



Patriotism and Promotion Objectives Combine With Military Coupons

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As we honor Veteran’s Day, it’s a good time to be reminded that there are nearly 19 million military veterans in the United States.¹ And, combined with enlisted personnel, reservists, employees and spouses, the military market is 30 million strong with an estimated \$1 trillion in consumer spending power.² They shop both on base and off, and are exposed to general market media as well as unique military-targeted advertising.

Active and retired military personnel are promotion-sensitive, and we find that to be especially apparent with coupon redemption results. When it comes to coupon clipping, 68 percent of military families both download them online and cut them out from magazines, newspapers and circulars to help save money while shopping.³ Military commissaries enable service members and their families to save money by accepting and redeeming coupons just like other retailers. And, brand marketers have the ability to move high volumes of product when military consumers are activated by their coupon offers.

Military shoppers are regularly taking advantage of coupon availability to make their purchase decisions. The Defense Commissary Agency (DeCA) is consistently among one of the top ten retailers in total annual redemption volume measured by NCH. The military class of trade as a whole represented more than 3 percent of total United States coupon redemption last year and military coupon vehicles produced nearly two share points of redemption volume by media.⁴ Those are impressive numbers compared to other retail channels with many more locations and media choices with far broader reach.

The military shoppers’ activation by coupon offers is also measured in redemption rates:

Average Redemption Rate: Consumer Packaged Goods (CPG) Coupons	2015 Middle-Half Range**	2015 Average
Military Coupons for Food Products	7.4% – 35.4%	11.3%
Military Coupons for Non-Food Products	2.8% – 17.4%	5.2%
All CPG Military Coupons	4.9% – 29.3%	9.4%

*The middle-half range excludes 25% of the offers with the lowest redemption rates and 25% of the offers with the highest rate. The middle 50% in comparison to the average provides an indication of how much variability exists within the data.
 Source: NCH Marketing Services, Inc., 2016 CPG Coupon Facts

Variability in redemption results, as seen in the middle-half range, can be higher for military than other types of coupon media because of some unique military retailer merchandising, such as case-lot sales, combined with other timing factors including product availability, pay cycles, deployment and competitive offers.

Additionally, media providers can help marketers better understand consumers who shop at military retailers. The ability to target promotional offers provides options to ensure reach of this audience – including the use of mail campaigns targeted specifically to the military market. And, your coupon redemption agent can help analyze your data for comparisons of the results and further insight.

Military coupons and military retailers can, and often do, have significantly higher coupon redemption per offer and per store. But, the uniqueness of this market segment is actually good for all those involved – military members and their families save money, and marketers can move a lot of product while helping those who serve our nation.

Sources:

- 1 United States Census, 2015 American Community Survey
- 2 SheerID
- 3 Influence Central and MilitaryOneClick joint research study of military family members
- 4 NCH Marketing Services, Inc., 2016 CPG Coupon Facts