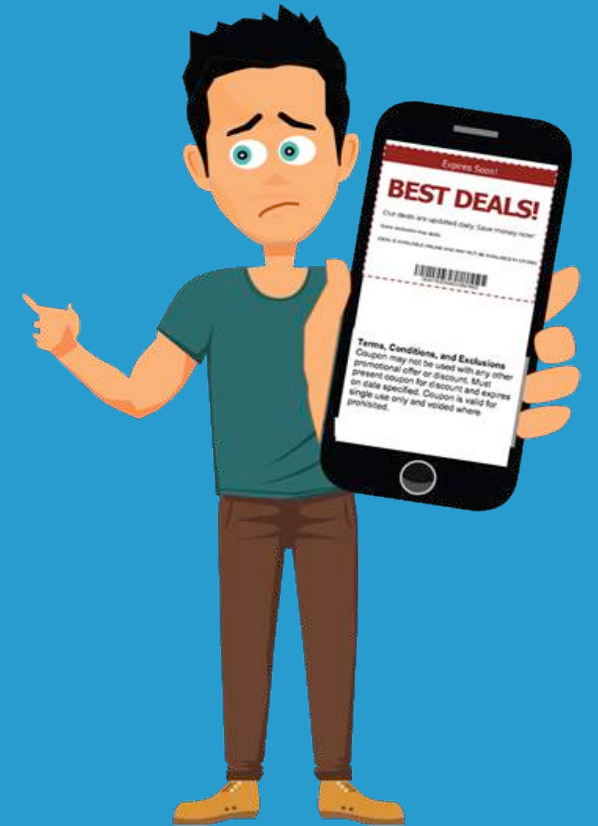# THE AGILE MARKETER'S GUIDE TO MOBILE COUPONS

Give your competitors **"Coupon Envy."**

New **features**. New **tools.** New **tactics** to create bigger & better mobile coupons.

FunMobility connects brands and audiences through fun & engaging mobile marketing.

Clients Include

What's Inside?

FUN mobility

1. THE "SO WHAT?" OF MOBILE COUPONS

- **What is this guide (and why do you care)?**
- **How to Coupon Like Bruce Lee**
- **Hopes and Fears for Brands and Retailers**
- **The Mobile Coupon Ecosystem**

What is this guide (and why do you care)?

Coupons have been around for a long time. The first one was released by the Coca Cola company in 1887 -- back in the days when heroin was still being marketed as an over-the-counter *cough-suppressant*.

And, just as medicine has evolved by leaps and bounds in the past 130 years, so too have coupons. Modern marketers now have the power to make coupons that are interactive, personalized, and easy to track.

That's why this isn't a book about *coupons.* It's a book about *modern coupons,* for *modern marketers.* It's about **all the cool new tools & tactics** you have at your disposal, beyond what Coca-Cola was able to do with that first, printed offer.

We're going to look at real-world case studies, along with technical features & functionality that help you to:

- Increase sales (i.e. make more money)
- Prevent digital coupon fraud (i.e. waste less money)
- Collect business intelligence (i.e. learn how to make your money go further)
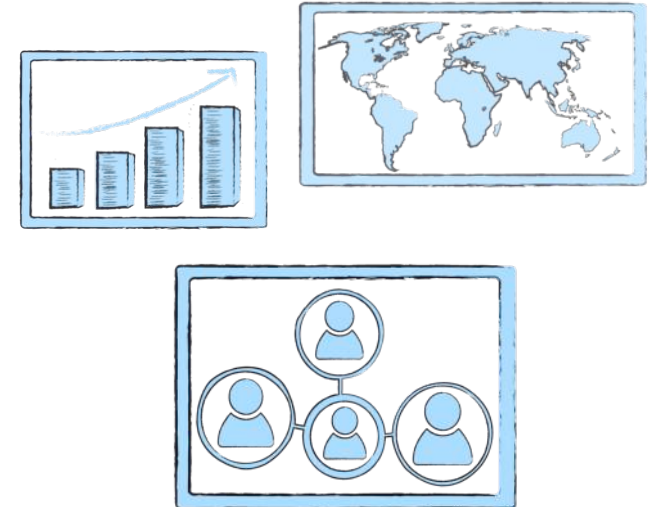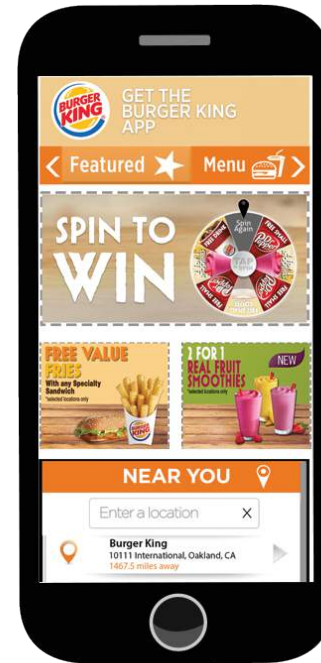- Grow your audience database (i.e. get consumers to spend more money)

So sit back, take it all in (or just skim until you reach the stats page, if that's your cup of tea), and be grateful that you're lucky enough to be alive and marketing in the 21st century.

Enter the era of Agile Mobile Marketing.

Coupons then...

...coupons now

FUN mobility

How to Coupon like Bruce Lee: Agile Mobile Marketing

> "If you put water into a cup, it **becomes the cup**. You put water into a bottle, it **becomes the bottle**. You put it in a teapot, it **becomes the teapot**… Be water, my friend." - Bruce Lee

Everybody knows that Bruce Lee was the greatest. He was never the biggest guy in the room, but he understood the importance of being quick and adaptable in a fight.

Those factors are just as important for marketers, especially today. Sure, there will always be a need for "Mega Marketing" campaigns (Super Bowl commercials, billboards in Times Square), but let's be honest:

Modern consumers don't digest media one Super Bowl at a time.

Today's consumers engage with content at a positively insane rate.

Social media, email, texts, web browsing, apps, YouTube, search — anyone who wants to keep up with consumer behavior needs to be like Bruce Lee. You need lightweight, adaptable content — "Agile"

marketing content — that can be automatically personalized to fit the needs of individual consumers, and instantly published **everywhere**.

Speaking of which: What's the one thing that consumers carry everywhere?

Answer: Their mobile phones.

That's why there's so much hubbub around mobile coupons. It's why they average **10x the redemption rate of print coupons** (*Business Insider*).

It's why the **keynote address at the 2015 Shopper Marketing Expo was all about mobile coupons**.

It's why a recent Nielsen study found mobile coupons are the **#1 factor that sways purchasing decisions**.

How to Coupon like Bruce Lee: Agile Mobile Marketing

"If you put water into a cup, it ***becomes the cup***. You put water into a bottle, it ***becomes the bottle***. You put it in a teapot, it ***becomes the teapot***... Be water, my friend." - Bruce Lee

You don't need an app to deliver fun & engaging coupons.

Thanks to the HTML5 standard, it's now possible to publish interactive, multimedia coupons anywhere. Things that were previously a challenge to deliver through the mobile web (animation, videos, games) can be accessed anywhere you can place a URL.

To use Bruce Lee's philosophy:

When your audience is on your brand's website, your coupon ***becomes the website***.

When your audience is reading an email, your coupon ***becomes the email.***

When your audience sees an ad, your coupon ***becomes the ad***.

Be like water, my friend.

Create once...

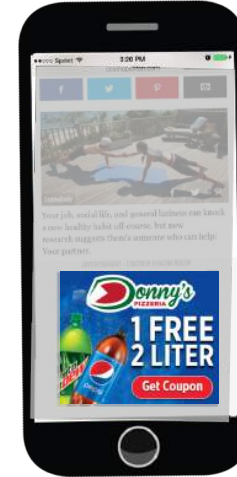**...instantly publish everywhere**

How to Coupon like Bruce Lee: Agile Mobile Marketing
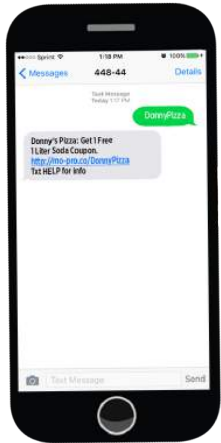

If your audience reads an email...

...your coupon *becomes the email*
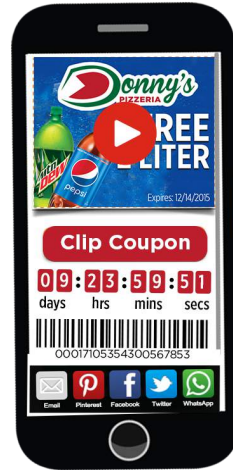
If your audience sees an ad...

...your coupon *becomes the ad*

If your audience reads a text...

...your coupon *becomes the text*

If your audience visits a website...

...your coupon *becomes the website*

Mobile Coupons: Hopes and Fears for Brands and Retailers

For Brands

Hope: Higher engagement, more sales.

Thanks to the ability to personalize offers for relevant shoppers, and also to make those offers more engaging with games & media, mobile coupons see dramatically higher (10x) redemptions compared to print

Fear: Liability in cases of online coupon fraud.

Brand marketers who don't understand fraud-prevention features worry they run the risk of their digital coupon being screen-captured and endlessly distributed online.

FunMobility uses several tools to ensure this doesn't happen, including single-use redemption codes, un-sharable unique URLs, and animated countdown timers that make screen-capture irrelevant.

For Retailers

Hope: Speedy redemptions & more sales

Because there's no physical coupon to deal with, retailers don't need to wait 3 months for a clearing house to process and clear the coupon transaction. And it goes without saying that those increased sales benefit the retailer, too.

Fear: Less safe; no paper trail

Because retailers don't have the physical paper coupon in hand, there's the worry that they won't be properly compensated by the brand.

By ingesting single-use redemption codes from the brand, and then tracking which of those codes have been delivered to shoppers, FunMobility makes it possible to match the retailer's POS data with the brand's disribution.

At-a-Glance: Mobile Coupon Stats

- Mobile coupons see 10x the average redemption rate compared to print coupons (Business Insider)

- 77% of consumers spend $10-$50 more than anticipated when redeeming mobile coupons, with 17% spending over $50 more (Juniper Research)

- Average print coupon redemption is <1%. **300 billion** print coupons are published annually, with just 2.84 billion redeemed. (Inmar)

- Grocery brands: **3x more coupons are discovered via mobile web** content vs. email and mobile apps combined. (Nielsen)

- 57% of the all adult Americans with internet access redeemed digital coupons in 2015 (eMarketer)

- Digital coupons are the #1 factor that sways purchasing decisions (Nielsen)

- **They're a big deal for moms**. 75% of mothers cite mobile coupons as the best and most engaging type of digital ads (BabyCenter.com)

- Moms cite the 3 most important features in modern mobile coupons as:
  1. Store locators
  2. Interactive features providing more information
  3. How-to videos

Create coupons with...

Games

Videos

Store Locators
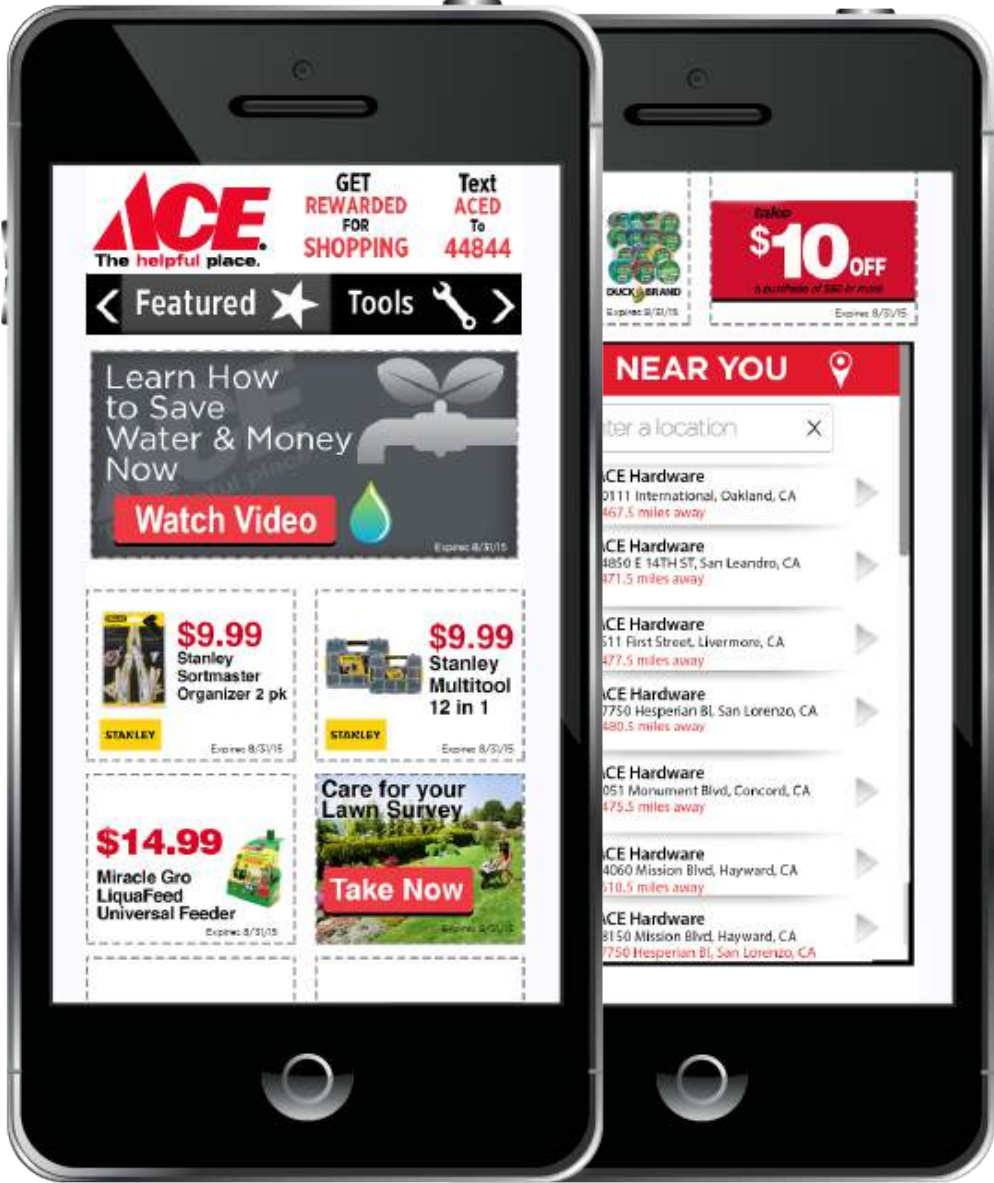
At-a-Glance: Mobile Coupon Stats

Conversion Rates for Related Mobile Marketing Content

	Featured Placement	Standard Placement
Prize Wheel	40%	10%
Lottery Scratch Card	30%	10%
Mobile Coupons	10%	5.50%
Surveys/Quizzes	72% completion rate (4 questions)	7% completion rate (8 questions)
Video Content	22%	10%

The Mobile Coupon Ecosystem

Creating the Offer:

First, the brand generates coupon codes and strategically decides on the optimal offer(s) to promote.

Ask yourself these 2 questions:

What's in it for the consumer?
- Money saved?
- Fun & games?
- Useful information?
- Product recommendations?

What's in it for the brand?
- Business intelligence?
- Increased awareness?
- Brand loyalty?
- Upsell?

FREESODA

Code: 2233454545

FREESODA

Brands can ingest a virtually unlimited number of unique single-use coupon codes into the FunMobility Platform. Those codes will then automatically populate into the digital coupons as they are served to individual users

Creating the Offer (the brand) → **Promotion, Distribution, & Tracking (FunMobility)**

Promotion, Distribution, & Tracking (FunMobility) ↓ **Redemption at POS (retailers, POS system)**

Redemption at POS (retailers, POS system) → **Validation & Clearing (NCH, Inmar)**
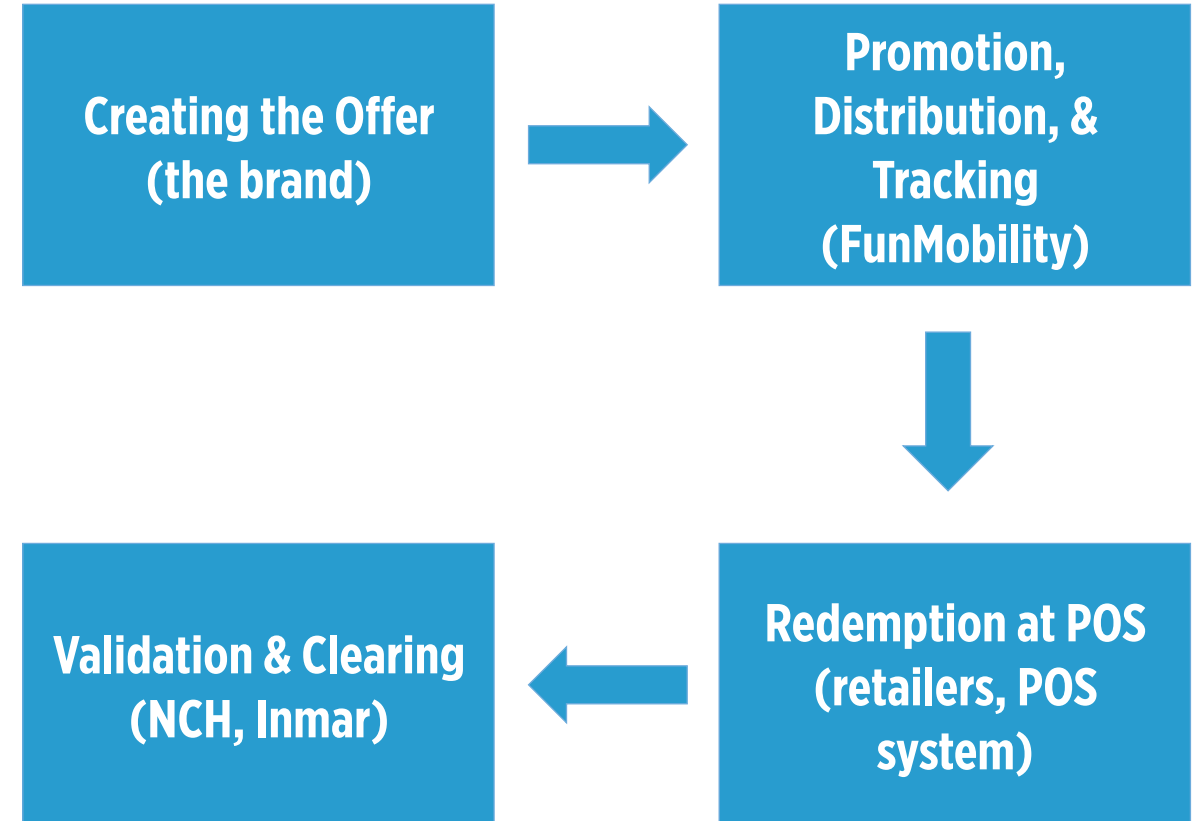
The Mobile Coupon Ecosystem

Promotion, Distribution, & Tracking:

A company like FunMobility ingests the coupon codes to create, promote, and track the marketing/advertising side of the campaign:

- Produce mobile content, coupons, & digital experiences

- Promote the coupons to a targeted, relevant audience

- Capture Business Intelligence about the brand's audience & marketplace

Creating the Offer (the brand) → **Promotion, Distribution, & Tracking (FunMobility)**

↓

Validation & Clearing (NCH, Inmar) ← **Redemption at POS (retailers, POS system)**
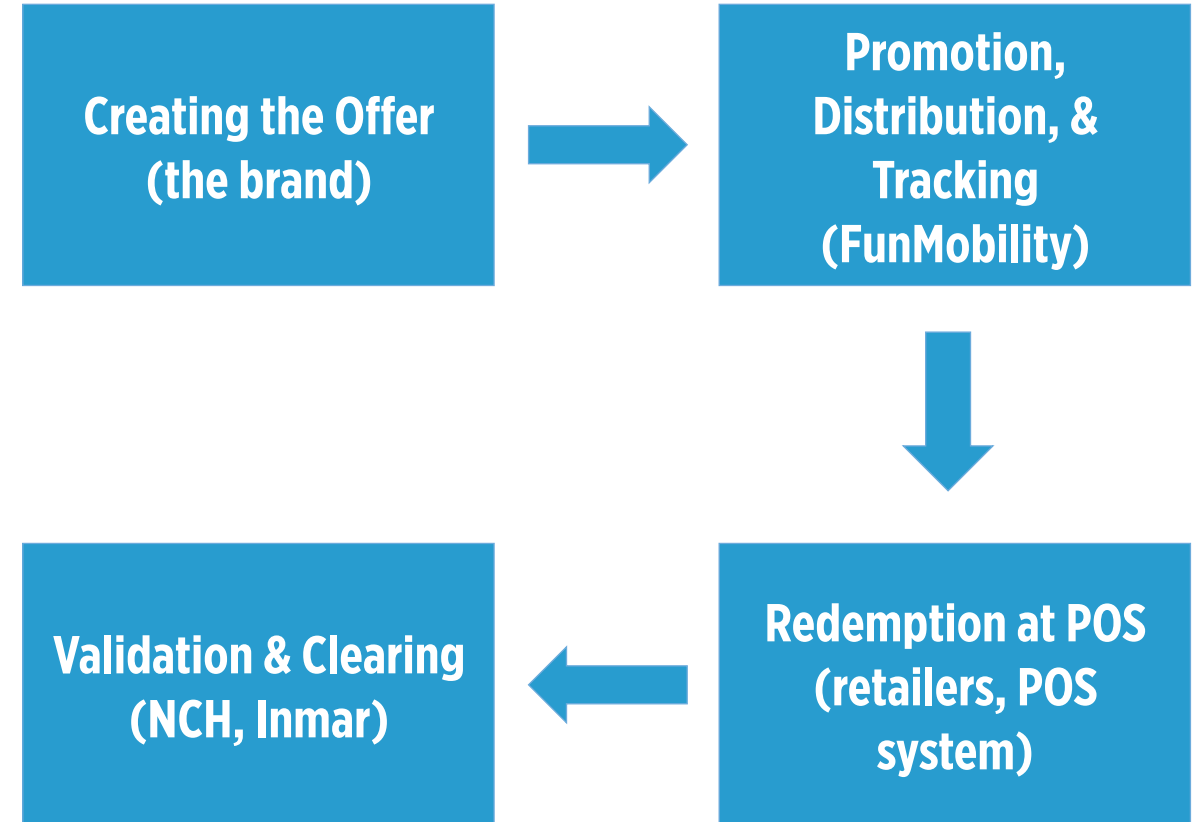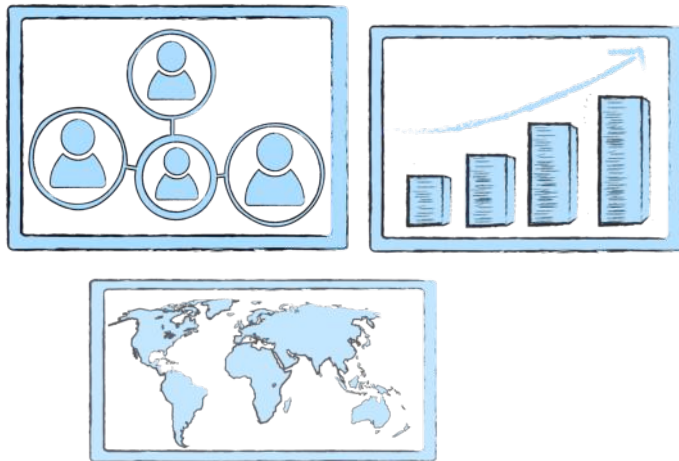
The Mobile Coupon Ecosystem

Redemption at POS:

The coupon codes are accepted through the retailer, or through a company like Inmar that maintains relationships with various retailers.
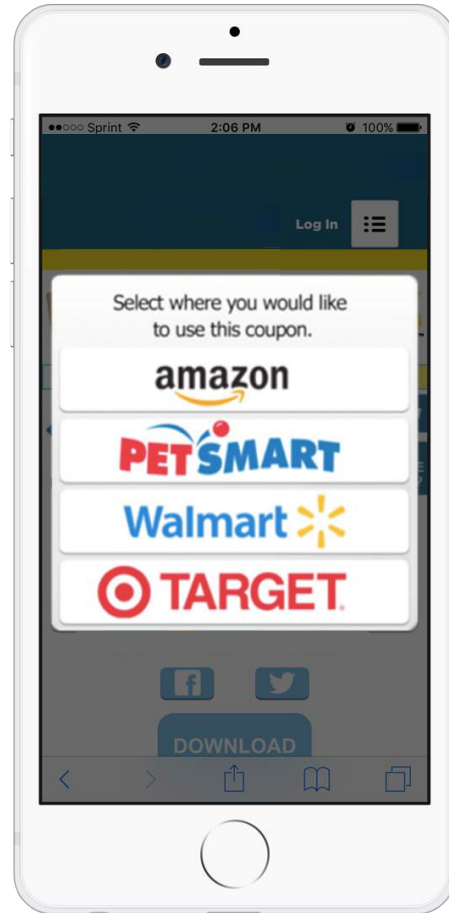
For brands carried by multiple retailers, FunMobility coupons use a drop-down menu that allows users to select from participating retailers.

Creating the Offer (the brand)

Promotion, Distribution, & Tracking (FunMobility)

Validation & Clearing (NCH, Inmar)

Redemption at POS (retailers, POS system)
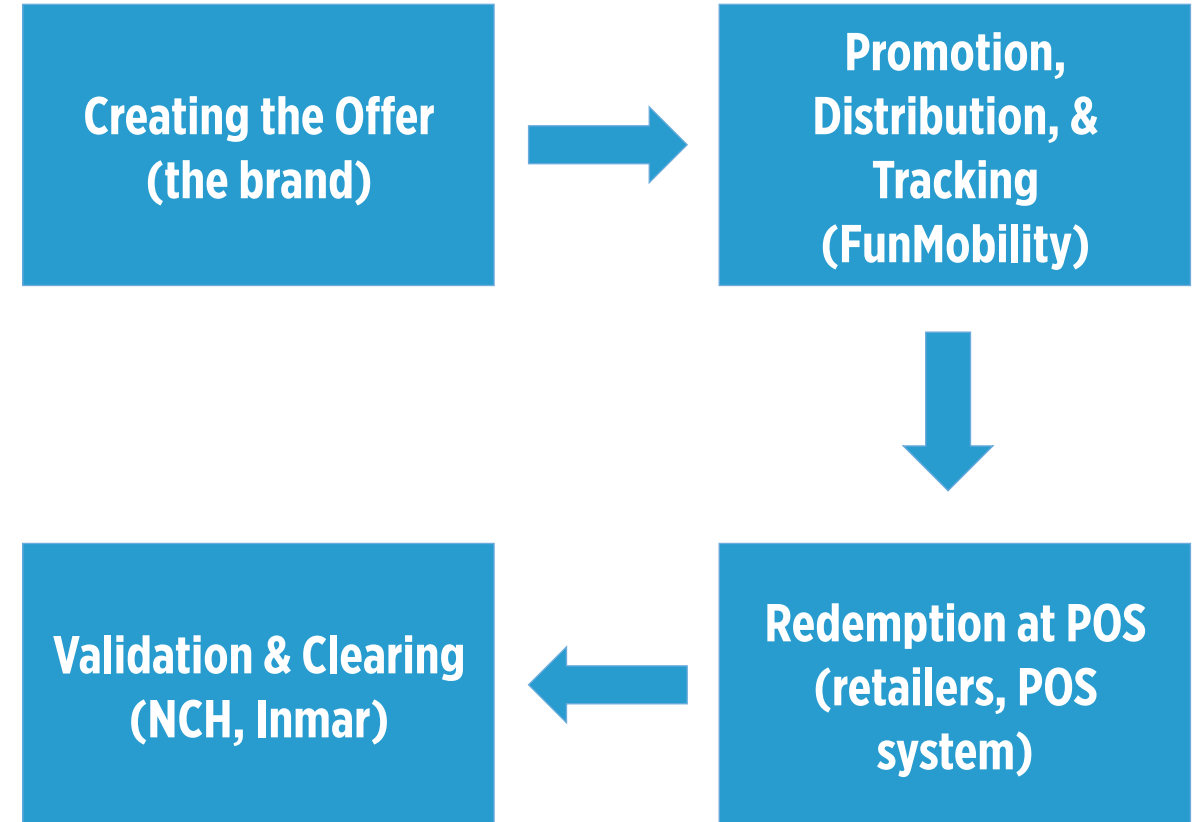
The Mobile Coupon Ecosystem

Validation & Clearing:

The retailer's point of sale data delivers the redeemed coupon codes to a clearing house, who resolve the transaction with the brand.

FunMobility can track the # of coupon codes served, as well as the # of intend-to-redeem events, and match that data with the retailer's POS redemption data

Creating the Offer (the brand)	→	Promotion, Distribution, & Tracking (FunMobility)

Validation & Clearing (NCH, Inmar)	←	Redemption at POS (retailers, POS system)
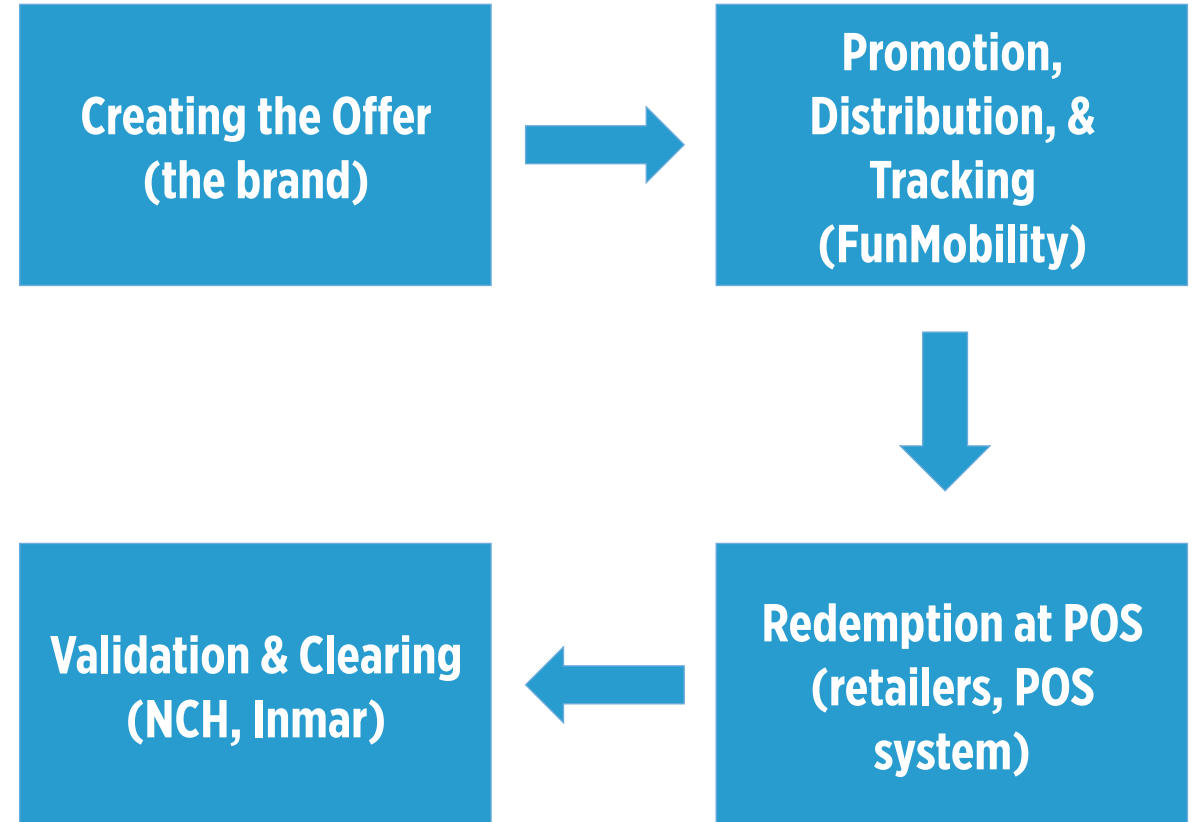
2. REAL-WORLD EXAMPLES: HOW TO INCREASE SALES

- **Engaging Content: Ace Hardware**
- **Personalized Coupons: Carol's Daughter**
- **Gamification: Papa Murphy's Pizza**

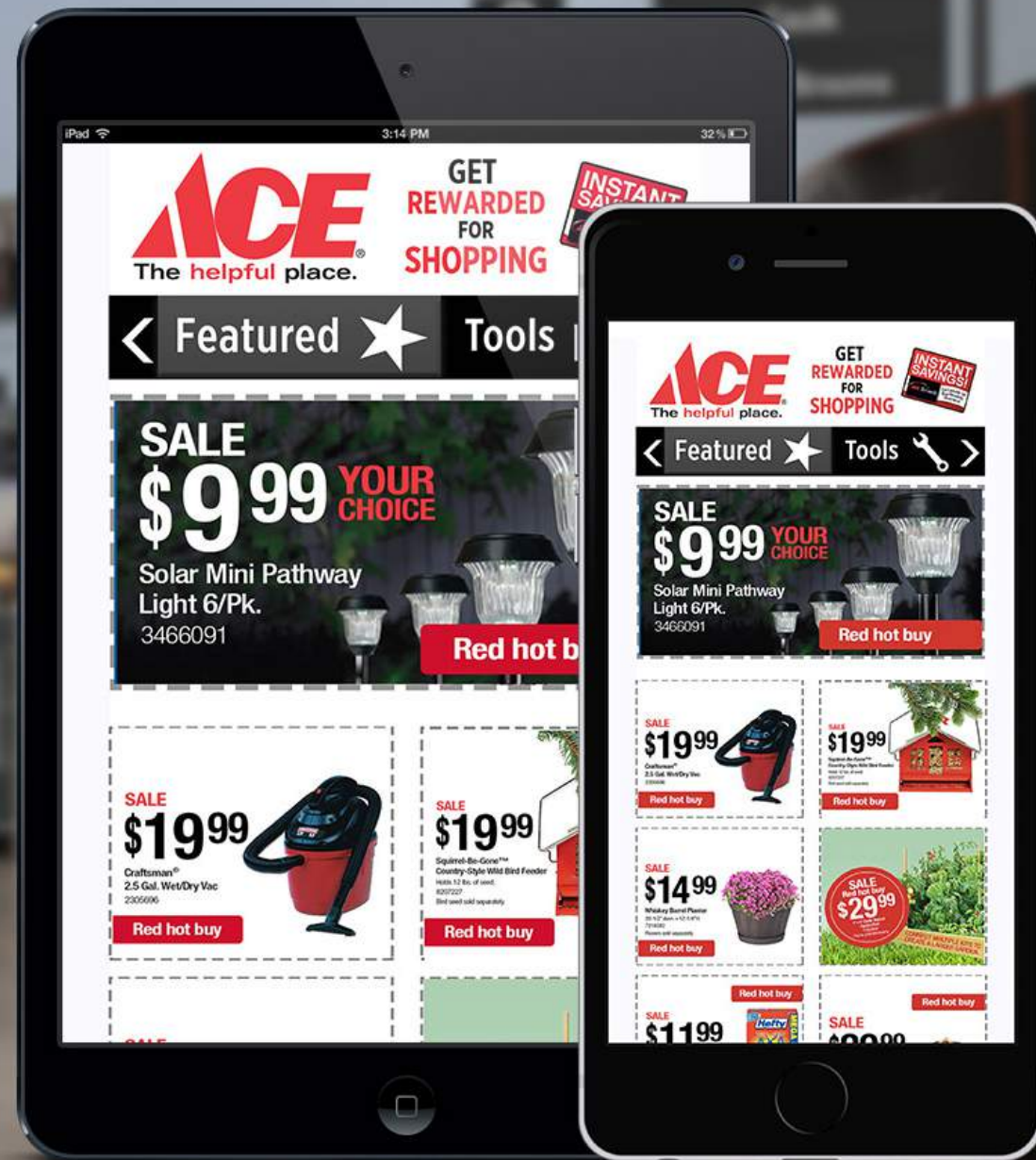# Case Study
"Don't be a Drip"

Case Study: Ace Hardware

If you want to increase sales with mobile coupons, it means you've got to increase the rate of redemption. There's three factors which affect this number, and the first two are pretty straightforward:

Factors in mobile coupon redemption rate

1. **The value/relevance of the offer**

2. **The convenience/friction of the redemption process**

The third factor is a little bit trickier, but just as important:

3. **The context of the experience**

By "context," I mean the conditions under which the consumer is served the coupon. Is it at the store? Is it through a banner ad? In an email?

More importantly, what is the "experience" of getting that coupon really like? Is it fun? Personalized?

Does the experience itself provide value beyond just money saved?
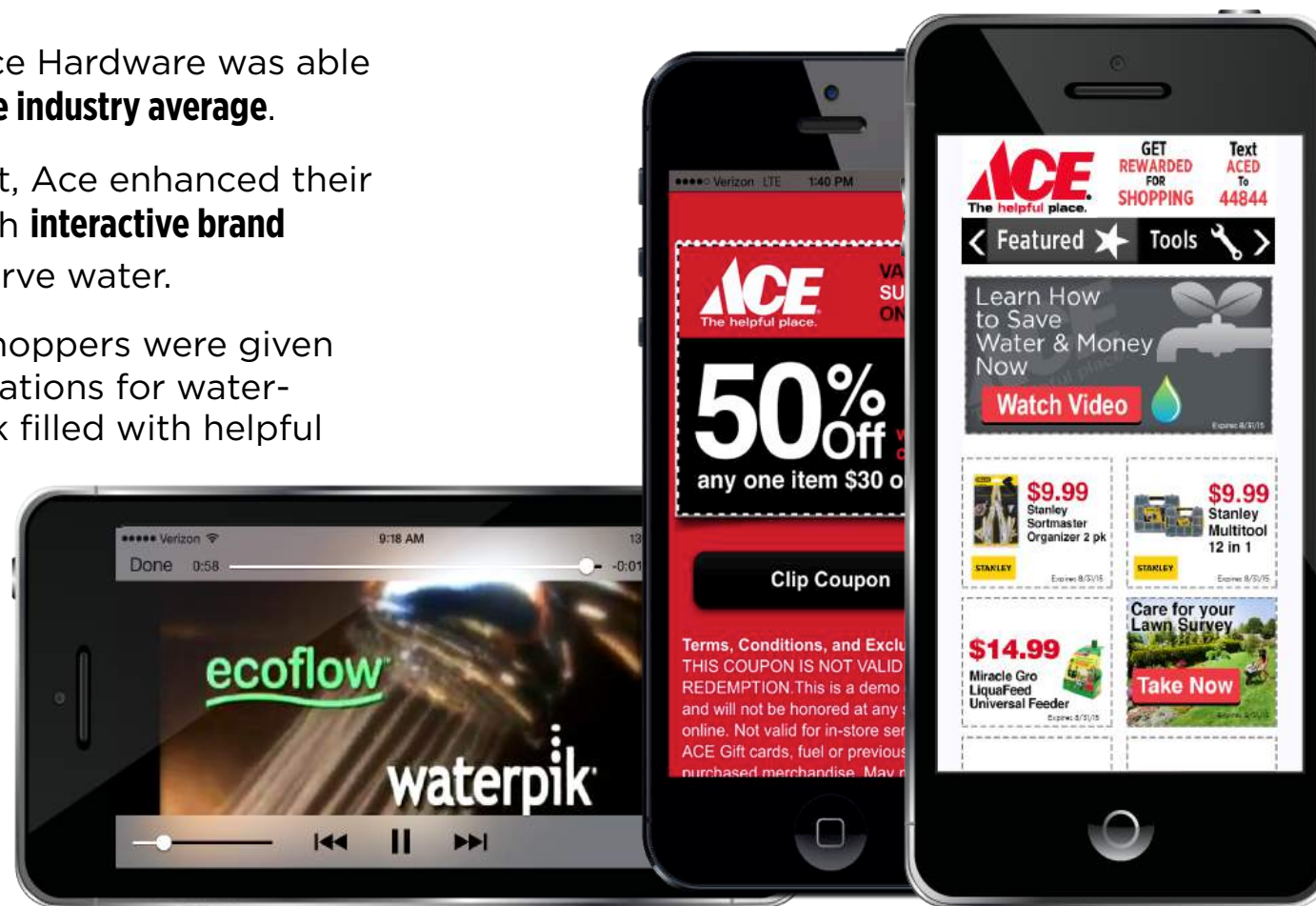
Case Study: Ace Hardware

By optimizing the context of the experience, Ace Hardware was able to increase their **average cart size to several times the industry average**.

With California suffering from a historic drought, Ace enhanced their traditional monthly mobile coupon circulars with **interactive brand content**, all dedicated to helping shoppers conserve water.

In addition to the usual set of monthly offers, shoppers were given HTML5 content like how-to videos, recommendations for water-saving products, and a mobile-optimized eBook filled with helpful tips to conserve water around the house.

Featured Content Included:
- Relevant Product Videos
- Themed Mobile Coupons, redeemable at POS
- Mobile eBook "Water Saving Tips"
- Games & Surveys

Case Study: Ace Hardware

Results

Everybody won. The experience provided shoppers with relevant information to solve a very real problem, it helped the state of California by encouraging drought-awareness, and it provided Ace Hardware dealers with cart sizes **6x the industry average**.

This dramatic increase wasn't the result of some tremendously valuable offer, or an unusually easy method of in-store coupon redemption (in-store redemption is usually as simple as scanning a barcode) – it was entirely because Ace Hardware delivered their mobile coupons in an exceptionally-engaging **context.**

*6X AVERAGE CART SIZE

*compared to hardware vertical average $20 cart size
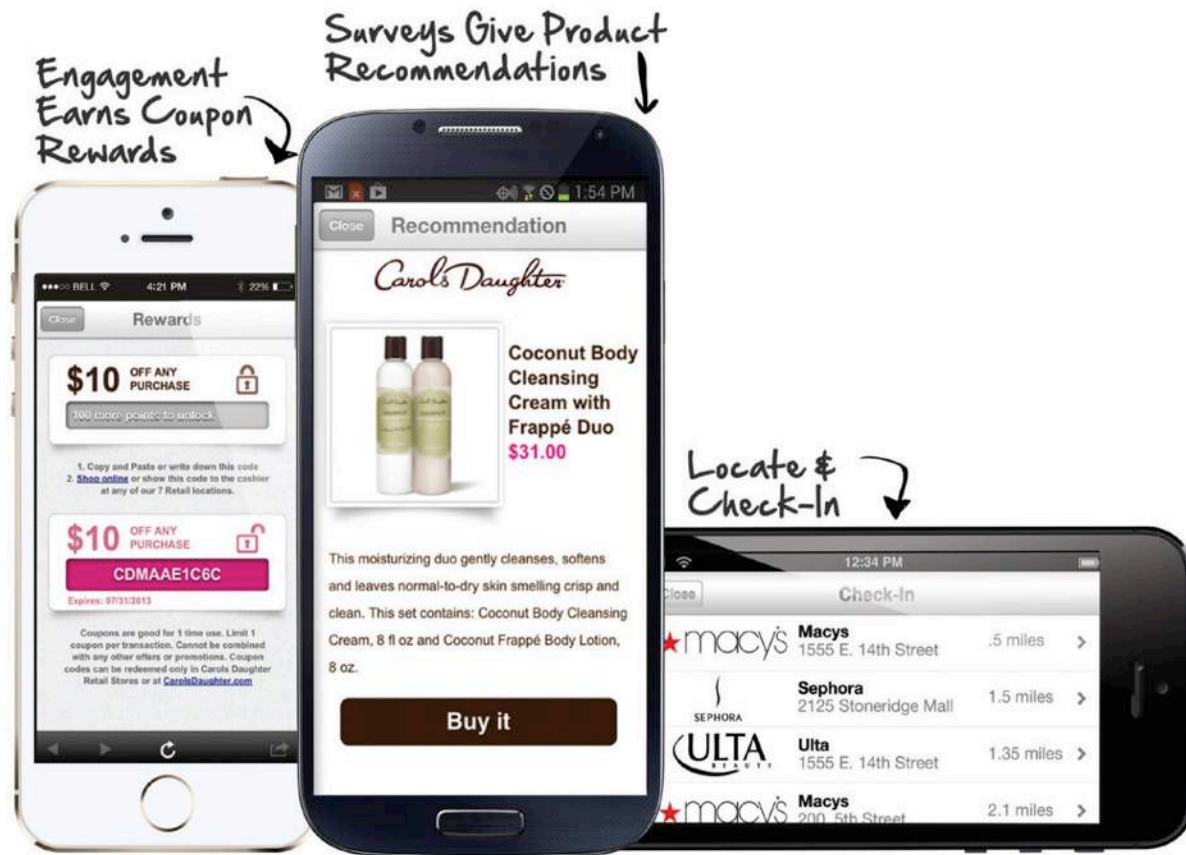
"It has worked out really well for us. It's easy, our customers like it. This lets them know that this is the place to shop."

- Linda Roarke | CEO Pete's Ace Hardware

Case Study
"What's Your Hairsonality?"

Case Study: Carol's Daughter

One of the primary differentiators of mobile coupons vs. print or even digital desktop coupons is the potential for **personalization**. Mobile phones are the only devices that are almost exclusively unique to the individual user. One person, one phone.

But how does this translate to more sales?

In two ways: first, it's possible to track an individual's behavior through an app or a website and **serve coupons that are relevant to his or her specific interests and needs**.

And that's just the *immediate* value. More importantly, it's possible to take that short-term bit of personalization and create long-term value for the brand by **segmenting your audience database** (serving only the most relevant coupons to your different segments) and collecting actionable **Business Intelligence** to help guide future messaging, offers, and marketing spend.


Survey Taken

YOU EARNED 100 pts
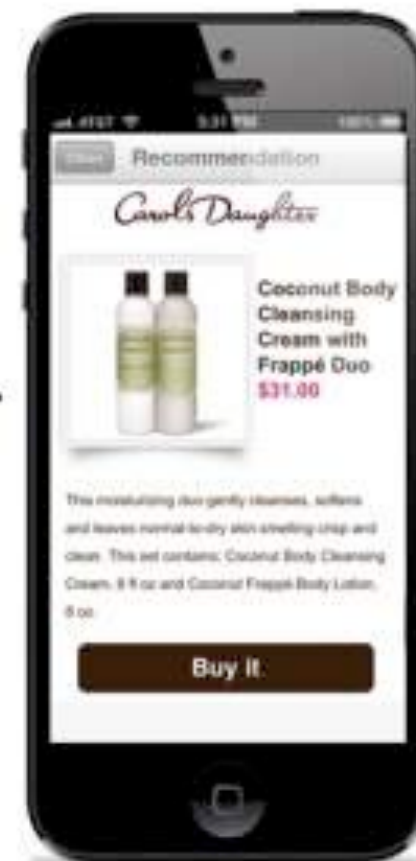
Case Study: Carol's Daughter

Beauty products retailer and manufacturer Carol's Daughter used FunMobility to create a fun & engaging **branching personality quiz**, asking eCommerce shoppers to discover "What's Your Hairsonality?"

The quiz involved a simple mobile-friendly interface, where users tapped through a series of humorous questions about their hair (and the frustrations they have with it).

At the end of the quiz – based on the answers provided – a **personalized mobile coupon** was automatically provided for a product specifically-relevant to the individual shopper.

For instance, a shopper the quiz identified as having "frizzy hair" would automatically receive a mobile coupon for a product designed for people with frizzy hair.
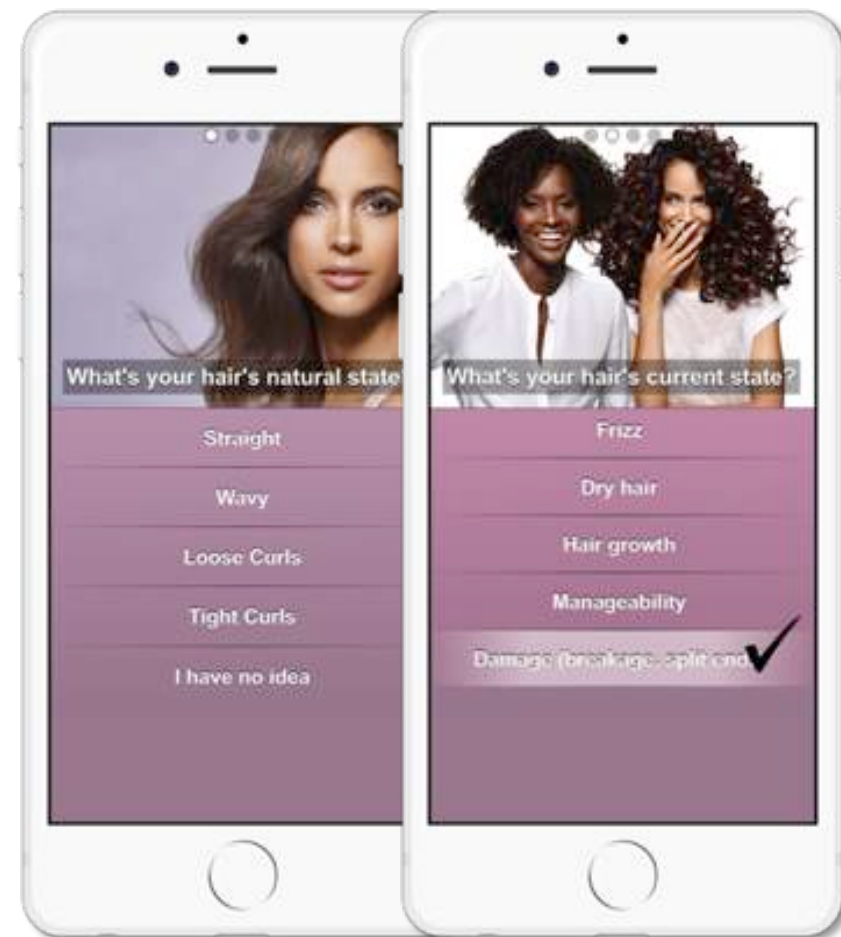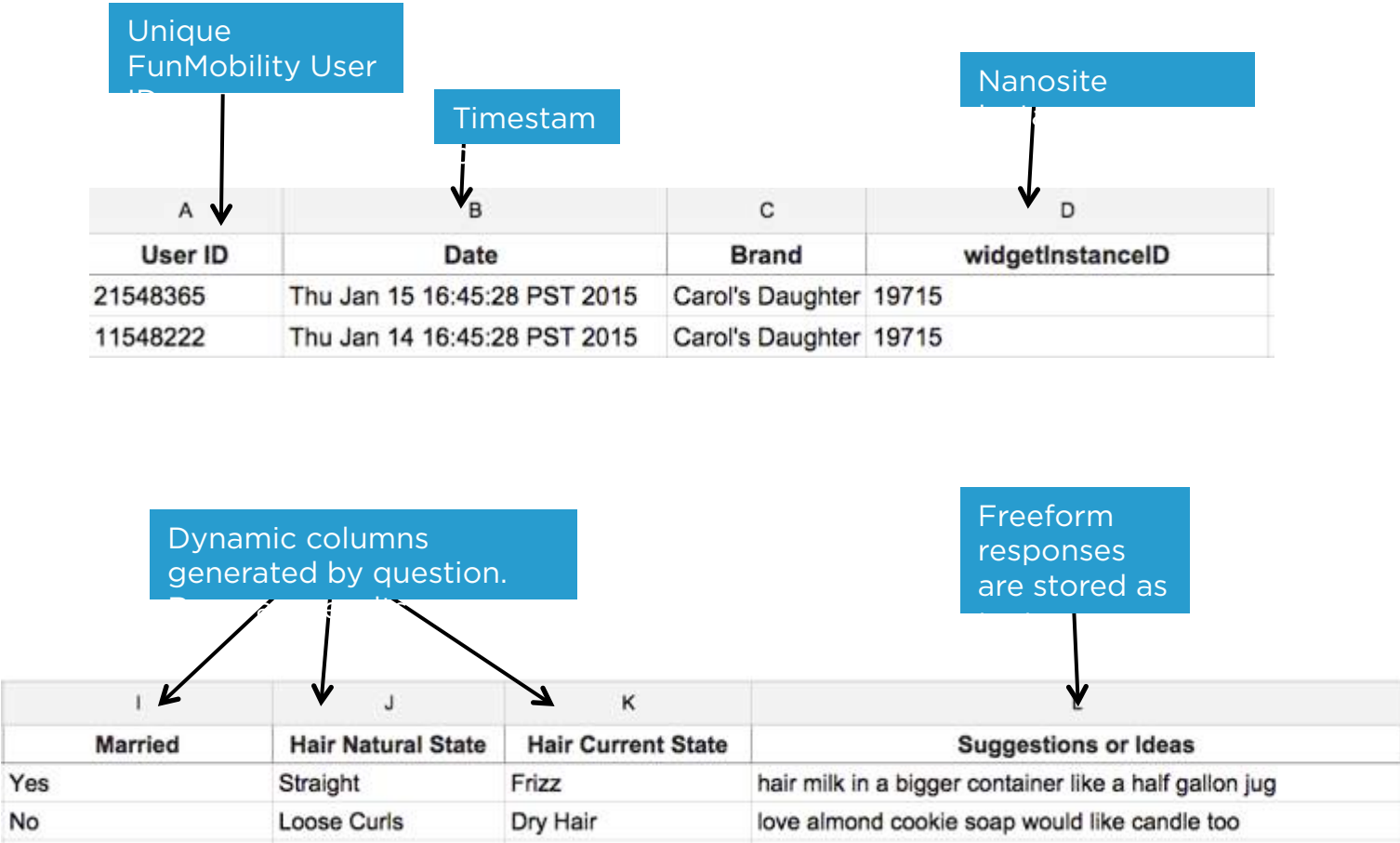
Case Study: Carol's Daughter

Even more important was the long-term **database segmentation** and **Business Intelligence** provided by this campaign.

FunMobility generated unique User ID's for every individual who engaged with the quiz, automatically associating quiz responses, recommended coupons, and redemptions on a per-user basis.

Moving forward, Carol's Daughter had the ability to segment their mobile audience based on this information, providing more relevant offers to these different audience segments. And, as you would expect:

More relevant offers see higher redemptions.

In addition, Carol's Daughter was able to track the needs and interests of their audience on an aggregate level, just as if they had delivered a market research survey to each and every shopper who took the quiz.

Unique FunMobility User ID

Timestam

Nanosite

	A	B	C	D
	User ID	Date	Brand	widgetInstanceID
	21548365	Thu Jan 15 16:45:28 PST 2015	Carol's Daughter 19715	
	11548222	Thu Jan 14 16:45:28 PST 2015	Carol's Daughter 19715	

Dynamic columns generated by question.

Freeform responses are stored as

	I	J	K	
	Married	Hair Natural State	Hair Current State	Suggestions or Ideas
	Yes	Straight	Frizz	hair milk in a bigger container like a half gallon jug
	No	Loose Curls	Dry Hair	love almond cookie soap would like candle too

Case Study: Carol's Daughter

Results

This combination of a mobile coupon, a fun social media-style quiz, and a personalized product recommendation proved a potent cocktail for shoppers, who were **4.5x more likely to redeem** that personalized coupon than shoppers who were served the same offer without the quiz.

- **45,000 Quizzes Served**
- **72% Quiz Completion**
- **CRM Database Segmentation**

4.5x higher redemptions vs. average mobile coupons

"It's been terrific. We've seen excellent results: 45% of all coupons have been redeemed, which is an extraordinary number."

- Jessica Klein | Director of E-Commerce, Carol's Daughter

FUN MOBILITY

Case Study
"St. Patty's Day Spinner"

Case Study: Papa Murphy's Pizza

One of the big buzzwords of the digital age continues to be **Gamification** – adding game-like features into a process to make it feel more fun & rewarding for the end user, and to encourage a habitual behavior of engagement.

When it comes to mobile coupon campaigns, we've seen this concept prove highly effective for a variety of different verticals. Not only does the fun of the gamified experience make the initial brand interaction more powerful and rewarding, it also **dramatically increases all future brand engagement.**

When it comes to gamified mobile campaigns, the most important thing to consider is friction.

Mobile users crave instant-gratification, meaning the whole experience needs to be fun, engaging, and rewarding – while providing **the most expedient interaction possible.**

Case Study: Papa Murphy's Pizza

Take-and-bake pizza chain Papa Murphy's wanted to drive traffic during off-peak hours over the St. Patrick's Day weekend. They did this with a nation-wide campaign, targeting their existing audience database with a **Spin-to-Win Prize Wheel** that rewarded players with mobile coupon "prizes."

The **Prize Engine** powering this campaign used custom logic to determine the pacing and frequency that coupons of different values were awarded – meaning the highest value offers (get a free large pizza) could be reserved for only a lucky few, while the most common offers (an upsell on cookie dough) could be delivered endlessly.

So, even though it appeared that the segments of the wheel were all of equal size (and thus equal potential to win), the prize engine carefully controlled how often grand prizes were awarded.
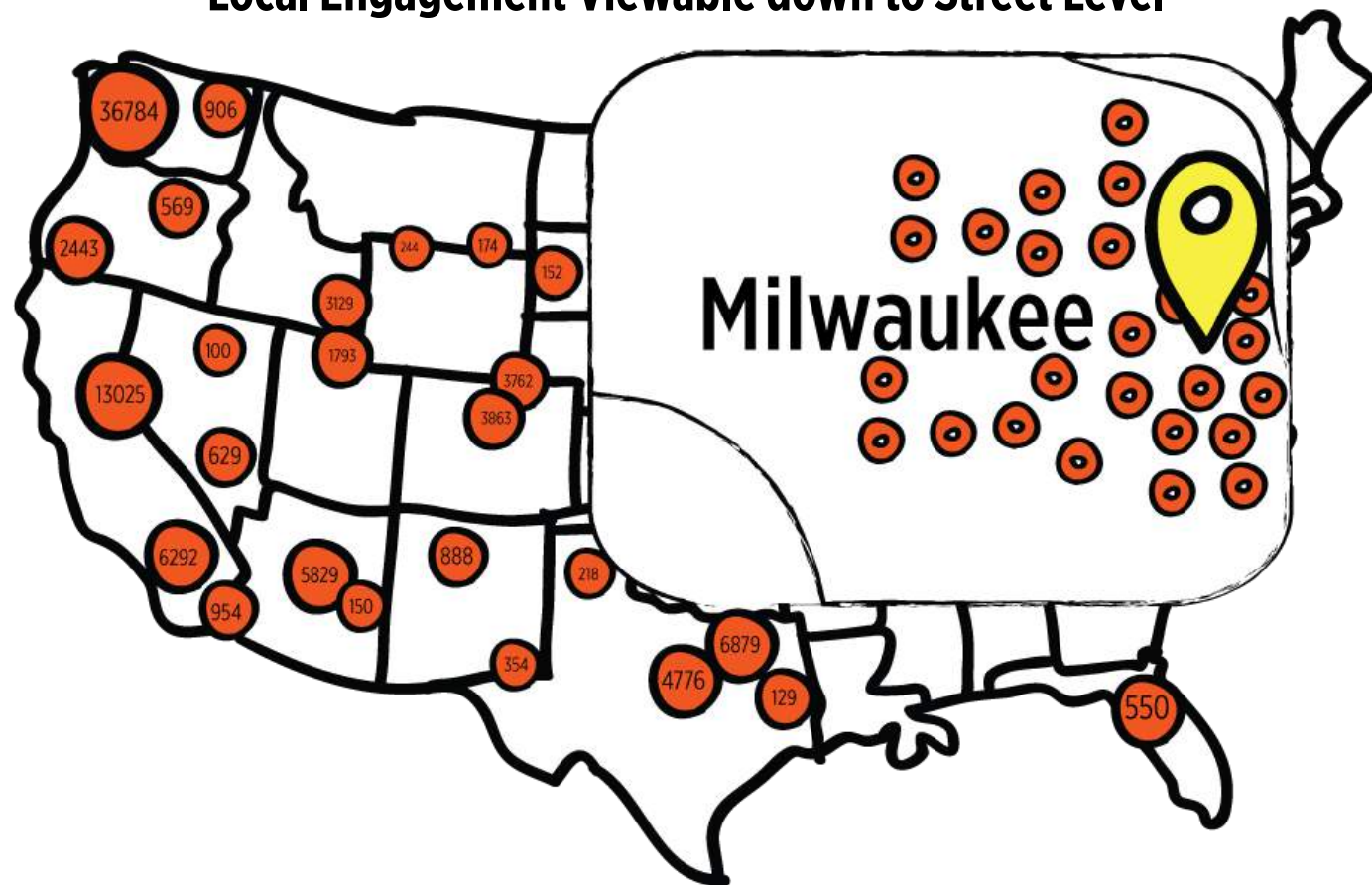
Case Study: Papa Murphy's Pizza

Because mobile devices are location-aware, Papa Murphy's was able to get a snapshot of audience engagement from all across the country.

Analytics showed trends in which demographics were most engaged with the campaign, in which geographic areas, during which times of day.

Post-campaign location data provides invaluable insight into your audience, and how they respond to different marketing/advertising efforts.

**Local Engagement Viewable down to Street Level**

Case Study: Papa Murphy's Pizza

Results:

Within just a few hours, it became clear that this 2-day campaign would be one for the record books:

- **82% of users played the game on page load**

- **94% who played the game clicked intent to redeem their coupon "prize"**

- **Lower-value coupons could be shared to email or social media: 25% of users shared their coupons**

AUDIENCE
(UNIQUE DEVICES)

Views   Game Played   Coupon Served   Intent to Redeem
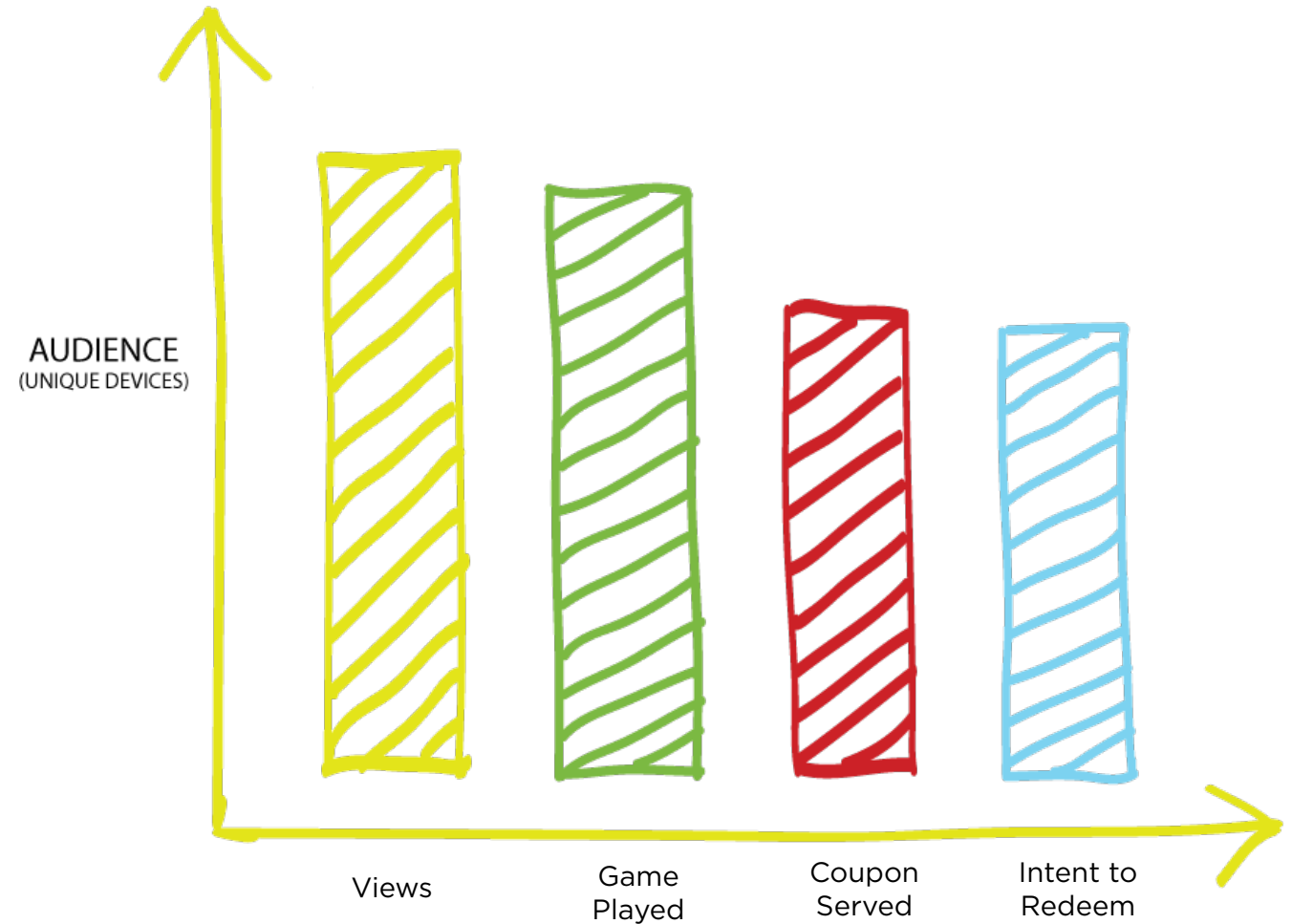
3. HOW TO PREVENT COUPON FRAUD?

- **Countdown Timers**
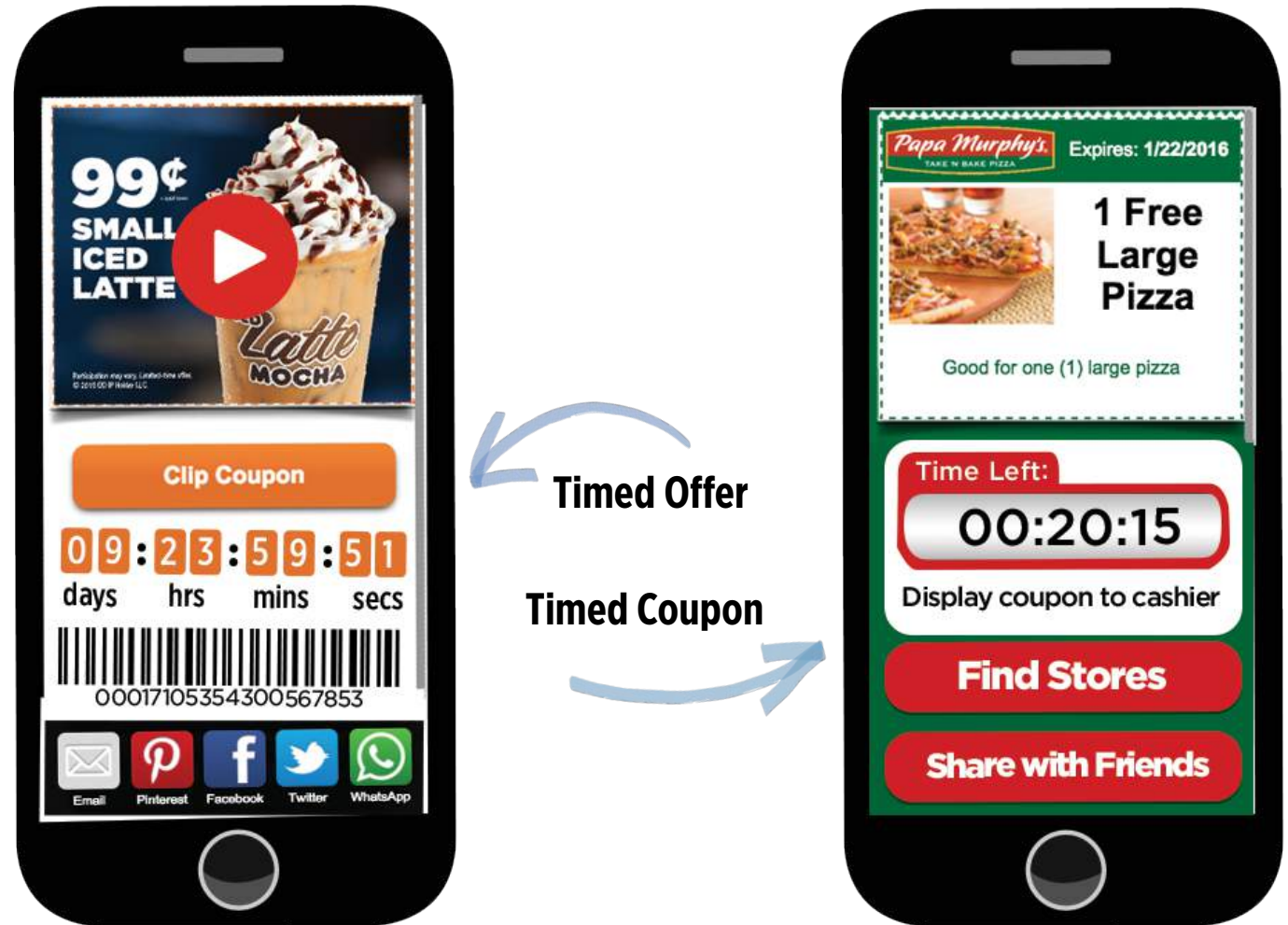- **Unique URLs**
- **Single-Use Codes**

FUN mobility
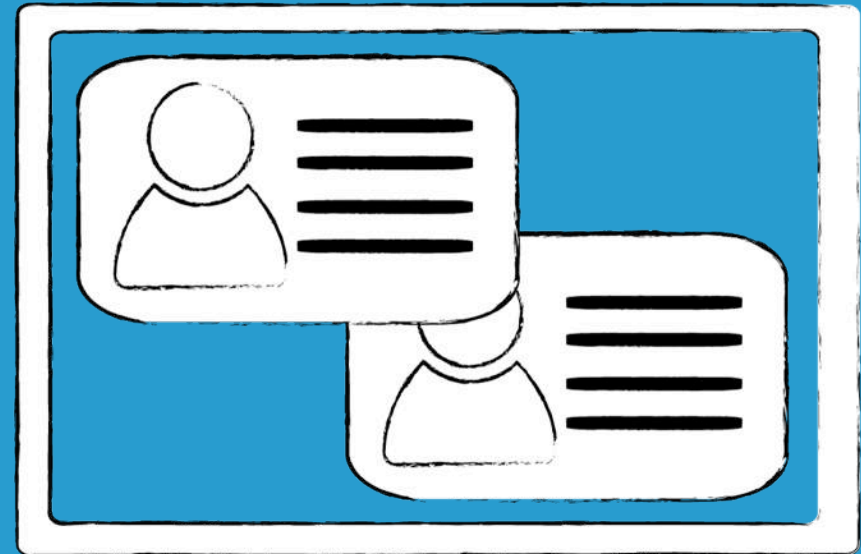
Countdown Timers

To **protect against potential coupon fraud** (where one lucky winner shares or screenshots the image of a high-value coupon), a variety of features are available to marketers.

Animated Countdown Timers eliminate the danger of screenshots by adding the visual cue of a timer counting down until the expiration of the offer. Without the animated countdown, the offer is invalid.

These animated countdown timers can be used for a limited time offer (as in the case of a one-day only sale), or triggered at the moment the user engages with the coupon, creating a reduced redemption window to drive urgency.

Timed Offer

Timed Coupon

Unique URLs

To further prevent the unwanted sharing of high-value offers, marketers should create mobile coupons with a platform that automatically generates **Unique URLS** for each new coupon served.

These URLs are specific to each individual mobile device. If the user attempts to share the unique URL, it will not load the offer on any other device, even if the user copies and pastes the URL directly from his browser window.

FunMobility Platform

Automatically generates a **Unique URL** for each device when the coupon is served

These unique URLs **cannot be shared** from one user to another, even if they copy/ paste directly from the browser window.

FusionService/coupon/b7e84dd

FusionService/coupon/039d43fa9

FusionService/coupon/3215asdf6

Single-Use Codes

Single-Use Coupon Codes are generated by the brand and ingested into both the marketing platform (FunMobility) and the retailer's POS system.

Each unique device that is served the coupon will load a different redemption code.

Once redeemed, the code becomes invalid.

This process limits the brand's liability to the number of unique codes generated. By comparing the codes served with the codes redeemed, it becomes possible to verify a retailer's POS data and clear the coupon.

FunMobility Platform

Automatically publishes **unique codes** to each device

Codes become invalid after one redemption

Individual codes can be tracked and cleared even more easily than paper coupons

4. WHAT ELSE IS POSSIBLE?

- **Engagement Circulars**
- **Gamification & Interactive Content**
- **Features & Benefits**
- **Compatibility**

FUN
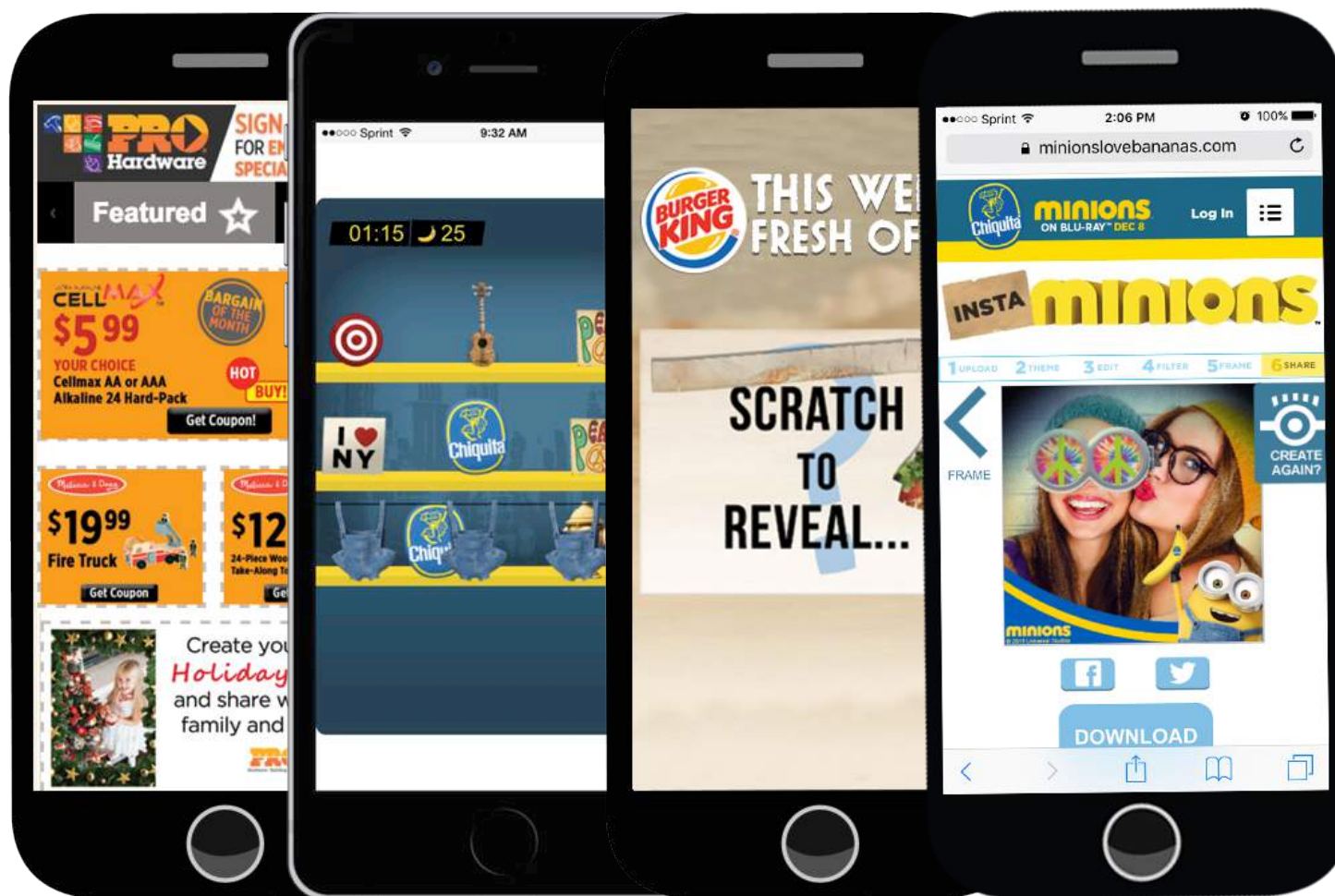MOBILITY

What Else is Possible?

In this guide, we've discussed some of the tools & tactics that have been shown to deliver the best results for brands and retailers in real-life campaigns.

We're still just scratching the surface.

There are a zillion more cool features out there that companies are using to increase sales, generate awareness, and reduce coupon fraud.

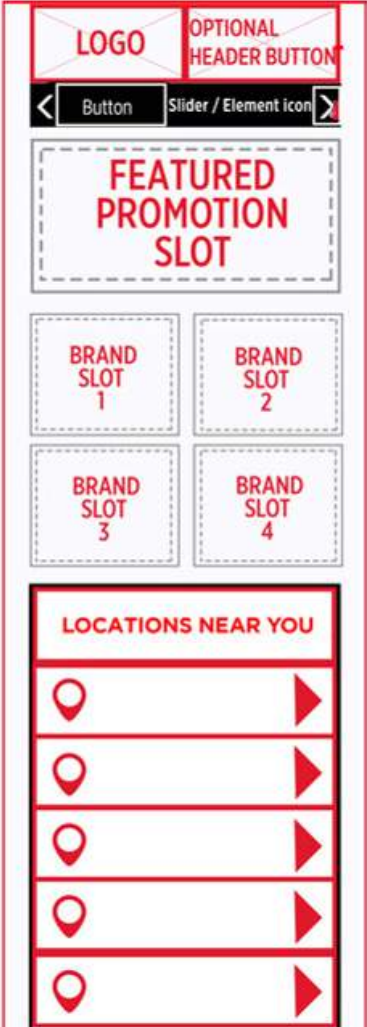Features designed to make coupons faster, more engaging, and more powerful when it comes to collecting data.
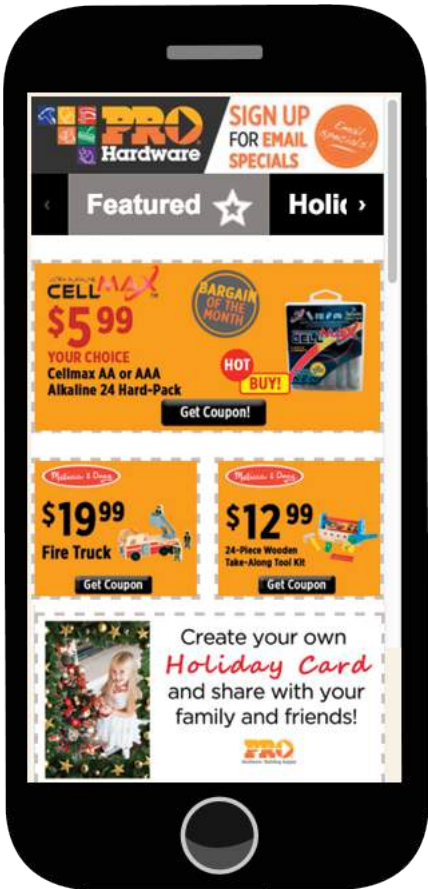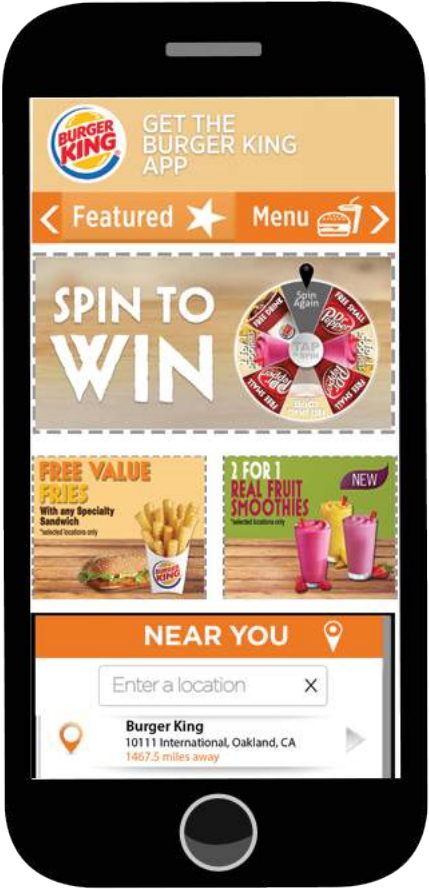
Here are a few of them.

Engagement Circulars

Combine multiple coupons, videos, games, and brand content in one interactive mobile experience.
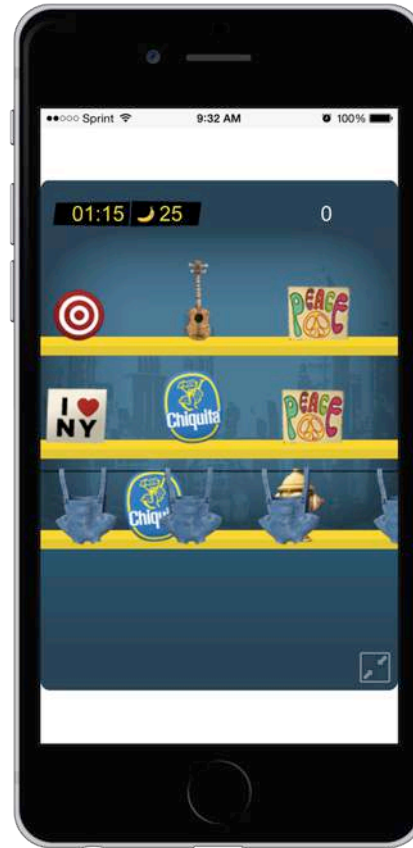

Engagement Circular Template

FunMobility Nanosites: Gamification & Interactive Content

Leverage the mobile device's gyroscope functionality to trigger "shake to engage" moments.

Create an arcade-style shooting gallery

Users spin to win a collection of coupons, prizes, or content

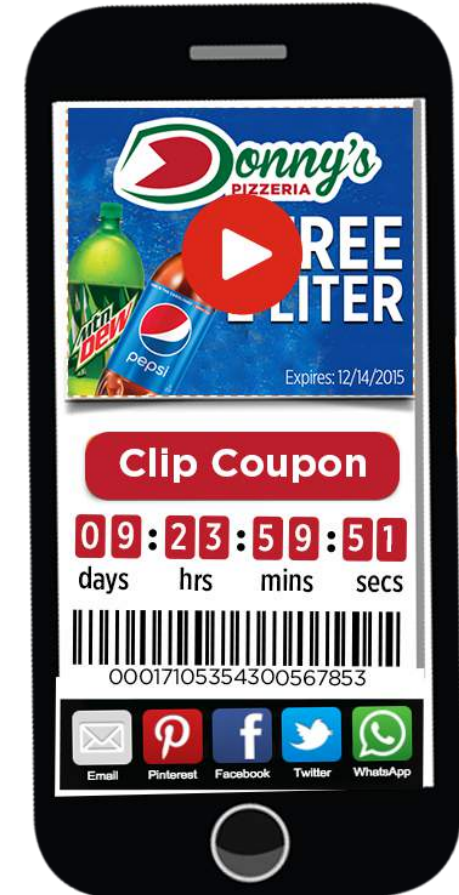# FunMobility Nanosites: Gamification & Interactive Content

Users create and share custom photos with branded frames and editable "stickers"

Provide a Lottery scratch ticket experience, leveraging the mobile touchscreen.

Auto-play a video when the coupon loads

Mobile Coupons: Features & Benefits

- Single-use or universal coupon codes

- Compatible with existing clearing houses

- Built-in Passbook support

- Location finders

- Can embed into existing websites

- Can collect email / phone #

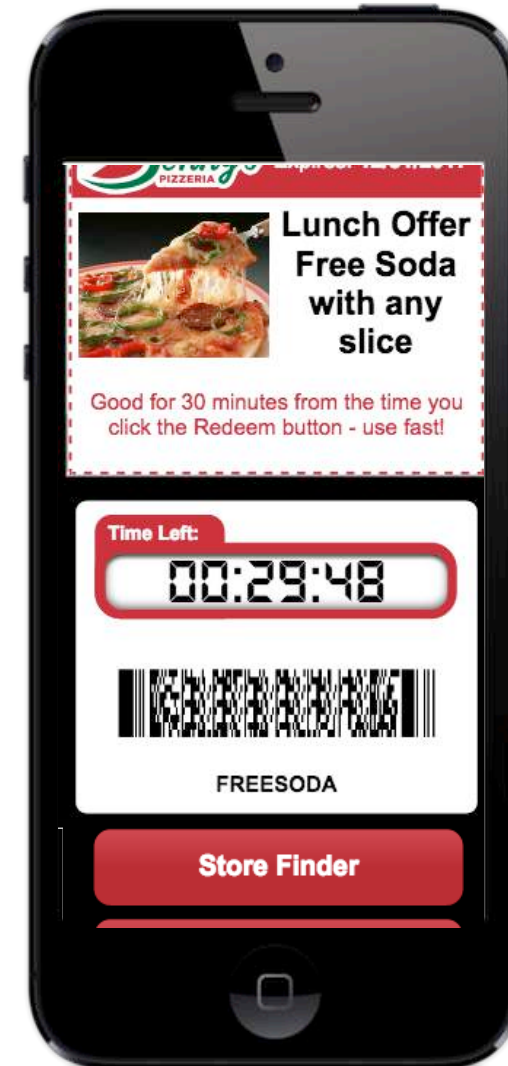- Click-to-print feature for desktop viewers
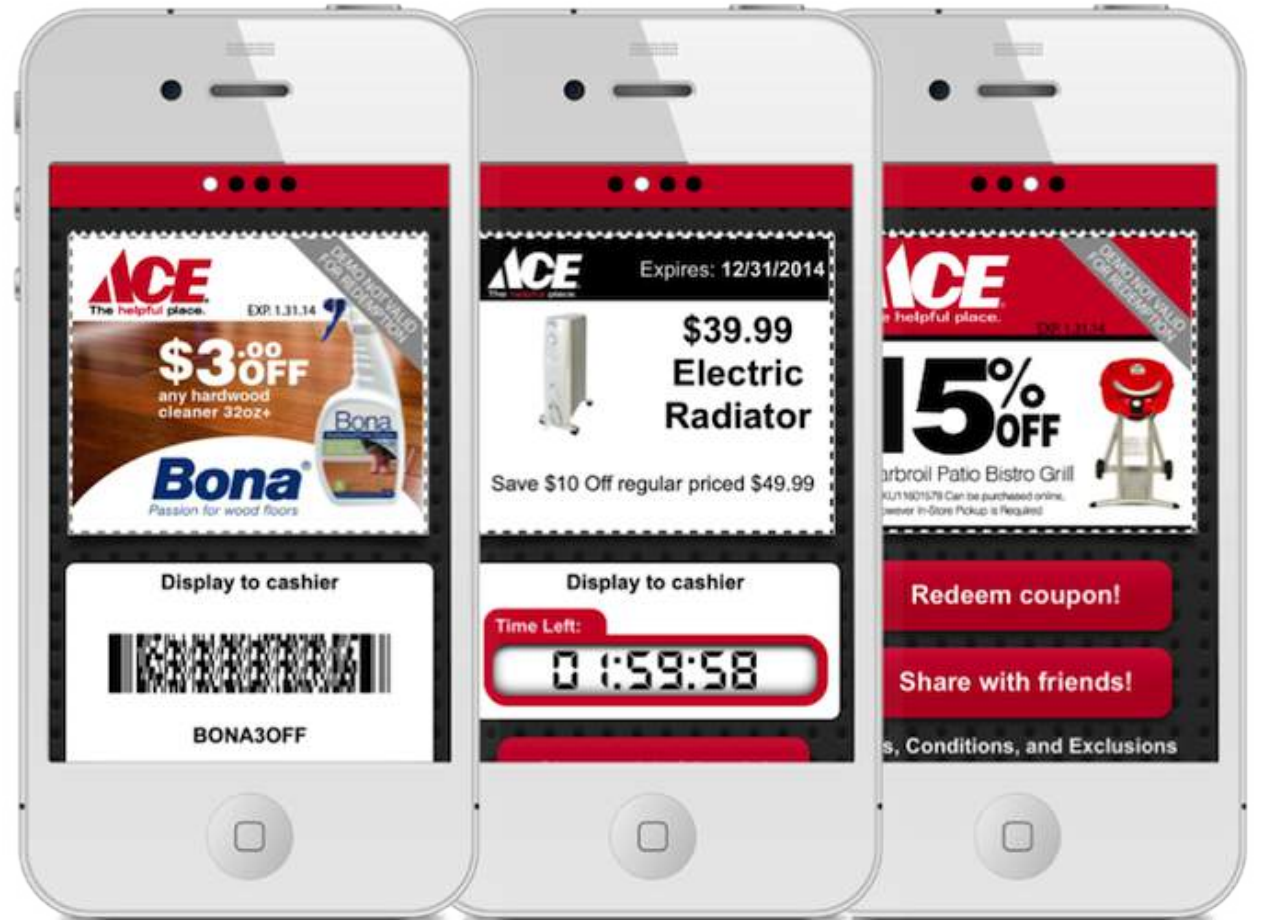
Compatibility

Upload or create coupon codes for nearly any system:

- UPC-A (1D)
- Code 128 (1D)
- QR Code (2D)
- PDF417 Code (2D)
- Data Matrix (2D)
- Text Only Code (Button Mash)
- Single-use codes render dynamically on each unique device
- Upload existing codes or generate new ones in-platform

Lunch Offer Free Soda with any slice

Good for 30 minutes from the time you click the Redeem button - use fast!

Time Left: 00:29:48

FREESODA

Store Finder

FREESODA

Code: 2233454545

FREESODA

Want to Learn More?

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- **Mobile Coupons**
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- **Reporting & Analytics**
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Sales@FunMobility.com

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