MMA Mobile Couponing Strategic Framework

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Background Statement

The stats supporting the rise of mobile are staggering. There's no shortage of data highlighting not only the growth of smartphone use, but also the adoption of mobile coupons, mobile advertising, mobile commerce and more.

Despite paper and physical charge cards continuing to dominate online and offline retail shopping transactions, mobile payments doubled in the last year and will continue to grow at 43% annually through 2018 (Forrester 2014). Along those same line, there was a 141 percent increase of digital coupon redemption in 2013 (Inmar 2014).

It's not just digital coupons, it's *mobile* coupons. One--third of US adult smartphone users--42.1 million people--are expected to redeem a coupon obtained via an app, mobile Internet, mobile barcode or SMS this year. The adult smartphone coupon user base will increase 41 percent this year, following 61 percent growth last year (eMarketer, 2013).

With the growth of mobile coupons, marketers must consider the alignment of mobile coupons within the distinct frameworks of mobile payments and wallets, loyalty, and offers -- each segment with their own required specialization, risks and opportunities.

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Central Issue

Despite the trends, most coupon transactions still occur in the paper world. The large majority of distributed coupons are through traditional FSIs, and digital coupons make up a small percentage of the coupons redeemed at grocery, drug, mass, convenience and dollar stores. In regards to this ecosystem in particular, CPG mobile coupons is a critical issue to solve. Given the predominant solution is clip--to-- card loyalty, not mobile, there's ground to cover for paperless solutions for retailers and brands.

So what's holding the mobile coupon industry back? There are a combination of factors: fear of the unknown (paper works, why change?), the silo effect of promotions from other digital marketing teams, budgets, POS/technical capabilities, retail/CPG enablement, and more.

However, the MMA Mobile Coupon Committee seeks to change this by issuing standards that will help guide the industry to higher levels of collaboration and understanding. The benefits of mobile coupons will grow as new technologies and new ways of thinking develop. Advanced marketing technologies, location--aware mobile devices and personalization efforts promise a new era of coupons and promotions, giving more precise one--to--one marketing and richer, more cost---effective mobile relationship management. This committee will create and recommend standards for mobile coupon implementation, security, metrics, measurements and redemption designed to standardize and unlock the true power and potential of mobile coupons, incentives and rewards.

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Mission

The mission of the MMA Mobile Coupon Committee (MCC) is to develop a robust set of standards, guidelines and recommendations for mobile coupons, incentives, offers and rewards. The output of this committee will enable the industry in take maximum advantage of the opportunity presented by mobile coupons, incentives, offers and rewards, and further enable advertisers and mobile solution providers to engage in best practices for consumer engagement and mobile campaign management.

The number of US mobile coupon users will rise from 12.3 million in 2010 to 53.2 million in 2014, driven by the rapid adoption of smartphones. (eMarketer, 2013). The Mobile Coupon Committee will work to ensure the industry is ready.

Definition of the Initiative

The mobile coupon committee will define the key industry players, common terminology and definitions, consumer and technology expectations, measurement expectations, POS integration and identify future--thinking mobile coupon implementations. The mobile coupon committee will create a standards document for review, comment and publishing. Ultimately, the committee will develop a whitepaper that documents these standards and provides process for adoption.

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Key Mobile Coupon Industry Players

- Creation:
  - Manufacturers
  - Product Retail
  - Service Retail
- Enablement:
  - Distribution
    - Traditional Media
      - Print
      - TV
      - Radio
      - Billboard
      - Direct
      - Mail
      - Other
    - Digital Media
      - Affiliate
      - Consumer Shopping Engines
      - Direct (brand property)
      - Display
      - Email
      - Natural Search
      - Paid Search
      - SMS
    - Aggregators
      - Blogs
      - Coupon Sites
      - Distribution Networks
    - Integrators
      - Print-at-Home
      - Clip-to-Card (loyalty card)
      - Card-Linked (credit card)

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- Connectivity
  - Network Providers (i.e. Internet, 3G, etc.)
- Technology
  - Mobile Experience
    - Device Manufacturers
      - Mobile Devices
        - Traditional devices
        - Smart devices
        - Gaming devices
        - Tablets
    - Software Developers
      - Operating Systems
      - Independent Platforms
      - Applications
      - Browsers
      - Point Solutions
  - In-Store Experience
    - Point-of-Sale & Register Systems
    - Sensor Technology Providers
    - Checkout technology
    - Receipt technology
    - Point Solutions
    - In-store tech
  - Business-to-Business
    - Serving Tech
    - Engagement Control
    - Omnichannel
    - Intelligence platforms
    - Mobile Payment/Wallet
      - Offer/Loyalty solutions
    - Coupon Clearing House Providers
    - 3rd Party Data Providers

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Common Terminology and Definitions

Tantamount to a glossary this should be the last section completed in the framework.

Consumer and Technology Expectations

- Simplicity
- Synchronicity
- Personalization
- Responsive Design
- Privacy protection

Measurement Expectations

- Serialized, individually trackable offers
- Direct 1-to1 relationship between the offer and the consumer
- Complete purchase path tracking capturing all consumer touch-points possible
- Protection or non-collection of personally identifiable information
- Measurement allowing for personalization, 1-to-1 marketing
- Ability to optimize marketing efforts, budget, and offer values

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POS Integration

(Duplicative with above section?)

Future--thinking Mobile Coupon Implementations

- Augmented Reality
- Telematics & Wearables
- Micro/internal location
- Collaborative Commerce (zaarly)
- Location and IP relevance
- Same day, anywhere'
- Location-based Analytics
- Near-field communicators
- In-store DOOH – digital signage
- Data driven screens, facial recognition and age/demographic relevance
- Taking the store to the people (innovid)
- Push-in-app and SMS
- Location sharing
- Location Charity (penny billboard)
- Audio (rokbot)
- Branding + Location
- Social + Location (dropping 'pins' for friends in specific locations – cou-pins?)
- Amazon Flow (image based searching)
- Location informs context (time of day, weather, location, etc)
- Clip to fingerprint?

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