

How to go about initiating a coupon campaign

1. Selecting the product to promote through coupons.

Not all products are suitable for couponing. Certain products which are used by a small sub-set of people do not necessarily coupon well. If your product is in a category which is very popular and has large movements, then you are safe using coupons to move your brand using coupons. If in doubt, call Leni or Melissa for a free evaluation of how they think that your product will coupon.

2. What face value should your coupon have?

Our experience is that a coupon face value that is between 14% and 20% of the average selling price of a unit of your product is best. If you offer an amount that is 10% or less, your campaign will not be effective. Should you offer 25% or more, you will probably experience unpredictably high redemptions.

3. How do I design my coupon?

CCB has an information sheet which covers all aspects of coupon design and has an example of a coupon to show you what an ideal coupon looks like.

4. Does the coupon need to contain a barcode?

No, the majority of coupons do not have one.

5. What size of coupon is best?

I see many small sticky coupons attached to products. Can my coupons also be “small stickies”? Yes. The majority of coupons out in the market are these small sticky coupons. However, it is important to make sure that these coupons have a non-permanent stickiness. They need to be wax-backed coupons.

6. Who would create and print the coupons for us?

You can use your in-house printers or specialist companies to do the job for you. For example, Pyrotec and Labelpak, amongst others, are good at creating coupons.

7. Do I need to get my coupon designs approved by CCB?

No. But, it is a good idea to let us have a draft or example of your coupon before going to print. We can see whether there are any flaws in your coupon. We do not charge for this service.



8. How should the coupons be distributed?

The most successful coupon campaigns are point of purchase campaigns. That is, your coupon should either be on the pack of your product as an “on-pack” or “neck tag” coupon, or distributed instore using an instore demonstrator or coupon dispensing machine. Other methods of coupon distribution are through coupon booklets, knock and drop, printed in magazines and in newspapers. You should have a look at our pie chart showing the effectiveness of the various methods of coupon distribution.

9. Who would do the distribution for my company?

On-pack and neck-tag coupons can be affixed to your products by your merchandisers. You can also outsource your coupon distribution to companies like Expanding Branding and ZAPOP. ZAPOP and Primedia Instore also run coupon dispensing machines in the chain stores as well.

10. What happens after the coupons have been redeemed at the check-outs?

All retailers and wholesalers send their coupons to Coupon Clearing Bureau, who are the national clearing house for consumer coupons. The clearing house processes all coupons and sends a single monthly invoice for all of the retailers and wholesalers to your company, plus supporting documentation. This includes detailed transactions and marketing data that can be input into modelling software. Your company then does one EFT to the clearing house. This EFT is combined with all other suppliers EFT's and the total is used to settle all coupon claims.

11. What will Coupon Clearing Bureau bill my company?

We will bill you for the face value of the coupons redeemed plus the retailers' handling fees plus the clearing house fee.

12. How secure is the clearing house?

Coupon Clearing Bureau has been providing the clearing house service since 1977. It is completely independent and is continuously audited by a reputable firm of auditors on a continuous basis.

13. Do coupons work?

Absolutely!

14. Can I obtain more information on coupons if I need it?

Yes. Contact **Susan** for more information on coupons. As CCB is an industry organization, there is no charge for this service.

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