

3

**Back-To-School  
Lessons You  
Should Have  
Already  
Learned  
in 2018**



## THE BACK-TO-SCHOOL

shopping season is right around the corner, and many brands are planning and strategizing their marketing mix to ensure they win sales during this critical period. Recent research has made it apparent that the back-to-school shopping season is second only to the holiday season in sales volume. Back-to-college spending in 2017 **increased by 11.5% over the previous year**, with a substantial portion of this occurring in physical retail environments.

The brands that will realize success will be the ones who have learned these three simple lessons that stand to shape how the 2018 BTS season unravels.

# 'Gen Z' is the name of the game

'School' and 'young people' are two concepts that fit together like chalk and a blackboard, and the next generation of young people just happens to be Gen Z. Don't fool yourself into thinking they resemble their older Millennial relatives; they are mobile-fortified, digital mavericks that speak technology as fluently as they regurgitate pop-culture. For the most part, they are keen shoppers themselves. Even when they relinquish purchases to mom and dad, their influence cannot be denied:

## 93%

**OF PARENTS TODAY SAY THEIR CHILDREN INFLUENCE FAMILY AND HOUSEHOLD PURCHASES**

**GEN Z ACCOUNTS FOR UP TO \$143 BILLION IN DIRECT SPENDING. THEY ARE ALREADY ON TRACK TO BECOME THE LARGEST GENERATION OF CONSUMERS BY THE YEAR 2020**

There's no reason to doubt their enthusiasm for shopping, and in many ways, their behaviors mirror more traditional avenues. But to end the story here is to do Gen Z's a disservice, as the bigger picture reveals a great deal about their digital aptitudes:

- Gen Z are the only generation that are more likely to turn to social media to research brands than search engines (with a 6 percentage-point lead over Millennials also).
- Gen Z's pay with wearable devices or phones more than any other generation; they also don't own credit or debit cards more often than not. These two factors may help explain their propensity to prefer in-store shopping.

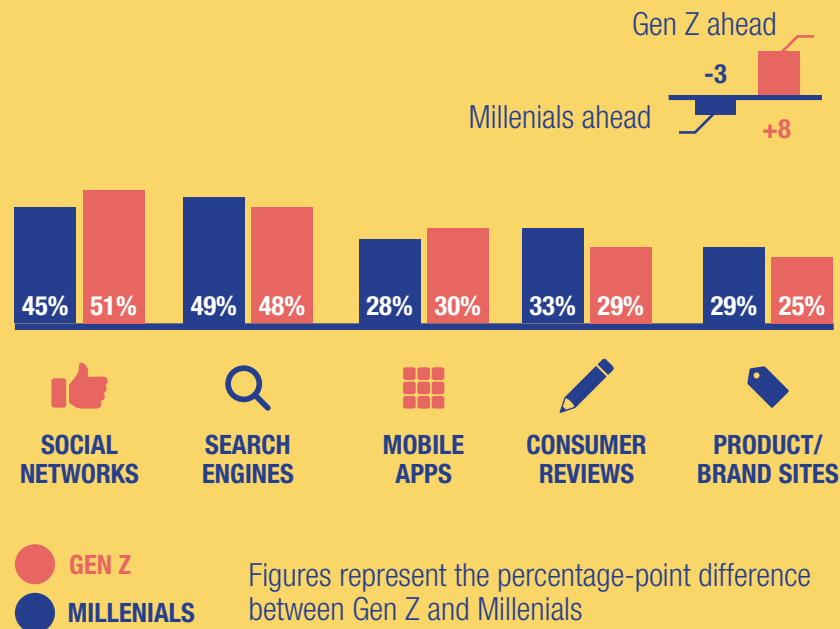
## WHAT DO GEN Z'S BUY? GEN Z AGES 16-21



## GEN Z AGES 6-11



## HOW MILLENNIALS AND GEN Z DIFFER WHEN SEARCHING FOR PRODUCT INFORMATION



# Tactics for Winning Gen Z



## INSPIRE IN-STORE

A winning back-to-school strategy for Gen Z should demonstrate two key features:

- It should be an in-store activation
- It should leverage digital technology

### Crayola®

Snipp established a retail-specific back-to-school sweepstakes for Crayola at Toys “R” Us locations, using mobile technology as a point of engagement. Consumers could win a \$1,500 Toys “R” Us shopping spree by snapping a picture of their receipt and submitting it via text, email, or web upload. Receipt processing technology scans each receipt and validates purchase.



## UNDERSTAND WHO IS BUYING

The purchase life-cycle with younger audiences can be complex. Often, it is the parents who make purchases for their children. But it is becoming increasingly common for younger consumers to take the shopping initiative into their own hands and make purchase decisions for themselves, and your brand must speak appropriately to each audience.

**\$44  
BILLION**

SPENT BY GEN Z ON  
THEMSELVES

**\$600  
BILLION**

SPENT BY OTHERS,  
INFLUENCED BY  
GEN Z



## START EARLIER THAN YOU'D EXPECT

The back-to-school season is seeing a backwards march earlier and earlier into the summer. Your corresponding tactics must align with the advance of the shopping season if they are to make an impact and positively affect sales for your brand.

**60%**

OF US SHOPPERS  
VISIT STORES PRIOR  
TO AUGUST FOR  
BACK-TO-SCHOOL  
PURCHASES

# Your Brand Needs to Ingrain Influencer Marketing

It is well known that Gen Z has a heightened propensity to rely on positive word-of-mouth from their peers. However, “influencers” as a concept stretches far beyond the domain of the Gen Z demographic. Now is the time for brands to treat influencer marketing as a strategic staple for programs going forward. Its relevance to the back-to-school season should be clear-cut; school is a time when friends and peers are of crucial significance to a student’s life, where individuals are especially susceptible to the influence of the people that matter to them.

According to a recent survey:

**95%**  
OF MARKETERS WHO  
HAVE LEVERAGED  
INFLUENCER  
MARKETING HAVE  
FOUND IT TO BE  
HIGHLY-EFFECTIVE

**70%**  
INCREASE IN BACK-  
TO-SCHOOL VIEWING  
TIME FOR YOUTUBE  
VIDEOS IN THE PAST  
TWO YEARS

**75%**  
OF GEN Z’S ASPIRE  
TO BECOME  
YOUTUBE AND  
VLOGGING STARS

**\$2B**  
IS THE PROJECTED  
MARKET WORTH  
OF THE INSTAGRAM  
INFLUENCER  
INDUSTRY BY 2019

Examples of successful Back-To-School influencer marketing:



### DIRECT ASSOCIATION/SPONSORSHIP OF POPULAR INFLUENCERS

Popular YouTube celebrity “LaurDIY”, who creates content on craft and do-it-yourself fashion, worked with department store Kohl’s to create a video titled “DIY Denim Hacks for Back-to-School 2017”. The video, which was published peak-season in mid August, has garnered 1+ million views and 62K likes to date.

### INTERACTIVE TECHNOLOGY

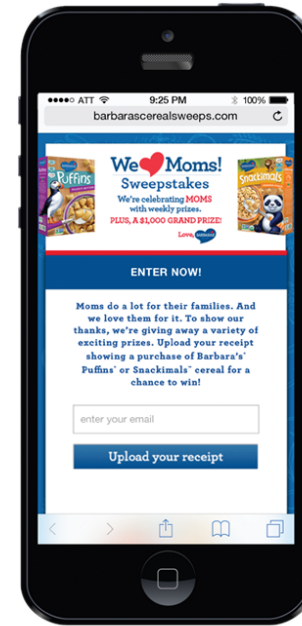
IKEA made full use of digital media when they teamed up with pop music and web comedy stars “Superfruit” for the 2017 back-to-school season. Leveraging an interactive video in Snapchat, consumers can answer quiz questions about their home décor tastes by engaging with the app. Once the quiz is over, the consumer has the option of purchasing any of the items featured in the ad. Superfruit, themselves featured, posted the activation to their own Snapchat accounts to encourage virality.

### ORGANIC WOM VS. DIRECT INCENTIVIZATION

There are two approaches to increase WOM for brands:

**Incentivize social sharing** Simply reward social sharing with rewards or brand coupons. Technology makes this process simple, and is a great way to boost metrics.

**Foster organic sharing** The right kind of program and relevant rewards speaking to the consumer’s core values will facilitate authentic, organic sharing.



Snipp launched a family-friendly, animal-themed loyalty program for Barbara’s, where shoppers earn environmental and wildlife charity rewards for purchase and non-purchase behaviors. Millennial Moms, who spend a significant amount of time posting and sharing on social media networks and place a higher value on brands that value social causes, were excited about the opportunity to assist endangered wildlife through the Barbara’s brand. Not only that, but the rewards are built in such a way that kids would be eager to share too. Just imagine a child proudly bringing in a puffin adoption certificate to show-and-tell!

# Tactics to succeed with influencer marketing

## BE ORGANIC

The best way to tap into influencers is for your brand to take the backseat to their presence and let the positive associations develop naturally. Remember; the consumer is there for their favorite YouTube star or Instagram personality, not for your brand.

## BE AUTHENTIC

It is essential to make sure the personalities and individuals your brand collaborates with actually fit with your brand. Don't automatically jump at the opportunity to work with the most popular— it is better to associate with an influencer whose core values align well with your own brand.

## BE WARY

Brands today are treading cautiously in the world of influencers. Recent high-profile scandals have rocked many brand/influencer relationships, such as Logan Paul's inappropriate YouTube post in early January 2018. The best strategy is to start small and work your way up – begin with a single promotion, and then see how you can further expand your relationship.



# Celebrate the In-Store Experience

We've been told time and time again that the in-store channel is dying before our very eyes. It's time for a breath of relief; the latest evidence shows that this opinion simply doesn't stack up, especially when it comes to back-to-school shopping amongst key demographics.

**90%**  
OF BACK-TO-SCHOOL SHOPPING IS STILL CONDUCTED IN-STORE

**60%**  
OF YOUNG GEN Z RESPONDENTS SAID THEY PREFER THE MALL FOR SHOPPING

**81%**  
OF YOUNG GEN Z RESPONDENTS SAID THEY PREFERRED TO SHOP IN STORES, WHILE 40% SAID THEY WILL ONLY SHOP IN STORES

**50%**  
OF MILLENNIALS PREFER TO SHOP IN A BRICK-AND-MORTAR STORE

## GEN Z'S IN-STORE BEHAVIOR

How can you best activate consumers in-store? What experiences do they crave? Why exactly do they want to go into a store in the first place? The answers to these questions are firmly digital in nature.

Gen Z-ers described shopping experiences such as "fun experiences", "live events", and "in-store promotions" as factors motivating purchase.

**54%**  
USE THEIR DEVICES TO COMPARE PRICES

**42%**  
SEARCH FOR REVIEWS

**2/3<sup>RD</sup>'S**  
OF BTS SHOPPERS EXPECT A STORE'S PHYSICAL AND DIGITAL PRESENCE TO COMPLEMENT EACH OTHER

**48.4%**  
SEARCH FOR PRODUCT INFORMATION

MORE THAN **75%**  
SAY THEY'D USE NEW DIGITAL IN-STORE TECHNOLOGY IF IT OFFERS CONVENIENCE AND VALUE







# Scotties

## SCOTTIES 'READY, SET, SCHOOL'

Scotties created an activation that embodied the perfect combination of digital passion and physical engagement. Needing a way to drive retail specific sales at Walmart for the BTS season and grow basket size, they teamed up with Snipp to create a custom music rewards program that incentivizes purchase with digital music downloads. The program also established a digital point of engagement in-store; to earn the music download reward, consumers had to snap a picture of their physical receipt and upload it to a custom branded microsite.

# Final Tactics for Inspiring In-Store



## STRIKE A BALANCE

A good in-store activation should evoke both real-world and online digital experiences. It's great to have cutting edge digital signage, near field communications, and virtual reality, but don't ignore online channels such as social media, where valuable word-of-mouth stands to be earned.

## GET RETAIL SPECIFIC

There are many advantages to creating a program specific to a single retailer. In fact, many retailers now abstain from national programs altogether. Work with a marketing technology partner that can cater to the demands of a retail specific program.

## TIE TO PURCHASE

At the end of the day, brands want to see an increase in their sales. That's why a great back-to-school activation ties to purchase – and rewards consumers once they buy from you with relevant incentives, such as music, digital content, branded swag, store-gift cards, etc, and use technology to validate purchase with efficiency and scale.

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Snipp is a global loyalty and promotions company with a singular focus: to develop disruptive engagement platforms that generate insights and drive sales. Our solutions include shopper marketing promotions, loyalty, rewards, rebates and data analytics, all of which are seamlessly integrated to provide a one-stop marketing technology platform. We also provide the services and expertise to design, execute and promote client programs. SnippCheck, our receipt processing engine, is the market leader for receipt-based purchase validation; SnippLoyalty is the only unified loyalty solution in the market for CPG brands. Snipp has powered hundreds of programs for Fortune 1000 brands and world-class agencies and partners.

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