



The Couponing Experts™

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Case Study: How Much Is Enough?

Challenge: The marketing group of a specialty sauce maker was taking direction from its sales force about handling the challenges of double coupon markets. For the Northeast region, the consensus was that coupon values had to be at least \$1. The understood reason was retailers' advertised policies for doubling coupons with values up to \$1, which made values up to and including 99 cents more expensive for retailers. Therefore, \$1+ values were preferred by retailers. The problem was that giving \$1 off 1 bottle was a big financial risk and giving \$1 off 2, due to consumer consumption patterns, would never be a successful offer. Marketing needed to comply with retailer requests while managing liability and providing a persuasive offer.



Solution: VSI realized that the issue really only applied to a couple of retailers in limited markets. Using knowledge of retailer and FSI coverage, VSI determined which markets legitimately needed the richer offer (\$1 off 1 bottle) to satisfy retailer requests. Along with the recommendations for adjusting coupon values and targeting distribution, VSI facilitated buy-in from sales with evidence to support the lower values for those markets previously considered to be restricted to \$1+.

Result: Armed with data and a reasonable compromise, the coupon values now more accurately reflected the company's marketing strategy. Also, due to retailer's double coupon policies, the lower face value coupons were just as attractive to consumers, meaning that redemption remained at a similar level. In the end, the company saved a considerable amount of money while achieving its marketing goals in a very important market.

Whether you're trying to manage around double coupon policies or ensure coverage of an important retailer, you understand the value of coordinating your coupon distribution with your sales team. However, optimizing your coupons requires more than just rules of thumb. You need solid experience and analytics to focus your promotional spending where it can have the biggest impact. It's not only a matter of being cost-conscious; it's smart to put the best coupon offers in the hands of targeted consumers at the best possible time. That's how VSI's Coupon Optimization process makes coupons work to meet your brand's objectives.