

## Billions in Savings Puts Coupons Back in Vogue

(Feb. 14) — To some, direct mail come-ons and newspaper advertisement inserts loaded with coupons are annoying throwaways that quickly fill recycle bins. But more and more, consumers are saying they've found a mother lode of savings when they need it most.

Shoppers saved nearly \$3.5 billion with Consumer Packaged Goods (CPG) coupons — on and off line — in 2009, a 30 percent increase over coupon savings in 2008, according to the 2009 CPG Coupon Industry Facts Report by NCH Marketing Services. The \$3.5 billion saved was second only to the \$3.6 billion saved in 2000.

Joe Giblin, AP

Karen Wilmes scans the cereal aisle for bargains during a shopping trip in Westerly, R.I., last year. Wilmes is among many cost-conscious consumers who clipped more coupons than ever in 2009.

"The state of the economy is influencing manufacturers and consumers as it relates to both distribution and redemption," said Charlie Brown, vice president of marketing for NCH, a Valassis company. Valassis is a marketing services company that, among other services, publishes the weekly RedPlum portfolio of coupons in print and

online.

Brown says distribution of CPG coupons was up 11 percent last year to a record 311 billion, but consumer use — redemption — was up even more, by 23 percent in 2009, the second highest year-over-year increase ever.

"This recession has been long enough and unemployment has been high enough to have placed a greater emphasis on spending and savings habits since the last period of deep U.S. recession in the early 1990's," Brown said.

CPG coupons are those used for "fast-moving consumable items," often groceries and personal items sold in supermarkets, grocery stores and discount mass merchandisers like Walmart, Kmart and Target.

The 2009 NCH consumer survey revealed 25 percent of respondents are clipping more coupons than ever, and 88 percent of consumers sometimes plan shopping lists using coupons, up 10 percentage points from before December 2007 when the recession began. More than 30 percent have a couponing system that helps them remember to bring the coupons to the store.

In addition to consumers looking to get

more bang for their bucks, coupon distributors are also being more aggressive at the point of sale by increasing the number of coupons on product packaging and on in-store advertisement fliers.

Coupons are also worth more than ever, up to an average \$1.41 in 2009 from \$1.29 in 2008.

Brown said the top five categories of products consumers use coupons for are medications, remedies and health aids; cereal and breakfast foods; household cleaners; shelf-stable prepared foods; and hair care.

"The Internet has also made it easier for busy shoppers to take advantage of savings," says Atlanta-based Coupon Mom Stephanie Nelson. Membership on her Web site soared from 200,000 digital coupon clippers in 2008 to 2.2 million today.

"It seems harsh economic times have forced many people to suddenly get serious about saving," said Nelson, author of the best-selling "The Coupon Mom's Guide to Cutting Your Grocery Bills in Half" (\$15, Avery|Penguin Group).

"Saving money doesn't have to be complicated," she said.

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