

THE COUPON TRAP

WHY DISCOUNTS ARE COSTING LOCAL
BUSINESSES MORE THAN THEY REALISE



Better for customers, better for businesses.

Introduction:

A Real Story From the Inside

This isn't theory. It's lived experience.

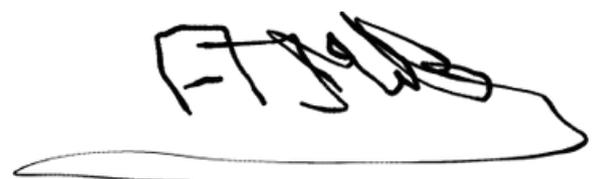
Andy was a first aid instructor, and during COVID – like many small business owners – he was trying to survive uncertainty, cancellations, and long periods of silence. When a coupon discount platform approached him, the pitch was familiar and convincing: offer a big discount now, gain lots of new customers, and make it back through repeat business later.

Andy agreed. He listed a three-day first aid course for £75, already half the usual price. What he didn't fully realise at the time was what came next. The coupon platform then took 60% of that £75.

Every time an email landed saying “You've got another booking!” there was a brief moment of excitement – even relief. Maybe this was working. Then the numbers began to sink in.

Once venue costs, materials, insurance, time, and effort were accounted for, Andy was left with almost nothing. Within a month, the deal had to be switched off.

That emotional rollercoaster – the excitement of new bookings followed by the sinking realisation of what you actually take home – is something thousands of businesses recognise instantly. Andy knows first-hand what coupon culture really feels like, and that experience is one of the reasons Cannock Hub and the LocalHubs team exist.

A handwritten signature in black ink, appearing to read 'Andy', with a long horizontal line underneath it.

Chapter 1: The Discount Trap

For years, local businesses have been sold the same promise.

Offer a discount. Attract new customers. Build loyalty. Win repeat business.

On the surface, it sounds reasonable. In fact, it sounds almost unavoidable. When footfall drops, competition increases, or uncertainty hits — discounts feel like action. They feel like marketing. They feel like doing something rather than standing still.

Coupon and voucher platforms know this. Their entire model is built around urgency, fear, and hope. Fear of being invisible. Fear of being left behind. Hope that this time, the numbers will stack up and the customers will stay.

But for many businesses, that promise quietly turns into a trap.

The trap begins with exposure. Platforms talk about reach, email lists, app users, and thousands of potential customers waiting to discover you. What they rarely talk about is intent. The majority of users on coupon platforms are not searching for a particular business, brand, or service. They are searching for the biggest saving.

This distinction matters more than most businesses realise.

A customer who discovers you because they were looking for what you offer behaves very differently from a customer who finds you because you were the cheapest option available that day. One is curious about your business. The other is loyal to the deal.

Discount platforms blur this line deliberately. They frame bargain hunters as “new customers” and one-off visits as “growth”. On paper, the numbers look positive. In reality, the behaviour tells a different story.

Once a business commits to a discount, the pressure doesn't stop there. To be competitive on these platforms, discounts must be deep – often 40%, 50%, or more. Then comes the commission. By the time the platform takes its share, many businesses are delivering their service at a fraction of its true value.

What's often overlooked is that costs don't scale down with discounts.

Rent doesn't halve. Insurance stays the same. Staff still need paying. Materials still cost what they cost. Time – the most valuable resource of all – is spent in exactly the same way, regardless of how little revenue comes in.

The result is a dangerous illusion: busy does not mean profitable.

Many businesses report full calendars, packed bookings, and constant notifications telling them they've made another sale. For a while, it feels like momentum. But when the month ends and the figures are added up, the reality hits. High volume, low margin, little to show for it.

Even worse, the promised repeat business rarely materialises.

Customers who arrive via heavy discounts often disappear just as quickly when the offer ends. Not because the business did anything wrong, but because the relationship was never built on value – it was built on price. Once the price changes, so does the loyalty.

This creates a cycle that's hard to escape. To maintain bookings, another deal is launched. To compete, the discount goes deeper. Over time, the business unintentionally trains customers to wait for offers rather than pay full price.

At that point, the platform has won – but the business has lost control.

Control of pricing. Control of perception. Control of its own customer base.

What's rarely discussed is how this model shifts power away from local businesses and towards platforms that carry none of the operational risk. They don't deliver the service. They don't deal with dissatisfied customers face-to-face. They don't feel the strain when margins disappear.

Yet they own the data, the traffic, and the relationship.

This is why so many businesses describe the experience as draining rather than empowering. It looks like marketing, but it feels like survival. And survival is not a sustainable growth strategy.

The most damaging part of the discount trap is that it normalises undervaluing local businesses. It subtly tells customers that services, skills, and expertise are worth less than they really are – as long as a platform says so.

Over time, this erodes confidence on both sides. Businesses question their pricing. Customers question full value. The entire local economy feels cheaper, thinner, and more fragile.

This chapter isn't about blaming businesses for trying. In many cases, discounts felt like the only option available. Visibility online is hard. Competing with national brands is harder. And when someone offers a quick solution, it's understandable to take it.

But understanding the trap is the first step to escaping it.

Because there is another way – one that values businesses properly, builds loyalty honestly, and keeps value circulating locally.

And that's where the story changes.

Chapter 2: The Myth of Repeat Business

The single biggest promise made by coupon and voucher platforms is repeat business.

It's the justification for deep discounts, thin margins, and short-term pain. Businesses are told that the first transaction doesn't matter – what matters is the lifetime value of the customer that follows.

In theory, it sounds sensible.

In practice, it rarely happens.

Ask local business owners a simple question: how many full-price repeat customers came directly from coupon platforms? The answer is usually uncertain at best. Many can name one or two. Most can't name any. Very few can track it with confidence.

The reason is simple. Voucher platforms attract a specific type of behaviour, and behaviour is far more reliable than intention.

Customers who actively seek out vouchers are not browsing for brands. They are browsing for savings. Their loyalty sits with the platform, not the business. When the deal ends, their interest often ends with it.

This isn't a criticism of customers – it's human nature. If someone is conditioned to expect 40–60% off, paying full price feels like a loss, even when the value hasn't changed. The reference point has shifted.

Voucher platforms rely on this shift.

They frame repeat visits that occur during a discount period as loyalty, even though the incentive hasn't been removed. A customer returning for a second discounted visit is not evidence of long-term commitment – it's evidence that the offer is still active.

True repeat business only reveals itself once the discount disappears.

And that's where the model starts to fall apart.

When businesses remove the deal, the majority of voucher-led customers don't return. They simply move on to the next offer, the next business, the next platform notification. The platform still wins – but the business is left wondering where all the promised loyalty went.

There's another uncomfortable truth rarely discussed: even when a voucher customer does return, they often expect another discount.

Businesses describe awkward conversations at the till, emails asking for “the same deal as last time,” or quiet disappointment when full prices are presented. This creates pressure – not to grow, but to keep discounting.

At that point, repeat business becomes conditional.

And conditional loyalty is not loyalty at all.

The idea that discount-led customers will naturally convert into full-price regulars assumes something crucial: that price was never the main reason they chose you. But on voucher platforms, price is almost always the deciding factor.

This is why so many businesses feel trapped in a loop. They discount to gain customers, then discount again to keep them, slowly eroding margins while being told the next wave of loyalty is just around the corner.

It rarely is.

What makes this even harder is the lack of ownership. Voucher platforms sit between the business and the customer. Communication is limited. Data is controlled. Relationships are filtered through the platform's terms.

Even if a business wanted to nurture repeat visits properly, the tools are rarely there.

Local businesses thrive on familiarity, trust, and recognition. A customer who feels connected to a business – who sees it regularly, hears its story, and understands its value – behaves very differently from one who arrived via a one-time deal.

Repeat business isn't built on discounts. It's built on presence.

Visibility without discounting. Value without apology. Recognition without intermediaries.

The myth of repeat business persists because it's convenient for platforms to sell. But for businesses, believing it without questioning the evidence can be costly.

Real loyalty takes time. It takes consistency. And most importantly, it takes a relationship that isn't based on price alone.

In the next chapter, we'll look at the wider damage this model causes – not just to individual businesses, but to local economies as a whole.

Chapter 3: The Hidden Cost to Local Economies

When discounting becomes normalised, the damage doesn't stop at individual businesses. It spreads outward, quietly reshaping entire local economies.

On the surface, coupon platforms appear to support local trade. They feature independent businesses, encourage spending, and promise increased footfall. But beneath that surface, value is steadily extracted from communities rather than circulated within them.

Every pound matters in a local economy. When money stays local, it moves between businesses, wages, suppliers, and services. When it leaves, it rarely comes back. Discount platforms accelerate this outflow by pulling margin away from the very businesses that rely on it to survive.

When a local business runs a heavily discounted offer, they absorb the cost. When a platform takes commission, that money doesn't stay in the town. It flows upward – out of the high street and into national or global systems that have no stake in the community's long-term health.

Multiply that effect across dozens or hundreds of businesses, and the impact becomes impossible to ignore.

Margins shrink. Investment slows. Risk increases.

As profits tighten, businesses are forced to make difficult choices. Staff hours are reduced. Training is postponed. Equipment upgrades are delayed. In some cases, quality is quietly compromised – not because owners don't care, but because survival demands it.

This creates a downward pressure across the entire local ecosystem.

Customers may not notice it immediately, but over time the effects become visible. Opening hours shorten. Familiar faces disappear. Once-unique businesses start to look interchangeable. The character of a town begins to thin out.

Discount culture also distorts customer expectations. When people become accustomed to constant deals, full prices start to feel unreasonable – even when they reflect fair value. This undermines businesses that choose not to discount, making it harder for them to compete on anything other than price.

The result is a race to the bottom that nobody truly wins.

Independent businesses are not designed to operate on mass-market margins. They don't have the scale, buying power, or investor backing to absorb sustained losses. When forced into discount-led competition, they are playing a game they were never meant to win.

As more independents struggle, high streets begin to hollow out. Empty units appear. National chains move in, able to withstand lower margins and higher volumes. What was once a diverse local economy becomes increasingly uniform.

This isn't nostalgia – it's economics.

Local businesses reinvest locally. They sponsor teams, donate to causes, employ local people, and respond to local needs. When they disappear, those connections disappear with them.

What's often overlooked is the emotional cost. Business owners carry stress home. They work longer hours for less reward. The pride that comes from building something independent is replaced with constant anxiety about the next promotion, the next deal, the next month.

Communities feel this too. A town with thriving independent businesses feels alive. A town dominated by short-term offers and empty units feels transactional.

Discount platforms don't cause these problems alone – but they accelerate them by normalising a system that extracts value rather than nurturing it.

This is why local-first alternatives matter.

Platforms designed around communities behave differently. They focus on visibility rather than pressure. On relationships rather than transactions. On long-term sustainability rather than short-term spikes.

Healthy local economies are not built on constant discounts. They are built on fair pricing, mutual respect, and ongoing support between businesses and the people they serve.

Understanding the wider cost of discount culture isn't about rejecting offers altogether. It's about recognising that when value leaves a town faster than it returns, something fundamental breaks.

Chapter 4: Why Businesses Keep Saying Yes

If discount platforms are so damaging, an obvious question follows: why do so many businesses continue to use them?

The answer isn't ignorance or recklessness. In most cases, it's pressure.

Local businesses operate in an environment that has become increasingly unforgiving. Online visibility is dominated by national brands with vast marketing budgets. Search results are crowded. Social media algorithms are unpredictable. Traditional footfall has declined, while digital competition has intensified.

Against that backdrop, discount platforms present themselves as a shortcut.

They promise instant exposure, ready-made audiences, and immediate bookings. For a business owner staring at an empty calendar or quiet shop floor, that promise is difficult to ignore. Doing nothing feels riskier than trying something new – even if that something comes at a cost.

There is also a psychological element at play.

Discount platforms frame participation as normal, even expected. “Everyone is doing it.” “Your competitors are already on here.” The implication is clear: opt out and you risk being forgotten.

This creates fear-based decision-making.

Rather than asking whether a discount aligns with long-term goals, businesses ask whether they can afford not to be visible. The platform becomes less of a marketing choice and more of a perceived necessity.

Another reason businesses say yes is the complexity of modern marketing. Many owners are experts in their trade, not digital strategy. SEO, content, ads, analytics, and branding can feel overwhelming. When a platform offers a simple solution – list an offer, set a discount, get bookings – it feels manageable.

What isn't simple is what happens afterwards.

Once a business has committed to discounting, it becomes harder to step away. Short-term spikes in activity can mask long-term damage. A busy week feels like progress, even if profitability is declining. The absence of bookings after switching off a deal can feel like proof that discounting “worked,” reinforcing the cycle.

This is where dependency starts to form.

Businesses begin to rely on platforms to fill gaps rather than build their own presence. Over time, this weakens their ability to attract customers independently. Visibility becomes rented rather than owned.

There's also a cultural pressure within entrepreneurship itself. Admitting a marketing channel doesn't work can feel like admitting failure. Many businesses persist with discounts longer than they should, hoping the next month will be different.

Discount platforms rarely discourage this behaviour. Their incentives are aligned with volume, not sustainability. The more deals run, the more commission flows upward.

What's missing from the conversation is honest guidance.

Very few platforms stop to ask whether discounting is right for a particular business model. Very few explain the real risks to margin, brand perception, or customer behaviour. The responsibility is placed entirely on the business owner — often without the full picture.

It's also important to recognise that some businesses feel they have no alternative. Without strong local platforms, community networks, or affordable marketing channels, discounts can appear to be the only way to compete.

This is not a failure of individual businesses. It's a failure of the systems they're operating within.

Understanding why businesses keep saying yes isn't about blame. It's about empathy. It's about recognising that decisions are often made under pressure, with incomplete information, and limited support.

But awareness changes things.

When businesses understand that visibility doesn't have to come at the expense of value, new options become possible. When platforms exist that prioritise long-term presence over short-term discounting, the dynamic shifts.

And that's where a different approach – one rooted in community rather than extraction – begins to make sense.

In the next chapter, we'll look at how Cannock Hub starts from a completely different premise – and why that difference matters.

Chapter 5: A Different Starting Point

Cannock Hub did not begin with discounts.

It began with a question: what would a local platform look like if it was built for communities first, rather than extraction?

That distinction matters, because most platforms start from a very different place. They begin by asking how to scale quickly, how to maximise transactions, and how to capture value efficiently. Local businesses are often treated as inputs to a larger system rather than partners within it.

Cannock Hub was designed from the opposite direction.

Instead of asking how to drive as many discounted transactions as possible, the focus was on visibility, trust, and relevance. The aim wasn't to flood businesses with one-off bargain hunters, but to help them become recognisable, familiar, and supported within their own communities.

This changes everything.

A community-first platform understands that local businesses don't need to be cheaper — they need to be seen, remembered, and respected. When people recognise a business name, see it regularly, and understand what it offers, loyalty forms naturally.

Cannock Hub exists to create that recognition.

By combining local news, events, jobs, classifieds, and business listings into a single digital space, the platform mirrors how real communities work. People don't engage with businesses in isolation — they encounter them alongside information that matters to their daily lives.

This context builds trust.

When a business appears consistently within a local environment, it stops feeling like an advert and starts feeling like part of the place. That sense of belonging is something national platforms struggle to replicate.

Crucially, Cannock Hub does not force businesses into discounting to gain attention. Offers and deals are optional, controlled, and designed to support rather than undermine value. Businesses choose how they appear, what they promote, and when.

This restores control.

Instead of being pressured into ever-deeper discounts, businesses can use offers strategically — to introduce themselves, to fill specific gaps, or to reward loyalty. The platform supports this without demanding margin sacrifice as the price of visibility.

Another fundamental difference lies in ownership.

On Cannock Hub, businesses are not hidden behind a platform brand. They are not interchangeable tiles in a grid. Their identity, story, and presence remain front and centre. Customers know who they are supporting and where their money is going.

This creates a healthier relationship between business and customer.

LocalHubs extends this model beyond a single town. Each hub remains locally focused, but benefits from shared technology and learning. This avoids the trap of centralisation while still allowing the platform to grow sustainably.

Growth without extraction is rare – but possible.

By keeping control local and incentives aligned, LocalHubs aims to strengthen communities rather than hollow them out. Value circulates instead of leaking away. Businesses invest locally because they can afford to.

For customers, this approach feels different too. Instead of endless discount notifications, they encounter real businesses, real stories, and offers that feel considered rather than desperate. Supporting local becomes a habit, not a marketing slogan.

This is not about rejecting discounts altogether. It's about changing their role. Discounts become a tool – not a crutch.

When platforms are built with community in mind, trust grows on both sides. Businesses feel supported rather than squeezed. Customers feel informed rather than manipulated.

That is the different starting point Cannock Hub represents.

Not louder marketing. Not deeper discounts.

A better system.

In the next chapter, we'll explore how this approach benefits customers as much as it does businesses – and why fair value creates stronger communities for everyone involved.

Chapter 6: Better for Customers Too

It would be easy to frame this conversation as businesses versus customers, but that would miss the point entirely. The truth is, the same systems that quietly harm local businesses also short-change customers – just in less obvious ways.

At first glance, heavy discounts look like a win for consumers. Lower prices, quick savings, instant gratification. But when those savings are built on unsustainable models, the long-term cost is higher than it appears.

Customers don't just buy products and services. They buy continuity, reliability, and choice. When local businesses struggle under constant margin pressure, those things slowly disappear.

Fewer independents means fewer options. Empty units replace familiar names. National chains step in, offering consistency but little character. Over time, towns begin to feel the same everywhere – functional, but hollow.

A system that relies on relentless discounting encourages short-term thinking. Customers are trained to chase offers rather than build relationships. Businesses become interchangeable. Value is reduced to price alone.

That's not how trust is built.

Customers benefit when businesses are healthy. A café that can afford to invest in staff, quality ingredients, and a welcoming space delivers a better experience. A tradesperson who isn't squeezed on price can spend time doing the job properly. A local service that feels supported is more likely to care about reputation, not just volume.

When businesses are forced into discount cycles, something shifts. Corners are cut. Time is compressed. The experience becomes transactional rather than personal. Customers may save a few pounds today, but they lose something more meaningful over time.

Cannock Hub approaches customers differently.

Instead of bombarding people with endless deals, it helps them discover what's happening locally – news, events, jobs, and services – in one place. Businesses appear as part of a living community, not as isolated offers competing for attention.

This creates familiarity.

People are far more likely to support businesses they recognise and trust. When a name appears regularly in a local context, it stops feeling like a gamble. Customers feel confident spending their money because they understand who they're supporting.

When offers are presented, they feel intentional rather than desperate. A limited-time incentive to try somewhere new. A reward for loyalty. A seasonal promotion that makes sense.

Customers still benefit – but without the pressure to constantly hunt for the next bargain.

There is also an ethical dimension to this shift. Many customers care deeply about supporting local businesses, even if they don't always articulate it. When given a clear, easy way to do so, most choose to support fairness over extreme discounts.

Cannock Hub makes that choice visible.

By connecting people to their local economy in a meaningful way, the platform encourages conscious spending without guilt or manipulation. Customers aren't asked to pay more – they're invited to understand value differently.

This creates a healthier relationship on both sides.

Customers enjoy better service, stronger local identity, and businesses that are still there when they return. Businesses enjoy stability, respect, and customers who come back because they want to – not because a notification told them to.

As this model grows, something important happens. Supporting local stops being a campaign and starts being a habit.

Chapter 7 brings this journey to a close – looking at what happens when communities choose systems designed for long-term value, and why this shift matters now more than ever.

Chapter 7: Keeping Value Where It Belongs

Every system is designed to produce a result.

For years, the discount and voucher ecosystem has produced exactly what it was built to produce: short-term spikes, thin margins, and a steady transfer of value away from local businesses. It has been packaged as opportunity, framed as innovation, and defended as “just the way things work.”

But systems are not fixed. They are choices.

The question facing local communities now is not whether discounts exist – they always will – but who controls them, who benefits from them, and where the value ultimately ends up.

When value is constantly extracted, something breaks. Businesses lose confidence. Customers lose connection. Towns lose character. What remains is a transactional landscape where everything is cheaper, faster, and more disposable – including the businesses that once gave places their identity.

Cannock Hub and the wider LocalHubs vision exist as a response to that reality.

Not as a rejection of technology, but as a correction to how it has been used.

This approach starts from a simple belief: local economies work best when value circulates, not escapes. When money spent locally supports wages, services, and reinvestment rather than disappearing into distant platforms with no stake in the outcome.

Keeping value local isn't a slogan. It's a strategy.

It means giving businesses tools that build presence rather than dependency. Visibility rather than volatility. Recognition rather than relentless discounting. It means allowing offers to exist without letting them define worth.

For businesses, this represents a shift in mindset.

Growth does not have to come from being cheaper. It can come from being known. Trusted. Part of the fabric of daily life. Businesses that are recognised don't need to shout. They don't need to race to the bottom. They are chosen because people understand their value.

For customers, it's a return to something instinctive.

Most people want their towns to thrive. They want choice, quality, and familiarity. They want places they can return to, recommend, and rely on. When the system makes that easy – when supporting local is visible, accessible, and rewarding – people naturally lean into it.

What Cannock Hub does differently is remove the false trade-off between fairness and affordability. Customers don't have to overpay to support local. Businesses don't have to undersell themselves to be seen. Both can exist in balance.

This is where the old model quietly loses relevance.

Discount platforms rely on urgency and scarcity. They thrive on constant movement – the next deal, the next notification, the next saving. But communities don't function like that. They are built on repetition, familiarity, and trust over time.

LocalHubs is designed for that rhythm.

By embedding businesses into the everyday digital life of a town — alongside news, jobs, events, and conversations — it creates something more durable than a deal. It creates belonging.

Belonging is powerful.

A business that feels part of a community is supported differently. A customer who feels connected spends differently. Decisions are no longer driven purely by price, but by recognition, trust, and shared interest in keeping something alive.

This is not nostalgia. It's sustainability.

As pressures on small businesses increase — rising costs, algorithm changes, national competition — the need for fair, local-first platforms becomes urgent. The old promise of “discount now, profit later” has worn thin. What remains is the opportunity to build systems that actually work.

Cannock Hub is not claiming to have all the answers. But it is proving that another approach is possible. One where technology serves people, not the other way around. Where growth strengthens communities instead of draining them.

The future of local business will not be decided by the biggest platforms or the deepest discounts. It will be shaped by the choices communities make about where they spend, who they support, and which systems they trust.

This ebook exists to spark that conversation.

To encourage businesses to question models that don't serve them. To invite customers to see value beyond price. And to remind towns that they have more power than they think.

When value stays local, everyone benefits.

And that is a future worth building.

Final Thought

You've seen how discount culture really works.

Not in theory, but in practice — how it affects margins, behaviour, confidence, and communities. None of this means local businesses were wrong to try. In many cases, they were simply responding to the systems placed in front of them.

But understanding changes what comes next.

The future of local business doesn't have to be built on constant discounting or borrowed visibility. It can be built on recognition, trust, and platforms that are designed to keep value where it belongs.

Cannock Hub and the LocalHubs network exist to support that shift.

Not by telling businesses what to do, but by giving them a space where visibility doesn't come at the cost of value, and where customers are encouraged to support local in ways that actually last.

There's no pressure to change everything overnight. Small steps matter. Choosing better systems matters. Asking better questions matters.

If you're a local business, this is simply an invitation to explore a different approach — one that works with your community rather than extracting from it.

If you're a customer, it's a reminder that where you spend your money shapes the places you live.

The future of local economies isn't decided by platforms alone. It's decided by people.

And when value stays local, everyone wins.