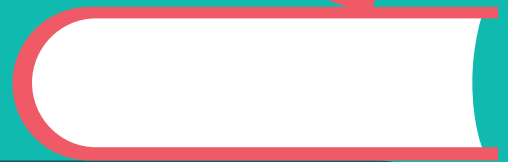
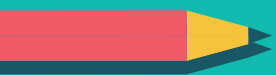


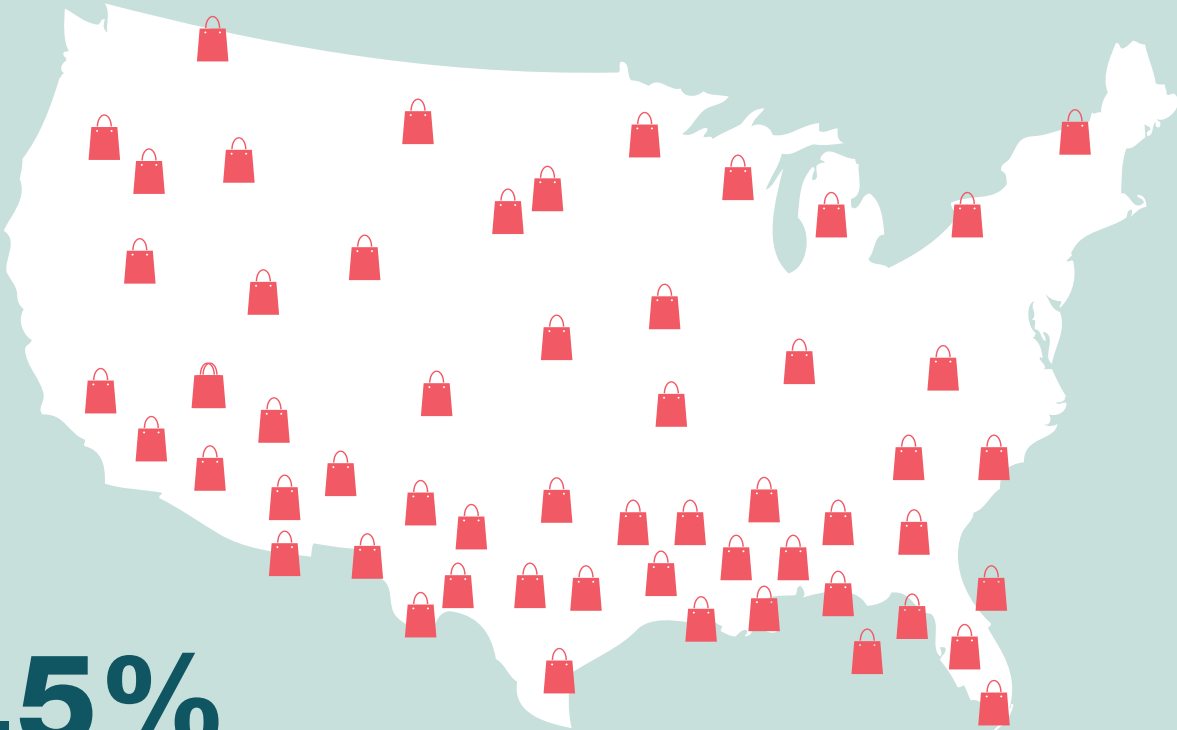
BACK ² school

**Three critical
'Lessons' to get
the most from
this season**



General Landscape

In the U.S., the back-to-school (BTS) shopping season has always been one of the foremost spending periods for many brands.



11.5%

**INCREASE IN
2016 IN TOTAL
SPEND TOWARDS
BACK-TO-SCHOOL
SHOPPING**

**\$68
BILLION**

2015

**\$75.8
BILLION**

2016

As research suggests, there are some key trends that are affecting how shoppers engage with this year's season, and stands to have an enormous impact on brands' promotions & marketing strategies.

SPENDING VARIES GREATLY BY GEOGRAPHY: SHOPPERS IN THE SOUTHERN STATES SPEND

\$554 PER CHILD, ON AVERAGE

Shoppers in the southern states — who buy for 44% of all K-12 enrollees — spend early and spend the most.



MORE THAN
60%  

**OF IN-STORE BUDGET
IS FOR CLOTHING AND
SCHOOL SUPPLIES**

In-store shopping remains vital; one Deloitte report confirms that in-store shopping will continue to dominate the back-to-school season.

1/5

**SHOPPERS ARE
STILL UNDECIDED
WHETHER THEY WILL
BE SHOPPING ONLINE
OR IN-STORE**

Many back-to-school shoppers also use the internet to support their in-store purchase.

**In an effort to align
our brand and agency
partners' marketing
strategies with best
practices, the rest of
this guide will present
a snapshot of emerging
trends for the back-to-
school season.**



**TREND
#1**

Mobile and online engagement still rules back-to-school

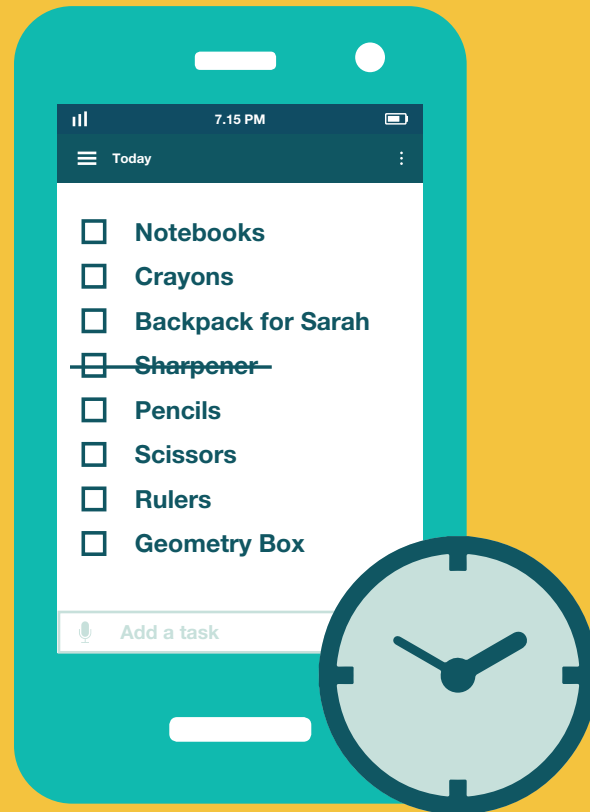
According to a BigCommerce survey, parents spend 61% more online per year as well as 75% more time searching for online products per week than non-parents.

PARENTS SPEND

\$ 61% ↑

75% ↑

One of the key demographics for back-to-school is, and may very well always be, Shopper Mom. For her, meeting at the crossroads between online shopping and mobile engagement will be one of the larger determiners of segment success.



SHOPPER MOM ONLINE SHOPPING X MOBILE ENGAGEMENT

Research has shown that Shopper Mom has less time to sit down and scan through online desktop sites,

and are opting for their smartphones to fulfill their back-to-school shopping lists.



SHOPPER MOM



**MORE THAN
30%
OF MOMS ARE MORE
LIKELY TO SHOP
ON MOBILE THAN
ANY OTHER ADULT
DEMOGRAPHIC**

Mobile remains such a key influencer of shopping behavior, that its force can be seen moving past the strictly online realm and into physical spaces such as brick-and-mortar stores.

**60%
OF MOMS USE THEIR
SMARTPHONES FOR
ONLINE PURCHASES
AND IN STORE
SHOPPING SUCH
AS COMPARING
PRODUCTS**

**56%
OF MOMS DECIDE
WHERE TO BUY
AND 52% ARE
ACTIVELY SEEKING
BRAND/PRODUCT
RECOMMENDATIONS**

Fundamentally, they walk into the store only after being fully informed.

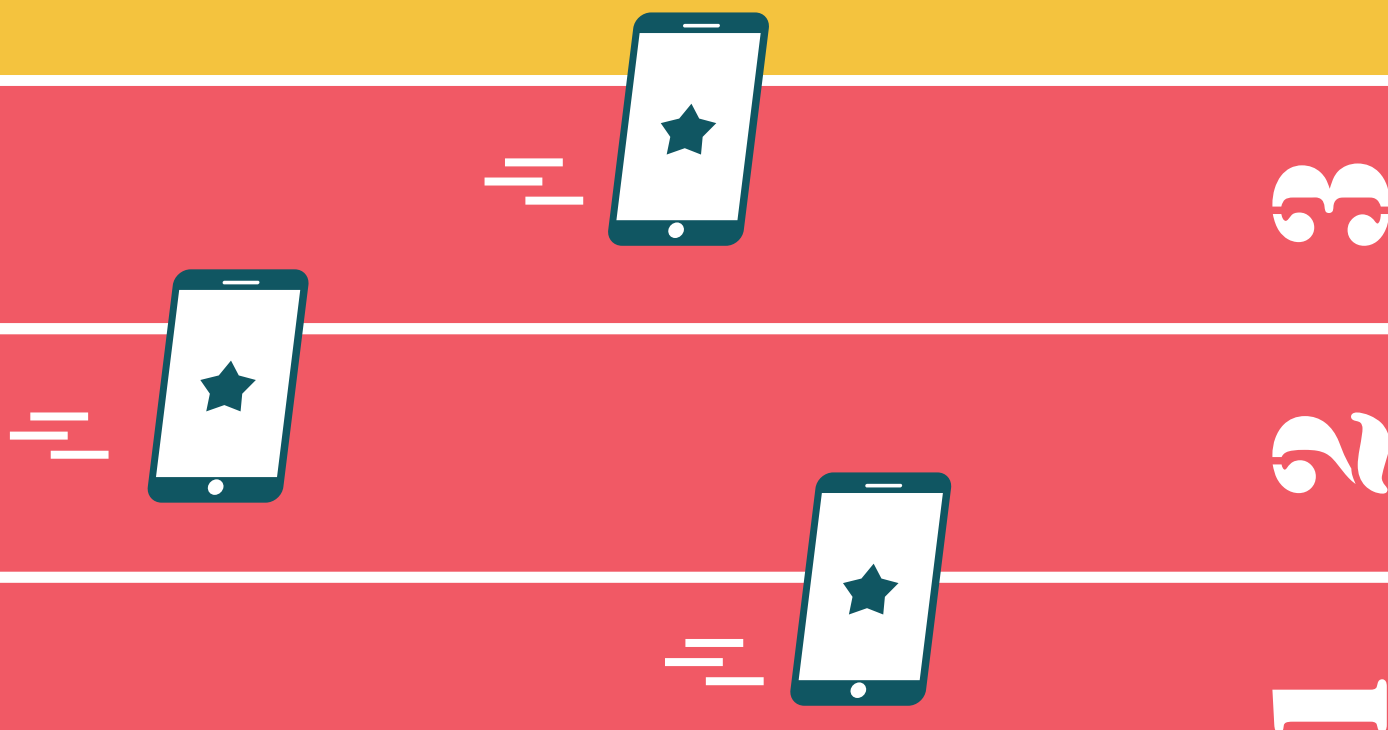
DADS ARE SHOWING THEIR SHOPPING INFLUENCE OVER TECHNOLOGY RELATED PURCHASES.

Shopper Mom is such a big variable in BTS success that dads sometimes get left out of the picture. This is a mistake, as they wield considerable influence of their own – and just like mom, they run on a fuel of technology and mobile. Similarly, dads are showing their shopping influence over technology related purchases.



81%
OF DADS SAY
LOCATION
BASED MOBILE
OFFERS WOULD
BE USEFUL

70%
OF DADS
WANT MOBILE
OFFER ALERTS



SO EXACTLY HOW CAN BRANDS MEET THE CONSUMER DEMAND FOR DIGITAL CHANNELS?

Try getting creative within and amongst these channels by beginning even before the season starts, such as producing a mobile contest or a sweepstakes program which might drive the audience for the upcoming season and generate excitement for your brand.



SNIPP AND RUBBERMAID

For example, Snipp worked with Rubbermaid and used SnippCheck to incentivize the purchase of writing instruments for the BTS season, where customers needed to buy 2 or more packs of Rubbermaid products and submit the picture of receipt by text, email or web upload. The platform would validate receipts for the promotion, and the consumer received an entry into a sweepstakes to win a college scholarship.

TREND #2

Customers are showing their preference towards value-add rewards

According to Inmar, last year saw the lowest number of coupon distribution since 2008. Even the ones that were distributed were redeemed at a much lower rate than previous years.

The BTS season is replete with promotional offers that are aimed at incentivizing consumers. However, the brands offering these incentives must consider the right mix of rewards to provoke not only a sale, but overall satisfaction and affinity. Traditional discount incentives, such as coupons, are losing effectiveness.



39%
OF PARENTS
LOOK FORWARD
TO UTILIZING
THE IN-STORE
PROMOTIONS
WHILE
SHOPPING

42%
OF CONSUMERS
SEARCH
FOR STORES
THAT OFFER
REWARDS



36%
OF PARENTS
SEARCH
FOR STORES
WHERE THEY
CAN REDEEM
REWARD POINTS





89%
OF SHOPPERS
REPORTED THEY
USED A COUPON,
DOWN FROM 92%
IN THE PRIOR
YEAR

42%
OF SHOPPERS SAID
THEY “USUALLY
OR ALWAYS” USE
COUPONS

According to Behaviour Study, Inmar

The primary reason behind this shift is the perceived lack of value in the discounts that stores offer. The right rewards can even pull a consumer from one retailer to another, lending credence to the value of retail-specific content as a reward; 91% of customers would shop elsewhere, if that store offered a reward for purchase. The SnippRewards platform is an ideal solution to get best-in-class digital rewards for efficient implementation into your programs.

91%
OF CUSTOMERS
WOULD SHOP
ELSEWHERE,
IF THAT STORE
OFFERED A REWARD
FOR PURCHASE



66%

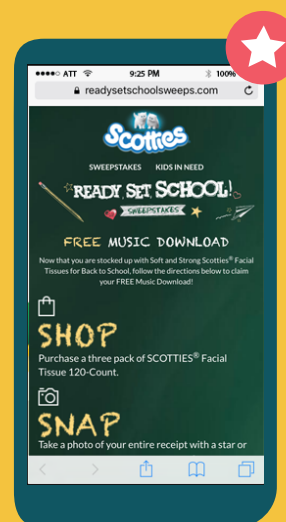
**OF SHOPPERS
AGREED THAT THEY
WILL SURELY SIGN
UP FOR RETAILER
LOYALTY PROGRAMS
DURING BACK-TO-
SCHOOL SHOPPING
IF OFFERED AT
CHECKOUT**

SNIPP AND F'REAL

When f'real foods, a California based food & beverage manufacturer, teamed up with Snipp to create a continuity-based rewards program, they recognized the impact a well-crafted digital rewards activation could have on their sales.

To engage with the program, known as f'real perks, consumers simply buy f'real products and send in their receipt and get access to great content such as music, movies, apps, games, and more.

At the end of the day, consider the benefits a full-fledged loyalty program might offer; 66% of shoppers agreed that they will surely sign up for retailer loyalty programs during back-to-school shopping if offered at checkout. The success of the f'real foods reward program led to its ultimate evolution into a full loyalty scheme.



SNIPP AND SCOTTIES

In a recently executed initiative for the 2017 BTS season, Snipp worked with Scotties to create an exciting back-to-school music rewards program. Scotties was faced with the account-specific challenge of driving sales in Walmart during the back-to-school period. In an effort to keep the BTS demographic engaged, develop associations with BTS themes, and ultimately drive sales, consumers were given a download code to redeem music from a catalog of millions of songs, once they purchased qualifying Scotties products at Walmart and submitted their receipt to prove purchase.

TREND #3

Consumers are becoming proactive and preponing their shopping dates

As per a recent Deloitte survey, 58% of consumers confirmed they would begin BTS shopping before August 1

Consumers— mainly parents themselves— are becoming more planned and focused and they're not waiting until the bustling days of August for back-to-school shopping for this season. This should be very compelling for brands, and they must consider this trend as an opportunity for more sales; shoppers who usually kick off their back-to-school efforts prior to August, tend to spend 26% more than the laggards who wait for a later date. Aside from a refreshed focus on family

spend planning, structural reasons are also influencing this behavior— a lot of states' sales tax holidays occur in the month of August which might pave way for additional promotions across retail channels.

SHOPPERS WHO START BEFORE AUGUST TEND TO SPEND

26% MORE THAN THE LAGGARDS WHO WAIT FOR A LATER DATE



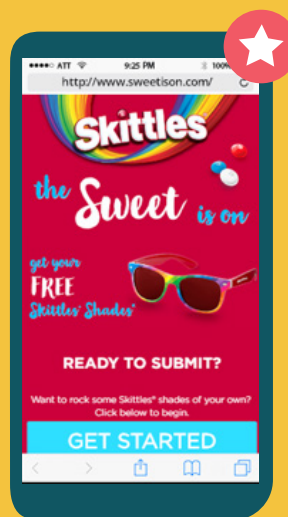
58%
OF CONSUMERS CONFIRMED THEY WOULD BEGIN BACK-TO-SCHOOL SHOPPING BEFORE AUGUST FIRST

Given the fact that customers are becoming increasingly savvy and planning their budgets more frugally, this is a great chance for the retailers and brands to implement a campaign spanning these two crucial months. When creating a program that extends outside the traditional BTS period, it may be prudent to re-orient the themes of the program to reflect the seasonality. Summer themed promotions, with rewards that reflect the demographic and the overall environment, often can work better than school-themed programs at driving participation earlier in the summer months.

august



september



SNIPP AND WRIGLEY

Snipp recently worked with Wrigley on a program for their Skittles brand, where consumers who purchased participating **Skittles product SKU's at Kroger stores submitted their receipt for a pair of Skittles branded summer shades**. This is a great way of not only capitalizing on early BTS shoppers sales, but also keeping the brand top-of-mind throughout the summer so that even more of their purchase behavior can be captured as the back-to-school season carries on.

Final thoughts

Today's trends throw a light on the changing behaviors of consumers during the BTS season. However, it must be understood that this poses both opportunities and challenges for brands.

Tips for Brands & Retailers

Overall, in order to reap the benefits of back-to-school shopping, brands need to do the following:



**START EARLY,
BEFORE THE
SEASON
BEGINS**



**APPEAL TO
TARGET
AUDIENCES**



**OFFER VALUE
TO CONSUMERS
WHICH SUITS
THEIR NEEDS**

While success is never a guarantee, there are definitive strategies you can implement to put yourself in the best position to capitalize on this lucrative shopping period.

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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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