

A Brief History of Coupons

The Coca Cola Company is believed to have created the first coupon, in 1888, for a free glass of Coke, which was eventually redeemed by 8.5 million consumers. However, the idea of offering discounts to boost sales didn't gain widespread use until 1909, when the C.W. Post Company conceived the idea to help sell breakfast cereal.

While we've come a long way from "clipping coupons" out of the Sunday paper, discounts are still ubiquitous, with over 90% of Americans regularly shopping with coupons and 29% using mobile coupons on their smart phones. The Internet and the ease of comparison shopping it provides has made everyone much more price conscious.



Using Discounts to Drive Revenue

Because consumers are so price-conscious, discounts can be a great tool to drive revenue. And not just traditional marketers. More and more, subscription-billing businesses are using discounts to both promote their business to prospects and upsell to current customers. With the right analysis and execution, a discount campaign can provide great results in both the short and long term.

To get you started, here's ten tips for ways you can use discounts to increase sales and promote your subscription-based business:



1. Fight Churn

Offer a discount to those customers that your data indicates may be likely to churn with a deal they can't refuse.



2. Stop Cart Abandonment

If you have their email, send them a coupon! See if this will compel them to come back and complete their purchase.

Recent research has correlated coupons directly with brain chemistry linked to happiness. People who receive \$10 coupons have 38% higher Oxytocin levels, 32% calmer breathing rates, and 5% slower heart rates.

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3. Track Promo Codes

Create different promo codes to track and measure your advertising ROI at different sites or different events.



4. A/B Test

A/B test different offers to see what type of discount or delivery method gets the best results.



5. Reward Loyalty

Use coupons to reward loyalty. For example, give them only to your followers on Facebook and other social media outlets.



6. Use Your Partners

Give promo codes to your affiliates and partners to use for their audience. Track these sales and offer the affiliate a commission to sweeten the pot.



7. Use Expiration Dates

Create a promotion that's "good for the first X number of buyers" – this creates a sense of urgency, making people more likely to act.



8. Go Viral

Give your customers a promo code to share with their friends. For every friend that signs up, the customer gets a discount too!



9. Improve Customer Service

Give your customer service staff a number of discount codes in varying increments. They can use these to thank loyal customers or help smooth over a difficult customer service issue.



10. Analyze the Data

Mine your own data to understand what makes your customers and prospects tick and what makes them spend. You know your customers best! Use that knowledge to create a promotion that YOU think will drive results.

Forty percent of consumers will share an email offer with their friends, and 28% of consumers will share deals via social media platforms.

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Ready to get started with Recurlly?

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