

Mobile Coupons That Work Like Magic

In these days of budget tightening in most American households, coupons are growing more and more popular. But beyond tedious clipping of paper coupons, is a growing trend for convenient and low-effort mobile coupons. According to research done by American Express, in 2009 mobile coupons redeemed across the US number approximately 200,000, but they estimate that by next year 70 million mobile coupons will be redeemed, worth \$2.4 billion in discounts to eager consumers.

There is virtually no limit to the types of deals that your business can offer with mobile coupons. It really doesn't matter whether you offer dollars or percent off, buy one get one or any other type of offer as long as it's valuable to your customer or potential customer and is relevant and time-sensitive.

Coupons sent using mobile messaging are 10 times more likely to be redeemed than paper coupons of any type. Coupons in newspapers have lower redemption rates than those mailed directly to consumers, but mobile coupons trump these time and again.

Cost is another factor to consider with mobile coupons. Having a paper coupon mailed either directly from your business or as part of a bulk mailer such as ValPak costs you \$.25-\$.40 per coupon and these are redeemed on average at a rate of just 1%. By comparison, mobile coupons cost around 1 penny each and are redeemed at double digit rates between 11%-26%.

There are a couple of different options for offering mobile coupons, including:

- Posting them on your traditional or mobile website to either print or with a code they can provide at checkout or when ordering.
- Using an aggregator site such as <https://getyowza.com> or www.cellfire.com to offer your coupons on their sites. Yowza cost as little as \$99 and Cellfire offers a variety of plans.
- Text them directly to customers who opt-in to your email text list. People will give you their cell number in exchange for an instant discount and this lets you easily build your database.

Zero coupon fraud is another pro of mobile coupons vs. paper. People try to sneak in expired paper coupons, print duplicates and all manner of sneaky methods to get more than their fair share of a discount. Mobile coupons virtually eliminate these issues because they are attached to an individual cell phone account and will clear out of the coupon cache upon expiration so customers can't pull them up and try to pass the deal off as current.

Immediacy, relevancy, portability and ease of use are the big drivers in the double-digit mobile coupon redemption rates. Immediacy means that by setting a same day or 3-5 day redemption window, you encourage people to act quickly to take advantage of the deal. No one likes to miss out on a deal, so they will move rapidly to take advantage of a discount.

Relevancy is crucial. If you mail diaper coupons to childless couples, you're likely to get a 0% redemption rate. However, mailing coupons to parents of a newborn will likely get you a much higher redemption

rate. Because mobile coupons are driven by coupon searches or opt-ins to business text lists for establishments frequented, you can offer relevant promotions to drive increased revenues.

Portability is a big plus for consumers – if you forget your box of coupons at home or your flyer that offered a discount, your customer is out of luck. But everyone always has their mobile device with them, so mobile coupons are accessible anytime, anywhere which encourages redemption when it is convenient for the customer which means profits for your small business.

Ease of use is critical – many people don't want to hassle with clipping coupons and may not even look through coupon mailers that come in their box because they literally have to sift through pages of offers that won't interest them. Mobile coupons offer what consumers want with little to no effort on their part. They get a text or access a site and show the offer or code to the sales person or order taker and they're done – coupon redeemed!

If you're not using mobile coupons, the good news is, it's easy to get into. Even without having a mobile website, you can start offering mobile coupons. It's a low cost promotional tool that can drastically increase sales by improving your relationship with your loyal customers while expanding your customer base.