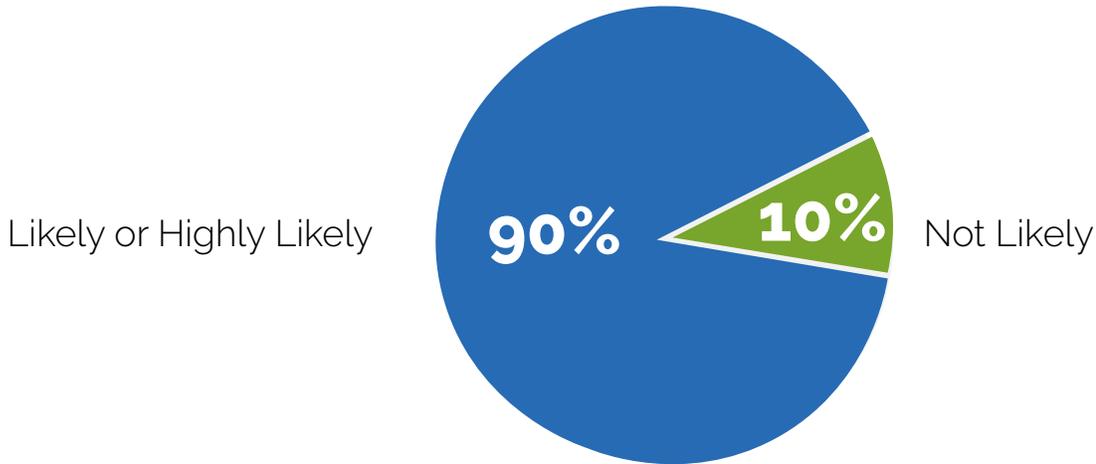
Key Takeaways

1. Consumers indicate that high-value coupons and offers are nearly 100% effective for getting existing customers, as well as lapsed customers, back into a store to make a purchase.
2. Consumers say that they will make a first-time purchase from a retailer when that retailer offers them a high-discount coupon or promotional offer in return.
3. Customers overwhelmingly prefer higher-value coupons that they can use only once, versus a lower-value coupon that they can use again and again.
4. It can be risky for retailers to offer higher discount coupons because consumers are likely to try to use a high-discount coupon more than once, or share that coupon with others.
5. True offer personalization requires strong distribution and redemption security to ensure that a coupon is used only once, and to ensure that the coupon does not go viral.

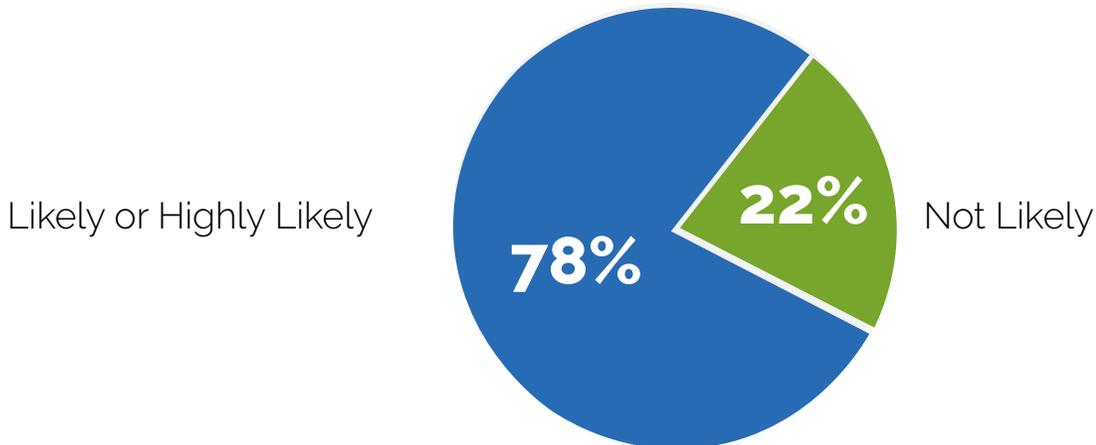
The Results

Customer Acquisition

How likely would you be to make a purchase from a retailer that you rarely or never shopped at if you receive a high-discount coupon from that retailer?



If you see an online/social media ad offering a high-discount coupon from a retailer that you rarely or never shopped at, would you consider making a purchase with that retailer?



Customer Acquisition

Discount coupons and offers are highly effective tools for retailers to use for customer acquisition. Overwhelmingly, consumers say that they will make a first-time purchase from a retailer when that retailer offers them a high-discount coupon or promotional offer in return.

Two key factors for consumers, however, are:

- 1) Store Location – consumers will try a new store as long as it is located near their home, otherwise they can't justify the discount.
- 2) Product Need/Desire – consumers are clear that although a high-discount coupon will drive them to a new store, if the discount is tied to a particular product, they must also have a need or desire for the product. Percentage-off discounts may be more effective for acquisition if the retailer does not have product preference data.

Comments

"In an effort to save money, any store with good deals/discount coupons would interest me."

"Coupons with high discounts give me a huge incentive to shop at a new store."

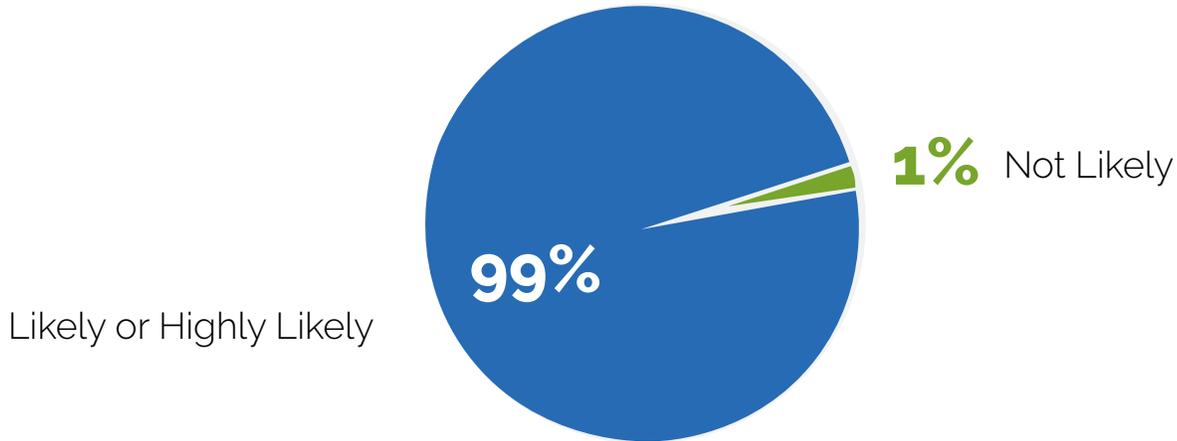
"Depends if said coupon makes an item cheaper than in the store where I frequently shop."

"I'm not going to use a coupon on something I don't need, just to use the coupon."

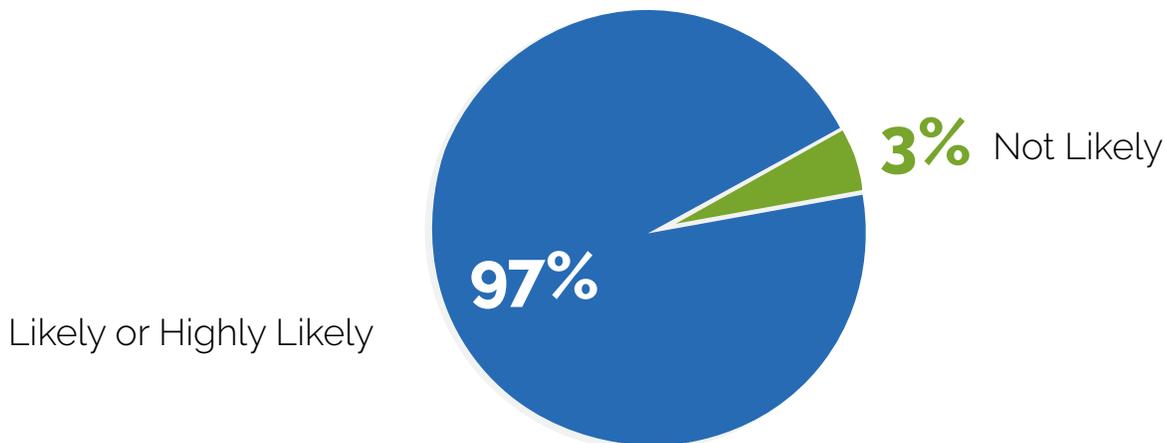
"Depends on how convenient the store is to my home."

Engagement and Retention

If a retailer that you shop with regularly sends you a high-discount coupon for a product that interests you, how likely are you to use that coupon?



If it had been a long time since you shopped at one of your favorite stores, how likely would a high-discount coupon get you back into that store?



Engagement and Retention

High-value coupons and offers are nearly 100% effective for re-activating lapsed customers and getting them back into a store to make a purchase. What's key is to leverage their purchase history and preference data, and combine that with an attractive discount. Many consumers indicate that they will return to a store when a discount is tied to a product in which he or she has interest.

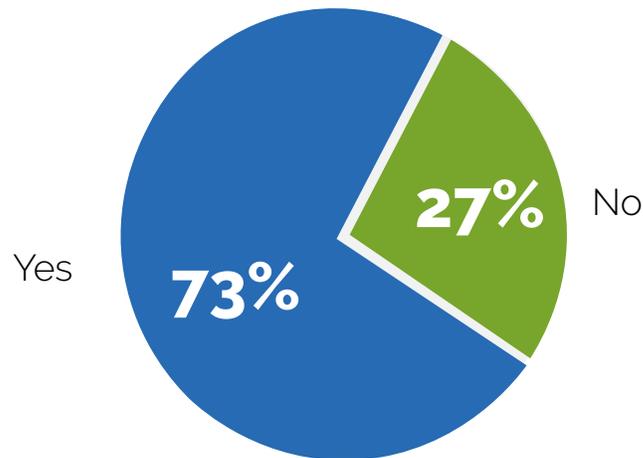
Comments

"Of course if it's a place that I already shop at."

"As long as the coupon is for an item I want."

Personalized Offers

Do you prefer to shop at stores that send you custom discount offers based on your purchase history?



Although some consumers remain uncomfortable with the idea of retailers tracking their shopping behaviors, the vast majority still welcome personalized offers based on their shopping history.

Comments

"I like coupons for products I've purchased, but not comparable products."

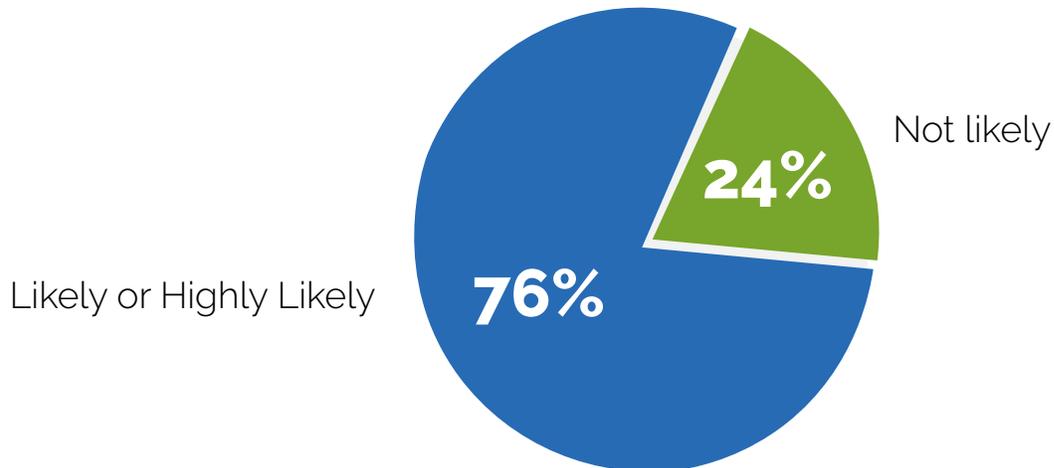
"It helps when they are items I buy regularly."

"Having customized discounts increases the attractiveness of a merchant, it makes the store more personal and intuitive to patronize."

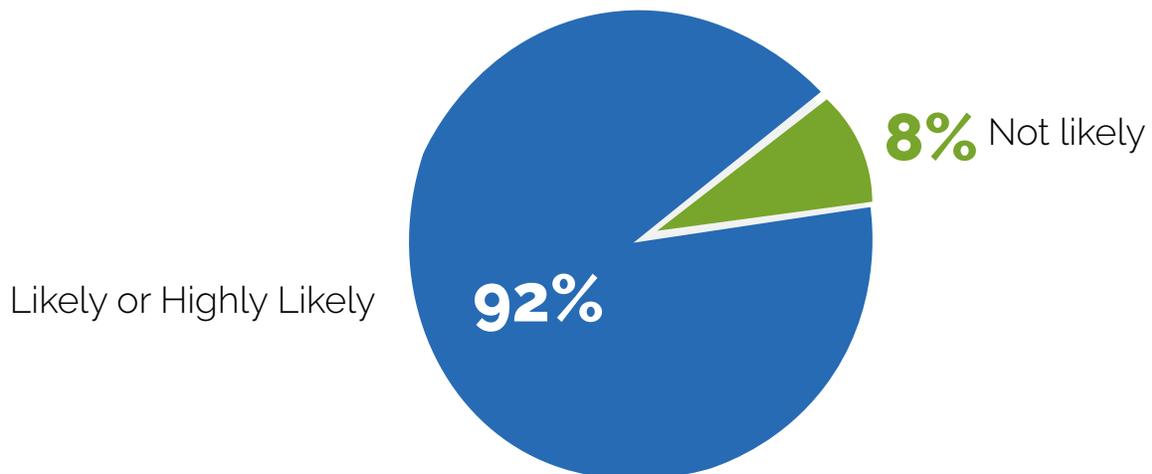
"I would rather have a store use my past shopping history to determine new coupon offers for me rather than suddenly sending me coupons for products that I would never buy. "

"It's a nice perk for places I shop at frequently to get discounts on items I am already buying."

How likely are you to try to use a high-discount coupon more than once?



How likely are you to share a coupon with another person if you feel he or she may want use it?



Secure Offers

The challenge for retailers when offering high-discount coupons is to make sure that they can only be used once, and can't be shared with others. The vast majority of survey respondents state that they will try to redeem a high-value coupon more than once or share it with others.

Retailers can solve this problem by employing a single-use coupon model to ensure that:

- The customer always receives the same barcode regardless of the number of times, or channels in which, she requests the coupon.
- Once the coupon is used, it expires simultaneously across all channels.
- It is impossible for a customer to obtain a second copy of the coupon unless allowed by the retailer.

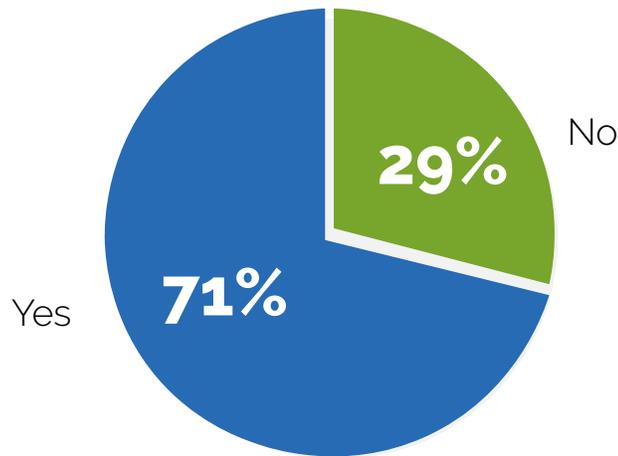
Comments

"If I get a coupon that is a great value, I usually post it on Facebook."

"If I am not going to use the coupon, I like to share."

Coupon Incentives

Are you more likely to join a retailer's/brand's marketing list if you receive an instant coupon as an incentive to join the list?



Consumers are very willing to fill out a form with their information when they are offered something of value in return – such as a mobile coupon. This is good news for retailers looking to build high-quality SMS marketing lists, rather than just collecting a phone number. By offering a high-value mobile coupon, retailers can collect demographic information during list sign-up, and can add the record to the CRM system, to target text messages more granularly, such as by location – and also augment text marketing with other channels, such as direct mail or email.

Comments

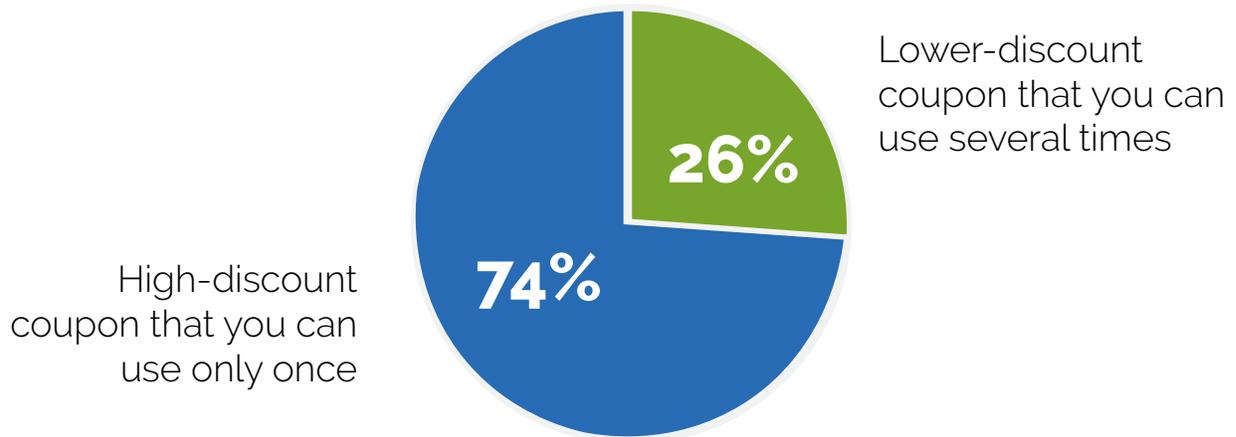
"Depends on how often I plan on shopping there. Also another advertising technique to get me in to buy more from them."

"I typically subscribe to mailing lists for merchants I shop at often or plan to shop at often, Only if it is substantial."

"Depends on the brand, if I'm going for a one time purchase vs. shop regularly."

"It all depends on the offer and if it is worth the hassle."

Which do you prefer more?

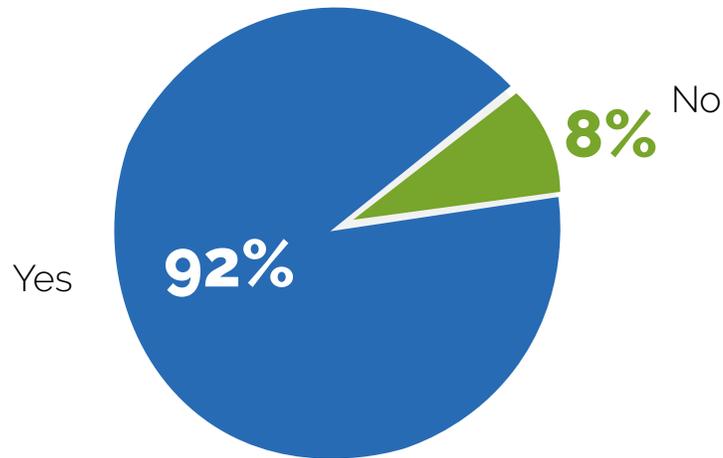


Consumers overwhelmingly prefer higher-value coupons that they can use only once, versus a lower-value coupon that they can use again and again. To deliver a high-discount single-use coupon, retailers must have the ability to generate a "smart" coupon with a security model that ensures:

- The customer always receives the same mobile coupon regardless of the number of times the coupon is requested and the number of channels she chooses to receive the coupon.
- It is difficult for a consumer to obtain a second copy of the coupon unless specifically allowed by the retailer.

Omnichannel Coupons

Are you more likely to use a coupon if you have the option to use it either in-store or online?

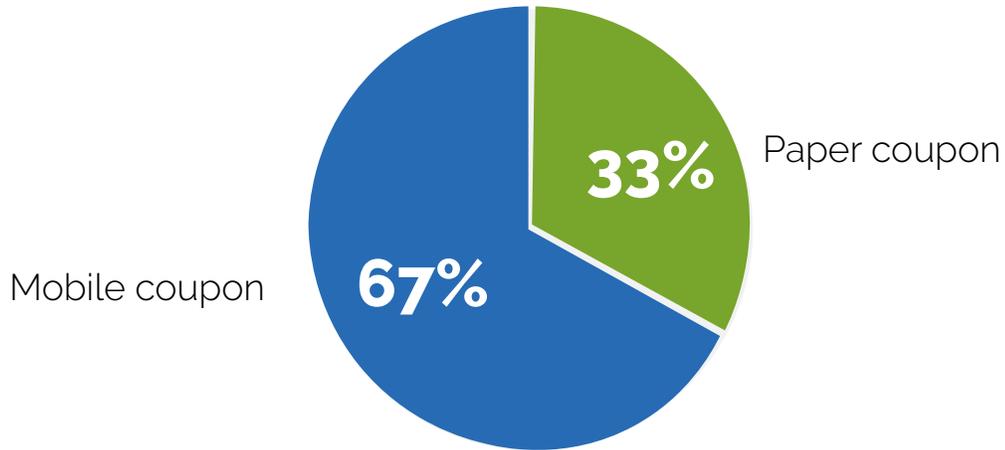


Most of today's consumers are omnichannel customers, and our findings showed that consumers overwhelmingly prefer coupons that give them redemption options. According to the Harvard Business review, omnichannel customers are more valuable to retailers, spending more than single-channel customers both in-store and online.

What's important for retailers using omnichannel coupons is that once the coupon is used, it expires simultaneously and is marked as redeemed across all channels to prevent re-use.

Mobile Coupons

When you use coupons, do you prefer mobile or paper coupons?



It's no surprise that consumer demand for mobile coupons has surpassed traditional paper coupons. Consumers are embracing mobile for the entire "coupon" experience: access, storage and redemption. Mobile coupons not only give more consumers what they want, but mobile coupons present marketers with new and improved possibilities for collecting data, tracking usage, and using that data for ongoing targeting.

Mobile Coupon Use on the Rise.

In 2018 [Mobile Coupon Consumer Research](#), 53% of consumers said that they preferred paper coupons, with 48% of respondents preferring mobile coupons. In less than one year, consumer preferences have flipped substantially.

When the same research participants were asked how they prefer to receive mobile coupons, 35% said they prefer to receive mobile coupons via email 34% via text message; and 23% via mobile app.

Where to Go from Here

Retailers looking to improve the results from their personalization efforts are using CodeBroker's **single-use coupon solution** to deliver personalized offers for customer engagement, acquisition, and retention.

CodeBroker is the only solution that enables both secure distribution and secure redemption of coupons and promo/offer codes, to enable marketers to securely deliver, and for consumers to securely redeem, personalized, rich offers and promos at scale, without the risk of offers being used more than once or going viral.

Contact us today to learn more.

Email: info@codebroker.com

Phone: 800.928.7315

Website: www.codebroker.com