



Coupon Terminology Cheat Sheet

Coupons can be an exciting money-saving proposition, but today's coupon climate is complex. Sometimes it feels like the world of couponing has a language and a set of terms all its own.

We put together this handy cheat sheet to make sense out of the most common couponing terms the aspiring couponer will come across.

Coupons are divided into two categories: **store coupons** and **manufacturer coupons**.

STORE COUPONS

Store coupons are those that are issued by a particular retailer and are only redeemable when shopping with that retailer.

These coupons are often subject to more restrictions, as the discount they provide comes right out of the retailer's pocket. Even so, they are a powerful weapon in the couponer's arsenal, especially when combined with manufacturer coupons.

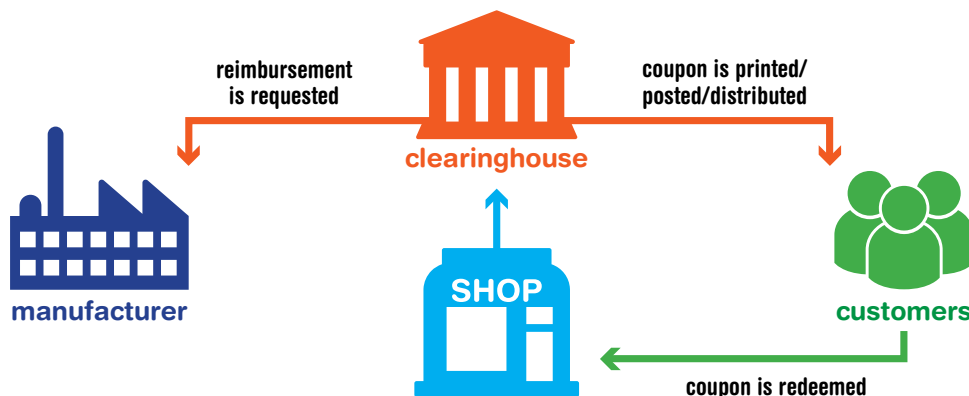
STORE COUPONS ARE

- Retailer-specific
- Often restrictive

MANUFACTURER COUPONS

Manufacturer coupons are redeemable at most retailers where the manufacturer's products are sold. These coupons are more widely accepted and are less restrictive because retailers are reimbursed the value of the coupon—the cost of the promotion comes out of the manufacturer's pocket, not the retailer's.

The Life Cycle of a Manufacturer Coupon



Manufacturers work with coupon clearinghouses to produce, distribute, and administer their coupon promotion programs.

MANUFACTURER COUPONS

- Can usually be used at a variety of retailers
- Are less restricted by the retailers; the manufacturer reimburses them the value of the coupon

COUPONS	
MANUFACTURER	STORE
<ul style="list-style-type: none">• Often produced by coupon clearinghouses• Usually less restrictions• Retailer is reimbursed	<ul style="list-style-type: none">• Produced for use with one retailer• More restrictive• Comes out of the retailer's pocket

KEY QUESTIONS

Okay, we know the difference between a store coupon and a manufacturer coupon, but how does a coupon clearinghouse come into play?

» What is a coupon clearinghouse?

A coupon clearinghouse is a third-party company that produces and distributes coupons on a manufacturer's behalf. They also handle coupon value reimbursement to retailers and the administration of coupon promotions. Coupons from clearinghouses are often compiled into coupon circulars.

A COUPON CLEARINGHOUSE

- Is a third-party company that handles coupon promotions
- Often offers coupon circulars with all of the current coupons available from a specific clearinghouse

» What is a circular?

A circular is an insert in a newspaper (or other periodical) or a stand-alone mailer that contains a variety of coupons. Circulars are prepared by coupon clearinghouses on behalf of their clients, the manufacturers who are running the coupon promotions.

Circulars produced by coupon clearinghouses are filled with manufacturer coupons, or those that can be used at a wide range of retailers where those products are sold. It is becoming increasingly common for large retail chains to bring their coupon production and distribution in-house however, and as a result, circulars that are full of *store coupons only* are becoming more common. It's wise to take an extra second to double check and see which you have received—many retailers won't accept their competitors' store coupons.

A CIRCULAR

- Is a printed insert or mailer
- May have manufacturer or retailer coupons

COUPON DISTRIBUTION

We know that coupons come in two main categories, manufacturer and store. We also know that coupon clearinghouses, or savvy retailers, use circulars to distribute their printed coupons. In today's plugged-in world, printed coupons are just one of a number of ways coupons are distributed to smart shoppers.

» **Printed Coupons**

Printed coupons are the ones everybody is already familiar with. These are the ones that come in circulars, can be cut out of periodicals such as newspapers and magazines, and are mailed as cards straight to shoppers' homes.

Generally speaking, printed coupons are a little more difficult to accumulate in quantity than online coupons or IP coupons (we'll get to those in a minute). Also, because they are physical pieces of paper, they take up space and require storage and organization. Plus, they can be damaged, destroyed, or lost fairly easily.

PRINTED COUPONS

- Are traditional coupons
- Are difficult to accumulate in large numbers and require space and extensive organization

» **Rewards-Based Coupons**

Open your wallet. How many rewards cards, loyalty cards, shopping club cards, and other retailer-specific member cards do you have?

These cards offer shoppers access to coupons that are tailored to their shopping habits. The cards themselves are a win-win proposition; shoppers get additional discounts on products they regularly shop for (rewards for being a customer) while the retailer drives repeat business and gleans valuable marketing information from cardholder shopping habits.

Rewards-based coupons are generally triggered by the purchase of a specific item, then after the transaction has been completed a coupon prints along with the receipt (these are known as Catalina coupons). These coupons are generally store coupons, so they won't readily be redeemable at other retailers. They provide helpful savings, but they aren't something extreme couponers can rely on.

REWARDS-BASED COUPONS

- Are usually printed at a retailer's POS (point of sale)
- Are usually store coupons, meaning they are often fairly restrictive

» **Online Coupons & Mobile Coupons**

Online and mobile coupons are a game changer for the world of couponing. They can often be scanned directly at checkout off a mobile device, or printed out at home and brought into the store (known as IP coupons: internet printable coupons).

Just about every way we use to communicate online can become a way to acquire coupons. Coupons can be emailed to shoppers, sent via SMS, posted on social media, shown as advertisements, and many more. Printed coupons can even be augmented with QR codes or other digital markers to allow shoppers access to additional savings from their mobile phones.

While the coupons themselves are not necessarily more valuable, they are much more convenient and can be accessed anywhere without space concerns or worries about damage.

ONLINE & MOBILE COUPONS

- Can be either store or manufacturer coupons
- Can often be scanned right off a mobile phone, or printed at home and brought into the store (IP coupons)

» **Crowd-Sourced Coupons**

Dedicated social coupon services have taken the digital world by storm. Iconic names such as Groupon and RetailMeNot are now the go-to options for the digitally savvy shopper.

These deals may not always be what they seem, but they are distinct in the sense that at face value they offer unprecedented savings that can sometimes seem too good to be true.

If you haven't read it yet, our summary on [how to get the most out of Groupon](#) can be a big help in squeezing every last cent out of the crowd-sourced coupon giant.

CROWD-SOURCED COUPONS

- Are great, one-off deals
- Are sometimes not as valuable as they seem (read more in Chapter 6 of ClydeBank Media's *Couponing QuickStart Guide* for crowd-sourced coupon best practices)

KEY QUESTIONS

» **What Is a Catalina Coupon?**

Named after the Catalina company, Catalina coupons are the ones that print directly after a sale and are often linked to rewards cards, loyalty cards, or buyer's club cards.

» **What Is an IP Coupon?**

IP stands for internet printable. IP coupons are easy to acquire and don't need much in the way of storage; they are printed out at home and brought into the store to be redeemed.

IP COUPONS

- Can be either store or manufacturer coupons

SOME OTHER TERMS TO KEEP IN MIND

BOGO - Stands for Buy One, Get One Free. This promotion is effectively a fifty percent discount with a minimum purchase of two. Some promotions add a qualifier, such as Buy One, Get One 50% Off. Also can be written B1G1.

OYNO - Stands for On Your Next Order. This type of coupon encourages shoppers to return, with the terms of the coupon to be applied on their next visit.

Doubling - A promotion (or policy) of certain retailers to match the discount value of a coupon, effectively doubling it. To drive business on slow sales days, some retailers offer a "double day" or a promotional event where coupons go twice as far—though often with restrictions.

Stacking - As in coupon stacking. The simultaneous use of a store coupon and a manufacturer coupon.

Stockpiling - The use of multiple coupons (usually manufacturer coupons) to buy multiple units of a certain item. Stockpiling is most effective with items that have a long shelf life such as paper goods, canned or frozen grocery items, or nonperishable consumer goods.