

**For Immediate Release**

**Consumers Save \$3.6 Billion by Redeeming Coupons in 2014**  
*Food and Non-Food Marketers Strategically use Media Mix to Manage Coupon Value Increases*

**Livonia, Mich., Feb. 12, 2015:** Valassis, a leader in intelligent media delivery, released today an annual topline view of U.S. coupon trends in 2014 prepared by its subsidiary, NCH Marketing Services, Inc. Findings suggest that marketers strategically offered consumers more coupon savings and managed the redemption impact to their budgets.

Marketers of consumer packaged goods (CPG) products increased the average face value offered on their coupon promotions, primarily for those issued in a free-standing insert (FSI) booklet. While both food and non-food products increased their face values, only non-food increased the total number of coupons distributed, and subsequently received a positive redemption volume increase.

The net effect was a 2.9 percent overall increase in consumer redemption savings, up \$100 million to \$3.6 billion in total for 2014.

Average Face Values							
Distribution	2013	2014	% Chg.	Redemption	2013	2014	% Chg.
Food Coupons	\$1.00	\$1.06	6.0%	Food Coupons	\$0.99	\$1.00	1.0%
Non-Food Coupons	\$1.98	\$2.05	3.5%	Non-Food Coupons	\$1.68	\$1.72	2.4%
All CPG Coupons	\$1.62	\$1.72	6.2%	All CPG Coupons	\$1.26	\$1.32	4.8%
Total Dollars Offered	\$510 billion	\$533 billion	4.5%	Total Consumer Savings	\$3.5 billion	\$3.6 billion	2.9%
FSI CPG Coupons	\$1.63	\$1.74	6.7%				
Non-FSI CPG Coupons	\$1.53	\$1.46	(-4.6%)				

In an effort to work within 2014 budgets and still deliver increased savings to consumers, marketers issued a total of 310 billion CPG coupons, down 1.6 percent from the previous year. Marketers’ achieved a total of 2.75 billion coupons redeemed in 2014, down 1.8 percent, through a strategic combination of media mix, product moves, offer characteristics and retailer support.

Marketers reached consumers with their largest allocation toward FSI coupons. Although digital coupon distribution increased, it remains less than 1 percent of total coupon distribution.

“FSI was 92.2 percent of total CPG coupon distribution volume in 2014 because it is an efficient vehicle to reach over 60 million households per week, affording marketers the opportunity to offer increased value to activate consumers,” said Curtis Tingle, Valassis Chief Marketing Officer.

Year-over-year variability in the products promoted via coupons also affected the annual trends. In the non-food segment, marketers distributed 3.5 percent more coupons in 2014. This led to substantially more non-food coupon redemption, which was up 11.4 percent, reversing a prior year decline. Conversely, in the food segment, marketers distributed 10.4 percent fewer coupons and redemption fell by 10.3 percent from 2013.

The overall reduction in food coupons had the largest impact on retailers in the grocery and mass merchandiser retailer channels, which experienced a 5.1 and 3.3 percent decline in total redemption volume, respectively. The increase in non-food coupons benefited the drug retailer channel, which saw a 16 percent increase in total redemption volume during 2014. The smaller “all other” retailers channel, which includes dollar stores, also saw a similar redemption volume increase.

“Marketers are managing their budgets to find the right balance of consumer incentives,” said Charlie Brown, NCH Vice President of Marketing. “At the same time, many are also investing more in the analysis, controls and risk mitigation areas that are required for coupons to perform at their best.”

The company will publish its 50<sup>th</sup> annual *NCH Coupon Facts* report in 2015. For more information about the topline trends released today, including downloadable charts, please visit [www.nchresourcecenter.com](http://www.nchresourcecenter.com).

### **About Valassis**

Valassis is a leader in intelligent media delivery, providing over 15,000 clients with innovative media solutions to influence consumers wherever they plan, shop, buy and share. By integrating online and offline data combined with powerful insights, Valassis precisely targets its clients' most valuable shoppers, offering unparalleled reach and scale. Valassis subsidiaries include Brand.net, a Valassis Digital Company, and NCH Marketing Services, Inc. RedPlum® is its consumer brand. Its signature Have You Seen Me?® program delivers hope to missing children and their families. For insights on intelligent media delivery, visit [www.valassis.com](http://www.valassis.com). Valassis is a wholly owned subsidiary of Harland Clarke Holdings Corp., [www.harlandclarke.com](http://www.harlandclarke.com).

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