

## **Mobile Coupon Offers You Can't Refuse**

Posted by Jeff Hasen, on October 07, 2009 at 09:15 AM PDT

Up for debate in the area of mobile couponing is whether one or more software or hardware "solution" will win out.

What is abundantly clear is there is a high level of consumer interest in receiving offers via mobile.

Just listen to the experts. According to a recent Deloitte study, 57 percent of consumers said they would want to receive a coupon on their phone. The Mobile Marketing Association says 24 percent of U.S. mobile phone users who have participated in a mobile marketing campaign receive alerts for special sales or discounts for products and services, while 22 percent obtain mobile coupons that can be redeemed at stores or restaurants.

It is my view that mobile marketing has advanced despite the recession in large part because of the industry's ability to give consumers what they want – and on the other side, the brands the ability to measure the effort.

Take Jiffy Lube, for example. The automotive services leader ran a campaign via radio that offered listeners the chance to win oil changes for year. Everyone who responded received a \$5 coupon via text messaging. Approximately 50 percent of those who redeemed were new customers to the Jiffy Lube location – according to the store manager, previous advertising efforts through other channels yielded a maximum of 20 percent.

As we slowly emerge from the recession, do you know anyone who doesn't want an offer?

While the majority of shoppers still get their coupons from Sunday newspapers, the tides are shifting. Currently more than 8.9 million U.S. households—or just over 8 percent of the total population—receive coupons via text or e-mail, according to recent stats from Scarborough Research.

As an industry, many of us work day after day on technology advances be it scanners, bar codes, or point of sale mobile-friendly systems. Each of these aims to make couponing easy, trackable and fraud-resistant.

In the end it's likely no one product or service will become the end-all.

My company HipCricket is betting on simplicity.

In an announcement made in the lead-up to the fall CTIA show, for the first time, single-use, fully trackable mobile coupons are now within reach of the more than 240 million Americans who have text messaging on their mobile phones.

The enhanced solution provides consumers with single use promotional codes that are redeemable by any point of sale (POS) system that accepts VISA or MasterCard and offers the following features and benefits:

- No requirements for new hardware, servers or infrastructure
- Since there are no paper coupons to be produced, production and distribution costs are eliminated
- Real-time analytics and reporting provide for instant measurability and the ability to make changes mid-campaign and optimize performance on the fly
- Easy scaling for regional and national campaigns
- Ability to tie in to existing membership and loyalty programs
- Easy integration with packaging, POS, traditional ads
- Can support unique promotional codes which uniquely identifies coupon and reduces fraudulent redemption

While it is still early in mobile couponing's evolution, those who have stepped forward have already succeeded in providing sought-after deals.

Among them:

- Coffee Bean Tea & Leaf - Listeners could text in the word BEAN or COFFEE to receive a buy one, get one free ice blended coffee beverage. The campaign ran for three months in a top 5 market where it received over 6,000 unique entries.
- Wiley Publishing's "For Dummies" books – As result of \$5 off program, 34 percent of those who participated opted in to the mobile club for valued Wiley remarketing opportunities.
- A radio station ran a mobile coupon campaign for the Blue Man Group with a \$5 off discount for that day's performance. The campaign generated a redemption rate of 71 percent.

Instead of waiting for everything in the area of mobile couponing to shake out, these companies and others have noted consumer interest and proactively taken action. As you see, their successes speak for themselves.

New advancements make the future – actually the present – even brighter.