GET STARTED TODAY ON YOUR COUPON PROJECT!

The best place to start your coupon project is to define your marketing objective.

Do you want to...

Attract and capture sales at point of purchase?

Encourage trail?

Encourage brand watching?

Defend your brand against private label / store brand competition?

Generate repeat purpose?

Build Loyalty?

Incentivize consumers to trade brands?

Increase purchase frequency?

Do cross branding?

COUPONS ARE A PROVEN WAY TO INCREASE SALES!

72.3% of consumers use coupons.

70% of purchase decisions are made in-store.

47% of consumers are always looking for promotions.

Extremely Effective: Instant redeemable coupons have the highest redemption rate of all coupon types.

Low-cost investment that can generate a big return.

INCREASE SALES, LOWER COST, & EXTREMELY EFFECTIVE!

INCREASE SALES

 y addin a coupon to your product pac a e you ill increase the number of ne customers increase the return of former customers and increase lon lastin stren th.

LOWER COST

Coupons are an inexpensi e form of mar etin . You can achie e lo   olume or exact order uantity ith smaller discount amounts. n instant redeemable coupon costs a ery small percenta e of your product and it s pac a in   but deli ers a bi return.

EXTREMELY EFFECTIVE

 nstant redeemable coupons ha e a hi her redemption rate than all other coupon types. Coupons are a ery hi hly measurable form of mar etin so you are able to easily trac your return.

IMPORTANCE OF COUPON DESIGN

The importance of coupon design is to minimize the opportunity for deductions. Make sure to effectively communicate promotion to the consumer. Now as far as the retailer goes, you should clearly communicate the following with the retailer: Let the retailer know your reimbursement policy, set an expiration date (embedded in barcode), and communicate where to send the coupons.

All coupons should follow standard coupon design. The following are recommended guidelines for developing an effective Internet coupon:

1. **Barcode / Databar:** A barcode is a symbol (lines and spaces) that represent a number + more accurate and efficient than eyin in a code or number.

   The barcode at the point-of-sale (POS) provides amount and helps validate or match the coupon promotions with the products scanned. What is the value of the coupon? Did the consumer purchase what the coupon required?

   Within the coupon processing industry Direct the coupon to the paying manufacturer and this helps determine the amount retailers bill the manufacturer.

   For more information on barcodes or to get a barcode for your next coupon promotion, go to GS1.com.

2. **Expiration Date:** The words expiration date with the actual date (i.e. xx/xx/xxxx) should be printed on every coupon. Always include the month, day, and year the coupon will expire. To limit your promotion liability, avoid issuing a coupon without an expiration date.

3. **Face Value:** The face value should be prominently stated. Face values should be based on the GS1 US appro ed alue code listin . he coupon should offer specific sa in s amount i.e. cents or dollars to be discounted versus a percentage discount. Avoid Free and High-Value Offers.

4. **Legal Copy:** Coupons are a contract between the issuer of the coupon and the retailer. Therefore, the legal copy on the coupon is intended to protect the issuer from fraud and misredemption. Use the words, Void If Altered, Copied, Transferred, Purchased, or Sold.

5. **Offer Code:** he terms of the offer includin purchase re uirement uantity si e and alue. he PC ni ersal Product Code should be placed in the lo er ri ht corner of the coupon clear and easy to read. he PC must be in blac on a hite bac round and should be at   ma nification ith sufficient uiet ones on both sides of the barcode. se the standard di it PC code hich includes the umber ystem Character your anufacturer dentification umber   family code and alue. ll coupons must conform to   coupon code uides pplication tandard code and chec di it for UCC Coupon Codes).

6. **Coupon Construction/Design:** old out   fold c fold etc. peel and re eal multi pa e boo let perforated construction and more. Construction style type sho in example Pi ybac   hich can be used as an instant redeemable coupon.

7. **Product Illustration:** A picture of the product should always be displayed on the coupon.

8. **Product Name & Logo:** he product name should be placed in the center of the coupon and if space permits the product lo o should also be included.

9. **Purchase Requirements:**
   1. **Consumer:** Only one coupon per purchase on specified product. You pay sales tax.
   2. **Retailer:** We will reimburse you the face value of this coupon plus $0.08 handling provided it is redeemed by a consumer at the time of purchase on the brand specified. Coupons not properly redeemed with be voided and held. Alteration or reproduction of this coupon is expressly prohitibed. May not be sold, transferred, copied, or auctioned. (ANY OTHER USE CONSTITUTES FRAUD.) Mail to: ABC Company, 122 Main Street, Anytown, USA 00000. Cash value $0.001. Void where taxed or restricted. LIMIT ONE COUPON PER ITEM PURCHASED.

10. **Redemption Address:** Send coupon to P.O. Box 880409, El Paso, TX 88588-0409.

11. **Source Identification:** To help cashiers, retail clearinghouses, and manufacturer redemption agents to clearly distinguish the different types of coupons.

Example of a well-designed coupon:

BUDGETING FOR COUPON

What can you expect to pay?

Face Value of Coupon - %.40 off 1

$0.08 Handing Fee

Miscellaneous Fee (Varies Per Retailer)

Manufacturer s Agent Fees

Printing & Distribution Fees

Budgeting - Forecasting

Coupon Redemption Factors

Method - FSI = 0.52%

IRC = 16.66%

Face Value

GETTING STARTED: COUPON CHECKLIST

Establish objectives for your coupon program

Partner with a Manufacturer s Agent (If Needed)

Determine the face value of the coupon

Determine the number of consumers you want to redeem

Choose a method of distribution

Estimate the quantity of coupons distributed

Budgeting & Funding

Develop the creative - coupon design

Create a barcode

- Print & Distribute the coupon

Reimburse the retailer

COUPON STYLES / FEATURES / CONSTRUCTIONS

Your marketing objectives as well as the package design of your product will help determine the best way to design and execute your coupon project.

Coupon Applications

- Retail
- Health & Beauty
- Food & Beverage
- Medical
- Automotive
- Promotional

Coupon Constructions

- Fold-out [z-fold, c-fold, etc]
- Peel & Reveal
- Multi-page Booklet
- Perforated Construction
- And More!

Coupon Options

- In-pack
- On-pack
- On-shelf
- Instant Redeemable Coupons
- Overwrapped
- Direct food content
- Hang tag
- Hand-out
- Multiple in a Booklet
- Direct Mail
- Combination with game piece
- Extended content label with coupon

In-Pack

- Will not obscure prime label
- No chance of falling off or damage
- Cannot be used immediately; used for purchase
- Consumer interaction at time of use vs. in store
- Can be engineered for food contact or temperature extremes

On-Pack

- Cut to any shape
- Conform to uneven surfaces
- Use special adhesives
- Include multiple advertising panels / messages
- Will add color to any package
- Can be applied by hand or automatically

STANDARD CONSTRUCTIONS FOR COUPONS

Custom configurations are also available for all our Coupon types

Fold-out [z-fold, c-fold, etc]

Peel & Reveal

Multi-page Booklet

Perforated Construction

And More!

Technical Features

Easy peel

    Leaves no messy residue on the product or the customer

Variable Imaging, Variable Data

Special Adhesives

    Dry peel ensures one-time usage for maximum security

Resealable flaps

Up to 12 colors

Multiple panels provide extended data

Printed on both side including variable barcodes to track promotions
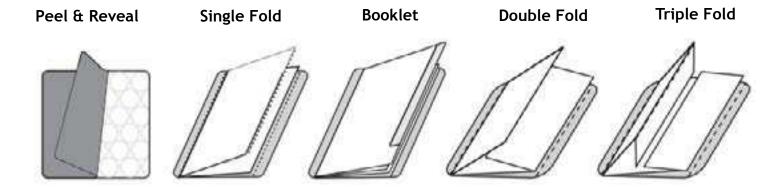
Support regional or national promotions

Standard and custom shapes & sizes

Produced in roll form, sheeted, and / or custom constructed

Printed on both sides including variable barcodes to track promotions

Peel & Reveal　　**Single Fold**　　**Booklet**　　**Double Fold**　　**Triple Fold**

ADDITIONAL CONSIDERATIONS FOR YOUR COUPON

Coupon Design: *Environmental Consideration*

You must take into account the environment & performance requirement for the coupon

- Custom tailored to the application
    - Frozen
    - Wet
    - Dusty
    - Extreme hot or cold
- Example: Cooked with Food Coupon (heat resistant)
    - Placed on clear lid of frozen dinner
    - Concern with coupon being cooked
        - No order, melt, or deforming
        - 500 degrees exposure for 75 minutes

Coupon Expertise: *Security Features*

Incorporating security features for validation and authentication is good insurance

- Single of multiple layers of protection including
    - Photocopy prevention features
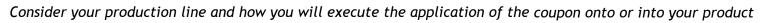   - Authentication using UV light or other means
    - Serialization
    - Variable Imaging
    - Holographic Imagery
    - And More...

Coupon: *Application Considerations*

Consider your production line and how you will execute the application of the coupon onto or into your product

- Will your current equipment meet the application needs of the coupon?
- Capital Requirements
    - Purchase or lease application equipment?
- Coupon Design
    - Unwind direction
    - Release strength between piles
    - Roll tension for easy roll handling and dispensing
    - Glue corner is typically on the trailing edge for automatic application situations