



## Association News

### Winter 2012

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

#### Regional Coupon 101\102

##### East

March 20, 2012  
In conjunction with CIC  
Summit  
Alexandria, VA

#### Save the Dates! 2012 Industry Coupon Conference ACP 25<sup>th</sup> Anniversary

April 24<sup>th</sup> - April 26<sup>th</sup>  
2012  
Hilton  
Nashville, TN

#### For the latest details:

ACP headquarters  
[www.couponpros.org](http://www.couponpros.org)  
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### Annual Industry Coupon Conference

**“Coupon Nation: Celebrating the Past, Present and Future” takes place**

**April 24 to 26 in Nashville, Tennessee**

Celebrating 25<sup>th</sup> Anniversary of the Association of Coupon Professionals; Keynote Speaker Michael Sansolo of the Food Marketing Institute and “Progressive Grocer” magazine

The annual Industry Coupon Conference titled “Coupon Nation, Celebrating the Past, present, and Future of Coupons,” for 2012 will take place April 24 to 26 in Nashville, Tennessee, and will be celebrating the **Association of Coupon Professionals’** (ACP) 25<sup>th</sup> Anniversary and featuring Keynote Speaker Michael Sansolo, long-time senior vice president of Food Marketing Institute and editor of “Progressive Grocer” magazine.

This will be the only conference dedicated exclusively to coupons in 2012, and will discuss the current industry landscape and future trends as well as changing consumer shopping habits and the impact of social networks. The conference is presented by ACP in collaboration with the Food Marketing Institute (FMI), Grocery Manufacturers of America (GMA), GS1 US, Coupon Information Corporation (CIC) and the Promotion Marketing Association (PMA).

As the Keynote, Michael Sansolo will offer a diverse, in-depth and unique view of the changing nature of today’s shoppers and employees, business competition and the wide-ranging impact of economic issues. Through countless studies and work with some of the world’s most innovative retailers and manufacturers, Sansolo has developed an excellent perspective on the changing nature of business today and the challenge of success tomorrow. His insights from the front lines of consumer behavior arm him with a special vision on issues important to you and your organization.



## Welcome New Members

Abbott Nutrition

Moneymailer

Revtrax

## Committee & Task Forces

Anyone from an ACP member company can volunteer to serve on a committee or task force. It's an opportunity to participate in the improvement of the industry while developing new relationships with industry leaders. Most work is done through monthly conference calls and on-line collaboration. If you are interested in volunteering, contact John Morgan, Executive Director of ACP at (610) 789-9993, or [John.Morgan@acp-hq.org](mailto:John.Morgan@acp-hq.org)

The Conference Planning Task Force, led by co-chairs Val Stark of N.C.L. Graphic Specialties and John Irwin of Promotion Eyes, Inc., are finalizing agenda details which will include:

- **Google's**, Lisa Landsman, will present how technology has enhanced the path to purchase, explain the "Zero moment of Truth" and the journey to purchase decision incorporating innovative technologies and digital incentives such as Google Wallet, Offers and digital coupon platforms.
- Steve Horowitz, Coupons, Inc. will analyze "**Emerging Technologies**" and how Mobile Apps, and digital coupons will impact the industry in a look at the latest technologies and paradigms shifts shaping the future
- **Consumer panel** – hear it from the source! In this live consumer panel we will engage some "All You" consumer members in a discussion about their coupon use and shopping habits.
- **GS1 Databar's final implementation** will be in full bloom by spring. We are planning a help desk, and a track session Q&A to answer questions and address issues on this critical industry initiative
- Anita Bhappu, PHD, University Arizona will share her findings on "**The Digital Coupon Experience from the Consumer Perspective**". This groundbreaking research reveals some insight regarding the consumer experience that will change how you approach digital coupons offers going forward.
- A **Retailer panel** of industry leaders from various formats and channels will discuss industry issues and opportunities from a retailer's perspective.
- Ferha Mirdawi, AOL, will share research on "**How Digital Coupons Influence Shopper Behavior**".
- Back again will be an afternoon of track sessions where you can choose from presentations tailored to your specific interests including Digital Coupons, Redemption trends, GS1 Databar Q & A with Industry Experts, and Counterfeit Coupons.

Plus much more including unique research, the latest trends and innovation that can't be gotten anywhere else but the Industry Coupon Conference.

For more information, contact John Morgan at 610-789-1478, [John.Morgan@acp-hq.org](mailto:John.Morgan@acp-hq.org), or visit [www.couponpros.org](http://www.couponpros.org).

## Committees & Task Forces

The **Education Committee** develops and hosts Coupon 101\102, an introductory workshop for the coupon industry. And works on other opportunities to educate the industry.

### Upcoming Workshops

#### Regional Coupon 101\102 East

March 20, 2012

In conjunction with CIC Summit  
Alexandria, VA

#### In Conjunction with Industry Coupon Conference

April 24, 2012  
Nashville, TN

The **GS1 Databar Task Force** works to implement the new GS1 Databar coupon coding

Current Resources Available

Help Button

<http://couponpros.org/resources/>

Volunteer Subject Matter Experts  
Contact John Morgan  
[John.morgan@acp-hq.org](mailto:John.morgan@acp-hq.org)

## Association of Coupon Professionals schedules Regional Coupon 101\102 Education Workshops in conjunction with CIC Summit in March 20, 2012 in Alexandria, VA.

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

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.

Please join us as industry experts answer all your questions and review all aspects of coupons including planning, design and processing in an informative and interactive format designed for individuals new to couponing, those who need an update and refresher course, and those preparing for the transition to the new GS1Databar.

Attendance is limited; please respond quickly so you won’t miss this informative educational workshop.

A limited number of rooms have been set aside for attendees that are not able to fly in and out the same day.

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)



Transition Tracking

Help Desk at Industry  
Coupon Conference

Periodic Updates  
Issues & Learning's

The **Internet  
Couponing Task  
Force** identifies and  
reports Internet  
coupons' benefits and  
issues

The ACP's **Internet  
Coupon Guidelines is  
available** for  
distribution to  
interested Retailers,  
manufacturers and  
industry supporting  
solution providers free  
of charge. The  
document is a  
comprehensive guide to  
Internet coupons that  
discusses trends,  
benefits, opportunities,  
and challenges as they  
apply to consumers,  
retailers, processors, and  
manufacturers. This  
guide also presents  
recommendations for  
the development of an  
effective Internet  
coupon

## **CIC Industry Leadership Summit VI is Scheduled for Wednesday March 21, 2012 in Alexandria, VA**

CIC is working with retailers, processors and other industry participants to seek efficient and practical solutions to mutual security challenges.

The 6<sup>th</sup> annual Summit will be held on March 21, 2012 at the Hotel Monaco in Alexandria, VA

Help enhance the security and integrity of the couponing industry by engaging in intense, straightforward, direct conversations about counterfeit coupons; the new bar code system; the CIC hologram; voluntary best practices; FSI (Sunday coupon) security; stacking; controls at the point of sale, and "extreme couponing."

Visit <http://www.couponinformationcenter.com/2012Summit-info.php?st=f20c1> for eligibility, pricing, registration, and details.



## Trends

The **Industry Coupon Conference Planning Task Force** develops the annual industry coupon conference

The **Coupon Guidelines Committee** creates best practices on coupon design and processing.

The committee works in collaboration with the JICC and CIC on various industry initiatives. The committee is currently working on an update to the Industry glossary, developing best practices for coupon design and addressing hard to handle issues, identifying commonly used reason codes and a guide for self-checkout.

The **Membership Committee** actively recruits new members

The **Digital Coupon & Redemption Task Force** is developing guidelines for digital coupon promotions

The original guideline

### ACP to Provide Resources to Aid Transition to GS1 Databar

The ACP anticipates 2012 as the year that the industry transitions to GS1 Databar only Coupons. We are already tracking significant increases in the number of coupons that are “Databar only”

The ACP GS1 Databar Task Force will provide resources to help this transition including:

- Periodic updates of GS1 Databar issues and learning’s
- A “how to” guide that incorporates industry learning’s and includes illustrations and an FAQ section.
- A “help button” on the ACP website. <http://couponpros.org/resources/>
- Volunteer Subject matter experts available to answer questions
- A Help desk at Industry Coupon Conference, April 24-26, 2012, Nashville, TN to answer questions and recommend resources to help the industry transition to GS1 Databar-only coupons.
- Tracking the transition from 2 FSI markets.

### Too Much of a Good Thing?

#### Coupon Trends from Inmar

Growth is good, if you’re talking about your company’s bottom line. But even then, steady and sustainable wins the race. The challenge is when growth is unpredictable and sporadic – the more so when that growth affects a cost to your business, like coupon redemption.

In recent years, the central coupon question on many promotions managers’ minds has been, “How much of an increase in coupon redemption do I need to budget for this year?” With the industry, overall, seeing 5% more coupons redeemed in 2011 (January through September) than it saw in 2010, I’m confident quite a few of those



form 2008 has been updated. You can get a copy by contacting

John Morgan,  
Executive Director of  
ACP, at 610-789-9993  
or [John.Morgan@acp-hq.org](mailto:John.Morgan@acp-hq.org).

The **Market Research Task Force** develops unique consumer coupon insight from research data

The **Printer Task Force** – develops guidelines for security for the printing and delivery of coupons

The **Canadian Task Force** – addresses coupon issues unique to Canada.

The **Awards Task Force** accepts nominations and determines Lifetime Achievement awards, Industry Impact awards and other special recognition awards.

The deadline for 2012 is February 15, 2012

managers got the answer wrong and had to start slashing late-year promotions because budgets were blown out early.

The consequence of this increased redemption has been a notable decline in the number of coupons distributed. Brands started 2011 cautiously, reducing available coupons by 7% in the first half. Then, as the consumer response continued to surge, brands pulled back further, resulting in a 13% decline in distribution in the third quarter.

The anticipated growth of redemption in the fourth quarter -- combined with the higher coupon response we've seen from shoppers so far -- is sure to prompt continued distribution restraint from brands the rest of this year and, likely, into early 2012.

How will the year end?

The fourth quarter is typically one of the strongest for coupon redemption, which usually makes it the wild card in determining how the level of coupon redemption for any given calendar year.

And 2011 is no different.

Inmar reports that the first half was fairly flat (Q1 was down 3% compared to the same period in 2010, but Q2 was up 4%). However the third quarter was up significantly at 13%, driving coupon redemption up about 5% for the first three quarters versus the same period in 2010.

So where will coupon redemption land this year?

- Will it be like 2010 when redemption was essentially flat because redemption fell off in the second half?
- Or, will it be more like 2009 when redemption was hyperactive all year

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for details and  
forms.

**Upcoming Industry  
Events**

PMA Annual  
Conference  
March 14-15, 2012,  
Chicago, IL

CIC Summit with  
Coupon 101\102,  
March 20-21, 2012,  
Alexandria, VA

Industry Coupon  
Conference, Including  
Coupon 101\102  
April 24-26  
Hilton Nashville, TN

FMI Show  
April 30-May 3  
Dallas, TX

GMA Executive  
Conference  
August 25-28  
Colorado Springs, CO

because of the economic downturn -- ending with a 27% increase over 2008?

- Or, will it be like 2008 when redemption was flat because of a strong second half?

Would you believe "none of the above?"

The exact consumer response to coupons in the fourth quarter is anybody's guess. But, the industry is already up 5% in the first three quarters of the year versus the same period last year. And that's without taking into account any changes yet to come that will have a much lower growth hurdle since Q4 2010 was pretty rough, down 11%.

So at worst, we're on track to maintain the 5% bump we've seen so far. October is in the books and it showed slight growth. Now it all depends on how insistent shoppers will be to mix coupons with their holiday celebrations ... but for my money, I'm betting on the second significant increase in redemption that we've seen in the last 15 years.

**KANTAR MEDIA REPORTS FREE STANDING INSERT (FSI) COUPON  
ACTIVITY DECREASED 6.5 PERCENT DURING 2011**

**More than 272 Billion Coupons Distributed**

Kantar Media reports that more than 272 billion Free Standing Insert (FSI) coupons were distributed in 2011 which represents a 6.5 percent decrease in activity versus 2010. This decline in FSI coupon activity follows two consecutive years of annual increases of 8.0 percent in 2009 and 7.2 percent in 2010. Despite an overall decrease in FSI coupon activity, retailer promotion pages within the FSI vehicles recorded a 30.7 percent increase to more than 17.0 billion pages in 2011, continuing the significant annual increases in retailer promotion activity which began in 2007.

"Consumer packaged goods manufacturers continue to include FSI coupons as part of their marketing mix to reach millions of households with a relevant brand message and purchase incentive during a specific week," said David Hamric, General

Manager, Kantar Media Marx. “Increasingly, manufacturers and retailers are participating in cooperative events to influence the shopper on their path-to-purchase, making FSI coupons an important lead indicator of competitive promotion tactics, creative brand messaging, and retailer promotion alignment.”

Retailer promotion events continued to evolve as a promotion tactic in 2011. Seven out of nine areas reported by Kantar Media increased the use of retailer promotion pages in 2011 including Frozen Products, Personal Care and Health Care areas. The number of manufacturers utilizing this tactic increased 16.9 percent in 2011 and has more than doubled since 2007. “To provide more actionable insights into how retailer programs are influencing shoppers in the home where they are building shopping lists and planning shopping trips, Marx will introduce DirectHEAT™ Retail Insights in January 2012. DirectHEAT Retail Insights integrates retailer advertising, retailer FSI promotion events, and digital coupons distributed on retailer websites to provide new insights into how retailers and manufacturers are working together to drive trips, transactions, and profits,” said Hamric.

FSI coupon support was included as part of 291 new product introductions during this period, down from 344 during 2010. “FSI coupons continue to be an important advertising and promotion vehicle to create brand awareness and to incent trial purchasing for new product introductions,” noted David Hamric.

In 2011, the frequency of FSI events declined slightly with activity occurring on 47 of 52 weeks. The “pre-Mother’s Day” promotion week of May 1 had the greatest activity with a weighted average circulation of 156 pages. October 2 was the second most heavily weighted week with a total of 137 pages followed by the “pre-Labor Day” promotion week of August 28 with 126 pages.

### **Overall FSI Activity**

During 2011, more than \$421 billion in consumer incentives were delivered via FSI coupons, down 6.7 percent from 2010. During the same period, over 272 billion coupons were distributed within more than 205 billion FSI pages. For the first time in at least the last ten years, FSI coupon average Face Value did not increase. At



\$1.55, it showed a 0.2 percent decline versus 2010. Average Expiration (Fuse) continued a steady downward trend with a decrease to 8.1 weeks, down 5.2 percent versus a year ago. These trends indicate that manufacturers are managing their financial exposure by maintaining current offer values, reducing the number of coupons distributed, and shortening the length of time that these offers are available in the market.

2011 versus 2010		
Measure	2011	% Change
Dollars Circulated	\$421 billion	-6.7%
Coupons Dropped	272 billion	-6.5%
Pages Distributed	205 billion	-3.5%
Face Value (average)	\$1.55	-0.2%
Fuse (weeks)	8.1	-5.2%

Source: Kantar Media

### Sector Activity

The Consumer Packaged Goods (CPG) sector remained the largest user of FSI pages with a 73.5 percent share, followed by Direct Response, which includes general advertising activity, and Franchise, comprised of restaurants, portrait studios, and other businesses. CPG pages distributed decreased for the first time since 2006, down 4.4 percent. Also continuing a downward trend, Direct Response posted a 3.9 percent decrease versus 2010; however, Franchise pages increased 4.2 percent after flat activity levels in 2010.



2011 Results by Sector versus 2010			
Sector	Pages (MM)	% Change	Share
CPG	150,918	-4.4%	73.5%
Direct Response	34,237	-3.9%	16.7%
Franchise	20,049	4.2%	9.8%
<b>Total</b>	<b>205,203</b>	<b>-3.5%</b>	<b>100.0%</b>

Source: Kantar Media

### Top 10 Retailers based on Pages Circulated

Retailer promotion pages increased 30.7 percent to more than 17.0 billion pages in 2011. Wal-Mart took the top spot from Dollar General with a 746.1 percent increase to 3.9 billion pages. Dollar General, in the second spot, was up 23.5 percent to 2.8 billion pages while Target dropped to third having remained flat at 2.2 billion pages. Wal-Mart and Kmart had the largest jumps within the top 10, each moving up 6 spots to 1 and 10 respectively. These trends reflect the overall growth of retailer promotion within traditional FSI vehicles to drive shopping trips, transaction size, and overall profits across channels and retail formats.

Store	Rank 2010	Rank 2011
Wal-Mart	7	1
Dollar General	1	2
Target	2	3
Walgreens	3	4
PetSmart	4	5
CVS/pharmacy	6	6
Family Dollar	5	7



PETCO	9	8
Kroger (banner)	8	9
Kmart	16	10

Source: Kantar Media

### Top 10 Categories for New Product Activity

During 2011, there were 291 new products that delivered FSI coupons across 590 event dates as part of their introduction, averaging 2.0 event dates per new product. This activity is down from 344 new products, 709 event dates, and 2.1 event dates per new product during 2010. Beverages tied with Alcoholic Beverages with the greatest number of new products in 2011, each having 18. Cereals followed with 17 new products and Snacks was fourth with 16 new products.

2011		
Rank	Product Type	# New Products
1	Beverages	18
1	Alcoholic Beverages	18
3	Cereals	17
4	Snacks	16
5	Prepared Food/Frozen	12
6	Household Cleaning Products	10
6	Milk/Milk Products	10
6	Meat/Refrigerated	10
9	Pet Food & Treats	9
10	Vitamins	8

Source: Kantar Media

### CPG Non-Food vs. Food

In 2011, Non-Food categories distributed more than 164 billion coupons, down 5.3 percent versus a year ago, driven by the 13.9 percent decline within the Household Products area. Food categories distributed more than 108 billion coupons, representing a decrease of 8.5 percent, led by the 17.9 percent decline for the Refrigerated Foods area. Seven of the nine areas defined by Kantar Media reported declines in Coupons Dropped during this period with Health Care and Personal Care areas remaining flat in 2011 versus 2010.

Manufacturers are increasing the value of the offers being delivered to consumers in the Food segment while reducing them slightly in the Non-Food segment. Weighted Average Face Value (WAFV) for Non-Food dropped 1.6 percent to \$1.90 and was combined with a 1.8 point increase in Multiple Purchase Requirements (MPR) resulting in Weighted Average Face Value Per Unit (WAFVPU) decreasing 3.1 percent to \$1.65. WAFV for Food increased 2.2 percent to \$1.01 and was combined with a 3.0 point increase in MPR resulting in WAFVPU remaining flat at \$0.74. These promotion tactics are designed to increase the number of products the consumer purchases per coupon to potentially increase brand loyalty or preempt competitive purchasing for a longer period of time.

2011 versus 2010										
Class	Coupons Dropped (MM)		Avg Face Value (\$)		Avg Face Value Per Unit (\$)		% Multiple Purchase		Avg Duration (weeks)	
	2011	% Chg	2011	% Chg	2011	% Chg	2011	Point Chg	2011	% Chg
Non-Food	164,311	- 5.3%	\$1.90	-1.6%	\$1.65	- 3.1%	17.0%	1.8	7.5	- 6.4%
Food	108,624	- 8.5%	\$1.01	2.2%	\$0.74	- 0.4%	42.4%	3.0	8.9	- 3.6%
<b>Total CPG</b>	<b>272,608</b>	<b>- 6.5%</b>	<b>\$1.55</b>	<b>-0.2%</b>	<b>\$1.29</b>	<b>- 2.0%</b>	<b>27.1%</b>	<b>2.1</b>	<b>8.1</b>	<b>- 5.2%</b>

Source: Kantar Media

### Top 10 FSI Product Types in 2010 (by Coupons Dropped\*)

The top 10 product types based on Coupons Dropped accounted for 35.9 percent of all FSI coupon activity during 2011. Pet Food & Treats ranked first and decreased 7.1 percent to distribute more than 13.9 billion coupons. Combination/Personal products (comprised of Personal Care brands which are promoted across multiple individual Personal Care categories) maintained second place with a 9.0 percent decline to 13.4 billion coupons.

Rank	Product Type	Coupons Dropped (MM)*			
		2010	2011	% Chg	Actual Chg (MM)
1	Pet Food & Treats	15,011	13,938	-7.1%	-1,073
2	Combination/Personal	14,753	13,420	-9.0%	-1,333
3	Snacks	10,937	11,614	6.2%	677
4	Vitamins	10,019	10,631	6.1%	612
5	Household Cleaning Products	12,902	10,311	-20.1%	-2,591
6	Rug/Room Deodorizer	10,622	9,464	-10.9%	-1,158
7	Shaving Cream/Razor	6,607	7,815	18.3%	1,208
8	Cough Cold Sinus Allergy (CCSA)	8,429	7,806	-7.4%	-623
9	Hair Care	7,124	6,816	-4.3%	-308
10	Toothbrush	6,374	6,201	-2.7%	-173

\*Coupons Dropped equals the actual number of coupons distributed in FSI inserts for manufacturers' brands.

Source: Kantar Media



Copies of the comprehensive 9th annual FSI Distribution Trends Report will be available by request through the Kantar Media website at:

[www.kantarmediana.com/marx](http://www.kantarmediana.com/marx)

**KANTAR MEDIA REPORTS STRONG DIGITAL COUPON SUPPORT FOR NEW PRODUCT INTRODUCTIONS IN THE FIRST NINE MONTHS OF 2011**

**Retailer websites were the most frequently used tactic to distribute new product digital coupon events**

In the first nine months of 2011, 214 new products included free-standing insert (FSI) coupon support as part of their introduction according to Marx, a Kantar Media Solution. Digital coupons were used in 83 of these 214 new product introductions, or 38.7-percent, during the first nine months of 2011.

Digital coupon events for new products were observed across coupon network, retailer, and brand websites. However, retailer websites were the most frequently used tactic with 95.1-percent of the new products that distributed a digital coupon event doing so on at least one retailer website. The top five retailer websites distributed 72.2-percent of the digital coupon new product events among the retailer websites tracked by Kantar Media.

Other new product digital promotion tactics may be illustrated by a recent Cereal new product introduction which distributed coupons on five retailer websites, delivered digital coupons one week prior to the first FSI coupon event, and offered higher Average Face Values through brand and retailer websites than those offered on coupon network websites.

	Network Website	Retailer Website	Brand Website
	Average Face Value	Average Face Value	Average Face Value
Cereal New Product	\$0.89	\$0.95	\$0.98

Source: Kantar Media



“Digital coupons are becoming an integral tactic within new product introductions,” said Dan Kitrell, Vice President of Marx Account Solutions at Kantar Media. “By distributing digital coupons on retailer websites prior to the first FSI coupon event, brands are able to build retail distribution, secure shelf space, engage with trial purchasers, and align with retailers that seek to be first-in-market with new products. By offering higher face values on brand and retailer websites, marketers are providing an incentive to shoppers to engage with the brand either directly or through the retailer. This helps retain the equity of the event for the brand or retailer rather than having it accrue to the coupon network website,” concluded Kitrell.

### **Key Network Websites Trend Down**

Digital coupon event activity across key coupon network websites declined 7.8-percent through the first nine months of 2011 as compared to the same nine months in 2010. Additionally, 278 manufacturers distributed digital coupon offers during the first nine months of 2011, a 7.3-percent increase versus the number of manufacturers that distributed digital coupon offers during the same nine month period in 2010.

“More manufacturers are leveraging digital coupons to reach shoppers in-the-home where they are building purchase intent and planning shopping trips,” said David Hamric, General Manager of Kantar Media’s Marx solution. “However, as manufacturers increase their alignment with strategic retail partners and experiment with new digital coupon platforms, the traditional print-at-home digital coupon networks will need to work harder to retain their share. Kantar Media continues to be the leading source for digital coupon insights across network, retailer, and brand websites to help our clients build effective plans and to monitor competitive activity,” said Hamric.

CPG Areas	Jan-Sept 2010 Digital Activity			Jan-Sept 2011 Digital Activity		
	Share of Activity (1)	Face Value (2)	Face Value Per Unit (2)	Share of Activity (1)	Face Value (2)	Face Value Per Unit (2)
Cereals	5.9%	\$0.80	\$0.63	4.9%	\$0.75	\$0.64
Dry Grocery	29.5%	\$0.97	\$0.79	24.4%	\$1.09	\$0.88
Frozen Products	9.4%	\$0.87	\$0.69	8.3%	\$0.87	\$0.68
Health Care	10.6%	\$2.31	\$2.20	15.1%	\$2.11	\$1.96
Household Products	7.4%	\$1.56	\$1.30	11.9%	\$1.27	\$1.10
Other Packaged Goods	3.1%	\$3.90	\$3.75	0.9%	\$1.63	\$1.50
Personal Care	17.6%	\$1.71	\$1.56	20.7%	\$1.72	\$1.62
Refrigerated Foods	14.6%	\$0.72	\$0.52	11.7%	\$0.70	\$0.49
Shelf Stable Beverages	3.9%	\$0.90	\$0.72	3.4%	\$0.95	\$0.78

**Source: Kantar Media**

(1) Digital Share of Activity is based on Number of Events (NOTE: Sum of all Areas may be greater than 100% due to events which include more than one Area)

(2) Digital Face Value and Face Value Per Unit are averaged values

Food Areas: Cereals, Dry Grocery, Frozen Products, Refrigerated Foods, and Shelf Stable Beverages

Non Food Areas: Health Care, Household Products, Other Packaged Goods and Personal Care

Non-Food Areas increased their share to 48.6-percent of digital coupon events in the first nine months of 2011 (NOTE: Sum of all Areas may be greater than 100% due to events which include more than one Area). Three of the four Non-Food Areas increased share of activity in the first nine months of 2011 compared to the same period in 2010. Health Care and Household Products each increased their share of

activity by 4.5 points, the largest growth for all Non-Food Areas. Food Areas represented 52.7-percent of digital coupon events with all five of the Food Areas decreasing in share of activity. Dry Grocery had the greatest decrease, declining 5.1 points. This reflects an acceleration of the downward trend across Food Areas observed during the first six months of 2011 versus the same period in 2010

## Member's Corner

### News, thoughts and announcements from ACP members.

The ACP does not endorse any companies, products, or services

#### **Coupon use from Websaver.ca Generates \$50,000 Donation to National Charity Breakfast for Learning**

webSaver.ca is pleased to announce a donation of \$50,000.00 to the Breakfast for Learning charity. The donation presentation was made at Breakfast for Learning's annual golf tournament held at Glenn Abby today.

"This donation was made possible only because of our great webSaver.ca members and brand partners. For every webSaver.ca coupon is used, webSaver.ca donates 5 cents to charity. It truly is a win-win-win for consumers looking to save money and try new products, brands looking to promote their products and Breakfast for Learning, who works tirelessly every day to ensure millions of meals are available for our nation's hungriest minds. webSaver.ca lets consumers save a little and give a little all at the same time" said Nizam Walji, President of webSaver.ca

With over a million members within the webSaver.ca network, webSaver.ca is Canada's leading distributor of online request based coupons. webSaver.ca's charitable giving program helps ensure strong redemption rates for brands by associating a powerful "feel good" component with coupon use.

"We hope to donate even more in 2012 and encourage our brand partners to not only offer more coupons to our audience but consider matching our donation too" added Mr. Walji.

For more information on Breakfast for Learning and webSaver.ca, please visit [www.breakfastforlearning.ca](http://www.breakfastforlearning.ca) and [www.websaver.ca](http://www.websaver.ca)

### Cellfire launches API, QBridge

Establishing another industry first, Cellfire Inc. Today launched QBridge, a software developer kit (SDK) that provides the tools and resources developers need to harness the power of digital grocery coupons seamlessly into their existing applications. For the first time, brands and their partner agencies, and advertising networks have access to all the resources they need to easily integrate digital coupons into any digital experience, whether that is Web, mobile or digital TV.

QBridge is a full application program interface (API) that enables software developers to integrate customized grocery coupons into their current environments. No other digital coupon company has offered full APIs to the general developer community and packaged them in an SDK with documentation, training support and reporting capabilities. Cellfire uses QBridge to "bridge" the gap between the retailers and consumer packaged goods providers with the digital generation of consumers they seek by using Cellfire's Digital Offer Network of more than 400 web and mobile partners.

CardStar will be one of the first developers to tap into Cellfire's Digital Offer Network of partners using the QBridge in CardStar's mobile apps, which drive the use of loyalty cards and coupons. Consumers will be able to clip coupons directly through the CardStar mobile app without having to be redirected to another interface.

"Cellfire has made it easy to incorporate the power of the Cellfire Digital Offer Network into our applications, allowing us to create even more value to our users, grocers and brands," said Andy Miller, CEO of CardStar. "Cellfire has provided a great platform for enabling digital grocery coupons seamlessly on all our various consumer interfaces."

QBridge extends Cellfire's leadership in digital grocery coupon syndication, providing the most robust developer tools for distributing grocery coupons to any digital

experience. The customizable QBridge SDK is in addition to the existing pre-built syndication tools from Cellfire, such as QFrame for desktop websites and QMobile for iOS and Android mobile experiences. Cellfire's syndication platform helps developers:

1. Give their users value on grocery shopping, the most frequent consumer purchase activity
2. Add a revenue stream to help monetize apps or websites
3. Attract brands who want to advertise in an environment where there is a concrete digital call-to-action with a coupon
4. Increase retention rates through value-add emails or notifications to users regarding new coupons, expiring coupons and redeemed coupons

"With QBridge, we are giving developers one easy access point to offer millions of coupons per month to millions of consumers through our Digital Offer Network of partners," said Robert Drescher, CEO of Cellfire. "Cellfire wants to be the bridge that brings consumers together with the brands and retailers they want through an interface that they already love – that is what QBridge is all about."

The Cellfire Digital Offer Network enables consumer brands the broadest distribution network of websites and mobile applications, including third-party partners, grocers and white-label solutions. For brands, Cellfire connects to grocer websites, as well as to more than 400 web and mobile partners that reach millions of consumers in their digital world.

## Databar Coupon Bar codes – What Is Your Grade?

By John Gorowsky, Symbology

Bing, zip, zap, ding, beep....we all have our own word for the sound of a bar code scanning in a retail store – usually when we are in a hurry and are waiting for the person in front of us – and we really notice when that familiar beep or zap doesn't happen. That means there is a problem with the bar code scanning and possibly a longer wait for us.

Why don't bar codes always scan? Sometimes the issue is with the scanner not functioning correctly. However, very often the reason is within the bar code itself. And when poor quality bar codes fail to scan, costly fines and penalties can be imposed on the issuer or owner of the bar code.

There are 8 elements within a bar code that affect its quality, or ability to be scanned. The American National Standards Institute (ANSI) and the International Standards Organization (ISO) have established universal quality criteria and grading for bar codes. A bar code verifier, or inspection device, is a tool that reads and analyzes the code for the 8 elements (minimum reflectance, symbol contrast, defects, etc.) and provides an overall grade for the bar code. Verifiers are also calibrated to ISO specified reading levels for inspection.

What is the impact on Coupon bar codes?

The new GS1 Databar coupon bar code uses a bar code language or symbology called Reduced Space Symbology (RSS Stacked) that utilizes multiple rows to encode large amounts of data. The Databar coupon bar code encodes substantially more data in it than its predecessor – the linear UPC extended bar code. Databar coupon bar codes can be encoded in 2 to 11 rows of data and require more processing power to scan and decode the data than linear bar codes like UPC codes.

What is the GS1 specified quality grade for Databar?

The previous UPC extended coupon bar code had a specified a quality level of ANSI / C, or ISO / 1.5. The new GS1 Databar bar code has an **increased** specified quality





level of ANSI / B, or ISO / 2.5. Coupon issuers and printers need to ensure that the code achieves the specified quality level, or additional costs and delays may be incurred. Coupon bar codes can also fail to scan if they are encoded incorrectly, or fail to meet a minimum size requirement – a common error with coupons. A quick review of the FSI in your Sunday paper usually exposes several coupon codes that are printed smaller than they should be. A bar code verifier will also check for correct data encodation, and the proper size requirement.

If you are issuing coupons with GS1 Databar bar codes, you can avoid fines and penalties and ensure successful retail scanning, by utilizing an ISO bar code verifier to check your bar code quality.