

COLUMNS

How digital coupons attract the ultra-mobile, millennial customer

December 22, 2015



Gary Cowan is senior vice president of marketing at DataSphere

By **Gary Cowan**

When most people think about coupons, they likely envision a housewife using her scissors to clip along the dotted line. This was a very common scenario in the 1980s when shoppers would pore through the Sunday papers and weekly store circulars to find the best deals for the upcoming week. However, that scene has radically changed over the years with the rise of new technologies.

Now, people often read their news online instead of in a newspaper and more consumers are connected almost constantly through their mobile phones. While the medium may have changed, one thing remains the same: people are still looking for ways to save money.

Click, not clip

The act of clipping printed coupons may be pass, but the use of digital coupons is exploding.

In fact, more than 31 billion digital coupons will be redeemed this year, almost double the 16 billion redeemed in 2014, according to Juniper Research.

Digital coupon use is fueled by the prevalence of smartphones, which is changing the way people receive information and interact with businesses in a very profound manner.

According to Pew Research, two-thirds of the United States population now owns a smartphone and the devices are so prominent in our lives that U.S. consumers spend more time on their smartphones each day than they do watching television.

Our connected and highly mobile world means consumers are accustomed to getting what they want, when they want it. And shopping is part of this in-the-moment paradigm, as 96 percent of mobile users search for digital coupons to find deals when they go shopping, according to a Mobile Commerce Daily report.

Today, more consumers are seeking digital coupons because they can be found on a phone at the right moment when consumers are shopping in the area making them far more convenient to use than paper coupons.

Food for thought

As we look more closely at digital coupons, it also becomes clear that these promotions are a perfect match for millennials. This matters because the group comprises 77 million people one of the largest consumer categories in the U.S. and their connected lifestyles are redefining our consumer market.

Millennials have been elusive for businesses because they are resistant to traditional marketing campaigns, have short attention spans and are discerning shoppers who are the most likely to seek out deals before they hit the store.

Millennials are also the most mobile consumer group with 85 percent owning smartphones. They are also, by far, the most mobile consumer group with 85 percent owning smartphones.

Millennials have become accustomed to searching for coupons directly from their smartphones and many do not even use PCs to access the Internet, so they are far less likely to physically print off coupons than a shopper in the boomer generation.

However, to really attract millennials, a coupon needs to appeal to the manner in which they actually use their mobile phone. Much has been said about the hyper-local marketing trend for capitalizing on the opportunity for reaching consumers when they are in the area.

For a millennial, smartphones are often tools for making decisions about their next activity or event.

For example, millennials are likely to search for a restaurant within a few minutes of going out to eat. Google calls these micro-moments, when consumers use technologies to make decisions right as they go into stores and restaurants.

If a business can provide maximum value to the customer often by way of a digital coupon in these micro-moments when consumers are nearby, they are better positioned than other competitors to not only interest a millennial consumer, but to also entice the shopper to come into their store.

THE USE OF digital coupons is exploding and millennials are a major driving force behind this trend.

Coupons are used by millennials to help gather information about where to shop at the pivotal moment when they are deciding which store to enter.

If businesses today do not offer local, digital coupons, they just might be missing out on a whole generation.

Gary Cowan is senior vice president of marketing at [DataSphere](#), a Bellevue, WA-based mobile marketing automation company. Reach him at gcowan@datasphere.com.

© 2020 Napean LLC. All rights reserved.

American Marketer is published each business day. Thank you for reading us. Your [feedback](#) is welcome.