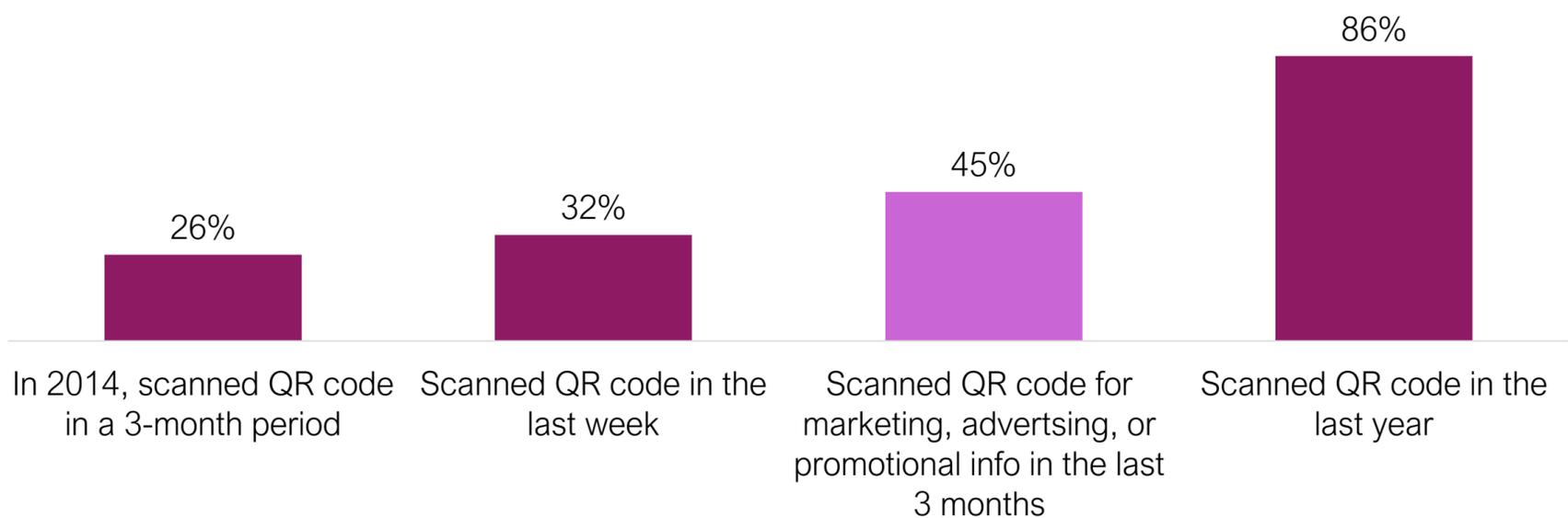


HOW QR CODES ARE IMPACTING THE FUTURE OF ADVERTISING

Although QR codes are nearly three decades old, new advancements in its application, technology, and adoption have recently propelled it into the forefront of ad-tech. The pandemic saw mass adoption of QR codes by older generations, and businesses have begun to use them in new and exciting ways. Look no further than restaurants using QR code menus to save paper, time, and sanitation needs to see that QR codes can be used for more than just traditional promotional material. Coinbase's Superbowl ad consisting of a QR code bouncing around a screen received so many scans, that it crashed the Coinbase website. The success of the ad sparked a new interest in QR codes by advertisers who realized the potential of the technology, given its newfound mass adoption by consumers, and how they are used by businesses.

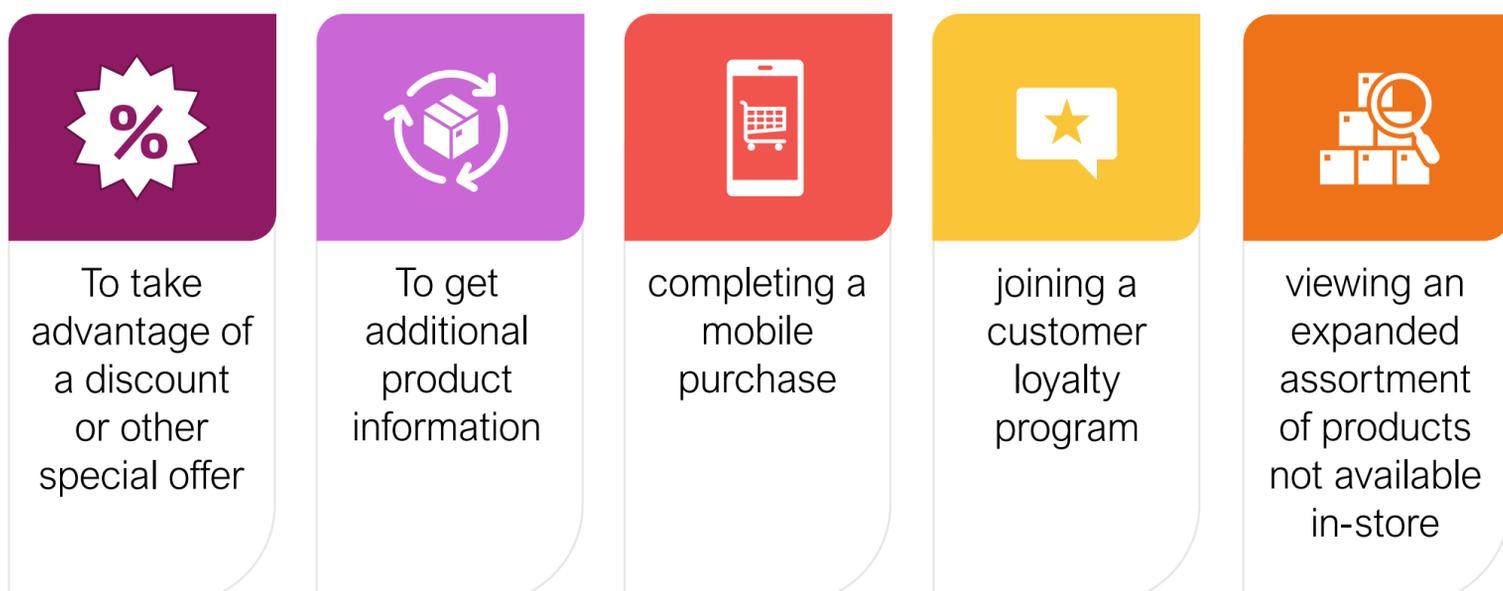
FACTS ABOUT QR

THE GENERAL CONSUMER SCANNING QR CODES



According to survey data from MRI Simmons, 59% of consumers consider QR codes to be a permanent part of their phone in the future, and 82% of adults aged 18-44 are willing to use more QR codes in their lives (this number is 64% for individuals 45+). QR codes are easy to create, can be used for a plethora of purposes, and are a low-cost option for businesses and personal use. They are also a sustainable, sanitary (non-contact), and efficient option over traditional print and handout-based business practices. QR codes offer consumers new ways to learn about products and services in a CX friendly manner, without needing to enter long vanity URLs or dial a phone number.

PRIMARY REASONS CUSTOMERS CHOOSE TO SCAN QR CODES

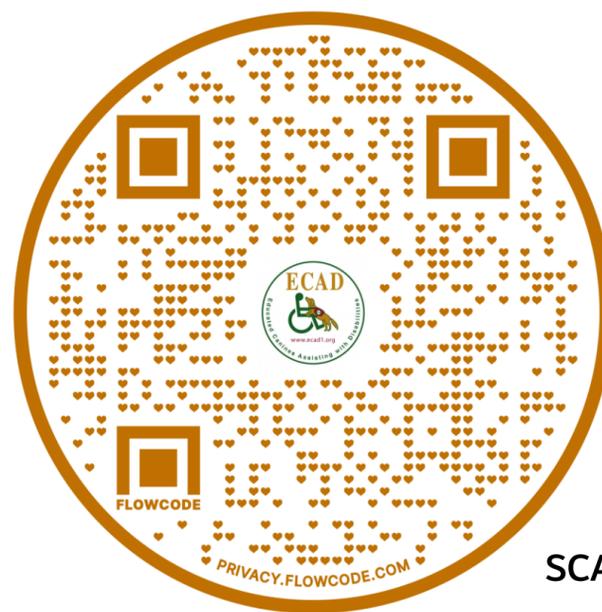


WHERE THEY APPLY

QR codes can be used in any business that is looking to provide current or potential consumers with info on their products or services. They can bring users to promotional material, how/where to buy a product, further information about a business, or even an app / file download. QR codes often take less than a second to scan, providing a user-friendly experience to consumers that URLs and even displayed phone numbers find hard to match. This user friendliness has increased the performance of many ad campaigns across industries.

QR code campaigns have seen extremely high click-through rates compared to other alternatives. Where Facebook and Instagram ads have seen an average of less than 1% clickthrough, QR code campaigns have seen as much as 12.8%. This click-through rate is second only to Google display ads, at an average of 5.06%. While this rate varies by industry, it still outmatches other digital tactics in almost every case.

| Ad Type | Click Through Rate | Source |
|--------------------|--------------------|---|
| QR Code campaigns | 12.80% | (Beaconstac database) |
| Google display ads | 5.06% | (Instapage) |
| Email marketing | 2.60% | (Campaign Monitor) |
| Facebook ads | 0.90% | (Wordstream) |
| Instagram feed ads | 0.22% | (Smart insights) |



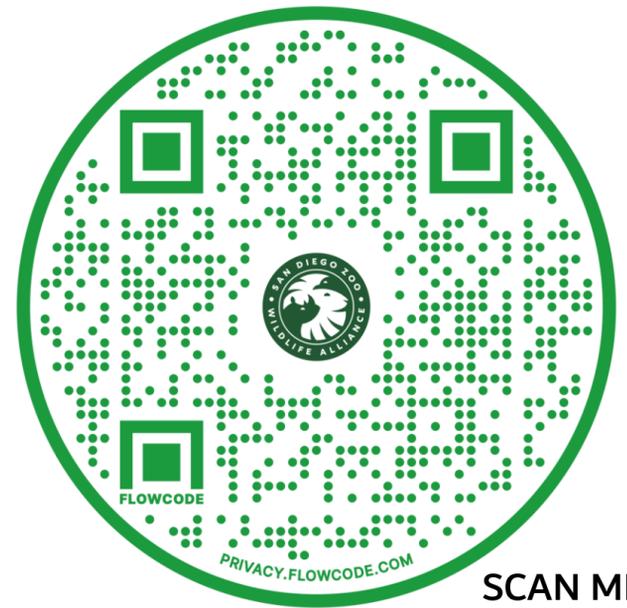
While QR codes succeed in almost any industry, they do not work in every ad-medium. These codes are seeing an explosion in popularity with TV, CTV, and Out of Home campaigns. According to MRI Simmons, 73% of individuals are often using their phone simultaneously while watching a program, making it easy for consumers to use their cell to scan a promotional QR code. However, channels such as social media would be difficult since these platforms are often consumed on a phone already. This makes getting a consumer to scan a QR code difficult since a secondary device would be needed. Similarly, QR codes can not be implemented in audio campaigns for lack of visual elements in most cases.

IMPLICATIONS IN ATTRIBUTION

Unlike vanity URLs, QR codes can be unique to a station, publisher, etc., providing a direct signal for attribution. Additionally, QR codes evade the “Google Tax” (the money that a brand pays when a consumer sees a product on an ad, googles it, then clicks on a paid search placement). Instead of the consumer needing to google the brand or look them up on a third-party platform like Amazon, QR codes take consumers directly to where the advertiser wants them to go. From there, attribution tools like pixels can track users from site to sale and assure more accurate analytics. QR codes also appeal to certain younger demos who are often hesitant to call a telephone number on an ad. Instead of talking to an operator, customers can scan and buy, with little to no human-to-human interaction.

FUTURE OF QR (FLOWCODE)

A new company in the QR space, Flowcode, is set to revolutionize the way people use quick response images. Launched in 2019, Flowcode offers enhanced customizability, analytics, and scan-ability using their proprietary technology. Flowcode has been on the forefront of advertising recently, being featured in March Madness as a way to gather tournament information. In some cases, campaigns that utilized Flowcode saw as much as 206% increased TV campaign performance and over 100,000 scans off a single TV creative. Early signs point to Flowcode and their offerings providing an enhanced user experience which can increase the performance of direct response campaigns.



SCAN ME!

Beyond the typical uses of QR codes and additional design capabilities, Flowcodes can also have smart rules, which send scanners to different locations depending on various criteria such as time of day, day of the week, or type of device used to scan (For example, the code above will send you to a different site, depending on the time of day you scan). Flowcode's patented technology also allows for additional attribution and analytics capabilities over traditional QR codes...a huge benefit given recent privacy restrictions from companies like Apple.

SUMMARY

Marketing and advertising has always sought to steer consumers towards an end goal while providing the least amount of friction in getting to the finish line. Such an aspiration has been crucial in developing relationships between brands and their customers and creating the most user-friendly experience in purchasing products and services. When, where, and how a relationship begins with a brand can define a future relationship or lack thereof. QR codes (and now Flowcodes) can create a seamless beginning to fruitful relationships between brands and consumers, while also providing companies with integral data points to continue improving the success of their campaigns.

ABOUT THE AUTHORS



Michaela Gacnik is the lead designer at Havas Edge. She specializes in data visualization and design with a passion for aesthetic advertising. She is also a leader in Women in Business, an organization at Havas Edge that promotes the empowerment and support of women in the workplace and beyond.



Tyler Lombardi is a Growth Coordinator at Havas Edge. He specializes in marketing research, project management, and business development across all verticals. Tyler strongly believes in the value of learning something new every day and utilizing newfound knowledge to drive success for his team, and the clients he works with.

CONTACT US:

We would love to hear from you. To contact us about your campaign goals, use the information below.

We at Havas Edge are excited to connect with you! Email: growth@havasedge.com

OTHER REFERENCES:

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- [COVID-19: A Shot in the Arm for QR Codes at Retail - OnQ \(onqsolutions.com\)](#)
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