

UNIVERSAL DIGITAL COUPONS



THE COUPON BUREAU

FACT SHEET

WHAT IS IT?

- A new, digital coupon, scanned from a mobile device and redeemable across all participating retailers.
- UDCs are serialized to ensure one-use limit per shopper and are fraud-free
- UDCs are validated to the GTIN/UPC level in real-time

HOW DOES IT WORK?

- Consumer "discovers" UDC on brand websites, coupon website galleries, mobile media banners, etc.
- Consumer "clips" UDC to mobile wallet or app for use at any participating retailer.
- Retailer validates and settles UDC similar to loyalty load-to-card offers.

WHAT ARE THE BENEFITS?

RETAILERS

- Faster check-out process while eliminating shopper conflicts (paper coupons that don't scan)
- Improved cashflow via faster clearing/ settlement
- Reduce back office / admin effort to handle and ship redeemed paper coupons
- Reduce consumer and cashier fraud through automatic validation

WHAT ARE THE RISKS?

- UDCs are scanned from the shopper's mobile device, currently prohibited at some retailers
- Stacking with other coupon offers- retailer will need to set policy with POS controls
- Start-up process- faster retailer scale-up is critical to shopper adoption

CONSUMERS

- Coupons of interest are now easily "discoverable" and will be higher value (no fraud)
- Coupons remain in mobile device until used; can't "be forgotten at home"
- Touchless POS transaction; no conflicts at checkout; no unintentional misuse

MANUFACTURERS

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FREQUENTLY ASKED QUESTIONS

How much IT lift is required by the retailer?

- TCB has technical accelerator partnerships with several IT companies to facilitate this process.

Will UDCs cannibalize retailer digital loyalty programs?

- UDCs are intended to compliment the retailer's loyalty program, while serving as a digital solution for direct-to-consumer coupon offers currently relegated to paper.
- Manufacturers will continue to fund retailer digital loyalty offers to secure important merchandising activities.
- Clipped UDC offers can be added to the shopper's loyalty account

When will the legacy AI (8110) coupon format be phased out?

- The current AI (8110) coupon format type will begin a sunset process when approximately 70% of retailers are AI (8112) compatible.

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