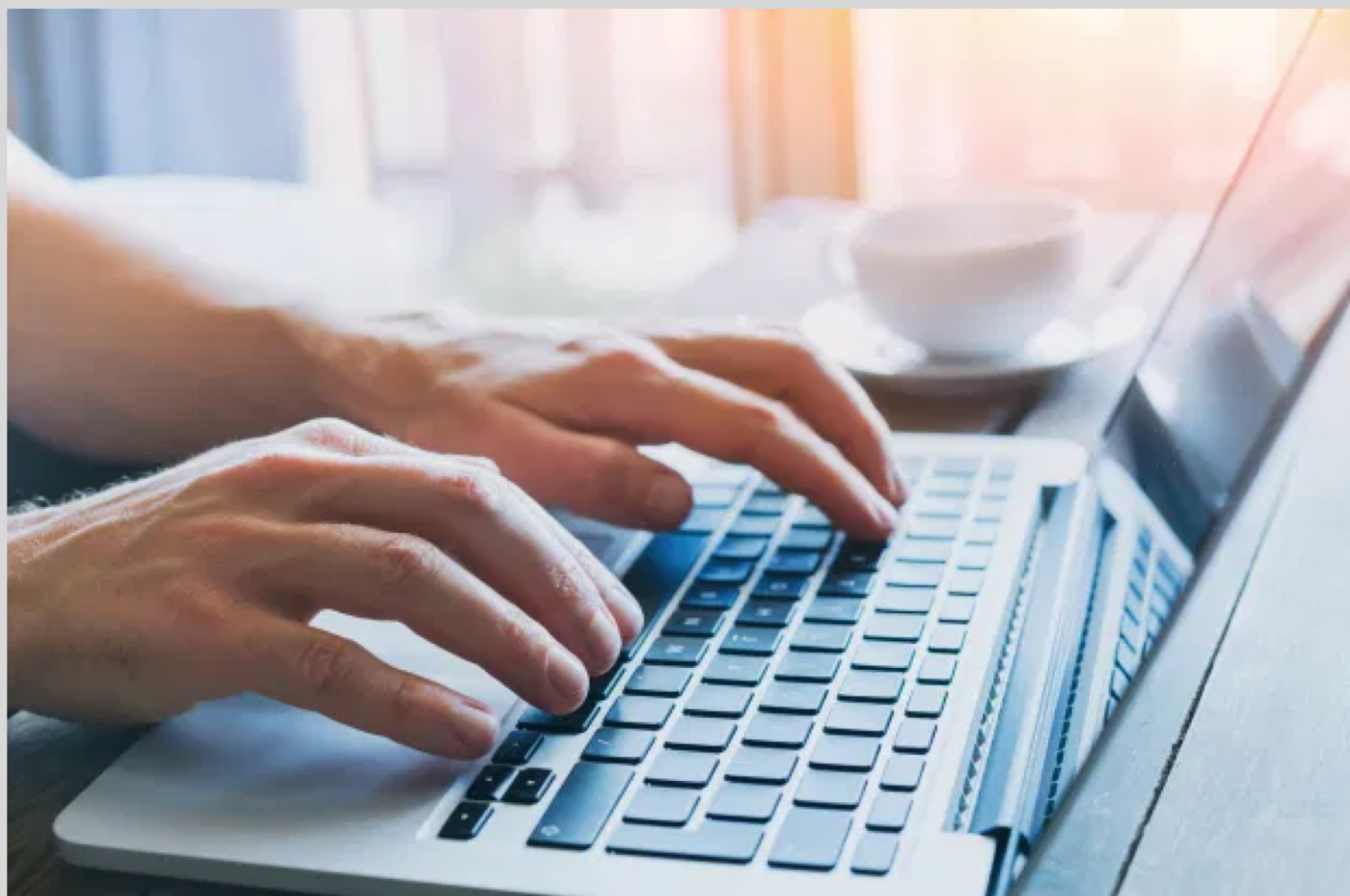




Responding to Coronavirus: For Couponing and Promo Code Sites

The novel coronavirus outbreak, also known as COVID-19, has had a swift effect on nearly all retail and e-commerce businesses. Managing expectations of current and future customers has become even more important during this period of uncertainty. Digilant is committed to closely monitoring the impact of the coronavirus on consumer behavior to provide the best digital advertising recommendations to advertisers during this time of uncertainty.

In this guide, you'll find six things you should consider to stay connected to customers and to prepare for eventual economic recovery.



01. HOW ARE RETAILERS RESPONDING?

In an effort to “flatten the curve”, consumers all over the globe, either by force or by choice, have committed to staying in their homes as much as possible for the foreseeable future. Consequently, many retailers have felt the negative impact of drastically fewer patrons in their brick and mortar stores. However, there is a silver lining for those who are able to offer online sales. In a recent study done by Quantum Metric, online shopping has increased significantly since the start of the COVID outbreak in the United States.

Retailers have been quick to respond by offering discounts, promo codes, and by implementing email campaigns to incentivize consumers to ramp up purchases. As a result, we have seen an uptick of promo code usage that seems to correlate with the increased demand in online shopping.

QUICK STAT

The number of online shoppers has increased 8.8%* since the onset of the coronavirus outbreak

QUICK STAT

If COVID becomes more severe in the US, 3 in 4 polled said they would avoid public shopping centers.



* source:: Quantum Metric
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02. TECH USAGE

With the swift adoption of social distancing measures, more consumers are utilizing portable devices to stay connected to their loved ones and to entertain themselves in their down time.

Data usage has seen a huge spike since the start of the coronavirus outbreak, with overall web traffic increasing 20% (CNBC). This has ultimately yielded an increase in ad inventory and a larger reach than usual, giving advertisers a prime opportunity to capture the attention of their target audience.

Devices expected to see a significant increase include Smartphones, Smart TVs, Laptops, Game Consoles and Tablets. Now is a time to consider expanding targeting to devices and channels that will continue to see greater than average usage in the coming months.

WHAT DEVICE(S) HAVE YOU BEEN SPENDING MORE TIME USING SINCE THE START OF THE CORONAVIRUS / COVID-19 OUTBREAK?*

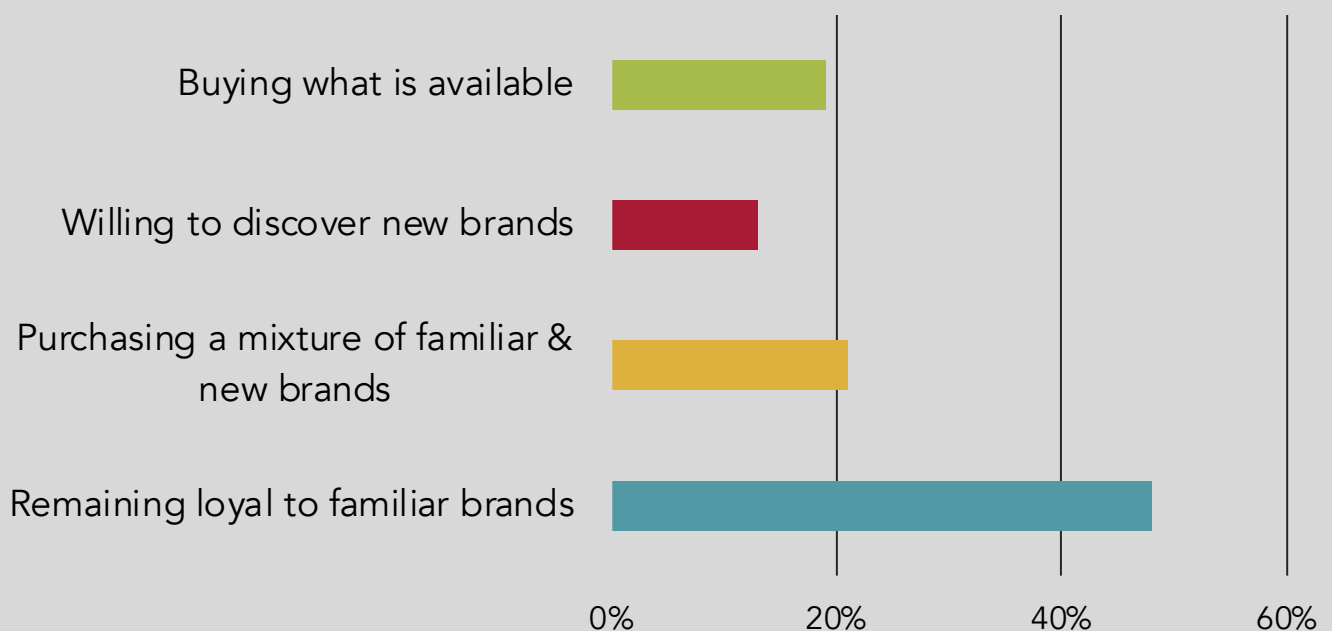


03. HOW ARE CONSUMERS SHOPPING?

E-commerce is notorious for inundating us with endless amounts of options. Consumers can pick and choose exactly what they would like, but are also targeted with a litany of similar options by competitor brands.

Below is a graph illustrating the consumer behavior trends of online shoppers. Research shows that now more than ever, consumers are willing to purchase from brands they have historically not engaged with. Offering promo codes to mitigate the cost for consumers also further inclines them to complete a purchase.

CONSUMER PATTERNS



QUICK STAT

Online sales have surged 52%* from YTD.

* source: Quantum Metric

* source: Valassis

04. SOCIAL MEDIA ADVERTISING AMONG COUPONING COMPANIES

Many online couponing brands, like RetailMeNot and Groupon, are utilizing Facebook ads to take advantage of the increase in activity on social media sites. By utilizing dynamic creatives or rotating them frequently, advertisers can shift their messaging to target individuals in a way that shows awareness of the current situation (for example: children schooling from home, adults working from home). Additionally, we have seen a more acute increase in creative changes from advertisers on social than we have on other channels.


QUICK STAT

64% of surveyed users expect their usage of YouTube to increase, while **63%** expect their Facebook usage to increase.

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Shop Now

05. BE PREPARED FOR A BOUNCEBACK

While the economy is struggling to regain its footing (and likely will be for some time), a look at China's retail recovery paints a promising picture for U.S. brands. In China, as of March 16th, Apple has reopened all 42 of its stores, and malls are beginning to see foot traffic return to normal*. A new cycle of "revenge spending," a term coined by Agility Research, may drive increased sales for online and brick and mortar retailers alike.

So, what's best way to come back strong? One important strategy is to keep your brand story fresh. Likely, the story your brand is telling today won't be the story you tell as you exit the current downturn. Advertisers must anticipate what matters (and will matter) most to consumers and deliver brand messaging accordingly. Marketing analytics and attribution tools can help make this process simple. Digilant's real-time analytics and attribution dashboards allow you to understand what's happening on your websites and advertising campaigns (both current and past), and see how different media investments can enhance customer engagement. With those insights, you can react quickly to changes in the marketplace and adapt your marketing strategy so that you're well positioned to come back stronger than ever.

QUICK STAT

Online sales have increased 52%* compared with the same time frame a year ago.

source: Quantum
Metric

* source:

06. REASONS NOT TO GO DARK

While your initial instinct may be to stop advertising during this time, there are several reasons to consider keeping a campaign running or refreshing strategy to better fit the nature of the current environment. Shifting messages could include timely promotional initiatives (no-touch gas stations, curbside pickup), philanthropic efforts, or simply changing messaging that is no longer relevant (dining in, in-person events, store openings, etc). For example, Ford recently pulled ad campaigns promoting vehicles and released a campaign promoting their newly implemented car payment relief program (AdAge).

Going dark could lead to a loss in brand equity, while, conversely, shifting brand messaging could lead to an increase in both awareness and brand trust. Now more than ever is the time to stay engaged with your consumer base. Ad costs are lower, and with many companies pausing their efforts, it provides an opportunity to gain a larger share of voice.

QUICK TIP

Shift messaging as necessary

QUICK TIP

Reallocate budgets to surging channels

QUICK TIP

Build on CRM & existing relationships



Questions?



There's a lot going on right now. Social distancing is impacting how we all do business and we're all concerned about how the days ahead will transpire. Not only do you have to worry about your health and the health of your family, but you have to find the best path forward for pursuing your company's objectives for the year.

We are (and have always been) optimists and believe that we will get through this together.

We are with you for the long haul and will continue to provide relevant insights and guidance as you navigate this new normal. You can reach us with any questions or concerns at digilant.com/contact or info@digilant.com.