

Benefits to Working with Coupon Affiliates

Working with coupon affiliates ensures that your brand remains competitive in one of the fastest growing sectors of e-commerce: online coupons.

More than 50% of U.S. Internet users (that's 92.5 million consumers) say they plan to use online coupons this year. And the majority of these online coupon shoppers - 74% - say they search multiple coupon sources each and every week.

Coupon affiliates have a share in this tremendous traffic - and your brand will, too, if you make coupons available through your affiliate program.

(888) 854-7770
info@schaafpc.com

schaaf
partnercentric

Some Things You Need to Know about Online Coupon Offers:

Online coupons stimulate purchases from customers who otherwise wouldn't buy. In other words, a coupon gets you a customer you would not have found otherwise.

Online coupons encourage faster purchases or impulse buys.

People who would normally take more time to hit the Buy button will act quickly in order to get a special savings. Helpful tip: A coupon's expiration date increases the compulsion to "Act now!"

Online coupons encourage brand loyal customers to try the competition. Consumers may prefer Coke, but if Pepsi is selling at half price, customers will be tempted to try it.

Online coupons can increase the average order size.

If your AOS is \$100, you can offer a coupon for orders of \$150 or more to boost your AOS and total items purchased.

Online coupons give your brand added oomph in overseas markets
Coupon sites are growing in popularity overseas. Consider this about online coupon traffic:

- up 79% year over year in Canada
- up 22% year over year in the United Kingdom
- up 260% year over year in the Netherlands
- up 162% year over year in Europe overall

Some Things You Need to Know about Online Coupon Offers:

If you're basing your decision about coupons in the affiliate channel on your experience with coupons in other channels, you should know that online coupons have the highest redemption rate of all other channels:

- Online coupons - 263% redemption rate
- Direct mail - 69% redemption rate
- Magazine pop-up - 51% redemption rate
- Electronic checkout - 39%
- Free-standing insert - 36%
- In Store Ad - 27%

And here are some ways that coupons benefit consumers:

Online coupons are convenient

The consumer must simply do a search for online deals. Comparing coupons is easier than ever - no more digging through magazines or catalogs.

Online coupons save time and money.

Consumers who use online coupons not only save money on purchases - they also have the time to comparison shop to ensure they're getting the best deal.

Here are Some Common Concerns And Our Answer About Each:

I won't have any control over coupons offering in the affiliate channel.

Not true. You control the context and the content of each coupon offer, and you as merchant have the final say in all terms of the coupon offer.

Coupons detract from my profit margin.

If you're selective about your coupon offers, your coupons will help, not hurt, your bottom line and provide a competitive advantage.

Coupons diminish the value of our brand.

That might have been true 20 years ago, but today even the top brands make wise use of coupon affiliates. It's easy to see why: consumers who earn \$100,000 or more per year represent the biggest percentage of online coupon consumers.

Coupons cost us money on sales we would have made anyway.

Not at all true. Studies have shown that more than half of consumers say they made their only purchase only because of an online coupon offer. That's because coupons create urgency.

Coupons are a flash in the pan from one-time shoppers.

We're happy to report that the vast majority (90%) of consumers say they prefer to shop on retailer sites that offer coupons. Failure to work with coupon affiliates means you'll be competing for the 10% of consumers who don't value online coupons.

Coupons Make Affiliate Programs Stronger

Online Coupon Offers Make Affiliate Programs Stronger

If you offer a compelling series of online coupons, you will create a stronger affiliate program for your brand. The key to success begins with knowing your competition. You have to know what the competition is doing because if your coupon offer doesn't compare well with the competition, your results won't be as strong as they could be.

Make sure your offers are clear and easy for affiliates to use. Most affiliates receive merchant offers via the monthly/weekly affiliate newsletter. This is where you should state all restrictions and dates for the offer as well as any links, banners, and coding for the affiliate to grab right then and there.

Scheduling is another key factor to consider for your online coupons. You should schedule your coupon offers around seasons and holidays.

Of course, communication is another key component of your online coupon offer. You need to be clear about the offer and communicate it as early as possible to affiliates who might want to promote the offer. Be clear about the offer, the coupon code, the offer duration and any other pertinent details.

Coupons are probably the most important marketing tool for a merchant's affiliate program. We know that the best way to attract potential customers and convert them is to offer a coupon.

Sources:

- * CJU Presentation: Coupons: Clever or Crazy?
- * comScore
- * Internet Retailer