

**A RETAILERS GUIDE TO MAGAZINE COUPONS & VOUCHERS**

**September 2015**



## ***Why should I bother with coupons and vouchers?***

Promotional coupons & vouchers are **valuable marketing tools** that drive additional magazine sales.

- **£1.7 billion** coupons and vouchers were redeemed in 2014
- **688 million** vouchers were redeemed in the UK in 2014 = **up 14%** on 2013
- **85%** of shoppers use coupons and vouchers
- **12%** of all redeemed vouchers are from newspapers & magazines, by far the largest single redemption category

This short guide aims to provide information to help you maximise your revenues whilst minimising the risk.

*Remember that coupons and vouchers fulfil a number of important marketing objectives:*

- Increase sales
- Support products at point of sale
- Provide customers with perceived added value
- Draw attention to the title/brand
- Drive footfall into stores
- Encourage repeat purchase
- Attract new customers
- Encourage 'trading up' to higher priced products
- Introduce new products
- Cushion the impact of price increases
- Re-activate lapsed consumers
- 'Shape' customer behaviour

## ***How can I make sure coupons work for me?***

*Encourage your staff to check and accept!*

Accepting magazine coupons in store promotes sales and increases till receipts and turnover.

*Make sure the coupon is valid*

Coupons are NOT TRANSFERABLE; they cannot be used against anything other than the intended product:

- Always check that coupons are being presented for the title and issue being purchased and ensure the redemption date is current
- Some coupon campaigns are limited to certain stores only - make sure yours is included
- Make sure that if a name and address is required from the consumer, then this is filled in

*Treat coupons as cash*

Remember that coupons are worth the value of the discount plus a retailer handling allowance. It's therefore a good idea to make sure that vouchers are returned to your wholesalers / redemption house in a timely fashion – weekly is recommended, even if there are only a few to be returned. This will minimise the risk of them getting lost or going out of date.

If you do not count your vouchers personally, we recommend that you spot-check the accuracy of your staff handling the vouchers on a regular basis.

*Ensure that wholesaler procedures are followed (see below)*

**What do I need to know about wholesale redemption procedures?**

Smiths News	Menzies Distribution
<b><u>Voucher recall note/ envelope</u></b>	
Provided weekly	Provided weekly when the one previously supplied has been returned
Envelope has a unique reference number	Extra envelopes are available upon request
Voucher recall notes provide a list of all active coupon campaigns	A full list of active vouchers is available on i-Menzies ( <a href="http://www.imenzies.com">www.imenzies.com</a> )
All fields should be completed in BLOCK CAPITALS	
<b><u>Returns process</u></b>	
Place all vouchers/ coupons and the recall note in the envelope and seal securely	
Enter the envelope reference in the relevant box on the magazine recall note	Ensure your customer number is entered on the envelope.
Send the voucher envelope back each week with your magazine unsolds in a sealed tote box	
Confirmation of receipt will appear on the Daily Priced Delivery Note (DPDN) once received	Voucher credits listed on your credit advice note are grouped by title not individual issue, to help checking
Credit will be itemised on the voucher DPDN that you receive on a Saturday	

**How do I know that the redemption process is robust?**

- Each individual coupon is scanned either in-house or via an appointed clearing house
- All coupon barcodes are linked to a database that enables swift validation of each claim
- Most coupons are physically returned to the supply distributor / publisher for final validation
- The PPA regularly audits the redemption process to ensure that the accuracy and speed of process is acceptable

**Please note that a comprehensive reference tool that provides information on a wide range of coupon related subjects is available on the PPA website: <http://www.ppa.co.uk/resources/Retail/>**