



# *Insight*

October 2009

Dear Ira,

Every day we find new ways to incorporate our cellphones into our lives. Texting. Tweeting. Web browsing. Listening to music. What's next? Next is now. How about having coupons served to your phone based on the stores you frequent? And, what about walking into a store and a coupon is automatically sent to your phone for exclusive specials? This month's Insight looks behind the curtain of the new world of couponing. Enjoy!

Stay Positive!

Ira  
Your Virtual Media Director



**IB Up Close**



As we approach the baseball playoff season, my 3 1/2 month old grandson Asher has already established his team! I knew I loved him from the moment he was born.

## Coupons You Don't Clip, Sent To Your Cellphone

### Show your phone, get a discount

Mobile coupons - usually text messages with discount codes sent to a cellphone - are becoming the blue-light specials for the digital age, promoting last-minute clothing sales, two-for-one entrees and cheap tickets to the theater. While some mobile coupons are sent directly from a retailer to a customer who has signed up for mobile updates, the other way for bargain-seekers to get up-to-the-minute deals is to subscribe to a mobile-coupon aggregator. At Web sites like 8coupons, Cellfire, Yowza and Zavers, users can sign up for different retailers' promotions in one place. The opt-in model means subscribers get only offers they want to receive, making each one worth reading.

Snipping out coupons from the weekend paper is still the most common way households in the United States get their coupons, but the popularity of coupons delivered via e-mail and text messages is growing. In the first half of 2009, nearly 10 million digital coupons were redeemed, a 25 percent increase over the amount redeemed during the same period in 2008, according to Inmar, a coupon-processing company. The convenience of digital coupons is appealing to a new crop of shoppers, many of whom would not dream of carrying around a crumpled pile of paper coupons just to get 30 cents off a box of spaghetti. About a third of the users who signed up for Cellfire say they have never used paper coupons, according to Cellfire's chief executive, Brent Dusing.

The growing popularity of feature-rich mobile phones does not hurt, either. "It's not like you have to get a new phone to do this," said J. Gerry Purdy, an analyst for Frost & Sullivan, a market research firm. "It's just a slight behavioral change to what people already do." The widespread adoption of text messaging and sleeker, richer phone interfaces also makes mobile transactions easier. Some shoppers are turning to mobile applications that collect coupons, like Coupon Sherpa, an iPhone application that handles coupons for retailers like Kmart, Toys "R" Us and Zales. Since its release in April, Coupon Sherpa has been downloaded more than 65,000 times.

Taking the concept of mobile coupons a step further, aggregators 8Coupons and Mobiqpons recently introduced location-based features. Using the services, users can receive discount offers from merchants who are only a few blocks away.

"People keep their phones on them all the time," said Thad Langford, chief executive of the mobile-coupon site Zavers. "Even when people are sleeping, it's right next to them, charging."

Why do people like this? "It's so easy because the coupons are already sitting on your phone," one user said. At check-out, he simply shows the coupon on his cellphone screen to the cashier, who enters a code to apply the discount. It doesn't feel like it has the same stigma as walking up to the cashier with a Velcro pouch, fishing around for a coupon, like my mom used to do," he said.

And despite their growing popularity, mobile coupons face some hurdles, like software glitches and other technological hiccups, that keep them from being adopted on a larger scale, said Matthew Tilley, director of marketing at Inmar. "It's not a seamless transaction just yet," he said. "But the work to get there is under way."

In addition to consumers, retailers - particularly ones with perishable items that need to sell quickly - are becoming fans of mobile coupons. Buttercup Bake Shop, a bakery in Manhattan, used 8coupons to offer cupcakes for 8 cents for one day only. Subscribers to 8coupons were alerted via a text message. "It was very successful," said Kara Martinez, director of operations at Buttercup Bake Shop. "We had a little over 500 people show up."

Source: New York Times, 8/29/09



Welcome to our new readers of IB Media *Insight*. Each month we touch on a current media topic of interest in a short, concise format. You're busy. We get it.

Thanks to all for your thoughts on last month's *Insight*. People really do like advertising for a variety of reasons.

Have a comment or suggestion on this month's topic or any you'd like covered in the future? Let us know. And, if you've enjoyed this month's edition, pass it on to someone who will appreciate it.

Next month? We take a break from media related insight to insight on how to use The Secret to attract your best clients and partners.

We're IB Media, Your Virtual Media Director. Always ready to discuss how we may add value to your organization. Thanks again!

Ira Bass  
Your Virtual Media Director  
IB Media LLC  
[www.IBMedia.biz](http://www.IBMedia.biz)  
[IBMedia@carolina.rr.com](mailto:IBMedia@carolina.rr.com)  
704.989.3790  
Linkedin: [www.linkedin.com/in/IBMedia](http://www.linkedin.com/in/IBMedia)  
Twitter: @IBMedia  
Facebook: facebook.com/IBMedia