

DO\$H



Card-Linked Offers



TRANSACTION-BASED ADVERTISING
FOR OFFLINE PURCHASES

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Advertising is evolving at warp speed.

Businesses are struggling to keep up.

Traditional media like print, radio and television, which dominated the market for decades, has been hedged out by digital advertising.

2019 is the first year when digital ad spend estimates (\$129 billion) are larger than traditional ad spend projections (\$109 billion).¹ The makeup of digital ad spend as a category is shifting as well.

Amazon ads will capture a larger share at roughly \$11.33 billion.² Mobile ad spending as a category will experience a 20% growth increase.³ Another big first: Google and Facebook's respective shares of digital ad spend will decline in 2019.



75%

of marketers question their ability to reach in-market consumers.⁴

Why?

The growth in complexity of digital advertising has introduced a host of unforeseen problems.



Digital ad fraud takes a huge chunk of marketing budgets every year, with \$5.8 billion projected to be lost to fraud in 2019. Less than half of all impressions are fully, transparently validatable.⁵ Click fraud, non-viewable display ads, and invalid traffic are just a few of the most common types, and fraudsters are constantly developing new ways to mimic genuine traffic.



Ad-blockers allow disenchanted consumers to filter out ads, with almost half of U.S. smartphone users employing ad-blocking software on their phones⁶, 30% using ad-blockers on their computers, and 60% skipping television ads using a DVR.⁷



Programmatic ad buys have raised concerns about brand safety as ads for major retailers like Warby Parker and Kellogg's were automatically placed on controversial sites inciting consumer fury.⁸

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One thing remains the same:

—
consumers still make the majority of their purchases in brick-and-mortar stores.⁹





Businesses can capitalize on this new marketing experience which offers a frictionless, relevant shopping experience along the buying journey and mobilizes the in-store point of sale.

Merchants have shifted large chunks of their budgets to digital advertising, even when online purchasing only accounts for up to 15% of total sales.¹¹

Those digital ads **could** be influencing consumers to visit brick-and-mortar stores, but there's currently no way to **prove** online-to-offline transactional attribution.

So how can brands amplify their digital advertising efforts to drive attributable in-store sales?

There is an efficient strategy with zero waste - every dollar is directly attributable to a sale.

And, it provides a great opportunity to meet and exceed rising shopper expectations in stores. Businesses can capitalize on this new marketing experience which offers a frictionless, relevant shopping experience along the buying journey and mobilizes the in-store point of sale.

So what is this advertising channel that merchants can use to prove online-to-offline transaction attribution, drive ROI on ad spend, and increase customer loyalty?



Card-linked offers (CLOs) are the next wave of transaction-based advertising for offline purchases.

A CLO is a reward or cash back amount given to a consumer in exchange for a purchase made at a participating merchant - only available if the consumer uses the linked credit or debit card.

The popularity and convenience of cashless purchases using cards and mobile payment apps further drives the need for digital offers. Consumers no longer have to remember to bring the

physical offer on their shopping trip. Just use the credit or debit card linked to the program to receive the offer.

For merchants, CLOs drive higher transaction rates, increased brand loyalty, and reduced physical marketing costs. No more cancelled transactions due to forgotten coupons. CLOs create a frictionless experience and reduce the need for expensive printed collateral.



87%

of consumers are more likely to shop somewhere that rewards them.





And another huge bonus: with CLOs, merchants can directly connect advertising spend to in-store purchases using transaction data from the payment card combined with the power of mobile - the one device that seamlessly connects the online to offline shopping journey.

The rewards offered by CLO programs are diverse and often tailored to the user based on their location and spending

patterns. They range from offers at popular retailers, travel, restaurants, pet shops, hardware stores, and some of the most loved brands in the country.

Moreover, CLOs are expanding all over the globe: for the first time ever, the majority of respondents to a card-linking survey achieved over 100% growth in card-linked transactions.¹¹





Why is Dosh the best option for CLOs?

Dosh enables brands to tap into the power of mobile marketing, transactional and behavioral data, plus combine both with card linked offers, to generate fully attributable return on ad spend (ROAS) for offline purchases.

Convert high-value shoppers. Dosh users are not passive consumers: they are actively shopping on a regular basis. The engaging content in the Dosh app delivers increased, sustained shopping behavior. Dosh serves up segmented offers, engaging video content, and an easy discovery experience that drove the following results for Dosh merchant partners:

44%

lift in transaction frequency

55%

lift in daily spend during active campaigns

30X+

return on advertising spend (ROAS)

Performance insights unlike any other.

On the surface, Dosh helps merchants make the connection between offer investment and transaction data, tying ad spend to ROI. Beyond that, our deep data lake uncovers layers of insights by inserting behavioral data, market share shift, and reactivated buyers into the equation. Data is continually enriched to create more personalized profiles for future offers.

Simple and quick setup. With Dosh, there's no technical work or POS integration required. All you have to do is determine your budget and desired outcomes. Then let Dosh run targeted campaigns based on your goals.

No fraud or brand safety issues. Only real people download and use the Dosh app, with no offers showing up on objectionable content.

Building loyalty by delivering a "Brand Hug". At the brick-and-mortar POS, cash back can decrease purchase guilt with immediate Dosh cash back notifications. And customers can feel good about either keeping the cash or donating it to a participating charity seamlessly through the app.



When comparing shopping from retailers on Dosh vs. those not associated with Dosh, **over 1/3 of consumers pick the Dosh retailer.**



What types of results should merchants expect when using Dosh?

- + Increased customer acquisition
- + More in store traffic
- + Higher average order value (AOV)
- + Lift in purchase frequency
- + Increased customer loyalty

Dosh uses a combination of first and third party data to assess campaign effectiveness, including the following:

Dosh Transactional Data

Daily spend in store and online, average order value, frequency, and engagement including incremental sales.

Third Party Data

External data provides a control group to compare with campaign performance, as well as demonstrating market share shift, shopper behavior patterns, and reactivated buyers.



What does a sample performance report look like?

Merchant X wanted to lift in store sales in a specific geographic region with a targeted offer, and a campaign budget of \$150,000. Dosh identified segments based on user activity, location, and demographics, and measured those segments to assess impact in the form of increased revenue, AOV, and transaction count.

Increases in AOV and frequency by the target audience resulted in a significant lift in incremental sales. **For every \$1 of spend, the campaign generated \$24.41 in sales!** Dosh reporting allowed the merchant to see incrementality at the store level, with the goal of optimizing the campaign for other metro locations.



Total Sales	Incremental Lift	Campaign Cost (merchant)	Incremental Sales	ROAS	ROI
\$3,662,220	36.50%	\$150,000	\$979,275	24.4	5.53

Source: campaign sales and costs from first party data for Merchant X throughout campaign. Lift estimated comparing users who were exposed to the offer with users in the control group.



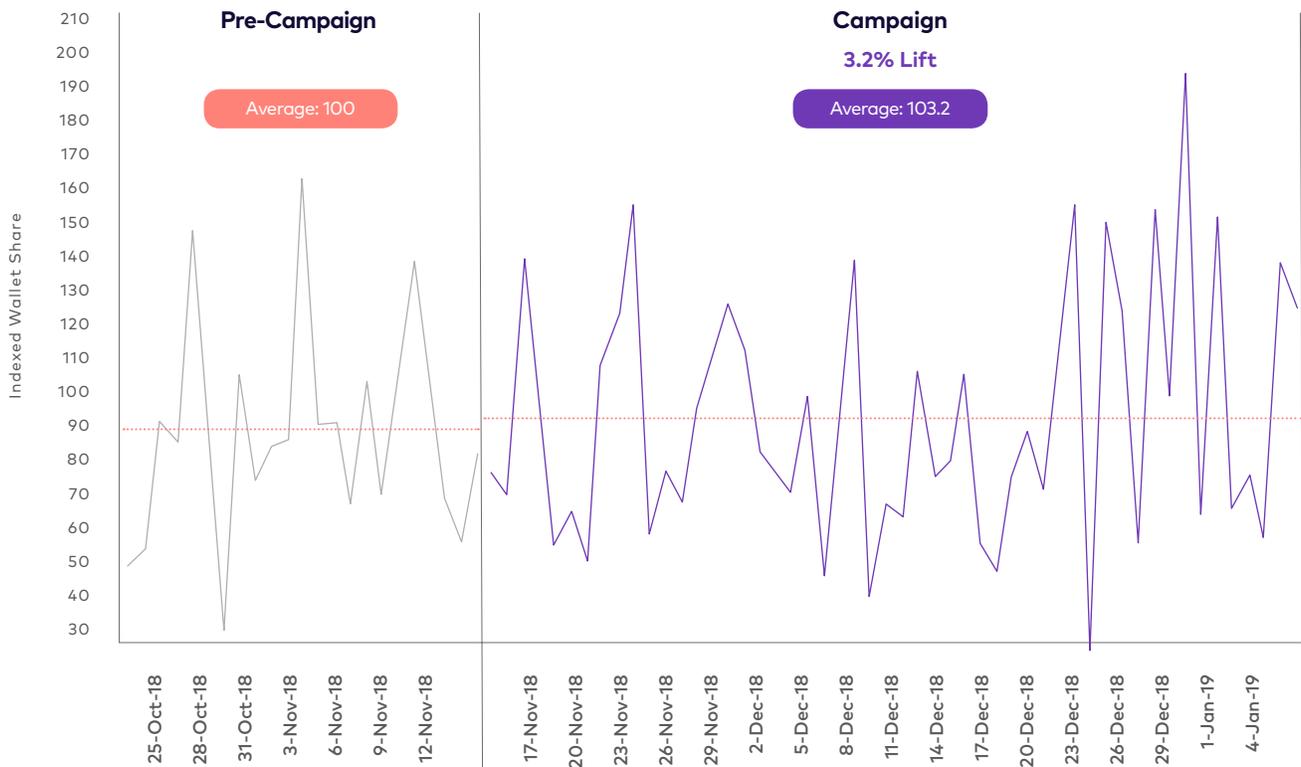
How does third-party data help fill in the picture?

Robust insights like wallet share shift, behavior patterns, and reactivated buyers contribute to a more informed perspective for merchants. During the campaign for Merchant X, daily spend, transaction counts and AOV increased significantly. Dosh customers chose to spend at Merchant X over competitors in the same industry.

Performance Report

Wallet Share

Lift in spend came from customers choosing to spend more at Merchant X over other competitors in the fast food industry. Wallet share increased 3.2% during the campaign.



Source: All Dosh users spend levels at Merchant X compared to their spend in industry. The calculation is spend for Dosh customers at Merchant X divided by spend for Dosh customers in the industry as defined using 3rd party data.

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Participating brands have seen results that prove the effectiveness of Dosh.



"Dosh subscribers become sustained, repeat customers faster. Those customers are visiting 29% more often, and spending 60% more per visit after 60 days when compared to non-Dosh subscribers."

JAMES LERNER

Senior Product Marketing Director,
Walmart Global eCommerce/Samsclub.com

"Recently, we have seen a nearly 50% lift in transactions and a 66% increase in revenue directly attributable to Dosh providing us a direct connection to build deeper relationships with our customers."

ALEX OK

President, Forever 21



About Dosh

Dosh is the fastest growing card-linked offer platform connecting merchants to consumers by automatically putting cash into their wallets when they transact, driving higher spend and loyalty. Directly integrated into major card networks, Dosh enables merchants to track their advertising spend to every transaction, providing measurable attribution both online and offline.

Sources

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Let's talk.

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