Watson Advertising is here to help you get smart on back to school. Read this guide for predictions and tips to help you have an A++ campaign.
though summer is just getting into full gear, the back to school shopping season is about to kick off. And if 2018 is anything like last year, the second largest spending time period won’t disappoint. In 2017, spending reached historic levels of nearly $84 billion, up +10% YOY. In addition to economic factors driving spend (increased consumer confidence and employment, more people in school, etc.), the evolving classroom experience has led to more consumers purchasing technology products and boosting spend.

Despite increased dollars being up for grabs, back to school marketing is not without its hurdles. The timing of when shopping occurs as well as what is being purchased is becoming more unpredictable. This means that whether you are an electronics company or among the usual staple of sought-after brands (apparel, supplies, food and personal care, branded gear, etc.), opportunity awaits but, only if you have a deep understanding of the latest consumer trends and capitalize on the latest data-driven technology.
While a growing number of back to school consumers are shopping online (44% in 2017), consumers are also visiting a range of stores including discount, department, college and office supply stores. Effective strategies will take into consideration that the path to purchase is varied and employ tactics that find customers at the right moments along their journey.

**SHoppers Will Seek out Multiple Stores and Store Types**

1. **Cover your bases.**
   Don’t stop on one channel but instead, extend the reach of your campaign by targeting relevant audiences wherever they may be. Think digital display, email, social and out of home.

2. **Target in-market audiences.**
   Use location data to find customers interested in your product. For example, people who are seen at Denny’s and town parks on Saturdays are likely to be families with kids with Back to School needs.

3. **Get local.**
   Geo-fence stores (including your competitors) to reach customers at the point of purchase with compelling offers.

4. **Use weather to your advantage.**
   Weather impacts how people feel and in turn what they do and buy. Solutions like WEATHERfx use scientific analysis and multiple data sets to target locations where product sales are likely to spike based on the weather driven demand.

5. **Put loyalty data to work.**
   Find and reach existing customers and create lookalikes to increase shopper base, visit frequency and basket size.

**44% of back to school consumers are shopping online**
The convenience and choice afforded by online shopping means people can hold off on completing their shopping until after school starts. In fact, last year, only 13% of back to school shoppers were completely done by August and 23% hadn’t started at all. Winning campaigns will use the extra time as an opportunity to optimize their approach, increase touchpoints with customers and build more meaningful relationships that can ultimately lead to greater sales.

**WATSON ADVERTISING RECOMMENDS**

1. **Keep customers in the loop.**
   Target existing customers about new products/offerings when weather conditions are conducive to driving product sales.

2. **Test and optimize.**
   Run multiple creatives and monitor results so you can optimize messaging and placements.

3. **Win them back.**
   Find customers who may have fallen off by analyzing their location patterns to your store and hitting them up with a compelling offer.

4. **Find new audiences to target.**
   Deep learning algorithms, such as those leveraged in IBM Bidding Optimization, can help you uncover the hidden patterns and behaviors of those most likely to be interested in your products.

5. **Drive in store.**
   Entice online users to come in-store with coupons and augmented reality creative to showcase innovative store features.
SHoppers in the eastern U.S. may be delayed in starting their back to school shopping due to warmer than normal weather conditions.

An early look at the weather forecast for the August-September time period shows warmer and drier than normal weather conditions across most of the eastern US. Because it won’t “feel” like fall, this could cause consumers to postpone starting their shopping for fall items. Successful marketers will put in place dynamic and strategic campaigns that flex based on weather-driven demand.

**Be agile.** Weather is becoming increasingly volatile, which means marketers can no longer rely on the behaviors that are typical of a season and must be flexible with their strategies. Solutions like WEATHERfx take advantage of the perishable, dynamic nature of weather to surface ads only in relevant locations.

**Capitalize on seasonal firsts.** Watson Advertising found that seasonal firsts - when weather first “feels” cold or “hot” elicits feelings of energy, optimism, and an increase in consumer confidence. Seasonal first triggers, such as “the first day of fall” can help brands capitalize on these changes.

**Create context.** Use weather data to help determine relevant messaging based on the likely mood of the consumer. Cold weather spell? Heavy up messaging around fall coats and gear. Weather still hot and stagnant? Serve up shopping lists to help motivate customers to start their back to school shopping.

**Use the right CTA.** Use weather and location patterns to understand whether customers will be inclined to shop online or in store and make sure you have the right call to action.

**Set yourself up for success.** Know what your KPI is before starting a campaign so you can be sure to put in place the appropriate mechanisms to help capture results and optimize performance. If an increase in foot traffic is your goal, make sure you attach a footfall campaign.

Sources:
1. Todd Crawford, Chief Meteorologist, Senior Project Manager and Data Scientist at The Weather Company, May 2018
2. The Weather Company Weather + Consumer Mindset, November 2014. 12,205 Respondents, 9 NOAA Regions, In Memory and in Moment. General statements based on research findings.
Millennial Moms can present an untapped opportunity

One in five moms (9 million people) are Millennial Moms. This audience is highly connected and influential yet overlooked. According to Weber Shandwick and KRC Research, 42% of Millennial Moms feel advertising geared towards them misses the mark. They do not like being lumped into a one-market mom segment as they are twice as likely to be single as older moms and just as likely to identify as homemakers versus full-time employees. Marketers who focus on this unique identity that some Millennial Moms have created for themselves, have an opportunity to unlock this valuable yet overlooked audience.

**Personalize the experience.** Take advantage of AI-powered creative, such as Watson Ads, to connect with your audience on a 1:1 level. Consider a “Back to School Navigator” or “Outfit Recommender” that uses personality insights to generate a series of product recommendations.

**Simplify their lives.** Share relevant information - whether it is a personalized weather forecast or a nutritious lunch idea - to help them save time and keep their families healthy and happy.

**Use a routine to get in the routine.** Take advantage of habitual media usage, such as checking the weather, to reach customers in their daily moments and add value. For example, Watson Advertising offers a variety of high-impact, trackable units that run on the homepage of The Weather Channel mobile experiences and put your brand in the path of an engaged, planning consumer.

**Come to them.** This audience has more social media accounts (3.4 on average) and spends more hours per week with social media than the average mom. Target this audience on social media when weather conditions are likely to help you drive product sales.

**Create evangelists.** Millennial Moms are more likely than other moms to be asked for their opinion on purchases. Help create loyalty among this valuable audience by serving up compelling discounts and offers.

1 in 5 moms are Millennial Moms
Among brands that are implementing AI systems, the advantage is clear. 3 in 4 organizations implementing AI increase sales of new and existing products and services by more than 10%, and 75% of organizations using AI enhance customer satisfaction by more than 10%. While leveraging AI solutions isn’t just a back to school tactic, marketers who want to capitalize on the second largest spending season will dive in now.

**Watson Advertising Recommends**

**Get organized.**
Invest in tools that help simplify and automate labor intensive tasks and free you up for higher value strategy work. [IBM Marketing Planner with Lucy](https://www.ibm.com) can help you unlock your organization's data so that you can put it to use in research, audience and planning capabilities.

**Use quality data.**
AI solutions are only as good as the data they receive. Weather data, which doesn’t rely on cookies or personally identifiable information, can help elucidate the mindset of a customer and is extremely valuable.

**Select quality partners.**
Evaluate partners on their ability to have a client-first, proprietary and secure approach. In an age where most consumers distrust businesses, this is a prerequisite.

**Don’t underestimate personalization.**
48% of US marketers reported that personalization on their websites or apps lifted revenues in excess of 10%. AI’s ability to harness big data and apply cognitive skills such as sentiment analysis and natural language processing can enable brands to more deeply understand and respond to the needs of an individual. [Watson Ads](https://www.ibm.com/watson) is an industry-first AI-powered creative solution that can help marketers build more meaningful connections with their customers.

**Just get started.**
AI can seem daunting, but it’s the brands that embrace it, fail fast and learn from mistakes that will succeed. Leverage trusted tools and expertise to help navigate your transformation and remember, it doesn’t have to be done alone. Watson, for one, is here to help make AI real for your brand.
CONTACT YOUR WATSON ADVERTISING REP TODAY TO LEARN MORE.