



Seller Handbook



Latest articles

Getting Started

Growing Your Business

Seller Stories

Site Updates

September 28, 2023 | 5 minute read

How 4 Successful Shops Use Discounting Effectively

Established sellers share how they're using discounting tools, like thank you coupons and targeted offers, to grow



your audience and bring buyers back.
by Katy Svehaug



Want to open your own Etsy shop? Create your shop today!

[Learn more](#)

Note: As an Etsy seller, pricing is at your sole discretion. This means that you are responsible for making your own pricing decisions and are free to set prices as you wish. That said, remember there are also legal considerations to be aware of around pricing and discounting. Sellers cannot mislead consumers on discounted prices. The original price must be a true price that was in practice for a

substantial amount of time, so, for example, you can't artificially increase a price and cut it down just to make it look like you're running a sale.

Discounts, coupons, and other kinds of special offers can help you catch shoppers' attention, clear out unsold inventory ahead of a new season, and encourage shoppers to keep coming back.

Etsy offers a few different tools that allow you to offer discounts to your customers. Many of these offers can be sent automatically to your customers, taking one more thing off your to-do list! Read on to learn how four sellers use discounting as part of their pricing strategy to achieve their goals and grow their business.

Mark Kerem (AK) of Katy, Texas-based shop Yoakum Leather | On Etsy since 2019

"My current goal is to attract new customers," says Mark. "So I'm using targeted offers and maximizing my advertising budget to expand my reach." Etsy's targeted offers tool lets you create a discount that can be automatically sent to shoppers who recently favorited one of your items, or shoppers who added an item from your shop to their cart but didn't check out.

Keeping a close eye on how his discounts perform helps Mark understand whether they're effective in helping him achieve his goals. "I've found that thank you coupons bring us a lot of sales, and running targeted offers has led to an increase in traffic for our shop compared to last year," says Mark. He's also had

several repeat customers reach out directly who've mentioned using the thank you coupon.

**Stephanie of Falls Church, Virginia-based shop Pristine Custom Rings
| On Etsy since 2013**

"I always factor holidays and current market trends into my discounting strategy," says Stephanie. Since opening in 2013, the Star Seller has continually expanded her strategic discounting. "We're offering more discounts and sales as our business continues to grow."

One approach she's taken is running targeted offers during periods where her listings see more organic traffic and there's an opportunity to convert browsers into buyers. Stephanie says, "We currently get a lot of repeat customers by using discounting tools like targeted offers and thank you coupons."

**Sydney of Milwaukee, Wisconsin-based shop Double Oak Essentials
| On Etsy since 2022**

"As a new small business, it's important for us to get our brand out there," says Sydney. "Offering discounts has helped us grow our customer base significantly."

Since opening his shop last year, he's made more than 1,200 sales, catering to fellow whiskey enthusiasts. He's used targeted offers to encourage potential customers to purchase after they've favorited an item or added an item to their cart. "Customers love deals, so we like to offer discounts as much as possible."

With targeted offers, you have multiple options for the type of offer you send, so you can choose the option that works best with your profit margin.

Jennifer Whelan of Fredericton, Canada-based shop Savi Jewelry | On Etsy since 2009

“In the past I would just run a shop-wide sale while trying to attract new and repeat customers,” says Jennifer. “But I’ve found that it’s easier to attract repeat buyers with thank you coupons.”

Thank you coupons let you offer your customers a discount on their next purchase in your shop. These offers can be automatically sent to buyers after their order ships. Sending this kind of discount can help you build buyer loyalty after an initial purchase and start a lasting relationship with the customer. “I’ve noticed an increase in repeat buyers since setting up thank you coupons this past year,” says Jennifer.

Factoring discounts into your pricing strategy

Before creating your discounting strategy, it’s important to understand your profit margin. This helps you understand how much profit you make from each item you sell. It’s common for a new business to have a lower profit margin as they’re starting out and spending more on customer acquisition (often through advertising and discounts), and then to see an increase in profit margin as they grow. Learn more about how to determine your profit margin and be sure to check out our handy profit margin and pricing worksheet.

Return to the Ultimate Guide to Pricing.



Words by Katy Svehaug

Katy Svehaug is a Senior Content Strategist at Etsy.

Latest articles



The Ultimate Guide to Etsy Policy

Learn why policies are created, what considerations to keep in mind to avoid listing removals, and how we're working to increase transparency.

Read now



How We Create Policies at Etsy

Get a behind-the-scenes look at how we develop and enforce our House Rules.

[Read now](#)



4 Policy Best Practices When Listing Items on Etsy

Understand what to keep in mind when listing your items, along with actions you can take to avoid policy missteps.

Read now



7 Essentials for Exceptional Customer Service

Communication is a vital skill for any online business. Get tips from an Etsy expert and experienced sellers, plus customizable message reply templates.

Read now



Get free online marketing tips and resources delivered directly to your inbox

you@email.com

Subscribe

Yes! Send me exclusive offers, unique gift ideas, and personalized tips for shopping and selling on Etsy.

Enter your email

Subscribe

Etsy is powered by 100% renewable electricity.

Shop

Gift cards
Etsy Registry
Sitemap
Etsy blog
Etsy United Kingdom
Etsy Germany
Etsy Canada

Sell

Sell on Etsy
Teams
Forums
Affiliates & Creators

About

Etsy, Inc.
Policies
Investors
Careers
Press
Impact

Help

Help Center
Privacy settings

Download the Etsy App



United States | English (US) | \$ (USD)

© 2025 Etsy, Inc. [Terms of Use](#) [Privacy](#) [Interest-based ads](#) [Local Shops](#) [Regions](#)