2021 DEALS & COUPONS REPORT

HERE'S THE DEAL:

WHY YOUR PROMOTIONAL STRATEGY IS THE KEY TO RECONNECTING WITH BUYERS



GOOD DEAL

WE REALLY DO MEAN EVERYONE.

But they can't always find one. It's time to adapt your thinking around deals if you want to reconnect with your customers.

Findings from our recent study reflect that shoppers expect deals to meet them where they are — which is everywhere. But marketers aren't meeting demand. The current narrow focus on offer distribution means a missed opportunity for a broader, omnichannel approach.



Coupon distribution is out of sync with the way people actually use them.



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RECONNECT USING THE POWER OF A DEAL

Deals speak your customers' language. And after 18 months of change, good value will be music to their ears.





7% 31%

Looking for more coupons, discounts and deals to offset higher prices

Coupons, discounts or deals have a high or medium influence on their purchasing decisions

They're using more coupons, discounts and deals than last year



/ AND THEY FEEL GOOD WHEN THEY BITE

Many in your audience feel more satisfied with their purchase when they get to use a coupon or discount. And nearly 40% actually feel excitement when they land a good deal.

That sort of goodwill offers up brand loyalty on a plate.



- Feel more positive toward a brand or store that offers a coupon or discount
- **Feel more satisfied** if they used a coupon or discount
- Are more likely to make a **repeat purchase**
- **Feel the excitement** of landing a good deal
- ^O Are more loyal to that store
- Enjoy sharing the deal or recommending the advertiser to family and friends



/ PEOPLE WANT DEALS — WHOEVER THEY ARE AND WHATEVER THEY'RE BUYING

Here's where affluent customers (household income \$100K+) are highly influenced by discounts, coupons and deals when they shop.

76% Grocery shopping

72% Restaurants

63% Travel

62% Home furnishings

57% Amusement or entertainment venues







People want deals where they can find them — both online, offline and across every channel they use.

USING A CUSTOMER-CENTRIC APPROACH



It's time to cater to **how and where** people shop

The conventional coupon balance is out of sync with new behaviors.







Current coupon distribution and redemption trends don't add up. Rebalance your approach and get deals in front of your audience — not just the deal-savvy.

HERE'S WHERE YOU'RE SPENDING

93.8% Free-Standing Insert All Other Media 6.2%

3.4% Digital Paperless 1.2% Direct Mail 1.0% All Handouts

0.3% Digital Print at Home 0.5% All Remaining

HERE'S WHERE THEY'RE SAVING

69.2[%] All Other Media Free-Standing Insert 30.8%

33.2% Digital Paperless 15.0% In/On Pack & Cross Ruff 10.0% All Handouts

8.0% Direct Mail 2.1% Digital Print at Home 0.9% All Remaining







Get back on track with returning customers with our easy wins.

CONNECT WITH SHOPPERS



/ 01: IDENTIFY NEW BUYER BEHAVIORS

People are now more cautious, more price conscious and more driven to proactively seek value. Your deal may be a bright spot when their spending is under scrutiny.

70

31%

Using more coupons, discounts, and deals than last year significantly higher for millennials,¹ Gen X² and parents

Noticed prices are higher

Shopping at multiple stores to find the best price

Switching brands to save money

¹ Millennials born 1981-1996. ² Gen X born 1965-1980.



/ **02:** GO **WHERE** THE PEOPLE ARE

OMNICHANNEL IS IN.

Here's why people are looking to multiple channels for deals that deliver.



Coupons, discounts and deals allow me to discover new products or brands.

Receiving a coupon or discount can cause me to make an impulse purchase.

ONLINE

Prefer seeing online advertising personalized to my needs.

DIRECT MESSAGE

Feel good about a coupon or discount that comes in the mail because it's an exclusive offer not everyone receives.

DIGITAL/PRINT AT HOME

Download apps to receive savings.

NO REWARD

If an advertiser doesn't reward my loyalty, I'll switch to one that does.



/ 03: MAKE DEALS PART OF YOUR LOYALTY STRATEGY

Connect to the new realities and rapidly build loyalty, repeat business and customer recommendations.

40% 39% 30% 26%

Feel more positive toward a store, company, or brand More likely to make a repeat purchase

More loyal to them Enjoy sharing the deal or recommending them to family and friends



For more consumer insight, head to <u>vericast.com/insights/report/consumer-intel-report</u> >



/ ABOUT THE STUDY

The Vericast Awareness-to-Action Study is an ongoing study fielded in conjunction with Prosper Insights & Analytics, a global market research company. The sample was derived via an online survey and all participants were at least 18 years of age and living in the contiguous United States. The data included in this report was fielded July 6 through July 13, 2021 to 1,863 respondents and is balanced by age and gender.

About Vericast

<u>Vericast</u> is reimagining marketing solutions one business-to-human connection at a time. By influencing how over 120 million households eat, shop, buy, save and borrow, Vericast fuels commerce, drives economic growth and directly accelerates revenue potential for thousands of brands and businesses. While its award-winning portfolio of products, technology and solutions are part of the Vericast story, its people are the true differentiators; trailblazers in data intelligence, marketing services, transaction solutions, campaign management and media delivery.



