

MARKETING

Right discount: Best coupon marketing strategies for 2020

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Digital coupon usage is expected to grow as the economic downturn continues through the year. Image credit: Coupon Birds

By [Simone Wu](#)

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When it comes to digital coupons, consumers are now saving more than ever. That means increased sales figures for companies with an effective coupon marketing strategy, especially as overall coupon redemption rises to **\$90 billion by 2022**.

That is a lot of new customers in an increasingly competitive digital environment. With so much potential to draw in bigger and more frequent sales, how can businesses effectively implement their own coupon marketing strategy?

To boost revenue with coupons, managers and executives must meet consumers where they are.

Here are some of the top methods that have increased sales, created new brand evangelists and helped companies thrive in an age of digital couponing.

Meet customer expectations

While **90 percent of consumers** use coupons, not all customers are made the same. Some respond heavily to personalized deals, while others are all about the size of the discount.

Whatever the case, it is essential to meet customers where they are, providing the right kind of deals to spur your sales.

There are some tried-and-true methods for getting coupons to your customers to see a return.

Birthday deals, for example, are particularly popular. They allow you to get a deal front-and-center in a customer's inbox while increasing your brand's awareness.

Anniversary deals a year or two after the customer's registration on your Web site can also be effective.

These deals assume, however, that you already have an email address, and have likely made a first sale.

For new and first-time customers, retailers have to be savvy.

Using customer surveys and internal data to predict which deals jive with which demographics is key.

The more you tailor a coupon marketing strategy to the needs of your customers, the better equipped you are to increase sales.

Focus on the product

We have all been there: a new, interesting product has not quite sold us on its pitch, but once a 15 percent or 20 percent discount is added, we figure, "why not." And while coupon marketing can work like this, the statistics point to a stronger, more lasting appeal.

Seventy-one percent of consumers report "quality of offering" as the greatest decider of loyalty, meaning a company with a quality product succeeds where a company that only has discounts on inferior products cannot.

This is why coupon marketing works so well as part of a larger, omnichannel marketing strategy: you ensure your product or service achieves maximum appeal, then add a coupon in to lock-in the sale and bring in a new long-term customer.

Use time-tested strategies

We are quickly moving away from the days of cutting coupons from the newspaper, if we have not completely already. But that still does not mean some 20th century coupon marketing strategies are not as or even more effective in our new digital age.

One major tactic is to use FOMO, or "fear of missing out."

FOMO is the reason most coupons have expiration dates: show your potential buyer that this deal will not last forever, and she is that much more likely to make the sale.

Do not go overboard with time-limited discounts, however. You do not want your customers to think that they are being toyed with or played.

A good mixture of longstanding deals, ready when the customer wants and more lucrative deals with an expiration date, can widen your appeal.

Build word-of-mouth online

Referral lists are another strategy that has existed for decades, if not centuries.

Word-of-mouth is a powerful differentiator when it comes to increasing sales. If one of your customers tells two friends about your company, the exponential effects can be massive.

You build this kind of word-of-mouth the same way nowadays as our forefathers did years ago by providing a great product with strong value, and incentivizing referrals through loyalty programs and events.

Now, it is time to think digitally.

Influencer coupons, for example, can help build your audience by providing a particular discount to a specific audience. That kind of niche appeal is exactly why influencer marketing is expected to grow to **\$15 billion** by 2022.

COUPONING HAS LONG been a major factor in affecting buying decisions.

Now, with the wealth of data and new channels to pursue, the market is more competitive than ever and more exciting.

By leveraging the discounts and events available to your company, the potential for empty shelves and happy customers is better than ever.

It is all just about offering the right deal.



Simone Wu is digital marketing manager at Coupon Birds

*Simone Wu is digital marketing manager at **Coupon Birds**, Beijing. Reach her at simonewuxin@gmail.com.*

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