

Cash in with Coupons

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Introduction

Clipping coupons hardly sounds like a lesson in high finance. Save 50 cents on cat litter, dish soap, a few boxes of cereal — who has time? Research shows an increasing number of people are using coupons. In the United States, consumers redeemed 3.3 billion coupons in 2009 — a 27 percent leap from 2008, according to a report listed in January 2010 by Inmar, a coupon-processing agent.

The individual amounts of money may seem small at first glance, but someone who consistently saves \$25 a week will save \$100 a month and \$1,200 a year.

It may be easy to see why coupons might be ignored by some people who believe they take more time than they're worth in saving dollars. People offer a variety of reasons for why they don't clip coupons. The key to success is to develop a clever and easy-to-maintain coupon strategy.

If you want to use coupons but don't know where to start, or want to become more efficient with your time and money while using coupons, read on.

Definitions

A **manufacturer's coupon** is a piece of paper with a discount for a specified product on it. The coupon can be used at most stores that carry the specified product. To receive your discount, you must purchase the product and give the cashier the coupon. The cashier will scan the coupon and the coupon amount will be deducted from your purchase. You then pay for the remainder of the purchase. Coupons are issued by the company that produces the product. The store discounts your total, sends the coupons to the manufacturing company, and gets reimbursed for the value of the discount.

A **store coupon** works in a similar way to a manufacturer's coupon, except it is issued by a specific store for use in that store only. The store is the one cutting the price of the product.

Guidelines for Coupon Use

Coupons may only be used once. You may not buy 10 boxes of cereal and scan the coupon for \$1 off cereal 10 times. The store will only be reimbursed for the single coupon you scanned and it would lose \$9 for the nine additional times the coupon was scanned.

You may use one coupon per indicated item purchased. If you have two coupons to save \$1 on one box of cereal, you must buy two boxes to be able to use both coupons. The coupon will say "one coupon per purchase." This means you may not use both coupons on one box.

You may not use two coupons on one item. You may not buy one box of cereal and try to use 10 coupons for the one-item purchase. You may only use one of your coupons on the cereal. There is one exception to this rule.



Some stores will allow you to use one manufacturer and one store coupon per product. This is called coupon stacking. Check your store's coupon policy to see if it allows this.

Coupons may not be copied. Copying coupons is illegal. You can, however, obtain multiples of coupons in legal ways.

Read the wording of the coupon and ignore the picture. Manufacturers usually put a picture of their most expensive product on the coupon to make you think that is what you have to buy. If you actually read the terms of the coupon, it will usually say "save on any brand xyz product." That means you can buy even the least expensive product and still save with the coupon.

You can use a coupon on an item that is on sale or clearance, too. Occasionally a store clerk will try to tell you otherwise, but it is usually cleared up with a chat with the manager or a call to the corporate office.

Maximizing the Value of Coupons

As mentioned, many people don't bother to clip coupons for a variety of reasons. Most of these revolve around the belief that a 50-cent coupon doesn't make it worth the effort. And without a clever coupon strategy, it probably isn't. Here are a few simple rules to help you maximize the value of your coupons.

- **Forget brand loyalty.** You are looking for products, not brand names. If you find a coupon for a brand you like, that's great. But the best deals come when you let go of your fixation on a certain brand.
- **Clip only for products you need or use.** A good rule of thumb: If you have to think about clipping a particular coupon for more than a few seconds, pass on it.
- **Be on the lookout for pantry staples.** These diamond-in-the-rough coupons are more common than one might think. Quite often there are coupons for sour cream, butter, ketchup, mustard, chocolate chips, cooking spray and oil, rice, and aluminum foil.
- **Be on the lookout for personal products.** Coupons are fantastic for cosmetics and body care items (shampoo, toothpaste, etc.). You can consistently save 50 percent or more without much effort.
- **Take advantage of double- and triple-coupon days.** These are promotional days when the store will take your 50-cent coupon and double it to make it a savings of \$1. This type of coupon upgrade promotion is one that happens automatically at the registers. You do not have to do anything to take part in this promotion except present your coupons at the checkout. First, find out if your store offers this promotion. If it does, find out the maximum double/triple value. Many stores will only multiply up to a savings of \$1. That means they will double a 50-cent coupon to a \$1 savings, but a 75-cent coupon will net you the same \$1 savings.



Coupon Organization Systems

If you are new to coupons, don't feel the need to create an elaborate system for organizing them. Start out small and keep it simple. The goal is to save money with your coupons and do what works for you, not to get hung up in the details. Here are a few basic ways to organize your coupons:

Envelopes. Clip coupons and put them all in an envelope or check file. But, after you've been couponing for a few weeks, you will probably need multiple envelopes or something bigger.

Index Box or Small Accordion File. Sort your coupons into general categories and use dividers to keep them separated. Examples of categories might be Baby, Paper Products, Cleaning Supplies, etc.

Whole Insert. File the entire newspaper insert by date in a large box or in file folders and use a coupon and sale match-up website to find the coupon you need. This way, you take only the coupons you plan to use to the store. But you might miss out on a great clearance sale or unadvertised deal by not having all of your coupons with you at the store.

Coupon Binder. Clip all your coupons and file them in the plastic sleeves of baseball card holders in a three-ring binder. You could also use a photo album. With this method you can carry your binder to the store and have all your coupons with you while you shop. Place the coupons you are planning to use in the pockets inside the binder before you go to the store.

Coupon Box. This method is similar to an index box only on a larger scale. Sort your coupons into more detailed categories (instead of just Baby, you would include Baby Diapers, Baby Food, Baby Wipes, etc.). This does require a bit of filing, but makes finding coupons much easier when you need them.

- **Make a list.** Don't go to the store without a list. Lists remind you what you came for and keep you from buying items you don't need.
- **Remember the No. 1 rule of couponing:** Wait for sales to use your coupons, to get the most from your coupon dollar. Sales alone can save you money. Coupons alone can save you money. But planning ahead to use both can be quite powerful. This can mean waiting a few weeks after clipping to use some coupons, but it may be worth it. Many "coupon items" do not hit their lowest sale price until a few weeks after the coupon comes out. Example: One-pound rolls of pork sausage usually cost \$3.29. These rolls will sometimes go on sale for "buy one, get one free." Then they become \$1.65 each — a good deal. Add a 55-cent-off-one coupon to this and they are now \$1.10 each — an even better deal. (Because you are buying two, you can use two coupons.) Shop at a store that doubles coupons (up to a \$1 savings) and each 1-pound roll of sausage now costs you 65 cents — a fantastic deal! This is an 80 percent savings from the non-sale price.

Tips for Using Coupons for Sale Items

- **Weekly ads.** Read the weekly store ads to see what is on sale and which stores have the best prices on the items you need. If you don't get weekly ads delivered to you, you can usually pick up a flyer at the store or view it on the store's website.
- **Coupon match-ups.** Even better than viewing the weekly ads yourself are many websites that will provide coupon match-ups to most stores. These sites will tell you the 1-pound rolls of pork sausage are on sale "buy one, get one free" and to use two pork sausage coupons from the January 1 newspaper.
- **Loyalty cards.** If your store offers a loyalty card, then make sure you sign up for one. Some stores only give the sale price to card holders and getting a loyalty card is free. Other stores allow you to go online and add coupons to your loyalty card. When your card is scanned at checkout, it applies the coupon discounts.
- **Ten for \$10 promotions.** You do not have to buy 10 items to get the \$1 price. Buy the quantity you need or can afford. This can be a great time to stock up on non-perishables if you have money in your budget to do so. The only exception is if the ad states you must buy a certain number of products.
- **Rainchecks.** If the store is out of the sale item, get a raincheck. Go to customer service and ask for a raincheck for the item you wanted. They will fill out a piece of paper, called a raincheck, with the item details, price, and number of items you want to buy. Then you come back another day (usually no more than 30 days) and buy that item at the sale price by giving the cashier the raincheck. You can still use coupons if you are using a raincheck. Be aware that some sale flyers will indicate "while supplies last" to avoid giving rainchecks, but some store managers may be able to honor your raincheck request.

Resources

Related publications

Spend Smart, Eat Smart, www.extension.iastate.edu/foodsavings

Sites where you can learn more about using coupons

www.moneysavingmom.com

www.couponing101.com

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Where to Find Coupons

- **Newspapers.** The Sunday paper usually includes coupon-stuffed circulars. If you don't have a subscription, borrow the paper from friends and family after they're done reading.
 - **Store circulars and magazines.** Occasionally, coupons will appear in publications within a supermarket or drugstore, probably by the door or the cashier, or may also come in a newspaper. Though you've already made your shopping plan, leaf through these because they can offer good last-minute deals or bargains for the next time.
 - **Store shelves.** You know those little ticket dispensers that line supermarket aisles? If they're located by an item you enjoy, grab one. You never know when the item might go on sale to net you a good deal on a favorite food.
 - **Mailings.** If you really like a particular company, you can frequently sign up online to receive coupon packets through the mail.
 - **Online.*** Online coupon deals can be tremendous, but also a giant headache if you spend too much time looking for them. Sites like www.coupons.com allow you to print many of the coupons that appear in the Sunday newspaper circulars. Visit individual company pages if you frequently buy their products. There are also many blogs dedicated to couponing that often have links to coupons. A quick Internet search can help you find these blogs.
- * Be warned — you might have to sign up for the service or install a special printing program, but in some cases it can be worth it. Also, not every store accepts coupon printouts. Give your local chain a call before going through the work of finding online coupons.

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