Constant Contact Announces General Availability of SaveLocal™

Merchants Already Seeing Success When Given Total Control of Their Deals

WALTHAM, Mass.--(BUSINESS WIRE)--Constant Contact®, Inc. (NASDAQ: CTCT) today announced the general availability of SaveLocal, the company's latest online marketing tool that helps small businesses run profitable, effective local deals. Previously only available to Constant Contact customers, SaveLocal is now available to all US businesses. SaveLocal addresses critical problems with the current daily deals model by giving merchants complete control and allowing them to run deals that make sense financially, incentivize social sharing to spread word of mouth, attract new customers, and drive repeat business.

"In speaking with local business owners when developing SaveLocal, we heard a few common requests: they wanted a tool that helped them acquire new customers through word-of-mouth, the ability to control the type and amount of the deal, and they wanted to actually make a profit," said Dave Gilbertson, vice president and general manger, SaveLocal. "Those all seemed like pretty reasonable things to ask from a business owner trying to make a living, but unfortunately, the traditional deals model fell short on every one of these goals. SaveLocal flips that model on its head and gives the merchant complete control of the deal: they control the discount amount, the terms of the deal, timing, and how many coupons to sell. And we've already seen some truly amazing results. We couldn't be more excited about making this product widely available."

Janet Brown of <u>Cape Fear Aesthetics</u>, a spa in Fayetteville, N.C., ran a SaveLocal deal that netted over \$14,000 in revenue in just 10 days. "We ran the same exact deal with a different provider, but the SaveLocal deal was much more profitable, because we didn't have to give the standard 50 percent back to the vendor," said Brown. With SaveLocal, deals are completely free to send, and merchants pay just \$1, \$2, or \$3 when someone buys the deal, depending on the value of the deal. Cape Fear's first deal went so well – and cost so little – that the spa ran another deal, and then a third. Overall, their offers brought in over \$42,000 in revenue.

Grant Galuppi, owner of <u>Galuppi's</u>, a restaurant in Pompano Beach, Fla., had the same issue. "The deals vendor required that we offer a 50 percent discount and give them half of whatever we made," said Galuppi. "We wanted to find an alternative that gave us more control over the deal. Constant Contact had already been a huge part of our online marketing, so when I heard about SaveLocal, it was a no-brainer." Galuppi also used SaveLocal's sharing feature to incentivize his customers to buy and share the deal, offering an additional \$5 coupon to anyone who purchased the deal and then emailed it, tweeted about it, or posted it on Facebook®. As a result, Galuppi's sold over 200 coupons and brought in over \$3,000 in revenue, but more importantly, expanded its new customer base by 36%.

"All of our products are made in-house. They are hand-made and hand-painted. We couldn't afford to be put in a position where we had to offer a steep discount," said Grant Cloud, owner of <u>Cloud's Porcelain</u>, a pottery store in Folsom, Calif. "The deal we ran with SaveLocal was \$75 for a \$100 gift certificate. It was super affordable and we were in control of the terms. They didn't force us to offer a 50 percent discount, and we didn't have to give them a big share of revenue. The deal brought in over 40 percent new customers and went above and beyond our expectations."

"Success stories like these are just a few of the great examples we have of what happens if we give merchants the tools and total control to create profitable deals campaigns that drive word of mouth. We think that the best way to find your next great customer is through your existing customer base, rather than through a big list of consumers who don't know much about you. That is SaveLocal's secret sauce," said Gilbertson. "This industry can have an inspiring and bright future, but in order to succeed, the model needed to change. It's clear that our model is resonating – in just the three months since SaveLocal's launch, our deal volume has put us in the top 10 among current providers."

Merchants interested in using SaveLocal to help grow their business can sign up for free at: http://conta.cc/MsOEiF.

Constant Contact wrote the book on Engagement Marketing™ – the new marketing success formula that helps small organizations create and grow customer relationships in today's socially connected world. More than half a million small businesses, nonprofits and associations worldwide use the company's online marketing tools to generate repeat business and referrals through email marketing, social media marketing, event marketing, local deals and online surveys. Only Constant Contact offers the proven combination of affordable tools and free KnowHow, including local seminars, personal coaching and award-winning product support. The company further supports small organizations through its extensive network of consultants/resellers, technology providers, franchises and national associations.

Constant Contact and the Constant Contact Logo are registered trademarks of Constant Contact, Inc. All Constant Contact product names and other brand names mentioned herein are trademarks or registered trademarks of Constant Contact, Inc. All other company and product names may be trademarks or service marks of their respective owners.

(CTCT-F)

Cautionary Language Concerning Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding the company's SaveLocal product. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond Constant Contact's control. Constant Contact's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to, the company's ability to attract new customers and retain existing customers, the company's dependence on the market for email marketing services for small organizations, adverse economic conditions in general and adverse economic conditions specifically affecting the markets in which the company operates, the company's ability to successfully develop and introduce new products and add-ons or enhancements to existing products, including the SaveLocal product, adverse regulatory or legal developments, the company's ability to continue to promote and maintain its brand in a cost-effective manner, changes in the competitive environment, the company's ability to compete effectively, the company's ability to attract and retain key personnel, the company's ability to protect its intellectual property and other proprietary rights, and other risks detailed in Constant Contact's most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission as well as other documents that may be filed by the company from time to time with the Securities and Exchange Commission. Past performance is not necessarily indicative of future results. The forward-looking statements included in this press release represent Constant Contact's views as of the date of this press release. The company anticipates that subsequent events and developments will cause its views to change. Constant Contact undertakes no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing Constant Contact's views as of any date subsequent to the date of this press release.

Contact:

Constant Contact
Media Contact:
Erika Dornaus, 781-482-7039
pr@constantcontact.com
or
Investor Contact:
Jeremiah Sisitsky, 339-222-5740
ir@constantcontact.com

https://pawa.canata	ntcontact com/2012	06 10 Constant	Contact Apparen	cos Conoral Avalla	hility of Covel accl
<u>nttps://news.constai</u> TM	ntcontact.com/2012	<u>-06-19-Constant</u>	<u>-Contact-Annound</u>	<u>ces-General-Availa</u>	<u>bility-of-SaveLocal-</u>