# Product Promotions That Drive Customer Engagement – Simple is Good. Instant is Best.

Four Ways to Transform the Delivery and Fulfillment of Product Offers to Enhance Loyalty By: Brett Battles, EcoRebates

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Offers. Deals. Promotions. Rebates. Coupons. No matter what they are called, offers are a mainstay of loyalty marketing. Customers expect offers from brands and deals have become an integral part of the customer buying behavior. (Recall JC Penney's recent experience.) This is also true of loyalty programs where promotions drive new or additional purchases. So, promotions create a level of brand engagement. But the experience can be more of a quick hit than a lasting relationship and managing the growing inventory of offers can be a real marketing challenge. Are frequent promotions driving transactions but undercutting loyalty?

Yes! Loyalty is about creating meaningful interactions with customers in a way that drives a sustained relationship and business growth. It involves providing value beyond the 'quick hit' price promotion. With the sheer number of price promotions skyrocketing, marketers should be considering how to change the paradigm. Is there a way to re-think product promotions to deliver and fulfill them in a way that strengthens long-term loyalty along with sales?

To answer that question, consider how quickly and dramatically the traditional path to purchase has morphed into a dizzying array of choices, tools and channels. Shoppers today research, browse, and purchase products in stores, on websites, with mobile sites and mobile shopping apps and tools and across social media networks. Customers have an endless number of ways they may interact with a brand – either formally or informally – before, during and after they make a purchase. It's empowering at one level, but exhausting or confusing at another.

And the current pace of promotional activity contributes to the frenzy. A January 2013 survey of US internet users by AYTM Market Research reported that nearly 64% of Internet users compare prices 'always' or 'most of the time' before making a purchase. And, often consumers are using their mobile devices, expecting immediate answers.

So, how can brands and retailers use product offers to deliver value beyond 'quick hit' discounts and build customer loyalty? By engaging customers – at all points in the purchase cycle – with offers that make their lives and shopping experience simple and easy.

From our experience in serving leading companies with our cloud-based product offer management platform, we have identified four areas where we are working with our clients to re-think the delivery and fulfillment product promotions to enhance customer engagement. Here's how:

### 1. Use product offers to help customers make or validate purchase decisions.

Some purchase decisions are easy, others require research. If an offer also conveys specific information about a product feature or attribute, it can help consumers make decisions more efficiently. An example is rebate savings offers for energy efficient appliance models. When standing in the store comparing two refrigerator models, a rebate savings offer of \$100 for the higher efficiency model can be the deciding factor. Brands recognize the value of providing these validating offers to customers, as measured by the incremental sales lift.

#### 2. Present aggregated offers to become a trusted source of offer inventory.

Remember the consumer who is navigating the digital jungle of retail information? Retailers can minimize that legwork for customers by presenting them with a collection of applicable offers. Imagine a shopper evaluating a product and being presented with product offers from the retailer, the brand, and even another third party such as a financial institution. That customer now feels that he is getting not just the savings, but the value of having all offers presented together in one easy format. He feels more confident that he does not need to go elsewhere for a better deal. Organizations have used these bundled offers effectively for new product introductions as well as to highlight seasonal promotions.

#### 3. Make offers available online, in-store and on mobile platforms.

There should be no doubt that mobile use is drastically altering the retail landscape. The growth of mobile use for shopping is significant. A recent article in Mobile Commerce Daily stated that 29 percent of retailers now see more than 20 percent of their traffic coming from mobile devices, up from just 3 percent a year ago. Consumers crave consistency as they navigate across channels more often. Providing access to the same offers no matter whether on ecommerce sites, through mobile tools or in stores creates a higher likelihood of intersecting the consumer when she is ready to make a decision and ultimately builds a deeper brand engagement.

## 4. Make it drop-dead easy to take advantage of the offer – make fulfillment instant.

This may seem obvious, but it is surprising how often an offer is presented in a way that makes it inconvenient or impractical for a customer to redeem. Given the spiraling complexity of the shopping experience, consumers appreciate simplicity. Many brands are recognizing that desire and implementing instant offer fulfillment. The process of finding an offer and receiving the savings instantly becomes as simple as purchasing the item, no matter whether online or in store. Gone is the hassle with coupons or claim forms and in its place, customer appreciation.

Promotions continue to be a relevant tool to engage with customers and drive sales. But in the current retail environment, marketers need to think beyond simply using offers as quick hit price promotions. We're excited to see marketers re-imagine product offers as tools that can also build brand connections with customers and drive loyalty through deep customer engagement.

## **About the Author: Brett Battles, EcoRebates**

Brett brings over 25 years of leadership in developing successful early-stage businesses and products. He co-founded EcoRebates with a single goal of helping consumers make smarter product choices by enabling the delivery and fulfillment of targeted product offers. Today, EcoRebates is the leading provider of location-aware and SKU-based incentive and offer tools that drive product sales and deliver savings to customers. The company serves top retailers, manufacturers and utilities, including Sears, Lowe's, Best buy, Whirlpool and more.

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