



**E-zine Newsletter  
Summer 2008**

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**Mark your calendar and  
make plans to join your  
coupon industry  
colleagues at these ACP  
events**

**Regional Coupon  
101\102**

**Midwest**  
October 8<sup>th</sup>  
Crowne Plaza  
Rosemont, IL

**Northeast**  
October 29<sup>th</sup>  
Crowne Plaza  
White Plains, NY

**Save the Dates!  
2009 Industry Coupon  
Conference**

April 28<sup>th</sup> - April 30<sup>th</sup> 2009  
Hyatt Regency River Walk  
San Antonio

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**For the latest details:**

ACP headquarters  
[www.couponpros.org](http://www.couponpros.org)  
(610) 789-1478  
[John.Morgan@acp-hq.org](mailto:John.Morgan@acp-hq.org)

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Directors** page 4  
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**Association of Coupon  
Professionals to stage  
two education  
seminars in October**

*Attendees can learn the  
basics of the business  
or refresh themselves  
on coupon topics*

The Association of  
Coupon Professionals  
(ACP) will hold two of its  
acclaimed Coupons  
101-102 education  
seminars in October.

A one-day workshop is  
scheduled for Oct. 8 in  
Rosemont, Ill., while the  
other is set for Oct. 29 in  
White Plains, N.Y.

The sessions review all  
aspects of the  
couponing industry in an  
informative and  
interactive format  
designed for individuals  
new to couponing or  
those who need an  
update and refresher  
course. Presenters are  
industry experts who  
can answer couponing  
questions.

The topic include:  
Effective Coupon  
Strategies, Coupon  
Distribution Types,  
Coupon Design, Family  
Code Management,  
Redemption Cycle,  
Misredemption,  
Managing Risk, and

other areas. Attendees  
will follow the path of a  
coupon from the time it  
is issued  
through redemption,  
financial settlement and  
reporting with a detailed  
review of all the  
functions in the process.

“Leading marketing and  
promotion executives  
have attended Coupons  
101-102. It is an up-to-  
date way of staying  
abreast of what’s going  
on in the coupon  
industry,” said Val Stark,  
education director of the  
ACP and a member of  
its board of directors.

For more information,  
call John Morgan, 610-  
789-9993,  
[John.Morgan@acp-  
hq.org](mailto:John.Morgan@acp-hq.org) or visit  
[www.couponpros.org](http://www.couponpros.org).

**How Will the Economy  
Affect Coupon Use?**

Given the current shape  
of the economy,  
conventional wisdom  
suggests that we should  
experience a significant  
increase in coupon use.  
But what does the data  
show? A flat response.  
According to CMS, the  
first half of 2008 showed  
essentially no growth in  
coupon use compared  
to the previous year. If  
things continue at this

## How Will the Economy Affect Coupon Use? Cont'd

pace, we're on track for 2.6 billion coupon redemptions for the year, flat compared to 2007.

However, that hardly means the economic difficulties have had no impact. The soft economy has actually slowed the decline of coupon redemptions, breaking a long-term trend of declining response. Through 2006, coupon redemption declined about 5-7% annually. The renewed and continued strong response clearly indicates that coupons are here to stay as a significant part of the American consumer scene.

**The Coupon Rebound Continues.** In 2007, total coupon redemption was at 2.6 billion (the same level as in 2006). Now, halfway into 2008, the rebound trend appears to be continuing. That's significant because at the same point in 2007, CMS was anticipating an 8% redemption decline. The anticipated drop was 10% at mid-year 2006.

And other indicators only point to increased coupon activity in the second half of the year.

For example, Internet coupon sites are reporting an increase in page views and prints. Also, CMS reports that redemption in the second half of the year tends to be stronger than the first half.

**Soft Economy = Increased Coupon Use.** The renewed interest in coupons is largely due to the economic downturn: higher gas and food prices, the mortgage crisis and a weak dollar among other things have converged to create uncertain economic times. And historically, the economy and coupon use are inversely related – as things like unemployment and consumer confidence turn negative, consumers turn to economizing behaviors and coupon response increases.

Coupon interest also remains steady from the perspective of marketers as coupon distribution remains strong, hovering around 300 billion in distribution over the last five years. This clearly shows that

brands remain committed to couponing as a key piece of their marketing program.

Further illustrating this commitment is the growing momentum from the testing of new coupon distribution alternatives such as cell phones, digital devices and store loyalty cards.

### **The Final Analysis.**

While we have yet to see a spike in overall coupon redemption due to the current economy, we do cheer the current flat market. As we move into the latter half of 2008, we anticipate more coupon interest as the economic downturn drives consumers toward increased coupon use.

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## Research Study Tracks Behavior of Online Printers

Who prints online coupons on their home computer? Is there already a critical mass to justify all of the hoopla for this growing form of electronic offers?

## Research Study Tracks Behavior of Online Printers cont'd

These users tend to be younger, have larger households, and are wealthier and better educated than clippers of newspaper FSIs and the general population. Eight of ten of these online consumers are more likely to print a coupon if it is relevant to their reading content.

That is just part of the emerging picture of today's online coupon printer that came from an online coupon study conducted by Coupons, Inc. The survey results were integrated with national consumer data from Simmons Market Research Bureau to provide a broader perspective on changing trends in usage and how online coupon users compare with the general population.

Results were presented by Francis Garcia, vice president of marketing solutions for Coupons, Inc., at the annual Industry Coupon Conference recently in Miami. The event was hosted by the Association of Coupon Professionals (ACP).

The data from Simmons presents favorable demographics for online coupons whose usage now accounts for 22.4% of coupon market penetration. One of three (36%) of online coupon printers has children under the age of 18 in their household. Nearly half (47%) of online coupon printers are between 22 and 44 years old – a whopping 28% more than newspaper FSI clippers. And the former are 40% less likely than newspaper FSI clippers to be over 60 years old.

Online couponing is reaching larger and wealthier households: 61.2% have household incomes of \$60,000 or more, compared with 56.6% for newspaper clippers and 52.6% for the U.S. adult population.

The behavior of the online coupon printer is encouraging for promoters of this tactic. Here are more key takeaways:

- The value of the offer greatly affects a consumer's willingness to provide information. For a \$1 coupon,

more than half of online coupon printers were willing to give their email address and demographic data. For a \$2 coupon, nearly two-thirds were willing to give anything from email address to postal address.

- Most (43%) of printable coupons are obtained at general savings sites like Coupons.com. Manufacturer's promotion site is second (31.9%), followed closely by manufacturer's brand website and retailer sites (31% and 30.8% respectively).
- More than three of four (77%) say the value of the coupon affects their willingness to provide personal information.
- Over half of online coupon printers are more likely to click on an ad banner or open an e-mail if it is enabled with a coupon.
- More than six of ten (64%) of online coupon printers say they are likely to print on an ad banner or search listing to get a coupon.

## Exhibiting Wares

The best in coupon technology and services was on display at the Industry Coupon Conference hosted by the Association of Coupon Professionals (ACP) recently in Miami. Among the exhibitors were:

**Pinpoint Data** is a leading expert on bar-coding and family code management for the promotions industry. Its suite of online tools includes [CouponChek Barcode Verification](#), [ProductChek Barcode Verification](#), the [Family Code Manager](#), [Product Data Dispatcher](#) and the [Barcode Wizard](#) ([www.pinpoint-data.com](http://www.pinpoint-data.com)).

**Symbology** presented its GS1 DataBar Coupon Codes and Coupon Validator service, means for trading parts to check data accuracy. The company provides clients with bar code products and services such as digital bar code files and verification/inspection equipment and systems ([www.symbology.com](http://www.symbology.com)).

**Ecrio** offers real-time communication and

mobile commerce software for mobile phones. Its MoBeam technology uses a light source on a small keychain-based device to originate the long-and-short sequencing of a standard barcode. A standard laser scanner interprets those light beams as it would the reflection of a printed barcode ([www.ecrio.com](http://www.ecrio.com)).

**NCL Graphic Specialties** provides manufactures with a one-stop source of promotional packaging and printing needs. Included are on-pack booklets, instant redeemable coupons, inpack coupons, neck hangers, film overwrapping, and games and sweepstakes ([www.nclgs.com](http://www.nclgs.com)).

### **New ACP Board of Directors**

The new Board of Directors of the Association of Coupon Professionals (ACP) consists of a mix of CPG manufacturers, retailers and vendors.

They include: Jackie Broberg (**General Mills**), Joanne Walk (**Hormel Foods Corporation**), Len

Harris (**Kellogg Company**), Mike Sonsthagen (**Kimberly-Clark**), Bob Pettis (**Pepsico Foods and Beverage**), Mary Ann Pindulic (**Unilever**), Lois Van Klompenberg (**Spartan Stores**), Dan Abraham (**Brand Coupon Network**), Pam Samaniego (**Catalina Marketing**), Jane Michels (**Coupons, Inc.**), Dadi Akhavan (**E-centives**), Debbie Settle (**Inmar**), Val Stark (**NCL Graphics**), John Irwin (**Promotion Eyes**), Ron Fischer (**Redemption Processing Representatives**), and Earl Ellsworth (**Universal Marketing Services**)

### **Awards with Impact**

The Association of Coupon Professionals (ACP) gave its Industry Impact Awards to Dadi Akhavan, president of **E-centives**, and Mike Sonsthagen of **Kimberly-Clark**.

The awards recognize outstanding contributions to the association and couponing. They were handed out at ACP's Industry Coupon Conference in Miami recently.

## **P&G and Ahold Call for Action on New Barcode**

Executives from Procter & Gamble and Ahold USA have called for late-comers in the CPG industry to get on board with the new GS1 DataBar on coupons. The latest phase of the sweeping initiative began January 1 of this year when some manufacturers began issuing coupons with an interim barcode on them.

Don King, associate director, retail marketing services, The Procter & Gamble Company, and Alan Williams, vice president, applications development, Ahold Information Services, Ahold USA, Inc., asked for help from both trading partners: from manufacturers who have not implemented the interim barcode yet, and from retailers who self-maintain their own POS software or use providers other than Fujitsu, IBM, NCR, Retailix or Sweda. The latter is for the trade to get their systems ready can scan the GS1 DataBar.

“Coupon changes are here and more changes are coming,” said King. “The format allows for us to be much more precise in coding complex offers”

The executives jointly presented an update on the new barcode at the annual Industry Coupon Conference hosted by the Association for Coupon Professionals (ACP) in Miami recently. They were joined by Steve Arens, senior director of industry development at GS1 US, and Betty Lou Vontsolos, vice president of operations at CMS.

The implementation of the new system is spread out over two years with manufacturers taking the first step of printing the new data bar alongside the original U.P.C.-A bar code on their coupons. Changes to the face of coupons began January 1 of this year. The U.P.C.-A bar code will be fully retired in 2010 when all retailers will begin scanning the GS1 DataBar.

The guidelines are the result of a five-year

coupon reengineering project by the Joint Industry Coupon Committee (JICC) and GS1 US (formerly the Uniform Code Council) that oversees electronic commerce standards. The project also received input from the Association of Coupon Professionals (ACP). The guidelines offer solutions to challenges encountered by manufacturers and retailers with the current system, which dates to 1985.

To get a sense of the readiness of retailers for the new barcode, GS1 US is conducting a survey. Arens, who presented preliminary results, said the results were “directional” because the survey is ongoing. While the respondents do not represent a scientific sample, they included grocery (large and small retailers), drug, mass and other channels. Here are the results so far:

- Eight of ten (82%) of retailers are aware of the plans to replace the UPC-A and the GS1-128 barcodes on coupons with the GS1 DataBar.

## **P&G and Ahold Call for Action on New Barcode cont'd**

- Three of four retailers (75%) said their front-end systems are not ready to scan the GS1 DataBar.
- Nearly nine of ten (87%) retailers said their systems will be ready for the DataBar on coupons by January 2010, the date when then new barcode will be on coupons by itself.
- Nearly six of ten retailers (57%) plan to enhance their coupon validation process.

The help the industry transition to the new barcode, GS1 US has published a report called the "North American Coupon Application Guideline Using GS1 DataBar (RSS) Expanded Symbols." It is available to qualified recipients.

Meanwhile, Williams said POS solution providers collaborated on the review and approval of a "GS1 DataBar POS Implementation Guide." He acknowledged the help of Pinpoint Data in

coordinating the guide whose purpose is to ensure a consistent customer experience redeeming coupons across all accepting retailers. Fujitsu, IBM, NCR, Retailix and Sweda have taken part in this review early this year. The guide is designed as a resource and reference for POS coupon logic development and testing. It will be to all qualified recipients.

According to Williams, most retailers will not receive GS1 DataBar coupon-ready software from their POS providers until early 2009. Because every POS implementation is unique and critical, most retailers will conduct an exhaustive regression test of new capability which takes a lot of time.

It is unlikely, he added, that many retailers will be ready much before January 2010 "with a version of software that will be ready to interpret the DataBar coupon." It is likely that some retailers will not be ready during the phase-in time of January to June of that year. Those are the retailers that the

industry need to reach, he stressed.

"We're continuing to work with manufacturers and retailers" on the transition to the GS1 Data," said Vontsolos of CMS.

Meanwhile, coupon processors are doing their part in the changeover. They have educated trading partners, updated their processing systems for the GS1 DataBar, and worked with other processors on one-count file updates and company prefix challenges. Currently, they are processing interim coupons and continuing to education manufacturers and retailers.

## **COUPONS, INC. ACQUIRES COUPONBUG, LLC**

Coupons, Inc., the world's leading provider of interactive coupon marketing and technology solutions, today announced the acquisition of CouponBug LLC. Through the deal, Coupons, Inc. gains direct relationships with television stations in

**COUPONS, INC.  
ACQUIRES  
COUPONBUG, LLC  
cont'd**

more than 100 local television markets across the country. The acquisition promises to further integrate the massive consumer reach of television and the efficient distribution of coupons online and significantly change the coupon business.

CouponBug, a partner of Coupons, Inc. since 2004, has network marketing agreements with more than one hundred local television stations in major markets; it expects to add a large number of new stations in the coming year. The stations run TV commercials directing consumers to CouponBug\_managed coupon sections of their Web sites. This approach has proven to be highly effective in directing a significant percentage of in\_market households to print coupons. Since 2007 CouponBug has exclusively distributed national brand coupons provided by Coupons, Inc., as well as coupons

from local advertisers in the stations' markets.

"Coupons, Inc.'s continued innovation, strong brand relationships and extensive network distribution make it the right choice for CouponBug and its television station partners," said Al Bova, CEO, CouponBug. "We're looking forward to bringing our expertise in television direct marketing to Coupons, Inc.'s network, providing excellent benefits to local television stations, businesses, and consumers."

For Coupons, Inc. the acquisition further demonstrates the company's commitment to expanding its network and leveraging all forms of media and channels to make online *the* distribution medium for coupons. With this acquisition, the company increases its local market penetration and expands the company's national distribution network by enabling television stations to run local coupon advertising. Coupons, Inc.'s network now includes more than 500 newspapers and

more than 100 television stations, all of which can leverage the Coupons, Inc. platform to sell coupon campaigns to their local advertisers.

"Television is still the most powerful medium for reaching the largest number of consumers, and CouponBug has shown that an integrated approach, with television driving traffic to printable coupons, is a winning formula," said Steven Boal, CEO, Coupons, Inc. "This acquisition provides us with a direct relationship with local television stations to help make the Internet the most popular source for coupon savings."

Coupons, Inc. currently provides more than 90 percent of online printable coupon offers, and works with more than 800 top brands. The Coupons Inc. Digital FSI™ Network is the world's largest coupon network with more than 3,500 Web sites, including those of manufacturers and brands, grocery stores, and destination sites like FoodNetwork.com and Yahoo!. With its acquisition of CouponBug and recent developments such as

**COUPONS, INC.  
ACQUIRES  
COUPONBUG, LLC  
cont'd**

the Brandcaster network for publishers and the mobile coupon program with Yahoo!, Coupons, Inc. continues to enhance its service and enable partners to develop new and creative ways to offer coupon promotions to millions of consumers.

**Leading Children's charity partners with brand coupon network in innovative 'coupon for miracles' initiative**

*Cause-marketing Promotion Aims to Raise Millions for Children's Miracle Network*

Children's Miracle Network, an international non-profit organization that raises funds for children's hospitals, has partnered with Brand Coupon Network (BCN) to create a promotion called *Coupons for Miracles*. The campaign provides consumers with a simple way to use coupons to benefit children's hospitals.

Consumers will be able to visit [couponsformiracles.com](http://couponsformiracles.com), print out desired coupons and then redeem them at local stores. The coupons are then cleared and identified by clearinghouses. Funds are generated for Children's Miracle Network through each coupon redeemed. Neither donations nor solicitations are required. All funds generated through the Coupons For Miracles program will be distributed to the Children's Miracle Network hospital in the community where the coupon was redeemed.

"*Coupons for Miracles* is an innovation in online fundraising and corporate partnering that converts coupons into cash for Children's Miracle Network hospitals," said Dan Abraham, founder of BCN. "Consumers champion this important cause while they save money on products they normally buy."

Historically, nonprofit organizations suffer in times of economic crisis, according to Abraham. Donations become more

difficult for families as their cost of living drastically rises. "The beauty of *Coupons for Miracles* is that we are helping our supporters save money on their groceries and creating a venue where they can still offer us support."

Brands that participate in Coupons for Miracles also benefit from being charged only when coupons are redeemed. Traditionally, coupons can be an expensive initiative for companies because of the costs associated with printing inserts or because they're charged every time a coupon is printed from a website.

"Because participating companies only pay for redeemed coupons, participating in Coupons for Miracles is essentially a no-risk opportunity while also associating their brand with an important and noble cause," said Abraham.

"We are constantly looking for new ways to engage supporters to help our hospitals," said Bill Shadrach, vice president of marketing, Children's Miracle Network. "*Coupons for Miracles* taps into an

existing consumer habit of using coupons. We're just suggesting they download their coupons from our website and, by doing so, help sick children at our hospitals."

*Coupons for Miracles* is expected to launch in 2009.

**COUPONS, INC.  
DEBUTS  
BRANDCASTER,  
INDUSTRY'S FIRST  
SYNDICATED  
PROMOTION SERVING  
NETWORK**

*Leading Platform for  
Printable Coupon  
Promotions Delivers  
Revolutionary Ad  
Network\_style  
Syndication Capabilities  
for Household Brands*

Coupons, Inc., the world's leading provider of printable coupon marketing and technology solutions, today launched Coupons.com Brandcaster<sup>SM</sup>, the industry's first content\_relevant promotion serving network. Brandcaster delivers offline promotions to a broad network of online publishers and shoppers on the web and opens

up powerful new opportunities for publishers and brands to augment their search and display advertising programs.

Brandcaster, for the first time, marries the ease and flexibility of syndicated display and search advertising with real\_time access to hundreds of offers from the leading brand marketers, including Johnson & Johnson, General Mills, Kimberly\_Clark, Kraft Foods, Clorox, and hundreds of others. Brandcaster ad units get attention, highlighting the offers consumers are most likely to print, providing powerfully high relevance and highly effective use of ad inventory. For publishers, Brandcaster provides a significant new revenue source to replace or supplement their existing ad and search programs.

"Brandcaster is going to play a prominent role in the monetization of our sites. We know our audience responds well to relevant advertising, and coupons provide them with real value in exchange for their engagement with a

brand message. Brandcaster complements search and display ads on our site, giving us another tool to maximize the revenue from our advertising inventory," said Deanna Brown, President, Scripps Networks Interactive.

"For publishers, Brandcaster is a compelling monetization solution that provides a lot of value to their users and can be easily integrated with their existing ad serving systems. For marketers, Brandcaster takes the already compelling value proposition of coupons \_ accountably closing the online\_offline loop \_ to the next level, through adding massive distribution and scale," said Gokul Rajaram, an advisor on Brandcaster and the former Product Manager for Google AdSense.

## **Moving coupons beyond the coupon section**

"We continue to see very strong results from our online coupon programs to date, and Brandcaster promises to bring a whole new scale to the business," said Karl Schmidt, Director of Promotion Marketing, General Mills. "We're leveraging the vast reach and relevancy of the Internet to make a measurable impact on our in-store sales."

According to a recent Simmons/Experian survey, 86 percent of consumers would be likely to print and use a coupon located within an article or website content relevant to what they're reading. Brandcaster moves coupons beyond the coupon section, reaching a broader audience and offering brands the opportunity to engage new, incremental audiences — a new generation of internet-centric consumers.

"For publishers it's all about form and function, yield and convenience," said Steven Boal, CEO of Coupons, Inc.

"Brandcaster takes the search out of savings, bringing consumers the offers they want on the sites they already visit. For publishers, we've married the simplicity of online ad networks with promotions from some of the most well known brands in the world, with the potential to deliver more revenue per impression than search, all within the IAB standard ad formats, the lingua franca of the Internet advertising world."

### **For Publishers**

Brandcaster operates similarly to the online advertising networks and syndicated search that publishers are already familiar with. Brandcaster automatically selects, formats, and delivers the right offers all the time. Consumers can single-click to print the coupons they want — where they see them, never leaving the publisher's site. Brandcaster provides the first opportunity for online publishers to deliver high-quality consumer savings targeted to offline shopping, using a syndication approach on-par with search and

display ad delivery — with higher yielding results while never diverting traffic away from the publisher's site, an Internet first. Publishers work hard for their site traffic, Brandcaster lets them keep it.

### **The online promotions market**

Printable coupons have proven to be one of the most effective online marketing tools available today. Coupons drive sales and provide incentives to consumers while keeping brand messages intact. Recent research from Collective Media found 59.2 percent of marketers plan to use networks to promote their brands in 2008. Brandcaster is the only promotions network that places products in front of interested consumers in the context of related Web content, allowing advertisers to reach out to consumers with coupons in places they don't normally see them.

## ACP Welcomes New Members

NPC  
Motorola  
Cunningham Electronics  
Learnsomething  
WeconnectIT  
LM Gordon  
Shopper Insights  
dunnhumby  
Pottinger Media  
Resolve  
Coalition Works  
SEA Enterprises  
Preva Technologies  
Softcoin  
PDI Knowledgeworks

## Upcoming Events

**National Coupon Month**  
September

**PMA Digital Marketing Summit**  
September 8<sup>th</sup>  
NYC, NY  
[www.pmalink.org](http://www.pmalink.org)

**CMS Promotion Logistics Forum**  
September 22-24  
Hilton Head Island, SC  
[www.promotionslogisticsforum.com](http://www.promotionslogisticsforum.com)

**ACP Midwest Regional Coupon 101\102**  
October 8<sup>th</sup>  
Crowne Plaza,  
Rosemont, IL

**ACP East Coast Regional Coupon 101\102**  
October 29  
Crowne Plaza Hotel

**PMA Law Conference**  
November 20-21  
Chicago, IL  
[www.pmalink.org](http://www.pmalink.org)

**CIC Summit**  
Including Coupon 101\102  
Washington, DC  
March 24-26, 2009  
[www.cents-off.com](http://www.cents-off.com)

**PMA Annual Integrated Marketing Conference**  
Chicago, IL  
[www.pmalink.org](http://www.pmalink.org)  
March 10 – 11, 2009

**Industry Coupon Conference,**  
Including Coupon 101\102  
Hyatt Regency River Walk  
April 28-30  
San Antonio, TX



## New ACP Headquarters!

The ACP has moved it's headquarters. Please update your contact information:

Association of Coupon Professionals  
PO Box 512  
1051 Pontiac Road  
Drexel Hill, PA 19026  
(610) 789-1478  
[www.couponpros.org](http://www.couponpros.org)  
[john.morgan@acp-hq.org](mailto:john.morgan@acp-hq.org)