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Back to School Overview

2023

2023 Back to School

With Summer in full swing, the warm weather and longer days have brought about a sense of excitement and relaxation. However, for marketers, our minds are already focused on the Back-to-School shopping season. That time of year when students of all ages, along with their parents, are on the hunt for essential school supplies – with laptops and tablets, backpacks, pens, pencils, and an array of other school necessities topping the shopping lists.

Here at Publicis Commerce, we understand the significance of this season and its impact on brands and retailers. By analyzing the prominent trends and leveraging our extensive network of partners, we have gathered insights that can serve as a guiding light for brands seeking to thrive during this momentous shopping event. In this report, we will explore the emerging trends in Back-to-School shopping, providing valuable information on the changing preferences of students and parents alike.

Overview

01 3 TIPS TO OPTIMIZE YOUR BACK-TO-SCHOOL CAMPAIGN
by Emily Staples, Manager, Commerce Strategy, **Publicis Commerce**

Back-to-School is an incredibly bustling season for marketers and brands alike. With a staggering $34.4 billion in consumer spending taking place over a span of a few months, it has become a pivotal moment for CPG, Fashion, and Beauty brands. As we enter July and August, we find ourselves at the peak of the back-to-school shopping frenzy. Although many strategies have already been implemented as early as April, here are some valuable insights to maximize the effectiveness of your campaign budget as we progress through these high-demand shopping months.

Double check your audience targeting: It's crucial to recognize the distinction between back-to-school shoppers and back-to-college shoppers. According to a Google report, back-to-college students are typically shopping for themselves, whereas back-to-school shoppers are predominantly parents or guardians. Additionally, Pinterest reveals that nearly **50%** of self-shopping back-to-school students prioritize sticking to a budget, while approximately **70%** of parents shopping for their children do not have a fixed budget. These disparities in conversion triggers highlight the importance of aligning ad placements, keyword targeting, and content with the preferences and behaviors of these distinct audience segments. Avoid relying solely on third-party data from platforms and retailers when devising your plans. Instead, consider leveraging insights from first-party partners like Epsilon for a more effective understanding of the consumer journey.

Diversify your channel strategy: According to Pinterest, **35%** of consumers surveyed do their back-to-school shopping in multiple trips. This means your brand has multiple chances to influence carts. Consumers will also typically shop across 4-5 back-to-school categories. To win consumers along their disconnected shopping journey, utilize an omnichannel approach along with multiple ad formats used in each channel. According to Twitter, incorporating three unique formats can increase awareness by **20%** and purchase intent by **7%**. Those aren't small numbers when considering the saturation of the category. Additionally, don't count out unorthodox channels. Back-to-school shoppers are everywhere. For instance, Reddit cites **60%** of Redditor parents plan to spend $300 or more on upcoming BTS purchases.

Connect online and offline: Consider the importance of bridging the gap between physical and digital shopping. Ensuring a seamless brand experience across both physical and digital shelves is crucial. Keep in mind that achieving success online doesn't always directly translate into conversions. According to Google's back-to-school report, in-store foot traffic is expected to surpass online traffic. Therefore, it's essential to focus on converting digital traffic into physical store visits to emerge as a frontrunner. One effective strategy is leveraging local inventory ads and local ad extensions to promote real-time pick-up options. Incorporating in-store pickup language within ad content, particularly when targeting specific locations, can further drive customers to visit physical stores.

In summary, even though we are already in the midst of the back-to-school shopping season, there are still opportunities to win over consumers and drive product conversions. Regularly monitor the status of your campaigns as we enter the peak shopping months and ensure that you optimize your campaign targeting and channels for both in-store and online success during this critical back-to-school season. ◆

Google

Platform Insights:

- Majority of Back to School (BTS) shopping occurs in July & August

    - **11%** of consumers have already started shopping in May/June

    - BTS search demand peaks the third week of August across most categories

    - **87%** expect to shop in-store (as high as **91%** for children's footwear) and **76%** online

    - **83%** of consumers plan to spend the same or more as 2022

- Back to College (BTC) are different demographic: As compared to Back to School, Back to College shoppers more frequently shop for themselves, with demand spiking June through August across all categories.

    - While backpacks over-index on back-to-school searches, Electronics are more popular among BTC shoppers, especially "laptops."

    - Outside of laptops, "College Dorm" & "Dorm Bedding" searches are highest volume & in 2022 spiked in July & Aug

How to Win Back to School According to Google:

- Maximize Profitable Sales: Increase traffic to key Back to School category landing pages and emphasize last-minute gifts like gift cards using Broad Match. Adjust your targets to meet seasonal demand and allocate larger budgets to maximize impact.

- Win the Omni-Shopper: Fine-tune your SVV (Shopping Vision Value) to generate more demand for your store. Drive in-store footfall with PMax for Store Goals. Utilize Local Inventory ads and local ad extensions to promote real-time pick-up options.

- Engage High-Value Customers: Promote special offers and stimulate demand for products early on through efficient Video Reach Campaigns. Capture and convert customers with high purchase intent through Video Action + Google Discovery with Product Feeds."

Overarching message across all categories: In-Store expected to be higher traffic than online (but safely expect omni-channel shopping), so local inventory ads via product feeds will be key – especially in footwear – as Availability is a decision factor closely behind Price and Quality. ▸🗎

Pinterest

Platform Insights:

- **+75%** of shoppers use social media for ideas and recommendations on what to buy for back-to-school, and are more inspired to use social media and content aggregate sites (like Pinterest) for ideas for shelf-stable snacks and convenient breakfast food.

- More than 4 in 5 Shoppers spent the same or more on back-to-school shopping last year, compared to the year prior despite economic concerns.

- **35%** of consumers surveyed do their back-to-school shopping in multiple trips, your brand has multiple chances to influence their carts.

- Multiple products: consumers typically shop across 4-5 back-to-school categories.

- Gen Z: increasingly discovering and purchasing from brands seen on content platforms (Pinterest, TikTok, Instagram) over Social Media (Facebook, Twitter, Snapchat) for BTC

- Nearly **50%** of self-shopping BTC students report sticking to a budget, whereas **70%** of parents shopping for students report not having a fixed budget.

How to win Back to School According to Pinterest:

- Inform your content strategy early based on back-to-school planning trends. The sooner they discover new products, the more consideration time they'll have to compare products, prices and availability.

  - April/May: End of year ideas

  - June: Kindergarten prep

  - July: Grade school supplies

  - Aug: First day (clothes) & lunches

  - Sept: School year routines (after school)

- Standard ads and vertical video ads will build awareness, drive consideration, and get conversions, and partnering with content publishers to co-op the launch your product. ▸▤

reddit

Platform Insights:

- **60%** of Redditor parents plan to spend $300 or more on upcoming BTS purchases.

- Influence Redditors throughout the entire consumer journey

    - Discovery: **58%** of parents researched different BTS products or brands

    - Consideration: **56%** compared specific features and reviews of BTS related products or brands

    - Decision: **54%** say Reddit helped confirm their BTS product decision was the right choice for them

How to win Back to School According to Reddit:

- **Target the right Categories:** Activate campaigns where BTS conversation and research is happening such as Parenting, Career Planning, National News, Humor, Travel, Life Advice, College Education and Personal Finance.

- **Surround BTS Conversations from June through September:** Reach potential consumers before they start shopping in June. Make an impact by owning the peak of conversation in late July to August. Retarget the most engaged audiences through September.

- **Maximize and Activate the Right Toolkit:** Reddit Ads Manager offers a variety of offerings across the funnel, from Auction to target based on interests to Takeovers to reach people visiting select communities. ▸🖹

Snapchat

Platform Insights:

- Snapchat enhances relationships between friends, family and the world. Particularly around BTS, communities like friends, roommates, partners and brands come together to discuss topics such as:

    - The food we eat

    - The self-care products we use

    - The clothes we wear

    - The tech we can't put down

- Snapchat reaches **90%** 13-24 year olds in the U.S.

- **91%** of Snapchatters trust recommendations from friends and family as a source of information about brands and services. ▸🗎

Platform Insights:

Audience

- Gen Z and Millennials drive the majority of BTS conversation
    - **43%** Male
    - **57%** Female
- 1 in 5 active monthly TW users who are parents/guardians have children between 12-16 years old.
- 1 in 10 active monthly TW users are currently students.

Conversation

- BTS tweets start to climb in July and peak towards the second half of August.
- Most uniquely mentioned keyword for Gen Z within BTS conversations include:
    - Books (13x more likely)
    - Preparing (18x more likely)
    - Outfit (17x more likely)
    - Classes (18x more likely)
    - Campus (20x more likely)
    - Snacks (25x more likely)
    - Clothes (28x more likely)
    - Teachers (36x more likely)

How to win Back to School According to Twitter:

- **Incorporate 3 or more ad formats:** This increases the probability of success across the entire customer's journey. Incorporating 3 unique formats can increase Awareness by **20%** and Purchase Intent by **7%**. ◆

It's that time of year: back-to-school. While parents pack snacks and fill backpacks with school supplies, CPG brand marketers are gearing up pivotal campaigns. In 2022, back to school spending reached $37 billion despite high inflation, according to the National Retail Federation, and brands are vying to get a piece of that lucrative market.

For many CPG brands struggling with limited first-party data, there's a significant learning curve to activating campaigns for people who are ready to buy. But with the right martech solution, brands across verticals can achieve higher purchase conversions.

It's not a cheat sheet. A sales optimization tool, like Epsilon's Verified Purchase Optimization, can identify individual consumers instead of relying on segments or modeled audiences, meaning CPG brand marketers can identify their best customers and work within their purchase cycles to nurture strong relationships and lifetime value. Not only that, but it can drive better results (than other solutions) without having to spend any more money.

"This is CPG nirvana," said Dan Perez, vice president of CPG media solutions at Epsilon. "CPG brands can reach consumers and optimize after they've seen a particular message. That means I'm reaching people who have yet to buy and not those who've already purchased. Brands spend less, reach more people in a more effective way and they can see how it's working right away."

Powerful identity is in a class all its own.
Brands with limited data—or those who rely heavily on third-party cookies—often use broad segmentation to drive their campaigns. During peak times of year, like back-to-school, competition is stiff and there are fewer opportunities to capture the interest of the consumer.

Modeled audiences can give marketers a sense of who they want to reach, but ultimately contribute to waste. For brands using a sales optimization tool, especially one built on a strong identity solution like Epsilon's CORE ID, brands can start optimizing campaigns against an individual, not just a segment.

The end result? Marketers know who is actually in-market, whether they've already purchased the product, and if they haven't, what messages on which devices resonate most. This creates a continued cycle that drives higher lifetime value. Not only are brands finding people in the wild to drive new revenue, they're establishing a solid purchase cycle with the customers who already love their product.

"It allows you to fine tune your campaign to the most active audiences and drive greater campaign performance," Perez said. "This has always been a limitation for CPG brands that we can now address. Epsilon's Verified Purchase Optimization tool fills that gap in the marketplace."

For CPG brands, who have fewer opportunities to capture the interest of a consumer before they switch to different brand or skip your brand altogether, getting clearer on customer identity is imperative. ▸▤

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Fruits of marketing labor: Sales optimization in the wild.

For one Epsilon CPG client, employing a sales optimization tool caused a reduction in ad waste, created higher reach and enabled better efficiencies. This iconic brand is known for selling fresh and packaged produce in the U.S., including items commonly found in lunchboxes across the country. They relied on third-party cookies to power their marketing operations, and in turn, couldn't see the full scope of buyer interactions across all digital formats.

This meant serving ads to consumers who weren't in market or had already purchased at the household level. And because they were using directional measurement to allocate budget to the "best" segments rather than individuals, they couldn't control media delivery and message frequency to get the biggest bang for their ad buck. When it came time for their fall campaign to raise awareness and consideration for their fruit cups, they turned to Epsilon.

Integrating Epsilon CORE ID with purchase data from Circana allowed the brand to identify people that just bought. Leveraging a mix of connected TV (CTV), over-the-top (OTT), online video (OLV) and display ads, they moved buyers through the path-to-purchase. Epsilon's Verified Purchase Optimization solution, powered by Circana, enabled the CPG brand to make sales optimizations in flight based on purchase data: Once a targeted customer purchased their product, messages to that consumer were suppressed.

With current buyers removed from upper funnel marketing, the brand could optimize their message and reach consumers that hadn't bought, allowing them to fine-tune their media spend to drive more incremental sales. They also could reactivate buyers when they were ready to buy again.

The results were A+. Over the course of the 14-week campaign, the CPG brand reached 4.6 million unique households within their desired market and suppressed on average 295,000 weekly buyers during the same campaign cycle. Each buyer was exposed to the same advertisement 3.8 times on average and spent about 44 days in the purchase cycle. Campaign efficiencies include a **19%** media savings and a **65%** lift in household penetration (HHP).

Using Epsilon's Verified Purchase Optimization solution, the brand saw their year-over-year performance increase three-fold, with a **9.6%** lift in HHP.

Ace your back-to-school campaigns with greater performance & media efficiencies.

With true people-based identity tools like Epsilon's Verified Purchase Optimization, CPG brands can ace their campaigns for back-to-school season and beyond, driving greater performance and media efficiencies.

When you know who's actually buying your brand, it becomes possible to attain the seemingly impossible dream of CPG marketing: lifetime value. You can optimize the sparse first-party data you may have by identifying and reaching the right people at the right time, creating campaigns that truly make the grade. ◆

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